

DORSET LEP SKILLS ADVISORY PANEL & BOARD
10 January 2022, 2 – 4pm

Virtual meeting via Teams
AGENDA

#		Item	Lead	Purpose	Annex
1		Welcome, introductions and apologies	Luke Rake Chair	Welcome, introduce attendees and note apologies	
2		Approval of minutes of last meeting – July 2021	Luke Chair	To agree minutes as read and action updates	1
4	Place	Local Skills Report review	Mira Koseva, Dorset LEP	Update on review of Local Skills Report and expectation for publication 27 Jan 2022 Local Skills Report	
3	Recovery	Business challenges	Nicola Kildunne, Federation Small Businesses	Presentation of current challenges for small businesses including skills/recruitment concerns.	
			Nicola Newman, Dorset Chamber of Commerce & Industry	Chamber update on reported challenges for larger local businesses	
			Rebeca Davies, Dorset LEP	Government opportunities/responses to reported skills gap/resource crisis	
5	Future	Opportunities discussion	Luke Rake, Chair	Discussion around opportunities to solve the resource/skills issues reported by business, both long term and immediate actions	
6	AOB		All		

DORSET LEP SKILLS ADVISORY PANEL AND BOARD MEETING COVER SHEET

Meeting Date	10/01/22	Item Number	2
Security Level:	Confidential <input type="checkbox"/>	Commercially Sensitive <input type="checkbox"/>	Unclassified <input checked="" type="checkbox"/>
Paper Title	Dorset LEP Skills Advisory Panel and Board Update		
Recommendation	For Information		
Papers are provided for:	Decision <input type="checkbox"/>	Discussion <input type="checkbox"/>	Information <input checked="" type="checkbox"/>

1. PURPOSE

This paper provides an update from the Dorset Skills Advisory Panel and Board (SAPB), together with operational updates from Dorset LEP skills team in Dorset between Nov 2021 and Jan 2022.

2. SUMMARY

Skills team operational update

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

- **SAP Programme** – as anticipated, the Department for Education guidelines for review of our Local Skills Report have been shared and we will work with the SAPB to review and update the Dorset plan by the deadline of 31 January 2022. Future plans to be confirmed by DfE are likely to include a Local Skills Improvement Plan aligned to a strategic development fund (subject to budget availability).
- **Skills Boot Camps** – in addition to the current [The Skills Bootcamp](#) roll out, we are involved in potential bids for wave 3 provision. Within the next wave, there is a clear focus on green skills bootcamps and skills bootcamps as a lead into apprenticeships. Eligible candidates should be over 19 years old, either be in work or unemployed for less than 12 months and be local residents.
- **Restart Programme** – Seetec who are delivering the Restart programme for long term unemployed (1yr+)in the South West. Numbers of self referrals are reported to be 'positive', however there are currently no stats available to confirm numbers receiving training, personal guidance and direction to employment. Restart providers and DWP are hoping to find a solution to share data. Seetec plus are also working to understand solutions in rural and coastal areas, bringing together key representatives to inform solutions.
- **Skills Commission** – BCP and Dorset Councils have approved funding for a year long Skills Commission to review the Dorset skills landscape in consideration of the Skills White paper, the levelling up agenda and produce a report that lays out a potential skills journey with 10, 20 and 30 years trajectories. This work is commencing at pace with the LEP providing the secretariate function.

3. Dorset LEP Skills Brokerage via Dorset Gateway

The [Business Productivity Review](#) published in November 2019 by HM Government identified that whilst the UK has some of the most productive businesses in the world, there was a

longstanding productivity gap with our international competitors. Boosting productivity of the UK's 5.9 million SME to match that of Germany could add up to £100 billion to our economy and improve the competitiveness of UK Business. The actions included Peer Networks and Small Business Leadership Programmes, both of which Dorset Gateway has been supporting and helping to implement in the Dorset region.

The 23rd November saw Bournemouth University Business School starting to deliver 'Help to Grow Management' (HTG:M) – a programme accredited through the Small Business Charter - [About - Small Business Charter](#). Dorset Gateway was actively involved in recruitment and was able to support Bournemouth University to achieve its first cohort of around 20 businesses. The HTG:M programme is 12 weeks and supports senior managers to increase their business skills and recognise what drives productivity and growth. Topics include – Strategy & Innovation, Internationalisation and Growth Planning. A Business Relationship Officer from Dorset Gateway has and will continue to attend case study sessions which allows business to benefit from their knowledge and other areas of support available.

[Peer Networks](#) continues to be delivered across the county with business leaders gaining skills through shared expertise on topics such as leadership, business development and technology adoption. Dorset Gateway continue to work and deliver programmes in partnership with [Dorset Chamber of Commerce](#) and [Evolve](#) and in the current financial year, the programme has supported over 100 businesses with more to follow in the first part of 2022. Details on how to sign up are available [here](#).

Finally, Dorset Gateway continues to engage with businesses to help them recognise and understand the opportunities around people and skills. This includes referrals such as the [Dorset Careers Hub](#), local training providers and Apprenticeship awareness. Recent events attended included '[Disability Confident](#)' & '[Offender Recruitment](#)' and we will continue to ensure that businesses are made aware of the full range of opportunities.

5. The Labour Market Information update

The [labour market dashboards](#) have been updated with the latest available data and the annual LMI & skills insights will be published later in January upon employment statistics release. As we enter 2022 and a fresh set of pandemic, supply chain and Brexit-related challenges, we will look back in more detail at the tumultuous 2021 labour market and reflect on its aftermath for the world of recruitment, employment, and skills in Dorset, but some quick current highlights include:

- **2021 was a year of strong jobs market**

It was a remarkable year on the recruitment front. In response to the ease of restrictions and switching the economy on, vacancies picked up in early spring and accelerated over the rest of the year in an unexpected and historic peak in labour demand, but it ended with a Christmas overshadowed by Omicron and a sharp drop in vacancies mirroring the decline last seen over the first lockdown in March 2020. Yet 2021 saw an aggregate record of 80,191 vacancies advertised in Dorset, which was 41% higher than 2020 and 28% higher than 2019.

- **Labour shortages and business confidence**

The peak in vacancies coincided with the number of available candidates falling sharply and worrying "labour shortage" reports flooding the press. This led to the business confidence in the UK economy falling by nine percentage points to a net: -6, according to REC's latest JobsOutlook survey which covers November 2021. This was the first time the barometer fell into negative territory since February-April 2021, indicating that confidence is dropping, and further decline is expected at the end of 2021 and beginning of 2022 with uncertainty around rising inflation, labour shortages and the Omicron variant growing.

- **Earnings**

There have been reports that average wages have risen in response to the labour shortages nationally. Whilst earnings of those living in Dorset are on average around 6% lower than nationally, they have shown robustness over the past years, given the UK average is influenced by higher earnings within London and Greater South East. The ONS latest Annual Survey of Hours and Earnings Survey shows there was a small decline in 2020 followed by increase in 2021 that is argued to be in response of the labour shortages. However, there was a more pronounced decline of wages in Dorset brought by the pandemic in 2020, and whilst they have since been bouncing back, the gap has widened to 10% for those working in Dorset and 7% for those living in the county. ONS suggests exercising caution when comparing wages over the past two years as there are many temporary factors at play and the labour market is still volatile.

- **Employment and unemployment**

Latest ONS data shows employment rate in Dorset was 77% (vs 75% nationally) and unemployment was 4.3% (vs 5% nationally). This marks a small on year decline in employment bringing it back to 2018 reference and a more significant decline in unemployment taking it close to 2015 reference, but there was a continuous improvement on these figures throughout 2021. Unemployment increases are accounted by young people aged 16-24 (60%) and those aged 50-64 (40%).

There were 11,100 Dorset workers still on furlough in September 2021 when the scheme closed, but this has not led to subsequent rise in unemployment related benefits claimants, which in fact continued to decline in numbers in the subsequent months.

4. Dorset LEP Careers Hub Update

- Significant analysis of our schools data has highlighted great achievements and trends, combined with weaknesses, which has enabled us to identify focus areas and where there is a need for specific intervention.
- Middle Schools have emerged as an area where key support is needed and a plan has been put into place to overcome current low attainment of targets. We are specifically working to improve EA representation and work experience in the cohort, which equates to 15% of the schools in our network.
- Our SEND schools also need greater support, and we will focus on engaging the SLT at these institutions to get renewed buy-in and in turn increase opportunities for the students.
- We have reviewed and re-engaged with our Cornerstone Employer Group and Lead Schools and some changes have been made to the members to ensure the support from these key support networks is felt and impact is seen. More new employers will be brought on board to boost the Cornerstone Group.
- T-Levels at Ferndown Upper School were launched, and we are working with Toby Osborne to proactively support their campaign.
- A locally based pre-eminent business trainer, Chris Croft, has done 4 classes with a career choice focus with pupils from Poole High, one of which was filmed and featured on the ITV Meridian news. This is a pilot scheme that Dorset Careers Hub is now working to roll out across the whole of Dorset, to benefit thousands of young people.
- We have recently bid for and been awarded funding for amplification of apprenticeships and technical qualifications which will see us run a research project, conference and a further initiative that aims to change perceptions of apprenticeships amongst key target groups.
- Consistent networking and meetings with local business groups, and companies, has increased our network, and more importantly the number of offers of work experience and EA's.
- Social media activity and our following has increased significantly which means that more people are aware of our presence and work and wanting to contribute and support.



Department
for Work &
Pensions

JCP Update

Steph Simpson

District Operations Manager – Dorset, New Forest & Isle of Wight

- Over 13,500 seeking employment in Dorset
- Approximately 40% have declared health condition
- Approximately 26% pursuing self employment
- Access to Work – supporting employers with workplace adjustments
- Building network of Disability Confident Employers
- Plan For Jobs provision – building confidence & employability skills
- Kickstart placements for 18-24 year olds available until March 2022
- Recruitment Days in Bournemouth, Poole & Weymouth
- Sector Based Work Academies in following sectors;
 - Social Care
 - Retail
 - Hospitality
 - Construction
 - Transport
 - Administration
 - Security
 - Childcare

Dorset Labour Market Insights



Look back
at 2021

Dorset has a robust labour market as demonstrated by historic job vacancy figures holding up well and bouncing back relatively quickly after spells of economic uncertainty.

The Covid-19 pandemic arrived at what was a pre-existing state of subdued economic and labour market activity brought by the prolonged economic and political uncertainty of Britain's exit from the EU.

The combined effects were two consecutive years of subdued labour demand which spilled into early 2021.

But did 2021 break the spell?

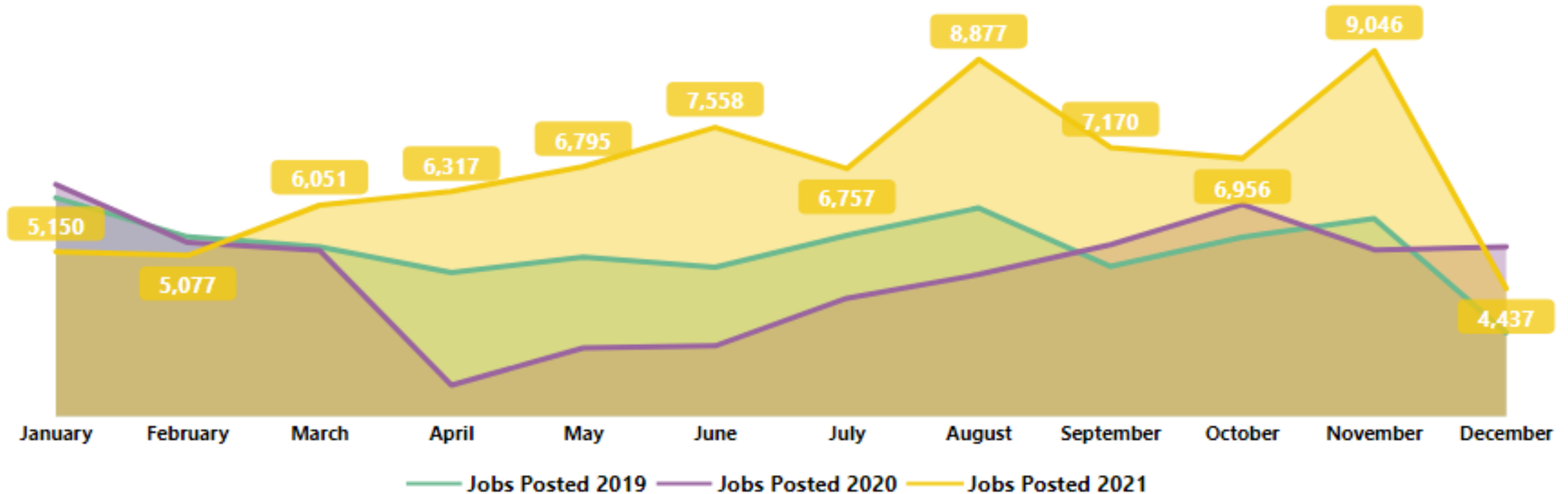
Read full report on [Dorset Labour Market and Skills latest insights](#)

A year of dips and spikes



The jobs market was tumultuous but strong. Overall recruitment recovered in 2021, exceeding previous two years over most of the year, but demand fluctuated considerably over the course of the year and across industries and with Christmas overshadowed by Omicron - it ended with a drop mirroring the one last seen with the first lockdown back in April 2020.

Monthly Vacancies (2019, 2020, 2021)



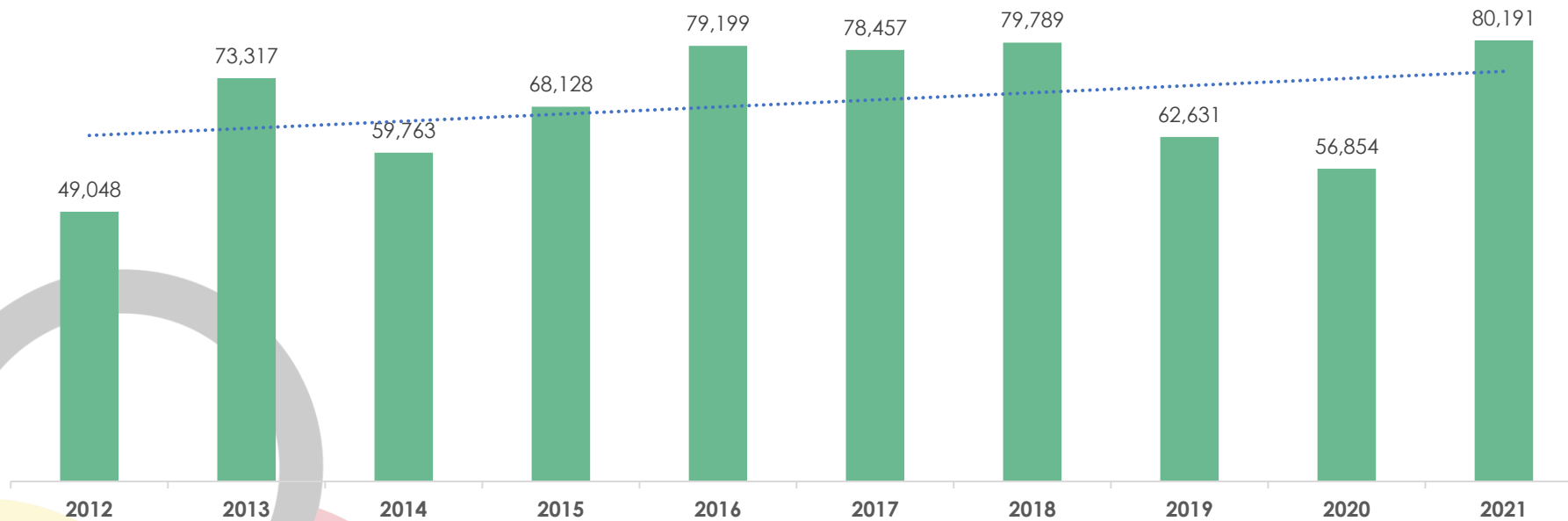
Strongest job demand on record



Despite the dips and spikes, the aggregate vacancies advertised throughout 2021 were the highest on record - 41% on 2020 and 28% on 2019.

2021

Dorset Annual Vacancies



Increased

 **41.05%**

2020 - 2021

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

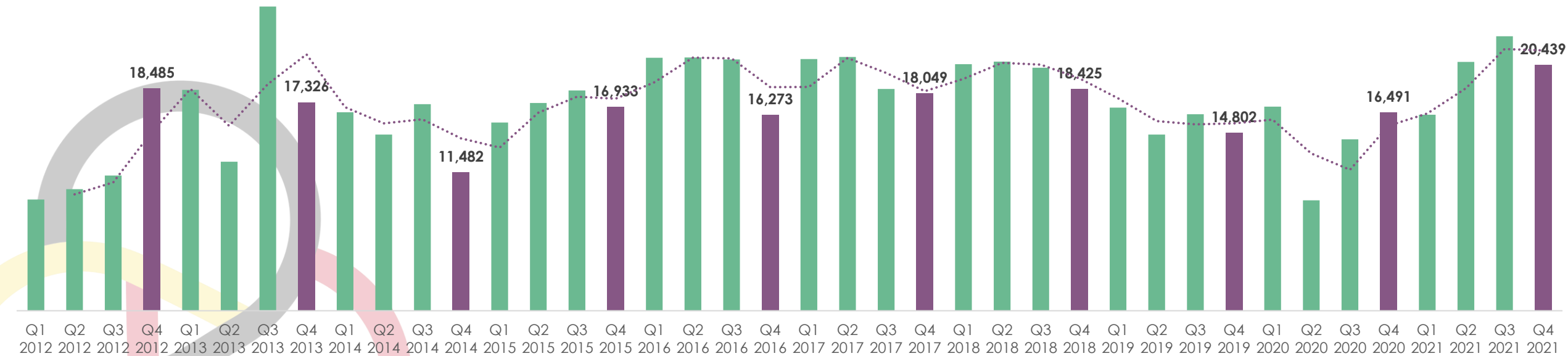
Burning Glass Technologies. Labour Insight. 2021

A matching last quarter



Whilst traditionally there is seasonal drop in recruitment towards the end of the year, the last quarter of 2021 was extraordinary: Job postings in November marked the highest on record, followed by a nosedive ending with 51% decline in December, and the last quarter levelled at c.20,440. Although 10% down on Quarter 3, this was 24% higher than the vacancies over the same period last year and the highest seen over the last quarter since 2012 when the record began.

Dorset vacancies (quarterly) - time series

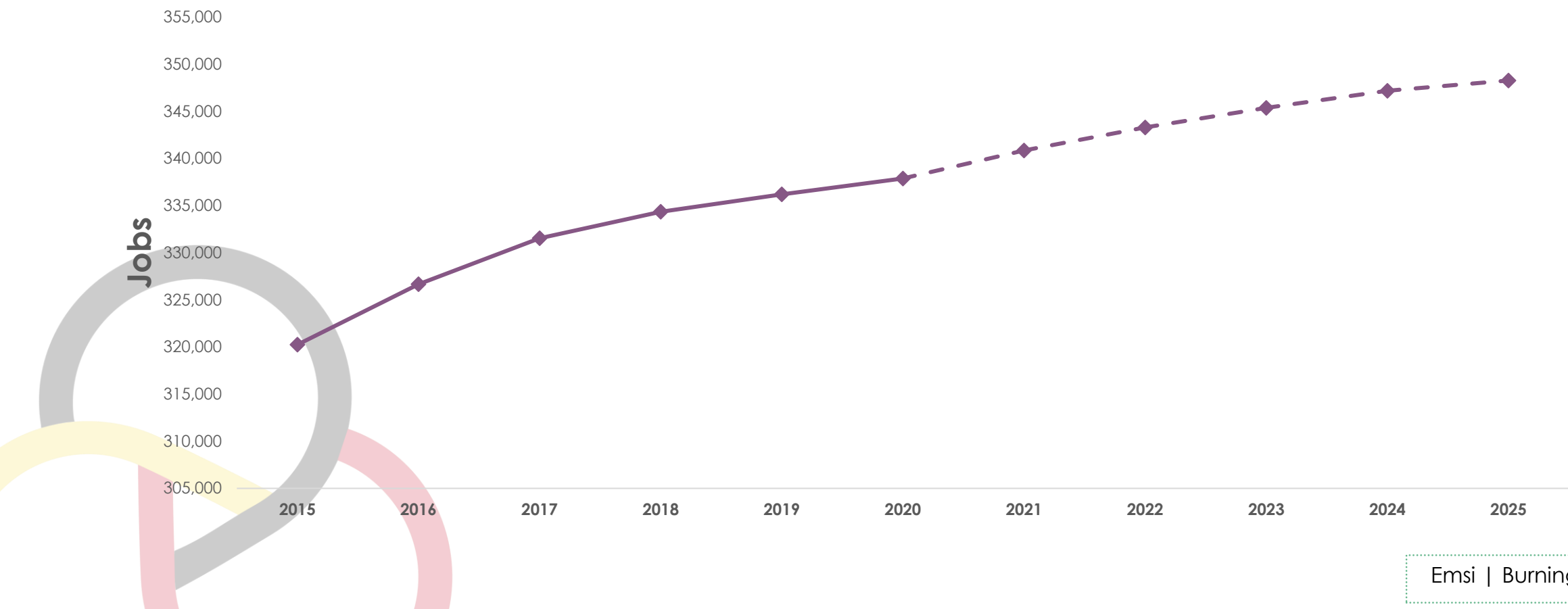


New jobs?

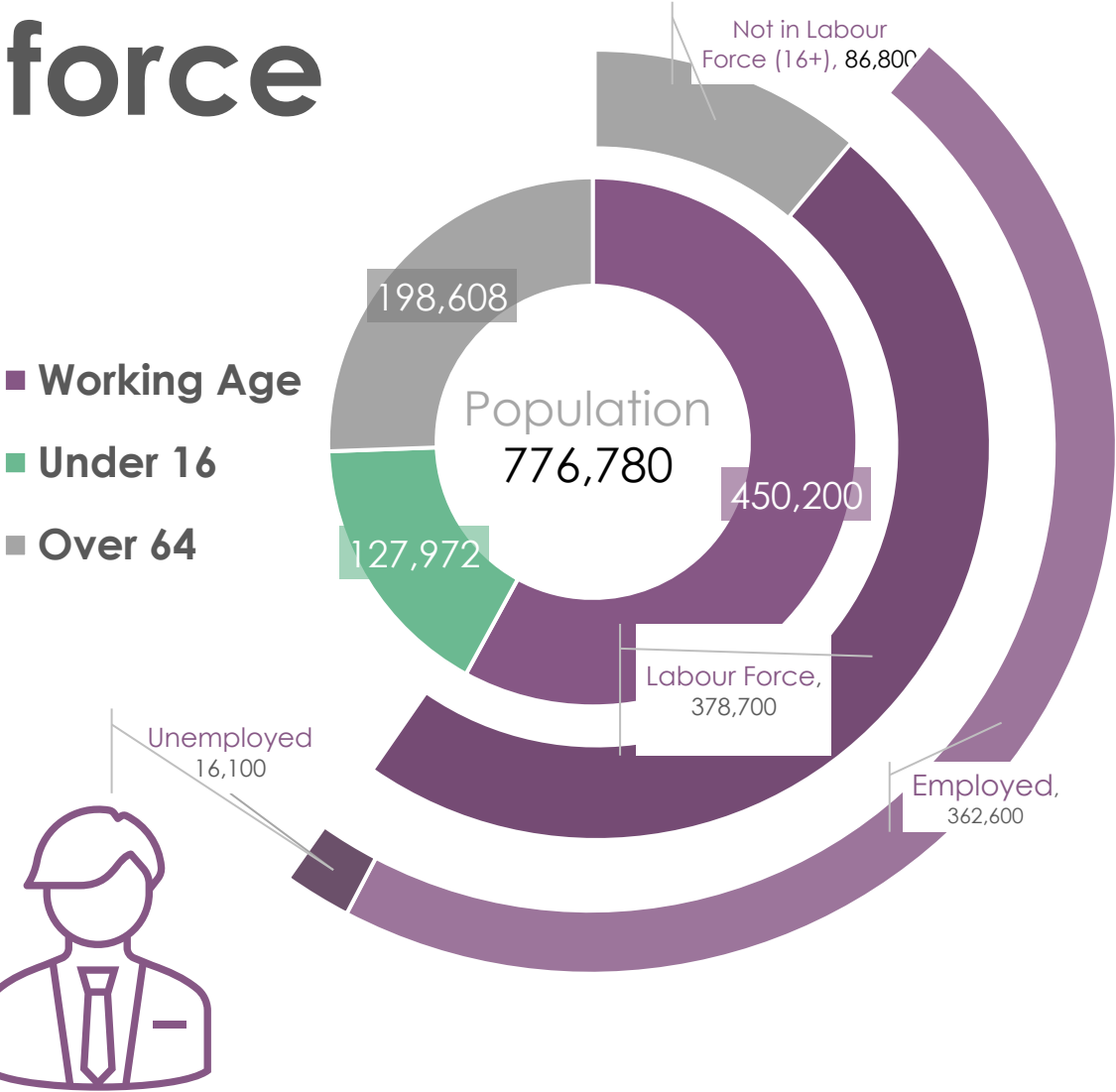


Between 2015 and 2020, jobs in Dorset LEP increased by 5.5% with circa 17,630 new jobs created - from 320,240 to 337,867. This change outpaced the national growth rate of 5.0% by 0.5% and 10,400 new jobs are projected in the period to 2025.

Dorset Job Trends

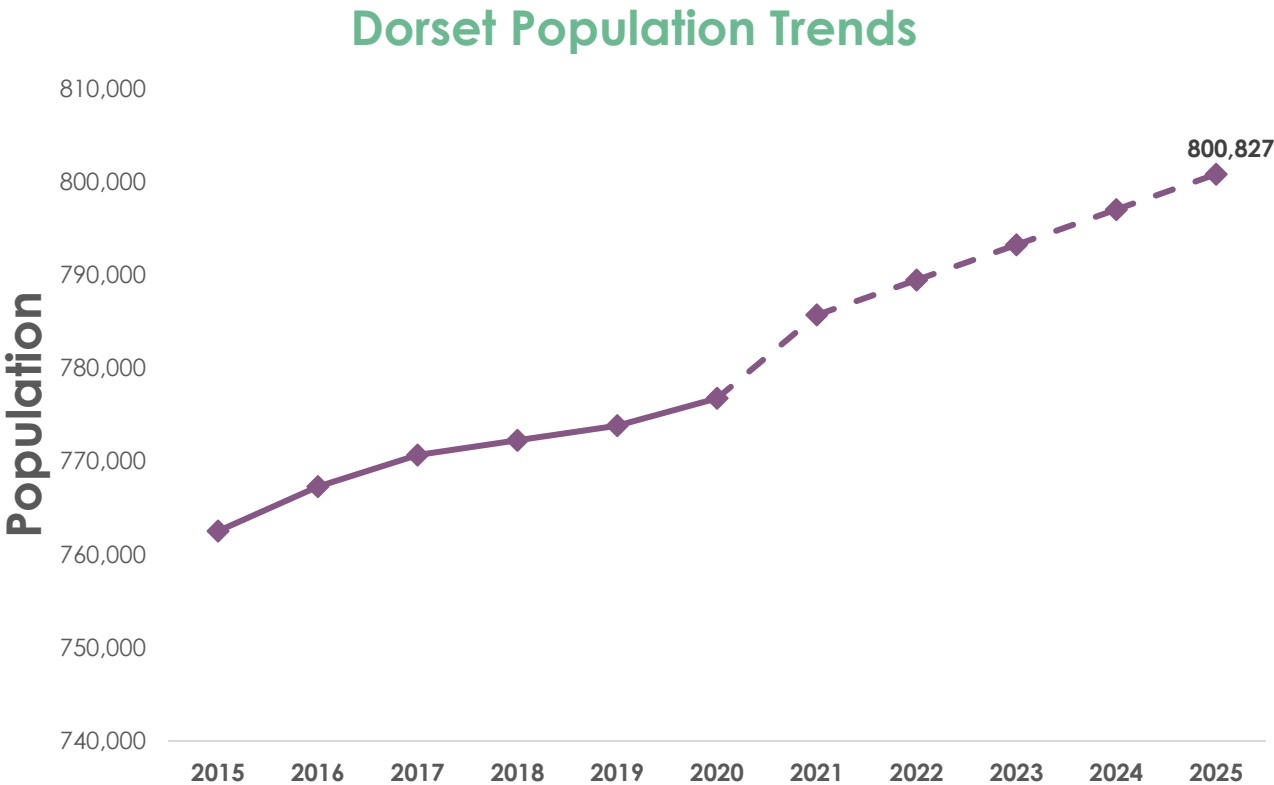


Dorset labour force



Dorset's population increased by 1.9% between 2015 and 2020, growing by 14,255. It is projected to grow by a further 24,047 (3.1%) by 2025, and reach 800,000 residents.

But what does that mean in terms of labour force?



Population figures - ONS Population estimates (2020)
Employment figures - ONS Annual Population Survey 2021 - referring to the period Jul 2020-Jun 2021



DORSET LABOUR MARKET INSIGHTS

Out-of-work benefits

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

3.5%



Youth unemployment

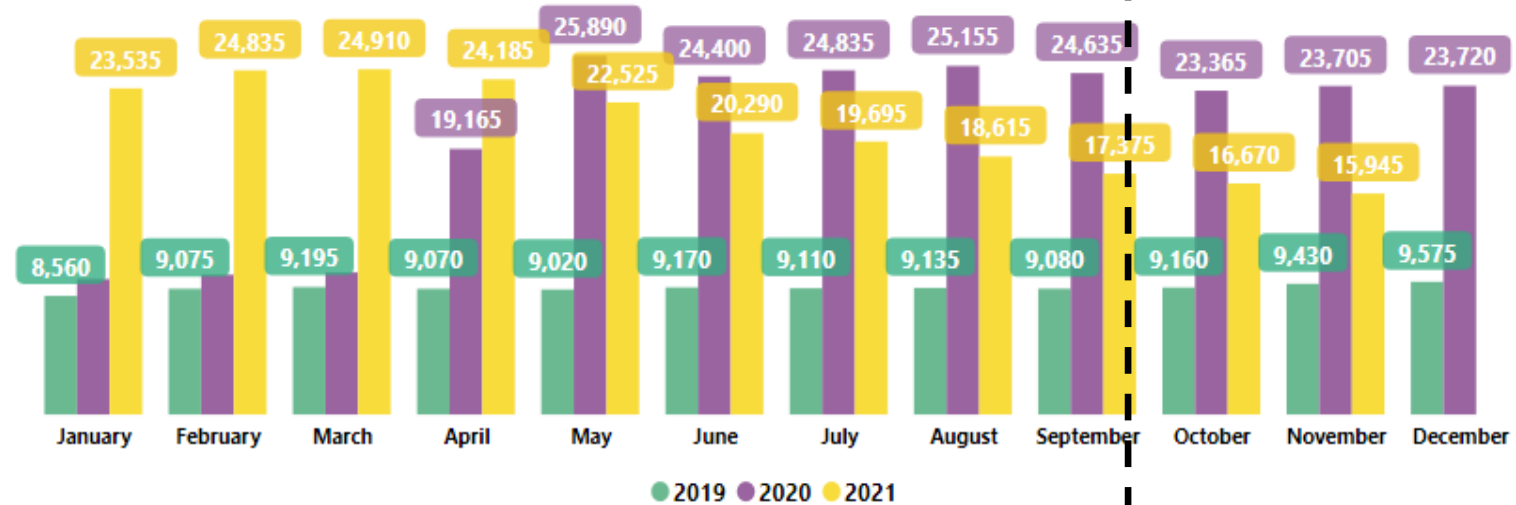
Claimants as a proportion
(%) of residents aged 18-24

4.1%

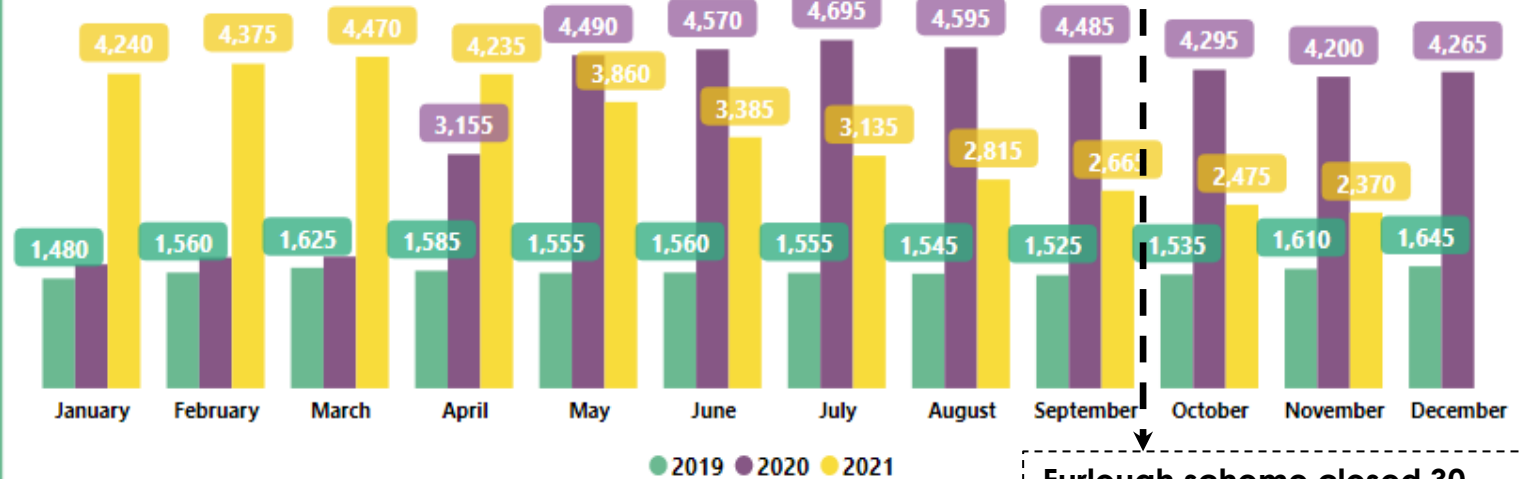


The proportions of young people in unemployment remains higher, but the rate of decline has also accelerated.

Dorset LEP Claimant Count Age 16+



Dorset LEP Claimants Aged 18-24



Source: ONS, Claimant counts

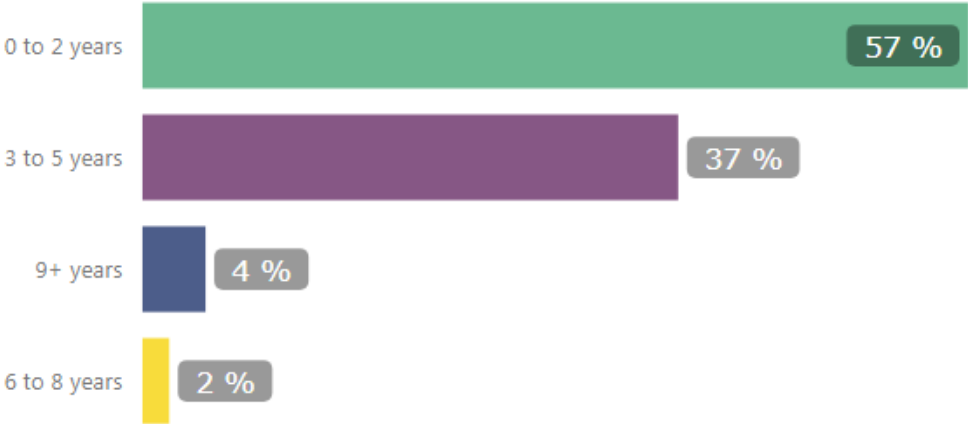
Furlough scheme closed 30 Sept with 11,400 employments furloughed at the time.

Education & Experience

| 2021



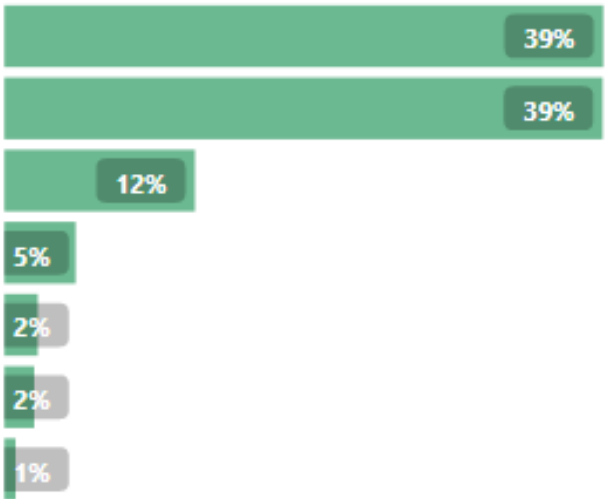
Experience Requirements*



Over half of the advertised jobs required less than 2 years of experience.

Over half of the jobs required GCSE's and A Levels as a minimum and 41% required degrees.

Education (Minimum Advertised)*



- GCSEs, Standard Grades, Level 2 S/NVQs
- Bachelor's Degrees, Graduate Certificates/Dip...
- A-Levels, Highers, Level 3 S/NVQs
- HNCs, Level 4 Certificates/Diplomas, Level 4 ...
- Postgraduate Degrees, Level 5 Certificates/Di...
- Foundation Degrees, HNDs
- Level 1 S/NVQs

Vacancies by SOC | 2021

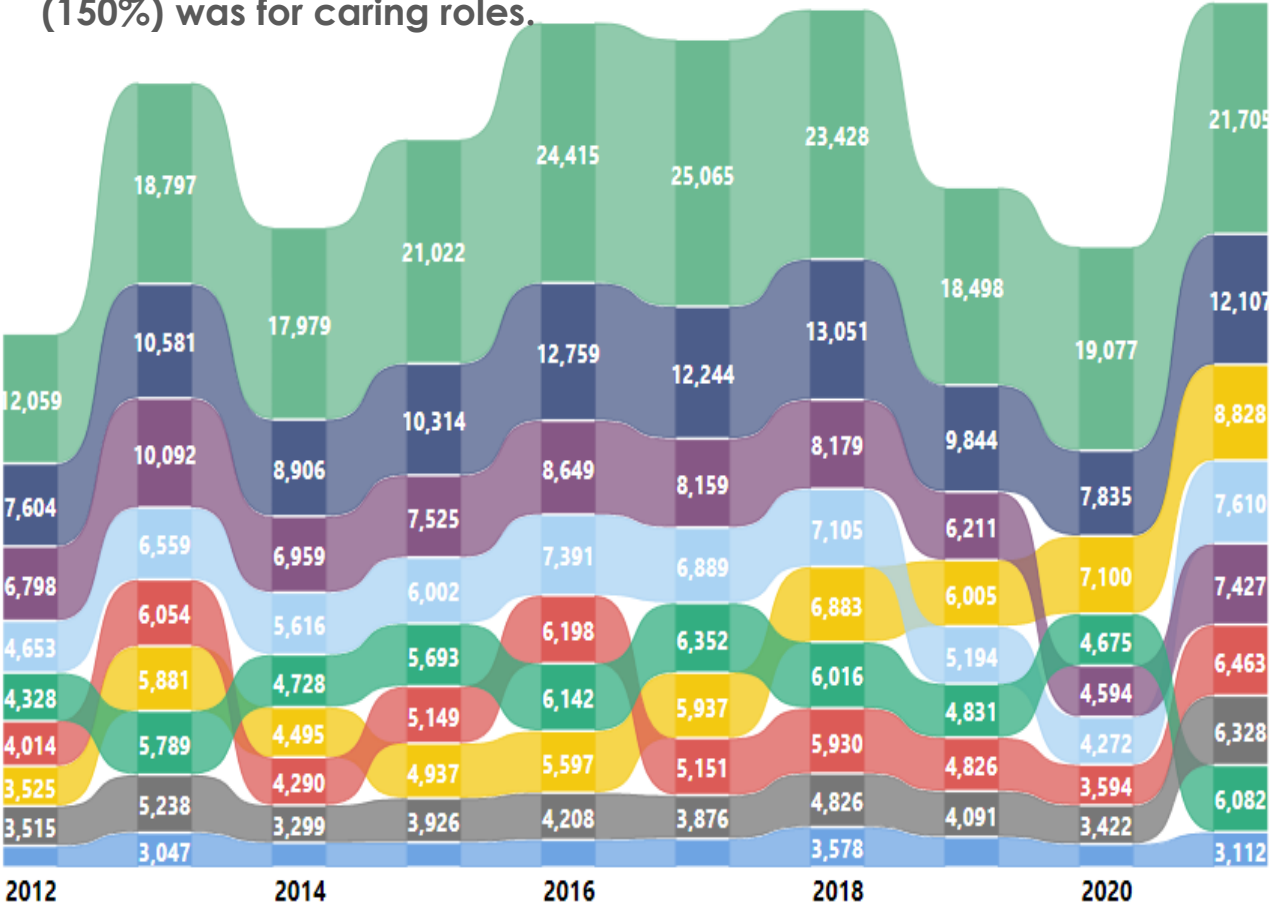


Using the **Standard Occupation Classification (SOC)**, we can get an approximation of occupations that require high, medium or low skills and linked levels of education.

High skilled roles accounted for 50% of the demand, mid-range skilled for 30% of and lower-skilled for 20% of the 2021 vacancies.

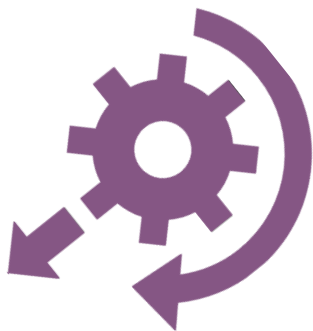
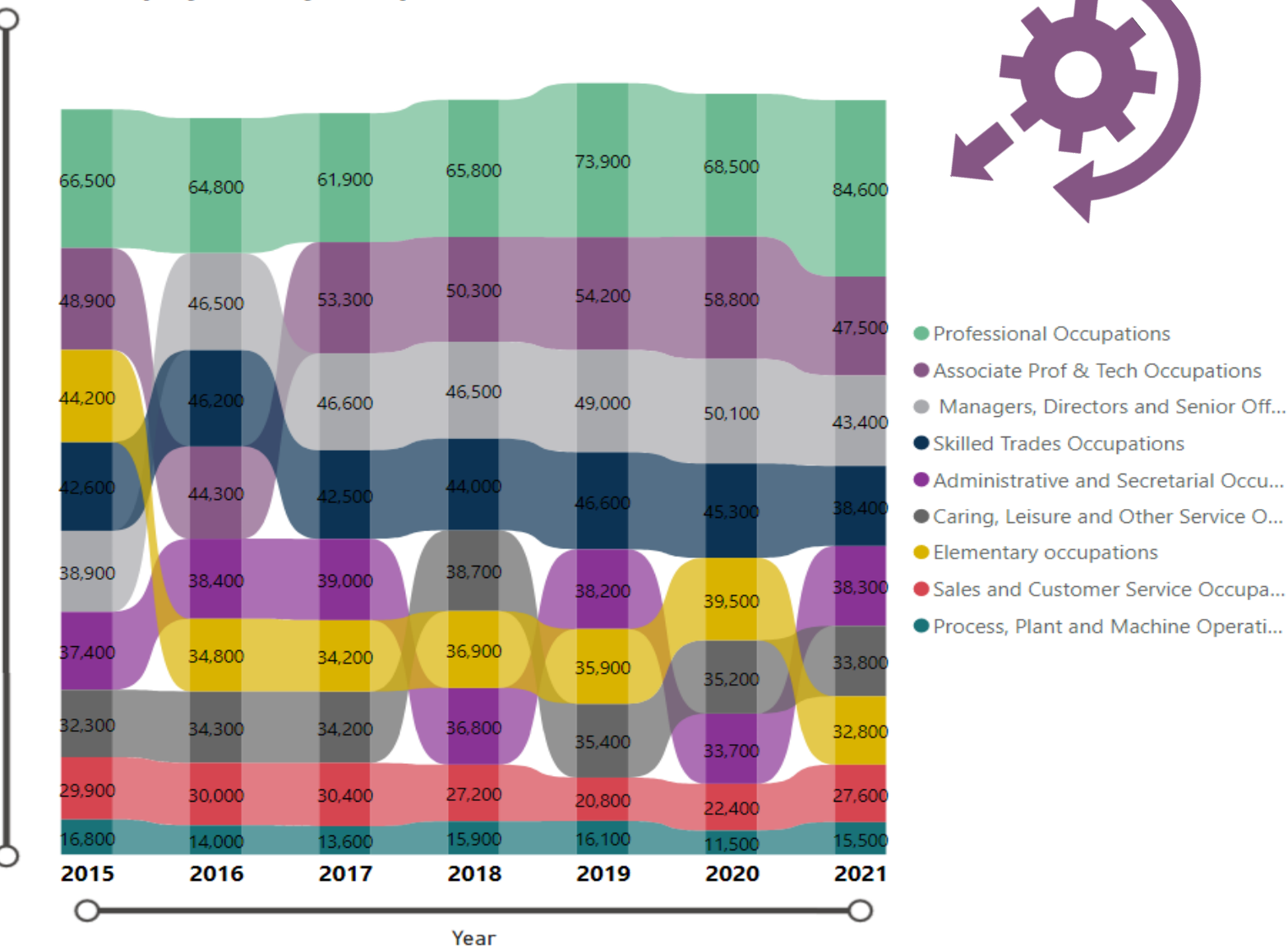
The high skilled labour market for college and university graduates is strong. Professional jobs demand stood out in numbers and saw an 80% increase 2012. Similar growth was recorded across elementary low skilled roles over this period, but the highest increase by far (150%) was for caring roles.

SOC 1-3 Digits	High skilled jobs
1 – Managers 2 – Professionals 3 – Associate Professionals	Generally require a graduate level education
SOC 4-6 Digits	Med-range skilled
4 – Admin 5 – Skilled trades 6 – Caring, leisure, service	Mostly require a Level 3-5 education
SOC 7-9 Digits	Low skilled jobs
7 – Sales 8 – Process, machine operatives 9 – Elementary	Mainly Level 2 qualifications and below

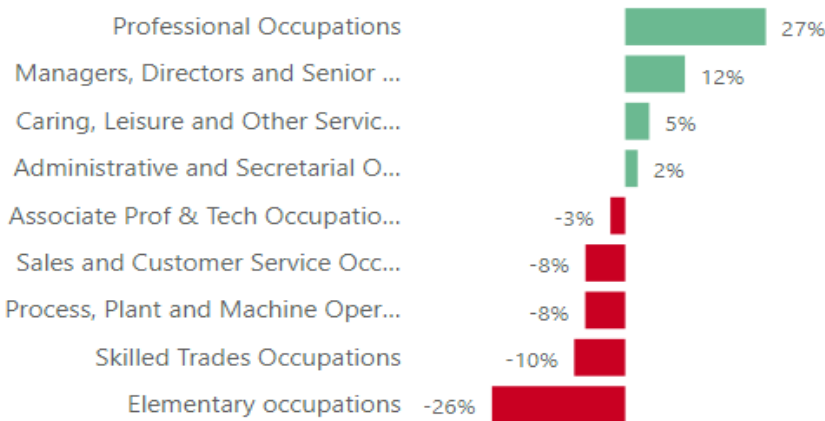


Employment by SOC | 2021

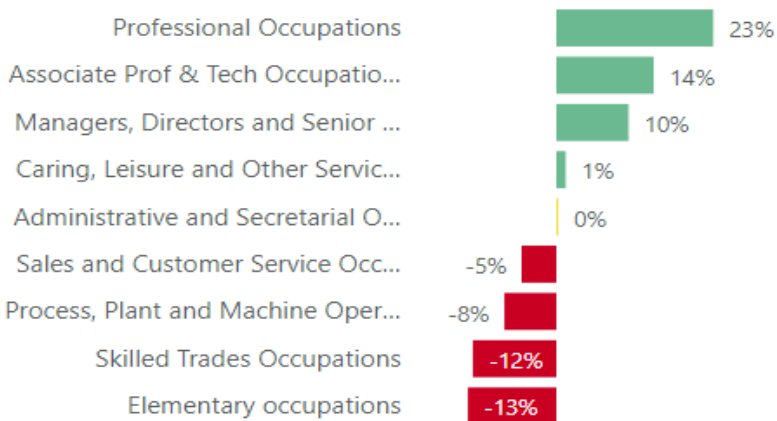
Dorset Employment by Occupation 2015-2021



Dorset LEP - difference in employment by occupation 2021 vs 2015



England - difference in employment by sector 2021 vs 2015

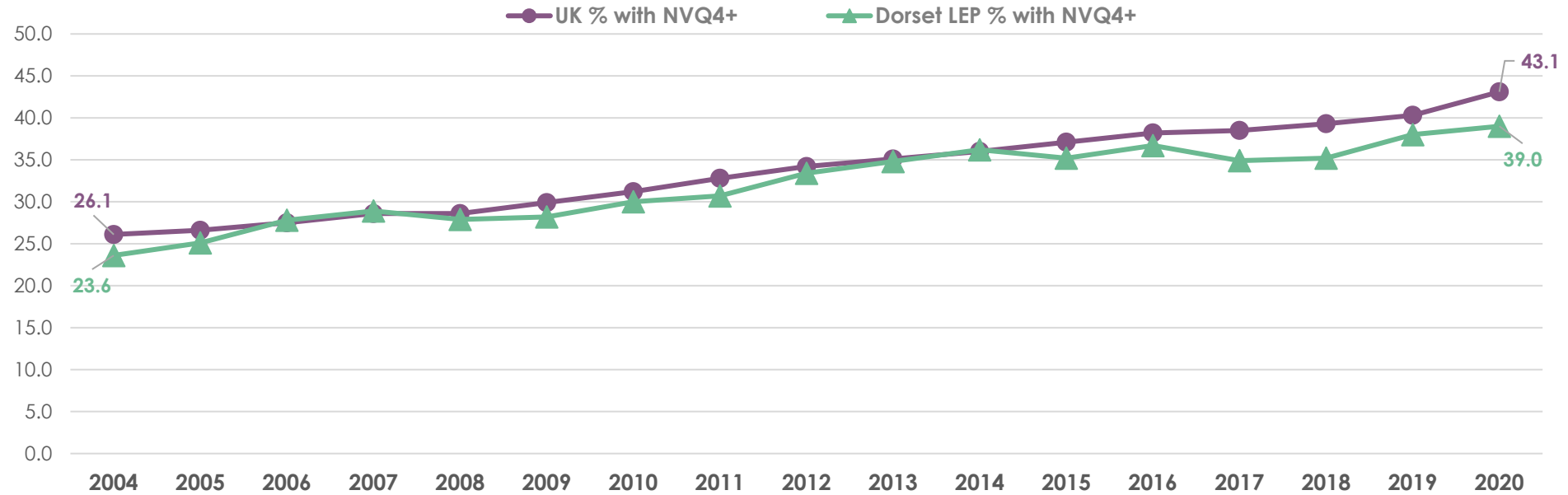


Source: ONS Annual Population [Survey](#)

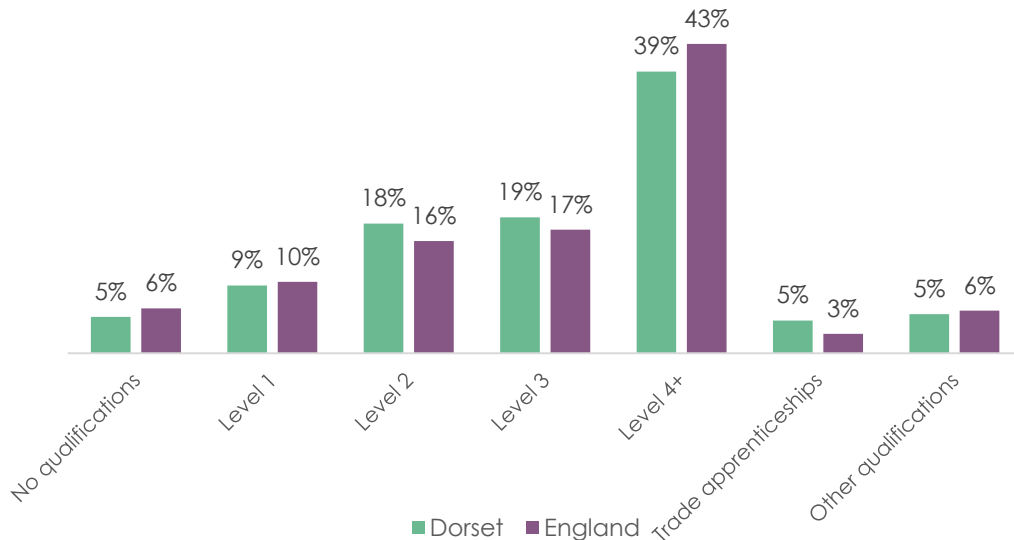
Education levels



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



Qualifications of people aged 16-64, 2020



While the number of working age people educated to Level 4 and above in Dorset has almost doubled since 2004, the proportion qualified to that level has fallen behind over recent years, forming a 4% gap from the national average in 2020. Furthermore, a fifth of the working age people in Dorset do not have a Level 2 (GCSE equivalent) qualification, which is regarded a benchmark for employability.

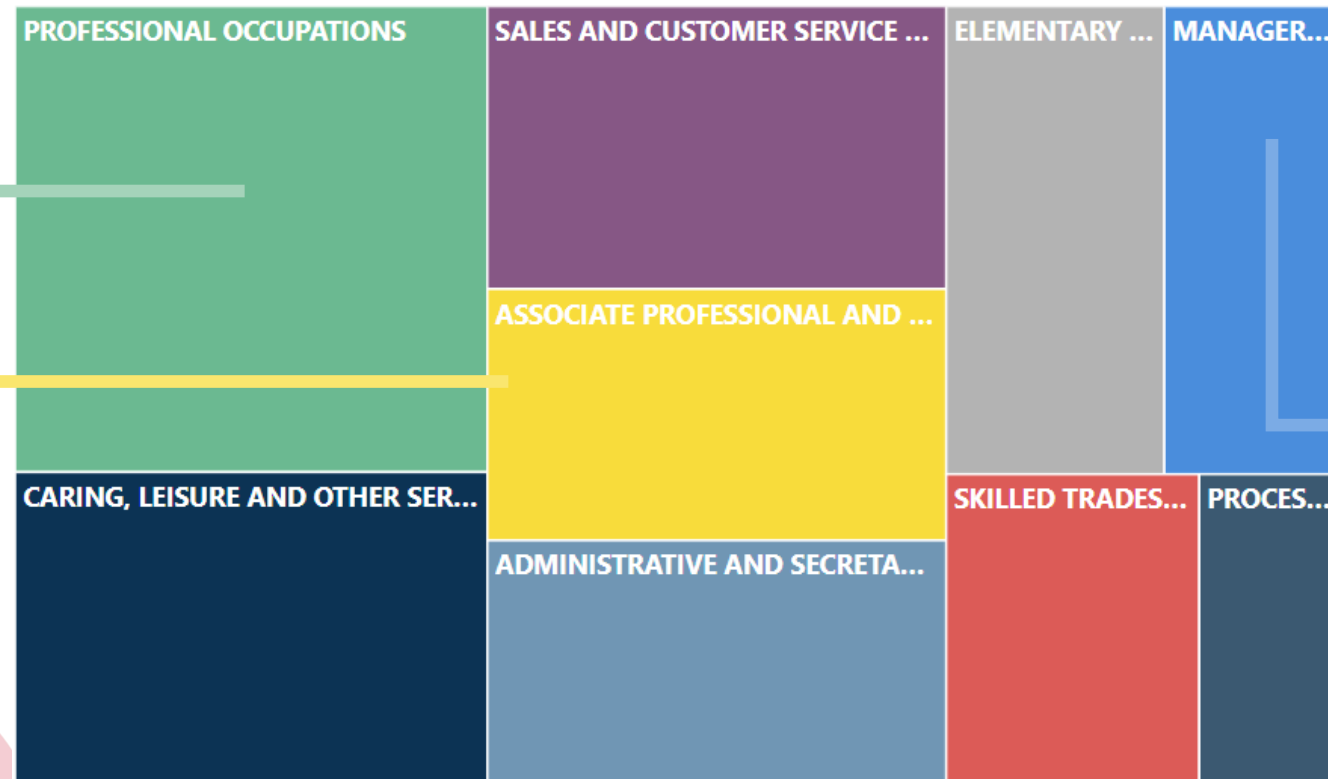
Vacancies by SOC | 1-3



Jobs most in demand	#Job Postings
Nurses	4,038
Programmers and software development professionals	2,343
Chartered and certified accountants	958
Solicitors	888
IT business analysts, architects and systems designers	776
Teaching and other educational professionals n.e.c.	773
Management consultants and business analysts	679
Engineering professionals n.e.c.	676
Medical practitioners	619
Web design and development professionals	561

Jobs most in demand	#Job Postings
Human resources and industrial relations officers	901
Engineering technicians	885
IT user support technicians	814
Marketing associate professionals	771
Science, engineering and production technicians n.e.c.	695
IT operations technicians	600
Finance and investment analysts and advisers	476
Buyers and procurement officers	475
Health associate professionals n.e.c.	435
Business sales executives	404

Top 10 Occupations 2021



Jobs most in demand	#Job Postings
Managers and proprietors in other services n.e.c.	1,203
Marketing and sales directors	869
Financial managers and directors	604
Health services and public health managers and directors	497
Production managers and directors in manufacturing	370
Property, housing and estate managers	320
Managers and directors in retail and wholesale	250
Production managers and directors in construction	229
Purchasing managers and directors	225
Residential, day and domiciliary care managers and proprietors	211

Recruitment trends 2021



Nurses, software developers and carers remain most in demand in Dorset, with office administrators, chefs, food service team members and customer service representatives back in demand. Other professionals such as project, account and financial managers, lawyers and accountants have also maintained high levels of postings.

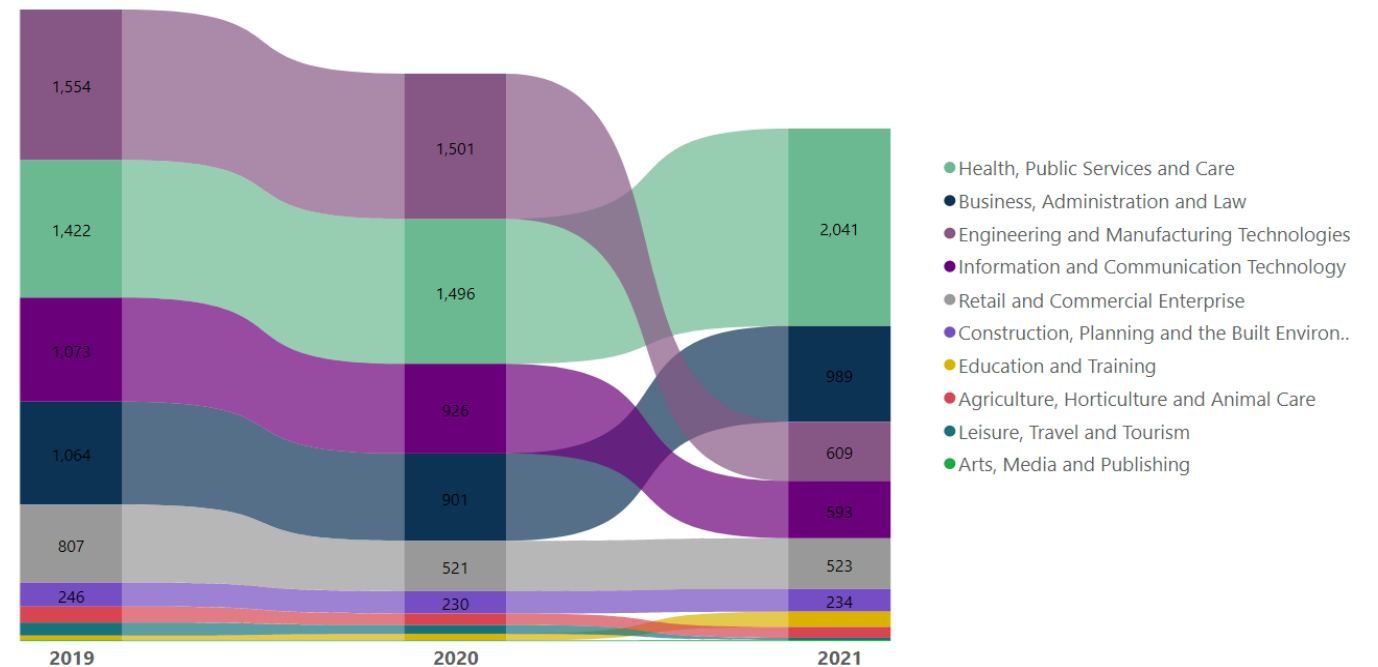
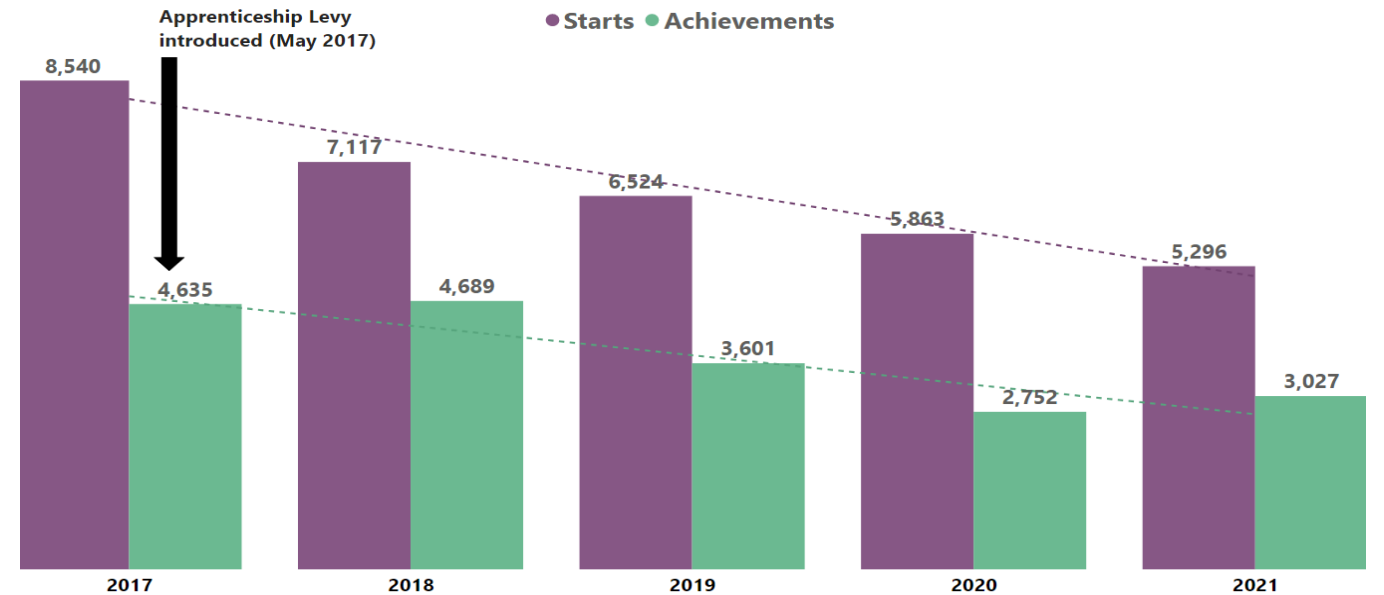
Posting Intensity and **Posting Duration** show that for every unique job vacancy there were 4 postings on average online with an average posting duration of 28 days which is some improvement on previous reports.

Job Title	Postings	Average Posting Intensity	Median Posting Duration
		AUG-OCT 2021	
Care Assistant/ Care Giver	4,817	10 :1	33
Nurse	3,716	11 :1	25
Software/ Web Developer/ Engineer	2,871	10 :1	33
Office Administrator	2,787	4 :1	20
Customer Service Advisor/ Representative	2,017	7 :1	22
Project manager	1,560	4 :1	20
Retail Sales Associate/ Assistant	1,427	4 :1	33
Account manager	1,172	6 :1	35
Chef	1,248	10 :1	25
Teaching Assistant	1,240	5 :1	23
Cleaner	1,073	4 :1	24
Labourer	1,038	4 :1	28
Food Service Team Member	892	4 :1	20
Lawyer	874	6 :1	27
Bookkeeper / Accounting Clerk	862	4 :1	20
Sales Representative	828	6 :1	14
Nursing Assistant / Healthcare Assistant	820	7 :1	20
Receptionist	790	3 :1	15
Accountant	789	7 :1	29
Computer Support Specialist	688	7 :1	32
Production Worker	639	10 :1	22
Delivery Driver	637	6 :1	20

Apprenticeship participation



Various reforms in apprenticeship delivery and standards as well as pandemic disruptions make year on year comparison problematic, but the trend of decline in apprenticeship participation continues. While Dorset has traditionally maintained significantly higher proportions of STEM apprenticeships than nationally, this trend has changed in 2020/21 with substantial on year decline of starts in engineering and manufacturing (59%↓) and ICT (36%↓) leading to the overall proportion of STEM starts to decline from 44% in 2018/19 to 27% in 2020/21.



In Summary: Labour shortages

There are layers of complexity explaining the labour market supply and demand fluctuations that cause the labour shortages across sectors and occupations. Covid and Brexit thrown in the mix of existing challenges



Reactive/ simultaneous/ campaign demand seems to be driving the issues at lower skills levels

The pre-existent nervousness and reluctance among candidates about changing jobs seems to have now reversed with record job movements – possibly following the US big resignation example



Ageing workforce – could be part of the higher skilled challenges more workers left jobs than could be replaced in the short term

Many EU workers have travelled back through the pandemic and there are fewer incoming EU workers.



There are pre-existing structural skills shortages, pay and condition issues, whilst the rise in precarious/ temporary jobs on offer is another barrier to attracting candidates.

