





## 1. Context

This paper is one of a series that outline workforce dynamics and skills and training issues in key sectors in Kent and Medway and across the South East as a whole. The series sets out:

- The demographic and skill profile of the workforce in each sector
- The likely demand for and supply of new skills and workers, now and in the future
- The current and potential offer to the sector from the Learning and Skills Council

In addition, an overview paper provides a review of skills needs and intelligence across the whole of the economy, including cross-sector skills issues.

For the purposes of this paper, the Information and Communications Technology (ICT) sector includes: ICT consultancy and technical services, software and hardware engineering, telecommunications and call centres (See Appendix I).

The ICT sector falls under the remit of just one Sector Skills Council (*e-skills UK*). Analysis in this paper therefore, reflects the 'footprint' or types of employer represented by *e-skills UK*.

The remit of *e-skills UK* also includes cross-sector ICT user and professional skills. Many IT professionals and technical staff are employed in sectors across the economy. *e-skills UK* also note that a significant proportion of contact or call centre staff are 'technically' employed in other sectors reflecting the nature of the goods or service offered by the company owning the call centre.

In recognition of this wider demand for ICT skills, reference to IT staff in other sectors is made in this paper where appropriate (and where data allows). IT user skills are dealt with in more detail in the overview paper.

**The data presented in this paper is for Kent and Medway unless otherwise indicated.**

### Economic context

The potential for efficiency savings through ICT capability makes the sector one of the strongest drivers of productivity growth within the UK economy. The IT industry in the UK alone produces an annual Gross Value Added (GVA) of around £30bn and IT intensive industries represent some 45% of the UK's GVA.<sup>3</sup>

The ICT sector directly employs around 10,700 people in Kent and Medway with a further 1,100 people working on a self-employed basis. These figures are likely to underestimate both the number of ICT staff working in Kent and Medway and the importance of ICT skills to the sub-region.

The need to understand and use IT at different levels stretches across the entire economy, affecting not only IT professionals but also business managers who are required to exploit the opportunities presented by IT and employees across all industries who use IT in their daily work.

*e-skills UK*, the Sector Skills Council for ICT have developed an analytical framework for the identification of skills needs which supports the effective targeting of development activity. The following target groups have been identified:

1. IT workforce
  - a. within IT industry (e.g. web-design)
  - b. within other sectors (IT support)
2. Business managers
3. IT users (employees)

The *e-skills UK* Sector Skills Agreement not only encompasses ICT professionals within the ICT sector (i.e. web-design) but also IT workers in other sectors (i.e. IT support) and IT users across all sectors. It is estimated that almost nine in every ten business establishments employ IT users in the UK.<sup>4</sup>

Technological development remains the most important driver of change within the sector creating continually changing requirements for skills development. However, it is the way technological developments interact with business and society that shapes the nature of those skill needs.

The growth of e-commerce and e-business is already changing the way that businesses operate, requiring faster turn around times and more flexible models of delivery. The technology for remote and collaborative working will also enable new types of team structures (and virtual teams) and ways of working to emerge.

Remote working and the Internet are also driving changes within the ICT sector, allowing more businesses to outsource their IT arrangements to service companies and IT services themselves to outsource large scale and/or repetitive tasks to off-shore locations, including low wage economies such as India and China.

As new ways of working start to take off, demand for associated software development and support services will increase. There will also be an increased demand for helping IT professionals and managers who can understand both business processes and the role IT can play in business development.<sup>5</sup>

### Policy Context

The business services sector was identified as a priority sector in the South East Sector Prioritisation exercise. The ICT sector is a key sub-sector within business services, as it has a particularly high employment concentration in the South East and significant potential (see Section 4).

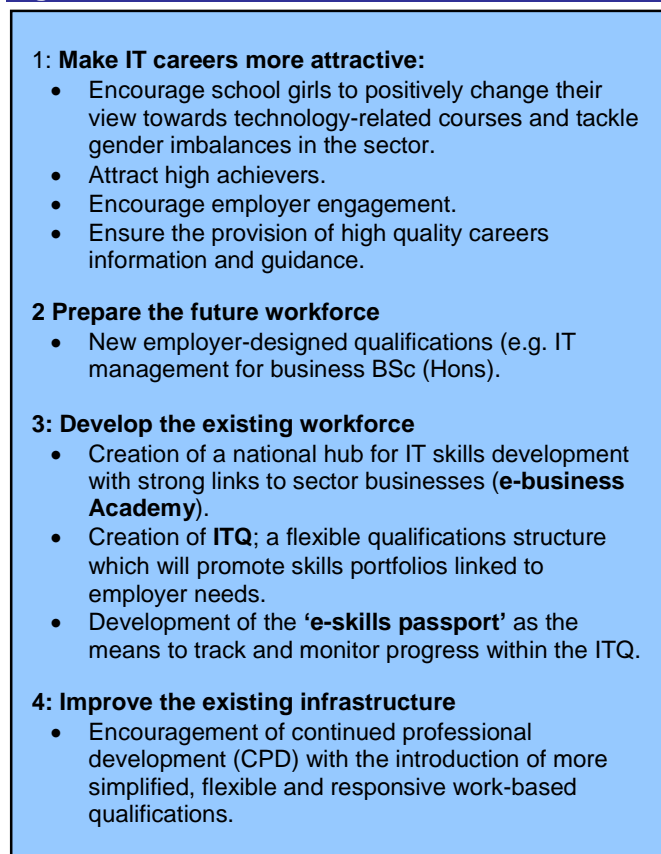
As a Sector Skills Council (SSC), *e-skills UK* is responsible for articulating the demand for skills from employers and for helping to broker appropriate solutions, including the design of new qualifications and standards where appropriate. Recently, SSCs have been asked to broker Sector Skills Agreements (SSAs) with learning providers and funding bodies to ensure that the supply of skills meets employer needs.

*e-skills UK* was one of the first SSC's to publish their Sector Skills Agreement. The SSA has four main priorities which are shown in Figure 1.1.

<sup>3</sup> *e-skills* (2005) IT Insights: Regional Skills Gaps in the South East. Second Edition 2006

<sup>4</sup> *e-skills* (2005) The Sector Skills Agreement for IT 2005-2008

<sup>5</sup> *e-skills* (2005) Ibid.

**Figure 1.1 e-skills UK SSA Priorities**

Source: *e-skills UK* (2005) Sector Skills Agreement for IT 2005-2008

Further details of the SSA and the LSC's contribution to the agreement are outlined in Section 5.

## 2. Sector Profile

### Regional Overview

There are around 181,100 ICT sector workers in the South East of England. Around 164,800 people are directly employed by one of the region's 27,300 ICT business establishments and a further 16,300 workers are estimated to be self-employed (9% of the overall workforce).

The sector accounts for around 5% of all employees in the South East. Across the region the highest concentrations of ICT employment can be found in Berkshire and Surrey.

*e-skills UK* estimate that there are a further 107,000 IT professionals<sup>6</sup> working in other sectors within the South East bringing the total IT workforce to over a quarter of a million. They also suggest that 2.8 million people in the South East use IT in their day to day work.<sup>7</sup>

Around 94% of ICT business establishments in the region are micro-businesses, employing between 1-10 people. Despite the high proportion of micro-enterprises, only around 27% of employees are found in establishments of this type.

Employment within the sector is predominantly male and full-time. Around 65% of the workforce is male and some 87% work on a full-time basis. The sector has a younger than average age profile, with around 64% of workers aged between 25 and 44 years compared with only 46% across all industries.

### ICT in Kent and Medway

There are around 2,900 ICT sector business establishments in Kent and Medway, accounting for around 4% of the total business base in the area. This is lower than the proportion found regionally (7%) or nationally (5%).

The sector is characterised by a large proportion of small businesses. Around 96% of ICT establishments in Kent and Medway are micro-enterprises, employing between 1 and 10 workers. The proportion of micro-enterprises in the ICT business base is significantly higher than the average found across all industries (84%).

Figure 2.1 shows that the ICT sector accounts for between 4% and 6% of business establishments across each of the four LSC partnership planning areas in Kent and Medway<sup>8</sup>. ICT business establishments are most concentrated in the planning area of West and Mid Kent where they account for around 6% of all establishments in the Kent and Medway economy.

Numerically, the West and Mid Kent area also has the greatest number of ICT establishments (1,400 or 47% of all ICT businesses in Kent and Medway). Kent Thameside is home to the second largest number of ICT establishments (660 businesses) and accounts for around 22% of all sector establishments in Kent and Medway.

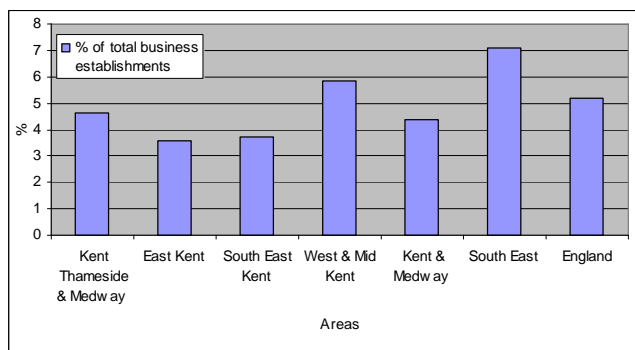
<sup>6</sup> e-skills definition of professional is anyone whose primary responsibility is IT oriented. This should not be confused with professionals in Standard Occupational Classifications.

<sup>7</sup> e-skills (2005) IT Insights: Regional Skills Gaps in the South East.

<sup>8</sup> East Kent (Canterbury, Swale and Thanet); South East Kent (Ashford, Dover and Shepway); Kent Thameside and Medway (Dartford, Gravesham and Medway); West and Mid-Kent (Maidstone, Sevenoaks, Tonbridge and Malling and Tunbridge Wells)

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Figure 2.1: Business establishments by area



Source: ONS Annual Business Inquiry 2004. Note figures do not include the self-employed. Total establishment figures exclude farm based agriculture.

### Employment

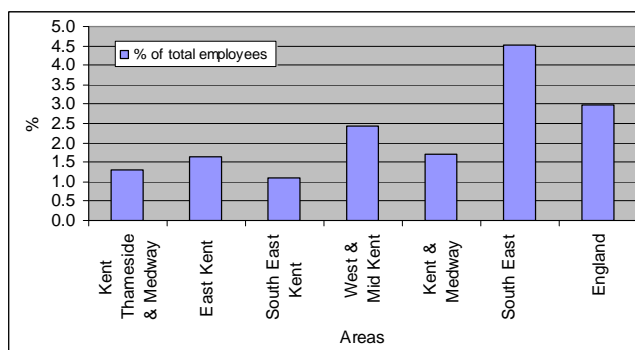
The Annual Business Inquiry (ABI) suggests there are around **10,700 ICT sector employees** in Kent and Medway, accounting for almost **2% of total employment**. This figure is **less than the proportion found in the South East (5%) or England as a whole (3%)**.

It should be noted that the ABI does not include self-employed people. The Labour Force Survey (LFS), which does include the self-employed but cannot provide detailed local data, suggests that there may be **an additional 1,100 self-employed people** working in the ICT sector in Kent and Medway.

Whilst *e-skills UK* have not produced local estimates, regional averages suggest that a **further 18,000 IT professionals could be working in Kent and Medway outside the ICT sector**. Given the relatively small size of the ICT sector in Kent and Medway, resident IT professionals are actually more likely to be employed outside the sector than within it. *e-skills UK* suggest that the business services sector is the largest employer of IT professionals outside of the ICT sector.<sup>9</sup>

Figure 2.2 shows that the ICT sector accounts for between 1% and 2.5% of employment in each of the four LSC partnership planning areas. The proportion of ICT employment is greatest in the West and Mid Kent<sup>10</sup> area.

Figure 2.2 ICT employment by area



Source: ONS Annual Business Inquiry 2004. Note figures do not include the self-employed. Total employment figures for planning areas exclude farm based agriculture data.

<sup>9</sup> e-skills (2005) IT Insights: Regional Skills Gaps in the South East.

<sup>10</sup> The West and Mid Kent planning area accounts for the greatest number of employees as it has a greater geographic area.

West and Mid Kent has a concentration of ICT employment (48% compared with 34% of all employment), and at district level, Maidstone has a particularly large number of ICT (1,500 or 14% of sector employment).

**Micro-businesses account for a much higher proportion of employment in the sector in Kent and Medway (43%)** than regionally or nationally (27% and 26% respectively). They also account for a significantly higher proportion of employment than the all industry average for Kent and Medway (21%).

*Owners and managers of small and micro-businesses are often difficult to engage in workforce development initiatives. For many the difficulty is as much to do with providing cover for people engaged in learning and replacing lost income as the direct cost of training.*

Figure 2.3 shows that over a third (35%) of all employment in the ICT sector is found within the 'other software consultancy and supply' minor sub-sector, accounting for around 3,800 jobs. Telecommunications is the second largest minor sub-sector which accounts for around 29% of employment or around 3,000 jobs.

**Figure 2.3: Employees by minor sub-sector**

SSC Sector	% of ICT employees	No of employees
Other software consultancy and supply	35	3,800
Telecommunications	28	3,000
Other computer related activities	17	1,800
Hardware consultancy	5	500
Data processing	4	500
Maintenance and repair of office, accounting and computing machinery	3	300
Data base activities	3	300
Publishing of software	1	100
<b>e-skills total</b>	<b>95*</b>	<b>10,300</b>

Source: ONS Annual Business Inquiry 2004. Figures do not include the self-employed.

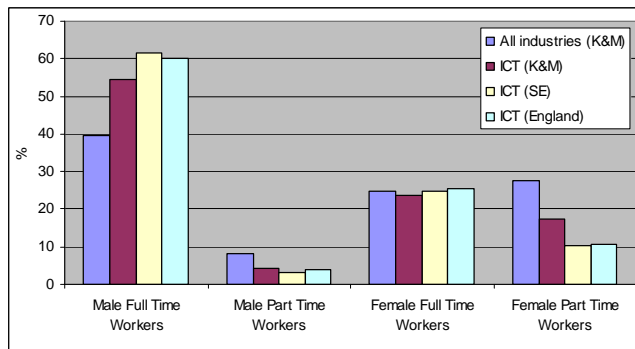
\*Note: SIC 22.33 'reproduction of computer media' and SIC 74.86 'call centre activities' are not included due to limitations in the sample size. As a result, totals do not sum to 100.

**The current workforce**

The ICT sector workforce is slightly more dominated by male employees. Around 59% of ICT employees (6,300) are male, compared with only 50% in all industries. Employment in the sector at regional and national level is even more male oriented (65% and 64% respectively). However, there are **significant differences in the gender balance of the workforce in different ICT sub-sectors**. Some 58% of call centre employees are female compared with only 28% of telecommunications employees.

Only around 22% of employees (2,300) work on a part-time basis, compared to 34% in all industries. *The relative lack of part-time and flexible working opportunities could be one barrier to engaging more women in the ICT workforce.*

**Figure 2.4: Gender and employment status**



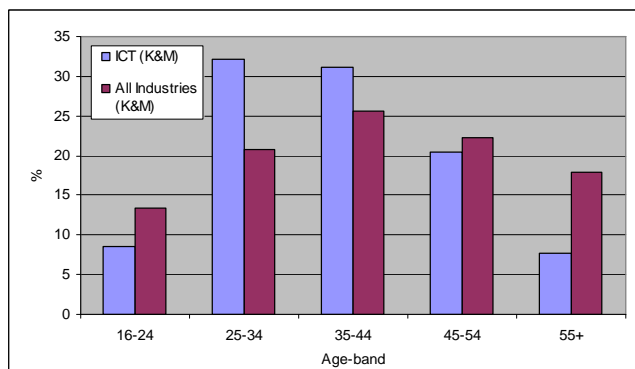
Source: ONS Annual Business Inquiry 2004. Note figures do not include the self-employed.

At a national level, ethnic minority communities account for around 15% of the sector's workforce, compared with 13% across all industries. Census 2001 data reveals that there are a smaller proportion of people from ethnic minority backgrounds in Kent and Medway than in England as a whole (6% compared with 13%). We estimate that there are around 860 people from ethnic minority backgrounds working in the ICT sector in Kent and Medway (about 7% of the workforce).

The ICT sector workforce has a much younger age profile than the economy as a whole (Figure 2.5). Despite the relatively small proportion of sector workers aged between 16 and 24, almost two thirds (63%) of sector workers are aged between 25 and 44 compared with only 47% in all industries. The proportion of young and middle-aged workers (25-44 years) in the sector is similar at regional and national figures (64% and 65% respectively).

*The relatively low proportion of 16-24 year olds in the sector is likely to reflect a high graduate intake. Graduates do not normally enter the labour market before the age of 21.*

**Figure 2.5: Workforce Age Profile**



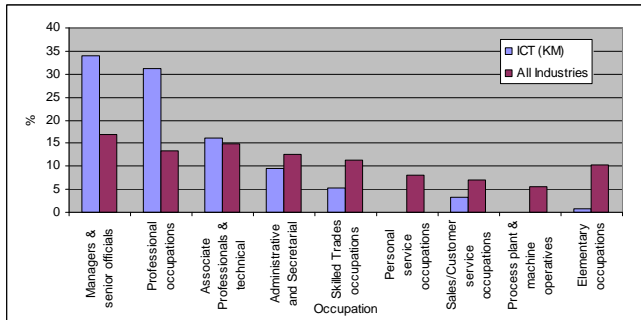
Source: Labour Force Survey Spring 2005. Inferred data. Note figures include the self-employed.

Only around 8% of the workforce or 820 employees are aged 55 and over (compared with 18% across all industries). This is broadly in line with regional and national figures (8% and 7% respectively).

**Occupational profile**

Figure 2.6 shows the broad occupational breakdown of the sector's workforce. Around 34% of the workforce (3,600 people) are employed within managerial and senior official occupations, a proportion that is significantly above the average for all industries (17%).

**Figure 2.6: Broad occupational breakdown**



Source: Labour Force Survey Spring 2005. Inferred data. Note figures include the self-employed.

Professional occupations are the second largest occupational group, accounting for 31% or 3,300 jobs, (compared with only 14% in all industries).

Figure 2.7 shows that only one occupational group (IT strategy and planning professionals) can be considered sector specific, i.e. more than two thirds of these workers work within the IT sector.

**Figure 2.7: Specialist ICT occupations**

Occupation	% jobs	Est. jobs in Kent and Medway
IT strategy and planning professionals	11	1,300
Total sector specific	11	1,300
	<b>11%</b>	

Source: Labour Force Survey Spring 2005. Inferred data. Note figures include the self-employed. Totals may not sum due to rounding. \* Not elsewhere classified. Note: excludes SIC 74.86 'call centre activities'

Figure 2.8 shows that around 89% of occupations related to ICT are not specific to that sub-sector, suggesting that cross sector initiatives to support workforce development may be more appropriate. The non-specialised nature of employment within the ICT sector reflects the fact that ICT infrastructure underpins effective operation within almost every business found across any sector.

ICT managers account for the largest proportion of non-specialist occupations within the sector (17% or 2,000 jobs) followed by software professionals (12% or 1,400 jobs). Many of these workers will be employed directly within a large organisation and will be responsible for developing and maintaining the organisations IT infrastructure. *Smaller companies which do not operate on a sufficient scale are perhaps likely to contract out this type of work.*

**Figure 2.8: Employment in other occupations**

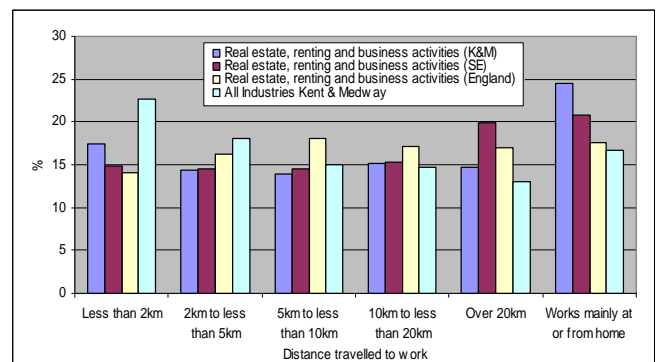
Occupation	% jobs	Est. jobs in Kent and Medway
Info and communication tech managers	17	2,000
Software professionals	12	1,400
Marketing and sales managers	8	900
IT operations technicians	5	600
IT user support technicians	4	500
Telecommunications engineers	3	400
Financial managers and chartered secs	3	400
Electrical engineers	2	200
Sales representatives	2	200
Accounts wages clerk, bookkeeper	2	200
General office assistants or clerks	2	200
Electronics engineers	2	200
Telephone salespersons	2	200
Comp engineer, installation and maintenance	1	100
Office managers	1	100
Chartered and certified accountants	1	100
Marketing associate professionals	1	100
Company secretaries	1	100
Management cons, actuaries, economists and statisticians	1	100
Other non sector specific	18	2,100
Total non sector specific	89%	10,100 <b>89%</b>

Source: Labour Force Survey Spring 2005. Inferred data. Note figures include the self-employed. Totals may not sum due to rounding. \* Not elsewhere classified. Note: excludes SIC 74.86 'call centre activities'

**Commuting**

Census 2001 data only allows analysis of the real estate, renting and business activities sector. This sector is the closest fit to the ICT sector and therefore should only be used as a rough guide for the situation in the ICT sector. Based on this, analysis of the 2001 Census reveals that currently around 91% of those working in the real estate, renting and business activities sector in Kent and Medway also live in the area. The proportion of workers living and working in the same area is highest within the East Kent area (78%) and lowest in West and Mid Kent (56%). In general, commuting is more common amongst higher paid occupations (i.e. managerial and professional occupations). Lower skilled workers are more likely to live and work in the same area. Many real estate, renting and business activities workers in Kent and Medway report that they work from home (around 25%, see Figure 2.9).

**Figure 2.9: Distance travelled to work**



Source: ONS Census 2001, Standard Tables, Workplace population.



### 3. Sector Skills Issues

#### Regional Overview

In addition to the supply of skills required to address natural labour turnover, employment forecasts suggests that the ICT sector will grow significantly (23%) between 2006 and 2014, generating a significant demand for new entrants to the sector.

The National Employer Skills Survey (NESS) offers some insight into sector **skill shortages** (a lack of suitably skilled people in the labour market) and **skill gaps** (skill deficiencies in the existing workforce).<sup>11</sup>

The National Employer Skills Survey (NESS) suggests that around 17% of ICT employers in the South East have unfilled vacancies. Of these, more than two thirds (37%) were considered to be hard to fill and around 30% were considered to be skill shortage vacancies, where there was a shortage of suitably skilled people within the labour market.

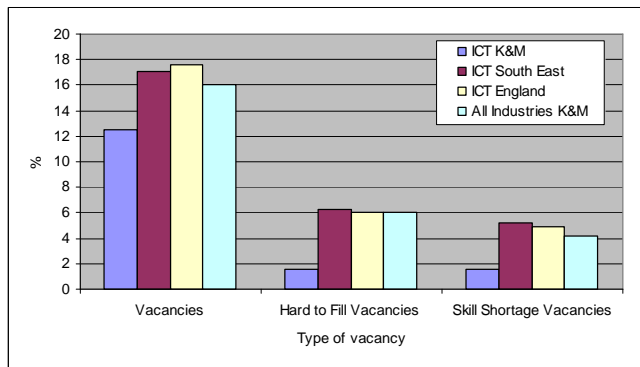
Around 11% of the sector’s employers report skills gaps amongst their existing workforce. A lack of experience on the job is most often cited by employers as the cause of skill gaps in the sector.

More than 68% of employers report having funded or arranged job-related training for their employees over the last 12 months. Unlike in many other sectors, highly skilled workers in the ICT sector were generally as likely to have undertaken job-related training as low skilled workers.

#### Skill needs in Kent and Medway

Employers in the ICT sector are less likely to report unfilled vacancies than those represented regionally, nationally or across all industries (Figure 3.1).

**Figure 3.1: Skill Shortages**



Source: NESS 2005. Note figures do not include the self-employed or businesses with only one employee.

**Hard to fill vacancies** are reported by around 2% of ICT businesses in Kent and Medway, a proportion which is significantly below that found across all industries (2% compared with 6%). **The proportion of hard to fill vacancies for ICT in Kent and Medway is also significantly below the figure found in the sector both regionally (5%) and nationally (5%).**

Around **2% of ICT employers in Kent and Medway report skill shortage vacancies**. This is also significantly lower than the proportion of employers in the sector reporting skill shortages regionally (5%) and nationally (5%).

*Whilst the sample size for ICT employers may be an issue in Kent and Medway, this does suggest that the relative under-development of the ICT sector in the sub-region is not a result of a lack of skills in the labour market.*

ICT employers are less likely to report skills gaps in their existing workforce than employers across all industries (8% of ICT employers in Kent and Medway compared with 17% of all employers). *The relatively high skill level of the ICT workforce may be a key factor. Employers across all sectors are more likely to find ‘fault’ with employees in lower skilled occupations.*

**Figure 3.2: Skill Gaps (% of employers)**

	Kent and Medway	South East	National
ICT (e-skills)	8	11	12
All Industries	17	18	16

Source: NESS 2005. Note figures do not include the self-employed or businesses with only one employee.

Figure 3.3 shows the incidence of skill gaps in the three largest occupational groups in the ICT sector compared with the proportion of the workforce found in each occupation.

Whilst sales and customer service occupations account for only 3% of the ICT workforce, they are responsible for almost a third (31%) of all skill gaps reported by employers in the sector. Indeed, around 44% of ICT employers in the South East cited customer handling skills as an area in particular need of development

Almost a quarter of the skills gaps found within the South East ICT sector are found within manager and senior official occupations. However, they are less common than might be expected given that a third of the workforce is employed within this occupation (33%).

**Figure 3.3: Skill gaps by occupation**

	Managers and senior officials	Professnl	Associate professnl	Sales/Cust services
% of workforce with skills gap in occupation	22	12	13	31
% of workforce in occupation	33	34	16	3

Source: NESS 2005. Note figures do not include the self-employed or businesses with only one employee. Note: Figures do not include SIC 74.86 ‘call centre activities’

Over a third (34%) of the workforce are employed within professional occupations. Skill gaps amongst professionals are much less common than might be expected (12%). A further 13% of skills gaps relate to associate professional occupations.

Nevertheless, technical, practical and job-specific skills were deemed to be most in need of development by employers in the South East ICT sector (52%).

<sup>11</sup> The NESS does not include the self-employed or businesses with only one employee.

Indeed, *e-skills UK* identify a number of technical areas where there will be an increasing demand for skills:<sup>12</sup>

- Networking
- Systems Integration
- Web support
- IT architecture design and implementation
- Security

They also suggest that ICT workers will increasingly need better skills in business analysis, project and programme management, management and leadership and the management of outsourcing.

ICT employers in the South East are most likely to report that the impact of skill gaps is an increase in the workload of other staff members (61%). They were more likely than employers across all industries to report that skills gaps had delayed the development of a new product or service (41% compared to 23%) and/or resulted in the outsourcing of work (18% compared to 10%).

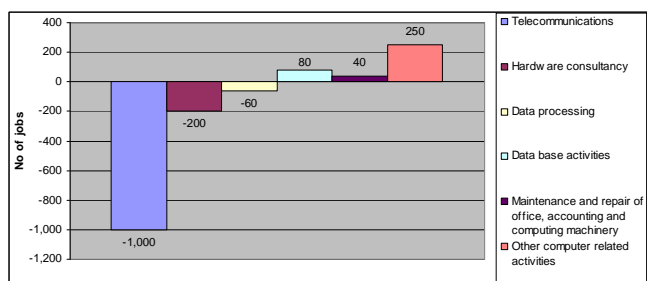
The most commonly cited **cause of skill gaps** in the ICT workforce was a **lack of staff experience** and/or staff having only recently been recruited (84% of ICT employers in the South East). Employers in the sector were much less likely to report recruitment difficulties as a main cause of skill gaps within their existing workforce (5% compared to 14% across all industries).

**Employment Change**

The Annual Business Inquiry (ABI) suggests that ICT employment in Kent and Medway fell by around 12% between 1999 and 2004, (equivalent to a loss of around 800 jobs). By contrast, ICT employment in the South East grew by around 5% or 3,400 jobs over the same period. Nationally, employment fell by around 3% or 11,200 jobs.

Figure 3.4 shows how employment change differed between the sub-sectors in Kent and Medway. There were around 1,000 fewer jobs in the telecommunications sub-sector in 2004 than in 1999 (25% decrease). Without this sub-sector, which is sometimes dealt with separately by *e-skills UK*, overall ICT sector employment in Kent and Medway would have grown. The other computer related activities sub-sector experienced growth of around 17% or 250 jobs over the same period.

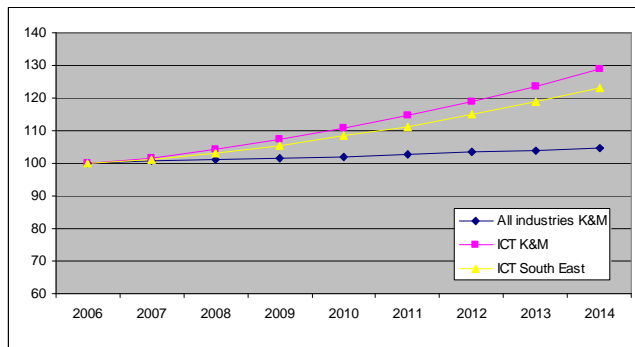
**Figure 3.4: Employment change 1999-2004 by minor sub-sector**



Source: ABI 1999 and 2004. Note: Figures do not include the self-employed.

Forecast data from Working Futures 2 suggests that ICT employment in Kent and Medway will grow by around 29% (4,100 jobs) between 2006 and 2014, a rate which is higher than that expected in the region as a whole (23%).

**Figure 3.5: Forecast employment 2006-2014**



Source: IER/Warwick, Working Futures 2.

Figure 3.6 shows that employment growth is expected across all broad occupational groups within the ICT sector. Employment within sales and customer service occupations is expected to rise dramatically over the forecast period (84% or 570 jobs). Significant increases are also expected for personal service occupations (61% or 230 jobs). Numerically, the largest growth in employment is expected for administrative and secretarial occupations.

**Figure 3.6: Forecast employment by occupation**

Occupation	% change in employment 2006-2014	Estimated Jobs in K&M
Sales and Customer Service Occupations	84	570
Personal Service Occupations	61	230
Managers and Senior Officials	44	840
Associate Professional and Technical	37	650
Professional occupations	33	510
Administrative and Secretarial	32	910
Machine and Transport Operatives	25	290
Elementary Occupations	11	120
Skilled Trades Occupations	3	30

Source: IER/Warwick University, Working Futures 2.

**Skills and qualification issues**

The analysis of skills in this paper uses qualifications as a proxy measure for skill level. Whilst this is not ideal, qualifications are the best measure available. Three broad skill levels are used:

**Low skill** (NVQ 1 or less including those with no qualifications). Common skills requirements for these jobs at this level include basic literacy, numeracy and IT skills and a range of generic skills.

**Intermediate skill** (NVQ 2-3). Skill requirements in these occupations are often vocational or technical in nature. They may also require higher level generic skills including analytical and problem solving abilities.

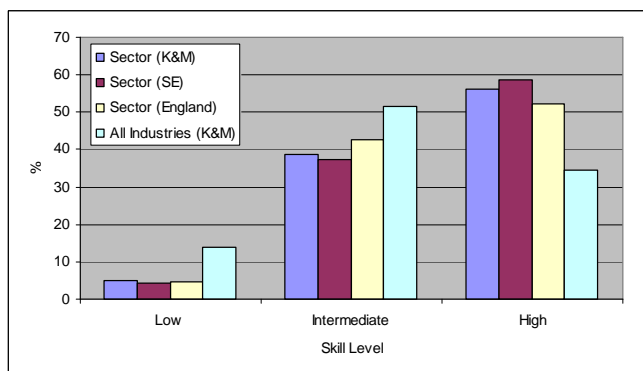
**High skill** (NVQ 4+). These skills are important in managerial and professional and associate professional roles. They are sometimes technical in nature but usually require high level analytical, communication and people management skills.

<sup>12</sup> e-skills (2005) IT Insights: Regional Skills Gaps in the South East. Second Edition 2006

More than half of the workforce (56% or 6,600 people) in Kent and Medway possess high level skills, reflecting the importance of senior official/managerial and professional occupations to the industry. High level skills are more common than in all industries (56% compared to 35%). Around 39% of the workforce hold intermediate level skills, a proportion which is lower than across all industries (52%).

Only around 5% of those working in the Kent and Medway sector hold low level skills and **just 2% have no qualifications**, compared with 8% across all industries. The proportion of workers with no qualifications gives an indication of the likely extent of basic skills needs within the sector.

**Figure 3.7: Skill Levels – Broad Analysis**



Source: LFS Spring 2005. Inferred data. Note: Figures include the self-employed.

**Learning Provision**

In 2004/05 **12,573 learners** were undertaking **Further Education (FE) courses** in areas related to the ICT sector in Kent and Medway (Figure 3.8).

**Figure 3.8: FE Provision 2004/05**

Area of Learning	Number of Learners	Level 1 and entry level	Level 2	Level 3	Level 4+	Other
Information and Communication Technology (Unclassified)	7,055	82%	14%	2%	0%	2%
ICT Practitioners	1,068	13%	30%	51%	6%	0%
ICT for users	4,450	65%	30%	2%	0%	3%
<b>Total Sector</b>	<b>12,573</b>	<b>70%</b>	<b>21%</b>	<b>6%</b>	<b>1%</b>	<b>3%</b>
All Industries	-	39%	27%	17%	2%	15%

Source: LSC – Kent and Medway ILR.

Around 70% of those following ICT-related FE courses were studying towards an entry or Level 1 qualification. *The majority of these qualifications will relate to ICT user skills and learners are unlikely to enter the ICT sector after undertaking these courses.*

Almost two thirds (62%) of all learners on ICT-related courses were female compared with only 57% across all areas of learning.

Figure 3.9 shows that around 269 learners were enrolled on ICT-related **Work Based Learning** qualifications in

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2004/05<sup>13</sup>. Of these learners, around 40% were studying towards an entry or level 1 qualification and almost half (47%) were following courses aimed at NVQ level 2.

In contrast to FE provision, the majority of work-based learners studying ICT-related courses are male (59%).

**Figure 3.9: WBL Provision 2004/05**

Area of Learning	No of Learners	Level 1 and entry level	Level 2	Level 3	Level 4+	Other
Information and Communication Technology	269	40%	47%	13%	0%	0%
All Industries	-	4%	58%	24%	1%	14%

Source: LSC – Kent and Medway ILR. Note: Figures are a snapshot of learners as of January 2005 to take account of the fact that WBL provision is not governed by term dates.

Another route for workforce development within Kent and Medway is the *Profit from Learning (PfL)* initiative. This government backed training initiative allows employers to access funded training as well as claim compensation for the time staff spend on the training<sup>14</sup>. Profit from Learning statistics for Kent and Medway reveal that 15 ICT businesses participated in the PfL initiative.

Overall around 230 employees undertook training as part of the programme. Around 94% of learners undertook NVQ Level 2 qualifications, with only one candidate participating in basic skills training. As with work-based learning provision, the majority of learners following Profit from Learning courses were male (89%).

Figure 3.10 shows that around 2,400 learners were undertaking ICT-related courses with **Adult and Community Learning (ACL)** providers in Kent and Medway during 2004/05. Almost two thirds (62%) of learners enrolled on ACL courses related to the ICT sector were female.

**Figure 3.10: ACL Provision 2004/05**

Area of Learning	No of Learners	Level 1 and entry level	Level 2	Level 3	Level 4+	Other
Information and Communication Technology	2,400	99%	1%	0%	0%	0%
All Industries	-	83%	13%	3%	<1%	<1%

Source: LSC – Kent and Medway ILR.

An important priority in current government policy is developing a **“vocational ladder”** into employment for young people from the age of 14, from vocational GCSEs and Young Apprenticeships through Foundation and Advanced Apprenticeships to Foundation Degrees.<sup>15</sup>

<sup>13</sup> Figures are for January 2005 (Period 6 of the academic year) and provide a ‘snapshot’ of those in learning to take account of the fact that WBL does not follow term times. The number of learners has then been identified based on the highest qualification level of the learner. Where a learner’s highest level of learning is in the ICT sector, the learner has been included.

<sup>14</sup> The Profit from Learning initiative was launched in Kent and Medway in September 2003 as a pilot scheme. The programme was available to companies in the area up until 31<sup>st</sup> March 2006. Train 2 Gain has now replaced Profit from Learning.

<sup>15</sup> Department for Education and Skills website – www.dfes.gov.uk

Foundation Degrees are vocational Higher Education qualifications at Level 3-4. They aim to integrate academic and work based learning through close collaboration between employers, universities and FE colleges. Since 2003, the government has been working to expand the number and range of Foundation Degrees available. Some examples of Foundation Degrees on offer at Further Education and Higher Education institutions in Kent and Medway with relevance to the ICT sector include:

- Computing and Multimedia
- Network Computing
- Software development
- Business administration, IT Web management

Most of the above Foundation Degrees can be studied as either full-time courses lasting two years, or part-time, over 3 years<sup>16</sup>.

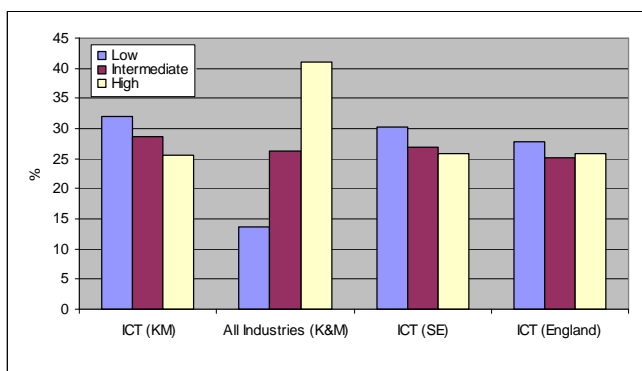
**Current Training Levels**

Around 27% of all ICT workers in Kent and Medway report having undertaken job-related training in the last three months, compared to 29% in all industries.

Unlike many other sectors, low skilled workers in the ICT sector were more likely to receive job-related training. In fact, the level of job-related training undertaken in the Kent and Medway sector at high skill levels is significantly below the average found for all industries (26% compared to 41% respectively).

*Given the fast changing technical skills and knowledge required in many areas of ICT, this suggests that when high skilled workers require new skills, they tend to rely on teaching themselves through informal learning on the job. The extent to which this is a preferred option or reflects a lack of high level specialist IT courses is unclear.*

**Figure 3.11: Job-related training in previous 13 weeks**



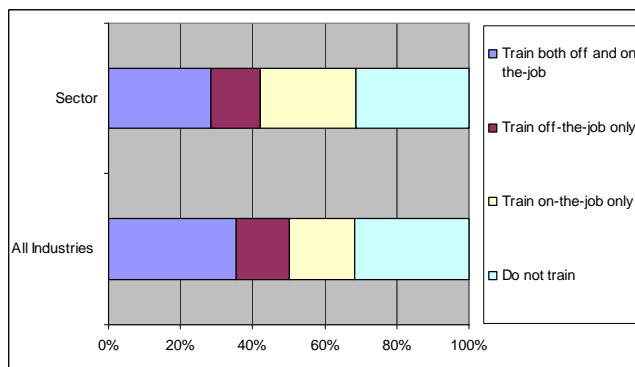
Source: LFS Spring 2005. Inferred data. Note: Figures include the self-employed.

Across all skill levels, workers in the Kent and Medway ICT sector were more likely to have undertaken job-related training than those represented regionally or nationally (86% compared to 83% and 79% respectively).

Over two thirds (69%) of ICT employers in Kent and Medway report having funded or arranged training for their employees in the last 12 months, a proportion which is broadly in line with that found regionally, nationally and across all industries.

Figure 3.12 shows the breakdown of training funded or arranged by employers in Kent and Medway. Training which is solely on-the-job is more common in the sector than across all industries (27% compared to 18% of all employers).

**Figure 3.12: Type of training funded or arranged**



Source: NESS 2005. Note figures do not include the self-employed or businesses with only one employee.

<sup>16</sup> UCAS website – www.ucas.ac.uk  
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## 4. Sector Prioritisation

In recent years the LSC has introduced a wide range of initiatives to improve the responsiveness of vocational learning provision to the needs of employers from all sectors. Nevertheless, the LSC has also sought to identify key industries and occupations where the allocation of additional resources and the development of a more bespoke 'employer offer' could make most impact.

In 2005, the LSC, in conjunction with SEEDA, undertook an exercise to formalise and update its process for identifying priority sectors in South East England. **The sector prioritisation balanced scorecard should not be used in isolation from other evidence and from taking a broad view of the data.**

The sum of the scores across each indicator gives the sector an overall score which can be used to benchmark its importance relative to other sectors within the region.

**ICT is recognised as a significant component of the business services sector, a regional priority sector,** principally as a result of its growth potential. Due to the way in which the ICT sector is categorised within the Standard Industrial Classification (SIC) system, the sector is not directly represented within the overall South East Sector Prioritisation framework, which scores sectors only on a broad industry 'section' basis.

However, a further element of the prioritisation exercise sought to identify priority sub-sectors within the region's 5 priority sectors. Indicators were chosen to echo those used in the broader regional sector scorecard, except that the first two indicators (GVA share, and GVA per employee) could not be used due to the lack of data at the sub-regional level.

Figures 4.1 and 4.2 outline the scorecards for the ICT sub-sector – see Methodology box. The overall score for IT services is the joint 6<sup>th</sup> highest of 16 sub-sectors in the South East. In contrast, the score for IT services in Kent and Medway is much lower, placing it in joint 9<sup>th</sup> place within the sub-region.

**Figure 4.1: Sub-sector Scorecard – Sector SE**

Indicator	Measure	IT Services	Sub-sector Average
Economic Scale	Employment share	3%	4%
	Relative empl. concentration (SE-UK)	1.80	1
Growth Potential	Forecast empl. growth 2004-2014	31%	7%
Skill needs	% of employees with sub-level 2 qualifications	9%	20%
	% employees with level 2 or 3 qualifications	33%	48%
	Hard to Fill vacancies as % total employment	1.40%	1.30%
<b>Score</b>		<b>7</b>	<b>5</b>

Source: South East Sector Prioritisation Framework 2006  
Note on scoring: Unshaded=0; Light green=1; Darker green=3

**Figure 4.2: Sub-sector Scorecard –Sector KM**

Indicator	Measure	IT Services	Sub-sector Average
Economic Scale	Employment share	1%	4%
	Relative empl. concentration (SE-UK)	0.33	1
Growth Potential	Forecast empl. growth 2004-2014	45%	6%
Skill needs	% of employees with sub-level 2 qualifications	9%	20%
	% employees with level 2 or 3 qualifications	33%	48%
	Hard to Fill vacancies as % total employment	1.40%	1.30%
<b>Score</b>		<b>4</b>	<b>5</b>

Source: South East Sector Prioritisation Framework 2006

Notes: On scoring, Unshaded=0; Light green=1; Darker green=3. \*Skill needs figures are regional due to small local sample size

At sub-regional level, the concentration of employment in the IT services sub-sector is significantly lower than that found in the region as a whole (LQ=0.33). Despite a particularly low concentration of activity, the sub-sector is expected to experience a rate of employment growth well in excess of that predicted for the region as a whole (45% compared to 31% respectively).

### Methodology

The revised **South East Sector Prioritisation Framework** scores broad industrial sectors and occupations on a range of economic indicators that measure relative importance to the LSC and partners in terms of three dimensions:

- Economic scale:** The indicators prioritise larger sectors which are more likely to require significant resource allocations
- Growth potential:** The indicators highlight growing sectors as more likely to support future regional competitiveness
- Skills and learning needs:** The indicators identify sectors with unmet skills needs and/or intermediate level skills needs where LSC provision can make most difference

For each dimension there are several measures, each given equal weight. Each indicator has been given a score as follows:

- 0 significantly below the average,
- 1 at or above the average,
- 3 significantly above average (1.5 times the mean)

For more details on the South East Sector Prioritisation Framework, please see the Overview paper.



## 5. The LSC Offer

### The core offer

The LSC will continue to provide a wide range of learning opportunities for young people (aged 14-19) wishing to enter the ICT sector. This will give employers access to Level 2 and Skills for Life training for staff who do not hold qualifications at Level 2 or above (equivalent to 4 GCSEs A\*-C). This training is fully funded for eligible individuals. Six of the seven Further Education colleges offer a range of provision to the sector and a range of LSC funded Apprenticeships will continue to be available through colleges and private training providers.

Following a series of Employer Training Pilots (e.g. Profit from Learning) the LSC is also introducing a National Employer Training Programme (Train 2 Gain). This will give employers across all sectors access to free Level 2 training for staff who do not hold qualifications at Level 2 or above. The government has also pledged to match the offer for those who want to study full-time at college in order to gain equivalent qualifications.<sup>17</sup>

The LSC is also developing a national quality kitemark to recognise colleges that are responsive to local employer needs, building on standards such as Action for Business Colleges (A4BC) in the South East. Three colleges in Kent and Medway are accredited A4BC colleges (Canterbury, West Kent and Mid-Kent College).<sup>18</sup>

The LSC will also continue to fund a range of Skills for Life programmes for individuals with basic literacy and numeracy problems.

### Beyond the core

Specialist expertise and capacity in sector skills provision continues to be developed across the country through the establishment of Centres of Vocational Excellence (CoVEs). At present, there are no ICT-related CoVEs located in Kent and Medway.

However, a New Technology Institute (NTI) in the North Kent Thames Gateway has been created to boost generic IT skills and includes demonstration centres in graphic design, media and photography. The NTI has been led by the University of Kent in partnership with a range of other Higher Education institutions and Further Education colleges in Kent and Medway.<sup>19</sup>

### Sector Skills Agreements

Ensuring that employers have access to provision that meets their needs is one of the key priorities of the LSC. Therefore the LSC has a significant role to play in the development and delivery of Sector Skills Agreements which establish the demand for skills and how these skills will be supplied.

The development of a Sector Skills Agreement is a five stage process involving;

1. Assessment of current and future skills needs
2. Assessment of current provision
3. Analysis of gaps and weaknesses

<sup>17</sup> DFES 2005. 'Skills: Getting on in Business, Getting on at Work' White Paper available at [www.dfes.gov.uk/publications](http://www.dfes.gov.uk/publications)

<sup>18</sup> LSC 2006 'Regional Statement of Priorities: South East Region.'

[www.lsc.gov.uk](http://www.lsc.gov.uk)

<sup>19</sup> <http://www.hefce.ac.uk/learning/tinits/NTIs/thamesnk.htm>

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4. Assessment of the scope for collaborative action
5. Development of an action plan

*e-skills UK* was one of four Sector Skills Councils (SSC) chosen to take forward the development of a pathfinder Sector Skills Agreement (SSA) from the beginning of 2004. The final SSA for the IT sector was published in 2005 to act as a compact that will align training providers, employers, funders and the government around a common set of goals aimed at addressing skills needs and the planning of current and future training provision.

The SSA action plan 2005-2008 sets out eight areas for collaborative action between 2005 and 2008. A role for the LSC has been identified for 6 of these areas. Figure 5.1 (overleaf) summarises the activities envisaged. It remains to be determined which activities the LSC will implement and/or lead on at a regional or local level.

The Sector Skills Agreement supports a number of initiatives aimed at developing the existing workforce (Figure 5.2).

**Figure 5.2: SSA Developing the existing workforce**

#### The e-business Academy

Envisaged to become a centre of excellence and national hub for collaborative action on IT skills, the e-business Academy was proposed as a means to;

- Ensure ease of access to appropriate forms of training;
- Ensure provision supports emerging skill areas;
- Align public funding with the needs of employers;
- Provide business support.

#### Information Technology Qualification (ITQ)

A new flexible IT user qualification and training package that can be tailored to ensure that employees in any workplace can train in only those IT skills which relate to their business activity. This NVQ is benchmarked against the National Occupational Standards and forms part of the new Apprenticeship Framework for IT users.

#### e-skills Passport

The 'e-skills passport' is a web based resource, used as the front-end of the ITQ to track and monitor progress within the ITQ framework. The passport allows the employer and individual to set desired skills profiles, create a training plan and monitor progress towards a relevant qualification.

Source: e-skills UK (2005) The Sector Skills Agreement for IT 2005-2008.

Following publication of the IT SSA in 2005, an agreement was made between the Learning and Skills Council (LSC), Qualifications Curriculum Authority (QCA) and *e-skills UK* to create a coherent strategy in the area of IT user skills provision.

The partnership aims to respond to employer demands to improve the IT user skills of around 7.6 million employees over the next three years and recognises the ITQ and e-skills passport as key components of this strategy.

All three member organisations are expected to increase demand for and quality of the ITQ and the LSC will have a key role in ensuring the alignment of public funding as well as introducing appropriate funding arrangements for individually delivered and assessed ITQ units.

**Figure 5.1: The LSC and the Sector Skills Agreement for Sector**

Broad Priority	Collaborative Solution	LSC role
1. Computer Clubs for Girls	Rollout Computer Clubs for Girls (CC4G) across the UK to transform the attitudes of a generation of girls to technology-related careers.	<ul style="list-style-type: none"> <li>None Identified</li> </ul>
2. Careers Advice	Promote a clear, current understanding of IT career options, skills requirements and development routes, linking employers with schools, colleges and universities throughout the UK.	<ul style="list-style-type: none"> <li>Work with e-skills UK to develop a sector Information Advice and Guidance (IAG) strategy for IT (as part of a wider partnership with the Skills for Business Network, supported by the DfES).</li> <li>Develop a sector based approach through the services provided by Ufi, Learndirect and Next Step.</li> <li>Align the IAG strategy with the NETP model.</li> <li>Investigate methods for the integration of Continuing Professional Development (CPD) packages for careers advisors.</li> </ul>
3. IT Diploma	Create a national modular, integrated development route for technology-related educational and work-based learning for students aged 14 – 19.	<ul style="list-style-type: none"> <li>The LSC will work with e-skills UK to include the needs of the IT Diploma (once developed) within the Purchasing Plan for IT.</li> </ul>
4. Undergraduate Development	Establish new employer-supported Honours degrees and develop embedded IT strategy modules for the degree courses of other disciplines.	<ul style="list-style-type: none"> <li>None Identified</li> </ul>
5. E-business Academy	Create an employer-supported national hub for IT-related business support and skills development which helps businesses in all sectors operate successfully in the e-economy.	<ul style="list-style-type: none"> <li>Work with e-skills UK to develop a Purchasing Plan for IT that reflects SSA priorities and which ensures that public funding is realigned to training and qualifications identified as fit for purpose (meeting employer need).</li> <li>Work with e-skills UK to develop a sector offer as part of the emerging NETP, to include where appropriate: <ul style="list-style-type: none"> <li>Brokerage services</li> <li>Standards and upskilling (CPD) for the broker network</li> <li>Integration of sector diagnostics and passports (including the e-skills Passport) within the NETP service</li> <li>Management and leadership development</li> <li>Both SME and large firm offers</li> <li>Investors in People</li> </ul> </li> <li>Support e-skills in investigating the development of an accreditation scheme for IT specialist brokers.</li> <li>The LSC and e-skills UK will develop a fit-for-purpose approach to Apprenticeships that: <ul style="list-style-type: none"> <li>Upskills the existing adult workforce;</li> <li>Maintains focus on young people;</li> <li>Helps to address diversity issues;</li> <li>Aligns with the emerging NETP model;</li> <li>Links into progression routes including Foundation Degrees.</li> </ul> </li> </ul>
6. ITQ / e-skills Passport	Increase the UK's IT user skills in line with market needs, with 750,000 people a year undertaking a skills improvement journey and benefiting from employer-recognised records of achievement.	<ul style="list-style-type: none"> <li>Work to align funding for IT user skills through ITQ/e-skills Passport strategy.</li> <li>Support the rollout of ITQ including helping to develop the necessary capacity in the provider network.</li> <li>Seek funding for a project to pilot a 'units and credits' approach for IT user skills on behalf of the Skills for Business Network, to better align funding with employer needs.</li> </ul>
7. Recognising Achievement	Develop a simplified, flexible framework for recognising achievement as appropriate to employer needs, in particular for smaller companies.	<ul style="list-style-type: none"> <li>Partner with e-skills UK to trial a 'units and credits' approach.</li> <li>Link the advice provided through the SSC/LSC sector IAG strategy to the progression routes and preferred qualifications set out in the Sector Qualifications Strategy.</li> <li>Link the LSC Purchasing Plan to the Sector Qualifications Strategy, which will identify fit for purpose qualifications, and those that are a priority for funding.</li> </ul>
8. Research	Establish a UK-wide nucleus for authoritative insight and market intelligence on IT-related business competitiveness and skills matters.	<ul style="list-style-type: none"> <li>Regularly share data and utilise e-skills research to support LSC policy development, business planning and funding strategy.</li> <li>Investigate how to improve the alignment of SIC / SOC codes with the changing market environment.</li> </ul>

Source: e-skills UK (2005) Sector Skills Agreement for IT, Agreement Status; England.

## Appendix I. Sector Description

### ICT Sector: SIC2003 Definition

#### e-Skills SSC

##### 2233 **Reproduction of computer media**

*Includes reproduction from master copies of software and data on discs and tapes*

##### 6420 **Telecommunications**

*Includes transmission of sound, images, data or other information via cables, broadcasting, relay or satellite; telephone, telegraph and telex communication; maintenance of the network; transmission (transport) of radio and television programme; internet access provision*

##### 7210 **Hardware consultancy**

*Includes consultancy on type and configuration of hardware and associated software application; analysing the users' needs and problems and presenting the best solution*

##### 7221 **Publishing of software**

*Includes development, production, supply and documentation of ready-made (non-customised) software*

##### 7222 **Other software consultancy and supply**

*Includes analysis, design and programming of systems ready to use: analysis of the user's needs and problems, consultancy on the best solution; development, production, supply and documentation of made-to-order software based on orders; from specific users writing of programs following directives of the user web page design*

##### 7230 **Data processing**

*Includes: processing of data employing either the customer's or a proprietary program; complete processing of data data entry services; scanning of documents; management and operation on a continuing basis of data processing facilities belonging to others; web hosting; database related activities: provision of data in a certain order or sequence, by on-line data retrieval or accessibility (computerised management) to everybody or to limited users, sorted on demand*

##### 7240 **Data base activities**

*Includes: on-line database publishing; on-line directory and mailing list publishing; other on-line publishing; web search portals*

##### 7250 **Maintenance and repair of office, accounting and computing machinery**

##### 7260 **Other computer related activities**

##### 7486 **Call centre activities**

*Includes: client relation and client service related technical intermediary services for the account of others; inbound call centres answering calls from clients by using automatic call distribution, computer; telephone integration or interactive voice response systems: placing orders; providing product information; dealing with complaints; outbound call centres dealing with sales and marketing activities directed towards clients; market research; direct marketing; address verification*



## Appendix II: ICT Specialist Occupations

### 2131 IT STRATEGY AND PLANNING PROFESSIONALS

IT strategy and planning professionals provide advice on the effective utilisation of information technology in order to solve business problems or to enhance the effectiveness of business functions.

Entrants usually possess a degree or equivalent qualification, although entry with other academic qualifications and/or relevant experience is possible. There are a variety of vocational, professional and postgraduate qualifications available.

#### TASKS

- liaises with clients in order to analyse business procedure, clarify customer requirements and to define the scope of existing software, hardware and network arrangements;
- undertakes feasibility studies incorporating costs, benefits, staffing implications and training needs, and presents proposals to clients to introduce new IT solutions or to modify existing systems;
- communicates the impact of emerging technologies to clients and advises upon the potential introduction of such technology;
- provides advice and assistance in the procurement, provision, delivery, installation, maintenance and use of information systems and their environments

**2132 SOFTWARE PROFESSIONALS**

Software professionals are responsible for all aspects of the design, application, development and operation of software systems.

Entrants usually possess a degree or equivalent qualification, although entry with other academic qualifications and/or relevant experience is possible. There are a variety of vocational, professional and postgraduate qualifications available.

**TASKS**

- examines existing software and determines requirements for new/modified systems through consultation with clients and staff;
- undertakes feasibility studies of software solutions through specifying and costing functional details, equipment, staffing and operational procedures;
- investigates, plans, designs and develops software solutions within stated constraints;
- installs, implements and maintains the reliability and security of software systems as business functions; writes operational documentation and provides subsequent support and training for users.

**1132 MARKETING AND SALES MANAGERS**

Marketing and sales managers plan, organise, direct and undertake market research and formulate and implement an organisation's marketing and sales policies. Entrants to the professional qualifications of the Chartered Institute of Marketing require GCSEs/S grades, A levels/H grades, a BTEC/SQA award, an Advanced GNVQ/GSVQ Level III, a degree or equivalent qualification and/or relevant experience. NVQs/SVQs in Sales Management are available at Level 4.

**TASKS**

- liaises with other managers/staff to determine the range of goods or services to be sold;
- discusses employer's or client's requirements, plans surveys and analyses customers' reactions to product, packaging, price, etc.
- examines and analyses sales figures and prepares proposals for marketing campaigns and promotional activities;
- controls the recruitment and training of sales staff;
- produces reports and recommendations concerning marketing and sales strategies.

**3131 IT OPERATIONS TECHNICIANS**

IT operations technicians are responsible for the day-to-day running of computer systems and networks including the preparation of back-up systems, and for performing regular checks to ensure the smooth functioning of such systems.

Entry is possible with a variety of academic qualifications and/or relevant experience. Entrants typically possess GCSEs/S grades and A levels/H grades, BTEC/SQA awards, an Advanced GNVQ/ GSVQ Level III or a degree. Training is usually provided on-the-job supplemented by specialised courses. Postgraduate and professional qualifications and a variety of NVQs/SVQs at Levels 2, 3 and 4 are available.

**TASKS**

- installs, monitors and supports area networks and accompanying hardware and software;
- analyses performance and makes recommendations to enhance reliability, usability, security and other aspects of system performance;
- provides guidance to users on hardware, software and network operations.

The above three boxes are examples of 'Other' occupations in the ICT sector.

## Appendix III: Glossary

### Glossary of Abbreviations

<b>ABI</b>	Annual Business Inquiry
<b>CITB</b>	Construction Industry Trading Board
<b>CoVE</b>	Centres of Vocational Excellence
<b>DfES</b>	Department for Education and Skills
<b>E2E</b>	Entry to Employment
<b>EDIMS</b>	Equality and Diversity Impact Measures England
<b>ESOL</b>	English for Speakers of Other Languages
<b>ETP</b>	Employer Training Pilot
<b>FE</b>	Further Education
<b>GCSE</b>	General Certificate of Secondary Education
<b>GNVQ</b>	General National Vocational Qualifications
<b>GVA</b>	Gross Value Added
<b>HE</b>	Higher Education
<b>HEFCE</b>	Higher Education Funding Council for England
<b>HNC</b>	Higher National Certificate
<b>HND</b>	Higher National Diploma
<b>ICT</b>	Information and Communications Technology
<b>ILR</b>	Individual Learner Records
<b>JSA</b>	Jobseekers Allowance
<b>KCC</b>	Kent County Council
<b>KS3</b>	Key Stage 3
<b>LAD</b>	Local Authority District
<b>LFS</b>	Labour Force Survey
<b>LSC</b>	Learning and Skills Council
<b>LSCKM</b>	Learning and Skills Council Kent and Medway
<b>NEET</b>	Not in Education, Employment or Training
<b>NESS</b>	National Employer Skills Survey
<b>NETP</b>	National Employer Training Pilot
<b>NUTS</b>	Nomenclature of Territorial Units
<b>NVQ</b>	National Vocational Qualification
<b>ODPM</b>	Office of the Deputy Prime Minister
<b>ONS</b>	Office for National Statistics
<b>PfL</b>	Profit from Learning
<b>PLASC</b>	Pupil Level Annual Schools Census
<b>SEEDA</b>	South East England Development Agency
<b>SfL</b>	Skills for Life
<b>SFR</b>	Statistical First Release
<b>SSA</b>	Sector Skills Agreement
<b>SSC</b>	Sector Skills Council
<b>SSDA</b>	Sector Skills Development Agency
<b>StAR</b>	Strategic Area Review Technology
<b>UA</b>	Unitary Authority
<b>WBL</b>	Work Based Learning

## Glossary of Terms

### Annual Business Inquiry Action for Business Colleges

Annual Survey of businesses undertaken by ONS. Flagship programme supported by the South East region's six LSC's and SEEDA, as part of the Workforce Skills Programme.

### Basic Skills CoVE

Numeracy, Literacy and ESOL.  
Centres of Vocational Excellence – Colleges with specialist provision and facilities aimed at meeting needs of employers primarily to tackle level 3 skills in technical, craft and supervisory roles.

### IER/Warwick University (WF II)

Institute of Employment Research at the University of Warwick employment forecast model (based primarily on LFS and ABI)

### Labour Force Survey

Quarterly survey of labour workforce

#### Level 1

4 - 5 GCSE passes grades D – G or NVQ 1

#### Level 2

5 GCSE grades A\* - C, O-Level or NVQ 2

#### Level 3

A Level or NVQ 3 equivalent

#### Level 4

Higher Education: first and sub-degree

HNC, HND, NVQ4

#### Level 5

Postgraduate degree or NVQ 5

### Literacy

Ability to read and write

### National Employer Skills Survey

NESS is an annual Survey of Employers that allows comparative data analysis at local, regional and national levels with respect to training activity, vacancies, hard to fill vacancies and skills gaps. The survey is funded by the LSC in partnership with the SSDA and DfES, and includes a sample of around 75, 000 employers nationally with local sample boosts.

Ability to understand and use numbers.

### Numeracy

### Sector Skills Agreement

An agreement between employers (represented by a Sector Skills Council) and key funding partners (LSC) to meet existing and future training needs. Agreements will enable the government, employers, employee representatives and organisations who plan, fund and support education and training to tackle the provision of skills around a common set of objectives.

### Sector Skills Councils

Currently 25 councils representing approximately 85% of the economy.

### Skills Gaps

Exist where those in work in an organisation do not have the necessary skills to perform their jobs to a satisfactory standard.

### Skills Shortages

Exist where there is insufficient supply of skilled labour among the working population.

### Train to Gain

Replaced the Employer Training Pilot (marketed in Kent and Medway as Profit from learning).



## Useful Publications

‘Kent Economic Report’, Kent County Council

‘Kent Prospects’, Kent County Council

‘Learning and Skills Assessment’, Learning and Skills Council for Kent and Medway

## Useful Links

Learning and Skills Council: [www.lsc.gov.uk](http://www.lsc.gov.uk)

Learning and Skills Council for Kent and Medway:  
[www.lsc.gov.uk/kentandmedway](http://www.lsc.gov.uk/kentandmedway)

Department for Education and Skills: [www.dfes.gov.uk](http://www.dfes.gov.uk)

South East England Development Agency: [www.seeda.co.uk](http://www.seeda.co.uk)

Sector Skills Development Agency: [www.ssda.org.uk](http://www.ssda.org.uk)

## Contact Information

This publication is available from on the Council’s website:

[www.lsc.gov.uk/kentandmedway](http://www.lsc.gov.uk/kentandmedway)

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