

# Investing in skills

## Background

The UK is suffering from a skills shortage in a number of fields. One area, in particular, where skills are in short supply is gas engineering, with increasing numbers of skilled workers approaching retirement and too few trained to take their place.

The Confederation of British Industry has warned that a shortage of skills could delay the country's recovery from the economic recession. Centrica is investing more than £15bn by 2020 in upstream gas and power production, including wind farms and nuclear power, and gas storage. This investment will require a generation of highly trained young people.

## Our view

Chief executive Sam Laidlaw has chaired a CBI committee on how further education can work with business to create the skills industry needs. He has also supported Prime Minister Gordon Brown's pledge to generate 85,000 opportunities to help young people get into work. These opportunities include apprenticeships at Centrica.

To tackle the energy skills shortage, we will grow apprentice numbers by about 1,000 over the next year or two. These apprentices are trained at the British Gas Energy Academy – five centres which together train up to 500 apprentice engineers a year at an annual cost of about £30m.

We have announced that we are setting up a new metering business of 2,600 new jobs by 2012 to roll out smart meters. All will be trained in a 'green' skills area at our energy academy centres, where apprentices learn to install the low-carbon technologies of the future, including solar panels and biomass boilers, and to advise customers on how to become more energy efficient – all tomorrow's skills.

Last year, we bought Venture Production, a company expert at securing gas from difficult locations. It was in effect an investment in skills. We are also developing our nuclear skills now we have bought a 20% stake in British Energy, ready to invest in the UK's new nuclear future. A new generation of nuclear power plants could bring an estimated 10,000 to 15,000 British jobs for skilled nuclear workers.

Centrica is involved in other schemes that create or promote skills in young people. For example, many of our senior managers are mentors for young people, and we support the Social Mobility Foundation to help bright students from financially disadvantaged backgrounds into careers.