

Learning and Skills in Kent and Medway 2002 Assessment



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LSCRES-0101 Issue 2



Learning+Skills Council
Kent and Medway

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Foreword

Background

The Learning and Skills Council (LSC) is now in its second year of operation. It was established in April 2001 as a national organisation with 47 local arms across England, with the task of:

- ◆ raising participation and achievement by young people
- ◆ increasing demand for learning by adults, and to equalise opportunities through better access to learning
- ◆ engaging employers in improving skills for employability and national competitiveness
- ◆ raising the quality of education and training delivery, and
- ◆ improving effectiveness and efficiency.

To deliver these tasks it has responsibility for planning and funding of all post-16 education and training other than Higher Education.

Assessing Learning & Skill Needs

As part of our strategic planning, both at national and local level, the Learning and Skills Council carries out an annual assessment of current and future learning and skills needs to inform our strategy and indicate how best these can be met. These assessments provide evidence on the nature and pattern of learning and skills needs and the supply of provision. The assessments take into account:

- ◆ the economic and social context
- ◆ the skills needs of individuals and employers
- ◆ the demand for learning from individuals and employers, and
- ◆ the provision of learning to meet these.

In this, our second year of providing the assessments, our partners and stakeholders have helped us to develop and prepare them. *I would like to take this opportunity to thank all those who have commented or taken part in our workshops to help raise the quality of the assessment for Kent and Medway year on year.* We will continue to work to improve the assessments and would encourage all our partners to become involved in this in future years.

I hope you find these learning and skills assessments useful. We look forward to developing our strategy with you based on the information they contain.



Simon Norton
Executive Director

Learning and Skills in West Kent

Learning and Skills in West Kent is one of five reports which comprise the Learning and Skills in Kent and Medway 2002 Assessment. The series will provide evidence on the nature and pattern of skills and learning needs at the sub-area level in Kent and Medway. Four of the reports each focus on one of the sub-areas within Kent and Medway (Thames Gateway, East Kent Triangle, West Kent and Channel Corridor). The first report introduces the series and looks at overall learning and skills issues in Kent and Medway as a whole.

This report is structured as follows:

Section 1 introduces West Kent and the component districts, Sevenoaks, Tonbridge & Malling and Tunbridge Wells

Section 2 outlines the main characteristics of the West Kent economy

Section 3 assesses the demand for skills in the sub-area, and focuses on the needs of three important sectors in the sub-area's economy

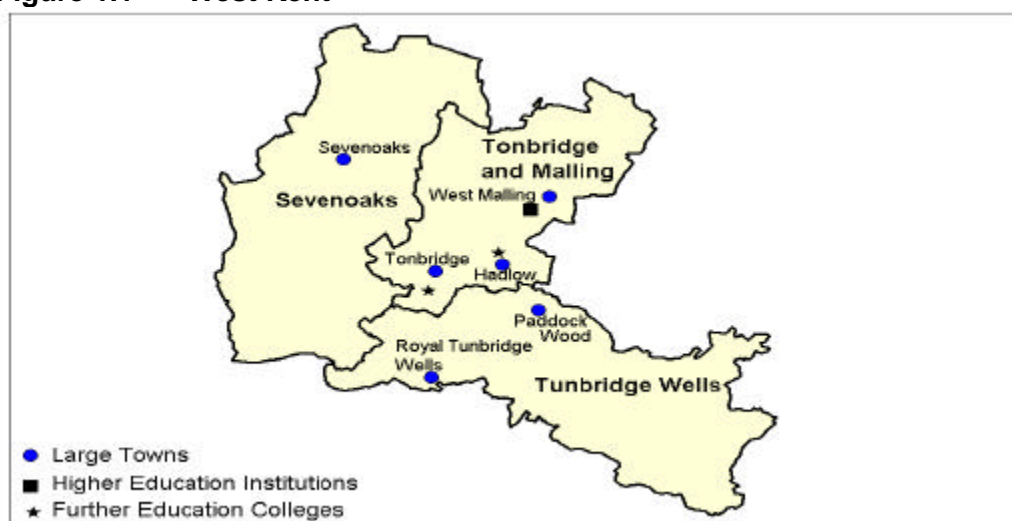
Section 4 looks at learning and skills needs and provision within the sub-area's workforce, dividing it into three groups, those in work, those unemployed and seeking work, and those entering the labour market for the first time

Section 5 discusses the key issues that are highlighted throughout the report

Section One Introduction – Sevenoaks, Tonbridge & Malling, Tunbridge Wells

West Kent is the second largest of the four sub-areas within Kent and Medway, accounting for a quarter of the county's land area. However, its population of 324,200 is the smallest in the county (20% of Kent and Medway). The sub-area is made up of three local authority districts, Sevenoaks, Tonbridge & Malling and Tunbridge Wells, with the highest concentrations of employment in the towns of Sevenoaks, Tonbridge, West Malling and Tunbridge Wells.

Figure 1.1 West Kent



Source: The Learning and Skills Council for Kent & Medway, 2001

West Kent is very accessible, with good road links via the M20 motorway and fast rail links to London. Nearly half of resident employees (44%) commute outside the sub-area to work, significantly higher than the average for all Kent and Medway (32%). Around three-quarters of these commute outside Kent and Medway all together, mostly to London.

The sub-area is the least deprived in the county, with only one ward, Swanley St. Mary's in Sevenoaks, in the most deprived quartile of wards in England and Wales. Overall, 26 of the 50 least deprived wards in Kent and Medway are in West Kent, with Riverhead in Sevenoaks being the third least deprived in the country. The three districts in the sub-area each rank between 287-300 out of the 354 local authorities in England and Wales (where 1 is the most deprived), although they rank only 'mid-table' in comparison with the rest of the South East, (33-38 out of the 67 local authorities in the region).

The Kent Economic Report 2001/2 assesses all local authorities in Kent and Medway in terms of their economic competitiveness in comparison to the UK average. Figure 1.2 grades each of the local authorities in West Kent in each of the six indicators used.¹ The indicators are designed to give a picture of the overall strength of a district. Sevenoaks and Tunbridge Wells rank above the national average for economic competitiveness and Tonbridge & Malling scores in line with the average.

Figure 1.2 West Kent Local Authority Scorecard²

	Sevenoaks	Tonbridge & Malling	Tunbridge Wells
Economic Competitiveness	B	C	B
Small Business	B	C	B
Labour Force	A	B	A
Dynamism	C	C	B
Industrial Structure	B	C	C
Economic Scale	C	C	C
Social Cohesion	A	A	A

Source: Table derived from Kent Economic Analysis, Local Futures Group for KCC, p69

Each of the districts rank in the top 20% nationally in social cohesion, which measures the level of wealth and incidence of deprivation and inequality amongst the resident population. Sevenoaks and Tunbridge Wells also rank very highly in terms of the labour force, with unemployment rates very low and almost a third of the workforce qualified to NVQ equivalent level 4 or above. Tonbridge and Malling scores less well but remains above the national average.

¹ Grades A-E are derived from national rankings and reflect quintile positioning (ie A=ranks in top quintile, B = ranks in 2nd quintile etc).

² This scorecard is due to be updated soon

However, the sub-area is less strong in other indicators. In economic scale, which measures the size of the economy, each district only matches the national average, while in dynamism, which measures the growth performance and capacity of the economy, and industrial structure only one of the districts scores well.

While West Kent's remains the strongest economy in Kent and Medway, the overall competitiveness scores mask a disparity between very high rankings for social cohesion and labour force skills and lower scores for the business climate in the sub-area. This can be explained by the high numbers of workers commuting to areas outside West Kent. There is therefore a need to attract high quality graduates to work in West Kent.

KEY ISSUE 1

West Kent Issue

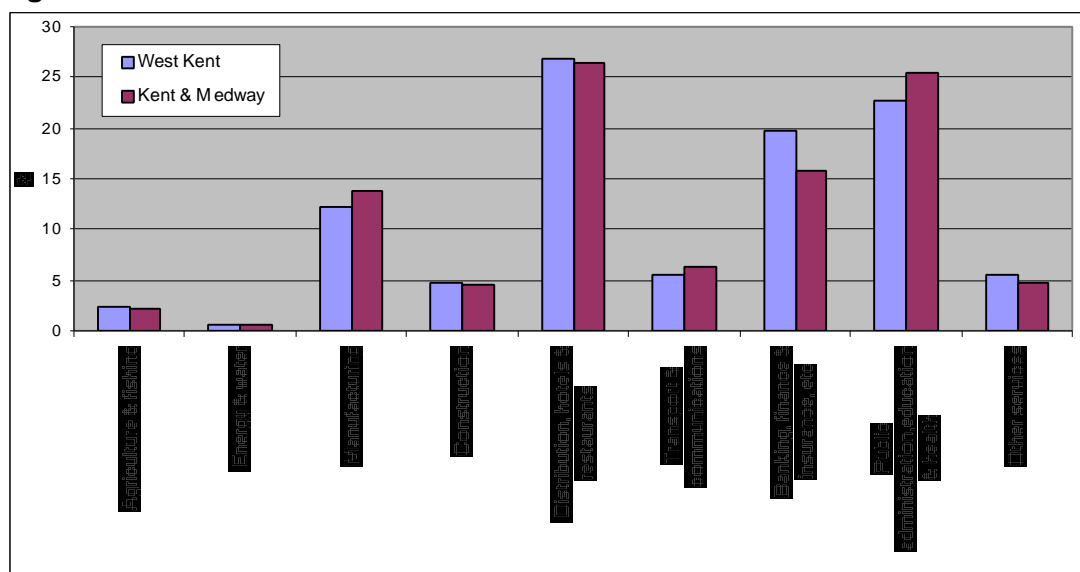
Although the strongest sub-area economy in Kent and Medway, its indigenous business base lacks sufficient scale and dynamism to compete effectively with the high performing north and west of the South East region.

Section Two The West Kent Economy

There are around 136,900 employees in West Kent, working in 15,400 business establishments. Around 36% of the sub-area's employees work in Tonbridge & Malling district, with 35% in Tunbridge Wells and 29% in Sevenoaks.

The industrial profile of these workers broadly reflects the profile of Kent and Medway as a whole, with distribution, hotels and restaurants (27%) and public administration, education and health (23%) accounting for around half of the workforce between them (Figure 2.1). Banking, finance and insurance is particularly strong in the area (20%), especially in Tunbridge Wells district (24%).

Figure 2.1 Industrial Profile



Source: Annual Business Inquiry, 2000

Banking, finance and insurance is strongly over-represented in West Kent in relation to the county (Figure 2.2)³, due to the particular incidence of accounting/bookkeeping and insurance/pension activities in the sub-area. The rural nature of much of West Kent, means that agriculture and fishing is also stronger in the sub-area than in Kent and Medway.

Figure 2.2 Location Quotients for Industries in West Kent (vs Kent and Medway)

Industry	Quotient
Agriculture and fishing	1.3
Energy and water	1.0
Manufacturing	0.9
Construction	1.1
Distribution, hotels and restaurants	1.0
Transport and communications	0.9
Banking, finance and insurance	1.3
Public administration, education and health	0.9
Other services	1.1

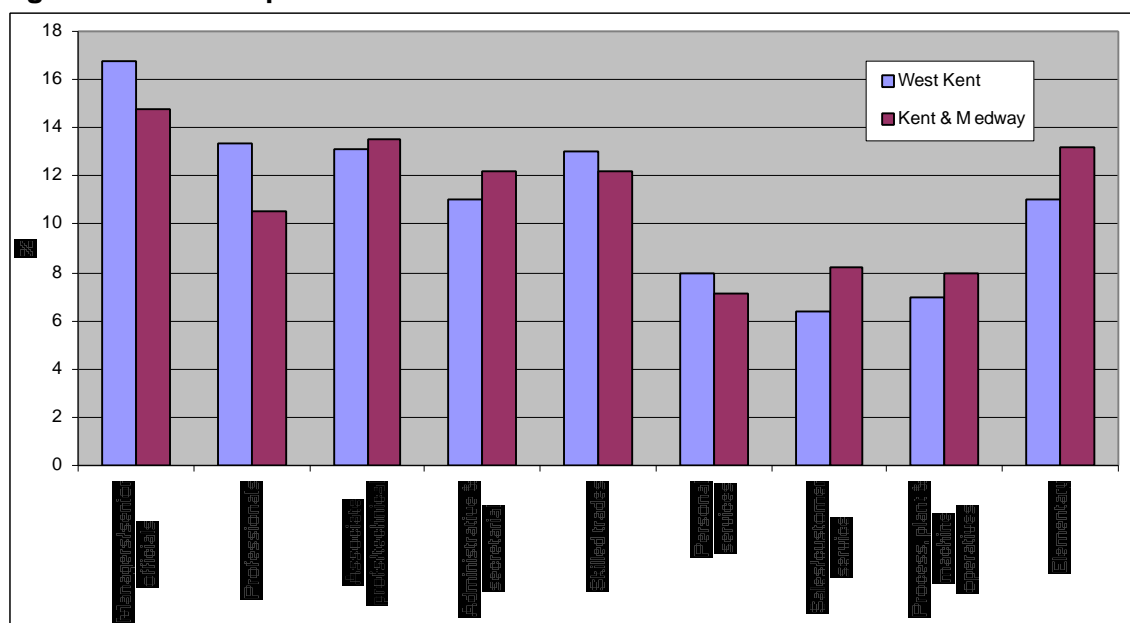
Source: Annual Business Inquiry, 2000

³ Figures above 1 indicate a greater concentration of an industrial activity as compared with Kent and Medway as a whole, and figures below 1, a lesser concentration.

Figure 2.3 shows that West Kent has a slightly different occupational profile to Kent and Medway. While managers and senior officials remain the largest occupational group (17%)⁴, there are a higher proportion of professional workers (13%), and a lower level of elementary workers (11%). Overall employment in high-skill occupations is very significant in the sub-area, with around 44% of workers in professional, associate professional and technical or managerial roles. The prevalence of banking, finance and insurance and of public administration, education and health in the sub-area contributes greatly to this. Over half of employment in these sectors is based in high skill occupations.

Employment is also strong in skilled trades (13%) and administrative and secretarial occupations (11%). Employment is lower in personal services, such as care assistants, beauticians and nursery nurses (8%), process, plant and machine operation (7%) and sales and customer services (6%).

Figure 2.3 Occupational Profile



Source: Labour Force Survey, May 2002

KEY ISSUE 2

West Kent Issue

The relatively high level of employment in growth sectors, such as business and finance and in high skill occupations, (for example professionals and managers) will continue to drive growth in the sub-area.

⁴ This measure is based on resident employment, workers that live but do not necessarily work in the sub-area.

Section Three Demand for Skills

Employment in Kent and Medway is forecast to grow by around 9,100 by 2007, or 1.3%.⁵ Employment growth forecasts at a sub-area level are not currently available, but if industrial forecasts for the county are mirrored in West Kent, employment will rise by around 3,400 in the same period, 37% of total growth in Kent and Medway.

However, the demand for workers to fill newly created jobs represents only a fraction of total recruitment demand. The large majority is replacement demand, which occurs because new entrants are needed to fill existing jobs when post-holders leave through retirement or change of occupation. Estimates based on national figures suggest that replacement demand in West Kent will be around 33,000 by 2007.⁶ Net demand for workers in the next five years is likely to be around 36,400.

The level of replacement demand impacts greatly on the skills needs of the sub-area. It may be tempting to concentrate training on skills required by expanding industries but training relevant to stable or declining industries is also required.

It is important to ensure that those workers changing occupations and those entering the labour market for the first time have the right skills for the economy. Assessing the nature of employer skills needs at a sub-area level is difficult as there has not been a local employer skills survey since the TEC Regional Competitiveness Survey, which was last conducted in 1999, although an LSC 'Employer Engagement in Learning' survey is planned for 2002/2003. The 2001 Learning and Skills Assessment highlighted a number of broad skills demand issues arising from the Regional Competitiveness Survey and other regional and national research. These included:

1. **Managerial Skills** – Managerial skills are required by workers in a wide variety of occupations (not just management ones). However, the large proportion of SME/owner managers without any formal management qualifications was highlighted as a particular cause for concern.
2. **ICT skills** – Shortages of both ICT professionals and technicians and basic computer and keyboard skills in the wider workforce are widely reported in employer research across different sectors and geographical areas.
3. **Key skills (or generic employability skills)** – such as working on own initiative, willingness to learn and team working. These skills are expected to continue to increase in importance through the development of the 'knowledge based' economy.
4. **Basic Skills** – the extent of basic skills needs means that the majority of those with literacy and numeracy problems are currently employed in the workforce. Basic skills are thus an issue for current productivity as well as the future employability of individuals.

Skills Insight, the regional skills observatory, also highlight these skills issues as priorities for the region in their 2002 Annual Skills Review. At a broad level these skills demand issues are likely to remain priority employer skills needs, although the precise nature and extent of the problems may have changed.

⁵ BSL forecasting model 2001

⁶ Inferences drawn from BSL forecasting model data for the UK, based on the proportion of national employment in West Kent

For the 2002 Learning and Skills Assessment, important sectors for the future health of the sub-areas' economies have been chosen to highlight the skills that are needed.

Over the last couple of years National Training Organisations have produced Workforce Development Plans, which include analyses of recruitment problems and skills issues in their respective industries. These are analysed below, as well as in the Workforce Dynamics in Kent and Medway Series⁷. This forthcoming series of papers focus on 13 distinct sectors within the Kent and Medway economy, highlighting employment and skills issues for future years.

Important Sectors in West Kent

Three sectors in West Kent have been chosen as important to the economy in the sub-area. They were chosen on the basis of employment size, relative size compared with Kent and Medway, potential growth in the next five years and strategic importance. The sectors are:

- Business and financial services
- Information Communications Technology (ICT)
- Paper, packaging and printing

Figure 3.1 shows the importance of these sectors in West Kent. Business and financial services is one of the largest employers in the sub-area and is forecast to grow in the next five years. ICT, while relatively small in terms of industrial employment, is far larger in terms of relative size than Kent and Medway as a whole. Employment in this sector has grown since 1998 and is forecast to continue a sharp rise in the future. ICT employment is also a cross-sector industry, in that most other industries employ IT professionals. Its penetration into the economy therefore, is greater than its employment size would indicate. Paper, packaging and printing is the largest industry in West Kent, in relation to Kent and Medway. As a declining sector, it is grappling with the need to improve the skills levels of its workforce.

Figure 3.1 Important Sectors in West Kent

	Business & financial	ICT	Paper, packaging & printing
Employment	25,400	3,000	6,500
Proportion of employment in the sub-area(%)	19	2	5
Employment location quotient (vs. Kent and Medway) ⁸	1.22	1.35	1.78
Employment change, 98-00(%)*	+4	+8	-7
Forecast employment change 2001-2007 (%)*	+8	+9	-10

Source: Employment and location quotients – Annual Business Inquiry 2000

Forecast employment – BSL forecasting model 2001

*Figures for employment change and forecast employment are at a Kent and Medway level

⁷ Forthcoming series of reports produced for The Learning and Skills Council for Kent and Medway, which use inferred data from national and regional sources, added to county data to build a picture of each sector in the economy of Kent and Medway. Important sectors chosen in this report are based on the sectors used in this series.

⁸ Figures above 1 indicate a greater concentration of an industrial activity as compared with Kent and Medway as a whole, and figures below 1, a lesser concentration.

Business and financial services

The sector has a relatively high skills profile. Around 32% of business and financial services employees in Kent and Medway have high level skills (NVQ equivalent level 4+), a third more than in all industries. However, one in five employees in the sector have low skills. Even in a high skill sector, such as business and finance, there is a large requirement for low skilled employment but the skills needed by these employees, such as communication and customer service skills, may be different from those prevalent in the rest of the workforce.

Recruitment difficulties within the finance sub-sector are much more common than in the business sub-sector⁹ and in other industries, with a quarter of establishments in the South East¹⁰ reporting vacancies, compared with 13% and 15% respectively. However, a greater proportion of vacancies are hard-to-fill in the business services sub-sector (77% compared with 60% of vacancies in finance). Business services recruitment difficulties are more likely to be due to real skills shortages in the labour market than in most other sectors.

Skills issues in the business and finance industry

- The poor level of managerial skills of current managers
- The image of the sector as one that is 'boring' and 'dry', making it harder to attract new recruits
- The lack of advanced IT and software professionals and associate professionals in the labour market
- The low levels of basic computer literacy among clerical and secretarial job applicants
- Skills lacking include:
 - Communication skills
 - Customer handling skills
 - Team working skills
 - Problem solving skills
 - Managerial skills
 - IT skills

Source: Accountancy NTO and Financial Services NTO Workforce Development Plans 2001

Information Communications Technology

Skill levels in the ICT sector are significantly higher than the average for all industries. Half of ICT employees in Kent and Medway have degree level qualifications, more than twice the proportion in the workforce as a whole. Less than one in ten workers are low-skilled (NVQ equivalent level 1 or below).

Nationally¹¹, around a quarter of companies report having unfilled vacancies and around half of these report that at least one of these has proved hard to fill. Skills shortages were highlighted by 80% of those with hard-to-fill vacancies. This suggests that a lack of suitable skills within applicants for jobs is the main reason for hard-to-fill vacancies. Around 42% of national ICT employers also consider themselves to have skills gaps in their existing workforce. This may be related to long-term skills shortages in the labour market, forcing employers to take on staff without all of the required skills.

⁹ Skills shortage data for this sector is only available at sub-sector level (the finance sub-sector or business services)

¹⁰ Reliable skills shortage data is available from the Employer Skills Survey 2001, but only at a regional level

¹¹ Information on recruitment difficulties in ICT is not available at a county or regional level. Therefore, e-skills NTO research for the United Kingdom is used.

Key skills issues in the ICT industry

- Recruitment difficulties are most common in technicians and engineers, with IT sales professionals, operations managers and software development professionals also accounting for a large proportion of hard-to-fill vacancies
- Recruitment needs to be improved of women and those coming out of school
- While technical skills are essential, the development of generic, interpersonal skills is important, due to the high level of interaction with clients
- The development of interpretive skills, which link business requirements and IT solutions is critical in the industry
- Skills lacking include:
 - Communication skills
 - Problem solving skills
 - Team working skills
 - Operating systems
 - Networking
 - Internet-related skills

Source: e-Skills NTO – Workforce Development Plan 2001-2004; IT and Communications Professionals in the UK 2001

Paper, packaging and printing

The paper, packaging and printing industry is largely an intermediate skilled sector. Over half (54%) of employees are qualified to NVQ equivalent level 2-3 and the proportion of high skilled workers (Level 4 and above) in the industry (24%) broadly matches the level of low or no qualifications (23%).

Around half of employers in the industry in the UK report vacancies¹², with one in five of these proving hard to-fill. Almost all establishments with hard-to-fill vacancies report skills shortages, suggesting that skills deficiencies in applicants is the main cause of recruitment problems. Most shortages are in technical staff and sales and marketing occupations. Over half of establishments report skills gaps within their current workforce, with management roles being the hardest hit.

Skills issues in the paper, packaging and printing industry

- Attracting young people into the industry and planning an approach to their training and development needs
- There are low levels of investment in employee training in the sector
- Skills levels across the industry need to be raised – in particular there is a difficulty in attracting and retaining high quality graduates to the sector
- Managers need greater support in advancing their skills in order to help them develop their staff
- Skills lacking include:
 - Basic skills
 - Communication skills
 - Team working skills
 - Problem solving skills
 - IT skills
 - Customer service skills
 - Flexibility and multi-skilling

Source: Sector Workforce Development Plans 2001 of Paper Education and Training Council, the Publishing NTO and the Print and Graphic Communication NTO

¹² Recruitment information not available at a county or regional level. Therefore national information has been used from the NTOs for Paper manufacturing, publishing and print and graphic communication

Summary

High level skill shortages are apparent in several important local sectors. However, skills deficiencies also exist in other areas, some affecting certain occupations such as plant operatives and some relevant to all types of work such as ICT and generic skills. To improve this situation there is a need for more intermediate level vocational training. The following section outlines available intelligence on the supply of skills and training in the sub-area but “mapping” these onto skills needs in particular sectors and occupations remains problematic. Supply side intelligence needs to be improved before a comprehensive analysis of the relationship between training and qualifications and the supply and suitability of skilled staff for specific industries and occupations can be achieved.

Section Four Learning and Skills in the Workforce

There are around 209,200 working age people in West Kent, accounting for approximately 20% of those in Kent and Medway. Four fifths (167,360) are in work or seeking work, of which 1.2% (2,016) are claimant unemployed. This figure is significantly below the 3% level commonly referred to by economists as “full employment”. This means that many businesses wishing to recruit new staff will experience difficulties.

Meeting the replacement demand forecast in Section Three of this report will be made more difficult by the age profile of the population. Older workers (45-64) are forecast to grow by 11% by 2011, more than five times the rate of the whole population, and school age children (5-14) are forecast to decrease. Consequently, the sub-area could be facing a potential shortfall in the number of new entrants to the workforce over the next decade.

Emphasis should be placed therefore on increasing participation among older working age people and women. Currently, only 71% of people aged between 50 and retirement age are in work or seeking work compared with 83% of 16-49 year olds. If activity rates could be increased by only 5%, over 1,700 extra people would be in the workforce. The economic activity rate amongst women in the sub-area is also 71%, compared to 87% in men. If that gap could be halved, it would mean an extra 7,400 people in the workforce. However, increasing economic activity rates needs to be balanced against the childcare and community welfare roles that many of those outside the workforce undertake.

Comparable activity rates on ethnic minorities are not available. This is indicative of the general weaknesses in ethnic minority data. The 1991 Census puts the ethnic minority population of West Kent at 1.2%. If these figures were mirrored today there would be around 3,900 members of an ethnic minority in the sub-area.¹³

KEY ISSUE 3

Kent and Medway Issue

Increasing the stock of workers, by encouraging more women and people aged over 50 back into work, will go some way to satisfy forecast employment growth.

The rest of this section categorises the workforce into three groups and discusses each in turn:

- **Group 1: Those in work** - assesses the skill levels of employees in West Kent. It analyses how effectively provision for people in work matches needs, focusing on basic skills, employee learning activity, FE funded education, grant funded adult education and work based learning
- **Group 2: Unemployed and seeking work** – outlines the unemployment levels in the sub-area, and discusses the New Deal

¹³ Data from the 2001 Census should be available during the course of the next year.

- **Group 3: Entering the labour market for the first time** – assesses the supply to the workforce of new entrants from schools and sixth form colleges

The West Kent workforce is summarised in Figure 4.1:

Figure 4.1 Summary of the West Kent Workforce

Group One: Those in work	155,000¹⁴
Employed or self-employed who live and work in the sub-area ¹⁵	86,800
Employees working in the sub-area (inc non-residents) ¹⁶	136,900
Commuters to other sub-areas	18,600
Commuters to areas outside Kent and Medway	49,600
Commuters into the sub-area from elsewhere	24,800
Net out commuting	43,400
Group Two: Unemployed and seeking work	2,016
Claimant unemployed	2,016
Group Three: Entering the labour market for the first time¹⁷	2,600
Year 11 school leavers entering employment or youth training	280
Year 13 students entering employment	117
Year 13 students entering Higher Education	987

Sources: Labour Force Survey, Feb 2002; Annual Business Inquiry, 2000; Claimant Count Unemployment, July 2002; Kent Careers Service, 2001; Kent and Medway Household Survey, 2002

Group One: Those in Work

Figure 4.2 shows that the employment status of employees in the sub-area reflects the county as a whole. Women are far more likely to work part-time than men, 51% of female workers compared to 16%. Overall, just over one third of employees (34%) are on part-time contracts.

Figure 4.2 Employment Status

	West Kent		Kent & Medway	
Male full-time	56,300	41%	230,800	40%
Male part-time	10,600	8%	44,100	8%
Female full-time	34,400	25%	144,900	25%
Female part-time	35,700	26%	153,100	27%
All persons	136,900		572,800	

Source: Annual Business Inquiry, 2000

Figure 4.3 (overleaf) suggests that there are slightly more high skilled workers in the West Kent workforce than in Kent and Medway as a whole. Around a quarter of the workforce (28%) have high level skills (qualified to NVQ equivalent level 4 or above)

¹⁴ The Learning and Skills Assessment 2001 puts the number of people in work at 161,000. Due to the sample size of the Labour Force Survey, this difference is unlikely to be statistically significant.

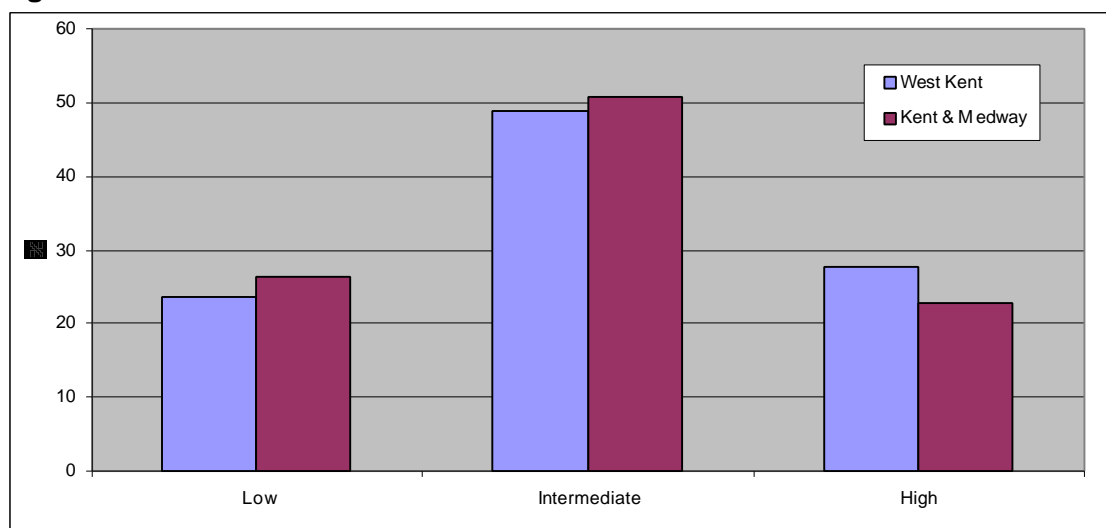
¹⁵ 1991 Census of Population data has been used to estimate the number of people living and working in the area or commuting to other areas to work

¹⁶ This figure comes from the ABI 2000

¹⁷ Year 11 cohort in the Kent Careers Service Destinations Survey 2001. Destinations are examples only. Comprehensive tracking of all labour market entrants is not possible from current data.

in the sub-area¹⁸. Many of these are in public administration, education and health, which in the county as a whole has 37% high skill employment. The high levels of banking, finance and insurance employment also contribute to the number of high skill workers (31% high skilled). Around half of the workforce (49%) are intermediate skilled (level 2-3). Level 2 skills are held by 30% of the workforce and level 3 skills by 18%. Intermediate level skills are held by nearly two thirds (64%) of distribution, hotel and restaurant workers. The remaining 24% of the sub-area's workforce are low skilled (level 1 or below), with distribution, hotel and restaurant workers again accounting for a large proportion (29% low skilled).

Figure 4.3 Skill Levels of the Workforce



Source: The Learning and Skills Council for Kent & Medway Household Survey, 2002

Members of the workforce are less likely to be high skilled if they work part-time or if they are unemployed. Full-time and self-employed workers are the most highly skilled in the workforce.

KEY ISSUE 4

Kent and Medway Issue

Ensuring the increase of intermediate and high skill workers is important in feeding the growth sectors of the economy.

¹⁸ The Household Survey 2001/2002 puts skill levels higher than its predecessor, the Skills Audit 2000/2001. While the difference is not statistically significant, the relationship with the county as a whole remains the same

Basic Skills

Around one in seven adults (14%) in West Kent have low literacy skills, and one in ten have low numeracy skills. Although this compares favourably with the rest of Kent and Medway and the South East, there are still at least 28,000 adults in the sub-area with poor basic skills. In addition, too many young people leave school with basic skills needs.

Access to basic skills training and take-up of the provision offered depends on many factors including the identification of basic skills needs by those affected, their employment situation and their level of motivation. However, geographical factors, such as proximity to training, are also very important.

The Learning and Skills Council for Kent and Medway have undertaken a mapping of basic skills needs against provision in the county. However, this is not an exhaustive list of all basic skills providers. Figures 4.4 and 4.5 (overleaf) show a relatively small number of basic skills providers in the sub-area. West Kent is by far the least deprived sub-area in Kent and Medway and because of this, most provision in the county is based in those areas with the lowest level of basic skills, such as Thanet in the East Kent Triangle, Medway in Thames Gateway and Folkestone in the Channel Corridor. West Kent, with no pockets of substantial deprivation, is under-represented in terms of provision. However, as shown in the maps, there are several wards with moderate basic skills problems, but no provision even in nearby wards.

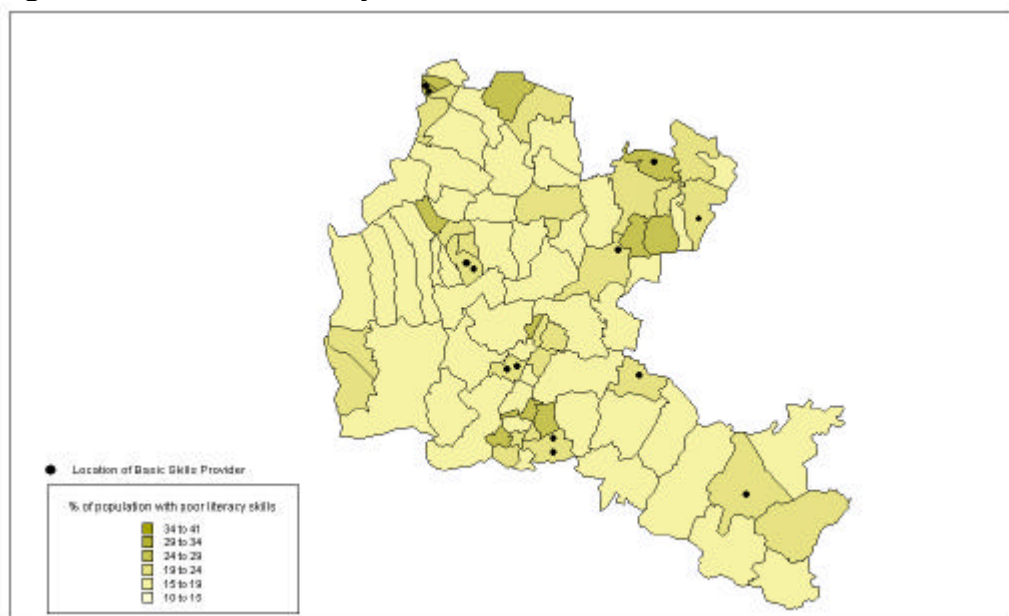
The LSC's Adult Literacy and Numeracy Delivery Plan for Kent and Medway¹⁹ identifies three wards in West Kent which 'require further investigation' due to the absence of provision in an area of basic skills need. These are:

- Edenbridge (north Sevenoaks)
- Horton Kirby (south Sevenoaks)
- Wrotham (north Tonbridge & Malling)

None of these areas are within the main urban centres of the town, but in more rural areas. Given the short travel to work distances of many people with basic skills needs, there may be a large number of adults who cannot easily access basic skills provision. It may be that provision has been so targeted towards the more deprived areas of Kent and Medway, that areas such as these have become the greatest areas of need.

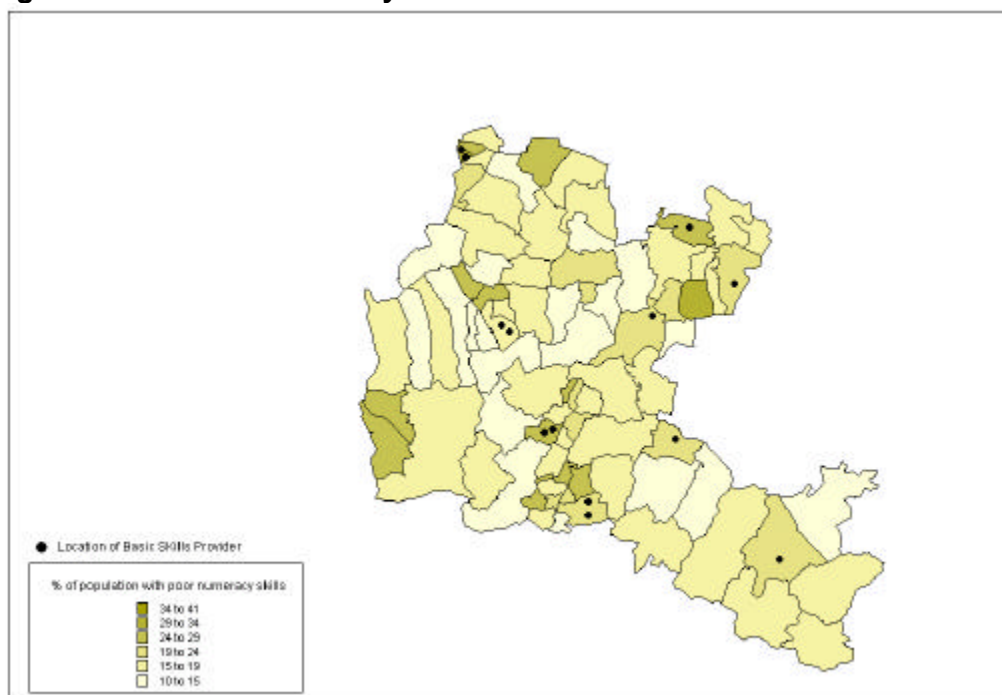
¹⁹ 'The Adult Literacy and Numeracy Delivery Plan 2001-2004: Part 1', The Learning and Skills Council for Kent and Medway, 2001

Figure 4.4 Poor Literacy Skills – West Kent



Source: Map derived from The Adult Literacy and Numeracy Delivery Plan 2001-2004: Part 1, p41

Figure 4.5 Poor Numeracy Skills – West Kent



Source: Map derived from The Adult Literacy and Numeracy Delivery Plan 2001-2004: Part 1, p42

Key action points for West Kent in the delivery plan include:

- To have a closer relationship between Schools and Training Providers, with a mail shot to all schools to make them aware of the work being done in their area
- Providers and Community groups to be made aware of employers with basic skills/training provision – to identify employers who have a facility for training and arrange visits and open days

- To revitalise the KATO Industry Sector Groups which will help to identify and support sectors that have a basic skills need
- To identify a working party to develop initiatives that would encourage employees to access basic skills training
- To help promote basic skills via national and local advertising by using a recognised celebrity on radio and TV

The development of a Basic Skills Consortium in Kent and Medway should help to form partnerships and engage community and volunteer groups in a county-wide strategy to share best practice and improve basic skills provision.

The LSC have also set sub-area level targets for the number of participants in level 1, level 2 and entry level learning (including basic skills). The achievement of targets will focus on the engagement of key groups in learning. These are:

- Low skilled unemployed
- Low skilled employed
- Lone parents
- Benefit claimants
- Public sector employees
- Young adults
- ESOL learners
- Ex-offenders
- Homeless people
- Refugees/Asylum seekers
- Travellers

The difficulty in monitoring the achievement rates of these groups is the lack of information about them. It is unknown how many people from some of these groups are in the county for example, although West Kent is likely to have fewer than the rest of the county, due to the relatively low levels of deprivation. Therefore, the emphasis is on providers to ensure that their provision is hitting the required people. In West Kent, a target of 15,600 participants and 5,200 achievements by 2004 has been set for entry level, level 1 and level 2 learning.

KEY ISSUE 5

West Kent Issue

The relative paucity of basic skills provision in West Kent may mean that unmet demand is higher than in other sub-areas.

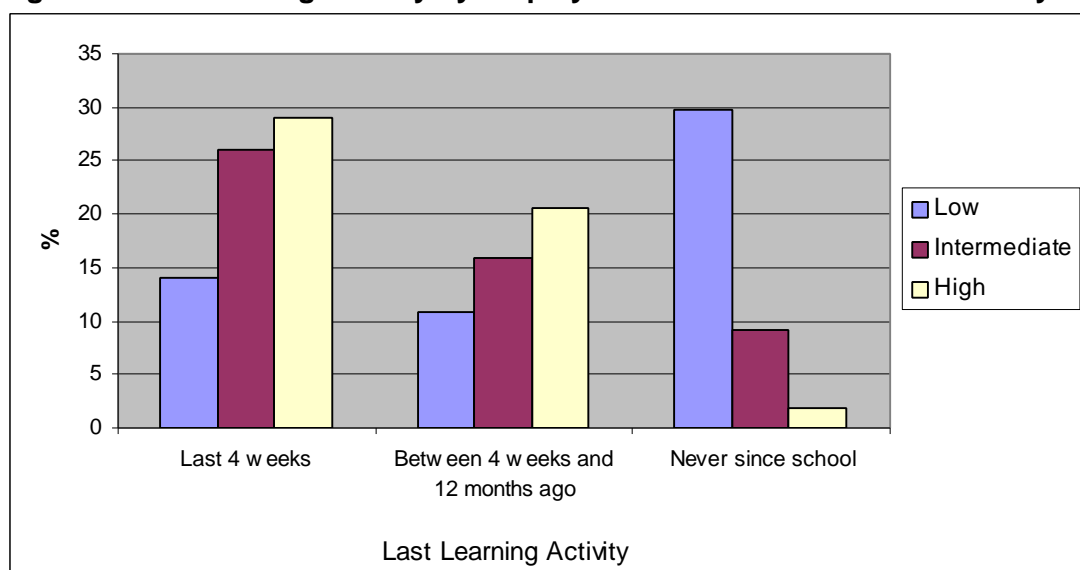
Employee learning activity

Employee learning activity in the sub-area broadly reflects Kent and Medway as a whole. Around 39% of employees in West Kent have undertaken training within the last 12 months, the same as in Kent and Medway, and around 19% in the last 4 weeks, less than in the county (24%). Around 8% are currently studying towards a qualification.

Analysis of learning activity by skill level in West Kent is not available, but Figure 4.6 (overleaf) shows that in Kent and Medway, the amount of training undertaken is proportionate to the skill level of the worker. High skilled workers are twice as likely to have undertaken learning in the last four weeks, while only a few have not undertaken any since leaving school, compared with nearly a third of low skilled workers.

Over four fifths of employees in West Kent are positive about undertaking learning in the future (87%), compared with only 82% in the county as a whole. Only 6% have negative views.

Figure 4.6 Learning Activity by Employee Skill Level – Kent and Medway



Source: The Household Survey in Kent & Medway 2001/2002

FE funded Adult and Further Education

FE funded provision is included in this section because of the profile of those who undertake this type of learning. While it includes a number of young people about to enter the workforce for the first time, the majority are mature students, over the age of 25 (see Figure 4.7).

During the 2000/2001 academic year, 15,687 students went through FE funded Adult and Further Education provided in the sub-area. Around 90% of these, or 14,121 students, went through one of the two colleges based in the area, West Kent College and Hadlow College. West Kent College (12,097 learners) is far larger than Hadlow College (2,024), due to Hadlow's specialisation in agricultural courses. The remaining 1,586 learners went through West Kent Adult Education Services (AES).

Two thirds of FE funded learners in the sub-area (66%) are female, more than in the working age population (50%), and 4.7% are from ethnic minorities. The proportion of ethnic minority learners in the sub-area is around 4 times that for the working age population, given by the 1991 Census. The 2001 Census is likely to show that this disparity is not as pronounced as these figures suggest, but nonetheless they indicate that the sub-area has been quite successful in attracting ethnic minorities into learning.

The proportion of FE funded learners in West Kent with a disability, including learning difficulties, is 4.4%. There are no comparable figures available for West Kent, although the Kent and Medway Household Survey 2001/2002 estimates the disabled population in the county at around 10%. If this is mirrored in West Kent, it suggests that it is proving difficult to engage people with disabilities in learning.

Two thirds of FE funded learners (65%) are aged between 25-59 (Figure 4.7 overleaf). There are fewer learners under the age of 21 going through FE funded provision in the sub-area than in Kent and Medway as a whole (16% compared with 24%).

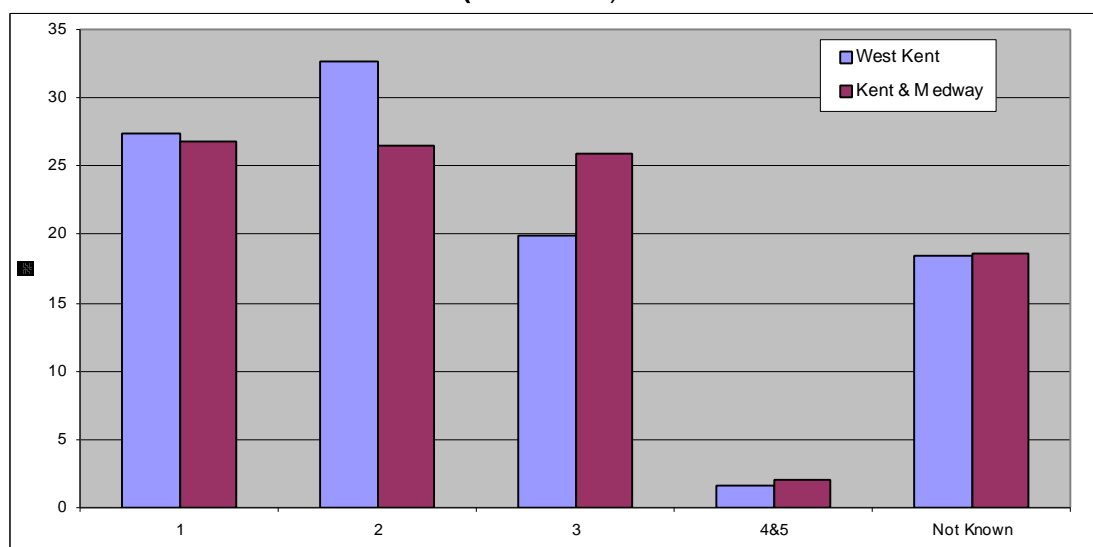
Figure 4.7 FE funded Adult and Further Education Provision by Age (2000/2001)

Age	West Kent		Kent & Medway	
	Count	Percentage	Count	Percentage
Under 16	10	0.1%	161	0.2%
16-18	1,816	11.6%	13,178	17.9%
19-20	695	4.4%	3,476	4.7%
21-24	1,038	6.6%	5,327	7.3%
25-59	10,207	65.1%	44,179	60.2%
60+	1,694	10.8%	5,922	8.1%
Other	227	1.4%	1,048	1.4%
Total	15,687		73,291	

Source: The Learning and Skills Council for Kent & Medway, ISR 2000/2001

Around a third of courses delivered in the sub-area (33%) were at qualification level 2, with just over a quarter (27%) at the basic level 1 (Figure 4.8). The sub-area delivered less intermediate and higher level courses (levels 3-5) than in the county as a whole (22% compared with 29%). The reasons for this are unclear and require further investigation.

Figure 4.8 FE funded Adult and Further Education Provision by Qualification Level (2000/2001)



Source: The Learning and Skills Council for Kent & Medway, ISR 2000/2001

In nearly one fifth of cases, the qualification level of the course is unknown. Emphasis needs to be placed on improving the quality of data in this area, and to better align household and employer surveys and ISR/ILR records with the management information of stakeholders.

Figure 4.9 (overleaf) shows that FE funded provision does not cater directly for the high level skills needs of employers in the sub-area.

As we saw in Section Three, there will continue to be significant demand for low and intermediate skilled employees in the sub area. Furthermore, low skilled training acts as an important progression route to higher level training.

Figure 4.9 Skill level of FE Funded Provision Compared with Workforce Skill Levels (2000/2001)

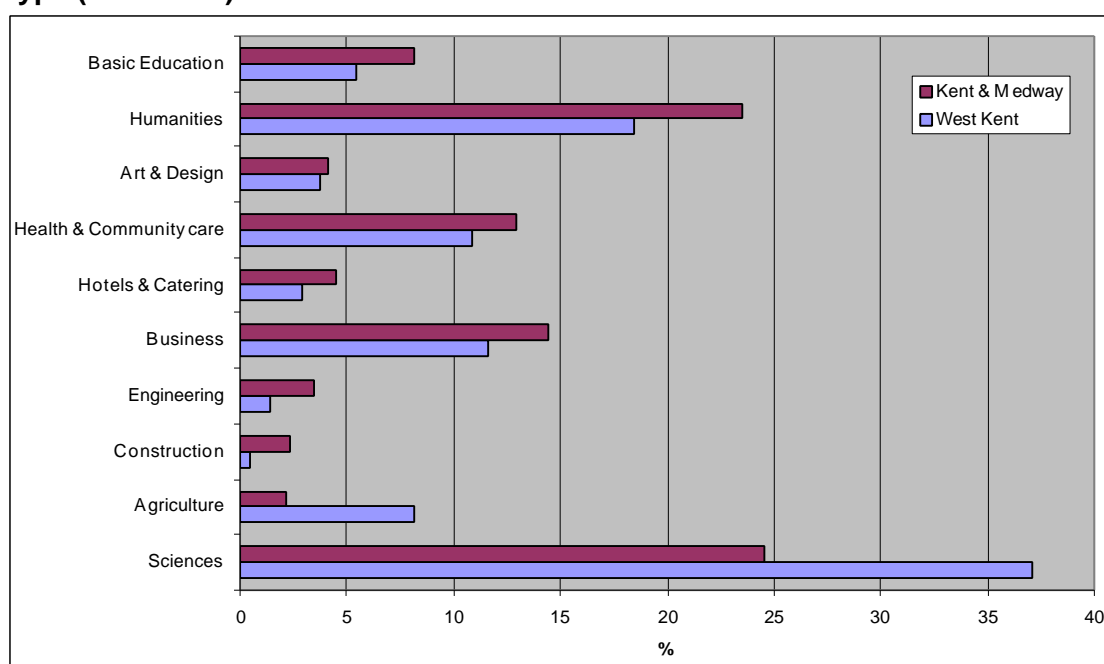
	West Kent (%)	Kent & Medway (%)
Workforce Skill Level:		
Low	24	26
Intermediate	49	51
High	28	23
AE/ FE Provision:		
Low	27	27
Intermediate	53	53
High	2	2
(Other)	18	19

Source: The Learning and Skills Council for Kent & Medway, ISR 2000/2001

Figure 4.10 shows that the most popular courses for council funded learners in West Kent are science subjects (37%). Science is far more popular in the sub-area than in Kent and Medway (25%). The reasons for this are unclear but could relate to the skills needs of the ICT and paper and packaging industries. Some science courses may complement the agriculture courses which are also much more common in West Kent, reflecting the specialism of Hadlow College. This college supports the rural business community in the sub-area and in the rest of Kent and Medway. Only around 5% of courses are in basic education.

FE funded Further Education and Adult Education is also clearly an important provider of intermediate skilled workers in the public administration, education and health sector, through humanities and health and community care courses. The low level of business courses in comparison to Kent and Medway is surprising given the importance of business and financial services in the local economy.

Figure 4.10 FE funded Adult and Further Education Courses by Programme Type (2000/2001)



Source: The Learning and Skills Council for Kent & Medway, ISR 2000/2001

It is unclear what proportion of business courses are related to the management skills needs identified by a number of locally important sectors. Whilst this may be considered a high skill area, given time and financial pressures many managers may be more open to intermediate level qualifications in specific management skill areas than to degrees such as MBAs.

Entrepreneurial skills are also required to help individuals to start up and maintain businesses. In 1999, the rate of new business formation in the sub-area was 9.9%. This is the number of new businesses created that year as a proportion of the business stock. This rate was below the average for the South East, which was 11.2%. Between 1996 and 2000, the stock of businesses in West Kent increased by 4.3%. In the South East this figure was 6.2%.

KEY ISSUE 6

Kent and Medway Issue

Management skills are identified as a priority skills need by a number of important local sectors. Should LSCKM funded provision be extended in these areas?

Grant funded Adult Education

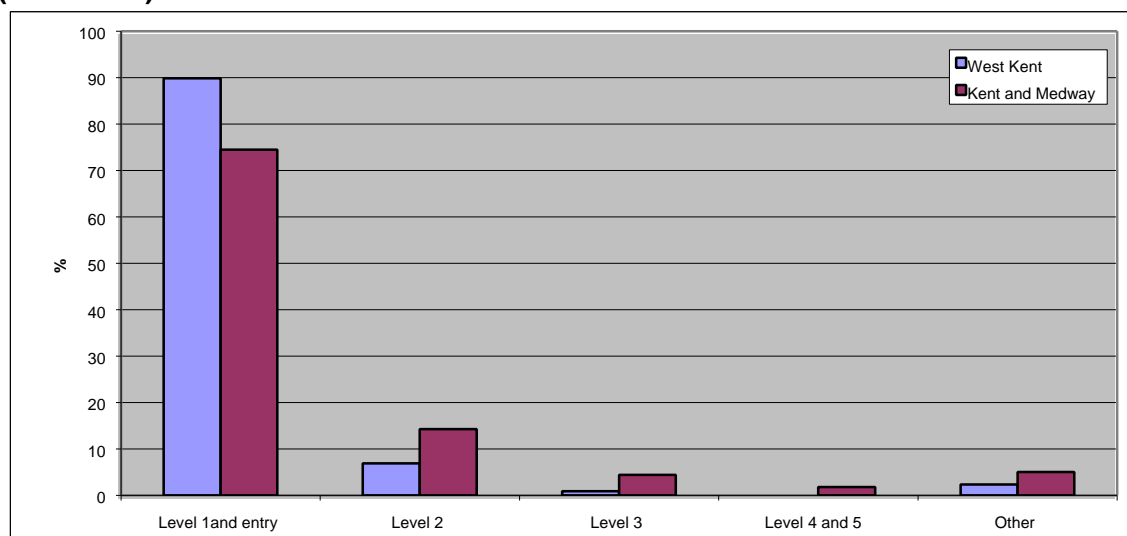
Grant funded Adult Education places emphasis on social and community well-being as well as on increasing the skill levels of the current and future workforce. Grant funded Adult Education is one of the most significant routes for entry level learning among the working age population. In the 2000-2001 academic year, 10,725 learners participated in grant funded AE in West Kent.

Unfortunately it is not currently possible to accurately determine the socio-demographic profile for grant funded Adult Education learners, in terms of age, ethnicity or disability status for example, as this information is only available for a proportion of learners²⁰.

However, management information does reveal that around three quarters of grant funded AE learners in the sub-area are female. Throughout Kent and Medway the proportion of female learners is significantly higher in grant funded AE than in other forms of education and learning.

²⁰ Kent Adult Education Services are currently updating their management information systems and will be able to provide more accurate data for the next Assessment.

Figure 4.11 Grant Funded Adult Education Courses by Qualification Level (2000/2001)

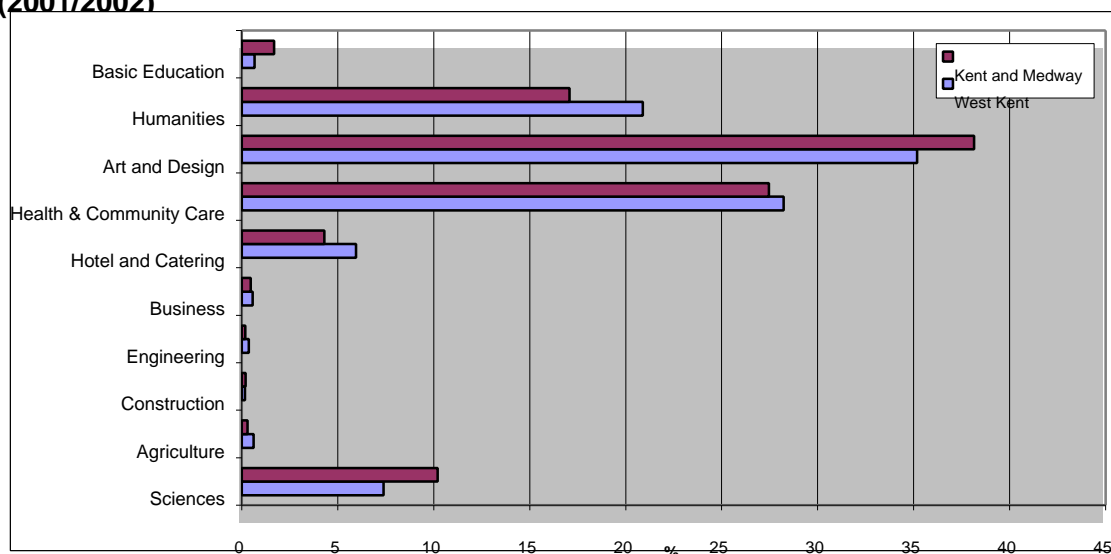


Sources: Kent Adult Education Service, Medway Adult and Community Learning Service, 2002

The majority of grant funded AE courses (90%) undertaken in West Kent were at level 1 or entry level. Students in West Kent were significantly less likely to study courses at level 2 or above than those in the county as a whole.

Figure 4.12 shows that around one third of courses (35%) were in art and design. Nearly 30% of courses were in health and community care. Humanities, including languages, accounted for 21% of courses studied. Basic education courses were studied by only 0.7% of grant funded Adult Education learners. However this probably reflects funding streams rather than learner choice. Basic skills courses offered in Adult Education centres are likely to attract FE funding for example and therefore do not appear in Figure 4.12.

Figure 4.12 Grant Funded Adult Education Courses by Programme Type (2001/2002)



Sources: Kent Adult Education Service, Medway Adult and Community Learning Service, 2002

While the majority of grant funded Adult Education provision is towards the low skill end of the spectrum, it is likely that these courses play a significant role in helping to engage people in the learning process (see Kent and Medway Report). Many low skilled workers may have had poor experiences of formal education in the past and need short informal learning experiences to rebuild their confidence before they engage in higher level or more vocational learning.

However, there will also be a significant group of grant funded learners who study purely for recreational or social reasons. These learners may already be highly qualified and/or have no interest in developing their skills for current or future employment (although they may use their learning for community and social purposes).

From a workforce development perspective, more information is needed on grant funded Adult Education to help examine the extent to which it provides a route into learning for non-learners and/or provides progression into more vocational or higher level learning. Given the extent of learning provision through grant funded Adult Education, its role in both these areas is likely to be significant.

Work Based Learning For Young People (WBLFYP) programmes

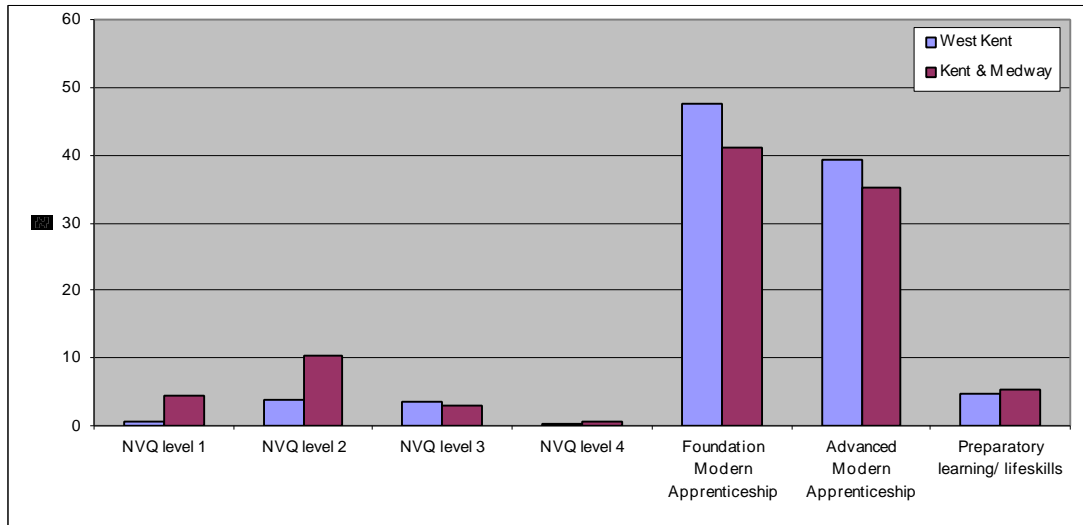
These are specific programmes that allow young people to enter employment while at the same time working towards nationally recognised qualifications. This analysis does not include privately funded or employer funded work-based learning. Since 1995, 830 people have undertaken Work Based Learning in West Kent, only 7% of the total for Kent and Medway.²¹ The majority of these learners (57%) are female. In 2000/2001, 485 individuals completed Work Based Learning programmes in the sub-area. The programmes are open to 16-24 year olds but 61% of participants in the sub-area were under the age of 18.

Figure 4.13 (overleaf) shows that over three quarters (87%) of work based learning is delivered through Modern Apprenticeships, the majority of which is at the foundation level. Work based learners in the sub-area are less likely to take NVQs alone than in the county as a whole. The broader Modern Apprenticeships, which include NVQ training are more common. Less than 1% of Work Based Learning however is undertaken at a high skill level (NVQ equivalent level 4 or above).²²

²¹ Data from the Learning and Skills Council for Kent and Medway includes all work based learners since 1995 to 2002, some of which will still be undertaking their programme. Data for leavers only, which is included in the Learning and Skills Assessment 2001, is not available.

²² Foundation Modern Apprenticeships are equivalent to NVQ level 2 and Advanced Modern Apprenticeships to NVQ level 3. As such, neither are classed as high skilled training

Figure 4.13 Work Based Learning by Programme Type, 1995-present

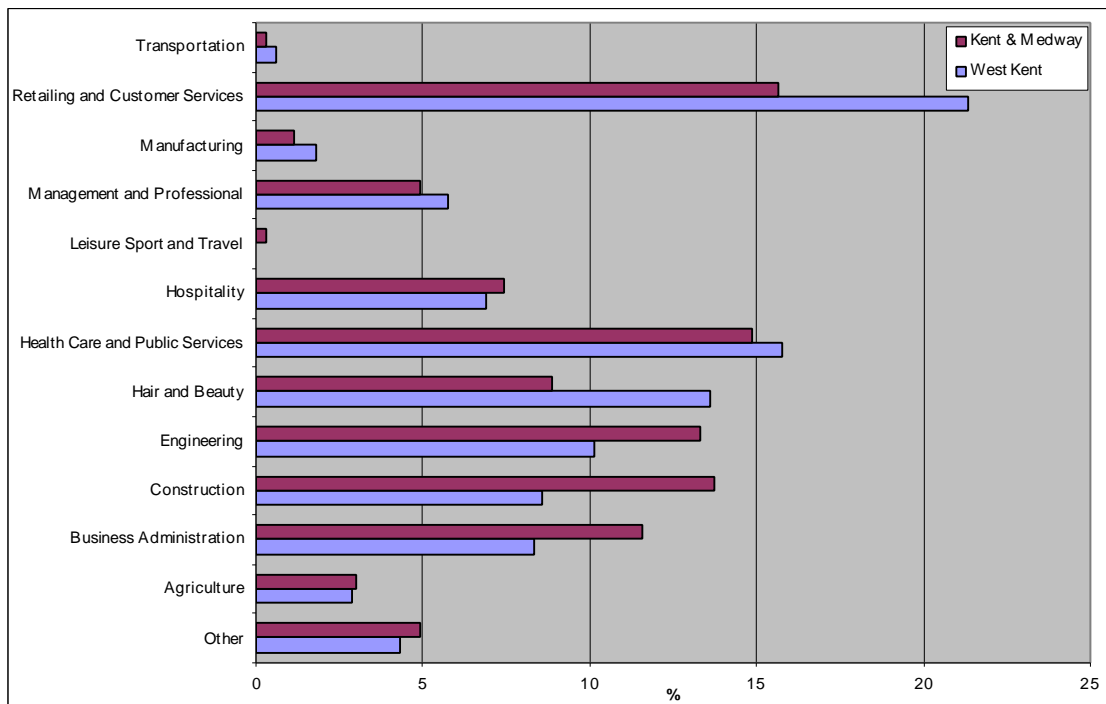


Source: The Learning and Skills Council for Kent and Medway, 2002

Figure 4.14 shows that the most common subject area for Work Based Learning is retailing and customer services (21% compared with 15% in Kent and Medway). Health care and public services (16%) and hair and beauty (14%) courses are also popular.

The skill levels of provision in these programmes differs greatly. Over half of health care and public services training (55%) is done at NVQ equivalent level 3, either through Advanced Modern Apprenticeships or NVQs, compared with only 40% in retail and customer services, the majority of which (59%) is delivered through Foundation Modern Apprenticeships.

Figure 4.14 Work Based Learning by Subject Area



Source: The Learning and Skills Council for Kent and Medway, 2002

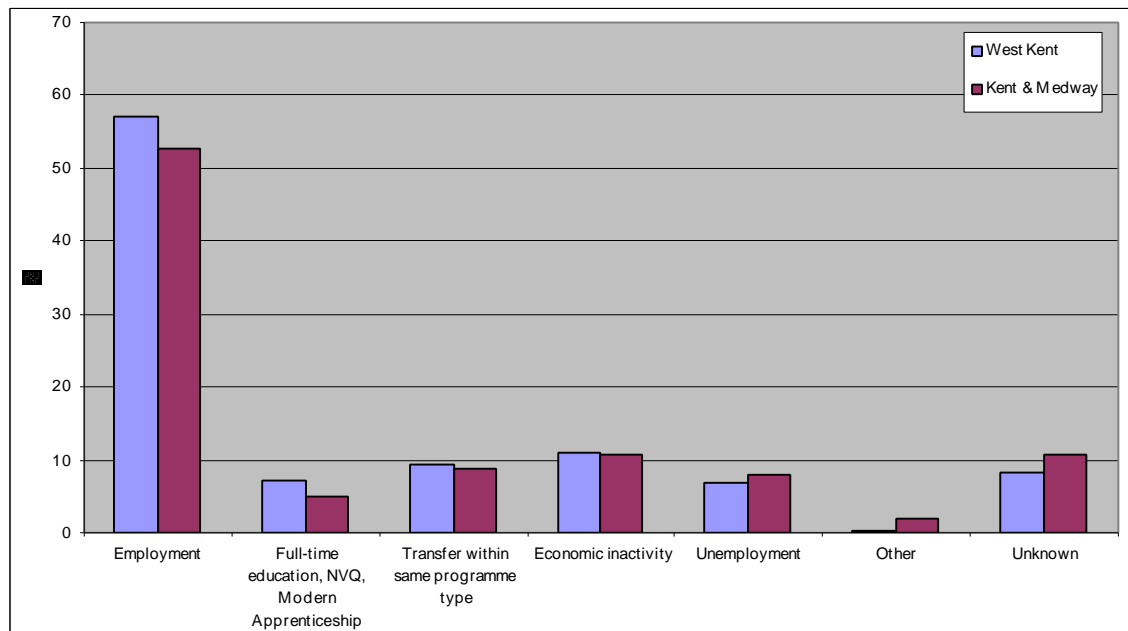
Engineering skills, highlighted as skills needs within the ICT sector, is one of the more widely undertaken programmes (10%). However, the penetration of this subject is not as great as in the county as a whole (13%).

Management and professional training accounts for only around 6% of the Work Based Learning undertaken. While management skills are among those found to be lacking in key sectors, increasing provision within these kinds of programmes is unlikely to solve the problem. Employers prefer managers to be older and more experienced. Therefore, it will be more effective to increase provision of this subject area through Adult and Further Education.

The majority of skills highlighted as lacking within the sectors are employability skills, like communication, basic skills and IT skills. The Key Skills Units²³ included as part of Modern Apprenticeships are aimed at improving these skills amongst workers. The proposed expansion of the Modern Apprenticeship scheme may therefore increase the supply of generic skills²⁴. However, more research is required into employers' views on the effectiveness of Key Skills Units in improving these skills in the workforce.

The destinations of those finishing work based learning in the sub-area are broadly the same as in the county (Figure 4.15 overleaf). Over half (57%) go into employment, and a further 17% go on to study for more qualifications, either within the same programme type, or through other work based learning or full-time education. However, it is concerning that 18% go into unemployment or economic inactivity.

Figure 4.15 Work Based Learning Destinations



Source: The Learning and Skills Council for Kent and Medway, 2002

²³ Key Skills Units are compulsory parts of the Modern Apprenticeship programme focussed on five generic skill areas. Units are: Information Technology; Communication; Application of Number; Working with Others; Improving own Learning and Performance

²⁴ For more details of this see the Kent and Medway overview report

Group Two: Unemployed and Seeking Work

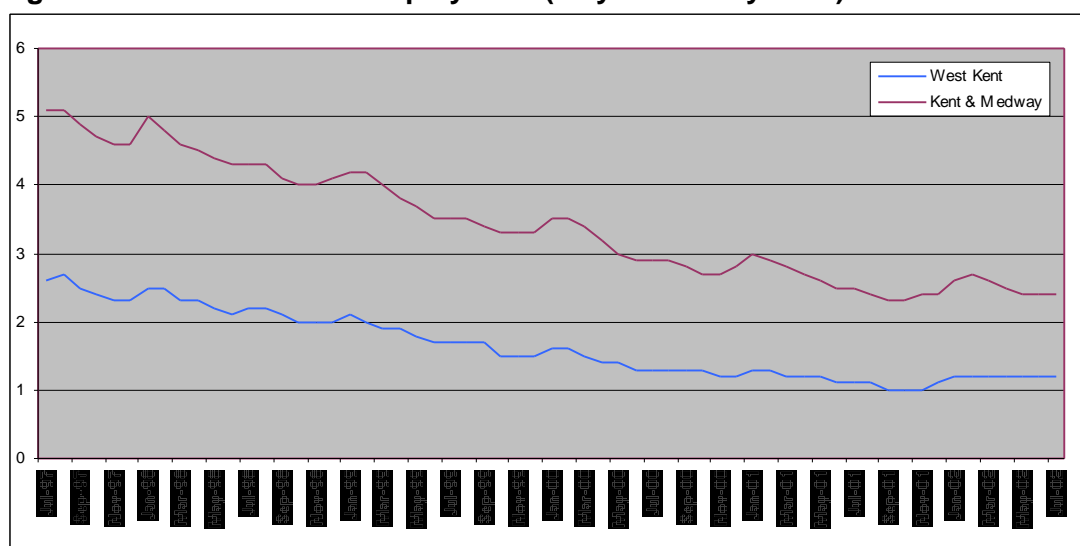
There are two means of measuring unemployment in Great Britain. The claimant method counts the number of people claiming unemployment related benefits²⁵. However, this measure does not include people seeking work but not claiming benefits, such as mothers returning to work. The International Labour Organisation (ILO) measure takes these people into account. The ILO unemployment rate therefore is slightly higher than the claimant rate. In Kent and Medway 4.2% of the working age population, or 32,000 people, are unemployed by the ILO definition. Unfortunately, the ILO measure, collected through the Labour Force Survey in Great Britain, is not available at sub-area level. Therefore, this report focuses on the claimant measure of unemployment.

Claimant unemployment

Claimant unemployment in West Kent is lower than in any of the other sub-areas in Kent and Medway. In July 2002, there were 2,016 claimant unemployed, a rate of 1.2%. While this denotes a slight increase from July 2001 (1.1%), unemployment has halved in the last five years (Figure 4.16). If ILO rates were available we might expect there to be 4,000- 5,000 additional people seeking work in the sub-area but not claiming benefit.

Male unemployment (1.6%) is more than twice that of female (0.7%), a similar pattern to that in Kent and Medway and across Great Britain. Those who are unemployed, tend to be so for less time than in the rest of the county. Just under a quarter (23%) of those unemployed in West Kent have been so for over six months, compared with 30% in Kent and Medway. The unemployed are also older, reflecting the slightly older population within the sub-area. Around 56% are over the age of 35, compared with 50% in the county as a whole.

Figure 4.16 Claimant Unemployment (July 1997- July 2002)



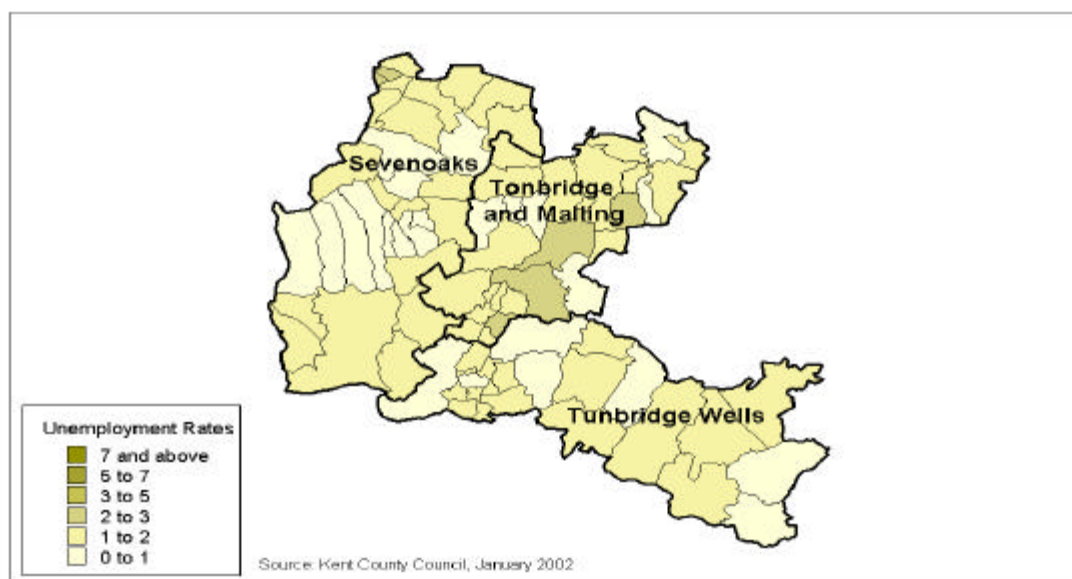
Source: NOMIS, 2002

Figure 4.17 (overleaf) shows the incidence of unemployment in West Kent. All of the wards in the sub-area have rates of less than 3%, the official definition of 'full employment'. Only six wards have rates above 2%, with the highest rate being in Swanley St. Mary's in Sevenoaks (2.9%). Of the fifteen wards with the lowest

²⁵ Unemployment related benefits include Job Seekers Allowance and National Insurance Credits

unemployment in Kent and Medway, West Kent has ten of them, including the lowest rate in the county in Pembury in Tunbridge Wells (0.6%).

Figure 4.17 Claimant Unemployment Rate by Ward – West Kent



KEY ISSUE 7

West Kent Issue

Ensuring the supply of high quality new entrants to a labour market that is very tight, is imperative to the continued growth of the sub-area's economy.

The New Deal

The mismatch between the skills held by the unemployed and those required by employers and growth industries has been a long running problem for the UK labour market.

The New Deal is an important element in the Government's Welfare to Work Strategy. Starting across the United Kingdom in April 1998, it provides an opportunity for unemployed people to improve their key skills and gives help in finding a job. The New Deal for Young People is available to anyone aged between 18-24 who has been unemployed for more than six months, while the New Deal for the Long-term Unemployed is available to anyone aged 25 or over unemployed for more than a year.

In each scheme a Gateway period is entered into of up to four months, which gives employability training and advice on finding a job. If a job has not been found during the Gateway period, individuals choose a New Deal Option. Options include subsidised employment, training and education or working with the voluntary sector or environmental task force.

Since the beginning of the scheme around 1,000 young people (14% of all in Kent and Medway) have started an option (Figure 4.18 overleaf). Of these, 41% have

gone into employment on completion of their option²⁶, a smaller proportion than in Kent and Medway as a whole (48%). Almost all (95%) of those going into employment have taken up sustained employment, the remainder going into jobs lasting less than 13 weeks. Since March 2001²⁷, 180 people over the age of 25, have begun an option (also 14% of Kent and Medway). To date only around a quarter (26%) have gone into employment.

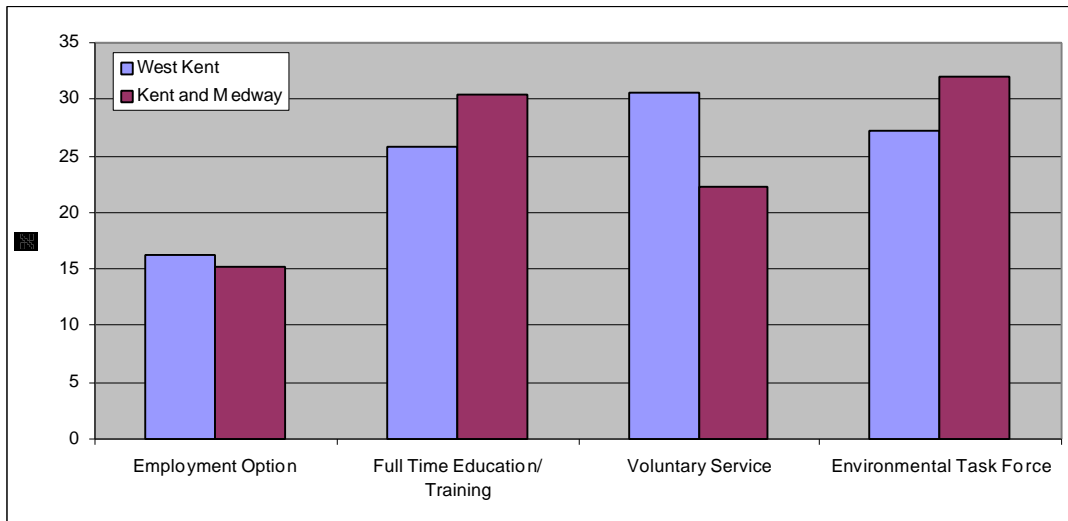
Figure 4.18 The New Deal: Employment Entry

	All Starts	Sustained job	Job lasting less than 13 weeks	Percent into employment
18-24 (since April 1998):				
West Kent	1,018	398	19	41.0%
Kent & Medway	7,142	2,755	703	48.4%
25+ (since March 2001):				
West Kent	180	43	4	26.1%
Kent & Medway	1,248	252	55	24.6%

Source: Jobcentre Plus 2002

Figure 4.19 shows the options taken up by young people on the New Deal in West Kent. A quarter (26%) take up full-time education or training, which can last up to 12 months and can offer the chance of achieving an accredited qualification, less than in Kent and Medway. Around 16% take up the employment option, offering a full or part time job, including training, with an employer for six months, although they may continue in the job beyond the end of this period. The remaining half (57%) work with the voluntary service or an environmental task force, which combine six months of work placements with training to improve skills and work prospects. The voluntary service option is much more popular in West Kent than in the county as a whole (31% and 22% respectively).

Figure 4.19 The New Deal for Young People: Options



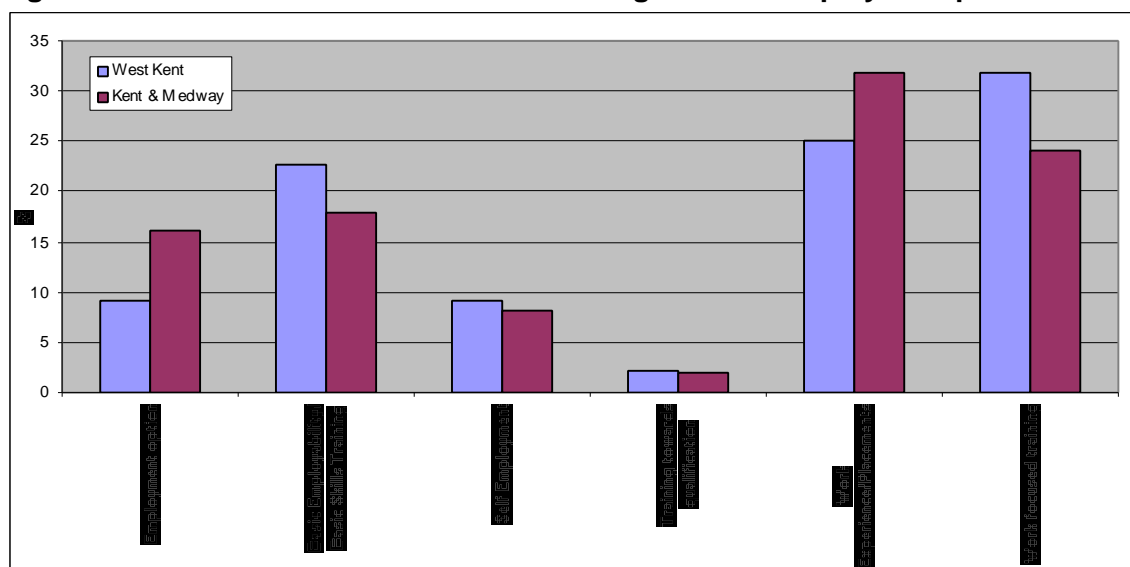
Source: Jobcentre Plus 2002

²⁶ Figures for entry into employment do not include people who are currently undertaking their option. This figure is not available. Consequently, the proportion of all option completers going into employment will be slightly higher.

²⁷ In March 2001, the options for the New Deal for the Long Term Unemployed were modified. Therefore statistics for people over the age of 25, apply to this period only.

Figure 4.20 shows that education or training, whether through the basic employability/basic skills option, work focused training or training towards a qualification, is a far more popular option among those over the age of 25 in West Kent than in Kent and Medway (57% compared with 44%). Only 18% take up the employment or self employment²⁸ options, compared with 24% in Kent and Medway and around half in the Channel Corridor. The remaining quarter go into work experience or placements.

Figure 4.20 Enhanced New Deal for the Long Term Unemployed: Options



Source: Jobcentre Plus 2002

Group Three: Those Entering the Labour Market for the First Time

The analysis of this group of workers focuses on the supply of new entrants to the workforce and their skills and qualifications. While many young people enter the workforce from Further Education colleges, these institutions are dealt with in the Those in Work section and will not be included here.

Schools and Sixth Form Colleges

Figure 4.21 shows that performance by West Kent students at Key Stage 3 and in secondary education is significantly higher than in Kent and Medway. Only in sixth form attainment does it dip slightly below that of the county.

²⁸ Self-employment is also available to young people, but is much more common in those aged 25+. Self-employment figures are included in the employment option for young people

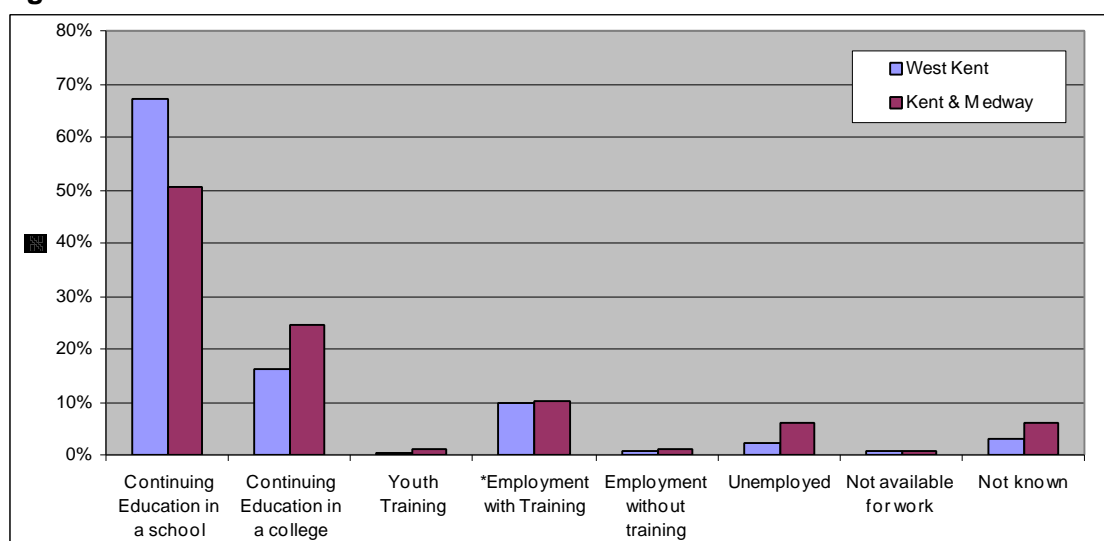
Figure 4.21 Secondary Education Statistics (2001)

	West Kent	Kent & Medway
Key Stage 3 Achievement		
Pupils with level 6 and above in English	42.2%	40.1%
Pupils with level 6 and above in Maths	52.7%	48.0%
Pupils with level 6 and above in Science	44.8%	39.4%
Secondary school leavers		
5+ GSCE/GNVQ grades A*-C	59.4%	51.1%
5+ GSCE/GNVQ grades A*-G	93.3%	87.1%
Sixth Form A-Level/ AS Level/ AGNVQ Attainment		
Average points score per student (Total A/AS Levels/ AGNVQ)	14.8	15.0

Source: The Department for Education and Skills (DfES), 2001

Year 11 school leavers in the sub-area are more likely to continue with education than in Kent and Medway (83% compared with 76%), the majority in school (Figure 4.22). Around one in ten (11%) go into employment, almost all with training attached. Only 4% of leavers are known not to continue with any form of training at all, half the proportion in the county as a whole (8%).

Figure 4.22 Destination of Year 11 School Leavers



Source: Kent Careers Service – Destination Survey, 2001; * - includes employed status trainees and Modern Apprenticeships

Higher education is a much more popular destination for students in West Kent than in the rest of the county. Three quarters of year 13 leavers go into higher education compared with around two thirds (64%) in Kent and Medway (Figure 4.23 overleaf). Only 9% go into employment, almost all with some kind of training included. Overall, only 3% of leavers are known not to continue with any training at all.

Figure 4.23 Destination of Year 13 School and Sixth Form College Leavers

	West Kent (%)	Kent & Medway (%)
Higher Education	74.5	63.8
Continuing education in school	2.6	4.3
Continuing education in college	5.6	4.8
Youth Training	0.0	0.1
Employment with training	8.2	13.2
Employment without training	0.7	2.4
Unemployed	1.2	2.2
Not available for work	0.9	0.6
Not known	6.3	8.5

Source: Kent Careers Service – Destination Survey, 2001

Whilst achievement and destinations data for young people provides a reasonable picture of overall levels of qualification and learning participation, the type of qualifications and skills possessed by those entering into employment at different stages is unclear. The work readiness of young people has been questioned by the Education and Business Partnership (EBP) and this issue will be investigated in more detail in the next Learning and Skills Assessment.

Section Five

Key Issues in West Kent

The key issues highlighted in this report relate to both the local situation and that in the county as a whole. Few key issues were found to be relevant to one sub-area only. The issues have been chosen with reference to other reports, including the Kent Economic Report and the Area Investment Framework (AIF) for the sub-area. However, the AIF drew heavily on the 2001 Learning and Skills Assessment.

The Learning and Skills Assessment is an evidence-based document and therefore the key issues identified are based on the available evidence, leaving the reader to make up his or her own mind about its implications. The challenge for the Learning and Skills Assessment, the AIFs and similar documents is the need to develop more empirical evidence at a local and sub-area level to back up anecdotal evidence. The aim of the Learning and Skills Assessment over the forthcoming years is to improve the evidence presented. The publication of new data, including results from the 2001 Census and neighbourhood statistics data, will help towards this goal.

Key Issue 1

Local competitiveness and the commuter workforce

West Kent Issue

The strength of the labour force is perhaps the key driver behind the level of economic competitiveness in an area. High entrepreneurial and management skills feed the growth of small business for example; and a more highly skilled labour force is essential to increasing productivity and facilitating the move to higher wages and to a higher value-added economy.

However, it is unclear how well businesses in West Kent are served by the local workforce. The sub-area receives some of the best scores in the country for its performance in terms of its labour force and for social cohesion but manages only average rankings for more business-orientated indicators, which depress overall economic competitiveness. West Kent suffers from a disparity between the success of its workers who enjoy low unemployment, high skills and high incomes, and the failure of local businesses to share in this success. In West Kent, high levels of out-commuting have weakened the linkage between workforce strength and overall economic competitiveness. There is therefore a need to attract more high quality graduates to work in the sub-area.

The success of the sub-area economy is therefore dependent on the fortunes of the Capital and the City in particular, to which many of its high skilled residents commute to work. More needs to be done to support local business and high growth business start ups.

Key Issue 2

Capacity for growth in West Kent

West Kent Issue

The relatively high level of employment in sectors, such as business and financial services and in high skill occupations such as professionals and managers, provides the sub-area with opportunities for the future. In a global marketplace that will increasingly rely on more innovative ways of exploiting knowledge to create advantage, it is these sectors and occupations that will drive the success of the economy.

However, although the sub-area is stronger than Kent and Medway in these areas, it suffers from its proximity to high growth areas in the South East (for example Berkshire and Surrey boasts around 30% employment in business and financial

services). These areas act as magnets for large companies in knowledge economy sectors, and consequently make it more difficult for surrounding areas to attract investment. West Kent is very strong in relation to the rest of the county in terms of inward investment, with over half of Kent and Medway's inward investment going into the sub-area. There will be limits to the sub-area's capacity to absorb investment. For example, finite land resources and the presence of green-belt land, which cannot be built on. However, the medium term planning agenda is to reduce planning restrictions to allow the "economic powerhouse" of London and the South East to grow. In addition, without a targeted investment strategy for West Kent in terms of prioritising key sectors, it is difficult to ascertain the likely implications for skills demand. The Kings Hill Business Park is also close to completion, thus limiting the availability of modern business premises for potential inward investors.

Key Issue 3

Widening participation in the workforce

Kent and Medway Issue

The working age population is forecast to get older over the next ten years, with workers aged 45-64 set to increase by 11%, five times the rate of the whole population. At the same time, the number of 5-14 year olds is predicted to fall. This will mean there will not be enough young people entering the workforce to replace those retiring.

Given this potential shortfall, increasing the participation of people currently not in the workforce is key. Currently, two large groups have significantly lower activity rates than the workforce as a whole, older working age people (71% compared with 83% in younger people) and women (71% compared with 87% in men). However, economic activity rates in the sub-area are higher on average than those in Kent and Medway. In Kent and Medway, 85% of men and 73% of women are economically active. The rate is 73% for older people and 79% for younger ages. Raising the activity rates of older working age people by 5%, and raising the activity rates of women to halve the difference between the sexes would mean an extra 9,000 people entering the workforce. However, attempts to increase the economic activity rates among these groups should take into account the childcare and community welfare roles undertaken by many of those outside the workforce.

Key Issue 4

High skill workers

Kent and Medway Issue

The continued expansion of knowledge economy sectors, such as business services, in the sub-area will require an increase in the number of intermediate and high skill workers. Currently, while West Kent has more high skilled members of the workforce than Kent and Medway, it performs significantly less well than the more successful economies in the South East. The proximity of West Kent to some of these areas brings benefits, such as the opportunity to exploit these markets. However, it can also be problematic, creating strong competition for skilled workers.

Although low unemployment in the sub-area is socially desirable, a slightly less tight labour market may make it easier for businesses to recruit staff. Emphasis must be placed on ensuring that these staff are as highly skilled as possible.

Key Issue 5

A local approach to basic skills needs

Kent and Medway Issue

Basic skills provision in West Kent is focused in and around the major urban areas, with the towns of Tonbridge, Tunbridge Wells and Sevenoaks being particularly well served. Some of the worst hit areas are in and around these urban centres but others, in more rural parts of the sub-area have no easy access to provision.

Across England and Wales, the acuteness of basic skills problems in an area is proportionate to its level of deprivation. This pattern is broadly reflected in West Kent with the most deprived areas, found on the edge of the sub-area in the districts of Sevenoaks and Tonbridge and Malling, being among those with the highest basic skills needs. However, this pattern is not as marked as that found in other sub-areas.

Comparatively, both deprivation and basic skills problems are low in the sub-area. However, this does not mean that the needs that do exist should be overlooked. The danger is that when assessing funding for low skill training provision, it is the worst hit areas that get all the help, as long-established pockets of need. Analysis of the sub-area shows that while the main urban centres are accounted for in terms of provision, more rural areas on the edge of the Sevenoaks and Tonbridge and Malling districts, may have become the greatest areas of need due to a lack of provision. The development of a more localised approach, which does not just rely on Basic Skills Agency data, but also a study of the level of provision currently offered is required.

Key Issue 6

Management Skills

Kent and Medway Issue

In the last Learning and Skills Assessment the issue was raised as to whether council funded provision should be extended in high skill areas. One area that may be particularly appropriate is management training. Management skills were highlighted as an important deficiency in key sectors in the local economy, affecting both potential new recruits and the existing workforce. Individuals employed in management occupations often do not have high level qualifications or management specific qualifications.

Further Education and Adult Education providers could be particularly well placed to supply training in this area due to their success in delivering training to individuals over the age of 25. This is the age group most likely to be employed in management occupations or to be recruited into management roles.

Key Issue 7

Managing the effects of full employment

West Kent Issue

Full employment in the sub-area means that businesses are more likely to suffer recruitment difficulties, skills shortages, high wage costs and high rates of job turnover. The area's affluence means that it has not often been identified as a priority for support. However, analysis for the Kent Economic Report shows that the local business community is not as successful as the area's skill profile and unemployment rate would suggest. The large number of people commuting out of the sub-area also causes difficulties with the recruitment of low-skilled workers in the sub-area because high living costs, especially high house prices, deter them from seeking work in the area.

The solution to this problem must therefore be found among the sub-area's existing workforce. To improve low skilled workers' capabilities and help them to contribute to the success of local businesses the LSC could consider targeting the Investors in People standard at small firms in West Kent. This standard helps firms to work towards skill improvements and encourages them to integrate workforce development into their overall business plans. However, fully tackling the problem may require further investigation to identify the exact skills needed by small employers.

Appendix: Improving Learning and Skills Intelligence

Improving the Learning and Skills Assessment is a continuous exercise that requires the support of local partners across Kent and Medway. Future Learning and Skills Assessments will benefit from planned improvements to research intelligence at the national level (such as the 2001 Census and neighbourhood statistics series from the Office for National Statistics). However, the analysis for the 2002 Assessment also highlighted at least three areas where local skills intelligence needs to be improved either through research or management information collection:

1. Supply side intelligence
2. Learner progression and engagement in learning
3. Routes into employment

Supply side intelligence

There is a tendency for those involved in planning and delivering learning to believe that the supply side is more or less a known quantity and that learner and employer skills needs are the priority intelligence requirement. However this is clearly not the case. Currently there is no single source of learning supply intelligence, meaning that the Learning and Skills Assessment has had to collate information from a wide variety of sources often containing inconsistencies and idiosyncrasies.

Theoretically, much of the supply side intelligence collected by learning providers and funding agencies in the county is similar in nature and it must be a priority for the LSC and its partners to work together to standardise the collection of management information as far as is possible.

Ultimately we will also need to develop a clearer picture of the actual skills conferred by different qualifications. For most qualifications there is little intelligence on their generic or key skill content, for example.

Learner progression and engagement

In order to better understand how to raise the skill and qualification levels of the whole workforce we need a clearer picture of how adult learners first engage in learning and progress into higher levels of learning and employment. Currently there is almost no information for adult learners on their prior qualifications to engaging in learning or their destinations in terms of employment or further learning. Ultimately this is the challenge for the Individual Learner Record (ILR) system that is being developed for all post-16 learning outside of higher education.

Routes into employment

Raising qualification levels with no regard to the types of skills required would help neither the economy nor the learners undertaking training. Knowing which students with which qualifications go into which types of employment would be a useful starting point in assessing the extent of this mismatch. Currently, achievement data (level and types of qualifications) is separate from destinations data. As a result we know only the level of education that a student was engaged in before they enter employment. This makes it very difficult to assess the current supply of new skills.

Glossary of Terms

Kent and Medway Sub-Areas:

East Kent Triangle

It includes the Local Authority Districts of Canterbury, Dover and Thanet.

Channel Corridor

It includes the Local Authority Districts of Ashford, Maidstone and Shepway.

Thames Gateway

It includes the Medway Unitary Authority District and the Local Authority Districts of Dartford, Gravesham and Swale.

West Kent

It includes the Local Authority Districts of Sevenoaks, Tonbridge & Malling and Tunbridge Wells.

Skill Levels:

Low Skill Level

Level 1 or less including those with no qualifications.

Intermediate Skill Level

Level 2 or 3, equivalent to 2 A level passes.

High Skill Level

Level 4 or 5, equivalent to degree level.

Skills Terminology:

Basic Skills

This is the ability to be able to read and write in your own language and use mathematics to a level where a person can function in society.

Disability

A physical or mental impairment, which has substantial and long-term adverse effect upon a person's ability to carry out normal day-to-day activities. (Discrimination Act 1995)

Demand

Employment trends and employer needs.

Drivers of Change

Factors likely to impact on the demand for skills.

Gaps

Current and future gaps in provision.

Generic Skills

Transferable employability skills used across a large number of different occupations.

Key Skills

Those essential skills which people need in order to be effective members of a flexible, adaptable and competitive workforce. They are also invaluable in helping people function within society and for lifelong learning.

Learning Difficulty

A person is defined as having learning difficulties if they have significantly greater difficulty in learning than the majority of their peers.

Skills Gaps

Deficiencies between the skills of the current workforce and those required to meet business objectives.

Skills Shortages

A shortage of suitably skilled people available in the labour market.

Supply

Course and training provision.

Vocational Skills

Occupational or technical skills needed to work within an occupation or occupation group.