

Solent Local Skills Improvement Plan

Solent Freeport Target Sectors Skills Analysis

Introduction

The Solent Freeport is one of eight English Freeports and represents a major opportunity for the UK as it seeks to strengthen its position and develop new trading relationships with Europe and globally. Its location along the south coast makes it one of the UK's most important gateways to European and global markets. It will accelerate the delivery of high-quality employment space, and incorporate investment targeted at state-of-the-art growth sectors, in addition to promoting groundbreaking approaches to decarbonisation and green innovation.

The Freeport aspires to unlock billions of pounds' worth of investment and create around 15,000 jobs directly, whilst also driving regeneration amongst coastal communities across the Solent. It will also enable the area to capitalise on its strengths in a highly competitive global market by generating more than £3.5 billion gross value added (GVA) uplift each year.

Comprising three tax sites and two customs sites, the Solent Freeport is targeting four broad sectors and markets for trade and investment opportunities:

1. **Port activities and logistics** – provide significant potential to expand existing trade and logistics operations and accommodate future growth.
2. **Marine manufacturing and technology** – the region's cluster makes up around 20% of its economy. The Freeport will expand this and enable growth in pursuit of new markets and technologies.
3. **Advanced manufacturing** – the Freeport will create incentives to accelerate growth across a range of opportunities.
4. **Clean growth and decarbonisation** – home to various green technology initiatives, the Freeport will support the UK's pathway to Net Zero through the development of new approaches, and leveraging investment.



Demand for skills and priorities

The specialist nature of activity at the Solent Freeport suggests that the demand for skills will continue to evolve as sites come forward for development, and new technology becomes available. Despite the uncertainty, the research has identified several common trends that will shape employers' demand for skills, including the impact of automation on the future labour force.

The demand for skills is also likely to be influenced by the drive to Net Zero. However, engagement with employers has identified the need for a broad range of essential skills (such as social skills and communication skills), in addition to addressing school performance and attainment more widely (especially at Key Stages 4 and 5).

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Challenges and opportunities

Future skills requirements and opportunities

Once delivered, the Solent Freeport will support employment across four key areas, requiring a range of skills and qualifications amongst its 15,000-strong workforce.

- ~ Advanced manufacturing and engineering: 3,800 jobs
- ~ R&D and technology: 5,400 jobs
- ~ Port activities and logistics: 4,800 jobs
- ~ Other (incl. energy, hospitality and creative): 1,100 jobs

The Freeport is a long-term opportunity with the majority of jobs expected to become available by 2040. It should be noted, that this may change as plans for the Freeport continue to develop, and investor needs evolve over time.

Critical to the overall success of the Solent Freeport is the need for skills provision to be aligned with the level of opportunity over the coming years, in particular, providing the talent pipeline needed to secure the investment's benefits.

Key to this is the potential to build visibility of opportunity and help businesses appreciate their ability to explore potential supply chain linkages related to the Freeport's target sectors.

Skills gaps and challenges

The region has a strong skills base and supply of labour to draw upon to meet the demand for jobs and skills required. However, it is recognised that the scale of job creation will require targeted intervention to upskill and reskill people.

Engagement with local stakeholders has identified several skills gaps and challenges relating to Freeport Target Sectors, as well as wider trends across the Solent economy. This includes gaps in both high-skilled and lower-skilled occupations, in addition to gaps in technical roles (e.g. electrical and systems engineers, and business administrators, HGV drivers, stevedores and pilots of large ocean-going vessels).

Employers have also identified potential future gaps related to new and emerging technologies, especially technology that will facilitate the transition to Net Zero (e.g. electric and hydrogen propulsion), and data analytics. However, these acknowledged that based on the rate of change and technology advancements, future recruitment activity may require flexibility, focusing on transferable skills and finding the right candidate who could be retrained.

Relevant Solent LSIP priorities for Freeport Target Sectors

The Solent LSIP identifies 6 priorities to take forward. Designed to be crosscutting and applicable to a full range of sectors, these priorities seek to address the skills gaps and challenges identified. The relevant LSIP priorities are:

LSIP Priority 1: Awareness and aspiration

We will continue working with employers, training providers and stakeholders to raise awareness about new opportunities related to the Solent Freeport (including within the supply chain). In addition, we will also work with the Freeport to promote and deliver skills initiatives and help build the skills required to ensure the Freeport's future success.

LSIP Priority 3: Proactive employer engagement

We will continue to monitor potential investments in the Solent Freeport, whilst also promoting engagement to ensure that the skills supply and learning provision align with anticipated demand (i.e. in line with the Business Case, and Trade and Investment Strategy).

LSIP Priority 5: Pathway to skills

We will work with the Solent Freeport, and education and training providers to highlight career pathways (and entry points via complementary sectors) across Freeport Target Sectors (including port activities and logistics, advanced manufacturing, maritime infrastructure, clean growth and decarbonisation).

LSIP Priority 6: Managing the skills transition

We will work with all stakeholders to identify opportunities for additional investment in skills development, to better manage the balance between the demand and supply of skills, focusing in particular on the skills transition needed to achieve Net Zero.