



# Skills and Innovation for a Low Carbon Economy

## Skills4Energy Launch Event

12 May 2009, Holywell Park, Loughborough University

Jonathan Mackey  
Assistant Director, Raising Employer Demand for Skills

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# background

- the CEMEP report recommended that the UK CES should undertake a cross-cutting review of the whole economy relevance of low carbon skills
- Government supported the CEMEP recommendations and reiterated its 'World Class Skills' commitment to put low carbon skills at the heart of its ambition
- the Windsor Consultation on 'Skills for a Sustainable Future' produced a powerful consensus on the next steps needed to deliver a strategic skills solution

# background

- the BERR Manufacturing Strategy committed Government to taking forward the Windsor recommendations in partnership with employers
- the Defra Review of Evidence found that we lacked the national capacity and capability to meet either sector specific or generic low carbon skills needs
- the Pre Budget Report positioned low carbon skills as a strategic driver for economic prosperity and adult progression in the workplace

# latest announcements

- align the skills system behind the economic opportunities arising from the transition to a resource efficient low carbon economy
- deliver the **Vision for a Low Carbon Industrial Strategy** announced by the Prime Minister on 6<sup>th</sup> March
- deliver the low carbon skills commitments in **Investing in a Low Carbon Britain** published alongside the Budget 2009 and the **Low Carbon Industrial Strategy** to be published later this year

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# the challenge

- our demand-led skills system is organised on a sector basis, but the need for low carbon skills affects jobs from top to bottom in **all sectors** of the economy
- there is no single organisation with a remit to coordinate employer demand for low carbon skills
- this is especially important in leadership and management to drive the culture change needed
- as a result demand signals are too weak to stimulate an adequate supply side response

# industrial activism

- cross-cutting policies supporting innovation and the demonstration of innovative technologies
- improved infrastructure responding to the need for new technical skills
- targeted interventions in high potential industries to remove barriers to growth
- **Building Britain's Future – New Industry New Jobs** – launched 20<sup>th</sup> April 2009

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# skills activism

- the capability to collect, process and deploy intelligence on low carbon skills quickly
- a new Skills Funding Agency to make sure the system delivers the low carbon skills we need
- the rapid and more responsive development of new low carbon qualifications and apprenticeships
- a new adult careers service and new skills accounts to support people to get low carbon jobs
- *DIUS publication later this year...*

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# high level forum

- align low carbon skills policies across Government and strategic skills partners
- create a high level framework of strategic objectives within which other departmental and stakeholder plans can be co-located
- coordinate the skills contribution to the **Low Carbon Industrial Strategy**

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# strategic advisory group

advise the High Level Forum on:

- the potential for stimulating low carbon skills demand through knowledge exchange between 'leading edge' employers and the skills system
- the strategic skills interventions that deliver innovation and market advantage in low carbon goods and services, or resource efficiency
- the strategic leadership and management interventions that deliver the culture change needed for the transition to resource efficient ways of working

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# stakeholder reference group

- act as a test bed and sounding board for the High Level Forum on low carbon skills policy development
- support and challenge low carbon skills propositions, and ensure the scale of Government and stakeholder ambition remains high

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# low carbon skills - priorities

- **carbon capture and storage** – announcement of up to 4 demonstration projects in the Budget
- **off-shore wind and marine energy generation** – where the UK leads the world and has a natural advantage
- **nuclear energy** – where we need a new build programme to generate at least 125GW of new capacity
- **ultra low carbon vehicles** – announcement of demonstration projects in the Budget

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## other low carbon priorities

- solar, biomass, geothermal and hydro energy sources
- waste management
- recovery and recycling
- hydrogen and fuel cells
- carbon finance
- wider environmental industries
- resource efficiency – *culture change*

## in summary

- **focus on key sectors of the economy** where the UK has a comparative advantage and the potential to play a global role
- **a new activism from Government** working to complement the market and accelerate delivery of strategic low carbon skills solutions in priority sectors
- **draw on expertise of cutting edge employers** to set the agenda and the pace of reform, accelerate supply side responsiveness and stimulate demand

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# ambition

- the Low Carbon Industrial Strategy is expected to position the UK's Economic Recovery as a **Low Carbon Recovery**

“We must use the imperative of building a low carbon economy as a route to creating jobs and growth, the path that will see us through the current downturn”

**Gordon Brown, Davos 30 January 2009**

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