

# Annex A: Core Indicators

The purpose of this annex is draw together data analysis relevant to the local labour market and skills landscape in Coast to Capital. These core indicators have been selected by the DfE SAP Team to provide easily digestible insights for stakeholders, which are consistent across all LEP areas. Data and graphs for the core indicators have been provided by DfE and further analysis and narrative has been produced by GENECON. Since 2019, Coast to Capital no longer includes the local authorities of Croydon or Lewes, the data in this annex reflects this change where not otherwise stated.

Buckinghamshire Thames Valley, Cheshire and Warrington, Enterprise M3, South East LEP (Essex Only) and Thames Valley Berkshire LEPs have been identified and used as comparators in recent studies and reports to contextualise Coast to Capital's performance. Comparison to these LEPs is utilised in this annex for the same purpose.

# Coast to Capital Local Landscape

## - Summary

Coast to Capital is among the most diverse economies in England. This range of economic opportunities is central to the area's '[Build back Stronger, Smarter and Greener](#)' Strategy (2020), which seeks to address the LEP's long-term productivity challenges and the significant short-term impacts of the COVID-19 pandemic.

To address these challenges facing Coast to Capital, there is a need to create high quality jobs and support business activities locally, to raise productivity and stimulate economic growth. Accessing and maintaining high level employment sits at the very heart of Coast to Capital's recent [Skills Strategy and Action Plan](#) (2020).

The area has four clear and distinct economic drivers:

- Proximity to London
- Presence of Gatwick airport
- A successful and innovative rural economy
- Brighton and the coast

Previous evidence, including from the [Skills and Labour Market Study](#) (2019) and [Local Industrial Strategy Economic Profile](#) (2020) demonstrates the strengths of the economy, including:

- A highly talented resident population employed in high-skilled occupations
- Higher than national average levels of economic activity and self-employment
- Very low levels of deprivation
- A well-rounded economy, with sectoral cluster strengths that align with identified priorities

However, evidence also highlights core challenges, comprising:

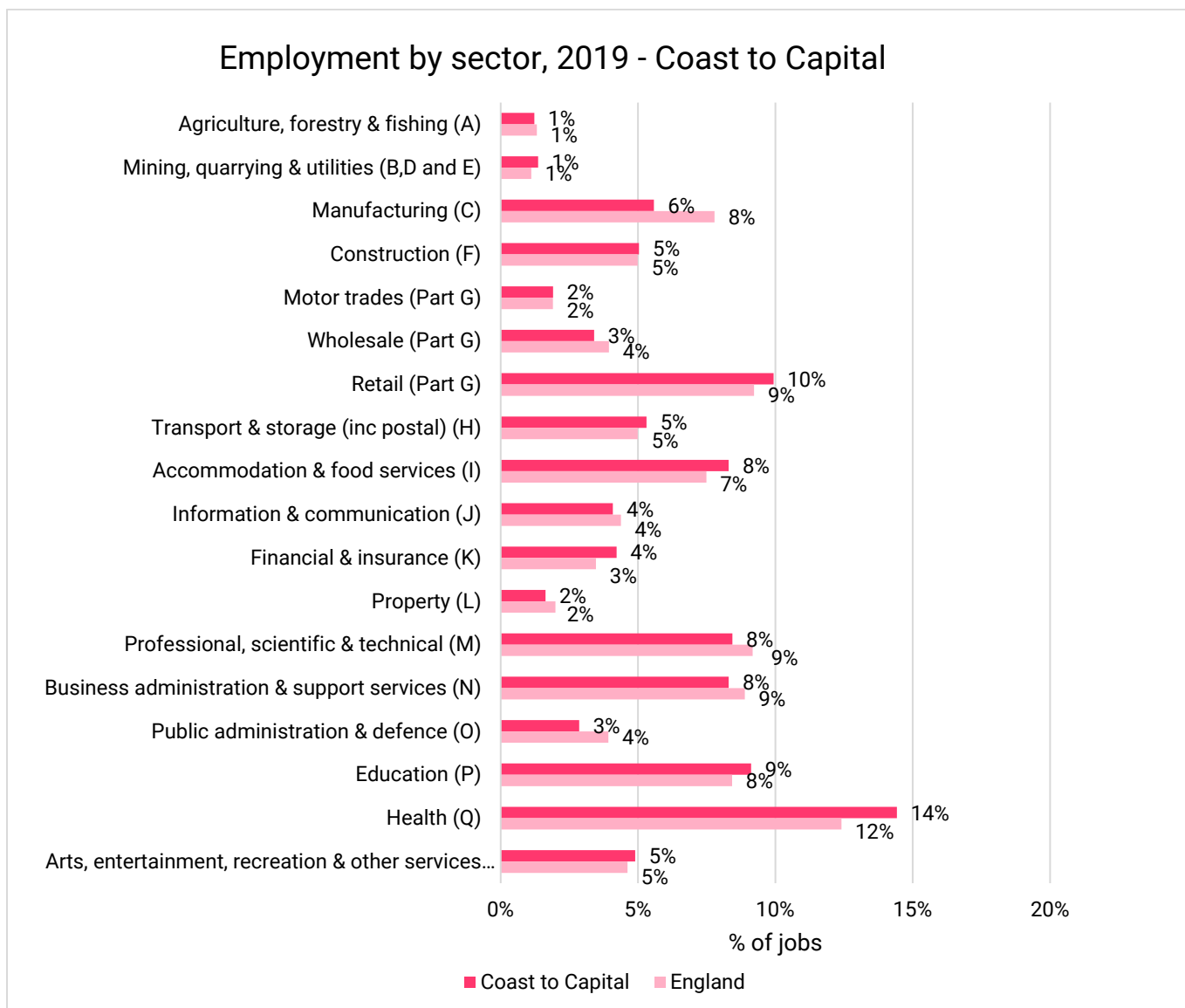
- Low levels of productivity when compared to comparator areas
- A slow growth economy with low levels of business churn and low earnings growth
- Low levels of skills along the coast and in Crawley
- Pockets of deprivation along the coast
- High levels of commuters living in the area but working in London
- A gap in the working age population

COVID-19 has clearly impacted on all areas of the Coast to Capital economy, with worryingly high increases in claimant counts. The structure of the Coast to Capital economy has particularly vulnerable sectors, including the 60,000 jobs supported by Gatwick Airport and the traditionally strong Coast to Capital visitor economy.

# Core Indicators

This section analyses the core indicators selected by DfE to provide easily digestible insights for stakeholders, which are consistent across all LEP areas.

## Employment by sector



**Source:** [Business Register and Employment Survey, 2019 \(published 2020\), 2020 SAP boundaries](#)

**Employment by Sector:** The broad sector composition of employment in Coast to Capital closely mirrors regional and national employment, reflecting the eclectic nature of the LEP area.

Health (14%), retail (10%) and education (9%) are the largest sectors by employment in Coast to Capital, all of which provide a slightly higher proportion of jobs in the area than the average for England. Conversely, manufacturing (6%) and public administration (3%) sector employment is comparatively small in Coast to Capital compared to national averages, in line with the rest of the South East.

Employment location quotients (Coast to Capital proportion of total employment ÷ England proportion of total employment) highlight that the finance & insurance (LQ=1.22) sector is particularly well represented within the LEP area compared to England as a whole. This reflects high concentrations of financial service activities in East Surrey and Brighton & Hove.

Local level data illustrates other clusters in Coast to Capital including:

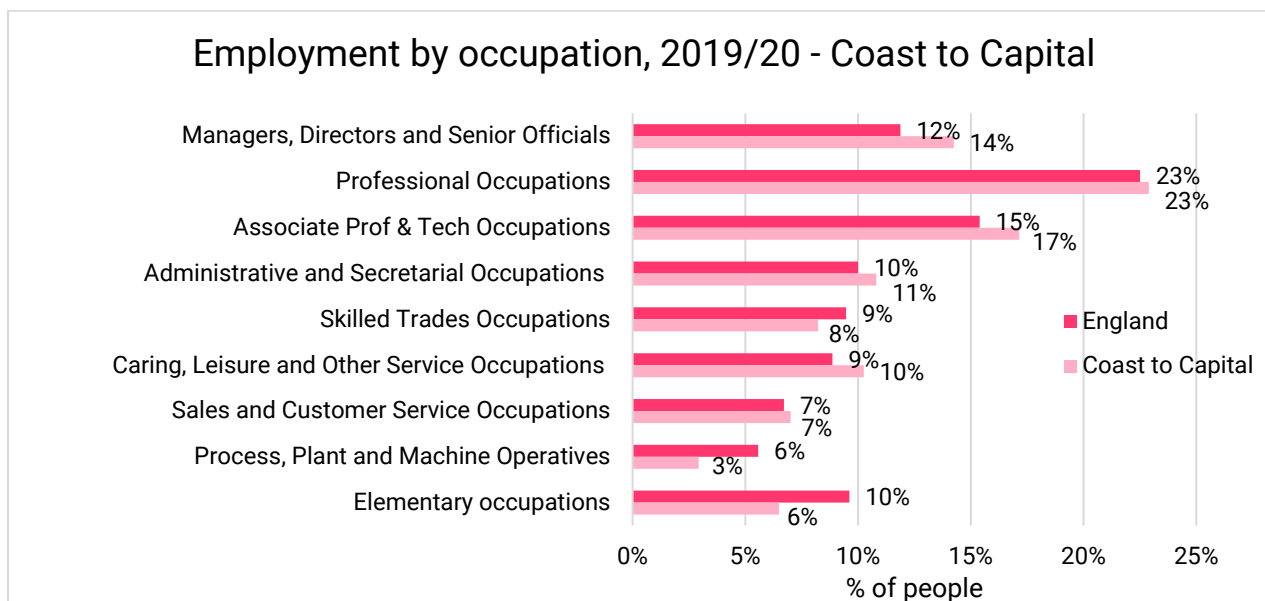
- A strong manufacturing presence across West Sussex providing 31,000 jobs (7.7% of West Sussex total jobs).
- A quarter of all jobs in Crawley are in transport and storage, which employs 24,000 people, largely due to the presence of Gatwick Airport.
- Coastal areas have large accommodation and food service sectors, including Brighton and Hove, where 15,000 people are employed in the sector (10.3% of total employment in the city)
- Brighton and Hove also has a concentration of information and communication jobs, 5.5% of total jobs in the local authority
- East Surrey local authorities have large professional, scientific and technical service activities sectors, representing 12.2% of East Surrey jobs

This diversity of the economy is reflected in a range of sectors identified as having potential for future growth (horticulture, viticulture [wine growing], tourism, and advanced manufacturing and engineering) and as high employing sectors (health and care, construction and financial and professional services) in Coast to Capital.

COVID-19 has adversely impacted all sectors of the Coast to Capital economy, although some sectors have been more vulnerable than others. In particular, Gatwick Airport alone is estimated to support 60,000 jobs (1 in 12 Coast to Capital jobs) and the adverse effects arising of international travel restrictions make many of these jobs vulnerable. Similarly, COVID-19 induced national and international travel restrictions have also made Coast to Capital's traditionally strong visitor economy vulnerable, although uplifts in national staycation trips have provided some protection.

Whilst traditionally office-based sectors have largely been able to adapt to homeworking models and national furlough schemes have offered some protection in other sectors (manufacturing, retail etc), there remains inevitable vulnerabilities in the Coast to Capital jobs market going forward.

## Employment by occupation



Source: [Annual Population Survey, October 2019 - September 2020, 2020 SAP boundaries](#)

**Employment by Occupation:** 54% of residents in employment in Coast to Capital are employed in higher-level occupations (SOC 1-3, comprising managerial/director level and professional and associate professional / technical occupations), notably more than nationally (50%) and the South East (53%). In practice, this means that there are around 42,360 additional higher-level occupations in the LEP area than would be expected nationally. This in part reflects the effects of job opportunities in London for commuting residents.

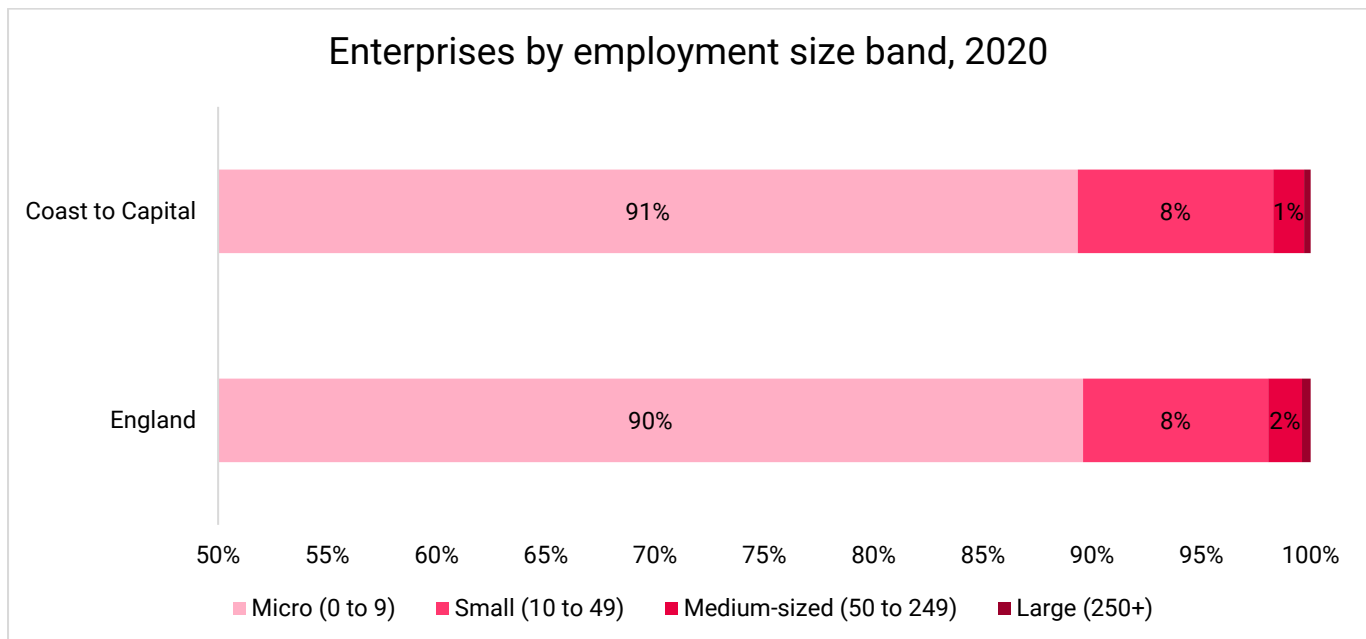
There are a relatively small proportion of residents employed in lower level occupations in the area, with the share of people in elementary (6%) and process, plant and machine roles (3%) in considerably lower than the national average (10% and 6% respectively) and slightly less than across the South East (8% and 4% respectively).

Access to and success in high quality jobs sits at the very heart of the Coast to Capital Skills Strategy and Action Plan through the core 'People' priority, which seeks to help residents make informed career choices, enter and stay in well-paid work and progress their careers.

COVID-19 has accelerated a trend towards increased local patterns of working and for Coast to Capital, with its high share of skilled residents traditionally commuting to London, the shift towards homeworking offers competitive advantage. With higher retention of talent, there is opportunity for Coast to Capital to attract new investments as we recover from COVID-19, and develop a well-balanced and diverse range of job opportunities going forward.

Some local sectors and asset strengths have been very vulnerable to COVID-19, including the cluster of activities supported by Gatwick Airport and to an extent the Coast to Capital visitor economy. In terms of occupations, these sectors support many less skilled occupations. Economic recovery from COVID-19 will require significant emphasis on supporting people in these roles.

## Enterprises by employment size band



Source: [UK Business Counts, 2020, 2020 SAP boundaries](#)

**Enterprises by employment size band:** Similar to the national picture, Coast to Capital's business community is largely smaller businesses, with more than 9 in 10 being 'micro-firms' employing less than 10 staff (91% compared in 90% in the South East and England). Coast to Capital has a slightly smaller proportion (9%) of small and medium firms (10-249 employees) than the national average (10%) and there are also marginally fewer large businesses in the LEP area.

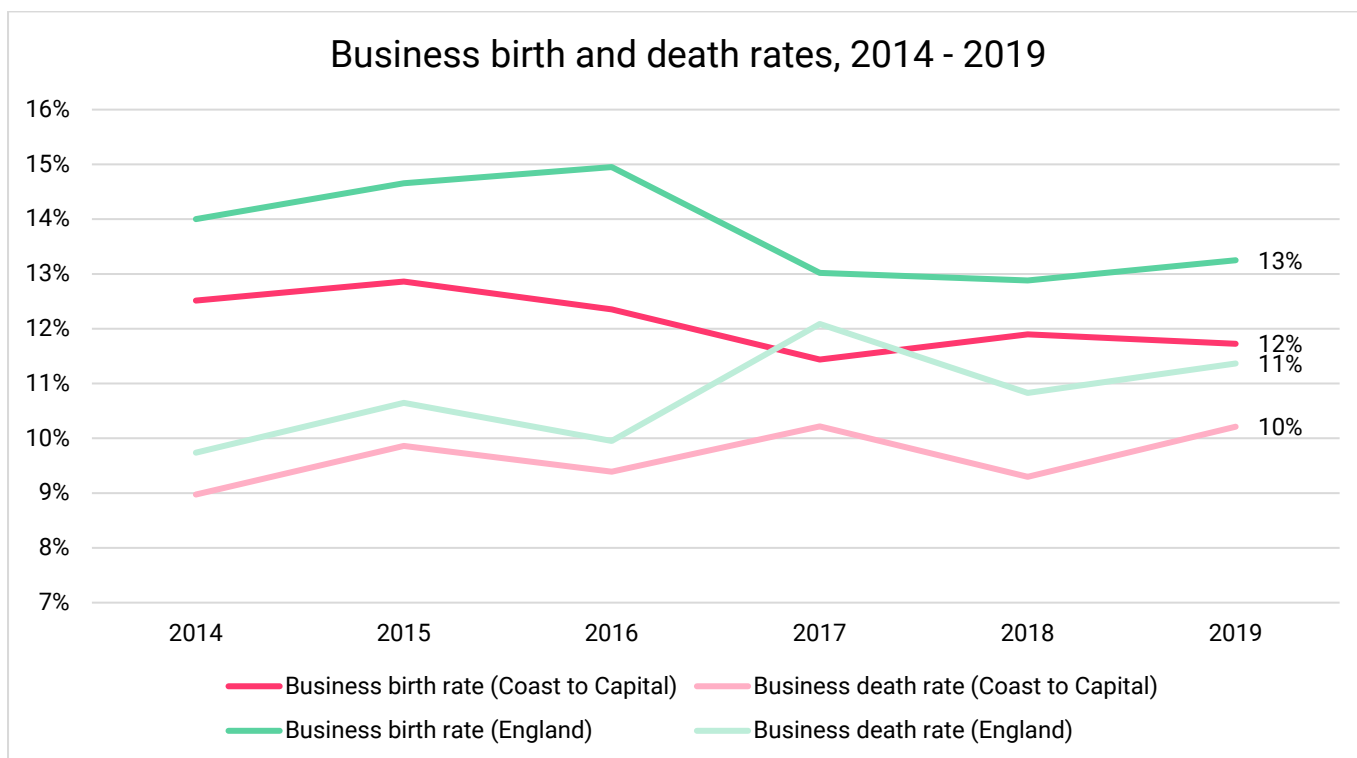
At the local level:

- Epsom and Ewell has the highest overall proportion of micro businesses (93%) employing fewer than 10 staff
- Crawley has the highest proportion of businesses employing more than 10 staff (13%). Many of the medium and large businesses in Crawley are located in the Manor Royal Business District, which is also in close proximity to Gatwick Airport.

The marginally higher proportion of 'micro-firms' limits the potential of businesses in Coast to Capital to invest in employee training. Although as the difference from national averages is marginal, this is a national challenge as well.

Similarly, a prevalence of micro firms means that many businesses are less able to provide entry level apprenticeship programmes and graduate level jobs. For Coast to Capital, this fuels a 'skills leakage', especially to higher paid job roles in London that can offer more structured training programmes.

## Business birth and death rates



Source: [ONS Business Demography, 2015 - 2019 \(published 2020\), 2020 SAP boundaries](#)

**Business birth and death rates:** Enterprise birth rates in Coast to Capital have consistently been below start-up rates nationally, and between 2015 and 2019 birth rates in the LEP area have decreased from 12.9% to 11.7%, despite an increase between 2017 and 2018. Low birth rates are also seen in comparator LEPs – Thames Valley Berkshire (12%), Enterprise M3, Buckinghamshire and Cheshire and Warrington (all 11%).

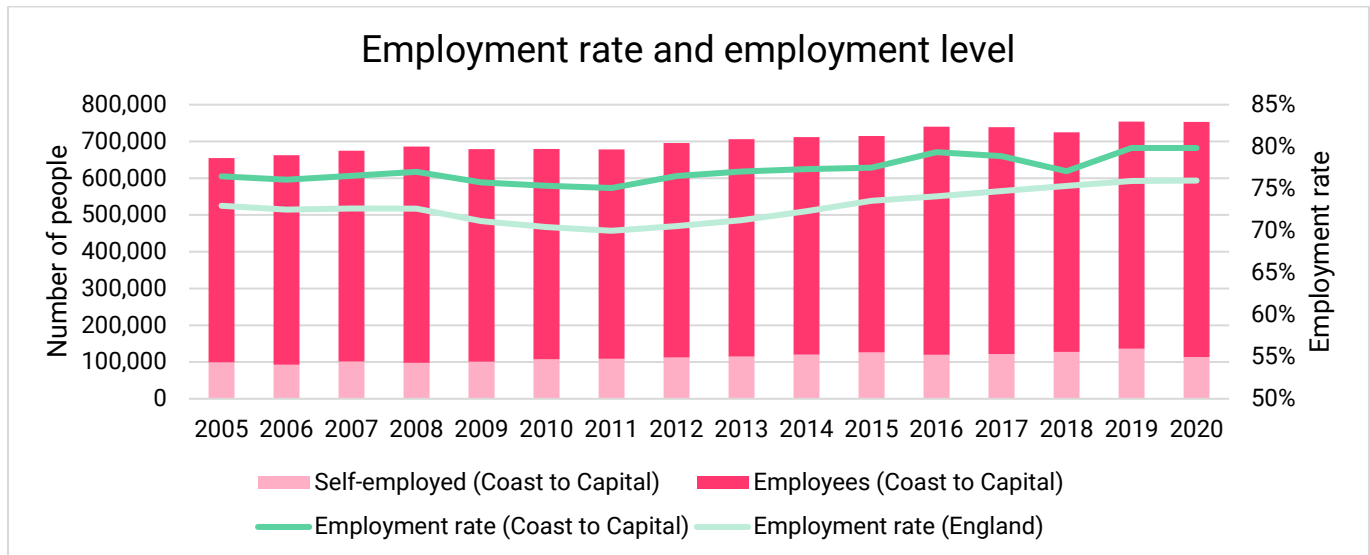
Business death rates in Coast to Capital have also been lower than rates observed across England, inferring local resilience. The local business death rate in 2019 (10%) was similar to Buckinghamshire, Enterprise M3 (both 10%), Thames Valley Berkshire and Cheshire and Warrington LEPs (both 11%). Therefore, the overall picture is that Coast to Capital has a reasonably 'static' and stable business population, with low 'business churn'.

Overall business births have been higher than deaths, and between 2015 and 2018 Coast to Capital's business base grew by around 10% in line with the rest of the South East. In comparison, nationally the number of businesses grew by 12%, suggesting reasonably slow growth in the LEP area and the region's business community.

Government support, including the Job Retention and Self-Employment Income support schemes have helped mitigate against the effects of COVID-19 and temporary business closures. Nevertheless, there have been greater than average business death rates throughout 2020. Whilst some data is yet to be available, 113 companies in Coast to Capital declared insolvency or liquidation between May and June 2020 alone and evidence from the start of the pandemic suggests that Brighton & Hove saw the largest numbers of insolvencies.

At a local level, 4-year survival rates amongst businesses starting-up in 2015 vary significantly in Coast to Capital, with 56% of business starts-ups in Horsham surviving the first four years to 46% in Crawley. Across the LEP area a total of 50% businesses created in 2015 survived their first 4 years, above the national average of 46%, suggesting some resilience locally.

## Employment rate and level



**Source:** [Annual Population Survey, 2005 - 2020, 2020 SAP boundaries](#)

**Employment rate and level:** Year-on-year increases in the number of people in employment in Coast to Capital since 2010 is a promising sign of a reasonably healthy labour market, and in 2020, there were 76,800 more working-age residents in employment than at the start of the decade. Balanced against working-age population growth in Coast to Capital of 45,200 over the decade, this has meant that the current employment rate (80%) (Annual Population Survey data for October 2019 to September 2020) is higher than across the South East (79%) and England (76%), and similar to comparator LEPs.

At a more local level, employment rates vary significantly, with Adur, Mole Valley, Crawley, Tanbridge, Worthing and Epsom and Ewell currently having significantly higher employment rates than the England average (between 82% and 88% vs 76% nationally). Only Arun and Brighton and Hove (both 75%) currently have below national employment rates.

Coast to Capital has consistently had a higher than national average numbers of working-age residents who are self-employed (15% vs 14% nationally), which is reflective of an enterprising culture across the area. Again, levels of self-employment vary by local area, with Chichester currently having the highest rate (19%) and Crawley having the lowest (9%). This is reflective the urban-rural nature of areas within the LEP area, with rural areas typically having higher levels of self-employment.

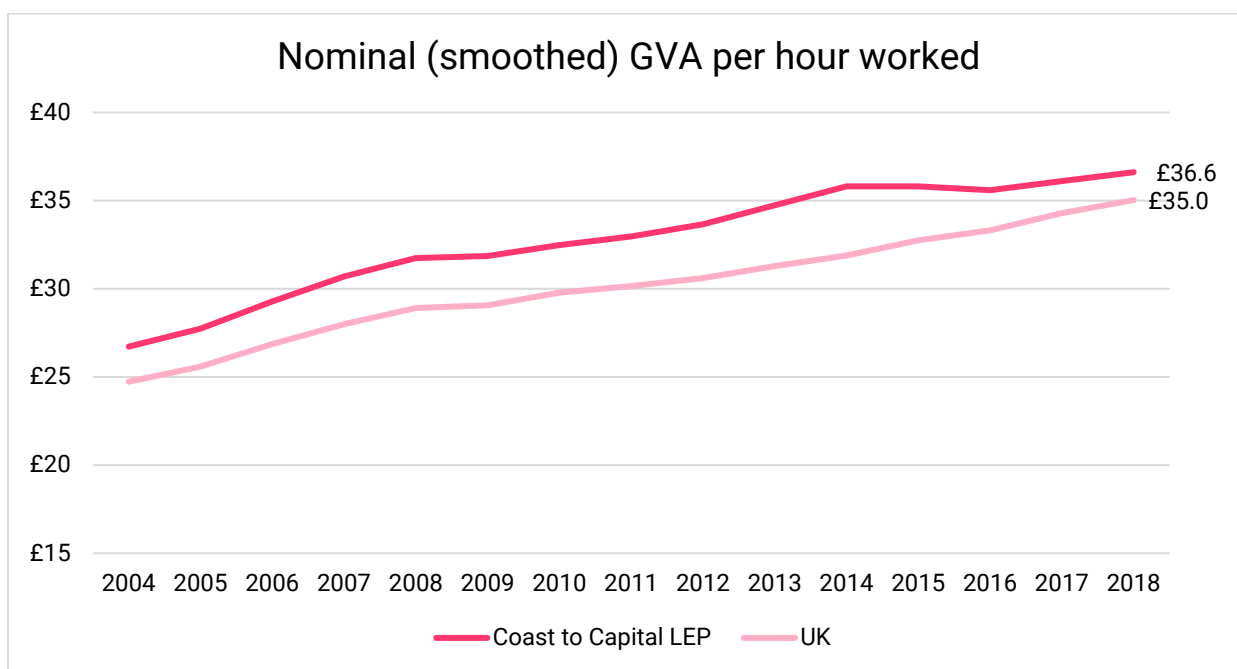
Evidence for 2019 suggests that 30% of those economically inactive wanted a job, compared to 21% in England. Of those economically inactive, 24% were sick, 23% were students and 22% were looking after family/home. Whilst these rates are reasonably typical, of note is that 16%



of economically inactive working-age residents in Coast to Capital were retired, compared to around 13% nationally, which suggests a slightly higher proportion of early retirees in the LEP area. Clearly there are a range of reasons for economic inactivity, but a core factor is accessibility to employment.

Temporary business closures and the COVID-19 induced slowdown of the economy will clearly have a major impact on the relative vitality of the Coast to Capital labour market, with immediate impacts best evidenced through worryingly sharp increases in claimant counts discussed below (as a proxy for unemployment). These impacts are expected to be reflected by a lower employment rate when further data is released covering the end of 2020 and start of 2021.

### Nominal GVA per hour worked (includes data for Croydon and Lewes)



**Source:** [ONS Subregional Productivity, 2004 - 2018 \(published 2020\), 2018 LEP/MCA boundaries](#)

**Nominal GVA per hour worked:** As nationally, relative GVA contributions per hour worked and per worker have steadily increased over time. Per hour worked productivity in Coast to Capital remains above the national average. However, GVA per hour (£36.6) in Coast to Capital lags behind comparator LEPs Enterprise M3 (£42.0) and Thames Valley Berkshire (£47.6), and the South East region as a whole (£38.2). There is local concern about the severity of the COVID-19 impact on output. It is estimated that GVA in the Coast to Capital area could have dropped between 11% and 17% in 2020 compared to the national estimate of 13%

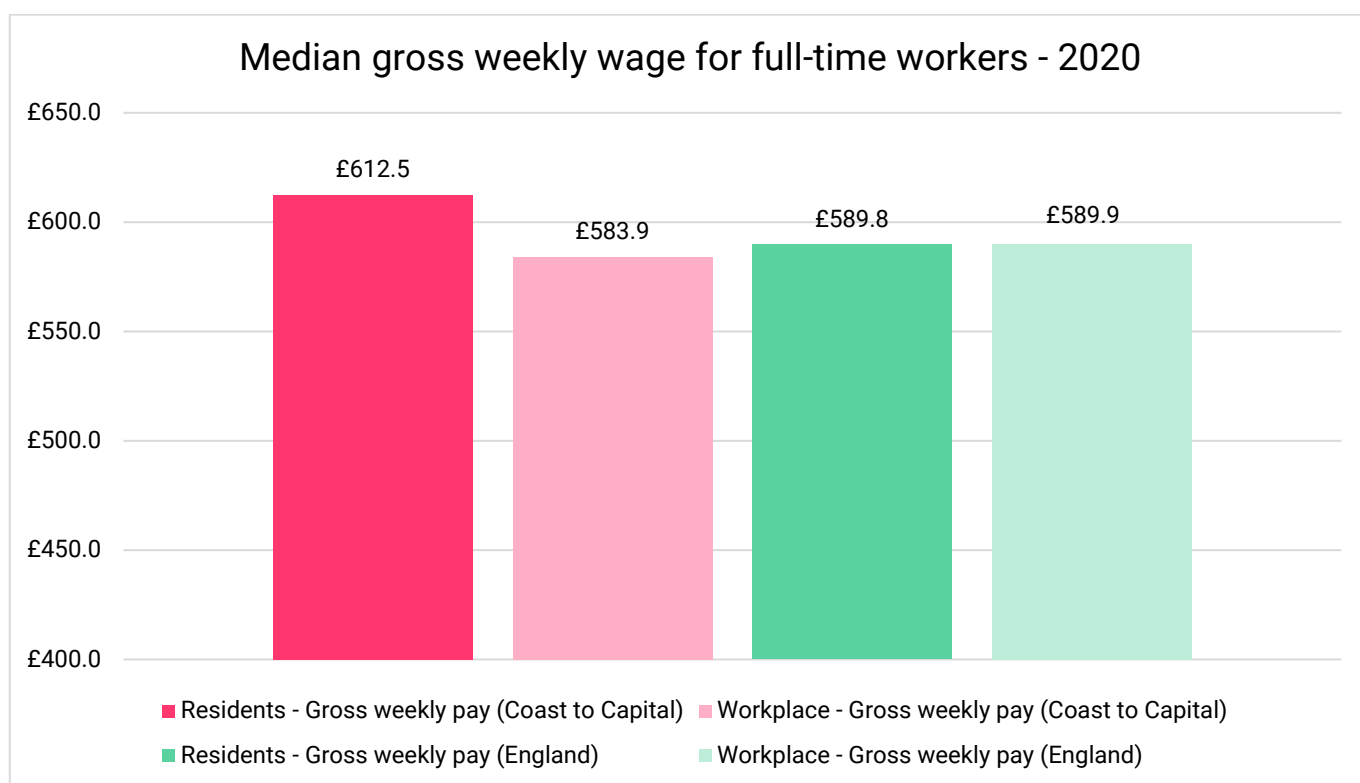
Nationally, workplace-based GVA per hour worked has largely been reflected by wage increases, with a 10% uplift in productivity coinciding with a 10% uplift in earnings between 2014 and 2018. In Coast to Capital however, workplace-based earnings growth (+7%) has been

higher than GVA per hour worked growth (+4%), suggesting that either businesses have become less profitable or that staff are working longer hours.

Workplace-based earnings in Coast to Capital have nevertheless kept pace with national growth and resident-based earnings have been consistently higher than the national average, reflecting the effects of high levels of out-commuting to high paid jobs in London.

Service sectors contribute £45bn of GVA annually to Coast to Capital's £55bn economy. The largest sector contributions are real estate (£10bn), wholesale and retail (£5bn) and manufacturing (£5bn). These three sectors also have the biggest GVA contribution nationally.

### Median gross weekly wage for full time workers

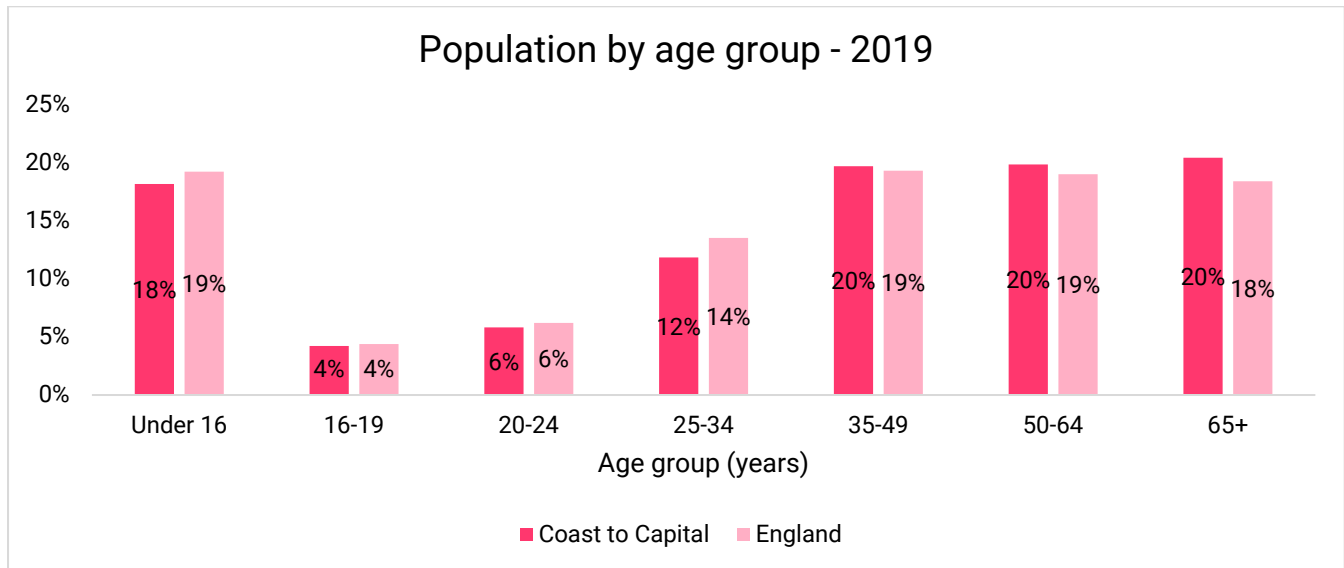


Source: [Annual Survey of Hours and Earnings, 2014 - 2020, 2020 LEP boundaries](#)

**Median gross weekly wage for full-time workers:** Median workplace and resident based earnings in Coast to Capital (the old LEP boundary including Croydon and Lewes) increased steadily in line with national trends, with both increasing by approximately £70 a week between 2014 and 2019. The effect of significant out-commuting to high paid job roles in London has a clear impact on disparities between workplace-based and resident-based earnings. In the LEP geography (the above graph shows data for the new LEP boundary), median weekly workplace-based earnings (£583.9) are just below the national level (£589.8) and less than average for the South East (£608.6)

Resident-based earnings are highest in those well-connected areas closest to London which is to be expected. Despite above average earnings for residents at a LEP level, residents in three coastal local authorities - Adur (£514), Arun (£497) and Chichester (£521) - earn 10% less than the national average.

## Population by age group

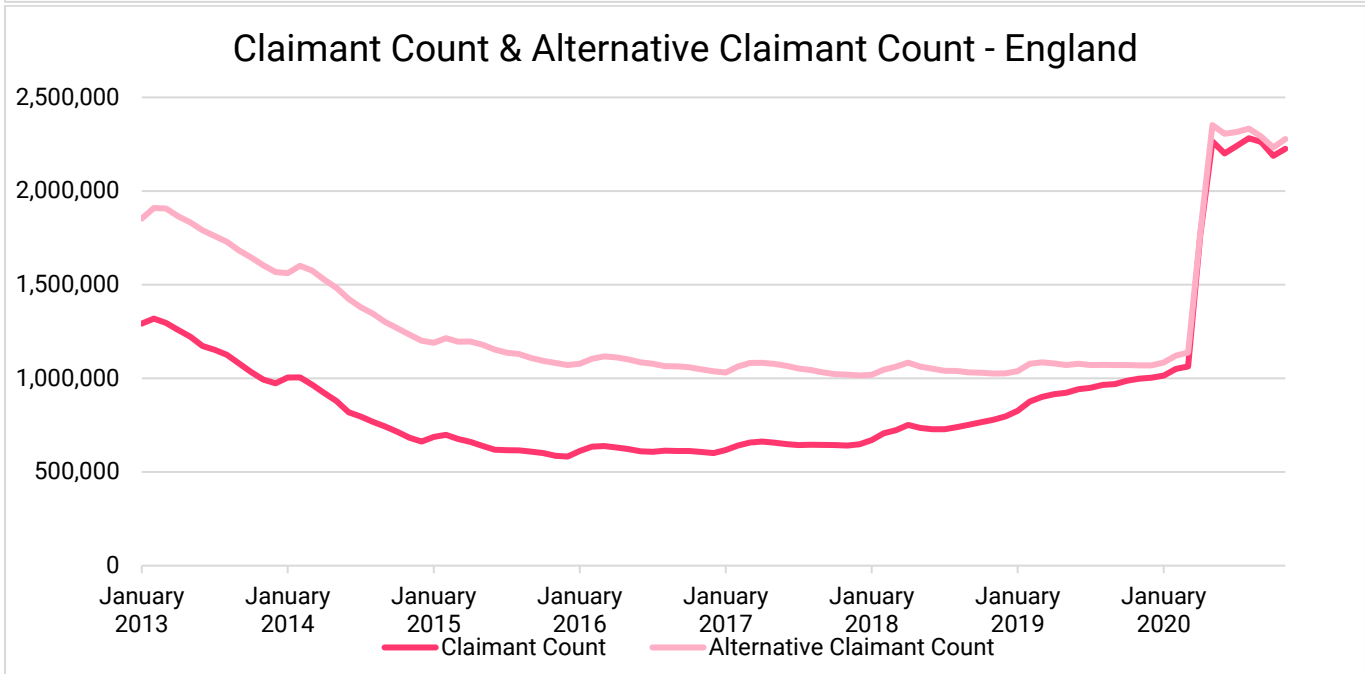
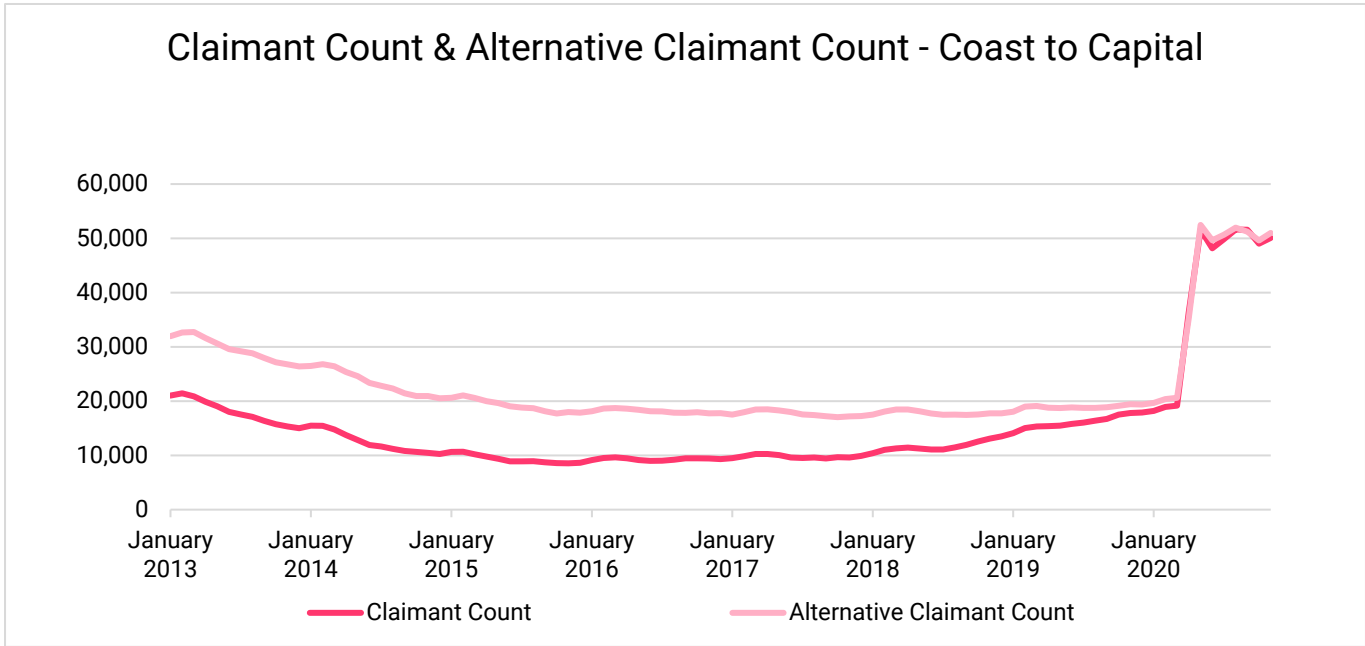


**Source:** [ONS Mid-Year Population Estimates, 2019, 2020 SAP boundaries](#)

**Population by age group:** Four out of ten residents (40%) in Coast to Capital are older than 50. This is a greater proportion than nationally (37%). Another significant difference in age profile is there are fewer 25–34-year-olds (12%) than nationally (14%). Both of these factors show signs of an aging workforce and a relative under-representation of university graduates and other young people staying in the area.

This age profile varies across local authority areas. Population dense centres of Brighton and Hove and Crawley, have relatively young populations. For example, Brighton and Hove, is home to 27% of the 25–34-year-olds in Coast to Capital but less than a fifth (19%) of the overall population.

## Claimant Count and Alternative Claimant Count



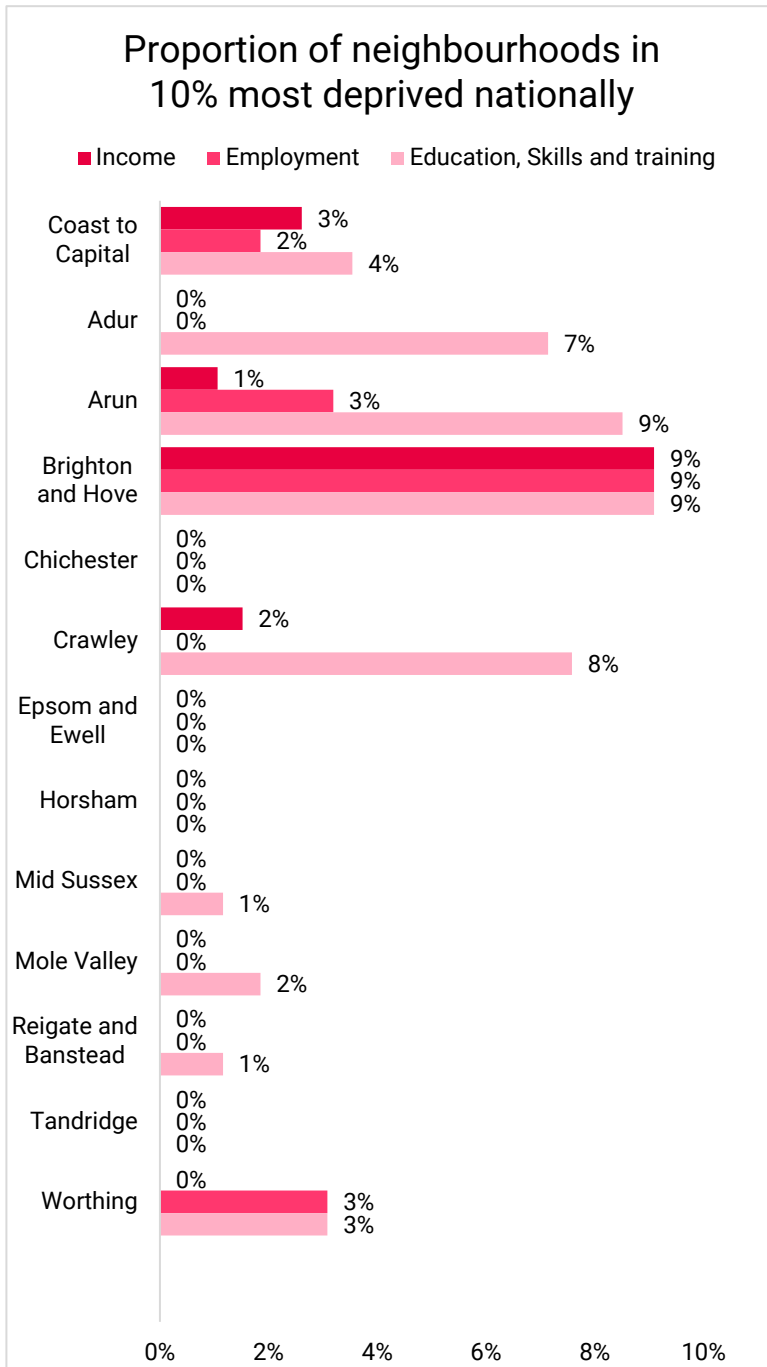
**Source:** [ONS claimant count](#) & [DWP Stat Xplore](#), January 2013 – November 2020, 2020 SAP boundaries

**Claimant Count and Alternative Claimant Count:** From 2013, there was a steady decrease in claimants in Coast to Capital in line with national trends, until 2017. Claimants counts then increased, reaching 2013 levels by January 2020 (also reflecting national trends).

In 2020, COVID-19 affected claimant rates immediately. In March, there was an 89% increase in claimants in Coast to Capital compared to 65% nationally, and rates continued to rise in the spring. Since May the total number of claimants in Coast to Capital has been approximately 50,000, with the figure of 50,865 in December 184% higher than December 2019, illustrating a worse impact of COVID-19 than nationally (+123% for the same period).

This implies reliance on sectors that have been worse affected by COVID-19, including service industries and the aviation sector and its supply chain based around Crawley. A small decrease in claimants between May and June 2020 corresponds to government strategy and provision for the self-employed individuals. At local authority level, there has a steady number of claimants over the second half of 2020, except in Crawley, where there has been a 17% rise. Notably, claimant increases have been higher amongst young and lower skilled residents.

### Income, Employment and Education Deprivation (includes data for Croydon and Lewes)



**Income, Employment and Education deprivation:** There is generally low deprivation across Coast to Capital, although not as low as other comparator LEPs in the South East.

Brighton and Hove contains the highest proportion of areas (9%) in the most deprived 10% nationally in terms of income, education and employment. This would suggest pockets of high and low deprivation within the local authority.

Generally, education deprivation is more pronounced in coastal areas and Crawley, but remains below national levels. This deprivation can mean lower entry to post 16 education and higher education, and impact on the skills supply for businesses and entrepreneurship in these areas

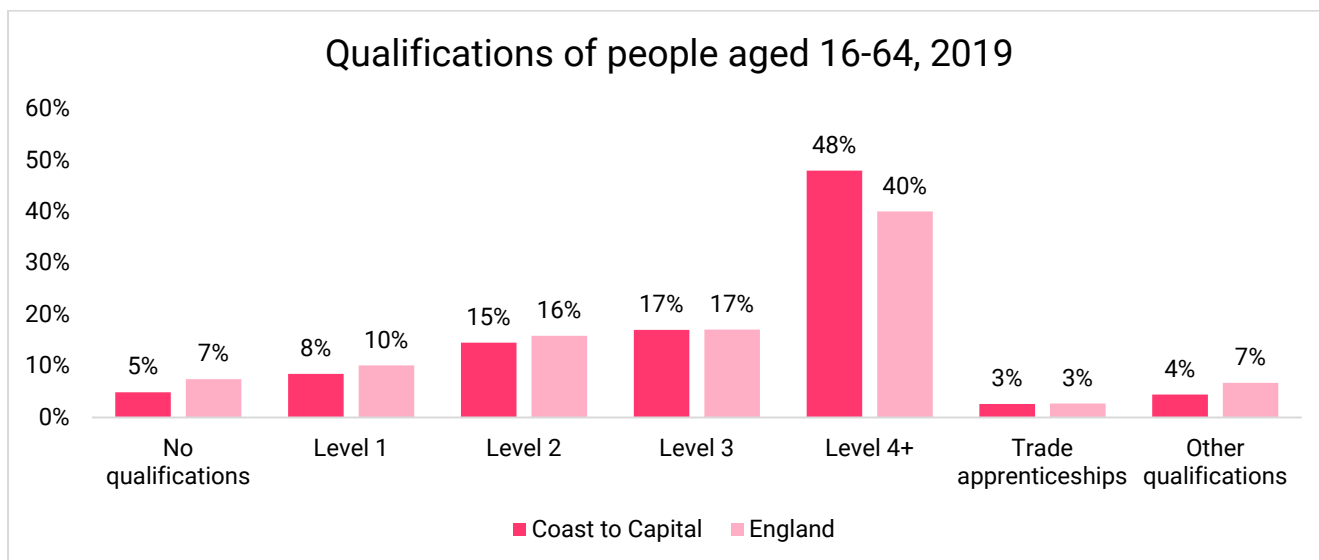
**Source:** [Index of Multiple Deprivation, MHCLG, 2019, 2017 LEP boundaries](#)

# Skills Supply – Summary

This section summarises the key points from the data presented below, and answers questions such as: What skills/qualifications do the local population have?; What provision is delivered? And; What outcomes are achieved?

- Broadly, Coast to Capital has a highly skilled population, providing economic opportunities to residents and businesses alike. However, the low proportion of young residents places a growing constraint on these opportunities.
- The proportion of KS5, i.e., 16- to 18-year-old education (44%), adult further education and training (44%) and apprenticeship (23%) leavers continuing further learning is marginally lower than nationally (47%, 45% and 25% respectively), and raises concerns about education progression for some of the population, although a high proportion do enter sustained employment.
- Lack of awareness of higher-level apprenticeships and the limited success of the Apprenticeship Levy highlight an opportunity to grow apprentice numbers in Coast to Capital.
- Coast to Capital produces 16,000 graduates a year (2.3% of the English total). There are relatively high levels of retention of the graduates from the three local universities in the region. However, employment and earnings outcomes are relatively poor for some, and over time there is a tendency to move to London.
- Skills supply data confirms the need to support young people by providing options for education leavers and supporting for the most vulnerable individuals that do not currently sustain positive outcomes.
- The concentration of employees in smaller business that are less likely to provide training presents a challenge to Coast to Capital's skills supply.
- Local policy recognises, in the future and more so due to COVID-19, adults of all ages, particularly those far from the labour market, will need support to retrain and up-skill to fill roles of the future. In particular, young people will need skills support to avoid the long-term effects of being NEET (not in employment, education or training).

## Qualification Levels

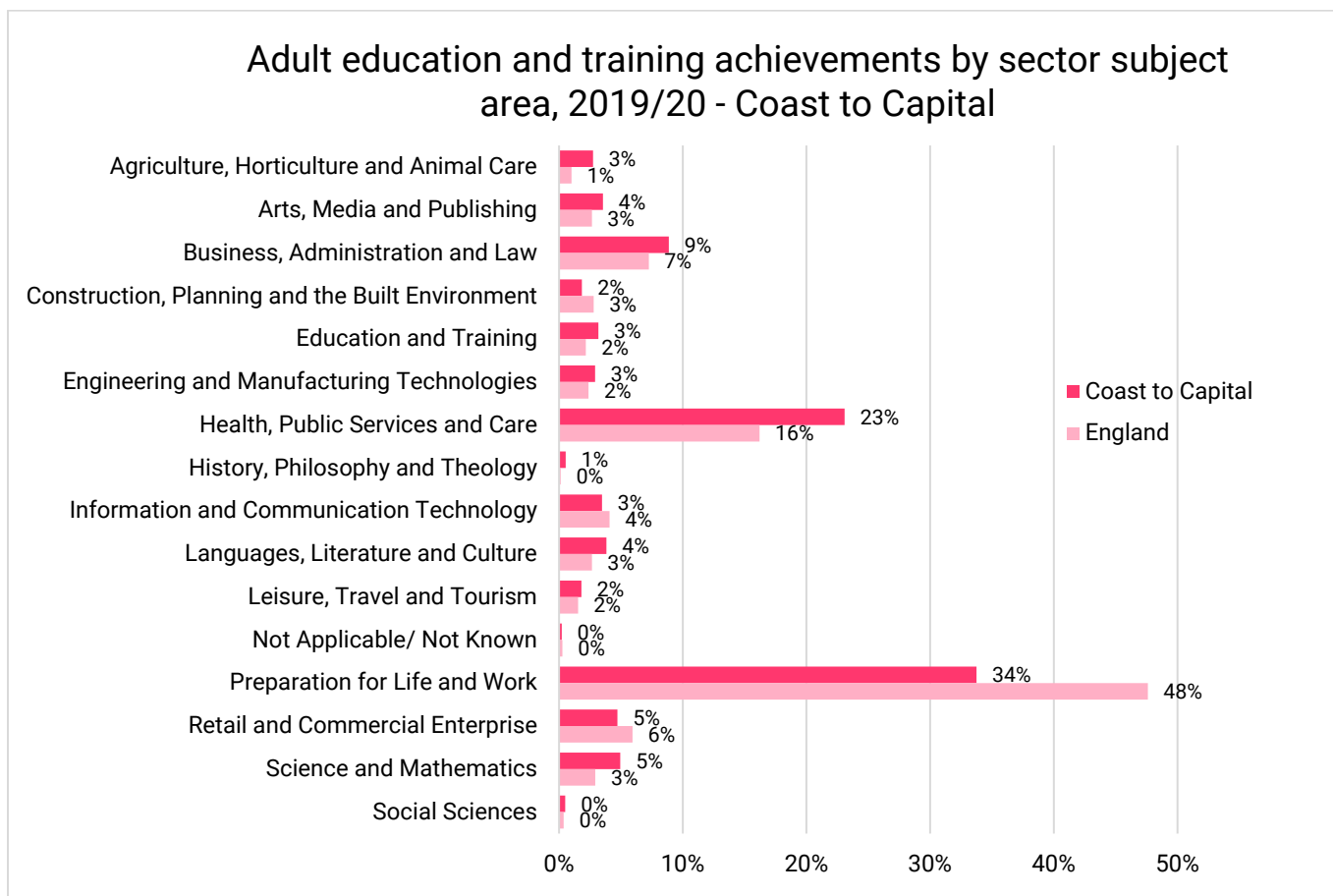


**Source:** [Annual Population Survey, January 2019 – December 2020, 2020 SAP boundaries](#)

**Qualification levels:** Coast to Capital has a highly skilled population with 48% of working age residents holding qualifications NVQ level 4 or above, 8% more of the population than nationally and 5% more than across the South East. Compared to the rest of England the proportion of Coast to Capital residents with higher level qualifications is particularly high amongst the under 30s and over 50s. Equally fewer working age residents (5%) hold no qualifications than nationally (7%) and regionally (6%).

There are concentrations of high skilled residents in Brighton and Hove (56% Level 4+) and East Surrey (54% Level 4+). There are persistent pockets of lower skills in Arun, Chichester, Worthing and Crawley, where fewer residents hold level 3+ qualifications than nationally.

## Further Education and Training Achievements (19+)



**Source:** [Further Education & Skills data, DfE, \(published 2020\), 2020 SAP boundaries](#)

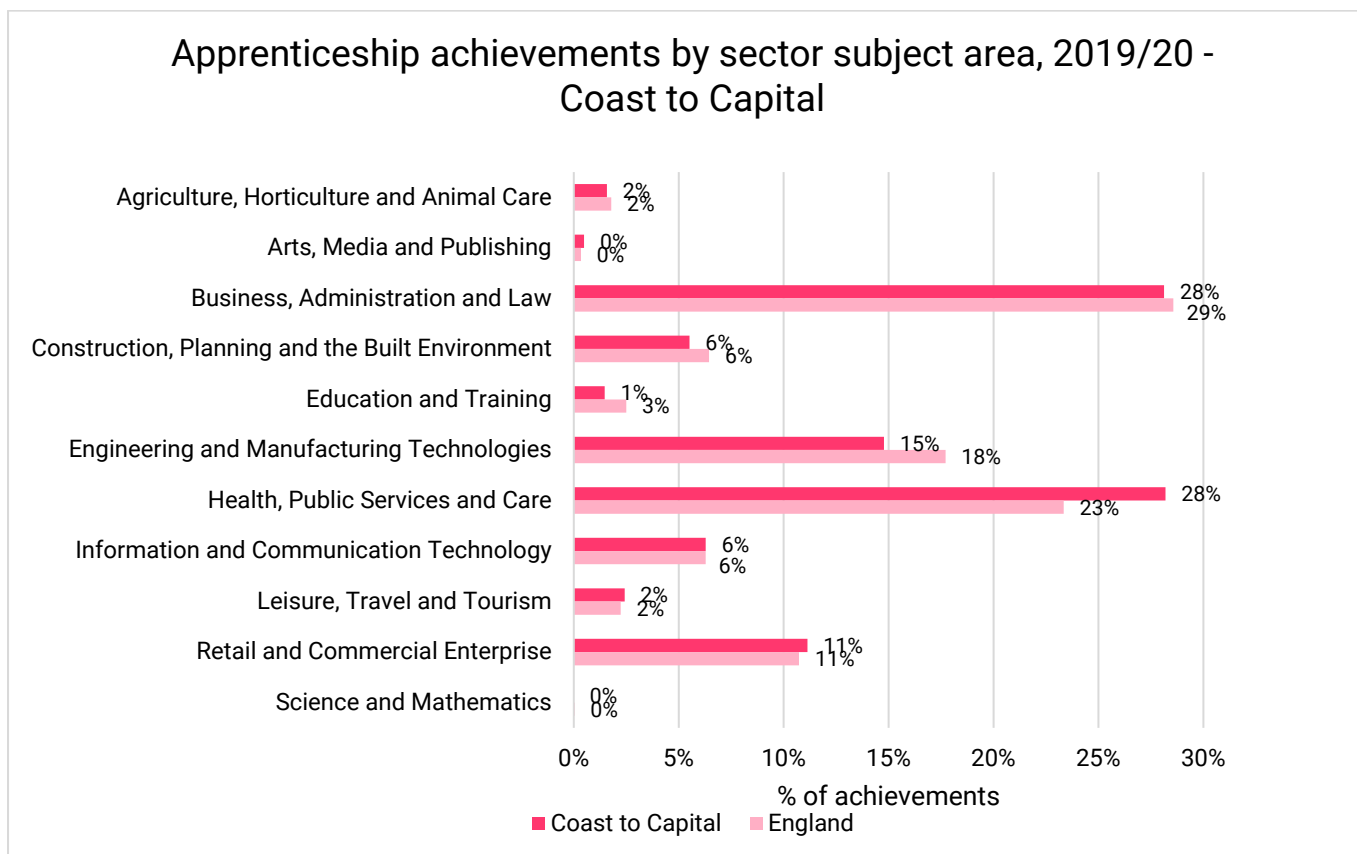
**FE Education and Training Achievements:** Adult Education and training achievements in Coast to Capital are concentrated in preparation for life and work as nationally. Local intelligence suggests these skills are needed as employers think that more could be done to increase the readiness for work of newcomers to the labour market.

In terms of subjects undertaken, health related subjects (23%) and business administration (9%) were the next most popular amongst both genders in Coast to Capital and representing a greater proportion than across England (16% and 7% respectively). In the LEP area there is notable popularity for arts and media studies and science and maths subjects.

In terms of gender differences, more females achieved education and training qualifications, and more males construction related learning. Overall, the subject choices by gender and proportion are similar to the national picture.



## Apprenticeship Achievements



**Source:** [Apprenticeships data, DfE, \(published 2020\), 2020 SAP boundaries](#)

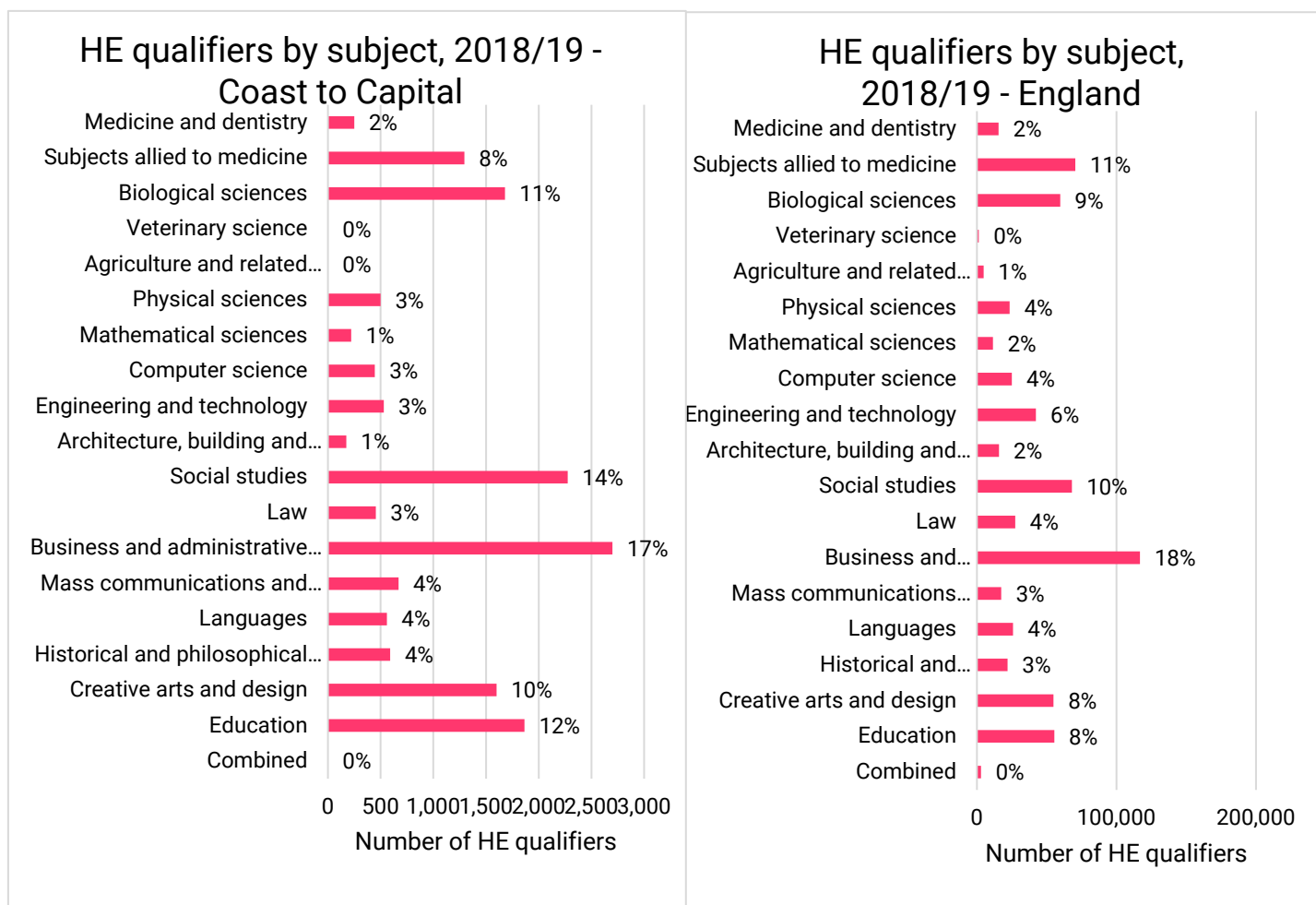
**Apprenticeship Achievements:** The majority of apprenticeships achieved in Coast to Capital are in business administration and law (28%) and health, public services and care related industries (28%).

Females tend to undertake health, public services and care related apprenticeships more than their male counterparts, as across the rest of England. Conversely, more males achieve engineering and manufacturing technology apprenticeships. Additionally, the popularity of engineering and manufacturing apprenticeships in Coast to Capital is less than nationally, and there are no students recorded achieving science and mathematics apprenticeships.

Local intelligence suggests that the Apprenticeship Levy is not working as effectively as it could be for larger employers in the LEP area. There is a general feeling that many larger employers view it as a tax. This is a concern as higher-level technical/vocational skills are sought by key sectors and occupations in Coast to Capital. Employers identify requiring skills that can be obtained through qualifications other than traditional degrees. It is suggested that low awareness of higher-level apprenticeships and vocational qualifications continues to be a key issue in Coast to Capital.

## HE Qualifiers

This data shows students graduating from providers in the local area, rather than students who live in Coast to Capital outside of term time.



Source: [HESA, 2018/2019 qualifiers \(published 2020\), 2020 SAP boundaries](#)

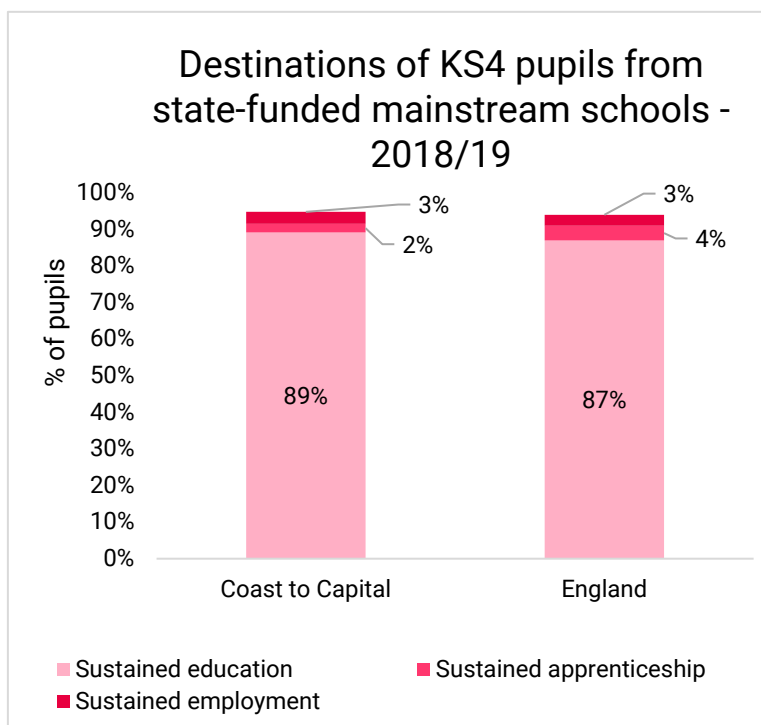
**HE Qualifiers:** Although the proportion (17%) is slightly below the national average (18%), the subject area with the largest number of HE qualifications achieved in Coast to Capital is business and administrative studies. The four next most popular subjects - social studies (14%), education (12%), biological sciences (11%), and creative arts and design (10%) - in Coast to Capital all represent larger proportions of qualifications achieved than across England.

These specialisms reflect high numbers of social studies students at the University of Sussex, education, and creative arts and design students at the University of Brighton and the University of Chichester, and biological sciences students at all three universities. This is complementary to Coast to Capital's relatively high number of jobs in the education and arts and entertainment sectors, and the local importance of life sciences.

On the other hand, there is local deficit in the proportion of students studying other science subjects. Medicine and allied subjects (10%); physical sciences (3%); maths (1%); computer science (3%); and engineering and technology (3%) all deliver a lower proportion of qualifications in Coast to Capital than nationally. This deficit could constrain Coast to Capital's digital and advanced manufacturing ambitions.

## KS4 Destinations

This data shows the proportion of pupils continuing to a sustained education, apprenticeship or employment destination in the year after completing Key Stage 4 (KS4) study (after year 11)



**KS4 destinations:** The proportion of Coast to Capital KS4 pupils entering sustained education (89%) is higher than the national average (87%), and sits between comparator LEPs (Buckinghamshire 91%, Cheshire and Warrington 87%).

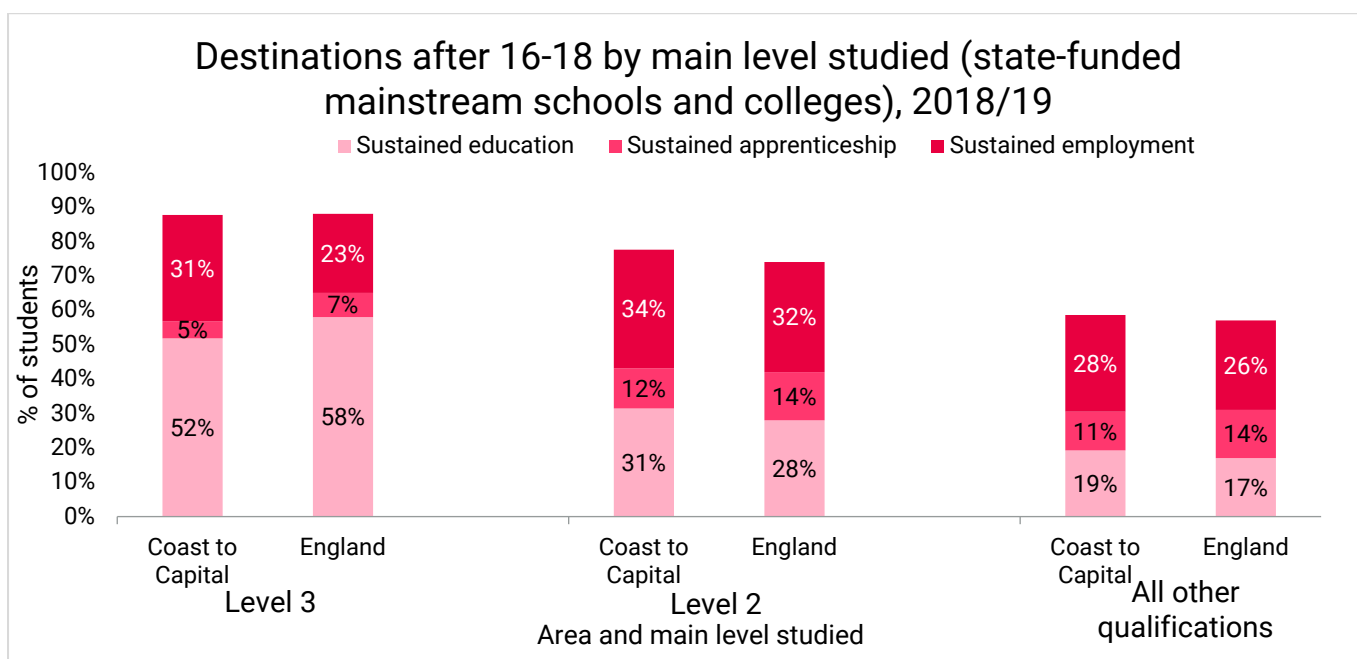
The proportion sustaining employment is in line with the national averages (3%), and a smaller proportion entered apprenticeships (2% compared to 4%). Local authority data shows particularly positive outcomes in Epsom and Ewell, Horsham, Chichester and Mid Sussex, with Adur and Arun the only local authorities not reaching the national average for sustained destinations.

**Source:** [KS4 destination measures, DfE, 2018/19 \(published 2020\), 2020 SAP boundaries](#)

This data suggests at KS4 schools are performing comparatively well against the Gatsby Benchmarks, in particular 'addressing the needs of each pupil' comparatively effectively.

## KS5 Destinations

This data shows the proportions of students continuing into sustained education, apprenticeships or employment in the year after completing 16 to 18 study



Source: [16-18 Destination Measures, DfE, 2018/19 \(published 2020\), 2020 SAP boundaries](#)

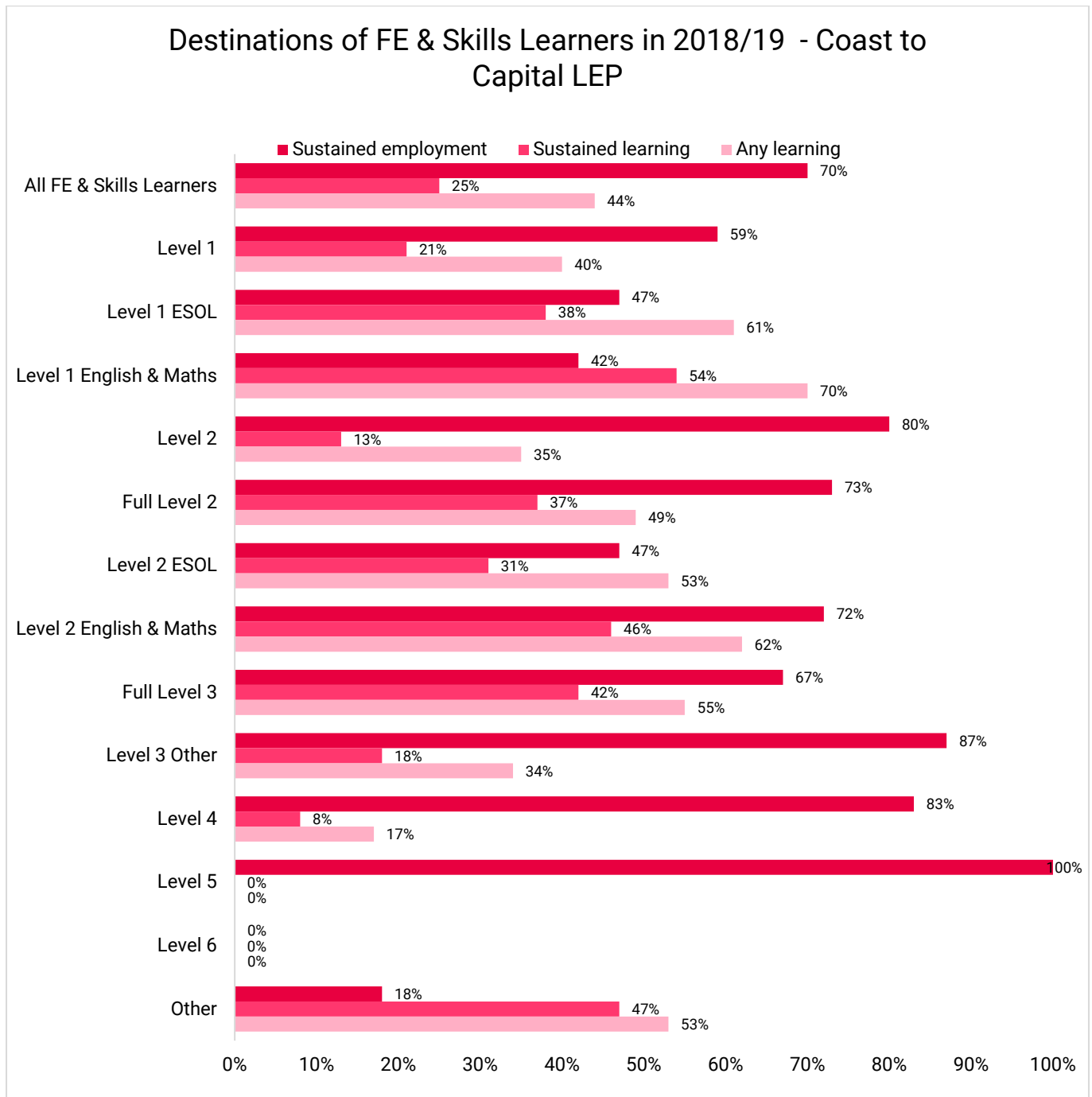
**KS5 destinations:** Overall, 44% KS5 leavers in Coast to Capital enter sustained education, 7% enter a sustained apprenticeship and 31% sustained employment. This represents a lower proportion of students in sustained education than nationally (47%), and comparator LEPs – Buckinghamshire (56%), Thames Valley Berkshire (50%), Cheshire and Warrington (46%) and Enterprise M3 (44%). More enter employment than nationally (25%), suggesting stronger performance against Gatsby Benchmarks linked to knowledge of employment opportunities than links to FE and HE education.

This divergence from the national average is largest amongst Coast to Capital's Level 3 students, with 31% entering employment in Coast to Capital compared to 23% nationally. However, Level 3 students in Coast to Capital are far more likely to enter sustained education than students studying Level 2 and other qualifications. Level 2 students are most likely to enter employment and apprenticeships. Only 58% of students who study other qualifications record a sustained destination, compared to 77% of Level 2 and 88% of Level 3 students.

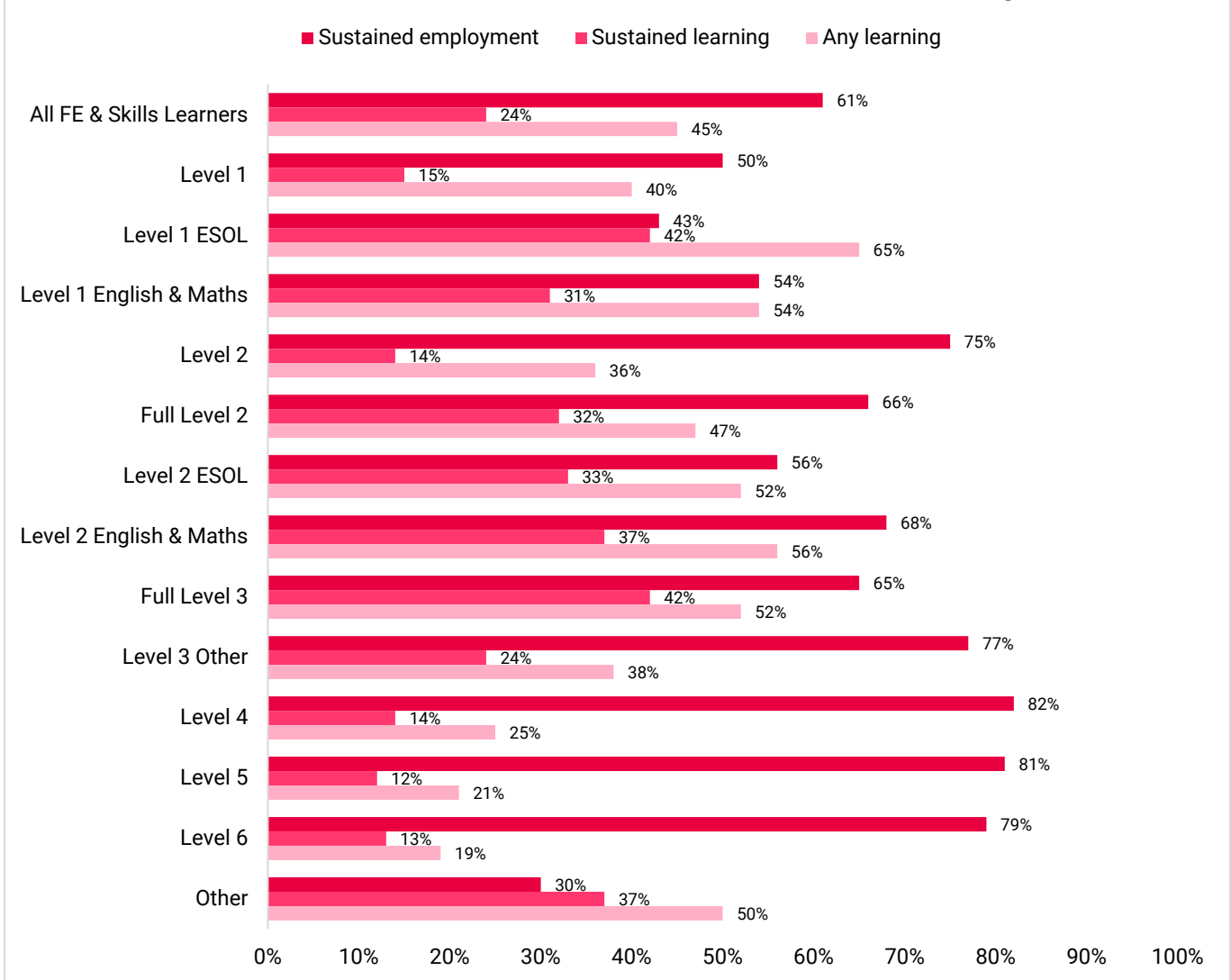
At local authority level, more than half the students in Mole Valley (59%), Horsham (53%), Arun (53%) and Mid Sussex (52%) enter sustained education, whereas the proportion is significantly lower in Worthing (38%), Crawley (38%) and Adur (37%).

## Further Education and Skills Destinations (includes data for Croydon and Lewes)

This data shows adult (19+) Further Education and Skills learners who completed a course in 2017/18 and their outcomes in the following academic year (2018/19)



## Destinations of FE & Skills Learners in 2018/19 - England



**Source:** [FE outcome based success measures, 2018/19 destinations, DfE, \(published 2020\), 2018 LEP boundaries](#)

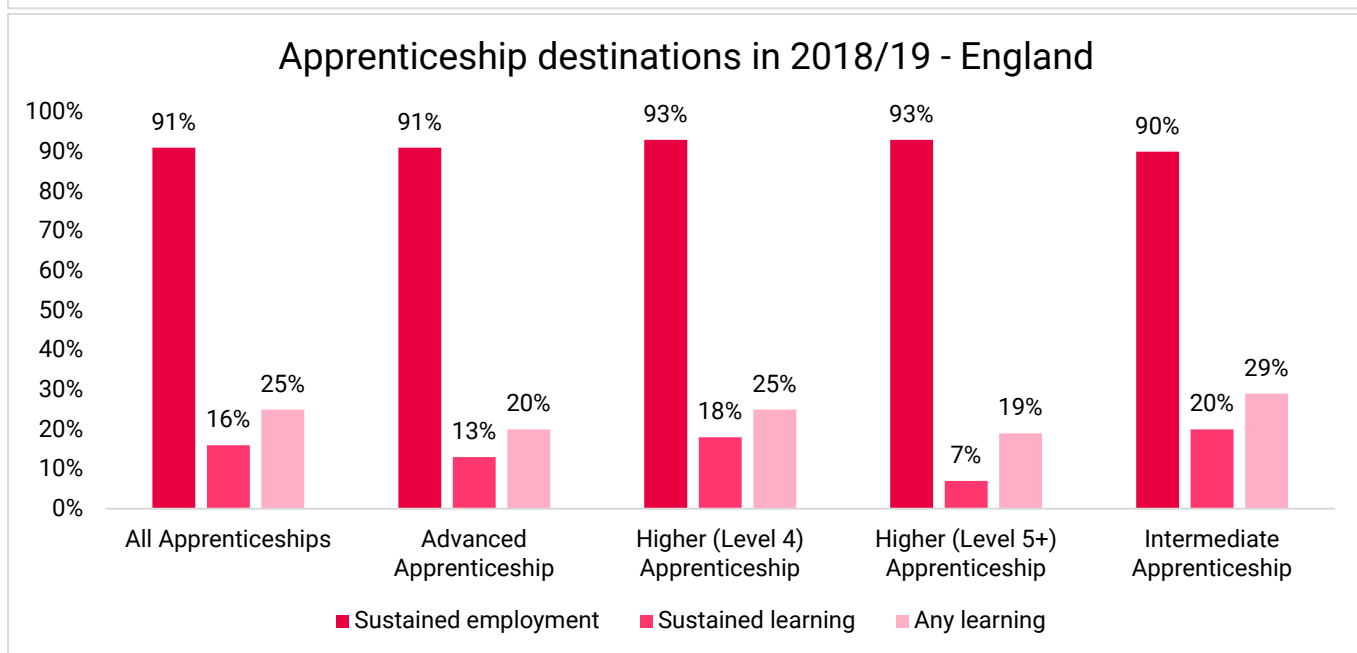
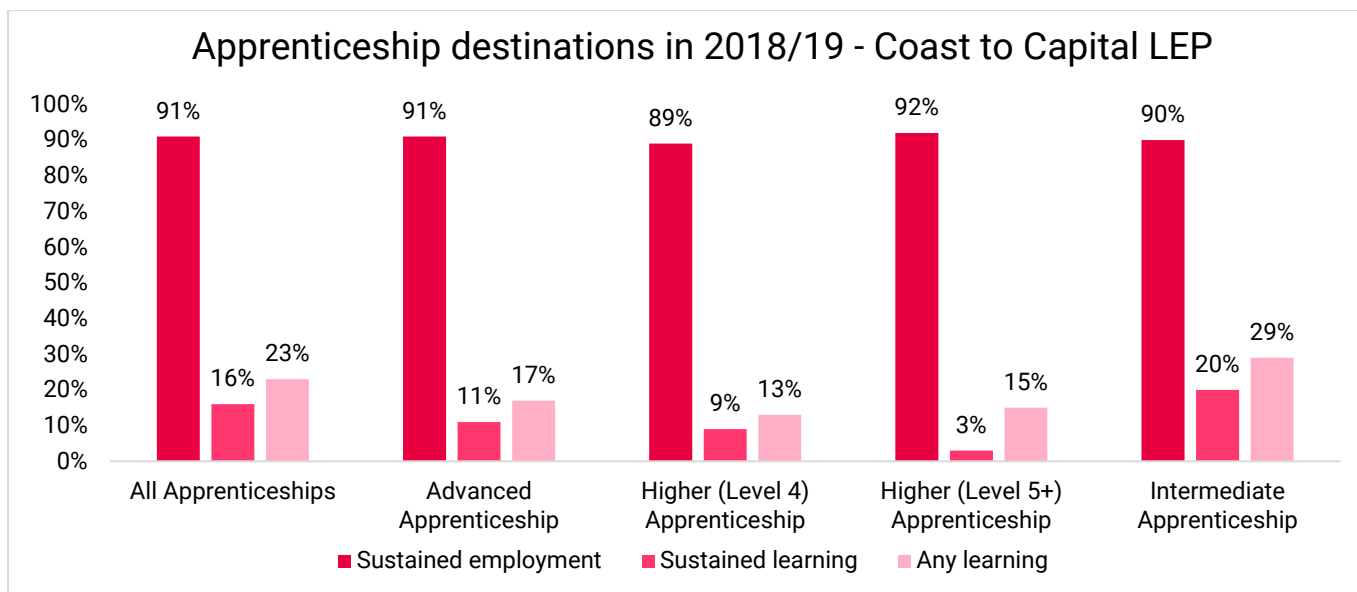
**FE and skills destinations:** In Coast to Capital more adult FE and skills learners enter sustained employment (70%) and sustained education (25%) than nationally (61% and 24% respectively). Conversely, slightly fewer learners enter any type of learning.

The relative skew towards employment rather than learning in Coast to Capital is particularly noticeable for learners achieving level 2, 4 and 5 apprenticeships. The proportion of level 2 achievers that enter sustained employment in Coast to Capital is 80% compared to 75% nationally, whilst only 17% of level 4 achievers entered any learning (24% in England).

This may reflect collaboration with education and employers directly linking learners with long term roles. Local intelligence notes employers and education providers work together to deliver new/bespoke courses. Feedback suggests these relationships have been successful to support addressing the skills gaps in the area.

## Apprenticeship Destinations (includes data for Croydon and Lewes)

This data shows apprentices completing in 2017/18 and their outcomes in the following academic year (2018/19)



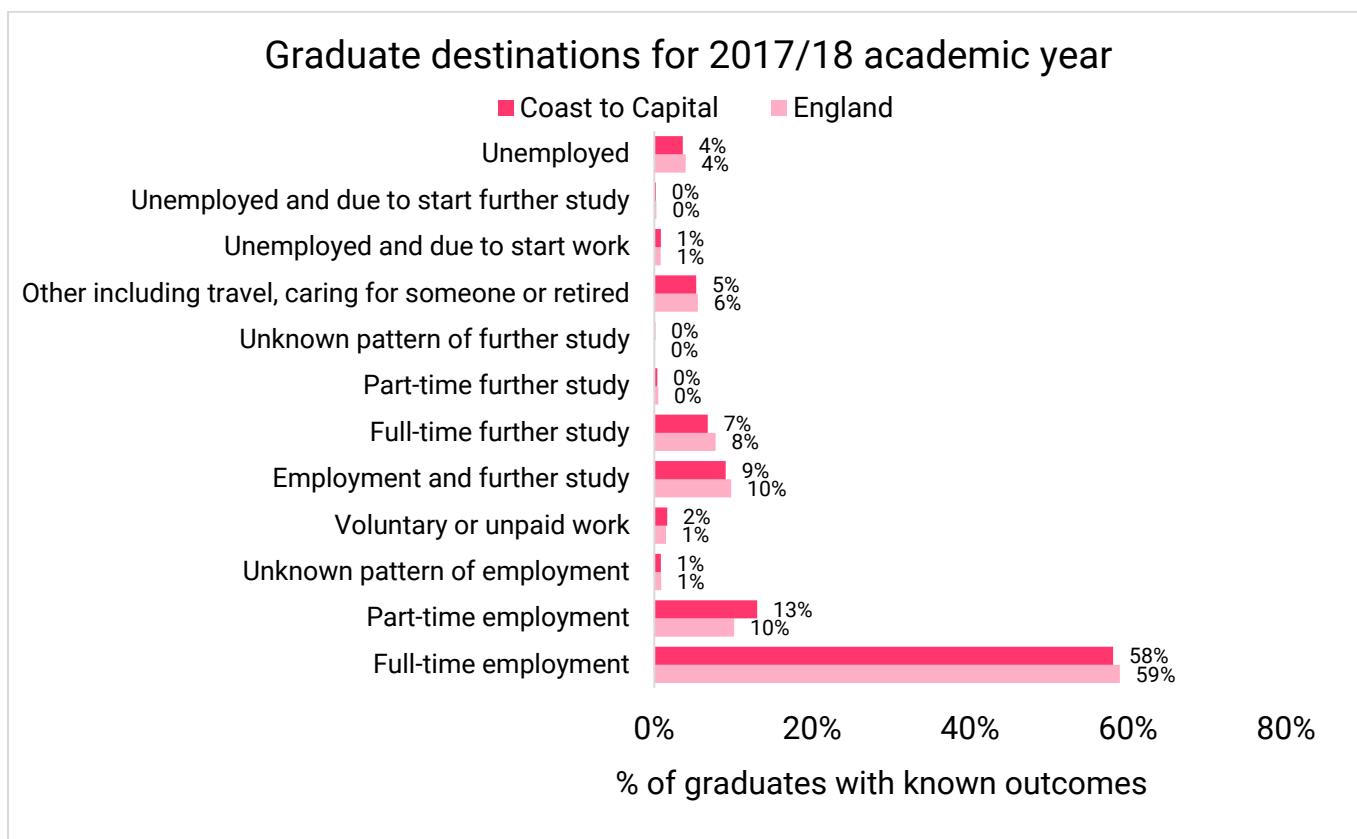
**Source:** [FE outcome based success measures, 2018/19 destinations, DfE, \(published 2020\), 2018 LEP boundaries](#)

**Apprenticeship destinations:** Overall, the proportions of Coast to Capital learners achieving apprenticeship qualifications entering sustained employment (91%) and sustained learning (16%) are in line with the rest of England and entering any learning (23%) is slightly below the national average (25%). As nationally, in Coast to Capital higher level apprenticeships produce a greater proportion of qualifiers entering employment and a smaller proportion entering learning.

The proportion of apprenticeship achievers entering learning (sustained or any) is significantly lower in Coast to Capital for advanced and higher levels than nationally. The proportion entering employment for these levels is also marginally lower than nationally.

Over 90% of the 2017/18 Coast to Capital cohort of education and training; engineering and manufacturing technology; business, administration, finance and law; and health, public services and care apprentices were recorded as entering sustained employment, whilst the figure was only 84% for ICT apprentices. The proportion of apprentices entering further learning was highest for education and training; engineering and manufacturing; and leisure, travel and tourism subjects (all above 22%). Those studying retail and commerce enterprise (11%); agriculture, horticulture and animal care (10%); and arts, media and publishing (9%) were least likely to continue learning.

### Higher Education Graduate Destinations



**Source:** [HESA, 2017/18 graduates \(published 2020\), 2020 SAP boundaries](#)

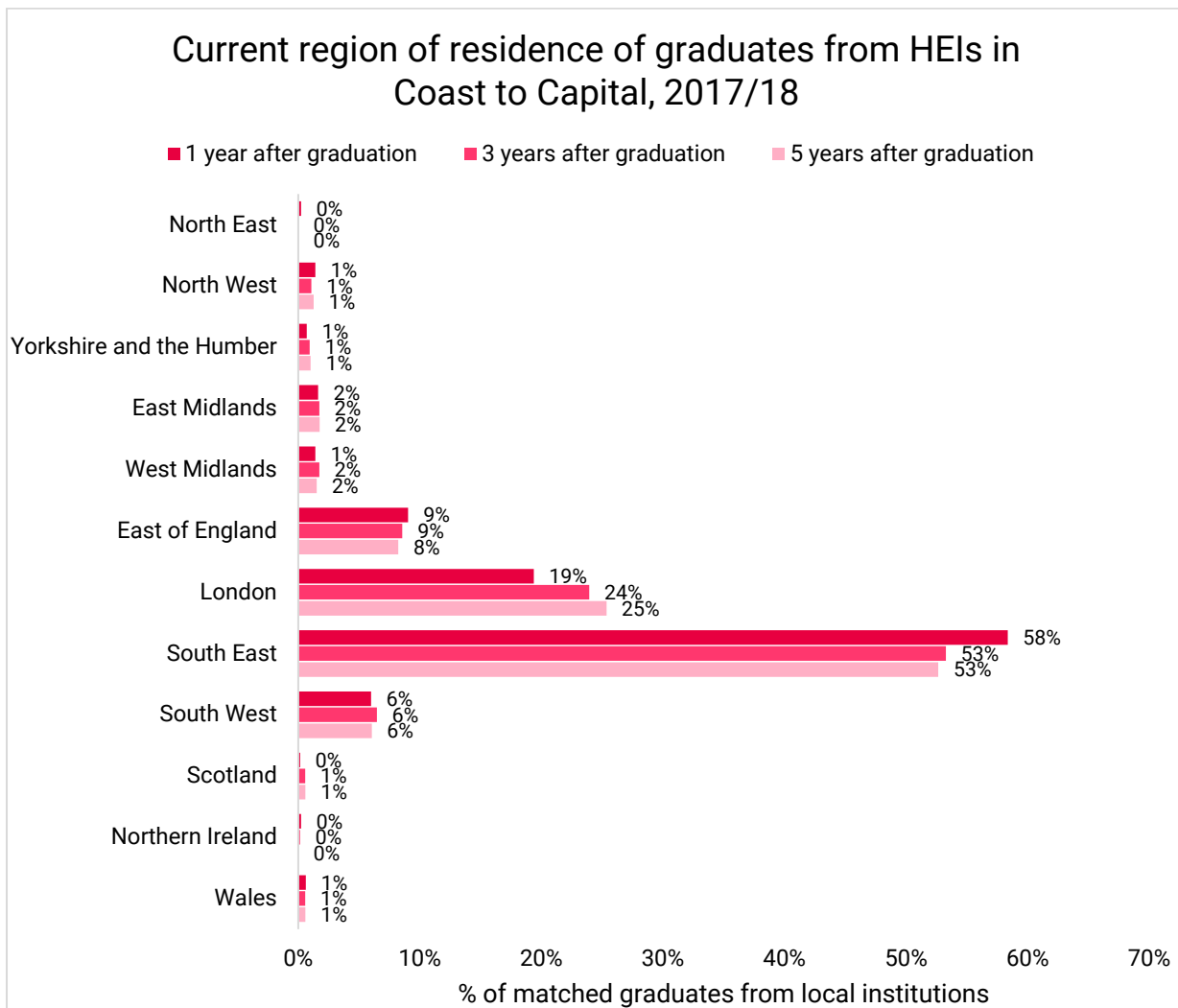
**HE graduates destinations:** The profile of Coast to Capital HE graduates' destinations is close to the national profile. The majority of HE graduates are recorded as entering full-time employment – 58% compared to 59% nationally. Notably, a greater proportion of Coast to Capital graduates are recorded as entering part-time employment (13%) and voluntary unpaid work (2%) than across England (10% and 1% respectively). Generally, slightly fewer Coast to Capital graduates enter further study. Positively, fewer graduates are recorded as unemployed than across England. At institution level:



- the University of Brighton – a high proportion of graduates enter full-time employment – full time employment (64%); part time education (11%); full time study (5%)
- the University of Chichester – a relatively high proportion of graduates enter part-time employment – full time employment (58%); part time education (15%); full time study (6%)
- the University of Sussex – a relatively high proportion of graduates enter full-time further study – full time employment (55%); part time education (9%); full time study (10%)

This proportion of graduates entering part-employment may have an impact on earnings in the medium term. Graduate outcomes (Longitudinal Education Outcomes [LEO], DfE) data estimates that the median annual earnings in 2017/18 for graduates five years after graduation from the University of Brighton is £27,700, the University of Chichester is £23,400 and the University of Sussex is £28,500 (compared to £27,700 nationally and £27,400 in the South East).

## Graduate Retention

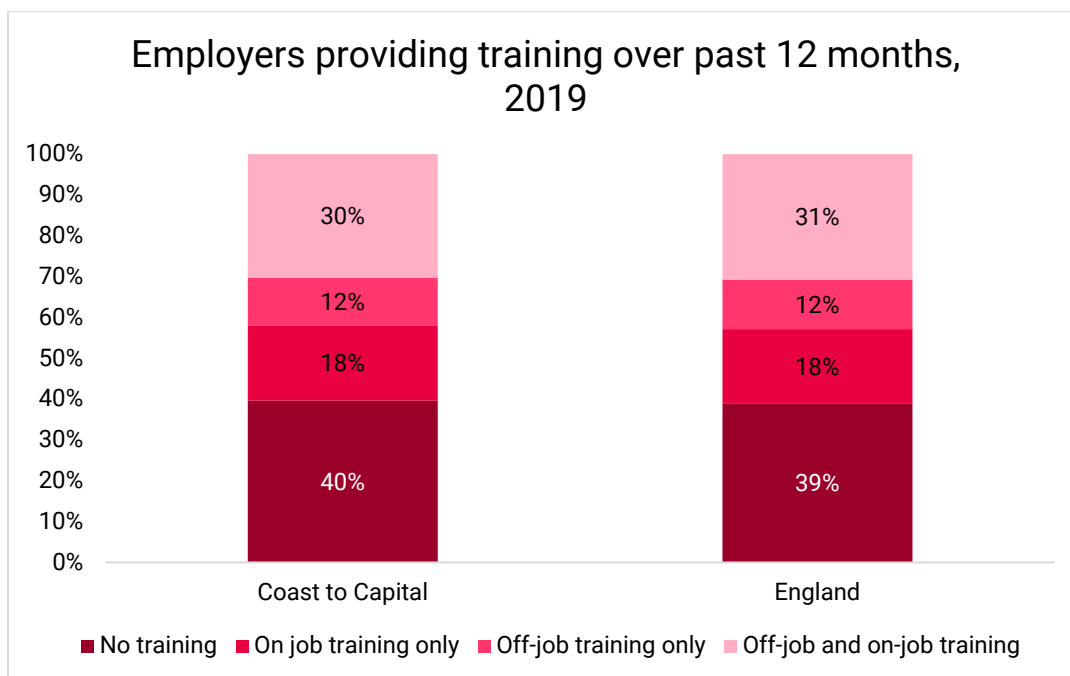


**Source:** [Graduate Outcomes in 2017/18, DfE, \(published 2020\), 2020 SAP](#)

**Graduate retention:** The majority of graduates from Coast to Capital HE institutions remain in the South East. This proportion reduces as years after graduation increase, going from 58% after one year to 53% after five years. This movement away from the South East is generally due to an increase in graduates relocating to London.

Almost one in five graduates move to London in the first year after to graduation, and this proportion reaches one in four by five years after graduation. Both the availability of higher paid jobs in London and high house prices relative to workplace earnings in Coast to Capital are likely to contribute to this movement trend following graduation. University of Sussex graduates are most likely to move to London (37% after five years), whilst a higher proportion of graduates from the University of Chichester stay in the South East (71% after five years).

### Employer Provided Training



**Source:** [Employer Skills Survey, 2019 \(published 2020\), 2019 LEP boundaries](#)

### Employer provided training:

The proportion of businesses providing any training to employees in Coast to Capital is in line with national averages. Two fifths (40%) of businesses in Coast to Capital report not providing any training over the past 12 months to their employees, a marginally higher proportion than nationally (39%) and in the South East (38%).

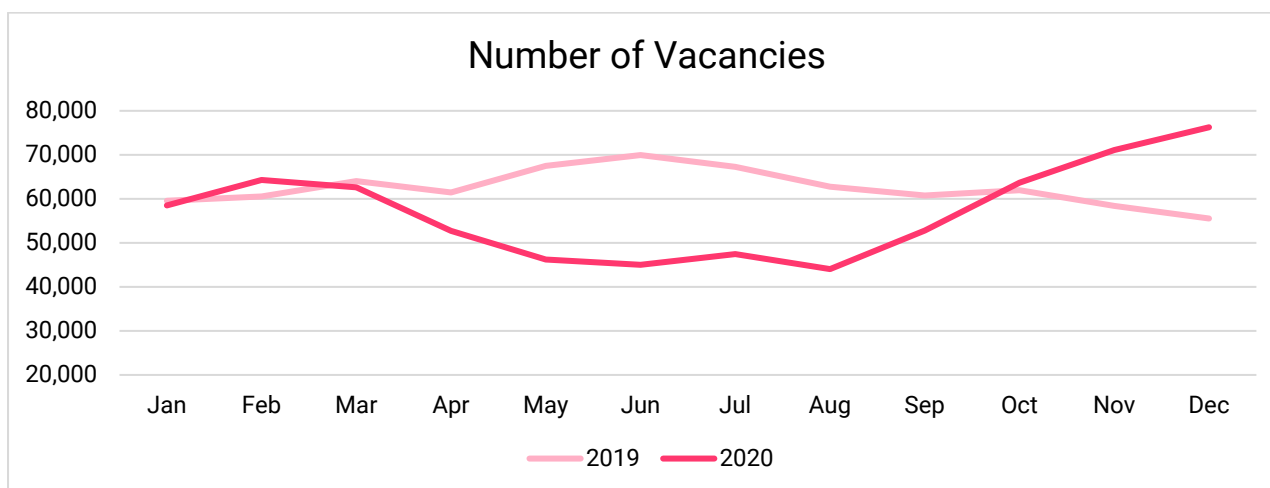
Local businesses identify funding, time and expertise as the key barriers to providing more training. The high proportion of smaller employers in Coast to Capital is also a constraint on the training provided. Provision of training is a particular challenge for SMEs where training and HR practices are not as well established as larger businesses. Local intelligence suggests growing business aversity to delivering in-work training, due to cost required and the risk of an employee moving on.

# Skills Demand – Summary

This section summarises the key points from the data presented below, to answer the question: What skills are employers in Coast to Capital looking for?

- Current and future demand for employees in Coast to Capital is particularly strong in knowledge based and health and care sectors.
- Data suggests businesses in Coast to Capital are looking for individuals with the skills or knowledge needed to perform the specific roles within their job. These skills often relate to new technology and digitisation.
- Coast to Capital's business concerns and requirements from employers are generally consistent with the rest of the country and reflect the current demands of a changing jobs landscape where jobs are generally becoming highly specialised.
- Employers have reported that mid-level occupations are the hardest to fill in the LEP area, these employment types are usually classified as associate professional roles. These roles are typically filled by graduates and people in the population age band where there is a gap in Coast to Capital
- Overall, most Coast to Capital businesses feel confident in finding employees with the right skillset, although 13% of businesses have reported of a significant skills gap, a similar proportion as across the South East (14%) and nationally (13%). These skill gaps are identified across the full spectrum of occupations.
- The immediate effect of COVID-19 was to decrease the number of firms recruiting across Coast to Capital. This reduction was even more significant than regionally and nationally. Whilst vacancies in some sectors have proved more resilient, lower skilled service sector roles have experienced the greatest fall in demand over 2020.
- Brexit is expected to limit EU migration, which will have an effect on the labour supply for large horticulture businesses and increase demand for local residents to fill these roles.

## Online Vacancies

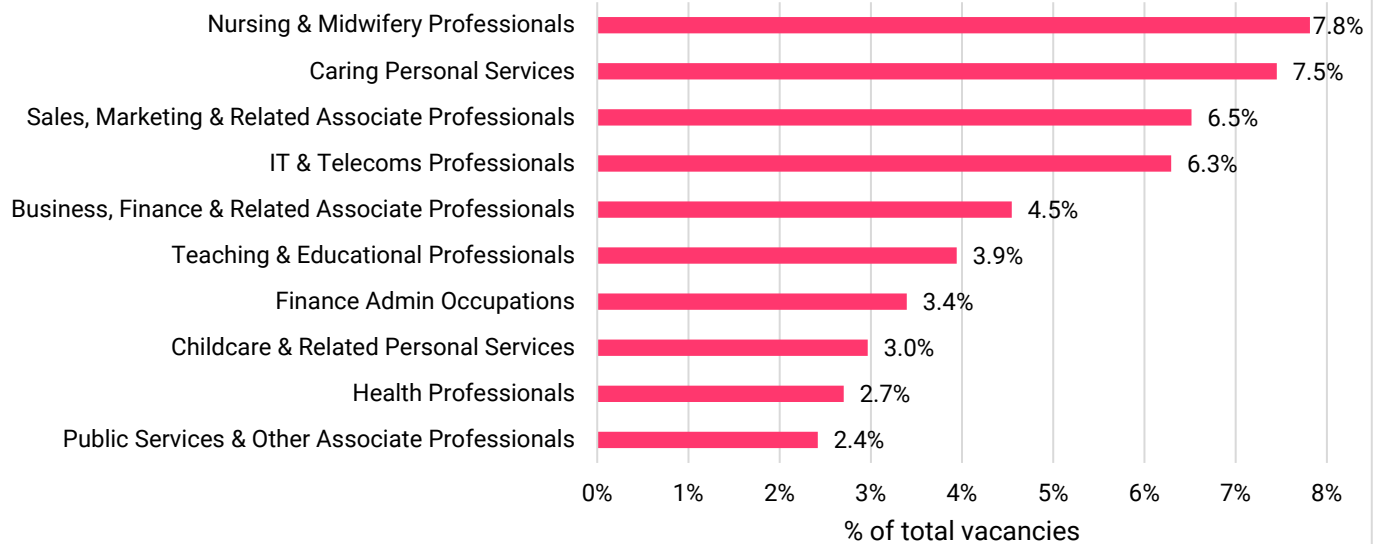


**Source:** [Emsi Analyst 2019-2020, 2020 LEP boundaries](#)

Data provided by EMSI, shows that between 2016 and 2019 the number of unique monthly online jobs postings in Coast to Capital increased every year. There was a 39% increase from a total of 539,530 in 2016 to 749,705 in 2019. This was a greater rise than across the South East (31%) and England (34%). COVID-19 had an immediate and significant impact on the number of job postings. Every month between March 2020 and September 2020 saw a lower number of job postings than the year before, which has led to the total of the monthly figures for 2020 being 9% lower than 2019. This was a greater fall than in the South East (5%) and nationally (6%). However, by December 2020 there were 76,261 unique online job postings across Coast to Capital, 37% higher than 12 months earlier and 73% higher than in August 2020.

Job postings in some local authorities were less affected by COVID-19. In October 2020 the number of unique posts in Horsham had increased by 47% and Adur by 20% since March 2020. Mole Valley (-29%), Epsom and Ewell (-23%), Reigate and Banstead (-19%) and Crawley (-17%) experienced the largest falls in the period.

## Top 10 Occupations, Vacancies 2020



**Source:** [Emsi Analyst 3-digit SOC Occupations 2020, 2020 LEP boundaries](#)

Health and care sector postings remained high throughout 2020 with health professionals seeing a 31% rise in job postings from March to October and caring personal service occupations seeing a 4% rise over the same period. The worst hit broad occupations in 2020 were administrative and secretarial occupations and sales and customer service occupations, which both had 28% fewer aggregated monthly postings than in 2019. This demand for labour in the health and care sector is reflected by over 15% of all 2020 vacancies being in nursing, midwifery and personal care roles. Vacancy data suggests Coast to Capital businesses are looking to recruit skilled individuals, with seven of the top ten occupations by vacancies either professional or associate professional roles.

### Working Futures Data (includes data for Croydon and Lewes)

We have included the Working Futures data for consistency with other areas Local Skills Reports. However, it should be noted this research pre-dates COVID-19 and is based on old LEP boundaries - for Coast to Capital this means the inclusion of Croydon and Lewes which have since moved to neighbouring LEPs. The inclusion of these geographies is likely to skew the data.

We have identified sectors of potential growth and potential future high employing sectors in our Skills Strategy based on a consideration of more recent research done by the LEP, and local intelligence, as outlined on the following page.

## Sector Growth Forecasts (includes data for Croydon and Lewes)

Coast to Capital LEP	
Sectors with highest forecast growth (2017-2027)	Sectors with lowest forecast growth (2017-2027)
1) Arts and entertainment	1) Engineering
2) Professional services	2) Rest of manufacturing
3) Information technology	3) Food drink and tobacco
4) Support services	4) Agriculture
5) Water and sewerage	5) Finance and insurance

**Source:** [Working Futures, 2017-2027 \(published 2020\), 2017 LEP](#)

### Sectors of potential economic growth:

**Tourism** - The expected growth in the arts and entertainment jobs reflects Coast to Capital's existing cluster of employment in Brighton and Hove. Due to our close proximity to London, seaside towns along the coast and Gatwick Airport at our centre, tourism is an important part of the Coast to Capital economy. This sector has been particularly vulnerable to the effects of COVID-19, therefore will need significant support to recover, and will be a focus when delivering our skills action plan.

**Horticulture and viticulture** – Although the Working Futures data identified the broader Agriculture sector as low forecast growth, our local research has identified Horticulture and Viticulture (wine growing) specifically as being specialised locally, and if nurtured would have potential for growth. Collaborative innovation in these two sectors locally also shows promise to support future growth. Automation that is likely to accompany this innovation, as well as other specialised sector specific skills requirements, meaning that these sectors will have specific skills demands to enable future growth, which need to be considered through delivery of our skills action plan.

**Creative, digital and IT** - Growth in professional services and IT reflect wider structural changes to the economy, as well as a highly skilled resident base and high employment in Brighton and Hove and East Surrey. This sector has seen significant growth in recent years in activities such as computer software programming and publishing, data processing and hosting. There is likely to be an increase in demand for digital services, with many companies moving to remote working.

**Advanced Manufacturing and Engineering** – Although the Working Futures data lists 'rest of manufacturing' and 'engineering' as sectors of low growth forecast, Coast to Capital has a specialised advanced manufacturing and engineering cluster in the Crawley area and pockets of specialisms in this sector across the area, for example in defence and biotechnology. Intelligence has identified skills gaps locally for higher level roles in this sector, which if addressed, could stimulate future growth. Plans to establish an Innovation centre, and the proposal for an Institute of Technology are two of the transformational interventions already outlined in our action plan that will go some way to help to address these skills gaps.

## Occupation Growth Forecasts (includes data for Croydon and Lewes)

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

**Source:** [Working Futures, 2017-2027 \(published 2020\), 2017 LEP](#)

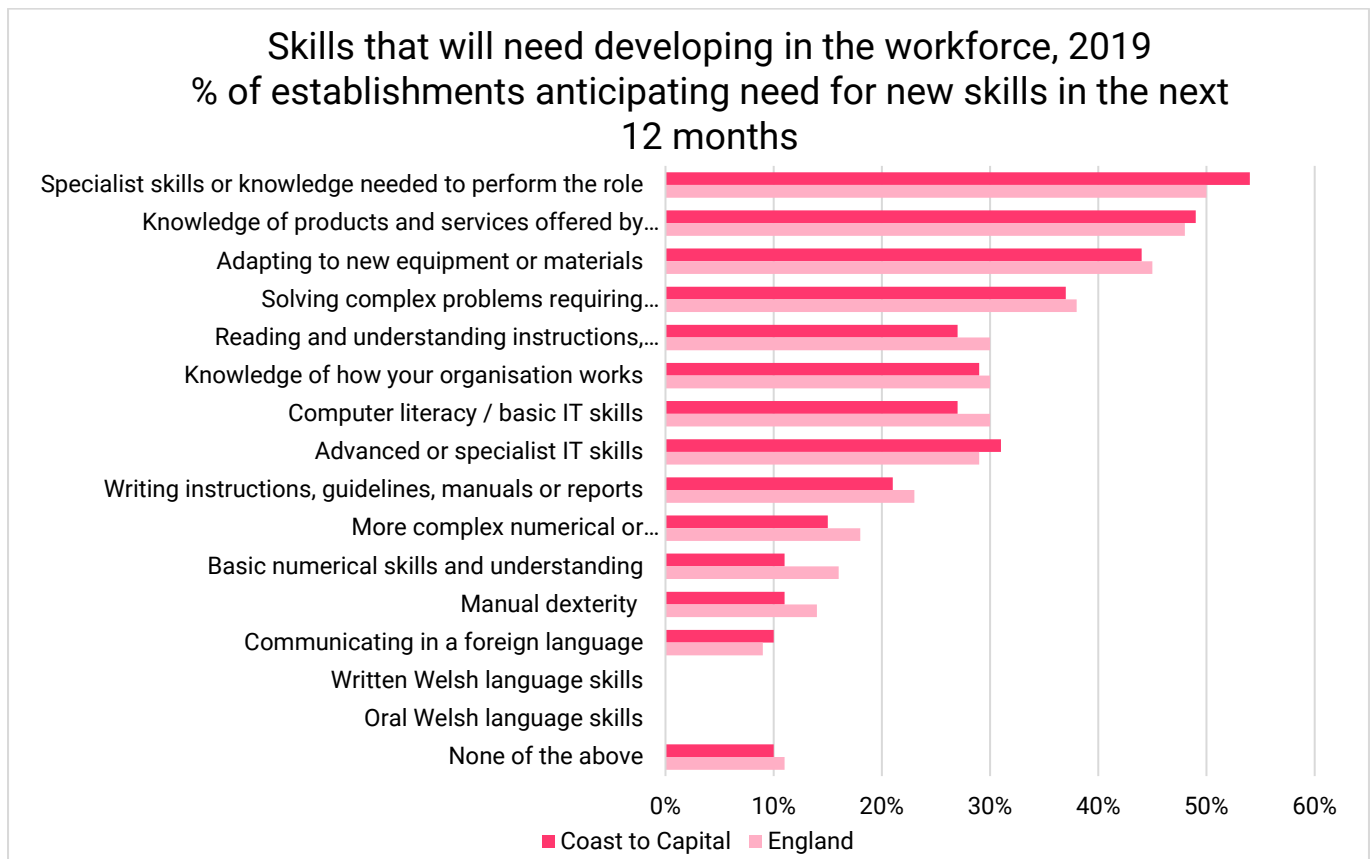
### Sectors that have the capacity to absorb a large number of workers:

**Health and Social Care** - The expected growth in health and care roles reflects national trends and the older demographic profile of Coast to Capital. Job postings data throughout 2020 shows higher demand for roles within the Healthcare sector locally due to COVID-19.

**Financial and professional services** – There is a large number of businesses in Coast to Capital that fall within this sector grouping, greater than expected compared to the average for England showing specialisation locally. Many of the manager and director roles identified as being high forecast growth occupations are likely to be in these sectors.

**Construction** Although not identified as a high forecast growth occupation, the construction sector is a priority in the Coast to Capital area as a key driver of growth in the economy, supporting infrastructure, commercial and housing development and creating much needed employment opportunities. Anecdotal information from local businesses suggests that roles within the industry, and the skills required to fulfil them, will become more specialised as companies move towards green construction methods.

## Skills that Require Developing



Source: [Employer Skills Survey, 2019 \(published 2020\), 2019 LEP boundaries](#)

The following have been identified as the top 3 Skills that need developing by Coast to Capital businesses, highlighting the need for employer led provision and collaboration with education:

- Specialist skills or knowledge to perform the role (54% of businesses needing new skills)
- Knowledge of products and services offered by the organisation (49%)
- Adapting to new equipment or materials (44%)

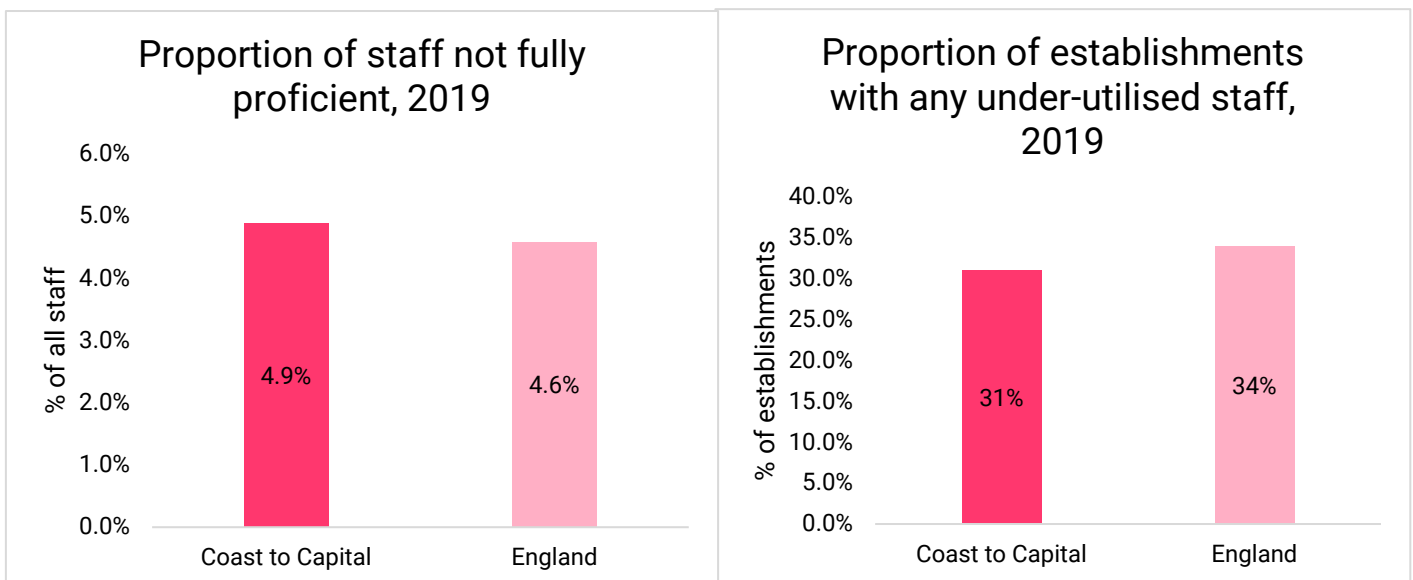
Businesses responses in Coast to Capital particularly show strong demand for employees with job specific skills. Locally, the need for specialist skills/knowledge of products is reported more regularly than nationally. Notably the proportion of businesses set to require higher level IT skills (31%) is also higher than national and South East averages (29% and 28% respectively).



# Skills Supply and Demand – Summary

- Overall education providers believe that the courses offered in the LEP match the demand of local employers. However, there is evidence of a skills mismatch between what employers need and what is available in the local population. The main issue raised with business owners is that staff are often new to a role and have not completed relevant training.
- Positively, popular subjects undertaken by further education learners align with the Working Futures data for the sectors that are expected to grow by 2027 in Coast to Capital, indicating a strong future pipeline of skills.
- There is current education provision that aims to fill the gaps within the LEP. However, there is general consensus that the delivery of both technical and vocational and general employability provision is not happening quick enough to match current demand.
- Almost a third of businesses report underutilised staff, suggesting they are either over qualified or over experienced for their current role. This could mean the types of employment employees are looking for are either taken up, do not exist or do not satisfy individual ambition

## Proficiency of Workforce

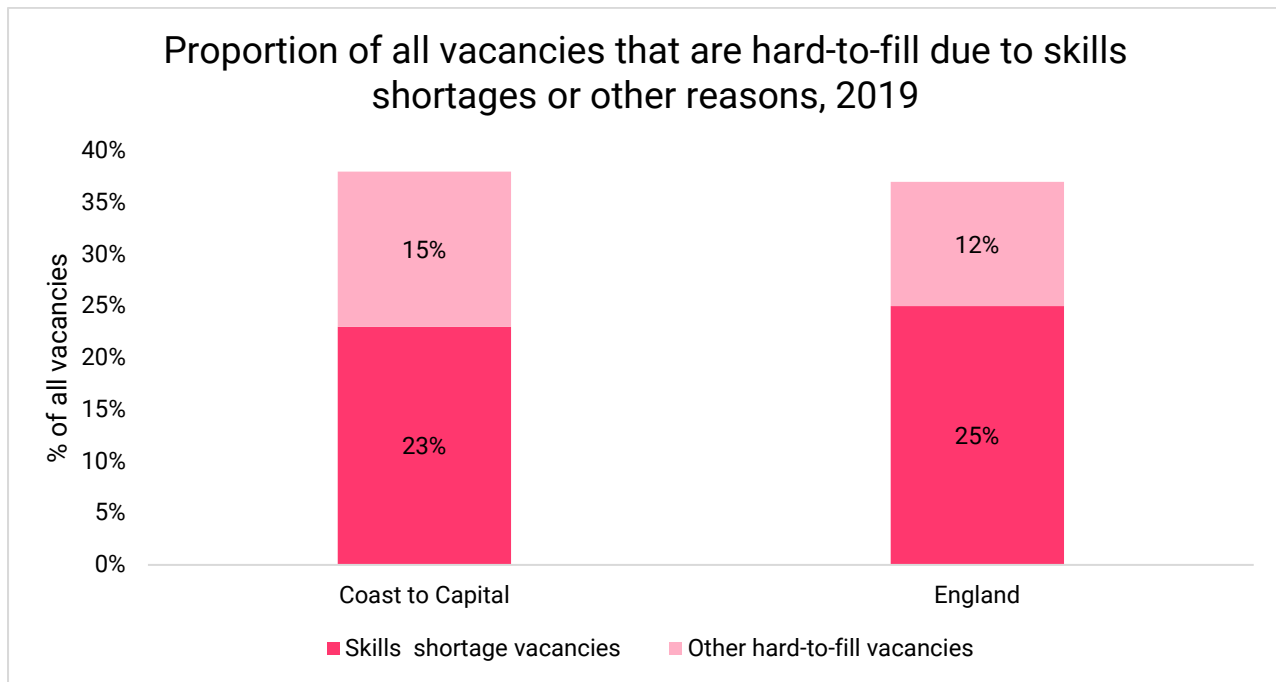


**Source:** [Employer Skills Survey, 2019 \(published 2020\), 2019 LEP boundaries](#)

**Proficiency of workforce:** In 2019, 4.9% of all staff in Coast to Capital were reported as not fully proficient in their current role, the same proportion as across the South East and marginally higher than 4.6% nationally. This suggests that demand for skills is not being fully met locally and nationally, and that staff may not be receiving relevant training from employers.

Conversely 31% of businesses report underutilised staff compared to 33% in the South East and 34% nationally. This suggests that there is a section of the Coast to Capital population who are either over qualified or over experienced for their current role. Anecdotal evidence from previous consultation identifies the challenge individuals face changing professions is caused by a lack of adult education funding, and confidence, which is of particular concern for older residents

### Hard-to-fill and Skills Shortage Vacancies



**Source:** [Employer Skills Survey, 2019 \(published 2020\), 2019 LEP boundaries](#)

**Hard-to-fill and skills shortage vacancies:** In Coast to Capital there are slightly more hard to fill vacancies (38%) than nationally and regionally (both 37%). Employers Skills Survey data suggests that hardest to fill vacancies are those classified as high skill (30%) and service intensive jobs (35%). At broad occupation level, professionals (17%), skilled trades (15%) and caring, leisure and other services (26%) are the hardest occupations to fill.

Further data shows that businesses within the LEP area tend to rely on traditional methods to fill vacancies, such as word of mouth (43%), more than the national average. Other common methods include placing adverts on websites (29%), using social media to recruit (28%) and using other paid forms of recruitment service (28%).

The Coast to Capital consultations with local stakeholders suggests a lack of awareness of job opportunities within the LEP area across local communities. However, reliance on recruitment methods such as word of mouth is a possible constraint on this awareness.