UK COMMISSION FOR EMPLOYMENT AND SKILLS

UK Commission's Employer Skills Survey 2011: England Results

Evidence Report 46
July 2012

Intelligence > Investment > Impact

UK Commission's Employer Skills Survey 2011: England Results

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July 2012

Foreword

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Achieving economic growth is a significant challenge facing governments across the globe. Businesses, key to this achievement, themselves face the impacts of the global economic climate, technological advancements, funding challenges, and the squeeze on consumption as business and domestic customers continue to tighten their belts.

The ability of businesses to adapt, respond and even thrive in such challenging times relies upon developing and harnessing the talents and skills of their people. There is a significant body of evidence pointing to the value of skills and training investment to individuals, businesses and the economy: for example, businesses that don't train are twice as likely to close down than those that do. Yet, the stock of skills in the UK is not keeping up with international competitors and some of our businesses do not adopt strategies which require, use and apply skills.

As a Commissioner at the UK Commission for Employment and Skills, I recognise that understanding these issues within economic and labour market contexts can help us collectively to anticipate skill needs, identify the best means of addressing them, monitor trends, benchmark and shape the supply of, and demand for, skills from business and individuals. As the Chair of the Leeds City Region Local Enterprise Partnership, it is important we have a sophisticated understanding of skill deficiencies and skill investment in our local economy, benchmarked to other localities, to ensure we make the right decisions and focus on the right priorities. The UK Commission's Employer Skills Survey provides a vital piece in the evidence jigsaw, from the all-important perspective of employers.

The Survey is the most comprehensive analysis to date of the skills businesses need; the pressures they face in effectively managing their businesses and accessing or developing those skills; their responses to such difficulties; whether and how much they train and why they don't. We are immensely pleased to conduct this research with UK employers and, for this report, are grateful to the more than 75,000 businesses in England who participated in the research. This report, focusing on England, provides valuable information on the English labour market and an illustration of the analysis which can be mined from the survey data, including:

- A consistent time-series analysis going back to 2005;
- Analysis which shows different underlying patterns of skill deficiency and training investment by sector, business size and occupation;
- Variations sub-nationally, by region, Local Economic Partnership and local authority.

Analysis of the survey data can inform partners seeking to:

- Set and agree economic and labour market priorities by identifying areas of skill deficiency and sub-optimal training investment patterns;
- Understand and anticipate skill needs and priorities to shape individuals and improve learning supply and learning markets;
- Understand and shape employer demand: by exploring how businesses are managed, the data can help inform how to work with business to improve these practices and raise ambition.

Businesses and individuals too can use the data to inform their approaches to developing their skills and consider opportunities for progression and improvement.

I hope you find this report informative. Over the summer, we will update our web-tool with this latest data and are keen to encourage business, individuals and partners across England to analyse the data in greater depth, exploring the issues from their own perspectives and informing their own evidence bases with this robust, comparable and time-series resource.

We are also keen to get feedback on how we could make our research even more relevant. If you have any feedback or queries, or would like to know more about the Commission's other research, please e-mail info@ukces.org.uk, quoting the report title.

Acknowledgements

Many individuals and organisations have been involved in the design and execution of the of the UK Commission's Employer Skills Survey 2011. This report focuses on the findings from interviews undertaken in England. Particular thanks are given to the 75,000 businesses in England who responded to the questionnaire. As the lead contractor, we have been supported by the research agencies who conducted much of the fieldwork: BMG Research and Ipsos MORI.

The project was sponsored by the four UK governments who came together to ensure the delivery of this first UK employer skills survey was possible. A steering group was established to guide the direction of the project. Members attending this group were: Mark Langdon, Department for Business, Innovation and Skills (BIS); Dominic Rice, BIS; Kathy Murphy, BIS; Euan Dick, Scottish Government; Sarah Munro, Scottish Government; Joanne Corke, Welsh Government; Graeme Belshaw; Department for Employment and Learning Northern Ireland (DELNI); Linda Bradley, DELNI; Tim Devine, DELNI; Mauricio Armellini, Department for Work and Pensions (DWP); Jacqui Hansbro, DWP; Alasdair Yeo, DWP; Anthony Clarke, Department for Education (DFE); Muriel Bankhead, Alliance of Sector Skills Councils; Sally Walters, Alliance of Sector Skills Councils; Helen Lindsay, Alliance of Sector Skills Councils and Mark Spilsbury of the UK Commission for Employment and Skills.

Specific thanks are also due to Mark Langdon and Dominic Rice at BIS for reviewing the England report, and staff at the UK Commission who supported the preparation of this report, including Carol Stanfield, Ken Manson, Patrick O'Toole-Young and Genna Kik and in particular to the project manager throughout the course of the survey, Dr Susannah Constable at the UK Commission.

Jan Shury
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Glossary

This glossary gives a short guide to the key terms used in this report:

Establishment (also referred to as workplace, business, employer, site)	A single location of an organisation with people working at it.
Vacancy density	The number of vacancies as a proportion of all employment.
Hard-to-fill vacancies	Vacancies which are proving difficult to fill, as defined by the establishment (from question: "Are any of these vacancies proving hard to fill?").
Hard-to-fill vacancy density	The number of hard-to-fill vacancies as a proportion of all vacancies.
Skill-shortage vacancies (SSVs)	Vacancies which are proving difficult to fill due to the establishment not being able to find applicants with the appropriate skills, qualifications or experience.
Skill-shortage vacancy density	The number of skill-shortage vacancies as a proportion of all vacancies
Skills gaps	A "skills gap" is where an employee is not fully proficient, i.e. is not able to do their job to the required level. See Appendix C.
Skills gap density	The number of staff reported as being not fully proficient as a proportion of all employment.

Product Market Strategy (PMS)	An establishment's PMS score is worked out from the combined answers of four questions: • How customised their output is; • How price dependent their offering is; • How innovative the establishment is; • Whether outputs are premium or basic quality. A high PMS score would indicate outputs are customised, not price-dependent, premium quality and the establishment often leads the way in product development.
Sector	For definitions of the different sector groupings used in this report please refer to Appendix E.
Occupations	For definitions of the occupational groups used in this report please refer to Appendix F.

UK Commission's Employer Skills Survey: England National Report

Key Findings

	2011	2009	2007	2005
Vacancies and skill-shortage vacancies				
% of establishments with any vacancies	**15%**	12%	18%	17%
% of establishments with any hard-to-fill vacancies	**5%**	3%	7%	7%
% with SSVs	**4%**	3%	5%	5%
% of all vacancies which are SSVs	**16%**	16%	21%	25%
Number of vacancies	**533,400**	385,700	619,700	573,900
Number of hard-to-fill vacancies	**115,500**	85,400	183,500	203,600
Number of skill-shortage vacancies	**85,500**	63,100	130,000	143,100
Skills gaps				
% of establishments with any staff not fully proficient	**18%**	19%	15%	16%
Number of skills gaps	**1.32m**	1.70m	1.36m	1.26m
Number of staff not fully proficient as a % of employment	**6%**	7%	6%	6%
Training				
% of establishments training staff over the last 12 months	**66%**	68%	67%	65%
% of establishments providing off-the-job training in the last 12 months	**47%**	51%	46%	46%
% of workforce trained	**53%**	56%	n/a	n/a
Total number of training days	**101.6m**	108.6m	n/a	n/a
Total training expenditure	**£40.5bn**	£39.2bn	£38.6bn	£33.3bn

n/a: question not asked or not asked in a comparable manner in previous years' surveys

Source: Skills surveys: 2011 – UKCESS 2011; 2009 – NESS09; 2007 – NESS07; 2005 – NESS05.

Executive Summary

The UK Commission's Employer Skills Survey 2011 is the key UK data source on employer demand for and investment in skills. This report focuses on the findings from the more than 74,000 interviews in England, enabling time series comparisons with the earlier National Employer Skills Surveys (NESS), carried out in England from 2005 to 2009[1]. The survey covers topics such as skill related recruitment difficulties, skills gaps, employer investment in training, product market strategy and the work-readiness of education leavers. Results are presented by size, sector, occupation, region and local area.

Work-readiness of those leaving education

Nearly a third of establishments (30 per cent) had recruited at least one person straight from education in the two to three years prior to the survey. Most employers found these education leavers to be well prepared for work, with this proportion increasing with the recruit's age and / or education level (up to 83 per cent for university leavers). Interestingly, employers viewed 17-18 year old college leavers as better prepared than 17-18 year old school leavers (74 per cent compared to 66 per cent), despite them having spent the same amount of time in education. This may be because college students are more likely to combine work and study, or may be taking more vocational courses compared to those in school.

Where recruits were considered poorly prepared for work this was most often put down to a lack of experience (of the world of work or, more generally, life experience or maturity), or to personality (poor attitude, or a lack of motivation). This suggests that young people would benefit from increased work experience opportunities offered by employers.

Recruitment and skill shortages

At the time of interview (March-July 2011), 15 per cent of establishments had a vacancy and a total of 533,400 vacancies were reported. This is higher than the levels of vacancies seen in 2009 though not at the pre-recession levels recorded in 2007, and suggests that employers are starting to gain the confidence to bring in new staff.

[1] The "National Employer Skills Survey" series ran in England on an approximately biennial basis from 2001 to 2009. This report uses the surveys from 2005 onwards for time series comparison.

The labour market is largely able to meet the requirements of most establishments. Five per cent had a vacancy they considered to be 'hard-to-fill'. A total of 115,500 hard-to-fill vacancies were reported, equivalent to 22 per cent of all vacancies; this is the same proportion that were hard-to-fill in 2009 and below levels recorded in 2007, suggesting that the labour market is coping with the increase in vacancies.

Four per cent of establishments reported having vacancies at the time of the survey that they had difficulties filling specifically due to a lack of skills, qualifications or experience in applicants for the role (i.e. a "skill-shortage vacancy"). A total of 85,500 skill-shortage vacancies were reported and 16 per cent of all vacancies were due to skill shortages.

Again this is the same proportion as in 2009 and below 2007 levels suggesting the market is keeping pace with any increase in the demand for skills at a general level. However the survey reveals both:

- concentrated pockets of skills deficiency, reporting greater than average levels of skill deficiency, that are unevenly distributed across the economy in 2011;
- areas of the economy which experienced *increased* intensity of skill-shortage vacancies between 2009 and 2011 in contrast to the overall trend.

Taking the first point of pockets of deficiency in 2011, it is amongst Skilled Trades occupations where employers experience the greatest difficulties in meeting their demand for skills from the available labour market (in this occupation, which includes jobs such as butchers, carpenters, chefs, electricians, farmers, mechanics and plumbers, a third of all vacancies were hard-to-fill as a result of a lack of skills). By sector, establishments in the Manufacturing and Community, Social and Personal Services sectors are most likely to report that their vacancies are hard-to-fill for skills related reasons (24 and 23 per cent, respectively, of vacancies are skill-shortage vacancies).

The West Midlands and the North West are the areas affected most by a high density of skill-shortage vacancies; for both regions every one in five vacancy is a skill-shortage vacancy. Kirklees, Coventry and Northamptonshire are the Local Education Authorities with the highest density of skill-shortage vacancies.

Turning to areas where the density of skill-shortage vacancies increased in 2011, in contrast to the overall trend, the patterns are very similar. By occupation, Skilled Trade occupations were the only occupational group in which employers reported slightly increased difficulties (from 31 per cent of all vacancies being skill-shortage in 2009 to 33 per cent in 2011, whilst other occupations remained at the same level or declined); by sector, businesses in Manufacturing, Community, Social and Personal Services and also Public Administration reported increased difficulties; by geography, the West Midlands, North West and also East Midlands reported increases on this measure.

However, there is less consistency across the two measures by size of establishment. Size is a key determinant of the reporting of skill deficiency, with the largest establishments reporting higher incidence and the smallest reporting highest density. But the data for 2009 and 2011 reveals that mid sized establishments (employing between 25 and 199 staff) are the only ones to report an increase in the proportion of vacancies that are due to skill-shortage, raising questions about their ambitions for growth and ability to meet skills needs in the current labour market.

Recruitment difficulties are also experienced by those at the 'lower end' of the product market strategy scale; they are most likely to have vacancies that are hard-to-fill. Rather than skills, here it is the nature of the job, in particular a lack of interest or shift work which is the main reason cited for the recruitment problems faced.

While hard-to-fill vacancies may not be common, 93 per cent of establishments which have them report an impact on their business which can be significant. The vast majority (81 per cent) of establishments with hard-to-fill vacancies reported that they were leading to an increased workload for their staff, risking knock-on effects on morale and retention. More direct impacts on performance were also commonly cited (46 per cent of those with any hard-to-fill vacancies say they struggle to meet customer service objectives, 40 per cent have had to delay developing new products or services and 40 per cent have increased operating costs), risking the competitiveness of the business.

Internal Skills Mismatch

This section considers the proficiency of existing staff, the causes and impact of any skills gaps experienced by employers.

Although the majority of establishments have the skills they require, almost 1.3 million employees (six per cent of all employees) were deemed not fully proficient (have a skills gap) and 18 per cent of employers reported having at least one employee with a skills gap. This is a slight reduction on the figures seen in 2009, but there is again evidence that this reduction is not experienced in the mid sized establishments.

Some occupations and industries are impacted by skills gaps more than others. Skills gaps were most commonly experienced among Sales and Customer services staff (a group which includes call centre agents, customer care occupations, retail cashiers and sales assistants) and Elementary Occupations (this group includes bar staff, cleaners, labourers, packers, security guards, shelf fillers and traffic wardens), both in absolute terms and as a proportion of all staff within each occupation. Skilled Trade occupations saw the largest fall in skills gaps between 2009 and 2011. Among sectors the Hotels and Restaurants sector and Wholesale and Retail sector see the highest concentration of skills gaps (9 per cent and 7 per cent of the workforce).

The most common cause of skills gaps are staff being new to the role and, related to this, training only being partially completed.

Where skills gaps exist, their impact can be significant; as with hard-to-fill vacancies, the most common impact is on the workload of other existing staff (reported by 49 per cent of those with skills gaps). This was followed by increased operating costs (27 per cent), difficulties in meeting quality standards (26 per cent) and difficulties introducing new working practices (22 per cent).

Employer Investment in Training and Workforce Development

Two-thirds of workplaces (66 per cent) had provided on- or off-the-job training for some of their staff in the previous 12 months. Employers had funded or arranged training in this period for approximately 12 million staff (equivalent to 53 per cent of the total workforce in England at the time of the survey) and provided 101.6m days of training (equivalent to 4.4 days per employee per year and 8.3 days per person trained). This is slightly lower than the levels of training seen in 2009, when 68 per cent of establishments provided 108.8m days training for 56 per cent of their workforce. However, training volumes have held up more in mid sized establishments, suggesting that one measure they are taking to address their continuing or increasing skill deficiency is to train existing staff.

Employer expenditure on training in the previous 12 months was £40.5bn, equivalent to £1,775 per employee and £3,300 per person trained. However, half this total expenditure is accounted for by the cost of paying staff while they are being trained, while just eight per cent is accounted for by fees to external providers. Smaller establishments spend more per trainee and a greater proportion of that spend is on "non tradeable" costs, such as management time in organising training, than in larger establishments. Once GDP deflators are taken into account, this represents a 1.9 per cent reduction in spend since 2009.

The survey shows the workforce has unequal access to training. Despite concerns over the UK's management and leadership skills just 44 per cent of Managers received training, compared to 53 per cent of the workforce as a whole. And although staff working in Customer Service occupations and Elementary occupations are the most likely to have skills gaps, they are no more likely than average to have received training.

In the West Midlands and the South West incidence of training fell sharply between 2011 and 2009, falling by 7 per cent and 6 percentage points respectively; training in both of these regions have now fallen back to 2005 levels

Establishments who are more innovative and less price dependent, with products or services that are of a high quality and high level of customisation (i.e. those at the 'higher' end of the product market strategy scale) are more likely to provide training for their staff: 71 per cent of them did so. However at the opposite end of the product market strategy scale 53 per cent provide no training for staff (compared to 34 per cent overall), most commonly because they perceive they have no need for it. Therefore employees are missing out on training if based in organisations such as these.

Of the employers that train, 46 per cent (equivalent to 30 per cent of all employers) had funded or arranged training which was intended to lead to a nationally recognised qualification (whether it did lead to the that qualification being obtained or not), which is slightly lower than in 2009.

Conclusions

The Employer Skills Survey series allows employers' recruitment, skills deficiencies and training levels to be tracked over time, and in turn can be related back to the economic climate to see how employers have been affected by the recession and ongoing uncertainty.

Employer confidence plummeted with the recession, as evidenced by the proportion of establishments taking on new staff: a drop from 18 per cent in 2007 to just 12 per cent in 2009. The 2011 survey shows signs that employer confidence is starting to return, with the proportion of establishments with vacancies up to 15 per cent, suggesting that employers are more willing and indeed more able to take on new staff than they were two years ago.

This increase in vacancy levels has not led to an increase in the proportion of vacancies that are hard-to-fill, either due to skills shortages or other reasons, suggesting the market is able to cope with the increase in demand at an overall level. However, the survey has revealed both areas where businesses are more likely to report skill-shortage vacancies and areas where the likelihood has increased since 2009 and these tend to be in the same occupations, sectors and geographies. The experience of mid sized establishments between 2009 and 2011 raises specific questions concerning their ambitions for growth.

The proportion of establishments reporting skills gaps increased between 2007 and 2009 from 15 to 19 per cent, and remains fairly stable in 2011 at 18 per cent. However the actual number of skills gaps, and proportion of the workforce who have skills gaps in 2011 has fallen back to the approximate levels seen in 2007 at 1.3 million staff or six per cent of the workforce.

In 2011, the proportion of establishments providing any training for staff has dropped slightly from 68 per cent in 2009 to 66 per cent. The proportion of the workforce receiving training has also fallen, from 56 per cent in 2009 to 53 per cent in 2011, as has the number of days training provided in total and per trainee, and the financial investment made in training.

The 2009 results suggested that whilst employers were cutting back on recruitment, they were counterbalancing this by continuing to invest in the training and development of their current staff. The 2011 results suggest that whilst this confidence to take on new staff is returning, employers' willingness and ability to invest in their staff has decreased as the knock-on effects of the economic downturn hit training budgets. With the UK back in recession at the time of writing, it is essential that employers of all sizes, sectors and geographies retain a focus on their people to ensure they are well placed to drive economic recovery and also benefit from any upturn that does occur in the coming months and years.

Generally, the survey reveals variations on all skill deficiency and training measures by sector, size, geography and occupation. Variations by region mask greater variations by sub-region and trends over time at the all-England level mask different experiences for different sections of the economy. This report provides the detailed analysis that shows the information available at these levels.

1 Introduction

The UK Commission's Employer Skills Survey 2011 is the key UK data source on employer demand for and investment in skills. It is the first UK-wide employer skills survey and is also one of the largest employer skills surveys undertaken in the world with over 87,500 achieved interviews among large and small businesses in every sector.

The full UK report is published on the UKCES website[2]. This report focuses on the findings from the interviews in England in 2011 which enable time series comparisons with the earlier National Employer Skills Surveys (NESS), carried out in England from 2005 to 2009[3]. A detailed look at the English results offers an exciting opportunity to look at the impact that the recent economic climate has had on employers since 2009 and the skills issues they face/decisions they've made.

The statistics contained in this report have been constructed on a consistent basis to be comparable with the population of establishments in England surveyed in the previous NESS from 2005 to 2009. The population previously surveyed varies slightly across the different nation states that comprise the UK and, therefore, the results contained in the present report are **not directly comparable** with those contained in the UK reports or those of the other individual nations.[4]

1.1 Methodological overview

The UK Commission's Employer Skills Survey 2011 was a telephone-based survey. It was conducted in three parts: a core population survey of UK workplaces, and two (smaller) follow-up surveys of workplaces which had provided training for some of their employees in the 12 months preceding the survey, one looking at employers' investment in training ("Investment in Training Survey", note that until 2009 this was known as the "Cost of Training Survey"), the other at whether employers that had trained their staff would have liked to have provided more workforce development ("Skills Equilibrium Survey").[5]

[2] 'The UK Commission's Employer Skills Survey 2011: UK Results' http://www.ukces.org.uk/publications/employer-skills-survey-2011

[3] The "National Employer Skills Survey" series ran in England on an approximately biennial basis from 1999 to 2009. This report uses the surveys from 2005 onwards for time series comparison.

[4] England and Wales sampled from the population of all establishments with two or more people working there (regardless of whether or not they owned the organisation). Scotland and NI sampled from the population of all establishments with 1 or more employees, excluding those who owned any part of the organisation. The 2011 UK survey included all of these establishments, but the data in this report is not based on the total number of interviews conducted in England, but on the establishments with two or more people working there.

[5] Results from the Skills Equilibrium Survey can be found in the UK Report and are not discussed here.

Below we briefly summarise the key features of the methodology adopted across the surveys. Further details can be found in Appendix D and the separate technical report.

1.1.1 Sampling

The sample analysed in this report comprises establishments (i.e. individual sites of an organisation) that have two or more people working at them (this includes both employees and working proprietors). It encompasses establishments across the full geographical spread of England, in all sectors of the economy (across the commercial, public and charitable spheres). It should be noted that the presence of establishments from multi-site organisations in the survey means that in some instances interviews will have been completed with more than one site of an organisation.

A stratified random approach was taken to sampling the core survey, using population statistics from ONS's Inter-Departmental Business Register (IDBR), and setting quotas for establishment size crossed by sector within each region.

A stratified random approach was also taken for the Investment in Training survey, with targets set based on country, size, sector and the type of training establishments reported arranging for employees during the core survey.

All of the employers interviewed for the follow-up surveys had previously been interviewed as part of the core survey (and had given their permission to be contacted for further research).

1.1.2 Questionnaire

The core survey questionnaire was designed in several stages, with the co-operation of the four constituent nations of the UK. There were considerable pressures on the questionnaire both in terms of balancing the need for consistency across the UK with the need for continuity with legacy questionnaires; and also in terms of the drive to cover a wide range of issues without over-burdening employers and creating a lengthy questionnaire. The questionnaire was extensively piloted in May 2010 and again in February 2011, an exercise which included 10 follow-up cognitive interviews.

It should be noted that the questionnaire was developed alongside the questionnaire for the Employer Perspectives Survey series, and a number of question areas covered in the NESS09 moved across to this Employer Perspectives Survey (awareness and usage of government training initiatives and Apprenticeships being the two main ones). The most recent data on these areas can be found in the Employer Perspectives Survey 2010 report on the UKCES website[6].

The questionnaire used for the 2011 Investment in Training follow-up exercise was the same as that used in England in 2009.

1.1.3 Fieldwork

Fieldwork for the core survey was undertaken between March and July 2011, involving interviews averaging around 24 minutes in length.

Fieldwork for the follow-up survey of training expenditure was undertaken in May to August 2011, and involved more than 11,000 interviews (approaching 8,000 in England) with employers who had taken part in the first survey. Table 1.1, Columns 1 and 2, illustrate the difference in sample size when the smallest establishments are excluded, the establishments on which the data in this report is based

Table 1.1 Survey response rates

	Total interviews	Interviews in comparable population	Response rate
Core survey	75,053	74,156	39%
Investment in Training follow up	7,929	7,872	76%

1.1.4 Data weighting

Findings from the core survey for this report have been weighted and grossed up to reflect the total population of establishments in England with two or more people working there. The weighting was designed and undertaken within the nine regions in England, on an interlocking size and sector basis. Separate weights have been generated which allow findings to be presented (i) based on the number of workplaces reporting a particular experience, and (ii) based on the number of employees and/or job roles affected by different challenges. The approach taken matched that used in the NESS series from 2005 to 2009.

[6] 'Employer Perspectives Survey 2010' http://www.ukces.org.uk/publications/er25-employer-perspectives-survey

Findings from the Investment in Training Survey have been weighted and grossed up to reflect the population of training employers as defined by the weighted core survey findings. Again the weighting strategy used reflected that used in the NESS series from 2005 to 2009.

1.2 Reporting conventions

The survey was carried out at an establishment level; the terms "establishment", "employer", "workplace" and "business unit" are used for this interchangeably throughout this report to avoid excessive repetition and to aid reading.

The scale and scope of data collected by the UK Commission's Employer Skills Survey 2011 means that it is a valuable research resource supporting detailed and complex statistical analysis of the inter-relationships between employer characteristics, and their practices and experiences. The findings presented in this report have been produced through a more descriptive exploration of the data. The large base sizes on which most of the findings are based mean that we can have a good degree of confidence in the patterns that we describe; the document should not be read as a statistical report, however. A table showing confidence intervals is shown in Appendix G to give some indicative guidance as to what can be considered a "significant" difference at sub-group level. Throughout the report unweighted base figures are shown on tables and charts to give an indication of the statistical reliability of the figures. These figures are always based on the number of *establishments* answering a question, as this is the information required to determine statistical reliability. Therefore, where percentages are based on "all vacancies", the base figure quoted is the number of establishments with vacancies.

As a general convention throughout the report, figures with a base size of fewer than 25 establishments are not reported (with a double asterisk, "**", displayed instead), and figures with a base size of 25 to 49 are italicised with a note of caution.

In tables, "zero" is denoted as a dash "-" and an asterisk "*" if the figure is larger than zero but smaller than 0.5.

2 Nature of establishments in England

In order to give some context to the findings that are presented in this report, and to facilitate understanding of the differences in employers' experiences and practices, this section describes some of the key characteristics of the employer population in England. These include their size and sector distribution; and the geographical spread of establishments across the nation.

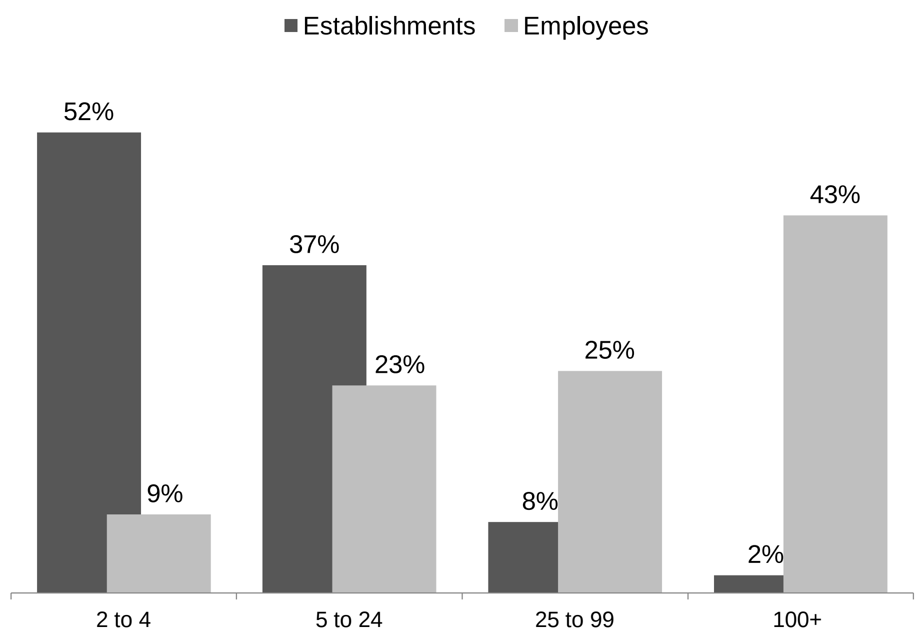
ONS figures show there were around 1.5 million "in-scope" establishments in England in March 2010, with around 22.7 million people working in them[7].

Further time-series data relating to this chapter can be found in Appendix A.

2.1 Size

IDBR data shows us that the majority of establishments (52 per cent) were small, employing fewer than five people. Sites employing 100 or more staff represent only two per cent of all establishments but account for two-fifths (43 per cent) of overall employment (see Figure 2.1).

Figure 2.1 Size distribution of establishments and employees



	2 to 4	5 to 24	25 to 99	100+
Number of establishments in England:	*0.77m*	*0.54m*	*0.12m*	*0.03m*
Employment in England:	*2.01m*	*5.32m*	*5.69m*	*9.68m*

Source: IDBR March 2010

[7] All establishments with two or more people working at them were in-scope for the survey.

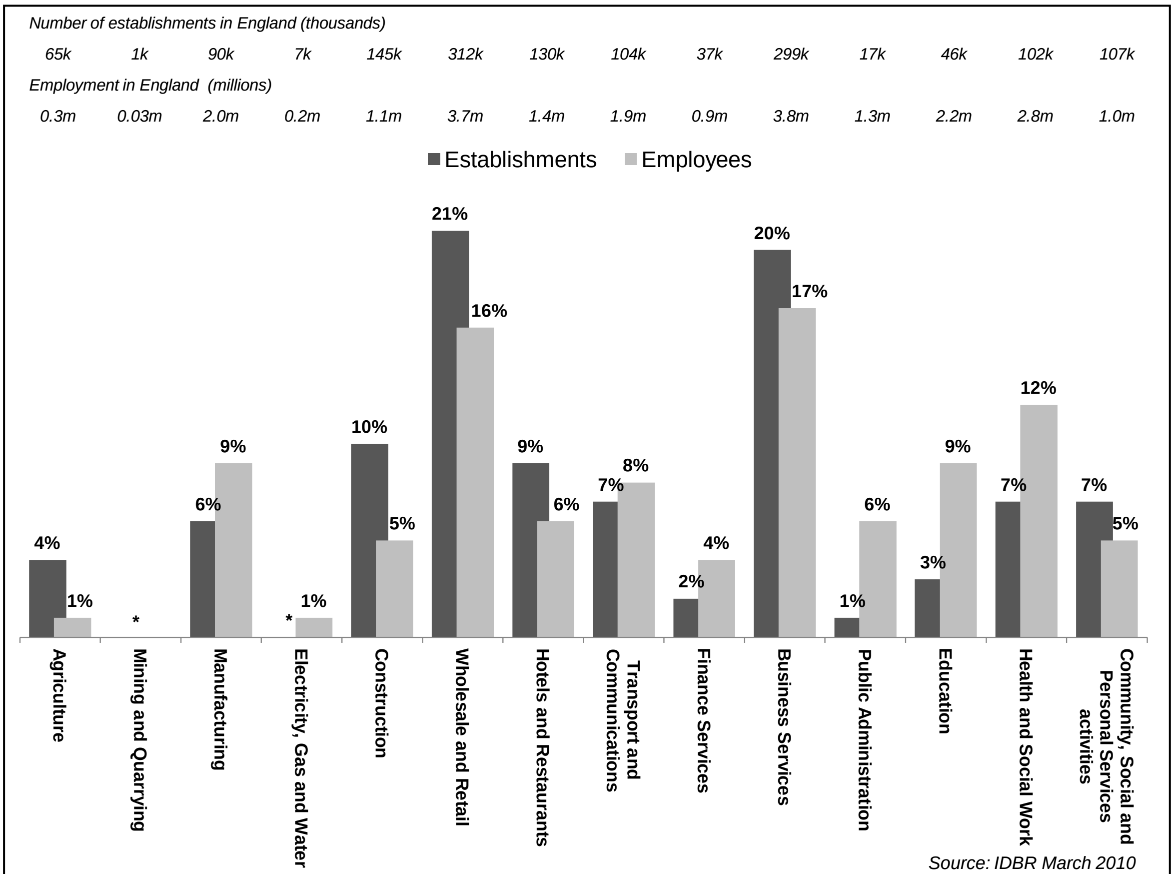
Whilst the overall number of establishments has declined by around 30,000 since the last NESS in 2009 (a decline of two per cent), the distribution by size has remained consistent over the period covered by this report.

2.2 Sector

Sectoral analysis in this report is based on a 14 sector split, based on the establishment's Standard Industrial Classification (SIC) code[8].

IDBR statistics show that Wholesale and Retail and Business Services (this sector includes, among other things, real estate activities, consultancy, advertising and employment agencies) are the largest sectors, both in terms of the number of establishments and the number of people working in the sector. These two sectors combined account for 42 per cent of establishments, and a third (33 per cent) of the workforce in England are employed in these sectors. The sector profile of establishments in England has remained fairly stable over time.

Figure 2.2 Sectoral distribution of establishments and employment



Source: IDBR March 2010

[8] Full details of the SIC codes associated with each sector are presented in Appendix E to this report.

The Health and Social Work, Public Administration and Education sectors have a higher proportion of large establishments and employ a disproportionately high percentage of workers in England. For example, Public Administration has only one per cent of all establishments, but six per cent of employment. The Manufacturing sector also comprises a higher than average proportion of larger enterprises that employ a relatively large proportion of the workforce in England; thus, Manufacturing has six per cent of the enterprises in England, but nine per cent of the workforce.

Most establishments in England (87 per cent) described themselves in the survey as operating in a commercial sphere, with small minorities operating in the public sector (five per cent) and in the third sector (eight per cent). The proportion of establishments classifying themselves as "third sector" has grown substantially since 2005 (see Table 2.1).

Table 2.1 Private/Public/Third sector

	2005	2007	2009	2011
Unweighted base	*74,835*	*79,018*	*79,152*	*74,156*
Column %	*%*	*%*	*%*	*%*
Private Sector	89	88	88	87
Public Sector	6	5	5	5
Third Sector	4	6	6	8

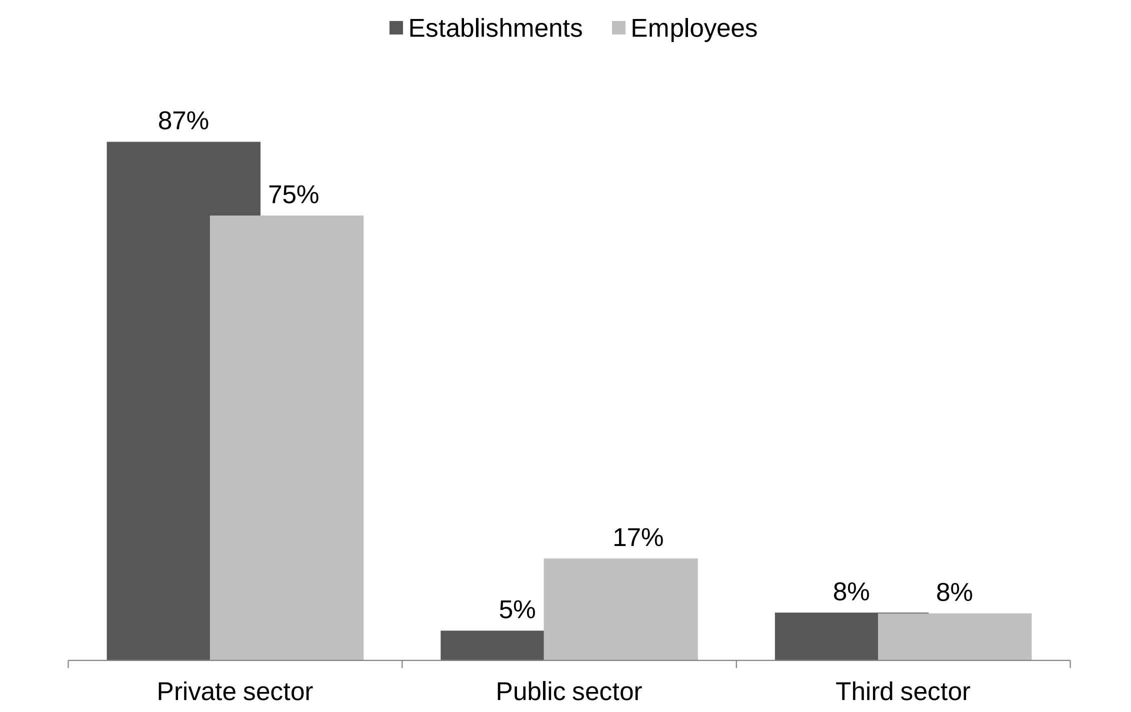
Base: All establishments in England

Source: Skills surveys: 2011 – UKCESS 2011; 2009 – NESS09; 2007 – NESS07; 2005 – NESS05.

Most sectors are dominated by commercially-focused organisations whose aim is to generate profit. However, all sectors also include a proportion of establishments whose motivation is more social and/or which operate under funding from local or central government. In a small number of sectors, the majority of establishments operate outside of a commercial imperative: Public Administration, Education and Health and Social Work, but even in these sectors there are some establishments with a commercial or not-for-profit focus.

As Figure 2.3 shows: establishments in the private sector tend to be relatively small, accounting for 87 per cent of total establishments, but only 75 per cent of employment; on the other hand, establishments in the public sector tend to be larger than those in the private sector, the proportion of the workforce that they employ (17 per cent) is far greater than the proportion of establishments they account for (five per cent).

Figure 2.3 Establishments and employment by Private, Public and Third sector



Base: All establishments in England: 74,156 (unwtd)

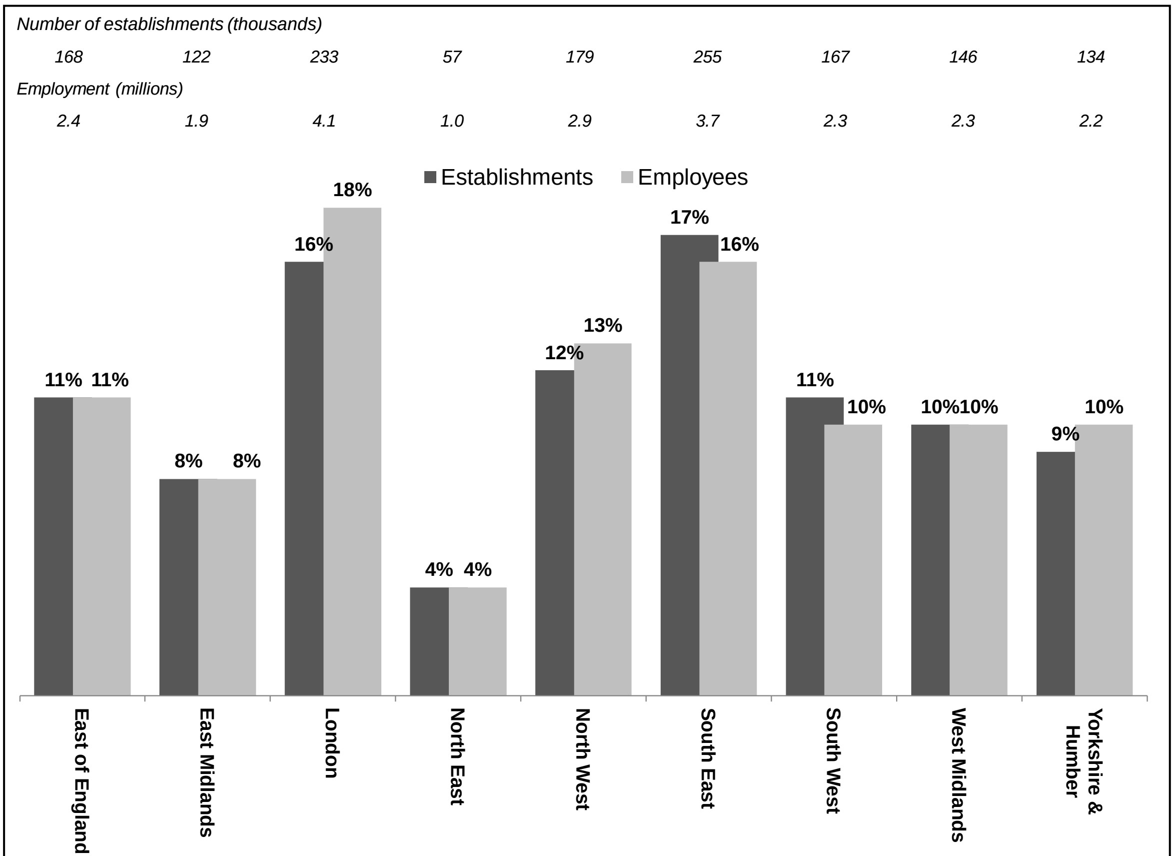
Source: UK ESS 2011

2.3 Region

England can be divided up into nine regions[9]. London and the South East hold between them a third of all establishments in England, and a similar proportion of the country's workforce. The North East is the smallest region with just four per cent of each (see Figure 2.4). The regional spread of establishments has remained consistent since 2005.

[9] The regional definitions used in this report correspond to the former "Government Office Regions".

Figure 2.4 Establishments and employment by Region



Source: IDBR March 2010

2.4 The structure of establishments

The size of an establishment is important in that it determines both the skills and employment challenges employers face and the ways in which they react to these challenges. However, establishments can be part of wider organisations, and this can bring a different dimension to their experience and practice. The size of an establishment does not necessarily tell a complete story about, for example, its access to skills or other resources when establishment is part of a larger, multi-establishment (and potentially multi-firm) organisation.

A third of all establishments (36 per cent) report that they are part of a larger organisation, a figure that has remained consistent over time. The likelihood of an establishment being part of a larger organisation varies with size, with over three quarters (77 per cent) of establishments with more than 250 employees reporting they are part of a larger organisation.

Figure 2.5 Single or Multi site organisation

Base: All establishments: 74,156 (unwtd)

Source: UK ESS 2011

There are particular policy interests in small and medium-sized businesses. The Department for Business, Innovation and Skills, defines these as ***organisations*** with fewer than 250 employees, referred to as small and medium-sized enterprises (SMEs). The UK Commission's Employer Skills Survey 2011 is an establishment based survey, and this is the basis on which it presents its findings. However, it does measure the total size of the workforce across multi-site organisations, and is therefore able to identify which of them are SMEs and which are not. The majority of establishments with fewer than 25 employees are (part of) SMEs, as are most establishments with 25 to 99 employees (57 per cent). A lower proportion of establishments with 100-199 employees (47 per cent) and those with 200-499 employees (10 per cent) are, or are part of, organisations employing fewer than 250 people (see Table 2.2).

Table 2.2 Organisational structures

		Establishment size					
	Total	**1 to 4**	**5 to 24**	**25 to 99**	**100-199**	**200-499**	**500+**
Unweighted base	*74,156*	*15,457*	*41,136*	*13,550*	*2,201*	*1,359*	*453*
Column %	*%*	*%*	*%*	*%*	*%*	*%*	*%*
Single site	64	75	55	37	32	23	24
Multisite	36	25	45	63	68	77	76
SMEs	78	88	72	57	47	10	-

Base: All establishments in England

Note: SMEs are defined here as single-site establishments employing fewer than 250 staff, or sites forming part of larger organisations employing fewer than 250 staff in total.

The survey confirms that decisions about recruitment and training are most commonly taken at site level (and this is the natural level to discuss these issues in subsequent sections of the report). The majority of establishments in England are single site organisations (64 per cent) and therefore have full responsibility and autonomy when it comes to decisions about recruitment and training; a further five per cent are the Head Offices of multi-site organisations, and as such we can assume that they too have full autonomy in these areas. This leaves three-in-ten employers which are sites within larger organisations, most of whom, nevertheless, have substantial or even complete autonomy of these issues (just four per cent of establishments have no input into recruitment and training decisions).

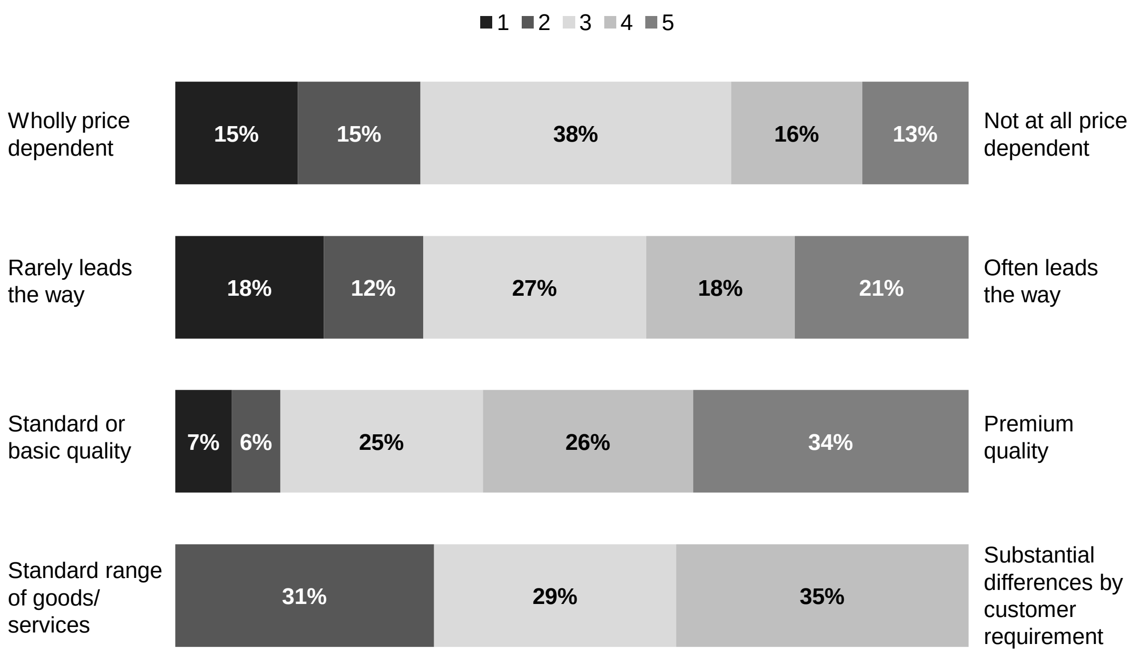
2.5 Business strategies

In order to enable further exploration of business strategy, the UK Commission's Employer Skills Survey 2011 included a series of questions designed to locate establishments' product market strategies (PMS). Private sector employers were asked to rate their establishments, compared to others in their industry, in terms of:

- the extent to which success of products/services was dependent on price;
- the extent to which they perceive their establishment to lead the way in their sector in terms of developing new products, services or techniques;
- whether they compete in a market for standard/basic or premium quality products or services;
- and whether they offered a standard range of goods or services, or customised products/services with substantial differences according to customer requirements.

Figure 2.6 shows overall responses to each of these individual position statements.

Figure 2.6 Product Market Strategy positions



Base: All establishments in England in the private sector: 61,232 unweighted

Source: The UK Commission's Employer Skills Survey 2011

Responses to these individual product market positions were then aggregated to derive a composite product market score[10] on a scale from "very low" to "very high" as illustrated in Table 2.3.

Table 2.3 Overall composite product market scores

Aggregate product market score	Product market description	% of UK private sector establishments	% of UK private sector employment
<7	"Very low"	4	2
8 to 10	"Low"	15	10
11 to 13	"Medium"	34	31
14 to 16	"High"	28	34
17+	"Very high"	10	13

Base: All establishments in England in the private sector (61,232 unweighted)

It should be noted that due to differences in the questionnaire, PMS has been calculated in a slightly different way to previous years' surveys. Therefore it is not possible to make accurate time series comparisons by product market strategy score.

[10] For the "standard range of goods / services – substantial differences by customer requirement" position, which was recorded as a 3 point scale, scores were coded as either 2, 3 or 4 to facilitate the aggregation.

Having set out the key characteristics of establishments in England, the remainder of this report now presents findings from the survey.

3 Work-readiness of education leavers

Chapter Summary

- In the last two to three years 30 per cent of establishments have recruited an education leaver; large establishments and those in the Education, Hotels and Restaurants and Community, Social and Personal Services sectors were most likely to have done so.
- Establishments that had recruited education leavers generally found them well prepared for work; this perceived level of work-readiness increases with the amount of time recruits have spent in education with those recruited from university best prepared. 17-18 year-old recruits from FE Colleges were more likely to be seen as well prepared than the same age group recruited from schools, this could be because college courses may be more vocational in nature, or that college students may be more likely to combine work and learning.
- Among those who felt education leavers were poorly prepared, a lack of working world/life experience or maturity was the most commonly cited reason.

3.1 Introduction

Before considering recruitment activity and skills levels more broadly (in Chapters Four and Five), this chapter looks at the recruitment and skill levels of education leavers. More specifically, it looks at the proportion of employers that have recruited anybody into their first job on leaving education in the past two to three years, before then exploring employers' perceptions of these recruits in terms of their readiness for work and their skills.

Employers in England were asked about four groups of leavers: 16 year-olds from school, 17-18 year-old school leavers, 17-18 year-old college leavers, and those entering employment straight from Higher Education (HE).

It should be noted that there are a number of differences in the way the 2011 survey covered this topic compared to the NESS series, meaning that direct comparisons between the different years' data are not possible and so are not presented here. The NESS series based the questions on those recruited in the last 12 months, whereas the 2011 survey asks about the last two to three years. Additionally, the categories of education leaver differ slightly; the 2011 survey differentiates between 17-18 year-olds leaving school and 17-18 year-olds leaving Further Education (FE) College, this was combined into one category: "17 or 18 year-old school or college leavers" in the NESS series. The NESS series also specifies HE leavers "under the age of 24", whereas the 2011 survey asks about HE leavers of any age.

3.2 Incidence of recruitment of school, college and HE leavers

Looking at the 2011 data, in the last two to three years, three-in-ten establishments in England (30 per cent) had recruited at least one education leaver to their first job on leaving education. More specifically, between nine and 12 per cent of establishments had taken on education leavers from each of the four groups (see Table 3.1).

The larger the establishment, the more likely they were to have taken on each type of recruit from education. In part, this is simply a product of larger establishments being more likely to recruit *per se* (current recruitment activity is discussed in Chapter Four), and is a trend that holds for all levels of education leaver.

There were some differences in recruitment of education leavers by sector. Establishments in Education were more likely to have taken on education leavers (46 per cent), and they were more than twice as likely as the average to have taken on leavers from university or Higher Education (28 per cent); Hotels and Restaurants (37 per cent) and Community, Social and Personal Service Activities (35 per cent) were other sectors where recruitment from education was particularly prevalent. Establishments in the industries of Agriculture (18 per cent), Mining and Quarrying (16 per cent) and Electricity, Gas and Water (21 per cent) were the least likely to have taken on any education leavers, especially from university or Higher Education.

Recruitment levels were fairly consistent across regions, with the exception of London. Establishments in London are equally likely to have recruited education leavers in the last two to three years, but these leavers are much less likely to be from school (six per cent, compared to a nine per cent average) and much more likely to be from university or Higher Education (20 per cent, compared to a 12 per cent average).

Table 3.1 shows these figures in full.

Table 3.1 Incidence of recruitment from education in last 2-3 years

	Unwtd base	Any %	16 year-olds recruited to first job from school %	17-18 year-olds recruited to first job from school %	17-18 year-olds recruited to first job from FE College %	Recruited to first job from University or other Higher Education institution %
Total	*74,156*	30	9	11	11	12
Size						
1 to 4	*15,457*	17	5	5	5	5
5 to 24	*41,136*	40	13	15	14	16
25 to 99	*13,550*	58	19	28	25	30
100 to 199	*2,201*	69	19	34	31	47
200 to 499	*1,359*	77	29	43	40	55
500+	*453*	84	36	53	49	68
Sector						
Agriculture	*703*	18	6	4	6	3
Mining and Quarrying	*124*	16	6	8	3	7
Manufacturing	*6,667*	28	9	11	9	8
Electricity, Gas and Water	*1,160*	21	7	7	8	6
Construction	*5,485*	24	11	8	8	4
Wholesale and Retail	*13,060*	31	13	15	13	11
Hotels and Restaurants	*7,202*	37	14	19	17	15
Transport and Communications	*6,861*	25	6	7	7	11
Financial Services	*1,452*	26	4	9	8	16
Business Services	*12,656*	29	5	8	8	17
Public Administration	*1,214*	23	4	8	8	15
Education	*4,582*	46	8	15	17	28
Health and Social Work	*6,872*	33	6	12	13	15
Community, Social and Personal Services activities	*6,118*	35	15	13	13	11
Region						
East of England	*8,372*	29	10	13	11	10
East Midlands	*7,253*	30	11	13	11	10
London	*9,925*	33	6	10	9	20
North East	*5,529*	32	12	13	12	11
North West	*8,735*	31	11	13	11	11
South East	*10,592*	31	9	13	11	12
South West	*8,377*	28	11	9	11	10
West Midlands	*7,851*	26	9	9	10	10
Yorkshire and The Humber	*7,522*	28	10	10	11	10

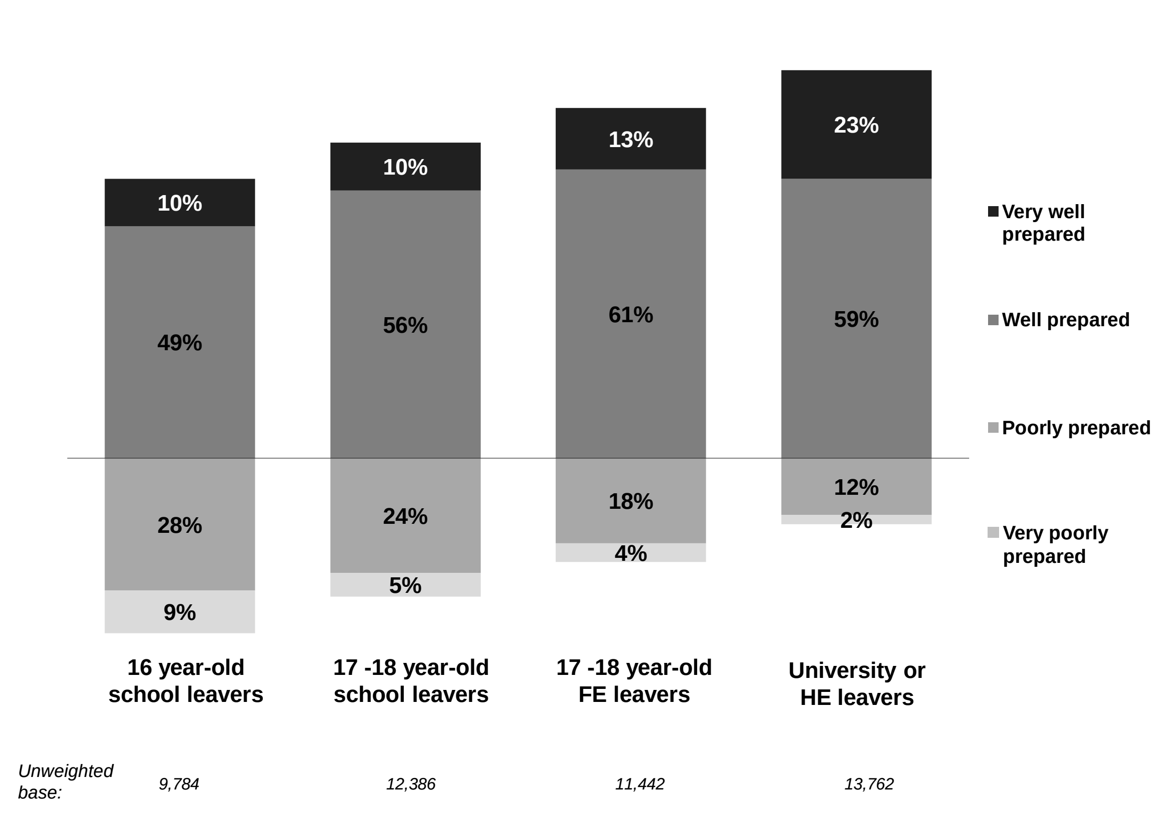
Base: All establishments in England

3.3 Perceived work-readiness of education leavers

In order to gauge the perceived work-readiness of recruits that had been taken on in the last two to three years straight from education, employers who had taken any on were asked whether they considered these recruits to be very well prepared, well prepared, poorly prepared or very poorly prepared for work.

Employers were more likely to feel that recruits from education were well prepared for work than poorly prepared, and the perceived level of work-readiness increases with the amount of time recruits have spent in education (see Figure 3.1).

Figure 3.1 Perceived work-readiness of education leavers in the last 2-3 years



Base: All establishments in England who have recruited education leavers of each type in the last 2-3 years

As the groups in question are not the same as those asked about in the previous years' surveys no direct comparisons can be made year-on-year, however this pattern of those who have spent longer in education being perceived as better prepared matches trends previously seen in the NESS series.

There are a number of possible reasons why recruits from Higher Education may be seen as better prepared for work than younger recruits: it could be because of the additional time graduates have spent in education or because employers may invest more resources in graduate recruitment and therefore be likely to find more suitable individuals. It may also simply be because graduates are older and therefore more mature generally.

There are also various factors that could explain why 17-18 year-old FE recruits are seen as being more work-ready than contemporaries recruited from schools. These include college students being more likely to be studying vocational courses, and college students also being more likely to combine work and learning and therefore to have amassed more work-relevant experience.

3.4 Skills and attributes lacking among education leavers

Those employers in England who reported that the education leavers they had recruited were poorly-prepared for work were asked to indicate what skills or attributes they were lacking.

The key findings are as follows (see Table 3.2):

- a lack of working world or life experience or maturity was most commonly cited among all groups as the reason they were not well prepared; this was most common in younger recruits (23 per cent of all establishments recruiting any 16 year-olds from school); interestingly, this was more likely to be cited in relation to 17-18 year-old school leavers than for FE college leavers of the same age (18 per cent compared with 13 per cent);
- poor attitude, personality or a lack of motivation was commonly reported by employers recruiting 16 to 18 year-olds (and was an issue for approaching one-in-five of these employers taking on 16 year-old school leavers); this lessens as the recruits get older, particularly among graduates, where just five per cent taking on graduates felt they had a poor attitude, personality or a lack of motivation;
- around one-in-ten establishments taking on any 16-18 year old school and college leavers felt they lacked specific skills or competencies, such as technical or job-specific skills, though this falls to five per cent in relation to recruits from Higher Education;
- among each of the groups, only a small proportion of employers cited a lack of literacy / numeracy skills (i.e. basic skills).

This mirrors the patterns seen in previous skills surveys in England.

Table 3.2 Skills lacked by education leavers

Column %	16 year-old school leavers	17-18 year-old school leavers	17-18 year-old FE College leavers	University or HE leavers
	%	*%*	*%*	*%*
Base (unweighted)	*9,784*	*12,386*	*11,442*	*13,762*
Lack of working world / life experience	23	18	13	8
Poor attitude / personality or lack of motivation	18	14	11	5
Lack required skills or competencies	10	9	8	5
Lack of common sense	6	4	3	2
Literacy/numeracy skills	5	3	2	1
Poor education	3	2	2	1

Base: Establishments in England who have recruited education leavers from each type in the last 2-3 years

3.5 Focus on Product Market Strategy and recruitment of education leavers

This section focuses in on how private sector establishments with differing product market strategy (PMS) approaches have different experiences of recruiting education leavers. As described in Chapter Two, PMS ratings were derived from the sum of answers to four questions in the survey. A 'high' score indicates an establishment's approach involves products and services that are highly customised, innovative, high quality and that their position in the market is not dependent on the price of their goods or services; a 'low' score indicates the opposite, that is, products and services that are mass produced, low quality, compete on price and are not necessarily very innovative.[11]

[11] Due to changes in the way it has been calculated, time series comparisons are not available for PMS ratings.

The Product Market Strategy score of establishments in England made a difference to how likely they were to recruit education leavers, with employers scoring a higher PMS rating more likely to take on education leavers from further and higher education. This may reflect higher levels of current vacancies (and therefore recruitment activity) amongst this group as will be reported in the next chapter, The incidence of recruitment of education leavers increases for 17-18 year-old school leavers from eight per cent of establishments with a 'very low" PMS rating to 13 per cent with a "very high" rating; for 17-18 year-old FE College leavers from seven per cent with a "very low" PMS rating to 13 per cent with a "very high" rating; and for University leavers from seven per cent among those with a "very low" rating to 16 per cent of those with a "very high" rating. This pattern is not seen so strongly for 16 year-old school leavers, with the incidence increasing from eight per cent among those with a "very low" rating to 11 per cent of those whose rating was "very high".

There was very little difference between establishments in different PMS groups in terms of how well prepared they found the education leavers to be: across all four types the trend was for those in the 'higher' groups to be more likely to say they were well prepared than establishments in the 'lower' PMS groups, but this was only a very small difference. Among those who found them to be poorly prepared, there was no difference between groups on the reasons for this.

3.6 Conclusion

For those establishments (30 per cent) which have recruited an education leaver directly from education in the last two to three years , the majority have found them well or very well prepared for work.

There are large variations in the likelihood of recruiting education leavers across sectors. Establishments in Education recruit the most, particularly graduates, whereas Hotels and Restaurants employers take on a lot of 17-18 year-old school and college leavers. The Agriculture, Mining and Quarrying and Electricity, Gas and Water sectors were least likely to have recruited education leavers.

Employers' views of preparedness increase both with age and time spent in education. However 17-18 year-old college leavers and 17-18 year-old school leavers are viewed differently, with the former found to be better prepared. There could be a variety of reasons for this, including the type of courses studied or selection effects. A particularly plausible explanation is that college students may be more likely to combine work and learning than their counterparts at school, and therefore have more work experience, which appeals to employers.

This chapter has shown that experience is important for employers taking on new recruits. For the minority of employers who recruit education leavers but find them to be poorly prepared, the major reason is lack of experience. This raises questions about how to improve the opportunities for pupils to gain experience in a workplace to help prepare them for their first job. Following this, concerns about attitudes and motivation are also important, whereas concerns around education or literacy and numeracy skills are only cited by very small minorities.

4 Employers, recruitment and skill shortages

Chapter Summary

- Overall 15 per cent of establishments in England had a current vacancy at the time of the 2011 fieldwork, up from 12 per cent in NESS09 suggesting that employers are possibly regaining the confidence to bring in new staff.
- The number of establishments experiencing hard-to-fill vacancies increased from three per cent in 2009 to five per cent in 2011; however the proportion of vacancies that are hard-to-fill remained the same suggesting this increase is primarily down to the overall increase in vacancies.
- Similarly the number of establishments reporting skill-shortage vacancies (that is, vacancies that are hard-to-fill due to a lack of skills, qualifications or experience among the applicants) had increased in line with the increase in vacancies, from three to four per cent, but again, the proportion of vacancies which were skill-shortage vacancies remained the same, except in a few areas of the economy.
- Hard-to-fill and skill-shortage vacancies are more prevalent among larger establishments, however where they are present in smaller establishments they tend to have more of an impact. Where smaller establishments do not have sufficient staff to absorb the extra workload they have knock-on effects in terms of being able to consolidate or expand their service offering.

4.1 Introduction

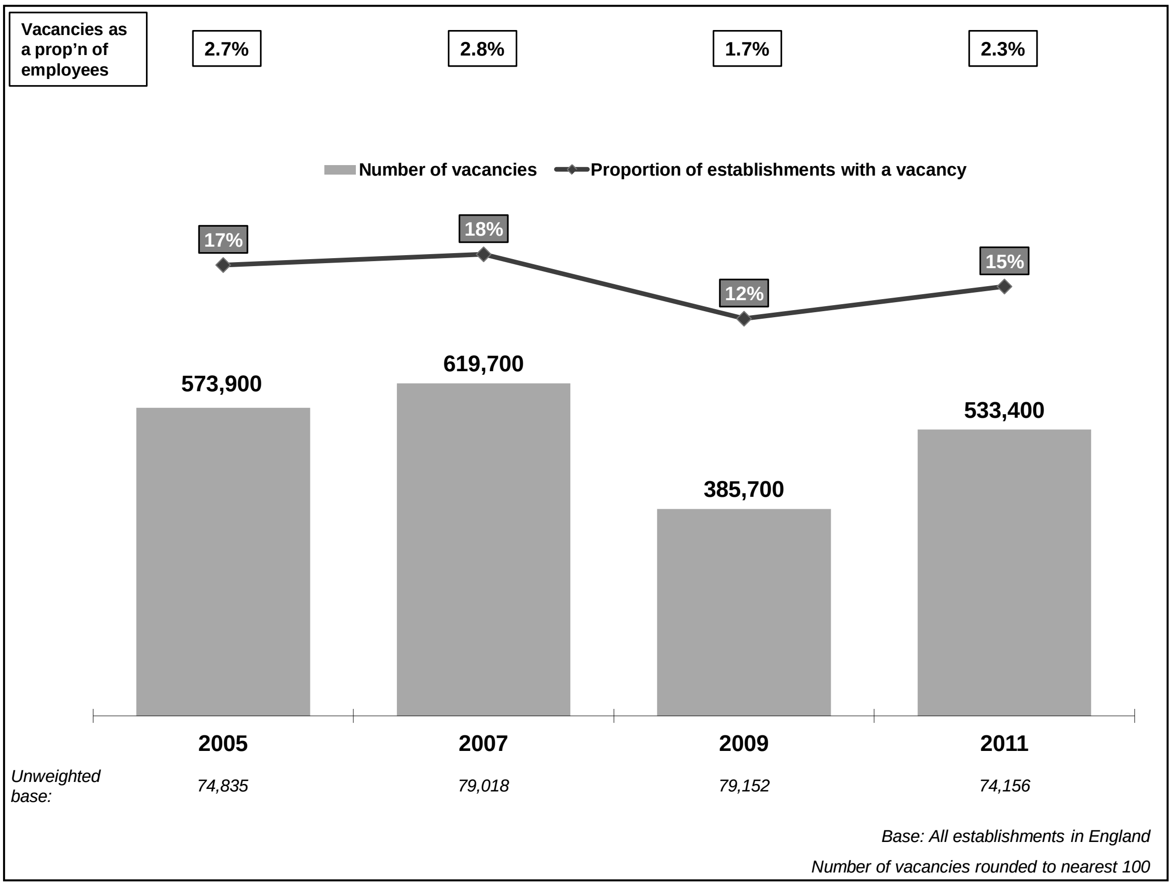
This chapter looks at the demand for and availability of new staff. Specifically it will explore current vacancies across England at the time of research; the ability of the market to meet employer demand for new staff and the level of hard-to-fill vacancies; causes of recruitment difficulties focusing particularly on those vacancies that are hard-to-fill specifically as a result of a lack of skills, qualifications or experience (skill-shortage vacancies); and the impact of hard-to-fill vacancies on establishments experiencing them. The final part of this chapter focuses on the different product market strategies of private sector establishments, and how this relates to their activity and experience in the recruitment market.

4.2 What is the level of demand for new staff?

Overall, one in seven establishments (15 per cent) in England had a current vacancy at the time of the UK Commission's Employer Skills Survey fieldwork. This marks an increase in the number of vacancies over the past two years (12 per cent at the time of the NESS 2009 survey). This trend is apparent across all size of establishments, but most marked among larger establishments (specifically those with 200 or more employees).

In total there were over 533,400 vacancies across England at the time of the survey equating to 2.3 vacancies per employee (Figure 4.1). This is an increase from the levels seen in 2009, when the country was in recession and employers were behaving more cautiously in the recruitment market than was seen in the 2005 and 2007 surveys. The 2011 figure is not quite up to the levels seen in 2007, but suggests that employers are perhaps starting to have the confidence to bring in new staff.

Figure 4.1 Incidence, volume and density of vacancies: time series overall



The increase in the proportion of establishments reporting vacancies is greater in larger establishments, with the exception of the very largest establishments (employing more than 500 staff). Generally, the larger the establishment the bigger the increase since 2009 has been, so that over half of all establishments with over 100 staff had a current vacancy at the time of the survey. As seen in previous years, although the proportion of establishments with a vacancy increased with size of establishment, the vacancy *density* (the number of vacancies per employee) was higher among smaller establishments (see Table 4.1).

There was also some variation in incidence and density of vacancies according to sector. The Education (22 per cent), Public Administration (21 per cent) and Health and Social Work (20 per cent) sectors were most likely to have had at least one vacancy at the time of the survey, however all three of these sectors had actually seen a fall in the proportion of establishments with vacancies since 2009, against the overall trend. These sectors are dominated by public sector organisations, so this is likely to be indicative of the public sector recruitment freeze in place at the time of fieldwork. Business Services (this sector includes, among other things, real estate activities, consultancy, advertising and employment agencies) had seen the largest increase in the incidence (six percentage points from 10 to 16 per cent) and number of vacancies (66 per cent), as had Manufacturing (incidence up from nine to 15 per cent, and number of vacancies up by 60 per cent).

Establishments in the South East and London were more likely to have had at least one vacancy at the time of the survey (both 17 per cent) while vacancy density was highest among businesses in the East of England and the South East (3.0 and 2.9 respectively). The increase in vacancies has been seen across all regions to varying degrees, from a four percentage point increase in incidence in the South East (from 13 to 17 per cent) to Yorkshire and Humber, where the incidence has remained stable at 12 per cent but the raw number of vacancies that covers has increased.

Table 4.2 shows the picture in 2011 by sector and region; time series tables can be seen in Appendix A.

Table 4.1 Incidence, volume and density of vacancies: time series by size

		2005	2007	2009	2011
Column %		%	%	%	%
2-4	*Base:*	*22,278*	*24,084*	*22,535*	*15,457*
% of establishments with a vacancy		10	11	7	8
Number of vacancies		112,600	119,100	76,000	96,100
Vacancies as a proportion of employees		5.9	5.9	3.7	4.7
5-24	*Base:*	*34,392*	*36,778*	*35,418*	*41,136*
% of establishments with a vacancy		21	21	14	17
Number of vacancies		175,800	188,300	118,300	163,100
Vacancies as a proportion of employees		3.5	3.6	2.2	3.0
25-99	*Base:*	*14,162*	*13,830*	*16,270*	*13,550*
% of establishments with a vacancy		37	39	27	33
Number of vacancies		133,000	147,500	88,600	136,800
Vacancies as a proportion of employees		2.4	2.6	1.5	2.4
100-199	*Base:*	*2,198*	*2,424*	*2,676*	*2,201*
% of establishments with a vacancy		53	58	41	52
Number of vacancies		50,200	60,700	33,300	47,100
Vacancies as a proportion of employees		2.0	2.3	1.3	1.8
200-499	*Base:*	*1,365*	*1,407*	*1,701*	*1,359*
% of establishments with a vacancy		61	61	44	57
Number of vacancies		59,900	58,700	41,200	58,600
Vacancies as a proportion of employees		1.8	1.7	1.2	1.7
500+	*Base:*	*440*	*495*	*552*	*453*
% of establishments with a vacancy		67	65	49	58
Number of vacancies		42,500	45,300	28,300	31,700
Vacancies as a proportion of employees		1.3	1.3	0.8	0.9

Base: All establishments in England in each sizeband. "Vacancies as a proportion of employees" is shown as a proportion of all employment.

Number of vacancies rounded to nearest 100

Table 4.2 Incidence, volume and density of vacancies: 2011

		% of establishments with a vacancy	Number of vacancies	Vacancy density
	Unwtd base	%	Rounded to nearest 100	%
Total	*74,156*	15	533,400	2.3
Sector				
Agriculture	*703*	7	2,900	2.3
Mining and Quarrying	*124*	17	700	2.7
Manufacturing	*6,667*	15	39,000	1.6
Electricity, Gas and Water	*1,160*	13	3,700	1.6
Construction	*5,485*	7	19,700	2.2
Wholesale and Retail	*13,060*	12	62,600	1.7
Hotels and Restaurants	*7,202*	17	54,900	3.5
Transport and Communications	*6,861*	13	56,500	2.6
Financial Services	*1,452*	17	20,400	2.4
Business Services	*12,656*	16	118,700	2.9
Public Administration	*1,214*	21	30,900	2.2
Education	*4,582*	22	17,200	1.3
Health and Social Work	*6,872*	20	51,000	2.0
Community, Social and Personal Services activities	*6,118*	19	55,200	3.8
Region				
East of England	*8,372*	15	70,600	3.0
East Midlands	*7,253*	14	41,800	2.2
London	*9,925*	17	99,800	2.4
North East	*5,529*	13	21,000	2.0
North West	*8,735*	14	60,400	2.0
South East	*10,592*	17	106,000	2.9
South West	*8,377*	13	47,400	2.1
West Midlands	*7,851*	12	45,000	1.9
Yorkshire & Humber	*7,522*	12	41,400	1.9

Base: All establishments in England.

Percentages in Column 3 are based on all employment, percentages therefore represent the number of vacancies as a proportion of all employment.

Number of vacancies rounded to nearest 100

Looking more closely at a local level, the variation of incidence of vacancies varied widely by Local Education Authority (LEA). This ranged from the City of London and Greenwich LEAs, where almost a quarter (24 per cent) of establishments reporting having a vacancy at the time of the survey, to Knowsley and North Lincolnshire where that figure was just six per cent. Knowsley also had the lowest vacancy density, with 0.35 vacancies for every 100 current employees in the area. This compares to Kingston-upon-Hull, where there were 6.4 vacancies per hundred employees. Table B.1 in Appendix B shows results for the 151 LEAs in full.

The Local Enterprise Partnership (LEP)[12] with the highest incidence of vacancies was Oxfordshire, where 22 per cent of establishments had a vacancy at the time of the survey; the lowest incidence was in Cornwall and the Isles of Scilly (nine per cent). The LEP with the highest vacancy density (that is, vacancies per hundred current employees in the area) by some way was Hertfordshire, with five vacancies for every hundred current employees in the workforce; the lowest was Black Country with 1.5. Table B.7 in Appendix B shows the vacancy figures for the 39 LEPs at time of reporting (July 2012) in full.

In line with previous surveys, the proportion of establishments with at least one vacancy varied slightly across all occupational types[13]. The level of vacancies was highest for Associate Professional roles: this was the occupation with the highest vacancy density (5.9 per cent) and the highest number of vacancies in absolute terms accounting for one-in-twelve (17 per cent) of all vacancies across England.

The level of vacancies was lowest for managers: this occupation accounted for one-in-fifty vacancies in England and had a vacancy density of 0.4 per cent (see Table 4.3).

Table 4.3 Incidence and density of vacancies by occupation

	% of establishments with vacancies who have a vacancy in this occupation	**Number of vacancies**		**Vacancy density**
	Unwtd base: 14,749	Rounded to nearest 100	*Base for density*	%
Managers	6	17,700	*834*	0.4
Professionals	13	71,400	*2,589*	2.9
Associate Professionals	19	90,500	*2,807*	5.9
Administrative and Clerical	16	50,100	*2,243*	1.7
Skilled Trades	14	43,700	*1,884*	2.9
Caring, Leisure and Other services	14	75,000	*2,233*	3.8
Sales and Customer Service	13	69,700	*1,964*	2.3
Machine Operatives	6	27,900	*941*	1.6
Elementary occupations	15	74,300	*2,422*	2.2
TOTAL		**533,400**		**2.3**

Base: Column 1: all establishments with vacancies; Column 2: all establishments; Column 3: all establishments with vacancies in each occupation.

Column 4 percentages are based on all employment, rather than all establishments; figures therefore show the number of vacancies as a proportion of all employment.

Number of vacancies rounded to nearest 100

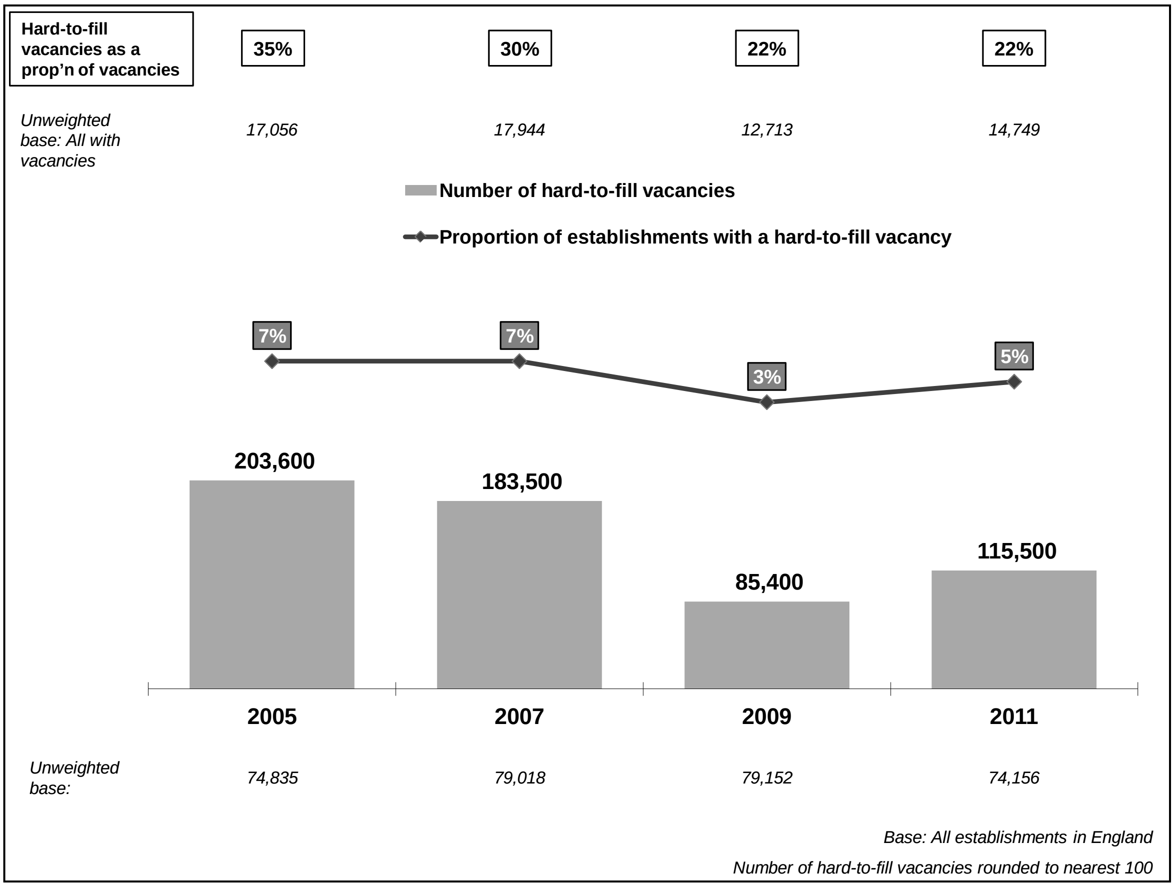
[12] For further information on LEPs, see http://www.bis.gov.uk/policies/economic-development/leps/

[13] Full details of the definitions of each occupational type are presented in Appendix F to this report.

4.3 The ability of the market to meet employer demand for new staff

One-in-twenty (five per cent) of English establishments reported having at least one hard-to-fill vacancy at the time of research, equating to a total of 115,500 hard-to-fill vacancies across England (see Figure 4.2). This is higher than seen in 2009, however the proportion of all vacancies that are hard-to-fill (density) has remained constant: whilst in 2005 and 2007 around one-third of all vacancies were hard to fill (35 per cent and 30 per cent respectively), the proportion of hard-to-fill vacancies at the time of the 2011 survey had remained consistent with the level reported for the 2009 survey (both 22 per cent). This suggests the increased incidence of hard-to-fill vacancies can be accounted for by the increased incidence of vacancies as a whole. However, this does mask variations where density has increased towards, if not reaching, levels reported in 2007, as discussed below.

Figure 4.2 Incidence, volume and density of hard-to-fill vacancies: time series



Percentages are based on all vacancies, rather than all establishments with vacancies; proportions therefore show the percentage of vacancies which are hard-to-fill.

The increase in the incidence of hard-to-fill vacancies is seen across all sizes of establishment. As seen with vacancies per se, the proportion of establishments reporting a hard-to-fill vacancy also increased with size of establishment. However, the proportion of *vacancies* considered hard-to-fill *decreased* with size of establishment. This means that although smaller establishments were least likely to have a hard-to-fill vacancy in the first instance, a higher proportion of vacancies in smaller establishments were hard-to-fill. This continues a trend seen across previous surveys.

Establishments in the Mining and Quarrying and the Community, Social, and Personal Service (this sector includes, among other things, libraries, museums, sporting facilities and personal services such as hairdressing and cleaning) sectors were most likely to have at least one hard-to-fill vacancy (eight per cent and seven per cent respectively). This represents a marked increase among establishments in both sectors since the 2009 survey where three per cent of businesses in both sectors reported having at least one hard-to-fill vacancy.

While only three per cent of establishments in the Construction and Agriculture sectors reported having at least one hard-to-fill vacancy, vacancies in these sectors were most commonly hard-to-fill. Approaching half (44 per cent) of all vacancies in the Construction sector were hard-to-fill and around one third (34 per cent) of all vacancies in the Agriculture sector. Having dipped at the previous survey (to 28 per cent), the proportion of all vacancies in the Construction sector that are hard-to-fill is broadly similar to that seen in 2005 and 2007. Manufacturing, the Community, Social, and Personal Service and Public Administration sectors have also seen increases in the proportion of vacancies that are hard-to-fill, though not reaching 2007 levels.

The proportion of establishments reporting any hard-to-fill vacancies was relatively even by region (ranging from four per cent to six per cent). However, one third (34 per cent) of all vacancies in Yorkshire and the Humber were hard-to-fill, suggesting a shortage of suitable applicants in this particular area. The proportion of hard-to-fill vacancies as a proportion of all vacancies was lowest in London (18 per cent).

Table 4.4 shows the picture in 2011; time series tables can be seen in the appendices to this report.

Table 4.4 Incidence, volume and density of hard-to-fill vacancies: 2011

		% of establishments with a hard-to-fill vacancy	Number of hard-to-fill vacancies	% of vacancies that are hard to fill	
	Unwtd base	%	Rounded to nearest 100	*Unwtd base*	%
Total	*74,156*	5	115,500	*14,749*	22
Size					
2-4	*15,457*	3	33,600	*1,219*	35
5-24	*41,136*	5	36,200	*6,907*	22
25-99	*13,550*	9	27,700	*4,462*	20
100-199	*2,201*	14	7,800	*1,142*	16
200-499	*1,359*	14	6,600	*744*	11
500+	*453*	15	3,600	*275*	11
Sector					
Agriculture	*703*	3	1,000	*67*	34
Mining and Quarrying	*124*	8	100	*27*	*20*
Manufacturing	*6,667*	6	10,800	*1,232*	28
Electricity, Gas and Water	*1,160*	4	600	*169*	15
Construction	*5,485*	3	8,700	*481*	44
Wholesale and Retail	*13,060*	3	11,400	*2,206*	18
Hotels and Restaurants	*7,202*	6	12,300	*1,777*	22
Transport and Communications	*6,861*	5	9,700	*1,219*	17
Financial Services	*1,452*	4	3,000	*279*	15
Business Services	*12,656*	5	24,900	*2,638*	21
Public Administration	*1,214*	5	5,700	*313*	19
Education	*4,582*	6	2,800	*1,264*	16
Health and Social Work	*6,872*	5	8,300	*1,724*	16
Community, Social and Personal Services activities	*6,118*	7	16,000	*1,353*	29
Region					
East of England	*8,372*	6	13,300	*1,782*	19
East Midlands	*7,253*	4	8,000	*1,361*	19
London	*9,925*	5	17,700	*2,437*	18
North East	*5,529*	4	4,000	*806*	19
North West	*8,735*	4	14,000	*1,755*	23
South East	*10,592*	6	21,600	*2,678*	20
South West	*8,377*	4	10,900	*1,525*	23
West Midlands	*7,851*	4	12,100	*1,156*	27
Yorkshire & Humber	*7,522*	4	13,900	*1,249*	34

Columns 1 and 2: all establishments; Column 3: all establishments with vacancies

Percentages in Column 3 are based on all vacancies, rather than all establishments with vacancies; figures therefore show the percentage of vacancies which are hard-to-fill.

Number of hard-to-fill vacancies rounded to nearest 100. Mining and Quarrying density base size <50 – treat figures with caution

Looking at a more local level, incidence of hard-to-fill vacancies varied between LEAs, from 15 per cent of establishments in Halton to just one per cent of establishments in Doncaster and Herefordshire. However looking at this in terms of the overall proportion of vacancies which are hard-to-fill shows us that there is a particularly high level of hard-to-fill vacancies in Coventry and in Kirklees, where half of all vacancies were reported as proving hard-to-fill (50 per cent). Kingston-upon-Hull, which was the LEA with the highest number of vacancies per current employee in the workforce, was the LEA which had the lowest proportion of vacancies reported as being hard-to-fill, at three per cent. Table B.2 in Appendix B shows the LEA figures in full.

By LEP, it is the Enterprise M3 LEP (covering Hampshire and Surrey) that had the highest incidence of hard-to-fill vacancies, with eight per cent of all establishments reporting they had a vacancy that was proving hard to fill. Cornwall and the Isles of Scilly was the LEP least likely to report having a hard-to-fill vacancy (two per cent), however this is a product of establishments in this LEP being least likely to have a vacancy to start with: the overall proportion of vacancies that they do have which are proving hard-to-fill was one of the lowest of all LEPs at 16 per cent. Northamptonshire is the LEP where vacancies are most likely to prove to be hard-to-fill (46 per cent of vacancies are), whereas in Humber and Hertfordshire just 10 per cent are. Full hard-to-fill vacancy figures for LEPs can be found in Table B.8 in Appendix B.

As seen in previous years, the market struggles most in terms of recruiting Skilled Trades occupations (Table 4.5). Two-fifths (41 per cent) of all vacancies for this occupation are hard-to-fill (equating to almost 18,000 Skilled Trade positions).

The proportion of hard-to-fill vacancies is lowest in the Administrative and Clerical occupations[14] (14 per cent of all vacancies for this occupation type) and lowest in absolute terms among Managers (which account for three per cent of all hard-to-fill vacancies in England).

[14] Full details of the definitions of each occupational type are presented in Appendix F to this report.

Table 4.5 Incidence, volume and density of hard-to-fill vacancies: time series by occupation

		2005	2007	2009	2011
Column %		%	%	%	%
Occupation					
Managers	*Base:*	*74,835*	*79,018*	*79,152*	*74,156*
Number of hard-to-fill vacancies		7,900	9,900	4,500	4,000
	Base:	*1,379*	*1,732*	*1,221*	*834*
% of vacancies that are hard to fill		29	28	23	23
Professionals	*Base:*	*74,835*	*79,018*	*79,152*	*74,156*
Number of hard-to-fill vacancies		18,500	25,200	10,000	18,100
	Base:	*1,923*	*2,338*	*1,614*	*2,589*
% of vacancies that are hard to fill		36	35	27	25
Associate Professionals	*Base:*	*74,835*	*79,018*	*79,152*	*74,156*
Number of hard-to-fill vacancies		32,000	27,800	16,600	20,100
	Base:	*2,806*	*3,210*	*2,567*	*2,807*
% of vacancies that are hard to fill		38	28	26	22
Admin / Clerical	*Base:*	*74,835*	*79,018*	*79,152*	*74,156*
Number of hard-to-fill vacancies		14,100	13,200	6,100	7,200
	Base:	*2,999*	*3,153*	*2,113*	*2,243*
% of vacancies that are hard to fill		20	18	13	14
Skilled Trades	*Base:*	*74,835*	*79,018*	*79,152*	*74,156*
Number of hard-to-fill vacancies		30,800	28,700	10,900	17,900
	Base:	*2,140*	*2,461*	*1,337*	*1,884*
% of vacancies that are hard to fill		61	49	38	41
Caring, Leisure and Other	*Base:*	*74,835*	*79,018*	*79,152*	*74,156*
Number of hard-to-fill vacancies		25,400	21,800	13,200	17,600
	Base:	*2,489*	*2,105*	*1,970*	*2,233*
% of vacancies that are hard to fill		39	35	24	23
Sales / Customer services	*Base:*	*74,835*	*79,018*	*79,152*	*74,156*
Number of hard-to-fill vacancies		25,500	19,200	8,000	12,300
	Base:	*2,640*	*2,831*	*1,774*	*1,964*
% of vacancies that are hard to fill		31	23	17	18
Machine Operatives	*Base:*	*74,835*	*79,018*	*79,152*	*74,156*
Number of hard-to-fill vacancies		19,400	13,900	4,000	5,100
	Base:	*1,585*	*1,512*	*798*	*941*
% of vacancies that are hard to fill		40	34	20	18
Elementary	*Base:*	*74,835*	*79,018*	*79,152*	*74,156*
Number of hard-to-fill vacancies		28,400	21,800	11,700	12,000
	Base:	*2,977*	*2,846*	*2,250*	*2,422*
% of vacancies that are hard to fill		32	26	19	16

Base for number of hard-to-fill vacancies: All establishments in England

Base for % of vacancies that are hard to fill: All establishments with a vacancy in that occupation

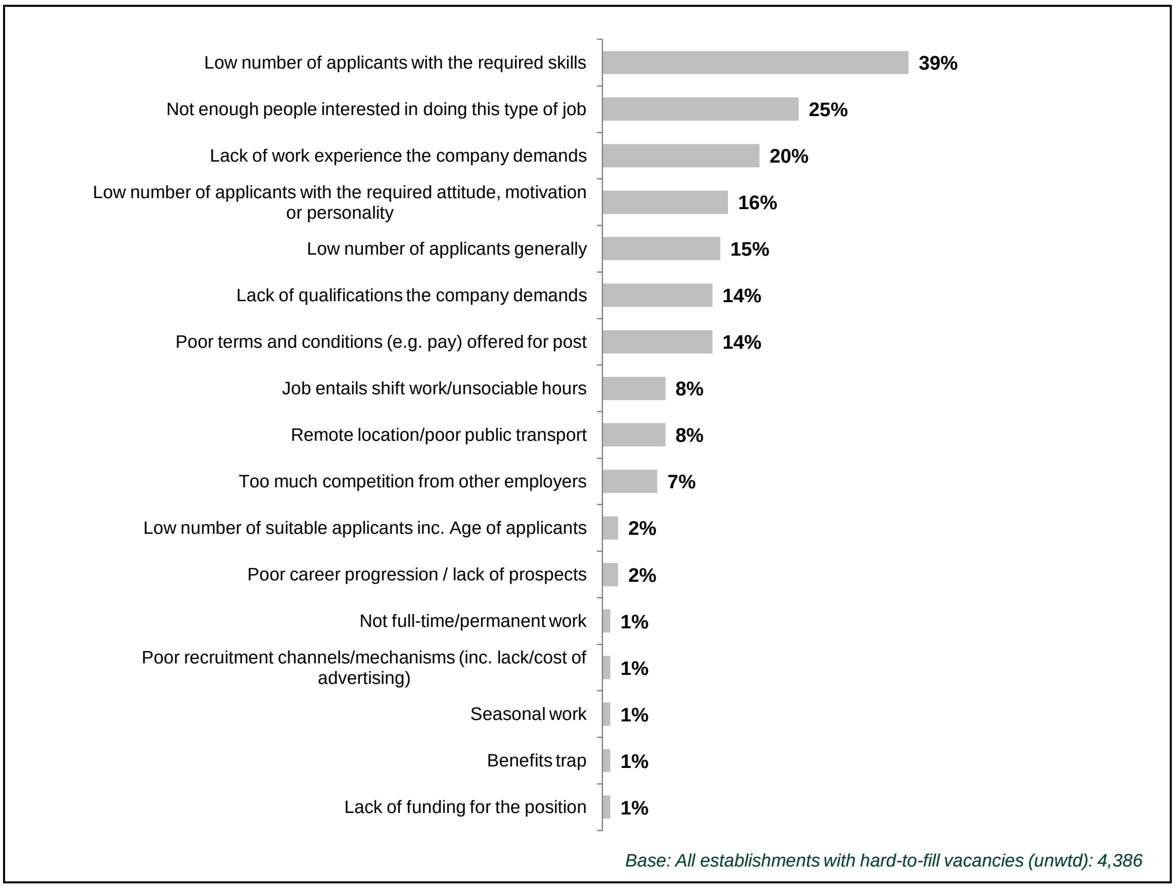
Number of hard-to-fill vacancies rounded to nearest 100

4.4 Causes of hard-to-fill vacancies

Understanding the causes of hard-to-fill vacancies is clearly a prerequisite to introducing effective measures aimed at easing recruitment difficulties and improving the effectiveness of the labour market. Most importantly, it can identify where there are issues finding applicants with the requisite skills to fill the role.

Two fifths (39 per cent) of hard-to-fill vacancies are caused by a low number of applicants with the skills required for the role. A quarter (25 per cent) are caused by a lack of interest in the vacancy and one in five (20 per cent) are due to applicants not possessing the level of work experience required by the company (Figure 4.3).

Figure 4.3 Causes of hard-to-fill vacancies



Results are based on hard-to-fill vacancies rather than establishments with hard-to-fill vacancies; the figures therefore show the proportion of hard-to-fill vacancies caused by each factor reported by employers.

Note: Summed percentages exceed 100 per cent because of multiple responses

The perceived causes of hard-to-fill vacancies vary according to sector. Notable differences include:

- Three fifths (61 per cent) of hard-to-fill vacancies in the Construction sector are caused by a lack of interest in the type of job and over half (56 per cent) by a lack of applicants more generally.

- While too much competition from other employers was seen to account for only seven per cent of hard-to-fill vacancies at the national level, one quarter (26 per cent) of hard-to-fill vacancies in the Financial Services sector were perceived to be caused by this reason.
- Shift work and unsociable working patterns were more likely to cause hard-to-fill vacancies in the Hotels and Restaurants sector (23 per cent) compared to eight per cent across all sectors.
- Both lack of qualifications demanded by the company and poor terms and conditions were more likely to cause hard-to-fill vacancies in the Community, Social and Personal Services sector (34 per cent and 32 per cent compared to 14 per cent for each overall).

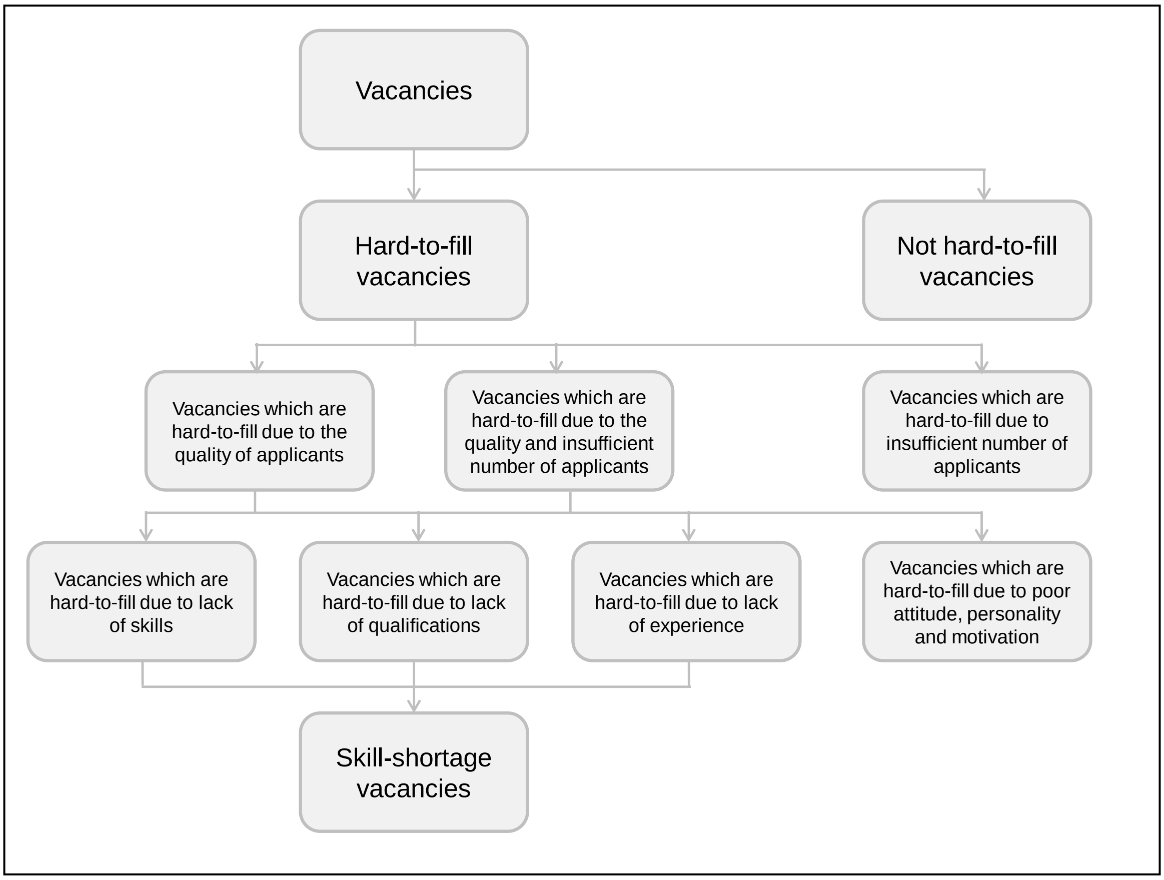
By region, a lack of qualifications demanded by the company and poor terms and conditions were also more likely to contribute to the number of hard-to-fill vacancies in the North West (35 per cent and 37 per cent respectively) compared to 14 per cent for each across England as a whole. In Yorkshire and the Humber a general lack of interest in the job role on offer (44 per cent) and low numbers of applicants generally (40 per cent) were more likely to impact on hard-to-fill vacancies compared to 25 per cent and 15 per cent nationally.

4.5 Skill-shortage vacancies

As discussed above, recruitment difficulties are commonly caused by issues relating to the applicants, be it quality or quantity. Hard-to-fill vacancies caused specifically by a lack of **skills**, **qualifications** or **experience** among applicants are known as "skill-shortage vacancies"[15]. Where there is an issue with the attitude, personality or motivation of applicants, these are not skill-shortage vacancies. Figure 4.4 shows a "map" of how skill-shortage vacancies are defined.

[15] Employers were first asked to give their reasons for not being able to fill vacancies spontaneously (i.e. without being presented with a list of possible reasons). Any employers not reporting skills-related issues were then prompted as to whether any of their hard-to-fill vacancies were proving hard-to-fill due to a lack of skills, experience or qualifications among applicants, and these responses combined to give an overall picture of the incidence and volume of skill-shortage vacancies in the market.

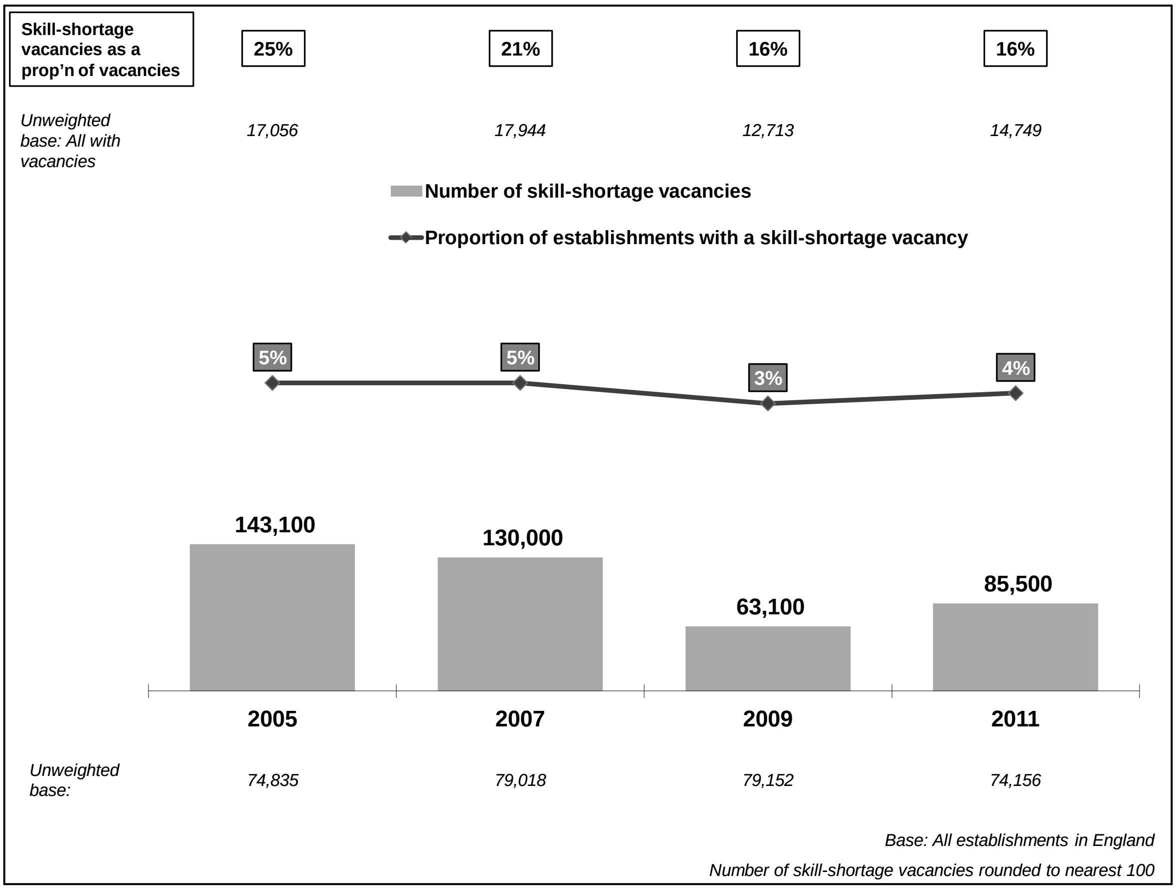
Figure 4.4 Skill-shortage vacancies route map



4.5.1 The incidence, volume, density and distribution of skill-shortage vacancies

For the vast majority of establishments, demand for skills is met through successful recruitment (or through their current workforce, as will be explored in the next chapter). Four per cent of establishments reported having vacancies at the time of the survey that they were having difficulties filling due to a lack of skills, qualifications or experience in applicants for the role (a "skill-shortage vacancy"). This is slightly higher than the level measured in 2009 (three per cent) and in absolute terms equates to 85,500 vacancies resulting from skill-shortages, again higher than in 2009 (Figure 4.5). However the proportion of all vacancies in England that are caused by skill shortages is 16 per cent, the same level as seen in 2009 (and indeed lower than the level recorded prior to 2009). This suggests that, as with the figures for all hard-to-fill vacancies, the increase seen in the incidence and volume of skill-shortage vacancies can be attributed to the increase in vacancies overall (i.e. as the number of vacancies has risen, the number of skill-shortage vacancies has risen by the same proportion); it is not that the issue of skills shortages in the labour market has become any more concentrated in the past few years, on the whole, but there are areas of the economy which are seeing increased concentrations, as discussed below.

Figure 4.5 Incidence, volume and density of skill-shortage vacancies



Percentages are based on all vacancies, rather than all establishments with vacancies; proportions therefore show the percentage of vacancies which are hard-to-fill.

The increase in incidence of skill-shortage vacancies was seen across all sizes of establishment. As seen before with hard-to-fill vacancies, although smaller establishments were less likely to report any skill-shortage vacancy per se, where these vacancies did exist, a higher proportion of these vacancies in smaller establishments were specifically skill-shortage vacancies. Skill-shortage vacancies in establishments with fewer than 25 employees accounted for over half (56 per cent) of all skill-shortage vacancies in England at the time of the research (over 47,600 positions). However, mid sized establishments (employing between 25 and 199 staff) were the only ones reporting an increase in the proportion of vacancies which were skill-shortage vacancies since 2009, suggesting that they are not benefitting from the general easing in the labour market experienced by establishments of other sizes (see Table 4.A.8 in Appendix A).

Similarly, Public Administration. Communities, Social and Personal Services Activities and Manufacturing were the only sectors to report an increase in the proportion of vacancies which were skill-shortage vacancies since the previous survey, again, suggesting specific pockets of difficulty. Of all the sectors, Public Administration had seen the largest increase in the incidence of skill-shortage vacancies, from two to four per cent of establishments, and also in the proportion of their vacancies that were hard-to-fill due to skill-shortages (from seven to 13 per cent). In aggregate in 2011, the Agriculture and Manufacturing sectors however have the most difficulty finding suitably skilled recruits, with 25 per cent and 24 per cent respectively of their vacancies being skill-shortage vacancies.

The South East has seen the largest increase in incidence since 2009, rising from two to five per cent of establishments; this is in line with the findings discussed in section 4.3 of this report, where the South East also saw the largest increase in incidence of vacancies per se.

The areas affected most by a high density of skill-shortage vacancies are the West Midlands and the North West where for both regions, every one in five (19 per cent) vacancy is a skill-shortage vacancy. These two regions also reported the greatest increases in the proportion of vacancies which were skill shortage vacancies, increasing from 15 per cent and 14 per cent in 2009, respectively.

Table 4.6 summarises the situation in 2011; time series tables can be found in the appendices to this report.

Table 4.6 Incidence, volume and density of skill-shortage vacancies: 2011

		% of establishments with a skill-shortage vacancy	Number of skill-shortage vacancies	% of vacancies that are skill-shortage vacancies	
	Unwtd base	%	Rounded to nearest 100	*Unwtd base*	%
Total	*74,156*	4	85,500	*14,749*	16
Size					
2-4	*15,457*	2	20,700	*1,219*	21
5-24	*41,136*	4	27,000	*6,907*	17
25-99	*13,550*	7	22,300	*4,462*	16
100-199	*2,201*	11	6,700	*1,142*	14
200-499	*1,359*	12	5,800	*744*	10
500+	*453*	13	3,000	*275*	10
Sector					
Agriculture	*703*	2	700	*67*	25
Mining and Quarrying	*124*	7	100	*27*	18
Manufacturing	*6,667*	5	9,300	*1,232*	24
Electricity, Gas and Water	*1,160*	3	400	*169*	12
Construction	*5,485*	2	3,500	*481*	18
Wholesale and Retail	*13,060*	2	8,400	*2,206*	13
Hotels and Restaurants	*7,202*	4	7,800	*1,777*	14
Transport and Communications	*6,861*	4	8,100	*1,219*	14
Financial Services	*1,452*	3	2,600	*279*	13
Business Services	*12,656*	4	20,600	*2,638*	17
Public Administration	*1,214*	4	4,000	*313*	13
Education	*4,582*	4	2,200	*1,264*	13
Health and Social Work	*6,872*	3	5,100	*1,724*	10
Community, Social and Personal Services activities	*6,118*	5	12,600	*1,353*	23
Region					
East of England	*8,372*	5	10,200	*1,782*	14
East Midlands	*7,253*	3	6,400	*1,361*	15
London	*9,925*	5	15,200	*2,437*	15
North East	*5,529*	3	2,900	*806*	14
North West	*8,735*	3	11,300	*1,755*	19
South East	*10,592*	5	16,900	*2,678*	16
South West	*8,377*	3	7,100	*1,525*	15
West Midlands	*7,851*	3	8,300	*1,156*	19
Yorkshire & Humber	*7,522*	3	7,200	*1,249*	17

Number of skill-shortage vacancies rounded to the nearest 100

Looking more closely at a local level, the proportion of establishments experiencing skill-shortage vacancies varies from eight per cent (in Barking and Dagenham, Hammersmith and Fulham, Kensington and Chelsea, Richmond-upon-Thames and Windsor and Maidenhead), to just fewer than one per cent (in Knowsley, likely to be due to the low incidence of vacancies in that LEA). As with hard-to-fill vacancies, the two LEAs with the highest proportion of their vacancies proving hard to fill due to skill-shortages are Kirklees (where 48 per cent of vacancies are skill-shortage vacancies) and Coventry (43 per cent), and Northamptonshire also has 43 per cent of vacancies as skill-shortage vacancies. Full data for LEAs can be found in Table B.3 in Appendix B.

As was seen with hard-to-fill vacancies, it is the Enterprise M3 LEP (covering Hampshire and Surrey) that has the highest proportion of establishments reporting having skill-shortage vacancies, and Cornwall and the Isles of Scilly with the least. When establishments in Cornwall and the Isles of Scilly do have vacancies, they are among the least likely to find them hard to fill due to skill-shortages: just seven per cent of vacancies in this LEP are skill-shortage vacancies. This figure is the same for Herefordshire LEP. At the other end of the scale establishments in Northamptonshire LEP are most likely to report their vacancies are hard to fill due to skill-shortages: 43 per cent of vacancies in this LEP are skill-shortage vacancies. Full figures on skill-shortage vacancies for LEPs can be found in Table B.9 of Appendix B.

The greatest volume of skill-shortage vacancies were reported in Associate Professional, Professional and Skilled Trades occupations. Together these accounted for over half (56 per cent) of all skill-shortage vacancies in England at the time of the survey.

In line with previous surveys, it is within the Skilled Trades occupations where the density of skill-shortage vacancies is highest. One-third (33 per cent) of all vacancies for these occupations are skill-shortage vacancies, similar to the proportion seen in 2009 (Table 4.7).

Table 4.7 Incidence, volume and density of skill-shortage vacancies: time series by occupation

Column %		2005 %	2007 %	2009 %	2011 %
Occupation					
Managers	*Base:*	*74,835*	*79,018*	*79,152*	*74,156*
Number of SSVs		6,400	7,300	3,700	3,400
	Base:	*1,379*	*1,732*	*1,221*	*834*
% of vacancies that are SSVs		23	21	19	19
Professionals	*Base:*	*74,835*	*79,018*	*79,152*	*74,156*
Number of SSVs		14,400	19,700	8,300	15,600
	Base:	*1,923*	*2,338*	*1,614*	*2,589*
% of vacancies that are SSVs		28	28	23	22
Associate Professionals	*Base:*	*74,835*	*79,018*	*79,152*	*74,156*
Number of SSVs		26,100	22,600	12,700	17,500
	Base:	*2,806*	*3,210*	*2,567*	*2,807*
% of vacancies that are SSVs		31	22	20	19
Admin / Clerical	*Base:*	*74,835*	*79,018*	*79,152*	*74,156*
Number of SSVs		10,200	8,900	4,600	5,100
	Base:	*2,999*	*3,153*	*2,113*	*2,243*
% of vacancies that are SSVs		15	12	10	10
Skilled Trades	*Base:*	*74,835*	*79,018*	*79,152*	*74,156*
Number of SSVs		24,300	21,900	8,900	14,600
	Base:	*2,140*	*2,461*	*1,337*	*1,884*
% of vacancies that are SSVs		48	37	31	33
Caring, Leisure and Other services	*Base:*	*74,835*	*79,018*	*79,152*	*74,156*
Number of SSVs		16,000	13,300	9,100	12,300
	Base:	*2,489*	*2,105*	*1,970*	*2,233*
% of vacancies that are SSVs		25	21	17	16
Sales / Customer services	*Base:*	*74,835*	*79,018*	*79,152*	*74,156*
Number of SSVs		16,200	12,500	5,500	5,500
	Base:	*2,640*	*2,831*	*1,774*	*1,964*
% of vacancies that are SSVs		20	15	12	8
Machine Operatives	*Base:*	*74,835*	*79,018*	*79,152*	*74,156*
Number of SSVs		13,800	9,800	2,900	3,700
	Base:	*1,585*	*1,512*	*798*	*941*
% of vacancies that are SSVs		29	24	14	13
Elementary	*Base:*	*74,835*	*79,018*	*79,152*	*74,156*
Number of SSVs		15,000	12,200	6,900	6,800
	Base:	*2,977*	*2,846*	*2,250*	*2,422*
% of vacancies that are SSVs		17	15	11	9

Base for number of skill-shortage vacancies: All establishments in England

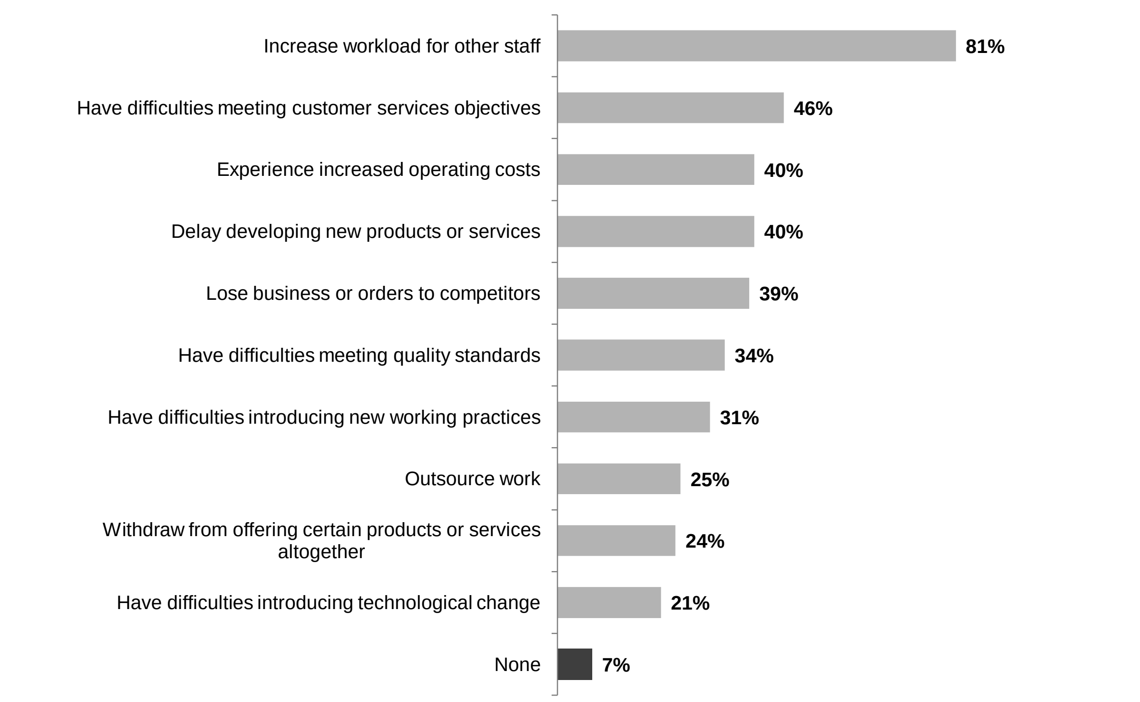
Base for % of vacancies that are caused by skill shortages: All establishments with a vacancy in that occupation

Number of skill-shortage vacancies rounded to nearest 100

4.6 Impact of hard-to-fill vacancies

Having established the perceived causes of hard-to-fill vacancies, in particular where this cause relates to skill shortages in the labour market, this section focuses on the impact of all hard-to-fill vacancies on employers. Just seven per cent of establishments with hard-to-fill vacancies said they had no impact on the establishment, leaving 93 per cent that have seen an impact.

Figure 4.6 Impact of hard-to-fill vacancies



Base: All with hard-to-fill vacancies (unwtd): 4,386

In the vast majority (81 per cent) of cases, hard-to-fill vacancies increase the workload and demand on existing staff. Almost half (46 per cent) of establishments with hard-to-fill vacancies reported that they caused difficulties meeting customer service objectives and similar proportions experienced increased operating costs (40 per cent), delayed the development of new products or services (40 per cent), or lost business or orders to competitors (39 per cent). This pattern is similar to that seen in previous years' surveys.

There is some degree of variation in how hard-to-fill vacancies affect establishments according to size. While the largest establishments (500+ employees) were impacted most in terms of increased workload for existing staff (93 per cent), difficulties meeting customer service objectives (59 per cent) and increased operating costs (52 per cent), establishments with fewer than five employees tended to be impacted in terms of consolidating and expanding their service offering. Specifically the smallest establishments were more likely than average to report delays in developing new products or services (47 per cent), losing business or orders to competitors (49 per cent) and withdrawing from offering certain products or services (34 per cent) as a result of having hard-to-fill vacancies.

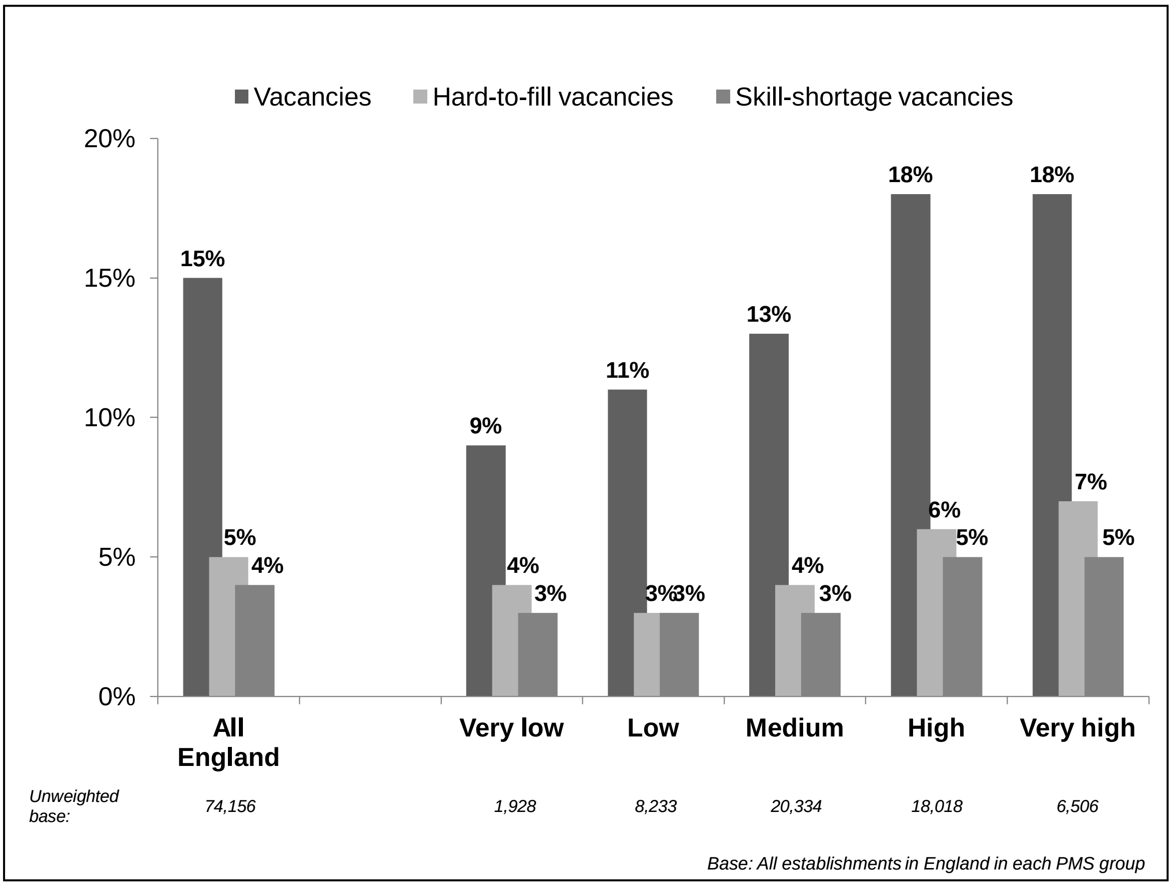
4.7 Focus on Recruitment and Product Market Strategy

This section of the chapter focuses in on how private sector establishments with differing product market strategy (PMS) approaches have different experiences of the recruitment market. As described in Chapter Two, PMS ratings were derived from the sum of answers to four questions in the survey. A 'high' score indicates an establishment's approach involves products and services that are highly customised, innovative, high quality and that their position in the market is not dependent on the price of their goods or services; a 'low' score indicates the opposite, that is, products and services that are mass produced, low quality, compete on price and are not necessarily very innovative.[16]

Establishments with a higher score on the PMS scale are more active in the recruitment market than those with a lower score, with 18 per cent of establishments with a 'high' or 'very high' rating reporting that they had a vacancy at the time of the survey, compared to half that number (nine per cent) of those with a 'very low' PMS rating. As might be expected, this lead in turn to a higher incidence of hard-to-fill vacancies and skill-shortage vacancies in these establishments with product market strategy scores at the 'high' end of the scale. Figure 4.7 shows the proportion of establishments in each group that reported having vacancies, hard-to-fill vacancies and skill-shortage vacancies.

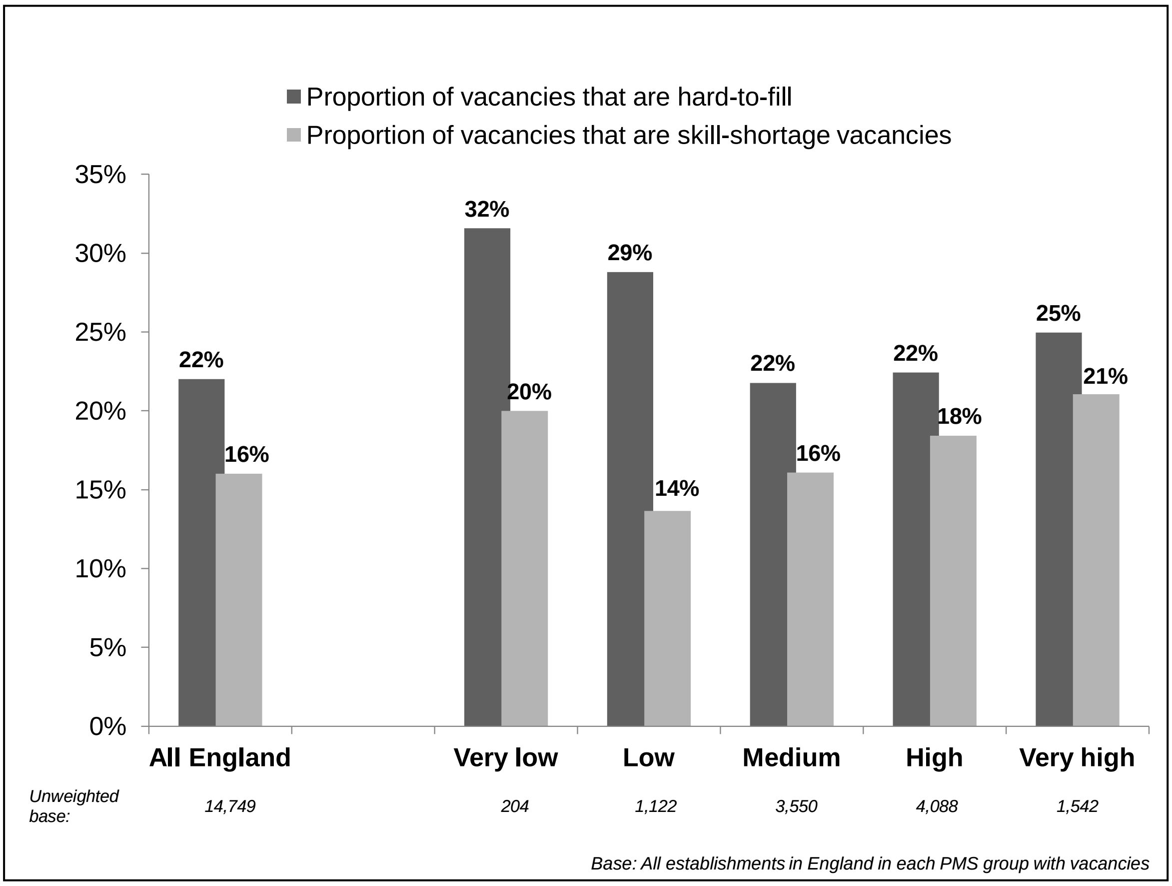
[16] Due to changes in the way it has been calculated, time series comparisons are not available for PMS ratings.

Figure 4.7 Incidence of vacancies, hard-to-fill vacancies and skill-shortage vacancies by Product Market Strategy classification



However whilst those with 'high' scores on the scale are most active in the recruitment market, of establishments that are active it is those with 'lower' scores that have the most difficulty with recruitment with almost a third (32 per cent) of all vacancies in establishments with 'very low' scores proving to be hard-to-fill. This is primarily due to the nature of the jobs on offer in this group: a quarter (24 per cent) of all hard-to-fill vacancies in the 'very low' scoring group were caused by the fact the job entailed shift-working and unsociable hours, and almost half (47 per cent) of all hard-to-fill vacancies in establishments with a 'low' PMS score were caused by 'not enough people being interested in this kind of work'. Establishments with 'higher' scores were less likely to have hard-to-fill vacancies per se, but those they did have were more likely to be caused by skill shortages than those at the lower end of the scale: 21 per cent of all vacancies at establishments with a 'very high' PMS rating were caused by lack of skills, which equates to 84 per cent of all their hard-to-fill vacancies; amongst the 'very low' group the figure for all vacancies was similar at 20 per cent but this equated to just 63 per cent of all their hard-to-fill vacancies. Figure 4.8 shows the proportion of vacancies in each group that were hard-to-fill vacancies, and the proportion in each that were skill-shortage vacancies.

Figure 4.8 Proportion of all vacancies that were hard-to-fill and that were skill-shortage vacancies by Product Market Strategy classification



Percentages are based on all vacancies, rather than all establishments with vacancies; proportions therefore show the percentage of vacancies which are hard-to-fill.

4.8 Conclusion

There has been an increase in the number of establishments in England reporting at least one vacancy since 2009, which is encouraging for the economy as it suggests that employers' confidence is returning. This increase has however not been uniform across sectors: the Public Administration, Education and Health and Social Work sectors (typically dominated by public sector organisations) have seen a fall in the incidence of vacancies since 2009, albeit these are still the three sectors where establishments are most likely to have a vacancy at the time of interview. Business Services (this sector includes, among other things, real estate activities, consultancy, advertising and employment agencies) and Manufacturing saw the biggest increases, which is encouraging for the recovery of the private sector as these sectors (particularly Business Services) employ a relatively large proportion of the workforce.

Despite this increase, demand for staff is generally being met: the proportion of all vacancies in England that are hard-to-fill is consistent with that reported for the 2009 survey at 22 per cent. The proportion of all vacancies that are skill-shortage vacancies is consistent with that seen in 2009 suggesting the labour market is keeping pace with the increase in vacancies. However, this average masks variation in trends and in concentrations of skill deficiency by size, sector, occupation and geography. Additionally, where hard-to-fill and skill-shortage vacancies do exist they have the potential to have a considerable impact on establishments. In total, 93 per cent of employers with a hard-to-fill vacancy said it was having an impact on their establishment. The main impact felt was on the workload of existing staff, which has the potential to cause knock-on effects on morale and retention. Smaller establishments in particular also said they were affected in terms of consolidating or expanding their current business offering.

Establishments in the Yorkshire and Humber region stand out as having the most difficulties in the recruitment market. One third of all vacancies in this region were reported as being hard-to-fill (34 per cent); and it also has one of the highest proportions of vacancies that are hard to fill due to skill shortages. Additionally, the West Midlands and North West have particular issues with skill-shortage vacancies, where one in every five vacancies in these regions being hard to fill due to skill shortages. Detailed geographical analysis allow us to see that two of the three LEAs with the highest density of skill-shortage vacancies fall within these regions.

Employers continue to have trouble filling their vacancies for Skilled Trade occupations, with 41 per cent of all vacancies in this occupational group proving hard to fill, and one third of vacancies hard to fill due to skill shortages among applicants. Skilled Trades tend to be specialist occupations, so generic skills programmes to try to rectify this will have less of an effect than they would on, for example, Administrative and Clerical roles which require more general, transferrable skills.

Mid sized establishments report an increase in the proportion of vacancies which are skill-shortage between 2009 and 2011, in contrast to larger and smaller establishments. Similar patterns are observed in the West Midlands and North West; amongst Skilled Trade occupations and in Manufacturing, Community, Personal and Social Services and Public Administration sectors. Generally, there is a similarity between those areas of the economy experiencing higher than average skill-shortage vacancy density and increases in this measure since 2009.

An establishment's Product Market Strategy score is related to their activity in the recruitment market, with those scoring 'higher' on the PMS scale more active in the market. As establishments with high scores often need their staff to be more highly skilled than those with 'lower' scores, the proportion of their vacancies that are hard-to-fill due to skill shortages tends to be higher (although the 'very low' scoring group have particular problems here too). However it is at the 'lower' scoring end that most recruitment issues arise: almost a third of vacancies in the 'very low' scoring group are hard-to-fill, and this is most commonly due to the nature of the job on offer being unappealing to applicants. This raises issues of job quality which potentially acts as a brake in the efficient running of these businesses and in the potential for them to progress within their markets.

5 Internal Skills Mismatch

Chapter Summary

- Most establishments report all their workforce to be fully proficient at doing their job, but approaching a fifth (18 per cent) report that at least one of their staff is not fully proficient, that is, they have a "skills gap". Around 1.3 million workers, or six per cent of the total workforce in England, is reported to have a skills gap.
- This represents a decrease from the figures seen in 2009, when 1.7 million staff, or seven per cent of the workforce, was deemed to have a skills gap.
  - This fall was seen across all sizebands and sectors, though was particularly marked in the Construction sector, which saw a fall from 18 to 13 per cent of establishments experiencing skills gaps.
- Skills gaps tend to be most prevalent among Sales and Customer Services staff, and staff in Elementary occupations.
- Skills gaps are most commonly caused by transient factors, such as staff being new to the role and training only being partially completed.
- Where skills gaps exist they can have a significant impact on the establishment. The most common impact was an increase in workload for other staff, but others report increased operating costs and difficulties in meeting quality standards.
- Looking at skills gaps alongside skill-shortage vacancies gives an overall measure of those experiencing skill deficiencies. Overall 20 per cent of establishments were suffering from a skill deficiency.

5.1 Introduction

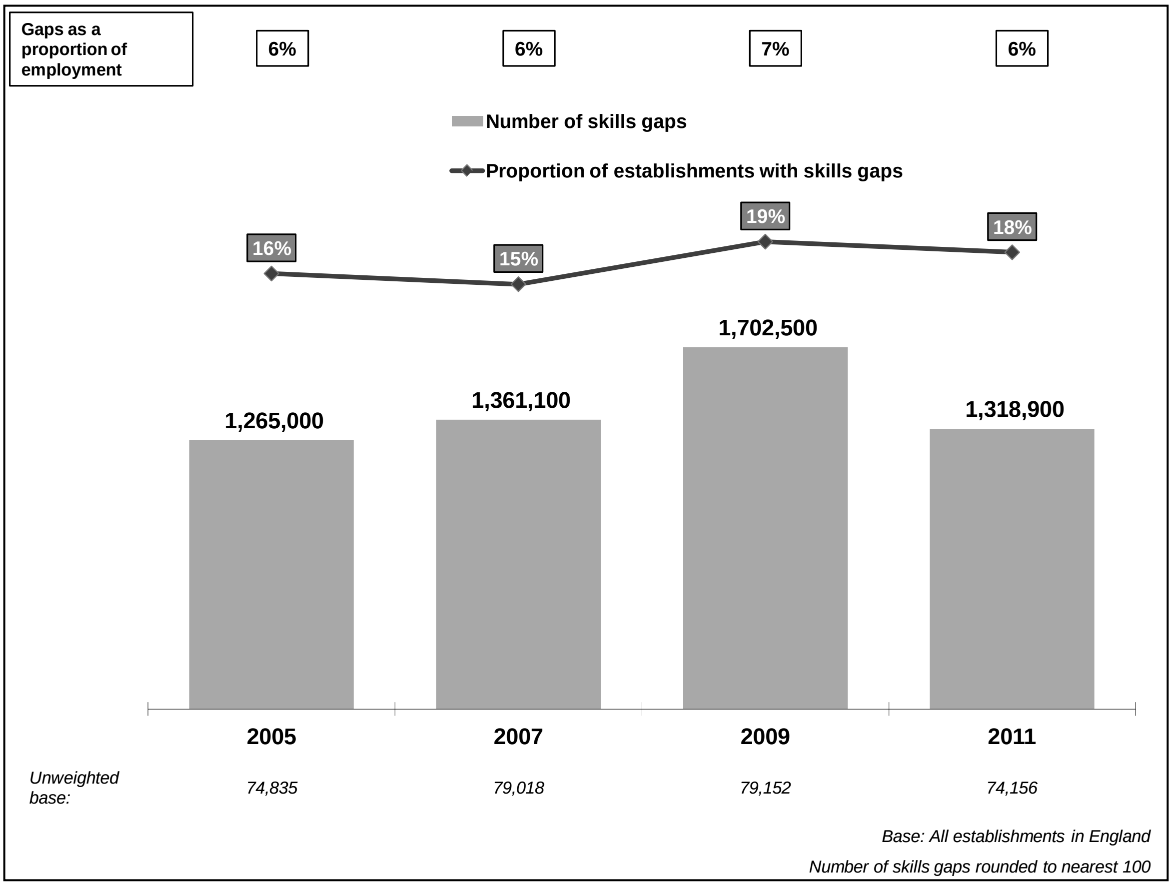
Skills gaps occur when the skills of staff are not adequate to perform their job role, and can have an impact on the efficient functioning of establishments. This chapter will explore their incidence, volume, profile and causes, before reviewing the impact of skills gaps and the actions employers take in an attempt to combat them. It will also look at any changes in the incidence of skills gaps over time, and finally look at skills gaps alongside skill-shortage vacancies to see the overall impact of skill deficiencies in the system.

Further time-series data relating to internal skills gaps can be found in Appendix A.

5.2 The incidence, volume, density and distribution of skills gaps

For the majority of establishments (82 per cent) in England, the entire workforce is regarded as being fully proficient at their job roles, but almost a fifth (18 per cent) report having at least one member of staff that is not fully proficient (a 'skills gap'). In total around 1.3 million workers were considered to have skills gaps, equivalent to six per cent of the total workforce in England. The incidence and volume of skills gaps saw an increase in 2009, but the 2011 figures show the number of staff with gaps has decreased back to the levels seen in 2007 (see Figure 5.1).

Figure 5.1 Incidence, volume and density skills gaps



Percentages across the top are based on all employment rather than all establishments; proportions therefore show the percentage of employees with a skills gap

While the proportion of establishments reporting at least one skills gap increased with size, the proportion of staff described as having a skills gap was broadly consistent in terms of establishment size (see Table 5.1). The fall in the proportion of staff considered to have a skills gap compared with 2009 was seen across all size bands. However, whilst mid and larger sized establishments reported greater rises in the incidence of skill gaps between 2007 and 2009, mid sized establishments (employing between 25 and 199 staff) have not experienced the reductions in incidence reported in larger sized establishments in 2011 (Table 5.A.1 in Appendix A), suggesting a continuing squeeze.

Hotels and Restaurants (23 per cent), Education (21 per cent) and Health and Social Work (21 per cent) were the sectors with the highest incidence of skills gaps. Hotels and Restaurants was the sector with the highest proportion of staff described as having a skills-gap (nine per cent). The fall in the number of skills gaps compared with 2009 was seen across all sectors. In the previous chapter the Construction sector was identified as having a particular issue with hard-to-fill vacancies, however their level of skills gaps has seen the largest fall compared with 2009 with a five percentage point fall in the proportion of establishments experiencing gaps (from 18 to 13 per cent) and a two percentage point fall in the proportion of the workforce with a skills gap (from seven to five per cent).

With the exception of the East Midlands and London (where 15 per cent of businesses reported any skill gaps) there was little variation in the proportion of establishments reporting any skills gap by region. Similarly, the proportion of the workforce described as not proficient was relatively stable by region (at the five to six per cent level).

Table 5.1 shows a summary of the picture in 2011; time series analysis is in Table A.5.2 in Appendix A..

Table 5.1 Incidence, volume and density of skill gaps

		% of establishments with a skills gap	Number of skill gaps	% of workforce that have skill gaps
	Unwtd base	%	Rounded to nearest 100	%
Total	*74,156*	18	1,318,900	6
Size				
2-4	*15,547*	8	73,300	4
5-24	*41,136*	24	304,000	6
25-99	*13,550*	38	330,000	6
100-199	*2,201*	46	152,000	6
200-499	*1,359*	46	201,600	6
500+	*453*	49	258,000	7
Sector				
Agriculture	*703*	9	5,300	4
Mining and Quarrying	*124*	9	600	2
Manufacturing	*6,667*	20	140,000	6
Electricity, Gas and Water	*1,160*	17	14,900	6
Construction	*5,485*	13	43,300	5
Wholesale and Retail	*13,060*	20	245,500	7
Hotels and Restaurants	*7,202*	23	145,400	9
Transport and Communications	*6,861*	14	100,100	5
Financial Services	*1,452*	17	39,000	5
Business Services	*12,656*	16	208,800	5
Public Administration	*1,214*	18	82,000	6
Education	*4,582*	21	59,200	4
Health and Social Work	*6,872*	21	141,100	5
Community, Social and Personal Services activities	*6,118*	17	93,900	6
Region				
East of England	*8,372*	18	141,400	6
East Midlands	*7,253*	15	112,400	6
London	*9,925*	15	231,700	6
North East	*5,529*	18	61,900	6
North West	*8,735*	19	178,800	6
South East	*10,592*	19	216,400	6
South West	*8,377*	19	134,600	6
West Midlands	*7,851*	18	133,100	6
Yorkshire & Humber	*7,522*	18	108,600	5

Base: All establishments in England

Percentages in column 3 are based on all employment rather than all establishments; proportions therefore show the percentage of employees with a skills gap

Number of skills gaps rounded to nearest 100

Greater variation was reported at the LEA level. Southampton was the LEA where establishments were most likely to report having at least one member of staff with a skills gap (26 per cent did so), closely followed by Bedford and North East Lincolnshire (both 25 per cent). Bexley was the LEA where it was least likely, where nine per cent of establishments reported having a skills gap. In terms of the total proportion of staff working in each LEA who lacked proficiency, Croydon has the largest: almost a fifth (18 per cent) of employees there are judged by their employer to have a skills gap; conversely employees in Barnsley were most likely to be fully proficient to carry out their job role (just two per cent of employees there were reported to have a skills gap). Table B.4 in Appendix B shows the figures for skills gaps for each LEA in full.

There was less variation in incidence by LEP. Humber, Oxfordshire and The Solent were the LEPs where establishments were most likely to report that any of their staff had skills gaps (20 per cent), compared to 13 per cent in Buckinghamshire and Thames Valley and 14 per cent in Leicester and Leicestershire. As well as being the LEP where vacancies were most likely to be affected by skill shortages, Northamptonshire had the highest level of current staff with skills gaps (nine per cent), suggesting the skills deficiencies in this area are not isolated to the jobseekers but also affects the employed staff. Cumbria, Sheffield City Region and Black Country all had the lowest levels of staff with skills gaps, at four per cent. Full figures for skills gaps for the LEPs can be found in Table B.10 in Appendix B.

As shown in Table 5.2, in terms of occupation, skill gaps tend to be most apparent among Sales and Customer services staff[17]. One-in-eleven (nine per cent) of all of the workforce in this occupation are perceived to be not fully proficient and this occupation accounts for the largest number of staff with skills gaps in England (259,800). The proportion of those working in Elementary Occupations that lack proficiency is also comparatively high at eight per cent; encouragingly both these and Sales and Customer Services skills gaps have shown a slight decrease since 2009 (one percentage point for each). The proportion of the workforce with gaps for Skilled Trades occupations has seen the largest fall since 2009.

[17] Full details of the definitions of each occupational type are presented in Appendix F to this report.

Table 5.2 Incidence, volume and density of skills gaps: time series by occupation

		2005	2007	2009	2011
Column %		%	%	%	%
Occupation	*Base:*	*74,835*	*79,018*	*79,152*	*74,156*
Managers					
Number of skills gaps		143,700	163,000	232,800	148,900
% of workforce with skills gaps		4	4	6	4
Professionals					
Number of skills gaps		84,500	123,400	146,800	119,500
% of workforce with skills gaps		4	5	6	5
Associate Professionals					
Number of skills gaps		82,200	101,900	117,100	75,100
% of workforce with skills gaps		5	6	7	5
Admin / Clerical					
Number of skills gaps		146,300	186,200	219,100	154,200
% of workforce with skills gaps		5	6	7	5
Skilled Trades					
Number of skills gaps		97,200	103,200	135,000	82,100
% of workforce with skills gaps		6	7	8	5
Caring, Leisure and Other services					
Number of skills gaps		111,900	95,700	148,300	114,600
% of workforce with skills gaps		7	6	8	6
Sales / Customer services					
Number of skills gaps		242,300	256,800	310,900	259,800
% of workforce with skills gaps		9	9	10	9
Machine Operatives					
Number of skills gaps		107,000	95,900	110,800	109,300
% of workforce with skills gaps		6	6	7	6
Elementary					
Number of skills gaps		249,700	235,000	281,600	255,400
% of workforce with skills gaps		8	8	9	8

Base: All establishments

"Percentage of workforce with skills gaps" is based on all employment rather than all establishments; proportions therefore show the percentage of employees in this occupation with a skills gap

Number of skills gaps rounded to nearest 100

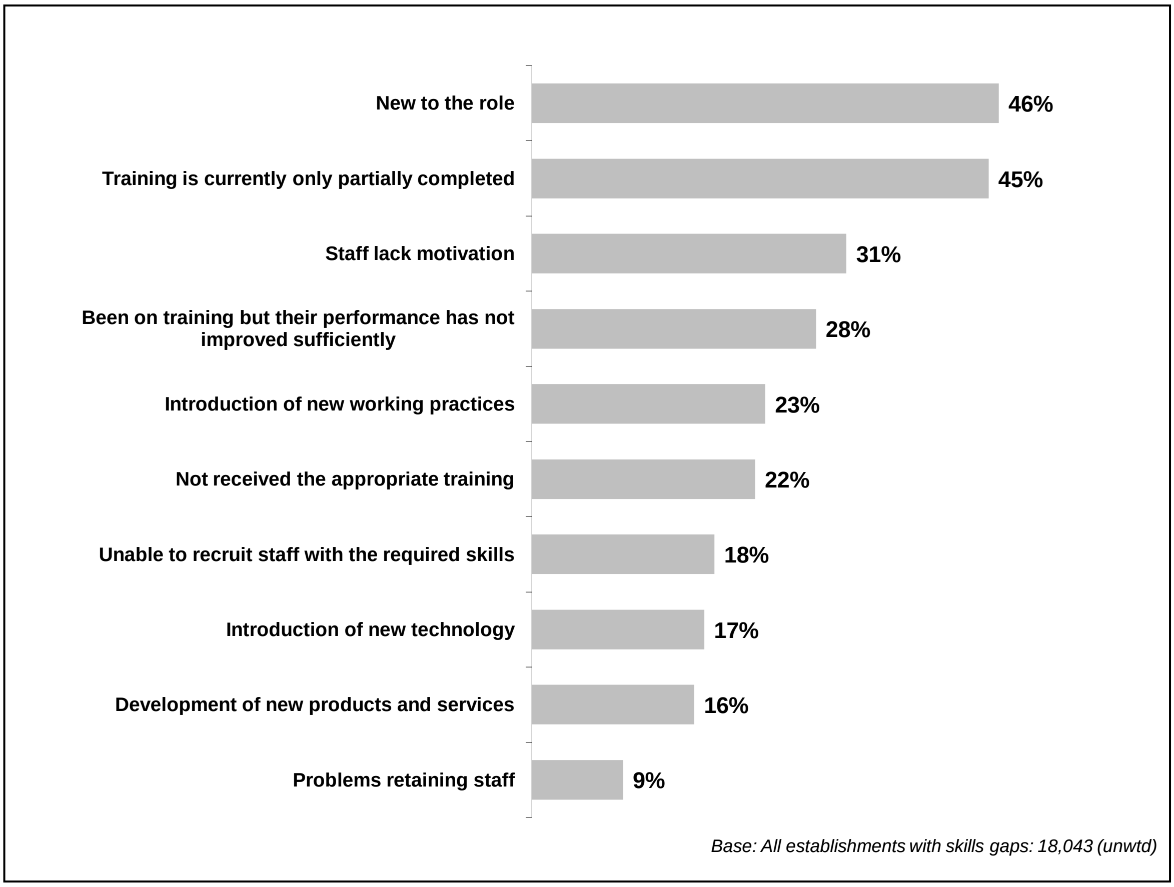
5.3 Causes of skill gaps

The main causes of staff not being fully proficient are presented in Figure 5.2. Results are based on skills gaps rather than establishments with gaps; the figure shows what proportions of skills gaps are caused by the various factors reported by employers. Establishments could give more than one cause for skills gaps within each occupation.

Staff being new to the role (either because they have recently started the job or have recently been promoted to a higher level role) and, related to this, training only being partially completed are by far the most common causes of skills gaps, with 46 per cent and 45 per cent of all skills gaps respectively being attributed, at least in part, to these reasons.

Sectors especially likely to be affected by skill gaps as a result of staff being new to the role were Hotels and Restaurants (57 per cent) and Financial Services (54 per cent). These two sectors were also slightly more likely to report training only being partially completed as a cause of skill gaps (55 per cent and 50 per cent respectively).

Figure 5.2 Causes of skill gaps



Percentages are based on all skills gaps followed up rather than all establishments with skills gaps, figures therefore show the proportion of skills gaps caused by each stated reason.

Two other factors relating to training – training proving ineffective and staff not receiving the appropriate training – are also quite common causes (explaining at least in part 28 per cent and 22 per cent of skills gaps respectively).

A requirement for (further) training is also implicit in those skills gaps arising from the introduction of new working practices (23 per cent), the introduction of new technology (17 per cent) and the development of new products or services (16 per cent).

Staff lacking motivation is the other key cause of skill gaps, which is perceived to explain around one third (31 per cent) of all skill gaps.

Recruitment-related factors are less likely to be cited, though nonetheless approaching one-in-five skills gaps (18 per cent) result from an inability to recruit appropriately skilled individuals, and one in eleven gaps (nine per cent) arise from retention difficulties. In both cases the underlying implication is that experienced staff have left and employers have had to fill these positions with people who do not have the required skill set.

5.4 Impact of skill gaps

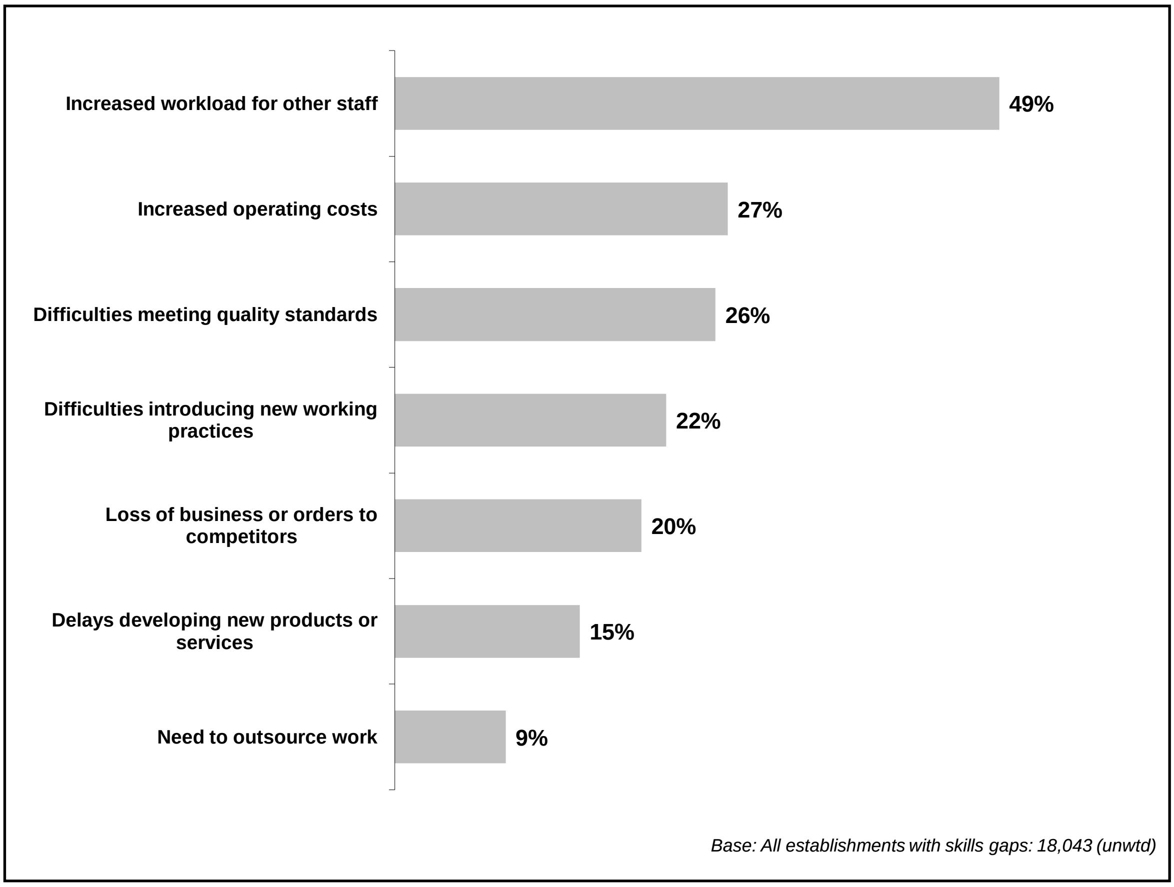
Three in five establishments with skill gaps (61 per cent) said they had seen an impact on business performance.

Like hard-to-fill vacancies, establishments with skills gaps most commonly report that the impact of these skill gaps is to increase the workload for other staff (49 per cent). Around one quarter (27 per cent) believe that their skill gaps lead to increased operating costs and a similar proportion (26 per cent) find they encounter difficulties in meeting quality standards (see Figure 5.3).

Fewer, although still sizeable numbers of employers find that skills gaps prohibit their business developing or growing specifically in terms of: introducing new working practices (22 per cent); losing business to competitors (20 per cent); or developing new services or products (15 per cent).

This pattern of responses is similar to that seen in previous years' surveys.

Figure 5.3 Impact of skill gaps



5.5 Focus on Skills gaps and Product Market Strategy

This section focuses in on how private sector establishments with differing product market strategy (PMS) approaches experience skills gaps differently. As described in Chapter Two, PMS ratings were derived from the sum of answers to four questions in the survey; a 'high' score indicates an establishment's approach involves products and services that are highly customised, innovative, high quality and that their position in the market is not dependent on the price of their goods or services; a 'low' score indicates the opposite, that is, products and services that are mass produced, low quality, compete on price and are not necessarily very innovative[18].

Although the relationship is not entirely linear, establishments with product market strategy scores at the 'high' end of the scale are more likely to report that they have skills gaps among their staff than those with scores at the 'lower' end of the scale. Conversely however, gaps as a proportion of employment is fairly constant between groups until the employers with a 'very high' PMS rating (see Table 5.3).

[18] Due to changes in the way it has been calculated, time series comparisons are not available for PMS ratings.

Table 5.3 Incidence, volume and density of skills gaps by Product Market Strategy classification

	Very low	Low	Medium	High	Very high
Base	*1,928*	*8,233*	*20,334*	*18,018*	*6,506*
Column %	%	%	%	%	%
% of establishments with a skills gap	14	16	18	20	18
Number of skill gaps	22,100	102,800	340,500	375,500	107,300
% of workforce with gaps	6	6	6	6	5

Base: All establishments in each PMS classification

'Percentage of workforce with gaps' is shown as a proportion of all employment

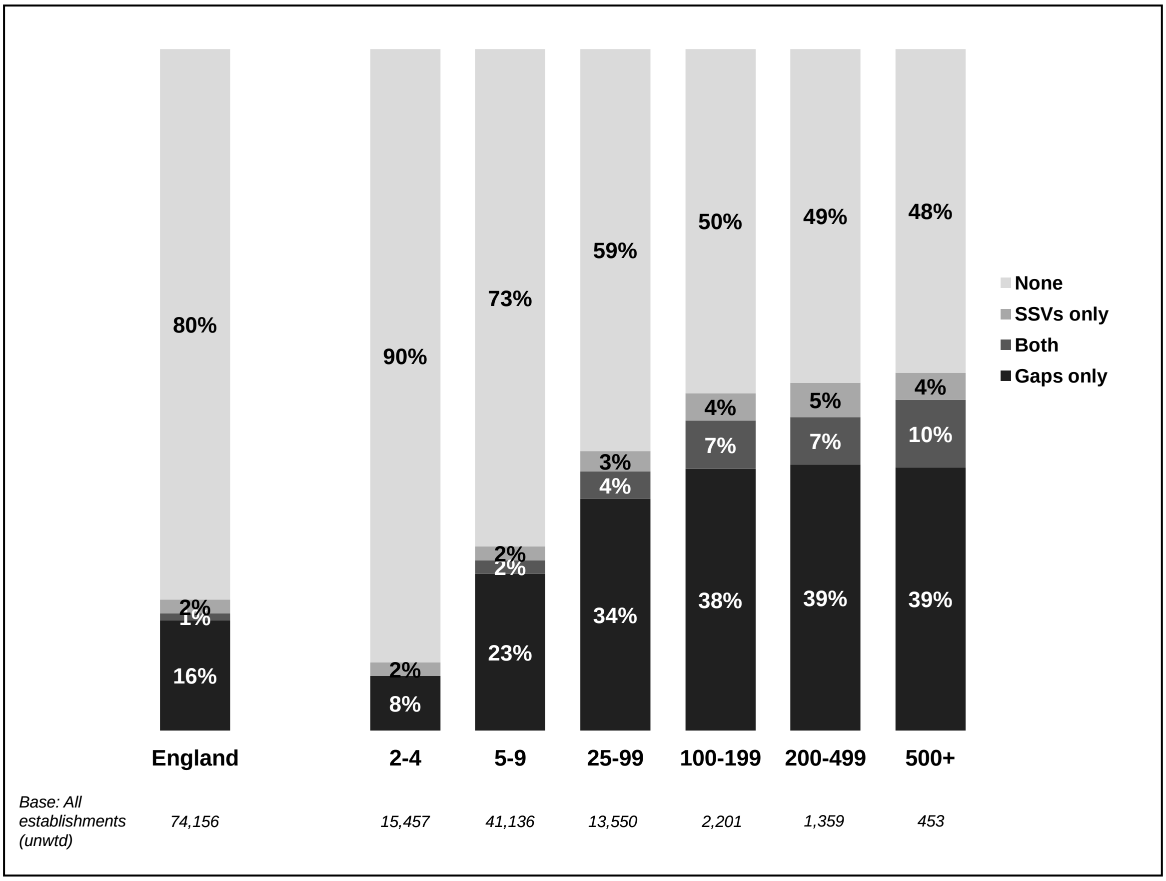
Number of gaps rounded to nearest 100

This difference could be due to the level of training in these 'very high' scoring organisations; an area that will be explored in the next chapter of this report. Indeed establishments with skills gaps with a 'very high' PMS score are more likely to attribute their skills gaps to training not being complete (48 per cent of skills gaps in establishments with a 'high' or 'very high' PMS score were attributed to this cause, compared to 27 per cent of gaps in establishments with a 'very low' PMS score), whereas those with 'lower' scores were more likely to attribute gaps to staff lacking motivation (32 per cent of gaps in the 'very low' group were attributed to this cause compared to 25 per cent of those in the 'very high' group).

5.6 Combined skill deficiencies

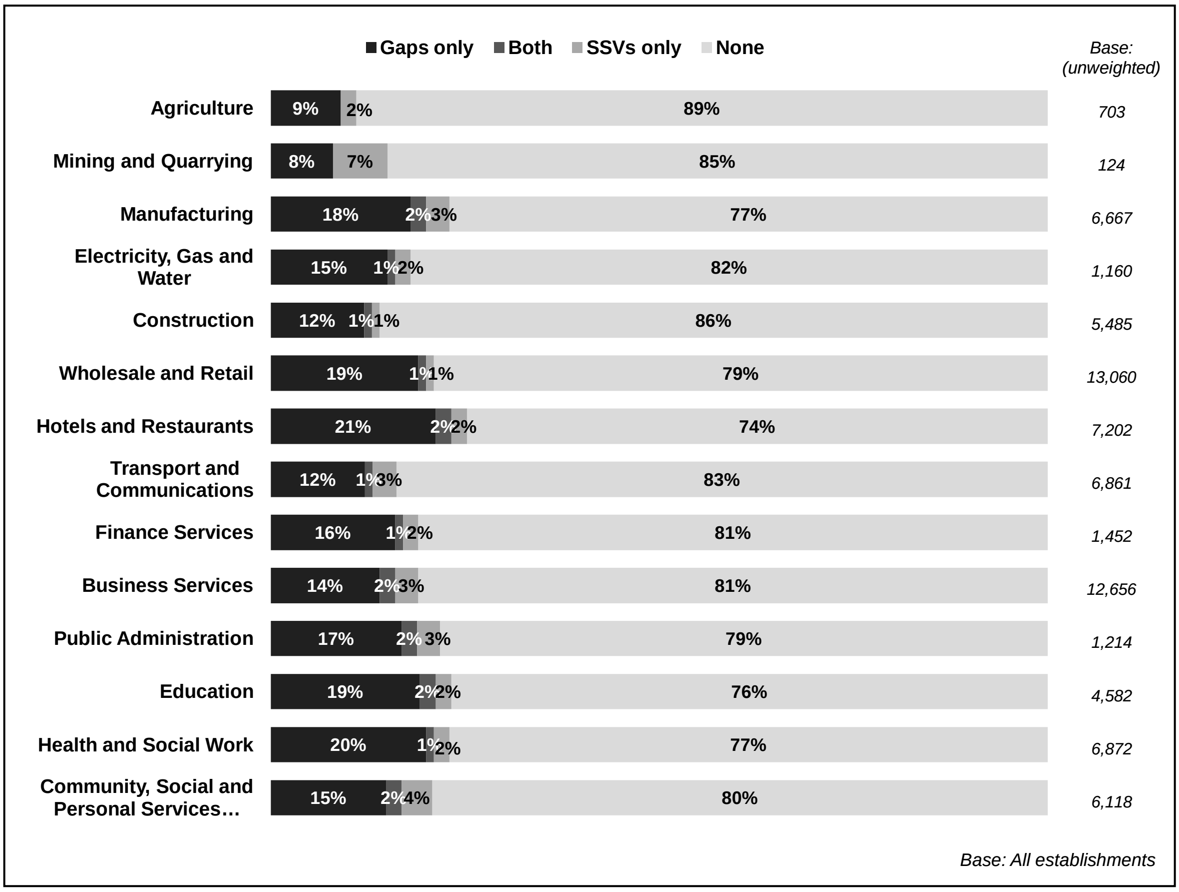
The previous chapter examined skill-shortage vacancies and this one has explored skills gaps. The identification of these two measures as separate phenomena may not reflect how employers experience them, however. It is useful to combine the two separate indicators into a single measure: the proportion of establishments who report that they face a skill deficiency, i.e. a skills gap, skill-shortage vacancy or both. When expressed in this way, 20 per cent of establishments were suffering from a skill deficiency, but just one per cent reported both. This reflects the different occupational and sectoral patterns of skill-shortage vacancies and skill gaps reported thus far, As might be expected the proportion of establishments reporting that they face any or both types of skill deficiency issue rises with size of establishment (Figure 5.4). Very few of the smallest establishments (employing less than 5 staff) report both, perhaps unsurprisingly, but two per cent of establishments employing 5-9 staff do, which might cause particular difficulties in those small establishments in being able to respond to the deficiencies.

Figure 5.4 Establishments with skill deficiencies: by size



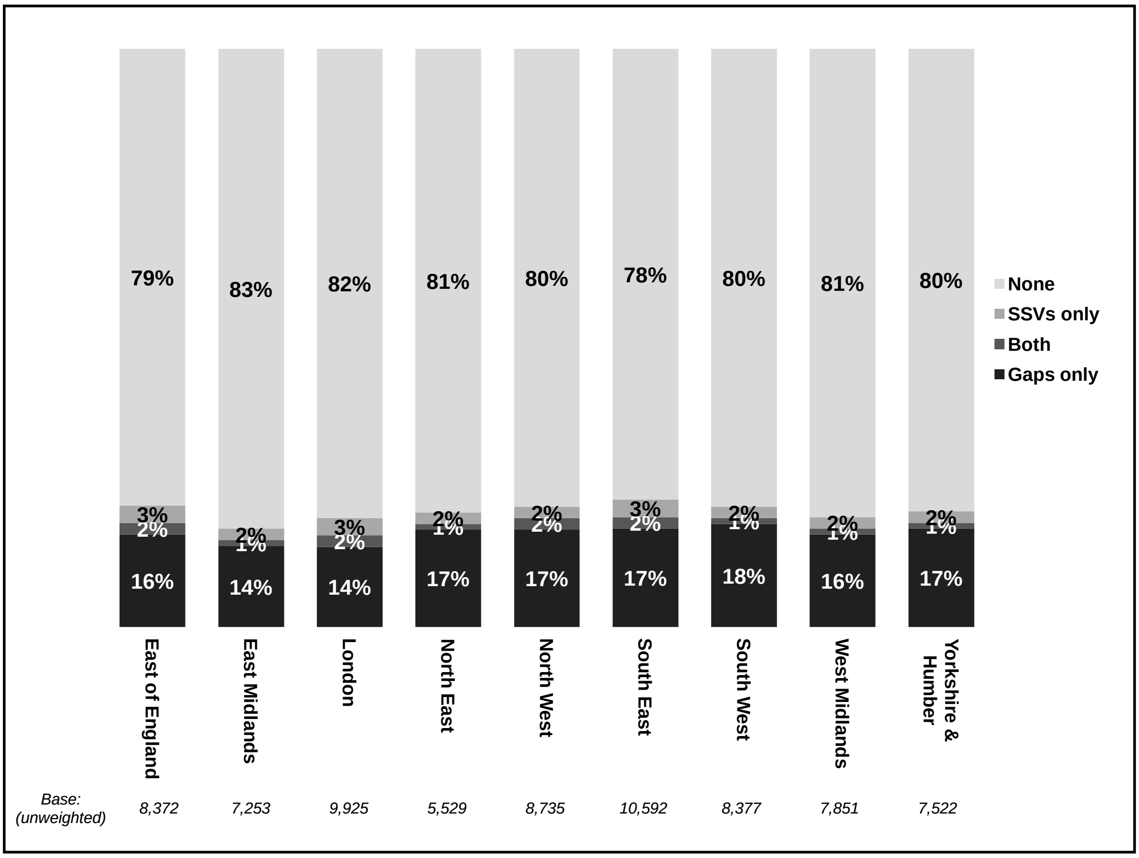
Hotels and Restaurants, Education, Health and Social Work and Manufacturing sectors are the most affected by skills deficiencies. Agriculture is the least likely sector to be affected.

Figure 5.5 Establishments with skill deficiencies: by sector



There is little variation by region (Figure 5.6), ranging from 22 per cent in the South East, to 17 per cent in the East Midlands and the South East and East of England stand out as regions with three per cent of business reporting both.

Figure 5.6 Establishments with skill deficiencies: by region



5.7 Conclusion

The majority of establishments (82 per cent) are content that their entire workforce is regarded as being fully proficient at their job roles, a slight increase on the figure seen in 2009. Conversely this means that the proportion of establishments with skills gaps has *fallen* very slightly since 2009, and the proportion of the workforce deemed to have a skills gap has also fallen by one percentage point, taking it back to 2007 levels after an increase in 2009. Despite this fall, some sectors continue to be more affected than others, for example, in Hotels and Restaurants (where nine per cent of staff have a skills gap) and Wholesale and Retail (seven per cent). The largest fall in the proportion of establishments and staff affected by skills gaps is in the Construction sector, where the proportion of staff with gaps has decreased from seven to five per cent and the proportion of establishments experiencing gaps has fallen from 18 to 13 per cent. Similarly, establishments employing between 25 and 199 staff have not experienced the reductions in incidence of skill gaps reported in larger sized establishments between 2009 and 2011 and there is evidence of a continued squeeze on these businesses, which echoes their experience of skill-shortage vacancies.

Skills gaps continue to be particularly concentrated in Sales and Customer Services and Elementary occupations, although encouragingly the proportion of staff deemed not fully proficient in each of these occupations has fallen slightly (by one percentage point).

Whilst (as seen in Chapter Four) establishments found it hardest to recruit people with the required skills to Skilled Trades occupations, encouragingly it was this occupational group that saw the largest fall between 2009 and 2011 in the proportion of staff deemed not fully proficient (from eight to five per cent).

It is useful to combine the figures for skills gaps with those for skill-shortage vacancies, to get an overall picture of skills deficiencies in the workplace. When combined with data for skill-shortage vacancies one fifth of establishments in England suffer from a skills deficiency, but just one per cent report both.

The survey shows the similarity in the causes and effects of recruitment and retention difficulties and skills gaps. Training is often a solution to these problems and a lack of training, or a time-lag in seeing the impact of training, can be a cause of these problems. The next chapter explores employer investment in training and in the skills of their staff.

6 Workforce Development

Chapter summary

- Two thirds of establishments (66 per cent) had funded or arranged on- or off-the-job training for at least one of their employees over the 12 months preceding the survey. This represents a slight decrease in incidence since 2009 when 68 per cent of establishments offered training to staff.
- A further 23 per cent had given staff other, more informal development such as supervision, shadowing those in higher positions or allowing them to go beyond their current job role.
- In the 12 months preceding the survey employers in England had provided training to approximately 12 million staff, 53 per cent of the current workforce, and provided 101.6 million training days. This is slightly fewer staff and days than in 2009.
- Just under a third of all establishments had funded or arranged training designed to lead to a nationally recognised qualification (30 per cent).
- Total investment in training (which includes salaries to staff being trained) in the past 12 months was £40.5bn, which represents a fall compared to 2009 in real terms once inflation is taken into account. The amount spent per trainee and per employee is similar to in 2009 once inflation is accounted for, suggesting that the lower total spend is a result of fewer employees training rather than less being spent per trainee.

6.1 Introduction

This chapter reports on the quantity of training and development activity undertaken by employers in England. More specifically the chapter discusses the proportion of establishments that engage in training or informal workforce development activities and how this varies by establishment size, sector, geography and occupation. It also examines the quantity of training provided in terms of training days and the proportion of workers trained. Finally the chapter looks at the financial investment that employers are making in training.

Throughout the chapter, unless otherwise stated, an employer is described as providing training if in the previous 12 months they had funded or arranged one or both of the following for any of their employees based at their site:

- off-the-job training or development: training away from the individual's immediate work position, whether on their premises or elsewhere;

- on-the-job or informal training or development: activities which take place at the individual's immediate work position which would be recognised as training by recipients.

Training as defined in this way is intended to capture all activity which employers and employees would recognise as training. However, broader activity can take place which leads to skill development but which may not be classified as training. For this reason the UK Commission's Employer Skills Survey 2011 also asked employers whether they had engaged in any broader development activities, specifically: supervision to ensure that employees are guided through their job role over time; opportunities for staff to spend time learning through watching others perform their job roles; and allowing staff to perform tasks that go beyond their strict job role and providing feedback on how well they had done. As we see later in this chapter, a significant number of employers did not provide off- or on-the-job training but did engage in some of these broader development activities. However, unless otherwise stated it is on- and off-the-job training activity which is described in this chapter.

Additional time-series tables relating to workforce development can be found in Appendix A.

6.2 The extent of training and workforce development activity

Two-thirds of establishments had funded or arranged on-the-job or off-the-job training for at least one of their employees in the 12 months preceding the survey (66 per cent). Slightly more had provided on-the-job training (53 per cent of all workplaces) than had provided off-the-job training (47 per cent); a third of establishments (34 per cent) had provided both types of training.

The incidence of training over time has been fairly consistent at around two-thirds; the trend for a slight increase year on year has however been broken in 2011 with the figure falling from 68 per cent in 2009 to 66 per cent (see Table 6.1). In particular, the incidence of establishments doing both on- and off-the-job training has decreased from 38 to 34 per cent, suggesting that some establishments that are still training have cut back on the extent of training activity since the recession.

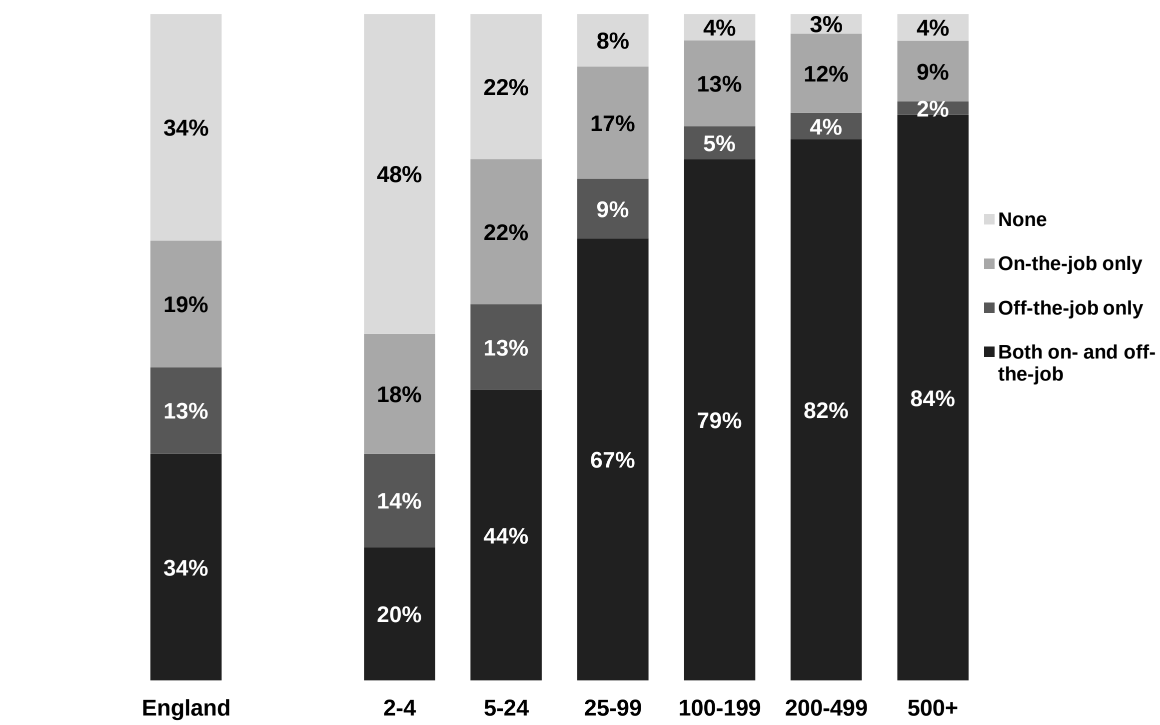
Table 6.1 Incidence of training: time series

	2005	2007	2009	2011
Base	*74,835*	*79,018*	*79,152*	*74,156*
Column %	%	%	%	%
Total doing any training	65	67	68	66
Off-the-job only	13	13	13	13
On-the-job only	19	21	17	19
Both off- and on-the-job training	33	33	38	34
Do not train	35	33	32	34

Base: All establishments in England

The likelihood that training is provided in a workplace is closely related to the number of staff working at the establishment. Just over half (52 per cent) of workplaces with fewer than five staff provided any training in the previous 12 months, rising to over three-quarters (78 per cent) of those where 5-24 staff are employed, and to more than nine-in-ten where 25 or more people are employed. Results by size of establishment are presented in Figure 6.1.

Figure 6.1 Incidence of training activity by size



	England	2-4	5-24	25-99	100-199	200-499	500+
Base: All establishments (unwtd)	*74,156*	*15,457*	*41,136*	*13,550*	*2,201*	*1,359*	*453*

The fall in the incidence of training since 2009 is seen most prominently in the smallest establishments (52 per cent from 55 per cent in 2009) suggesting that the impact of the recession on training has hit smallest establishments the hardest (Table 6.2).

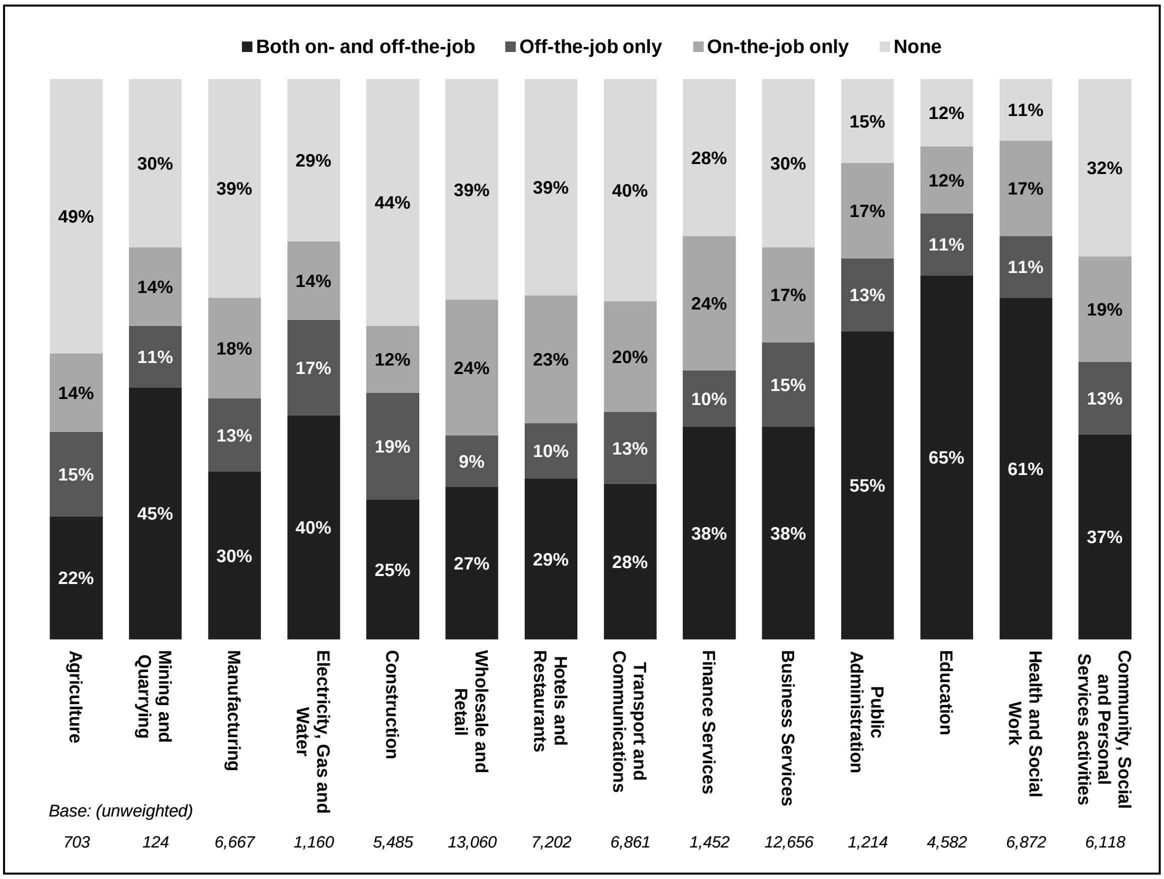
Table 6.2 Incidence of training: time series by size

		2005	2007	2009	2011
Column %		%	%	%	%
2-4	*Base:*	*22,278*	*24,084*	*22,535*	*15,457*
Total doing any training		50	54	55	52
Off-the-job only		14	14	14	14
On-the-job only		18	20	16	18
Both off- and on-the-job training		19	20	24	20
Do not train		50	46	45	48
5-24	*Base:*	*34,392*	*36,778*	*35,418*	*41,136*
Total doing any training		78	80	79	78
Off-the-job only		14	14	12	13
On-the-job only		22	24	19	22
Both off- and on-the-job training		42	42	48	44
Do not train		22	20	21	22
25-99	*Base:*	*14,162*	*13,830*	*16,270*	*13,550*
Total doing any training		93	92	93	92
Off-the-job only		10	10	8	9
On-the-job only		14	17	13	17
Both off- and on-the-job training		68	65	73	67
Do not train		7	8	7	8
100-199	*Base:*	*2,198*	*2,424*	*2,676*	*2,201*
Total doing any training		94	94	96	96
Off-the-job only		7	7	4	5
On-the-job only		10	15	9	13
Both off- and on-the-job training		76	72	83	79
Do not train		6	6	4	4
200-499	*Base:*	*1,365*	*1,407*	*1,701*	*1,359*
Total doing any training		94	94	96	97
Off-the-job only		7	8	3	4
On-the-job only		11	13	9	12
Both off- and on-the-job training		77	73	83	82
Do not train		6	6	4	3
500+	*Base:*	*440*	*495*	*552*	*453*
Total doing any training		91	95	98	96
Off-the-job only		7	8	3	2
On-the-job only		6	14	6	9
Both off- and on-the-job training		78	74	90	84
Do not train		9	5	2	4

Base: All establishments in England in each size band

The incidence of training varies widely by sector, as shown in Figure 6.2. Differences by sector are in part driven by size: sectors with low incidences of training such as Agriculture (51 per cent train) and Construction (56 per cent train) are dominated by small establishments, and sectors with high levels of training (Health and Social Work (89 per cent), Education (88 per cent) and Public Administration (85 per cent)) by large establishments.

Figure 6.2 Incidence of training activity by sector



Base: All establishments in England in each sector

Some sectors have seen larger reductions in training levels than others: incidence of training in the Construction sector fell by 10 percentage points between 2009 and 2011 having previously been on an upward trajectory; Financial Services was on a slight downward trend from 2005 to 2009 but the incidence fell even faster from 2009 to 2011, by eight percentage points. Other sectors, such as Manufacturing, Wholesale and Retail, Transport and Communications, Business Services, Health and Social Work and Community, Social and Personal Services (this sector includes, among other things, libraries, museums, sporting facilities and personal services such as hairdressing and cleaning) sectors have not seen any fall in their training suggesting that employers in these sectors have been able maintain their training levels despite the economic downturn (Table 6.3).

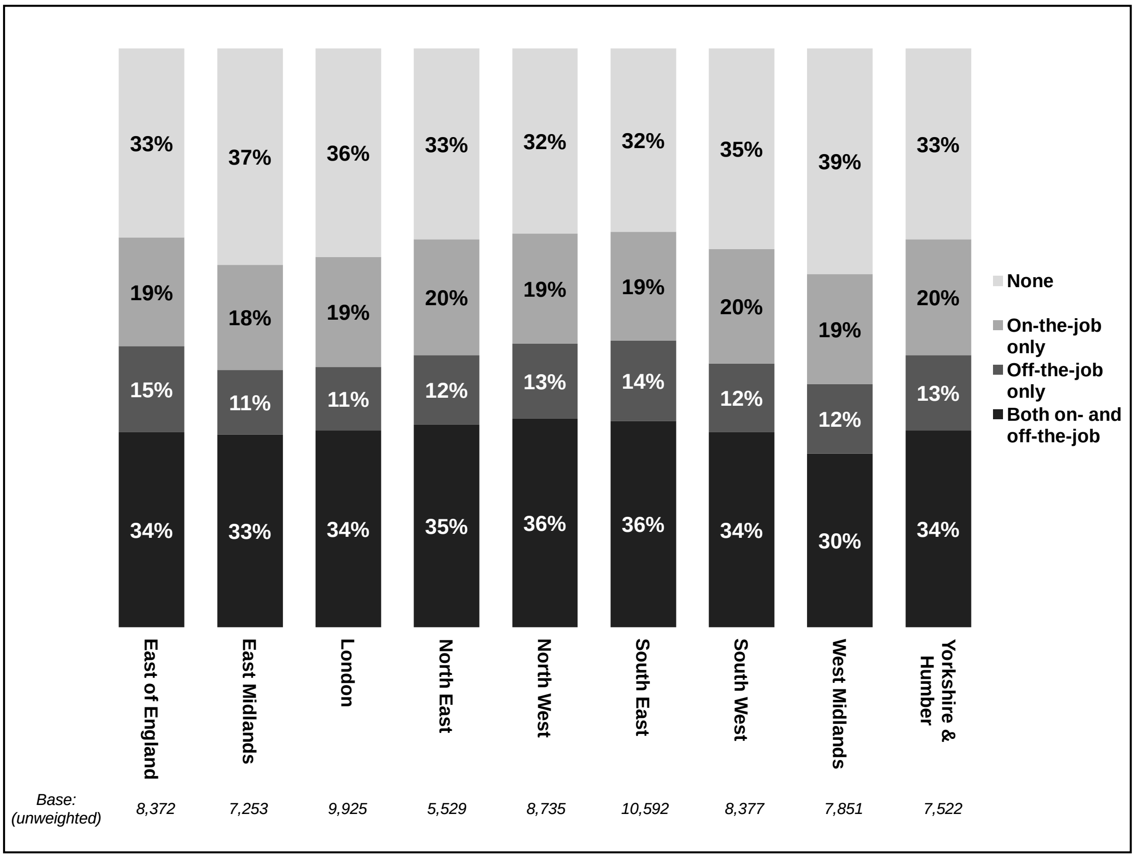
Table 6.3 Incidence of training: time series by sector

		2005	2007	2009	2011
Column %		%	%	%	%
Agriculture	*Base:*	*2,544*	*2,943*	*2,350*	*703*
Any training		46	49	55	51
Mining & Quarrying	*Base:*	*108*	*144*	*120*	*124*
Any training		78	73	80	70
Manufacturing	*Base:*	*9,665*	*10,161*	*9,374*	*6,667*
Any training		59	61	60	61
Electricity, Gas and Water	*Base:*	*160*	*202*	*231*	*1,160*
Any training		80	81	82	71
Construction	*Base:*	*4,363*	*4,808*	*5,283*	*5,485*
Any training		57	59	66	56
Wholesale and Retail	*Base:*	*16,078*	*16,861*	*15,502*	*13,060*
Any training		57	61	60	61
Hotels and Restaurants	*Base:*	*5,493*	*5,397*	*5,609*	*7,202*
Any training		60	66	66	61
Transport and Comms	*Base:*	*4,241*	*4,599*	*4,501*	*6,861*
Any training		61	63	61	60
Financial Services	*Base:*	*1,746*	*2,213*	*2,456*	*1,452*
Any training		84	82	80	72
Business Services	*Base:*	*11,381*	*12,474*	*13,375*	*12,656*
Any training		69	69	68	70
Public Administration	*Base:*	*638*	*651*	*1,031*	*1,214*
Any training		91	92	87	85
Education	*Base:*	*4,979*	*4,704*	*5,096*	*4,582*
Any training		94	92	92	88
Health and Social Work	*Base:*	*7,436*	*6,777*	*7,178*	*6,872*
Any training		86	88	88	89
Community, Social and Personal Services activities	*Base:*	*6,003*	*7,084*	*7,046*	*6,118*
Any training		63	66	68	68

Base: All establishments in England in each sector

There was relatively little variation in training activity by region, with the overall proportion of establishments training ranging from 61 per cent in the West Midlands to 68 per cent in the North West and the South East (Figure 6.3).

Figure 6.3 Incidence of training by region



Base: All establishments in each region

Incidence of training had fallen from 2009 most sharply in the West Midlands (a fall of seven percentage points), and the South West (a fall of six percentage points); both of these regions were experiencing a steady increase in levels of training prior to the 2011 survey but this fall means that incidence of training in these regions is back where it was in 2005 (Table 6.4).

Table 6.4 Incidence of training: time series by region

		2005	2007	2009	2011
Column %		%	%	%	%
East of England	*Base:*	*8,332*	*8,454*	*8,552*	*8,372*
Any training		65	66	66	67
East Midlands	*Base:*	*5,884*	*7,612*	*7,337*	*7,253*
Any training		66	68	67	63
London	*Base:*	*12,100*	*12,077*	*12,000*	*9,925*
Any training		62	67	66	64
North East	*Base:*	*4,115*	*5,608*	*5,677*	*5,529*
Any training		71	70	69	67
North West	*Base:*	*8,796*	*8,838*	*9,921*	*8,735*
Any training		64	68	67	68
South East	*Base:*	*13,647*	*12,219*	*11,040*	*10,592*
Any training		70	69	70	68
South West	*Base:*	*8,095*	*8,454*	*8,698*	*8,377*
Any training		65	68	71	65
West Midlands	*Base:*	*7,404*	*8,047*	*8,186*	*7,851*
Any training		60	65	68	61
Yorkshire & Humber	*Base:*	*6,462*	*7,709*	*7,741*	*7,522*
Any training		64	66	65	67

Base: All establishments in each region

By LEA, establishments in York were most likely to be providing training to their staff (80 per cent did so), closely followed by Portsmouth (78 per cent) and Liverpool, Medway and Trafford (each 76 per cent). Least likely were establishments in Havering, where just over half (51 per cent) did so. Table B.5 in Appendix B shows training figures for each LEA in full.

By LEP the variation was not so stark; establishments in Greater Cambridge and Greater Peterborough, Oxfordshire and Thames Valley LEPs were most likely to be providing training for staff (71 per cent), whereas those in Black Country and Stoke-on-Trent and Staffordshire were least likely (59 per cent). Training figures for each LEP can be found in Table B.11 of Appendix B.

6.3 Incidence of training and workforce development activity

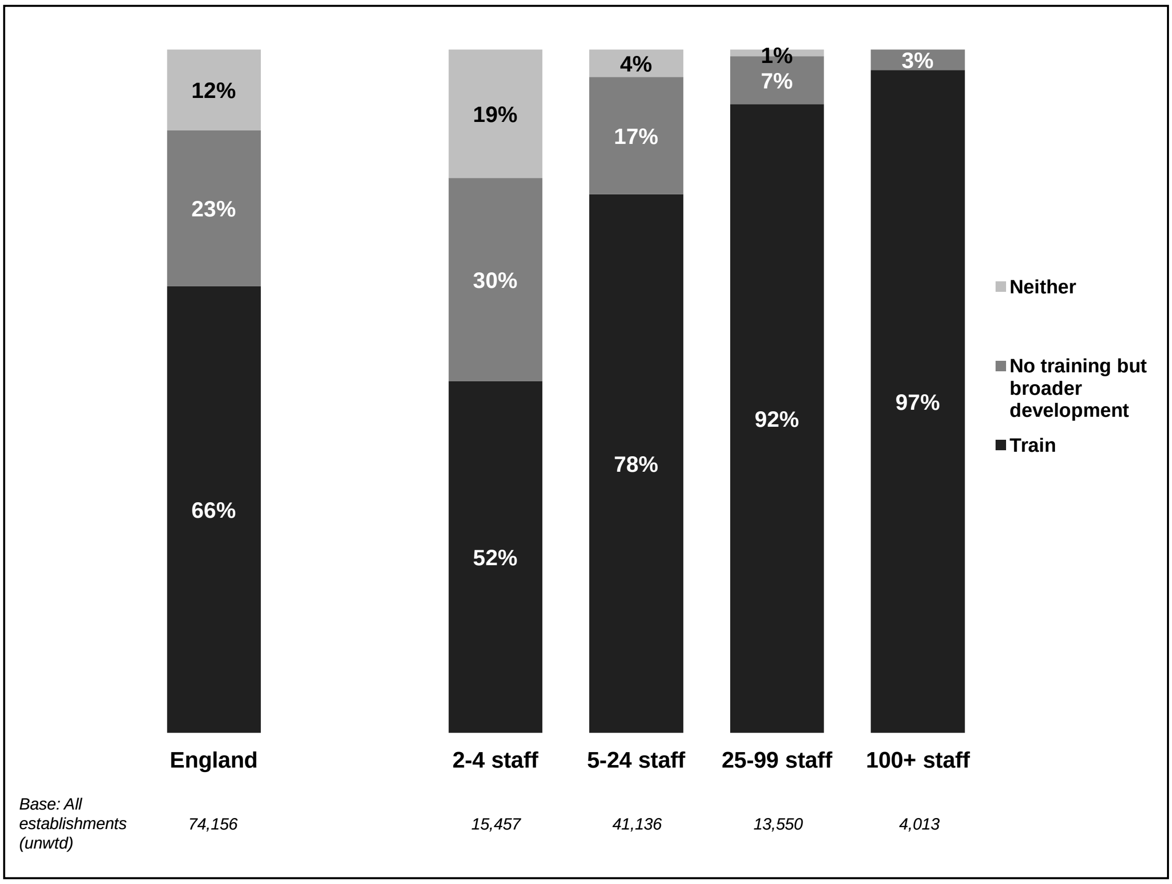
Broader activity can take place in establishments which leads to skill development but which may not be classified as training. For this reason the UK Commission's Employer Skills Survey 2011 also asked employers whether they had engaged in any broader development activities, specifically:

- supervision to ensure that employees are guided through their job role over time;
- opportunities for staff to spend time learning through watching others perform their job roles;
- allowing staff to perform tasks that go beyond their strict job role and providing feedback on how well they had done.

This section explores the proportion of workplaces that have funded or arranged training or further development for their staff over the previous 12 months, drawing comparisons with historical data when possible.

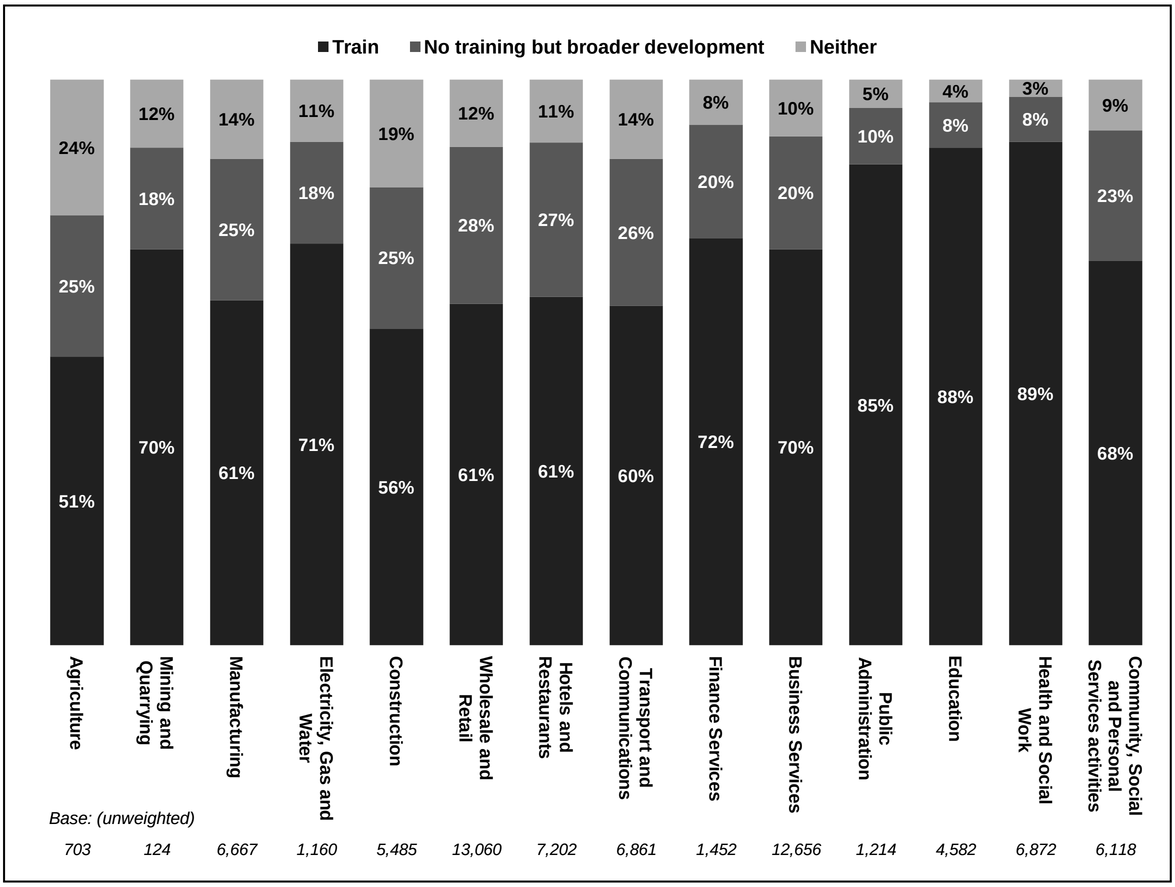
In addition to the two-thirds of establishments in England who train staff, a further 23 per cent have provided more informal development activity for their staff. The total proportion of establishments in England that provide any form of staff development is 88 per cent; however just 12 per cent of establishments offer no development at all for staff. Larger establishments are most likely to offer any form of development (Figure 6.4).

Figure 6.4 Incidence of training and further development by establishment size



The incidence of staff development varies by sector, as Figure 6.5 shows. The Agriculture and Construction industries were least likely to offer staff any form of development, with approaching a quarter and a fifth of establishments respectively offering no development for staff. Health and Social Work, Education and Public Administration were most likely to offer staff development; these establishments were also the most likely to train.

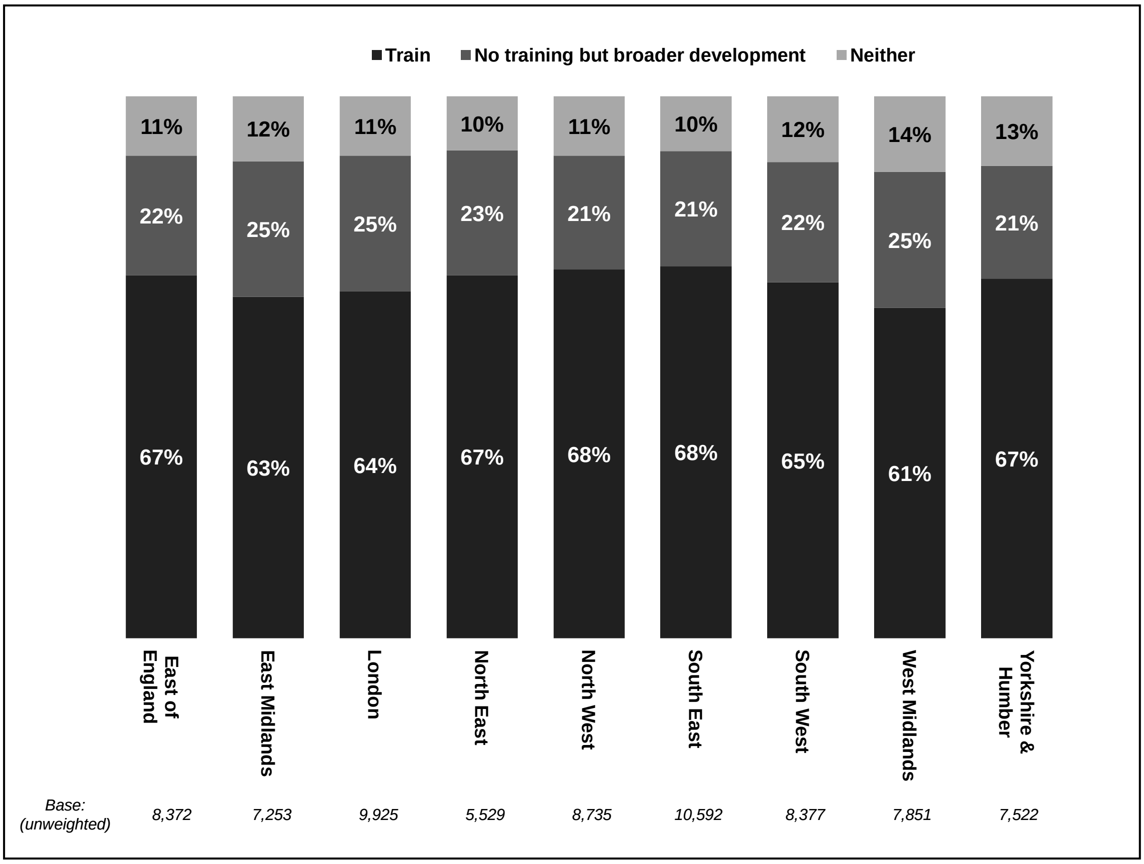
Figure 6.5 Incidence of training and further development by establishment sector



Base: All establishments in England in each sector

There was little variation by region in the proportion either training or providing broader development activity, in each region between 10 and 14 per cent of establishments offered no training or development for staff (Figure 6.6).

Figure 6.6 Incidence of training and further development by establishment region



Base: All establishments in each region

6.4 The proportion of the workforce receiving training, and the pattern of training by occupation

Having briefly considered broader development activities, the remainder of this section deals with on- and off-the job training.

In the previous 12 months employers in England had provided training to approximately 12 million staff. Notwithstanding possible double counting (staff being trained by two or more different employers in a 12 month period), this is equivalent to 53 per cent of the total workforce. This represents a fall of three percentage points from 2009 levels (there is no comparable data for this measure prior to 2009). Similarly the total number of training days has experienced a fall since 2009, from 108.8m days to 101.6m. This however is largely down to fewer employees being trained: the days per trainee figure has only dropped slightly, from 8.5 days to 8.3 (Table 6.5).

Table 6.5 Volume of training: time series

	2009	2011
Column %	%	%
Base:	*79,152*	*74,156*
% of workforce trained	56	53
Total training days	108.8m	101.6m
Days per annum per employee	4.7	4.4
Days per annum per trainee	8.5	8.3

Base: All establishments in England

Number of training days rounded to nearest 100,000

As Table 6.6 shows, the decrease in the incidence of training and in the total number of days training provided has been most keenly felt in the smallest and the largest establishments. Among those with two to four staff the percentage of the workforce trained has fallen from 43 per cent to 40 per cent, and among those with 100 or more staff[19] it has fallen from 60 per cent of the workforce to 55 per cent. In the largest firms the number of training days received has fallen sharply. That training has held up more in mid sized establishments may reflect that these establishments did not experience the reduction in gaps reported in other size establishments to the same degree (though we cannot draw direct comparisons as the size groups are not defined in the same way in this analysis).

[19] 100+ has been grouped into one sizeband for this analysis to increase the robustness of employee level data

Table 6.6 Volume of training: time series by size

		2009	2011
Column %		%	%
2-4	*Base:*	*22,535*	*15,457*
% of workforce trained		43	40
Total training days		10.2m	9.1m
Days per annum per employee		5.0	4.4
Days per annum per trainee		11.4	10.9
5-24	*Base:*	*35,418*	*41,136*
% of workforce trained		52	52
Total training days		29.5m	28.6m
Days per annum per employee		5.5	5.3
Days per annum per trainee		10.4	10.1
25-99	*Base:*	*16,270*	*13,550*
% of workforce trained		57	56
Total training days		27.2m	28.6m
Days per annum per employee		4.7	5.0
Days per annum per trainee		8.4	8.8
100+	*Base:*	*4,929*	*4,013*
% of workforce trained		60	55
Total training days		41.9m	35.3m
Days per annum per employee		4.3	3.6
Days per annum per trainee		7.1	6.6

Base: All establishments in England in each sizeband

Number of training days rounded to nearest 100,000

By sector, Construction saw a large decrease in the percentage of workforce trained, which is in line with the previous finding that incidence of training had fallen heavily in this sector as well. The Education sector is also seemingly cutting back on the amount of training arranged for staff, with an eight percentage point reduction in the proportion of staff trained and the number of training days almost half the level they were in 2009. Education only saw a slight fall in terms of incidence of training (see section 6.2 of this report), suggesting that whilst most establishments still deliver some form of training, the amount of training at each establishment (on average) has been significantly reduced (Table 6.7).

Table 6.7 Volume of training: time series by sector

		2009	2011
Column %		%	%
Agriculture	*Base:*	*2,350*	*703*
% of workforce trained		42	40
Total training days		0.9m	0.4m
Days per annum per employee		3.0	3.1
Days per annum per trainee		7.3	7.8
Mining & Quarrying	*Base:*	*120*	*124*
% of workforce trained		53	42
Total training days		0.07m	0.1m
Days per annum per employee		2.7	2.0
Days per annum per trainee		5.1	4.8
Manufacturing	*Base:*	*9,374*	*6,667*
% of workforce trained		44	44
Total training days		7.9m	8.0m
Days per annum per employee		3.4	3.4
Days per annum per trainee		7.6	7.7
Electricity, Gas and Water	*Base:*	*231*	*1,160*
% of workforce trained		67	53
Total training days		0.3m	1.3m
Days per annum per employee		3.3	5.6
Days per annum per trainee		4.9	10.5
Construction	*Base:*	*5,283*	*5,485*
% of workforce trained		53	46
Total training days		4.5m	3.3m
Days per annum per employee		4.1	3.7
Days per annum per trainee		7.7	7.9
Wholesale and Retail	*Base:*	*15,502*	*13,060*
% of workforce trained		48	51
Total training days		18.9m	17.1m
Days per annum per employee		4.9	4.6
Days per annum per trainee		10.1	8.9
Hotels and Restaurants	*Base:*	*5,609*	*7,202*
% of workforce trained		54	55
Total training days		10.9m	11.4m
Days per annum per employee		7.4	7.2
Days per annum per trainee		13.6	12.9
Transport and Communications	*Base:*	*4,501*	*6,861*
% of workforce trained		49	42
Total training days		3.9m	5.7m
Days per annum per employee		2.9	2.7
Days per annum per trainee		5.9	6.3
Financial Services	*Base:*	*2,456*	*1,452*
% of workforce trained		57	54
Total training days		3.2m	3.2m
Days per annum per employee		3.3	3.7
Days per annum per trainee		5.7	6.9
Business Services	*Base:*	*13,375*	*12,656*
% of workforce trained		53	53
Total training days		15.6m	16.0m
Days per annum per employee		3.7	3.9
Days per annum per trainee		6.9	7.4
Public Administration	*Base:*	*1,031*	*1,214*
% of workforce trained		63	60
Total training days		6.9m	8.5m
Days per annum per employee		5.8	6.0
Days per annum per trainee		9.2	10.0

Column %		2009 %	2011 %
Education	*Base:*	*5,096*	*4,582*
% of workforce trained		69	61
Total training days		8.4m	4.6m
Days per annum per employee		4.0	3.4
Days per annum per trainee		5.9	5.6
Health and Social Work	*Base:*	*7,178*	*6,872*
% of workforce trained		73	67
Total training days		18.0m	14.4m
Days per annum per employee		6.7	5.5
Days per annum per trainee		9.2	8.2
Community, Social and Personal Services activities	*Base:*	*7,046*	*6,118*
% of workforce trained		50	56
Total training days		5.6m	7.6m
Days per annum per employee		4.6	5.1
Days per annum per trainee		9.3	9.1

Base: All establishments in England in each sector

Number of training days rounded to nearest 100,000

By region, the largest falls in the proportion of the workforce trained were seen in the North East (a fall of eight percentage points) and London (a fall of six percentage points). A number of regions saw very little change, such as Yorkshire and Humber, West Midlands, South East and East of England; this suggests that the recession has hit training volumes in some areas more than others (Table 6.8).

Table 6.8 Volume of training: time series by region

		2009	2011
Column %		%	%
East of England	*Base:*	*8,552*	*8,372*
% of workforce trained		54	54
Total training days		9.7m	9.5m
Days per annum per employee		4.1	4.0
Days per annum per trainee		7.6	7.4
East Midlands	*Base:*	*7,337*	*7,253*
% of workforce trained		56	52
Total training days		7.8m	8.3m
Days per annum per employee		4.1	4.4
Days per annum per trainee		7.4	8.4
London	*Base:*	*12,000*	*9,925*
% of workforce trained		56	50
Total training days		21.2m	16.0m
Days per annum per employee		5.2	3.9
Days per annum per trainee		9.1	7.8
North East	*Base:*	*5,677*	*5,529*
% of workforce trained		58	50
Total training days		5.5m	4.7m
Days per annum per employee		5.3	4.6
Days per annum per trainee		9.2	9.1
North West	*Base:*	*9,921*	*8,735*
% of workforce trained		58	55
Total training days		15.1m	14.3m
Days per annum per employee		5.1	4.8
Days per annum per trainee		8.8	8.8
South East	*Base:*	*11,040*	*10,592*
% of workforce trained		56	55
Total training days		17.0m	18.2m
Days per annum per employee		4.6	4.9
Days per annum per trainee		8.2	9.0
South West	*Base:*	*8,698*	*8,377*
% of workforce trained		57	55
Total training days		11.9m	8.8m
Days per annum per employee		5.2	3.9
Days per annum per trainee		9.2	7.0
West Midlands	*Base:*	*8,186*	*7,851*
% of workforce trained		53	52
Total training days		9.8m	10.2m
Days per annum per employee		4.1	4.3
Days per annum per trainee		7.8	8.3
Yorkshire & Humber	*Base:*	*7,741*	*7,522*
% of workforce trained		56	56
Total training days		10.8m	11.5m
Days per annum per employee		4.8	5.2
Days per annum per trainee		8.7	9.2

Base: All establishments in England in each region
Number of training days rounded to nearest 100,000

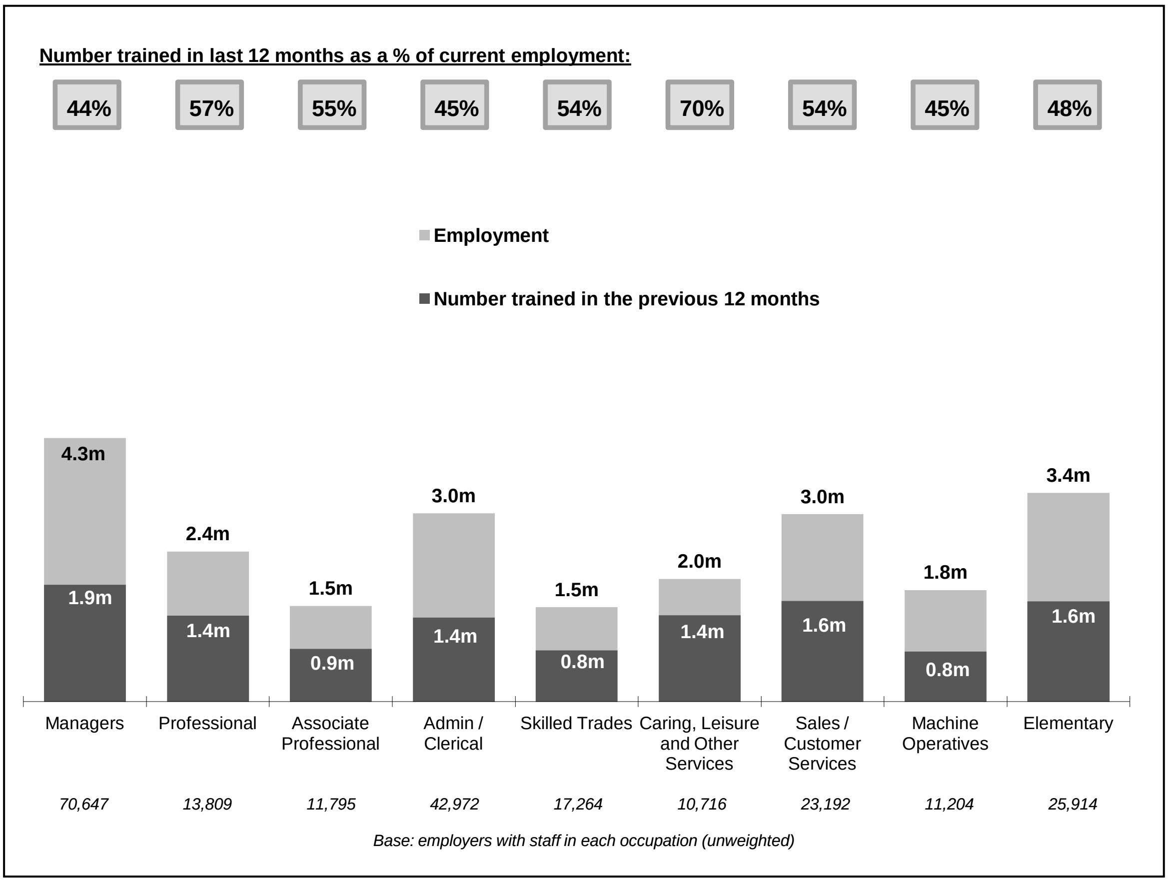
6.5 Incidence of training by Occupation

Figure 6.7 illustrates how the provision of training varies by occupation, and shows the number employed in each occupation (the full height of each bar), the number trained in the last 12 months (the darker subdivision), and the number trained in the last 12 months as a proportion of total employment (the figure in the boxes at the top of the chart). It is worth noting that the occupational profile shown is derived from employers describing their workforce structure within the survey, and differs somewhat from that derived from the Labour Force Survey which derives its profile from a survey of individuals.

While more Managers are trained than any other occupational group, this is because they are the most numerous group of employees: in proportional terms, Managers are the least likely occupational group to benefit from training (44 per cent).

Staff employed in Caring, Leisure and Other Services roles are the most likely occupational group to be trained (70 per cent)[20].

Figure 6.7 Distribution of training by occupation



[20] Full details of the definitions of each occupational type are presented in Appendix F to this report.

6.6 Training to qualifications

This section explores the extent to which employers train staff to nationally recognised qualifications and the level of the qualifications to which staff are trained.

A minority of employers that train (46 per cent, equivalent to 30 per cent of all employers) had funded or arranged training which was intended to lead to a nationally recognised qualification (whether it did lead to the that qualification being obtained or not).

Size is again a key discriminator here: the larger the training establishment the more likely it is to provide training leading to qualifications (although there is a slight drop amongst the very largest establishments with 500 or more staff). Just a fifth of those with fewer than five staff train to qualifications, whereas around two thirds of those with 100 or more do so. However employees in establishments with 25-99 staff were most likely to have received training towards a qualification (15 per cent, compared to 12 per cent of all employees).

Establishments are most likely to provide training to nationally recognised qualifications in the Education (59 per cent) and Health and Social Work (57 per cent) sectors, but it is in Mining and Quarrying, Community, Social and Personal Service and the Construction sectors where the greatest proportion of employees were trained to a nationally recognised qualification. Agriculture (20 per cent), Wholesale and Retail (23 per cent) and Transport and Communications (23 per cent) were least likely to provide this training.

By region establishments in the North East were the most likely to provide any training designed to lead to a nationally recognised qualification (38 per cent); employees in this area were also most likely to have received such training (17 per cent had done so). Establishments in the West Midlands and London were least likely to provide training to qualifications (27 per cent each) and staff in these regions were least likely to have received such training (10 per cent had done so in the West Midlands and 11 per cent in London).

Table 6.9 shows the proportion of all establishments providing any training to qualifications, and then, of those that train, the proportion that provide training to each level on the National Qualifications Framework. Finally, it shows the proportion of the workforce and the proportion of trainees that are trained to a nationally recognised qualification. This is split by Size, Sector and Region.

Table 6.9 Training to nationally recognised qualifications: 2011

Row %s	% of all establishments providing any training to a qualification			% of *training* establishments providing any training to each level					% of individuals trained to a qualification	
	Unwtd base:			*Unwtd base*	L1	L2	L3	L4+	Employees	Trainees
England	*74,156*	%	30	*56,713*	8	17	18	12	12	23
Size										
2-4 staff	*15,457*	%	19	*7,185*	7	11	11	8	11	28
5-24 staff	*41,136*	%	39	*32,442*	9	18	20	13	14	27
25-99 staff	*13,550*	%	58	*12,587*	10	29	30	22	15	27
100-199 staff	*2,201*	%	68	*2,114*	11	35	34	30	13	23
200-499 staff	*1,359*	%	67	*1,318*	12	34	33	32	11	18
500+ staff	*453*	%	60	*437*	17	38	36	40	7	15
Sector										
Agriculture	*703*	%	20	*434*	8	9	10	8	12	31
Mining and Quarrying	*124*	%	46	*95*	8	24	43	22	23	53
Manufacturing	*6,667*	%	26	*4,586*	9	15	15	9	9	21
Electricity, Gas and Water	*1,160*	%	42	*883*	13	22	16	11	17	33
Construction	*5,485*	%	29	*3,658*	10	17	18	9	18	38
Wholesale and Retail	*13,060*	%	23	*9,434*	10	16	14	5	9	18
Hotels and Restaurants	*7,202*	%	30	*5,290*	15	23	16	5	13	23
Transport and Comms	*6,861*	%	23	*4,738*	6	11	11	10	12	29
Financial Services	*1,452*	%	25	*1,122*	4	6	8	17	7	13
Business Services	*12,656*	%	29	*9,899*	6	10	12	17	11	20
Public Administration	*1,214*	%	45	*1,104*	5	20	23	23	15	25
Education	*4,582*	%	59	*4,316*	5	24	40	34	12	19
Health and Social Work	*6,872*	%	57	*6,388*	5	30	39	25	18	26
Community, Social and Personal Services	*6,118*	%	37	*4,766*	11	28	25	10	19	33
Region										
East of England	*8,372*	%	32	*6,571*	9	19	18	13	14	25
East Midlands	*7,253*	%	33	*5,388*	11	22	21	12	15	28
London	*9,925*	%	27	*7,584*	9	13	13	14	11	21
North East	*5,529*	%	38	*4,019*	10	23	26	14	17	34
North West	*8,735*	%	35	*7,030*	10	21	23	14	14	26
South East	*10,592*	%	30	*8,559*	8	15	16	13	12	22
South West	*8,377*	%	29	*6,467*	6	17	16	11	12	22
West Midlands	*7,851*	%	27	*5,263*	7	16	18	10	10	20
Yorkshire & Humber	*7,522*	%	29	*5,832*	7	17	17	10	11	19

Base: Columns 1 and 6: All establishments in England; Columns 2-5 and 7: All establishments in England that have provided training for staff in the last 12 months.

Columns 6 and 7 are shown as a percentage of all employment, percentages therefore show the proportion of all employees that have been trained to national qualifications (Column 6), and the percentage of all trainees that have been trained to national qualifications (Column 7).

Consistent with the high levels in the North East region, at an LEA level, establishments in Hartlepool were most likely to be providing training towards nationally recognised qualifications: 44 per cent reported that they had done so in the previous 12 months. The proportion was also high in Redcar and Cleveland (43 per cent), Middlesborough (42 per cent) and in Sunderland, Plymouth and St Helens (each 41 per cent). The LEAs where establishments were least likely to be providing training towards nationally recognised qualifications were most commonly in London: Kensington and Chelsea (18 per cent), Camden (20 per cent), Hackney (22 per cent) and Harrow (also 22 per cent). Table B.6 in Appendix B shows the proportion training to national qualifications in each LEA.

Establishments in the Tees Valley LEP were the most likely of all LEPs to be providing training to qualifications (41 per cent), compared to just 23 per cent in Buckinghamshire and Thames Valley. The figures for all LEPs can be found in Table B.12 in Appendix B.

Over time the proportion of those providing training to a qualification has decreased slightly, in line with the fall seen in the incidence and volume of training. This fall has been fairly consistent by subgroup at just a few percentage points, with a few notable exceptions (Table 6.10):

- In the 100-499 sizebands the figure has remained stable since 2009, however for those with 500 or more staff there has been larger falls in incidence of training to qualifications. Again, this is consistent with patterns noted earlier for mid sized establishments, but suggests that the 'larger-mid sized' establishments (employing 100-499 staff) may be better able to respond than 'smaller-mid sized' (employing 25-99 staff).
- In the Public Administration sector incidence of training to qualifications has actually risen slightly from 41 per cent to 45 per cent and the proportion of individuals being trained to a qualification has risen from nine per cent to 15 per cent.
- The Yorkshire and Humber region has seen a larger fall than the other regions in both incidence (eight percentage points) and volume (five percentage points).

Table 6.10 Training to nationally recognised qualifications: time series

Row %s	2005			2007			2009			2011		
		% of all establishments providing any training to a qualification	% of individuals trained to a qualification		% of all establishments providing any training to a qualification	% of individuals trained to a qualification		% of all establishments providing any training to a qualification	% of individuals trained to a qualification		% of all establishments providing any training to a qualification	% of individuals trained to a qualification
Unweighted base:	*Base*			*Base*			*Base*			*Base*		
England	*74,835*	30	12	*79,018*	31	11	*79,152*	33	14	*74,156*	30	12
Size												
2-4 staff	*22,278*	18	11	*24,084*	20	11	*22,535*	21	14	*15,457*	19	11
5-24 staff	*34,392*	39	14	*36,778*	40	14	*35,418*	41	16	*41,136*	39	14
25-99 staff	*14,162*	58	13	*13,830*	58	13	*16,270*	59	15	*13,550*	58	15
100-199 staff	*2,198*	60	10	*2,424*	61	10	*2,676*	65	13	*2,201*	68	13
200-499 staff	*1,365*	60	10	*1,407*	61	10	*1,701*	62	11	*1,359*	67	11
500+ staff	*440*	58	10	*495*	61	8	*552*	64	10	*453*	60	7
Sector												
Agriculture	*2,544*	21	11	*2,943*	21	12	*2,350*	23	14	*703*	20	12
Mining and Quarrying	*108*	45	21	*144*	39	9	*120*	49	15	*124*	46	23
Manufacturing	*9,665*	23	8	*10,161*	24	9	*9,374*	26	11	*6,667*	26	9
Electricity, Gas and Water	*160*	39	5	*202*	33	13	*231*	47	9	*1,160*	42	17
Construction	*4,363*	31	16	*4,808*	32	15	*5,283*	41	24	*5,485*	29	18
Wholesale and Retail	*16,078*	22	7	*16,861*	23	7	*15,502*	25	8	*13,060*	23	9
Hotels and Restaurants	*5,493*	30	11	*5,397*	33	12	*5,609*	35	14	*7,202*	30	13
Transport and Comms	*4,241*	21	10	*4,599*	22	9	*4,501*	27	14	*6,861*	23	12
Financial Services	*1,746*	40	11	*2,213*	39	11	*2,456*	34	10	*1,452*	25	7
Business Services	*11,381*	27	12	*12,474*	28	11	*13,375*	26	11	*12,656*	29	11
Public Administration	*638*	61	15	*651*	45	11	*1,031*	41	9	*1,214*	45	15
Education	*4,979*	65	13	*4,704*	65	13	*5,096*	63	15	*4,582*	59	12
Health & Social Work	*7,436*	56	20	*6,777*	57	20	*7,178*	58	23	*6,872*	57	18

Row %s	2005			2007			2009			2011		
		% of all establishments providing any training to a qualification	% of individuals trained to a qualification		% of all establishments providing any training to a qualification	% of individuals trained to a qualification		% of all establishments providing any training to a qualification	% of individuals trained to a qualification		% of all establishments providing any training to a qualification	% of individuals trained to a qualification
Unweighted base:	*Base*			*Base*			*Base*			*Base*		
Community, Social & Personal Services	*6,003*	34	13	*7,084*	32	14	*7,046*	33	15	*6,118*	37	19
Region												
East of England	*8,332*	31	12	*8,454*	31	11	*8,552*	33	13	*8,372*	32	14
East Midlands	*5,884*	32	11	*7,612*	32	13	*7,337*	36	16	*7,253*	33	15
London	*12,100*	23	10	*12,077*	28	9	*12,000*	29	10	*9,925*	27	11
North East	*4,115*	37	14	*5,608*	39	17	*5,677*	40	18	*5,529*	38	17
North West	*8,796*	34	13	*8,838*	34	12	*9,921*	36	15	*8,735*	35	14
South East	*13,647*	31	11	*12,219*	29	10	*11,040*	29	12	*10,592*	30	12
South West	*8,095*	29	11	*8,454*	31	10	*8,698*	32	14	*8,377*	29	12
West Midlands	*7,404*	30	12	*8,047*	30	12	*8,186*	32	14	*7,851*	27	10
Yorkshire & Humber	*6,462*	35	14	*7,709*	34	13	*7,741*	37	16	*7,522*	29	11

Base: All establishments in England

6.7 Employer expenditure on training

A follow-up study (the Investment in Training survey) was conducted to the core UK Commission's Employer Skills Survey 2011 among almost 8,000 establishments in England that train, with the intent to measure employer expenditure on training.

Across England, total employer expenditure on training in the 12 months prior to the UK Commission's Employer Skills Survey 2011 is estimated to have been £40.5bn. This compares with £39.2bn in 2009. In real terms, using GDP deflators[21] to calculate fluctuations in currency over time, this is a slight decrease in spend, down 1.9 per cent on 2009 spend, and 5.2 per cent down on spend in 2007 (Figure 6.8 at the end of this subsection summarises the real term fluctuations over time).

The total figure splits relatively evenly between expenditure on on-the-job training (£22.0bn, 54 per cent of total expenditure) and off-the-job training (£18.5bn, 46 per cent of total expenditure).

[21] See Appendix D for an explanation of the GDP deflators used in this calculation.

Table 6.11 presents a breakdown of the overall figure by component elements. Half of total expenditure is accounted for by the cost of paying staff while they are being trained (50 per cent). In comparison a relatively small share of overall spend is accounted for by fees to external providers (eight per cent, though it represents 17 per cent of expenditure on off-the-job training). Figures are shown in absolute terms, with no corrections for inflation.

Table 6.11 Training expenditure (in absolute terms) over the previous 12 months and the components of training expenditure: time series

	2005	%	2007	%	2009	%	2011	%
Unweighted base	*7,059*		*7,190*		*7,317*		*7,872*	
Total training spend:	£33.3bn	100	£38.6bn	100	£39.2bn	100	£40.5bn	100
Off-the-job training: Total:	£16.8bn	50	£18.4bn	47	£19.1bn	49	£18.5bn	46
Off-the-job training: course-related:	£14.3bn	43	£16.0bn	41	£16.4bn	42	£15.6bn	39
Trainee labour costs	£4,173m	13	£4,633m	12	£4,806m	12	£4,760m	12
Fees to external providers	£1,654m	5	£1,893m	5	£2,048m	5	£2,270m	6
On-site training centre	£2,287m	7	£2,551m	7	£2,635m	7	£2,180m	5
Off-site training centre (in the same company)	£381m	1	£446m	1	£261m	1	£482m	1
Training management	£5,100m	15	£5,766m	15	£6,245m	16	£5,430m	13
Non-training centre equipment and materials	£446m	1	£475m	1	£459m	1	£301m	1
Travel and subsistence	£337m	1	£410m	1	£365m	1	£359m	1
Levies minus grants	-£67m	-*	-£185m	-*	-£375m	-1	-£180m	-*
Off-the-job training: other (seminars, workshops etc.):	£2.5bn	7	£2.4bn	6	£2.7bn	7	£2.9bn	7
Trainee labour costs	£1,788m	5	£1,633m	4	£1,957m	5	£2,080m	5
Fees to external providers	£708m	2	£736m	2	£710m	2	£825m	2
On-the-job training: Total:	£16.5bn	50	£20.3bn	53	£20.0bn	51	£22.0bn	54
Trainee labour costs	£9,998m	30	£11,886m	31	£12,405m	32	£13,500m	33
Trainers' labour costs	£6,526m	20	£8,404m	22	£7,640m	20	£8,490m	21

Base: All trainers in England completing the Investment in Training survey (2005 to 2009 this was called the "Cost of Training" survey).

'' denotes a figure larger than 0 but smaller than 0.5 per cent.*

The overall training expenditure figure is equivalent to approximately £3,300 per person trained, and to £1,775 per employee in the workforce in England. In real terms this is in fact a slight increase *per person trained* of 2.8 per cent on 2009 expenditure; the amount spent per employee *in the total workforce* however represents a fall of five per cent compared with 2009 expenditure once GDP deflators are taken into account. Results in absolute terms are shown in Table 6.12, real term fluctuations are shown in Figure 6.8 below.

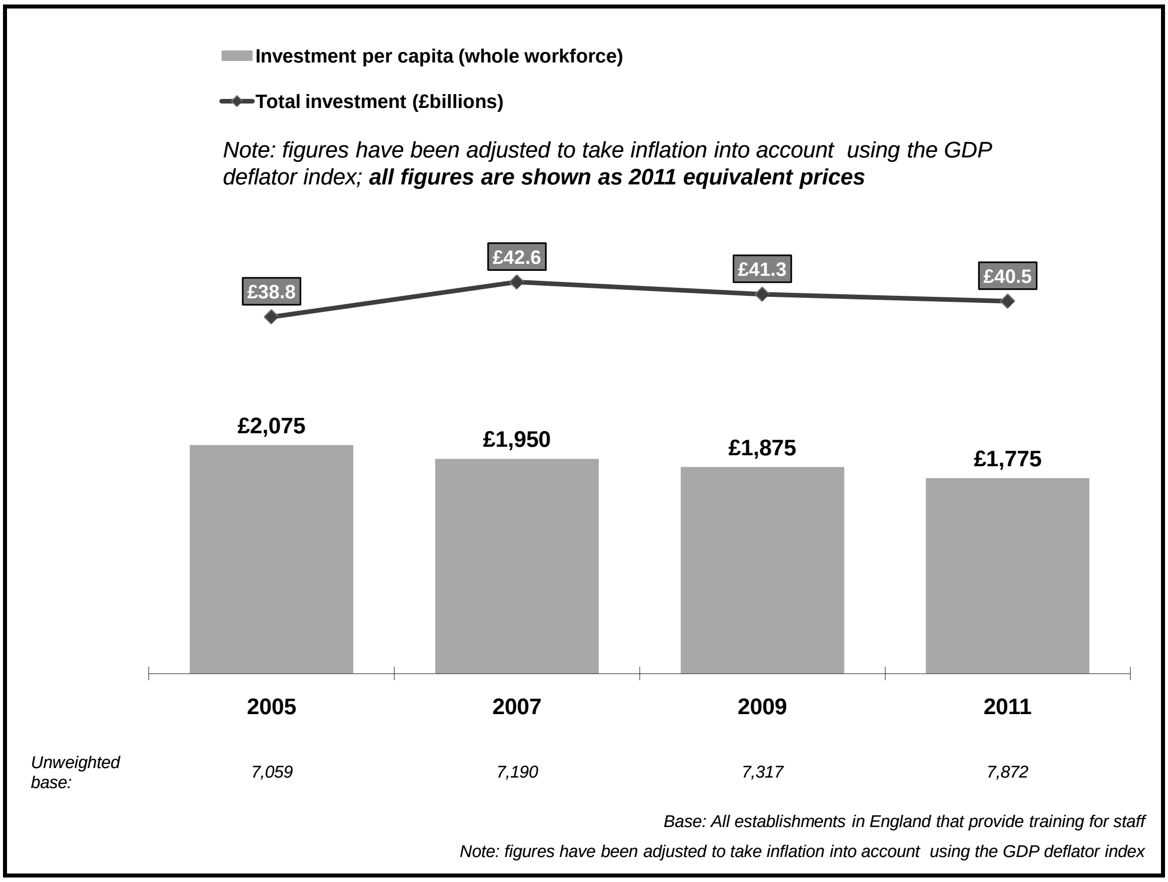
Table 6.12 Training expenditure (in absolute terms) per capita and per trainee: time series

	2005	**2007**	**2009**	**2011**
Unweighted base	*7,059*	*7,190*	*7,317*	*7,872*
Total training expenditure	£33,331m	£38,648m	£39,157m	£40,500m
Per capita training expenditure (total workforce)	£1,550	£1,725	£1,700	£1,775
Per capita training expenditure (training employers' workforce)	£1,800	£1,975	£1,925	£2,000
Per trainee training expenditure	£2,550	£2,775	£3,050	£3,300

Base: All establishments in England completing the Investment in Training survey (in 2005-2009 this was called the 'Cost of Training' survey).

Total spend rounded to nearest million; per capita and per trainee spend rounded to nearest £25

Figure 6.9 Training investment over time in real terms (after correcting for inflation)



A large component of the overall training expenditure figure presented in the previous tables is accounted for by the wages of staff being trained, and in comparison relatively little is spent on payments to external training providers. Because of these very different elements within the overall figure it is useful to breakdown the overall figure between direct and indirect costs. In the following analysis[22], the following categories are used:

- Indirect costs - the trainee labour costs (wages) of paying workers while they are not producing.
- Direct costs - all other costs.

Direct costs have been further broken down into i) external direct costs, elements that could in theory be outsourced to another organisation to provide and ii) internal direct costs, those elements that could not be transferred or outsourced to another organisation. External direct costs have been defined as fees to external providers and off-site training centre costs. Internal direct costs include on-site training centre costs, equipment and materials, travel and subsistence and levies minus grants. The costs of managers and supervisors being involved in organising and providing training has been treated as internally provided (not able to be outsourced) except where this involvement represented a reasonable amount of managers'/supervisors' time, since then this provision could

[22] This analysis was devised and undertaken by David Morris, Steven McIntosh and Andy Dickerson at Sheffield University.

potentially be externally outsourced by buying in a dedicated training organiser. It was classified as an 'external' direct cost where the training work of the managers/supervisors represented the work of one full person (i.e. where multiplying the average proportion of time spent on training matters by the number of people involved in organising/providing training within the establishment was at least one).

Across England employers as a whole, costs split evenly between direct (£20.2bn) and indirect costs (£20.3bn). External direct costs represent a slightly higher proportion of total training expenditure (28 per cent and £11.3bn) than internal direct costs (22 per cent and £8.8bn).

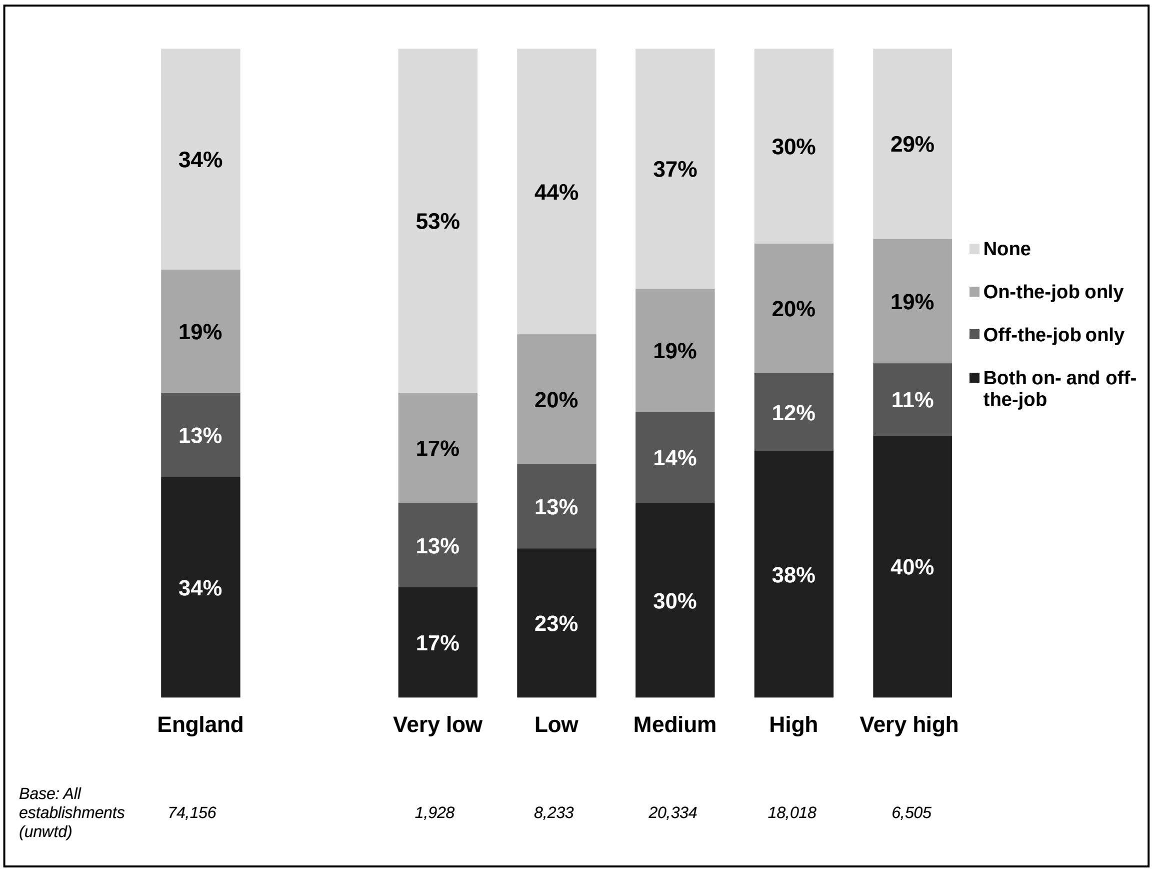
6.8 Focus on Training by Product Market Strategy

This section focuses in on how private sector establishments with differing product market strategies (PMS) approach training. As described in Chapter 2, PMS ratings were derived from the sum of answers to four questions in the survey; a 'high' score indicates an establishment's approach involves products and services that are highly customised, innovative, high quality and that their position in the market is not dependent on the price of their goods or services; a 'low' score indicates the opposite, that is, products and services that are mass produced, low quality, compete on price and are not necessarily very innovative[23].

Product Market Strategy is a strong predictor of training levels in private sector establishments. The proportion of establishments providing training for staff increases the higher up the PMS scale an establishment is, with 71 per cent of establishments with a 'very high' score providing any training for staff compared to 47 per cent of those with a 'very low' score. Figure 6.8 shows how this breaks down between on- and off-the-job training.

[23] Due to changes in the way it has been calculated, time series comparisons are not available for PMS ratings.

Figure 6.8 Incidence of training by Product Market Strategy classification



Activities to aid the development of employees can be wider however than just training; the survey asked about a number of broader development activities discussed in section 6.3 above. Again establishments scoring higher on the PMS scale were more likely to provide this sort of development for staff, with 87 per cent of the 'very high' group doing so compared to 68 per cent of the 'very low' group. In all, once both training and broader developmental activities were taken into account, almost all establishments at the 'higher' end of the scale provided development for staff, with 91 per cent of establishments in the 'high' and 'very high' groups doing so and 88 per cent of establishments in the 'medium' group; however after that the figure drops to 84 per cent in 'low' and 77 per cent in 'very low'. To look at it another way: in the 'very low' PMS groups almost a quarter of establishments (23 per cent) provide no training and development for staff. Product Market Strategies at the 'lower' end of the scale tend to require fewer skills of staff, being more focused on mass production and value and less on innovation and quality; indeed 69 per cent of those in the 'very low' group who do not train say it is because they have no need for it.

Among establishments who were training, those with 'higher' scores on the PMS scale were only marginally more likely to be training staff to nationally recognised qualifications: proportions ranged from 42 per cent of trainers in the 'very low' PMS scoring group to 47 per cent in the 'very high'. As more establishments train in the 'higher' scoring groups, this equates to range from a fifth of *all* establishments in the 'very low' scoring group (20 per cent), 24 per cent 'low', 29 per cent 'medium', 32 per cent 'high' and up to a third (33 per cent) of 'very high'.

It follows that if they are providing more training, staff working in establishments with a PMS score at the 'high' end of the scale are more likely to receive training. Over half of staff working in establishments with a 'very high' PMS score had received training in the 12 months prior to the survey (56 per cent), this reduced to just over a third (37 per cent) of staff working in establishments with a 'very low' score. However those who are trained receive no more days training in an establishment with a high PMS score than those who are trained in an establishment with a low PMS score. Table 6.13 shows the proportion of the workforce trained, along with the number of days training provided for each employee and each trainee.

Table 6.13 Volume of training by Product Market Strategy classification

	Very low	**Low**	**Medium**	**High**	**Very high**
Column %	%	%	%	%	%
Base:	*1,928*	*8,233*	*20,334*	*18,018*	*6,506*
% of workforce trained	37	42	50	54	56
Days per annum per employee	3.4	3.5	4.1	4.6	4.9
Days per annum per trainee	9.0	8.3	8.1	8.4	8.9

Base: All establishments

Number of training days rounded to nearest 100,000

Expenditure on training however does rise with PMS score, both in terms of spend per employee and spend per trainee. This suggests that the training provided by those at the 'high' scoring end of the scale, whilst similar in volume, requires more investment either through being of a higher level, or more specialist skills that cost more to come by. It could also be that more senior staff are being trained which would add to the wage costs. Table 6.14 shows spend by strategy classification.

Table 6.14 Training expenditure per capita and per trainee by Product Market Strategy classification

	Very low	Low	Medium	High	Very high
Unweighted base	*214*	*1,114*	*2,972*	*2,780*	*992*
Total training expenditure	£337m	£2,331m	£8,393m	£12,120m	£5,405m
Per capita training expenditure (total workforce)	£1,050	£1,400	£1,600	£2,075	£2,500
Per trainee training expenditure	£2,800	£3,325	£3,175	£3,825	£4,500

Base: All establishments in England completing the 'Investment in Training' survey in each group.

Total spend rounded to nearest million; per capita and per trainee spend rounded to nearest £25

6.9 Conclusion

The vast majority of employers are either training or providing some more informal development for their employees. However the proportion of establishments providing training for employees and the proportion of the workforce receiving training have both fallen compared with 2009. This fall has been particularly notable in the Construction and Financial Services sectors, both in terms of proportion of establishments providing training and proportion of the workforce trained.

As seen in previous years, training is not evenly distributed across the workforce, and employees in some sectors are more likely to miss out. In particular, Managers are less likely to be trained than other occupations (just 44 per cent are compared to 53 per cent of the workforce as a whole), as are staff in smaller organisations.

Product Market Strategy positioning has a strong relationship with levels of training, with those at the 'higher' end of the scale more likely to train their staff and to provide broader development for them. Almost a quarter of establishments in the 'very low' PMS groups (23 per cent) provide no training and development for staff; 'lower' scoring establishments tend to require fewer skills of staff, being more focused on mass production and value and less on innovation and quality; so the reason for this lack of development for staff is most commonly that they perceive they have no need for it. Staff in these organisations are therefore missing out on training, but there is no business or economic incentive for the establishments to provide it for them.

Investment in training has fallen slightly in real terms; this is partly due to fewer people being trained although there has also been a reduction in the amount spend on each trainee.

Crucially only a relatively small number of employers train their employees towards nationally recognised qualifications, which highlights their lack of engagement with the publicly designed skills and qualification system. This lends support to the proposition that employers need to be more at the centre of a system that is flexible and adaptable to their needs.

7 Conclusions

The UK Commission's Employer Skills Survey 2011 is a large scale employer survey covering an extensive range of topics, including recruitment, internal skills gaps, investment in training and product market strategies. This concluding chapter summarises the key messages coming out of the project for England, and, in drawing comparisons with the previous National Employer Skills Survey (NESS) series (carried out in England until 2009), discusses the ways employers are reacting to the economic climate.

Concentrated pockets of skills deficiencies by sector and occupation

Skills deficiencies measured by this project cover both internal skills gaps, where staff are not fully proficient to perform their job role, and external skills shortages where establishments are having difficulties finding people with the appropriate skills to fill vacancies.

Both are experienced by a minority of employers (18 per cent of establishments had skills gaps and four per cent skill-shortage vacancies), but this overall picture masks concentrated pockets of skills deficiencies in the economy that have the potential to affect the current economic recovery and future growth. These pockets are unevenly spread across the economy.

Skill-shortage vacancies, reported by four per cent of establishments overall, are most likely to be experienced by establishments in the Manufacturing and Community, Social and Personal Services sectors, where five per cent of establishments have a skill-shortage vacancy and almost a quarter (24 and 23 per cent respectively) of vacancies are hard-to-fill due to skill shortages.

As seen in previous surveys, vacancies for Skilled Trade occupations are most likely to be hard-to-fill due to skill shortages (a third of all vacancies in this occupational group are classed as "skill-shortage vacancies"); skill-shortage vacancies for Skilled Trades occupations are also among the most common in numeric terms with 14,600 skill-shortage vacancies in the whole economy. Only skill-shortage vacancies for Associate Professionals (17,500) and Professionals (15,600) are more numerous. These are all job roles that will tend to require a higher level of skills, longer training requirements on entry and also skills which are likely to be quite specific to the industry they are in, whereas occupational groups which are less affected by skill-shortage vacancies (such as Elementary occupations, Administrative and Clerical, and Sales and Customer Services) will involve skills that are more transferrable between industries.

The West Midlands and the North West are the areas affected most by a high density of skill-shortage vacancies, for both regions every one in five vacancy is a skill-shortage vacancy. Variations between regions range from 14 to 19 per cent. But the more detailed geographical analysis afforded by this survey shows much wider variation by Local Education Authority, from four per cent in Newham to 48 per cent in Kirklees. This greater variation illustrates the importance of the local labour market in the reporting of skill deficiency and in business response.

Skills gaps, where current staff are not fully proficient to do their job to the required level, affect 18 per cent of establishments; in total five per cent of the workforce is deemed to have a skills gap. Again however some pockets of industry are affected more than others. The Hotels and Restaurants sector and Wholesale and Retail sector see a higher concentration of skills gaps, with nine and seven per cent respectively of the workforce reported as having a skills gap. This ties in with the pattern seen by occupation, where Sales and Customer Services staff (which includes roles such as shop assistants and sales agents) and Elementary occupations (including bar staff and cleaners) are the occupations with the highest proportion of staff with skills gaps (nine and eight per cent respectively).

It needs to be borne in mind that having a skills gap can be a transient issue where some employees may be new to the role and developing proficiency, or where the nature of the role is changing to meet new business opportunities. In such cases skills gaps would be expected to decrease over time, and are not necessarily a negative thing as they may reflect a business that is innovating and evolving its offer to remain competitive.

Skills deficiencies of either kind are most likely to be seen in larger establishments. However their impacts are felt more strongly in smaller establishments: the biggest impact of both skill-shortage vacancies and skills gaps is an increased workload for other staff, and larger establishments have more staff to absorb the extra workload minimising the impact on each individual staff member and therefore minimising the impact overall.

Provision of and investment in training

The vast majority of establishments are providing some form of development or training for their workforce: 66 per cent of all establishments invested a combined total of £40.5bn in the skills development of their employees in the 12 months preceding the survey. Of this, half was spent on indirect costs (such as paying wages to staff whilst training), and half on direct costs: 28 per cent on direct tradeable, outsourceable costs and 22 per cent on non-tradeable direct costs that cannot typically be outsourced (such as management of training).

However this training is not evenly distributed across the workforce. Managers were the group least likely to receive training from their employer, with just 44 per cent receiving any training compared to 53 per cent of the workforce as a whole. This is of concern given the perceived management and leadership skills gap that has been identified as an issue in the UK since the 1980s (see UKCES, Ambition 2020, 2009 for a discussion of this).

Given that Sales and Customer Service occupations and Elementary occupations were the groups of staff most likely to have skills gaps, it might be hoped that high levels of training would be seen in these occupations to try to eliminate the gaps in their skills. However Sales and Customer Service occupations were no more likely than average to have received training (54 per cent had done so) and Elementary occupations are actually less likely than average to receive training (just 48 per cent had done so).

The work-readiness of education leavers

Employers who have recruited new staff directly from education in the past two to three years have generally found them well prepared for work. This perceived preparedness increases with the time spent in education, with university leavers seen as better prepared than school leavers. The 2011 survey allows us, for the first time, to split 17-18 year olds into those leaving school and those leaving college. Interestingly, those leaving college, despite being the same age and having spent the same amount of time in education, are seen as better prepared than 17-18 year olds leaving school. One hypothesis for this difference could be that college students are more likely to combine work with study, or another could be that they may take more vocational courses at college than they might take at school.

Challengingly, the small minority of employers who find education leavers poorly prepared for work most commonly cite 'lack of experience' as the main reason for this. Unsurprisingly this is most common in the younger recruits, which is difficult to ameliorate but does provide a case for increased work experience opportunities for young people offered by employers.

Product Market Strategies

Private sector businesses employ a variety of business strategies to drive performance. These Product Market Strategies can be rated according to the approach adopted by the employer, compared to others in their industry, on a series of key characteristics including price dependency, innovation, quality and customisation of products and services.

Establishments adopting a Product Market Strategy (PMS) that score at the 'high' end of the scale are defined as being more innovative and less price dependant, with products or services that are of a high quality and high level of customisation.

Establishments with a 'high' scoring Product Market Strategy tend to be more active in the recruitment market, with a higher incidence of vacancies leading to higher incidences of hard-to-fill and skill-shortage vacancies overall. Looking however at the proportion of vacancies that are hard-to-fill, it is in fact those scoring at the 'lower' end of the PMS scale that are most likely to find vacancies that they have are hard-to-fill. This is most commonly due to the nature of the job in these establishments: with lack of interest or shift work being cited as common reasons for the difficulties faced.

Establishments at the 'higher' end of the PMS scale typically will require higher level skills from their staff. It is therefore no surprise that those scoring 'higher' on the scale are more likely to provide training and development for their staff, and also not only training a higher proportion of staff but also investing more financially in training per staff member trained. Worryingly 23 per cent those scoring 'very low' on the scale provide no training or development at all for staff, most commonly because they perceive they have no need for it, compared to 12 per cent which do neither across all establishments in England. Staff in these organisations are therefore missing out on training, but given the strategy adopted there is no business or economic incentive for the establishments to provide it for them. Other research shows that businesses that don't train are more likely to close down than those that do (for example, Garrett, *et al* 2010). The survey results for this group of businesses suggest that moving their business to a higher product market, generating greater skills and training opportunities, with consequent benefits for staff and the business itself, will be challenging to achieve from the current starting position.

Employer Skills in the economic context

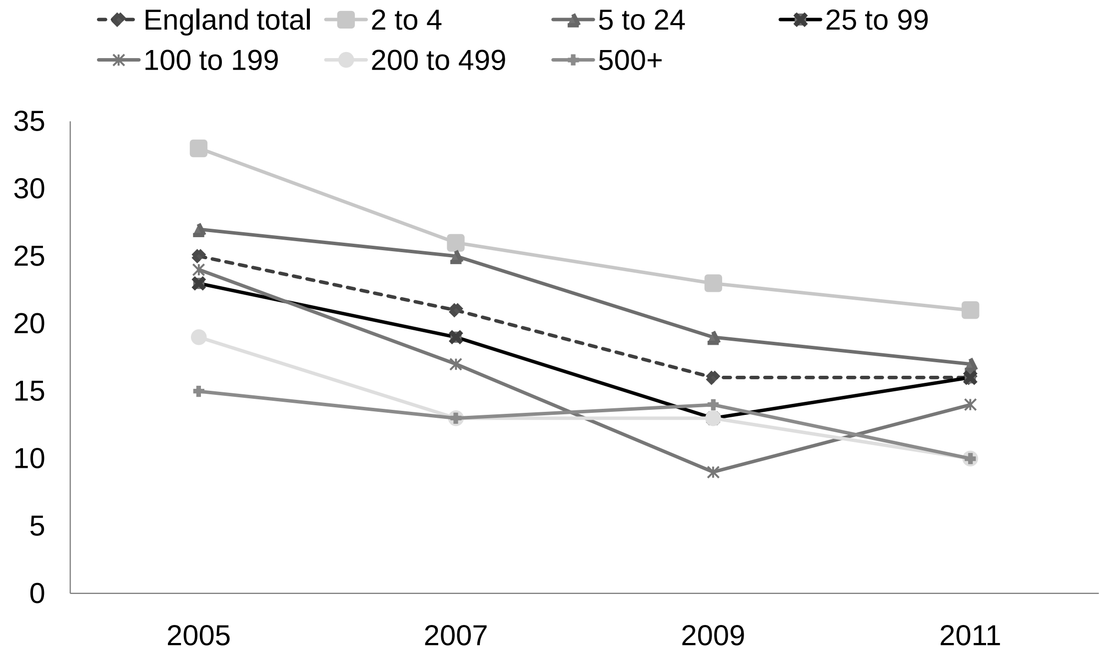
The economy in England has been volatile in the period covered by the NESS series and the UK Commission's Employer Skills Survey 2011. This report looks at time series comparisons back to 2005; in this period the UK economy has seen boom years, followed by a recession and then the first tentative steps towards recovery. The wealth of data on recruitment, skills and training collected over this period casts light on how employers have been affected by the recession and ongoing uncertainty in the economic climate.

Recruitment

When the recession hit in 2008, employer confidence plummeted, as evidenced by the proportion of establishments taking on new staff. In 2007 the skills surveys showed 18 per cent of establishments as having a vacancy at the time of the survey; by 2009 this had fallen to just 12 per cent, and the number of vacancies reported reduced dramatically from 620,000 to 390,000. The 2011 survey shows signs that employer confidence is starting to return, with the proportion of establishments with vacancies up to 15 per cent, and the number of vacancies up to 530,000. Whilst this is not as high as the levels seen in 2007, it suggests that employers are more willing and indeed more able to take on new staff than they were two years ago.

The market is largely meeting this demand for new staff, with the proportion of vacancies that are hard-to-fill consistent in 2011 to the proportions seen in 2009. When the number of vacancies fell between 2007 and 2009, the proportion of these vacancies that were hard-to-fill declined as well. The proportion of vacancies caused by skill-shortages shows similar patterns, with a fall between 2007 and 2009 and stable levels in 2011. However, this masks variations in these trends. Generally, those businesses most likely to report that their vacancies are hard to fill for skill related reasons (in the concentrated pockets described above) are also more likely to report an *increasing* density of skill-shortage vacancies between 2009 and 2011. Of particular note though is the trend for mid sized establishments (see Figure 7.1). Whilst the survey reports on establishments rather than enterprises, the results do lend some evidence to current debates regarding the role of businesses of this size in aiding economic recovery and driving productivity and growth, such as Germany's 'mittelstand' (*e.g.* Roper and Malshe, 2012). The survey shows that mid sized establishments in England are reporting increasing proportion of vacancies that are skill-shortage vacancies in their businesses, in contrast to the overall trend, suggesting they are demanding more skill, and perhaps, are growing, but that growth is at risk by a lack of access to suitable skills in the labour market.

Figure 7.1 Proportion of vacancies which are skill-shortage vacancies, 2005 - 2011, by size.



Base: All vacancies

Internal skills gaps

The proportion of establishments reporting skills gaps increased between 2007 and 2009 from 15 to 19 per cent, and remains fairly stable in 2011 at 18 per cent. However the actual number of skills gaps, and proportion of the workforce who have skills gaps, has in 2011 fallen back to the approximate levels seen in 2007 at 1.3 million staff or six per cent of the workforce.

As levels of training have not increased over this period, hypotheses for why this might be that perhaps fewer people have been moving jobs (as seen by the lower levels of vacancies in 2009 and 2011 compared to 2007) and so have had time to become proficient in the role they are performing, or, more pessimistically, that firms are not investing in innovation or developing new products and services that would require employees to improve their skills and may be reflected in transient skills gaps while they get up to speed.

Again, mid sized establishments are not witnessing the declines reported overall, suggesting a further squeeze on their ability to grow.

The incidence of training had been gradually increasing from 2005 to 2009 from 65 per cent in 2005 to 68 per cent in 2009. In 2011 the proportion of establishments providing any training for staff has dropped slightly to 66 per cent. Additionally, the incidence of establishments providing both on- and off-the-job training has reduced from 38 per cent in 2009 to 24 per cent in 2011, suggesting that there have been training cut backs even in establishments that are still providing training for staff. It may also reflect other research which suggests that during the recession, employers are 'training smarter', ensuring their training is focussed on critical business need (Felstead *et al*, 2012).

The proportion of the workforce receiving training has also fallen, from 56 per cent in 2009 to 53 per cent in 2011, as has the number of days training provided in total and per trainee, and the financial investment made in training. There is some evidence that training volumes have held up in mid sized establishments, perhaps in response to the fact that skill gaps are not declining at the rate reported elsewhere or that their experience of skill-shortage vacancies has also become more intense.

On this latter point, financial investment in training has reduced by 1.9 per cent in "real terms", that is, after inflation has been taken into account. This equates to a fall in investment per person trained of 2.8 per cent; however the investment per capita in the workforce as a whole has remained consistent.

The fall has not been uniform across all sectors, and some have been able to maintain their 2009 training levels despite the downturn. The sectors hardest hit have been the Construction sector, which has seen a 10 percentage point fall from 66 per cent to 56 per cent in the proportion of establishments providing training, and the Financial Services, which experienced an eight percentage point fall from 80 per cent to 72 per cent (though the figure is still above the all-England average for training).

The 2009 figures suggested that whilst employers were cutting back on recruitment, they were counterbalancing this by continuing to invest in the training and development of the staff they did have. The 2011 figures suggest that whilst this confidence to take on new staff is returning, employers willingness and ability to invest in their current staff has decreased as the knock-on effects of the economic downturn have hit training budgets. With the UK back in recession at the time of writing, it is essential that employers retain a focus on their people to ensure they are well placed to drive economic recovery and also benefit from any upturn that does occur in the coming months and years.

Further avenues for analysis and future reports

This report has used the England data from the UK Commission's Employer Skills Survey 2011 to update the findings and examine changes from the previous NESS series. There is, however, much more that can be done with the rich data available from the 2011 survey. Further analysis of other areas of the survey, including High Performance Working Practices (HPWP), and more detailed analysis for Northern Ireland, Scotland and Wales, will be provided in subsequent reports. In addition, a series of sectoral studies will be released later in the summer of 2012, evidence from this project will form the bedrock of these. There is also the potential for advanced analysis techniques, such as regression and cluster analysis to potentially draw out further information on themes such as retention, recruitment and training. There is the scope to look at how different themes and trends fit together, and more broadly how employer characteristics and local labour markets can be used to predict likely behaviour. In this way the data allows deeper understanding of the challenges and the opportunities employers face in tackling the skill deficiencies which test growth and business success, and raise ambitious demand for highly skilled people in UK businesses.

Appendix A: Time series tables

Chapter 2: Nature of Establishments in England

Table 2.A.1 Employer size over time

	2005	2007	2009	2011
Number of establishments	*1,390,155*	*1,451,507*	*1,492,367*	*1,462,328*
Column %	%	%	%	%
2-4	53	54	53	52
5-24	37	36	37	37
25-99	8	8	8	8
100+	2	2	2	2

Source: ONS IDBR

Table 2.A.2 Employer sector over time

	2005	2007	2009	2011
Number of establishments	*1,390,155*	*1,451,507*	*1,492,367*	*1,462,328*
Column %	%	%	%	%
Agriculture	4	4	5	4
Mining and Quarrying	0.1	0.1	*	*
Manufacturing	9	8	7	6
Electricity, Gas and Water	0.1	0.4	*	*
Construction	7	7	9	10
Wholesale and Retail	24	22	22	21
Hotels and Restaurants	9	9	9	9
Transport and Communications	4	4	4	7
Financial Services	2	2	2	2
Business Services	21	22	24	20
Public Administration	1	1	1	1
Education	4	5	3	3
Health and Social Work	6	7	7	7
Community, Social and Personal Services activities	7	9	8	7

Source: 2011, 2009: ONS IDBR; 2007: NESS 07; 2005: NESS 05

'' denotes a figure above 0 but below 0.5*

Table 2.A.3 Employer region over time

	2005	2007	2009	2011
Number of establishments	*1,390,155*	*1,451,507*	*1,492,367*	*1,462,328*
Column %	%	%	%	%
East of England	11	11	11	11
East Midlands	8	8	8	8
London	16	16	16	16
North East	4	4	4	4
North West	12	12	12	12
South East	17	17	17	17
South West	11	11	11	11
West Midlands	10	10	10	10
Yorkshire & Humber	9	9	9	9

Source: ONS IDBR

Table 2.A.4 Type of organisation

	2005	2007	2009	2011
Unweighted base	*74,835*	*79,018*	*79,152*	*74,156*
Column %	*%*	*%*	*%*	*%*
Single site	-	63	64	64
Multisite	-	36	36	36

Base: All establishments in England

Source: Skills surveys: 2011 - UKCESS 2011; 2009 - NESS09; 2007 - NESS07; 2005 - NESS05.

Chapter 4: Employers, recruitment and skill shortages

Table 4.A.1 Incidence, volume and density of vacancies: time series by sector

		2005	2007	2009	2011
Column %		%	%	%	%
ENGLAND TOTAL	*Base:*	*74,835*	*79,018*	*79,152*	*74,156*
% of establishments with a vacancy		17	18	12	15
Number of vacancies		573,900	619,700	385,700	533,400
Vacancies as a proportion of employees		2.7	2.8	1.7	2.3
Agriculture	*Base:*	*2,544*	*2,943*	*2,350*	*703*
% of establishments with a vacancy		7	8	6	7
Number of vacancies		5,700	6,200	5,200	2,900
Vacancies as a proportion of employees		2.5	2.5	1.7	2.3
Mining & Quarrying	*Base:*	*108*	*144*	*120*	*124*
% of establishments with a vacancy		15	24	11	17
Number of vacancies		500	900	200	700
Vacancies as a proportion of employees		1.5	3.9	0.8	2.7
Manufacturing	*Base:*	*9,665*	*10,161*	*9,374*	*6,667*
% of establishments with a vacancy		17	17	9	15
Number of vacancies		48,300	46,000	24,400	39,000
Vacancies as a proportion of employees		1.7	1.8	1.0	1.6
Electricity, Gas and Water	*Base:*	*160*	*202*	*231*	*1,160*
% of establishments with a vacancy		25	18	23	13
Number of vacancies		1,400	3,500	1,600	3,700
Vacancies as a proportion of employees		1.5	2.7	1.5	1.6
Construction	*Base:*	*4,363*	*4,808*	*5,283*	*5,485*
% of establishments with a vacancy		13	12	6	7
Number of vacancies		25,200	25,200	12,100	19,700
Vacancies as a proportion of employees		2.9	3.2	1.1	2.2
Wholesale and Retail	*Base:*	*16,078*	*16,861*	*15,502*	*13,060*
% of establishments with a vacancy		14	14	9	12
Number of vacancies		87,100	84,300	50,500	62,600
Vacancies as a proportion of employees		2.3	2.2	1.3	1.7
Hotels and Restaurants	*Base:*	*5,493*	*5,397*	*5,609*	*7,202*
% of establishments with a vacancy		20	20	17	17
Number of vacancies		60,800	62,900	44,300	54,900

		2005	2007	2009	2011
Column %		%	%	%	%
Vacancies as a proportion of employees		4.3	4.4	3.0	3.5
Transport and Communications	*Base:*	*4,241*	*4,599*	*4,501*	*6,861*
% of establishments with a vacancy		19	18	11	13
Number of vacancies		35,000	28,700	17,500	56,500
Vacancies as a proportion of employees		2.9	2.3	1.3	2.6
Financial Services	*Base:*	*1,746*	*2,213*	*2,456*	*1,452*
% of establishments with a vacancy		19	22	13	17
Number of vacancies		21,900	30,500	13,700	20,400
Vacancies as a proportion of employees		2.4	3.4	1.4	2.4
Business Services	*Base:*	*11,381*	*12,474*	*13,375*	*12,656*
% of establishments with a vacancy		17	18	10	16
Number of vacancies		116,900	149,200	71,500	118,700
Vacancies as a proportion of employees		3.7	4.0	1.7	2.9
Public Administration	*Base:*	*638*	*651*	*1,031*	*1,214*
% of establishments with a vacancy		33	26	23	21
Number of vacancies		33,100	16,500	19,200	30,900
Vacancies as a proportion of employees		2.9	2.0	1.6	2.2
Education	*Base:*	*4,979*	*4,704*	*5,096*	*4,582*
% of establishments with a vacancy		27	30	26	22
Number of vacancies		40,800	59,500	28,900	17,200
Vacancies as a proportion of employees		1.7	2.1	1.4	1.3
Health and Social Work	*Base:*	*7,436*	*6,777*	*7,178*	*6,872*
% of establishments with a vacancy		27	26	22	20
Number of vacancies		64,100	61,800	60,900	51,000
Vacancies as a proportion of employees		2.7	2.4	2.3	2.0
Community, Social and Personal Services activities	*Base:*	*6,003*	*7,084*	*7,046*	*6,118*
% of establishments with a vacancy		18	18	14	19
Number of vacancies		33,100	44,600	27,000	55,200
Vacancies as a proportion of employees		3.4	3.6	2.3	3.8

Base: All establishments in England

Source: Skills surveys: 2011 - UKCESS 2011; 2009 - NESS09; 2007 - NESS07; 2005 - NESS05.

"Vacancies as a proportion of employees" is shown as a proportion of all employment.

Number of vacancies rounded to nearest 100

Note: For 2009 it should be noted that different weighting strategies were used to calculate the overall and sector figures; therefore the sum of the sector figures does not match the England total

Table 4.A.2 Incidence, volume and density of vacancies: time series by region

		2005	2007	2009	2011
Column %		%	%	%	%
ENGLAND TOTAL	*Base:*	*74,835*	*79,018*	*79,152*	*74,156*
% of establishments with a vacancy		17	18	12	15
Number of vacancies		573,900	619,700	385,700	533,400
Vacancies as a proportion of employees		2.7	2.8	1.7	2.3
East of England	*Base:*	*8,332*	*8,454*	*8,552*	*8,372*
% of establishments with a vacancy		16	18	12	15
Number of vacancies		57,100	64,200	44,200	70,600
Vacancies as a proportion of employees		2.6	2.8	1.9	3.0
East Midlands	*Base:*	*5,884*	*7,612*	*7,337*	*7,253*
% of establishments with a vacancy		16	15	11	14
Number of vacancies		39,700	41,000	30,800	41,800
Vacancies as a proportion of employees		2.3	2.3	1.6	2.2
London	*Base:*	*12,100*	*12,077*	*12,000*	*9,925*
% of establishments with a vacancy		17	21	14	17
Number of vacancies		87,400	126,900	74,700	99,800
Vacancies as a proportion of employees		2.3	3.3	1.8	2.4
North East	*Base:*	*4,115*	*5,608*	*5,677*	*5,529*
% of establishments with a vacancy		19	18	12	13
Number of vacancies		23,800	23,400	21,500	21,000
Vacancies as a proportion of employees		2.5	2.3	2.1	2.0
North West	*Base:*	*8,796*	*8,838*	*9,921*	*8,735*
% of establishments with a vacancy		18	17	11	14
Number of vacancies		83,600	75,200	43,700	60,400
Vacancies as a proportion of employees		3.0	2.6	1.5	2.0
South East	*Base:*	*13,647*	*12,219*	*11,040*	*10,592*
% of establishments with a vacancy		18	18	13	17
Number of vacancies		99,200	115,400	64,500	106,000
Vacancies as a proportion of employees		2.8	3.2	1.7	2.9
South West	*Base:*	*8,095*	*8,454*	*8,698*	*8,377*
% of establishments with a vacancy		17	17	12	13
Number of vacancies		62,500	58,600	38,700	47,400
Vacancies as a proportion of employees		3.0	2.7	1.7	2.1
West Midlands	*Base:*	*7,404*	*8,047*	*8,186*	*7,851*
% of establishments with a vacancy		17	16	11	12
Number of vacancies		56,300	61,400	33,200	45,000

Vacancies as a proportion of employees		2.5	2.6	1.4	1.9
Yorkshire & Humber	*Base:*	*6,462*	*7,709*	*7,741*	*7,522*
% of establishments with a vacancy		20	18	12	12
Number of vacancies		64,400	53,600	34,500	41,400
Vacancies as a proportion of employees		3.1	2.4	1.5	1.9

Base: All establishments in England;

Source: Skills surveys: 2011 - UKCESS 2011; 2009 - NESS09; 2007 - NESS07; 2005 - NESS05.

"Vacancies as a proportion of employees" is shown as a proportion of all employment. Number of vacancies rounded to nearest 100

Table 4.A.3 Incidence, volume and density of vacancies: time series by occupation

Column %		2005	2007	2009	2011
Managers	*Base:*	*17,056*	*17,944*	*12,713*	*14,749*
% of establishments with vacancies with a vacancy for managers		8	10	9	6
	Base:	*69,767*	*74,406*	*75,109*	*70,647*
Number of vacancies		27,100	35,300	19,800	17,700
Vacancies as a proportion of employees		0.8	0.9	0.5	0.4
Professionals	*Base:*	*17,056*	*17,944*	*12,713*	*14,749*
% of establishments with vacancies with a vacancy for professionals		10	13	11	13
	Base:	*12,077*	*12,063*	*13,567*	*13,809*
Number of vacancies		51,600	71,100	36,800	71,400
Vacancies as a proportion of employees		2.2	2.7	1.4	2.9
Associate Professionals	*Base:*	*17,056*	*17,944*	*12,713*	*14,749*
% of establishments with vacancies with a vacancy for associate professionals		16	18	19	19
	Base:	*11,441*	*10,542*	*12,746*	*11,795*
Number of vacancies		83,200	100,800	64,100	90,500
Vacancies as a proportion of employees		4.8	6.3	3.7	5.9
Admin / Clerical	*Base:*	*17,056*	*17,944*	*12,713*	*14,749*
% of establishments with vacancies with a vacancy for admin/clerical occupations		17	18	16	16
	Base:	*42,654*	*45,710*	*46,668*	*42,972*
Number of vacancies		69,600	72,900	45,500	50,100
Vacancies as a proportion of employees		2.3	2.3	1.4	1.7
Skilled Trades	*Base:*	*17,056*	*17,944*	*12,713*	*14,749*
% of establishments with vacancies with a vacancy for skilled trades		12	14	11	14
	Base:	*16,702*	*16,933*	*18,511*	*17,264*
Number of vacancies		50,200	58,800	29,000	43,700
Vacancies as a proportion of employees		3.3	3.7	1.8	2.9
Caring, Leisure and Other services	*Base:*	*17,056*	*17,944*	*12,713*	*14,749*
% of establishments with vacancies with a vacancy for caring, leisure and other services		14	12	16	14
	Base:	*9,283*	*8,008*	*9,308*	*10,716*
Number of vacancies		64,700	62,700	55,000	75,000
Vacancies as a proportion of employees		4.0	3.8	3.1	3.8
Sales / Customer services	*Base:*	*17,056*	*17,944*	*12,713*	*14,749*
% of establishments with vacancies with a vacancy for sales / customer services		16	16	15	13
	Base:	*21,046*	*23,005*	*23,317*	*23,192*
Number of vacancies		81,500	83,900	46,300	69,700
Vacancies as a proportion of employees		2.9	2.8	1.5	2.3
Machine Operatives	*Base:*	*17,056*	*17,944*	*12,713*	*14,749*
% of establishments with vacancies with a vacancy for machine operatives		8	8	5	6
	Base:	*10,667*	*10,633*	*11,610*	*11,204*
Number of vacancies		48,100	41,400	20,100	27,900

Column %		**2005**	**2007**	**2009**	**2011**
Vacancies as a proportion of employees		2.9	2.8	1.3	1.6
Elementary	*Base:*	*17,056*	*17,944*	*12,713*	*14,749*
% of establishments with vacancies with a vacancy for elementary staff		17	16	17	15
	Base:	*23,871*	*22,817*	*24,601*	*25,914*
Number of vacancies		89,600	84,300	61,300	74,300
Vacancies as a proportion of employees		2.8	2.7	1.9	2.2

Base: % of establishments with vacancies that have a vacancy for each occupation: All establishments in England with vacancies; Number of vacancies and vacancies as a proportion of all employees: All establishments in England with staff in each occupation.

Source: Skills surveys: 2011 - UKCESS 2011; 2009 - NESS09; 2007 - NESS07; 2005 - NESS05.

"Vacancies as a proportion of employees" is shown as a proportion of all employment.

Number of vacancies rounded to nearest 100.

Table 4.A.4 Incidence, volume and density of hard-to-fill vacancies: time series by size

		2005	2007	2009	2011
Column %		%	%	%	%
ENGLAND TOTAL	*Base:*	*74,835*	*79,018*	*79,152*	*74,156*
% of establishments with a hard-to-fill vacancy		7	7	3	5
Number of hard-to-fill vacancies		203,600	183,500	85,400	115,500
	Base:	*17,056*	*17,944*	*12,713*	*14,749*
% of vacancies that are hard to fill		35	30	22	22
2-4	*Base:*	*22,278*	*24,084*	*22,535*	*15,457*
% of establishments with a hard-to-fill vacancy		3	4	2	3
Number of hard-to-fill vacancies		51,100	45,400	24,100	33,600
	Base:	*2,225*	*2,415*	*1,576*	*1,219*
% of vacancies that are hard to fill		45	38	32	35
5-24	*Base:*	*34,392*	*36,778*	*35,418*	*41,136*
% of establishments with a hard-to-fill vacancy		6	8	4	5
Number of hard-to-fill vacancies		69,800	67,800	30,100	36,200
	Base:	*7,128*	*7,575*	*4,761*	*6,907*
% of vacancies that are hard to fill		40	36	25	22
25-99	*Base:*	*14,162*	*13,830*	*16,270*	*13,550*
% of establishments with a hard-to-fill vacancy		10	12	6	9
Number of hard-to-fill vacancies		44,700	40,000	16,300	27,700
	Base:	*5,379*	*5,363*	*4,297*	*4,462*
% of vacancies that are hard to fill		34	27	18	20
100-199	*Base:*	*2,198*	*2,424*	*2,676*	*2,201*
% of establishments with a hard-to-fill vacancy		15	17	8	14
Number of hard-to-fill vacancies		15,100	12,500	4,200	7,800
	Base:	*1,177*	*1,398*	*1,059*	*1,142*
% of vacancies that are hard to fill		30	21	13	16
200-499	*Base:*	*1,365*	*1,407*	*1,701*	*1,359*
% of establishments with a hard-to-fill vacancy		16	18	9	14
Number of hard-to-fill vacancies		14,000	10,400	6,200	6,600
	Base:	*845*	*866*	*744*	*744*
% of vacancies that are hard to fill		23	18	15	11
500+	*Base:*	*440*	*495*	*552*	*453*
% of establishments with a hard-to-fill vacancy		16	15	10	15
Number of hard-to-fill vacancies		8,900	7,300	4,400	3,600
	Base:	*302*	*327*	*276*	*275*
% of vacancies that are hard to fill		21	16	16	11

Base for proportion of establishments with and number of hard-to-fill vacancies: All establishments in England

Base for % of vacancies that are hard to fill: All establishments in England with vacancies"% of vacancies that are hard to fill" is shown as a proportion of all vacancies, figures therefore show the percentage of vacancies which are hard-to-fill.

Number of hard-to-fill vacancies rounded to nearest 100

Source: Skills surveys: 2011 - UKCESS 2011; 2009 - NESS09; 2007 - NESS07; 2005 - NESS05.

Table 4.A.5 Incidence, volume and density of hard-to-fill vacancies: time series by sector

		2005	2007	2009	2011
Column %		%	%	%	%
ENGLAND TOTAL	*Base:*	*74,835*	*79,018*	*79,152*	*74,156*
% of establishments with a hard-to-fill vacancy		7	7	3	5
Number of hard-to-fill vacancies		203,600	183,500	85,400	115,500
	Base:	*17,056*	*17,944*	*12,713*	*14,749*
% of vacancies that are hard to fill		35	30	22	22
Agriculture	*Base:*	*2,544*	*2,943*	*2,350*	*703*
% of establishments with a hard-to-fill vacancy		4	4	2	3
Number of hard-to-fill vacancies		3,200	3,000	2,300	1,000
	Base:	*235*	*279*	*187*	*67*
% of vacancies that are hard to fill		56	49	43	34
Mining & Quarrying	*Base:*	*108*	*144*	*120*	*124*
% of establishments with a hard-to-fill vacancy		6	9	3	8
Number of hard-to-fill vacancies		100	400	100	100
	Base:	*19*	*38*	*18*	*27*
% of vacancies that are hard to fill		**	*47*	**	*20*
Manufacturing	*Base:*	*9,665*	*10,161*	*9,374*	*6,667*
% of establishments with a hard-to-fill vacancy		8	7	3	6
Number of hard-to-fill vacancies		17,500	16,300	5,400	10,800
	Base:	*1,952*	*2,048*	*1,048*	*1,232*
% of vacancies that are hard to fill		36	35	22	28
Electricity, Gas and Water	*Base:*	*160*	*202*	*231*	*1,160*
% of establishments with a hard-to-fill vacancy		7	3	9	4
Number of hard-to-fill vacancies		200	300	600	600
	Base:	*39*	*44*	*51*	*169*
% of vacancies that are hard to fill		*16*	*9*	38	15
Construction	*Base:*	*4,363*	*4,808*	*5,283*	*5,485*
% of establishments with a hard-to-fill vacancy		7	5	2	3
Number of hard-to-fill vacancies		12,400	11,000	3,400	8,700
	Base:	*773*	*810*	*373*	*481*
% of vacancies that are hard to fill		49	44	28	44
Wholesale and Retail	*Base:*	*16,078*	*16,861*	*15,502*	*13,060*
% of establishments with a hard-to-fill vacancy		6	5	2	3
Number of hard-to-fill vacancies		30,200	22,600	10,200	11,400
	Base:	*2,915*	*3,086*	*1,862*	*2,206*
% of vacancies that are hard to fill		35	27	20	18
Hotels and Restaurants	*Base:*	*5,493*	*5,397*	*5,609*	*7,202*
% of establishments with a hard-to-fill vacancy		10	8	6	6
Number of hard-to-fill vacancies		22,400	19,200	9,700	12,300

		2005	2007	2009	2011
Column %		%	%	%	%
	Base:	*1,630*	*1,606*	*1,471*	*1,777*
% of vacancies that are hard to fill		37	31	22	22
Transport and Communications	*Base:*	*4,241*	*4,599*	*4,501*	*6,861*
% of establishments with a hard-to-fill vacancy		8	6	4	5
Number of hard-to-fill vacancies		11,400	8,700	3,800	9,700
	Base:	*1,004*	*993*	*578*	*1,219*
% of vacancies that are hard to fill		33	30	22	17
Financial Services	*Base:*	*1,746*	*2,213*	*2,456*	*1,452*
% of establishments with a hard-to-fill vacancy		7	7	3	4
Number of hard-to-fill vacancies		5,800	5,800	2,600	3,000
	Base:	*390*	*534*	*348*	*279*
% of vacancies that are hard to fill		27	19	19	15
Business Services	*Base:*	*11,381*	*12,474*	*13,375*	*12,656*
% of establishments with a hard-to-fill vacancy		7	7	3	5
Number of hard-to-fill vacancies		40,800	49,200	16,500	24,900
	Base:	*2,628*	*3,152*	*1,946*	*2,638*
% of vacancies that are hard to fill		35	33	23	21
Public Administration	*Base:*	*638*	*651*	*1,031*	*1,214*
% of establishments with a hard-to-fill vacancy		10	5	4	5
Number of hard-to-fill vacancies		12,300	2,600	2,400	5,700
	Base:	*237*	*223*	*304*	*313*
% of vacancies that are hard to fill		37	16	12	19
Education	*Base:*	*4,979*	*4,704*	*5,096*	*4,582*
% of establishments with a hard-to-fill vacancy		9	8	6	6
Number of hard-to-fill vacancies		10,900	11,300	5,200	2,800
	Base:	*1,515*	*1,537*	*1,402*	*1,264*
% of vacancies that are hard to fill		27	19	18	16
Health and Social Work	*Base:*	*7,436*	*6,777*	*7,178*	*6,872*
% of establishments with a hard-to-fill vacancy		10	7	6	5
Number of hard-to-fill vacancies		23,800	16,500	15,500	8,300
	Base:	*2,402*	*2,070*	*1,959*	*1,724*
% of vacancies that are hard to fill		37	27	25	16
Community, Social and Personal Services activities	*Base:*	*6,003*	*7,084*	*7,046*	*6,118*
% of establishments with a hard-to-fill vacancy		8	8	3	7
Number of hard-to-fill vacancies		12,600	16,500	6,600	16,000
	Base:	*1,317*	*1,524*	*1,166*	*1,353*
% of vacancies that are hard to fill		38	37	24	29

Base for proportion of establishments with and number of hard-to-fill vacancies: All establishments in England

Base for % of vacancies that are hard to fill: All establishments with vacancies

Source: Skills surveys: 2011 - UKCESS 2011; 2009 - NESS09; 2007 - NESS07; 2005 - NESS05.

"% of vacancies that are hard to fill" is shown as a proportion of all vacancies, figures therefore show the percentage of vacancies which are hard-to-fill.

Number of hard-to-fill vacancies rounded to nearest 100; figures in italics denotes base <50: treat figures with caution.

Table 4.A.6 Incidence, volume and density of hard-to-fill vacancies: time series by region

		2005	2007	2009	2011
Column %		%	%	%	%
ENGLAND TOTAL	*Base:*	*74,835*	*79,018*	*79,152*	*74,156*
% of establishments with a hard-to-fill vacancy		7	7	3	5
Number of hard-to-fill vacancies		203,600	183,500	85,400	115,500
	Base:	*17,056*	*17,944*	*12,713*	*14,749*
% of vacancies that are hard to fill		35	30	22	22
East of England	*Base:*	*8,332*	*8,454*	*8,552*	*8,372*
% of establishments with a hard-to-fill vacancy		7	7	4	6
Number of hard-to-fill vacancies		19,500	19,300	11,400	13,300
	Base:	*1,748*	*2,033*	*1,317*	*1,782*
% of vacancies that are hard to fill		34	30	26	19
East Midlands	*Base:*	*5,884*	*7,612*	*7,337*	*7,253*
% of establishments with a hard-to-fill vacancy		5	5	3	4
Number of hard-to-fill vacancies		11,800	12,100	5,600	8,000
	Base:	*1,335*	*1,457*	*1,083*	*1,361*
% of vacancies that are hard to fill		30	30	18	19
London	*Base:*	*12,100*	*12,077*	*12,000*	*9,925*
% of establishments with a hard-to-fill vacancy		6	8	4	5
Number of hard-to-fill vacancies		24,600	40,300	16,800	17,700
	Base:	*2,507*	*3,197*	*2,210*	*2,437*
% of vacancies that are hard to fill		28	32	22	18
North East	*Base:*	4,115	*5,608*	*5,677*	*5,529*
% of establishments with a hard-to-fill vacancy		8	7	3	4
Number of hard-to-fill vacancies		8,600	7,000	5,100	4,000
	Base:	*966*	*1,244*	*798*	*806*
% of vacancies that are hard to fill		36	30	24	19
North West	*Base:*	8,796	*8,838*	*9,921*	*8,735*
% of establishments with a hard-to-fill vacancy		8	6	3	4
Number of hard-to-fill vacancies		35,400	18,700	8,800	14,000
	Base:	*2,127*	*1,950*	*1,501*	*1,755*
% of vacancies that are hard to fill		42	25	20	23
South East	*Base:*	*13,647*	*12,219*	*11,040*	*10,592*
% of establishments with a hard-to-fill vacancy		8	7	3	6
Number of hard-to-fill vacancies		38,300	36,100	13,600	21,600
	Base:	*3,226*	*2,857*	*1,987*	*2,678*
% of vacancies that are hard to fill		39	31	21	20

		2005	2007	2009	2011
Column %		%	%	%	%
South West	*Base:*	*8,095*	*8,454*	*8,698*	*8,377*
% of establishments with a hard-to-fill vacancy		7	7	4	4
Number of hard-to-fill vacancies		19,200	20,400	8,400	10,900
	Base:	*1,815*	*1,872*	*1,448*	*1,525*
% of vacancies that are hard to fill		31	35	22	23
West Midlands	*Base:*	*7,404*	*8,047*	*8,186*	*7,851*
% of establishments with a hard-to-fill vacancy		7	6	3	4
Number of hard-to-fill vacancies		22,200	14,600	6,800	12,100
	Base:	*1,709*	*1,566*	*1,196*	*1,156*
% of vacancies that are hard to fill		39	24	20	27
Yorkshire & Humber	*Base:*	*6,462*	*7,709*	*7,741*	*7,522*
% of establishments with a hard-to-fill vacancy		9	6	3	4
Number of hard-to-fill vacancies		23,900	14,900	9,000	13,900
	Base:	*1,623*	*1,768*	*1,173*	*1,249*
% of vacancies that are hard to fill		37	28	26	34

Base for proportion of establishments with and number of hard-to-fill vacancies: All establishments in England

Base for % of vacancies that are hard to fill: All establishments with vacancies.

Source: Skills surveys: 2011 - UKCESS 2011; 2009 - NESS09; 2007 - NESS07; 2005 - NESS05.

"% of vacancies that are hard to fill" is shown as a proportion of all vacancies, figures therefore show the percentage of vacancies which are hard-to-fill.

Number of hard-to-fill vacancies rounded to nearest 100.

Table 4.A.7 Causes of hard-to-fill vacancies (unprompted)

	Base (unwtd)	Low number of applicants with the required skills	Not enough people interested in doing this type of job	Lack of work experience the company demands	Low number of applicants with the required attitude, motivation or personality	Low number of applicants generally	Lack of qualifications the company demands	Poor terms and conditions (e.g. pay) offered for post	Job entails shift work/unsociable hours	Remote location/poor public transport	Too much competition from other employers
		%	%	%	%	%	%	%	%	%	%
Total	*4,386*	39	25	20	16	15	14	14	8	8	7
Size											
2-4	*471*	30	31	17	17	22	9	11	6	6	5
5-24	*2,209*	40	19	19	19	12	12	11	12	7	5
25-99	*1,180*	35	31	20	15	11	26	22	11	7	9
100-199	*288*	52	11	25	7	16	10	6	4	11	16
200-499	*172*	64	33	26	5	11	13	7	1	9	9
500+	*66*	54	13	25	1	8	9	37	-	24	22
Sector											
Agriculture	*25*	*14*	*55*	*5*	*22*	*20*	*2*	*2*	*2*	*3*	*1*
Mining and Quarrying	*9*	-	-	-	-	-	-	-	-	-	-
Manufacturing	*495*	59	13	22	9	12	13	6	1	9	5
Electricity, Gas and Water	*49*	36	30	19	8	12	17	10	2	1	0
Construction	*178*	20	61	12	10	56	8	5	1	2	3
Wholesale and Retail	*541*	35	19	23	15	12	9	10	13	7	7
Hotels and Restaurants	*571*	33	23	15	22	11	7	16	23	13	6
Transport and Communications	*437*	54	13	23	17	11	10	9	5	4	6
Financial Services	*59*	49	7	20	8	7	6	26	3	2	26
Business Services	*844*	47	21	25	17	10	17	8	5	6	9
Public Administration	*74*	32	38	20	13	21	10	27	15	11	10
Education	*255*	49	14	20	14	25	16	14	4	7	4
Health and Social Work	*452*	28	17	13	18	14	7	16	14	17	9
Community, Social and Personal Services activities	*397*	25	38	17	17	6	34	32	7	7	7
Region											
East of England	*642*	37	17	20	12	12	11	17	8	11	8
East Midlands	*376*	29	18	19	21	9	15	8	11	11	7
London	*691*	46	21	24	19	9	13	8	8	2	11
North East	*225*	53	15	15	18	15	6	13	6	8	13
North West	*501*	31	40	12	15	8	35	37	8	4	6
South East	*910*	46	20	21	15	13	11	16	8	11	7
South West	*405*	32	30	23	18	13	10	7	10	11	8
West Midlands	*328*	41	16	24	16	14	15	11	11	8	6
Yorkshire & Humber	*308*	32	44	15	11	40	8	4	6	6	3

Base: All establishments in England with hard-to-fill vacancies

Source: Skills surveys: 2011 - UKCESS 2011; 2009 - NESS09; 2007 - NESS07; 2005 - NESS05.

Percentages are based on all hard-to-fill vacancies, rather than all establishments with hard-to-fill vacancies; figures therefore show the proportion of hard-to-fill vacancies caused by each factor reported by employers.

Table 4.A.8 Incidence, volume and density of skill-shortage vacancies: time series by size

		2005	2007	2009	2011
Column %		%	%	%	%
ENGLAND TOTAL	*Base:*	*74,835*	*79,018*	*79,152*	*74,156*
% of establishments with a SSV		5	5	3	4
Number of SSVs		143,100	130,000	63,100	85,500
	Base:	*17,056*	*17,944*	*12,713*	*14,749*
% of vacancies that are SSVs		25	21	16	16
2-4	*Base:*	*22,278*	*24,084*	*22,535*	*15,457*
% of establishments with a SSV		3	3	2	2
Number of SSVs		36,600	31,600	17,600	20,700
	Base:	*2,225*	*2,415*	*1,576*	*1,219*
% of vacancies that are SSVs		33	26	23	21
5-24	*Base:*	*34,392*	*36,778*	*35,418*	*41,136*
% of establishments with a SSV		6	6	3	4
Number of SSVs		46,900	46,800	22,200	27,000
	Base:	*7,128*	*7,575*	*4,761*	*6,907*
% of vacancies that are SSVs		27	25	19	17
25-99	*Base:*	*14,162*	*13,830*	*16,270*	*13,550*
% of establishments with a SSV		10	9	4	7
Number of SSVs		30,300	27,900	11,300	22,300
	Base:	*5,379*	*5,363*	*4,297*	*4,462*
% of vacancies that are SSVs		23	19	13	16
100-199	*Base:*	*2,198*	*2,424*	*2,676*	*2,201*
% of establishments with a SSV		15	14	7	11
Number of SSVs		11,900	10,000	2,900	6,700
	Base:	*1,177*	*1,398*	*1,059*	*1,142*
% of vacancies that are SSVs		24	17	9	14
200-499	*Base:*	*1,365*	*1,407*	*1,701*	*1,359*
% of establishments with a SSV		16	14	8	12
Number of SSVs		11,200	7,800	5,200	5,800
	Base:	*845*	*866*	*744*	*744*
% of vacancies that are SSVs		19	13	13	10
500+	*Base:*	*440*	*495*	*552*	*453*
% of establishments with a SSV		16	13	8	13
Number of SSVs		6,200	6,000	4,000	3,000
	Base:	*302*	*327*	*276*	*275*
% of vacancies that are SSVs		15	13	14	10

Base for proportion of establishments with an SSV: All establishments in England
Base for % of vacancies that are SSVs: All establishments with vacancies
Source: Skills surveys: 2011 - UKCESS 2011; 2009 - NESS09; 2007 - NESS07; 2005 - NESS05.
Number of skill-shortage vacancies rounded to nearest 100

Table 4.A.9 Incidence, volume and density of skill-shortage vacancies: time series by sector

		2005	2007	2009	2011
Column %		%	%	%	%
ENGLAND TOTAL	*Base:*	*74,835*	*79,018*	*79,152*	*74,156*
% of establishments with a SSV		5	5	3	4
Number of SSVs		143,100	130,000	63,100	85,500
	Base:	*17,056*	*17,944*	*12,713*	*14,749*
% of vacancies that are SSVs		25	21	16	16
Agriculture	*Base:*	*2,544*	*2,943*	*2,350*	*703*
% of establishments with a SSV		3	2	2	2
Number of SSVs		1,900	1,900	1,400	700
	Base:	*235*	*279*	*187*	*67*
% of vacancies that are SSVs		34	31	26	25
Mining & Quarrying	*Base:*	*108*	*144*	*120*	*124*
% of establishments with a SSV		3	9	3	7
Number of SSVs		100	400	*	100
	Base:	*19*	*38*	*18*	*27*
% of vacancies that are SSVs		**	*43*	**	*18*
Manufacturing	*Base:*	*9,665*	*10,161*	*9,374*	*6,667*
% of establishments with a SSV		6	6	2	5
Number of SSVs		14,000	12,500	4,400	9,300
	Base:	*1,952*	*2,048*	*1,048*	*1,232*
% of vacancies that are SSVs		29	27	18	24
Electricity, Gas and Water	*Base:*	*160*	*202*	*231*	*1,160*
% of establishments with a SSV		6	2	7	3
Number of SSVs		200	200	500	400
	Base:	*39*	*44*	*51*	*169*
% of vacancies that are SSVs		*13*	*6*	30	12
Construction	*Base:*	*4,363*	*4,808*	*5,283*	*5,485*
% of establishments with a SSV		5	4	1	2
Number of SSVs		9,200	8,600	2,700	3,500
	Base:	*773*	*810*	*373*	*481*
% of vacancies that are SSVs		36	34	23	18
Wholesale and Retail	*Base:*	*16,078*	*16,861*	*15,502*	*13,060*
% of establishments with a SSV		4	3	2	2
Number of SSVs		19,800	14,600	7,700	8,400
	Base:	*2,915*	*3,086*	*1,862*	*2,206*
% of vacancies that are SSVs		23	17	15	13
Hotels and Restaurants	*Base:*	*5,493*	*5,397*	*5,609*	*7,202*
% of establishments with a SSV		6	4	4	4
Number of SSVs		12,600	11,500	6,300	7,800
	Base:	*1,630*	*1,606*	*1,471*	*1,777*
% of vacancies that are SSVs		21	18	14	14

Column %		2005 %	2007 %	2009 %	2011 %
Transport and Communications	*Base:*	*4,241*	*4,599*	*4,501*	*6,861*
% of establishments with a SSV		5	5	3	4
Number of SSVs		7,700	6,200	2,800	8,100
	Base:	*1,004*	*993*	*578*	*1,219*
% of vacancies that are SSVs		22	22	16	14
Financial Services	*Base:*	*1,746*	*2,213*	*2,456*	*1,452*
% of establishments with a SSV		6	6	3	3
Number of SSVs		4,400	4,700	2,200	2,600
	Base:	*390*	*534*	*348*	*279*
% of vacancies that are SSVs		20	16	16	13
Business Services	*Base:*	*11,381*	*12,474*	*13,375*	*12,656*
% of establishments with a SSV		5	6	2	4
Number of SSVs		31,700	38,900	13,200	20,600
	Base:	*2,628*	*3,152*	*1,946*	*2,638*
% of vacancies that are SSVs		27	26	18	17
Public Administration	*Base:*	*638*	*651*	*1,031*	*1,214*
% of establishments with a SSV		8	3	2	4
Number of SSVs		10,900	1,900	1,300	4,000
	Base:	*237*	*223*	*304*	*313*
% of vacancies that are SSVs		33	12	7	13
Education	*Base:*	*4,979*	*4,704*	*5,096*	*4,582*
% of establishments with a SSV		6	6	4	4
Number of SSVs		7,300	7,600	4,000	2,200
	Base:	*1,515*	*1,537*	*1,402*	*1,264*
% of vacancies that are SSVs		18	13	14	13
Health and Social Work	*Base:*	*7,436*	*6,777*	*7,178*	*6,872*
% of establishments with a SSV		6	4	4	3
Number of SSVs		14,700	8,900	10,400	5,100
	Base:	*2,402*	*2,070*	*1,959*	*1,724*
% of vacancies that are SSVs		23	14	17	10
Community, Social and Personal Services activities	*Base:*	*6,003*	*7,084*	*7,046*	*6,118*
% of establishments with a SSV		6	6	3	5
Number of SSVs		8,700	12,000	4,600	12,600
	Base:	*1,317*	*1,524*	*1,166*	*1,353*
% of vacancies that are SSVs		26	27	17	23

Base for proportion of establishments with an SSV: All establishments in England
Base for % of vacancies that are SSVs: All establishments with vacancies
Source: Skills surveys: 2011 - UKCESS 2011; 2009 - NESS09; 2007 - NESS07; 2005 - NESS05.
Number of skill-shortage vacancies rounded to nearest 100

*'**' denotes base size under 25: too low to report. Figures in italics denote base size <50: treat figures with caution.*

Table 4.A.10 Incidence, volume and density of skill-shortage vacancies: time series by region

		2005	2007	2009	2011
Column %		%	%	%	%
ENGLAND TOTAL	*Base:*	*74,835*	*79,018*	*79,152*	*74,156*
% of establishments with a SSV		5	5	3	4
Number of SSVs		143,100	130,000	63,100	85,500
	Base:	*17,056*	*17,944*	*12,713*	*14,749*
% of vacancies that are SSVs		25	21	16	16
East of England	*Base:*	*8,332*	*8,454*	*8,552*	*8,372*
% of establishments with a SSV		5	4	3	5
Number of SSVs		13,400	12,500	8,300	10,200
	Base:	*1,748*	*2,033*	*1,317*	*1,782*
% of vacancies that are SSVs		23	19	19	14
East Midlands	*Base:*	*5,884*	*7,612*	*7,337*	*7,253*
% of establishments with a SSV		4	3	2	3
Number of SSVs		8,200	8,500	4,000	6,400
	Base:	*1,335*	*1,457*	*1,083*	*1,361*
% of vacancies that are SSVs		21	21	13	15
London	*Base:*	*12,100*	*12,077*	*12,000*	*9,925*
% of establishments with a SSV		4	7	3	5
Number of SSVs		19,000	32,900	13,600	15,200
	Base:	*2,507*	*3,197*	*2,210*	*2,437*
% of vacancies that are SSVs		22	26	18	15
North East	*Base:*	*4,115*	*5,608*	*5,677*	*5,529*
% of establishments with a SSV		5	5	3	3
Number of SSVs		5,500	4,600	3,700	2,900
	Base:	*966*	*1,244*	*798*	*806*
% of vacancies that are SSVs		23	20	17	14
North West	*Base:*	*8,796*	*8,838*	*9,921*	*8,735*
% of establishments with a SSV		6	4	2	3
Number of SSVs		26,200	13,000	6,200	11,300
	Base:	*2,127*	*1,950*	*1,501*	*1,755*
% of vacancies that are SSVs		31	17	14	19
South East	*Base:*	*13,647*	*12,219*	*11,040*	*10,592*
% of establishments with a SSV		5	5	2	5
Number of SSVs		25,600	25,600	9,800	16,900
	Base:	*3,226*	*2,857*	*1,987*	*2,678*
% of vacancies that are SSVs		26	22	15	16
South West	*Base:*	*8,095*	*8,454*	*8,698*	*8,377*
% of establishments with a SSV		4	4	3	3
Number of SSVs		11,000	12,800	6,000	7,100
	Base:	*1,815*	*1,872*	*1,448*	*1,525*

		2005	2007	2009	2011
Column %		%	%	%	%
% of vacancies that are SSVs		18	22	16	15
West Midlands	*Base:*	*7,404*	*8,047*	*8,186*	*7,851*
% of establishments with a SSV		6	4	2	3
Number of SSVs		17,300	10,000	4,800	8,300
	Base:	*1,709*	*1,566*	*1,196*	*1,156*
% of vacancies that are SSVs		31	16	15	19
Yorkshire & Humber	*Base:*	*6,462*	*7,709*	*7,741*	*7,522*
% of establishments with a SSV		7	4	3	3
Number of SSVs		16,900	10,200	6,600	7,200
	Base:	*1,623*	*1,768*	*1,173*	*1,249*
% of vacancies that are SSVs		26	19	19	17

Base for proportion of establishments with an SSV: All establishments in England

Source: Skills surveys: 2011 - UKCESS 2011; 2009 - NESS09; 2007 - NESS07; 2005 - NESS05.

Base for % of vacancies that are SSVs: All establishments with vacancies

Number of skill-shortage vacancies rounded to nearest 100

Table 4.A.11 Impacts of hard-to-fill vacancies (unprompted)

	Base (*unwtd*)	Increase workload for other staff	Have difficulties meeting customer services objectives	Experience increased operating costs	Delay developing new products or services	Lose business or orders to competitors	Have difficulties meeting quality standards	Have difficulties introducing new working practices	Outsource work	Withdraw from offering certain products or services altogether	Have difficulties introducing technological change
		%	%	%	%	%	%	%	%	%	%
Total	*4,386*	81	46	40	40	39	34	31	25	24	21
Size											
2-4	*471*	79	47	40	47	49	35	32	28	34	26
5-24	*2,209*	82	47	40	39	38	33	31	23	22	18
25-99	*1,180*	83	44	41	31	30	35	26	23	11	17
100-199	*288*	83	41	41	31	22	34	24	25	8	19
200-499	*172*	81	41	38	37	19	40	28	25	7	20
500+	*66*	93	59	52	31	20	43	32	16	12	28
Sector											
Agriculture	*25*	*95*	*23*	*49*	*35*	*25*	*35*	*46*	*25*	*13*	*44*
Mining and Quarrying	*9*	-	-	-	-	-	-	-	-	-	-
Manufacturing	*495*	83	47	41	46	37	28	28	33	18	22
Electricity, Gas and Water	*49*	*93*	*64*	*65*	*47*	*57*	*53*	*48*	*45*	*44*	*36*
Construction	*178*	77	47	49	48	52	37	30	32	31	24
Wholesale and Retail	*541*	82	46	31	29	35	32	29	17	13	19
Hotels and Restaurants	*571*	81	49	43	39	33	43	38	20	28	16
Transport and Communications	*437*	80	43	39	48	49	29	29	29	29	30
Financial Services	*59*	95	42	18	26	32	34	40	18	2	18
Business Services	*844*	81	47	39	43	46	32	27	29	25	17
Public Administration	*74*	93	55	64	32	24	40	35	21	19	37
Education	*255*	77	38	40	34	29	38	27	28	26	14
Health and Social Work	*452*	76	34	41	27	20	34	34	20	15	12
Community, Social and Personal Services activities	*397*	80	53	41	44	46	37	28	20	33	24
Region											
East of England	*642*	83	46	41	41	38	33	35	27	25	22
East Midlands	*376*	80	49	45	45	43	34	29	31	27	23
London	*691*	81	50	41	45	45	40	32	26	28	27
North East	*225*	82	46	45	41	32	31	33	32	20	22
North West	*501*	85	46	36	34	37	34	29	20	20	15
South East	*910*	85	52	46	44	38	37	33	27	26	23
South West	*405*	71	36	28	32	37	28	28	16	16	15
West Midlands	*328*	77	38	36	36	43	33	27	20	20	19
Yorkshire & Humber	*308*	78	37	31	29	33	25	19	23	23	9

Base: All establishments in England with hard-to-fill vacancies

Source: UKCESS 2011

Chapter 5: Internal Skills Mismatch

Table 5.A.1 Incidence, volume and density of skills gaps: time series by size

		2005	2007	2009	2011
Column %		%	%	%	%
ENGLAND TOTAL	*Base:*	*74,835*	*79,018*	*79,152*	*74,156*
% of establishments with a skills gap		16	15	19	18
Number of skills gaps		1,265,000	1,361,100	1,702,500	1,318,900
% of workforce with skills gaps		6	6	7	6
2-4	*Base:*	*22,278*	*24,084*	*22,535*	*15,457*
% of establishments with a skills gap		8	8	10	8
Number of skills gaps		74,300	77,100	90,300	73,300
% of workforce with skills gaps		4	4	4	4
5-24	*Base:*	*34,392*	*36,778*	*35,418*	*41,136*
% of establishments with a skills gap		23	21	26	24
Number of skills gaps		312,600	284,000	359,300	304,000
% of workforce with skills gaps		6	5	7	6
25-99	*Base:*	*14,162*	*13,830*	*16,270*	*13,550*
% of establishments with a skills gap		35	30	39	38
Number of skills gaps		336,000	313,500	380,700	330,000
% of workforce with skills gaps		6	6	7	6
100-199	*Base:*	*2,198*	*2,424*	*2,676*	*2,201*
% of establishments with a skills gap		39	39	48	46
Number of skills gaps		132,300	159,300	195,100	152,000
% of workforce with skills gaps		5	6	7	6
200-499	*Base:*	*1,365*	*1,407*	*1,701*	*1,359*
% of establishments with a skills gap		44	42	55	46
Number of skills gaps		207,200	236,800	331,300	201,600
% of workforce with skills gaps		6	7	10	6
500+	*Base:*	*440*	*495*	*552*	*453*
% of establishments with a skills gap		41	48	59	49
Number of skills gaps		202,500	290,400	345,700	258,000
% of workforce with skills gaps		6	8	9	7

Base: All establishments in England

Source: Skills surveys: 2011 - UKCESS 2011; 2009 - NESS09; 2007 - NESS07; 2005 - NESS05.

'Percentage of workforce with skills gaps' is based on all employment, therefore figures show the proportion of the entire workforce that have skills gaps.

Number of skills gaps rounded to nearest 100

Table 5.A.2 Incidence, volume and density of skills gaps: time series by sector

		2005	2007	2009	2011
Column %		%	%	%	%
ENGLAND TOTAL	*Base:*	*74,835*	*79,018*	*79,152*	*74,156*
% of establishments with a skills gap		16	15	19	18
Number of skills gaps		1,265,000	1,361,100	1,702,500	1,318,900
% of workforce with skills gaps		6	6	7	6
Agriculture	*Base:*	*2,544*	*2,943*	*2,350*	*703*
% of establishments with a skills gap		10	10	13	9
Number of skills gaps		10,900	11,900	18,400	5,300
% of workforce with skills gaps		5	5	6	4
Mining & Quarrying	*Base:*	*108*	*144*	*120*	*124*
% of establishments with a skills gap		14	12	16	9
Number of skills gaps		1,300	500	1,500	600
% of workforce with skills gaps		4	2	6	2
Manufacturing	*Base:*	*9,665*	*10,161*	*9,374*	*6,667*
% of establishments with a skills gap		18	17	20	20
Number of skills gaps		184,000	169,100	203,500	140,000
% of workforce with skills gaps		6	7	9	6
Electricity, Gas and Water	*Base:*	*160*	*202*	*231*	*1,160*
% of establishments with a skills gap		29	16	30	17
Number of skills gaps		4,700	6,700	9,400	14,900
% of workforce with skills gaps		5	5	9	6
Construction	*Base:*	*4,363*	*4,808*	*5,283*	*5,485*
% of establishments with a skills gap		15	15	18	13
Number of skills gaps		46,400	46,700	76,700	43,300
% of workforce with skills gaps		5	6	7	5
Wholesale and Retail	*Base:*	*16,078*	*16,861*	*15,502*	*13,060*
% of establishments with a skills gap		19	17	20	20
Number of skills gaps		271,700	244,900	292,900	245,500
% of workforce with skills gaps		7	6	8	7
Hotels and Restaurants	*Base:*	*5,493*	*5,397*	*5,609*	*7,202*
% of establishments with a skills gap		21	19	26	23
Number of skills gaps		137,200	131,800	164,700	145,400
% of workforce with skills gaps		10	9	11	9
Transport and Communications	*Base:*	*4,241*	*4,599*	*4,501*	*6,861*
% of establishments with a skills gap		15	14	17	14
Number of skills gaps		60,500	69,700	89,000	100,100
% of workforce with skills gaps		5	6	7	5
Financial Services	*Base:*	*1,746*	*2,213*	*2,456*	*1,452*
% of establishments with a skills gap		20	19	22	17
Number of skills gaps		62,300	56,000	82,100	39,000
% of workforce with skills gaps		7	6	8	5
Business Services	*Base:*	*11,381*	*12,474*	*13,375*	*12,656*
% of establishments with a skills gap		13	12	15	16

		2005	2007	2009	2011
Column %		%	%	%	%
Number of skills gaps		155,400	250,800	298,300	208,800
% of workforce with skills gaps		5	7	7	5
Public Administration	*Base:*	*638*	*651*	*1,031*	*1,214*
% of establishments with a skills gap		22	24	23	18
Number of skills gaps		54,700	57,300	59,100	82,000
% of workforce with skills gaps		5	7	5	6
Education	*Base:*	*4,979*	*4,704*	*5,096*	*4,582*
% of establishments with a skills gap		21	17	25	21
Number of skills gaps		102,000	110,500	110,000	59,200
% of workforce with skills gaps		4	4	5	4
Health and Social Work	*Base:*	*7,436*	*6,777*	*7,178*	*6,872*
% of establishments with a skills gap		19	17	23	21
Number of skills gaps		123,700	143,100	211,900	141,100
% of workforce with skills gaps		5	6	8	5
Community, Social and Personal Services activities	*Base:*	*6,003*	*7,084*	*7,046*	*6,118*
% of establishments with a skills gap		13	12	18	17
Number of skills gaps		50,200	62,200	92,100	93,900
% of workforce with skills gaps		5	5	8	6

Base: All establishments in England

Source: Skills surveys: 2011 - UKCESS 2011; 2009 - NESS09; 2007 - NESS07; 2005 - NESS05.

'Percentage of workforce with skills gaps' is based on all employment, therefore figures show the proportion of the entire workforce that have skills gaps.

Number of skills gaps rounded to nearest 100

Note: For 2009 it should be noted that different weighting strategies were used to calculate the overall and sector figures; therefore the sum of the sector figures does not match the England total

Table 5.A.3 Incidence, volume and density of skills gaps: time series by region

		2005	2007	2009	2011
Column %		%	%	%	%
ENGLAND TOTAL	*Base:*	*74,835*	*79,018*	*79,152*	*74,156*
% of establishments with a skills gap		16	15	19	18
Number of skills gaps		1,265,000	1,361,100	1,702,500	1,318,900
% of workforce with skills gaps		6	6	7	6
East of England	*Base:*	*8,332*	*8,454*	*8,552*	*8,372*
% of establishments with a skills gap		15	15	17	18
Number of skills gaps		115,100	145,500	160,900	141,400
% of workforce with skills gaps		5	6	7	6
East Midlands	*Base:*	*5,884*	*7,612*	*7,337*	*7,253*
% of establishments with a skills gap		15	15	18	15
Number of skills gaps		106,700	114,700	136,900	112,400
% of workforce with skills gaps		6	6	7	6
London	*Base:*	*12,100*	*12,077*	*12,000*	*9,925*
% of establishments with a skills gap		13	17	17	15
Number of skills gaps		218,800	287,300	290,800	231,700
% of workforce with skills gaps		6	7	7	6
North East	*Base:*	*4,115*	*5,608*	*5,677*	*5,529*
% of establishments with a skills gap		21	19	20	18
Number of skills gaps		53,300	61,900	61,300	61,900
% of workforce with skills gaps		6	6	6	6
North West	*Base:*	*8,796*	*8,838*	*9,921*	*8,735*
% of establishments with a skills gap		16	14	19	19
Number of skills gaps		165,000	166,500	209,000	178,800
% of workforce with skills gaps		6	6	7	6
South East	*Base:*	*13,647*	*12,219*	*11,040*	*10,592*
% of establishments with a skills gap		18	15	21	19
Number of skills gaps		231,700	211,000	302,800	216,400
% of workforce with skills gaps		7	6	8	6
South West	*Base:*	*8,095*	*8,454*	*8,698*	*8,377*
% of establishments with a skills gap		15	16	22	19
Number of skills gaps		107,500	137,600	202,500	134,600
% of workforce with skills gaps		5	6	9	6
West Midlands	*Base:*	*7,404*	*8,047*	*8,186*	*7,851*
% of establishments with a skills gap		16	14	20	18
Number of skills gaps		110,200	125,800	196,400	133,100
% of workforce with skills gaps		5	5	8	6
Yorkshire & Humber	*Base:*	*6,462*	*7,709*	*7,741*	*7,522*
% of establishments with a skills gap		23	14	17	18
Number of skills gaps		156,500	110,700	141,900	108,600
% of workforce with skills gaps		8	5	6	5

Base: All establishments in England

Source: Skills surveys: 2011 - UKCESS 2011; 2009 - NESS09; 2007 - NESS07; 2005 - NESS05.

'Percentage of workforce with skills gaps' is based on all employment, therefore figures show the proportion of the entire workforce that have skills gaps.

Number of skills gaps rounded to nearest 100

Table 5.A.4 Causes of skill gaps

	Base (unwtd)	New to the role %	Training is currently only partially completed %	Staff lack motivation %	Been on training but their performance has not improved sufficiently %	Introduction of new working practices %	Not received the appropriate training %	Unable to recruit staff with the required skills %	Introduction of new technology %	Development of new products and services %	Problems retaining staff %
Total	*18,043*	46	45	31	28	23	22	18	17	16	9
Size											
2-4	*1,298*	48	54	29	20	20	28	17	19	17	7
5-24	*9,744*	50	51	34	30	24	24	19	16	17	10
25-99	*5,105*	52	48	34	29	23	22	18	15	15	10
100-199	*1,016*	46	44	27	29	25	19	14	17	15	8
200-499	*652*	51	44	27	28	26	17	14	16	15	8
500+	*228*	29	35	31	24	21	23	21	20	16	11
Sector											
Agriculture	*101*	37	44	28	22	14	28	15	20	11	10
Mining and Quarrying	*15*	-	-	-	-	-	-	-	-	-	-
Manufacturing	*1,647*	44	48	22	21	22	28	19	20	18	5
Electricity, Gas and Water	*227*	49	48	27	19	28	14	17	17	8	7
Construction	*982*	41	47	26	20	21	26	16	18	14	4
Wholesale and Retail	*3,747*	48	43	36	33	23	20	15	16	17	7
Hotels and Restaurants	*2,391*	57	55	35	37	23	23	20	16	21	17
Transport and Communications	*1,302*	43	39	35	33	31	20	22	22	15	15
Financial Services	*316*	54	50	38	38	13	9	16	9	18	3
Business Services	*2,746*	48	47	28	25	23	20	15	17	15	11
Public Administration	*302*	36	35	22	19	24	16	14	15	11	10
Education	*1,149*	35	36	23	23	21	18	10	12	9	5
Health and Social Work	*1,755*	40	45	37	23	25	32	27	16	14	10
Community, Social and Personal Services activities	*1,363*	48	44	31	28	23	19	16	16	14	10
Region											
East of England	*2,178*	47	48	31	31	24	24	23	16	17	10
East Midlands	*1,518*	49	48	30	26	32	25	21	20	20	7
London	*2,263*	42	36	42	31	30	26	29	19	17	18
North East	*1,124*	39	43	28	27	26	22	15	15	15	5
North West	*2,281*	44	40	34	31	24	21	15	18	18	11
South East	*2,988*	47	42	33	30	21	24	16	14	13	9
South West	*2,165*	51	53	25	21	16	14	9	12	10	5
West Midlands	*1,646*	45	51	22	29	20	16	11	21	19	4
Yorkshire & Humber	*1,880*	49	56	19	14	18	22	13	13	10	6

Base: All establishments in England with skills gaps

Source: UKCESS 2011

Percentages are shown based on all skills gaps followed up in the survey, therefore figures show the proportion skills gaps that are attributed to each cause, rather than the percentage of establishments stating each cause.

Table 5.A.5 Impact of skill gaps

	Base (*unwtd*)	Increased workload for other staff %	Increased operating costs %	Difficulties meeting quality standards %	Difficulties introducing new working practices %	Loss of business or orders to competitors %	Delays developing new products or services %	Need to outsource work %
Total	*18,043*	49	27	26	22	20	15	9
Size								
2-4	*1,298*	44	24	23	20	22	19	12
5-24	*9,744*	49	26	26	23	21	15	8
25-99	*5,105*	50	31	27	22	17	12	7
100-199	*1,016*	53	35	29	26	18	13	9
200-499	*652*	56	37	30	28	17	15	8
500+	*228*	64	46	30	31	15	17	13
Sector								
Agriculture	*101*	35	32	19	21	11	16	20
Mining and Quarrying	*15*	-	-	-	-	-	-	-
Manufacturing	*1,647*	47	37	24	22	20	17	13
Electricity, Gas and Water	*227*	50	32	20	19	16	13	10
Construction	*982*	37	30	16	19	15	14	10
Wholesale and Retail	*3,747*	52	23	24	23	24	12	7
Hotels and Restaurants	*2,391*	51	31	34	24	25	16	9
Transport and Communications	*1,302*	47	33	27	22	24	20	11
Financial Services	*316*	53	19	26	21	27	11	4
Business Services	*2,746*	50	29	26	22	21	17	10
Public Administration	*302*	56	30	35	30	5	15	7
Education	*1,149*	46	20	23	23	11	12	8
Health and Social Work	*1,755*	46	19	22	24	10	13	7
Community, Social and Personal Services activities	*1,363*	46	21	28	22	17	16	8
Region								
East of England	*1,518*	53	31	29	26	22	17	9
East Midlands	*2,178*	54	33	26	25	23	18	12
London	*2,263*	55	32	32	30	30	22	11
North East	*1,124*	50	30	26	23	20	16	9
North West	*2,281*	53	30	27	25	20	18	9
South East	*2,988*	53	29	29	24	21	15	10
South West	*2,165*	40	22	20	16	14	11	7
West Midlands	*1,646*	39	22	19	16	15	12	7
Yorkshire & Humber	*1,880*	35	18	16	13	15	8	6

Base: All establishments in England with skills gaps

Source: UKCESS 2011

Chapter 6: Workforce Development

Table 6.A.1 Incidence of training: time series by sector

		2005	2007	2009	2011
Column %		%	%	%	%
ENGLAND TOTAL	*Base:*	*74,835*	*79,018*	*79,152*	*74,156*
Total doing any training		65	67	68	66
Off-the-job only		13	13	13	13
On-the-job only		19	21	17	19
Both off- and on-the-job training		33	33	38	34
Do not train		35	33	32	34
Agriculture	*Base:*	*2,544*	*2,943*	*2,350*	*703*
Total doing any training		46	49	55	51
Off-the-job only		17	16	18	15
On-the-job only		11	14	12	14
Both off- and on-the-job training		18	18	25	22
Do not train		54	51	45	49
Mining & Quarrying	*Base:*	*108*	*144*	*120*	*124*
Total doing any training		78	73	80	70
Off-the-job only		12	22	12	11
On-the-job only		17	18	16	14
Both off- and on-the-job training		50	33	53	45
Do not train		22	27	20	30
Manufacturing	*Base:*	*9,665*	*10,161*	*9,374*	*6,667*
Total doing any training		59	61	60	61
Off-the-job only		13	12	12	13
On-the-job only		19	23	17	18
Both off- and on-the-job training		27	26	31	30
Do not train		41	39	40	39
Electricity, Gas and Water	*Base:*	*160*	*202*	*231*	*1,160*
Total doing any training		80	81	82	71
Off-the-job only		15	16	8	17
On-the-job only		9	17	13	14
Both off- and on-the-job training		57	48	61	40
Do not train		20	19	18	29

Column %		2005 %	2007 %	2009 %	2011 %
Construction	*Base:*	*4,363*	*4,808*	*5,283*	*5,485*
Total doing any training		57	59	66	56
Off-the-job only		19	18	21	19
On-the-job only		13	15	11	12
Both off- and on-the-job training		25	26	34	25
Do not train		43	41	34	44
Wholesale and Retail	*Base:*	*16,078*	*16,861*	*15,502*	*13,060*
Total doing any training		57	61	60	61
Off-the-job only		11	10	12	9
On-the-job only		23	27	20	24
Both off- and on-the-job training		23	24	29	27
Do not train		43	39	40	39
Hotels and Restaurants	*Base:*	*5,493*	*5,397*	*5,609*	*7,202*
Total doing any training		60	66	66	61
Off-the-job only		11	11	11	10
On-the-job only		23	27	22	23
Both off- and on-the-job training		26	28	33	29
Do not train		40	34	34	39
Transport and Comms	*Base:*	*4,241*	*4,599*	*4,501*	*6,861*
Total doing any training		61	63	61	60
Off-the-job only		13	12	11	13
On-the-job only		19	23	17	20
Both off- and on-the-job training		29	28	32	28
Do not train		39	37	39	40
Financial Services	*Base:*	*1,746*	*2,213*	*2,456*	*1,452*
Total doing any training		84	82	80	72
Off-the-job only		12	11	9	10
On-the-job only		21	24	21	24
Both off- and on-the-job training		51	47	50	38
Do not train		16	18	20	28
Business Services	*Base:*	*11,381*	*12,474*	*13,375*	*12,656*
Total doing any training		69	69	68	70
Off-the-job only		16	15	14	15

Column %		2005 %	2007 %	2009 %	2011 %
On-the-job only		19	20	17	17
Both off- and on-the-job training		34	34	37	38
Do not train		31	31	32	30
Public Administration	*Base:*	*638*	*651*	*1,031*	*1,214*
Total doing any training		91	92	87	85
Off-the-job only		9	21	11	13
On-the-job only		14	12	13	17
Both off- and on-the-job training		68	59	64	55
Do not train		9	8	13	15
Education	*Base:*	*4,979*	*4,704*	*5,096*	*4,582*
Total doing any training		94	92	92	88
Off-the-job only		14	14	8	11
On-the-job only		8	10	8	12
Both off- and on-the-job training		71	68	76	65
Do not train		6	8	8	12
Health and Social Work	*Base:*	*7,436*	*6,777*	*7,178*	*6,872*
Total doing any training		86	88	88	89
Off-the-job only		14	14	10	11
On-the-job only		12	15	11	17
Both off- and on-the-job training		60	60	67	61
Do not train		14	12	12	11
Community, Social and Personal Services activities	*Base:*	*6,003*	*7,084*	*7,046*	*6,118*
Total doing any training		63	66	68	68
Off-the-job only		13	14	13	13
On-the-job only		18	18	16	19
Both off- and on-the-job training		33	34	39	37
Do not train		37	34	32	32

Base: All establishments in England

Source: Skills surveys: 2011 - UKCESS 2011; 2009 - NESS09; 2007 - NESS07; 2005 - NESS05.

Table 6.A.2 Incidence of training: time series by region

		2005	2007	2009	2011
Column %		%	%	%	%
ENGLAND TOTAL	*Base:*	*74,835*	*79,018*	*79,152*	*74,156*
Total doing any training		65	67	68	66
Off-the-job only		13	13	13	13
On-the-job only		19	21	17	19
Both off- and on-the-job training		33	33	38	34
Do not train		35	33	32	34
East of England	*Base:*	*8,332*	*8,454*	*8,552*	*8,372*
Total doing any training		65	66	66	67
Off-the-job only		14	14	13	15
On-the-job only		17	18	17	19
Both off- and on-the-job training		34	34	37	34
Do not train		35	34	34	33
East Midlands	*Base:*	*5,884*	*7,612*	*7,337*	*7,253*
Total doing any training		66	68	67	63
Off-the-job only		12	15	16	11
On-the-job only		22	23	15	18
Both off- and on-the-job training		32	30	36	33
Do not train		34	32	33	37
London	*Base:*	*12,100*	*12,077*	*12,000*	*9,925*
Total doing any training		62	67	66	64
Off-the-job only		12	12	13	11
On-the-job only		24	20	17	19
Both off- and on-the-job training		26	35	36	34
Do not train		38	33	34	36
North East	*Base:*	*4,115*	*5,608*	*5,677*	*5,529*
Total doing any training		71	70	69	67
Off-the-job only		12	12	14	12
On-the-job only		19	19	14	20
Both off- and on-the-job training		40	39	40	35
Do not train		29	30	31	33
North West	*Base:*	*8,796*	*8,838*	*9,921*	*8,735*
Total doing any training		64	68	67	68
Off-the-job only		14	12	12	13
On-the-job only		16	20	17	19
Both off- and on-the-job training		34	37	38	36
Do not train		36	32	33	32
South East	*Base:*	*13,647*	*12,219*	*11,040*	*10,592*
Total doing any training		70	69	70	68
Off-the-job only		15	14	12	14
On-the-job only		18	24	18	19
Both off- and on-the-job training		37	31	40	36

		2005	**2007**	**2009**	**2011**
Column %		%	%	%	%
Do not train		30	31	30	32
South West	*Base:*	*8,095*	*8,454*	*8,698*	*8,377*
Total doing any training		65	68	71	65
Off-the-job only		13	14	12	12
On-the-job only		22	23	18	20
Both off- and on-the-job training		29	31	41	34
Do not train		35	32	29	35
West Midlands	*Base:*	*7,404*	*8,047*	*8,186*	*7,851*
Total doing any training		60	65	68	61
Off-the-job only		13	14	12	12
On-the-job only		14	23	17	19
Both off- and on-the-job training		32	29	39	30
Do not train		40	35	32	39
Yorkshire & Humber	*Base:*	*6,462*	*7,709*	*7,741*	*7,522*
Total doing any training		64	66	65	67
Off-the-job only		15	12	14	13
On-the-job only		14	18	13	20
Both off- and on-the-job training		35	36	38	34
Do not train		36	34	35	33

Base: All establishments in England

Source: Skills surveys: 2011 - UKCESS 2011; 2009 - NESS09; 2007 - NESS07; 2005 - NESS05.

Appendix B: Local level data

Data by Local Education Authority (LEA)

Table B.1 Incidence and density of vacancies by LEA

		% of establishments with a vacancy	Vacancy density
Column %	*Base*	%	%
Barking and Dagenham	*119*	18	1.9
Barnet	*339*	13	2.8
Barnsley	*254*	13	1.5
Bath and North East Somerset	*291*	13	1.8
Bedford	*221*	16	2.5
Bexley	*188*	12	2.0
Birmingham	*1,214*	14	2.4
Blackburn with Darwen	*176*	19	2.4
Blackpool	*182*	12	1.2
Bolton	*284*	13	1.4
Bournemouth	*238*	16	4.2
Bracknell Forest	*123*	14	3.2
Bradford	*619*	13	1.3
Brent	*281*	17	1.9
Brighton and Hove	*333*	17	2.7
Bristol	*594*	16	2.2
Bromley	*332*	11	1.5
Buckinghamshire	*712*	13	3.3
Bury	*179*	17	3.9
Calderdale	*320*	10	1.3
Cambridgeshire	*965*	17	2.6
Camden	*606*	22	3.1
Central Bedfordshire	*373*	13	2.1
Cheshire East	*564*	17	3.1
Cheshire West and Chester	*509*	15	1.9
City of London	*422*	24	2.8
Cornwall and Isles of Scilly	*939*	9	2.5
Coventry	*351*	16	2.6
Croydon	*338*	19	3.6
Cumbria	*931*	10	1.7
Darlington	*221*	15	2.4
Derby	*338*	20	1.9
Derbyshire	*1,261*	11	2.0
Devon	*1,437*	11	1.8
Doncaster	*350*	9	0.9
Dorset	*691*	12	2.1

		% of establishments with a vacancy	Vacancy density
Column %	*Base*	%	%
Dudley	*414*	10	1.3
Durham	*1,113*	12	3.5
Ealing	*331*	13	2.3
East Riding of Yorkshire	*541*	11	2.1
East Sussex	*574*	14	2.3
Enfield	*247*	12	1.6
Essex	*1,968*	12	2.4
Gateshead	*473*	13	1.6
Gloucestershire	*994*	13	1.9
Greenwich	*183*	24	2.6
Hackney	*246*	16	2.4
Halton	*133*	20	3.2
Hammersmith and Fulham	*275*	20	3.6
Hampshire	*1,634*	15	2.3
Haringey	*212*	16	3.8
Harrow	*220*	11	1.8
Hartlepool	*161*	12	1.9
Havering	*218*	10	1.4
Herefordshire	*379*	7	1.8
Hertfordshire	*1,599*	18	5.0
Hillingdon	*319*	15	1.8
Hounslow	*264*	21	2.0
Isle of Wight	*182*	14	2.0
Islington	*364*	21	2.5
Kensington and Chelsea	*333*	23	3.6
Kent	*1,677*	14	2.1
Kingston upon Hull	*358*	16	6.4
Kingston upon Thames	*200*	20	2.1
Kirklees	*548*	10	2.6
Knowsley	*115*	6	0.4
Lambeth	*269*	20	1.6
Lancashire	*1,590*	13	1.7
Leeds	*1,063*	16	1.7
Leicester	*419*	21	1.7
Leicestershire	*1,086*	13	2.0
Lewisham	*161*	18	3.1
Lincolnshire	*1,297*	11	2.1
Liverpool	*478*	17	1.7
Luton	*195*	14	2.4
Manchester	*583*	22	2.8

		% of establishments with a vacancy	Vacancy density
Column %	*Base*	%	%
Medway	*233*	13	1.8
Merton	*216*	16	3.2
Middlesbrough	*270*	13	1.5
Milton Keynes	*294*	16	2.0
Newcastle upon Tyne	*670*	13	1.7
Newham	*171*	15	2.4
Norfolk	*1,297*	15	2.2
North East Lincolnshire	*212*	10	1.4
North Lincolnshire	*255*	6	0.9
North Somerset	*272*	15	1.9
North Tyneside	*355*	13	3.2
North Yorkshire	*1,299*	11	1.5
Northamptonshire	*1,179*	17	3.2
Northumberland	*869*	12	2.2
Nottingham	*452*	18	1.9
Nottinghamshire	*1,152*	14	1.8
Oldham	*220*	10	1.3
Oxfordshire	*912*	22	3.2
Peterborough	*240*	17	2.4
Plymouth	*259*	12	1.3
Poole	*217*	15	1.8
Portsmouth	*204*	16	2.7
Reading	*188*	20	5.2
Redbridge	*196*	12	1.6
Redcar and Cleveland	*237*	9	1.5
Richmond upon Thames	*260*	18	3.0
Rochdale	*226*	14	1.3
Rotherham	*294*	12	1.6
Rutland	*69*	9	1.8
Salford	*275*	14	1.9
Sandwell	*345*	14	1.8
Sefton	*289*	13	2.1
Sheffield	*683*	13	2.9
Shropshire	*622*	11	1.6
Slough	*131*	23	2.6
Solihull	*249*	14	1.5
Somerset	*911*	11	1.9
South Gloucestershire	*344*	14	3.8
South Tyneside	*248*	10	1.0
Southampton	*227*	16	2.6

Column %	Base	% of establishments with a vacancy	Vacancy density
	Base	%	%
Southend on Sea	*204*	10	2.0
Southwark	*354*	19	2.1
St Helens	*177*	7	0.9
Staffordshire	*1,246*	12	1.8
Stockport	*367*	12	1.9
Stockton-on-Tees	*390*	13	1.8
Stoke-on-Trent	*299*	8	1.1
Suffolk	*1,147*	14	2.4
Sunderland	*522*	15	1.3
Surrey	*1,535*	19	3.2
Sutton	*190*	13	1.7
Swindon	*244*	18	1.5
Tameside	*220*	11	1.2
Telford and Wrekin	*225*	13	1.7
Thurrock	*163*	13	1.3
Torbay	*182*	14	1.7
Tower Hamlets	*288*	17	4.2
Trafford	*347*	16	2.2
Wakefield	*414*	11	3.8
Walsall	*305*	8	1.2
Waltham Forest	*170*	8	1.7
Wandsworth	*321*	14	2.3
Warrington	*261*	19	2.9
Warwickshire	*943*	13	2.0
West Berkshire	*234*	16	2.4
West Sussex	*1,004*	15	2.3
Westminster	*1,292*	20	2.7
Wigan	*323*	12	1.3
Wiltshire	*764*	12	1.8
Windsor and Maidenhead	*214*	16	2.4
Wirral	*306*	13	1.9
Wokingham	*181*	18	3.1
Wolverhampton	*301*	11	1.5
Worcestershire	*958*	12	1.9
York	*312*	12	2.1

Base: All establishments in each LEA

Percentages in Column 2 are based on all employment, percentages therefore represent the number of vacancies as a proportion of all employment

Table B.2 Incidence and density of hard-to-fill vacancies by LEA

	% of establishments with a hard-to-fill vacancy		Hard-to-fill vacancy density	
Column %	*Base*	%	*Base*	%
Barking and Dagenham	*119*	8	*25*	*21*
Barnet	*339*	3	*66*	10
Barnsley	*254*	4	*44*	*19*
Bath and North East Somerset	*291*	4	*59*	22
Bedford	*221*	7	*55*	27
Bexley	*188*	6	*30*	*22*
Birmingham	*1,214*	4	*191*	19
Blackburn with Darwen	*176*	3	*39*	*8*
Blackpool	*182*	2	*33*	*17*
Bolton	*284*	3	*52*	11
Bournemouth	*238*	4	*46*	*12*
Bracknell Forest	*123*	4	*32*	*12*
Bradford	*619*	5	*107*	27
Brent	*281*	7	*58*	32
Brighton and Hove	*333*	4	*94*	17
Bristol	*594*	4	*125*	27
Bromley	*332*	4	*51*	20
Buckinghamshire	*712*	5	*179*	20
Bury	*179*	3	*40*	*7*
Calderdale	*320*	3	*46*	*31*
Cambridgeshire	*965*	6	*241*	27
Camden	*606*	7	*203*	17
Central Bedfordshire	*373*	5	*76*	27
Cheshire East	*564*	4	*133*	12
Cheshire West and Chester	*509*	4	*112*	17
City of London	*422*	6	*140*	9
Cornwall and Isles of Scilly	*939*	2	*148*	16
Coventry	*351*	5	*62*	50
Croydon	*338*	7	*88*	19
Cumbria	*931*	4	*167*	22
Darlington	*221*	7	*40*	*45*
Derby	*338*	4	*74*	15
Derbyshire	*1,261*	4	*211*	17
Devon	*1,437*	4	*248*	26
Doncaster	*350*	1	*47*	*17*
Dorset	*691*	3	*126*	30
Dudley	*414*	3	*54*	21
Durham	*1,113*	4	*155*	11
Ealing	*331*	4	*66*	42

		% of establishments with a hard-to-fill vacancy		Hard-to-fill vacancy density
Column %	*Base*	%	*Base*	%
East Riding of Yorkshire	*541*	4	*85*	24
East Sussex	*574*	5	*125*	25
Enfield	*247*	3	*47*	*17*
Essex	*1,968*	5	*378*	22
Gateshead	*473*	2	*62*	10
Gloucestershire	*994*	3	*189*	22
Greenwich	*183*	5	*50*	14
Hackney	*246*	6	*48*	*21*
Halton	*133*	15	*23*	**
Hammersmith and Fulham	*275*	9	*68*	18
Hampshire	*1,634*	6	*382*	23
Haringey	*212*	5	*43*	*11*
Harrow	*220*	3	*49*	*20*
Hartlepool	*161*	3	*20*	**
Havering	*218*	3	*30*	*24*
Herefordshire	*379*	1	*42*	*21*
Hertfordshire	*1,599*	7	*365*	10
Hillingdon	*319*	4	*73*	9
Hounslow	*264*	7	*63*	30
Isle of Wight	*182*	4	*33*	*20*
Islington	*364*	5	*107*	10
Kensington and Chelsea	*333*	9	*105*	19
Kent	*1,677*	5	*377*	26
Kingston upon Hull	*358*	2	*55*	3
Kingston upon Thames	*200*	7	*44*	*21*
Kirklees	*548*	5	*88*	50
Knowsley	*115*	*	*11*	**
Lambeth	*269*	7	*70*	20
Lancashire	*1,590*	4	*301*	22
Leeds	*1,063*	5	*199*	22
Leicester	*419*	6	*93*	19
Leicestershire	*1,086*	4	*211*	15
Lewisham	*161*	2	*40*	*6*
Lincolnshire	*1,297*	3	*226*	22
Liverpool	*478*	5	*108*	12
Luton	*195*	4	*42*	*18*
Manchester	*583*	5	*164*	22
Medway	*233*	5	*43*	*19*
Merton	*216*	7	*44*	*18*
Middlesbrough	*270*	4	*40*	*34*

	% of establishments with a hard-to-fill vacancy		Hard-to-fill vacancy density	
Column %	*Base*	%	*Base*	%
Milton Keynes	*294*	5	*66*	22
Newcastle upon Tyne	*670*	2	*90*	20
Newham	*171*	3	*33*	*7*
Norfolk	*1,297*	6	*273*	24
North East Lincolnshire	*212*	2	*30*	*17*
North Lincolnshire	*255*	2	*28*	*28*
North Somerset	*272*	5	*51*	25
North Tyneside	*355*	3	*55*	9
North Yorkshire	*1,299*	3	*214*	28
Northamptonshire	*1,179*	6	*234*	46
Northumberland	*869*	4	*137*	31
Nottingham	*452*	3	*94*	9
Nottinghamshire	*1,152*	4	*209*	15
Oldham	*220*	4	*37*	*20*
Oxfordshire	*912*	7	*282*	21
Peterborough	*240*	7	*61*	19
Plymouth	*259*	2	*39*	*18*
Poole	*217*	6	*51*	25
Portsmouth	*204*	5	*47*	*13*
Reading	*188*	5	*52*	6
Redbridge	*196*	4	*34*	*24*
Redcar and Cleveland	*237*	3	*30*	*20*
Richmond upon Thames	*260*	8	*65*	25
Rochdale	*226*	3	*49*	*16*
Rotherham	*294*	5	*48*	*22*
Rutland	*69*	2	*9*	**
Salford	*275*	5	*60*	16
Sandwell	*345*	6	*49*	*36*
Sefton	*289*	3	*49*	*14*
Sheffield	*683*	4	*119*	47
Shropshire	*622*	5	*84*	33
Slough	*131*	7	*38*	*18*
Solihull	*249*	4	*43*	*19*
Somerset	*911*	5	*153*	37
South Gloucestershire	*344*	3	*61*	4
South Tyneside	*248*	3	*29*	*22*
Southampton	*227*	5	*54*	32
Southend on Sea	*204*	4	*36*	*16*
Southwark	*354*	4	*94*	9
St Helens	*177*	2	*17*	**

	% of establishments with a hard-to-fill vacancy		Hard-to-fill vacancy density	
Column %	*Base*	%	*Base*	%
Staffordshire	*1,246*	4	*187*	28
Stockport	*367*	3	*68*	11
Stockton-on-Tees	*390*	4	*59*	24
Stoke-on-Trent	*299*	2	*27*	*12*
Suffolk	*1,147*	6	*231*	22
Sunderland	*522*	4	*89*	13
Surrey	*1,535*	8	*442*	25
Sutton	*190*	4	*45*	*21*
Swindon	*244*	4	*50*	13
Tameside	*220*	3	*40*	*17*
Telford and Wrekin	*225*	2	*33*	*9*
Thurrock	*163*	5	*24*	**
Torbay	*182*	3	*35*	*17*
Tower Hamlets	*288*	7	*70*	11
Trafford	*347*	5	*78*	17
Wakefield	*414*	2	*65*	6
Walsall	*305*	3	*34*	*35*
Waltham Forest	*170*	2	*23*	**
Wandsworth	*321*	4	*73*	19
Warrington	*261*	8	*69*	14
Warwickshire	*943*	4	*150*	26
West Berkshire	*234*	4	*66*	23
West Sussex	*1,004*	5	*255*	22
Westminster	*1,292*	6	*392*	17
Wigan	*323*	4	*59*	26
Wiltshire	*764*	3	*144*	21
Windsor and Maidenhead	*214*	9	*56*	40
Wirral	*306*	6	*46*	*36*
Wokingham	*181*	7	*55*	27
Wolverhampton	*301*	3	*47*	*18*
Worcestershire	*958*	4	*153*	37
York	*312*	2	*74*	31

Base: Column 1 all establishments in each LEA, Column 2 all establishments in each LEA with vacancies

Percentages in Column 2 are based on all vacancies, rather than all establishments with vacancies; figures therefore show the percentage of vacancies that are hard-to-fill.

*'**' denotes base size <25 and therefore too low to report. Figures in italics denote base size below 50 and figures should be treated with caution.*

Table B.3 Incidence and density of skill-shortage vacancies by LEA

		% of establishments with a skill-shortage vacancy		Skill-shortage vacancy density
Column %	*Base*	%	*Base*	%
Barking and Dagenham	*119*	8	*25*	20
Barnet	*339*	3	*66*	8
Barnsley	*254*	2	*44*	9
Bath and North East Somerset	*291*	3	*59*	11
Bedford	*221*	6	*55*	22
Bexley	*188*	6	*30*	21
Birmingham	*1,214*	3	*191*	9
Blackburn with Darwen	*176*	2	*39*	*5*
Blackpool	*182*	1	*33*	**
Bolton	*284*	2	*52*	8
Bournemouth	*238*	4	*46*	11
Bracknell Forest	*123*	2	*32*	9
Bradford	*619*	3	*107*	18
Brent	*281*	6	*58*	30
Brighton and Hove	*333*	3	*94*	*15*
Bristol	*594*	4	*125*	*23*
Bromley	*332*	2	*51*	14
Buckinghamshire	*712*	4	*179*	12
Bury	*179*	3	*40*	*6*
Calderdale	*320*	2	*46*	25
Cambridgeshire	*965*	5	*241*	*22*
Camden	*606*	5	*203*	14
Central Bedfordshire	*373*	3	*76*	22
Cheshire East	*564*	3	*133*	*10*
Cheshire West and Chester	*509*	4	*112*	**
City of London	*422*	6	*140*	*8*
Cornwall and Isles of Scilly	*939*	2	*148*	7
Coventry	*351*	3	*62*	*43*
Croydon	*338*	6	*88*	*17*
Cumbria	*931*	3	*167*	16
Darlington	*221*	6	*40*	*40*
Derby	*338*	3	*74*	12
Derbyshire	*1,261*	3	*211*	12
Devon	*1,437*	3	*248*	**
Doncaster	*350*	1	*47*	15
Dorset	*691*	2	*126*	21
Dudley	*414*	3	*54*	16
Durham	*1,113*	3	*155*	7
Ealing	*331*	4	*66*	*40*

		% of establishments with a skill-shortage vacancy		Skill-shortage vacancy density
Column %	*Base*	%	*Base*	%
East Riding of Yorkshire	*541*	3	*85*	21
East Sussex	*574*	4	*125*	17
Enfield	*247*	3	*47*	14
Essex	*1,968*	3	*378*	15
Gateshead	*473*	2	*62*	6
Gloucestershire	*994*	2	*189*	17
Greenwich	*183*	4	*50*	*10*
Hackney	*246*	5	*48*	18
Halton	*133*	3	*23*	*6*
Hammersmith and Fulham	*275*	8	*68*	17
Hampshire	*1,634*	5	*382*	18
Haringey	*212*	5	*43*	10
Harrow	*220*	3	*49*	19
Hartlepool	*161*	3	*20*	*8*
Havering	*218*	3	*30*	21
Herefordshire	*379*	1	*42*	12
Hertfordshire	*1,599*	5	*365*	7
Hillingdon	*319*	3	*73*	7
Hounslow	*264*	6	*63*	29
Isle of Wight	*182*	3	*33*	18
Islington	*364*	4	*107*	*9*
Kensington and Chelsea	*333*	8	*105*	19
Kent	*1,677*	5	*377*	*21*
Kingston upon Hull	*358*	2	*55*	*1*
Kingston upon Thames	*200*	6	*44*	17
Kirklees	*548*	5	*88*	48
Knowsley	*115*	*	*11*	3
Lambeth	*269*	6	*70*	*18*
Lancashire	*1,590*	4	*301*	*17*
Leeds	*1,063*	3	*199*	15
Leicester	*419*	5	*93*	*14*
Leicestershire	*1,086*	3	*211*	14
Lewisham	*161*	2	*40*	*6*
Lincolnshire	*1,297*	3	*226*	20
Liverpool	*478*	2	*108*	*7*
Luton	*195*	3	*42*	*17*
Manchester	*583*	3	*164*	**
Medway	*233*	3	*43*	9
Merton	*216*	4	*44*	10
Middlesbrough	*270*	2	*40*	26

		% of establishments with a skill-shortage vacancy		Skill-shortage vacancy density
Column %	*Base*	%	*Base*	%
Milton Keynes	*294*	5	*66*	13
Newcastle upon Tyne	*670*	2	*90*	**
Newham	*171*	2	*33*	4
Norfolk	*1,297*	5	*273*	20
North East Lincolnshire	*212*	2	*30*	17
North Lincolnshire	*255*	2	*28*	*17*
North Somerset	*272*	2	*51*	7
North Tyneside	*355*	1	*55*	5
North Yorkshire	*1,299*	2	*214*	14
Northamptonshire	*1,179*	5	*234*	43
Northumberland	*869*	3	*137*	22
Nottingham	*452*	2	*94*	6
Nottinghamshire	*1,152*	3	*209*	*11*
Oldham	*220*	4	*37*	18
Oxfordshire	*912*	5	*282*	17
Peterborough	*240*	6	*61*	12
Plymouth	*259*	2	*39*	16
Poole	*217*	6	*51*	*22*
Portsmouth	*204*	4	*47*	*9*
Reading	*188*	4	*52*	*6*
Redbridge	*196*	3	*34*	19
Redcar and Cleveland	*237*	2	*30*	*12*
Richmond upon Thames	*260*	8	*65*	*24*
Rochdale	*226*	2	*49*	12
Rotherham	*294*	4	*48*	19
Rutland	*69*	1	*9*	*4*
Salford	*275*	4	*60*	*14*
Sandwell	*345*	4	*49*	24
Sefton	*289*	2	*49*	12
Sheffield	*683*	3	*119*	*6*
Shropshire	*622*	3	*84*	17
Slough	*131*	6	*38*	16
Solihull	*249*	1	*43*	5
Somerset	*911*	3	*153*	*21*
South Gloucestershire	*344*	2	*61*	3
South Tyneside	*248*	2	*29*	16
Southampton	*227*	5	*54*	*20*
Southend on Sea	*204*	3	*36*	*13*
Southwark	*354*	3	*94*	7
St Helens	*177*	2	*17*	10

		% of establishments with a skill-shortage vacancy		Skill-shortage vacancy density
Column %	*Base*	%	*Base*	%
Staffordshire	*1,246*	2	*187*	**
Stockport	*367*	2	*68*	*6*
Stockton-on-Tees	*390*	3	*59*	*20*
Stoke-on-Trent	*299*	2	*27*	9
Suffolk	*1,147*	5	*231*	17
Sunderland	*522*	3	*89*	10
Surrey	*1,535*	5	*442*	*18*
Sutton	*190*	3	*45*	15
Swindon	*244*	3	*50*	*9*
Tameside	*220*	2	*40*	**
Telford and Wrekin	*225*	2	*33*	9
Thurrock	*163*	3	*24*	12
Torbay	*182*	3	*35*	11
Tower Hamlets	*288*	6	*70*	*9*
Trafford	*347*	5	*78*	*15*
Wakefield	*414*	1	*65*	*3*
Walsall	*305*	2	*34*	21
Waltham Forest	*170*	2	*23*	11
Wandsworth	*321*	3	*73*	*16*
Warrington	*261*	6	*69*	11
Warwickshire	*943*	3	*150*	17
West Berkshire	*234*	3	*66*	*21*
West Sussex	*1,004*	4	*255*	20
Westminster	*1,292*	5	*392*	14
Wigan	*323*	3	*59*	*21*
Wiltshire	*764*	2	*144*	*15*
Windsor and Maidenhead	*214*	8	*56*	33
Wirral	*306*	2	*46*	9
Wokingham	*181*	5	*55*	19
Wolverhampton	*301*	3	*47*	17
Worcestershire	*958*	3	*153*	26
York	*312*	1	*74*	*29*

Base: Column 1 all establishments in each LEA, Column 2 all establishments in each LEA with vacancies

Percentages in Column 2 are based on all vacancies, rather than all establishments with vacancies; figures therefore show the percentage of vacancies that are hard-to-fill due to skill shortages.

*'**' denotes base size <25 and therefore too low to report. Figures in italics denote base size below 50 and figures should be treated with caution.*

Table B.4 Incidence and density of skills gaps by LEA

		% of establishments with a skills gap	% of workforce that have skills gaps
Column %	*Base*	%	%
Barking and Dagenham	*119*	14	4
Barnet	*339*	17	8
Barnsley	*254*	13	2
Bath and North East Somerset	*291*	16	5
Bedford	*221*	25	7
Bexley	*188*	9	3
Birmingham	*1,214*	18	6
Blackburn with Darwen	*176*	17	5
Blackpool	*182*	20	8
Bolton	*284*	18	6
Bournemouth	*238*	17	7
Bracknell Forest	*123*	20	14
Bradford	*619*	17	5
Brent	*281*	20	8
Brighton and Hove	*333*	18	9
Bristol	*594*	20	6
Bromley	*332*	18	7
Buckinghamshire	*712*	13	5
Bury	*179*	15	5
Calderdale	*320*	14	4
Cambridgeshire	*965*	14	7
Camden	*606*	17	5
Central Bedfordshire	*373*	13	5
Cheshire East	*564*	20	6
Cheshire West and Chester	*509*	17	5
City of London	*422*	13	5
Cornwall and Isles of Scilly	*939*	18	6
Coventry	*351*	21	5
Croydon	*338*	15	18
Cumbria	*931*	15	4
Darlington	*221*	19	4
Derby	*338*	18	12
Derbyshire	*1,261*	14	4
Devon	*1,437*	19	5
Doncaster	*350*	18	4
Dorset	*691*	15	4
Dudley	*414*	13	4
Durham	*1,113*	17	6
Ealing	*331*	14	5

Column %	Base	% of establishments with a skills gap	% of workforce that have skills gaps
	Base	%	%
East Riding of Yorkshire	*541*	16	8
East Sussex	*574*	17	5
Enfield	*247*	13	7
Essex	*1,968*	17	5
Gateshead	*473*	17	4
Gloucestershire	*994*	18	6
Greenwich	*183*	17	7
Hackney	*246*	18	7
Halton	*133*	17	3
Hammersmith and Fulham	*275*	13	3
Hampshire	*1,634*	18	5
Haringey	*212*	14	5
Harrow	*220*	11	6
Hartlepool	*161*	18	8
Havering	*218*	16	6
Herefordshire	*379*	16	6
Hertfordshire	*1,599*	18	7
Hillingdon	*319*	16	9
Hounslow	*264*	16	5
Isle of Wight	*182*	21	7
Islington	*364*	14	5
Kensington and Chelsea	*333*	14	4
Kent	*1,677*	19	7
Kingston upon Hull	*358*	21	4
Kingston upon Thames	*200*	19	6
Kirklees	*548*	18	6
Knowsley	*115*	18	5
Lambeth	*269*	17	7
Lancashire	*1,590*	17	5
Leeds	*1,063*	21	5
Leicester	*419*	16	9
Leicestershire	*1,086*	13	6
Lewisham	*161*	14	5
Lincolnshire	*1,297*	16	5
Liverpool	*478*	17	6
Luton	*195*	19	5
Manchester	*583*	23	7
Medway	*233*	22	6
Merton	*216*	11	5
Middlesbrough	*270*	19	9

Column %	Base	% of establishments with a skills gap %	% of workforce that have skills gaps %
Milton Keynes	*294*	22	13
Newcastle upon Tyne	*670*	20	4
Newham	*171*	19	6
Norfolk	*1,297*	17	6
North East Lincolnshire	*212*	25	6
North Lincolnshire	*255*	21	6
North Somerset	*272*	15	5
North Tyneside	*355*	16	4
North Yorkshire	*1,299*	13	6
Northamptonshire	*1,179*	15	9
Northumberland	*869*	17	5
Nottingham	*452*	15	7
Nottinghamshire	*1,152*	15	4
Oldham	*220*	15	4
Oxfordshire	*912*	20	5
Peterborough	*240*	22	4
Plymouth	*259*	23	7
Poole	*217*	19	5
Portsmouth	*204*	20	5
Reading	*188*	23	4
Redbridge	*196*	17	4
Redcar and Cleveland	*237*	20	10
Richmond upon Thames	*260*	11	4
Rochdale	*226*	17	5
Rotherham	*294*	22	8
Rutland	*69*	15	6
Salford	*275*	15	5
Sandwell	*345*	18	4
Sefton	*289*	21	4
Sheffield	*683*	22	4
Shropshire	*622*	15	7
Slough	*131*	18	6
Solihull	*249*	20	10
Somerset	*911*	18	4
South Gloucestershire	*344*	21	6
South Tyneside	*248*	17	5
Southampton	*227*	26	4
Southend on Sea	*204*	17	4
Southwark	*354*	15	5
St Helens	*177*	22	8

Column %	Base	% of establishments with a skills gap %	% of workforce that have skills gaps %
Staffordshire	*1,246*	17	7
Stockport	*367*	17	6
Stockton-on-Tees	*390*	18	4
Stoke-on-Trent	*299*	17	4
Suffolk	*1,147*	19	6
Sunderland	*522*	15	8
Surrey	*1,535*	18	5
Sutton	*190*	14	9
Swindon	*244*	22	5
Tameside	*220*	18	5
Telford and Wrekin	*225*	21	4
Thurrock	*163*	17	4
Torbay	*182*	20	6
Tower Hamlets	*288*	20	6
Trafford	*347*	15	6
Wakefield	*414*	19	5
Walsall	*305*	19	6
Waltham Forest	*170*	13	8
Wandsworth	*321*	13	6
Warrington	*261*	21	5
Warwickshire	*943*	16	5
West Berkshire	*234*	18	6
West Sussex	*1,004*	19	5
Westminster	*1,292*	13	4
Wigan	*323*	12	4
Wiltshire	*764*	18	5
Windsor and Maidenhead	*214*	17	5
Wirral	*306*	17	8
Wokingham	*181*	15	5
Wolverhampton	*301*	23	5
Worcestershire	*958*	19	5
York	*312*	21	3

Base: All establishments in each LEA

Percentages in Column 2 are based on all employment, percentages therefore represent the percentage of employees in the workforce that have a skills gap

Table B.5 Incidence of training by LEA

Column %	Base	ANY TRAINING %	Off-job training only %	On-job training only %	Off-job and on-job training %	Do not train %
Barking and Dagenham	*119*	64	19	18	28	36
Barnet	*339*	61	10	21	30	39
Barnsley	*254*	60	12	14	34	40
Bath and North East Somerset	*291*	66	14	25	27	34
Bedford	*221*	64	11	12	41	36
Bexley	*188*	56	5	14	38	44
Birmingham	*1,214*	63	12	19	32	37
Blackburn with Darwen	*176*	69	9	26	34	31
Blackpool	*182*	61	7	16	37	39
Bolton	*284*	75	12	24	39	25
Bournemouth	*238*	68	13	22	33	32
Bracknell Forest	*123*	63	11	24	29	37
Bradford	*619*	65	10	18	37	35
Brent	*281*	57	11	14	32	43
Brighton and Hove	*333*	70	11	24	35	30
Bristol	*594*	70	10	19	41	30
Bromley	*332*	62	8	20	34	38
Buckinghamshire	*712*	64	22	12	31	36
Bury	*179*	65	10	24	32	35
Calderdale	*320*	64	15	18	30	36
Cambridgeshire	*965*	72	17	19	36	28
Camden	*606*	60	9	19	32	40
Central Bedfordshire	*373*	65	18	14	33	35
Cheshire East	*564*	66	13	17	36	34
Cheshire West and Chester	*509*	70	17	21	32	30
City of London	*422*	67	11	14	42	33
Cornwall and Isles of Scilly	*939*	62	12	18	32	38
Coventry	*351*	66	11	20	35	34
Croydon	*338*	70	9	25	35	30
Cumbria	*931*	63	16	15	33	37
Darlington	*221*	69	12	18	38	31
Derby	*338*	67	12	18	37	33
Derbyshire	*1,261*	58	10	16	31	42
Devon	*1,437*	63	11	17	35	37
Doncaster	*350*	69	18	22	30	31
Dorset	*691*	60	13	18	29	40
Dudley	*414*	58	9	20	29	42
Durham	*1,113*	65	11	20	35	35
Ealing	*331*	69	14	22	33	31

Column %	Base	ANY TRAINING %	Off-job training only %	On-job training only %	Off-job and on-job training %	Do not train %
East Riding of Yorkshire	*541*	64	13	19	32	36
East Sussex	*574*	68	12	21	35	32
Enfield	*247*	55	8	21	26	45
Essex	*1,968*	65	15	19	31	35
Gateshead	*473*	69	13	20	35	31
Gloucestershire	*994*	64	11	18	35	36
Greenwich	*183*	66	11	20	35	34
Hackney	*246*	55	8	13	34	45
Halton	*133*	75	11	14	50	25
Hammersmith and Fulham	*275*	62	14	15	33	38
Hampshire	*1,634*	69	14	18	36	31
Haringey	*212*	58	11	16	30	42
Harrow	*220*	61	16	12	32	39
Hartlepool	*161*	68	10	19	39	32
Havering	*218*	51	10	18	23	49
Herefordshire	*379*	56	17	14	25	44
Hertfordshire	*1,599*	69	14	21	34	31
Hillingdon	*319*	59	9	13	37	41
Hounslow	*264*	69	14	19	36	31
Isle of Wight	*182*	73	18	19	36	27
Islington	*364*	64	12	19	34	36
Kensington and Chelsea	*333*	60	12	17	32	40
Kent	*1,677*	68	13	20	35	32
Kingston upon Hull	*358*	72	19	19	34	28
Kingston upon Thames	*200*	70	14	18	38	30
Kirklees	*548*	64	14	18	32	36
Knowsley	*115*	72	16	22	34	28
Lambeth	*269*	69	13	17	39	31
Lancashire	*1,590*	68	15	17	35	32
Leeds	*1,063*	72	11	22	39	28
Leicester	*419*	61	9	22	31	39
Leicestershire	*1,086*	61	10	17	35	39
Lewisham	*161*	68	11	17	40	32
Lincolnshire	*1,297*	63	13	18	32	37
Liverpool	*478*	76	12	19	45	24
Luton	*195*	64	12	19	33	36
Manchester	*583*	71	12	18	40	29
Medway	*233*	76	23	18	36	24
Merton	*216*	67	11	24	32	33
Middlesbrough	*270*	75	8	25	42	25

Column %	*Base*	ANY TRAINING %	Off-job training only %	On-job training only %	Off-job and on-job training %	Do not train %
Milton Keynes	*294*	74	19	21	34	26
Newcastle upon Tyne	*670*	70	10	19	41	30
Newham	*171*	64	12	21	31	36
Norfolk	*1,297*	65	14	16	35	35
North East Lincolnshire	*212*	63	11	18	34	37
North Lincolnshire	*255*	72	15	27	31	28
North Somerset	*272*	70	12	24	34	30
North Tyneside	*355*	64	10	20	34	36
North Yorkshire	*1,299*	62	14	22	27	38
Northamptonshire	*1,179*	61	12	16	33	39
Northumberland	*869*	66	15	18	32	34
Nottingham	*452*	73	9	25	40	27
Nottinghamshire	*1,152*	63	13	17	34	37
Oldham	*220*	62	8	21	33	38
Oxfordshire	*912*	71	13	23	35	29
Peterborough	*240*	67	12	20	34	33
Plymouth	*259*	72	15	25	32	28
Poole	*217*	71	12	24	36	29
Portsmouth	*204*	78	12	27	39	22
Reading	*188*	73	12	25	36	27
Redbridge	*196*	58	7	12	38	42
Redcar and Cleveland	*237*	71	14	23	35	29
Richmond upon Thames	*260*	69	13	17	38	31
Rochdale	*226*	64	9	20	34	36
Rotherham	*294*	65	9	15	40	35
Rutland	*69*	64	9	19	36	36
Salford	*275*	65	7	20	38	35
Sandwell	*345*	59	8	21	30	41
Sefton	*289*	65	13	19	34	35
Sheffield	*683*	70	11	20	38	30
Shropshire	*622*	60	15	19	26	40
Slough	*131*	74	19	14	40	26
Solihull	*249*	62	13	18	31	38
Somerset	*911*	64	12	20	32	36
South Gloucestershire	*344*	66	16	16	34	34
South Tyneside	*248*	65	11	19	35	35
Southampton	*227*	64	10	16	38	36
Southend on Sea	*204*	66	17	18	31	34
Southwark	*354*	69	8	17	44	31
St Helens	*177*	68	10	11	48	32

Column %	Base	ANY TRAINING %	Off-job training only %	On-job training only %	Off-job and on-job training %	Do not train %
Staffordshire	*1,246*	58	12	18	28	42
Stockport	*367*	74	15	27	31	26
Stockton-on-Tees	*390*	72	14	21	37	28
Stoke-on-Trent	*299*	61	12	19	30	39
Suffolk	*1,147*	65	14	18	34	35
Sunderland	*522*	66	11	18	38	34
Surrey	*1,535*	67	15	16	37	33
Sutton	*190*	59	11	13	36	41
Swindon	*244*	70	12	20	39	30
Tameside	*220*	69	21	18	30	31
Telford and Wrekin	*225*	66	14	20	32	34
Thurrock	*163*	65	7	21	37	35
Torbay	*182*	61	5	22	34	39
Tower Hamlets	*288*	70	15	21	34	30
Trafford	*347*	76	11	19	46	24
Wakefield	*414*	59	10	19	29	41
Walsall	*305*	59	10	16	33	41
Waltham Forest	*170*	61	9	21	31	39
Wandsworth	*321*	62	13	19	30	38
Warrington	*261*	74	13	17	43	26
Warwickshire	*943*	61	13	18	31	39
West Berkshire	*234*	68	8	24	36	32
West Sussex	*1,004*	66	14	18	35	34
Westminster	*1,292*	68	12	20	36	32
Wigan	*323*	63	10	22	31	37
Wiltshire	*764*	64	9	22	33	36
Windsor and Maidenhead	*214*	62	12	17	33	38
Wirral	*306*	63	8	18	37	37
Wokingham	*181*	74	17	20	36	26
Wolverhampton	*301*	58	11	18	29	42
Worcestershire	*958*	62	14	18	29	38
York	*312*	80	16	20	44	20

Base: All establishments in each LEA

Table B.6 Incidence of training to qualifications by LEA

		% of establishments that train staff to nationally recognised qualifications
Column %	*Base*	%
Barking and Dagenham	*119*	27
Barnet	*339*	27
Barnsley	*254*	32
Bath and North East Somerset	*291*	27
Bedford	*221*	32
Bexley	*188*	30
Birmingham	*1,214*	26
Blackburn with Darwen	*176*	30
Blackpool	*182*	33
Bolton	*284*	37
Bournemouth	*238*	24
Bracknell Forest	*123*	36
Bradford	*619*	29
Brent	*281*	23
Brighton and Hove	*333*	24
Bristol	*594*	26
Bromley	*332*	27
Buckinghamshire	*712*	23
Bury	*179*	38
Calderdale	*320*	32
Cambridgeshire	*965*	40
Camden	*606*	20
Central Bedfordshire	*373*	33
Cheshire East	*564*	30
Cheshire West and Chester	*509*	33
City of London	*422*	23
Cornwall and Isles of Scilly	*939*	30
Coventry	*351*	29
Croydon	*338*	31
Cumbria	*931*	31
Darlington	*221*	39
Derby	*338*	38
Derbyshire	*1,261*	33
Devon	*1,437*	26
Doncaster	*350*	35
Dorset	*691*	26
Dudley	*414*	27
Durham	*1,113*	37
Ealing	*331*	30

Column %	Base	% of establishments that train staff to nationally recognised qualifications %
East Riding of Yorkshire	*541*	25
East Sussex	*574*	30
Enfield	*247*	29
Essex	*1,968*	32
Gateshead	*473*	39
Gloucestershire	*994*	29
Greenwich	*183*	28
Hackney	*246*	22
Halton	*133*	30
Hammersmith and Fulham	*275*	23
Hampshire	*1,634*	32
Haringey	*212*	27
Harrow	*220*	22
Hartlepool	*161*	44
Havering	*218*	24
Herefordshire	*379*	24
Hertfordshire	*1,599*	29
Hillingdon	*319*	32
Hounslow	*264*	30
Isle of Wight	*182*	33
Islington	*364*	26
Kensington and Chelsea	*333*	18
Kent	*1,677*	29
Kingston upon Hull	*358*	33
Kingston upon Thames	*200*	35
Kirklees	*548*	26
Knowsley	*115*	40
Lambeth	*269*	30
Lancashire	*1,590*	35
Leeds	*1,063*	29
Leicester	*419*	30
Leicestershire	*1,086*	30
Lewisham	*161*	35
Lincolnshire	*1,297*	33
Liverpool	*478*	39
Luton	*195*	33
Manchester	*583*	36
Medway	*233*	37
Merton	*216*	25
Middlesbrough	*270*	42

Column %	Base	% of establishments that train staff to nationally recognised qualifications %
Milton Keynes	*294*	30
Newcastle upon Tyne	*670*	35
Newham	*171*	27
Norfolk	*1,297*	32
North East Lincolnshire	*212*	30
North Lincolnshire	*255*	32
North Somerset	*272*	25
North Tyneside	*355*	36
North Yorkshire	*1,299*	27
Northamptonshire	*1,179*	32
Northumberland	*869*	35
Nottingham	*452*	37
Nottinghamshire	*1,152*	33
Oldham	*220*	32
Oxfordshire	*912*	28
Peterborough	*240*	37
Plymouth	*259*	41
Poole	*217*	37
Portsmouth	*204*	40
Reading	*188*	38
Redbridge	*196*	27
Redcar and Cleveland	*237*	43
Richmond upon Thames	*260*	23
Rochdale	*226*	39
Rotherham	*294*	34
Rutland	*69*	26
Salford	*275*	30
Sandwell	*345*	27
Sefton	*289*	37
Sheffield	*683*	32
Shropshire	*622*	26
Slough	*131*	33
Solihull	*249*	30
Somerset	*911*	25
South Gloucestershire	*344*	29
South Tyneside	*248*	37
Southampton	*227*	35
Southend on Sea	*204*	33
Southwark	*354*	32
St Helens	*177*	41

		% of establishments that train staff to nationally recognised qualifications
Column %	*Base*	%
Staffordshire	*1,246*	27
Stockport	*367*	33
Stockton-on-Tees	*390*	40
Stoke-on-Trent	*299*	28
Suffolk	*1,147*	29
Sunderland	*522*	41
Surrey	*1,535*	29
Sutton	*190*	32
Swindon	*244*	32
Tameside	*220*	30
Telford and Wrekin	*225*	33
Thurrock	*163*	32
Torbay	*182*	31
Tower Hamlets	*288*	34
Trafford	*347*	38
Wakefield	*414*	24
Walsall	*305*	28
Waltham Forest	*170*	32
Wandsworth	*321*	23
Warrington	*261*	39
Warwickshire	*943*	24
West Berkshire	*234*	25
West Sussex	*1,004*	31
Westminster	*1,292*	26
Wigan	*323*	38
Wiltshire	*764*	26
Windsor and Maidenhead	*214*	23
Wirral	*306*	31
Wokingham	*181*	29
Wolverhampton	*301*	30
Worcestershire	*958*	28
York	*312*	30

Base: All establishments in each LEA

Data by Local Enterprise Partnership (LEP)

Table B.7 Incidence and density of vacancies by LEP

Column %	Base	% of establishments with a vacancy %	Vacancy density %
Black Country	*1,365*	11	1.5
Buckinghamshire Thames Valley	*712*	13	3.3
Cheshire and Warrington	*1,334*	17	2.6
Coast to Capital	*2,251*	17	2.7
Cornwall and the Isles of Scilly	*939*	9	2.5
Coventry and Warwickshire	*1,294*	14	2.2
Cumbria	*931*	10	1.7
Derby, Derbyshire, Nottingham and Nottinghamshire,	*3,203*	14	1.9
Dorset	*1,146*	14	2.5
Enterprise M3	*2,220*	18	2.8
Gloucestershire	*994*	13	1.9
Greater Birmingham and Solihull	*2,483*	13	2.1
Greater Cambridge & Greater Peterborough	*2,164*	16	2.3
Greater Lincolnshire	*1,764*	10	1.8
Greater Manchester	*3,024*	15	2.1
Heart of the South West	*2,789*	11	1.7
Hertfordshire	*1,599*	18	5.0
Humber	*1,366*	11	3.1
Lancashire	*1,948*	14	1.7
Leeds City Region	*4,150*	13	1.9
Leicester and Leicestershire	*1,505*	15	1.9
Liverpool City Region	*1,498*	14	1.7
London	*9,925*	18	2.6
New Anglia	*2,444*	15	2.3
North Eastern	*4,250*	12	2.2
Northamptonshire	*1,179*	17	3.2
Oxfordshire LEP	*912*	22	3.2

Column %	Base	% of establishments with a vacancy %	Vacancy density %
Sheffield City Region	*2,232*	13	2.0
Solent	*1,827*	15	2.3
South East	*4,819*	13	2.2
South East Midlands	*2,440*	15	2.9
Stoke-on-Trent and Staffordshire	*1,545*	12	1.6
Swindon and Wiltshire	*1,008*	14	1.7
Tees Valley	*1,279*	13	1.8
Thames Valley Berkshire	*1,071*	18	3.2
The Marches	*1,226*	10	1.7
West of England	*1,501*	15	2.5
Worcestershire	*958*	12	1.9
York and North Yorkshire	*2,152*	11	1.8

Base: All establishments in each LEP

Percentages in Column 2 are based on all employment, percentages therefore represent the number of vacancies as a proportion of all employment

Table B.8 Incidence and density of hard-to-fill vacancies by LEP

		% of establishments with a hard-to-fill vacancy		Hard-to-fill vacancy density
Column %	*Base*	%	*Base*	%
Black Country	*1,365*	4	*184*	28
Buckinghamshire Thames Valley	*712*	5	*179*	20
Cheshire and Warrington	*1,334*	5	*314*	14
Coast to Capital	*2,251*	5	*590*	20
Cornwall and the Isles of Scilly	*939*	2	*148*	16
Coventry and Warwickshire	*1,294*	4	*212*	36
Cumbria	*931*	4	*167*	22
Derby, Derbyshire, Nottingham and Nottinghamshire,	*3,203*	4	*588*	15
Dorset	*1,146*	4	*223*	22
Enterprise M3	*2,220*	8	*593*	26
Gloucestershire	*994*	3	*189*	22
Greater Birmingham and Solihull	*2,483*	4	*378*	23
Greater Cambridge & Greater Peterborough	*2,164*	6	*502*	25
Greater Lincolnshire	*1,764*	3	*284*	22
Greater Manchester	*3,024*	4	*647*	17
Heart of the South West	*2,789*	4	*475*	28
Hertfordshire	*1,599*	7	*365*	10
Humber	*1,366*	3	*198*	10
Lancashire	*1,948*	4	*373*	19
Leeds City Region	*4,150*	4	*735*	25
Leicester and Leicestershire	*1,505*	4	*304*	16
Liverpool City Region	*1,498*	5	*254*	27
London	*9,925*	5	*2,437*	16
New Anglia	*2,444*	6	*504*	23
North Eastern	*4,250*	3	*617*	15
Northamptonshire	*1,179*	6	*234*	46
Oxfordshire LEP	*912*	7	*282*	21
Sheffield City Region	*2,232*	4	*376*	35

	% of establishments with a hard-to-fill vacancy		Hard-to-fill vacancy density	
Column %	*Base*	%	*Base*	%
Solent	*1,827*	5	*407*	23
South East	*4,819*	5	*983*	23
South East Midlands	*2,440*	5	*541*	32
Stoke-on-Trent and Staffordshire	*1,545*	3	*214*	25
Swindon and Wiltshire	*1,008*	3	*194*	19
Tees Valley	*1,279*	4	*189*	29
Thames Valley Berkshire	*1,071*	6	*299*	18
The Marches	*1,226*	3	*159*	23
West of England	*1,501*	4	*296*	17
Worcestershire	*958*	4	*153*	37
York and North Yorkshire	*2,152*	3	*373*	28

Base: Column 1 all establishments in each LEP, Column 2 all establishments in each LEP with vacancies

Percentages in Column 2 are based on all vacancies, rather than all establishments with vacancies; figures therefore show the percentage of vacancies that are hard-to-fill.

Table B.9 Incidence and density of skill-shortage vacancies by LEP

		% of establishments with a skill-shortage vacancy		Skill-shortage vacancy density
Column %	*Base*	%	*Base*	%
Black Country	*1,365*	3	*184*	20
Buckinghamshire Thames Valley	*712*	4	*179*	12
Cheshire and Warrington	*1,334*	4	*314*	11
Coast to Capital	*2,251*	4	*590*	17
Cornwall and the Isles of Scilly	*939*	2	*148*	7
Coventry and Warwickshire	*1,294*	3	*212*	28
Cumbria	*931*	3	*167*	16
Derby, Derbyshire, Nottingham and Nottinghamshire,	*3,203*	3	*588*	11
Dorset	*1,146*	3	*223*	17
Enterprise M3	*2,220*	6	*593*	19
Gloucestershire	*994*	2	*189*	17
Greater Birmingham and Solihull	*2,483*	2	*378*	12
Greater Cambridge & Greater Peterborough	*2,164*	4	*502*	18
Greater Lincolnshire	*1,764*	2	*284*	19
Greater Manchester	*3,024*	3	*647*	14
Heart of the South West	*2,789*	3	*475*	18
Hertfordshire	*1,599*	5	*365*	7
Humber	*1,366*	2	*198*	8
Lancashire	*1,948*	3	*373*	15
Leeds City Region	*4,150*	3	*735*	19
Leicester and Leicestershire	*1,505*	4	*304*	14
Liverpool City Region	*1,498*	2	*254*	8
London	*9,925*	5	*2,437*	14
New Anglia	*2,444*	5	*504*	18
North Eastern	*4,250*	3	*617*	11
Northamptonshire	*1,179*	5	*234*	43
Oxfordshire LEP	*912*	5	*282*	17
Sheffield City Region	*2,232*	3	*376*	11

		% of establishments with a skill-shortage vacancy		Skill-shortage vacancy density
Column %	*Base*	%	*Base*	%
Solent	*1,827*	4	*407*	17
South East	*4,819*	4	*983*	17
South East Midlands	*2,440*	4	*541*	28
Stoke-on-Trent and Staffordshire	*1,545*	2	*214*	14
Swindon and Wiltshire	*1,008*	2	*194*	13
Tees Valley	*1,279*	3	*189*	24
Thames Valley Berkshire	*1,071*	5	*299*	15
The Marches	*1,226*	2	*159*	13
West of England	*1,501*	3	*296*	12
Worcestershire	*958*	3	*153*	26
York and North Yorkshire	*2,152*	2	*373*	20

Base: Column 1 all establishments in each LEP, Column 2 all establishments in each LEP with vacancies

Percentages in Column 2 are based on all vacancies, rather than all establishments with vacancies; figures therefore show the percentage of vacancies that are hard-to-fill due to skill shortages.

Table B.10 Incidence and density of skills gaps by LEP

		% of establishments with a skills gap	% of workforce that have skills gaps
Column %	*Base*	%	%
Black Country	*1,365*	18	4
Buckinghamshire Thames Valley	*712*	13	5
Cheshire and Warrington	*1,334*	19	5
Coast to Capital	*2,251*	18	8
Cornwall and the Isles of Scilly	*939*	18	6
Coventry and Warwickshire	*1,294*	17	5
Cumbria	*931*	15	4
Derby, Derbyshire, Nottingham and Nottinghamshire,	*3,203*	15	6
Dorset	*1,146*	16	5
Enterprise M3	*2,220*	17	5
Gloucestershire	*994*	18	6
Greater Birmingham and Solihull	*2,483*	18	6
Greater Cambridge & Greater Peterborough	*2,164*	17	7
Greater Lincolnshire	*1,764*	18	6
Greater Manchester	*3,024*	17	6
Heart of the South West	*2,789*	19	5
Hertfordshire	*1,599*	18	7
Humber	*1,366*	20	6
Lancashire	*1,948*	17	5
Leeds City Region	*4,150*	18	5
Leicester and Leicestershire	*1,505*	14	7
Liverpool City Region	*1,498*	18	6
London	*9,925*	15	6
New Anglia	*2,444*	18	6
North Eastern	*4,250*	17	5
Northamptonshire	*1,179*	15	9
Oxfordshire LEP	*912*	20	5
Sheffield City Region	*2,232*	19	4

Column %	*Base*	**% of establishments with a skills gap** %	**% of workforce that have skills gaps** %
Solent	*1,827*	20	5
South East	*4,819*	18	6
South East Midlands	*2,440*	17	8
Stoke-on-Trent and Staffordshire	*1,545*	17	6
Swindon and Wiltshire	*1,008*	19	5
Tees Valley	*1,279*	19	6
Thames Valley Berkshire	*1,071*	18	6
The Marches	*1,226*	16	6
West of England	*1,501*	19	6
Worcestershire	*958*	19	5
York and North Yorkshire	*2,152*	15	6

Base: All establishments in each LEP

Percentages in Column 2 are based on all employment, percentages therefore represent the percentage of employees in the workforce that have a skills gap

Table B.11 Incidence of training by LEP

Column %	*Base*	ANY TRAINING %	Off-job training only %	On-job training only %	Off-job and on-job training %	Do not train %
Black Country	*1,365*	59	10	19	30	41
Buckinghamshire Thames Valley	*712*	64	22	12	31	36
Cheshire and Warrington	*1,334*	69	14	19	36	31
Coast to Capital	*2,251*	68	12	19	36	32
Cornwall and the Isles of Scilly	*939*	62	12	18	32	38
Coventry and Warwickshire	*1,294*	63	12	18	32	37
Cumbria	*931*	63	16	15	33	37
Derby, Derbyshire, Nottingham and Nottinghamshire,	*3,203*	63	11	18	34	37
Dorset	*1,146*	64	13	20	31	36
Enterprise M3	*2,220*	68	15	17	36	32
Gloucestershire	*994*	64	11	18	35	36
Greater Birmingham and Solihull	*2,483*	62	13	18	31	38
Greater Cambridge & Greater Peterborough	*2,164*	71	15	21	35	29
Greater Lincolnshire	*1,764*	65	13	20	32	35
Greater Manchester	*3,024*	69	12	21	36	31
Heart of the South West	*2,789*	64	12	19	34	36
Hertfordshire	*1,599*	69	14	21	34	31
Humber	*1,366*	68	15	20	33	32
Lancashire	*1,948*	67	14	18	35	33
Leeds City Region	*4,150*	66	12	20	35	34
Leicester and Leicestershire	*1,505*	61	10	18	34	39
Liverpool City Region	*1,498*	70	11	18	41	30
London	*9,925*	64	11	18	34	36
New Anglia	*2,444*	65	14	17	34	35
North Eastern	*4,250*	66	12	19	35	34
Northamptonshire	*1,179*	61	12	16	33	39
Oxfordshire LEP	*912*	71	13	23	35	29

Column %	Base	ANY TRAINING %	Off-job training only %	On-job training only %	Off-job and on-job training %	Do not train %
Sheffield City Region	*2,232*	66	12	18	36	34
Solent	*1,827*	70	14	19	37	30
South East	*4,819*	67	14	19	33	33
South East Midlands	*2,440*	63	13	17	33	37
Stoke-on-Trent and Staffordshire	*1,545*	59	12	18	28	41
Swindon and Wiltshire	*1,008*	65	10	22	34	35
Tees Valley	*1,279*	71	12	21	38	29
Thames Valley Berkshire	*1,071*	69	13	21	35	31
The Marches	*1,226*	60	16	17	27	40
West of England	*1,501*	68	13	20	35	32
Worcestershire	*958*	62	14	18	29	38
York and North Yorkshire	*2,152*	65	14	21	31	35

Base: All establishments in each LEP

Table B.12 Incidence of training to qualifications by LEP

Column %	*Base*	**% of establishments that train staff to nationally recognised qualifications** %
Black Country	*1,365*	28
Buckinghamshire Thames Valley	*712*	23
Cheshire and Warrington	*1,334*	33
Coast to Capital	*2,251*	29
Cornwall and the Isles of Scilly	*939*	30
Coventry and Warwickshire	*1,294*	26
Cumbria	*931*	31
Derby, Derbyshire, Nottingham and Nottinghamshire,	*3,203*	34
Dorset	*1,146*	27
Enterprise M3	*2,220*	31
Gloucestershire	*994*	29
Greater Birmingham and Solihull	*2,483*	26
Greater Cambridge & Greater Peterborough	*2,164*	35
Greater Lincolnshire	*1,764*	33
Greater Manchester	*3,024*	35
Heart of the South West	*2,789*	28
Hertfordshire	*1,599*	29
Humber	*1,366*	29
Lancashire	*1,948*	34
Leeds City Region	*4,150*	28
Leicester and Leicestershire	*1,505*	30
Liverpool City Region	*1,498*	36
London	*9,925*	27
New Anglia	*2,444*	31
North Eastern	*4,250*	37
Northamptonshire	*1,179*	32
Oxfordshire LEP	*912*	28
Sheffield City Region	*2,232*	34

Column %	*Base*	**% of establishments that train staff to nationally recognised qualifications** %
Solent	*1,827*	33
South East	*4,819*	31
South East Midlands	*2,440*	29
Stoke-on-Trent and Staffordshire	*1,545*	27
Swindon and Wiltshire	*1,008*	27
Tees Valley	*1,279*	41
Thames Valley Berkshire	*1,071*	30
The Marches	*1,226*	27
West of England	*1,501*	27
Worcestershire	*958*	28
York and North Yorkshire	*2,152*	27

Base: All establishments in each LEP

Appendix C: A Note on Proficiency and Skills Gaps

To ascertain the number of staff with skills gaps, respondents were asked, for each major (one-digit SOC 2010) occupation where they employed staff, how many of those they employed were fully proficient. If respondents asked for clarification, then a proficient employee was described as 'someone who is able to do their job to the required level'. 'Proficient employee', however, is clearly a subjective and relative term to the extent that:

- different managers in an organisation may have different views on whether an individual member of staff is able to do the job to the required level. Indeed they may have different views on what the required level is that the organisation is looking for within an occupational category
- an employee could be regarded as fully proficient but if the requirements of the job change (for example, some new machinery or technology is introduced) then they could be regarded as not being able to do their job to the required level, despite the fact that their skills were unchanged
- the same is true if a person were to be promoted to a more demanding position – the company might go from having no skills gaps to saying that this newly promoted member of staff was not fully proficient in the new job, despite having the same proficiency as before
- different companies may be more demanding and 'critical' of their staff than others: an individual considered fully proficient by one company might be seen as having a skills gap if performing the same role to the same standard in another company.

A final point to note is that the survey categorises all staff as either fully proficient or not: it takes no account of the range that can clearly exist between those who are very nearly proficient and those who significantly lack the skills that employers require. While from a policy perspective, therefore, there is clearly interest in raising the skill levels of the workforce, survey data can only identify changes year on year in the proportion of staff reported as fully proficient, not cases where skills levels have been raised but where staff still remain below full proficiency.

Appendix D: Technical Appendix

A full Technical Report accompanies the main UK Commission's Employer Skills Survey report and can be downloaded from the UKCES website or obtained by contacting UKCES directly. This appendix provides brief details on the key areas of sampling, fieldwork and analysis.

The data reported in this document came from two surveys:

- Wave 1: the main skills survey, covering business strategy, retention, recruitment, skills gaps and high performance working;

- Wave 2, Investment in Training Survey: covering the financial investment establishments make in training their staff.

Employer Skills Survey: Wave 1

Sampling

This report uses a sample comparable to that used in NESS09, with all establishments with two or more people working at them eligible. Quotas were set on a size by sector within region basis, proportioned to give a robust base size in each subgroup of the overall sample. In addition non-interlocking targets were set for the SSCs and LEAs.

Sample was drawn from Experian's business database.

Fieldwork

A total of 75,053 interviews were completed in England, by telephone using computer-assisted telephone interviewing (CATI) technology, of which 74,156 had 2+ employment (2011 records with 1 employee 0 working proprietors were not in the NESS09 survey, so were excluded from the legacy analysis). Interviews were conducted with the most senior person at the site with responsibility for recruitment, human resources and workplace skills.

England fieldwork was undertaken by two agencies, as follows:

Agency	Regions
BMG	South West West Midlands Yorkshire and Humberside
Ipsos MORI	East of England East Midlands London North East North West South East

Fieldwork for Wave 1 took place from March to July 2011.

Response rate

The response rate for the survey in England was 39%, calculated as a proportion of all completed contacts. A detailed breakdown of survey outcomes is shown below:

Outcome	Number of contacts	% of all sample	% of complete contacts
Total sample	***442,510***	***100%***	
Ineligible	36,946	8%	
'Live' / not available during fieldwork / out of quota	167,885	38%	
Unobtainable number	48,750	11%	
Total complete contacts	***188,929***	***43%***	***100%***
Achieved interviews	74,156	17%	39%
Respondent refusal	90,039	20%	48%
Quits during interview	5,339	1%	3%
Company policy refusal	19,395	4%	10%

Questionnaire Design

The questionnaire design harmonised previous questionnaires used by the four nations of the UK in their own skills surveys. This included the National Employer Skills Survey series in England, the Scottish Employer Skills Surveys, the Northern Ireland Skills Monitoring Surveys and Future Skills Wales.

A task and finish group chaired by the UK Commission and including IFF Research, and representatives from each of the four nations, was set up to drive this process.

The group's aim was to develop a questionnaire that answered the Employer Skills Survey objectives, whilst maintaining time series data for each nation as far as was feasible in the framework of the ESS. The questionnaire is available on the UK Commission's website at: http://employersurveys.ukces.org.uk/ess/ess11/default.aspx.

Weighting / Grossing up

Data for the survey was weighted and grossed up to population estimates of establishments and to the population of employees, as derived from the 2010 Inter-Departmental Business Register (IDBR).

The UK Commission's Employer Skills Survey 2011 was weighted using interlocking grids of SSC by sizeband in each region of England. Target weights were used to gross up the survey data to the population.:

- **Population**: 2+ employment (all establishments with two or more people working at them, 2011 records with 1 employee 0 working proprietors were not in the NESS09 survey, so were excluded from the legacy analysis)
- **Strategy:** Size by SSC within region – size bandings matched NESS09.
- **Separate** weights were calculated for unit and employment measures as per NESS09.

Employer Skills Survey: Investment in Training follow-up

A separate Investment in Training study was conducted by IFF Research to provide detailed estimates of employer expenditure on training. The approach replicated that of previous Cost of Training studies in England.

Sampling

At the end of the UK ESS Wave 1 questionnaire those respondents who had arranged or funded training for their staff in the previous 12 months were asked if they would be willing to take part in a follow up study on training expenditure. Those agreeing to participate formed the sample for this follow-up survey.

Quotas were set on the basis of training type by size within region.

Fieldwork

Employers who had indicated agreement to take part were called by an IFF interviewer to confirm participation and contact details. They were then sent a datasheet via email or fax containing the questions that were to be asked in the full interview (a copy of which can be seen below). Sending this datasheet in advance allowed the respondent time to collect the relevant information and increase the accuracy of responses. A few days after sending, an interviewer called back to conduct the full interview.

Overall information on training was collected from 7,929 respondents in England, of which 7,872 had 2+ employment (2011 records with 1 employee 0 working proprietors were not in the NESS09 survey, so were excluded from the legacy analysis).

Fieldwork was undertaken by IFF Research from 16th May to 29th July 2011.

Weighting/grossing up

In order to weight the Investment in Training study, population figures were calculated from weighted UKCESS Wave 1 data which had in turn been weighted using the IDBR figures used for the main survey analysis. Data was weighted on the basis of interlocking grids on size by sector by the type of training they carried out, with a regional rim weight.

For further detail on cost calculations and data modelling for the Investment in Training study please see Appendix C of the UK Report.

GDP Deflators

In order to calculate whether the changes in training investment seen over time equate to "real term" rises once inflation has been taken into account GDP deflators have been used when comparing annual spend. The GDP deflator is a measure of general inflation in the domestic economy, reflecting movements of hundreds of separate deflators such as expenditure on items such as bread, investment in computers, imports of aircraft and exports of consultancy services.

Appendix E: Industry Coding

Each establishment was allocated to one of 14 sectors, based on their Standard Industrial Classification (SIC). SIC 2007 was used to classify establishments using the following method. Using the four-digit Standard Industrial Classification (SIC) supplied for each record from the Experian database, a description of business activity was read out to each respondent. If they agreed that this description matched the main activity undertaken at the establishment, then the SIC on Experian's database was assumed to be correct. If however the respondent felt the description did not correspond to their main business activity at the site, a verbatim response was collected to find out what they do (see question A7 on the survey; questionnaire available at www.ukces.org.uk). At the analysis stage this was coded to a four-digit SIC which was then used as the basis for allocation into sector.

The table below shows the 14 sectors and their corresponding SIC 2007 definitions.

Sector	SIC 2007
1. Agriculture	A - Agriculture, forestry and fishing (01-03) Including farming, hunting and other related service activities, forestry and logging, fishing and aquaculture
2. Mining & Quarrying	B - Mining and quarrying (05-09) Including mining of coal, metals, sand/stone/clay, and extraction of crude petroleum and natural gas
3. Manufacturing	C - Manufacturing (10-33) Including manufacture of food and beverage, textiles, chemicals and chemical products, basic pharmaceutical products, other mineral products, manufacture of metals and metal products, machinery, computer and electronic products and equipment, motor vehicles and other transport equipment, furniture, and repair and installation of machinery and equipment
4. Electricity, Gas and Water	D - Electricity, gas, steam and air conditioning supply (35) E - Water supply, sewerage, waste management and remediation activities (36-39) Including electric power generation, transmission and distribution, manufacture of gas and distribution of gaseous fuels, steam and air conditioning supply, water collection, treatment and supply, sewerage and waste collection, treatment

Sector	SIC 2007
	and disposal activities and materials recovery
5. Construction	F - Construction (41-43) Including the construction of buildings, civil engineering (constructing roads, railways and other utility projects), demolition, and specialised activities such as electrical installation, roofing and scaffold erection
6. Wholesale and Retail	G - Wholesale and retail trade; repair of motor vehicles and motor cycles (45-47) Including sale, maintenance and repair of motor vehicles, parts and accessories, non-vehicle wholesale (for example agriculture, food, household goods), and the retail trade of all products whether in stores, stalls, markets, mail order or online
7. Hotels and Restaurants	I - Accommodation and food service activities (55-56) Including hotels, campsites, youth hostels, holiday centres, villages and other short stay accommodation, restaurants and takeaways, event catering and licensed clubs, pubs and bars
8. Transport and Communications	H - Transport and storage (49-53) J - Information and communication (58-63) Including land, water and air transport (passenger and freight), warehousing and support activities for transportation, postal and courier activities, publishing (books, journals, newspapers etc and software/computer games), television, film and music production, broadcasting, telecommunications, computer programming and consultancy, information service activities (e.g. data processing and hosting)
9. Financial Services	K - Financial and insurance activities (64-66) Including banks and building societies, activities of holding companies, trusts, funds and similar financial entities, credit granting, pensions, insurance and reinsurance

Sector	SIC 2007
10. Business services	L - Real estate activities (68) M - Professional, scientific and technical activities (69-75) N - Administrative and support service activities (77-82) Including the buying, selling and renting of real estate, legal activities, accounting, bookkeeping and auditing, management consultancy, architectural and engineering activities, scientific research and development, advertising and market research, specialist design, photographic activities, translation and interpretation, veterinary activities, renting and leasing of tangible goods (motors, household, machinery), employment agencies, travel agencies and tour operations, security and investigation activities, office administration and business support
11. Public Administration	O - Public administration and defence; compulsory social security (84) Including administration of the State and economic and social policy of the community, provision of services to the community as a whole such as defence activities, foreign affairs, justice and judicial activities, fire service and compulsory social security activities
12. Education	P - Education (85) Including pre-primary, primary, secondary and higher education, other education (such as sports, driving schools, cultural education), educational support activities
13. Health and Social work	Q - Human health and social work activities (86-88) Including Hospitals, medical and dental practices, residential care, social work activities
14. Other Community, Social and Personal Services	R - Arts, entertainment and recreation (90-93) S - Other service activities (94-96) Including performing arts, libraries and museums, gambling and betting, sports facilities, amusement

Sector	SIC 2007
	and recreation activities, activities of membership organisations (religious, political, trade union, professional), personal services (hairdressing, beauty, textile cleaning, well-being activities, funeral activities)
NOT COVERED IN SURVEY	T - Activities of households as employers; undifferentiated goods and services producing activities of households for own use (97-98) U - Activities of extraterritorial organisations and bodies (99) Including households as employers of domestic personnel, private households producing goods for own use

Appendix F: Occupational Coding

The occupational data collected in the survey were collected both pre-coded and verbatim. The former included the occupational breakdown of employment (question D5 to D8) where respondents were asked how many of their workforce fell into each of the nine major (one-digit) Standard Occupation Classification (SOC) 2010 categories (Managers, Directors and Senior Officials through to Elementary Occupations). However, on vacancy measures (for example the occupations in which vacancies exist – question C2) this information was collected verbatim. This was then coded at the analysis stage, where possible to a four-digit level SOC, if not three, two- or one-digit level.

Examples of what might fall into each occupational band are as follows:

Occupational group	Primary sectors (Agriculture, manufacturing, construction etc)	Service sectors (retail, business, finance, transport etc)	Public sector (Public Admin, Health, Education etc)
Managers, Directors and Senior Officials	Site managers, Department Heads, Shift Managers (not supervisors)	Directors, Managers / Branch/site managers, shift managers (not supervisors	Police inspectors and above, department heads, Head teachers, Senior Officials
Professionals	Professional engineers, software and IT professionals, accountants, chemists, scientific researchers	Solicitors, lawyers, accountants, IT professionals, economists, architects, actuaries	Doctors, nurses, midwives, teachers, social workers, librarians
Associate Professionals	Science and engineering technicians, lab technicians, IT technicians, accounting technicians	Insurance underwriters, finance/investment analysts and advisers, writers/journalists, buyers, estate agents	Junior police/fire/prison officers, therapists, paramedics, community workers, H&S officers, housing officers
Administrative staff	Secretaries, receptionists, PAs, telephonists, bookkeepers	Secretaries, receptionists, PAs, communication operators, market research interviewers, clerks	Secretaries, receptionists, PAs, local government officers and assistants, office assistants, library and database assistants
Skilled Trades	Farmers, electricians, machine setters / tool makers, carpenters, plasterers	Motor mechanics, printers, TV engineers, butchers	Chefs
Caring, Leisure and Other Service Occupations	Care assistants, nursery nurses	Travel agents, travel assistants, hairdressers, housekeepers	Care assistants, home carers, nursery nurses, ambulance staff, pest control, dental nurses, caretakers
Sales and customer service	Customer facing roles: sales staff and call	Sales assistants and retail cashiers, telesales, call centre	Customer care operations

occupations	centre agents	agents	
Process, plant and machine operatives	Routine operatives, drivers, machine operators, sorters and assemblers	HGV, van, fork-lift, bus and taxi drivers	Drivers, vehicle inspectors
Elementary occupations	Labourers, packers, goods handling and storage staff	Bar staff, shelf fillers, catering assistants, waiters/waitresses, cleaners	Labourers, cleaners, road sweepers, traffic wardens, security guards

Appendix G: Sampling Error and Statistical Confidence

Sampling error for the survey results overall and for different sub-groups by which analysis is presented in the report is shown in Table G.1. Figures have been based on a survey result of 50 per cent (the 'worst' case in terms of statistical reliability), and have used a 95 per cent confidence level. Where the table indicates that a survey result based on all respondents has a sampling error of +/- 0.32 per cent, this should be interpreted as follows: 'for a question asked of all respondents where the survey result is 50 per cent, we are 95 per cent confident that the true figure lies within the range 49.68 per cent to 50.32 per cent'.

These confidence intervals are based on the assumption of a normal distribution of responses.

Table G:1 Maximum Sampling error (at the confidence 95 per cent level) associated with findings of 50 per cent

	Number of interviews	(Maximum) Sampling Error
Overall	74,156	+/-0.36
By size of establishment		
1-4	15,457	+/-0.79
5-24	41,136	+/-0.48
25-99	13,550	+/-0.84
100+	4,013	+/-1.55
By sector		
Agriculture	703	+/-3.7
Mining & Quarrying	124	+/-8.8
Manufacturing	6,667	+/-1.2
Electricity, Gas and Water	1,160	+/-2.88
Construction	5,485	+/-1.32
Wholesale and Retail	13,060	+/-0.86
Hotels & Restaurants	7,202	+/-1.15
Transport and Communications	6,861	+/-1.18
Financial Services	1,452	+/-2.57
Business Services	12,656	+/-0.87
Public Administration	1,214	+/-2.81
Education	4,582	+/-1.45
Health and Social Work	6,872	+/-1.18

	Number of interviews	(Maximum) Sampling Error
Community, Social and Personal Services	6,118	+/-1.25
By region		
East of England	8,372	+/-1.07
East Midlands	7,253	+/-1.15
London	9,925	+/-0.98
North East	5,529	+/-1.32
North West	8,735	+/-1.05
South East	10,592	+/-0.95
South West	8,377	+/-1.07
West Midlands	7,851	+/-1.11
Yorkshire & Humber	7,522	+/-1.13

Appendix H: Weighted base sizes

Throughout this report figures have been reported next to their unweighted base sizes to demonstrate statistical reliability. For reference, the following table shows the weighted number of employers this represents for the key measures in the report.

	Weighted base
Overall	1,491,749
Chapter 3: Work-readiness of those leaving education	
Taking on leavers from education in the last 2-3 years	446,281
16 year-olds from school	140,404
17-18 year-olds from school	168,304
17-18 year-olds from FE College	158,434
From university	183,342
Chapter 4: Employers, Recruitment and Skills shortages	
With a vacancy	219,855
With a hard-to-fill vacancy	71,407
With a skill-shortage vacancy	54,772
Chapter 5: Internal Skills Mismatch	
With at least one skills gap	261,696
Chapter 6: Employer Investment in Training and Skills	
Providing any training	981,288
On-the-job training only	283,039
Off-the-job training only	189,227
Both on- and off-the-job training	509,022
Providing no training for staff	510,458
Providing training towards nationally recognised qualifications	453,719

Appendix I: Unweighted base sizes

This annex shows a reference table of the key unweighted base sizes used in this report. Note that throughout the report, figures are not reported where the base is under 25 and are highlighted in italics where the base is 25 to 49.

			Establishments with…		
	Overall	**Vacancies**	**Hard-to-fill vacancies**	**Skills gaps**	**Estab's that train**
England	74,156	14,749	4,386	18,043	56,713
Size					
1-4	15,457	1,219	471	1,298	7,185
5-24	41,136	6,907	2,209	9,744	32,442
25-99	13,550	4,462	1,180	5,105	12,587
100-199	2,201	1,142	288	1,016	2,114
200-499	1,359	744	172	652	1,318
500+	453	275	66	228	437
Sector					
Agriculture	703	67	25	101	434
Mining and Quarrying	124	27	9	15	95
Manufacturing	6,667	1,232	495	1,647	4,586
Electricity, Gas and Water	1,160	169	49	227	883
Construction	5,485	481	178	982	3,658
Wholesale and Retail	13,060	2,206	541	3,747	9,434
Hotels and Restaurants	7,202	1,777	571	2,391	5,290
Transport and Communications	6,861	1,219	437	1,302	4,738
Financial Services	1,452	279	59	316	1,122
Business Services	12,656	2,638	844	2,746	9,899
Public Administration	1,214	313	74	302	1,104
Education	4,582	1,264	255	1,149	4,316
Health and Social Work	6,872	1,724	452	1,755	6,388
Community, Social and Personal Service activities	6,118	1,353	397	1,363	4,766
Region					
East of England	8,372	1,782	642	2,178	6,571
East Midlands	7,253	1,361	376	1,518	5,388
London	9,925	2,437	691	2,263	7,584
North East	5,529	806	225	1,124	4,019
North West	8,735	1,755	501	2,281	7,030
South East	10,592	2,678	910	2,988	8,559
South West	8,377	1,525	405	2,165	6,467
West Midlands	7,851	1,156	328	1,646	5,263
Yorkshire & Humber	7,522	1,249	308	1,880	5,832

		Establishments with…			
	Overall	Vacancies	Hard-to-fill vacancies	Skills gaps	Estab's that train
Occupation					
Managers	70,647	834	237	4,308	34,513
Professionals	13,809	2,589	857	1,498	9,870
Associate Professionals	11,795	2,807	804	1,566	7,870
Administrative/ Clerical staff	42,972	2,243	336	4,049	20,692
Skilled Trades occupations	17,264	1,884	853	2,528	10,665
Caring, Leisure and Other services	10,716	2,233	555	2,054	8,937
Sales and Customer services	23,192	1,964	406	4,873	13,792
Machine Operatives	11,204	941	279	1,525	6,105
Elementary staff	25,914	2,422	528	4,641	13,601

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List of previous publications

Executive summaries and full versions of all these reports are available from www.ukces.org.uk

Evidence Report 1
Skills for the Workplace: Employer Perspectives

Evidence Report 2
Working Futures 2007-2017

Evidence Report 3
Employee Demand for Skills: A Review of Evidence & Policy

Evidence Report 4
High Performance Working: A Synthesis of Key Literature

Evidence Report 5
High Performance Working: Developing a Survey Tool

Evidence Report 6
Review of Employer Collective Measures: A Conceptual Review from a Public Policy Perspective

Evidence Report 7
Review of Employer Collective Measures: Empirical Review

Evidence Report 8
Review of Employer Collective Measures: Policy Review

Evidence Report 9
Review of Employer Collective Measures: Policy Prioritisation

Evidence Report 10
Review of Employer Collective Measures: Final Report

Evidence Report 11
The Economic Value of Intermediate Vocational Education and Qualifications

Evidence Report 12
UK Employment and Skills Almanac 2009

Evidence Report 13
National Employer Skills Survey 2009: Key Findings

Evidence Report 14
Strategic Skills Needs in the Biomedical Sector: A Report for the National Strategic Skills Audit for England, 2010

Evidence Report 15

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Evidence Report 16
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Evidence Report 17
Horizon Scanning and Scenario Building: Scenarios for Skills 2020

Evidence Report 18
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Evidence Report 19
High Performance Working: Employer Case Studies

Evidence Report 20
A Theoretical Review of Skill Shortages and Skill Needs

Evidence Report 21
High Performance Working: Case Studies Analytical Report

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Evidence Report 23
National Employer Skills Survey for England 2009: Main Report

Evidence Report 24
Perspectives and Performance of Investors in People: A Literature Review

Evidence Report 25
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Evidence Report 26
UK Employment and Skills Almanac 2010

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Maximising Employment and Skills in the Offshore Wind Supply Chain

Evidence Report 35
The Role of Career Adaptability in Skills Supply

Evidence Report 36
The Impact of Higher Education for Part-Time Students

Evidence Report 37
International approaches to high performance working

Evidence Report 38
The Role of Skills from Worklessness to Sustainable Employment with Progression

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Skills and Economic Performance: The Impact of Intangible Assets on UK Productivity Growth

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A Review of Occupational Regulation and its Impact

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Working Futures 2010-2020

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International Approaches to the Development of Intermediate Level Skills and Apprenticeships

Evidence Report 43
Engaging low skilled employees in workplace learning

Evidence Report 44
Developing Occupational Skills Profiles for the UK

Evidence Report 45
UK Commission's Employer Skills Survey 2011: UK Results

Evidence Report 46
UK Commission's Employer Skills Survey 2011: England Results

Evidence Reports present the key findings of the research produced by the UK Commission for Employment and Skills. More detailed analytical results are presented in Evidence Reports and all outputs are accessible on the UK Commission's website www.ukces.org.uk

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ISBN 978-1-908418-16-6