

Welcome

There are five LSC area offices in the West Midlands. These cover the following sub-regions:

- Birmingham and Solihull
- The Black Country
- Coventry and Warwickshire
- Herefordshire, Worcestershire and Shropshire
- Staffordshire

The LSC is committed to the improvement of the wider further education sector, to raise standards and to make learning provision more responsive to the needs of individuals and employers. To do this we assess and utilise market intelligence at area level to target resources to bring about change.

The research team in the West Midlands has produced this information pack to support colleagues, stakeholders and providers in their strategic and operational planning, to help meet the challenges of a demand led system.

A more detailed analysis of the issues presented can be found in the West Midlands Strategic Analysis at www.lsc.gov.uk/westmidlands

The Demand for Skills and Qualifications

The shifts in sectoral and occupational employment will impact on the skills and qualifications needed by employers and individuals. Ten years from now there will be fewer employment opportunities for people with no or few skills, whereas there will be more opportunities for those with higher level skills.

Demographic Changes and the Supply of Skills

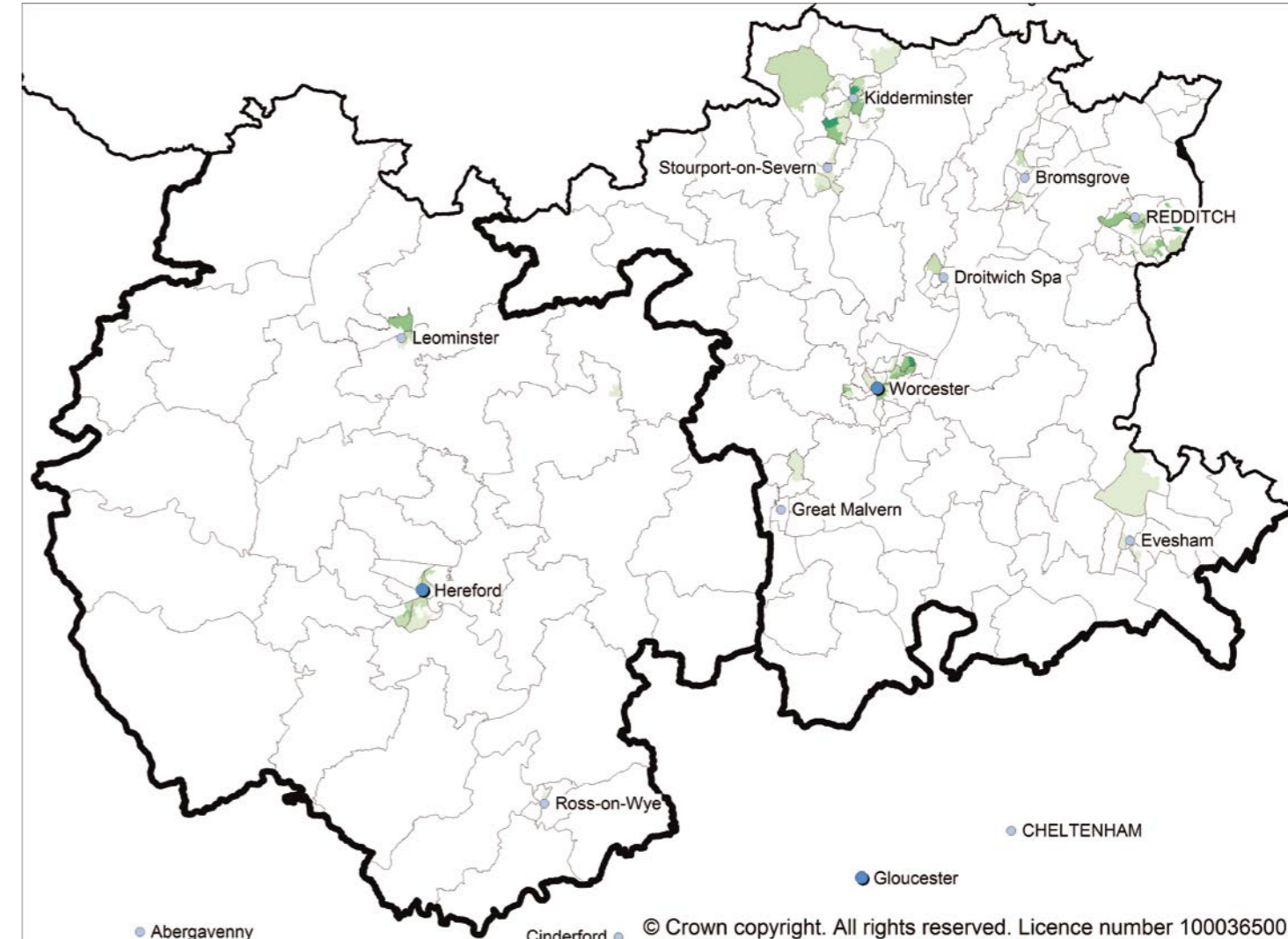
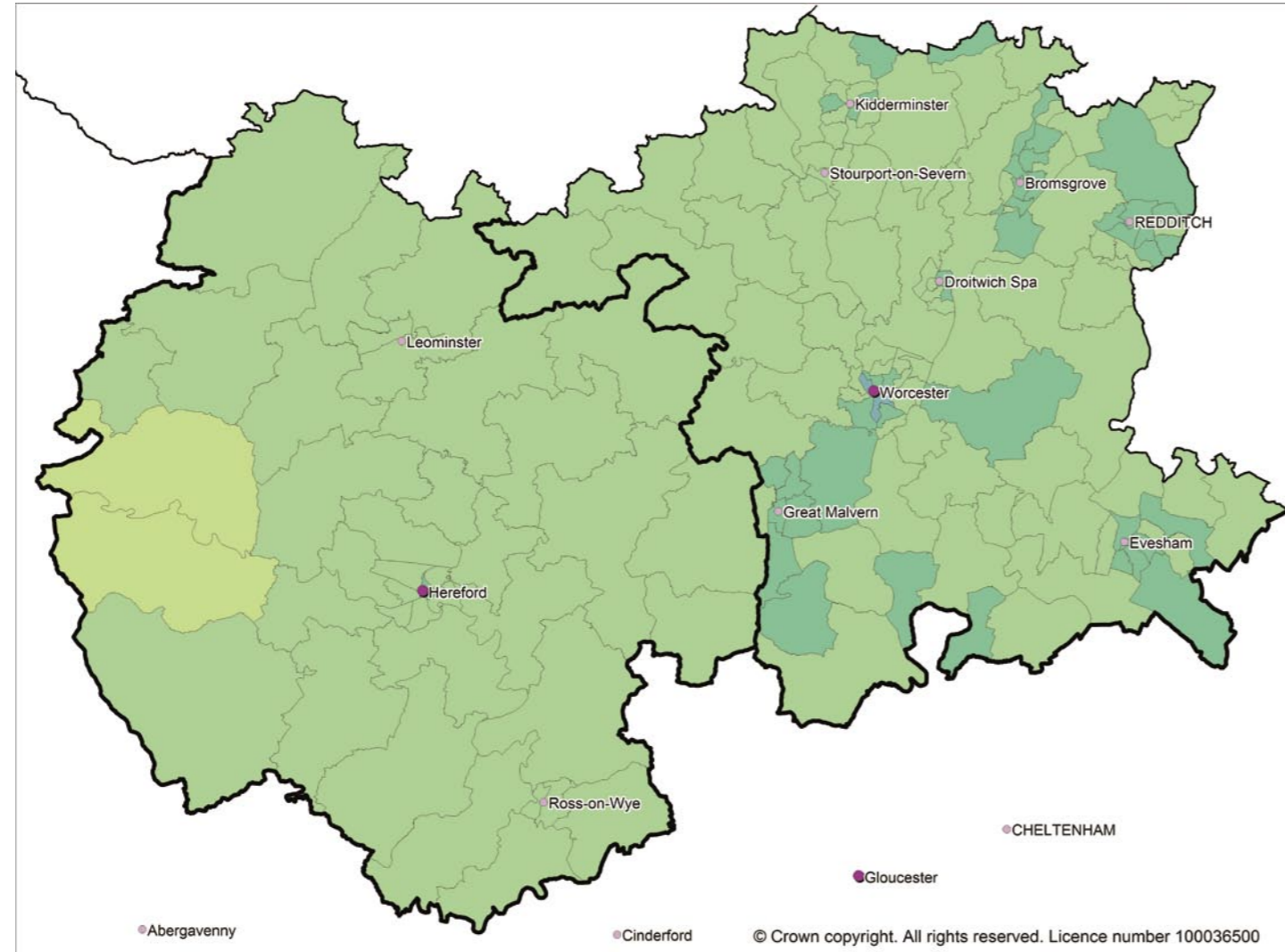
The regional population is expected to grow by 211,000 by 2018, at a rate of 4% slightly slower than the England average. Most of this growth will be in the 65 and over age group. The working age population (16-65) will grow by just 46,000 (1%). When we link this to the expected employment growth it is apparent that some employers will have difficulties meeting their recruitment needs and will have to become more effective in exploiting growing groups of potential labour supply such as minority ethnic groups and older people.

Market Analysis

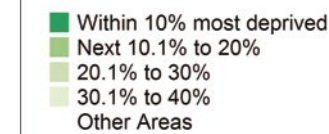
The Structure of the Regional Economy

Whilst many of the West Midland's key manufacturing industries have continued to decline, a range of service industries are expanding significantly and are becoming key sources of wealth creation for the region. These include both private sector services such as business and professional services, retail and hotels and catering and public sector activities such as health and social care and recreational and cultural services.

Forecasts suggest that there is potential for significant additional demand for labour and skills in the West Midlands over the next decade. Overall close to a million job opportunities could potentially be on offer, with 90,000 of these being new jobs created by the expansion of the economy.



IMD 2004 - Overall Deprivation National Comparison (Percentile)



Levels of pay and levels of qualifications

Average pay levels vary considerably across Herefordshire and Worcestershire. Compared to a regional average of £22,047 per annum, Herefordshire is significantly lower at £19,208, whereas average annual earnings in Bromsgrove are notably higher at £26,797.

In terms of qualifications, overall in Herefordshire and Worcestershire, the proportion of the economically active population with either a Level 4 or Level 3 qualification is higher than the regional average – 29% and 48% respectively. The proportion with no qualifications is the same as the regional average at 12%. Within Herefordshire and Worcestershire, Malvern Hills and Bromsgrove districts have the highest proportion qualified to levels 3 and 4.

Herefordshire

Population 178,800

The county of Herefordshire is at the south west of the West Midlands, sharing borders with Wales and Gloucestershire outside of the region, as well as Shropshire and Worcestershire within. It covers some 840 square miles of predominantly rural land along with the city of Hereford and the market towns of Bromyard, Kington, Ledbury, Ross-on-Wye and Leominster.

Herefordshire has an estimated working age population of 103,500, of those 17.4% have declared that they have a disability. Only 1% of the county's population are from ethnic minority groups, significantly below the regional figure of 9%. The local Claimant Count unemployment rate is 1.5% (April 2007), again well below the regional average of 3.3%.

In terms of employment structure, over a quarter of the county's jobs are in public administration, health and education. Wholesale and retail account for another 17.3% and manufacturing 17%. Employment in the agricultural sector is significantly higher than the regional average at 6%.

The proportion of 19 year olds achieving a NVQ level 2 qualification has increased by 3 percentage points since 2004 to 73% in 2006. This is three percentage points higher than the regional average.

Bromsgrove

Population 91,500

Bromsgrove district covers an area of 84 square miles and borders the south of the West Midlands conurbation. It is bounded by Birmingham, the boroughs of Dudley, Solihull and Redditch, and the districts of Wyre Forest, Wychavon and Stratford-on-Avon. The four main towns are Bromsgrove, Hagley, Rubery and Wythall. Nine-tenths of the area of the district is designated green belt land.

The district has an estimated working age population of 54,900, of those 20.5% have declared that they have a disability. Some 2% of the district's population are from ethnic minority groups, significantly below the regional figure of 9%. The local Claimant Count unemployment rate is 1.8% (April 2007), again well below the regional average of 3.3%.

The public administration, health and education sector accounts for over a quarter of employment in the district, with business and professional services and wholesale and retail sectors accounting for a further 15.2% and 12.7% respectively.

The proportion of 19 year olds achieving a NVQ level 2 qualification has increased by five percentage points since 2004 to just over 78% in 2006. This is eight percentage points higher than the regional average.

Malvern Hills

Population 75,100

Malvern Hills district is a predominantly rural local authority which includes the towns of Malvern, Upton-upon-Severn and Tenbury Wells. Part of the district is designated an area of Outstanding Natural Beauty.

Malvern Hills has an estimated working age population of 40,300, of those 14% have declared that they have a disability. Only 1% of the district's population are from ethnic minority groups, significantly below the regional figure of 9%. The local Claimant Count unemployment rate is 1.4% (April 2007), again well below the regional average of 3.3%.

Employment in education and health accounts for almost 24% of jobs in the district, with a further 20% being in business and professional services. Manufacturing accounts for 14% of employment and a further 13% of jobs are in wholesale and retail.

The proportion of 19 year olds achieving a NVQ level 2 qualification has increased by four percentage points since 2004 to 74% in 2006. This is four percentage points higher than the regional average.

Redditch

Population 79,600

Redditch district contains two distinct areas – Redditch town, which accounts for more than 90% of the district population and a rural area to the south east of the district. Redditch district lies to the east of Worcestershire and shares borders with Bromsgrove and Wychavon within Worcestershire and Warwickshire.

Redditch district has an estimated working age population of 49,800, of those 22% have declared that they have a disability. Some 5% of the district's population are from ethnic minority groups, below the regional figure of 9%. The local Claimant Count unemployment rate is 2.3% (April 2007), again below the regional average of 3.3%.

A quarter of employment in Redditch district is in manufacturing and business and professional services accounts for a further 21%. Some 19% of jobs in the district are in public administration, education and health and the wholesale and retail sector accounts for a further 16%.

The proportion of 19 year olds achieving a NVQ level 2 qualification has increased by three percentage points since 2004 to 62% in 2006. This is one percentage point lower than the regional average.

Worcester City

Population 94,300

Worcester city is the administrative and geographic centre of Worcestershire and is wholly urban and suburban in character. It is the main employment centre of the county with good access to the West Midlands conurbation to the north and Wales to the west and the South West region.

Worcester city has an estimated working age population of 58,700, of those 15.8% have declared that they have a disability. Some 3% of the city's population are from ethnic minority groups, below the regional figure of 9%. The local Claimant Count unemployment rate is 2.6% (April 2007), again below the regional average of 3.3%.

Some 22% of employment in Worcester is in business and professional services, with a further 17% being accounted for by public administration, education and health. Wholesale and retail accounts for 14% of the jobs in the city and hotels and restaurants a further 12%.

The proportion of 19 year olds achieving a NVQ level 2 qualification decreased by three percentage points between 2005 and 2006 to 70%. This is one percentage point lower than the regional average.

Wychavon

Population 116,900

Wychavon is the largest district in Worcestershire both in terms of area and population. Predominantly rural in nature, Wychavon is home to three market towns – Evesham, Droitwich and Pershore – which account for half of the district's population.

Wychavon has an estimated working age population of 68,500, of those 13.1% have declared that they have a disability. Only 1% of the district's population are from ethnic minority groups, significantly lower than the regional figure of 9%. The local Claimant Count unemployment rate is 1.5% (April 2007), again below the regional average of 3.3%.

Just over one in five jobs in Wychavon is in the public administration, education and health sector, followed by manufacturing which accounts for 19% of employment. Wholesale and retail and business and professional services account for a further 15% and 12% of employment respectively.

The proportion of 19 year olds achieving a NVQ level 2 qualification has increased by six percentage points since 2004 to 74% in 2006. This is four percentage points higher than the regional average.

Wyre Forest

Population 98,500

Wyre Forest district can be classified as being semi-rural, with three main towns of Kidderminster, which is the district's main commercial centre, Stourport-on-Severn and Bewdley. To the north, the district borders the southern tip of Staffordshire.

Wyre Forest has an estimated working age population of 58,800, of those 23.1% have declared that they have a disability. Only 2% of the district's population are from ethnic minority groups, significantly lower than the regional figure of 9%. The local Claimant Count unemployment rate is 2.1% (April 2007), again below the regional average of 3.3%.

Over a quarter of employment in Wyre Forest is in the public administration, education and health sector, with a further 20% taken up by manufacturing. Wholesale and retail accounts for another 20% of employment and 13% is in the business and professional services sector.

The proportion of 19 year olds achieving a NVQ level 2 qualification has increased by five percentage points since 2004 to 60% in 2006. However, this is still eleven percentage points lower than the regional average.

Economy and Labour Market

Employment projections show that between 2004 and 2014 it is expected there will be steady employment growth in Herefordshire and Worcestershire. The net results of this will be 12,000 additional jobs, an increase of 3.5%. This predicted growth in employment in line with that estimated for the West Midlands and the national average.

The structure of employment by industrial sector is expected to change. Projections indicate that there will be a decline in employment within the primary sectors, including agriculture, engineering and other manufacturing and construction. This will be offset by a major growth in employment in business and other services, distribution (including wholesale and retail), education, health and social care. However, there will be demand for labour in all sectors of the economy due to replacement demands which reflect the need to replace skills that will be lost because of labour turnover as people retire or leave for other reasons.

At 6%, the proportion of employees in Herefordshire and Worcestershire with skills gaps as a proportion of employment is higher than the regional average (4.6%). Looking at recruitment problems, the sub-region is below the regional average in terms of the proportion of vacancies which are due to skills shortages (skills shortage vacancies 19% against 26%).

Gross annual earnings (2006)

Area	Annual pay - 2006
Herefordshire	£19,208
Bromsgrove	£26,797
Malvern Hills	#
Redditch	£19,239
Worcester	£22,172
Wychavon	£25,827
Wyre Forest	£20,632
Worcestershire	£23,951
West Midlands	£22,047
East Midlands	£22,155
South East	£27,412
London	£34,980
England	£25,008

Source: ONS, Annual survey of hour and earnings, resident analysis, April 2007
Suppressed due to statistical unreliability

Key Stage 4 GCSE results

	% Achieving 5+ A*-C	% Achieving 5+ A*-G	% With any passes
	2006	2006	2006
Herefordshire	61.8	93.1	98.3
Bromsgrove	61.4	92	98.3
Malvern Hills	62.2	93.2	97.9
Redditch	50.7	87.5	96.4
Worcester	55.1	89.3	96.6
Wychavon	63.7	95	98.8
Wyre Forest	51.8	88.2	97.2
Worcestershire	57.6	91.1	97.6
West Midlands	56.4	90.5	97.4
England	59.2	90.5	97.8

Source: DFES. From 2006 figures are for pupils at the end of Key Stage 4

Centres of Vocation Excellence (CoVEs) in Herefordshire and Worcestershire

Lead provider	Partners	Title of CoVE
Evesham & Malvern Hills College		Gas Safety Training
Herefordshire Group Training Association Ltd	Worcester College of Technology	Engineering Design, Manufacture & Maintenance Learning Centre
North East Worcestershire College	Worcester College of Technology	Management & Professional Studies
The Farriery Training Service		Farriery & Blacksmith Training
Worcester College of Technology		Chefs
Worcester College of Technology		The Herefordshire & Worcestershire Centre of Excellence for Construction Technologies

Source: Learning and Skills Council

Year 11 school leaver destinations (2006)

Status	Herefordshire		Worcestershire		Sub-Region	
	Number	%	Number	%	Number	%
In learning total	1,830	88.0	5,944	89.3	7,774	89.0
Full-time education	1,636	78.7	5,418	81.4	7,058	80.8
Government supported training	123	5.9	253	3.8	376	4.3
In employment total	189	9.1	566	8.5	760	8.7
Employment with training	73	3.5	266	4.0	341	3.9
Employment without training	116	5.6	300	4.5	419	4.8
Not settled	116	5.6	353	5.3	472	5.4
Not known/moved out of area	15	0.7	60	0.9	75	0.8
Total	2,079	100	6,649	100	8,740	100

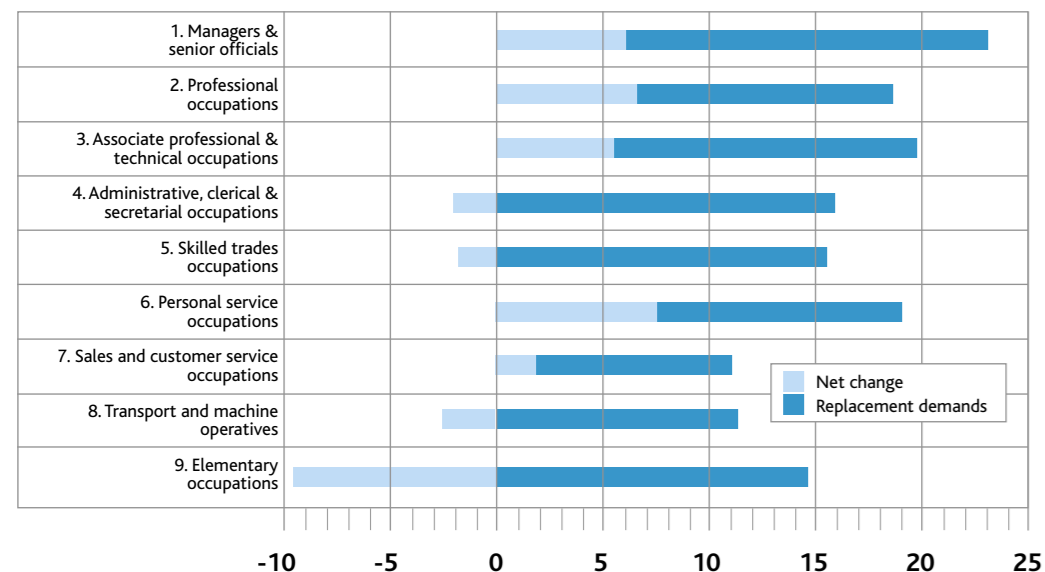
Source: Connexions Herefordshire and Worcestershire 2006

A-Level performance (2006)

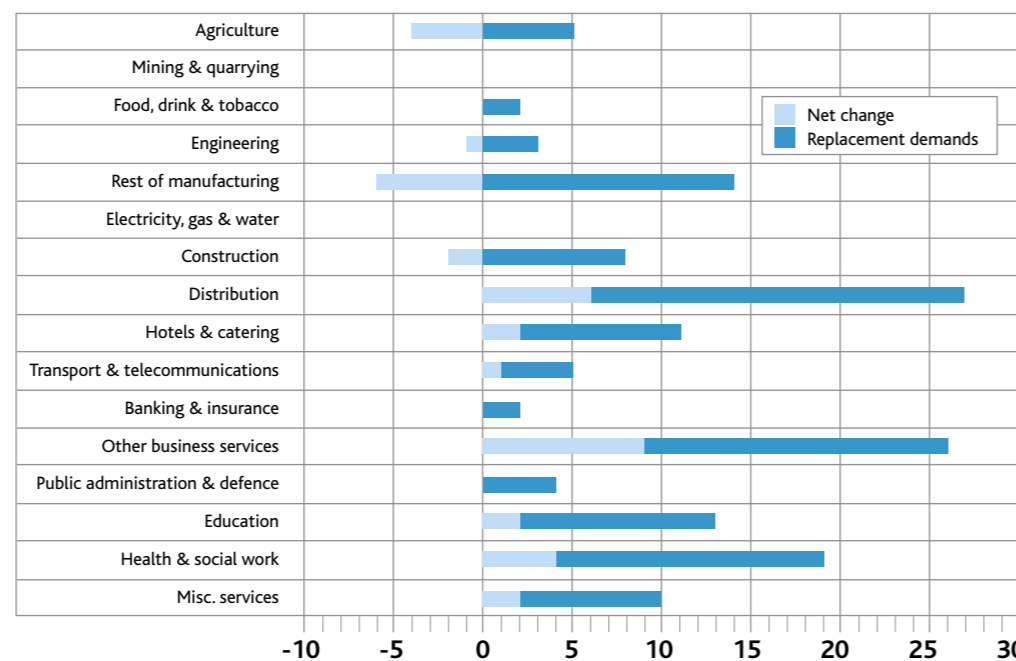
	Average QCA point score by students achieving all Level 3 qualifications:					
	Per candidate			Per entry		
	Male	Female	Total	Male	Female	Total
Herefordshire	837.3	864.1	852.4	208.1	218.7	214.0
Worcestershire	699.2	759.3	731.9	189.4	202.1	196.3
West Midlands	684.3	729.5	709.1	191.9	202.1	197.5
England Average	724.7	758.9	743.2	201.5	209.7	206.0

Source: DFES (2006)

Employment change 2004-2014 (000s), Herefordshire and Worcestershire



Employment change 2004-2014 (000s), Herefordshire and Worcestershire



All schools: Number of pupils by age as at 31st August 2005

	Age of pupils as at 31st August 2005				
	11	12	13	14	15
Herefordshire	2,110	2,080	2,200	2,240	2,200
Worcestershire	6,830	6,920	7,310	7,330	7,470
West Midlands	69,620	69,830	73,140	74,190	72,430
England	632,900	634,410	657,940	662,470	650,300

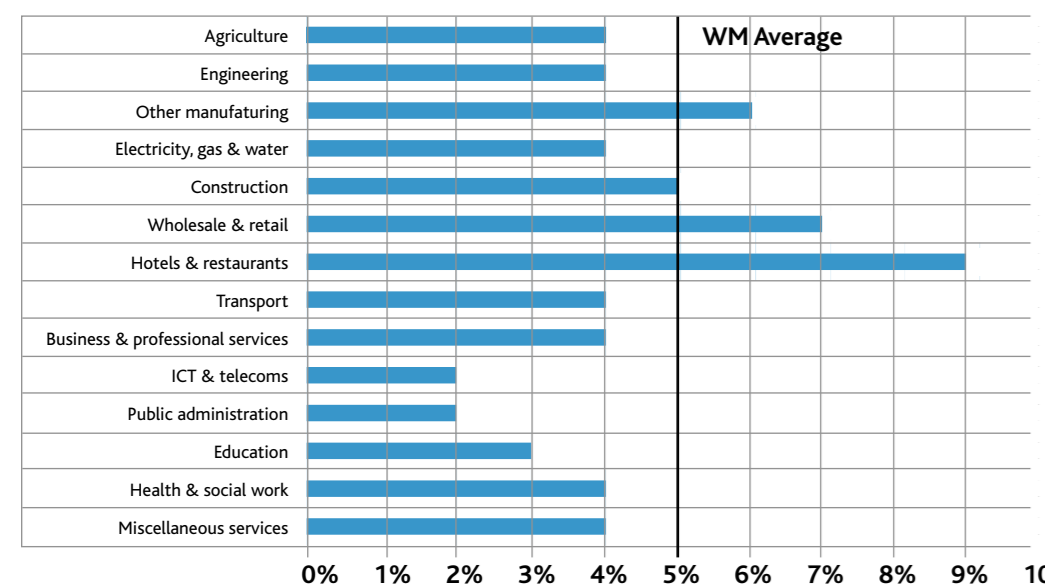
Source: DFES

Proportion of young people reaching the level 2 threshold

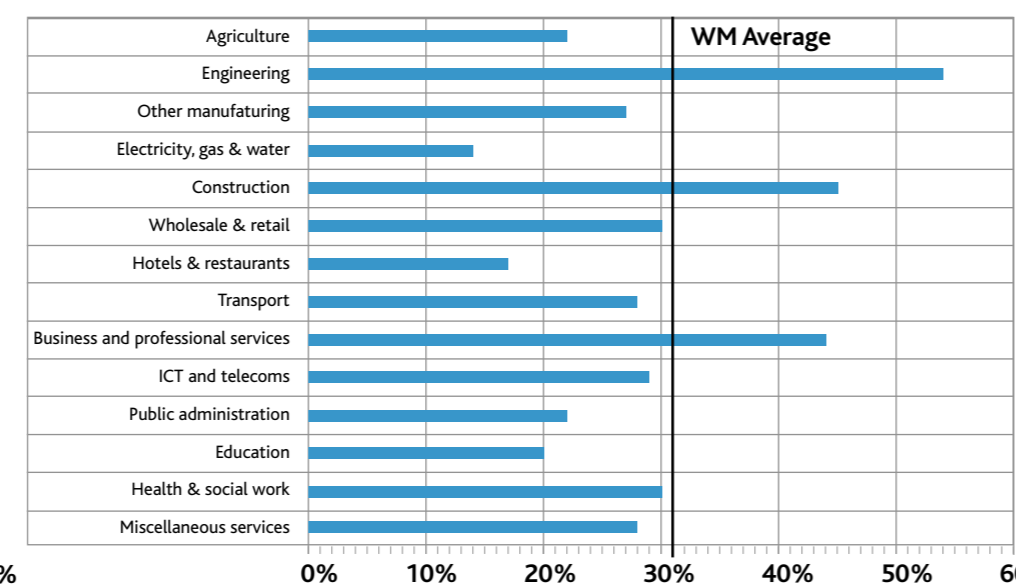
Local authority name	Aged 19 at the end of 2003/04	Aged 19 at the end of 2004/05	Aged 19 at the end of 2005/06	Percentage point change 2003/04 to 2005/06
Herefordshire, County of	70%	71%	73%	3
Bromsgrove	72%	78%	78%	5
Malvern Hills	70%	72%	74%	4
Redditch	59%	58%	62%	3
Worcester	70%	73%	70%	0
Wychavon	68%	68%	74%	6
Wyre Forest	55%	60%	60%	5
West Midlands	64%	67%	70%	6
England	66%	69%	71%	5

Source: FFT matched administrative dataset 2005/06

West Midlands skills gaps by sector (as a % of employment)



West Midlands skills shortages by sector (as a % of vacancies)



Economically active qualification levels (2005): Percentage of economically active population

	Level 4+	Level 3+	Level 2+	Level 1+	No qualifications
Herefordshire and Worcestershire	29	48	71	88	12
Herefordshire	28	48	71	90	10
Worcestershire	29	48	71	87	13
West Midlands	26	45	68	88	12
England	30	49	71	90	10

Source: ONS, Annual Population Survey 2005

Proportion of young people reaching the level 3 threshold

Local authority name	Aged 19 at the end of 2003/04	Aged 19 at the end of 2004/05	Aged 19 at the end of 2005/06	Percentage point change 2003/04 to 2005/06
Herefordshire, County of	42%	46%	48%	6
Bromsgrove	50%	59%	55%	6
Malvern Hills	47%	50%	55%	8
Redditch	37%	36%	40%	3
Worcester	51%	54%	53%	1
Wychavon	49%	47%	53%	4
Wyre Forest	35%	39%	39%	5
West Midlands	39%	43%	44%	5
England	42%	46%	47%	5

Source: FFT matched administrative dataset 2005/06