



Cogent SSC Activity and Impact Report 2010



Introduction

Cogent is the expert, employer-led body delivering strategic skills solutions to the chemicals, pharmaceuticals, oil and gas, nuclear, polymer and petroleum industries.

Cogent has been successful in its first four years as an SSC, moving from trailblazer SSC status to the successful delivery of its Sector Skills Agreement, and to the establishment of its industry-led National Skills Academies.

Cogent is unique in that it has two National Skills Academies - in the Nuclear and the Process Industries, and we have also been instrumental in the establishment of OPITO, the Oil & Gas Academy.

<http://www.nuclear.nsacademy.co.uk>

<http://www.process.nsacademy.co.uk>

<http://www.opito.com>

In 2009 Cogent was successfully relicensed in the first tranche of SSCs by the UK Commission for Employment & Skills (UKCES) with a remit more sharply focused on three core functions:

- Raising employer ambition and investment in skills at all levels
- Articulating the future skill needs of their sector
- Ensuring that the supply of skills and qualifications is driven by employers

Cogent's strategy has been formulated in line with this focused remit.

Cogent Industries and footprint

The Cogent SSC footprint comprises six distinct industries with common areas of operation, highly integrated supply chains as well as similar regulatory demands, which all give tremendous weight to a common agenda for skills. Aspects of the workforce are also highly transferable.

The industries are all science-based, process technology-driven and are sustained through creative molecular transformation. The continued application of science and technology to create value, make progress and increase market share is only possible through a continued supply of skilled "human capital". The larger employers in the sector operate globally and are a major source of the UK's wealth and strength. Ensuring the health and safety both of employees and the local population, as well as the management of environmental impact, are priority areas for companies right across the Cogent footprint.

The continuous drive for innovation is a constant challenge for the Cogent industries and one on which Cogent is engaging with industry and partners. It is not surprising that the Government's *New Industry, New Jobs* report highlights a number of emerging technologies fundamental to Cogent footprint industries including Biotechnology, Plastic Electronics, Composites and Low Carbon.

Cogent's Mission is:

"To meet the skill needs of the Cogent industries to allow them to compete successfully"

Cogent has undertaken significant consultation with employers in the sector to determine how to achieve this Mission, and through the Sector Skills Agreement process we have identified two strategic priorities that must be addressed:

1. Upskilling the Existing Workforce (Stock)
2. Attraction and Supply (Flow)

Cogent's Five Big Tickets for Industry

Cogent's delivery strategy is underpinned by 5 "Big Tickets" that drive our activities and deliver real value to employers;



Skills Standards and Qualifications

Cogent is developing a suite of employer-led qualifications that underpin its competency based Gold Standard (process) and Job Contexts (nuclear) which enable acquisition and recognition of competence.

Outputs:

- Fit-for-purpose qualifications in place and utilised
- Modular Foundation Degrees
- Training Standards



Apprenticeships

Apprenticeships provide the vital supply of skilled employees for the future and we are working to ensure sufficient numbers, with the right skills to meet the Sector's future needs.

Outputs:

- Increased numbers of Apprenticeships being trained for the Sector
- Fit-for-purpose employer-led Apprenticeship Frameworks



Future Skills

Cogent's *Future Skills* research programme provides the essential intelligence to inform future skills needs. It includes skills reports for each industry to aid long term workforce planning.

Outputs:

- Industry State of the Nation Skills Reports
- Industry and Regional Factsheets
- Skills for emerging technologies



Career Pathways

This is the established reference point for careers in our Sector. The website provides comprehensive information, advice and guidance on career progression, jobs, training and salaries in the Cogent Industries.

Outputs:

- Attraction of young people into the Sector
- Web-based careers resource (www.cogent-careers.com)
- Up-to-date and accurate information on job roles, salaries and qualifications



Skills benchmarking

Cogent is setting the standard for skills in the Sector and developing the tools to allow companies to assess their performance.

Outputs:

- Competency-based Gold Standards and Job Contexts led by industry
- Skills Matching and Competency Assessment tools

How we deliver

Cogent works in partnership with a range of stakeholders and employers in a national skills alliance to drive forward our strategy to ensure that skills needs are identified, training is mapped out and solutions are in place.

Cogent believes that increasing the Sector's skills levels is not about a piecemeal approach. It's about a partnership between the Government, employers and stakeholders working from a joined-up strategy.

Cogent Advisory Councils

We work through our excellent Industry Advisory Councils for nuclear, pharmaceuticals, chemicals, polymers and petrochemicals and Employer Forums. These enhance the effectiveness of Cogent, taking forward the long term skills needs of the individual Cogent industries. They make a significant contribution to a range of developments including standards, apprenticeships and our longer term direction.

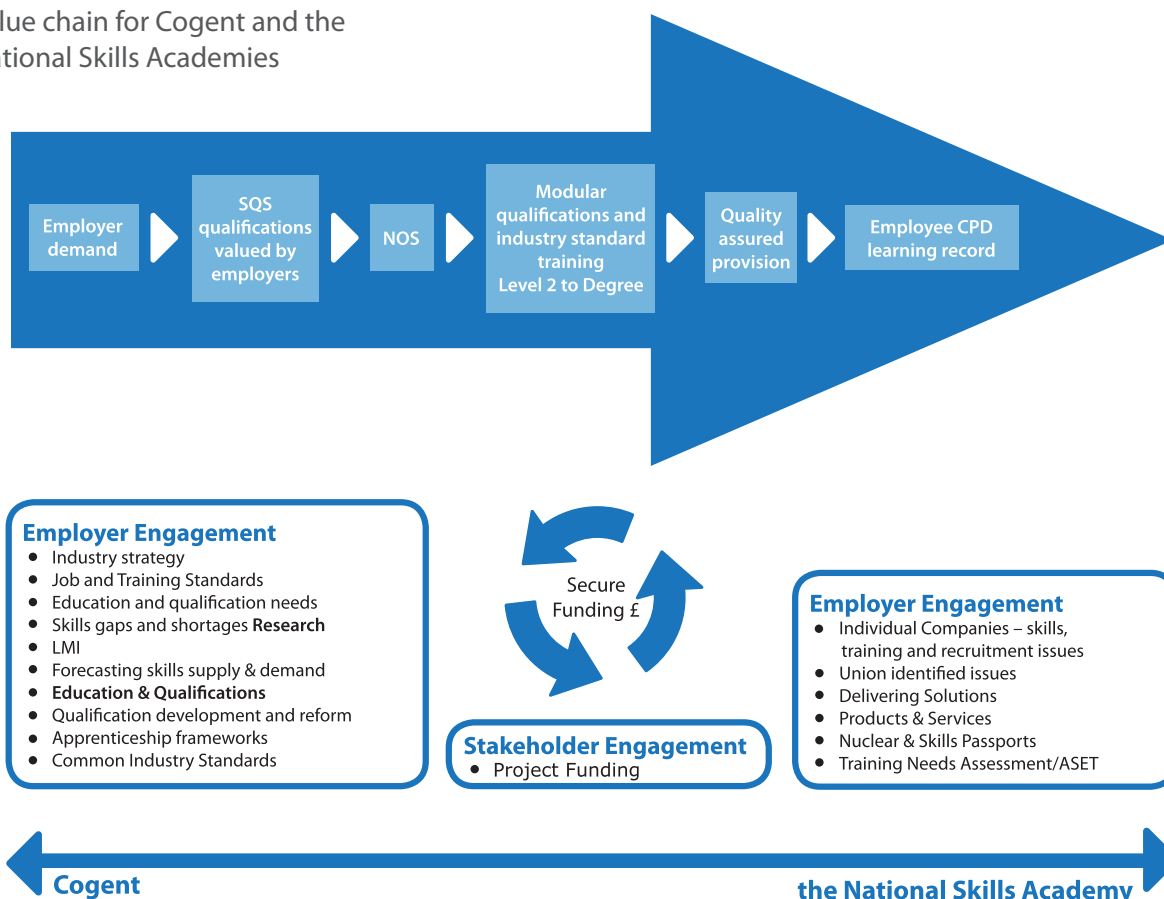
Skills Academies

Meeting the skills challenge means delivering training in the right format, in the right place and at the right time, for both the employer and the learner. Cogent works in synergy with OPITO - The Oil and Gas Academy in an alliance to jointly to deliver on the skills agenda for the industry and it works in partnership with the Academies for Nuclear and the Process Industries in order to deliver employer designed vocational training through a network of accredited providers that is valued and used by every company they represent. This relationship is represented in the Value Chain below.

Key partners

By working collaboratively with partner Sector Skills Councils, the Manufacturing Skills Alliance of SSCs, Trade Associations, Trades Unions and Regional Cluster Organisations we can ensure that we maximise our impact and reach every part of the Sector. The shared goal is to help businesses raise productivity and competitiveness by developing a world-class skills base in the UK.

Value chain for Cogent and the National Skills Academies



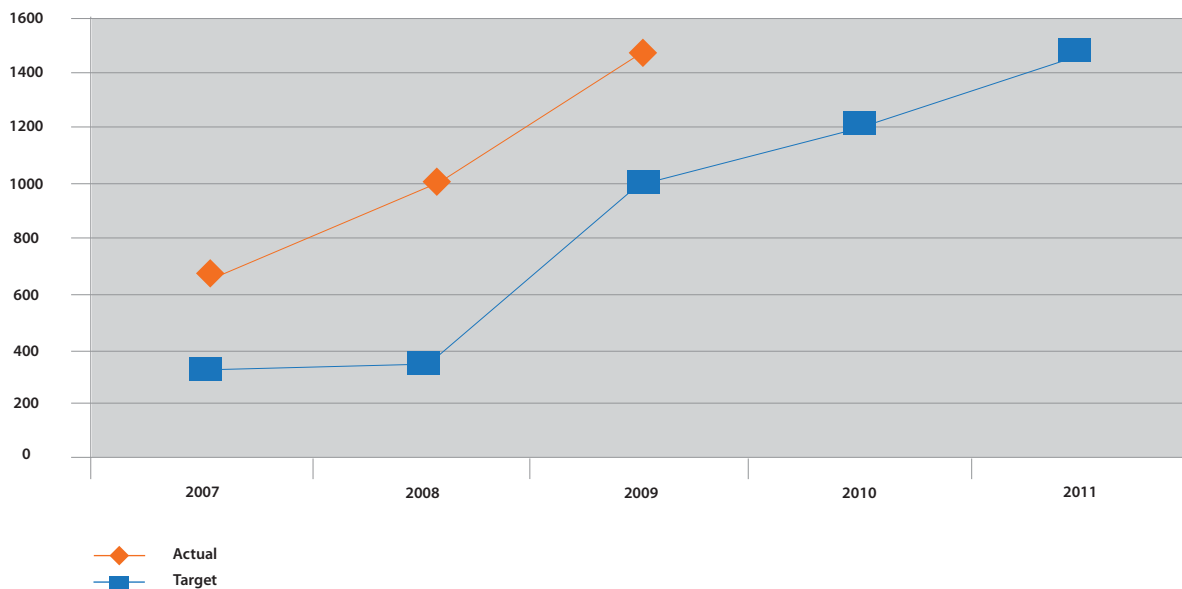
Has Cogent Delivered?

So has Cogent's strategy delivered against its four broad objectives?

Define the skills industry requires

Year on year Cogent has increased its engagement with employers and now has **1500 active companies** providing a voice for employer demand. The establishment of the two National Skills Academies has allowed Cogent to reach out to much larger numbers of employers and learners and this number continues to grow rapidly.

Number of employers 'actively' involved with Cogent SSC (absolute number)



Cogent's Labour Market Intelligence set the standard with the publication in September 2009 of '**Power People**' the civil nuclear workforce 2009 – 2025; publication of the next in the 4-part series '**Next Generation: Skills for New Build**' is imminent.

The **Oracle** project surveyed 164 companies receiving 69 responses (42%) providing primary data on industry skills; this annual survey will generate trend data, valuable in assessing future skills demand.

Cogent has developed **21 Gold Standards** for the process industries and **15 Job Contexts** for nuclear stretching from operators to 1st line managers. These standards define the competencies required to perform a job role as described by industry. The standards are captured on the Academies' Skills Passport and are being used by industry sectors to regulate access to industrial sites.

Cogent has worked with awarding bodies to fill gaps in Gold Standard provision resulting in the development of **Nebosh Award in Workplace Health & Safety**; a series of **ILM Gold Standard qualifications** for process industries. Working with employers, The National Skills Academy for Nuclear and Cogent have also developed the **Award for Nuclear Industry Awareness**.

Over the past 3 years Cogent has revised existing Apprenticeship frameworks for the sector and has developed new frameworks based on employer demand.

Revised Apprenticeship frameworks

- Process Technology levels 2 and 3
- Polymer & Sign Making level 2
- Polymer Processing level 3
- Sign Making level 3
- Chemical Technology (Scotland)
- Polymer Processing (Scotland)

New Apprenticeship frameworks

- Nuclear Decommissioning
- Specialised Process Operations (Nuclear)
- Laboratory Technician levels 2&3

Stuart Fry, Managing Director of Linecross said: *“Linecross believe that Apprenticeships provide a key part of our future success. The Cogent Apprenticeship Framework provides an ideal and exciting combination of theory and practice which gives the apprentices an excellent start to a highly rewarding career.”*

Cogent was also awarded HEFCE funding (£3m) to develop a national framework for science and engineering Foundation Degrees; this project has appointed HE partners and industry champions in Bioscience, Chemistry, Polymers/Composites, Petrochemicals and Nuclear to drive forward this initiative.

Deliver the provision industry needs

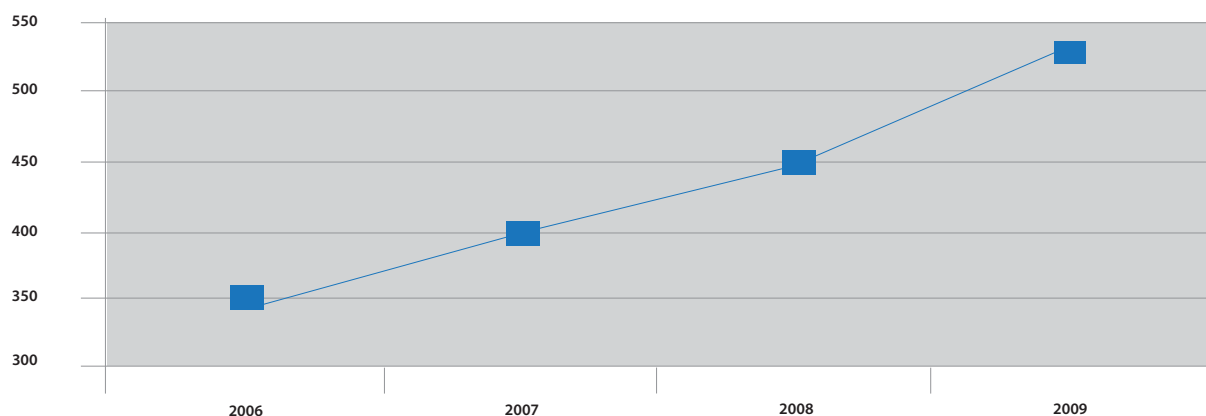
The Gold Standards and Job Contexts map qualifications and training standards against the defined competencies and these form the basis for Cogent’s Sector Compact. To date 54 new **QCF qualifications** have been approved (24 remaining); completion of the Level 3 qualifications has seen a dramatic increase since Cogent’s inception, reflecting employers’ priority to upskill their workforce.

Cogent Sector S/NVQs	2005	2009*	% increase
Level 2	1325	1385	5%
Level 3	195	670	340%

*estimate based on Q1 to Q3 actual data

Cogent’s work on apprenticeships is reflected in the significant increase in the take-up of sector apprenticeships. Between 2005 and 2009 there has been 48% increase in registrations on the Cogent apprenticeship framework and a 13% increase in registrations across all main apprenticeship frameworks used within the Cogent industries.

Cogent Apprenticeship Registrations;



46 new apprentices have been recruited through Cogent's Apprenticeship Expansion programme and most positively many have been employed by small/medium companies.

Sixteen young people have embarked on the new Energy Skills Foundation Programme at Lowestoft College. This pre-apprentice course is the result of a three year £100k project led by Cogent, ECITB, Skills for Energy and Lowestoft College. The course is training the young people in practical engineering skills, as well as health and safety; it also covers the different industries involved in the energy sector with employers involved from the outset.

Between 2005 and 2009 there has been a **70% increase** in STEM Foundation degrees and this is yet to be impacted by Cogent's new Foundation Degree framework; this compares with an 11% increase over the same period in all undergraduate qualifications.

Implement the skills system and infrastructure essential for skills delivery

The Cogent Gold Standards and Job Contexts provide a national framework for competency in a job role, giving employers clarity on training needs, an intra and inter company benchmark and a vehicle to support discussions with the regulator. These standards are incorporated in the Academy Skills Passports.

Desmond Preece MBE, Brecon Pharmaceuticals Systems and Standards Project Manager said:
"Prospective clients must have confidence to enter a contractual agreement with a service provider for contract packaging of pharmaceuticals and clinical trials. The Gold Standard status is an independent validation that Brecon has the people with relevant skills and knowledge. Confidence within promotes confidence without!"

A network of accredited training providers has been developed by the Academies to deliver Gold Standards and Job Contexts. NSA Nuclear has **19 Quality Assured Providers** and **4 Employer Nominated Providers**; NSA Process Industries has **23 accredited providers** with a pipeline of 60.

The Academies have regional employer boards in place that meet on a regular basis to address regional issues. The Academies have over **100 paying members** and over **150 associated members** engaged with the skills activities; most of these are the medium/large companies representing a significant percentage of the workforce.

The Skills Passport IT infrastructure is in place and roll out is in the pilot phase; nuclear, petrochemicals, pharmaceuticals and sign making employers are evaluating the use of the Skills Passport to ensure the workforce is competent and provide a 'license to operate'.

Cogent has also focused on improving the competitiveness of the sector; **15 'Productivity & Competitiveness'** analysts with a strong sector bias and **19 sector specific providers** have been trained to work with companies to deliver business improvement.

Influence the investment in and availability of skills

The uptake in numbers of employees undertaking Cogent related qualifications accelerated in 2009 with the promotion of the Sector Compact. Thus, in the first year, **468 companies and 9366 learners** benefited from Train to Gain provision; this is particularly positive considered against a background of the constraints applied to Train to Gain Funding throughout the period of compact activity.

In the first year the business improvement programme has resulted in 11 chemical, pharmaceutical and polymer companies implementing business improvement with 212 Level 2 learners and 25 Level 3.

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Tex IP commenced a three-phase Business Improvement Techniques (BIT) NVQ level 2 training programme with Derby College. Fifty production staff completed the qualification early in 2008; phase two for 45 non-production staff and phase three will provide training for the remaining production staff. The programme has made a major impact on culture, Glyn Thomson, Tex IP's Training Officer adds: *"Since the training, employees take ownership of their areas and other teams are noticing the differences and asking questions"*

During 2009 Cogent leveraged funding in the sectors for Advanced Engineering & Materials, Biomedical and Energy & Environment totalling ca **£1.1m** for developments affecting these sectors in the North West.

The Economic Impact of Cogent's Work

In conjunction with Baker Tilly consultants, Cogent carried out a study in Q4 2009 based on the Social Return on Investment (SROI) methodology (used by the third sector to measure the social, economic and environmental impact of organisations) in order to identify and quantify ways in which Cogent generates benefit for the economy. SROI applied to Cogent looks at benefits in 3 main areas:

- Economic Benefit created
- Costs saved or not wasted
- Alternative or cheaper sourcing

The study focussed on key services that fulfil the core remit of Cogent and its 2 National Skills Academies and as such make up the majority of their activities. The benefit calculations make use of some of the Cogent Long Term Impact Measures; these are KPIs that Cogent has used since 2007 and include measures such as skill shortage vacancies as % of vacancies and number of training days/employee/year.

Cogent Evaluation Summary	£m
Cost saving achieved or wastage avoided	
Training costs saved through benchmarking and skills passport	24.5
Industry training wastage avoided	13.2
Education and qualifications	
Additional tax paid due to salary increases	6
Alternative sourcing costs	
Research and LMI	1.5
Career Pathways tool	2.1
Economic benefits generated	
Reduction in skills shortage - related vacancies	11.2
Damage avoided due to workforce age demographic skills gaps	56.3
Total value benefits measured	114.8

The total value of **benefits measured of £114.8m per year** compares with the £5m/year total cost of funding Cogent and its National Skills Academies.



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