

Skills and Labour Market Review Hertfordshire 2020



Contents

Executive Summary	3
Introduction	5
Economic Context	7
Local Demand for Labour and Skills	8
Employment Rates	9
Employee Jobs	10
Business Counts	14
Employee Earnings (Resident Based)	15
Employee Earnings (Workplace Based)	16
Job Vacancies	17
Local Labour Supply	25
Population Estimates	26
Participation in Employment	30
Education	33
Apprenticeships	39
Skills Shortages	42
Employer Skills Survey	43
Hertfordshire Business Productivity	48
Future Projections	51
Population Projections	52
Labour Market and Skills Projections	54
Qualifications Projections	56
Automation	57
Priority Sectors	58
Next Steps	65
Glossary	70

FOREWORD

The bulk of this Local Labour Market Analysis was researched and developed before the onset of COVID-19 and its full implications on the skills and employment prospects for Hertfordshire residents could be fully understood. This analysis, therefore, serves as a baseline and will be followed by an interim local labour market analysis in November. Both will inform our full Skills and Employment Strategy in March 2021. This analysis and action plan also forms a key strand of Hertfordshire's Economic Recovery Plan, led by Hertfordshire Local Enterprise Partnership and shaped in partnership with key stakeholders.

Executive summary

Hertfordshire residents earn 16% more than the national average

The median annual salary in Hertfordshire is £34,676 which is 16% more than the average salary in England (£29,869). Between 2016-2018, annual earnings increased by 3% in Hertfordshire, in line with the growth in the East of England as a total.

Employee jobs grown at faster rate than national rate

According to the Business Register and Employment Survey there are 632,000 jobs in Hertfordshire which has grown at a rate of 8% between 2015-2017 compared with 5% nationally.

Over 170,000 unique job vacancies posted

Between January-December 2018 there were 172,427 unique job vacancies posted in Hertfordshire, 3% more than in 2017 (168,129).

There are 1.18million residents in Hertfordshire

It is estimated that there are 1,184,400 people residing in Hertfordshire which is a 9% increase between 2008-2018, in line with the population growth in the East of England but faster than the national growth of 8%.

Hertfordshire's population predicted to grow by 15%

By 2041 it is forecasted that Hertfordshire will have 15% more residents than the current estimate of 1.18million, with Welwyn Hatfield set to have the largest percentage increase in the county, 20% more residents.

Hertfordshire's housing affordability ratio is 11.2

Hertfordshire's homes are 11.2 times more expensive than the median annual residence based earnings, significantly greater than the national figure of 7.7 and the East of England ratio at 9.0. The average house price in 2018 was £388,000, compared with £230,000 in England as a total.

Executive summary

Hertfordshire residents are of a high standard of education

Hertfordshire has a highly skilled workforce, with 42.4% of working age residents (aged 16-64) educated to at least NVQ level 4.

The number of apprenticeship achievements dropped by 2%

Achievements in apprenticeships dropped by -2% in Hertfordshire in 2017/18 compared with the previous year. The largest decline was in higher apprenticeships, where there was -20% less achievements.

28% of all vacancies in Hertfordshire were reported as SSVs

According to the Employer Skills Survey (2017) 28% of all employer vacancies were reported as being hard to fill specifically because of skills shortages.

3% of establishments reported to have SSVs and Skills Gaps

At the time of the Employer Skills Survey (2017) 3% of establishments in Hertfordshire reported that they had skills shortage vacancies and skills gaps with existing staff, compared to 2% in the South East and 1% of establishments in London.

Hertfordshire has low rates of unemployment

The unemployment rate in Hertfordshire of those at working age (16-64) is 3.4%, which is lower than the national figure at 4.3%. The percentage of those that are economically inactive and of the working age is 18.7%, which is much lower than the national figure of 21.5%. 21.7% of residents that are economically inactive would like a job.

Hertfordshire has a strong performance in school qualifications

The percentage of pupils achieving at least a grade 5 at GCSE in English and Maths in Hertfordshire was much higher than the national average in 2018. 53.1% of pupils in Hertfordshire achieved between grades 9-5 compared with 40.2% in England. A level results are also strong in Hertfordshire with 23.9% of pupils achieving AAB or better at A level in the academic year 2017/18 compared to 19.4% of pupils in the East of England. 18.4% of the students in Hertfordshire achieved AAB at A level with at least two subjects being facilitating subjects, compared with 14.5% in the East of England.

Introduction

Ensuring our workforce has the right skills to encourage future economic growth lies at the heart of delivering the Hertfordshire Local Enterprise Partnership (LEP) Strategic Economic Plan (SEP) which has defined the following vision: 'by 2030 Hertfordshire will be among the UK's leading economies, helping to realise the full economic potential of the assets and opportunities within the 'Golden Triangle' of London - Cambridge - Oxford.' Developing the STEM (Science, Technology, Engineering and Mathematics) skills of both our future and existing workforce will be key to improving the economic growth of the county.

Building on from the SEP, consultation has commenced to develop Hertfordshire's Local Industrial Strategy (LIS). Our LIS is framed by seven strategic themes:

Theme 1: Digital foundations, frontiers and futures: Re-inventing connectivity, potential and prospects

Theme 2: Old New Towns - new New Towns: Creative and aspirational communities for the 21st Century

Theme 3: Unlocking science-based cluster in the Golden Triangle: Life sciences and advanced engineering

Theme 4: East/West growth corridors: A414 Hemel Hempstead, Hatfield, Harlow A505 Luton towards Cambridge

Theme 5: Space to grow: From enterprise to business in Hertfordshire

Theme 6: Beyond boundaries: a new relationship with London - with a focus on south east Hertfordshire

Theme 7: Creative sectors and creative people: From good to great in south west Hertfordshire, and investing elsewhere too

Underpinning these strategic themes are 5 foundations of productivity including Ideas, People, Infrastructure, Business Environment and Places. This local labour market analysis is an opportunity to gain intelligence and build an evidence base around the 'People' foundation, detailing the region's skills and employment landscape. In particular this analysis will be used to respond to Theme 1, 2, 3, 6 and 7.

Introduction

Introducing Skills Advisory Panels (SAPs)

Skills Advisory Panels were introduced by the government in 2017. Their primary purpose is to provide strategic local leadership on skills and act as a key enabler in supporting their local areas to understand and address local workforce challenges. By October 2019 panels are to operate across England, with all LEPs/ MCAs having a Skills Advisory Panel that meets the government's standards and requirements. Each LEP/MCA's Skills Advisory Panel board will work closely with a full range of partners to assist local providers of education and apprenticeships to ensure that courses deliver the skills that are required of the local workforce to meet employer's demands.

In December 2018 the Department for Education launched the SAP Guidance and Analytical toolkit in a bid to ensure that all LEPs have a Skills Advisory Panel and that they meet the required standards set out by central government which Hertfordshire has followed.

The LEP skills and employment programme board have adopted the Skills Advisory Panel terms of reference as stipulated by government and therefore now form the Skills Advisory Panel for Hertfordshire.

The Skills Advisory Panel in Hertfordshire will ensure that it can provide well-evidenced analysis to influence investment and strategic decisions when addressing local skills challenges and ultimately drive the economy. With the information and analysis in this report the Skills Advisory Panel will be confident with decision making regarding suggestions and influence on local provision and employment in the local area.

This report uses various sources of data including sources such as ONS, DWP, DfE, including the Employer Skills Survey and also economic modelling company EMSI. The report will outline both demand and supply within Hertfordshire, made up of its 10 districts: Broxbourne, Dacorum, East Hertfordshire, Hertsmere, North Hertfordshire, St. Albans, Stevenage, Three Rivers, Watford and Welwyn Hatfield. From evidencing both demand and supply in the local area the report will then follow with a gap analysis, outlining the skills gaps identified within Hertfordshire and where there are opportunities for growth.

Hertfordshire's revised Skills Strategy 2021 - 24

Hertfordshire LEP, will be working in partnership with Hertfordshire County Council, the Department for Work and Pensions (DWP) and our Skill Advisory Panel to commence consultation on our revised Hertfordshire Skills

Strategy to be published by March 2021. This will be accompanied by an updated Labour Market Review 2020/2021 taking into the account the impact of COVID-19.

Economic Context

Hertfordshire's Economy

Since the Local Economic Partnership produced its first Economic Outlook in 2011, the LEP has consistently reported a large and strong economy, with a highly skilled labour force and an enterprise culture that other areas could only dream about possessing. In spite of this strong performance, there remains one thing that stubbornly refuses to shift in a positive direction. That metric is productivity.

For all its success as a vibrant county, adjacent to a world-city; boasting world-class businesses; world-renowned research centres; comparatively low levels of deprivation; an excellent schools system and high economic participation rates; Hertfordshire is not performing to its full potential in terms of its underlying productivity.

In 2007, Hertfordshire's productivity performance was approximately 10% higher than the national average. However, Hertfordshire's productivity performance subsequently declined relative to the UK. By 2017, GVA per hour worked was less than the average for the UK while GVA per filled job was 1% higher than the UK average.

The official data therefore suggest that Hertfordshire is losing its comparative advantage and falling behind on key measures of productivity. Within the county itself, there are marked local variations in rates of long-term economic growth, i.e. the average rate of growth over the last ten years. Watford and Three Rivers are notably performing above the UK average but Stevenage, Broxbourne, East Herts and Welwyn Hatfield are below the UK 10-year average of 2.5%. This is not to suggest that the county is underachieving in any sense, but it does suggest that Hertfordshire needs to do more to address the underlying causes of slowing productivity and sluggish growth.

It is with this in mind that the LEP is in the process of finalising its Local Industrial Strategy to transform how the LEP and its key stakeholders can reverse current trends and

ensure that Hertfordshire continues to remain at the top table of high performing local economies.

As a LEP, we are well placed to deliver a game-changing strategy, having based our Strategic Economic Plan on focusing our priorities around the fundamental drivers of productivity in skills, housing infrastructure, innovation and transport connectivity. We are already investing in activities that will have a significant impact on Hertfordshire's economic performance through our support of major urban regeneration projects (Watford, Stevenage, Hemel and Hatfield). In addition, we are investing in world-class science at Stevenage Bioscience Catalyst, the Cell and Gene Therapy Catapult Manufacturing Centre, Rothamsted Research, and Royal Veterinary College, as well as developing high level skills and investing in further and higher education facilities at the University of Hertfordshire and the county's excellent further education colleges. It is no wonder, then, that Business and Industry Minister Nadhim Zahawi chose our Annual Conference to announce that Stevenage Bioscience Catalyst had been successful in its bid to become a Life Sciences Opportunity Zone. This creates more high value local jobs and opportunities for our young people within this fast-growing sector.

In conclusion, Hertfordshire's performance is good. Economic participation rates are high, unemployment is low, the workforce is comparatively well skilled, economic growth is well established, the enterprise base is growing and employers are creating jobs. However, the county still faces some major challenges to meet the demand for skills in a tightening labour market but, overall, its position relative to other LEP areas, remains strong. The issues around productivity are a call to arms for the LEP. We are responding positively to this challenge through our ambitious Local Industrial Strategy and working with Government to create a suite of business support tools that will create the optimum environment for business productivity and performance.

Local Demand for Labour and Skills

Employment Rates

As of 2018, 78.5% of Hertfordshire's residents aged 16-64 were in employment which is 0.9% less working age residents in employment compared to the previous year. This is high compared with the national employment rate in the same time period of 75.1%. The district of Stevenage has the highest employment rate in the county, with 84.7% of working age residents in some form of employment, a 10% increase on the previous year. Dacorum also has a high employment rate with 81.2% of residents aged 16-64 in employment.

Three Rivers has the lowest employment rate with 73.9% of working age residents in some form of employment, a decrease of 5.5% on 2017. Hertsmere has seen the biggest

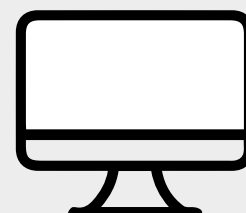
percentage decrease in employment rates, with 6.2% less working age residents in employment in 2018.

Self-employment made up 12.2% of those aged 16-64 in overall employment, in line with the previous year. The national self employment rate for those that are employed is 10.6%. Despite having one of the lowest rates of employment in the county, Hertsmere has the highest rate of those of the working age in self-employment with 17.7% of residents aged 16-64 being self employed. Welwyn Hatfield has a low percentage of self employed residents, with 7.4% of working age residents that are employed in self employment and 71.2% in employment.

Area	Employment Rate (Jan-Dec 2018)	Annual Change (%)
Hertfordshire	78.5	-0.9
Broxbourne	78.8	2.7
Dacorum	81.2	0.4
East Hertfordshire	77.6	-1.5
Hertsmere	74.9	-6.2
North Hertfordshire	77.7	-0.7
St. Albans	77.7	-1.9
Stevenage	84.7	10.0
Three Rivers	73.9	-5.5
Watford	79.3	-5.5
Welwyn Hatfield	78.6	-3.2

Source: Annual Population Survey (ONS)

Hertfordshire has a high employment rate
Stevenage has the highest employment rate of the ten districts
The lowest employment rate is in Three Rivers
Self employment makes up 12.2% of working age residents in employment



Employee Jobs

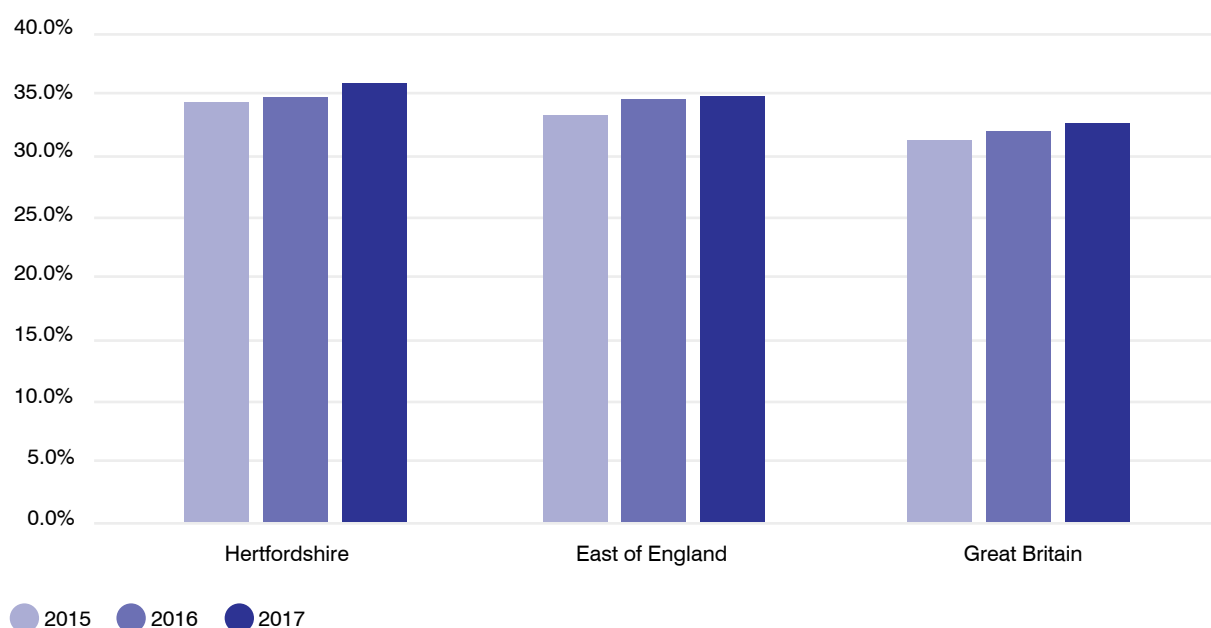
According to the Business Register and Employment Survey it was estimated that there were 632,000 employee jobs within Hertfordshire in 2017. The number of employee jobs within Hertfordshire has grown at a faster pace than that of East of England and Great Britain. The number of jobs in Hertfordshire has grown by 8% (45,000) between 2015-2017 vs 5% in

East of England and 3% in Great Britain. The 8% increase in employee jobs between 2015-2017 is significantly higher than the Increase in Population vs Employee Jobs percentage growth of the population, with a 1% increase in total resident population estimated in Hertfordshire over the same time period coupled with a 1% increase in the working age population.

Employee Jobs	Hertfordshire	East of England	Great Britain
2015	587,000	2,608,000	28,565,000
2016	604,000	2,680,000	29,045,000
2017	632,000	2,735,000	29,375,000
% Increase 2015-2017	8%	5%	3%

Source: ONS Business Register and Employment Survey
Notes: Employee jobs excludes self-employed, government supported trainees and HM forces

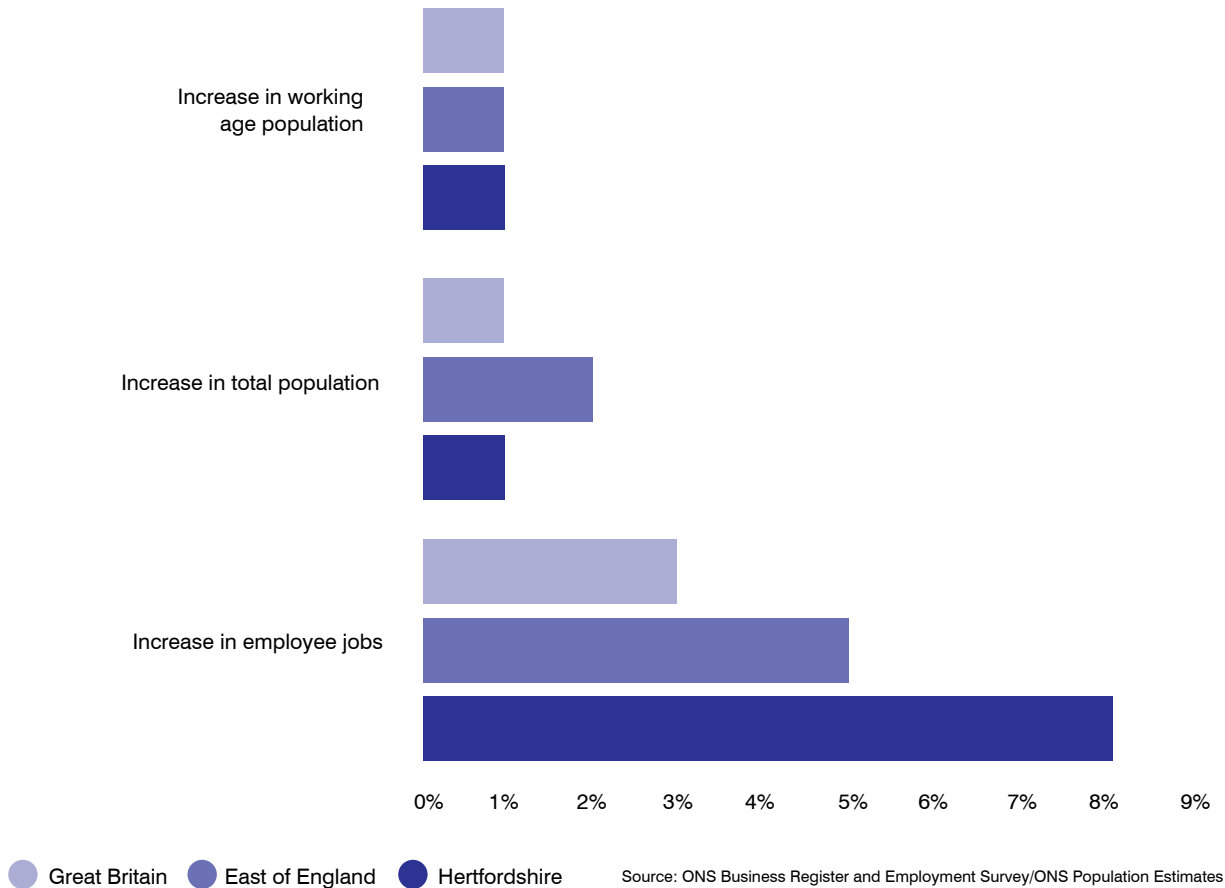
Percentage of Part Time Jobs (2015-2017)



Source: ONS Business Register and Employment Survey
Notes: Employee jobs excludes self-employed, government supported trainees and HM forces

Employee Jobs

Increase in Population vs Employee Jobs



Part time employment is high in Hertfordshire with 35.8% of employee jobs being part time, compared with 32.5% nationally and 34.8% in the East of England.

The percentage of part time jobs has grown by 1.2% in Hertfordshire since 2015, from 34.6% to 35.8%. This is slightly faster than the national part time job percentage split growth of 1.0.

632,000 Employee Jobs

Employee jobs grown at faster rate than national rate

Hertfordshire employee jobs grown by 8% between 2015-2017

Lower full time employee jobs than national average

Employee Jobs by Industry

Wholesale and Retail Trade is the largest sector within Hertfordshire with 18.8% of jobs falling into this industry. The second largest industry is Administrative and Support Service Activities, with a share of 15% of the jobs. Professional, Scientific and Technical Activities is also a key industry for Hertfordshire with 12.2% of jobs falling into this sector compared to 9.3% in East of England and 8.4% in Great Britain.

Construction is a relatively large industry in Hertfordshire with 6% of employee jobs falling into this category compared to 4.8% in Great Britain. The district of Three Rivers has 12.5% of the jobs in the construction industry located there.

Manufacturing has a lower percentage share of the jobs market in Hertfordshire compared to the East of England and Great Britain with only 5.9% (37,000 jobs) compared to 8% of the industry for East of England.

Employee jobs by Industry (2017)				
Industry (SIC)	Hertfordshire (Count)	Hertfordshire (%)	East of England (%)	Great Britain (%)
Mining and quarrying	175	0.0	0.1	0.2
Manufacturing	37000	5.9	8.0	8.2
Electricity, gas, steam and air conditioning supply	1250	0.2	0.3	0.5
Water supply; sewerage, waste management and remediation activities	3500	0.6	0.6	0.7
Construction	38000	6.0	5.5	4.8
Wholesale and retail trade; repair of motor vehicles and motorcycles	119000	18.8	17.1	15.2
Transportation and storage	25000	4.0	4.9	4.7
Accommodation and food service activities	37000	5.9	6.8	7.5
Information and communication	30000	4.7	3.6	4.4
Financial and insurance activities	12000	1.9	2.4	3.5
Real estate activities	9000	1.4	1.5	1.7
Professional, scientific and technical activities	77000	12.2	9.3	8.4
Administrative and support service activities	95000	15.0	10.5	9.1
Public administration and defence; compulsory social security	12000	1.9	3.0	4.3
Education	47000	7.4	8.8	8.9
Human health and social work activities	59000	9.3	12.6	13.3
Arts, entertainment and recreation	16000	2.5	2.7	2.6
Other service activities	13000	2.1	1.9	2.0

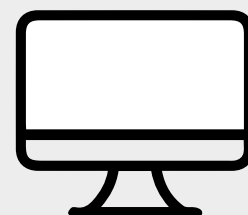
Source: ONS Business Register and Employment Survey 2017

Notes: Employee jobs excludes self-employed, government-supported trainees and HM forces Data excludes farm-based agriculture

Wholesale and retail is the largest industry in Hertfordshire

Professional, Scientific and Technical activities is a key industry in Hertfordshire with 12.2% of jobs compared with 8.4% nationally

Low percentage of manufacturing jobs in Hertfordshire



Employee Jobs by Industry-District

Employee Jobs by Industry by Local Authority District (2017)										
Industry (SIC)	Broxbourne	Dacorum	East Hertfordshire	Hertsmere	North Hertfordshire	St. Albans	Stevenage	Three Rivers	Watford	Welwyn Hatfield
Mining and quarrying	0	0	0.2	0	0	0	0	0	0	0
Manufacturing	8.1	6.5	6.8	4.7	13.5	3.1	11.1	2.5	2.3	4.3
Electricity, gas, steam and air conditioning supply	0.1	0.4	0.2	0.6	0.5	0	0.3	0.2	0.2	0
Water supply; sewerage, waste management and remediation activities	0.9	0	0.2	0.2	0.8	0.4	0.2	0.8	0.1	1.6
Construction	8.1	5.1	5.5	9.4	6.7	5.5	3.3	12.5	3.5	4.9
Wholesale and retail trade; repair of motor vehicles and motorcycles	24.3	21.7	13.7	17	19.2	15.1	15.6	15	12.1	32.6
Transportation and storage	4.7	7.2	8.2	3.8	1.9	3.4	2.2	2.5	1.8	3.3
Accommodation and food service activities	4.7	5.8	6.8	7.5	7.7	6.8	5.6	6.2	4	3.8
Information and communication	1.9	7.2	4.1	5.7	4.3	4.8	4.4	6.2	4	4.3
Financial and insurance activities	1.6	1.4	1.4	3.8	2.9	2.1	2.2	4.4	1.3	0.8
Real estate activities	2.2	1.2	1.2	2.4	2.4	1.2	1	3.1	1	0.8
Professional, scientific and technical activities	8.1	10.1	11	11.3	9.6	15.1	11.1	15	20.2	7.6
Administrative and support service activities	16.2	7.2	16.4	9.4	6.7	17.8	7.8	7.5	35.4	8.7
Public administration and defence; compulsory social security	1.6	2.9	2.1	0.8	1.5	1.1	3.3	1.5	1	3.3
Education	6.8	8.7	8.2	8.5	7.7	8.2	7.8	8.8	3	7.6
Human health and social work activities	6.1	8.7	9.6	8.5	9.6	8.2	17.8	7.5	8.1	10.9
Arts, entertainment and recreation	2.2	2.9	2.7	3.8	2.4	3.1	2.8	3.1	1.5	1.6
Other service activities	1.2	1.8	1.4	2.8	1.9	2.4	0.9	1.8	1.3	3.8

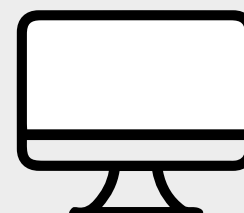
Source: ONS Business Register and Employment Survey 2017
 Notes: Employee jobs excludes self-employed, government-supported trainees and HM forces
 Data excludes farm-based agriculture

Welwyn Hatfield has the largest percentage share of wholesale and retail trade within the district with 32.6% of jobs within the district falling under this industry, which is

Hertfordshire's largest industry. Watford has a large number of jobs within the Administrative and Support Service Activities industry, with 35.4% of jobs falling into this industry.

Welwyn Hatfield has the largest share of wholesale and retail trade of the ten districts

Over a third of employee jobs in Watford are in the administrative and support service activities industry



Business Counts

The Inter Departmental Business Register (ONS) states that there are 61,765 enterprises within Hertfordshire. 90.9% of these enterprises are micro businesses employing 9 people or less, higher than the East of England percentage split, where 89.8% of enterprises are micro.

Hertfordshire has 69,580 local units, with 87.1% of these with 9 employees or less, higher than the East of England split of 85.2%.

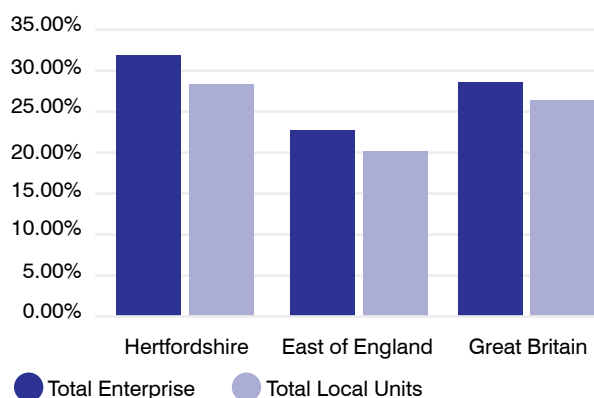
UK Business Counts (2018)				
	Hertfordshire	Hertfordshire %	East of England	East of England %
Enterprises				
Micro (0 to 9)	56,115	90.9%	236,890	89.8%
Small (10 to 49)	4,540	7.4%	22,090	8.4%
Medium (50 to 249)	865	1.4%	3,955	1.5%
Large (250+)	245	0.4%	960	0.4%
Total	61,765	100.0%	263,895	100.0%
Local Units				
Micro (0 to 9)	60,625	87.1%	259,005	85.2%
Small (10 to 49)	7,165	10.3%	36,265	11.9%
Medium (50 to 249)	1,550	2.2%	7,615	2.5%
Large (250+)	235	0.3%	1,020	0.3%
Total	69,580	100.0%	303,905	100.0%

Source: Inter Departmental Business Register (ONS) Notes: % is a proportion of each total (enterprises or local units)
Notes: An enterprise can consist of more than one local unit.

The growth in the number of businesses has been significant in Hertfordshire between 2010-2018 compared with the percentage growth in the East of England and Great Britain.

The number of total enterprises in Hertfordshire grew by 32% between 2010-2018 and the total number of local units grew by 29%.

Growth in Business Counts 2010-2018



Source: Inter Departmental Business Register (ONS) Notes: % is a proportion of each total (enterprises or local units)

61,765 enterprises in Hertfordshire 32% more than in 2010

90.9% of enterprise have 9 employees or less

69,580 local units in Hertfordshire



Employee Earnings - Resident Based

Resident Based Earnings

The median annual salary in Hertfordshire is £34,626, which is 16% more than the median salary in England of £29,869 and 12% more than the median salary in the East of England.

The district with the lowest median salary is Watford, where the average annual salary is £30,779, 11% less than the median salary for the total residents in the county.

The highest median resident based annual salary is in the district of Three Rivers, where the average salary is £42,795, 23% more than the median salary in the county.

Median Annual Residence Based Earnings				
Area	2016	2017	2018	Growth 2016-2018
Hertfordshire	£33,705	£34,152	£34,626	3%
Great Britain	£28,302	£28,883	£29,647	5%
East of England	£30,000	£30,234	£31,000	3%
Broxbourne	£32,020	£32,285	£33,541	5%
Dacorum	£33,747	£33,337	£33,918	1%
East Hertfordshire	£34,805	£35,349	£36,006	3%
North Hertfordshire	£30,220	£31,496	£32,942	9%
Hertsmere	£35,102	£36,029	£34,796	-1%
Three Rivers	£38,863	£39,906	£42,600	10%
Stevenage	£28,831	£28,946	#	-
St. Albans	£32,312	£32,371	£34,391	6%
Watford	£34,006	£34,920	£30,760	-10%
Welwyn Hatfield	£31,346	£32,453	£32,453	4%

Source: ONS Annual Survey of Hours and Earnings
 Notes: Figures are estimates of gross residence-based individual full-time annual earnings where available. Where not available these are annualised gross weekly figures
 # indicates where figures are suppressed as statistically unreliable.

The median annual salary in Hertfordshire is £34,626, 16% more than the national average

Three Rivers is the district with the highest median resident based annual salary in the county

Watford has the lowest resident based median earnings, 11% less than the median salary in the county



Employee Earnings - Workplace Based

Workplace Based Earnings

The median annual salary in Hertfordshire by workplace employees is £32,033 (2018), which is 7% less than resident based annual earnings although 8% greater than workplace based earnings in Great Britain.

Broxbourne has seen a significant growth in workplace based earnings, with a 20.8% increase in earnings since 2016. Previously Broxbourne's median workplace based earnings

were much lower than the national average however they've now risen to be 6% greater than the median annual workplace based earnings in Great Britain.

St. Albans has the highest median workplace based earnings in the county, with the average salary at £34,592, a 4.3% increase between 2016-2018.

Median Annual Workplace Based Earnings				
Area	2016	2017	2018	Growth 2016-2018
Hertfordshire	£30,727	£30,992	£32,033	4.3%
Great Britain	£28,279	£28,869	£29,633	4.8%
East of England	£27,892	£28,456	£29,153	4.5%
Broxbourne	£26,097	#	£31,525	20.8%
Dacorum	£30,031	£29,013	£30,941	3.0%
East Hertfordshire	£31,107	£29,458	£31,204	0.3%
North Hertfordshire	£30,751	£31,670	£31,760	3.3%
Hertsmere	£30,031	£32,506	£30,924	3.0%
Three Rivers	£28,949	£31,202	£32,098	10.9%
Stevenage	£33,650	£34,686	£33,532	-0.4%
St. Albans	£33,164	£33,589	£34,592	4.3%
Watford	£30,428	£28,202	£29,135	-4.2%
Welwyn Hatfield	£31,578	£32,959	£33,695	6.7%

Source: ONS Annual Survey of Hours and Earnings
 Notes: Figures are estimates of gross residence-based individual full-time annual earnings where available. Where not available these are annualised gross weekly figures
 # indicates where figures are suppressed as statistically unreliable.

Workplace earnings are 7% less than resident based earnings suggesting that residents travel out of the county for higher salaries

St. Albans has the highest median workplace based earnings in Hertfordshire

Broxbourne has seen a 20.8% rise in workplace based earnings since 2016



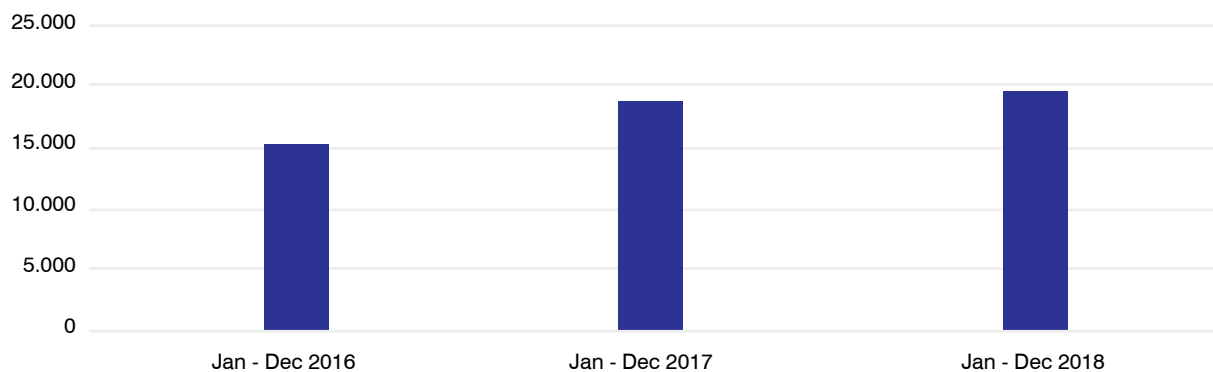
Job Vacancies

Total Vacancies

Between Jan - Dec 2018 there were 192,268 unique job postings within Hertfordshire (including staffing companies). The median posting duration of the vacancies over the period Jan 2018 - Dec 2018 was 31 days which is in

line with the East of England median posting duration. A quarter of the total unique vacancies in the East of England were for roles based in Hertfordshire in 2018.

Count of Unique Job Postings by Year (Jan-Dec)



Source: EMSI Job Posting Analytics

The median advertised salary for roles based in Hertfordshire in 2018 was £26.7k significantly lower than workplace based average earnings in the county, of £32k in 2018.

62% of total vacancies posted in 2018 for jobs based in Hertfordshire were posted by staffing companies. The remaining 38% of vacancies were posted directly by the employers. The percentage share of unique vacancies posted

by staffing companies has decreased over the last few years, from 68% in 2016 to 62% in 2018, meaning that more employers are posting vacancies directly rather than using a recruitment company.

In terms of job vacancy locations the district of Watford has had the most unique vacancies posted over the last few years. In 2018, 17% of the unique vacancies in Hertfordshire were for roles based in Watford.

Over 190,000 unique job postings in Hertfordshire in 2018

17% of total vacancies in Watford

Average posting duration is 31 days

62% of vacancies were posted by staffing companies



Job Vacancies by Company

Top 10 Companies	Unique Postings from Jan 2018 - Dec 2018
Tesco/Tesco PLC	2,921
NHS	1,064
Ocado	968
Hertfordshire Community NHS Trust	845
Hertfordshire County Council	503
Roche	355
McMullens	354
Asda	315
GlaxoSmithKline	302
MBDA UK	290

Source: EMSI Job Posting Analytics

The company with the most unique vacancies based in Hertfordshire advertised in 2018 was Tesco. With Tesco's head office based in Hertfordshire as well as many large scale Tesco stores, it is no surprise that they are a large employer within the county, recruiting for a wide range of roles from Supply Chain Managers to Customer Care Assistants. With their headquarters based in Shire Park in Welwyn Garden City almost half of roles were based here, with the top posted occupation in this location being Sales Accounts and Business Managers. Tesco's median posting duration for all vacancies posted in Hertfordshire in 2018 was 18 days, significantly lower than the median posting duration for all vacancies in the county, suggesting Tesco does not have trouble with recruiting employees.

The NHS is a large employer in Hertfordshire, recruiting mainly Nurses and Healthcare Assistants but also Administrative Assistants. The top hard skill required by the NHS included in vacancies posted in Hertfordshire in 2018 was mental health. The top common skill required

according to the vacancies posted in 2018 was communication. The median salary advertised in vacancies posted by the NHS in Hertfordshire was £26.3k in 2018, lower than resident and workplace based earnings in Hertfordshire although with a median posting duration of 21 days there's no suggestion of a problem recruiting staff but perhaps a high turnover of staff.

GlaxoSmithKline and MBDA are notable employers in Hertfordshire, recruiting many professionals in the science industry to work in Hertfordshire. Between the two companies, the top posted job titles in 2018 were for Senior Scientists and Electronics Engineers. Although the salary range is not always advertised for these types of roles, there were a number of vacancies offering over £120k, over 3 times the median workplace earnings in the county. The individuals in these roles are expected to be highly skilled, with a knowledge of pharmaceuticals and biology being highly requested in many of the job vacancies.

Tesco posted the most job vacancies in Hertfordshire in 2018

GlaxoSmithKline and MBDA post a large number of vacancies attracting highly skilled professionals in the science industry

Tesco's median vacancy posting duration was only 18 days in 2018



Job Vacancies by Company

Tesco vacancies by job title (top 10) Jan-Dec 2018

Job Title	Unique Postings (Jan-Dec 2018)	Median Days Posted
Customer Service Assistant	601	12
Customer Assistance Representative	224	10
Lawn Garden Repair Technician	93	32
Delivery Driver	76	21
Customer Care Assistant	63	16
Product Manager	53	35
Maintenance Leader	46	27
Merchansider Manager	32	21
Personal Baker	31	16
Maintenance Manager	26	19

Source: EMSI Job Posting Analytics

Top Hard Skills posted by Tesco (top 10) Jan-Dec 2018

Top Hard Skills	Postings with Skill
Restaurant Operation	1,043
Warehousing	1,017
Due Dilligence	435
Stakeholder Management	31
Key Performance Indicators	258
New Product Development	199
Merchandising	195
Forecasting	177
Agile Software Development	166
SQL (Programming Language)	123

Source: EMSI Job Posting Analytics

GlaxoSmithKline vacancies by job title (top 10)

Job Title	Unique Postings (Jan-Dec 2018)	Median Days Posted
Senior Scientist	12	18
Cell Culture Scientist	12	20
Statistician	11	15
Process Engineer	8	21
Security Investigator	8	43
Head of Sales	7	21
Regulatory Manager	6	65
Assurance Services Senior Associate	6	18
Automation Engineer	6	14
Biologist	6	30

Source: EMSI Job Posting Analytics

Top Hard Skills posted by GlaxoSmithKline (top 10)

Top Hard Skills	Postings with Skill
Procurement	169
Condition Precedent	165
Pharmaceuticals	161
Good Manufacturing Practices	125
Biology	76
Cpntinuous Improvement Process	76
Drug Discovery	58
New Product Development	56
Pharamaceutical Manufacturing	56
Research and Development	53

Source: EMSI Job Posting Analytics

The most posted job title by Tesco in 2018 was for entry level assistant roles

The top 10 skills required by Tesco for vacancies posted in 2018 range from entry level to highly desirable skills such as SQL

GlaxoSmithKline's top 10 vacancies posted in 2018 include highly qualified Scientists and Engineers that will require degree level as a minimum



Job Vacancies by Occupation

Top 10 Occupations (SOC)	Unique Postings (Jan-Dec 2018)	Median Days Posted	Top 10 Job Titles (by SOC Book-keepers, payroll managers and wages clerks)	Unique Postings (Jan-Dec 2018)	Median Days Posted
Book-keepers, payroll managers and wages clerks	8,785	28	Accountant	1,277	27
Sales accounts and business development managers	5,953	29	Payroll Administrator	392	29
Customer service occupations	4,858	25	Bookkeeper	335	30
Nurses	4,715	28	Accounts Administrator	221	27
Business sales executives	4,331	29	Auditor	162	31
Care workers and home carers	3,738	29	Payroll Manager	113	30
Programmers and software development professionals	3,568	24	Payroll Assistant	109	31
Elementary storage occupations	3,312	29	Practice Consultant	80	35
Marketing associate professionals	3,131	29	General Ledger Accountant	66	21
Chefs	2,981	29	Payroll Clerk	64	28

Source: EMSI Job Posting Analytics

According to EMSI's model that analyses unique job postings, the most posted vacancies by standard occupational classification (SOC) between January 2018 and December 2018 were book-keepers, payroll managers and wages clerks (including staffing companies). Vacancies that fell under this SOC made up 5% of total unique vacancies posted in Hertfordshire between January 2018-December 2018 (including staffing companies).

The median posting duration of vacancies under the standard occupational classification

book-keepers, payroll managers and wages clerks was 28 days between January-December 2018. This was slightly slower than the regional average of 27 days for the same vacancies. This doesn't necessarily suggest that these vacancies are hard to fill as they are only slightly above the average posting duration.

The most popular job title that came under the standard occupational classification book-keepers, payroll managers and wages clerks between January-December 2018 was Accountant. 14% (1,277)

By standard occupational classification, book-keepers, payroll managers and wages clerks had the most vacancies in 2018.

5% of vacancies posted fell under book-keepers, payroll managers and wages clerks

The median posting duration of vacancies under the top posted occupation was 28 days, slightly higher than average



Job Vacancies by Occupation

Top 10 Job Titles (by Nurses)	Unique Postings (Jan-Dec 2018)
Registered Nurse	582
Staff Nurse	420
Nurse Educator	323
Physiotherapist	286
Graduate Nurse	238
Mental Health Technician	182
Trust Administrator	126
Scrub Technicians	123
Senior Practitioner	109
Nurse Manager	108

Source: EMSI Job Posting Analytics

Top 10 Job Titles (by Customer Service Occupations)	Unique Postings (Jan-Dec 2018)
Customer Service Advisor	470
Customer Service Representative	279
Customer Service Consultant	274
Customer Service Assistant	213
Automotive Sales Service Advisor	137
Customer Service Supervisor	111
Customer Advisor	100
Customer Service Manager	86
Service Advisor	77
Support Coordinators	73

Source: EMSI Job Posting Analytics

Top 10 Job Titles (by Programmers and Software Development Professionals)	Unique Postings (Jan-Dec 2018)
Software Engineer	410
Java Developer	331
C/C++ Developer	328
.Net Developer	210
Staff Software Developer	140
Android Developer	120
Multimedia Developer	96
Cloud Engineer Architect	91
Software Design Engineer	85
PHP Developer	58

Source: EMSI Job Posting Analytics

Top 10 Job Titles (Care Workers and Home Carers)	Unique Postings (Jan-Dec 2018)
Personal Care Assistant	883
Family Support Worker	689
Home Care Social Worker	607
Healthcare Assistant	263
Healthcare Worker	105
Children's Service Worker	100
Clinical Support Worker	95
Child Therapist	78
Behavioural Health Worker	56
Community Worker	53

Source: EMSI Job Posting Analytics

24% of Care Workers and Home Carers vacancies were for a Personal Care Assistant in 2018. With an aging population in Hertfordshire we expect to see growth in jobs in this area

11% of Programmer and Software Development Professionals' vacancies were for a Software Engineer. 24% were specifically for either a Java, C or .Net developer



Job Vacancies - Apprenticeships

Apprenticeship Vacancies

According to the weekly vacancies data received from the Education and Skills Funding Agency there were 22% less apprenticeship vacancies posted in Hertfordshire in the academic year of 2018/19 than 2017/18. Between August 2017- July 2018 there were 3,435 unique vacancies posted compared to 2,694 apprenticeships the following year.

Lifetime Training Ltd (Bristol) was the top employer for apprenticeships year on year, with

the majority of vacancies being in hospitality, under the framework/standard subject area Retail and Commercial Enterprise. The majority of these vacancies advertised by Lifetime Training Ltd were within restaurants and bars in Hertfordshire.

The second largest provider in 2017/18 was North Hertfordshire college with 292 vacancies. The number of apprenticeship vacancies posted by North Hertfordshire College dropped by 60% in 2018/19.

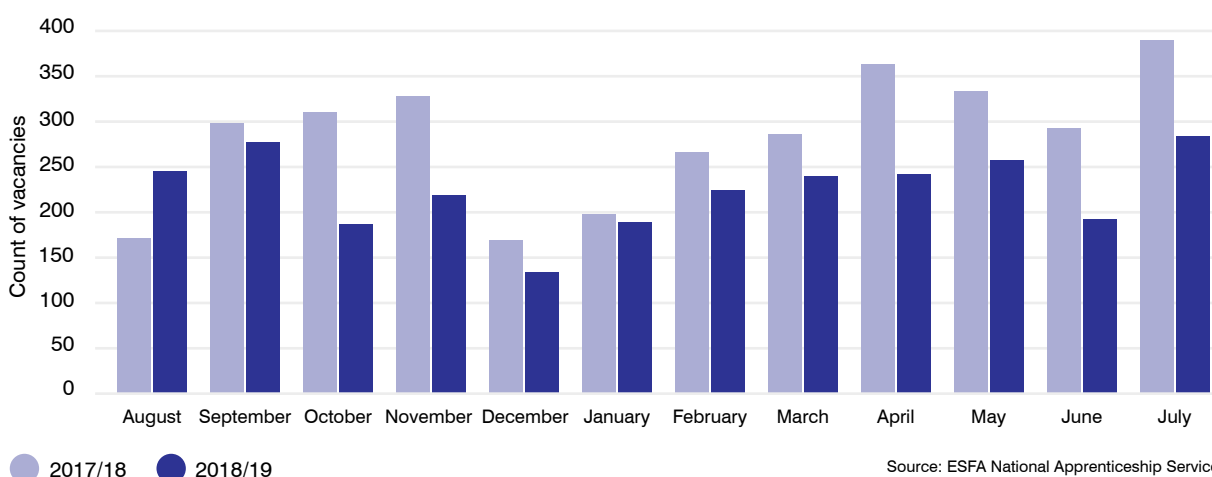
Top 5 Training Providers by Count of Vacancies in Hertfordshire 2017/18	Sum of Number of Vacancies
Lifetime Training Ltd (Bristol)	301
North Hertfordshire College (Letchworth)	292
Oaklands College (St. Albans)	212
Stephenson College (Coalville)	145
Hertford Regional College (Broxbourne)	130

Source: ESFA National Apprenticeship Service

Top 5 Training Providers by Count of Vacancies in Hertfordshire 2018/19	Sum of Number of Vacancies
Lifetime Training Ltd (Bristol)	289
Hertford Regional College (Broxbourne)	143
Oaklands College	138
North Hertfordshire College	118
Stephenson College	60

Source: ESFA National Apprenticeship Service

Number of Unique Vacancies by Month 2017/18 & 2018/19



Source: ESFA National Apprenticeship Service

There were 22% less apprenticeship vacancies posted in 2018/19 than 2017/18

Lifetime Training Ltd (Bristol) posted the most apprenticeship vacancies with Hertfordshire in 2017/18 and 2018/19

North Hertfordshire College posted 60% less vacancies in 2018/19 than the previous academic year



Job Vacancies - Apprenticeships

Apprenticeships-Framework/Standard Sector

Standard sector Business, Administration and Law had the greatest number of apprenticeship vacancies posted in the academic year of 2017/18. In 2018/19 the number of apprenticeship vacancies under Business, Administration and Law dropped by 20% and Retail and Commercial Enterprise had the most vacancies.

Our priority sector Engineering and Manufacturing Technologies ranked 4th by count of apprenticeship vacancies posted in Hertfordshire year on year. The training provider with the most vacancies in 2018/19 for Engineering and Manufacturing Technologies apprenticeships was Skillnet (Watford) and these were mainly apprenticeship within motor vehicle body repair centres.

Framework/Standard Sector 2017/18	Sum of Number of Vacancies	% of Total Vacancies
Business, Administration and Law	764	22%
Retail and Commercial Enterprise	714	21%
Health, Public Services and Care	512	15%
Engineering and Manufacturing Technologies	487	14%
Construction, Planning and the Built Environment	306	9%
Arts, Media and Publishing	217	6%
Leisure, Travel and Tourism	195	6%
Information and Communication Technology	123	4%
Agriculture, Horticulture and Animal Care	87	3%
Education and Training	30	1%
Total	3,435	100%

Source: ESFA National Apprenticeship Service

Business, Administration and Law apprenticeship vacancies dropped by 20% in 2018/19

The Retail and Commercial Enterprise Sector had 9% less vacancies in 2018/19



Job Vacancies - Apprenticeships

Retail and Commercial Enterprise is a large industry within Hertfordshire. Vacancies within this sector dropped by 9% although this is positive when compared with the total drop in apprenticeship vacancies in Hertfordshire which was 22%. Bristol based provider Lifetime Training Ltd were the largest provider for the Retail and Commercial Enterprise partnership and

they posted 12% more Retail and Commercial Enterprise vacancies than the previous year. This was outweighed by multiple providers posting significantly less vacancies in the Retail and Commercial Enterprise Sector in 2018/19 including The London Hairdressing Apprenticeship Academy (London) who posted 69% less vacancies.

Framework/Standard Sector 2018/19	Sum of Number of Vacancies	% of Total Vacancies
Retail and Commercial Enterprise	652	24%
Business, Administration and Law	612	23%
Health, Public Services and Care	529	20%
Engineering and Manufacturing Technologies	247	9%
Construction, Planning and the Built Environment	206	8%
Arts, Media and Publishing	175	6%
Leisure, Travel and Tourism	113	4%
Information and Communication Technology	67	2%
Agriculture, Horticulture and Animal Care	49	2%
Education and Training	44	2%
Total	2,694	100%

Source: ESFA National Apprenticeship Service

Lifetime Training Ltd, the top provider by number of apprenticeship vacancies in Hertfordshire, posted 12% more Retail and Commercial Vacancies in 2018/19



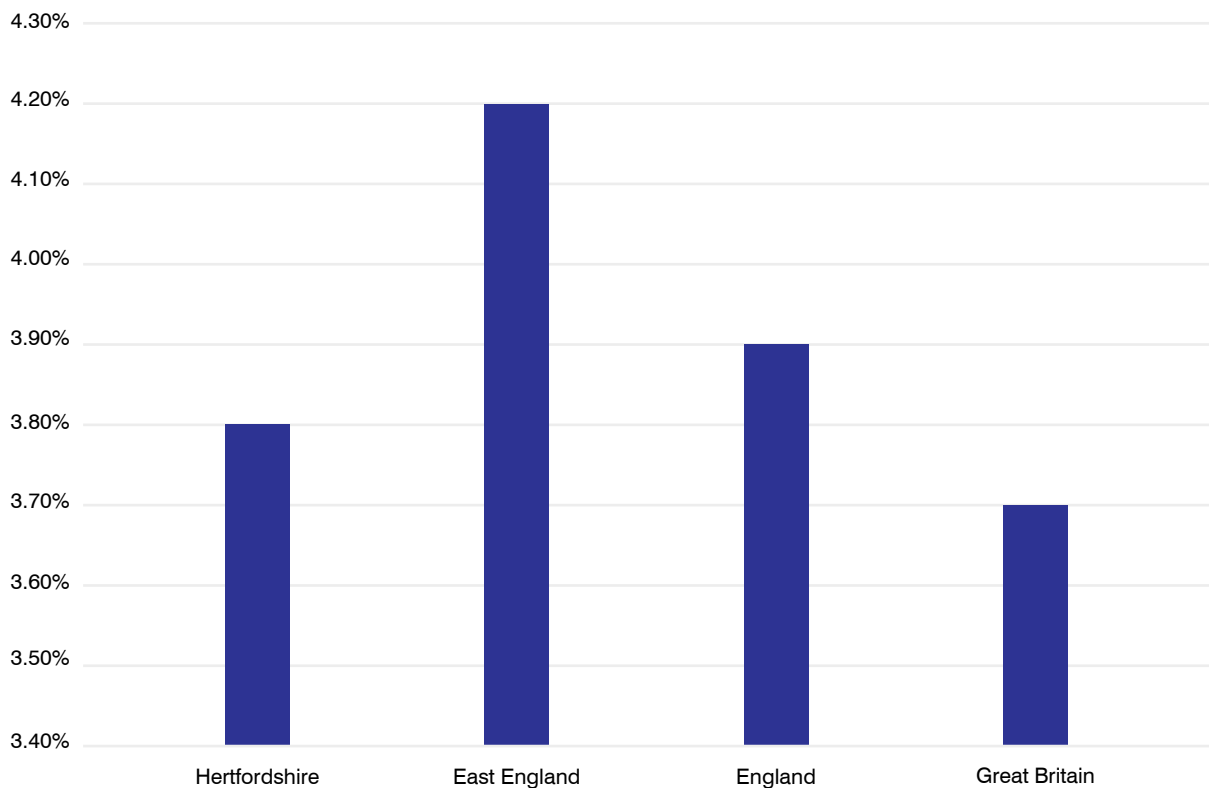
Local Labour Supply

Population Estimates

According to the official figures published by the Office for National Statistics the estimated resident population in Hertfordshire is 1,184,400 people (Mid-year 2018). This is a growth of +0.3% on the previous figure published in 2017

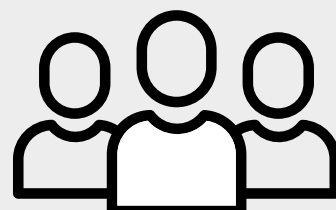
which is slightly slower growth than the East of England growth which was +0.5%. Between 2013-2018 Hertfordshire saw a growth of 3.8%, slower than that of the East of England region (4.2%).

Population Increase (%) 2013-2018



Estimated 1.18 million residents in Hertfordshire

62.4% of Hertfordshire's population are of the working age (16-64)



Population Estimates

The estimated population split by gender in Hertfordshire (2018) is 49.0% male, 51.0% female which is 579,900 males to Male 604,400 females (rounded to nearest 100). The male to

female split is in line with that of the last official census statistics (2011) where there was also a population split of 49% males and 51% females within Hertfordshire.

2018 Gender Split	Hertfordshire	East of England	Great Britain
Total Resident Population	1,184,400	6,201,200	64,553,900
Male Split	49.0%	49.3%	49.4%
Female Split	51.0%	50.7%	50.6%

Source: ONS Mid Year Population Estimates.

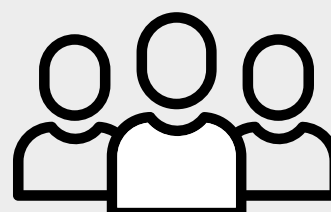
The working age population in Hertfordshire (aged 16-64) is estimated at 739,500 residents. This means that 62.4% of the total population within Hertfordshire are that of working age compared to 61.0% of residents in East of

England and 62.7% in Great Britain. It is estimated that there is a larger percentage of males that are of the working age than females within Hertfordshire, with 62.9% of male residents being of the working age and eligible for work.

Population Aged 16-64 (2018)	Hertfordshire	Hertfordshire %	East of England %	Great Britain (%)
All people aged 16-64	739,500	62.4	61.0	62.7
Males aged 16-64	364,700	62.9	61.6	63.4
Females aged 16-64	374,800	62.0	60.4	62.0

Source: ONS Mid Year Population Estimates.
Notes: Figures are rounded to nearest 100

Between 2013-2018 Hertfordshire saw a resident population growth of 3.8%



Population Estimates

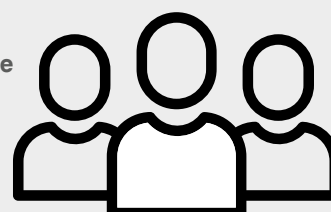
Residents aged 50-54 are the most common residents within Hertfordshire, with 7.3% (86,600) of total residents estimated to be in this age category. This is in line with East of England and England where the age group 50-54 is also the most popular. Those residents

within Hertfordshire that are aged between 35-39 make up a bigger share of the total population compared to East of England and England, with 7.2% of residents within Hertfordshire falling into this age range compared to 6.5% in East of England and 6.6% in England.

Age Group (2018)	Hertfordshire	% Mix	East of England	% Mix	England	% Mix
All ages	1,184,400	-	6,201,200	-	55,977,200	-
Aged 0-4	74,800	6.30%	372,200	6.00%	3,346,700	6.00%
Aged 5-9	80,900	6.80%	395,400	6.40%	3,523,900	6.30%
Aged 10-14	74,400	6.30%	366,200	5.90%	3,274,100	5.80%
Aged 15-19	64,900	5.50%	332,800	5.40%	3,096,600	5.50%
Aged 20-24	62,600	5.30%	341,100	5.50%	3,512,700	6.30%
Aged 25-29	71,500	6.00%	374,300	6.00%	3,815,900	6.80%
Aged 30-34	77,500	6.50%	393,400	6.30%	3,787,600	6.80%
Aged 35-39	85,300	7.20%	402,500	6.50%	3,717,500	6.60%
Aged 40-44	81,700	6.90%	381,200	6.10%	3,390,600	6.10%
Aged 45-49	84,900	7.20%	427,900	6.90%	3,799,200	6.80%
Aged 50-54	86,600	7.30%	444,900	7.20%	3,915,500	7.00%
Aged 55-59	76,300	6.40%	403,500	6.50%	3,573,300	6.40%
Aged 60-64	61,700	5.20%	347,400	5.60%	3,044,400	5.40%
Aged 65-69	53,400	4.50%	328,100	5.30%	2,822,600	5.00%
Aged 70-74	52,000	4.40%	330,300	5.30%	2,724,800	4.90%
Aged 75-79	36,000	3.00%	220,400	3.60%	1,863,100	3.30%
Aged 80-84	29,500	2.50%	170,100	2.70%	1,403,800	2.50%
Aged 85-89	19,200	1.60%	107,100	1.70%	865,700	1.50%
Aged 90+	11,200	0.90%	62,400	1.00%	499,300	0.90%

Source: ONS Mid Year Population Estimates.
Notes: Figures are rounded to nearest 100 and may not add up to the total

50-54 is the biggest age group in the population of Hertfordshire
Aged 90+ residents make up 0.9% of total residents in Hertfordshire
although with an ageing population this is predicted to grow



Population Estimates - Working Age

The population of Welwyn Hatfield has grown significantly faster than the rate of the total county of Hertfordshire between 2013-2018. During this time period, the district's population grew by 8.2% (9,300 people) compared to a growth of 3.8% for the total resident population within Hertfordshire. Welwyn Hatfield's growth has slowed down slightly compared to other districts in the

last year according to the estimates, with the population growing 0.3% between 2017-2018 (which is in line with Hertfordshire's total population growth), compared with both Broxbourne and Dacorum growing at rate of 0.7%. The only district within Hertfordshire to have a decrease in it's population is North Hertfordshire, with a -0.1% growth in residents between 2017-2018.

	Mid Year	2013	2015	2017	2018
Working Age (16-64) as percentage of total population	Hertfordshire	63.5%	63.1%	62.7%	62.4%
	Broxbourne	62.7%	62.4%	62.0%	61.8%
	Dacorum	63.6%	63.3%	62.9%	62.5%
	East Herts	63.7%	63.0%	62.5%	62.3%
	Hertsmere	62.4%	61.5%	60.8%	60.6%
	North Herts	62.5%	62.0%	61.6%	61.3%
	St. Albans	62.0%	61.5%	60.9%	60.5%
	Stevenage	64.8%	64.4%	64.3%	64.0%
	Three Rivers	62.3%	61.9%	61.4%	61.4%
	Welwyn Hatfield	65.6%	65.7%	66.2%	66.0%
	Watford	66.0%	65.5%	64.8%	64.6%

Source: ONS Mid Year Population Estimates.

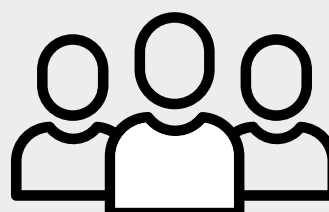
Welwyn Hatfield has the largest percentage mix of working age residents within it's total population, with 66% of residents aged between 16-64 compared to the Hertfordshire figure of 62.4% of residents being of working age. Watford also has a significant number

of residents within the working age bracket of 16-64, with 64.6% of residents in this age range. St Albans has the least amount of working age residents compared to it's total population with an estimate of 60.5% of residents being aged between 16-64.

Welwyn Hatfield has seen the fastest growth in population in the county

North Hertfordshire is the only district to see a decline in resident population between 2017-2018

Welwyn Hatfield has a large percentage of residents of the working age (16-64)



Participation in Employment

Employment Rates

Hertfordshire has a high employment rate, with 78.5% of working age residents in employment compared with 75.1% nationally. 66.1% of working age residents in employment are employees and 12.2% are self employed. The ethnic minority employment rate in Hertfordshire is also high, with 82.9% of the residents in the ethnic minority aged 16-64 in employment, compared with 65.3% nationally.

84.8% of working age males are in employment in Hertfordshire, compared with 79.7% nationally. There are less females in employment, with the employment rate for working age females being 72.3% in Hertfordshire and 70.6% nationally.

Variable	Employment Rates Age 16-64 (%)		
	Hertfordshire	Great Britain	East of England
Employment rate (Age 16-64)	78.5	75.1	78.0
% aged 16-64 who are employees	66.1	64.3	66.3
% aged 16-64 who are self employed	12.2	10.6	11.5
Ethnic minority employment rate (16-64)	82.9	65.3	74.9

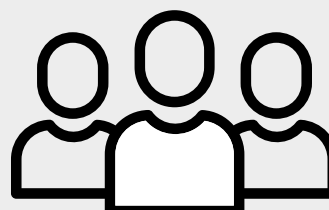
Source: ONS Annual Population Survey Notes: % of those at working age (16-64)

Variable	Employment Rates Age 16-64 by Gender (%)		
	Hertfordshire	Great Britain	East of England
Employment Rate-Male (16-64)	84.8	79.7	82.7
Employment Rate-Female (16-64)	72.3	70.6	73.3

Source: ONS Annual Population Survey Notes: % of those at working age (16-64)

There is a high employment rate within Hertfordshire with 78.5% of working age residents being employed

The ethnic minority working age employment rate is significantly higher than national figures



Participation in Employment

Unemployed/Economically Inactive

The percentage of Hertfordshire residents that are economically inactive who want a job is 21.7%, which is higher than the national average (20.8%) and that of the East of England (20.5%).

The unemployment rate of those at working age (16-64) in Hertfordshire is 3.4%, significantly lower than the national average of 4.3% in 2018.

2018 Jan-Dec	% unemployed/economically inactive		
	Hertfordshire	Great Britain	East of England
Unemployment rate - aged 16-64	3.4	4.3	3.5
Unemployment rate - aged 16+	3.6	4.2	3.5
% who are economically inactive - aged 16-64	18.7	21.5	19.2
% of economically inactive who want a job	21.7	20.8	20.5
% of economically inactive who do not want a job	78.3	79.2	79.5

Source: ONS Annual Population Survey

NEET

As of 2016, 3.3% of Hertfordshire's 16 and 17 year olds are not in education, employment or training

(including those whose activity is not known) which is lower than the national average of 6%.

Area (2016)	Number of 16 and 17 year olds known to the local authority (2016)	Total number NEET (inc not known)	Proportion NEET (inc not known)	Of which known to be NEET	Of which activity not known
England	1,155,350	69,540	6.0%	2.8%	3.2%
Hertfordshire	25,250	850	3.3%	2.5%	0.9%

Source: Department for Education

Workless Households

The number of workless households in Hertfordshire is 41,000, which is 11% of total households that have at least one individual that is of the working age (16-64). This figure is

low in comparison to the East of England and Great Britain statistics, with 14.3% of total households with at least one individual being of the working age in the country being workless.

Workless Households (Jan-Dec 2018)	Hertfordshire	Great Britain	East of England
Number of Workless Households	41,000	2,919,800	238,200
% of Households that are Workless	11%	14.3%	12.2%

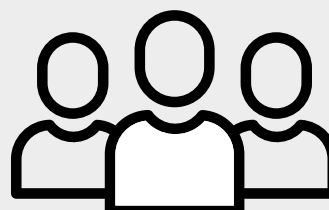
Source: ONS Annual Population Survey

Notes: Only includes those households that have at least one person aged 16-64

The working age unemployment rate is low in Hertfordshire

The percentage of residents that are economically inactive who want a job is higher than the national figure

The number of 16 and 17 year olds not in education, employment or training is low in Hertfordshire



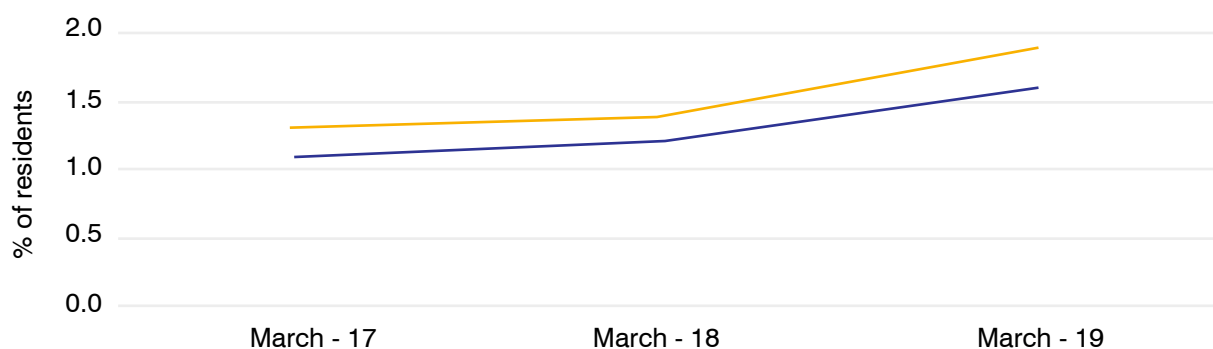
Participation in Employment

Claimant Counts

The number of claimants in Hertfordshire is 11,750 (March 2019) which is 1.6% of total residents at working age (16-64). There are

more male claimants than female claimants within Hertfordshire with 57% of claimants being male.

Claimant Counts (%) in Hertfordshire by Year (2017-2019)

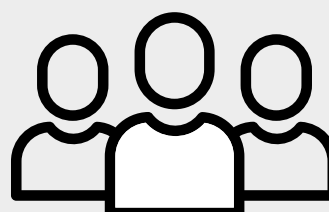


- Claimants as a proportion of residents aged 16-64%
- Claimants as a proportion of economically active residents aged 16+

Hertfordshire Claimant Counts by Gender (March 2019)			
Claimant count by sex (age 16+)	Total	Male	Female
Claimant count	11,750	6,665	5,090
Claimants as a proportion of residents aged 16-64 %	1.6	1.8	1.4
Claimants as a proportion of economically active residents aged 16+	1.9	-	-

Source: ONS Annual Population Survey

1.6% of working age residents in Hertfordshire are claimants
 57% of claimants are male
 1.9% of economically inactive residents aged 16+ are claimants



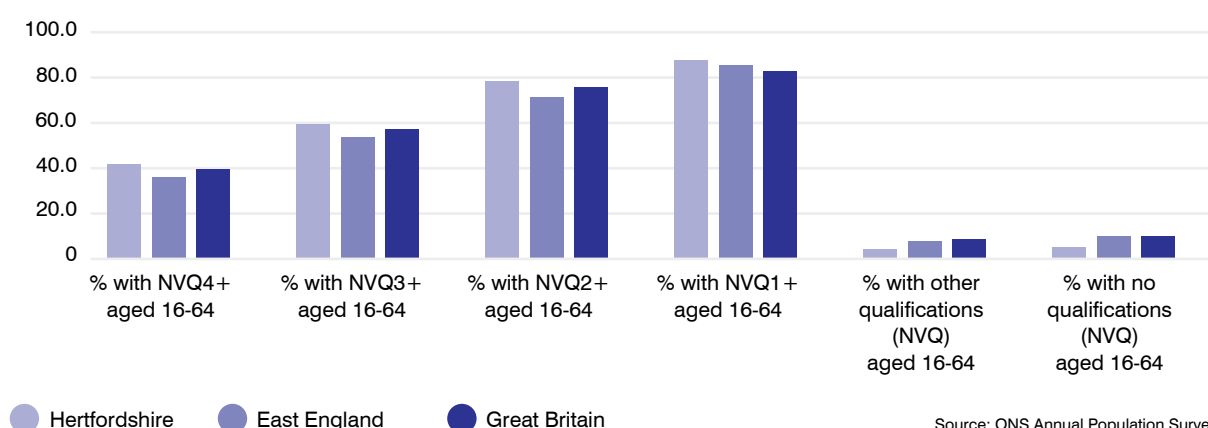
Education

Qualification Levels

7% of Hertfordshire residents aged 16-64 have no qualifications (NVQ), slightly lower than the East of England average of 7.4%. Hertfordshire has a high percentage of those at working age with a

qualification level of at least NVQ 4 or above, at 42.4% vs the national average of 39.3% and the East of England average of 35.2% of working age residents.

Qualification Levels (%) of Working Age Residents (Aged 16-64)



Source: ONS Annual Population Survey
% is a proportion of resident population of area aged 16-64

Qualifications by Area (% of Age 16-64) Jan-Dec 2018	NVQ4+	NVQ3+	NVQ2+	NVQ1+	Other	No qualifications
Hertfordshire	42.4	59	78.5	88.3	4.6	7.0
East England	35.2	53.1	72.8	86	6.5	7.4
Great Britain	39.3	57.8	74.9	85.4	6.8	7.8

Source: ONS Annual Population Survey
% is a proportion of resident population of area aged 16 - 64

Hertfordshire has a highly skilled workforce with 42.4% of 16-64 year olds educated to at least NVQ level 4

7% of working age residents have no qualifications, lower than the national average



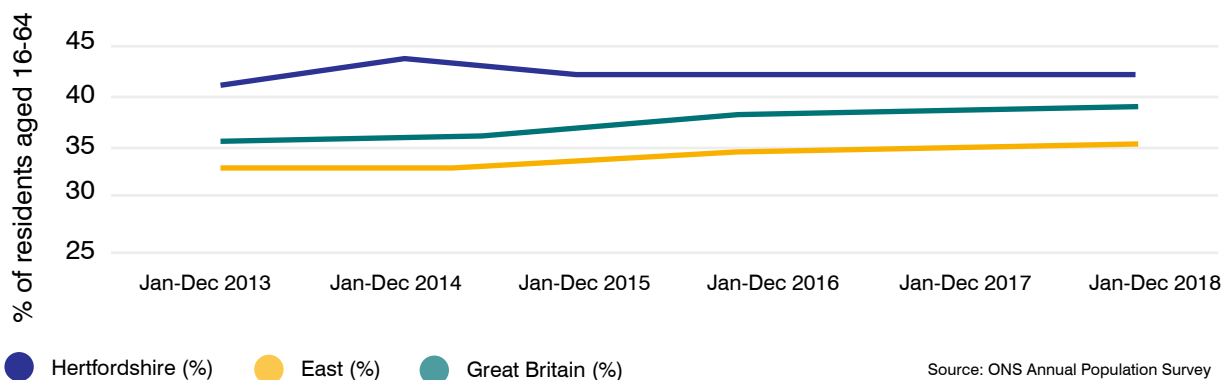
Education

Qualification History

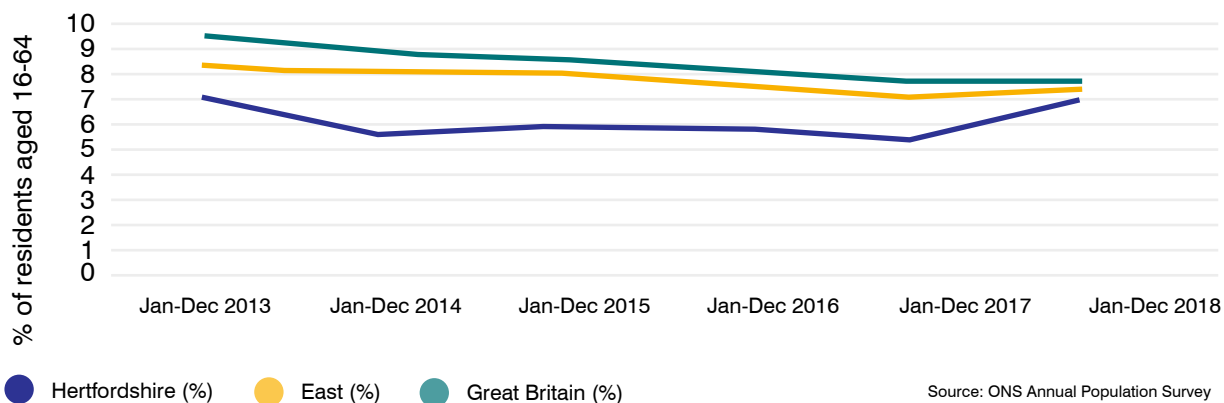
The percentage of working age residents who have obtained NVQ level 4 or above qualifications has remained above the regional and national average for a number of years. In 2014 Hertfordshire had 43.6% of working age residents qualified to level 4 or above, significantly more than the East of England and Great Britain and although this is still the case the gap between Hertfordshire and Great Britain is closing.

The number of working age residents with no qualifications has declined nationally from 9.4% in 2013 to 7.8% in 2018. Hertfordshire saw a decline from 7% of working age residents with no qualifications to a low figure of 5.5% in 2017 although 2018 saw this figure rise back to 7%.

Percentage of residents aged 16-64 with NVQ level 4 or above (2013-2018)



Percentage of residents aged 16-64 with no qualifications (2013-2018)



Working age residents with no qualifications declined to low of 5.5% in Hertfordshire in 2017, which has since risen to 7%

Nationally, the number of residents aged 16-64 has declined by 1.6% since 2013

In 2014 Hertfordshire had a significant gap between it's working age population with NVQ level 4 or above compared to the national average. This has slowly declined



Education by District

The district with the largest percentage of working age residents with NVQ Level 4 or above qualifications is St. Albans with 56.6% of residents aged 16-64 formally at this level of education. 94.2% of residents in St. Albans have obtained at least level NVQ1.

Broxbourne is the district with the lowest percentage of working age residents with NVQ level 4 or above qualifications, significantly lower than the other districts, with only 25.8%

of working age residents that have obtained this level of education. 77.1% of residents that are of the working age and living in the district of Broxbourne have at least achieved a NVQ level 1 which is considerably lower than the remaining districts in Hertfordshire. 15.8% of Broxbourne residents aged 16-64 have received no qualifications at all which is more than double the amount of people of working age with no qualifications in Hertfordshire, East of England and Great Britain.

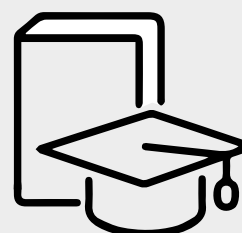
Qualifications by District (% of Age 16-64) Jan-Dec 2018	NVQ4+	NVQ3+	NVQ2+	NVQ1+	Other	No qualifications
Broxbourne	25.8	40.2	70.5	77.1	#	15.8
Dacorum	39.5	57.4	71.4	83.0	6.2	10.8
East Hertfordshire	47.5	67.1	85.3	93.2	#	5.0
Hertsmere	37.3	54.9	76.6	85.6	#	9.8
North Hertfordshire	37.2	56.8	75.7	87.6	7.0	5.4
St. Albans	56.5	68.4	90.3	94.2	#	2.2
Stevenage	32.7	53.4	70.3	91.8	#	6.0
Three Rivers	50.6	63.7	79.2	87.8	#	7.1
Watford	46.6	60.2	82.4	90.0	#	6.8
Welwyn Hatfield	44.3	61.2	78.4	90.7	#	3.8

Source: ONS Annual Population Survey
Notes: Where there's # the sample size is too small for a reliable estimate % is a proportion of resident population of area aged 16-64

St. Albans has the largest percentage of residents with NVQ level 4+ in the county

Broxbourne has the lowest percentage of working age residents with NVQ level 4 or above

15.8% of the working age population in Broxbourne have no qualifications which is significantly higher than the national average



Education - Level 2

State Funded Level 2 (Aged 16-18)

The average points score per entry as a grade for level 2 vocational qualifications within Hertfordshire as at 2017-18 was Merit, which is in line with the regional and national averages for the same period. The same can be said for level 2 technical certificate qualifications.

The percentage of students that entered a technical certificate within Hertfordshire was much greater than that in the East of England and England, with 48% of pupils in Hertfordshire compared to 40% in the East region and 38.9% in England.

Level 2 State Funded Students Aged 16-18 (2017-18)					
Area	Level 2 vocational qualifications			Level 2 technical certificate qualifications	
	APS per entry	APS per entry as a grade	Percentage of students who entered a technical certificate	APS per entry	APS per entry as a grade
England	5.71	L2Merit	38.9	5.77	L2Merit
East of England	5.71	L2Merit	40.0	5.83	L2Merit
Hertfordshire	5.65	L2Merit	48.0	5.83	L2Merit

Source: Department for Education Local Authority and Regional Level Tables: State-Funded Schools and Colleges
 Notes: Covers results achieved during all years of 16-18 study (up to three years i.e. 2015-16, 2016-17 &/or 2017-18 academic years). Covers all state-funded mainstream schools, academies, free schools, city technology colleges, state-funded special schools and FE sector colleges. Excludes pupil referral units, alternative provision, hospital schools, non maintained special schools, other government department funded colleges, Independent schools and independent special schools.
 APS: Average Point Score

GCSE

The percentage of pupils that achieved at least a grade 5 in English and Maths GCSEs in 2018 was higher in Hertfordshire than both the regional and national figures, with 53.1% of pupils achieving between grades 9-5 in Hertfordshire, compared to 43.9% of pupils in East of England and 40.2% of pupils in England.

The amount of pupils that achieved at least a grade 4 in England and Maths GCSEs is significantly higher in Hertfordshire than in the East of England and England, with 73.3% of pupils achieving at least a grade 4 compared to 65.3% in East of England and 59.4% in England.

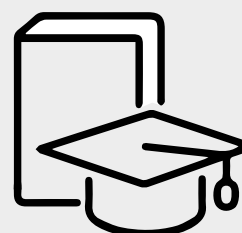
GCSE Achievements (2017-18)		
Area	Percentage of pupils who achieved grade 9-5 in English and Maths GCSE	Percentage of pupils who achieved grade 9-4 in English and Maths GCSE
England	40.2	59.4
East of England	43.9	65.3
Hertfordshire	53.1	73.3

Source: Department for Education

State funded level 2 (16-18) qualification levels in line with regional and national figures

Hertfordshire has high GCSE achievements

Over half of pupils achieved grades 9-5 in English and Maths GCSE in 2017/18



Education - Level 3

State Funded Level 3 (Aged 16-18)

The percentage of students in state funded education achieving at least two substantial level 3 qualifications is high in Hertfordshire compared to the regional and national figures as of the

academic year 2017/18. Hertfordshire had 85.3% of state funded level 3 students achieve at least two substantial level 3 qualification in 2017/18.

Level 3 State Funded Students Aged 16-18 (2017-18)		
Area	APS per entry	% of students achieving at least two substantial level 3 qualifications
England	33.13	82.0
East of England	31.84	80.7
Hertfordshire	33.85	85.3

Source: Department for Education Local Authority and Regional Level Tables: State-Funded Schools and Colleges
 Notes: Covers results achieved during all years of 16-18 study (up to three years i.e. 2015-16, 2016-17 &/or 2017-18 academic years).
 Covers all state-funded mainstream schools, academies, free schools, city technology colleges, state-funded special schools and FE sector colleges. Excludes pupil referral units, alternative provision, hospital schools, non maintained special schools, other government department funded colleges, independent schools and independent special schools.
 Substantial level 3 qualifications are defined as qualifications that are at least the size of an A level (180 guided learning hours per year).

A Levels

The percentage of state funded pupils achieving at least 2 A levels is greater in Hertfordshire compared with the East of England and England. In the academic year of 2017-18 81.4% of state funded pupils received at least 2 A level qualifications compared with 77.7% in the East of England and 78.6% of students in England.

or better at A level, with 18.4% of pupils receiving these grades with at least two A-levels being in facilitating subjects, compared with 14.5% of pupils in the East of England. 14.7% of pupils in state funded education in Hertfordshire achieved 3 A*-A grades or better at A level in the academic year of 2017-18 compared to 11.4% in the East of England and 12.9% of pupils in England.

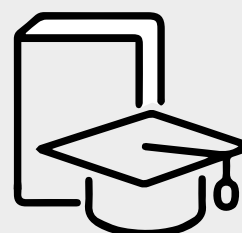
Hertfordshire saw 23.9% of pupils in the academic year of 2017-18 achieve grades AAB

A Level Students (2017-18)				
Area	Percentage of students achieving at least 2 A levels	Percentage of students achieving 3 A*-A grades or better at A level	Percentage of students achieving grades AAB or better at A level	Percentage of students achieving grades AAB or better at A level, of which at least two are in facilitating subjects
England	78.6	12.9	21.1	16.2
East of England	77.7	11.4	19.4	14.5
Hertfordshire	81.4	14.7	23.9	18.4

Source: Department for Education Local Authority and Regional Level Tables: State-Funded Schools and Colleges
 Notes: Covers results achieved during all years of 16-18 study (up to three years i.e. 2015-16, 2016-17 &/or 2017-18 academic years).
 Covers all state-funded mainstream schools, academies, free schools, city technology colleges, state-funded special schools and FE sector colleges. Excludes pupil referral units, alternative provision, hospital schools, non maintained special schools, other government department funded colleges, independent schools and independent special schools.
 A level facilitating subjects are biology, chemistry, physics, maths, further maths, geography, history, English literature, modern and classic languages.

Hertfordshire has a high percentage of pupils that are achieving two substantial level 3 qualifications

23.9% of pupils achieved grades AAB or better at A level in Hertfordshire in 2017/18



Education - Level 3

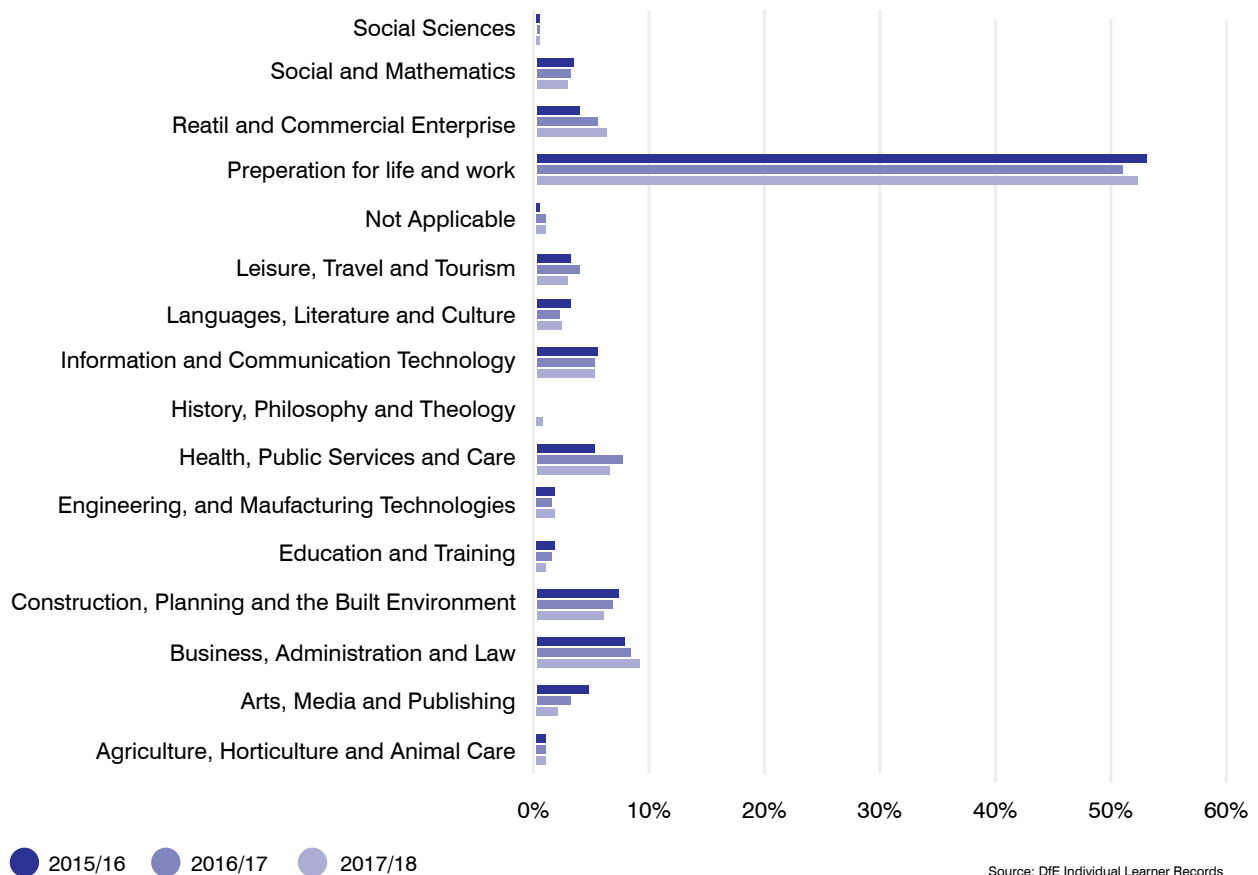
19+ Achievements

The percentage of learning aim achievements for those aged 19+ is high in Preparation for Life and Work (Entry level - level 3) and has remained high between 2015/16-2017/18.

Priority sector Construction and the Built Environment has seen a slight decline in the number of 19+ learning aim achievements since 2015/16 worth a 6% share of total achievements in 2017/18.

Business, Administration and Law has the second largest share of total achievements behind Preparation for Life and Work, with a 9% share in 2017/18, which has increased steadily since 2015/16.

19+ Learning Aim Achievements by Year as % of Total Achievements



Source: DfE Individual Learner Records
 Notes: Education and Training provision includes general further education colleges pupils aged 19+. Where a learner has multiple aims, these are counted separately, even those within the same sector subject area

Learning aims that fall under Preparation for Life and Work have over half of the share of total learning aims for 19+ education in 2017/18

Business, Administration and Law is a key sector in 19+ education with a 9% share of total learning aim achievements

Construction and the Built Environment as seen a decline in the number of 19+ learning aim achievements



Apprenticeships

The number of apprenticeship achievements within Hertfordshire dropped by just 2% despite 13% less starts in the academic year of 2017-18 compared with 2016-17. The decline in apprenticeship achievements was at the intermediate and higher levels, with higher apprenticeships seeing the greatest decline at

20%, despite there bizarrely being 50% more starts compared to the previous academic year.

Advanced apprenticeships saw a growth in achievements by 2% (36 students), directly due to the increase in the number of apprenticeship starts in 2017-18.

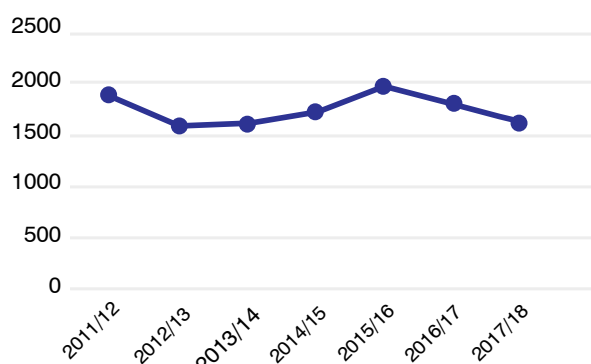
Level	2016-17 Starts	2016-17 Achievements	2017-18 Starts	2017-18 Achievements	Starts Variance	Achievements Variance
Intermediate Apprenticeship	3,430	2,150	2,187	2,082	-36%	-3%
Advanced Apprenticeship	2,783	1,630	2,870	1,666	3%	2%
Higher Apprenticeship	587	177	879	142	50%	-20%
Grand Total	6,800	3,957	5,936	3,890	-13%	-2%

Source: Department for Education Individual Learner Records/ESFA Datacube

The number of 16-18 starts has declined since the peak in 2015-16. There were 1,956 starts aged 16-18 in the academic year of 2015-16 which is 326 more than in the academic year 2017-18.

Higher apprenticeship starts has increased significantly since the academic year of 2011-12. 879 people started a higher apprenticeship in 2017-18 compared with 55 back in 2011-12.

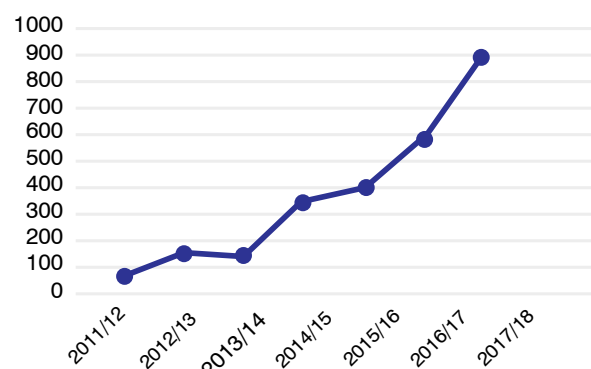
16-18 Starts



● 16-18 Starts

Source: ESFA Datacube

Higher App Starts



● Higher App Starts

Source: ESFA Datacube

Apprenticeship achievers dropped by 2% in Hertfordshire between 2016/17 and 2017/18 despite 13% less starts

Higher apprenticeships had the largest decline in achievements with 20% less in 2017/18 in spite of 50% more starts

The number of 16-18 starts have declined since 2015-16



Apprenticeships - District

As expected with the overall decline in the number of apprenticeship achievements within Hertfordshire, the number of achievements has declined in the majority of the county's districts.

Broxbourne saw the largest percentage decrease in apprenticeship achievements between 2016-17 and 2017-18 with 34% less students achieving an apprenticeship, with only 4% less starts.

Welwyn Hatfield had 22% more achievements in apprenticeships which was the highest

percentage increase year on year between 2016/17 and 2017/18 of the ten districts in the county, despite 8% less starts.

Three Rivers also saw a strong increase in apprenticeship completions with 16% more achievements in 2017/18 with 9% less starts in 2017/18.

East Hertfordshire saw a 23% drop in achievements despite 1% more starts in 2017-18.

Local Authority District	2016-17 Starts	2016-17 Achievements	2017-18 Starts	2017-18 Achievements	Starts Variance	Achievements Variance
Broxbourne	656	308	633	202	-4%	-34%
Dacorum	948	429	721	480	-24%	12%
East Hertfordshire	761	393	771	304	1%	-23%
Hertsmere	579	355	465	319	-20%	-10%
North Hertfordshire	834	496	644	543	-23%	9%
St. Albans	515	424	482	417	-6%	-2%
Stevenage	786	528	684	488	-13%	-8%
Three Rivers	483	232	438	268	-13%	16%
Watford	594	413	508	407	-14%	-1%
Welwyn Hatfield	641	379	589	462	-8%	22%
Grand Total	6,800	3,957	5,936	3,890	-13%	-2%

Source: Department for Education Individual Learner Records

Broxbourne had the largest percentage decrease in apprenticeship achievements of the ten districts 34%

Welwyn Hatfield had 22% more apprenticeship achievements in 2017/18 than the previous academic year, despite 8% less starts

Three Rivers saw a strong performance with 16% more achievements in apprenticeships with 9% less starts



Apprenticeships - Subject Area

Priority sector Engineering and Manufacturing technologies saw an increase of 26% in apprenticeship achievements in the academic year of 2017/18 compared with the previous year, despite 17% less starts.

Another priority sector in Hertfordshire, Construction, Planning and the Built Environment saw an increase in apprenticeship achievements. Achievements increased by 6% in 2017/18 compared with the previous academic year, although there were 28% more starts in this sector subject area.

Business, Administration and Law had a 7% reduction in the number of apprenticeship achievements despite an 8% increase in the number of starts in the academic year of 2017/18 compared with 2016/17.

The Retail and Commercial Enterprise sector produced 7% less apprenticeship achievements in the academic year of 2017/18 compared with the previous year, despite 16% less starts year on year.

Sector Subject Area	2016-17 Starts	2016-17 Achievements	2017-18 Starts	2017-18 Achievements	Starts Variance	Achievements Variance
Agriculture, Horticulture and Animal Care	129	122	119	106	-8%	-13%
Business, Administration and Law	1698	828	1831	772	8%	-7%
Construction, Planning and the Built Environment	219	145	281	153	28%	6%
Education and Training	109	89	74	89	-32%	0%
Engineering and Manufacturing Technologies	966	547	798	691	-17%	26%
Health, Public Services and Care	2027	1053	1351	971	-33%	-8%
Information and Communication Technology	206	182	304	168	48%	-8%
Leisure, Travel and Tourism	341	285	249	274	-27%	-4%
Retail and Commercial Enterprise	1084	700	909	653	-16%	-7%
Grand Total	6,800	3,957	5,936	3,890	-13%	-2%

Source: Department for Education Individual Learner Records/ESFA Datacube
Notes: Table only includes sectors with 10 or more achievements. Total will not add up where figures lower than 10 have been excluded

Engineering and Manufacturing technologies saw a 26% increase in achievements in 2017-18 compared with the previous year

Construction, Planning and the Built Environment had 6% more apprenticeship achievements in 2017-18 compared with 2016-17



Skills Shortages

Skills Shortages

Employer Skills Survey (2017)

The Employer Skills Survey was conducted in 2017 and was a UK wide survey that gathered information from over 87,000 employer establishments in the country regarding the following topics: recruitment difficulties and skills lacking from applicants; skills lacking from existing employees; underutilisation of employees' skills, anticipated needs for skills development in the next 12 months; the nature and scale of training; including employers monetary investment; the relationship between working practices, business strategy skills development and skill demand. The survey is biennial and the 2019 survey is due to be released in early 2020.

Skills shortage vacancies (SSVs) are hard-to-fill vacancies that are specifically due to the employer being unable to secure candidates with the right skills as opposed to lack of interest in the vacancy or low interest due to pay or prospects.

According to the Employer Skills Survey (2017) there were 8824 vacancies that were reported as hard to fill vacancies in Hertfordshire which made up 40% of all vacancies in the county at the time of the survey. 70% of these hard to fill vacancies were reported as skills shortage vacancies which accounts for 28% of total vacancies in Hertfordshire at the time of the survey, compared with 22% in the South East LEP and 16% in London.

11% of establishments within Hertfordshire reported to have at least one vacancy that is hard to fill and 9% of these employers were said to have a skills shortage vacancy, compared with 6% of employers nationally having at least one SSV. Only 6% of London based employers reported to have at least one hard to fill vacancy and 5% of these had a SSV.

Percentage split of vacancy situation by total establishments (ESS 2017)

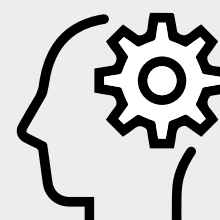
	Hertfordshire	Buckinghamshire Thames Valley	Greater Cambridge Greater Peterborough	Thames Valley Berkshire	South East	London	England
Employers with at least one vacancy	23%	24%	23%	24%	20%	22%	20%
Employers with at least one vacancy that is hard to fill	11%	11%	12%	9%	9%	6%	8%
Have a skills shortage vacancy	9%	8%	8%	7%	6%	5%	6%

Source: Employer Skills Survey (2017)

28% of vacancies in Hertfordshire were reported as skills shortage vacancies

11% of establishments in Hertfordshire had a least one vacancy that was hard to fill

9% of Hertfordshire based employers had a SSV compared with 6% of employers in London



Skills Shortages

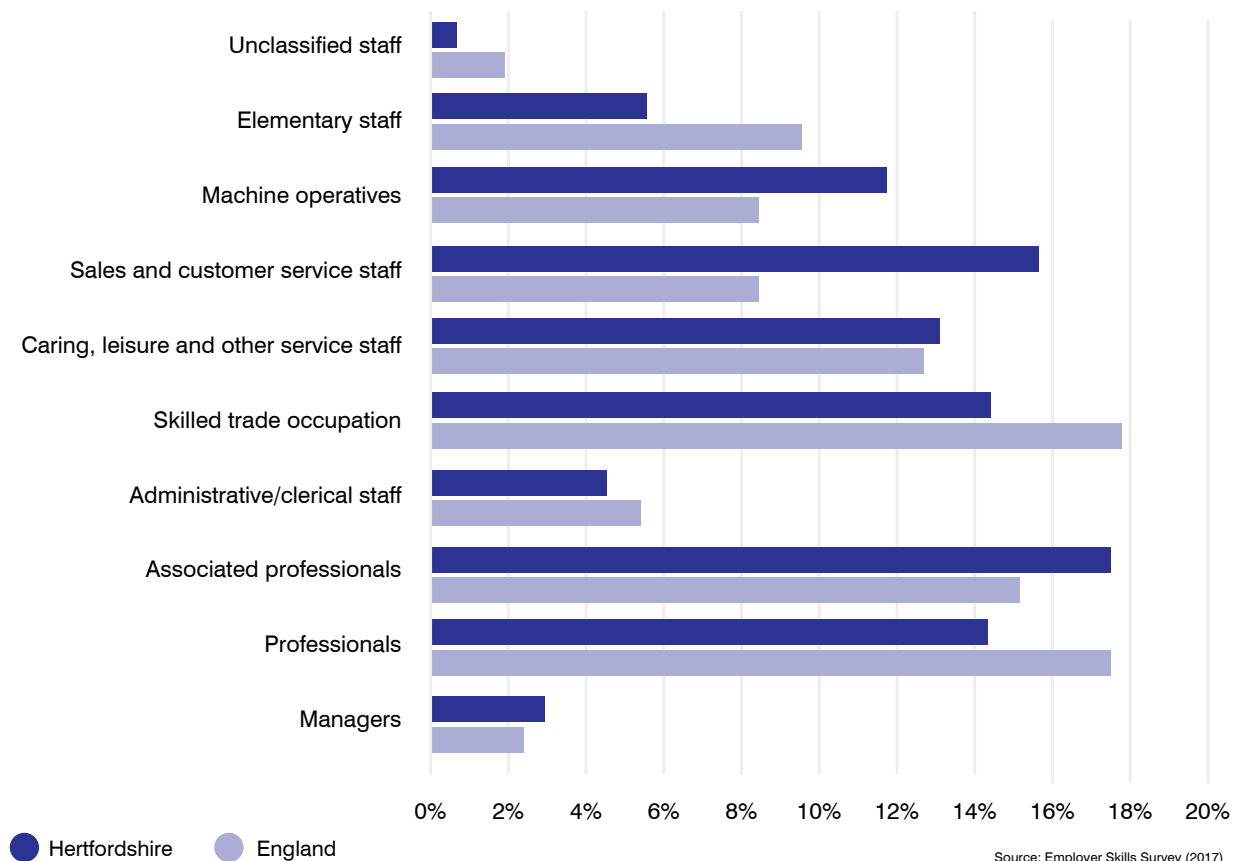
Employer Skills Survey (2017) - Vacancies

The largest number of skills shortage vacancies in the county was within associate professionals, with 17.5% of total skills shortage vacancies in Hertfordshire in this sector (2017), higher than the national average. Sales and customer services staff also have a significant amount of SSVs, with 15.6% in Hertfordshire compared with 8.5% of total skills shortage vacancies in England as of 2017 although data from EMSI's job posting analytics suggests that there is not a difficulty in recruiting staff in more recent years as customer service occupations have a median posting

duration of 26 days, less than the average for the county.

Caring, leisure and other services is in line with the national picture in terms of skills shortage vacancies with 13.3% of total SSVs under this sector. We know that there are a large number of employee jobs in the administrative and support service activities industry and this is a large sector within Hertfordshire so it's positive that the employer skills survey reports that only 4.5% of total SSVs fall under administrative/clerical staff.

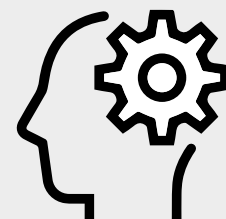
Percentage Split of Skills Shortage Vacancies by Occupation



Associate professionals have the largest number of skills shortage vacancies in Hertfordshire

Administrative and support service activities had only 4.5% of total SSVs in Hertfordshire

Sales and customer services staff had a significant amount of skills shortage vacancies in the county compared with the national average



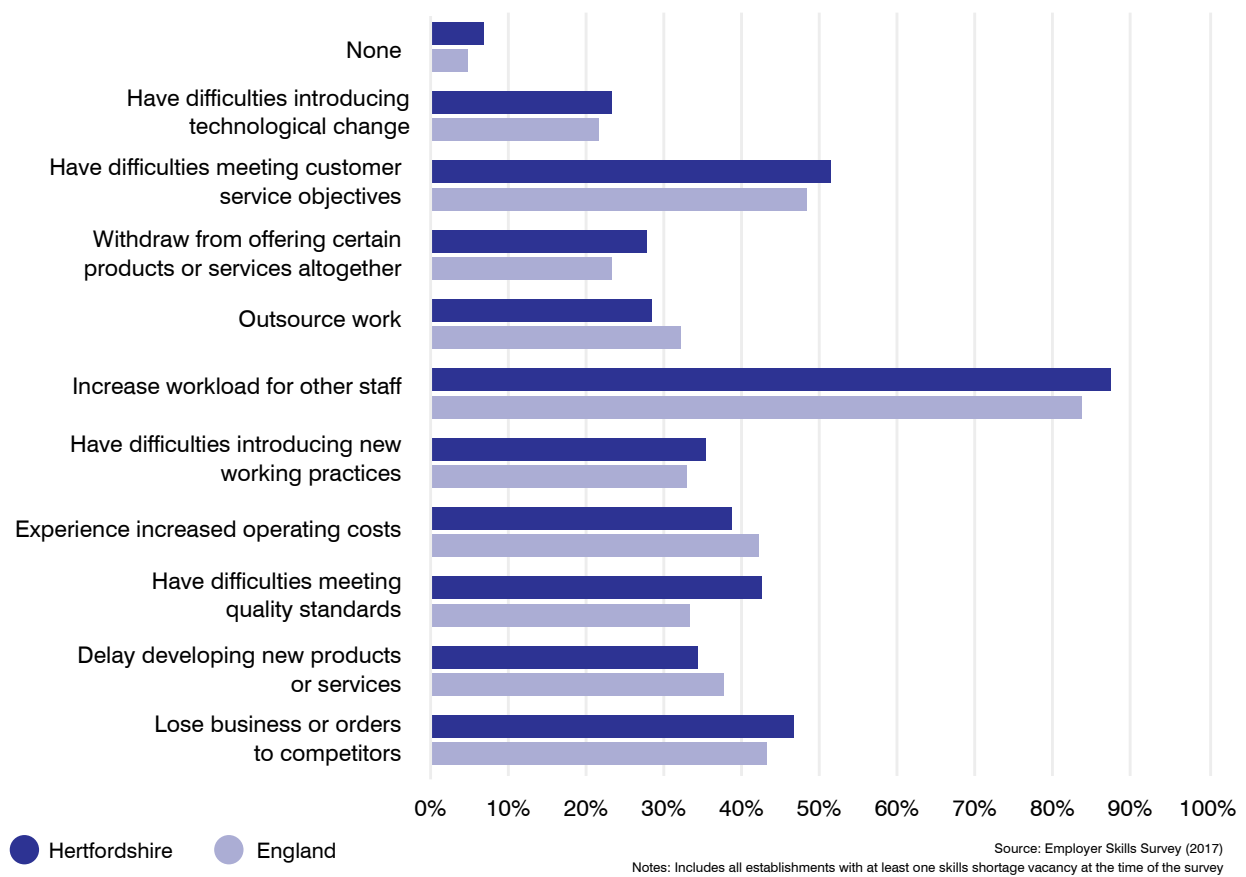
Skills Shortages

Employer Skills Survey (2017) - Impact of Skills Shortage Vacancies

According to the survey, 94% of establishments with at least one skills shortage vacancy in Hertfordshire believe that SSVs have an impact on their business, which is in line with the national picture. The survey also found that 10% of these establishments believe that SSVs only have an impact on increased workload within their business. 87% of establishments within Hertfordshire that have at least one SSV believe that SSVs have an impact on workload as well as other impacts on their business.

The survey in 2017 found that 6% of Hertfordshire based establishments do not believe that skills shortage vacancies have an impact on their business which is in line with the national figure however 46% believe that they are directly losing business or orders to competitors as a result. 51% of establishments have difficulties meeting customer service objectives and 29% outsource work as a result of SSVs. Over a third of establishments in Hertfordshire with SSVs reported that they delay developing new products of services as a result of skills shortage vacancies.

Impact SSVs has on establishments (Employers with at least one SSV)



- 10% of establishments do not think SSVs impact their business in any way
- 46% of Hertfordshire based businesses believe they are losing business to competition as a result of SSVs
- A third of establishments in Hertfordshire with skills shortage vacancies delay developing new products due to SSVs

Skills Shortages

Employer Skills Survey (2017) - Existing Staff

Percentage split of employees with skills gaps (ESS 2017)

	Hertfordshire	Buckinghamshire Thames Valley	Greater Cambridge Greater Peterborough	Thames Valley Berkshire	South East	London	England
Number of staff with skills gap	30,600	8,000	47,500	12,500	6,300	150,100	1,060,000
% of employees with skills gaps	5%	4%	6%	3%	4%	3%	4%

Source: Employer Skills Survey (2017)
Notes: Number of staff rounded to nearest 100

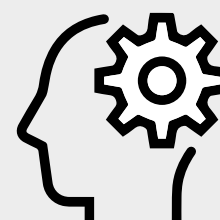
At the time of the survey in 2017, Hertfordshire employers reported that 5% of existing staff had skills gaps only slightly higher than the England figure of 4%. In comparison, 6% of employers in Greater Cambridge & Greater Peterborough had staff with skills gaps and 3% of employers had employees with skills gaps in London.

The survey found that 66% of total staff had been trained in the last 12 months at the time of the survey, with 19% of staff trained to a formal qualification in Hertfordshire, compared with 12% nationally and 10% in London.

The data shows that 14% of all establishments in Hertfordshire reported that they had a skills

gap at the time of the survey, compared with 11% of establishments in the South East and 9% in London. 3% of establishments reported to have skills shortage vacancies and skills gaps in existing staff, compared to 2% in the South East LEP area and 1% in London.

- 5% of employees in Hertfordshire have skills gaps
- 19% of staff had been trained to a qualification level
- 14% of establishments in Hertfordshire reported that they had staff with skills gaps



Skills Shortages

Employer Skills Survey (2017) - Existing Staff

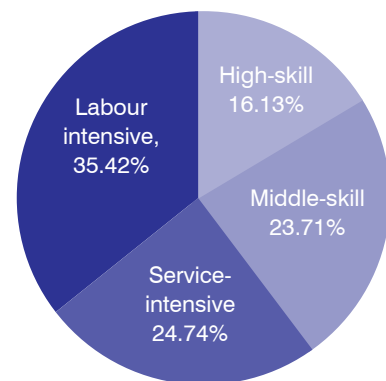
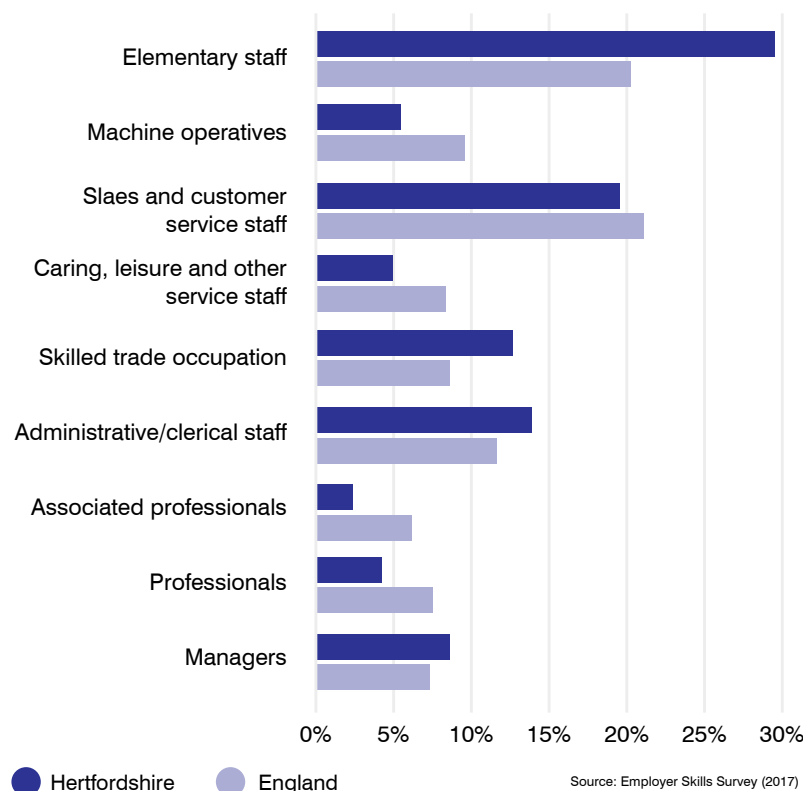
The number of existing staff with skills gaps is highest with elementary staff, with 30.2% of existing staff being not fully proficient in Hertfordshire, compared with 19.8% nationally. When looking back to skills shortage vacancies, the number of skills shortage vacancies for elementary staff in Hertfordshire was significantly lower than the national figure at just 5.5% of total skills shortage vacancies.

With the largest number of skills shortage vacancies in Hertfordshire at the time of the survey being for associate professionals, the picture is different when looking at existing staff.

Only 2.9% of existing staff that are associate professionals were reported by employers as being not fully proficient at the time of the survey, compared with 6.5% nationally.

When looking at skills gaps by occupation skill level, labour intensive jobs have the most skills gaps in existing staff in Hertfordshire according to the employer skills survey (2017). High skill jobs have the least amount of existing staff that are not fully proficient, with just 16.1% of total staff with skills gaps in this area, lower than the national average of 21.9%.

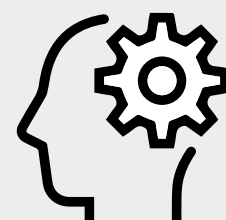
Number of staff with skills gaps by occupation



Elementary staff have the highest number of staff that are not fully proficient

High skills jobs have a low number of staff that have skills gaps compared with the national average

Only 2.9% of existing associate professionals were reported to be non proficient, but they do have the most SSVs in Hertfordshire (2017)



Skills Shortages

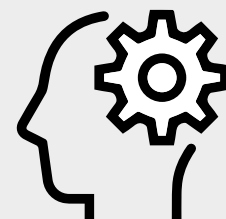
Hertfordshire Business Productivity Survey

In addition to using the national employers skills survey as a source for skills gap data, the Hertfordshire Business Productivity Survey (HBPS) was commissioned by the Hertfordshire Local Enterprise Partnership, Hertfordshire Growth Hub and the University of Hertfordshire in early 2019 and focuses on understanding those driving factors that most impact on Hertfordshire business skills, productivity and growth, from the perspective of the businesses.

The survey summary narrows its focus to seven sectors within Hertfordshire:

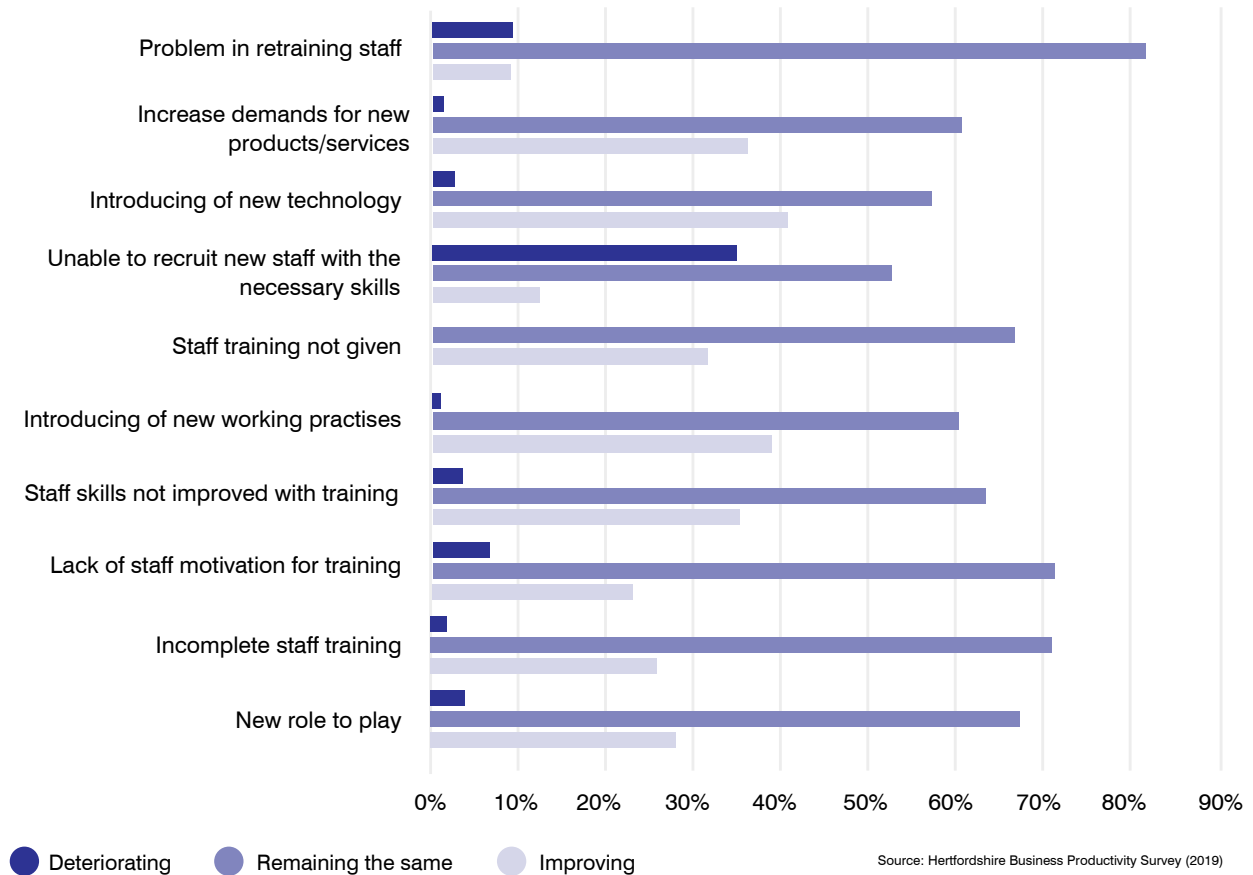
- ▀ Manufacturing & advanced engineering
- ▀ Life sciences & pharmaceuticals
- ▀ Professional, financial & technical services
- ▀ Information, communications & technology services
- ▀ Construction & the built environment
- ▀ Arts, entertainment & recreation services
- ▀ High-end logistics and retail

The study carried out a small-scale telephone survey of 435 enterprise owner-managers and senior managers of Hertfordshire businesses between February and April 2019.



Skills Shortages

Hertfordshire Small Enterprises' Workforce Skills Gaps



According to results from the Hertfordshire Business Productivity Survey 35% of small business owners believe that problems with skills gaps being directly from recruiting staff with the necessary skills is deteriorating. 53% of those that believe they have skills gaps linked with recruitment believe the issue is remaining the same and only 12% believe the situation is improving in their businesses.

41% of businesses that believe there are skills gaps in their workforce due to the introduction of technology believe that this is improving,

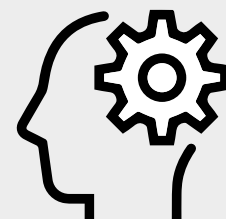
compared with only 2% that believe this is deteriorating.

The survey found that 82% of small enterprises believed that the problems in retaining staff had remaining the same and 9% believed that this was deteriorating.

Over a third of small businesses reported that problems with skills shortage vacancies are deteriorating

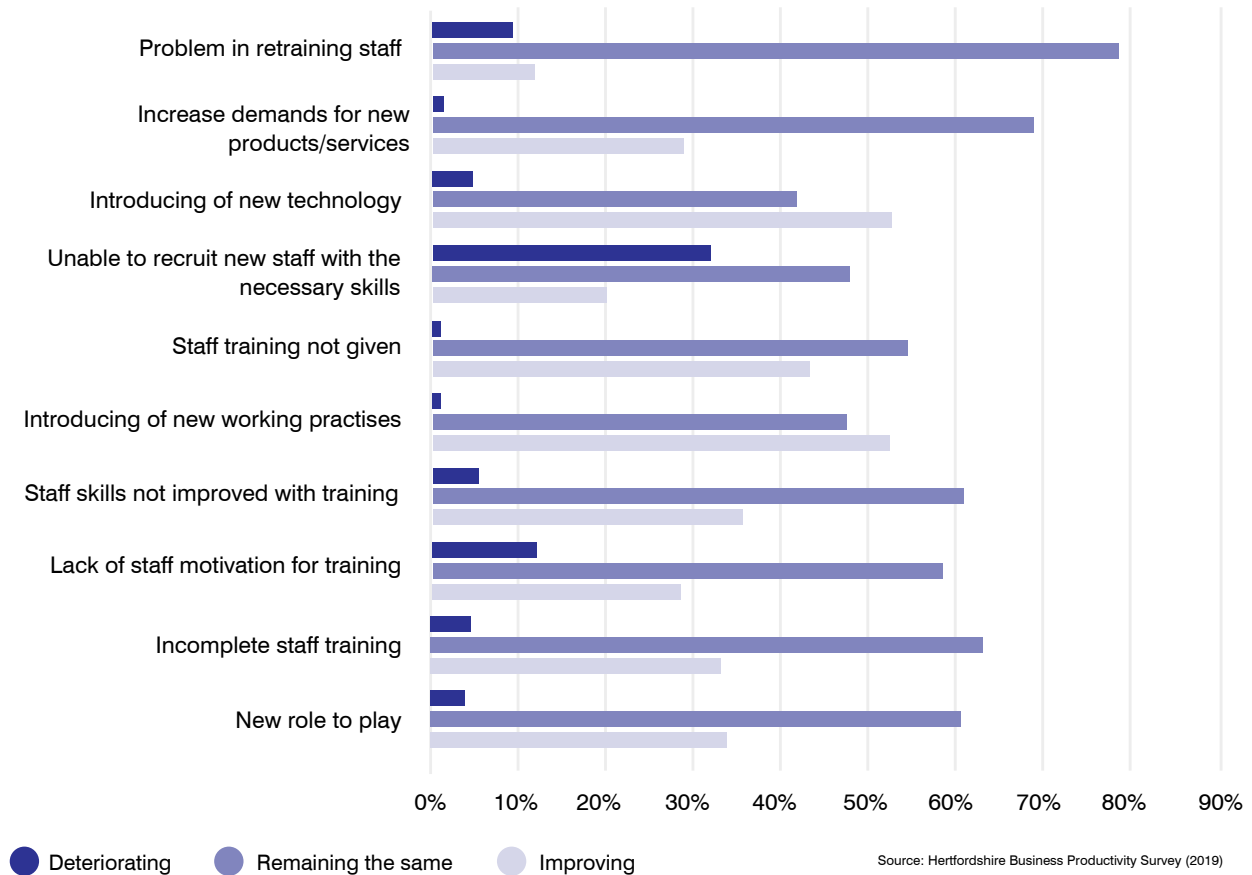
9% of small enterprises believe that the issues with retaining staff is deteriorating

Over half of small enterprises reported that the introduction of new working patterns resulted in skills gaps remaining the same



Skills Shortages

Hertfordshire Medium Enterprises' Workforce Skills Gaps



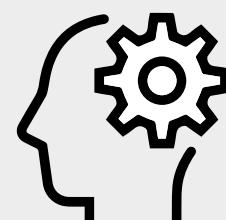
According to the survey, 59% of medium businesses in Hertfordshire believe that the lack of staff motivation for training is remaining the same, compared with 29% that believe the situation is improving.

The percentage of medium business owners that believe skills gaps due to recruitment problems are deteriorating is lower than that of small businesses, at 32%. 20% of medium businesses believe that recruiting staff with the necessary skills is improving and 48% believe the situation is remaining the same.

The survey reported that 53% of medium business owners within Hertfordshire found that skills gap problems in their workforce due to the introduction of new technology was improving and only 5% thought this was actually deteriorating.

20% of medium businesses believe that the skills shortage vacancy problem is improving

Over half of medium sized businesses within Hertfordshire find that skills gap problems in staff due to new technology is improving



Future Projections

Population Projections

Area	Projected Estimates		Projected Population				
	2018	2021	2031	2036	2041	2018-2041	2018-2041(%)
England	55,977,200	57,030,500	59,789,800	60,905,500	61,952,100	5,974,900	11%
East of England	6,201,200	6,362,300	6,755,100	6,915,600	7,068,100	866,900	14%
London	8,908,100	9,220,900	9,821,600	10,089,700	10,346,000	1,437,900	16%
Hertfordshire	1,184,400	1,224,200	1,302,400	1,334,000	1,364,100	179,700	15%
Broxbourne	96,900	99,800	105,100	107,600	110,100	13,200	14%
Dacorum	154,300	158,700	169,000	173,100	177,000	22,700	15%
East Herts	148,100	153,100	164,800	169,500	173,700	25,600	17%
Hertsmere	104,200	106,900	112,400	114,700	117,000	12,800	12%
North Herts	133,200	137,700	146,500	150,100	153,600	20,400	15%
St. Albans	147,400	152,000	159,100	162,100	164,900	17,500	12%
Stevenage	87,800	90,100	94,800	97,000	99,300	11,500	13%
Three Rivers	93,000	96,600	102,800	105,200	107,400	14,400	15%
Welwyn Hatfield	122,700	127,800	139,700	143,900	147,700	25,000	20%
Watford	96,800	101,700	108,300	110,800	113,400	16,600	17%

Source: ONS Mid Year Population Estimates.

The population of Hertfordshire is expected to rise by 15% by the year 2041, meaning there is expected to be around 179,700 additional residents. In comparison the total population of England is only expected to rise by 11% and East of England could expect 14% more residents in total.

The district of Welwyn Hatfield is expected to see the greatest percentage rise in its resident population by 2041, with 20% additional

residents predicted (25,000 more people). East Hertfordshire is also set to see a significant growth in residents between 2018-2041, with 25,600 more residents predicted to be living in the district, a growth of 17% on the current population.

London is set to see a 16% rise in residents by 2041, approx. 1.4million people, which is bound to have an impact on Hertfordshire and its labour market.

Hertfordshire is forecast a 15% rise in population by 2041

Welwyn Hatfield is expected to see the largest percentage growth in its resident population of the ten districts

The resident population in London is expected to grow by 1.4 million by 2041



Population Projections - Age Band

Age Group	Population Estimates		Projected Population				
	2018	2021	2031	2036	2041	2018-2041	2018-2041(%)
All ages	1,184,400	1,224,200	1,302,400	1,334,000	1,364,100	179,700	15%
Aged 0-4	74,800	76,300	75,100	73,300	76,900	2,100	3%
Aged 5-9	80,900	81,500	80,500	79,100	78,400	-2,500	-3%
Aged 10-14	74,400	81,800	83,000	82,800	81,300	6,900	9%
Aged 15-19	64,900	66,500	79,500	78,600	78,200	13,300	20%
Aged 20-24	62,600	57,100	64,400	66,500	65,000	2,400	4%
Aged 25-29	71,500	72,900	65,600	74,800	76,800	5,300	7%
Aged 30-34	77,500	81,700	73,400	72,400	82,000	4,500	6%
Aged 35-39	85,300	86,600	86,100	80,200	79,200	-6,100	-7%
Aged 40-44	81,700	86,900	92,900	89,500	83,600	1,900	2%
Aged 45-49	84,900	83,700	91,400	93,300	89,900	5,000	6%
Aged 50-54	86,600	84,900	86,100	90,100	91,800	5,200	6%
Aged 55-59	76,300	82,900	79,200	83,300	87,100	10,800	14%
Aged 60-64	61,700	67,900	77,300	75,000	79,000	17,300	28%
Aged 65-69	53,400	55,000	73,300	73,000	71,000	17,600	33%
Aged 70-74	52,000	54,000	59,800	69,100	69,100	17,100	33%
Aged 75-79	36,000	41,400	47,700	55,600	64,500	28,500	79%
Aged 80-84	29,500	29,900	42,900	42,000	49,300	19,800	67%
Aged 85-89	19,200	20,600	27,000	33,000	33,000	13,800	72%
Aged 90+	11,200	12,500	17,100	21,800	27,800	16,600	148%

Source: ONS Mid Year Population Estimates.

The most noticeable increase when looking at population projections by age band is that of the ageing population. With people living longer the age group of those that are 90+ is expected to increase by 148% by 2041. The increase of the older population will have an impact on the country as a whole and Hertfordshire's economy

will feel these effects too. With increased government spending on health care and pensions, worker's taxes may be set to increase significantly. There will be a higher demand for retirement homes and private carers as well as within the NHS.

The 90+ population of Hertfordshire is expected to increase by 148% by 2041

The 50-54 age group is predicted to remain the largest age group in Hertfordshire by 2041



Labour Market & Skills Projections

Working Futures 2017-2027

Employment Trends (UK Level)

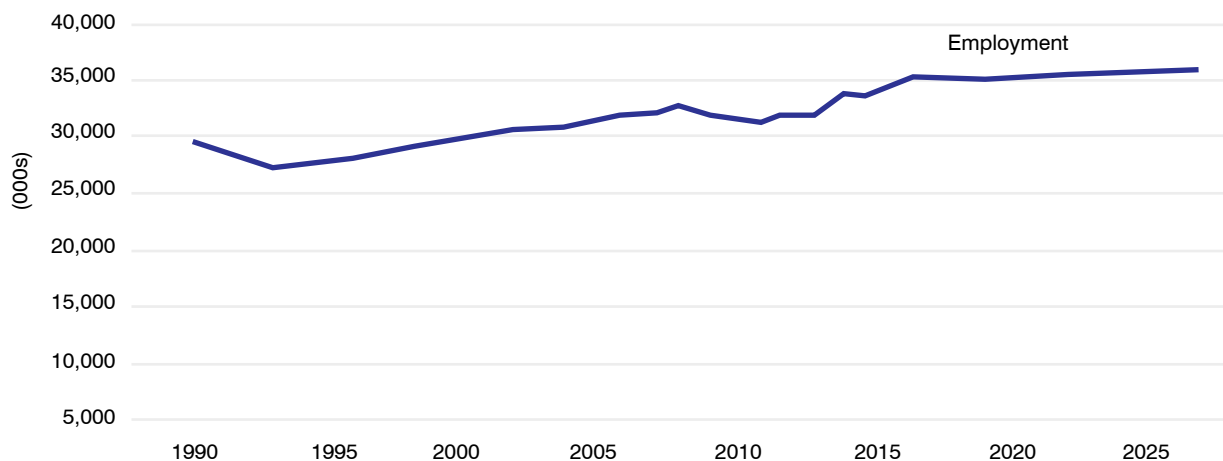
The number of jobs in the UK is expected to rise by 960,000 by 2027 (0.3% p.a.), continuing the slowing trend in employment growth seen over the last few years and reflecting the uncertainty surrounding Brexit.

Full time jobs account for 60% of all jobs going forward. Most of the newly created jobs in the UK

will be in part-time roles, accounting for just under 30% of all jobs by 2027. This is largely due to the increasing availability and the attractiveness of part-time contracts.

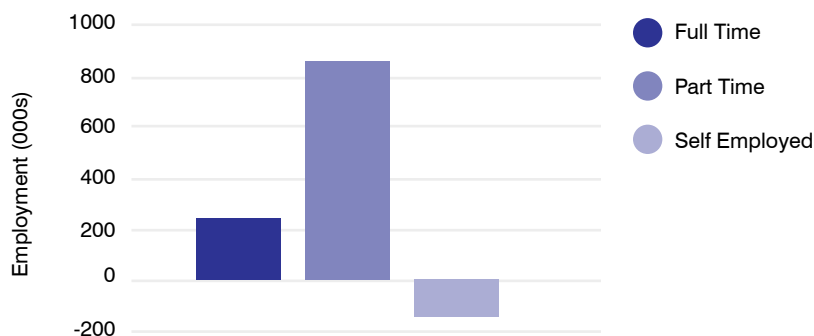
Self employment is expected to fall over the forecast period to 2027, across most broad sectors. This ends more than a decade of strong growth.

Employment trend in the UK, 1990-2027



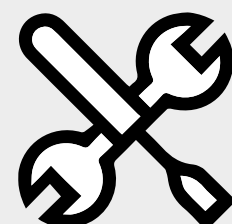
Source: Working Futures Report 2017-2027

Changes in employment in the UK by status, 2017-2027



Source: Working Futures Report 2017-2027

The UK is predicted to see 960,000 more jobs by 2027
Most of the newly created jobs will be part-time
Self employment in the UK is expected to fall by 2027



Labour Market & Skills Projections

Working Futures 2017-2027

Manufacturing (UK Level)

- ▶ The future growth of manufacturing is likely to be constrained by increasing competition from overseas manufacturers.
- ▶ Processes and techniques are changing the shape of production within the manufacturing sector.
- ▶ The availability of skilled labour will be an important consideration for the economic outlook in the long-term.
- ▶ Employment is expected to fall despite the growth in output, driven especially by increasing automation in the manufacturing sector.

Construction (UK Level)

- ▶ The construction sector continues to be faced with skill shortages. This with the potential restrictions on migration impacting future flows of EU workers constraints to labour supply are expected to dampen the sector's growth prospects.
- ▶ The UK population growth is still expected to lead to increased demand for construction of infrastructure and housing, supported by the government's ambitious targets to build new homes.
- ▶ Long-term major public infrastructure projects are likely to contribute to output growth

2017-2027	Manufacturing Sector	UK Average
Employment change (000s)	-258	962
Employment change (%)	-9.6	2.7
GVA Growth (% p.a.)	0.9	1.1
Productivity growth (% p.a.)	1.9	0.9
Replacement demand (000's)	734	11,581

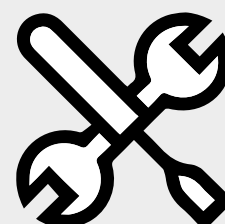
Source: Working Futures Report 2017-2027

2017-2027	Construction Sector	UK Average
Employment change (000s)	50	962
Employment change (%)	2.2	2.7
GVA Growth (% p.a.)	0.8	1.1
Productivity growth (% p.a.)	0.6	0.9
Replacement demand (000's)	660	11,581

Source: Working Futures Report 2017-2027

The manufacturing sector in the UK is expected to see a fall in employment with increasing automation predicted

The construction industry is set to gain from the increase in population creating demand for housing and infrastructure



Qualification Projections

Working Futures 2017-2027

Qualifications (UK Level)

- The supply of skills in the labour market is set to continue to grow, as educational participation levels remain strong and more people (especially young people) are acquiring higher level qualifications. At the same time, older people, who are less well-qualified on average, will retire from the labour force.
- The qualification profile of those in employment will continue to see a shift towards more people holding more high-level qualifications
- By 2027, around 55.2% of people in employment are expected to be qualified at level 4 and above, whilst the proportion of people with level 1 or no formal qualifications at all is expected to fall to 10.6%
- Growing demand for formal qualifications is most clearly reflected in the marked shift in occupational employment structure in favour of the three highest skilled occupational major groups, which tend to employ higher qualified people.

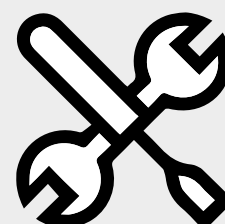
	↓ -37.5%	↓ -14.5%	↓ -6.5%	↑ -30.5%	↑ -32.4%
2017 2027 Selected examples of qualification	No qualification and Level 1 GCSE (grades D-G) BETEC awards, certificate and Diploma 1	Level 2 GCSE (grades A*-C) NVQ level 2	Level 3 AS and A level BETEC National	Level 4-6 Certificate of higher education (L4) Foundation degree (L5) Bachelor's degree (L6)	Level 7-8 Master's degree (L7) Doctorate (L8)
	2017 6,083,382 2027 3,801,155	2017 6,752,771 2027 5,774,783	2017 6,916,663 2027 6,466,094	2017 10,707,064 2027 13,970,954	2017 4,388,111 2027 5,807,967
2027 % shared	No qual and Level 1 10.6%	Level 2 16.1%	Level 3 18.1%	Levels 5-6 39.0%	Levels 7-8 16.2%

Source: Working Futures Report 2017-2027

The UK workforce is expected to see a drop of 38% of those with level 1 or no qualifications by 2027

The amount of people with level 7 and 8 qualifications in the UK is expected to rise by 32% by 2027

It is predicted that the UK will see a 31% rise in those that have obtained qualifications at level 4-6 by 2027



Automation

Automation (UK Level)

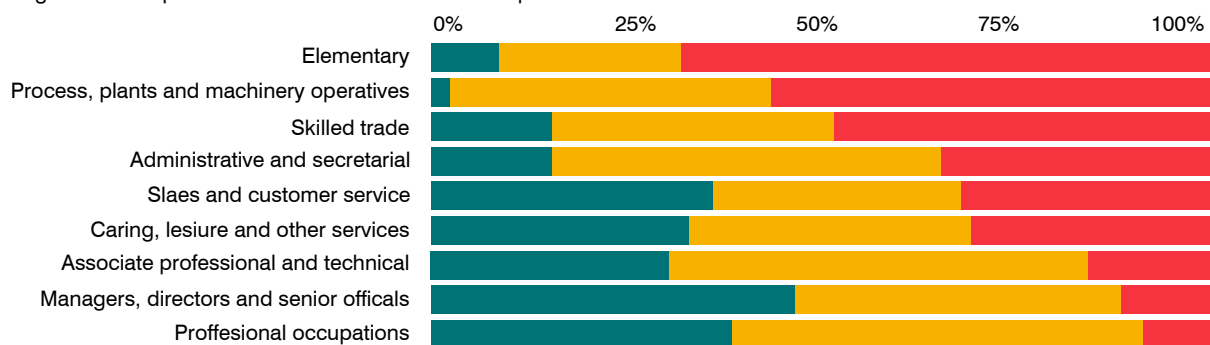
Automation will have an effect on the labour market in the UK as a whole. While the general idea of automation can be viewed as having a negative impact on the labour market in terms of employment risks, automation actually has the potential to create new opportunities. Certain tasks within jobs are likely to be able to be carried out more efficiently with automation by utilising new technology.

Occupations have been clearly changing over the last 20 years, with roles becoming less reliant on manual, physical processes and more reliant on skills that are more analytical and interpersonal. When analysing automation potential by

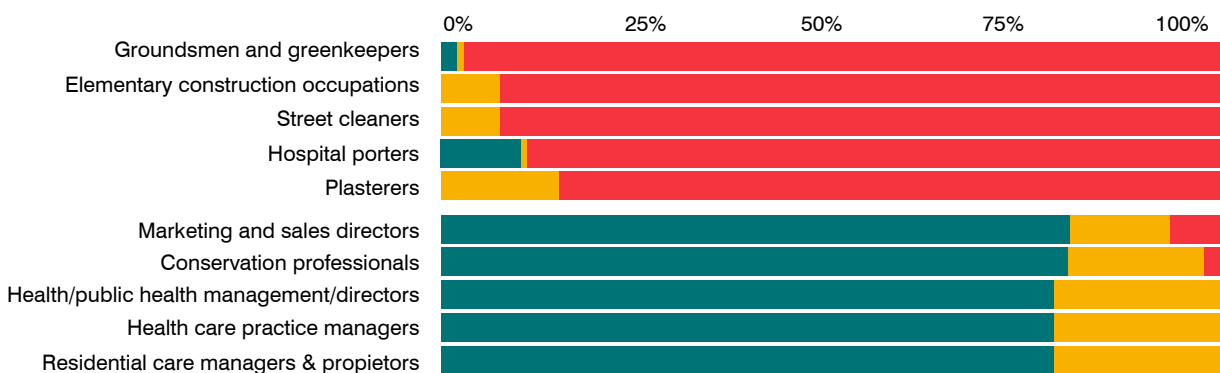
occupation, those that tend to require low skills or physical skills, such as process, plant and machine operatives are as expected, at a higher risk of automation. On the contrary, those occupations that require more of an analytical understanding are at a lower risk of exposure to automation in the future.

When looking at occupations at a more granular level we can see a clear difference between higher and lower skilled roles and their exposure to automation, for example, street cleaners and hospital porters are at a much higher risk of task automation compared with residential care managers and proprietors.

1-digit SOC occupations in terms of their task share exposure to automation



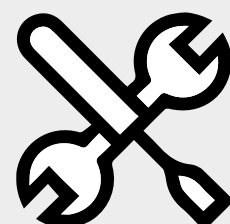
Top & bottom 5 4-dogot SOC occupations in terms of high and low task share expsoure to automation



● Low exposure ● Medium exposure ● High exposure

Source: EMSI

Task automation is expected in lower and physical skilled occupations
 Due to automation many roles require skills that are more analytical and interpersonal



Priority Sectors

The following sectors are a priority going forward for Hertfordshire:

- ▶ Life Sciences
- ▶ Technology
- ▶ Engineering & Manufacturing
- ▶ Creative, Film & Media
- ▶ Built Environment
- ▶ Financial & Business Services

Priority Sectors - Life Sciences

Life Sciences

Hertfordshire is home to leading pharmaceutical companies including GlaxoSmithKline, situated within the Stevenage BioScience Catalyst, the UK's leading open innovation campus with a focus of therapeutics. Hertfordshire is also situated in the heart of the 'Golden Triangle' between Oxford, Cambridge and London, which marks the central cluster of the UK's life sciences industry and hosts four of the world's top 10 universities for medical and scientific research: Cambridge, Oxford, Imperial College London and University College London.

Hertfordshire continues to thrive in the life sciences sector and one of the major successes of the Stevenage BioScience Catalyst has been the ability to attract major investment, including a new £55m Cell and Gene Therapy Catapult manufacturing centre that will help to bring cell

and gene therapies to the UK. The sector is supported by a skilled workforce, with 77,000 employees in the Professional, Scientific and Technical Activities industry as of 2017, making up 12.2% of Hertfordshire's workforce. In comparison, the industry only accounts for 8.4% of total employment in the UK.

The future for the Life Sciences sector in Hertfordshire is bright, with the county boasting important facilities attracting companies from around to world to enable the development of new medicines and therapies. Future opportunities include medicines and drug delivery technologies, personalised medicines, e-health, bio-pharma research, drug development and production and convergent medical technologies therefore retaining a highly skilled workforce is key for the county.

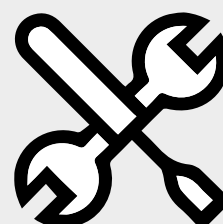
Employee Job by Industry (2017)	Hertfordshire	Hertfordshire (%)	East of England (%)	Great Britain (%)
Professional, scientific and technical activities	77,000	12.2	9.3	8.4

Source: Extract from ONS Business Register and Employment Survey 2017
 Notes: Employee jobs excludes self-employed, government-supported trainees and HM forces Data excludes farm-based agriculture

More people work in pharmaceuticals in Hertfordshire than in any other LEP area in England

Stevenage BioScience Catalyst is the UK's leading open innovation campus

The Bioscience Campus in Stevenage is home to major global organisations including GlaxoSmithKline and the Cell & Gene Therapy Manufacturing Catapult



Priority Sectors - Technology

Technology

Hertfordshire hosts the headquarters of market leaders in the technology industry such as EE, the first mobile telecoms company to launch 4G networks in the UK; Imagination Technologies, whose multi-media and communications semiconductor Intellectual Property cores are

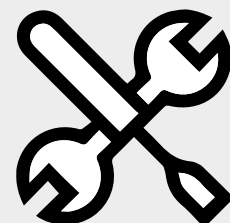
at the heart of innovative consumer electronics products; and Bank Machines Ltd, the largest independent ATM operator in the UK. Computacenta, Europe's leading independent provider of IT infrastructure services is also based in Hertfordshire.

Industry (SIC 2007)	Total	Micro (0-9)	Small (10-49)	Medium (50-249)	Large (250+)	% of Total Enterprises
Information & communication	7240	6930	270	35	5	12%

Source: Inter Departmental Business Register (ONS) Notes: % is a proportion of each total (enterprises or local units) Notes: An enterprise can consist of more than one local unit.

Hertfordshire is home to market leaders in the Technology industry such as EE

12% of total enterprises in Hertfordshire are in the Information and Communication Industry



Priority Sectors - Engineering & Manufacturing

Engineering and Manufacturing

Hertfordshire has a pioneering heritage in the Engineering Manufacturing industry. The first production commercial jetliner, the de Havilland Comet, was developed and manufactured in Hatfield in 1947. Hertfordshire was also home to the first digital radio manufacturer in the UK.

Today, Hertfordshire's world-class engineering companies specialise in aerospace, space and satellite engineering, communication technologies, defence and security-related equipment and logistics. The Hertfordshire

district of Stevenage is the leading location for the UK space industry with the headquarters of MDBA, a European developer and manufacturer of missiles, based here as well as Airbus, an multinational aerospace corporation that designs and manufactures industry-leading commercial aircraft, helicopters, military transports and more.

According to the ONS Inter-Departmental Business Register (2018) there are 2,675 enterprises in the manufacturing industry in Hertfordshire employing around 37,000 people.

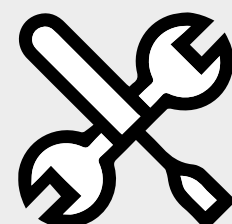
Total Enterprises (2018) in Hertfordshire by Employment Size: Manufacturing Industry

Industry	Total	Micro (0-9)	Small (10-49)	Medium (50-249)	Large (250+)
Manufacturing (SIC 2007)	2675	2185	375	95	20

Source: Inter-Departmental Business Register 2019

Hertfordshire hosts world leading engineering and manufacturing companies including MDBA and Airbus

There are 2,675 enterprises in the manufacturing industry within Hertfordshire



Priority Sectors - Creative, Film & Media

Creative, Film and Media

Hertfordshire has been a national hub for films and film-making for a century. It hosts some of the biggest and best names in Hollywood, including Elstree Studios, Warner Bros. Studios Leavesden and the BBC. Some of the world's best-known films were made in the county, including all eight of the Harry Potter films, Star Wars and Indiana Jones. Hertfordshire-based firms' specialist and technical experts have been recognized for their contributions to Oscar-nominated and winning films.

The University of Hertfordshire is a key contributor to this creative ecosystem, with specialisms in animation, animatronics and digital media. It's animation school, UH animation, is among the top four in the world. Alumni from the

university are actively involved in world-leading games and animation companies and have worked on blockbuster productions such as Harry Potter, Avatar, Prometheus and the GTA series.

The growth in the film and media in Hertfordshire has been significant over the period between 2010 and 2018. Overall, there has been an increase in the count of enterprises in the film and media industry with 450 more enterprise in 2018 compared with 2010, with an overall turnover of £1.2bn.

Home to Leavesden studios, the district of Watford has the largest turnover in this sector across the county, accounting for just over half of the total film and media industry turnover for the county.

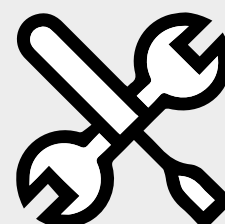
Count, employment, employees and turnover (£'000s) of VAT and/or PAYE based enterprises in Hertfordshire (Motion picture, video and television programme production, sound recording and music publishing activities & programming and broadcasting activities)

Area	2010				2018				Variance
	Count of Enterprises	Employment	Employees	Turnover (£'000s)	Count of Enterprises	Employment	Employees	Turnover (£'000s)	Increase in Enterprises (%)
Hertfordshire	350	1,348	1,218	99,095	800	2,353	2,245	1,215,220	129%
Broxbourne	5	-	-	-	10	17	17	2,612	100%
Dacorum	60	135	108	10,555	155	272	250	24,739	158%
East Hertfordshire	30	34	21	2,392	65	94	78	8,898	117%
Hertsmere	65	239	211	46,272	115	276	258	57,849	77%
North Hertfordshire	25	40	33	4,643	65	94	83	9,781	160%
St Albans	60	103	76	8,494	155	338	316	44,756	158%
Stevenage	15	-	-	-	35	53	51	3,925	133%
Three Rivers	40	141	131	13,249	100	407	402	433,604	150%
Watford	25	594	587	8,815	65	752	743	625,339	160%
Welwyn Hatfield	25	37	32	2,891	35	50	47	3,717	40%

Source: ONS
Notes: Count figures are rounded to base five. Where the count rounds to zero or data is deemed to be disclosive, any auxiliary variable i.e. employment or turnover will be removed.

Hertfordshire is home to Warner Bros. Studios Leavesden, the only facility in Europe owned by a Hollywood studio as well as Elstree Studios where three of the top shows on British TV have been made.

The growth in the Film and Media industry has been significant in Hertfordshire between 2010 and 2018.



Priority Sectors - Built Environment

Built Environment

Hertfordshire is strategically placed to benefit hugely from schemes happening across the UK. It's proximity to London has always been a key asset, it'll be at the heart of the new proposed infrastructure arc between

Oxford-Cambridge and it has strong infrastructure links to the wider UK network. Therefore it's no surprise that Hertfordshire is gearing up for growth. The 11 councils that make up Hertfordshire are planning to deliver over 100,000 new homes by 2031 creating a vast amount of job opportunities in the construction sector.

Many major construction companies have their headquarters based in Hertfordshire, including Skanska in Rickmansworth and Vinci Construction in Watford. Because of the scale

of the planned housing growth and other major construction projects in the county and nearby (HS2, Crossrail, Stevenage regeneration project, Watford junction revamp etc.) the demand for work in this sector will be high.

Between 2018 and 2019 there were 3630 new build dwellings in Hertfordshire, 96 property conversions and 1077 dwellings that underwent a change of use. With the planning of the 100,000 new homes in Hertfordshire by 2031 the amount of new build dwellings being constructed each year in the county would at least double creating a significant requirement for labour in this industry.

As of 2019 there are 9,460 enterprises in the construction industry based in Hertfordshire according to the IDBR.

Housing supply; net additional dwellings in Hertfordshire 2018-2019

Area	New build	Net conversions	Net Change of use	Net other gains and losses	Demolitions	Net Additions
Hertfordshire	3630	96	1077	15	250	4568
Broxbourne	384	16	66	-2	9	459
Dacorum	439	14	125	0	21	557
East Hertfordshire	830	6	85	9	13	917
Hertsmere	479	17	167	0	33	630
North Hertfordshire	160	2	81	0	21	222
St Albans	446	15	259	0	96	624
Stevenage	189	8	89	1	2	285
Three Rivers	89	6	72	3	20	150
Watford	228	7	37	0	4	268
Welwyn Hatfield	386	5	96	0	31	456

Source: Ministry of Housing, Communities & Local Government .

Number of VAT and/or PAYE based enterprises

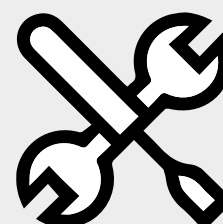
Area	2019 F: Construction (SIC 2007)
Hertfordshire	9460
Broxbourne	945
Dacorum	1240
East Hertfordshire	1710
Hertsmere	1090
North Hertfordshire	735
St Albans	865
Stevenage	565
Three Rivers	805
Watford	730
Welwyn Hatfield	775

Source: Inter-Departmental Business Register 2019

Hertfordshire hosts the headquarters of some of the UK's major construction companies

100,000 new homes have been proposed by Hertfordshire councils by 2031, creating a significant amount of jobs in the construction industry

There were 9,460 enterprises in the construction Industry in 2019, most being in East Hertfordshire.



Priority Sectors - Financial & Business Services

Business and Financial Services

Business services contributed £13.9 billion to the Hertfordshire economy in 2015, representing 41% of the county's economic output. Between 2005 and 2015 the sector's value to the Hertfordshire economy grew by 2.6% per year.

The number of jobs has grown by 4.5% annually since 2009, rising to 193,000 by 2015. Meanwhile the number of firms in the sector grew by 5.3% since 2010, reaching a total of 26,415 in 2016.

There are 12,500 finance, consulting, accounting and legal firms in the county, including 1,200 financial services companies.

Hertfordshire is an attractive location for global and European headquarters and shared service centres. Its advantages include competitive costs, access to markets, global connectivity and an enviable pool of talent.

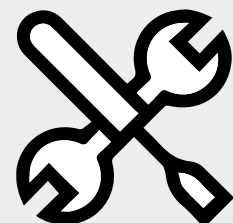
The county's extensive service sector includes specialisms in HQ operations, shared service centres, business process outsourcing and logistics.

The county is a hub for data centres and payment systems operators, including VocaLink, PayPoint, and Cardtronics. It's a regional base for Deloitte, KPMG, PwC, Baker Tilly, Mercer & Hole, and BDO; and a major service centre hub for Aon and AECOM.

Hertfordshire is also home to top business schools. Ashridge Executive Education was ranked third in the UK by the Financial Times in 2017 and is home to the UK's leading business university.

Between 2005 and 2015 the Business sector's value grew by 2.6% per year

Hertfordshire is home to the UK's leading business university



Next Steps

Hertfordshire LEP is responsible for decisions on how large amounts of public money are spent and have an important local leadership role in the skills system. Understanding current and future skills needs and labour market challenges in their local areas helps them do this more effectively and this Skills and Labour Market review is the first stage to enable the LEP to draw up their action plans to address skills issues which, in turn, can give more people in the local community access to high quality skills provision which leads to good jobs.

This review will now enable the LEP to present the analysis to the Skills Advisory Panel board and share it with the wider employer and provider communities to ensure that their perspective on the local labour market and local employment and skills system is reflected in the prioritization the board takes forward.

The Review will also inform the development and updating of the Hertfordshire Skills Strategy and Apprenticeship strategy 2020 - 22. It will also provide analysis to inform the development and the implementation of the 'People' element of Local Industrial Strategies, which Hertfordshire will have in place by early 2020.

Finally, the Skills and Labour Market review will support the development of forthcoming T-Level qualifications. The consultation, *'Provider funding for the delivery of T Levels'* was published in November 2018. This proposes a requirement in provider funding agreements to have due regard to the skills analysis, local plans and strategies published by the Skills Advisory Panel, and expects providers to work together to provide the skills offer that is needed without undue duplication.

This report has carried out an analysis of the skills and employment priorities of Hertfordshire with the intention of understanding how we can further develop our plans to improve economic productivity and efficiency. Our conclusions will address how the LEP can work with partners to address some of the skills priorities identified and outline the mechanisms needed to support the delivery of appropriate skills and employment initiatives.

Next Steps

Skills Priority

Unlocking Emerging Talent (Hertfordshire Skills Strategy -Developing our Future Workforce - support for young people age 14 - 24)

Reference to Herts Skills Strategy and Local Industrial Strategy

All young people have access to impartial advice and guidance and are made aware of all the careers pathways that are available to them
Encouraging strong links between employers and education providers through the Careers and Enterprise Company (CEC) and our skills portal, Hertfordshire Opportunities Portal (HOP), in order to give young people learning, work experience and employment opportunities

Rationale

Education attainment and Apprenticeships (page 33 - 41)

Partners

YC Hertfordshire, Careers and Enterprise Company, Careers Hub, Hertfordshire Opportunities Portal, FE and HE providers

Specific Action

Share analysis with Enterprise Advisers (EAs) and Enterprise coordinators (ECs) within our Enterprise Adviser Network and Careers Hub to support achievement of 2019/20 targets agreed with Careers & Enterprise Company.

Utilize analysis on HOP as one place to signpost information on career pathways, connecting with employers, FE and HE, apprenticeship opportunities and work experience/industry placements

Use analysis for development of Apprenticeship and Technical Education Strategy 2020-2022 and reconvening of LEP apprenticeship sub group

Working with our SEND/LDD partners to ensure a targeted programme of support for these young people to find work experience, learning opportunities and employment

COVID 19 related action - develop focused programme of support for the 'Class of 2020' (school leavers, graduating FE and HE students)

Next Steps

Skills Priority	Priority and growth sectors - developing our science and knowledge based assets and investing in skills of the future
Reference to Herts Skills Strategy and Local Industrial Strategy	<p>The LIS identifies growth across the following sectors in Hertfordshire - Life Sciences, Film and Media, Built, Digital and Advanced Manufacturing, Cell and Gene Therapy, Agri-Tech and Smart Construction and Visitor Economy</p> <p>Preparation for the 'Fourth Industrial Revolution' Skills in the workplace of the future are likely to be very different from those needed today - Artificial intelligence, 3D printing, autonomous vehicles, technology and biotechnology - these rapidly developing technologies are changing the way we work, and the jobs and skills required to do them</p>
Rationale	Priority sectors (p58 - 64) Automation p57 - Evidence has shown that digital skills, the use of social media and agile working as the most pertinent gaps in the future economy
Partners	Hertfordshire Growth Hub, Sector Bodies, FE and HE, Herts IQ
Specific Action	<p>Further deep dives into growth sectors to map skills supply and demand</p> <p>Development of local sector qualification/ career pathways to be hosted on HOP</p> <p>Utilise analysis to engage with FE/HE provision to discuss curriculum plans and ensure alignment with priority sectors in particular 16-18 provision</p> <p>Develop an investment and engagement plan to ensure we have capacity within digital and data analytics skills (at all levels)</p> <p>Support the STEM workforce and skills provision to ensure that they A1(M) 'science corridor' are harnessed and reflecting fully on the possibilities of T Level qualifications</p> <p>Support local delivery partners with submission of Institute of Technology proposal</p> <p>COVID-19 related action - Further analysis to understand support needed for our recovery sectors such as hospitality, retail and the visitor economy Improving access to digital skills training. What could be enhanced reflecting the new skills employers need?</p>

Next Steps

Skills Priority	Adult learning and employment - working towards full employment and life-long learning
Reference to Herts Skills Strategy and Local Industrial Strategy	Measures to support adults to retrain for advanced and higher technical skilled jobs Adults of all ages will need support to retrain/upskill to get high-skill / -productivity jobs in line with the sectors and occupations most likely to thrive into the future. This is particularly true of those slightly further from the labour market, who are least likely to find work in light of the current COVID-19 situation
Rationale	p30 - 32 - Participation in Employment
Partners	FE and HE, HAFLS, DWP, JCP, employment support partners
Specific Action	<p>Understanding re-training required for growth sectors, digital skills, effects of automation - aligning provision with roll out of National Retraining Scheme</p> <p>Utilise analysis to further develop the FE focus on technical level skills development as well as higher and degree level skills, with an emphasis on priority sectors</p> <p>Ensuring apprenticeships at all levels is captured with revised apprenticeship strategy and action plan</p> <p>Share analysis with HCC, CVS, HAFLS to ensure targeted support for vulnerable adults or those with LDDs to gain full employment</p> <p>Working with partners to ensure programmes are targeted to support those who are unemployed to gain access to and retain employment</p> <p>COVID-19 related actions - Develop local taskforce with partners to ensure collaboration across employment and redundancy provision, developing a clear programme of support and utilising HOP as the communication channel</p> <p>Further analysis into impact and support required for 50+ aged jobseekers who are disproportionately affected by COVID-19 unemployment</p>

Next Steps

Skills Priority	Skills to grow small and medium sized businesses
Reference to Herts Skills Strategy and Local Industrial Strategy	<p>According to the Employer Skills Survey (2017) 28% of all employer vacancies were reported as being hard to fill specifically because of skills shortages.</p> <p>As a result of the COVID-19 lockdown, some of the worst impacted businesses in our region will be SMEs.</p> <p>Further support for these smaller businesses could be life changing, as it could bring new skills and talent to their workforces, giving them the boost that they may desperately need in the current climate</p>
Rationale	p42 - 50 - Skills shortages
Partners	UH, Herts Growth Hub, Business Intermediaries, Serco (Skills Support for the Workplace)
Specific Action	<p>Research the development of a Levy Transfer initiative. Large, levy paying businesses to pledge a proportion of their unspent levy funds to transfer to smaller businesses in the region to fund apprenticeship training for existing or new staff.</p> <p>Support the roll out of T Levels and work with partners to develop employer engagement strategies to encourage industry placements</p> <p>Provide further funding (as match for ESF) for the further development and roll out of an SME Skills Advisory Service, development of HOP and additional support for SMEs i.e. additional skills brokers and schools/colleges engagement</p> <p>COVID-19 related actions - Launch skills survey to understand the skills and employment requirements of the SME Business Base</p>

Next Steps

Skills Priority

Place making - Challenges and opportunities arising from Hertfordshire's geographical position and internal geographies

Reference to Herts Skills Strategy and Local Industrial Strategy

Hertfordshire is a net exporter of highly skilled employees and a net importer of low-skilled employees.

Hertfordshire's economy is defined around a series of medium-sized towns with the largest being Watford, Stevenage and Hemel. St Alban's is the 16th most vibrant - there are areas of deprivation i.e. New Towns and South East Hertfordshire and also opportunities within the 5 Town/Garden cities which have many assets

Rationale

p26 - 29 - population projections

P40 education by district

Partners

10 Local Authorities, Hertfordshire County Council, Herts Growth and Board Skills Advisory Panel

Specific Action

Work with the 10 local districts undertake local skills analysis to assess local challenges and opportunities. Specific focus on Broxbourne, Stevenage, Welwyn-Hatfield

Working with LAs, HCC and SAP review communications, campaigns and methods of encouraging residents to work in Hertfordshire

Glossary

Academic Year

Runs from 1st August - 31st July.

A Level Facilitating Subjects

A Level facilitating subjects are biology, chemistry, physics, maths, further maths, geography, history, English literature, modern and classic languages.

Annual Survey of Hours and Earnings

The Annual Survey of Hours and Earnings (ASHE), carried out in April each year, is the most comprehensive source of information on the structure and distribution of earnings in the UK.

Apprenticeships

Apprenticeships are paid jobs that incorporate on and off the job training leading to nationally recognised qualifications.

Apprenticeship Starts

The number of starts refers to the take up of programmes. An apprentice is counted for each apprenticeship they start.

Advanced Apprenticeships

These lead to Level 3 qualifications.

Average Point Score (APS)

The average of the points awarded overall. Points are allocated to GCSEs on a 9 to 1 point scale.

Business Register and Employment Survey (BRES)

The Business Register and Employment Survey publishes employee and employment estimates at detailed geographical and industrial levels and is regarded as the official source for employee and employment estimates by detail geography and industry.

Economically Inactive

The economically inactive are defined as people who are not in employment/unemployed. Reasons they're unemployed may be: studying looking after family or they're long-term sick.

Employee Jobs

Exclude self-employed, government-supported trainees and HM forces.

Employer Skills Survey (ESS)

The Employer Skills Survey is one of the largest business surveys in the world. It is collected by the Department for Education and collates information from over 87,000 employer establishments from the UK on skills needs, skills use and skills development.

Employment Rate

The percentage of the labour force that is employed.

EMSI

Economic modelling company that provides high quality employment data including vacancy data sourced from online adverts.

ESFA

The Education and Skills Funding Agency is an executive agency of the government of the UK, sponsored by the Department for Education. The ESFA is a single funding agency accountable for funding education and training for children, young people and adults.

Glossary

Data Cube

The Education and Skills Funding Agency Data Cube is a product formed as part of a sharing agreement between the Department for Education and Local Enterprise Partnerships containing data from the Individualised Learner Record (ILR), the Large Employer Outcome Pilot (LEOP) and the Employer Ownership Pilot (EOP) for their area only.

GVA

Gross Value Added is the value generated by any unit engaged in the production of goods and services.

Housing Affordability Ratio

The ratio between the median house price (year ending September) sourced from ONS house price statistics and median annual resident based earnings (gross) taken from the Annual Survey of Hours and Earnings.

Higher and Degree Apprenticeships

These lead to Level 4 and above qualifications.

Individualised Learner Record (ILR)

The ILR is the primary data collection about further education and work-based learning in England. It reflects each individual apprentice/student in the academic year and is requested directly from learning providers in England's further education system.

Inter-Departmental Business Register (IDBR)

A comprehensive list of UK businesses used by government for statistical purposes.

Intermediate Apprenticeships

These lead to Level 2 qualifications.

NEET

Not in Education, Employment or Training.

ONS

The Office for National Statistics is the largest independent producer for official statistics and is the recognised national statistical institute of the UK.

ONS Mid Year Population Estimates

Estimates of the usual resident population for the UK as at 30 June for the reference year. Provided by administrative area, single year of age and sex.

Skills Gap

A skills gap is defined as a lack of fundamental skills that employers require in their workforce.

Skills Shortage Vacancies (SSVs)

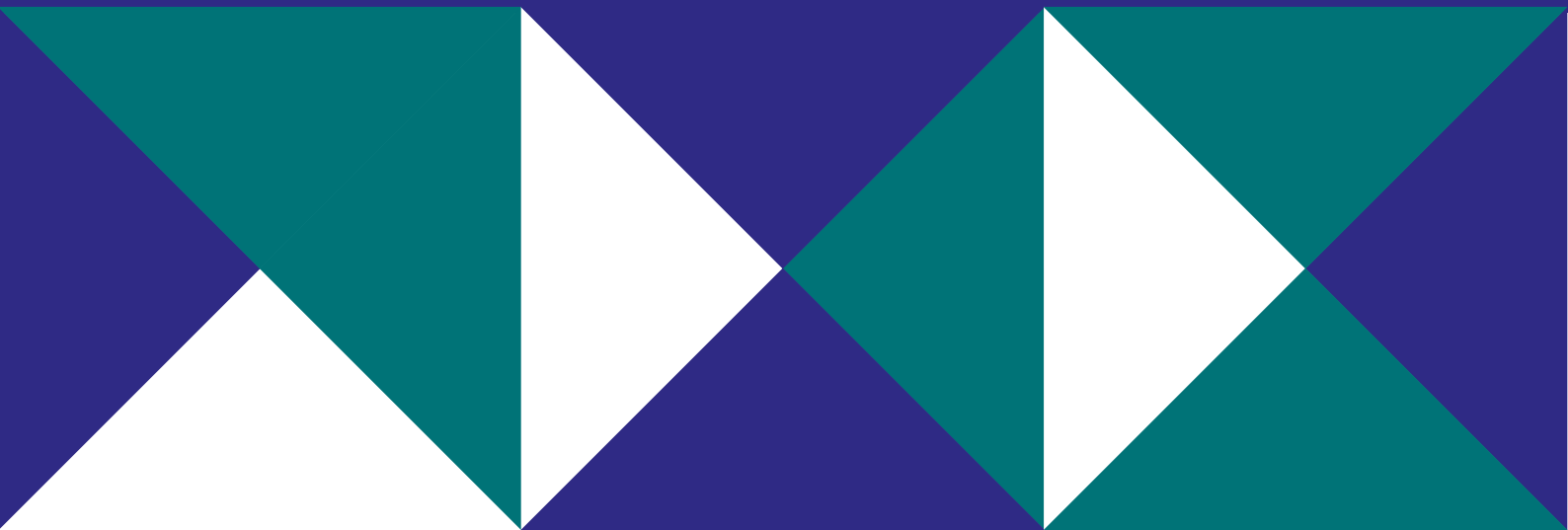
A skills shortage vacancy is a type of vacancy caused by a shortage of skills or experience the employer is looking for.

Working Age Residents

Refers to residents aged between 16-64 years.

Workless Households

A workless household is defined as a household which has at least one adult aged 16-65 and all adults in the household, aged 16 or over, are currently economically inactive or unemployed.



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