Buckinghamshire Local Skills Report Annex A: Core Indicators

About

This Annex provides data and intelligence on key aspects of Buckinghamshire's labour market and skills landscape.

The indicators presented within Annex A have been defined by the Department for Education (DfE), to ensure consistency between the Local Skills Reports being produced by Local Enterprise Partnerships (LEPs) and Mayoral Combined Authorities (MCAs) across England.

Buckinghamshire LEP has drawn on local intelligence to provide commentary around these indicators. This local intelligence has been gathered from: Buckinghamshire LEP board members, Buckinghamshire Skills Advisory Panel members, Buckinghamshire Creative Sector Group members, Buckinghamshire Construction Sector Group members, Buckinghamshire Space Sector Group members, local employers working with the Buckinghamshire Skills Hub on careers initiatives and Buckinghamshire Business First members.

As per the Department for Education guidance for Local Skills Reports, additional data analysis and local intelligence is provided within (or sign-posted from) Annex B.

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1: Local Landscape

Local Landscape – Summary

Buckinghamshire's economy generated £16.7bn of GDP in 2018. Going into the Covid-19 pandemic, however, it had not been firing on all cylinders. The county was experiencing slow growth in economic output, having the third lowest 5-year growth rate of all 38 LEP areas, and was being out-paced by other areas in terms of productivity growth.

Defining features of Buckinghamshire's economy are:

- The predominance of small businesses.
- High levels of self-employment (second highest of all 38 LEP areas), particularly within the county's creative and construction sectors.
- A small public sector (the smallest of all 38 LEP areas).
- World-class economic assets and high performing clusters of business activity in the areas of film and TV, high-performance engineering, space and MedTech.
- A large wholesale sector (particularly the wholesale of pharmaceutical goods, machinery and equipment, computers and software).
- A larger than average digital sector.

Key growth sectors (from an employment perspective) within Buckinghamshire over the next 10 years are likely to be: construction, health and social care, creative, space, and high-performance engineering.

Key skills challenges include:

- Retaining talent

  Buckinghamshire exports a high proportion of its skilled residents, both young people who leave the county for university and do not return, and residents who commute out of the county (often to London) for higher paid 'better' jobs.

- Attracting talent

  The proximity to London, the high cost of housing and the perceived lack of vibrancy of Buckinghamshire's urban centres all contribute to the recruitment difficulties of local employers.

- A skills and labour mismatch

  There is a greater gap between the type of skills and labour sought by local employers and the skills held and jobs sought by local residents than elsewhere in the country. Contributing factors are likely to include fewer young people taking an Apprenticeship route into employment, and constrained opportunities for young people attending non-selective secondary schools.

Whilst Buckinghamshire employers do report skills shortages, a particularly high proportion report struggling to recruit due to not enough people being interested in the role, rather than lacking the required skills. This may change in the short term as a greater pool of people are seeking work as a result of the Covid-19 pandemic, but long term is likely to remain a challenge.

Employment by sector

As with most of the developed world, Buckinghamshire's economy is dominated by the service sector, which generates 85% of all local employee jobs. Three in every five jobs in Buckinghamshire exist in the 'foundational economy' (the element of the economy that provides goods and services to the local population) with the remainder being within the 'tradable economy' (the element of the economy that produces goods and services that are, or could be, traded outside of the local area, including internationally).

Buckinghamshire has:

- A small public sector (the smallest of all 38 LEP areas) (see Charts A1 and A2)
- World-class economic assets and high performing clusters of business activity in the areas of film and TV, high-performance engineering, space and MedTech.
- A large wholesale sector (particularly the wholesale of pharmaceutical goods, machinery and equipment, and computers and software) (see Charts A1 and A2)
- A large digital sector (see Charts A1 and A2)

In the years preceding Covid-19, there had been little structural change in the Buckinghamshire economy. The 'human health and social work' sector had long been the county's largest employer, whilst the 'wholesale' sector was Buckinghamshire's greatest specialism in broad terms, with local employment in this sector as a proportion of all employment being twice the national average (Chart B1 in Annex B). Employee growth in the digital ('information and communication') sector slowed between 2016 and 2018, although it remained a key sector with a higher concentration of employees locally than nationally.

Key growth sectors (from an employment perspective) within Buckinghamshire over the next 10 years will be:

- Construction (in part due to HS2, East West Rail, Aylesbury Garden Town related construction activity, and a large house building programme)
- Life sciences, health and social care (linked to both the health needs of an ageing population and the need to respond to the aftermath of the Covid-19 pandemic)
- Creative (linked to expansion plans at Pinewood Studios, plus the continuing growth of the West of London Screen Cluster with many new sound studios opening within the next few years)
- Space (it is anticipated that the 10-year plan for the Westcott Space Cluster will create over 2,000 jobs)
- High performance engineering (linked to expansion of the Silverstone Enterprise Zone and an increasing focus on the need for green technologies to combat climate change)

The latter three, along with the Medtech sector are identified within Buckinghamshire's Local Industrial Strategy as strategic growth sectors. Each has a key asset located within the county (Westcott Space Cluster, Pinewood Studios, Silverstone Park and Technology Cluster and Stoke Mandeville hospital) and strong long-term growth prospects. Analysis of the size of Buckinghamshire's priority sectors is presented in Figure B1 Annex B.

Sectors that have borne the brunt of the economic impact of Covid-19 in Buckinghamshire include: hospitality; the arts; leisure; live events; personal services and retail. However, jobs and income have been lost and employees furloughed across many other sectors including professional services, support services and manufacturing. In addition, Buckinghamshire residents have been impacted by the downturn in air travel, with some employed at (or connected to) Heathrow and Luton airports, consequently losing jobs or experiencing a drop in pay.

Chart A1: Employment by sector, 2019 (Buckinghamshire)

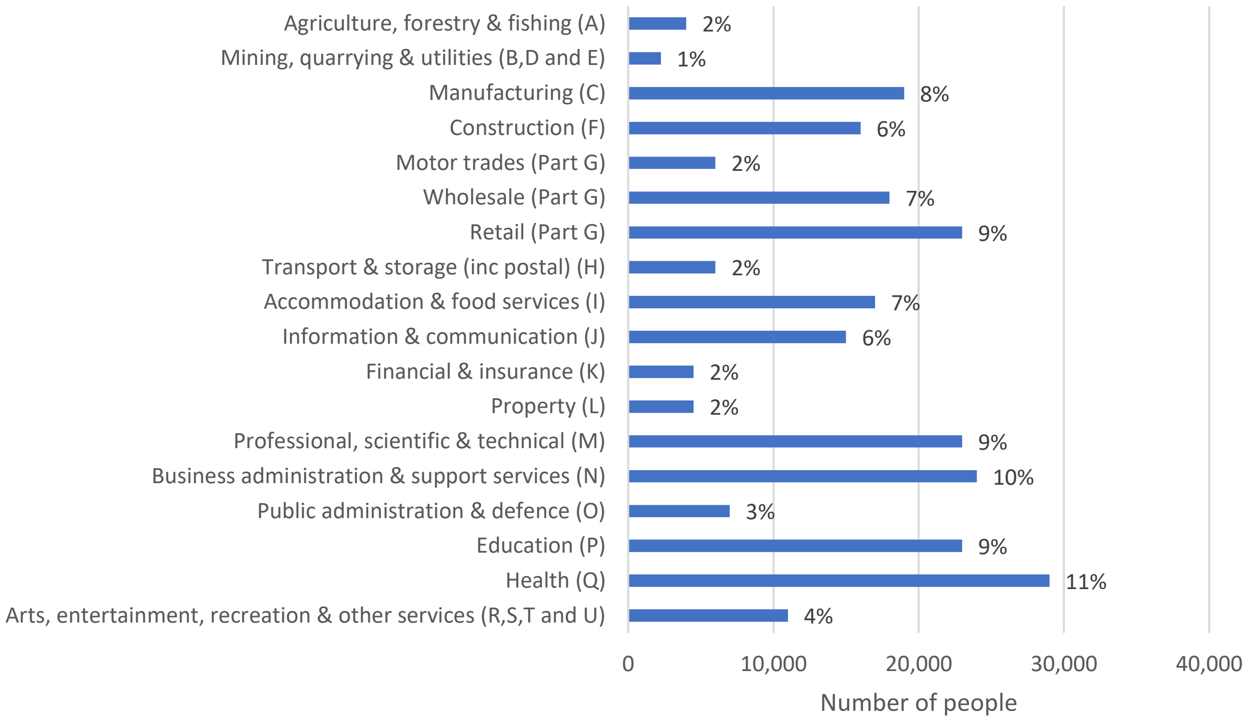
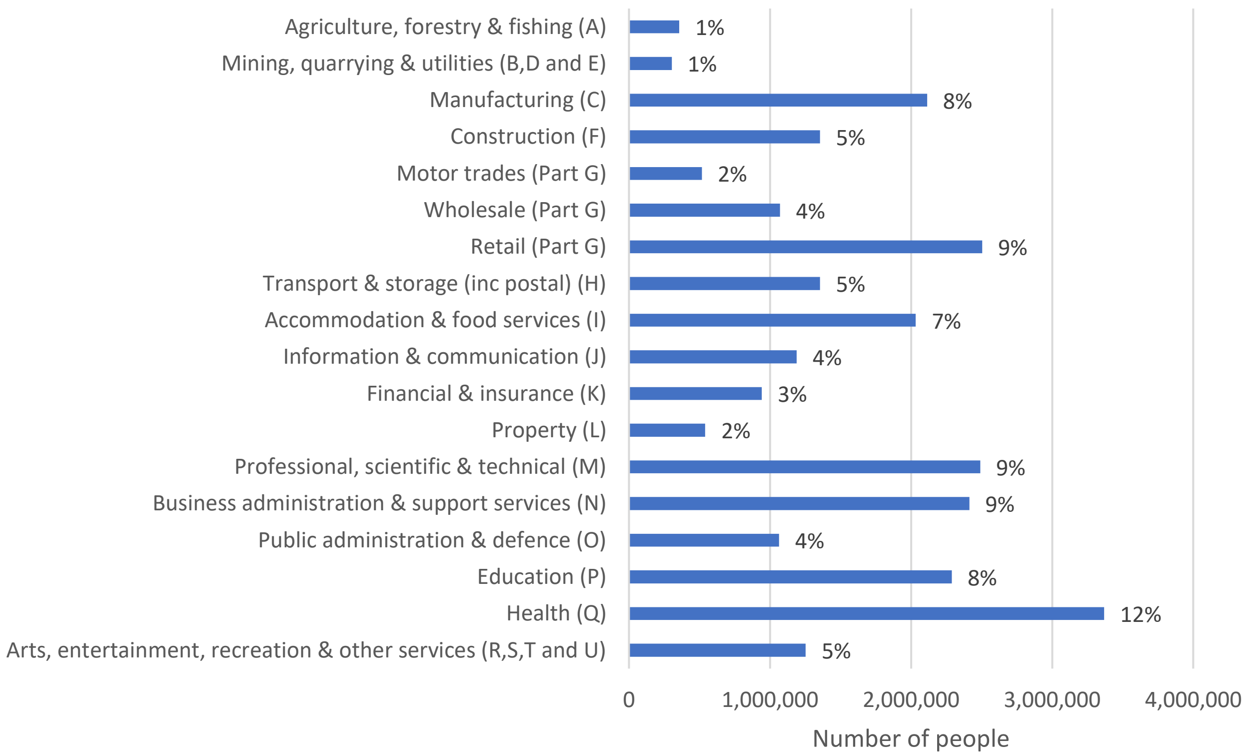


Chart A2: Employment by sector, 2019 (England)



Source: Business Register and Employment Survey, 2019 (published 2020)

Employment by occupation

Charts A3 and A4 show the distribution of employment within Buckinghamshire by broad occupation. This is supplemented with data presented in Chart B2 in Annex B, which shows how the occupational profiles of Buckinghamshire residents and those working within the Buckinghamshire economy vary.

Overall, the occupational profile of Buckinghamshire's residents is more 'top heavy' than nationally, with 58% working in 'high skill' roles compared to 50% nationally. Those working in high skill roles most likely to have been able to work from home during the Covid-19 pandemic.

Buckinghamshire residents are much more likely to be working in 'managerial, director and senior official' roles than the national average. They are also more likely to be doing so than those working in the Buckinghamshire economy (Chart B2, Annex B). High numbers of people working at this level within the local economy are likely to be linked to high levels of self-employment in the county, along with the prevalence of micro-businesses.

Buckinghamshire residents and workers are less likely to be working as 'process, plant and machine operatives' than the national average. And residents are also less likely to work in 'elementary' and 'care, leisure and other service' occupations, with slightly more Buckinghamshire-based workers doing so, but still lower than the national average.

Table B1 in Annex B lists Buckinghamshire's top 10 occupational specialisms (number of employee jobs as a proportion of all employees). The top occupation is 'artistic, literary and media', in which twice as many people are employed locally than the national average. This is likely linked to the presence of Pinewood Studios in the south of the county. The next four occupational specialisms reflect the relative affluence of Buckinghamshire residents, and their level of discretionary spend. These are: animal care; hair and beauty; cleaning and sports / fitness occupations. Three 'knowledge-economy' occupations make the top 10: sales and marketing; design and IT and telecoms professionals. The final occupation on the list is agricultural occupations, this reflects the rural nature of the county. Seven of Buckinghamshire's top 10 occupational specialisms are likely to have been severely impact by the Covid-19 pandemic.

A high proportion of those working in the Buckinghamshire economy are self-employed individuals with no employees (16% versus 12% nationally). Buckinghamshire LEP have produced estimates of the number of people working in different occupations on a self-employed basis within Buckinghamshire (Table B2 in Annex B). Many of these occupations sit within the construction and creative sectors.

The extent to which those who are self-employed in Buckinghamshire have been economically impact by the Covid-19 pandemic has depended on the following factors:

- Ability to work from home.
- Eligibility for the Self-Employed Income Support Scheme (SEISS) (based on earnings and length of time self-employed).
- Whether or not individuals are company directors paid in part via dividends (those who are, have experienced some of the biggest drops in income).

In terms of ability to work from home, of the top occupations undertaken by self-employed people listed in Table B2, it is likely that only those in two occupational groups ('authors, writers and translators', and 'management consultants and business analysts') could easily work from home.

Chart A3: Employment by occupation, 2019/20 (Buckinghamshire)

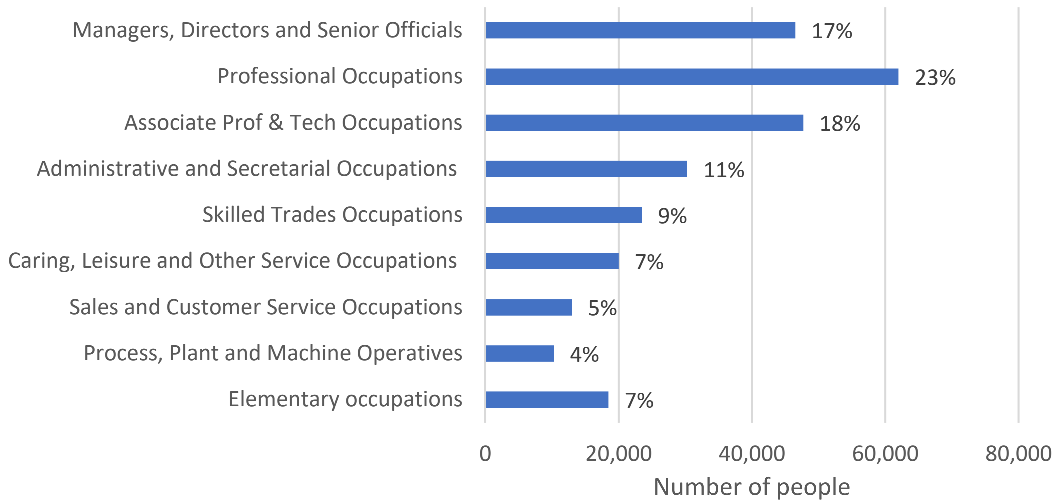
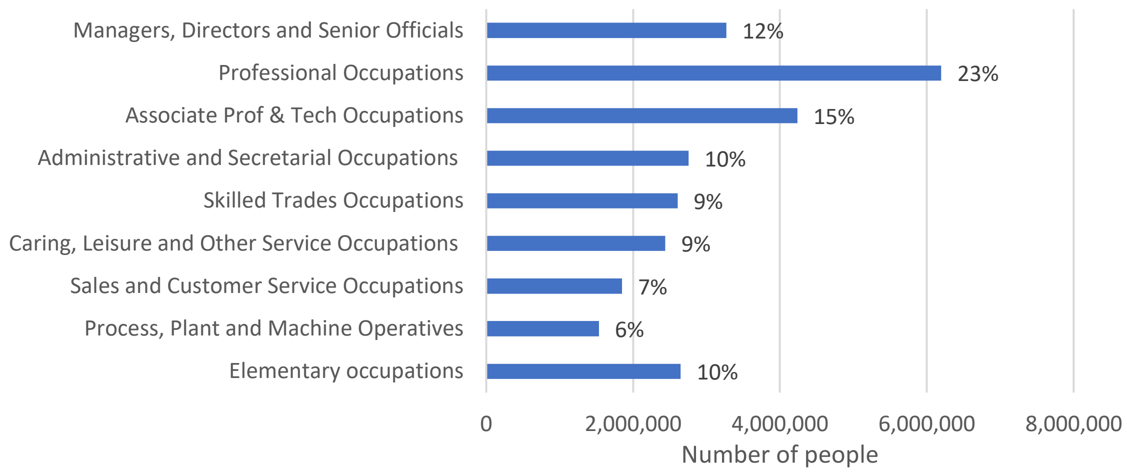


Chart A4: Employment by occupation, 2019/20 (England)



Source: *Annual Population Survey, October 2019 - September 2020*

Enterprises by size band

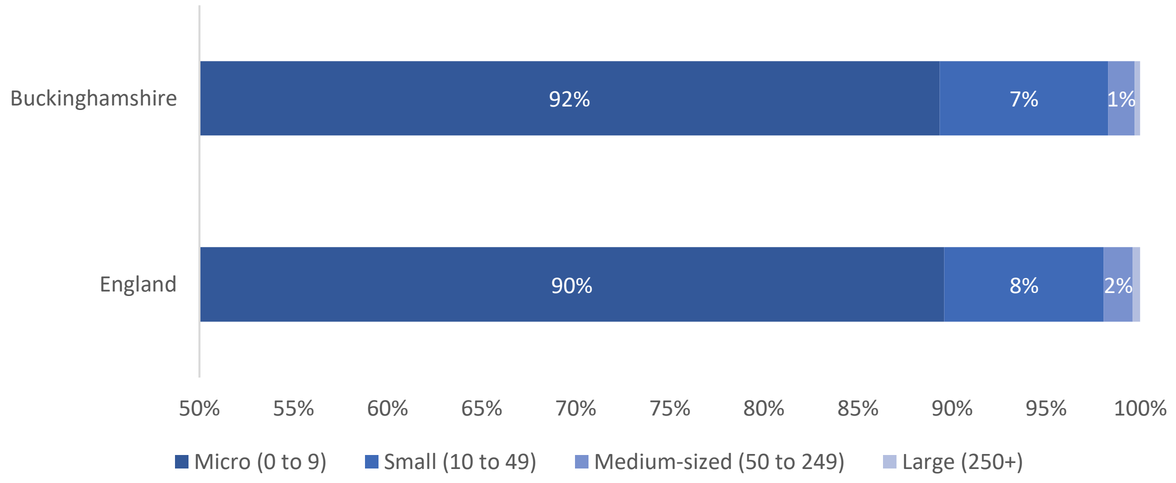
The vast majority of Buckinghamshire's VAT / PAYE registered businesses (92%) employ fewer than 10 people (Chart A5). 77% are very small in size (employing fewer than 5 people), the highest proportion of all 38 LEP areas. 59% of those working for registered businesses within Buckinghamshire work for SMEs employing fewer than 250 people. This is much higher than the national average of 46% (Chart B4 in Annex B).

Buckinghamshire is home to 90 large firms (employing more than 250 people) and around 430 foreign-owned firms. Amongst Buckinghamshire's largest employers are Buckinghamshire Council, the NHS, a number of global life sciences companies (including Allergan, Janssen (Johnson & Johnson), Danaher, GE Healthcare and Beckman Coulter), Buckinghamshire's two universities and further education college group, global digital technology firms (including Softcat, SAS and Bizagi) and a number of high-performance engineering firms (including Martin-Baker, Cobham and Focusrite) (see Figure B2 in Annex B).

Micro businesses and self-employed individuals (including freelancers, who are particularly concentrated within Buckinghamshire's creative and construction sectors) can lack the necessary resources to invest in skills and training.

Buckinghamshire's business support ecosystem reflects the nature of the economy well. Buckinghamshire Business First (the Buckinghamshire Business Growth Hub) is long established and has 13,000 members, the vast majority of whom are micro and small businesses. In addition, the Silverstone Technology Cluster, Westcott Space Cluster, Bucks HSC Ventures, Pinewood Studios and Visit Buckinghamshire provide access to networks for firms of all sizes operating in similar spheres. The Buckinghamshire Skills Advisory Panel engages with businesses of all sizes through these networks, and through its sector sub groups for construction, creative industries, space and health and social care.

Chart A5: Enterprises by employment size band, 2020



Source: *UK Business Counts, 2020*

Business birth and death rates

In recent years, business births in Buckinghamshire have exceeded business deaths (Chart A6). The exception being 2017 when birth and death rates were the same. A similar pattern is observed nationally, with the 2017 dip possibly reflecting reduced business confidence in the aftermath of the EU referendum result.

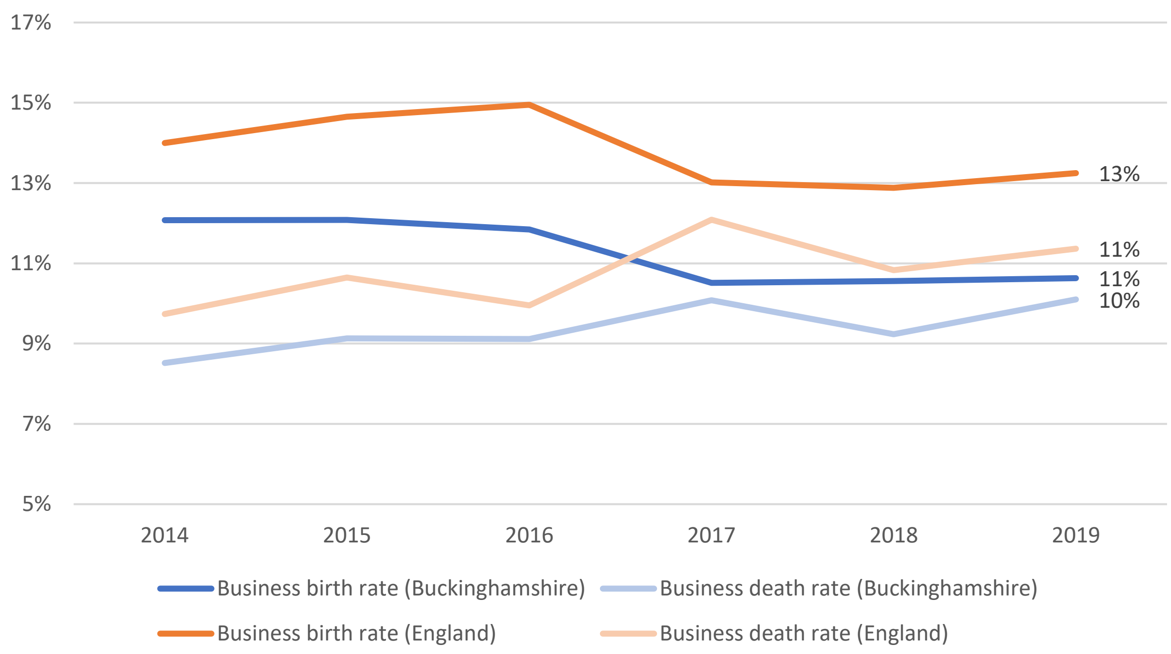
Over the last few years (pre-Covid-19), fewer businesses have been created and fewer have closed in Buckinghamshire (as a proportion of all existing business) than the national average. Business survival rates in Buckinghamshire are higher than the national average. For example, 48% of firms born in Buckinghamshire in 2014 were still operating 5 years later, compared to 43% nationally (Chart B5 in Annex B).

Nationally, the ONS reports that the transport and storage (including postal) industry had the highest business birth rate in 2019. There has been a significant rise in small or single person courier companies, to meet the demand for home delivery resulting from the rise in online shopping (which is likely to have increased further as a result of the pandemic). Some of these single-employee limited companies are registered for a short period of time, which can lead to large numbers of business births and deaths within this sector.

Buckinghamshire LEP have been monitoring Companies House data on new business registrations and closures (dissolutions and liquidations) over the course of the Covid-19 pandemic. Data on the latter is has been disrupted due to the pausing of Companies House strike-off procedures. Whilst Companies House resumed their voluntary strike-off process in September 2020, these typically only account for around 50% of all strike offs meaning that the full picture of the impact of Covid-19 on business closures is not yet visible within the data. Charts B6 and B7 in Annex B show that new incorporations dropped in the early months of the pandemic before recovering. Over the course of the year, the number of new business incorporations in Buckinghamshire in 2020 was at the same level as in 2019.

Towards the end of 2020, Buckinghamshire Business First and banks reported an increased demand for business start-up support. This is likely to be due to individuals whose businesses have been severely impacted by Covid-19 pivoting and starting new or additional businesses. It could also be a result of people losing jobs and starting up on their own whilst the job market is depressed.

Chart A6: Business birth and death rates, 2014 - 2019



Source: *ONS Business Demography, 2014 - 2019 (published 2020)*

Employment rate and level

Prior to the Covid-19 pandemic, Buckinghamshire residents enjoyed comparatively high levels of economic activity. Employment rates were high and unemployment (although rising slowly over the preceding 12 months) was low. Figure B3 in Annex B summarises the employment status of Buckinghamshire's working age population pre-Covid-19.

Buckinghamshire's employment rate has been consistently higher than the national rate over the last 15 years (Chart A7). Buckinghamshire's employment rate appears to fluctuate more than the national rate, however this is likely to due to the Annual Population Survey data for Buckinghamshire being based on a relatively small sample.

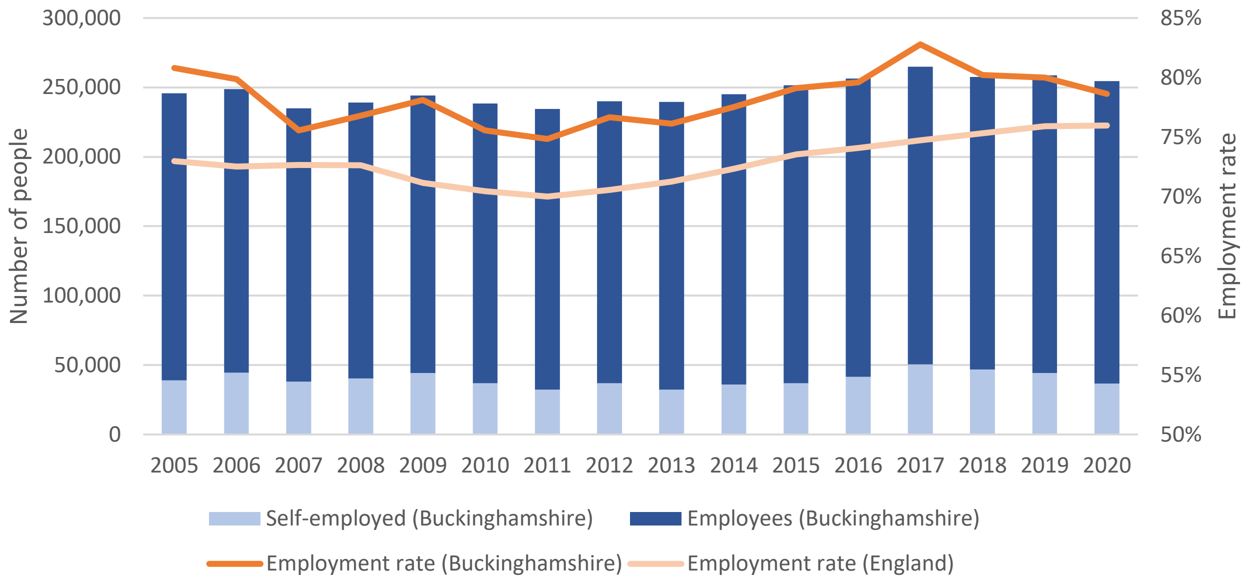
As previously mentioned, a higher proportion of those working in the Buckinghamshire economy are self-employed individuals.

Pre-Covid-19, economic inactivity rates within Buckinghamshire were lower than the national average (Annual Population Survey, 12 months to March 2020). Around a quarter of those who were inactive wanted a job. Historically, a greater proportion of Buckinghamshire's economically inactive population have been students than nationally, and far fewer have been inactive due to sickness (Figure B3 in Annex B).

We estimate that nearly 75,000 Buckinghamshire residents spent some of 2020 on furlough leave, approximately a third of all employees. At the end of January 2021, 15% of Buckinghamshire resident employees were on partial or full furlough, in line with the national average.

National data on the take-up of the Job Retention Scheme (furloughing) by sector shows that, in terms of volume, take-up was highest in the hospitality and retail / wholesale sectors. Whilst proportionally (i.e. the percentage of the sector's workforce on furlough leave) take-up was highest in the arts, entertainment and leisure (23%), hospitality (22%) and 'other services' (19%) sectors.

Chart A7: Employment rate and employment level



Source: *Annual Population Survey, 2020*

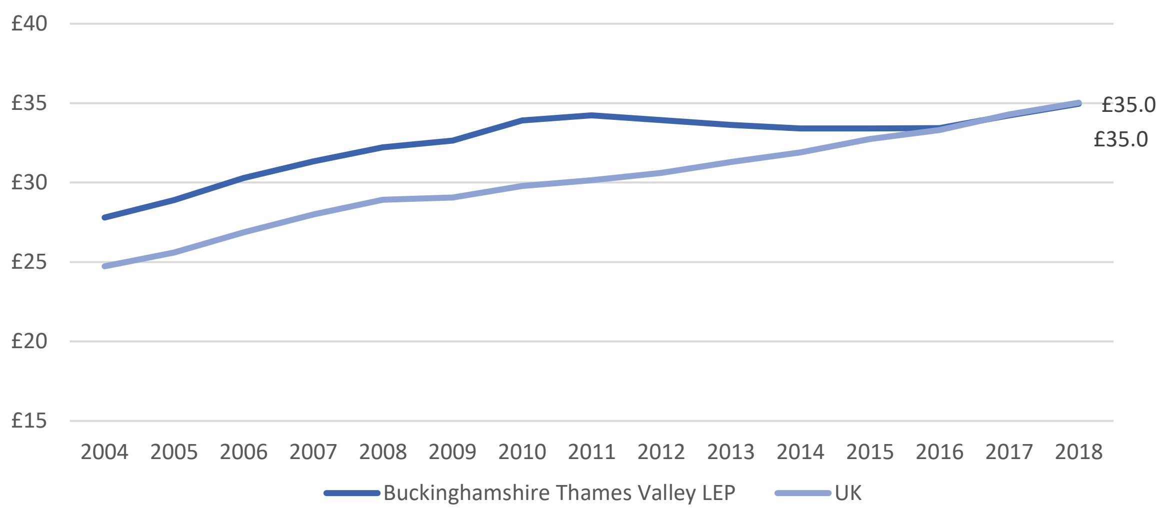
Productivity

In recent years, Buckinghamshire has been outpaced by other areas of the UK in terms of productivity growth. The result being a drop in position from 4th out of 38 LEP areas in 2010, to 9th in 2018. Buckinghamshire's productivity level is now in line with the national average (Chart A8), or 7% below the national average if the influence of the housing market is stripped out (see Buckinghamshire's Economic Recovery Plan Evidence Base and the Buckinghamshire Productivity Story for further details).

Buckinghamshire has seen greater growth in low productivity sectors than high productivity sectors in recent years (see Table B3 in Annex B).

The Covid-19 pandemic could have positive and negative impacts on productivity. In the short-term, redundancies and/or recruitment freezes, along with investment in technology, could enable firms to maintain or increase output with fewer employees. On the other hand, companies that have taken on debt to get through the pandemic may put investment plans (be that investment in capital, R&D or skills) on hold, which would negatively impact productivity.

Chart A8: Nominal (smoothed) GVA per hour worked (productivity)



Source: *ONS Subregional Productivity, 2004 - 2018 (published 2020)*

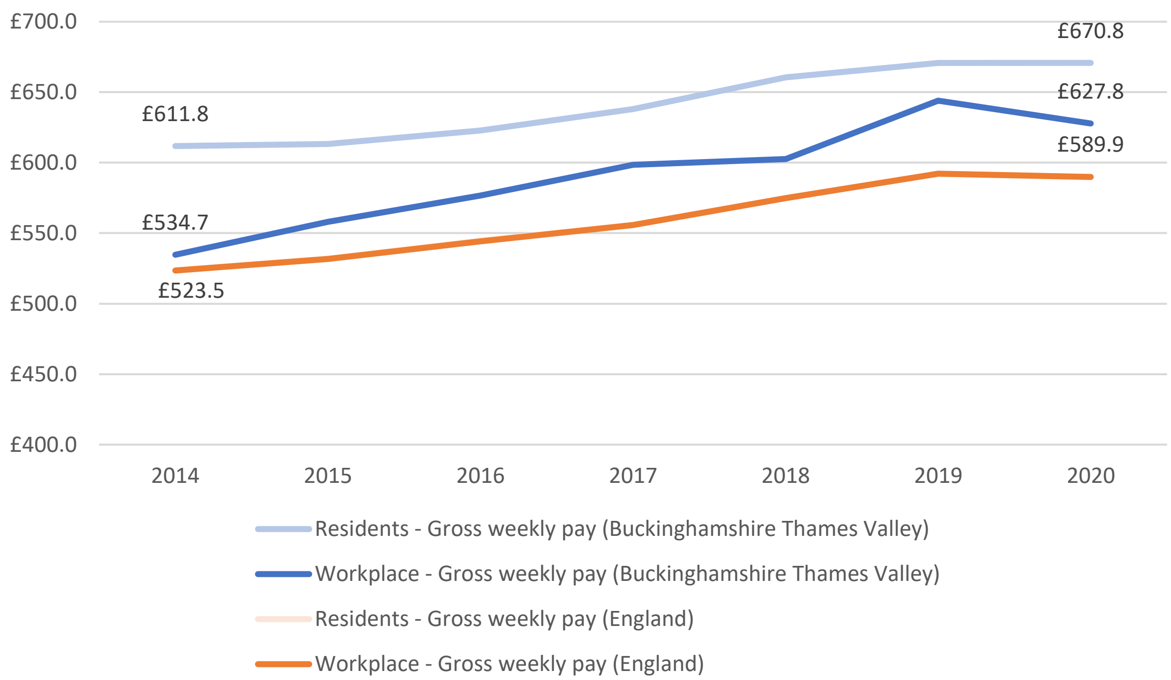
Wages

Wages for both Buckinghamshire residents and Buckinghamshire workers are higher than the national average. Buckinghamshire residents earn more than those working in the Buckinghamshire economy (Chart A9).

Between 2014 and 2020, wages within the Buckinghamshire economy grew at a faster rate (17%) than did the wages of residents (10%) and wages cross the country as a whole (13%). This could be linked to Buckinghamshire employers finding it more difficult to recruit, and needing to increase wages to attract those who could commute to higher paying localities such as London.

Buckinghamshire has one of least 'self-contained' labour markets in England. Pre-Covid-19, around a third of working residents travelled out of the county for work. In total, 34,000 Buckinghamshire residents usually work in London, with residents aged 35-49 making up almost half of the total. 28% of all those working within the Buckinghamshire economy travel into the county from elsewhere (Figure B4 in Annex B).

Chart A9: Median gross weekly wage for full-time workers



Source: *Annual Survey of Hours and Earnings, 2014 - 2020*

Population by age group

Approximately 544,000 people currently live in Buckinghamshire, of whom 60% are of working age (lower than the national average of 62%) (Population Estimates 2019, ONS). Buckinghamshire has a lower proportion of 20–34-year-olds than the national average and a greater proportion of people aged 35 and over, and under 16 (Chart A10).

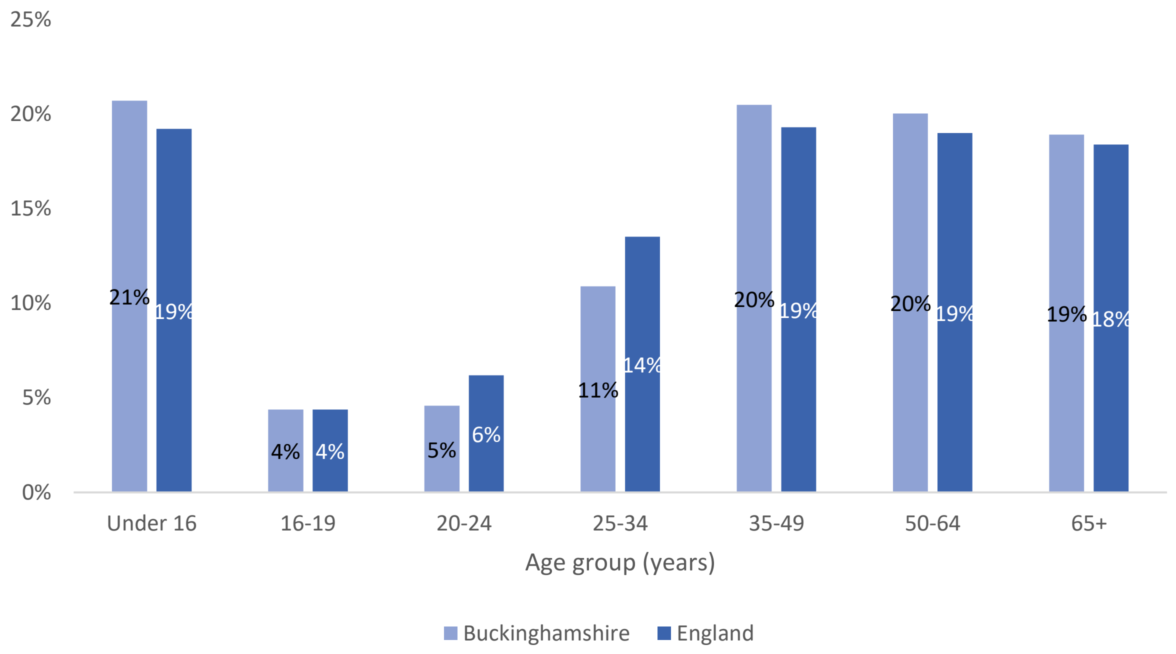
As noted in the Buckinghamshire LIS evidence base, a comparatively high proportion of the local population are over the age of 90. Analysis by Buckinghamshire Council suggests that between 2018 and 2038, the county will experience a 147% growth in people aged over 90, and a 40% growth in people aged over 60. There are also expected to be 10% more 8 to 18-year olds, but fewer people still in the 20-35 age bracket. In 2018 there were three working age people per older dependent (aged 65+) in Buckinghamshire. By 2038, this is predicted to reduce to two.

An aging population and shrinking relative size of the economically active population will have long-term implications for the health and social care sector, which has experienced a high level of strain in 2020 because of the Covid-19 pandemic. The sector has traditionally experienced recruitment difficulties, particularly in the social care segment, and in recent years has relied more and more on overseas workers to fill vacancies. The higher profile of the sector during the pandemic, and the availability of jobs, is likely to ease recruitment difficulties to some extent. Retaining staff will be key, particularly as recruiting EU citizens will be more difficult with the UK leaving the EU.

The availability of housing is a challenge for economic growth and could be further impacted by an aging population. People are living longer, and retirees often choose to continue residing in their family home rather than downsize due to a lack of availability of suitable housing and / or high costs of retirement homes (Demos, 2014). This creates dual pressure on councils and house builders to supply enough homes for working age families, along with supplying enough retirement homes to encourage retirees to downsize. The Aylesbury Vale area of Buckinghamshire has seen some of the highest rates of housebuilding in the country in recent years (Aylesbury Garden Town Socio-Economic Study, 2020 (forthcoming). Much of this housing has been aimed at working age families and is therefore likely to help increase the size of the labour pool for local employers.

Despite being home to three Higher Education Institutions, attracting and retaining young people in Buckinghamshire has traditionally been a challenge. Particularly given the social and cultural lure of London and other major cities. The lack of appeal of Buckinghamshire's main town centres to young people is often cited as a contributary factor.

Chart A10: Population by age group, 2019



Source: *ONS Mid-Year Population Estimates, 2019*

Claimant Count and Alternative Claimant Count

Buckinghamshire LEP produce a monthly Claimant Count report. Please use these for the very latest data.

Buckinghamshire has traditionally had a very low proportion of residents claiming ‘out-of-work’ related benefits (with one of the lowest claimant rates of all 38 LEP areas). As shown in Chart A11, the Claimant Count for Buckinghamshire declined steadily between 2013 and 2016 - the recovery period that followed the events of the 2008 global financial crisis.

From 2016 up till the emergence of the Covid-19 pandemic in 2020, the Alternative Claimant Count in Buckinghamshire remained stable. The Claimant Count did however gradually increase, which can be attributed to changes in the benefits system and the roll-out of Universal Credit.

Once the Covid-19 induced lockdown was initiated in mid-March 2020, the Claimant Count and Alternative Claimant Count both rose sharply, reflecting the immediate job losses incurred from a loss of business income. The announcement of the Job Retention Scheme (JRS) on 20 March 2020 helped to stymie the sharp increase. However, the uncertainty (which included how long the JRS would be in place) and poor economic outlook led to a reduced number of job vacancies. Coupled with additional job losses in vulnerable occupations and sectors, the number of claimants remained high from May 2020 onwards (see Chart B8 in Annex B).

Within Buckinghamshire, the Claimant Count rate is highest in the Wycombe parliamentary constituency area. As is the case nationally, the number of young people (aged 16-24) claiming ‘out-of-work’ related benefits has increased during the Covid-19 period at a greater rate than other age groups.

From a skills perspective, employers that are hiring are likely to have access to a larger pool of talent than in recent years. During this time, it is essential that programmes are available to reskill and upskill those who are out of work and to enable them to gain new employment and limit economic scarring. Examples of such programmes are provided within Chapter 6 of the Buckinghamshire Local Skills Report.

Chart A11: Claimant Count and Alternative Claimant Count (Buckinghamshire)

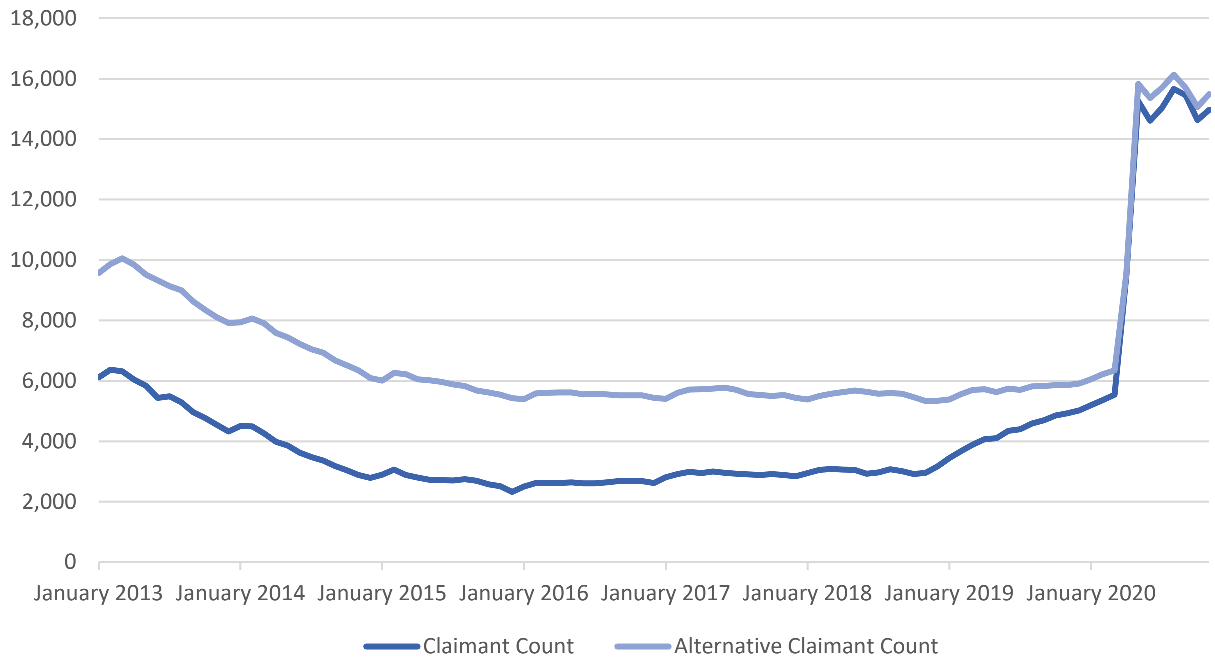
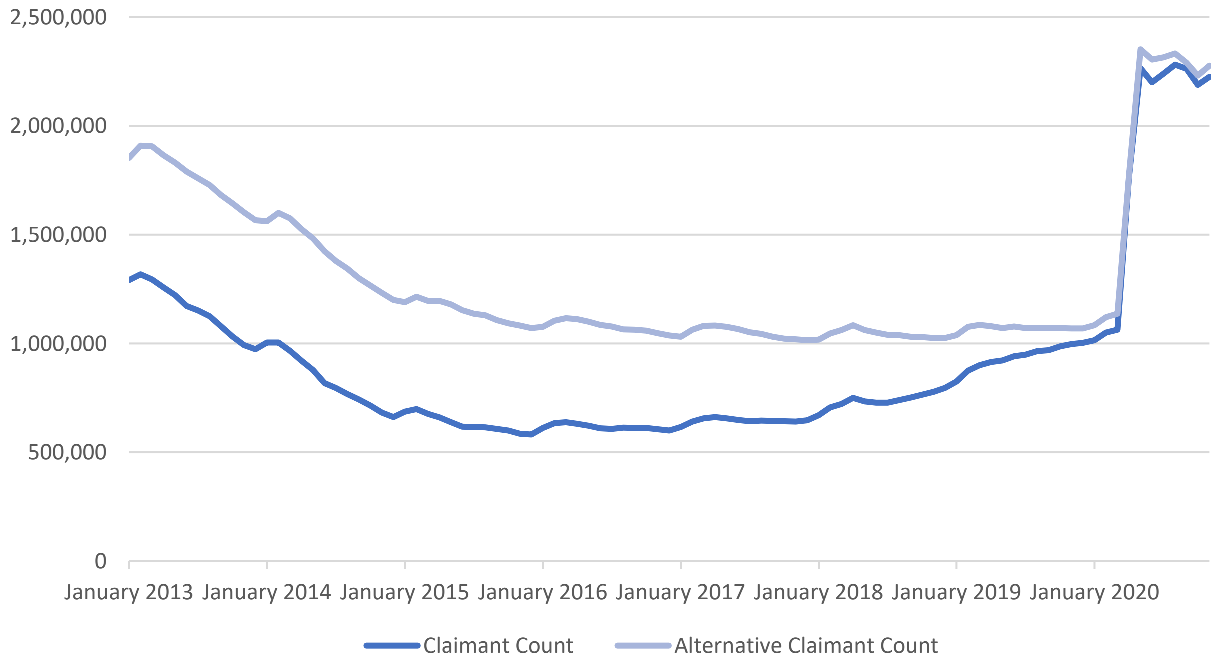


Chart A12: Claimant Count and Alternative Claimant Count (England)



Source: *ONS claimant count & DWP Stat Xplore, January 2013 – November 2020*

Income, Employment and Education deprivation

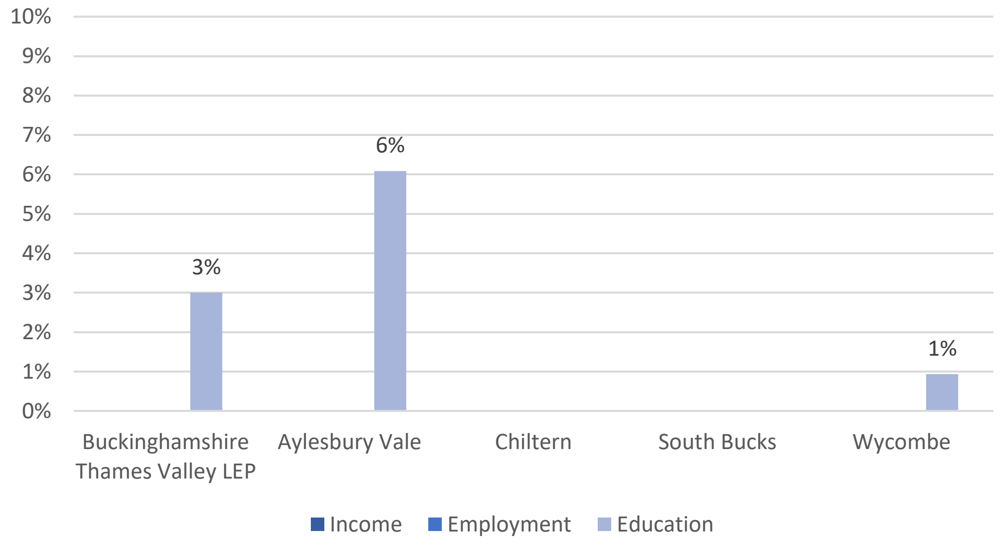
With a 2019 Index of Multiple Deprivation (IMD) deprivation score of 10.1, Buckinghamshire is deemed the least deprived Local Enterprise Partnership (LEP) area in England.

None of Buckinghamshire's neighbourhoods are included in the 10% most deprived nationally for income or employment (Chart A13). However, 6% of neighbourhoods in Aylesbury Vale, and 1% of neighbourhoods in Wycombe are in the 10% most deprived neighbourhoods nationally in terms of education.

Within Buckinghamshire, pupils at non-selective schools achieve much lower attainment 8 scores than those at grammar schools, with leavers less likely to continue in education. Additionally, young people eligible for Free School Meals (FSM) on average achieve a lower attainment 8 scores in Buckinghamshire than nationally (DfE, 2019).

These findings are reinforced by a report from the Social Mobility Commission (2019), which found that Wycombe, South Bucks and Chiltern have some of the largest education gaps in England, with Chiltern having the lowest social mobility in England.

Chart A13: Neighbourhoods in 10% most deprived nationally



Source: *Index of Multiple Deprivation, MHCLG, 2019*

2: Skills Supply

Skills Supply – Summary

Buckinghamshire has a mixed education system which includes selective Grammar schools, upper schools, school sixth forms, a University Technical College (Buckinghamshire UTC) (specialising in building and computing), a Further Education College (Buckinghamshire College Group), three Highest Education Institutions (University of Buckingham, Buckinghamshire New University and the National Film and Television School) and a county-wide adult education service (Buckinghamshire Adult Learning). In addition, the Silverstone UTC, the South Central Institute of Technology and Henley Business School are situated on the Buckinghamshire border, and the University of Bedfordshire has campus within Buckinghamshire (at Aylesbury) (see map A1).

In total there are 235 state-funded schools and 27 independent (fee paying) schools in the county, including schools providing for students with learning difficulties and disabilities. A higher proportion of schools in Buckinghamshire have been judged good or outstanding by Ofsted than the national average. There are in the region of 300 Apprenticeship providers (including employer providers) currently delivering Apprenticeships within Buckinghamshire. The largest local Apprenticeship provider is Buckinghamshire College Group.

Buckinghamshire residents are more likely to hold higher-level (degree and above) qualifications than the national average and are less likely to have no or low-level (level 1) qualifications.

Some issues that have historically impacted the supply of talent from the education system into the local economy include:

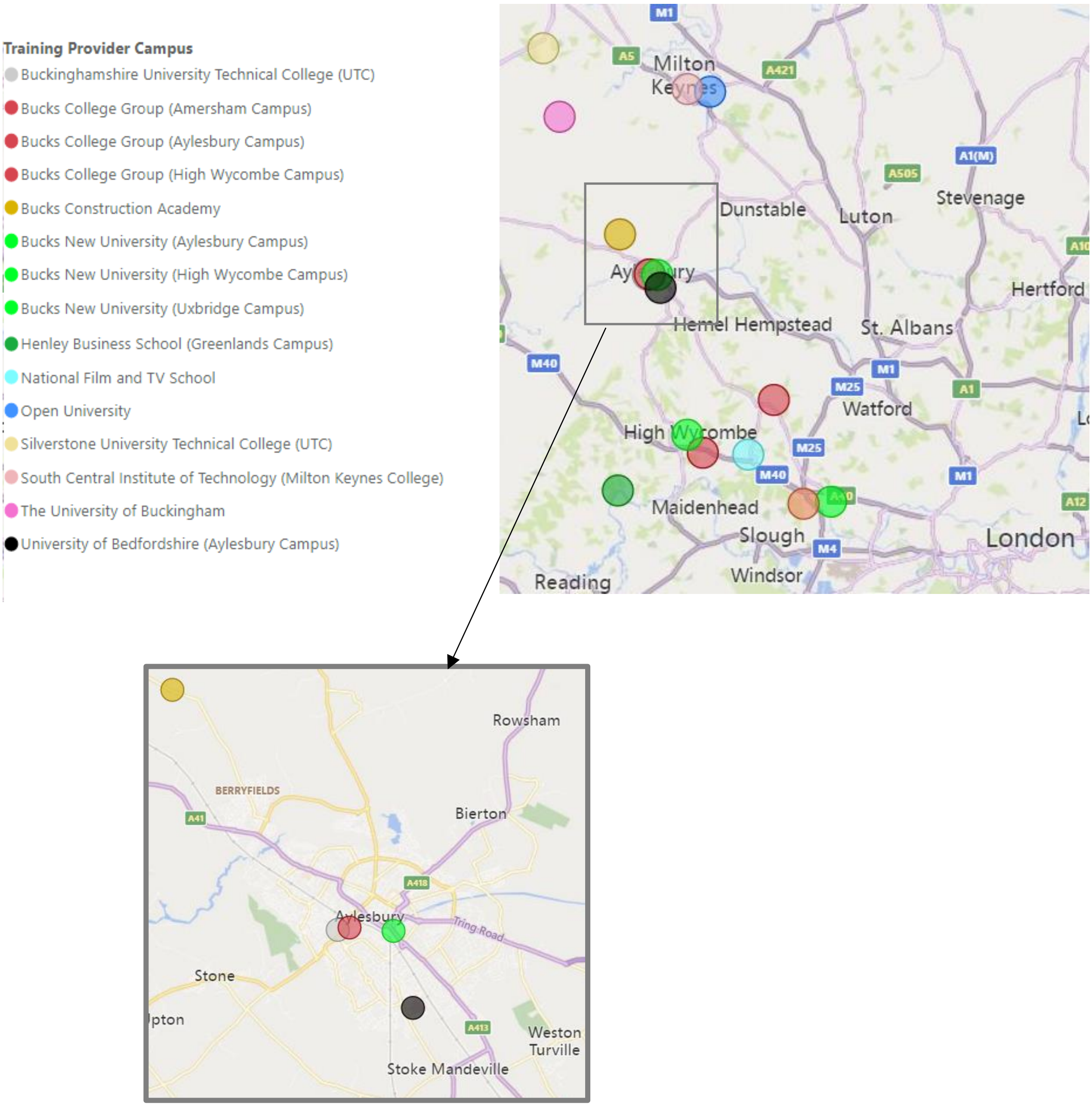
- A high proportion of who graduates leave the county to study do not return.
- A smaller than average cohort of young people taking an Apprenticeship route into employment.
- Constrained opportunities for young people attending non-selective secondary schools.
- A lack of engineering training provision within the county.
- Low levels of interest in construction and health and social care careers, resulting in employers struggling to fill vacancies.

Adapting and responding to the Covid-19 pandemic

Buckinghamshire's post-16 education and training providers have been required to rapidly adapt and respond to the Covid-19 pandemic. Towards the end of 2020, common trends identified by Buckinghamshire New University, the University of Buckingham and Buckinghamshire College Group included:

- Similar recruitment levels to 2019.
- Increased interest in postgraduate study.
- Increased interest in health and social care qualifications.
- Lower than normal recruitment into performing arts (the performance element).
- A drop in employers offering apprenticeships.
- A drop in interest in some non-funded adult provision (possibly due to the tightening of purse strings with jobs being lost / at risk) but increased interest in access to nursing / teaching and accountancy qualifications.
- A drop in the number of industry placements (as employers struggled to provide opportunities with many employees working from home). Providers are working with local employers to provide some virtual placements.
- Offering more courses starting in January 2021 than normal (to meet the needs of those who were undecided on their next steps following GCSE, A-level and BTEC result uncertainty).
- Embracing technology to deliver education and training (and the related up-skilling of staff and need for cyber security).
- Loss of some commercial revenue.
- Higher GCSE results possibly resulting in more young people moving into A-levels than normal.

Map A1: Location of ‘Buckinghamshire and borders’ education and training providers

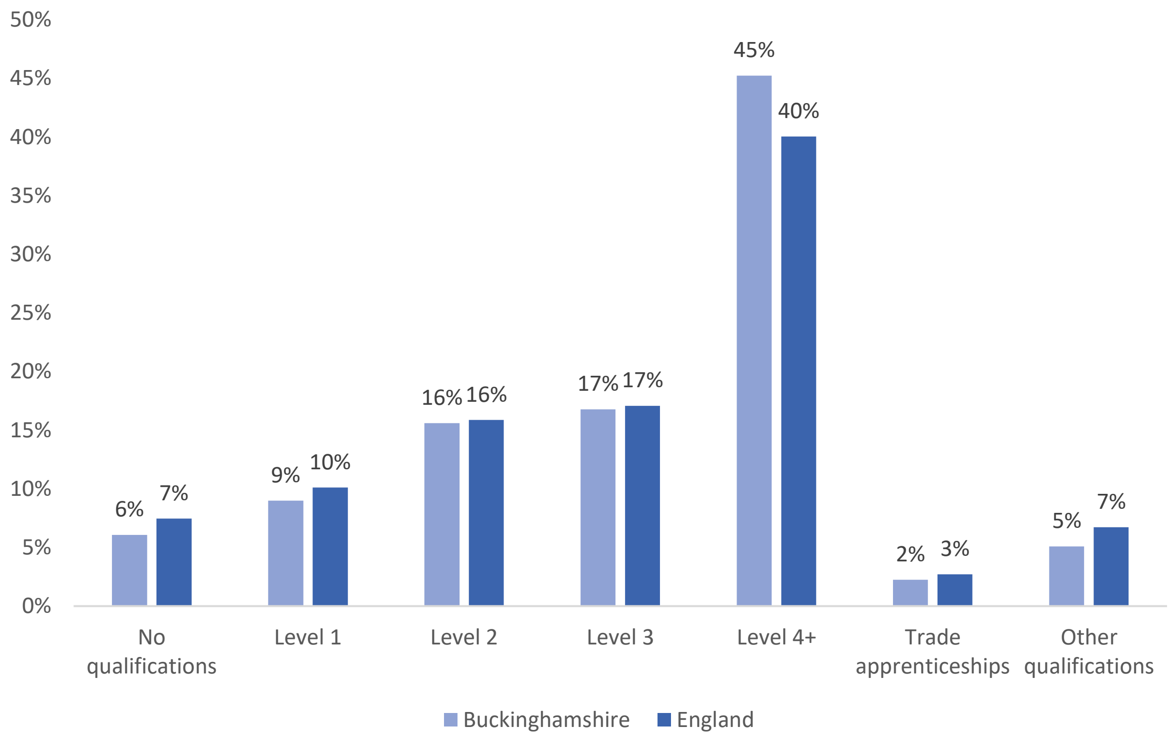


Qualification levels

45% of Buckinghamshire's working age population have a Level 4+ (degree equivalent or above) qualification (Chart A14). This is five percentage points higher than the national average. A similar proportion are qualified to Level 2 and 3 as the national average, whilst fewer have no qualifications or are qualified to Level 1.

Due to the small sample size for Buckinghamshire within the Annual Population Survey, it is not possible to undertake more granular analysis to ascertain how qualification levels vary by population characteristics or within different parts of the county.

Chart A14: Qualification levels of residents aged 16-64, 2019



Source: *Annual Population Survey, January 2019 – December 2019*

Further Education ‘Education and Training’ Achievements

Further Education ‘Education and Training’ refers to mainly classroom-based government-funded further education that is not classed as an Apprenticeship, community learning or workplace learning. It can also include distance learning or e-learning. ‘Education and Training’ includes traineeships and offender learning.

Within Buckinghamshire, Buckinghamshire College Group is the main provider of vocational and professional skills education and training. It has aligned provision to local and regional priorities, with a focus on Health and Social Care, Public Services, Construction, Digital and Creative, Business Services, Retail and Catering and Hospitality.

A big shift in post-16 education and training provision is on the horizon with the introduction of T-levels. The new two-year qualifications (that bring together classroom learning and a 45-day work placement) follow GCSEs and are equivalent to 3 A levels. From September 2021, Buckinghamshire College Group will offer T Level qualifications in:

- Digital, Design & Development
- Education & Childcare
- Supporting Healthcare
- Laboratory Science

In the coming years, more subjects will be available. Some Buckinghamshire schools are also considering offering T-levels. Encouraging employers to provide placements is likely to be a challenge. Although encouragingly, pre-Covid-19, 47% of Buckinghamshire employers indicated that they were interested in providing a placement, higher than the national average of 36% (Table B4 in Annex B)

Charts A15 and A16 show a noticeably higher proportion of adult achievements (19+) in Buckinghamshire for ‘Health, Public Services and Care’ (24%) compared to the national average (16%). The proportion of adult achievements in Buckinghamshire for ‘Preparation for Life and Work’ is noticeably lower (39%) than the national average (48%).

Chart A15: Adult education and training achievements by sector subject area, 2019/20 (Buckinghamshire)

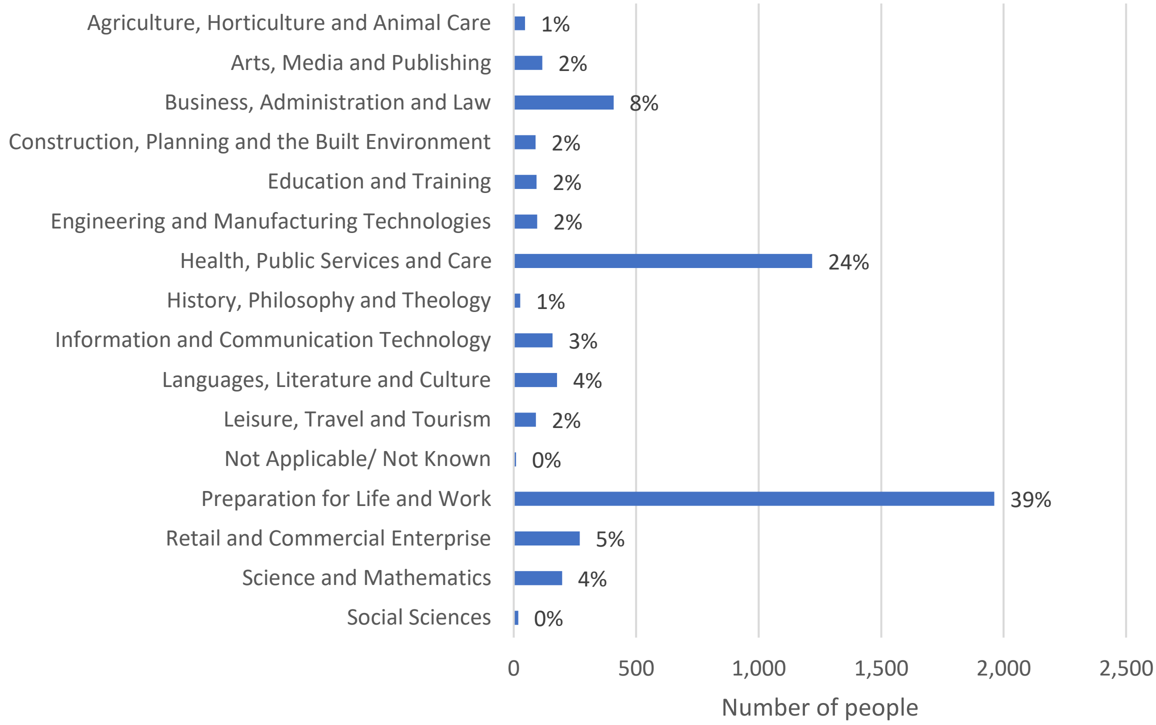
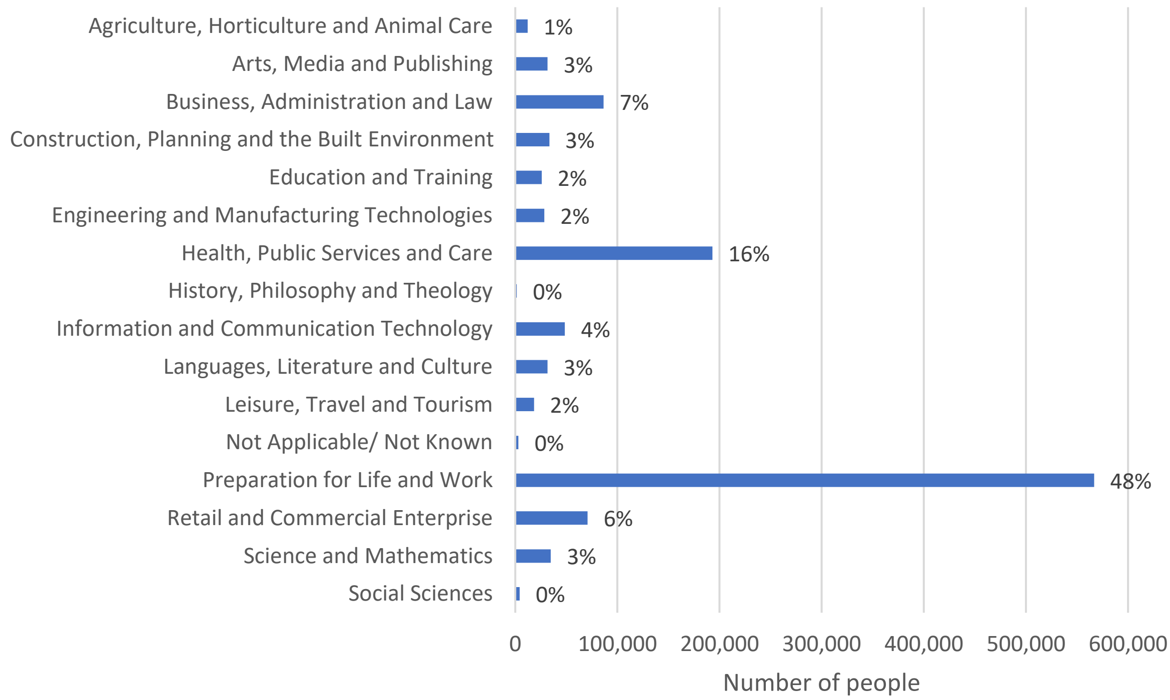


Chart A16: Adult education and training achievements by sector subject area, 2019/20 (England)



Source: *Further Education & Skills data, DfE, (published 2020)*

Apprenticeship Achievements

Buckinghamshire has historically had a 'small but stable' apprenticeship profile. Pre-Covid-19, there were fewer apprentices in the local workforce than nationally, and fewer students choosing apprenticeships at 16 or 18. However, between 2016/17 and 2019/20, the number of apprenticeship starts decreased by almost 35% in England compared to a 23% decrease in Buckinghamshire (Table B5 in Annex B).

Chart A17 and Chart A18 show higher proportions of apprenticeship achievements in 2019/20 for 'Information and Communication Technology' (9%) and 'Health, Public Service and Care' (25%) apprenticeships compared to the national average (6% and 23% respectively). There are fewer 'Engineering and Manufacturing Technology' apprenticeship achievements in Buckinghamshire than nationally (14% v 18%), despite relatively high levels of demand from employers. Local intelligence suggests that Buckinghamshire had a strong level 2 / level 3 engineering training base until 2007, when funding cuts led to a decline in provision. There are also fewer construction apprenticeship achievements in Buckinghamshire than nationally (3% versus 6%). This is a concern given the high number of construction vacancies the county is expected to see over the next decade as a result of major infrastructure and house building programmes.

Buckinghamshire has a relatively small number of apprenticeship levy paying organisations (estimated to be in the region of 280), and a disproportionately high number of SME and particularly micro-sized businesses, who typically need a higher level of support to recruit and manage apprentices. A significant proportion of apprenticeship provision in Buckinghamshire is delivered by out of area providers.

In terms of the impact of the pre-Covid-19 apprenticeship reforms, local providers report witnessing greatest change amongst large employers wishing to spend their levy. Within the public sector in particular, employers such as the local health trust and the police force have been keen to grow apprenticeship provision to spend their levy.

Covid-19 negatively impacted the apprenticeship experience for those part-way through their apprenticeships and led to a decrease in the number of new apprenticeship vacancies (an estimated drop of 45% in 2020 compared to 2019 – see Chart B12 in Annex B). Some apprentices were furloughed, whilst others had their on and off-the-job activities re-timetabled to fit with the situation the sector they were working in was facing (for example, health and social care apprentices were required to work rather than study, whilst some construction apprentices were required to study rather than work).

Chart A17: Apprenticeship achievements by sector subject area, 2019/20 (Buckinghamshire)

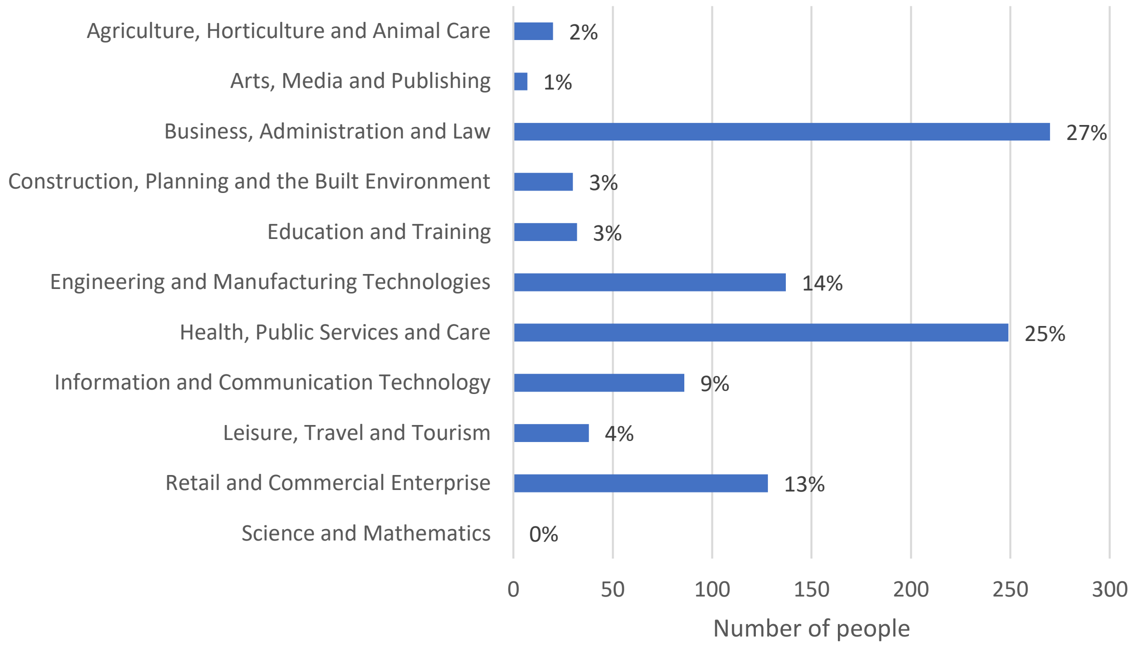
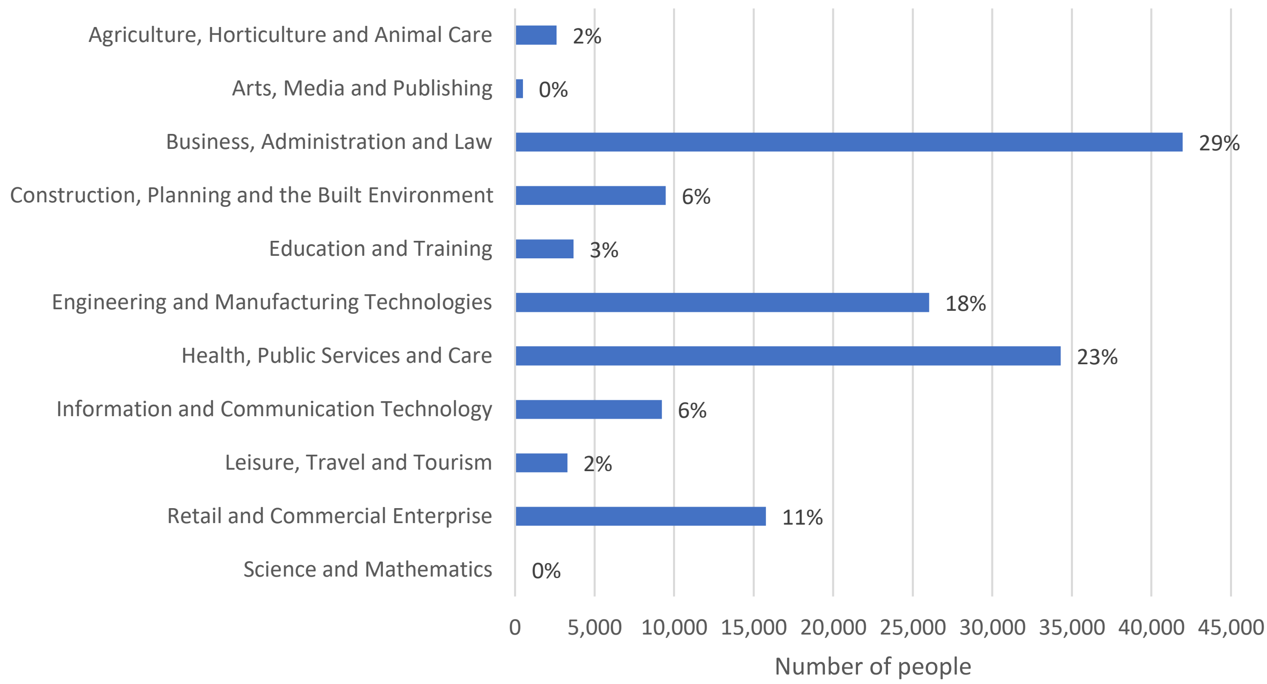


Chart A18: Apprenticeship achievements by sector subject area, 2019/20 (England)



Source: *Apprenticeships data, DfE, (published 2020)*

Higher Education Qualifiers

Buckinghamshire has three Higher Education Institutions: the University of Buckingham, Buckinghamshire New University and the National Film and Television School.

In Buckinghamshire, Higher Education qualifiers (those successfully completing Higher Education qualifications) in 2018/19 were concentrated in three subject areas: **business and administrative studies** (24%), **subjects allied to medicine** (22%) and education (20%). In contrast, the proportion of Higher Education qualifiers in England are distributed across a wider range of subject areas, with smaller concentrations in business and administrative studies (18%), subjects allied to medicine (11%) and education (8%).

The high number of qualifiers from the subjects related to **business and administrative studies** is attributed to the presence of the University of Buckingham Business School, along with a range of business degrees offered by Buckinghamshire New University.

Undergraduate **health and medical courses** within Buckinghamshire are provided by: the University of Buckingham (Medical School), Bucks New University (nursing, health and social care, health and social science, operating department practice, public health) and the University of Bedfordshire (Aylesbury campus) (nursing and midwifery). The newly established Buckinghamshire Health and Social Care Academy helps facilitate partnership working between these institutions and health providers.

Chart A19: Qualifiers from Buckinghamshire's Higher Education Institutions by subject, 2018/19

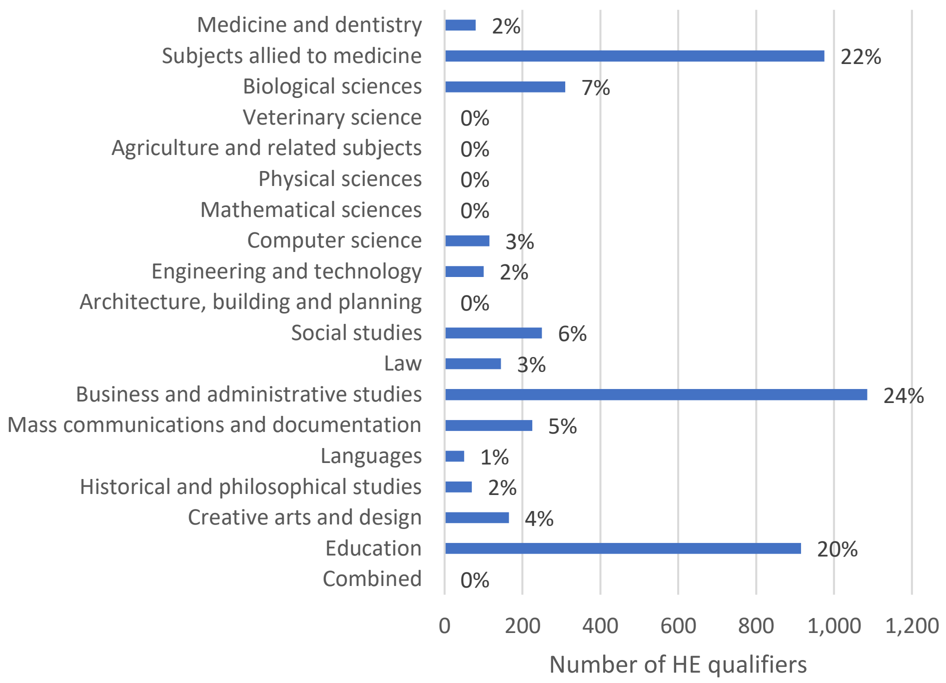
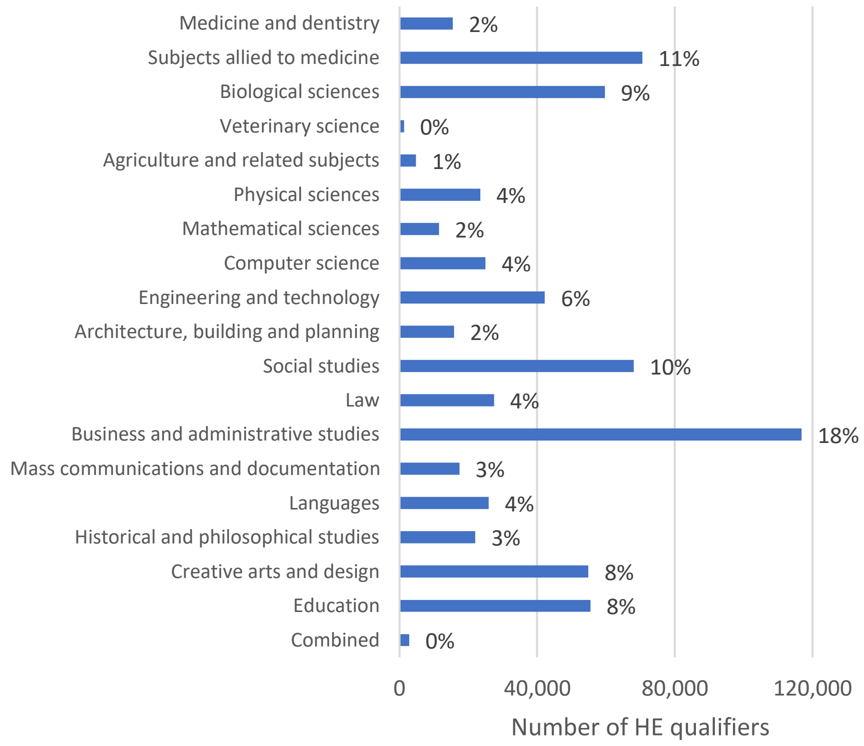


Chart A20: Qualifiers from England's Higher Education Institutions by subject, 2018/19



Source: *HESA, 2018/2019 qualifiers (published 2020)*

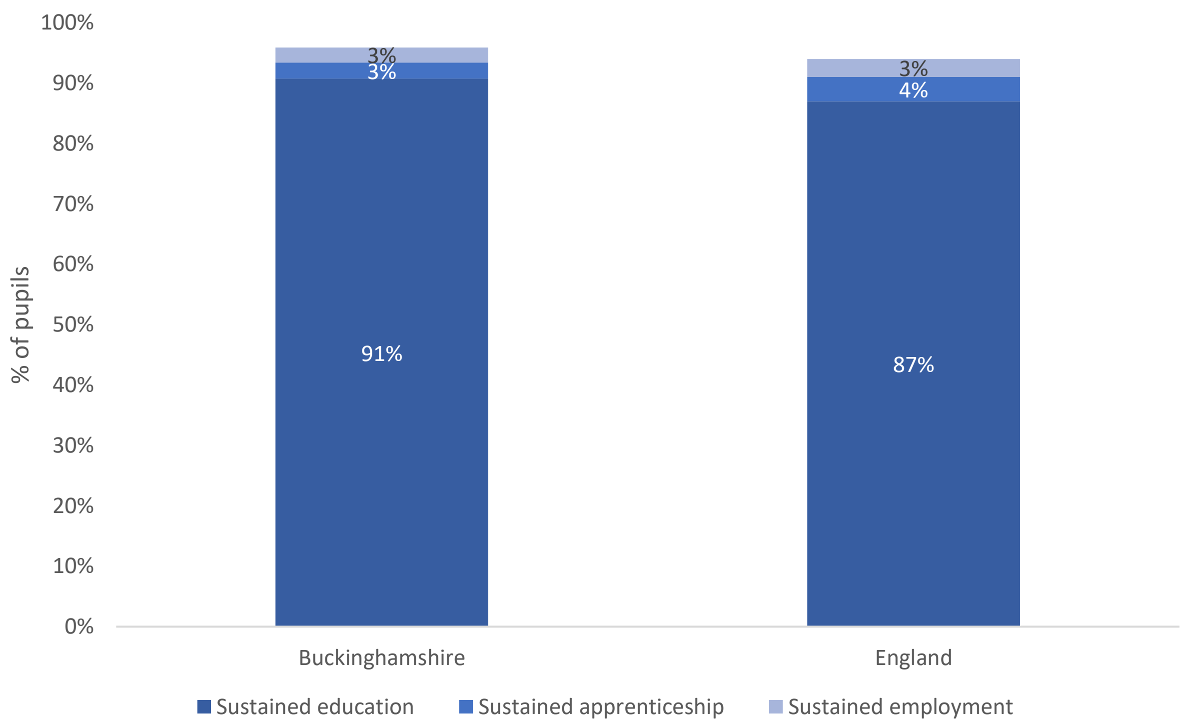
Key Stage 4 Destinations

Chart A21 shows that a higher proportion of those completing Key Stage 4 (KS4) - during which pupils aged 14 and 15 complete their GCSEs and other examinations - go into 'sustained education' than the national average.

Analysis of Department for Education statistics, undertaken in 2019 by Buckinghamshire LEP, found that three fifths (61%) of pupils in Buckinghamshire go onto sixth form, a far greater proportion than the two fifths (37%) across the nation. A quarter (24%) continue education within a FE college or other FE provider which is a more common destination in other parts of England. Apprenticeships and entering employment are less common in Buckinghamshire than across the nation.

The university destination is deeply ingrained in Buckinghamshire as the pathway of choice after school, and to a lesser extent after college. In 2017, 64% of young people in Buckinghamshire went from a mainstream state school to university, higher than the national average of 59%.

Chart A21: Destinations of KS4 pupils from state-funded mainstream schools – 2018/19



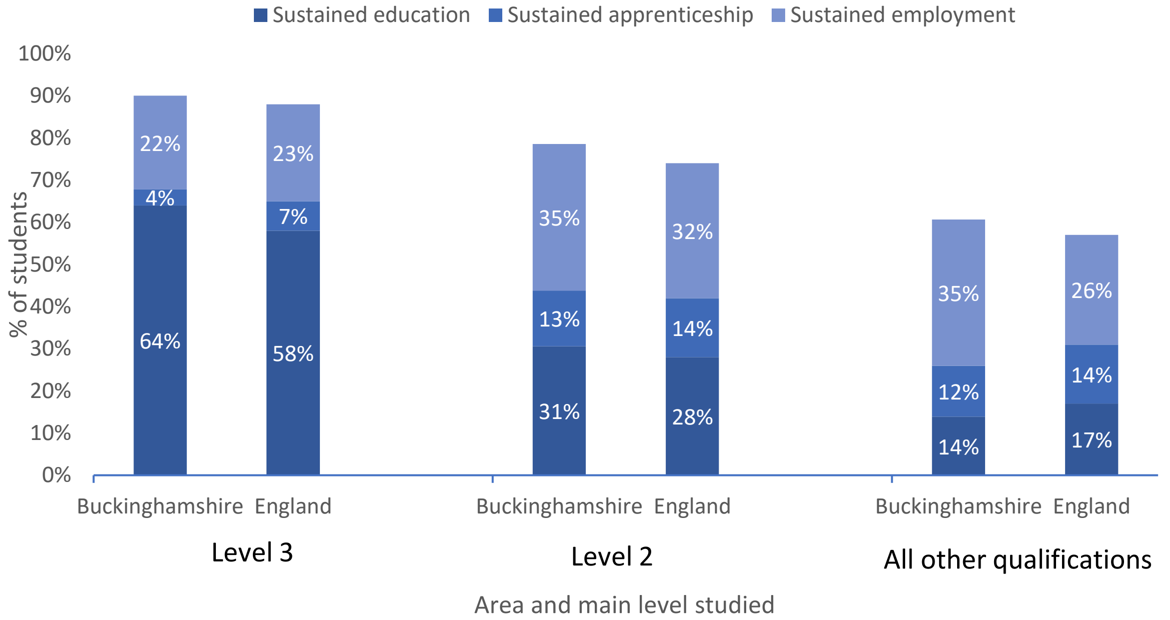
Source: *KS4 destination measures, DfE, 2018/19 (published 2020)*

Key Stage 5 Destinations

After Key Stage 5 (KS5) - during which 16–18-year-old students complete the optional last stage of secondary education, either in sixth form or college – students with Level 3 qualifications in Buckinghamshire are more likely to continue into sustained education compared to the national average (64% versus 58%). In contrast, 16-18 year olds completing lower level qualifications are more likely to go into sustained employment or apprenticeships than the national average (Chart A22).

Those with qualifications that are not Level 3 or 2 are least likely to go into sustained education (14%), and moreover, 39% don't go into either sustained education, apprenticeship or employment.

Chart A22: Destination of KS5 pupils (aged 16 to 18) by main level studies, 2018/19



Source: *16-18 Destination Measures, DfE, 2018/19 (published 2020)*

Adult Further Education and skills destinations

Chart A23 and Chart A24 show what proportion of adults achieving Further Education (FE) and Skills qualifications in 2017/18 were in learning or in employment in 2018/19.

In comparison to the national average, adult learners who achieved FE and skills qualifications in 2017/18 in Buckinghamshire were more likely to be 'in learning' in 2018/19 than the national average, whilst a similar proportion were in employment.

The main variations by qualification type were:

- A higher proportion of learners achieving 'entry/level 1 – English and Maths' qualifications being in sustained learning (53% compared to 31% nationally)
- A lower proportion of learners achieving 'level 1' qualifications being in a positive destination than the national average. Particularly an employment destination (36% compared to 50% nationally)
- A higher proportion of learners achieving 'level 2' qualifications entering employment than the national average (85% compared to 75%)
- A lower proportion of learners achieving 'entry/level 1 – ESOL' qualifications entering 'any learning' (53% versus 65% nationally)
- A lower proportion of learners achieving 'level 4 +' qualifications entering 'any learning' than the national average (12% compared to 22%)

Chart A23: Destination of FE and Skills learners in 2018/19 (2017/18 achievers) (Buckinghamshire)

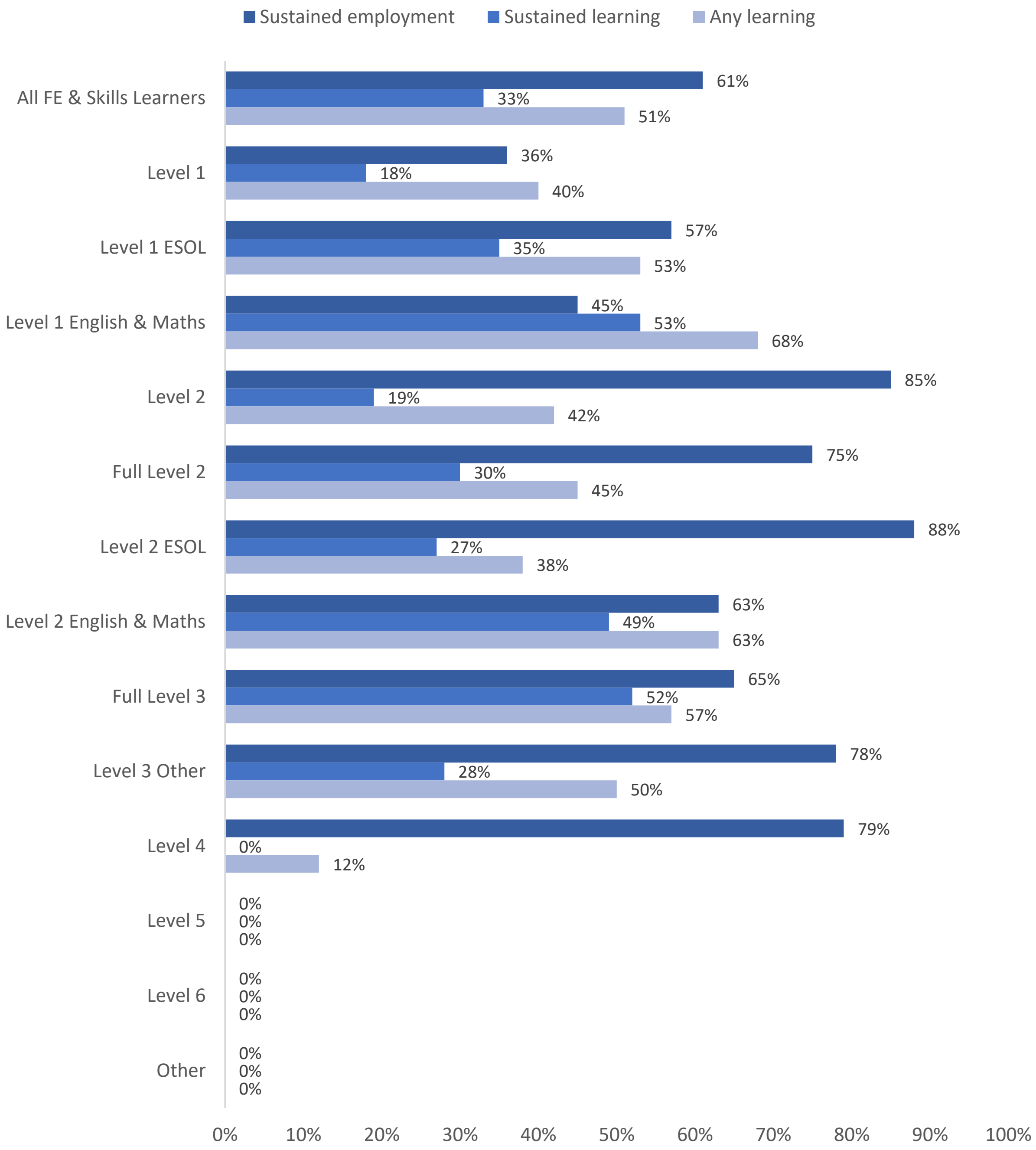
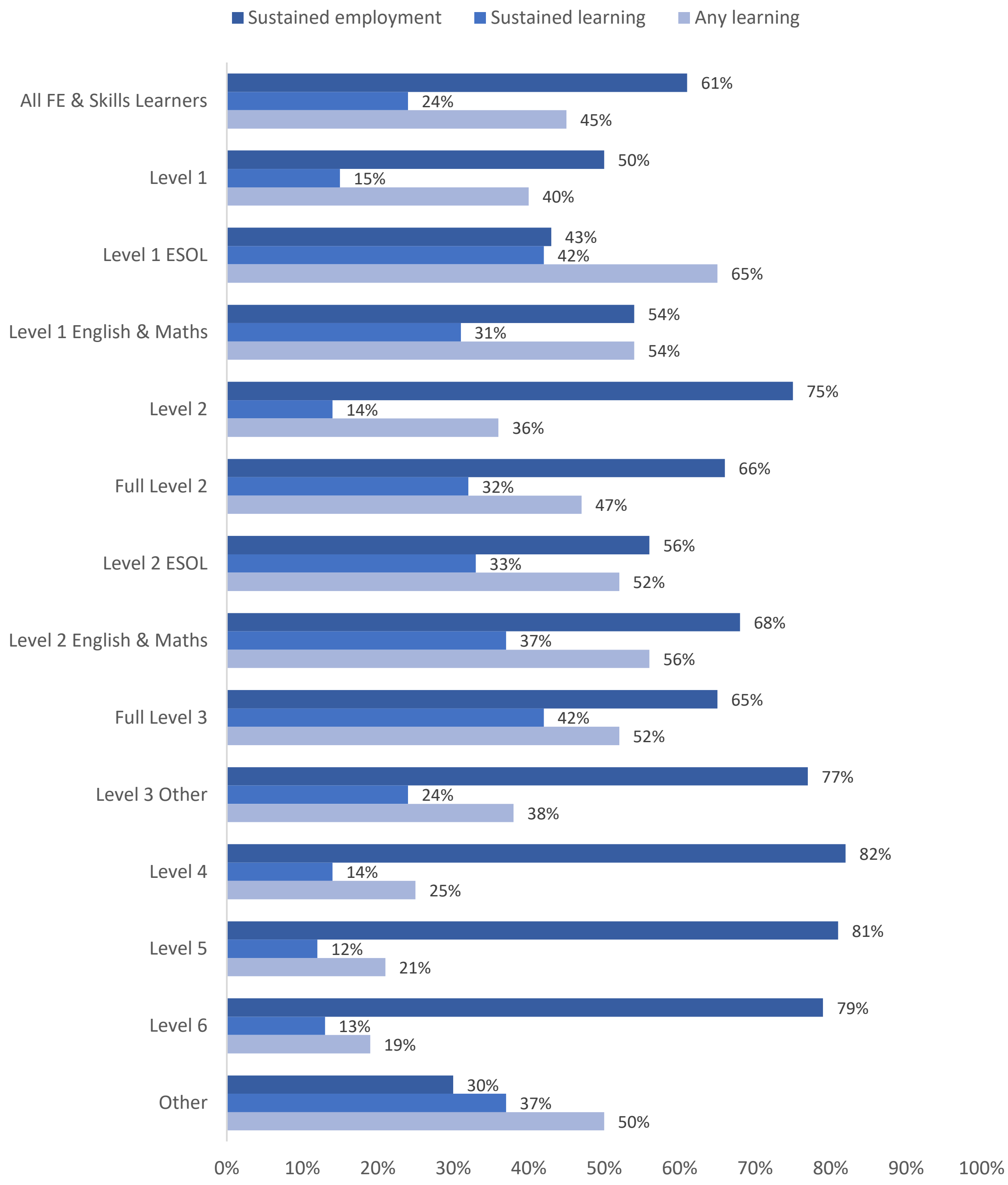


Chart A24: Destination of FE and Skills learners in 2018/19 (2017/18 achievers) (England)



Source: [FE outcome based success measures, 2018/19 destinations, DfE, (published 2020)]

Apprenticeship destinations

Chart A25 and Chart A26 show that the vast majority (91%) of Buckinghamshire apprentices completing their apprenticeships in 2017/18 were in sustained employment in 2018/19, in-line with the national average.

For Level 5+ apprenticeships however, the proportion of Buckinghamshire apprentices that went on into sustained employment was 5% lower than the national average.

In Buckinghamshire across all levels, a lower proportion of apprentices upon completing their apprenticeships were in any learning, compared to the national average.

Chart A25: Apprenticeship destinations in 2018/19 (2017/18 achievers), Buckinghamshire

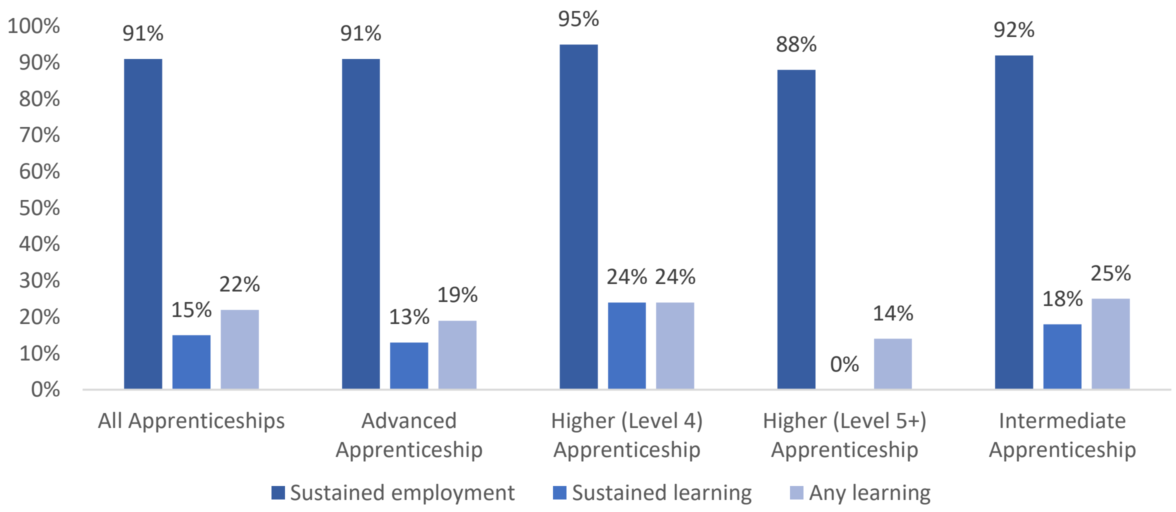
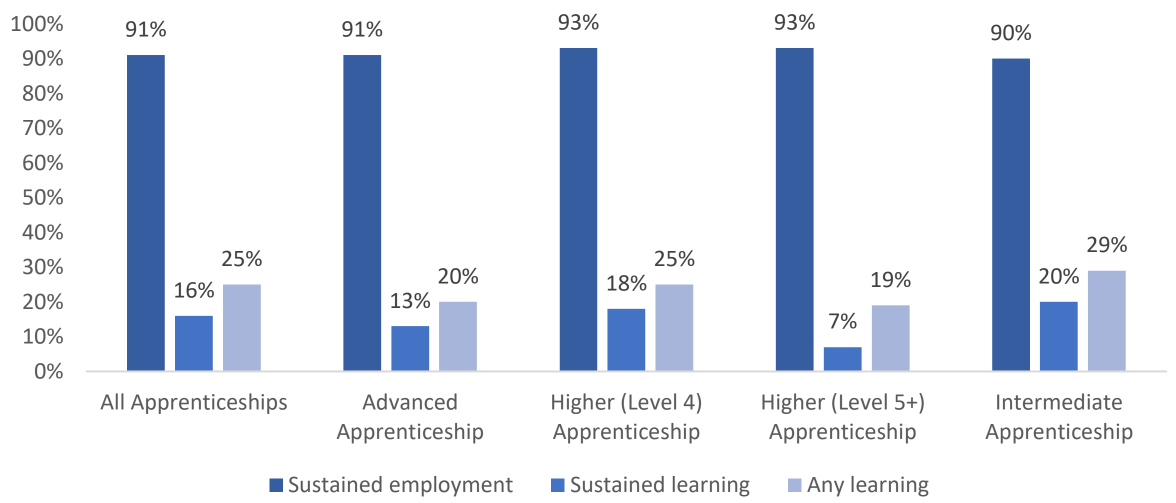


Chart A26: Apprenticeship destinations in 2018/19 (2017/18 achievers), England



Source: *FE outcome based success measures, 2018/19 destinations, DfE, (published 2020)*

Graduate destinations

The majority of those graduating from Buckinghamshire's HEIs (66%) enter full-time employment. And likewise in England, albeit at a lower proportion (59%). A greater proportion of HE graduates enter part-time employment in Buckinghamshire (12%) compared to England (10%).

The above average proportion of Buckinghamshire HE graduates entering employment could be related to the close proximity of Buckinghamshire to London, which offers a large and relatively accessible supply of jobs, particularly at graduate entry-level. It could also be related to the type of degrees on offer, which tend to be more vocational than academic.

All three of Buckinghamshire's HEIs are in the top half of the Higher Education Institution table for graduate employability. Of the 396 institutions, the National Film and Television School (NFTS) ranks 23rd, Buckinghamshire New University 56th and the University of Buckingham 159th (source: HESA, 2020)

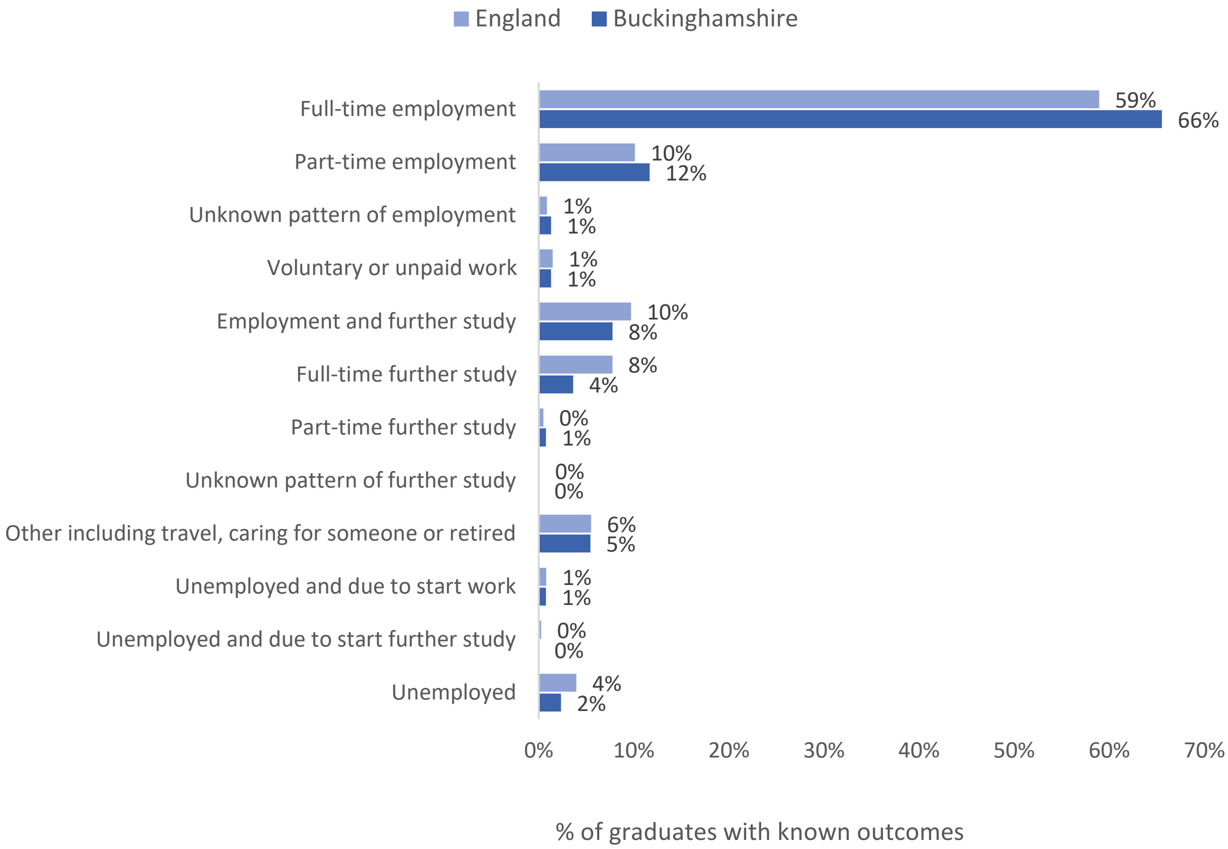
Buckinghamshire New University places a strong focus on employability, focusing on degrees that are professional and practical, as well as academic. This focus, along with high levels of industry involvement, is likely to contribute to its high graduate employability ranking.

In addition, many NFTS graduates go on to become key creative leaders for the UK's largest and most high-profile film and television content creators (source: NFTS Graduate Impact Report, 2020).

In contrast to the national average, a lower proportion of HE graduates in Buckinghamshire continue into full-time further study (4% compared to 8% nationally), or a combination of employment and further study (8% compared to 10% nationally).

A possible reason could be that subjects available for graduate study in Buckinghamshire HE providers, may not be allied to careers that are conducive to further study at postgraduate level.

Chart A27: Graduate destinations for 2017/18 academic year



Source: *HESA, 2017/18 graduates (published 2020)*

Graduate retention

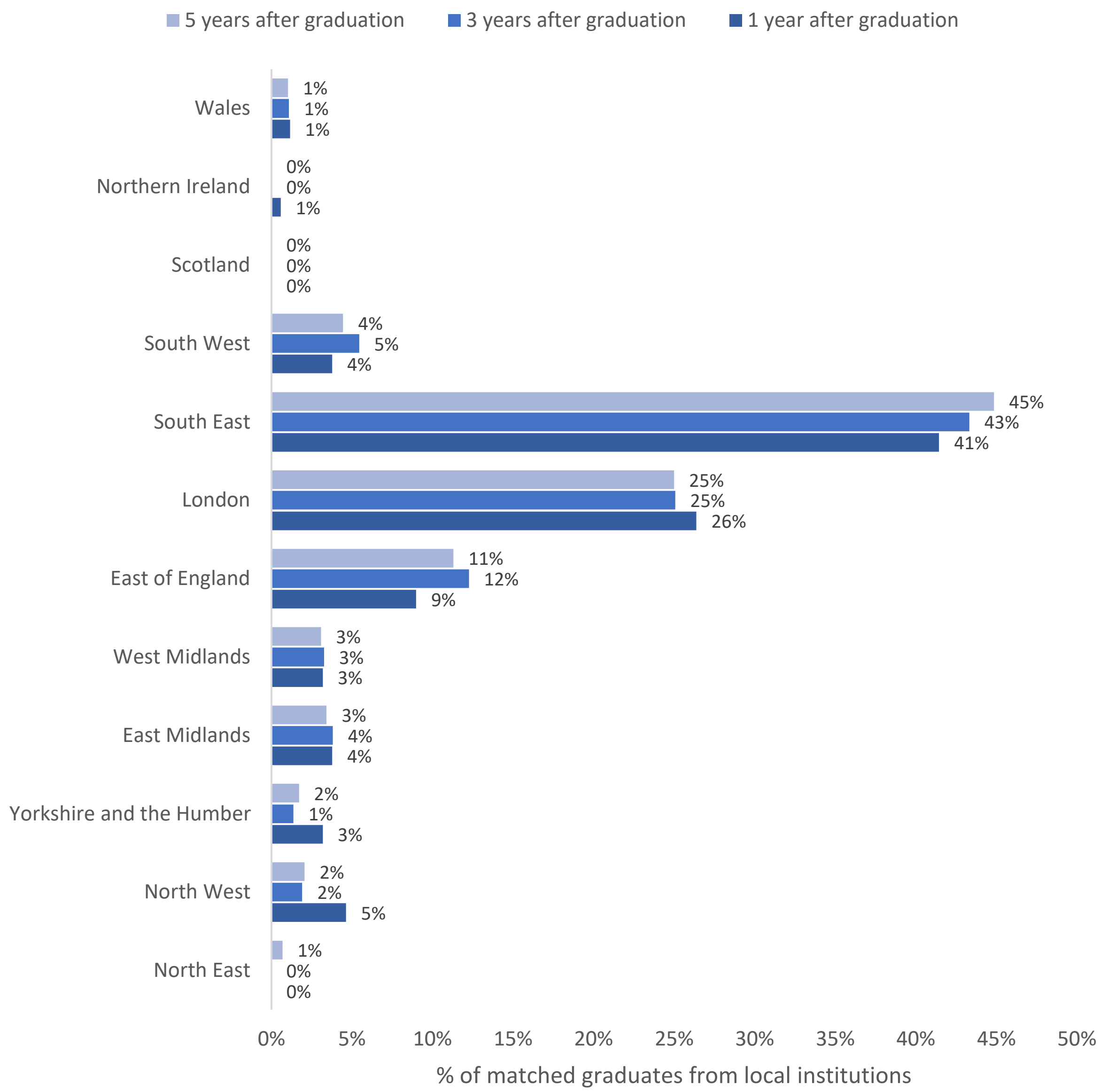
Just under half (41%) of Buckinghamshire HE graduates remain in the South East one year after their graduation (Chart A28), with approximately a quarter moving to London.

The relatively high proportion that move to London in comparison to other regions is likely due to the entry-level employment opportunities available to graduates, especially in sectors where Buckinghamshire may be lacking in terms of the supply of jobs available. Moving to London will help to improve accessibility to such jobs, and may also be a more attractive proposition in terms of lifestyle.

Interestingly, the proportion of HE graduates that remain in the South East increases to 43% at three years after graduation, and to 45% after five years. In parallel, we also see declines in HE graduates after their first year of graduation residing in other regions including the North West (5% to 2%); Yorkshire and the Humber (3% to 2%); East Midlands (4% to 3%); London (26% to 25%) and Northern Ireland (1% to 0%).

HE graduates who left the South East may therefore be returning over time due to being unable to afford the high cost of living associated with moving out of the family home. London in particular has high rent payments and living situations constrained by the sharing of accommodation.

Chart A28: Graduate retention (current region of residence of graduates from HEIs in Buckinghamshire (2017/18)



Source: *Graduate Outcomes in 2017/18, DfE, (published 2020)*

Employer provision of training

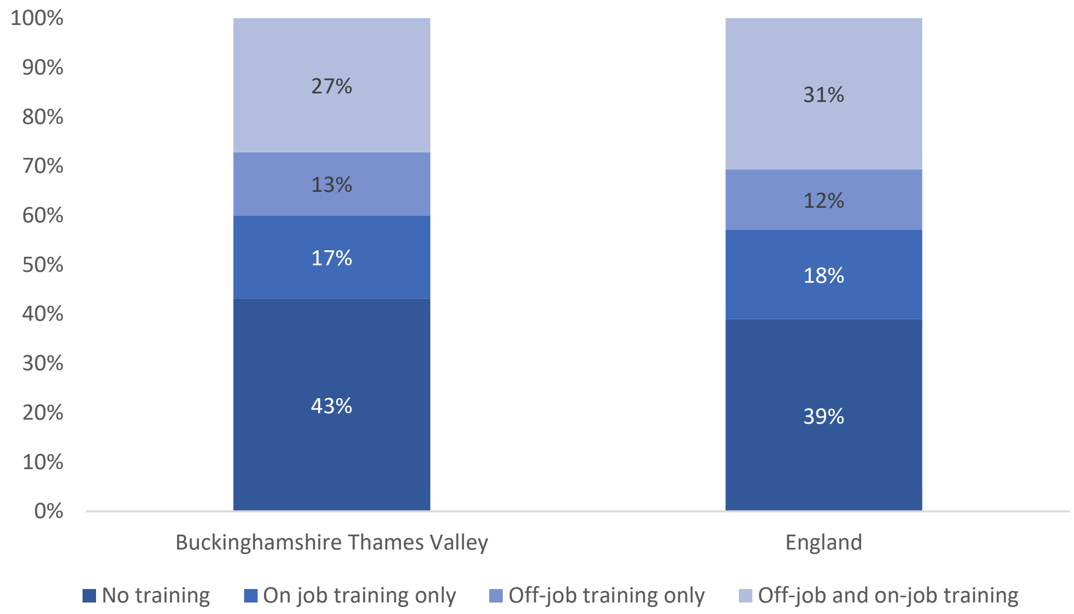
Pre-Covid-19, just over half (57%) of employers in Buckinghamshire provided training to their employees. This is lower than the 61% of employers in England that did. In similarity, the most common type of training in both Buckinghamshire and England was a combination of 'off-job and on-job training' at 27% and 31% respectively (Chart A29).

Training funded or arranged for employees by Buckinghamshire employers is primarily job specific training (84%), along with health and safety/first aid training (69%); basic (55%) and extensive (33%) induction training for new staff; training in new technology (55%); management training (28%) and supervisory training (25%).

The lower-than-average proportion of employers providing training in Buckinghamshire could be linked to the relatively high proportion of micro-businesses and self-employed residents in comparison to the national average. For such employers, having the few staff they employ away on training may not be possible due to their workload, or the employer may lack the financial resources to provide training.

Further insight from the 2019 Employer Skills Survey shows that 71% of the 8,410 employers not providing training did so, because they believe that all their staff are fully proficient or have no need for training. A further 12% said training was not provided as it was not considered to be a priority, and 7% said there was no training available in the relevant subject area.

Chart A29: Employer provision of training in past 12 months, 2019



Source: *Employer Skills Survey, 2019 (published 2020)*

3: Skills Demand

Skills Demand – Summary

Skills demand can be measured in a number of different ways. We can examine current demand by analysing on-line job postings and using intelligence from local recruitment agencies. What job vacancies are being advertised and what skills are being requested within those job adverts? (see Tables B8 and B9 in Annex B). We can review literature (including reports produced by sector bodies and the Migration Advisory Panel) to get a sense of skills shortage occupations (i.e. jobs that employers find difficult to fill due to a lack of applicants with the required skills). Some skills shortage occupations have been classified as such for many years, others come and go. In addition, we can get a sense of sectors and occupations that are expected to grow, and how this might impact future demand for skills, via employment projections, knowledge of global trends and through knowledge of economic development activity planned at a local level.

Bringing all this intelligence together enables us to identify five sectors which we believe will create over 1,000 additional jobs in Buckinghamshire each over the next 10 years:

- Construction (in part due to HS2, East West Rail, Aylesbury Garden Town related construction activity, and a large house building programme)
- Creative industries (linked to expansion plans at Pinewood Studios, plus the continuing growth of the West of London Screen Cluster with many new sound studios opening within the next few years)
- Life sciences, health and social care (linked to both the health needs of an ageing population and the need to respond to the aftermath of the Covid-19 pandemic)
- Space (it is anticipated that the 10-year plan for the Westcott Space Cluster will create over 2,000 jobs)
- High performance engineering (linked to expansion of the Silverstone Enterprise Zone and an increasing focus on the need for green technologies to combat climate change)

In the here and now, Covid-19 has ramped up demand for skills in a number of ways. This was neatly summarised by Pilita Clark (FT, 13 December 2020):

"Broadly speaking, recruiters agree the pandemic is driving demand hardest for workers who do one of three things: transform businesses digitally (as a data analyst or app developer can); move stuff (like a driver or warehouse worker) or help people, as nurses and doctors do"

Trends are also emerging at a sectoral level. The Covid-19-fuelled acceleration of the use of on-line retailing has been well documented. By examining job posting data for the sector, we can see the impact this is having on the demand for skills (Table B7 in Annex B). In quarter 4 of 2020, there was higher demand for drivers, pharmacy workers, labourers, warehouse workers and software developers than in quarter 4 of 2019, and lower demand for people working at tills or on the shop floor.

Two other roles for which there has been a surge in demand over the last nine months are demand planners (people who forecast future demand for products to time movement within the supply chain) and cybersecurity specialists (as cyber-crime has increased as more transactions are being undertaken online). The latter of whom are likely to be in high demand for years to come.

Skills Demand – Summary

Roles that were previously, and are still, in high demand locally, despite (or because of) the Covid-19 pandemic include are summarised in Table B10 and B11 in Annex B. Whilst skills that Buckinghamshire employers report as being difficult to source or requiring focus due to anticipated future demand are listed in Table B12.

Buckinghamshire Skills Advisory Panel members report that local employers find the following training most valuable:

- Leadership (including managing remote teams)
- Diversity and inclusion
- Critical strategic skills (e.g. business planning)
- Mental health awareness
- Apprenticeships
- Courses that help develop soft skills (e.g. personal responsibility, self-management, positive attitude and personal presentation)

As is the case nationally and globally, digital skills, are in high and growing demand within Buckinghamshire. Covid-19 has accelerated the need for individuals to develop and gain new IT skills and for employers to adopt new technology.

Unemployment is set to increase in 2021, with some people finding themselves out of work for the first time in their lives. Some will need to retrain and take a new career path. Sectors that are expected to experience reduced levels of activity for the next couple of years include aviation, travel, hospitality and live events. In addition, the high street retail sector is experiencing a decline accelerated by Covid-19. Those made redundant from jobs within these sectors and their supply chains, may be amongst those who will benefit most from updating their digital skills to help gain new employment.

Research undertaken with Buckinghamshire SMEs by Buckinghamshire Business First in 2019, found that whilst the majority (76%) believed that new and emerging technologies would assist their business and improve their offerings and outputs, only 41% were currently prepared to take advantage of such technologies. This figure is likely to have increased as a result of the Covid-19 pandemic.

Raising digital skills will be critical to achieving long-term economic growth. All of Buckinghamshire's strategic growth sectors require digital talent. As do some niche sectors that have not been affected by, or have in fact benefited from, the Covid-19 pandemic (e.g. VoIP, EdTech, eHealth and digital security). Developing local talent pipelines of the specialist skills required by companies operating within these sectors will create a pool of talent that in turn could attract future inward investment and unlock future innovation opportunities.

Online vacancies

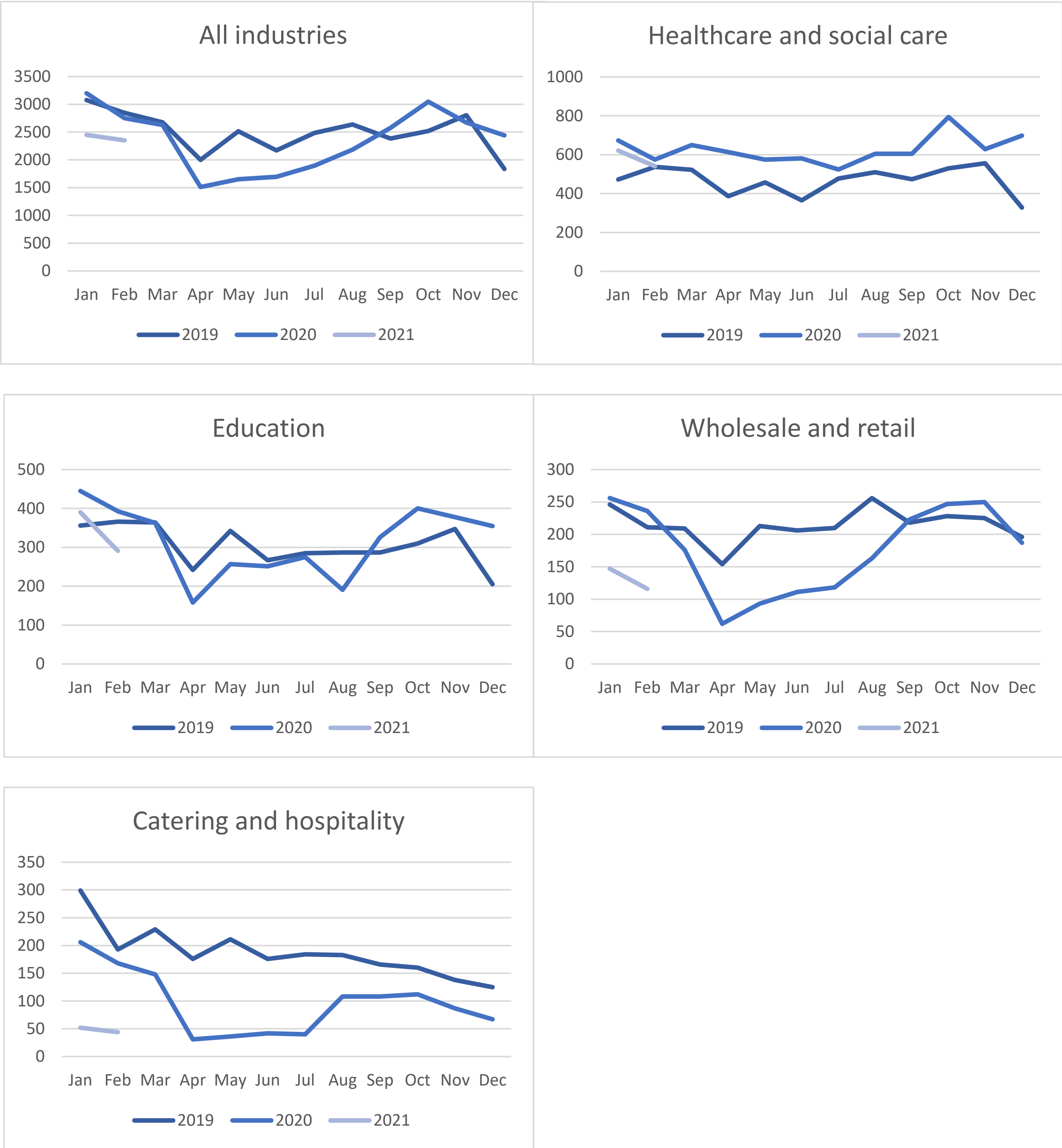
Buckinghamshire LEP produce a monthly Job Postings report. Please refer to these reports for the latest data.

In accordance with the immediate effects of the Covid-19 national lockdown initiated in mid-March 2020, a significant drop was recorded in the number of online vacancies across all industries.

When drilling down to sectoral differences however, it is clear that the trend for the Healthcare and Social Care sector (unsurprisingly) differs to other sectors, and has moreover sustained higher online vacancy numbers in comparison to 2019 figures throughout the Covid-19 crisis.

Limitations of online job postings data include: some jobs may not be advertised online; employer names may be missing making it difficult to determine top recruiters in an area and assigning jobs to industries; and locations not being provided due to increased prevalence of remote working.

Charts A30 – A34: Online vacancies



Online vacancies: *Source: Burning Glass Technologies*

Sector Growth Forecasts

Table A1 sets out which sectors of the economy are forecast to grow at the fastest and slowest rates in Buckinghamshire between 2017 and 2027. The forecasts are based on historical trends and were generated prior to the Covid-19 pandemic.

Supplementing this data with local intelligence and knowledge on the impact of the Covid-19 pandemic, we believe that 'support services' may drop out of the top five, as this sector has been hard-hit by the Covid-19 pandemic and there are no significant plans in the pipeline for large scale developments that may increase the size of the sector locally.

The arts and entertainment sector in Buckinghamshire, whilst hard-hit by the pandemic, is largely centred around Pinewood Studios, which has bounced back comparatively strongly from the spring 2020 shutdown. There are plans to expand Pinewood further, including the creation of a visitor attraction, which is likely to create a large number of jobs.

Sectors not featured in Table A1 but are emerge from local insight include:

- Construction (primarily due to HS2 construction activity, but also planned house building and construction work connected to the East West Rail project)
- Space (the 10-year plan for the Westcott Space Cluster anticipates the creation of over 2,000 jobs)
- High performance engineering (expansion of the Silverstone Enterprise Zone)

It is therefore unlikely that the engineering sector will experience one of the lowest employment growth rates as suggested in Table A1.

The increased rate of online shopping, accelerated by the Covid-19 pandemic, is likely to boost employment in the 'transport and storage' sector in Buckinghamshire. Which could mean it is not a sector forecasted to experience low growth rates (as suggested in Table A1).

Table A1: Growth forecasts by sector in Buckinghamshire

Buckinghamshire	
Sectors with highest forecast growth (2017-2027)	**Sectors with lowest forecast growth (2017-2027)**
1) Real estate	1) Engineering
2) Support services	2) Rest of manufacturing
3) Arts and entertainment	3) Food drink and tobacco
4) Health and social work	4) Finance and insurance
5) Professional services	5) Transport and storage

Source: *Working Futures, 2017-2027 (published 2020)*

Occupation Growth Forecasts

Table A2 sets out which occupations are forecast to grow at the fastest and slowest rates in Buckinghamshire between 2017 and 2027. The forecasts are based on historical trends and were generated prior to the Covid-19 pandemic.

Occupations with highest forecasted growth in Buckinghamshire include 'caring personal service occupations' and 'health and social care associate professionals.' This corresponds with forecasted growth in the 'health and social work' sector. Growth in demand for these roles can largely be attributed to Buckinghamshire's ageing population, with growth also being further driven by the implications of the Covid-19 pandemic, including the need for healthcare providers to respond to a health backlog.

Buckinghamshire's occupations with the lowest forecasted growth are all susceptible to the rise of automation. According to the ONS: 61% of 'process, plant and machine operative occupations' are at risk of automation; 56% of 'administrative and secretarial occupations' are at risk of automation; and 52% of 'skilled trades occupations' are at risk of automation .

Whilst the forecasts do not take into account the Covid-19 pandemic, it is likely that lowest forecasted growth occupations would have been severely impacted by it. Covid-19 has accelerated the adoption of automated processes and has severely disrupted supply chains, with impacts also being exacerbated by Brexit uncertainty.

Table A2: Growth forecasts by occupation in Buckinghamshire

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

Source: *Working Futures, 2017-2027 (published 2020)*

Skills that need developing

Chart A35 shows, pre-Covid-19, what skills employers felt needed developing within their workforce. 50% of employers surveyed said 'knowledge of products and services offered by their organisation or one like theirs' was the most important skill that needed developing. A marginally lower proportion of employers said 'specialist skills or knowledge needed to perform the role', and 'adapting to new equipment or materials' (at 49% and 48% respectively).

Disparities with the national average include the need to develop skills in 'reading and understanding instructions, guidelines, manuals or reports' (37% in Buckinghamshire compared to 30% for England), and 'more complex numerical or statistical skills and understanding' (8% in Buckinghamshire compared to 18% for England).

Additional analysis of the 2019 Employer Skills Survey suggests that employers anticipate the need for new skills due to factors such as new legislative or regulatory requirements (49%); the introduction of new technologies or equipment (38%); the development of new products or services (38%); the introduction of new working practices (36%); increased competitive pressure (19%); and Brexit (19%).

As is the case nationally and globally, digital skills, are in high and growing demand within Buckinghamshire.

Pre-Covid-19:

- A third of Buckinghamshire employers with employees deemed 'not fully proficient' stated that these employees lack the required IT skills.
- A third of Buckinghamshire employers struggling to recruit people with the required skills said that applicants lacked the required digital skills.
- Nearly three quarters of Buckinghamshire employers anticipated the need for new skills within their business over the next 12 months. Of these, 45% anticipated the need for new digital skills.

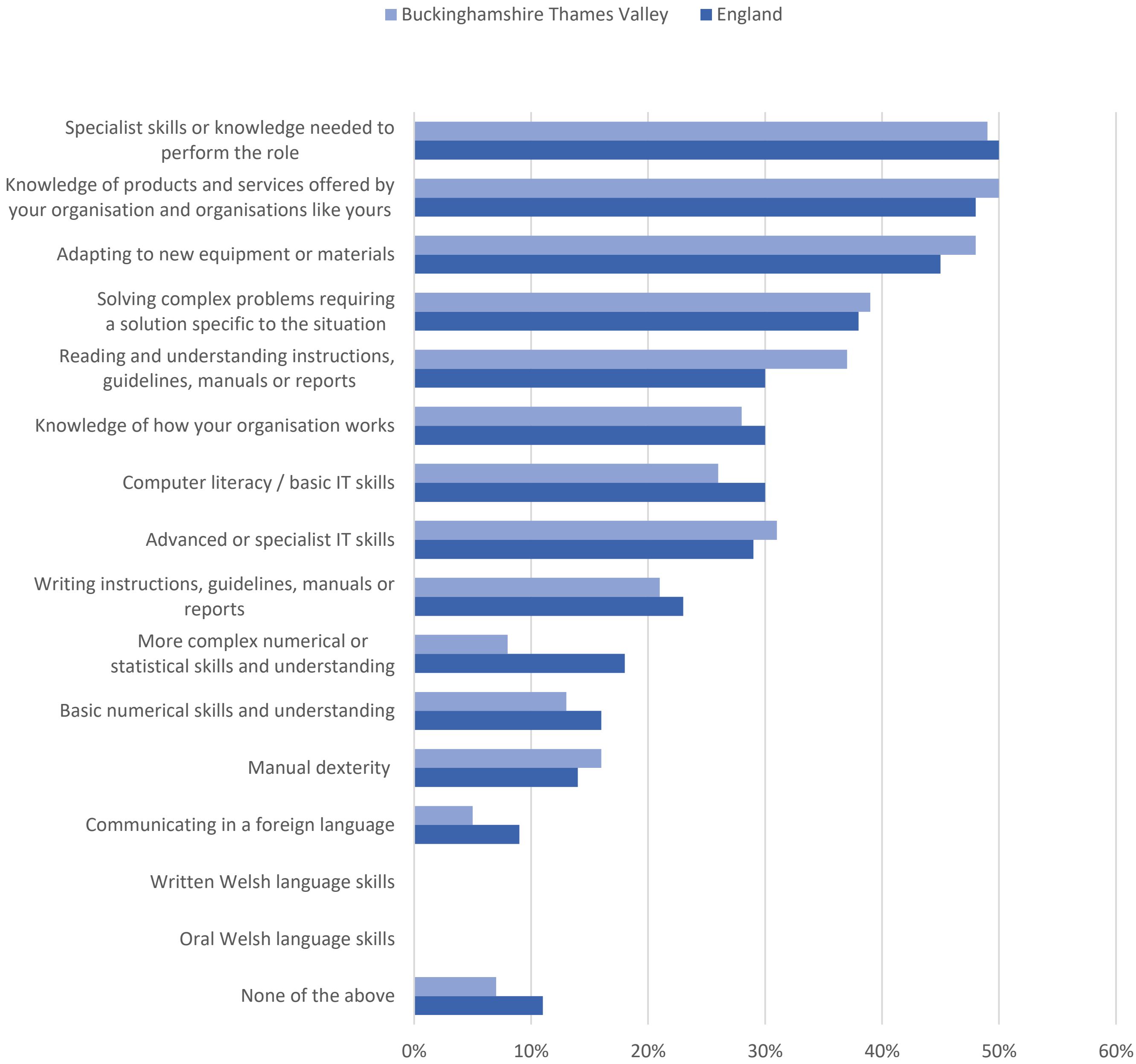
Covid-19 has accelerated the need for individuals to raise their IT skills and for employers to adopt new technology.

Unemployment is set in 2021, with some people finding themselves out of work for the first time in their lives. Some will need to retrain and take a new career path. Sectors are expected to experience reduced levels of activity for the next couple of years include aviation, travel, hospitality and live events. In addition, the high street retail sector is experiencing a decline accelerated by Covid-19. Those made redundant from jobs within these sectors and their supply chains, may be amongst those who will benefit most from updating their digital skills to help gain new employment.

Research undertaken with Buckinghamshire SMEs by Buckinghamshire Business First in 2019, found that whilst the majority (76%) believed that new and emerging technologies would assist their business and improve their offerings and outputs, only 41% of were currently prepared to take advantage of such technologies.

Buckinghamshire's occupational skills priorities are listed within Tables B10, B11 and B12 in Annex B. These listed have been developed from a variety of sources including local employers. They are not exhaustive and will be updated regularly.

Chart A35: Skills that need developing in the workforce, 2019



Source: *Employer Skills Survey, 2019 (published 2020)*

4: Mapping Skills Supply and Demand

Skills Supply and Demand – Summary

There are number of ways to compare skills supply and demand, and the extent of any mismatch.

Firstly, we can examine how easy employers find it to recruit the people they need. The latest data we have (2019 Employer Skills Survey) pre-dates the Covid-19 pandemic. It showed that whilst Buckinghamshire employers do report skills shortages (with skills shortage vacancies in Buckinghamshire being slightly higher than the national average), a particularly high proportion report struggling to recruit due to 'not enough people being interested in the role' / 'low number of applicants'. This may change in the short term as a greater pool of people are seeking work as a result of the Covid-19 pandemic, but in the long term could remain a challenge.

Further evidence from the Employer Skills Survey (ESS) shows that, of the hard-to-fill vacancies in Buckinghamshire, 46% of them are 'associate professional' roles. This is the highest of all 38 LEP areas by a significant margin. Likewise, Buckinghamshire has the highest proportion of high-skill roles identified as hard-to-fill of all 38 LEP areas. This could be due to the higher wages often offered by employers in London.

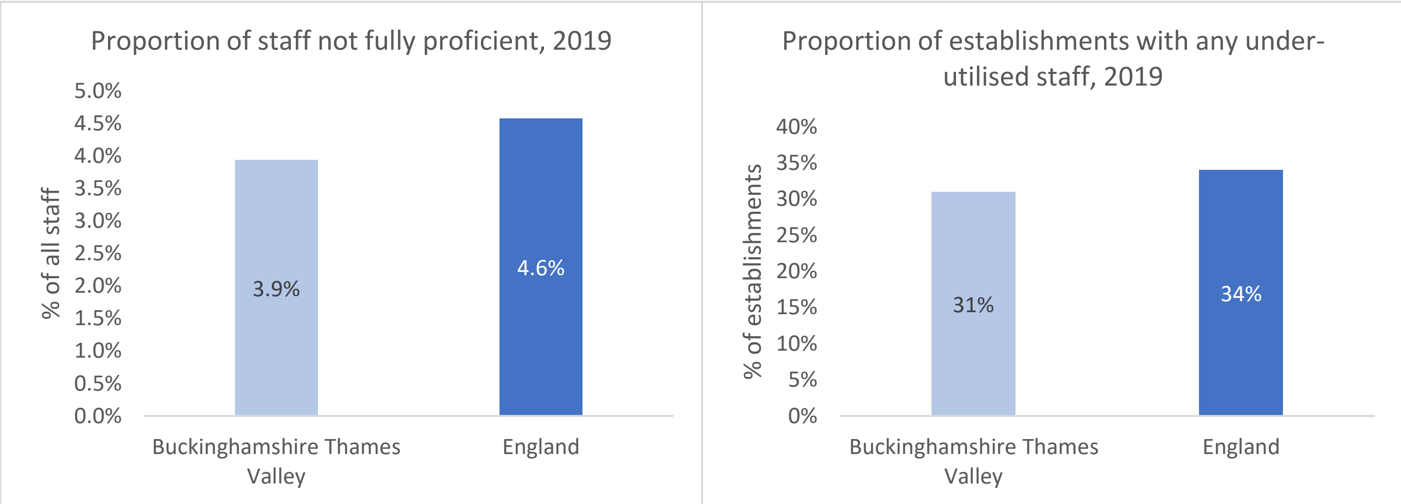
Another way of understanding skills mismatch is to examine the proportion of employees that local employers deem to be over or underqualified for their job (Charts A36 and A37). The findings of the 2019 Employer Skills Survey suggest that a third of employees in Buckinghamshire have skills or qualifications that are higher than required for their job, slightly below the national average. Whilst a relatively small proportion (4% compared to 5% national) are not fully proficient in their role.

Proficiency of workforce

According to the 2019 Employer Skills Survey (ESS), 3.9% of staff are not fully proficient in Buckinghamshire, which is lower than the national average at 4.6%. In contrast, 31% of establishments in Buckinghamshire reported overqualified staff, which is also lower than the national average at 34%.

Whilst Buckinghamshire performs better than the national average, the data does still suggest some mismatch with the local alignment of supply and demand for jobs. This is particularly the case considering that 31% of establishments have under-utilised staff, and hence those staff should be in roles that befit their skillset.

Chart A36 and A37: Proficiency of workforce



Source: *Employer Skills Survey, 2019 (published 2020), 2019 LEP boundaries*

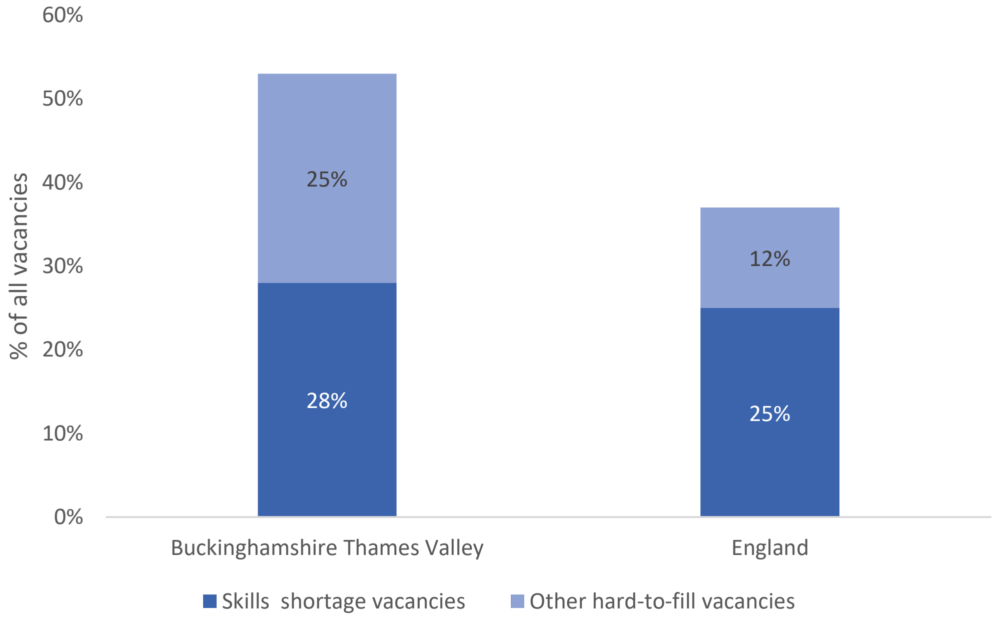
Hard-to-fill and skills shortage vacancies

Just over a quarter (28%) of vacancies in Buckinghamshire are skills shortage vacancies. This is slightly higher than the national average (25%). In addition, a quarter of vacancies are hard-to-fill, which is more than double the national average at 12%.

Further evidence from the 2019 Employer Skills Survey (ESS) shows that, of the hard-to-fill vacancies in Buckinghamshire, 45.5% of them are associate professional roles. This is the highest of any LEP by a significant margin. Likewise, Buckinghamshire has the highest proportion of all 38 LEP areas for high-skill roles identified as hard-to-fill.

Further analysis of the 2019 Employer Skills Survey suggests that the quantity of applicants rather than the quality of applicants is the main issue in Buckinghamshire. It shows that 58% of hard-to-fill vacancies are caused by 'not enough people interested in doing this type of job'. In addition, 46% are caused by the 'low numbers of applicants generally'. Both causes in Buckinghamshire are the highest of all 38 LEP areas.

Chart A38: Proportion of all vacancies that are hard-to-fill due to skills shortages or other reasons, 2019



Source: *Employer Skills Survey, 2019 (published 2020), 2019 LEP boundaries*