DORSET LEP SKILLS ADVISORY PANEL & BOARD
7 May 2020, 3-4.30pm

Virtual meeting

AGENDA

#	Item	Time	Lead	Purpose	Annex
1	**Welcome, introductions and apologies**	15:00 (10 min)	Emma Hunt Chair	**ACTION** Welcome, introduce attendees and note apologies	
2	**Approval of minutes of last meeting - February 11 2020**	15:10 (5 min)	Emma Hunt Chair	**ACTION** To review minutes, actions and suggest amendments or approve	1
	Standing items				
3	**EAN and Careers Hub Update**	15:15 (15 min)	Helen Stevenson Careers Hub Lead	For information	2
4	**Careers Hub Steering Group Minutes**			For information	3
5	**SERCO employers survey final results**	15:30 (10 min)	Mira Koseva LEP Skills Analyst	For information	4
	Items For discussion				
6	**Update on latest developments on skills work and DfE**	15:40 (20 min)	David Lawrence	For information and discussion	5
7	**Update on skills research/ COVID 19 & the labour market in Dorset**	16:00 (15 min)	Mira Koseva LEP Skills Analyst	For information and discussion	6
8	**AOB**	16:15 (10 min)	ALL		
9	**Date of next meetings**	16:25 (5 min)	ALL	**Proposed 10.00hrs 15th July 2020 – AECC or virtual**	

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MINUTES

DORSET LOCAL ENTERPRISE PARTNERSHIP SKILLS ADVISORY PANEL AND BOARD

11th February 2020, 10.00am - 12.00am

Bournemouth University, Talbot Campus, Fusion Building F306

Board Attendees:
Emma Hunt, AUB, Chair (EH)
David Walsh, Dorset Council (DW)
Nicola Newman, Private Dorset LEP Board member, Ansbury Guidance (NN)
Rod Davis, Dorset and Somerset Training Providers Network (RD)
Lesley Haig, AECC (LH)
Diane Grannell, Bournemouth and Poole College (DG)
Hugh Joseph, Air Bearing Solutions (HJ)
Lesley Spain, Skills and Adult Community Education (LS)
Emma Norton, Bluestone College (EN)
Zannah Doan, Pavilion Dance South West (ZD)
David Matthews, Upton Beach Consulting (DM)

Also Present:
Kavita Hayton, Dorset LEP Skills Contract Manager (KH)
Mira Koseva, Dorset LEP Skills Analyst (MK)
Helen Stevenson, Dorset LEP Careers Hub Lead
Julia Howe, representing Nigel Evans, Weymouth College
Oliver Symons, representing Luke Rake, Kingston Maurward College (OS)

Apologies:
Adrian Trevett, BCP (AT)
Jim Andrews, Bournemouth University (JA)
Liz McCormick, Ward Goodman Accountancy (LM)
Luke Rake, Kingston Maurward College (LR)
Nigel Evans, Weymouth College (NE) Julia Howe attending for Weymouth College
Sarah Briggs, DWP Local

Item	Welcome and introductions	Action
1	The Chair welcomed everyone to the meeting and invited a roundtable introduction of attendees which included 5 new employer members. • Apologies were received as noted above.	
2	**Minutes, Actions and Matters Arising**	
	• The Minutes were agreed as an accurate reflection of the previous meeting and completed actions were noted. There were no matters arising.	
3	**Careers News, Enterprise Advisor Network and Careers Hub**	
3.1	<u>Employer Advisors Network (EAN) and Careers Hub update</u> The Dorset LEP Careers Hub Lead, Helen Stevenson, updated the members on Dorset Careers News including the recent publication of Careers and Enterprise Company's 'Closing the Gap' report which demonstrates beyond any doubt the huge impact that employer engagement can have on young people's experiences and understanding of work. The CEC research shows	

	that this in turn can influence a young person's confidence to find and secure appropriate and satisfying work or further study.	
3.2	HS informed the members that the Dorset EAN was progressing well and has successfully engaged 71 schools and colleges with 54 matched to an Enterprise Adviser.	
3.3	HS informed the members that Dorset Careers Hub which was launched back in September 2019 was also progressing well with a core group of Cornerstone employers engaged and working in joint projects and with average scores against the Gatsby Benchmarks already above Wave 1 and Wave 2 Hubs averages.	
3.4	Average Benchmark Scores:	

Wave 1 Hubs (operating since Sept 2018)	Wave 2 Hubs (operating since Sept 2019)	Dorset Careers Hub (Wave 2)
4.4	3.6	4.475

Dorset Careers Hub achievement - benchmark 5 and 6		
	Benchmark 5 Encounters with employers and employees	**Benchmark 6** Experiences of workplaces
Target	*75% of Hub institutions fully achieve the benchmark by the end of the 2019-20 academic year*	*60% of Hub institutions fully achieve the benchmark by the end of the 2019-20 academic year*
End of autumn term (2019)*	62.5%	65%

HS pointed to the additional resource to enhance the funding for the 7 institutions within Weymouth and Portland which is being used as follows:

- Institutional and collaborative funding
- Dedicated EC supporting schools and college
- Industry visits /workplace experiences
- Collaborative Careers event(s)
- Sector events
- Careers Leader mentoring
- Alumni project.

3.5 Funding has been announced for another year to continue this work.

- Members noted the excellent progress on the work of the EAN and Careers Hub.

4	**Dorset Careers Hub Steering Group inaugural meeting**	
4.1 4.2	HS informed the members that a successful meeting had been held on 9th January 2020 chaired by Luke Rake. A summary of the meeting notes were attached as a separate annex to the SAPB papers and it was noted that Terms of Reference for the Steering Group were confirmed subject to minor amendments and a Deputy Chair being included in the group roles. Rod Davis was approved as a suitable candidate due to his membership of the Skills Advisory Panel. • Members noted the summary of the Steering group and the changes to the ToR	
5	**SERCO Employers Survey update**	
5.1 5.2 5.3 5.4	The Dorset LEP Skills Analyst, Mira Koseva, gave a comprehensive update on the preliminary results of the SERCO employers skills survey as of February 6th. It should be noted that the survey is open until Friday 14th **(note - now extended until 19th Feb)** and MK asked members to continue to share the details with their networks as we are trying to reach the 200 completions target. Members discussed the preliminary results with interest, in particular where they coincided with findings from the Skills Analysis (next item) around digital skills shortages and leadership and management development. ZD asked about sole traders and independents pointing out that their skills requirements may be different from larger employers and harder to meet. It was noted that the SERCO skills survey was flexible enough to be completed by many different sized companies and ZD agreed that she could share the survey with her networks too. MK told the meeting that the results of the survey would be integrated into the Skills Analysis results and any new findings would be reflected in the Skills Plan. The following section is a summary of the preliminary findings as reported on by MK: • Summary based on 99 complete responses from 11 public, 22 third and 66 private sector organisations from a range of industries and varying in size (8 sole traders, 55 employing between 1 to 24 people and 35 employing 25 or more staff). • The most frequently mentioned **skills gaps** were digital skills (36), leadership and management (33), sales and marketing (25) and job specific skills (20). Within the group of digital, technical and analytical skills they experienced the most skills shortages in digital marketing (22), MS Office (18) and data analysis (17). • Among all the identified skills gaps, employers felt Digital skills (22), Leadership and Managerial (20), Technical or practical (15) and Sales and marketing (15) were having the biggest impact on their organisational performance and productivity. • Employers were attempting a variety of interventions to alleviate the effects of skills gaps, most commonly offering 'on the job' training & development (71) and formal in-house training &	ACTION - **All** share the survey as widely as possible with networks.

5.5		development courses / programmes (53), engaging with colleges (44) and outsourcing training & development (37). Some other methods that employers mentioned were: Development of skills matrices to identify gaps and implementing pay grading systems to support development of skills, holding conferences, and using online training. • When asked about the likelihood of **engaging training providers to deliver skills**, the proportion of employers likely or very likely to engage were as follows: Schools 39%, Universities 40%, Colleges 59%, Private training providers 65%. 47% were likely or very likely to invest in Apprenticeships while 33% unlikely or very unlikely. The majority of employers (66%) wanted to see improvements of the provision of skills and training locally and offered interesting suggestions including access to a countrywide training directory, more affordable and advanced training courses, taking transport in consideration as well as early career interventions helping young people to see Dorset as their career destination. • With regards to **recruitment and retention**, a common concern was the limited ability to recruit a diverse/ all-inclusive workforce (34), effects of Brexit (24), location of the business (23), and existing employees age profile (proportion of existing employees aged over 50 or reaching retirement age – (19) and some of them considered succession planning, re-skilling, redistribution of tasks and automation to meet the replacement demand. Over half of respondents (56%) experienced hard to fill vacancies recently (past 12 months) mostly due to low number of applicants with the required skills (52). • When advertising their vacancies, the top channels were word of mouth (68), company websites (61), free websites (58) and social media (56) and in terms of seeking help from other organisations one third of the respondents said they have used recruitment agencies and 27% worked with colleges. • Exploring **automation and digitalisation** in their operations, 44% of the respondents didn't or didn't know whether they had the appropriate skills to embrace these trends and cited digital skills as lacking from their skillsets. Looking into the next 3-5 years however, the majority (84%) of employers expected either some or more significant automation, digitalisation will change their roles and workforce numbers. Just under a half of the surveyed employers (47%) felt the skills required by their business will change over the next 5 years and among the skillsets they predicted as essential were Technical and practical, Digital skills, Leadership and management skills. • Finally, exploring employers' understanding and utilisation of **apprenticeships**, the majority of surveyed employers (84) felt they had a good understanding of what an apprenticeship is, how it can benefit them (74) and where to find out more (74). The majority of employers were also aware that apprenticeships can be used to upskill new (89), and existing staff (74) of all ages (74). High proportion of employers surveyed were considering offering apprenticeships in the future (71%), however only 34% of them currently employed apprentices and cited a variety of reservations, the most common being the inability to find suitable candidates (47).	ACTION – MK and KH to incorporate the findings of the survey into the Skills Analysis and Skills Plan

	• Members noted the progress on the survey, the current timelines and the dissemination of results.	
6	**Skills Analysis update**	
6.1 6.2 6.3 6.4 6.5	<u>Skills Analysis update</u> Dorset LEP's Skills Contract Manager, Kavita Hayton, updated the members on the current state of play of the Skills Analysis report. Members were informed that the Skills Analysis had been submitted to the DfE in November 2019 and that we have very recently received feedback on the report. KH noted the following summary of DfE remarks (DfE letter received 27th January 2020): • We have addressed all of the feedback points raised following the Summer Review • We have provided a very in-depth draft analytical report which includes a fuller appreciation of skills drivers both in terms of business needs and population demographics • Our outlined plans to use this as a baseline from which to build both a 'summary version' and action plan are positive, and the evidence provided sufficiently detailed to enable us to do this • We make clear how the evidence will be extended and where new work will align with work already produced KH noted the following DfE advised next steps: • The action plan should be developed as a priority in the next quarter • Maximise the impact of our analysis and give effective signposting that takes our stakeholders on a clear journey from the beginning • Build a narrative in our work, i.e. what the data shows, what emerging priorities we have chosen as a result and finally how we plan to address these in our action plan • Explain in what order we will be working on the priorities • Explain weighting of resource(s) we are considering giving to each KH explained the proposed approach to the publication and sharing of the Skills Analysis suite of documents including the Skills Plan which would be discussed in the next agenda item. The proposal is to continue work on three key documents: the Skills Analysis, the Skills Analysis Executive summary and the People and Skills Plan until the middle of March with a view to completion at the end of March. It was noted that this proposal dovetails well with the timelines proposed by the DfE in that a progress report against the actions in the People and Skills Plan was expected in March 2021. • Members noted the progress on the Skills Analysis, the proposed timelines and the methods of publication.	

7	**Dorset People & Skills Plan**	
7.1	The Chair, Emma Hunt, introduced the Dorset People and Skills Plan stressing that it was based on the evidence base emerging from the Skills Research and Employer Survey and the strategic priorities set out in the Dorset Local Industrial Strategy (LIS) – it was the LIS People strand plan, which will be delegated to the SAPB to steer and own. The proposed plan was offered for a detailed discussion and EH pointed out it was important to engage with the plan as it would also be linked to other strands of the LIS and a framing document for partners plans. LS noted that curriculum plans for adult learners would need to function against the plans so they needed to be flexible but also clear.	
7.2	Members were asked to consider: • Discuss the direction of travel of the plan and its key drivers and priorities • Consider the integration of the plan with other strategic plans • Propose appropriate content for missing sections • Check data is correct and useful • Scrutinise and propose further desired outcomes and prioritise their order • Scrutinise and propose further actions • Consider how resources should be weighted against actions	
7.3	There was a discussion about the key priorities and the drivers and EH wondered whether the Talent Attraction/Skills for now/Skills for the future were all part of increasing productivity and the priorities were actually the current key drivers of 'increasing productivity', 'living well' and removing inequality'. There was a further discussion on the importance of removing inequality.	
7.4	EH asked that 'employment' rather than employers was used as a term.	
7.5	A concern was raised by DG that the drivers of low productivity in Dorset are not exponentially outlined in the research and there was a discussion on productivity, what it meant in general and specifically for Dorset and it was agreed that the picture is still 'muddy'. DW reflected that overall increasing productivity was within the realm of the LIS, and the People Plan should focus on aspiration, ambition, progression and achievement for Dorset People, rather than going through the same arguments discussed in the LIS. However as 'increased productivity', 'living well' and 'reducing inequality' were agreed as the strategic priorities (inner circle) further national and local determinants of productivity should be outlined in the research. It was proposed that the Skills Analysis and Skills Plan included a description of how we were using the term 'productivity' within the context of LIS and also more detail if possible on the sectors and geography mix and whether some sectors, geographies are bringing the overall productivity down – and possibly in comparison to other LEPs.	ACTION: Shane Vallance to be asked to provide more contextual information on productivity.
7.6	There was a discussion on the demand and supply data and in particular on the data on apprenticeships. It was noted that the FE colleges are experiencing a growth and <u>not</u> a fall in apprenticeship numbers and RD shared some insights of a fall in Level 2 apprenticeships and among 16-18 year olds and a rise in Advanced and Higher apprenticeships as demonstrated in his group's (DSTPN) research. Also RD mentioned tariffs	ACTION: Shane Vallance to be asked to provide more information on apprenticeships in Dorset at different levels.
7.7	changes that have caused the picture of apprenticeship provision nationally	

	to change focusing on higher level skills to older people which could be further deepening inequalities. It was agreed that more granularity should be provided on apprenticeship data before developing actions against this challenge. DG also noted that the apprenticeship requirements were very much demand led rather than supply driven and that perhaps the Skills Plan should reflect this. Another discussion was held around the lack of T Levels provision locally and NN noted this was a signal to young people that parts of the educational provision were not available to them. The schools provision picture was missing from the report and skills analysis as well – it was agreed that the qualification/ certification challenges should be included in the research/plan.	Mira to add an overview on schools.
7.8	ZD raised the issue of recognising independent workers in terms of equality in the workforce and it was advised that they are encouraged to complete the employer survey and be captured in the employer analysis.	
7.9	EH asked that we include measures of success in the action plan so that writing a report on progress next year would be much easier. It was also noted that we should acknowledge work already in train addressing the key priorities of 'increasing productivity', 'living well' and removing inequality'. There was also a discussion of using long term and short term actions and that short term should be the 'quick wins' we can report on next year. It was noted that this could mean breaking down long term desires into smaller actions year on year that drive our funding strategy.	
7.10	There was a discussion of the relative values of traditional qualification-driven skills learning over other ways of picking up skills – 'skills solutions'. It was noted that these could be met through distance learning and LS mentioned tools that they were already using in adult education.	
7.11	LS asked that the actions on outposts should rather be focussed on increasing participation in learning, particularly where this travel to learning was an issue as this would enable a range of solutions to be proposed.	
7.12	RD said that he had doubts about the effectiveness of 'outposts' in deprived areas and there was previously issue with critical mass and again distance learning was mentioned as a possible solution. It was noted however that this was only effective for certain subjects.	
7.13	It was proposed that a conference could be held for employers to learn about the impact of new technologies and of new ways of working in their sectors and that this would impact positively on meeting one or two of the actions in the Plan.	
7.14	There was further discussion on the need to include confidence and resilience building under the banner of well-being as key aspects of career learning.	
7.15	It was agreed by the members that the Skills Plan should operate at a high strategic level rather than being fixated on small actions. However, it was also noted that there was an expectation from DfE to see measurable progress of actions. Members mentioned that they felt they could use the Skills Plan to hang their own agendas/curriculum strategies on to so it needs to demonstrate clear intend and strategy without being too detailed to constrain providers and LH commented that she would be keen to work in the cross-collaborative groups mentioned in the Plan.	

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7.16 7.17 7.18 7.19	There was a discussion of whether skills for now and skills for the future should be combined but it was agreed that these were different issues. It was proposed that a 'skills into sectors' section would be useful in term of careers advice as this would allow learners to develop transferable skills for multiple sectors. EH mentioned that digital, leadership, sales and marketing skills as outlined in the early findings from the skills survey should also be clearly outlined in the plan and the actions attached to that. These big groups of skills emerging as skills gaps could have a central SAPB intervention proposed for developing transferable skills that then filter down into sector groups and providers interested in particular sectors coming together to work on developing joint projects for sector-specific courses and interventions. Members were informed that there would be another tranche of funding to support further development of the Skills Analysis and action planning. This was welcomed by members and there was agreement that areas for deeper research should be flagged up in the Skills Plan. • The next steps were agreed as: KH to amend the plan and to circulate another draft in early March to SAPB members. Members to contribute to it with their aligned actions and ongoing work.	ACTION: KH to amend the plan to reflect the discussion and circulate new draft in early March.
10	**Date of next meeting**	
	15.00hrs 7th May 2020 - West Dorset – • OS agreed to host the next meeting at KMC subject to checking bank holiday clashes Proposed 10.00hrs 15th July 2020 – AECC • Members agreed to meeting July	ACTION: KH to check the proposed date against bank holiday schedule and send calendar invites from Dorset LEP for both meetings **NB Bank Holiday is on Friday 8th Mays**

Skills Advisory Panel and Board – 7th May meeting
Item 3, Annex 2: Careers News, Dorset LEP - Employer Adviser Network (EAN) and Careers Hub update

Date: May 2020
Helen Stevenson – Dorset Careers Hub Lead

Enterprise Adviser Network (EAN)

- The pan Dorset EAN has successfully engaged 71 schools and colleges with 55 matched to an Enterprise Adviser

- The network is supporting by 3.5 FTE Enterprise Coordinators based in local councils

Enterprise Adviser Network – performance update

Average number of benchmarks achieved		
	National	**Dorset EAN**
September 2019	3.0	3.2
February 2020	3.2	3.5

Dorset Careers Hub - overview

- Dorset continues to deliver the Careers Hub offer which is backed by additional CEC funding and resource, offering enhanced provision to 40 schools and colleges within the EAN.

- Careers Hub activity is supported by existing Enterprise Coordinators, a dedicated Hub lead and an additional Enterprise Coordinator to cover Weymouth & Portland.

- The Hub is governed by the Dorset Careers Hub Steering Group which met, most recently, on the 29 April 2020. See Annex 3.

- Eight local organisations form the Dorset Careers Hub Cornerstone Employer group. The Cornerstone Employer group works collaboratively to support Enterprise Adviser recruitment, support school achievement against benchmarks 5 and 6, develop parental engagement and contribute to Dorset LEP's Labour Market Information project. As many businesses are affected by the implications of Covid-19, we are currently working closely with Dorset Cornerstone Employers to prepare to support schools in the next academic year.

- Partial school closures as a result of Covid-19 have impacted schools' ability to deliver projects using Institutional Funding by August 2020 (delivering events, training staff and developing materials and resources). We have recently received confirmation from CEC that DfE are permitting a roll-over of funding to the 20/21 academic year, this will allow projects to be delivered in the autumn and spring term.

- Funding has been made available to schools via *Institutional Funding* to support individual schools and *Collaborative Funding* to benefit schools working together in clusters.

Dorset Careers Hub – performance update (updated February 2020)

Average number of benchmarks achieved		
	National	**Dorset Careers Hub**
End of 2018/19 academic year	3.0	3.0
Target	*At least an average of 4 benchmarks fully achieved across all Hub schools and colleges by the end of the 2019-20 academic year*	
End of autumn term (2019)	Wave 1 = 4.4 Wave 2 = 3.6	4.475
End of spring term (2020)*	TBC	5.025
*updated data not provided by 4 schools for spring 2020 (previous assessment result included).		

Dorset Careers Hub achievement - benchmark 5 and 6		
	Benchmark 5 Encounters with employers and employees	**Benchmark 6** Experiences of workplaces
Target	*75% of Hub institutions fully achieve the benchmark by the end of the 2019-20 academic year*	*60% of Hub institutions fully achieve the benchmark by the end of the 2019-20 academic year*
End of autumn term (2019)	62.5%	65%
End of spring term (2020)*	80%	77.5%
*updated data not provided by 4 schools for spring 2020 (previous assessment result included).		

The targets for the Dorset Careers Hub 2019/20 have already been met which is a fantastic achievement. The Compass assessment tool measures both completed and scheduled activity and it is therefore anticipated that data will dip as a result of partial school closures in the spring and summer term. The CEC are developing the Compass assessment tool to capture scheduled activity that could not take place.

Dorset Careers Hub Steering Group Meeting
Wednesday 29 April 2020, 10:00-11:00, Virtual

MINUTES

Attendees:

Name	Representation	Job Title
Luke Rake (LR)	Chair and Further Education representative	Principal, Kingston Maurward College
Suzy Wright (SW)	CEC representative	SW Regional Lead, CEC
Helen Stevenson (HS)	CEC Careers Hub Lead	Dorset LEP
Chris Humphreys (CH)	School representative	Deputy Headteacher, Queen Elizabeth School
Mark Avoth (MA)	School representative	Principal, The Bourne Academy
Claire O'Neill (CO)	HE/NCOP representative	Head of Southern Universities Network
Rod Davis (RD)	Deputy Chair (SAPB member) Training Provider representative	Managing Director, DSTPN
Julia Coleman (JC)	BCP Council Education representative	Service Manager School & Provider Standards & Support, BCP Council
Rosie Knapper (RK)	Dorset Council Education representative	Senior Advisor Post 16, Dorset Council
Fiona Staddon (FS)	Cornerstone Employer representative	Corporate Services Manager, ASM
Lucy Bramley (LB)	Enterprise Adviser representative	People Manager, Microsoft
Aleks Parker (AP)	Enterprise Adviser representative	Resourcing Business Partner, Network Rail
Mira Koseva (MK)	Dorset LEP representative (minutes)	Dorset LEP Skills Analyst
Apologies		
David Lawrence	Dorset LEP Skills representative	LEP Governance and Skills Agenda
Paul Nicholson	School representative	Headteacher, Gillingham School
Rich Maidment	Cornerstone Employer	Director of Talent, Redweb

Changes to membership:
Kavita Hayton, Skills Contract Manager, Dorset LEP – has now left the group as contract with Dorset LEP has ended.

Agenda

Item	Welcome and introductions	Action
1	The Chair welcomed everyone to the meeting and invited roundtable introductions of attendees. Apologies were received as noted above.	
2	**Minutes, Actions and Matters Arising**	
	The Minutes were agreed as an accurate reflection of the January 2020 meeting. No matters arising.	

3	**Careers and Enterprise Company (CEC) update**	
3.1	**New ways of working** **SW** gave an update on the way the CEC is adapting to new ways of working during the coronavirus pandemic and lockdown while all working from home. Nationally, the vast majority of Enterprise Coordinators have continued their work with schools and businesses supporting them remotely, while a few have been furloughed or redeployed on a part-time basis. The impact on the Career Leader (CL) and Enterprise Coordinator (EC) role has been mixed with around half of CLs working as usual and the majority of ECs continuing their work with schools.	
3.2	**Wave 3 Careers Hubs** **SW** told the members that the CEC have opened an application process for Wave three Careers Hubs to ensure as many schools as possible are in a hub and have access to the additional support that it provides. Dorset has 40 schools in the hub and CEC would like to extend that support to as many schools as possible. That would entail reallocation of resources across all schools and possibly recruiting new staff to support the project.	
3.3	**Guidance on virtual encounters** CEC are working with DfE and Gatsby on establishing guidance relating to virtual delivery, including if and how this can be used to meet the benchmarks to ensure consistency and momentum.	
3.4	**Establishing impact of the lockdown on Gatsby Benchmark scores** CEC are also trying to establish the impact of the lockdown/partial school closures on benchmark scores. This includes building a picture of where activities have been prevented from happening and modelling what scores would have been vs actual achievement in the given circumstances. In presenting both pictures to DfE, CEC are hoping to have a clearer picture on progress to ensure continuation.	
3.5	**Funding roll over** CEC have recently received assurance from DfE that 2019/20 funding that was not spent due to the outbreak could be rolled over to next academic year.	
3.6	<u>Questions</u> **Virtual encounters, careers guidance and work experience** **MA** was interested how virtual encounters would work as Bourne Academy have postponed their year 12 work experience, as have many other schools. **CH** explained that QE School have an online careers workshop, a booklet and various activities such as interviews used to provide online career guidance and education. **SW** confirmed that roundtable discussions are on-going between CEC, Gatsby and DfE to agree guidance on achieving Gatsby benchmarks through virtual encounters, they are also working closely with BBC Bitesize and Oak National Academy virtual schools. **Assessed work experience**	SW to share details on virtual encounters once this has been agreed.

	CH raised a concern regarding assessed work experience integrated within qualifications, modules, awards and grades of learning where a significant proportion of learning is in the workplace and is now being cancelled. **LR** agreed that this is a concern as there is no official guidance and asked the group to keep an eye on that topic amongst their networks and update the rest of the members if any news on that front emerges. **Gaps in provision** **JC** agreed lots of good work in collating and curating virtual resources is happening, but there are gaps identified in qualifications where work experience is applied, apprenticeships, post-16 education, particularly outside of sixth forms. FE college engagement with year 12 students has been raised among the gaps. Regarding FE colleges, **LR** agreed these are challenging times and the period outside formalised education for year 11s moving to 12 would be problematic, which is a concern across the board. Kingston Maurward College has identified their vulnerable students and as they are 16-17 year olds, their requirements for care are different from those of younger students. **Apprenticeships** **The Chair** ascertained that apprenticeships are an area of great concern both in terms of funding and delivery and asked RD for an update on the apprenticeship landscape. **RD** agreed there is a challenge around funding and currently no guarantee for a roll over, therefore providers are reliant on the apprentices staying in learning (apprentices in general should spend 20 per cent of their time in education away from the workplace, which is what most of the providers are utilising as the moment where contact hours are unavailable). Dorset and Somerset Training Provider Network have been meeting regularly to share experience and understand the guidance, where flexibility exists and how to move roles online where practical. From this work, four types of situations have emerged for apprentices: 1- **Key workers** – they are still working and may be experiencing additional or flexible workload 2- **Flexible** – they are still working in a remote or flexible setup (e.g. engineers) and their off the job training is taking place online and in some occasions overtaking some of the on-the job elements 3- **Furloughed**– they can continue with their apprenticeship, as most of them do, they cannot do any work activity that is of commercial benefit for the company but they can continue with their learning, which they have been doing where possible 4- **Laid off** – we are not seeing a great deal of this yet across the county but it is a dynamic picture. They are also recording data to try to establish the regional picture with partners. There is also concern for apprenticeships in the pipeline, while businesses manage their recovery and how many of them will maintain the apprenticeship offering in the future. **RD** has written a paper and will share with the group.	All: Any guidance on how assessed work experience will be delivered to be shared within the group. RD: Will share an update

5	**Hub Lead programme, performance update and priorities for the Hub going forward**	
5.1 5.2 5.3 5.4	**HS** gave a snapshot of the local work of CEC (Enterprise Adviser Network (EAN), and confirmed that in the context of some ECs being furloughed nationally, that all the ECs in Dorset continue their work from home. **Dorset Careers Hub schools and staff** **HS** reminded that Dorset Careers Hub is made up of 40 Schools and Colleges including SEND and PRUs and at this point of time has 6 members of staff (5 Enterprise Coordinators and 1 Hub Lead) and there are 38 Enterprise Advisors from businesses matched to schools within the hub. **Overall performance** The achievement of an average of 4 Gatsby benchmarks is the current target. Members noted that this has been reached by the end of Autumn term 2019 and an average of 5 benchmarks has recently been achieved, outperforming the wave 1 hubs – which were operating 12 months before the launch of the Dorset Careers Hub. The hub is aiming for all the schools to record their progress in Compass on term-time basis and with spring term self-assessment being due just before the lockdown, 36 returns have already been received, which is a significant achievement where schools are dealing with the challenges of closure and online delivery. The data paints a promising picture of progress. **HS** noted that where there were specific targets for Benchmarks 5 and 6, these have now been fully achieved. **HS** noted that a dip in performance is expected due to cancelled events or other activities not being delivered as planned in effect of lockdown. CEC are developing the Compass tool to be able to capture these planned but incomplete activities and establish progress lost or performance decreased in effect. **Performance at school level** As at previous meeting it was noted that it would be useful to understand what is happening with targets at a more granular level, HS presented the anonymised results at school level. This illustrated, as expected, that some of the schools are exceeding expectations while others are only achieving one or two benchmarks. **HS** also compared the Dorset Hub results with the national average on each benchmark which indicated that Dorset are above the national average on Benchmarks 1 to 7. Performance for benchmark 8 (offering personal guidance) is below the national average. **HS** explained that the CEC are unable to directly fund personal guidance as it is a statutory duty. Some schools are eligible to receive related funding from other sources but there are gaps in provision and not all schools have funding allocated to personal guidance.	

5.5	**Performance vs targets** **HS** summarised the results across the targets showing the significant progress made across all areas of monitoring in a short period of time. It was noted that currently there are two schools without a dedicated EA and the team is working to publish short videos promoting the benefits of the EA role. These will be shared across channels to showcase the role and recruit more business representatives willing to volunteer their time in support of schools.	All: share the EA promotional videos across networks
5.6	**SW** commended the fantastic achievements of the Dorset Careers Hub team and stated it was the best LEP performance across the South West. SW especially recognised HS and the team for the distance travelled over such a short period of time and the significant difference this has made in levelling up the achievement across geographies and picking up more rural and disadvantaged areas. This was an indicator of how well the team has been working together and the work of a dedicated Enterprise Coordinator for Weymouth and Portland has helped to massively improve their results.	
5.7	**RK** proposed that a short summary is shared in the future on the wider EAN and the great work that is happening with schools in the area that are currently outside of the Careers Hub. **LR** also suggested that an update is given on the work of businesses involved (EAs and Cornerstone Employers) to achieve a rounded picture of all opportunities. **HS** agreed that for the following meeting she should be able to update the group on the level at which the wider network is operating.	HS: To prepare a short update on wider EAN and EA work at the next meeting.
5.8	Since the last meeting in January, an extension to the CEC programme and its funding has been confirmed for another year until August 2021. HS reminded the group of the levels of funding available through the programme for the 2019/20 academic year, including: 1- Careers Hub central 40K fund (equivalent to £1K per hub school), 2- Weymouth & Portland hub schools 20K ring-fenced fund 3- Additional CEC funding the Careers Hub and the wider EAN. The aims of the funding have been to: ➢ Support achievement against the Gatsby Benchmarks ➢ Create collaborative projects ➢ Pilot new activities ➢ Create a legacy The funding has been divided into two streams and applications invited in January with some really strong **applications received** for: **1- Institutional projects** (for funding of £1.5K per institution or £2K for Weymouth & Portland schools) – applications were focused on: ➢ Events ➢ Careers Champions to develop careers learning across the curriculum ➢ Resources / career related materials **2- Collaborative cluster projects** (for funding of £3K per cluster or £6K for Weymouth & Portland cluster of schools) – applications	

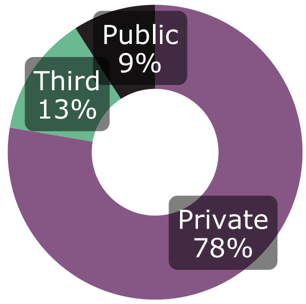
	were focused on: ➢ Collaborative events / trips ➢ Teacher / Careers Leader CPD ➢ Careers Leader mentoring ➢ Development of employer database ➢ Alumni projects ➢ Delivery of external activity The majority of the schools who applied for institutional funding have now received a grant offer letter to confirm funding and some have sent invoices for their projects to get funding released. The grant letter however stipulated that the projects should be completed by August 2020 and this was put on hold for some of the institutions. As announced early in the meeting, confirmation has been provided that funding can be rolled over and this could now be proceeded with. The cluster work has initially taken a bit more time to initial and the team have been working hard to support collaboration amongst schools. Further meetings are required to finalise joint initiatives. These had also been put on hold until the confirmation of the rollover of funds and will now be picked up and developed further.	
5.9	**Cornerstone update** Eight Cornerstone employers are actively engaging and have another meeting planned on 12 May. They have all been recently approached to confirm their interest and availability - the majority have responded they are still very much on board with the agenda and the group, despite challenges in the current landscape. At the previous meeting they have committed with supporting the recruitment of Enterprise Advisers, supporting benchmark 5 and 6 activities, contributing to the development of LMI resources, and have committed to working together on a joint project for development of parental engagement / virtual work place encounters. The May meeting will be used to reassess priorities and discuss what is realistic to achieve.	
5.10	**LMI Project** Dorset LEP are developing local Labour Market Information resources for schools and young people. There are a lot of questions regarding the usability of the data due to the fundamental change in labour market and the uncertainty of the future labour market. **MK** is leading on this project, but it is a team effort with Enterprise Coordinators advising on the content and format. The intention is to develop posters and interactive online dashboards that allow information to be accessible, relevant, easy to navigate and up-to-date with useful local information, aligned with Dorset LEP's skills plan and the local industrial strategy.	
5.11	**Current priorities** Finally, **HS** updated the group on the current priorities in supporting students, parents and schools in response to the changed circumstances. ➢ The Careers Leaders forums, Enterprise Adviser groups and cluster meetings have continued virtually and are well attended with a reasonable appetite to keep the momentum going and support	

	remote/virtual careers learning during school closure and in the coming months of recovery. ➢ A suite of online resources have been pooled and published on the Dorset LEP website - there is an ongoing effort to update and provide useful information. ➢ The team are beginning to roll out the CEC Compass+ platform which will support schools and colleges with planning and tracking activities for whole cohorts and individual learners. The aim is to identify a number of schools as champions Compass+ across Dorset. ➢ There is continued effort to recruit and involve Enterprise Advisers from businesses. ➢ A process of contingency planning for postponed events has started, which are hoped to go ahead across the 20/21 academic year. ➢ As mentioned, the LMI materials and dashboards, testing and launching those will be another priority for the coming months. ➢ Engagement and working with Cornerstone Employers and planning and organising roundtable meetings. ➢ Work on transitions. ➢ Supporting apprenticeship activity and reviewing impact of current landscape. ➢ RK, JC, DL, HS and LR have been developing a Dorset application to expand the Careers Hub. Should the application be successful, all Dorset schools currently within the EAN will be offered the opportunity to join the Careers Hub. An expression of interest has been submitted with confirmation expected by the end of May. **Conflict of interest forms** **HS** advised that the CoI forms have been slightly updated and she will be taking this to the next meeting in July.	
5.12 5.13	**AOB** **JC** – Great to see on-going engagement with cornerstone employers and the relationship developing as schools support employers in the current climate. **RD** – Pleased to see the high performance but asked if this would impact on future funding. **SW** confirmed conversations with DfE are on-going but there should be no impact on next year. **LB** – rolling out of some of the Microsoft online working products and whether this could become a working opportunity for students. **LR** proposed that **LB** takes this proposal forward with the school representatives. **FS** – ASM are still planning to host the Careers in Engineering event on 12 November 2020 – this will include sessions for parents. The event will be rescheduled if it is not feasible to deliver in November. **RD** – Amazing Apprenticeships letter has been sent directly to schools, providing information on virtual apprenticeships.	
6	**Date of next meeting**	
	Friday 10 July 2020, 10:00-11:30 at Kingston Maurward College or via Zoom (tbc).	

2020 Dorset Employer Skills Survey

DORSET Local Enterprise Partnership

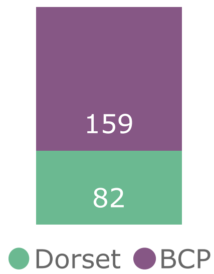
Who took part?

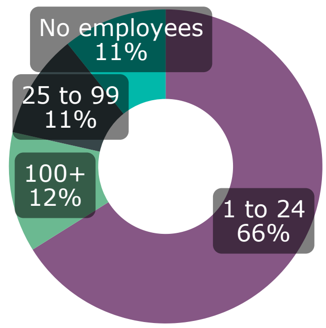


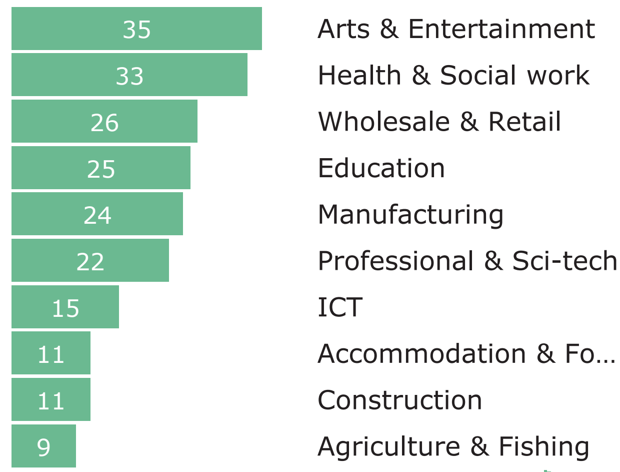
Surveyed employers by local authority, sector, industry and number of employees

242

Dorset employers

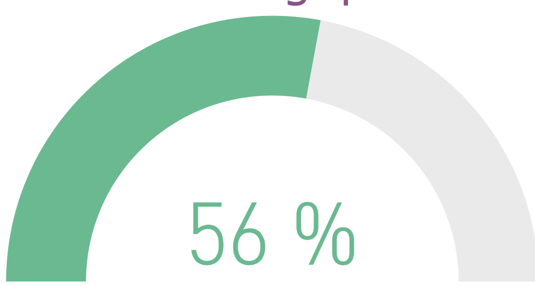




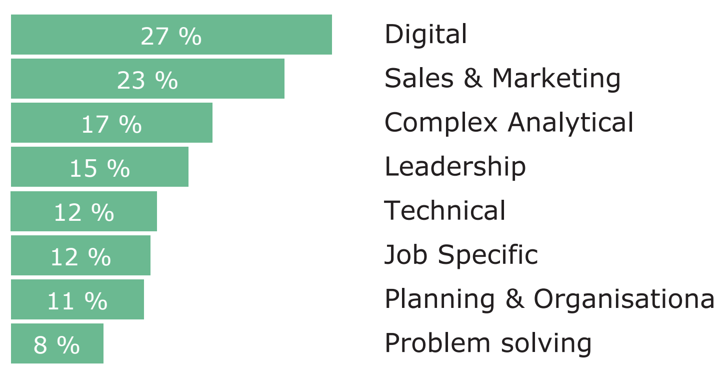


Skills Gaps

% Employers reporting 1+ skills gaps



Skills Gaps Reported

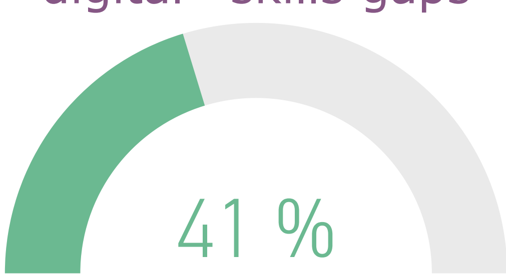


Employers reporting 2+ skills gaps

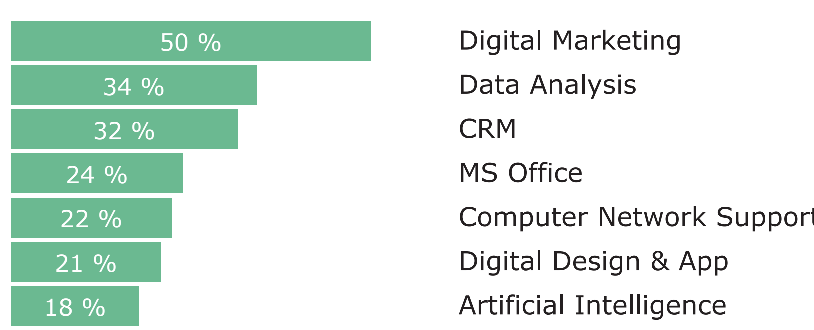
111

Digital, Technical & Analytical skills

% Employers reporting digital* skills gaps



Digital* Skills Gaps Reported**

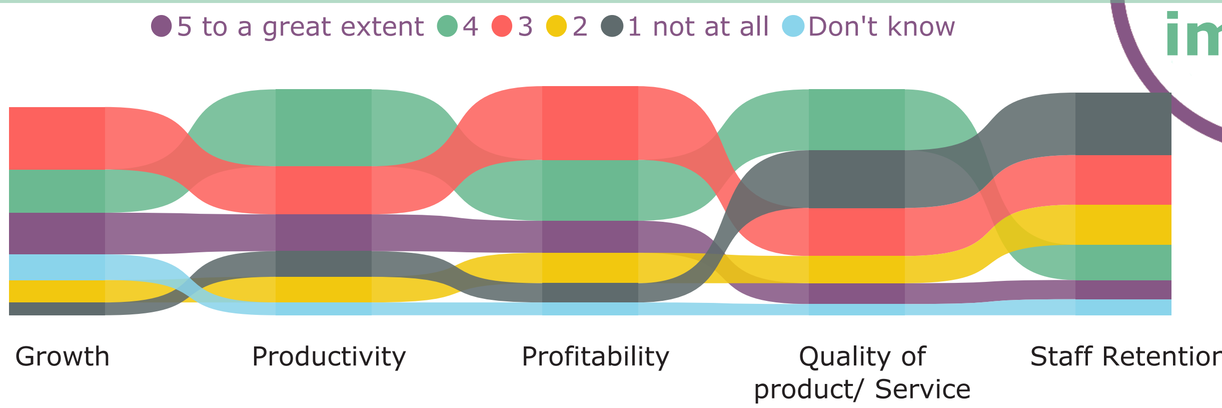


Responses weighted to the business population of Dorset. Hovering over the bars reveals subgroup differences.
Note. These differences are not found to be statistically significant and should be taken with caution.

*Digital, technical or analytical; **Percentage from employers reporting digital, technical or complex analytical skills gaps (n=109)

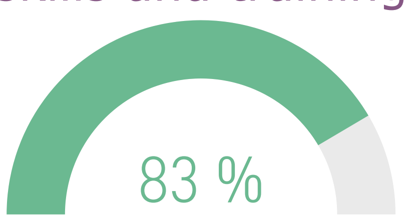
DORSET
Local Enterprise Partnership

Skills gaps impact



Employer investment in skills and training

Employers taking action on skills and training



% Currently employing Apprentice(s)

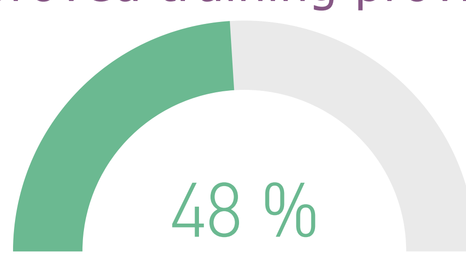
8 %

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

Action taken over the past 12 months

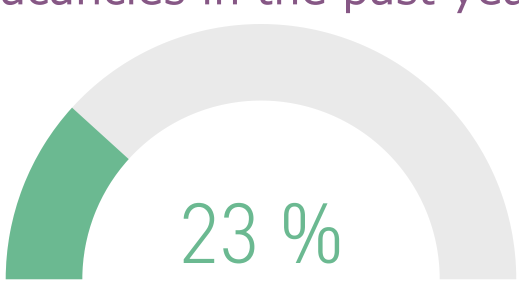
62 %	On-the-job training
37 %	Formal in-house training progr...
31 %	Outsourced training
29 %	Apprenticeship investment
25 %	Engaged with colleges
25 %	Engaged with publicly funded/ ...
14 %	Engaged with universities

% Employers who want to see improved training provision



Recruitment and retention

% Employers with hard to fill vacancies in the past year



Recruitment and retention concerns

49 %	No current concerns
17 %	Employees age profile*
16 %	The location of the business
13 %	Ability to recruit diverse workforce
10 %	Effects of Brexit
	Under-utilisation of existing skills

Responses weighted to the business population of Dorset. Access full report www.dorsetlep.co.uk/investing-in-skills
*Proportion of existing employees aged over 50 or reaching retirement age and issues replacing them

Dorset 2020
Employer Skills Survey
Report

March 2020

Contents

Executive summary

Background

This research has been conducted to understand Dorset employers' skills needs as part of the wider research informing the implementation of the Local Industrial Strategy.

Data collection took place online and via telephone interviews between 6th January and 18th February 2020, prior to the coronavirus crisis having a significant impact in the UK and therefore this topic has not been explored within the survey. In total 242 Dorset employers responded to the survey; 142 online and 100 via telephone. Responses were weighted to the population of Dorset on the basis of organisational sector and size.

Below are the particular areas of inquiry:

- The skills required by the employers in the near-term and whether these are being met e.g. do they have a skills gap
- The implications of skills gaps for business growth and productivity
- The skills required in the medium-to-long term and how these are affected by future technology-driven skills requirements
- Whether employers foresee greater automation of their processes and whether they have the skills in place to embrace increased digitalisation
- How employers currently meet their skills requirements
- How employers currently recruit, organisations they tend to engage with and level of understanding of the skills delivered by training providers
- The extent to which employers invest in apprenticeships, and their barriers to offering apprenticeships in the future

Note: This research is funded by the European Social Fund (ESF) and co-financed by the Education and Skills Funding Agency (ESFA). The survey and this report are brought to you by Serco and delivered by Winning Moves on behalf of the Dorset Local Enterprise Partnership (LEP).

Dorset LEP is a business led private and public sector partnership, promoting local economic growth and prosperity. Dorset LEP deliver projects that support and develop infrastructure, housing, skills, enterprise and business growth to achieve long-term economic benefit for all in Dorset. For more information visit the Dorset LEP website http://www.dorsetlep.co.uk/

Key Findings

Skills gaps

Over half of employers reported at least one type of skills gap across their existing workforce.

Skills gaps most commonly acknowledged by employers are digital skills, sales and marketing, complex analytical and leadership and managerial.

Aside from job-specific skills, the gaps with the biggest impact on performance and productivity were technical or practical, leadership and managerial, and sales and marketing.

Training provision

The vast majority of respondents have taken action to improve skills in the last 12 months. This was predominantly in-house/on-the-job training. The most common suggestion for improvement to training provision was around accessibility - location, funding support, and the relevance of training to small businesses.

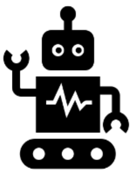
Recruitment

One quarter of employers say they have had one or more hard to fill vacancies in the last 12 months; the most common reason given for this is a lack of applicants with the right skills.

Organisations are generally focusing on free or low cost channels for recruitment.

Recruitment concerns were broadly equally related to existing employee age profiles, location, ability to recruit a diverse workforce, and the effects of Brexit.

Future skills



A third of respondents think their orgainsation's skills needs will change in the next three to five years.

Amongst this group, the most commonly anticipated needs are **digital, technical, and sales & marketing**.

While two thirds of employers who responded envisage at least some (further) automation in their workplace, a quarter felt they do not have the appropriate skills to embrace automation and digitalisation and most did not feel it will impact their existing workforce numbers or types of job roles.

Apprenticeships

Just 8% of employers who responded in Dorset currently employ an apprentice. While the majority of them say they have a good understanding of apprenticeships and their benefits, a sizeable proportion have gaps of knowledge in the apprenticeship process and sources of information.

Encouragingly, over a half would consider offering apprenticeships in the future, with the biggest barrier being the type of work they are able to offer.

Conclusions

Key conclusions from the research - structured by main research questions – are as follows:

1. **What particular skills requirements do employers currently have and are these being met e.g. do they have a skills gap?**

   This research confirms substantial training and development needs in Dorset in both the near term and medium to longer term. Over half of employers say that they currently have a skills gap, with one third reporting multiple skills gaps; especially in digital, sales / marketing, complex analytical and leadership and management skills.

2. **For employers that have skills gaps, the implications of this in terms of business growth and productivity**

   Whilst the research did not require respondents to attempt to quantify effects, of employers acknowledging at least one skills gap: 71% feel skills gaps are having a significant impact1 upon their productivity, 58% upon profitability, 53% on growth, 51% on quality and 34% on staff retention.

3. **The skills required by the business in the medium-to-long term**

   Just over a third of employers think their skills needs will change in the next three to five years creating further requirements for training. In particular employers expect to require more staff with digital, technical and sales & marketing skills, with some employers also commenting that they will require staff to become more customer focused and / or multi-skilled[2].

   The research suggests that the majority of employers do not expect much change to their required skills sets, and even those that envisage some further automation do not expect this to impact their workforce numbers / skills.

4. **How organisations are currently meeting their skills requirements.**

   The majority (83%) of employers say they have taken action in the past year to upskill existing employees. Two thirds of these have offered in-house training and a slightly lower proportion have engaged with external training providers. Issues reported by employers include the **accessibility** of training provision (reported by 33 employees), **funding for training** (reported by 22 employees) and **better preparing young people for the future of work** (reported by 20 employees). Eight respondents also commented that training needed to be more relevant to them as small businesses. Alongside this, almost half of the respondents reporting digital skills gaps said that this was due to a lack of suitable training provision.

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[1] Rating impact as 4 or 5 out of 5.
[2] Example verbatim include *"Less technical more customer focused"* and *"More multi-skilled posts"*

5. **How employers currently recruit employees, the organisations they tend to engage with and whether employers have a good understanding of the skills outputs from training providers.**

   Organisations are using a range of methods to recruit new employees - mostly free or low cost methods.

   One quarter of employers say they have had one or more hard to fill vacancies in the last 12 months and the most frequently selected reasons for this is that applicants either do not have the right skills or that applicants do not have the right attitude, motivation or personality for the job. When it comes to recruitment, engagement with relevant organisations such as recruitment agencies, training providers, schools, colleges, universities, Job Centre Plus and the National Apprenticeship Service, is relatively low, suggesting opportunity for better understanding of the skills outputs.

6. **Whether employers foresee greater automation of their processes and whether they have the skills in place to embrace increased digitalisation.**

   Two thirds of Dorset employers envisage at least some (further) automation in their workplace in the next three to five years. The vast majority of these say they have the appropriate skills to embrace automation and digitalisation within their organisation, though a quarter do not.

7. **The extent to which employers invest in apprenticeships, and what barriers are discouraging them from offering apprenticeships in the future.**

   Just 8% of Dorset employers who responded to the survey are currently employing an apprentice. However, over half said that they would consider offering an apprenticeship in the future. Many employers struggle to understand whether apprenticeships would be suitable for their own organisation and how the process works; this appeared to be the biggest barrier to offering apprenticeship opportunities.

1. Introduction

1.1. Method overview

Winning Moves, in partnership with Serco and Dorset LEP, developed a survey for Dorset employers. Employers were engaged in two main ways:

1. **An online survey,** promoted and disseminated by Serco and the Dorset LEP through a wide range of intermediary organisations such as the regional Chambers of Commerce, trade associations, and the Growth Hubs. This resulted in 142 responses.
2. A **telephone survey** of 100 Dorset LEP employers from a commercial database, conducted by Winning Moves.

This meant a total of 242 responses, which for the analysis in this report have been weighted to reflect the population of Dorset employers[3], split by sector and size band.

Responses were monitored to ensure representation of the priority sectors for Dorset LEP and the Great South West aspirations: defence/ security / financial technology (including cyber security), health / care technology, advanced manufacturing and engineering (including aerospace, composite and marine technologies), 5G ecosystem, rural businesses (including Agri-tech), creative / culture businesses (including digital, tourism, food and drink), and financial services. The survey was open to skills and training providers *as employers*.

1.2. Limitations and interpreting the findings in this report

Mode: The individuals the survey was targeting – ideally those with HR oversight - are typically time poor, especially those in smaller businesses for whom HR / skills development was often not their primary role. An online survey enabled respondents to complete the survey at a convenient time, out of typical office hours if necessary. However, one of the inevitable challenges of online is achieving a high and representative response rate, as there is less control over response numbers and profile.

Sample size: The small sample sizes for sub-groups within the 242 responses (e.g. within individual employer size, sector or geographic location groups) means there should be caution in interpreting comparisons between these sub-groups, as few of the apparent differences will be statistically significant / outside margins of error.

Timing: Data collection took place between 6th January 2020 and 18th February 2020, prior to the coronavirus crisis having a significant impact in the UK. It was not intended that the survey would explore the topic, and respondents did not mention it. The latest developments in the pandemic and lockdown have resulted in a sudden and fundamental change to the way many employers are now operating, however the responses from this survey provide valuable insights on the skills needs and challenges in Dorset.

[3] Provided by Dorset LEP

2. Respondent profile

Employers from a range of different sectors and sizes responded to the survey. To help put findings and sub-group comparisons into context, the profile of survey respondents in terms of size, sector and industry are summarised in this section.

2.1. Business size

Employers representation in terms of their employee numbers are shown in the table below. The respondent sample reflected the prevalence of SMEs in the county, but the survey also reached large employers. The proportion of large employers with over 250 employees responding to the survey was higher than their representation in the Dorset business population[4].

Table 1: Respondent profile by number of employees

Number of employees	Number of respondent organisations	Percentage of respondents (n=242)	Dorset population (n=30,255)[5]
No employees	24	10%	71%
1-4 employees	66	27%	
5-9 employees	44	18%	14%
10-24 employees	50	20%	12%
25-49 employees	21	9%	
Total 0-49 employees		**84%**	**96%**
50-99 employees	5	2%	2%
100-249 employees	9	4%	1%
250 or more employees	21	9%	<1%
Don't know	2	1%	
Total	**242**	**100%**	

2.2. Sector

Again reflecting the business population distribution, the majority of respondents were from the private sector, but the survey achieved representation of the public and third sectors.

Table 2: Respondent profile by sector

Sector	Number of respondent organisations	Percentage of respondents
Private	189	78%
Third	31	13%
Public	22	9%
Total	**242**	**100%**

[4] The benefit of this however is securing responses from a number and range of large employers which would not have happened if we were aiming for the survey population to truly reflect the Dorset employer population
[5] ONS UK Business Population Statistics 2019

The table below shows the wide range of sectors represented within the survey.

Table 3: Respondent profile by industrial sector

Sector	Number of respondents	Percentage
Agriculture, forestry and fishing	9	4%
Manufacturing	24	10%
Electricity, gas, steam and air conditioning supply	2	1%
Water supply, sewerage, waste management and remediation activities	1	<1%
Construction	11	5%
Wholesale and retail trade; repair of motor vehicles and motorcycles	26	11%
Transport and storage	4	2%
Accommodation and food services	11	5%
Information and communication	15	6%
Finance and insurance	7	3%
Real estate	6	2%
Professional, scientific and technical activities	22	9%
Administration and support services	8	3%
Public administration and defense	3	1%
Education	25	10%
Human health and social work	33	14%
Arts, entertainment, recreation and other services	35	14%
Total	**242**	**100%**

2.3. Location

The table below shows the split of responses between the Dorset geographies. For the purpose of this research the responses have been split into the two local authorities;

Table 4: Respondent profile by location

Local Authority	Nunber of respondents	Percentage of respondents
Dorset total	**82**	**34%**
BCP and other total	**159**	**65%**
Unknown	1	<1%

3. Skills gaps

This section summarises the current skills gaps reported by employers and the implications for the organisational performance and productivity.

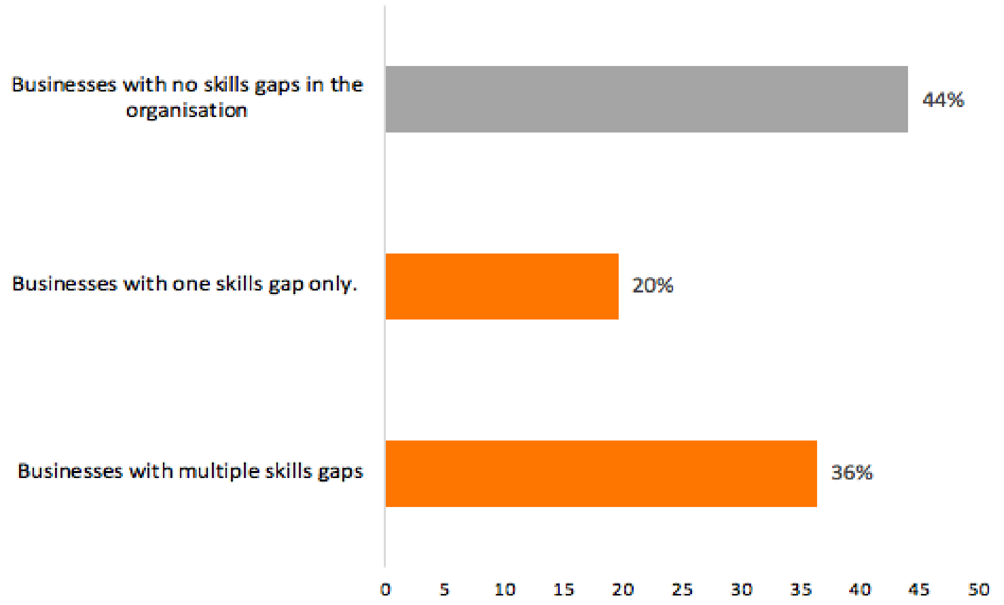
Respondents were provided with the following 'skills gap' definition for the purpose of this research: "skills that your organisation needs, but either does not have at all, or at the right level to meet your goals."

In summary, over half of employers report at least one type of skill gap within their workforce with one third reporting multiple skills gaps. Skills gaps most frequently cited were digital skills, sales and marketing, complex analytical, and leadership and managerial. Respondents who reported skills gaps in the areas of digital and technical skills reported particular gaps in a range of specific digital skills - digital marketing, data analysis and CRM.
In terms of the implications for the organisational performance and productivity, the skills gaps appearing to have the biggest impact are job specific, technical or practical, leadership and managerial, and sales and marketing.

3.1. Current skills gaps

When asked if they had any skills gaps in their existing workforce, over half (56%) of responding employers reported they have at least one skills gap. Roughly 1 in 5 (20%) report one skills gap and a further 1 in 3 (36%) report multiple skill gaps.

Figure 1 Proportion of employers reporting skills gaps



The figure below shows the percentage of employers reporting each skills gap type prompted by the survey.

Figure 2: Skills gaps reported by employers (n=242, N=34,066)

Examining the profile of employers reporting a skills gap shows no particular sizable differences by location or employer size. There were differences by sector with employers in the professional, scientific and technical services and administration and support services being most likely to report a skills gap. Employers in the construction, wholesale and retail, and real estate were least likely to report a skills gap.

The skills gap most frequently selected by respondents were digital skills, with over a quarter of respondents reporting digital skills gap. This is closely followed by sales and marketing skills and complex analytical skills.

Among the respondents who reported 'job specific' skills gaps (n=43), most responses fell into one of the following categories:

- **Engineering** (11 of 43 respondents)– a wide range of areas such as such *"systems engineering"*, *"technical engineering"*, and the manufacture of motor vehicles.
- **Health and social care** (9 of 43 respondents)– respondents cited skills gaps relating to job roles I demand; care assistants, physiotherapists, and counsellors for adults and children
- **Finance** (6 of 43 respondents)– accountancy, tax, financial management and planning
- **Construction** (4 of 43 respondents)– gaps in trades; plumbing, electrical, carpentry.
- **Fundraising** (3 of 43 respondents)– this was cited by organisations in the third sector
- **Legal skills** (2 of 43 respondents)

Analysis was conducted to explore differences in the profile of organisations identifying specific skills gaps.
Many of the skills gaps (digital, sales and marketing, leadership and managerial, technical and practical, team working, customer service, verbal and written communication, job specific and numeracy) were cited across all business profiles.

However, there were skills gaps reported predominantly within certain business sectors:

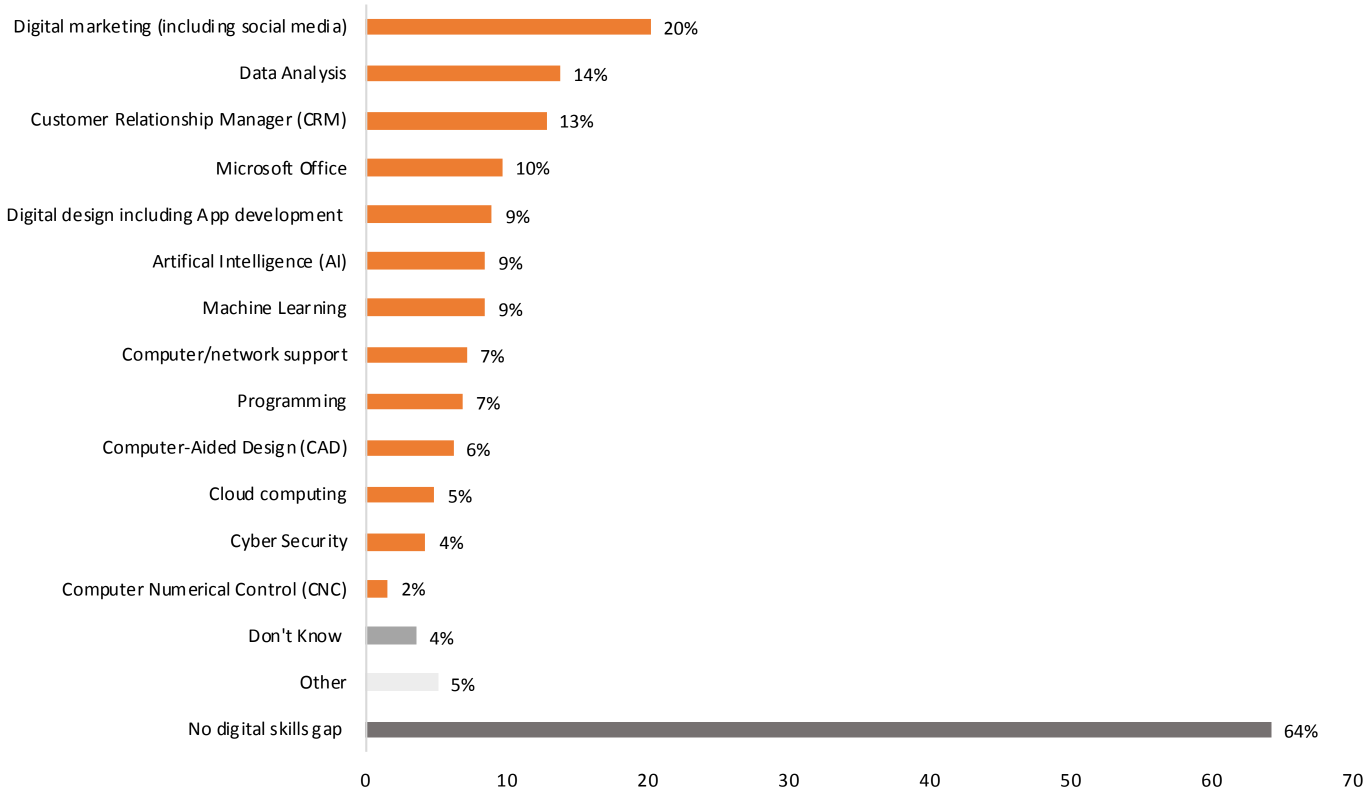
Table 5: Skills gaps within specific sectors

Skills gap	Sectors reporting this skills gap
Complex analytical	Finance and insurance, arts and entertainment, ICT, manufacturing, professional, scientific and technical services.
Planning or organisational	Manufacturing, arts, entertainment and recreational services and ICT.
Problem solving	Manufacturing and finance / insurance sectors.

3.2. Digital skills

Among those employers who reported skills gaps in the areas of digital, technical and complex analytical skills below is a breakdown of sub-categories of these skills that they felt were lacking in their organisation.

Figure 3: Types of digital skills gaps in current workforce (n=242, N=34,066)



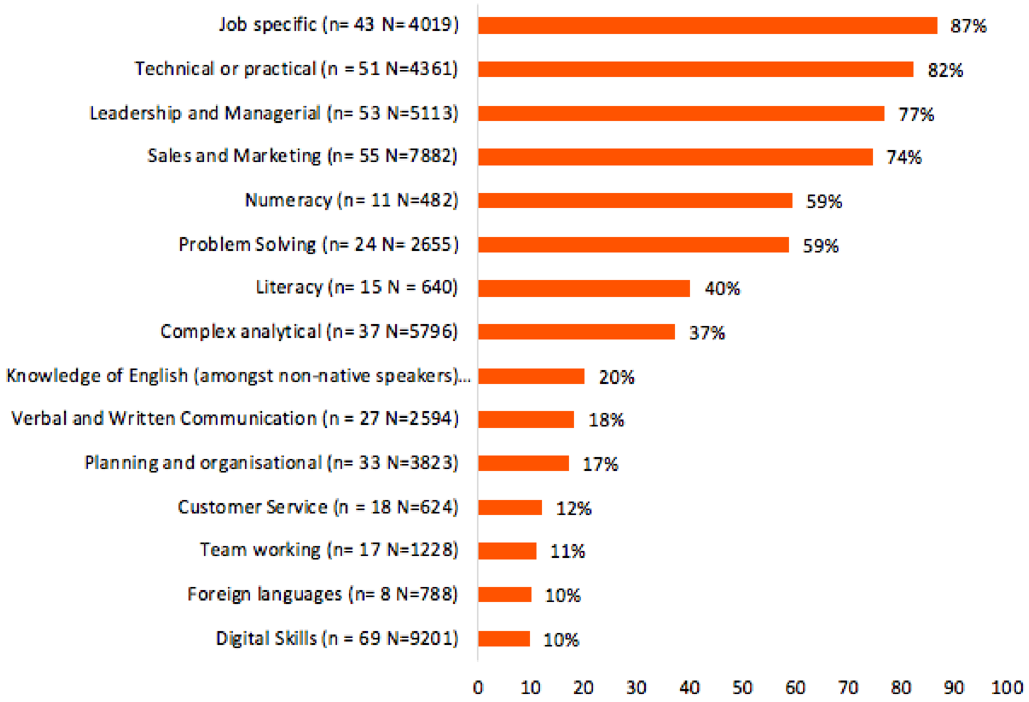
The digital skill most frequently selected as lacking was digital marketing, followed by data analysis and CRM. Analysis did not find significant differences between those selecting these types of digital skills and those that did not.

Of the respondents that selected 'other' digital skills gaps, only two specified. One cited "*blended learning technologies*", the other felt that they lacked knowledge regarding GDPR rules for digital marketing.

3.3. Implications for business

Respondents that reported skills gaps were asked to choose those that they felt were having the biggest impact on their performance and productivity (up to three). The figure below shows, for each skills gap reported, the proportion of the employers reporting it who then selected it as one of those having the biggest impact. For example, out of the respondents that selected 'job specific skills' as a gap, 87% reported it to be one of the top three gaps impacting on their organisation's performance.

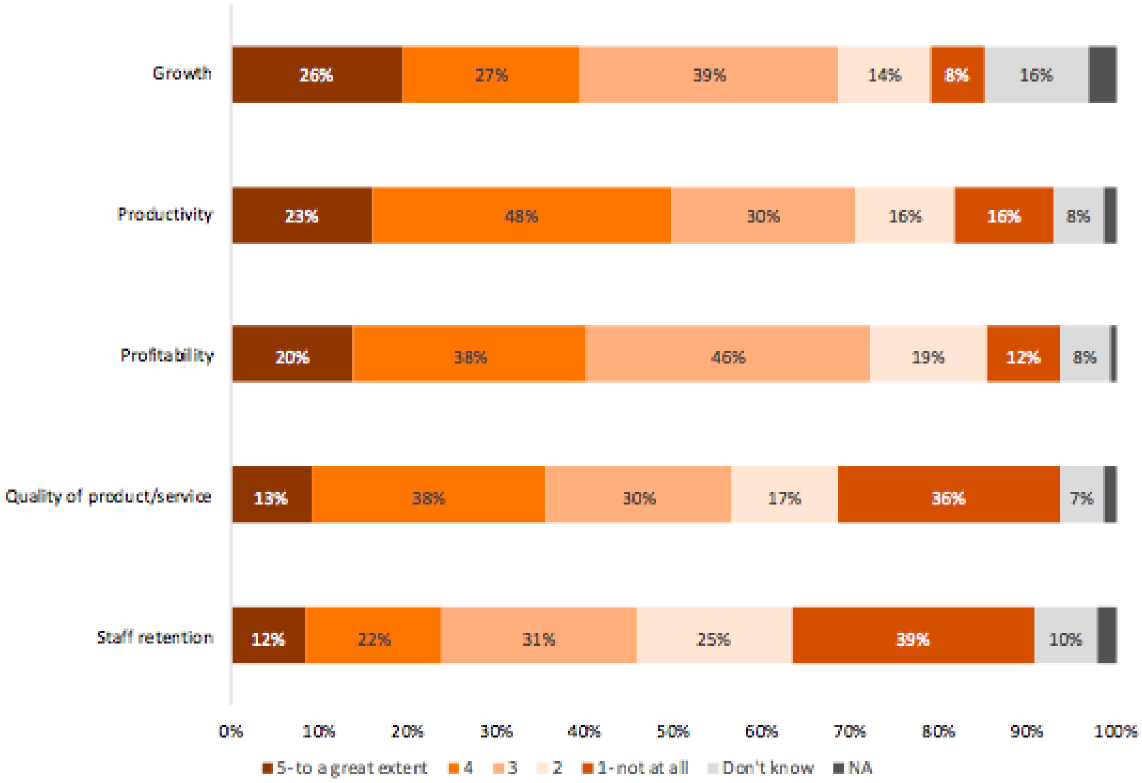
Figure 4: Skills gaps with the biggest impact on performance / productivity of the organisation



All respondents reporting at least one skills gap were asked to rate (on a scale of one to five) the extent to which the gap(s) are having impact on five Key Performance Indicators (KPIs). Results are shown in the figure below.

The figure below shows that skills gaps are seen most commonly as having impact on growth, productivity, and profitability.

Figure 5: Employers views on the extent of which skills gaps are impacting on KPIs (n=158, N=19,054)



In terms of specific types of skills gaps impacting upon specific KPIs, sample sizes are too small to identify statistically significant correlations, but anecdotally there does seem to be some association between respondents reporting leadership / managerial and sales / marketing skills gaps, and reporting substantial impacts on growth and productivity KPIs.

3.4. Reasons behind skills gaps

Respondents reporting skills gaps were asked to choose the underlying reasons:

Table 6: Reasons for specific skills gaps

Skills gap	Most prevalent reasons for skills gaps (% of those citing each skills gap)
Digital (n=39)	Lack of appropriate training courses (46%) Insufficient training budget (36%) Low number of applicants with the required skills/ qualifications (28%) Training provision is not easily accessible (13%) Organisation does not have a workforce development plan (13%) Inflexible times/durations of training or courses (10%) Staff are not seeking to upskill (10%) My organisation is not prepared/able to release staff (5%) Lack of work readiness and knowledge (5%) Poor careers advice aligned to the sector (5%) Staff judged not capable of progression (3%)
Leadership and management (n=33)	Insufficient training budget (52%) Low number of applicants with the required skills/ qualifications (46%) Lack of appropriate training courses (27%) My organisation does not have a workforce development plan (24%) Training provision is not easily accessible (15%) My organisation is not prepared/able to release staff (15%) Staff are not seeking to upskill (15%) Inflexible times/durations of training or courses (9%) Staff judged not capable of progression (9%) Limited career progression prospects/mostly temporary staff (9%) Lack of work readiness and knowledge (9%) Poor careers advice aligned to the sector(3%)
Sales and marketing(n=38)	Low number of applicants with the required skills/ qualifications (37%) Insufficient training budget (34%) Lack of appropriate training courses (18%) Lack of work readiness and knowledge (16%) Staff are not seeking to upskill (13%) My organisation does not have a workforce development plan (11%) Inflexible times/durations of training or courses (8%) Training provision is not easily accessible (5%) My organisation is not prepared/able to release staff (3%) Staff judged not capable of progression (3%) Limited career progression prospects/mostly temporary staff (3%)
Technical or practical (n=30)	Low number of applicants with the required skills and qualifications (63%) Lack of appropriate training courses (23%) Insufficient training budget (17%) Lack of work readiness and knowledge (13%) Training provision is not easily accessible (10%) Staff are not seeking to upskill (10%) Inflexible times/durations of training or courses (7%) Poor careers advice aligned to the sector (6%) My organisation does not have a workforce development plan (3%) Limited career progression prospects/mostly temporary staff (3%)

Job specific skills (n=34)	Low number of applicants with the required skills and qualifications (47%) Lack of appropriate training courses (27%) Poor careers advice aligned to the sector (26%) Lack of work readiness and knowledge (24%) Training provision is not easily accessible (21%) Insufficient training budget (15%) Inflexible times/durations of training or courses (12%) My organisation is not prepared/able to release staff (9%) Staff are not seeking to upskill (6%) My organisation does not have a workforce development plan (6%) Difficulty accessing skilled migrants (3%)

Insufficient training budget and / or low number of applicants appear to be the main reasons behind skills gaps. However, almost half of employers (46%) that cited a gap in digital skills felt that this was because there was a lack of appropriate training courses.

4. Training provision

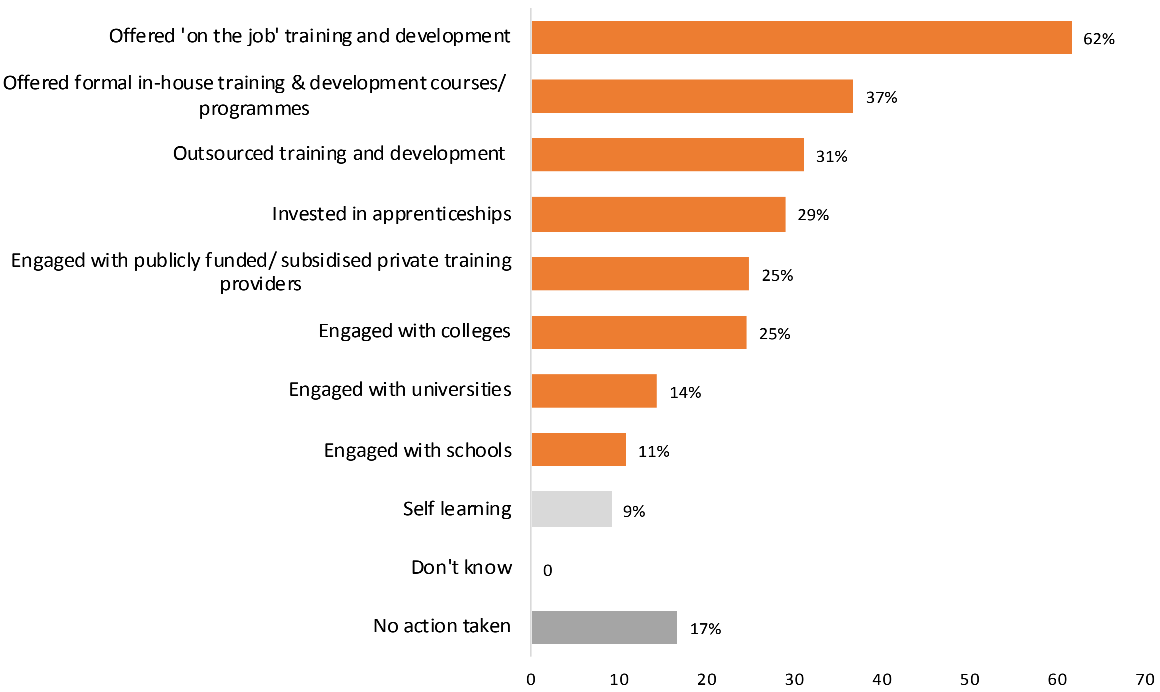
This section explores the actions responding employers have taken in the last 12 months to improve the skills of their existing employees, in particular their engagement with external training providers. It also summarises employers' views on improvements they would like to see to training provision in Dorset.

The vast majority (83%) of employers say they have taken action to upskill existing employees in the last 12 months. Two thirds of them have offered in-house training and a slightly lower proportion have engaged with external training providers.
The majority (82%) say they are likely to take action to upskill their employees in the future. The main improvements to training provision in Dorset that employers would like to see relate to accessibility (location of training provision), funding towards the cost of training and more relevance of content to small businesses.

4.1. Actions taken in the last 12 months

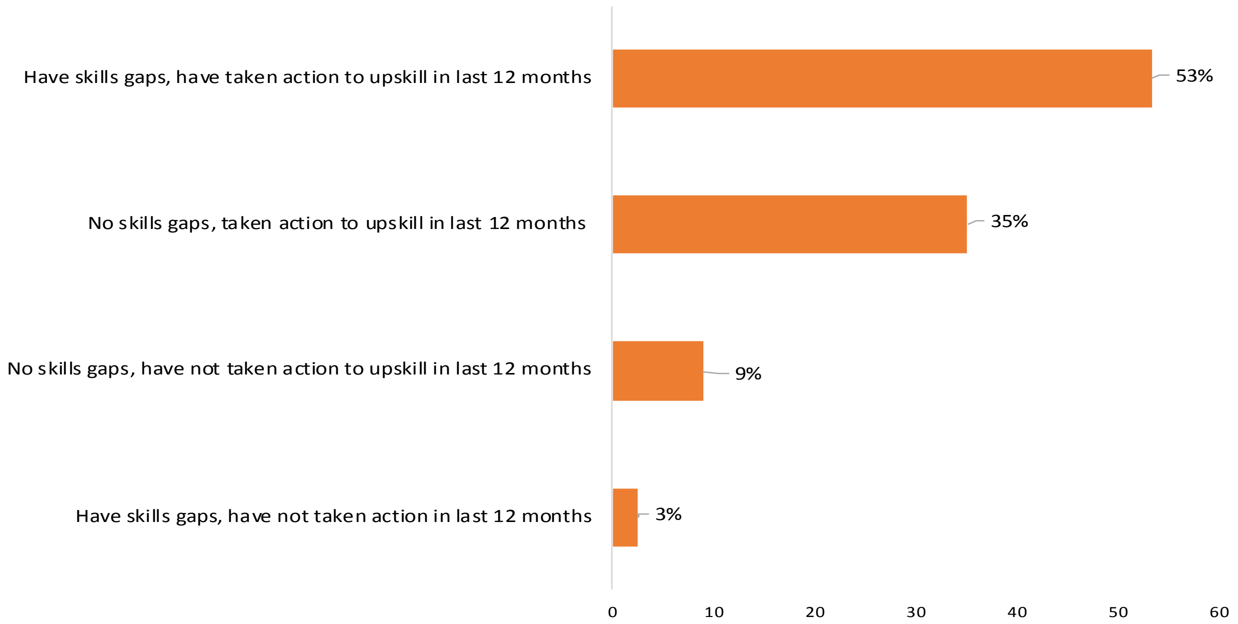
The majority of employers (83%) report having taken action to improve the skills of existing employees in the past 12 months. 1 in 5 employers reported having taken five or more of the prompted actions.

Figure 6: Actions taken to increase skills in existing workforce (n=242 N=34,066)



Analysis indicates that the group not taking any action are likely to be smaller employers with nine or fewer employees.
The figure below compares employers that say they do or do not have skills gaps with whether they have taken action to address skills gaps in the last 12 months. The majority of employers with skills gaps have taken action in the last 12 months, with just a small proportion of the respondents (3%) having a skills gap but that have not taken action

Figure 7 Reported skills gaps/ actions taken (n=242, N=34,066)



In-house training

Two thirds (67%) of employers reported that they have offered some form of in-house training in the past 12 months. Of all respondents, 62% that say they have offered on the job and 37% formal in-house training courses / programmes.

External training

59% of employers say they have engaged with one or more training providers/ external training. The most common type of external training accessed is outsourcing training to an external provider who manages and delivers training on behalf of the employer[6]. This type of training is used by 31% of all employers. 29% of all employers say they have offered apprenticeships in the last year and a quarter (25%) engaged with colleges or private training providers.

Of the employers that identified a skills gap, two thirds of (68%) are engaging in external training.

Other training

For those who selected 'other' training (9% of employers in total), responses related to Continuous Professional Development. Two respondents mentioned this term specifically and other respondents described the activity as a form of independent learning – via online courses, books or videos. These respondents were all sole-traders or a partnership organisation with no other employees.

Reasons for not taking action

17% of employers said that they have not taken any action to reskill / upskill their workforce in the last 12 months. Out of this group, about a third (31%) reported one or more skills gaps. Those not taking any action were asked why not; the following themes emerged from their responses:

- The respondent worked on their own or in a micro business with longstanding / well-defined tasks and as such they felt that up-skilling was not necessary or relevant to them; *"I don't think it is really required because it is just the two of us and we have what we need really."* One such respondent did go on to say that they had just taken on their first member of staff and was not sure where to start with regards to training provision.
- They don't see their issues as a 'training need'. Rather than engaging in training existing employees through traditional training courses, they have sought business advice / support through a business support provider, independent consultancy or through family and friends. For example, one respondent commented *"I am not aware of how to expand my business on my own."*

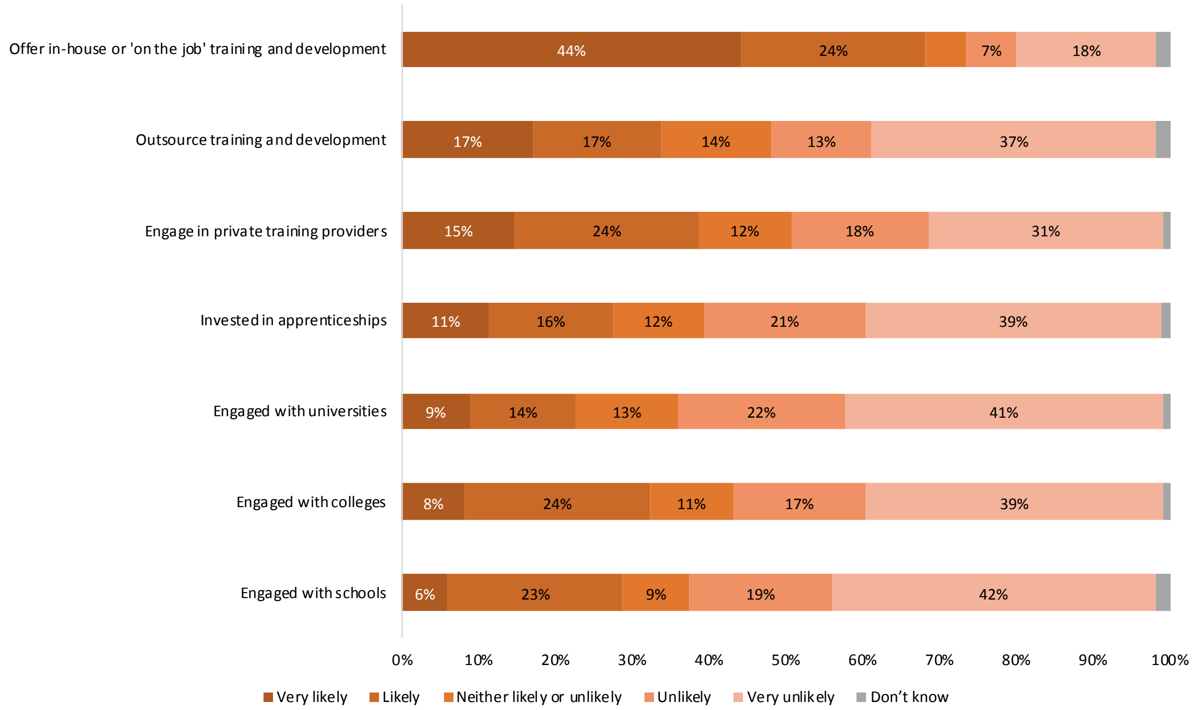
  Looking across their responses, it appears that these organisations felt they had skills gaps in leadership and management and / or sales and marketing.

[6] The proportion of employers reporting that they have outsourced training to an external provider is higher than anticipated – it is possible that respondents interpreted the definition of 'outsourcing' as an outside organisation delivering tailored training for an organisation, rather than outsourcing the whole training and development function which is typically only undertaken by large organisations, which was what was meant by the term used in the survey.

4.2. Likelihood of future engagement with training providers

The majority of employers (82%) said they would be likely to take one or more actions in the future to upskill their existing staff. The data did not highlight any clear correlations between organisation profile and the types of training they are likely to engage with.

Figure 8: Likelihood of employers taking action to upskill employees in the future (n=242, N=34,063)



Looking across responses, employers tended to expect to take in future the same type of action that they had taken previously.

Therefore, employers say that they are most likely to offer in-house or on the job training, with two thirds of employers (68%) saying they are likely or very likely to do this. This is followed by two fifths of employers (39%) saying they are likely or very likely to engage with private training providers and 1 in 3 employers (34%) saying they are likely or very likely to outsource their training and development.

4.3. Improvements to training provision

Just under half of respondents (48%) felt the local training provision in Dorset could be improved. A number of themes emerged from their comments that are set out below, ordered by frequency:

1. **Improved accessibility and relevance,** though needs and preferences vary. A few respondents specifically commented that training should be more 'local' rather than focused in the main towns of the county. A higher proportion of Dorset respondents (compared to BCP respondents) cited accessibility as an issue, suggesting that this is more of an issue for rural businesses. Some sector-specific training (e.g. for the creative and digital sectors) tends to be in London, increasing costs and limiting accessibility (cited by 33 of 120 respondents)
2. **Funding for training;** as well as a desire for more subsidised training, some respondents felt there was a need for clearer information about external funding for training, one respondent commenting that it would be useful to talk to and gain advice from an impartial individual / organisation. The need for funding was cited by all types of employers, but in particular those in the care, early years, and voluntary / community[7] sectors (cited by 22 of 120 respondents)
3. More focus in education and training on **preparing young people** for work; *"working in complex environments"* and "workplace attitude" were specifics suggested by respondents. One respondent also felt young people should be choosing a career path based on experience and exposure to a wide range of industries (cited by 20 of 120 respondents)
4. **Improved visibility and information** of training available in the county. One respondent mentioned it would be useful to have a county-wide training directory detailing all the courses available. Another felt it was difficult to assess the quality and credibility of some (particularly smaller) training providers (cited by 11 of 120 respondents).
5. **Relevance to small businesses**; 'Dorset Business Bites' was cited as an example of training relevant and of value to small businesses. However respondents did not provide an indication of why they feel training is not relevant to smaller businesses (cited by 8 of 120 respondents).
6. **Improving apprenticeships;** specific suggestions were to enable apprentices to go 'on loan' to other industries to gain wider experience, and removing the Apprenticeship Levy (instead offering tax relief to employers to train school leavers). Comments regarding improvements to apprenticeships were generally made by those in the manufacturing and engineering sectors (cited by 7 of 120 respondents).
7. **Greater opportunities for older people** (25+) to retrain in in-demand skills (other than apprenticeships, which "can feel like a backwards step for individuals of this age") (cited by 4 of 120 respondents)

[7] Several representatives of this sector also commented on training not being suitable for the sector i.e. often focusing on / being couched in terms of a business' financial performance, not the primary goal for the sector.

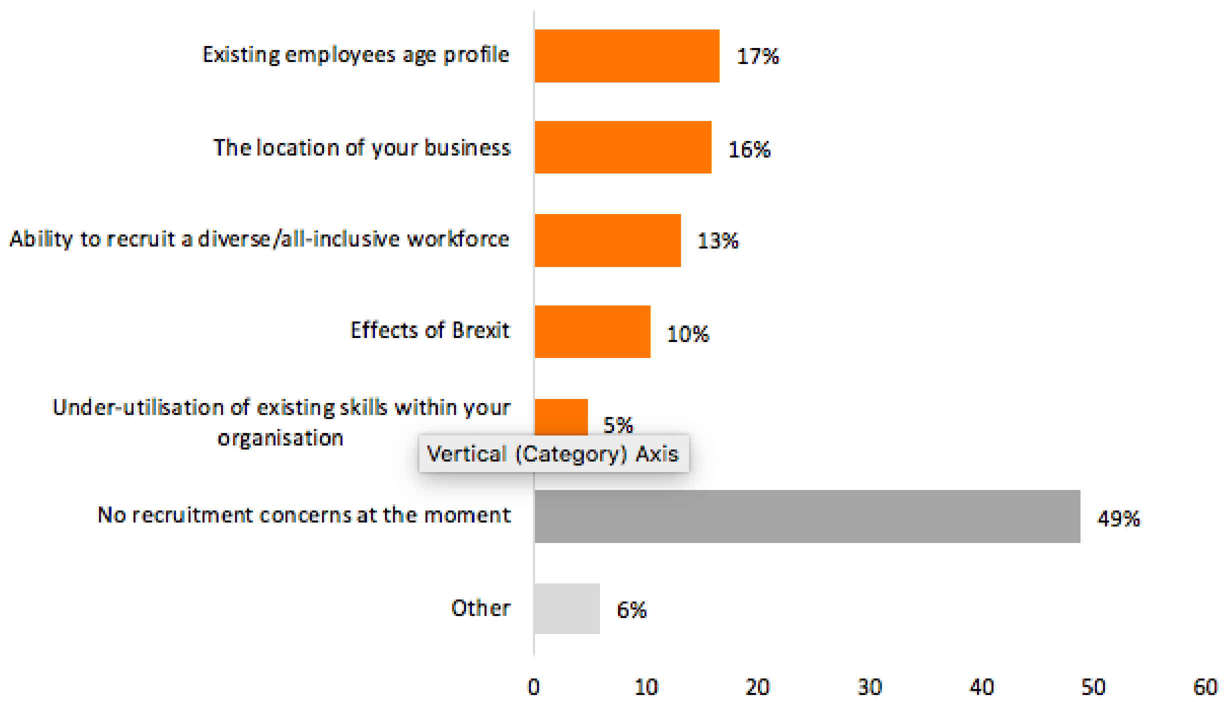
5. Recruitment

This section outlines employer concerns regarding recruitment, hard-to-fill vacancies, and recruitment methods.
The potential concerns prompted by the survey were selected by relatively equal proportions of employers and included the age profile of their existing employees, the location of their business, the ability to recruit a diverse workforce and the effects of Brexit.
One quarter of employers had at least one hard-to-fill vacancy in the past 12 months with the most frequently selected issue being the applicants' skills, attitude, or motivation.
Organisations are using a range of methods to recruit, perhaps unsurprisingly focused mainly on free or low cost channels.

5.1. Key concerns

Respondents were provided with a list of potential recruitment concerns and asked to select those that are of particular concern at the moment to their recruitment and retention of employees. Around half of employers (51%) selected at least one of the listed concerns.

Figure 9 Concerns about recruitment selected by employers (n=242, N=34,066)



Broadly similar proportions selected the different concerns listed, though fewer respondents felt under-utilisation of existing skills was a concern. Respondents selecting 'other' were asked to specify and their concerns included:

- The difficulty in finding employees for:
  - Seasonal employees
  - Work on the lower end of the pay scale

  - Work in industries with *perceived* poor reputation and career prospects; as one respondent in the care sector put it, *"the reputation of the industry puts people off, linked with unsociable hours and a perception that it is a dead end career."*
- Inability to retain apprentices after completion of their training, as they are often in great demand, as one engineering respondent describes, *"training a workforce for another employer's benefit"*.

Where any concerns about recruitment were selected, respondents were asked to elaborate. Responses are summarised in the following sub-sections.

Aging workforce

17% of all respondents cited an aging workforce as a recruitment concern. Within this group there is disproportionately high representation of employers from sectors with a lot of manual roles - agriculture, forestry and fishing sector, human health and social work and manufacturing sectors. This concern does not appear to be more prevalent amongst particular geographic areas or employers of a particular size.

Respondents were asked to elaborate their concerns relating to an aging workforce and their responses fell into one of the following scenarios:

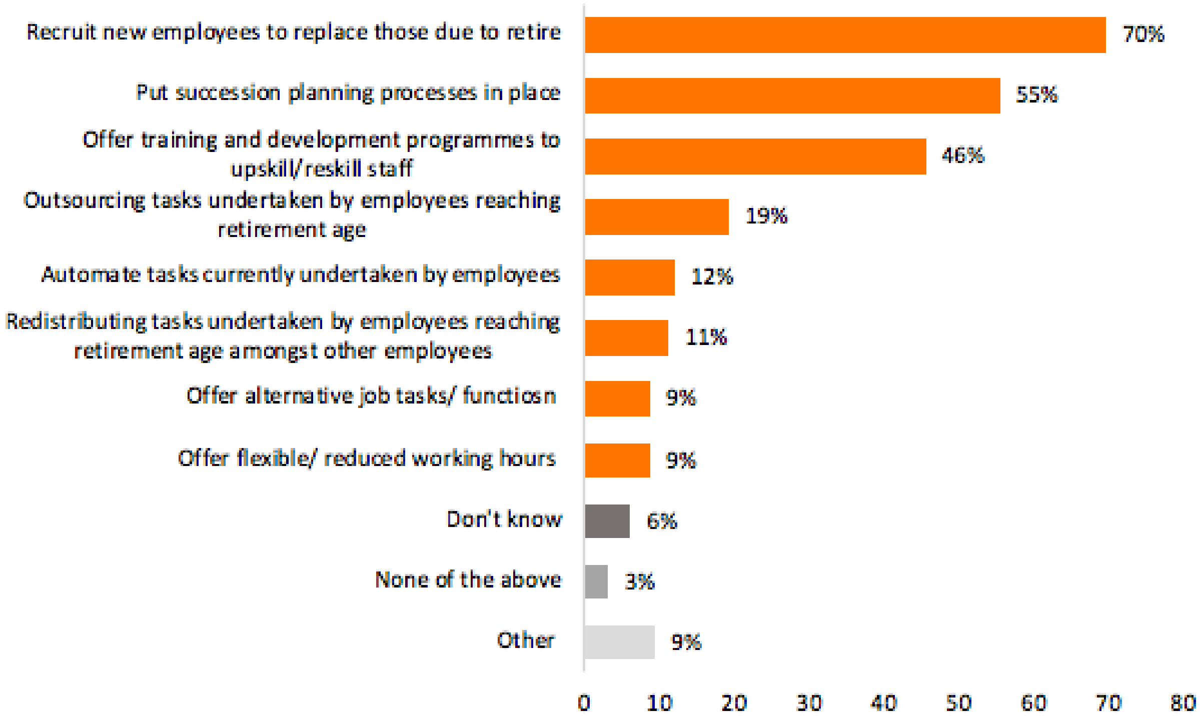
- Losing valuable skills that existing older employees have that may be difficult to replace (cited by 20 of 54)
- Older employees not having the right mix of skills. Particular problem areas include IT literacy / digital skills and the physical aspects of some roles in sectors such as construction, manufacturing and care. (cited by 19 of 54)
- Perceptions that younger people coming through the school education system are not well educated or have the right attitude / career mentality, and are therefore not suitable to replace existing employees that are due to retire. (cited by 16 of 54)
- Small businesses where the owners/ managers are close to retirement age, and have not yet considered succession planning. (cited by 6 of 54)
- Older employees choosing not to retire, which reduces the need to recruit new staff and create opportunities for younger employees (cited by 2 of 54)

Employers selecting an aging workforce as a concern were asked what they were planning to do in response. The response most frequently selected by was 'recruit new employees to replace those due to retire' (selected by two thirds of the subgroup (n=54). The next most frequently selected response was putting 'succession planning process in place' and 'offer training and development programmes to upskill / reskill staff' with about half of respondents in the subgroup.

Fewer employers say they will offer flexible or reduced working hours, redistribute tasks undertaken by employees reaching retirement age amongst other employees, offer alternative tasks / functions, outsource or automate tasks currently undertaken by employees reaching retirement age.

Responses are shown in the figure below and percentages are based on the subgroup of those respondents that selected aging workforce as a concern.

Figure 10 Concerns about recruitment (n=54, N=5,656)



Two respondents commented that they will either have to scale down their business or close it entirely. One further respondent commented they will look into apprenticeships and one respondent said they will look into automation.

Organisation's location

There were no particular characteristics in terms of organisational profiles more likely to be selecting this. Concerns raised by a small number of employers related to:

- The ability of locally based businesses to compete with London and other major cities in terms of what is on offer (cited by five respondents).
- The "*wide geographic spread of the county*" and "*poor public transport*" meaning that "*employees usually require their own transport*" to commute (cited by 13 employers – both in Dorset and BCP areas.)
- Dorset being an expensive area to live, which puts people off from moving to the county to work (cited by three employers).

Under-utilisation of existing skills

A disproportionate number of large businesses selected this recruitment concern (20% of employers with more than 250 employees compared to 3% of those with less than 250 employees). Some respondents were quite clear about how and why they were underutilising existing skills; for example, one respondent explained they recently lost an employee to another organisation that offered a higher salary as they were able to better utilise that employee's skill set.

Comments made by several respondents imply that they do not know whether or how they are underutilising skills, but recognise they could potentially be missing out on opportunities.

Diverse / all-inclusive workforce

This concern also appears to be more prevalent amongst larger employers (who may be more likely to have an equal opportunities policy in place), and three employers in the manufacturing and ICT sectors specifically mentioned concerns around recruiting women.

Most respondents selecting this concern explained they do not feel they are able to secure a diverse workforce due to lack of applications from particular demographic groups. For example, respondents mentioned:

- Issues attracting female employees in some sectors (cited by manufacturing, engineering and ICT respondents specifically).
- The population of Dorset not being very ethnically diverse and this tending to be reflected in the applicant / candidate pool.
- A lack of applicants with a disability applying for jobs.

One respondent also suggested that their recruitment approaches could probably be improved to help recruit a more diverse workforce.

Effects of Brexit

Employers feeling the effects of Brexit were a concern come from a range of sectors.

Large employers were more likely to cite this concern than smaller employers, as were employers based in the BCP area compared with the Dorset area.

Key areas of Brexit related recruitment concerns are listed below.

- Existing European employees who have already relocated or are planning to do so. One employer commented they have set up an office in Spain in order to retain an employee who has relocated. Others raised concerns on replacing these employees - particularly respondents from the care, hospitality and construction sectors. (cited by 21 employers of the 42 who selected Brexit as a recruitment concern).

- A significant proportion of employees in the hospitality industry coming from Europe, so potentially insufficient numbers of candidates from the continent. (cited by 19 employers of the of 42 who selected Brexit as a recruitment concern)
- Uncertainty affecting the overall performance of the business, which may have an impact on the number of employees they require. (cited by 12 employers of 42 who selected Brexit as a recruitment concern)

5.2. Hard-to-fill vacancies

Almost a quarter (23%) of responding employers report having had one or more hard-to-fill vacancies in the previous 12 months.
Among this group, the most prevalent concerns were the effects of Brexit and the location of their organisation. No significant differences were identified between the profiles of organisations reporting hard to fill vacancies.

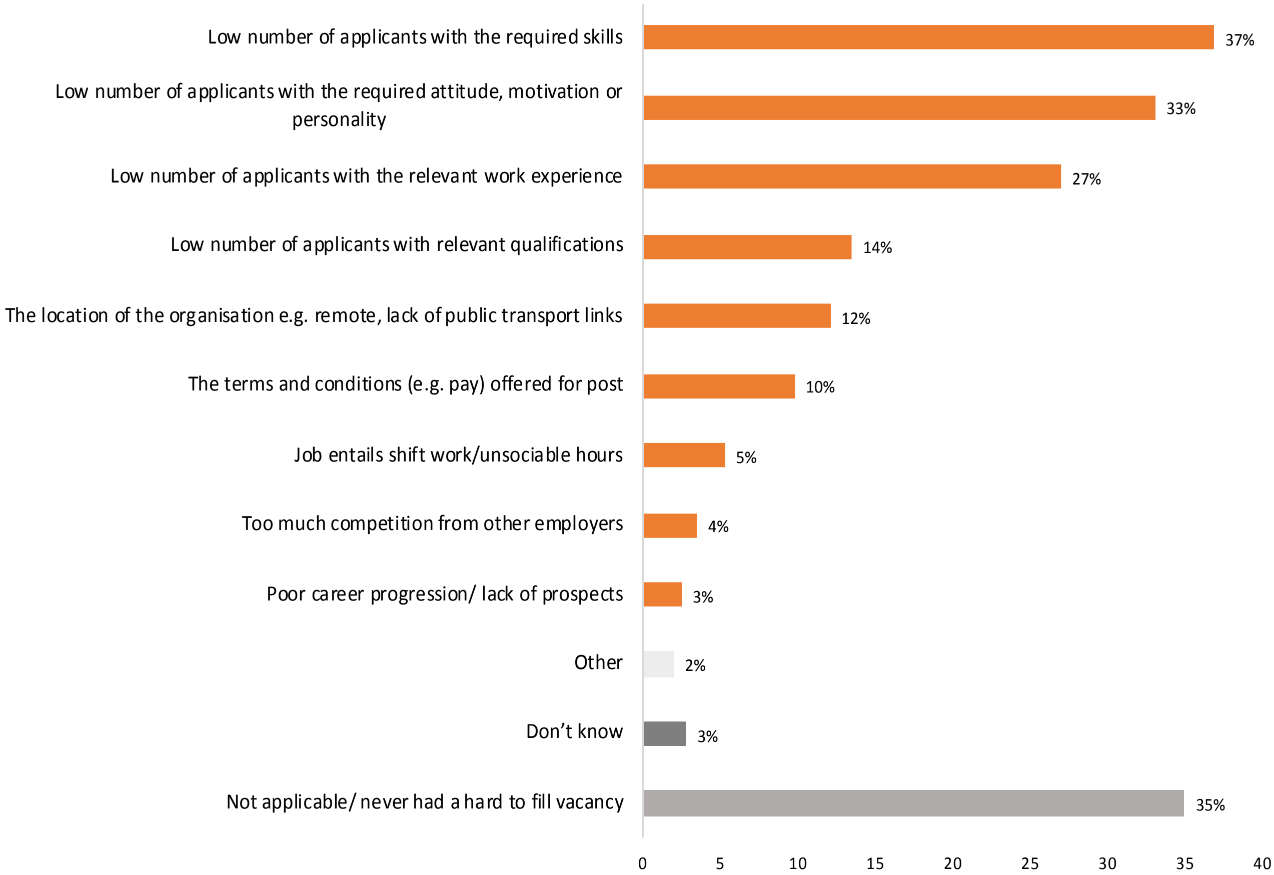
In terms of specific job roles, the following were specified as hard to fill in the past 12 months:

- Roles within the human health and social care sector such as youth workers, social workers, relationship counsellors, well-being coaches. (cited by 11 of 103)
- Carers and care home managers, employers say they require care staff to cover both day and night shifts and also require individuals with their own transport to travel around the county as part of the role (cited by 10 of 103)
- Chefs and hospitality roles such as waiting and front-of-house staff (cited by 12 of 103)
- Digital marketing managers (cited by 4 of 103)
- Sales and marketing roles e.g. business development managers, account managers, PR (cited by 21 of 103)
- Legal roles (cited by 3 of 103)
- Accounting / finance roles (cited by 4 of 103)
- Software engineers (cited by 8 of 103)
- Systems engineers (cited by 6 of 103)
- Manufacturing / engineering roles such as blade sharpeners. (cited by 25 of 103)
- Cleaning and housekeeping staff (cited by 6 of 103)

Causes of hard to fill vacancies

A low number of applicants with the required skills, attitudes, motivation and personality were the most commonly selected causes of hard-to-fill vacancies, reported by over a third of employers.

Figure 11: Typical causes of hard to fill vacancies (n=242, N=34,066)



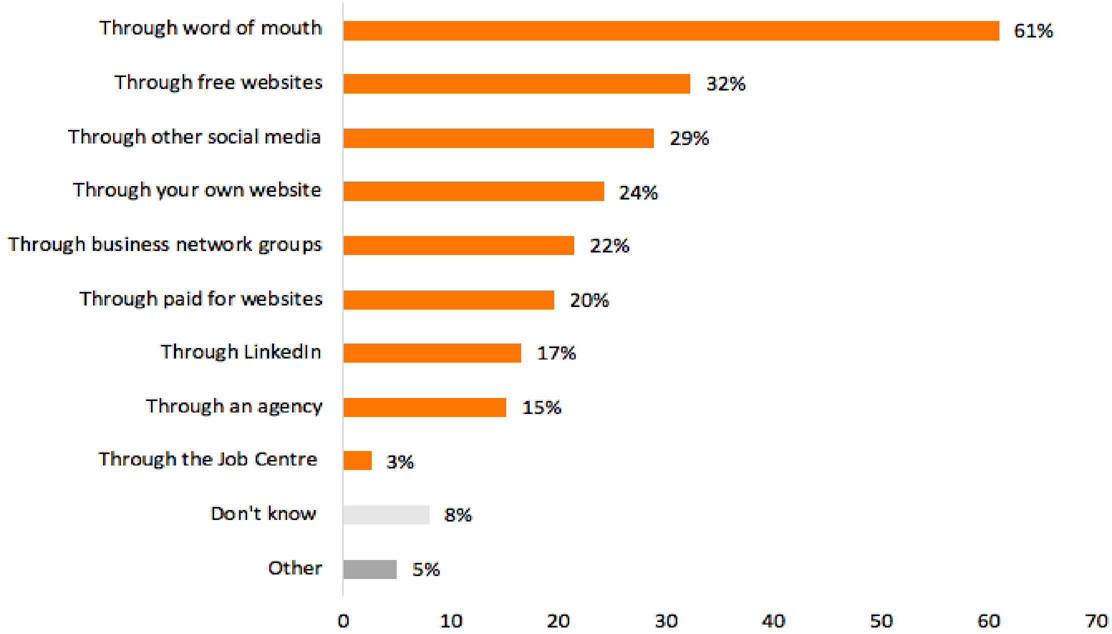
5.3. Recruitment approach

Organisations reported using a range of approaches to recruit, particularly free or low cost methods such as word of mouth, free websites, social media, their own website or networking.

Where respondents selected 'other' recruitment approaches, these included:

- Recruiting internally from within their own organisation
- Using sector / trade specific forums and websites
- Colleges

Figure 12: Recruitment approaches used by employers (n=242, N=34,066)



Just under half of employers (44%) had engaged with one or more local organisations in their recruitment, including agencies, colleges, private training providers. 'Other' organisations used included the local authority, the local radio station and Indeed.

Figure 13: Organisations engaged to recruit new employees (n=242, N=34,066)

6. Future skills

This section summarises the skill needs employers envisage for the next three to five years, their projections for automation and digitalisation developments, and the extent to which they feel they have the skills in place to embrace this.
Over a third of employers feel their skills needs will change over the next three to five years. They expect to require more staff with teamworking, problem solving and sales and marketing skills.
Two thirds of employers envisage at least some automation within their workplace and while most do not think it will impact on their existing workforce numbers, around a quarter (24%) feel they do not have the appropriate skills to embrace the automation and digitalisation developments in their organisations.

6.1. Skills required in the next 3-5 years

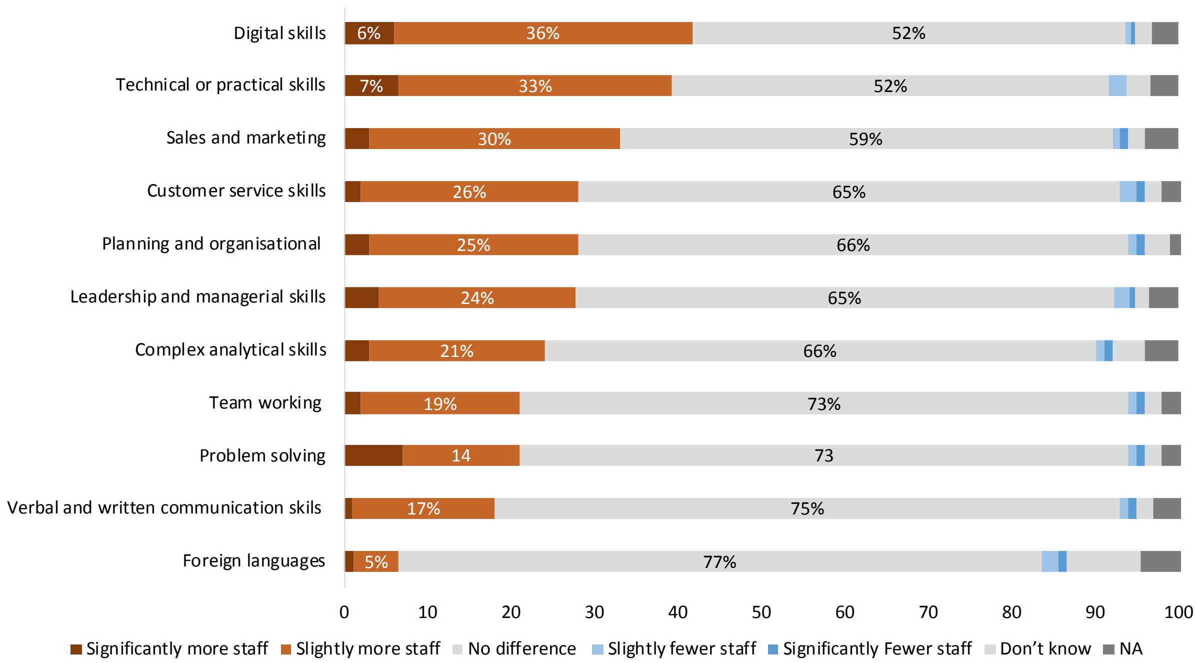
When asked whether they think their skills needs will change in the next three to five years over a third of respondents (38%) felt that they will and a further 12% were unsure.
Although not statistically significant, employers in the professional, scientific and technical services sector more commonly said that their needs will change (15 out of 22 employers in this sector). Those in the wholesale and retail sector were least likely to do so.

Among those that think their skills needs will change, the following were mentioned:

- Embracing changes in technology, varying from advanced technology for manufacturing and engineering, to the care sector digitalising work processes, e.g. care staff will need to be able to use technology, such as tablets. (cited by 56 of 91)
- The ability to use social media effectively and in a greater capacity, cited by all types of employers (cited by 7 of 91)
- The need for employees to be more multi-skilled (cited by 5 of 91)
- The need to become more customer-focused and provide better customer care (cited by 4 of 91)
- To better understand - and ensure compliance with - data protection. (cited by 4 of 91).

To obtain a more detailed picture of future skills needs, all respondents were then asked to say whether they thought their organisation would need more or fewer staff with a prompted list of skills. Responses are shown in the figure below.

Figure 14 Skills that will be required by greater / fewer numbers of employees (n=242, N=34,066)



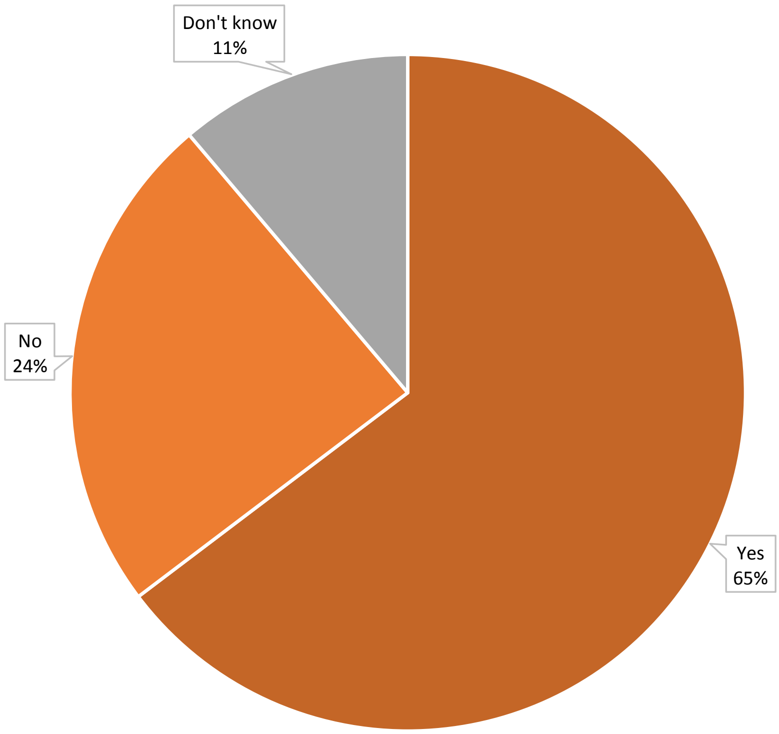
Of the skills prompted in the survey, those most likely to be required in greater numbers (amongst the respondent employers) are digital skills, technical / practical skills and sales & marketing skills.

Only small proportions (up to 3% for each skill type) envisaged needing fewer staff with the specified skills.

6.2. Automation and digitalisation

All respondents were asked if they feel their organisation has the appropriate skills to embrace digitalisation and automation, using the following definition: "*automating production or administration or bringing new technology into their organisation*".
Two thirds of employers (65%) feel that they have the appropriate skills to embrace digitalisation and automation in the workplace, with a quarter (24%) saying that they do not. The remaining 11% were unsure. Smaller organisations were less likely to feel they have the appropriate skills (with 99% over small employers saying this), however some of these do not envisage much automation.

Figure 15 Does your organisation have the appropriate skills to embrace digitalisation / automation in your workplace? (n=242, N=34,066)



Respondents that stated that they do not have the skills to embrace digitalisation and automation were asked why they thought that was the case and what the gaps in their organisation might be.

Qualitative analysis of their open ended responses suggests the following main themes:

- Lack of understanding as to how and why they could benefit from digitalisation and automation, with some respondents perceiving it as not relevant to their organisation. However, the fact that other organisations with a similar profile stated that they have the appropriate skills for automation / digitalisation might suggest there could be an awareness issue about how automation / digitalisation could be implemented or of benefit to them; *"Tricky as we do not know how to do it"* *(wholesale / retail)*

- Not being proactive in training staff in digital technologies; *"As an organisation we haven't been proactive in training staff in these areas over recent years - the pace of change is fast so any training is quickly out of date" (public sector)*

- Older workers not having the right skills to use digital technologies or being reluctant to do so; *"Older staff members not engaging with Technology" (third sector)*.

All respondents were then asked over the next three to five years, which of the following statements they feel most closely applies to their organisation:

1. We do not envisage much, if any, automation of the orgainsation's activities / processes.
2. There will be some automation of the orgainsation's activities / processes, but the scale of this is unclear at present.
3. There will be substantial automation of the orgainsation's activities / processes.
4. Don't know

Two thirds of employers (67%) envisage at least some (further) automation of their activities / processes, around a fifth of these to a substantial degree. Though not statistically significant, the sectors most likely to envisage some level of further automation were ICT, the professional, scientific and technical services and human health and social work sectors.

Just over a quarter of employers do not envisage much automation of their orgainsation's activities / processes. These employers tended to be smaller with fewer than 25 employees and from the following sectors; wholesale / retail, human health and social work sector and the art, entertainment and recreation industry. There are other employers from the wholesale / retail and the human health and social work sector that do envisage some automation, so it may be that these particular respondents are unaware of coming changes, although it is difficult to conclude from the available data.

Respondents that expect at least some automation of their activities were asked what effect they think this will have on their existing workforce and were asked to select the most relevant response from the following options:

1. No effect
2. Similar size of workforce but different roles
3. Likely reduction in overall workforce numbers
4. Don't know

A majority of these employers (61% of those asked) said that automation will not have an effect on their existing workforce in any meaningful way. 3% said that they would have a similar size workforce but different roles, and just 1% of this group said it would likely result in a reduction of overall workforce numbers. One third of employers (35%) say they are not sure what the consequences are going to be.

7. Apprenticeships

This section summarises employer awareness and understanding of apprenticeships, the extent to which they are investing in this area and their barriers to taking on an apprentice.

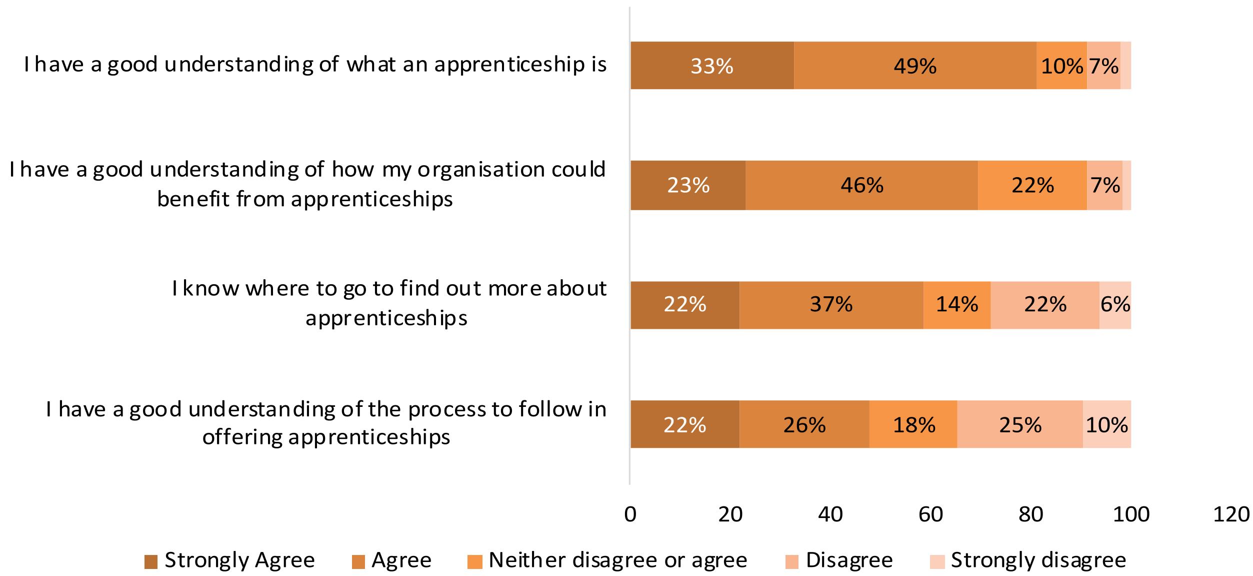
While the majority of employers say they have a good understanding of apprenticeships and their benefits, a sizeable proportion have gaps in understanding the process to follow on offering apprenticeships and where to find out more.
It is evident from the research that many employers do not know if apprenticeships would be suitable for their organisation and type of work.

Just 8% of employers currently employ an apprentice, but encouragingly over half (58%) say they would consider offering apprenticeship opportunities in the future.

7.1. Awareness and understanding of apprenticeships

All respondents were asked to what extent they agreed or disagreed with four statements regarding awareness and understanding of apprenticeships. Responses are shown below.

Figure 16: Employer awareness and understanding of apprenticeships (n=242, N=34,066)

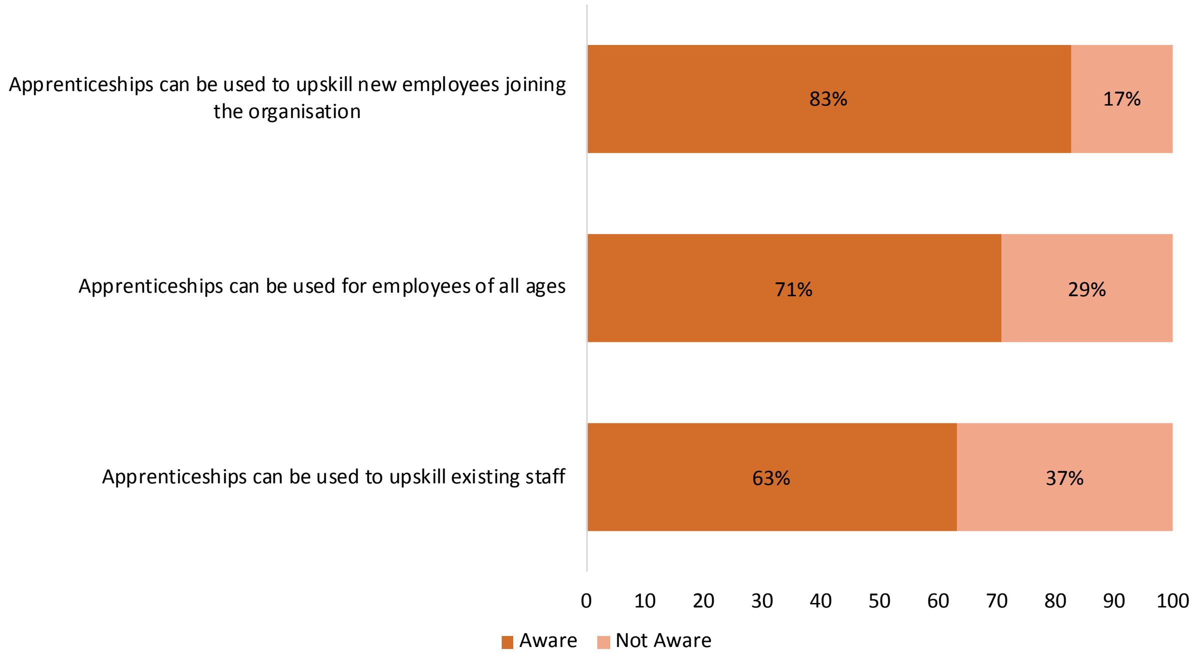


Whilst a majority of employers feel they have a good understanding of apprenticeships and their benefits, over a third (35%) disagreed that they have a good understanding of the process to follow in offering apprenticeships, and just over a quarter (28%) disagreed that they have a good understanding of where to go to find out more about apprenticeships. There does not appear to be any particular differences in the profile of organisations.[8]

[8] We may expect that employers that already employ an apprentice would have a higher understanding, although as the proportion of employers responding to this survey is relatively small (8%) it is difficult to say for certain that is the case.

All respondents were then asked whether they were aware or not of three different ways apprentices can be used. Responses are shown in the figure below.

Figure 17: Knowledge of how apprenticeships can be used (n=242, N=34,066)



Whilst a majority of employers were aware of all three statements, again a sizeable proportion were not. In particular, over a third of employers (37%) said they were not aware that apprenticeships could be used to upskill existing staff.
No significant differences were found between the profile of employers that were aware and those not aware.[9]

7.2. Current use of apprenticeships

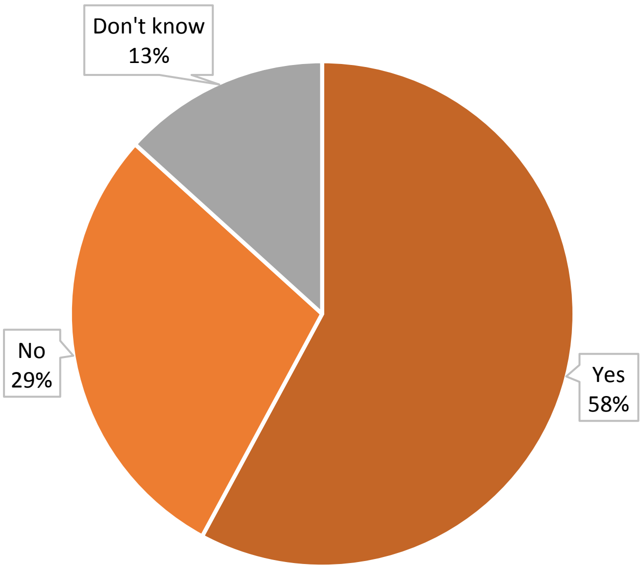
All respondents were asked whether they currently employ apprentices. Just 8% said that they do, across roles as diverse as hairdressing, business administration, health care and early years education. Those currently offering apprenticeships are from a range of sectors, with higher representation of the manufacturing and education sectors.

[9] We may expect that those that already employ an apprentice are more aware, however due to the relatively small proportion of employers responding to this survey employing an apprentice at present, it is difficult to say for certain.

7.3. Views on using offering apprenticeships in the future

All respondents were then asked if they would consider offering apprenticeship opportunities. A majority of employers (58%) say that they would, with 29% saying that they would not, and 13% being unsure[10].

Figure 18 Would employers offer apprenticeship opportunities in the future? (n=242, N=34,066)



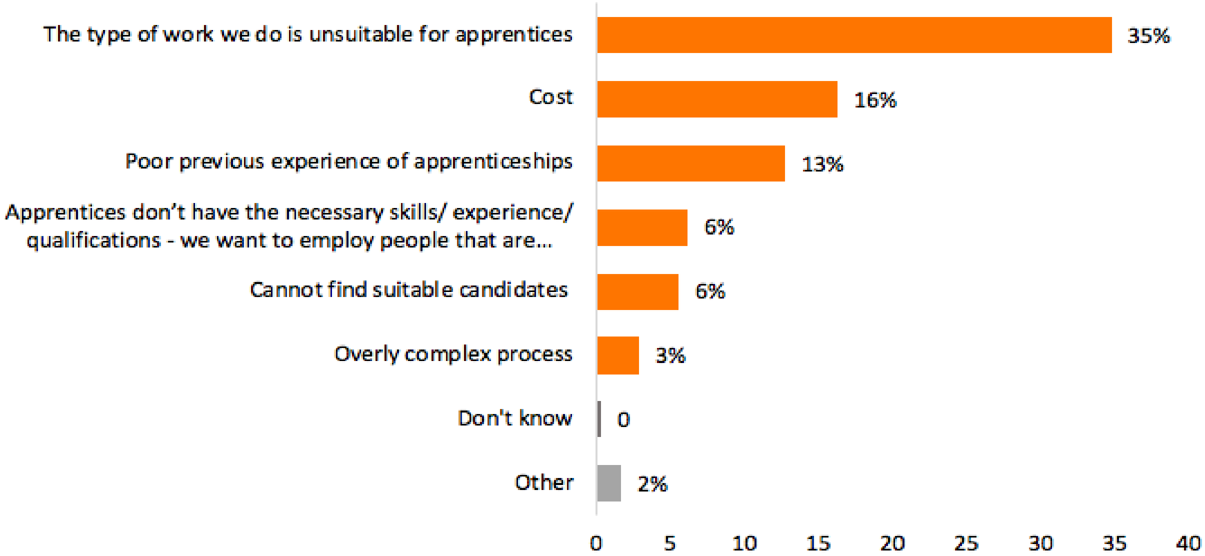
Observation of the data suggests that employers that would consider offering apprenticeships are more likely to be located in the BCP area, and were more likely to employ 49 or fewer employees, although these findings are not statistically significant. They were also more likely to be from the manufacturing, wholesale / retail or the human health and social work sectors.

There are no particular characteristics associated with the group of employers that said they would not consider offering apprenticeships, apart from that – unsurprisingly - none of them currently employ an apprentice.

Those who said they would not consider offering apprenticeship opportunities were asked why not and offered a list of potential reasons.

[10] Analysis of the frequency of 'Don't know' responses across the survey indicates a small sub-group of respondents to the survey that seem less knowledgeable about skills and training needs, though the job titles provided by these respondents does not suggest lack of seniority.

Figure 19: Reasons why employers would not consider offering apprenticeship opportunities (n=45)



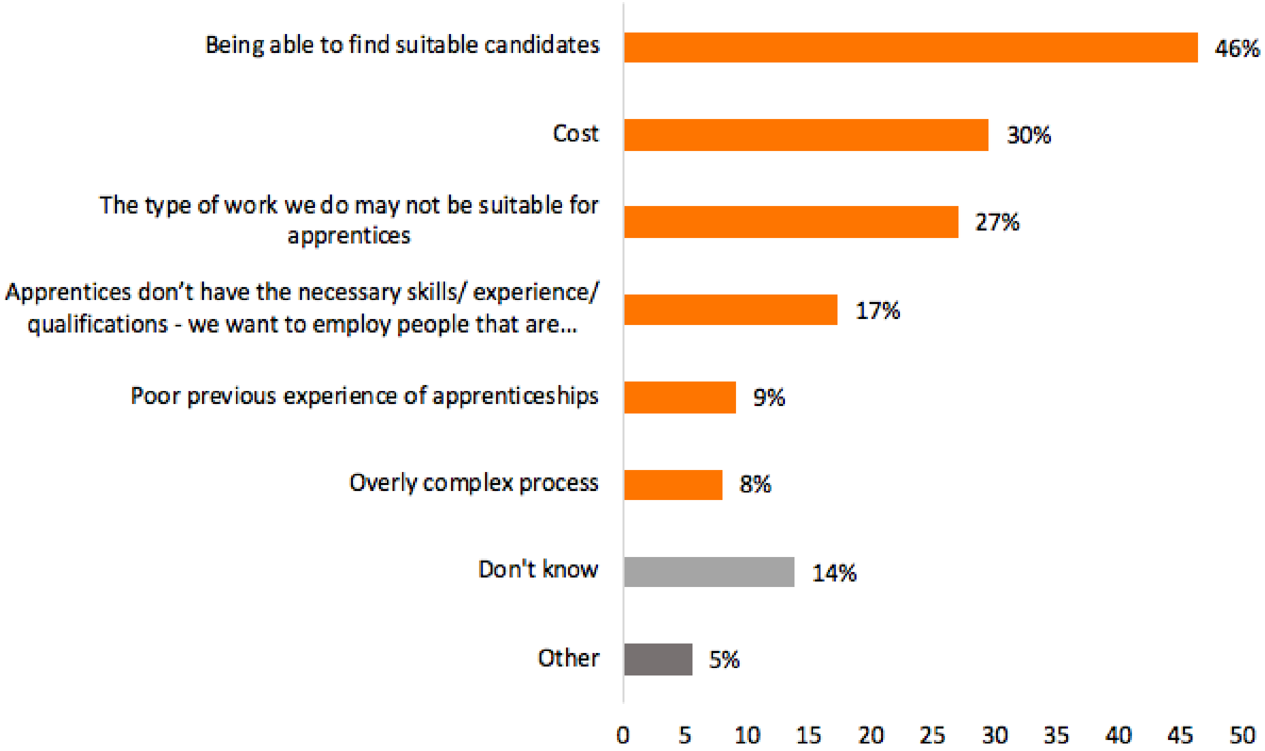
The most common reason given (by a third of those asked) was a perception that apprenticeships are not suitable for the type of work that their organisation is engaged in. Some said that they were hiring predominantly in occupations, such as cleaning, waiting and volunteering and felt these were not suitable for apprentices. Other commented that they did not think apprenticeships could be used for part-time work.

Other reasons employesr would not consider offering apprenticeships include:

- Not being able to commit to length / duration of apprenticeships
- Health and safety being an issue where technology / machinery is involved
- Not being able to get adequate insurance cover or it being too costly to do so.

Employers who said they *would* consider offering apprenticeships were asked if they had any challenges and reservations about doing so and were provided with a prompted list of potential reservations to select from. Responses are shown in the figure below.

Figure 20: Reservations of those that would consider offering an apprenticeship opportunity



The most commonly cited concern is being able to find suitable candidates, cited by almost half of the employers (46%) in this group, with a further 17% stating a preference for employing a ready-skilled person. Cost was a reservation cited by almost a third of employers (30%) in this group.

8. Recommendations

Based on the findings and conclusions, this section suggests recommendations for training providers to consider. They are intended to be considered as part of further research and work conducted by Dorset LEP regarding skills supply for the labour market.

Engaging employers in training

- Offer employers training in areas of current skills gaps in and skills they will need in the future, i.e. digital, complex analytical, sales, marketing and leadership/ managerial skills.
- Furthermore, training should be offered in those areas that are perceived by employers as having the biggest impact on their performance.
- Consideration should be made regarding how organisations could tackle multiple skills gaps – as this could benefit both employers and training providers delivering efficiencies and cost effectiveness. This may mean a training provider offering multiple types of training or several training providers delivering training collaboratively.
- This research has asked employers *their* view on skills gaps and needs within their organisation, however many organisations (including those that have said they do not have skills gaps) may benefit from a skills diagnostic to get an external view on what the skills needs are.

Make training more responsive to the needs of employers

- Many employers reported that training provision for digital skills isn't currently appropriate for their needs. Given the large proportion of employers that cited digital skills as a gap, it may be worth exploring how this training provision could be improved.
- Some small businesses felt that training should be more relevant to them, with some citing that the Growth Hub / other business support organisations are a good source of advice and a good opportunity to develop skills through bite sized learning. Rather than duplicating activity, training providers should consider this type of 'upskilling' for relevant employers and recommend it where appropriate.

Improve the accessibility of training

- The level of interest stated in the survey in certain skills implies that there would be value in more regional training and / or offer online versions of the training.

Wider awareness raising activity

- Employers may be struggling to recruit diverse workforce due to the type of recruitment practices they are engaged in i.e. word of mouth. Some employers may benefit from information about effective recruitment practices and the benefits in terms of getting applicants from diverse backgrounds
- Some employers appear to be less aware what automation / digitalisation is happening in their sector, and may benefit from key information to better understand the impact on business, workforce and skills, so they are not left behind.
- A majority of employers are open to the idea of offering apprenticeships, but some do not understand how they are suitable for their organisation and type of work– as they may not fit into a typical apprenticeship trade or offer 'typical' apprenticeship roles. Employers need somewhere to go for advice on this and work out how they could use an apprentice.

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Skills Advisory Panel and Board – 7th May meeting
Item 6, Annex 5: Update on Dorset LEP skills work and DfE developments

Date: May 2020

David Lawrence – Dorset LEP Governance and Operations

Skills Advisory Panel and Board Update.

The world has been turned upside down over the last 5 weeks and created a new set of circumstances, that said, we consider it timely to update on progress to date

We are completing the skills data deep dive however analysis will now be focussed to ensure a much clearer understanding of the impact of Covid19 on:

- Employment across Dorset,
- The business sectors that are most weakened and the rate / nature of replacement,
- The skills requirement of business going forwards,
- The link between training opportunities and the new business topography across Dorset.
- Particular sectors – such as tourism, health care and innovative industries.

This will better inform the wider Board reset/recovery plan linked to the LIS.

An updated labour market analysis paper will be part of the papers for the Board meeting on the 26th May 2020 which will provide a better understanding of the implications of the significant changes that are being brought about in society – and within business. We are concerned the impact on productivity as a whole with this group looking at skills and employment. A number of partners have flagged

1. identifying any disproportionate impact upon young people in apprenticeships, in first jobs, in part time jobs.
2. Possible increase in NEETS
3. Need to focus on innovation and support the county in this
4. Importance of creative and digital at this time (ranging from homeworking requirements, broadband, connectivity to ability to help businesses go online and everything in between)

As topics that might be of particular interest.

It seems unlikely that every aspect of life will return to 'as it was' before March and whilst we were confronted with some difficult challenges then (in order to prepare Dorset to be extremely competitive in a global supply network) it appears that the way forwards may be even less distinct. This also provides us with an opportunity to bounce back quicker and harder than other placed and using this unprecedented time to reset and build on emerging innovations.

We have undertaken the data gathering and analysis under the direction of the D*f*E. We have responded to a suggested Memorandum of Understanding with D*f*E to continue with this work during the 2020/21 financial year. It provides financial support aimed at achieving a small number of defined objectives particularly concerned with monitoring the impacts on our skills base over the next year.

We are looking at using Microsoft Business Information (BI) as a new route to distribute learning and skills information to careers advisors. The objective is to ensure the information is easily read and digested by subject experts, students and parents. This part of the programme will feed information to the Careers Advisors in the CEC programme articulated below.

SERCO Survey

We have received the report of the SERCO survey of business needs within Dorset over the next 5 years. We'll share the findings with the Dorset Chamber and the LEP Gateway function and use it to start a dialogue with business and possibly drive additional surveys in order to drill down into the initial comments.

The report is attached clearly the timing of the next phase needs to be considered in the context of any advice from the Dorset Chamber.

Dorset LEP COVID-19 Business Impact Survey Headlines

Headlines info from the survey:

- To date, there have been almost 300 responses to the COVID-19 Business Impact Survey - 63% of these are from the Dorset Council area and 37% from the BCP Council area.
- The majority, 51%, of responses are from the Tourism, Hospitality & Retail sector, 14% from Finance & Professional Services, 9% from Health & Social Care, 9% from Manufacture and 7% from Digital & Creative.
- 38% of businesses felt that – with the current measures in places – they could remain trading for between 1-3 months; 25% thought 3-6 months. 13% of businesses indicated that they would last less than one month.
- 75% of respondents have been sole-traders or micro businesses (less than 10 employees). 20% have been other SMEs (between 10 and 250 employees).
- In addition to national measures, local businesses are looking for advice on finance options (41%) and other 1-2-1 advice and support (33%). Small grants were suggested as way of helping get cash flow moving for small businesses.

- Over 51% of those who responded had or were looking to furlough staff.
- Of particular note, requests for consideration have been made by:

  - Company directors of small businesses who have not been able to access any of the grants or income support schemes because they take their salary as a dividend - this is linked to the £50k cap for the SEISS which limits the support for sole-income households

  - Small businesses not eligible for support because they are either located in an enterprise centre, serviced office accommodation or similar - they have called for more support for landlords to pass on these grants to tenants, or help for tenants, if landlords are not willing to help

  - Businesses seeking clearer guidelines regarding support that might be available should the lockdown extend beyond the initial three months

  - Those businesses that have not been able to access the CBILS, or other government backed loans, because they have deterred by commercial lenders looking to sell their own products/offerings.

Ofsted

The D*f*E are co-ordinating assessment processes with the Office for Standards in Education, Children's Services and Skills (Ofsted) in order to ensure Her Majesties Inspectors take into account the exit route for pupils coming to the end of their school careers. The nature of local employment and the strategies that drive the growth of industrial sectors, the economy and growth will be taken into account as schools, colleges and apprenticeship providers are assessed in the future. We have been supplying the HMI research team with the LEP's most recent strategies and growth targets however we are also being asked about progress with T levels – which I know is a point of discussion!

Careers Advice for schools and colleges - Careers and Enterprise Company

Attached is the recent slide deck available to the members of the Hub Steering.

The present scheme is supported by Dorset Council and Bournemouth, Christchurch & Poole Council. It includes a number of school clusters and a Hub that specifically focusses resources upon Portland and Weymouth – to address issues of low social mobility.

CEC have recognised the significant progress the scheme in Dorset has made, particularly over recent months. Progress is such that we are performing above the average in terms of the achieving the Gatsby standard.

Such is our performance that we are offered, as a group of partners, to bid for a single Careers Hub for the whole of Dorset.

This is a significant step but will allow us to restructure our approach by reviewing:

- the clusters of schools
- the leadership of the cluster
- the way in which we engage Colleges, Secondary, Middle and SEN schools both within the clusters but also within specialised groups (addressing similar age groups).

We will hear of the result of our application in May however some advanced planning is taking place, such that we could move quickly should we be successful.

Business support to the clusters and individual schools is important in this programme. We have a 'cornerstone employers group' which is beginning to be successful in sharing intelligence and best practise however we are still to bring forwards sufficient business advisors to match with each of Dorset's schools.

Skills plan and LIS

The skills plan is in draft and the draft LIS has been published on the LEP website. A tender to produce a Dorset Investment plan (including skills and linked to the LIS and wider skills analysis) linked to the LIS will close on 8th May.

Updates from the D*f*E Skills Advisory Programme Team

We have been sent a first sight of the home learning programmes being released by the Government.

Based upon three 'levels':

- **Basic** - addresses Numeracy, Everyday life, Click and make it happen, Digital Skills.
- **Intermediate** courses are aimed at - Creating an Oline Presence, Thriving in a Digital Workplace, Online Content, Presenting your work, Social Media for business.
- **Advanced** level includes - Coding, Programming, Social Media, Online Presence, Security, Digital Marketing for small businesses.

They are worth having a look at as this is the first wave of home learning programmes.

Additionally, there is:

- An update on the approach to ensuring **Apprenticeships** continue albeit with some adaptions in order to ensure education programmes are completed.

- A recent **further education sector review** to show how FE is adapting to the influences the **Apprenticeship** programme.

- The offer of volunteering opportunities in the Civil Service for those who are furloughed.

Additional information follows

Launch of The Skills Toolkit

On Tuesday (28 April) the government launched The Skills Toolkit (https://theskillstoolkit.campaign.gov.uk/), which allows adults to access free, high quality online courses whilst at home. This will enable them to build new skills and help boost growth and productivity. The Skills Toolkit is available to everyone and consists of digital and numeracy courses, ranging from basic to more advanced levels. These are skills that are sought after for many types of jobs, with 82% of job vacancies nationwide requiring digital skills. A new round of social media promotion will begin next week. We'd be grateful if you could help us get the word out and promote this resource to citizens in your area and encourage businesses to promote it to their furloughed employees.

Information on support to independent training providers during this crisis

We recognise that independent training providers are faced with enormous challenges in continuing to deliver education and training during this period and a number of SAPs have raised this issue with our team recently. In addition to HMT's unprecedented business support package, and in line with Cabinet Office guidance, DfE are introducing payment measures in the form of a **provider relief scheme**. The purpose of the scheme is to retain capacity within the apprenticeships and adult education sector to deliver the skills we will need to support economic recovery post-pandemic. As part of that, we also want to support training providers to maintain delivery to and support for existing learners and employers and enable new learners to enrol. In case you have not already seen the guidance published by our colleagues in ESFA, please find it here: https://www.gov.uk/government/publications/esfa-post-16-provider-relief-scheme/esfa-post-16-provider-relief-scheme-covid-19-response-policy-document

FE Skills Index published

Just to let you know that an update to the FE Skills Index was published yesterday. The Skills Index shows how the total value of the FE system has changed over time from 2012/13 to 2018/19, and is based on numbers of learners achieving apprenticeships or classroom-based aims, the estimated increase in earnings for achieving a particular type of provision, and employment rates for learners achieving that provision. It is available here: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/881948/FE_Skills_Index_-_April_2020.pdf

Volunteer opportunities for furloughed workers in the civil service

Lastly, The Industry Partnering Voluntary Scheme, was announced yesterday. The scheme allows people working for private companies whose jobs have been put on hold because of the pandemic to volunteer for posts in the civil service as the Covid-19 outbreak puts departments and public services under pressure. Guidance for employers on how their furloughed workers can volunteer is available here:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/882445/Policy_Guidance_for_organisations_involved_in_the_Industry_Partnering_Voluntary_Scheme.pdf

COVID-19 Impact on the labour market in Dorset

As the economy is facing the unprecedented shock of coronavirus pandemic and lockdown, we have analysed the early signs of impact on the labour market in Dorset.

In an attempt to contain the spread of the virus, UK was put into lockdown on 23 March 2020 with closed schools, pubs, restaurants, cafes, gyms and other businesses, restrictions on movement and social distancing measures in place, which is now being extended until 7 May and an exit strategy is yet to be announced.

In terms of coronavirus developments, globally c.2.7 million people have contracted the virus and almost 200,000 have died[1]. In the UK of those hospitalised who tested positive, 18,783 deaths have been recorded by 22 April[2]. The epidemic is believed to have peaked in the UK and a steady decline in deaths is now expected, but other countries experience suggests this could be a lengthy process[3].

There were **275 confirmed cases in Dorset and 369 in Bournemouth, Christchurch and Poole** (data published includes 22 April), **circa 0.1 per cent of the population[2].** The South West could be behind the curve. We are the least affected region in England according to data from 23 April, illustrated in Figure 2.

Coronavirus deaths and cases in the UK

Total deaths	Total confirmed cases
18,783	138,078
Change from previous day	Change from previous day
+616	+4,583

Coronavirus cases in Dorset

Dorset (Council)	Bournemouth, Christchurch & Poole (Council)
275	369

Figure 1. Total confirmed cases and deaths of coronavirus in the UK and confirmed cases in Dorset – data from 22 April. Coronavirus (COVID-19) in the UK- ONS. Accessed 24 April. *Note. The figures on deaths relate in almost all cases to patients who have died in hospital and who have tested positive for COVID-19.*

1 World Health Organisation Coronavirus disease (COVID-19) situation reports - www.who.int/emergencies/diseases/novel-coronavirus-2019/situation-reports Accessed 24 April 2020
2 Coronavirus (COVID-19) in the UK- ONS coronavirus.data.gov.uk/?_ga=2.54572331.1419905258.1587720056-1769848257.1587720056#local-authorities The figures on deaths relate in almost all cases to patients who have died in hospital and who have tested positive for COVID-19. Figures from 22 April, accessed 24 April 2020
3 Based on NHS coronavirus statistics commentary by Prof Sir David Spiegelhalter of the University of Cambridge, and a statement at the Commons of the Health Secretary Matt Hancock on 22 April 2020

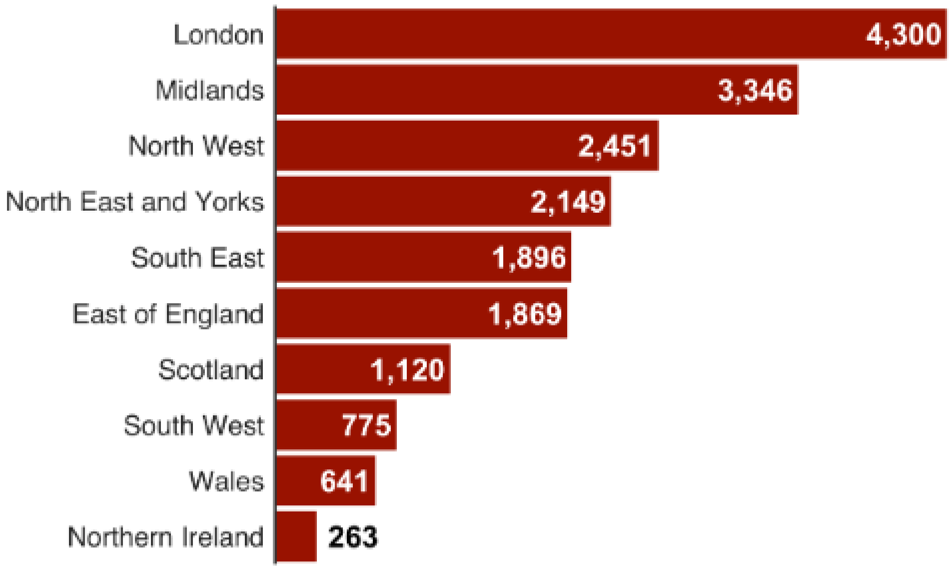


***Figure 2.* Total confirmed coronavirus deaths in hospitals in the UK - Regional comparison. data from 23 April.** Coronavirus (COVID-19) in the UK- ONS. Accessed 24 April.

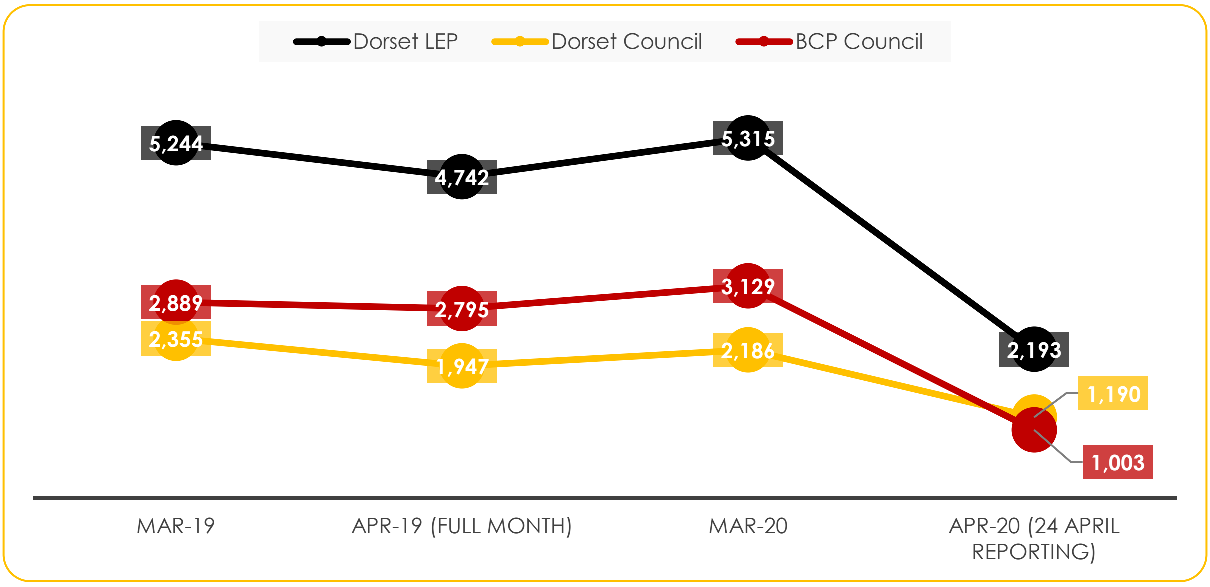
But what does it mean for jobs in Dorset?

For the labour market analysis, we have utilised data from Labour Insight by Burning Glass Technologies - a source of labour market intelligence combining econometric time series models with machine learning to collate a database of current and historical vacancy data.

According to Burning Glass analysis, the UK has seen the highest fall among the English-speaking nations examined with advertised vacancies down by 63% since the beginning of March. The reference numbers for the US and Canada over the same period (the week of March 2 compared to the week of April 6) were 43% and 34% respectively.

Vacancy data sheds light on how employers see the future: what their immediate recruitment needs are and which jobs may have to be sacrificed. Below we explore the activity for Dorset LEP geographies. (Note that due to unavailable complete data for April 2020 (data as of 23 April 2020), the comparison with last year is not like for like and has to be taken with caution).

It is yet difficult to establish the scale of the impact, but as seen below, the data indicates an apparent downward trend with c. 2,500 less jobs being advertised by Dorset employers in April 2020 compared to the same period last year and c.3,100 less jobs than the previous month. There were c.5.300 jobs advertised within the Dorset LEP area during March 2020, which is a marginal increase on that month from the previous year, showing the effects from the lockdown were not immediate (and may also reflect a certain delay in vacancies being taken off from aggregate sites after they have been removed by employers). The significant drop followed in April when there were almost 60% less vacancies advertised from the previous month and it was more pronounced in the BCP area reaching almost 70%. Again, it has to be noted this is incomplete data (reporting as of 24th April) and also that there was a slight slowing of the market in April last year as well (of c10%).



	Mar-19	Apr-19 (full month)	Mar-20	Apr-20 (as of 24th)	Difference April 20 to April 19		Difference April 20 to March 20	
					N of vacancies	percent	N of Vacancies	percent
UK	575,798	522,924	626,730	248,801	-274,123	-44%	-377,929	-60%
Dorset LEP	5,244	4,742	5,315	2,193	-2,549	-48%	-3,122	-59%
Dorset Council	2,355	1,947	2,186	1,190	-757	-35%	-996	-46%
BCP Council	2,889	2,795	3,129	1,003	-1,792	-57%	-2,126	-68%

Figure 3. Advertised job vacancies –Dorset LEP and breakdown by geographies. Comparison between 2020 and 2019 - Last week of March and April. Labour Insights, Burning Glass Technologies. *Note. Data for April 2020 is up to 24 April*

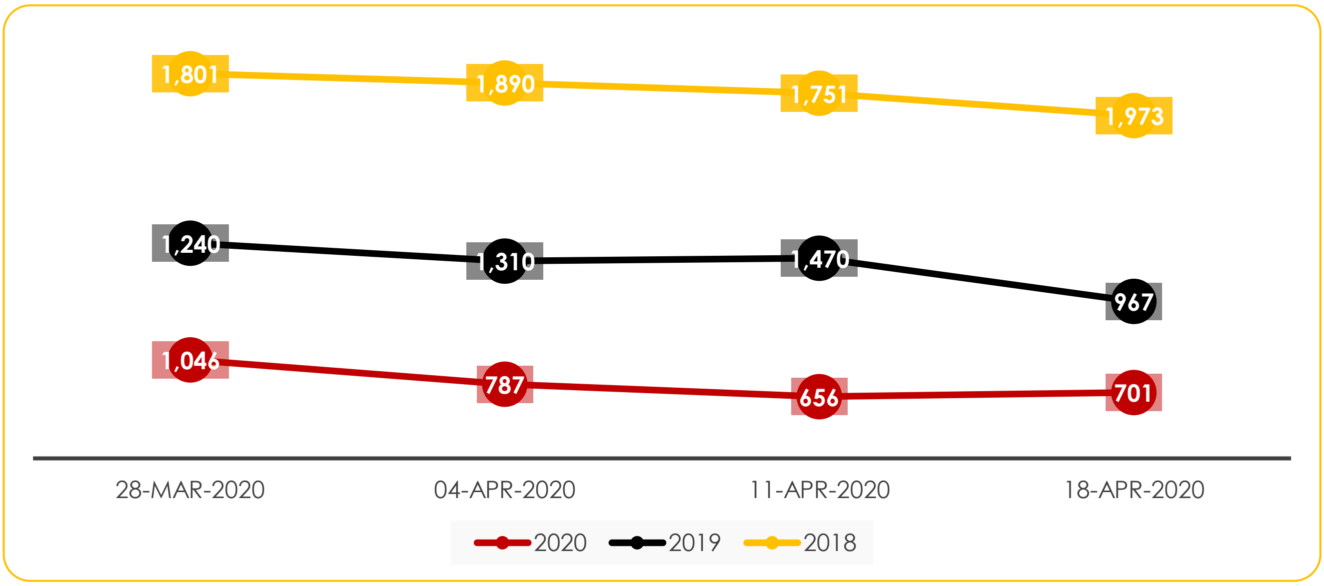


Figure 4. Advertised job vacancies –Dorset LEP Comparison by week of lockdown in 2020 with 2019 and 2018. Labour Insights, Burning Glass Technologies. *Note. Data for April 2020 is up to 24 April*

In the following figure we compare the four weeks in lockdown in 2020 with the previous two years and while there was a slowing down on the market in 2019 relative to 2018, the current levels are significantly lower in that context

Next we illustrate the breakdown of vacancies across a range of industries as an important barometer of the types of jobs that local businesses are still looking to fill during this period of crisis.

The below chart is a breakdown of the vacancies by industry advertised in April 2020 compared to April 2019 and in the following chart we illustrate the difference in percentage of jobs advertised per industry. Note these graphs show only the vacancies where industry was specified within the job postings.

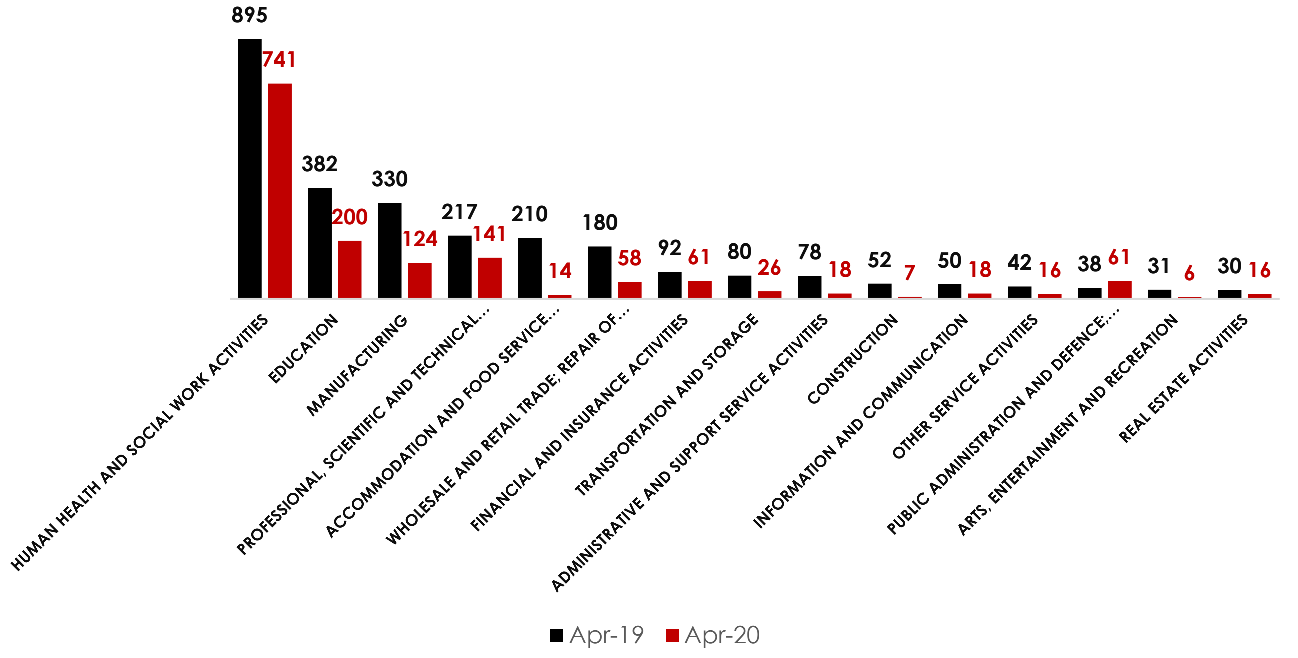


Figure 5. Advertised job vacancies Dorset LEP industry breakdown Apr 2020-April 2019 comparison. Labour Insights, Burning Glass Technologies.
Note. Data for April 2020 is up to 24 April.
Note. Including Dorset LEP vacancies where industry was specified.

Vacancy numbers decreased across all the industries with the exception of **Public Administration and Defence**, where they more than doubled in April 2020 compared to April 2019.
Essential activities during the outbreak, like **Human Health and Social Work Activities** saw the least decrease (-17%) while **Arts, Entertainment and Recreation, Construction, as well as Accommodation & Food services vacancies decreased the most with over 80% drop in the number of advertised vacancies.**

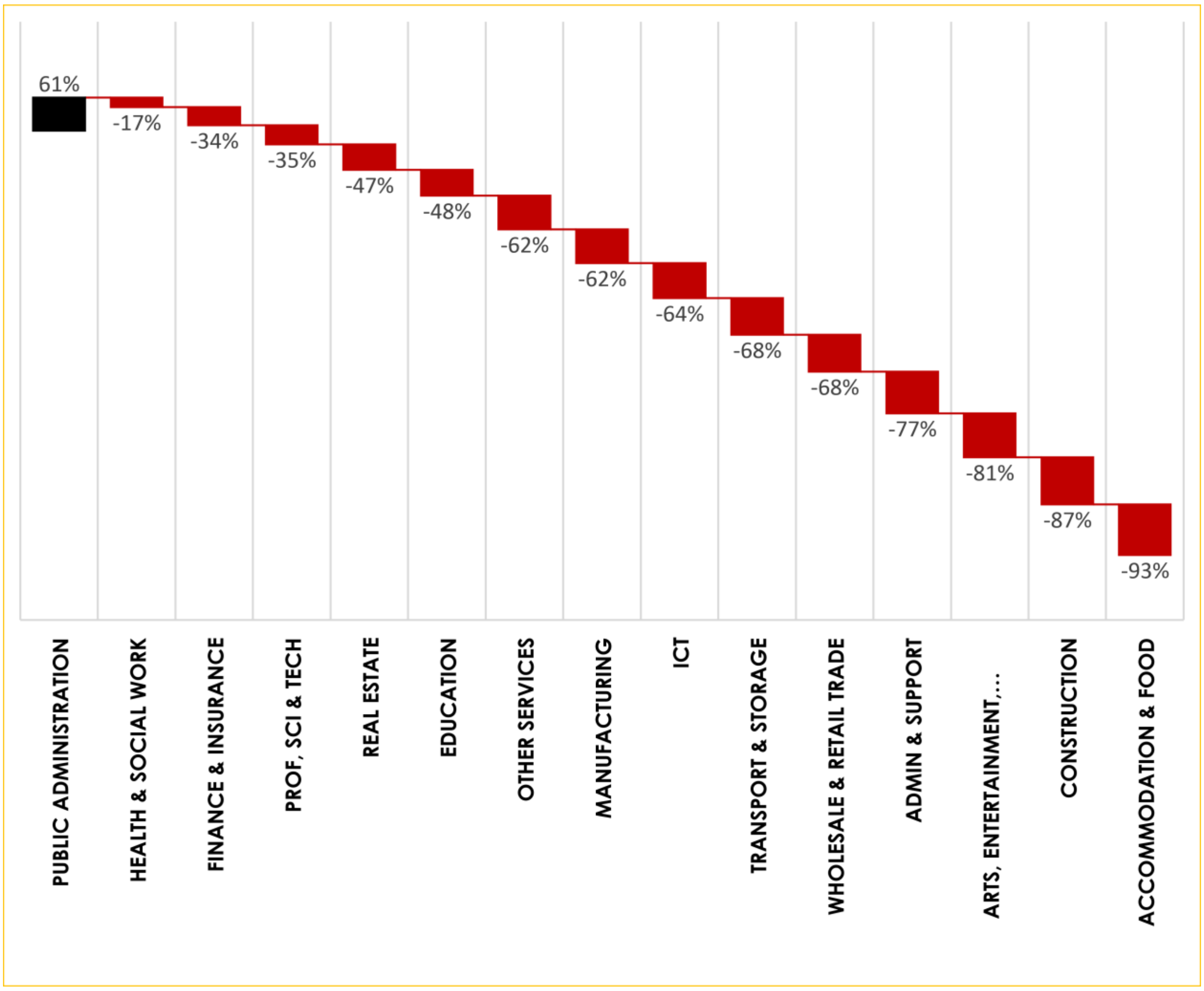


Figure 6. Difference in percentage (increase, decrease) of jobs advertised per industry Dorset LEP Apr 2020-April 2019. Labour Insights, Burning Glass Technologies.
Note. Data for April 2020 is up to 24 April
Note. Including Dorset LEP vacancies where industry was specified.

In terms of occupations in demand, the following charts illustrate the occupations most in demand over April 2020 and those that were most in demand over the previous year (2019 – full year). The recent weeks have changed the priorities with the most in demand jobs **predominantly in health, social care and technical occupations**.

These initial observations offer early insights on the effects of the coronavirus pandemic and lockdown on the Dorset's labour market. However, we would wish to explore employment and claimant statistics once these become available, as well as analyse the labour market intelligence data for a longer period to understand whether the latest observations are truly indicative of the jobs market over the near to medium term.

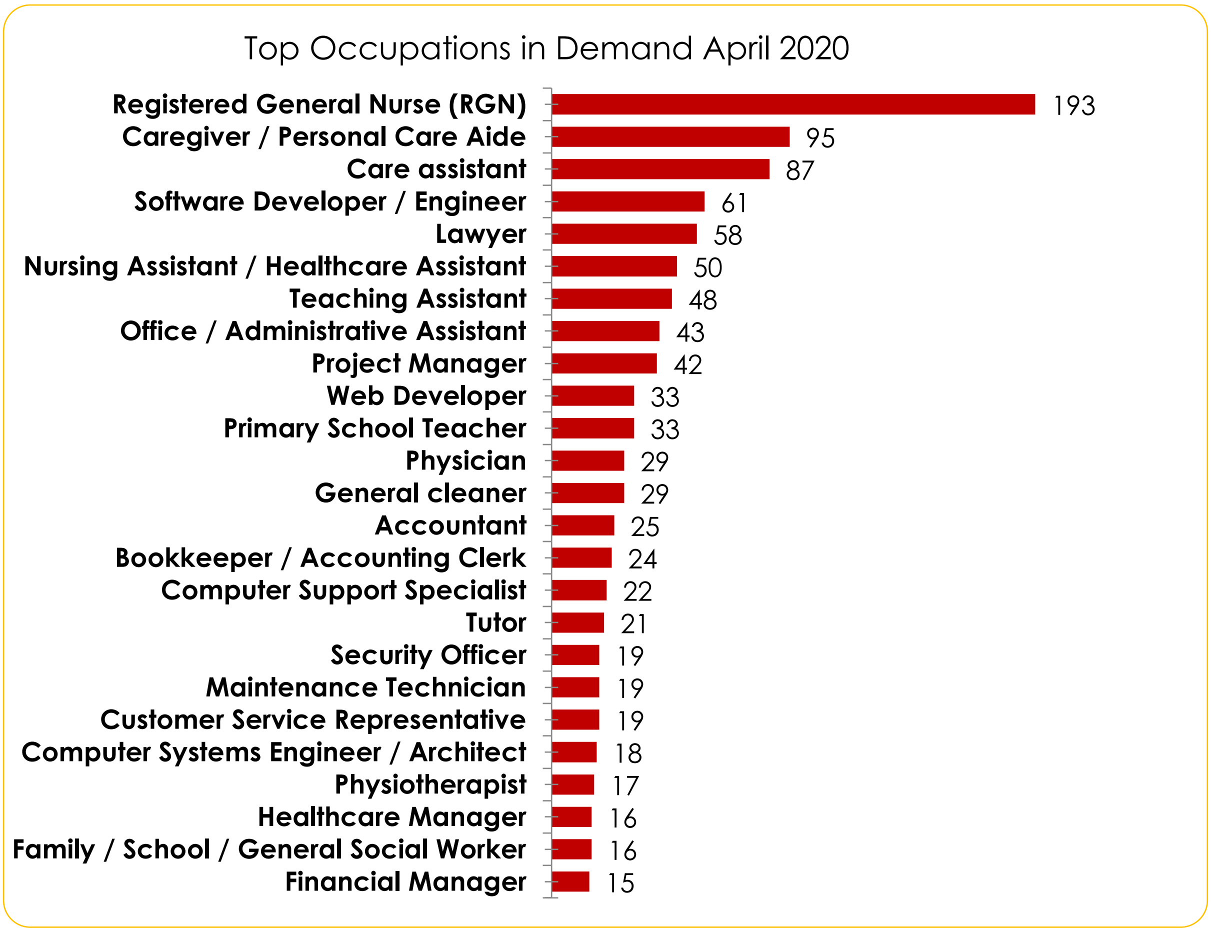


Figure 8. Top occupations in demand in April 2020 (data up to 24 April) – occupations rated by number of vacancies advertised within Dorset LEP. Labour Insights, Burning Glass.

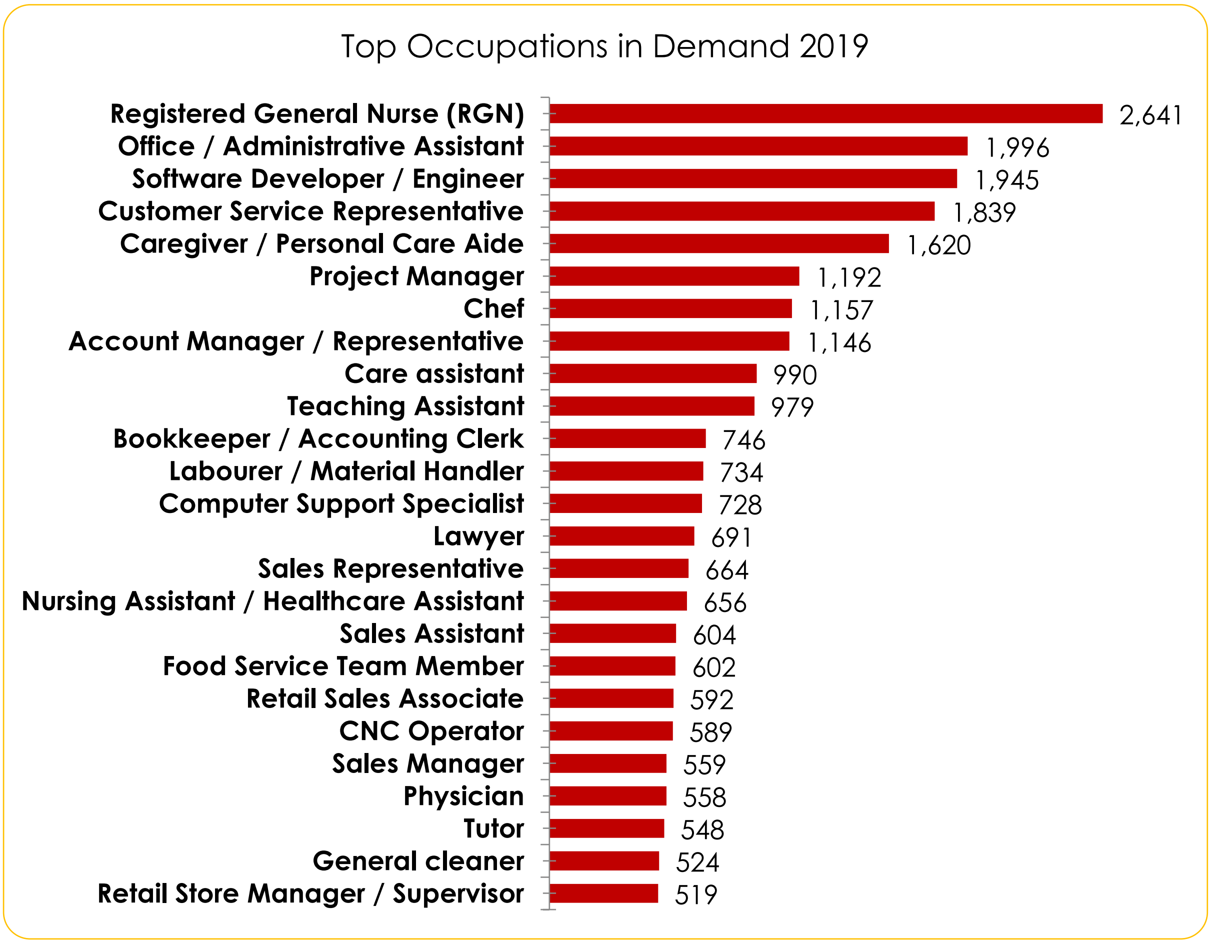


Figure 7. Top occupations in demand in 2019 (full year) – occupations rated by number of vacancies advertised within Dorset LEP. Labour Insights, Burning Glass Technologies.

What are the projections for the second quarter of 2020?

These observations of rapidly decreased and altered labour demand indicate the industries that are most likely to experience the most challenges as a result of the lockdown.
They align with the industry projections for the second quarter of the year (Figure 10) forecasted in a recent report by the **Office for Budget Responsibility (OBR)**, where a significant decline in the Education sector is also predicted.

According to the scenario forecasted by OBR, the real GDP in UK will fall by 35 per cent and unemployment will rise by more than 2 million to 10 per cent in the second quarter of the year, and the recovery for GDP is predicted to be quicker than for employment.

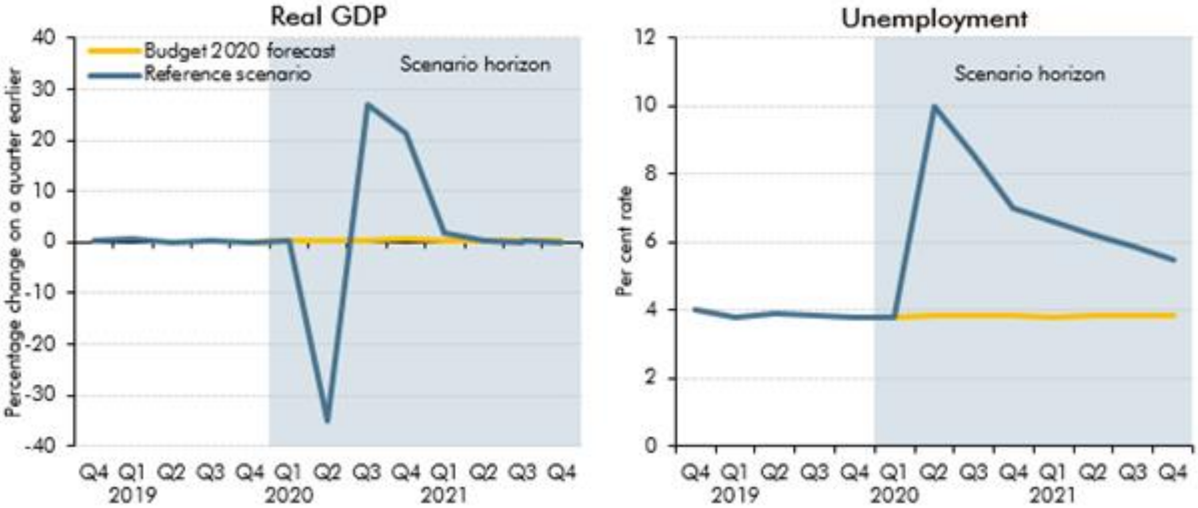


Figure 9. OBR coronavirus reference scenario, April 2020. Real GDP and unemployment: reference scenario versus Budget forecast. Figure reproduced from obr.uk/coronavirus-reference-scenario/

Sector	Per cent Weight in whole economy value added	Effect on output relative to baseline
Agriculture	0.7	0
Mining, energy and water supply	3.4	-20
Manufacturing	10.2	-55
Construction	6.1	-70
Wholesale, retail and motor trades	10.5	-50
Transport and storage	4.2	-35
Accommodation and food services	2.8	-85
Information and communication	6.6	-45
Financial and insurance services	7.2	-5
Real estate	14.0	-20
Professional, scientific and technical activities	7.6	-40
Administrative and support activities	5.1	-40
Public administration and defence	4.9	-20
Education	5.8	-90
Human health and social activities	7.5	50
Other services	3.5	-60
Whole economy	**100.0**	**-35**

Figure 10. OBR coronavirus reference scenario, April 2020. Output losses by sector in the second quarter of 2020. Figure reproduced from obr.uk/coronavirus-reference-scenario/

What are the implications of working and living at home?

In their latest report **Getting Back to Work[4] - Dealing with the labour market impacts of the Covid-19 recession** the **Institute for Employment Studies (IES)** has estimated that employment has already fallen by at least 1.5 million, equivalent to 5% of all of those in work, and that unemployment has risen to at least 2.5 million, or from 3.9% to around 7.5% of the workforce. This report states that:

> *"There is clear evidence that prolonged spells of unemployment, particularly while young, can cause long-lasting 'scars' on an individual's future earnings, employment prospects and health and wellbeing. …*
>
> *Early analysis suggests that groups at particular risk in this recession are likely to be young people and the lowest paid, with women more adversely affected than men. Older people are also likely to be particularly at risk, and we would anticipate a stronger sectoral bias in the recession than in the last – with retail and hospitality appearing to be particularly vulnerable."*

The implications for Dorset are yet to unravel, but we closed 2019 in near full employment and unemployment figures almost half of those for Great Britain (Figure 11).

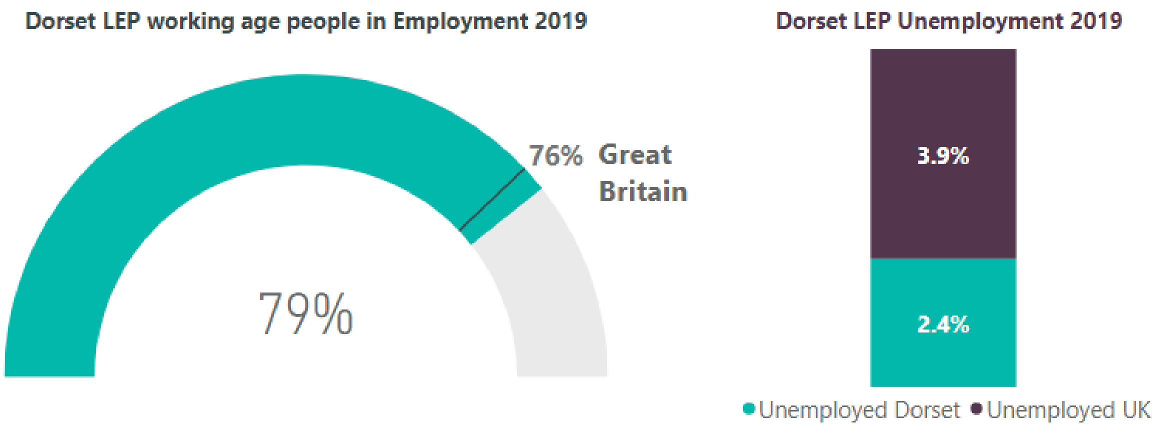


Figure 11. Dorset LEP Employment and Unemployment as of December 2019. ONS Annual Population Survey – accessed from Nomis Labour Market Profile - Dorset

However, due to our unique geographic location, we have higher proportion of people employed in[5]:

- **Accommodation and Food Services**

(35,000 employed, c.11% of all employed vs. 8% for Great Britain)

- **Wholesale & Retail**

(52,000 employed, c. 16% of all employed vs. 15% for Great Britain)

- **Construction**

(18,000 employed, 5.4% of all employed vs. 15% for Great Britain)

[4] **Getting Back to Work - Dealing with the labour market impacts of the Covid-19 recession.** Institute for Employment Studies. April 2020. Access from www.employment-studies.co.uk/resource/getting-back-work-0

[5] **ONS Business Register and Employment Survey** – accessed from Nomis Labour Market Profile - Dorset

- Also, we have higher proportion of people who are **self-employed (65,700,13% vs. 11% in Great Britain)[6].**
- Finally, **almost half (48%) of those in employee jobs and 70% of those in part-time jobs in Weymouth & Portland were earning below the Living Wage in 2018** (data associated with wide confidence intervals and should be interpreted with caution), this paints a rather stark picture. **Over a fifth (26.9%) of the jobs in the Dorset Council area are estimated to be below this threshold – equivalent to 46,000 jobs in 2018.**[7]

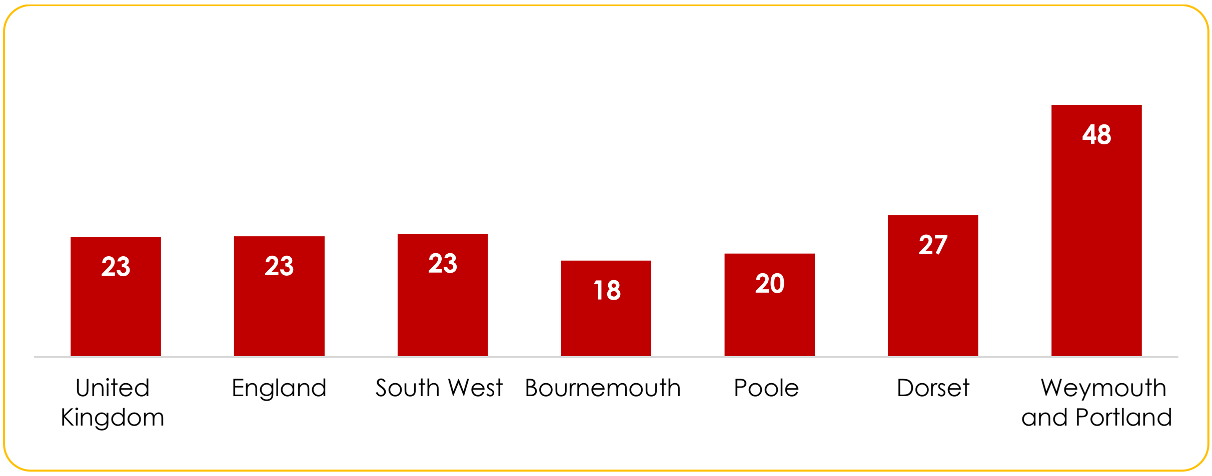


Figure 12. Proportion (%) of employee jobs earning below the Living Wage Foundation rates (2018). Annual Survey of Hours and Earnings – ONS

All of the above groups of people are likely to experience significant challenges in keeping and finding employment over the period of lockdown. They are also likely to experience more difficulties during this period of living (and working) at home.

For those living alone, that means no physical contact. For those living with young children it means, it means taking care and home schooling children who would otherwise be at school. According to projections made by the Office for National Statistics for 2020, 28% of households in England contain dependent children and almost a third of households in England are people living alone[8]. Among those living alone, 34% are 70 years and older. Three of the five local authorities in England where more than half of people living alone are over 70 years old are in the South West, with East Dorset having the highest percentage (58%).

Finally, a word on the demand within the Healthcare sector, where we are expecting the opposite trends seen in the rest of the economy. Due to our demographic profile, we have **Human Health** as the biggest employment sector, with proportions higher than nationally and a spike in the demand over recent years (6,000 more employed in the sector since 2015).
It employs 16% of all employed in the region compared to 13% nationally. The number of vacancies in Healthcare over recent years has been between 11,000 and 12,000 p.a. accounting for 18% of all advertised vacancies in Dorset LEP and although we have seen

[6] ONS Annual Population Survey – accessed from Nomis Labour Market Profile - Dorset
[7] Annual Survey of Hours and Earnings – ONS
[8] Household composition in England, by age of household reference person projected values for 2020 – ONS analysis – Accessed from www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/conditionsanddiseases/articles/coronaviruscovid19roundup/2020-03-26#coviddeaths

some slowing down in the previous section, we believe the trend of demand expansion in health and care is set to continue and be more pronounced in the Dorset LEP area than nationally in light of the wider demographic trends and is likely to exceed supply.

How can we support the recovery?

The **Institute for Employment Studies (IES)** proposes five priorities for action:

1. Investment in new active labour programmes for those out of work
2. Refocusing skills and training to support the recovery
3. An integrated and coherent offer for young people
4. An orderly withdrawal from the Job Retention Scheme
5. A new, partnership-based, 'Back to Work' campaign

Report produced 24 April 2020
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