LOCAL SKILLS REPORT ANNEXES - CORE INDICATORS AND ADDITIONAL DATA

INTRODUCTION

The **Skills Action Plan & Local Skills Report 2020/21**[1] presents an evidence and intelligence-based skills action plan for the Enterprise M3 LEP (EM3) area. The data contained in this document are presented to offer more quantitative overviews of the area's skills landscape, with comparisons to national analyses together with other LEP areas, where appropriate.

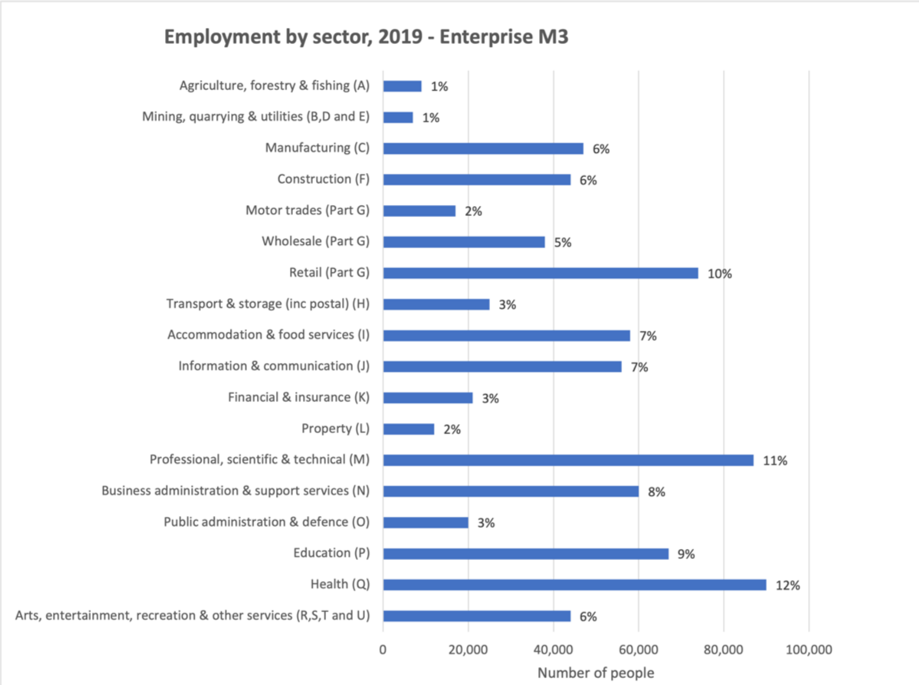
The LEP also publish bi-monthly economic and labour market data[2] to help partners understand the state of the local economy, help align the supply of skills to the demand of employers and enable an effective dialogue between providers and employers.

LOCAL CONTEXT

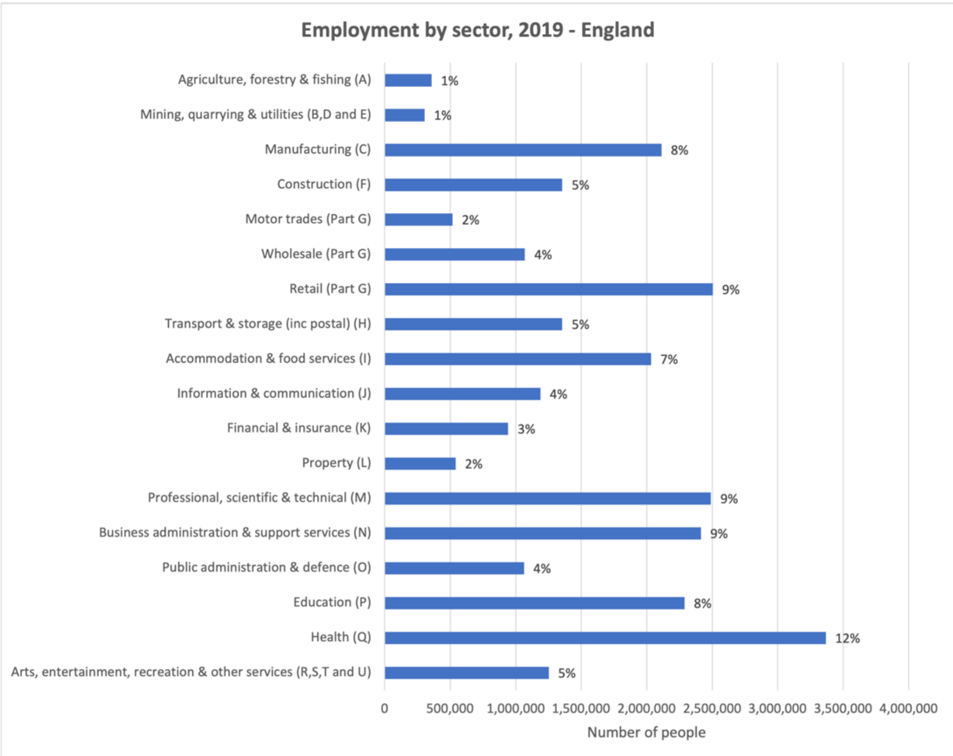
SUMMARY: Local Context

- The EM3 area is comprised of a "twin track" economy with specialisms in knowledge-based sectors and a strong service industry, powered by a high-skilled, highly productive mainly resident workforce.
- 9 / 10 businesses in EM3 are micro-businesses although the majority of the workforce are employed by large organisations. Businesses that grow here have a strong chance of survival and with dedicated support across numerous business network organisations.
- EM3 traditionally has high resident employment, but jobs growth has stalled in recent years.
- EM3 is a highly productive economy. This productivity is spatially concentrated – particularly in rural areas although the area's prosperity is influenced by significant commuting links to London and towns/cities in neighbouring LEPs.
- Although COVID19 has impacted on the EM3 labour market, the area continues to demonstrate some resilience to economic shocks – particularly when compared to other LEP areas.
- Although EM3 is relatively prosperous, there is evidence of pockets of deprivation that impacts on a wide inequality gap between the most and least prosperous.

[1] Skills Action Plan & Local Skills Report 2020/21: https://enterprisem3.org.uk/hub/skills
[2] EM3 Economy Dashboard reports: https://enterprisem3.org.uk/hub/skills



Graph 1a: Employment by sector, 2019 – Enterprise M3. **Source**: Business Register and Employment Survey, 2019 (published 2020), 2020 SAP boundaries



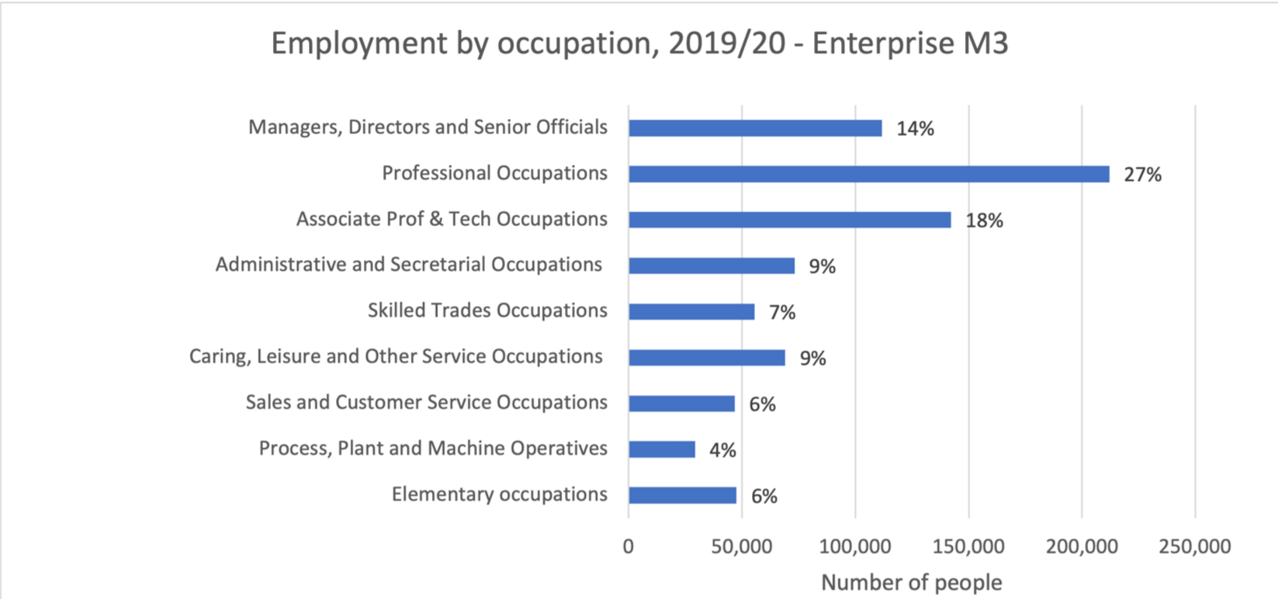
Graph 1b: Employment by sector, 2019 – England. **Source**: Business Register and Employment Survey, 2019 (published 2020), 2020 SAP boundaries

Employment by sector

The five largest sectors of employment in EM3 show comparable or higher concentrations to national levels: **Health** (12% for both); **Professional, scientific & technical** (11% versus 9%); **Retail** (10% versus 9%); **Education** (9% versus 8%) and then **Business administration and support services** (8% versus 9%) together with **Accommodation & food services** (7% for both). These reflect the 'twin track' economy described in our emerging **Local Industrial Strategy**[3] specialising in knowledge-based sectors and a strong service industry.

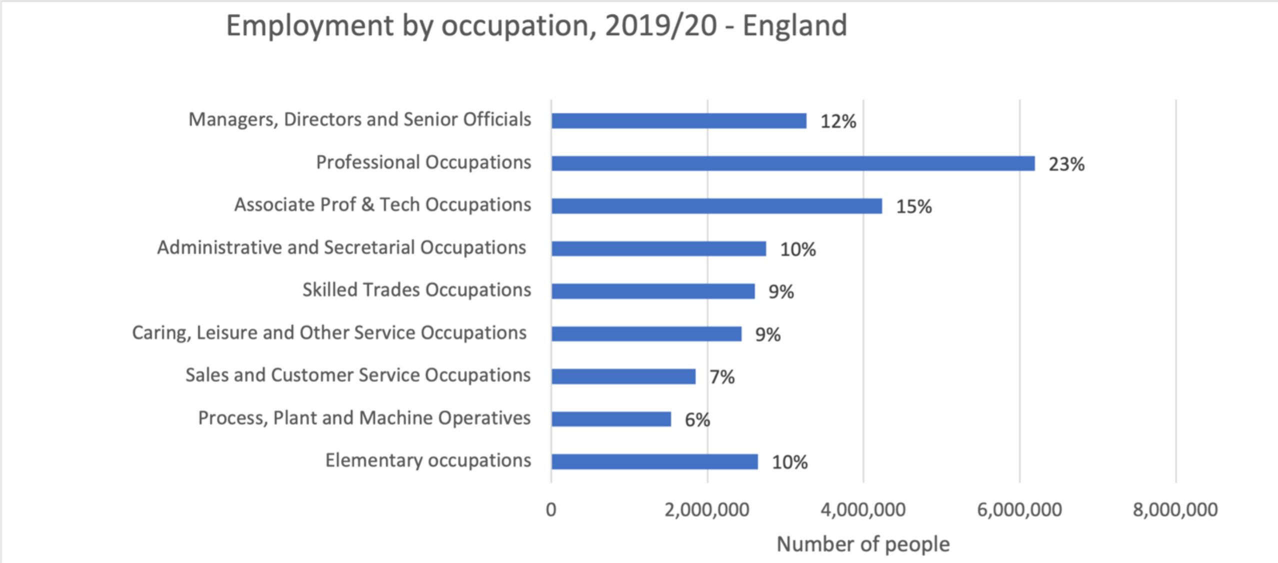
Comparing the EM3 area with national data (see also **Skills and Labour Market Analysis**[4]), it's important to note our strengths in the **Professional, scientific & technical** and **Information & communications** sectors; signs that EM3 can deliver the conditions and skills necessary for high-value growth, attractive for business.

Although many of the occupations attached to these sectors – particularly the high-skilled jobs – offer the flexibility to adapt and 'work from home', there are many that have been exposed to the impact of COVID-19. **Revive and Renew**[5] goes into more detail about these.



Graph 2a: Employment by occupation, 2019/20 – Enterprise M3. **Source**: Annual Population Survey, October 2019 – September 2020, 2020 SAP boundaries

[3] Local Industrial Strategy: https://enterprisem3.org.uk/local-industrial-strategy
[4] Skills and Labour Market Analysis: https://enterprisem3.org.uk/hub/skills
[5] Revive and Renew: https://enterprisem3.org.uk/revive-and-renew



Graph 2b: Employment by occupation, 2019/20 – England. **Source**: Annual Population Survey, October 2019 – September 2020

Employment by occupation

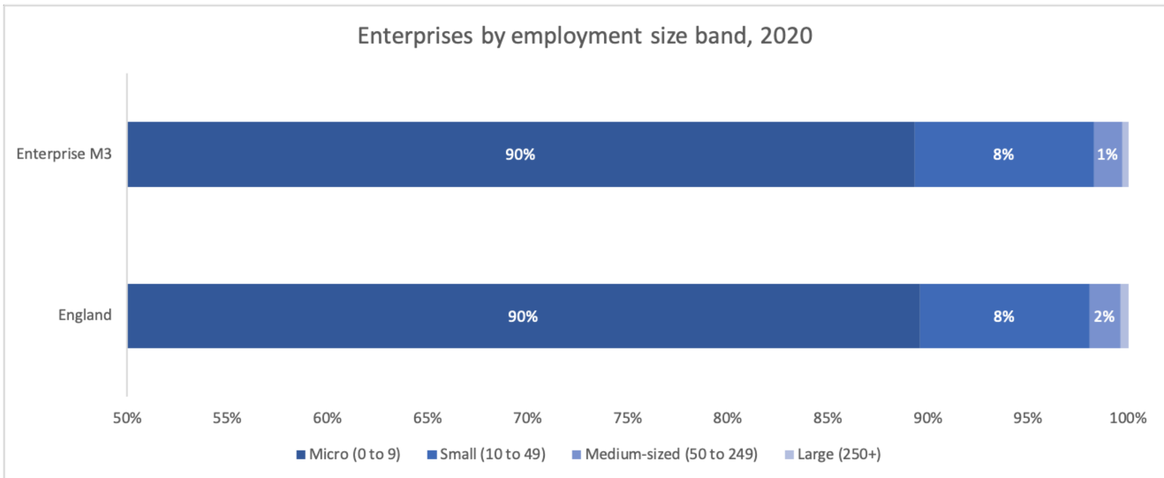
EM3 has a concentrated **professional** and **technical** resident workforce. Between 2019-20, **60%** of EM3 residents were employed in **managerial**, **professional** and **technical** skilled occupations, although not all of them in EM3 (around a third of residents commute to roles outside of the area[6]). The **educational quality** of the resident workforce together with **low unemployment levels**, suggests a tight labour market for local, high-skilled roles.

Comparing this to the national profile, EM3 has **higher proportions of professional and technical occupations** amongst its resident workforce and lower proportions of lower skilled occupations such as those in Skilled Trades and Elementary occupations.

Revive and Renew[7] highlighted significant job losses during COVID19 across the EM3 patch in many parts of the economy, including high productivity, frontier sectors, suggesting the area was at risk of losing its relative competitive edge. Job losses were hitting hardest in a number of high-volume employment sectors such as those in the service industry.

Analysis of the particular occupations hit hardest suggest it is those made redundant from middle skilled jobs – chefs and retail managers as examples – who will find it hardest to find re-employment and instead need to consider re-skilling or upskilling to levels 4 and above.

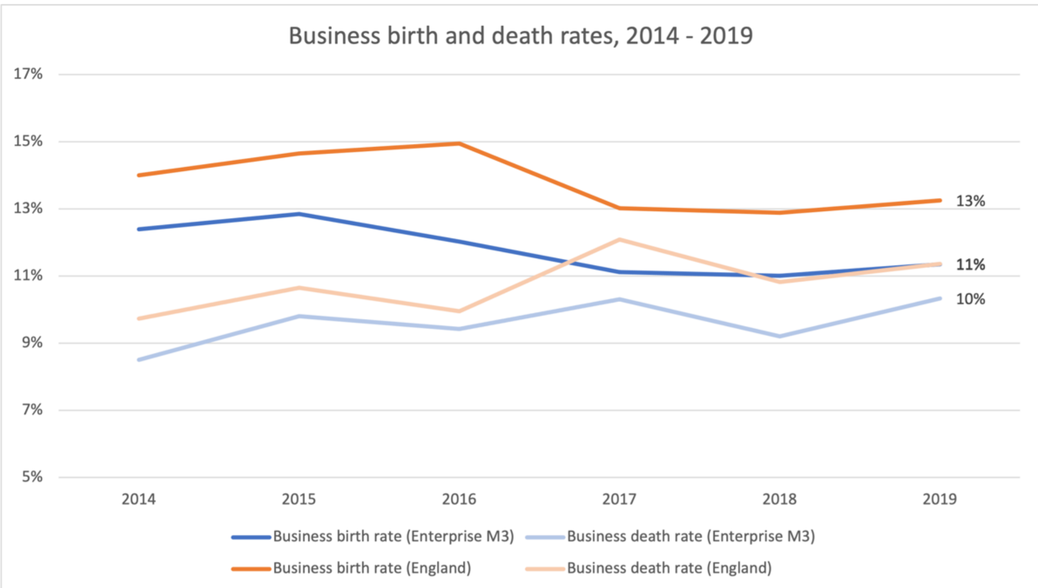
[6] Skills and Labour Market Analysis: https://enterprisem3.org.uk/hub/skills
[7] Revive and Renew: https://enterprisem3.org.uk/revive-and-renew



Graph 3: Enterprises by employment size band, 2020. **Source**: UK Business Counts, 2020, 2020 SAP boundaries

Enterprises by employment size band

The EM3 local business landscape is almost identical to the national position with mostly **micro businesses**, each comprised of less than 10 employees. This can make direct engagement with them incredibly difficult although we are fortunate to have strong working relationships with the two County **Chambers of Commerce** (Hampshire and Surrey), together with the **Federation of Small Businesses** – all represented on the **Enterprise M3 Skills Advisory Panel**.

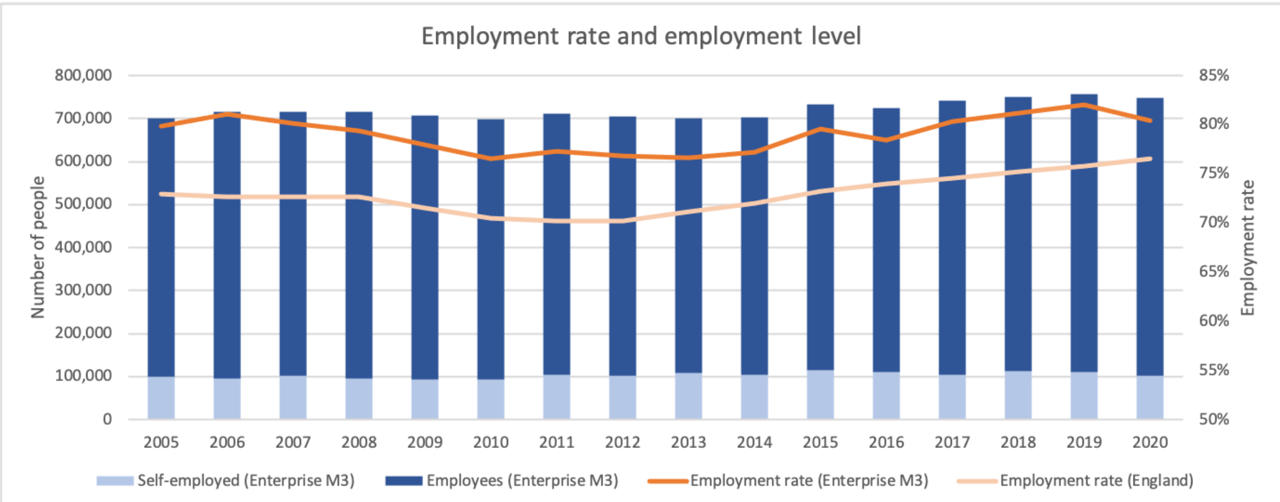


Graph 4: Business birth and death rates, 2014-2019. **Source**: ONS Business Demography, 2014-2019 (published 2020), 2020 SAP boundaries

Business birth and death rates

Taken together with data presented in the **Local Industrial Strategy**, overall, there has been a positive net business birth rate in EM3 where the size of EM3's business base has grown since 2012, although growth has slowed since 2015 (shown above). The survival rates for businesses born in 2012 in EM3 are similar to UK businesses, with survival rates for EM3 being marginally higher than the UK rate from the second to fifth years.

The picture of business birth and death rates during COVID19 in EM3 continues to change although there is evidence of diversification and schemes such as **Peer Networks**[8] and ongoing support from the **Chambers of Commerce** should make real differences to business resilience.



Graph 5: Employment rate and employment level. **Source**: Annual Population Survey, 2020 SAP boundaries

Employment rate and employment level

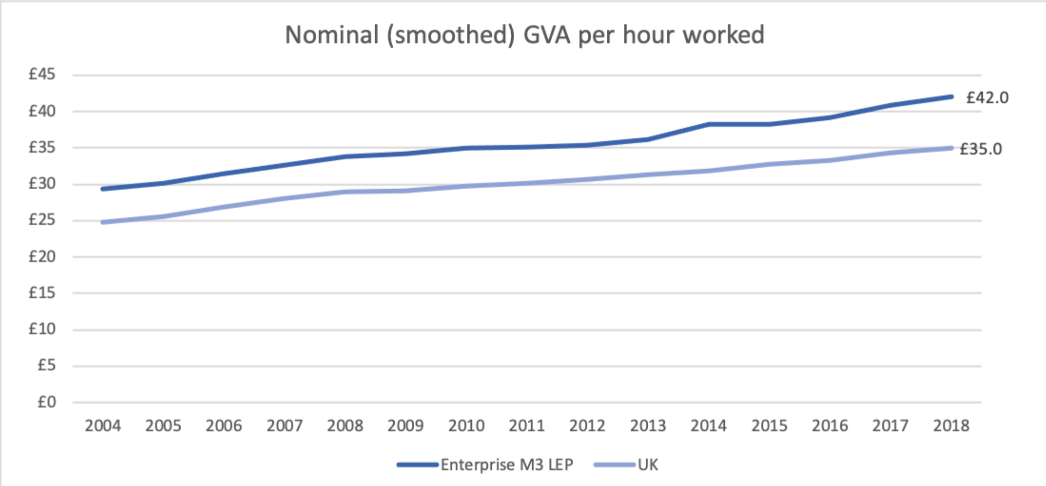
In 2019[9], EM3 was the **11th largest labour market** and had the **highest employment rate** (**82%; UK rate was 75%**) among all LEPs.

The pandemic has disrupted the regional labour market massively. It is shifting from one of almost full employment to one of rising levels of unemployment. The extent of this remains uncertain.

Preventing long term unemployment is critical to avoiding permanent scarring to prospects for individuals and the regional and national economies. Analysis[10] suggests the groups most vulnerable to sustained unemployment are those made redundant from middle skilled

[8] Peer Networks: https://enterprisem3.org.uk/peer-networks
[9] Local Industrial Strategy: https://enterprisem3.org.uk/local-industrial-strategy
[10] Revive and Renew: https://enterprisem3.org.uk/revive-and-renew

occupations, and younger people, hoping to enter the permanent jobs market for the first time – including those on Apprenticeships.



Graph 6: Nominal (smoothed) GVA per hour worked (Productivity). **Source**: ONS Subregional Productivity, 2004-2018 (published 2020) 2018 LEP/MCA boundaries

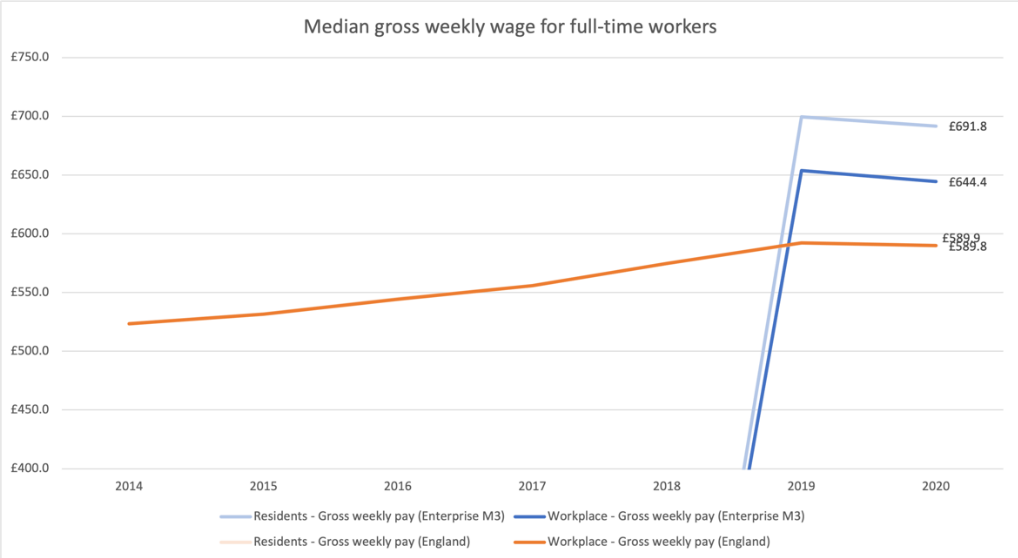
Nominal GVA per hour worked

Taking the data above, together with insights from the **Local Industrial Strategy**[11], EM3 is the **third most productive LEP** area (£42.00) behind only Thames Valley Berkshire (£47.30) and London (£46.30) and well above national (£35.00).

Productivity increased at an annual rate of 2.2% between 2012-17, outpacing the highest comparator LEPs and beating the national average rate of 2.1%. This growth is especially impressive given that EM3 avoided the worst effects of the global financial crisis, meaning further productivity growth is from an already high base.

A distinctive feature in EM3's **high productivity economy** is that this productivity is spatially concentrated in small areas – perhaps as a result of the numerous micro-businesses. In contrast to some other rural parts of the country, EM3's **rural areas tend to have high productivity**. Larger urban centres tend to have a lower GVA per job; perhaps due to their more mixed pattern of production and residential housing.

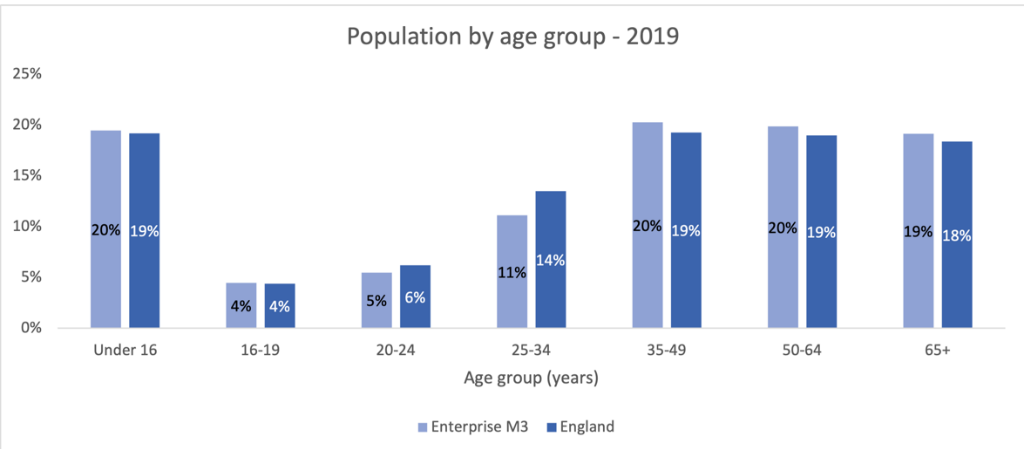
[11] Local Industrial Strategy: https://enterprisem3.org.uk/local-industrial-strategy



Graph 7: Median Gross Weekly Wages. **Source**: [Annual Survey of Hours and Earnings, 2014-2020, 2020 LEP boundaries]

Median gross weekly wages

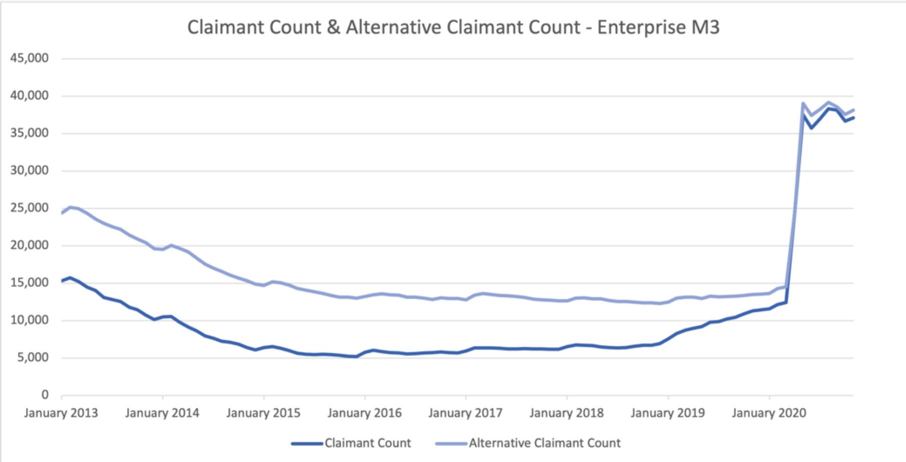
Both resident and workplace employees enjoy high weekly wages. The data above reflect this placing both types of mean wages well above the national average. When ordered against other LEPs, Enterprise M3 LEP is placed second (after London) for Resident weekly wages and third (after London and Thames Valley Berkshire) for Workplace weekly wages.



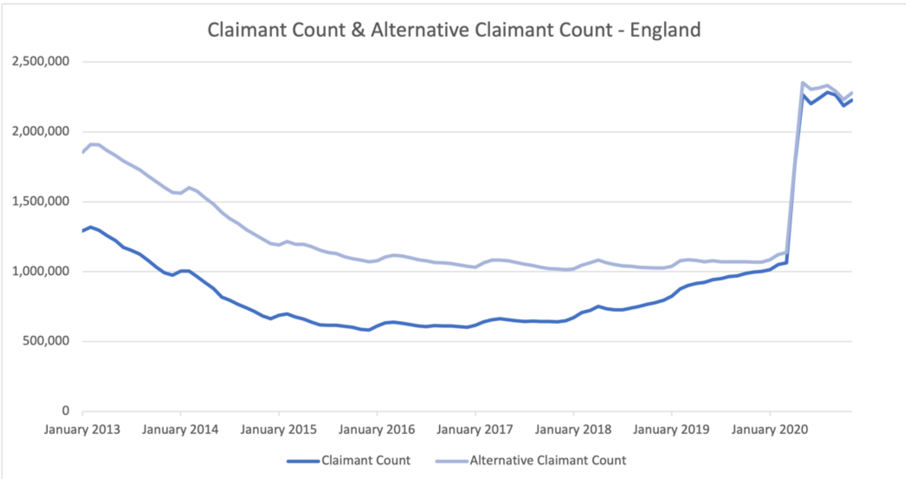
Graph 8: ONS Mid-Year Population Estimates, 2019. **Source**: [ONS Estimates of the Population, 2020 SAP boundaries]

Population by age group

Compared to England, EM3 has an older population profile slightly fewer 16–24-year-olds than nationally; 3% fewer 25–34-year-olds and slightly more people in older age categories than in England. Historic data from 2005 suggests EM3 has had this older population profile for quite some time[12]. For those industries with ageing workforces – particularly where the industry is at risk of automation – this could present some concerns. However, EM3 is the fourth lowest amongst LEPs in terms of exposure to technology disruption[13].



Graph 9a: Claimant Count and Alternative Claimant Count – Enterprise M3. **Source**: ONS claimant count & DWP Stat Xplore, January 2013 – November 2020, 2020 SAP boundaries

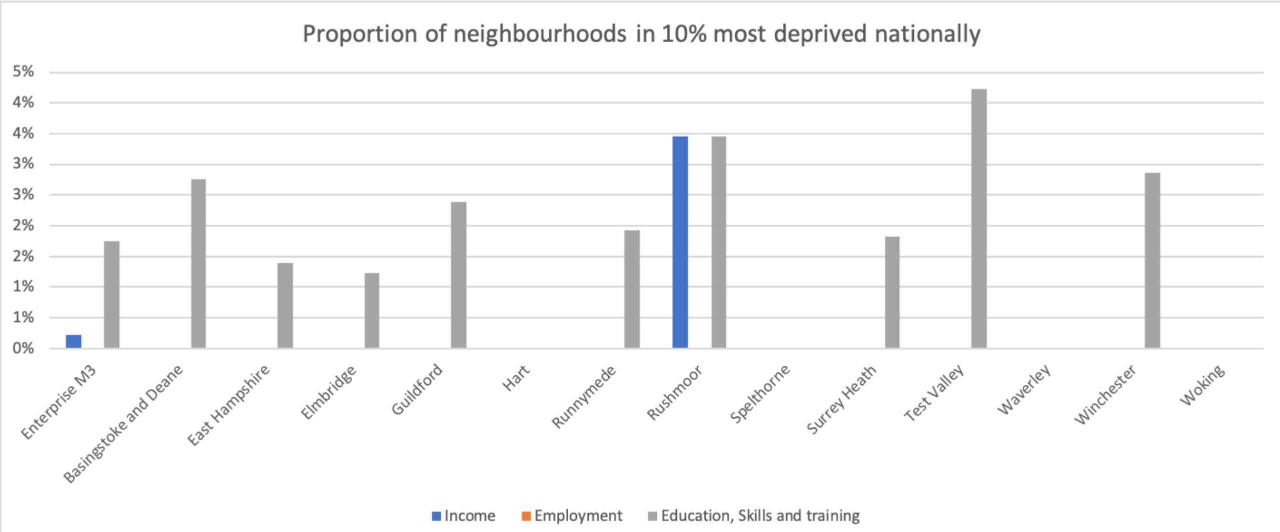


Graph 9b: Claimant Count and Alternative Claimant Count - England. **Source**: ONS claimant count & DWP Stat Xplore, January 2013 – November 2020, 2020 SAP boundaries

Claimant Count and Alternative Claimant Count

[12] Local Industrial Strategy: https://enterprisem3.org.uk/local-industrial-strategy
[13] Skills and Labour Market Analysis: https://enterprisem3.org.uk/hub/skills

The unemployment rate for EM3 was 4% in November 2020 having more than doubled since February 2020 (1.5%)[14]. However, it is also worth comparing to the rates for the UK (7.3%) and South East (6.1%) to help contextualise. The graphs above show the Claimant Count patterns for EM3 and England – reflecting similar patterns of activity. Again, the rate in November 2020 for EM3 (4%) remained below that for the UK (6.3%) and the South East region (5.2%)[14]. Nevertheless, there are differences between different Districts and Boroughs such as the extremes for Spelthorne (5.7%) and Waverley (3.3%).



Graph 10: Proportion of neighbourhoods in 10% most deprived nationally. **Source**: Index of Multiple Deprivation, MHCLG, 2019, 2017 LEP boundaries

Income, Employment and Education Deprivation

Although the EM3 area as a whole is a relatively prosperous area, **high levels of varied measures of deprivation** exist in small pockets of five boroughs / districts in particular[15]; Basingstoke & Deane, Guildford, Rushmoor, Test Valley and Woking. Rushmoor is identified as an area with some **income** deprivation and Test Valley, Rushmoor, Winchester, Basingstoke & Deane and Guildford have high proportions of deprivation related to **Education, skills and training**.

However, **barriers to housing and services** affects some residents in *every* district across the EM3 area. **1 in 5 EM3 residents** (close to **310,000**) do not have physical and / or financial access to suitable homes or local services such as post offices, primary schools, general stores / supermarkets and GP surgeries. The level (**20.6%** of residents) is marginally above the South East average of 20.3%.

[14] EM3 Economy and Labour Market Dashboard, January 2021: https://enterprisem3.org.uk/hub/skills
[15] Local Industrial Strategy: https://enterprisem3.org.uk/local-industrial-strategy

The problem is most acute in five EM3 districts where the proportion of Lower Layer Super Output Areas (LSOA) of housing and services deprivation is worse and higher than the national average at 20%: Runnymede (35%), Spelthorne (32%), Test Valley (27%), Basingstoke & Deane (26%), and Winchester (24%).

Taken together, these examples of deprivation in EM3 have significant implications for education attainment, reduced employment opportunities and also wider effects on things like health and positive engagement with society.

SKILLS SUPPLY

SUMMARY: Skills Supply

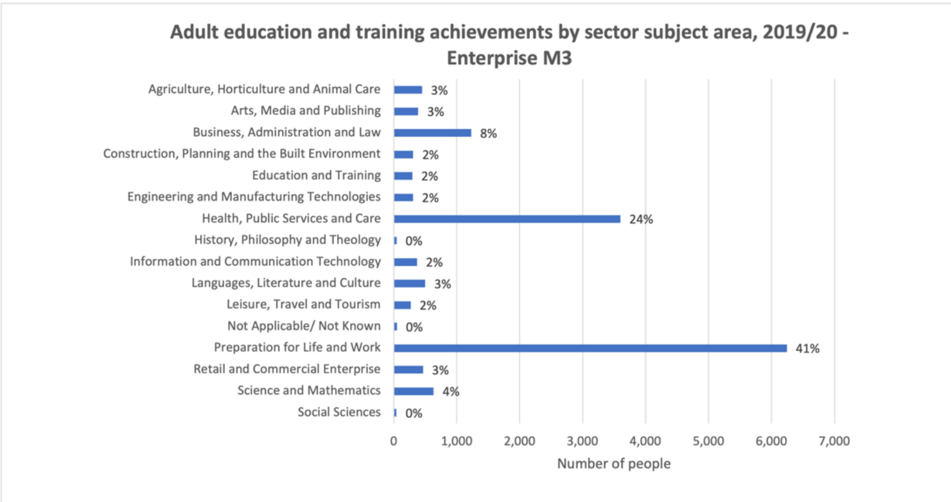
- Enterprise M3 has a well-educated, slightly older workforce; typically following the academic route before entering employment.
- Although there are high numbers of achievers in health and care sectors, there are opportunities in Digital, Construction and emerging Low Carbon sectors – particularly through higher technical skills provision, perhaps via Higher Apprenticeships.
- There is some sound higher education provision in the area although there is evidence of students leaving the area and perhaps not returning until later in their careers.

Graph 11: Qualifications of people aged 16-64, 2019. **Source:** Annual Population Survey, January 2019 – December 2019, 2020 SAP boundaries

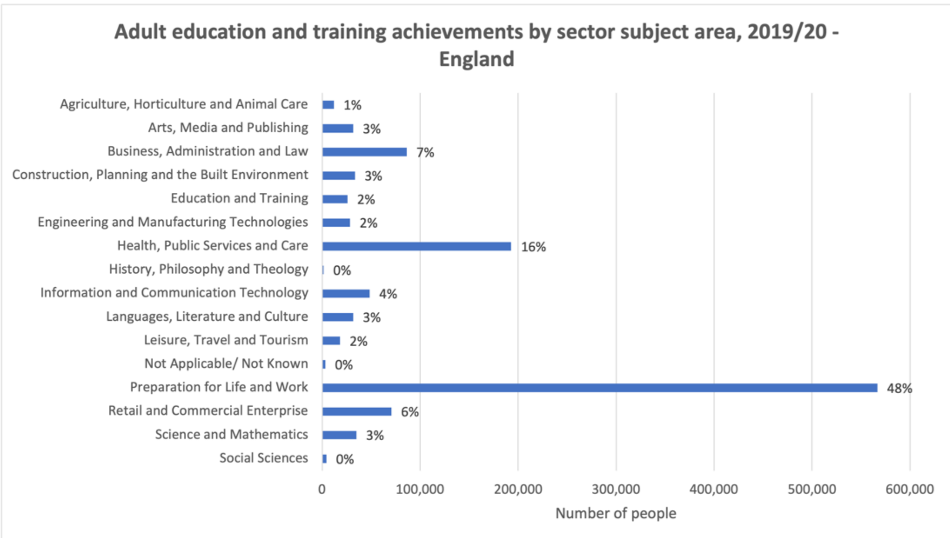
Qualification levels

EM3 has long been a **relatively well-educated region**: Between 2004-2017, the number of working age people educated to degree level or higher rose from 23 to 39%; the number with no qualifications halved from 8 to 4%.

In 2019, **49% of EM3 residents aged 16-64 have qualifications at level 4 or greater** – well above national average (40%) and third after London (54%) and Oxfordshire (51%) LEPs.



Graph 12a: Adult education and training achievements by sector subject areas – Enterprise M3. **Source:** Further Education & Skills data, DfE, (published 2020), 2020 SAP boundaries

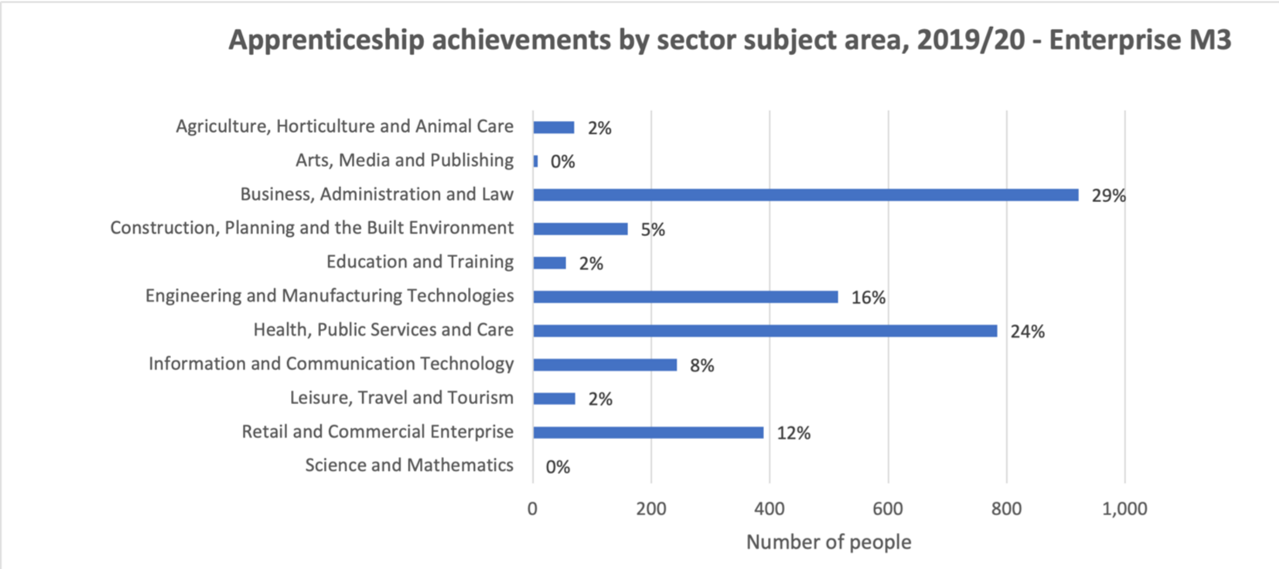


Graph 12b: Adult education and training achievements by sector subject areas – England. **Source:** Further Education & Skills data, DfE, (published 2020), 2020 SAP boundaries

Adult education and training achievements by sector subject areas

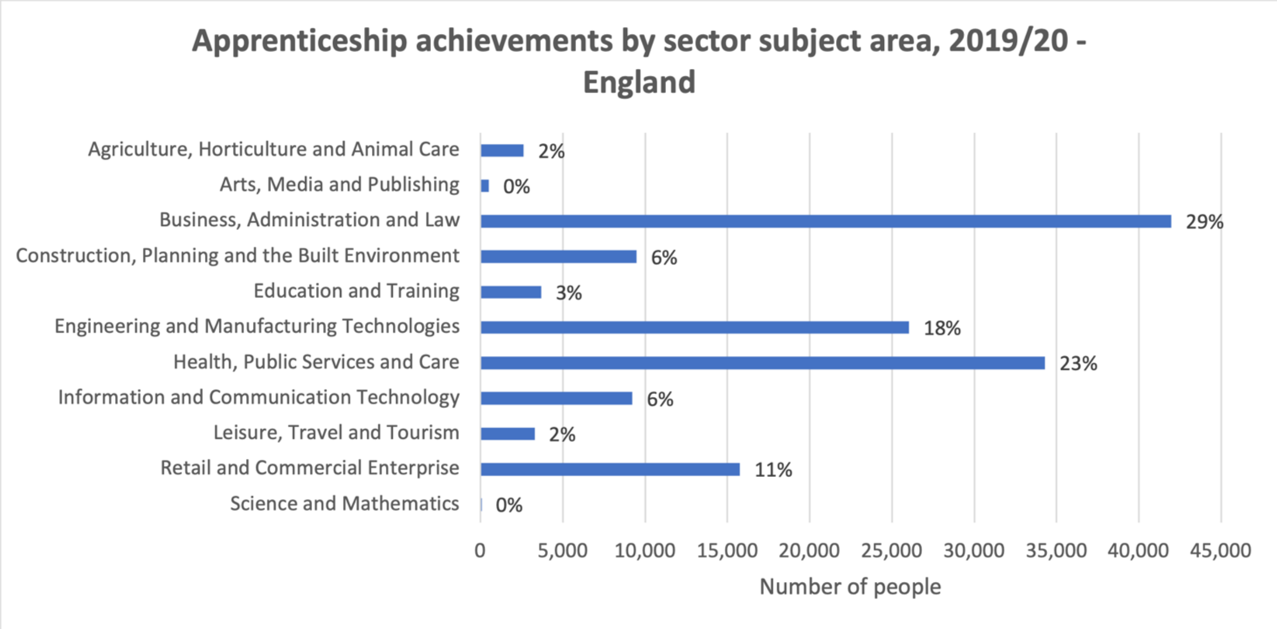
Adult education training achievements in EM3 cover a wide variety of substantive subjects, with **Health, public services and care** being the most popular, followed by **Business, Administration and Law** – in line with previous research[16]. It is also worth noting the significant achievements for the generic **Preparation for Life and Work** pathway, highlighting those individuals trying to join the labour market.

These patterns are similar to those seen for the national data.



Graph 13a: Apprenticeship achievements by sector subject area, 2019/20, Enterprise M3. **Source**: DfE, Apprenticeships data, 2020 SAP boundaries.

[16] Skills and Labour Market Analysis: https://enterprisem3.org.uk/hub/skills



Graph 13b: Apprenticeship achievements by sector subject area, 2019/20, England. **Source**: DfE, Apprenticeships data, 2020 SAP boundaries.

Apprenticeship Achievements

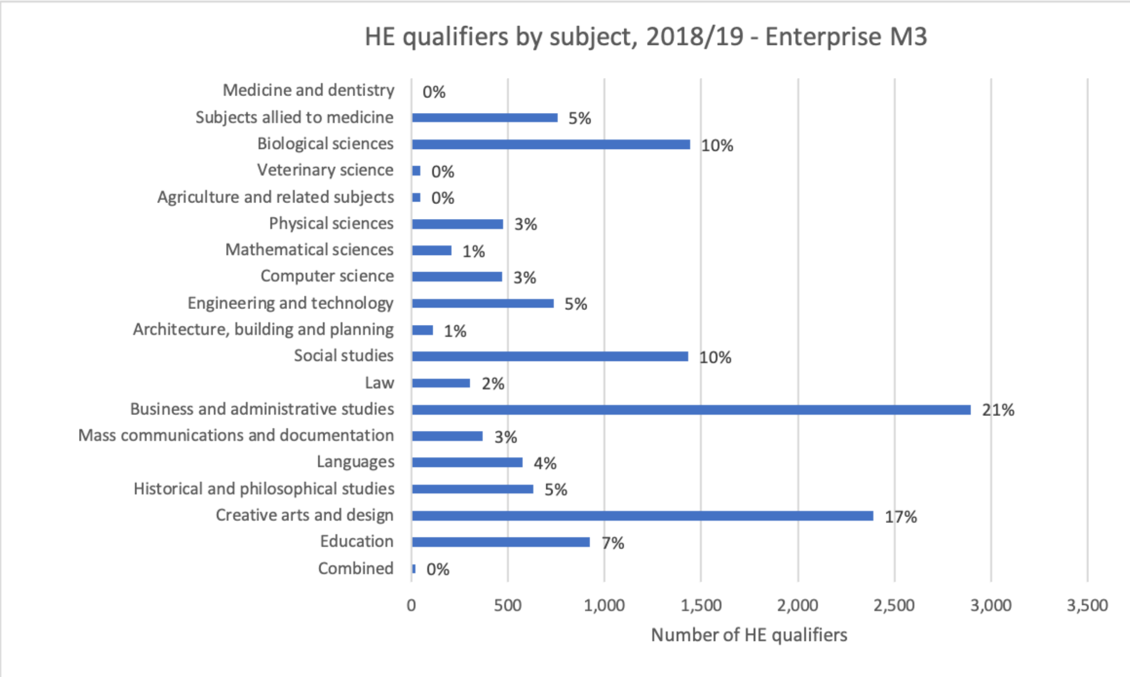
The EM3 area has strengths in the academic route and university-level participation which all have an impact on apprenticeship uptake and achievements. Learner destination data for Key Stages 4 and 5[17] reflect this. Nevertheless, there were over 11,000 apprenticeships achieved in EM3 in 2017-18 – most at level 3 and 350 at levels 4 and 5. Of these, **Health, public services and care** were the dominant subjects.

More recent data, above, shows apprenticeship achievements are concentrated in **Business, administration and law** followed by **Health, public services and care** and **Engineering and Manufacturing Technologies**. A similar pattern is shown in the national data.

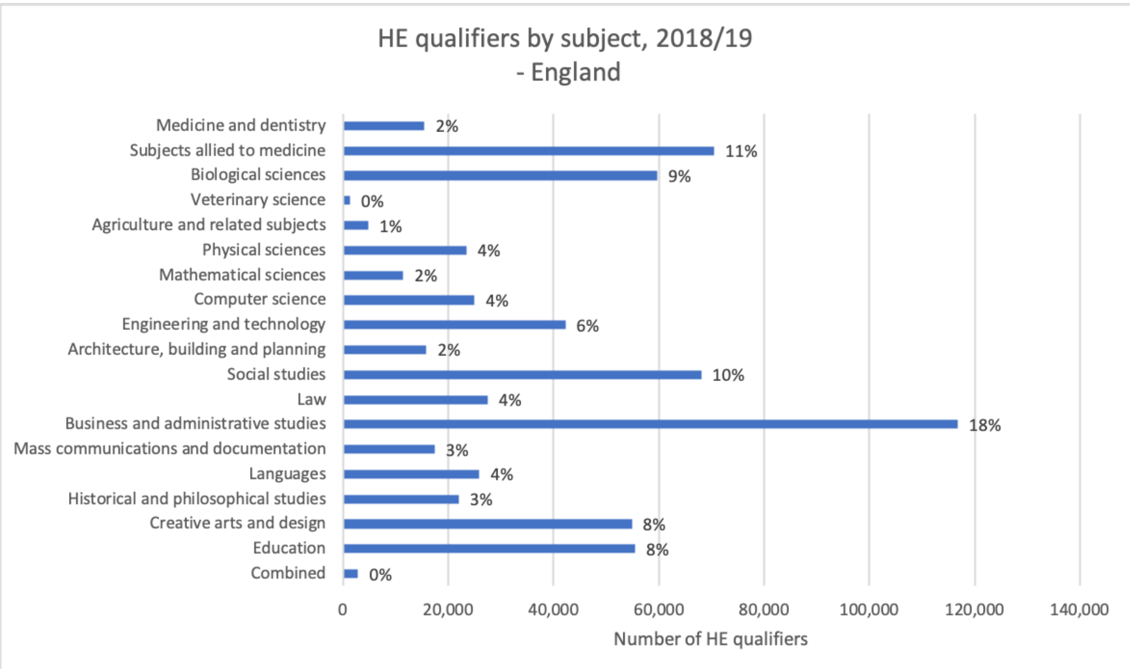
High numbers of apprentices in health and social care align with LEP sector priorities. Over the next few years, we would like to see more uptake and success to address skills gaps in **Digital** and **Low Carbon** sectors – particularly to support growth in **sustainable construction**.

There remains work to be done with apprenticeship uptake (both from employers and individuals) in EM3 and we look forward to supporting the work of the EM3 Apprenticeship and Skills Hub to help address this.

[17] Skills and Labour Market Analysis: https://enterprisem3.org.uk/hub/skills



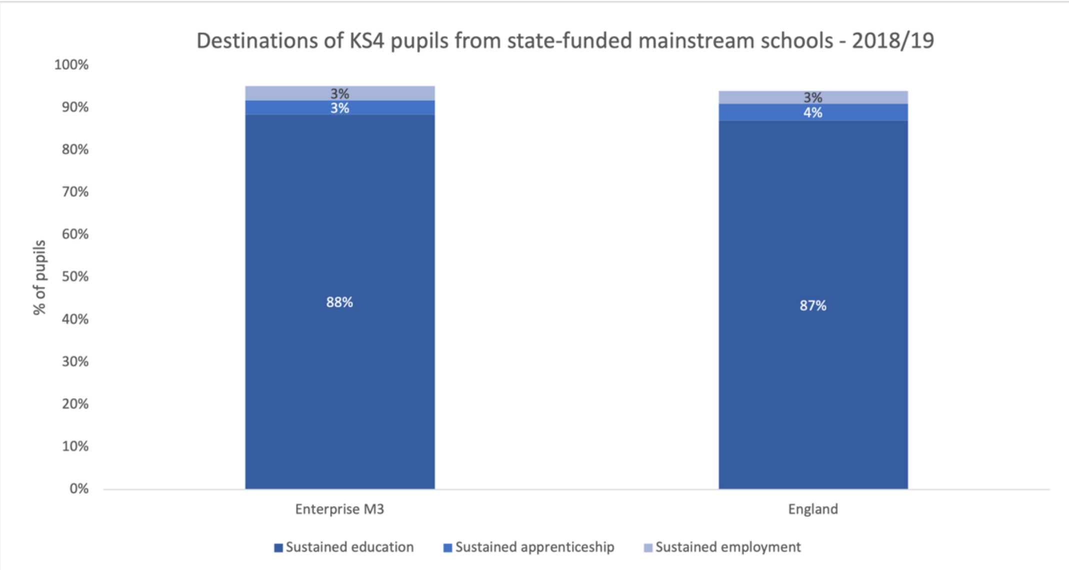
Graph 14a: HE qualifiers by sector subject area, Enterprise M3. **Source**: [HESA, 2018/2019 qualifiers (published 2020), 2020 SAP boundaries]



Graph 14b: HE qualifiers by sector subject area, England. **Source**: [HESA, 2018/2019 qualifiers (published 2020)]

HE Qualifiers

The high level of participation in higher education may also explain a distinctive pattern of subject choice, not really aligned with the composition of the local labour market[18]. Despite importance in the local economy, subjects including those **allied to medicine**, **computer science** and **engineering and technology** all have lower shares in EM3 than nationally.



Graph 15: Key Stage 4 destinations - state-funded mainstream schools, 2018-19. **Source**: DfE, KS4 destination measures 2018/2019 (published 2020), 2020 SAP boundaries

Key Stage 4 Destinations

As mentioned, EM3 has strengths in the academic route. Learner destination data for Key Stage 4, above, reflects this. Moreover, more remain in sustained education in EM3 (88%) compared to national (86%).

Although there are very few sixth forms attached to schools in EM3, there is wide provision of Sixth Form and General Further Education Colleges – most of which remain following the outcomes of the Further Education Area Reviews[19].

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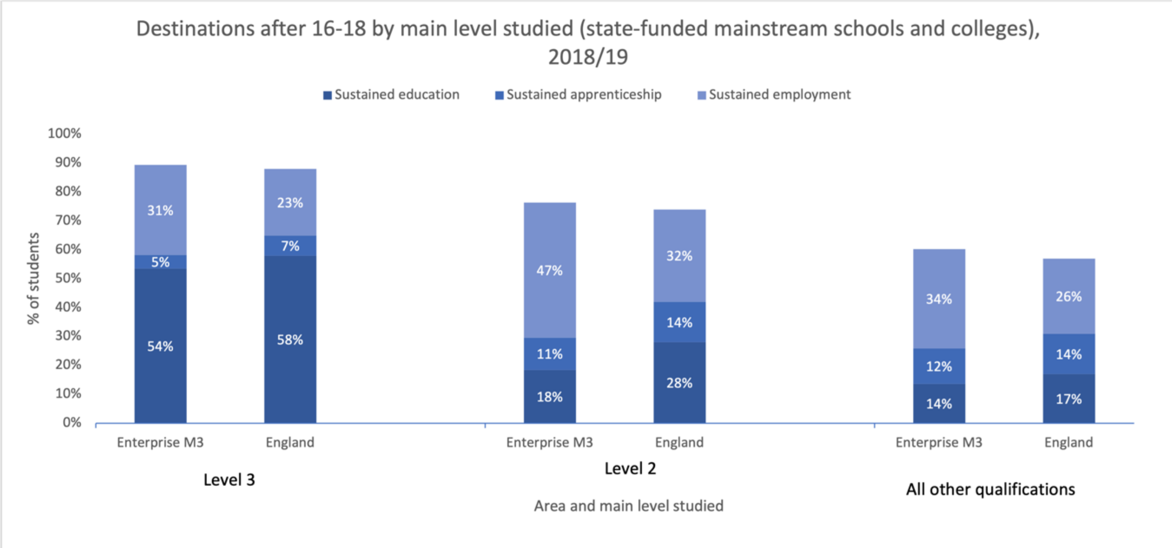
[18] Skills and Labour Market Analysis: https://enterprisem3.org.uk/hub/skills
[19] Further Education Area Reviews: https://www.gov.uk/government/collections/post-16-education-and-training-area-reviews



Graph 16: 16 to 18 destination measures – state-funded mainstream schools and colleges, 2018-19. **Source**: DfE, 16-18 Destination Measures, 2018/19, (published 2020), 2020 SAP boundaries

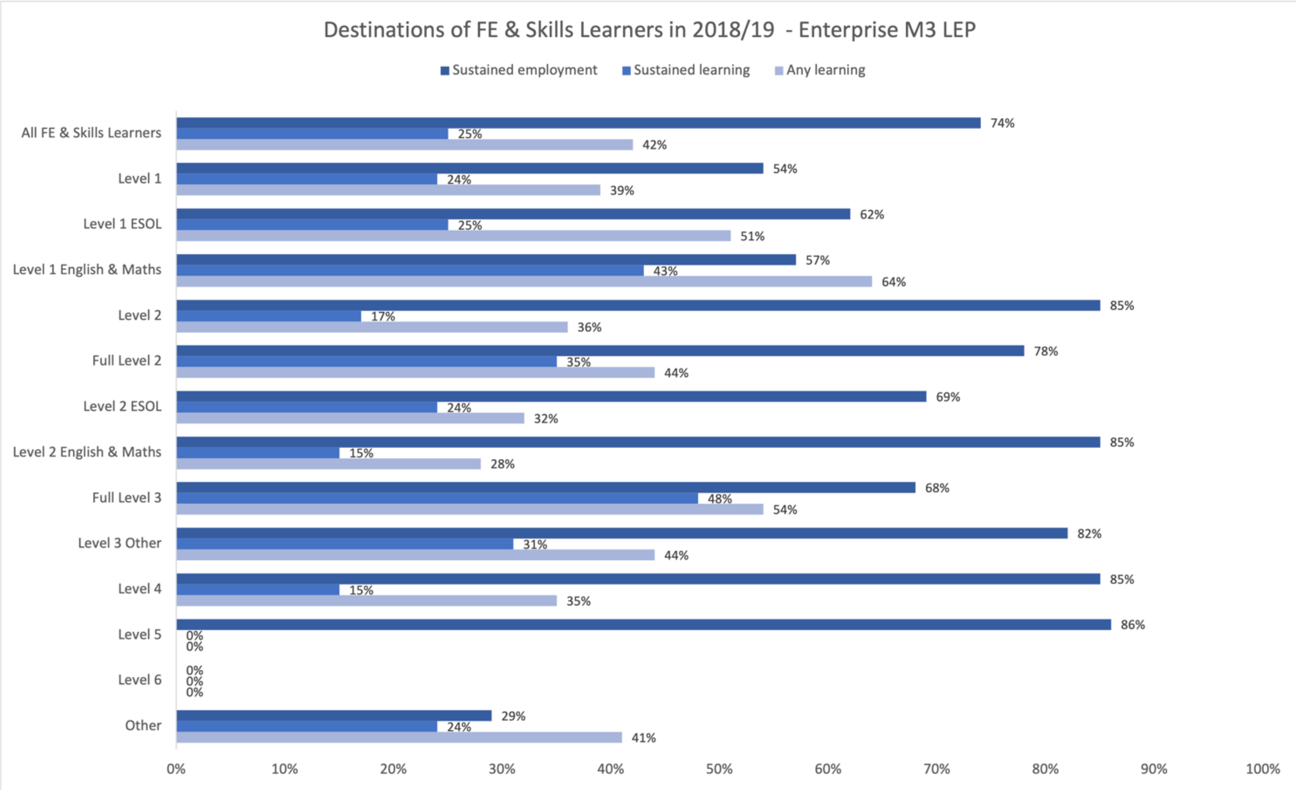
Key Stage 5 Destinations

After completing Level 2 qualifications, more learners from EM3 progress into sustained employment (47%) or an apprenticeship (11%) compared to continuing in sustained education (18%). These data contrast with the patterns seen for level 2 qualifiers from England where fewer continue to employment (32%) but more progress into an apprenticeship (14%) or remain in sustained education (28%).

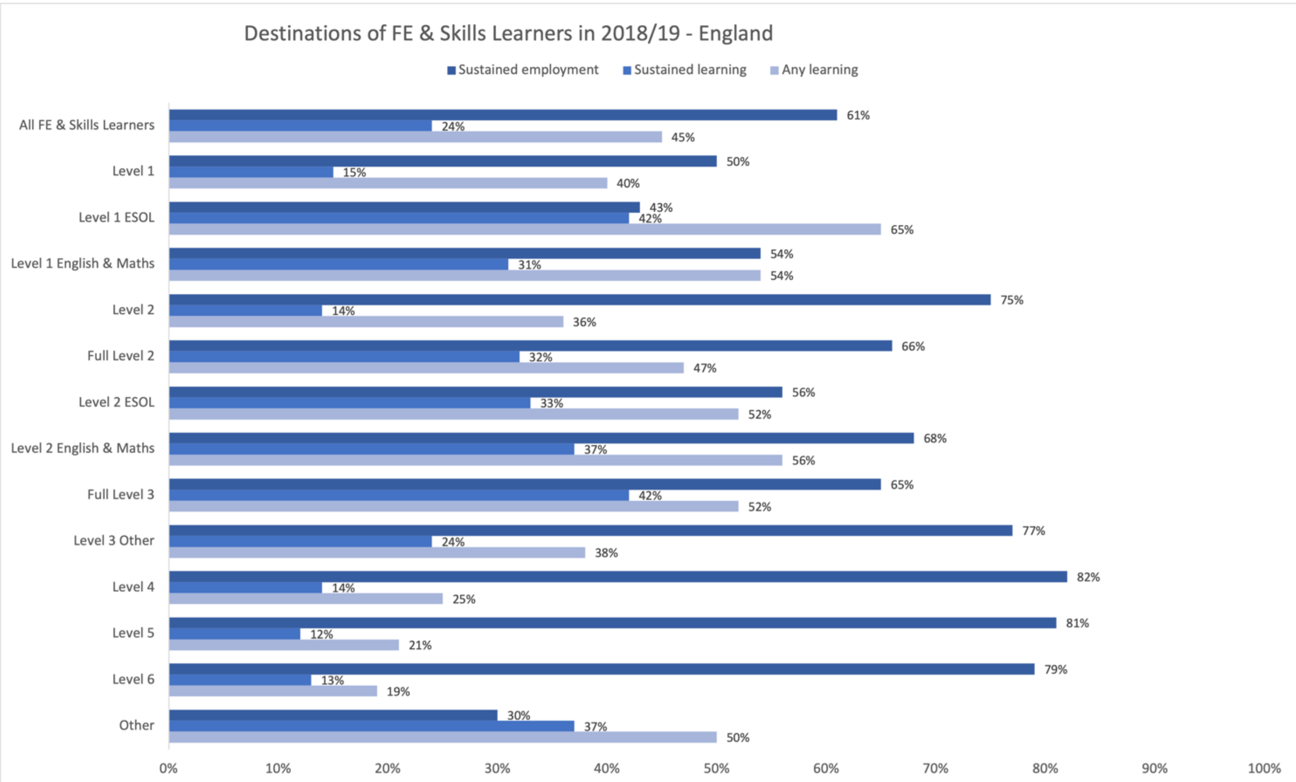
For those completing level 3 qualifications, the proportions for EM3 are fairly similar to the national ones, although it is noticeable that fewer nationally progressed into employment (23%) compared to EM3 (31%).

For those who progress into mid-skill employment, we recognise from recent data[20] there could be a danger of sustaining that employment long-term. Hence EM3 has a skills priority identified in this **Skills Action Plan** to upskill these individuals to levels 4, 5 and beyond.

[20] Revive and Renew: https://enterprisem3.org.uk/revive-and-renew



Graph 17a: Destinations for adult FE and skills learners in 2018-19 – Enterprise M3. **Source**: [FE outcome-based success measures, 2018/19 destinations, DfE, (published 2020), 2018 LEP boundaries]

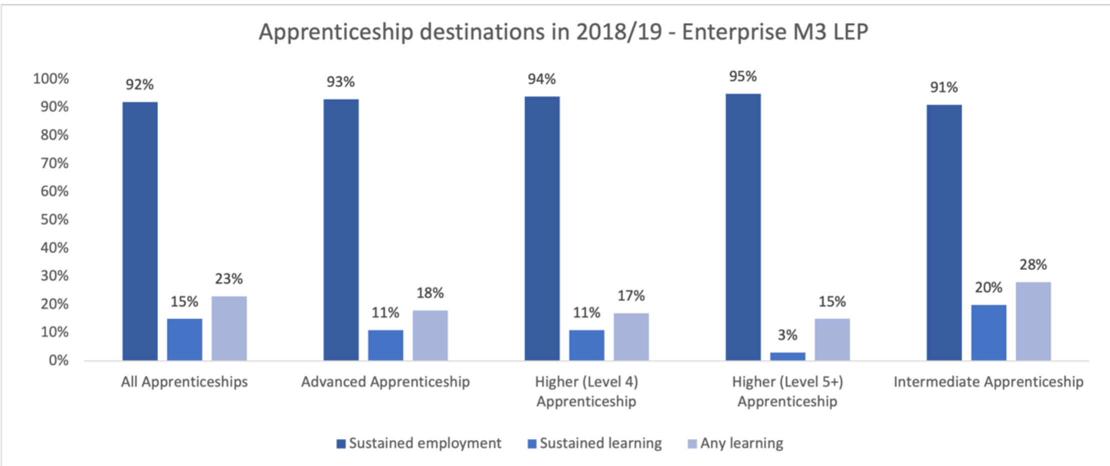


Graph 17b: Destinations for adult FE and skills learners in 2018-19 – Enterprise M3. **Source**: FE outcome-based success measures, 2018/19 destinations, DfE, (published 2020), 2018 LEP boundaries

FE Destinations

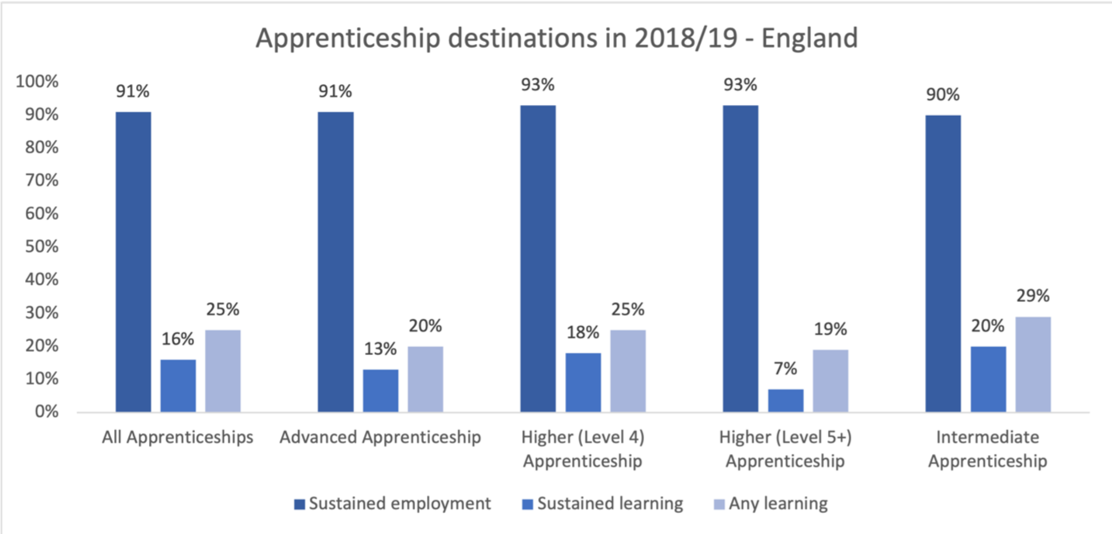
Across all provision, nearly three quarters of EM3 learners are progressing into sustained employment – more than for the national data. This progression to employment is also reflected in level 2+ provision. At level 1, there is evidence of more 'Any learning' and/or 'Sustained learning' which is what we would want to see as learners progress to higher skills levels to make their long-term career prospects more sustainable – particularly in our economy which tends to be more biased towards professional and technical roles and against process and elementary jobs[21].

As mentioned earlier, for those who progress from levels 2-3 into mid-skill employment, we recognise from our data there could be a danger of sustaining that employment long-term. Hence why we are working with providers to create more level 4+ provision, aligned to employers' skills needs.



Graph 18a: Apprenticeship destinations 2018-19 – Enterprise M3. **Source**: DfE, FE outcome based success measures, 2018/19 destinations, (published 2020), 2018 LEP boundaries

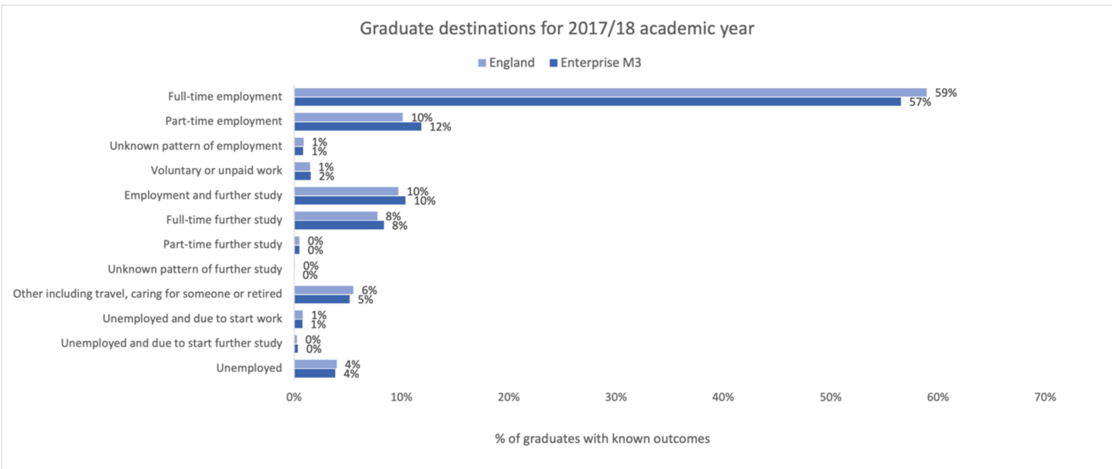
[21] Skills and Labour Market Analysis: https://enterprisem3.org.uk/hub/skills



Graph 18b: Apprenticeship destinations 2018-19 – England. **Source**: [DfE, FE outcome based success measures, 2018/19 destinations, (published 2020), 2018 LEP boundaries]

Apprenticeship destinations

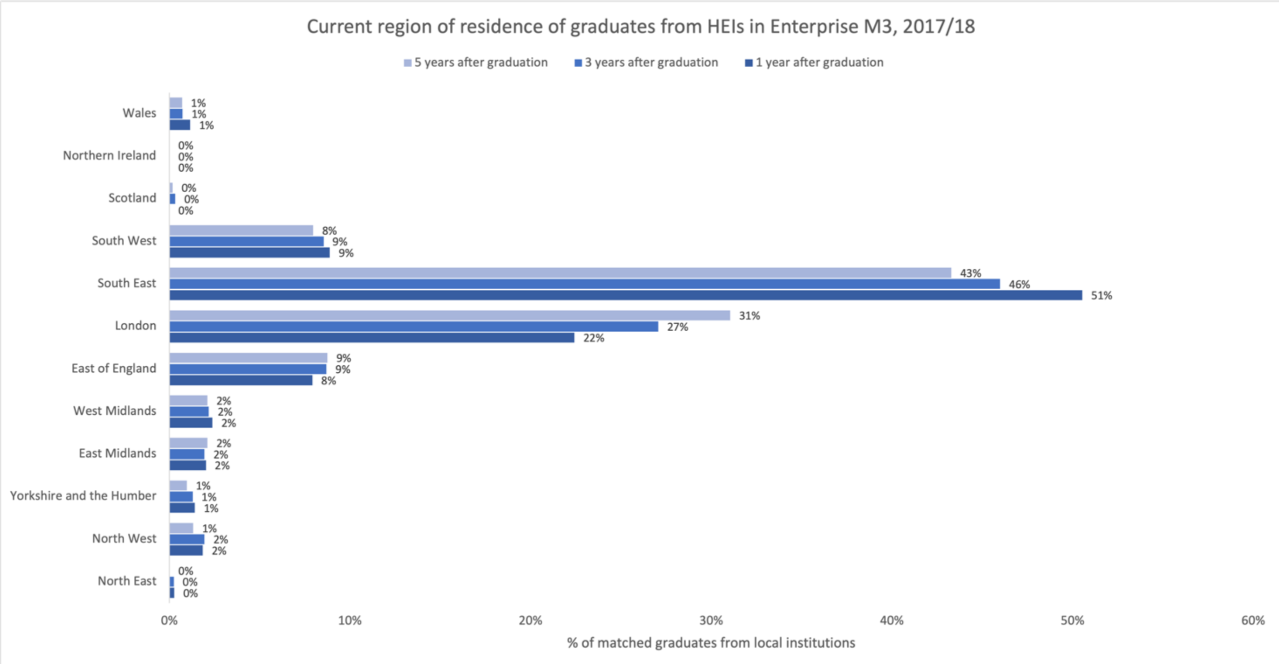
These data indicate **92% of apprentices sustained employment after completion** across all levels, compared to 89% for the previous year. This is in line with national data. Again, we would like to see more upskill opportunities for those in mid-skill occupations to support employment long term and are working with providers to put this in place, in response to employers' skills needs.



Graph 19: HE Graduate Destinations 2017-18. **Source**: [HESA, 2017/18 graduates (published 2020), 2020 SAP boundaries]

HE graduates destinations

Destination data for our graduates is similar to national, with nearly **80% moving into full-time or part-time employment**. However, we recognise the limitations with these data and continue to work with our universities to understand and support destinations – particularly local and especially into graduate-level jobs.

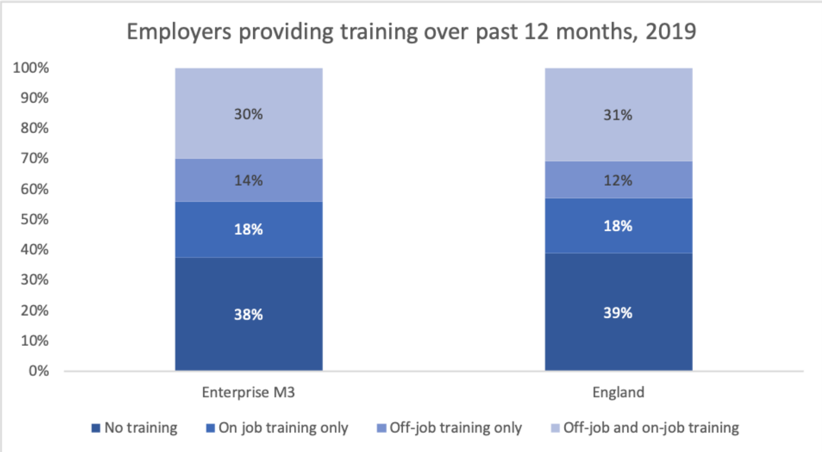


Graph 20: Higher Institution graduates by current region – 1, 3 and 5 years after graduation.
Source: DfE, Graduate Outcomes in 2017/18, (published 2020), 2020 SAP boundaries

Graduate retention

Similar to other LEP areas, EM3 graduates tend to remain in the South East or London. Although employment opportunities are high in EM3, there is the previously mentioned tight labour market for high-skilled jobs meaning this, together with living costs and availability of affordable housing, are all likely to impact on graduate retention – particularly in the first few years after graduation. We have other data to suggest some of these graduates may return to the area between 30 – 45 years old[22].

[22] Skills and Labour Market Analysis: https://enterprisem3.org.uk/hub/skills



Graph 21: Employers providing training over past 12 months, 2019. **Source**: Employer Skills Survey, 2019 (published 2020), 2019 LEP boundaries

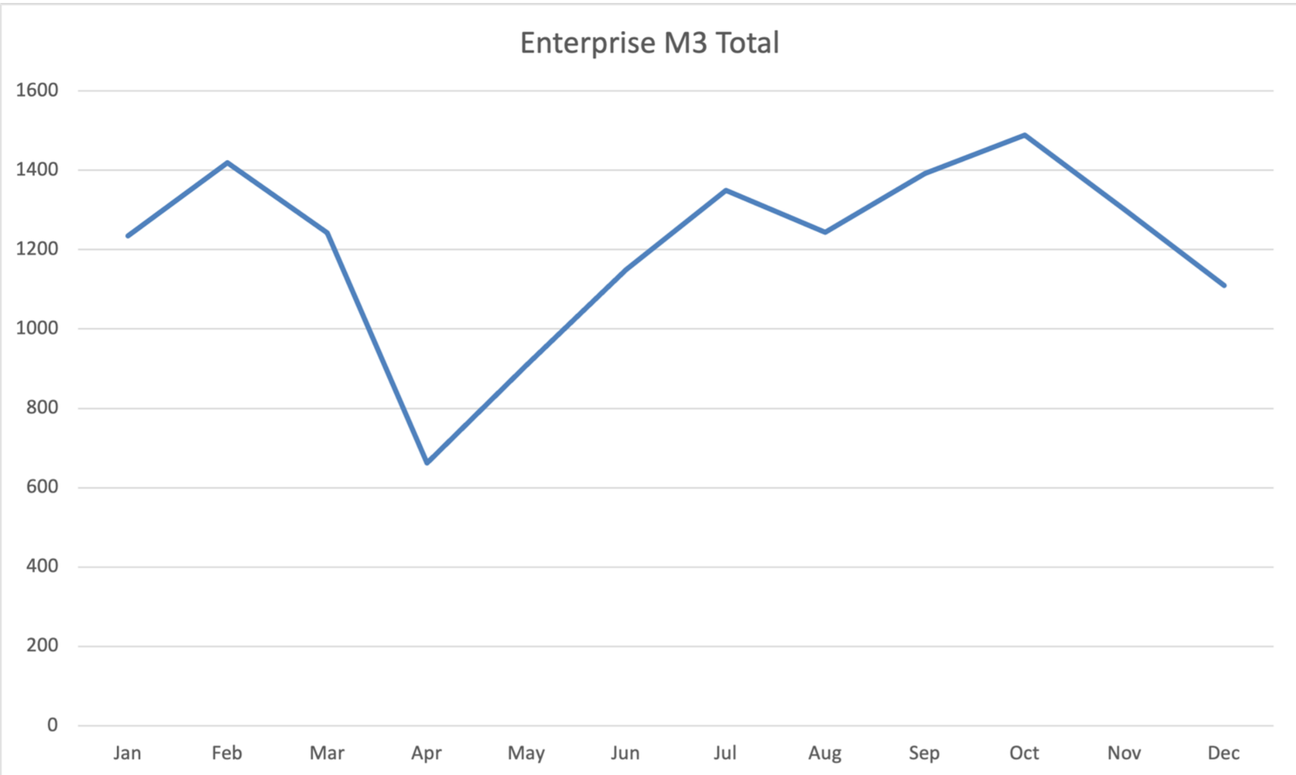
Employer provided training

Alongside apprenticeships, there is evidence of **employers continuing to provide training to employees**. In 2019 EM3, employers offered this as on-job (18%), off-job (14%) or a mixture (30%). 38% of employers did not offer any training; slightly below the figure for England (39%). It's important to note the make-up of our businesses – 99% SMEs with 90% of these with less than 10 employees. Therefore, time and resource for employee training can be difficult to justify.

SKILLS DEMAND

SUMMARY: Skills Demands

- Lockdown has impacted on recruitment activity across the UK, including EM3. However, it has shown recovery in EM3, particularly for mid- and high-skilled occupations and in key industries such as Administrative support, Education and Professional, scientific and technical activities.
- These reflect the area's strengths in hi-tech, knowledge-based industries and moderate reports of skills shortages.
- Work experience remains important for entry to the labour market.
- Businesses report a number of barriers to growth including some related to skills.

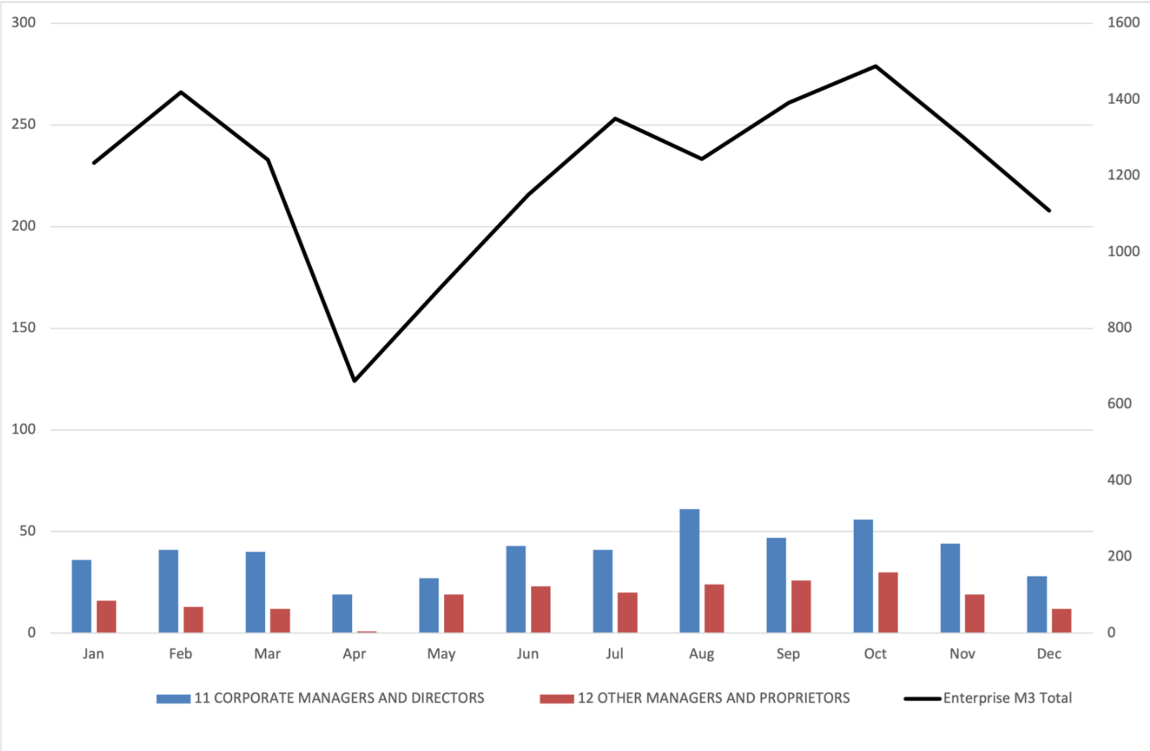


Graph 22: Total number of job openings per month, January – December 2020 **Source**: LMI for all

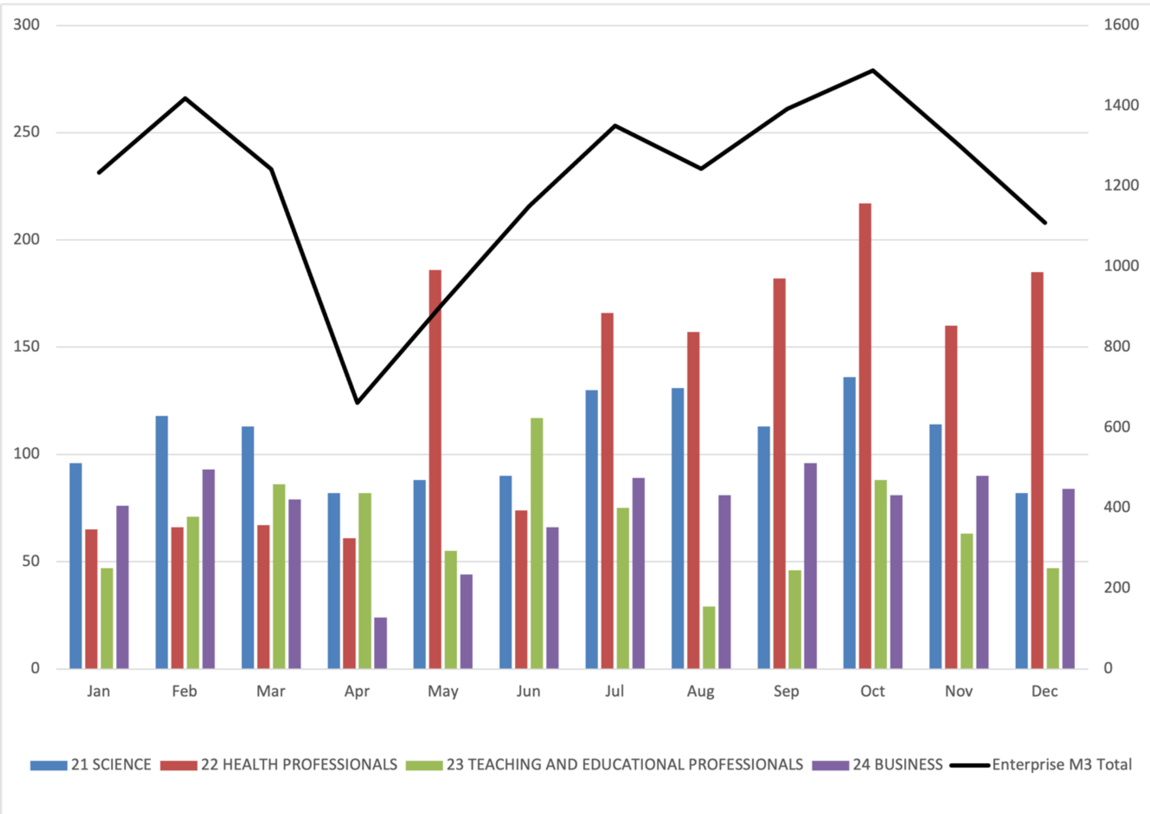
SOC2010 2 digit	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
11 CORPORATE MANAGERS AND DIRECTORS	36	41	40	19	27	43	41	61	47	56	44	28
12 OTHER MANAGERS AND PROPRIETORS	16	13	12	1	19	23	20	24	26	30	19	12
21 SCIENCE	96	118	113	82	88	90	130	131	113	136	114	82
22 HEALTH PROFESSIONALS	65	66	67	61	186	74	166	157	182	217	160	185

23 TEACHING AND EDUCATIONAL PROFESSIONALS	47	71	86	82	55	117	75	29	46	88	63	47
24 BUSINESS	76	93	79	24	44	66	89	81	96	81	90	84
31 SCIENCE	41	44	35	12	18	30	32	42	38	56	43	33
32 HEALTH AND SOCIAL CARE ASSOCIATE PROFESSIONALS	35	81	57	49	56	50	59	35	45	43	44	46
33 PROTECTIVE SERVICE OCCUPATIONS	3	11	10	6	2	2	3	2	2	1	3	1
34 CULTURE	22	20	26	9	16	21	17	11	29	8	34	5
35 BUSINESS AND PUBLIC SERVICE ASSOCIATE PROFESSIONALS	244	265	200	85	75	145	195	177	201	164	166	157
41 ADMINISTRATIVE OCCUPATIONS	153	163	126	52	67	108	120	83	120	108	106	101
42 SECRETARIAL AND RELATED OCCUPATIONS	18	22	15	6	14	6	5	19	11	18	19	5
51 SKILLED AGRICULTURAL AND RELATED TRADES	2	4	2	0	2	0	2	3	4	4	4	1
52 SKILLED METAL	42	62	57	18	12	54	54	63	61	76	43	43
53 SKILLED CONSTRUCTION AND BUILDING TRADES	5	11	10	4	13	9	5	23	15	9	13	11
54 TEXTILES	30	36	21	0	4	6	5	6	4	9	5	2
61 CARING PERSONAL SERVICE OCCUPATIONS	102	115	119	98	12 0	140	160	91	121	132	142	144
62 LEISURE	18	18	14	1	6	10	9	12	18	7	11	4
71 SALES OCCUPATIONS	27	33	26	6	11	22	25	25	28	27	25	19
72 CUSTOMER SERVICE OCCUPATIONS	28	30	29	9	14	40	25	33	28	31	27	13
81 PROCESS	29	21	19	5	8	31	23	34	38	33	19	20
82 TRANSPORT AND MOBILE MACHINE DRIVERS AND OPERATIVES	25	19	23	10	9	33	34	41	43	41	42	23
91 ELEMENTARY TRADES AND RELATED OCCUPATIONS	6	2	4	3	3	4	8	8	12	19	3	4
92 ELEMENTARY ADMINISTRATION AND SERVICE OCCUPATIONS	68	60	52	20	40	26	48	53	64	94	63	39
Enterprise M3 Total	123 4	141 9	124 2	66 2	90 9	115 0	135 0	124 4	139 2	148 8	130 2	110 9

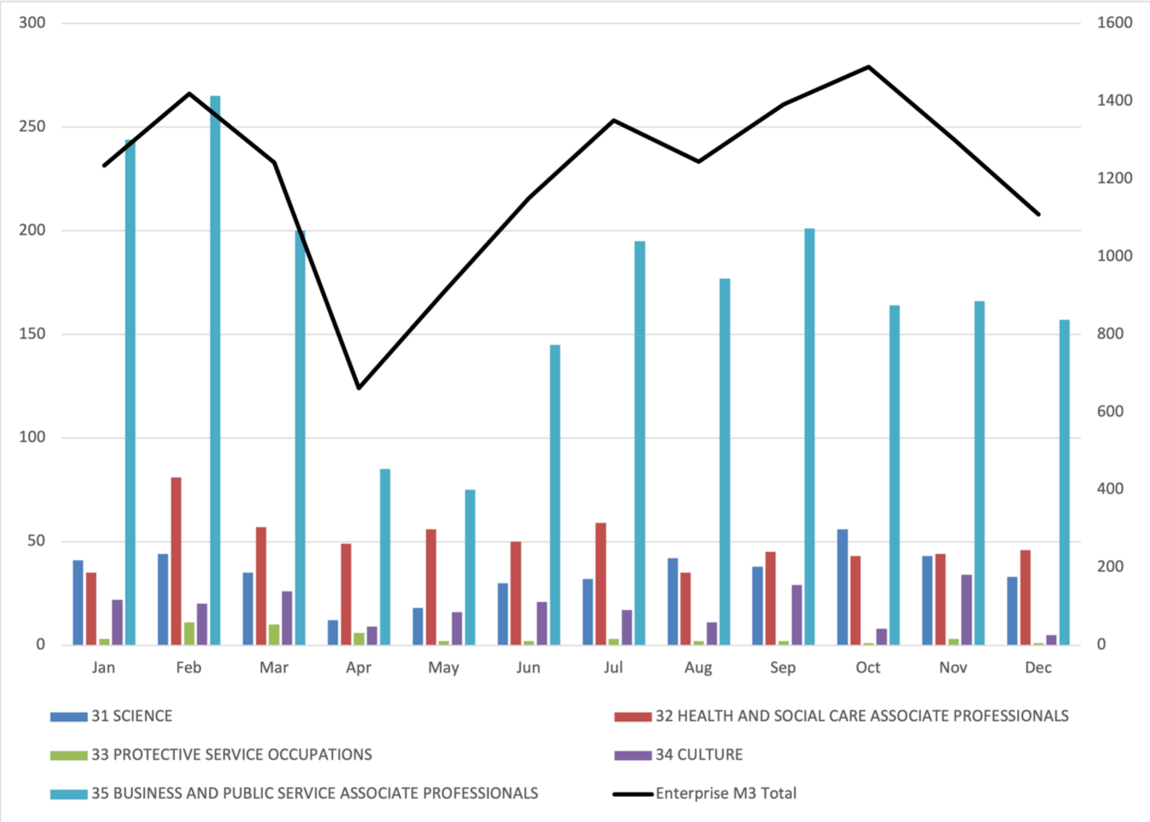
Table 1: Number of job openings per month by SOC2010, January -December 2020 **Source**: LMI for all.



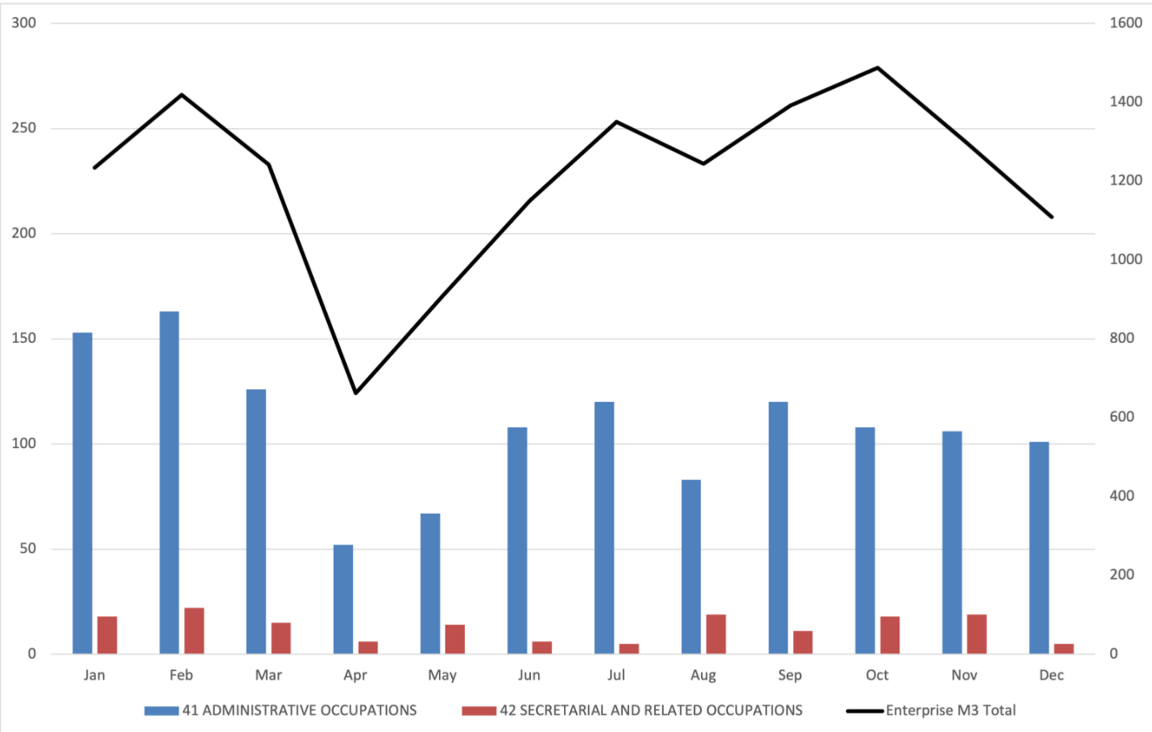
Graph 23a: Number of job openings per month for Managers, Directors and Senior Officials **Source**: LMI for all



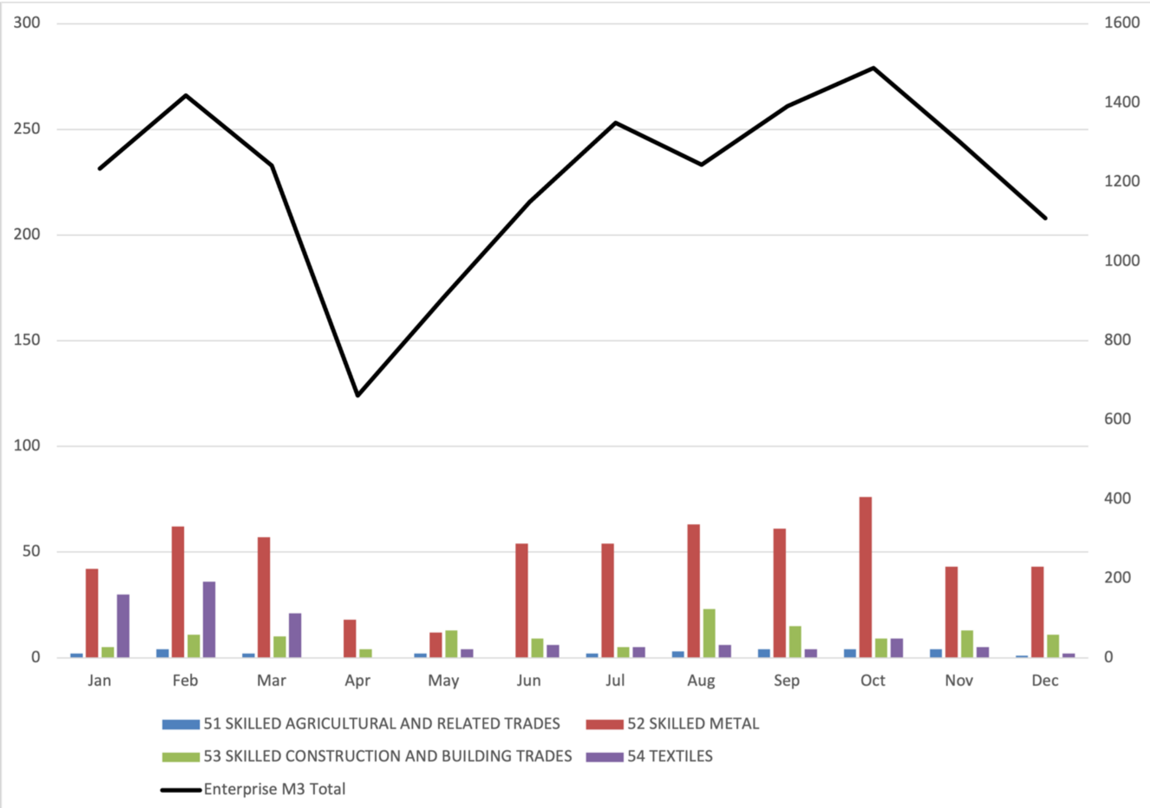
Graph 23b: Number of job openings per month for Professional Occupations **Source**: LMI for all



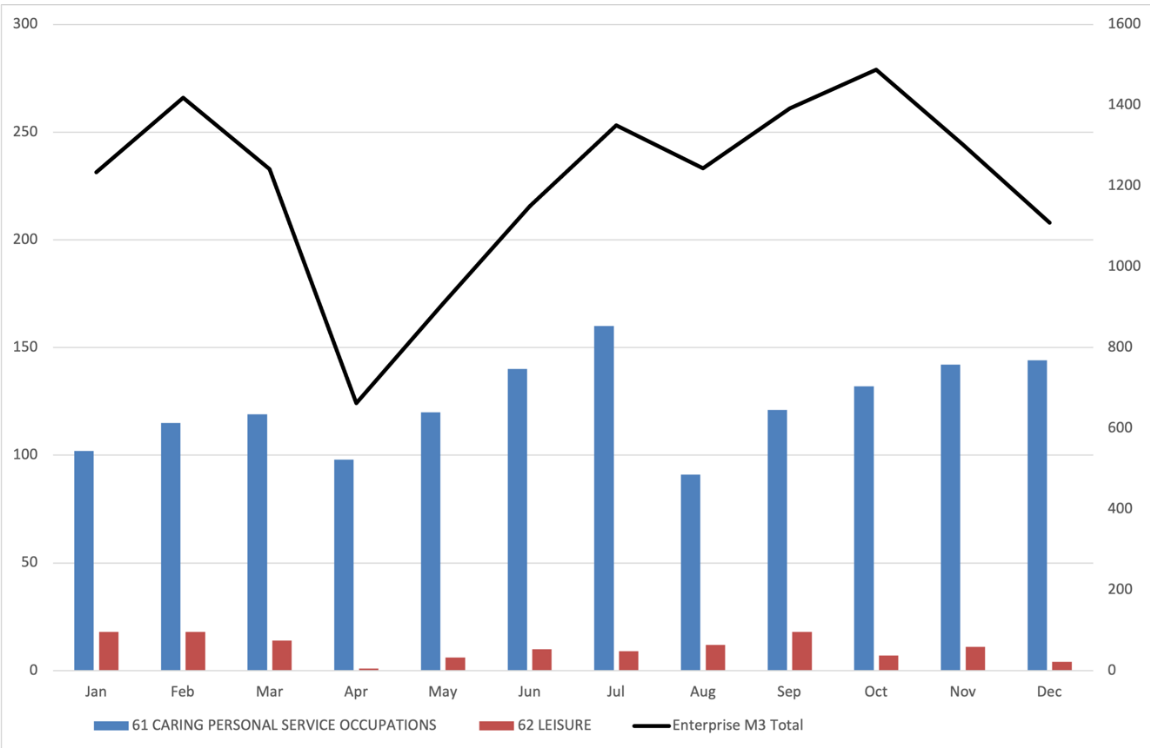
Graph 23c: Number of job openings per month for Associate Professional and Technical Occupations **Source**: LMI for all



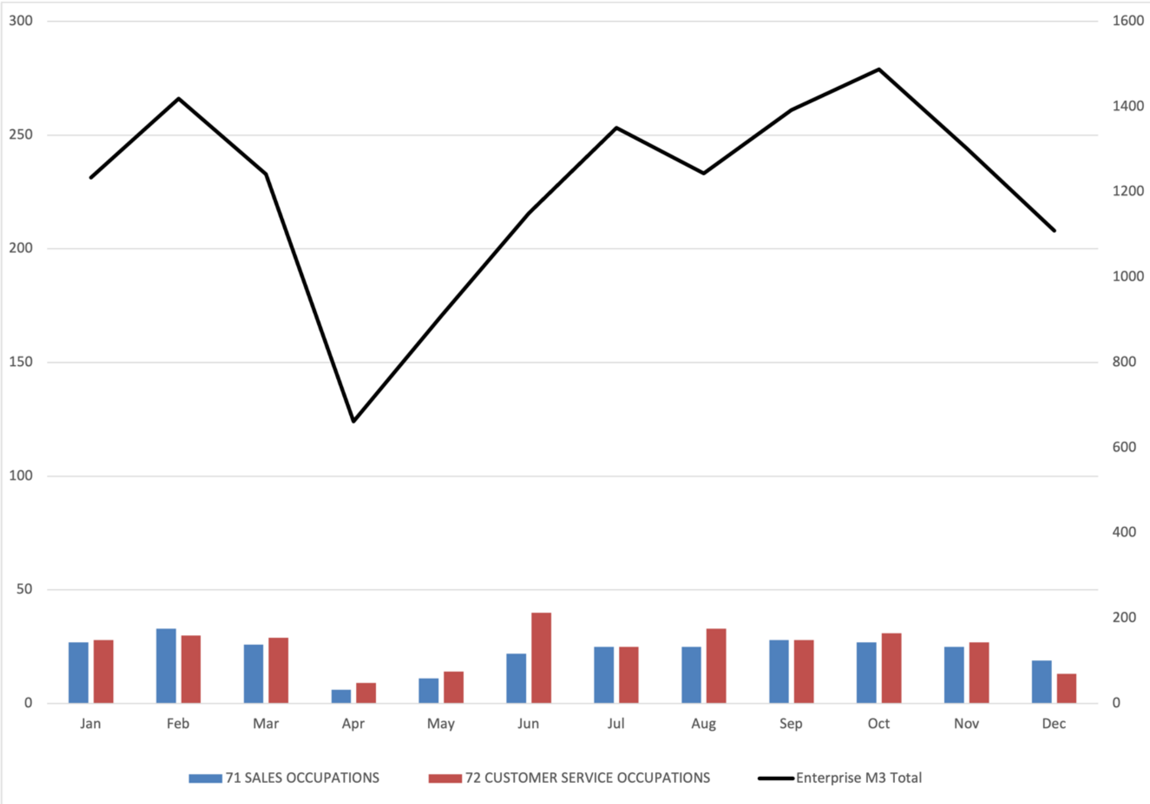
Graph 23d: Number of job openings per month for Administrative and Secretarial Occupations **Source**: LMI for all



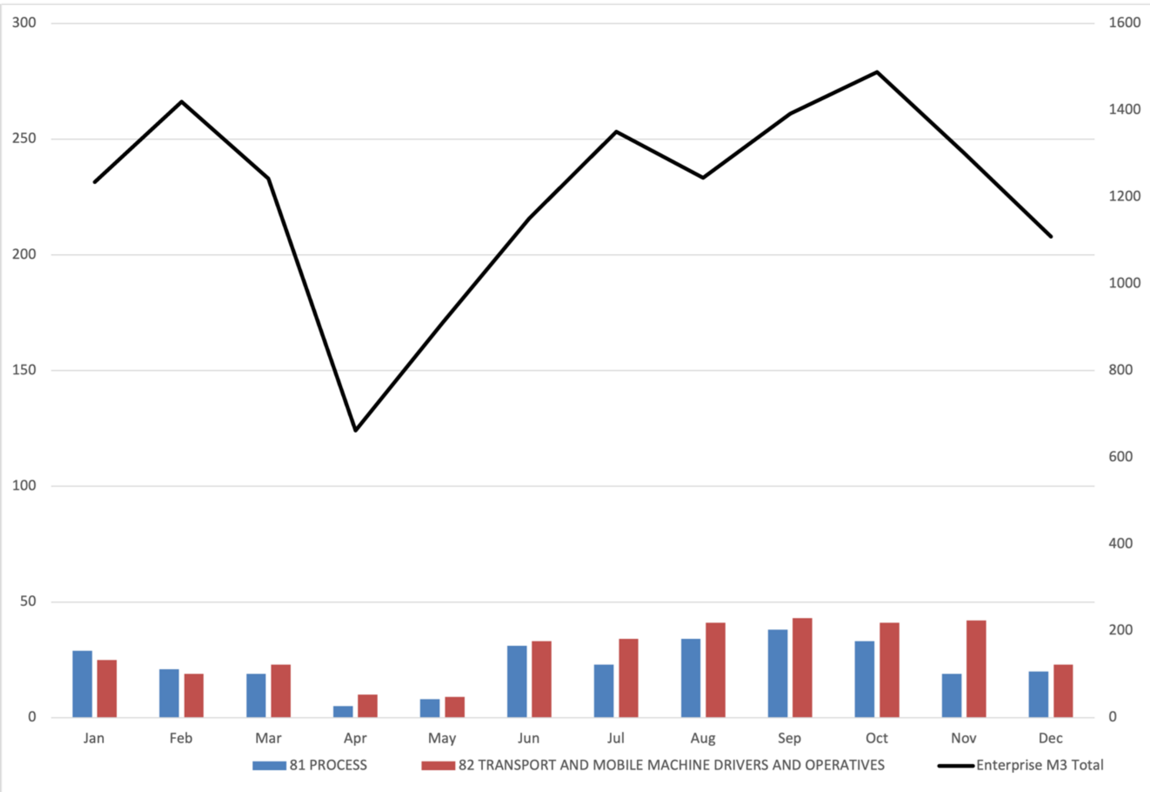
Graph 23e: Number of job openings per month for Skilled Trade Occupations **Source**: LMI for all



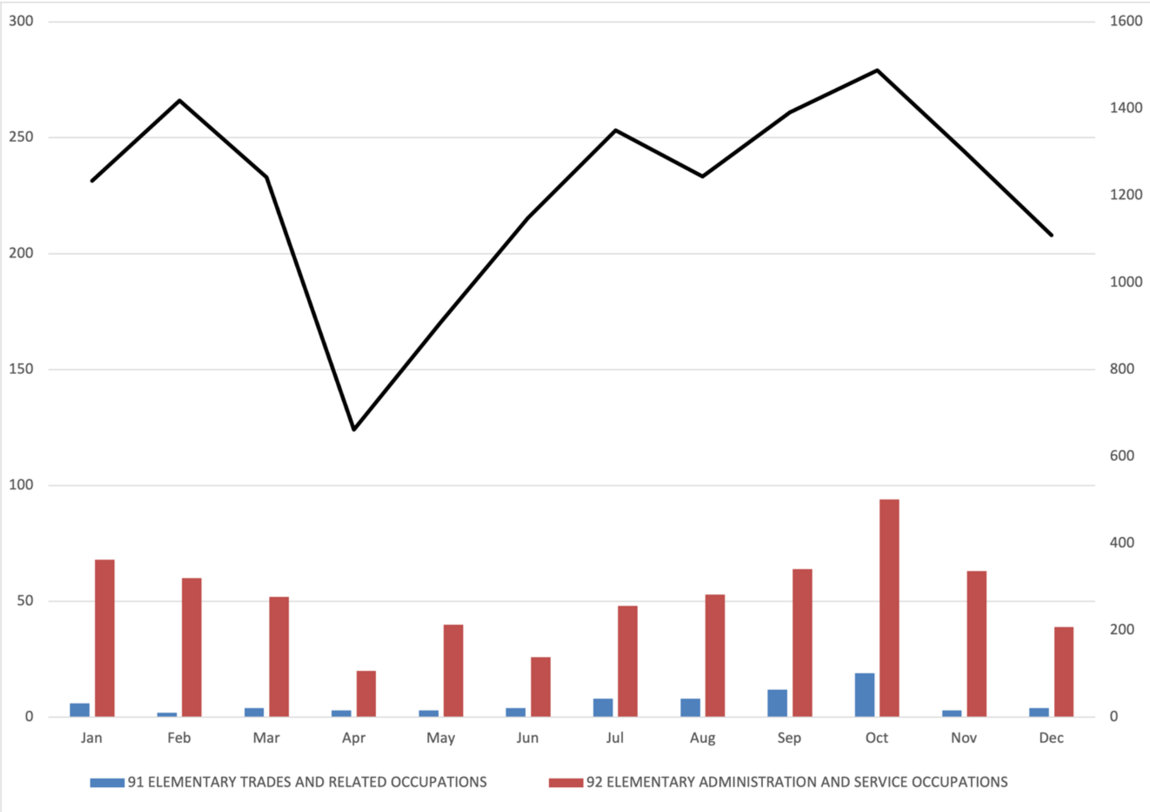
Graph 23f: Number of job openings per month for Caring, Leisure and Other Service Occupations **Source**: LMI for all



Graph 23g: Number of job openings per month for Caring, Leisure and Other Service Occupations
Source: LMI for all



Graph 23h: Number of job openings per month for Process, Plant and Machine Operatives **Source**: LMI for all



Graph 23i: Number of job openings per month for Elementary Occupations **Source**: LMI for all

SOC2010 2 digit	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	EM3 Total
51 SKILLED AGRICULTURAL AND RELATED TRADES	8	2	9	9	28
33 PROTECTIVE SERVICE OCCUPATIONS	24	10	7	5	46
91 ELEMENTARY TRADES AND RELATED OCCUPATIONS	12	10	28	26	76
53 SKILLED CONSTRUCTION AND BUILDING TRADES	26	26	43	33	128
54 TEXTILES	87	10	15	16	128
62 LEISURE	50	17	39	22	128
42 SECRETARIAL AND RELATED OCCUPATIONS	55	26	35	42	158
12 OTHER MANAGERS AND PROPRIETORS	41	43	70	61	215
34 CULTURE	68	46	57	47	218
71 SALES OCCUPATIONS	86	39	78	71	274
81 PROCESS	69	44	95	72	280
72 CUSTOMER SERVICE OCCUPATIONS	87	63	86	71	307
82 TRANSPORT AND MOBILE MACHINE DRIVERS AND OPERATIVES	67	52	118	106	343
31 SCIENCE	120	60	112	132	424
11 CORPORATE MANAGERS AND DIRECTORS	117	89	149	128	483

52 SKILLED METAL	161	84	178	162	585
32 HEALTH AND SOCIAL CARE ASSOCIATE PROFESSIONALS	173	155	139	133	600
92 ELEMENTARY ADMINISTRATION AND SERVICE OCCUPATIONS	180	86	165	196	627
23 TEACHING AND EDUCATIONAL PROFESSIONALS	204	254	150	198	806
24 BUSINESS	248	134	266	255	903
21 SCIENCE	327	260	374	332	1293
41 ADMINISTRATIVE OCCUPATIONS	442	227	323	315	1307
61 CARING PERSONAL SERVICE OCCUPATIONS	336	358	372	418	1484
22 HEALTH PROFESSIONALS	198	321	505	562	1586
35 BUSINESS AND PUBLIC SERVICE ASSOCIATE PROFESSIONALS	709	305	573	487	2074

Table 2: Number of job openings per quarter by SOC2010 **Source**: LMI for all.

SIC2007 1 digit level	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**	**Oct**	**Nov**	**Dec**
Accommodation And Food Service Activities	23	34	23	4	3	4	19	15	20	23	37	19
Activities Of Extraterritorial Organisations And Bodies	105	106	83	32	57	91	106	40	49	47	41	52
Activities Of Households As Employers	0	0	0	0	0	0	26	38	25	45	37	33
Administrative And Support Service Activities	541	602	539	300	285	452	473	487	524	514	449	338
Agriculture, Forestry and Fishing	0	0	0	1	1	0	0	0	0	0	0	0
Arts, Entertainment And Recreation	9	9	3	1	0	3	12	7	1	3	17	7
Construction	16	13	30	13	11	14	15	5	10	16	11	11
Education	222	317	278	159	99	128	131	75	103	145	153	68
Electricity, Gas, Steam And Air Conditioning Supply	0	0	1	0	0	0	0	1	0	0	0	0
Financial And Insurance Activities	46	41	51	20	17	34	44	49	53	56	32	11
Human Health And Social Work Activities	34	29	29	28	79	47	38	24	34	20	30	24
Information And Communication	32	39	42	22	24	30	34	34	42	42	24	19
Manufacturing	16	29	17	4	2	5	7	10	5	5	9	4
Mining And Quarrying	0	0	0	0	0	0	0	0	0	0	0	0
Other Service Activities	14	12	20	8	22	14	26	23	23	14	20	26
Professional, Scientific And Technical Activities	86	79	86	27	42	105	109	85	101	84	84	64
Public Administration And Defence; Compulsory Social Security	0	0	1	0	0	0	0	0	0	0	0	0
Real Estate Activities	15	17	15	17	19	21	12	8	8	16	13	6
Transportation And Storage	15	8	2	1	3	4	3	4	6	6	8	6
Water Supply; Sewerage, Waste Management And Remediation Activities	2	7	5	2	0	9	0	0	1	1	1	0
Wholesale And Retail Trade; Repair Of Motor Vehicles And Motorcycles	21	28	22	10	21	57	18	18	35	40	23	**24**
Enterprise M3 Total	**1197**	**1370**	**1247**	**649**	**685**	**1018**	**1073**	**923**	**1040**	**1077**	**989**	**712**

Table 3: Number of job openings per month by SIC2007, January – December 2020 **Source**: LMI for all.

SIC2007 1 digit level	JanMar	AprJun	JulSep	OctDec	Total
Accommodation And Food Service Activities	80	11	54	79	224
Activities Of Extraterritorial Organisations And Bodies	294	180	195	140	809
Activities Of Households As Employers	0	0	89	115	204
Administrative And Support Service Activities	1682	1037	1484	1301	5504
Agriculture, Forestry and Fishing	0	2	0	0	2
Arts, Entertainment And Recreation	21	4	20	27	72
Construction	59	38	30	38	165
Education	817	386	309	366	1878
Electricity, Gas, Steam And Air Conditioning Supply	1	0	1	0	2
Financial And Insurance Activities	138	71	146	99	454
Human Health And Social Work Activities	92	154	96	74	416
Information And Communication	113	76	110	85	384
Manufacturing	62	11	22	18	113
Mining And Quarrying	0	0	0	0	0
Other Service Activities	46	44	72	60	222
Professional, Scientific And Technical Activities	251	174	295	232	952
Public Administration And Defence; Compulsory Social Security	1	0	0	0	1
Real Estate Activities	47	57	28	35	167
Transportation And Storage	25	8	13	20	66
Water Supply; Sewerage, Waste Management And Remediation Activities	14	11	1	2	28
Wholesale And Retail Trade; Repair Of Motor Vehicles And Motorcycles	71	88	71	87	317

Table 4: Number of job openings per quarter by SIC2007 **Source**: LMI for all.

SIC2007 1 digit level	Enterprise M3	England
Accommodation And Food Service Activities	£26,348	**£28,730**
Activities Of Extraterritorial Organisations And Bodies	£31,928	**£33,925**
Activities Of Households As Employers	**£40,729**	£40,685
Administrative And Support Service Activities	£33,637	**£34,589**
Agriculture, Forestry and Fishing	£0	**£51,856**
Arts, Entertainment And Recreation	£31,016	**£33,882**
Construction	£33,975	**£34,528**
Education	£26,447	**£31,613**
Electricity, Gas, Steam And Air Conditioning Supply	**£40,000**	£34,773
Financial And Insurance Activities	**£33,820**	£33,291
Human Health And Social Work Activities	£29,780	**£30,978**
Information And Communication	£33,951	**£35,809**

Manufacturing	£23,992	**£33,712**
Mining And Quarrying	£0	**£44,808**
Other Service Activities	£32,207	**£34,149**
Professional, Scientific And Technical Activities	£31,582	**£32,749**
Public Administration And Defence; Compulsory Social Security	£23,920	**£42,261**
Real Estate Activities	£25,576	**£29,907**
Transportation And Storage	£27,115	**£30,845**
Water Supply; Sewerage, Waste Management And Remediation Activities	£24,531	**£38,129**
Wholesale And Retail Trade; Repair Of Motor Vehicles And Motorcycles	£25,690	**£28,514**

Table 5: Mean salary from job postings by 1 digit SIC2007, January – December 2020 **Source**: LMI for all.

Occupations with increasing demand between January-December 2020
Nurses
Medical practitioners
Solicitors
Driving instructors
Health professionals n.e.c.
Occupational therapists
Pharmacy and other dispensing assistants
Laboratory technicians
Pharmacists
Vehicle technicians, mechanics and electricians
Carpenters and joiners
Medical radiographers
Security guards and related occupations

Table 6: Occupations with increasing demand between January-December 2020 **Source**: LMI for all.

Occupations with decreasing demand between January-December 2020
Book-keepers, payroll managers and wages clerks
Chefs
Financial accounts managers
Credit controllers
Taxation experts
Financial administrative occupations n.e.c.
Therapy professionals n.e.c.
Telephone salespersons

Table 7: Occupations with decreasing demand between January-December 2020 **Source**: LMI for all.

Qualification	Frequency (Jan - Dec 2020)
Level 1	124
Level 2	191
Level 3	537
Level 4	386
Level 5	37
Level 6	3460
Level 7	257
Level 8	53
Relevant qualification required	905
No reported	10462

Table 8: Number of job openings by qualification level, January-December 2020 **Source**: LMI for all.

SIC2007 1digit level	with experience	without experience	no mention
Accommodation And Food Service Activities	110	4	110
Activities Of Extraterritorial Organisations And Bodies	597	5	207
Activities Of Households As Employers	56	0	148
Administrative And Support Service Activities	4003	61	1440
Agriculture, Forestry and Fishing	2	0	0
Arts, Entertainment And Recreation	48	15	9
Construction	117	1	47
Education	1360	3	515
Electricity, Gas, Steam And Air Conditioning Supply	2	0	0
Financial And Insurance Activities	294	4	156
Human Health And Social Work Activities	225	11	180
Information And Communication	261	23	100
Manufacturing	61	9	43
Other Service Activities	149	12	61
Professional, Scientific And Technical Activities	643	11	298
Public Administration And Defence; Compulsory Social Security	1	0	0
Real Estate Activities	60	3	104
Transportation And Storage	26	12	28
Water Supply; Sewerage, Waste Management And Remediation Activities	12	0	16
Wholesale And Retail Trade; Repair Of Motor Vehicles And Motorcycles	203	5	109

Table 9: Number of job openings by experience required and SIC2007, January-December 2020 **Source**: LMI for all.

Ranking	Skills
1	work as a team
2	communication
3	provide information
4	customer service
5	manage a team
6	support colleagues
7	lead a team
8	work in teams
9	provide community development services
10	acute care
11	autism
12	psychology
13	health care legislation
14	financial management
15	manage time

Table 10: Most demanded skills, January-December 2020 **Source**: LMI for all.

Job Openings

Between January – December 2020, overall EM3 recruitment activity, as shown by job openings, took a dip in April but then bounced back to pre-covid numbers in October. This pattern of activity was similar when broken down by major occupation groups where there has remained strong recruitment activity in more mid- and high-skilled Professional Occupations and Associate Professional and Technical Occupations. Noting also the number of job openings requiring level 3 and level 6 qualifications, these data reflect the predominance of these sorts of jobs in the EM3 labour market. Related to the pandemic, is also unsurprising there has been increased recruitment activity for jobs linked to the Health and Social Care sectors such as Nurses, Medical practitioners, Health professionals and Occupational therapists.

A closer inspection of recruitment activity across industries indicates most in Administrative and Support Service Activities, followed by Education and Professional, Scientific and Technical Activities. These are reflective of the main industries that help drive productivity in our economy.

The mean salary data from the job openings suggests that, where recruitment activity has been taking place, the salaries are fairly similar to national with some notable exceptions such as for Electricity and Gas supply where EM3 mean salaries were higher and Public Sector where national mean salaries were higher. These discrepancies could reflect greater demand for specific roles, based on the availability of skills.

Those trying to enter the labour market for the first time are often asked about work experience. The job opening data here show that over two thirds of the openings required experience compared to 1% not requiring any. This reinforces the message that businesses can help support young people by offering some form of work experience such as internships and placements.

Enterprise M3 LEP	
Sectors with highest forecast growth (2017-2027)	**Sectors with lowest forecast growth (2017-2027)**
1. Health and social work	1. Engineering
2. Arts and entertainment	2. Rest of manufacturing
3. Water and sewerage	3. Food, drink and tobacco
4. Professional services	4. Public admin. and defence
5. Real estate	5. Finance and insurance

Table 11: Sectors with highest and lowest forecast growth, 2017-2027. **Source**: Working Futures LEP workbooks

Sector growth forecasts

For EM3, the **Health** sector is a significant employer and we expect to see continued growth, in line with the forecast. **Professional services** and **Arts and entertainment** neatly link to our area's "twin track" economy, with specialisms in knowledge-based sectors and a strong service industry. It is interesting to note the **Public admin. and defence** amongst low growth; this is an industry that has a high concentration (particularly in Winchester) and has continued to recruit throughout the pandemic.

Job losses are hitting hardest in a number of high-volume employment sectors, which have both a particularly strong/significant presence in the EM3 area and are also industries with high levels of furloughed staff. These are tourism, the arts, entertainment and recreation, wholesale and retail, accommodation and food services.

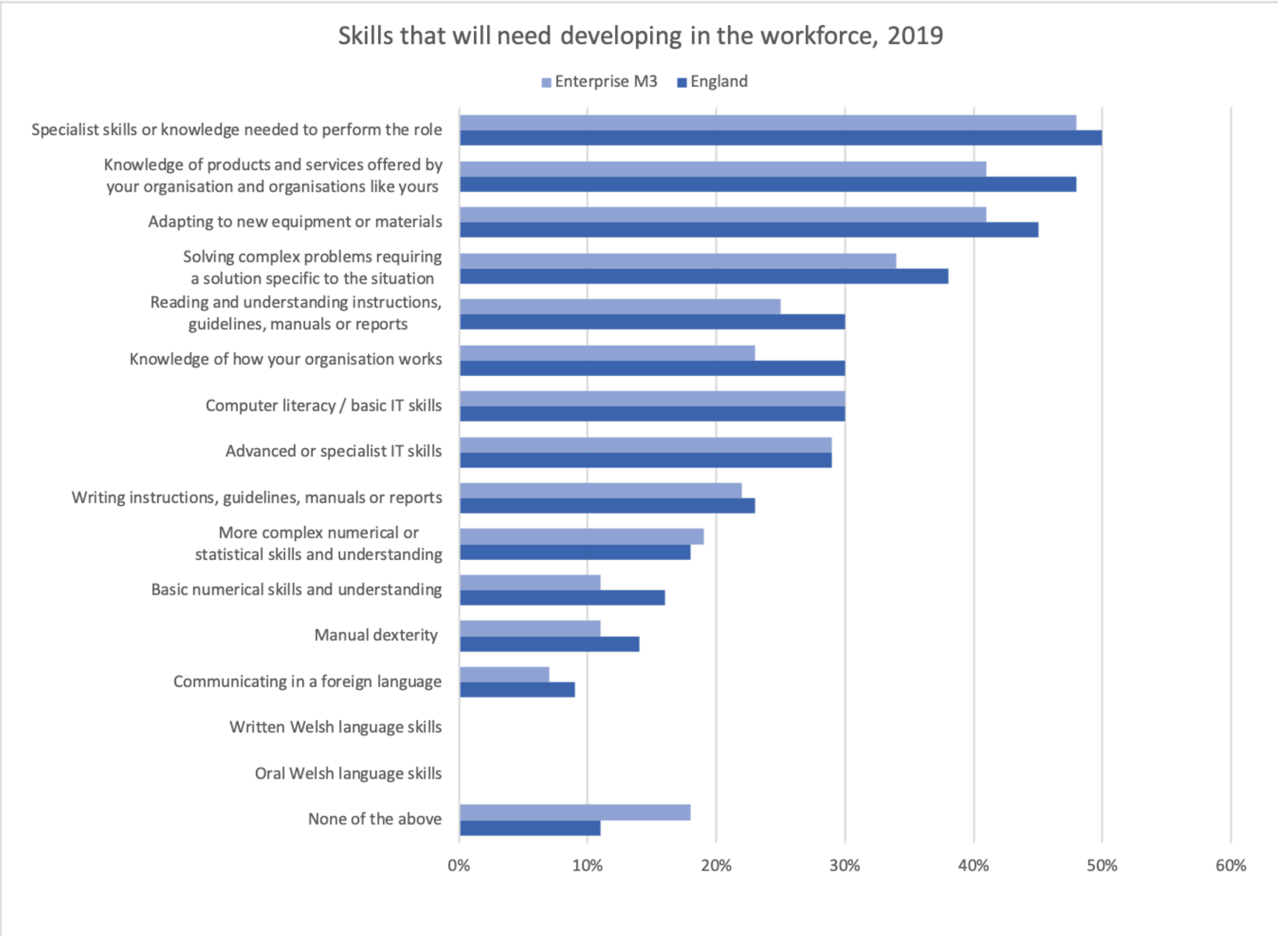
Enterprise M3 LEP	
Occupations with highest forecast growth (2017-2027)	**Occupations with lowest forecast growth (2017-2027)**
1. Caring personal service occupations	1. Secretarial and related occupations
2. Teaching and educational professionals	2. Process, plant and machine operatives
3. Health and social care associate professionals	3. Skilled metal, electrical and electronic trades
4. Health professionals	4. Textiles, printing and other skilled trades
5. Corporate managers and directors	5. Administrative occupations

Table 12: Occupations with highest and lowest forecast growth, 2017-2027. **Source**: Working Futures LEP workbooks

Occupation growth forecasts

As outlined, the EM3 area has a **concentrated professional and technical resident workforce** with lower proportions of lower skilled occupations such as those in Skilled Trades and Elementary occupations. The growth forecasts reflect this with professional and technical occupations (also aligned to two of the forecast high growth industries) showing to grow and mainly lower skilled occupations forecast to show the least growth.

As mentioned above, job losses are hitting hardest in a number of high-volume employment sectors. Analysis of the particular occupations and sectors hit hardest, suggest it is those made redundant from middle skilled jobs, chefs and retail managers as examples, who will find it hardest to find re-employment.



Graph 24: Skills that will need developing in the workforce, 2019. **Source**: Employer Skills Survey, 2019 (published 2020), 2019 LEP boundaries

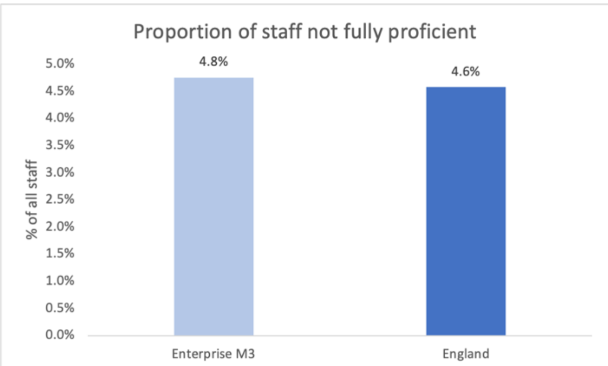
Skills that need developing

Employer-reported levels of skills shortage are relatively moderate in EM3[23]. Top reported skills shortages, above, focus on specific skills and knowledge related to roles (48%) or organisations (41%); adapting to new equipment or materials (41%) and complex problem-solving (34%). Basic IT skills also remain a top reported shortage for EM3 employers (31%). Most of these are mirrored in the National Data with greater demands, suggesting EM3 is able to find and retain these skills more readily – a reflection of the diversity of skills demands, mentioned before.

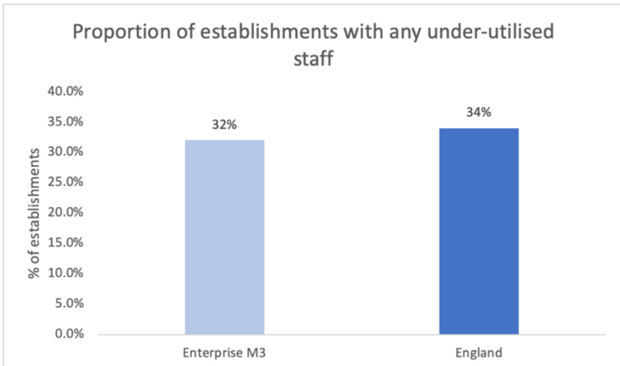
MAPPING SKILLS SUPPLY AND DEMAND

SUMMARY: Mapping Skills Supply and Demand

- When mapping the supply (i.e., learner achievements) and demand of skills (i.e., job postings data), there is generally positive alignment at the major occupation group level.
- Focusing on high-skilled occupations, there is evidence for strong alignment, based on a diverse but high-skills base. There are some gaps (e.g., Teachers) although these can be filled by other routes into the profession.
- For middle-skill roles, there is evidence of gaps for different occupations, particularly administrative and in hospitality. Future migration trends will also impact on some of these.
- However, it is important to note that for much of the above, this assumes learners will remain in the area to work. Graduates in particular are unlikely to remain but seek employment in other parts of the South East / London.



Graph 25a: Staff not fully proficient. **Source**: Employer Skills Survey, 2019 (published 2020), 2019 LEP boundaries

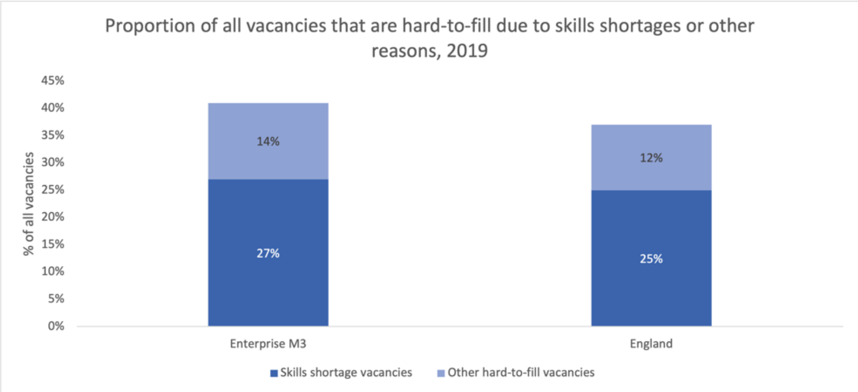


Graph 25b: Staff under-utilised. **Source**: Employer Skills Survey, 2019 (published 2020), 2019 LEP boundaries

[23] Skills and Labour Market Analysis: https://enterprisem3.org.uk/hub/skills

Staff that are not fully proficient and under-utilised

These data suggest that the numbers of staff working in EM3 not fully proficient / under-utilised are similar to those across England. Through the Skills Advisory Panel, we offer employers the opportunity to share their skills challenges and invite providers to respond. These fora have resulted in new projects and initiatives to address the challenges directly such as the Innovation South Virtual Campus platform[24].



Graph 26: Proportion of vacancies hard-to-fill due to skills shortages or other reasons. **Source**: Employer Skills Survey, 2019 (published 2020), 2019 LEP boundaries

Hard-to-fill vacancies

These data show that, similar to England, EM3 has around a quarter of all vacancies related to skills shortages – although these have increased since 2017[25] (21%) when most industries reported lower levels of skills shortage than their counterparts elsewhere. This reflects a very diverse skills base with particular demands for analytical skills – those that meet the needs of the area's frontier industries such as Digital and Professional Services.

[24] Innovation South Virtual Campus release: https://enterprisem3.org.uk/news/businesses-reskill-and-upskill-employees-free-innovation-south-virtual-campus

[25] Skills and Labour Market Analysis: https://enterprisem3.org.uk/hub/skills