Geographical Accessibility to Training and Implications for Skills and Economic Development: a case study of East Lindsey

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Outline of presentation

• Discussion of the “low skill equilibrium” and “tight labour markets” in the rural context
• Description of the study area
• The employers perspective on accessibility and transport
• The context for training in East Lindsey
• Patterns of travel-to-train in East Lindsey
• Conclusions
Low Skill Equilibrium (LSEq) and its Application to Rural Labour Markets

A low skill equilibrium is:
‘a self-reinforcing network of societal and state institutions which interact to stifle the demand for improvement in skills levels’ ...
‘in which the majority of enterprises staffed by poorly trained managers and workers produce low quality goods and services’
(Finegold and Sockice. 1988)

Tight Labour Markets and Rural Economies

• Particular form of the Low Skill Equilibrium hypothesis
• Low value-added, low skill product market trajectories exacerbated by:
  • relatively poor infrastructure (transport, skills system)
  • dispersed population
  • outward migration
• Tight Labour Markets results in relatively weak overall labour demand interspersed with key skill shortages
Tight Labour Markets

- Out migration of people of working age
- Limited labour supply
- Reduces the market for training
- Limits the demand for labour and skills
- skill shortages
- Constrains employers' capacities to expand or develop new markets

A case study of East Lindsey

- Geographically peripheral
- Very rural character (classified as "Rural-80" by DEFRA)
- Dispersed population with a few medium-sized towns
- Major centres of economic activity are Louth and Skegness. Skegness classified as a 'declining seaside town'.
- Transport links are not good and roads oriented north-south
- Coastal Action Zone (grey) an area of higher deprivation and seasonal unemployment
- High rate of population growth due to immigration of older people
Travel to work patterns

- Weak east-west commuting links in Lincolnshire
- Isolated from job opportunities elsewhere in East Midlands
- Most commuting in East Lindsey towards Lincoln/Grantham, or north-south
- 31.6% of workers travelled less than 2Km to work in East Lindsey (2001 Census), higher than the rest of Lincolnshire

Employer Demand for Skills in East Lindsey

- Major economic activities are distribution & hotels and government and other services (tourism and social care).
- These are projected to gain employment while agriculture and manufacturing will continue to decline.
- There is a low representation of jobs in professional and financial services and the knowledge economy, particularly in the coastal zone.
- Thus, the percentage of people in managerial and professional occupations is well below the regional and national average, and lowest in the coastal zone.
- The coastal zone also has a well above average percentage of jobs in lower skilled occupations
- DEFRA identified East Lindsey as being a low productivity district
Occupational structure of East Lindsey

Problems for recruitment posed by transport

- Businesses in rural areas often find it hard to recruit staff with suitable skills from the limited pool of recruits and transport difficulties intensify this problem, which can lead them to employ less-qualified staff who are able to travel to the job.
- Poor transport links are a major problem for part-time workers, who would not travel far to take up such opportunities.
- The 2006 Lincolnshire Household Survey found the percentage of people working within 5 miles of home was:
  - working in hotels and restaurants (79 per cent)
  - working in sales and customer service occupations (76 per cent)
  - part-time workers (71 per cent)
  - 16-24 year olds (68 per cent)
  - women (59 per cent)
- In social care, transport is a major problem since the job requires working unsociable hours. There is a large non-driving population who depend on having a job within walking distance to work.
- In the hospitality sector, employers have difficulty recruiting chefs and cooks because split shift hours mean they have to live close to their work.
- On the other hand, geographical isolation can reduce staff turnover due to the lack of alternative employment opportunities within commuting distance.
Transport Constraints on the Demand for Skills: Employers’ Views

• Wage levels in some industries limits travel-to-work distances to immediate vicinity
  – especially where split shifts typical in hospitality
  – can result in recruitment difficulties
• Recruitment difficulties – resulting from transport and other barriers – results in latent skill shortages
• Latent skill shortages leads to static product market strategies

The Supply Side: Employers

• Employers report constraints on capacity to provide training:
  "Distance affects us a great deal – we can't afford to send them and the travel links are so poor they need a car."
  **Hospitality, fewer than 10 employees**
  "If the staff have to travel it's more difficult. Some of our staff work part time and they don't want to spend time travelling and paying for petrol. There is an attitude amongst staff that if we want them to be good at what they do, then we should provide it on site."
  **Social Care, 10 - 49 employees**
The Supply Side: Initial Vocational Education and Training

- East Lindsey schoolchildren achieve slightly lower than average results at KS2 and KS4.
- However, their A-level results are better than the East Midland and England averages.
- Year 11 pupils have high aspirations (preference to work in professional type jobs when they are older)
- Limited training supply outside of secondary school system
- Reliance upon subsidised transport to Skegness, Boston and Grimsby
- Adults tend to be less likely to have undertaken job-related training in the previous month in East Lindsey than in GB or the East Midlands as a whole.

### Adult participation in training

<table>
<thead>
<tr>
<th></th>
<th>East Lindsey</th>
<th>East Midlands</th>
<th>Great Britain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage who received job related training within the last 4 weeks</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Working age people</td>
<td>6.9</td>
<td>10.7</td>
<td>10.2</td>
</tr>
<tr>
<td>Working age males</td>
<td>7.0</td>
<td>9.7</td>
<td>9.4</td>
</tr>
<tr>
<td>Working age females</td>
<td>6.6</td>
<td>11.9</td>
<td>11.2</td>
</tr>
<tr>
<td>Aged 25 to retirement</td>
<td>6.5</td>
<td>10.5</td>
<td>10.0</td>
</tr>
<tr>
<td>People qualified to NVQ Level 4</td>
<td>18.9</td>
<td>19.7</td>
<td>18.9</td>
</tr>
<tr>
<td>People qualified to NVQ Level 3</td>
<td>6.5</td>
<td>11.9</td>
<td>11.2</td>
</tr>
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Participation in learning

- Analysis of data from the Individual Learner Record shows that in East Lindsey:
  - women are more likely than men to participate in post-school learning
  - rates of participation decline more quickly with age in East Lindsey than for England as a whole
  - there is no increase at older ages in East Lindsey to that seen for England as a whole
Geographical accessibility to FE colleges

- The map displays DfT estimates of time taken to travel (in minutes) to Further Education college by public transport or walking
- It emphasises the poor accessibility to FE training opportunities of people living away from the urban areas of the district.
- The Coastal Action Zone has particularly poor accessibility, especially north of Mablethorpe.

Types of training

- Learner Responsive – courses delivered by FE colleges, Sixth Form Colleges, private sector training providers etc.
  - Most LR training is delivered in larger towns in neighbouring districts – i.e. Grimsby, Lincoln, Boston, Grantham.
- Employer Responsive – training delivered by employers, usually on their premises
  - ER training occurs in a much wider range of locations and is more likely to be within East Lindsey. Skegness is a major focus for ER training, followed by Louth, Mablethorpe and other towns in the district.
- Adult Supported Learning – evening classes
Location of training for East Lindsey residents

Travel-to-learn

- Distance travelled to learn is much higher in very rural areas (Rural-80) than the England average
- Distance to learn is much higher in East Lindsey than in similarly rural areas in England as a whole
- The percentage of Employer Responsive and Adult Supported Learning delivered within the district is much higher than that for Learner Responsive learning.
- Therefore, the median distance to learn for Learner Responsive learning is much higher than for the other forms of learning.
- The location of training opportunities (mainly outside the district) means that students engaged in Learner Responsive training have much further to travel than students in similarly rural areas.
Distance to learning

<table>
<thead>
<tr>
<th>Type of training</th>
<th>Percentage of training delivered in East Lindsey</th>
<th>Median distance to learn (Km)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>East Lindsey</td>
</tr>
<tr>
<td>Adult Supported Learning</td>
<td>69.0</td>
<td>6.1</td>
</tr>
<tr>
<td>Learner Responsive</td>
<td>25.1</td>
<td>21.7</td>
</tr>
<tr>
<td>Employer Responsive</td>
<td>61.6</td>
<td>7.5</td>
</tr>
<tr>
<td>All types</td>
<td>35.6</td>
<td>17.5</td>
</tr>
</tbody>
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Travel to Learn Patterns for East Lindsey

- The pattern of travel-to-learn differs according to type of training engaged in
- Since most Learner Responsive training occurs outside East Lindsey, learners predominantly travel to Grimsby, Lincoln and Boston.
- There are clear contrasts in the catchment areas for the colleges located in these three towns. Within East Lindsey, Skegness is the largest centre for training.
- For Employer Responsive training, journeys-to-train tend to be shorter
- There is a similar pattern of journeys to training outside the district, but the number of people involved is much smaller
- There are a larger number of short distance journeys for Employer Responsive training, than for Learner Responsive training, especially for women
- Distance travelled to training tends to increase with level of training - LR training for NVQ level 2 involves more people travelling further than NVQ level 1 training.
Geographical pattern of journeys to Learner Responsive training

Geographical pattern of journeys to Employer Responsive training
Level of training and journey-to-train

Conclusion

• The transport infrastructure results in labour shortages
  – this is a general constraint on firm growth
• Transport links also constrain skills supply:
  – ease of access to training (dependent upon subsidised public transport)
  – employer capacity to fund off-site training
• In turn, this results in product market strategies being oriented toward relatively low skill / low value activities resulting in the sub-optimal allocation of skills