



SOUTH EAST
LOCAL ENTERPRISE
PARTNERSHIP

SKILLS ADVISORY PANEL **SKILLS REPORT**

ANNEX A
MARCH 2022

CONTENTS

Introduction.....	1
Core Indicators: Local Landscape	
Employment by Sector (Updated November 2021).....	2
Employment by Occupation (Updated September 2021).....	3
Enterprises by employment size band (Updated October 2021).....	4
Business birth and death rates (Updated November 2021).....	5
Employment rate.....	5
GVA per hour worked (Updated July 2021).....	6
Median Gross Weekly wage for full-time workers (Updated October 2021).....	6
Population by age group (Updated June 2021).....	7
Claimant Count (Updated October 2021).....	7
Index of Multiple Deprivation Proportion of neighbourhoods in 10% most deprived nationally.....	8
Skills Supply	
Qualification levels (Updated September 2021).....	9
FE Education and Training Achievements (Updated November 2021).....	10
Apprenticeship Achievements (Updated December 2021).....	11
HE Qualifiers (Updated February 2021).....	12
KS4 Destinations.....	13
KS5 Destinations (Updated October 2021).....	14
Further Education destinations (Updated December 2021).....	15
Apprenticeship Destinations (Updated December 2021).....	16
HE graduate destinations (Updated July 2021).....	17
Graduate retention (Updated December 2021).....	18
Employer provided training.....	19
Skills Demand	
Online vacancies.....	20
New job postings occupational Group, SELEP.....	21
Sector growth forecasts.....	22
Occupation growth forecasts.....	23
Future job openings (job growth and replacement demand) by occupational Group, SELEP.....	24
Skills that need improving.....	25



INTRODUCTION

The following report provides a February / March 2022 update to the Annex A section of SELEP's Skills Report produced in March 2021. This should be viewed alongside the 2022 Executive summary version of the SELEP Skills Report, with refreshed key information. Where available, data has been updated with commentary providing observations.

The following charts set out some of the key indicators in terms of employment sectors, business sizes, GVA, earnings, population and claimant counts. There is also a table setting out the proportion of areas within districts that are in the 10% most deprived nationally.

The charts provide an update to the data provided in the 2021 report and illustrate for example, the continuing trend for claimant counts to reduce following a significant increase during the pandemic.

Headlines and key takeaways:

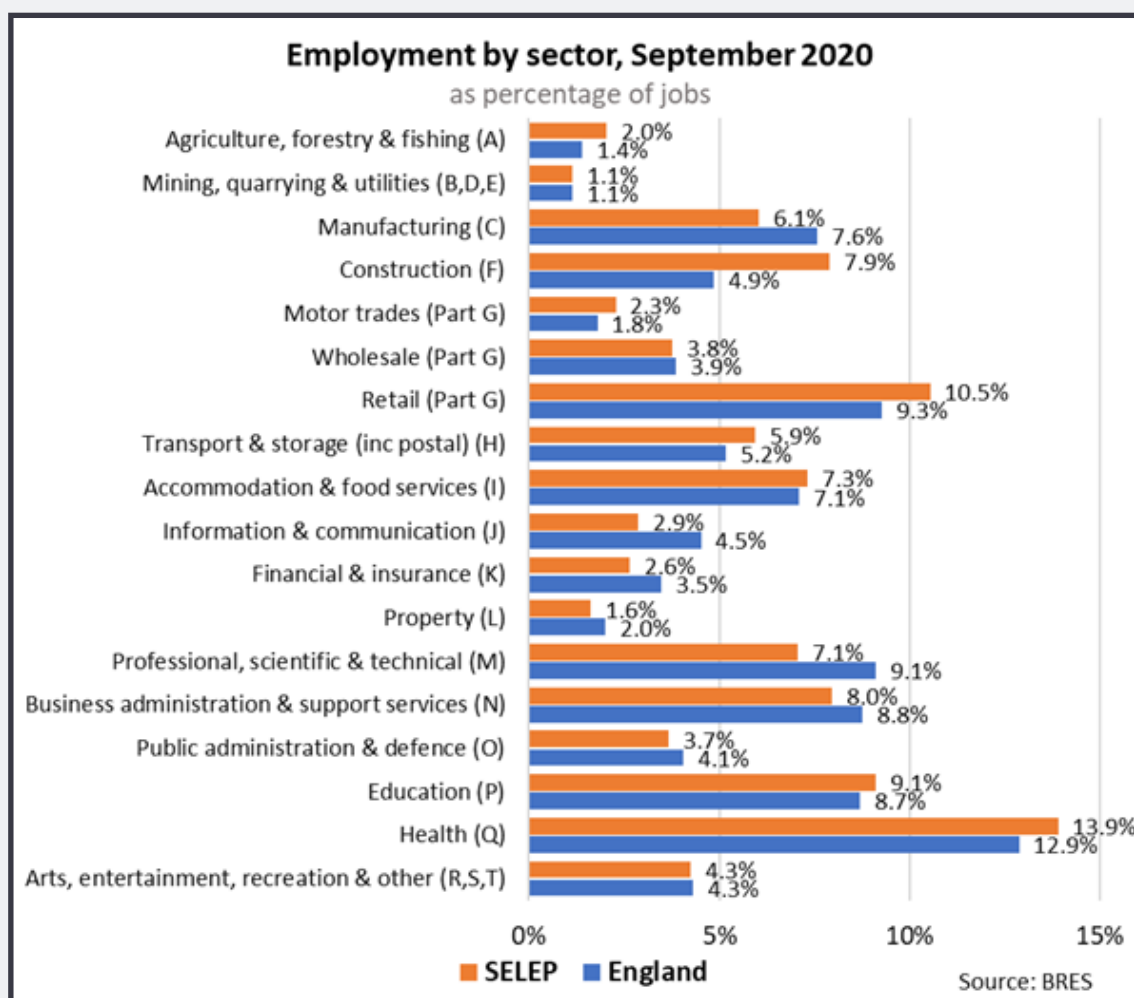
- The construction sector remains a large employer and larger than in other LEP areas seeing, a 10% increase, compared to a 4% reduction across England. Transport and Storage in SELEP has also grown more compared to England as a whole
- Elementary occupations have seen a decrease overall, which could be a result of growing automation in certain jobs
- Workplace earnings continue to be below the national average although increasing from last year and resident earnings are still above the national average, partly as a result of high levels of commuting to London from many parts of the geography
- The SELEP area continues to have an above average population aged 65+ and below average aged 20-34 which has implications for the health and care sectors. The overall population is set to continue growing
- SELEP is a diverse geography with extremes of both the most deprived and most wealthy areas in the country
- Skills levels have generally improved but with SELEP still below the national average for level 4 qualifications and with 6% of the working age population having no qualifications
- Apprenticeship achievements in 2021/21 at 10,670 were 10% up on the previous year but remained much below the previous level in 2017/18 of 17,250. 29% of achievements were in business admin and law, followed by 26% in health, public services and care. Achievements in construction were at 6%. Information and Communications has increased, at 7%, or 700 compared to 440 in 2017/18
- Regarding higher education qualifiers by subject, by principle subject area the distribution was similar to the England average but with lower shares in Engineering and Medicine and higher shares in Social Science and Subjects allied to medicine.
- Vacancy levels have remained very high across all sectors and across job roles, with employers struggling to recruit. Growth is forecast to continue in sectors such as health, care, construction, logistics and IT.
- Vacancies are set to increase in managerial and leadership roles. Working Futures projections suggest that over 50% of future jobs demand will be for managerial, professional and associate professional roles. Caring personal service occupations will also see high job demand.

CORE INDICATORS LOCAL LANDSCAPE

Employment by Sector (Updated November 2021)

The latest data on job counts by sector (published in November 2021) relates to an exceptional year at the height of COVID labour market disruption. Certain sectors such as Accommodation and Food had experienced net job losses at this time, which to some degree have since been regained. However, general patterns of sectorial strengths to a large degree remained unchanged from the pre-pandemic 2019 position, notably, the high concentration of construction jobs in the SELEP area and the lower than national share of jobs in sectors such as manufacturing and professional services.

In total there were 1.67 million employment jobs across SELEP in September 2020, down from 1.68 in 2019, with the job count excluding self-employed individuals with turnover below the VAT threshold, with job numbers being based on place of employment and not residence.

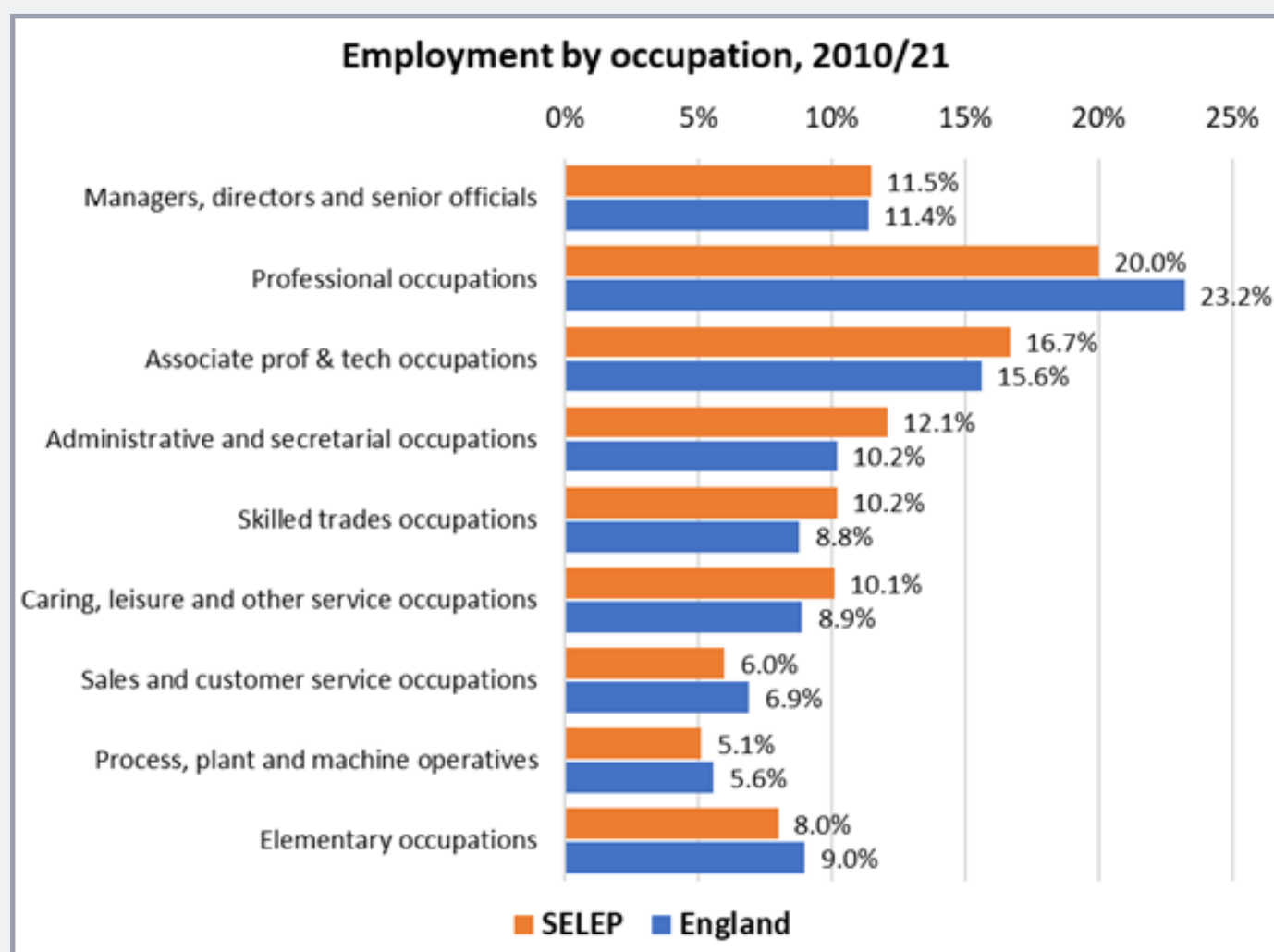


Some notable changes in job numbers in the period from September 2019 to September 2020 include a 10% increase in construction sector employment numbers within SELEP, compared to a 4% reduction across England, with a significantly stronger growth in Transport and Storage in SELEP compared to England as a whole. On the less positive side, SELEP lost a higher share of its Manufacturing and Professional services jobs than England as a whole during this period of time.

Employment by Occupation (Updated September 2021)

Professional occupations account for the largest share of employment nationally and within SELEP, although for the SELEP area the share is a few percentage points lower than nationally. SELEP has a higher proportion of employment in administrative, skilled trades and caring occupations.

Employment by occupation is residence based and by person and not by job count (some people may have more than one job). There was an average of 1.96 million people resident in employment across the SELEP area in the year to March 2021, down from 1.99 million the year before. This is much higher than the number of employment jobs in SELEP, with many residents commuting into London for jobs.

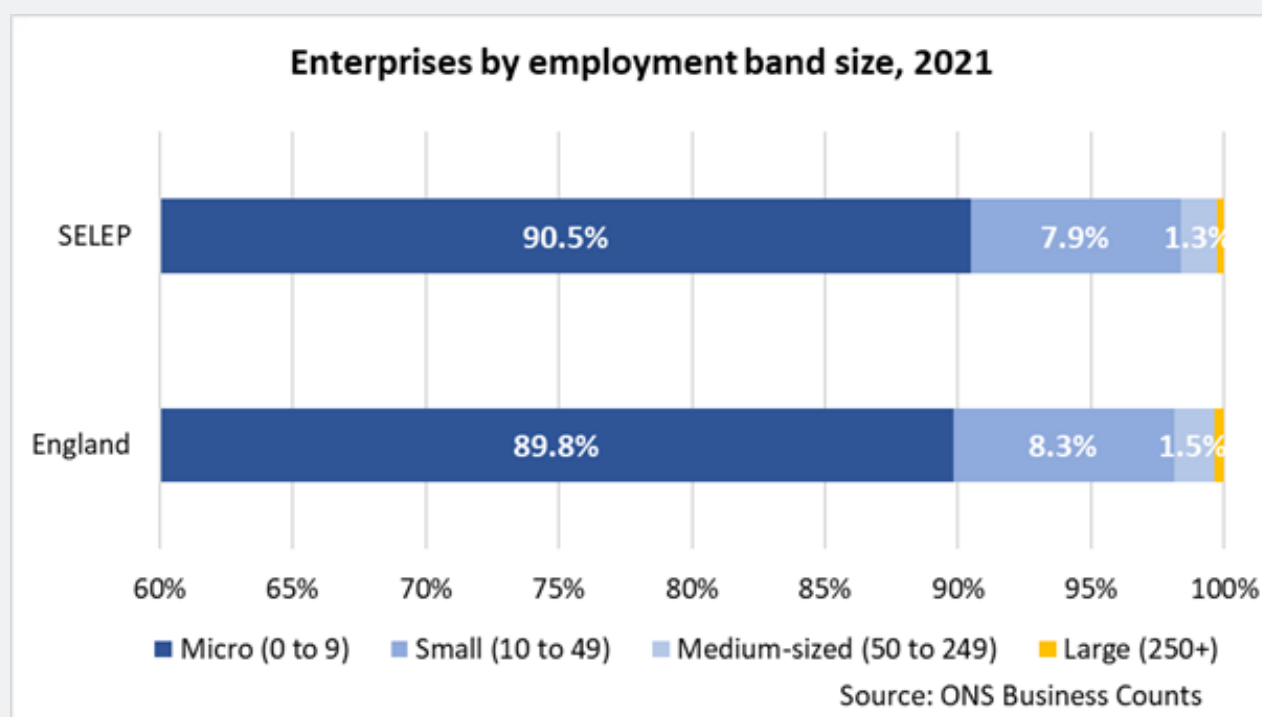


Over the last 3 years, Professional and associate occupations have seen the largest increase in employment share of over 3% both nationally and locally, with declines in the share of employment within Skilled trades, Sales, Process operatives and Elementary occupations. SELEP has seen larger declines in the same occupations as nationally, and seen a compensating increase in Caring occupations instead, compared to no change nationally in the share of employment for this occupational class.

Enterprises by employment size band (Updated October 2021)

In March 2021, there were 177,930 enterprises in the SELEP area with an enterprise defined as any business entity registered for VAT and/or PAYE, including the self-employed. Enterprise growth in the year to March 2021 for SELEP was low at 0.9% due to pandemic conditions, but above the England growth rate of 0.6%, although growth was within the Micro business and self-employed with net enterprises losses for Small, Medium and Large enterprises.

The vast majority of enterprises both nationally and locally are micro businesses employing less than 10 people, although it should be borne in mind that most Micro businesses are actually self-employed individuals who have turnover above the VAT threshold. In terms of workforce, payroll data from HMRC suggests that Micro businesses account for just 15% of employment, with a similar number for Small businesses and Medium sized businesses. There are few Large enterprises, just 500 in SELEP, making up 0.3% of enterprise stock, but over 50% of the workforce is employed in such larger organisations.



The table below gives an estimate for SELEP of how employment numbers are distributed across enterprises by employment band size. Micro businesses are assumed to have an average of 1.7 employees and Medium sized businesses an average of 100, based on national level PAYE information from HMRC. Enterprise counts include public sector bodies and over 20% of large enterprises are public sector bodies.

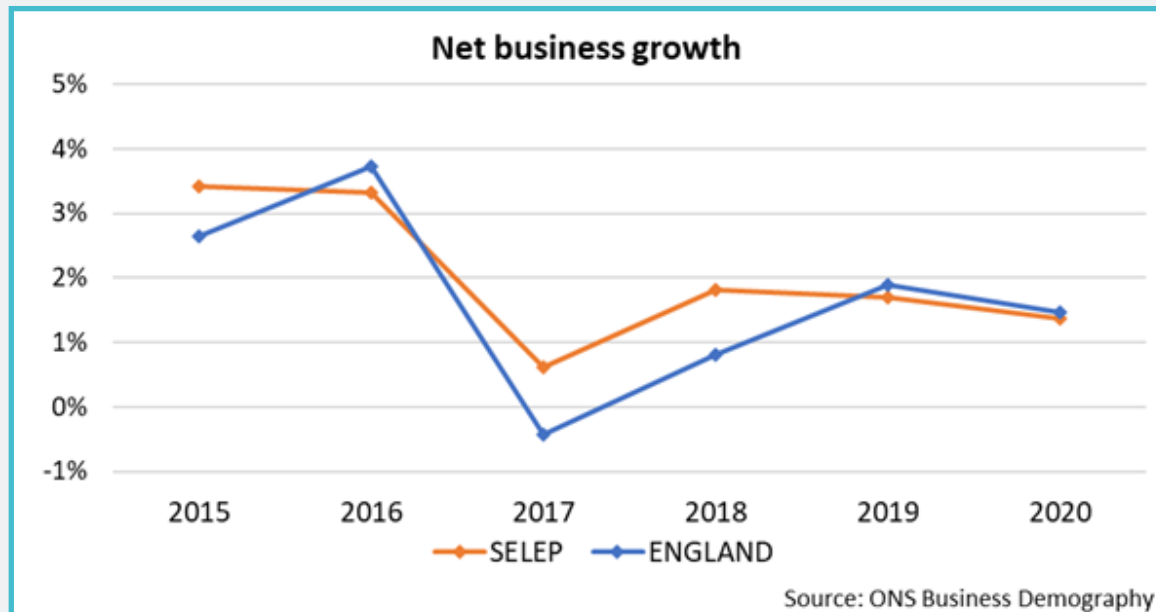
	COUNT OF ENTERPRISES	ESTIMATE OF EMPLOYMENT JOBS
MICRO	161,010	273,717
SMALL	14,035	249,823
MEDIUM	2,385	238,739
LARGE	500	907,722

Over the last 5 years there has been stronger growth in the number of Medium sized enterprises than for Small and Large enterprises, indicating Medium sized enterprises are over time likely accounting for an increasing share of employment numbers.



Business birth and death rates (Updated November 2021)

The SELEP area has slightly lower levels of business births and deaths than the England average, but when combined into a Net business growth figure for 2020 and 2019 the SELEP position was only very marginally behind the England average, having been noticeably above in 2017 and 2018. Business survival rates are much higher in SELEP than for England with the 3-year survival rate in 2020 being 58.2% for SELEP and 53.0% for England.



Employment rate

The working age employment rate in the SELEP area over time tends to be between 1% to 2% higher than for England as a whole. Since the onset of the COVID pandemic employment rates have been falling with the 2021 data shown below being partial year data up to June. The Annual Population Survey is a resident-based survey, and recent figures up to June 2021 show that 1.96 million people aged 16 to 64 and resident in SELEP were in employment, with 294,400 of these being self-employed.

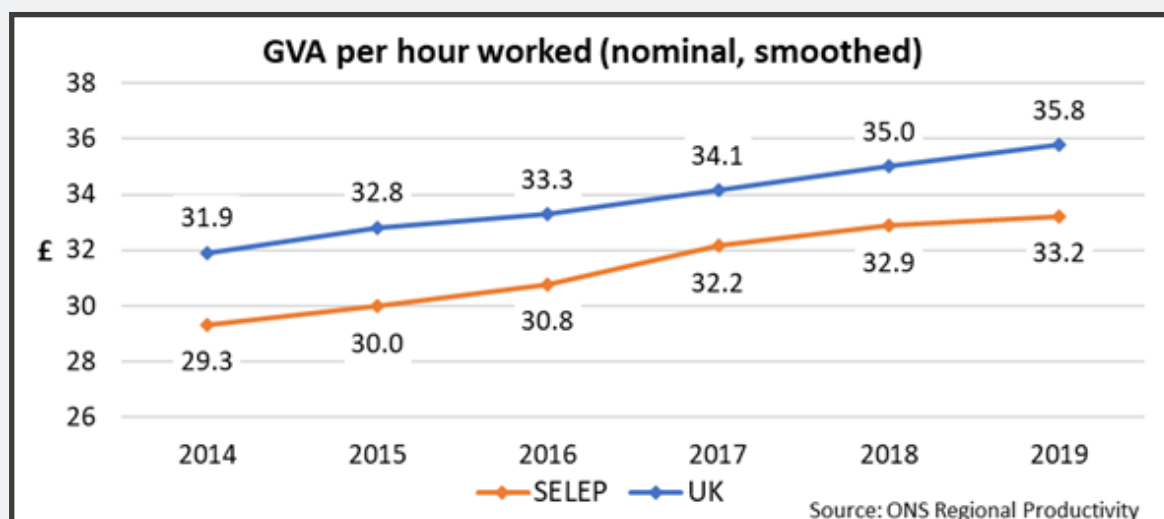




GVA per hour worked (Updated July 2021)

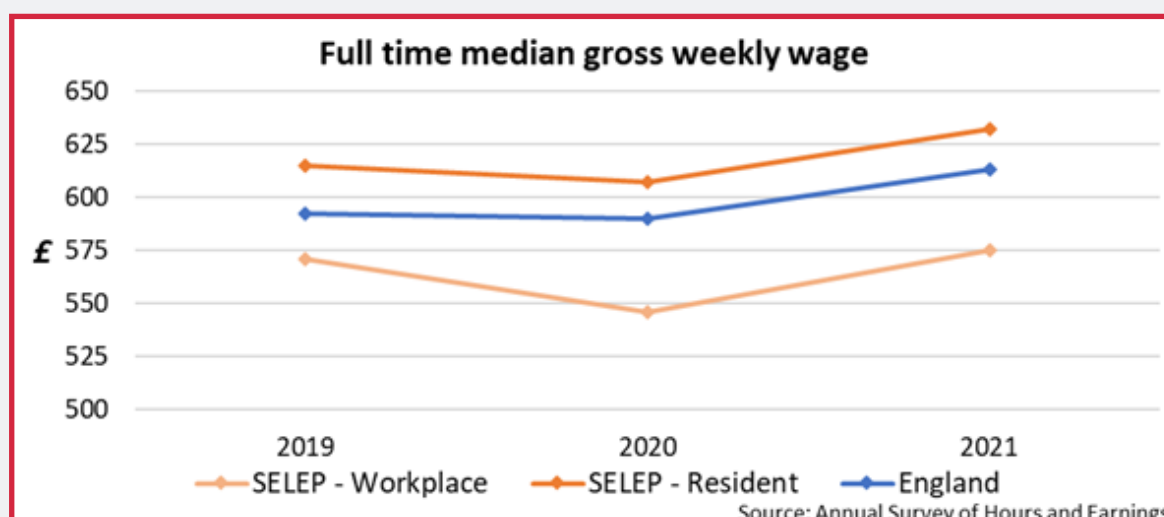
GVA per hour worked in the SELEP area is below the UK average. However, this is the case for all but a handful of LEPs due to the national average being dominated by the very high GVA per hour in London. London has the strongest concentrations of employment in financial services and professional services which have some of the highest wages and highest profits of all sectors.

SELEP GVA per hour is above the median value for LEPs and similar to that for Greater Cambridge and Greater Peterborough and Oxfordshire, both noted hotspots of innovation and high economic value activity. However, SELEP does have an over concentration of jobs in lower paid sectors (e.g. hospitality) and non-knowledge intensive industries and more can be done to grow employment in sectors which are more knowledge intensive.



Median Gross Weekly wage for full-time workers (Updated October 2021)

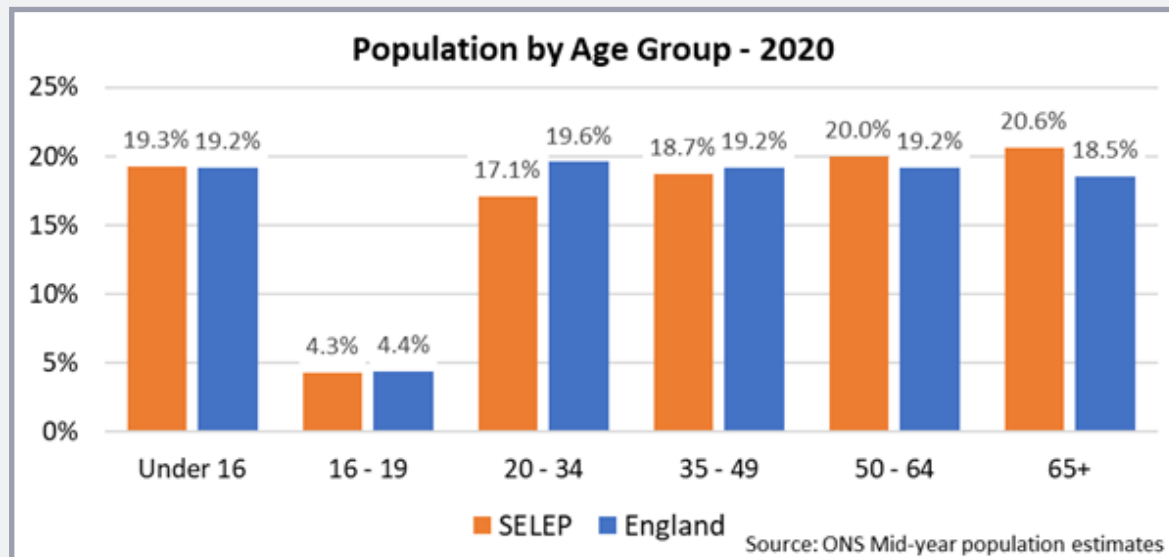
The median workplace full-time weekly wage in SELEP at £575 is below the England average of £613, indicating a comparatively low wage economy. However, the England median wage is dominated by the higher wages paid in London in sectors which dominate there, including as financial services and professional services. The SELEP workplace wage is actually at the median value for LEPs, and so in that sense is an average wage position. Resident earnings are above the England average due to the several hundred thousand residents who commute to London for work.





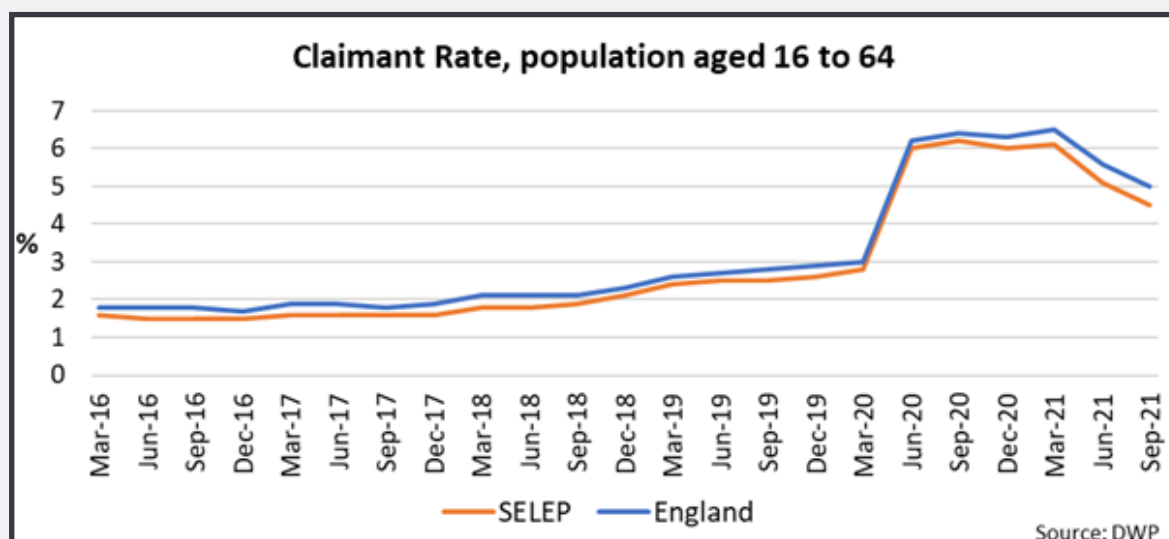
Population by age group (Updated June 2021)

The SELEP population includes an above average proportion of population aged 65 and above, with coastal areas being popular as a retirement location. There is also a lower than average proportion of younger adults with many moving to London when in this age range. Higher proportions of older people have implications for the health and social care workforce needs.



Claimant Count (Updated October 2021)

The claimant rate in SELEP is below the national average, but as large cities (and LEP areas) such as London and Manchester with high claimant rates dominate the national average, SELEP actually has one of the higher claimant rates compared to other LEPs, with the SELEP rate being higher than the median value for LEPs. Claimant rates increased sharply at the start of the pandemic, but unemployment did not rise as much, with much of the increase in claimants being a result of employees on furlough and low income being added to the claimant count due to receiving an income supplement through Universal Credit. Although younger adults had higher claimant rates before the pandemic and saw larger increases at the start of the pandemic, latest figures show that claimant rates for those aged 18 to 24 have now fallen to the same rate as for those aged 25 to 49.



Index of Multiple Deprivation - Proportion of neighbourhoods in 10% most deprived nationally

SELEP is a diverse geography with extremes of both the most deprived and most wealthy areas in the country. Areas such as Hastings, Thanet, Swale, and Tendring, Thanet have considerable concentrations of deprivation. Looking at the Education & Skills Domain, the local authority areas of Basildon, Castle Point, Dover, Medway, and Eastbourne also have a high percentage of neighbourhoods with low skill levels.

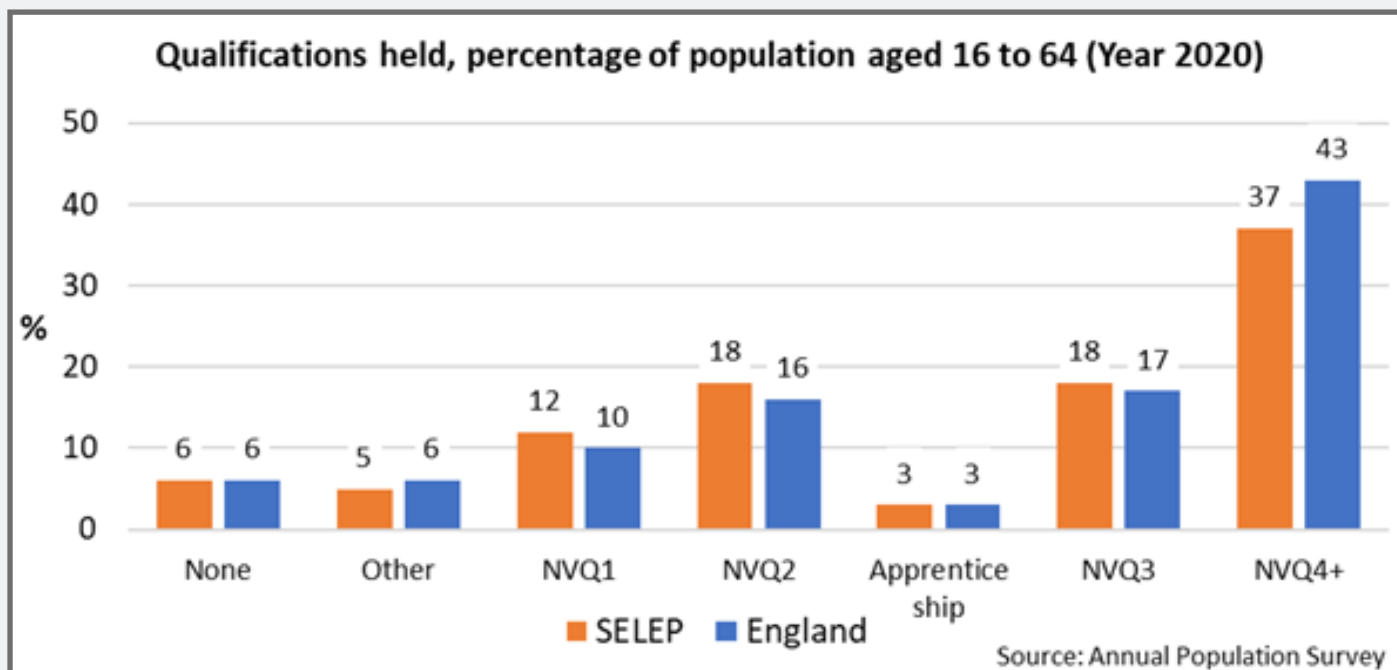
LOCAL AUTHORITY	INCOME DOMAIN	EMPLOYMENT DOMAIN	EDUCATION AND SKILLS DOMAIN	OVERALL IMD
Hastings	26%	25%	19%	30%
Thanet	20%	25%	20%	21%
Swale	15%	18%	26%	19%
Tendring	15%	18%	20%	18%
Basildon	7%	7%	19%	11%
Medway	9%	8%	11%	9%
Southend-on-Sea	12%	12%	8%	8%
Dover	7%	7%	12%	7%
Eastbourne	5%	11%	10%	7%
Folkestone and Hythe	6%	7%	7%	6%
Thurrock	5%	2%	8%	4%
Rother	5%	5%	7%	3%
Gravesham	3%	2%	8%	3%
Canterbury		2%	8%	2%
Maidstone	2%	1%	6%	2%
Castle Point	5%	2%	14%	2%
Dartford	2%	2%	2%	2%
Ashford	4%		9%	1%
Colchester	1%	1%	6%	1%
Lewes			5%	0%
Braintree			5%	0%
Tunbridge Wells			4%	0%
Wealden			4%	0%
Tonbridge and Malling			4%	0%
Rochford	2%		2%	0%
Epping Forest			1%	0%
Chelmsford	1%	1%	1%	0%
Sevenoaks		1%		0%
Brentwood				0%
Harlow				0%
Maldon				0%
Uttlesford				0%



SKILLS SUPPLY

Qualification levels (Updated September 2021)

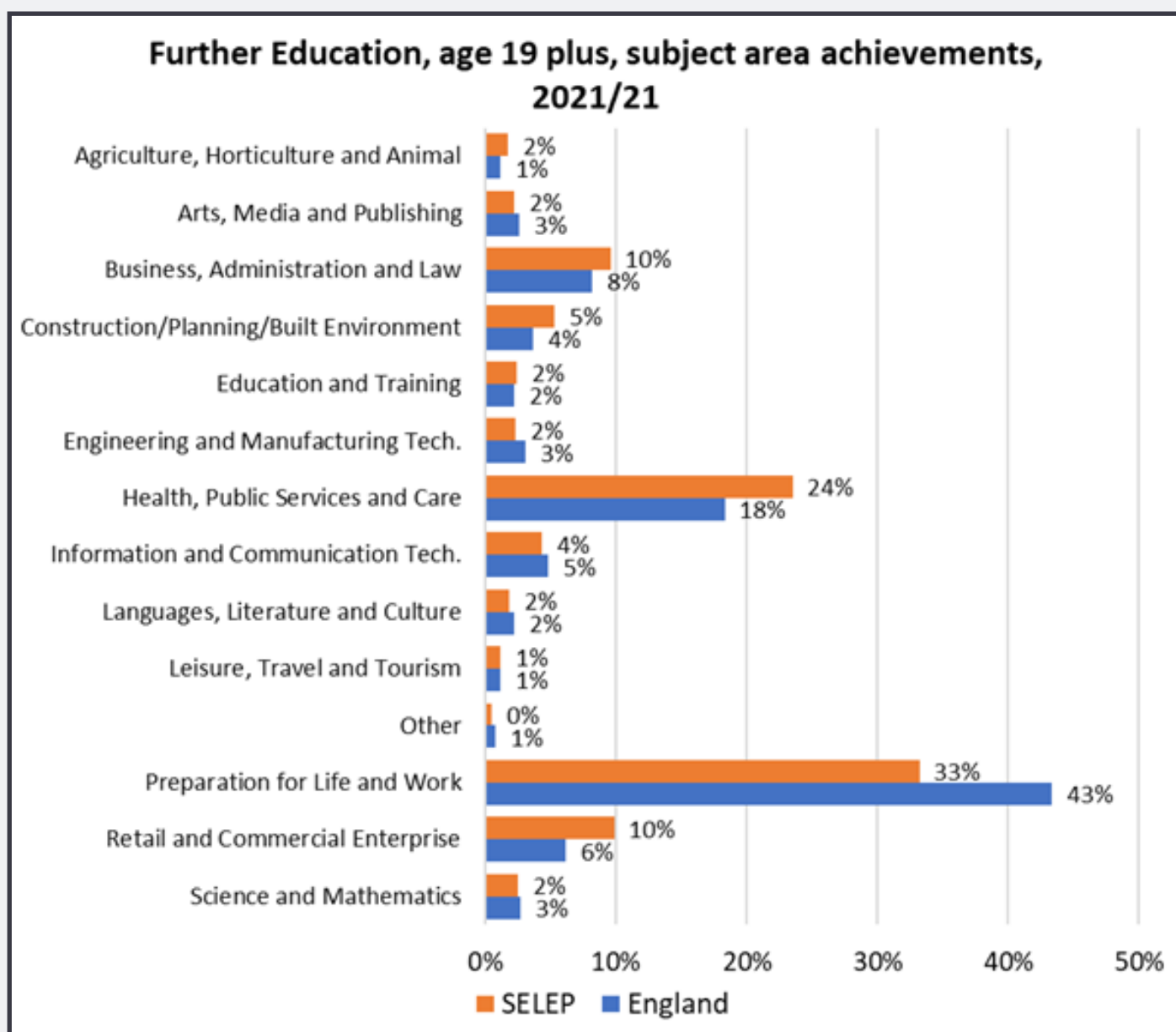
SELEP has a below England average percentage of the population with a level 4 qualification or above. Many places in the North such as Manchester, Liverpool and Leeds would appear to have better job opportunities to attract a higher educated workforce, with the SELEP area having a relative shortfall in knowledge intensive industries. In the last five years the proportion of working age population with a Level 4 qualification or above has risen by 6% nationally, with SELEP keeping pace with the national trend. Local authority level data from the last census shows the areas with the highest levels of population with no qualifications are Tendring (21%), Swale (19%) and Thurrock, Castle Point, Thanet, Hastings, and Basildon (all at 18%).



FE Education and Training Achievements (Updated November 2021)

FE training provision both nationally and locally for those aged 19 and above is focused on Preparation for Life and Work courses, which are mainly level 1 or level 2 qualifications. Health and Care courses are the next mostly completed courses. Participation in Level 3 and above courses remains relatively low, but recent years have seen an increase in participation in level 4 and above courses, now at above 10% of those participating.

The 2021/21 academic year saw a sharp reduction in Preparation for Life and Work course in SELEP, with achievements in this subject area as a percentage of all achievements now significantly lower than the national rate. In part this was down to less students completing, down from 64,985 the previous year to 60,140 for 2020/21, but this was also due to higher achievements in other subjects with an additional 1,110 achievements in Retail and Commercial and an additional 1,635 achievements in Health and Care. Achievements in Construction fell by 225 but rose by 300 in Engineering.



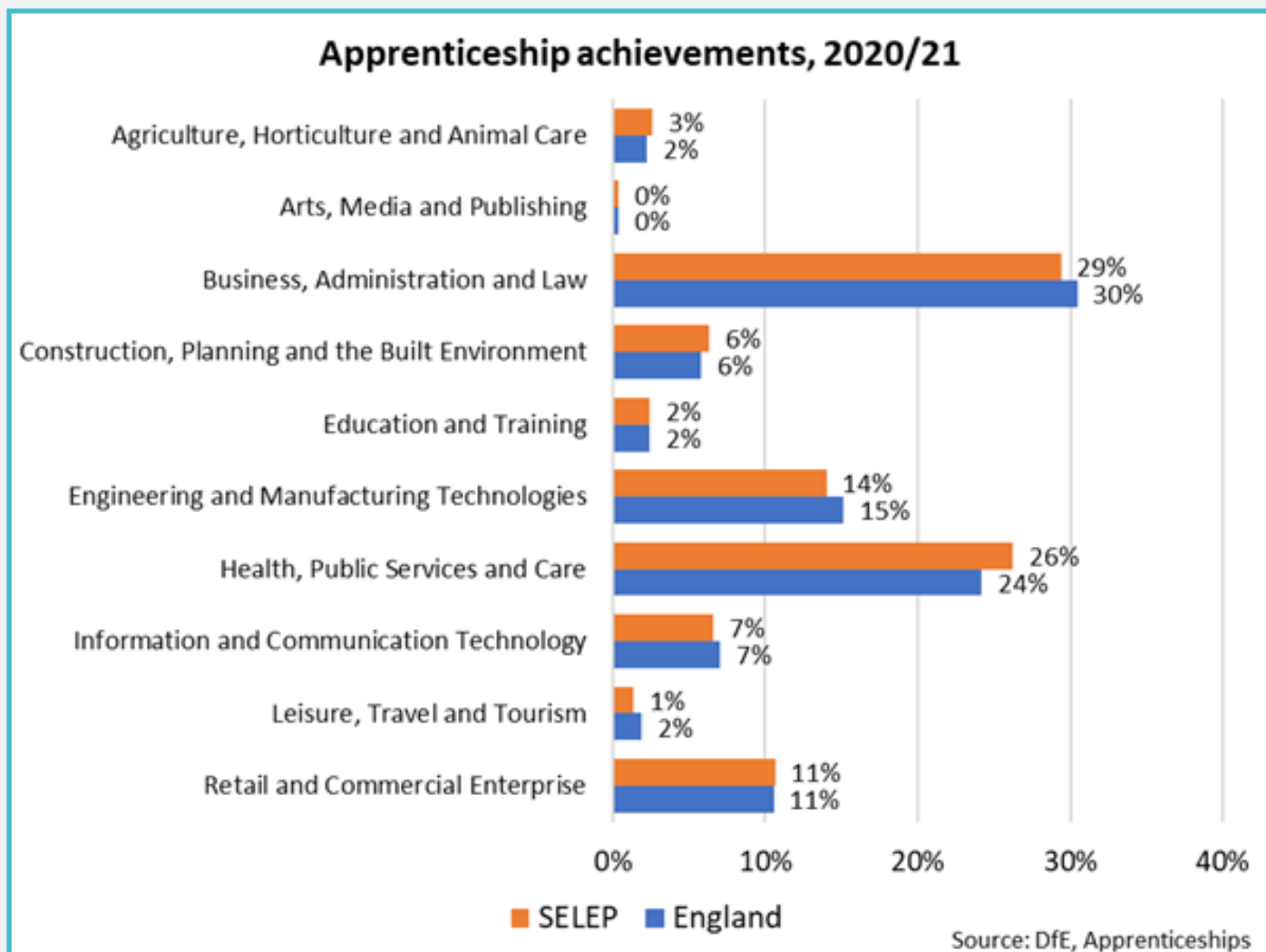


Apprenticeship Achievements (Updated December 2021)

Apprenticeship achievements in 2021/21 at 10,670 were 10% up on the previous year, but remained much below the previous level in 2017/18 of 17,250. The share of achievements by subject area in SELEP is very similar to the national distribution. Information and Communication is the only subject area where achievements are now higher than they were in 2017/18, both as a share of achievements, but also as an absolute count, now at 700 compared to 440 in 2017/18.

Since 2017/18 the Subject Areas with the largest decline in the number of achievements are Retail, Leisure, Education and Health. The lowest levels of decline have been in Construction, Agriculture and Business Administration.

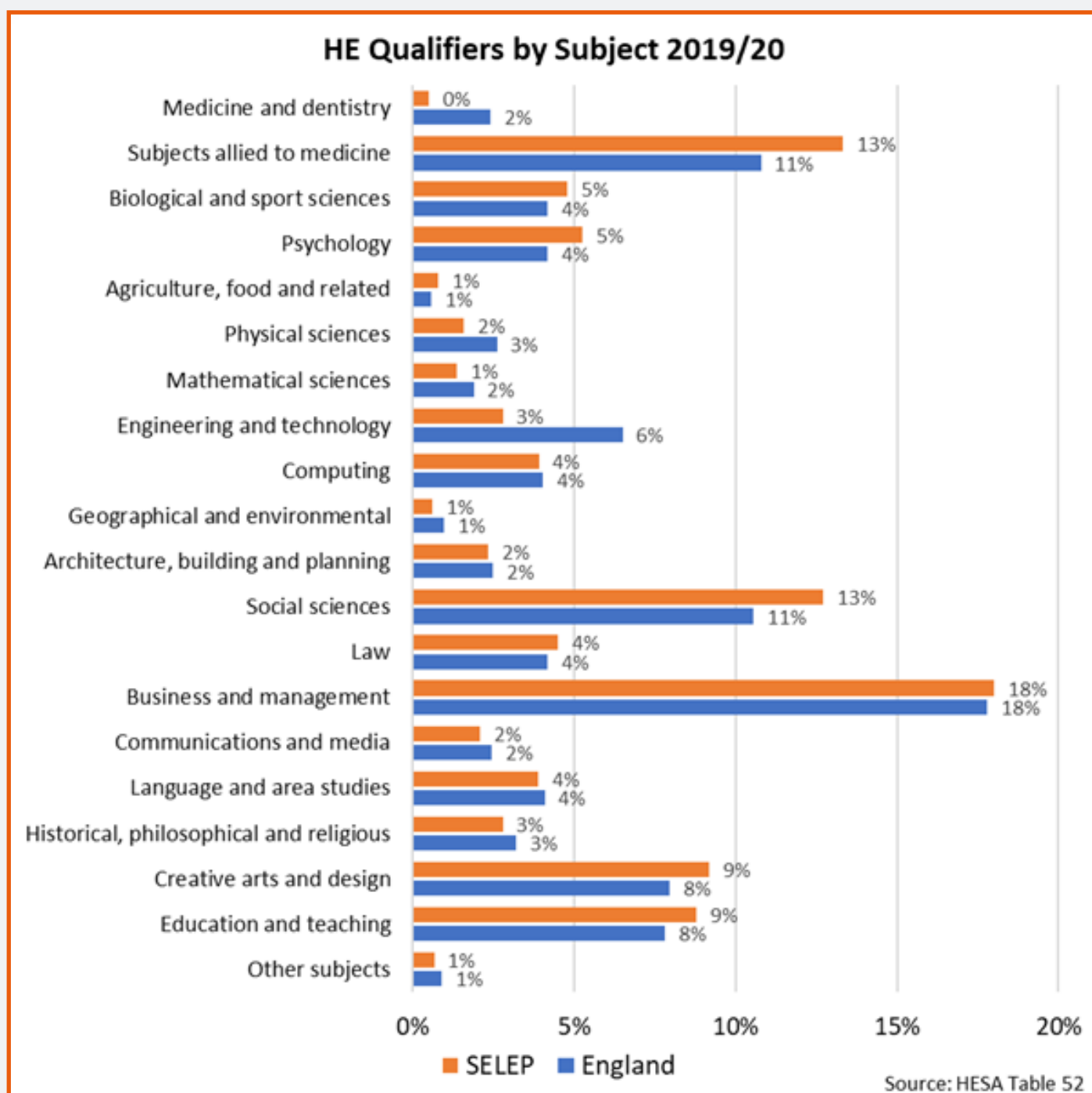
Although the rounded data shows Arts as 0% achievements, the actual count was 40 achievements in 2020/21. Other subjects not shown, which are true zeros, are History, Science and Maths and Social Sciences.



HE Qualifiers (Updated February 2021)

There were 44,845 Higher Education qualifiers (all qualification levels) for the U9 Universities (which are based in and around the SELEP area) in 2019/20. By principle subject area the distribution of qualifiers was similar to the England average but with lower shares in Engineering and Medicine and higher shares in Social Science and Subjects allied to medicine.

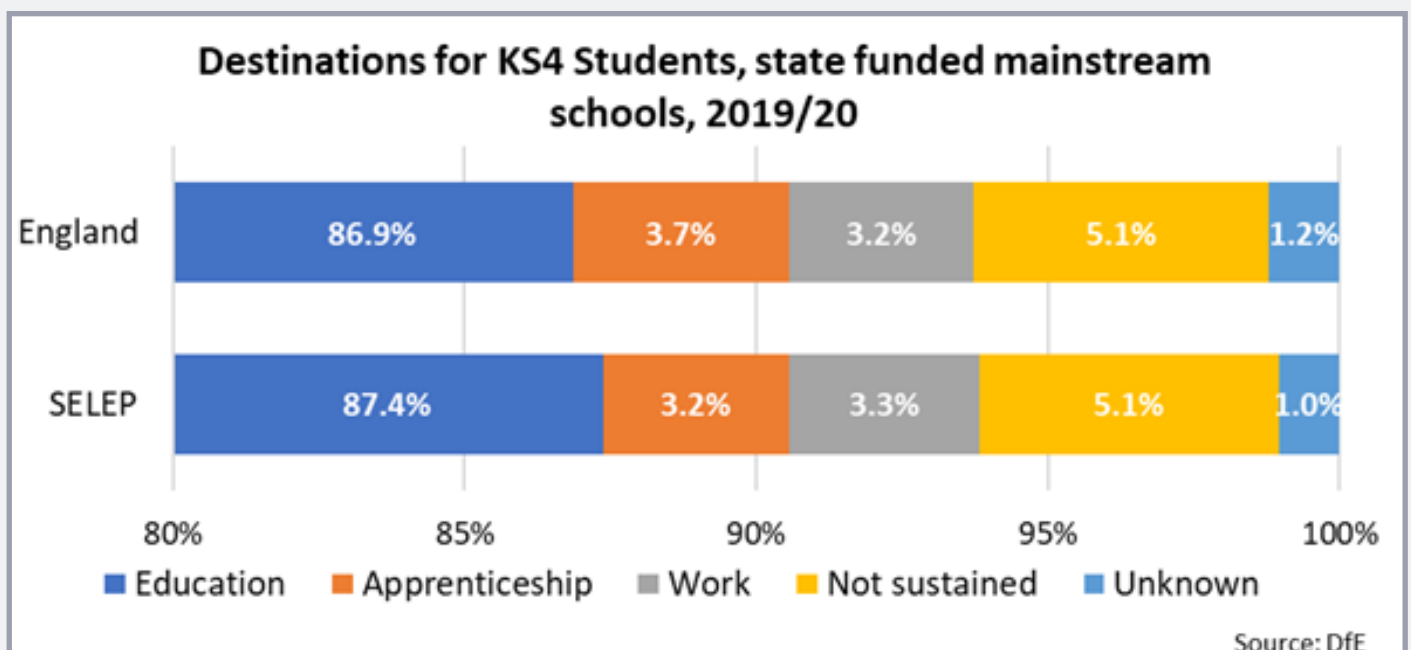
Compared to 2018/19 the total number of qualifiers was nearly unchanged but there were sizable falls in qualifiers in Creative Arts and Business Management with an increase in qualifiers in Social Sciences and Subjects Allied to medicine.





KS4 Destinations

The majority of pupils completing Key Stage 4 continue on in education at sixth from schools or further education colleges. A small number start work, or an apprenticeship. In SELEP a slightly lower proportion start an apprenticeship, with more staying on in education compared to the England average. It is perhaps a concern that more young people do not sustain a destination in education, work or an apprenticeship than start an apprenticeship, however there will be various reasons for this, and some will take on caring responsibilities for example. The number of pupils completing Key Stage 4 in 2018/19, whose destinations a year later are shown below in the graph below, was 41,115 with 2,110 not having a sustained destination in education, work or training.

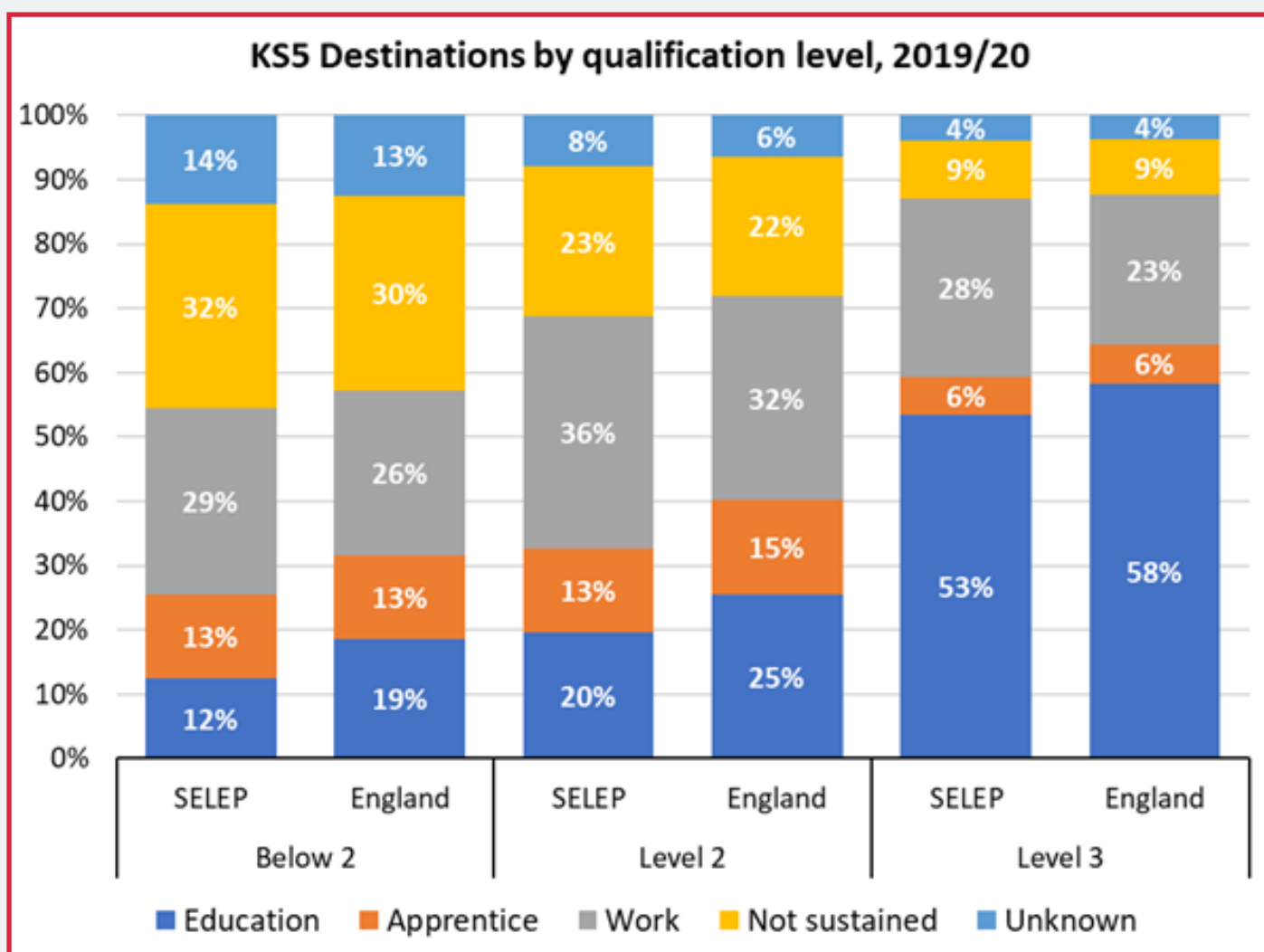


KS5 Destinations (Updated October 2021)

In 2018/19 there were 38,940 pupils completing Key Stage 5 education and destination outcomes by qualification level a year later are shown below. Qualification achievements were the same as the England average with 70% achieving a level 3 qualifications, 15% level 2 and 15% other qualifications (assumed to be below level 2).

Across all qualification level less pupils stay on in education in SELEP than the national average, with a higher proportion starting work instead. Apprenticeships starts are the same as England average except for those with a level 2 qualification where the percentage take-up is lower than the England average. A slightly high proportion in SELEP do not have a sustained destination or an unknown destination for those with a level 2 qualification or below.

Overall, 32.3% of pupils commenced a Higher Education course, compared to 35.1% for England.



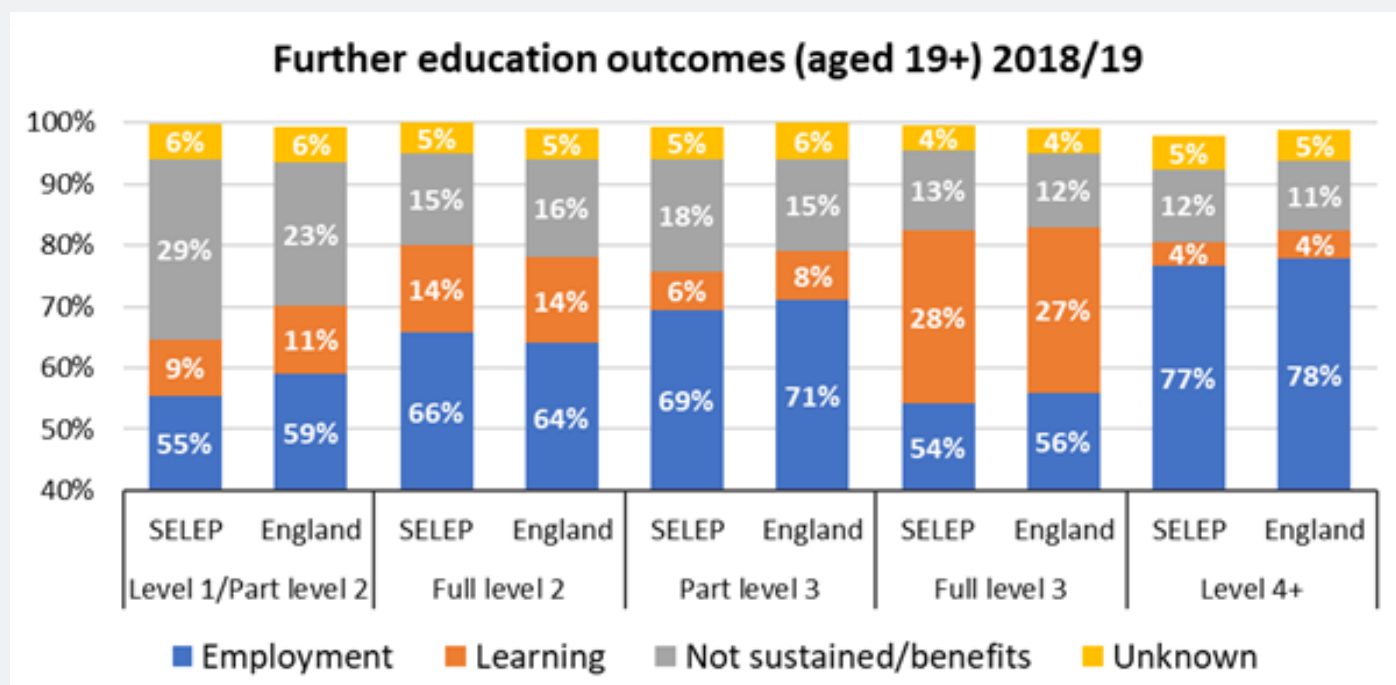
Further Education destinations (Updated December 2021)

There were 32,840 aged 19 and above completers of government funded Further Education courses in 2018/19 in the SELEP area, whose destination outcomes a year later are compared below to national rates. Both locally and nationally government funding in this area is focussed on Basic Skills for those with no qualifications, with over 84% of completers achieving Entry level, Level 1 or part Level 2 qualifications. Level 3 qualifications account for a further 10% of completers with the numbers taking courses above this level being no more than 1%.

Sustained positive destinations for the 2018/19 cohort was just slightly down on the year before, despite the impact of the pandemic, with an overall 67.1% achieving a sustained employment or learning destination compared to 67.8% the year before.

For Full Level 3 positive destination rates are close to national average, but were slightly lower this year, whereas last year SELEP achieved identical rates to the England average. Both this year and last year positive destination rates for those completing a Full level 2 qualification were higher in SELEP than the England average. However, for the majority of completers, where at best a part Level 2 qualification was achieved, positive destinations both this year and last year were much lower for SELEP than the England average.

Those completing a Full Level 3 qualification are most likely to continue in education, with Access to Higher Education being a key aim for such courses.



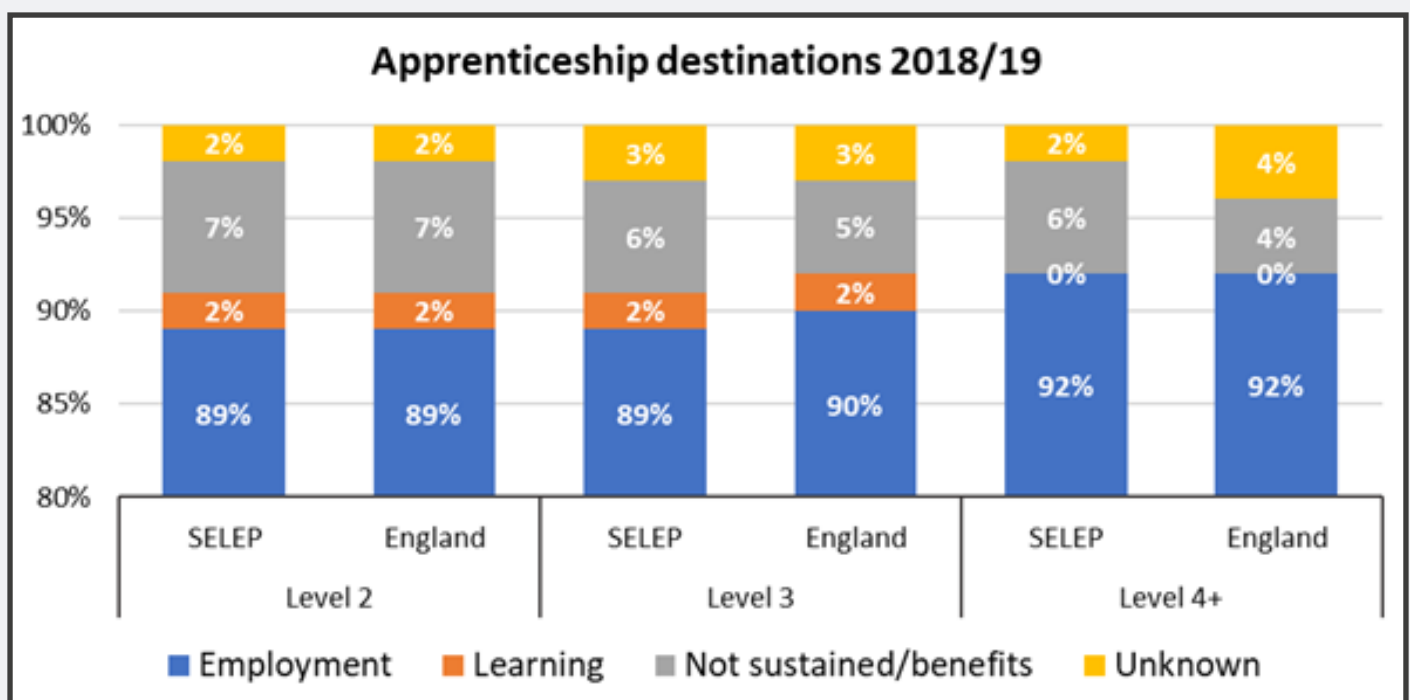


Apprenticeship Destinations (Updated December 2021)

There were 11,050 Apprenticeship completions across SELEP in 2018/19 and destinations outcomes compared to national rates are shown below. Over 90% of apprenticeships are Level 2 or Level 3, with numbers fairly evenly split across these qualification levels. For SELEP 6% of Apprenticeship completions were Level 4 or above compared to 8% for England.

The destination outcome for the vast majority of those taking apprenticeships is sustained employment.

Destinations for apprentices in SELEP closely mirror the picture for England as a whole.

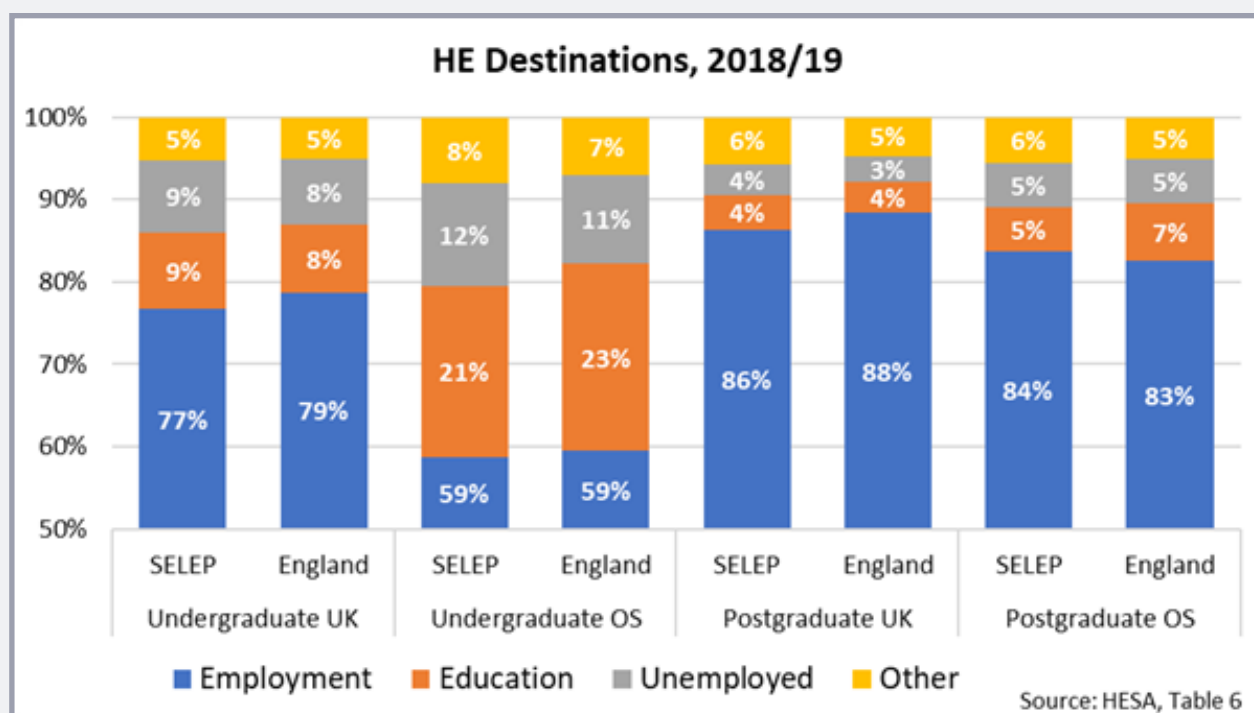


HE graduate destinations (Updated July 2021)

Across the U9 Universities Group and local FE providers there were 36,105 under-graduate course completers in 2018/19 and 18,090 post-graduate completers. The HESA Graduate Outcome survey identifies destinations for these students a year later with response rates being above 50% of UK domiciled students and below 40% of overseas domiciled students.

As can be seen from the graph below, positive destinations for SELEP (U9 plus FE providers) closely mirrors the picture for all England with SELEP being a percentage point or two below on positive outcomes for all categories of students, although bearing in mind the results reflect a survey with incomplete response rates, these differences are not really statistically significant.

It should be not that locally and nationally, overseas domiciled students are far more likely to progress to post-graduate study than UK domiciled students. Overseas students take up 16% of under-graduate provision in England but 46% of post-graduate provision.



It is perhaps disappointing that a year after graduating some 9% of under-graduate students were unemployed, albeit some were due to start employment or further study at a near future date. There is a need perhaps nationally and locally to encourage employers to provide more employment opportunities available for our young graduates, rather than allow them to experience such high rates of unemployment. This may require more graduate development programmes, as employers in the main will tend to be looking for track record and experience when recruiting to fill normal vacancies recreating when highly experienced staff retire or otherwise move on.

As further context, it should be noted that FE providers in SELEP delivered 1,385 under-graduate qualifiers in 2018/19 and 55 post-graduates. The Colchester Institute delivers most in this regard with 400 under-graduates and South Essex College next with 255, and together they provided 50 post-graduates. Positive destinations for qualifiers from FE providers was similar to that for HE providers overall.

Graduate retention (Updated December 2021)

The DfE recommended indicator for SAPs to use here is "Region of residence of HE graduates from local providers". However, this does not provide information on graduates retained or attracted to the LEP area.

Instead, we present here our own findings from the HESA Graduate Outcomes Survey.

The table below shows those completing an undergraduate course in 2017/18 who took up employment within SELEP as percentage shares, by domicile and place of study. As can be seen, less than 50% of graduates taking up employment in SELEP actually studied at a U9 University.

DOMICILE	PLACE OF STUDY	
	U9	UK OTHER
SELEP	37.0%	36.5%
UK OTHER	8.2%	19.0%
NON-UK	1.2%	1.4%
TOTAL	46.4%	53.6%

What is clear is that students who had an original domicile within SELEP, whether they studied at a U9 University or not, are most likely to be retained in SELEP for employment. Those who had an original domicile outside SELEP, but studied at a U9 University, are unlikely to be retained for employment. Instead, SELEP is able to attract a high proportion of graduates (1 in 5 taking up employment) who neither studied nor originally lived in the region. This suggests that as well as those with an original domicile in SELEP being most likely to be retained, the second largest group of graduates are those attracted from elsewhere due to the type of jobs available.

Our more detailed analysis shows that jobs where our local Universities lack national level subject specialisms, including Engineering, Manufacturing and Medicine are the types of local graduate employment opportunities where students who both lived and studied elsewhere in the country are most likely to move to SELEP to take on these roles. The new provision in Kent of the EDGE campus and the Kent and Medway Medical School should go a long way to help rectify this mismatch of local HE provision to local employer needs.

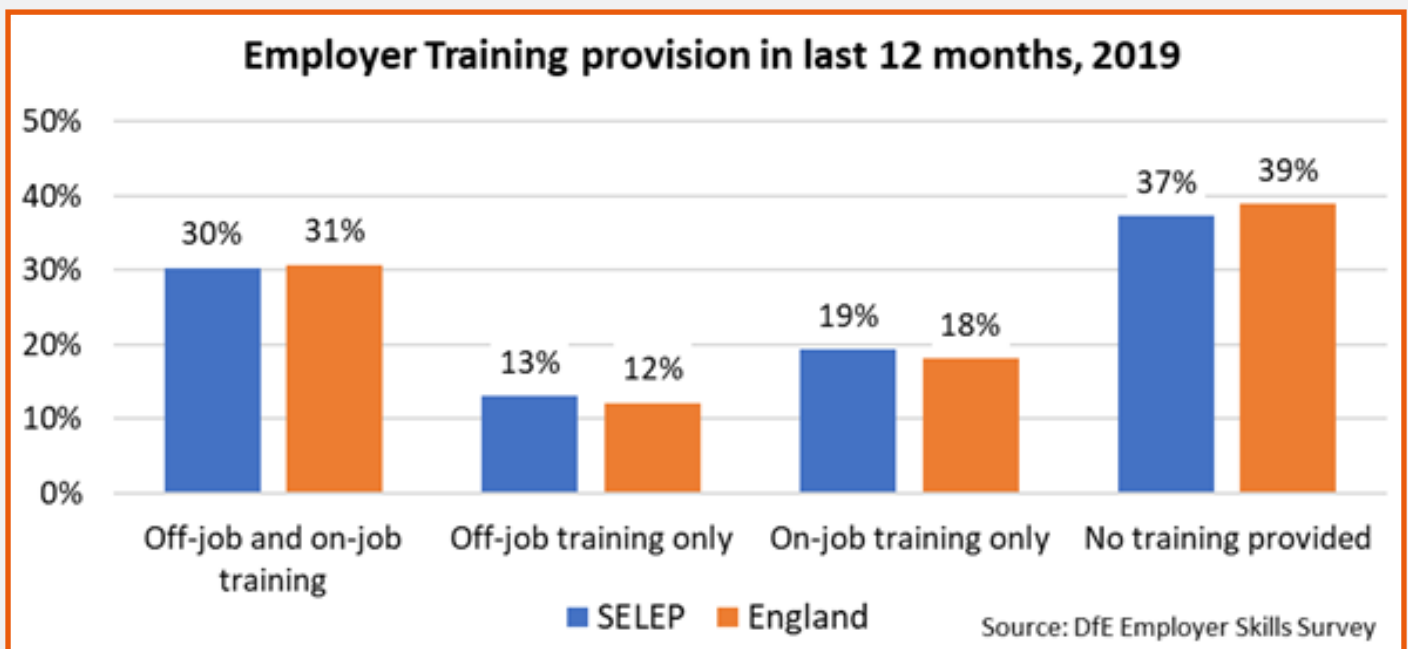
Overall, our analysis suggests that the available number of jobs for newly qualified under-graduates each year across SELEP is only sufficient for about 50% of new undergraduates originally domiciled in SELEP. That could be considered low graduate retention due to a lack of sufficient suitable jobs. However, it should be noted that SELEP is by no means exceptional for this, with large cities offering many more jobs for undergraduates and offering more cultural activity, such that 50% of U9 students who did not have an original domicile in SELEP, take up employment in London, with the capital taking a massive 23% of all UK graduates. Other key cities such as Belfast, Edinburgh and Manchester also offer high numbers of jobs for new graduates capturing this talent from elsewhere in the country.



Employer provided training

As the chart below illustrates, 37% of employers in the SELEP area did not provide training in the 12 months to September 2019, slightly below the national level of 39%. 19% had provided on the job training, 13% off the job and 30% a mixture of on and off the job training. Percentages are broadly in line with national levels. It's important to maintain awareness of training programmes for those in work such as ESF Programmes and free online and digital learning. Needs locally have been identified in areas such as management, leadership, mental health support and communication.

It should be borne in mind that the overwhelming majority of businesses employ less than 10 people, and being dependent on such a small workforce may limit opportunities to release staff to engage in training. Over half of employers with 2 to 4 staff did not provide training, whereas 90% or more of employers with 25 or more staff did provide training. However, 73% of businesses with 2 to 4 staff which did not provide training reported that staff were fully proficient and did not need training, with the second main reason being that appropriate training in a relevant subject was not available. Other reasons for not providing training included training not being a priority, lack of funding, and training being funded and arranged through other routes and not directly by the employer.





SKILLS DEMAND

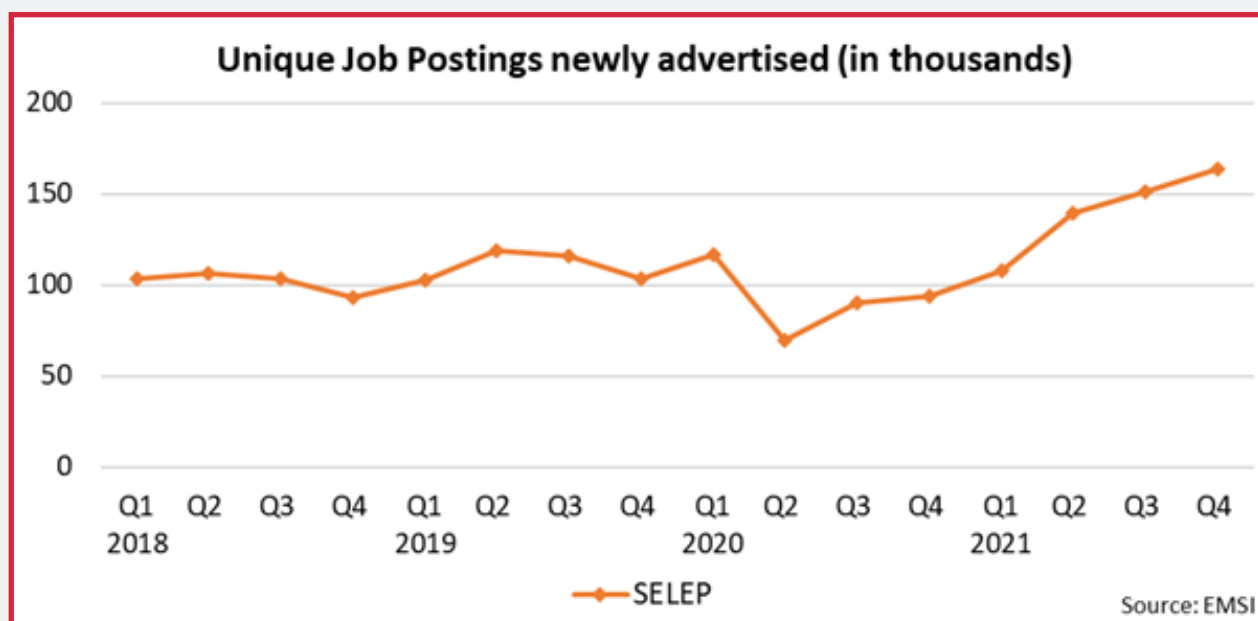
Online vacancies

There was a significant reduction in advertised job postings in 2020 as the pandemic struck. There was also a loss of jobs at this time, particularly in hard hit sectors such as hospitality.

Recruitment activity did not recover to pre-pandemic levels until early 2021 and has since seen exceptional high levels of activity. The higher activity was initially in large part a replacement of jobs previously lost as economic activity picked up and overall employee jobs during 2021 have recovered pre-pandemic levels.

Although economic activity levels and related employee numbers have returned to close to pre-pandemic levels, job postings and vacancy rates remain very high. It would appear there is now strong competition to attract labour with reports of labour shortages across most sectors.

It is likely that during 2022 we may see something of a return to previous vacancy levels and it remains hard to understand how when economy activity levels are only just returning to pre-pandemic levels, with employee numbers higher than pre-pandemic levels, that there can be an overall shortage of labour in the economy. Loss of EU citizens returning home and the need for extra staff to cover high sickness levels due to COVID are possible factors to explain high current recruitment activity levels.



Looking at particular occupations, we find that some of the lower skill occupations have experienced the most increase in job postings comparing the latest quarterly numbers to the same period in 2019. Job postings for Elementary Administration and Service Occupations are 95% higher than in 2019, and both Secretarial and Related Occupations and Process, Plant and Machine Operatives have job postings 70% higher, with Caring Personal Service Occupations job postings up 76%. Some higher skill roles are also currently in high demand with job postings for Science, Research, Engineering and Technology Professionals up 73%.

Key public sector roles such as Health Professionals and Teaching and Education Professionals have seen the lowest increase in job postings at 37% and 11% respectively, but in normal times these would still be exceptionally large increases in job postings.

The table below shows job posting levels by occupational group for the most recent quarter.

New job postings occupational Group, SELEP

	NEW JOB POSTINGS OCT 21 TO DEC 21	SHARE OF JOB POSTINGS
Managers, directors and senior officials		
11 Corporate managers and directors	7.7	5%
12 Other managers and proprietors	2.9	2%
Professional occupations		
21 Science, research, engineering and technology professionals	8.3	5%
22 Health professionals	13.7	8%
23 Teaching and educational professionals	6.3	4%
24 Business, media and public service professionals	7.5	5%
Associate professional and technical		
31 Science, engineering and technology associate professionals	6.8	4%
32 Health and social care associate professionals	2.7	2%
33 Protective service occupations	0.2	0%
34 Culture, media and sports occupations	1.8	1%
35 Business and public service associate professionals	19.6	12%
Administrative and secretarial		
41 Administrative occupations	16.2	10%
42 Secretarial and related occupations	3.3	2%
Skilled trades occupations		
51 Skilled agricultural and related trades	0.2	0%
52 Skilled metal, electrical and electronic trades	6.5	4%
53 Skilled construction and building trades	2.5	2%
54 Textiles, printing and other skilled trades	3.8	2%
Caring, leisure and other service		
61 Caring personal service occupations	16.5	10%
62 Leisure, travel and related personal service occupations	1.3	1%
Sales and customer service		
71 Sales occupations	5.5	3%
72 Customer service occupations	3	2%
Process, plant and machine operatives		
81 Process, plant and machine operatives	2.5	2%
82 Transport and mobile machine drivers and operatives	7.4	5%
Elementary occupations		
91 Elementary trades and related occupations	1.8	1%
92 Elementary administration and service occupations	15.7	10%

Sector growth forecasts

The DfE sponsored Working Futures labour market and skills projections for the period 2017 to 2027 provide one view on how employment by sector and skills requirements may change in the future. The projections are based on past trends and the impact of the COVID pandemic may have significantly altered such trajectories. The table below shows SELEP projections for employment (in thousands) and employment change by sector from the Working Futures report.

SECTOR	2017	2022	2027	2017-2022	2022-2027	2017-2027	ANNUAL CHANGE
Primary sector and utilities	45	44	44	-1	0	-1	-0.3%
Agriculture	27	25	24	-2	-1	-2	-0.9%
Mining and quarrying	1	1	1	0	0	0	-2.2%
Electricity and gas	5	5	5	0	0	0	0.1%
Water and sewerage	12	13	13	1	1	1	0.9%
Manufacturing	125	116	109	-9	-8	-16	-1.4%
Food drink and tobacco	12	11	11	-1	0	-1	-0.7%
Engineering	25	23	21	-2	-3	-4	-1.9%
Rest of manufacturing	88	82	77	-6	-5	-11	-1.4%
Construction	183	185	189	3	3	6	0.3%
Trade, accommodation and transport	532	530	540	-2	10	8	0.1%
Wholesale and retail trade	299	301	306	2	5	7	0.2%
Transport and storage	117	114	113	-3	-1	-4	-0.3%
Accommodation and food	117	115	121	-2	6	4	0.3%
Business and other services	579	601	612	22	11	33	0.6%
Media	17	17	17	0	0	0	-0.1%
Information technology	49	50	51	1	1	2	0.5%
Finance and insurance	45	43	41	-1	-2	-3	-0.7%
Real estate	32	33	35	1	1	3	0.8%
Professional services	149	157	160	8	3	11	0.7%
Support services	168	175	179	7	5	12	0.7%
Arts and entertainment	63	67	69	4	2	6	0.9%
Other services	57	59	59	2	0	2	0.4%
Non-marketed services	490	502	519	12	17	29	0.6%
Public admin. and defence	76	75	75	-1	0	-1	-0.1%
Education	178	180	185	2	5	8	0.4%
Health and social work	236	247	259	11	12	22	0.9%
All industries	1,954	1,979	2,012	24	34	58	0.3%

The projections suggest an average annual growth of about 6 thousand jobs a year as the population and economy expands over time, although these projections come with a high degree of uncertainty.

However, in terms of future jobs demand, the exact level of total employment growth or employment growth by sector is of little consequence and may only account for 10% to 15% of jobs demand, with the vast majority of future jobs demand being replacement demand, as the existing workforce retires or otherwise leaves the labour market. Replacement demand is much more predictable than future employment demand due to shifts in sectorial mix in the general economy.

Regardless of future growth by sector, there is certainty that the sectors with the current highest employment levels will therefore generate the most future jobs demand in the short to medium term, with Business and other services, Non-Market Services and Trade, Accommodation and Transport expected to provide the most future job opportunities, and new entrants to the labour market will need to be suitably qualified for these jobs.

The Table below provides estimates of annual replacement job demand by broad sector for the SELEP area.

SECTOR	EXPECTED ANNUAL JOB REPLACEMENT DEMAND 2022-2027 (THOUSANDS)	SHARE
PRIMARY SECTOR AND UTILITIES	1.4	2.2%
MANUFACTURING	3.3	5.1%
CONSTRUCTION	5.4	8.2%
TRADE, ACCOMMODATION AND TRANSPORT	17.1	26.1%
BUSINESS AND OTHER SERVICES	19.9	30.4%
NON-MARKETED SERVICES	18.2	27.9%
TOTAL	65.4	

It will be important to monitor the impact of COVID and how this has changed job demand by sector in the short term (e.g. increase in demand by the health sector) and moving forward into the post-pandemic phase. For now, these impacts remain uncertain, with replacement demand being much more predictable and certain.

Occupation growth forecasts

The Working Futures projections provide a much stronger focus on jobs demand by Occupational Group, rather than Sector, which is quite appropriate, as occupational group has a clearer relation to training needs than sector. The projections suggest that over 50% of future jobs demand will be for managerial, professional and associate professional roles. Caring personal service occupations will also see high job demand.

The projections also suggest, that due to reduced employment demand, any replacement demand is exceeded by loss of jobs for Secretarial and related occupations, leading to a net outflow and requirement for re-training for people employed in such roles. There will also be no net new job openings for Process, plant and machine operatives.

There will be on-going, albeit low future demand for skilled trades, sales and customer service roles, with construction roles having a slightly higher demand than other skilled trades.

Future job openings (job growth and replacement demand) by occupational Group, SELEP

	AVERAGE ANNUAL JOBS DEMAND 2022-2027	SHARE OF JOBS DEMAND
Managers, directors and senior officials		
11 Corporate managers and directors	8.8	12%
12 Other managers and proprietors	3.5	5%
Professional occupations		
21 Science, research, engineering and technology professionals	3.5	5%
22 Health professionals	4.1	6%
23 Teaching and educational professionals	5.2	7%
24 Business, media and public service professionals	4.6	6%
Associate professional and technical		
31 Science, engineering and technology associate professionals	1.0	1%
32 Health and social care associate professionals	1.5	2%
33 Protective service occupations	0.6	1%
34 Culture, media and sports occupations	1.8	3%
35 Business and public service associate professionals	6.6	9%
Administrative and secretarial		
41 Administrative occupations	3.4	5%
42 Secretarial and related occupations	-1.4	-2%
Skilled trades occupations		
51 Skilled agricultural and related trades	0.8	1%
52 Skilled metal, electrical and electronic trades	0.7	1%
53 Skilled construction and building trades	1.7	2%
54 Textiles, printing and other skilled trades	0.7	1%
Caring, leisure and other service		
61 Caring personal service occupations	9.8	14%
62 Leisure, travel and related personal service occupations	1.7	2%
Sales and customer service		
71 Sales occupations	2.4	3%
72 Customer service occupations	1.7	2%
Process, plant and machine operatives		
81 Process, plant and machine operatives	0.0	0%
82 Transport and mobile machine drivers and operatives	2.6	4%
Elementary occupations		
91 Elementary trades and related occupations	0.4	1%
92 Elementary administration and service occupations	6.6	9%

SKILLS THAT NEED DEVELOPING

The Employer Skills Survey 2019 provides some information on employers' views on training needs for existing staff.

Headline results from the survey suggest that only 63% of businesses could identify workforce training needs for the 12 months ahead. Of those businesses identifying such training needs, 45% identified this was needed for Managers, Directors and senior officers, with 8% identifying Professional Occupations as in need for further training.

The most identified training need was captured as a generic statement of "Specialist skills or knowledge needed to perform the role" with 48% of employers with identified training needs giving this as the main reason for training.

Overall, this perhaps demonstrates that employers generally think most of Continuing Professional Development for Senior and Professional staff as their main organisational training need but also that whatever the job role, people need to be up to date with specialist knowledge for that role.

Other training needs strongly reflected internal organisational knowledge as being important to keep staff up to date with. As such "Knowledge of products and services" and "Knowledge of how the organisation works" also scored very highly as training needs with 48% and 33% of employers respectively.

However, perhaps reflecting needs for other staff not within management and professional roles, some very basic training needs were also identified by many employers such as "Basic numerical skills and understanding" and "Computer literacy / basic IT skills" with 17% and 32% of employers identifying these as training needs respectively.