The Importance of Labour Market Intelligence (LMI)
The UKCES Offer
South West

www.gov.uk/ukces
Growing importance of labour market intelligence for colleges
Applications of labour market intelligence

Content

Curriculum strategy

Business development

Local strategic dialogue

Careers information and advice
UK Commission Intelligence Products

**UK Commission Employer Skills Survey**
- 90,000 interviews
- Employer investment in training and skills challenges

**UK Commission Employer Perspectives Survey**
- 18,000 interviews
- Employer views and interaction with the external skills system

**Working Futures**
- Labour market projections
- Picture of UK employment, productivity, labour supply and skills for the next ten years
Youth unemployment in the South West is now lower than in the UK overall.

**South West**

**United Kingdom**

Source: The Inter-Departmental Business Register (IDBR), March 2014
Skills shortage vacancies and skills gaps mean workers without the right skills to do their jobs...

**Skill shortage vacancies**

**Skills gaps**

Source: UK Commission’s Employer Skills Survey 2013. Base - all establishments in the South West (8511)
While skill mismatches remain, too many employers remain unmoved to invest more in skills

Source: UK Commission's Employer Skills Survey 2013. Base - all establishments in the South West (8551)
Internal training used more than external training

Of all employers provide training for their staff

<table>
<thead>
<tr>
<th>2012</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>72%</td>
<td>65%</td>
</tr>
</tbody>
</table>

57% of all provide internal training (2012: 62%)

43% of all provide external training (2012: 48%)

33% provide both internal and external training (2012: 39%)

External providers used, across all establishments

- **Commercial organisations**
  - 2012: 37% (2012: 31%)

- **Suppliers***
  - 2012: 21% (2012: 11%)

- **Regulatory bodies***
  - 2012: 11% (2012: 7%)

- **Further Education Colleges**
  - 2012: 14% (2012: 8%)

- **Non-profit organisations**
  - 2012: 11% (2012: 7%)

- **Customers***
  - 2012: 6% (2012: 4%)

- **Universities or HEIs**
  - 2012: 5% (2012: 4%)

* Not asked in 2012

Source: UK Commission’s Employer Perspectives Survey (2012/2014) Base: 1,177/1,071

40% Private or Commercial (2012: 42%)

11% Public (2012: 16%)
Recruitment of education leavers varies by both location and sector.

Of all establishments recruited education leavers

LEPs in the South West

<table>
<thead>
<tr>
<th>LEP</th>
<th>Recruitment Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>UK</td>
<td>26%</td>
</tr>
<tr>
<td>Cornwall and Isles of Scilly</td>
<td>28%</td>
</tr>
<tr>
<td>Dorset</td>
<td>27%</td>
</tr>
<tr>
<td>Gloucestershire</td>
<td>29%</td>
</tr>
<tr>
<td>Heart of the South West</td>
<td>25%</td>
</tr>
<tr>
<td>Swindon and Wiltshire</td>
<td>27%</td>
</tr>
<tr>
<td>West of England</td>
<td>31%</td>
</tr>
</tbody>
</table>

Sector

<table>
<thead>
<tr>
<th>Sector</th>
<th>Recruitment Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary sector and Utilities</td>
<td>14%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>27%</td>
</tr>
<tr>
<td>Construction</td>
<td>19%</td>
</tr>
<tr>
<td>Trade, accommodation and transport</td>
<td>29%</td>
</tr>
<tr>
<td>Business and other services</td>
<td>25%</td>
</tr>
<tr>
<td>Non-market services</td>
<td>39%</td>
</tr>
</tbody>
</table>

Source: UK Commission’s Employer Skills Survey 2013
Levels of recruitment of education leavers up from 2013, most considered prepared for work

- **16 year-old school leavers**
  - Very poorly prepared: 6%
  - Poorly prepared: 23%
  - Well prepared: 53%
  - Very well prepared: 13%

- **17-18 year-old school leavers**
  - Very poorly prepared: 4%
  - Poorly prepared: 21%
  - Well prepared: 60%
  - Very well prepared: 10%

- **17-18 year-old college leavers**
  - Very poorly prepared: 4%
  - Poorly prepared: 14%
  - Well prepared: 61%
  - Very well prepared: 17%

- **University/HE leavers**
  - Very poorly prepared: 2%
  - Poorly prepared: 8%
  - Well prepared: 60%
  - Very well prepared: 26%

Source: UK Commission’s Employer Skills Survey 2013
Where are the new jobs coming from?
Projected industry growth, 2012-2022
(South West)

- Health and Social work: South West 13%, UK 11%
- Professional Services: South West 15%, UK 14%
- Construction: South West 16%, UK 15%
- Information Technology: South West 28%, UK 30%
- Support Services: South West 8%, UK 9%
- Rest of Manufacturing: South West -3%, UK -9%
- Public admin. and defence: South West -6%, UK -9%
- Engineering: South West -14%, UK -10%
- Agriculture: South West -20%, UK -18%

Source: Working Futures 2012-2022
What new workers will we need?
Projected occupation growth, 2012-2022
(South West)

- Professional Occupations: Expansion 60% Replacement 59%
- Caring, leisure and other service: Expansion 70% Replacement 69%
- Associate professional and technical: Expansion 52% Replacement 51%
- Managers, directors and senior officials: Expansion 58% Replacement 59%
- Sales and customer service: Expansion 33% Replacement 33%
- Elementary occupations: Expansion 34% Replacement 35%
- Process, plant and machine operatives: Expansion 27% Replacement 26%
- Skilled trade occupations: Expansion 27% Replacement 25%
- Administrative and secretarial: Expansion 29% Replacement 30%

000s of new jobs, 2012-2022

Source: Working Futures 2012-2022
LMI for All

- Open access LMI data portal
- Improves evidence base for careers decisions and strategic planning
- Places onus on third-parties to develop engaging interfaces
- Pilot is live now

Informed Individuals making effective career decisions

- LMI eg LFS
- LMI eg ASHE
- LMI eg ESS13

Careers Websites & Apps

Careers Websites & Apps

Careers Websites & Apps
Getting access

Employer Skills and Perspectives Surveys
- Open access via website to UK and regional reports, infographics and slide packs plus local data tables
- More information: employer.surveys@ukces.org.uk

Working Futures
- To find out more email: working.futures@ukces.org.uk

LMI for All
- More information: www.lmiforall.org.uk
LMI Network

- The LMI Network connects users of labour market information and supports them in sharing ideas and expertise.
- The LMI Network will be valuable for those who are responsible for analysing and using LMI such as: unemployment statistics, employer surveys, qualifications levels, pay rates, occupational and industrial make-up of an area.
- It's free of charge network that supports peer-to-peer learning and support between LMI users.

Join today at: www.tiny.cc/LMINetwork

The LMI Network will help it’s members to:

- Share their expertise and experience
- Identify research collaboration opportunities
- Share advice on technical issues, definitions and
- Methodological problems; and
- Signpost each other to reports, findings and events of interest.