

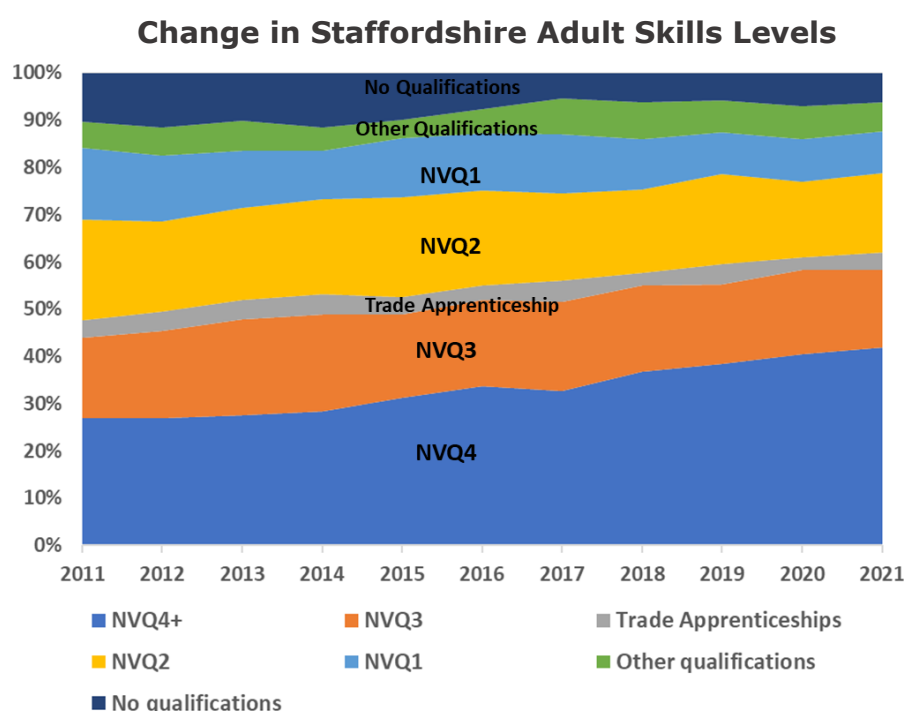
Staffordshire Employment and Skills Strategy 2023-2030 Evidence Base



Key Employment and Skills Outcomes Measures

Areas of focus and the reasons why we plan to do what is included in this strategy.

- **Working Age Adults with No Formal Qualifications** – Staffordshire has seen faster improvement in reducing the number of working age residents with no formal qualifications compared to nationally, with 7,900 fewer residents with no qualifications in 2021 compared to 2016 equivalent to a 19.5% reduction compared to a 17.0% reduction nationally.



Source: Annual Population Survey

This significant improvement means that in 2021 there were 6.3% of working age residents with no qualifications which was just below the national rate of 6.4%. However, there still remain an estimated 32,700 Staffordshire residents with no qualifications which this strategy will look to reduce further.

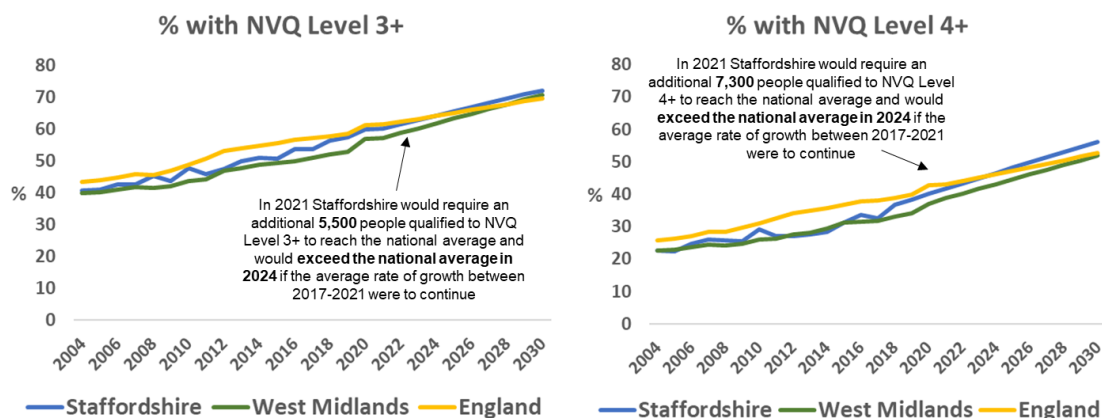
- **Higher Adult Skills (Level 3+ and 4+ Qualifications)** – Staffordshire has closed the gap to the national for working age adults with higher skills.

We have seen adults with Level 3+ (A Level equivalent or above) increase by 30,500 between 2016 and 2021, equivalent to 10.8% rise compared to a 9.0% rise seen nationally. The latest position for 2021 now shows 60.2% of adults in Staffordshire now have Level 3+ qualifications just behind the 61.3% seen nationally.

We have also closed the gap to the national average for Level 4+ qualification (Degree equivalent or above) where we have seen an increase of 39,200 adults with such qualifications between 2016 and 2021, equivalent to 22.1% rise compared to a 15.0% rise seen nationally. In 2021 41.7% of adults in Staffordshire had Level 4+ qualifications closing the gap to the national average of 43.1%.

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Further raising adult skill levels to support higher value, skilled and paid roles and address the productivity challenge remains a priority – based on recent improvement Staffordshire is projected to exceed the national average for Level 3+ and 4+ skills in 2024 but there is a risk that COVID and the end of EU (ESF) skills funding may impact further improvement.

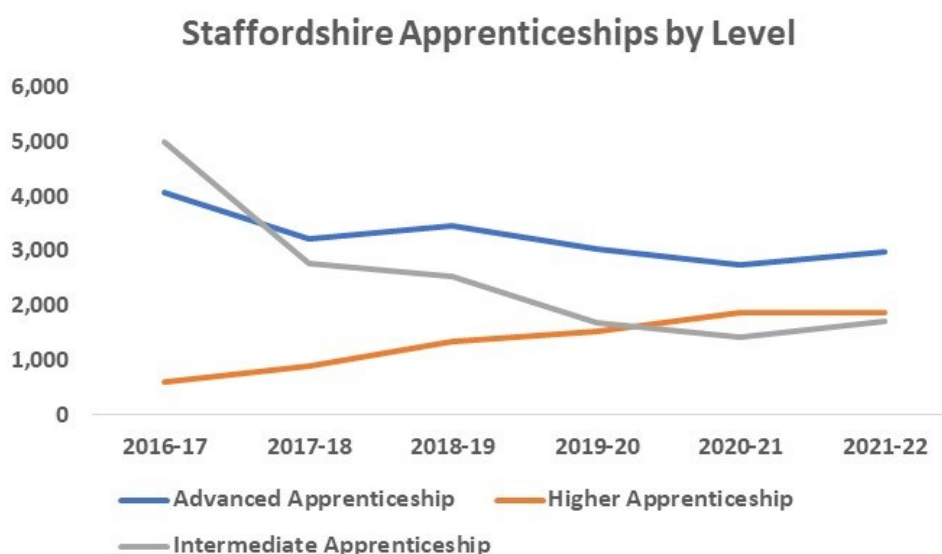


Source: Annual Population Survey

- **Apprenticeships** – As seen nationally, Staffordshire has seen a gradual long-term decline in the overall number of apprenticeship starts, with a 32% reduction from 9,620 in 2016/17 to 6,510 in 2021/22.

The main fall in apprenticeships has been seen at the intermediate level with a 66% decline between 2016/17 and 2021/22, while it is positive that higher apprenticeships have increased by 215%.

In 2021/22 advanced apprenticeships accounted for nearly half of starts (46% or 2,980), while higher apprenticeships accounted for 28% or 1,860 and intermediate apprenticeships accounted for 26% or 1,700.



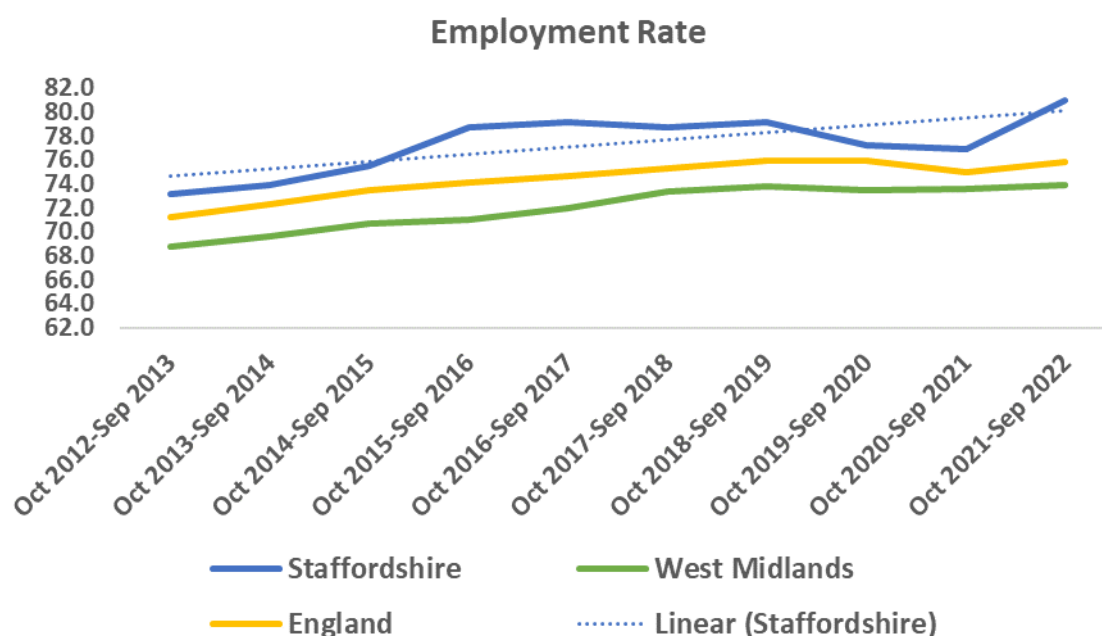
Source: DfE/Individualised Learner Record

Under 19s accounted for a quarter of all starts in 2021/22, while those aged over 25 accounted for nearly half (45% or 2,960).

In 2021/22 Health, Public Services and Care accounted for the largest number of apprenticeships with 1,900 (29% of total starts) followed by Business, Administration and Law with 1,750 (27%). The next largest sector subject areas were Engineering and Manufacturing Technologies (1,070 or 16%), Retail and Commercial Enterprise (670 or 10%) and Construction, Planning and the Built Environment (420 or 6%).

Increasing higher apprenticeships in our priority sector areas will be vital to ensure that we have the technical skills needed to grow those sectors and increase productivity and pay levels.

- **Employment** – Latest employment figures for the period Oct 2021-Sep 2022 show that in Staffordshire there were an estimated 436,600 working age (aged 16-64) residents employed, with an employment rate of 81.0% well above the national average of 75.8%.



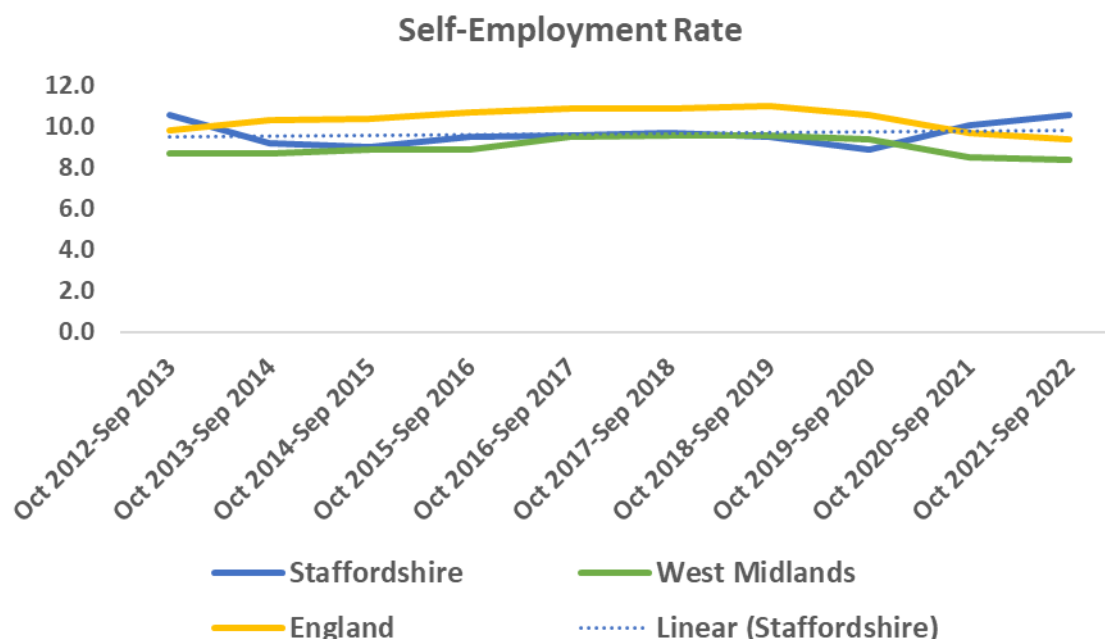
Source: Annual Population Survey

It is a real positive for the County that since the impact of the pandemic the number of residents employed has significantly increased and is now 20,500 or 4.9% higher than pre-COVID which is far better than the less than 1% growth seen nationally and regionally.

By continuing to support our residents to reskill and upskill we can ensure that Staffordshire's employment rate continues to improve and remains well above the levels seen in most other areas of the country. This stronger local workforce can support businesses to grow and remain competitive while contributing to overall economic growth.

- **Self-Employment** – Staffordshire has also seen a recent uplift in self-employment levels, with the latest self-employment figures for the period Oct 2021-Sep 2022 showing there were an estimated 55,300 working age (aged

16-64) residents self-employed, with a self-employment rate of 10.6% which is now above the national average of 9.4%.

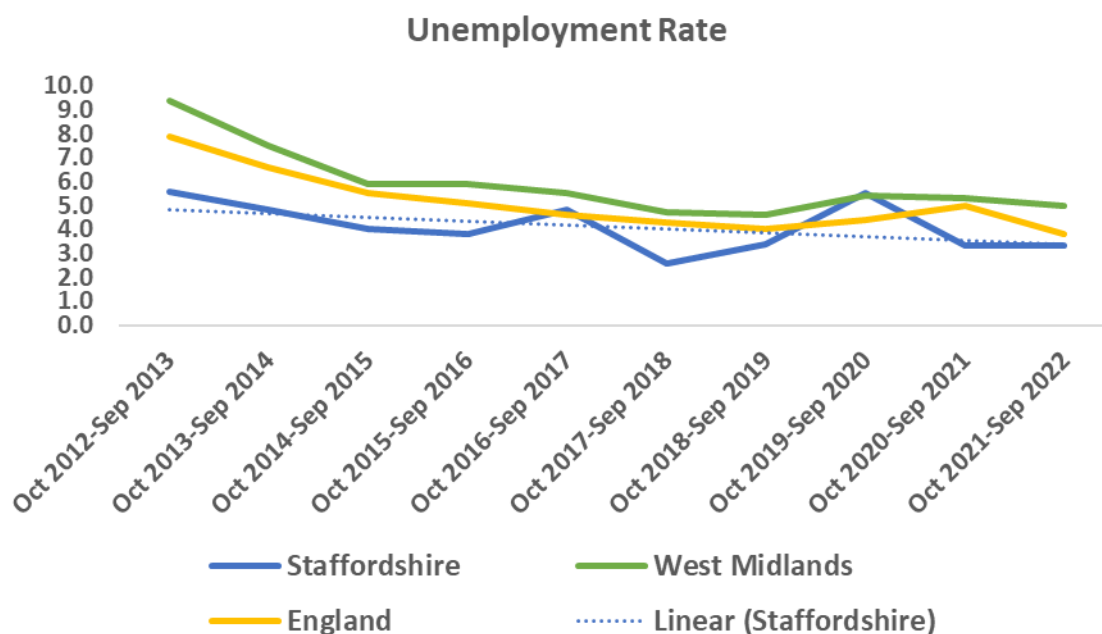


This increase in self-employment is a real positive for Staffordshire's economy as it is new innovative businesses which can fuel economic growth and raise productivity and is reflective of the significant investment seen in entrepreneurial skills development and business support for start-ups and step-ups across Staffordshire.

This strategy will look to ensure that more of our residents can access the skills and training provision to develop the knowledge and skills needed to start-up and grow a business.

- **Unemployment** – Following the increase in unemployment seen due to the pandemic effectively closing most parts of the economy, Staffordshire has seen unemployment levels decline to those seen prior to COVID.

Staffordshire's unemployment rate for the latest available period of Oct 2021-Sep 2022 was estimated at 14,700 or 3.3%, which was below the national rate of 3.8% and significantly below the regional rate of 5.0%.

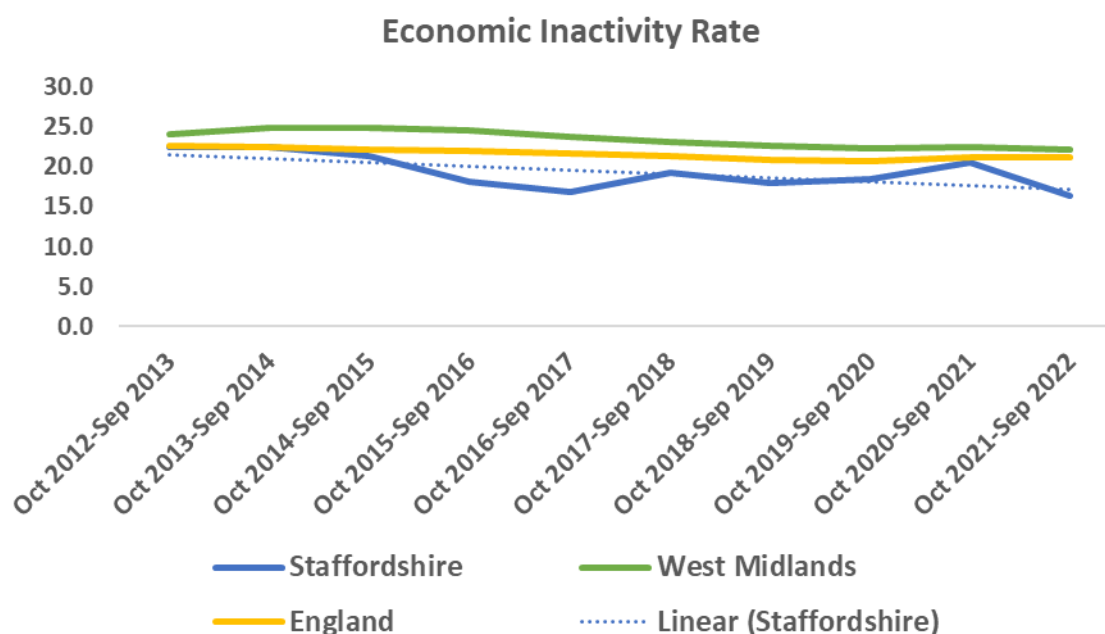


Source: Annual Population Survey

However, there still remained an estimated 14,700 unemployed residents of working age (aged 16-64) during Oct 2021-Sep 2022 and a key part of this strategy will be focused on ensuring that more residents that find themselves unemployed are able to find work and progress their careers.

- **Economic Inactivity (Worklessness)** – Staffordshire has seen the estimated number of economically inactive working age (aged 16-64) residents recover to below pre-pandemic levels following an increase caused by COVID. This is in contrast to the national picture where those economically inactive still remain well above pre-pandemic levels.

Staffordshire's economic inactivity rate for the latest available period of Oct 2021-Sep 2022 was estimated at 16.3% equivalent to 87,800, which was significantly below the national rate of 21.2% and regional rate of 22.2%.



Source: Annual Population Survey

This strategy will look to support those that economically inactive and who want a job to find work and help to address current labour shortages and skills gaps.

- NEETs** – Staffordshire performs comparatively well for the proportion of 16- and 17-year-olds living in each area who were not in education, employment or training (NEET) or their activity was not known (NK) at the end of the year. Latest published DfE data shows that 3.3% of 16- and 17-year-olds were NEET (1.8%), or activity not known (1.5%) at end 2021 (average of December, January, and February), which was down -0.1ppts on the previous year and well below the national average of 4.7%. This placed Staffordshire in the second-best quintile nationally.

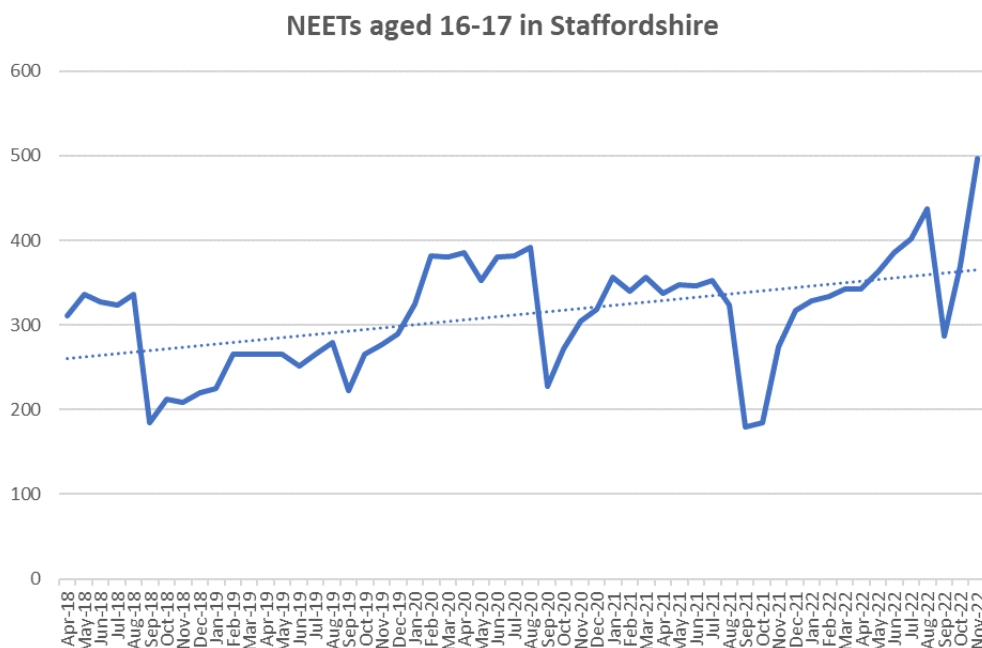
Despite performing comparatively well, over recent years Staffordshire has seen an increase in the number of 16- and 17-year-olds who are NEET, with latest local data for 2022/23 showing a significant increase to 497 in November 2022.

The main reason for young people in Staffordshire findings themselves NEET is due to them 'seeking employment or training' (52%), while over a fifth (21%) are 'not work ready' and 12% have a 'long term illness'. Further detail shows that that almost 1 in 4 of the Y12 NEET population had mental health issues that prevented, or part contributed to their lack of progression.

There is also an increasing asylum seeker population within the county, who require provision that incorporates ESOL delivery. We currently have a significant number of unaccompanied asylum seeking children without access to education provision despite being very willing to engage.

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It will be vital for these young people that through this strategy the necessary support is put in place and available to support them into education, employment, or training.



Source: DfE NEET and Participation Data/Entrust

- **Participation in education and training** – In March 2022 93.8% of Staffordshire 16–17-year-olds were participating in education and training. This was above the national average of 92.9% and placed Staffordshire in the second-best quintile nationally. However, this was -0.8 ppts down on the previous year.

Positively, in Staffordshire 98.5% of Staffordshire 16–17-year-olds were offered an education or training place in September 2021, which placed Staffordshire in the top quintile and well above the average for England of 95.5%. This also showed an improvement on September 2020 of 0.3 ppts.

[DfE NEET and participation LA scorecard](#)

- **Post 16 attainment** – In Staffordshire 57.6% of 19-year-olds achieved level 3 in 2020/21, this was above the regional average of 57.4% but below the national average of 59.8%.

The proportion of 19-year-olds achieving GCSE 9-4 standard pass in English and maths (or equivalent) between ages 16 and 19, for those who had not achieved this level by 16 stood at 31.0% in 2020/21, which was below the regional average of 31.4% and national average of 32.7%.

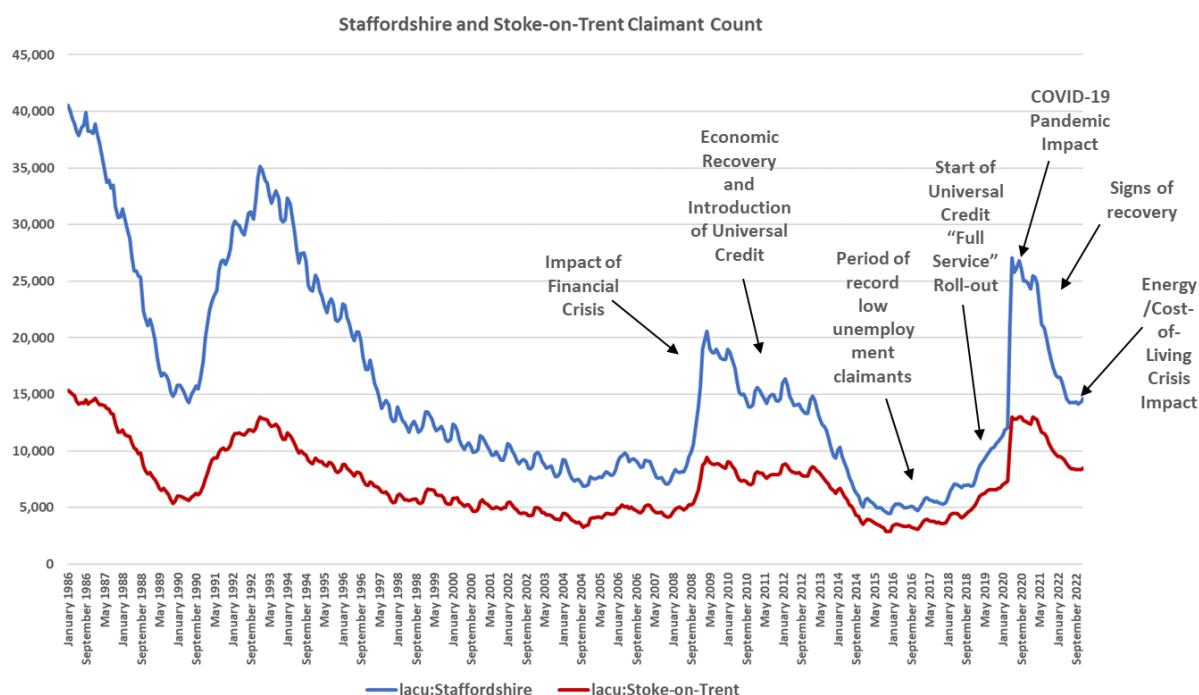
It will be important that this strategy helps ensure that more young people have the skills needed to access better paid jobs in priority sectors. A key aspect of this is raising school educational performance where Staffordshire currently lags behind nationally for GCSE attainment with a lower average

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attainment 8 score per pupil and for the proportion of pupils achieving 9-4 standard pass in English and maths GCSEs.

[DfE NEET and participation LA scorecard](#)

- **Out of Work Benefit Claimants** – In December 2022 the Claimant Count in Staffordshire increased further to 14,640, the number of Universal Credit (UC) claimants is now 21.5% or 2,590 higher than the level seen in March 2020 (pre-COVID), which is below the 24.4% increase seen nationally and 22.9% increase seen regionally.



Source: ONS Claimant Count

It is important to recognise that although claimant numbers remain higher than pre-pandemic given our strong position going into the pandemic, we still perform comparatively well for our claimant rate which stood at 2.7% of the working age population in December compared to 4.8% regionally and 3.8% nationally.

The Bank of England and Office for Budget Responsibility (OBR) have forecast that unemployment will continue to rise in 2023 given the current global and national economic challenges we are facing.

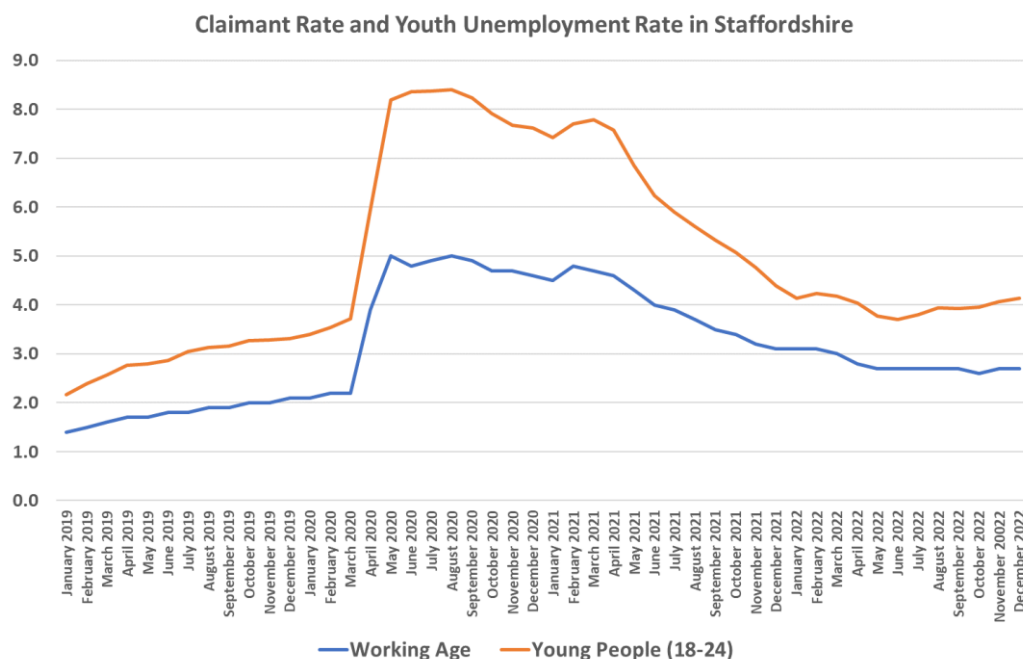
This strategy will look to put in place the employment and skills support needed to support residents which find themselves out of work to find new work in areas of labour and skills demand.

- **Youth Claimant Count** – In December 2022 the youth claimant count in Staffordshire saw an increase of 40 to a total of 2,685 young people. This is similar to the trend seen across England as a whole.

Young people continue to be disproportionately impacted by work-related benefits dependency with the proportion of young people in Staffordshire

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aged 18-24 claiming work-related Universal Credit at 4.1% in December 2022 compared to 2.7% for the working age population and 4.7% nationally.

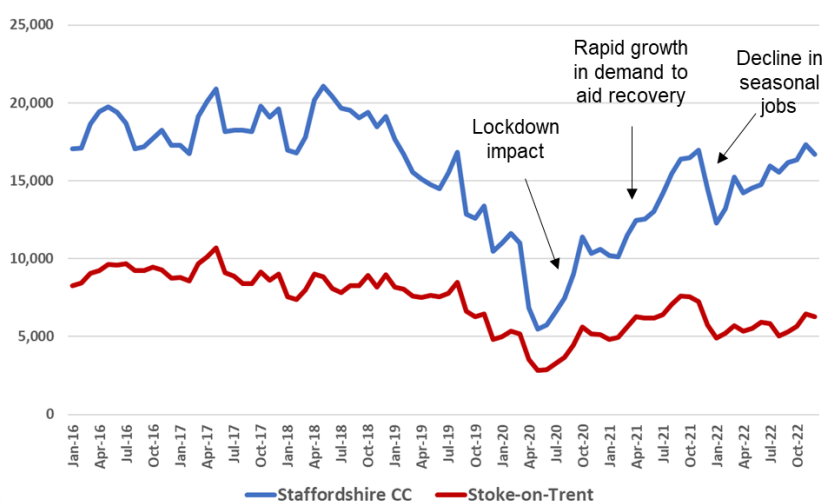


Source: ONS Claimant Count

Given that it is harder for these groups to find a new job it is increasingly vital that there is the right support in place to help young people find work such as through the Staffordshire Jobs and Careers Brokerage service, the Restart Scheme, and the new Skills Bootcamps to help prevent them becoming long-term unemployed.

- **Job Vacancies** - As seen nationally, job vacancies were heavily hit early in the pandemic, however overall levels have recovered and are now similar to pre-COVID with record levels in some key sectors. This is reflective of the high demand we are seeing for labour and skills across most parts of the economy to aid the recovery from the pandemic.

Staffordshire & Stoke-on-Trent Unique Job vacancies



Source: Lightcast

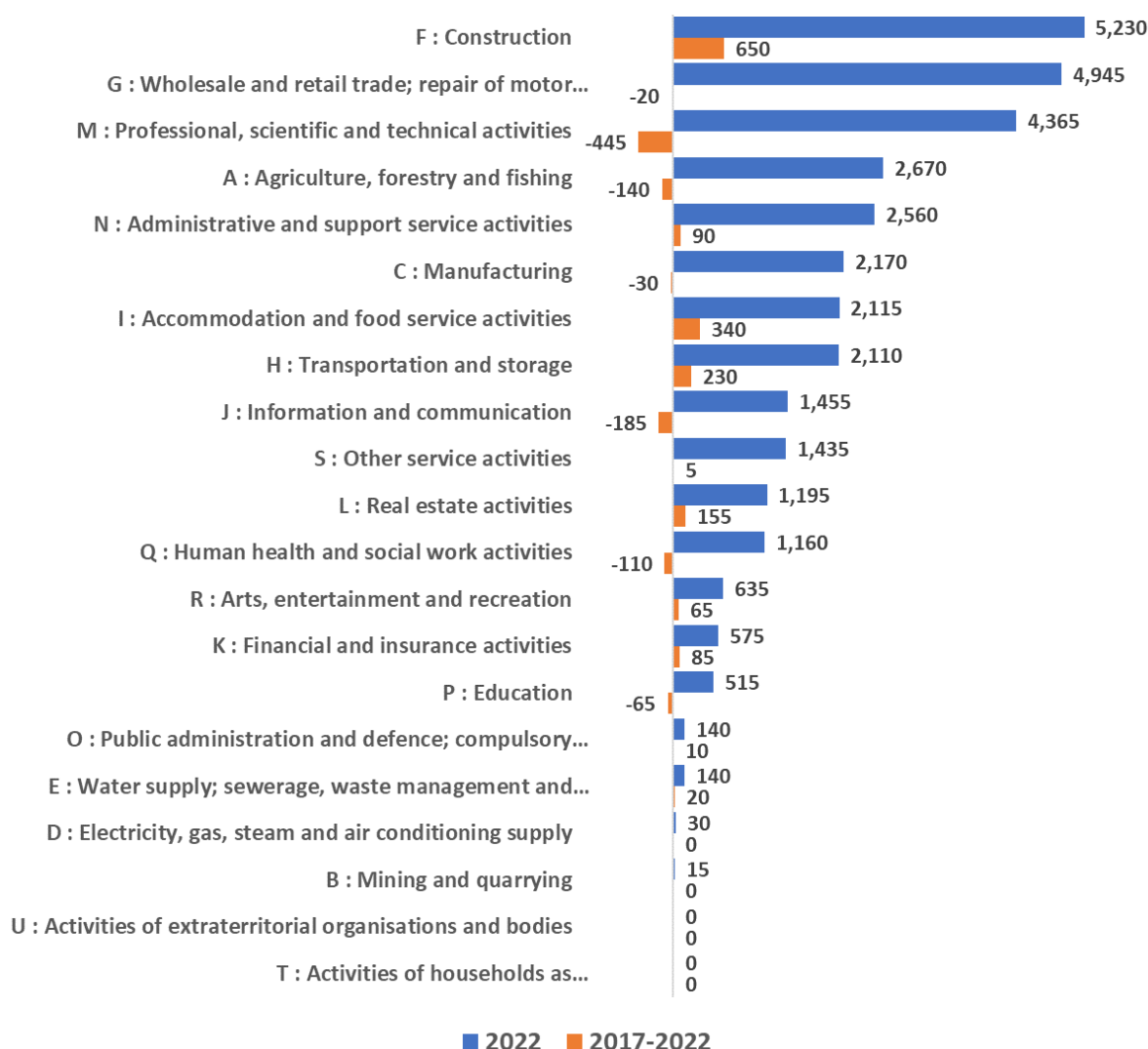
Demand for roles in health and social care including care workers and home carers and nurses remain by far the strongest of all occupations.

The increase in job vacancies to record levels is resulting in further reports of labour shortages and skills gaps with not enough skilled workers to fill the vacant jobs, especially in health and social care, logistics, hospitality, education, engineering, and digital/IT.

This has the potential to slow down the recovery or limit business survival unless the labour shortage and skills gap is quickly and effectively addressed, clearly employment support organisations, skills providers and the Government's Plan for Jobs including the Restart schemes and new Skills Bootcamps have a vital role in upskilling and reskilling jobseekers into areas of demand and preventing them becoming long-term unemployed. While Government and business sectors have a key role in ensuring that jobs in areas of demand are attracting workers with good pay and terms and conditions. Also encouraging those that have become economically inactive due to COVID will further help to address the labour and skills gap.

- **Businesses** - In 2022 some 33,465 businesses called Staffordshire their home, showing an increase of 2.0% between 2017-22, this compares to 3.8% growth seen for England. 99.6% are SMEs and the sectors with the largest number of businesses include Construction (5,230 or 15.6% of total), Wholesale and Retail (4,945 or 14.8%) and Professional Services (4,365 or 13.0%). Main growth in businesses between 2017-22 seen in Construction (+650), Hospitality (+340) and Logistics (+230) and main declines in Professional Services (-445) and Information and Communication (-185).

Staffordshire businesses in 2022 and change in businesses 2017-2022



Source: ONS UK Business Counts/IDBR

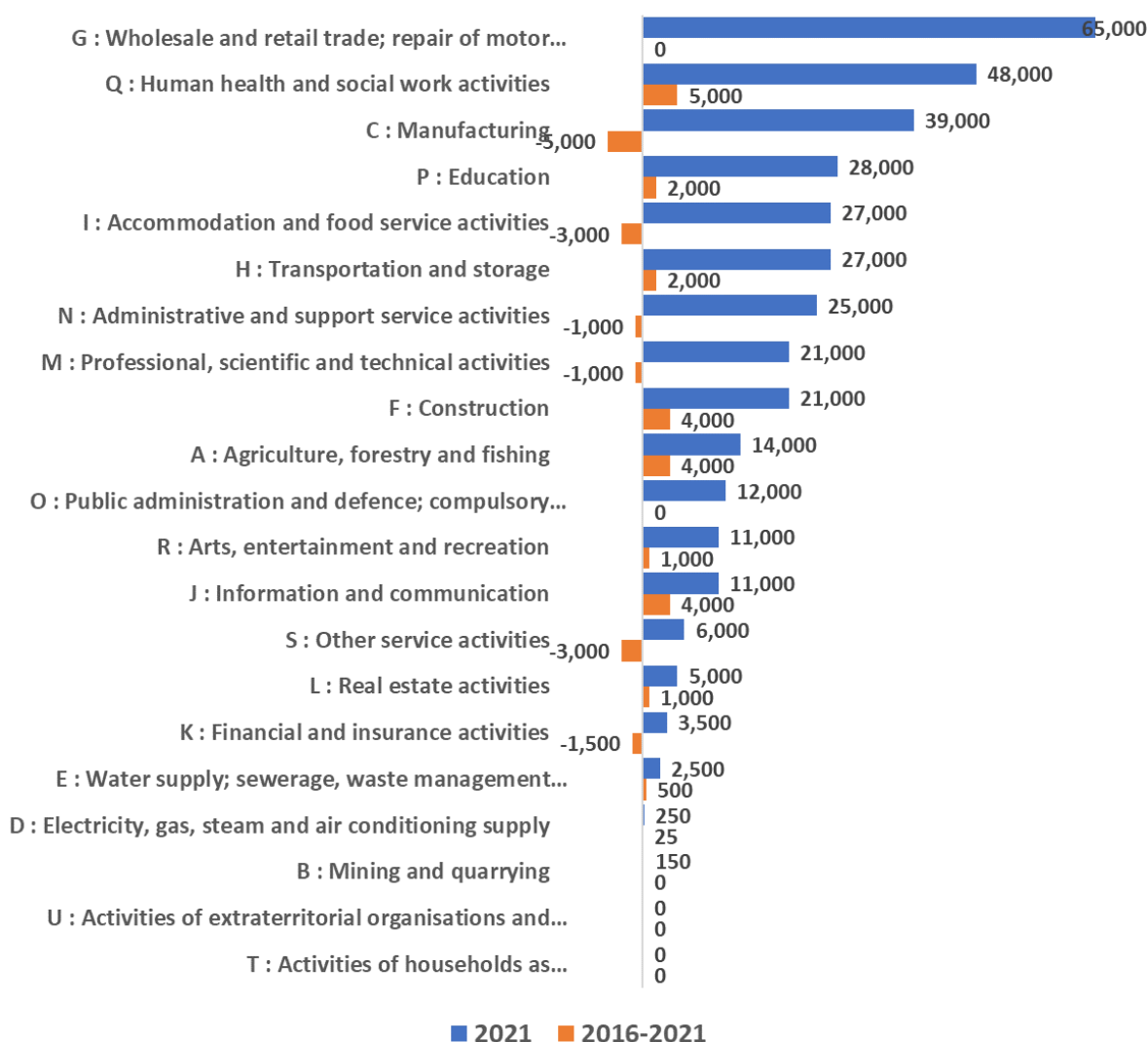
- Business Start-up Rate** - Between 2020 and 2021, the number of Staffordshire business births increased from 3,050 to 4,145; this represents a birth rate of 12.2% in 2021, compared with 9.3% in 2020. Staffordshire's birth rate for 2021 was for the first time largely in-line with the UK birth rate of 12.4%, whereas the County had a lower birth rate in 2020 when compared to the UK birth rate of 11.5%.
- Business 3-Year Survival Rate** - Staffordshire's three-year business survival rate in 2021 stood at 61.9% which was higher than the UK survival rate of 57.6%.

This strategy will help support more businesses to start and grow in Staffordshire by ensuring that they have the labour and skills they need.

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- Jobs** – Between 2016-21 total jobs in Staffordshire increased by 3% or 9,025 to a total of 366,400, this is lower than the 4% growth seen for England as a whole but shows recovery in 2021 following the decline seen early in the pandemic. The main sector growth between 2016-21 has been seen in Health & Social Care (+5,000 jobs) followed by Construction, Agriculture, and Information and Communication all seeing a 4,000 increase during the period. The biggest decline has been seen in Manufacturing (-5,000) followed by Hospitality and Other Services both seeing a -3,000 decline in jobs.

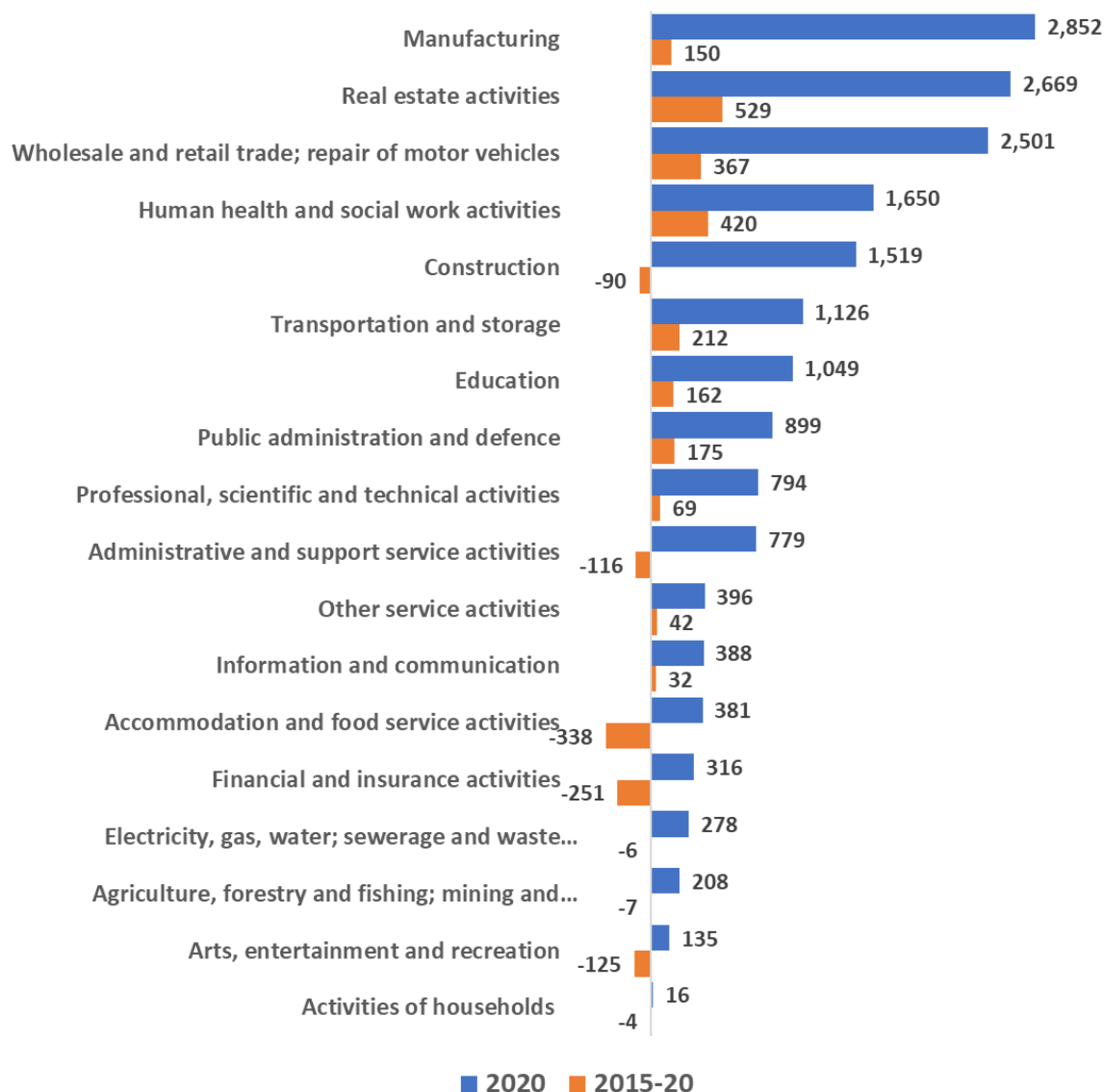
Staffordshire jobs in 2021 and change in jobs 2016-2021



Source: Business Register and Employment Survey (BRES)

- Economic Growth (GVA)** - In 2020 the Staffordshire economy was worth £18.0bn showing an increase of over £1.2bn between 2015-2020, equivalent to a 7.3% growth but lower than the growth seen for the WM (12.2%) and UK (12.8%) (the economy shrunk by nearly a billion between 2019-20 early in the pandemic, a -5.2% decline which was larger than the decline seen for the WM -3.9% and UK -3.4% - reflective of more businesses and jobs in sectors hardest hit by COVID).

Staffordshire GVA in 2020 and change in GVA 2015-2020
(£million)

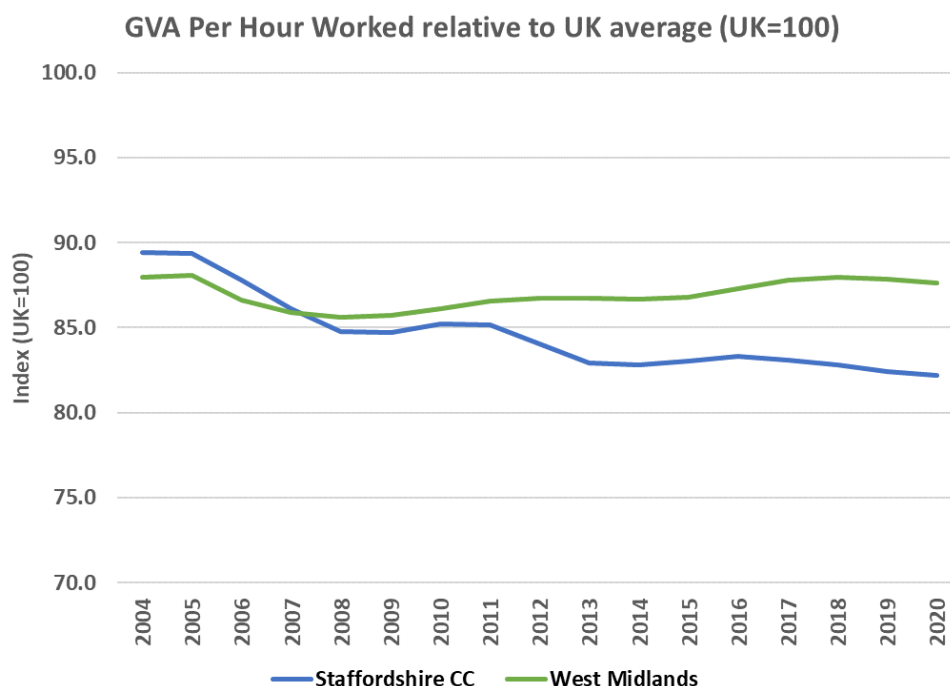


Source: ONS Gross Value Added (GVA)

This strategy will look to support further economic growth, particularly in our priority high value growth sectors.

- Productivity** - In terms of GVA per hour worked Staffordshire has seen continued improvement with GVA per hour worked increasing by 13.1% between 2015-20 to £31.0. However, this is slower improvement than seen nationally (14.2% growth) and each hour worked in Staffordshire is 18% less productive than the national average.

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Source: ONS Gross Value Added (GVA) Per Hour Worked

This strategy recognises that in order to help raise productivity there is a need to further improve education and skills levels across Staffordshire, particularly raising the achievement of higher technical skills in our priority high value growth sectors.

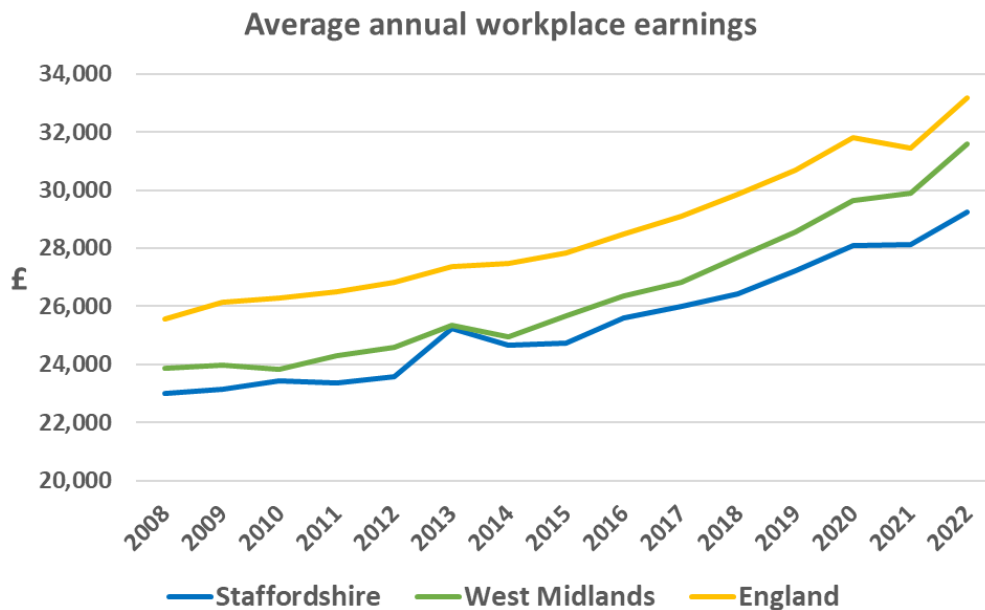
- **Resident Earnings** – In 2022 average annual resident earnings in Staffordshire stood at £32,386 which was just below the UK average of £33,000. Between 2017-22 Staffordshire saw faster improvement in resident earnings than nationally, with 16.5% growth compared to 14.2% for England.



Source: Annual Survey of Hours and Earnings (ASHE)

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- **Workplace Earnings** – In 2022 average annual workplace earnings in Staffordshire stood at £29,243 which was well below the UK average of £33,000. Between 2017-22 Staffordshire saw a growth in workplace earnings of 12.4% which was below the growth seen for England of 14.1%.



Source: Annual Survey of Hours and Earnings (ASHE)

By raising education and skills levels across Staffordshire this strategy can ensure that more of our residents can access the better paid jobs being created in and around Staffordshire.

Our **Local Authority Employment and Skills Profiles** provide further detail relevant to each district/borough including employment and skills opportunities and challenges.