PHOTO REDACTED DUE TO THIRD PARTY RIGHTS OR OTHER LEGAL ISSUES

Leading learning and skills

Learning and Skills Assessment 2005

Kent and Medway

Main Report

CONTENTS

Index of Tables

Index of Figures

Index of Maps

Foreword

Welcome to the Kent and Medway Learning and Skills Council 2005 Learning and Skills Assessment. The assessment sets out the current state of the local economy and post-16 education and training to help inform priorities for our 2006-2007 Plan. These priorities will build on the outcomes from our thirteen Strategic Area Reviews and take into account the LSC's Agenda for Change reform programme for the learning and skills sector.

The Learning and Skills Council (LSC) is a national organisation with a network of local Councils across England, of which Kent and Medway is one. It is responsible for the strategic planning and funding of post-16 learning, other than Higher Education, and aims to increase participation and achievement in learning, and promote workforce development.

The Kent and Medway LSC and its partners agree local priorities within a framework of national and regional priorities. Our priorities for Kent and Medway for 2005-2006 are set out below.

1. Increase participation in learning by young people:
- Develop 14-19 strategies that ensure access to high quality, relevant learning opportunities
- Increase work-related learning and vocational options for young people
- Improve information, advice and guidance for young people

2. Raise the level of adult skills:
- Increase workforce skills amongst adults
- Improve adult skills for life (basic skills)
- Tackle sector skills shortages and gaps
- Develop skills brokerage for business

3. Improve the quality and responsiveness of provision – taking forward the LSC's Agenda for Change:
- Anticipate planned developments in Kent and Medway growth areas
- Secure capital investment in learning
- Improve partnerships working for planning and delivery
- Improve the quality of provision

4. Equality and Diversity – integrate equality and diversity into our plans:
- Achieve the eight agreed Equality and Diversity Impact Measures for Work Based Learning and Further Education by 2006

As part of its planning cycle, the LSC undertakes an annual Learning and Skills Assessment to provide an up to date picture of the demand for and supply of Post-16 education and training in Kent and Medway and its four economic sub-areas. The report identifies potential fields for future action, investment and quality improvement.

The format of this Learning and Skills Assessment differs from earlier ones by bringing together the assessment for young people and adults in a single report.

To provide evidence of needs at local levels, the Learning and Skills Assessment focuses on the four economic areas of Kent and Medway in a separate section after the main report. In addition, we will produce a separate series of young people profiles for each local 14-19 Planning Forum as agreed in our Strategic Area Review.

This Assessment draws on a variety of data and discussions with stakeholders, I hope you find it of value. We welcome feedback on this assessment to help strengthen our plans, you will find an accompanying evaluation form to assist with this.

SIMON NORTON
EXECUTIVE DIRECTOR

October 2005

EXECUTIVE SUMMARY

This is an executive summary of the Learning and Skills Council Kent and Medway's Learning and Skills Assessment.

The Assessment provides analyses of the latest supply and demand data in conjunction with findings from recent quantitative research done in the education sector; it uses a number of primary and secondary indicators to describe the current socio-economic position in Kent and Medway along with benchmarking against the South East and Nationally.

CONTEXT

The Government's Education Policy treats 14-19 as a distinct phase of learning as set out in "Success for All" and "14-19: Opportunity and Excellence" White Papers.

Modern Apprenticeships are core to the Governments Strategy to narrow the gap in skills between the UK and its major competitors.

The Government's Skills Strategy and the LSC's new programme stress the importance of the supply side becoming much more responsive to employers' demand for skills. In the South East the LSC and SEEDA have jointly developed a standard and programme for colleges and their partners to help achieve this. Two of the first four colleges to achieve this standard are in Kent and Medway.

THE KENT AND MEDWAY ECONOMY

- Kent and Medway had a total population of just below 1.6 million in 2003, with a working age population approaching the one million mark (966,000), accounting for 60% of the total.

- ONS 2003 Sub-national population projections for Kent and Medway predict a population increase of around 286,000 by 2028, an average 0.7% annual growth rate.
- From the 2003 Sub-national population projections, the 14-19 age group peaks towards the end of the current decade (132,900 in 2009) and declining thereafter to 2017 (122,700). From 2018, numbers are expected to increase to 127,000 in 2028. The Adult (20+) population is predicted to grow by an average 0.9% per year to 2028 – from around 1,191,000 (2003) to 1,463,000 (2028).

- In Kent and Medway, there are currently around 63,000 14-16 year olds and around 82,000 16-19 year olds.

- In comparison to the South East and Nationally, the Kent and Medway economy underperforms when measured by Gross Value Added per head of population.

- Kent and Medway has proportionately fewer residents of working age than the South East. There is also a strong London pull factor, with high out commuting from adjacent Kent and Medway districts.

- Inward investment has been increasing in recent years and is forecast to increase more rapidly in the future.

- Four fifths of working age residents are employed in the services sector (public and private), more than the national average, but lower than the South East. Half the public sector jobs are in Health and Social Work.

- One in five Kent and Medway jobs are in Wholesale and Retail.

- Manufacturing saw the largest fall in employment from 1998 to 2003, but still accounted for one in ten jobs.

- The number of claimants for Job Seeker’s Allowance (JSA) or Incapacity Benefit (IB) has been falling steadily in Kent and Medway, but is still higher than the rest of the South East (although similar to the National average).

DEMAND FOR LEARNING AND SKILLS

- In addition to identifying the demand for skills in Kent and Medway we need to factor in demand from London and likely future demands generated by growth plans for Thames Gateway and Ashford.

- One fifth of employers surveyed in the National Employers Skills Survey (NESS) reported a skills gap in their workforce.

- Half of employers who reported having hard to fill vacancies cited skills shortages as the main reason.

- The NESS survey highlighted that hard to fill vacancies and skills shortages are more prevalent in the Health and Social Work sector, followed by Construction, Transport, Storage and Communications.

- From an occupational perspective, hard to fill vacancies and skills shortages are most prevalent in Construction, Personal Household Goods (covering repair and retail of household goods) - and Manufacturing jobs mainly in Technical, Skilled and Operative occupations.

- The predicted annual demand for labour in Kent and Medway is 138,500 job vacancies, mostly through staff replacement/turnover.

- The bulk of the annual demand for labour will be in the Wholesale and Retail sector followed by Health and Social Work, Manufacturing, Real Estate and Construction.

- Employers are still asking for workers to have more generic ICT and better Basic Literacy and Numeracy Skills.

- Future demand will be greater in Associated Professional/Technical, Skilled Trades and Elementary occupations.

THE SUPPLY OF LEARNING AND SKILLS

Qualifications

- In comparison to the South East, Kent and Medway has a higher proportion of residents qualified to Levels 1 and 2, but a poorer proportion of residents who are qualified to Level 3 or higher, potentially limiting our capacity to benefit from the knowledge economy.

- In 2001, almost one third (31%) of Kent and Medway residents had no formal qualification compared to 26% in the South East. By 2003, there were some improvements with only 26% having no formal qualifications in Kent and Medway compared to 20% in the South East. Older workers are more likely to lack formal qualifications than 16-18 year olds.

- In 2003, Kent and Medway residents had a lower literacy and numeracy ability than adults in other parts in the South East.

Participation

- There are around 157,000 LSC funded learners in Kent and Medway of which just over a quarter are 16-18 year olds.

- The number of 16-18 year old learners in colleges is roughly the same as those in schools.

- Participation rates in Post-16 education decrease notably at aged 17, particularly in Medway, which is some 10 percent lower than South East average.

- According to the 2004 Connexions Destination Survey, just under 6% of 16 year olds were classed as Not in Employment, Education or Training (NEET), which is equal to the South East (6%), but lower than the National average (8.7%).

- Four out of five (82%) 16 year olds are in some form of learning, which is below the South East and National averages.

- Residents aged 18-19 are less likely to participate in Higher Education than their peers in other parts of the South East.

Performance

- There has been year on year improvement in combined age FE Success rates since 2001 (Success rates for young people are among the lowest in the South East; conversely Kent and Medway Adult FE Success rates are the highest in the South East).

- Aggregated success rates for Work Based Learning providers reached a three-year high in 2004, and are similar to the South East.

- Achievement of GCSE/GNVQ for 16 year olds is lower than the South East average but higher than National average.

- Value Added for Kent and Medway LEA schools is on a par with the South East and England averages.

DEMAND AND SUPPLY ANALYSIS

- In Kent and Medway, skills shortages and gaps exist in a number of key sectors, within different occupations and at different levels. This suggests opportunities to expand learning and skills provision as summarised below.

- Overall, employer demand for skills and at Levels 1 and 2 is beginning to be addressed by current provision, but there is still a substantial shortfall or a lack of clear progression routes in some subjects. However, there is under provision for young people who did not achieve Level 2 by the end of compulsory education.

- Sectors with acute shortfalls or a lack of clear progression routes are Business Administration, Construction and Media Technician at Level 1; and Engineering at Level 2.

- At Level 3, current provision is not sufficient to meet employer demand in Construction, Manufacturing, Engineering, IT, Land Based and Hospitality.

- There is also a strong employer demand for Craft, Science; high level IT, Management/Supervisory, Customer Service, Communication, Team Working and Problem Solving Skills.

- There are also some niche demands for skilled specialists in Land Based, Beauty Therapy, Engineering and Construction Health and Safety.

- When considering how to meet employer demand for skills, one has to take learner demand into account. The two might not always coincide and there is scope for increased collaboration between employers and providers to attract and train potential learners.

CONCLUSION

There has been modest improvement in the Kent and Medway economy in recent years, but it still lags behind the rest of the South East. The new Government investment/expansion plans, both in Kent and Medway and London, offer a rare opportunity to catch up with the rest of the region. To do that, we need to develop policies and capacity to support employers in strengthening entrepreneurship, innovation, skills, and infrastructure, which in their turn will help attract inward investment.

There is some capacity in terms of current and potential workforce, but this labour needs to be both highly trained and flexible to attract the high-tech companies required for step change. The current picture shows a strong demand for skills, and that can only get stronger as investment plans are realised.

Kent and Medway has a rare opportunity to achieve a step change in its competitiveness, both in terms of the economy and skills.

The current skill levels of the workforce have been improving, but need a major boost if we are to compete successfully with the rest of the South East and London. This requires significant improvements in learning and skills provision. Provision that responds directly to the needs of employers and the labour market and also attracts more young people to participate successfully in education and training. The plans of the LSC and its partners must reflect and respond to these challenges and opportunities.

More detailed analysis of Learning and Skills issues can be found in the main report.

CHAPTER 1: INTRODUCTION

1.1 The Learning and Skills Council Kent and Medway (LSC Kent and Medway) produces an annual Learning and Skills Assessment for Kent and Medway. The Learning and Skills Assessment is a key document that provides evidence for the annual LSC Kent and Medway and its partners planning.

1.2 The 2003-04 Learning and Skills Assessment format was driven by the needs of the Strategic Area Review (StAR) programme that resulted in eleven reports focused on young people and adults. With the StAR programme implementation phase underway the requirement to produce such comprehensive documents no longer exists.

The 2005 Learning and Skills Assessment is based around a series of regularly collected socio-economic and educational indicators.

1.3 The 2005 Learning and Skills Assessment is a single document covering Kent and Medway as a whole, combining input for both young people and adults. The report also includes a section on each of the four economic areas of Kent and Medway. In addition to the Learning and Skills Assessments, a series of young people profiles are being produced for the 14-19 Young People Planning Forums, in response to StAR recommendations.

1.4 The 2005 Learning and Skills Assessment is based around a series of regularly collected socio-economic and educational indicators. The indicators were arrived at through internal LSC Kent and Medway workshops, and validated through external dialogue with a number of local and regional partner organisations. The indicators are divided into primary and secondary levels that can be broadly differentiated as follows:

The indicators are divided into primary and secondary

- Primary indicators describe the headline position, and are used for benchmarking and comparison within and between areas such as, employment, unemployment or productivity.

Primary indicators describe the headline position

- Secondary indicators either support the primary indicator by providing analysis that is more specific to sub-groups such as priority employment sectors and ethnicity, or stand alone as less significant indicators – for example job related training.

Secondary indicators either support the primary indicator by providing analysis that is more specific to sub-groups or stand alone as less significant

1.5 A summary framework of indicators, including measures and definitions for the Learning and Skills Assessment can be found at Annex B. The LSC Kent and Medway welcome comments on the choice of indicators used in this report to take forward the 2006 Learning and Skills Assessment. Comments can be sent to the contacts listed on the back page of this report.

1.6 The Learning and Skills Assessment 2005 makes use of the best datasets available at the time, while acknowledging that these are not always complete or current. The currency of certain data means the assessment is effectively a snapshot of the situation at that time, rather than the up-to-date picture. The use of forecasting models in the report is likewise limited in terms of accuracy at the Kent and Medway and more detailed geographic levels and as such, data presented herein should be used with a degree of care. Finally, the Learning and Skills Assessment is not a stand-alone document and should be read in conjunction with the latest Kent Economic Report and Kent Prospects to gain a wider perspective of the Kent and Medway economy.

1.7 The remainder of the report is structured accordingly:

- **Chapter 2 –** Sets the context in Kent and Medway by focusing on the wider policy issues in post-16 education, and a snapshot of the demographic and economic picture, drawing comparisons wherever possible to the South East and England averages.

- **Chapter 3** – Provides analysis of the anticipated demand for jobs from the forecasting model and addressing current skills needs from survey data. In each case the data draws comparisons wherever possible to the South East regional averages.

- **Chapter 4** –Looks at the learning and skills provision using qualification, participation levels, and the quality of provision offered in Kent and Medway.

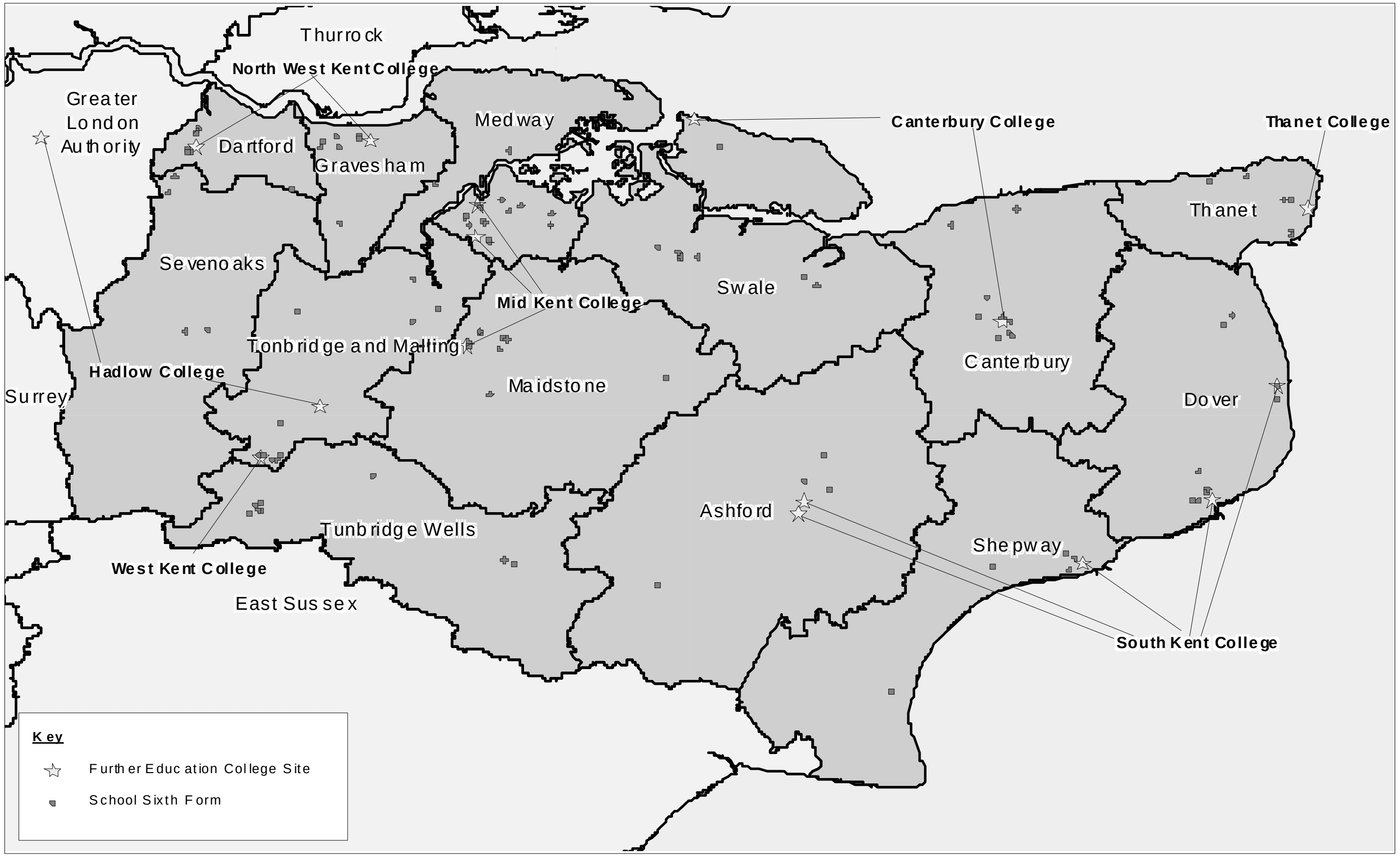
- **Chapter 5 –** Attempts to analyse the adequacy of current provision against direct economic demand for skills and highlight potential areas for further investigation.

- **Economic Area Analysis** – Following the broad format of the main report, this section drills the data down to the four economic areas of Kent and Medway; The Channel Corridor, East Kent, The Thames Gateway (Kent-side) and West Kent.

- **Annexes**

    - **Annex A: Tables**
    - **Annex B: Learning and Skills Assessment Indicators**
    - **Annex C: Model Methodology**
    - **Annex D: Area of Learning**
    - **Annex E: Glossary**

Kent and Medway Local Authority Districts and Locations of Further Education Colleges and School Sixth Forms



Please note that School Sixth Forms are too numerous to name on the map.

CHAPTER 2: CONTEXT

POLICY

2.1 Learning and skills are high on the national policy agenda: raising qualifications will boost the competitiveness of the economy whilst contributing to social inclusion. There are a number of themes that need to be taken into account when reviewing progress and priorities for action. In particular, the following lie at the heart of the drive to raise people's skills:

- ***Improvements to the 14-19 phase of education*** *clearly set out in 'Success for All' (DfES, Nov 2002), and '14-19: Opportunity and Excellence'* that established education for 14-19 students as a distinct phase in government policy thinking. The Government's National Skills Strategy aims to ensure that "Employers have the right skills to support the success of their businesses and individuals have the skills they need to be employable and personally fulfilled." Building provision to boost achievement at 16, and retention in learning post-16, will be key to making progress, as well as reinforcing the routes through to higher education.

Education Policy for 14-19 students is a distinct phase in Government Policy.

- ***Modern Apprenticeships*****,** which are core to the Government's strategy in narrowing the gap in skills of our nation and our major competitors. The LSC Kent and Medway was part of the Employer Training Pilots (ETP), rolled out locally as '*Profit from Learning'* in 2003, and by March 2005 recruited 6,464 learners. The National Employer Training Programme (NETP) scheduled for 2006 will supersede the ETP programme.

Modern Apprenticeships are core to Government strategy in narrowing the gap in skills between UK and its major competitors.

- ***Basic skills*** - including literacy, language, numeracy and computer skills. Basic skills continue to be an area requiring attention in Kent and Medway. 'Skills For Life' has driven numerous initiatives, including '*Move On and Get On'* campaigns, and LSC Skills for Life initiative. There are concentrations of poor literacy and numeracy in Gravesham, Swale, Thanet, the Medway Towns and Ashford.

- ***Driving up Qualification Levels*****.** The drive to maintain competitiveness and productivity, including the potential for a successful knowledge economy, depends on the availability of higher technical skills. Nationally, there is a drive to upskill the nation to Level 2 or above. Kent and Medway does poorly in terms of NVQ Level 3+ qualifications compared to the region, and contains wide variation in qualifications levels by district. However, the review of provision suggests that LSC investment in learning in Kent and Medway is less focussed on higher skills needs, and that the biggest gaps in the availability of skills and qualifications are at Level 3.

Under the LSC "Agenda for Change", Action for Business College were developed in the South East.

- ***Action for Business Colleges*:** SEEDA and the LSC jointly developed the *Action for Business Colleges* standard. The standard is designed to drive up college responsiveness in meeting the skills needs of employers, and recognise colleges that have demonstrated a strong commitment and make effective responses to meeting employer skills needs. Once accredited, Action for Business Colleges are charged with ensuring that they maintain a detailed understanding of local demand for training and develop long-term relationships with employers.

A key underlying issue for LSC provision will be whether it is well received by employers.

- ***Engaging employers*,** and giving them the skills they need. A key underlying issue for LSC provision will be whether it is well received by employers, and whether employers engage with the process sufficiently to make improvements a reality. This includes Sector Skills Councils (SSCs) initiative, a new network of UK wide sectors set up to lead the skills and productivity to drive industry, under the umbrella of the Sector Skills Development Agency (SSDA). SSCs are employer led, giving employers responsibility for leadership for strategic action to meet their sectors' skills and business needs and to give employers a greater influence with education and training partners.

- ***Promoting equality and diversity.*** The LSC has an agenda of pushing forward equality in participation, retention and achievement across all areas of provision. The LSC also has legal obligation to promote equality, and has set Equality and Diversity Impact measures (EDIMS) to push forward equality opportunities across all areas of provision.

2.2. The Learning and Skills Assessment also needs to be seen in the context of wider strategic development frameworks, not least because progress on learning and skills complements a range of National, Regional and Local socio-economic development initiatives, which are underway across Kent and Medway. The Regional Economic Strategy for the South East, key local initiatives such as Kent Prospects, and major cross-area initiatives such as the Thames Gateway regeneration initiative will provide an important context for future action.

2.3. In addition, major parts of Kent and Medway are earmarked for regeneration activities. Thames Gateway Kent and Ashford being two major regeneration sites in the South East and a national priority area for growth. A large number of jobs will be created in these areas by 2016, and a substantial number will be at or above Level 3.

THE KENT AND MEDWAY ECONOMY

KEY FINDINGS

- Kent and Medway's total population was just below 1.6 million in 2003, with a working age population approaching the one million mark (966,000), accounting for 60% of the total.

- ONS 2003 Sub-national population projections for Kent and Medway predict a population rise of around 286,000 by 2028, an average 0.7% annual growth rate.

- From the 2003 Sub-national population projections, the 14-19 age group peaks towards the end of the current decade (132,900 in 2009) and declining thereafter to 2017 (122,700). From 2018, numbers are expected to increase to 127,000 in 2028. The adult population (20+) is predicted to grow by on average by 0.9% per year to 2028 – from 1,191,000 (2003) to 1,463,000 (2028).

- In Kent and Medway, there are currently around 63,000 14-16 year olds and around 82,000 16-19 year olds.

- In comparison to the South East and Nationally, the Kent and Medway economy underperforms when measured by Gross Value Added per head of population.

- Kent and Medway has proportionately fewer residents of working age than the South East. There is also a strong London pull factor, with high out-commuting from adjacent Kent and Medway districts.

- Inward investment has been increasing in recent years and is forecast to increase more rapidly in the future.

- Four-fifths of working age residents are employed in the service sectors (public and private), more than the national average, but lower than the South East. Half the public sector jobs are in Health and Social Work.

- One in five Kent and Medway jobs are in Wholesale and Retail.

- Manufacturing saw the largest fall in employment from 1998 to 2003, but still accounted for one in ten jobs.

- The number of claimants for Job Seeker's Allowance (JSA) or Incapacity Benefit (IB) has been falling steadily in Kent and Medway, but is still higher than the rest of the South East (although similar to the National average).

POPULATION

2.4 Based on 2003 Mid-year population estimates, the combined population of Kent and Medway in 2003 came to just under 1.6 million residents (1,599,000). The latest Mid-year population estimates (ONS 2003) show only marginal population growth on 2002 levels in Kent (0.7%) and the Medway Unitary Authority (0.3%). With the exception of Gravesham district (0.1% deficit) small population growth was achieved across all other Local Authority Districts and Unitary Authority. ONS 2003 Sub-national population projections for Kent and Medway predict a population rise of around 286,000 by 2028, an average 0.7% annual growth rate. The Ashford growth area is predicted to achieve above Kent and Medway population growth levels with an average rate of 1.3% annually to 2028.

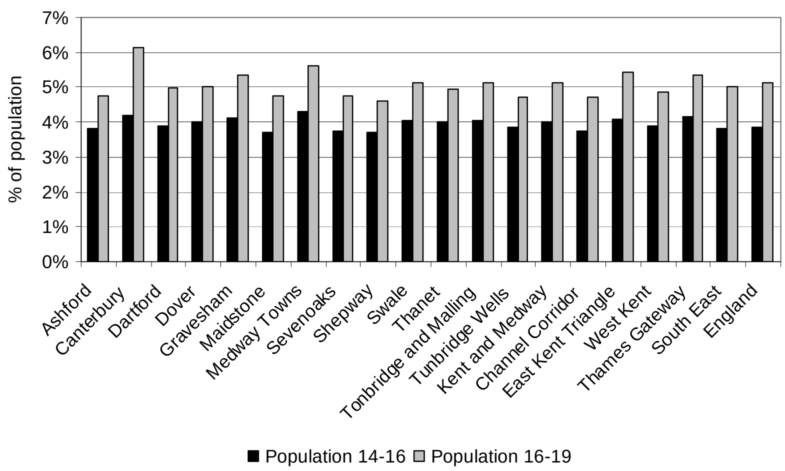
The total Population of Kent and Medway is approaching 1.6 million and has shown only a marginal rate of growth since 2002.The population is predicted to grow on average by 0.7% per year to 2028.

2.5 The working age population of Kent and Medway[1] is approaching the one million mark (966,000), accounting for around 60% of the total population. Kent and Medway has proportionately fewer working age adults compared to the South East regional average (62%).

The working age population in 2003 approached the one million mark (966,000).

2.6 According to the National Health Service Central Register[2] migration data for Kent (excluding Medway), the twelve months up to June 2003 saw an overall net gain of 7,100 people. The largest flow of people occurred from London with a net gain of families moving to Kent. The data shows a small net loss of 15-19 year olds in Kent, the majority of which can be attributed to 18-19 year old students studying in Higher Education outside the area.

Figure 1: Population Proportions for Young People Aged 14-16 and 16-19



Source: ONS, Mid year Population Estimates 2003

4% of Kent and Medway's population (63,100) are aged 14-16, and 5% 16-19 (82,100).

[1] The **working age population** comprises men **aged** 16-64 and women **aged** 16-59. The LFS **definition** of employment is anyone who does at least one hour's paid **work.**
[2] Source: Population Change in Kent: Migration, DEM 1/05 – February 2005, KCC.

2.7 The population statistics for young people in Figure 1 show that 4% of Kent and Medway residents are aged 14-16 years (63,100) and 5% aged 16-19 years (82,100) reflecting similar proportions found for the South East regional (5%) and England averages (5%). Population figures for 16-19 year olds varies marginally by Local and Unitary Authority Districts, with Medway (5.6% - 14,100 people) and Canterbury (6.1% - 8,540 people) exhibiting the highest proportions of young people. Shepway district has the lowest proportion of young people – 4.5% or 4,500 people.

In 2003 there was around 82,100 16-19 year olds and 63,100 14-16 year olds in Kent and Medway.

2.8 Population projections for 14-19 year olds using 2003 ONS sub-national data predicts a gradual increase in this population age group peaking toward the end of the current decade (132,900 in 2009) when numbers are expected to start declining to 2017. Thereafter numbers are expected to rise to 127,000 by 2028 – the end date of predicted population data. If this trend is fully realised the result will be an initial shrinkage in the working age population with potential impacts on the local economy through skills shortages. Population data in this sub-section can be found in Table 1A in Annex A.

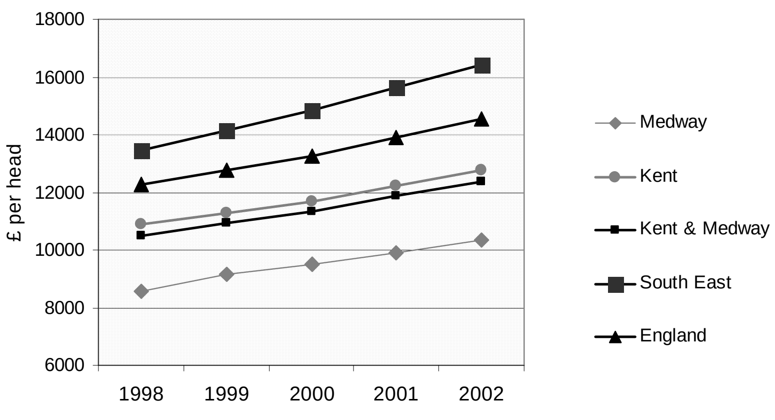
The number of 14-19 year olds is predicted to increase marginally to 2010, when the numbers are predicted to begin to fall.

THE ECONOMY

Kent and Medway's economy under-performs compared to the South East.

2.9 As a general indicator of the relative economic health of the Kent and Medway economy, Gross Value Added (GVA) has been used to measure the contribution to the economy of each individual producer, industry or sector in Kent and Medway. To allow comparisons to be made more easily across regions the GVA figure is expressed in terms of capita per head. GVA at Kent and Medway level[3] are estimated on a workplace basis, therefore GVA will be higher in areas of high inward commuting, such as inner London and lower in areas with significant outward commuting or high resident populations. High out-commuting, particularly in West and North Kent into London is likely to impact on Kent and Medway GVA figures presented in Figure 2.

Figure 2: GVA capita per head 1998-2002



Source: ONS National Accounts Blue Book 2002

Kent and Medway saw an average 3.4% annual growth over the five year period 1998-2002, compared to 4.4% in the South East.

[3] Nomenclature of Territorial Units for Statistics is the official European Union divisions for regional statistics. NUT3 equates to Kent and Medway UA.

2.10 GVA per head in Kent and Medway has risen year on year since 1998, achieving a current high of £12,370 in 2002. This represents an average 3.4% growth over the five year period, compared to 4.4% in the South East. Both Kent and Medway returned GVA figures below the National (£14,560) and South East regional (£16.414) averages, and fall way behind regional top performers such as Berkshire (£25,178). Berkshire achieved an average annual growth of 5.8% over the five year period up to 2002. Although the figure for Medway (£10,300) is low in comparison, this can partly be explained by data suggesting around a quarter of the working age population of Medway commuted out of area[4], predominantly travelling to London[5]. Average GVA growth rates 1998-2002 was 4%, 0.5% higher than Kent and indicating that Medway is catching up. Given that Medway falls entirely within the designated Thames Gateway growth area, future GVA could rise in line with other regions, if new housing and job opportunities created are accommodated locally. Table 2A in Annex A provides further detail.

The GVA per capita of Berkshire at £25,178 is 2.5 times higher than Medway, with a GVA per capita of £10,300.

2.11 Inward investment in Kent and Medway as measured by Locate in Kent indicators[6] give a positive picture for the region for the financial year 2004-05 with the creation of around 1,300 new jobs. Around two-thirds of successes were office based, the largest number created in call centres (up five-fold on last year). Non-office operations were created in Manufacturing/Assembly and Distribution. By sector, most jobs were created in Transport and Logistics (403), followed by ICT (148) and Food and Agriculture (90).

Inward investment was particularly good in 2004-05, especially in the Thames Gateway area.

2.12 Inward investment varied by economic area, with the Channel Corridor (17 successes) the area more companies choose to locate in 2004-05. In terms of job creation the Thames Gateway region (501 jobs) was top, followed by East Kent (435).

THE WORKFORCE

2.13 Business Link Kent[7] data (2005) list the number of businesses in Kent and Medway at around 56,100. Of these:

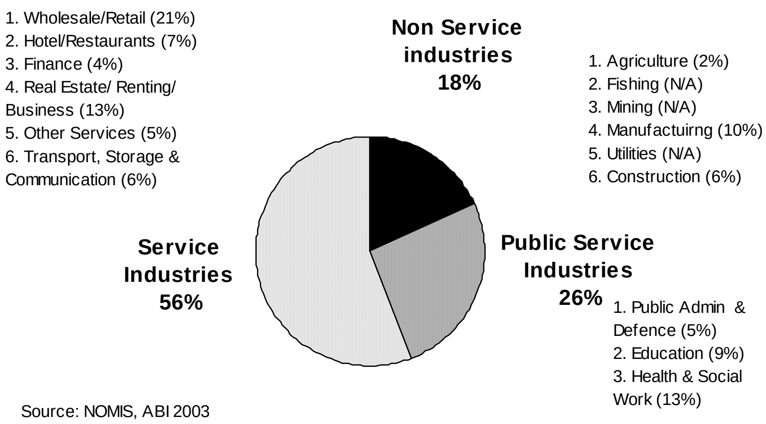
- Less than 1% of businesses employ more than 500 employees
- 95% of businesses have less than 50 employees
- 13% of businesses employ 11-49 employees (small enterprises)
- Just over two thirds (68%) employ five or less employees (micro businesses)
- A third of businesses are located in a rural area[8], in West Kent this figure is half of businesses

[4] Office of National Statistics from www.medway.gov.uk (community plan)
[5] 2001 Census Special Workplace Statistics
[6] Locate in Kent: Performance Monitor April 2004 – March 2005, www.locateinkent.com
[7] Source: Business Link Kent, Kent Business Database
[8] Either in a rural small town (12% - 6603) or rural village (22% - 12081)

- More businesses (30% - 16,933) are located in the Thames Gateway economic area, the lowest number in East Kent (20% - 11,486)
- Nearly one in four businesses (23%) is in the Wholesale and Retail sector.

Figure 3: Distribution of Kent and Medway Employment by Industry 2003

Kent and Medway economy are dominated by the two service industries (82%).



Source: NOMIS, ABI 2003

2.14 Based on the Annual Business Inquiry (ABI) and using broad sector classifications, the employment structure of Kent and Medway in 2003 was dominated by the ‘Service’ industries accounting for four fifths of all jobs (82%). See Annex A Tables 3A and 4A for further detail.

2.15 Figure 3[9] above separates out the sectors into Service, Public Service and Non-Service industries. The largest of the three, with just over half of all jobs (56%) was Service industries – 342,431 jobs. This is followed by one in four jobs in Public Services industries (26% - 159,975 jobs), and fewer than one in five (18%) employed in Non-Service industries – 110,461 jobs.

One in five jobs (21%) are in Wholesale and Retail, numbering 130,787.

2.16 The largest employer in Service industries is Wholesale and Retail with 130,787 jobs, accounting for one in five jobs (21%). The next largest sector employer is in Real Estate/Renting and Business with 13% - 76,875 jobs.

2.17 Half of the 159,975 jobs in the Public Service industries were in Health and Social Work (78,328) in 2003.

2.18 One in ten jobs was in Manufacturing (62,347), accounting for 55% of Non-service industry jobs in 2003.

[9] Employment in Fishing, Mining (Quarrying) and Utilities are shown as ‘N/A’. Employment obviously exists in these industries, but due to small numbers in the ABI, data are suppressed at source for confidentiality reasons.

Table 1: Industry Distribution Comparisons by sector and area, 2003

Sector	Kent & Medway	South East	England
Service Industries	**56%**	**61%**	**55%**
Wholesale and Retail	21%	20%	20%
Hotels and Restaurants	7%	7%	7%
Transport and Communications	6%	6%	6%
Finance	4%	4%	3%
Real Estate, Renting and Business Services	13%	19%	14%
Other Services	5%	5%	5%
Public Service Industries	**26%**	**24%**	**26%**
Public Administration and Defence	5%	4%	5%
Education	9%	9%	9%
Health and Social Work	13%	11%	11%
Non-Service Industries	**18%**	**15%**	**21%**
Agriculture	2%	1%	2%
Manufacturing	10%	10%	14%
Construction	6%	4%	5%

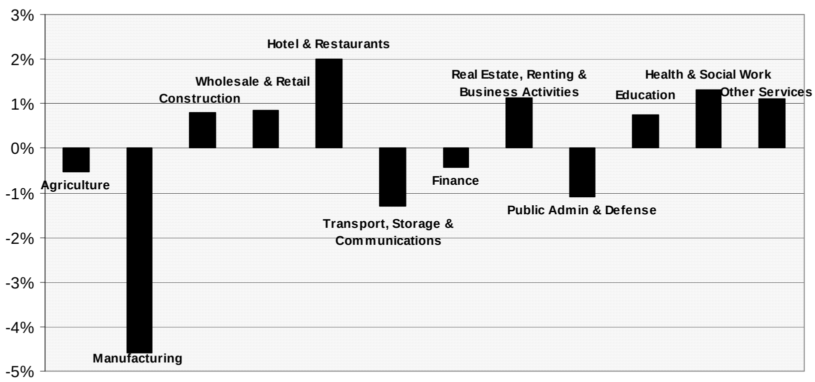
Source: NOMIS ABI, 2003

Kent and Medway has a similar employment base to the National average, but differs to the South East with lower in numbers employed in Service industries

2.19 Table 1 above shows the breakdown of each Industry and compares the numbers to the South East regional and England averages. Kent and Medway has comparable employment numbers to the England averages in the Service and Public Service industries. The South East in comparison has a higher percentage employed in the Service industry. In Non-service industries, Kent and Medway had a higher proportion employed in Agriculture and Construction than the South East, but less than the England average in Manufacturing.

Kent and Medway had a higher proportion of the workforce employed in construction (6%) compared to the South East (4%) and National figure (5%).

Figure 4: Employment Change in Kent and Medway 1998-2003



Source: NOMIS, ABI 1998 and 2003

The largest average percentage increase in employment between 1998 and 2003 was in the Hotel and Restaurant sector (+2%).

Manufacturing saw the largest decrease in employment numbers between 1998 and 2003, almost –5%.

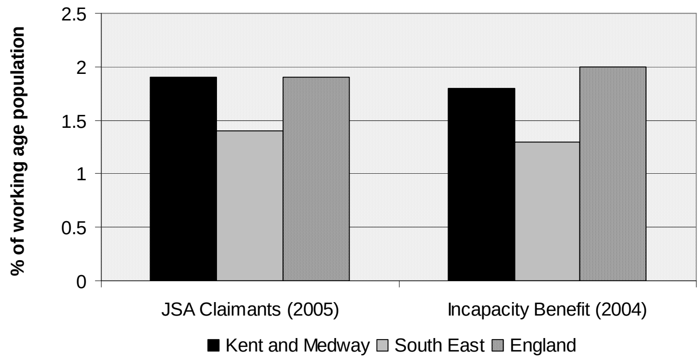
2.20 The services sector has seen net growth over a five-year period from 1998-2003 in all sectors except: Transport, Storage and Communication; Finance; and Public Administration and Defence as shown in Figure 4. The largest percentage change occurred in the Hotel and Restaurant sector (2%). Apart from Construction which saw a 0.8% increase in employment, the remaining Non-Service sectors saw employment change deficits, notably in Manufacturing with minus 4.6%. See Tables 5A and 6A in Annex A for detailed figures.

UNEMPLOYMENT

2.21 The indicator for measuring unemployment in the Learning and Skills Assessment are those residents of working age registered on Jobseeker's Allowance (JSA) or Incapacity Benefit (IB)[10].

Kent and Medway is above the South East for the number of Jobseeker Allowance and Incapacity Benefit claimants.

Figure 5: Proportion of the Working Age Population on Claimant and Benefit Rates (Kent and Medway, the South East, and England)



Source: JSA Claimant Count Feb 2005, DWP Incapacity Benefit/Severe Disablement Allowance Nov 2004

2.22 With reference to Figure 5 above, the proportion of Kent and Medway JSA claimants at the beginning of 2005 was 1.9% of the working age population, the second highest proportion of any region in the South East. Kent and Medway is on a par with the National average of 1.9%, but well above the South East regional average of 1.4%. Since 2000, the England average rate of JSA Claimants has been falling 0.9% compared to 0.8% in Kent and Medway. See Table 7A in Annex A for more detail.

Jobseeker's Allowance (JSA) rate for Kent and Medway have been falling slower (0.8%) than the National average (0.9%) since 2000.

2.23 The proportion of Incapacity Benefit claimants – including Severe Disability Allowance - within the working age population of Kent and Medway was 1.8% at the close of 2004, which compares favourably with the National average (2%), but less so with the South East regional average of 1.4%.

2.24 At a local level the East Kent districts of Dover and Thanet; the Channel Corridor districts of Swale and Shepway; the North Kent district of Gravesham and the Medway towns all had higher JSA claimant counts than the Kent and Medway average. The highest JSA claimant count was recorded for Thanet (3.4%). These districts (minus Medway), but with the addition of Ashford also returned above the Kent and Medway average for Incapacity Benefit claimant counts. The highest Incapacity Benefit claimant count was also recorded for Thanet (2.7%).

JSA levels are higher in parts of East Kent and The Thames Gateway

[10] The alternative source for measuring unemployment is the Labour Force Survey (LFS), but this is susceptible to sampling variations. Whilst the JSA is a partial measure, it is free from sampling error as it is literally a 100% head count and is available for small geographic areas.

2.25 In the districts of Sevenoaks, Ashford, Maidstone and Canterbury the proportion claiming Incapacity Benefit exceeded those on JSA. This suggests a degree of hidden unemployment exist in these districts - impacting on already tight labour markets.

In Sevenoaks, Ashford and Canterbury, Incapacity Benefit Claimants is higher than Jobseeker's Allowance, suggesting hidden employment exists

2.26 JSA figures taken from ONS data (2003)[11] shows that one in five claimants in Kent and Medway are aged 20-29 which is almost double the figure for the 40+ age groups – see Table 8A in Annex A for more detailed figures.

2.27 Conversely, one in three residents claiming Incapacity Benefit[12] fall in the 50-59 age bracket – see Table 9A in Annex A. Employment is known to fall significantly once people reach their fifties, and recent ONS research[13] using LFS data shows a clear relationship between occupation skills levels and the nature of becoming economically inactive. Those employed in Elementary to Skilled Occupations are twice as likely to become economically inactive due to long-term ill health than those in occupations graded Administrative to Managers; thereby emphasising the relevance of skills on quality of life.

Lower skilled workers are more likely to become economically inactive and claiming Incapacity Benefits than professionals.

[11] Source: ONS Neighbourhood Statistics Economic Deprivation JSA 2003
[12] Source: ONS Neighbourhood Statistics Work Deprivation Incapacity Benefit 2002
[13] Source: ONS. 'The labour market participation of older people', National Statistics, Labour Market Trends July 2005, Vol 113, No7

CHAPTER 3: DEMAND FOR LEARNING AND SKILLS

KEY FINDINGS

- In addition to identifying the demand for skills in Kent and Medway we need to factor in demand from London and likely future demands generated by growth plans for Thames Gateway and Ashford.
- One fifth of employers surveyed in the National Employers Skills Survey (NESS) reported a skills gap in their workforce.
- Half of employers who reported having hard to fill vacancies cited skills shortages as the main reason.
- The predicted annual demand for labour in Kent and Medway is 138,500 job vacancies, mostly through staff replacement/turnover.
- The NESS survey highlighted that hard to fill vacancies and skills shortages are more prevalent in the Health and Social Work sector, followed by Construction; and Transport, Storage and Communications.
- From an occupational perspective, hard to fill vacancies and skills shortages are most prevalent in Construction, Personal Household Goods (covering repair and retail of household goods) - and Manufacturing jobs mainly in Technical, Skilled and Operative occupations.
- The bulk of the annual demand for labour will be in the Wholesale and Retail sector followed by Health and Social Work, Manufacturing, Real Estate and Construction.
- Employers are still asking for workers to have more generic ICT and better Basic Literacy and Numeracy Skills.
- Future demand will be greatest in Associated Professional/Technical, Skilled Trades and Elementary occupations.

CURRENT SKILLS DEMAND

3.1 Two important factors affecting both current and future demand for skills are the closeness of Kent and Medway to the London labour market and the new housing developments in Thames Gateway and Ashford. Both these have major impact on the labour demand, one on an ongoing basis and the other will develop as the infrastructure is put in place for the housing developments to take place.

Two important factors affecting both current and future demand for skills are the closeness of Kent and Medway to London labour market and the new housing developments in Thames Gateway and Ashford.

3.2 London labour demand has a major impact on the Kent and Medway labour market, especially in north and west Kent. As the journeys time from Ashford and other parts of Kent and Medway are reduced the London factor will have more impact on other parts of Kent and Medway.

3.3 The Thames Gateway and Ashford housing and regeneration expansions will gradually create local jobs but also provide housing that supports the London labour market. The expansion plans would have impact on long term planning of learning and skills provision but at present it is difficult to quantify the demand. However, it is prudent to factor in an element of additional demand in these areas.

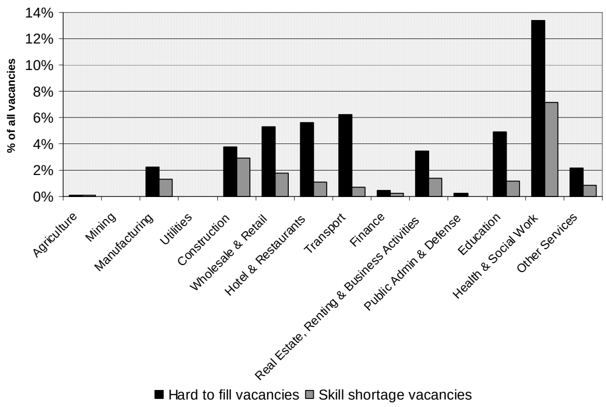
3.4 The 2003 National Employer Skills Survey (NESS) undertaken by the LSC provides an indication of employers' demand for skilled workers. In 2003, just over one fifth (22%) of businesses interviewed could identify skills gap in their workforce, just over two fifths of vacancies in Kent and Medway were hard to fill (42%), and almost half of these (19%) were due to skills shortages.

A fifth (22%) of employers surveyed could identify a skills gap in their workforce.

3.5 The NESS data suggests that larger businesses (50+ employees) were more likely to identify skills gaps in their workforce than their smaller business counterparts (1 – 9 employees). Although only 17% of employers reported vacancies at the time of the survey, around half of these vacancies were classed as hard to fill, with skill shortages cited as the main reason for this.

17% of employers surveyed reported hard to fill vacancies, with skills shortages the main cause.

Figure 6: Hard to Fill and Skills Shortage Vacancies by Sector



Source: NESS 2003

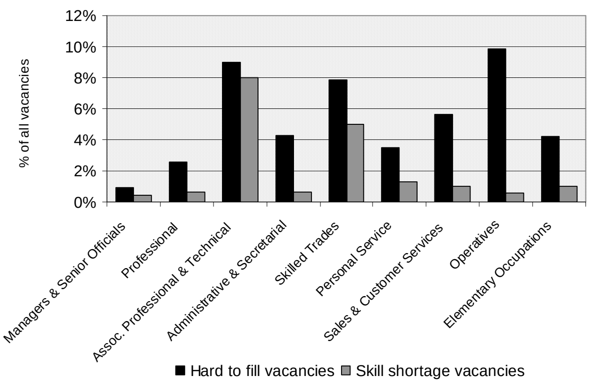
3.6 By broad sector, the NESS data in Figure 6 above suggests that the highest percentage of hard to fill vacancies (13% of vacancies) were experienced by the Health and Social Work sector, proportionately twice the number reported by Transport, Storage and Communications, the next highest sector with 6% of vacancies classed as hard to fill. Skills shortages resulting from hard to fill vacancies are also problematic for the Health and Social Work sector accounting for 7% of vacancies – see Table 10A in Annex A for further detail.

Hard to fill vacancies and skills shortages are more acute for the Health and Social Work sector.

3.7 The construction sector in Kent and Medway accounts for a disproportionately large share of skill shortage vacancies – the second highest after Health and Social Work. This is due to the shortfall in skilled trade occupations.

Construction has the second highest skill shortage vacancies after the Health and Social work sector.

Figure 7: Hard to Fill and Skills Shortage Vacancies by Occupation



Source: NESS 2003

3.8 With reference to Figure 7, by occupation the highest percentage of reported hard to fill vacancies occurred in the Technical, Trade and Operative sectors. Possible reasons for this are the requirement for higher vocational qualifications or substantial periods of training in technical trade based occupations. The top end occupations – Managers - appear to be least affected by hard to fill vacancies, possibly suggesting that people applying for these jobs are already qualified through an established career. See Table 11A, Annex A.

Hard to fill vacancies and skills shortages are also prevalent in technical, skilled and operative occupations.

3.9 Associate Professional and Technical Occupations had the highest level of skills shortage vacancies (8% of all vacancies). This is primarily due to the high level of unmet demand (7% in Figure 6 above) within this occupational group in the Health and Social Work sector (e.g. Nurses, Laboratory Technicians and Dental Technicians.)

3.10 Skilled Trades are experiencing above average hard to fill vacancy rates (8%). Almost two thirds of unfilled vacancies for skilled trades are due to skills shortages (5% of all vacancies for skilled trades are skills shortages). The biggest skills shortfalls are in construction related trades (e.g. roofers, bricklayers, carpenters and plumbers), personal household goods sector and manufacturing (e.g. furniture makers and upholsterers).

Skilled Trades are experiencing above average skills shortages in Construction (Bricklayers, Roofers etc.), and Care Assistants and Dental Nurses in Health and Social Work.

3.11 Personal Service occupations have above average levels of skill shortage vacancies. Around half of unfilled personal service vacancies in education (e.g. educational assistants and play group leaders) and other services (e.g. caretakers and undertakers) are due to skills shortages, as are a third of unmet personal service vacancies in Health and Social Work (e.g. care assistants and dental nurses).

Employers surveyed cited the need for workers to have more generic ICT, and better basic literacy and numeric skills.

3.12 The NESS 2003 survey also picked up from employers the need to develop more generic ICT skills, and basic literacy and numeracy. Over two thirds of employers affected thought that skills gaps were often the result of staff lacking experience or recently recruited to the organisation. Around a third (29%) thought lack of motivation was a cause, whilst a fifth cited failure to train staff.

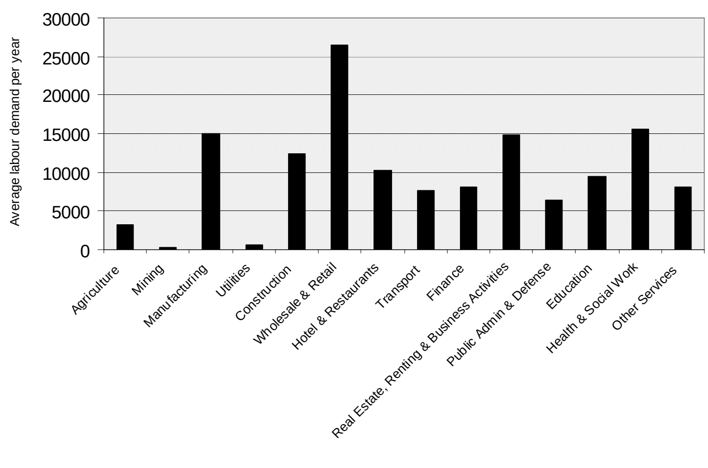
FUTURE SKILLS DEMAND

3.13 Employment change figures in Chapter 2 highlighted sectors that had seen actual employment growth and decline between 1998 and 2003. To gain an insight into future demand for employment in Kent and Medway the Experian Business Strategies Kent and Medway Forecasting Model was used to predict anticipated demand for labour by sector and occupation – see Annex C for further details on the model. As forecasting is concerned with the production of estimates of future events, any forecasts should be used with care, increasingly so as they become more detailed or localised.

Average predicted demand for labour in Kent and Medway will be 138,500 job vacancies mostly as replacement demand.

3.14 Based on the model, the predicted demand for labour in Kent and Medway is expected to be around 138,500 job vacancies annually. This figure includes a small percentage of expansion in the labour market, but is mainly due to turnover in employees. This is an average demand figure for the period 2005 to 2015.

Figure 8: Average Annual Labour Demand in Kent and Medway by Sector



Source: Experian Business Strategies Forecast (Hoshin), 2005

3.15 The annual demand for labour shown in Figure 8 above shows the anticipated average gross demand for job vacancies for broad industrial sectors. The gross demand includes turnover and growth – this can be either positive (expansion) or negative (decline).

3.16 At the local area level, the largest share of anticipated labour demand is in the Thames Gateway region, with an average 42,500 job vacancies annually, representing just under one third of total labour demand in Kent and Medway. The lowest share of labour demand is in East Kent with 29,500 job vacancies predicted annually. ***The model does not take account of major new investment or projects such as the Office of the Deputy Prime Minister (ODPM) designated Thames Gateway and the East Kent and Ashford growth and regeneration sub-regions. As these areas begin to develop the model will need to be refined for future forecasts and assessments***.

The share of demand varies at sub-regional and local district level, with one third of demand in the Thames Gateway.

3.17 The share of anticipated labour demand in Medway is predicted at around 16,600 job vacancies annually, whilst in Kent the share of annual labour demand ranges from 8,300 job vacancies in Shepway to 15,300 job vacancies in Maidstone. Again, replacement demand accounts for the bulk of predicted labour demand. See Table 12A for more detail.

Current labour demand is led by Wholesale and Retail followed by Health and Social Work, Manufacturing, Real Estate and Construction.

3.18 Given that the Wholesale and Retail sector grew between 1998 and 2003 and accounted for the largest share of sector employment, this sector leads labour demand in Kent and Medway with 19% of anticipated labour demand, and together with the following sectors accounts for 61% of all anticipated demand:

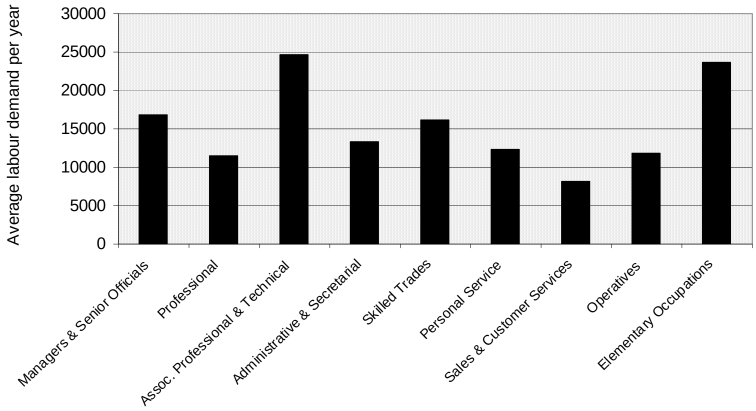
- Health and Social Work (11%)
- Manufacturing (11%)
- Real Estate/Renting and Business Activities (11%)
- Construction (9%)

3.19 Annual labour demand by broad occupational classifications in the forecasting model, as shown in Figure 9 will be in:

Around one in five job vacancies forecasted will be at the professional and technical level.

- Associate Professional and Technical (24,900 job vacancies or 18% of labour demand)
- Elementary occupations (23,700 job vacancies or 17% of labour demand)
- Managers and Senior Officials (16,800 job vacancies or 12% of labour demand)

Figure 9: Average Annual Labour Demand in Kent and Medway by Occupation



Source: Experian Business Strategies Forecast (Hoshin), 2005

3.20 A list of the occupations used and definitions can be found at Annex C, and more detail in Table 12A in Annex A.

Note: Using a matrix of broad sectors and occupations to assess the largest share of demand has its limitations, due to model assumptions that state replacement demand will have the same occupational structure across industries and locations: that is, it assumes (for example) that managers always represent the same proportion of replacement demand whatever industry or location is being considered. Due to the share of demand attributable to Wholesale and Retail, this sector had the largest share across all occupations, followed by Manufacturing and Real Estate/Renting and Business. Table 12A in Annex A provides a more detailed breakdown, but figures must be applied with caution.

CHAPTER 4: THE SUPPLY OF LEARNING AND SKILLS

KEY FINDINGS

Qualifications

- In comparison to the South East, Kent and Medway has a higher proportion of residents qualified to Levels 1 and 2, but a poorer proportion of residents who are qualified to Level 3 or higher, potentially limiting our capacity to benefit from the knowledge economy.
- In 2001, almost one third (31%) of Kent and Medway residents had no formal qualification compared to 26% in the South East. By 2003, there were some improvements with only 26% having no formal qualifications in Kent and Medway compared to 20% in the South East. Older workers are more likely to lack formal qualifications than 16-18 year olds.
- In 2003, Kent and Medway residents had a lower literacy and numeracy ability than adults in other parts in the South East.

Participation

- There are around 157,000 LSC funded learners in Kent and Medway of which just over a quarter are 16-18 year olds.
- The number of 16-18 year old learners in colleges is roughly the same as those in schools.
- Participation rates in Post-16 education decrease notably at aged 17, particularly in Medway, which is some 10 percent lower than the South East average.
- According to the 2004 Connexions Destination Survey, just under 6% of 16 year olds were classed as Not in Employment, Education or Training (NEET), which is equal to the South East (6%), but lower than the National average (8.7%)
- Four out of five (82%) 16 year olds are in some form of learning, which is below the South East and National averages.
- Residents aged 18-19 are less likely to participate in Higher Education than their peers in other parts of the South East.

KEY FINDINGS CONTINUED

Performance

- There has been year on year improvement in combined age FE Success rates since 2001 (Success rates for young people are among the lowest in the South East; conversely Kent and Medway Adult FE Success rates are the highest in the South East).
- Achievement of GCSE/GNVQ for 16 year olds is lower than the South East average but higher than National average.
- Aggregated success rates for Work Based Learning providers reached a three-year high in 2004, and are similar to the South East.
- Value Added for Kent and Medway LEA schools is on a par with the South East and England averages.

CURRENT QUALIFICATION LEVELS

4.1 In this section of the report, four sources that give measures of qualification levels are compared in the assessment providing a snapshot of the skills levels for the Kent and Medway working age population (16+). These are:

- Census 2001 (ONS)
- Skills For Life Survey 2003 (DfES)
- Skills Audit 2003 (LSC)
- Labour Force Survey 2004 (ONS)

CENSUS 2001

4.2 Using the Census 2001 data for residents in Kent and Medway, Table 2 below shows the number and proportion of residents (16+) qualified by level and age group.

Table 2: Highest Qualification held by Age (Kent and Medway, 2001)

	No qualifications (N)		Level 1 (N)		Level 2 (N)		Level 3 (N)		Level 4/5 (N)		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%	No	%
Aged 16-17	13588	33.2	7986	19.5	18296	44.6	763	1.9	354	0.9	40987	100
Aged 18-19	3674	10.4	6543	18.4	16710	47.1	8024	22.6	513	1.4	35464	100
Aged 20-24	8854	10.7	14500	17.5	25522	30.8	21365	25.8	12625	15.2	82866	100
Aged 25-49	63076	15.0	123402	29.4	110507	26.3	35336	8.4	87366	20.8	419687	100
Aged 50-64	108900	42.1	41960	16.2	42753	16.5	14900	5.8	50185	19.4	258698	100
Aged 65 and over	83368	69.0	5045	4.2	12561	10.4	3815	3.2	15952	13.2	120741	100
All Population	281460	29.4	199436	20.8	226349	23.6	84203	8.8	166995	17.4	958443	100

Source: ONS Census 2001 (Table S105:1 to 97)

4.3 In 2001, one in three 16-17 year olds did not have a formal qualification and over half (53%) did not qualify to Level 2. By the age of 18-19, the number with no qualifications decreases significantly to one in ten.

Around one in three 16-17 year olds in Kent and Medway have no formal qualifications.

4.4 From the ages of 18 to 49 the number of residents with no formal qualifications remains relatively constant between 10-15%. From 50 years onwards there is a sharp increase in numbers with no qualifications. This is the likely result of past cultural norms of 'working class' attitudes towards education. Often an inaccurate assumption is made that lack of qualifications also means a lack of skills.

4.5 Table 3 shows the number and proportion of working age residents (16+) qualified by level and district with comparisons to the South East[14] and England.

Table 3: Qualification levels by area (all ages 2001)

	No qualifications (N)		Level 1 (N)		Level 2 (N)		Level 3 (N)		Level 4/5 (N)		All Population	
	No.	%	No.	%	No.	%	No.	%	No.	%	No	%
Ashford	19999	29.6	14082	20.8	15415	22.8	5609	8.3	12458	18.4	67563	100
Canterbury	25198	28.2	15073	16.9	17773	19.9	11569	12.9	19759	22.1	89372	100
Dartford	17502	30.7	13198	23.1	13610	23.9	4282	7.5	8464	14.8	57056	100
Dover	23006	34.0	13298	19.7	15317	22.6	5221	7.7	10817	16.0	67659	100
Gravesham	21516	34.3	13617	21.7	14486	23.1	4555	7.3	8600	13.7	62774	100
Maidstone	25896	27.6	18772	20.0	22844	24.3	8468	9.0	17957	19.1	93937	100
Medway	53736	32.6	38425	23.3	38799	23.5	12461	7.6	21548	13.1	164969	100
Sevenoaks	18781	25.7	12950	17.7	17301	23.7	6693	9.2	17377	23.8	73102	100
Shepway	20602	33.4	12481	20.2	14102	22.9	4717	7.7	9755	15.8	61657	100
Swale	30188	37.4	17155	21.3	17239	21.4	5518	6.8	10558	13.1	80658	100
Thanet	29763	37.5	15942	20.1	17011	21.4	5448	6.9	11163	14.1	79327	100
Tonbridge and Malling	19712	27.5	14450	20.2	17240	24.1	6237	8.7	14008	19.6	71647	100
Tunbridge Wells	16315	23.4	11561	16.6	16821	24.1	7099	10.2	18058	25.9	69854	100
Kent & Medway	322214	31.0	211004	20.3	237958	22.9	87877	8.5	180522	17.4	1039575	100
South East	1348505	25.6	962252	18.3	1193488	22.7	518316	9.8	1244203	23.6	5266764	100
England	10251674	31.0	5909093	17.9	6877530	20.8	2962282	9.0	7072052	21.4	33072631	100

Source: ONS Census 2001

Note: Percentages for the South East and England are mean averages

4.6 Table 3 shows a relatively poor picture of Kent and Medway residents compared to the South East region. The percentage of Kent and Medway residents (31%) with no formal qualifications is the same as the National average (31%), but above the South East average (26%). Locally, just over one in three residents in the districts of Swale (37%) and Thanet (37%) have no formal qualifications. All North and East Kent districts, with the exception of Canterbury, have higher levels of unqualified residents than western and central districts. However, residents in the districts of Sevenoaks and Tunbridge Wells out perform the South East at Levels 3+.

Only two districts, Tunbridge Wells and Sevenoaks outperform the South East average at Level 3+.

SKILLS FOR LIFE SURVEY

4.7 The Moser Report concluded in 1999 that 'one in five adults has less literacy than is expected of an 11 year old child', and that about 40% of adults experienced significant numeracy problems. To establish a stronger evidence base to underpin the Skills for Life Strategy, the DfES commissioned the Skills for Life (SfL) Survey, which was reported in

[14] The numbers quoted for the South East and England are actual figures, whilst the percentages given are means to allow comparisons.

2003. The margin of error on the accuracy of data at local level is very high.

According to the Skills for Life survey, literacy and numeracy levels in Kent and Medway are below the South East average.

4.8 Based on this data, just over one in ten (11%) people in England have problems with literacy, and just under half struggle with numeracy (lower level of competence than NVQ 1). At 9%, the proportion of Kent and Medway residents with poor literacy is just below the National average (11%), but above the South East average of 7%. Similarly, levels of poor numeracy in Kent and Medway (48%) are below the National average (49%), but above the South East average of 42%.

SKILLS AUDIT

4.9 A more statistically reliable source of information on qualifications is that collected by the LSC through the Skills Audit.

One in five 16-18 years olds, and almost half of 50-64 year olds without any formal qualifications.

4.10 Although the age groups in the Census 2001 (Table 2) and the Skills Audit (Table 4 below) are not entirely comparable for young people, if you take the average for 16-18 and 18-19 (22%) in the Census then the percentage with no qualifications is the same. Evidently by 2003, two years on from the Census, one in five 16-18 year olds had no formal qualification. The Skills Audit also showed (as did the Census) that age still clearly impacts on qualification, with those aged 50 – 64 proportionately twice as likely not to hold any formal qualifications (46% of 50-64 year olds) than other age groups; although at Levels 3 and 4 there is a sizeable minority that are well qualified. The table also demonstrates that 19+ population qualification levels fall sharply after Level 2 in Kent and Medway. The data indicated that gender was not a significant factor affecting differences in qualifications.

Table 4: Qualifications by age of Kent and Medway residents (2003)

Age Groups	% No qualification	% at least Level 1	% at least Level 2	% at least Level 3	% at least Level 4
16-18	22	78	51	7	0
19-24	17	83	67	34	9
25-49	20	80	66	36	20
50-64	46	54	43	24	15
All Ages	26	74	60	31	16
Base (Nos)	906	2613	2111	1106	561

Source: Skills Audit 2003

Large take up of Level 2 entitlement potentially exists for the post-19 age group.

4.11 The data in Table 4 also suggests that a large take-up of Level 2 entitlement for the post-19 age group potentially exists for FE, with 33% and 34% respectively for the 19-24 and 25-49 age groups currently lacking Level 2 qualifications.

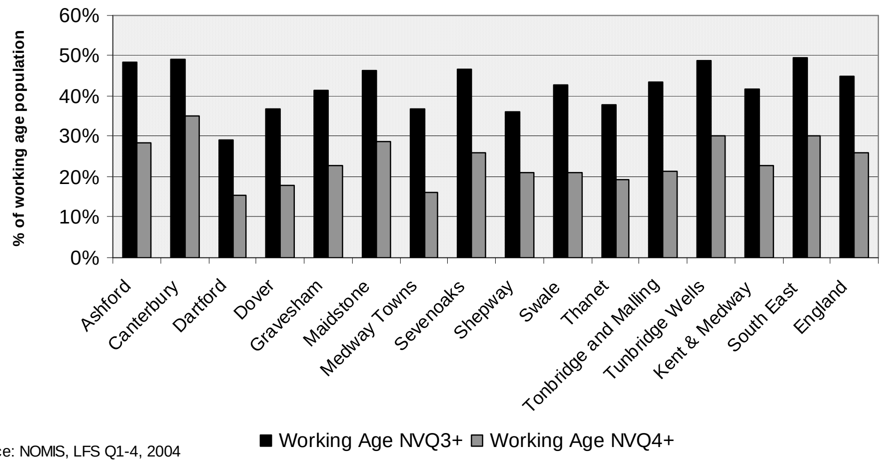
LABOUR FORCE SURVEY

4.12 Level 3 and 4+ qualifications can also be measured through the Labour Force Survey. Level 3 qualifications, A-levels or NVQ 3 equivalents, are seen as a prerequisite to progressing to Higher Education (HE) to obtain a Level 4 qualifications (degree, HNC, HND or equivalent) or higher and contributing to the knowledge economy.

4.13 As Figure 10 shows, the percentage of working age residents qualified to Level 3 in Kent and Medway (42%) lags behind both the South East (50%) and National averages (45%). Likewise, Kent and Medway falls behind in the percentage of residents suitably qualified to contribute to the growth of the knowledge economy. Around one quarter (23%) of Kent and Medway residents of working age have a Level 4+ qualification, some seven percent below the South East average (30%), and three percent below the National average (26%).

Kent and Medway lags behind the South East and England averages with the proportion of working age adults who are highly qualified (A-level or higher).

Figure 10: Highly Qualified Working Age Residents (Level 3/4+)



Source: NOMIS, LFS Q1-4, 2004

4.14 Locally, Canterbury district has the most highly qualified working age population probably reflecting the presence of several higher and further education institutions in the area and those employed in the education sector. It is also one of only three districts in Kent and Medway to out perform the South East average at Level 4+, the others being Ashford and Tunbridge Wells that also have reasonably high levels of highly qualified residents. Dartford has the lowest percentage of highly qualified working age population at both Level 3 and Level 4+. To meet the demands of the Thames Gateway the local districts here need to raise qualification levels to benefit from any investment in the knowledge economy – see Table 13A Annex A.

Tunbridge Wells has twice the number of working age residents qualified to Level 4 compared to Dartford

PARTICIPATION

OVERALL

4.15 In 2003/04 there were around 157,000 LSC funded learners in Kent and Medway. Some 40,500 were Young People (16-18) and the rest, 116,500, were Adults (19+).

There are some 157,000 LSC funded learners in Kent and Medway, with just over a quarter aged 16-18.

Table 5: Overall Participation in Kent and Medway 2003/2004

	Total Participation 2003/04		
	16-18	19+	Total
School Sixth Form[1]	17592	32	17624
Further Education[2]	16080[2]	73303	89915
KIAD[2]	598	532	1130
Work-Based Learning[2]	6146	7150	13296
Adult Community Learning [2]	-	35600	35600
NEET[3]	1288	-	1288
Independent Schools[4]	2425	-	2425

Sources:
1 PLASC 2003/04
2 ILR 2003/04
3 Kent Connexions 2003/04 Destination Data (Yr 11, Yr 12 (school cohort only), Y13 (school cohort only))
4 Independent Schools Council Information Service 2004

The number of 16-18 year olds learners is similar in Colleges and School Sixth Forms.

4.16 In Table 5 above, School Sixth Form and Further Education Colleges (FE) account for the largest share of participation in learning, with sizeable numbers also found in Work Based Learning (WBL) and Independent Schools[15]. Adult participation is almost solely the preserve of FE, Work Based Learning and Adult Community Learning, as one would expect.

At any given time there are some 1,300 16-18 year olds who are not engaged in Education, Employment or Training.

YOUNG PEOPLE 16-18

4.17 Table 6 shows the trend in young people participation in all three areas of learning is expected to reach a four-year high by 2004/05, notably in School Sixth Form and FE.

4.18 School Sixth Form participation in 2003/2004 was static compared to the previous academic year but started the 2004/2005 academic year with a 7.5% increase in pupil numbers. FE has seen year on year increments in pupil numbers, with forecasted numbers for 2004/2005 approaching 17,400. WBL saw a decline in numbers from 2002, but half yearly figures (Period 6) suggest learner numbers will rise – figures quoted are average in learner numbers for LSC funded provision and differ to figures quoted in Tables 5 and 7 which are head counts based on residency. If you want to quote the actual number of participants in WBL for 2003/2004 Table 5 or 7 should be used.

Further Education has seen year on year increase in Learner numbers especially 16-18 year olds.

[15] Data for Independent Schools is for Sixth Form only and does not differentiate between learners who are resident in Kent and Medway and those who travel in or board from outside.

Table 6: Young People (16-18) participating in LSC funded learning in Kent and Medway

16-18	2001/02 (Actual)	2002/03 (Actual)	Year on Year Increase %	2003/04 (Actual)	Year on Year Increase %	2004/05	Year on Year Increase %
School Sixth Form	16,981	17,584	3.60%	17,592	0.00%	18,909[a]	7.50%
Further Education	13,949	14,616	4.8%	16,080	10.0%	17366[b]	8.0%
Work-Based Learning[4]	3,176	2,912	-8.3%	2,533	-13.0%	2570[c]	1.5%

Source: LSC South East Regional Book

1 Actual September Pupil Count: PLASC

2 Forecasted figure (ILR)

3 Year to date (Period 6)

4 WBL Average in Learning is funded by LSCKM, LSC Performance Scorecard

SCHOOL SIXTH FORM

4.19 School Sixth Form data from PLASC is limited, but based on the 2003/04 returns the estimated participation of Kent and Medway residents was around 17,208 students, representing around 28% of the 16-18 years old population cohort (based on 2003 Mid-year population estimates). There are small differences in numbers between the figures in Table 5 and Table 7 as the latter table includes only Kent and Medway resident learners.

4.20 From the LSC Travel-to learn study (2004) the overall mean size of School Sixth Forms was 155 pupils. However, there was a wide range in size, with 11% of sixth-formers Sixth Form schools of less than 100, and 24% in Sixth Form schools of over 250. The formation of school consortiums in Kent and Medway is seen as a way forward to widening participation.

There are wide size variations in School Sixth Forms.

4.21 As Table 7 indicates, locally, rates of participation vary by district, with around one in three 16-18year olds attending School Sixth Form in Tunbridge Wells (36%), Maidstone (34%) and Tonbridge and Malling (33%). Proportionately, Ashford and Thanet have the lowest School Sixth Form participation at 22%.

School Sixth Forms participation is higher in West Kent particularly in Tunbridge Wells.

Table 7: The number and proportion of Kent and Medway Young People (16-18) resident learners participating in LSC funded learning by District

District	School Sixth Form 16-18 year olds	16-18 year old School Sixth Form learners as proportion of 16-18 year old population	Further Education 16-18 year olds	16-18 year old FE learners as proportion of 16-18 year old population	Work-based learning 16-18 year olds	16-18 year olds in WBL as proportion of 16-18 year old population
Medway	2777	26%	2539	24%	1370	13%
Ashford	853	22%	1068	28%	393	10%
Canterbury	1446	23%	1264	20%	504	8%
Dartford	906	28%	768	24%	360	11%
Dover	1147	29%	1002	25%	391	10%
Gravesham	1055	28%	964	25%	380	10%
Maidstone	1724	34%	1126	22%	467	9%
Sevenoaks	1205	31%	795	21%	261	7%
Shepway	933	27%	1034	30%	374	11%
Swale	1341	28%	1168	24%	570	12%
Thanet	1079	22%	1545	32%	494	10%
Tonbridge and Malling	1389	33%	895	21%	384	9%
Tunbridge Wells	1353	36%	706	19%	198	5%
Kent and Medway	17208	28%	14874	24%	6146	10%

Source: ILR 2003-04, PLASC 2003-04, ONS Mid year Population estimates 2003

FURTHER EDUCATION

4.22 Table 7 data are based on resident postcodes and show that around 14,900 16-18 learners participated in FE provision in 2003/04, again suggesting a reasonable inflow of learners from outside Kent and Medway. For the 16-18 cohort participation varies by district. One in three 16-18 residents of Thanet (32%) go to a FE institution compared to one in five (19%) in Tunbridge Wells. The average participation rate as a proportion of the total 16-18 population across Kent and Medway is one in four (24%).

Participation of Young People (16-18) in FE varies from district to district. One in three in Thanet (lowest) and one in five in Tunbridge Wells (highest) with the average for Kent and Medway one in four.

WORK BASED LEARNING

4.23 WBL numbers in Table 7 vary by district, with the highest participation as a proportion of the 16-18 year old population recorded in Medway (13%). Indeed three of the four Thames Gateway districts Medway (13%), Swale (12%) and Dartford (11%) recorded the highest proportions of learners in WBL. Tunbridge Wells with 5% recorded the lowest participation proportion, half the Kent and Medway average (10%).

16-18 DESTINATIONS

Four out of five (82%) 16 year olds are in learning, below the South East (85%) and National (84%) averages.

4.24 DfES figures (2003)[16] suggest that four out of five (82%) 16 year olds in Kent and Medway are in learning. Proportionately this is below the South East regional (85%) and National (84%) averages. A degree of variation exists locally, with 83% in Kent, and 77% in Medway. By age 17, the numbers decline to just less than three quarters (72%) in Kent and Medway, compared to 74% nationally, and 75% in the South East. In Medway the figure falls to two thirds (66%) some seven percent lower than Kent (73%).

4.25 Some indication of where the 16-18 age groups are, if not in learning, can be gleaned from Connexions Destination survey data shown in Table 8 below. Data for Yr 12 and 13 are incomplete and based only on school cohort data.

Just under 6% of Kent and Medway 16 year olds are Not in Employment, Education or Training (NEET).

Table 8: Young People (16-18) destination figures for the 2003-2004 cohort

	Yr11	%	Yr12 (School Cohort Only)	%	Yr13 (School Cohort Only)	%
In Education	15545	75.6	8822	90.4	6295	80.2
In Employment	2606	12.7	683	7	1175	14.9
Unknowns	1215	5.9	194	2	332	4.2
NEETs	1183	5.8	54	0.6	51	0.7
TOTALS	**20549**	**100**	**9753**	**100**	**7853**	**100**

Source: Connexions Kent Destinations Data 2003/04

4.26 With reference to Table 8, a number of Year 11 are unknown - at the date of the survey - but around 6% are classed as Not in Employment Education or Training. This small but significant percentage of school leavers are failing to be engaged in continued learning. Kent and Medway

[16] Statistical First Release (SFR 11/2005), March 2005

NEET figures are the same as the South East average (6%), but perform better than the 2004 National average of 8.7%. The Entry to Employment (E2E) programme has been set up by the LSC to help target this group back into learning and work.

HIGHER EDUCATION 18-19

4.26 Using Higher Education Funding Council for England (HEFCE) data (Table 9), over one quarter (28%) Kent and Medway residents aged 18-19 years progressed to Higher Education (HE). This is defined as being a full-time first degree, or Higher National Diploma/Certificate (HND or HNC) course at any UK HE institution or Great Britain further education institution. Table 9 shows that in the South East, Kent and Medway had the lowest proportion of 18-19 year olds going to into HE a third less than Surrey (43%).

In the South East, Kent and Medway has the lowest participation in Higher Education by 18-19 year olds.

Table 9: 18-19 year old participation in Higher Education by SE LSC

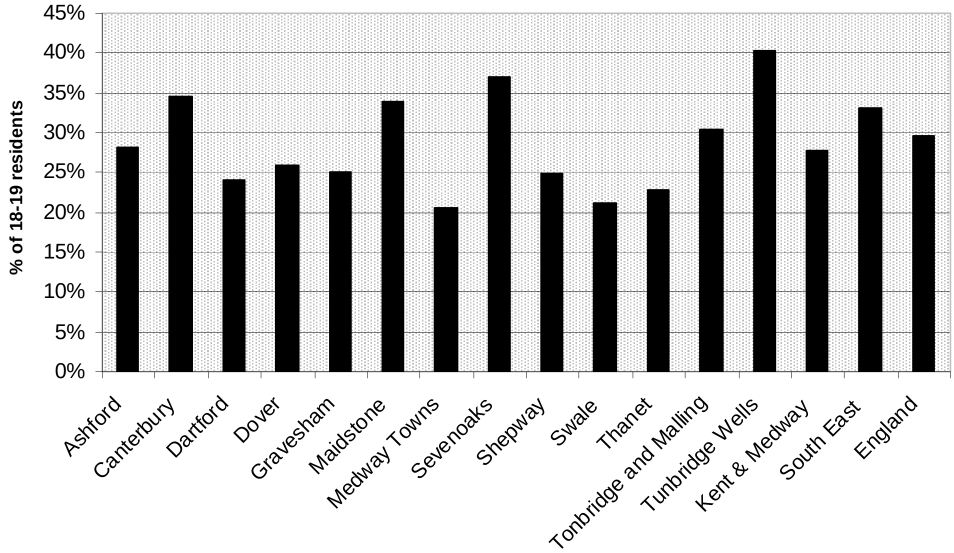
LSC area	18-19 HE cohort (nearest 100)	% of 18-19 year olds in HE
Berkshire	9,500	36%
Hampshire and IOW	20,700	30%
Kent and Medway	**19,200**	**28%**
Milton Keynes, Oxfordshire & Buckinghamshire	15,600	36%
Surrey	11,900	43%
Sussex	16,200	31%
South East average	**15,517**	**34%**

Source: HEFCE, POLAR 2002

4.28 Figure 11 below indicates an uneven spread of 18-19 year olds in HE across Kent and Medway, with proportionately higher levels of participation evident in the West Kent districts of Tunbridge Wells (40%) and Sevenoaks (37%). The Thames Gateway districts all fall below the Kent and Medway figure (28%), as do the East Kent districts of Dover (26%) and Thanet (23%), the exception being Canterbury (40%). Medway at 20% has the poorest participation levels, half that of Tunbridge Wells – see Table 14A in Annex A for further detail.

Two out of Five 18-19 residents in Tunbridge Wells are in HE, compared to One out of Five residents in Medway.

Figure 11: Participation in Higher Education by District (2002)



Canterbury, Sevenoaks and Tunbridge Wells districts have higher proportions of 18-19 year olds in HE than the South East and National average.

Source: HEFCE, POLAR

ADULTS 19+

4.29 Unlike 16-18 learner numbers, FE has seen a decline in Adult (19+) learner numbers with forecasts for 2004/2005 approaching 72,500, 1.2% down on 2003/2004 (Table 10). Adult WBL saw numbers fall in 2003/04, but half yearly figures (Period 6) for 2004/2005 suggest learner numbers will rise – figures quoted are average in learner numbers for Kent and Medway funded provision and differ to figures quoted in Tables 5 and 11 which are head counts based on residency. If you want to quote the actual number of participants in WBL for 2003/2004 you should use Table 5 or 11. Please note that School Sixth Form data was not available for comparison.

Kent and Medway need to entice graduates who study locally to remain in the area and contribute to the local economy.

Table 10: Adults (19+) participating in LSC funded learning in Kent and Medway

19+	2001/02 (Actual)	2002/03 (Actual)	Year on Year Increase %	2003/04 (Actual)	Year on Year Increase %	2004/05 (Forecast)	Year on Year Increase %
Further Education	73,723	82,572	12.0%	73,303	-11.2%	72,446[a]	-1.2%
Work-Based Learning	2,203	2,244	1.90%	2,134	-4.9%	2,235[b]	12.5%

Source: LSC South East Regional Book
a Planned (AMPS)
b Year to date (Period 6)

4.30 With reference to Table 11, there is little variation by district in Adult participation in FE in by Kent and Medway residents, with population proportions ranging between 9% in Thanet to 5% in Maidstone. Likewise Work Based Learning does not vary greatly between districts with percentages around 1% of the total Adult population. There would appear to be a very small number of Adults in School Sixth Form.

Table 11: The number and proportion of Kent and Medway resident Adult (19+) learners participating in LSC funded learning by District

District	School Sixth Form 19+ year olds	19+ School Sixth Form learners as proportion of 19+ population	Further Education 19+	19+ FE learners as proportion of 19+ population	Work-based learning 19+	19+ WBL as proportion of 19+ population
Medway	10	0%	10896	6%	1907	1%
Ashford	6	0%	4347	5%	448	1%
Canterbury	3	0%	6773	6%	471	0%
Dartford	0	0%	3784	6%	337	1%
Dover	1	0%	5801	7%	422	1%
Gravesham	3	0%	4186	6%	441	1%
Maidstone	5	0%	5507	5%	630	1%
Sevenoaks	0	0%	4753	6%	278	0%
Shepway	1	0%	5687	7%	445	1%
Swale	2	0%	5141	5%	617	1%
Thanet	0	0%	8289	9%	533	1%
Tonbridge and Mallin	0	0%	5181	6%	373	0%
Tunbridge Wells	1	0%	5404	7%	248	0%
Kent and Medway	32	0%	75749	6%	7150	1%

Source: ILR 2003-04, PLASC 2003-04, ONS Mid year Population estimates 2003

4.31 Adult Community Learning amounts to about 35,600 participants, almost all aged over 25, and one third over 60 yrs. Interestingly, the ratio of female to male participants is 4:1, and just over one in ten participants (12%) had learning difficulties, disabilities or health problems.

A third of all participation in Adult Community Learning is by the over 60s.

4.32 In terms of non-LSC funded learning in the workforce, the Labour Force Survey (2004) data suggests that at any given time, 13% of employees took part in job related training in Kent and Medway, in line with the South East average (13%) and marginally above the England average of 12%.

Some 13% of Employees in Kent and Medway participated in Job related training inline with the South East and National averages.

PROVISION

OVERALL

4.33 With reference to Table 12, Further Education learning aims in Kent and Medway in the academic year 2003/2004 consisted predominantly of low NVQ level provision i.e. Level 1 and entry level programmes, accounting for just over two fifths of all provision (42%). Foundation Programmes accounted for 20% of all learning aims. A further quarter (25%) was at Level 2, whilst Level 3 made up 14% of learning aims. Around 1% of learning aims were at NVQ Level 4+.

Foundation Programmes account for almost one third of learning aims at Entry/Level 1.

- At Entry/Level 1 learning aims is prevalent in Foundation Programmes 32%; Information and Communication Technology (ICT) 29%; and Health, Social Care and Public Services 12%.
- At Level 2, ICT at 19% has the highest percentage of learning aims, followed by English Language and Communication (14%).
- At Level 3, Business Administration and Health, Social Care and Public Service Courses saw the highest learning aims, each with 15%.

- At Level 4+ learning aims almost two thirds (64%) was in Business Administration, Management and Professional, followed by one in four in Health, Social Care and Public Services (25%).

Table 12: Learning Aims (Combined Ages) Further Education 2003-2004

Area of Learning (AOL)	Level 1 & Entry		Level 2		Level 3		Level 4 or 5 or Higher		Other		Total (of level by AOL)	
	Count	%	Count	%	Count	%	Count	%	Count	%	Count	%
Science and Mathematics	4892	6	4679	10	1752	7	16	1	374	1	11713	6
Land based provision	925	1	972	2	827	3	1	0.1	35	0.1	2760	1
Construction	848	1	2198	5	703	3	15	1	625	2	4389	2
Engineering, Technology and Manufacturing	899	1	1789	4	1305	5	22	1	377	1	4392	2
Business administration, Management and Professional	3125	4	4905	10	4053	15	1230	64	861	3	14174	8
Information and Communication Technology	22803	29	9008	19	1503	6	1	0.1	6705	21	40020	22
Retailing, Customer Service and Transportation	821	1	917	2	250	1	28	1	67	0.2	2083	1
Hospitality, Sports, Leisure and Travel	3514	4	4588	10	2149	8	6	0.3	126	0.4	10383	6
Hairdressing and Beauty Therapy	886	1	2528	5	1630	6	0	0	4	0.0	5048	3
Health, Social Care and Public Services	9364	12	4672	10	3935	15	477	25	4705	15	23153	12
Visual and Performing Arts and Media	992	1	1414	3	3092	12	10	1	854	3	6362	3
Humanities	40	0.1	1262	3	2974	11	12	1	1579	5	5867	3
English, Languages and Communication	3397	4	6700	14	2600	10	75	4	104	0.3	12876	7
Foundation programmes	25194	32	1146	2	34	0.1	11	1	10946	34	37331	20
Not Known	925	1	116	0.2	0	0	15	1	4515	14	5571	3
Total Count AOL by Level	78625	100	46894	100	26807	100	1919	100	31877	100	186122	100
Percentage of total enrolments		42		25		14		1		17		100

Source: ILR 2003-04

Two thirds of all Level 4+ learning aims are in Business Administration and Health and Social Care and Public Services.

4.34 With reference to Table 13, Level 2 (56%) and Level 3 (32%) account for most learning aims in WBL.

Table 13: Learning Aims (Combined Ages) Work Based Learning 2003-05

Area of Learning (AOL)	Level 1 & Entry		Level 2		Level 3		Level 4 or 5 or		Not Applicable		Total (of level by	
	Count	%	Count	%	Count	%	Count	%	Count	%	Count	%
Science and Mathematics	0	0	30	0	0	0	0	0	0	0	30	0
Land based provision	0	0	229	3	90	2	0	0	0	0	319	3
Construction	0	0	1356	20	324	8	1	2	0	0	1681	14
Engineering, Technology and Manufacturing	2	67	814	12	1414	36	1	2	0	0	2231	18
Business administration, Management and Professional	1	33	582	9	357	9	60	95	1	0	1001	8
Information and Communication Technology	0	0	54	1	61	2	0	0	0	0	115	1
Retailing, Customer Service and Transportation	0	0	1229	18	413	10	0	0	21	2	1663	14
Hospitality, Sports, Leisure and Travel	0	0	766	11	388	10	0	0	0	0	1154	9
Hairdressing and Beauty Therapy	0	0	820	12	140	4	0	0	0	0	960	8
Health, Social Care and Public Services	0	0	906	13	750	19	1	2	0	0	1657	14
Visual and Performing Arts and Media	0	0	1	0	20	1	0	0	0	0	21	0
Not Known	0	0	2	0	1	0	0	0	1361	98	1364	11
Total Count AOL by Level	3	100	6789	100	3958	100	63	100	1383	100	12196	100
Percentage of total enrolments		0		56		32		1		11		100

Source: ILR 2003-04

Over half of learning aims in Work Based Learning are at Level 2.

- There are only three counts at Level 1, but most learners studying at this level will be classed under the E2E data (Entry to Employment). Since commencement in June 2003, there have been 1,231 starts (Source: LSC Regional Book, Scorecard March 21 2005).

A fifth of all Level 2 learning aims in Workbased Learning are in Construction.

- At Level 2, Construction (20%) has the highest percentage of learning aims, followed by Retailing, Customer Service and Transportation (18%).

- At Level 3, just over one third (36%) of learning aims was in Engineering, Technology and Manufacturing, followed by one in five (19%) in Health, Social Care and Public Services (19%).

- At Level 4+ almost all learning aims (95%) was on Business Administration, Management and Professional courses.

YOUNG PEOPLE 16-18

4.34 Learning aims data for 16-18 year olds is available for FE and WBL, but not School Sixth Form. This needs to be taken into consideration when making judgements about provision in Kent and Medway.

FURTHER EDUCATION

4.35 With reference to Table 14 over one third of FE learning aims are at Level 2 (20,085 learning aims), followed very closely by Entry/Level 1 courses (19,430 learning aims). Around one fifth of learning aims (22%) are at Level 3. For Levels 1 to 3 those subjects with the highest learning aims are:

- Level 1: Foundation Programmes (51.5%)
- Level 2: English, Languages and Communications (21.7%)
- Level 3: Visual and Performing Arts and Media (18.5%)

Table 14: Young People (16-18) Learning Aims in FE 2003/2004

16-18 cohort	Level 1		Level 2		Level 3		Level 4, 5 or higher		Other		Total	
	Count	%	Count	%	Count	%	Count	%	Count	%	Count	%
Business Administration, Management and Professional	798	4.1%	1653	8.2%	1077	8.8%	35	72.9%	3	0.1%	3566	6.4%
Construction	425	2.2%	770	3.8%	218	1.8%	1	2.1%	139	3.4%	1553	2.8%
Engineering, Technology and Manufacturing	537	2.8%	636	3.2%	332	2.7%	2	4.2%	46	1.1%	1553	2.8%
English, Languages and Communication	367	1.9%	4368	21.7%	1823	14.9%	1	2.1%	18	0.4%	6577	11.8%
Foundation Programmes	10014	51.5%	144	0.7%	0	-	0	-	2969	72.1%	13127	23.5%
Hairdressing and Beauty Therapy	396	2.0%	1175	5.9%	433	3.5%	0	-	0	-	2004	3.6%
Health, Social Care and Public Services	1097	5.6%	1593	7.9%	863	7.1%	2	4.2%	332	8.1%	3887	7.0%
Hospitality, Sports, Leisure and Travel	1320	6.8%	1282	6.4%	677	5.5%	6	12.5%	71	1.7%	3356	6.0%
Humanities	25	0.1%	780	3.9%	1891	15.5%	0	-	215	5.2%	2911	5.2%
Information and Communication Technology	1318	6.8%	3555	17.7%	965	7.9%	0	-	100	2.4%	5938	10.6%
Land Based Provision	122	0.6%	228	1.1%	423	3.5%	0	-	9	0.2%	782	1.4%
Not known	6	0.0%	8	0.0%	8	0.1%	0	-	86	2.1%	108	0.2%
Retailing, Customer Service and Transportation	113	0.6%	180	0.9%	53	0.4%	0	-	10	0.2%	356	0.6%
Science and Mathematics	2661	13.7%	3050	15.2%	1189	9.7%	1	2.1%	13	0.3%	6914	12.4%
Visual and Performing Arts and Media	231	1.2%	663	3.3%	2261	18.5%	0	-	106	2.6%	3261	5.8%
Total	**19430**	**100**	**20085**	**100**	**12213**	**100**	**48**	**100**	**4117**	**100**	**55893**	**100**

Source: ILR 2003/04

WORK-BASED LEARNING

4.36 With reference to Table 15 over half of learning aims in WBL are at Level 2 (3850 learning aims), followed very closely by Level 3 courses (1169 learning aims). Level 1 learning aims are classified under E2E data (Entry to Employment). Since 2003, there have been 1,231 starts (Source: LSC Regional Book, Scorecard March 2005). For Levels 2 and 3 those subjects with the highest learning aims are:

- Level 2: Construction (23.2%)
- Level 3: Business Administration, Management and Professional (66.6%)

Table 15: Young People (16-18) Learning Aims Work Based Learning 2003-2004

16-18 cohort	Level 1		Level 2		Level 3		Level 4		Level 5		Total
	Count	%	Count	%	Count	%	Count	%	Count	%	
Business Administration, Management and Professional	-	-	325	8.4%	59	5.0%	2	66.7%	1	0.1%	387
Construction	-	-	893	23.2%	95	8.1%	-	-	-	-	988
Engineering, Technology and Manufacturing	-	-	487	12.6%	672	57.5%	1	33.3%	-	-	1160
Hairdressing and Beauty Therapy	-	-	676	17.6%	35	3.0%	-	-	-	-	711
Health, Social Care and Public Services	-	-	424	11.0%	110	9.4%	-	-	-	-	534
Hospitality, Sports, Leisure and Travel	-	-	332	8.6%	116	9.9%	-	-	-	-	448
Information and Communication Technology	-	-	33	0.9%	9	0.8%	-	-	-	-	42
Land Based Provision	-	-	123	3.2%	18	1.5%	-	-	-	-	141
Not known	-	-	1	0.0%			-	-	1338	99.9%	1339
Retailing, Customer Service and Transportation	-	-	540	14.0%	53	4.5%	-	-	-	-	593
Science and Mathematics	-	-	16	0.4%			-	-	-	-	16
Visual and Performing Arts and Media	-	-	-	-	2	0.2%	-	-	-	-	2
16-18 total	-	-	3850	100	1169	100	3	100	1339	100	6361

Source: ILR 2003-04

APPRENTICESHIPS

4.37 Recent research by the Centre for Labour Market Studies at Leicester University[17] commissioned by the Equal Opportunities Commission suggests that apprenticeships are stereotyped to historically male or female dominated sectors. The research looked at construction, engineering, plumbing, information technology and childcare. The first four are traditionally male dominated, the fifth female. The research states that of Advanced Modern Apprenticeship take-up in 2002-2003 females represented:

Gender stereotyping is prevalent in the apprenticeship program.

- 1.1% in plumbing
- 2.1% in Construction
- 2.7% in engineering
- 14.3 in Information technology
- 97.5% in early yeas care and education

In Kent and Medway 99% of WBL learning aims in Construction and 97% in Engineering are by males.

4.38 Work Based Learning breakdown by gender suggests Kent and Medway fits in with the national picture, with noticeably higher take up in Construction and Engineering by males (99% respectively).

4.39 The Centre for Labour Market Studies research made points about incentives, with over three quarters of interviewees stating they would like taster sessions and advancement routes made clearer before committing. The Education sector was not seen as doing enough to promote apprenticeships.

[17] Employers, Young People and Gender Segregation (England), A Fuller et al, Centre for Labour Market Studies, University of Leicester.

ADULTS 19+

FURTHER EDUCATION

Adult learning aims in FE at Levels 1 and 2 mirrors Young People learning aims.

4.40 Adult learning aims in FE have a similar distribution to 16-18 year olds with Entry/Level1 (45.5%) and Level 2 (20.6%) combined accounting for two thirds of learning aims in 2003/04. Just over one in ten learning aims (11%) is at Level 3. For Levels 1 to 3, those subjects with the highest learning aims are:

- Level 1: Information and Communication Technology (36.2%)
- Level 2: Information and Communication Technology (20.3%)
- Level 3: Health, Social Care and Public Services (21.2%)

Table 16: Adult (19+) Learning Aims FE 2003/2004

19+ cohort	Level 1		Level 2		Level 3		Level 4, 5 or higher		Other		Total	
	Vol	%	Vol	%	Vol	%	Vol	%	Vol	%	Vol	%
Business Administration, Management and Professional	2010	3.4%	3498	13.0%	2815	19.5%	1219	65.3%	885	3.2%	10427	8.0%
Construction	422	0.7%	1430	5.3%	485	3.4%	14	0.7%	487	1.8%	2838	2.2%
Engineering, Technology and Manufacturing	359	0.6%	1150	4.3%	971	6.7%	20	1.1%	326	1.2%	2826	2.2%
English, Languages and Communication	3345	5.6%	2236	8.3%	774	5.4%	74	4.0%	104	0.4%	6533	5.0%
Foundation Programmes	16366	27.6%	1020	3.8%	33	0.2%	0	-	7951	28.7%	25370	19.5%
Hairdressing and Beauty Therapy	568	1.0%	1352	5.0%	1193	8.3%	0	-	4	0.0%	3117	2.4%
Health, Social Care and Public Services	8266	14.0%	3074	11.4%	3067	21.2%	473	25.3%	4372	15.8%	19252	14.8%
Hospitality, Sports, Leisure and Travel	2196	3.7%	3321	12.4%	1470	10.2%	0		55	0.2%	7042	5.4%
Humanities	19	0.0%	482	1.8%	1083	7.5%	12	0.6%	1363	4.9%	2959	2.3%
Information and Communication Technology	21455	36.2%	5442	20.3%	541	3.7%	1	0.1%	6595	23.8%	34034	26.2%
Land Based Provision	802	1.4%	744	2.8%	404	2.8%	1	0.1%	26	0.1%	1977	1.5%
Not known	2	0.0%	16	0.1%	16	0.1%	0	-	4377	15.8%	4411	3.4%
Retailing, Customer Service and Transportation	699	1.2%	717	2.7%	197	1.4%	28	1.5%	57	0.2%	1698	1.3%
Science and Mathematics	1940	3.3%	1625	6.1%	563	3.9%	15	0.8%	361	1.3%	4504	3.5%
Visual and Performing Arts and Media	761	1.3%	748	2.8%	825	5.7%	10	0.5%	750	2.7%	3094	2.4%
Total	**59210**	**100**	**26855**	**100**	**14437**	**100**	**1867**	**100**	**27713**	**100**	**130082**	**100**

Source: ILR 2003/04

Participation by Adults in Construction and Retail courses are much lower than Young People.

4.41 Both Construction and Retail related courses are relatively low for Adults in comparison to young people, a potential cause for concern given that both have an identified demand for employment, are growth areas and in the case of construction, reporting a skills shortage.

WORK-BASED LEARNING

Table 17: Adult (19+) Learning Aims Work Based Learning 2003-2004

16-18 cohort	Level 1		Level 2		Level 3		Level 4		Level 5		Total
	Count	%	Count	%	Count	%	Count	%	Count	%	
Business Administration, Management and Professional	1	33.3%	257	8.8%	298	10.7%	58	96.7%	-	-	614
Construction	-	-	463	15.8%	230	8.2%	1	1.7%	-	-	694
Engineering, Technology and Manufacturing	2	66.7%	327	11.2%	743	26.6%	-	-	-	-	1072
Hairdressing and Beauty Therapy	-	-	141	4.8%	105	3.8%	-	-	-	-	246
Health, Social Care and Public Services	-	-	481	16.4%	640	22.9%	1	1.7%	-	-	1122
Hospitality, Sports, Leisure and Travel	-	-	433	14.8%	271	9.7%	-	-	-	-	704
Information and Communication Technology	-	-	21	0.7%	52	1.9%	-	-	-	-	73
Land Based Provision	-	-	106	3.6%	72	2.6%	-	-	-	-	178
Not known	-	-	1	0.0%	1	0.0%	-	-	21	50.0%	23
Retailing, Customer Service and Transportation	-	-	687	23.4%	360	12.9%	-	-	21	50.0%	1068
Science and Mathematics	-	-	14	0.5%	-	-	-	-	-	-	14
Visual and Performing Arts and Media	-	-	1	0.0%	18	0.6%	-	-	-	-	19
16-18 total	3	100	2932	100	2790	100	60	100	42	100	5827

Source: ILR 2003-04

Adult learning aims in WBL at Levels 1 and 2 mirrors the Young People learning aims.

4.42 Adult learning aims in WBL have a similar distribution to 16-18 year olds with Level 2 (50.4%) and Level 3 (47.9%) combined accounting for the majority of learning aims in 2003/2004. For Levels 2 and 3, those subjects with the highest learning aims are:

- Level 2: Retailing, Customer Service and Transportation (23.4%)
- Level 3: Engineering, Technology and Manufacturing (26.6%)

4.43 Retail related courses low in FE learning aims are compensated by WBL, although Construction (10%) remains low.

4.44 For Adult Learning, over one third (35%) of qualifications delivered under ACL in 2003/2004 were in visual and performing arts and media. This is followed by:

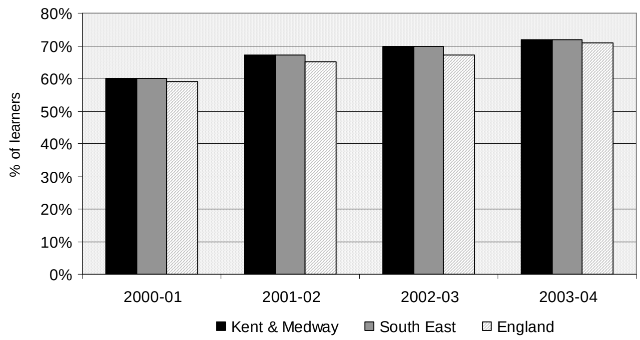
- Hospitality, sports, leisure and travel (30%)
- Languages (including English) and communication (11%)
- ICT (6%)

PERFORMANCE

OVERALL

4.45 LSC National Office methodology calculates achievement, retention and success rates based on three years of ILR data. It is not currently possible to provide this data for School Sixth Forms due to the nature of the PLASC data. Success is generally the statistic quoted, and using the LSC South East Regional Book.

Figure 12: Further Education College Success Rates (Combined Age Groups) 2000 to 2004

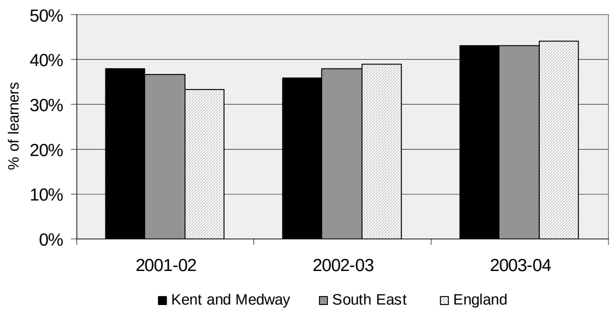


There has been year on year improvement in FE success rates since 2001, but Kent and Medway is still behind four out of five other South East LSCs.

Source: ILR 2003/04

4.46 Figure 12 shows a year on year increase for FE success rates over four academic year periods 2000-2001 to 2003-2004, in line with South East and National figures. Success rates are calculated as the total number of starters divided by those who complete the course and achieve their qualification aims.

Figure 13: Work Based Learning (Combined) Success Rates 2001 to 2004



WBL success rates in Kent and Medway reached a three-year high in 2003/04 after a blip in the previous year.

Source: ILR 2003/04

4.47 WBL success rates in Figure 13 above reached a three-year high in 2003-2004 of 43%, after a blip in the previous year. Kent and Medway has comparable rates to the South East region and is only marginally below the National rate of 44%.

YOUNG PEOPLE 16-18

SCHOOLS

4.48 With the LSC 14-19 Strategy, indicators of quality from Key Stage 3 (KS3) onwards are of interest to the LSC, including School Value-Added, Achievement of General Certificates of Secondary Education (GCSE) or General National Vocational Qualifications (GNVQ), and Success rates in FE and Work Based Learning.

Value Added for Kent and Medway LEA schools are in par with the South East and England averages.

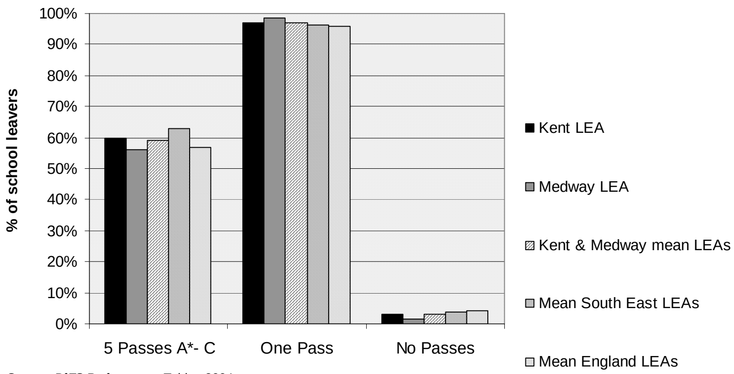
4.49 School Valued-Added – the relative progress a student makes between KS3 and GCSE/GNVQ – is a relatively new measure employed by DfES to gauge school performance. There exists some debate over the usefulness of the measure, but it is nonetheless widely quoted and as such, included in the assessment.

4.50 The 2003 valued-added measure for Kent and Medway LEAs – published by DfES – suggests that value added for Kent LEA (990.6) and Medway LEA (990.4) are around South East regional (990.8) and England averages (990.9), although both scores are marginally lower.

Achievement of GCSE/GNVQ for 16 year olds is lower than the South East average but slightly higher than the National average.

4.51 Taking the next measure, achievement at GCSE/GNVQ for 16 year olds as an indicator of likely progression to Level 3 and employment potential, some 59% of Kent and Medway pupils achieved the equivalent of five or more GCSEs graded A* to C. This is lower than the South East regional average of 61%, and exam results are generally poorer in Kent and Medway than other LEAs such as Berkshire, Buckinghamshire, Hampshire, Oxfordshire and Surrey. On a positive note, Kent and Medway achievement rates are marginally higher than the National average of 58%. See Annex A Table 15A.

Figure 14: GCSE Achievement rates at age 16 (2004)



Source: DfES Performance Tables 2004

Medway GCSE achievement rates lagged some 3.5 percentage points behind Kent.

4.52 As Figure 14 shows, good performance in 2004 at GCSE/GNVQ level in Kent and Medway was due to higher achievement rates in the Kent LEA (59%). Medway achievement rates lagged some 3.5 percentage points behind Kent, and are the fifth lowest of all South East local education authorities published by DfES. Medway LEA had a higher proportion of 16 year olds who achieved one pass at GCSE/GNVQ in 2004 (99%), two percentage points higher than Kent LEA (97%). Therefore, although Kent LEA does better in terms of 5+ GCSE achievements, the data suggests that it is potentially failing more pupils who reach school leaving age without any GCSE/GNVQ qualifications (three percent).

4.53 As a measure of the local council or unitary authority the Comprehensive Performance Assessments (CPA), which are broadly a summary of performance indicators and inspection results published by the Audit Commission grades, graded Kent County Council and Medway Unitary Authority using the education indicator as 3 (Good). Both are slightly below the England average of 3.3, although this is somewhat meaningless given that authorities would need to score 4 (Excellent) to surpass this.

FURTHER EDUCATION

There has been slight year on year improvements in FE success rates since 2001.

4.54 With reference to Table 18, Young People (16-18) success rates for FE remain static on the previous year at 60% in 2003/2004. Looking at the South East (70%) and National (69%) averages Kent and Medway compares poorly, with only Berkshire having a lower success rate in the South East with 58%. These figures can be partially explained by the structure of post-16 compulsory education in Kent and Medway where over half of young people provision is attributable to School Sixth Forms, where more able students are generally retained within schools. This is borne out partly by Adult FE success rates – where the gap is much smaller and success rates higher. Although School Sixth Forms and more specifically selective grammar schools are seen as one possible reason for this, further investigation in other socio-economic areas might be warranted

Table 18: Young People (16-18) Further Education College Success Rates

LSC areas	2001-02	2002-03	2003-04
	Young People (16-18) %	Young People (16-18) %	Young People (16-18) %
Berkshire	53	55	58
Hampshire IOW	72	74	75
Kent and Medway	**58**	**60**	**60**
Milton Keynes, Oxfordshire & Buckinghamshire	59	58	64
Surrey	64	69	71
Sussex	69	70	71
South East Regional average	**67**	**68**	**70**
National Average	**63**	**66**	**69**

Source: ILR 2001-02, 2002-03, 2003-04

WORK BASED LEARNING

4.55 WBL success rates in comparison have seen year on year increases from 24% to 34% (2003 to March 2005). This outperforms the South East average (31%) and is equal to the National average (34%). Kent and Medway have a middle ranking compared to other South East LLSCs.

WBL success rates out perform the South East average.

Table 19: Young People (16-18) Work Based Learning Success Rates (Framework)

LSC areas	2002-03 Young People (16-18) %	2003-04 Young People (16-18) %	2004-05 (ytd)* Young People (16-18) %
Berkshire	33	33	35
Hampshire IOW	30	37	39
Kent and Medway	**24**	**29**	**34**
Milton Keynes, Oxfordshire & Buckinghamshire	23	27	22
Surrey	25	23	28
Sussex	15	24	26
South East Regional average	**25**	**30**	**31**
National Average	**29**	**33**	**34**

Source ILR 2002-03, 2003-04. 2004-05 (up to March 05)*

ADULTS 19+

FURTHER EDUCATION

4.56 Unlike Young People Success Rates for FE, Adult success rates for Kent and Medway at 79% top the South East LLSCs, and out perform the National average (72%). This represents a ten-percentage point improvement on 2001-2002.

FE Adult success rates in Kent and Medway top the South East Local LSCs and National averages.

Table 20: Further Education College Success Rates 19+

LSC areas	2001-02 Adults (19+) %	2002-03 Adults (19+) %	2003-04 Adults (19+) %
Berkshire	63	67	74
Hampshire IOW	71	75	76
Kent and Medway	**69**	**75**	**79**
Milton Keynes, Oxfordshire & Buckinghamshire	61	65	69
Surrey	63	62	69
Sussex	67	74	73
South East Regional average	**67**	**71**	**74**
National Average	**65**	**68**	**72**

Source: ILR 2001-02, 2002-03, 2003-04

WORK BASED LEARNING

4.57 Table 21 shows that Adult WBL success rates (33%) are comparable to the 16-18 cohort at 34%. Likewise, the trend for year on year improvements is also apparent with 14-percentage point increase on 2002-2003. Kent and Medway outperforms the South East (29%) and National average (32%), maintaining a middle ranking within the South East LLSCs.

Table 21: Work Based Learning Success Rates (Framework) 16-18

LSC areas	2002-03 Adults (19+) %	2003-04 Adults (19+) %	2004-05 (ytd)* Adults (19+) %
Berkshire	24	35	42
Hampshire IOW	21	28	30
Kent and Medway	**19**	**23**	**33**
Milton Keynes, Oxfordshire & Buckinghamshire	19	25	25
Surrey	19	19	23
Sussex	14	18	20
South East Regional average	**19**	**25**	**29**
National Average	**24**	**29**	**32**

Source ILR 2002-03, 2003-04. 2004-05 (up to March 05)*

LOCAL LSC IMPLEMENTATION

4.57 Through national, regional and local strategy, provision is becoming more focused on meeting the skills needs of the economy. The following have been achieved locally since April 2005:

- Two out of the four colleges in the South East to achieve Action for Business Accreditation are based in Kent and Medway - Mid-Kent College, and Canterbury College.
- Eight Centres of Vocational Excellence (CoVEs) in seven colleges, with more in development.
- Local brokerage service fully operational with some 20 brokers (including seven college based).
- Influencing employer engagement for adults in FE sector within three-year planning process.
- Local Skills for Productivity Alliance (LSPA) employer forums held to engage with local business.
- Young People Planning Forums, covering 11 Fora in Kent and Medway in the process of being set up.

CHAPTER 5: DEMAND AND SUPPLY ANALYSIS

KEY FINDINGS

- In Kent and Medway, skills shortages and gaps exist in a number of key sectors, within different occupations and at different levels. This suggests opportunities to expand learning and skills provision as summarised below.
- Overall, employer demand for skills and at Levels 1 and 2 is beginning to be addressed by current provision, but there is still a substantial shortfall or a lack of clear progression routes in some subjects. However, there is under provision for young people who did not achieve Level 2 by the end of compulsory education.
- Sectors with acute shortfall or a lack of clear progression routes are Business Administration, Construction and Media Technician at Level 1; and Engineering at Level 2.
- At Level 3, current provision is not sufficient to meet employer demand in Construction, Manufacturing, Engineering, IT, Land Based and Hospitality.
- There is also a strong employer demand for Craft, Science; high level IT, Management/Supervisory, Customer Service, Communication, Team Working and Problem Solving Skills.
- There are also some niche demands for skilled specialists in Land Based, Beauty Therapy, Engineering and Construction Health and Safety.
- When considering how to meet employer demand for skills, one has to take learner demand into account. The two might not always coincide and there is scope for increased collaboration between employers and providers to attract and train potential learners.

DEMAND AND SUPPLY ANALYSIS

The model is only indicative and should be used as a tool for dialogue rather than strategic planning.

5.1 Nationally there is a shortfall in supply of skills in relation to employer demand and this is reflected in Kent and Medway, especially in areas where the population is predominantly older.

5.2 The findings from the demand section indicate there are skills shortages in the Kent and Medway economy in a number of key sectors such as Engineering, Technology, Health, Education, Construction, Hospitality and Retail. In addition the supply of learning and skills is deficient in certain age groups and at different levels e.g. school leavers and those over fifty.

Skills shortages exist in a number of key sectors in Kent and Medway.

5.3 In an attempt to marry demand and supply together, the model matches direct employer demand for skills (vacancies) against current supply to identify where there is potentially disproportionate provision or lack of clear progression routes. **The model is only an indicator of the situation on the ground and outcomes must be read with local commonsense and knowledge. The outputs are designed to provoke dialogue rather than influence strategic planning**.

5.4 A full description of the model limitations can be found in Annex C and should be read to gain a better understanding of how the data are arrived at. The model uses data from ILR and PLASC on the provision side to include FE, Work Based Learning and School Sixth Form.

5.5 **<u>THE FINDINGS FROM THE MODEL ARE ONLY INDICATIVE AND SHOULD BE READ WITH CAUTION.</u>**

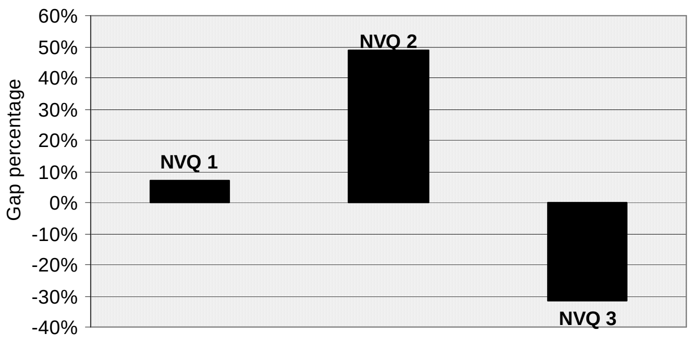
FINDINGS

The model suggests that Employer demand for skills at Levels 1 and 2 is beginning to be addressed but there is still a substantial shortfall or lack of clear progression routes.

5.6 The model outcome shown in Figure 15 suggests that overall employer demand for skills at Levels 1 and 2 is beginning to be addressed but there is still a substantial shortfall or that clear progression routes are unclear. There is significant under provision at Level 3 and Table 22 breaks this down further by the top level LSC areas of learning – see Annex D.

Figure 15: Employer Demand for Skills (vacancies) against provision

There is a significant shortfall at Level 3.



Source: Hoshin Econometrics model 2005, Experian Business Strategies

5.7 **Due to the limitations of the model, taking direct demand and matching this to provision, the more generic subjects of English Language and Communications, Foundation Programmes, Humanities, and Science and Mathematics have been omitted from the demand and supply analysis. Direct demand creates very narrow definitions whereby occupations requiring specific Mathematical qualifications would be small in relation to occupations requiring varying degree of Mathematical skills. To include these subjects would give a misleading message and give the impression that there is massive over provision in these subjects when this is unlikely to be the case.**

5.8 Table 22 shows only a direct supply versus Employment demand. In analysing the adequacy of provision one needs to take into account other factors such as under achievement at Level 2 by the end of compulsory education, learner demand and aspirations etc. The table shows supply as a percentage of demand by NVQ Levels. The gap analysis shows where there is over or under provision by using the following indicators.

Over provision (%50+)

Considered adequate to slight over/under provision (-25% to 50%)

Under provision (-25% to -50%)

Skills shortages (-50% or more)

Table 22: Employer Demand for skills (vacancies) against Current provision

Gap (% of demand)	**NVQ 1**	**NVQ 2**	**NVQ 3**
Business Administation, Management & Professional			
Construction			
Engineering Technology & Manufacturing			
Hair & Beauty Therapy			
Health/Social Care & Public Services			
Hospitality, Sports/Leisure & Travel			
Land based			
Retail / Customer Service & Transport			
Visual / Performing Arts & Media			

Source: Hoshin Econmetric Model 2005, Experian Business Strategies

5.9 The following sections look at each area of learning from the above Table 22 in more detail.

Current provision does not adequately meet Employer demand in Business Administration at all levels of qualification.

BUSINESS ADMINISTRATION

5.10 Although Financial Mediation as a sector saw a decline in employee numbers between 1998 and 2003, the Real Estate/Renting and Business Activities sector saw 1.1% growth and accounted for 13% of all jobs in Kent and Medway. In terms of demand, the sector expects to need around 15,000 jobs per annum.

5.11 The model infers that skills shortages or a lack of clear progression routes are likely at Level 1 based on current provision, with under provision at Levels 2 and 3. Provision improves gradually by level but across the board is not meeting employer demand. At Level 1 these are likely to be for general administrative and secretarial occupations, while higher Levels are likely to be for managerial or accountancy positions.

5.12 Within the sector skills shortages are due to regulatory pressures leading to a requirement for technically correct/competent selling and delivery of financial services in certain sub-sectors such as insurance and amongst Independent Financial Advisors.

5.13 More generally within the sector as a whole, there is an increasing growth in demand for high-level IT skills (particularly for design and operation of websites, online services, etc), higher IT user skills at lower occupational levels, for example in call centres – people with relatively high levels of computer literacy and keyboard skills, personal and generic skills, such as communication, team working and creativity.

CONSTRUCTION

5.14 Nationally, the construction industry has seen sustained growth over the last 10 years, both in terms of output and employment.

5.15 Current training and education provision does not provide enough qualified routes of entry into the industry. Whilst FE provision for the main trades appears to be almost sufficient, little more than half of those starting training become qualified. Applications for construction related degree courses has declined and applications for apprenticeships from females and ethnic minorities have remained at very low levels.

5.16 There is an increasing requirement for Health and Safety skills while there are a diminishing number of people with good craft skills in many areas e.g. dry lining, plumbing, groundwork and plant maintenance. Skills shortages also exist in planning, supervisory, management, and dealing with implications of new technology, material and legislation.

5.17 In Kent and Medway, the Construction Industry saw around 1% employment growth between 1998 and 2003, and has an expected average annual demand of 12,429 jobs. There is also a high proportion of hard to fill vacancies attributable to skills shortages in this sector notably in skilled trades, such as bricklayers, plumbers and roofers.

5.18 In Kent and Medway, the Construction industry has a potential problem with skills shortages or clear progression routes at Level 1 and skills

Current provision does not adequately meet Employer demand in Business Administration at all levels of qualification.

Skills shortages are likely in Business Administration at Level 1, with under provision at Levels 2 and 3.

Within the Business Administration sector there are skills shortages in high-level IT skills, technically correct/competent selling skills and delivery of Financial Services.

Current provision in FE does not provide enough quantified routes of entry into the Construction sector.

Construction has a potential problem with skills shortages at Levels 1 and 3.

There is demand within Construction in Health and Safety, Craft skills, Planning, Supervisory, Management and dealing with new technology, material and legislation.

shortages at Levels 2 and 3. Current provision for Level 2 is beginning to be catered for and this needs to be translated up to Level 3 to meet the demand for skilled trades and managerial positions in Construction that require this level of qualification. It is likely that current provision at Level 2 would lead to more participation at Level 3. Thames Gateway and Ashford are earmarked for considerable development, which is likely to add to the skills shortages within this sector.

ENGINEERING TECHNOLOGY AND MANUFACTURING

5.19 Although Manufacturing and Engineering has been in decline in Kent and Medway, and in particular in the Thames Gateway area of Kent, it still represents one in ten jobs in the Kent and Medway economy and has an 11% share of predicted labour demand amounting to 15,000 per annum. In the sector around 2% of vacancies were considered hard to fill with around 1.5% down to skills shortages.

Although Manufacturing and Engineering is in decline, there is a potential skills shortage for skilled labour at Level 3.

5.20 The model shows current provision or clear progression routes could lead to skills shortages at Levels 1 and 3 and under provision at level 2. Locally, Level 3 is seen as the basic entry point to employment in the knowledge economy. Highly skilled engineers would attract global investment and contribute to the regeneration plans for Kent and Medway.

HAIR AND BEAUTY THERAPY

5.21 Whilst there is a sizeable demand for Personal Service occupations (12,337 jobs per annum) and skills shortages exist under ‘Other services’, there is more than adequate provision at Level 2 and marginal under provision or clear progression routes. Level 3 under provision is likely to be in therapy related courses rather than in hairdressing.

There is under provision in Beauty Therapy at level 3.

HEALTH, SOCIAL CARE AND PUBLIC SERVICES

Although data suggests skills shortages and hard to fill vacancies within the Health and Social care and Public Services sector, the model infers that provision is beginning to meet the demand at Levels 1 and 2, but there is still under provision at Level 3.

5.22 According to the market assessment the Health sector’s workforce can be divided into four broad categories, clinical practitioners and scientists; clinical and technical support; management and administration; and estate management.

5.23 Nationally, within the sector as a whole, there are skills shortages in IT, leadership, team working, management, partnership working, customer focus, managing diversity, communication and adult basic skills.

5.24 In Kent and Medway, the public sector including Health and Public Administration represent almost a fifth of the labour market (18%), employing around 106,700 people. There are notable skills shortages in the health sector and in technical and skilled occupations.

5.25 From the model current provision is more than meeting demand at Levels 1 and 2. There is slight under provision at Level 3 that could impact on progression rates to Level 4, necessary for entry into specialist medical professions.

HOSPITALITY, SPORTS AND LEISURE

5.26 The negative perception of the industry and lack of training in a range of skills for their staff is seen to be a major barrier in tackling skill shortages.

5.27 Highest levels of skills shortages are in chefs, cooks, porters, bar staff and waiters/waitresses.

5.28 Apart from job-specific skills, the most important generic skills lacking are communication, customer service, team working and people management skills.

5.29 The Hotel and Restaurant sector that includes hospitality saw the largest employment growth (2%) in Kent and Medway between 1998 and 2003. The sector employs around 45,500 people, and has a predicted annual demand for around 10,200 jobs. This sector also has above average hard to fill vacancies of which a small proportion is down to skills shortages.

The Hotel and Restaurant sector saw the largest growth between 1998-2003. The model suggests current provision will lead to skills shortages at Levels 1& 3 and are likely to be in managerial positions.

5.30 The model indicates under provision or clear progression routes at Levels 1 and 2 and the possibility of skills shortage at Level 3. Skills shortages at Level 3 are likely to be managerial positions in hotels, corporate events or leisure facilities.

LAND-BASED

5.31 Although as a sector Agriculture saw a small decline in employment between 1998 and 2003, the sector still employs around 12,400 people. Predicted demand in this sector stands at around 3,250 jobs per annum.

5.32 The model suggests that provision at Levels 1 and 2 are meeting the employer demand in Kent and Medway, although at Level 3 there is a potential skills shortage in Managerial and Specialist occupations e.g. Vets, Farm Managers and Horticulturalists.

Potential Skills shortages exist for skilled workers at Level 3 in Land Based, especially in Managerial and special occupations.

RETAIL, CUSTOMER SERVICE AND TRANSPORT

5.33 Wholesale and Retail saw around 1% growth between 1998 and 2003, while Transport, Storage and Communications had negative growth (-1.2%) over the same period. Wholesale and Retail has the largest share of the labour market with one in five jobs in this sector (21%). The sector employs around 130,000 people. Transport and Storage account for 6% of the labour force, or 36,390 jobs. Both sectors have a higher proportion of hard to fill vacancies, although of the two Wholesale and Retail had the greater skills shortage.

5.34 The model shows current provision or lack of clear progression routes could lead to skills shortages at Levels 1 and 3.

Wholesale & Retail is the largest sector employer in Kent & Medway. Current Provision at Level 1 & 3 could lead to skills shortages.

Current skills deficiencies in Wholesale and Retail are in Customer Handling, Communication, Team Working and Problems solving skills.

5.35 The most common areas of skill deficiency amongst applicants and employees are Customer Handling, Communication, Team Working and Problem solving skills.

VISUAL/PERFORMING ARTS AND MEDIA

Media and Creativity Industry is a small but potentially important sector. Current provision is adequate, although lacks clear progression routes at Level 1.

5.36 Media and artistic occupations come under the broad 'Other Service' Sector including film, media & performing arts. The media industry in Kent and Medway is fairly small and has seen job losses in recent years due to the closure of television stations. However, the creative and media sector is seen as a potential future key sector e.g. in video and computer gaming.

5.37 The model infers that current provision lacks clear progression routes which could lead to a skills shortage in qualifications. Employer demand at Levels 2 and 3 are beginning to be met by current provision.

ECONOMIC AREA ANALYSIS

ECONOMIC AREA ANALYSIS

1. INTRODUCTION

1.1 Kent and Medway is divided into four economic areas under the Area Investment Framework (AIF):

- The Channel Corridor (Ashford, Maidstone and Shepway Local Authority Districts)
- East Kent (Canterbury, Dover and Thanet Local Authority Districts)
- The Thames Gateway (Kent side: Dartford, Gravesham and Swale Local Authority Districts, and Medway Unitary Authority)
- West Kent (Sevenoaks, Tonbridge and Malling, and Tunbridge Wells Local Authority Districts.)

1.2 The AIF was established by the South East Economic Development Agency (SEEDA) to identify and prioritise public expenditure at sub-regional level, focusing on improving economic, social and environmental considerations.

1.3 Providing a platform for dialogue on key learning issues affecting the economic sub-regions, a number of interviews with partners, stakeholders and employers were conducted by the Learning Partnerships in June and July to feed into the Local Statement of Priorities. A total of 92 interviews spread across the four areas were held, with the main findings revolving around:

- Raising learning aspirations – notably in East Kent
- Working more closely with employers to meet skills needs
- Developing clearer progression routes to Level 3
- Delivering learning at local/community level
- Attracting business and inward investment

1.4 More comprehensive analysis and findings are available in the Local Statement of Priorities.

The Four Economic sub-regions of Kent and Medway

THE CHANNEL CORRIDOR

2. THE CHANNEL CORRIDOR

KEY ISSUES AND FINDINGS

DEMAND

- Annual employer demand for labour in The Channel Corridor is anticipated to be around 33,600 job vacancies – one quarter of Kent and Medway labour demand.
- At district level, almost half (45%) of all labour demand in the economic area will be in Maidstone.
- Employer demand for jobs in The Channel Corridor is higher than Kent and Medway's average in the following sectors: Hotels and Restaurants, Transport/Storage and Communications, and Real Estate/Renting and Business.
- The largest employer demand for occupations is for professional and technical and skilled trades at one end, and elementary occupations at the other.

SUPPLY

- One in three 16-17 year olds in 2001 (Census) did not hold a formal qualification. Shepway district has the highest number of unqualified 16-17 and 18-19 year olds with no qualifications in this area.
- There are around 8000 16-18 and 17,000 19+ learners in School Sixth Form, Further Education (FE) or, Work Based Learning (WBL) in The Channel Corridor.
- Only one in four (25%) of Shepway 18-19 year olds are in Higher Education compared to one in three (34%) in Maidstone.
- Using latest publicly available data for National Benchmarking Success rates for the two FE College Institutions with sites in The Channel Corridor were around the National average benchmark figure for Long Qualifications (e.g. A-Level) for 16-18 year olds in 2002-2003.

DEMAND AND SUPPLY ANALYSIS

- There is still a shortfall in provision at Level 1 or lack of clear progression routes, especially in Construction; Engineering, Technology and Manufacturing; Beauty Therapy; Land Based; Retail; Customer Service and Transport; and Media Technicians.
- There is still a shortfall in provision at Level 2 or lack of clear progression routes, especially in Engineering, Technology and Manufacturing; Business Administration, Management and Professional; and Land Based.
- Current provision at Level 3 could lead to skills shortages in Business Administration; Management and Professional; Construction; Engineering, Technology and Manufacturing; Hospitality Sports/ Leisure and Travel; Land Based; and Retail, Customer Services and Transport.

THE CHANNEL CORRIDOR ECONOMY

POPULATION

2.1 The Channel Corridor comprises the Local Authority Districts of Maidstone, Ashford and Shepway, with major towns including Maidstone; Ashford and Folkestone. According to ONS Mid-year population estimates the sub-region has a total population of around 345,000 residents.

2.2 The Channel Corridor contributes just over one fifth of the Kent and Medway working age population - around 208,000. Within The Channel Corridor the working age population is around 60%, higher than East Kent (58%); lower than the Thames Gateway (62%); but comparable to West Kent (60%).

Channel Corridor has the lowest number of 16-18 year olds in Kent and Medway.

2.3 Maidstone is by far the largest district in terms of population (around 88,000 working age residents), and also has the highest proportion of working age adults (62%) compared to Ashford (60%) and Shepway (58%).

2.4 The cohort of young people (16-19 year olds) is proportionately the lowest of the Kent and Medway economic areas (4.7%) – around 16,300 young people. Some 4% of residents are aged 14-16 years – around 12,900. Using ONS sub-national population projections, the 14-19 population will reach a high in 2010 of 27,300 young people (up 2200 on 2003). From 2011 the population is predicted to decline in line with Kent and Medway figures, and reaching a low of 26,100 in 2017. By the end of the population projection period in 2028, there is predicted to be a population high of 27,500 young people. Most of the predicted growth will be in Ashford district where year on year growth is predicted from 7,700 in 2003 to 9,700 by 2028.

The Channel Corridor had the second highest economic productivity recorded in Kent and Medway in 2000, but grew at a slower rate than The Thames Gateway and West Kent.

ECONOMY

2.5 According to Business Link Kent, there are 14,234 businesses in the Channel Corridor, of which 96% employ less than 50 people. The Channel Corridor has a higher proportion of rural town/village based businesses (39%) compared to the Kent and Medway average (33%).

2.6 As an indicator of relative economic health, the Gross Value Added (GVA) using KCC (2002)[18] sources for The Channel Corridor was £12,590 per head in 2000, second only to West Kent (£12,640). The average yearly growth over the period 1998 to 2000 was 5%, lower than the Thames Gateway (6%) and West Kent (8%).

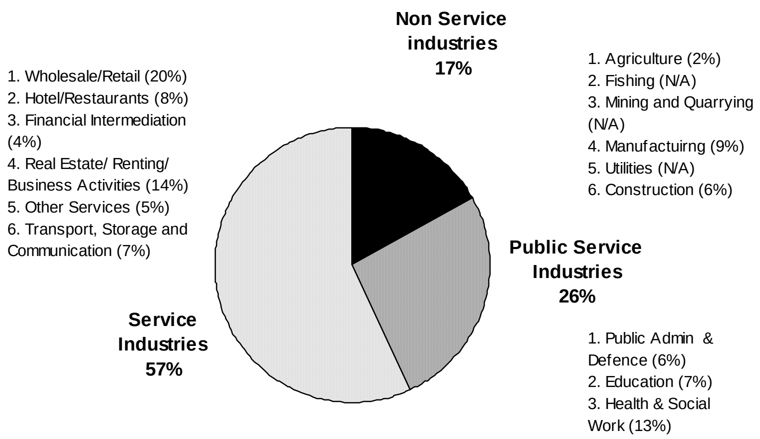
[18] Local Gross Domestic Product (GDP) Estimates, ECN3 – May 2002 Kent County Council

WORKFORCE

2.7 In Figure 16, using the Annual Business Inquiry (ABI) at broad sector level, the employment structure of the Channel Corridor is dominated by 'service' industries (83%), one percent higher than Kent and Medway total. In Shepway, the percentage rises to 86%.[19]

Channel Corridor has a similar employment base to Kent and Medway, marginally higher in the Services Industries.

Figure 16: The Channel Corridor Distribution of Employment by Industry 2003



Source: NOMIS, ABI 2003

2.8 Table 23 below shows sector comparisons against other economic sub-regions and the Kent and Medway total.

Table 23: Channel Corridor Industry Distribution 2003

Sector	Channel Corridor	East Kent Triangle	Thames Gateway	West Kent	Kent and Medway
Service Industries	**57%**	**51%**	**56%**	**60%**	**56%**
Wholesale and Retail	20%	20%	22%	22%	21%
Hotels and Restaurants	8%	9%	7%	6%	7%
Finance	4%	2%	3%	5%	4%
Real Estate, Renting and Business Services	14%	9%	11%	16%	13%
Other Services	5%	5%	5%	6%	5%
Transport and Communications	7%	7%	6%	5%	6%
Public Service Industries	**26%**	**33%**	**24%**	**22%**	**26%**
Public Administration and Defence	6%	6%	4%	5%	5%
Education	7%	12%	9%	9%	9%
Health and Social Work	13%	15%	11%	13%	13%
Non-Service Industries	**18%**	**16%**	**20%**	**18%**	**18%**
Agriculture	2%	2%	2%	2%	2%
Manufacturing	9%	10%	12%	10%	10%
Construction	6%	4%	7%	5%	6%

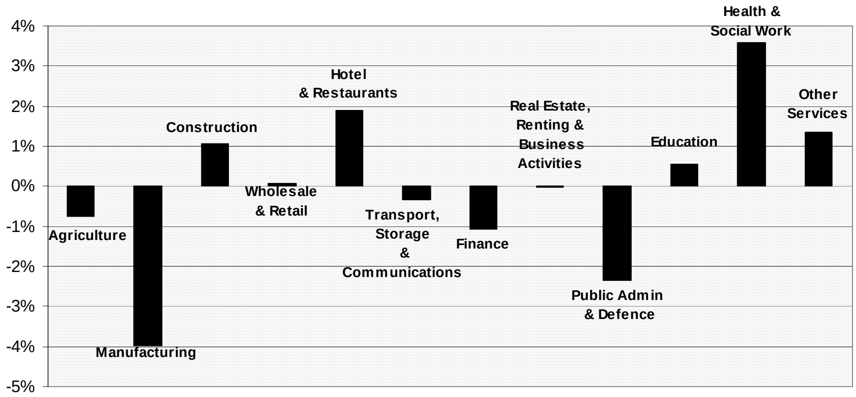
Source: NOMIS ABI, 2003

19 Employment in Fishing, Mining (Quarrying) and Utilities are shown as 'N/A'. Employment obviously exists in these industries, but due to small numbers in the ABI, data are suppressed at source for confidentiality reasons.

2.9 Employment change, as shown in Figure 17 in the Channel Corridor is similar to Kent and Medway as a whole, although higher job losses in Public Administration and Defence (-2.4%) occurred between 1998 and 2003 compared to –1.1% in Kent and Medway as a whole.

Employment deficit in the Public Administration and Defence sector was higher in the Channel Corridor.

Figure 17: Channel Corridor Employment Change 1998-2003



Source: NOMIS, ABI 1998 and 2003

2.10 Since 1998, Ashford has suffered a large fall in manufacturing's share of jobs – down five percentage points by 2003, although over one in ten remaining employee jobs are still in manufacturing industries. Manufacturing's share of jobs has also fallen significantly in Maidstone - down four percentage points since 1998. Manufacturing's contribution to jobs in Maidstone (7% in 2003) is now amongst the lowest in Kent and Medway.

Health and Social Work is the fastest growing sector in Maidstone.

2.11 Health and Social Work is the fastest growing sector in Maidstone, with the share of jobs up five percentage points between 1998 and 2003 to reach thirteen percent of total Maidstone employment.

2.12 Shepway has seen a large increase in service sector employment since 1998, and has gone from having one of the lowest levels of service jobs to the highest in Kent and Medway. There have been increases in the share of jobs in business services (up two percentage points since 1998 to reach 10% of the total Shepway employment in 2003).

One in ten jobs in Shepway in 2003 were in Business Services.

2.13 Jobs in Ashford are relatively less concentrated in the service industries than some of the other Kent and Medway districts, although service industry jobs provide the majority (79%). Construction and manufacturing have a stronger part to play here, providing 11% and 7% of total employment each – reflecting new development.

The Construction Sector is of increasing importance in Ashford.

UNEMPLOYMENT

Unemployment at 1.7% is below Kent and Medway average, but still above the South East average.

2.14 The rate of unemployment as measured by Job Seeker's Allowance claimants in the Channel Corridor in 2005 was 1.7% (down from 2.5% in 2000). This is below the Kent and Medway average rate (1.9%), but above the South East overall level (1.5%). Shepway has the second highest rate of registered unemployment in Kent and Medway (2.6%), twice the rate in Maidstone and Ashford (1.3%). At the same time, the proportion of Incapacity Benefit claimants exceeds JSA claimants in Ashford and Maidstone – suggesting a degree of hidden unemployment.

2.15 The proportion of JSA claimants amongst the working age population has fallen much faster in Shepway than in other areas (down 1.4% since 2000). Incapacity Benefit at 1.8% was in line with the Kent and Medway average.

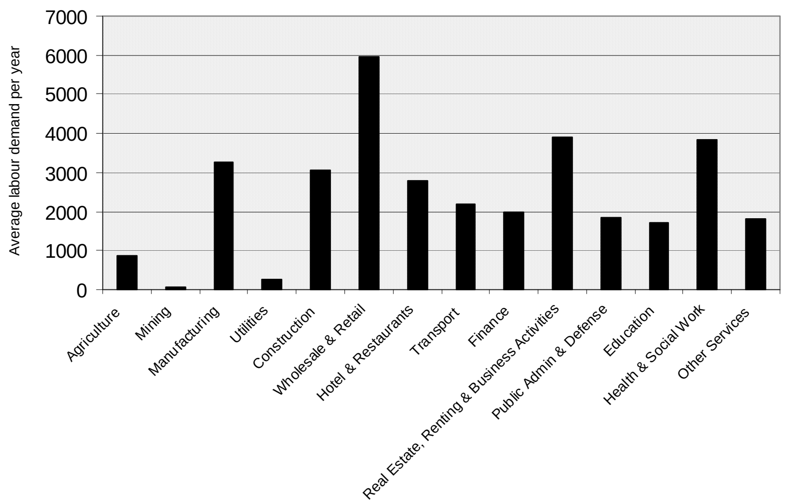
DEMAND FOR LEARNING AND SKILLS

2.16 The limitations of the model are explained in more detail in Chapter 3 and Annex C, particularly given the data are becoming more localised. **Outcomes from the model should be read with caution and treated as only an indication of anticipated labour demand.**

2.17 Based on the model, anticipated average annual labour demand in the Channel Corridor will be around 33,600 job vacancies – just under a quarter (24%) of the Kent and Medway total labour demand. Given the limitations of the model, anticipated labour demand is similar to the Kent and Medway position, with marginal sectoral differences, so that Figure 18 shows Wholesale and Retail the highest anticipated demand for job vacancies - 5945 per annum.

Annual demand for jobs in The Channel Corridor is anticipated to be around 33,600 job vacancies.

Figure 18: Average Annual Labour Demand in Channel Corridor by Sector

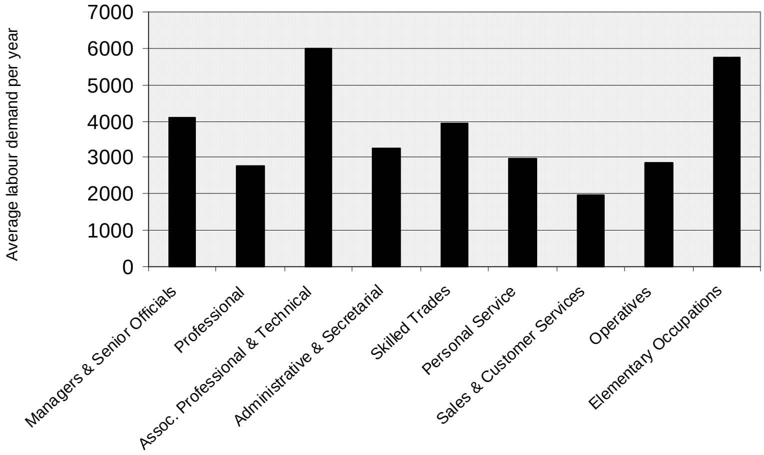


Source: Experian Business Strategies Forecast (Hishin) 2005

2.18 Locally, more than two fifths (45%) of the total labour demand in the Channel Corridor will be in the Maidstone (15,330 job vacancies per annum), compared to just 25% in Shepway (8,300 job vacancies per annum), and 30% in Ashford (9,990 job vacancies per annum). In most cases the overwhelming labour demand will be replacement (turnover) rather than expansion (growth).

More than two fifths (45%) of labour demand for job vacancies will be in the Maidstone district.

Figure 19: Average Annual Labour Demand in Channel Corridor by Occupation



Source: Experian Business Strategies (Hoshin) 2005

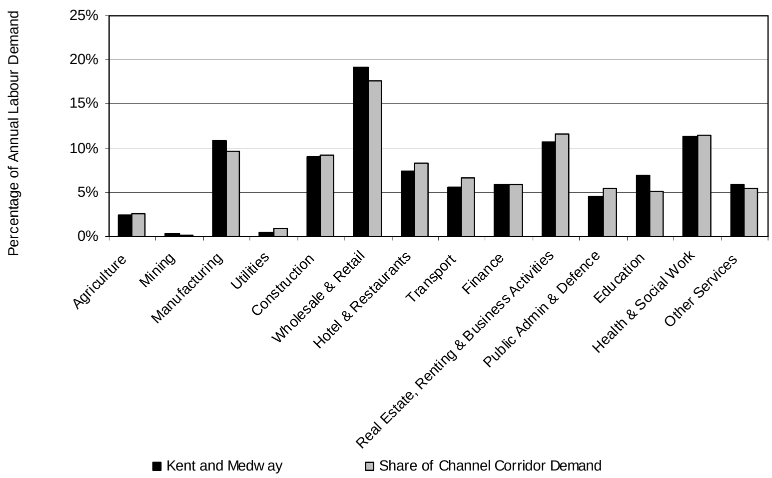
Labour demand in the Channel Corridor will be mainly in Elementary occupations

2.19 Figure 19 above shows that the largest anticipated labour demand in the Channel Corridor will be in Elementary occupations - particularly process and plant related; personal services related; construction and related trades; and in Administrative/clerical occupations and Customer Service occupations.

2.20 The share of annual labour demand (Figure 20) in Hotels and Restaurants, Transport/Storage and Communications, Real Estate/Renting and business activities, and Public Administration and Defence in the Channel Corridor are all above the Kent and Medway average.

The share of demand in a number of sectors including hotels and restaurants exceed the Kent and Medway average.

Figure 20: Share of Labour Demand by Sector in Channel Corridor



Source: Experian Business Strategies (Hoshin) 2005

THE SUPPLY OF LEARNING AND SKILLS

CURRENT QUALIFICATION LEVELS

2.21 Using the Census 2001, Skills Audit 2003 and Labour Force Survey 2004, skills levels in the Channel Corridor vary.

CENSUS 2001

2.22 According to the Census one in three (33%) of 16-17 year olds did not have a qualification in 2001.

One in three 16-17 year olds did not have a qualification in 2001

2.23 Maidstone has fewer than the Kent and Medway average for unqualified residents, while unqualified people are most prevalent in Shepway (33%).

2.24 Some 20% of people in the Channel Corridor are only qualified to Level 1.

2.25 The pattern is similar with regard to those qualified to NVQ Level 3 or above. Ashford and Maidstone have above average levels of economically active people qualified to this level, whilst Shepway lags nine percentage points behind the Kent and Medway average.

Residents in Maidstone are more likely to be better qualified than those living in other districts in the Channel Corridor.

2.26 However, there is wide variation within the Channel Corridor: rates of Level 4 qualifications are well above average in Maidstone (31%) and Ashford (29%), but Shepway has one of the worst rates of high level skills in Kent and Medway (24%).

SKILLS AUDIT

2.27 According to the 2003 Skills Audit 22% of residents had no qualification, less than East Kent (35%) and The Thames Gateway (27%). The Channel Corridor has a higher proportion of highly qualified residents (18% -Level 4+) than East Kent (13%) or the Thames Gateway (13%). In both cases, The Channel Corridor lags behind West Kent (17% and 21%).

LABOUR FORCE SURVEY

2.28 The availability of higher-level skills in the Channel Corridor is relatively good, and this economic area does best overall in terms of the proportion of economically active residents qualified to NVQ Level 4 or above (29%).

PARTICIPATION

YOUNG PEOPLE 16-18

2.29 Participation (resident based) in the Channel Corridor based on Further Education (FE), School Sixth Form and Work Based learning (WBL)was around 8000 learners.

Table 24: Young People (16-18) Participation 2003-2004

Area	16-18		
	School Sixth Form	Further Education	Work Based learning
Kent and Medway	28%	24%	10%
Channel Corridor	28%	26%	10%
Maidstone	34%	22%	9%
Ashford	22%	28%	10%
Shepway	27%	30%	11%

Source: ILR, PLASC 2003-04, ONS Mid Year Population Estimates 2003

SCHOOL SIXTH FORM

2.30 Around 3500 16-18 year old Channel Corridor residents were in School Sixth Form in 2003/2004. With reference to Table 24, proportionately Maidstone district (34%) has the highest number 16-18 year olds in School Sixth Forms, 12 percentage points higher than Ashford, which has the lowest (22%).

FUTHER EDUCATION

2.31 Around 3230 16-18 year old Channel Corridor residents were in FE in 2003/2004. With reference to Table 24, proportionately Ashford district (28%) has the highest number of 16-18 learners in FE, six percentage points higher than Maidstone, which has the least numbers (22%).

WORK BASED LEARNING

2.32 Around 1230 16-18 year old Channel Corridor residents were in WBL in 2003/2004. With reference to Table 24, the proportion of 16-18 year olds in Work Based Learning is evenly spread at around 10% of the total 16-18 population.

HIGHER EDUCATION

2.33 The Channel Corridor also has above average rates of participation in Higher Education. The proportion of young people entering Higher Education aged 18 or 19 years at any UK institution is joint second highest with East Kent at 28%, behind West Kent (36%).

2.34 However, rates of higher education participation in the Channel Corridor are largely driven by the good performance in Maidstone. Over a third of Maidstone's young people (34%) entered higher education. Rates of higher education participation in Ashford are at around the average level (28%), but fall well below the average level in Shepway (25%).

ADULTS 19+

Around 17,000 Adults in Channel Corridor participate in Learning.

2.35 Participation (resident based) in the Channel Corridor based on FE and WBL was around 17,000 learners.

Table 25: Adult Residents (19+) Participation Rates in Channel Corridor 2003-2004

Area	19+		
	School Sixth Form	Further Education	Work Based learning
Kent and Medway	0%	6%	1%
Channel Corridor	0.6%	6%	0.6%
Maidstone	0%	5%	0.6%
Ashford	0%	5%	0.6%
Shepway	0%	7%	0.6%

Source: ILR, PLASC 2003-04, ONS Mid Year Population Estimates 2003

FURTHER EDUCATION

2.36 Around 15,550 19+ year old Channel Corridor residents were in FE in 2003/2004. With reference to Table 25, Shepway (7%) has a higher proportion of learners in FE.

WORK BASED LEARNING

2.37 Around 1,500 19+ year old Channel Corridor residents were in WBL in 2003/2004. With reference to Table 25, participation in WBL is evenly spread at around 0.6% of the total population.

2.38 The figures suggest that rates of job related training within the Channel Corridor area are amongst the highest in Kent and Medway -14% had received job related training in the last four weeks. However, this is mainly due to high rates of training in Maidstone (15%). Job related training is around the average rate in Ashford (12%) and Shepway (13%).

PERFORMANCE

2.39 Success rates for Long qualifications (i.e. courses over 24 weeks that cover, for example A-levels, National Diplomas, NVQs etc) are generally lower than for Short courses and the area where attention is required most.

2.40 Using the LSC National Benchmarking data for 2002/03 (latest publicly available data) success rates for Mid Kent College (56%) are higher than the national average benchmark for Long Qualifications (55%), while South Kent College rates of 50% placed the college below the average

.

DEMAND AND SUPPLY ANALYSIS

2.40 In this section modelling techniques are used to identify potential shortfalls in labour demand. For full description of model assumptions and subject areas see Annex C. In an attempt to marry demand and supply together, the model matches direct employer demand for skills (vacancies) against current supply to identify where there is potentially disproportionate provision or lack of clear progression routes. **The model is only an indicator of the situation on the ground and outcomes must be read with local commonsense and knowledge. The outputs are designed to provoke dialogue rather than influence strategic planning**.

THE FINDINGS FROM THE MODEL ARE ONLY INDICATIVE AND SHOULD BE READ WITH CAUTION.

AT LEVEL 1

2.41 The model suggests that there is still a shortfall in provision at Level 1 or a lack of clear progression routes, especially in Construction; Engineering, Technology and Manufacturing; Beauty Therapy; Land Based; Retail; Customer Service and Transport; and Media Technicians.

Demand and Supply Analysis is done by Skills levels and Area of Learning against employer demand.

AT LEVEL 2

2.42 The model suggests that there is still a shortfall in provision at Level 2 or a lack of clear progression routes, especially in Engineering, Technology and Manufacturing; Business Administration, Management and Professional and Land Based.

AT LEVEL 3

2.43 The model suggests that current provision at Level 3 could lead to skills shortages in Business Administration; Management and Professional; Construction; Engineering, Technology and Manufacturing; Hospitality Sports/ Leisure and Travel; Land Based; and Retail, Customer Services and Transport.

EAST KENT

3. EAST KENT

KEY ISSUES AND FINDINGS

DEMAND

- East Kent was the only economic area to see a decline in employment numbers in Construction, although recent developments (e.g. West Cross) may lead to a reversal.
- Annual employer demand for jobs in East Kent is anticipated to be around 29,800 job vacancies – around one fifth of Kent and Medway demand.
- At district level, just over two fifths (42%) of all labour demand in the economic area will be in Canterbury.
- Employer demand for jobs in East Kent is higher than the Kent and Medway average in the following sectors: Hotels and Restaurants, Health/Social Work and Education.
- The largest employer demand for occupations is for professional and technical and skilled trades at one end and elementary occupations at the other.

SUPPLY

- One in three 16-17 year olds in 2001 (Census) did not hold a formal qualification. Almost half (49%) of 18-19 year olds in Canterbury are qualified to level 3 compared to 18% and 17% in Dover and Thanet respectively.
- There are around 8,800 16-18 and 22,300 19+ learners in School Sixth Form, Further Education (FE) or Work Based Learning.
- Only one in four (26% and 23%) of Dover and Thanet 18-19 year olds are in Higher Education compared to one in three (35%) in Canterbury.
- Using latest publicly available data for National Benchmarking Success rates for the three FE College Institutions with sites in East Kent were close to but below the average National benchmark for Long Qualifications (e.g. A-Level) for 16-18 year olds in 2002/2003

DEMAND AND SUPPLY ANALYSIS

- There is still a shortfall in provision at Level 1 or a lack of clear progression routes, especially in Business Administration; Construction; Engineering, Technology and Manufacturing; Health/Social Care and Public Services; Land Based; Retail/Customer Service and Transport; and Media Technicians.
- There is still a shortfall in provision at Level 2 or a lack of clear progression, especially in Business Administration, Management and Professional; Construction; Engineering, Technology and Manufacturing; Hospitality, Sports, Leisure and Travel; Land Based; and Media Technicians.
- Current provision at Level 3 could lead to skills shortages in Construction; Engineering, Technology and Manufacturing; Hospitality, Sports/Leisure and Travel; and Land Based.

EAST KENT ECONOMY

POPULATION

3.1 The East Kent economic area comprises the Local Authority Districts of Canterbury, Thanet and Dover, with major towns including Canterbury; Dover; Margate; Deal and Whitstable. According to ONS Mid-year population estimates for 2003, the sub-region had a total population of around 370,000 residents.

East Kent has a population of around 370,000, with a working age population of around 58%.

3.2 East Kent contributes just over one fifth of the Kent and Medway working age population – around 217. Within East Kent the working age population is around 58%, the lowest of all four economic areas, behind the Channel Corridor (60%), West Kent (60%) and Thames Gateway (62%).

East Kent has the lowest proportion of working age adults in Kent and Medway, particularly in Thanet (55%).

3.3 By local authority, Thanet has the lowest proportion of working age adults with 55%, compared to Canterbury the highest at 60%.

3.4 The cohort of young people (16-19 year olds) is proportionately the second largest cohort of the four economic areas with over 20,000 young people in total - or 5.4% of all residents. Canterbury has the largest cohort of young people of all Kent and Medway districts – around 8,500 young people – or 6.1% of Canterbury residents. Using ONS sub-national population projections, the 14-19 population will reach a high in 2007 of 32,800 young people (up 2,300 on 2003). From 2008 the population is predicted to decline in line with Kent and Medway figures, and reaching a low of 30,000 in 2018. By the end of the population projection period in 2028, there is predicted to be 31,400 young people.

East Kent has a higher proportion of 16-19 year olds.

ECONOMY

3.5 According to Business Link Kent, there are 11,486 businesses in East Kent, of which 96% employ less than 50 people. East Kent has a lower proportion of rural town/village based businesses (22%) compared to the Kent and Medway average (33%).

Using KCC sources, in 2000 East Kent is the least economically productive area in Kent and Medway.

3.6 As an indicator of relative economic health, the Gross Value Added (GVA) for East Kent was £9,480 per head in 2000, the lowest recorded for the four economic sub-regions (KCC, 2002)[20]. East Kent growth between 1998 and 2000 at 5% was the lowest with The Channel Corridor, and below The Thames Gateway (6%) and West Kent (8%).

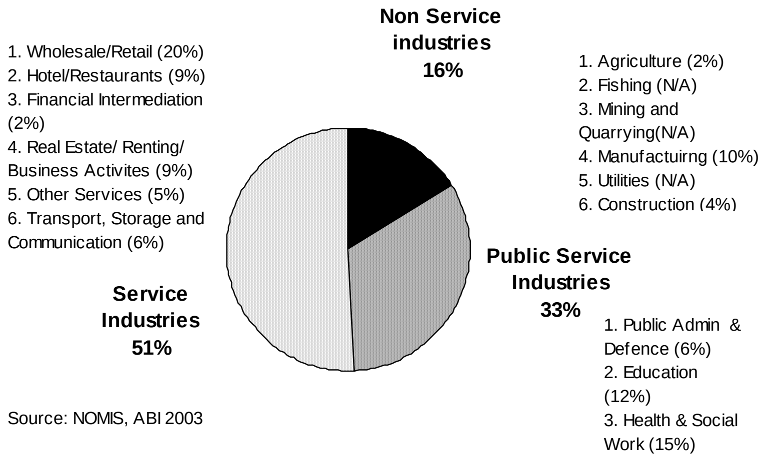
WORKFORCE

---

[20] Local Gross Domestic Product (GDP) Estimates, ECN3 – May 2002 Kent County Council.

3.7 Using the Annual Business Inquiry (ABI) at broad sector level, the employment structure of East Kent is dominated by 'service' industries (84%), two percentage points higher than Kent and Medway – Figure 21 below[21].

Figure 21: East Kent Distribution of Employment by Industries 2003



East Kent has above average number of jobs in the Public and Administrative sectors, notably in Health and Social Work.

3.8 Table 26 below shows sector comparisons against other economic sub-regions and the Kent and Medway total.

Table 26: East Kent Sector Industry Distribution 2003

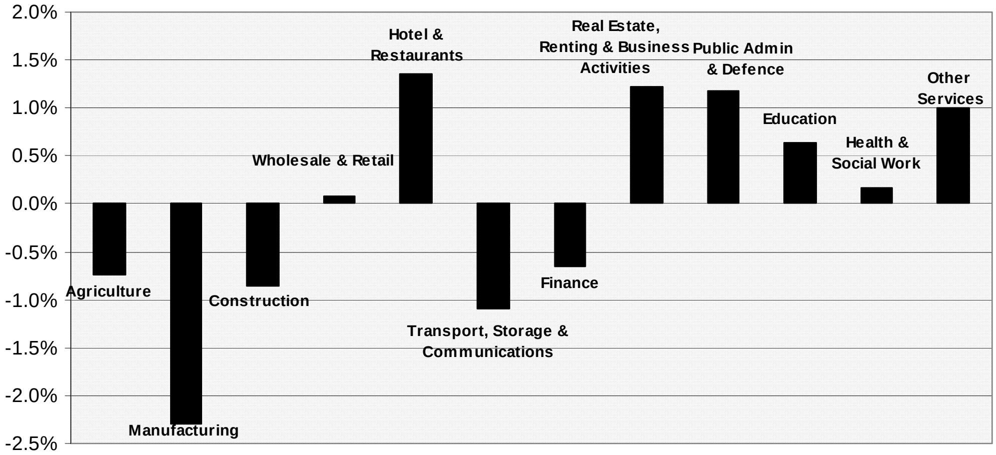
Sector	Channel Corridor	East Kent	Thames Gateway	West Kent	Kent and Medway
Service Industries	**57%**	**51%**	**56%**	**60%**	**56%**
Wholesale and Retail	20%	20%	22%	22%	21%
Hotels and Restaurants	8%	9%	7%	6%	7%
Finance	4%	2%	3%	5%	4%
Real Estate, Renting and Business Services	14%	9%	11%	16%	13%
Other Services	5%	5%	5%	6%	5%
Transport and Communications	7%	7%	6%	5%	6%
Public Service Industries	**26%**	**33%**	**24%**	**22%**	**26%**
Public Administration and Defence	6%	6%	4%	5%	5%
Education	7%	12%	9%	9%	9%
Health and Social Work	13%	15%	11%	13%	13%
Non-Service Industries	**18%**	**16%**	**20%**	**18%**	**18%**
Agriculture	2%	2%	2%	2%	2%
Manufacturing	9%	10%	12%	10%	10%
Construction	6%	4%	7%	5%	6%

Source: NOMIS ABI, 2003

21 Employment in Fishing, Mining (Quarrying) and Utilities are shown as 'N/A' employment obviously exists in these industries, but due to small numbers in the ABI, data are suppressed at source for confidentiality reasons.

3.9 Locally, Dover has the largest proportion of employee jobs in transport and communications of any local authority district in Kent and Medway (12%).

Figure 22: East Kent Employment Change 1998-2003



Source: NOMIS, ABI 1998 and 2003

The Hotel and Restaurant sector has seen the largest positive change in employment numbers.

3.10 Wholesale and Retail (20%) and Health and Social Work (18%) are the biggest sectors in terms of employee jobs in Thanet. Service industries share of jobs is increasing in Thanet, mainly due to an increase in the proportion of jobs in business services and public administration.

3.11 Employment change, as shown in Figure 22 shows differences in East Kent with notable growth in Public Administration and Defence. East Kent was the only sub-region to see a decline in the construction sector over the period 1998-2003, although recent developments such as West Cross and Whitefriars may see a reversal.

UNEMPLOYMENT

Unemployment at 2.4% is above the Kent and Medway & South East average, although at 1.3%, Canterbury district is below both.

The percentage of residents in East Kent on Job Seeker's Allowance or Incapacity Benefits is high compared to the rest of Kent and Medway.

3.12 Unemployment in 2005, as measured by Job Seeker's Allowance (JSA) in East Kent (2.4%) is above the average for Kent and Medway (1.9%).

3.13 Thanet had the highest rate of JSA claimants in 2000 (5.4%). This continues to be the case, although the proportion of JSA claimants has fallen significantly - down two percentage points since 2000 to 3.4%. Canterbury (1.3%) is below the Kent and Medway average JSA claimant rate and also experienced an above average fall in the proportion of JSA claimants since 2000. Dover has the third highest rate of JSA claimants (2.4%) in Kent and Medway. Incapacity Benefit claimant rates are higher in Thanet (2.7%) compared to other districts.

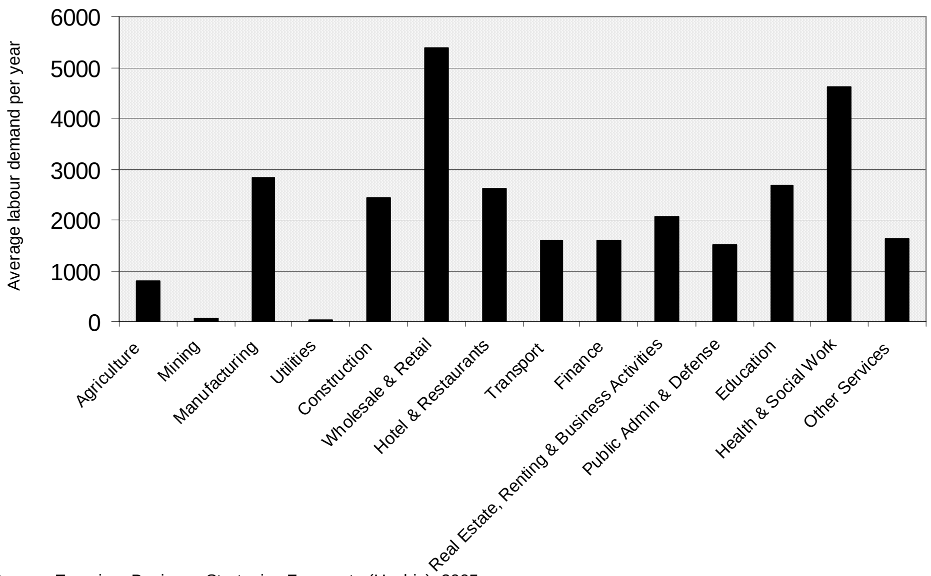
DEMAND FOR LEARNING AND SKILLS

3.14 The limitations of the model are explained in more detail in Chapter 3 and Annex C, particularly as the data is becoming more localised. **Outcomes from the model should be read with caution and are only an indication of anticipated demand.**

The annual demand for jobs in East Kent is anticipated to be around 29,800 per annum.

3.15 Based on the model the average annual anticipated labour demand in East Kent will be approaching 29,800 job vacancies per annum – just over one fifth (22%) of the Kent and Medway total labour demand. Given the limitations of the model, anticipated labour demand is similar to the Kent and Medway position, with marginal sectoral differences, so that Figure 23 shows Wholesale and Retail with the highest anticipated demand for job vacancies – 5376 per annum.

Figure 23: Average Annual Labour Demand in East Kent by Sector



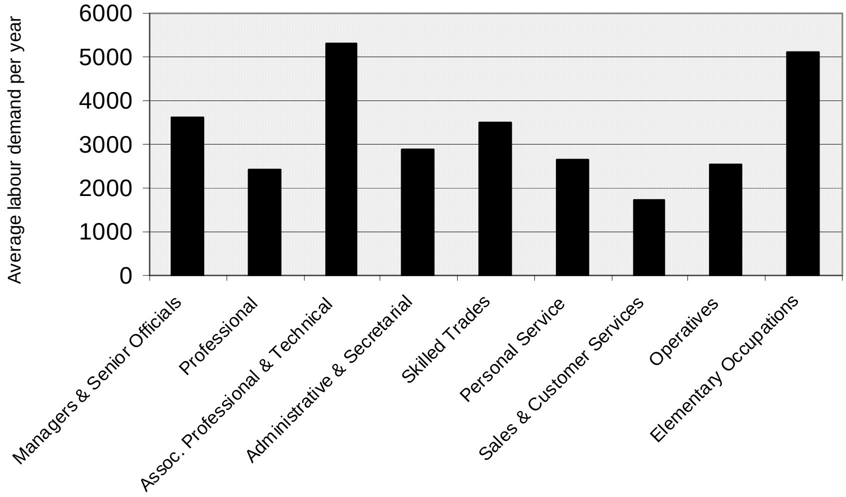
Source: Experian- Business Strategies Forecasts (Hoshin), 2005

3.16 The largest share of East Kent labour demand will be in Canterbury (42%) with 12,515 job vacancies per annum, compared to 30% in Dover (8,861 jobs per annum), and 28% in Thanet (8,428 job vacancies per annum).

Around two fifths (42%) of labour demand in East Kent will be in Canterbury district.

3.17 Labour demand, as shown in Figure 24, in East Kent will be slanted towards elementary occupations (particularly process and plant related, personal services related and construction and related trades), and Associated Professional and Technical occupations.

Figure 24: Average Annual Labour Demand in East Kent by Occupation



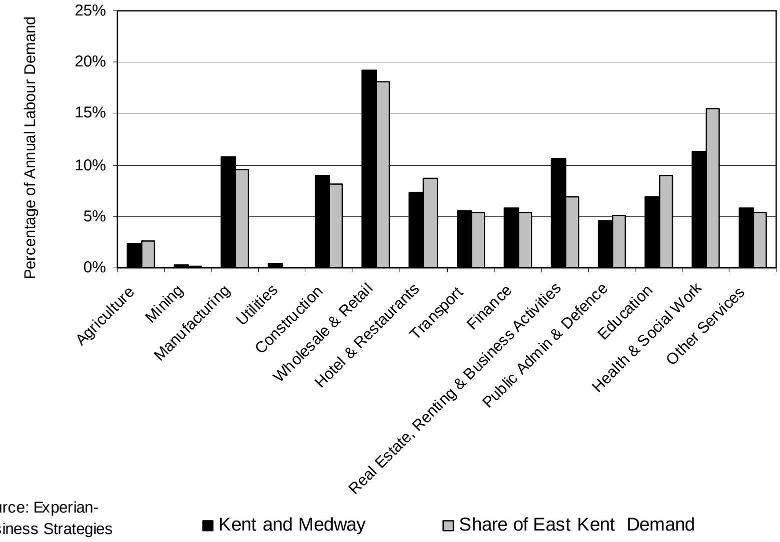
Source: Experian Business Strategies (Hoshin), 2005

Labour demand in East Kent will be mainly in Associate Professional and Technical occupations.

The share of demand in Heath and Social Work in East Kent far exceeds the Kent and Medway average.

3.18 In Figure 25, East Kent has above the Kent and Medway average share of annual labour demand from employers in the Hotel and Restaurant, and Health/Social Work, and Education sectors.

Figure 25: Share of Labour Demand by Sector in East Kent



Source: Experian-Business Strategies Forecasts (Hoshin), 2005

THE SUPPLY OF LEARNING AND SKILLS

CURRENT QUALIFICATIONS

One in three 16-17 year olds had no qualifications in 2001.

3.19 Using the Census 2001, Skills Audit 2003 and Labour Force Survey 2004, skills levels in East Kent vary.

CENSUS 2001

In 2001, almost three times as many 18-19 year olds in Canterbury (49%) were qualified to Level 3 compared to Thanet (17%)

3.20 One in three 16-17 year olds did not hold a formal qualification in 2001.

3.21 Almost half (49%) of 18-19 year olds in Canterbury were qualified to Level 3, compared to 18% and 17% in Dover and Thanet respectively.

3.22 East Kent as a whole has above average proportions of residents with no qualifications (30%). This is due to high rates of unqualified people in Dover and Thanet. Levels of poor literacy and numeracy are above average in Thanet.

3.23 Fewer East Kent residents are qualified to Levels 1 or 2, but there is a concentration of people with Level 3 qualifications, due to the proportion qualified to Level 3 being particularly high in Canterbury.

SKILLS AUDIT

Canterbury has the highest proportion of highly qualified economically active residents in Kent and Medway.

3.24 According to the 2003 Skills Audit 35% of residents had no qualifications, the highest proportion for any economic area. East Kent has a lower proportion of highly qualified residents (13% -Level 4+) than The Channel Corridor (17%) and West Kent (21%), but is comparable to The Thames Gateway (13%).

LABOUR FORCE SURVEY

3.25 Canterbury has the highest proportion of highly qualified economically active adults in Kent and Medway (40%). However, qualification levels across the economic area as a whole are varied. Dover and Thanet districts have low rates of highly qualified people (20% and 23% respectively).

Around 8,000 16-18 year olds participate in education and training.

PARTICIPATION

YOUNG PEOPLE 16-18

3.26 Participation (resident based) in East Kent based on FE, School Sixth Form and Work Based Learning was around 8,800 learners.

Table 27: Young People (16-18) Resident Participation rates in East Kent 2003-2004

Area	16-18		
	School Sixth Form	Further Education	Work Based learning
Kent and Medway	28%	24%	10%
East Kent	24%	25%	9%
Canterbury	23%	20%	8%
Thanet	22%	32%	10%
Dover	29%	25%	10%

Source: ILR, PLASC 2003-04, ONS Mid Year Population Estimates 2003

SCHOOL SIXTH FORM

3.27 Around 3,670 16-18 year old East Kent residents were in School Sixth Form in 2003/2004. With reference to Table 27, proportionately Dover district (29%) has a higher proportion of 16-18 olds in School Sixth Forms, six percentage points more than Canterbury that has lowest (23%).

FURTHER EDUCATION

3.28 Around 3,800 16-18 year old East Kent residents were in FE in 2003/2004. With reference to Table 27, proportionately Thanet district (32%) has the highest proportion of 16-18 olds in FE, twelve percentage points more than Canterbury which has lowest (23%).

WORK BASED LEARNING

3.29 Around 1,390 16-18 year old East Kent residents were in WBL Learning in 2003/2004. With reference to Table 27, the proportion of 16-18 year olds in Work Based Learning ranged between 8% and 10% of the 16-18 population at district level.

DOVER PROJECT

3.30 The "future delivery of vocational learning and FE across the Dover District" project is a curriculum scoping exercise that will set the strategic overview for how vocational and FE delivery is developed in Dover District for the next 5 - 10 years, and considering where delivery should take place.

The 'Dover District' project will set the strategic overview for how vocational and FE delivery is developed in Dover district for next 5-10 years.

HIGHER EDUCATION

3.31 East Kent districts are mixed in terms of participation in higher education by 18-19 year olds. Canterbury does relatively well (35%), Dover and Thanet relatively poorly (26% and 23% respectively).

Participation in Higher Education is above the Kent and Medway average in Canterbury.

18-19 residents in Thanet and Dover are less likely to participate in HE and are below the Kent and Medway average.

ADULTS 19+

3.32 Participation of East Kent residents in FE and Work Based Learning was around 22,300 learners in 2003/04.

Table 28: Adult Residents (19+) Participation rates in East Kent 2003-2004

Area	19+		
	School Sixth Form	Further Education	Work Based learning
Kent and Medway	0%	6%	0.6%
East Kent	0%	7%	0.5%
Canterbury	0%	6%	0.4%
Thanet	0%	9%	0.5%
Dover	0%	7%	0.5%

Source: ILR, PLASC 2003-04, ONS Mid Year Population Estimates 2003

Around 22,300 adults participate in FE or Work Based Learning in East Kent.

FURTHER EDUCATION

3.33 Around 20,900 19+ year old East Kent residents were in FE in 2003/2004. With reference to Table 28, proportionately Thanet district (9%) has the highest proportion of 19+ year olds in FE, three percentage points more than Canterbury which has lowest (6%).

WORK BASED LEARNING

3.34 Around 1,400 19+ year old East Kent residents were in WBL in 2003/2004. With reference to Table 28, the proportion of 19+ year olds in Work Based Learning ranged between 0.4% and 0.5% of the 19+ population at district level.

3.35 East Kent districts show mixed results in terms of the prevalence of job related training. The proportion of employees receiving job related training is relatively high in Thanet (15%) – compared to Kent and Medway figure of 13%.

PERFORMANCE

3.36 Success rates for Long qualifications (i.e. courses over 24 weeks that cover, for example A-levels, National Diplomas, NVQs etc) are generally lower than for Short courses.

3.37 Using the LSC National Benchmarking data for 2002/2003 (latest publicly available data) success rates for Canterbury College (54%), Thanet College (52%) and South Kent College (50%) placed the colleges below the average benchmark (55%).

DEMAND AND SUPPLY ANALYSIS

3.38 In this section modelling techniques are used to identify shortfalls in workforce skills against current provision. For full description of model assumptions and subject areas see Annex C. In an attempt to marry demand and supply together, the model matches direct employer demand for skills (vacancies) against current supply to identify where there is potentially disproportionate provision or lack of clear progression routes. **The model is only an indicator of the situation on the ground and outcomes must be read with local commonsense and knowledge. The outputs are designed to provoke dialogue rather than influence strategic planning**.

THE FINDINGS FROM THE MODEL ARE ONLY INDICATIVE AND SHOULD BE READ WITH CAUTION

Demand and Analysis is done by Skills Levels and Areas of Learning against employer demand.

AT LEVEL 1

3.39 The model suggests that there is still a shortfall in provision at Level 1 or a lack of clear progression routes, especially in Business Administration, Management and Professional; Construction; Engineering, Technology and Manufacturing; Health/Social Care and Public Services; Land Based; Retail/Customer Service and Transport; and Media Technicians.

AT LEVEL 2

3.40 The model suggests that there is still a shortfall in provision at Level 2 or a lack of clear progression routes, especially in Business Administration, Management and Professional; Construction; Engineering, Technology and Manufacturing; Hospitality, Sports, Leisure and Travel; Land Based; and Media Technicians.

AT LEVEL 3

3.41 The model suggests that current provision at Level 3 could lead to skills shortages in Construction; Engineering, Technology and Manufacturing; Hospitality, Sports/Leisure and Travel; and Land Based.

THE THAMES GATEWAY (NORTH KENT)

4. THE THAMES GATEWAY

KEY FINDINGS

DEMAND

- The Thames Gateways' (North Kent) proximity to London means the pull on labour demand is significant with a higher level of commuting than other economic regions. Improvements to infrastructure shortening commute times could exacerbate this.
- Annual employer demand for jobs in the Thames Gateway is anticipated to be around 42,500 job vacancies – just under one third (31%) of Kent and Medway labour demand.
- At local level, just under two fifths (39%) of all labour demand in the economic area will be in the Medway Unitary Authority.
- Employer demand for jobs in The Thames Gateway is higher than the Kent and Medway average in the following sectors: Wholesale and Retail, and Manufacturing.
- The largest employer demand for occupations is for professional, technical and skilled trades at one end, and elementary occupations at the other.

SUPPLY

- One in three (34%) 16-17 year olds in 2001 (Census) did not hold a formal qualification. Less than one in five (18%) 18-19 year olds held a Level 3 qualification.
- There are around 14,200 16-18 and 33,400 19+ learners in School Sixth Form, FE or Work Based Learning.
- The Thames Gateway has the lowest overall 18-19 year old participation in Higher Education at 22%.
- Using latest publicly available data for National Benchmarking Success rates for the two FE College Institutions with sites in the Thames Gateway are above the average National benchmark for Long Qualifications (e.g. A-Level) for 16-18 year olds in 2002/02003.

DEMAND AND SUPPLY ANALYSIS

- There is still a shortfall in provision or lack of clear progression routes at Level 1, particularly in Business Administration; Construction; Engineering, Technology and Manufacturing; Retail/Customer Service and Transport.
- There is still a shortfall in provision or lack of clear progression routes at Level 2, especially in Business Administration, Management and Professional; Engineering, Technology and Manufacturing; and Retail.
- That current provision at Level 3 could lead to skills shortages in Construction; Engineering, Technology and Manufacturing; Health and Social Care; Hospitality, Sports/Leisure and Travel; and Retail.

THE THAMES GATEWAY ECONOMY

POPULATION

4.1 The Thames Gateway (North Kent) comprises the local authority districts of Dartford, Gravesham and Swale, and the Medway Unitary Authority including the major towns of Dartford; Gravesend; Gillingham; Rochester; Chatham and Sittingbourne. According to ONS 2003 Mid-year population estimates, the area has a total population of around 557,000 residents.

The Thames Gateway has a population of around 557,000 with a working age population of 62%, the highest of the four economic areas.

4.2 The Thames Gateway contributes just over one third of the working age population of Kent and Medway (around 346,000). Within The Thames Gateway, the working age population is around 62%, higher than West Kent (60%), the Channel Corridor (60%) and East Kent (58%).

4.3 With an overall total population of 251,000, the Medway Unitary Authority accounts for more Thames Gateway residents. Medway has the highest proportion working age adults (63% - 158,000 residents), compared to 62% in Dartford (53,600), and 61% in Gravesham (57,900) and Swale (76,100).

One in three adults of working age in Kent and Medway live in The Thames Gateway.

4.4 The cohort of young people (16-19 year olds) is proportionately the second highest compared with other economic areas, with around 30,000 people aged 16-19 years old. This economic area has a relatively youthful population profile, with Medway accounting for the largest cohort of young people in the sub-region – around 14,000 16-19 year olds – or 6% of all residents. Using ONS sub-national population projections, the 14-19 population will reach a high in 2008 of 47,500 young people (up 2,000 on 2003). From 2009 the population is predicted to decline in line with Kent and Medway figures, and reaching a low of 42,300 in 2017. By the end of the population projection period in 2028, there is predicted to be 43,700 young people.

Medway has the largest 16-19 year old cohort in the Thames Gateway

ECONOMY

The Thames Gateway economic productivity rate is only higher than East Kent, although it had the second highest growth rate (6%) between 1998 and 2000.

4.5 According to Business Link Kent, there are 16,933 businesses in the Thames Gateway, of which 95% employ less than 50 people. The Thames Gateway has a lower proportion of rural town/village based business (21%) compared to the Kent and Medway average (33%).

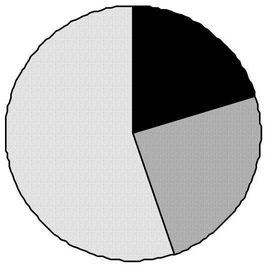
4.6 As an indicator of relative economic health, the Gross Value Added (GVA) for the Thames Gateway (North Kent) was £10,100 in 2000 (KCC, 2002)[22], higher only than East Kent (£9,480). The Thames Gateway had the second highest growth rate (6%) from 1998 to 2000, second only to West Kent.

[22] Local Gross Domestic Product (GDP) Estimates, ECN3 – May 2002 Kent County Council.

WORKFORCE

The Non-Service industries employ one in five workers in The Thames Gateway, one of the highest ratios in Kent and Medway.

Figure 26: The Thames Gateway Distribution of Employment by Industry 2003



Source: NOMIS, ABI 2003

The Thames Gateway has a higher proportion of employees in Manufacturing and Construction compared to other areas in Kent and Medway.

4.7 In Figure 26, and using the Annual Business Inquiry (ABI), at broad sector level the employment structure of The Thames Gateway is dominated by 'service' industries (80%), two percentage points lower than Kent and Medway (82%)[23].

4.8 Table 29 below shows sector comparisons against other economic sub-regions and the Kent and Medway total.

Table 29: The Thames Gateway Industry Distribution 2003

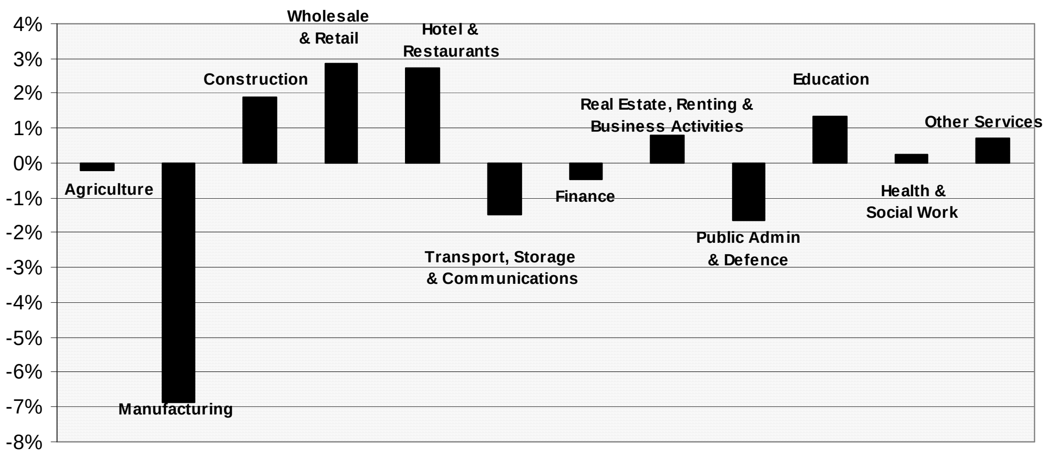
Sector	Channel Corridor	East Kent	Thames Gateway	West Kent	Kent and Medway
Service Industries	**57%**	**51%**	**56%**	**60%**	**56%**
Wholesale and Retail	20%	20%	22%	22%	21%
Hotels and Restaurants	8%	9%	7%	6%	7%
Finance	4%	2%	3%	5%	4%
Real Estate, Renting and Business Services	14%	9%	11%	16%	13%
Other Services	5%	5%	5%	6%	5%
Transport and Communications	7%	7%	6%	5%	6%
Public Service Industries	**26%**	**33%**	**24%**	**22%**	**26%**
Public Administration and Defence	6%	6%	4%	5%	5%
Education	7%	12%	9%	9%	9%
Health and Social Work	13%	15%	11%	13%	13%
Non-Service Industries	**18%**	**16%**	**20%**	**18%**	**18%**
Agriculture	2%	2%	2%	2%	2%
Manufacturing	9%	10%	12%	10%	10%
Construction	6%	4%	7%	5%	6%

Source: NOMIS ABI, 2003

4.9 In Dartford the retail sector alone accounts for just under a third (31%) of jobs. Manufacturing is a strong contributor to jobs in Swale (17%). Service industry employment Medway is slanted towards Real Estate/Renting and Business Activities (13%); Health and Social Work (12%); and Education (11%).

Figure 27: The Thames Gateway Employment Change 1998-2003

The Manufacturing sector has seen a large fall in job numbers since 1998, but still employs one in ten in the Thames Gateway.



Source: NOMIS, ABI 1998 and 2003

Dartford saw an 11 percentage point fall in Manufacturing jobs between 1998-2003 but a 15 percentage point rise over the same period in Wholesale and Retail.

4.10 With reference to Figure 27, Manufacturing industry's share of jobs has fallen in the Thames Gateway by seven percentage points between 1998 and 2003. Construction, Wholesale and Retail, Hotel and Restaurants and Education all increased relative to other sectors since 1998.

4.11 Locally, Dartford saw an 11 percentage point fall in Manufacturing from 1998 – 2003, but a 15 percentage point rise in Wholesale and Retail.

4.12 Medway saw the smallest increase in Hotel and Restaurants, up 4% in 2003 on 1998.

4.13 Swale likewise saw a large decline in Manufacturing, some eight-percentage points from1998 to 2003.

UNEMPLOYMENT

The Thames Gateway has relatively high numbers of working age adults claiming benefits, notably in Gravesham.

4.14 The rate of unemployment using Job Seeker's Allowance claimants in The Thames Gateway in 2005 was 2.2%, the second highest recorded economic area in Kent and Medway. This is in part due to Gravesham that has relatively high JSA claimant rates (2.4%). JSA rates have not fallen as quickly in Gravesham as in some other high unemployment areas locally. Dartford, Medway, and Swale have seen relatively large decreases in the local JSA claimant rate.

[23] Employment in Fishing, Mining (Quarrying) and Utilities are shown as 'N/A'. Employment obviously exists in these industries, but due to small numbers in the ABI, data are suppressed at source for confidentiality reasons.

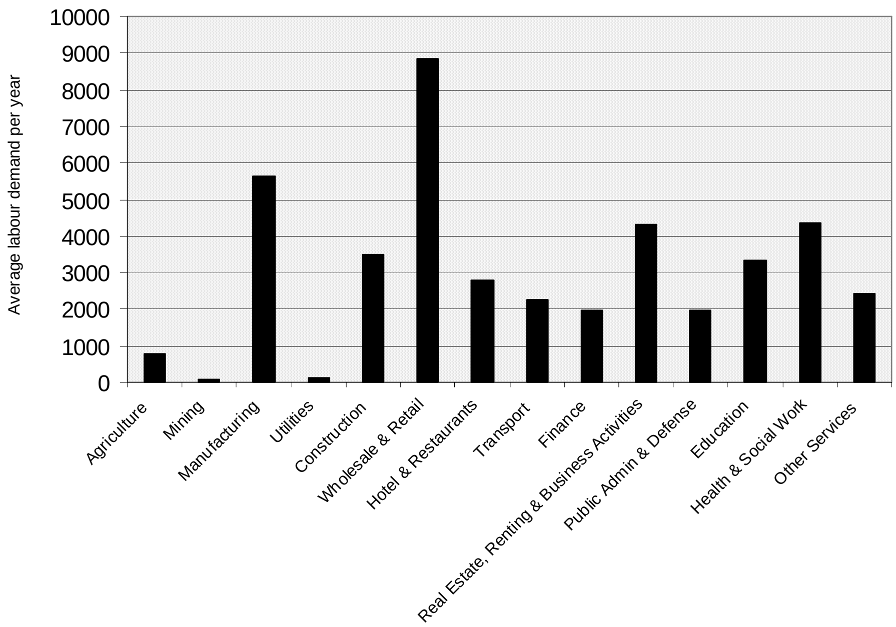
DEMAND FOR LEARNING AND SKILLS

4.15 The limitations of the model are explained in more detail in Chapter 3 and Annex C, particularly as the data is becoming more localised. **Outcomes from the model should be read with caution and are only an indication of anticipated demand.**

4.16 Based on the model the average annual anticipated labour demand in The Thames Gateway will be approaching 42,500 job vacancies per annum – just under one third (31%) of the Kent and Medway total labour demand. Given the limitations of the model, anticipated labour demand is similar to the Kent and Medway position, with marginal sectoral differences, so that Figure 28 shows Wholesale and Retail with the highest anticipated job vacancies – 8862 per annum.

A third of all annual demand in Kent and Medway will be in The Thames Gateway region, numbering some 42,500 job vacancies.

Figure 28: Average Annual Labour Demand in The Thames Gateway by Sector



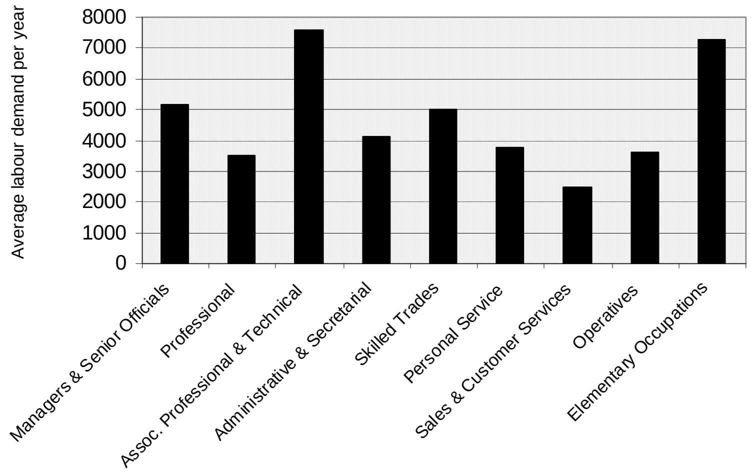
Source: Experian Business Strategies Forecasts (Hoshin), 2005

4.17 Medway will generate the largest share of annual labour demand – this area will provide just under two fifths of The Thames Gateway total (and 12% of the overall total), but this is to be expected given the population size of Medway Unitary Authority to the other districts.

Medway Unitary Authority will generate around two fifths of predicted job vacancies in The Thames Gateway

4.18 The Thames Gateways proximity to London means the pull on labour demand is significant with a higher level of commuting than other economic regions. Improvements to infrastructure shortening commute times could exacerbate this.

Figure 29: Average Annual Labour Demand in The Thames Gateway by Occupation



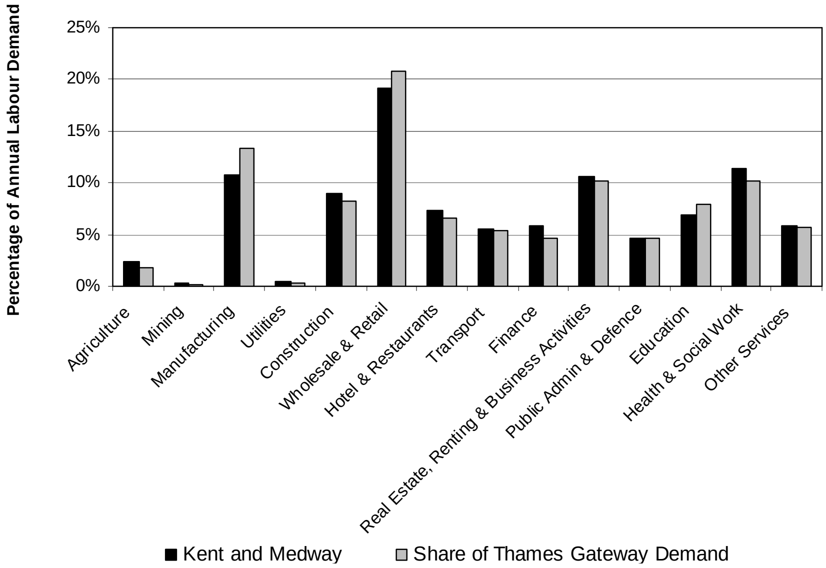
Source: Experian Business Strategies (Hoshin), 2005

4.19 By occupation (Figure 29), the trend will be similar given the limitations of the model, with greater labour demand in Associate Professional and Technical and Elementary Occupations.

The Wholesale and Retail, and Manufacturing sectors will see demand exceeding Kent and Medway averages.

4.20 The Thames Gateway will see relatively more labour demand in Wholesale and Retail and Manufacturing, compared to the Kent and Medway average. Education also has a proportionally larger share of annual labour demand in this economic area – Figure 30.

Figure 30: Share of Labour Demand by Sector in The Thames Gateway



Source: Experian- Business Strategies Forecasts (Hoshin), 2005

THE SUPPLY OF LEARNING AND SKILLS

CURRENT QUALIFICATION LEVELS

4.21 Using the Census 2001, Skills Audit 2003 and Labour Force Survey 2004, skills levels in The Thames Gateway vary.

CENSUS 2001

4.22 One in three (34%) 16-17 year olds in 2001 (Census) did not hold a formal qualification. Less than one in five (18%) 18-19 year olds held a Level 3 qualification.

One in three 16-17 year olds were qualified to Level 1 in 2001.

4.23 There are around 8,800 16-18 and 22,300 19+ learners in School Sixth Form, FE or Work Based Learning.

Only one in five 18-19 held a Level 3 qualification in 2001

4.24 Overall, in the Thames Gateway some 31% of residents have no formal qualifications, above the Kent and Medway average (29%). Swale has one of the highest rates of unqualified people in Kent and Medway (34%).

Swale district has one of the highest rates of unqualified adults in Kent and Medway (34%).

4.25 At the same time, estimates of poor literacy rates suggest that Thames Gateway has above average levels of literacy. Low rates of numeracy are above average in Swale and Medway.

4.26 There are above average proportions of residents qualified to NVQ Level 1 (21%) in Thames Gateway, mainly due to the higher rate of people with Level 1 qualifications in Dartford and Medway.

The Thames Gateway has one of the lowest proportions of highly qualified economically active residents.

SKILLS AUDIT

4.27 According to the 2003 Skills Audit 27% of residents had no qualifications in The Thames Gateway, lower than East Kent (35%), but higher than The Channel Corridor (22%) and West Kent (17%). The Thames Gateway has a lower proportion of highly qualified residents (13% -Level 4+) than The Channel Corridor (17%) and West Kent (21%), but comparable to East Kent (13%).

LABOUR FORCE SURVEY

4.28 The Thames Gateway economic area does relatively poorly in the number of highly qualified economically active adults, with the fewest of all the economic areas where residents hold Level 3 and Level 4/5 qualifications.

Around 14,200 16-

PARTICIPATION

YOUNG PEOPLE 16-18

4.29 Participation (resident based) in the Thames Gateway based on Further Education (FE), School Sixth Form and Work Based Learning (WBL) was around 14,200 learners.

Table 30: 1Young People (16-18) Resident Participation Rates in The Thames Gateway 2003-2004

Area	16-18		
	School Sixth Form	Further Education	Work Based learning
Kent and Medway	28%	24%	10%
Thames Gateway	27%	24%	12%
Dartford	28%	24%	11%
Gravesham	28%	25%	10%
Medway	26%	24%	13%
Swale	28%	24%	12%

Source: ILR, PLASC 2003-04, ONS Mid Year Population Estimates 2003

SCHOOL SIXTH FORM

4.30 Around 6,100 16-18 year old Thames Gateway residents were in School Sixth Form in 2003/2004. With reference to Table 30, proportionately there is little difference between the districts with participation rates ranging between 26%-28%.

FURTHER EDUCATION

4.31 Around 5,450 16-18 year old Thames Gateway residents were in FE in 2003/2004. With reference to Table 30, proportionately there is little variation between the districts with around one in four 16-18 residents in FE in The Thames Gateway.

WORK BASED LEARNING

4.32 Around 2,680 16-18 year old Thames Gateway residents were in WBL in 2003/2004. With reference to Table 30, the proportion of 16-18 year olds in WBL ranged between 13% and 10% of the 16-18 population at district level.

HIGHER EDUCATION

4.33 The Thames Gateway area has the lowest rates of participation by young people in higher education (22%). The rate of young people’s participation in higher education is lowest in Medway and Swale (20% and 21% respectively), and well below average in Dartford (24%) and Gravesham (25%).

ADULTS (19+)

4.34 Participation (resident based) in the Thames Gateway based on Further education (FE) and WBL was around 33,400 learners.

Around 33,400 Adults in The Thames Gateway participate in FE or Work Based Learning.

Table 31: Adult (19+) Resident Participation Rates in The Thames Gateway 2003-04

Area	19+		
	School Sixth Form	Further Education	Work Based learning
Kent and Medway	0%	6%	0.6%
Thames Gateway	0%	6%	0.8%
Dartford	0%	6%	0.5%
Gravesham	0%	6%	0.6%
Medway	0%	6%	1.0%
Swale	0%	5%	0.7%

Source: ILR, PLASC 2003-04, ONS Mid Year Population Estimates 2003

FURTHER EDUCATION

4.35 Around 24,000 19+ year old Thames Gateway residents were in FE in 2003/2004. With reference to Table 31, proportionately there is no variation by district.

WORK BASED LEARNING

4.36 Around 3,300 19+ year old Thames Gateway residents were in WBL in 2003/2004. With reference to Table 31, the proportion of 19+ year olds in WBL ranged between 0.5% and 1.0% of the 19+ population at district level.

4.37 Gravesham local authority district has above average rates of job related training. However, rates of job related training are below average in other Thames Gateway districts.

PERFORMANCE

4.38 Success rates for Long qualifications (i.e. courses over 24 weeks that cover, for example A-levels, National Diplomas, NVQs etc) are generally lower than for Short courses and the area where attention is required most.

4.39 Using the LSC National Benchmarking data for 2002/2003 (latest publicly available data) success rates for Mid-Kent College (56%) and North West Kent College (56%) placed the colleges just above average benchmark (55%).

DEMAND AND SUPPLY ANALYSIS

4.40 In this section modelling techniques are used to identify shortfalls in workforce skills against current provision. For full description of model assumptions and subject areas see Annex C. In an attempt to marry demand and supply together, the model matches direct employer demand for skills (vacancies) against current supply to identify where there is potentially disproportionate provision or lack of clear progression routes. **The model is only an indicator of the situation on the ground and outcomes must be read with local commonsense and knowledge. The outputs are designed to provoke dialogue rather than influence strategic planning**.

Skills Levels and Areas of Learning do demand and Supply Analysis against employer demand.

THE FINDINGS FROM THE MODEL ARE ONLY INDICATIVE AND SHOULD BE READ WITH CAUTION

AT LEVEL 1

4.41 The model suggests that there is still a shortfall in provision or a lack of clear progression routes at Level 1, particularly in Business Administration; Construction; Engineering, Technology and Manufacturing; Retail/Customer Service and Transport.

AT LEVEL 2

4.42 The model suggests that there is still a shortfall in provision or a lack of clear progression routes at Level 2, especially in Business Administration, Management and Professional; Engineering, Technology and Manufacturing; and Retail.

AT LEVEL 3

4.43 The model suggests that current provision at Level 3 could lead to skills shortages in Construction; Engineering, Technology and Manufacturing; Health and Social Care; Hospitality, Sports/Leisure and Travel; and Retail.

WEST KENT

5. WEST KENT

KEY ISSUES AND FINDINGS

DEMAND

- West Kent's proximity to London means the pull on labour demand is significant with a higher level of commuting than other economic regions. Improvements to transport infrastructure shortening commuter times could exacerbate this.
- Annual employer demand for jobs in West Kent is anticipated to be around 32,600 job vacancies – one quarter (25%) of Kent and Medway labour demand.
- At local level, predicted job vacancies are fairly evenly spread across the three districts of Sevenoaks (30%), Tonbridge and Malling (35%) and Tunbridge Wells (35%).
- Employer demand for jobs in West Kent is higher than Kent and Medway's average in the following sectors: Wholesale and Retail, Real Estate/Renting and Business Activities, Construction, Finance and Other Services (e.g. sports and leisure).
- The largest employer demand for occupations is for professional and technical and skilled trades at one end, and elementary occupations at the other.

SUPPLY

- Less than one third (29%) of 16-17 year olds in 2001 did not hold a formal qualification.
- There are around 7,200 16-18 and 16,250 19+ learners in School Sixth Form, FE or Work Based Learning.
- West Kent has the highest overall 18-19 year old participation in Higher Education at 36%.
- Using latest publicly available data for National Benchmarking Success rates for the two FE College Institutions with sites in West Kent are above the average National benchmark for Long Qualifications (e.g. A-Level) for 16-18 year olds in 2002/2003.

DEMAND AND SUPPLY ANALYSIS

- There is still a shortfall in provision or lack of clear progression routes at Level 1, especially in Business Administration; Engineering, Technology; Beauty Therapy; Health and Social Care; Retail; and Media Technicians.
- There is still a shortfall in provision or lack of clear progression routes at Level 2, especially in Business Administration; Management and Professional; and Hospitality, Sports, Leisure and Travel.
- Current provision at Level 3 could lead to skills shortages in Business Administration; Construction; Engineering, Technology and Manufacturing; Beauty Therapy; and Hospitality, Sports, Leisure and Travel.

THE WEST KENT ECONOMY

POPULATION

West Kent has a population of around 324,000 with a working age population of around 60%.

5.1 The West Kent economic area comprises of the Local Authority Districts of Sevenoaks, Tonbridge and Malling, and Tunbridge Wells, with major towns including Sevenoaks, Tonbridge and Royal Tunbridge Wells. According to ONS 2003 Mid-year estimates the sub-region has a total population of around 324,000 residents.

5.2 West Kent contributes one fifth (20%) of the Kent and Medway working age population – around 195,000. Within West Kent, the working age population is around 60%, above East Kent (58%), comparable to the Channel Corridor (60%), but below the Thames Gateway (62%).

5.3 Tonbridge and Malling is the largest district in terms of population (around 115,200 working age residents), although the proportion of working age adults (61%) is close to both Tunbridge Wells (60%) and Sevenoaks (59%).

5.4 The cohort of young people (16 –19 year olds) is proportionately the second lowest of the four economic sub-regions (4.8%) – around 15,800 16-19 year olds. The prevalence of young people (5% of residents) is slightly below the Kent and Medway average, mainly due to relatively low numbers of young people in Tunbridge Wells. Using ONS sub-national population projections, the 14-19 population will reach a high in 2007 of 25,900 young people (up 1,300 on 2003). From 2008 the population is predicted to decline in line with Kent and Medway figures, and reaching a low of 24,100 in 2018. By the end of the population projection period in 2028, there is predicted to be 24,700 young people.

The 16-19 year old cohort is proportionately the lowest of the four sub-regions.

THE WEST KENT ECONOMY

In 2000, West Kent had the highest GVA in Kent & Medway, as well as the highest annual growth rate at 8% between 19998 and 2000.

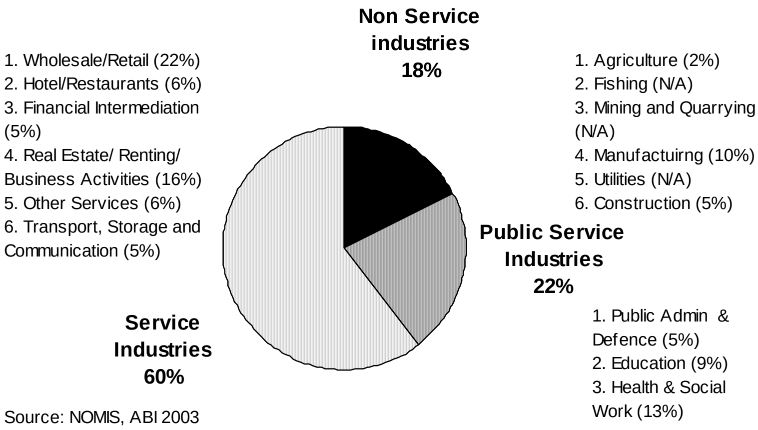
5.5 According to Business Link Kent, there are 13,463 businesses in West Kent, of which 96% employ less than 50 people. West Kent has the highest proportion of rural town/village based business (52%) compared to the Kent and Medway average (33%).

5.6 As an indicator of relative economic health, the Gross Value Added (GVA) KCC 2002[24] for West Kent is £12,640 per head in 2000, the highest of any economic region and 25% higher than East Kent. West Kent had the highest GVA growth rate from 1998-2000 at 8%, two percentage points higher than The Thames Gateway (6%), the region with the next highest growth rate.

[24] Local Gross Domestic Product (GDP) Estimates, ECN3 – May 2002 Kent County Council.

WORKFORCE

Figure 31: West Kent Distribution of Employment by Industry 2003



Source: NOMIS, ABI 2003

One in five workers were employed in non-service sectors in 2003, above the Kent and Medway average.

5.7 With reference to Figure 31, and using the Annual Business Inquiry (ABI) at broad sector level, the employment structure of West Kent is dominated by 'service' industries (82%), in line with Kent and Medway (82%)[25].

Table 32: West Kent Industry Distribution 2003

Sector	Channel Corridor	East Kent	Thames Gateway	West Kent	Kent and Medway
Service Industries	**57%**	**51%**	**56%**	**60%**	**56%**
Wholesale and Retail	20%	20%	22%	22%	21%
Hotels and Restaurants	8%	9%	7%	6%	7%
Finance	4%	2%	3%	5%	4%
Real Estate, Renting and Business Services	14%	9%	11%	16%	13%
Other Services	5%	5%	5%	6%	5%
Transport and Communications	7%	7%	6%	5%	6%
Public Service Industries	**26%**	**33%**	**24%**	**22%**	**26%**
Public Administration and Defence	6%	6%	4%	5%	5%
Education	7%	12%	9%	9%	9%
Health and Social Work	13%	15%	11%	13%	13%
Non-Service Industries	**18%**	**16%**	**20%**	**18%**	**18%**
Agriculture	2%	2%	2%	2%	2%
Manufacturing	9%	10%	12%	10%	10%
Construction	6%	4%	7%	5%	6%

Source: NOMIS ABI, 2003

Compared to other areas, West Kent has a higher proportion of employees in Real Estate/Renting & Business Services.

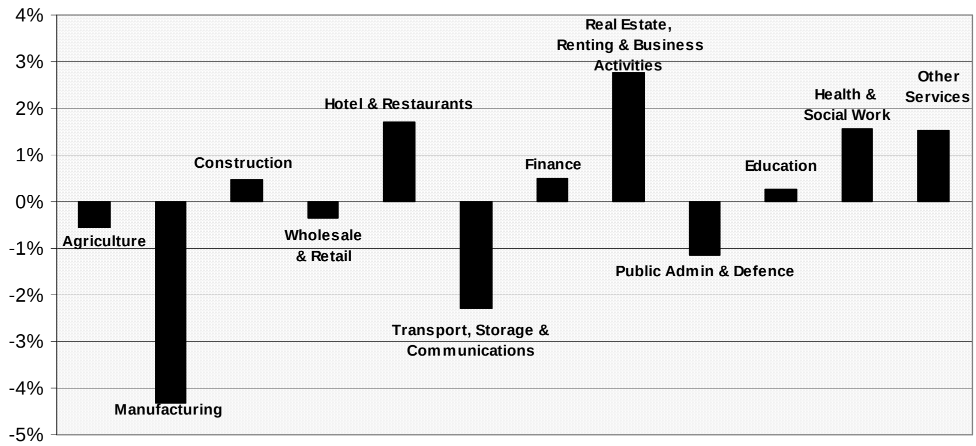
[25] Employment in Mining (Quarrying) and Utilities are shown as 'N/A'. Employment obviously exists in these industries, but due to small numbers in the ABI, data are suppressed at source for confidentiality reasons.

5.8 Table 32 above, shows sector comparisons against other sub-economic regions and the Kent and Medway total.

5.9 With reference to Figure 32, employment in Real Estate/Renting/Business Services is relatively strong in Sevenoaks (19% of jobs), and business service employers have increased their share of jobs in the area (up three percentage points between 1998 and 2003).

Real Estate, Renting and Business Activities sector saw the largest positive percentage change in employment.

Figure 32: West Kent Employment Change 1998-2003



Source: NOMIS, ABI 1998 and 2003

West Kent has traditionally low numbers of working age residents claiming benefits.

5.10 The business services sector also has an increasing share of total employee jobs in Tonbridge and Malling (13%), up two percentage points on 1998. Manufacturing's share of jobs is relatively high in Tonbridge (14%) although this is falling.

5.11 Health and Social Work (16%) is high in Tunbridge Wells and relatively high levels of employee jobs in financial activities (6%). However, this sector did not increase in employee numbers between 1998 and 2003.

UNEMPLOYMENT

5.12 West Kent districts have traditionally had relatively low rates of registered unemployment, the lowest rates of all districts in Kent and Medway (ranging 1.0% to 1.1%). The proportion of JSA claimants has not changed to any degree since 2000, compared to the higher unemployment areas.

Unemployment at around 1% is below the Kent and Medway average.

5.13 The rate of Incapacity Benefit claimants also tends to be lower in West Kent districts than most other local areas (ranging 0.8% to 1.9%).

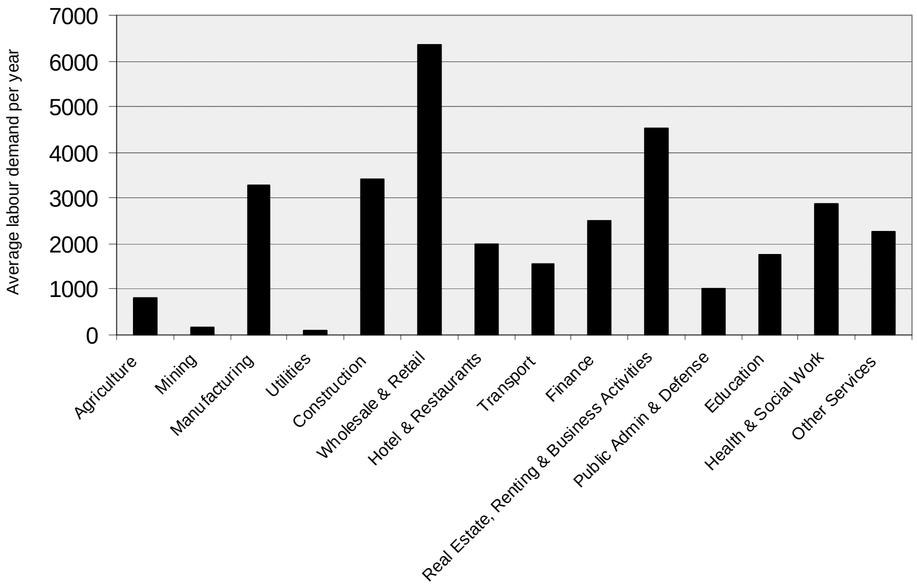
THE DEMAND FOR LEARNING AND SKILLS

5.14 The limitations of the Experian Business Strategies forecast model are explained in more detail in Chapter 3 and Annex C, particularly as the data is becoming more localised. **Outcomes from the model should be read with caution and are only an indication of anticipated demand.**

5.15 Based on the model the average annual anticipated labour demand in West Kent is approaching 32,600 job vacancies per annum – around one quarter (25%) of the Kent and Medway total labour demand. Given the limitations of the model, anticipated labour demand is similar to the Kent and Medway picture, with marginal sectoral differences, so that Figure 33 shows Wholesale and Retail with the highest anticipated demand for job vacancies – 6,361 jobs per annum.

One quarter of all predicted labour demand in Kent and Medway will be in West Kent, numbering around 32,600 job vacancies per annum.

Figure 33: Average Annual Labour Demand in West Kent by Sector

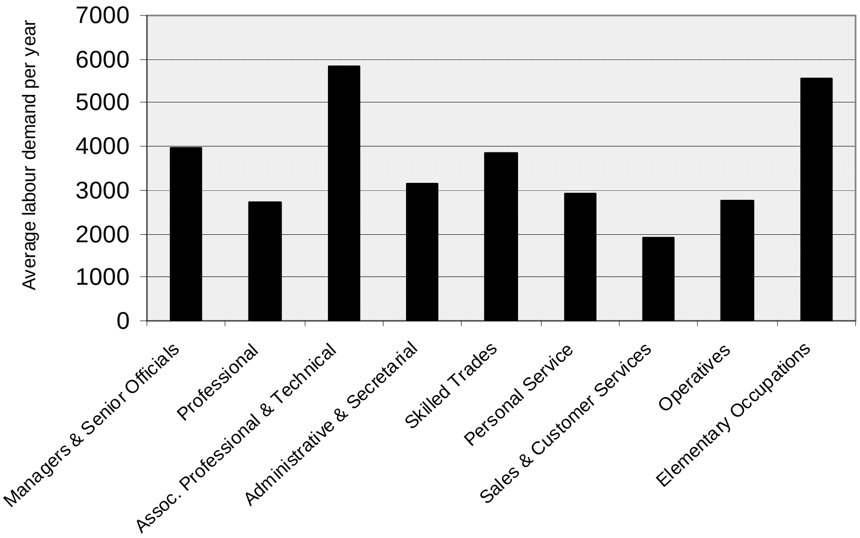


Source: Experian- Business Strategies Forecasts (Hoshin), 2005

5.16 The profile of future labour demand in West Kent (Figure 34) will reflect the overall pattern of growth in Kent and Medway, with a focus of new jobs in elementary occupations, administrative/clerical occupations and customer service related occupations.

5.17 West Kent's proximity to London means the pull on labour demand is significant with a higher level of commuting than other economic regions in the South or East Kent. Improvements to transport infrastructure shortening commuter times could exacerbate this further in the future.

Figure 34: Average Annual Labour Demand in West Kent by Occupation



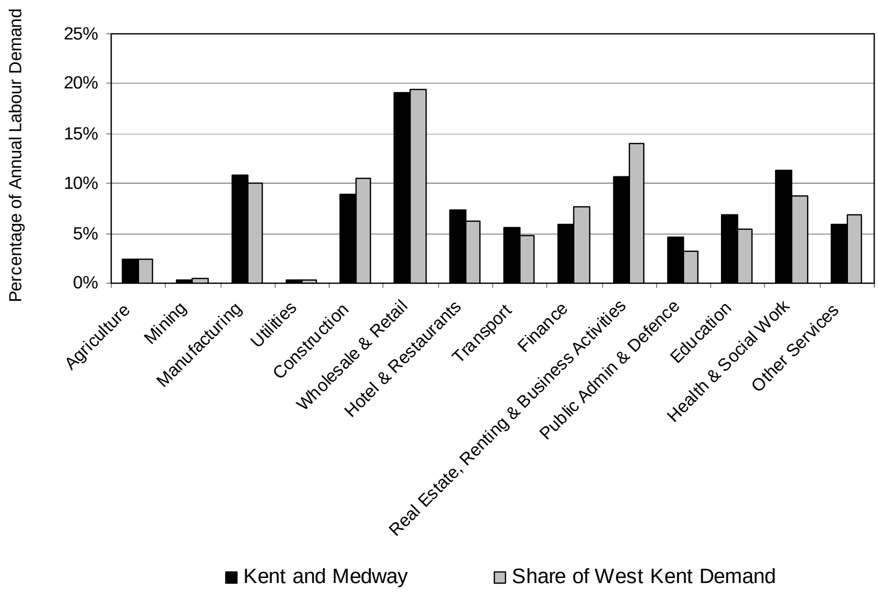
The share of labour demand for a number of sectors, including construction, exceeds the Kent and Medway average.

Source: Experian Business Strategies (Hoshin), 2005

The share of demand in a number of sectors including Real Estate/Renting & Business Activities exceeds the Kent and Medway average.

5.18 Proportionally more labour demand in West Kent will be in Wholesale and Retail, Real Estate/Renting and Business Activities, Construction, Finance and Other services compared to the Kent and Medway average (Figure 35). West Kent will see relatively less labour demand in the Public Admin and Defence, Health and Social Work and in Education.

Figure 35: Share of Labour Demand by Sector in West Kent



Source: Experian- Business Strategies Forecasts (Hoshin), 2005

THE SUPPLY OF LEARNING AND SKILLS

CURRENT QUALIFICATION LEVELS

5.19 Using the Census 2001, Skills Audit 2003 and Labour Force Survey 2004, skills levels in West Kent vary.

Less than one third (29%) of 16-17 year olds did not have a qualification in 2001.

West Kent has the highest percentage of residents with formal qualifications.

CENSUS 2001

5.20 Less than one third (29%) 16-17 year olds did not hold a formal qualification in 2001.

5.21 West Kent is below the average for people with poor literacy and numeracy skills.

5.22 West Kent has relatively low proportions of residents with no formal qualifications (23%). There are fewer unqualified residents in West Kent compared to the Kent and Medway average.

5.23 The profile of residents by qualification in West Kent is skewed more towards highly qualified people (Level 3 and above).

SKILLS AUDIT

5.24 According to the 2003 Skills Audit 17% of residents had no qualifications in West Kent, lower than the three other economic areas of The Channel Corridor (22%), East Kent (35%), and West Kent (17%). West Kent has the highest proportion of highly qualified residents (21% -Level 4+), compared to The Channel Corridor (17%), East Kent (13%), and The Thames Gateway (13%).

LABOUR FORCE SURVEY

5.25 As a whole, West Kent has the second highest proportion of highly qualified economically active adults (28%). West Kent is mixed in terms of highly qualified economically active people (NVQ 4+). Tunbridge Wells has the highest (33%), and this is well above the Kent and Medway, and national averages across local authority districts. Sevenoaks also benefits from relatively high numbers of highly qualified people, although to a lesser extent (30%). Tonbridge and Malling has less than a quarter (24%) of economically active adults qualified to NVQ Level 4.

PARTICIPATION

YOUNG PEOPLE 16-18

5.26 Participation (resident based) in West Kent for Further Education (FE), School Sixth Form and Work Based Learning (WBL) was around 7,200 learners.

Around 7,200 16-18 year- olds participate in education and training in West Kent.

Table 33: Young People (16-18) Resident Participation Rates in West Kent 2003-2004

Area	16-18		
	School Sixth Form	Further Education	Work Based learning
Kent and Medway	28%	24%	10%
West Kent	33%	20%	7%
Sevenoaks	31%	21%	7%
Tonbridge and Malling	33%	21%	9%
Tunbridge Wells	36%	19%	5%

Source: ILR, PLASC 2003-04, ONS Mid Year Population Estimates 2003

SCHOOL SIXTH FORM

5.27 Around 4,000 16-18 year old West Kent residents were in School Sixth Form in 2003/2004. With reference to Table 33, proportionately there is little variation between districts with around one in three 16-18 year olds in School Sixth Form.

FURTHER EDUCATION

5.28 Around 2,400 16-18 year old West Kent residents were in FE in 2003/2004. With reference to Table 33, proportionately there is little variation between the districts with around one in five 16-18 residents in FE in the West Kent.

WORK BASED LEARNING

5.29 Around 850 16-18 year old West Kent residents were in WBL in 2003/2004. With reference to Table 33, the proportion of 16-18 year olds in WBL ranged between 5% and 9% of the 16-18 population at district level.

Participation rates in Higher Education are above the Kent and Medway average.

HIGHER EDUCATION

5.30 West Kent does well in terms of the number of young people going into Higher Education (36%). This is well above the Kent and Medway and National average (28% and 29% respectively). Higher Education participation is above average across all West Kent districts, with good performance largely driven up by the higher proportion of young people in Higher Education in Tunbridge Wells (40%).

ADULTS (19+)

5.31 Participation (resident based) in the West Kent based on Further Education (FE) and Work Based Learning (WBL) was around 16,250 learners.

Around 16,250 Adults participate in FE or Work Based Learning.

Table 34: Adult (19+) Resident Participation Rates in West Kent 2003-2004

Area	19+		
	School Sixth Form	Further Education	Work Based learning
Kent and Medway	0%	6%	0.6%
West Kent	0%	6%	0.4%
Sevenoaks	0%	6%	0.3%
Tonbridge and Malling	0%	6%	0.5%
Tunbridge Wells	0%	7%	0.3%

Source: ILR, PLASC 2003-04, ONS Mid Year Population Estimates 2003

FURTHER EDUCATION

5.32 Around 15,340 19+ year old West Kent residents were in FE in 2003/2004. With reference to Table 34, proportionately there is no variation by district.

WORK BASED LEARNING

5.33 Around 900 19+ year old West Kent residents were in WBL in 2003/04. With reference to Table 34, the proportion of 19+ year olds in WBL ranged between 0.3% and 0.5% of the 19+ population at district level.

5.34 West Kent districts have relatively low levels of job related training – especially in Sevenoaks and Tonbridge and Malling where only around one in ten received job related training in the last four weeks. This is the lowest rate of job-related training in Kent and Medway.

PERFORMANCE

5.35 Success rates for Long qualifications (i.e. courses over 24 weeks that cover, for example A-levels, National Diplomas, NVQs etc) are generally lower than for Short courses.

5.36 Using the LSC National Benchmarking data for 2002/2003 (latest publicly available data) success rates for West Kent College (56%) placed the college just above average benchmark (55%). Hadlow College is measured against the Specialist FE Colleges National benchmark and achieved a success rate of 64%, 3% higher than the national figure of 61%.

DEMAND AND SUPPLY ANALYSIS

5.37 In this section modelling techniques are used to identify shortfalls in workforce skills against current provision. For full description of model assumptions and subject areas see Annex C. In an attempt to marry demand and supply together, the model matches direct employer demand for skills (vacancies) against current supply to identify where there is potentially disproportionate provision or lack of clear progression routes. **The model is only an indicator of the situation on the ground and outcomes must be read with local commonsense and knowledge. The outputs are designed to provoke dialogue rather than influence strategic planning**.

Demand and Supply Analysis is done by Skills Levels and Areas of Learning against employer demand.

THE FINDINGS FROM THE MODEL ARE ONLY INDICATIVE AND SHOULD BE READ WITH CAUTION

AT LEVEL 1

5.38 The model suggests that there is still a shortfall in provision or a lack of clear progression routes at Level 1, especially in Business Administration; Engineering, Technology; Beauty Therapy; Health and Social Care; Retail; and Media Technicians.

AT LEVEL 2

5.39 The model suggests that there is still a shortfall in provision or a lack of clear progression routes at Level 2, especially in Business Administration; Management and Professional; and Hospitality, Sports, Leisure and Travel.

AT LEVEL 3

5.40 The model suggests that current provision at Level 3 could lead to skills shortages in Business Administration; Construction; Engineering, Technology and Manufacturing; Beauty Therapy; and Hospitality, Sports, Leisure and Travel.

ANNEXES

ANNEX A: TABLE DATA

Table 1A: 2003 Population Figures for 14-16, 16-19 and 14-19 year olds

Table 1: Population 14 -16 and 16 -19 and 14 -19

Area	14-16 years	16-19 years	14-19 years	Total Population
Ashford	4056	5048	9104	105,900
Canterbury	5868	8544	14412	139,500
Dartford	3360	4280	7640	86,200
Dover	4212	5304	9516	105,400
Gravesham	3912	5088	9000	95,200
Maidstone	5244	6752	11996	141,500
Medway Towns	10788	14096	24884	251,100
Sevenoaks	4116	5216	9332	109,800
Shepway	3624	4504	8128	98,200
Swale	5052	6408	11460	125,300
Thanet	5100	6312	11412	127,700
Tonbridge and Malling	4428	5624	10052	109,600
Tunbridge Wells	4044	4944	8988	104,600
Kent & Medway	63804	82120	145924	1,600,00
Channel Corridor	12924	16304	29228	345,600
East Kent Triangle	15180	20160	35340	372,600
West Kent	12588	15784	28372	324,000
Thames Gateway	23112	29872	52984	557,800
Berkshire	31764	42024	73788	803,700
Hampshire and Isle of Wight	69888	93208	163096	1,813,000
Milton Keynes, Oxfordshire and Buckinghamshire	51552	67824	119376	1,309,000
Surrey	39432	50768	90200	1,075,600
Sussex	46776	60312	107088	1,321,000
South East LSCs	271452	396256	699472	7,923,300

Source: ONS 2003 Mid-year population estimates

Table 2A: Gross Value Added (£per head) South East 1998 - 2002

NUTS3 Location	Average GVA / head (£)				
	1998	1999	2000	2001	2002
Berkshire	19451	21413	22655	23985	25178
Brighton and Hove	11308	11725	12599	13761	14879
Buckinghamshire CC	15426	16031	16823	17512	18148
East Sussex CC	9172	9318	9618	10190	10758
Hampshire CC	12501	12833	13475	14175	14808
Isle of Wight	7646	8095	8883	9443	9522
Milton Keynes	18299	19162	19984	21167	22139
Oxfordshire	15318	16282	17247	18095	18928
Portsmouth	13840	14511	15350	16212	17440
Southampton	14490	15731	15074	15577	16727
Surrey	16208	17315	18358	19558	20689
West Sussex	13496	13887	14537	15316	16265
Kent	10868	11287	11687	12222	12753
Medway	8586	9165	9510	9888	10326
Kent & Medway	10507	10953	11343	11853	12371
SE Mean	13329	14054	14700	15507	16326
England Mean	12574	13045	13531	14163	14837

Source : ONS National Accounts 2002

Table 3A: Sector distribution by Employment Numbers 2003

	Agriculture	Fishing	C : Mining and quarrying	D : Manufacturing	E : Utilities	F : Construction	G : Wholesale and Retail trade	H : Hotels and Restaurants	I : Transport, Storage and communication	J : Financial intermediation	K : Real estate, Renting and business activities	L : Public Administration and defence	M : Education	N : Health and social work	O : Other services	Total
Ashford	1043	~	~	4835	~	3144	10297	3053	2011	1329	5647	1372	3275	5599	1726	43331
Canterbury	1264	~	~	2903	~	2321	12726	4587	2255	1172	4762	2360	7952	9209	2551	54062
Dartford	403	~	~	3455	~	4672	14614	3220	3234	1611	4221	~	2928	6869	1464	46691
Dover	1037	~	~	5603	~	1553	5593	3125	4677	408	4807	3918	2699	4179	1430	39029
Gravesham	508	~	~	3456	~	2067	5888	1873	1638	596	2523	1492	2405	2335	1462	26243
Maidstone	1861	~	~	5227	~	4450	13352	5171	3979	2581	11165	5869	3798	9452	3637	70542
Medway Towns	719	~	~	9862	~	4131	15889	6353	3940	3967	11266	3840	9361	10049	4641	84018
Sevenoaks	734	~	~	3588	~	3204	9188	2913	1348	898	7436	1077	3344	3239	3157	40126
Shepway	365	~	~	2464	~	1576	5891	3084	3591	1789	3146	1751	2772	4442	1738	32609
Swale	1845	~	~	7015	~	2497	8323	2832	3266	612	4708	2342	3226	3630	2168	42464
Thanet	273	~	~	3989	~	1834	7395	3741	1412	523	2600	1602	4365	6616	1920	36270
Tonbridge and Malling	1207	~	~	7160	~	2477	10099	2614	3419	2980	6664	1788	3917	4829	2477	49631
Tunbridge Wells	1113	~	~	2790	~	1816	11532	2987	1619	3448	7930	972	3222	7880	2542	47851
Kent & Medway	12372	~	~	62347	~	35742	130787	45553	36389	21914	76875	28383	53264	78328	30913	612867
Channel Corridor	3269	~	~	12526	~	9170	29540	11308	9581	5699	19958	8992	9845	19493	7101	146482
East Kent Triangle	2574	~	~	12495	~	5708	25714	11453	8344	2103	12169	7880	15016	20004	5901	129361
West Kent	3054	~	~	13538	~	7497	30819	8514	6386	7326	22030	3837	10483	15948	8176	137608
Thames Gateway	3475	~	~	23788	~	13367	44714	14278	12078	6786	22718	7674	17920	22883	9735	199416
Berkshire	1632	~	~	40077	~	15155	83296	27818	38013	14867	124706	14646	36059	33940	20423	450632
Hampshire and Isle of Wight	8053	~	~	84284	~	35724	152630	49442	36429	25510	125951	33494	73840	87424	45729	758567
Milton Keynes, Oxfordshire and Buckinghamshire	5026	~	~	75273	~	18563	129630	41042	35295	18015	142560	25624	66955	60451	30842	649276
Surrey	3799	~	~	40164	~	22370	92409	41066	24929	24618	112761	12389	42705	48131	30891	496232
Sussex	7501	~	~	49816	~	19272	99536	33547	22540	22676	76240	25082	52319	72194	29704	510451
South East Average	6397	~	~	58660	~	24471	114715	39745	32266	21267	109849	23270	54190	63411	31417	579671
Engalnd Average	560	~	~	7971	~	2753	11396	4261	3862	2739	10211	3634	5670	6924	3239	62545

Source: NOMIS, ABI 2003

Table 4A: Sector Distribution 2003 as a percentage

	A : Agriculture	B : Fishing	C : Mining and quarrying	D : Manufacturing	E : Utilities	F : Construction	G : Wholesale and Retail trade	H : Hotels and Restaurants	I : Transport, Storage and communication	J : Financial inter-mediation	K : Real estate, Renting and business activities	L : Public Administration and defence	M : Education	N : Health and social work	O : Other services
Ashford	2.4%	~	~	11.2%	~	7.3%	23.8%	7.0%	4.6%	3.1%	13.0%	3.2%	7.6%	12.9%	4.0%
Canterbury	2.3%	~	~	5.4%	~	4.3%	23.5%	8.5%	4.2%	2.2%	8.8%	4.4%	14.7%	17.0%	4.7%
Dartford	0.9%	~	~	7.4%	~	10.0%	31.3%	6.9%	6.9%	3.5%	9.0%	~	6.3%	14.7%	3.1%
Dover	2.7%	~	~	14.4%	~	4.0%	14.3%	8.0%	12.0%	1.0%	12.3%	10.0%	6.9%	10.7%	3.7%
Gravesham	1.9%	~	~	13.2%	~	7.9%	22.4%	7.1%	6.2%	2.3%	9.6%	5.7%	9.2%	8.9%	5.6%
Maidstone	2.6%	~	~	7.4%	~	6.3%	18.9%	7.3%	5.6%	3.7%	15.8%	8.3%	5.4%	13.4%	5.2%
Medway Towns	0.9%	~	~	11.7%	~	4.9%	18.9%	7.6%	4.7%	4.7%	13.4%	4.6%	11.1%	12.0%	5.5%
Sevenoaks	1.8%	~	~	8.9%	~	8.0%	22.9%	7.3%	3.4%	2.2%	18.5%	2.7%	8.3%	8.1%	7.9%
Shepway	1.1%	~	~	7.6%	~	4.8%	18.1%	9.5%	11.0%	5.5%	9.6%	5.4%	8.5%	13.6%	5.3%
Swale	4.3%	~	~	16.5%	~	5.9%	19.6%	6.7%	7.7%	1.4%	11.1%	5.5%	7.6%	8.5%	5.1%
Thanet	0.8%	~	~	11.0%	~	5.1%	20.4%	10.3%	3.9%	1.4%	7.2%	4.4%	12.0%	18.2%	5.3%
Tonbridge and Malling	2.4%	~	~	14.4%	~	5.0%	20.3%	5.3%	6.9%	6.0%	13.4%	3.6%	7.9%	9.7%	5.0%
Tunbridge Wells	2.3%	~	~	5.8%	~	3.8%	24.1%	6.2%	3.4%	7.2%	16.6%	2.0%	6.7%	16.5%	5.3%
Kent & Medway	2.0%	~	~	10.2%	~	5.8%	21.3%	7.4%	5.9%	3.6%	12.5%	4.6%	8.7%	12.8%	5.0%
Channel Corridor	2.2%	~	~	8.6%	~	6.3%	20.2%	7.7%	6.5%	3.9%	13.6%	6.1%	6.7%	13.3%	4.8%
East Kent Triangle	2.0%	~	~	9.7%	~	4.4%	19.9%	8.9%	6.5%	1.6%	9.4%	6.1%	11.6%	15.5%	4.6%
West Kent	2.2%	~	~	9.8%	~	5.4%	22.4%	6.2%	4.6%	5.3%	16.0%	2.8%	7.6%	11.6%	5.9%
Thames Gateway	1.7%	~	~	11.9%	~	6.7%	22.4%	7.2%	6.1%	3.4%	11.4%	3.8%	9.0%	11.5%	4.9%
Berkshire	0.4%	~	~	8.9%	~	3.4%	18.5%	6.2%	8.4%	3.3%	27.7%	3.3%	8.0%	7.5%	4.5%
Hampshire and Isle of Wight	1.1%	~	~	11.1%	~	4.7%	20.1%	6.5%	4.8%	3.4%	16.6%	4.4%	9.7%	11.5%	6.0%
Milton Keynes, Oxfordshire and Buckinghamshire	0.8%	~	~	11.6%	~	2.9%	20.0%	6.3%	5.4%	2.8%	22.0%	3.9%	10.3%	9.3%	4.8%
Surrey	0.8%	~	~	8.1%	~	4.5%	18.6%	8.3%	5.0%	5.0%	22.7%	2.5%	8.6%	9.7%	6.2%
Sussex	1.5%	~	~	9.8%	~	3.8%	19.5%	6.6%	4.4%	4.4%	14.9%	4.9%	10.2%	14.1%	5.8%
South East Average	1.1%	~	~	9.9%	~	4.2%	19.7%	6.9%	5.7%	3.7%	19.4%	3.9%	9.3%	10.8%	5.4%
Engalnd Average	1.5%	~	~	14.3%	~	4.9%	19.0%	7.4%	5.8%	3.0%	14.4%	5.2%	9.3%	11.1%	5.1%

Table 5A: Frequency Sector Employment Change 1998 to 2003

	A : Agriculture	B : Fishing	C : Mining and quarrying	D : Manu-facturing	E : Utilities	F : Con-struction	G : Whole-sale and Retail trade	H : Hotels and Res-taurants	I : Transport, Storage and commun-ication	J : Financial inter-mediation	K : Real estate, Renting and business activities	L : Public Admin-istration and defence	M : Education	N : Health and social work	O : Other services
Ashford	-403	~	~	-1539	~	1466	2057	1171	-221	-13	-823	157	878	1328	687
Canterbury	-117	~	~	-1258	~	86	846	54	-582	-577	787	291	185	153	685
Dartford	-63	~	~	-3433	~	2072	8549	1769	-941	766	-264	~	720	766	490
Dover	-492	~	~	64	~	18	-211	1090	-399	-135	577	1338	750	683	258
Gravesham	-25	~	~	-900	~	874	-36	517	-393	224	-47	~	-311	408	490
Maidstone	-194	~	~	-2032	~	629	882	1574	128	-790	1798	-2404	702	4125	1245
Medway Towns	-132	~	~	-3496	~	1141	-557	3052	-225	-1300	2596	-3848	2290	1601	92
Sevenoaks	-36	~	~	-1143	~	1006	509	1115	-493	-391	1746	-919	748	540	774
Shepway	-156	~	~	-777	~	89	-481	696	411	-194	584	-226	-46	935	473
Swale	167	~	~	-2617	~	537	1068	902	-96	12	1098	697	1310	-326	1085
Thanet	-181	~	~	-1031	~	-881	712	1077	46	8	730	206	582	346	580
Tonbridge and Malling	-230	~	~	-2697	~	-14	-762	658	-330	2138	1586	559	438	1002	909
Tunbridge Wells	-341	~	~	-1289	~	-72	1063	833	-1952	-767	1236	-985	-400	1164	681
Kent & Medway	-2203	~	~	-22148	~	6951	13639	14508	-5047	-1019	11604	-5134	7846	12725	8449
Channel Corridor	-753	~	~	-4348	~	2184	5329.08	3441	318	-997	1559	-2473	1534	6388	2405
East Kent Triangle	-790	~	~	-2225	~	-777	6108.032	2221	-935	-704	2094	1835	1517	1182	1523
West Kent	-607	~	~	-5129	~	920	5785.048	2606	-2775	980	4568	-1345	786	2706	2364
Thames Gateway	-53	~	~	-10446	~	4624	5838.8787	6240	-1655	-298	3383	~	4009	2449	2157
Berkshire	-127	~	~	-7638	~	463	-3859	3041	12320	-855	17603	-7634	19273	6708	-581
Hampshire and Isle of Wight	-1180	~	~	-23224	~	1536	17196	2639	3583	-2651	11038	-11252	5588	9693	14187
Milton Keynes, Oxfordshire and Buckinghamshire	-1201	~	~	-15851	~	-5077	787	4845	7726	-273	17631	-4038	14261	11269	-2411
Surrey	-586	~	~	-11410	~	-898	483	11924	-17567	2686	13994	692	8223	3325	8164
Sussex	-1599	~	~	-4512	~	1425	6944	-662	2698	-6133	20792	2007	6206	3647	5936
South East Average	-1149	~	~	-14131	~	733	5865.00	6049.17	619	-1374	15444	-4227	10233	7895	5624
Engalnd Average	-141	~	~	-1957	~	157	610	481	305	59	1271	127	1047	893	464

Source: NOMIS, ABI 2003

Table 6A: Percentage Sector Employment Change 1998 to 2003

	A : Agriculture	B : Fishing	C : Mining and quarrying	D : Manu-facturing	E : Utilities	F : Con-struction	G : Wholesale and Retail trade	H : Hotels and Res-taurants	I : Transport, Storage and communicat ion	J : Financial inter-mediation	K : Real estate, Renting and business activities	L : Public Admin-mistration and defence	M : Education	N : Health and social work	O : Other services
Ashford	-1.3%	~	~	-5.4%	~	2.9%	2.4%	2.2%	-1.1%	-0.4%	-3.7%	0.0%	1.3%	1.9%	1.3%
Canterbury	-0.2%	~	~	-2.4%	~	0.1%	1.3%	0.0%	-1.1%	-1.1%	1.4%	0.5%	0.2%	0.1%	1.2%
Dartford	-0.4%	~	~	-11.3%	~	3.0%	14.9%	3.0%	-4.4%	1.2%	-3.1%	~	0.3%	-1.8%	0.5%
Dover	-1.7%	~	~	-1.3%	~	-0.3%	-2.0%	2.3%	-2.3%	-0.5%	0.4%	2.8%	1.4%	0.9%	0.4%
Gravesham	-0.3%	~	~	-5.0%	~	2.9%	-2.3%	1.5%	-2.2%	0.7%	-1.1%	~	-2.2%	0.9%	1.5%
Maidstone	-0.5%	~	~	-3.8%	~	0.4%	-0.3%	1.8%	-0.3%	-1.5%	1.4%	-4.4%	0.6%	5.2%	1.5%
Medway Towns	-0.2%	~	~	-4.4%	~	1.3%	-0.9%	3.6%	-0.3%	-1.6%	2.9%	-4.7%	2.6%	1.8%	0.0%
Sevenoaks	-0.3%	~	~	-4.0%	~	2.0%	-0.8%	2.4%	-1.7%	-1.3%	3.0%	-2.8%	1.3%	0.7%	1.4%
Shepway	-0.5%	~	~	-2.8%	~	0.1%	-2.3%	1.8%	0.9%	-0.8%	1.5%	-0.9%	-0.5%	2.4%	1.3%
Swale	0.0%	~	~	-8.4%	~	0.8%	0.8%	1.7%	-1.0%	-0.1%	1.7%	1.3%	2.6%	-1.7%	2.3%
Thanet	-0.6%	~	~	-3.7%	~	-2.9%	0.8%	2.5%	-0.1%	-0.1%	1.7%	0.3%	0.9%	-0.2%	1.4%
Tonbridge and Malling	-0.7%	~	~	-6.7%	~	-0.4%	-3.0%	1.1%	-1.2%	4.2%	2.5%	1.0%	0.4%	1.5%	1.6%
Tunbridge Wells	-0.7%	~	~	-2.5%	~	-0.1%	2.6%	1.8%	-4.0%	-1.5%	2.8%	-2.0%	-0.7%	2.7%	1.5%
Kent & Medway	-0.5%	~	~	-4.6%	~	0.8%	0.9%	2.0%	-1.3%	-0.4%	1.1%	-1.1%	0.8%	1.3%	1.1%
Channel Corridor	-0.8%	~	~	-4.0%	~	1.1%	0.1%	1.9%	-0.3%	-1.1%	0.0%	-2.4%	0.6%	3.6%	1.4%
East Kent Triangle	-0.7%	~	~	-2.3%	~	-0.9%	0.1%	1.4%	-1.1%	-0.7%	1.2%	1.2%	0.6%	0.2%	1.0%
West Kent	-0.6%	~	~	-4.3%	~	0.5%	-0.4%	1.7%	-2.3%	0.5%	2.8%	-1.1%	0.3%	1.6%	1.5%
Thames Gateway	-0.2%	~	~	-6.8%	~	1.9%	2.8%	2.8%	-1.5%	-0.5%	0.8%	-1.6%	1.4%	0.3%	0.7%
Berkshire	0.0%	~	~	-2.7%	~	-0.2%	-2.7%	0.2%	2.2%	-0.5%	1.7%	-2.2%	3.9%	0.9%	-0.6%
Hampshire and Isle of Wight	-0.2%	~	~	-3.5%	~	0.1%	1.7%	0.2%	0.3%	-0.5%	1.0%	-2.4%	0.5%	1.0%	1.7%
Milton Keynes, Oxfordshire and Buckinghamshire	-0.2%	~	~	-3.1%	~	-0.9%	-0.8%	0.5%	1.0%	-0.2%	1.9%	-0.8%	1.8%	1.4%	-0.6%
Surrey	-0.2%	~	~	-2.7%	~	-0.4%	-0.6%	2.2%	-3.9%	0.4%	2.1%	-0.2%	1.4%	0.3%	1.5%
Sussex	-0.5%	~	~	-1.7%	~	0.0%	0.0%	-0.6%	0.2%	-1.6%	3.2%	0.0%	0.5%	-0.3%	0.8%
South East Average	-0.3%	~	~	-3.0%	~	-0.1%	-0.2%	0.7%	-0.2%	-0.5%	1.8%	-1.1%	1.5%	0.8%	0.7%
Engalnd Average	-0.5%	~	~	-4.1%	~	0.0%	0.2%	0.5%	0.2%	-0.2%	1.5%	-0.1%	1.4%	0.6%	0.6%

Source: NOMIS, ABI 2003

Table 7A: Claimant numbers and percentages of working age population

	Job Seeker Allowance (Claimants)	Job Seeker Allowance (% of working population)	Incapacity Benefit (Claimants)	Incapacity Benefit (% of working age population)
Ashford	841	1.3%	1100	1.7%
Canterbury	1263	1.5%	1400	1.7%
Dartford	987	1.9%	1000	1.9%
Dover	1487	2.4%	1200	1.9%
Gravesham	1373	2.4%	1400	2.4%
Maidstone	1119	1.3%	1500	1.7%
Medway Towns	3608	2.3%	2800	1.8%
Sevenoaks	648	1.0%	1200	1.9%
Shepway	1506	2.6%	1300	2.2%
Swale	1631	2.1%	1600	2.1%
Thanet	2405	3.4%	1900	2.7%
Tonbridge and Malling	699	1.1%	700	1.1%
Tunbridge Wells	674	1.1%	500	0.8%
Kent & Medway	18241	1.9%	17600	1.8%
Channel Corridor	3466	1.7%	3900	1.9%
East Kent Triangle	5155	2.4%	4500	2.1%
West Kent	2021	1.1%	2400	1.3%
Thames Gateway	7599	2.2%	6800	2.0%
Berkshire	7734	1.5%	5400	1.0%
Hampshire and Isle of Wight	15144	1.3%	16400	1.5%
Kent and Medway	18241	1.9%	17600	1.8%
Milton Keynes, Oxfordshire and Buckinghamshire	10132	1.2%	9300	1.1%
Surrey	6413	1.0%	7400	1.1%
Sussex	13759	1.8%	13600	1.8%
South East Average	71423	1.5%	69700	1.4%
England	701320	1.9%	633200	2.0%

Source: JSA Claimant Count Feb 2005, DWP Incapacity benefit/Severe Disablement Allowance Nov 2004

Table 8A: Jobseeker's Allowance Claimants by Age Group

	Jobseekers Allowance Claimants, Income Based Claimants Aged Under 20		Jobseekers Allowance Claimants, Income Based Claimants Aged 20-29		Jobseekers Allowance Claimants, Income Based Claimants Aged 30-39		Jobseekers Allowance Claimants, Income Based Claimants Aged 40-49		Jobseekers Allowance Claimants, Income Based Claimants Aged 50 and Over	
Area	**Count**	**%**	**Count**	**%**	**Count**	**%**	**Count**	**%**	**Count**	**%**
Medway	375	10.5%	760	21.2%	600	16.8%	430	12.0%	420	11.7%
Ashford	90	9.9%	180	19.8%	140	15.4%	90	9.9%	85	9.3%
Canterbury	115	9.0%	270	21.1%	215	16.8%	130	10.2%	150	11.7%
Dartford	110	11.6%	160	16.8%	135	14.2%	90	9.5%	85	8.9%
Dover	115	9.7%	265	22.3%	185	15.5%	135	11.3%	150	12.6%
Gravesham	135	9.6%	270	19.2%	230	16.4%	180	12.8%	145	10.3%
Maidstone	105	8.8%	245	20.4%	170	14.2%	115	9.6%	120	10.0%
Sevenoaks	50	6.8%	120	16.4%	75	10.3%	75	10.3%	60	8.2%
Shepway	105	8.0%	260	19.7%	205	15.5%	185	14.0%	180	13.6%
Swale	195	13.0%	270	17.9%	190	12.6%	170	11.3%	185	12.3%
Thanet	245	9.9%	540	21.9%	415	16.8%	350	14.2%	365	14.8%
Tonbridge and Malling	60	8.2%	125	17.0%	100	13.6%	65	8.8%	75	10.2%
Tunbridge Wells	40	6.0%	100	15.0%	100	15.0%	75	11.3%	75	11.3%
Kent	1365	9.5%	2805	19.5%	2160	15.0%	1660	11.6%	1675	11.7%
Kent and Medway	1740	9.7%	3565	19.9%	2760	15.4%	2090	11.6%	2095	11.7%
South East	5738	8.0%	13623	18.9%	11094	15.4%	8197	11.4%	7200	10.0%
England	71204	9.7%	173259	23.7%	126672	17.3%	87625	12.0%	68870	9.4%

Source: ONS Neighbourhood Statistics Economic Deprivation JSA 2003

Leading learning and skills

Table 9A: Incapacity Benefit Claimants by Age Group

	Incapacity Benefit Claimants, Aged Under 30		Incapacity Benefit Claimants, Aged 30-39		Incapacity Benefit Claimants, Aged 40-49		Incapacity Benefit Claimants, Aged 50-59		Incapacity Benefit Claimants, Aged 60 and Over	
Area	**Count**	**%**	**Count**	**%**	**Count**	**%**	**Count**	**%**	**Count**	**%**
Medway	655	9.5%	1230	17.9%	1600	23.3%	2475	36.0%	915	13.3%
Ashford	230	9.1%	415	16.4%	555	21.9%	920	36.3%	415	16.4%
Canterbury	355	9.0%	625	15.9%	855	21.8%	1515	38.6%	575	14.6%
Dartford	250	11.5%	350	16.1%	460	21.2%	790	36.4%	320	14.7%
Dover	295	7.8%	545	14.4%	860	22.7%	1450	38.3%	635	16.8%
Gravesham	240	8.6%	490	17.7%	620	22.3%	995	35.9%	425	15.3%
Maidstone	370	11.3%	580	17.7%	735	22.4%	1125	34.2%	470	14.3%
Sevenoaks	170	8.5%	315	15.8%	450	22.5%	765	38.3%	295	14.8%
Shepway	295	8.5%	575	16.5%	815	23.4%	1275	36.6%	525	15.1%
Swale	450	10.5%	720	16.8%	940	21.9%	1520	35.5%	650	15.2%
Thanet	460	8.5%	835	15.4%	1270	23.4%	2055	37.9%	805	14.9%
Tonbridge and Malling	170	8.5%	315	15.7%	465	23.2%	755	37.7%	305	15.2%
Tunbridge Wells	225	11.4%	375	19.0%	435	22.0%	685	34.7%	245	12.4%
Kent	3510	9.1%	6140	15.9%	8460	22.4%	13850	35.9%	6580	17.1%
Kent and Medway	4165	9.2%	7370	16.2%	10060	22.2%	16325	35.9%	7495	16.5%
South East	17880	9.6%	32794	17.7%	42384	22.9%	66381	35.8%	25895	14.0%
England	184989	9.7%	332770	17.5%	435861	22.9%	681396	35.7%	271332	14.2%

Source: ONS Neighbourhood Statistics Work Deprivation Incapacity Benefit 2002

Table 10A: Hard to Fill Vacancies by Sector and Occupation 2003

	Managers & Senior Officials	Professional	Assoc. Professional & Technical	Administrative & Secretarial	Skilled Trades	Personal Service	Sales & Customer Services	Operatives	Elementary Occupations	Total Sector
A : Agriculture	0.00%	0.06%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.06%
C : Mining and quarrying	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
D : Manufacturing	0.13%	0.00%	0.19%	0.06%	1.29%	0.00%	0.39%	0.19%	0.00%	2.25%
E : Utilities	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
F : Construction	0.00%	0.00%	0.00%	0.13%	2.96%	0.00%	0.13%	0.13%	0.39%	3.73%
G : Wholesale and Retail tra	0.13%	0.00%	0.13%	0.19%	1.74%	0.00%	2.25%	0.77%	0.06%	5.28%
H : Hotels and Restaurants	0.19%	0.00%	0.06%	0.13%	0.77%	0.06%	2.19%	0.06%	2.12%	5.60%
I : Transport, Storage and communication	0.00%	0.00%	0.19%	0.26%	0.26%	0.13%	0.06%	5.28%	0.06%	6.24%
J : Financial intermediation	0.19%	0.00%	0.13%	0.00%	0.00%	0.00%	0.13%	0.00%	0.00%	0.45%
K : Real estate, Renting and business activities	0.13%	0.84%	0.84%	0.19%	0.32%	0.00%	0.32%	0.71%	0.13%	3.47%
L : Public Administration and	0.00%	0.00%	0.00%	0.00%	0.19%	0.00%	0.00%	0.00%	0.06%	0.26%
M : Education	0.00%	0.84%	0.45%	0.00%	0.06%	0.51%	0.00%	2.57%	0.51%	4.95%
N : Health and social work	0.06%	0.77%	6.95%	3.28%	0.13%	1.80%	0.00%	0.00%	0.39%	13.38%
O : Other services	0.06%	0.06%	0.06%	0.06%	0.13%	0.97%	0.19%	0.13%	0.45%	2.12%
Total Occupation	0.90%	2.57%	9.01%	4.31%	7.85%	3.47%	5.66%	9.85%	4.18%	

Source: NESS 2003

Table 11A: Skills shortages by Sector and Occupation

	Managers & Senior Officials	Professional	Assoc. Professional & Technical	Administrative & Secretarial	Skilled Trades	Personal Service	Sales & Customer Services	Operatives	Elementary Occupations
A : Agriculture	0.00%	0.06%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
C : Mining and quarrying	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
D : Manufacturing	0.06%	0.00%	0.19%	0.06%	0.64%	0.00%	0.19%	0.13%	0.00%
E : Utilities	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
F : Construction	0.00%	0.00%	0.00%	0.06%	2.38%	0.00%	0.13%	0.06%	0.26%
G : Wholesale and Retail trade	0.06%	0.00%	0.00%	0.13%	1.09%	0.00%	0.26%	0.19%	0.00%
H : Hotels and Restaurants	0.06%	0.00%	0.06%	0.00%	0.32%	0.00%	0.13%	0.06%	0.45%
I : Transport, Storage and communication	0.00%	0.00%	0.19%	0.19%	0.19%	0.00%	0.00%	0.13%	0.00%
J : Financial intermediation	0.19%	0.00%	0.06%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
K : Real estate, Renting and business activities	0.06%	0.32%	0.32%	0.06%	0.32%	0.00%	0.26%	0.00%	0.00%
L : Public Administration and defence	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
M : Education	0.00%	0.19%	0.45%	0.00%	0.00%	0.51%	0.00%	0.00%	0.00%
N : Health and social work	0.00%	0.06%	6.63%	0.06%	0.06%	0.32%	0.00%	0.00%	0.00%
O : Other services	0.00%	0.00%	0.06%	0.06%	0.00%	0.45%	0.00%	0.00%	0.26%
Total Occupation	0.45%	0.64%	7.98%	0.64%	5.02%	1.29%	0.97%	0.58%	0.97%

Source: NESS 2003

Table 12A: Anticipated Gross Demand for Jobs per Annum 2006 to 2016

	Managers & Senior Officials	Professional	Assoc. Professional & Technical	Administrative & Secretarial	Skilled Trades	Personal Service	Sales & Customer Services	Operatives	Elementary Occupations
A : Agriculture	402	280	578	316	337	289	192	281	577
C : Mining and quarrying	43	29	64	35	39	32	21	31	62
D : Manufacturing	1794	1251	2686	1448	1734	1337	863	1301	2609
E : Utilities	65	45	98	49	62	48	28	49	94
F : Construction	1517	1062	2218	1147	1580	1104	721	993	2087
G : Wholesale and Retail trade	3058	2246	4724	2567	3123	2357	1615	2294	4563
H : Hotels and Restaurants	1334	863	1816	1009	1187	909	593	900	1612
I : Transport, Storage and communication	968	660	1375	751	884	685	447	553	1317
J : Financial intermediation	970	693	1462	734	947	723	450	691	1399
K : Real estate, Renting and business activities	1851	1240	2635	1452	1744	1305	850	1270	2483
L : Public Administration and defe	735	532	1120	636	746	570	366	550	1104
M : Education	1177	504	1743	983	1101	913	548	828	1704
N : Health and social work	1935	1325	2746	1501	1801	1410	911	1349	2709
O : Other services	1006	706	1424	774	964	655	486	711	1392
Total Occupation	16855	11436	24689	13402	16249	12337	8091	11801	23712

Source: Experian Business Strategies 2003 (Hoshin 2005)

Table 13A: Highly Qualified Residents

	Qualified to Level 3		Qualified to Level 4+	
Area	**Count**	**%**	**Count**	**%**
Medway	59000	37.0%	26000	16.0%
Ashford	30000	48.3%	17000	28.3%
Canterbury	37000	49.1%	26000	35.0%
Dartford	15000	29.2%	8000	15.3%
Dover	22000	36.8%	11000	17.8%
Gravesham	24000	41.5%	13000	22.7%
Maidstone	39000	46.4%	24000	28.7%
Sevenoaks	31000	46.5%	17000	25.8%
Shepway	20000	36.2%	12000	21.1%
Swale	31000	42.8%	15000	21.2%
Thanet	27000	37.9%	14000	19.3%
Tonbridge and Malling	29000	43.5%	14000	21.5%
Tunbridge Wells	29000	48.8%	18000	30.2%
Kent and Medway	393000	41.7%	215000	22.8%
South East average %	-	49.6%	-	30.0%
England average %	-	45.0%	-	25.9%

Source: NOMIS, LFS Q1-4 2004

Table 14A: Higher Education Participation Levels

	HE Particpation	
Area	**Count**	**%**
Medway	337	20.4%
Ashford	511	28.1%
Canterbury	229	34.5%
Dartford	335	24.1%
Dover	290	26.0%
Gravesham	613	25.0%
Maidstone	671	33.9%
Sevenoaks	498	36.9%
Shepway	288	24.9%
Swale	329	21.1%
Thanet	346	22.9%
Tonbridge and Malling	393	30.5%
Tunbridge Wells	503	40.2%
Kent and Medway	5344	27.7%
Channel Corridor	1239	29.7%
East Kent Triangle	1191	27.8%
West Kent	1394	35.8%
Thames Gateway	1520	21.9%
Berkshire	3376	35.6%
Hampshire and Isle of Wight	6376	30.5%
Milton Keynes, Oxfordshire and Buckinghamshire	5359	34.5%
Surrey	4932	40.3%
Sussex	4303	30.5%
South East	29689	33.2%
England	167109	29.6%

Source: NOMIS, LFS Q1-4, 2004

Table 15A: GSCE Pass Rates

LEA	LSC	5 Passes A*-C	One Pass	No passes
Bracknell Forest	Berkshire	65.7%	97.2%	2.8%
Reading	Berkshire	61.9%	93.5%	6.5%
Slough	Berkshire	56.8%	96.7%	3.3%
West Berkshire	Berkshire	68.3%	97.8%	2.2%
Windsor and Maidenhead	Berkshire	70.1%	94.6%	5.4%
Wokingham	Berkshire	68.3%	96.9%	3.1%
Hampshire	Hampshire and Isle of Wight	63.4%	96.7%	3.3%
Isle of Wight	Hampshire and Isle of Wight	53.8%	97.6%	2.4%
Portsmouth	Hampshire and Isle of Wight	56.7%	94.4%	5.6%
Southampton	Hampshire and Isle of Wight	51.6%	96.5%	3.5%
Kent	Kent and Medway	59.7%	96.8%	3.2%
Medway	Kent and Medway	56.2%	98.6%	1.4%
Buckinghamshire	Milton Keynes, Oxfordshire and Buckinghamshire	67.5%	97.2%	2.8%
Milton Keynes	Milton Keynes, Oxfordshire and Buckinghamshire	48.1%	96.7%	3.3%
Oxfordshire	Milton Keynes, Oxfordshire and Buckinghamshire	64.3%	96.7%	3.3%
Surrey	Surrey	70.8%	97.0%	3.0%
Brighton and Hove	Sussex	56.3%	95.3%	4.7%
East Sussex	Sussex	59.2%	91.9%	8.1%
West Sussex	Sussex	58.8%	95.0%	5.0%
Kent & Medway mean LEAs		59.2%	97.1%	2.9%
Mean (LSC SE)		63.1%	96.2%	3.8%
Stdev (LSC SE)		4.7%	1.2%	1.2%

Source: DfES Performance Tables 2004

Table 16A: Anticipated Gross Demand per Annum 2006 to 2016 in The Channel Corridor

	Managers & Senior Officials	Professional	Assoc. Professional & Technical	Administrative & Secretarial	Skilled Trades	Personal Service	Sales & Customer Services	Operatives	Elementary Occupations
A : Agriculture	108	76	156	86	92	78	52	76	156
C : Mining and quarrying	8	5	11	6	7	6	3	6	11
D : Manufacturing	390	271	583	314	375	289	187	283	565
E : Utilities	34	25	51	26	33	26	15	26	50
F : Construction	374	262	547	283	390	272	178	245	515
G : Wholesale and Retail trade	685	503	1057	575	702	528	360	514	1021
H : Hotels and Restaurants	366	236	497	276	325	249	162	246	442
I : Transport, Storage and communication	279	189	397	218	255	197	129	155	385
J : Financial intermediation	239	172	362	180	233	178	112	170	345
K : Real estate, Renting and business activities	489	327	695	384	461	345	225	336	656
L : Public Administration and defe	214	154	326	185	217	165	106	159	321
M : Education	212	91	315	177	198	164	98	149	308
N : Health and social work	475	325	673	369	442	346	223	331	665
O : Other services	226	158	319	174	216	147	108	159	313
Total Occupation	4099	2794	5989	3253	3946	2990	1958	2855	5753

Source: Experian Business Strategies 2003 (Hoshin 2005)

Table 17A: Anticipated Gross Demand per Annum 2006 to 2016 in East Kent

	Managers & Senior Officials	Professional	Assoc. Professional & Technical	Administrative & Secretarial	Skilled Trades	Personal Service	Sales & Customer Services	Operatives	Elementary Occupations
A : Agriculture	99	69	142	78	82	71	47	69	141
C : Mining and quarrying	6	3	8	5	6	5	2	5	8
D : Manufacturing	338	233	510	273	326	252	163	246	491
E : Utilities	3	1	3	1	3	1	0	1	3
F : Construction	298	208	435	225	310	217	141	195	410
G : Wholesale and Retail trade	618	455	959	520	629	477	329	465	924
H : Hotels and Restaurants	340	220	463	258	303	231	151	229	412
I : Transport, Storage and communication	203	139	288	158	186	143	94	117	275
J : Financial intermediation	193	136	289	148	191	144	90	137	279
K : Real estate, Renting and business activities	255	171	364	200	241	180	117	176	343
L : Public Administration and defe	175	127	268	152	178	136	89	131	264
M : Education	332	142	492	277	310	258	155	234	481
N : Health and social work	568	388	805	441	529	414	268	396	795
O : Other services	201	141	285	155	193	132	97	143	279
Total Occupation	3629	2433	5311	2891	3487	2661	1743	2544	5105

Source: Experian Business Strategies 2003 (Hoshin 2005)

Table 18A: Anticipated Gross Demand per Annum 2006 to 2016 in The Thames Gateway

	Managers & Senior Officials	Professional	Assoc. Professional & Technical	Administrative & Secretarial	Skilled Trades	Personal Service	Sales & Customer Services	Operatives	Elementary Occupations
A : Agriculture	97	67	138	75	80	69	46	67	138
C : Mining and quarrying	11	7	15	9	9	8	5	8	15
D : Manufacturing	671	471	1008	543	650	501	324	493	980
E : Utilities	17	13	26	13	17	13	7	13	24
F : Construction	428	299	625	324	446	311	203	280	588
G : Wholesale and Retail trade	1021	750	1578	857	1040	787	540	765	1524
H : Hotels and Restaurants	367	237	500	278	327	250	163	248	445
I : Transport, Storage and communication	287	196	408	223	262	203	133	164	392
J : Financial intermediation	237	169	357	180	233	178	110	169	343
K : Real estate, Renting and business activities	539	361	767	423	507	379	246	370	723
L : Public Administration and defe	227	165	348	198	232	177	114	171	343
M : Education	415	178	615	347	389	323	193	292	601
N : Health and social work	537	367	763	417	500	391	252	374	752
O : Other services	300	211	425	230	289	195	146	212	415
Total Occupation	5154	3491	7573	4117	4981	3785	2482	3626	7283

Source: Experian Business Strategies 2003 (Hoshin 2005)

Table 19A: Anticipated Gross Demand per Annum 2006 to 2016 in West Kent

	Managers & Senior Officials	Professional	Assoc. Professional & Technical	Administrative & Secretarial	Skilled Trades	Personal Service	Sales & Customer Services	Operatives	Elementary Occupations
A : Agriculture	99	69	143	78	83	71	47	69	142
C : Mining and quarrying	19	13	29	17	17	15	10	14	27
D : Manufacturing	395	275	586	318	382	292	190	278	572
E : Utilities	11	8	17	8	11	8	5	8	16
F : Construction	418	292	610	316	435	304	198	273	574
G : Wholesale and Retail trade	734	537	1130	615	752	566	385	550	1092
H : Hotels and Restaurants	260	169	355	198	232	179	116	176	316
I : Transport, Storage and communication	198	135	282	153	181	141	91	117	265
J : Financial intermediation	300	214	454	226	293	223	139	214	432
K : Real estate, Renting and business activities	568	380	808	445	535	400	260	390	761
L : Public Administration and defe	117	85	178	101	119	91	59	88	176
M : Education	218	93	323	182	203	169	101	153	315
N : Health and social work	355	244	504	275	330	259	167	248	497
O : Other services	279	195	395	215	267	182	134	197	387
Total Occupation	3971	2709	5814	3147	3840	2900	1902	2775	5572

Source: Experian Business Strategies 2003 (Hoshin 2005)

ANNEX B: ASSESSMENT INDICATORS

Indicators discussed with Hoshin and local partners. (P) Denotes Primary Indicator and Secondary (S).

Chapter 2 – Kent and Medway Economy

Criteria	Theme	Primary Indicator	Disaggregation
2. Kent and Medway Economy	Population	Population by age (P) Resident 16-19 year olds, Resident 19+ Source: ONS Mid Year Population estimates 2003	Local Authority
		Young People 14-16 years (S) Resident 114-16 year olds Source: ONS Mid Year Population estimates 2003	Local Authority
	Economy	Gross Value Added (P) Gross Value Added by consumption per head Source: ONS National Accounts 2002	Kent and Medway, Kent, Medway
		Inward Investment (S) Job related success Source: Locate in Kent Annual Report 2005	Kent and Medway
	Workforce	Employment by Sector (P) Number od employee jobs by SIC as a percentage of people working in all sectors. Source NOMIS, ABI 2003	Kent and Medway
		Employment Change (P) Difference between the percentage of people working in each sector between 1998 and 2003 Source: NOMIS, ABI 2003	Kent and Medway, AIF, District
		Rates of unemployment (P) Jobseeker Allowance (JSA) and Incapacity Benefit (IB) as a % of working age population Source: NOMIS, JSA Claimant Count Febrauary 2000, 2005	Kent and Medway, District
		Growth in JSA over 5 years (S) Source: NOMIS, JSA Claimant Count Febrauary 2000, 2005	Kent and Medway, District
		Incapacity Benefit (IB)	Kent and Medway, District
		Incapacity Benefit (IB) as a % of working age population Source: NOMIS, DWP Incapacity Benefit/Severe Disablement Allowance November 2004	

Chapter 3 – Demand for Learning and Skills

Criteria	Theme	Primary Indicator	Disaggregation
3.Demand for Learning and Skills	Current Skills Demand	Hard to Fill Vacancies (P) Hard to Fill Vacancies as % of Vacancies by Industry and Occupation Source: NESS 2003	Kent and Medway
		Skills Shortages (P) Skills Shortage Vacancies as % of Vacancies by Industry and Occupation Source: NESS 2003	Kent and Medway
	Future Skills Demand	Annual Labour Demand (P) Forecast labour demand by SIC and SOC for Gross Demand Source: Experian Business Strategies	Kent and Medway, AIF, District
		Knowledge Industry Forecast Source: Experian Business Strategies	Kent and Medway

Chapter 4 – Supply of Skills

Criteria	Theme	Primary Indicator	Disaggregation
4. Supply of Skills	Current Qualification Levels	Existing Qualifications (P) Qualifications by Level and Age Source: Census 2001	Kent and Medway, District
		Qualifications by Level and Age (S) Source: Skills Audit 2003	Kent and Medway
		Skills For Life (P) % of working age residents likely to have problems with literacy and numeracy Source: Skills for Life Survey	Kent and Medway
		Availability of Higher Skills (P) % of working age people with level 3and 4/5 qualifiactions Source: Labour Force Survey four quarter averages 2004	Kent and Medway
	Participation	Participation 16-18 and 19+ (P) Number of learners in education and training Sources: ILR 2003/04, PLASC 2003/04, Independent Schools Council Information 2004	Kent and Medway
		Participation 16-18 and 19+ of cohorts (S) Sources: ILR 2003/04, PLASC 2003/04, ONS Mid Year Population estimates 2003	Kent and Medway, District
		Young People Not in Education , Employment or Training (NEET) (P) % of 16-18 year olds in NEET group Source: Connexions Destinations Survey Data 2004	Kent and Medway
		Participation in Higher Education (P) % of 18-19 year olds in Higher Education Source: HEFCE Participation of Local Areas (Records) (POLAR) 2002	Kent and Medway
	Provision	Learning Aims (P) Number of learning aims by Level in FE and WBL overall Source: ILR 2003/04	Kent and Medway
		Learning aims 16-18 and 19+ (S) Source: ILR 2003/04	Kent and Medway
		Adult Community Learning (S) Source: ILR 2003/04	Kent and Medway
	Performance	Success Rates (P) Time series Success Rates 2001-02 to 2003-04 FE and Work-based learning Source: Regional Book (ILR 2001-2004)	Kent and Medway
		Success Rates 16-18 and 19+ (S) Source: ILR 2001-2004	Kent and Medway
		Achievement at 16 (P) GCSE and Equivalent results of pupils Source: DFES Performance Tables 2004	Kent/ Medway LEAs

Chapter 5 – Demand and Supply Analysis

Criteria	Theme	Primary Indicator	Disaggregation
5. Demand and Supply Analysis	Demand and Supply Analysis	Econometrics (P) Measuring current provision against labour demand for skills Source: Experian, Hoshin Econometric Model	Kent and Medway, AIF

ANNEX C: MODEL METHODOLOGY

1. The model analysis aims to identify areas where the provision of qualifications fails to match employer demand for those qualifications in the local labour market. It does this by using provision data as an indicator of the overall proportion of provision and availability of qualifications rather than an absolute figure, so that it indicates areas where supply and demand are disproportionate rather than numerically mismatched.

2. In broad terms, the steps in the gap analysis are:

    - Estimate the typical annual labour demand for the local economy for s
    - Calculate demand for qualifications based on employer demand.
    - Calculate typical qualification supply using education data.
    - Scale the demand figures so that total demand matches total supply.
    - Calculate the difference between supply and scaled demand

Estimating Labour Demand

3. This is done using forecasts from Experian Business Strategies. The forecasts allow the model to predict demand (growth plus replacement demand) at local authority district level for a wide combination of industry and occupation classifications. For the gap analysis, these figures are aggregated to give demand by 1-digit SIC and SOC combinations.

Demand for Qualifications

4. Analysis of qualifications held by jobholders allows the model to predict the qualifications required for the majority of occupations in each industry. This data is used to calculate the demand for qualifications based on the demand for labour.

5. The predictions for qualification demand are made in terms of Superclass II and NVQ level. These are then mapped to Area of Learning and Programme/Subprogramme for comparison with supply.

Supply of Qualifications

6. Qualification data is derived from learning aims data from FE, WBL and Bath datasets. The Bath dataset includes both vocational and non-vocational qualifications taken at sixth forms. The data is limited to learners studying at Kent and Medway providers, and completing their qualification in 2003 (ILR/PLASC).

7. Since most learners have multiple aims, using aims data as-is grossly overstates supply. Consequently, some mechanism is required to allocate each learner to a single one of his or her aims. This is done by estimating the market desirability of each qualification, and assuming that each learner will present to the labour market only his or her most desirable qualification. Desirability is taken to be a linear function of the overall demand for each qualification in the Kent and Medway area, as calculated from the labour demand figures.

8. A number of subject classification schemes are used in the various supply-side data sources. Mappings were created for each of these to provide Area of Learning and Programme/Subprogramme where these were not available directly.

Scaling and Gap

9. Demand figures are then scaled to match supply. This is because the aim of the model analysis is to show where supply and demand are disproportionate, not where participation is overall too high or too low. That is, the model analysis is trying to identify problems like (to use fictional figures) 20% of supply being in Arts when only 10% of demand is in Arts, rather than labour demand being 100,000 per year when only 80,000 students complete LSC funded aims each year.

10. Model gap frequencies are calculated by subtracting demand from supply for each subject area/NVQ Level combination (with AOL, Programme and Sub-programme variously used to define subject areas; also see the note on NVQ 4 and 5 below). This will give a negative figure where demand exceeds supply and a positive figure where supply exceeded demand, i.e. positive figures indicate oversupply.

11. Model gap percentages are calculated by expressing the gap frequency as a proportion of the demand.

12. The limitations of the model are:

- The model outcomes inflate generic subject values, suggesting that massive over supply exists. Whilst this is technically correct from a direct demand perspective i.e. the number of jobs specifically requiring science and maths are considerably less than those studying that subject. In reality, there is indirect demand for those subjects that would be spread across a wide spectrum of occupations. This is not possible given the model limitations, and as such, the model might be considered more useful where qualifications and the area of learning more closely match the industrial sector and occupation, such as construction.

- The original model included NVQ level 4+, but given the low level of provision in FE and WBL the outcome suggested massive under provision at this level that could have been misinterpreted and also skew the data for Levels 1 to 3. The model consists of Level 1 to Level 3 provision in line with the bulk of LSC funded courses.

13. When measuring over or under provision, the model does not take account of individual demand for a subject. In other words, over supply of Land-based provision may well be meeting student demand to study in this area, irrespective of the economic skills requirement.

14 Industry and occupation codes used in Experian Business Strategies forecasting model

INDUSTRIES	SIC CODE	DEFINITION
Agriculture, Forestry & Fishing	1,2&5	Farming of animals, growing of crops
Oil & Gas Extraction	11	Extraction of crude petroleum and natural gas
Other Mining	10&12_14	Mining of coal, quarrying of stone
Gas, Electricity & Water	40_41	Production and distribution of electricity
Fuel Refining	23	Manufacture of coke oven products
Chemicals	24	Manufacture of paints and varnishes
Minerals	26	Manufacture of bricks and tiles
Metals	27_28	Manufacture of basic iron and steel
Machinery & Equipment	29	Manufacture of machine tools
Electrical & Optical Equipment	30_33	Manufacture of office machinery and computers
Transport Equipment	34_35	Manufacture of motor vechiles
Food, Drink & Tobacco	15_16	Manufacture of dairy products and tobacco products
Textiles & Clothing	17_19	Textile weaving, manufacture of footwear
Wood & Wood Products	20	Sawmilling and planing of wood
Paper, Printing & Publishing	21_22	Manufacture of cartons, publishing of books
Rubber & Plastics	25	Manufacture of rubber tyres and tubes
Other 'Other' Manufacturing	36_37	Manufacture of furniture, recycling of metal waste
Construction	45	Construction of commercial and domestic buildings
Retailing	52	Retail sale of textiles and clothing
Hotels & Catering	55	Restaurants, bars, hotels
Wholesaling	50_51	Sale of motor vehicles and parts, wholesale of flowers
Transport	60_63	Transport by railways, sea, air and road
Communications	64	Post and courier activities
Banking & Insurance	65_67	Central banking, insurance and pension funding
Other F&Bs	70etc	Letting of own property, real estate activities
Business Services	72&74	Software consultancy, accounting, legal activities
Public Admin. & Defence	75	Provision of services: defence, law and order
Education	80	Primary, secondary and higher education
Health	85	Human health activities: hospitals, dental practice
Other 'Other' Services	90_95	Sewage and refuse disposal; recreational, cultural and sporting activities

OCCUPATION	SOC CODE	DEFINITION
Corporate Managers	11	Factory Manager, Shop Manager
Managers & Proprietors in Agriculture & Services	12	Hotel Manager, Publican, Garage Owner
Science & Technology Professionals	21	Mathematician, Civil Engineer, Computer Consultant
Health Professionals	22	Doctor, Pharmacist
Teaching & Research Professionals	23	College Lecturer, Historian
Business & Public Service Professionals	24	Barrister, Accountant
Science & Technology Associate Professionals	31	Laboratory Technician, Building Inspector
Health & Social Welfare Associate Professionals	32	Nurse, Ward Sister, Dental Technician
Protective Service Occupations	33	Police Constable, Fireman
Culture, Media & Sports Occupations	34	Actor, Disc Jockey, Keep Fit Instructor
Business & Public Service Associate Professionals	35	Airline Captain, Building Estimator, Inspector of Taxes
Administrative Occupations	41	Bank Clerk, Switchboard Operator, Clerk-typist
Secretarial & Related Occupations	42	Company Secretaries, Receptionists
Skilled Agricultural Trades	51	Farmers, Greenkeeper
Skilled Metal & Electrical Trades	52	Welder, Electrician, Precision Engineer
Skilled Construction & Building Trades	53	Roofer, Plumber, Plasterer
Textiles, Printing & Other Skilled Trades	54	Cobbler, Printer, Chef
Caring Personal Service Occupations	61	Nursing Auxiliary, Ambulance Driver
Leisure & Other Personal Service Occupations	62	Lifeguard, Train Guard, Air Hostess
Sales Occupations	71	Retail Assistant, check-out operators, market traders
Customer Service Occupations	72	Call Centre Operatives, Customer Care Adviser
Process, Plant & Machine Operatives	81	Bakery Assistant, Paint Maker, Clothing Machinist
Transport & Mobile Machine Drivers & Operatives	82	Cab Driver, Driving Instructor
Elementary Trades, Plant & Storage Related Occupations	91	Lumberjack, Grave Digger, Packer
Elementary Administration & Service Occupations	92	Postal Worker, Hospital Porter

ANNEX D: AREA OF LEARNING

The Fourteen Areas of Learning used by the LSC and the subjects covered

Learning and Skills Council 14 Areas Of Learning

Area of Learning	Subjects studied
Science and Mathematics	General science, Biological sciences, Chemistry, Environmental sciences, Geology, Physical sciences, Other sciences, Mathematics
Land based provision	General agriculture, Amenity horticulture, Commercial horticulture, Arboriculture, Floristry, Forestry, Gardening/garden designs, Agriculture (crops), Conservation and environmental practice, Small animal care, Livestock production, Equine studies, Fishing, Veterinary nursing, Agricultural machines
Construction	General construction, Heating and ventilation, Bricklaying and masonry, Carpentry and joinery, Electrical installation, Roofing, Glazing, Painting and decorating, Plumbing, Scaffolding, Steel erecting/fixing, Architecture, Construction management, Surveying, Civil engineering, Highway construction, DIY and home
Engineering, technology and masnufacturing	General engineering, Automotive engineering, Vehicle body building and repairing, Auto electricians, Chemical engineering, Design and development engineering, Electrical engineering, Electronics, Mechanical engineering, Water and sewage plant engineers, Welding and fabrication, TV, stereo and audio engineers,
Business administration, management and professional	Administration, Accounts, Business studies, Management, Advertising, marketing and PR, Estate agency, Insurance and financial services, Legal services, Self-employment, Human resources, Quality assurance, Teaching and training, Telephones and receptionists, Typing and shorthand
Information and communication technology	General ICT, Use of ICT, Use of office sofware, Use of internet, ICT support, Website design, Computer aided design, Desktop publishing
Retailing, customer service and transportation	Retailing and sales, Buyers and purchasing, Merchandising, Telesales and call-centres, Warehousing and distribution, Fork-truck driving, Import and export, Postal and delivery services, Road transportation, Rail transportation, Water transportation, air transportation, Customer service
Hospitality, leisure, sport and travel	Catering and food preparation, butchery and fishmongery, Publicans and licensed premises staff, Hotel and restaurant staff, Travel and tour guides and assistants, Travel agency, Recreation management, Sports coaching and tuition, Sports science, Recreational sports and games, Exercise and keep fit, Indoor games
Hairdressing and beauty therapy	Hairdressing, Massage and reflexology, Beauty therapy
Health, social care and public services	Early years care and education, Care for the elderly, Other social care, Counseling, Medical and dental technicians and assistants, Complimentary health studies, Nutrition, Parenting, Deaf/blind awareness, sign language and lip reading, Laboratory technicians, Undertaking, Cleaning, caretaking and housekeeping,
Visual and performing arts and media	General visual arts, Drawing and painting, Sculpture, Pottery and ceramics, Design, Film and video, Photography, Clothing and related crafts, Craft, design and technology, Other visual arts and crafts, Art appreciation and history of art, Music, Music appreciation and history of music, Dance, Drama, Other
Humanities	General humanities, General studies, History, Classics and classical languages, Geography, Regional studies, Religious and spiritual studies, Psychology, Sociology, Philosophy, politics and currnt affairs, Economics, Information and library services, Law, Archaeology, Antiques, Genealogy and family studies
English language and communications	English language, English literature, Writing, Welsh, Modern European languages, Modern Asian languages
Foundation programmes	Basic skills, Literacy, Numeracy, ESOL, Key skills, Access programmes, Life skills, Return to work, Citizenship, Community development, Team working, Basic enterprise programmes

Source: LSC

ANNEX E: GLOSSARY

Glossary of Acronyms

ABI	Annual Business Enquiry
AIF	Area Investment Framework
AOL	Areas of Learning
C.I.	A confidence interval is a range of values that probably contains the true population value had all those of interested been involved in the survey. The 95% confidence interval is an interval such that the probability is 0.95 that the interval contains the true population, and 0.05 that it is wrong
CITB	Construction Industry Trading Board
CPA	Comprehensive Performance Assessment
DfES	Department for Education and Skills
E2E	Entry to Employment
EDIMS	Equality and Diversity Impact Measures England
ESOL	English for Speakers of Other Languages
ETP	Employer Training Pilot
FE	Further Education
GCSE	General Certificate of Secondary Education
GNVQ	General National Vocational Qualifications
GVA	Gross Value Added
HE	Higher Education
HEFCE	Higher Education Funding Council for England
HNC	Higher National Certificate
HND	Higher National Diploma
IB	Incapacity Benefit
ICT	Information and Communications
ILR	Individual Learner Records
IOW	Isle of Wight
JSA	Jobseekers Allowance
KCC	Kent County Council
KS3	Key Stage 3
LAD	Local Authority District
LEA	Local Education Authority
LFS	Labour Force Survey
LSC	Learning and Skills Council
LSCKM	Learning and Skills Council Kent & Medway

NEET	Not in Education, Employment or Training
NESS	National Employer Skills Survey
NETP	National Employer Training Pilot
NUTS	Nomenclature of Territorial Units
NVQ	National Vocational Qualification
ODPM	Office of the Deputy Prime Minister
ONS	Office for National Statistics
PfL	Profit from Learning
PLASC	Pupil Level Annual Schools Census
POLAR	Participation of Local Area Data
SEEDA	South East England Development Agency
SfL	Skills for Life
SFR	Statistical First Release
SSC	Sector Skills Council
SSDA	Sector Skills Development Agency
StAR	Strategic Area Review Technology
UA	Unitary Authority
WBL	Work Based Learning

Glossary of Terms

14-19 Young People planning forums	An infrastructure that enables the LSC Kent & Medway to effectively monitor and plan 14 – 19 education and training provision in Kent, engaging all relevant stakeholders in the process across the county
Basic Skills	Numeracy, Literacy and ESOL.
Level 1	4 - 5 GCSE passes grades D – G or NVQ 1
Level 2	5 GCSE grades A*- C, O-Level or NVQ 2
Level 3	A Level or NVQ 3 equivalent
Level 4	Higher Education: first and sub-degree HNC, HND, NVQ4
Level 5	Postgraduate degree or NVQ 5
Literacy	Ability to read and write
National Employer Skills Survey	Annual Survey of Employers that allows comparative data analysis at local, regional and national levels with respect to training activity, vacancies, hard to fill vacancies and skills gaps. The survey is funded by the LSC in partnership with the SSDA and DfES, and includes a sample of around 75, 000 employers nationally with local sample boosts.
Non - Service Industries	Defined in the report as Agriculture, Manufacturing and Construction.

Numeracy	Ability to understand and use numbers.
Public Services Industries	Defined in the report as Public Administration and Defence, Education and Health and Social Care.
Services industries	Defined in the report as Wholesale and Retail, Hotels and Restaurants, Transport and Communications, Financial Intermediation, Real Estate, Renting and Business Services and Other Services.
Skills Audit / Household Survey	Involves interviews with a representative sample of adults between 16 and statutory retirement age to provide data on current skill levels, engagement and attitudes to learning.
Skills Forecasting Model (SFM)	Contains estimates and forecasts of employment by industry, occupation and economic activity, replacement demand and gross jobs opportunities and demand for and supply of qualifications. It was produced by Experian Business Strategies and Skills Insight and has been designed to enable the LSC to plan effectively for the future employment, occupational and skills demand.
Skills Gaps	Exist where those in work in an organisation do not have the necessary skills to perform their jobs to a satisfactory standard.
Skills Shortages	Exist where there is insufficient supply of skilled labour among the working population.

Contact Information

This publication is available in electronic form on the Councils website:
www.lsc.gov.uk/kentandmedway

If you would like further copies of this paper, or would like to discuss the content of this paper further, please call the Information and Intelligence Team:

Ahmad Eslami **Head of Information & Intelligence**
01732 876908 **ahmad.eslami@lsc.gov.uk**

Gareth Henry **Senior Research Executive**
01732 876841 **gareth.henry@lsc.gov.uk**

Disclaimer
Whilst every attempt has been made to ensure accuracy of the data in this report, the Learning and Skills Council for Kent and Medway does not accept responsibility for any errors that should occur.

PHOTO REDACTED DUE TO THIRD PARTY RIGHTS OR OTHER LEGAL ISSUES

Ref: LSC-P-KEN-050003 issue 1