

DORSET LEP SKILLS ADVISORY PANEL & BOARD
9 November 2021, 2 – 4pm

Virtual meeting via Teams
AGENDA

#		Item	Lead	Purpose	Annex
1		Welcome, introductions and apologies	Emma Hunt Chair	ACTION Welcome, introduce attendees and note apologies	
2		Approval of minutes of last meeting – July 2021	Emma Hunt Chair	ACTION To agree minutes as read and action updates	1
4	Place	Local Skills Report review	Mira Koseva & Rebecca Davies	ACTION Presentation to lead a discussion around the three main challenges: Productivity, Inequalities & Ageing Population together with current ambitions, priorities and activities with focus on Talent Attraction & Retention, Skills for now and Skills for the future. Members to offer their views and links to their strategies Local Skills Report	
3	Recovery	Current action	LMI data (shared as a link)	ACTION https://www.dorsetlep.co.uk/dorset-labour-market-and-skills-insights-quarter-3	
			Paper update on recovery work from each member organisation	Dorset Council Update, Jon Bird BCP Council Update, Lesley Spain Dorset Careers Hub, Rebecca Phillips DWP, Steph Stimpson Apprenticeship network, Rod Davies	
5	Future	Skills Funding & Skills Bill	Emma Hunt / Luke Rake	Consolidated spending review, skills bill and government agenda around devolution, green skills and FE Investment	
6	AOB		All		

DORSET LEP SKILLS ADVISORY PANEL AND BOARD MEETING COVER SHEET

Meeting Date	01.11.2021	Item Number	2
Security Level:	Confidential <input type="checkbox"/>	Commercially Sensitive <input type="checkbox"/>	Unclassified <input checked="" type="checkbox"/>
Paper Title	Dorset LEP Skills Advisory Panel and Board Update		
Recommendation	For Information		
Papers are provided for:	Decision <input type="checkbox"/>	Discussion <input type="checkbox"/>	Information <input checked="" type="checkbox"/>

1. PURPOSE

This paper provides an update from the Dorset Skills Advisory Panel and Board (SAPB), together with operational updates from Dorset LEP skills team in Dorset between July and Sept 2021.

2. SUMMARY

Skills team operational update

Dorset LEP have been working to ensure Dorset residents have opportunities to participate in recovery initiatives, as they become available.

- **SAP Programme** – as anticipated, the Department for Education guidelines for review of our Local Skills Report have been shared and we will work with the SAPB to review and update the Dorset plan by the deadline of 31 January 2022. Future plans to be confirmed by DfE are likely to include a Local Skills Improvement Plan aligned to a strategic development fund (subject to budget availability).
- **Skills Boot Camps** – in addition to the current [The Skills Bootcamp](#) roll out, we are involved in potential bids for wave 3 provision. Within the next wave, there is a clear focus on green skills bootcamps and skills bootcamps as a lead into apprenticeships. Eligible candidates should be over 19 years old, either be in work or unemployed for less than 12 months and be local residents.
- **LMI training** – we have continued to use our LMI in creative collaborations with stakeholders – working with BU's careers team, as part of their skills masterclasses we offer a session highlighting local opportunities, skills gaps and future projections to increase awareness and retention among BU students; We are also working with Bournemouth and Poole College to develop an LMI session as part of their management away day to help understand the employer demand better while deep diving into the staffing and skills needs of healthcare as our largest employment sector.
- **Restart Programme** – Seetec who are delivering the Restart programme for long term unemployed (1yr+)in the South West. Numbers of self referrals are reported to be 'positive', however there are currently no stats available to confirm numbers receiving training, personal guidance and direction to employment. Restart providers and DWP are hoping to find a solution to share data. Seetec plus are also working to understand solutions in rural and coastal areas, bringing together key representatives to inform solutions.
- **Skills Brokerage** – embedded within Dorset Gateway, the skills brokerage has been delivering business support around apprenticeships, traineeships and kickstart

schemes as well as BEIS funded programmes' Peer Networks and Help to Grow - Business. This key service brings together the business resilience and growth work with skills provision.

- **Skills Accelerator bid** – working with Bournemouth and Poole and Weymouth colleges, we have submitted a bid to the DfE for support to provide a digital programme for business leaders. If funded, the funds will drive forward the course content, and deliver 2 modules to enable business to better understand the benefits of a 5G connection to grow and innovate their business.

3. Skills updates from the Consolidated spending review

In the governments 3 year spending plan delivered in Oct 2021, the Chancellor announced the following key investments for skills:

- £4.7bn by 24/25 for schools to restore per-pupil funding to 2010 levels in real terms
- 30,000 new school places for children with SEND
- £2bn for school and colleges education recovery
- £3.8bn expanding T levels, skills boot camps, apprenticeships, training, short courses and upgrading college buildings
- Increasing apprenticeship funding to £2.7bn in 24/25
- £170m for early year providers by 24/25, and £150m for training and development for early years workforce

The LEP skills team will be looking for those opportunities to bid with our partners for additional funding to support skills development across the county.

4. The Labour Market Information update

Dorset LEP has published the [Quarter 3 report](#), available here. Some of the key inclusions are here:

- Dorset's Skills Advisory Panel and Board congratulates Chair Professor Emma Hunt on new appointment with thanks for a successful and collaborative leadership term
- Dorset LEP's Skills Brokerage continues to support employers with extended Apprenticeship incentive, Kickstart and JET schemes
- Dorset LEP's Back to Business offers free solutions to common business challenges, including recruitment and training
- Support Dorset Careers Hub - Follow LinkedIn, Twitter or complete the 'Get Involved' form
- BCP Council Future Skills & Employment Week
- Dorset's Careers and Apprenticeship Show opened for bookings
- Bournemouth and Poole College launched Career Ready hubs
- Weymouth bounces back event hosted by Weymouth College
- Work starts on new Skills & Learning centre to open doors in Poole's Dolphin centre in the spring

5. Dorset LEP Careers Hub Update

Dorset Careers Hub has been busy inducting and training new team members and planning for the year ahead. We are continuing to develop our strategy in line with the CEC's 7 key objectives:

1. Amplifying technical and vocational routes
2. A self-improving system - deliver Gatsby Benchmarks and Create Impact
3. Effective transitions
4. Removing barriers - Focus on SEND & SEMH and the Disadvantaged
5. Building leaders for the system - Elevating the role of the Careers Leader
6. Careers education as part of economic recovery
7. Employers build long term sustainable, mutually beneficial partnerships with schools and colleges

With heightened activity at government level, including the Skills Bill, Industrial Strategy, Plan for Growth and Education Select Committee, comes a remit from the Careers & Enterprise Company to consider and measure impact in everything we do.

We consistently support our 75 schools and colleges in the network and after a difficult summer term everyone came back fighting and determined to make up for lost time, and so did we. There has been a lot of physical activity with school's visits, careers events and talks, but with the new wave of Covid sweeping through the country and pupil numbers fluctuating, this has been difficult to achieve, and plans are having to change by the day.

Our work has been focused on reconnecting with key partners and stakeholders and I have spent lots of time meeting with key partners from the Council, employers, careers education and guidance experts, industry-specific and trade groups, schools and attended key conferences. These meetings have been invaluable, and all serve to extend our reach and strengthen our community and networks, in order to achieve our goals and really make a difference.

We have 7 Enterprise Adviser vacancies, 3 within SEND or AP schools, and 2 additional Middle School vacancies and we are working on a targeted campaign taking geographical location into consideration, looking at alumni networks and have really ramped-up our marketing to attract the right people.

We have allocated significant time to our social media campaign and are already seeing high activity, new followers and impressive engagement levels. Enquiries for business support through our website has greatly increased and is resulting in meetings to discuss collaboration and support in schools. A new website is now being designed and developed, which we hope will go live in time for the new year.

Gatsby benchmarks 1,3, 5 & 8 are more challenging than the others to achieve this year. A key issue facing schools currently, as previously mentioned, is the shortage of Level 6 Careers Guidance practitioners, and I am addressing this issue by looking at workarounds and whether sharing resources among school communities is an option.

With a big push at national, local and Hub level on effective transitions and removing barriers, we are currently building our database of disability confident employers, counsellors and careers coaches across Dorset and contacting people on regular basis. We hope to have an uplift in interest and influx of support in the coming months, for all students.

We are pushing to increase work experience offers and will look to virtual work experience again, as well as reaching out to parents & carers for quick wins on face-to-face experiences. We are looking to develop a work experience toolkit for schools, parents and companies to facilitate the journey for all involved. We are currently working with two employers, National Trust and RSPB, on work experience for disadvantaged young people in cohorts from 2 schools.

There is a CEC led Careers Guidance conference for the colleges on the 18th November which will address some concerns about the provision for their students and is a positive step forward in uniting the group and identifying future actions. A big push will be done on improving standards and perceptions of apprenticeships in order to improve take-up. This will take a unified approach that we hope to lead, in Dorset, in the coming months.

Jobcentre Plus Updates

30th October 2021

Spending Review & Budget Updates

Universal Credit taper rate

The taper rate means that if people increase their earnings, for example by working more hours, their Universal Credit is gradually withdrawn. Currently the taper rate is 63p, meaning for every £1 a person earns after tax their Universal Credit is reduced by 63p. To make sure work pays and people are supported to thrive and achieve their potential, the Government is cutting this taper rate by 8p, from 63p for 55p, ensuring more money in people's pockets.

Universal Credit Work Allowance

Some households can earn a set amount before the taper rate kicks in. This is called the Work Allowance, and is generally for households on Universal Credit who are in work and either looking after a child or have a household member with limited capability for work.

Work Allowances are currently set at £293 a month if the household receives housing support, or £515 if they do not receive housing support. These are both being increased by £500 per year.

Both of these changes will be implemented from December 2021, and together they will benefit 1.9 million households who will, on average keep around an extra £1,000 a year. The changes apply across Great Britain, and the Northern Ireland Executive will be funded to match them.

If you provide benefits advice or offer benefit calculators on your website, we encourage you to update your advice by 1 December to reflect these changes.

Supporting disabled people into work

To support disabled people into work, the government confirmed as part of the spending review that it is providing specialised disability employment support worth over £1.1bn over the next three years, including an additional £156m over the SR period for health and disability support with a focus on additional work coaches.

This is alongside the Work and Health Programme which will continue to provide personal support to disabled people to find jobs that match their employment and health needs, and the Access to Work scheme which will continue to help cover the costs of workplace adaptations, special equipment and travel.

Plan for Jobs

Earlier this month (4th October), the Government announced a further £500million to expand the Plan for Jobs package and build on the successes to date, this included:

- Extending the Youth Offer to 2025 and expanding the eligibility to include 16 and 17 year olds in addition to 18-24 year olds. This provides additional support to unemployed young people on Universal Credit who are searching for work through its Youth Employment Programme, supportive Youth Hubs and specialised employability coaches.
- Kickstart Scheme being extended to March 2022 – which will mean young people have until the spring to take up one of the scheme's vacancies.
- Job Entry Targeted Support (JETS) - a provision aimed at claimants who have recently become unemployed - is being extended to September 2022 - which provides light touch support for 6 months for people who have been unemployed for 3 months or more.
- There is support to help people progress in work. Those in receipt of Universal Credit while working will be able to access work coach support, focusing on career progression advice. Job Centre Plus specialists will work with local employers to identify local opportunities for people to progress in work.

New Levelling Up & Community Investments

Overview

The UK government is committed to levelling up across the whole of the United Kingdom to ensure that no community is left behind, particularly as we recover from the COVID-19 pandemic.

That is why we are now making the biggest changes to the way we support local economic growth in a decade, in order to regenerate our town centres and high streets, support individuals into employment, improve local transport links and invest in local culture, while giving communities a stronger voice to take over cherished local assets that might otherwise be lost.

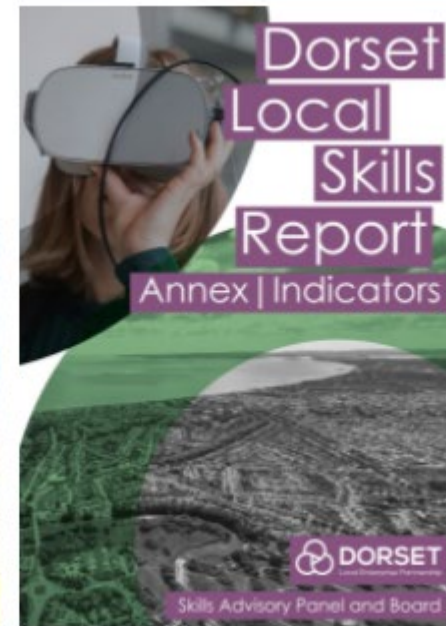
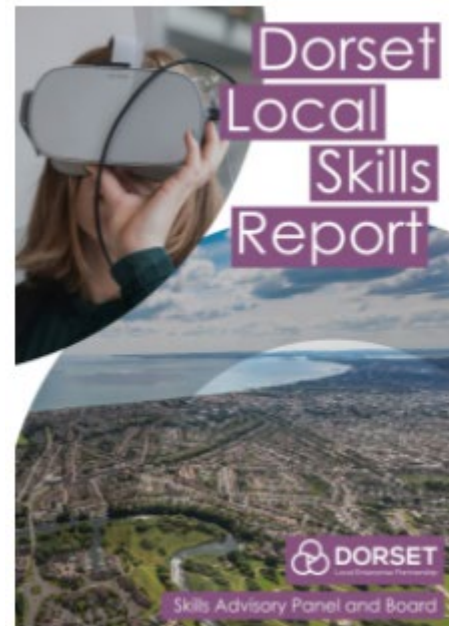
This will involve the UK government decentralising power and working more directly with local partners and communities across England, Wales, Scotland and Northern Ireland, who are best placed to understand the needs of their local areas and more closely aligned to the local economic geographies to deliver quickly on the ground.

To support these objectives, the UK government has launched three new investment programmes to support communities right across the country. All share common challenges and opportunities, which the UK government is determined to address in collaboration with local partners. These new investment programmes are:

- The UK Community Renewal Fund
- The Levelling Up Fund
- The Community Ownership Fund

Dorset Local Skills Report Update

Due by 28th January 2022



Dorset Local Skills Report

Going forward, do you still agree with our skills strategy: ambitions, priorities and activities?



Key challenges

Productivity



Disadvantage
& Inequality



Ageing
population



Our Key Challenges:

Low productivity, inequalities and ageing population

Typical labour productivity continues to be persistently below the national average, labour shortages stifling growth as the economy recovers from the pandemic:

- Small increase in unemployment (1.5 pp) and decline in employment (1.2 pp), accelerated return to work rates and drop in redundancies, 11,100 still on furlough as it closed in September
- Spike in vacancies – as tourism, hospitality, arts, leisure, manufacturing return to normal
- Hard to fill vacancies and skills gaps marked and affecting growth
- Higher skills and education levels correlate with higher productivity – gap increased in Dorset - Need to up/reskill and move labour across sectors to respond to shifts

Existing inequality and social deprivation have escalated throughout the pandemic:

- 15 LSOAs among the 10% most deprived
- Minimum wage prevalence in certain areas, significant gender pay gap
- Inequality in educational attainment and outcomes further deepened by digital deprivation
- Skills levels fluctuate – with lowest skilled in areas of deprivation where the rates of pay are lower
- Young people and lower skilled disproportionately affected
- Apprenticeships and adult education decline

[Link to supporting charts](#)

Demographic challenge have escalated throughout the pandemic:

- Ageing population, fewer people in working age, more to retire soon, dependency ratio
- Loneliness and health issues
- Strain to the healthcare system with demand for nurses and carers rising exponentially
- Existing replacement demand challenge likely to be continued due to changes in retirement plans

Our SKILLS AMBITIONS directly stem from these KEY LOCAL CHALLENGES

Dorset total skills solution



Dorset Skills Strategy |

Strategic Ambitions:

“Where do we want to be?”

Strategic Ambition 1: Increased Productivity

- Tackling Dorset's productivity gap through ensuring the right skills are available for our economy.
- Developing a smarter and more productive workforce to address the vacancy requirement over the next 15 years.
- Our focus is on skills utilisation, talent retention, future automation, the application of digital skills, fresh careers training and new further and higher education courses to attract and keep talent in Dorset.



For full strategy and evidence read [Dorset Local Skills Report 2021](#)

Strategic Ambition 2: Removing Inequality (Levelling up)

- The focus is on inclusive prosperity, reducing inequality and unlocking talent to ensure all communities play active role in Dorset's recovery.
- We will build on excellent careers guidance in schools and adult education, particularly in our more deprived areas.
- We will deliver skills and expertise for the future and explore technology to make learning and jobs accessible across the region.



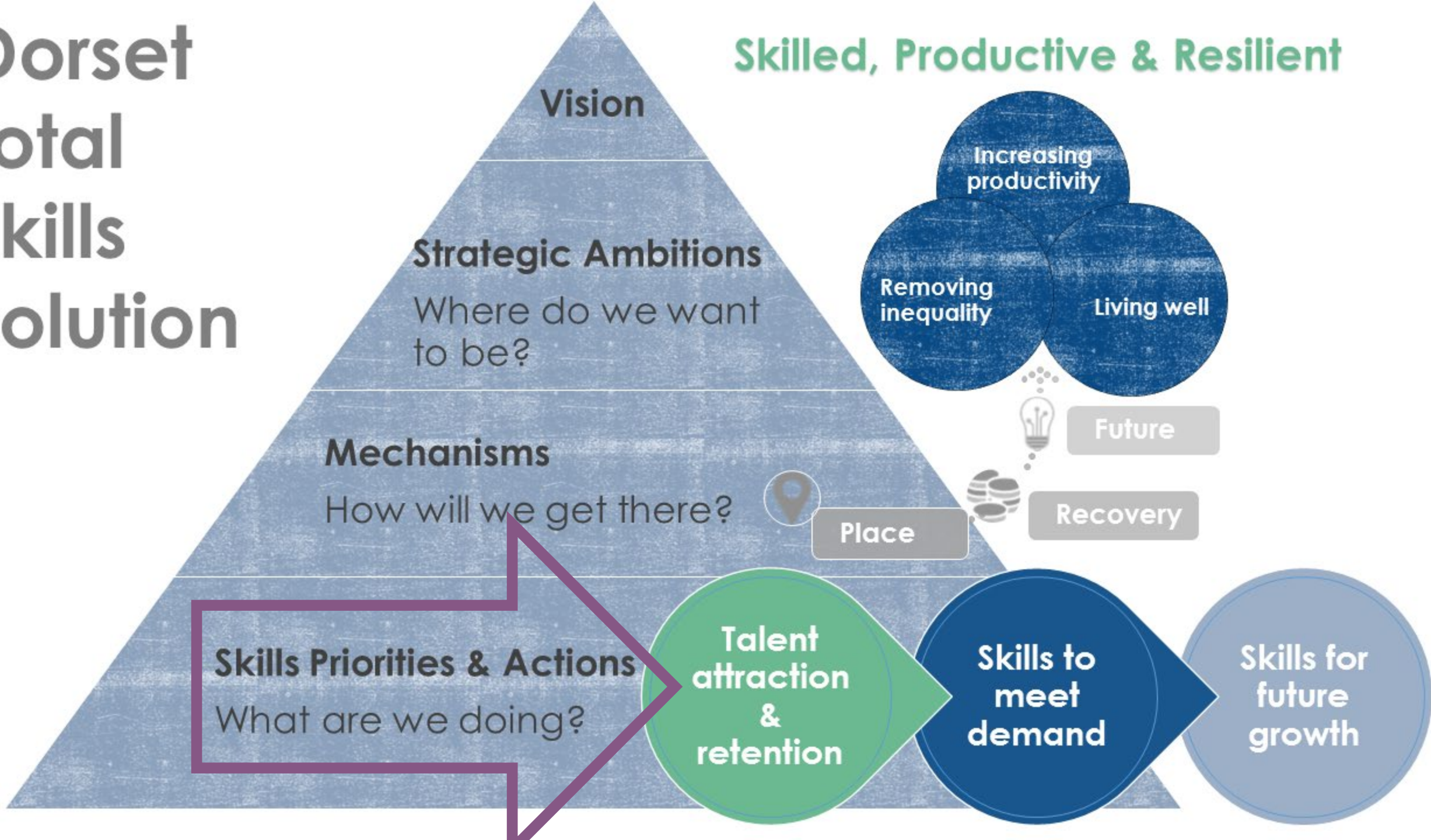
For full strategy and evidence read [Dorset Local Skills Report 2021](#)

Strategic Ambition 3: Living well (50+ Choices)

- Addressing Dorset's future demographic crunch head on by developing pioneering solutions to healthcare, social care and wellbeing in the region.
- Ensure innovative approaches to ageing are fully understood, including rethinking employment opportunities for older people such as reskilling, flexible working, mentoring, capturing the cultural and economic value of volunteering and unpaid work.
- We believe that innovation here could affect productivity outcomes and talent retention.



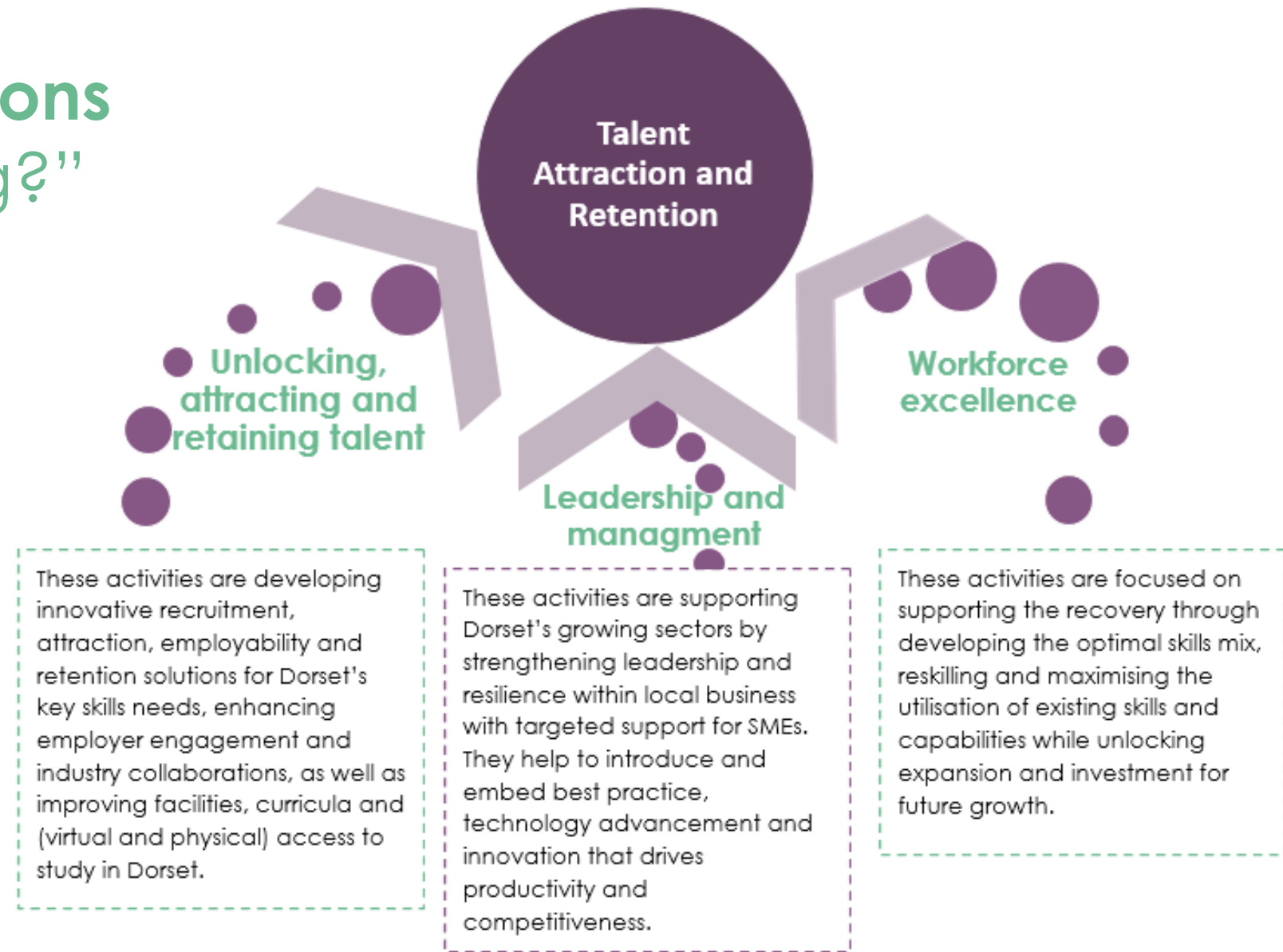
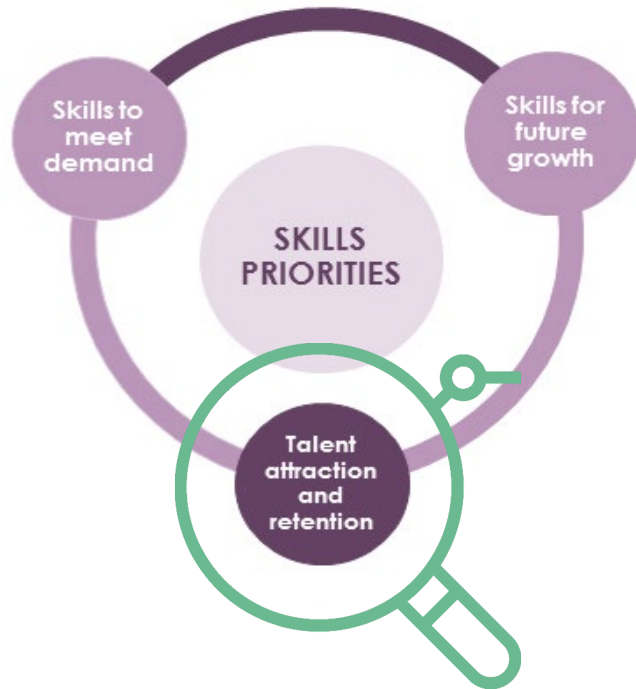
Dorset total skills solution



Dorset Skills Strategy

Skills Priorities & Actions

“What are we doing?”



For full strategy read [Dorset Local Skills Report 2021](#)

Talent attraction & retention

What are we doing?

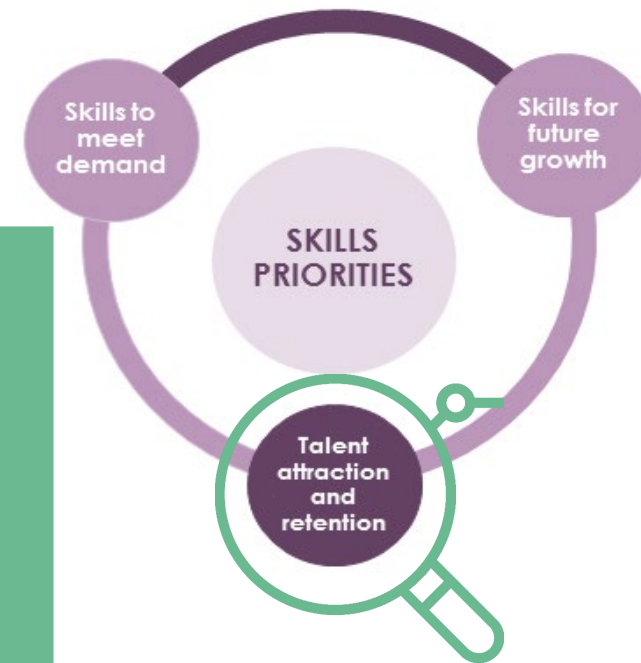
How are we doing?

Key SAPB activities:

- Leadership for collaborative partnerships
- Skills brokerage via Dorset Gateway
- Producing and sharing LMI for key industries
- Expansion of the Dorset Careers Hub, regional Enterprise Advisor Network & Cornerstone Employers
- Creation of careers and enterprise Hubs at Bournemouth and Poole College
- Delivery of careers programmes and HE/FE graduate retention activities

Key measures of success :

- Number of vacancies over time
- Labour and skills shortages
- Graduate Outcomes - % in employment
- Destination of leavers to Dorset –HE providers
- HE/FE/training providers - participation, starts and achievements, apprenticeships
- Region of residence of HE graduates from local institutions at one, three and five years
- HE/FE student experience
- KS4/ KS5 destinations (% sustained education/apprenticeship/employment by level)
- Outcomes for apprenticeships by level (% sustained employment/sustained learning/any learning).

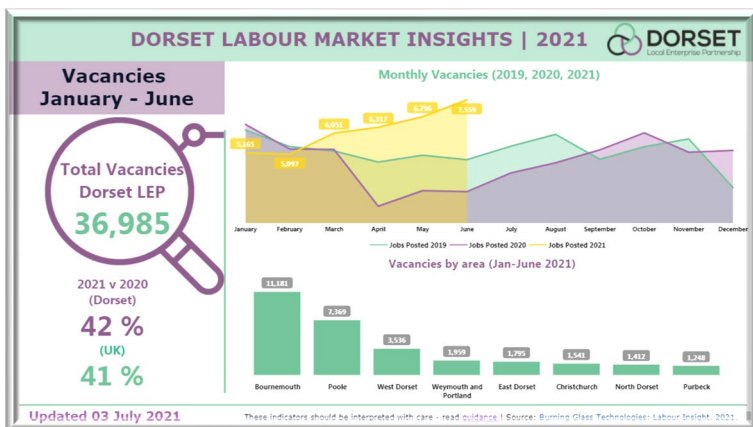


“We will develop innovative recruitment, attraction, employability and retention solutions and industry collaborations and improve facilities, curricular and virtual access to study.”



Example: Our Labour Market Tools are used to attract and retain talent across Dorset's key industries

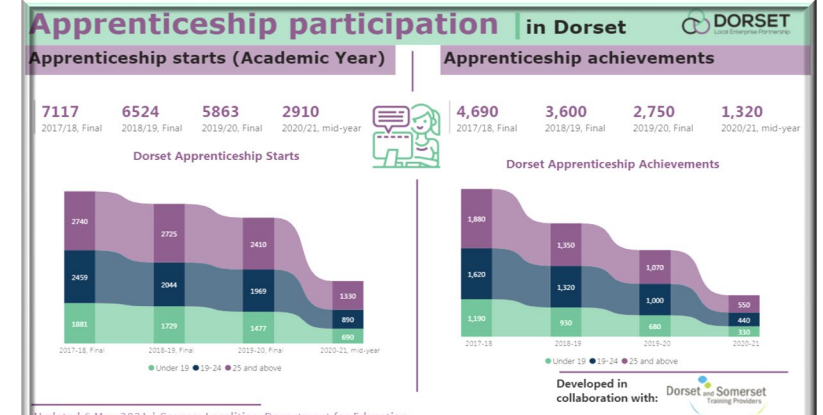
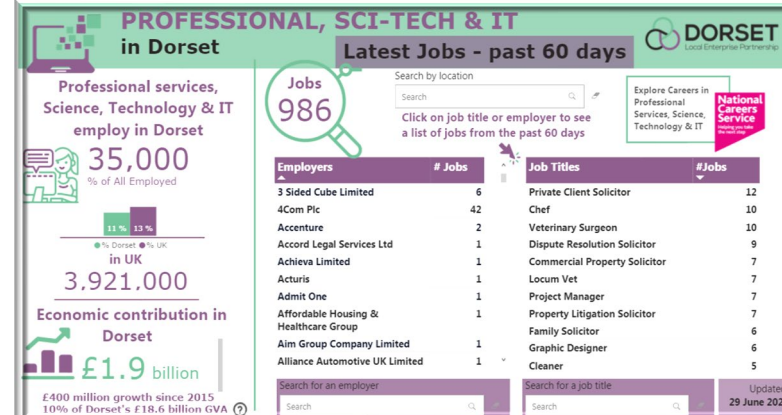
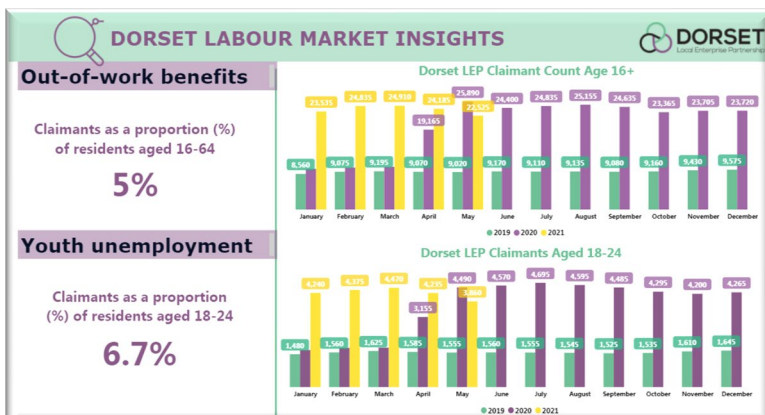
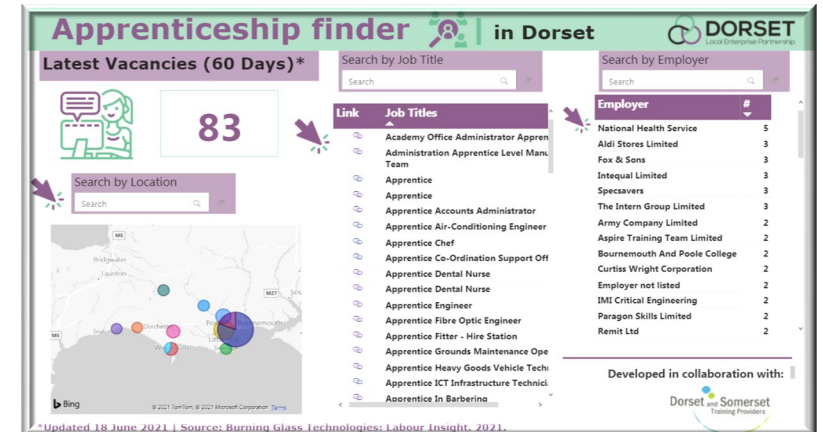
Latest Labour Market Insights



Key industries Interactive



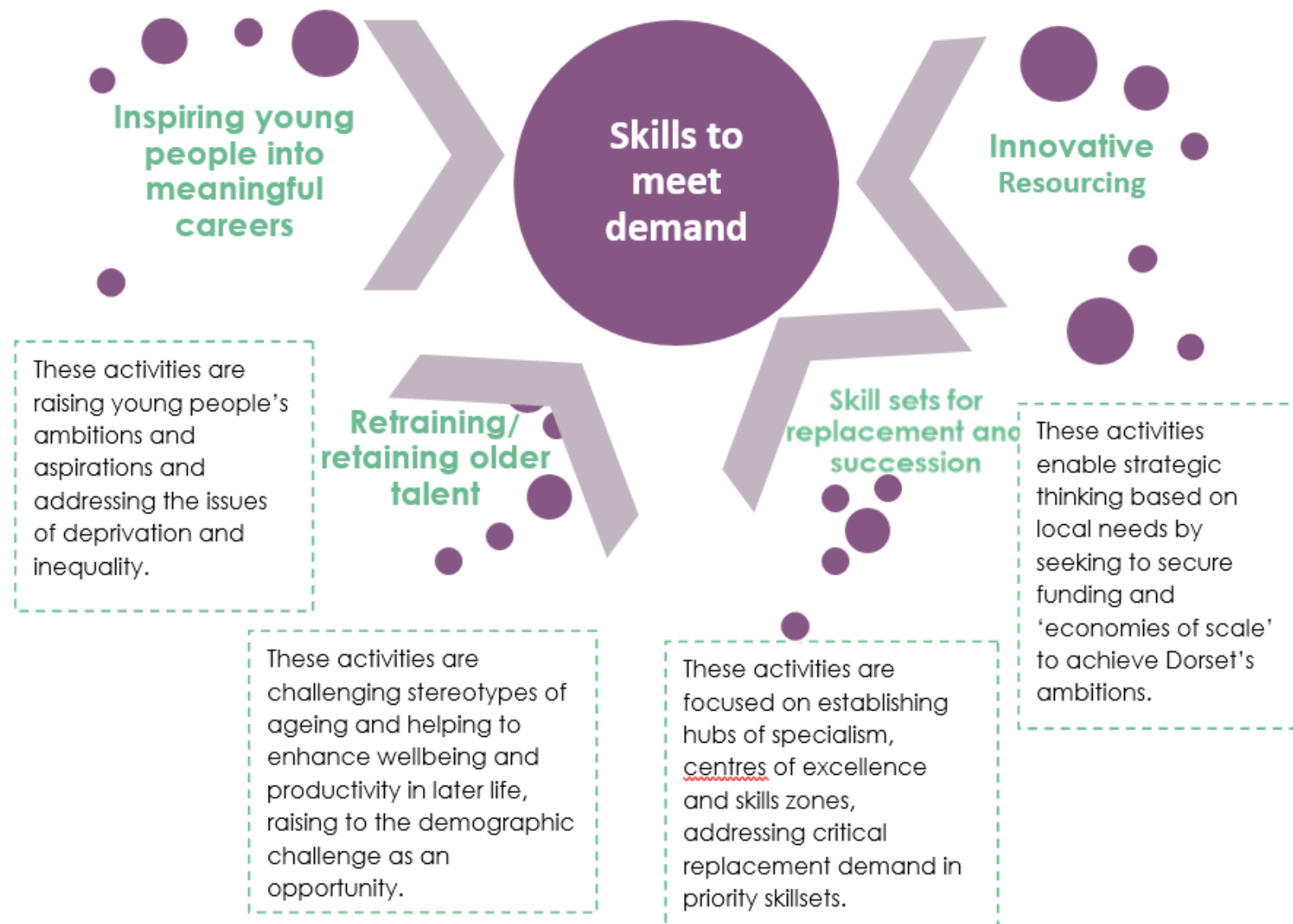
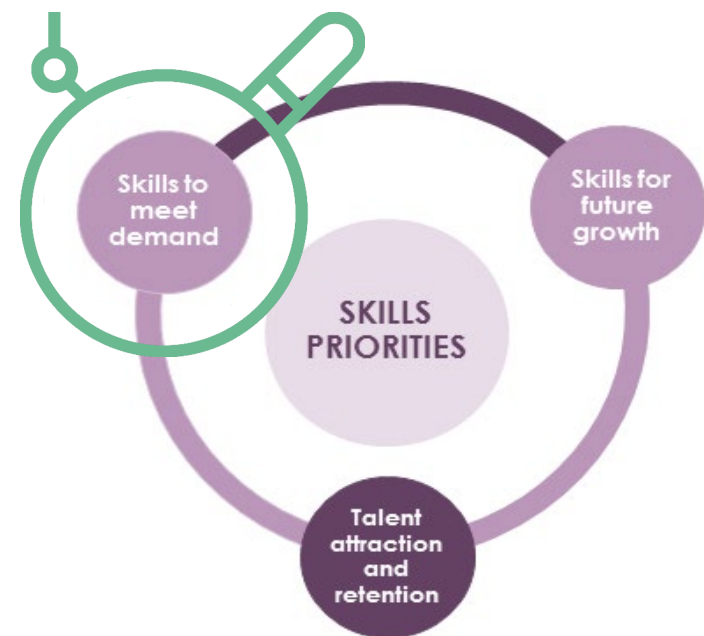
Apprenticeship Statistics



Dorset Skills Strategy

Skills Priorities & Actions

“What are we doing?”



For full strategy and evidence read [Dorset Local Skills Report 2021](#)¹³

Skills for now

What are we doing?

Key SAPB activities:

Lobbying government to:

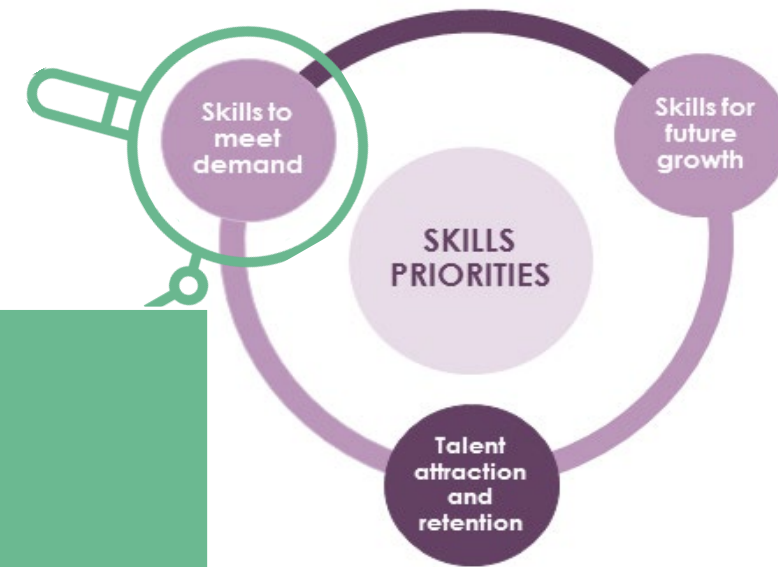
- Provide a greater share of resources to invest in skills – e.g. UK Shared Prosperity Fund
- Devolve the adult education budget for investment in local skills priorities
- Devolve unused apprenticeship levy funds for reinvestment in skills
- Support to establish hubs of specialisms and skills zones.
- Deliver & capture outcomes from £9.24m GDF & GBF investment in specialist training facilities



How are we doing?

Key measures of success :

- Number of vacancies by sector and characteristics
- Proportion/number of STEM vacancies
- Employment by sector and occupation
- Number of adult (19+) learners
- Number of 25+ apprenticeships
- Number of apprenticeships – intermediate/advanced/higher
- Five highest and lowest sectors and occupations by forecast growth.
- KS4/KS5 destinations (% sustained education/apprenticeship/ employment/ by level)
- Outcomes for apprenticeships by level (% sustained employment/sustained learning/any learning)
- Apprenticeships achieved by subject area
- HE qualifiers by sector subject area
- Young people Employment/Unemployment rate
- Not in education, employment or training (NEET) and 'not known' data.



“Building the pipeline of skills – at leadership, management and workforce levels will strengthen the productivity and sustainability of our core businesses.”

Example: Dorset Careers Hub

Joining the dots between school careers guidance and local business needs

76 schools and colleges across Dorset

- a pilot of 40 Dorset schools launched in the autumn of 2019
- Won additional funding in 2020
- Now offers an all-inclusive careers provision to all 76 schools and colleges across Dorset
- Hub schools in Dorset consistently perform above the national average against most of the Gatsby benchmarks

68 Enterprise Advisers working with schools

The dedicated Enterprise Adviser Network links each school with one of 68 business representatives, supporting them in delivering ambitious careers education programme based on Gatsby Benchmarks best practice and informed by local labour market and skills research, and ensuring young people in Dorset progress into promising careers and reach their potential.

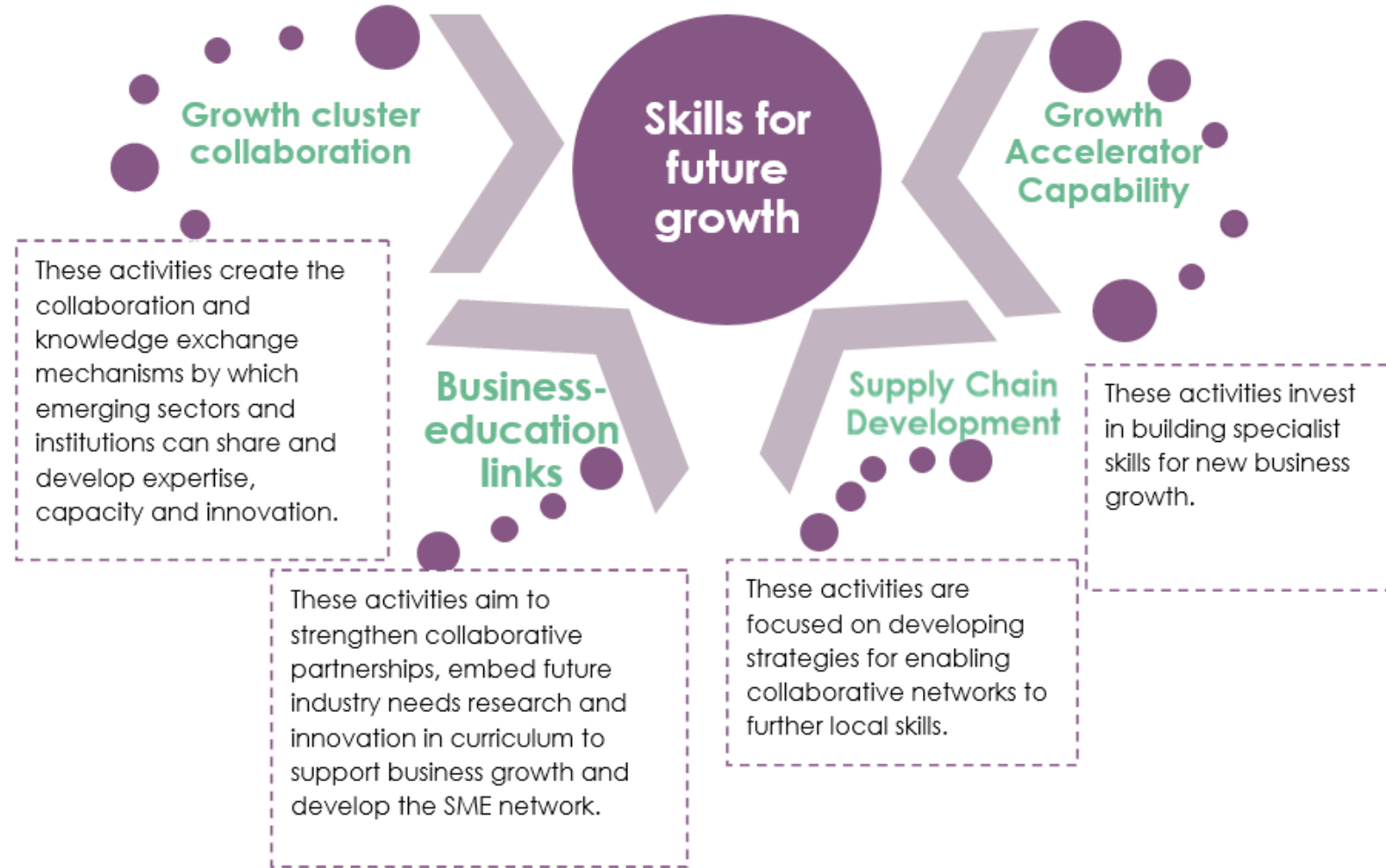
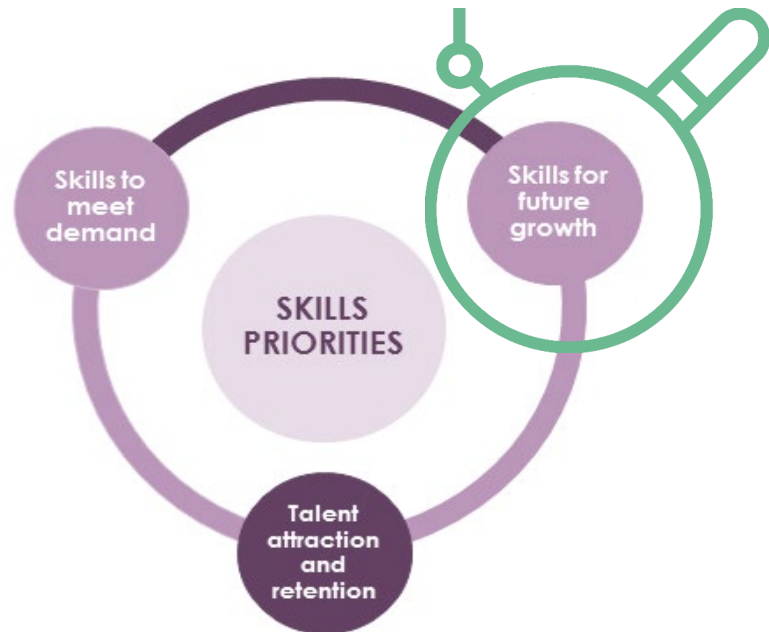
8 Cornerstone Employers

The Cornerstone Employers group includes major local employers, such as the NHS, Marriott Hotel, JP Morgan, RAF, ASM, Superior Seals, RedWeb and local councils. Representing key sectors and private and public sector employers, the group works on projects to support the development of skills and careers pathways in Dorset.

Dorset Skills Strategy

Skills Priorities & Actions

“What are we doing?”



For full list of initiatives, visit [Dorset Skills Activities 2020-2022](#)

For full strategy and evidence read [Dorset Local Skills Report 2021](#)

Skills for the future

What are we doing?

Key SAPB activities:

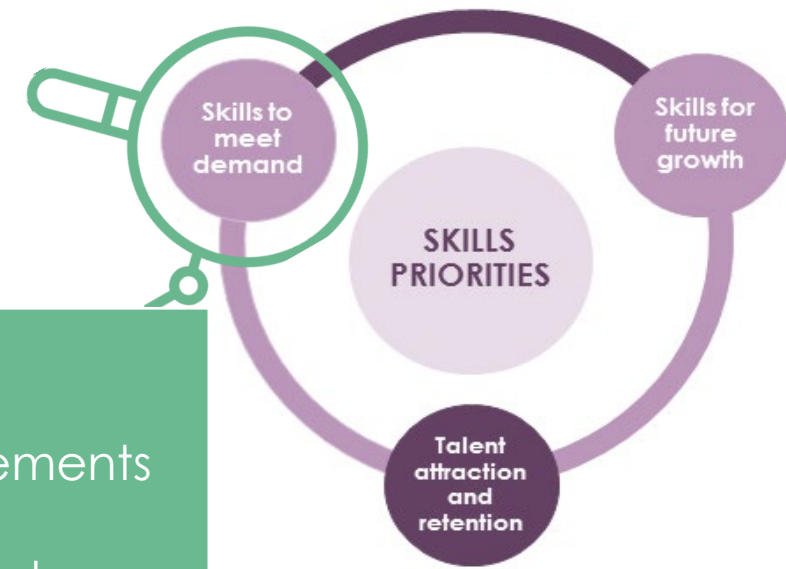
- Research future skills needs
- Enabling collaboration and knowledge exchange - KTPs
- Skills Brokerage service - strengthening relationships with employers, facilitating business growth and development of future talent pool
- Supporting DWP's sector-based work academy programmes (SWAPs)
- Dorset Innovation Park - building on existing strengths in marine, defence, energy, cyber security sectors
- Deliver & capture outcomes from £31.6m GDF & GBF investment in HE/FE innovation projects
- Wessex Fields science park - creating mechanisms to share expertise



How are we doing?

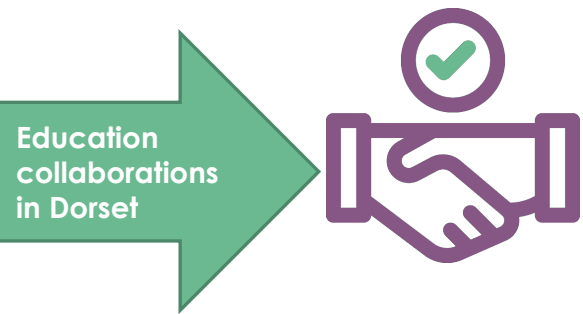
Key measures of success :

- Apprenticeships, starts, achievements in key subject areas
- HE/ FE qualifiers by sector subject areas
- Proportion/number of STEM vacancies
- STEM vacancies
- STEM achievements
- Employer reported skills gaps, workforce metrics



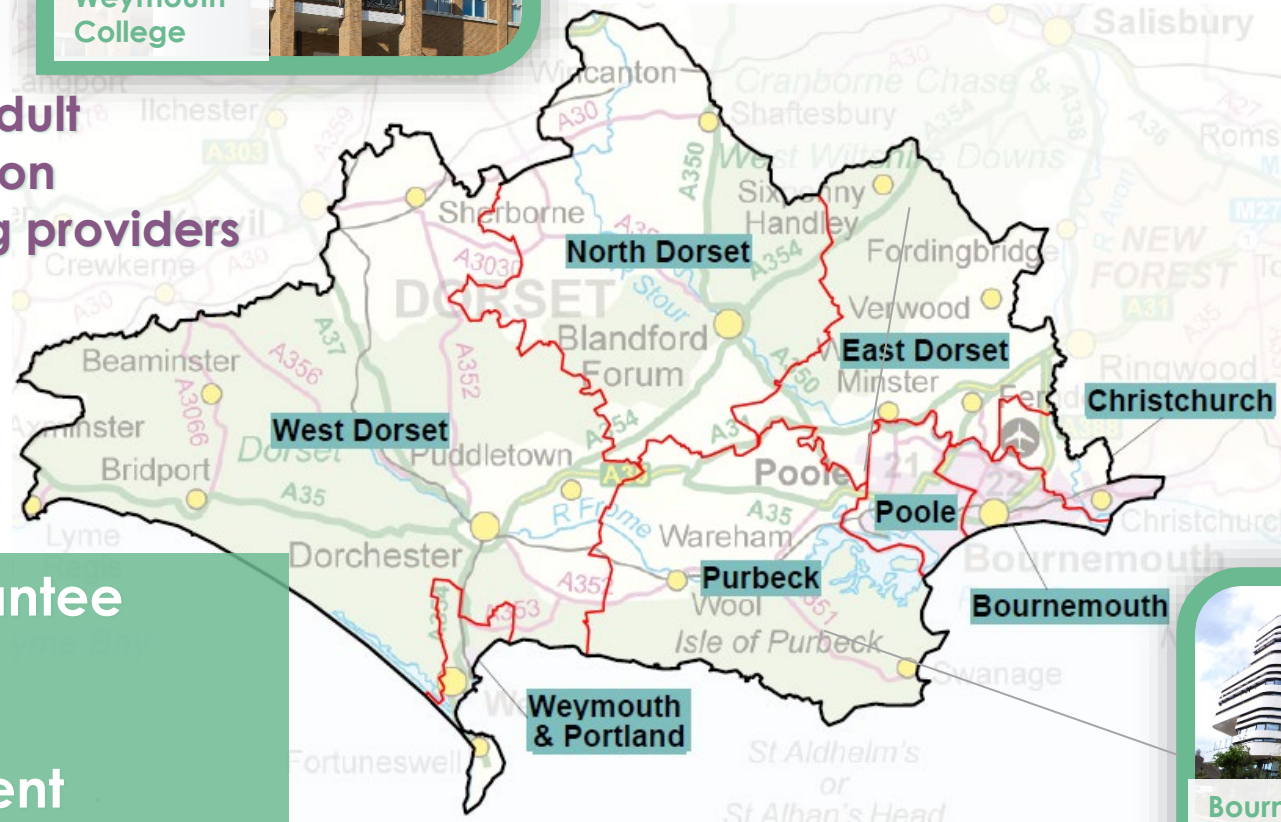
“ Working with strategic bodies and academia, new growth businesses, accelerator support networks and supply chains to build training programmes and talent attraction that are bespoke to future growth needs. ”

Example: Linking employers with educators in Dorset



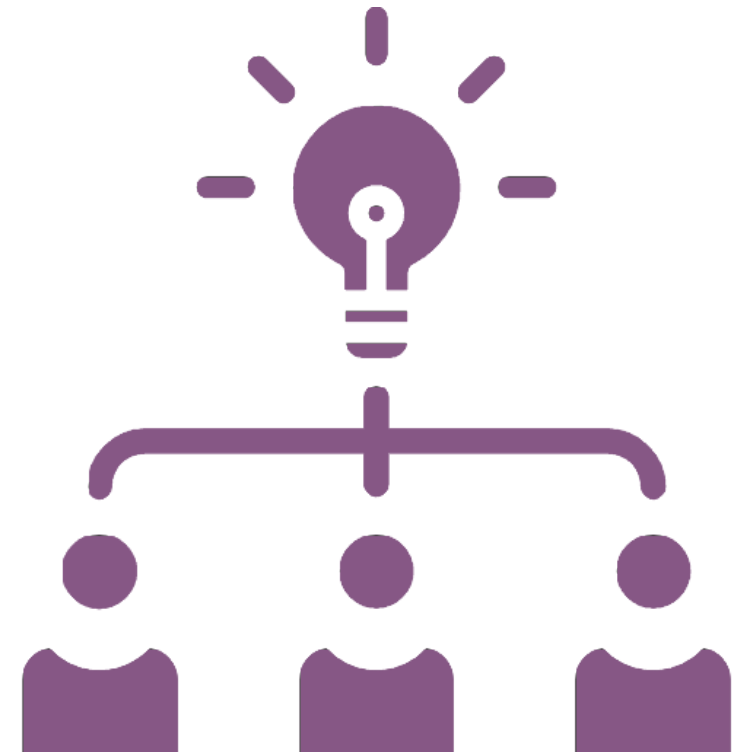
- Skills & Learning – Adult Community Education
- 200+ private training providers
- Dorset Careers Hub
- Virtual learning

- Lifetime skills guarantee
- Apprenticeships
- Digital boot camps
- Careers engagement
- An hour to skill



Discussion

Going forward, do you still agree with our skills strategy: ambitions, priorities and activities?



Update on key indicators



Record number of vacancies

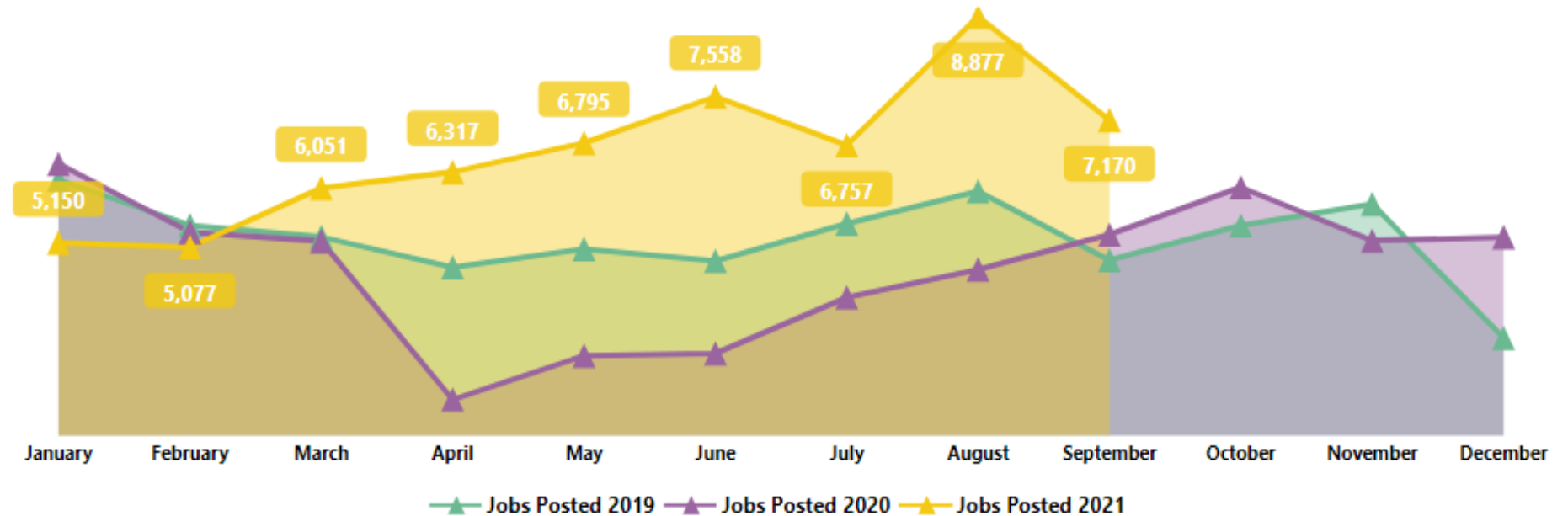
Latest vacancy figures in Dorset show continued growth across all sectors, and employers are now facing a tight labour market.



**Vacancies
January - September**

Monthly Vacancies (2019, 2020, 2021)

Total Vacancies
Dorset LEP
59,752



We have seen a consistent vacancy growth in Dorset throughout. The number of jobs advertised this year was 48% higher than those in 2020 and 25% higher than the same period in 2019.

(see [Vacancies and Opportunities](#) dashboard)

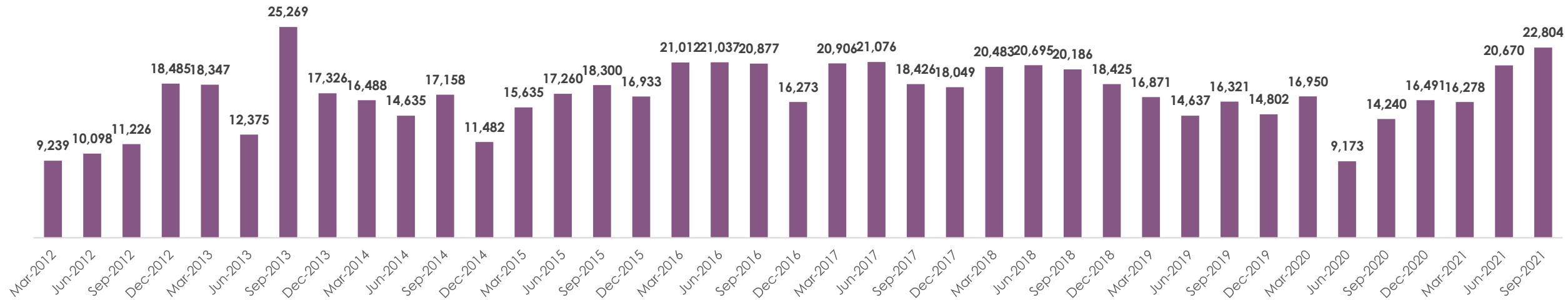
Burning Glass Technologies. Labour Insight. 2021



Vacancies

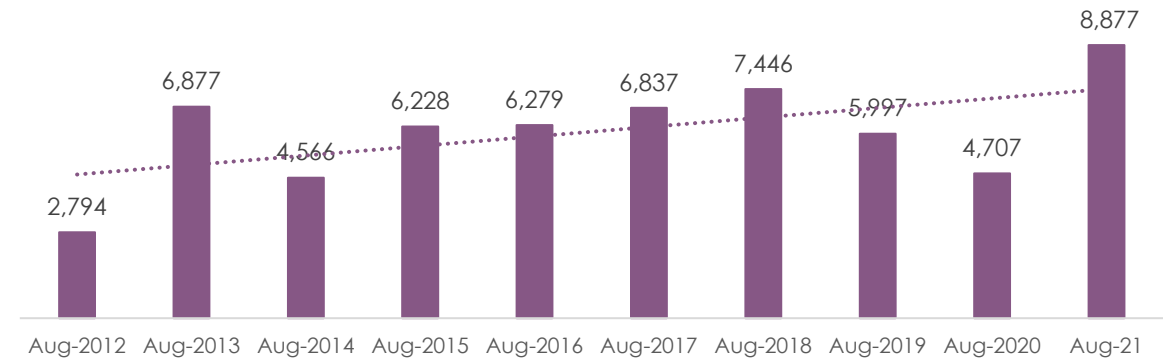
Vacancies in Quarter 3 reached highs last seen in 2013. There were c.22,800 vacancies - 10% higher than the previous quarter, over 60% higher than the vacancies over the same period last year and 40% higher than 2019.

Dorset vacancies (quarterly) - time series



There were a record number of vacancies posted in August 2021. These marked a 31% increase on the previous month, an almost 90% increase on the levels seen over the same period last year and 48% increase on August 2019.

August - Vacancies in Dorset (Time Series)



Skills gaps & challenges

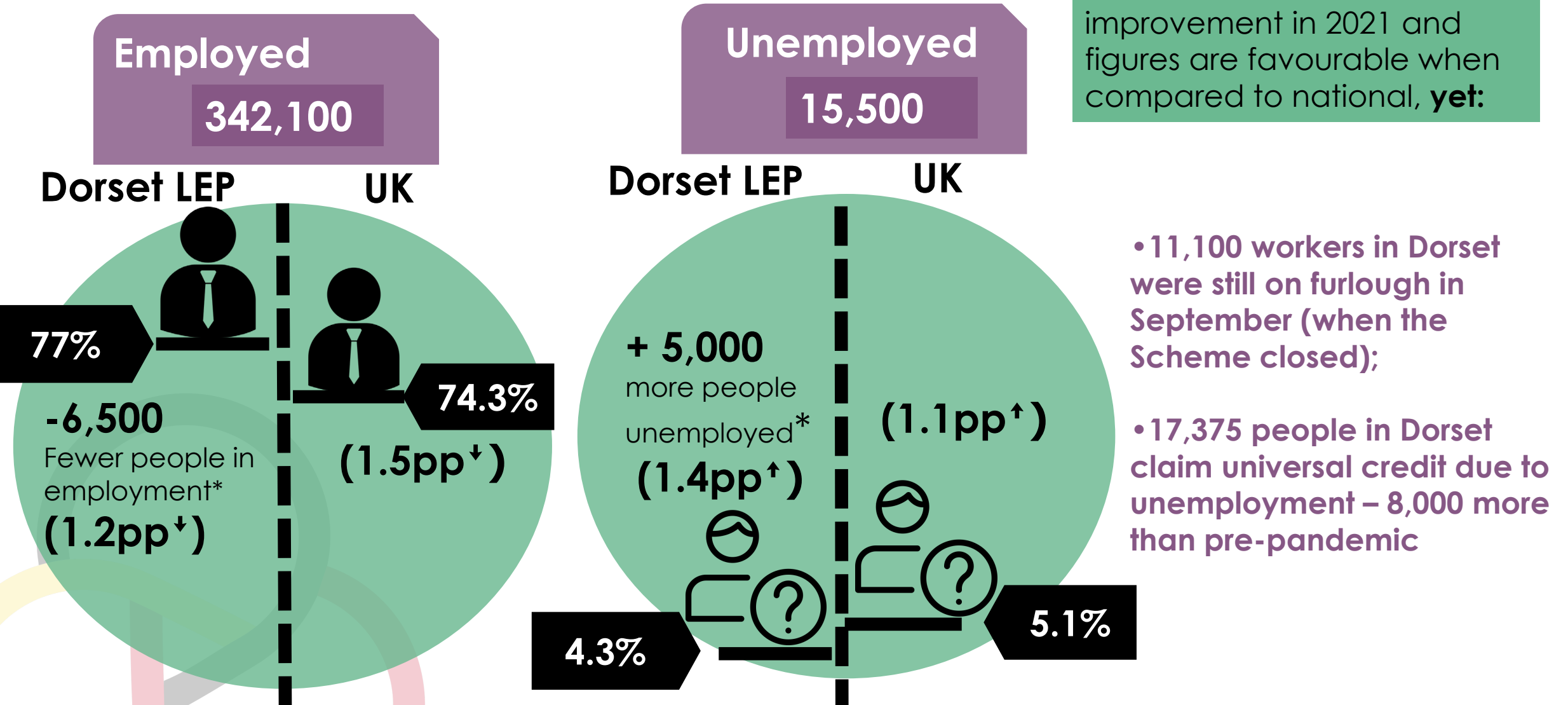


The labour market is represented by the number of people looking for work, and the jobs available.
How is the current supply meeting the employer demand in Dorset?

Photo by Shridhar Gupta on Unsplash | Flaticon

(Un)Employment

Whilst the pandemic had more significant negative effects on unemployment in Dorset, there is a continuous improvement in 2021 and figures are favourable when compared to national, **yet:**

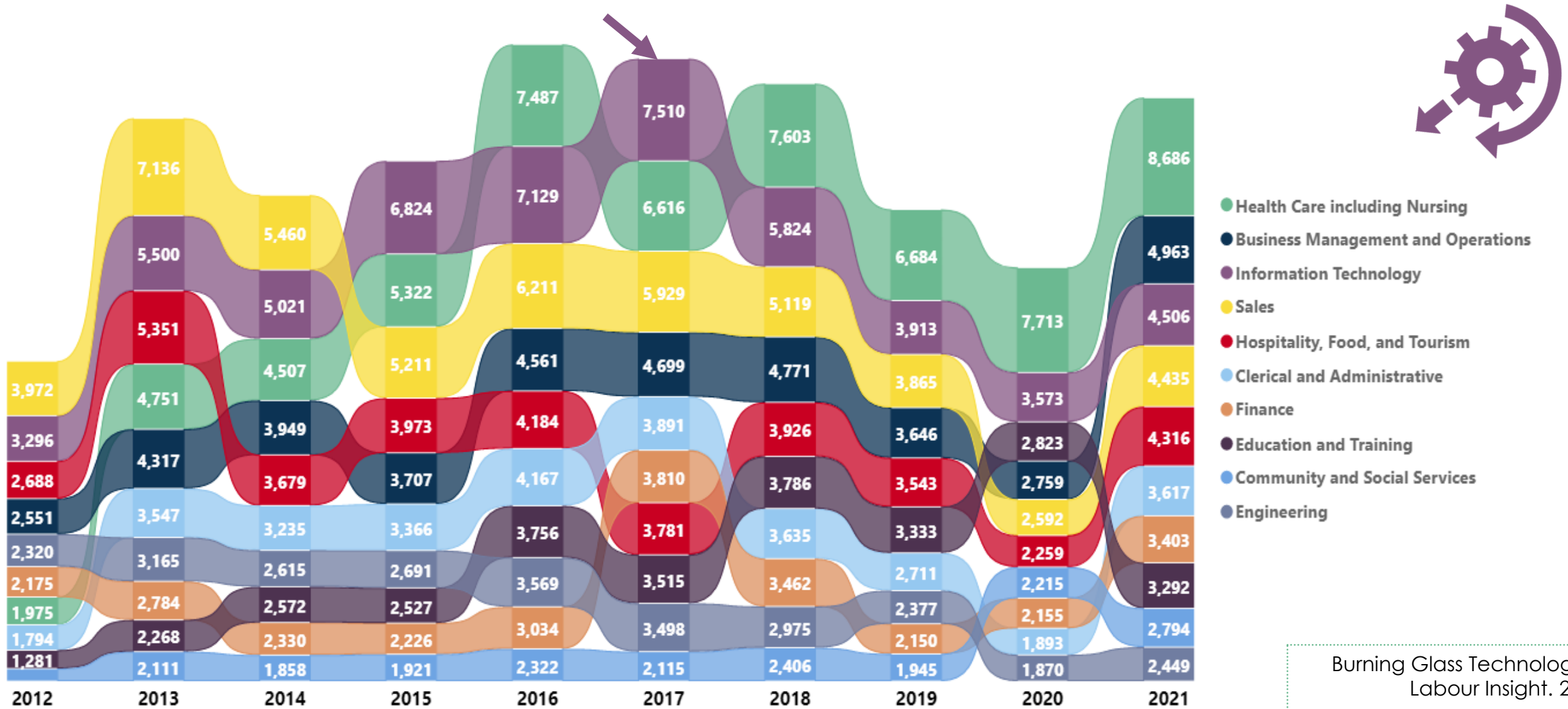


* Figures refer to the period Jul 2020-Jun 2021 in comparison to Jul 2019-Jun 2020 - ONS Annual Population Survey 2021

Top 10 Professional Families

We also note that recruitment difficulties could be linked to decline in industry demand.

Top 10 professional families - long-term developments January - September



Recruitment trends 2021



30 days

Median Posting Duration

Regional Average: 30 days



However, indicators of hiring difficulty - **Posting Intensity** and **Posting Duration** have been elevated across some of the jobs in highest demand showing recruiters are working harder to reach applicants and there are fewer applicants which drives the duration of postings up.

Job Title	Postings	Average Posting Intensity	Median Posting Duration
		QUARTER 1-3 2021	QUARTER 3 2021
Care Assistant	3,282	8 : 1	46
Nurse	2,297	10 : 1	44
Administrator	1,986	4 : 1	18
Software Developer/ Engineer	1,642	14 : 1	33
Customer Service Advisor/ Representative	1,480	8 : 1	31
Project manager	1,325	6 : 1	42
Accountants/Bookkeepers	1,300	6 : 1	21
Account manager	1,172	7 : 1	34
Chef	902	8 : 1	32
Teaching Assistant	802	9 : 1	28
Labourer	750	5 : 1	30
Cleaner	744	6 : 1	31
Lawyer	701	5 : 1	30
Food Service Team Member	646	9 : 1	38
Healthcare Assistant	604	4 : 1	31
Sales Representative	564	7 : 1	17
Receptionist	560	5 : 1	30
Computer Support Specialist	524	8 : 1	30
Financial Manager	503	7 : 1	32
Sales Assistant	485	4 : 1	22

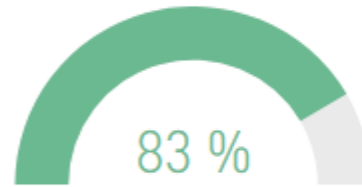
Business-education links in Dorset

- Only 8% of surveyed employers currently had an apprentice
- Only 25% of employers engaged with colleges and 14% with universities in meeting their skills needs
- 48% of employers wanted to see improved local training provision – accessible, relevant, visible

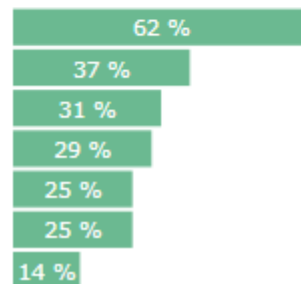


Employer investment in skills and training

Employers taking action on skills and training



Action taken over the past 12 months



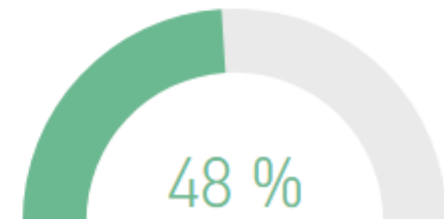
On-the-job training
Formal in-house training progr...
Outsourced training
Apprenticeship investment
Engaged with colleges
Engaged with publicly funded/ ...
Engaged with universities

% Currently employing Apprentice(s)

8 %

Accessibility
Visibility
Relevance
(small business, older people)
Focus on work readiness & apprenticeships

% Employers who want to see improved training provision



Labour shortages & skills gaps

A skills gap means that talent pool is limited in certain areas/ professions and roles are taking longer to fill or remain unfilled.

This results in:

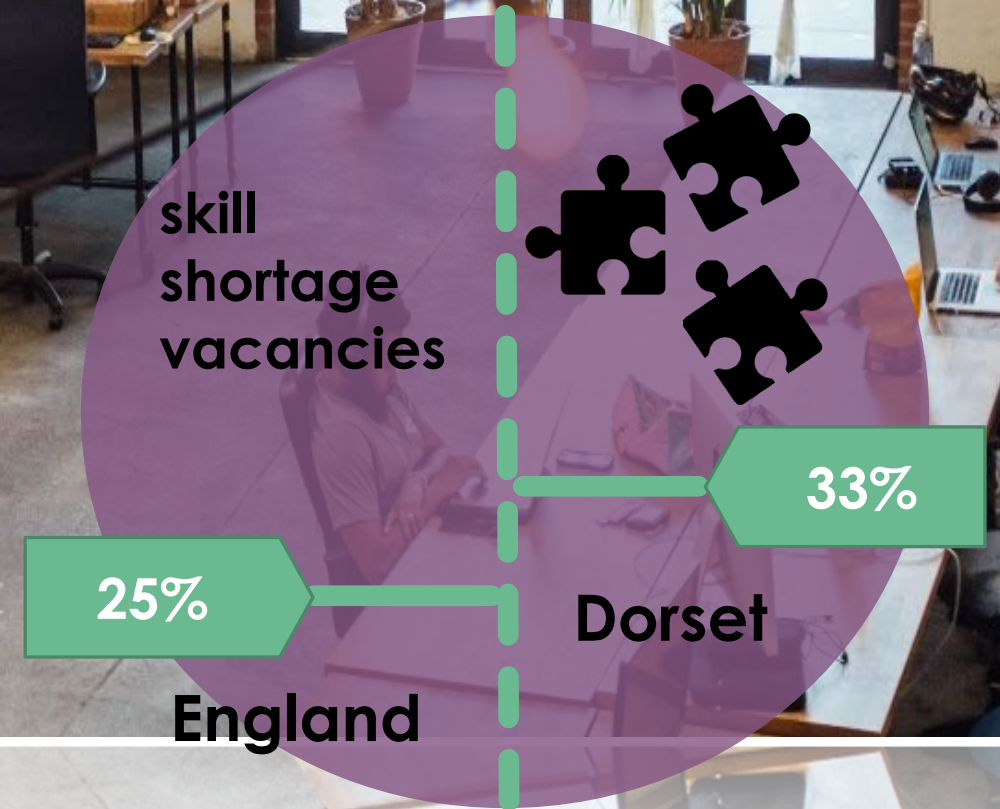
- A loss of productivity
- A higher rate of staff turnover
- Lower levels of morale and increased stress across the rest of the workforce
- Lower quality work
- Inability to expand and develop
- Loss of revenue

For the NHS and across the health and social care sector labour shortages and skills gaps also [affect the quality of care and patient outcomes.](#)



Skills Gaps and Hard to Fill Vacancies

- 33% of vacancies were 'Skills Shortage Vacancies' (average 25%) – employers unable to find candidates with the skills required to fill them*
- 61% of employers has at least one hard-to-fill vacancy (Average 44%)*
- 50% of all vacancies were hard-to-fill (Average 36%)*



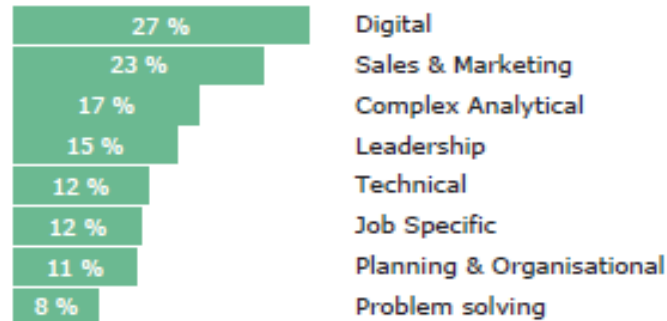
*Employers Skills Survey 2019;

2020 Dorset Employer Skills Survey



Skills Gaps

Skills Gaps Reported

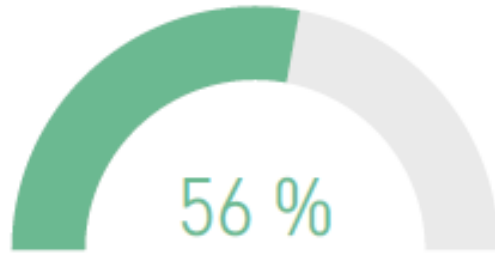


5 to a great extent 4 3 2 1 not at all Don't know



Skills gaps impact

% Employers reporting 1+ skills gaps



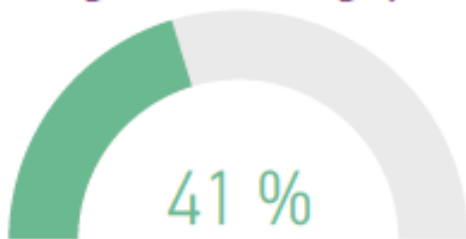
Employers reporting 2+ skills gaps

111

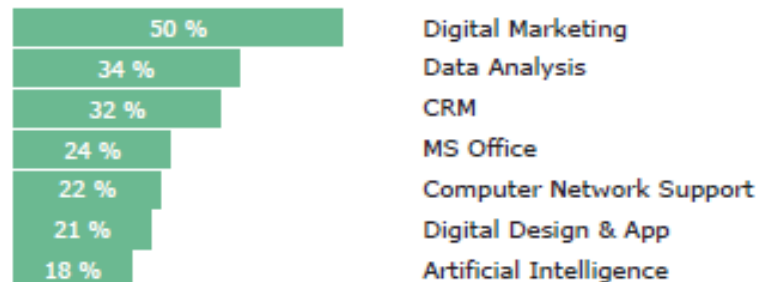


Digital, Technical & Analytical skills

% Employers reporting digital* skills gaps



Digital* Skills Gaps Reported**



- **56% identified at least one skills gap** within their existing workforce with **41%** of these employers experienced shortages in the areas of digital, technical and/or complex analytical skills
- Aside from job-specific skills, employers felt technical and practical skills gaps had the biggest **impact on their business performance and productivity.**
- **A third of respondents expected changing skills needs in the next three to five years** - anticipated to need more people with digital, technical, and sales & marketing skills.
- While two thirds of employers envisaged at least some automation and digitalisation in their workplace, **a quarter felt they lack the appropriate skills to embrace these developments.**

STEM Job Vacancies - Year-on-Year Developments (Period: January - October)

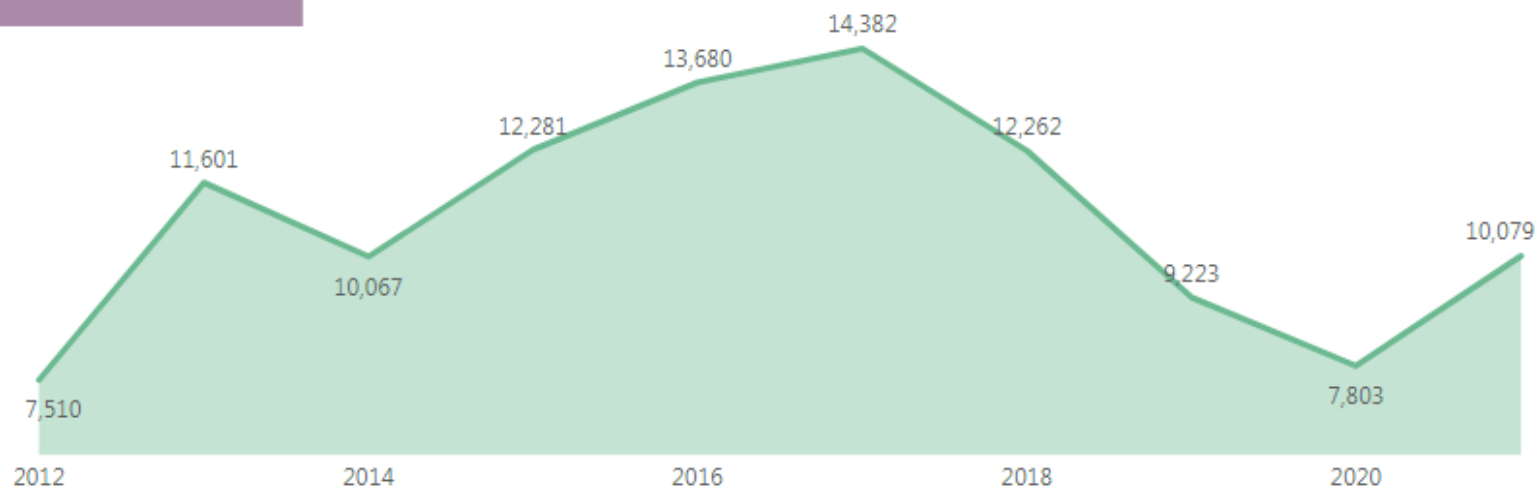
STEM vacancies grew steadily from 2012 until 2016-17 when they reached a peak both nationally and in Dorset.

Between 2012 and 2017 growth was more pronounced in Dorset. STEM vacancy volumes grew by 83% over this period in Dorset, vs 56% UK-wide.

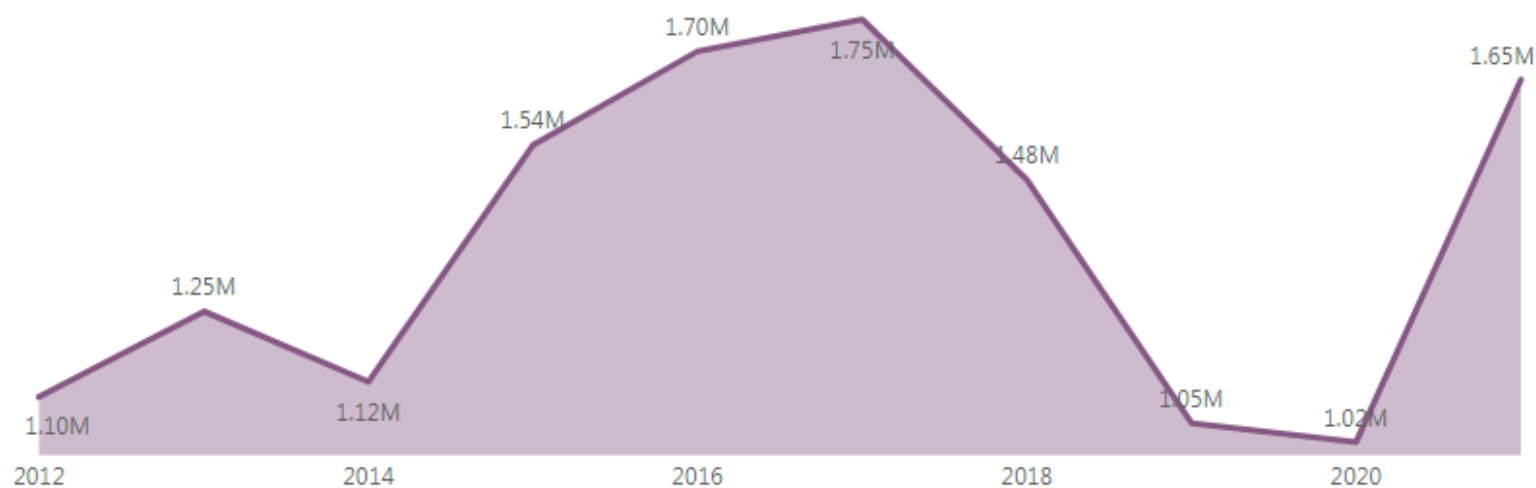
However, this was followed by a period of decline which was a bit steeper in Dorset. In 2020 there were 44% fewer STEM job postings in Dorset than back in 2018 (with 39% UK-wide reference).

2021 has brought some recovery in STEM demand, however growth was suppressed in Dorset. Looking at the available data between January and October, there was a 29% growth on the year in Dorset, compared to a 62% UK-wide reference.

Dorset Job Vacancies by Year (Jan-Oct)

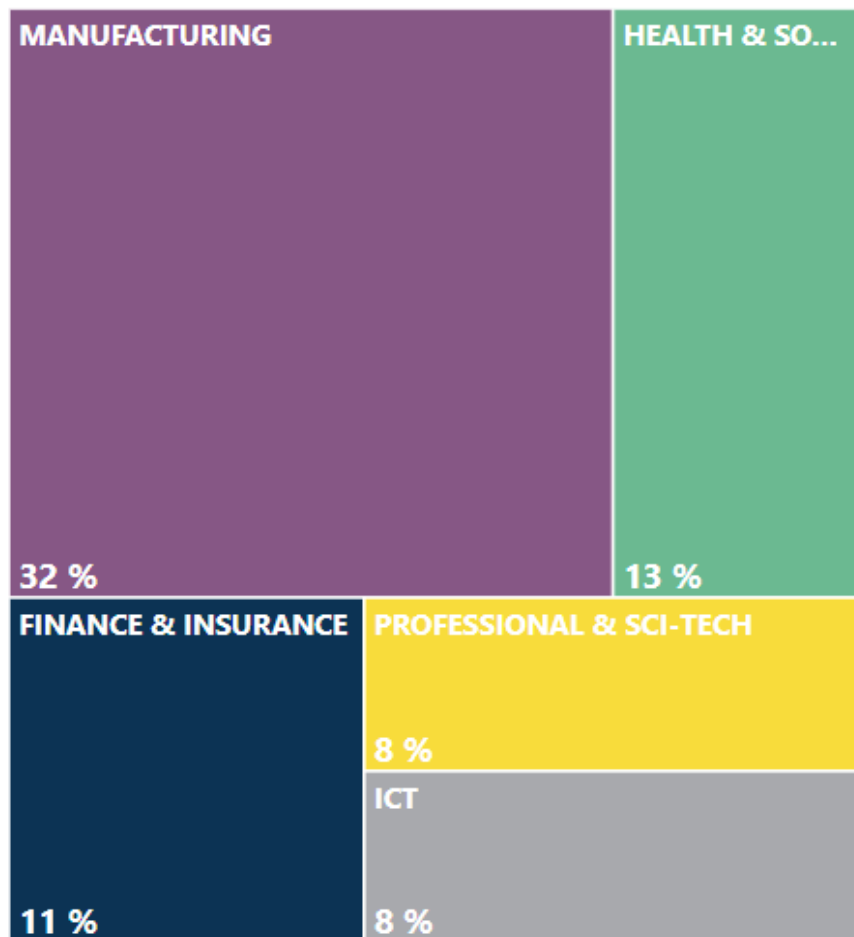


UK Job Vacancies by Year (Jan-Oct)

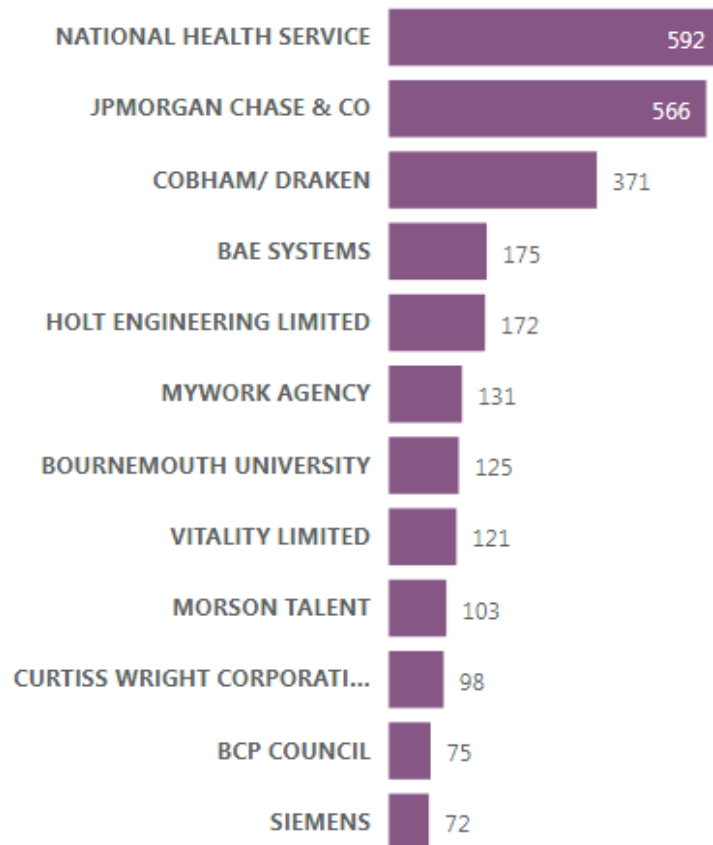


STEM Job Vacancies - Industry, Employers & Top Jobs in Dorset

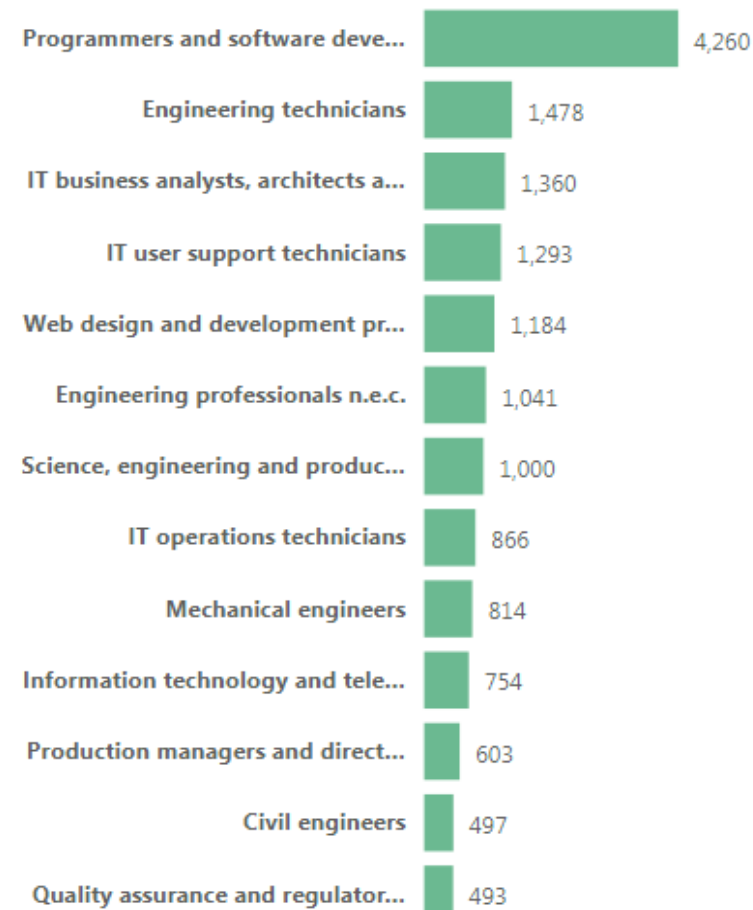
Top 5 Industries for STEM Vacancies in Dorset (Jan-Oct 2021)



Top Employers by #Job Postings (Jan 2020-Oct 2021)

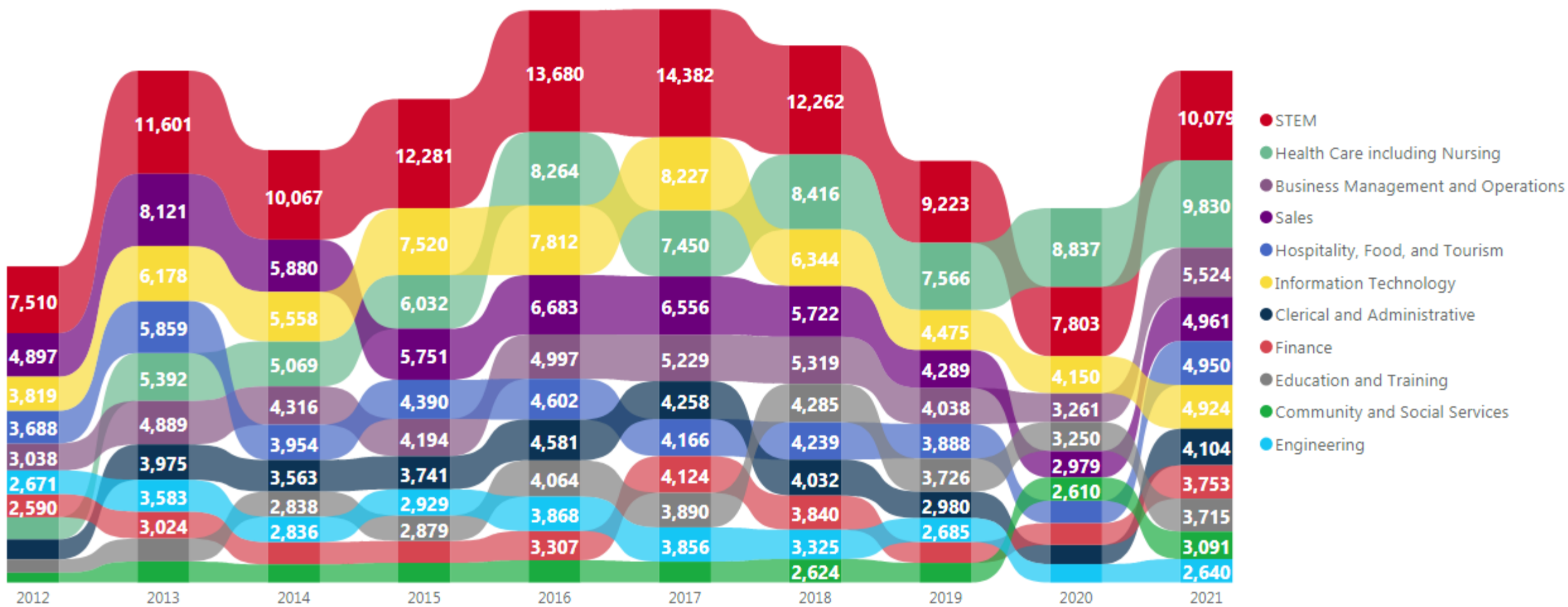


Top Jobs (Jan 2020-Oct 2021)



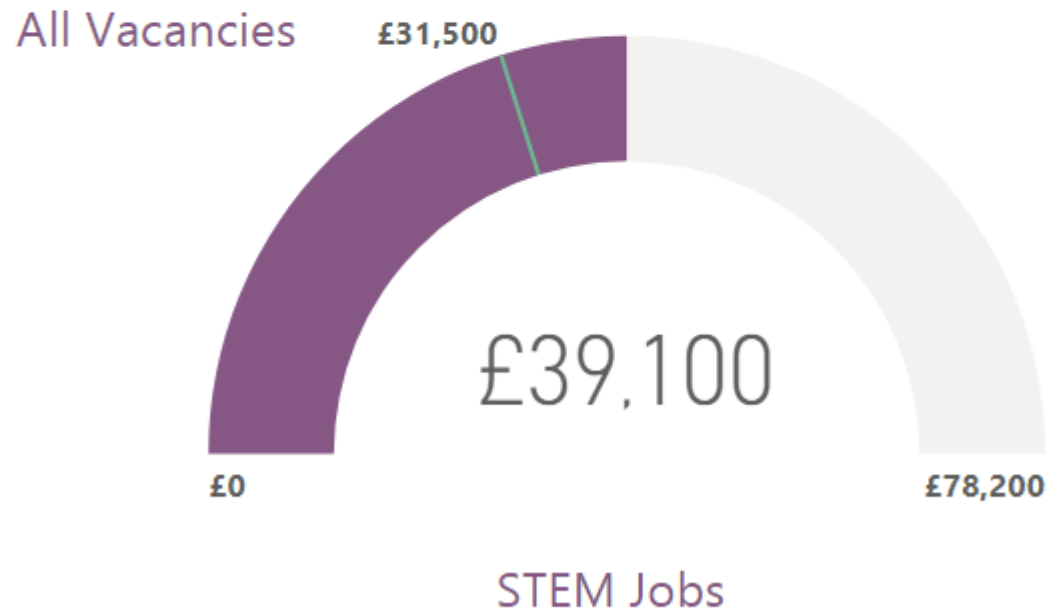
STEM Job Vacancies by Professional Family including STEM

Top 10 Occupational Families in Dorset - Year-on-Year Developments (January-October)

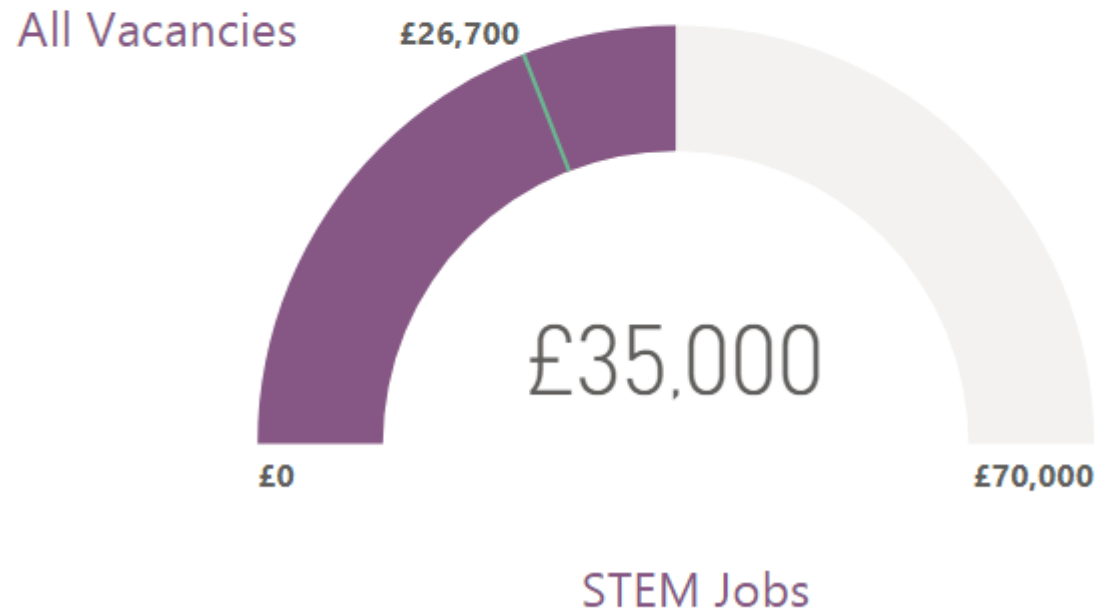


STEM Salaries

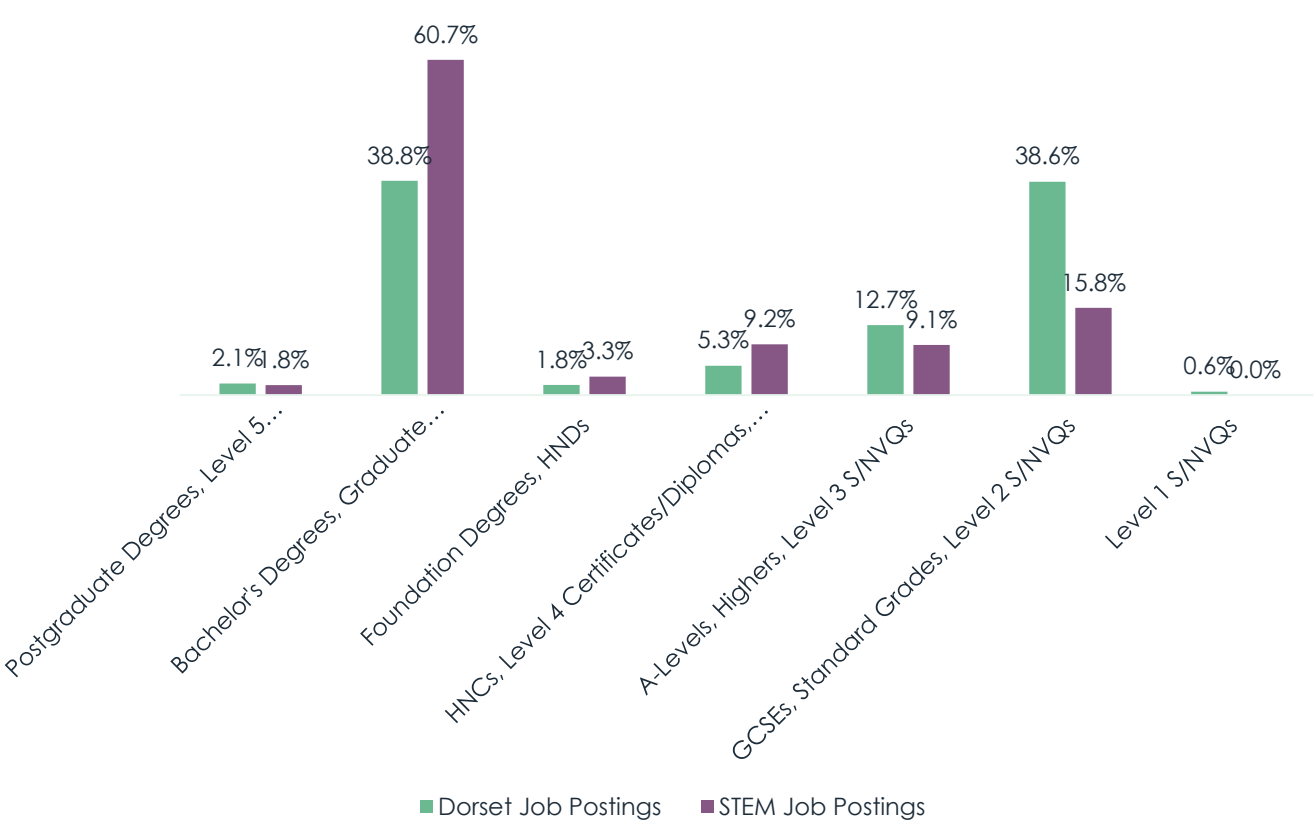
Mean (Average) Advertised Salary
Dorset - (Jan 2020-Oct 2021)



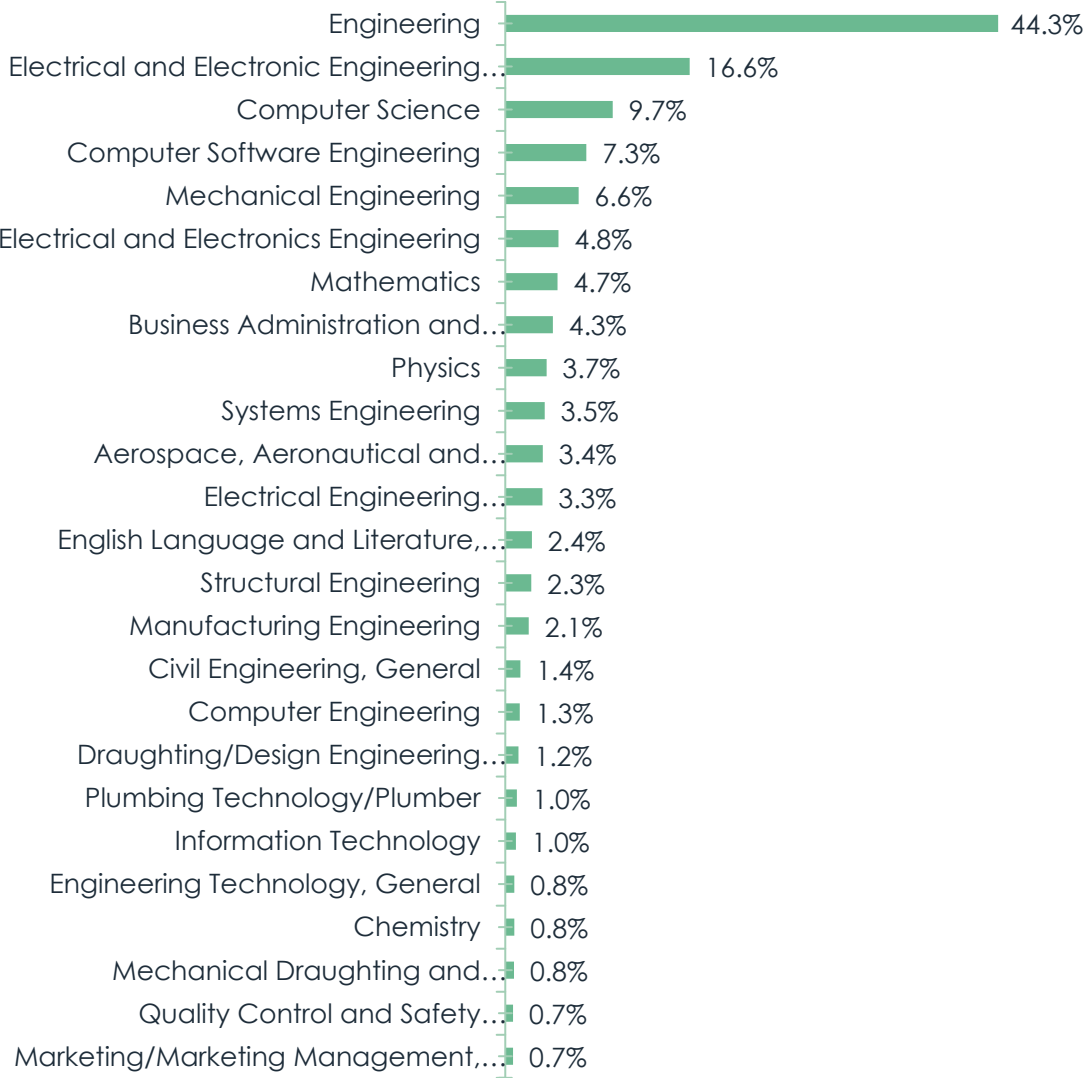
Median Advertised Salary Dorset -
(Jan 2020-Oct 2021)



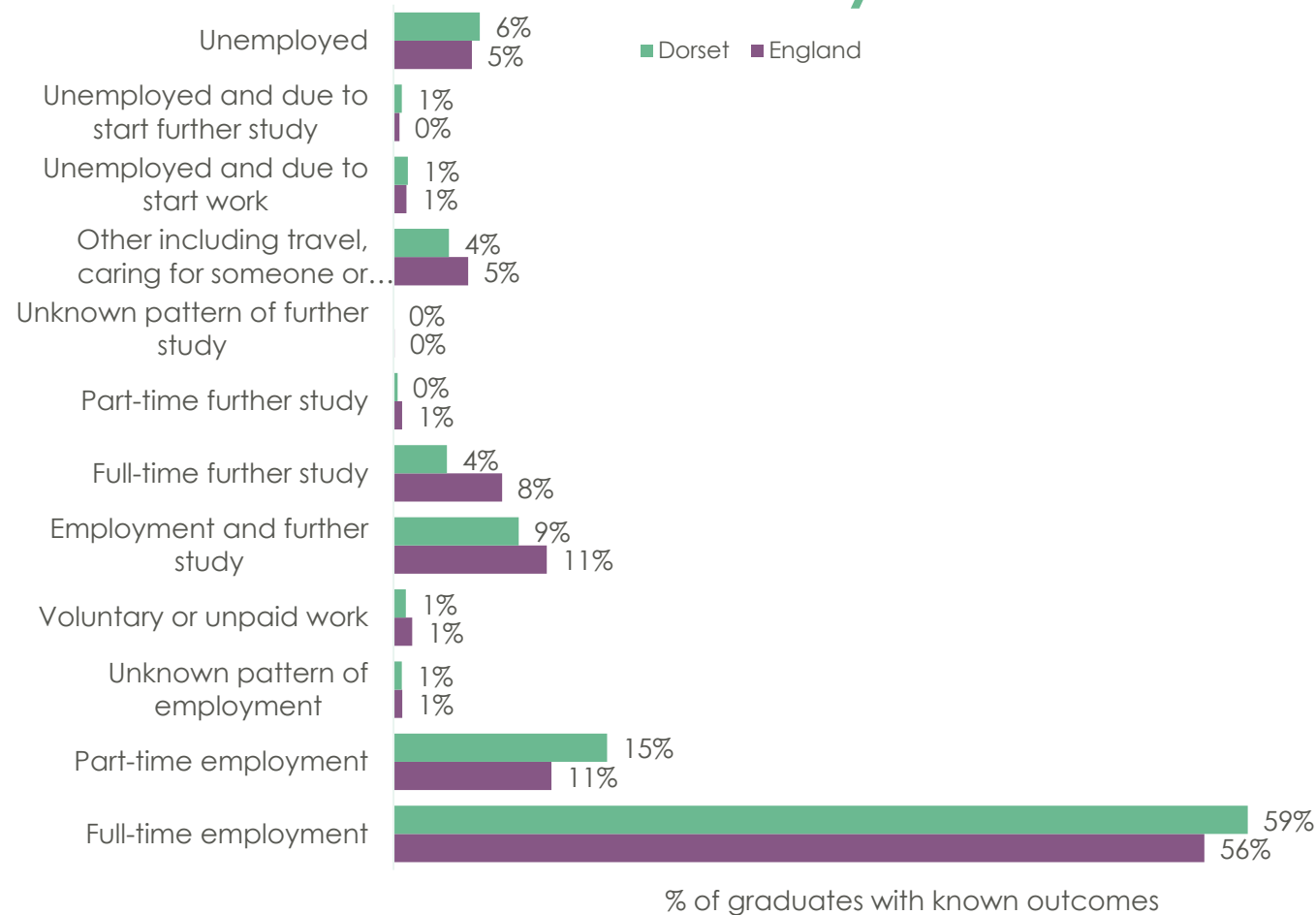
Education Requirements



Subject Areas in Greatest Demand



Graduate destinations for 2018/19 academic year



Graduate outcomes

Employment outcomes have worsened for those who graduated in 18/19 from the previous year and this was reflected locally:

- In Dorset, 88% were in employment or unpaid work, including those who were engaged in further study, which was down 4 percentage points from the previous year, but was in line with the national average.
- Around 8% of the surveyed graduates in Dorset were unemployed, which was higher than the 6% national average although a proportion was due to start work or studies soon.
- Approximately 13% of Dorset graduates (these are individuals who graduated from Dorset HE institutions rather than being domiciled in Dorset) and 18% on average of those graduating in England move into some form of further study, often combining that with some form of employment.

At an institutional level –the local universities are performing relatively strong.

- The latest data indicates that 89% of graduates (undergraduate and postgraduate) from Bournemouth University, 85% from Arts University Bournemouth and 80% from AECC University College were in either employment or/and further study 12 months after leaving the institutions, with higher than average proportions of graduates from BU in full-time employment (63% vs 56% nationally) and from AUB in part-time employment (24% vs 11% nationally).



Graduate retention



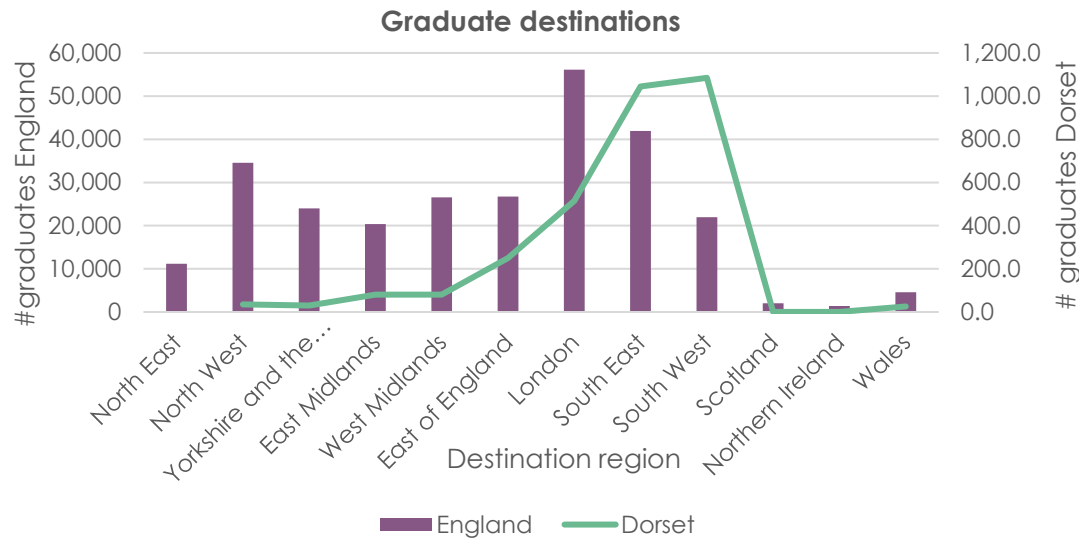
Proportion of graduates:	Tax year 2018/2019 Current region												Total
	North East	North West	Yorkshire and the Humber	East Midlands	West Midlands	East of England	London	South East	South West	Scotland	Wales	Northern Ireland	
North East	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
North West	-	0.7%	-	-	-	-	-	-	-	-	-	-	0.7%
Yorkshire and the Humber	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
East Midlands	-	-	-	1.4%	-	-	-	-	-	-	-	-	1.4%
West Midlands	-	-	-	-	2.2%	-	-	-	0.7%	-	-	-	2.9%
East of England	-	-	-	-	-	9.3%	0.7%	-	1.2%	-	-	-	11.2%
London	-	-	-	-	-	-	13.2%	0.7%	1.0%	-	-	-	14.8%
South East	-	-	-	-	-	-	2.4%	37.3%	5.0%	-	-	-	44.7%
South West	-	-	-	-	-	-	1.2%	1.0%	21.3%	-	-	-	23.4%
Scotland	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Wales	-	-	-	-	-	-	-	-	-	-	0.7%	-	0.7%
Northern Ireland	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Total	0.0%	0.7%	0.0%	1.4%	2.2%	9.3%	17.5%	39.0%	29.2%	0.0%	0.7%	0.0%	

Proportion of graduates:	Tax year 2018/2019 Current region												Total
	North East	North West	Yorkshire and the Humber	East Midlands	West Midlands	East of England	London	South East	South West	Scotland	Wales	Northern Ireland	
North East	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
North West	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Yorkshire and the Humber	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
East Midlands	-	-	-	2.6%	-	-	-	-	-	-	-	-	2.6%
West Midlands	-	-	-	-	3.5%	-	-	-	-	-	-	-	3.5%
East of England	-	-	-	-	-	8.7%	-	-	-	-	-	-	8.7%
London	-	-	-	-	-	-	15.7%	-	-	-	-	-	15.7%
South East	-	-	-	-	-	-	2.6%	33.0%	7.0%	-	-	-	42.6%
South West	-	-	-	-	-	-	2.6%	-	22.6%	-	-	-	25.2%
Scotland	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Wales	-	-	-	-	-	-	-	-	-	-	1.7%	-	1.7%
Northern Ireland	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Total	0.0%	0.0%	0.0%	2.6%	3.5%	8.7%	20.9%	33.0%	29.6%	0.0%	1.7%	0.0%	





Graduate retention



1 year after graduating from an HE institution in Dorset, 29% of graduates have chosen to live in the South West, and we assume that a reasonable proportion would be living in Dorset. Half of the graduates live in either London or the South East. A comparison with the average national destinations trajectories indicates the greater propensity of those graduating from HE institutions in Dorset to remain in the South (South East and South West in particular) with fewer proportions than nationally moving to London.

Region of residence of graduates from HEIs in Dorset, 2018/19

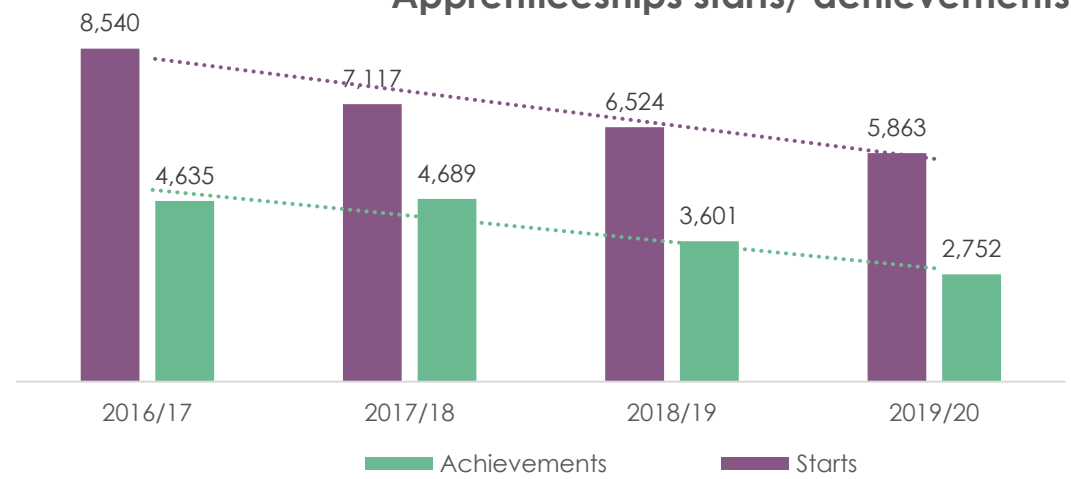


Source: LEO

Apprenticeships



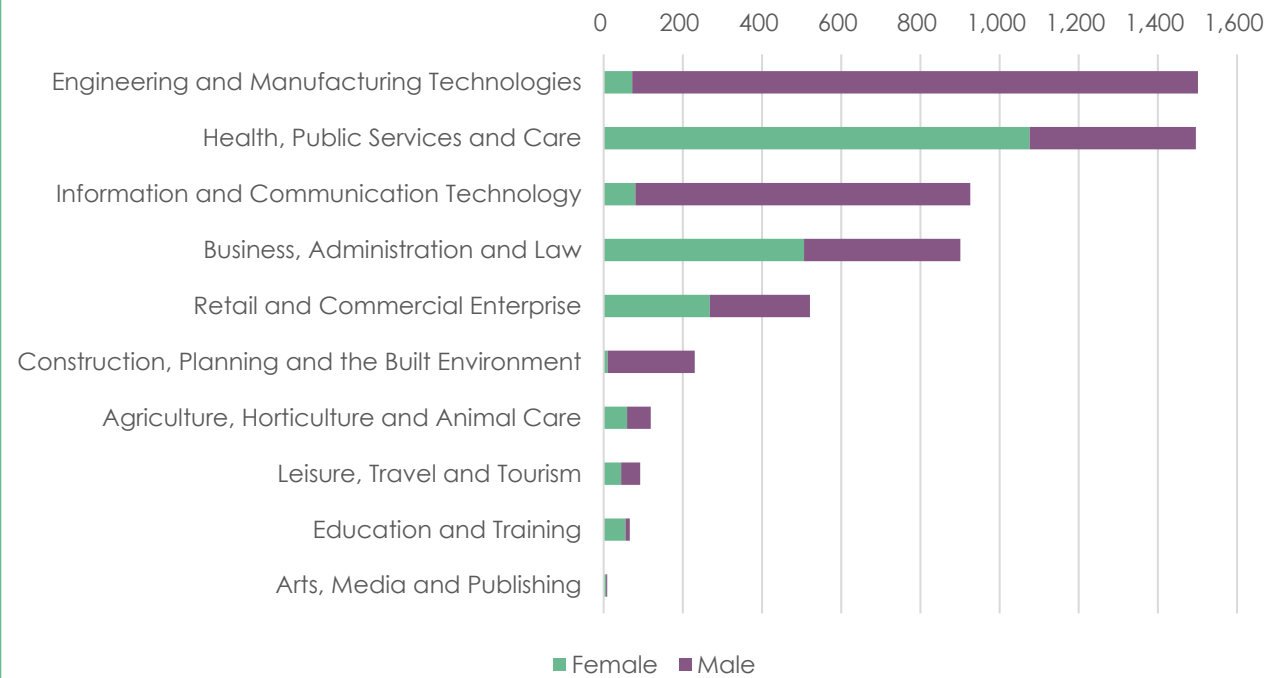
Apprenticeships starts/ achievements



There is strong evidence that apprenticeships are an effective tool to improve social mobility, e.g. there is a 16% boost to wages for learners from disadvantaged backgrounds who complete their apprenticeship training, compared to 10% for others

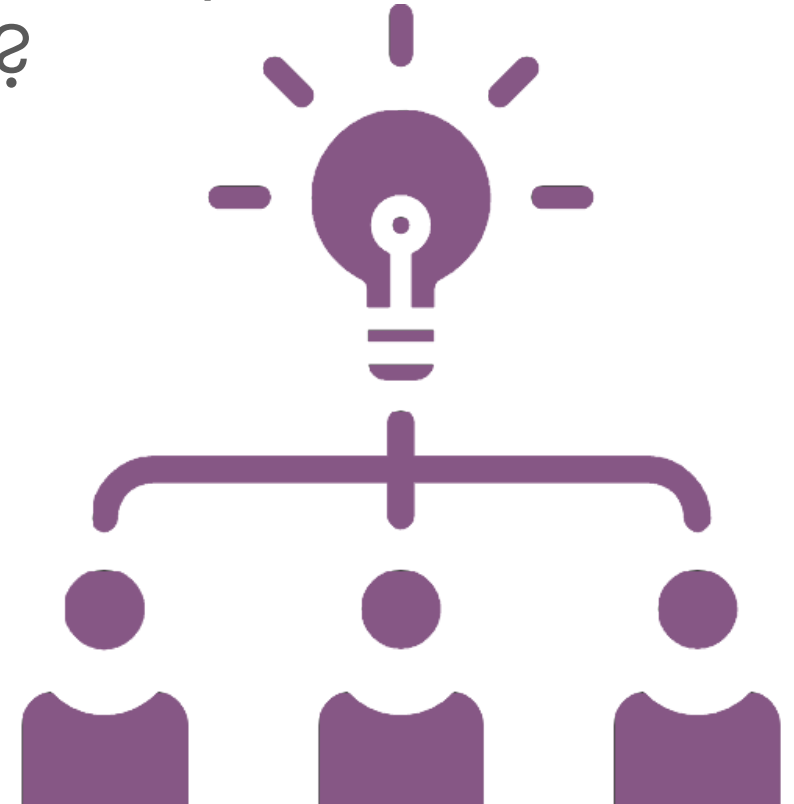
While we saw an overall decline in the number of apprenticeship starts in Dorset, which was accentuated by Covid-19, the numbers have held in engineering, although decline was noted in Achievements. The decline in Level 3 and shift towards higher level apprenticeships is seen across subjects.

Apprenticeship starts 2019/20



Discussion

Based on this analysis, would you make any recommendations for our LSR update?





Next steps

- November – Updated core indicators document
- November – Meetings to review progress on key activities
- December – Dorset Local Skills Report update
- Updated report and core indicators (action plan carried over) circulated in advance to 10 January 2022 SAPB
- 10 January 2020 – SAPB discussion, agreement
- Finalised report to LEP Board and publishing by end of January

Supporting charts



Labour Productivity

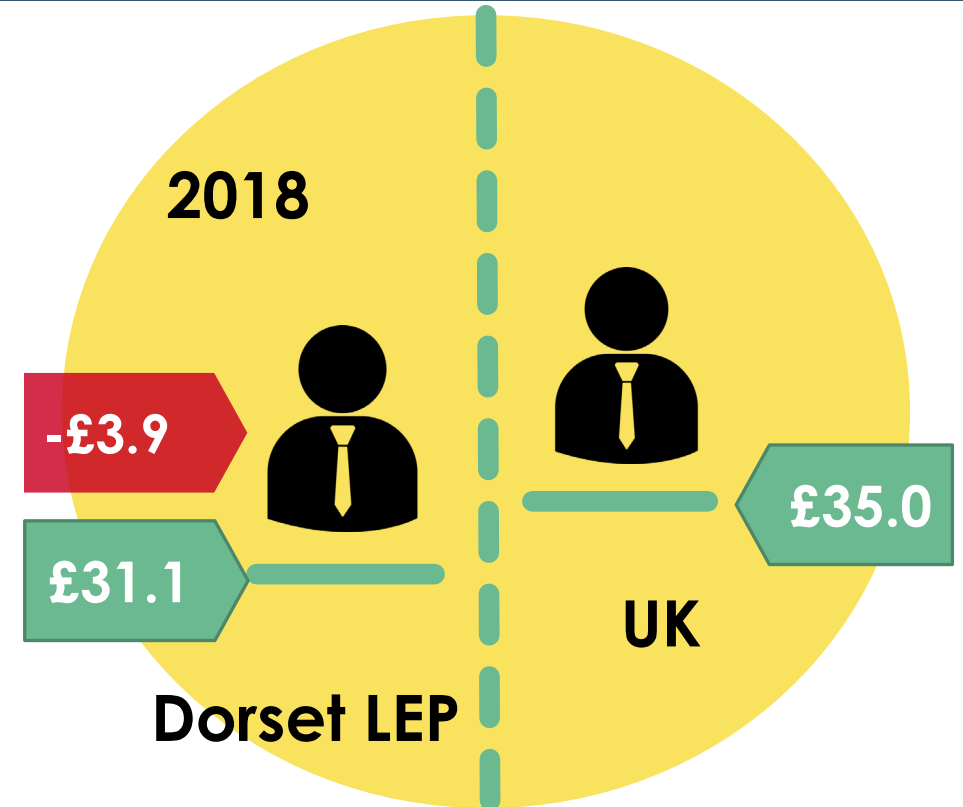


Productivity:

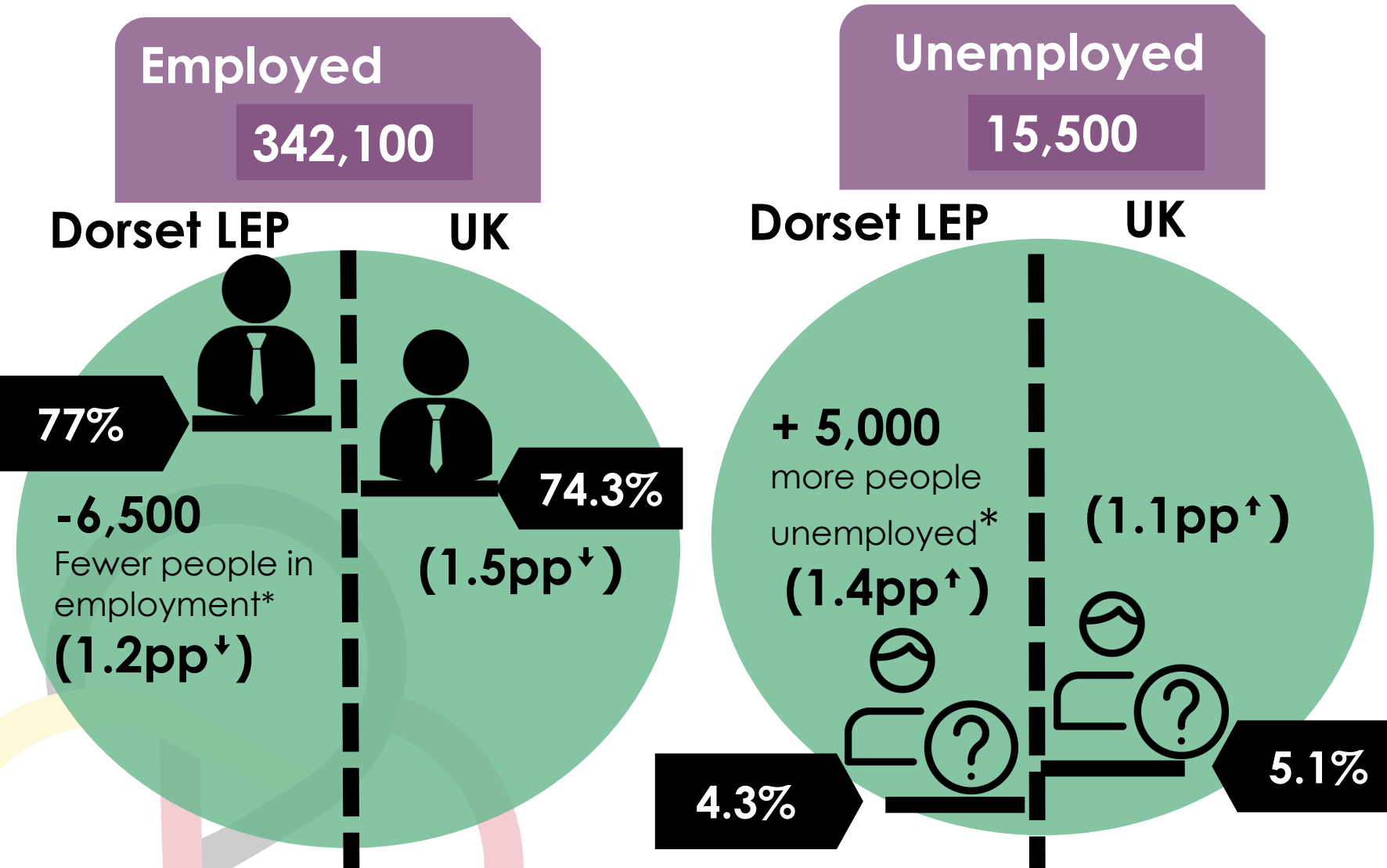
The gap between Dorset and UK labour productivity has remained persistent costing the economy an estimated £2.3bn in 2018 and expected to deepen further as a result of Covid.

Value Produced for every hour worked

- Skills is one of the explanations – although issue may be about utilisation rather than levels. Other important factors include relative innovation activity, export, demographics and institutional infrastructure.



(Un)Employment

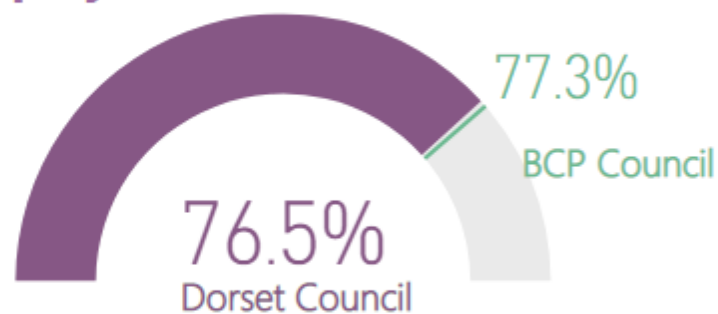


Whilst the pandemic had more significant negative effects on unemployment in Dorset, there is a continuous improvement in 2021 and figures are favourable when compared to national.

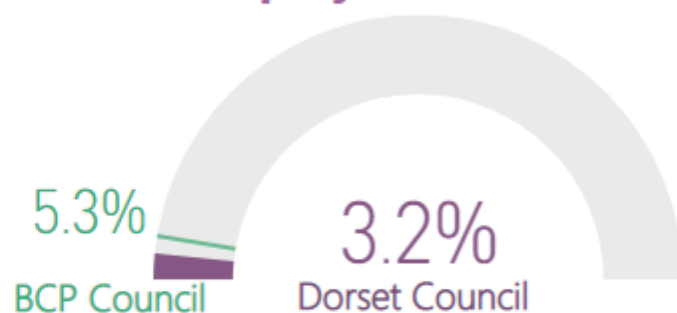
* Figures refer to the period Jul 2020-Jun 2021 in comparison to Jul 2019-Jun 2020 - ONS Annual Population Survey 2021



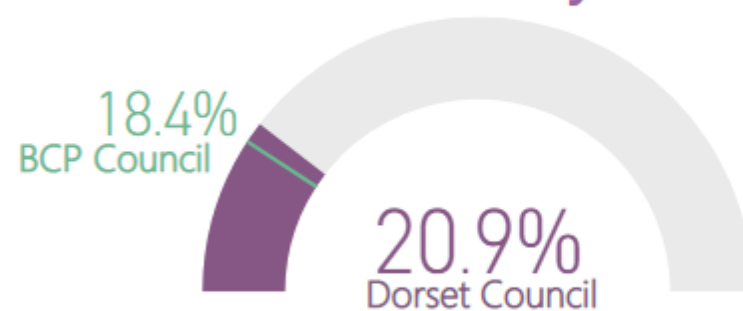
Employment rate (Jul 20-Jun 21)



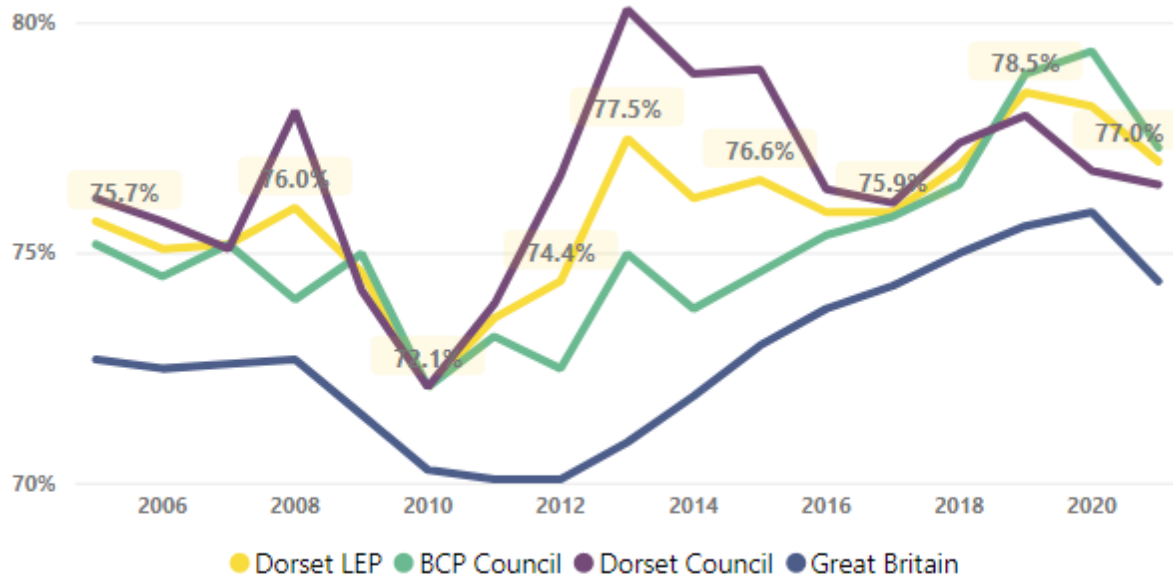
Unemployment rate



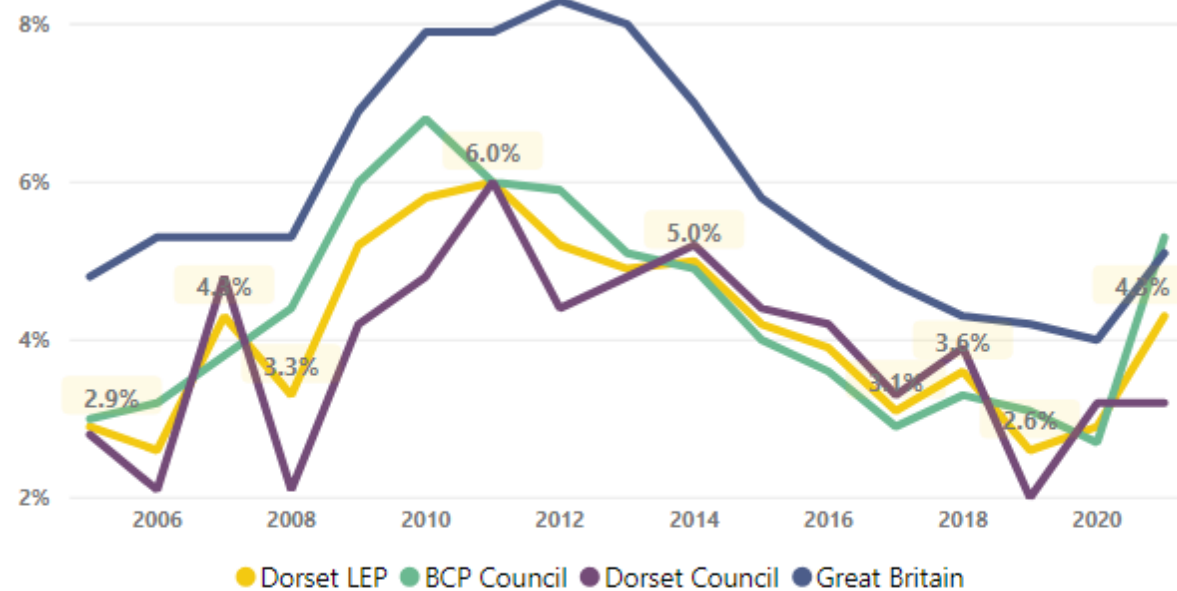
Economic Inactivity rate



Employment rate - aged 16-64



Unemployment rate - aged 16-64





DORSET LABOUR MARKET INSIGHTS

Out-of-work benefits

Claimants as a proportion (%)
of residents aged 16-64

3.9%

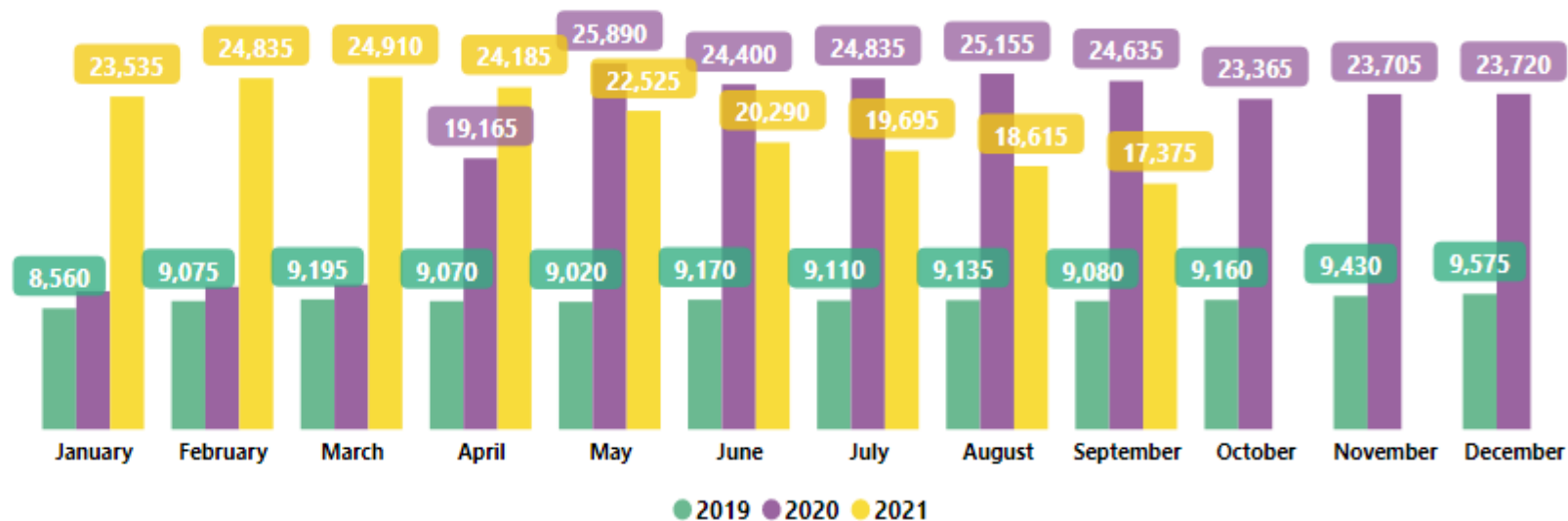
Youth unemployment

Claimants as a proportion
(%) of residents aged 18-24

4.6%

The proportions of young people in receipt of unemployment related benefits remains higher, but the rate of decline has also accelerated,

Dorset LEP Claimant Count Age 16+



Dorset LEP Claimants Aged 18-24

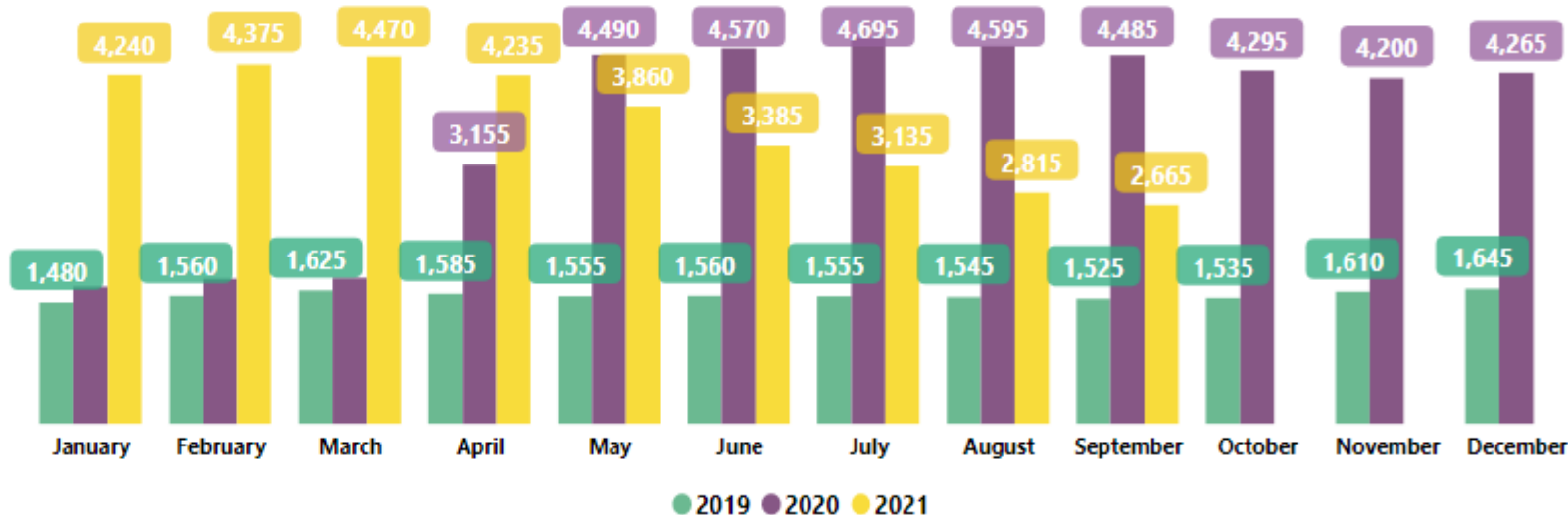




Chart of the Quarter: the end of furlough scheme

LABOUR MARKET INSIGHTS

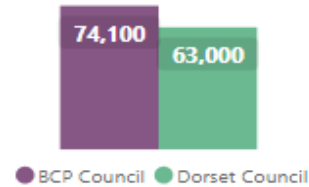


Dorset | CJRS



#Furloughed Employments -
March 2020 - August 2021

137,100



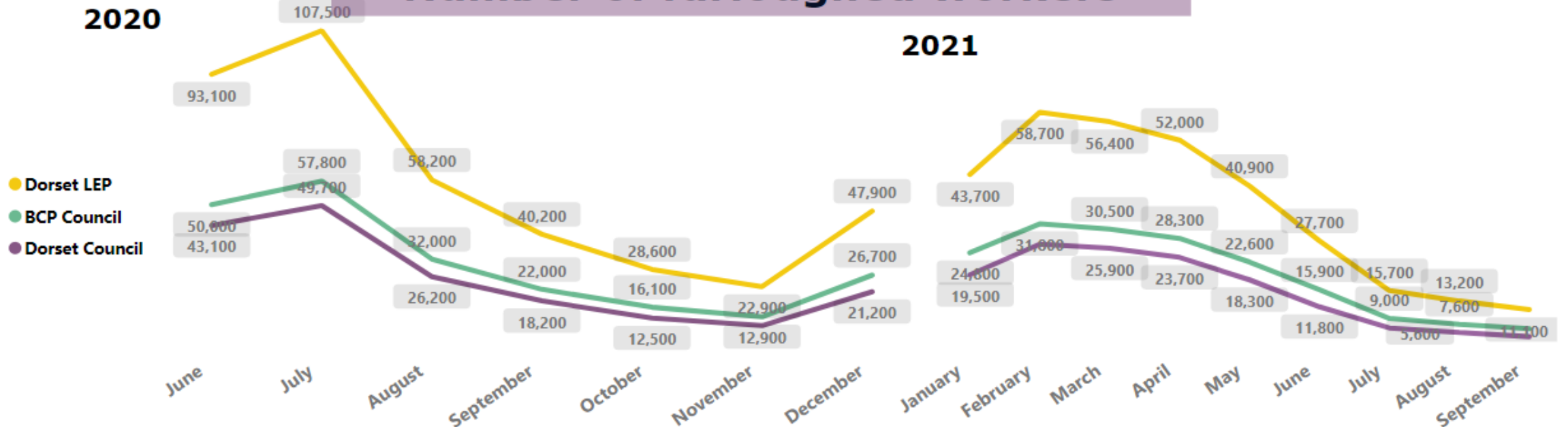
#Furloughed Employments -
September 2021 (?)

11,100

% of eligible
employments

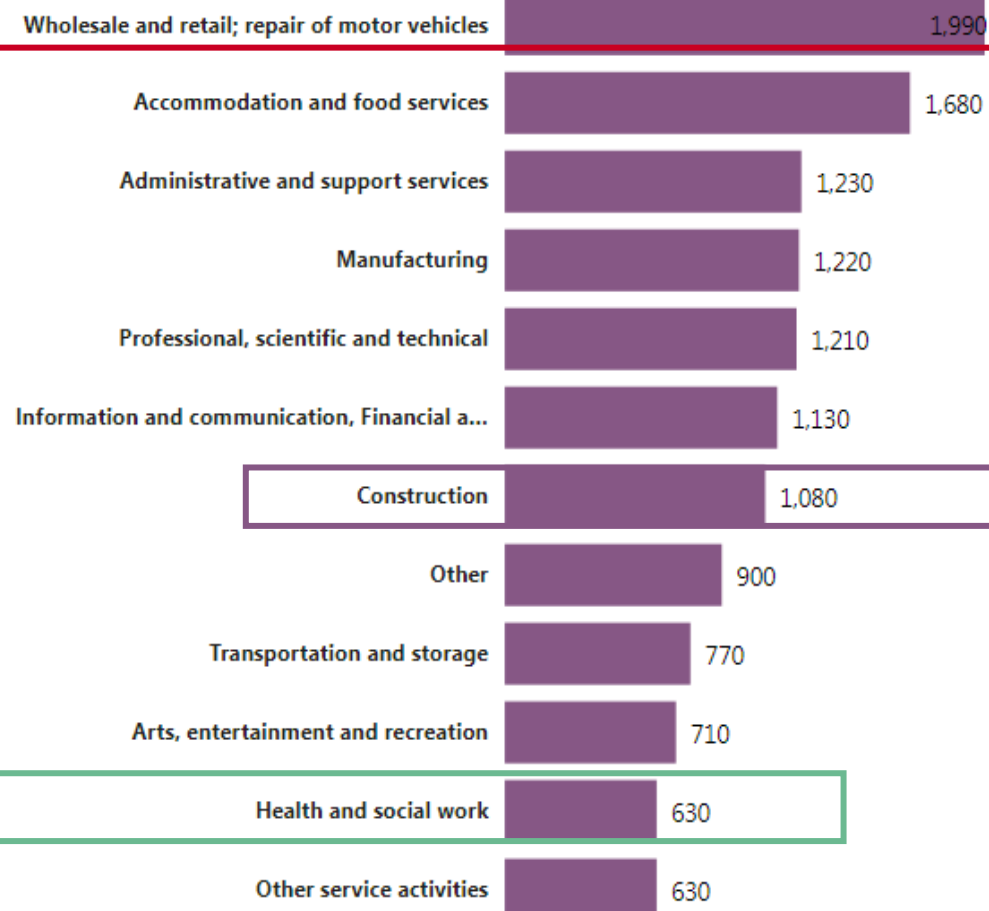
4 %

Number of furloughed workers

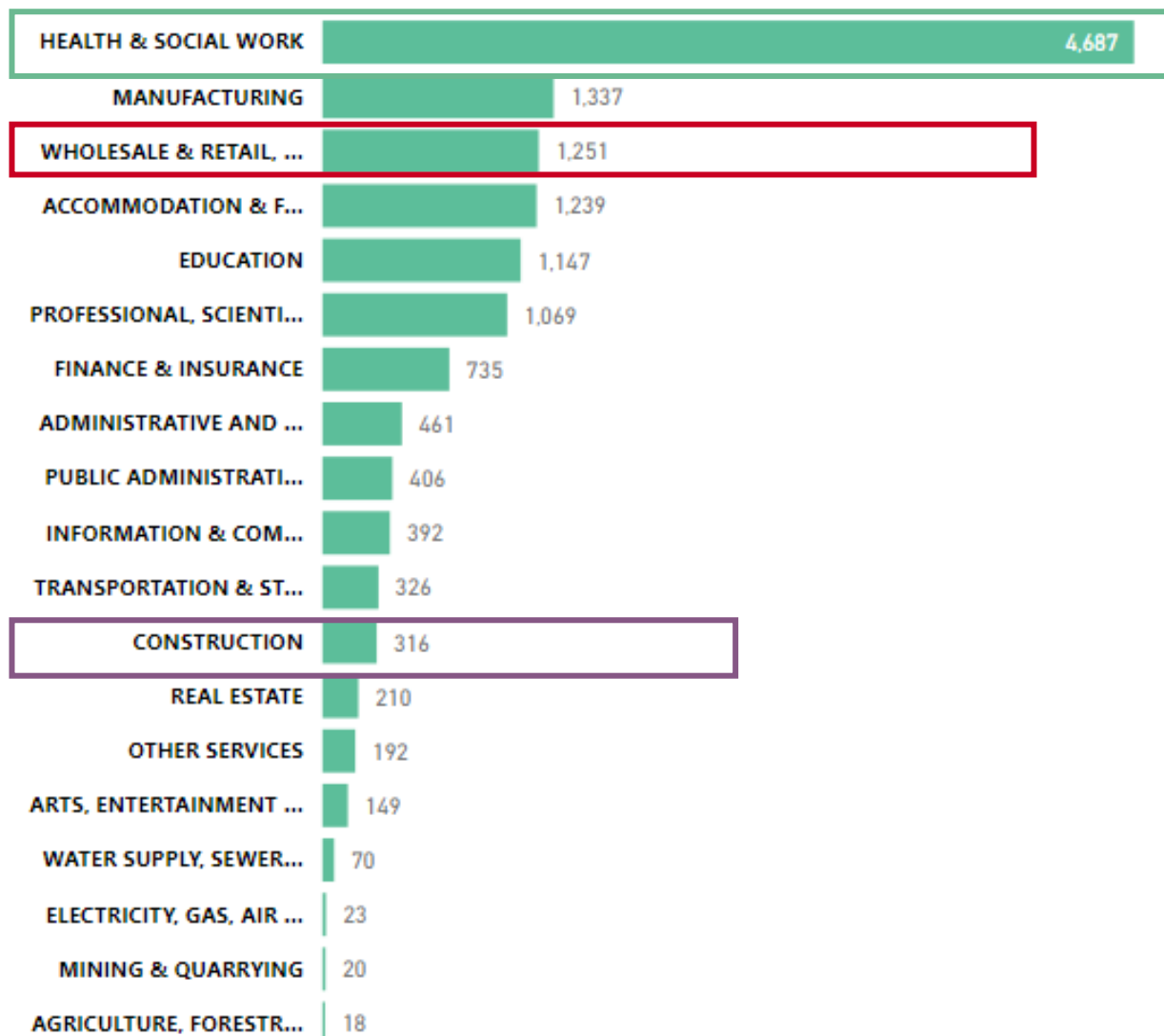


CJRS and demand by industry

Furloughed employments by sector - Dorset
August 2021



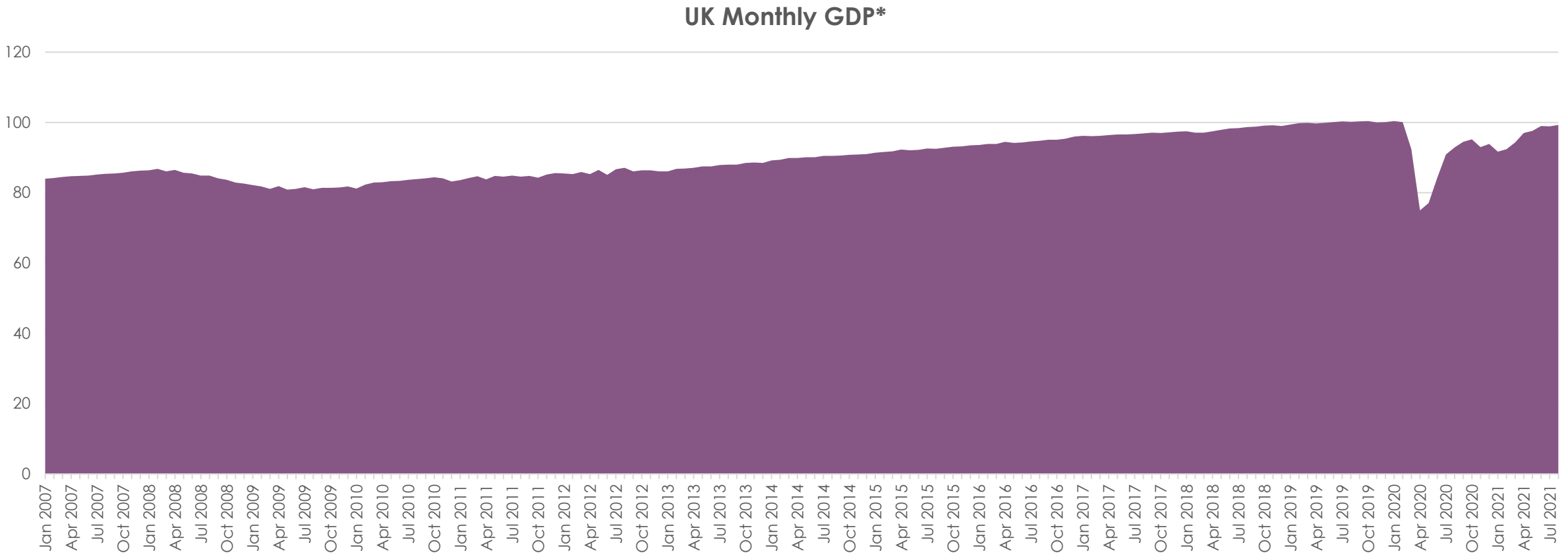
Job Adverts by Industry: Q3



Labour shortages & the economy



ONS estimates a 0.4% GDP growth in August UK, after a revised 0.1% fall in July (revised down from 0.1% growth). GDP remains 0.8% below its pre-coronavirus pandemic level.



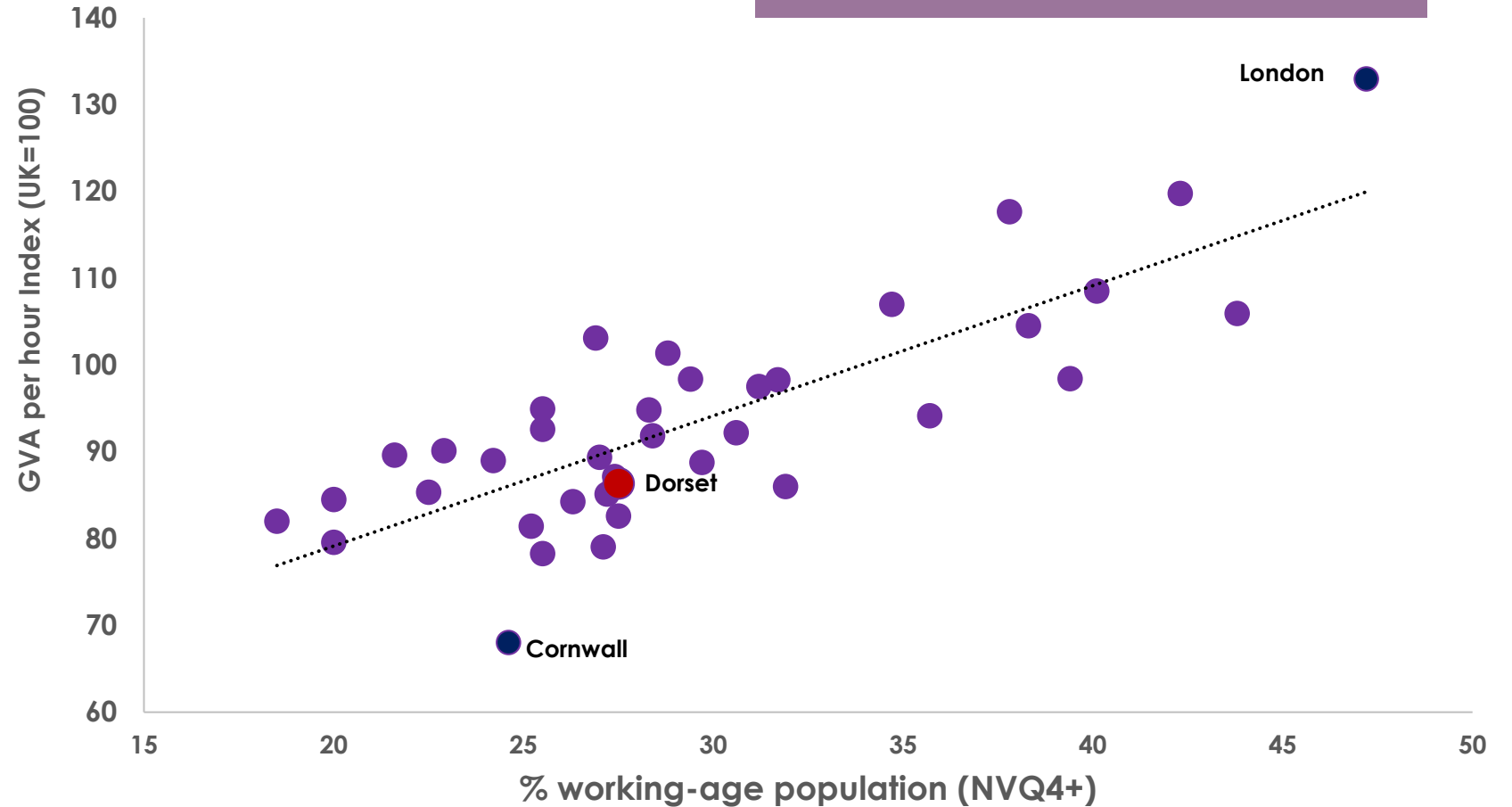
Gross domestic product (GDP) - the value of goods and services produced. It estimates the size of and growth in the economy.

ONS, GDP monthly estimates, UK Aug 2021, Oct 13, 2021

Productivity and Skills

There is a positive relationship between higher skill levels (as measured by qualifications) and labour productivity in UK areas

- Investment in skills could improve productivity
- However, causal relationship not clear i.e. graduates tend to migrate to London where more higher value jobs are available
- Skills utilisation important and linked to management and leadership quality within firms

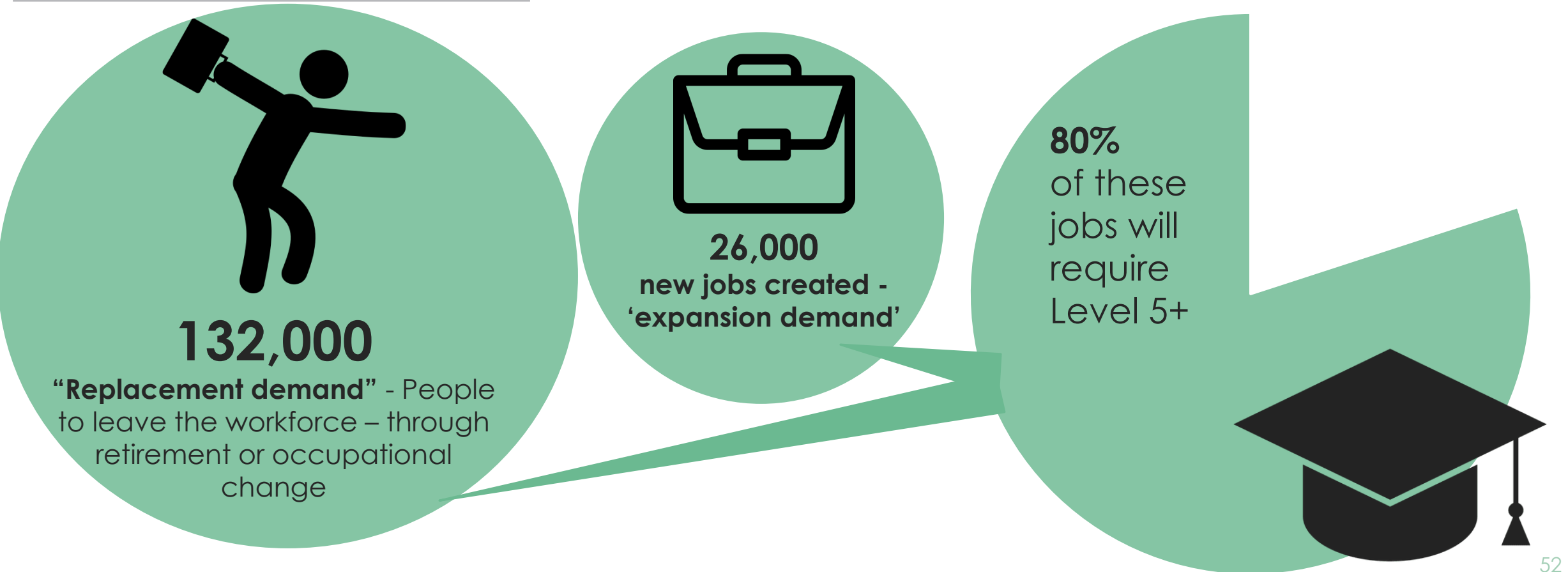


Replacement demand

Projections 2017-2027

Replacement demand:

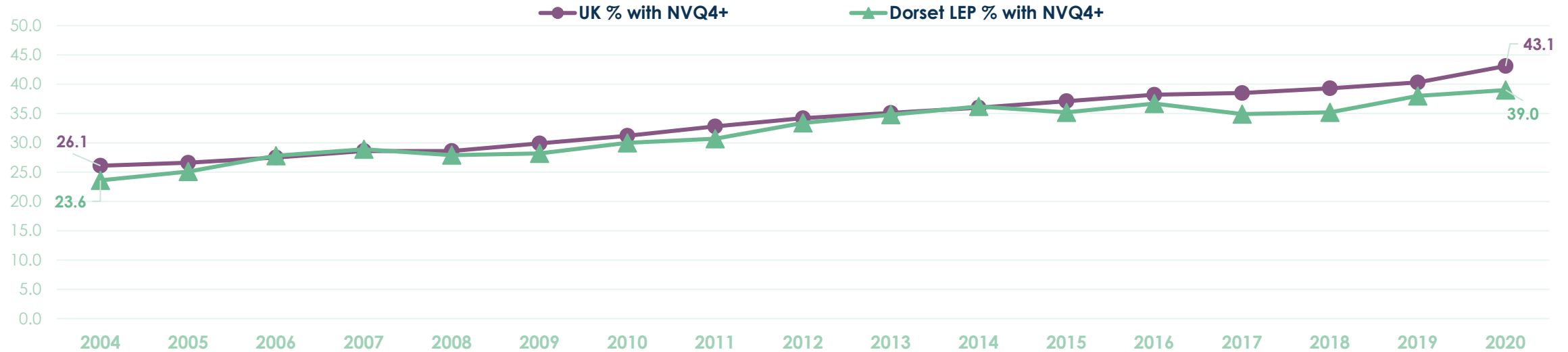
Projected replacement demand is over 5 times the expansion demand meaning that over a third (35%) of those currently employed in Dorset (132,000) may need to be replaced by 2027. 77% of jobs becoming available in Dorset over the period 2017-2027 is projected to require Level 5+ qualifications.



Education levels



Comparison of proportions of working age people (16-64) educated to Level 4 and above - Dorset LEP vs UK



Fluctuating Skills Levels

Achievement of higher qualifications however has fallen behind national levels over recent years with some areas seeing a drop in higher qualifications in contrast to projected future demand.

While the number of working age people educated to Level 4 and above in Dorset has almost doubled since 2004 (from 96,000 (24%) to 173,400 (39%) in 2020), the proportions qualified to that level have fallen behind over recent years, forming a 4% gap from the national average in 2020.

Furthermore, a fifth (20%, n=88,200) of the working age people in Dorset do not have a Level 2 (GCSE equivalent) qualification, which is regarded a benchmark for employability.

Ageing workforce



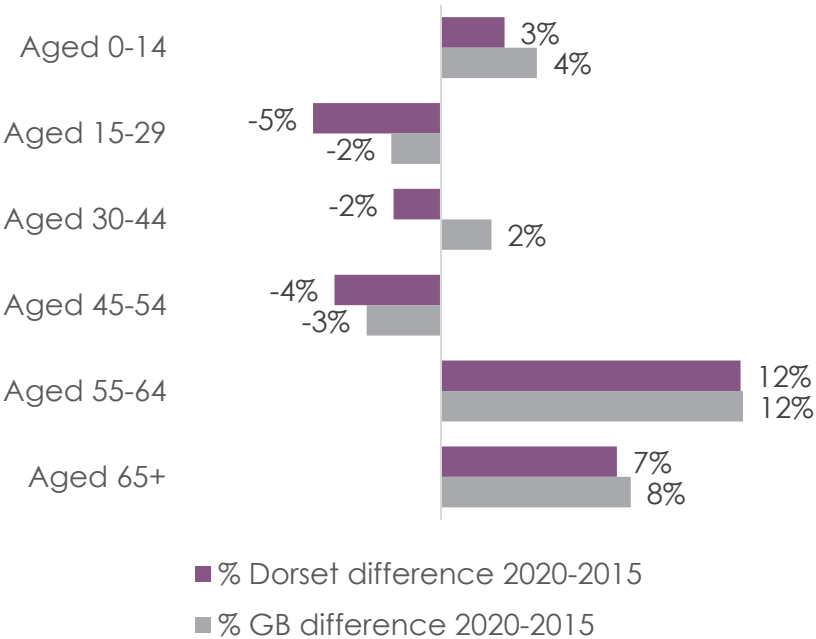
Dorset Demographics



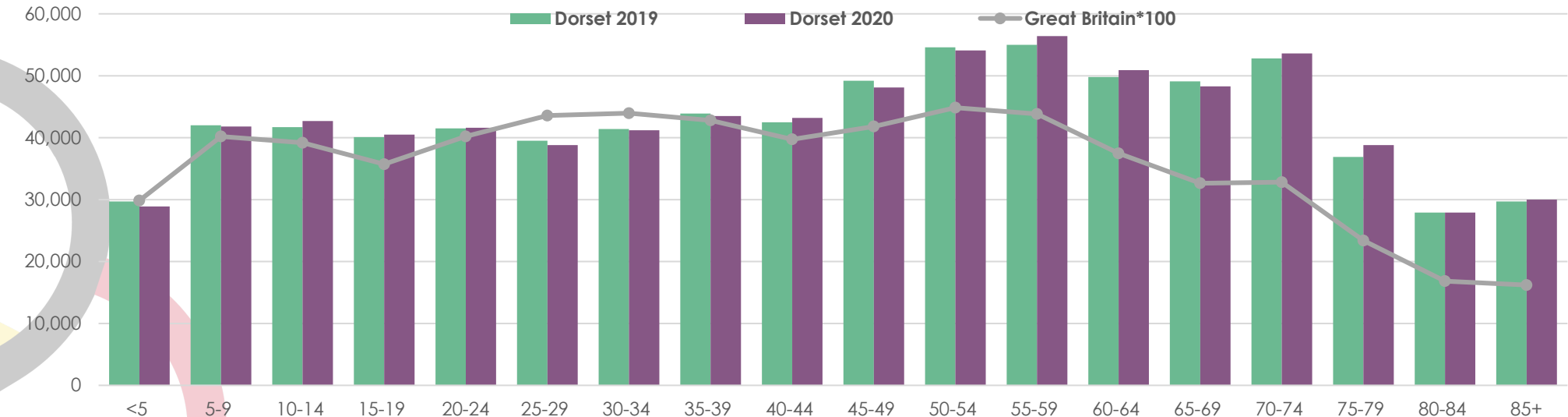
Population **grew by 14,255** (2% vs 3% in UK) over the last 5 years and is projected to **grow by 24,047** over the next 5 years. However, the working age population (16-64) in Dorset shrunk by 0.4% (vs 1.5 increase in UK) over that period with decline more pronounced among those aged 15 and 54 than nationally.

776,800
Population (2020)

Population changes (2020 vs 2015) by age group

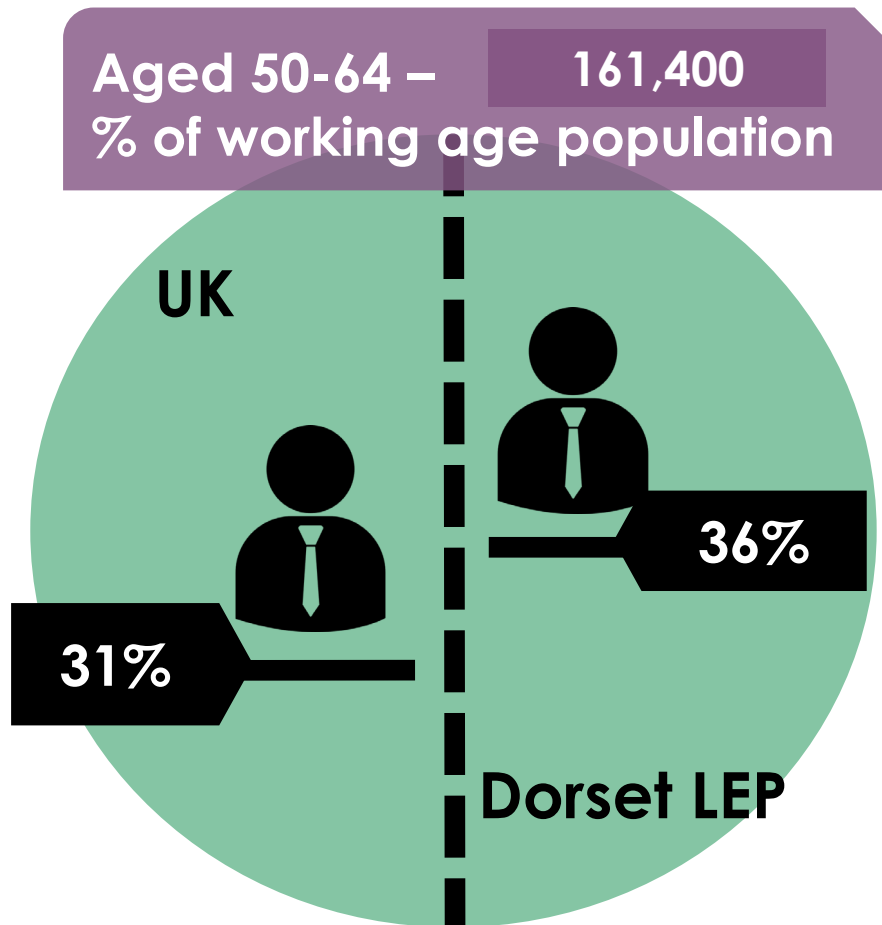
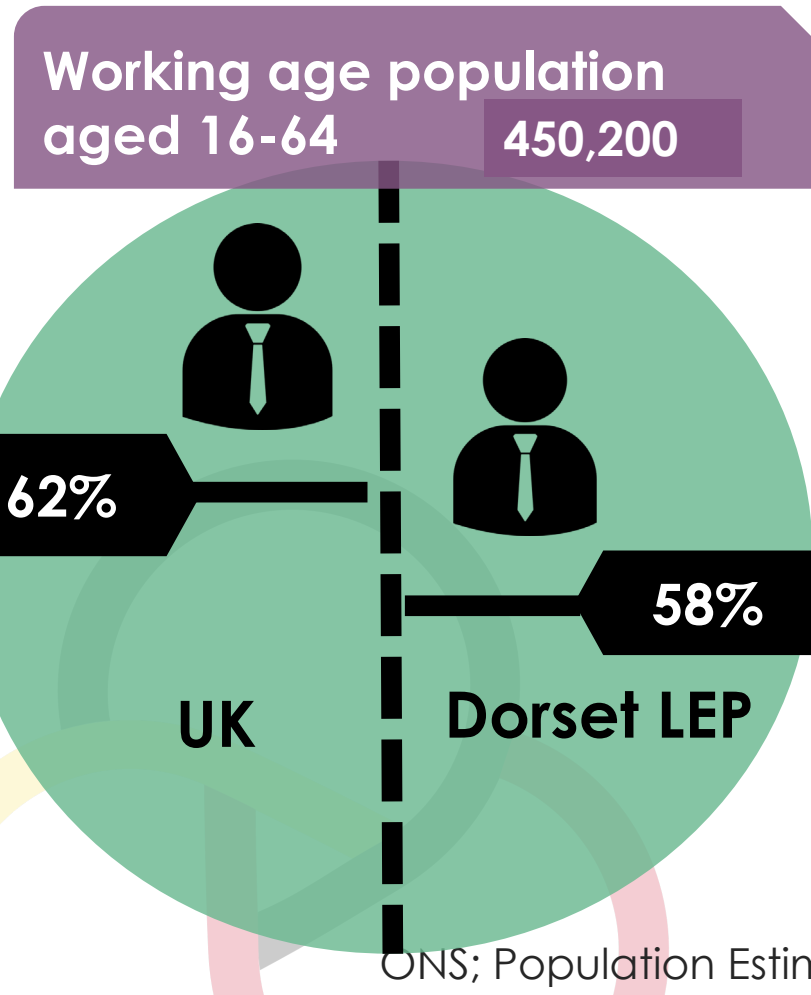


Population by age group



Shrinking working age population

Our demographic challenge creates serious pressures for the sector in Dorset – both in service and staff replacement terms.



Dorset LEP area is the most aged part of the UK:

- 58% of the population is of working age vs 62% nationally
- By 2025, 40%+ of Dorset Council's residents will be 65+
- Average age in Dorset Council is 51, vs 40 across the UK

Healthcare expansion linked to Dorset's ageing demographic

1 in 4 is aged 65+
(vs 1 in 5 in UK)

UK

Dorset LEP

26%

19%

In Dorset LEP area 26% of population is aged 65+, compared to 19% nationally*.

Skills for Care estimates that if the adult social care sector workforce grows proportionally to the projected number of people aged 65+ then the number of care jobs in the South West **will increase by 37%** between 2020 and 2035**.

Staff turnover rate estimates:

- BCP Council – 36.3%,
- Dorset Council – 35.7%
- South West – 35.8%
- England – 31.9%.

The majority (80%) of the workforce in the county were female, and the average age was 44 years. Workers aged 24 and under made up 10% of the workforce and workers aged over 55 represented 27%. Given this age profile **approximately 5,900 people will be reaching retirement age in the next 10 years.** An estimated 18% of the workforce in Bournemouth Christchurch and Poole and 9% in Dorset Council area identified as of an EU nationality.