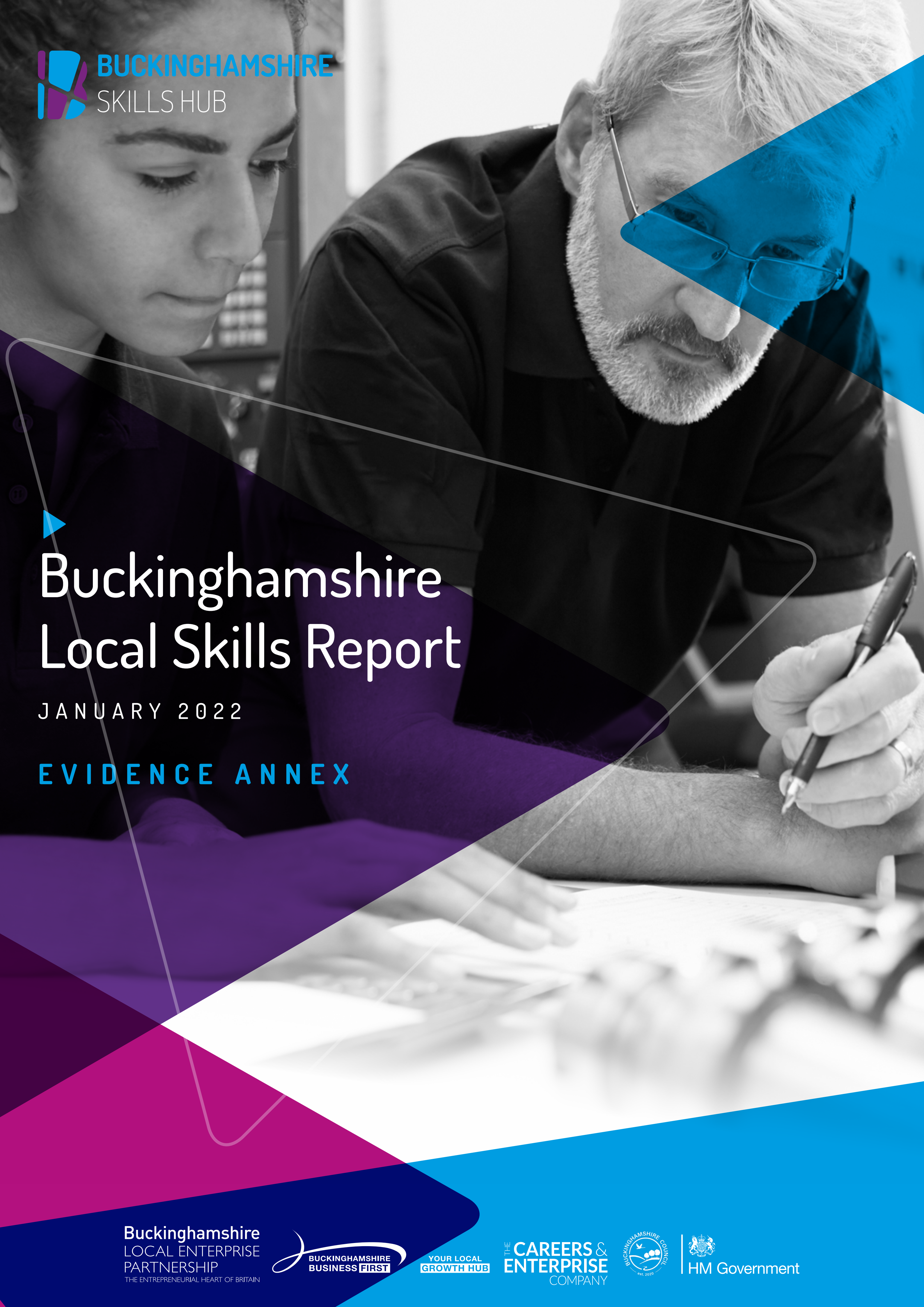

BUCKINGHAMSHIRE SKILLS HUB

Buckinghamshire Local Skills Report

JANUARY 2022

EVIDENCE ANNEX

Buckinghamshire LOCAL ENTERPRISE PARTNERSHIP THE ENTREPRENEURIAL HEART OF BRITAIN

BUCKINGHAMSHIRE BUSINESS FIRST YOUR LOCAL GROWTH HUB

THE CAREERS & ENTERPRISE COMPANY

BUCKINGHAMSHIRE COUNCIL

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About

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

The majority of indicators presented within this annex 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 the indicators. This local intelligence has been gathered from: Buckinghamshire LEP board members, Buckinghamshire Skills Advisory Panel members, Buckinghamshire Creative Sector Action Group members, Buckinghamshire Construction Sector Group members and employers interviewed for deep-dive research projects.

A PowerPoint version of the evidence provided within this annex has also been produced. This can be downloaded from the Buckinghamshire Skills Hub website.

Contents

01. Local landscape

Local Landscape – Summary

Buckinghamshire's economy generated £18.4bn of GDP in 2019.[1] The local economy experienced relatively slow economic growth for most of the 2010s. However, growth rates picked up during the last two years of the decade, which meant that to going into the pandemic, the local economy was in a better position than it had been for some time.

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 construction and creative sectors.[2]
- A small public sector (the second smallest of all 38 LEP areas).[3]
- 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, film and TV, space, and high-performance engineering. In 2021, recruitment difficulties and skills shortages became even bigger issues for Buckinghamshire employers than they had been pre-pandemic. Contributory factors included:

A reduced pool of labour

As the economy picked up, there were fewer people available to work in Buckinghamshire than pre-pandemic. Reasons included: more people than normal taking early retirement; more young people than normal remaining in education rather than entering the workplace; some people (particularly those with health conditions) leaving the labour market due to Covid-19 fears; and some non-UK nationals returning home. Some of these trends will be more transitory in nature than others, but cumulatively led to there being around 12,000 fewer Buckinghamshire residents being available to work in the year to June 2021 than pre-pandemic.[4]

1 *ONS, 2021.*
2 *ONS, APS, 12 months to June 2021.*
3 *ONS, BRES, 2020.*
4 *ONS, APS, 12 months to June 2021.*

A skills mismatch

Pre-pandemic there was a greater mismatch between the type of skills sought by local employers and the skills held and jobs sought by local residents than elsewhere in the country. This mismatch has seemingly continued, as whilst employers vocalise their recruitment difficulties, there remain (November 2021) many more people claiming out-of-work related benefits than pre-pandemic.[5] Some schemes have been established to help retrain people to enable them to move into in-demand roles (e.g. a scheme to train office managers to become production managers within the film industry)[6] and initiatives developed to raise the profile of growing sectors, but more needs to be done to help address the mismatch.

Attracting talent

Proximity to London, the high cost of housing, a perceived lack of vibrancy of Buckinghamshire's urban centres and poor transport access to rural locations all contribute to the recruitment difficulties of local employers.

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. Whilst residents are currently (November 2021) physically commuting out of the County less frequently (if at all), most of those who previously did so, continue to work for their out-of-County employers, thereby creating value for non-Buckinghamshire based employers.

[5] *DWP, 2021.*
[6] *Buckinghamshire Creative Sector Action Group.*

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.[7] 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).[8]

Buckinghamshire has:

- A small public sector (the second smallest of all 38 LEP areas)[9] (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 A3).* The construction industry became a greater specialism in Buckinghamshire 2020 than in 2019, employing 1.4 times as many people locally than nationally in 2020 compared with 1.2 times in 2019.

Chart A4 shows how the number of employees in different sectors of the Buckinghamshire economy changed between September 2019 and September 2020 (the period that covers the worst of the economic impact of the Covid-19 pandemic). Surprisingly there was a drop in the number of employees working in the health sector during this period. Less surprisingly, there was a drop in the number of employees in the retail sector, an increase in employee numbers in two of Buckinghamshire's booming sectors, construction and film/TV, and an increase of employees registered with temp agencies (counted within the business admin and support services sector).

Over a longer period, Buckinghamshire's construction sector has seen the greatest growth in recent years, with a 45% growth in employees between 2015 and 2020.[10] Employee growth in the digital ('information and communication') sector slowed in the second half of the 2010s, although it remained a key sector with a higher concentration of employees locally than nationally.[11]

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 and Aylesbury Garden Town related construction activity, along with a large local 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)
- Film and TV (due to an inward-investment driven production boom of the West of London screen cluster)
- Space (it is anticipated that the 10-year plan for the Westcott Space Cluster will create over 2,000 jobs)

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7 ONS, BRES, 2020
8 EMSI Analyst, 2020.
9 ONS, BRES, 2020
10 ONS, BRES, 2020
11 ONS, BRES, 2020

- High performance engineering (linked to expansion of the Silverstone Enterprise Zone and an increasing demand 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 (in employment terms) is presented in *Figure A1*.

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

Chart A1: Employment by sector, 2020 (Buckinghamshire)

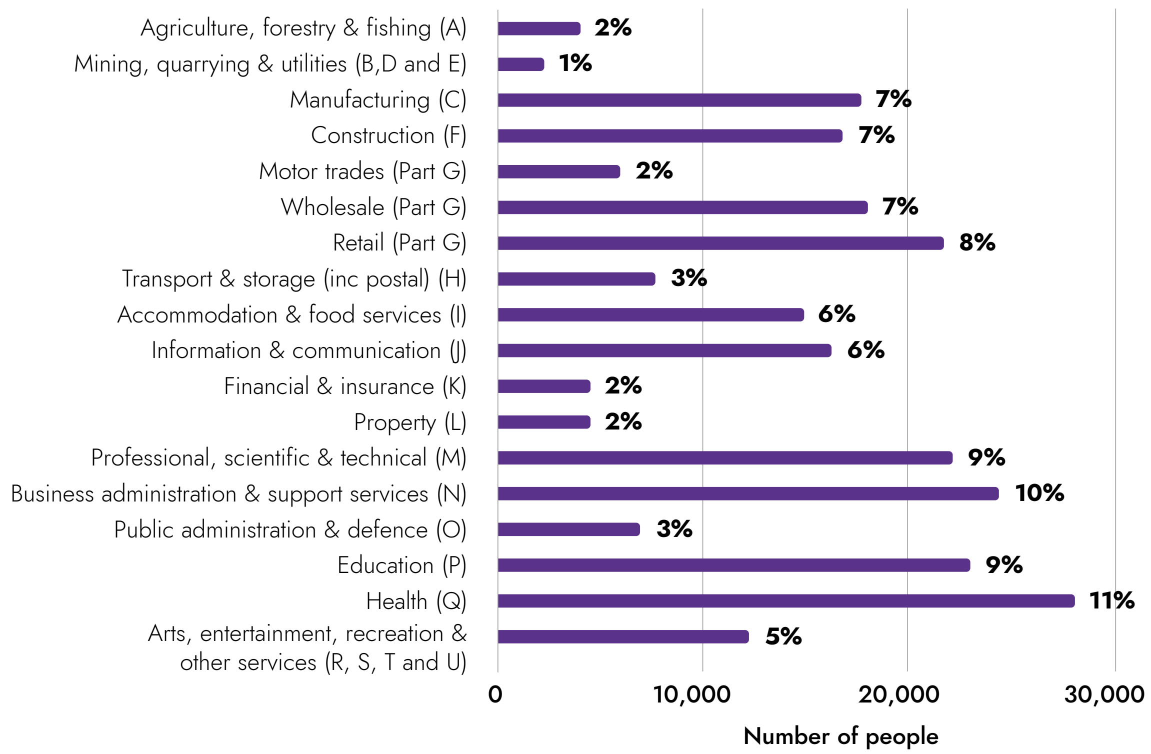
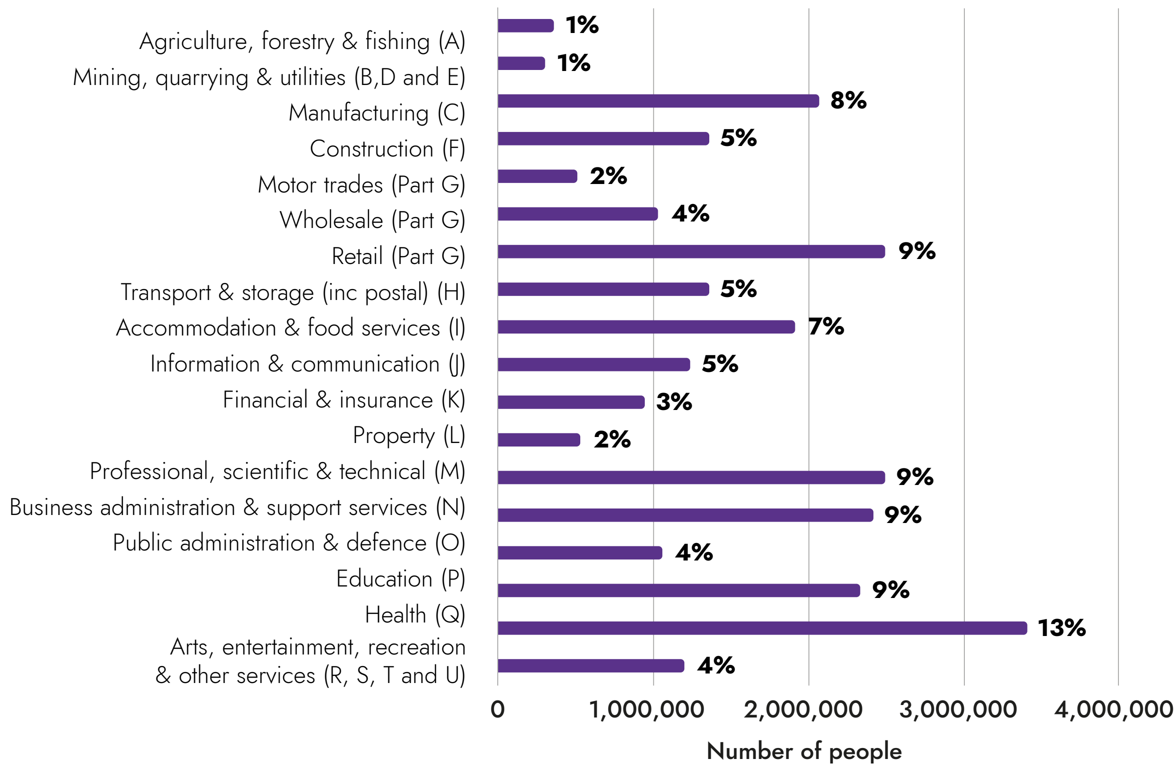
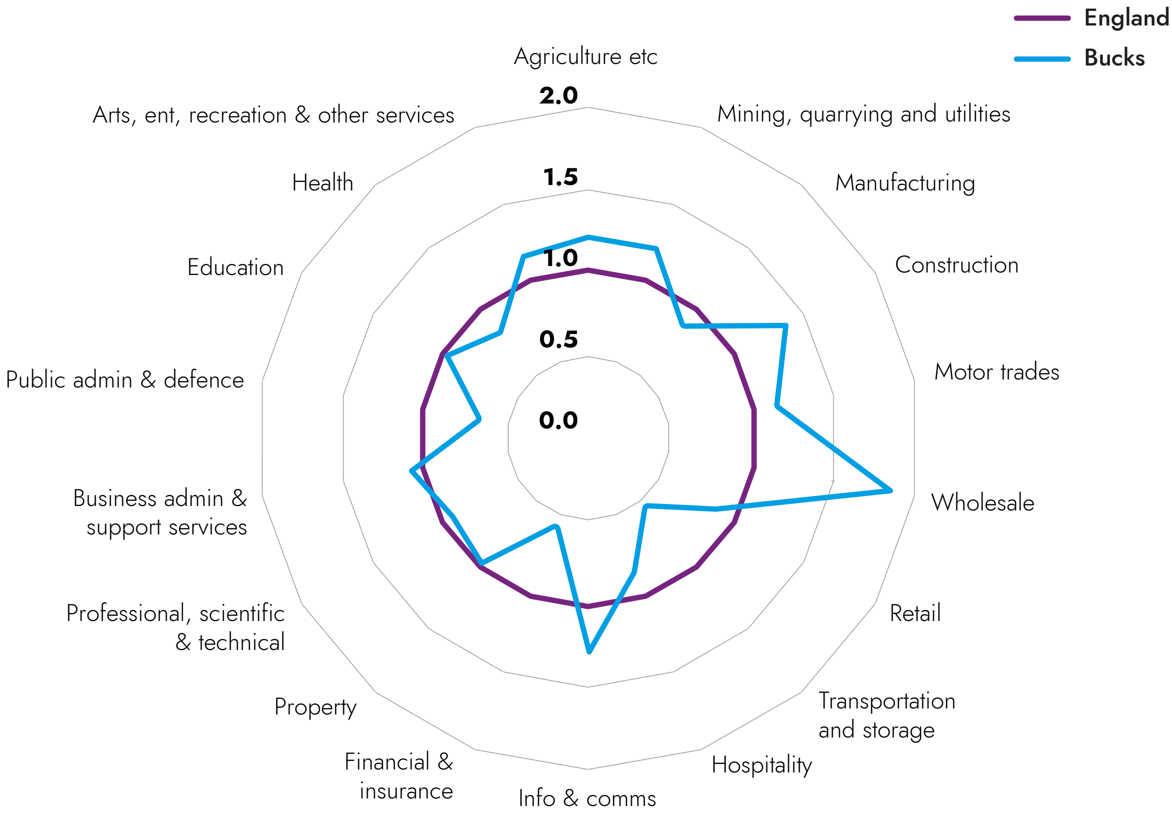


Chart A2: Employment by sector, 2020 (England)



Source: Business Register and Employment Survey, 2020 (published 2021)

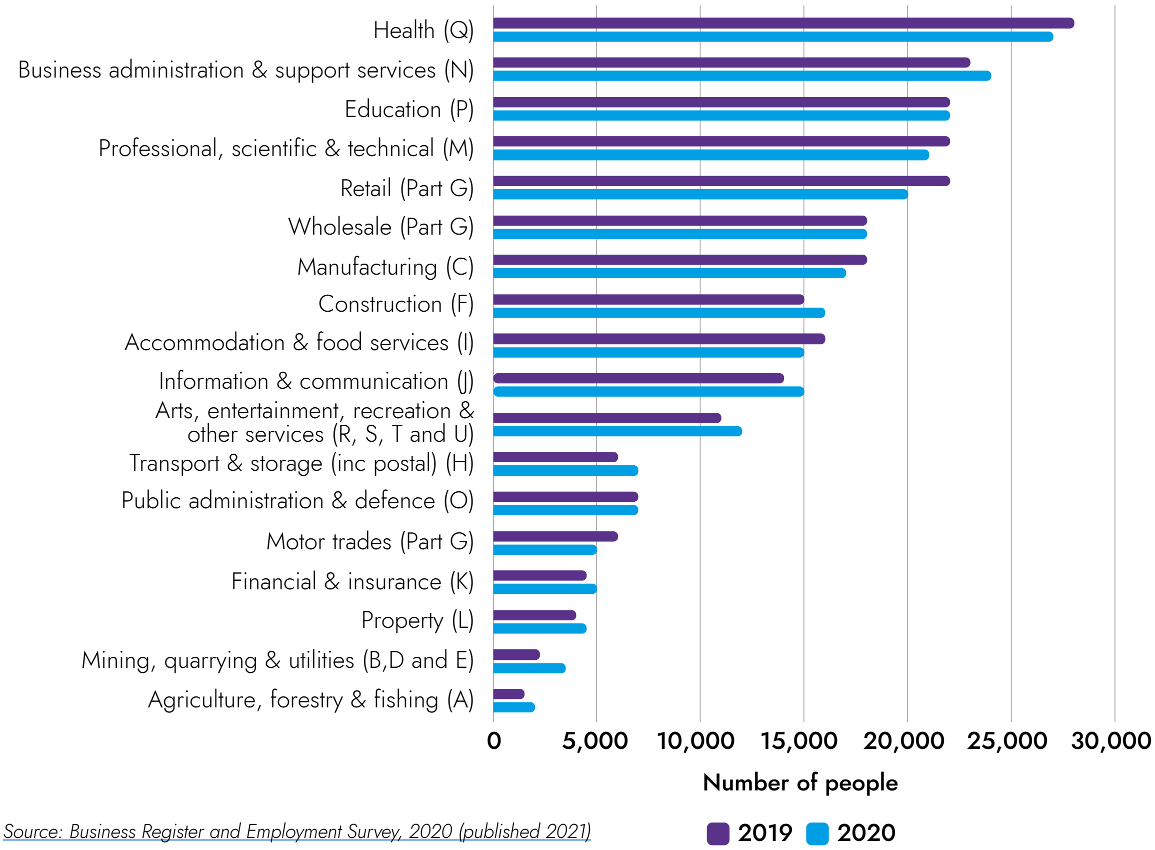
Chart A3: Employee location quotients[12] (greater than 1 (purple ring) = Buckinghamshire specialism)



Source: Business Register and Employment Survey, 2020 (published 2021)

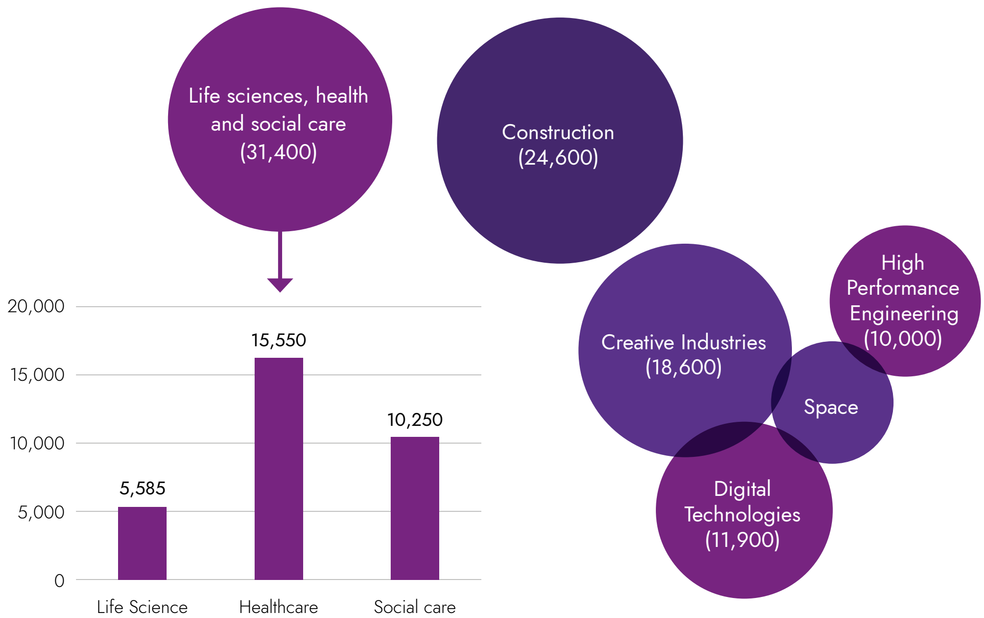
[12] *Location quotients (LQ) are a way of quantifying how concentrated a particular sector or, occupation is in a local area as compared with the national average. A LQ greater than 1 indicates a specialism. A LQ of 2 would show that twice as many people are employed in a certain sector locally than nationally.*

Chart A4: Change in employment by sector 2019 to 2020



Source: Business Register and Employment Survey, 2020 (published 2021)

Figure A1: Number of people working in Buckinghamshire's priority sectors



Source: BRES 2020 plus estimates of self-employment for the construction and creative industries from the Labour Force Survey.

Employment by occupation

Charts A5 and A6 show the distribution of employment within Buckinghamshire by broad occupation. This is supplemented with data presented in *Chart A7*, 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 with 50% nationally.

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 A7)*. 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 work 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 than the national average.

Table A1 lists Buckinghamshire's top 15 occupational specialisms (number of employee jobs as a proportion of all employees). The top occupation is 'animal care and control services', in which 1.7 times as many people are employed locally than the national average, followed by 'artistic, literary and media occupations', which is likely linked to the presence of Pinewood Studios in the south of the County. Along with animal care, other occupational specialisms reflect the relative affluence of Buckinghamshire residents, and their level of discretionary spend. These include: hair and beauty; cleaning and sports/fitness occupations. Two 'knowledge-economy' occupations make the top 15: sales and marketing; and IT and telecoms professionals. As do two construction occupations.

A high proportion of those working in the Buckinghamshire economy are self-employed individuals with no employees (17% versus 14% nationally).[13] Buckinghamshire LEP have produced estimates of the number of people working in different occupations on a self-employed basis within Buckinghamshire *(Table A2)*. Many of these occupations sit within the construction and creative sectors.

Self-employed people were some of the hardest hit by the economic fallout of the Covid-19 pandemic. Particularly those who had recently become self-employed (as they were initially not eligible for grants) and those paid in part via dividends (who experienced some of the biggest drops in income). On a positive note however, self-employed Buckinghamshire residents were less likely to be claiming Covid-19 related support in October 2021 than the national average.[14]

Over the last four years the number of Buckinghamshire residents working on a self-employed basis has dropped. Over the last 18 months, some self-employed residents have become employees to obtain better job security and a more regular income, whilst others have become employees due to changes to the tax system (namely IR35).

[13] ONS, APS, 12 months to June 2021

[14] HMRC, SEISS statistics, 2021

Chart A5: Employment by occupation, 2020/21 (Buckinghamshire)

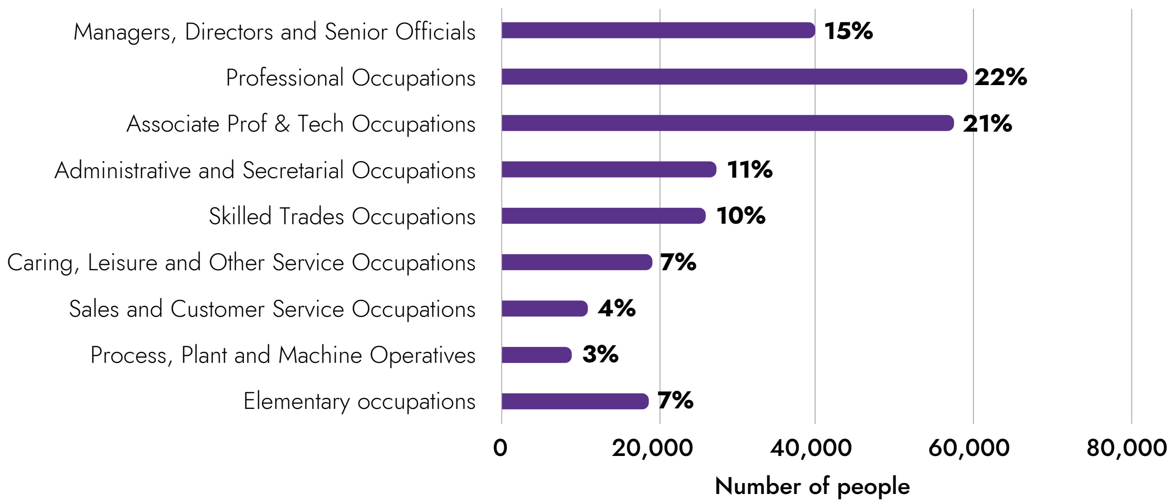
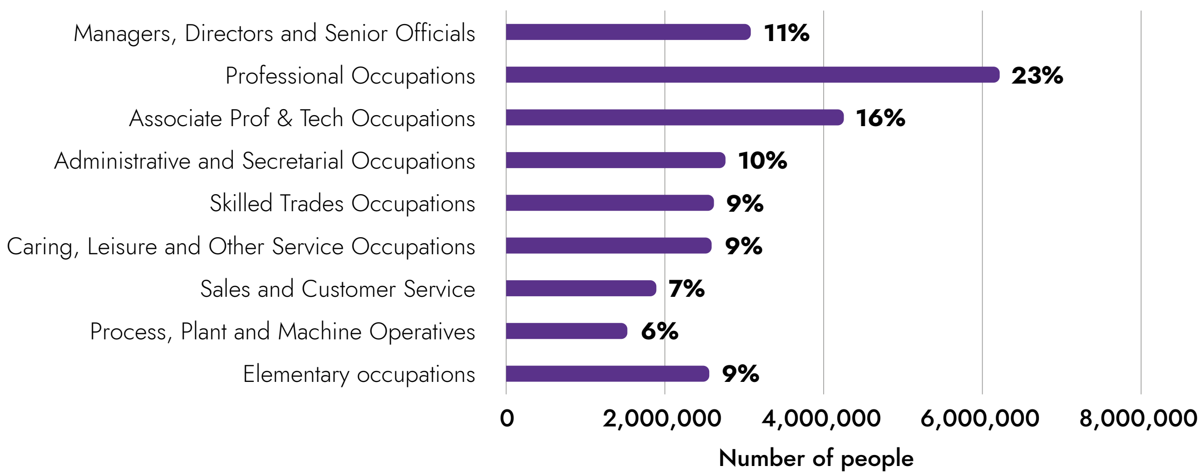
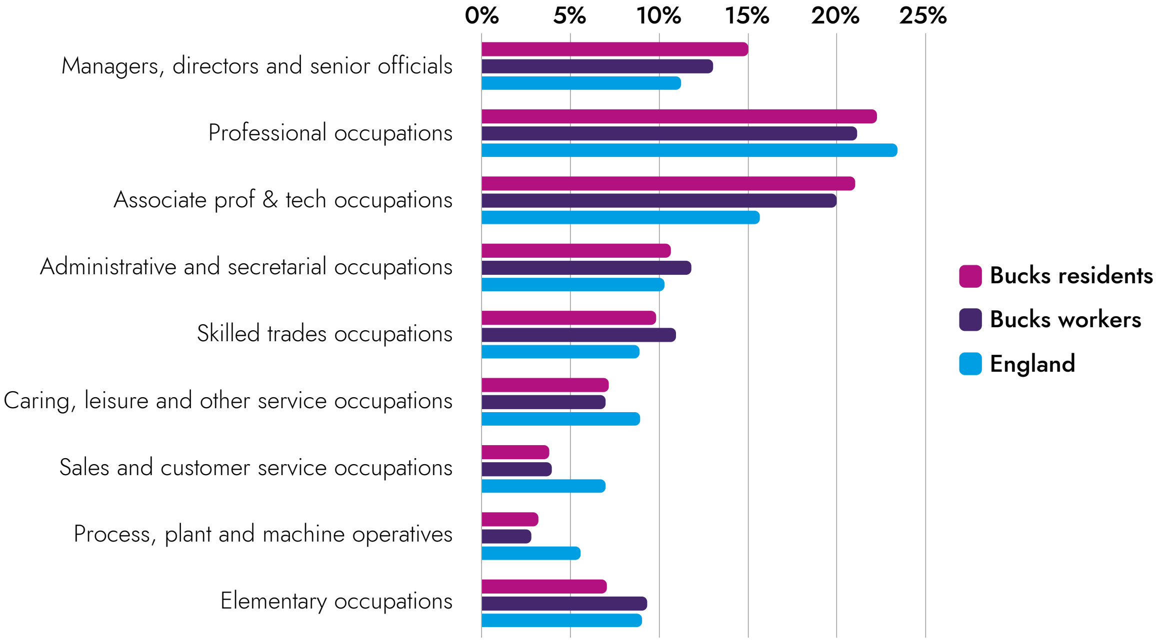


Chart A6: Employment by occupation, 2020/21 (England)



Source: Annual Population Survey, July 2020 – June 2021

Chart A7: Occupations in which Buckinghamshire residents and those working in the Buckinghamshire economy work



Source: Annual Population Survey, July 2020 - June 2021 (data excluded self-employed people not registered for VAT or PAYE)

Table A1: Occupational specialisms

Description	2019 Jobs	2019 Location Quotient
Animal Care and Control Services	1,200	1.7
Artistic, Literary and Media Occupations	1,900	1.5
Hairdressers and Related Services	1,600	1.4
Elementary Cleaning Occupations	8,600	1.3
Cleaning and Housekeeping Managers and Supervisors	1,000	1.3
Sales, Marketing and Related Associate Professionals	11,000	1.3
Sports and Fitness Occupations	1,300	1.2
Functional Managers and Directors	9,800	1.2
Childcare and Related Personal Services	6,900	1.2
Vehicle Trades	2,300	1.2
Information Technology and Telecommunications Professionals	9,000	1.2
Construction and Building Trades	3,500	1.2
Production Managers and Directors	3,900	1.2
Agricultural and Related Trades	1,500	1.2
Elementary Construction Occupations	1,200	1.2

Source: EMSI Analyst (based on BRES and APS data)

Table A2: Number of people self-employed by occupation

Occupation	Self-employed
Taxi and Cab Drivers and Chauffeurs	2,700
Cleaners and Domestics	1,700
Carpenters and Joiners	1,600
Hairdressers and Barbers	1,500
Gardeners and Landscape Gardeners	1,500
Painters and Decorators	1,400
Shopkeepers and Proprietors – Wholesale and Retail	1,200
Beauticians and Related Occupations	1,200
Animal Care Services Occupations	1,100
Electricians and Electrical Fitters	1,100
Construction and Building Trades	1,100
Plumbers and Heating and Ventilating Engineers	900
Authors, Writers and Translators	900
Elementary Construction Occupations	800
Actors, Entertainers and Presenters	800
Bricklayers and Masons	700
Photographers, Audio-visual and Broadcasting Equipment Operators	700
Childminders and Related Occupations	600
Van Drivers	600

Source: Estimates based on the Annual Population Survey and Business Register and Employment Survey, ONS, 2021

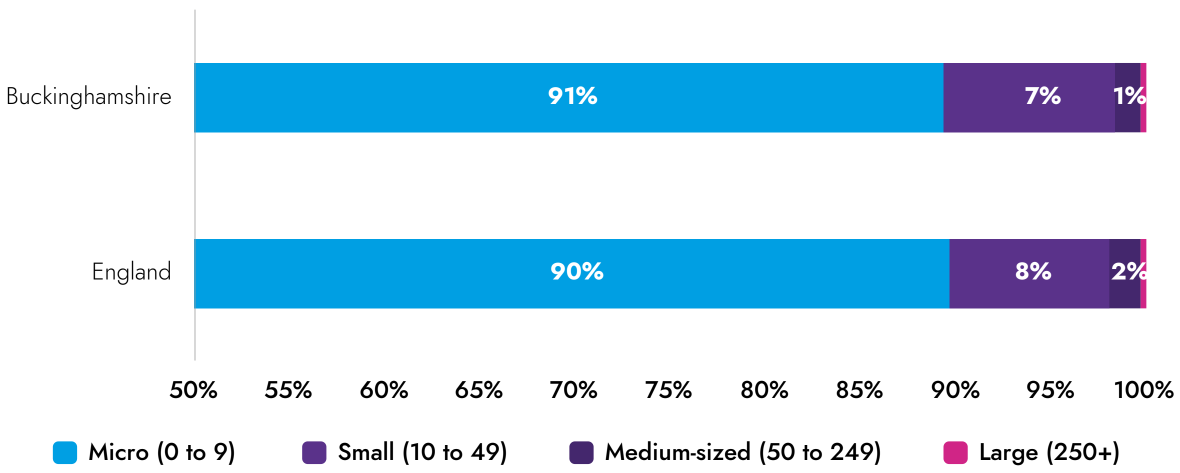
Enterprises by size band

The vast majority of Buckinghamshire's VAT/PAYE registered businesses (91%) employ fewer than 10 people *(Chart A8)*. 82% are very small in size (employing fewer than 5 people), the third highest proportion of all 38 LEP areas.[15] 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 A9)*. 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 is home to 85 large firms (employing more than 250 people)[16] and around 430 foreign-owned firms.[17] Amongst Buckinghamshire's largest employers are Buckinghamshire Council, the NHS, a number of global life sciences companies (including AbbVie, 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 A2*).

Buckinghamshire's business support ecosystem reflects the nature of the local economy well. Buckinghamshire Business First (the Buckinghamshire Business Growth Hub) is long established and has around 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.

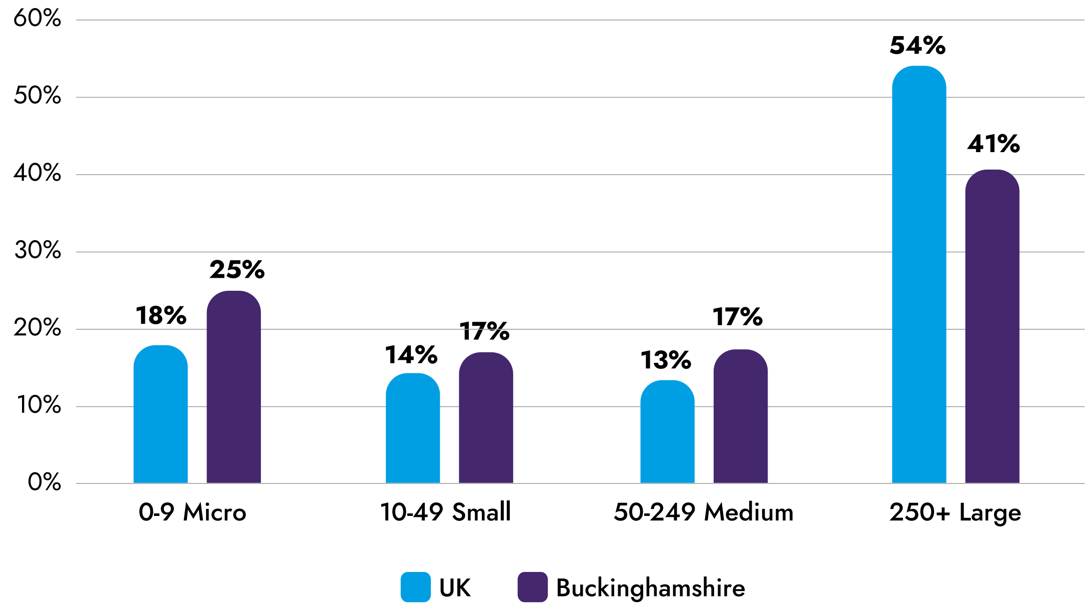
Chart A8: Enterprises by employment size band, 2021



Source: UK Business Count, 2021

[15] ONS, UK Business Count, 2021.
[16] ONS, BRES, 2020
[17] ONS, IDBR, 2019.

Chart A9: Employment by size of employer (Buckinghamshire and England)



Source: IDBR 2019, ONS (user requested data)

Figure A2: Large local employers

Source: Local intelligence

Business birth and death rates

In recent years, business births in Buckinghamshire have exceeded business deaths *(Chart A10)*. The exception being 2017 when birth and death rates were roughly 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.

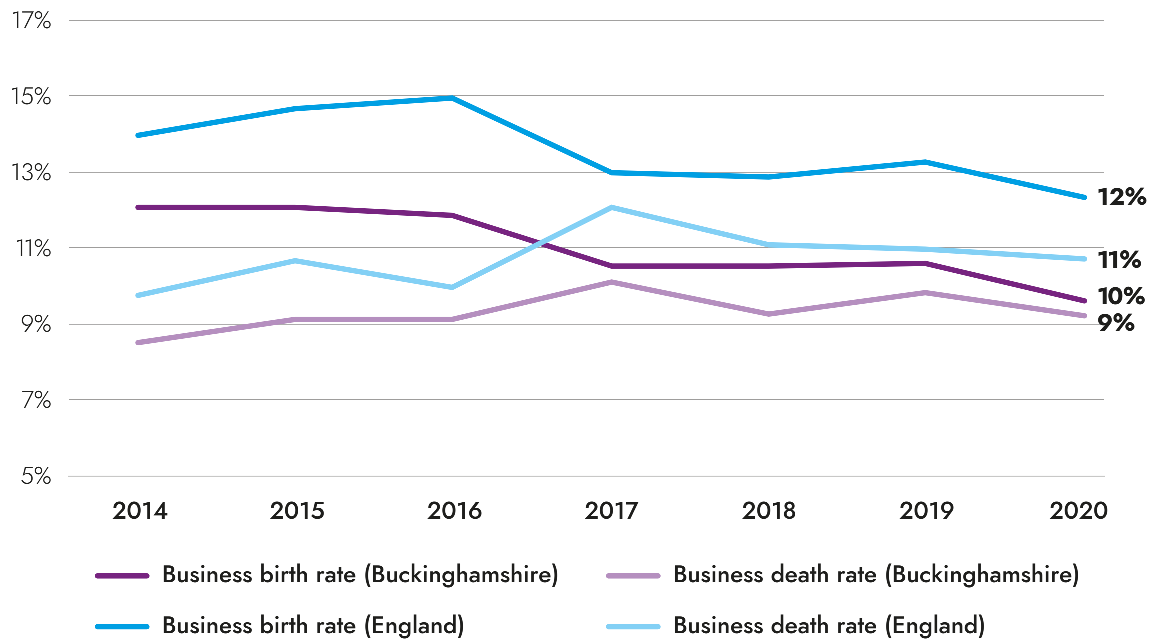
In the years preceding the Covid-19 pandemic, fewer businesses were created and fewer closed in Buckinghamshire (as a proportion of all existing business) than the national average.

Most recent data for 2020 showed the gap narrowing between business births and deaths in Buckinghamshire and nationally. This is attributed to a decrease in business births due to unfavourable conditions during the Covid-19 pandemic. Business deaths also declined marginally despite tough economic conditions. This was likely the result of Covid-19 business support that helped keep businesses afloat.

Nationally, the *ONS reports* that the transport and storage (including postal) industry had the highest business birth rate in 2020. 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. 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.

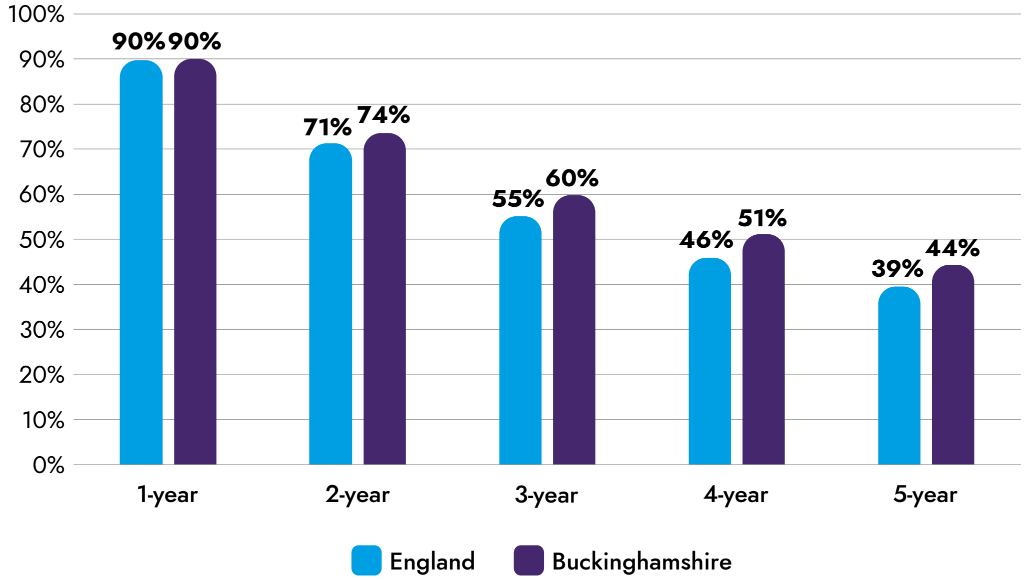
Business survival rates in Buckinghamshire are higher than the national average. For example, 44% of firms born in Buckinghamshire in 2015 were still operating 5 years later, compared with 39% nationally (see *Chart A11*).

Chart A10: Business birth and death rates, 2014 - 2020



Source: ONS Business Demography, 2014 - 2020 (published 2021)

Chart A11: Business survival rates (%) of firms born in 2015



Source: ONS Business Demography, 2020 (published 2021)

Employment rate and level

Buckinghamshire residents have enjoyed higher than average employment rates over the last 16 years *(Chart A12)*. As was the case nationally, Buckinghamshire residents' employment rate was lower in the 12 months to June 2021 compared with the 12 months to June 2020. In Buckinghamshire, the number of residents estimated by the Annual Population Survey to be in employment (including those on furlough) dropped by around 10,000 between these two periods, which included a drop of 8,000 employees and 1,200 self-employed people. Administrative data from HMRC on payrolled employees shows a less pronounced drop in employees between these periods of around 3,500. Timelier HMRC data is available which shows that the number of payrolled employees living in Buckinghamshire has risen by a further 5,000 since June 2021, a strong recovery in comparison to neighbouring areas.

Residents on furlough are counted as employees within both data sources. The proportion of Buckinghamshire residents on partial or full furlough dropped as the furlough scheme was wound down. At the end of the furlough scheme on 30th September 2021, 5% of eligible residents were on furlough (11,200 people). This was 1% higher than the national average. The ONS estimate that 65% of those on furlough when the scheme ended returned to work on the same number of hours, and 3% were made redundant.

Figure A3 illustrates the employment status of Buckinghamshire's working age population in the year to June 2021 in more detail. The big issue in the 2021 labour market was that as the economy picked up, there were fewer people available to work than pre-pandemic. The proportion of working age residents deemed to be economically inactive rose from 16% to 20% between the year to June 2020 and the year to June 2021.[18]

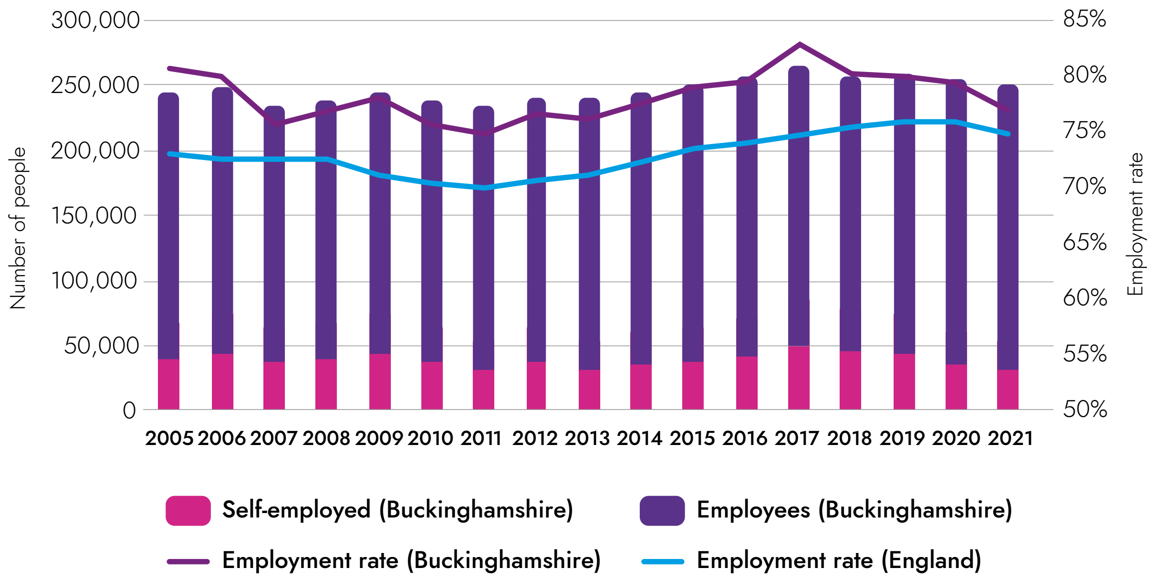
Reasons included: more people than normal taking early retirement; more young people than normal remaining in education rather than entering the workplace; some people (particularly those with health conditions) leaving the labour market due to Covid-19 fears; and some non-UK nationals returning home. Some of these trends will be more transitory in nature than others, but cumulatively led to there being around 12,000 fewer Buckinghamshire residents being available to work in the year to June 2021 than pre-pandemic.[19]

A smaller proportion of Buckinghamshire's economic inactive working-age residents are sick, and a larger proportion are students, retired or looking after family/home than the national average.

Whilst both the Annual Population Survey and HMRC data suggest a drop in the number of residents working as employees during the pandemic, data from the Business Register and Employment Survey (albeit for a different time period) suggests that the number of employees working for **Buckinghamshire-based employers** remained the same between September 2019 and September 2020, despite the pandemic. Making Buckinghamshire one of only four LEP areas that did not see a decline in the number of employees working within their economy during this period. This is likely to be because the drop in employment in sectors affected by the pandemic, was offset by an increase in jobs in the County's booming sectors, including construction and film and TV.

[18] *ONS, APS, 12 months to June 2021.*
[19] *ONS, APS, 12 months to June 2021.*

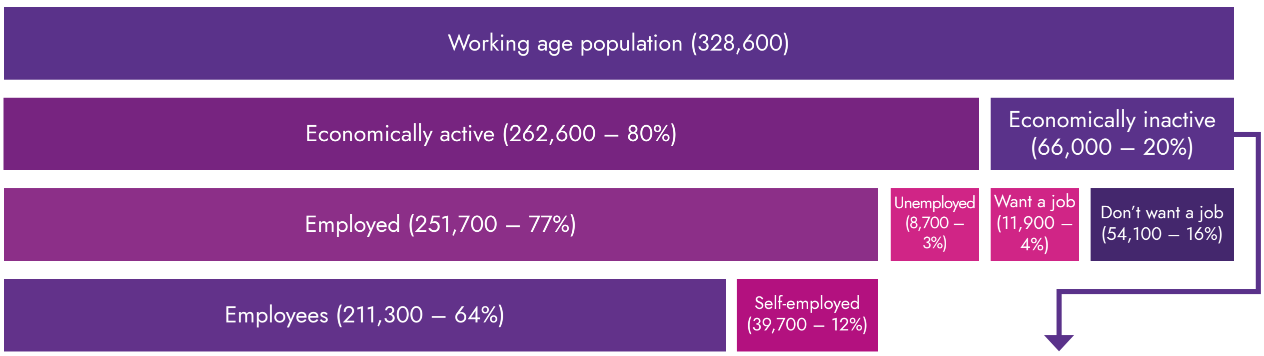
Chart A12: Employment rate and employment level [residents]



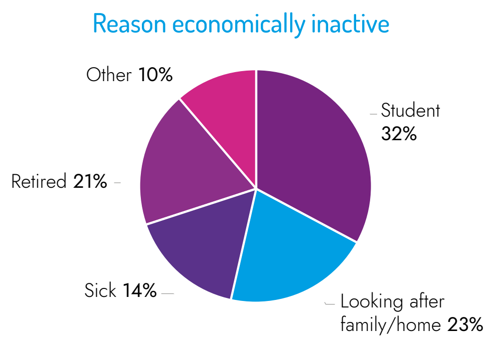
Source: Annual Population Survey, 2021 (12 months to June each year)

Note: 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.

Figure A3: Economic activity of Buckinghamshire residents



Source: Annual Population Survey, 12 months to June 2021, ONS

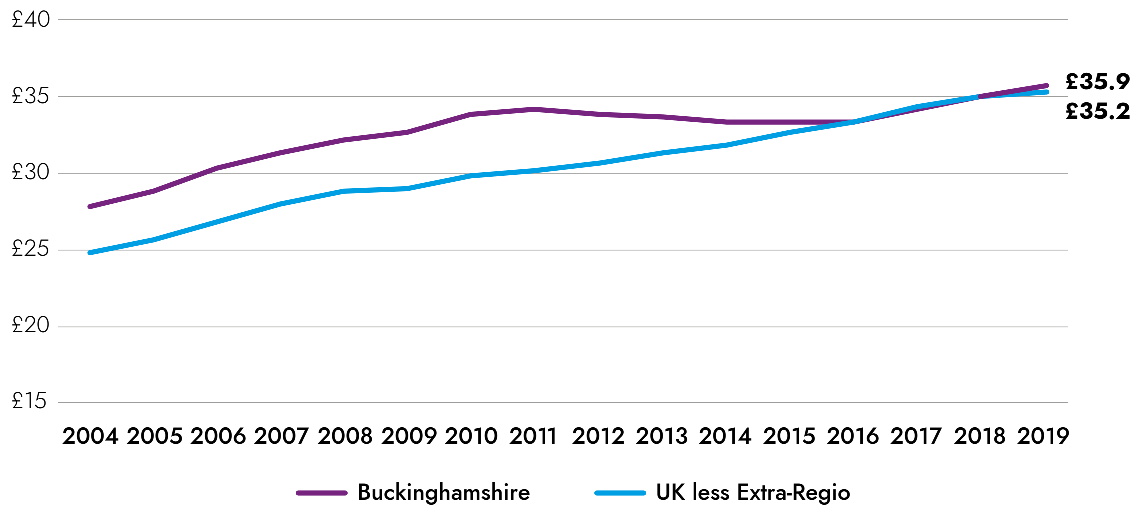


Productivity

Between 2010 and 2017 Buckinghamshire was 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 2019. Buckinghamshire's productivity rate (GVA per hour worked) inched above the national average in 2019 *(Chart A13)*. However, if the impact of the housing market is stripped out, Buckinghamshire has lower than average productivity levels (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 A3*).

Chart A13: Nominal (smoothed) GVA per hour worked (productivity)



Source: ONS Subregional Productivity, 2004 - 2019 (published 2021)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own isn't what you

Table A3: Productivity levels and employee growth by industry, 2010 to 2018

	Productivity (£ per hour worked	Additional employees (2010 to 2018)	Bucks employee growth 2010-2018	UK employee growth 2010-2018
Financial and insurance activities	57.9	-510	-10%	0%
Production industries	48.9	600	22%	9%
Information and communication *(including some creative industries and some aspects of space industry)*	41.9	2,130	18%	22%
Manufacturing *(including advanced manufacturing and aspects of MedTech and space industries)*	36.9	1,370	9%	4%
Highest productivity industries - total		**3,590**	**10%**	**8%**
Professional, scientific and technical activities *(including aspects of MedTech and space industries)*	28.4	1,380	7%	35%
Transportation and storage	27.5	1,650	31%	18%
Construction	26.0	590	5%	14%
Wholesale and retail trade; repair of motor vehicles and motorcycles	25.3	3,090	8%	5%
Arts, entertainment and recreation *(includes some creative industries)*	21.7	1,050	21%	9%
Administrative and support service activities	18.4	9,360	67%	26%
Accommodation and food service activities	17.1	3,120	26%	27%
Lowest productivity industries - total		**12,490**	**48%**	**27%**

Source: Productivity data, ONS (2020) and employee data, EMSI Analyst, 2010 and 2018 (based on ONS Business Register and Employment Survey (BRES) and Annual Business Inquiry (ABI) data)

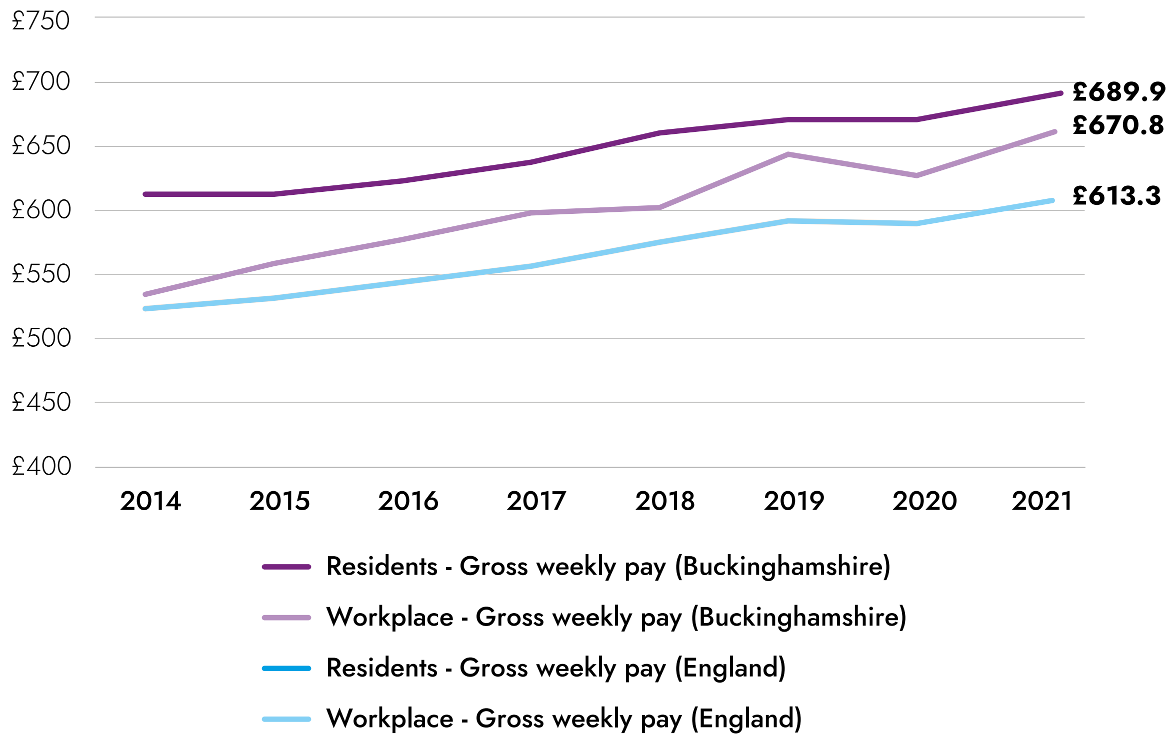
Wages

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 A14)*.

Between 2014 and 2021, wages within the Buckinghamshire economy grew at a faster rate (25%) than did the wages of residents (13%) and wages cross the country as a whole (17%). 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.

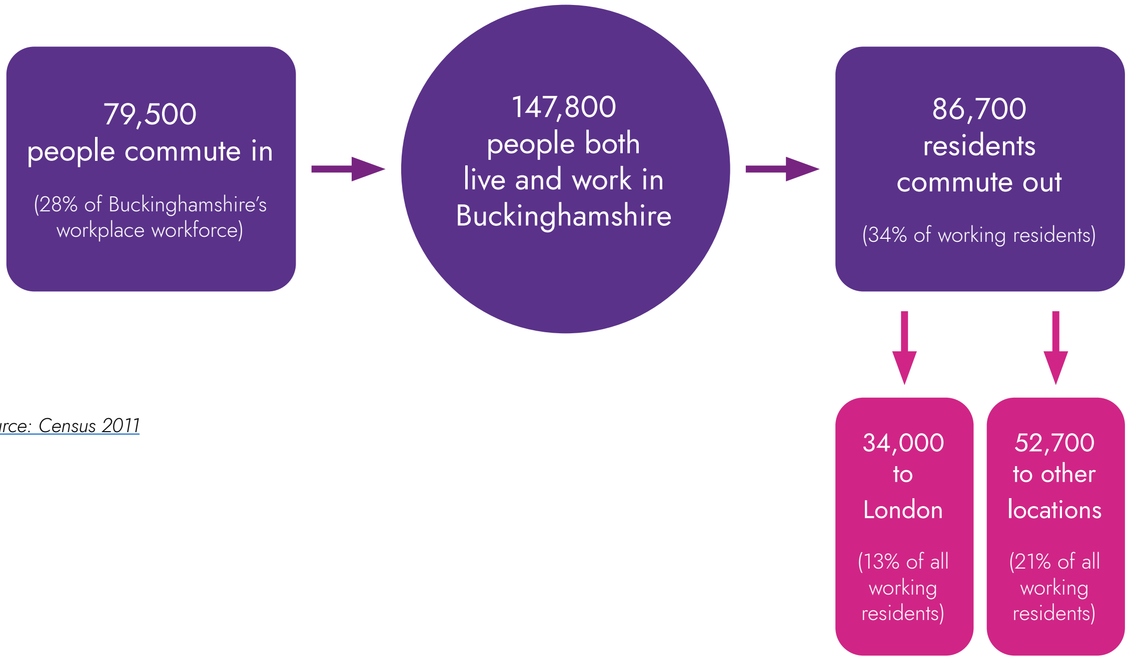
Buckinghamshire has one of least 'self-contained' labour markets in England. Pre-Covid-19, around a third of working residents travelled out of the County for work. In total, 34,000 Buckinghamshire residents usually work in London, with residents aged 35-49 making up almost half of the total. 28% of all those working within the Buckinghamshire economy travel into the County from elsewhere *(Figure A4)*.

Chart A14: Median gross weekly wage for full-time workers



Source: Annual Survey of Hours and Earnings, 2014 - 2021

Figure A4: Commuting into and out of Buckinghamshire



Source: Census 2011

Population by age group

Approximately 547,000 people currently live in Buckinghamshire, of whom 60% are of working age (lower than the national average of 62%)[20]. 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 A15)*.

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 by 2038, 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. 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. As the cost of living increases, this option is becoming less viable.

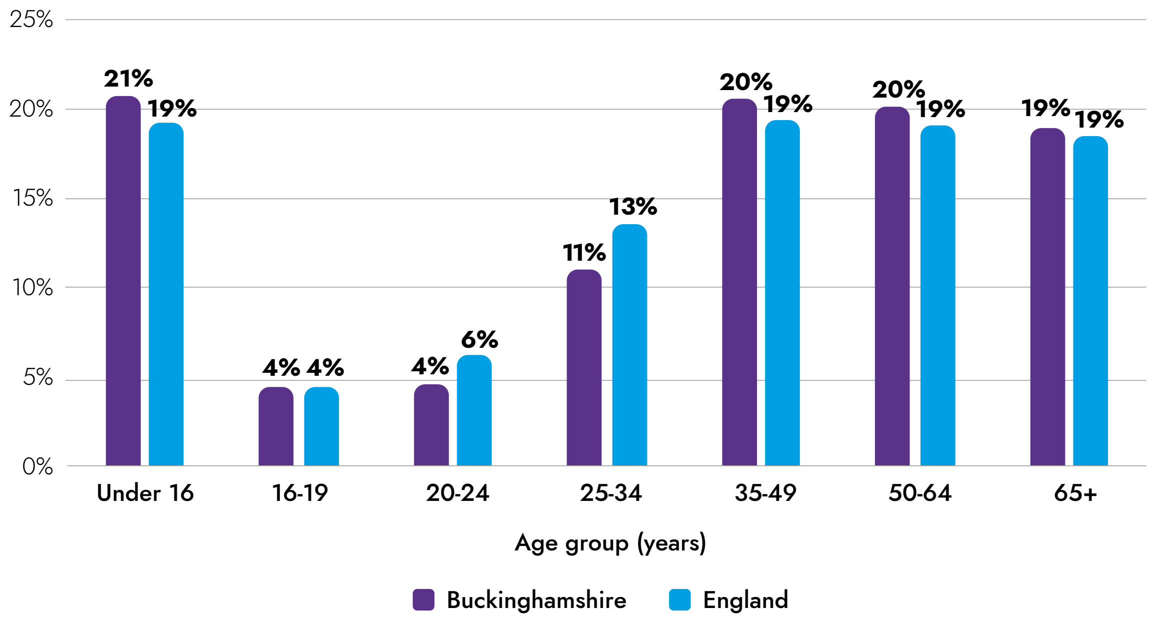
The availability of housing is a challenge for economic growth and could be further affected by an ageing population. People are living longer, and retirees often choose to continue residing in their family home rather than downsize due to a lack of availability of suitable housing and/or high costs of retirement homes[21]. 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[22]. 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.

Chart A16 shows annual population projections for those aged 15 to 24, data which helps inform the County's post-16 education and training providers in terms of planning provision. We see that the number of 15 to 19 year olds living in the County is set to rise over the next decade, and then gradually decline. Whilst the number of 20 to 24 year olds is set to fall over the next five years, before rebounding to just above current numbers.

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.

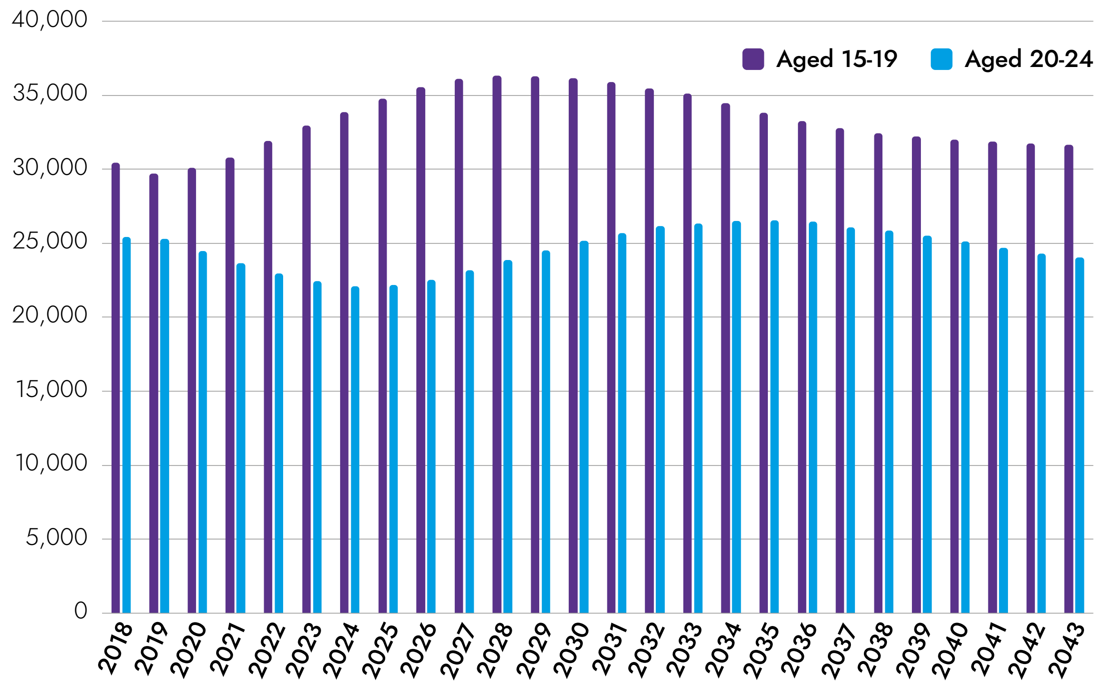
[20] *ONS, Population Estimates 2020.*
[21] *Demos, 2014.*
[22] *Aylesbury Garden Town Socio-Economic Study, 2020.*

Chart A15: Population by age group, 2020



Source: ONS Mid-Year Population Estimates, 2020

Chart A16: Projected number of 15-19 and 20-24 year olds living in Buckinghamshire by year



Claimant Count and Alternative Claimant Count

Buckinghamshire LEP produce a monthly Claimant Count report and dashboard which are available on the **Buckinghamshire Economic Intelligence Observatory website.** 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 A17*, 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 gradually increased, 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) coupled with additional job losses in vulnerable occupations and sectors meant that the number of claimants remained high from May 2020 onwards (see *Chart A18*).

As the economy opened and restrictions were lifted during 2021, the number of claimants dropped from their peak, albeit remaining at high levels in comparison to pre-pandemic levels.

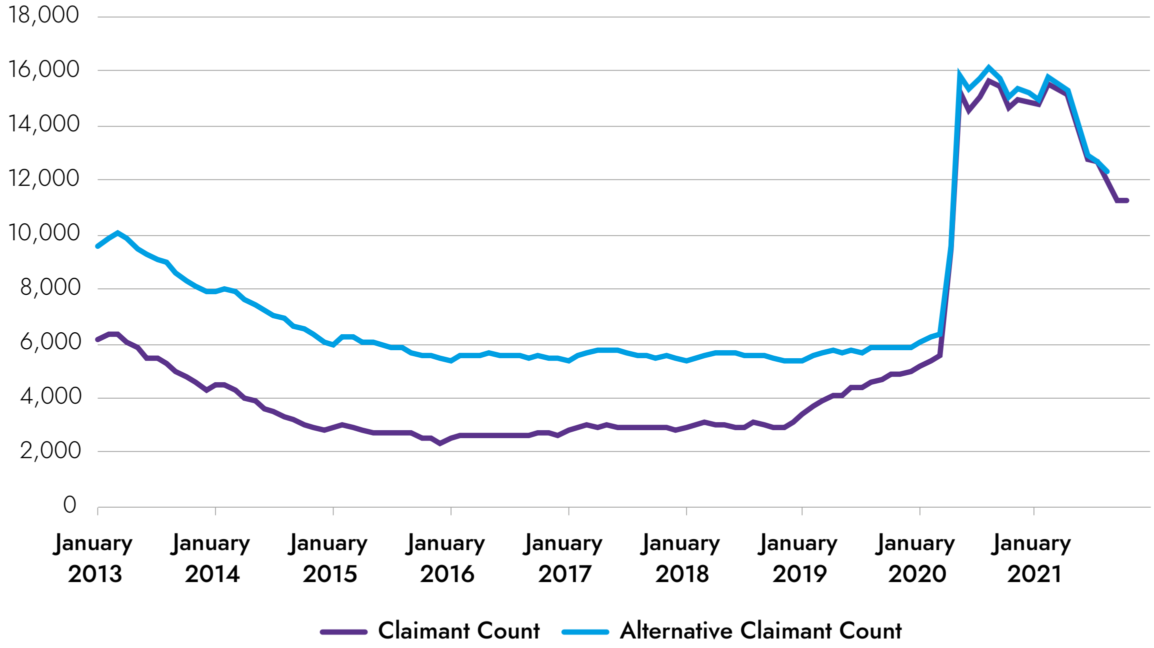
Within Buckinghamshire, the Claimant Count rate is highest in the Wycombe parliamentary constituency area. As is the case nationally, the number of young people (aged 16-24) claiming 'out-of-work' related benefits increased at the onset of the pandemic at a greater rate than other age groups. However, people aged 25-49 make up a greater proportion of all those claiming now (November 2021) than pre-pandemic as young people returned to work in sectors (such as hospitality and retail) that benefitted strongly by the easing of pandemic related restrictions.

In addition to claimants, just over 11,000 Buckinghamshire residents were on furlough when the scheme closed on 30th September 2021. Analysis by the ONS estimated that 65% of those on furlough in the UK returned to work on the same number of hours, and just 3% being made permanently redundant. As a result, the end of the furlough scheme may not lead to a significant increase in the Claimant Count as had previously been expected.

The Claimant Count counts the number of people claiming Jobseeker's Allowance plus those who claim Universal Credit and are required to seek work and be available for work. It is a measure of the number of people claiming 'out-of-work' related benefits. Whilst the Claimant Count is not a measure of unemployment, it is a useful proxy at the local level.

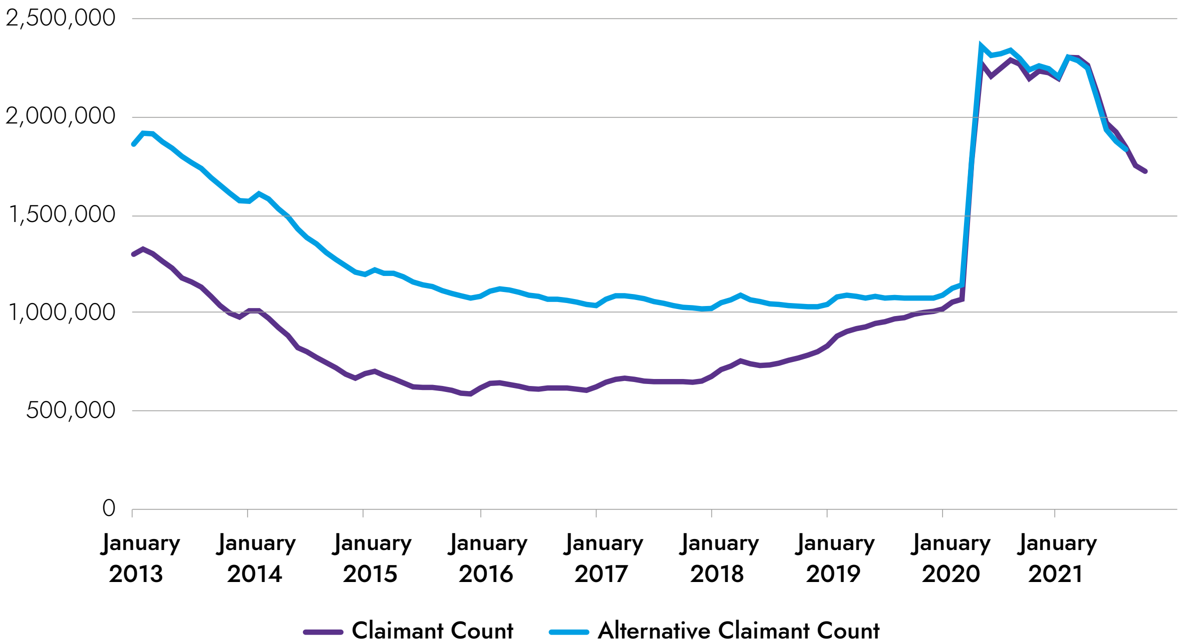
Due to the phased introduction of Universal Credit, the Claimant Count cannot be used to accurately measure historical trends. DWP therefore publish the Alternative Claimant Count, which models what the count would have been if Universal Credit had been in place since 2013.

Chart A17: Claimant Count and Alternative Claimant Count (Buckinghamshire)



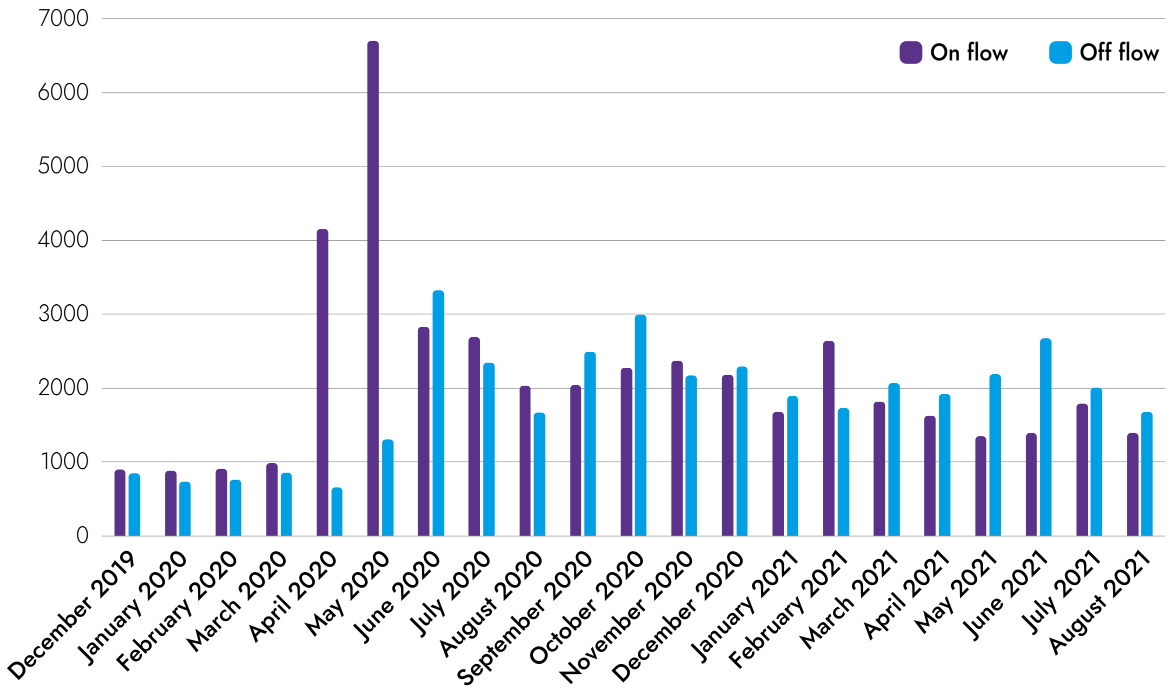
Source: ONS claimant count & DWP Stat Xplore, January 2013 – August 2021

Chart A18: Claimant Count and Alternative Claimant Count (England)



Source: ONS claimant count & DWP Stat Xplore, January 2013 – August 2021

Chart A19: Movement onto and off the Claimant Count (Buckinghamshire)



Source: DWP via Stat-Xplore

Income, Employment and Education deprivation

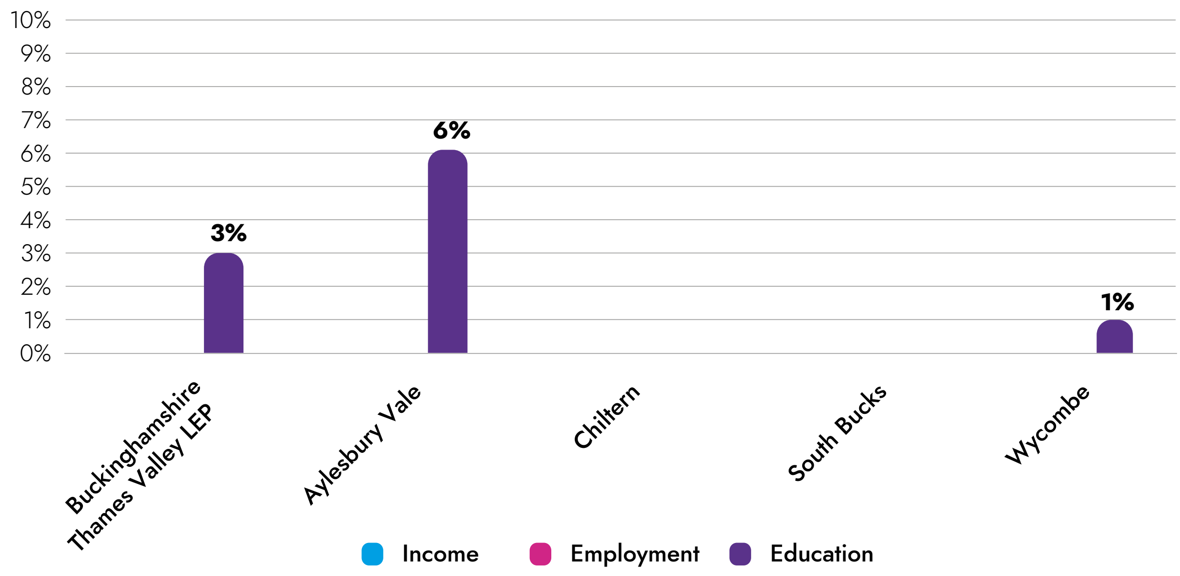
With a 2019 Index of Multiple Deprivation (IMD) deprivation score of 10.1, Buckinghamshire is deemed the least deprived Local Enterprise Partnership (LEP) area in England.

None of Buckinghamshire's neighbourhoods are included in the 10% most deprived nationally for income or employment *(Chart A20)*. 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.[23]

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 A20: Neighbourhoods in 10% most deprived nationally



Source: Index of Multiple Deprivation, MHCLG, 2019

[23] *DfE, 2019*

02. 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 Higher 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, Henley Business School, Brunel University and West London Institute of Technology are situated on the Buckinghamshire border, and the University of Bedfordshire has campus within Buckinghamshire (in 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 over 100 apprenticeship providers (including employer providers) currently delivering Apprenticeships within Buckinghamshire. The largest local apprenticeship providers are Buckinghamshire College Group and Buckinghamshire New Univsersity.

Buckinghamshire residents are more likely to hold higher-level (degree and above) qualifications than the national average and are less likely to be qualified to level 2 or below *(Chart A21)*.

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

- A higher-than-average proportion of school leavers enter Higher Education (mainly attending out of County institutions)
- A high proportion of those who leave the County to study do not return.
- A smaller than average cohort of young people taking an apprenticeship route into employment.
- A lack of engineering training provision within the County.
- Low levels of interest in construction, engineering, and health and social care careers, resulting in employers struggling to fill vacancies.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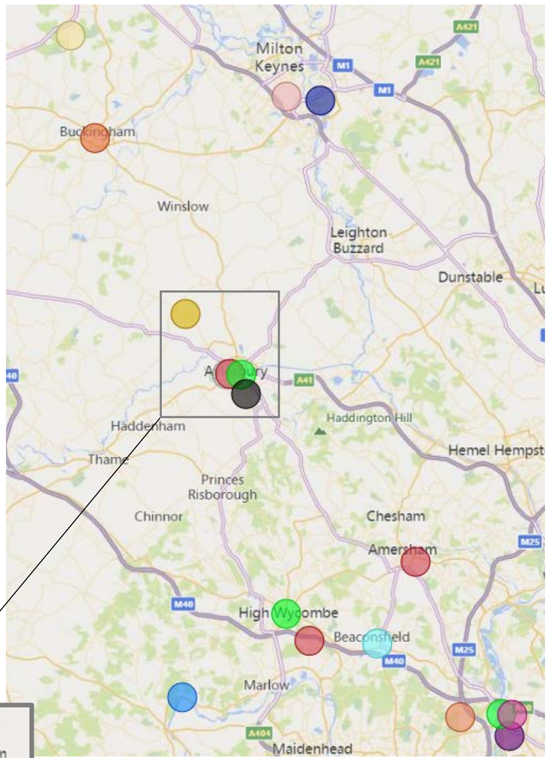
Map A1: Location of 'Buckinghamshire and borders' post-16 education and training establishments

Training Provider Campus

- Brunel University
- Buckinghamshire University Technical College (UTC)
- Bucks College Group (Amersham Campus)
- Bucks College Group (Aylesbury Campus)
- Bucks College Group (High Wycombe Campus)
- Bucks Construction Academy
- Bucks New University (Aylesbury Campus)
- Bucks New University (High Wycombe Campus)
- Bucks New University (Uxbridge Campus)
- Creative Media Skills
- Henley Business School (Greenlands Campus)
- National Film and TV School
- Open University
- Silverstone University Technical College (UTC)
- South Central Institute of Technology (Milton Keynes College)
- The University of Buckingham
- University of Bedfordshire (Aylesbury Campus)
- West London Institute of Technology (Uxbridge campus)



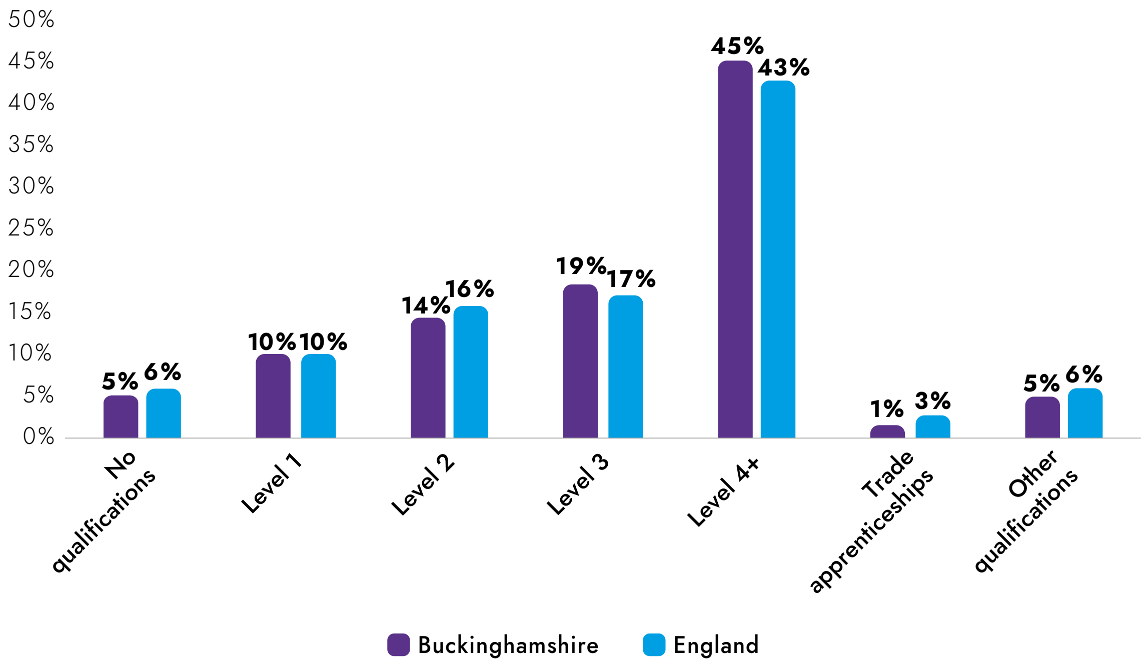
Map is also available on the Buckinghamshire Economic Intelligence Observatory site.

Qualification levels

45% of Buckinghamshire's working age population have a Level 4+ (higher education or equivalent) qualification *(Chart A21)*. This is two percentage points higher than the national average. 19% are qualified to Level 3, again, two percentage points higher than the national average. In contrast, the proportion with Level 2 qualifications as their highest qualification is two percentage points lower in Buckinghamshire than the national average, along with a smaller proportion having no qualifications. The proportion that are qualified to Level 1 is the same as nationally.

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 A21: Qualification levels of residents aged 16-64, 2020



Source: Annual Population Survey, January 2019 – December 2020

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 include distance learning or e-learning, 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 underway 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. Buckinghamshire College Group began offering T-level qualifications in the following subjects in 2021:

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

Construction and Business T-levels will be available from September 2022. Recruitment to T-level courses in Buckinghamshire in 2021 has been good, however, there have been some challenges finding T-level placement opportunities as a result of the Covid-19 pandemic. Particularly within the digital sector as many employers have continued to have staff work from home, which makes it more difficult for them to support placement students.

Encouragingly, pre-Covid-19, 47% of Buckinghamshire employers indicated that they were interested in providing placements to T-level students, higher than the national average of 36% *(Table A4)*

Table A4: Employers interested in providing work placements to T-level students

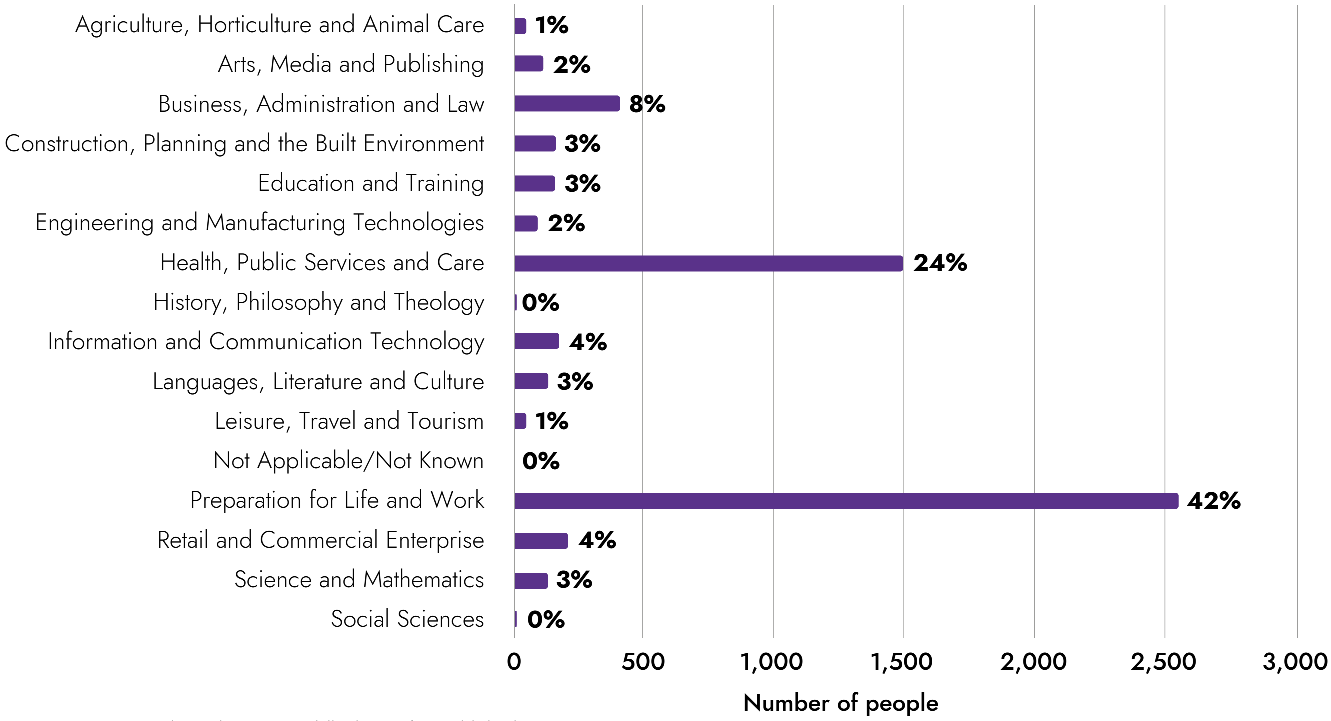
	England	Bucks
Very interested/quite interested	36%	47%
Not very interested/not at all interested	57%	47%
Neither interested or not interested	2%	0%
Don't know	5%	6%

Source: Employer Skills Survey 2019, DfE

Charts A22 and A23 show adult (aged 19+) 'education and training' achievements by subject area. The highest proportion of adult achievements in Buckinghamshire is in the 'preparation for life and work' subject area, which is similar to the national average.

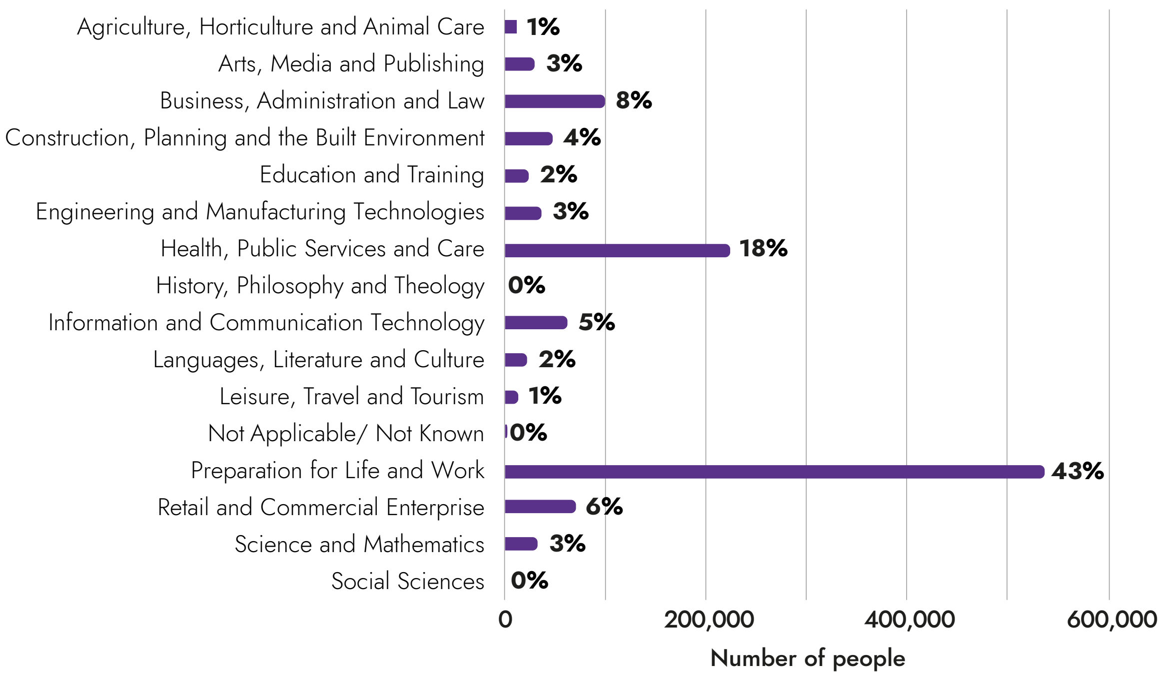
Buckinghamshire has a noticeably higher proportion of 'education and training' adult achievements in the 'health, public services and care' (24%) subject area compared with the national average (18%).

Chart A22: Adult education and training achievements by sector subject area, 2020/21 (Buckinghamshire)



Source: Further Education & Skills data, DfE, (published 2021)

Chart A23: Adult education and training achievements by sector subject area, 2020/21 (England)



Source: Further Education & Skills data, DfE, (published 2021)

Apprenticeship Starts and Achievements

Starts

Buckinghamshire has historically had a 'small but stable' apprenticeship profile. Pre-Covid-19, there were proportionally fewer apprentices in the local workforce than nationally, and fewer students choosing apprenticeships at the ages of 16 or 18.

The number of people starting apprenticeships has fallen (nationally and locally[24]) over recent years, largely as a result of policy changes. However, the fall in Buckinghamshire has been less stark than nationally. Between 2016/17 and 2020/21, the number of apprenticeship starts decreased by 35% in England compared with a 17% decrease in Buckinghamshire *(Table A5)*. Between 2019/20 and 2020/21 the number of apprenticeships started by Buckinghamshire residents increased, whilst starts decreased nationally. The greatest increase in numbers was in the area of 'health, public services and care', likely linked to an increased profile and need for people to work in this sector as a result of the Covid-19 pandemic *(Table A6)*.

Compared with 2016/17, there are now more Buckinghamshire residents starting apprenticeships in 'health, public services and care'; 'information and communication technology'; 'construction, planning and the built environment' and 'arts, media and publishing'. Although volumes in the latter three subject areas are comparatively small. Fewer residents are starting apprenticeships in all other subject areas (with the exception of education and training where numbers fell and are now back to 2016/17 levels), with the biggest decrease in the 'retail and commercial enterprise subject area' *(Table A7)*.

The most significant change over the last five years has been in the level of apprenticeships being started. In 2016/17 only 8% of apprenticeship starts were 'higher level' apprenticeships, by 2020/21 this had increased to 37% *(Table A9)*. Over the same period we have also seen a drop in the proportion of apprenticeships being started by young (under 19) people *(Table A8)*.

Achievements

Chart A24 and *Chart A25* compare apprenticeship achievements by Buckinghamshire residents with the national picture. They show a greater proportion of apprenticeship achievements in 2020/21 for 'retail and commercial enterprise' (14%) compared with the national average (11%). There are fewer 'engineering and manufacturing technology' apprenticeship achievements in Buckinghamshire than nationally (12% v 15%), 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, planning and built environment' apprenticeship achievements in Buckinghamshire than nationally (4% 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, 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.

[24] *Apprenticeships started by people residing in Buckinghamshire*

In terms of the impact of the 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. Over the last 12 months there have been examples of local SMEs taking on apprentices as a result of being transferred levy monies from a larger company.

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. 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. In 2021 there has been some recovery, but the number of apprenticeship vacancies in Buckinghamshire from 1 January to 31 October 2021 was still 27% down on the same period in 2019 *(Chart A26)*.

Table A5: Apprenticeship starts for Buckinghamshire and England between 2016/17 and 2020/21

	2016/17	2017/18	2018/19	2019/20	2020/21
Buckinghamshire	2,960	2,600	2,850	2,270	2,470
England	494,880	375,760	393,380	322,530	321,440

Source: DfE 2021

Table A6: Apprenticeship starts in Buckinghamshire by subject area (volume)

	2016/17	2017/18	2018/19	2019/20	2020/21
Agriculture, Horticulture and Animal Care	80	50	50	50	30
Arts, Media and Publishing	0	0	10	10	40
Business, Administration and Law	850	780	880	750	770
Construction, Planning and the Built Environment	70	90	80	100	90
Education and Training	70	30	60	50	70
Engineering and Manufacturing Technologies	390	380	410	200	240
Health, Public Services and Care	730	580	680	550	740
Information and Communication Technology	100	130	170	140	150
Leisure, Travel and Tourism	150	90	100	60	30
Retail and Commercial Enterprise	500	460	420	350	330
Total	**2,940**	**2,590**	**2,860**	**2,260**	**2,490**

Source: DfE 2021

Table A7: Apprenticeship starts by subject area (% of total)

	2016/17	2017/18	2018/19	2019/20	2020/21
Agriculture, Horticulture and Animal Care	3%	2%	2%	2%	1%
Arts, Media and Publishing	0%	0%	0%	0%	2%
Business, Administration and Law	29%	30%	31%	33%	31%
Construction, Planning and the Built Environment	2%	3%	3%	4%	4%
Education and Training	2%	1%	2%	2%	3%
Engineering and Manufacturing Technologies	13%	15%	14%	9%	10%
Health, Public Services and Care	25%	22%	24%	24%	30%
Information and Communication Technology	3%	5%	6%	6%	6%
Leisure, Travel and Tourism	5%	3%	3%	3%	1%
Retail and Commercial Enterprise	17%	18%	15%	15%	13%
Total	**100%**	**100%**	**100%**	**100%**	**100%**

Source: DfE 2021

Table A8: Apprenticeship starts by age group (% of total)

	2016/17	2017/18	2018/19	2019/20	2020/21
Under 19	29%	27%	24%	24%	17%
19-24	30%	33%	29%	31%	33%
25+	41%	40%	47%	45%	50%
Total	**100%**	**100%**	**100%**	**100%**	**100%**

Source: DfE 2021

Table A9: Apprenticeship starts by level (% of total)

	2016/17	2017/18	2018/19	2019/20	2020/21
Intermediate Apprenticeship	49%	36%	29%	24%	20%
Advanced Apprenticeship	43%	49%	48%	46%	43%
Higher Apprenticeship	8%	16%	23%	31%	37%
Total	**100%**	**100%**	**100%**	**100%**	**100%**

Source: DfE 2021

Chart A24: Apprenticeship achievements by sector subject area, 2020/21 (Buckinghamshire)

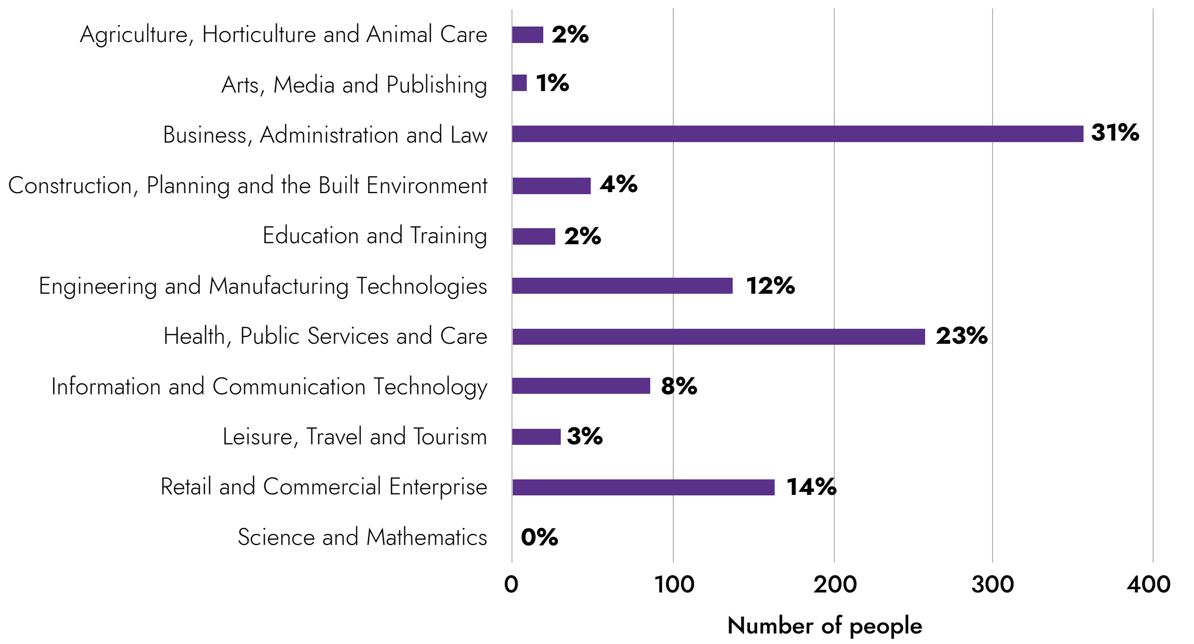
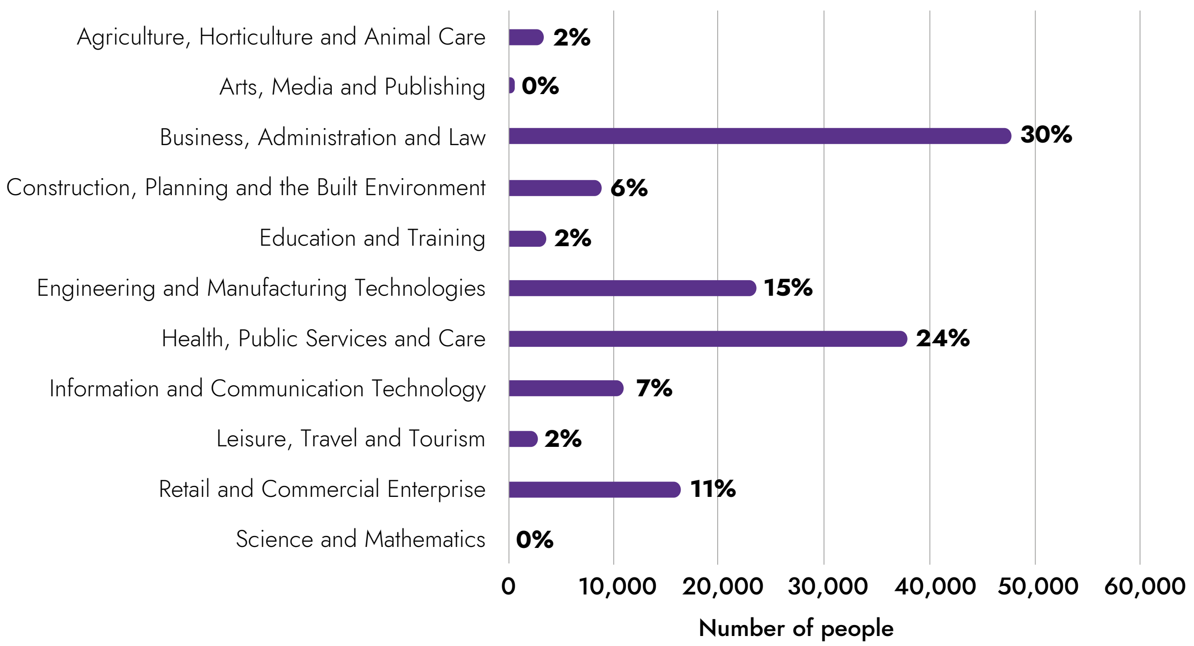
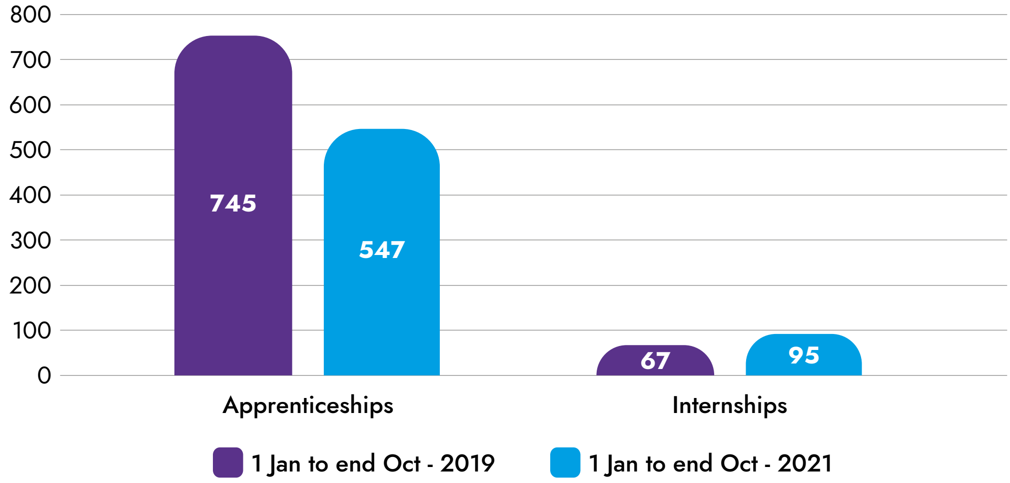


Chart A25: Apprenticeship achievements by sector subject area, 2020/21 (England)



Source: Apprenticeship data, DfE, (published 2021)

Chart A26: Online job postings for apprenticeships and internships (Buckinghamshire), 2019 and 2021



Source: Labour Insight, Burning Glass Technologies

Higher Education Qualifiers

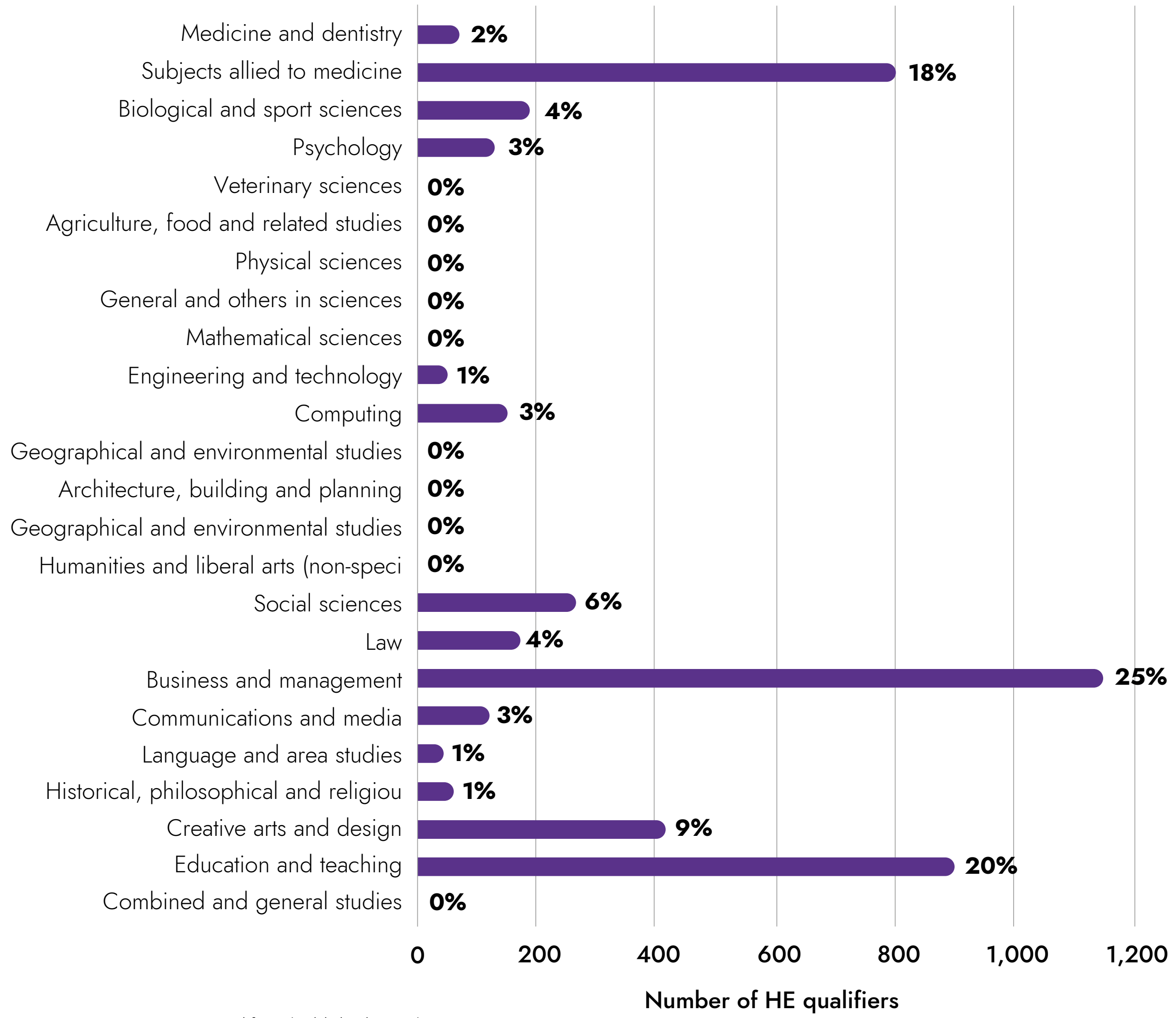
Buckinghamshire has three Higher Education Institutions: The University of Buckingham, Buckinghamshire New University and the National Film and Television School.

In Buckinghamshire, Higher Education qualifiers (those successfully completing Higher Education qualifications) in 2019/20 were concentrated in three subject areas: **business and management** (25%), **education and teaching** (20%), and **subjects allied to medicine** (18%) (see Chart A27). 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 management studies (18%), subjects allied to medicine (10%) and education and teaching (8%) (see *Chart A28*).

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

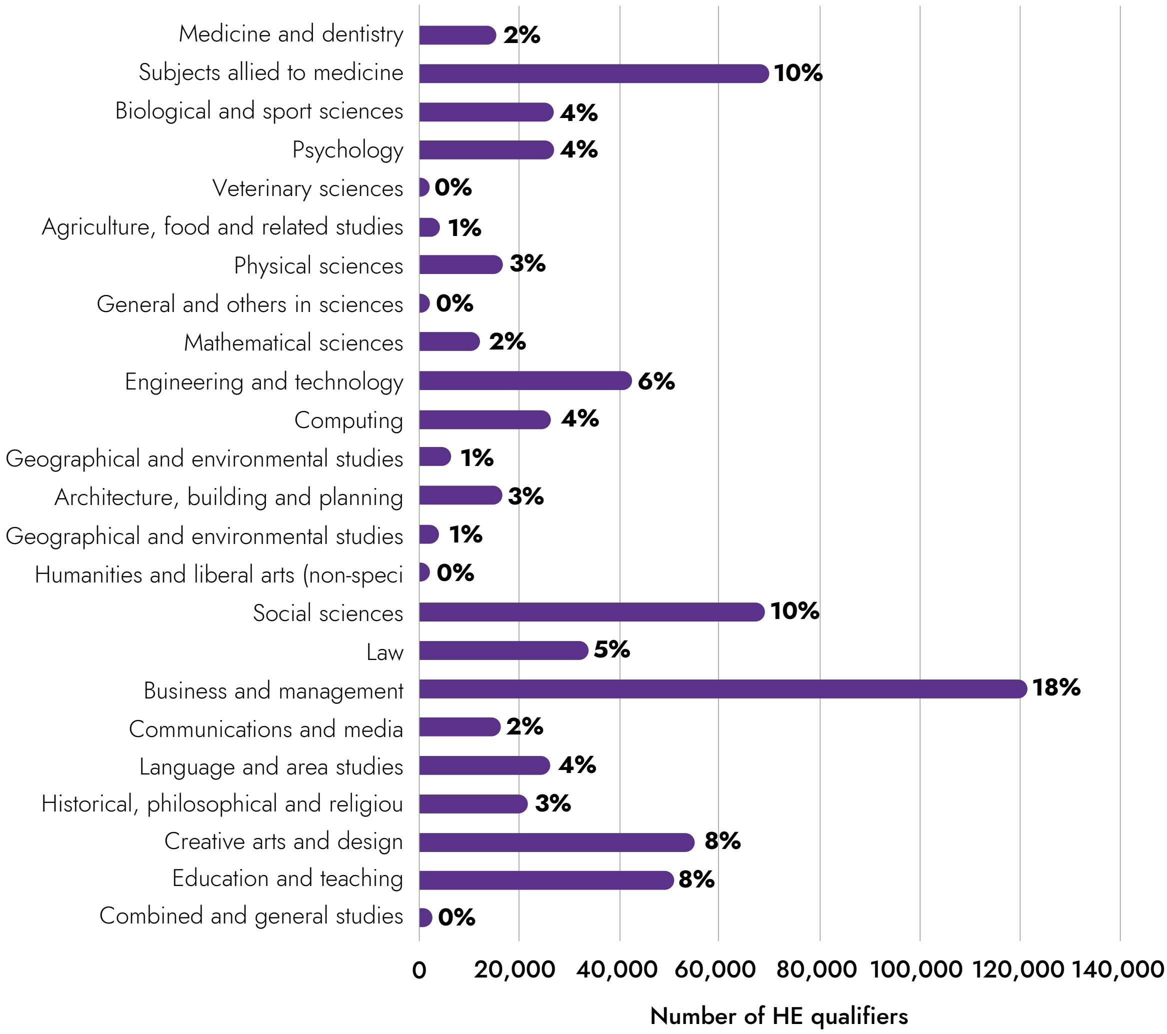
Undergraduate **health and medical courses** within Buckinghamshire are provided by: The University of Buckingham (Medical School), Bucks New University (nursing, health and social care, health and social science, operating department practice, public health) and the University of Bedfordshire (Aylesbury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

Chart A27: Qualifiers from Buckinghamshire's Higher Education Institutions by subject, 2019/20



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

Chart A28: Qualifiers from England's Higher Education Institutions by subject, 2019/20



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

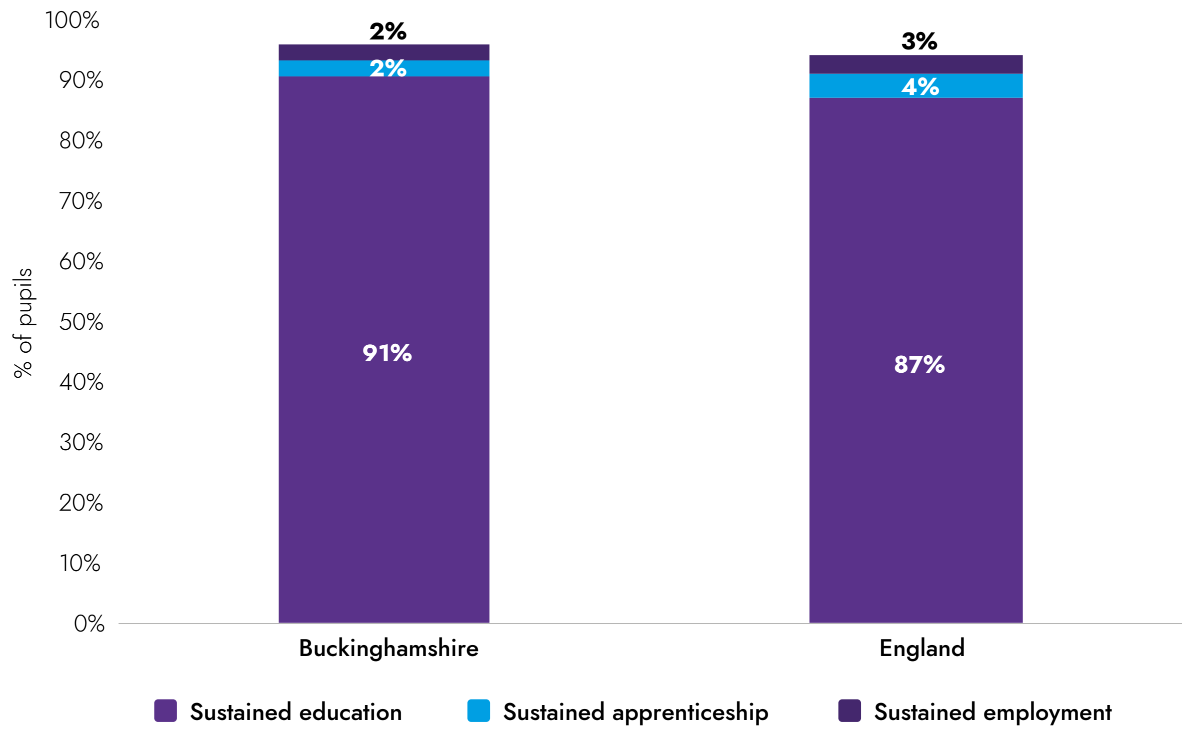
Key Stage 4 Destinations

Chart A29 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 – remain in 'sustained education' in Buckinghamshire than the national average.

Analysis of Department for Education statistics for 2019/20 academic year destinations found that just under two thirds (64%) of pupils in Buckinghamshire enter sixth forms, a far greater proportion than the two fifths (37%) nationally. Just over a quarter (27%) of KS4 pupils in Buckinghamshire 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 the national average.

The university destination is deeply ingrained in Buckinghamshire as the pathway of choice after school, and to a lesser extent after college. In the 2019/20 academic year, 64% of young people in Buckinghamshire went from a mainstream state school to university, much higher than the national average of 55%.

Chart A29: Destinations of KS4 pupils from state-funded mainstream schools – 2019/20



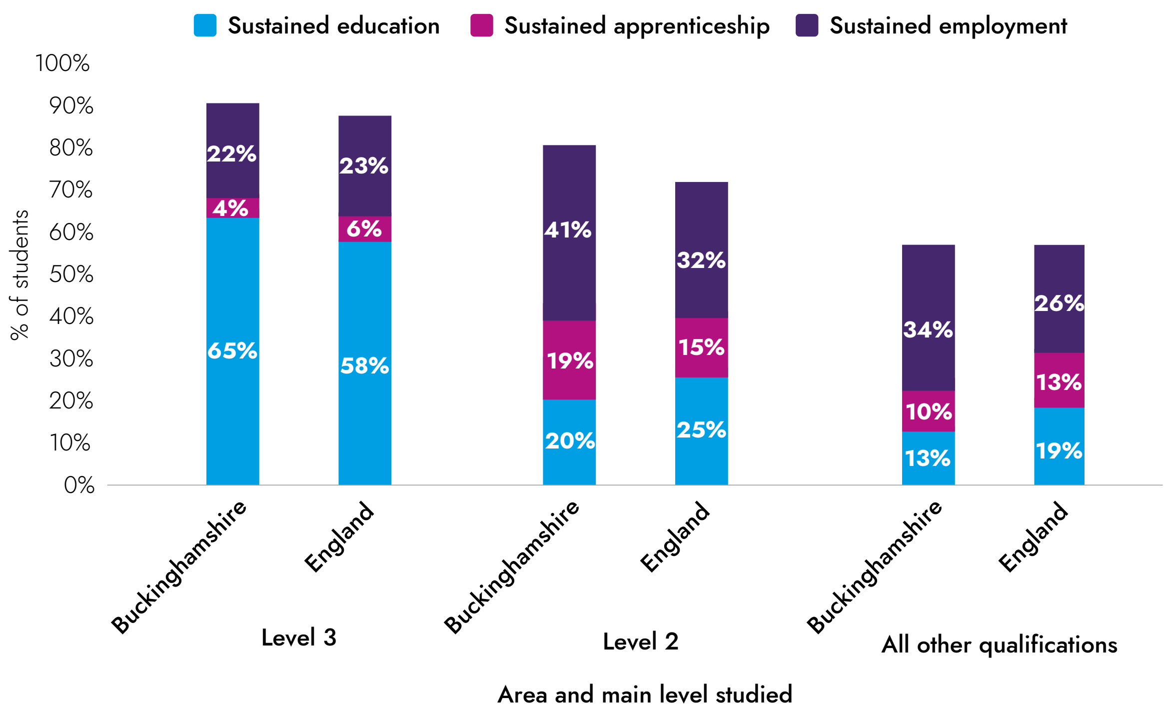
Source: KS4 destination measures, DfE, 2019/20 (published 2021)

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 with the national average (65% 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 A30)*.

Those with qualifications that are not Level 3 or 2 are least likely to go into sustained education (13%), and moreover, 43% don't go into either sustained education, apprenticeship or employment.

Chart A30: Destination of KS5 pupils (aged 16 to 18) by main level studies, 2019/20



Source: 16-18 Destination Measures, DfE, 2019/20 (published 2021)

Adult Further Education and skills destinations

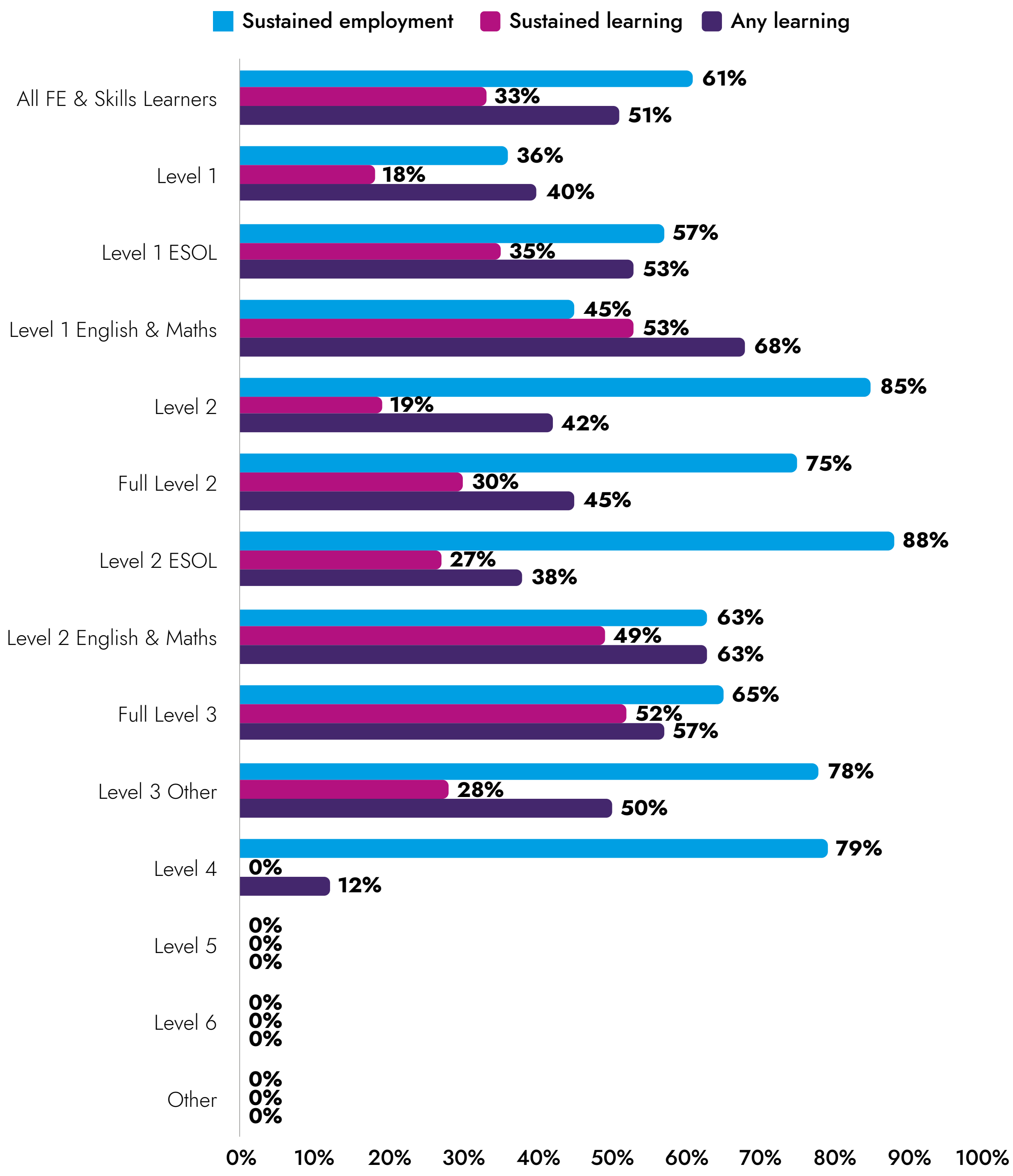
Chart A31 and *Chart A32* show what proportion of adults achieving Further Education (FE) and Skills qualifications in 2017/18 were in learning or in employment in 2018/19.

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:

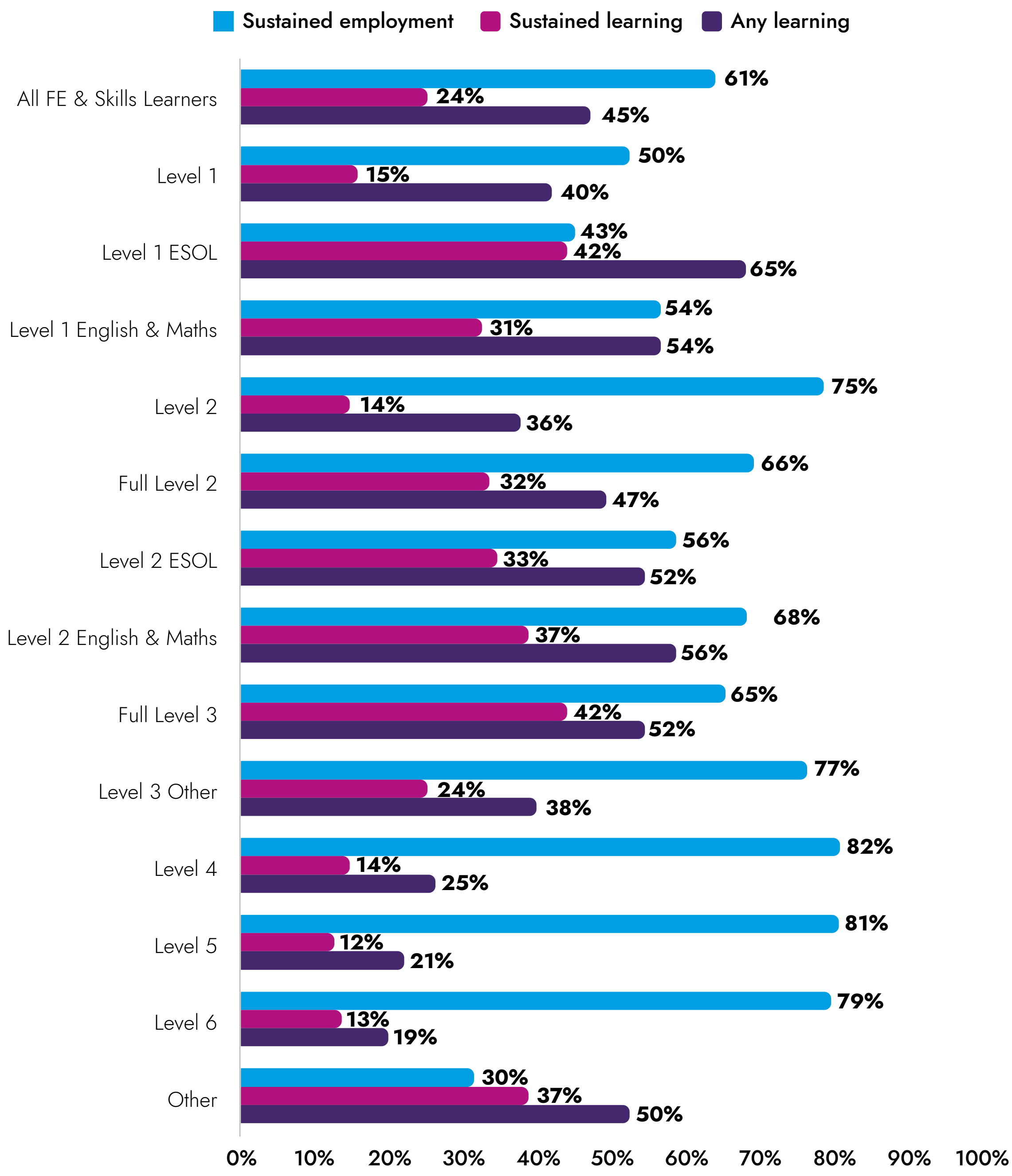
- A higher proportion of learners achieving 'entry/level 1 – English and Maths' qualifications being in sustained learning (53% compared with 31% nationally).
- A lower proportion of learners achieving 'level 1' qualifications being in a positive destination than the national average. Particularly an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

Chart A31: Destination of FE and Skills learners in 2018/19 (2017/18 achievers) (Buckinghamshire)



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

Chart A32: 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)


bucks
university

Apprenticeship destinations

Chart A33 and *Chart A34* 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 with the national average.

Chart A33: Apprenticeship destinations in 2018/19 (2017/18 achievers), Buckinghamshire

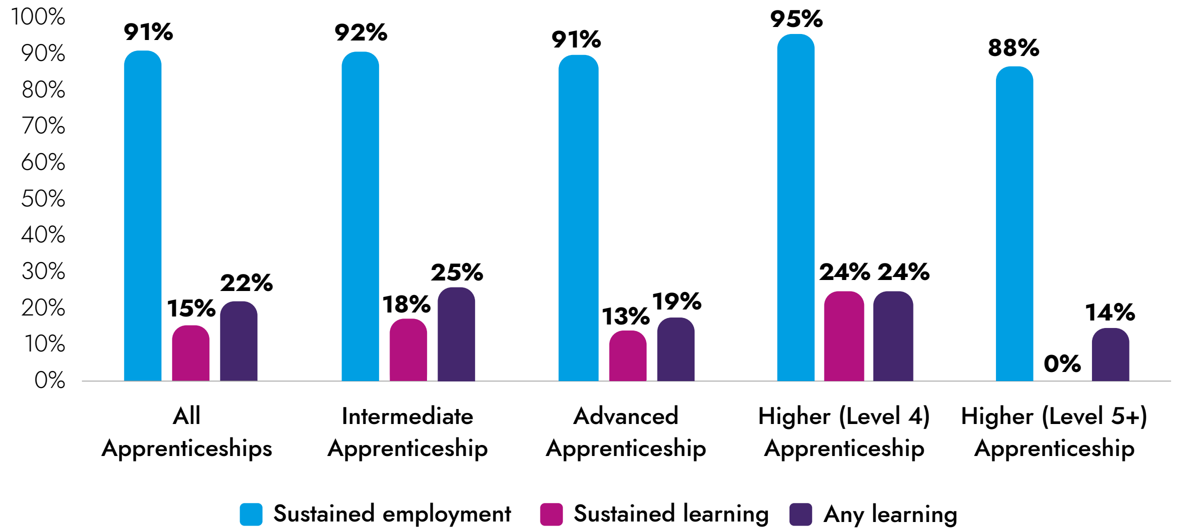
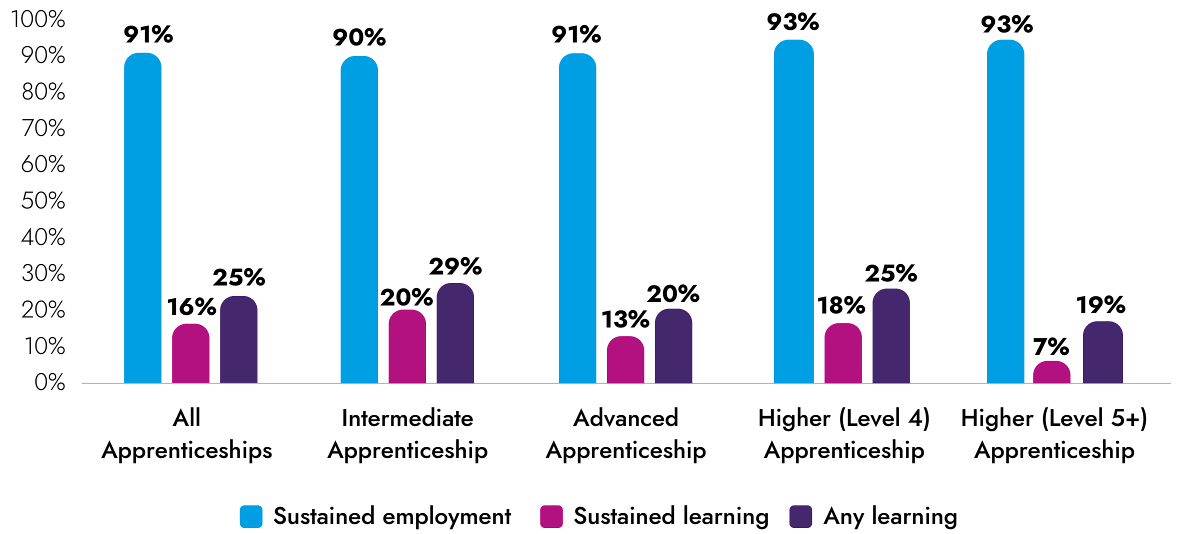


Chart A34: Apprenticeship destinations in 2018/19 (2017/18 achievers), England



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

Graduate destinations

The majority of those graduating from Buckinghamshire's HEIs (64%) enter full-time employment (see *Chart A35*) and likewise in England, albeit at a lower proportion (56%). A similar proportion of HE graduates enter part-time employment in Buckinghamshire (12%) compared with England (11%).

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 were in the top 50 of the Higher Education Institution table for graduate employability (% students entering full or part-time employment) in 2018/19. Of the 437 institutions, the National Film and Television School (NFTS) ranks 4th, Buckinghamshire New University 34th and the University of Buckingham 40th (source: **HESA, 2021**)

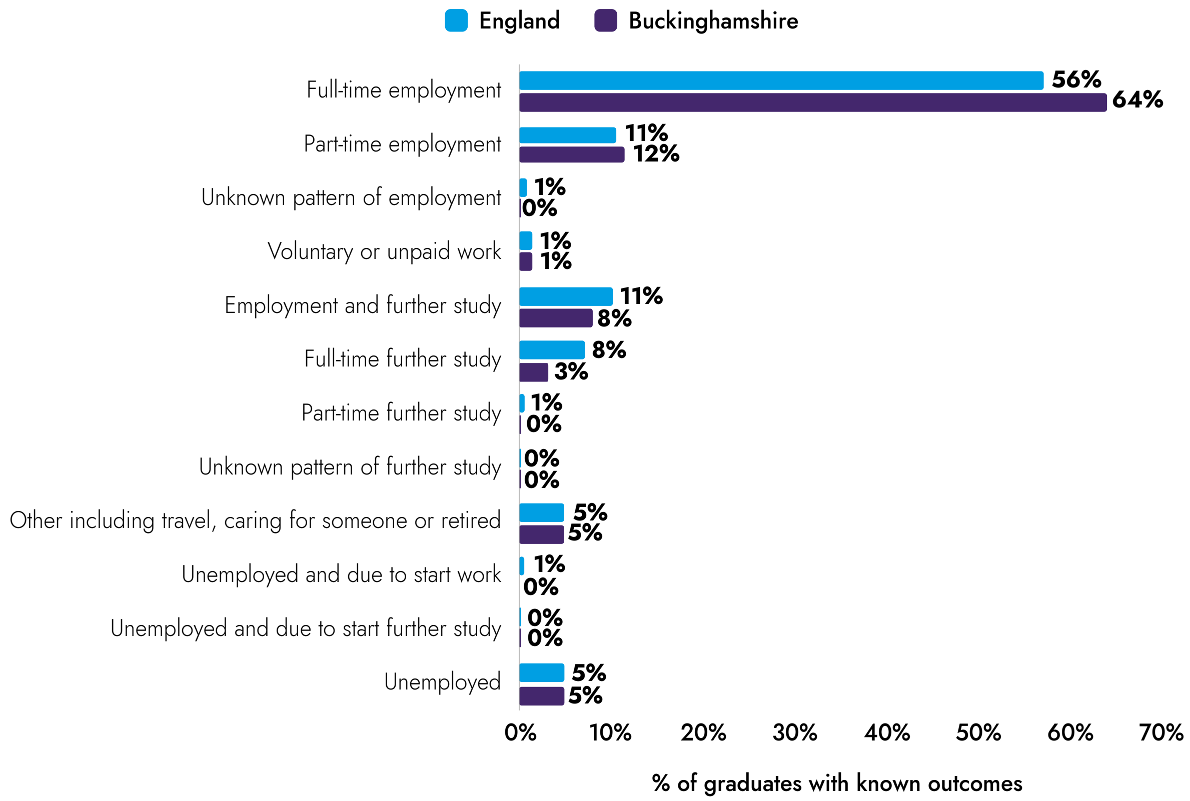
Buckinghamshire New University places a strong focus on employability, focusing on degrees that are professional and practical, as well as academic. This focus, along with high levels of industry involvement, is likely to contribute to its high graduate employability ranking.

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 (3% compared with 8% nationally), or a combination of employment and further study (8% compared with 11% 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 A35: Graduate destinations for 2018/19 academic year



Source: HESA, 2018/19 graduates (published 2021)

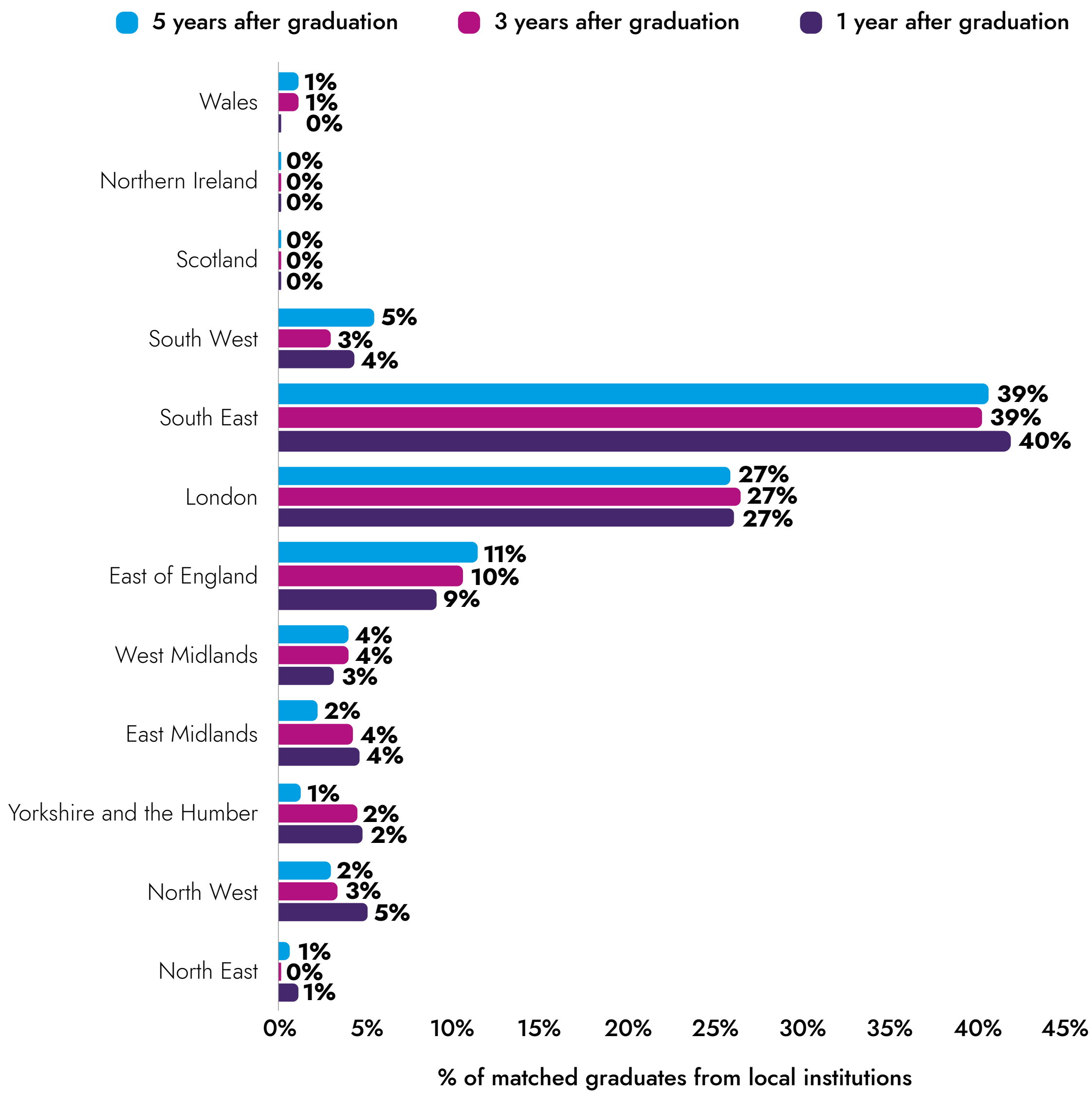
Graduate retention

Just under half (40%) of Buckinghamshire HE graduates remain in the South East one year after their graduation *(Chart A36)*, with approximately a quarter moving to London.

The relatively high proportion that move to London when compared with 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 decreases to 39% at three and five years after graduation. 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 (2% to 1%) and the East Midlands (4% to 2%).

Chart A36: Graduate retention (current region of residence of graduates from HEIs in Buckinghamshire (2018/19)



Source: Graduate Outcomes in 2018/19, DfE, (published 2021)

Employer provision of training

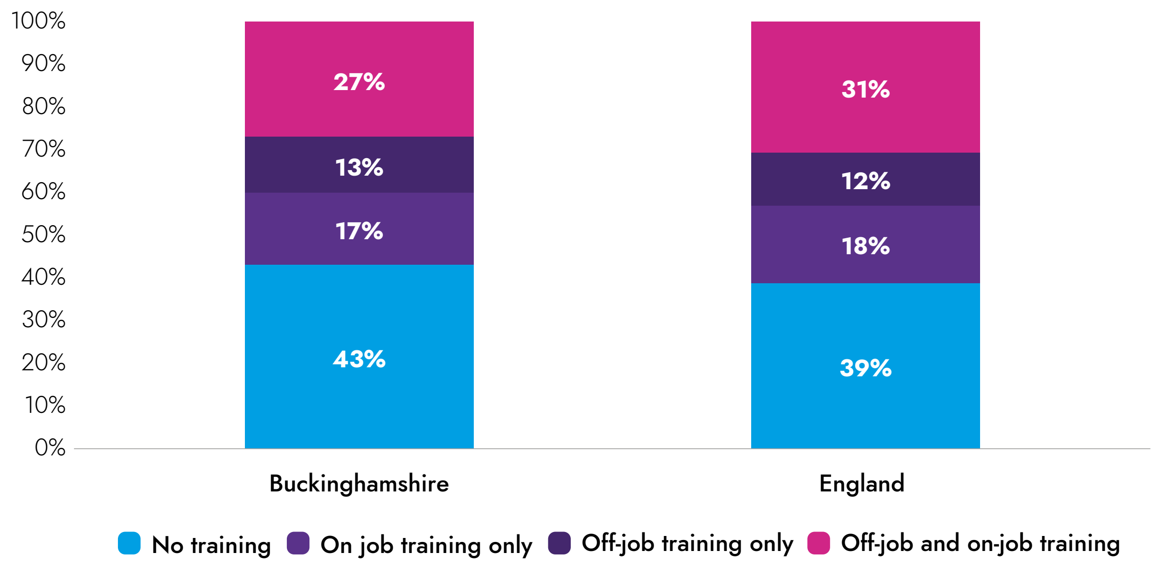
Prior to the Covid-19 pandemic, just over half (57%) of employers in Buckinghamshire provided training to their employees. This is lower than the 61% of employers in England that did so. Similarly, the most common type of training in both Buckinghamshire and England was a combination of 'off-job and on-job training' at 27% and 31% respectively *(Chart A37)*.

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 A37: Employer provision of training in past 12 months, 2019



Source: Employer Skills Survey, 2019 (published 2020)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03. 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 (see *Tables A10* and *A11*). 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 at a local level has led to us identifying 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)
- Film and TV (due to an inward-investment driven production boom of the West of London screen cluster)
- 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 expected 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 2021, recruitment difficulties and skills shortages became even bigger issues for Buckinghamshire employers than they had been pre-pandemic. Contributory factors included:

- **A reduced pool of labour**

As the economy picked up, there were fewer people available to work in Buckinghamshire than pre-pandemic. Reasons included: more people than normal taking early retirement; more young people than normal remaining in education rather than entering the workplace; some people (particularly those with health conditions) leaving the labour market due to Covid-19 fears; and some non-UK nationals returned home. Some of these trends will be more transitory in nature than others, but cumulatively led to there being around 12,000 fewer Buckinghamshire residents being available to work in the year to June 2021 than pre-pandemic.[25]

- **A skills mismatch**

Pre-pandemic there was a greater mismatch between the type of skills sought by local employers and the skills held and jobs sought by local residents than elsewhere in the country. This mismatch has seemingly continued, as whilst

[25] *ONS, APS, 12 months to June 2021.*

employers vocalise their recruitment difficulties, there remain (November 2021) many more people claiming out-of-work related benefits than pre-pandemic.[26] Some schemes have been established to help retrain people to enable them to move into in-demand roles (e.g. a scheme to train office managers to become production managers within the film industry)[27] and initiatives developed to raise the profile of growing sectors, but more needs to be done to help address the mismatch.

- **Attracting talent**

Proximity to London, the high cost of housing, a perceived lack of vibrancy of Buckinghamshire's urban centres and poor transport access to rural locations all contribute to the recruitment difficulties of local employers.

- **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. Whilst residents are currently (November 2021) physically commuting out of the county less frequently (if at all), most of those who previously did so, continue to work for their out-of-County employers, thereby creating value for non-Buckinghamshire based employers.

In late 2021, demand for staff is extremely high. Job postings are at very high levels, and local employers report an 'aggressive' recruitment market with a high levels of poaching leading to a great deal of churn as more people than normal move jobs. Labour shortages have been reported by Buckinghamshire employers operating across many sectors, including:

- Construction (all levels/types)
- Health care
- Adult social care
- Children's social care (including mental health services)
- Digital technologies
- Engineering (all levels/types)
- Film and TV (at experienced rather than entry level)
- Manufacturing
- Hospitality
- Haulage

Roles that in high demand locally are summarised in *Tables A10 and A11*. Whilst skills that Buckinghamshire employers report as being difficult to source or requiring focus due to anticipated future demand are listed in *Table A15*.

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)

[26] *DWP, 2021.*
[27] *Buckinghamshire Creative Sector Action Group.*

Digital skills

A key skills issue within Buckinghamshire (and indeed globally) is the need to raise digital skills across the board. Raising digital skills will be critical to achieving long-term economic growth. All of Buckinghamshire's strategic growth sectors require digital talent. 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.

According to the Employer Skills Survey (DfE, 2019) 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 digital skills (be that within current roles or to access new employment opportunities) and for employers (particularly SMEs) to adopt new technology.

Green skills

The Green Jobs Taskforce[28] Report identifies specific sectoral groups where change will be crucial to meet net zero ambitions. Of the sectors identified, those with potentially the greatest growth potential in Buckinghamshire are:

- Buildings retrofit
- Building fabric energy efficiency
- Modern methods of construction for retrofit and especially new builds
- Hydrogen
- Automotive

Whilst many of the skills required for net zero transition are specific to certain industries or trades, the transition will require and support an array of skills not unique to green roles:

- Science, Technology, Engineering and Mathematics (STEM) skills will underpin jobs that are key to progressing the green recovery and delivering net zero.
- Other areas that are also critical for the workforce to deliver net zero include:

  – Digital and data skills
  – Project management
  – Education, communication and change management
  – Leadership, management, and communication skills

[28] *https://www.gov.uk/government/publications/green-jobs-taskforce-report*

Analysis by the Local Government Association[29] suggests that there will be around 4,400 jobs in Buckinghamshire's low-carbon and renewable energy economy by 2030, rising to nearly 7,000 in 2050.

Engineering skills

There were around 6,800 engineers working in the Buckinghamshire economy in 2019, a rise of 15% from 2009. The vast majority (90%) of engineers are men. 31% of those working as engineers within the Buckinghamshire economy work within the construction sector, 25% within the manufacturing sector, 16% within the professional, scientific and technical sector and 11% within the repair of motor vehicle sector.

Employers lament a lack of local engineering training provision, with some provision having ceased a few years ago due to a lack of student demand. Training providers also note this absence, with the Engineering Trust stating that:

> **"The Aylesbury, High Wycombe area is crying out for an engineering college. We .. have learners both in Aylesbury and High Wycombe, and they have to travel an hour plus to a college to do the engineering qualification aspect of their apprenticeship. It's a massive gap at the moment ... [it] is restrictive for .. businesses and relies on these young people travelling [long] distances, to fulfil their apprenticeship and gain the qualifications they need."**
>
> **THE ENGINEERING TRUST, NOVEMBER 2021**

Other issues cited by local employers include:

- A poor perception amongst young people of what engineers do
- A lack of diversity within the existing workforce
- An SME economy in which individual SMEs are unlikely to have enough employees who require training for a college to establish provision

[29] *https://lginform.local.gov.uk/reports/view/lga-research/estimated-total-number-of-direct-jobs-in-low-carbon-and-renewable-energy-sector?mod-area=E09000006&mod-group=AllBoroughInRegion_London&mod-type=namedComparisonGroup*

Online vacancies

Buckinghamshire LEP produces a monthly Job Postings **report and dashboard which are available on the Buckinghamshire Economic Intelligence Observatory**. Please refer to these reports for the latest data.

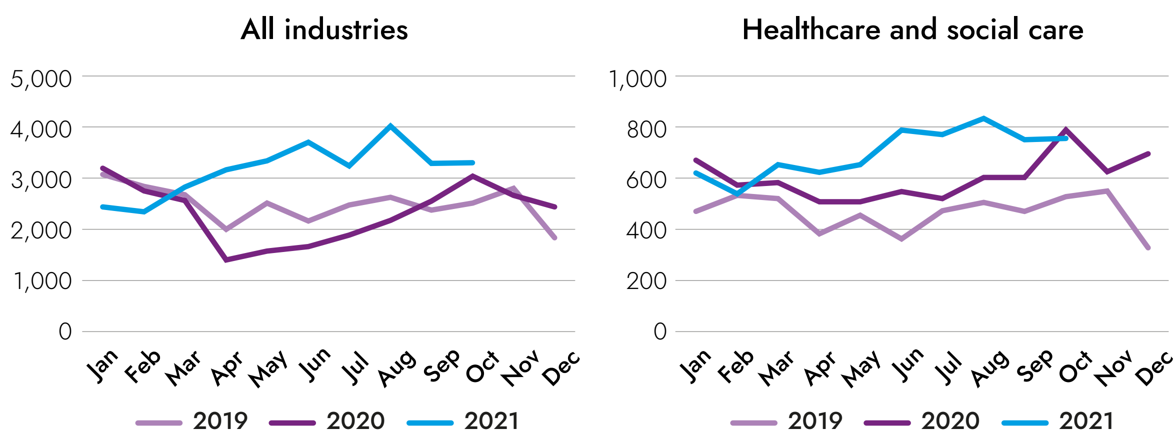
Job postings recovered strongly in 2021 with numbers exceeding pre-Covid-19 levels across all industries from March 2021 onwards *(Charts A38 – A42)*.

Easing of Covid-19 restrictions provided the spark for online vacancies to jump noticeably. This is apparent particularly for both the Catering and Hospitality sector and the Wholesale and Retail sector in February 2021 and July 2021. Likewise, the Education sector recorded a jump in the number of online vacancies in February 2021 due to the planned reopening of schools in early March.

Due to the number of online vacancies exceeding pre-Covid-19 levels, the jobs market is very tight in Buckinghamshire and across the UK. Evidence from Buckinghamshire businesses and national commentary have highlighted longer wait times for jobs to be filled due to skills shortages and reduced availability of overseas workers.

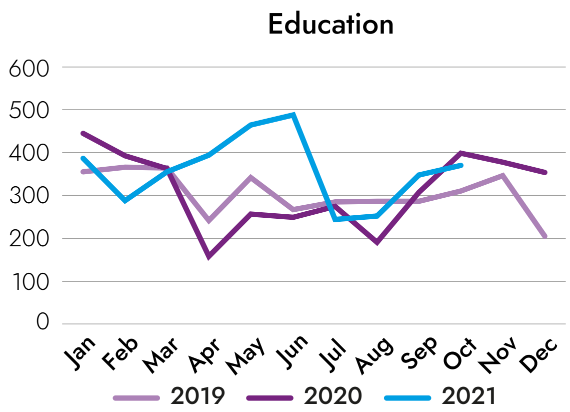
Limitations of online job postings data that need to be taken into account when interpreting the charts below include: some jobs may not be advertised online; assigning jobs to industries can be difficult if an employer name is not provided within the job advert; locations are sometimes not provided, in part due to the increased prevalence of remote working.

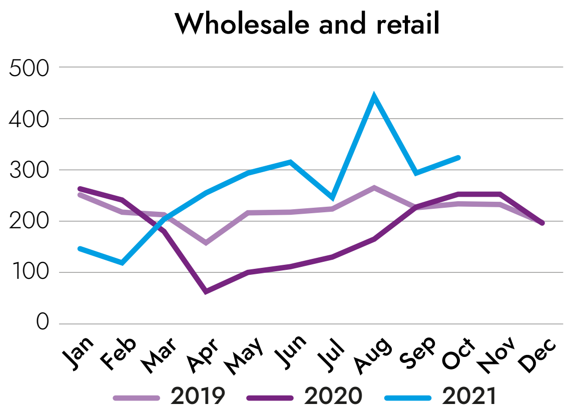
Charts A38 – A39: Online vacancies by industry (Buckinghamshire)

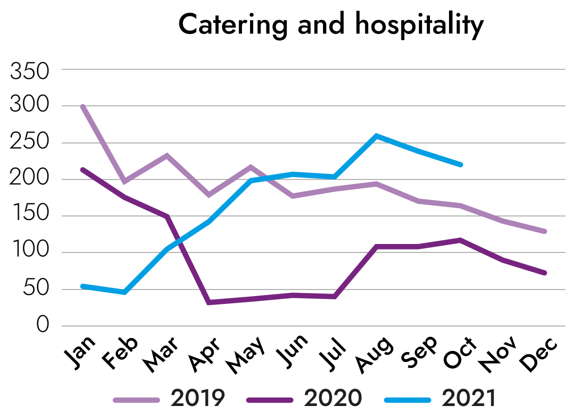


Source: Labour Insight, Burning Glass Technologies

Charts A40 – A42: Online vacancies by industry (Buckinghamshire)







Source: Labour Insight, Burning Glass Technologies

Table A10: Job postings by occupation, pre-Covid and economic recovery period (Buckinghamshire)

	Pre Covid (year to 31 March 2020)	Recovery period (March to October 2021)	Change
Office / Administrative Assistant	3.4%	3.5%	0.1%
Customer Service Representative	3.3%	2.8%	-0.5%
Project Manager	2.4%	2.5%	0.0%
Registered General Nurse (RGN)	2.3%	2.4%	0.1%
Account Manager / Representative	2.4%	2.3%	-0.1%
Software Developer / Engineer	2.5%	2.2%	-0.3%
Caregiver / Personal Care Aide	1.6%	1.6%	0.0%
Labourer / Material Handler	1.1%	1.5%	0.4%
Teaching Assistant	1.6%	1.5%	-0.1%
Accountant	1.1%	1.5%	0.4%
Bookkeeper / Accounting Clerk	1.5%	1.4%	-0.1%
Lawyer	1.0%	1.4%	0.3%
Care assistant	1.1%	1.3%	0.2%
Computer Support Specialist	1.4%	1.2%	-0.2%
Chef	1.9%	1.2%	-0.7%
Sales Manager	1.4%	1.1%	-0.2%
Sales Assistant	1.1%	1.1%	0.0%
Marketing Manager	1.2%	1.1%	-0.1%
General cleaner	0.6%	1.0%	0.4%
Primary School Teacher	1.3%	0.9%	-0.4%
Sales Representative	0.9%	0.9%	0.0%
Civil Engineer	0.6%	0.9%	0.3%
Receptionist	0.8%	0.9%	0.0%
Production Worker	0.6%	0.8%	0.2%
Delivery Driver	0.6%	0.8%	0.3%
Financial Manager	1.0%	0.8%	-0.1%
Data / Data Mining Analyst	0.9%	0.8%	-0.1%
Recruiter	0.6%	0.8%	0.2%
Tutor	0.6%	0.8%	0.1%
Retail Sales Associate	0.8%	0.8%	0.0%
Human Resources / Labour Relations Specialist	0.8%	0.7%	0.0%
Warehouse / Inventory Associate	0.4%	0.7%	0.3%
Automotive Service Technician / Mechanic	0.8%	0.7%	-0.1%
Construction Helper / Worker	0.7%	0.7%	0.0%
Utilities Technician	0.6%	0.7%	0.1%
Nursery nurses, assistants and playworkers	0.7%	0.7%	0.0%
Retail Store Manager / Supervisor	0.9%	0.7%	-0.2%
HGV / LGV Class 2 Driver	0.5%	0.7%	0.2%
Financial Analyst	0.6%	0.7%	0.0%
University Lecturer	0.5%	0.7%	0.2%

Source: Labour Insight, Burning Glass Technologies

Table A11: Skills cited within job postings, pre-Covid and economic recovery period (Buckinghamshire)

Skill Cluster	Pre Covid (year to 31 March 2020)	Recovery period (March to October 2021)	Change
CUSTOMER AND CLIENT SUPPORT: Basic Customer Service	32.6%	31.4%	-1.3%
INFORMATION TECHNOLOGY: Microsoft Office And Productivity Tools	21.4%	22.2%	0.8%
SALES: General Sales	21.0%	19.5%	-1.5%
BUSINESS: Project Management	15.0%	16.1%	1.1%
FINANCE: Budget Management	16.5%	15.6%	-0.9%
EDUCATION AND TRAINING: Teaching	17.3%	15.4%	-1.9%
ADMINISTRATION: General Administrative And Clerical Tasks	10.2%	12.8%	2.6%
FINANCE: General Accounting	10.9%	10.5%	-0.4%
BUSINESS: People Management	9.8%	9.4%	-0.4%
ADMINISTRATION: Administrative Support	8.1%	8.9%	0.8%
BUSINESS: Business Process And Analysis	8.8%	8.9%	0.1%
BUSINESS: Key Performance Indicators	8.1%	8.9%	0.8%
MARKETING AND PUBLIC RELATIONS: Customer Relationship Management (CRM)	8.5%	8.2%	-0.4%
INFORMATION TECHNOLOGY: Technical Support	7.7%	8.0%	0.3%
BUSINESS: Contract Management	6.4%	7.0%	0.7%
BUSINESS: Business Strategy	6.0%	6.8%	0.7%
SUPPLY CHAIN AND LOGISTICS: Procurement	7.0%	6.7%	-0.3%
ADMINISTRATION: Scheduling	5.3%	6.6%	1.2%
INFORMATION TECHNOLOGY: Enterprise Resource Planning (ERP)	6.2%	6.5%	0.3%
PERSONAL CARE AND SERVICES: Food And Beverage Service	7.7%	6.5%	-1.3%
SALES: Business Development	6.5%	6.4%	-0.1%
HEALTH CARE: Mental And Behavioural Health Specialties	4.5%	6.2%	1.8%
MARKETING AND PUBLIC RELATIONS: Social Media	6.6%	5.9%	-0.7%
BUSINESS: Quality Assurance And Control	5.3%	5.5%	0.1%
FINANCE: Billing And Invoicing	5.5%	5.4%	-0.1%
HEALTH CARE: Medical Support	4.6%	5.4%	0.8%
SALES: General Sales Practices	5.3%	5.1%	-0.2%
ENGINEERING: Drafting And Engineering Design	6.3%	4.9%	-1.3%
INFORMATION TECHNOLOGY: Software Development Principles	5.4%	4.8%	-0.6%
HEALTH CARE: Advanced Patient Care	4.2%	4.8%	0.6%
FINANCE: Financial Reporting	3.5%	4.6%	1.1%
MARKETING AND PUBLIC RELATIONS: General Marketing	5.5%	4.4%	-1.0%
SUPPLY CHAIN AND LOGISTICS: Material Handling	2.6%	4.3%	1.7%
INFORMATION TECHNOLOGY: SQL Databases And Programming	4.7%	4.2%	-0.5%
MAINTENANCE, REPAIR, AND INSTALLATION: Equipment Repair And Maintenance	4.3%	4.2%	-0.2%

Source: Labour Insight, Burning Glass Technologies

Table A12: Job postings within the retail sector, 2019 and 2020 comparison

	% of all retail job postings		Change in demand between Q4 2019 and Q4 2020
Occupation	**Q4 2019**	**Q4 2020**	
Customer service, sales and retail assistants	29.40%	24.50%	-4.90%
Retail Store Manager / Supervisor	8.80%	7.80%	-1.00%
Pharmacist	3.10%	4.50%	1.40%
Delivery Driver	2.70%	4.30%	1.60%
Labourer / Material Handler	2.20%	3.30%	1.10%
Pharmacy Technician	1.30%	2.20%	0.90%
Project Manager	3.20%	2.20%	-1.00%
Software Developer / Engineer	1.30%	1.80%	0.60%
Account Manager / Representative	4.10%	1.70%	-2.40%
Warehouse / Inventory Associate	0.70%	1.70%	1.00%

Source: Labour Insight, Burning Glass Technologies


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Table A13: Priority sectors and occupations

Sector	Reason why priority						Occupations in high demand or with vacancies that are difficult to fill
	High number of jobs currently	High % of jobs in Bucks	Significant job growth predicted	Employers struggle to fill vacancies	Drives economic growth (productivity / wages)	Enhances wellbeing of residents	
Construction	✓	✓	✓	✓	✓	✓	**Recruitment difficulties and skills shortages at all levels.** HS2: Civil engineering operatives at Level 3 (e.g. site managers, steel fixers, people in off-site manufacturing for concrete sections etc). Plant operatives at Level 2 (e.g. 360 degree excavators, articulated dump truck operatives etc). Generally: Wet trades (ceramic tilers, bricklayers etc), groundworkers, plasterers, basic electricians, stonemasons, scaffolders, IT and office-based staff, wood trades & interior fit-out, painters & decorators, plumbing & heating, ventilation & air conditioning trades, construction process managers, senior, executive & business process managers, glaziers, architects, lecturers, training managers, instructors and assessors, stakeholder liaison staff.
Creative industries (film and TV)	✓	✓	✓	✓	✓	✓	**High demand at all levels but good supply of talent for entry level roles meaning that skills shortages are most acute at the 'experienced' level.** Within the film and TV sub-sector, demand is currently high for production managers and co-ordinators, camera / sound operatives, visual effects professionals, location managers, production accountants and editing roles.
Life sciences, health & social care	✓		✓	✓	✓	✓	**Recruitment difficulties and skills shortages at all levels.** Health and social care: Adult nursing, health care assistants that can convert to nursing associates, midwives, occupational therapists, podiatrists, social workers, learning disabilities nurses, mental health nurses, psychologists, GPs, general practice nurses, physicians' associates, dentists, paramedics, domiciliary care staff and care home workers. Medtech: Data scientists, designers, testers, Quality Assurance and regulatory professionals, business development and marketing professionals.
High performance engineering			✓	✓	✓		**'Recruitment difficulties and skills shortages particularly for entry level roles.** Mechanical engineers, electrical engineers and software engineers with basic programming skills. In addition, service technicians skilled in high voltage electricity for electric vehicles.
Space			✓	✓	✓		High end technician and development test engineers, rocket engineers, performance engineers; systems analysts. Occupations related to 5G, drones, cryogenics and space capabilities.

Sources used to develop this table include: Business Register and Employment Survey 2020, ONS, local intelligence from SAP and sector group members, data from sector bodies, the Employer Skills Survey 2019, DfE, Labour Insight (Job Posting data), Burning Glass Technologies.

Table A14: Additional skills shortage occupations identified by local employers in 2020/21[30]

Occupations in high demand or with vacancies that are difficult to fill
Ecologists
Horticultural roles
Software engineers / developers / architects
IT technicians
UX engineering
Town planners
Technician level cyber security professionals
Business development roles
Security roles
Hospitality roles (particularly mid-skilled, including chefs)
Drivers
Farming roles
Visitor / leisure attraction roles
Bakery roles
Engineering roles (many sit within priority sectors of construction, High Performance Engineering and space but vacancies for these roles in other sectors also difficult to fill).
Childcare and early years roles

Source: SAP and sector group members, local employers

[30] *This list is not exhaustive and will be regularly update*

Table A15: Skills reported by Buckinghamshire employers as being difficult to source or requiring focus due to anticipated future demand[31]

Sector	Skills
General	Management and leadership skills (including skills required to take advantage of digital, data and AI opportunities, and managing remote workforces)
	Self-employment skills (including interpersonal and networking skills, risk analysis, functional business skills, business knowledge)
	Entrepreneurial skills
	Hybrid skills (combing technical and business development skills)
	Digital skills at all levels
	Work-readiness of young people
	Analytical skills
	Sales and business development skills
	Automation skills
	Staff welfare and wellbeing skills
Creative industries	Fundraising
	Social media
	Technological change
	Advanced IT
High performance engineering	Science, technology, engineering and mathematics (STEM) skills)
MedTech	High level digital, advanced data analytics and machine learning
	Skills to deploy Internet of Medical Things (IoMT) solutions e.g. network management
	Data scientists with advanced degrees and training in maths, statistics and/or computer science and experience in data mining and data visualisation
	Multidisciplinary talent technical, science and business
	Business skills to manage the path from R&D to market
	Applied knowledge of ISO
	Design skills
	Testing skills (including clinicians)
	Partnership skills - to develop partnerships across relevant technological spheres and grow the products and business areas that develop.
Space	Science, technology, engineering and mathematics (STEM) skills)
	Cryogenics
	Skills associated with 5G, drones and space capabilities.
Construction	Analytical skills
	Skills associated with new construction methods
Digital	Social and language skills, incl. composition, sentence structure, fluency in second languages to enable successful provision of support to global customers.
	Problem navigation and solution skills (incl. applied technical knowledge e.g. networking, operation systems).

[31] *This list is not exhaustive and will be regularly updated*

Sector Growth Forecasts

Table A16 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 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. The inward investment driven production boom is leading to rapid growth of the West of London Film and TV cluster. Major players (such as Disney, Amazon and Netflix) are rolling out initiatives to attract new talent and negate the risk of skills shortages, are offering more contracts on a long term or employee basis, rather than in a freelance capacity which has traditionally been the case. 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 A16* but 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 A16*.

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 A16*).

Table A16: 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 A17 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, and an **increase in mental health difficulties**.

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 have been severely impacted by it. Covid-19 has accelerated the adoption of automated processes and has severely disrupted supply chains.

Table A17: 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 A43 shows what skills employers felt needed developing within their workforce prior to the Covid-19 pandemic. In Buckinghamshire, 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 with 30% for England), and 'more complex numerical or statistical skills and understanding' (8% in Buckinghamshire compared with 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%).

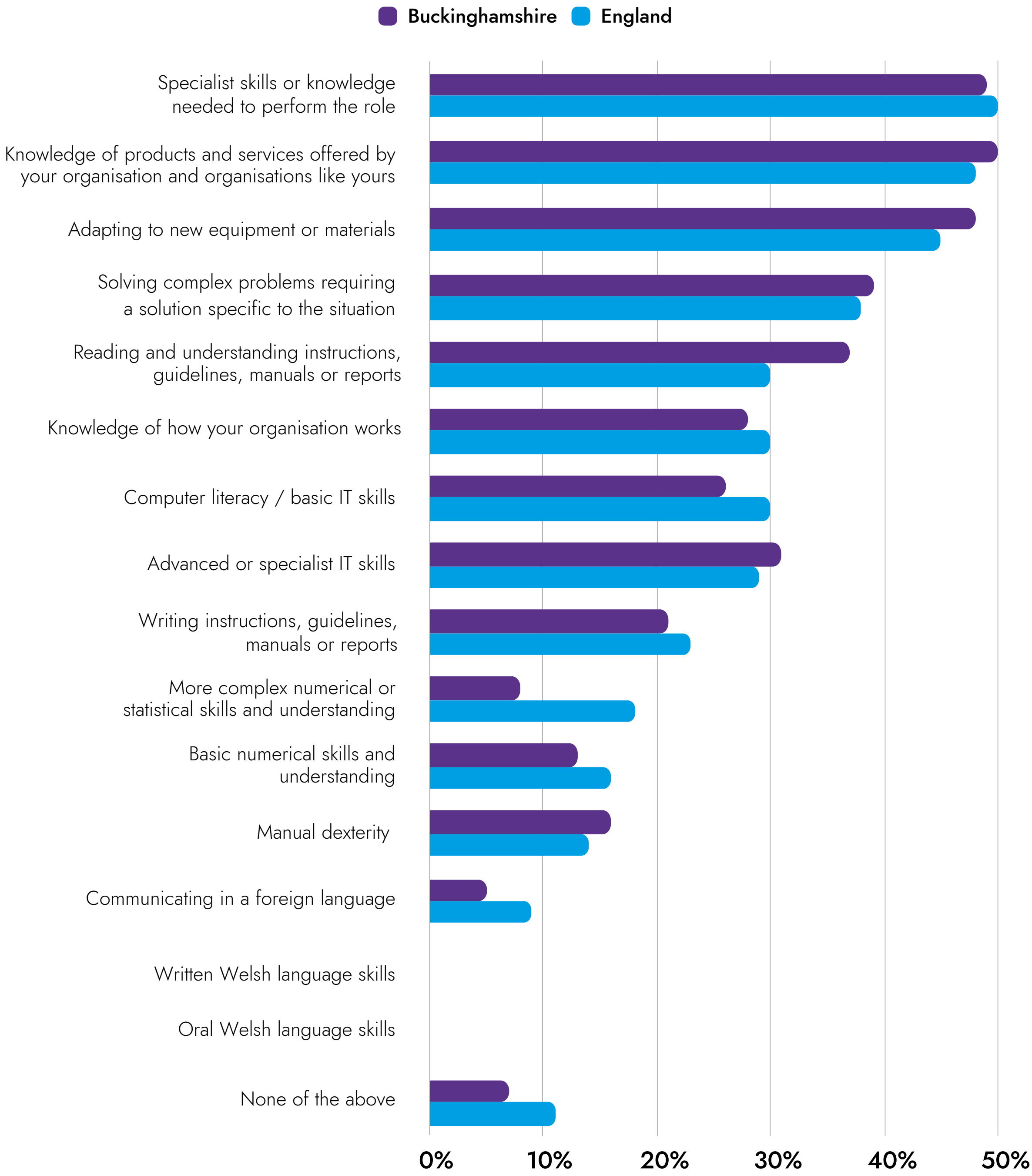
As is the case nationally and globally, digital skills, are in high and growing demand within Buckinghamshire. Pre-Covid-19:

- 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. 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. This figure is likely to have increased as a result of the Covid-19 pandemic.

Buckinghamshire's occupational skills priorities are listed within *Tables A13, A14 and A15*. These listed have been developed from a variety of sources including local employers. They are not exhaustive and will be updated regularly.

Chart A43: Skills that need developing in the workforce, 2019



Source: Employer Skills Survey, 2019 (published 2020)

04. 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.

First, 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'.

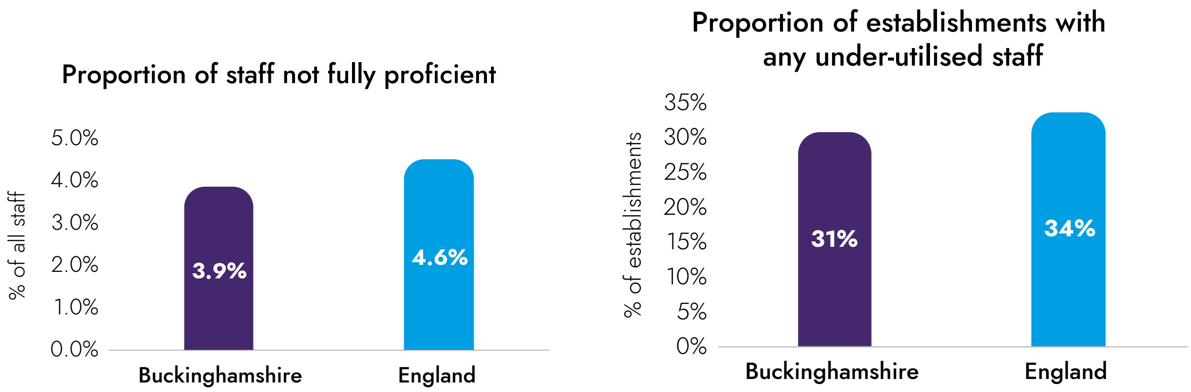
Further evidence from the Employer Skills Survey (ESS) shows that, of the hard-to-fill vacancies in Buckinghamshire, 46% of them are 'associate professional' roles. This is the highest of all 38 LEP areas by a significant margin. Likewise, Buckinghamshire has the highest proportion of high-skill roles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

Another way of understanding skills mismatches is to examine the proportion of employees that local employers deem to be over or underqualified for their job *(Charts A44 and A45)*. 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 with 5% nationally) 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% (see *Chart A45*).

Chart A44 and A45: Proficiency of workforce



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

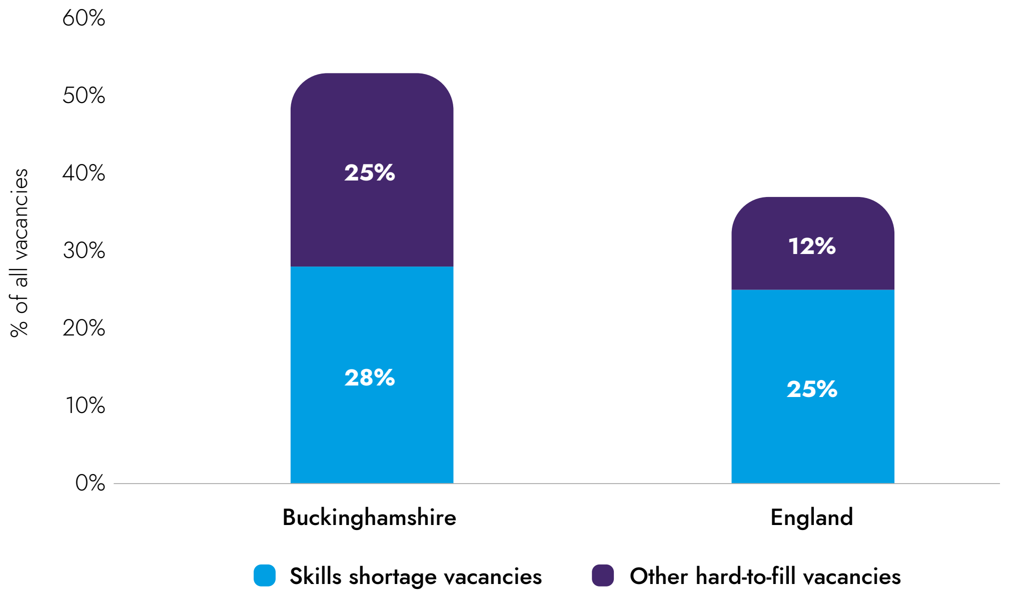
Hard-to-fill and skills shortage vacancies

Just over a quarter (28%) of vacancies in Buckinghamshire are skills shortage vacancies. This is 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% (see Chart A46).

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 A46: 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

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