



Liverpool City Region Skills for Growth



FINANCIAL AND PROFESSIONAL SERVICES

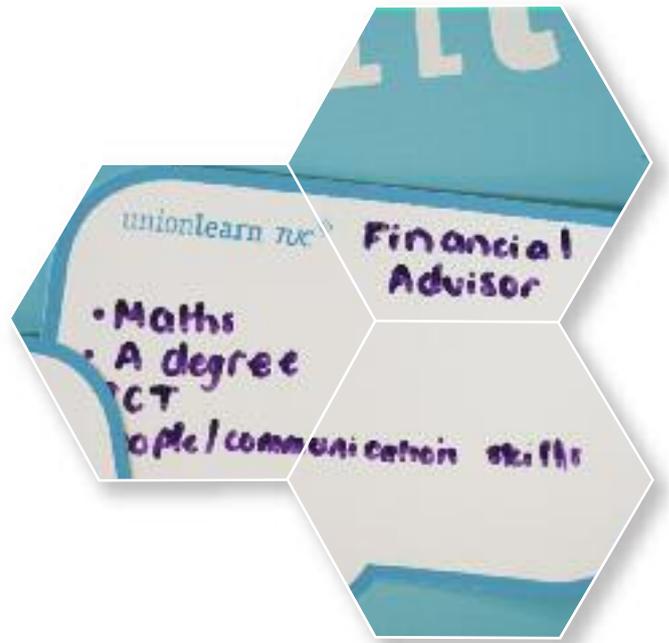
A Skills for Growth Agreement



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Summary

This Agreement document is employer-led, supported by Professional Liverpool and various other professional bodies, provider-focused and has the support of key partners through the Liverpool City Region Employment and Skills Board.

Key issues identified by this research include:

- The Financial and Professional Services sector is an important one for Liverpool City Region and has **good prospects for jobs and Gross Value Added (GVA) growth and career progression**.
- The existing skills base and cost competitiveness of the City Region makes it an attractive location for ‘**North Shoring**’ (supporting City of London based businesses to reduce their cost base by relocating support functions to the City Region).
- The **sector locally is opening up more associate professional routes** to ensure that the companies can provide cost-effective advice to their clients as paralegals or paraplanners, etc.
- The profile of the sector is not as high as might be expected locally and **employers are concerned that young people in particular do not have full understanding of the options open to them**.
- Graduate recruitment remains an important talent source but at least in the short-term fewer places are on offer and there is a concern that **there will be an over-supply of graduates in some parts of the sector (e.g. legal services)**.
- Employers identified a **need to promote the sector to potential employees** as being concerned with providing ethical professional support and advice to clients to help them solve problems; it isn’t only about good numeracy and literacy but also customer care and trust which are vital.



Headline actions

Based on the analysis of the demand for, and supply of, skills the Agreement recommends the following headline actions.

- Employers to use **pre-degree recruitment** more, using in-house/external training and development (particularly employer-led Apprenticeships) to meet the roles required within the business; sometimes this will be to degree level, increasingly it will stop short at 'para' or technician level.
- Increasing self-employment in the sector provides an expanded opportunity for business and professional bodies locally to support members to **develop cross-cutting professional networks and entrepreneurial skills**.
- Promote the Financial and Professional Services sector in schools, colleges and universities through localised **all-age careers education**, focused on:
 - the range of career opportunities on offer and the skills requirements needed to fulfil them e.g. A-C GCSE Maths and English for most roles
 - promoting the wide range of non degree level entry, with Higher Level Apprenticeships leading onto degree level
 - support for careers education work by Financial and Professional Services professional bodies and active initiatives operating locally including Business in the Community, Inspiring the Future and MerseySTEM
 - building presentation, employability and business awareness skills into the curriculum
- Large employers in the sector and relevant professional bodies to lead by example in **making use of best practice**, including promotion and roll out of appropriate national initiatives on a local level.
- Training providers to include Financial and Professional Services relevant **employability skills and business ethics** in their courses.
- Working with business support organisations and professional bodies active in the City Region, micro and small Financial and Professional Services companies to formally recognise the importance of their support staff by ensuring they have **the right industry standard skills and qualifications**. Specifically, by making it easier for them to:
 - Acquire information on the accredited skills, training and financial support on offer for their support staff (e.g. business administration / customer service)
 - Give their employees opportunities to access this training provision, including on an in-work and (where necessary) time release basis
 - Collaborate to achieve economies of scale in training delivery of existing staff.

Sector briefing - Financial and Professional Services

Liverpool City Region has a long association with the **Financial and Professional Services** sector. The Sector has been identified as one of the job growth sectors for the City Region with **an increase in more than 18,000 jobs predicted between 2013 and 2030¹**.

Liverpool City Region Financial and Professional Services

The North West is considered to have one of the country's strongest Financial and Professional Services sectors outside of London due to the region's access to graduate labour, university research capabilities and cost competitiveness when compared to the capital². As part of the Knowledge Economy, the Financial and Professional Services sector has been identified as one of the Liverpool City Region's growth sectors that will help drive future sustainable prosperity and international competitiveness while creating thousands of new jobs.

The definition of Financial and Professional Services in the Liverpool City Region is wider than Finance, Insurance and Other Professional Services sectors adopted elsewhere. It is similar to the definition of Professional and Business Services (PBS) used by the Department of Business, Innovation and Skills (BIS) but includes:

Finance, Legal and Insurance sectors along with some aspects of Architectural and Engineering services and related technical consultancy, Technical Testing and Analysis, Administrative and support services, as well as head office functions in areas such as Marketing, Human Resources and Procurement and Call Centre operations.

The Sector includes Finance, Legal and Insurance sectors along with some aspects of Architectural and Engineering services and related technical consultancy, Technical Testing and Analysis, Administrative and support services, as well as head office functions in areas such as Marketing, Human Resources and Procurement and Call Centre operations.

The sector has a myriad of bodies informing the professional standards within their specialisms that provide various support and influence in their particular sub sector including endorsement of skills training and delivery. Chart 1 provides an overview of some of the professional bodies involved in the sector.

¹ Oxford Econometrics Forecasts (2014) - Commissioned for Liverpool City Region

² Liverpool City Region's Knowledge Economy: Delivering new opportunities for growth

CHART 1
PROFESSIONAL BODIES INVOLVED IN THE FINANCIAL AND PROFESSIONAL SERVICES SECTOR



The City Region has particular national strengths in wealth management and maritime professional services. For Wealth Management, according to Compeer³, Liverpool has more funds under management than any city other than London, with Rathbones and Investec having a significant presence in the city.

Within maritime professional services, local clusters of activity include maritime law, marine insurance, accountancy, ship finance, ship broking, ship and cargo surveying and freight derivatives.

Financial and Professional Services provides an important complementary role, central to setting standards, enhancing skills levels and spreading innovation and good practice throughout business and industry more widely⁴. This regional expertise in niche markets combined with Higher Education research strengths in the sector, access to graduate labour and a competitive cost base is

expected to provide a foundation for growth in the future.

In addition major 'Tier 1' companies in terms of their scale and strategic importance in the wider Financial and Professional Services sector within the City Region include:

- Hill Dickinson, DWF LLP, Weightmans Solicitors, Grant Thornton, PwC, Arup, Santander and Barclays.

The UK's Professional and Business Services (PBS) sector is globally competitive, with a share of exports to developed countries second only to the US and a trade surplus of £19 billion⁵. The sector also plays a role in the success of much of the rest of the UK economy by providing expertise and advice. Along with the Finance sector, the PBS sector is seen by government as vital to future competitiveness:

³ <http://www.compeer.co.uk/uk-wealth-management-industry-report-193.html>

⁴ Knowledge Economy: Delivering New Opportunities for Growth

⁵ Growth is our Business: A Strategy for Professional and Business Services, Department for Business, Innovation and Skills, July 2013, p2

Our vision sees the UK as the main global hub for knowledge intensive Professional and Business Services (PBS), with growing exports to emerging markets, building on the industry's position as a premier UK export sector. There is also potential for the expertise of PBS firms to be used more intensively by UK businesses in other sectors, as they seek to innovate, export and respond to new challenges. The knowledge and networks of the sector can help the clients they serve to grow and export and hence bolster growth in the wider economy.

Growth is our Business: A Strategy for Professional and Business Services

Developing the sector at both national and regional level will be dependent on ensuring that employers have ready access to a skilled workforce, able to innovate and add value. While the sector traditionally employs well-qualified employees (52% have qualifications at or above Level 4⁶), many firms have focused on raising the productivity of their most skilled and experienced 'interaction' workers by reassigning routine tasks that can be taken on by lower cost technicians, for example, the growing use of paralegals in the legal profession⁷. This is an important driver in skills demand - **higher skilled staff remain vital but access to larger numbers of technicians is as important to the future development of the sector.**

The strength of City Region-based firms has already made a difference (see Figure 1). **Over 80,000 people work in the Financial and Professional Services sector across the City Region (representing 13.5% of total employment)⁸** in over 6,100 businesses⁹. Employment in Financial and Professional Services has recovered well, growing by 15.5% since 2009. During the same period, total employment in the Liverpool City Region has fallen by 0.9%. Forecasts for the sector suggest that employment will continue to increase at almost 1% per annum to 2025 and deliver above average GVA growth for the Liverpool City Region.

Professional Liverpool

Professional Liverpool is a membership organisation with an objective to promote professional excellence in the Liverpool City Region and to enhance its reputation as a financial and professional centre of excellence. The organisation facilitates the development of business and personal relationships among its members and enables access to support services to achieve improved business performance in the city.

Professional Liverpool currently undertake mock interviews in support of HE students, providing feedback on their performance as part of the Liverpool John Moores University World of Work programme giving graduates a chance to practice their interview techniques with real employers in the sector.

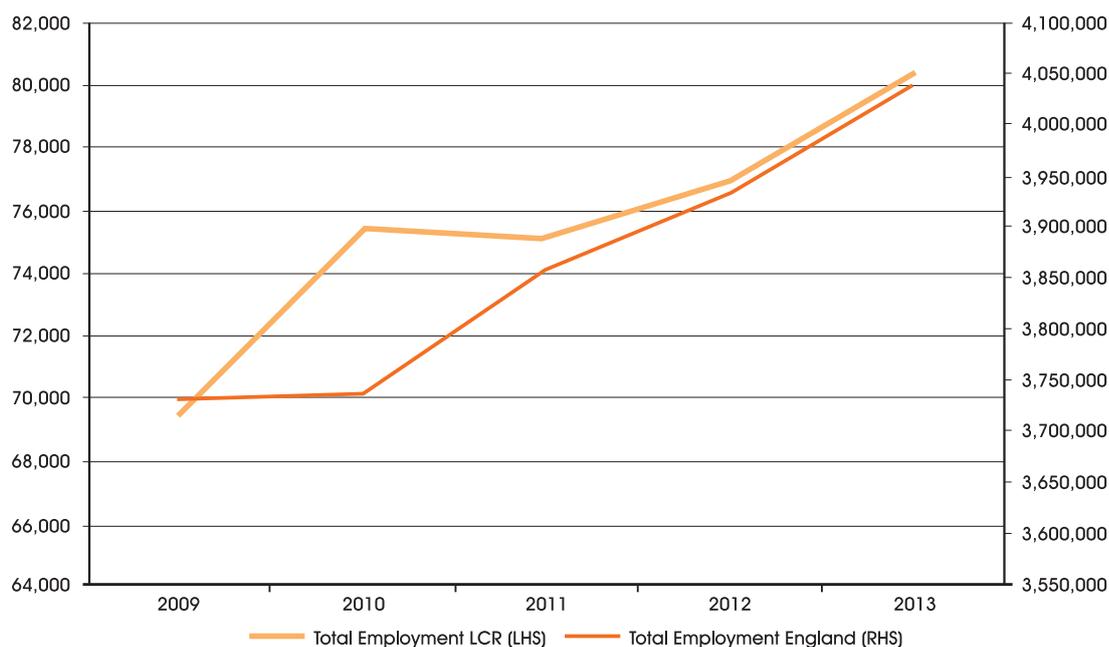
⁶ Sector Skills Assessment: United Kingdom Financial, Insurance and other Professional Services, Skills for Justice, Financial Skills Partnership, e-Skills for UKCES, November 2012

⁷ Preparing for a new era for work, McKinsey Global Institute, McKinsey Quarterly, November 2012

⁸ Business Register and Employment Survey workplace-based employment, LCR definition of FPS Sectors 2013

⁹ UK Business Counts - Enterprises in the Liverpool City Region according to LCR Financial and Professional key sector definitions

FIGURE 1
FINANCIAL AND PROFESSIONAL BUSINESS SECTOR EMPLOYMENT



Source: ONS BRES 2013

Moreover, the Financial and Professional Services sector provides good quality employment - the majority of employees in the sector work in fulltime employment (78%) compared to 65% of all employment in the Liverpool City Region¹⁰. Average wages in the various Financial and Professional Services sub-sectors vary from around £20,000 to £39,000 but are mainly above the average across the North West economy as a whole (£20,500)¹¹.

The sector has a broad spectrum of companies providing enabling expertise including¹²:

- Wealth Management - Rathbones, Panmure Gordon, Investec, Quilter Cheviot, Fraser, Coutts, Shore Capital, Blankstone Sington, Barclays Wealth
- Accountancy and Advisory - Ernst & Young, PwC, Grant Thornton, KPMG, Mazars
- Banking - Santander, RBS, HSBC, Lloyds Group, Barclays
- Law - Brabners, DLA Piper, DWF, Hill Dickinson, Weightmans
- Call Centres - O2, The Contact Company, Shop Direct, QVC, Vertex
- Built Environment Consultancy - Arup, Brock Carmichael Architects, GVA, Jones Lang LaSalle, Mason Owen and Partners, Peel Land and Property

Average wages in the various Financial and Professional Services sub-sectors vary from around £20,000 to £39,000 but are mainly above the average across the North West economy as a whole (£20,500)¹¹.

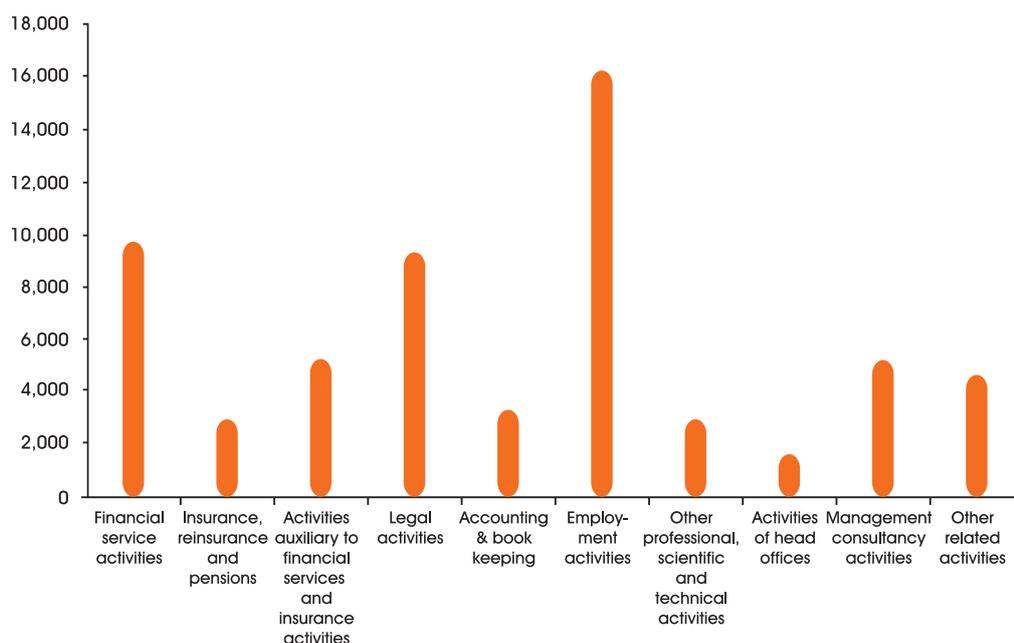
For further information on the wider economic development actions being taken to support the sector, please see Liverpool City Region's Knowledge Economy: Delivering New Opportunities for Growth produced by the Local Enterprise Partnership (LEP):
http://www.liverpoollep.org/about_lep/key_documents.aspx

¹⁰ BRES workplace-based employment, 2013

¹¹ ASHE 2012, provisional results Table 5.7a Gross median Annual Pay in the North West

¹² http://www.liverpoollep.org/priorities/knowledge_economy/financial_professional.aspx

FIGURE 2
EMPLOYMENT IN KEY SUB-SECTORS IN LIVERPOOL CITY REGION FINANCIAL AND PROFESSIONAL SERVICES, 2013



Source: ONS BRES 2013

Financial and Professional Services Sector composition in the Liverpool City Region

As noted, the Liverpool City Region LEP has adopted a broad definition of the Financial and Professional Services sector covering the full range of professional advisory services.

Not all these Financial and Professional Services sub-sectors have emerged unscathed from the recession. The impact of the recession on the demand for financial services and significant regulatory change affected financial services employment in particular between 2009/12. Employment in financial services and Insurance both declined in the sector from 22% to 17% over the period. The introduction of the Legal Services Act opening up the legal services market, alongside major changes to the funding of Legal Aid, have impacted on the structure of legal firms and led to a loss of employment in the Liverpool City Region.

On the other hand, national and local evidence suggests that the growth in other professional services in the Liverpool City Region such as employment activities, office administration, technical consultancy and other professional, scientific and technical activities have more than made up for these reductions (see Figure 2).

In keeping with the City Region's broader employment profile, and as may be expected with businesses of this nature, a significant concentration of these firms are based within Liverpool City Centre with secondary clusters existing in Southport (Sefton) and Birkenhead (Wirral). There are also a large number of mainly micro Financial and Professional Services businesses providing legal, financial and other support and advice to local businesses across the City Region.

Businesses in the local Financial and Professional Services sector may find it harder to invest both time and money into upskilling of their existing workforce due to the high prevalence of small firms. Recent analysis shows that, in the Liverpool City Region, almost three-quarters of businesses employ fewer than 5 employees. When considering larger firms that are more likely to have the capacity to consistently invest in training, there are just 2% employing more than 50¹³.

As noted, the sector has recovered well from the recession and employment in the Liverpool City Region has grown overall. This has occurred as the sector has consolidated; larger firms (over 250 employees) have grown by 41%, small businesses by 7% but employment in mid-sized firms has contracted by almost 10%.

¹³ Source: ONS IDBR Data March 2012

Financial and Professional Services - Skills profile

Job types

The Financial and Professional Services sector includes a range of highly skilled occupations but also requires support from an increasing proportion of individuals with intermediate skills. Over half the sector's employees are qualified to above Level 4 but as a whole the sector is improving productivity by carefully disaggregating tasks so that high-skill employees (e.g. solicitors) can focus on what they do best and they can leave the more routine tasks to those who are skilled specialists but not as (yet) qualified (e.g. a paralegal who are often employed directly by solicitors but can also work within a legal role in other sectors).

This mix of high and intermediate skills is demonstrated in the major occupational groups:



TABLE 1
LARGEST OCCUPATIONAL GROUPS WITHIN THE
FINANCIAL, INSURANCE AND OTHER PROFESSIONAL
SERVICES SECTOR UK

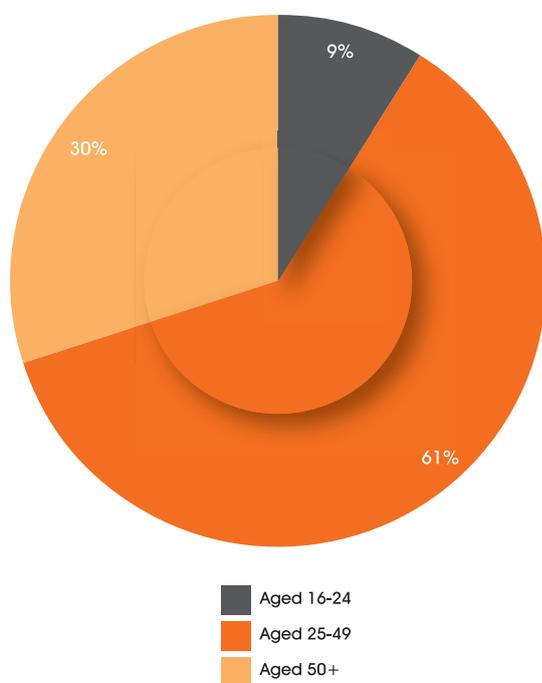
| Rank | Occupation | 000s | % Workforce |
|------|---|--------------|----------------|
| 1 | Accounts wages clerk, bookkeeper | 130 | 7 |
| 2 | Finance & investment analyst & adviser | 124 | 6 |
| 3 | Financial institution managers | 123 | 6 |
| 4 | Solicitors & lawyers, judges & coroners | 114 | 6 |
| 5 | Counter clerks | 107 | 5 |
| 6 | Financial managers & chartered secretaries | 100 | 5 |
| 7 | Management consultants, actuary, economists & statisticians | 93 | 5 |
| 8 | Chartered and certified accountants | 82 | 4 |
| 9 | General office assistants or clerks | 68 | 3 |
| 10 | Marketing and sales managers | 62 | 3 |
| 11 | Pensions and insurance clerks | 57 | 3 |
| 12 | Software professionals | 50 | 3 |
| 13 | Personal assistants & other secretaries | 46 | 2 |
| 14 | Brokers | 44 | 2 |
| 15 | Customer care occupations | 41 | 2 |
| | Other occupations | 746 | 38 |
| | Total Workforce | 1,987 | 100 |

Source: Labour Force Survey 2010, taken from UKCES SSA: Financial, Insurance and other Professional Services sector, November 2012

Sector age profile

Currently in the Liverpool City Region, 3 in 10 of those in the Banking, Finance and Insurance workforce are over 50 years of age, with only 9% aged between 16-24 years, (compared to 12% 16-24 year olds in the wider City Region economy). This suggests that there is less of a concern regarding replacement demand in the Financial and Professional Services sector compared to some of the City Region's other growth sectors (e.g. Advanced Manufacturing) but identifies the need to ensure that existing employees and younger people embarking on a career are aware of the relevant, ongoing progression routes available to them as they enter the industry.

FIGURE 3
LIVERPOOL CITY REGION BANKING, FINANCE AND INSURANCE EMPLOYMENT BY AGE



Source: Annual Population Survey Workplace Analysis for SIC K-N, Banking, Finance and Insurance, July 2013-June 2014

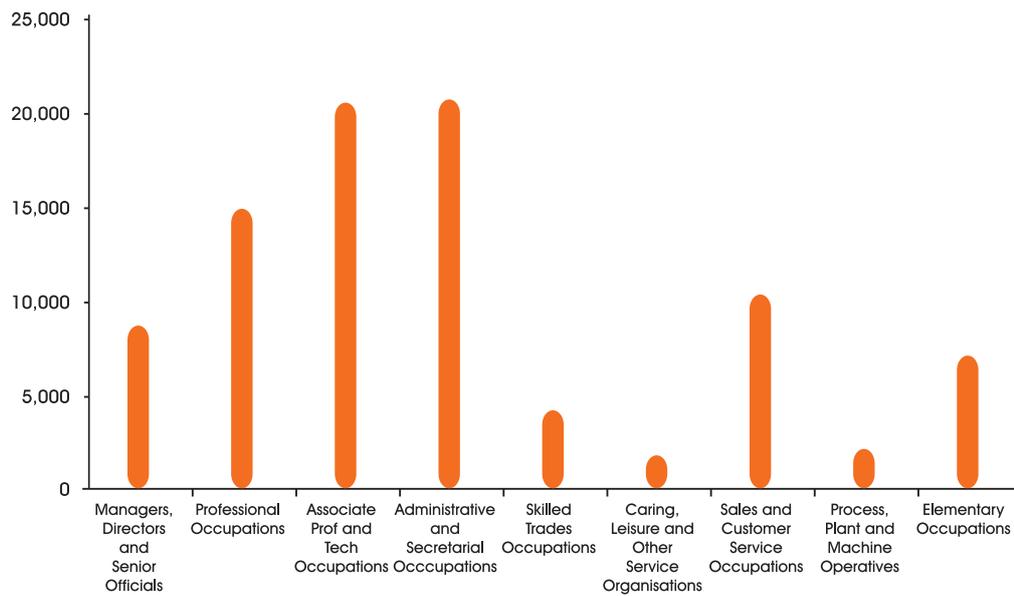
Almost 9 in 10 employees are over 25, this highlights the role of training investment for the existing workforce on an in-work and flexible basis, (and to promote this approach to companies that don't already provide staff training in this way). When considering the gender split within the Liverpool City Region's Financial and Professional Services sector, analysis shows that while there are an equal number of males and females employed within the sector, females predominate in Administrative and Secretarial occupations and Sales and Customer Service occupations. This trend is mirrored by a higher presence of males employed in higher-level roles such as Managers, Directors and Senior officials and Professional, Associate and Technical occupations.

Research shows that local Finance sector companies are among the most likely to undertake Continuing Professional Development (CPD) and have invested more in training of their staff than last year (70% cf. 60% in 2011/12). As a result, they are also now much more aware of where they can access on and off the job training¹⁴.



¹⁴ Liverpool Business Survey, Foundations for Growth 2012/13, 2020 Research for Liverpool Vision, January 2013, p55

FIGURE 4
LIVERPOOL CITY REGION FINANCIAL AND PROFESSIONAL SERVICES EMPLOYMENT BY OCCUPATION



Source: Annual Population Survey Workplace Analysis for SIC K-N, Banking, Finance and Insurance, July 2013-June 2014

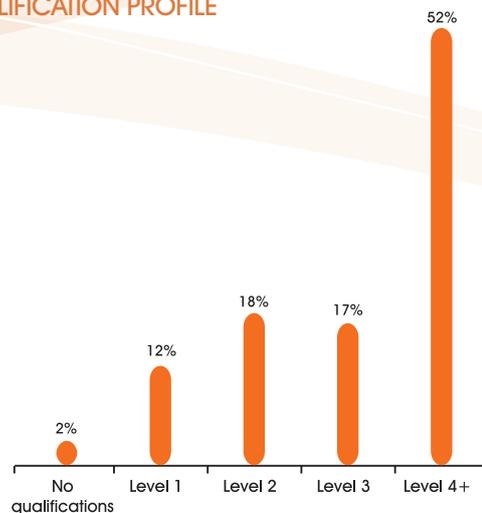
Sector occupation profile

Figure 4 shows that almost half of the jobs within the City Region’s Financial and Professional Services sector (in this instance, defined by Standard Industry Codes K - N; Banking, Finance, Insurance etc) are within Standard Occupational Classification (SOC) group 1-3 (Managers, Professionals, and Associate Professionals) which, as is to be expected, require and attract higher-skilled individuals (many with specialist training). A further 23% of local jobs in the sector are classed as Administrative and Secretarial occupations; likely to be based within the City Region’s contact/call centres, which have historically generated large volumes of lower-skilled jobs.

Key qualification levels

The Financial and Professional Services sector has one of the most well-qualified workforces in the UK economy, with more than half holding higher level (Level 4+) qualifications (52%) compared to 37% UK-wide. The sector also has relatively few employees without any qualifications (2%) compared to 7% of workers that have no qualifications across the UK.

FIGURE 5
UK BANKING, FINANCE AND INSURANCE
QUALIFICATION PROFILE



Source: Labour Force Survey 2010, quoted in Financial, Insurance and other Professional Services SSA, UKCES, November 2012, p44. NB total equals 101% due to rounding

The Financial and Professional Services sector has one of the most well-qualified workforces in the UK economy, with more than half holding higher level (Level 4+) qualifications.

Qualification rates have improved faster in the financial, insurance and other professional services sector than in other parts of the economy, just over a third of managers and professionals do not have a Level 4 qualification. The proportion with qualifications at Level 1 or below has almost halved from 20% to 12% from 2002 to 2010¹⁵.

Table 2 gives a clearer picture of the type of skills and levels associated with occupational groups within the sector.

Within the aforementioned occupational groups, it is important to consider the varied roles and responsibilities that an employee in the Financial and Professional Services sector will undertake. Feedback from local employers in the Financial and Professional Services sector strongly identifies the need for an effective balance of communication and technical skills across an organisation.

TABLE 2
SKILLS REQUIRED OF FINANCIAL AND PROFESSIONAL SERVICES OCCUPATIONS

| Broad occupational group | Sector occupations | Predominate level of skill required | Predominate type of skill required | Minimum qualification level (QCF) typically required |
|---|--|-------------------------------------|---|--|
| Managers and senior officials | Functional managers, quality and customer care managers, Financial institution and office managers | Higher | Technical, managerial, communication, customer service skills | 4 / 7 |
| Professional occupations | Information & communication technology, research professionals, legal professionals, business & statistical professionals | Higher | Technical | 7 |
| Associate professional and technical | Administrative occupations (finance), administrative occupations (records), administrative occupations (communications), administrative occupations (general), secretarial and related occupations | Basic, intermediate | Customer services communication, technical | 1 / 2 |
| Skilled trades occupations | N/A | | | |
| Personal service occupations | N/A | | | |
| Sales and customer services occupations | Sales assistants and retail cashiers, sales related occupations, customer services occupations | Basic, intermediate | Customer services, communication | 1 |
| Process, plant and machine operatives | N/A | | | |
| Elementary occupations | Elementary Administrative Occupations | Basic | Communication | Entry |

Source: Financial, Insurance and other Professional Services SSA, UKCES, November 2012, p43

¹⁵ Financial, Insurance and other Professional Services SSA, UKCES, November 2012, p41

Financial and Professional Services employer working practices

Employers in the sector have developed ways of working that help bring the best out of their highly skilled staff in order to achieve innovation and generate fresh ideas but also maintain commitment and lead to enduring career rewards. This is demonstrated in the above-average adoption of high performance working practices identified by UKCES:

- Over half of establishments have formal or informal processes to spot high potential or talented individuals (that is 6% points above the average).
- 9 in 10 employers report that their employees have variety in their work, some 3% points above the average.
- Employees tend to have greater autonomy in the workplace (90% compared to 87% for all sectors).
- Flexible working arrangements are widespread in the sector with 84% of employees having access to some extent (which is 6% points above the average).

In many areas of the sector maintaining global competitiveness requires that organisations embrace change by ensuring that their leadership and management skills are kept up to date and are able to drive forward these flexible working practices to better serve customer needs. This would suggest that CPD is required around leadership and management practices and the infrastructure to support such working practices - e.g. ICT skills for all staff are essential.

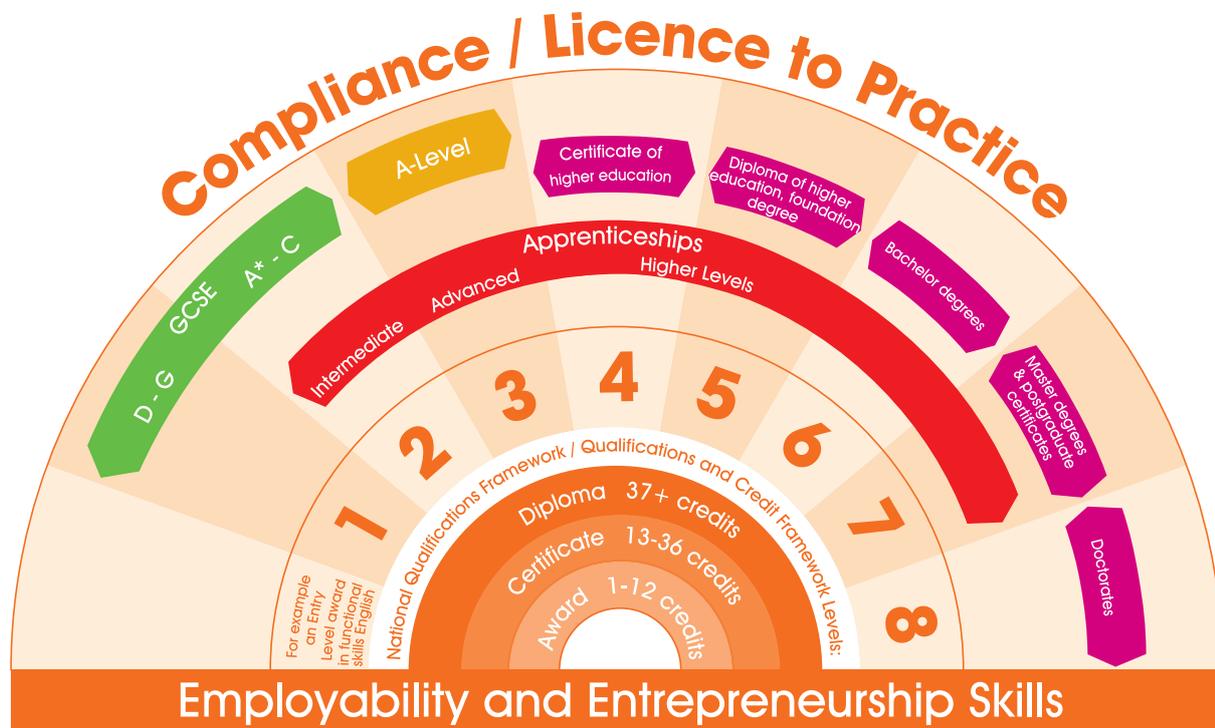
Companies will become increasingly more likely to act as 'network co-ordinators' for flexible, freelance workers who provide specific professional services directly to businesses.

UKCES' Future of Work project identifies that a changing global economy means that new 'business ecosystems' will be essential to innovation and economic growth in the future. In particular, it is thought that companies will become increasingly more likely to act as 'network co-ordinators' for flexible, freelance workers who provide specific professional services directly to businesses. Evidence from local Financial and Professional Services employers confirm that they are aware of an increasing amount of freelance services in the Liverpool City Region and that they expect this to continue over the next 15 years. Further analysis of this national and local evidence highlights the challenge of effectively developing the skills of an increasingly virtual and flexible workforce within the sector.



The supply of training

The Qualifications and Credit Framework provides a range of qualifications which are classified into 8 levels, with a GCSE grades D and below forming level 1, a good university honours degree being level 6, and higher degrees constituting levels 7-8 (see diagram below).



Source: Adapted from Ofsted

Higher Education Level

According to the HESA 2012/13 Student Record, there were 1,758 first year students studying Law, Finance or Accounting across the City Region's Higher Education institutions (University of Liverpool, Liverpool John Moores and Hope University, plus Edge Hill University). Despite a reduction in learners from 2011/12 (a trend repeated across all courses), the number of first year students in these 3 areas has increased by around 15% since 2008/09.

There are 1,758 first year students studying Law, Finance or Accounting across the City Region's Higher Education Institutions.

These are clearly very specific courses which directly relate to the Financial and Professional Services sectors and there are also significant numbers of students on business studies, economics, maths, architecture and management that might equally be interested in careers in the sectors. These courses amount to over 3,800 further students in 2011/12. In addition, there are around 1,300 first year students undertaking Engineering-focussed degrees in the City Region's universities. Qualitative evidence from employers and training providers shows that graduates with these degrees are becoming increasingly attractive to businesses in the Financial and Professional Services sector, with many of the maths and project management skills gained as part of their study seen as particularly beneficial to a career in the sector.

Around 70% of graduates from Liverpool City Region HE institutions in Finance, Accounting and Law degrees lead to employment. Approximately 4 out of 10 graduates from these institutions are currently employed in Finance, Insurance and other Professional Service sectors. Just over 7% of graduates reported that they were unemployed, demonstrating the strength of demand for these subject areas from employers.

Unlike some other sectors, there are a number of large employers in the Financial and Professional Services sector that offer sponsored degrees, Higher Apprenticeships and starter roles, particularly in the finance and accountancy area, these include opportunities to gain real work experience whilst studying. Locally, a number of organisations (including Grant Thornton, Santander, PwC, Ernst and Young, and Barclays) offer various opportunities for young people to mix academic and practical learning while earning a salary.

Santander

Throughout 2014, Santander have offered more than 200 apprenticeship opportunities within its UK main offices (including Bootle) and across its branch network. The scheme will take on young people for full-time roles in the company's manufacturing, retail and telephone distribution divisions. Successful applicants will join as permanent employees and will study for vocational qualifications in either Providing Financial Services or Customer Service - the equivalent of achieving five GCSEs. Santander is working with specialist providers Intraining and Skills Solutions who work with Santander apprentices to help develop their experience, skills and knowledge, benchmarked at a national level within the financial services sector.

In tandem with this, and in recognition that there are many routes into a banking career, Santander has a range of development programmes, including for graduates, school leavers and people who are already working but looking to switch career. Santander also run a three month internship scheme for SMEs to take on university students and recent graduates.

TABLE 3
FIRST YEAR STUDENTS OF FINANCIAL AND PROFESSIONAL SERVICES-RELATED COURSES IN LIVERPOOL CITY REGION HE INSTITUTIONS

| | 2008/09 | 2009/10 | 2010/11 | 2011/12 | 2012/13 |
|------------------------|---------|---------|---------|---------|---------|
| Finance and Accounting | 457 | 561 | 417 | 658 | 682 |
| Law | 1,074 | 1,107 | 1,170 | 1,246 | 1,076 |
| Engineering | 1,418 | 1,334 | 1,343 | 1,580 | 1,323 |
| Other related* | 3,443 | 3,715 | 4,051 | 3,921 | 3,796 |

* Includes Degree courses in: Economics, Business studies and related, Management, Human Resource management, Architecture and Planning, Mathematics, Statistics.

Source: HESA Student Record 2008/09-2012/13

Grant Thornton School Leaver Scheme: An employee perspective

"I left college with good A-Levels in Maths, Chemistry and Biology but wasn't sure what I was going to do with my career. My friends from college were going to different universities and I felt like this was the only route to a successful career. I didn't know much about the alternatives but, after some research, came across the Grant Thornton School Leaver Scheme.

The firm would take me through all the necessary accountancy qualifications free of charge whilst I worked for them within the audit department; receiving a competitive salary and gaining full time work experience. I'd always been interested in business and maths was my strongest subject so I went ahead and applied.

The recruitment process consisted of 4 stages: an initial online application, numeracy and literacy competency tests, a telephone interview and, finally, a face-to-face interview with a manager and a Partner. It was hard work but I passed all 4 stages of the process and started within a few months.

Within my first week I was whisked off to a large manor house near London to start some basic accountancy training. It was intense but knowing the basics would be essential for the next week when I was meeting directors and carrying out audit fieldwork with clients.

I'm still based in the audit department and have worked with a multitude of clients - food retailers, recruitment consultants, even oil distributors. The constant change of scenery brings different challenges every day and is just one of the great things about working in audit.

I have almost finished my AAT qualification and will be starting my professional exams this August".

John Reid, Grant Thornton

University of Liverpool

Launch of Liverpool Law Clinic

The Law clinic has been set up to offer a service to clients who are now not eligible for legal aid. Supervised students will have the opportunity of gaining real experience through the law clinic working direct with the client, undertaking interviews, researching the case and helping advise the client.

Honours Select

From 2014, the Faculty of Humanities and Social Sciences is offering a new, innovative way to study. The Honours Select programme allows undergraduates to choose 2 routes within their degree (on a 50:50 ratio or & 75:25 ratio) with a strong emphasis on flexibility, breadth and multi-disciplinary skills. For example, enabling undergraduates to study Law alongside another related or unrelated arts subject such as a language or criminology degree.

Liverpool John Moores University

Provision of part-time degree-level education

Liverpool Business School's offers a suite of CIPD, BA (Hons) and Master's level qualifications and the School of Law's part-time LLB Law programme which is accredited by the Solicitor's Regulation Authority (SRA) and the Bar Standards Board.

Professional Accreditation in HE Qualifications

LJMU bespoke routes to professional careers allow students' to gain Professional Accreditation as part of their degree programme. This helps employers reduce their training costs when employing graduates who already hold professional exemptions and entry-level professional body status (i.e. Chartered Management Institute, Institute of Chartered Accountants in England and Wales [ICAEW], Chartered Institute of Public Finance and Accountancy [CIPFA]).

In addition to this, the City Region's education and training providers have also already developed a number of initiatives within the Financial and Professional Services sector that support learners advancement in the sector and meet the needs of employers.

Over 5,000 students secured an A Level in Financial and Professional Services sector-related qualifications within the Liverpool City Region.

A levels

DfE statistics on attainment in England suggest that over 5,000 students secured an A Level in Financial and Professional Services sector-related qualifications within the Liverpool City Region (English, Accounting and Finance, Business Studies, Economics, Law, Mathematics and Further Mathematics) each year.

A-Level achievement data shows that English and Maths account for more than 1 in 5 of all achievements in the Liverpool City Region; echoing national trends where provision of A-Level Maths is considered healthy.

When considering year on year performance within the City Region the numbers achieving A*-A have decreased in 2012/13 for all related subjects except for English and Maths. The City Region also proportionately performed considerably less well than the England averages except in A Level Law.

TABLE 4
FINANCIAL AND PROFESSIONAL SERVICES-RELATED A LEVEL A*-A ACHIEVEMENTS, LIVERPOOL CITY REGION AND ENGLAND 2012/13

| | England% A-A* of all passes | LCR % A-A* of all passes |
|-------------------------|-----------------------------------|--------------------------------|
| English | 21% | 17% |
| Maths and Further Maths | 46% | 38% |
| Business Studies | 16% | 13% |
| Law | 19% | 20% |
| Economics | 35% | 26% |
| Accounting & Finance | 15% | 0% |
| Total | 27% | 20% |

Source: DfE Statistical First Release Revised A Level and equivalent examination results in England: Academic year 2012 to 2013, January 2014

Vocational training - Further education

An effective and increasingly popular alternative for learners and existing employees to develop industry-specific skills and work-based experience is through vocational training and Apprenticeships. There are a number of providers offering specific Financial and Professional Services related qualifications as well as supporting qualifications such as management and leadership tailored to the sector.

Looking at a wider group of other training across the City Region (including Accounting and Finance, Business Management, Economics and Law and Legal Services), the picture is more mixed. Total starts in these subject areas fell by just over 30% between 2008/09 and 2010/11 but have since recovered strongly, growing by over 22% to 2012/13. Starts have yet to return to their 2008/09 levels in the City Region but the growth trend suggests that this will be achieved over the next year or so.

Starts over the last 5 years show considerable changes in volumes across the City Region. There has been a drop in starts in Accounting (from 14% of Financial and Professional Services related provision in 2008/09 to 9% in 2012/13) and Finance and Business Management courses (36% to 23%), however there has been an increase in Mathematics and Statistics (17% to 24% and general Administration starts (25% in 2008/09 to 34% in 2012/13).

Vocational training - Apprenticeships

All Apprenticeships should now have a minimum duration of 1 year and are available from Level 2 up to Level 7 with the introduction of the Higher Apprenticeship in Professional Services - Level 7.

The 3 levels of Apprenticeship available to learners are known as:

- **Intermediate Apprenticeships**
Apprentices work towards work-based learning qualifications such as a Level 2 Competence Qualification, Functional Skills and, in most cases, a relevant knowledge-based qualification.

The number of starts on Business, Administration and Law Apprenticeships in Liverpool City Region has increased more than four-fold since 2005/06, a faster rate than the North West region over the same period.

- Advanced Apprenticeships**
 Apprentices work towards work-based learning qualifications such as a Level 3 Competence Qualification, Functional Skills and, in most cases, a relevant knowledge-based qualification.
- Higher Apprenticeships**
 Apprentices undertake a framework at Level 4 and above which will include a competence-

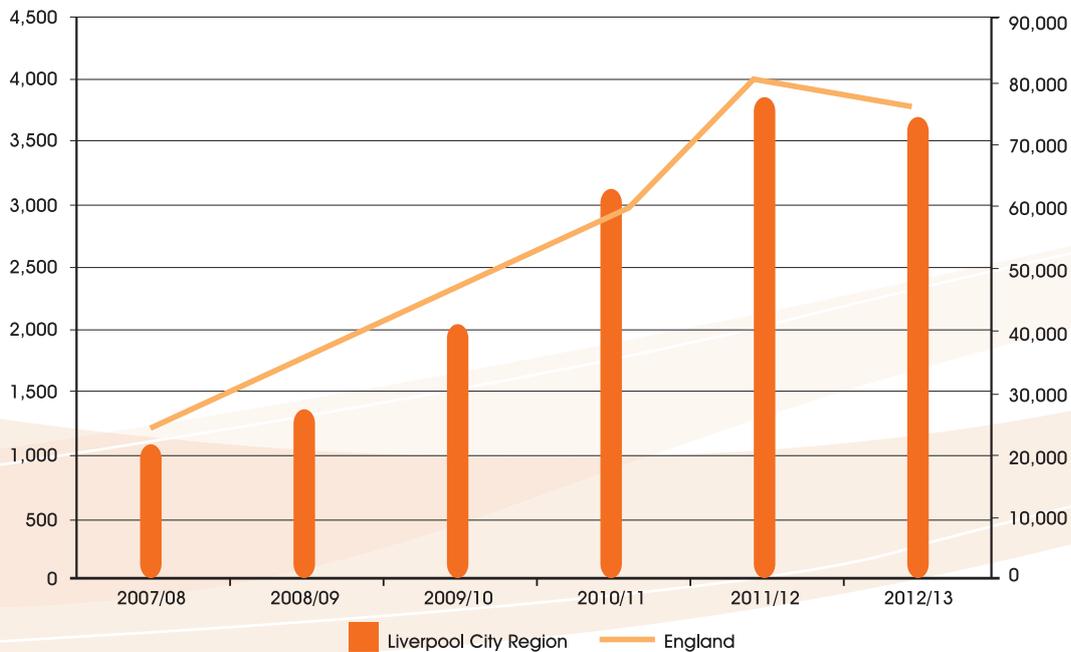
based qualification, Functional Skills and, in some cases, a broader vocationally-related qualification which could be a foundation degree.

The number of starts on Business, Administration and Law Apprenticeships in Liverpool City Region has increased more than four-fold since 2005/06, a faster rate than the North West region over the same period and significantly more than the growth in take up of Apprentices across the Liverpool City Region's economy as a whole¹⁶. In 2012/13 more than 7,700 Business, Administration and Law Apprentices were started (in keeping with Apprenticeship trends both locally and nationally, this shows a reduction from 2011/12).

Apprenticeship achievements in Business, Administration and Law increased at a similar rate over the same period. From 2008/09 to 2012/13 the number of Apprenticeship achievements in this subject area more than doubled in the Liverpool City Region - a rate of growth above that of both the North West and England.

Nationally and across the Liverpool City Region, Apprenticeships within the sector are more likely to be undertaken by those aged 25+ than the wider Apprenticeship profile.

FIGURE 6
LIVERPOOL CITY REGION BUSINESS, ADMINISTRATION AND LAW APPRENTICESHIP ACHIEVEMENT



Source: Skills Funding Agency 2014

¹⁶ The DataService Apprenticeship starts by Sector Subject Area and Geography for LCR LAs

Discussions with Financial and Professional Services businesses in the City Region highlighted an increasing interest in recruiting young people through a work-based route.

Discussions with Financial and Professional Services businesses in the City Region highlighted an increasing interest in recruiting young people through a work-based route. This will be in addition to the typical graduate recruitment process but is seen as offering access to a wider talent pool and responding to competition in the market for professional services - increasingly the majority of fee earners in a legal services company are not fully-qualified lawyers. **Across the sector this has led to a reduction in training contracts available from legal companies for newly qualified law graduates to become solicitors.**

It is thought that recent changes to the administration of Apprenticeship payments could have further impacts to the number of Apprenticeships. Government recently announced future funding for Apprenticeships will be routed directly to employers through HMRC systems; enabling employers to buy Apprenticeships directly from colleges and providers.

There were few concerns from local employers that young applicants from the City Region did not possess the required technical skills, although some felt that young people at school did not always have full knowledge of the **different routes into their sector and more needs to be done to highlight the work-based pathway and the opportunities available to them.** It is felt that there is an opportunity to better develop meaningful and ongoing relationships between employers in the Financial and Professional Services sector and schools, colleges, universities and other training providers.

It is noted that Sector Skills Councils have worked with industry to develop Higher Apprenticeships which have been taken up at a national level and this has led to a significant increase in Higher Apprenticeship starts from a low base.

PwC and the Liverpool Compact Employability Interview Programme

PwC is one employer involved with the above for Year 10 and Year 11 students (students are aged 14-16 years). The aim is to help build students interview skills, based on an application form the students complete beforehand. PwC volunteers feedback to each student on their performance. The emphasis is firmly on encouraging confidence and students gain an understanding of their strengths and development needs. They also discover what employers are looking for in an interview. It is good experience for PwC too as their volunteers gain people skills and a great satisfaction of helping others.

PwC encourages staff to participate, as it is a way of putting back something into the community by volunteers passing on their experiences and in turn, broadens students knowledge regarding careers prospects.



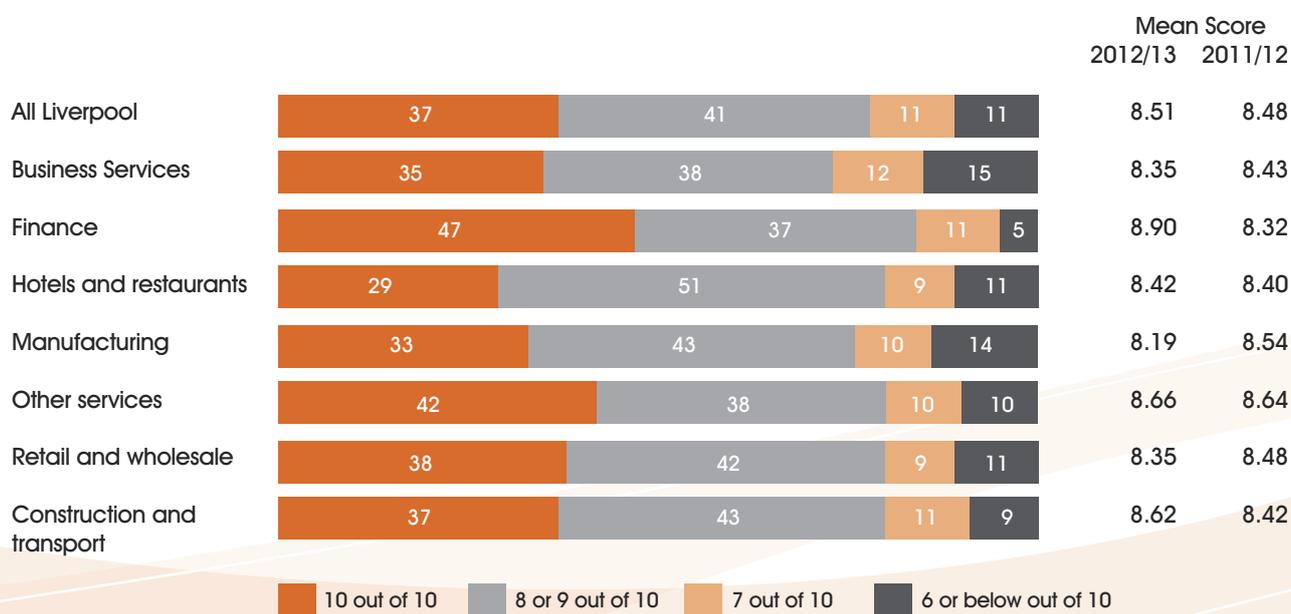
Skills shortages and gaps (Overall)

A skills gap occurs where employees (or prospective employees) do not have the skills required to effectively undertake the full range of duties expected in the job role.

Liverpool Business Survey Foundations for Growth 2012/13 suggests that **finance sector employers are highly satisfied with their employees** - rating their skills and quality at an average of 8.9 out of 10 (the highest of all sectors interviewed). That said, more than half the finance employers interviewed felt that employees' general IT skills need to improve in order to support business growth in future.

The 3 largest occupational groups in **Financial, Insurance and other Professional Services sector, managers, professionals and associate professionals, all generally require a Level 4 qualification**. An analysis of the UKCES Employer Skills Survey 2011 identified that, within the Liverpool City Region, more than 4 out of 10 'hard to fill' vacancies across all sectors were within SOC Groups 1 - 3 (Managers, Professionals, Associate Professionals). In keeping with further local feedback from the 'Foundations for Growth' survey, an ongoing demand for customer service skills amongst customer-facing staff was also identified as a priority area for the Financial and Professional Services sector.

FIGURE 7
SATISFACTION WITH WORKFORCE SKILLS BY SECTOR IN LIVERPOOL



Source: Liverpool Business Survey Foundations for Growth 2012/13, Liverpool Vision, 2020 Research Limited

Evidence on the specific skills required in the sector are specific to the sub-sector in which the individual is employed and are summarised below:

| Sub-sector | Key skills development priorities |
|--------------------------------|---|
| Accountancy and finance | <ul style="list-style-type: none"> • improved team work skills particularly amongst graduates and school leavers • strengthen analytical and presentation skills • improve knowledge of decision-making processes • improved business understanding, take broader views and not work in silos |
| Insurance | <ul style="list-style-type: none"> • improve sector attraction and industry image • career pathways in areas that have traditionally been less prestigious such as Claims • specialist skills shortages such as project management and research and analysis skills • employability skills of new entrants |
| Underwriting | <ul style="list-style-type: none"> • shallow pool for recruitment, especially technical and professional categories • qualified and part-qualified actuaries are also hard to recruit leading to overpayment to secure the right skills |
| Banking | <ul style="list-style-type: none"> • while roles are seen as more attractive to bright graduates, there remains a short supply of actuaries. This results in higher workloads on those with key skills • customer service, data analytics and management skills |
| Life and pensions | <ul style="list-style-type: none"> • face extreme challenges in sourcing high quality candidates. The key skills needed include people skills, numeracy skills and ICT capabilities • life and pensions occupations also have needs for better career development pathways |
| Brokerage | <ul style="list-style-type: none"> • technical skills around project management skills, insurance product design, risk management, marketing and administration |
| Legal | <ul style="list-style-type: none"> • there is still significant room for the regulation of a growing number of Paralegals • for all legal employees better entrepreneurship skills and commercial awareness in order to understand clients better and be more responsive to their needs, and also to be able to build up and maintain a client base with less reliance on informal contacts • better Financial management skills, particularly in relation to tendering for publicly funded work • need for lawyers to develop the ability to be more mobile and flexible between areas of work (for example to be able to switch to insolvency work) • need for formal training and qualification for barristers' clerks to make the role more accessible to those from different backgrounds, and the training to include business skills • a wider-ranging skills base for people working as a first point of contact (but possibly with lower, not necessarily degree level, legal training), and more specific skill sets at further levels of specialisation • better skills in working with other professionals, as well as more generic skills at the point of entry to a legal profession (such as finding and using written sources and workload planning) • need to focus more on developing skills based on competency-frameworks, and to ensure that competencies are also available and mapped out at firm-level |

Source: Summary of skills needs identified in Financial, Insurance and other Professional Services SSA, UKCES, November 2012, pp48-51



Employers in the Liverpool City Region identified that many of **these technical skills will be extremely transferrable across a varied number of job roles** and it is therefore important to note the value of these skills to employers across the sub-sectors of the wider Financial and Professional Services sector.

The Sector Skills Assessment (SSA) for Financial, Insurance and other Professional Services reported that employers in many sub-sectors also identified **the need for more flexible non-technical skills such as customer service skills**. In addition, there is a need for good levels of numeracy and literacy for entry level jobs. This mirrors to some degree the findings of Liverpool Vision's 'Foundations for Growth 2012/13' business survey where **Finance sector employers saw a particular need for staff to develop their IT expertise (55% of respondents), customer handling and team working skills (37%)**. Respondents in Business Services, where average ratings of staff also increased, identified that **specialist and technical skills (again, followed by IT skills) were the most likely to need to be strengthened in order to allow their businesses to grow**.

In summary the skills valued by the sector are mainly generic skills which are valued by a number of employers such as:

- leadership and management
- problem solving
- report writing
- communications and team work
- data analysis and IT

In addition, the **employability skills** required by the Financial and Professional Services sector at all levels include:

- Logical, problem solving approach
- Attention to detail, accuracy & consistency
- Mathematical ability and a practical can-do attitude

Employer consultations provide evidence of the **need for the right attitudes and work behaviours from prospective employees and business demand for multi-skilled individuals, who possess specific technical skills alongside generic skills**. Multi-skilled individuals provide businesses with flexibility, reducing costs and improving competitiveness. Local employers highlighted the need to ensure that the financial services sector in particular pay more attention to business ethics, in order to counteract the damaged reputation the sector has suffered from the financial crisis and mis-selling.

Therefore it is essential that students not only grasp the base and technical skills within employment but **hold a good understanding of the norms of the workplace as well as the importance of the right attitude** - to work on behalf of clients in their best interests.

As the practice of legal advice becomes more cost focused with set off the shelf services, it is increasingly **important that law graduates are more commercially aware in order to secure and service clients**. For example, Co-operative Bank Legal Services are already in existence and Stobart Barristers is a new way to access legal advice.

Liverpool City Region Businesses have also indicated that it would be **advantageous if individuals enter the professions with existing expertise in specialist areas such as engineering, maritime or the public/ education sector as well as languages** in order to understand their clients market and communicate with international clients. **This highlights a potential careers advice role to consider study in other specialisms first before entering the Financial and Professional Services sector**.

The demand for skills

As noted previously, the recession has forced many Financial and Professional Services sector firms to re-assess their business models. **The prolonged downturn has made corporate and individual clients cost-conscious.** The Legal Services Act and changes to Legal Aid funding have had a particular impact on legal businesses leading to **structural changes where qualified solicitors are no longer the prime fee earners but this is spread across paralegal and administrative support** to ensure that advice is provided cost-effectively.

Regulatory changes in the financial sector has meant that those working in financial advice require Level 4 Financial Adviser qualifications. The previous pathway into this occupation was able to progress from retail advice on mortgages, to related life assurance products, then to advice on pensions and investments in stages, **now the full qualification is required as a licence to practise before any advice can be given in any area.** As in legal services, **specialist financial advisers must concentrate on providing advice and pass on the more administrative tasks to paraplanners and others to process to keep down their costs.**

Paraplanners work side-by-side with financial planners and advisers, carrying out research and analysis, and making recommendations that help shape personal financial plans. This emerging role has become particularly valuable post- Retail Distribution Review (RDR) and other regulations looking to promote transparency, where they will be instrumental in freeing up advisers' time. Locally, Investec and Rathbones have identified the benefits of this role with Rathbones running a Higher Apprenticeship in this area.

In broad terms the future development of the Financial and Professional Services sector in the Liverpool City Region will centre around:

1. Continued development of international and national specialisms in maritime and wealth management services; and
2. Innovation in the provision of professional advice taking advantage of the relatively low-cost location and using ICT systems to provide services to core markets but with significant cost advantages.

A key issue for this agreement is to ensure the skills infrastructure is in place to build on these opportunities.

Other reports have identified a range of factors that will drive the demand for skills in Financial and Professional Services sector in the future¹⁷:

- Increased regulation and financial supervision in the finance sector, increasing the demand for qualified financial advisers, **compliance training for sales and other staff, and collaboration and partnership skills at management level.**
- An ageing population and UK Government pension reform are likely to place **increasing interest on financial planning for later life** resulting in an increased demand for new products and the skills to develop and deliver them.
- The same factor is also likely to mean an increase in supply of skills as people work longer, although their skills may need updating regularly.
- Globalisation and the development of new markets will generate demand for innovative new products and the cultural awareness to exploit new opportunities - employers in the sector are already recognising the need to diversify their recruitment procedures to ensure a more diverse workforce.
- Technology and the increased use of ICT systems to support flexible working practices is already increasing the demand for technical skills and ICT user skills. Data security and compliance skills are also likely to increase in the coming years.
- The need to maintain high levels of customer service will mean an **ongoing demand for customer service skills, customer-facing staff and managerial skills** to maintain high levels of service.

The growth of higher apprentices in Assurance and Audit, Financial Advisory, Management Consulting and Tax all provide a foundation for individuals to progress onto higher level skills through further professional qualifications in specialist areas.

¹⁷ UKCES SSA for Financial and Professional services key drivers, November 2012, p91

Local employers felt that larger companies have the scale and resources to better plan and organise their workforce requirements. As a result, they believe that **additional investment is required to engage and support small and medium sized businesses in the sector to allow them to get involved on a similar basis.** This is particularly important given that 94% of employers in the sector employ fewer than 20 staff.

Additional investment is required to engage and support small and medium sized businesses in the sector to enable them to plan for skills.

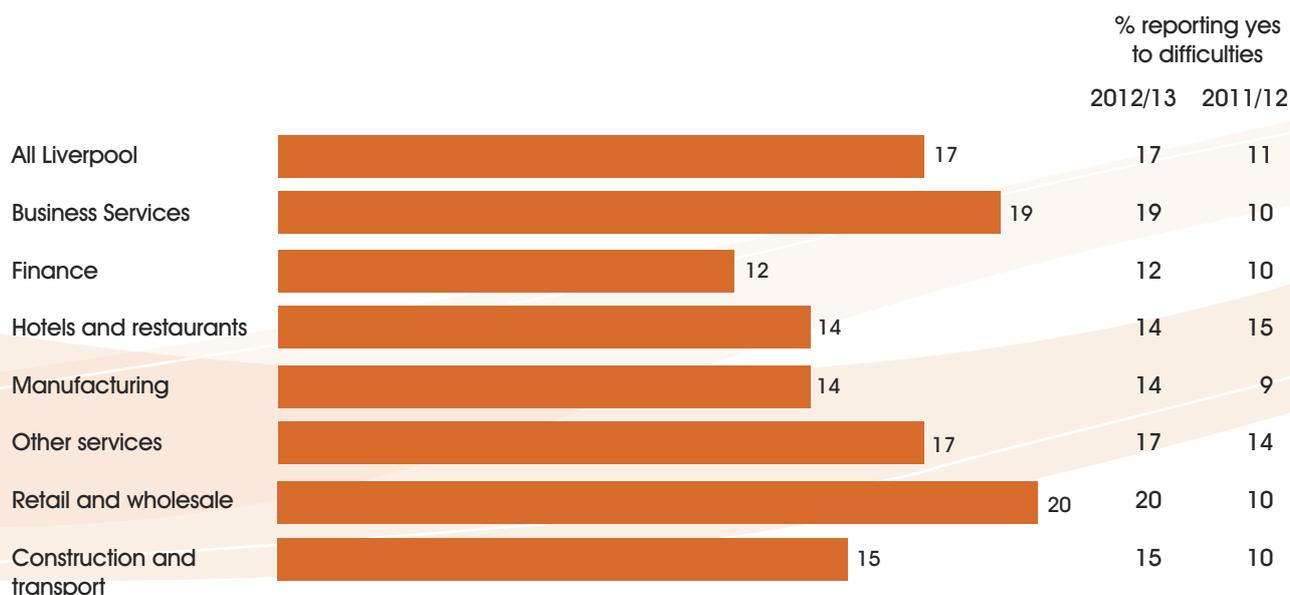
Replacement demand in the Financial and Professional Services sector

Recent survey evidence suggests that employers in the Finance sector are the least likely to report any recruitment difficulties. However, the proportion of Business Service employers who reported recruitment difficulties almost doubled to 19% in 2012/13, from the same level in 2011/12. See Figure 8.

Employer demand can also be articulated through job vacancies advertised by employers within the Liverpool City Region. Analysis of online job vacancies relating to the Financial and Professional Services sector in the City Region shows that the sector continues to have a high demand for staff. Throughout 2013, more than 14,000 local jobs were advertised within the sector; estimated to account for almost 1 in 5 online vacancies in the city.

In particular, vacancies for Accountants, Sales Executives, Business Analysts, and Recruitment Consultants were shown to be amongst the most common. In regards to specialist skills required, employers were likely to ask for contract management, accounting, and sales experience in these roles.

FIGURE 8
RECRUITMENT DIFFICULTIES BY SECTOR IN LIVERPOOL



Source: Liverpool Business Survey Foundations for Growth 2012/13, Liverpool Vision, 2020 Research Limited

The issues and analysis - summary

Perceived barriers to correcting the skills mis-match (employer view):

In regards to existing barriers, leading employers and stakeholder groups¹⁸ in the City Region identified the following key trends and issues:

- The sector locally is opening up more associate professional routes to ensure that the companies can provide cost-effective advice to their clients as paralegals or paraplanners, etc. Many earn fees for their company but can equally progress to the higher levels of their chosen profession through a mix of apprenticeships and professional exams.
- The profile of the sector is not as high as might be expected locally and **employers are concerned that young people in particular do not have full understanding of the options open to them.**
- Graduate recruitment remains an important talent source but at least in the short-term fewer places are on offer and there is a concern that **there will be an over-supply of graduates in some parts of the sector (e.g. legal services).**
- Employers are already engaged in a number of initiatives to raise the profile of the sector with young people but more should be done to improve communication.
- **Financial and Professional Services employers consulted reported a limited engagement with Further Education colleges except for specific courses such as AAT accountancy courses.** In part this reflects the primary recruitment channels for many businesses - graduates and the tradition of using professional bodies to provide CPD.
- The sector has a **high proportion of very small businesses that will not find it easy to engage with skills development initiatives without broker advice and support.**

The Financial and Professional Services sector locally is opening up more associate professional routes.

Perceived barriers to correcting the skills mis-match (education and training provider view):

Additional consultation with education and training providers delivering Financial and Professional Services provision in the City Region¹⁹ identified the following barriers to aligning skills provision:

- **It can be difficult to sustain employer commitment to training e.g. companies cannot release staff for off-the-job training during busy periods.**
- **Lower contribution rates for over 24s, mean that 18-24s Apprentices are preferred by employers.**
- Providers offering AAT Accountancy courses were concerned that the introduction of FE loans could undermine demand. Although individuals studying **AAT qualifications are in the majority of cases in-work and undertaking the course part-time so would be better placed to take out FE learning loans to pay fees.**
- SMEs, even very small SMEs, take as much effort to engage as larger employers but do not have the staff (learning demand) to provide a return to the provider over the longer term. **This makes SMEs an uncertain prospect for target marketing and engagement.**
- Employers want softer skills development for all staff eg bespoke customer service trust and respect etc.

¹⁸ Consultation sources include: Sessions convened by Professional Liverpool with leading employers in the sector, Association of Accounting Technicians, National Skills Academy in Financial Services, Financial and Legal Skills Partnership Skills for Justice, Liverpool Law Society, Chambers of Commerce, ICAEW, Chartered Institute of Marketing

¹⁹ Held October 2013 and attended by FPS curriculum leads/business engagement managers at local colleges, universities and private training providers, plus partner organisations

Employers are looking for a recognised brand when accessing training in this sector.

- **Employers are looking for a recognised brand when accessing training in this sector.** This presents a challenge to colleges and mixed offer providers compared with specialist training providers wanting to develop provision.
- **Large numbers of law graduates do not go into law work** given the high levels of competition for jobs, instead taking paralegals positions.
- **The increase in HE fees has led to students getting more savvy regarding jobs outcomes** and there is greater emphasis at interviews about career prospects of courses being offered by Universities.
- **Getting the message across to all students that all academic study needs to be reinforced through relevant work experience as a pure academic CV is not enough when looking for work.** There is also strong evidence that students that undertake the opportunity of related work experience during their graduate studies perform better in their degree.
- There are still **difficulties in gaining work experience opportunities for students interested in the sector.**

The challenging market for all businesses makes it difficult to prioritise spending on training but providers suggested a number of approaches that might be adopted to increase engagement in the Financial and Professional Services sector:

- Employer and Learner Ambassadors as well as sector bodies and impartial brokers could **spread the message about the benefits of training for business and the learner.** These are seen as independent from the providers and therefore might be more successful in reaching out to businesses that do not train.
- **Business to business recommendation may be a way of encouraging more employers to invest in training.** This may help in working with smaller businesses where the learner providers see a poor response rate.
- One thing that would help in the Financial and Professional Services sector is to **provide a clear link between any training and Professional qualifications - to be able to demonstrate that the learning (Apprenticeship) can lead on to industry 'standard' qualifications** that the employer may be more familiar with.

ICAEW – BASE (Business, Accounting, Skills and Education) Competition

Teams from schools across Liverpool and the surrounding area took part in the local heat of the BASE (Business, Accounting, Skills and Education) competition 2014. The competition, operated locally by the Liverpool Society of Chartered Accountants, is aimed at 16 to 18 year olds to showcase their business acumen, team work and presentation skills as they compete against other schools. The winners go through to a regional final and this culminates in a UK final each year. The competition is a great way to engage with the next generation of business talent and enables ICAEW to show young people how important accounting and professional expertise is to business – and just how varied the opportunities open to accountants can be.

- Offering greater flexibility in delivery using more evening and weekend short courses to help overcome the difficulty of releasing staff.

Opportunities for colleges and training providers

Providers need to build a strategic relationship with the sector and look to customer service and perhaps leadership and management provision. The sector requires very high standards and therefore specialist established training providers may have more success building on their reputation for delivering higher level skills (professional standards) to offer shorter and vocational (apprenticeship) training. Rathbones Investment Management Services in Liverpool are partnering with a secondary sixth form college to deliver the training element of their apprenticeship and in Greater Manchester use Manchester Metropolitan University.

Business to business recommendation may be a way of encouraging more employers to invest in training.

Trailblazer Apprenticeships

Employer-led Trailblazers are being developed for various professional services occupations following the October 2013 announcement to reform Apprenticeships by the Government. The intention is that these Apprenticeships are more rigorous and responsive to the needs of employers. As of October 2014, the following were published or in development for Financial and Professional Services:

- Relationship Manager (Banking) (published)
- Financial Services Administrator (published)
- Professional Accounting Technician (in development)
- Professional Accountant (in development)
- Licensed Conveyancer (in development)
- Insurance Practitioner (in development)
- Actuarial Technician (in development)
- Paralegal (in development)
- Chartered Legal Executive (in development)
- Solicitor (in development)

(Source: <http://www.apprenticeships.org.uk/standards>)

**Employer-led
Apprenticeship Trailblazers
are being developed for
various professional
services occupations.**



Careers education and recruitment support

Jobs for Tomorrow

The Liverpool City Region's Labour Market Information Service has recently produced Jobs for Tomorrow; a set of local careers materials relating to the City Region's growth sectors. This work includes a wide selection of information about occupations in the Financial and Professional Services sector, including film resources to give young people an idea of day-to-day roles in the industry and bespoke lesson plans for teachers to further raise pupils' awareness of the type of skills required in the sector.

See www.lcrskillsforgrowth.org.uk

Liverpool John Moores University - Bloomberg Institute Test

LJMU offer their finance students the opportunity to undertake the online Bloomberg Aptitude Test for free to determine and showcase their strengths and connect with financial employers worldwide. The test, which is an internationally-recognised assessment method, allows students to discover more about the day-to-day tasks involved in careers in the finance sector, compare themselves with their international peers and access information about job opportunities. Similarly, employers are able to compare candidates from across 1,000 institutions across the world and target candidates who meet their specific needs.

Graduate to Merseyside initiative

This initiative managed by the University of Liverpool offers a graduate recruitment service specifically aimed at assisting small and medium sized enterprises (SMEs) in the Merseyside region. Supported by the European Regional Development Fund (ERDF) this free service helps employers to find graduates from Liverpool John Moores University, Liverpool Hope University and the University of Liverpool as well as those returning to the region to work on a specific project or to fill a full-time position.

Liverpool John Moores University - World of Work Programme

The World of Work programme developed by LJMU has explicit work-related learning and the development of 8 Graduate Skills embedded within all academic programmes. Students are encouraged to recognise and develop a set of higher level employer specified World of Work Skills, contained within 3 themes: Self Awareness, Organisational Awareness and The Ability to Make Things Happen.

LJMU's Liverpool Business School (LBS) recognises that general employability skills are a key to graduate employment prospects. Almost all LBS students' complete a World of Work or Preparation for Work module in their second year of study. These modules combine research on a wide range of career options relevant to their programme of study with employer presentations from all sectors, eg purchasing, finance, marketing, quality, HR and general management, and offers practice interviews as part of the module.

Cronton Sixth Form College - Tomorrow's Lawyers

The Tomorrow's Lawyers programme has been designed for students aspiring to work in a legal profession. The programme offers students the opportunity to develop the skills universities are looking for in this highly competitive industry, whilst preparing them for the university entrance exam, the National Admissions Test for Law (LNAT).

The top Law universities and professional schools value applicants who can demonstrate knowledge, experience and understanding of the judicial system and processes. This programme provides these experiences and will enable students to build these skills and the confidence needed to be successful in this industry.

Business in the Community and DWF – A Five Star Future

As part of Business in the Community's Business Class programme, legal practice DWF have developed a programme called 5 Star Futures with their partner school Broadgreen International. The programme focuses on building confidence, resilience and aspirations allowing young people to make a sustainable and measurable impact on their own futures, school and communities.

DWF employees supported activities for interested Year 10 students selected for the programme, including mock interview and presentation training, workshops and work placements. Sessions focused on practical workplace behaviours and skills, allowing time for reflective learning and development of personal success plans for each student.

To further encourage corporate citizenship, students have been involved in an ongoing community project to transform an area of wasteland into a usable and productive space. The project has now evolved into a wider project that formed part of the curriculum with students creating a 30ft mural as part of an art project.

5 Star Futures has become the centrepiece of DWF's Business Class partnerships in Liverpool, Manchester and Preston and has generated significant interest amongst volunteers. The programme is communicated through DWF's internal social network and comments, photos and experiences are regularly shared.

"The support from DWF has been both inspirational and motivational, ranging from the very successful 5 Star Futures programme, which develops self-esteem, confidence and employability skills to mock assessment days and a community arts project. All of these projects are already having a positive impact on our students including improved attendance, punctuality, behaviour, attitude to learning and a greater awareness of the world of work."

Mrs Sally Beevers,
Headteacher, Broadgreen International School

Conclusions

The Financial and Professional Services sector is vital to underpin the local economy and as a basis for exports. It currently provides high skill, high value employment to residents, gives a vital service to local businesses and can continue to expand into international and national markets.

The sector has already exhibited a strong recovery from recession and is poised to grow - skills will be at the heart of that growth and so employers will need to work closely with providers to ensure a good supply of candidates. While the Financial and Professional Services sector is often perceived as being predominately high skill, **the most successful firms are combining more intermediate skilled workers within their teams.** For example, highly qualified legal specialists work with teams of paralegals to provide service innovation as efficiently as possible.

This dovetails with a growing sense that for many, the traditional route through HE is not the only route. Higher skills are important but technicians (Paralegal and accounts, ICT support) are equally vital. Employers are finding that **'growing their own'** in-house pays consistent dividends and does not prevent people from progressing to high skills levels in future. They start with the ways of working and gain employability skills from the outset. For individuals, they learn and earn and can avoid the fees associated with going into full-time HE.

The Financial and Professional Services sector encompasses a number of distinct professional routes that can be accessed through a variety of educational pathways, which need to be made clearer to young people considering their career opportunities, therefore **the sector needs a stronger brand image across the City Region and more should be done to highlight their importance and career potential to young people in schools, HE and local residents more generally.**

The Financial and Professional Services sector is vital to underpin the local economy and as a basis for exports. It currently provides high skill, high value employment to residents, gives a vital service to local businesses and can continue to expand into international and national markets.





www.lcrskillsforgrowth.org.uk