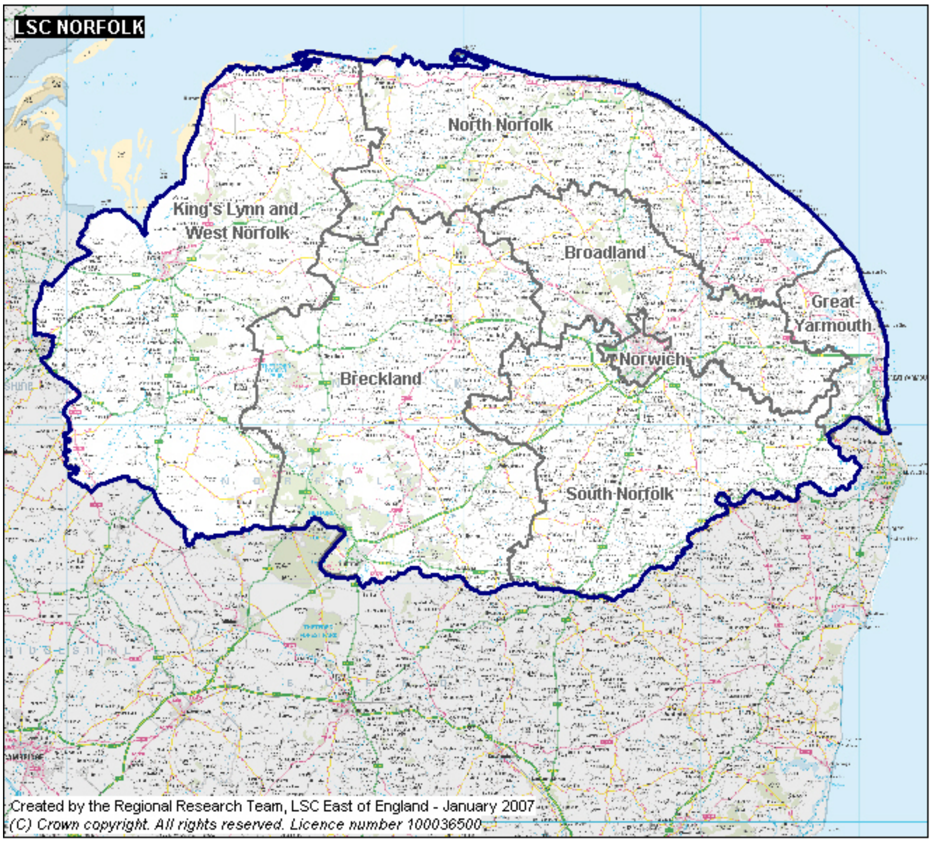
Local Needs Assessment

Norfolk

Leading learning and skills



LSC East of England Research Team
January 2007

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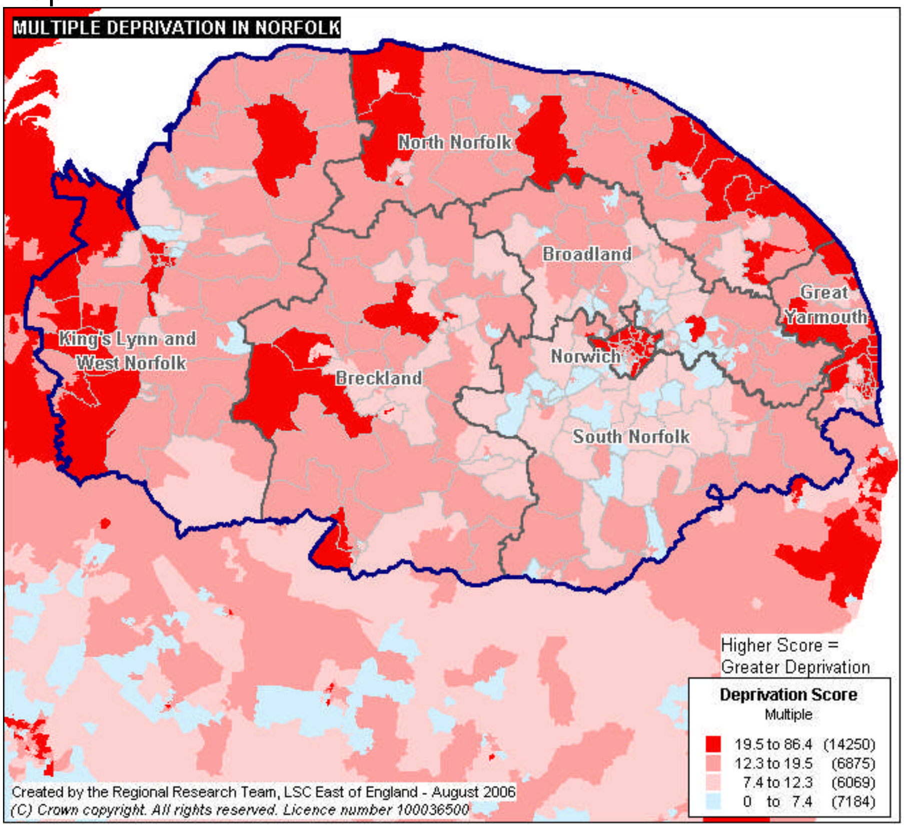
1. Overview

1.1 Background

The county of Norfolk is located in the north of the region and has the largest land mass of the East of England counties. Largely rural, it has a population of approximately 796,700 people. Around 38% of the population lives in three major urban areas, and a further 18% in market towns. One fifth live in parishes with a population less than 1,000; and a fifth of these are in parishes with a population of less than 300. Only around 4% of people are from black and minority ethnic groups in Norfolk, the smallest proportion in the region.

Areas of deprivation exist across Norfolk, particularly along the coastal fringes. Parts of Great Yarmouth are the most deprived areas in the East of England region as well as parts of King's Lynn and West Norfolk.

Map 1



Source: Indices of Deprivation 2004, SOA Lower Layer Level, Office of the Deputy Prime Minister, ONS Super Output Area Boundaries. Crown copyright 2004. Crown copyright material is reproduced with the permission of the Controller of HMSO.

Employment patterns are similar to the regional picture, though the county has a higher proportion of employment in health and social work and hotels and restaurants than regionally. Agriculture and related industries, including food processing, are also important to the Norfolk economy. The county's tourism infrastructure provides significant employment although much of this is low paid and seasonal. The Norwich economy is different to that of the rest of the county, with a large service sector, predominantly finance and retail, with many jobs in higher level occupations. The county as a whole has a history as a low wage economy but increasing numbers of higher level knowledge based jobs, particularly clustered in Norwich are having a positive impact on rates of pay.

1.2 Key Statistics

Table 1: Key Statistics for Norfolk

Population	
Population	796,700
Population as a % of the East of England	15%
Population of working age	492,600
Population density (persons per sq km)	152
% of the population under 16	18%
% of the population aged 16-65	62%
% of the population 65+	20%
Education	
%16 year olds achieving 5+ GCSEs grade A* to C	53%
% of (working age) population qualified to Level 2	19%
% of (working age) population qualified to Level 3	14%
% of (working age) population qualified to Level 4 +	20%
Economy	
Employment rate (%)	76.90%
Unemployment rate (%)	2.40%
Establishments reporting hard to fill vacancies	7%
Establishments reporting skills shortage vacancies	6%

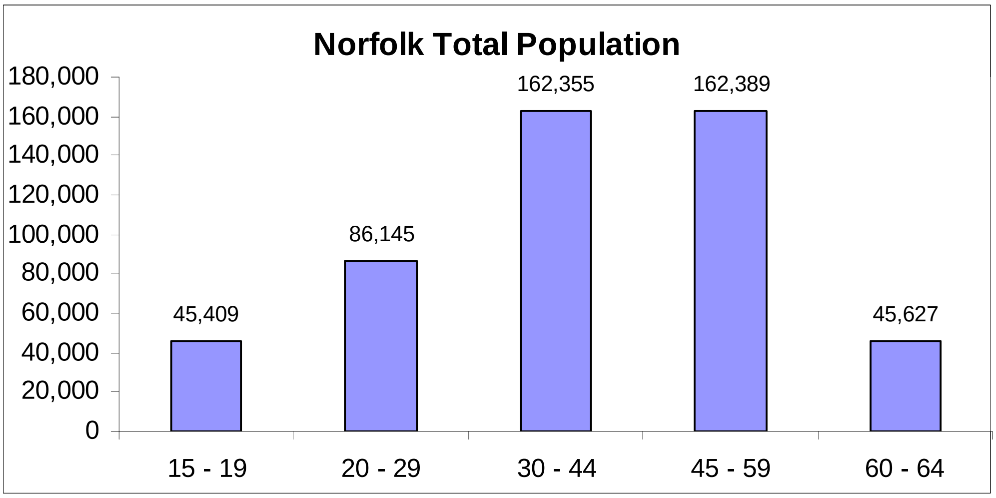
1.3 General demography

Around 797,000 people live in Norfolk, equivalent to around 15% of the East of England population. The age distribution of the population is broadly in line with the rest of the region, though there is a slightly lower proportion of people aged between 20 and 44 in Norfolk compared with other areas in the region.

The census based statistics allow an analysis of specific cohort groupings of interest to the LSC. There were around 54,800 young people aged between 14-19 in Norfolk in 2001, of which 27,300 were aged between 16 and 18. The gender split between these groups is broadly equal, with 51% of males and 49% females. The census also shows a clear migration of young people towards Norwich as they reach adulthood. Whilst the proportion of young people aged between 0-14 is broadly similar across the county (between 15 % and 18% in each district), the proportion of young people aged between 18 and 25 is significantly higher (15%) in Norwich than in other districts in Norfolk (7-8%).

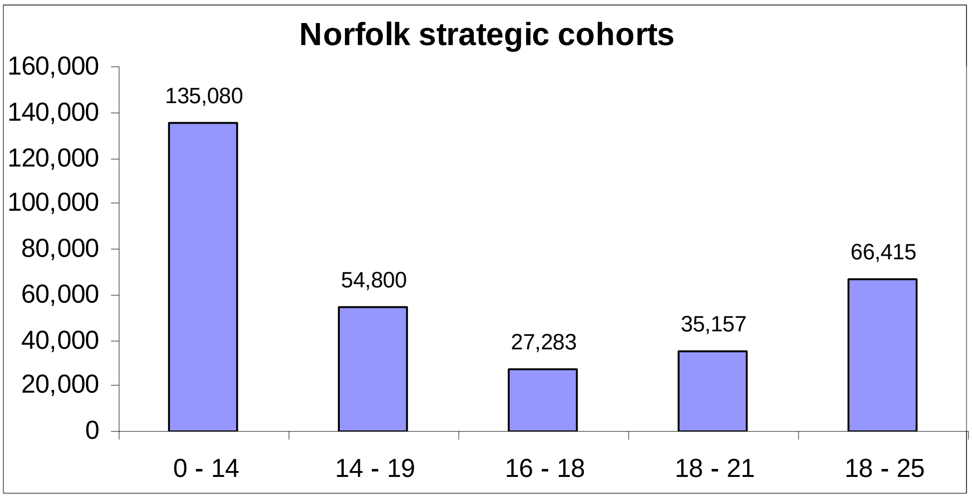
The population is projected to increase by around 10% between 2004 and 2016, slightly ahead of the regional increase of 8%. The annual rate of increase in the population is expected to be around 0.8%, though this is expected to slow over time. The population in Breckland, Broadland and South Norfolk show the highest rates of growth in the county. These projections exclude the impact of policy changes that have yet to take place or the impact of regeneration or housing projects within the region, suggesting that the population growth could be significantly greater than these projections suggest. The draft Regional Spatial Strategy published by the East of England Regional Assembly suggests that an additional 72,600 dwellings could be built in Norfolk by 2021, equivalent to around 3,600 dwellings each year.

Chart 1



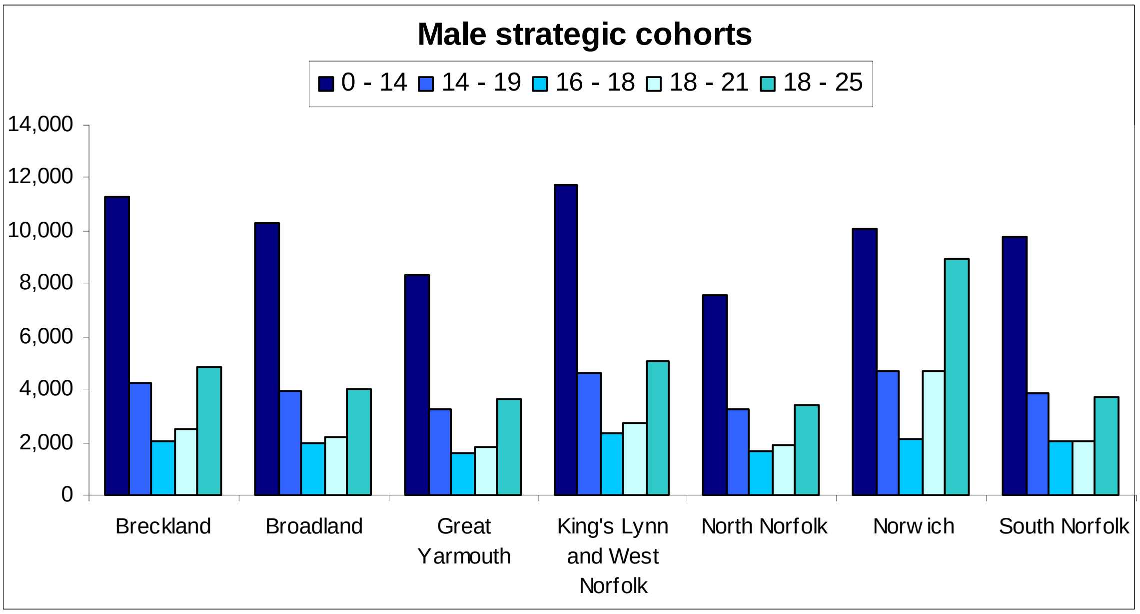
Source: 2001 Census of Population, Office for National Statistics

Chart 2



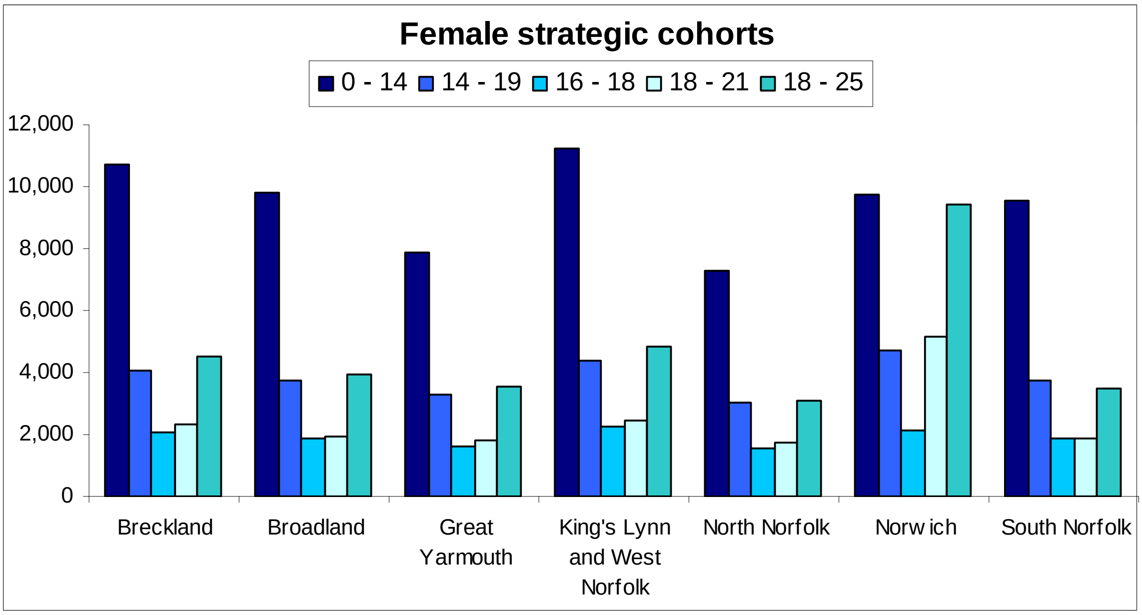
Source: 2001 Census of Population, Office for National Statistics

Chart 3



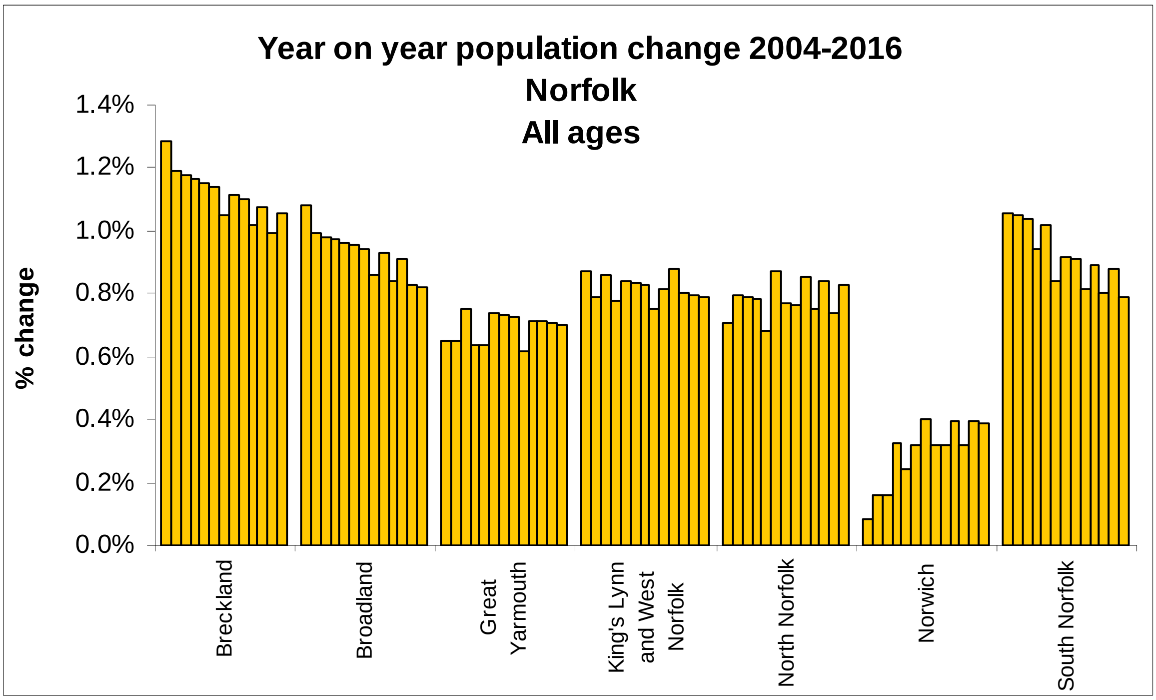
Source: 2001 Census of Population, Office for National Statistics

Chart 4



Source: 2001 Census of Population, Office for National Statistics

Chart 5



Note: These projections exclude the impact of policy changes that have yet to take place or the impact of regeneration or housing projects
Source: Sub national population projections, Office for National Statistics, 2004

1.4 Ethnicity

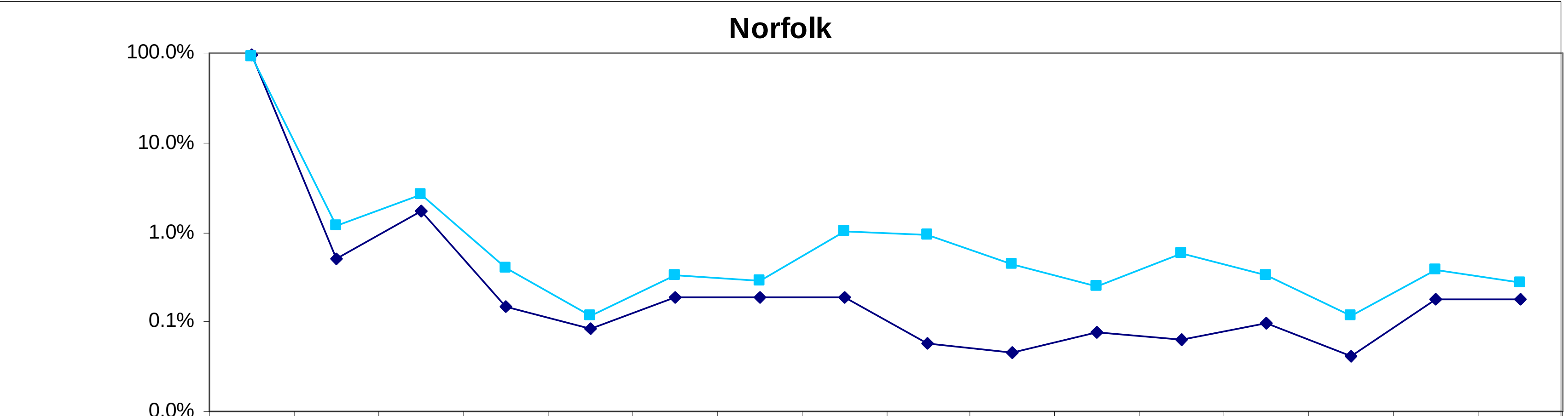
The 2001 Census also provides detailed information on the ethnic mix of the population. Around 96% of the population classing themselves as White British, the highest proportion in the region and notably higher than the regional average of 90%. There is some variation within the county, with 93% of people in Norwich classing themselves as White British compared to 98% in North Norfolk.

Table 2: Ethnicity in Norfolk

	Breckland	Broadland	Great Yarmouth	King's Lynn and West Norfolk	North Norfolk	Norwich	South Norfolk
White British	95.3%	97.4%	97.0%	96.1%	97.8%	93.4%	97.1%
White Irish	0.6%	0.4%	0.5%	0.5%	0.4%	0.7%	0.4%
White other	2.7%	1.0%	1.1%	2.1%	1.0%	2.7%	1.3%
Mixed: White and Black Caribbean	0.2%	0.1%	0.2%	0.1%	0.1%	0.3%	0.1%
Mixed: White and Black African	0.1%	0.1%	0.1%	0.1%	0.0%	0.2%	0.1%
Mixed: White and Asian	0.2%	0.2%	0.2%	0.1%	0.1%	0.3%	0.2%
Mixed: Other mixed	0.2%	0.1%	0.1%	0.2%	0.1%	0.4%	0.1%
Asian or Asian British: Indian	0.1%	0.2%	0.2%	0.2%	0.1%	0.4%	0.2%
Asian or Asian British: Pakistani	0.0%	0.0%	0.1%	0.1%	0.0%	0.1%	0.0%
Asian or Asian British: Bangladeshi	0.0%	0.0%	0.0%	0.0%	0.0%	0.2%	0.0%
Asian or Asian British: Other Asian	0.0%	0.1%	0.1%	0.1%	0.0%	0.2%	0.1%
Black or Black British: Black Carribean	0.2%	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%
Black or Black British: Black African	0.1%	0.1%	0.1%	0.1%	0.0%	0.2%	0.1%
Black or Black British: Other Black	0.1%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%
Chinese or other Ethnic Group: Chinese	0.1%	0.2%	0.1%	0.2%	0.1%	0.4%	0.2%
Chinese or other ethnic group: other ethnic group	0.1%	0.1%	0.1%	0.2%	0.1%	0.5%	0.1%

Source: 2001 Census of Population, Office for National Statistics

Chart 6



	White British	White Irish	White other	White and Black	White and Black	White and Asian	Other mixed	Indian	Pakistani	Bangladeshi	Other Asian	Black Carribean	Black African	Other Black	Chinese	Other ethnic group
Norfolk	96.2%	0.5%	1.8%	0.1%	0.1%	0.2%	0.2%	0.2%	0.1%	0.0%	0.1%	0.1%	0.1%	0.0%	0.2%	0.2%
East of England	90.6%	1.2%	2.7%	0.4%	0.1%	0.3%	0.3%	1.0%	0.9%	0.4%	0.3%	0.6%	0.3%	0.1%	0.4%	0.3%

Source: 2001 Census of Population, Office for National Statistics

2. Young people

2.1 Participation

As the following table shows, the majority of young people in education and training in Norfolk attend local authority schools or FE Colleges. Take up of WBL is slightly above the regional average and participation at local authority schools is slightly below.

An estimated 75% of young people aged between 16 and 18 in Norfolk were engaged in education and training. This is below the regional average of 79% and was the lowest in England (along with Essex) for 2004. This implies that around 5,300 young people in Norfolk did not participate and need to be attracted back into learning. However, provision would have to increase significantly if all these young people were to take up LSC funded learning opportunities.

Table 3: Participation of young people in Norfolk

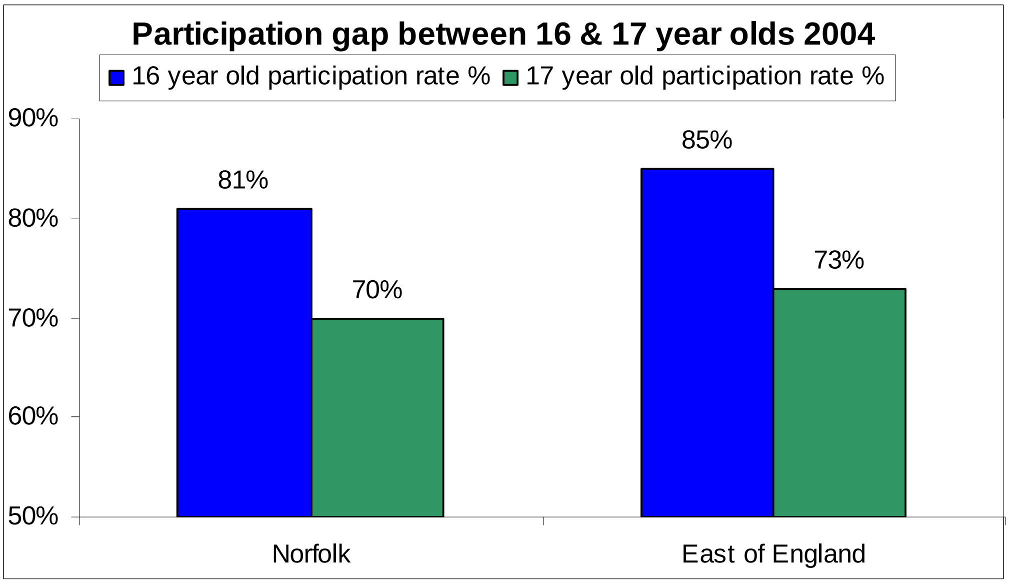
2004	Full-time education					WBL	Part-time education	Total education and WBL	Pop.
	LA schools	Ind. schools	Sixth form college	Other FE	Total				
16 year old participation rate %	30	4	8	28	70	7	4	81	#
17 year old participation rate %	22	4	7	23	55	10	5	70	#
16 & 17 year old participation rate %	26	4	7	26	62	9	4	75	#
16 year old participation volume	2,900	400	800	2,800	6,900	700	400	8,000	10,000
17 year old participation volume	2,100	300	600	2,200	5,300	1,000	500	6,700	10,000
16 & 17 year old participation volume	5,000	800	1,400	5,000	12,200	1,700	900	14,700	20,000

Source: Statistical First Release, SFR13/2006, Department for Education and Skills, 2006

Also important is the drop in participation between 16 and 17 year olds. As the following chart shows, there is a marked reduction in the participation in learning between Years 12 and 13. This would suggest that there are issues that need to be addressed in the first year of post-statutory learning to keep young people engaged for longer.

The drop in participation for Norfolk is 11%, equivalent to around 1,300 students. The proportion is broadly in line with that for the East of England.

Chart 7



Source: Statistical First Release, SFR13/2006, Department for Education and Skills, 2006

The latest information for NEET (young people not in education, employment or training) shows the number of people in the NEET category increased marginally in 2006. The proportion of young people classed as NEET in Norfolk was above the regional average in November 2006, having increased marginally from the previous year. This suggests that over 2,000 young people did not follow a learning route in 2006.

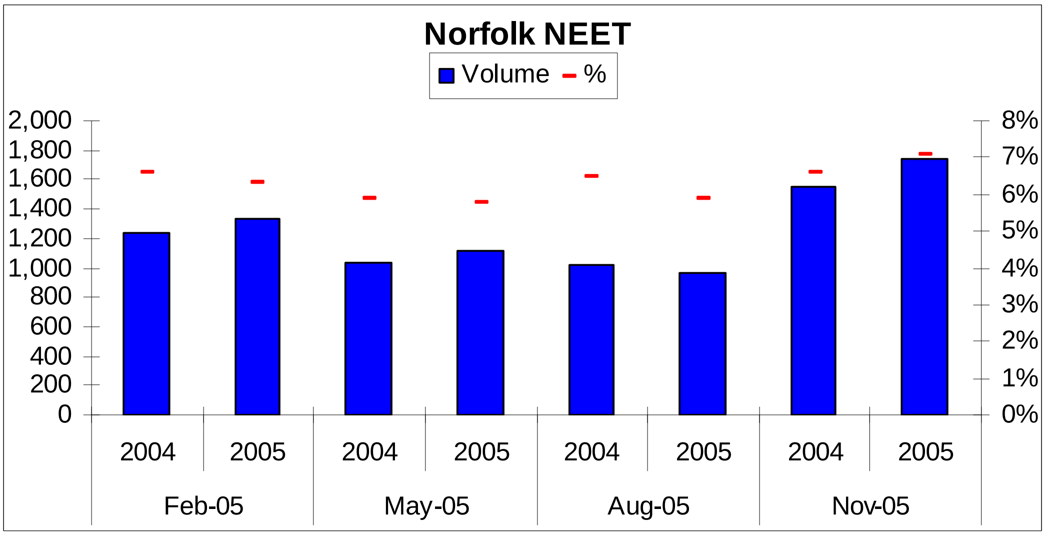
Table 4: Young people not in education, employment or training

Latest Month data		Nov-06			
		2005		**2006**	
		%	**Volume**	**%**	**Volume**
Norfolk	NEET	7.3%	#	7.9%	2,029
	Not Known	5.5%	#	5.3%	1,419
East of England Region	NEET	7.3%	#	6.5%	11,614
	Not Known	8.7%	#	5.2%	9,720
National	NEET	7.7%	#	7.1%	116,990
	Not Known	6.6%	#	5.2%	87,139

Source: Connexions November 2006

The following chart shows the trend for NEET in Norfolk during 2005. The increased volume in the November period is of particular interest as this follows shortly after most young people are likely to enrol on post 16 courses. The increase in NEET could be attributed to a number of factors, such as being enrolled on a course that is inappropriate for the learner, or when they are initially identified as NEET by Connexions.

Chart 8



Source: Connexions March 2006

2.2 Attainment

The following table shows the number of 15 year olds achieving a Level 2 qualification (or its equivalent) at local authority schools in each of the districts in Norfolk. As can be seen, 53% young people achieved Level 2 in Norfolk, which, along with Bedfordshire and Luton, is the lowest achievement rate in the region in 2005. Over 4,000 students who could enter LSC funded courses did not have a Level 2 qualification at the end of their compulsory education. This presents a significant challenge for the LSC to improve Level 2 attainment by age 19.

The table also highlights the variation between districts in Norfolk. Only one district in Norfolk (South Norfolk) had higher GCSE achievement rates than the regional average in 2005, whilst less than half of the young people at schools in King's Lynn & West Norfolk, Great Yarmouth and Norwich achieved 5A*-C GCSE grades.

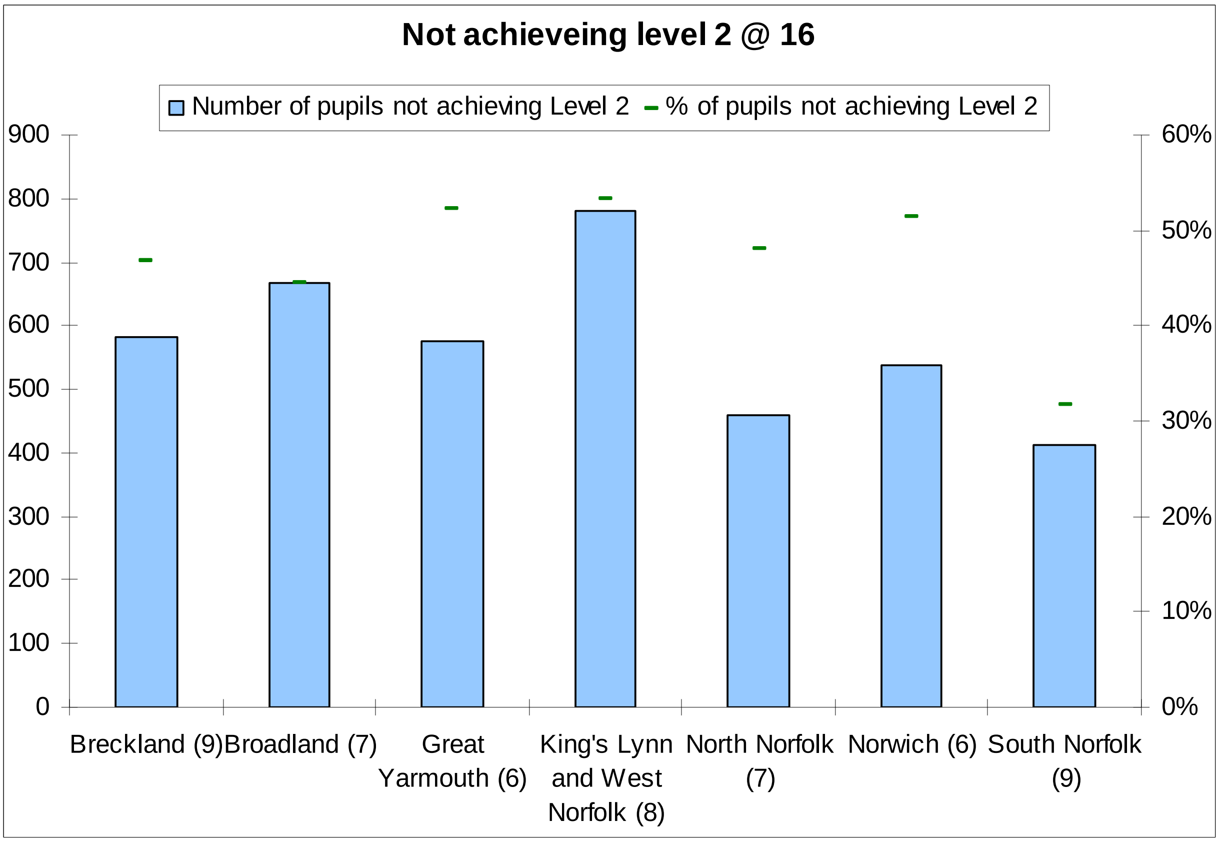
Table 5: GCSE achievement of 15 year olds at LA schools in Norfolk

	Level 2 (5A*-C GCSEs)			Level 1 (5A*-G GCSEs)			Any qualification	
	Number of pupils at the end of KS4	% of pupils achieving Level 2	Number of pupils achieving Level 2	Numbers not achieving Level 2	% of pupils achieving Level 1	Number of pupils achieving Level 1	% of pupils achieving at least one qualification	Number of pupils achieving at least one qualification
Breckland	1,243	53%	661	582	93%	1,156	98%	1,221
Broadland	1,500	56%	833	667	93%	1,402	98%	1,469
Great Yarmouth	1,100	48%	525	575	91%	997	96%	1,054
King's Lynn & West Norfolk	1,467	47%	687	780	90%	1,326	98%	1,442
North Norfolk	958	52%	497	461	93%	889	98%	940
Norwich	1,048	49%	508	540	89%	930	97%	1,020
South Norfolk	1,305	68%	892	413	97%	1,260	100%	1,299
LSC Norfolk	8,621	53%	4,604	4,017	92%	7,961	98%	8,445
East of England	63,512	58%	36,771	26,741	93%	58,892	98%	62,135

Note: Excludes independent and special schools. The above data is based on schools in each district, rather than pupils resident in each district.
Source: School Performance Tables, Department for Education and Skills, 2005

The following chart shows the number and proportion of young people who did not achieve a Level 2 qualification while at local authority schools in Norfolk. Kings Lynn and West Norfolk has the greatest volume of young people who did not achieve 5A*-C GSCE grades while in compulsory education, followed by Broadland, Breckland and Great Yarmouth.

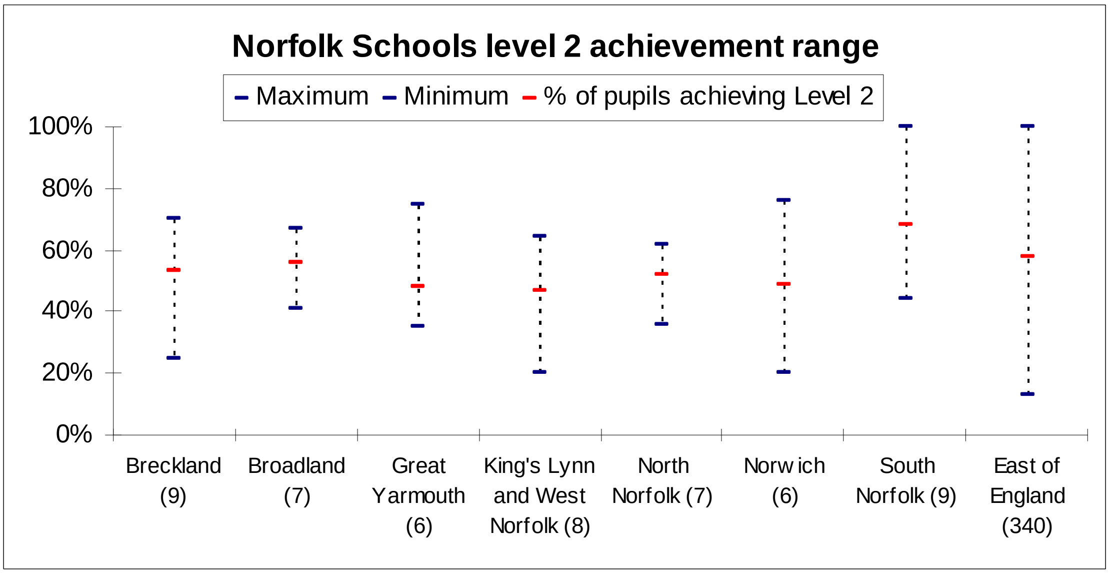
Chart 9



Note: Excludes independent and special schools. The above data is based on schools in each district, rather than pupils resident in each district.
Source: School Performance Tables, Department for Education and Skills, 2005

There is also a significant variation in achievement between schools in each district in Norfolk. A number of the lowest achievement levels in the county are found at schools in Norwich and Kings Lynn and West Norfolk though the average achievement rates are in line with other districts.

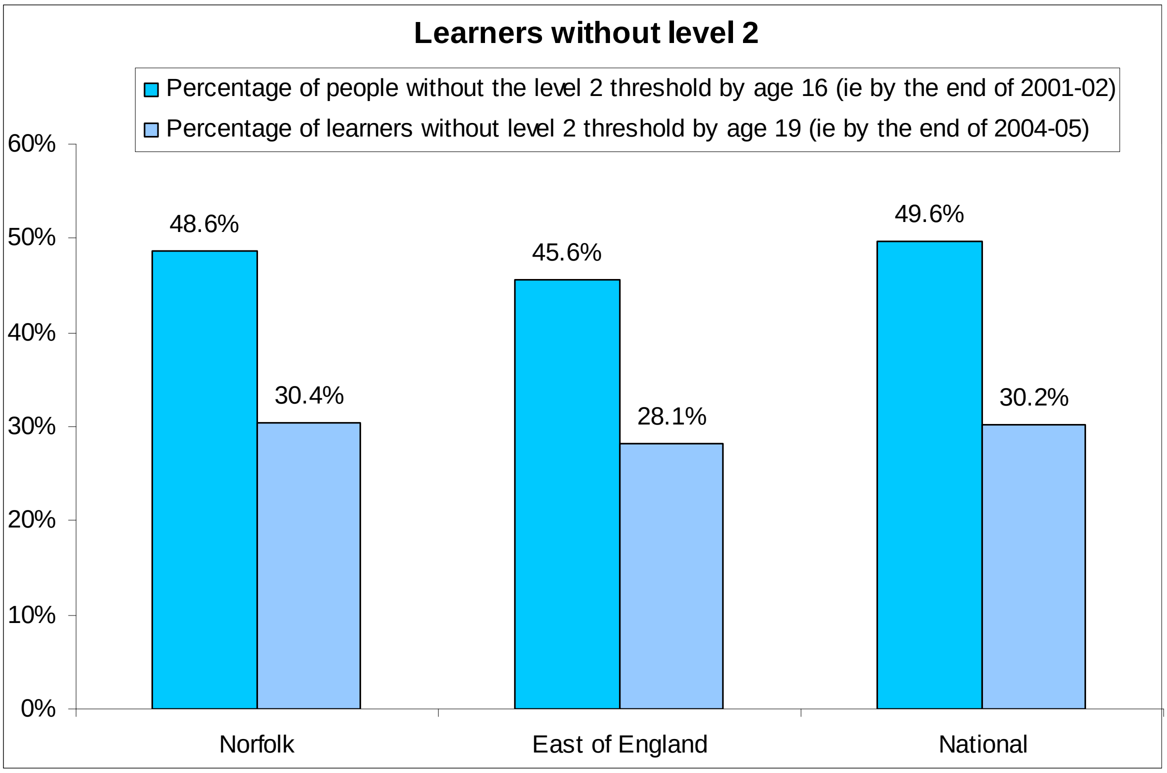
Chart 10



Note: Excludes independent and special schools. The above data is based on schools in each district, rather than pupils resident in each district.
Source: School Performance Tables, Department for Education and Skills, 2005

Level 2 achievement of young people at age 16 and 19 are shown below. The results are significant – the proportion of young people without a Level 2 qualification by age 19 fell by 18 percentage points in Norfolk compared with the same proportion at age 16. This is slightly greater than the regional figure and implies that almost 70% of this cohort in Norfolk achieved Level 2 by age 19, equivalent to over 1,600 additional learners achieving Level 2 between 16 and 19.

Chart 11



Source: LSC matched administrative data 2004/05

3. Adults

3.1 Participation

The following tables show the proportion of adults funded by the LSC in Norfolk. As expected, there is a reduction in numbers between 2004/05 and 2005/06 due in large part to the need to transfer funding to meet the growth in 16-18 participation. Nevertheless, the proportion of adults funded by the LSC in Norfolk is in line with the region as a whole.

Table 6: Adult population in Norfolk

Cohort size	Age 19+	Working age (19-64)
Breckland	93,873	70,566
Broadland	93,161	70,323
Great Yarmouth	70,150	52,310
King's Lynn and West Norfolk	106,323	77,433
North Norfolk	79,268	54,200
Norwich	96,134	75,664
South Norfolk	86,074	64,763
LSC Norfolk	624,983	465,259

Source: 2001 Census of Population, Office for National Statistics

Table 7: LSC adult funded participation in Norfolk

	04/05 Actual	As a proportion of 19+ working age cohort	05/06 Actual	As a proportion of 19+ working age cohort
Norfolk	53,898	11.6%	39,690	8.5%
East of England	352,337	10.9%	283,954	8.8%
National	4,066,653	13.0%	3,462,113	11.1%

Source: Learning and Skills Council, October 2006

3.2 Attainment

Norfolk performs relatively poorly in terms of the qualification profile of the adult population. Around 15% of adults in Norfolk are unqualified, compared to 13% in the East of England as a whole. This suggests there are around 189,000 adults who are not qualified to a Level 2 standard in Norfolk, which with increasing pressure on funding for adults, will continue to present a challenge for the LSC.

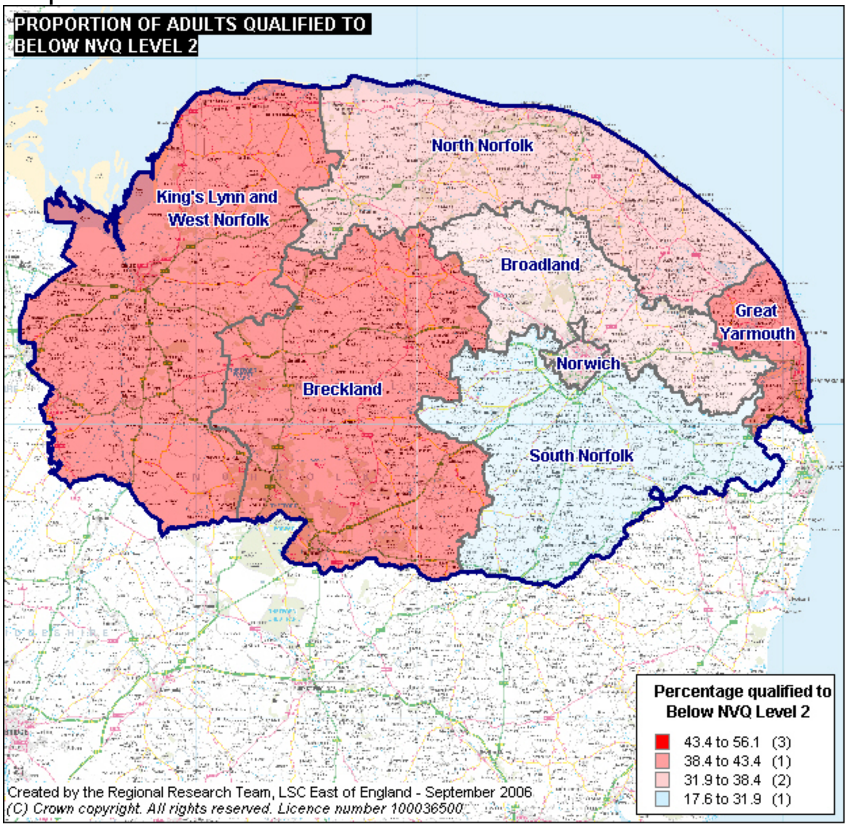
There is distinct variation in the qualification profile between districts in Norfolk. King's Lynn and West Norfolk has the highest proportion of unqualified adults in the county, with one in five adults having no qualifications. This compares to South Norfolk where only around one in eight adults are unqualified.

Table 8: Adult qualifications levels in Norfolk

	% with no qualifications - working age		% with NVQ3+ - working age		% with NVQ2+ - working age		% with NVQ1+ - working age	
	number	%	number	%	number	%	number	%
Breckland	13,200	18.2	22,500	30.9	39,200	53.9	51,900	71.5
Broadland	8,000	11.1	29,300	40.4	48,100	66.3	60,400	83.4
Great Yarmouth	9,200	17.5	16,500	31.3	27,900	53.1	39,500	75.1
King's Lynn and West Norfolk	15,800	20.1	24,500	31.3	39,200	50.1	55,700	71.2
North Norfolk	8,900	16.3	22,000	40.0	33,300	60.5	41,400	75.3
Norwich	9,000	11.7	33,700	44.1	49,500	64.7	63,100	82.4
South Norfolk	5,800	8.7	30,700	46.0	47,200	70.7	57,500	86.1
LSC Norfolk	69,900	14.8	179,200	37.7	284,400	59.9	369,500	77.9
East of England	438,200	13.2	1,411,900	42.4	2,082,100	62.6	2,626,100	78.9

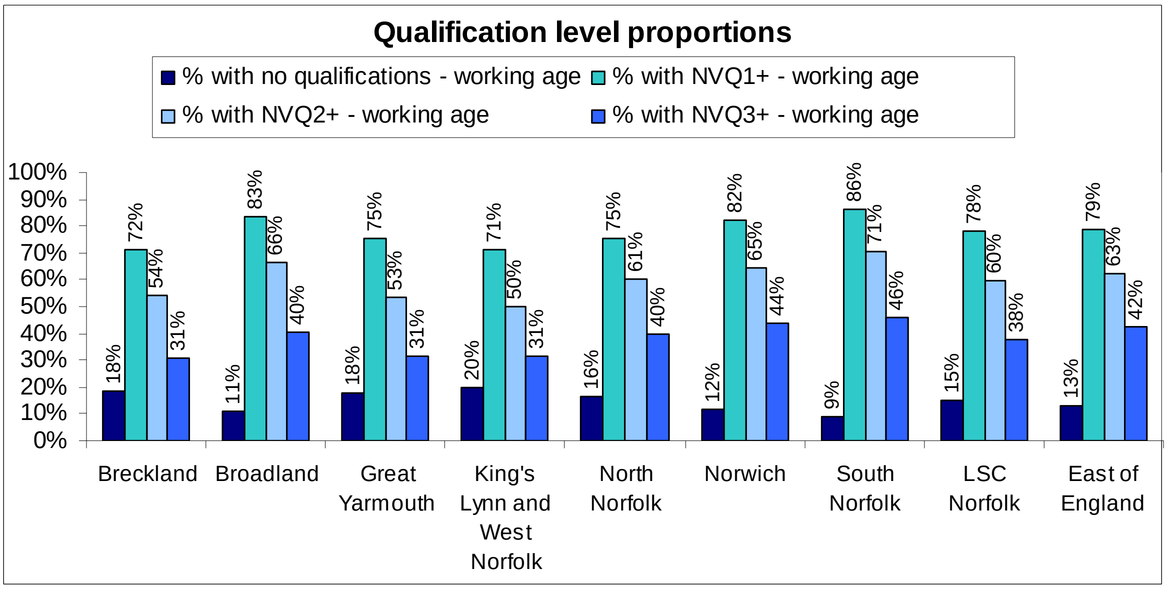
Source: Annual Population Survey, Office for National Statistics, 2005

Map 2



Source: Annual Population Survey, Office for National Statistics, 2005

Chart 12



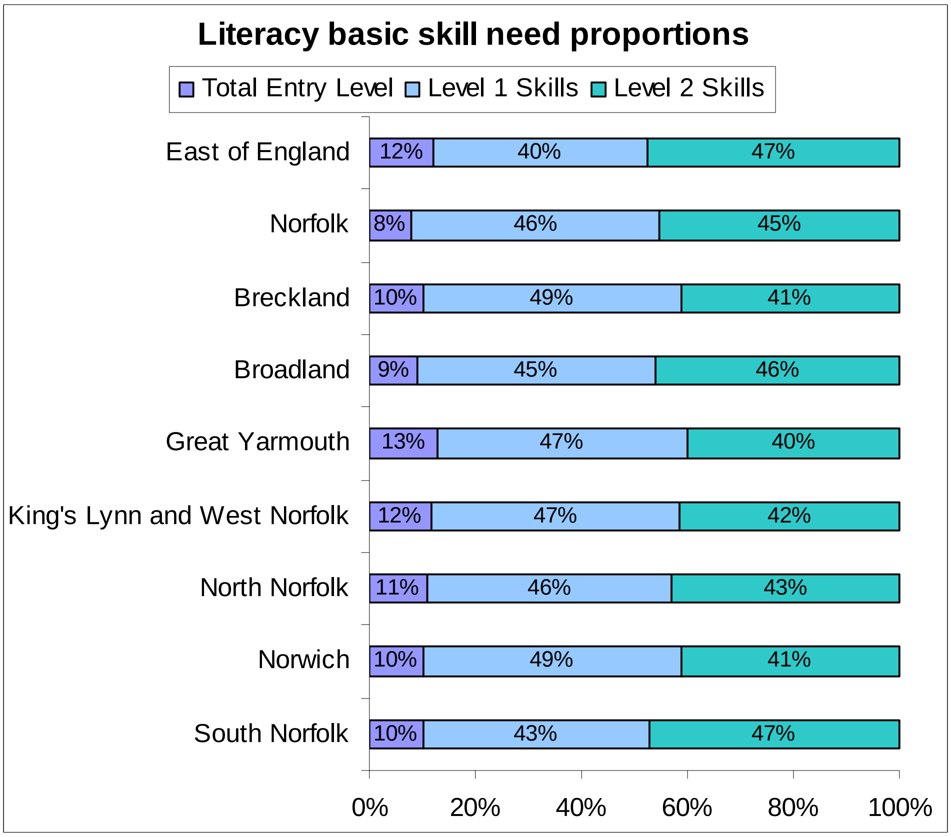
Source: Annual Population Survey, Office for National Statistics, 2005

3.3 Skills for Life

The following charts show the literacy and numeracy needs in Norfolk. While it is clear that there is a need for improved literacy and numeracy skills at all levels, there is a particular distinction between the two. Entry level basic skill needs for literacy are low both in Norfolk and at a regional level. However, entry level basic skill needs for numeracy are considerably higher with on average half of the population considered to have entry level numeracy skills. It is also notable that whilst South Norfolk has a relatively small percentage of adults with no qualifications, half of the adult population in this district is estimated to have entry level numeracy skills.

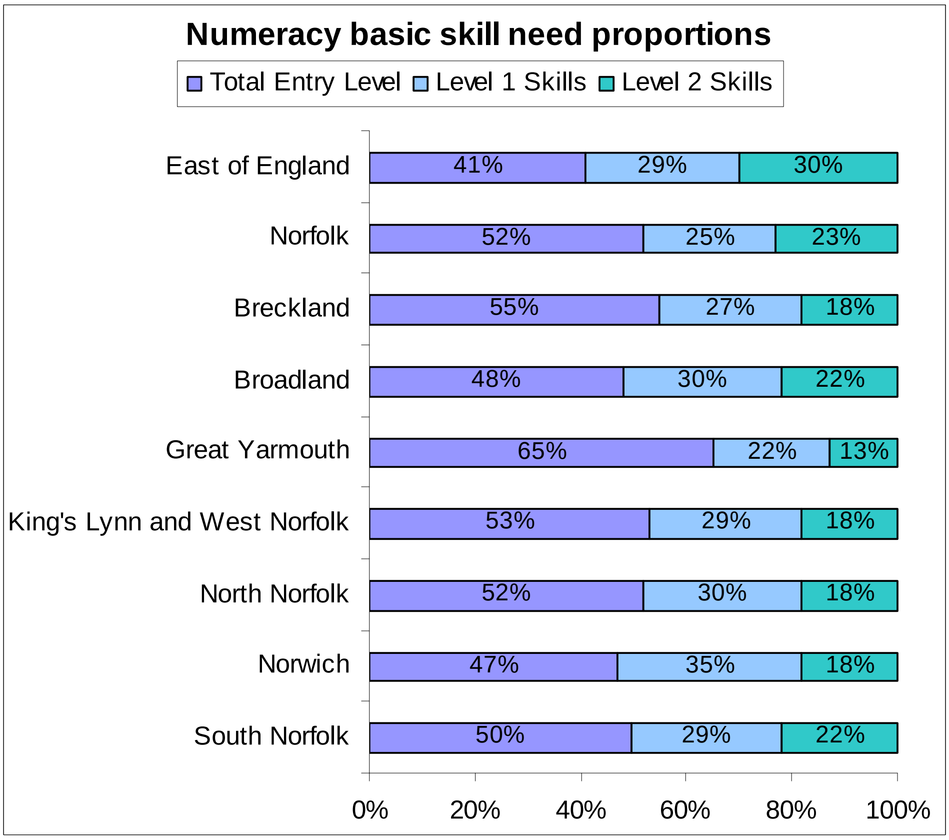
The level of numeracy skills in Norfolk raises a couple of issues for the LSC. Firstly, more focus needs to be placed on entry level numeracy courses. This may also suggest that learners themselves place more value on improving their literary skills, making it difficult to recruit learners for numeracy courses.

Chart 13



Source: Skills for Life Survey: A national needs and impact survey of literacy, numeracy and ICT skills, Department for Education & Skills, 2003

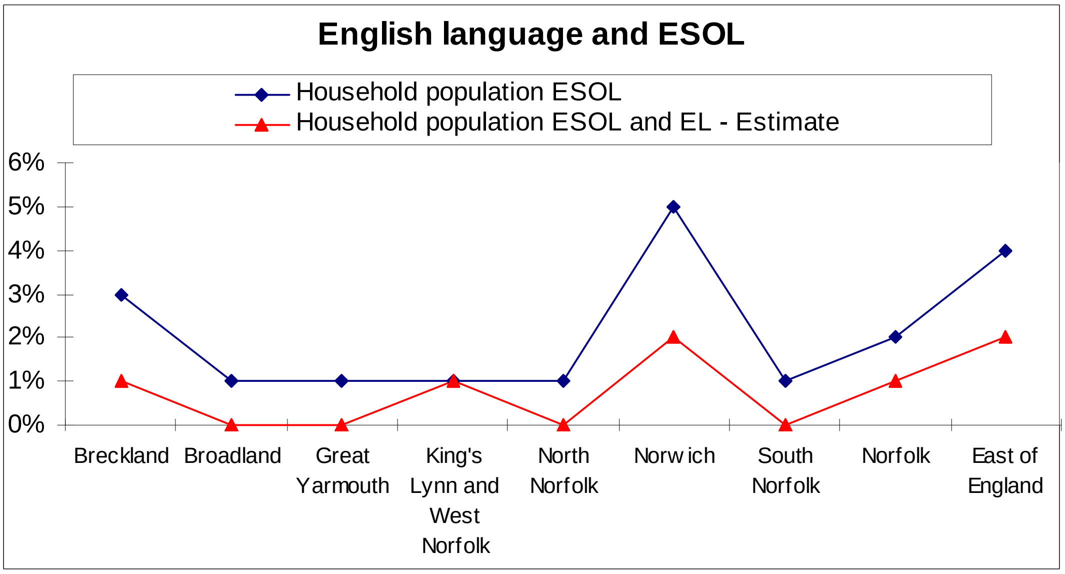
Chart 14



Source: Skills for Life Survey: A national needs and impact survey of literacy, numeracy and ICT skills, Department for Education & Skills, 2003

The following chart shows ESOL (English for Speakers of Other Languages) within Norfolk for the population and those households with a recognised ESOL need but who already have some form of Entry level literacy (EL). Within Norwich for example, there is a considerable gap between households with ESOL and households with ESOL but also entry level literacy, suggesting this is an area of particular need.

Chart 15



Source: Skills for Life Survey: A national needs and impact survey of literacy, numeracy and ICT skills, Department for Education & Skills, 2003

4. Skills and Sectors

4.1 Employers

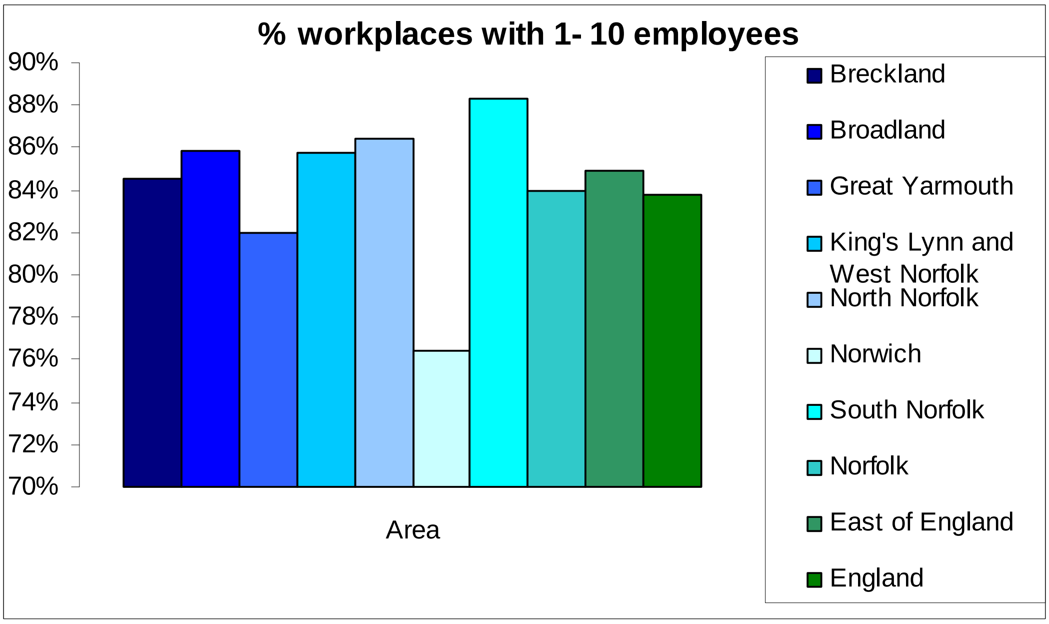
There are around 31,000 businesses in Norfolk, the majority of which employ less than 10 employees (in line with the regional picture). This pattern is generally consistent between districts, though Norwich is notable in having a relatively small proportion of businesses employing less than 10 people.

Table 9: Number of employers in Norfolk

	Number of employees by business size						
	1-4	**5-10**	**11-24**	**25-49**	**50-99**	**100+**	**Total**
Breckland	3,170	590	360	200	70	50	4,450
Broadland	3,020	510	320	170	60	50	4,110
Great Yarmouth	2,160	570	330	160	70	40	3,330
King's Lynn and West Norfolk	3,550	770	420	160	70	60	5,040
North Norfolk	2,910	590	330	150	50	30	4,050
Norwich	3,120	970	620	340	170	130	5,350
South Norfolk	3,440	550	300	130	60	40	4,520
Norfolk	21,360	4,530	2,670	1,320	560	410	30,840
East of England	162,150	30,100	17,900	8,740	7,560	3,170	226,440
England	1,368,760	284,330	166,780	80,460	73,600	31,930	1,973,940

Source: Annual Business Inquiry, 2004

Chart 16



Source: Annual Business Inquiry, 2004

The following table shows the number of businesses in Norfolk by their respective industry. Agriculture and Energy related industries have been omitted as the required level of data suppression means that figures cannot be shown at a district level.

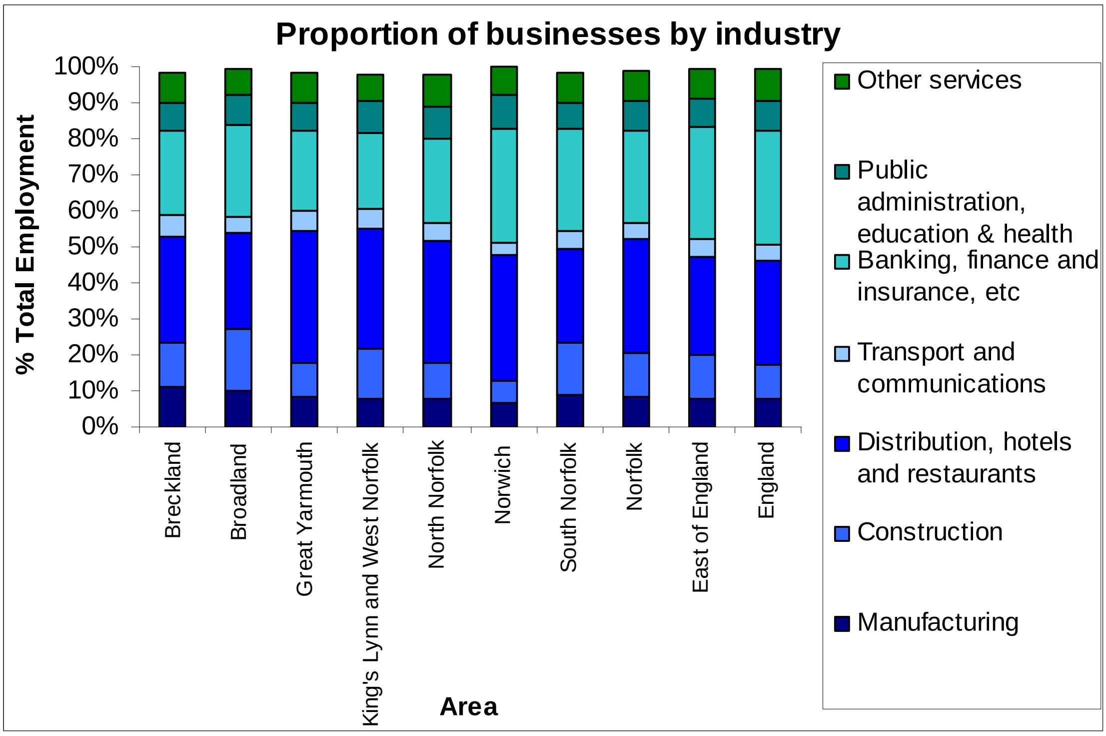
The table and chart show that the distribution of industry follows that of the regional picture with Distribution, hotels and restaurants and Banking, finance and insurance industries being dominant within the area.

Table 10: Number of businesses in Norfolk by type of industry

	Manufact-uring	Construct-ion	Distribution hotels and restaurants	Transport and communi-cations	Banking, finance and insurance, etc	Public admin-istration, education & health	Other services	Total
Breckland	490	560	1,300	260	1,050	350	370	4,450
Broadland	410	700	1,110	180	1,050	330	310	4,110
Great Yarmouth	280	310	1,220	180	740	270	280	3,330
King's Lynn and West Norfolk	390	710	1,660	290	1,070	430	370	5,040
North Norfolk	320	400	1,380	190	940	380	350	4,050
Norwich	360	310	1,880	190	1,690	500	410	5,350
South Norfolk	410	650	1,180	210	1,280	350	360	4,520
Norfolk	2,650	3,630	9,740	1,490	7,830	2,630	2,450	30,840
East of England	18,120	27,110	61,760	11,350	70,740	17,640	18,110	226,440
England	151,220	184,470	569,880	87,950	628,530	166,960	173,600	1,973,940

Source: Annual Business Inquiry, 2004

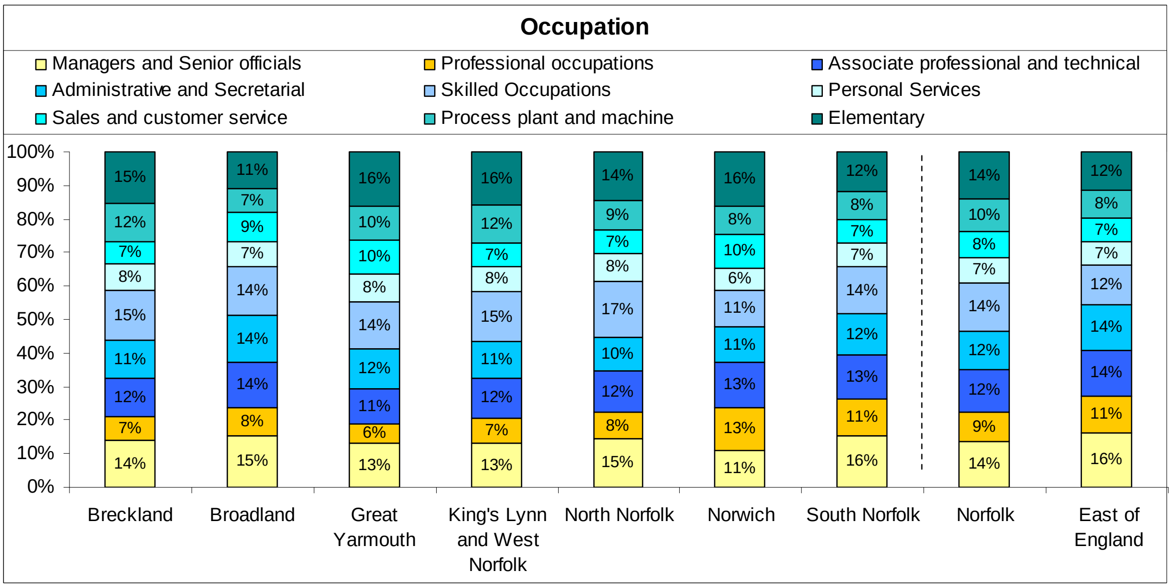
Chart 17



Source: Annual Business Inquiry, 2004

The final chart in this section shows the distribution of occupations in Norfolk. While there are similarities between all districts, around 40% of the South Norfolk workforce is within managerial, professional and associate professional occupations, compared with 30% in Great Yarmouth , around 10% less than the regional average.

Chart 18



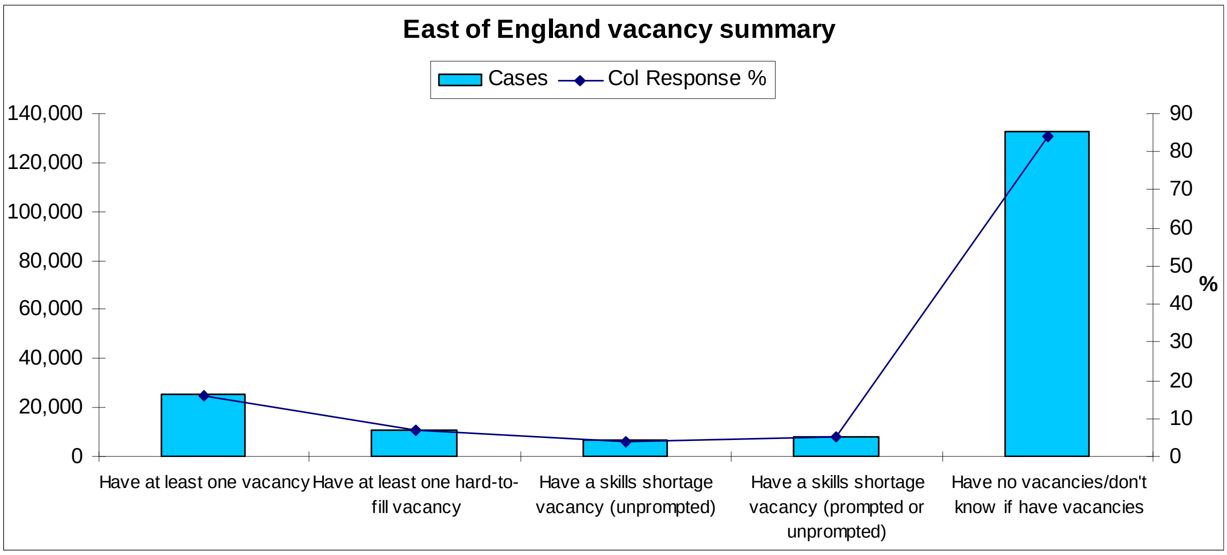
Source: Annual Business Inquiry, 2004

4.2 Workforce Development

All of the following charts within this section are taken from the National Employer Skills Survey 2005 (NESS). The following analysis relates to the region as a whole as the sample size for individual LSCs in the region is relatively small.

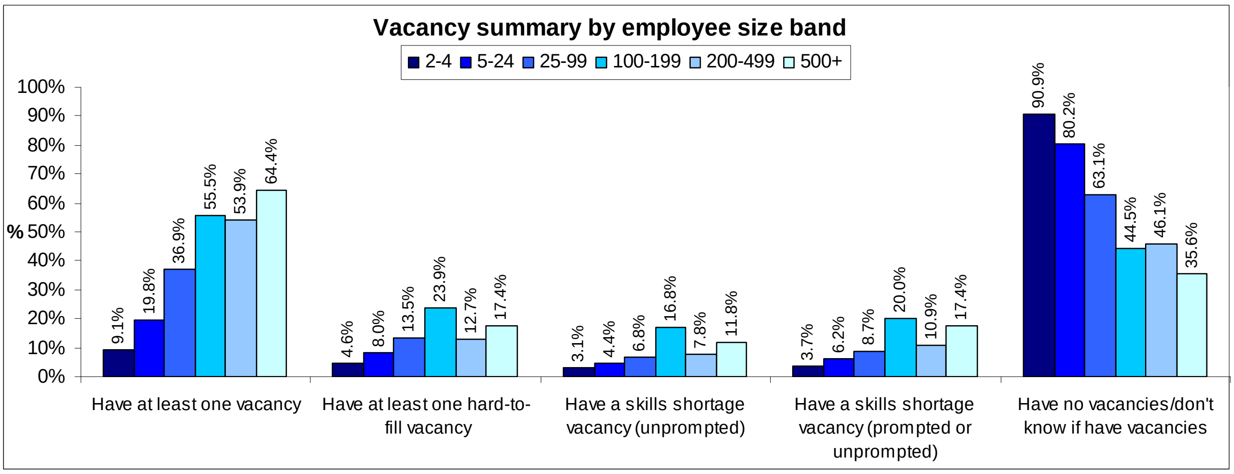
Further details from the NESS can be found in both the Regional Strategic Analysis report and the Research Team data files, both of which can be found on the Planning and Performance Sharepoint Site. The Regional Strategic Analysis can also be downloaded from the East of England LSC website at http://www.lsc.gov.uk/Regions/EastofEngland/Publications/Latestdocuments. In addition the following website gives access to external partners to NESS: http://researchtools.lsc.gov.uk/KMSResearchTools/.

Chart 19



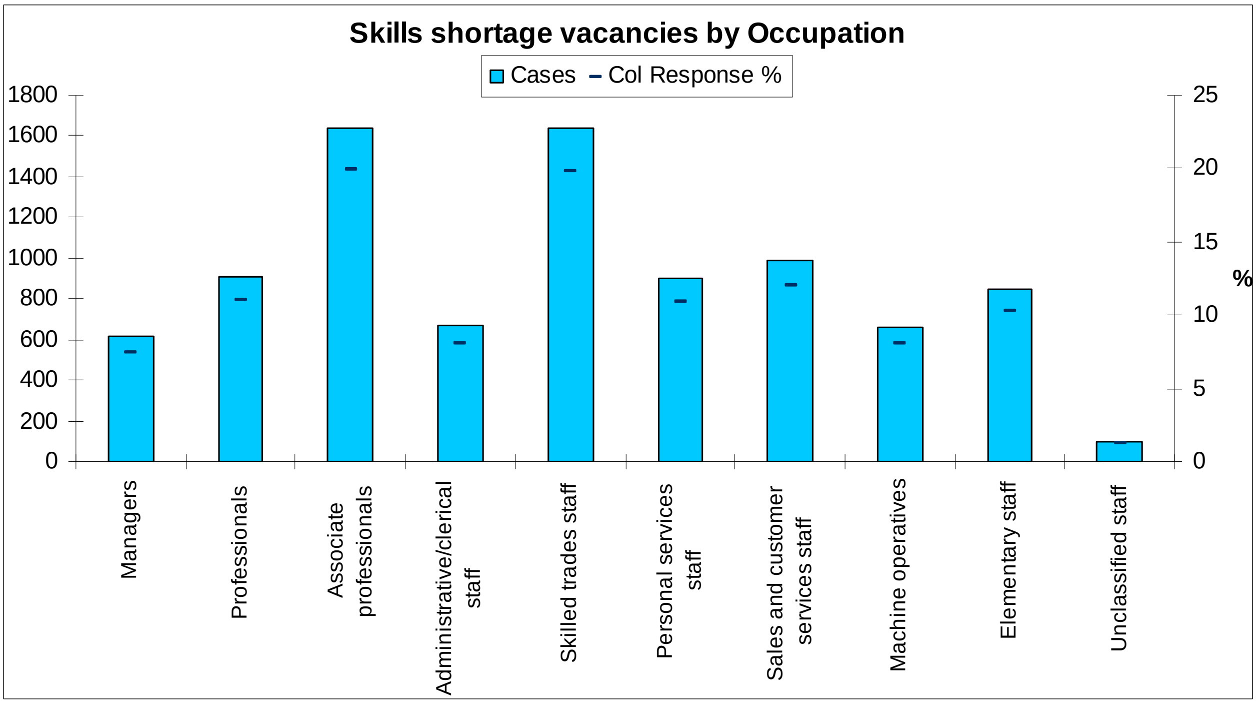
Source: National Employers Skills Survey, LSC, 2005

Chart 20



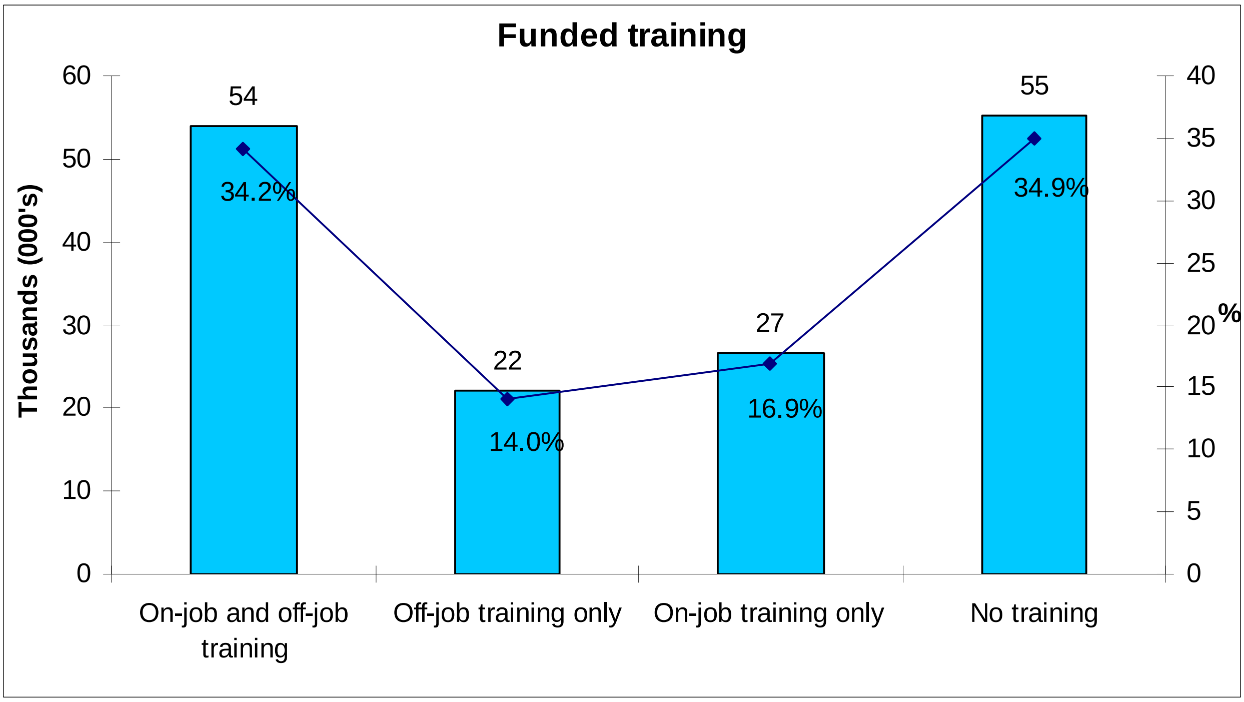
Source: National Employers Skills Survey, LSC, 2005

Chart 21



Source: National Employers Skills Survey, LSC, 2005

Chart 22



Source: National Employers Skills Survey, LSC, 2005

4.3 Sectors

Retail
The Sector Skills Council for the industry is Skillsmart.

The sector is a key driver of the UK's economic growth and is the UK's largest private sector employer, employing three million people and creating more new jobs over the last five years than any other sector. The UK retail sector faces many new challenges as consumer demand shifts and buying patterns alter with the increased use of technology.

The retail sector has an important role in the future economy of the region through, for example, sustaining rural communities, the redevelopment of market towns, providing employment within major cities and attracting workers for other sectors by providing good facilities. Within the East of England, the retail sector employs approximately 290,000 people in approximately 25,000 workplaces. There is a slightly lower than average proportion of the workforce qualified to Level 3 and a higher than average proportion of employees qualified to Level 2 when compared to national figures.

Employers in the region report that the skills of their workforce need to improve in oral communication, customer handling, team working and personal attributes. Significantly though, employers in the retail sector tend to have low commitment to training, with two fifths of retail businesses in the East of England failing to train their staff in 2005 and only a quarter having a budget for training.

Early evidence from Skillsmart research suggests that retailers need bite sized/modular training to address their business needs, with attention focussing on hard to reach employers employing 4-50 staff.

Construction
There are two Sector Skills Councils for the industry: Construction Skills (CITB) and Summit Skills.

Nationally, the construction industry has seen sustained growth over the last 10 years and it is predicted that from 2006 to 2010 the sector will experience an average national output growth of 4.5% a year. The 2012 Olympics, regeneration and development projects will most likely lead to an increased importance of modern methods of construction as a delivery mechanism.

In the East of England region, the construction industry accounts for 8% of total employment, with around 150,000 employees across approximately 34,500 businesses. The age distribution of the workforce in the East of England is similar to the national picture, with the highest proportion aged between 25 and 44. The sector has a relatively low qualification base and skills gaps and shortages exist across the sector in the East of England region (and include oral communication, problem solving and management skills).

The main priority for the sector is to meet the target of a fully qualified workforce by 2010 and towards that end, to increase numbers on construction apprenticeship programmes, especially Programme Led Apprenticeships. At the same time Construction Skills predict a strong need to recruit qualified managers.

Health and Social Care

The health and social care sector is covered by two Sector Skills Councils: Skills for Health and Skills for Care (including Early Years).

Nationally, both sectors are growing in line with the needs of the UK's growing and ageing population.

The health and social care sector is subject to wide and intense public and political debate and to a constant stream of interventions and legislation to regulate the sector. This has significant implications for skills within the sector. Increased Government investment into Health will finish after 2007/08 and there will be pressure to move from workforce growth to increased productivity which will bring skills shortages and gaps very strongly into focus and may generate further, currently latent, demand for employees to reskill or upskill.

The sector is a major source of employment across each of the six areas in the region, accounting for 10% share of employment - the sector employs nearly 243,000 people in over 9,200 workplaces.

The health sector has a greater proportion of employees qualified to Level 3 or above, reflecting the high proportion of clinical specialists within it. However, the distribution of qualifications in both sectors in the East of England is comparable to the national position.

Across the region, hard to fill vacancies are a greater problem in the health and social care sectors than for employers as a whole. Skills gaps also exist within the existing workforce. For the health sector, the majority of regional employers suggest that technical, practical or job specific skills need improving. In the social care sector, employers in the region state a need to improve team working, customer handling, problem solving and oral communication.

Identified regional priorities within the health sector are:

- management and leadership;
- improve numeracy and literacy skills, including ESOL;
- increase the ICT skills of the workforce;
- increase the numbers of the workforce with a Level 2 or 3 qualification.

Identified regional priorities within the care sector are:

- increase the numbers of the workforce with a Level 2 qualification;
- increase the numbers of young people attracted to and entering the sector at Level 2;
- develop a strategy to support the attainment of Level 3 qualifications;
- ensure that registered care home owners and managers in children's/early years settings are able to access relevant management qualifications programmes;
- extend management training/qualifications into the voluntary sector;
- improve numeracy and literacy skills, including ESOL.

Hospitality
The Sector Skills Council for the industry is People First.

The sector employs a workforce of over 1.9 million across the UK, in more than 180,000 establishments generating an estimated total turnover of £135 billion per year. The diversity of the sector is demonstrated by the fact that the SSC represents 14 industries. The sector is highly sensitive to overall levels of economic prosperity and rising business profitability and consumer confidence and higher disposable incomes have driven industry growth over the last decade.

The East of England has a thriving hospitality sector. Hotels and restaurants alone account for 4% of the employment in the region. The strong growth in tourism nationally is reflected in the East of England with the overall number of tourism visits to the East of England more than doubling between 1991 and 2001.

Regional sector employment is nearing 160,000 in over 15,000 workplaces. The growing number of migrant workers employed in the sector is increasing demand for ESOL. The sector experiences a high staff turnover which has a negative impact on employer's attitudes to investment in training.

In the region, over a third of the workforce is qualified to Level 2, almost a third are qualified to Level 1 or below and the remainder at Level 3 and above.

Skills shortages are a continuing issue. The majority of hospitality employers in the region report a need to improve the customer handling skills of their workforce, with team working skills and oral communication also rated highly.

Skills issues emerging from research undertaken by People First include an increasing need to up skill all levels of employees across the sector and for the qualifications to better respond to the needs of employers. New methods of delivery and assessment are being cited as critical to both the engagement of employers and the skills development of an increasingly diverse workforce as is the need to improve numeracy and literacy skills, including ESOL.

Land based industries
Launched in 2004, LANTRA is the Sector Skills Council for land based industries.

Lantra's remit covers a range of areas, including rural and urban regeneration, sustainable development, environmental protection & enhancement, food farming, animal health & welfare, environmental pollution, business & skills development and health.

Regionally, there are an estimated 16,000 businesses in the land based sector, with a workforce of around 93,000. However, this is likely to underestimate of levels of employment due to a high level of migrant workers and casual labourers within the sector. There are a number of skills issues, with many qualifications seen as out of date and not suited to needs of the workforce. Recruitment has worsened in recent years and is now regarded as 'critical'; the poor image of the sector does little to assist. Employer research also suggests there is a trend towards the acquisition of Level 3 qualifications and above across most job roles, in support of the changing nature of the sector.

Across the region, one in ten employers report skills gaps amongst their existing workforce. Over a third of employers acknowledge their failure to train or develop staff as a reason for these skills gaps whilst other factors include employees' lack of motivation, lack of aptitude and inability to keep up with change. Employers in the region report a need to improve oral communication, management and technical or job specific skills of their workforce.

Changes in the rural economy are likely to lead to significant growth in employment in environmental conservation, horticulture, landscaping, equine industries and animal care, with the resulting need for new and updated skill sets such as craft & intermediate skills, management and leadership, improved literacy and numeracy, communication, problem solving, ICT, marketing and sales and strategic business skills.

Engineering & Manufacturing
The sector is extensive, covering a number of Sector Skills Councils, including those listed below. Each of these sub sectors has its own range of particular issues as highlighted by the relevant Sector Skills Council:

- Cogent (chemical, nuclear, oil and gas, petroleum and polymer industries). Key challenges include the need to attract young people into the industry, to adapt the workforce skills to technological advances and to develop the highest standards of safety and competence;

- Proskills (process and manufacturing industries). Issues include the need to improve skills in product development, production and supply chain mechanisms and to accelerate the development and identification of strategic issues such as continuous improvement methodology and change management;

- Semta (science, engineering and manufacturing technologies). There is an established need to improve skill levels in this sector due to the move towards increased value, higher margin manufacturing and the diversification into more specialist markets. Key challenges include the need to attract young people into the industry and to up skill those already employed, particularly in mathematical skills;

- Skillfast (apparel, footwear and textiles and related businesses industry). A key focus for the sector is to promote a positive industry image. The sector is also a major source of employment for people from ethnic minorities. For those who speak English as a second language, the difficulty of accessing training materials in an appropriate language and training providers with an awareness of cultural issues, can be a barrier to developing skills and attaining qualifications;

- Improve (food manufacturing). The sector is characterised by a low qualified workforce, with over 50% of employees having Level 2 or lower qualifications.

Areas for the sector to address include increase awareness of opportunities within the sector, improve the overall perception of the industry, up skill staff to enable career paths into more senior positions, encourage more female workers into the sector and improve accessibility to FE training.

Logistics
The Sector Skills Council for the industry is Skills for Logistics.

The logistics sector is growing rapidly and faces a number of challenges such as expansion into new markets and maximising the use of emerging technology. These challenges demand new and/or improved skill sets. The region has some of the most important logistics clusters in the UK based around the ports, airports and key transport links and the Thames Gateway, Haven Gateway and Stansted Airport hubs are developing fast.

Regional employment within the logistics sector is nearing 98,000 in over 7,000 workplaces with the largest number of employees working in freight transport and storage and warehousing. The sector is aware of the need to update its image, improve management practices and up skill its workforce in a wider variety of generic skills, such as customer service, IT, team working, oral communication and written communication.

The LSC and Skills for Logistics are developing an infrastructure plan for the rollout of a Regional Skills Academy. This will link into a National Skills Academy if approval is gained. Through the Regional Skills Academy, capacity and capability issues will be addressed and private providers and large companies with dedicated training functions will be incorporated into the training supply chain. Skills for Logistics in the East of England has identified a number of vocational areas where courses leading to qualifications at Level 2 and Level 3 need to be provided between 2006 and 2012.

5. Growth Areas and Growth Points

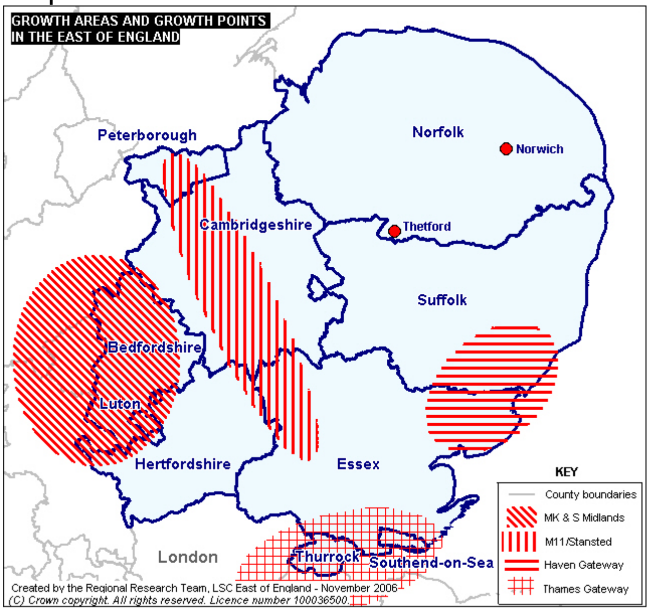
The Sustainable Communities Plan published in February 2003 recommended that radical action was required to provide additional homes in England above previously planned levels by 2016 to keep pace with the projected number of new households. One of these measures was the creation of four growth areas, based on proposals identified in regional planning guidance for London and the rest of the South East in 2001. Three of the four growth areas are wholly or partly in the East of England:

- the Thames Gateway;
- Milton Keynes & South Midlands and
- London-Stansted-Cambridge-Peterborough.

In December 2005, the Government also announced the New Growth Point initiative. This is designed to provide support to local communities who wish to pursue large scale and sustainable growth, including new housing, through a partnership with Government. Within the East of England, New Growth Points are:

- the Haven Gateway;
- Norwich and
- Thetford.

Map 3



Together, these areas represent significant economic and social change in the region, which if realised, will provide huge economic and development opportunities. The challenge will be to ensure that local people and businesses derive maximum benefit from these opportunities.

Thames Gateway [1]

The Thames Gateway sub region spans an area 40 miles long and 20 miles wide, with a population of 1.6 million people and covers parts of 3 LSC offices - Essex, London East and Kent. The Thames Gateway in the East of England region includes some of the most deprived areas in the region, notably in parts of Basildon and Thurrock. The Thames Gateway is projected to see enormous growth over the next ten years as the regeneration plans gather pace, with an overall aim to build 120,000 new homes and the opportunity of 194,000 new jobs by 2016. Taken with normal job turnover in the area, this is likely to mean that over three million jobs will need to be filled over the next ten years.

Job creation is expected to be concentrated in a number of sectors. Most employment opportunities between 2004 and 2016 are likely to be in offices (126,700), retail and leisure (37,800), industrial and distribution (21,700) and community services (7,500). Furthermore, a large proportion of these jobs will require degree level qualifications or

[1] Thames Gateway Skills Audit

higher education qualifications. Given the projected skill mix requirement, it is vital that low participation rates are addressed. Sustained programmes of skill acquisition will be necessary to ensure that the Thames Gateway creates a long lasting sustainable community with high levels of local employment.

London, Stansted, Cambridge, Peterborough Growth Area [2]

- Stansted airport is a key transport gateway and a major economic driver for the region as a whole. The airport is the third largest handler of airfreight in the UK and passenger numbers have increased by 75% since 2000 to reach just under 21 million.

- Cambridge sub region is a global leader in education, research and knowledge based industry linked to the University of Cambridge. The reputation of Cambridge gives it a key role in promoting the region and in further developing its economic links to key locations and sub regions across the East of England.

- Peterborough sub region has an economy with a strong representation of traditional sectors, for example engineering, agricultural services and a concentration of food production. There is also a cluster of environmentally related businesses. Areas for development include addressing economic underperformance of the rural areas located between major urban centres and supporting business competitiveness and entrepreneurship, particularly for those sectors with growth potential such as the environmental cluster.

Milton Keynes & South Midlands Growth Area

The Milton Keynes & South Midlands (MKSM) Growth Area includes Bedfordshire, Luton, Aylesbury Vale, Northamptonshire and Milton Keynes and involves three Regional Development Agencies, Government Offices, Regional Skills Partnerships and Learning and Skills Councils.

The MKSM Growth Area is to accommodate 170,000 new homes and a similar number of additional jobs by 2021. Within Bedfordshire and Luton, this equates to an additional 45,800 new homes and 50,000 additional jobs by 2021, approximately 3,500 additional jobs per year. The MKSM Growth Area also needs major infrastructure such as roads, health, education, social and cultural facilities delivered upfront or at the same time as the new homes are built and additional jobs created to ensure the development of a sustainable community.

The expansion of London Luton Airport is seen as an important component in the East of England's regional plan. The expansion will advantage of the opportunities to develop the region's international gateways, have a positive impact on the regeneration of Luton and contribute to the competitive strength and attractiveness of the sub region as a business location and tourist attraction.

[2] A Shared Vision - The Regional Economic Strategy for East of England, EEDA

Haven Gateway New Growth Point [3,4,5]

This covers parts of two LSC offices in the East of England – Essex and Suffolk and is one of the fastest growing areas of the UK. Its success extends beyond the maritime world and extends to a wide number of industries including financial services, technology, print and publishing, food and research. The five Haven ports of Felixstowe, Harwich International, Harwich Navyard, Ipswich and Mistley represent the single most important cluster of ports in the UK.

Proposals for the Essex University Science Park and a new University Campus Suffolk in Ipswich will benefit growth in both Colchester and Ipswich respectively. The sub region has been declared a 'New Growth Point' by the government. The special status will help deliver critical funding for vital infrastructure and development projects.

Ambitions for the Gateway include:

- an additional 23,000 jobs and 22,850 homes by 2016 with an aspirational target of 40% being affordable homes;
- new container terminal facilities at the ports of Harwich and Felixstowe handling over 3.6m containers per annum;
- an international visual arts centre at Colchester;
- the redevelopment of the Ipswich waterfront including the provision of a new University Campus for Suffolk;
- maintaining the Gateway's high environmental values and quality of life;
- the regeneration of Jaywick;
- maximising the role of the sub region as an international gateway to the UK;
- projects to enhance the sub region's role as an area of creativity and innovation.

Norwich New Growth Point [6]

Norwich is the main centre for East Anglia and supports 43 per cent of the county's jobs. Norwich has the largest regional business clusters for finance and creative industries, as well as Europe's largest single site concentration of research and development in key health and life sciences. At the same time, Norwich is the most deprived local authority district in the Eastern region, and has Neighbourhood Renewal Fund status.

The New Growth Point ambitions are to deliver essential physical, environmental, social and economic infrastructure to support housing growth and deliver high quality public transport, to support large scale regeneration, and to create further high quality streets and spaces in the city centre.

Ambitions for Greater Norwich include:

- an additional 33,000 new homes and 36,000 new jobs in the Greater Norwich area between 2001 and 2021;
- waterfront regeneration of 20 ha Deal Ground and Utilities Site for jobs and homes;
- high quality bus infrastructure throughout Norwich, including linking large scale new housing areas with the city centre;

[3] A Shared Vision - The Regional Economic Strategy for East of England, EEDA
[4] Haven Gateway Partnership
[5] Department for Communities & Local Government
[6] Department for Communities & Local Government

- implementing the City Centre Spatial Strategy linking liveability, public realm and public transport improvements;
- regeneration of the northern city centre linking with high quality public transport infrastructure to a future urban extension.

Thetford New Growth Point [7]

The town of Thetford is the gateway into Norfolk from London, the South, Cambridge and the Midlands and has the potential to become one of the fastest growing towns in the East of England. The town has been facing issues of deprivation, an increasing dependence upon low paid agriculture, food processing and manufacturing industries and a need for physical regeneration of large parts of the town centre. Breckland Council and its partners have now developed proposals which aim to transform the town by developing its economic potential and facilitating the regeneration of the town centre whilst protecting its regionally important historic and natural setting.

Ambitions for Thetford include:

- an additional 6,000 homes between 2001 and 2021, working to ensure a balanced and sustainable housing market for local people;
- an additional 4,000 new jobs;
- more land allocated for business through the Rural Enterprise Valley (REV) project which focuses on the A11;
- a new country park on the site associated with Boudicca with enhanced foot and cycle links to Thetford Forest;
- regeneration of the Waterfront Area to include new shop units, cafes and bars;
- improved public transport provision and enhanced footpath and cycle links between the town centre and the rest of the town.

[7] Department for Communities & Local Government