

# PROVISION OF ANALYSIS OF CURRENT AND FUTURE SKILLS DEMAND AND SUPPLY IN NORTH LINCOLNSHIRE

FINAL VERSION 24 DECEMBER 2021

# ACKNOWLEDGEMENTS

The SkillsReach team would like to thank sincerely all stakeholders that have taken part in this study, providing their valuable time, views and sharing resources. A full list of stakeholders that have contributed plus a comprehensive list of references is available on request.

This document contains data that has been made available under an Open Licence and accessed via the Department for Education, HM Revenue and Customs, the Higher Education Statistics Agency, and the Office for National Statistics. Data has also been obtained under North Lincolnshire Council's licence with Emsi. SkillsReach and its associates are not responsible for data verification, or the cleaning of this data and it has been analysed as is, with any faults. As such, all conclusions drawn from this data in this report are based purely on the data available for public access at the time of writing. All data used in this document is either the most up-to-date available at the time of data review, or the most relevant.

All maps have been produced using the open-source Geographic Information Systems software 'QGIS', produced by the QGIS Development Team (2021), and made possible by the Geospatial Foundation Project.

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# INTRODUCTION

SkillsReach, a Lincolnshire-based skills consultancy, was commissioned by North Lincolnshire Council to undertake a skills study providing a detailed picture of the skills landscape in North Lincolnshire, with a particular focus upon the balance between current and future skills demand in relation to the skills supply available locally. The study provides a sound evidence base on which partners, training providers, businesses and investors can base decisions regarding employment and skills moving forward. The process has involved considerable data analysis from national and local sources, plus 'skills conversations' with over 100 organisations – including large local employers, SMEs, sector groups, inward investors, education and skills providers. The study includes detailed sections on Demand, Supply, and Education, Learning and Skills Provision plus sector chapters covering 16 sectors or subsectors in detail.

Whilst the study is focused upon building an evidence base for longer term planning, it has also raised some immediate considerations including:

- 'Unprecedented' current demand for jobs such as Care Workers, Frontline Manufacturing, Drivers, Hospitality and Skilled Metalworking jobs
- Advanced local recruitment plans for new inward investment employment sites by global manufacturers
- The need to raise skills levels and build new skillsets in areas such as digital skills, advanced manufacturing and 'net carbon'
- Business enthusiasm to engage with the local skills agenda and also ensure the competitiveness of their own employment offer
- A highly-regarded, enterprising local education and skills provider base

This combination of factors provides a unique immediate opportunity for local stakeholders to work collaboratively to:

- Support young people and unemployed residents to make informed choices to gain employment and start a career locally
- Support the local workforce to reskill or upskill for the new roles that will emerge over the next few years
- Become established as a work-location of choice for the 3m people living within one hour's commuting time
- Become established as an area of skills excellence for the skillsets of the future

Current skills shortages, however, should not divert longer term skills plans to raise skills levels, create exciting new career paths and support economic growth by realising the transformational economic and community opportunities offered by low carbon and green energy initiatives and the Freeport.

The SkillsReach team (Roy Harper and Adam Peacock) would like to thank personally all stakeholders that have taken part in this study, providing their valuable time, views and sharing resources. A full list of stakeholders that have contributed plus a comprehensive list of references is available on request.

# KEY FINDINGS - SUPPLY, DEMAND AND THE RESULTING GAPS AND OPPORTUNITIES

DEVELOP A LOCALLY OWNED SKILLS PLAN THAT CONNECTS ACROSS POLICY AREAS SUCH AS TRANSPORT, COMMUNITY AND PLACE

1. The last decade has seen relatively strong jobs growth in the local economy, but certainly over the last five years, vacancy numbers have increased rapidly. Employers have also been increasingly citing hard-to-fill vacancies and skills shortage vacancies.
2. As well as **high replacement demand**, a **significant growth in employment is forecast** in areas such as manufacturing, transport connected to exciting developments such as the Freeport, and low carbon and green energy initiatives.

Longer-term tightening of the local labour market presents an opportunity to develop and promote local pathways supporting residents to build careers in North Lincolnshire (e.g., partnerships with employers / providers to collaboratively develop local 'talent pools' in growing sectors or occupations) .

The need to ensure that, through local place strategy, that the area is a viable, attractive place to build a career for residents and non-residents living within commuting distance.

1. Forecasts of a **continuing decline in the resident working age population** are compounded by the **post-Brexit reduction in EU workers**. However, for the next decade, the **numbers of school leavers will increase significantly**.
2. There is a **working-age population of 3.4m within one hour's drivetime** – a more highly qualified group. There are also indications that **more residents may now be commuting out of North Lincolnshire to work**.

DEMAND

GAPS &  
OPPORTUNITIES

SUPPLY

3. Local employers across most sectors report **pressing shortages of people applying for frontline vacancies** which require limited experience or qualifications. For example, care, manufacturing, and visitor economy.
4. Employers confirm a **longer-term increased demand for higher level skills**, although **this demand is currently masked by immediate frontline vacancies with limited evidence of increased local demand for higher skills education or higher apprenticeships**.

Support employers to develop a competitive, inclusive employment offer including increasing their skills investment with better connections with national programmes such as Apprenticeships and Traineeships – SMEs, large employers, and new investors.

Ensure that encouragement and support towards higher level learning and skills investment for both employers and residents remains a high priority despite immediate frontline skills shortages.

3. Although **overall unemployment levels are reducing**, **youth unemployment and long-term unemployment remain high** with a higher proportion of economic inactivity and **communities with entrenched skills deprivation**.
4. Although the area has made **positive progress in reducing the number of residents with no or low qualifications**, there is a **growing gap in the numbers of local people with qualifications above Level 4** compared to nationally.

# KEY FINDINGS - SUPPLY, DEMAND AND THE RESULTING GAPS AND OPPORTUNITIES CONT.

DEVELOP A LOCALLY OWNED SKILLS PLAN THAT CONNECTS ACROSS POLICY AREAS SUCH AS TRANSPORT, COMMUNITY AND PLACE

5. Local employment demand is changing with **increasing job demand outside of Scunthorpe**; a 'net zero' context with **new 'green' skillsets**; plus, higher demand for digital and professional occupations.

6. **Apprenticeships have declined substantially** although **particularly in locally important occupations such as engineering**. There are anecdotal 'green shoots' reports of an Autumn 2021 surge in demand.

The importance of a local careers' plan through economic growth and transition supporting residents and their influencers to gain a full understanding of local opportunities to best inform career choices.

Raise the profile of apprenticeships (and traineeships), to improve local take-up and achievement through supporting both employers and residents.

5. Providers report a **'mismatch' between employer and resident demand for jobs and training opportunities in local, important sectors** such as manufacturing, care, transport; with sectors often lacking diversity with **enduring gender stereotypes**.

6. Learning providers report **ongoing challenges sourcing applicants for both apprenticeship and traineeship vacancies**.

DEMAND

GAPS &  
OPPORTUNITIES

SUPPLY

7. Educational and skills providers describe a **lack of demand from local employers for higher education and skills programmes** – although many of these opportunities have been very recently developed and COVID-19 has also stifled skills demand.

8. **COVID-19 has directly impacted on levels of demand** in areas such as care, transport, and retail, **creating additional pressures and skills shortages**.

Capitalise on a committed, highly regarded local provider base with an appetite for collaboration to ensure the best local skills offer for residents and businesses, 'reducing the skills miles.' This could include an improved understanding of the linkages between course choices by young people and longer-term outcomes.

Build local momentum to ensure that the area has a fast recovery in terms of restoring work experience, employability development and building on successes such as the local DWP Youth Hub.

7. A high concentration of post-16 students in Scunthorpe; a new HE campus; plus, renowned local skills providers ensures **an excellent breadth of course opportunities** is available locally; with **an appetite and capacity for further development**, according to sustainable employer and learner demand.

8. Providers describe **the challenging impact of COVID-19 on young people and unemployed adults** particularly, in terms of **confidence, self-esteem, and social skills** – all barriers to work irrespective of vacancy numbers.

# CONCLUSIONS

- **Over 10 years, the North Lincolnshire labour market has been noticeably tightening;** this then being exacerbated by COVID-19 and Brexit, **with employers across all sectors reporting skills and people shortages.** This tightening has impacted local wage levels and commuting patterns; with skills shortages reported across the board - particularly accessible job vacancies requiring applicants with only limited experience or qualifications.
- **Substantial growth in employment is forecast for the next ten years in sectors such as manufacturing, renewables and transport,** and in cross-cutting occupations such as Digital and Professional Services. The tightness of the labour market means that **new economic investments do present a risk of job displacement in certain sectors** such as transport, healthcare, manufacturing and construction, **unless the overall sector labour pools are expanded.**
- **Apprenticeships have traditionally been a local strongpoint** in areas such as engineering, although numbers have declined significantly in some important local occupations. Anecdotally, there are reports of this decline being arrested in Autumn 2021 with a welcome boost in starts, although it is unclear whether this reflects pent-up COVID-19 demand or whether it is a sign of a longer-term change.
- Low aspiration, 'work-readiness' and basic skills have long been described as local community barriers, although stakeholders describe how **the COVID-19 lockdown has impacted on community mental health, self esteem, confidence and social skills making employment transition even more difficult** – especially in the pockets of skills deprivation at a ward level. Support such as work encounters, work experience etc has been curtailed and has not yet been relaunched.
- **Whilst immediate frontline skills shortages are currently in the limelight;** there is also a need to make sustainable progress towards a higher skilled local workforce and community to meet the forecast future higher skill needs of the area.
- **A growing school age cohort provides a timely opportunity** now to support school pupils to understand and access the diverse range of local jobs available, reducing unemployment levels and improving local post-16 career transitions.
- There is an **impressive local infrastructure of innovative, enterprising employment and skills providers** rooted in or very near North Lincolnshire with a real appetite to collaborate to benefit local employers, communities and local provision. The existence of this infrastructure suggests that **the local challenge is not about new providers, but rather developing local employer and learner demand for economically-sustainable provision** that can support economic growth and local careers.

# RECOMMENDATIONS

- **Capitalise on the enthusiasm of employers**, and other stakeholders for involvement in a **locally owned Skills Strategy and Plan for North Lincolnshire** (underpinned by this evidence base) that **aligns with, and adds value to, other local policy areas** such as Place (particularly), Community, Transport and Children's Services.
- **Targeted cross-cutting action (Including employers, employees, providers and learners) to establish local talent pools either for growing sectors** such as manufacturing and transport - where the potential for job displacement threatens local growth; **or for sectors that are particularly challenged by skills shortages now.**
- Explore whether the **exciting growth aligned to developments such as the 'Freeport', and various low carbon and green energy initiatives**, provide the opportunity for the area to **identify and develop as a centre of skills excellence** for the Humber region and beyond.
- **Make apprenticeships (and pre-apprenticeships) centre stage** as a **solution for both frontline vacancies and longer-term high-level skills investment for the workforce** – increasing both the numbers of Traineeships / Apprenticeships across the board, but also encouraging **alignment with local growth occupations.**
- **Strengthening careers education for school pupils** – especially the high numbers of Year 11 students in North Lincolnshire that move study locations – and adults to ensure that **local labour market strengths are understood, work encounters are encouraged** and that **influencers such as teachers and families are engaged** through careers leaders events, Careers Fairs etc.
- **Business support and encouragement to local employers** to remain competitive in a challenging labour market, considering their opportunities to **increase their potential applicant pool through greater inclusion, skills and careers development, flexible working** etc.
- **Collective encouragement and support to employers to 'invest' in skills** (both time and money) and to **raise the profile of lifelong learning and career progression** with the local community.
- Working in partnership with local providers/employers to **collectively relaunch and expand interventions such as work experience, sector ambassadors, job tasters** etc.
- **Direct support to unemployed young people and adults to understand local labour market dynamics; be work ready** and able to compete for local opportunities at a time when jobs are highly accessible.
- Ensure **local labour market data is maximised** for employers, schools and the local community, **informing local skills planning** and taking an opportunity to refresh when 2021 Census data becomes available in terms of skills levels and commuting, and also considering **local data sharing in areas such as destinations and outcomes for young people.**

# NORTH LINCOLNSHIRE OVERVIEW

KEY:  North Lincolnshire

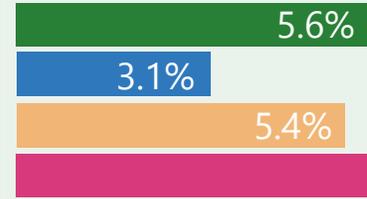
 Greater Lincolnshire

 Yorkshire and The Humber Region

 National

## SKILLS DEMAND

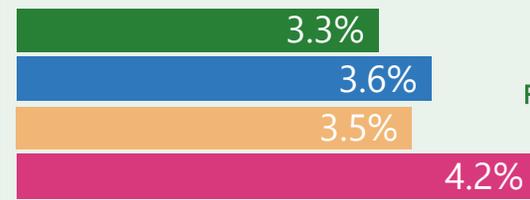
### CHANGE IN TOTAL EMPLOYMENT 2010-20



### EMPLOYMENT CHANGE

Source: Business Register and Employment Survey, ONS

### FORECAST EMPLOYMENT CHANGE



FORECAST CHANGE IN TOTAL EMPLOYMENT 2020-30  
Source: Emsi

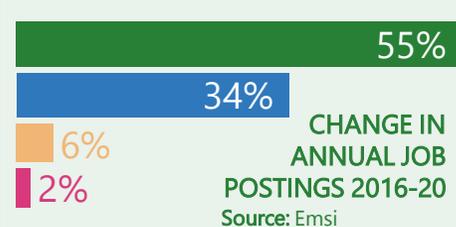
**32%**

### REPLACEMENT DEMAND

of employees will leave the local workforce over the next decade, so the sector will need to fill approx. **24,000** jobs on top of the forecast growth in job numbers

Source: Working Futures 2017-2027

### VACANCY DATA



CHANGE IN ANNUAL JOB POSTINGS 2016-20  
Source: Emsi

**11%**

of local businesses reported vacancies in 2019 compared to **17% nationally**

Source: Employer Skills Survey 2019

## SKILLS SUPPLY



### APPRENTICESHIPS



CHANGE IN APPRENTICESHIP STARTS 2017-20  
Source: Department for Education

### FURTHER EDUCATION

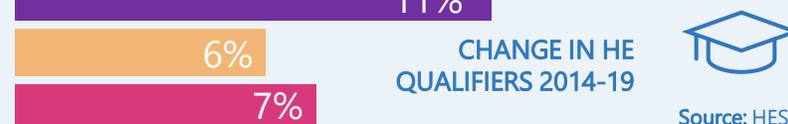


### CHANGE IN FE PARTICIPATION 2014-20

Source: Department for Education



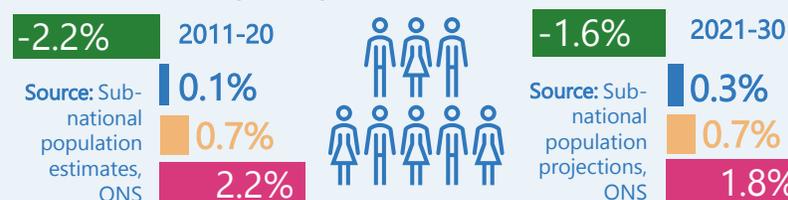
### HIGHER EDUCATION



CHANGE IN HE QUALIFIERS 2014-19

Source: HESA

### WORKING AGE (16-64) POPULATION CHANGE



Source: Sub-national population estimates, ONS

Source: Sub-national population projections, ONS

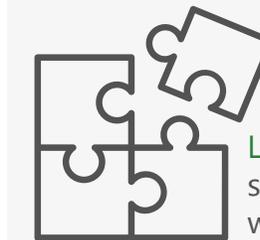
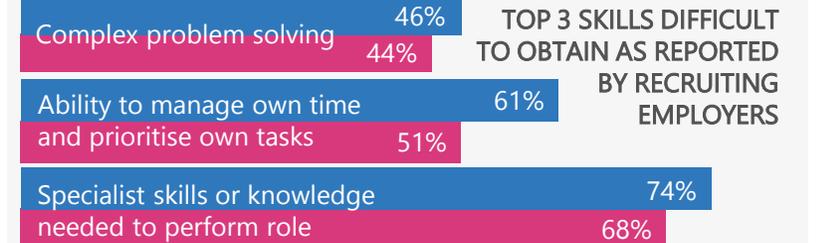
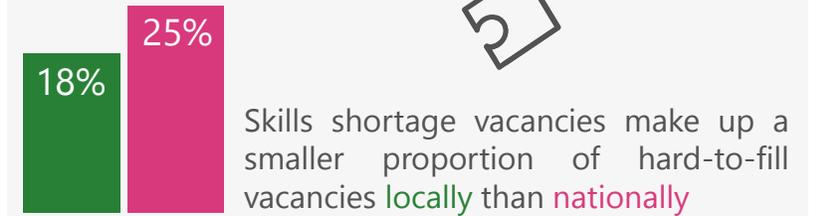
## SUPPLY / DEMAND

Source: Employer Skills Survey 2019

### HARD-TO-FILL VACANCIES

**6%** of local businesses reported a hard-to-fill vacancy in 2019, compared with **8% nationally**

### SKILLS SHORTAGE VACANCIES



### WORKFORCE SKILLS GAPS

Local businesses report **4%** of staff as having a skills gap, compared with **5% nationally**

\* Represents combined qualifiers of universities located in Hull, Leeds, Lincoln, Sheffield and York

# NORTH LINCOLNSHIRE LABOUR MARKET FOCUS

## TOP 10 OCCUPATIONS

Source: Emsi

	% OF TOTAL EMP.	% CHANGE 2010-20	QUAL LEVEL
1. Sales and Retail Assistants	3.3%	2% ▲	2
2. Large Goods Vehicle Drivers	3.0%	42% ▲	2
3. Elementary Storage Occupations	2.9%	22% ▲	1
4. Other Administrative Occupations n.e.c	2.4%	5% ▲	2
5. Nurses	2.3%	22% ▲	6
6. Care Workers and Home Workers	2.2%	-18% ▼	2
7. Food, Drink and Tobacco Process Operatives	2.0%	45% ▲	2
8. Kitchen and Catering Assistants	1.8%	7% ▲	2
9. Sales Accounts and Business Development Managers	1.7%	28% ▲	6
10. Cleaners and Domestic	1.6%	2% ▲	1

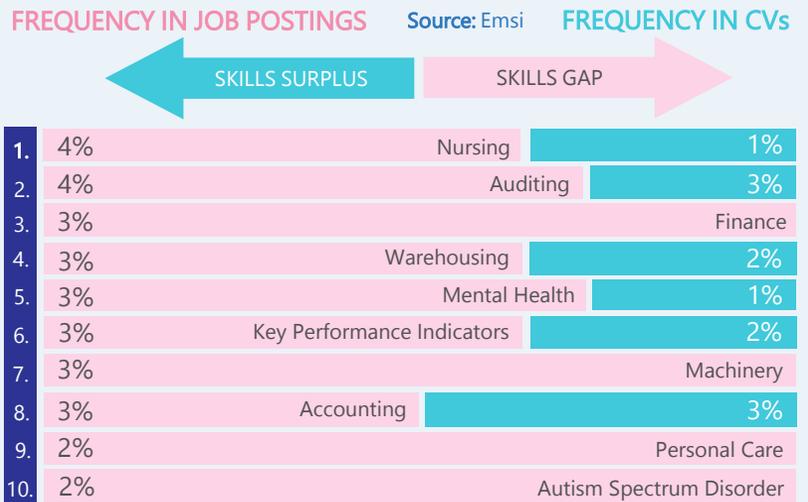
## TOP 10 VACANCIES (JAN-SEP 2021)

Source: Emsi

	% OF VACANCIES	RANK 2016/20	QUAL LEVEL
1. Nurses	4.9%	2 / 1	6
2. Primary and nursery education teaching professionals	4.3%	1 / 2	6
3. Van drivers	4.1%	3 / 3	2
4. Metal working production and maintenance fitters	3.0%	6 / 6	3
5. Care workers and home carers	3.0%	7 / 4	2
6. Elementary storage occupations	2.6%	10 / 5	1
7. Other administrative occupations n.e.c.	2.3%	8 / 8	2
8. Book-keepers, payroll managers and wages clerks	1.9%	5 / 9	2
9. Sales and retail assistants	1.7%	- / -	2
10. Electricians and electrical fitters	1.7%	- / 10	3

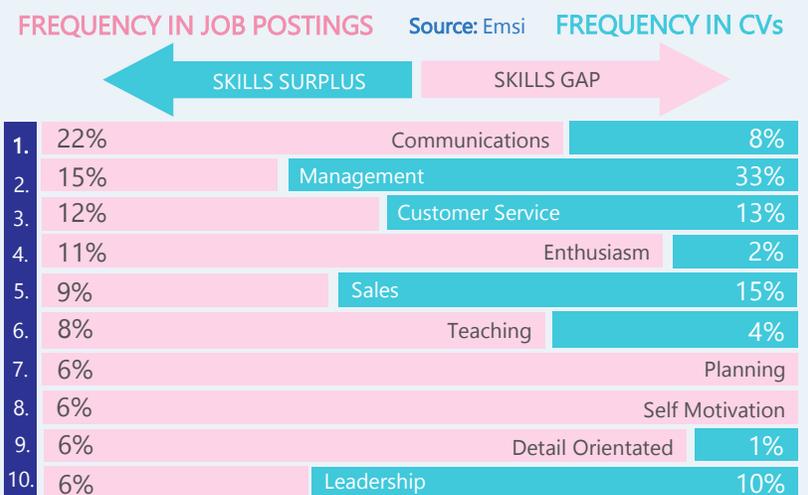
## TOP 10 HARD\* SKILLS

\* Hard skills are abilities that have been taught to or learnt by a person



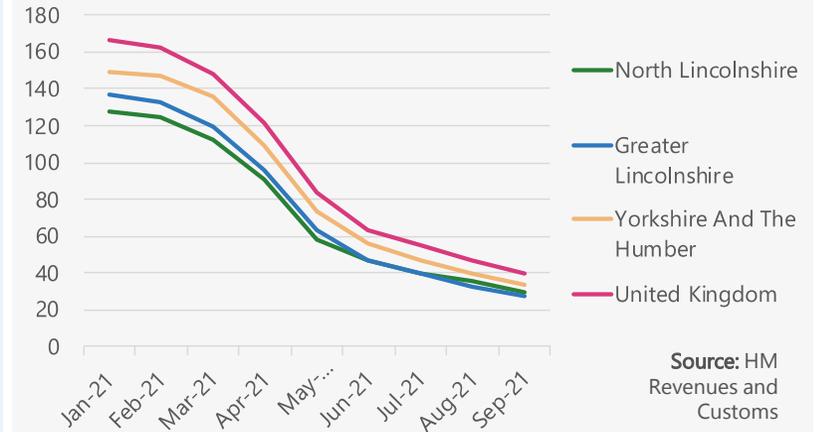
## TOP 10 COMMON\*\* SKILLS

\*\* Common skills are self developed or personal attributes



## CORONAVIRUS JOB RETENTION SCHEME

FURLOUGHED EMPLOYMENTS PER 1,000 EMPLOYEES



## SELF-EMPLOYMENT INCOME SUPPORT SCHEME

% OF ELIGIBLE POPULATION WHO HAVE MADE A CLAIM AS AT 7 OCT 2021



AVERAGE VALUE OF CLAIM



Source: HM Revenues and Customs

# SECTOR OVERVIEW

	EMPLOYMENT 2020 <small>Source: Business Register and Employment Survey 2020, ONS</small>	FORECAST* JOB GROWTH 2020-30 <small>Source: Emsi forecasts, www.economicmodelling.com</small>	REPLACEMENT DEMAND 2020-30 <small>Source: Working Futures 2017-2027, UKCES. Greater Lincolnshire results modelled for North Lincolnshire</small>	KEY CHALLENGE
 MANUFACTURING	18,000	1,000 ▲	5,000	There is a pressing supply / demand 'mismatch' for both entry level manufacturing opportunities and the need to recruit or upskill existing workers for longer-term higher level skill needs.
 TRANSPORT & LOGISTICS	7,000	200 ▲	2,000	Immediate skills shortages reported include ports, freight, vehicle maintenance and management roles, but there is a need for greater collective awareness locally of the sector and its potential for more local people to consider jobs and training opportunities.
 HEALTH & CARE	9,000	600 ▲	3,000	A concerning, worsening shortage of front-line domiciliary and residential care workers; with shortages viewed as being exacerbated by Brexit with EU migrant workers leaving.
 VISITOR ECONOMY	4,750	0 ◀▶	2,000	Major concerns expressed about the availability of frontline staff (quantity and quality of applications received) to underpin COVID-19 recovery and longer-term development plans, although Brexit was not viewed as a significant local factor by this sector.
 DIGITAL	500	100 ▲	200	Local sector job figures underplay the importance and growth of digital occupations across North Lincolnshire as a whole, with digital roles growing in all sectors.

\* These are baseline forecasts and do not take into account any planned developments or inward investment in the North Lincolnshire area

# SECTOR OVERVIEW CONT.

		EMPLOYMENT 2020 <small>Source: Business Register and Employment Survey 2020, ONS</small>	FORECAST* JOB GROWTH 2020-30 <small>Source: Emsi forecasts, www.economicmodelling.com</small>	REPLACEMENT DEMAND 2020-30 <small>Source: Working Futures 2017-2027, UKCES. Greater Lincolnshire results modelled for North Lincolnshire</small>	KEY CHALLENGE
	CONSTRUCTION	6,000	1,000 ▲	2,000	Major inward investment plans locally will intensify the demand for construction workers over the next decade and are likely to increasingly require workers from a much wider area on a daily or weekly commuting basis.
	RETAIL & WHOLESALE	10,000	300 ▲	3,000	Local stakeholders describe a 'massive' recruitment challenge for frontline customer service roles, warehouse operatives and motor technicians, with wages increasing and applications reducing.
	PROFESSIONAL & FINANCIAL	3,450	100 ▲	1,000	Employment forecasts would be higher given that local growth companies and inward investors emphasise the need for professional technical skills and the importance of attracting (or training) qualified experienced professionals to live and work locally.
	EDUCATION	5,000	-100 ▼	2,000	Sector vacancy growth locally has been much higher than across Greater Lincolnshire, regionally, and nationally. Given fairly static numbers in employment during this period, this could reflect a higher level of churn in the sector workforce.
	AGRICULTURE	1,750	-200 ▼	300	No clear signs that the post-Brexit shortage of workers will be fully replaced by UK workers or new seasonal worker schemes. New technologies such as AI / Robotics provide a high investment medium term option but will require new leadership and technical skillsets.

\* These are baseline forecasts and do not take into account any planned developments or inward investment in the North Lincolnshire area

# A SKILLS STUDY FOR NORTH LINCOLNSHIRE – THE COMMISSION

To provide North Lincolnshire Council with a complete picture of the current and future skills landscape providing detailed information on the current and future skills requirements in the area against the current skills supply available. The information will provide a sound evidence base on which the council, partners, training providers, businesses and those looking to invest in the area can base decisions regarding skills, training and development moving forward.

The study is to be broken down into the following areas:

- 1) Analysis of demand
- 2) Analysis of skills supply
- 3) Identification of any gaps in demand and supply
- 4) Key recommendations on actions required to ensure the demand and supply of skills is well matched going forward.
- 5) Analysis of the following industrial sectors:
  - Manufacturing (including Chemicals, Food, and Steel)
  - Transport and Logistics
  - Visitor Economy (including Accommodation and Food)
  - Agriculture
  - Renewables
  - Digital
  - Professional and financial services
  - Construction
  - Health (including Residential and Social Care)
  - Education
  - Retail and Wholesale

# METHODOLOGY

## OVERVIEW

Our overarching methodology combines analysis of existing data, forecasting, and research on skills supply/demand with qualitative data from local stakeholders, and to consider them holistically to identify North Lincolnshire's likely skills needs over the next decade.

We have undertaken a process of 'stress-testing' desktop research findings with sector specific businesses and stakeholders, supplementing this analysis with "real world" experiences and views. This process underpins a final report that we think captures both the key quantitative and qualitative elements of our research and findings, and ultimately benefits from local stakeholder input and ownership.

As per the research brief, and in looking to identify whether the current and future skills required by local employers are available in surrounding areas, we have considered those areas that fall within a one-hour drivetime distance from three points in North Lincolnshire (Scunthorpe, Epworth, and South Humber Bank). This produces a broad 'labour market' area that encapsulates the local authorities as shown in Map 1. Subsequently, these areas have been reviewed based on commuting numbers (in relation to North Lincolnshire), qualification levels, and past and forecast growth in both working age populations and employment.

The one-hour drive time was arrived via discussion with the project working group. National research ('Commuting trends in England 1988-2015, Department for Transport) show that commuting times for full-time workers are on average approximately 30 minutes. This figure can increase slightly based on higher earnings but is also dependent on the urban/rural nature of the commuting area. Given the nature and scope of investments planned for the area it was felt that a 30 minute drive time would limit the analysis and that areas within a wider one-hour drive time should be considered.

Map 1: Areas Within Approximate 1-hour Drivetime of North Lincolnshire



# RESEARCH MODEL

## REVIEW

We have undertaken desktop research drawing upon national, sector, and local data and intelligence that covers:

- Changes in employment
- Job growth forecasts
- Replacement demand
- Changes in Gross Value Added
- Sector specific occupations
- Employer views on recruitment
- Qualification levels
- Wages
- Workforce demographics
- Key Stage 4 destinations
- Apprenticeships, Further and Higher Education
- Population change
- Economic activity and inactivity
- Commuting levels
- Vacancies
- COVID-19 impacts
- International migration
- Home working

## OUTPUT

A robust, accessible and up-to-date evidence base.

## ENGAGE

Throughout the project we have encouraged feedback and local stakeholder ownership through a consultation process that “sense checks” our evidence base with local employers, providers, and other key stakeholders and provides an opportunity to understand local perspectives on the employment and skills challenges they face and thoughts on local improvements.

Our engagement has included:

- Virtual skills conversations with small sector groups.
- One-to-one interviews including the largest businesses, inward investors, learning providers, stakeholders such as DWP, growth businesses.
- Attending the November 2021 Jobs Expo in Scunthorpe to speak to a range of recruiting businesses, plus a post-event online survey.
- Attending the Visit North Lincolnshire business meeting to discuss sector skills issues.
- A back-up online survey for those who could not attend specific events.

Overall, the project engaged with over 110 local stakeholders in employment and skills across all sectors.

## OUTPUT

A shared qualitative view of current local conditions and future challenges.

## REPORT

We have produced a report that acts as an up-to-date quantitative and qualitative evidence base in terms of both supply and demand of skills at a sectoral and overall North Lincolnshire level.

As well as providing the latest analysis and commentaries in terms of its findings, the report also makes recommendations for further local action that will support longer term strategic momentum for the North Lincolnshire economy, employers and its communities.

## OUTPUT

An engaging and accessible report that supports forward momentum.

# CURRENT AND FUTURE DEMAND



# CURRENT AND FUTURE DEMAND – SUMMARY

## KEY FINDINGS

- Over the last decade, employment in North Lincolnshire has grown at a rate of just under 6%, in line with the region and above Greater Lincolnshire, but well below the national rate. Sectors such as Transport & Logistics, Manufacturing, and Construction however have significantly outperformed local and national comparators.
- Employment growth has not been evenly distributed with most growth outside of Scunthorpe – potentially providing increasing transport challenges for those living in the largest urban conurbation.
- A high proportion of growth is identified as full-time workers, perhaps confirming a focus upon manufacturing and production rather than the service sector.
- North Lincolnshire has a greater proportion of larger businesses – significant from a skills perspective due to the likelihood of those businesses having structured talent programme underpinned by the apprenticeship levy.
- There has been a rapid increase in hard-to-fill vacancies since 2013 – particularly 'skilled trades', 'machine operatives' and 'care-workers', notwithstanding areas such as retail and the visitor economy.
- Conclusions about a tightening labour market over the last few years are strengthened by a comparative massive increase in online vacancy postings.
- COVID-19 has also increased pressures on demand, with evidence of people leaving sectors such as care. Brexit too, has had an impact with the manufacturing sector particularly (e.g., Food) affected by migrants leaving.

- There has been a sharp increase in resident wages – more than double other comparators whereas workplace wages have barely increased; suggesting residents may be moving to higher-paying opportunities out-of-area.
- Employment is forecast to grow by a further 3% over the next ten years – below local and national comparators. These forecasts do not account for the investments planned on the South Humber Bank and other employment sites. Most growth is forecast to be achieved through 'Land Transport and Storage' and 'renewables' activity – clearly connected to the local Freeport and larger-scale decarbonization developments.
- Considering an increased demand for people in North Lincolnshire, it is also forecast that the proportion of the workforce needing Level 4 qualifications or above is likely to increase by 8% with a projected 9% decline in people with qualifications of Level 2 or below. This requires an upskilling of c17,000 people including Level 2 to Level 3, and Level 3 to Level 4 and above.

## IMPLICATIONS

- The local labour market has progressively tightened over the last ten years with the situation recently exacerbated by COVID-19 and Brexit. Considering that the working age population has decreased, and this is set to continue into the future, the need to maximise employment connections with local people plus attract in-commuters is paramount considering the ambitious local economic development plans.
- There is a risk of the current focus upon immediate skills shortages of frontline workers clouding the imperative to also upskill locally to meet the forecast increased demands for higher level skills over the next few years.

# CURRENT AND FUTURE DEMAND CONT.

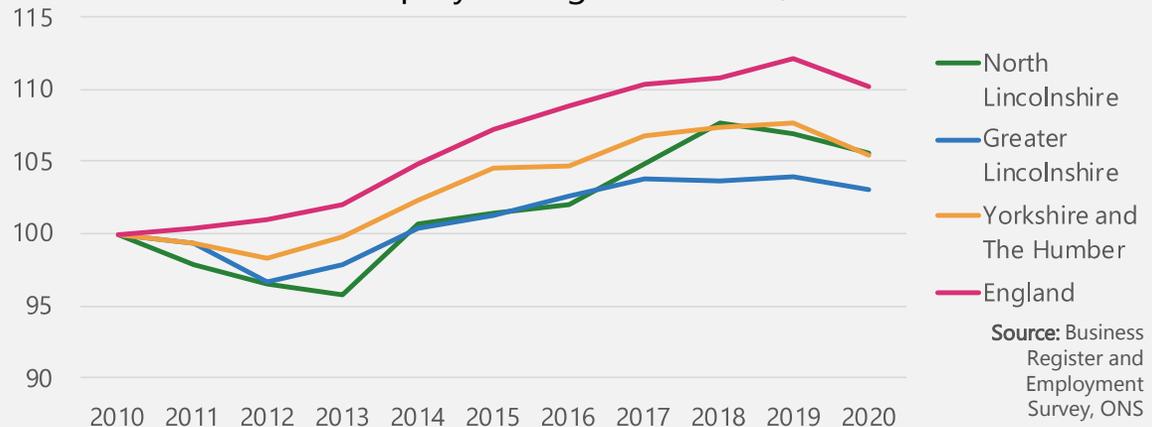
## EMPLOYMENT, BUSINESS AND GVA

Total employment in North Lincolnshire has grown from approximately 72,000 in 2010 to 76,000 in 2020. This represents a growth rate of just under 6%, which is in line with what the region has achieved over the same period, above the growth rate for Greater Lincolnshire, but well below the national rate.

Chart 1 below shows that employment in North Lincolnshire recovered to pre-financial crash levels around 2014, in line with Greater Lincolnshire but a year later than regionally. Based on this period, at the national level then employment showed no effects.

Chart 1 also shows that levels of employment in North Lincolnshire did decline slightly between 2018 and 2019, and this trend continued into 2020 where all the other comparator areas can be seen to be showing some Covid impact on employment.

Chart 1: Employment growth index, 2010=100

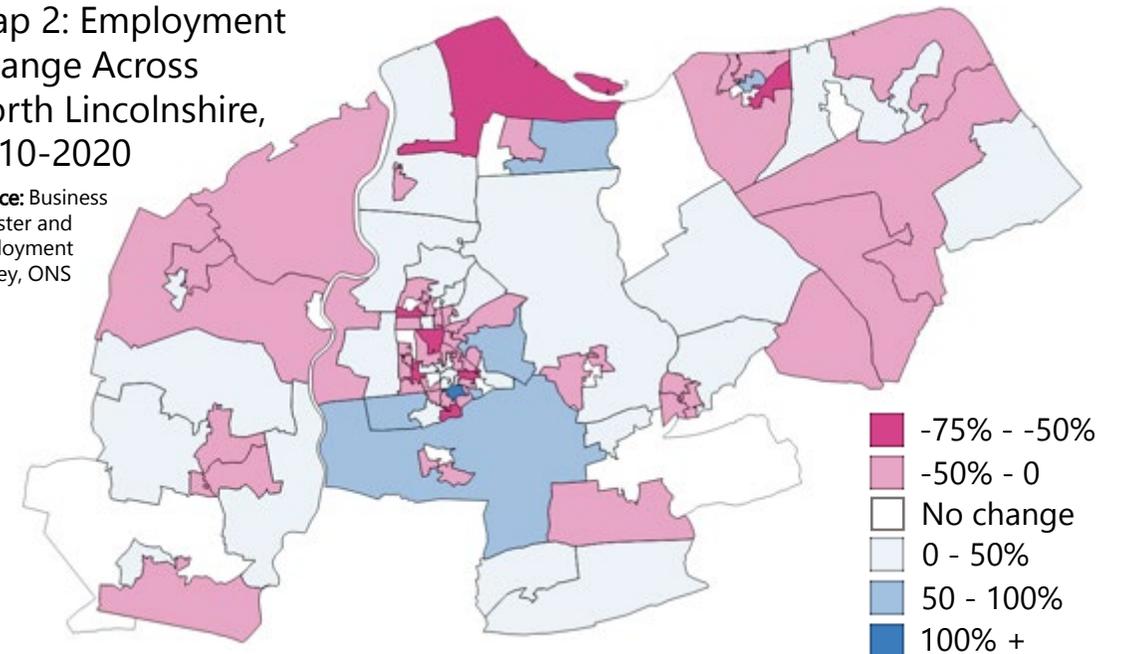


So, employment growth has been reasonably strong but is this the case across of the whole of North Lincolnshire? Map 2 below shows that this has not been the case with some areas where there have been overall declines in employment over the last decade.

What is perhaps most striking from the map is the fact that on the face of it most employment growth has taken place outside of the main Scunthorpe urban area. This does have the potential to have created some travel barriers for those live in Scunthorpe and have had to search for work further afield within the authority.

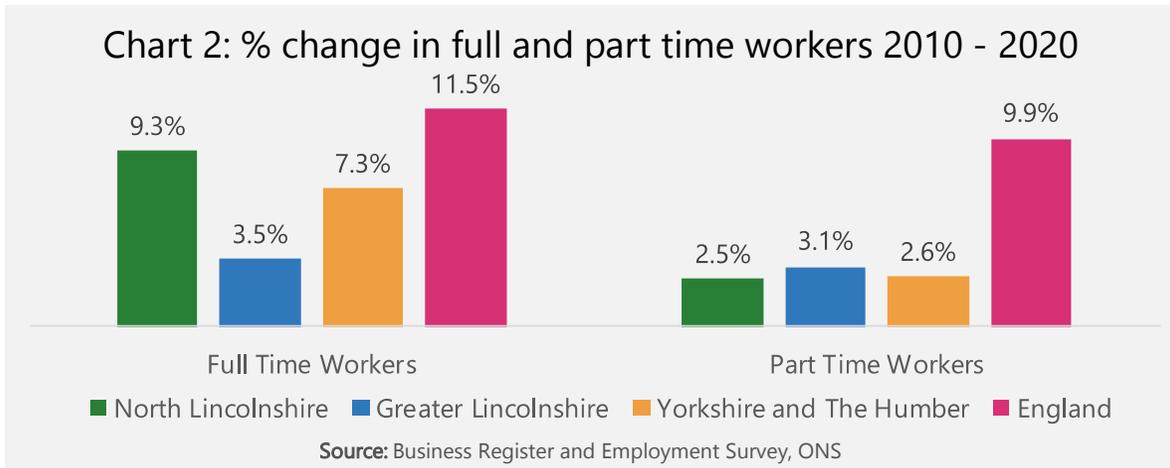
Map 2: Employment Change Across North Lincolnshire, 2010-2020

Source: Business Register and Employment Survey, ONS



# CURRENT AND FUTURE DEMAND CONT.

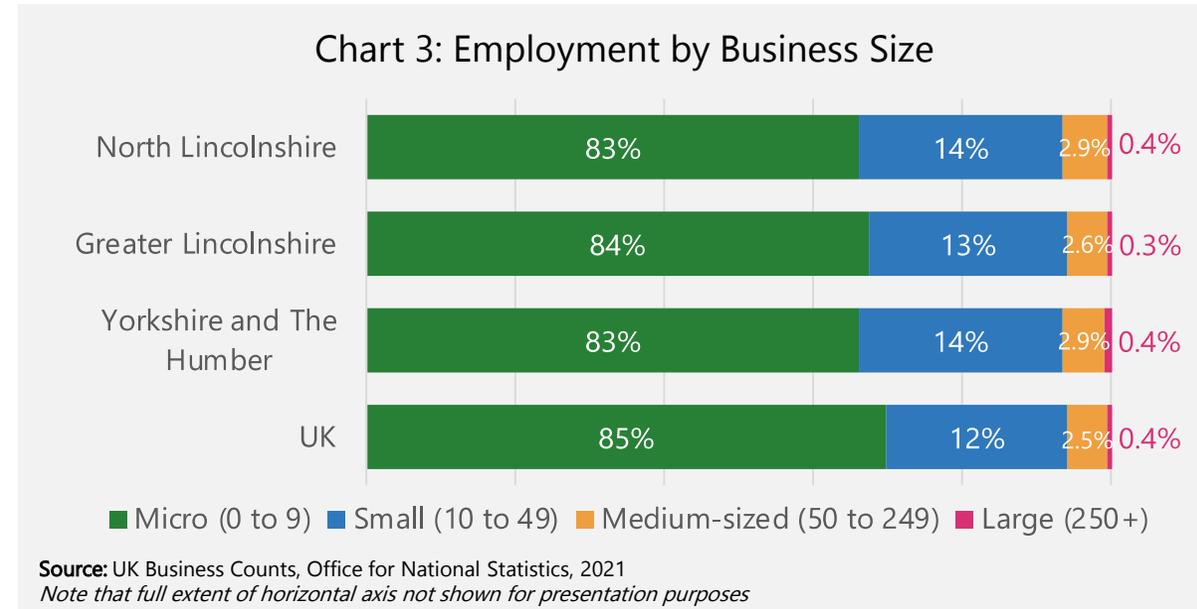
Growth in employment in North Lincolnshire over the last decade has been driven primarily through growth in full-time workers, as shown in chart 2 below with growth in part-time workers below comparator area rates.



At a sector level, the sectors of Transport & Logistics (30%), Manufacturing (21%), and Construction (20%) in particular have over-performed in terms of the North Lincolnshire average and have therefore contributed strongly to recent growth.

Another important aspect of employment in North Lincolnshire to consider is that of employer size (chart 3). Although with less micro-businesses (0-9 employees) than nationally, North Lincolnshire has a **greater proportion of SMEs** (10-249 employees) at 16.9% (compared to 14.5% nationally), as well as a **greater proportion of larger businesses** (0.4%) with 250+ employees when compared to the Greater Lincolnshire average (0.3%).

Larger businesses are more likely to have structured talent and workforce development programmes including Apprenticeships, often underpinned by the levy.



In terms of economic growth, modelled estimates put Gross Value Added (GVA) for the North Lincolnshire economy at £4.2bn in 2019, 18% higher than in 2009. To put this increase in context, the UK economy grew by 40% over this period whilst regionally the figure was 31%, and 32% across Greater Lincolnshire.

# CURRENT AND FUTURE DEMAND CONT.

## EMPLOYER SKILLS SURVEY ANALYSIS

Analysis of results from the national Employer Skills Survey over time show some interesting trends at both North Lincolnshire and Greater Lincolnshire level. At North Lincolnshire level the incidence of hard-to-fill vacancies (as a proportion of total vacancies) has increased from 8% in 2013 to 38% in 2019. This upward trend in the incidence of hard-to-fill vacancies can also be seen at national and Greater Lincolnshire levels with levels at 36% and 37% respectively in 2019, though these increases were both from a base of 28% in 2013. Small sample sizes at North Lincolnshire level may be playing a role in overstating the rapid increase in hard-to-fill vacancies but there is no doubt that local (and national) businesses have been finding it harder to recruit as the decade has progressed. Skills shortage vacancies (which are vacancies that are hard-to-fill for specific reasons around lack of skills/qualifications and/or experience) also show a similar pattern which suggests that access to appropriately skilled candidates is becoming more of a problem.

Which vacancies or occupations are hard-to-fill? Data on this is unavailable at the North Lincolnshire level but certainly at Greater Lincolnshire level then employers with vacancies are most likely to report 'skilled trades occupations' (25%), 'Machine operatives' (20%), and 'Caring, leisure, and other services staff' (17%).

Perhaps as a direct result of increasing difficulties in recruitment, North Lincolnshire employers have also shifted their stance on staff training over time. Chart 4 shows that between 2013 and 2019 there has been an increase in desire from employers to provide more staff training if possible. Chart 5, which graphs the top two reasons (by some distance) provided by businesses as being a barrier to training, shows that North Lincolnshire employers have been less likely to cite reasons around costs of training and that the issue is more about capacity in their workforces to enable the time spent on training.

Chart 4: % of employers that would have provided more training for staff than were able to over last 12 months, if could have done

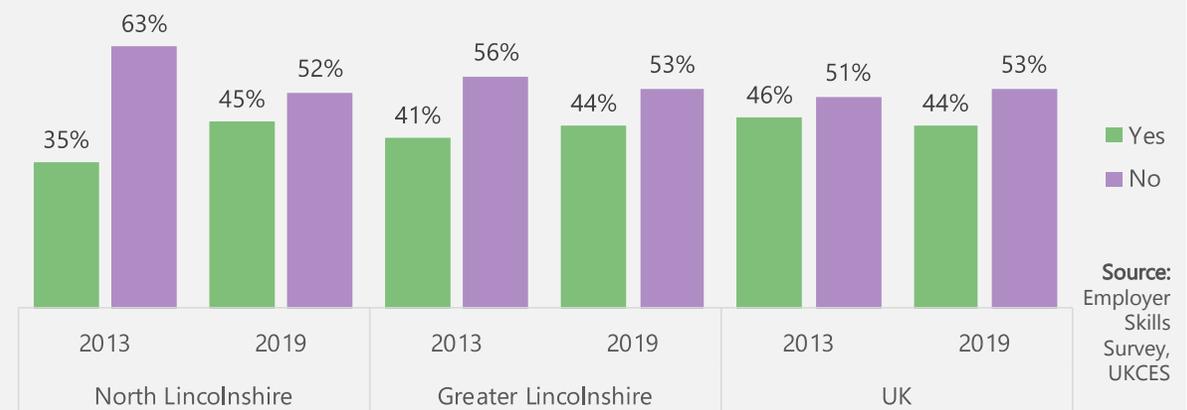
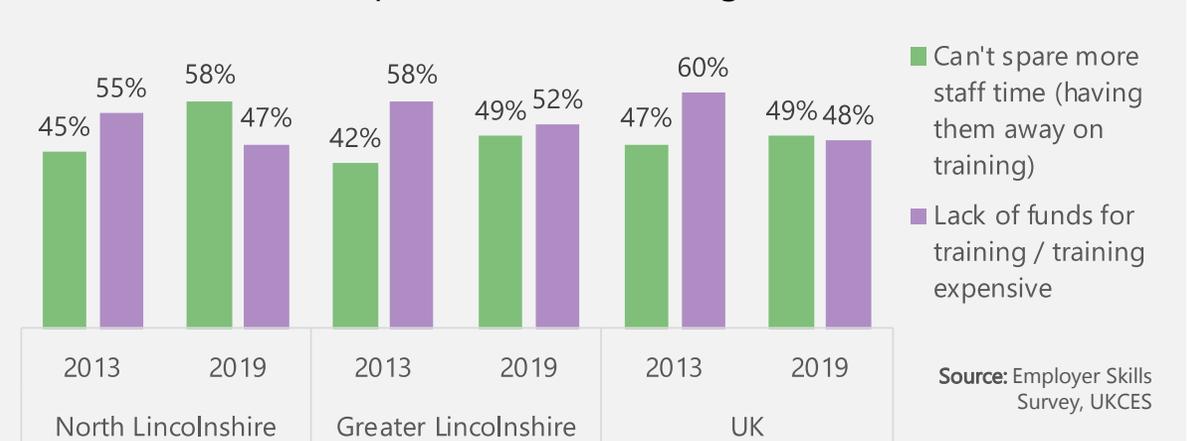


Chart 5: Top 2 Barriers to training



# CURRENT AND FUTURE DEMAND CONT.

## JOB VACANCIES AND FURLOUGH

Online job vacancy data from 2016 onwards tells us that there has been a significant increase in unique postings in North Lincolnshire over the last five years, from 8,848 in 2016 to 13,754 in 2020, representing a 55% increase. To put this into perspective then unique online job postings increased by 34% over the same period in Greater Lincolnshire, by 6% regionally, and only 2% nationally. However, and referring to chart 6, these large increases in North Lincolnshire and Greater Lincolnshire are mainly as a result of increased demand in 2020, and more precisely at around the time COVID-19 particularly took hold. Up until that point, changes in vacancy numbers had broadly followed regional and national trends. As of September 2021, vacancy numbers in North Lincolnshire had already hit 17,135, well above its 2020 figure with no signs as yet of stopping.

Chart 6: Unique Online Job Vacancy Postings Index, Jan 2016=100

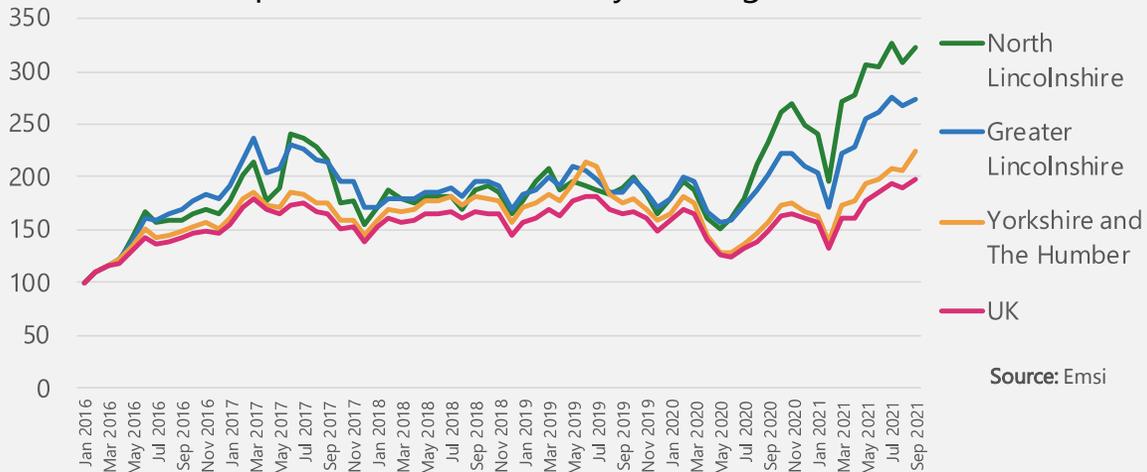
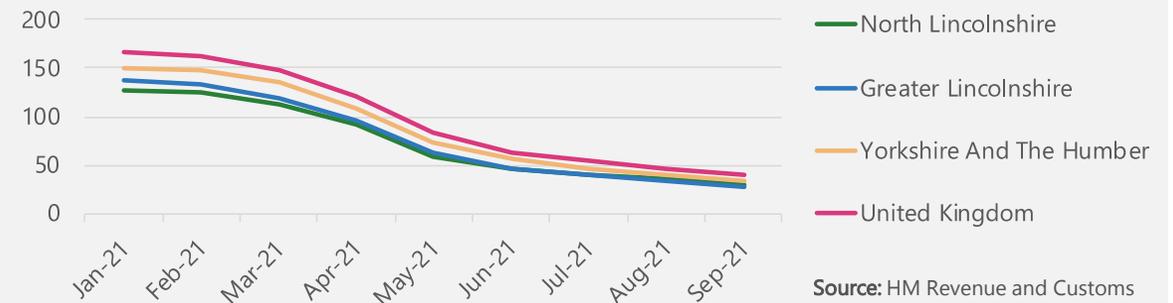


Chart 7: Number of Furloughed Employees Per 1,000 Employees



Analysis of data from the Coronavirus Job Retention Scheme (chart 7) shows that certainly during 2021 the rate of furloughed employees in North Lincolnshire has overall remained below those of local, regional and national comparators (though this has not been the case for all sectors).

So, what has driven this recent increase in demand? There are a number of scenarios which we think may be contributing to this:

- People leaving jobs in sectors which are now seen as undesirable due to effects of COVID-19 on working practices and environment e.g., Health and Care, which has seen growth in vacancies well above the North Lincolnshire level.
- Younger people choosing not to enter the labour market and instead have gone into study.
- Decisions around retirement have been made early due to time spent in lockdown which has created opportunities at the base of the career ladder.

# CURRENT AND FUTURE DEMAND CONT.

## WAGES

One of the impacts from this increased demand that we would expect to see is an increase in wages and this has certainly been the case between 2020 and 2021. Referring to charts 9 and 10 then both show a general increase in wages for North Lincolnshire, regionally and nationally across both residence and workplace-based wages over time. If we concentrate on the 2020 and 2021 data in chart 9, then for North Lincolnshire there has been a sharp increase in resident wages over this year, an increase of 13% compared to 6% regionally, and 5% nationally. Referring now to chart 10, whilst there have been increases in workplace-based wages regionally and nationally, the increase at North Lincolnshire level has been minimal (1%). Given that North Lincolnshire workplace wages are generally higher than resident wages (apart from in 2015 and 2021) as shown in chart 8) this leaves us with two scenarios:

- The resident pool of labour has reacted to increased demand and taken up recent opportunities but that has been nearly exhausted.
- The resident pool of labour has realised higher paying opportunities outside of North Lincolnshire in the last year.

Chart 8: North Lincolnshire Residence and Workplace Based Weekly Gross Median Wage



Chart 9: Residence Based Weekly Gross Median Wage

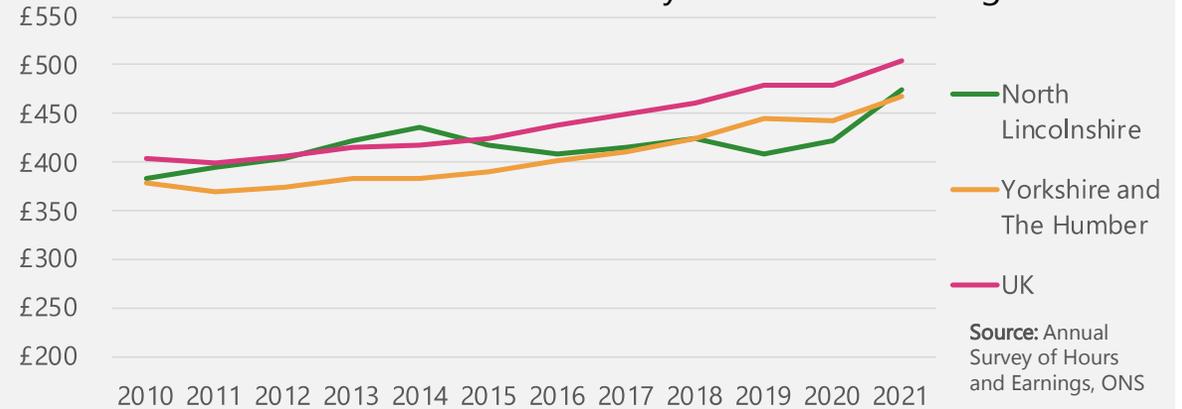
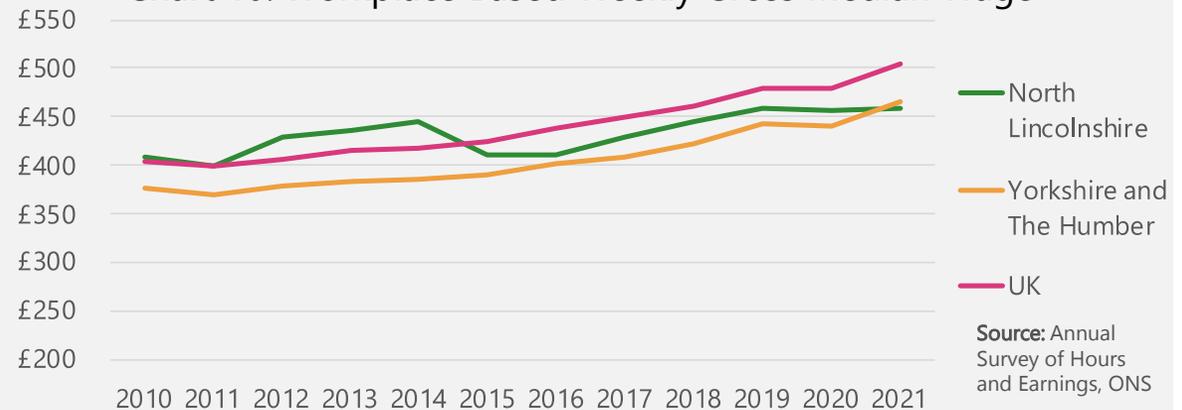


Chart 10: Workplace Based Weekly Gross Median Wage



# CURRENT AND FUTURE DEMAND CONT.

## EMPLOYMENT FORECASTS

Using forecast figures for employment growth between 2020 and 2030 from Emsi (Source: Emsi-economicmodelling.co.uk) then patterns of growth look very similar for North Lincolnshire and local, regional and national comparator areas over the next decade.

Employment in North Lincolnshire is forecast to grow by 3.3%, Greater Lincolnshire by 3.6%, the Yorkshire and The Humber region by 3.5%, and nationally by 4.2%. Chart 11 shows that this rate of growth would put employment in North Lincolnshire at approximately 78,500 by 2030.

Local areas are somewhat below the national rate which should be of no surprise when we consider this trend over the last decade.

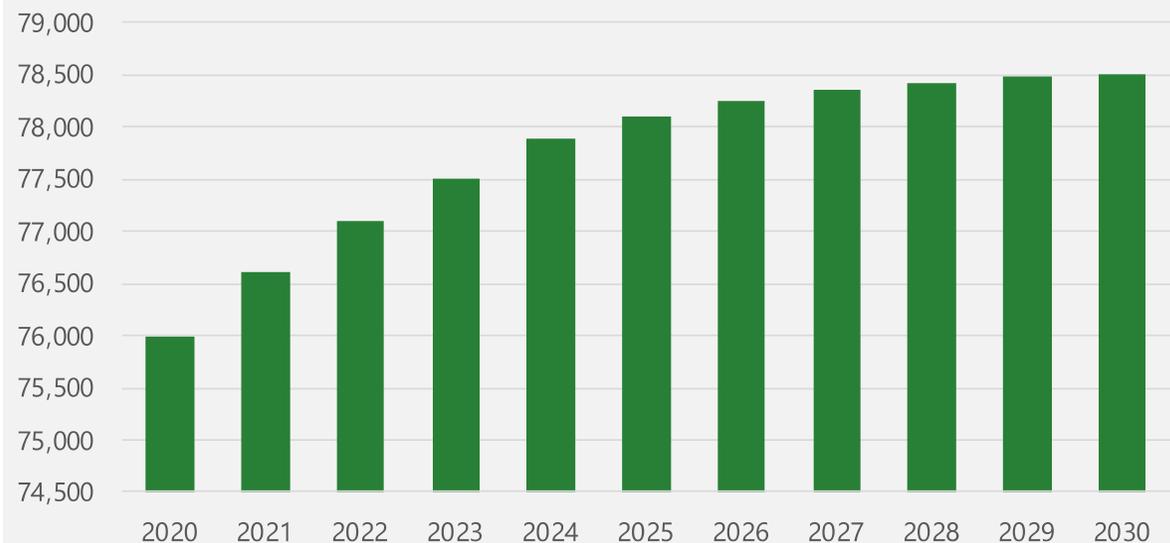
However, these forecasts are limited as we know for certain locally that they fail to consider the investment and development that is currently underway on the south bank of the Humber and other employment sites in North Lincolnshire.

Further forecasts that have looked to quantify the impact of these developments, particularly in relation to the cross-cutting sector of renewables, have arrived at an employment growth figure of 14%. This level of growth would put total employment in North Lincolnshire at around 87,000 in 2030, a net increase of 11,000 new jobs with the majority of this increase being delivered across the 'Land transport and storage' sector and 'renewables' activity.

It is not just new jobs that will need to be filled over the next ten years. Approximately 32% of the current workforce will leave the labour market over this period (mainly through retirement). This will mean an additional 24,000 jobs that will also need to be filled on top of any new job creation.

Chart 11: Forecast change in North Lincolnshire employment 2020-30

Source: Emsi



As well as an increased demand for people, North Lincolnshire will also see an increase in demand for skills. Using data from the UKCES Working Futures model for Greater Lincolnshire then the proportion of the workforce required to have level 4 qualifications or above is set to increase by eight percentage points over the next decade. This increase differs across sectors with 'trade, accommodation and transport' set to increase by 10 percentage points, and manufacturing by nine percentage points. At the same time, the requirement for those with level 2 qualifications or below is set to decrease by nine percentage points. In numerical terms this will mean upskilling approximately 7,000 people from level 3 to level 4, and approximately 10,000 from level 2 and below to level 3.

# CURRENT AND FUTURE SUPPLY



# CURRENT AND FUTURE SUPPLY – SUMMARY

## KEY FINDINGS

- The North Lincolnshire working age population (16-64 years old) has decreased over the last decade by 2.2% whereas local, regional and national comparators have all increased, albeit very modestly.
- Over the next decade, working age population is set to decline further by 1.1% although this does not consider variables such as new large-scale housing developments (e.g., 'Lincolnshire Lakes').
- The current large cohorts of people aged 10-14 and 5-9 provide an opportunity for a larger well-informed group of young residents to enter the local labour market over the next few years whilst the economy is growing.
- Unemployment in North Lincolnshire has, for most of the last decade, been above national levels, although the rate in North Lincolnshire is now below the national rate. Rates of youth and long-term unemployment however remain stubbornly high although youth unemployment is falling, perhaps influenced by the local DWP Youth Hub.
- In terms of economic activity, there has been a fall in the numbers of economically active residents, whilst economic inactivity has increased proportionally, although actual numbers have remained stable.
- Overseas workers have increasingly played a part in the local workforce over the last decade, although this has diminished recently in light of Brexit – something emphasised by sectors such as food manufacturing and care.
- The one-hour drivetime area around North Lincolnshire boasts a total working age population of 3.4m, and a slightly higher qualifications profile with 22% qualified to level 4 and above, compared to 20% in North Lincolnshire.

- In-commuting levels have grown between 2001 and 2011 with high levels of in-commuting from North-East Lincolnshire and West Lindsey – the latter being the fastest growing, whilst numbers travelling in from over the Humber in Hull have declined. Out-commuting to Hull and Doncaster has increased over this period.
- Analysis of resident and workplace earnings over the last decade suggests that either a sizable number of residents have realised higher paying opportunities outside of North Lincolnshire and/or reduced local supply in the North Lincolnshire labour market over time has pushed up demand and therefore increased resident wages.
- North Lincolnshire is part of an area with one of the lowest rates of homeworking nationally at 18% in COVID-19 impacted 2020 – unsurprising considering the top six industries where staff are least likely to work from home make up the top six areas of employment locally.
- Homeworking forecasts are relatively unreliable, although the North Lincolnshire industry breakdown suggests the area is likely to be less impacted by homeworking than many other areas.

## IMPLICATIONS

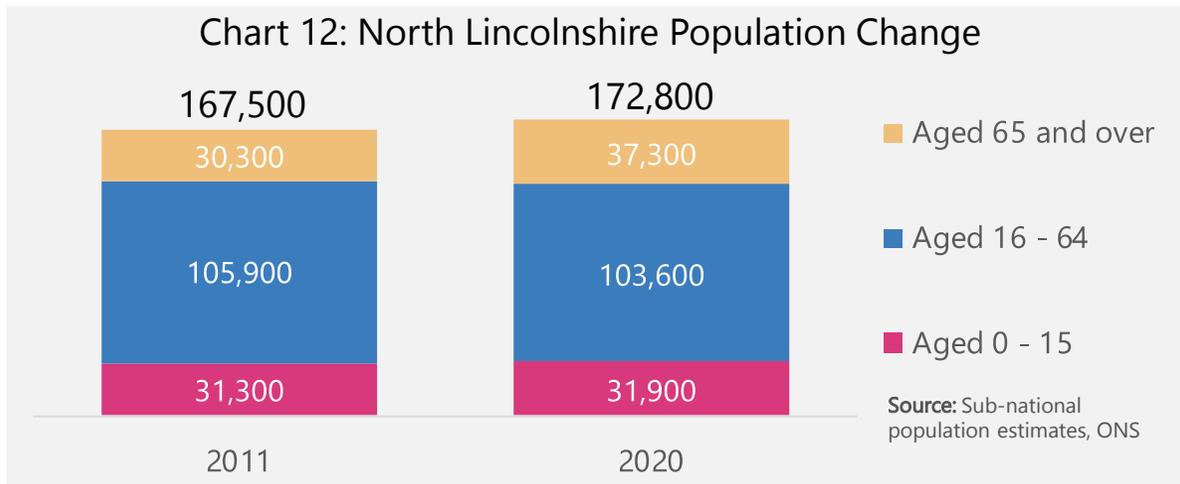
- The importance of 'place' and transport policy supporting residents and in-commuters to access the increasing career opportunities available in North Lincolnshire in this highly competitive labour market.
- The opportunity for employers, providers and other stakeholders to connect local communities – especially young people and the long term unemployed – with the diverse range of accessible job opportunities available now and for the foreseeable future in North Lincolnshire.

# CURRENT AND FUTURE SUPPLY CONT.

## POPULATION ESTIMATES AND PROJECTIONS

While the North Lincolnshire economy has experienced strong growth in employment, its working age population (16-64 years old) has been shrinking.

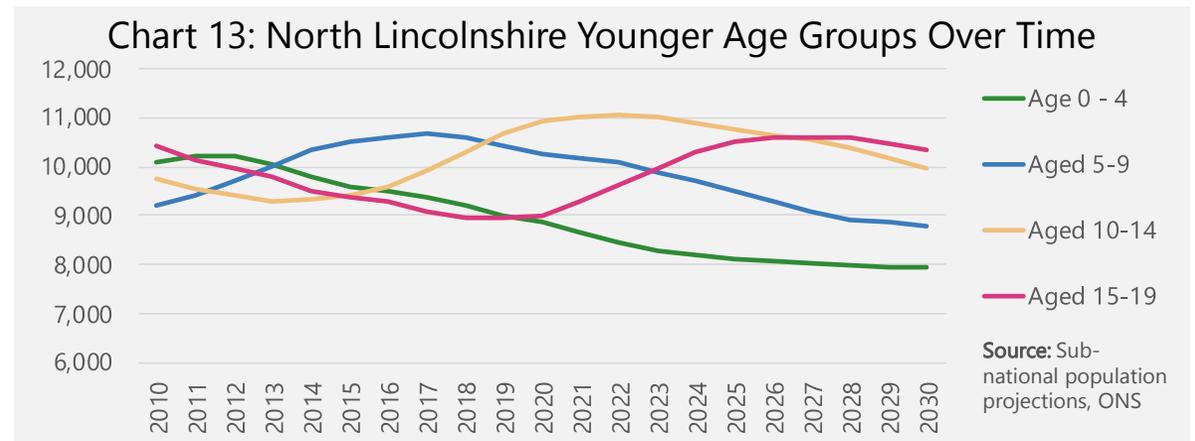
Chart 12 below shows that since the last Census in 2011, the population of North Lincolnshire has grown by 5,300 people, an increase of 3.2%. Over this same period the working age population (those aged 16-64) has decreased by 2,300 people (-2.2%).



This issue is not necessarily unique to North Lincolnshire, but when we look across Greater Lincolnshire (0.1%), regionally (0.7%) and nationally (2.2%), then working age populations at these levels are increasing, albeit by small amounts in some cases.

Latest population projections also show that this issue is set to continue with North Lincolnshire's working age population set to decline by a further 1.6%, whilst at the same time the population will grow by 1.4% (driven by growth in the aged 65+ cohort). We note however that these projections are built primarily built on past observations and do not take into account planned house building. Therefore, large housing developments such as Lincolnshire Lakes have the potential to have a massive impact on the direction and size of these projections.

Referring to chart 13, we also note from the latest population estimates and projections that the cohort of those aged 10-14 is currently at its highest point for some time. Below this we can see that the cohort of those aged 5-9 is also relatively high, with both of these age groups feeding into a peak of the 15-19 cohort towards the end of the decade.



# CURRENT AND FUTURE SUPPLY CONT.

## ECONOMIC ACTIVITY

Whilst the working age population may have shrank over the last decade, we need to consider the fact that not all working age people choose to or are able to work. Let us look then first at those who are economically active i.e., those who are in work or are actively seeking work. We know that the number of people working in North Lincolnshire has risen over the last decade, but these people may not necessarily live in North Lincolnshire. In fact, according to the 2011 Census 14,802 people commuted into North Lincolnshire for work on the day of the 2011 Census, whilst 15,778 commuted out of North Lincolnshire to their workplace. Levels of commuting are considered in more depth later in this chapter so here we will be concentrating on the resident workforce.

The most up-to-date data available on the resident workforce comes from the Annual Population Survey and whilst it is a useful measure, we need to be mindful of the fact that it is a survey and that for a relatively small area such as North Lincolnshire the sample size it uses to drive local level results is small, resulting in large margins of error. Despite this drawback we can still draw on its results to provide us with a good idea of trends, particularly when compared with what is happening in larger areas where the sample sizes will be bigger and where the results are more accurate.

So, returning to the economically active (resident) population of North Lincolnshire (and referring to chart 14), the Annual Population Survey approximates that it has fallen from around 81,000 in 2010 to 78,000 in 2021. At the same time, the working age population has also fallen by roughly the same amount, which is why ultimately, we can see little change (despite quarter-to-quarter fluctuations as a result of the survey) in North Lincolnshire's economic activity rate between 2010 and 2021 (chart 15).

Chart 14: North Lincolnshire Economically Active and Working Age Populations

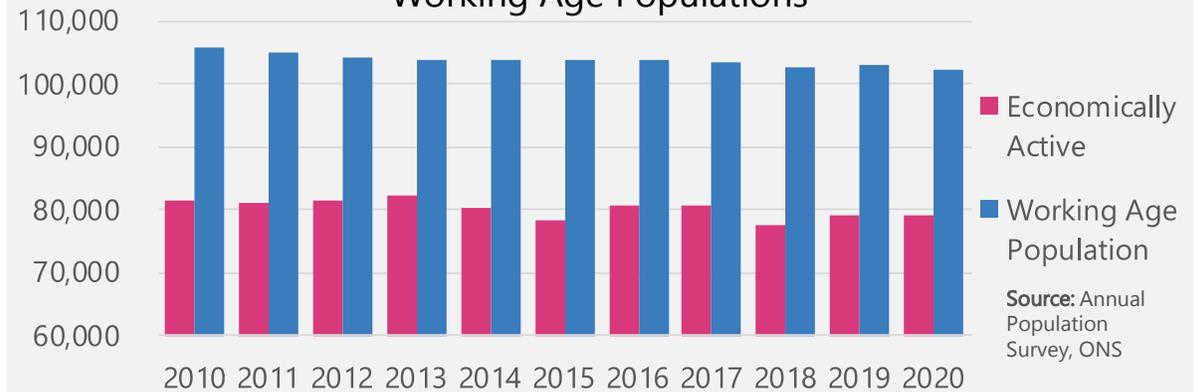
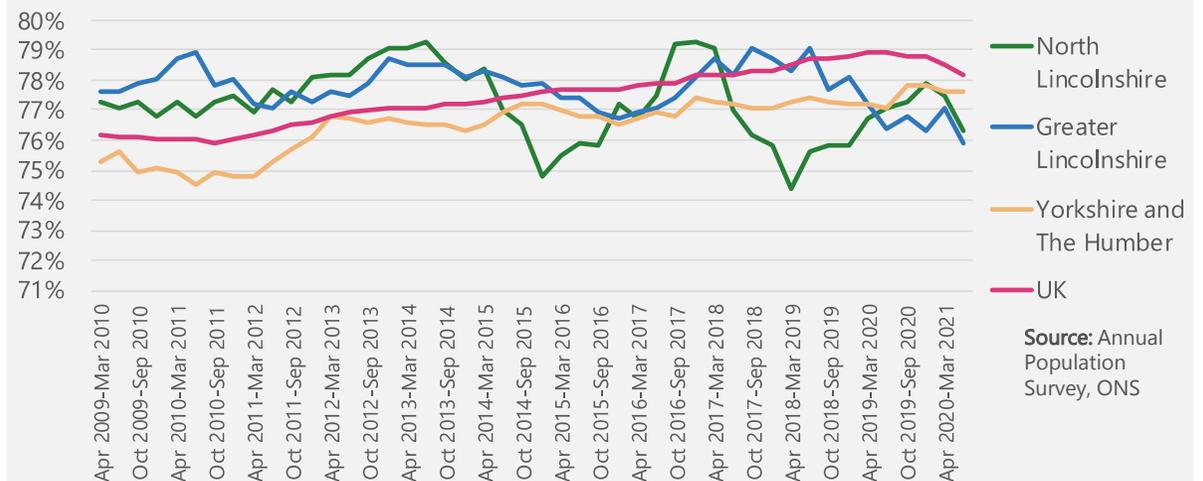


Chart 15: Economic Activity Rate



# CURRENT AND FUTURE SUPPLY CONT.

## UNEMPLOYMENT

Referring to chart 16, unemployment in North Lincolnshire has, certainly for the best part of the last decade, been above national levels. We can also clearly see the impact of COVID-19 on the rate of unemployment across all comparator areas at around March/April 2020 with a sharp rise in the rate. However, from this point on rates have dropped but we note that the rate in North Lincolnshire is now below the national rate and remains so.

Rates of youth (chart 17) and long-term (chart 18) unemployment also show that North Lincolnshire generally experiences levels that are above comparator area rates even after the initial Covid impact on the labour market, though in the case of youth unemployment then this has started to fall.

Chart 16: Unemployment Rate

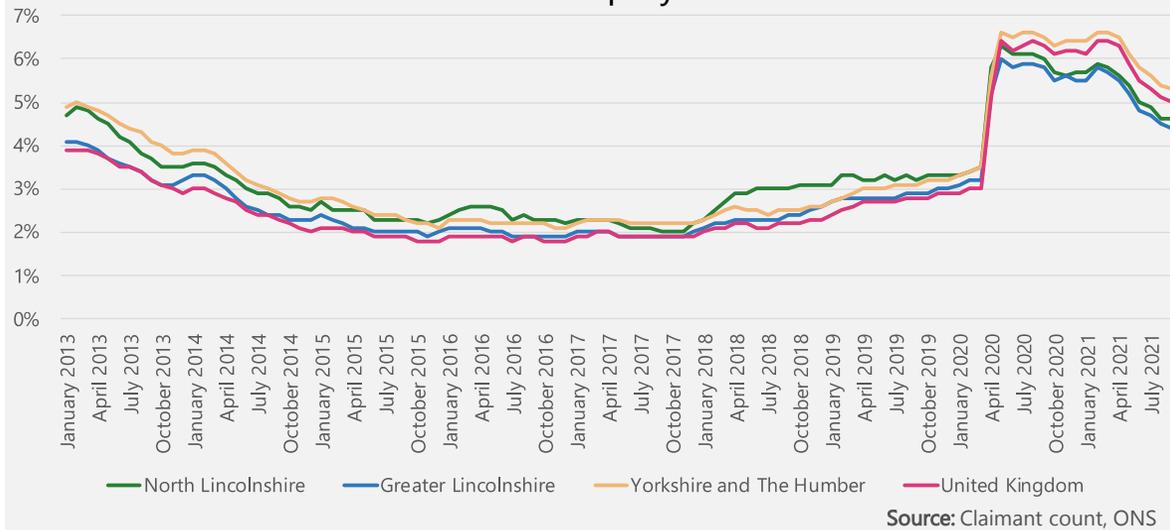


Chart 17: Rate of 18-24 Year-olds Claiming Unemployment Benefits

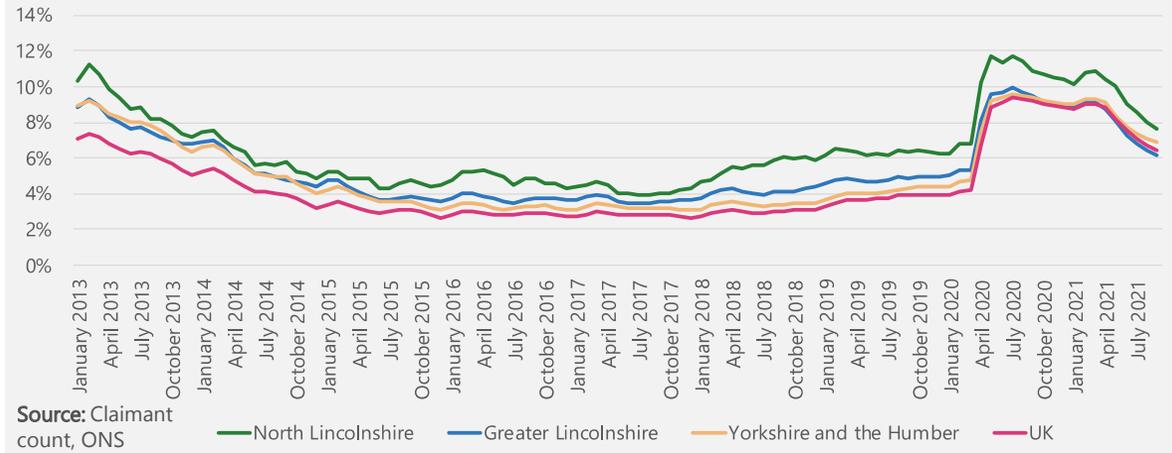
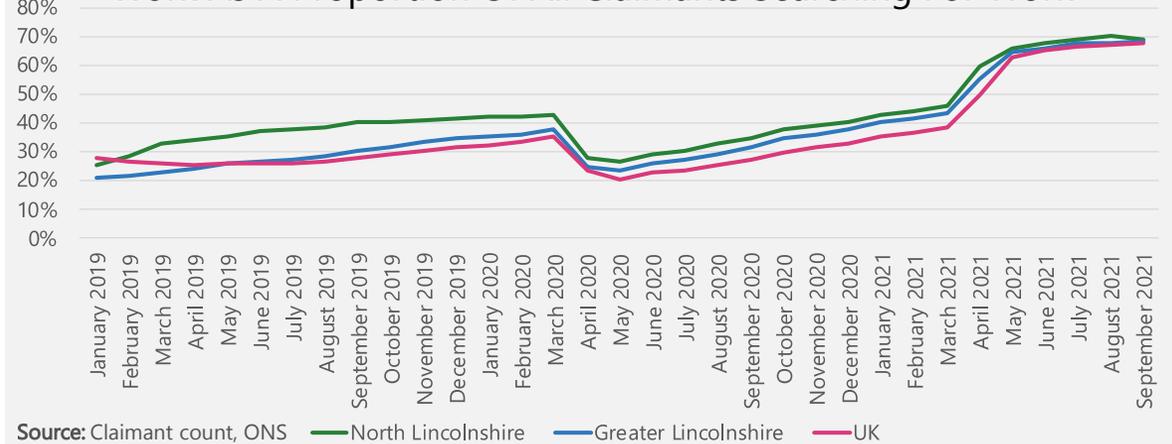


Chart 18: Long Term (1yr+) Claimants of Universal Credit Search For Work As A Proportion Of All Claimants Searching For Work



# CURRENT AND FUTURE SUPPLY CONT.

## ECONOMIC INACTIVITY

The North Lincolnshire figure for people economically inactive has changed very little over the last decade. It was around 24,000 in 2010 and latest data for 2021 shows it also to be around 24,000. With a decreasing working age population this has meant the rate of economic inactivity has increased which is slightly misleading as the numbers have stayed pretty much the same.

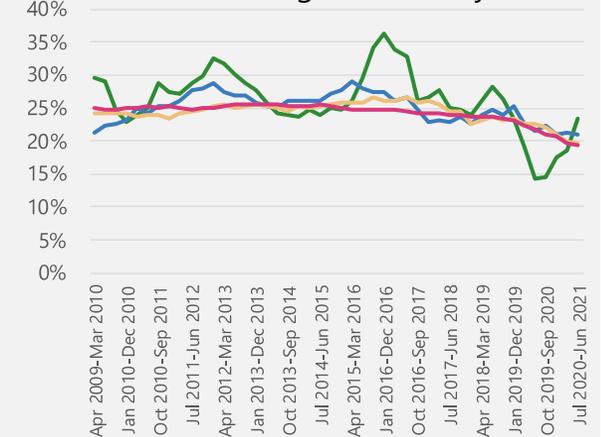
However, within this fairly static North Lincolnshire economically inactive population, there have been changes as to the reasons given for being economically inactive. Referring to charts 19 to 22:

- The proportion of the economically inactive that are students has bounced around the 17% mark for most of the decade with a pronounced fall from 2017 to 2019, but from that point on there has been a sharp and significant increase in the rate that can not be wholly accounted for in the survey sampling error.
- The proportion of those looking after the family home has generally followed the regional and national trends of an overall decline over time but there is sharp jump from 2020 onwards. Given the fluctuations in the data it is too early to call that this is as a result of COVID-19.
- The proportion of those long-term sick has hovered between 20% and 25% for most of the last decade but a sharp increase can be seen around 2017/18 with a subsequent sharp decline in the rate around 2019/20. This looks significant given that it is outside of the normal ranges of fluctuation, but we note that the regional and national rates have remained fairly flat over this period.
- The proportion of those that are retired has followed the regional and national trends of overall decline.
- Data not shown for the 'Other' category of reasons for being economically inactive which has increased over this period.

Chart 19: Student



Chart 20: Looking After Family/Home



Legend: North Lincolnshire (Green), Greater Lincolnshire (Blue), Yorkshire and The Humber (Orange), England (Pink)

Source: Annual Population Survey, ONS

Chart 21: Long Term Sick



Chart 22: Retired



# CURRENT AND FUTURE SUPPLY CONT.

## INTERNATIONAL MIGRANT POPULATION

Overall, the limited data we have on international migration into and out of North Lincolnshire does both suggest that this community has increasingly played a part in the local workforce over the last decade but that that role has diminished slightly in recent years.

Referring to chart 23, which looks at the number of National Insurance numbers that have been registered for overseas workers in North Lincolnshire over the last decade then it shows a clear steady increase over time (with a dip in numbers in the year of the EU referendum, 2016) with a sharp drop in numbers in 2020.

Chart 24 tells a similar story with a broad increase in inflow until around the time of the referendum, with a peak in numbers in mid 2017 to mid 2018, and then a reduction. Outflow numbers follow a similar trend, however they peak in mid 2016 to mid 2017, so the year following the referendum but from that point on (and barring 2018/19) the outflow figure has reduced. The overall result of this is that certainly in the period mid 2019 to mid 2020 (so there would be some COVID-19 impact on these figures) there was an increase in the net flow of international migrants in North Lincolnshire.

At the national level, the Office for National Statistics have recently reported that latest data for the year ending June 2021 show no evidence of an exodus from the UK in 2020. However, net international migration did fall considerably with fewer people both immigrating to or emigrating from the UK. Overall, an estimated 34,000 more people arrived than left the UK over this period. These are the best current estimates for international migration over this period, however they are modelled figures based on experimental research and subject to a high level of uncertainty.

Chart 23: Migrant National Insurance number (NINo) registrations in North Lincolnshire

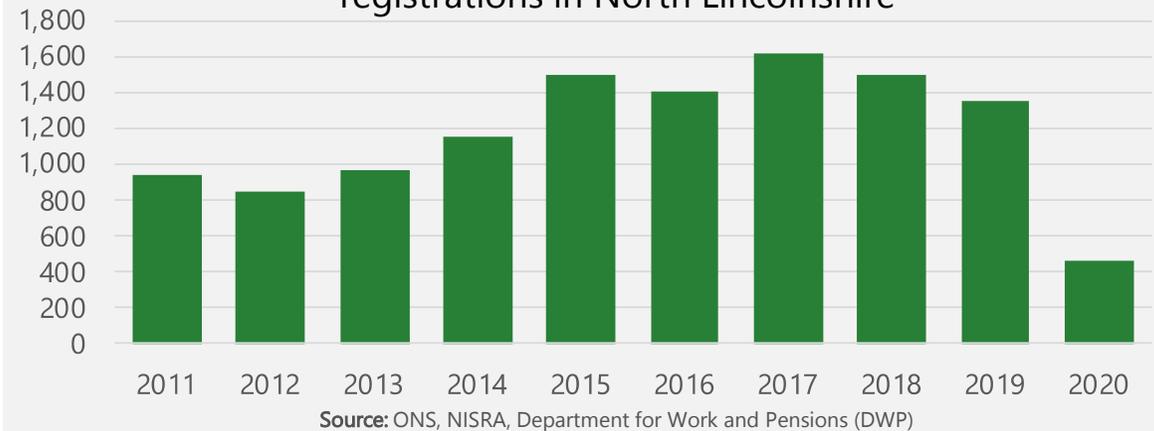
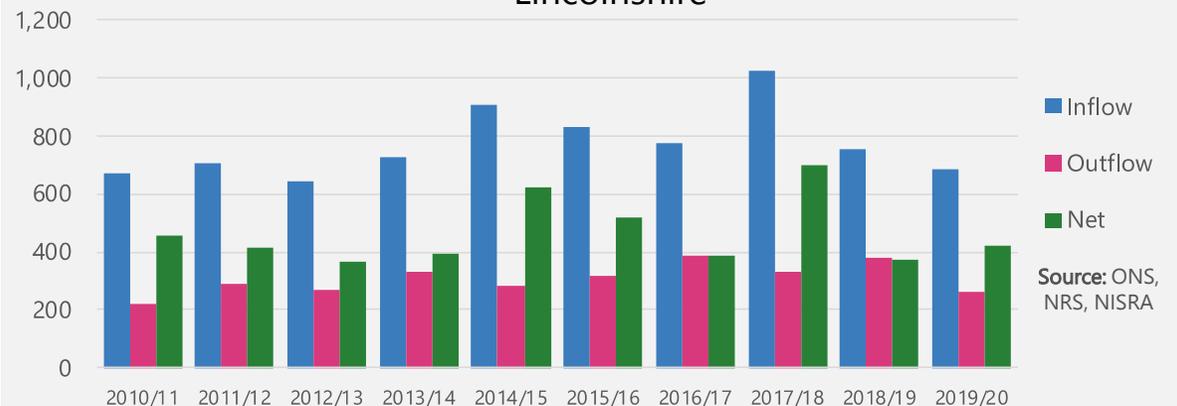


Chart 24: Long-Term International Migration Flows in North Lincolnshire



# CURRENT AND FUTURE SUPPLY CONT.

## COMMUTING

As previously touched on in this chapter, we know that commuting plays a significant role in the daily workforce of the North Lincolnshire economy. Similarly, many North Lincolnshire residents make up the daily workforces of a number of neighbouring areas.

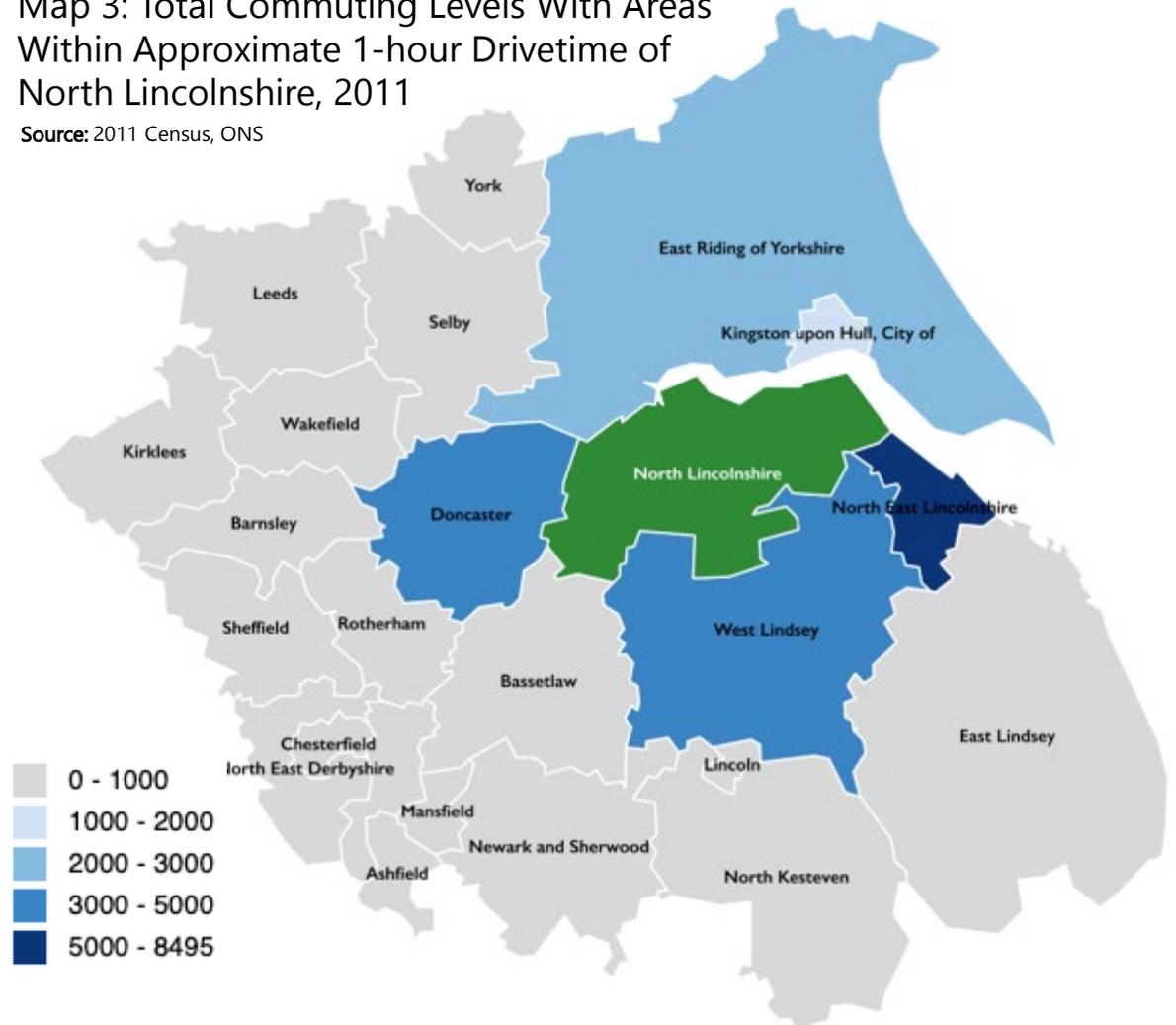
Unfortunately, the release of 2021 Census data on commuting will not be released until the summer of 2022 at the earliest and is therefore outside the scope of this project. We can draw on analysis of changes in commuting levels into and out of North Lincolnshire for surrounding areas between 2001 and 2011. This will be used to draw some conclusions as to how commuting will have played a role over the last decade in terms of shaping the workplace-based workforce and the North Lincolnshire labour market in general.

As per the research brief, and in looking to identify whether the current and future skills required by local employers are available in surrounding areas, we have considered those areas that fall within a broad one-hour drivetime from North Lincolnshire. This area (including North Lincolnshire) boasts a working age population of 3.4m and has a slightly higher qualifications profile than North Lincolnshire (based on 2011 Census data) with 22% qualified to level 4 and above compared to 20% across North Lincolnshire.

Map 3 shows that total commutes (i.e., the sum of an areas in-commutes into North Lincolnshire, and the sum of out-commutes from North Lincolnshire into that area) are highest with those areas which either border North Lincolnshire (i.e., North East Lincolnshire, West Lindsey, Doncaster, and East Riding of Yorkshire) or are very close too as the crow flies (i.e., Kingston Upon Hull, via the Humber Bridge). We note here that the number of commutes with Bassetlaw are relatively small (around 400 in and out in 2011) despite it sharing a border.

Map 3: Total Commuting Levels With Areas Within Approximate 1-hour Drivetime of North Lincolnshire, 2011

Source: 2011 Census, ONS



# CURRENT AND FUTURE SUPPLY CONT.

## IN-COMMUTING

The number of in-commuters into North Lincolnshire increased by 28% (3,218) between 2001 (11,584) and 2011 (14,802). Map 4 shows that it is those areas closest to North Lincolnshire which have undergone the largest changes (both increases and decreases) in in-commuter numbers into North Lincolnshire between 2001 and 2011.

Table 1 details these changes and shows that the largest proportional increase in numbers came from West Lindsey over this period. During that time, we note that West Lindsey experienced a 4% decrease in employment and a 12% increase in its working age population. Did this employment/population dynamic drive West Lindsey residents to search for work outside of the area, and increase the number of in-commuters into North Lincolnshire?

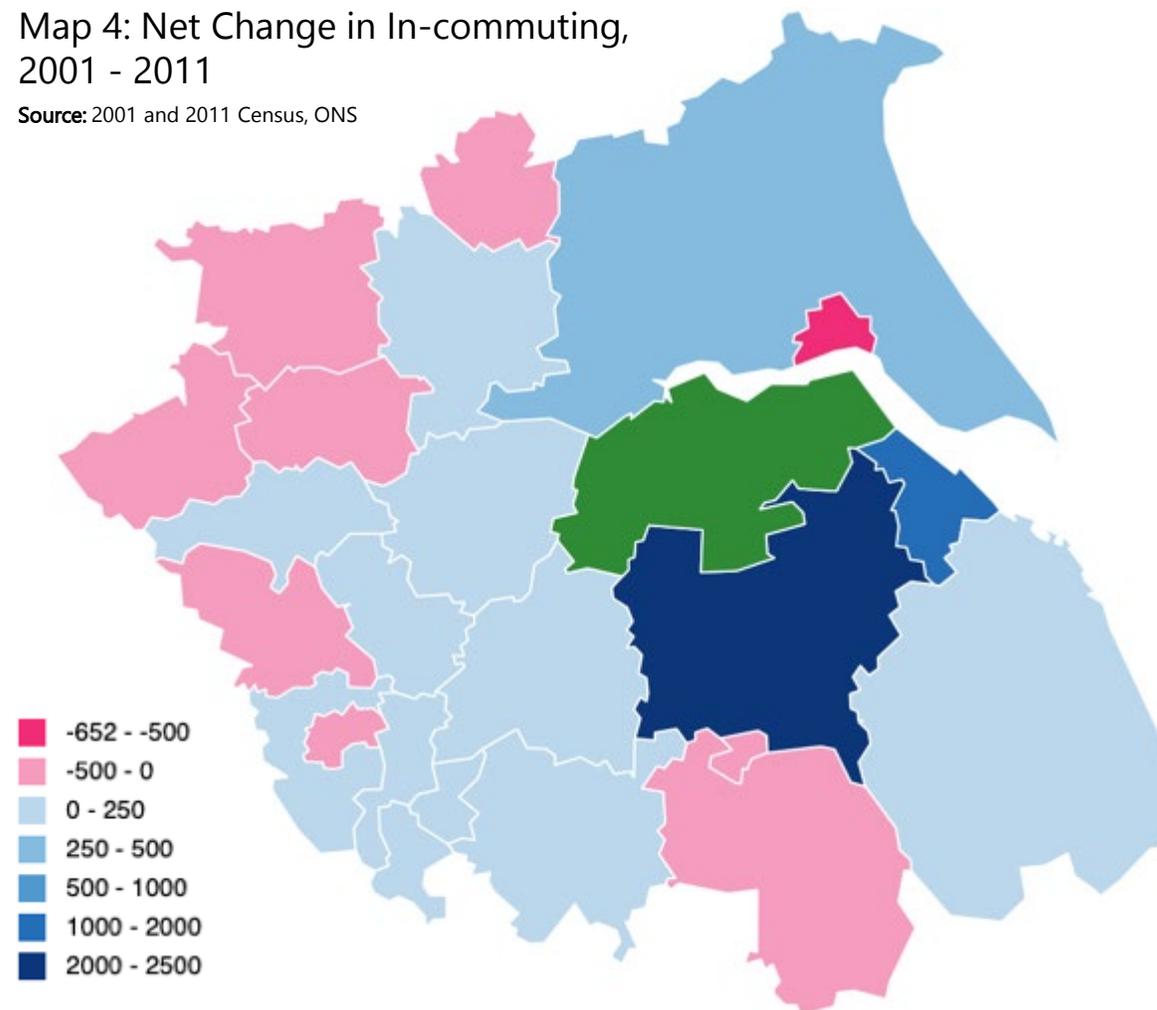
North East Lincolnshire was the biggest source of in-commuters into North Lincolnshire in 2001 and remained so in 2011, with numbers increasing by 58%. During this period, employment in North East Lincolnshire grew overall by 5% whilst the working age population grew by 4%, so a much more balanced employment/population dynamic than West Lindsey.

Table 1: In-commuting into North Lincolnshire Source: 2001 and 2011 Census, ONS

	2001	2011	Change	
West Lindsey	925	2,944	2,019	218%
North East Lincolnshire	2,964	4,692	1,728	58%
East Riding of Yorkshire	703	1,119	416	59%
Doncaster	1,869	1,995	126	7%
Kingston upon Hull, City of	1,253	601	-652	-52%

Map 4: Net Change in In-commuting, 2001 - 2011

Source: 2001 and 2011 Census, ONS



# CURRENT AND FUTURE SUPPLY CONT.

## OUT-COMMUTING

The number of out-commuters from North Lincolnshire increased by 11% (1,529) between 2001 (14,249) and 2011 (15,778). Map 5 shows that it is again those areas closest to North Lincolnshire which have undergone the largest changes (both increases and decreases) in commuter numbers coming from North Lincolnshire between 2001 and 2011.

Table 2 shows the five areas with the strongest commuting relationships with North Lincolnshire, and how out-commuter numbers have changed between 2001 and 2011. Out-commuter numbers to Kingston Upon Hull have increased by the largest amount between 2001 and 2011 (noting that table 1 showed in-commuters to North Lincolnshire decreased by roughly the same amount).

West Lindsey and North East Lincolnshire both experienced decreases in the numbers of commuters they received from North Lincolnshire between 2001 and 2011, noting again that these were the two areas that experienced the largest increases in out-commuters to North Lincolnshire during this period.

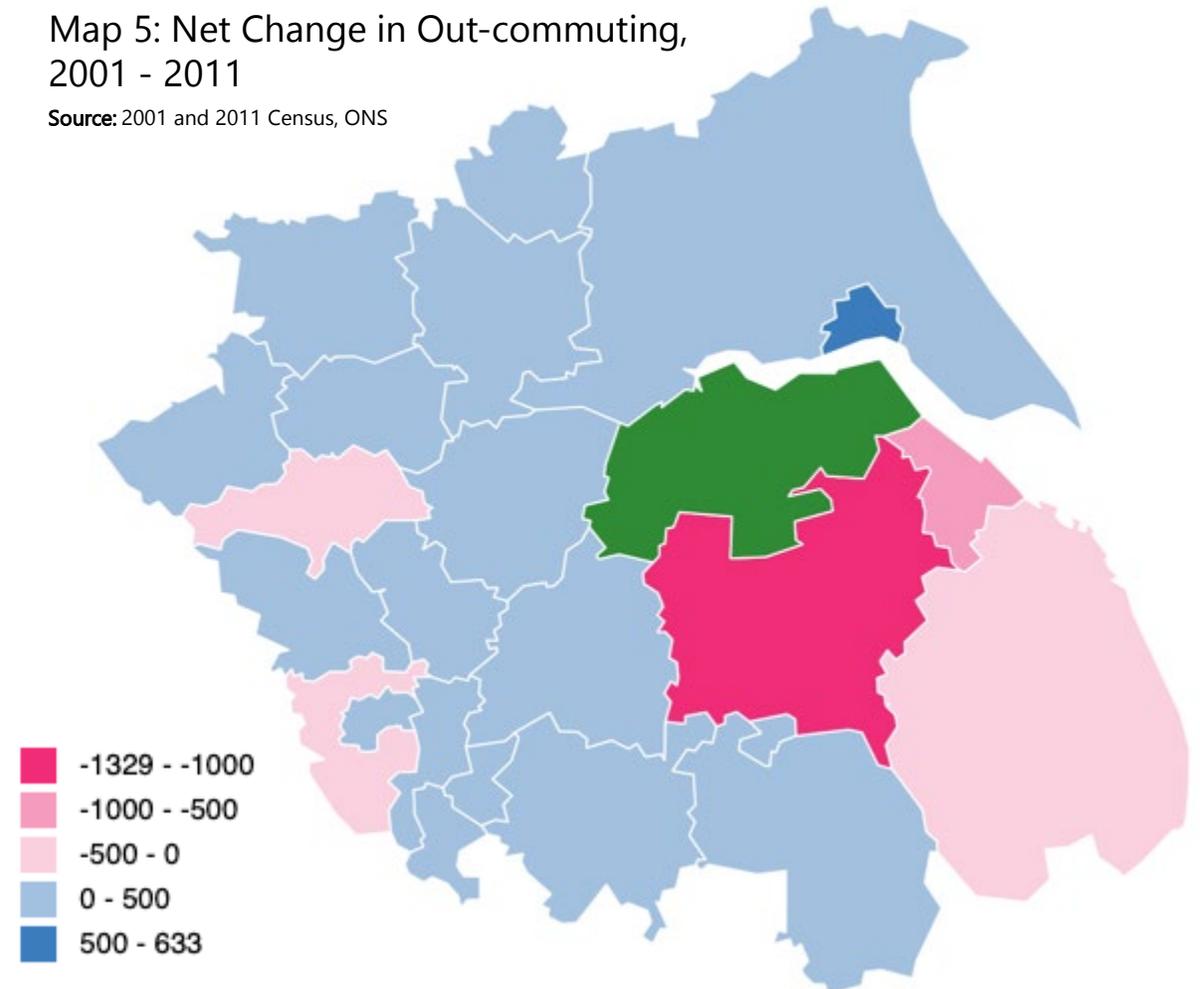
**Table 2: Out-commuting destinations from North Lincolnshire**

Source: 2001 and 2011 Census, ONS

	2001	2011	Change	
Kingston upon Hull, City of	758	1,391	633	84%
Doncaster	2,199	2,605	406	18%
East Riding of Yorkshire	1,089	1,107	18	2%
North East Lincolnshire	4,310	3,803	-507	-12%
West Lindsey	2,750	1,421	-1,329	-48%

**Map 5: Net Change in Out-commuting, 2001 - 2011**

Source: 2001 and 2011 Census, ONS



# CURRENT AND FUTURE SUPPLY CONT.

## COMMUTING LEVELS 2011 TO 2021

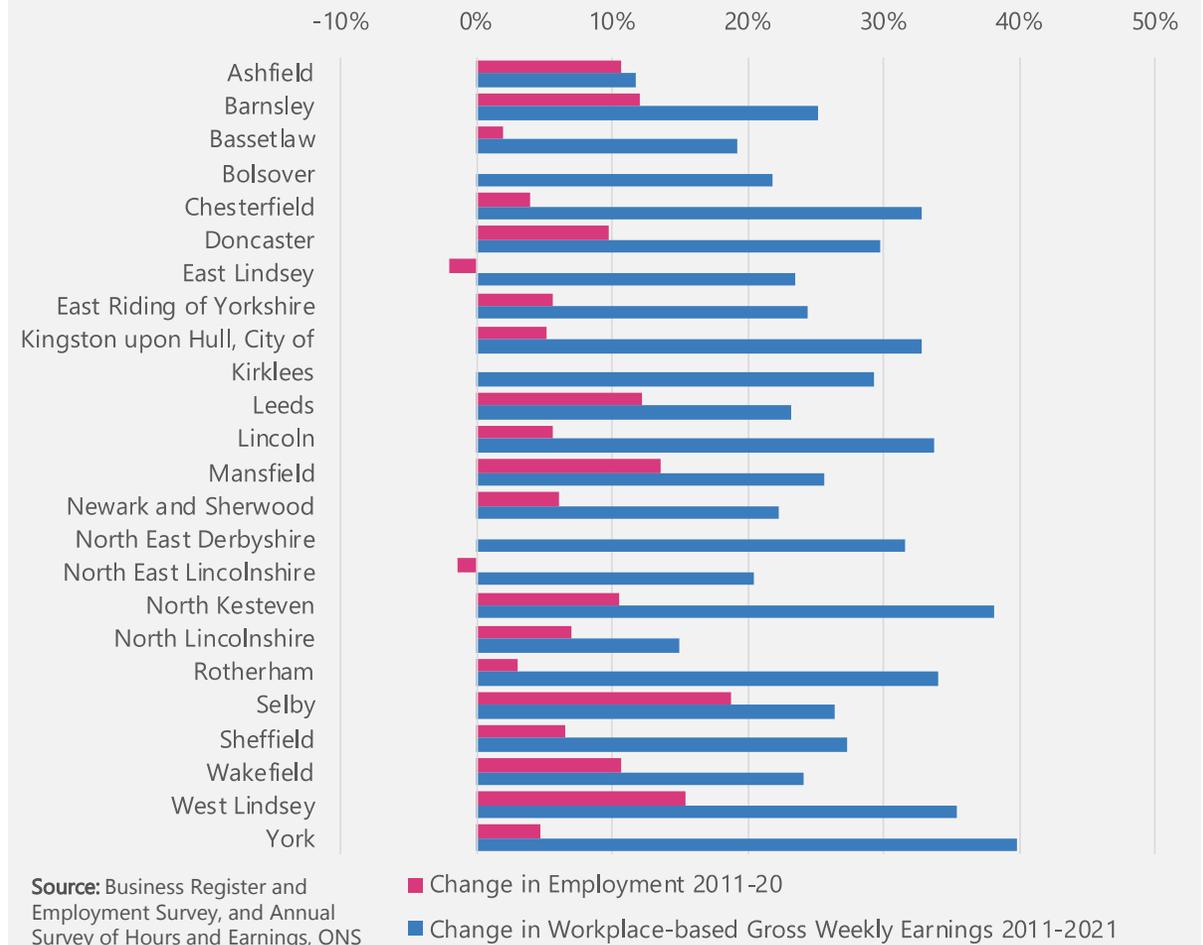
Until the 2021 Census data on commuting levels becomes available, we are going to make some broad assumptions about more recent commuting patterns by considering changes in residence based and workplace-based wages, and changes in employment and population in surrounding areas.

In terms of wage levels, then this has already been covered to a large extent in the chapter on 'Current and Future Demand'. It showed that by and large over the last decade that workplace-based earnings were higher than residence-based and have grown by 13%. This suggests that in-commuting will have remained a significant element of the North Lincolnshire workplace workforce and will have grown further. However, we also note that residence-based earnings have increased faster over this same period (24%), and in 2021 rose above workplace-based earnings (which have been flat since 2019) for only the second time in the last decade (the previous being 2015). Again, as previously mentioned, this suggests that one or both of two things has happened:

- A sizable proportion of the resident pool of labour has realised higher paying opportunities outside of North Lincolnshire in the last few years.
- Reduced local supply in the North Lincolnshire labour market over time has pushed up demand and therefore resident wages (though we would expect to see some pick up in workplace-based wages as a result of this, which may realistically have been the case, but it has been smoothed out due to the sampling error of the survey that collects this information).

Bearing in mind the commuting relationship between North Lincolnshire and West Lindsey in the previous decade, we note from chart 25 that West Lindsey has experienced the second highest levels of growth in both workplace wages and employment over the last decade, which might help explain any increase in out-commuting.

Chart 25: Change in Employment (2011-2020) and Workplace-based Gross Weekly Earnings (2011-2021)



# CURRENT AND FUTURE SUPPLY CONT.

## FUTURE COMMUTING LEVELS

Using Emsi forecasts for employment growth in North Lincolnshire's surrounding areas may provide some indication as to where the future pushes and pulls in the overall labour market might be over the next decade.

Map 6 shows that most areas are projected to grow broadly in line with North Lincolnshire's baseline scenario of somewhere between 2% and 4%, and this is certainly the case for the bordering and neighbouring areas of Doncaster, East Riding of Yorkshire, and Kingston-Upon-Hull. However, the two areas that have had historically the strongest commuting relationships with North Lincolnshire present slightly different propositions.

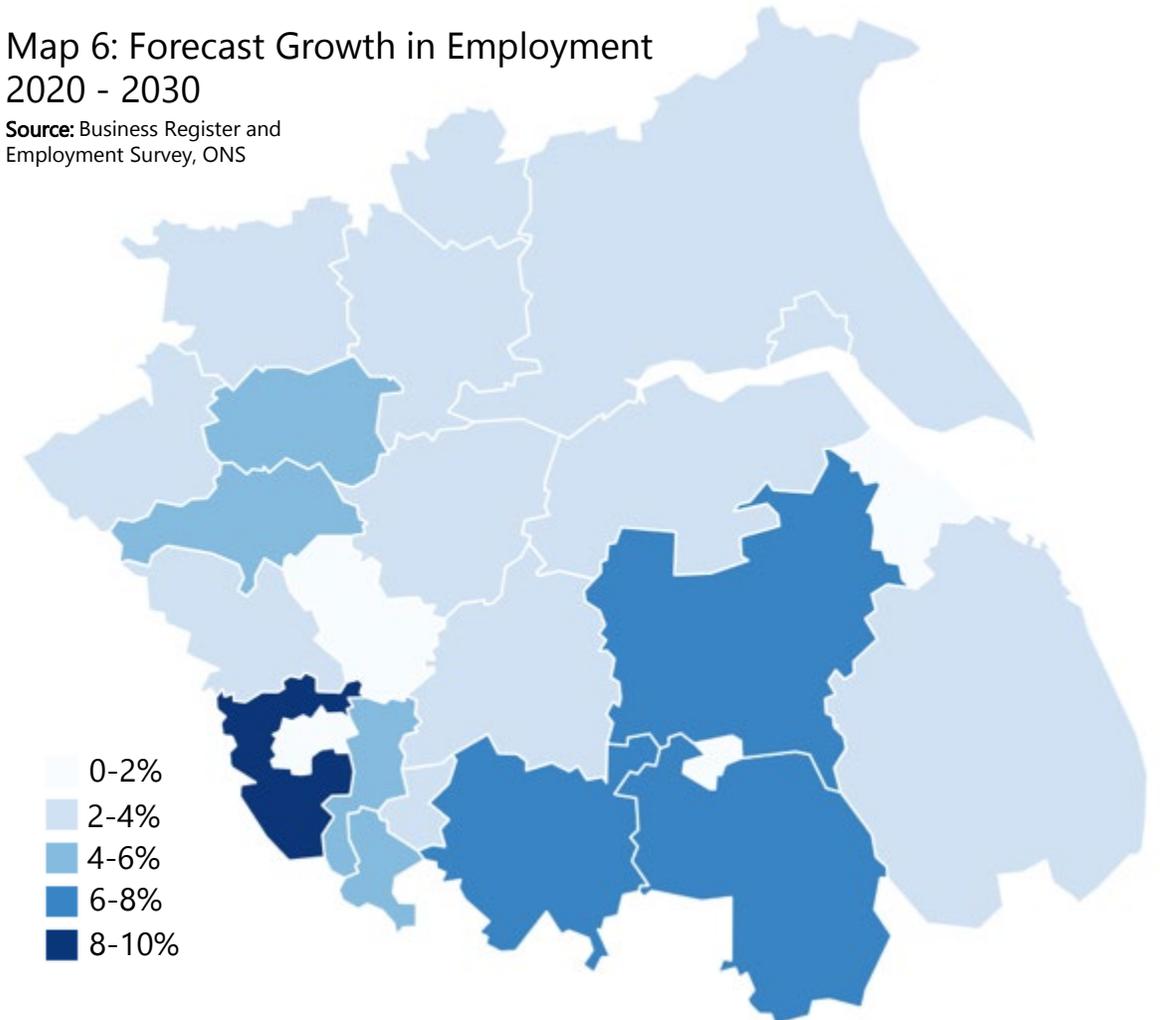
Employment in North East Lincolnshire is projected to increase by just 1% over the next ten years so is likely to continue to be a significant source of workers in North Lincolnshire workplaces, though a projected 4% decrease in its working age population over this period will place some drag on this commuter flow.

Employment in West Lindsey is projected to increase by 7% between 2020 and 2030 whilst at the same time its working age population is set to decrease by 1%. This could present even more of a pull factor to North Lincolnshire residents over this period.

We note here that the scenario for employment growth as a result of renewables sector growth in North Lincolnshire results in a growth rate much higher (14%) than any of those presented for surrounding areas, and if realised would clearly have an impact on some of these assumptions. However, we also note the 'known unknown' of other local authority area plans for stimulating employment growth.

Map 6: Forecast Growth in Employment  
2020 - 2030

Source: Business Register and  
Employment Survey, ONS



# CURRENT AND FUTURE SUPPLY CONT.

## HOMEWORKING

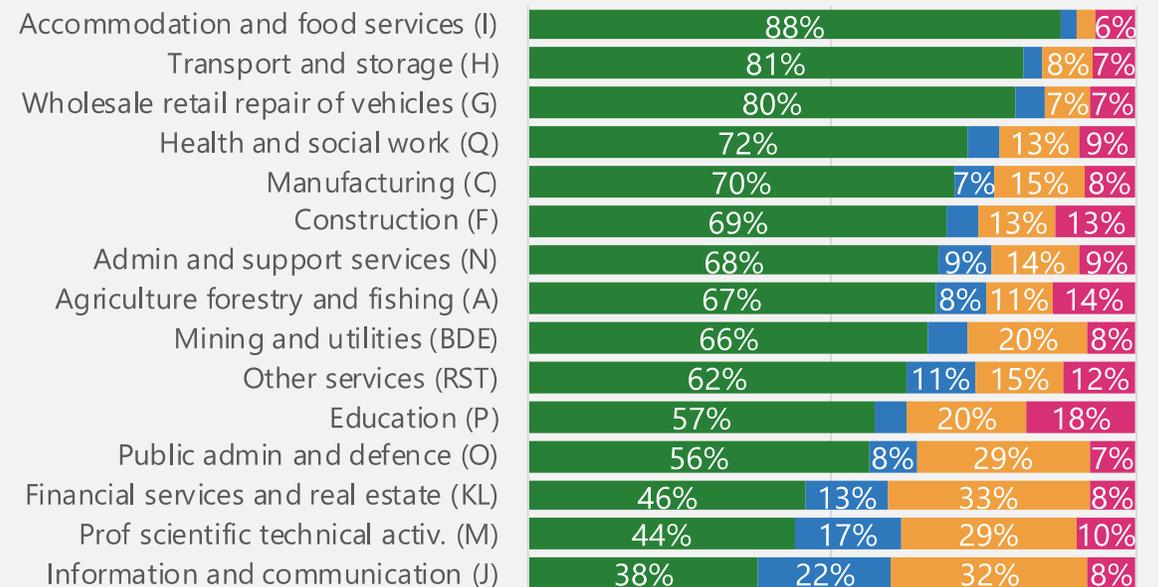
The ability and sometimes the necessity to work from home has played a significant role in peoples working lives since the onset of the pandemic. Much has been written already about how the effects of this enforced change to life and work style may hang around post-pandemic, and drive change in the operating models of employers in the future. A final view of a truly post-pandemic labour market is too early to call but we can use some data to help us to better understand where it is heading.

Data from the Annual Population Survey shows that in the UK the proportion of workers that completed some work from home in 2018 was 24%. By 2019 this figure had increased to 27%, and during 2020 this figure hit 36%. At the local level, these results are only available for North and North East Lincolnshire combined, and they show that the area had one of the lowest rates nationally for home working in 2020 at 18% (and this was down from 21% in 2018, and 20% in 2019) (Source: Homeworking hours, rewards and opportunities in the UK: 2011 to 2020, Office for National Statistics). This is perhaps not surprising given that the top six industries where staff never work from home make up the top six employers in the area (Chart 26).

What about the future? Businesses have been asked sporadically (as part of the Business Insights and Conditions Survey carried out by the Office for National Statistics to gather insight on the impacts of COVID-19 on businesses) as to whether they intend to use increased homeworking as a permanent business model going forward and the responses over the past 18 months have fluctuated based on the COVID-19 measures in place at the time i.e., if the country was in lockdown, then the proportion of businesses responding 'yes' tended to increase.

However, the proportion has been as high as 19% (September 2020) but averages around 16%, and this is where it stands at present. That is the view of businesses, but what about employees? Recent research from the Resolution Foundation ('Begin Again?', Nov21) finds that workers expect the increase in hybrid work to outlast the pandemic, but not fully remote working. Hybrid working will provide some workers with more options about where to live, and more opportunities to balance work and family commitments.

Chart 26: Industry Sector by Work From Home Status, UK, 2020



Source: Business Insights and Conditions Survey (BICS) Wave 41, Office for National Statistics

■ Never ■ Mainly ■ Recently ■ Occasionally

# EDUCATION, LEARNING AND SKILLS PROVISION



# EDUCATION, LEARNING AND SKILLS PROVISION – SUMMARY

## KEY FINDINGS

- North Lincolnshire is 'self-contained' for education and skills provision with a small number of significant, well-regarded local providers providing an infrastructure for a potentially powerful local skills collaboration, working alongside local employers and other stakeholders.
- The scale of North Lincolnshire young people leaving their Year 11 school provides an opportunity for careers guidance to inform careers decisions.
- The high concentration of post-16 students in Scunthorpe ensures high learner footfall and a breadth of choice of academic and vocational learning opportunities through North Lindsey College, John Leggott College and Engineering UTC and UCNL – a brand new higher education campus.
- There are other major strengths in provision locally with CATCH and HETA prominent manufacturing / engineering specialists; Modal a logistics specialist in Immingham; a national Hair and Beauty provider in Positive Approach.
- North Lincolnshire has pockets of education and skills deprivation, and, despite recent improvements, there are still more local people with low or no skills, and a widening higher skills gap compared to the national position.
- Apprenticeship starts have declined substantially; broadly in line with national trends, although there has been a steep decline for Under 19s with key occupational areas such as engineering also in decline. More positively, several local providers report a surge in Apprenticeship starts in Autumn 2021.
- Evidence suggests that there has been a slow adoption locally of new 'occupational standards' through the national apprenticeship policy transition and this may partly explain the lag in starts.

- North Lincolnshire has one of the lowest levels of HE participation in Greater Lincolnshire, significantly below national averages with local graduate retention also a major challenge.
- Stakeholders feedback that COVID-19 has had a major impact on the confidence, social skills, self esteem and general wellbeing of many local young people with work experience and other work encounters also ceasing.
- It is reported that the local DWP Youth Hub has made a real difference to youth unemployment which has been a long-term challenge for the area.
- There is an Important role for Traineeships / Pre-Apprenticeships to create earlier pathways for growing sectors – especially for those with lower educational attainment; although demand is reported as very low from employers and learners.
- Reports of a very low employer demand for higher level skills, with employers unwilling to invest despite skills shortages and an ageing workforce. A stakeholder suggesting employers need to "wake up and smell the coffee" as there is "no choice but to train".

## OPPORTUNITIES

- There is an appetite from providers to develop a shared ambition and cross-cutting skills plan for North Lincolnshire which through collaborative leadership and 'joined up' thinking would optimise the North Lincolnshire employment and skills offer from both an economic and community perspective.
- Review careers education locally ensuring young people and adults understand and can make informed decisions about career paths – including a contemporary understanding of growing sectors such as Manufacturing and, Healthcare, and also important 'lower profile' areas such as Digital and Professional Services.

# EDUCATION, LEARNING AND SKILLS PROVISION CONT.

## NORTH LINCOLNSHIRE'S LEARNING AND SKILLS INFRASTRUCTURE

- Geographically, physical access to Further Education lags behind national averages with only 20% within 15 minutes travel compared to 31% nationally. Centrally located Scunthorpe therefore provides an accessible study location and 95% of post-16 Learners stay in North Lincolnshire, supported by local school transport policy, ESFA Bursaries and significant additional transport provided directly by the providers.
- Post-16 provision for North Lincolnshire residents is dominated by North Lindsey College (Part of DN Colleges) and John Leggott Sixth Form College – between them accounting for 95% of FE and Skills Learning Aims delivered to young people in North Lincolnshire post Key Stage 4. They also deliver a further 16% of their combined total learning aims to young people resident in neighbouring areas.
- Only 4 out of 14 larger secondary schools have their own linked sixth form meaning that only c29% of North Lincolnshire young people continue their studies with their Year 11 school, underlining the importance of Year 11 decision making in terms of further study at a different location. (Across Greater Lincolnshire, 46% of young people continue their studies at their Year 11 school).
- 39% of local young people attend a sixth form college compared to only 12% overall in Greater Lincolnshire.
- The high concentration of post-16 students in Scunthorpe ensures high learner footfall and a real breadth of choice of accessible academic and vocational learning opportunities through North Lindsey College and John Leggott.
- North Lincolnshire also has high levels of education, skills and training deprivation in wards in Scunthorpe, Brigg, Winterton and close to Immingham.

- Important occupational areas such as healthcare, engineering and construction are well represented and taken up locally – particularly in Further Education rather than apprenticeships.
- There has been a continual decline in FE/Skills participation and achievement at Levels 2 and 3 for under 19s, partly offset by increases in other qualifications that do not constitute a full qualification level.
- ESFA Adult Learning provision in North Lincolnshire is delivered by three main providers (North Lindsey College; North Lincolnshire Council and the WEA) collectively delivering 74% of all Adult Learning aims.
- North Lindsey College is the largest Apprenticeship provider with 33% of all starts in a market where there is often greater dispersal of starts across multiple providers.
- There are clear strengths locally in terms of specialist provision with Engineering UTC; CATCH and HETA very prominent manufacturing / engineering specialists plus a nationally recognised Hair and Beauty provider in Positive Approach and a brand-new Higher Education campus, UCNL.
- North Lincolnshire Council is itself a major local player in employment and skills with provision including a major community Adult Learning delivery; employment provision through Action Station, an in-house apprenticeship scheme, a levy-share scheme and its own Sector Work Based Academy.
- North Lincolnshire has proportionally more larger companies (e.g., British Steel, Wren, Two Sisters) leading large scale recruitment and training provision. This will be supplemented significantly over the next ten years as a number of new international inward investors set up sites locally.

*This analysis is covered in more detail in the October 2020 SkillsReach report on Post16 Further Education and Skills Analysis in North Lincolnshire, commissioned by Lincolnshire County Council.*

# EDUCATION, LEARNING AND SKILLS PROVISION CONT.

## QUALIFICATION LEVELS

The most robust and accurate data available on qualification levels is via the Census. Data from the 2021 Census will not be available until Spring/Summer 2022 so is outside the scope of this current work. However, we can draw some conclusions regarding the position and changes in North Lincolnshire qualification levels from 2011 Census data and findings from the 2020 Annual Population Survey.

Chart 27 shows that overall qualification levels of North Lincolnshire residents aged 16 plus in 2011 were relatively low when compared to the national picture i.e., only 21% have a level 4 qualification or above compared to 30% nationally. North Lincolnshire also had a slightly higher proportion of residents aged 16 plus with no qualifications than nationally, 17% compared to 15% respectively.

Referring now to chart 28, then this appears to show that North Lincolnshire's qualification levels have improved markedly from their 2011 position, with now nearly a third (32%) of the resident population aged 16+ with level 4 qualification or above, higher than the average for Greater Lincolnshire. This is still some way behind the national picture; where the gap has widened from nine percentage points in 2011 to 11 percentage points in 2020.

Even with this relatively positive performance, we would advise caution in the use of these Annual Population Survey statistics providing a completely accurate picture of 2020 qualification levels in North Lincolnshire due to the small sample size used, and the resulting large errors of margin in the results. Our view is that the current North Lincolnshire skills profile is much more likely to be in line with that of Greater Lincolnshire.

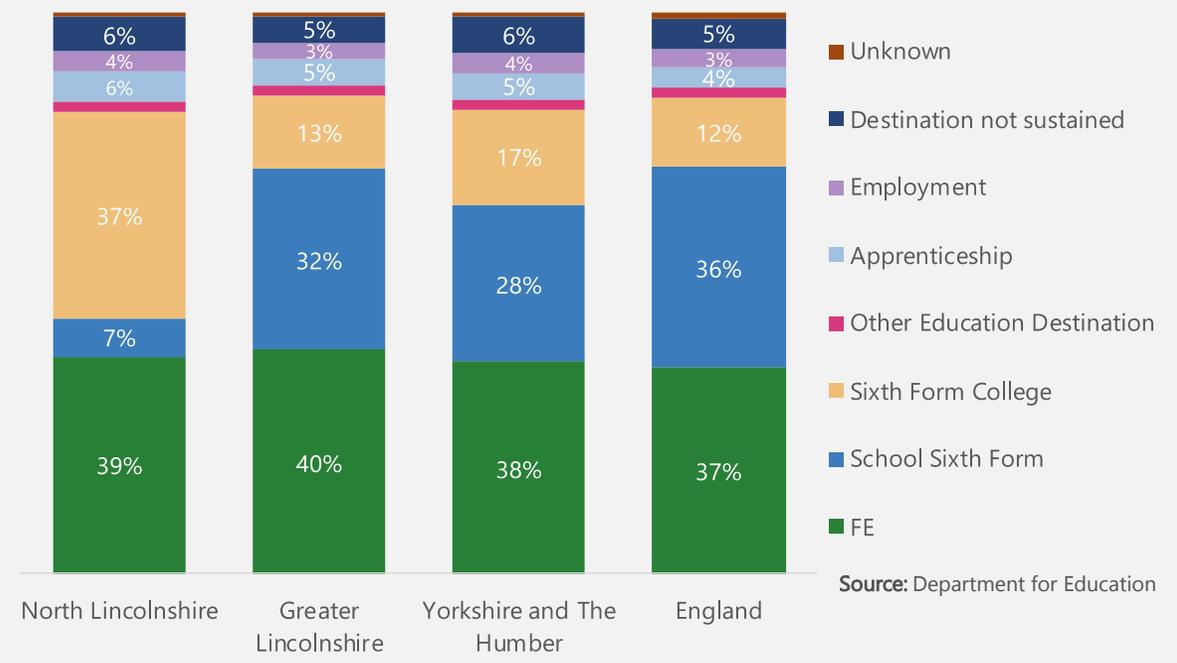


# EDUCATION, LEARNING AND SKILLS PROVISION CONT.

## POST-16 DESTINATION

Referring to chart 29, North Lincolnshire bucks the trend when it comes to post-16 destinations, with 37% of young people attending a sixth form college compared to an average of 13% across Greater Lincolnshire, and 12% nationally. Only 7% attend a 'traditional' school sixth form compared to 36% nationally. Destination at an FE College at 39% is broadly in line with Greater Lincolnshire, regional and national averages.

Chart 29: 2019/20 KS4 Destinations, 2018/19 Cohort



## HIGHER EDUCATION PARTICIPATION

Data on higher education participation rates shows that North Lincolnshire underperforms when it comes to 18-year-olds starting a higher education course. POLAR4 data (which is based on how many 18-year-olds from an area started a higher education course between 2009/10 and 2013/14) shows that North Lincolnshire, at 28.1%, has one of the lower levels of HE participation in Greater Lincolnshire (31%), and is also significantly below the national average participation level (38%).

Graduate retention is also an issue. Just under a fifth of graduates from Greater Lincolnshire HE institutions stay in/move to the region of Yorkshire and the Humber after graduation although this figure rises to 60% if we consider the East Midlands region as well.

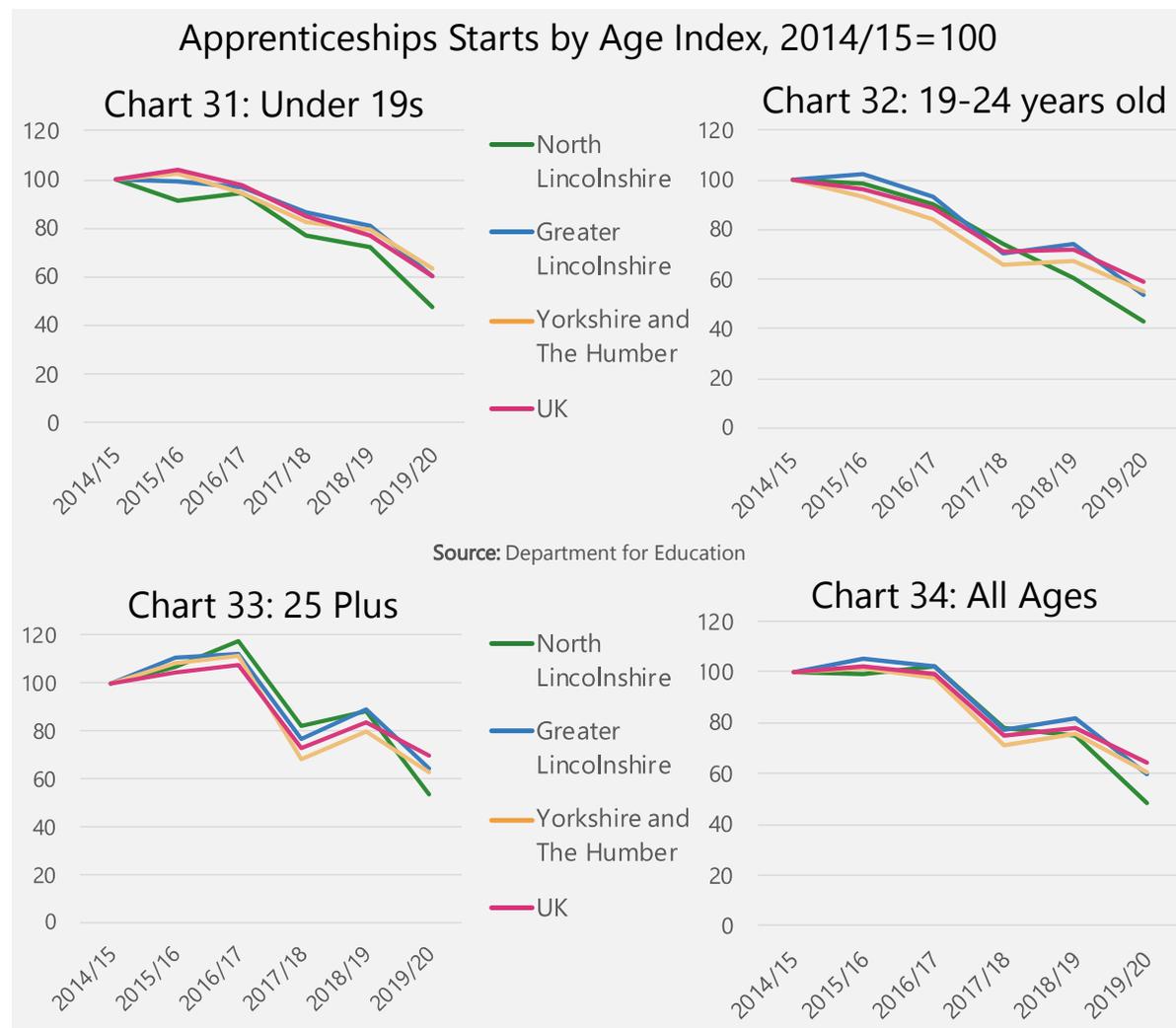
Analysis of HE graduate outcomes in both the Greater Lincolnshire SAP and Local Skills Plan shows that graduates (with degrees from University and FE Colleges) educated in Greater Lincolnshire are more likely to leave for study and not return when compared with the national average. However, when compared with other LEP areas the picture is an interesting one. In a ranking, 21 LEPs have a higher proportion of undergraduates leaving the area for study than Greater Lincolnshire. Furthermore 58% of graduates working in Greater Lincolnshire studied elsewhere which suggests a reasonable amount of pull, attractiveness or opportunity (when compared to other LEP results) for both graduates who grew up here, and to others who grew up and studied elsewhere. 55% of Greater Lincolnshire graduates came to the area to study, a figure which is higher than Greater Manchester. Approximately 40% of students studying in Greater Lincolnshire go on to secure employment in Greater Lincolnshire which is reasonably high if results for London are removed from the analysis.

# EDUCATION, LEARNING AND SKILLS PROVISION CONT.

## APPRENTICESHIPS BY AGE

Chart 30 shows that apprenticeship starts have fallen across all age groups since 2016/17 over the last five years: from just under 2,000 in 2014/15 to just under 1,000 in 2019/20. Latest figures for 2020/21 covering the period to the end of quarter 3 (April 2021) show 890 starts so the end of year figures are unlikely to be higher than 2019/20. Anecdotally, and from engaging with various providers, there has been strong demand locally for apprenticeship places since September 2021.

Charts 31 to 34 show how the performance in start numbers by age group compares across comparator areas. For under 19s then the drop in numbers in North Lincolnshire has been steeper than locally, regionally and nationally. For 19- to 24-year-olds, and those aged 25 plus, performance has either been in line or above other comparator areas until more recently, where all the charts show North Lincolnshire performance dropping below all other areas.



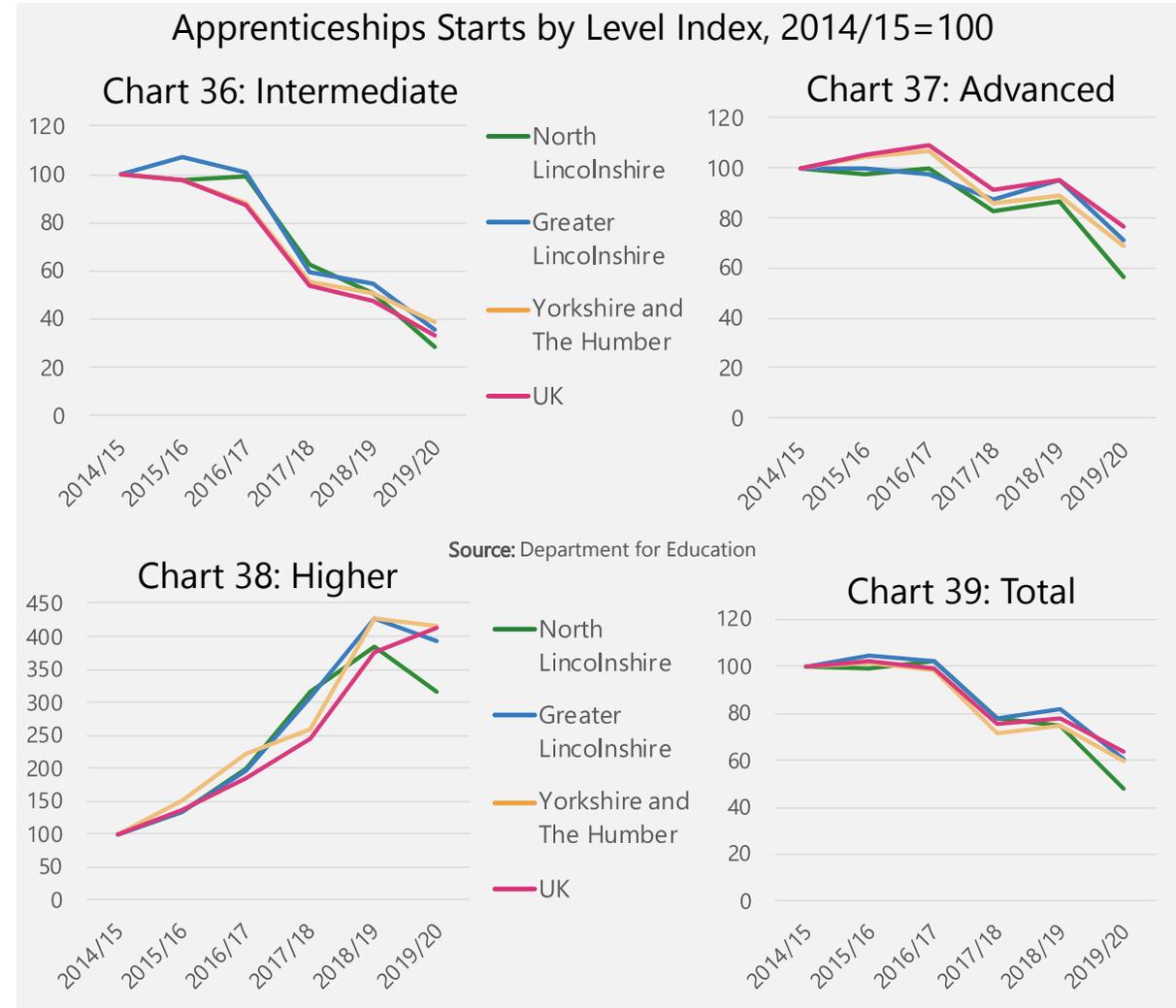
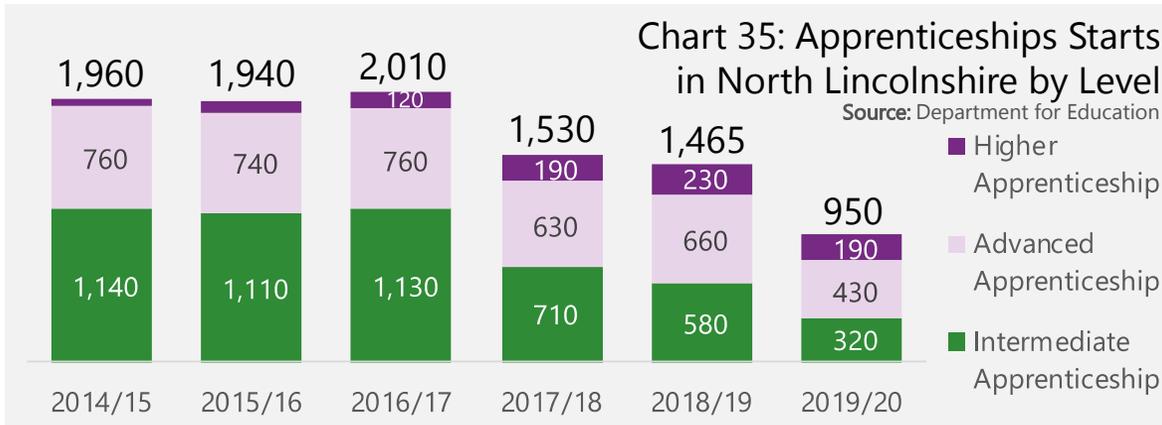
# EDUCATION, LEARNING AND SKILLS PROVISION CONT.

## APPRENTICESHIPS BY LEVEL

Chart 35 below shows that apprenticeship starts have fallen since around 2016/17, and prior to that numbers were consistently around the 2,000 mark. Higher level apprenticeship numbers in North Lincolnshire were on the increase until 2018/19. Chart 38 shows that performance was in line with local, regional and comparator areas but then dropped away after 2018/19.

At intermediate level, the change in intermediate apprenticeship start numbers has been broadly in line with local, regional and national comparator areas, whereas for advanced apprenticeship starts performance has been below.

In terms of the shift from apprenticeship frameworks to apprenticeship standards then North Lincolnshire has only seen a 6% increase in starts utilizing standards between 2017/18 and 2019/20. This compares to 35% for Greater Lincolnshire, 56% regionally, and 47% nationally and suggests slower adoption of the new occupational standards approach.

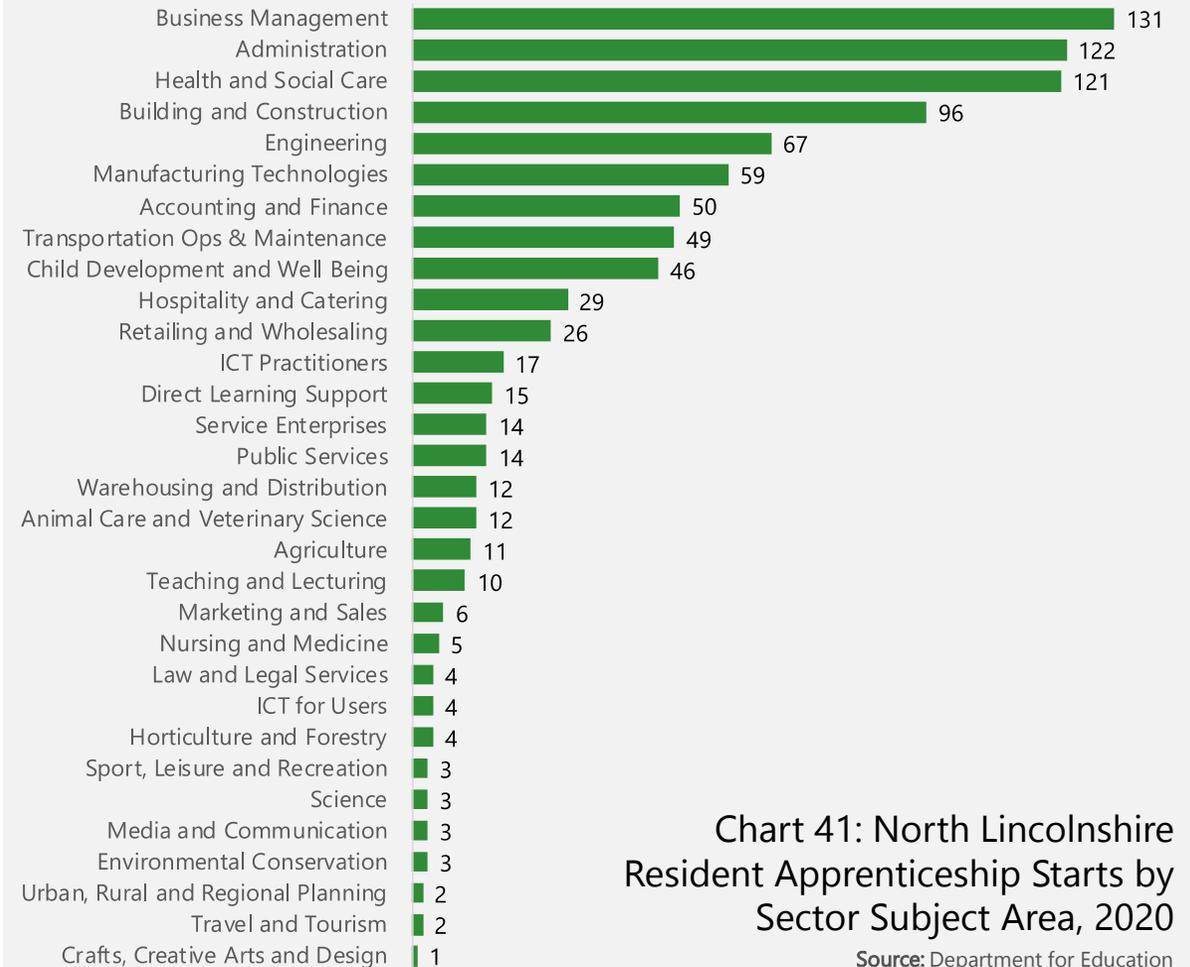
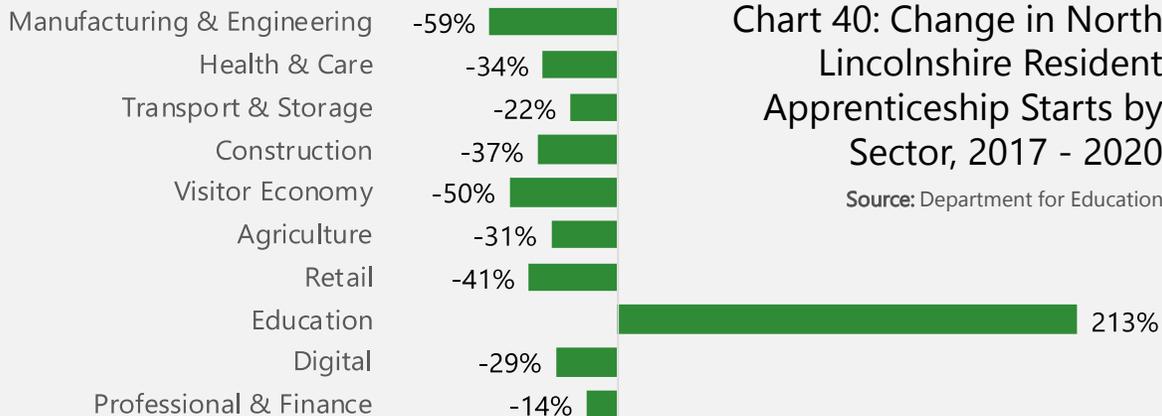


# EDUCATION, LEARNING AND SKILLS PROVISION CONT.

## APPRENTICESHIPS BY SECTOR SUBJECT AREA

In 2020, and barring the non-sector specific subject areas of 'Business Management' and 'Administration', the highest numbers of apprenticeship starts were in 'Health and Social Care', 'Building and Construction', 'Engineering' and 'Manufacturing Technologies' (Chart 41). These are broadly in line with locally important / growing sectors, although starts in 'Transportation Operations and Maintenance' appear to be slightly under-represented. There are reports however of significant investments in Transport Academies locally with plans to recruit and train many more LGV Drivers and Logistics workers.

Additional analysis of starts between 2017 and 2020 (Chart 40) however shows the largest decline in starts to be in these higher priority sectors – something quite concerning considering the economic growth plans in place in areas such as advanced manufacturing. These declines are slightly mitigated by an increase in apprenticeships in the Education Sector, but the numbers are small.

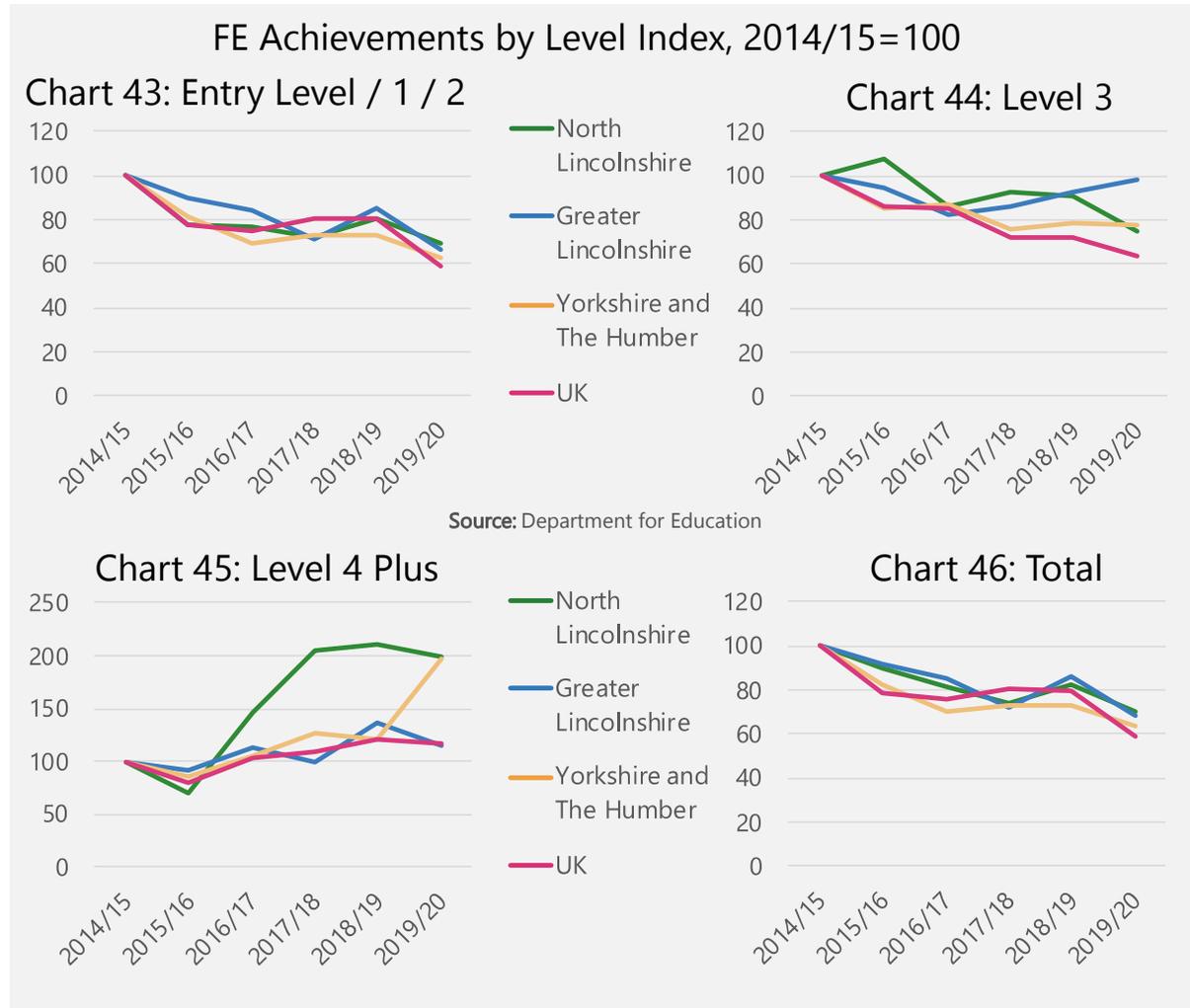
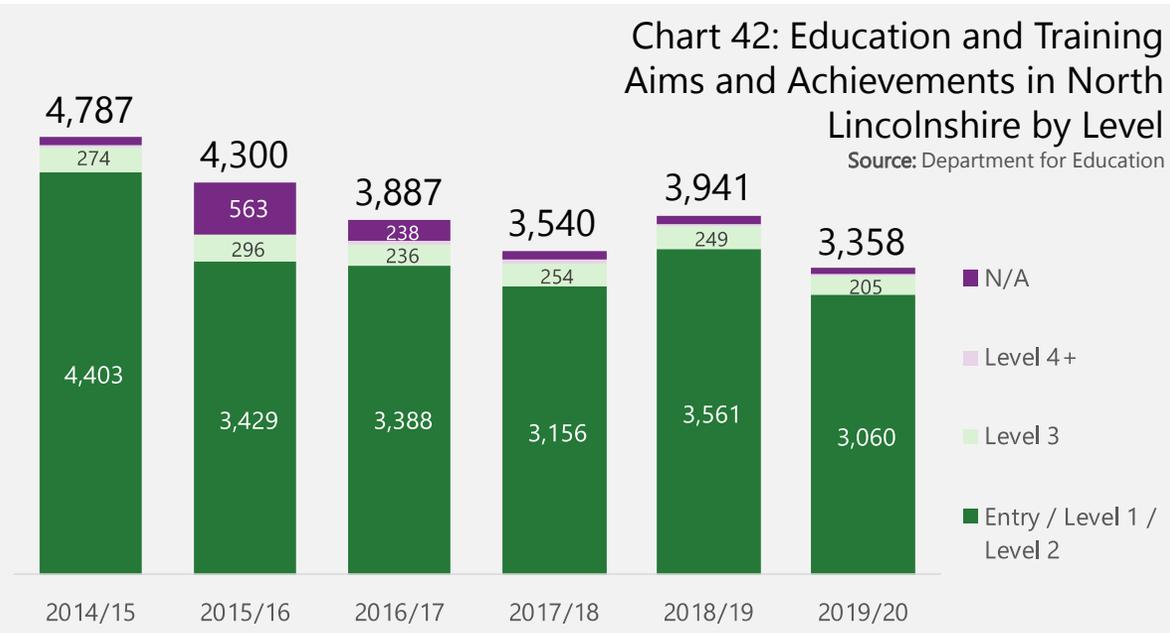


# EDUCATION, LEARNING AND SKILLS PROVISION CONT.

## FURTHER EDUCATION

Latest data on education and training aims and achievements by those aged 19 plus shows that whilst numbers have fallen overall then there are some encouraging signs around changes in the levels of qualifications being achieved.

Chart 42 shows that having fallen between 2014/15 and 2017/18, numbers have subsequently held around that mark, and whilst not immediately apparent due to the small numbers involved, growth in achievements at level 4 (although based on low numbers) and above has been above those at Greater Lincolnshire and national level.



# EDUCATION, LEARNING AND SKILLS PROVISION CONT.

## STAKEHOLDER FEEDBACK

### Supply-side

- COVID-19 has had a major impact on the confidence, social skills, self esteem and general wellbeing of many local young people.
  - Work experience and other work encounters have virtually stopped as a result of the pandemic.
  - A significant proportion of young people are not viewed as 'work-ready' and described as sometimes 'unrealistic' in terms of career aspirations.
  - The local DWP Youth Hub has made a real difference to youth unemployment which has been a long-term challenge for the area.
  - There are cultural / perception barriers to people pursuing career opportunities in important sectors such as manufacturing and transport – it being perceived as semi-skilled, 'shift work' with unsocial hours and of low status.
  - Important growth sectors report major workforce gender imbalances (e.g., Engineering, Healthcare) making inclusion and diversity a challenge.
  - Rural North Lincolnshire face 'out of area' to universities with a very high proportion of local HE students at UCNL living within 5 miles of Scunthorpe.
- Apprenticeship opportunities arise all year round not simply from July to September. Schools find accessing information about Apprenticeships very difficult and longwinded compared to job applications.
  - There is an important role for Traineeships / Pre-Apprenticeship provision to create earlier pathways – especially those with lower educational attainment, although demand is reported as very low from both employers and learners.
  - Engineering higher apprenticeship numbers are very low, considering the local sector strengths, and there is a need to create more HE pathways for people in, or aiming to join, growth sectors such as manufacturing and healthcare.

# EDUCATION, LEARNING AND SKILLS PROVISION CONT.

## STAKEHOLDER FEEDBACK (Continued)

### Demand-side

- 'The biggest challenge is meeting employer demand for frontline jobs' – 'Where are all the people?'
- There is a demand for renewable skillsets, and this will increase hugely – not necessarily as an entry requirement for a job but rather as an upskilling priority.
- There remains a very low employer demand for higher level skills with employers unwilling to invest despite skills shortages and an ageing workforce
- Employers need to 'wake up and smell the coffee' as there is 'no choice to not train'
- There is a need for more engagement with SMEs in Apprenticeships, Traineeships and T Levels.
- Employers were viewed as much more proactive in the east of North Lincolnshire rather than the west.
- Providers recognize the demand for higher level digital skills such as Big Data / AI etc. although it is unclear where local providers can best contribute.

### Opportunities

- **An appetite to develop a shared ambition, strategy and skills plan for North Lincolnshire** which through collaborative leadership and 'joined up' thinking would optimise the North Lincolnshire employment and skills offer from an economic and community perspective. The following areas could be considered:
  - Promoting higher level skills
  - Ensuring a focus upon locally important or growing sectors
  - Data sharing (e.g., destinations) to ensure best local labour market information and learner outcomes
  - Encourage inclusion and diversity
  - Apprenticeship, Traineeship and T Level development
  - Improving the local careers advice infrastructure.
- **Initial Opportunities could include:**
  - Tackling immediate skills shortages in accessible, frontline jobs
  - Developing a co-ordinated work experience hub for North Lincolnshire
  - A partnership led Careers Fair engaging young people and teachers / parents.

# MANUFACTURING



# KEY FINDINGS AND RECOMMENDATIONS



## KEY FINDINGS

- **Manufacturing is North Lincolnshire's largest sector, directly employing 18,000 people; 24% of total employment in the area and 28% of total manufacturing employment across Greater Lincolnshire.**
- **Manufacturing jobs have grown locally by 21% since 2010 with forecasted strong continued growth (e.g., renewables) above all comparators.**
- **There is a pressing supply / demand 'mismatch' for both entry level manufacturing opportunities and the ability to recruit or upskill existing workers for higher level skills needs.**
- **Businesses reported major challenges recruiting frontline, entry-level operative positions to meet immediate customer needs with ongoing vacancies in occupations in frontline roles such as food and drink operatives, semi-skilled machinists forklift truck drivers, packers, and assembly.**
- **There are high numbers of vacancies for metal working / maintenance fitters, engineering trades, technicians and manufacturing management.**
- **There is a long-term requirement to recruit and/or develop higher level skills - particularly engineers; with more required in future as businesses innovate and develop sustainable, higher tech processes and products.**
- **A risk that current operative skills shortages, may cloud the longer-term opportunity for businesses to innovate and improve productivity through investment in longer term higher skills progression pathways.**
- **Despite an impressive local infrastructure of sector-based education and training providers, there has been a significant decline in local apprenticeship starts, FE participation and HE achievement., although anecdotally, there has been a significant increase in starts in Autumn 2021.**

## IMMEDIATE RECOMMENDATIONS

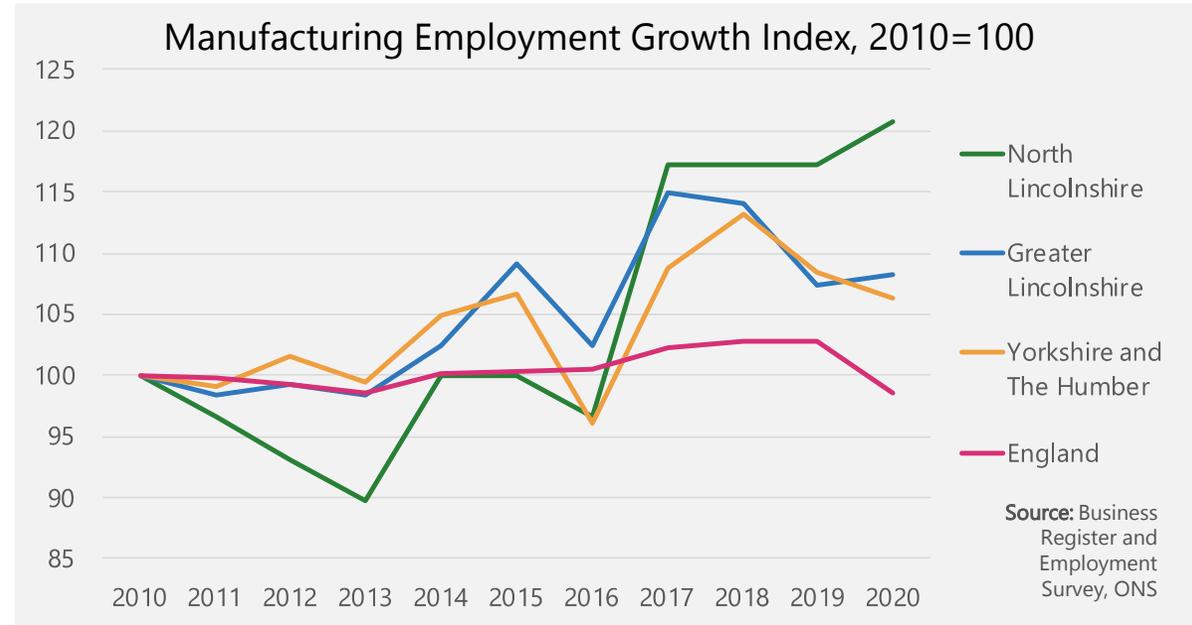
- **To work locally with FE, Apprenticeship and Employment Providers to identify whether a local partnership initiative can support employers to fill existing operative vacancies and local people to access careers in manufacturing through upskilling' from the 'first rung of the ladder'. Such an initiative could focus upon diversity and inclusion potentially seeking employment access opportunities to under-represented groups or residents who may normally find such opportunities inaccessible.**

## LONGER TERM RECOMMENDATIONS

- **Develop a strategic sector-wide growth and skills collaboration, including learning providers, to promote manufacturing jobs, upskilling and careers and to develop the local skills pool to meet the exciting growth potential of the sector in North Lincolnshire.**
- **To ensure that Apprenticeships, Traineeships and other learning pathways both for entry positions, and to support workforce progression to higher skills, are maximised in North Lincolnshire, countering the trend of decline and building upon anecdotal reports of substantial growth in new starts.**
- **Business support for local employers to ensure their job offer maximises recruitment and staff retention and encompasses residents in a highly competitive labour market.**
- **Explore the opportunity, in collaboration, for the area to develop national recognition around upskilling and CPD in respect of renewables developments and carbon-free manufacturing skillsets for workers.**

# AN OVERVIEW OF SKILLS DEMAND IN THE MANUFACTURING SECTOR IN NORTH LINCOLNSHIRE

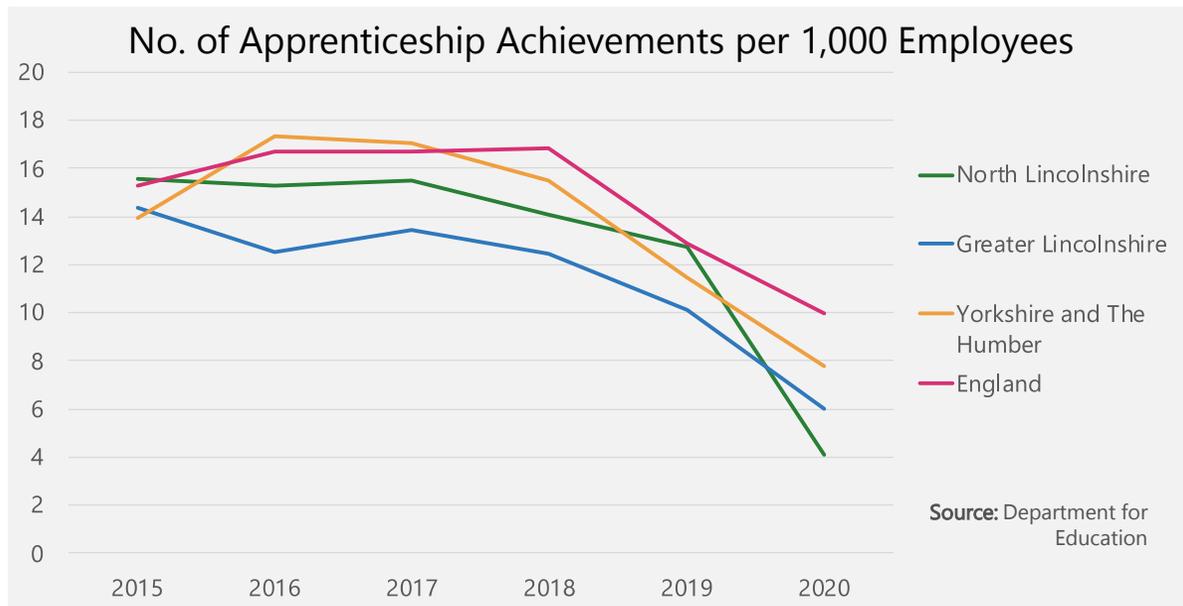
- Manufacturing is North Lincolnshire's largest sector, directly employing 18,000 people. This equates to just a under a quarter (24%) of total employment in the area (and makes up 28% of total manufacturing employment across greater Lincolnshire). Nationally, only 8% of employment is in manufacturing (*Source: Business Register and Employment Survey, 2020*).
- Modelled estimates put Gross Value Added (GVA) for the sector at £1.4bn in 2019, 18% higher than in 2009. This equates to 34% of the total economic value generated by the North Lincolnshire economy.
- Significant sub sectors include:
  - Steel (4,000 jobs – covering the manufacture of basic metals and fabricated metal products)
  - Food (4,000 jobs)
  - Furniture (3,500 jobs)
  - Chemicals (1,450 jobs – covering the manufacture of coke, refined petroleum products, chemicals and chemical products).
- Employment in the sector has grown by 21% since 2010.
- The chart on the right shows that despite drops in employment numbers in 2013 and 2016, growth has been strong and consistent, and is currently much stronger than growth seen locally, regionally and nationally.
- Forecasts for employment in the sector suggest strong growth at just over 5%, above other local, regional and national comparator rates.



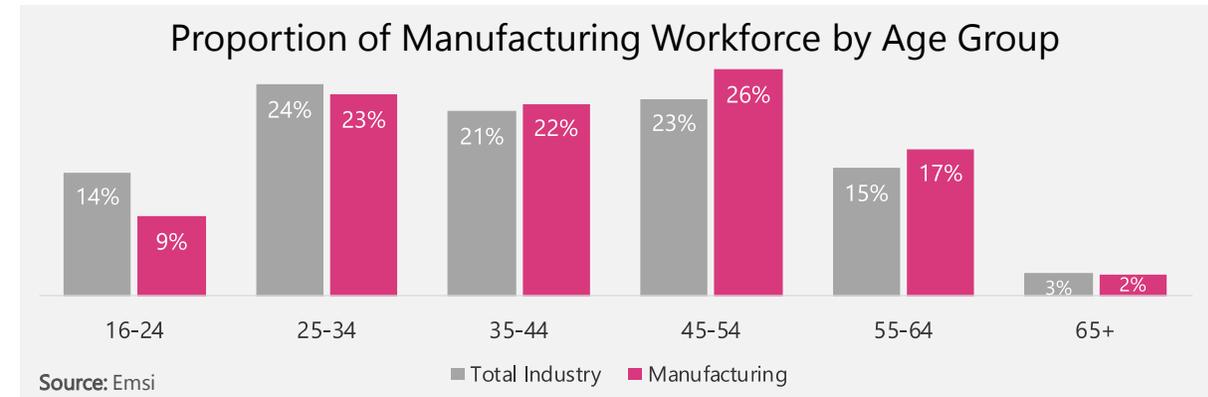
- Replacement demand (the proportion of the workforce that will leave the sector, mostly through retirement) is estimated to be 28% over the next decade. This equates to around 5,000 jobs that will need to be filled on top of forecast jobs growth.
- Growth in unique online vacancies has also been strong since 2016, with numbers increasing from 1,382 to 2,168 in 2020. As of September 2021, unique online job vacancy numbers were already at 2,811.

# AN OVERVIEW OF SKILLS SUPPLY FOR THE MANUFACTURING SECTOR IN NORTH LINCOLNSHIRE

- Starts in manufacturing apprenticeships by North Lincolnshire residents have fallen since 2017 by 59%, from 308 to 126 in the education year 2019/20 (which runs from August to July so will include some level of COVID-19 impact). Manufacturing apprenticeship numbers are the sum of starts in the sector subject areas of engineering, and manufacturing technologies.
- Referring to the chart below, further analysis of manufacturing apprenticeship achievements (which enables analysis over a slightly longer timescale) shows that there has been a marked decline in achievements over the last two years compared with local, regional and national comparator rates.



- Rates of participation in Manufacturing FE courses have also fallen, by 62% between 2015 and 2020, though this is broadly in line with the decline seen locally and regionally, but higher than nationally.
- Growth in people achieving HE courses relevant to manufacturing (engineering and technology not including civil engineering) at universities within an approximate drivetime area of 1 hour of North Lincolnshire have grown by 15% since 2014. This is much stronger than the growth seen nationally (6%).
- The male/female split of the Manufacturing sector workforce is 75/25 compared to an overall economy split of 51/49.
- The sector is slightly older than average with proportionally more employment in the 45-64 age group as shown below.



- During 2020, 7% of the national manufacturing workforce were mainly able to work from home, with a further 8% able to do so occasionally. Looking ahead, 8% of manufacturing businesses intend to use increased homeworking as a permanent business model.

# MANUFACTURING DASHBOARD

KEY:  North Lincolnshire

 Greater Lincolnshire

 Yorkshire and The Humber Region

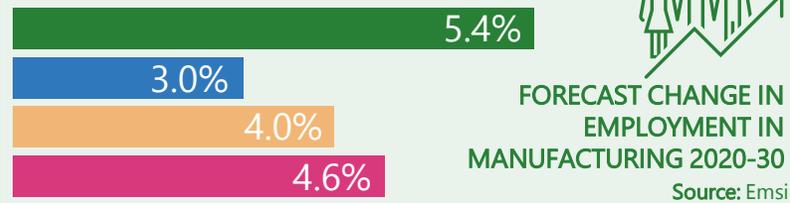
 National

## SKILLS DEMAND

### EMPLOYMENT CHANGE



### FORECAST EMPLOYMENT CHANGE



### VACANCY DATA



### REPLACEMENT DEMAND

**28%** of employees will leave the sector workforce over the next decade, so the sector will need to fill approx. **5,000** jobs on top of the forecast growth in job numbers

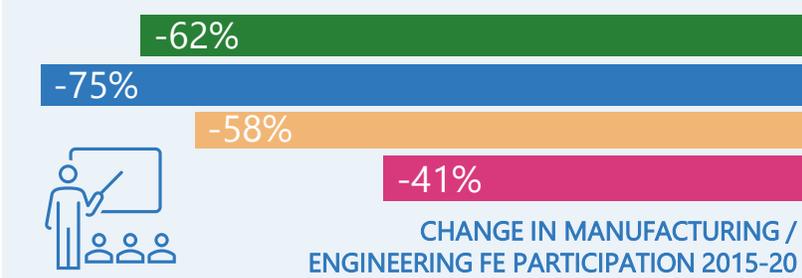
Source: Working Futures 2017-2027

## SKILLS SUPPLY

### APPRENTICESHIPS



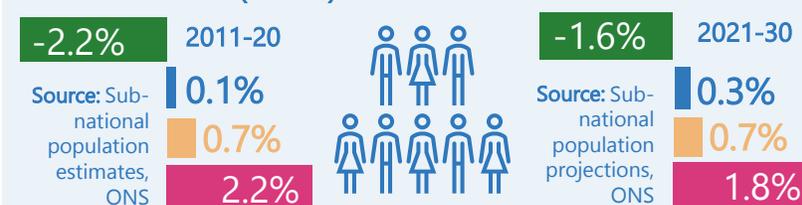
### FURTHER EDUCATION



### HIGHER EDUCATION



### WORKING AGE (16-64) POPULATION CHANGE



## IMPLICATIONS

Source: Employer Skills Survey 2019

### HARD-TO-FILL VACANCIES

Only **5%** of local manufacturers reported a hard-to-fill vacancy compared to **9%** nationally

### SKILLS SHORTAGE VACANCIES

**43%** of local manufacturers reported skills shortage vacancies compared to **36%** nationally

Despite businesses experiencing lower levels of hard-to-fill vacancies, local levels of skills shortage vacancies (as a % of total vacancies) are higher than nationally

**48%** of employers reported knowledge of organisations own products and services as a top 3 skill difficult to obtain

**53%** of employers reported complex problem solving as a top 3 skill difficult to obtain

**74%** of employers reported specialist skills or knowledge needed to perform role as a top 3 skill difficult to obtain

TOP 3 SKILLS DIFFICULT TO OBTAIN AS REPORTED BY RECRUITING EMPLOYERS

### WORKFORCE SKILLS GAPS

**7%** of local manufacturers report of staff as having a skills gap compared to **5.5%** nationally

\* Represents combined qualifiers of universities located in Hull, Leeds, Lincoln, Sheffield and York

# MANUFACTURING DASHBOARD – NORTH LINCOLNSHIRE LABOUR MARKET FOCUS

## TOP 10 OCCUPATIONS

Source: Emsi

	% OF SECTOR EMP.	% CHANGE 2010-20	QUAL LEVEL
1. Food, Drink and Tobacco Process Operatives	8%	54% ▲	2
2. Production Managers and Directors in Manufacturing	4%	11% ▲	6
3. Elementary Process Plant Occupations n.e.c.	4%	11% ▲	1
4. Fork-lift Truck Drivers	4%	74% ▲	2
5. Packers, Bottlers, Canners and Fillers	3%	22% ▲	1
6. Sales Accounts and Business Development Managers	3%	45% ▲	6
7. Assemblers and Routine Operatives n.e.c.	3%	407% ▲	2
8. Metal Working Production and Maintenance Fitters	3%	4% ▲	3
9. Metal Machining Setters and Setter-operators	2%	-9% ▼	3
10. Metal Working Machine Operatives	2%	26% ▲	2

## TOP 10 VACANCIES (JAN-SEP 2021)

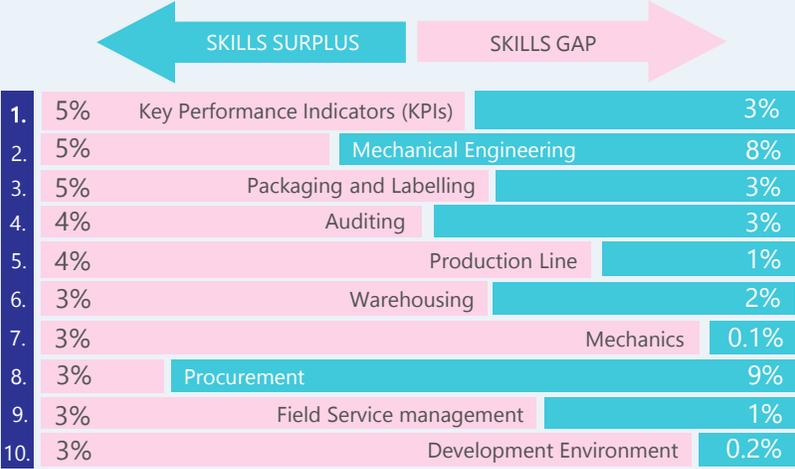
Source: Emsi

	% OF SECTOR VACANCIES	RANK 2016/20	QUAL LEVEL
1. Metal working production and maintenance fitters	18%	1 / 1	3
2. Production managers and directors in manufacturing	10%	3 / 2	6
3. Sales accounts and business development managers	9%	2 / 3	6
4. Science, engineering and production technicians n.e.c.	9%	4 / 4	3
5. Engineering technicians	7%	5 / 5	3
6. Production and process engineers	5%	- / 7	6
7. Elementary process plant occupations n.e.c.	4%	- / 6	1
8. Planning, process and production technicians	3%	- / -	3
9. Electrical and electronic trades n.e.c.	3%	6 / 9	3
10. Industrial cleaning process occupations	3%	- / 10	1

## TOP 10 HARD\* SKILLS

\* Hard skills are abilities that have been taught to or learnt by a person

FREQUENCY IN JOB POSTINGS Source: Emsi FREQUENCY IN CVs



## TOP 10 COMMON\*\* SKILLS

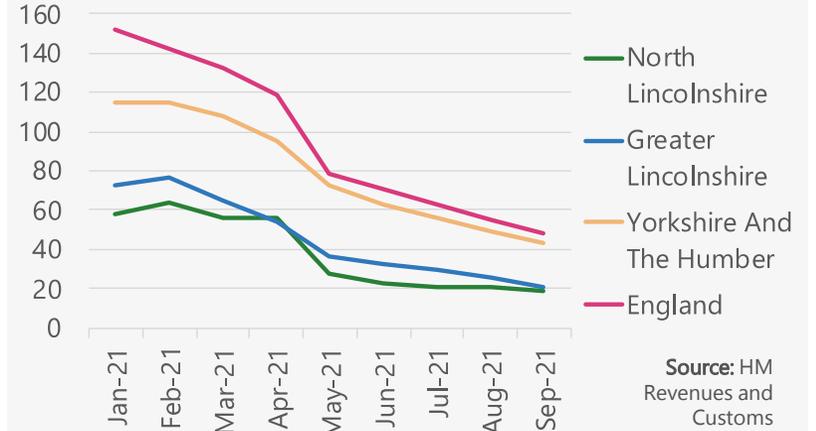
\*\* Common skills are self developed or personal attributes

FREQUENCY IN JOB POSTINGS Source: Emsi FREQUENCY IN CVs



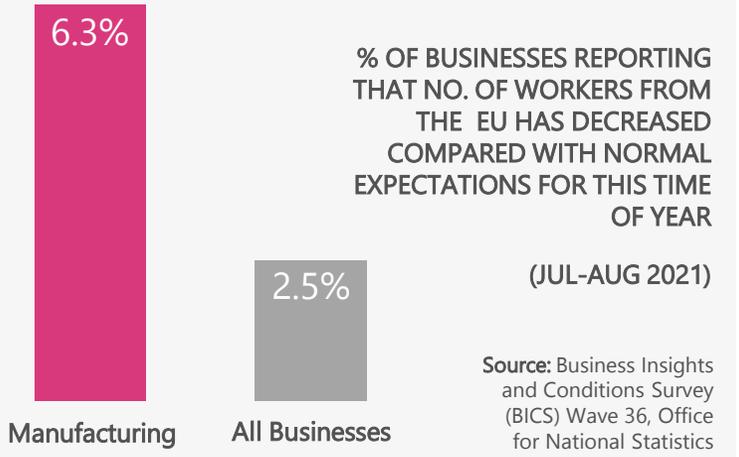
## COVID-19

FURLOUGHED EMPLOYMENTS PER 1,000 EMPLOYEES



Source: HM Revenues and Customs

## BREXIT

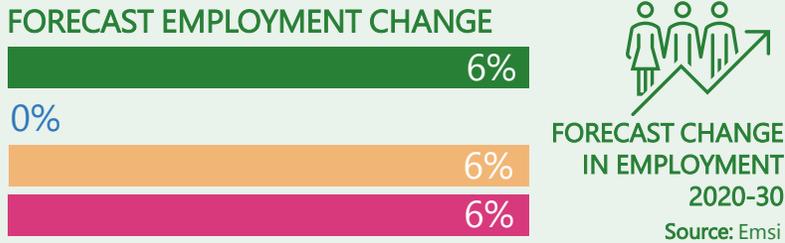
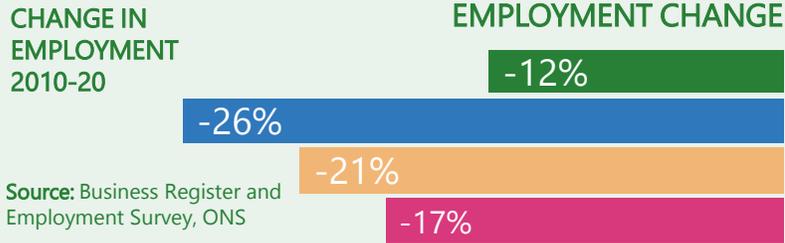


Source: Business Insights and Conditions Survey (BICS) Wave 36, Office for National Statistics

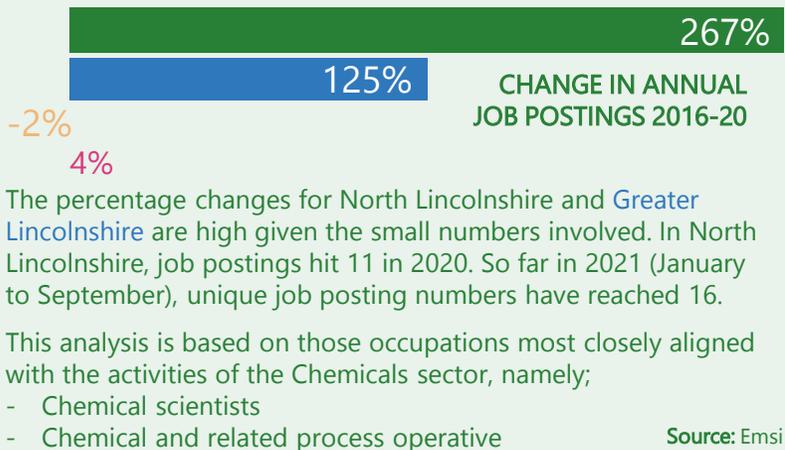
# MANUFACTURING SUB SECTORS

KEY:  North Lincolnshire  Greater Lincolnshire  Yorkshire and The Humber Region  National

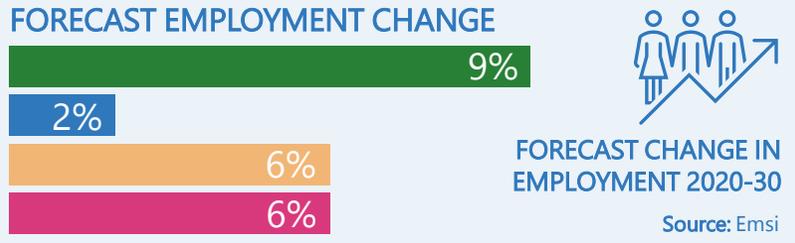
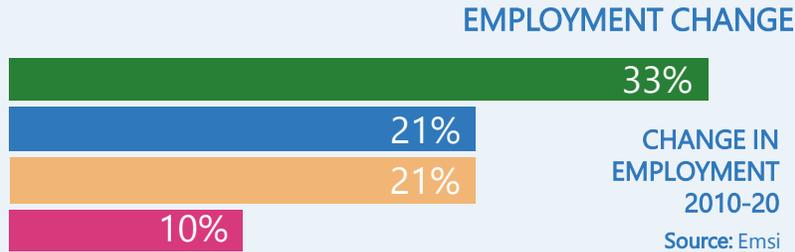
## CHEMICALS



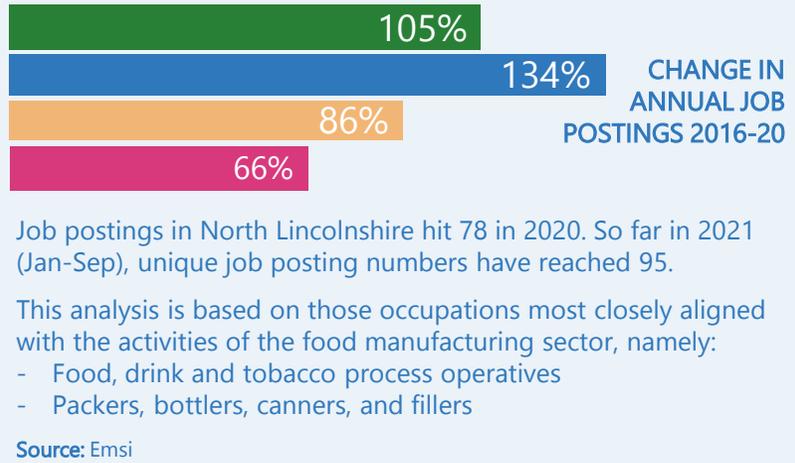
## VACANCY DATA



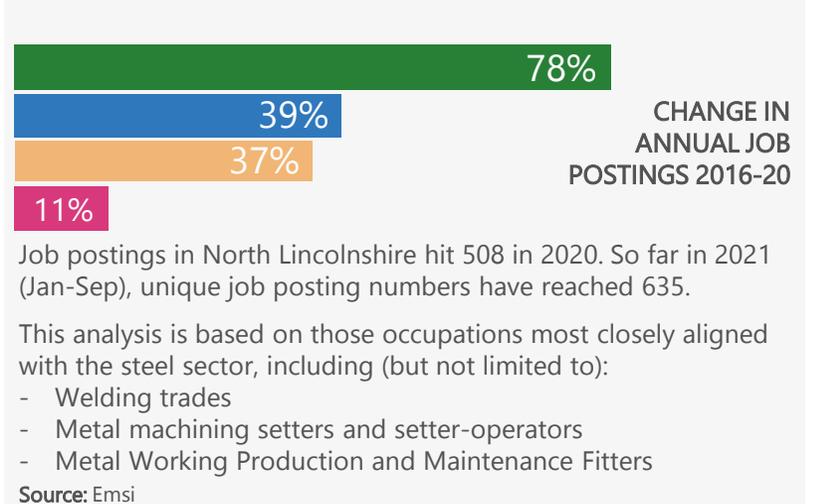
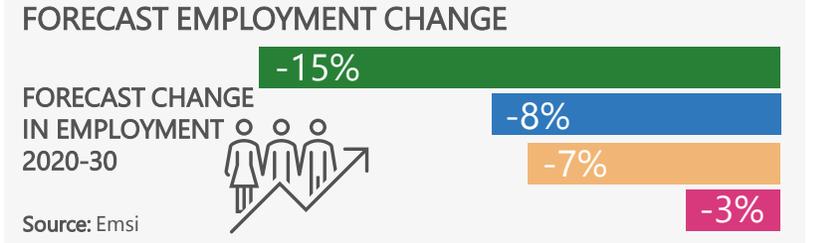
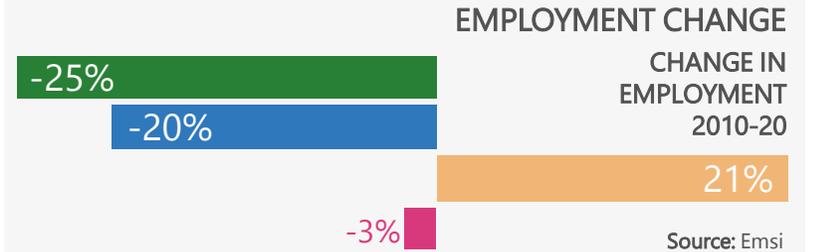
## FOOD MANUFACTURING



## VACANCY DATA



## STEEL



# LOCAL STAKEHOLDER FEEDBACK



## SKILLS DEMAND

- **Immediate major challenges recruiting frontline, entry-level operative positions** across the sector.
- Many **frontline positions do not require prior qualifications or experience**, but rather qualities such as reliability, motivation to learn, and basic skills.
- **Emphasis on the scope of frontline posts with potential to quickly progress to more senior roles** – including support for higher qualifications.
- **Many businesses reporting to be not at full capacity to meet existing orders, 'never mind growth'.**
- **This labour market tightening has been exacerbated by COVID-19 and Brexit**, with EU migrants leaving a significant shortfall not yet replaced.
- **An ongoing need to recruit and develop higher level skills** - particularly engineers with this likely to become more pressing as **businesses innovate and develop sustainable, higher tech methods.**
- A view that **new technologies will not affect 'headcount'** but rather the type of jobs employed with a likely increased demand for higher skilled/qualified people.

## SKILLS SUPPLY

- A recognition by many employers of the need for them to **reach out proactively to residents** through a **flexible, inclusive market-competitive job offer.**
- **Anecdotal evidence that Apprenticeships are on the increase again locally** – both for upskilling staff and new recruits – although reports that these vacancies are often proving very difficult to fill.
- **Frustration about the apparent shortage of applicants for vacancies** that would historically have been straightforward to fill.
- Concerns that **residents are not fully aware of the considerable employment and career opportunities available within the North Lincolnshire manufacturing sector.**
- **Practical barriers such as travel and transport raised by businesses in rural areas**, although some businesses are based in very accessible locations.
- Perceptions that programmes such as **Apprenticeships do not always have the flexibility required to maximise their potential for employers and people** – for example, the English/Maths requirements.

# SUMMARY OF FINDINGS FROM NATIONAL DESK RESEARCH



## SKILLS DEMAND

- **Annual demand for 124,000 engineers and technicians** with core engineering skills. (Engineering UK)
- **Additional annual requirement for 79,000 “related” roles** requiring a mixed application of engineering knowledge and skill alongside other skill sets. (Engineering UK)
- According to the Annual Manufacturing Report 2020, **as businesses become more automated, demand for high level technical and digital skills will increase.**
- **The need for IR 4.0 dual professionals** – engineering / ICT / data analysis / programming / AI / Internet of things.
- **Government commitments to climate change** (recent ‘Build Back Better: Our Plan for Growth’ focusing on a Green Revolution) **are driving changes in manufacturing.**
- **45% of manufacturers believe green skills needed are Level 4 and 5 qualifications. 30% believe they are at Level 6+.** The need to ‘greenifying’ existing jobs which will require upskilling, and the **creation of new, green jobs.** (Make UK)

## SKILLS SUPPLY

- **Britain’s manufacturers are facing the largest shortage of skilled workers since 1989** (Annual Manufacturing Report 2020) - current shortages span all skilled manufacturing occupations.
- Locally, the sector has grown from around 14,000 employees in 2009 to 17,000 in 2019. This is despite a fall in the North Lincolnshire working age population over this period.
- The top 3 routes manufacturers intend to use to acquire green skills via new jobs are: **Apprenticeships (67% agree); University degrees (57%); Kick Start style schemes (54%).** (Make UK)
- **The top 3 green skill development needs are: Resource efficiency, e.g., lean manufacturing; Low-carbon economy, e.g., carbon emission minimisation; Development of new or amended products, e.g., design and production of electric vehicles.** (Make UK)

## IMPLICATIONS

- Consequently, the composition of the UK manufacturing workforce is changing, with **continued and increasing demand for high skilled workers and some, largely replacement demand, for low skilled occupations, but less demand for middle skilled workers.** (Engineering UK - State of Engineering Report 2019)
- **Skills shortages will also drive automation** – potentially where there are traditional shortages e.g., welders / engineers / assembly – especially in North Lincolnshire.
- **Currently only 62% of manufacturers think their workforce is equipped with the skills** they need to manufacture in a more sustainable way. (Make UK)
- **91% of SMEs believe there will be barriers preventing them achieving net-zero by 2050.** These are ; Cost; Skills – skills gap for digital and green skills; innovation capacity and time. (Make UK)

# RENEWABLES OVERVIEW

## SKILLS DEMAND

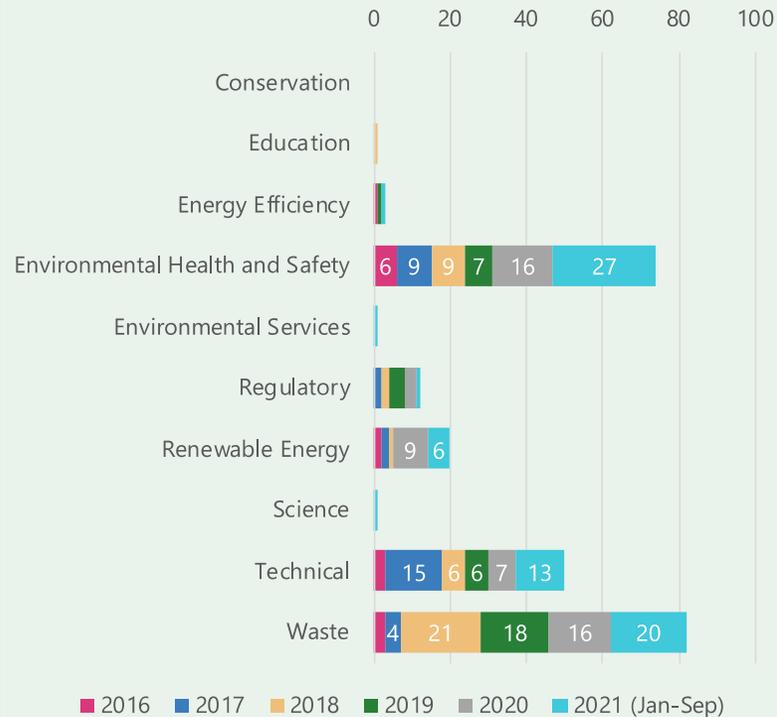
Source: Emsi

## VACANCY DATA



CHANGE IN ANNUAL "GREEN JOB" POSTINGS 2016-20

## UNIQUE 'GREEN JOB' ONLINE VACANCIES IN NORTH LINCOLNSHIRE BY TYPE, 2016 – 2021 (JAN-SEP)



KEY:  
Unless otherwise stated



North Lincolnshire



Greater Lincolnshire



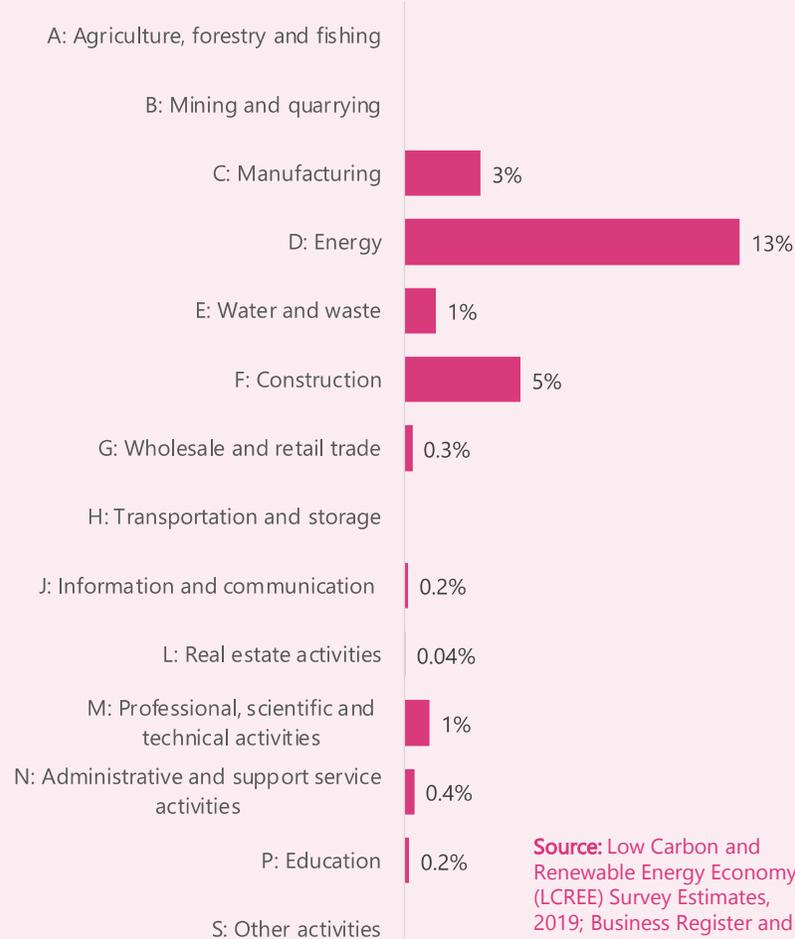
Yorkshire and The Humber Region



National

## LOW CARBON AND RENEWABLE ENERGY ECONOMY (LCREE) ESTIMATES

### NATIONAL PROPORTION OF FULL TIME EQUIVALENT EMPLOYMENT CLASSED AS LOW CARBON AND RENEWABLE ENERGY ACTIVITY



Source: Low Carbon and Renewable Energy Economy (LCREE) Survey Estimates, 2019; Business Register and Employment Survey, 2019. Office for National Statistics

## LOW CARBON AND RENEWABLE ENERGY ECONOMY (LCREE) DEFINITION

The Low Carbon and Renewable Energy Economy (LCREE) captures the following activity:

- Offshore wind
- Onshore wind
- Solar photovoltaic
- Hydropower
- Other renewable electricity
- Carbon capture and storage
- Nuclear
- Renewable heat
- Renewable combined heat and power
- Bioenergy
- Alternative fuels
- Energy efficient lighting
- Other energy efficient products
- Energy monitoring, saving or control systems
- Low carbon financial and advisory services
- Low emission vehicles and infrastructure
- Fuel cells and energy storage

Based on this definition, and the national proportions across the traditional sectors in the chart on the left, then **we estimate that the LCREE provides upwards of 1,100 Full Time Equivalent jobs in North Lincolnshire.**

# RENEWABLES – NORTH LINCOLNSHIRE LABOUR MARKET FOCUS

## TOP 10 VACANCIES BY OCCUPATION

Source: Emsi

	No.	RANK 2016/20	QUAL LEVEL
1. Environment professionals	19	1 / 2	6
2. Refuse and salvage occupations	8	- / -	1
3. Managers and proprietors in other services n.e.c.	4	- / 8	3
4. Environmental health professionals	4	- / 4	6
5. Science, engineering and production technicians n.e.c.	4	- / -	3
6. Health and safety officers	4	2 / 6	6
7. Residential, day and domiciliary care managers and proprietors	1	- / -	4
8. Engineering technicians	1	- / -	3
9. Business and related associate professionals n.e.c.	1	- / -	3
10. Electricians and electrical fitters	1	8 / 7	3

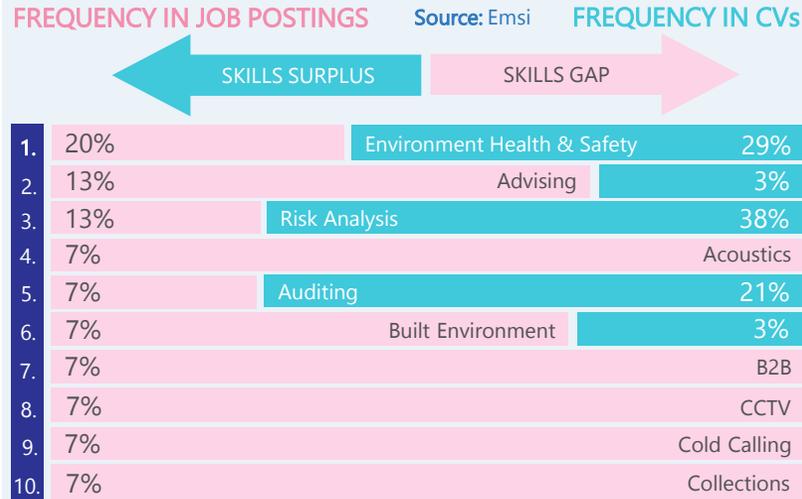
## TOP 10 VACANCIES BY JOB TITLE

Source: Emsi

	No.
1. Recycling Managers	6
2. Environmental Health and Safety Managers	4
3. Environmental Health and Safety Specialists	4
4. Solar Technicians	3
5. Environmental Health and Safety Officers	3
6. Environmental Health and Safety Supervisors	2
7. Sustainability Managers	2
8. Environmental Protection Specialists	2
9. Solar Pv Installers	2
10. Environmental Health and Safety Advisors	2

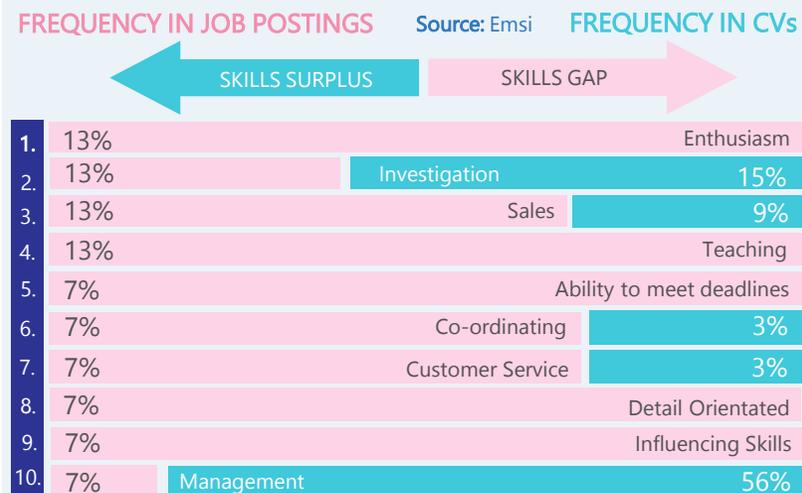
## TOP 10 HARD\* SKILLS

\* Hard skills are abilities that have been taught to or learnt by a person



## TOP 10 COMMON\*\* SKILLS

\*\* Common skills are self developed or personal attributes



## 'GREEN' JOB TITLE EXAMPLES

- Environmental Health and Safety Specialists
- Solar Pv Installers
- Directors of Environmental Health and Safety
- Environmental Technologists
- Recycling Managers
- Environmental Specialists
- Environmental Health and Safety Managers
- Recycling Assistants
- Energy Managers
- Global Environmental Health and Safety Managers
- Wind Energy Lead Technicians
- Environmental Geologists
- Sustainability Associates
- Wastewater Plant Operators

## IMPLICATIONS

- To view this sector as "cross cutting", rather than a "traditional" sector because low carbon occupations are reflected across most sectors e.g., the "greening" of construction.
- Despite very low vacancy numbers the analysis reflects an emphasis in the sector on job roles covering compliance, safety, and risk.
- Based on national definitions of the Low Carbon and Renewable Energy Economy (LCREE), we estimate upwards of 1,100 jobs in North Lincolnshire, with this figure likely to rise substantially as low carbon and green energy initiative projects come to fruition.

# TRANSPORT AND LOGISTICS





# KEY FINDINGS AND RECOMMENDATIONS

## KEY FINDINGS

- Analysis based only on this sector 'under-reports' the growing demand for transport and logistics occupations across many other North Lincolnshire sectors. The local Freeport development, will significantly increase job numbers adding to jobs created via other growing sectors such as manufacturing.
- The national skills shortage of LGV drivers provides even greater challenges locally where the sector is large, growing and the workforce is ageing, with intense competition over pay, and reports of considerable churn.
- Other immediate skills shortages reported include ports, freight, vehicle maintenance and management roles. One employer described how much more challenging recruitment is locally compared to other sites nationally.
- A stakeholder view that this key 'enabling' sector does not have a sufficiently high profile locally considering its increasing importance, contribution and growth potential.
- For local people to consider jobs and training opportunities, there is a need for more collective awareness locally of the sector and its potential; the types and diversity of career roles available (for example ports / vehicle technicians); and the pathways in place to achieve them.
- The male/female split of the sector workforce is 77/23 compared to an overall economy split of 51/49. The sector is also 'older' with more employment in the 45-64 age group, although licensing / insurance challenges restrict employing people under 25 in many driving roles.
- Several local employers utilise the Apprenticeship Levy through inhouse or commissioned Logistics Academies recruiting and training their own drivers.

## IMMEDIATE RECOMMENDATIONS

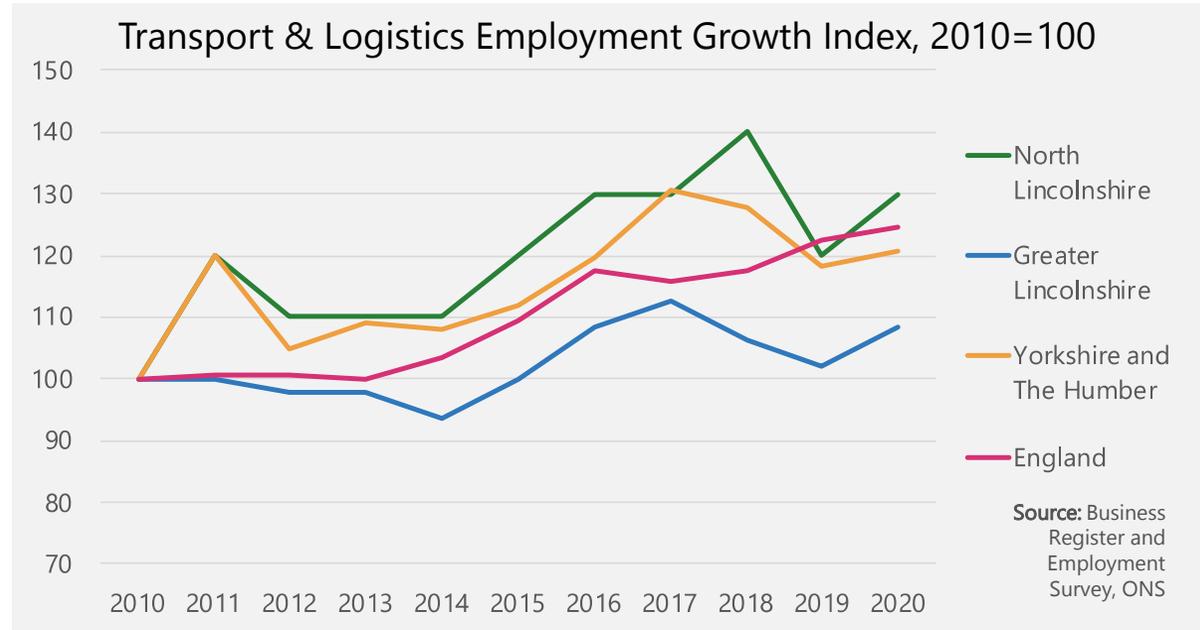
- To ensure that local apprenticeship pathways are available and maximised in North Lincolnshire, supporting this key sector to be a major player nationally in terms of a major Apprenticeship offer in critical areas such as drivers and port occupations.
- Run a campaign to grow significantly the number of Apprenticeships across the breadth of the sector in North Lincolnshire (especially Drivers, Ports Management) - ensuring that smaller employers understand that they can recruit and upskill and the business and financial incentives that would accrue.
- Take the current opportunity and challenge of a tightening labour market to work with partners to promote greater inclusivity and workforce diversity, supporting the sector to be one of choice locally for groups such as women, ethnic minorities and people with disabilities.

## LONGER TERM RECOMMENDATIONS

- A local Transport & Logistics collaboration, including local learning providers to explain and promote this contemporary, growing sector, its jobs and careers to develop the overall local skills pool to fulfill the exciting growth potential of this cross-cutting, enabling sector in North Lincolnshire.
- Provide business support to independent businesses to be able to develop their employment offer in this highly competitive and evolving marketplace; i.e., maximise the recruitment and retention of staff. This could include: Flexibility of working hours, training and career development, pay and wider reward, diversity and inclusion, Apprenticeships, traineeships, school and Further Education links.

# AN OVERVIEW OF SKILLS DEMAND IN THE TRANSPORT AND LOGISTICS SECTOR IN NORTH LINCOLNSHIRE

- Transport and Logistics is North Lincolnshire's fourth largest sector, directly employing 7,000 people, which equates to 9% of total employment in the area. Nationally, the sector only supports 5% of employment (*Source: Business Register and Employment Survey, 2020*).
- Modelled estimates put Gross Value Added (GVA) for the sector at £192m in 2019, 16% higher than in 2009.
- Significant sub sectors include:
  - Freight transport by road (2,000 jobs)
  - Support activities for transportation (1,500 jobs)
  - Warehousing and transport (1,250 jobs)
- Employment in the sector has grown by 30% since 2010.
- The chart on the right shows that growth in employment over the last decade has been fairly consistent, and regularly surpassed regional and national growth rates.
- Forecasts for employment in the sector over the next decade are again above local, regional and national comparators, though the feeling amongst those sector employers engaged with was that growth will be higher.



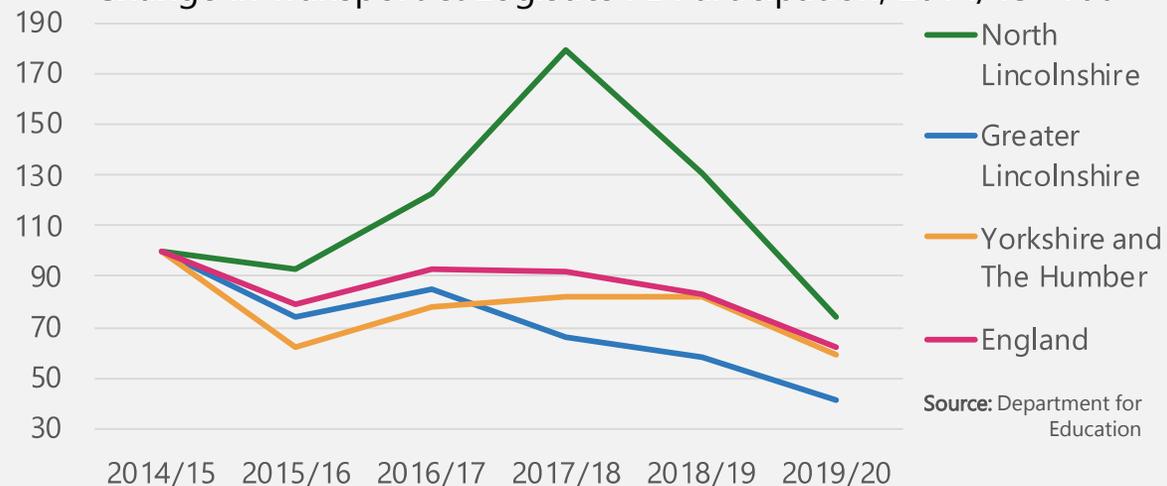
- Replacement demand (the proportion of the workforce that will leave the sector, mostly through retirement) is estimated to be 33% over the next decade. This equates to around 2,000 jobs that will need to be filled on top of forecast jobs growth.
- Growth in unique online vacancies has also been strong since 2016, with numbers increasing from 816 to 1,548 in 2020. As of September 2021, unique online job vacancy numbers were already at 1,837.

# AN OVERVIEW OF SKILLS SUPPLY FOR THE TRANSPORT AND LOGISTICS SECTOR IN NORTH LINCOLNSHIRE

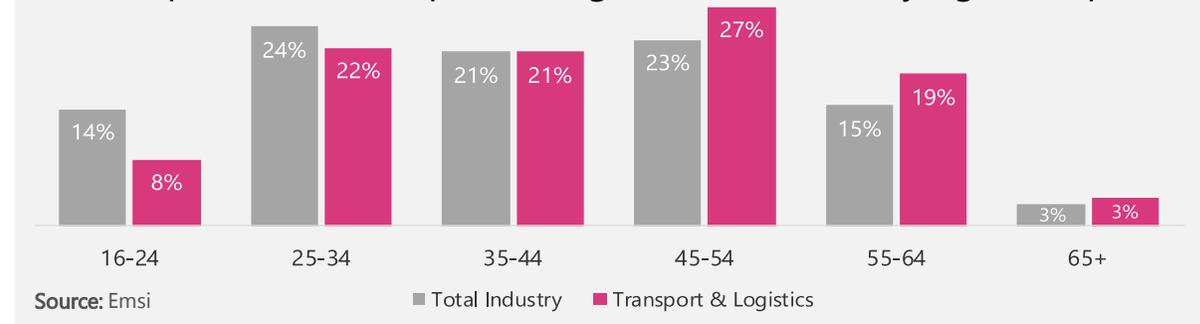
- Starts in Transport and Logistic apprenticeships by North Lincolnshire residents have fallen since 2017 by 22%, which is broadly in line with local, regional and national trends. In the educational year 2019/20 there were 61 starts in Transport and Logistics relevant Sector Subject Areas (i.e., Transportation Operations and Maintenance, and Warehousing and Distribution).
- Rates of participation in Transport and Logistics FE courses have also fallen, by 26% between 2015 and 2020, though this is noticeably below the levels of decline seen for Greater Lincolnshire (59%), regionally (41%), and nationally (38%). However, and as shown in the chart below, this masks the fact that falls in participation have been steep since 2017/18, and that all this reduction cannot be put down to the impact of Covid.

- The male/female split of the Transport and Logistics sector workforce is 77/23 compared to an overall economy split of 51/49.
- The sector is older than average with proportionally more employment in the 45-64 age group as shown in the chart below – although there are licensing / insurance challenges for the Under 25 with many Driving roles

Change in Transport & Logistics FE Participation, 2014/15=100



Proportion of Transport & Logistics Workforce by Age Group



- During 2020, 3% of the national transport and logistics workforce were mainly able to work from home, with a further 7% able to do so occasionally. Looking ahead, 2% of transport and logistics businesses intend to use increased homeworking as a permanent business model.

# TRANSPORT AND LOGISTICS OVERVIEW

KEY:  North Lincolnshire

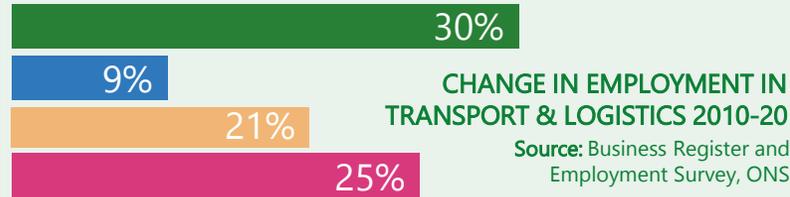
 Greater Lincolnshire

 Yorkshire and The Humber Region

 National

## SKILLS DEMAND

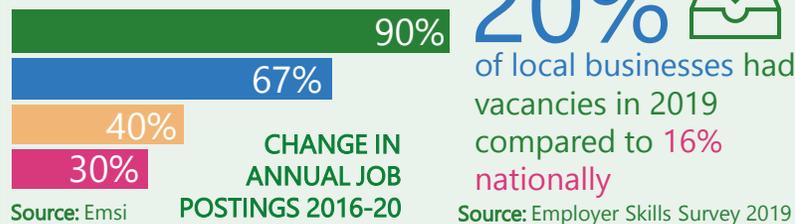
### EMPLOYMENT CHANGE



### FORECAST EMPLOYMENT CHANGE



### VACANCY DATA

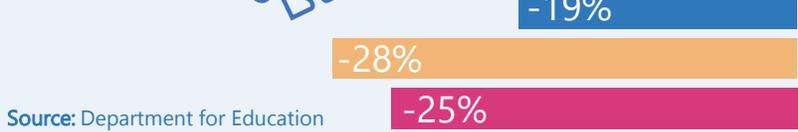


**33%** of employees will leave the sector workforce over the next decade, so the sector will need to fill approx. 2,000 jobs on top of the forecast growth in job numbers  
Source: Working Futures 2017-2027

### REPLACEMENT DEMAND

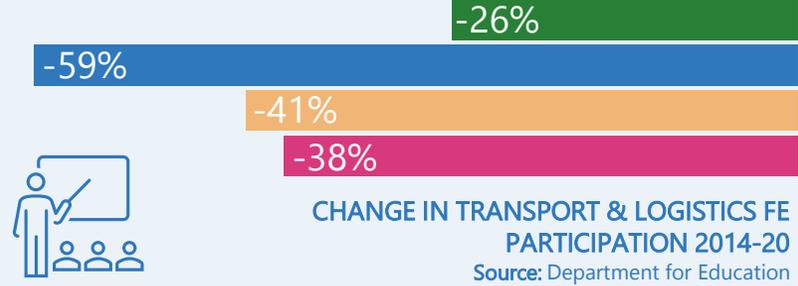
## SKILLS SUPPLY

### CHANGE IN TRANSPORT & LOGISTICS APPRENTICESHIP STARTS 2017-20

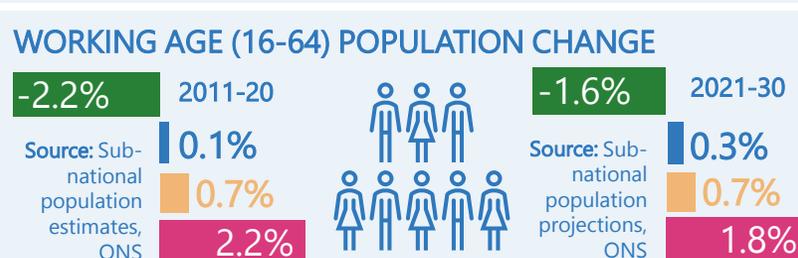


### APPRENTICESHIPS

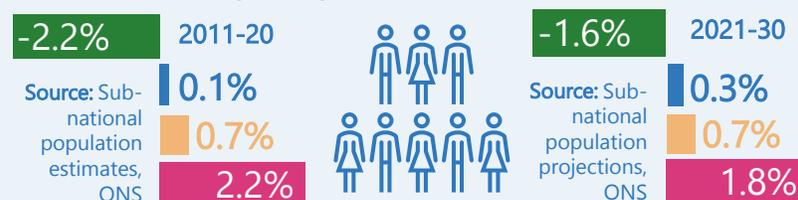
### FURTHER EDUCATION



### HIGHER EDUCATION CHANGE IN HOSPITALITY, LEISURE, SPORT, TOURISM & TRANSPORT HE QUALIFIERS 2014-19



### WORKING AGE (16-64) POPULATION CHANGE



## IMPLICATIONS

Source: Employer Skills Survey 2019

**16%** of local businesses reported a hard-to-fill vacancy compared to **8%** nationally  
HARD-TO-FILL VACANCIES

### SKILLS SHORTAGE VACANCIES

**46%** As well as local business experiencing higher levels of hard-to-fill vacancies, **23%** local levels of skills shortage vacancies (as a % of total vacancies) are higher than nationally

**47%** TOP 3 SKILLS DIFFICULT TO OBTAIN AS REPORTED BY RECRUITING EMPLOYERS  
Reading and understanding instructions, guidelines etc.

**50%** Ability to manage own time and prioritise own tasks

**64%** Specialist skills or knowledge needed to perform role

## WORKFORCE SKILLS GAPS

Local businesses report **4%** of staff as having a skills gap, in line with the national average

\* Represents combined qualifiers of universities located in Hull, Leeds, Lincoln, Sheffield and York

# TRANSPORT & LOGISTICS – NORTH LINCOLNSHIRE LABOUR MARKET FOCUS

## TOP 10 OCCUPATIONS

Source: Emsi

	% OF SECTOR EMP.	% CHANGE 2010-20	QUAL LEVEL
1. Large goods vehicle drivers	25%	41% ▲	2
2. Elementary storage occupations	12%	-2% ▼	1
3. Bus and coach drivers	7%	96% ▲	2
4. Managers and directors in transport and distribution	4%	40% ▲	3
5. Transport and distribution clerks and assistants	3%	4% ▲	2
6. Van drivers	3%	-7% ▼	2
7. Air travel assistants	2%	5% ▲	2
8. Postal workers, mail sorters, messengers and couriers	2%	-23% ▼	1
9. Fork-lift truck drivers	2%	-14% ▼	2
10. Managers and directors in storage and warehousing	2%	-8% ▼	3

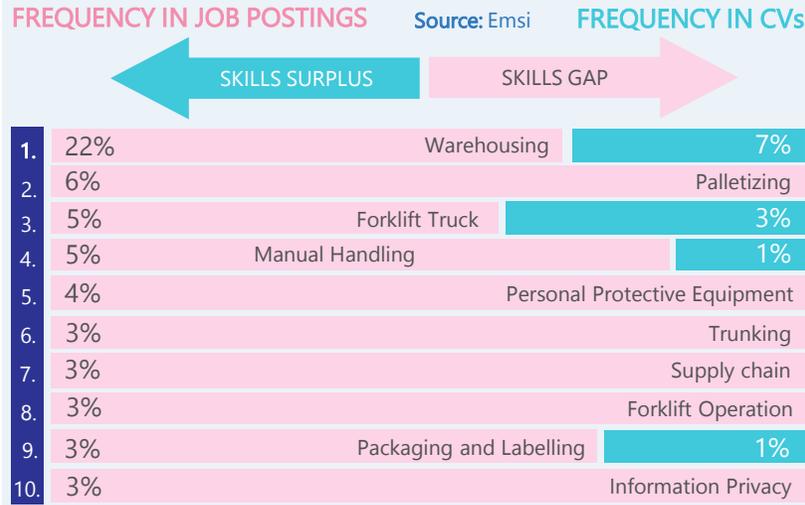
## TOP 10 VACANCIES (JAN-SEP 2021)

Source: Emsi

	% OF SECTOR VACANCIES	RANK 2016/20	QUAL LEVEL
1. Van drivers	38%	1 / 1	2
2. Elementary storage occupations	24%	2 / 2	1
3. Large goods vehicle drivers	14%	3 / 3	2
4. Managers and directors in storage and warehousing	9%	4 / 4	3
5. Transport and distribution clerks and assistants	8%	5 / 5	2
6. Fork-lift truck drivers	3%	6 / 6	2
7. Managers and directors in transport and distribution	2%	7 / 7	3
8. Bus and coach drivers	1%	9 / 8	2
9. Postal workers, mail sorters, messengers and couriers	0.4%	8 / 9	2
10. Crane drivers	0.4%	10 / 10	2

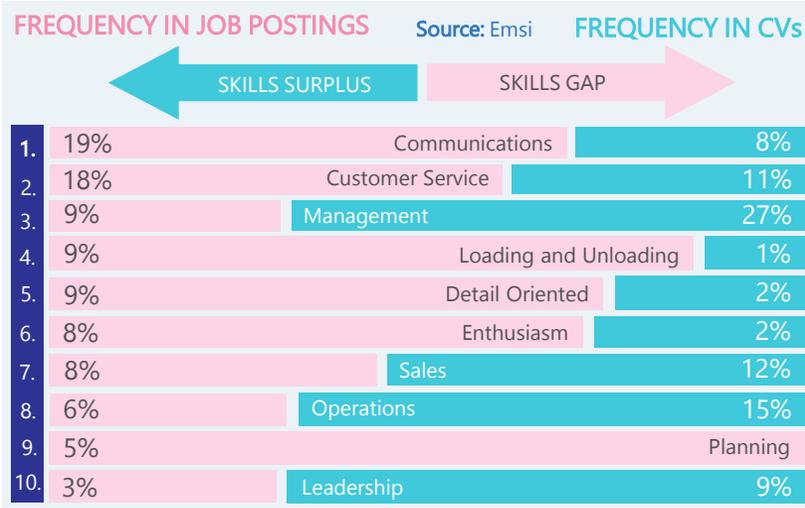
## TOP 10 HARD\* SKILLS

\* Hard skills are abilities that have been taught to or learnt by a person



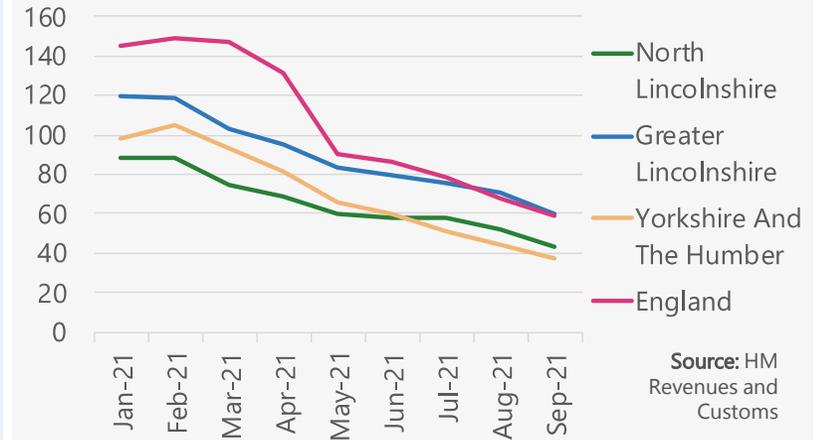
## TOP 10 COMMON\*\* SKILLS

\*\* Common skills are self developed or personal attributes

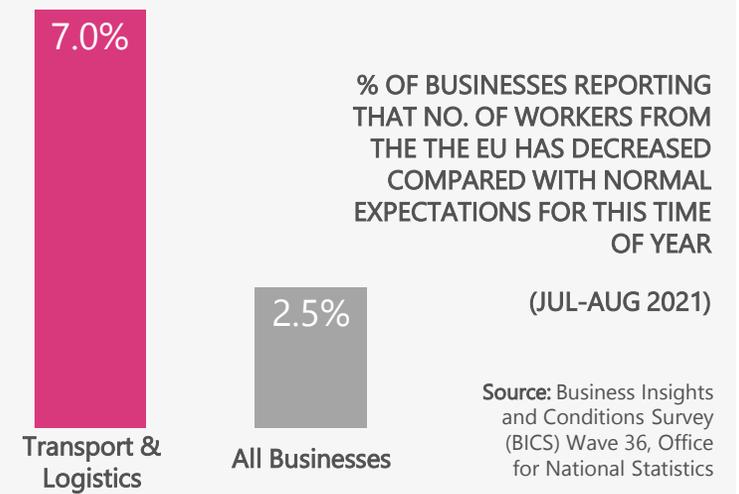


## COVID IMPACT

FURLOUGHED EMPLOYMENTS PER 1,000 EMPLOYEES



## BREXIT



# LOCAL STAKEHOLDER FEEDBACK



## SKILLS DEMAND

- Exciting developments such as the Freeport will only expand employment demand.
- Analysis based only this sector 'under-reports' demand for transport and logistics occupations which are spread across many North Lincolnshire sectors.
- Immingham area was reported to be one of the most challenging skills shortage areas by a national employer.
- The national skills shortage of LGV Drivers produces even greater challenges in North Lincolnshire where the sector is large and growing and the workforce is ageing.
- Reported skills shortages for many port-based roles including operatives, management, export/import with applicant numbers much lower than other areas.
- Consistent employer concern that the sector rewards and career opportunities are not always recognised locally.
- Automation important and will change the balance of jobs employed (for example less operatives/ more engineers) but is not seen as reducing overall headcount.

## SKILLS SUPPLY

- Several positive examples of employer plans to recruit and train drivers through the Apprenticeship system – generally utilising Levy funding, although this is not showing in the data yet where Apprenticeship numbers remain low – with few higher apprenticeships recorded and employers reporting low responses to vacancies.
- The sector does not attract a diverse applicant pool – being male-dominated.
- Challenges shared around Apprenticeship investment where acute skills shortages exist (e.g., drivers) as immediate operational demands can supersede longer term training investment.
- The opportunity of proximity to a national centre of skills excellence at Modal, Immingham providing a great chance to profile opportunities and prepare local people for sector jobs and careers.
- The regulated environments of sector occupations such as port-specialists and driving do not always translate easily to programmes such as work-placements or Apprenticeships especially for younger people under 25.

# SUMMARY OF FINDINGS FROM NATIONAL DESK RESEARCH



## SKILLS DEMAND

- Continuing increases in online shopping will drive increased demand for warehousing and delivery services.
- “Transport, logistics and warehouse” remains the category with the highest level of job adverts relative to its February 2020 average level, at 378% (Adzuna, Oct 2021). Demand for Fitters, Mechanics and Technicians remains high.
- The secured Freeport status for the Humber will act as a catalyst to accelerate inclusive growth. It is proposed that the new Humber Freeport will (amongst other things) utilise local labour providing accessible career opportunities to tackle the issues of deprivation.
- 'Drivers' (including LGV, Coach, Forklift) are important growing occupations and the trends towards home delivery has probably also increased demand for van drivers with shortages exacerbated by an ageing and non gender diverse workforce (Emsi).
- Growth of world seaborne trade is expected to expand by 4.8% in 2021, assuming the world economic output recovers.

## SKILLS SUPPLY

- The local sector workforce has increased from approximately 5,000 to 6,000 over the last decade.
- The current shortfall of around 90,000 HGV drivers is placing unsustainable pressure on retailers and supply chains. While there was a shortage of HGV drivers prior to the pandemic and Brexit, these events have exacerbated the situation; the pandemic halted driver training and testing for more than 12 months, while c14,000 EU drivers returned home. (Logistics UK – August 21)
- 4,700 visas for foreign food haulage drivers have been extended until the end of February 2022.
- The opportunity provided by the close proximity of the nationally significant Modal, Centre of Excellence for maritime, logistics and safety training.
- Apprenticeship opportunities offered through inhouse Driver Academies will be an increasingly important gateway to the sector.

## IMPLICATIONS

- Nationally, (and locally) there are significant short-term issues caused by Brexit and Covid to tackle, but longer term there are real opportunities to be seized by the sector in terms of inclusive employment growth and upskilling.
- Government view temporary visas as a short-term solution and urge firms to invest in the UK workforce.
- Although HGV driver shortages are the highest profile skills challenge currently; there remain major challenges across most sector occupations including other driving roles, warehousing, ports, and freight-forwarding. Sector reports understate the scale with many jobs 'counted' within other sectors.
- An opportunity to look locally at a cross-sector cluster with occupations spread across many sectors (for example, manufacturers).

# HEALTH AND CARE



# KEY FINDINGS AND RECOMMENDATIONS



## KEY FINDINGS

- The Health and Care sector is **North Lincolnshire's third largest sector, directly employing 9,000 people**. This equates to 12% of total employment in the area. **Sector employment forecasts over the next decade suggest strong growth** at 7% - above other local, regional and national comparator rates.
- **A vacancy rate of around 8% for NHS and adult social care, compared to just under 3% for jobs across UK economy.**
- **A concerning, worsening shortage of front-line domiciliary and residential care workers; with shortages viewed as being exacerbated by Brexit with EU migrant workers leaving. Locally, stakeholders reported a shortage of Registered Managers.**
- **The Care sector is particularly concerned about its profile as an employer of choice, (even compared to health where similar skillsets are important) and stakeholders strongly expressed the view that the COVID-19 pandemic had made this even more of a challenge** with the workplace perceived by many as 'higher risk to self and family; with new requirement such as additional PPE and to be vaccinated.
- **Apprenticeship numbers are decreasing in the care sector, despite reported increases in NHS health apprenticeships.**
- **There is an urgent need post-lockdowns, to reconnect with schools and colleges; to build the profile of the sector** and its opportunities and enable young people and adults to have a positive, realistic understanding of job roles and career opportunities.

## IMMEDIATE RECOMMENDATIONS

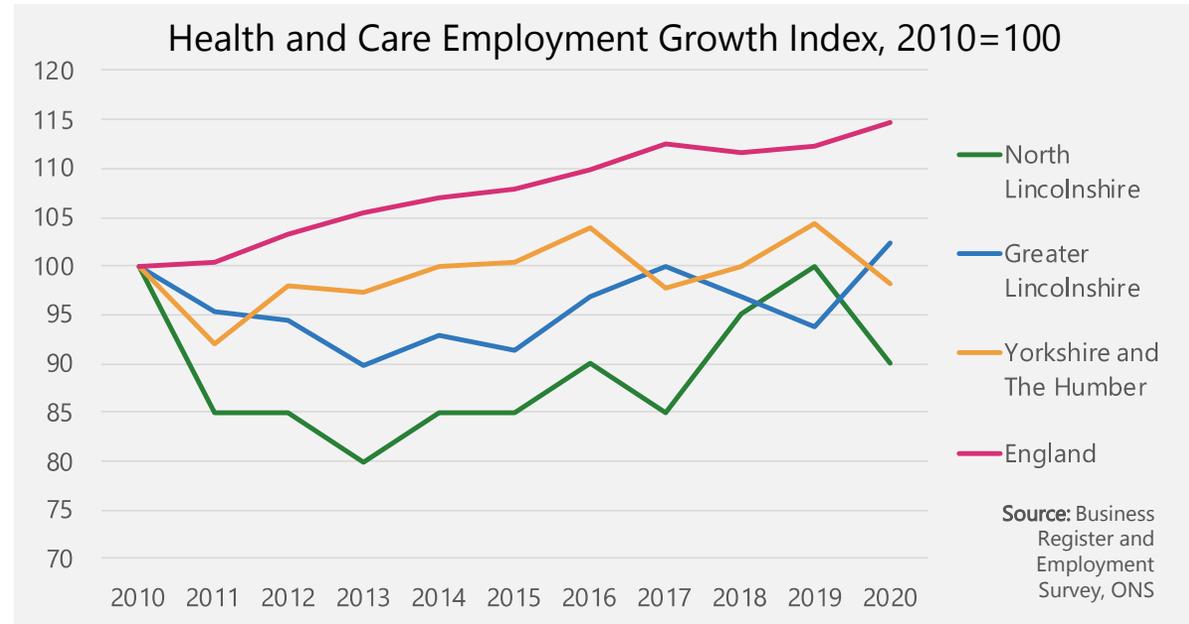
- **To rebuild connections lost through the COVID-19 pandemic with schools, college and employment/learning providers, including the relaunch of the 'Care Ambassador' scheme locally.**
- **Work as a sector in partnership with employment, skills and education providers to find creative ways to support work experience and work-tasters in a highly regulated environment.**

## LONGER TERM RECOMMENDATIONS

- **To build upon the valued North Lincolnshire Proud to Care initiative through a structured local skills collaboration across Health and Care recognizing the shared skillsets and an opportunity to promote health and care jobs and careers across the area, building a larger pool of local talent.**
- **Business support for local employers to ensure their job offer maximises staff retention and encompasses local residents in a highly competitive labour market.** Considerations including: - Access and transport; flexibility of working hours options, including home-working; training and career development; pay and wider reward package; diversity and inclusion; with reach to local young people and adults; connection with programmes such as apprenticeships, traineeships etc.; and school and Further Education links.

# AN OVERVIEW OF SKILLS DEMAND IN THE HEALTH AND CARE SECTOR IN NORTH LINCOLNSHIRE

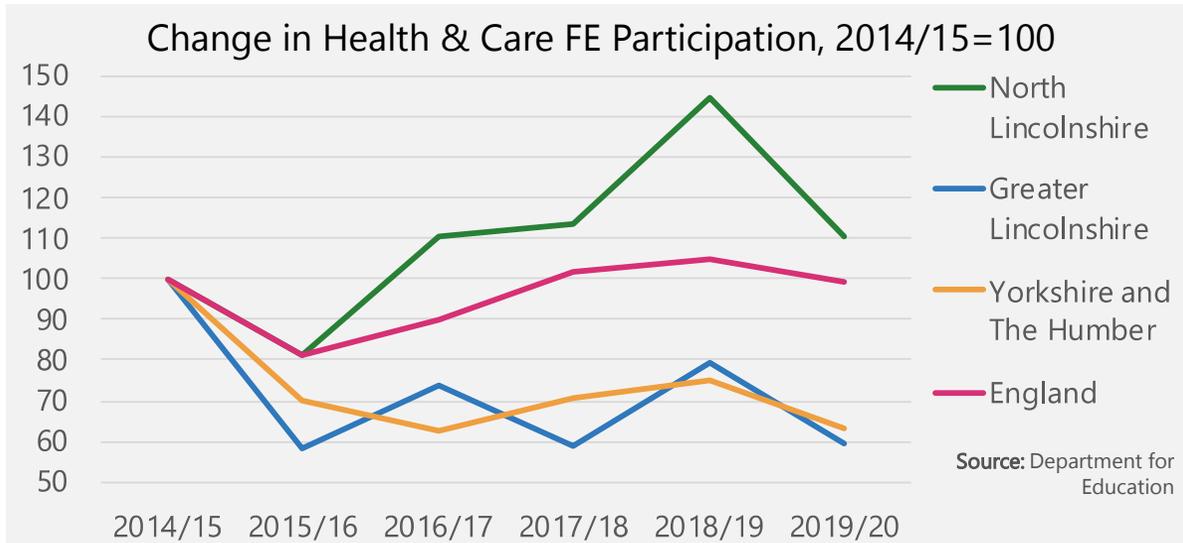
- The Health and Care sector is North Lincolnshire's third largest sector, directly employing 9,000 people. This equates to 12% of total employment in the area. (Source: Business Register and Employment Survey, 2020).
- Modelled estimates put Gross Value Added (GVA) for the sector at £296m in 2019, 31% higher than in 2009. This equates to 7% of the total economic value generated by the North Lincolnshire economy.
- Significant sub sectors include:
  - Hospital activities (5,000 jobs)
  - Residential care activities (2,050 jobs – which covers nursing care, care activities for learning disabilities, mental health and substance abuse, care activities for the elderly and disabled, and other residential care activities). This sub sector is considered in more detail later in this chapter.
- Employment in the Health and Care sector has fallen overall by 10% since 2010.
- The chart on the right shows that employment in the sector took a significant dip post 2010 but did recover to 2010 levels of employment in 2019. However, latest data for 2020 shows another fall in numbers, and it remains unclear at this stage how much of this is due to the impacts of Covid.
- Despite this most recent fall, forecasts for employment in the sector over the next decade do suggest strong growth at 7%, above other local, regional and national comparator rates.



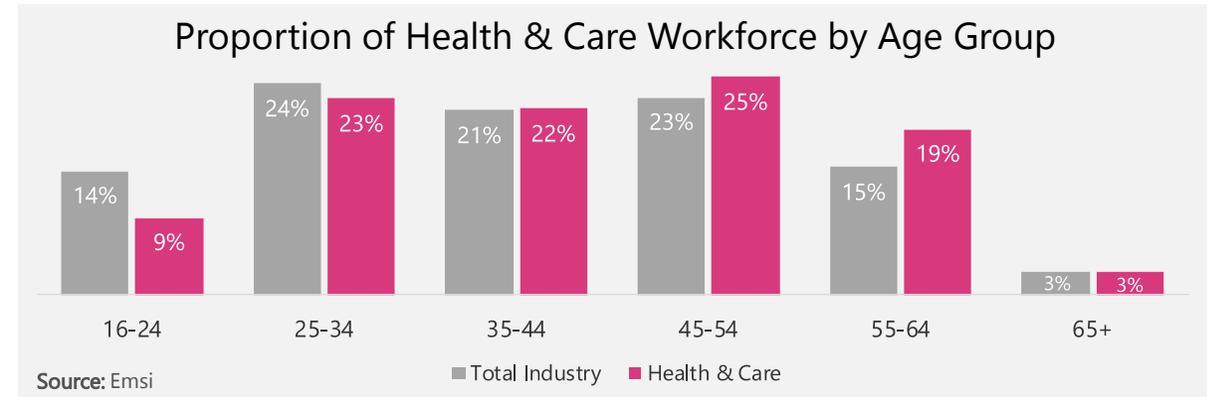
- Replacement demand (the proportion of the workforce that will leave the sector, mostly through retirement) is estimated to be 39% over the next decade. This equates to around 3,000 jobs that will need to be filled on top of forecast jobs growth.
- Growth in unique online vacancies has been strong since 2016, with numbers more than doubling, increasing from 1,291 to 2,660 in 2020. As of September 2021, unique online job vacancy numbers (2,756) have already surpassed the 2020 total.

# AN OVERVIEW OF SKILLS SUPPLY FOR THE HEALTH AND CARE SECTOR IN NORTH LINCOLNSHIRE

- Starts in Health and Care apprenticeships by North Lincolnshire residents have fallen since 2017 by just over a third (34%), from 192 to 126 in the education year 2019/20 (which runs from August to July so will include some level of COVID-19 impact). Start numbers were as high as 240 in 2018/19. Health and Care apprenticeship numbers are the sum of starts in the Sector Subject Areas of Health and Social Care, and Nursing and Subjects and Vocations Allied to Medicine. We note that numbers of North Lincolnshire residents on Nursing apprenticeships has been minimal.
- Whilst apprenticeship numbers have fallen, rates of participation in Health and Care FE courses have grown overall (despite a fall in numbers between 2018/19 and 2019/20), bucking the local, regional and national trend as shown in the chart below.



- The male/female split of the Health and Care sector workforce is 22/78 compared to an overall economy split of 51/49.
- The sector is older than average with proportionally more employment in the 45-64 age group as shown in the chart below.



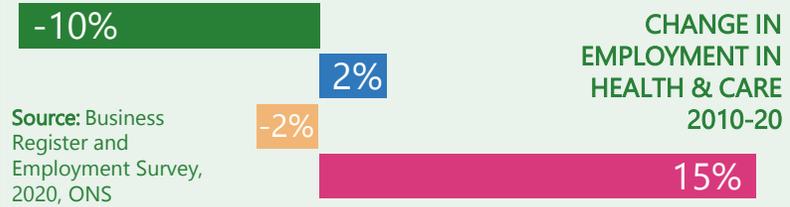
- During 2020, 5% of the national health and care workforce were mainly able to work from home, with a further 9% able to do so occasionally. Looking ahead, 10% of health and care businesses intend to use increased homeworking as a permanent business model.
- Understandably, remote working opportunities in the Health and Care sector are limited but they are growing. In 2016 there were 13 job vacancies posted online that mentioned the possibility of remote working. This figure rose to 47 in 2020 and already in 2021 (Jan-Sep) that figure is 74.

# HEALTH AND CARE OVERVIEW

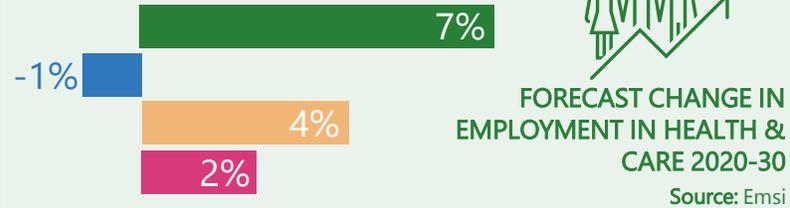
KEY:  North Lincolnshire  Greater Lincolnshire  Yorkshire and The Humber Region  National

## SKILLS DEMAND

### EMPLOYMENT CHANGE



### FORECAST EMPLOYMENT CHANGE

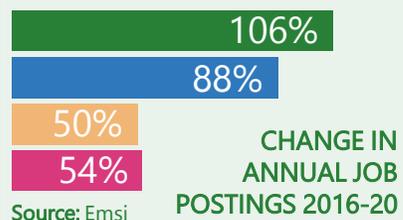


### REPLACEMENT DEMAND

**39%** of employees will leave the sector workforce over the next decade, so the sector will need to fill approx. 3,000 jobs in addition to the forecast increase in job numbers

Source: Working Futures 2017-2027

### VACANCY DATA



**40%** of local businesses reported vacancies in 2019 compared to **31% nationally**

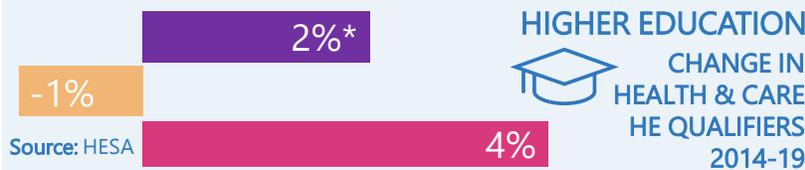
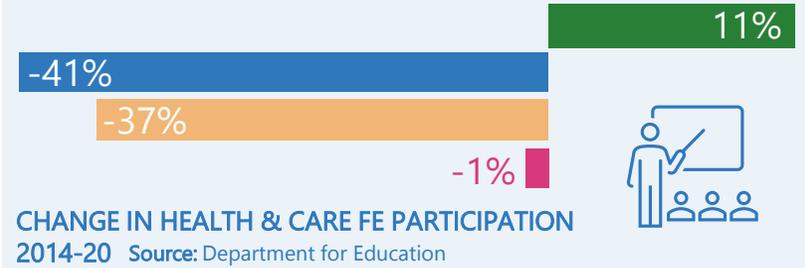
Source: Employer Skills Survey 2019

## SKILLS SUPPLY

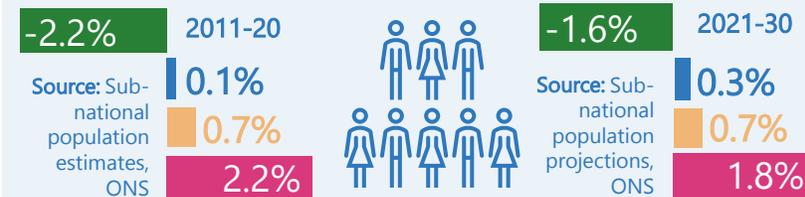
### APPRENTICESHIPS



### FURTHER EDUCATION



### WORKING AGE (16-64) POPULATION CHANGE



## IMPLICATIONS

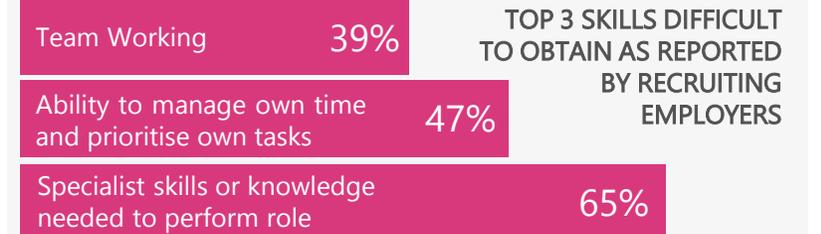
Source: Employer Skills Survey 2019

### HARD-TO-FILL VACANCIES

**23%** of local businesses reported a hard-to-fill vacancy compared to **14% nationally**

### SKILLS SHORTAGE VACANCIES

**16%** of local businesses are experiencing hard-to-fill vacancies, local levels of skills shortage vacancies (as a % of total vacancies) are below the **national average**



### WORKFORCE SKILLS GAPS

Local businesses report **3%** of staff as having a skills gap, in line with the **national average**

\* Represents combined qualifiers of universities located in Hull, Leeds, Lincoln, Sheffield and York

# HEALTH AND CARE – NORTH LINCOLNSHIRE LABOUR MARKET FOCUS

## TOP 10 OCCUPATIONS

Source: Emsi

	% OF SECTOR EMP.	% CHANGE 2010-20	QUAL LEVEL
1. Nurses	17%	36% ▲	6
2. Care Workers and Home Carers	15%	-20% ▼	2
3. Nursing Auxiliaries and Assistants	8%	39% ▲	3
4. Medical Practitioners	7%	31% ▲	6
5. Nursery Nurses and Assistants	3%	-9% ▼	2
6. Receptionists	2%	-31% ▼	2
7. Medical Secretaries	2%	9% ▲	3
8. Senior Care Workers	2%	-19% ▼	3
9. Welfare and Housing Associate Professionals n.e.c.	2%	-28% ▼	3
10. Social Workers	1%	-22% ▼	6

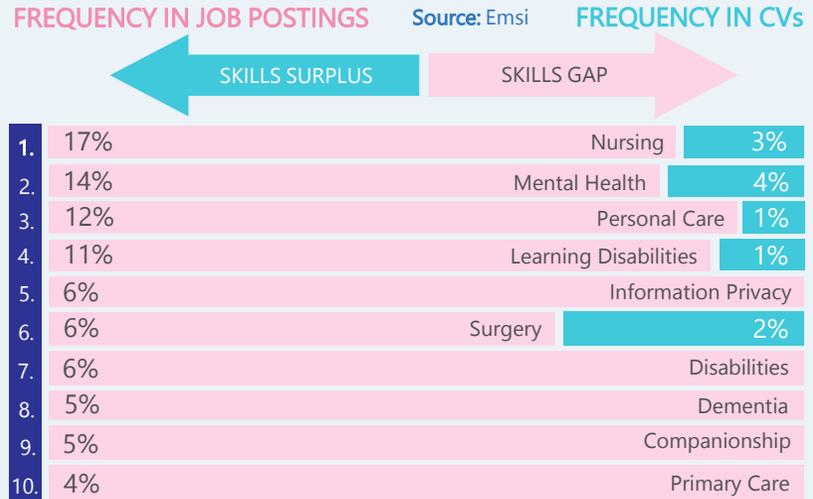
## TOP 10 VACANCIES (JAN-SEP 2021)

Source: Emsi

	% OF SECTOR VACANCIES	RANK 2016/20	QUAL LEVEL
1. Nurses	33%	1 / 1	6
2. Care workers and home carers	19%	2 / 2	2
3. Nursing auxiliaries and assistants	8%	5 / 3	3
4. Medical practitioners	6%	3 / 4	6
5. Receptionists	4%	4 / 8	2
6. Social workers	4%	7 / 5	6
7. Youth and community workers	4%	- / 6	6
8. Residential, day and domiciliary care managers and proprietors	3%	6 / -	4
9. Senior care workers	3%	9 / 10	3
10. Occupational therapists	3%	- / 7	6

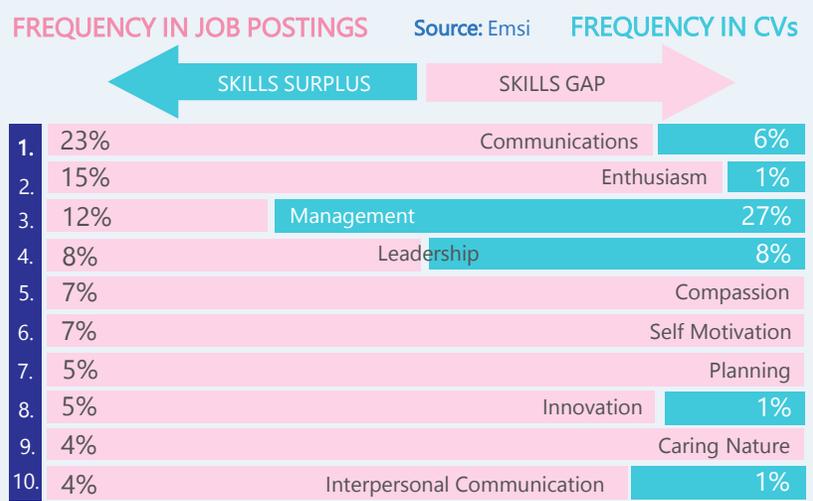
## TOP 10 HARD\* SKILLS

\* Hard skills are abilities that have been taught to or learnt by a person

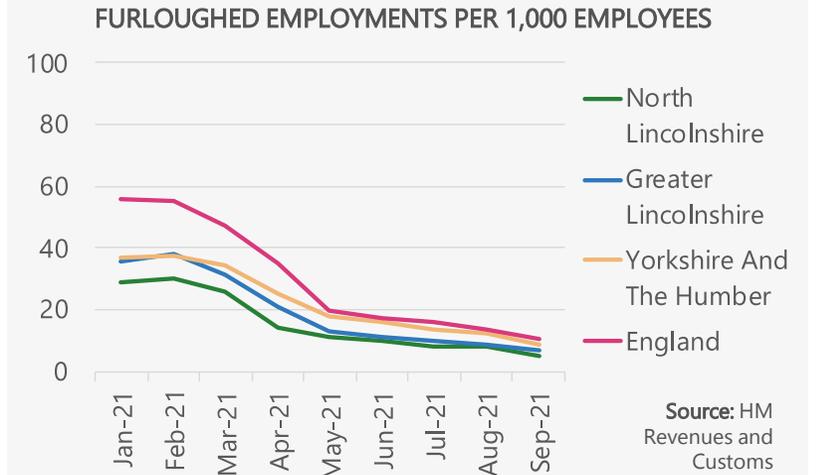


## TOP 10 COMMON\*\* SKILLS

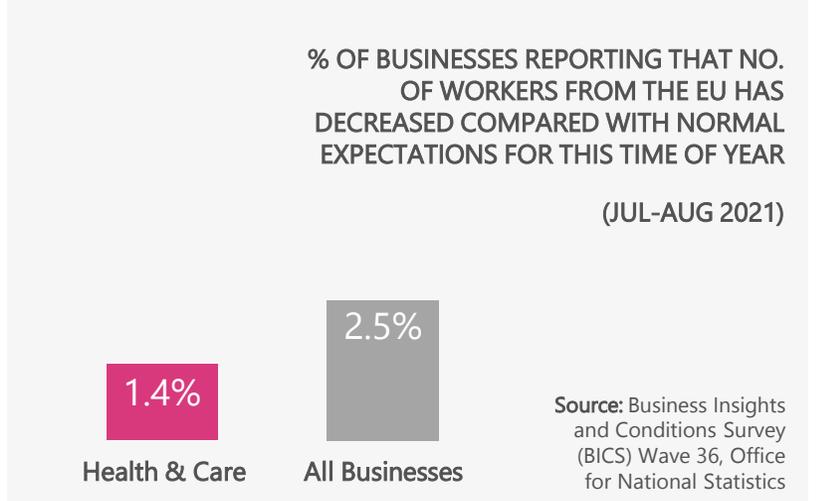
\*\* Common skills are self developed or personal attributes



## COVID IMPACT



## BREXIT



# LOCAL STAKEHOLDER FEEDBACK



## SKILLS DEMAND

- **Employers in the care sector viewed the employment growth projections as optimistic** considering current recruitment and retention challenges that mean many are understaffed.
- **A concerning worsening shortage of front-line domiciliary and residential care workers;** and also, **residential care home managers** with less staff seeking career progression.
- The shortage is viewed as being **exacerbated by Brexit with EU migrant workers leaving.**
- **The COVID-19 pandemic is also seen as a major factor in challenges of retaining existing staff as well as new recruitment.** The role is seen as 'being even more demanding and less attractive'; viewed as 'high risk' and 'less sociable' with greater PPE required and now requiring fully vaccinated staff.
- **Skilled Care Workers are reported as leaving the sector for entry level jobs in retail** where pay rates have increased recently.
- **Care described as the 'poor relation' to health** with care staff progressing to the health roles with far less movement in the opposite direction.

## SKILLS SUPPLY

- **Apprenticeship numbers are decreasing** in the care sector, despite reported increases in NHS health apprenticeships.
- **Employers value the potential of Apprenticeships in terms of resourcing,** although they also report frustrations with the technical requirements in terms of Maths/English and perceived bureaucracy.
- **The environment of healthcare, including safeguarding also makes work experience and work tasters more challenging to manage** – particularly through the pandemic where in-person work experience ceased.
- **Access to a car or suitable public transport is reported as a major challenge** for both residential and domiciliary care in rural areas.
- **There is positive data relating to the increasing number of local people studying health care** at different levels, although this does not seem to be fully translating into employment - particularly in the care sector.

# SUMMARY OF FINDINGS FROM NATIONAL DESK RESEARCH



## SKILLS DEMAND

- Locally, we expect health and social work to have a particularly high growth forecast due to the ageing demographic and dispersed nature of Greater Lincolnshire. (GLLEP Local Skills Report 2021)
- There is a vacancy rate of around 8% for NHS and adult social care, compared to just under 3% for jobs across UK economy.
- “There is a (pre-COVID-19) shortage of more than 100,000 staff and this gap continues to widen (to 350,000 by 2030).” (Skills Gaps: Healthcare Professionals in the UK (NHS) – TC Global Insights –Jan 2020)
- In Lincolnshire, reports of a care vacancy rate of 5.7%, 1,100 vacancies, and a staff turnover at 33.1% and increasing. (LINCA 2021)
- Due to workforce shortages, each FTE Doctor in the NHS currently does 1.3 FTE roles. (BMA, 2021)

## SKILLS SUPPLY

- 28% of nurses and health visitors leave the NHS within the first three years of their service. (King’s Fund, Feb 2021)
- Brexit has meant the exodus of a significant number of European Healthcare workers. In 2018, 12% of the UK healthcare workforce were non-British nationals.
- Numbers of workers from Europe leaving the Nursing and Midwifery Council’s register has risen from 1,981 in 2015/16 to 2,838 in 2019/20, while the number joining fell by 90%. (King’s Fund, Feb 2021)
- New requirements for COVID-19 vaccinations will inevitably reduce the available skills pool as well as existing staff leaving the sector.
- 42% of domiciliary workers are on zero hours arrangements.
- Encouraging indicators of increased healthcare students across FE, HE and Apprenticeships in North Lincolnshire.

## IMPLICATIONS

- A longer-term approach to meeting workforce needs must encourage higher numbers of locally trained staff over the next 5-10 years. (GMC, 2020)
- Health and care roles have recently been added to the Shortage Occupation List (SOL) including:
  - Pharmacists
  - Senior care workers
  - Nursing assistants
  - Health services and public health managers and directors
  - Residential, day and domiciliary care managers.
- “However, encouraging signs that a desire to be part of the fightback against the pandemic may be leading to higher numbers of applications for training places.” (King’s Fund, Feb 2021)

# RESIDENTIAL & SOCIAL CARE OVERVIEW

KEY:  North Lincolnshire  Greater Lincolnshire  Yorkshire and The Humber Region  National

## SKILLS DEMAND

### EMPLOYMENT CHANGE



### FORECAST EMPLOYMENT CHANGE



### REPLACEMENT DEMAND

**39%** of employees will leave the sector workforce over the next decade, so the sector will need to fill approx. 800 jobs in addition to any forecast increase in job numbers  
Source: Working Futures 2017-2027

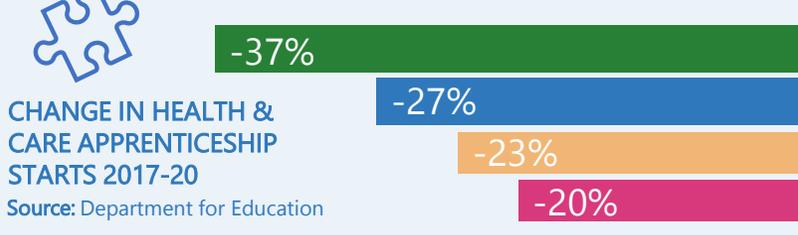
### VACANCY DATA



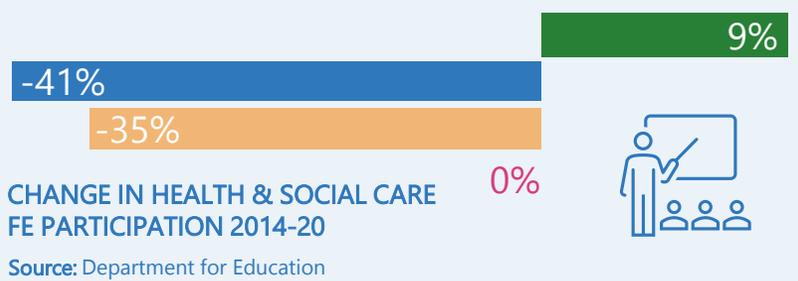
**40%** of local businesses reported vacancies in 2019 compared to **31% nationally**  
Source: Employer Skills Survey 2019

## SKILLS SUPPLY

### APPRENTICESHIPS



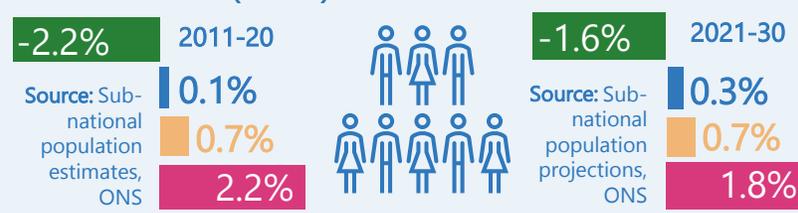
### FURTHER EDUCATION



### HIGHER EDUCATION



### WORKING AGE (16-64) POPULATION CHANGE



## IMPLICATIONS

Source: Employer Skills Survey 2019

**23%** of local businesses reported a hard-to-fill vacancy compared to **14% nationally**

### SKILLS SHORTAGE VACANCIES

**16%** and **25%** of local businesses are experiencing hard-to-fill vacancies, local levels of skills shortage vacancies (as a % of total vacancies) are below the national average

**TOP 3 SKILLS DIFFICULT TO OBTAIN AS REPORTED BY RECRUITING EMPLOYERS**

- Team Working: 39%
- Ability to manage own time and prioritise own tasks: 47%
- Specialist skills or knowledge needed to perform role: 65%

### WORKFORCE SKILLS GAPS

Local businesses report **3%** of staff as having a skills gap, in line with the national average

\* Represents combined qualifiers of universities located in Hull, Leeds, Lincoln, Sheffield and York

# RESIDENTIAL & SOCIAL CARE – NORTH LINCOLNSHIRE LABOUR MARKET FOCUS

## TOP 10 OCCUPATIONS

Source: Emsi

	% OF SECTOR EMP.	% CHANGE 2010-20	QUAL LEVEL
1. Care Workers and Home Carers	36%	-23% ▼	2
2. Nursery Nurses and Assistants	7%	-10% ▼	2
3. Senior Care Workers	4%	-21% ▼	3
4. Welfare and Housing Associate Professionals n.e.c.	3%	-33% ▼	3
5. Social Workers	3%	-26% ▼	6
6. Nursing Auxiliaries and Assistants	3%	-5% ▼	3
7. Houseparents and Residential Wardens	2%	9% ▲	3
8. Childminders and Related Occupations	2%	-15% ▼	2
9. Residential, Day and Domiciliary Care Managers and Proprietors	2%	-15% ▼	4
10. Housing Officers	2%	6% ▲	4

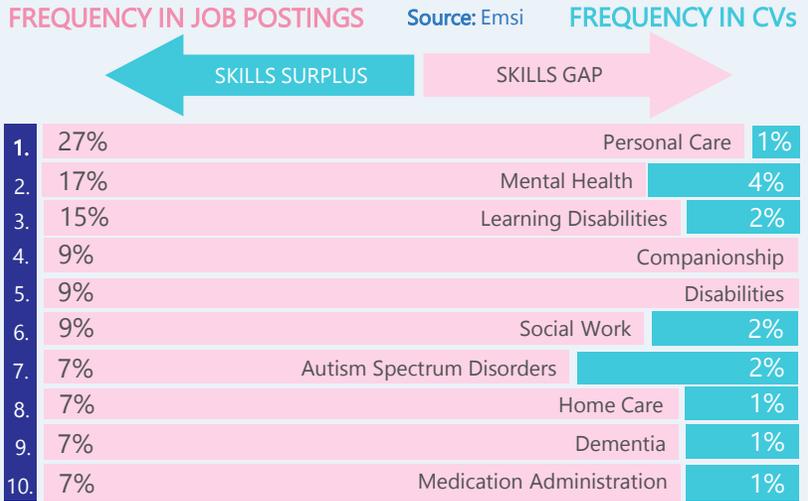
## TOP 10 VACANCIES (JAN-SEP 2021)

Source: Emsi

	% OF SECTOR VACANCIES	RANK 2016/20	QUAL LEVEL
1. Care Workers and Home Carers	42%	1 / 1	2
2. Nursing Auxiliaries and Assistants	17%	2 / 2	3
3. Social Workers	10%	4 / 3	6
4. Youth and Community Workers	9%	6 / 4	6
5. Residential, Day and Domiciliary Care Managers and Proprietors	7%	3 / 6	4
6. Senior Care Workers	7%	5 / 5	3
7. Welfare and Housing Associate Professionals n.e.c.	3%	7 / 7	3
8. Housing Officers	2%	8 / 8	4
9. Functional Managers and Directors n.e.c.	0%	- / -	6
10. Childminders and Related Occupations	0%	10 / 9	2

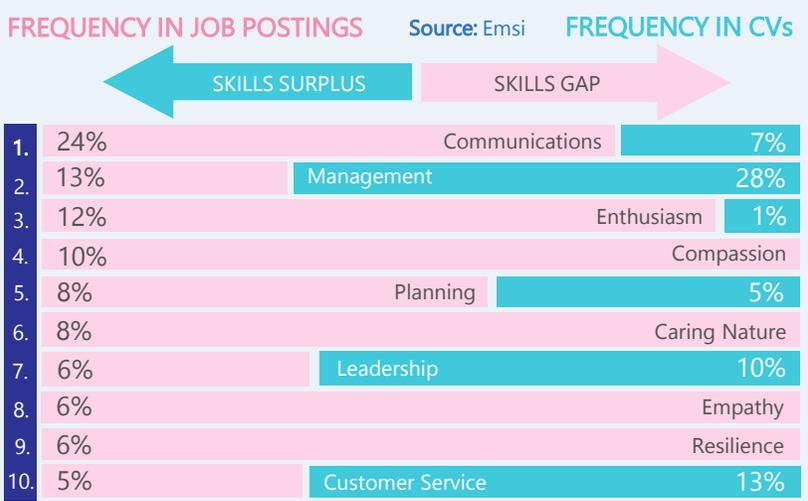
## TOP 10 HARD\* SKILLS

\* Hard skills are abilities that have been taught to or learnt by a person

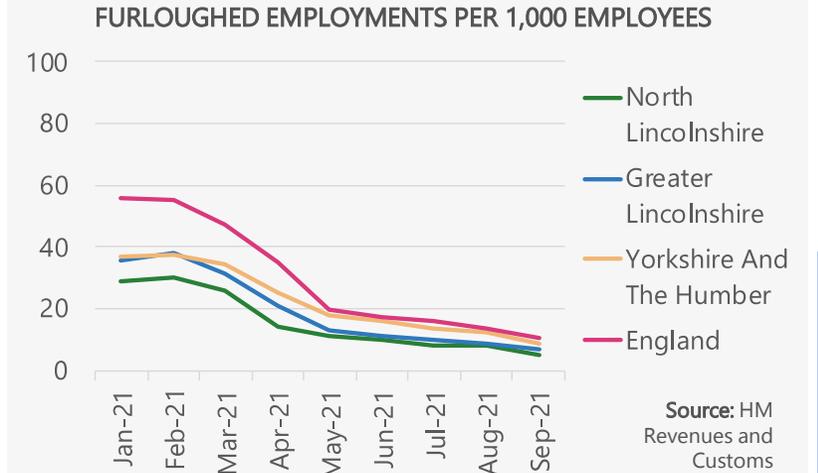


## TOP 10 COMMON\*\* SKILLS

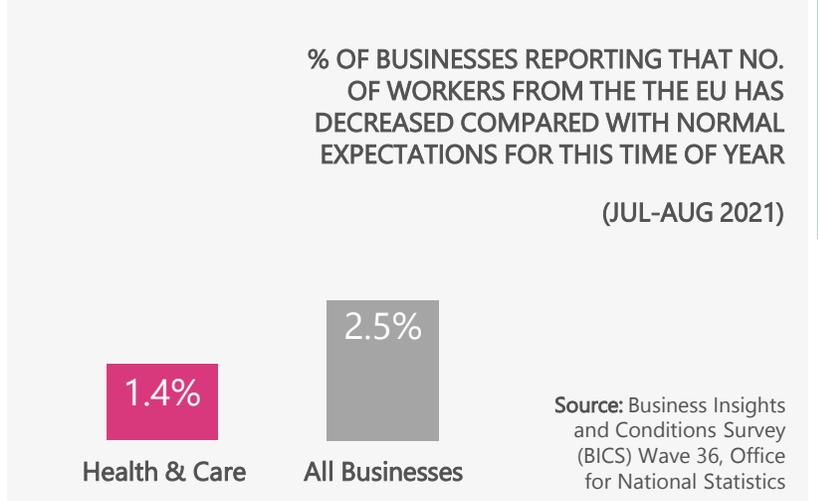
\*\* Common skills are self developed or personal attributes



## COVID IMPACT



## BREXIT



# VISITOR ECONOMY INC. ACCOMMODATION & FOOD



# KEY FINDINGS AND RECOMMENDATIONS



## KEY FINDINGS

- **'Tourism has been the sector most reliant on COVID-19 government support'**. Some businesses described the **post-lockdown period as like a new business startup**; recruiting new teams in a difficult labour market and delivering new services such as online bookings and home delivery.
- Despite **forecast stability for the sector in terms of job growth**, employers shared a **resolute confidence in the sector to add value** across the local economy.
- Major concerns were regularly expressed, however, about **the availability of frontline staff (quantity and quality of applications received) to underpin COVID-19 recovery and longer-term development plans**, although Brexit was not viewed as a significant local factor.
- High vacancy levels and replacement demand forecasts are probably connected to **sector 'churn' of younger people** rather than 'retirements'.
- **Hospitality, Food and Beverage occupations** such as Housekeeping, Waiters, Bar Staff, Kitchen Assistants and Chefs **dominate in terms of the volume of jobs and vacancy levels** - particularly front-line entry level posts.
- **Reductions in Apprenticeship and HE achievement** are in line with comparators, although **FE participation has been relatively resilient**, showing the lowest level of decline.
- A view expressed by employers that **job opportunities are 'less appealing to local people'** (probably influenced by a **2020 virtual sector closedown**); and **the need to re-engage**, raising awareness of Apprenticeships and Traineeships, and **achieving better connection with local learning providers**.

## IMMEDIATE RECOMMENDATIONS

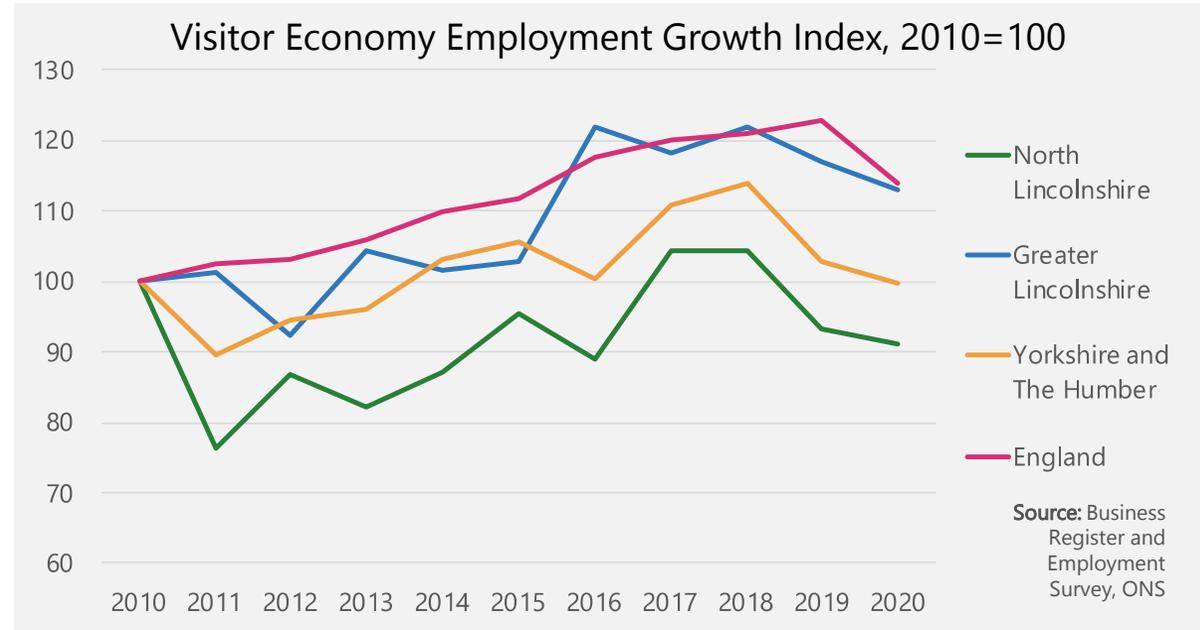
- **Immediate employability development** – as a sector currently offering accessible short and long-term employment opportunities, **the immediate potential to work with schools and employment / learning providers over an offer that builds employability, traineeships and apprenticeships as well as introducing more local people (including those further away from the labour market) to visitor economy training, jobs and careers.** (Perhaps this initiative could work in collaboration with other 'customer service' roles across the service sector.)

## LONGER TERM RECOMMENDATIONS

- **Sector collaboration via Visit North Lincolnshire to focus upon employment, skills and careers**, championing elements through school engagement, work experience, careers events, teacher awareness and local advocates.
- **Work with wider partners on the North Lincolnshire 'Place Offer'** – for example promoting and developing the local culture / leisure offer for inward investors, relocating or commuting workers, and residents to ensure a cross-cutting approach to growth benefiting the whole economy.

# AN OVERVIEW OF SKILLS DEMAND IN THE VISITOR ECONOMY IN NORTH LINCOLNSHIRE

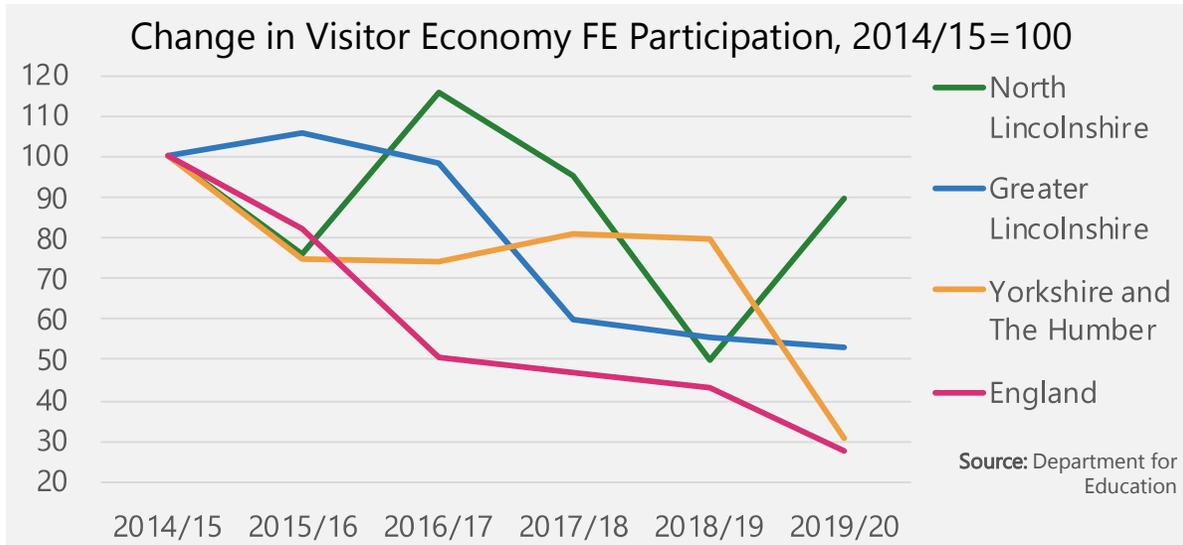
- North Lincolnshire's Visitor Economy (which captures accommodation and food service activities, and arts, entertainment and recreation activities) directly employs 4,750 people, which equates to 7% of total employment in the area. (Source: Business Register and Employment Survey, 2020).
- Modelled estimates put Gross Value Added (GVA) for the sector at £82m in 2019, 12% higher than in 2009.
- Significant sub sectors include:
  - Food and beverage service activities (3,500 jobs – which is considered in more detail alongside accommodation activities later in this chapter)
  - Sports activities and amusement and recreation activities (1,000 jobs)
- Employment in the sector has fallen overall since 2010 by 9%. This has been driven by falls in employment in 'Accommodation and food activities'.
- The chart on the right shows that employment fell sharply between 2010 and 2011 but that the sector subsequently grew and surpassed its 2010 employment level in 2017. However, since 2018 employment levels have fallen back to below 2010 levels.
- No doubt drawing on these recent past trends in employment growth, forecasts for employment in the sector over the next decade are negative (-1%) whereas forecasts for Greater Lincolnshire and nationally are positive.
- Replacement demand (the proportion of the workforce that will leave the sector, mostly through retirement) is estimated to be 34% over the next decade. This equates to around 2,000 jobs that will still need to be filled despite forecast reductions in employment.



- Growth in unique online vacancies has been fairly strong since 2016 (and certainly stronger than other local, regional and national comparators) with numbers increasing from 442 to 673 in 2020. However, given the plateau and subsequent fall in employment from 2017, this growth in vacancy numbers is primarily down to churn rather than net additional job creation.
- As of September 2021, unique online job vacancy numbers were already at 1,012, demonstrating increasing local demand for roles to be filled.

# AN OVERVIEW OF SKILLS SUPPLY FOR THE VISITOR ECONOMY IN NORTH LINCOLNSHIRE

- Starts in Visitor Economy apprenticeship sector subject areas (Hospitality and Catering; Sport, Leisure and Recreation; Travel and Tourism) by North Lincolnshire residents have fallen since 2017 by 50%, which is broadly in line with local, regional and national trends. In the educational year 2019/20 there were just 34 starts in these sector subject areas.
- Rates of participation in Visitor Economy FE courses have also fallen, but only by 10% between 2015 and 2020, and this is noticeably much less than the decline in participation rates experienced at Greater Lincolnshire level (47%), regionally (69%), and nationally (72%). In fact, as the chart below shows, despite some large fluctuations, the level of participation has ultimately held up over this period.



- The Male/Female split of the Visitor Economy workforce is 49/51 compared to an overall economy split of 51/49.
- The sector is significantly younger than average with proportionally more employment in the 16-24 age group and proportionally less in all other age groups as shown in the chart below. Given the slightly above average level of replacement demand for the sector then this suggests that this will primarily be as a result of churn in the workforce rather than retirements.



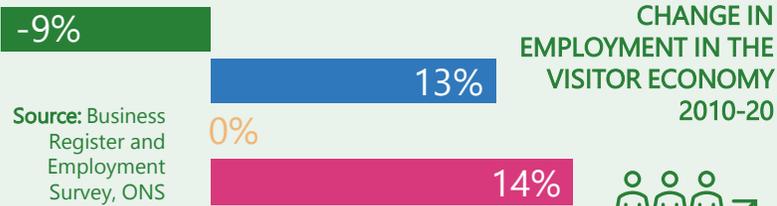
- During 2020, 3% of the national accommodation and food workforce were mainly able to work from home, with a further 6% able to do so occasionally. Looking ahead, 2% of accommodation and food businesses intend to use increased homeworking as a permanent business model.
- Remote working opportunities in the Visitor Economy sector are few and far between but they are growing. In 2016 there were just six job vacancies posted online that mentioned the possibility of remote working. This figure rose to 24 in 2020 and already in 2021 (Jan-Sep) that figure is 37.

# VISITOR ECONOMY OVERVIEW

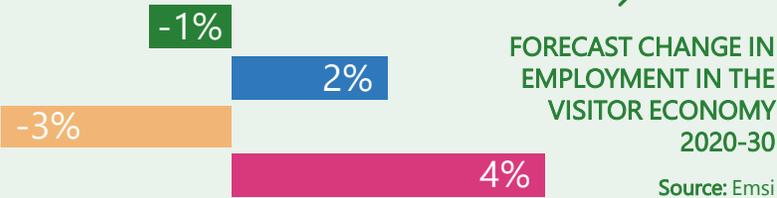
KEY:  North Lincolnshire  Greater Lincolnshire  Yorkshire and The Humber Region  National

## SKILLS DEMAND

### EMPLOYMENT CHANGE



### FORECAST EMPLOYMENT CHANGE



### VACANCY DATA



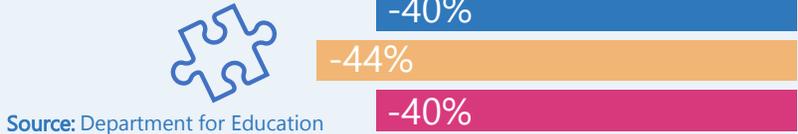
### REPLACEMENT DEMAND

34% of employees will leave the sector workforce over the next decade, so despite a projected small decrease in jobs the sector will still need to fill approx. 2,000 jobs

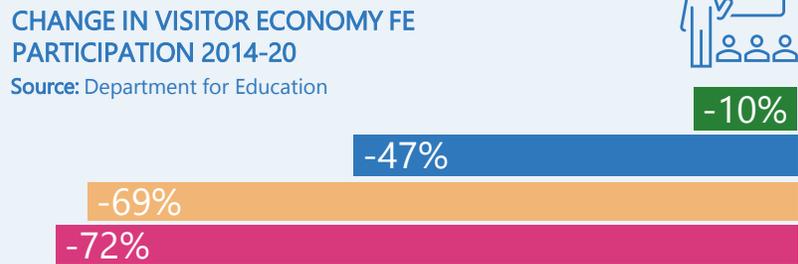
Source: Working Futures 2017-2027

## SKILLS SUPPLY

### CHANGE IN VISITOR ECONOMY APPRENTICESHIP STARTS 2017-20



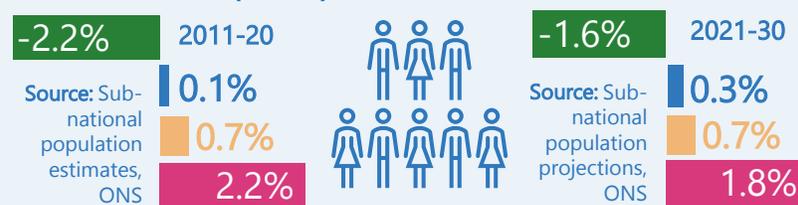
### FURTHER EDUCATION



### HIGHER EDUCATION CHANGE IN HOSPITALITY, LEISURE, SPORT, TOURISM & TRANSPORT HE QUALIFIERS 2014-19



### WORKING AGE (16-64) POPULATION CHANGE



## IMPLICATIONS

Source: Employer Skills Survey 2019

**8%** of local businesses reported a hard-to-fill vacancy compared to **10% nationally**

**HARD-TO-FILL VACANCIES**

### SKILLS SHORTAGE VACANCIES



**16%** of local businesses are less likely to describe vacancies as being a skills shortage vacancy than **21% nationally**

**TOP 3 SKILLS DIFFICULT TO OBTAIN AS REPORTED BY RECRUITING EMPLOYERS**

- Team working: 49%
- Ability to manage own time and prioritise own tasks: 60%
- Specialist skills or knowledge needed to perform role: 63%



**6%** of local businesses report staff as having a skills gap, in line with the **national average**

**WORKFORCE SKILLS GAPS**

\* Represents combined qualifiers of universities located in Hull, Leeds, Lincoln, Sheffield and York

# VISITOR ECONOMY – NORTH LINCOLNSHIRE LABOUR MARKET FOCUS

## TOP 10 OCCUPATIONS

Source: Emsi

	% OF SECTOR EMP.	% CHANGE 2010-20	QUAL LEVEL
1. Kitchen and Catering Assistants	18%	8% ▲	2
2. Bar Staff	14%	-22% ▼	2
3. Waiters and Waitresses	12%	27% ▲	2
4. Chefs	9%	-1% ▼	2
5. Cleaners and Domestics	3%	-33% ▼	1
6. Restaurant and Catering Establishment Managers and Proprietors	3%	-39% ▼	3
7. Catering and Bar Managers	3%	-19% ▼	2
8. Cooks	2%	5% ▲	2
9. Publicans and Managers of Licensed Premises	2%	-43% ▼	2
10. Leisure and Sports Managers	2%	7% ▲	3

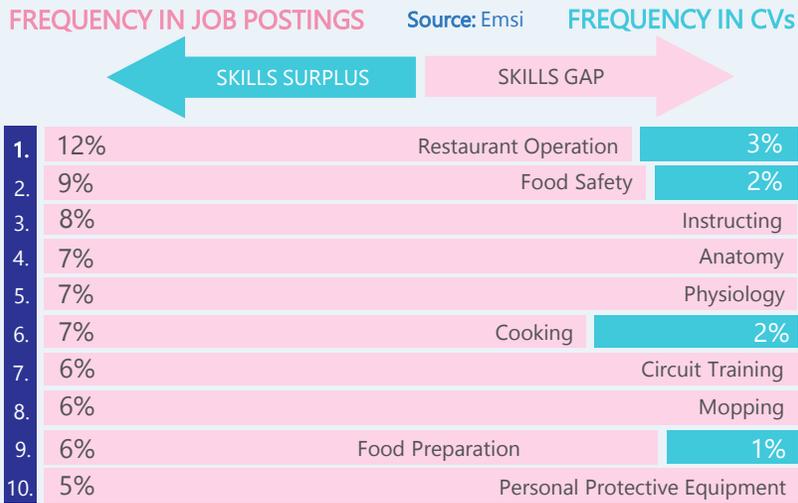
## TOP 10 VACANCIES (JAN-SEP 2021)

Source: Emsi

	% OF SECTOR VACANCIES	RANK 2016/20	QUAL LEVEL
1. Cleaners and domestics	27%	2 / 1	1
2. Kitchen and catering assistants	22%	3 / 2	2
3. Chefs	14%	1 / 3	2
4. Fitness instructors	7%	4 / 4	3
5. Cleaning and housekeeping managers and supervisors	5%	8 / 5	2
6. Conference and exhibition managers and organisers	4%	9 / 7	6
7. Sports and leisure assistants	3%	- / -	2
8. Cooks	3%	6 / 8	2
9. Catering and bar managers	3%	5 / 6	2
10. Sports coaches, instructors and officials	2%	- / -	3

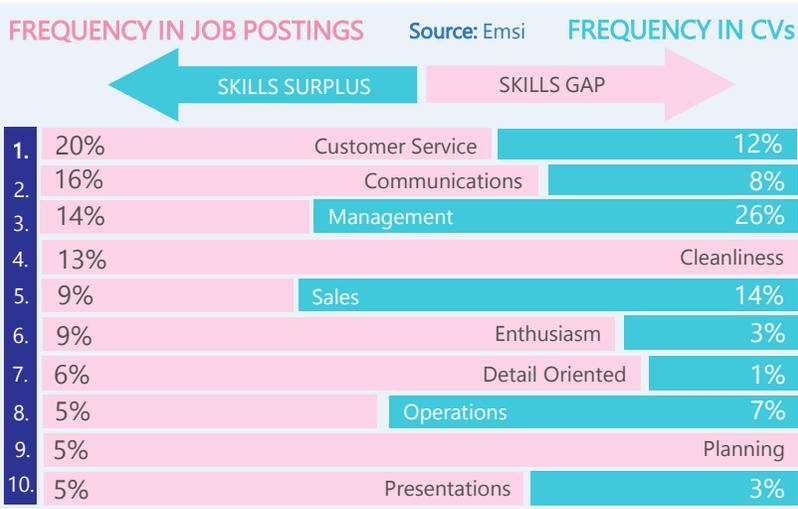
## TOP 10 HARD\* SKILLS

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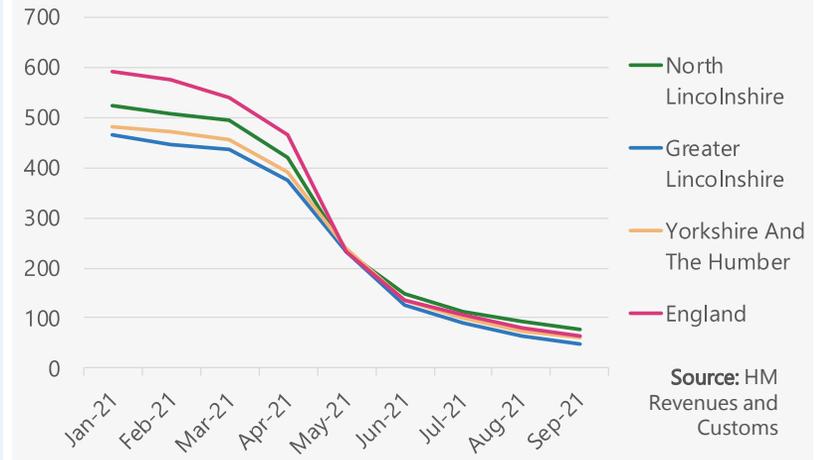
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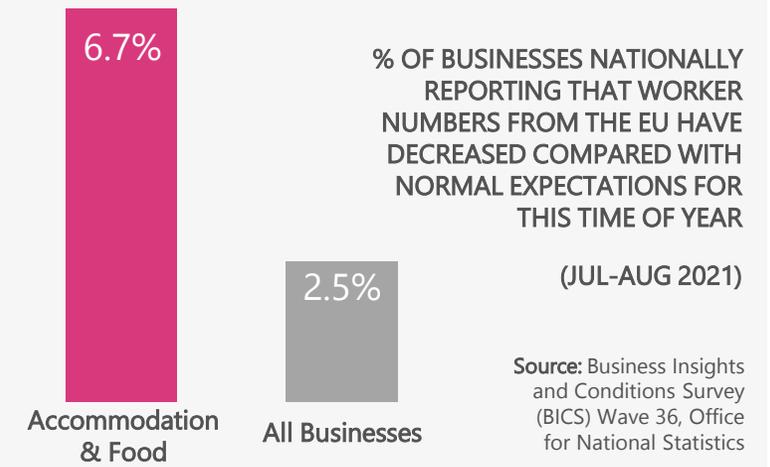


## COVID IMPACT

FURLOUGHED EMPLOYMENTS PER 1,000 EMPLOYEES



## BREXIT



# LOCAL STAKEHOLDER FEEDBACK



## SKILLS DEMAND

- **Businesses were upbeat about the growth potential of the sector**, although this is **qualified by the current challenges of recruiting staff** making the capacity to offer the widest range of services a real challenge.
- Businesses describe how **sector career development typically starts from frontline, (even short term/ seasonal) roles** – with limited higher level entry points such as for graduates.
- The covid pandemic has meant that **many businesses described the post-COVID-19 re-opening phase as a new business start-up** with the need to recruit new teams and offer a new or enhanced services including take-away, home delivery, online ordering and booking etc..
- A consensus that it is **currently very difficult to source staff for frontline roles** such as bar staff, waiters, kitchen assistants, housekeepers **and more qualified staff such as Chefs.**
- **Staff shortages have been exacerbated by the COVID-19 context** and the 'pingdemic'. **Shortages have also put pressure on existing staff making staff retention more difficult.**

## SKILLS SUPPLY

- **The loss of EU workers due to Brexit was generally viewed as not a major factor in skills shortages for North Lincolnshire businesses;** and probably less of an issue than in manufacturing, transport or healthcare.
- **Businesses raised concerns about the employability skills, work-mindset and attitudes of applicants-** particularly younger people - towards work. Frontline visitor economy roles with variable hours and pressurised customer service situations were seen as 'quite a reality check'.
- **Businesses reported challenges with recruiting and retaining Apprentices** – both a lack of interest in vacancies and a level of bureaucracy that made the process difficult for all parties.
- **Several businesses had engaged with the Kickstart Scheme although this had not been successful for most.**
- Employers felt that **the sector is not viewed as an attractive employment or career option by local people.**



# SUMMARY OF FINDINGS FROM NATIONAL DESK RESEARCH

## SKILLS DEMAND

- Tourism has been the sector most reliant on the Government pandemic support such as furlough. In 2020, an estimated 1.1m jobs were cumulatively at risk, including 80% of the accommodation & food sector (Tourism Recovery Plan June 2021).
- Local employment levels have fluctuated over the last decade with minimal (1%) growth, much lower than other comparator areas.
- Local vacancy growth (2016-20) has been substantially higher than other areas with declines regionally and nationally.
- Nationally, almost 30% of businesses have reduced capacity, services or hours due to staff shortages. 46% of businesses have less staff than they did pre-COVID-19 (Tourism Alliance – June 2021).
- Only 18% of businesses report that they have all the staff they need with 35% having to employ people who don't have the skills that they need. (Tourism Alliance – June 2021).
- 65% of businesses have invested in tech recently due to new digital service opportunities and labour shortfalls. (CGA Business Confidence Survey).

## SKILLS SUPPLY

- Apprenticeship starts in Visitor Economy occupations have halved since 2017, slightly higher than falls seen across comparator areas.
- Falls in FE participation on courses relevant to the Visitor Economy were much lower than comparator areas.
- Nationally, 24% of UK hotel workers are EU nationals. The figure for Yorkshire and the Humber is much lower at 7.9% but still significant.
- Post-Brexit, all migrant workers must earn at least £26,500 per year and have secured a suitable job before entering the UK – making roles such as bar staff, waiters etc. inaccessible.
- Programmes such as Kickstart do not appear to have provided a local turnkey solution and opportunity for UK residents and employers.
- Hospitality and catering qualifications have been recently added into provision, prioritized and funded through the Lifetime Skills Guarantee.

## IMPLICATIONS

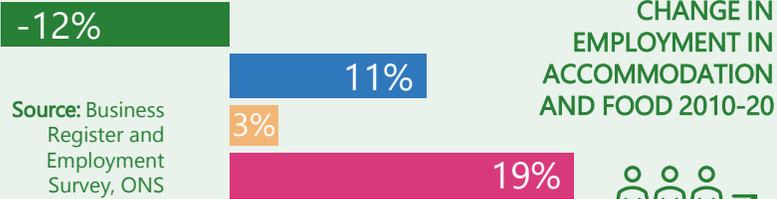
- Pre-COVID-19, local businesses are less likely to describe vacancies as being a skills shortage vacancy than nationally.
- There may be an increased shortfall in skilled workers because of Brexit nationally, and potential for a gap of up to one million vacancies in the hospitality and catering industry although locally in North Lincolnshire this issue was not emphasized by employers.
- There is a misconception that all the jobs in the visitor economy are low-skilled and low paid without career prospects. In fact, there are many higher-paid jobs and roles offering career progression in a global arena.
- Despite restrictions such as social distancing and capacity reducing the financial viability of businesses, 34% of all operators report that they are having to increase wages in order to attract staff (Tourism Alliance – June 2021).

# ACCOMMODATION AND FOOD OVERVIEW

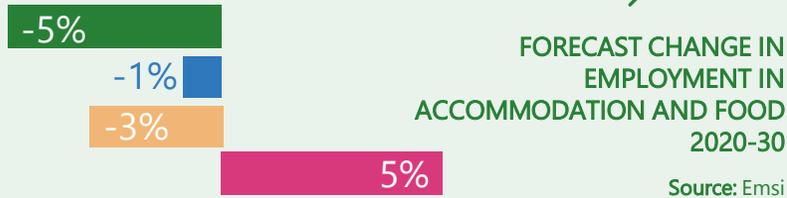
KEY:  North Lincolnshire  Greater Lincolnshire  Yorkshire and The Humber Region  National

## SKILLS DEMAND

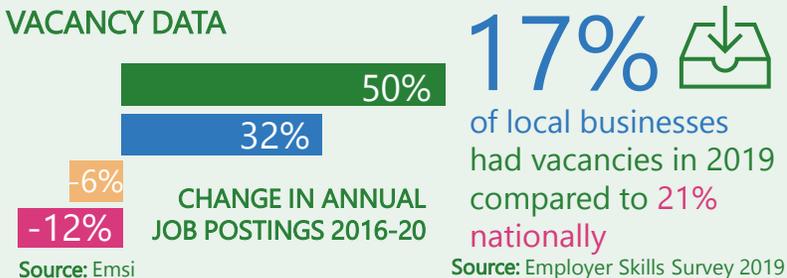
### EMPLOYMENT CHANGE



### FORECAST EMPLOYMENT CHANGE



### VACANCY DATA



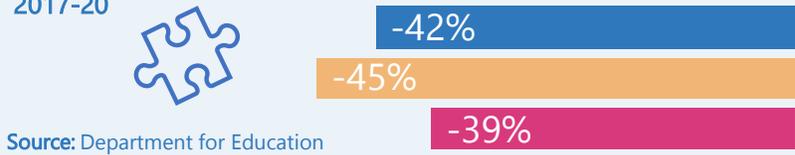
**34%** of employees will leave the sector workforce over the next decade, so despite a projected small decrease in jobs the sector will still need to fill approx. **1,500 jobs**

REPLACEMENT DEMAND

Source: Working Futures 2017-2027

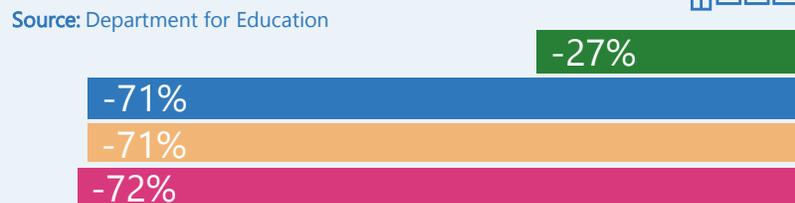
## SKILLS SUPPLY

### CHANGE IN HOSPITALITY & CATERING APPRENTICESHIP STARTS 2017-20



### FURTHER EDUCATION

#### CHANGE IN HOSPITALITY & CATERING FE PARTICIPATION 2014-20

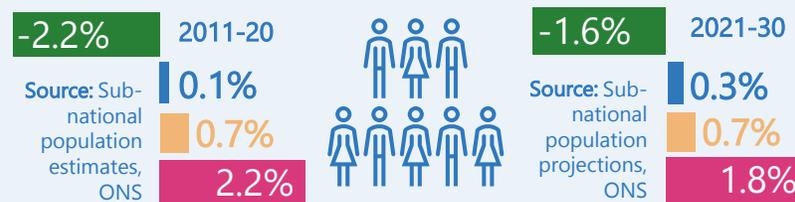


### HIGHER EDUCATION

#### CHANGE IN HOSPITALITY, LEISURE, SPORT, TOURISM & TRANSPORT HE QUALIFIERS 2014-19



### WORKING AGE (16-64) POPULATION CHANGE



## IMPLICATIONS

Source: Employer Skills Survey 2019

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HARD-TO-FILL VACANCIES

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WORKFORCE SKILLS GAPS

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# ACCOMMODATION AND FOOD – NORTH LINCOLNSHIRE LABOUR MARKET FOCUS

## TOP 10 OCCUPATIONS

Source: Emsi

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1. Kitchen and Catering Assistants	22%	6% ▲	2
2. Bar Staff	17%	-27% ▼	2
3. Waiters and Waitresses	15%	23% ▲	2
4. Chefs	11%	-2% ▼	2
5. Restaurant and Catering Establishment Managers and Proprietors	4%	-40% ▼	3
6. Cleaners and Domestic	3%	-40% ▼	1
7. Cooks	3%	4% ▲	2
8. Catering and Bar Managers	3%	-25% ▼	2
9. Publicans and Managers of Licensed Premises	3%	-45% ▼	2
10. Conference and Exhibition Managers and Organisers	1%	12% ▲	6

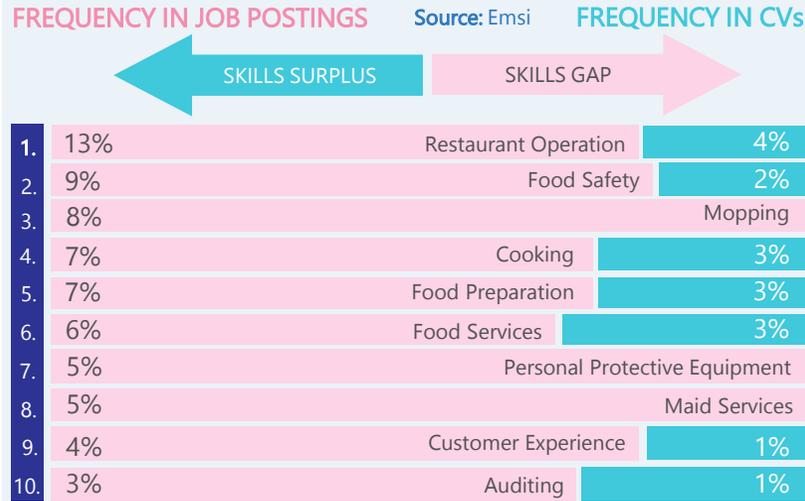
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2. Kitchen and catering assistants	26%	3 / 2	2
3. Chefs	16%	1 / 3	2
4. Cleaning and housekeeping managers and supervisors	6%	7 / 4	2
5. Conference and exhibition managers and organisers	5%	8 / 6	6
6. Cooks	3%	5 / 7	2
7. Catering and bar managers	3%	4 / 5	2
8. Bar staff	3%	6 / 9	2
9. Restaurant and Catering Establishment Managers and Proprietors	2%	9 / 8	3
10. Waiters and Waitresses	1%	- / 10	2

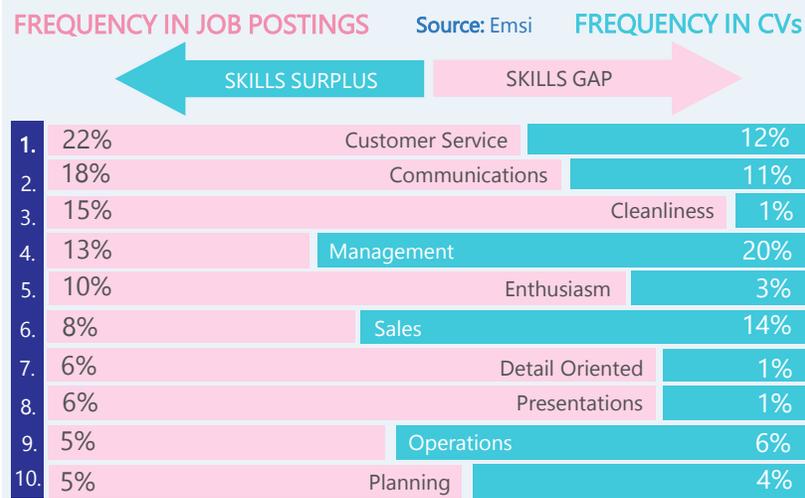
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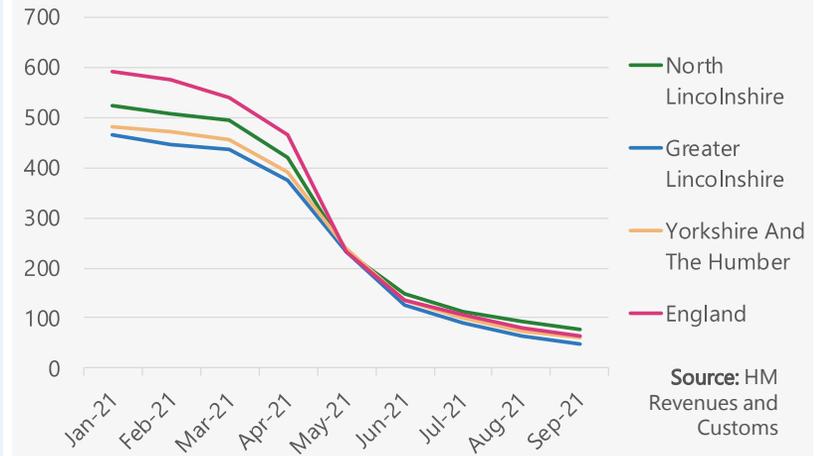
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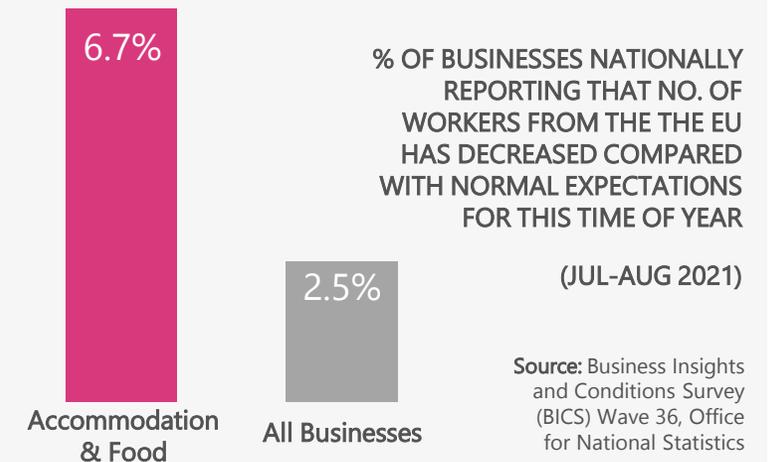


## COVID-19 IMPACT

FURLOUGHED EMPLOYMENTS PER 1,000 EMPLOYEES



## BREXIT



DIGITAL



# KEY FINDINGS AND RECOMMENDATIONS



## KEY FINDINGS

- There is evidence of **a real appetite in local sector employers, with existing networks and local champions, to collaborate and contribute to the local 'place' agenda** in terms of the digital sector profile locally, and the wider place offer of North Lincolnshire.
- **Local sector job figures underplay the importance and growth of digital occupations** across North Lincolnshire as a whole with **digital roles growing in all sectors**.
- **Growth in unique online vacancies has also been strong** (and above comparator area rates) in the sector since 2016 with **highest demand for Programmers and Software Developers**.
- **High vacancy levels are more likely to be due to churn within the sector (including to other areas) rather than retirements** due to the relatively young age of the workforce.
- Starts in **digital apprenticeships by North Lincolnshire residents have fallen since 2017** by nearly a third (29%), although based on very low numbers. Employers were of the view **that opportunities are being missed in terms of digital SME-led local apprenticeships**.
- More encouragingly, **FE participation and HE achievement levels compare very favourably** with local, regional and national comparators.

## IMMEDIATE RECOMMENDATIONS

- **Piloting a local 'Digital Skills Cluster'** – perhaps based upon existing digital business networks to fast-track practical skills partnership activity around self-defined skills priorities which could include school liaison, work experience, student / graduate placement.
- Identify **early opportunities to boost SME Apprenticeships** in the digital sector both for new talent and for the existing workforce.

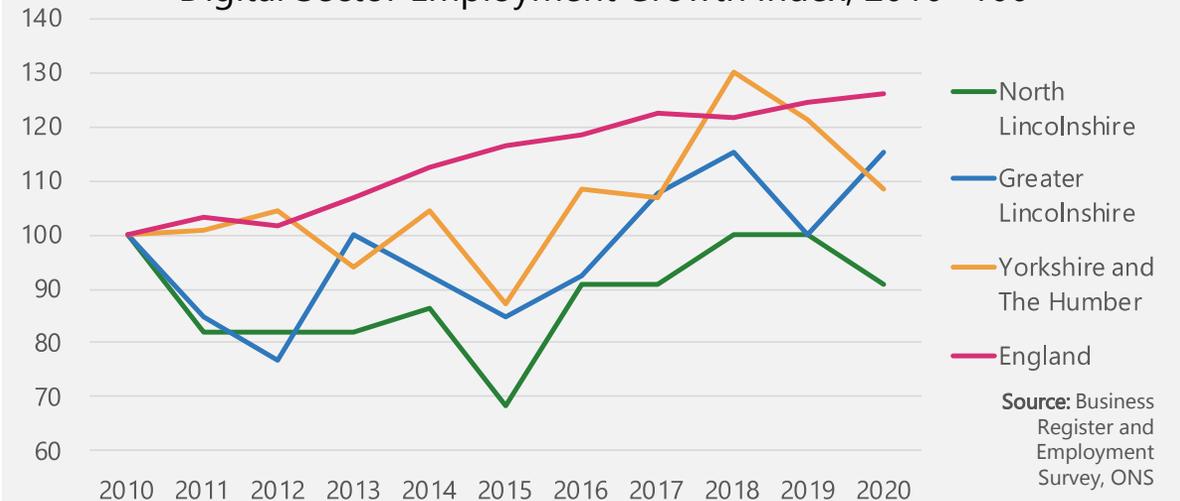
## LONGER TERM RECOMMENDATIONS

- The development of a North Lincolnshire Creative Industries Hub '**building the reputation of the area for great creative work; an empowering work culture; in an area of low cost living and attractive locations**'. The Hub would develop a '**creative, collaborative atmosphere**' including placements, recruitment, training, apprenticeships and education
- Harness the opportunity to **work with stakeholders in terms of the wider North Lincolnshire 'place offer'**; harnessing the sector's core creative and communication skills to make an even stronger case for the local area.
- Recognising that digital skills influence all aspects of life, explore **whether there is a bigger opportunity for celebrating and developing digital literacy across the wider local community and workforce**.

# AN OVERVIEW OF SKILLS DEMAND IN THE DIGITAL SECTOR IN NORTH LINCOLNSHIRE

- The Digital sector (as measured by using the broad industrial group of 'Information and communications') is relatively small when compared to other local sectors, employing approximately 500 people in North Lincolnshire (*Source: Business Register and Employment Survey, 2020*). However, many digital jobs sit within other sectors and therefore this figure underplays the importance of the sector locally.
- Using data on digital occupations we can see that in North Lincolnshire, these currently number approximately 1,900. This is up from around 1,600 in 2010 representing a growth rate of 16%. This is however below the growth rates seen at Greater Lincolnshire level (28%), regionally (28%), and nationally (22%).
- Other sectors outside of 'Information and communications' where digital occupations are strongly represented include 'Engineering activities and related technical consultancy', 'Hospital activities' and 'Business and other management consultancy activities'.
- Referring back to the Digital sector (as measured by using the broad industrial group of 'Information and communications'), as of 2019 it generated £21m in Gross Value Added, up 36% over the last decade.
- The chart on the right shows that the sector took until 2018 to climb back to 2010 levels of employment and since that point has dropped slightly. This contrasts with employment in the sector at national level which has seen strong and steady growth post 2010.

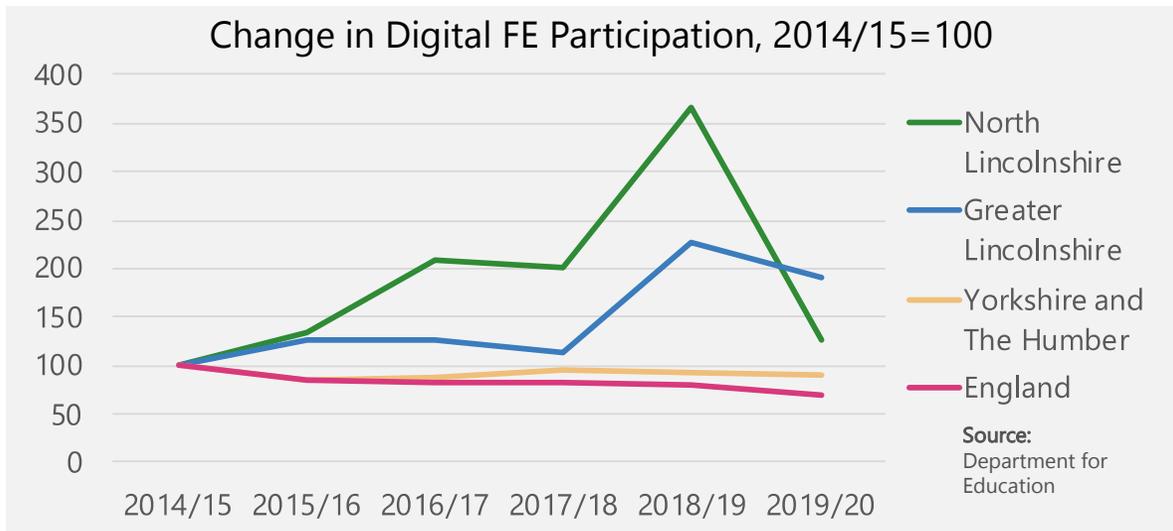
Digital Sector Employment Growth Index, 2010=100



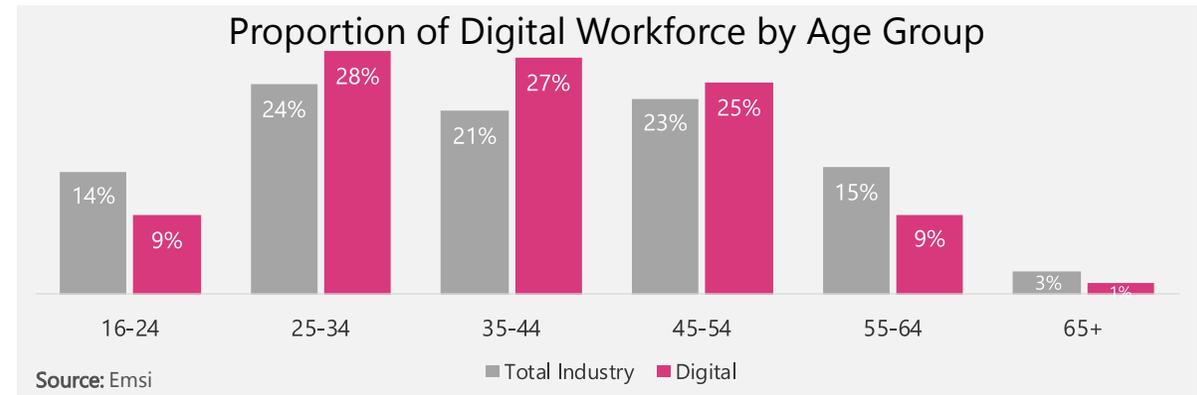
- Forecasts for employment growth in both the Digital sector and Digital occupations are strong at 10% and 7% respectively.
- Replacement demand (the proportion of the workforce that will leave the sector, mostly through retirement) is estimated to be 31% over the next decade. This equates to around 200 jobs that will need to be filled on top of forecast jobs growth across all sectors.
- Growth in unique online digital job vacancies has also been strong (and above comparator area rates) since 2016, with vacancy numbers increasing from 472 to 590 in 2020. Vacancy numbers for the period January to September 2021 are already at 705.

# AN OVERVIEW OF SKILLS SUPPLY FOR THE DIGITAL SECTOR IN NORTH LINCOLNSHIRE

- Starts in digital apprenticeships (in the sector subject areas of 'ICT Practitioners' and 'Media and Communication') by North Lincolnshire residents have fallen since 2017 by nearly a third (29%). This rate of decline is above Greater Lincolnshire and regional rates of decline (10% and 13% respectively) whereas at national level starts grew by 3%. However, numbers are small at North Lincolnshire level (with 20 starts in 2019/20) which does accentuate these changes whereas the focus should be on the direction of change.
- More positively we can see that there was significant growth in Digital FE participation in North Lincolnshire between 2014/15 and 2018/19 (referring to the chart below), in sharp contrast to regional and national rates. 2019/20 sees much lower numbers and is this will no doubt be due in part to COVID-19 impact on enrolment numbers.



- As well as FE, HE achievements in Digital courses (as measured by Computer Science which includes elements of software engineering, AI, health informatics, gaming, and computer generated visual and audio effects) also shows encouraging levels of growth with a 35% increase in students achieving passes in these courses at universities within an approximate drive time area of 1 hour from North Lincolnshire.
- The male/female split of the Digital sector workforce is 70/30 compared to an overall economy split of 51/49.

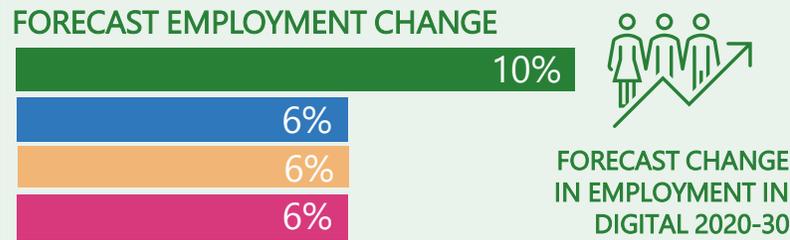
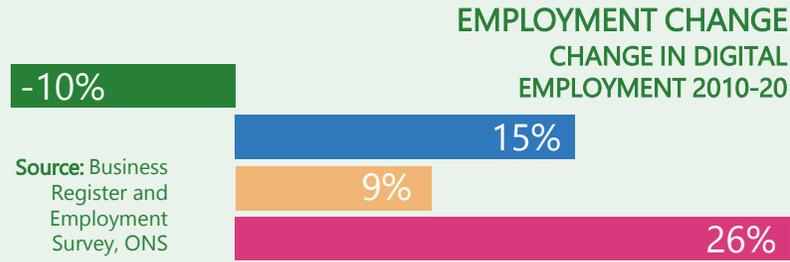


- The Digital sector is younger than average although it still does have a greater proportion of workers in the 45-54 age group, as shown above.
- During 2020, 22% of the national information and communication workforce were mainly able to work from home, with a further 8% able to do so occasionally. Looking ahead, 43% of information and communication businesses intend to use increased homeworking as a permanent business model.

# DIGITAL SECTOR OVERVIEW

KEY:  North Lincolnshire  Greater Lincolnshire  Yorkshire and The Humber Region  National

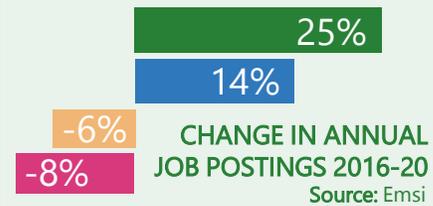
## SKILLS DEMAND



**31%** of employees will leave the sector workforce over the next decade, so the sector will need to fill approx. 200 jobs on top of the forecast growth in job numbers

Source: Working Futures 2017-2027

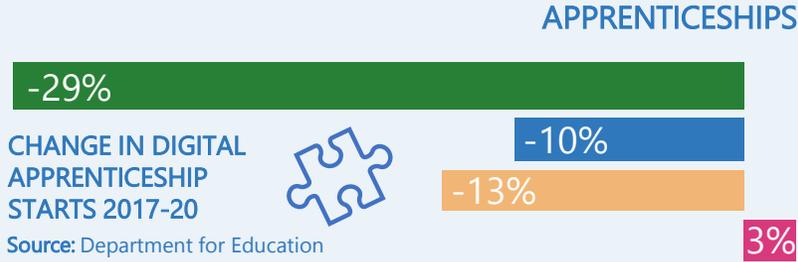
## VACANCY DATA



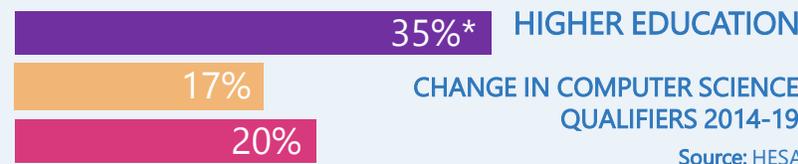
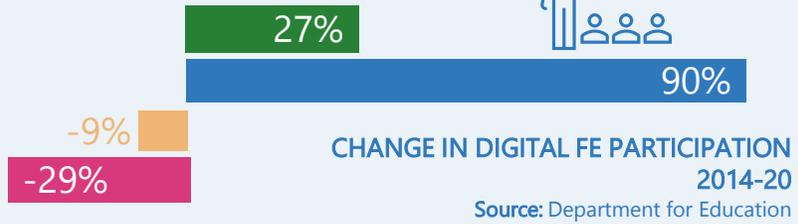
**6%** of local businesses reported vacancies in 2019 compared to 14% nationally

Source: Employer Skills Survey 2019

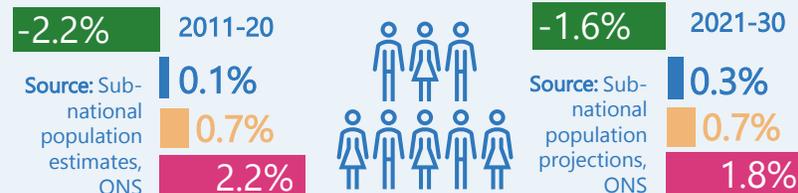
## SKILLS SUPPLY



## FURTHER EDUCATION



## WORKING AGE (16-64) POPULATION CHANGE



## IMPLICATIONS

Source: Employer Skills Survey 2019

**5%** of local businesses reported a hard-to-fill vacancy in 2019, in line with the national average

## SKILLS SHORTAGE VACANCIES

**81%** Skills shortage vacancies make up a much greater proportion of hard-to-fill vacancies locally than nationally (though numbers are small)

**TOP 3 SKILLS DIFFICULT TO OBTAIN AS REPORTED BY RECRUITING EMPLOYERS**

- Complex problem solving: 58%
- Advanced or specialist IT skills: 64%
- Specialist skills or knowledge needed to perform role: 74%

**WORKFORCE SKILLS GAPS**

Local businesses report **0.1%** of staff as having a skills gap, compared with 5% nationally

\* Represents combined qualifiers of universities located in Hull, Leeds, Lincoln, Sheffield and York

# DIGITAL – NORTH LINCOLNSHIRE LABOUR MARKET FOCUS

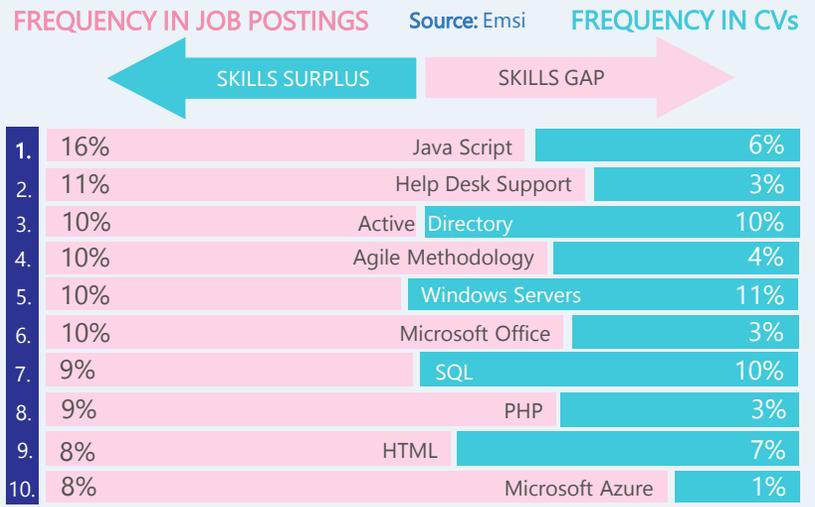
## TOP 10 OCCUPATIONS

Source: Emsi

	% OF SECTOR EMP.	% CHANGE 2010-20	QUAL LEVEL
1. Programmers and Software Development Professionals	14%	37% ▲	6
2. IT and Telecommunications Professionals n.e.c.	9%	31% ▲	6
3. IT Specialist Managers	4%	-22% ▼	6
4. IT and Telecommunications Directors	4%	41% ▲	6
5. Arts Officers, Producers and Directors	4%	33% ▲	6
6. Photographers, Audio-visual and Broadcasting Equipment Operators	4%	175% ▲	3
7. Web Design and Development Professionals	4%	180% ▲	6
8. IT Business Analysts, Architects and Systems Designers	3%	-31% ▼	6
9. IT Project and Programme Managers	2%	12% ▲	6
10. IT Operations Technicians	2%	-4% ▼	3

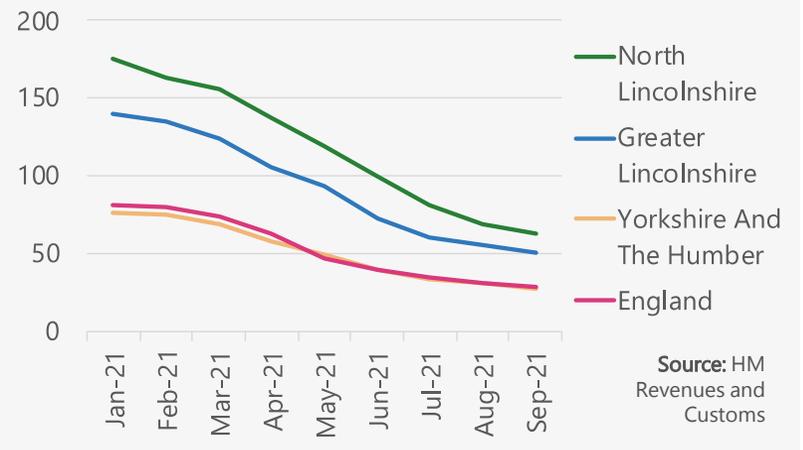
## TOP 10 HARD\* SKILLS

\* Hard skills are abilities that have been taught to or learnt by a person



## COVID IMPACT

FURLOUGHED EMPLOYMENTS PER 1,000 EMPLOYEES



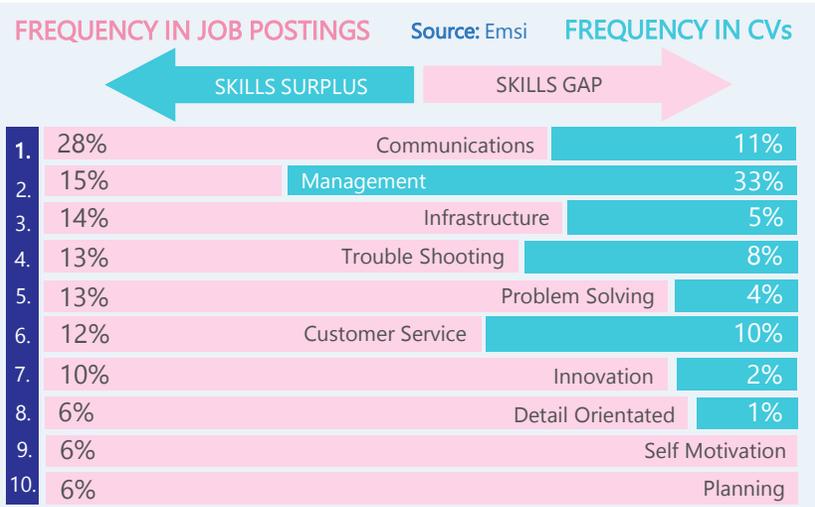
## TOP 10 VACANCIES (JAN-SEP 2021)

Source: Emsi

	% OF SECTOR VACANCIES	RANK 2016/20	QUAL LEVEL
1. Programmers and software development professionals	22%	4 / 1	6
2. IT operations technicians	14%	7 / 4	3
3. IT and telecommunications professionals n.e.c.	13%	5 / 2	6
4. IT specialist managers	11%	3 / 6	6
5. IT user support technicians	10%	2 / 5	3
6. Web design and development professionals	9%	1 / 3	6
7. IT engineers	7%	8 / 8	6
8. IT business analysts, architects and systems designers	5%	6 / 7	6
9. Authors, writers and translators	3%	- / 10	6
10. Telecommunications engineers	2%	- / 9	3

## TOP 10 COMMON\*\* SKILLS

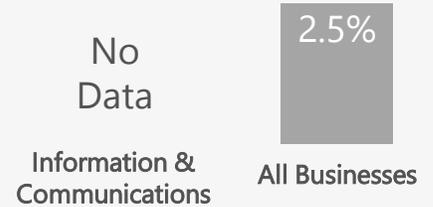
\*\* Common skills are self developed or personal attributes



## IMPLICATIONS

% OF BUSINESSES REPORTING THAT NO. OF WORKERS FROM THE EU HAS DECREASED COMPARED WITH NORMAL EXPECTATIONS FOR THIS TIME OF YEAR

(JUL-AUG 2021)



Source: Business Insights and Conditions Survey (BICS) Wave 36, Office for National Statistics

# LOCAL STAKEHOLDER FEEDBACK



## SKILLS DEMAND

- **Sector job growth figures underplay the growth of digital occupations across all sectors** therefore perhaps the need for substantial skills investment in both specialist digital skills and broader digital literacy.
- The **creative digital sector is low profile on the Humber South Bank** which probably means that local career-seeking young people look elsewhere.
- **Major challenges filling vacancies** with local businesses losing skilled staff to the larger cities, although this progression should not necessarily be seen as detrimental.
- The sector needs employees with at minimum, **digital capability, essential Maths / English skills, ambition and willingness to learn.**
- **Data underplays the level of skills gaps for existing staff in this fast-moving sector.**

## SKILLS SUPPLY

- **The Humber Bridge remains a 'physical barrier' for recruiting staff**, although **the catchment area for staff tends to be 30-35 miles** benefitting from some good transport links.
- **Apprenticeships are a big opportunity missed** locally with very low numbers; University curriculum content was not always viewed as job-relevant by local employers.
- There is a **lack of local information on Apprenticeships - especially for non-levy paying SMEs** who reported employment schemes such as Kickstart a frustration.
- Businesses are very prepared to support the development of technical skills, although **employers do not expect to have to teach staff basic skills that could have been covered at school.**
- Some employers were of the view that **COVID-19 has had the impact of raising employee expectations about work flexibility** although hybrid working is common in the sector probably enabling a larger geographical pool of potential employees.

# SUMMARY OF FINDINGS FROM NATIONAL DESK RESEARCH



## SKILLS DEMAND

- 100,000 unfilled vacancies a month in the tech sector. (Tech Nation cited in *Financial Times*)
- 81% of UK businesses will need to recruit from outside of UK over the next year due to digital skills shortage. 4 in 5 businesses. (FourthRev study, Learning News)
- Automation and technology will create millions of new jobs, increasing employer demand for digital, STEM and interpersonal skills. (Tech Republic)
- Difficulty hiring software developers – the top sought after candidate from UK employers in 2019 was software developer, with demand outweighing supply 10 times. (Tech Nation)
- Demand for AI, cloud and robotic skills soaring. (BBC)
- There is a lack of clearly-defined job roles; lack of understanding and guidance on career paths; a lack of relatable role models. (Dr Neil Bentley-Gockmann, WorldSkills UK)

## SKILLS SUPPLY

- Young people taking IT GCSE has dropped 40% since 2015, with 70% of young people expecting employers to teach them digital skills on job – but only 50% of employers able to provide training. (BBC)
- Females studying computer science at A-Level increased 300% in 5 years (as of 2020) and is up 23% on 2019. (Tech Nation)
- 88% of employers lack confidence in the education sector to deliver graduates and upskill provision to rebound/thrive in the digital economy/ (Learning News).
- 58% of professionals in IT and computing roles are considering a job change in next 6-12 months. (Tech Republic)
- As well as 'hard, technical skills' the importance of 'soft' creative, communication skills – digital marketing, sales, customer experience and operations were also employer priorities. Tech Nation)

## IMPLICATIONS

- The need to consider digital development as an occupation; a sector; and, as an increasingly essential work / life skill for the whole community.
- Although relatively modest growth is reported locally in terms of 'sector jobs', the growth in digital 'occupations' across all sectors remains significant and the wider demand for greater digital literacy is very apparent.
- Smaller companies with modest resources are less able to compete for talent against large tech companies who can offer higher salaries and career structures to graduate software developers; and thereby more likely to rely on third parties to source skills. (Tech Nation)
- 76% of UK organisations think the Government needs to invest, to close the digital economy skills gaps. (Learning News)
- There is an opportunity to explore how local people with non digital backgrounds or specialisms can reskill to build sector careers.

# CONSTRUCTION



# KEY FINDINGS & RECOMMENDATIONS



## KEY FINDINGS

- Skills shortages have been driven by a sharp increase in infrastructure works, and a surge in housebuilding and refurbishments. The exciting major inward investment plans locally will intensify the demand for construction workers over the next decade and are likely to increasingly require workers from a much wider area – generally on a commuting basis.
- The sector does seem to have been impacted by Brexit, with significantly more local vacancies than in 2019. There is a high demand but a lack of skilled labour, which has been exacerbated by the large loss of EU workers.
- Skilled trade occupations such as bricklaying, carpentry, electricians plus professional roles such as quantity surveying and management dominate in terms of jobs and vacancy levels, with ‘two-thirds of construction firms’ finding it difficult to hire these.
- Women, ethnic minorities and people with disabilities are under-represented in nearly all sector occupations. The local workforce male/female split is 82/18 compared to an overall local economy split of 51/49.
- Local construction apprenticeships have fallen since 2017 by 37% although FE participation more than tripled between 2014 – 2020 showing real strengths compared to other local and national comparators.
- The increasing need and demand for a carbon neutral economy means that that the sector will need to ‘upskill and reskill to transform the industry’ with a ‘focus on new innovative, sustainable technologies and behaviours such as inclusivity’. This skills gap is likely to be even more pressing locally with several major carbon neutral construction projects in the pipeline.

## IMMEDIATE RECOMMENDATIONS

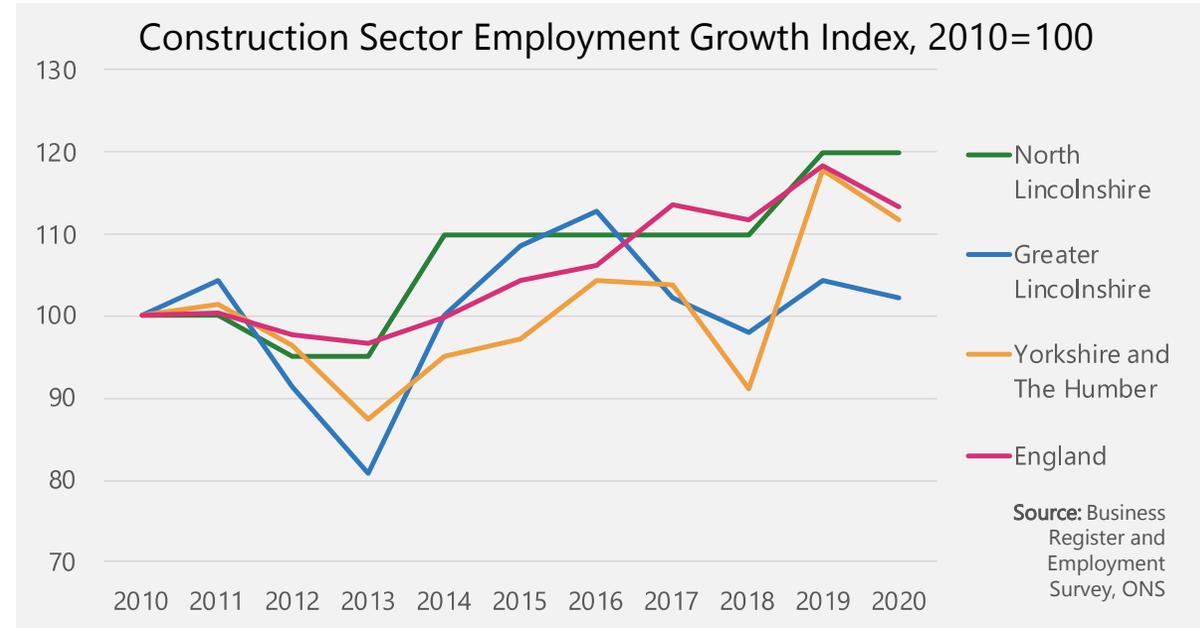
- Harnessing the wider opportunities provided by local large renewables projects and other construction projects which will create substantial construction jobs through the long build phase, providing a unique opportunity for residents to contribute, to develop new skills; to upskill; and access longer-term career prospects ‘on their doorsteps’. This will include working in partnership with developers to facilitate and maximise opportunities (jobs, training and apprenticeships) for residents – increasing the local skills pool to the benefit of investors and the local economy and community.
- Take the opportunity and challenge of a tightening labour market to work with partners to promote greater inclusivity and workforce diversity, supporting the sector to be one of choice locally for groups such as women, ethnic minorities and people with disabilities.

## LONGER TERM RECOMMENDATIONS

- Develop sector collaboration between large, small businesses (non-levy payers) and self-employed workers with learning providers, to create more accessible sector pathways of employment, traineeships and apprenticeships, for local people to support recruitment and succession planning.
- Work with employers and learning providers to ensure that course curriculums and equipment meet future skills needs for young people and the existing workforce, such as Modern Methods of Construction (MMC) delivering net zero carbon targets through retrofit, new build, and construction; innovation/digital tech; and supervisory skills such as communication and people management.

# AN OVERVIEW OF SKILLS DEMAND IN THE CONSTRUCTION SECTOR IN NORTH LINCOLNSHIRE

- The Construction sector in North Lincolnshire directly employs 6,000 people. This equates to 8% of total employment in the area, higher than Greater Lincolnshire, regional and national proportions (all 5%) (*Source: Business Register and Employment Survey, 2020*).
- Modelled estimates put Gross Value Added (GVA) for the sector at £414m in 2019, 78% higher than in 2009. This equates to 10% of the total economic value generated by the North Lincolnshire economy.
- Significant sub sectors include:
  - Other specialised construction activities not elsewhere classified (1,500 jobs)
  - Building completion and finishing (1,000 jobs).
- Between 2010 and 2020, employment in the sector locally has grown by 20%, which is above growth rates for Greater Lincolnshire (2%), regionally (12%) and nationally (13%).
- The chart on the right shows that employment in the sector grew substantially between 2013 and 2014, and then levels subsequently plateaued until 2018 when further increases took place.
- Strong employment growth over the last decade has also translated into strong employment growth forecasts over the next decade, with the sector expected to grow by 13%. This is above rates for Greater Lincolnshire (9%) and nationally (8%) but below the regional rate (18%).

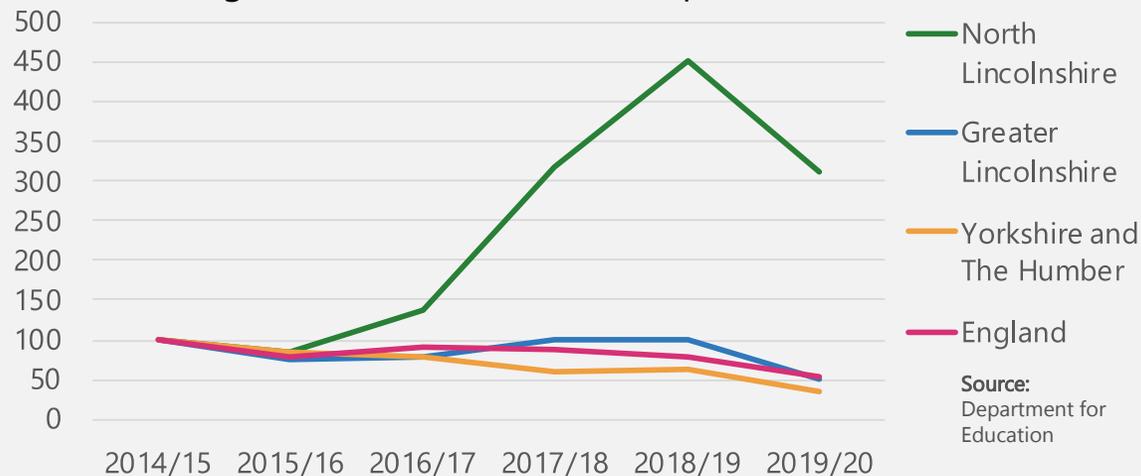


- Replacement demand (the proportion of the workforce that will leave the sector, mostly through retirement) is estimated to be 29% over the next decade. This equates to around 2,000 jobs that will need to be filled on top of forecast jobs growth.
- Growth in unique online vacancies has been strong since 2016 (but lower than other sectors), with numbers increasing from 710 to 856 in 2020. As of September 2021, unique online job vacancy numbers already totalled 1,182.

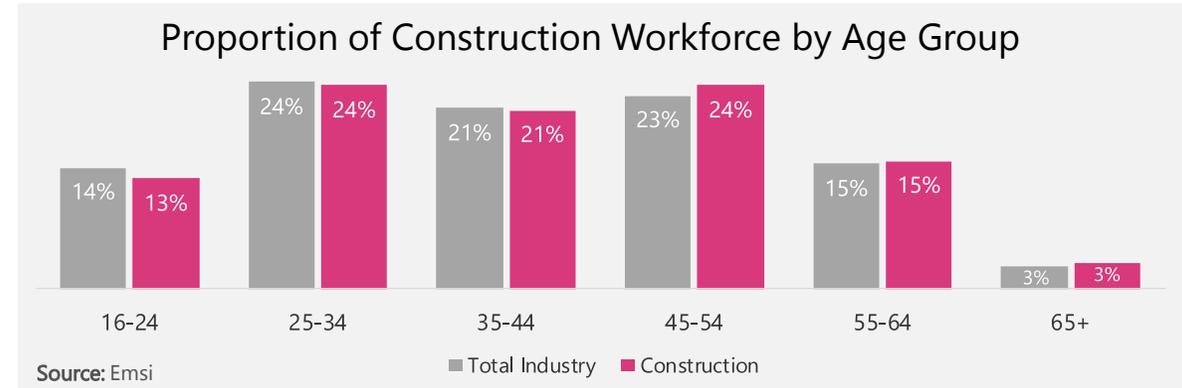
# AN OVERVIEW OF SKILLS SUPPLY FOR THE CONSTRUCTION SECTOR IN NORTH LINCOLNSHIRE

- Starts in Building and Construction apprenticeships by North Lincolnshire residents have fallen since 2017 by over a third (37%), from 152 to 96 in the education year 2019/20 (which runs from August to July so will include some level of COVID-19 impact). Apprenticeship numbers have also fallen across Greater Lincolnshire and nationally but have grown regionally.
- Rates of participation in Building and Construction FE courses tell a completely different story with numbers more than tripling between 2014/15 and 2019/20, rising from 73 to 227. The chart below shows that numbers peaked in 2018/19 (at 329) and have subsequently fallen in 2019/20 (again most likely due to impacts of COVID-19). This overall growth is in stark contrast to the decreases in numbers across Greater Lincolnshire, regionally, and nationally.

Change in Construction FE Participation, 2014/15=100



- The male/female split of the Construction sector workforce is 82/18 compared to an overall economy split of 51/49.
- In terms of its age profile then the sector is broadly in line with the average of all sectors as shown in the chart below.



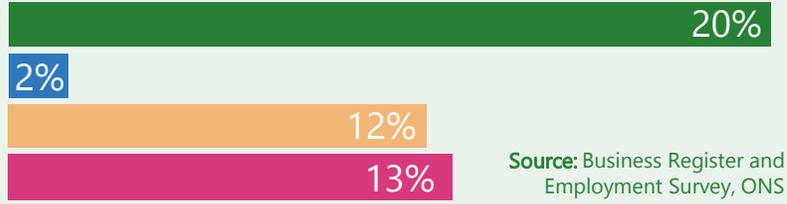
- During 2020, 5% of the national construction workforce were mainly able to work from home, with a further 13% able to do so occasionally. Looking ahead, 4% of construction businesses intend to use increased homeworking as a permanent business model.

# CONSTRUCTION OVERVIEW

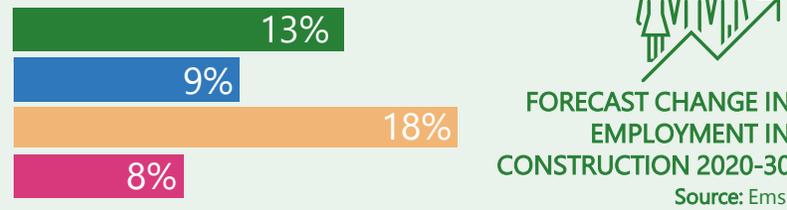
KEY:  North Lincolnshire  Greater Lincolnshire  Yorkshire and The Humber Region  National

## SKILLS DEMAND

### CHANGE IN EMPLOYMENT IN CONSTRUCTION 2010-20



### FORECAST EMPLOYMENT CHANGE

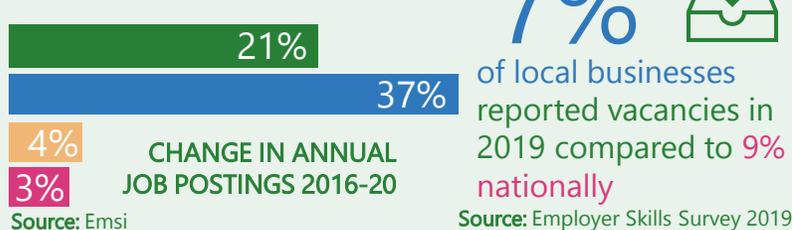


## REPLACEMENT DEMAND

**29%** of employees will leave the sector workforce over the next decade, so the sector will need to fill approx. 2,000 jobs on top of the forecast growth in job numbers

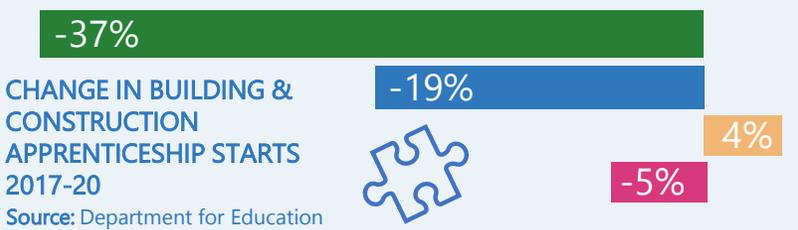
Source: Working Futures 2017-2027

## VACANCY DATA

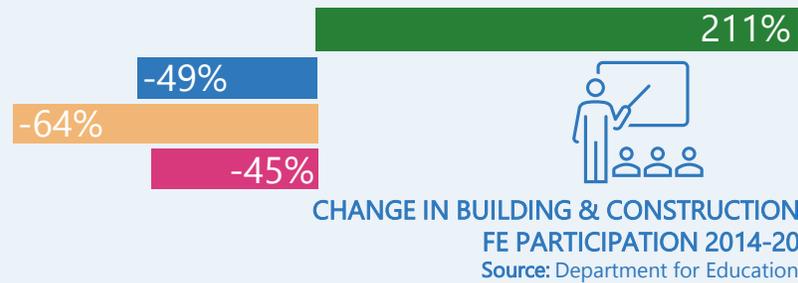


## SKILLS SUPPLY

### APPRENTICESHIPS



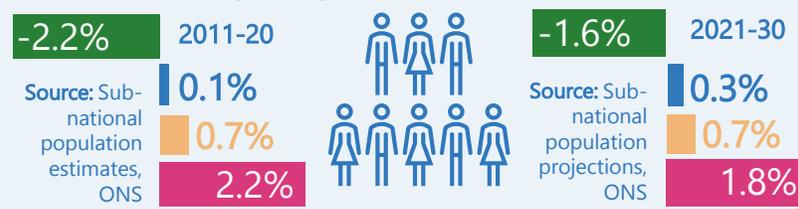
### FURTHER EDUCATION



### HIGHER EDUCATION



### WORKING AGE (16-64) POPULATION CHANGE



## IMPLICATIONS

Source: Employer Skills Survey 2019

**4%** of local businesses reported a hard-to-fill vacancy compared to **5% nationally**

**HARD-TO-FILL VACANCIES**

### SKILLS SHORTAGE VACANCIES

**56%** of local businesses reported a skills shortage vacancy compared to **34% nationally**

Despite local business experiencing lower levels of hard-to-fill vacancies, **local levels** of skills shortage vacancies (as a % of total vacancies) are higher than **nationally**

**52%** of local businesses reported complex problem solving as a top 3 skill difficult to obtain as reported by recruiting employers

**57%** of local businesses reported ability to manage own time and prioritise own tasks as a top 3 skill difficult to obtain as reported by recruiting employers

**78%** of local businesses reported specialist skills or knowledge needed to perform role as a top 3 skill difficult to obtain as reported by recruiting employers

**7%** of local businesses report a skills gap, compared with **4% nationally**

**WORKFORCE SKILLS GAPS**

\* Represents combined qualifiers of universities located in Hull, Leeds, Lincoln, Sheffield and York

# CONSTRUCTION – NORTH LINCOLNSHIRE LABOUR MARKET FOCUS

## TOP 10 OCCUPATIONS

Source: Emsi

	% OF SECTOR EMP.	% CHANGE 2010-20	QUAL LEVEL
1. Scaffolders, Stagers and Riggers	6%	69% ▲	2
2. Electricians and Electrical Fitters	6%	45% ▲	3
3. Production Managers and Directors in Construction	4%	25% ▲	3
4. Elementary Construction Occupations	4%	11% ▲	2
5. Plumbers and Heating and Ventilating Engineers	4%	66% ▲	3
6. Carpenters and Joiners	3%	24% ▲	3
7. Construction and Building Trades Supervisors	3%	19% ▲	3
8. Construction and Building Trades n.e.c.	2%	10% ▲	3
9. Painters and Decorators	2%	-2% ▼	3
10. Construction Project Managers and Related Professionals	2%	35% ▲	6

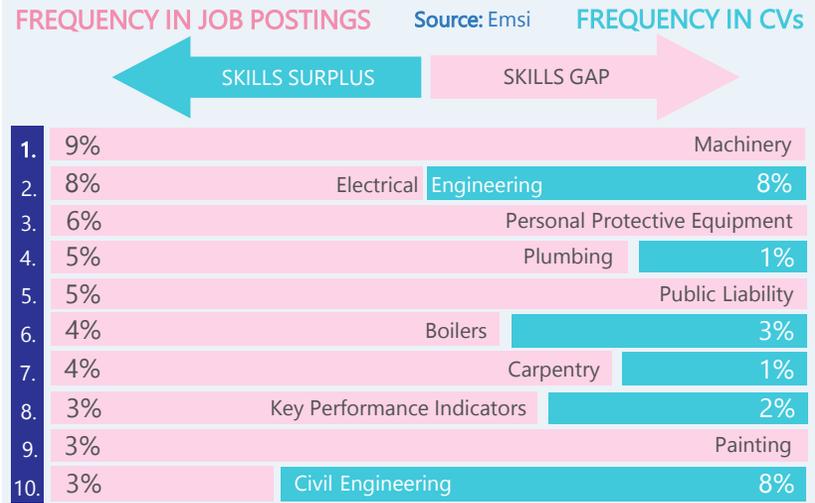
## TOP 10 VACANCIES (JAN-SEP 2021)

Source: Emsi

	% OF SECTOR VACANCIES	RANK 2016/20	QUAL LEVEL
1. Electricians and Electrical Fitters	25%	1 / 1	3
2. Mobile Machine Drivers and Operatives n.e.c.	12%	2 / 2	2
3. Construction Operatives n.e.c.	10%	7 / 10	2
4. Plumbers and Heating and Ventilating Engineers	9%	6 / 4	3
5. Civil Engineers	9%	3 / 3	6
6. Production Managers and Directors in Construction	6%	4 / 5	3
7. Carpenters and Joiners	5%	8 / 7	3
8. Construction and Building Trades Supervisors	4%	- / 6	3
9. Construction Project Managers and Related Professionals	4%	- / -	6
10. Elementary Construction Occupations	4%	9 / 8	2

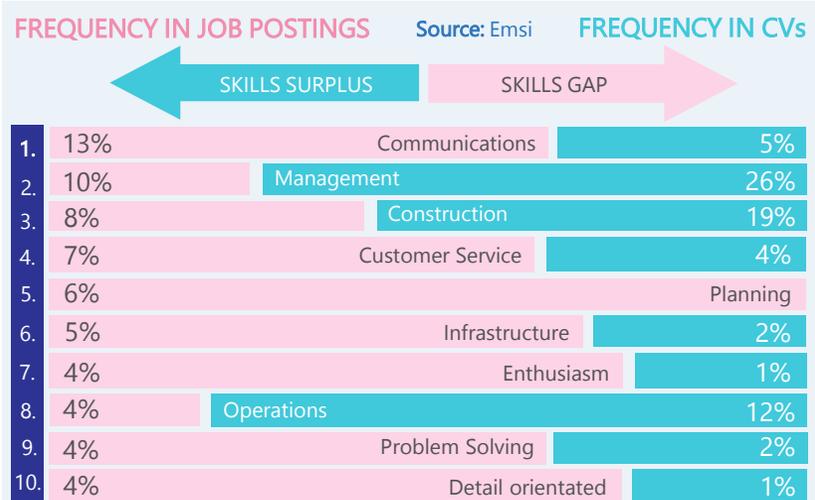
## TOP 10 HARD\* SKILLS

\* Hard skills are abilities that have been taught to or learnt by a person



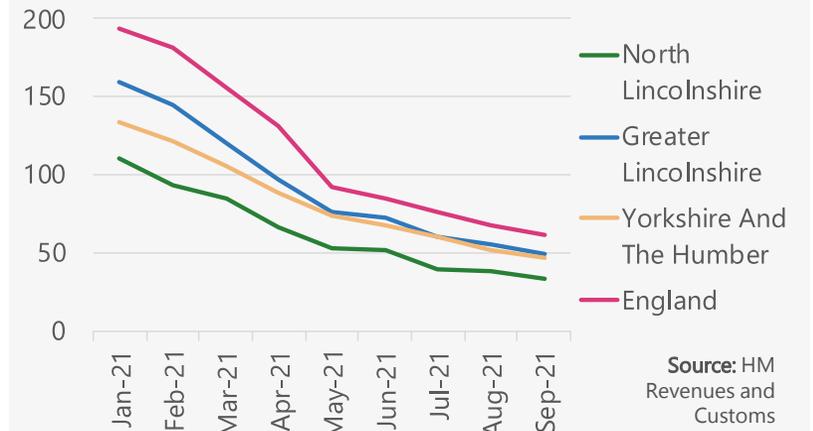
## TOP 10 COMMON\*\* SKILLS

\*\* Common skills are self developed or personal attributes



## COVID IMPACT

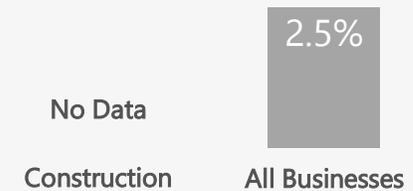
FURLOUGHED EMPLOYMENTS PER 1,000 EMPLOYEES



## BREXIT

% OF BUSINESSES REPORTING NATIONALLY THAT NO. OF WORKERS FROM THE EU HAS DECREASED COMPARED WITH NORMAL EXPECTATIONS FOR THIS TIME OF YEAR

(JUL-AUG 2021)



Source: Business Insights and Conditions Survey (BICS) Wave 36, Office for National Statistics

# SUMMARY OF FINDINGS FROM NATIONAL DESK RESEARCH



## SKILLS DEMAND

- Skills shortages driven by sharp increase in infrastructure works (HS2 and surge in housebuilding and refurbishments.) *(Financial Times)*
- Construction requires 217,000 new workers by 2025. (CITB)
- Between April and June 2021, vacancies were 25% higher than 2019. Shows high demand, but lack of skilled labour exacerbated by the large loss of EU workers. (Construction Products Association 2021)
- 2/3 of construction firms find it difficult to hire bricklayers, carpenters and quantity surveyors. (RICS.Bloomberg)
- Predicted need 5,500 per year Wood Trades / Interior fit out: 5,150 professional and technical staff, 3,600 managers, 3,400 electrical installations and 7,850 office professionals, technical and IT staff. (CITB)
- A need to 'upskill and reskill to transform the industry' with a 'focus on new innovative, sustainable technologies and behaviours such as inclusivity and creativity'. (Construction Leadership Council)

## SKILLS SUPPLY

- In the first quarter of 2021, EU construction employees fell by 51%. *(Financial Times)*.
- Women, ethnic minorities and people with disabilities are underrepresented in nearly all construction and built environment occupations.' BCTC Construct 2021.
- 'The image of the industry limits access to the best talent from all parts of society.' (RICS President – Aug 21).
- Local education partnership innovation with 5 local schools attending at CITB supported 'Roots to Roof' programme profiling construction careers.
- T Levels in Construction and Building Services Engineering provide a new routeway into the sector.

# RETAIL AND WHOLESALE



# KEY FINDINGS AND RECOMMENDATIONS



## KEY FINDINGS

- **Jobs have declined significantly (11%) over the last decade**, although this is in line with local comparators.
- **Latest 10-year forecasts indicate this decline being arrested with a slight increase in jobs profiled**, perhaps due to the substantial local retail/town centre investment plans, although the accelerating demand for online shopping through COVID-19 lockdowns may not be accounted for in this forecasting.
- Local stakeholders describe a **'massive' recruitment challenge for frontline customer service roles, warehouse operatives and motor technicians**, with wages increasing (especially in the grocery/national supermarket sector). The labour market challenge is an extra unwelcome issue; **particularly for local independent businesses and their post COVID-19 recovery plans.**
- **The high level of vacancies (especially in Scunthorpe)** in a currently declining sector plus the younger age profile of the workforce suggest **vacancies occur more due to 'churn' rather than retirements.**
- **Technological developments will increase**, and whilst stakeholders do not see this as reducing headcount locally, the **main skills consideration is local leaders' ability to invest and realise the potential of new technology, plus for all staff to need basic digital literacy skills.**
- Sector FE participation rates in North Lincolnshire have declined substantially and Apprenticeship numbers have also fallen. Stakeholders commented on the **'lack of visibility of Apprenticeships / Traineeship's locally.**

## IMMEDIATE RECOMMENDATIONS

- Utilising channels such as **Town Centre Management networks** there is an opportunity to share experience, learning and good practice on employment and skills and consider a **local Town / Shopping Centre approach** in areas such as contemporary retail development, new technologies, employment, work placements thereby also providing an **easier connection point for learning and business support providers.**

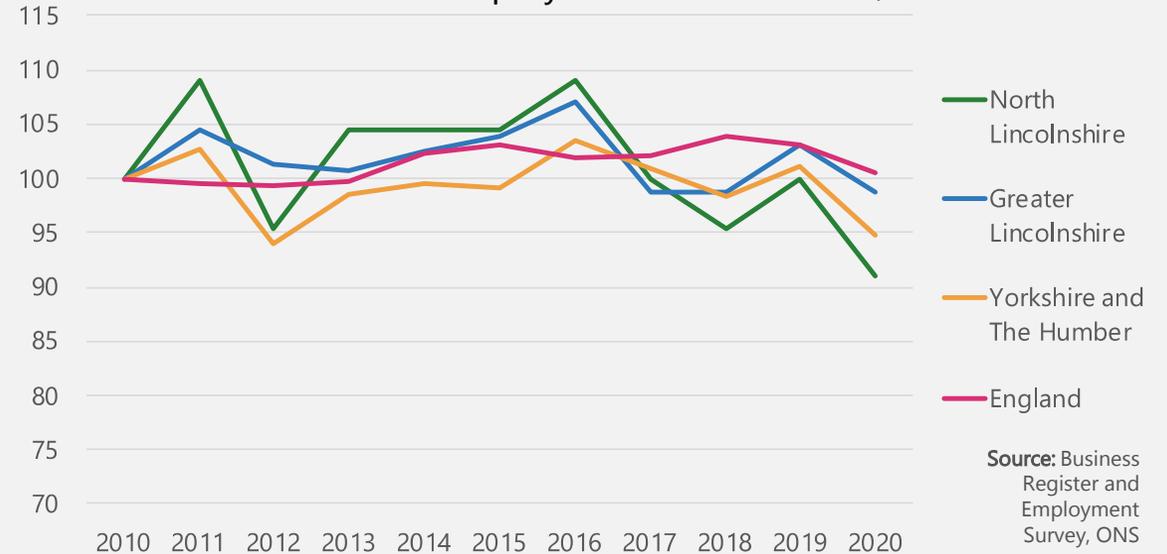
## LONGER TERM RECOMMENDATIONS

- **Review and increase the employment pathways for local people considering employment in customer service roles such as retail and wholesale, but also hospitality and catering.** The evident (and necessary) increased flexibility and inclusivity of sector businesses due to the current skills shortages should mean an **opportunity for more employability pathways, to service sector jobs for those further away from the labour market.**
- The COVID-19 pandemic has 'accelerated' many existing retail trends in areas such as online purchases, home delivery, click and collect etc. **The appetite, resources and support of local independent retailers to embrace and invest in these opportunities will be key** – including the skills support available. There is an opportunity to support **local independent retailers to develop their offer in this highly competitive and evolving marketplace; build their understanding of technology solutions available; and then invest and realise their full business potential with their teams.**

# AN OVERVIEW OF SKILLS DEMAND IN THE RETAIL AND WHOLESALE SECTOR IN NORTH LINCOLNSHIRE

- The Retail and Wholesale sector is North Lincolnshire's second largest sector, directly employing 10,000 people, 13% of total employment in the area (*Source: Business Register and Employment Survey, 2020*).
- Employment in the sector is split across three sub sectors as follows:
  - Retail (6,000 jobs)
  - Wholesale (2,250 jobs)
  - Motor Trades (2,000 jobs)
- Modelled estimates put Gross Value Added (GVA) for the sector at £453m in 2019, 11% down on its 2009 figure. This sector currently provides 11% of the total economic value generated by the North Lincolnshire economy.
- Employment in the Retail and Wholesale sector has fallen overall by 9% since 2010 with all comparator areas showing a decline in employment barring nationally which has shown little in the way of growth.
- Perhaps surprisingly then latest forecasts suggest some (but minimal) growth in the sector over the next decade, though it is questionable how much the impact of numerous lockdowns (and the shift towards online shopping over the last 18 months) has been considered.
- Replacement demand (the proportion of the workforce that will leave the sector, mostly through retirement) is estimated to be 32% over the next decade. This equates to around 3,000 jobs that will need to be filled on top of forecast jobs growth.

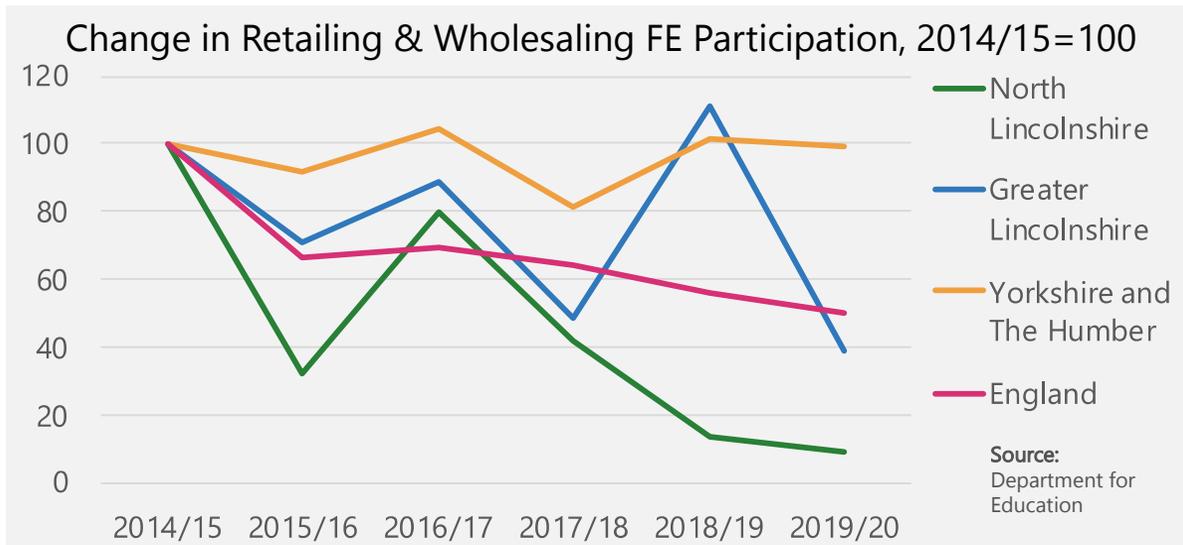
Retail & Wholesale Employment Growth Index, 2010=100



- Unique online vacancies numbers have also grown in North Lincolnshire since 2016, with numbers increasing from 1,200 to 1,376 in 2020. Given declines in employment during this period then this surely reflects churn in the sector workforce. Over the same period, unique online job vacancy numbers fell across all three comparator areas, particularly regionally (-25%) and nationally (-23%).
- As of September 2021, unique online job vacancy numbers stood at 1,748.

# AN OVERVIEW OF SKILLS SUPPLY FOR THE RETAIL AND WHOLESALE SECTOR IN NORTH LINCOLNSHIRE

- Starts in Retailing and Wholesaling apprenticeships by North Lincolnshire residents have fallen since 2017 by 41%, from 44 to 26 in the education year 2019/20.
- Apprenticeship starts have fallen across all three comparator areas over the same period.
- The fall in participation rates in Retailing and Wholesaling FE courses is even more pronounced, falling from 168 in 2014/15 to just 16 in 2019/20.
- The chart below shows that falls in Retailing and Wholesaling FE participation can be observed across all comparator areas though regionally it is minimal.



- The male/female split of the Retail and Wholesale sector workforce is 54/46 compared to an overall economy split of 51/49.
- The sector is younger than average with proportionally more employment in the 16-24 age group and proportionally less in all other age groups, as shown in the chart below.

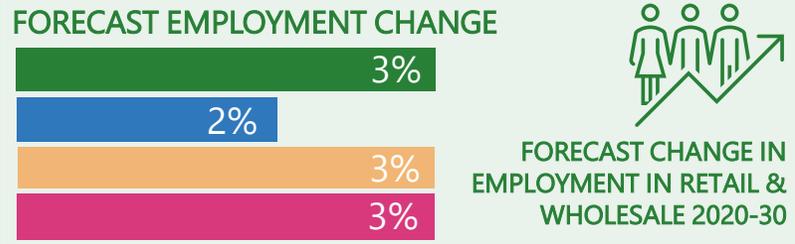
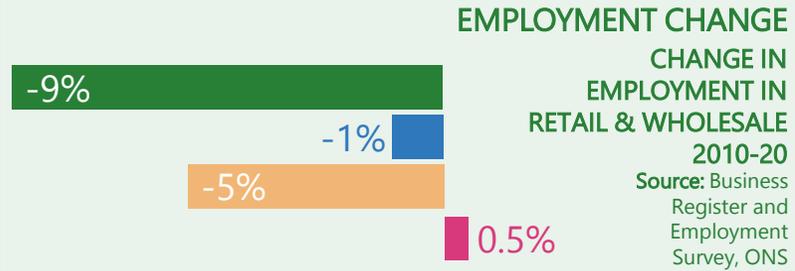


- During 2020, 5% of the national retail and wholesale workforce were mainly able to work from home, with a further 7% able to do so occasionally. Looking ahead, 8% of retail and wholesale businesses intend to use increased homeworking as a permanent business model.

# RETAIL AND WHOLESALE OVERVIEW

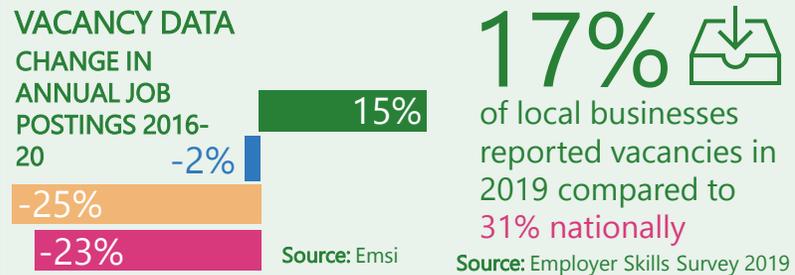
KEY:  North Lincolnshire  Greater Lincolnshire  Yorkshire and The Humber Region  National

## SKILLS DEMAND

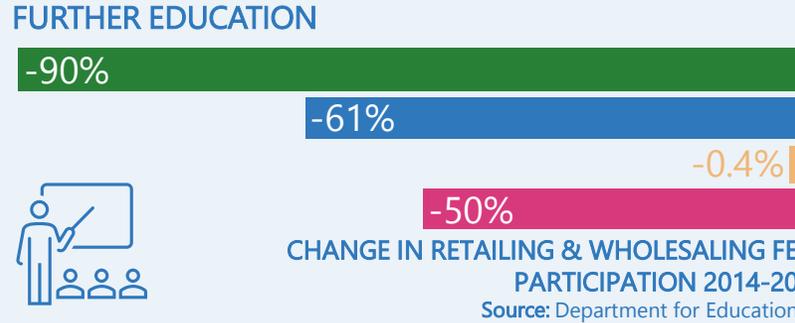
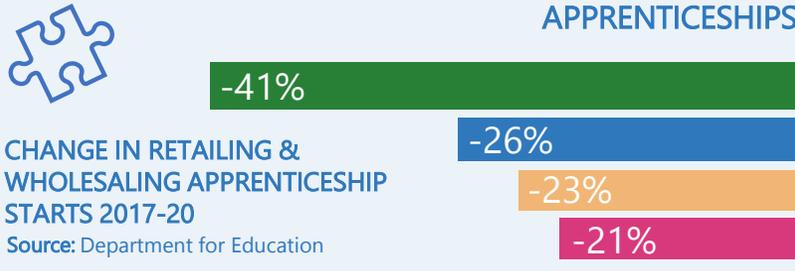


**REPLACEMENT DEMAND**  
**32%** of employees will leave the sector workforce over the next decade, so the sector will need to fill approx. 3,000 jobs on top of the forecast growth in job numbers

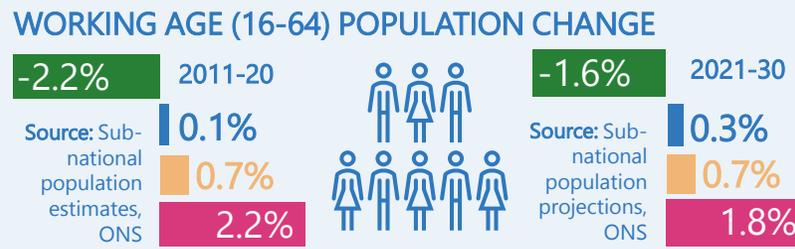
Source: Working Futures 2017-2027



## SKILLS SUPPLY



**HIGHER EDUCATION**  
NO DATA



## IMPLICATIONS

Source: Employer Skills Survey 2019

**HARD-TO-FILL VACANCIES**  
**9%** of local businesses reported a hard-to-fill vacancy compared to **6% nationally**

**SKILLS SHORTAGE VACANCIES**

**16%** (North Lincolnshire) and **23%** (National) of local businesses reported skills shortage vacancies (as a % of total vacancies) are lower than nationally

**TOP 3 SKILLS DIFFICULT TO OBTAIN AS REPORTED BY RECRUITING EMPLOYERS**

- Knowledge of organisations own products and services: **48%**
- Ability to manage own time and prioritise own tasks: **54%**
- Specialist skills or knowledge needed to perform role: **62%**

**WORKFORCE SKILLS GAPS**

Local businesses report **1%** of staff as having a skills gap, compared with **5% nationally**

# RETAIL AND WHOLESALE – NORTH LINCOLNSHIRE LABOUR MARKET FOCUS

## TOP 10 OCCUPATIONS

Source: Emsi

	% OF SECTOR EMP.	% CHANGE 2010-20	QUAL LEVEL
1. Sales and Retail Assistants	20%	-3% ▼	2
2. Managers and Directors in Retail and Wholesale	5%	-2% ▼	2
3. Retail Cashiers and Check-out Operators	4%	-5% ▼	2
4. Vehicle Technicians, Mechanics and Electricians	4%	7% ▲	3
5. Sales Supervisors	3%	-11% ▼	2
6. Sales Accounts and Business Development Managers	3%	11% ▲	6
7. Shelf Fillers	3%	-15% ▼	1
8. Pharmacy and Other Dispensing Assistants	2%	-13% ▼	2
9. Customer Service Occupations n.e.c.	2%	9% ▲	2
10. Butchers	1%	32% ▲	2

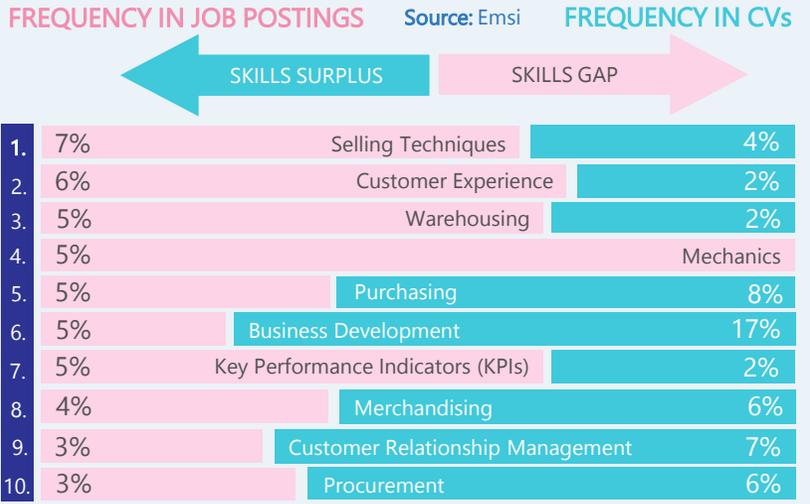
## TOP 10 VACANCIES (JAN-SEP 2021)

Source: Emsi

	% OF SECTOR VACANCIES	RANK 2016/20	QUAL LEVEL
1. Sales and retail assistants	17%	3 / 2	2
2. Sales accounts and business development managers	15%	2 / 1	6
3. Customer service occupations n.e.c.	12%	5 / 5	2
4. Business sales executives	9%	1 / 3	3
5. Vehicle technicians, mechanics and electricians	8%	6 / 6	3
6. Stock control clerks and assistants	6%	7 / 8	2
7. Pharmacists	5%	- / 4	6
8. Managers and directors in retail and wholesale	5%	4 / 10	2
9. Sales administrators	3%	8 / -	2
10. Buyers and procurement officers	3%	10 / 7	3

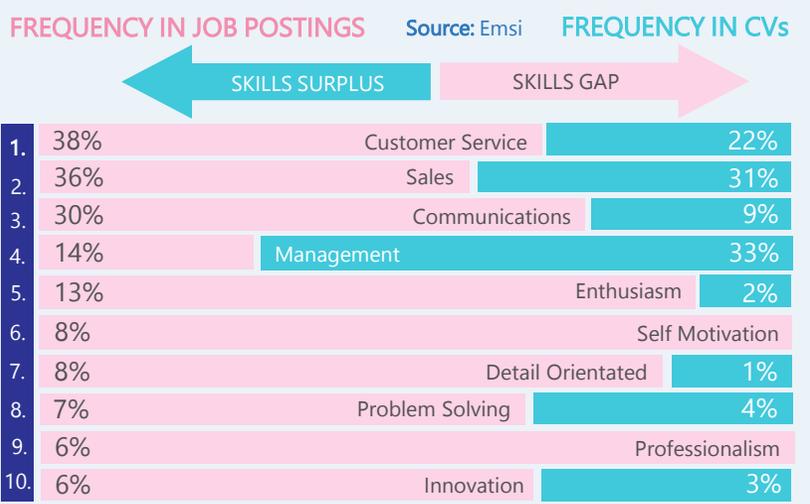
## TOP 10 HARD\* SKILLS

\* Hard skills are abilities that have been taught to or learnt by a person



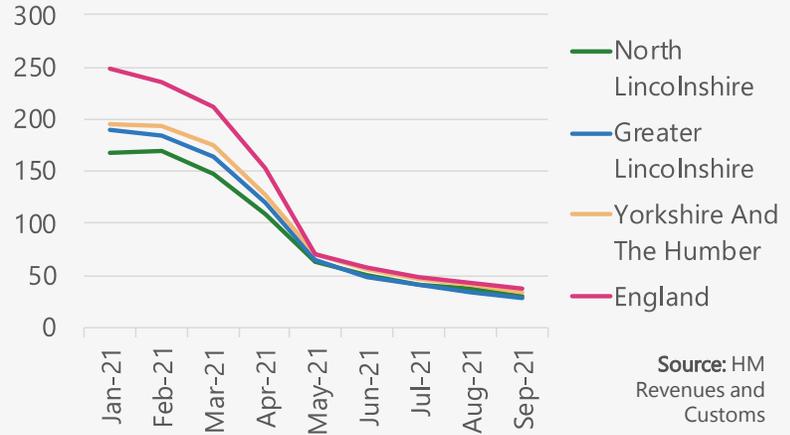
## TOP 10 COMMON\*\* SKILLS

\*\* Common skills are self developed or personal attributes



## COVID IMPACT

FURLOUGHED EMPLOYMENTS PER 1,000 EMPLOYEES

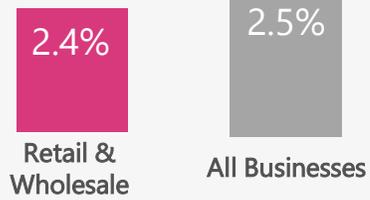


Source: HM Revenues and Customs

## BREXIT

% OF BUSINESSES REPORTING THAT NO. OF WORKERS FROM THE THE EU HAS DECREASED COMPARED WITH NORMAL EXPECTATIONS FOR THIS TIME OF YEAR

(JUL-AUG 2021)



Source: Business Insights and Conditions Survey (BICS) Wave 36, Office for National Statistics

# SUMMARY OF FINDINGS FROM NATIONAL DESK RESEARCH



## SKILLS DEMAND

- Despite a challenging national picture and reported high unit vacancy rates in 2015, retail/town centre investment in North Lincolnshire has been significant and continuing with Towns' Deal and Futures High St funding.
- Scunthorpe itself has a particularly high level of retail sector jobs located close to a number of skills-deprived communities.
- Online sales continue to outpace instore trading growth with many retailers offering an omnichannel approach to include home-delivery and 'click and collect'. Larger retailers can access greater economies of scale for technology investment than independents.
- 1/3 of retail jobs could vanish by 2025 (900,000 fewer jobs) although those that remain will be more productive and higher earning. (British Retail Consortium – BRC)
- 60% of retail jobs are at high risk of automation – higher than any other industry – with a displacement of approximately 77,000 jobs per year. (BRC)
- A number of high-profile non-food retailers have gone into administration recently such as Debenhams, Toys R Us, and New Look.

## SKILLS SUPPLY

- Large supermarket chains are competing with sectors such as healthcare and hospitality for entry level posts.
- North Lincolnshire employers reported a high proportion of skills gaps for sales and customer service roles – more than double the level of regional and national rates.
- The impact of 'shut-down sectors' such as retail has fallen disproportionately on women, the young, the poor and certain ethnic groups. People distant from the labour market pre-pandemic are now even further away. (Greater Lincolnshire LEP Local Skills Report 2021)

# PROFESSIONAL AND FINANCIAL





# KEY FINDINGS AND RECOMMENDATIONS

## KEY FINDINGS

- Influencing factors for local growth companies and inward investors include **the supply of technical skills required and attracting qualified experienced professionals to live and work locally.**
- **The need to tackle low skills levels in the area**, supporting local people to get higher qualifications locally and access higher-level opportunities that will gain prominence with economic development plans over the next decade.
- **Significant sector employment growth**, although less than all comparators. North Lincolnshire's high proportion of larger employers suggests that professional services, features strongly across other sectors too.
- **The important subsector of professional architectural and engineering activities** linked to manufacturing / construction will increase with local developments.
- **This is a knowledge-intensive sector employing highly qualified jobs at Level 4 and above; although it remains a tight labour market** in North Lincolnshire. The highest numbers of vacancies are in accountancy and financial services and a local estate agent reported finding it almost impossible to identify suitable Trainee Negotiators and Financial Advisors.
- **Sector apprenticeships and FE participation have fallen** in North Lincolnshire.
- **Nationally a growing demand for 'dual professionals'** will increase the demand for CPD in areas like digital and sustainable practice – likely to be an opportunity and challenge locally in respect of low carbon developments.
- The sector is traditionally 'graduate entry' **although professional services firms are increasingly adopting Apprenticeships (esp. levy payers) providing pathways from school, to qualified Lawyer, Estate Agent and Accountant.**

## IMMEDIATE RECOMMENDATIONS

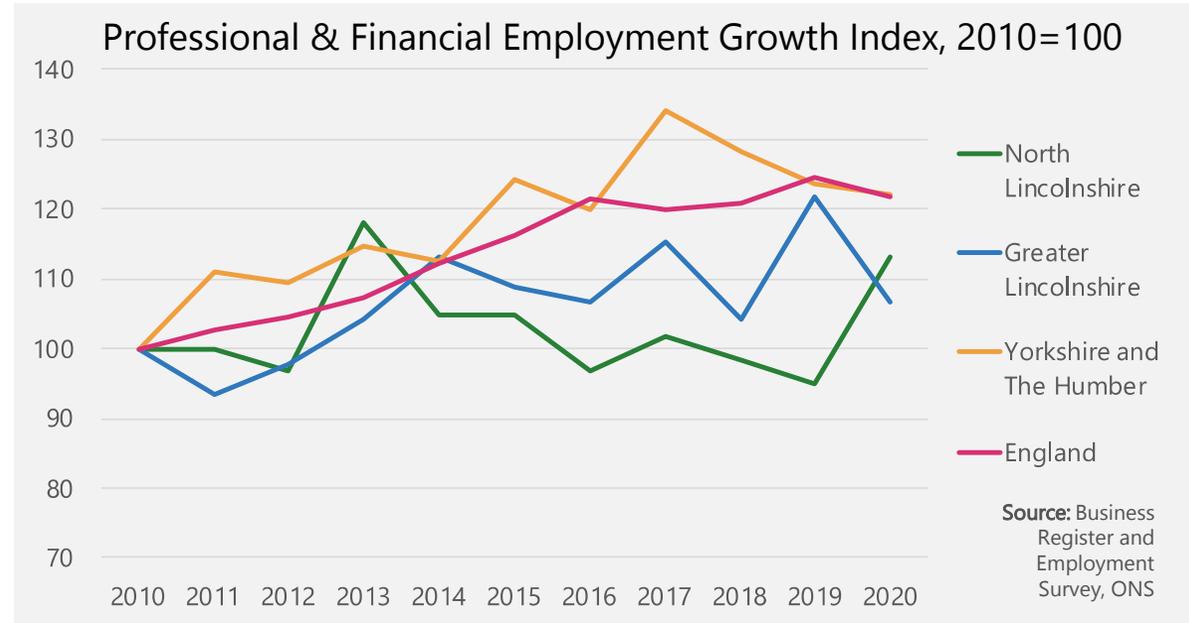
- **Ensure messaging about growth sectors such as manufacturing does not under-represent the wide range of 'corporate' professional roles** that will become available locally.
- **Pilot a locally-led Student and Graduate internship programme** to connect local (and other) HE students with local employers to encourage recognition of the local area as a source of professional career opportunities.

## LONGER TERM RECOMMENDATIONS

- Ensure a locally accessible infrastructure is in place and thriving to **provide high levels skills pathways through to Higher Education (for example UCNL) and for more Higher and Degree Apprenticeships** available in local workplaces
- **Review the local 'Place' offer** to ensure it supports the attraction and retention of highly qualified professionals and recent graduates that are either 'returning' or new to the area.
- **Consider whether the area can develop a role as a CPD hub** for local and other professionals in recent CPD fields such as 'net zero', sustainable manufacturing, and green construction.

# AN OVERVIEW OF SKILLS DEMAND IN THE PROFESSIONAL & FINANCIAL SECTOR IN NORTH LINCOLNSHIRE

- The Professional and Finance sector brings together the two broad industrial groups of 'Financial and insurance activities' (450 jobs) and 'Professional, scientific and technical activities' (3,000 jobs). In total the sector directly employs 3,450 people, 5% of total employment in North Lincolnshire (*Source: Business Register and Employment Survey, 2020*).
- Modelled estimates put Gross Value Added (GVA) for the sector at £118m in 2019, though this is down over a quarter (26%) on its value in 2009. The sectors current GVA figure equates to 3% of the total economic value generated by the North Lincolnshire economy.
- Significant sub sectors include:
  - Architectural and engineering activities; technical testing and analysis (1,000 jobs)
  - Legal and accounting activities (900 jobs).
- Employment in the sector has grown by 12% overall since 2010, lower than levels of growth experienced by the sector regionally and nationally (both 22%). This growth locally has been driven by the 'Professional, scientific and technical activities' element of the sector.
- Forecasts for employment in the sector suggest some growth at 2%, but this is below all other comparator areas.



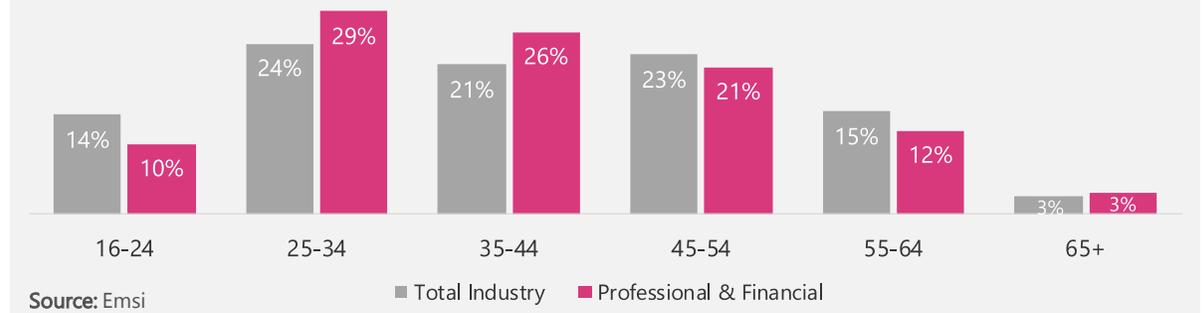
- Replacement demand (the proportion of the workforce that will leave the sector, mostly through retirement) is estimated to be 33% over the next decade. This equates to around 1,000 jobs that will need to be filled on top of forecast jobs growth.
- Growth in unique online vacancies has been strong since 2016, with numbers increasing from 1,012 to 1,442 in 2020. As of September 2021, unique online job vacancy numbers already totaled 1,942.

# AN OVERVIEW OF SKILLS SUPPLY FOR THE PROFESSIONAL & FINANCIAL SECTOR IN NORTH LINCOLNSHIRE

- Starts in Professional and Financial apprenticeships (covered by the sector subject areas of 'Accounting and finance', 'Environmental conservation', 'Law and legal services', 'Marketing and sales', and 'Science') by North Lincolnshire residents have fallen since 2017 by 14%, from 77 to 66 in the education year 2019/20. We note that there was no drop in numbers between 2018/19 and 2019/20. Apprenticeship numbers in these subjects have also fallen across Greater Lincolnshire and regionally but have grown nationally over this same period.
- Participation levels in these same subjects at FE level has also fallen in North Lincolnshire between 2014/15 and 2019/20, broadly in line with trends seen at Greater Lincolnshire level and nationally. However, at regional level participation has increased over this period.
- We note that we have not been able to include veterinary science in this analysis (which does form part of the 'Professional, scientific and technical activities' sector) due to it being part of a sector subject area including animal care, and we are unable at this stage to distinguish between the two in terms of numbers taking courses. Its inclusion would not have altered overall trends in declines for both Apprenticeship starts and FE participation.
- In terms of HE, then we have been able to include veterinary science within this analysis though we note that no universities within the approximate 1-hour drivetime area around North Lincolnshire deliver this course. Other courses covered in the HE analysis include Law, Finance, Accounting, Marketing, and Human resource management. Achievements on these courses at universities within the approximate 1-hour drivetime area of North Lincolnshire have increased since 2014 by 4% but have been outpaced by national growth (14%).

- The male/female split of the Professional and Financial sector workforce is 54/46 compared to an overall economy split of 51/49.
- In terms of its age profile then the sector is generally younger than average with proportionally more employment than average in the age groups of 25-34 and 35-44, as shown in the chart below.

Proportion of Professional & Financial Sector Workforce by Age Group



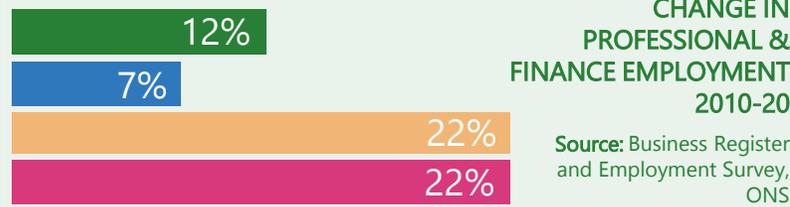
- During 2020, 17% of the national professional, scientific and technical activities workforce were mainly able to work from home, with a further 10% able to do so occasionally. Looking ahead, 29% of professional, scientific and technical activities businesses intend to use increased homeworking as a permanent business model.

# PROFESSIONAL & FINANCIAL OVERVIEW

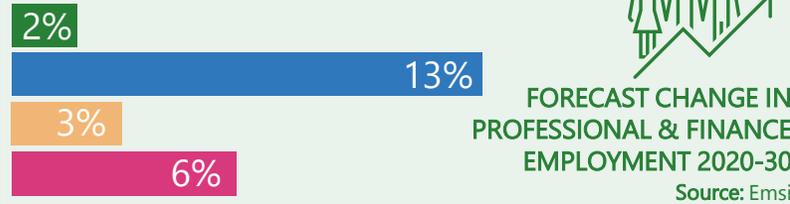
KEY:  North Lincolnshire  Greater Lincolnshire  Yorkshire and The Humber Region  National

## SKILLS DEMAND

### EMPLOYMENT CHANGE



### FORECAST EMPLOYMENT CHANGE



### REPLACEMENT DEMAND

**33%** of employees will leave the sector workforce over the next decade, so the sector will still need to fill approx. 1,000 jobs despite a forecast decrease in job numbers

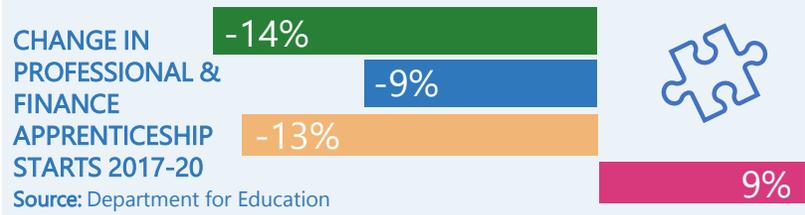
Source: Working Futures 2017-2027

### VACANCY DATA

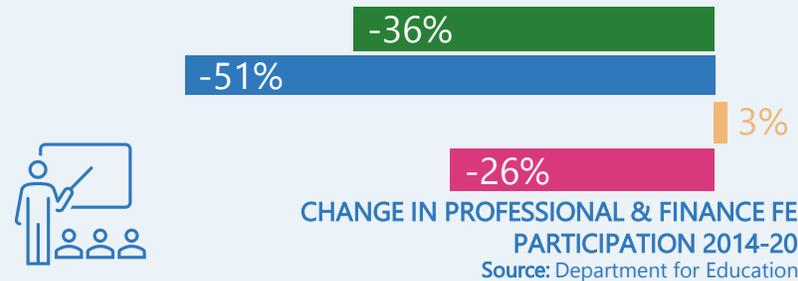


## SKILLS SUPPLY

### APPRENTICESHIPS



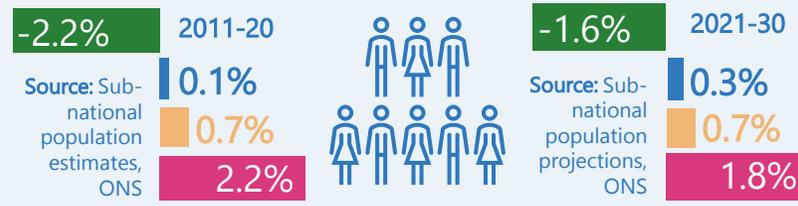
### FURTHER EDUCATION



### HIGHER EDUCATION



### WORKING AGE (16-64) POPULATION CHANGE



## IMPLICATIONS

Source: Employer Skills Survey 2019

**5%** of local businesses reported a hard-to-fill vacancy compared to **6% nationally**

**HARD-TO-FILL VACANCIES**

### SKILLS SHORTAGE VACANCIES



Ability to manage own time and prioritise own tasks **47%**

Complex Problem Solving **47%**

**TOP 3 SKILLS DIFFICULT TO OBTAIN AS REPORTED BY RECRUITING EMPLOYERS**

Specialist skills or knowledge needed to perform role **72%**

**4%** of local businesses report staff as having a skills gap, slightly lower than the **national average (5%)**

**WORKFORCE SKILLS GAPS**

\* Represents combined qualifiers of universities located in Hull, Leeds, Lincoln, Sheffield and York

# PROFESSIONAL & FINANCIAL – NORTH LINCOLNSHIRE LABOUR MARKET FOCUS

## TOP 10 OCCUPATIONS

Source: Emsi

	% OF SECTOR EMP.	% CHANGE 2010-20	QUAL LEVEL
1. Book-keepers, Payroll Managers and Wages Clerks	5%	9% ▲	2
2. Management Consultants and Business Analysts	3%	36% ▲	6
3. Chartered and Certified Accountants	3%	5% ▲	6
4. Solicitors	3%	88% ▲	6
5. Finance and Investment Analysts and Advisers	3%	-4% ▼	6
6. Financial Managers and Directors	2%	-11% ▼	6
7. Business and Financial Project Management Professionals	2%	-7% ▼	6
8. Financial Accounts Managers	2%	-20% ▼	6
9. Chartered Surveyors	2%	30% ▲	6
10. Managers and Proprietors in Other Services n.e.c.	1%	24% ▲	3

## TOP 10 VACANCIES (JAN-SEP 2021)

Source: Emsi

	% OF SECTOR VACANCIES	RANK 2016/20	QUAL LEVEL
1. Book-keepers, payroll managers and wages clerks	17%	1 / 1	2
2. Finance and investment analysts and advisers	10%	2 / 2	6
3. Business and related associate professionals n.e.c.	9%	7 / 3	3
4. Business and financial project management professionals	8%	4 / 5	6
5. Financial administrative occupations n.e.c.	4%	5 / 8	2
6. Marketing associate professionals	4%	6 / 4	6
7. Veterinarians	4%	- / -	6
8. Management Consultants and Business Analysts	4%	- / 10	6
9. Estimators, valuers and assessors	3%	3 / -	3
10. Financial managers and directors	3%	- / 9	6

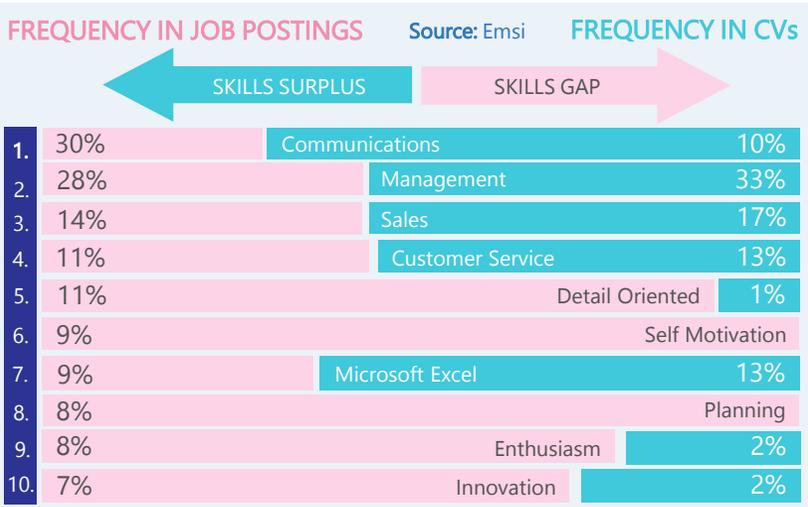
## TOP 10 HARD\* SKILLS

\* Hard skills are abilities that have been taught to or learnt by a person



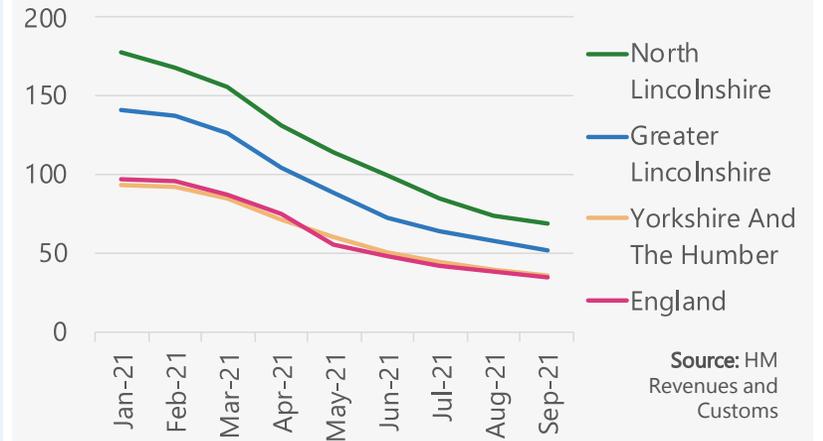
## TOP 10 COMMON\*\* SKILLS

\*\* Common skills are self developed or personal attributes



## COVID IMPACT

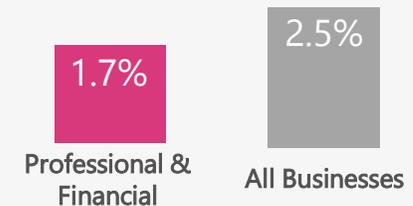
FURLOUGHED EMPLOYMENTS PER 1,000 EMPLOYEES



## BREXIT

% OF BUSINESSES NATIONALLY REPORTING THAT NO. OF WORKERS FROM THE EU HAS DECREASED COMPARED WITH NORMAL EXPECTATIONS FOR THIS TIME OF YEAR

(JUL-AUG 2021)



Source: Business Insights and Conditions Survey (BICS) Wave 36, Office for National Statistics

# SUMMARY OF FINDINGS FROM NATIONAL DESK RESEARCH



## SKILLS DEMAND

- **The financial, professional and business services sector provides 5.5m jobs and hires 20% of graduates entering the UK labour market each year. Almost 1/3 of employers are struggling to recruit due to widespread skills shortages – especially technology skills. (ICAEW, 2021)**
- **An increasing demand for ‘dual professionals’ with broader expertise including emerging areas such as big data, digitalisation and sustainability.**
- **Financial services vacancies rose by 38% with 32% of UK firms suffering shortages. (Sapsted, 2021)**
- **Steepest rise in estate agency vacancies in 23 years, but a sharp fall in candidates to fill them. An ‘exodus’ from traditional estate agency into hybrid, self-employed sector. (The Negotiator, July 2021)**
- **62% of accounting professionals said there is a ‘significant skills gap’ within the industry.**
- **42% of employers report deficits in digital skills such as e-commerce, coding, cybersecurity and cloud computing. (CIMA 2020)**
- **Financial Services has an ageing workforce with 33% of the sector over 50. (Tomes, Rebecca. 2021)**

## SKILLS SUPPLY

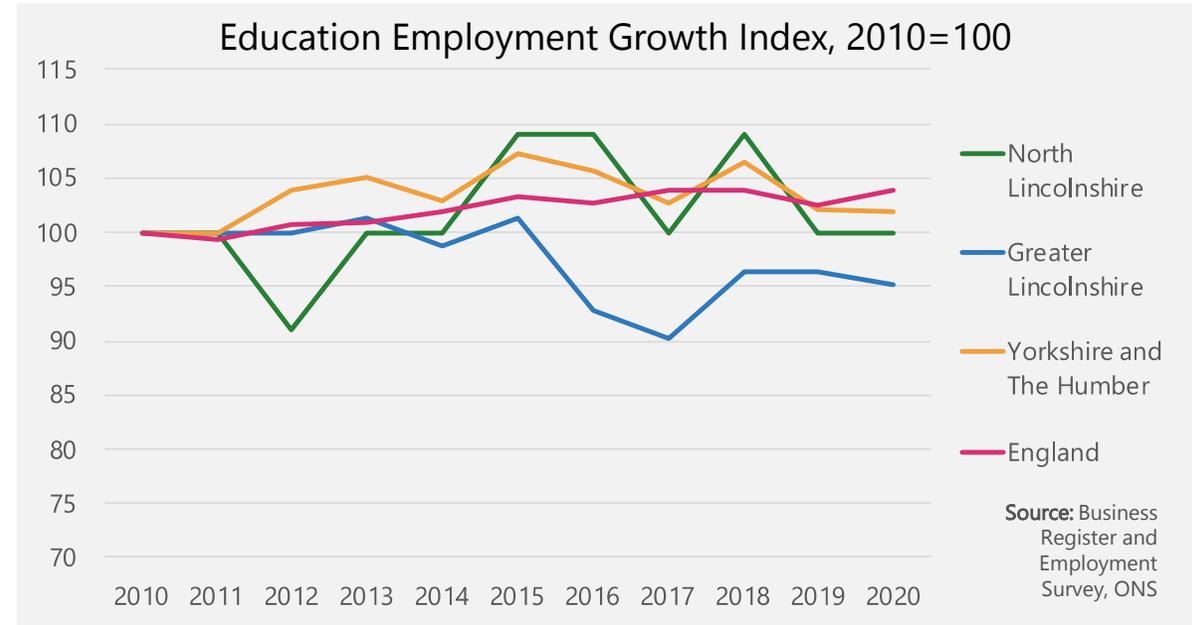
- **The financial, professional and business services sector provides 5.5m jobs and hires nearly 20% of graduates entering the UK labour market each year. (ICAEW, 2021)**
- **Professional services firms increasingly adopt apprenticeships to support inhouse staff upskilling to full professional Level 7 status in areas such as Law (e.g., paralegals / legal executives, solicitors); Accountancy (AAT / CIMA); Financial Services (Paraplanner) with reported local take up.**
- **Although Apprenticeships provide new routeways into the professions, this remains a sector where graduate attraction and retention for the wider North Lincolnshire ‘place’ is essential.**

# EDUCATION



# AN OVERVIEW OF SKILLS DEMAND IN THE EDUCATION SECTOR IN NORTH LINCOLNSHIRE

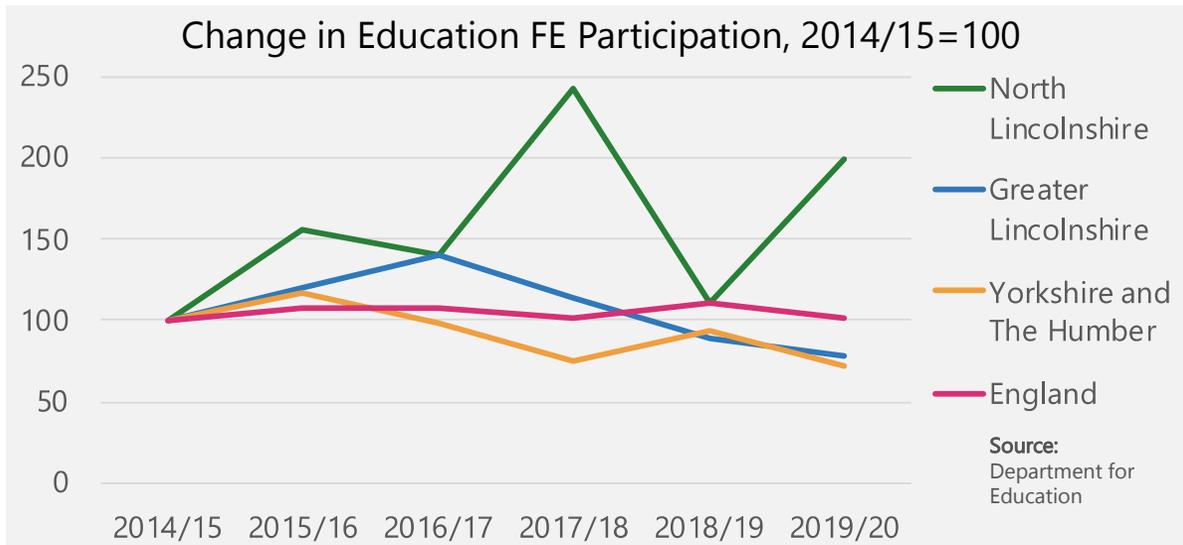
- The Education sector in North Lincolnshire directly employs approximately 5,000 people, 7% of total employment in the area (*Source: Business Register and Employment Survey, 2020*).
- Modelled estimates put Gross Value Added (GVA) for the sector at £186m in 2019, 20% up on its 2009 figure. The sector currently provides 4% of the total economic value generated by the North Lincolnshire economy.
- Significant sub sectors include:
  - Primary education (3,000 jobs)
  - Secondary education (1,750 jobs).
- Employment in the Education sector in North Lincolnshire has generally “bumped” around its 2010 level (as shown in the chart on the right) and that is where levels currently stand in 2020.
- Regionally and nationally there has been a small amount of growth in employment but across Greater Lincolnshire employment levels have fallen. Latest forecasts suggest little in the way of overall change in employment levels over the next decade.
- Replacement demand (the proportion of the workforce that will leave the sector, mostly through retirement) is estimated to be 35% over the next decade. This equates to around 2,000 jobs that will need to be filled despite a forecast small reduction in overall employment.



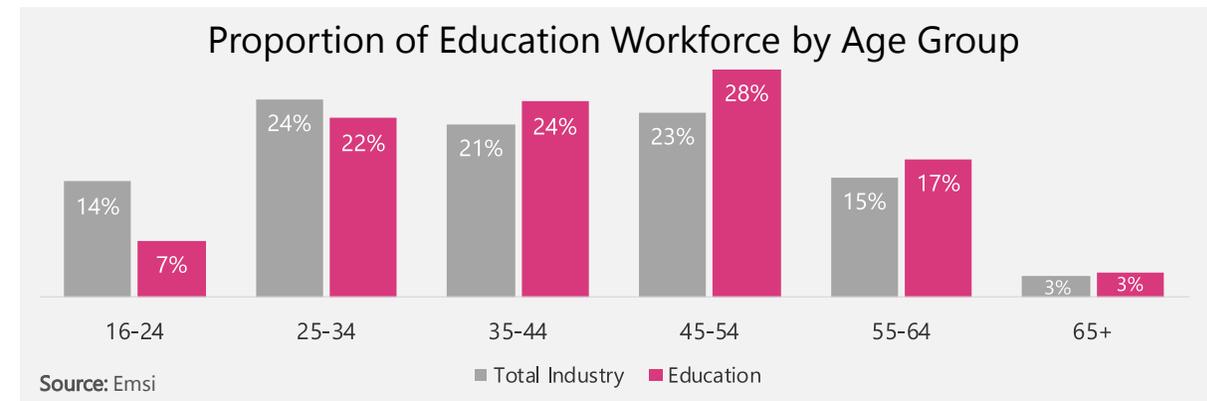
- Despite very little in the way of overall employment growth in the sector, unique online vacancies numbers have grown in North Lincolnshire since 2016, with numbers increasing from 967 to 1,645 in 2020. This represents a 71% increase and is much higher than growth across Greater Lincolnshire, regionally, and nationally. Given fairly static numbers in employment during this period then this surely reflects churn in the sector workforce.
- As of September 2021, unique online job vacancy numbers were already at 2,000.

# AN OVERVIEW OF SKILLS SUPPLY FOR THE EDUCATION SECTOR IN NORTH LINCOLNSHIRE

- The increase of 213% in starts in Education apprenticeships by North Lincolnshire residents between 2017/18 and 2019/20 looks impressive but in reality the numbers are small, increasing from 8 to 25 respectively.
- Much more impressive are the numbers around participation in Education FE courses which have risen from 88 in 2014/15 to 175 in 2019/20, an overall increase of 99% which bucks the trend seen at Greater Lincolnshire and regional level. The vast majority of this participation is in the 'Direct Learning Support' sector subject area with very small numbers on 'Teaching and Lecturing' courses (barring a large increase in 2017/18 which goes some way to explaining the peak at 2017/18 in the chart below).



- The Male/Female split of the Education sector workforce is 27/73 compared to an overall economy split of 51/49.
- The sector is older than average with proportionally more employment in all age groups 35 plus and proportionally less in the 16-24 and 25-34 age groups, as shown in the chart below.



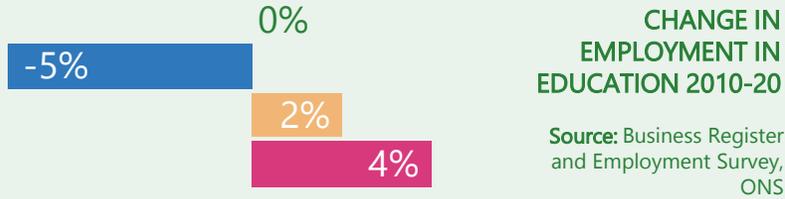
- During 2020, 5% of the national education workforce were mainly able to work from home, with a further 18% able to do so occasionally. Looking ahead, 27% of education businesses/employers intend to use increased homeworking as a permanent business model. No doubt the push to online learning necessitated by the pandemic has played a substantial role in this, and we can see some of this effect in the incidence of unique online job vacancies in North Lincolnshire that advertise having a remote working element. The number of these vacancies increased from just two in 2016, to 32 in 2020. In 2021 (Jan-Sep) the number of these vacancies is already at 54.

# EDUCATION OVERVIEW

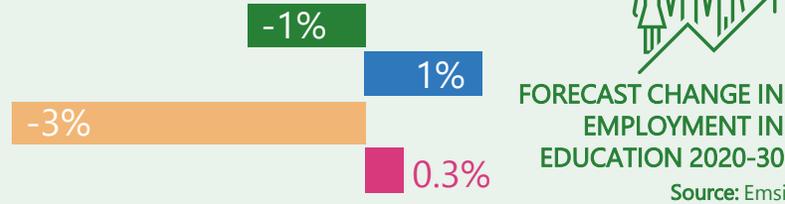
KEY:  North Lincolnshire  Greater Lincolnshire  Yorkshire and The Humber Region  National

## SKILLS DEMAND

### EMPLOYMENT CHANGE



### FORECAST EMPLOYMENT CHANGE

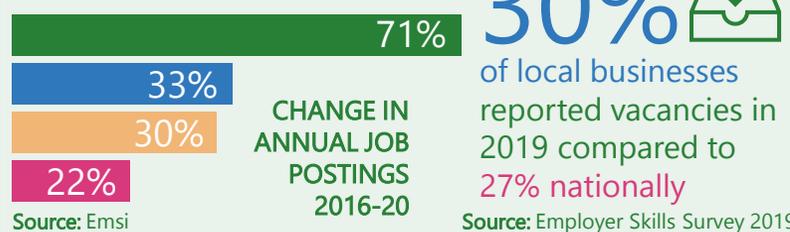


### REPLACEMENT DEMAND

**35%** of employees will leave the sector workforce over the next decade, so the sector will still need to fill approx. 2,000 jobs despite forecast decreases in job numbers

Source: Working Futures 2017-2027

### VACANCY DATA



**30%** of local businesses reported vacancies in 2019 compared to **27% nationally**

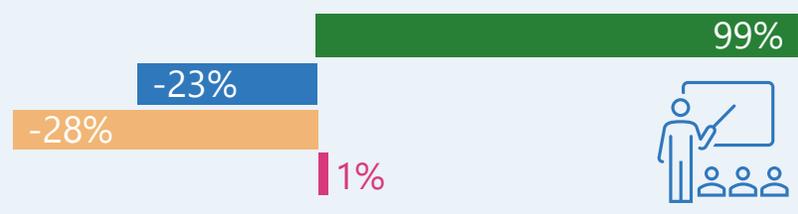
Source: Employer Skills Survey 2019

## SKILLS SUPPLY

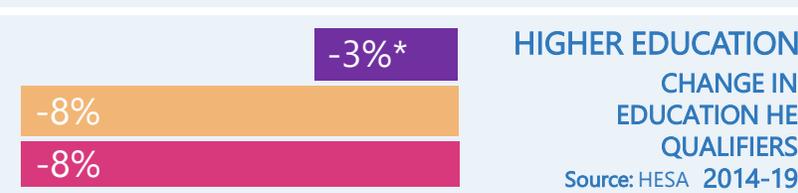
### CHANGE IN EDUCATION APPRENTICESHIP STARTS 2017-20



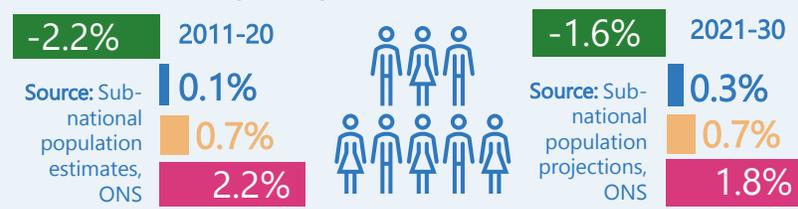
### FURTHER EDUCATION



### CHANGE IN EDUCATION FE PARTICIPATION 2014-20



### WORKING AGE (16-64) POPULATION CHANGE



## IMPLICATIONS

Source: Employer Skills Survey 2019

**17%** of local businesses reported a hard-to-fill vacancy compared to **11% nationally**

HARD-TO-FILL VACANCIES

### SKILLS SHORTAGE VACANCIES

**23%** of local businesses reported a skills shortage vacancy compared to **24% nationally**

Whilst local business are experiencing higher levels of hard-to-fill vacancies, local levels of skills shortage vacancies (as a % of total vacancies) are broadly in line with the national average

**40%** of local businesses reported difficulty in managing own feelings or handling those of others

**46%** of local businesses reported difficulty in ability to manage own time and prioritise own tasks

**69%** of local businesses reported difficulty in specialist skills or knowledge needed to perform role

TOP 3 SKILLS DIFFICULT TO OBTAIN AS REPORTED BY RECRUITING EMPLOYERS

**2%** of local businesses report a skills gap, compared to **3% nationally**

WORKFORCE SKILLS GAPS

\* Represents combined qualifiers of universities located in Hull, Leeds, Lincoln, Sheffield and York

# EDUCATION – NORTH LINCOLNSHIRE LABOUR MARKET FOCUS

## TOP 10 OCCUPATIONS

Source: Emsi

	% OF SECTOR EMP.	% CHANGE 2010-20	QUAL LEVEL
1. Primary and Nursery Education Teaching Professionals	19%	12% ▲	6
2. Teaching Assistants	13%	-10% ▼	3
3. Secondary Education Teaching Professionals	13%	-18% ▼	7
4. Educational Support Assistants	6%	2% ▲	2
5. Teaching and Other Educational Professionals n.e.c.	5%	45% ▲	6
6. School Midday and Crossing Patrol Occupations	4%	7% ▲	2
7. Special Needs Education Teaching Professionals	3%	-9% ▼	6
8. Further Education Teaching Professionals	3%	-16% ▼	5
9. Senior Professionals of Educational Establishments	2%	-5% ▼	6
10. Nursery Nurses and Assistants	2%	7% ▲	2

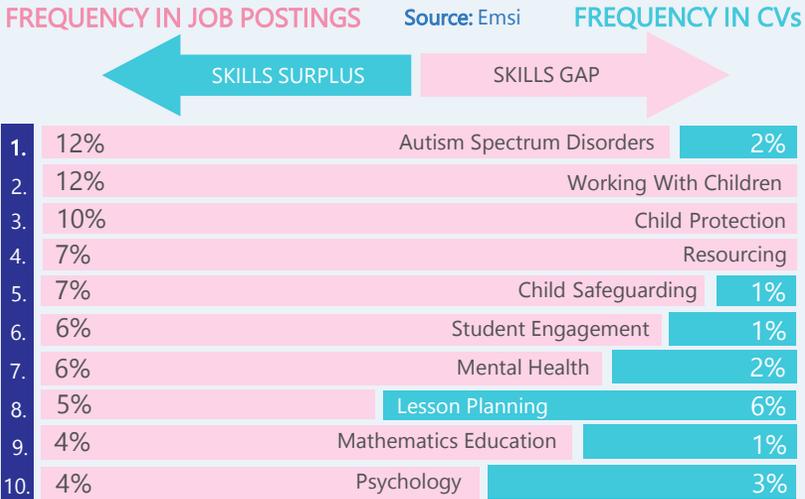
## TOP 10 VACANCIES (JAN-SEP 2021)

Source: Emsi

	% OF SECTOR VACANCIES	RANK 2016/20	QUAL LEVEL
1. Primary and nursery education teaching professionals	37%	1 / 1	6
2. Teaching assistants	14%	3 / 2	2
3. Teaching and other educational professionals n.e.c.	9%	4 / 4	6
4. Educational support assistants	9%	7 / 5	2
5. Secondary education teaching professionals	8%	2 / 3	7
6. Vocational and industrial trainers and instructors	8%	6 / 6	6
7. School midday and crossing patrol occupations	3%	- / -	2
8. Child and early years officers	2%	- / 8	6
9. Special needs education teaching professionals	2%	9 / 7	6
10. Nursery nurses and assistants	1%	5 / 10	2

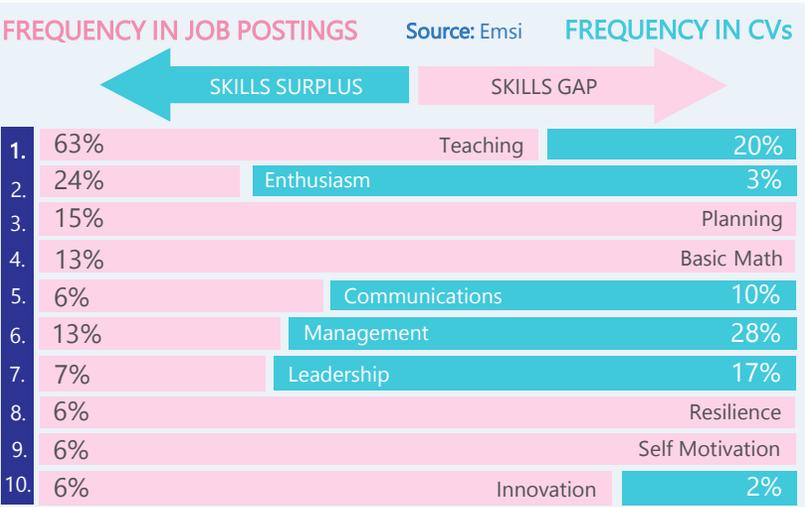
## TOP 10 HARD\* SKILLS

\* Hard skills are abilities that have been taught to or learnt by a person

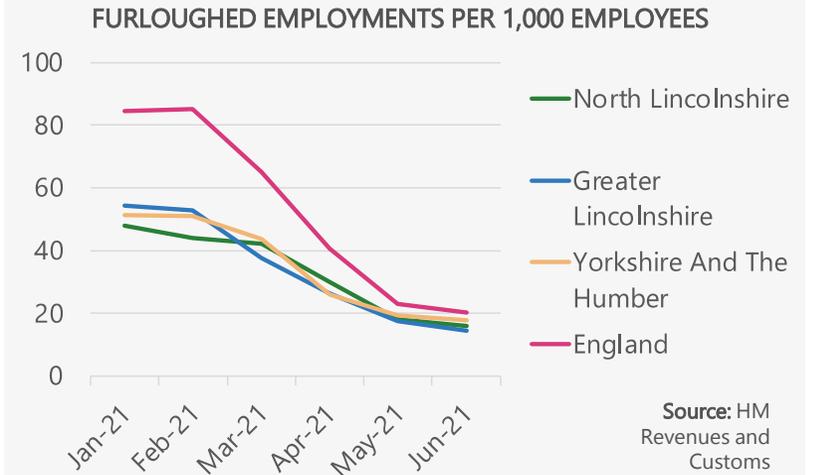


## TOP 10 COMMON\*\* SKILLS

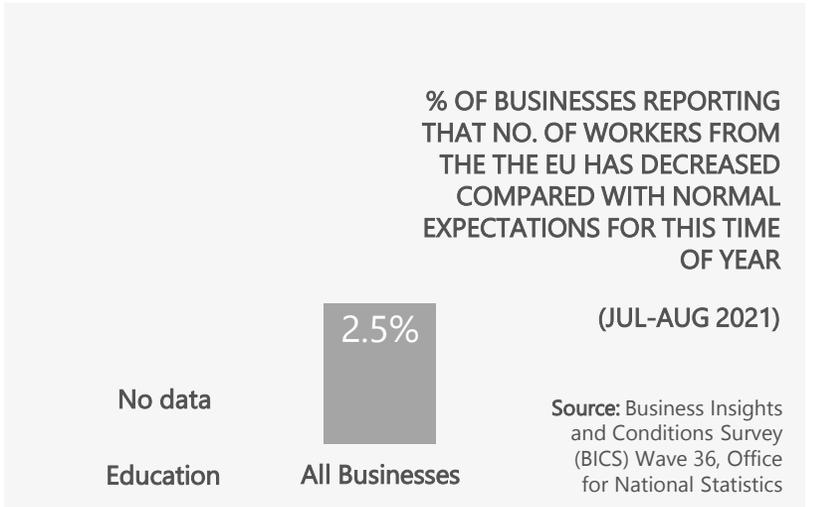
\*\* Common skills are self developed or personal attributes



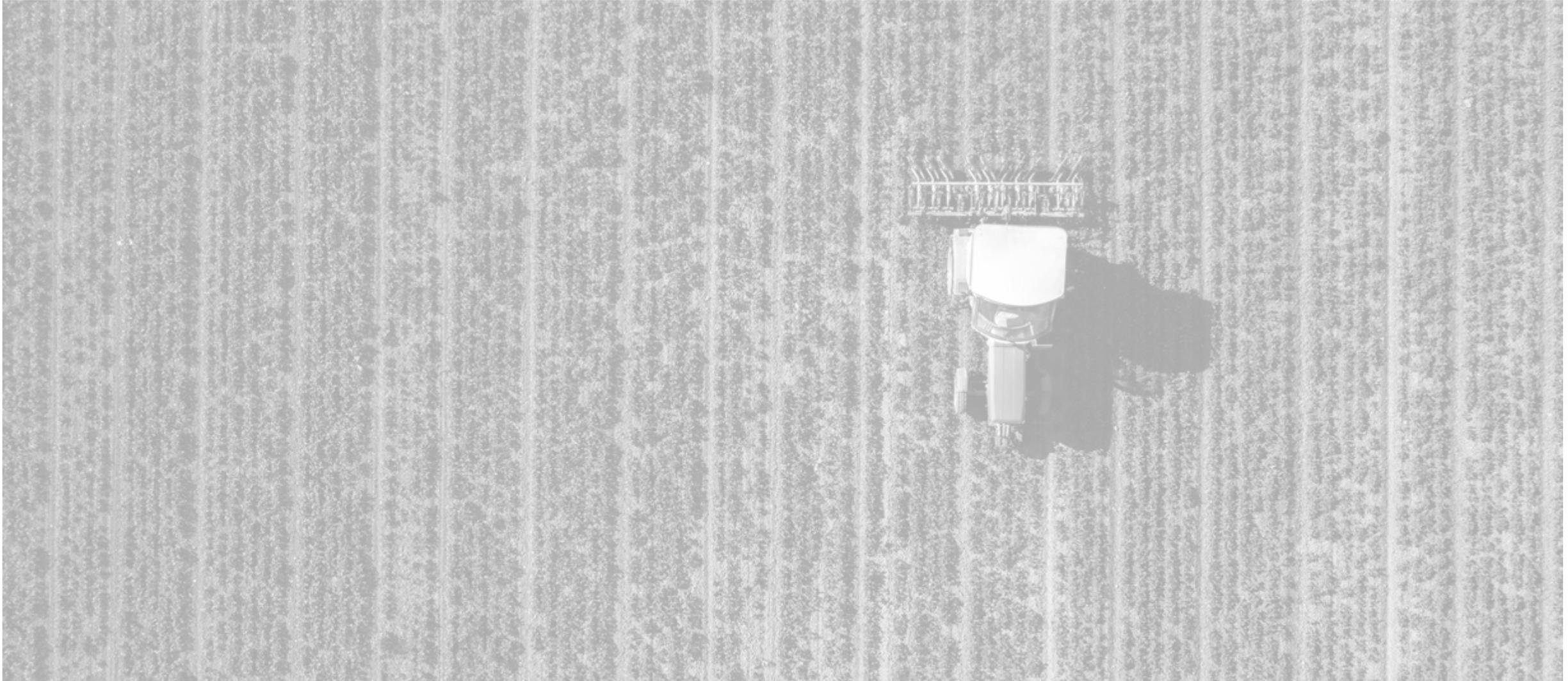
## COVID IMPACT



## BREXIT



# AGRICULTURE



# KEY FINDINGS AND RECOMMENDATIONS



## KEY FINDINGS

- **Brexit and COVID-19 have undoubtedly had an impact** on a sector already suffering with **severe labour shortages** exacerbated by less accessible rural locations. It has traditionally been heavily reliant upon EU workers to pick crops; without these, crops cannot be harvested. **'27% of agriculture and horticultural businesses are to scale back operations without (non-UK) EU staff.'**
- There is also a **shortage of butchers, meat inspectors and vets**, meaning that some slaughterhouses cannot operate full-time. **Shortages of dairy farmers, seasonal poultry workers, and horticulture** are also reported.
- **There are no clear signs that the post-Brexit shortage of agricultural workers will be fully replaced by UK workers** or new seasonal worker schemes. **New technologies such as AI / Robotics** provide a high investment medium term option but **will require new leadership and technical skillsets for the sector.**
- UK agricultural production is behind other countries in staff training investment. **'Less than 35% of farmers have received management training'** and CPD is not a high priority; providing a challenging skills base from which to invest in technological solutions and a culture change.
- The sector itself raises **concerns about its appeal to young people** as a career choice.
- **Apprenticeships and other schemes such as Kickstart do not solve pressing front-line sector shortages;** although there is a range of higher technical /degree apprenticeship options available locally through institutions such as Bishop Burton and University of Lincoln.

## IMMEDIATE RECOMMENDATIONS

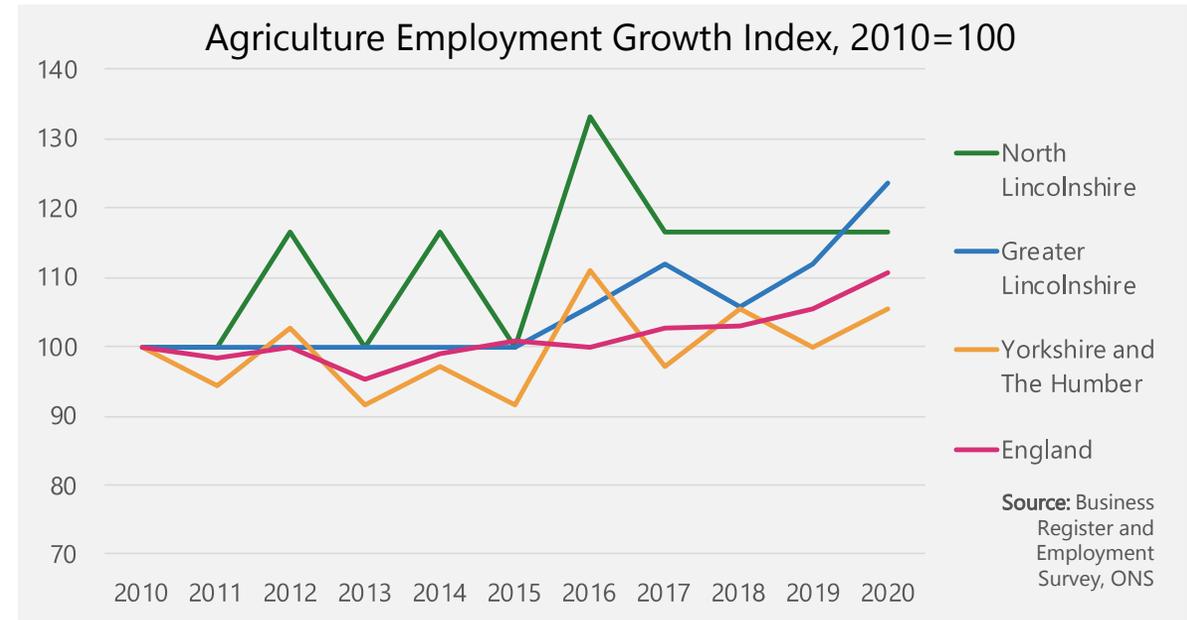
- **Connect local businesses with the Greater Lincolnshire LEP UK Food Valley** initiative designed to support the development of the agri-food sector locally through investment opportunities, collaboration, knowledge transfer, business support and skills development

## LONGER TERM RECOMMENDATIONS

- The longer-term **opportunity to raise the overall profile and status of the agriculture sector** particularly in respect of **higher level, technical, STEM-based and leadership career opportunities** which can be fulfilled through higher level/ Degree Apprenticeships and graduate entry.
- **Collaborate with schools/colleges/learning providers** and the IAHI (Institute for Agriculture and Horticulture Industry) to **align employment and skills schemes to respond to entry level vacancies and support career progression.**
- **Raise the profile of the agricultural sector in schools** as an appealing career choice with exciting higher tech technologies such as robotics. More young people entering the profession would alleviate workforce retirements.
- **Tackle rural transport barriers** to enable more UK people to get to agricultural jobs.

# AN OVERVIEW OF SKILLS DEMAND IN AGRICULTURE IN NORTH LINCOLNSHIRE

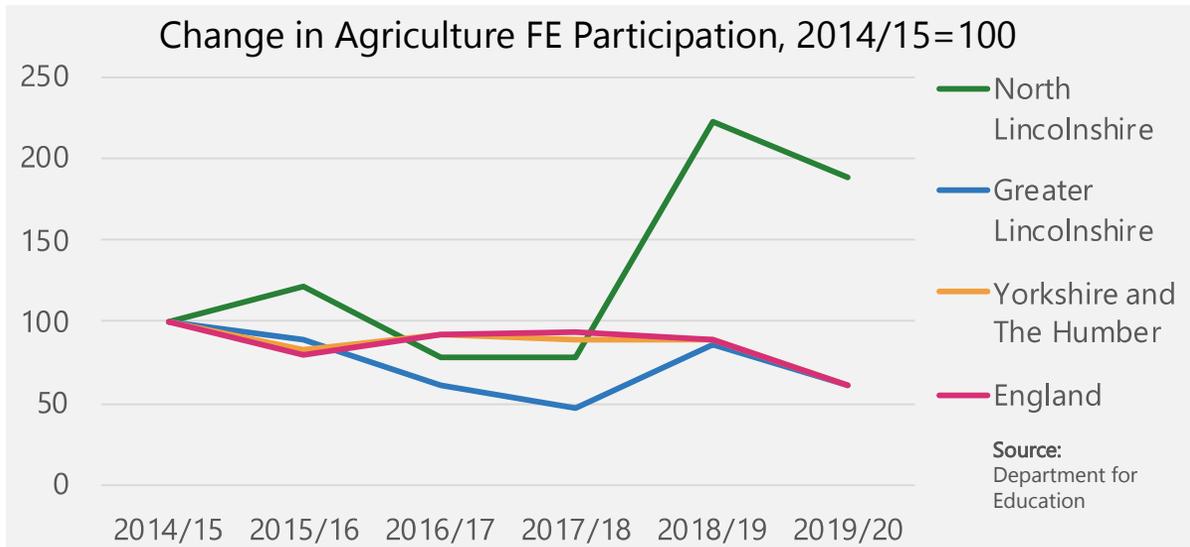
- Agriculture in North Lincolnshire directly employs 1,750 people. This equates to 2% of total employment in the area (*Source: Business Register and Employment Survey, 2020*).
- Modelled estimates put Gross Value Added (GVA) for the sector at £93m in 2019, 32% higher than in 2009. This equates to 2% of the total economic value generated by the North Lincolnshire economy.
- Employment in the sector has grown by 17% since 2010. This is higher than regional (6%) and national (11%) rates but below that of Greater Lincolnshire (24%).
- Despite strong employment growth over the last decade, forecasts suggest that employment in the sector in North Lincolnshire will decline by 11% over the next decade. This is in line with regional trends but forecasts for Greater Lincolnshire and nationally show some growth.
- Replacement demand (the proportion of the workforce that will leave the sector, mostly through retirement) is estimated to be 31% over the next decade. This equates to around 500 jobs that will need to be filled despite a forecast small reduction in overall employment.



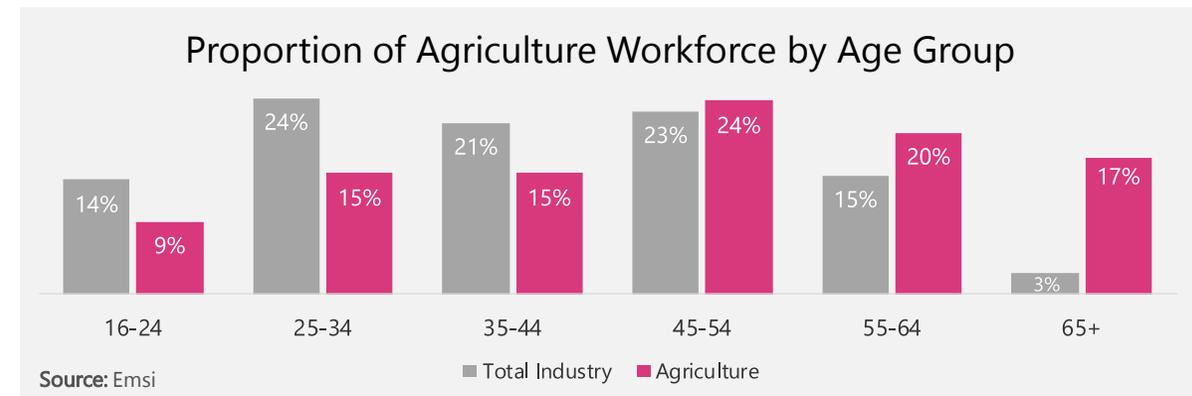
- Growth in unique online vacancies since 2016 looks very strong at 225% but the numbers involved are small, with vacancy numbers increasing from 12 to 39 in 2020. Unique online job vacancies numbered 39 as at September 2021. Such small numbers reflect the sector-specific low-profile recruitment methods of many agriculture labour providers.

# AN OVERVIEW OF SKILLS SUPPLY FOR AGRICULTURE IN NORTH LINCOLNSHIRE

- Starts in Agriculture apprenticeships (covered by the sector subject areas of 'Agriculture', 'Animal care and veterinary science', 'Horticulture and forestry') by North Lincolnshire residents have fallen since 2017 by nearly a third (31%), from 39 to 27 in the educational year 2019/20. Apprenticeship numbers have also fallen across all comparator areas.
- In direct contrast, rates of participation in these same sector subject areas at FE have grown, albeit from a low level and the numbers are small, rising from 18 in 2014/15 to 34 in 2019/20. The chart below shows that numbers peaked in 2018/19 (at 40) and have subsequently fallen in 2019/20 (again most likely due to impacts of COVID-19). This overall growth trend is at odds with the decreases in numbers across Greater Lincolnshire, regionally, and nationally.



- The male/female split of the Agriculture sector workforce is 74/26 compared to an overall economy split of 51/49.
- In terms of its age profile then the sector is older than average with proportionally more employment in the 45-54, 55-64 and 65+ age groups, as shown in the chart below.



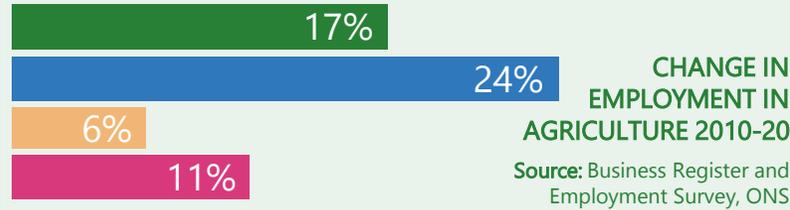
- During 2020, 8% of the national agriculture, forestry and fishing workforce were mainly able to work from home, with a further 14% able to do so occasionally.

# AGRICULTURE OVERVIEW

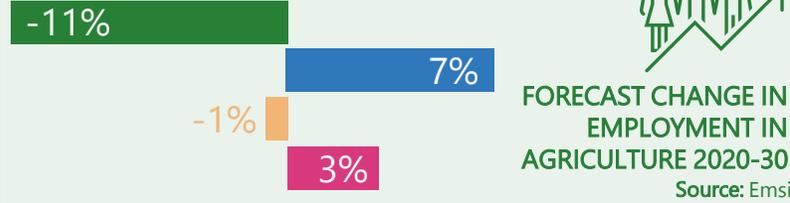
KEY:  North Lincolnshire  Greater Lincolnshire  Yorkshire and The Humber Region  National

## SKILLS DEMAND

### EMPLOYMENT CHANGE



### FORECAST EMPLOYMENT CHANGE



### REPLACEMENT DEMAND

**31%** of current employees will leave the workforce over the next decade, so the sector will still need to fill approx. 300 jobs despite forecast decreases in job numbers  
Source: Working Futures 2017-2027

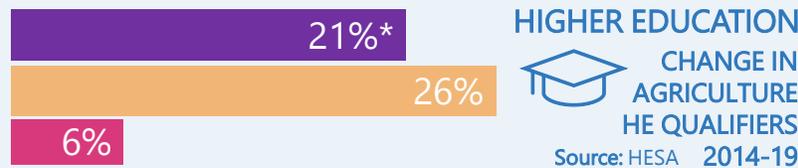
### VACANCY DATA



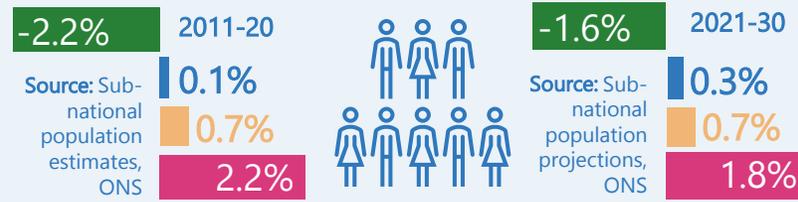
## SKILLS SUPPLY



### FURTHER EDUCATION



### WORKING AGE (16-64) POPULATION CHANGE



## IMPLICATIONS

Source: Employer Skills Survey 2019

**2%** of local businesses reported a hard-to-fill vacancy compared to **5% nationally**

HARD-TO-FILL VACANCIES

### SKILLS SHORTAGE VACANCIES

**26%** of local businesses report hard-to-fill vacancies, **29%** local levels of skills shortage vacancies (as a % of total vacancies) are also below the **national average**



### WORKFORCE SKILLS GAPS

Local businesses report **3%** of staff as having a skills gap, compared to **4% nationally**

\* Represents combined qualifiers of universities located in Hull, Leeds, Lincoln, Sheffield and York

# AGRICULTURE – NORTH LINCOLNSHIRE LABOUR MARKET FOCUS

## TOP OCCUPATIONS

Source: Emsi

	% OF SECTOR EMP.	% CHANGE 2010-20	QUAL LEVEL
1. Farmers	39%	28% ▲	2
2. Farm Workers	16%	-6% ▼	2
3. Managers and Proprietors in Agriculture and Horticulture	8%	16% ▲	3
4. Agricultural Machinery Drivers	3%	28% ▲	2
5. Horticultural Trades	3%	-20% ▼	2
6. Animal Care Services Occupations n.e.c.	3%	-21% ▼	2
7. Agricultural and Fishing Trades n.e.c.	2%	169% ▲	2
8. Fishing and Other Elementary Agriculture Occupations n.e.c.	2%	17% ▲	2

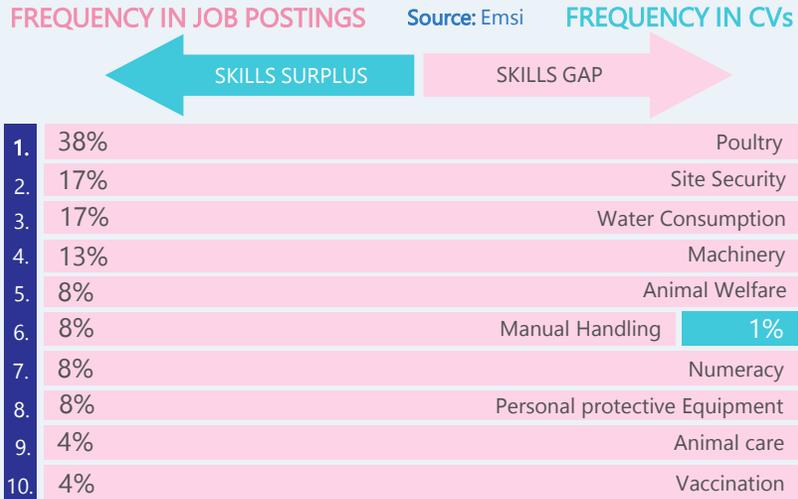
## TOP VACANCIES (JAN-SEP 2021)

Source: Emsi

	% OF SECTOR VACANCIES	RANK 2016/20	QUAL LEVEL
1. Farm workers	64%	1 / 1	2
2. Managers and proprietors in agriculture and horticulture	21%	- / 2	3
3. Animal care services occupations n.e.c.	10%	3 / 2	2
4. Farmers	3%	- / -	2
5. Fishing and other elementary agriculture occupations n.e.c.	3%	- / -	2

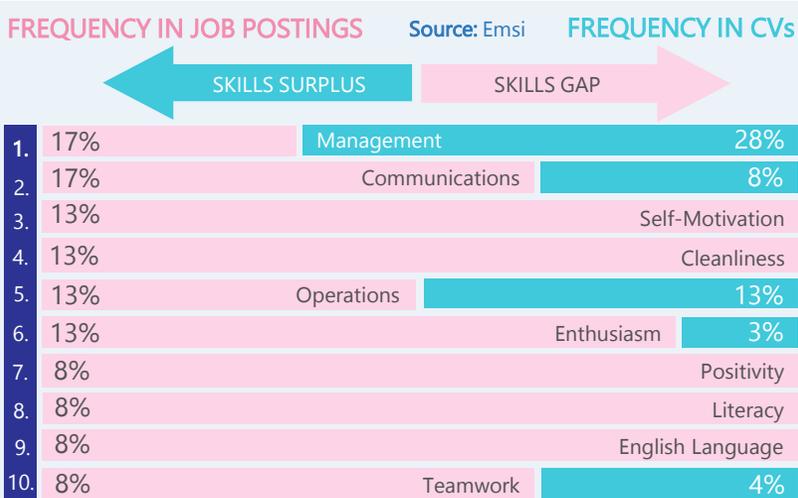
## TOP 10 HARD\* SKILLS

\* Hard skills are abilities that have been taught to or learnt by a person

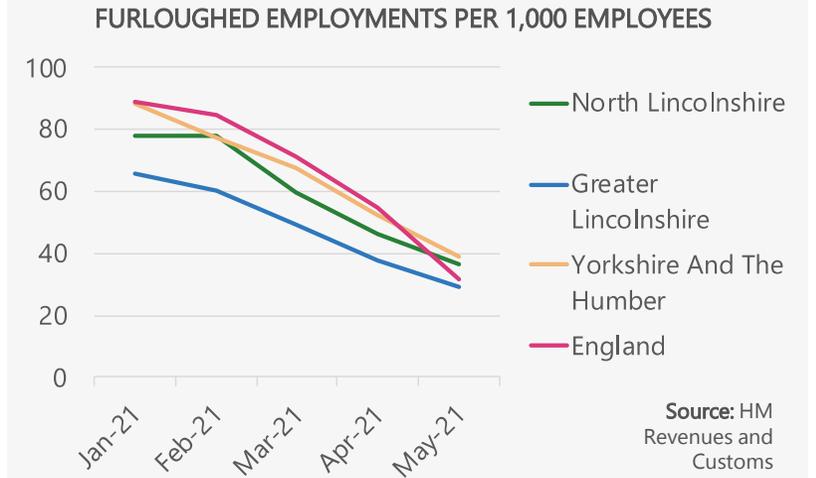


## TOP 10 COMMON\*\* SKILLS

\*\* Common skills are self developed or personal attributes



## COVID-19 IMPACT



## BREXIT



# SUMMARY OF FINDINGS FROM NATIONAL DESK RESEARCH



## SKILLS DEMAND

- **Post-Brexit labour shortages (many farm workers were from EU) & impact of COVID-19** (Hyde 2021) meant crops weren't picked & reduced hours at slaughterhouses due to butcher shortages.
- **27% of agriculture and horticultural businesses to scale back operations without (non-UK) EU staff.**
- **95% of businesses employ fewer than 10 people** and lack professional HR support.
- “[Pressure from shortages] could....reach breaking point....impact[ing] production, processing, supply and ultimately demand....[with] **significant economic implications for the UK.**” (NFU 2021)
- **Shortages of LGV drivers and food manufacturing operatives** affect the food and drink supply chain.
- **UK agricultural productivity** is behind other countries. Industry is highly skilled, but level of qualifications is low; poor uptake of CPD and **<35% of farmers have management training.**
- Skills & labour shortages will **accelerate innovations to increase productivity and reduce reliance on people.** Robotics technology will **require new skillsets (engineering & digital)** to maintain new high-tech operations.

## SKILLS SUPPLY

- Agriculture ‘branded as where you send the bottom 10 percent. It is seen as low skilled, low pay, unsociable hours, hard work and dirty’. LANTRA Chief Executive in Oslowy
- Supply challenges include covid-related travel restrictions; self isolation rules; transport to rural locations; competition from other businesses who can pay higher wages; EU nationals returning home to be with families; and UK new points-based immigration system. (NFU 2021)
- **1/3 of workforce will reach retirement age by 2033-35.** (NFU 2021)
- Government to review seasonal immigration rules as more foreign workers are need to alleviate the current shortage. (Hyde 2021)
- **Apprenticeship and other Government supported employment entry schemes are not aligned with frontline sector shortages. Progress with higher, technical and degree Apprenticeships** available through the University of Lincoln and Bishop Burton.
- DWP ‘Matchmaker’ scheme linking growers to JobCentrePlus struggled to recruit UK workers.