

Labour Market Information for Lancashire

Joseph Mount
Skills and Economic Intelligence Analyst
Lancashire Skills Hub
joseph.mount@lancashirelep.co.uk
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“I thought they saved the best until last?”



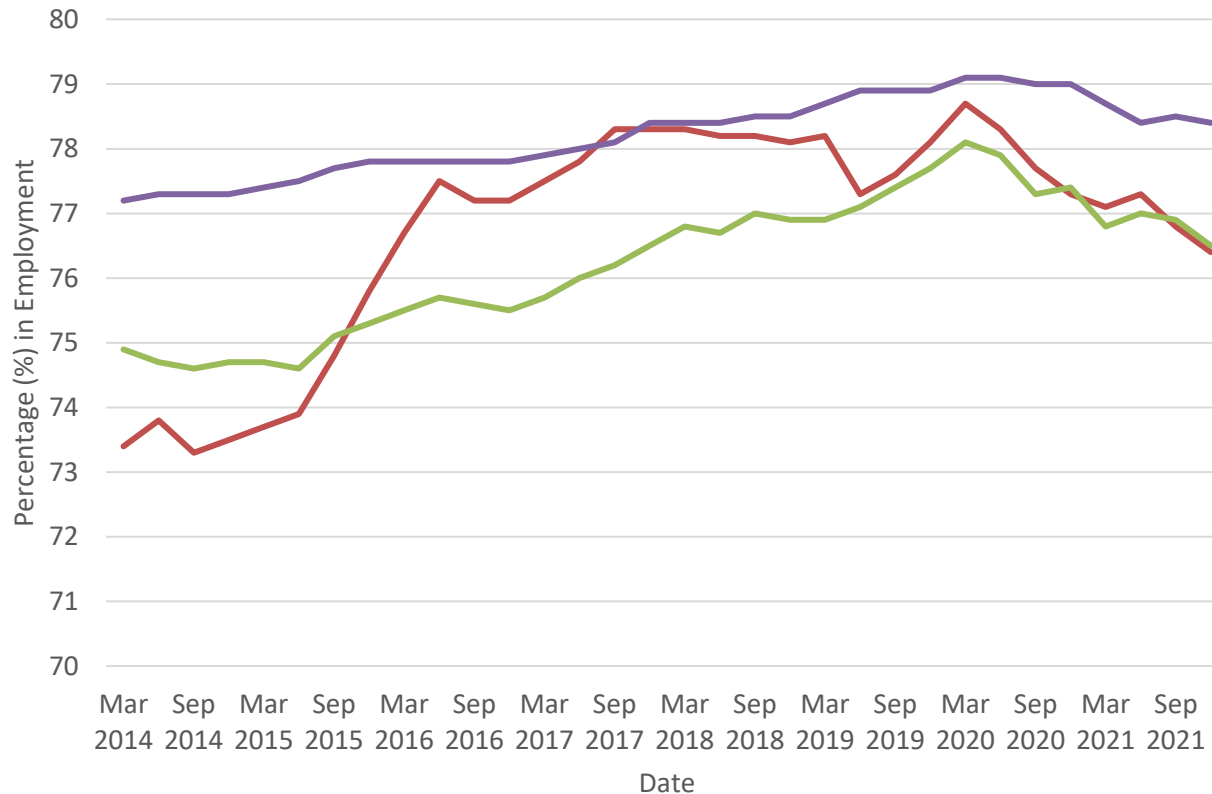
- We will see data about Lancashire’s economy and labour market that is the most up to date available.
- What are employers demanding?
- What skills are most sought after?
- Which kind of jobs are in highest demand?
- We’ll also look at some macroeconomic data for the country more widely
- We’ll try and provide a quick data understanding about the impact of the pandemic.

Firstly, employment...



LANCASHIRE SKILLS & EMPLOYMENT HUB

Employment Rate (2014-2021) Percentage of
Working Age Population in Employment



- Lancashire's employment rate is now 72.3%, this is 2.5 percentage points below the national average
- This is lower than pre-pandemic, and broadly in line with the drop experienced regionally, but much more severe than the drop nationally. This means there are now some 23,000 fewer people employed in Lancashire.
- Pre-pandemic, our employment rate was 76.2%, 0.3% above the national average.



Lancashire
Enterprise Partnership

— Lancashire — North West — Great Britain

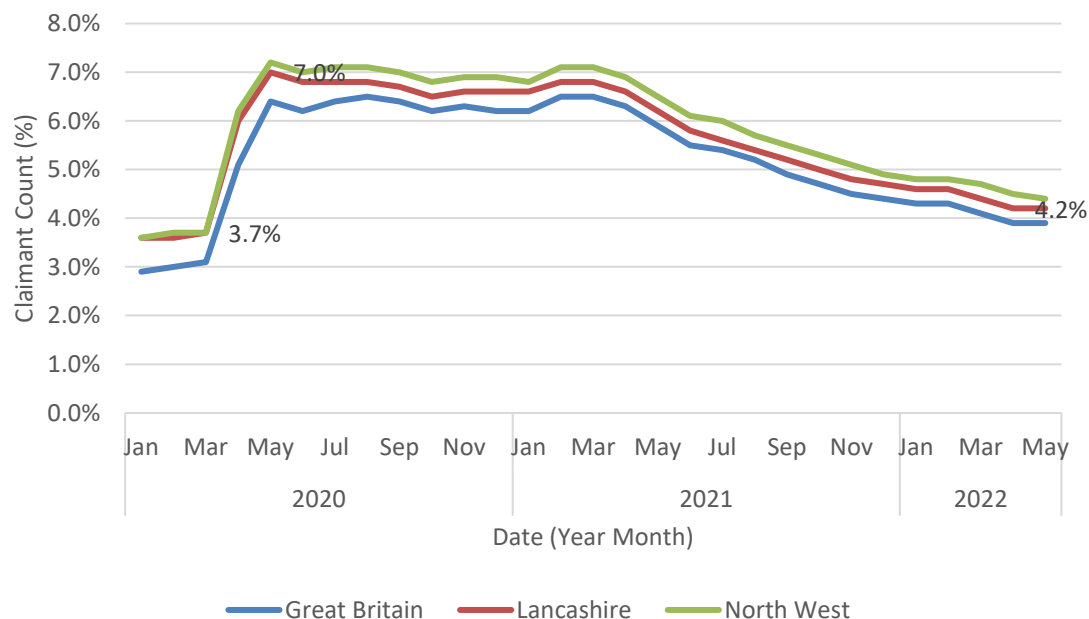
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Now Unemployment

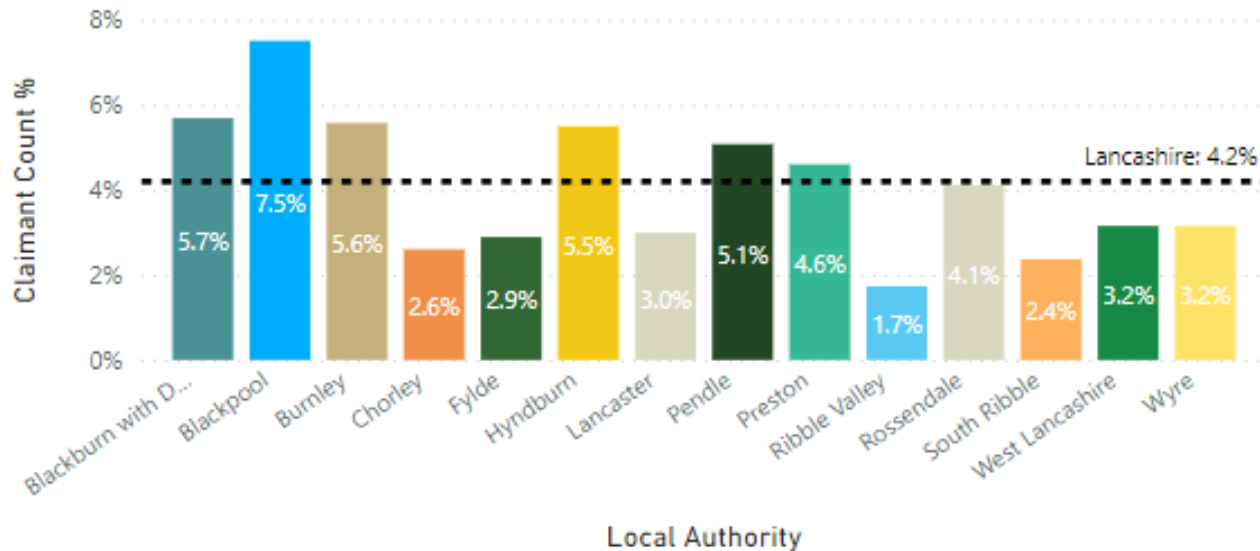


Universal Credit Claimants - Claimant Count (%) - Lancashire vs North West vs Great Britain



- Pre-Pandemic, Lancashire's claimant count was 3.7%, 0.6 percentage points above the national average.
- It rose as high as 7.0% in 2020, and has fallen quite consecutively since March 2021
- It is now 4.2%, having halved the gap between Lancashire and the national average.
- There are now 5,000 more unemployed people in Lancashire claiming universal credit.
- That is 26,000 fewer than the peak during the pandemic.
- There are now around 38,000 in Lancashire claiming UC due to worklessness.

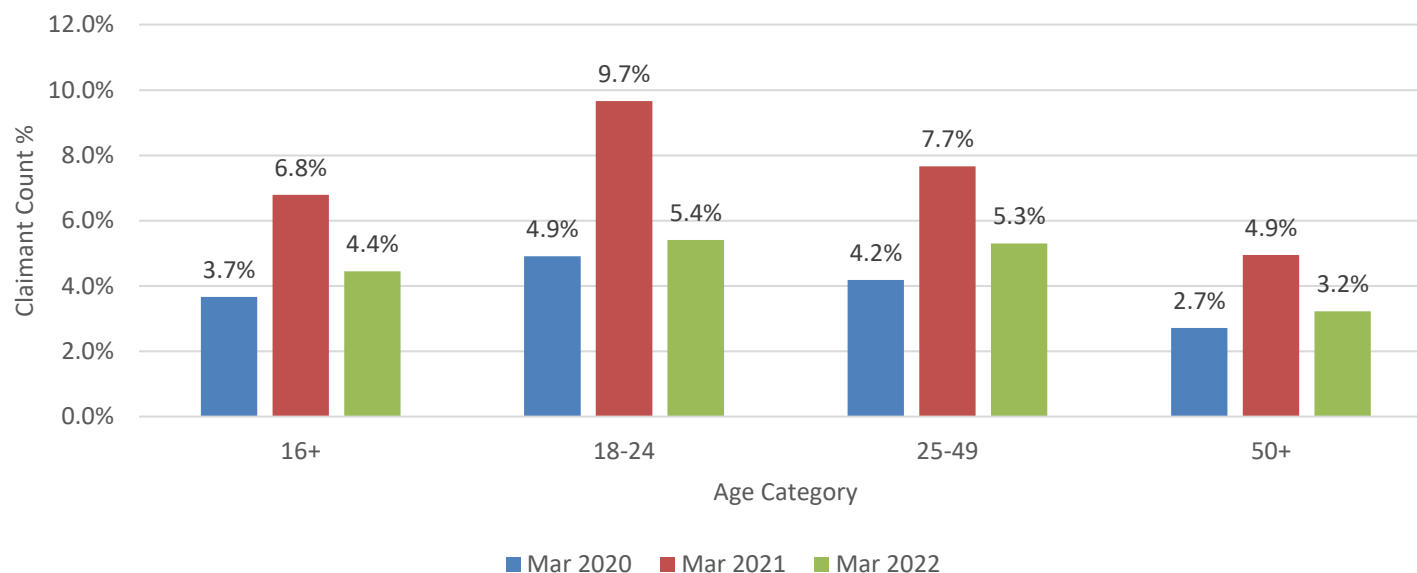
Now Unemployment



- Naturally it varies by area, and in the main the areas of higher unemployment are areas which had higher unemployment pre-pandemic.

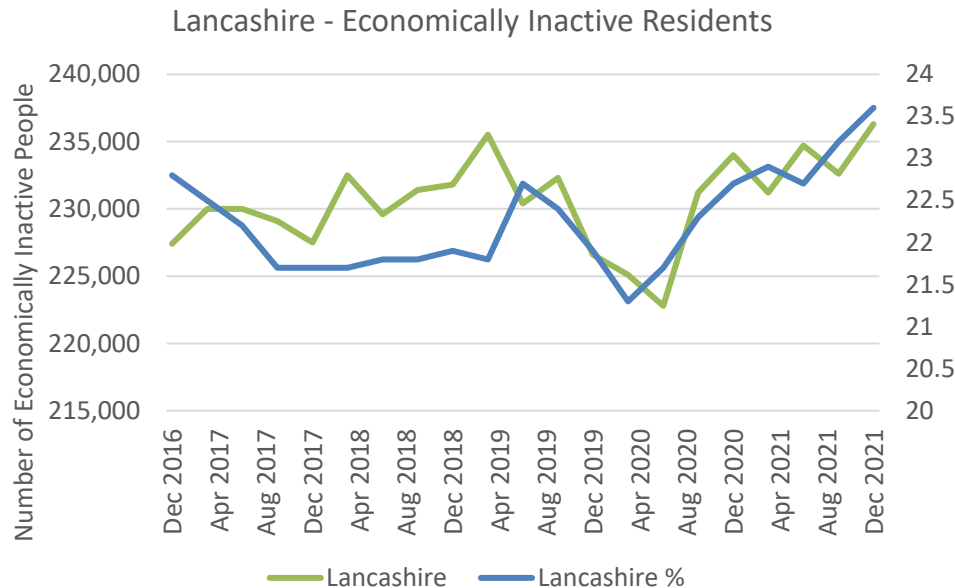
How does this look by age?

Claimant Count % by Age Bracket - Pre-Pandemic (March 2020) vs March 2021 and March 2022



- Overall, the claimant count is 0.7 percentage points above where it was pre-pandemic.
- For 18-24 year olds, it's 0.5 percentage points above, and much closer to the overall rate now than it was pre-pandemic (1.0 pp vs 1.2pp)
- 25-49 year olds are still claiming UC at a rate of 1.1 percentage points above it's pre-pandemic rate
- For 50+, it's 0.5 percentage points above the pre-pandemic rate

So, there's over 23,000 fewer employed people in Lancashire than pre-pandemic..



- But only 5,000 more are claiming universal credit? Even if we take UC at December 2021, there are still only 13,000 more claimants.. Where have the rest gone?
- There are around 19,000 more people in Lancashire economically inactive compared to pre-pandemic. Around 3,000 of these are now long-term sick.
- In total, there are an additional 15,000 who are inactive and “don’t want a job” – they may be sick, discouraged, looking after a household, retired etc.
- Data is tricky locally, but nationally, the inactivity rate is around 6% higher for 50-64 year olds than it is for the wider working age population.

Where have these jobs gone?



- Unhelpfully, sector employment information for 2021 hasn't yet been released
- But.. The annual population survey reveals some insight in changes in occupations
- We see 14,000 fewer managerial jobs and almost 5,000 fewer professional jobs in 2021 compared to 2020
- We will see later that this is changing, and vacancy data suggests these quite senior jobs are being advertised for.
- This will create opportunities at the entry level for young people, as workers at an intermediate level try to get promoted or change jobs to take on more responsibility (and earn more, probably).

So we know so far..

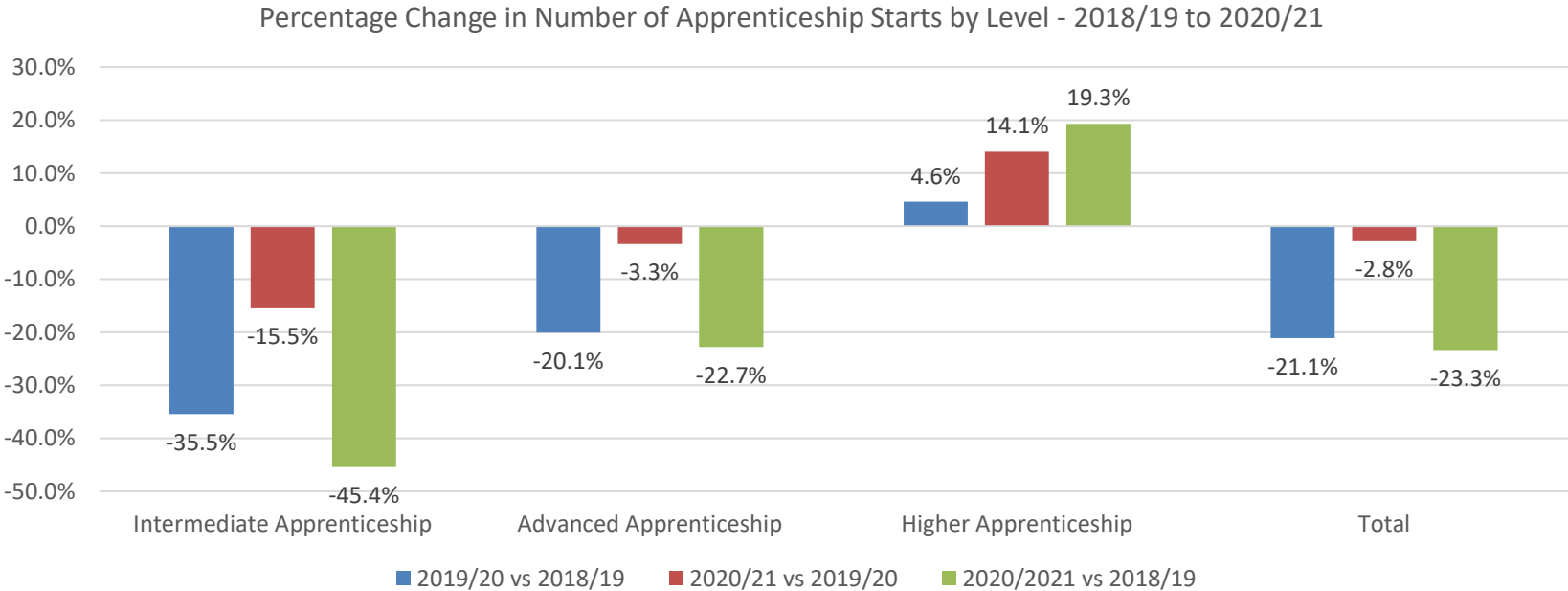


- There are 23,000 fewer employed people, about 5,000 of these are claiming universal credit.
- Universal Credit Claimant rates are approaching their pre-pandemic rates in Lancashire, particularly for 18-24 year olds.
- At the same time as fewer people are employed, there are also more economically inactive people, around 19,000 than there were pre-pandemic. 15,000 of these are in the “I don’t want a job” category, with some 3,000 long term sick (I mean, there was a pandemic..)
- The big drops in employment by occupation appear to be in Managerial jobs, and administrative jobs. The net effect is a slight rebalancing towards occupations that the ONS consider to be requiring lower level skills – though businesses are recruiting to these jobs (as we’ll see in a minute).

On to opportunities - First apprenticeships..



- In the 2019/20 Academic Year, Apprenticeship starts in Lancashire were 21% lower than the last pre-pandemic year. In England, the fall was 18%.
- 2020/21 starts continued to fall, down 2.8% year on year, and 23.3% below the last pre-pandemic year.
- There were 3,000 fewer Apprenticeship starts last year than the last pre-pandemic year.
- That's still 10,000 apprenticeship starts, however..

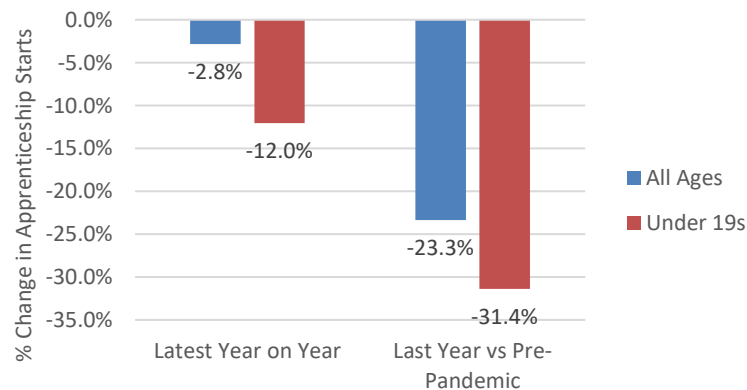


On to opportunities - First apprenticeships..

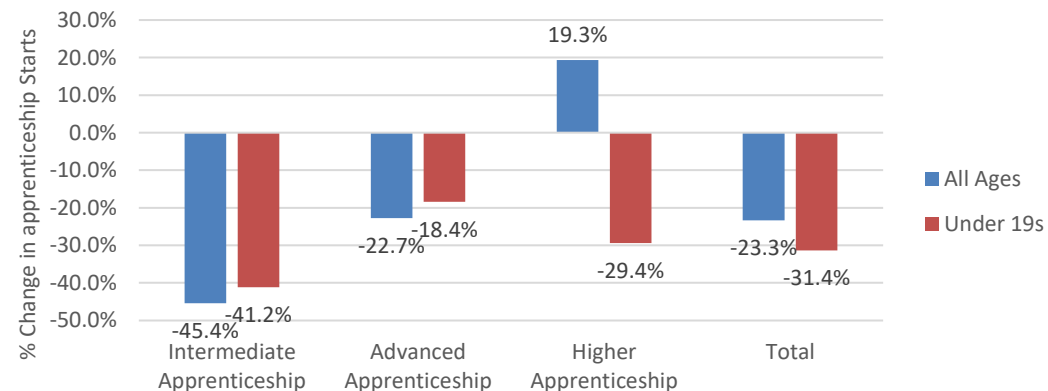


- Sadly, starts have dropped by more for young people aged 19 than they have generally, the equivalent of 1,200 fewer starts last year compared to pre-pandemic.
- Starts have dropped for U19s for Higher level apprenticeships (though only by 50), but have grown for all other ages. Starts have held up better for young people at lower levels.
- U19 Apprenticeship starts now represent a slightly dwindling proportion of all apprenticeship starts, 25.5% last year vs 28.5% pre-pandemic.

Change in Apprenticeship Starts vs Pre-Pandemic –
All Learners vs Under 19s



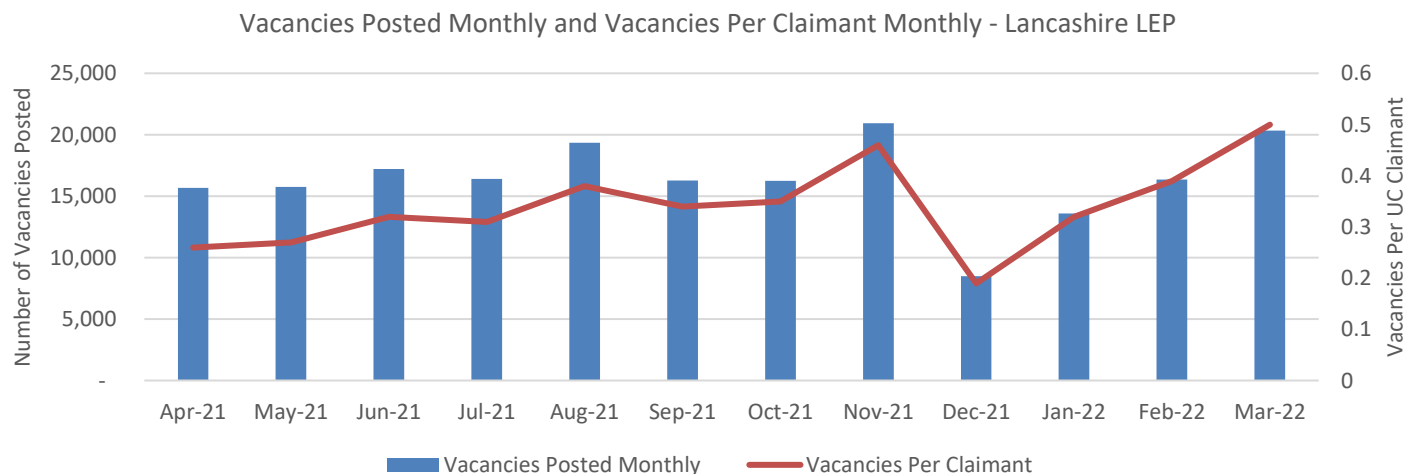
Change in Apprenticeship Starts vs Pre-Pandemic – All Learners vs Under 19s by Level



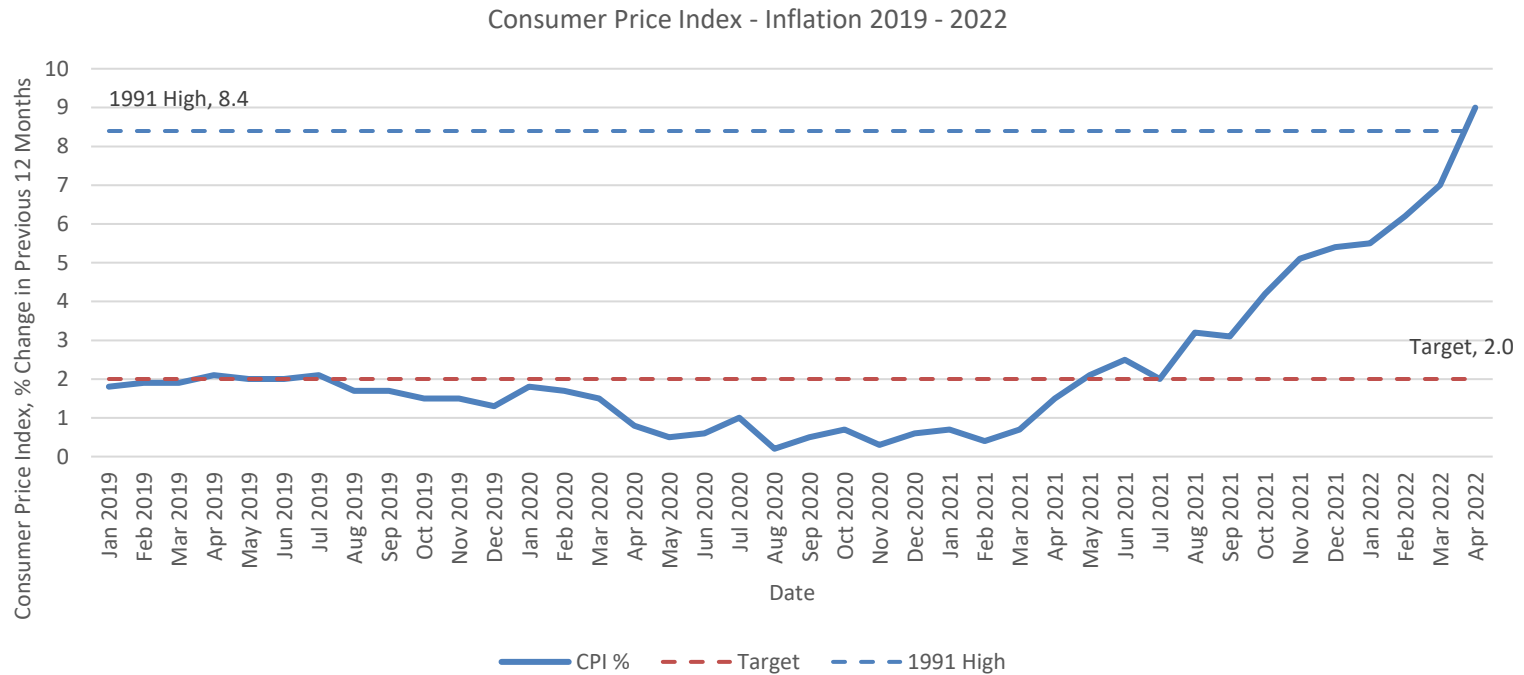
What can we see on an ongoing basis?



- Well, we know that vacancies are still incredibly high, in excess of 10,000 monthly for quite some time now..
- We can see monthly that the number of vacancies posted has invariably meant somewhere between 0.3 and 0.5 vacancies posted per person claiming universal credit.
- Remember there are 38,000 people claiming unemployment support at the moment, there were 20,000 vacancies posted in March alone – so what's going on?



This..



And this..

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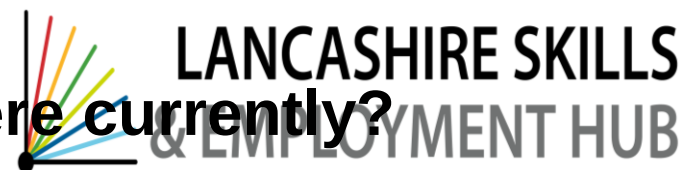
One in five employees expect to change jobs this year

By Daniel Thomas
Business reporter, BBC News

🕒 24 May | 💬 Comments

- In March 2022, a survey by PwC found that 18% of workers were extremely likely to switch to a new employer within the next 12 months
- A further 32% said to be moderately or slightly likely to do so.
- "The Great Resignation" could be causing labour market churn as workers fight for higher wages to deal with the cost of living.
- This risks shutting out those who are longer term unemployed and who mightn't be as "job ready".
- Vacancies mightn't be driven as much by job creation, as much as they're driven by the need to replace people who have left to go to another job.
- LinkedIn data suggests 30,000 people in Lancashire have changed jobs in the last 12 months..

What kind of opportunities are out there currently?



Top Posted Occupations

Occupation (SOC)	Total/Unique (May 2022)	Posting Intensity
Nurses	16,726 / 2,031	8 : 1
Care Workers and Home Carers	6,978 / 1,871	4 : 1
Other Administrative Occupations n.e.c.	1,915 / 926	2 : 1
Sales Related Occupations n.e.c.	1,600 / 782	2 : 1
Teaching Assistants	1,514 / 777	2 : 1
Customer Service Occupations n.e.c.	1,980 / 753	3 : 1
Nursing Auxiliaries and Assistants	3,860 / 553	7 : 1
Kitchen and Catering Assistants	1,523 / 546	3 : 1
Programmers and Software Development Professionals	1,031 / 453	2 : 1
Teaching and Other Educational Professionals n.e.c.	858 / 452	2 : 1

- There were almost 30,000 unique jobs posted in Lancashire in May 2022 alone..
- These are the most sought after occupations
- With lots of service workers demanded
- Employers are varying in their efforts/difficulties to recruit staff..
- A posting intensity of 3 = 3 per 1 unique job—this is the average for Lancashire and the North West..
- Healthcare is becoming increasingly challenging to recruit into, with a posting intensity of 8:1 for Nursing Occupations, 4:1 for Care Workers, and 7:1 for Nursing Assistants..
- Digital skills are becoming increasingly important, not only with the advent of hybrid working, but also demand for Programmers and Software Developers is increasing

When we look at this on a job title basis, healthcare looks even more challenging..

Top Posted Job Titles

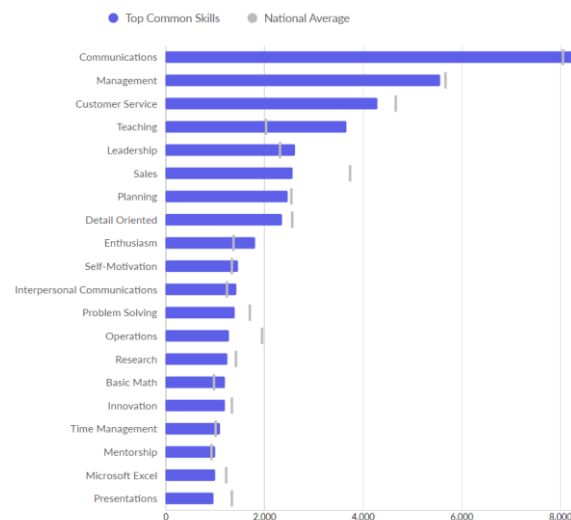
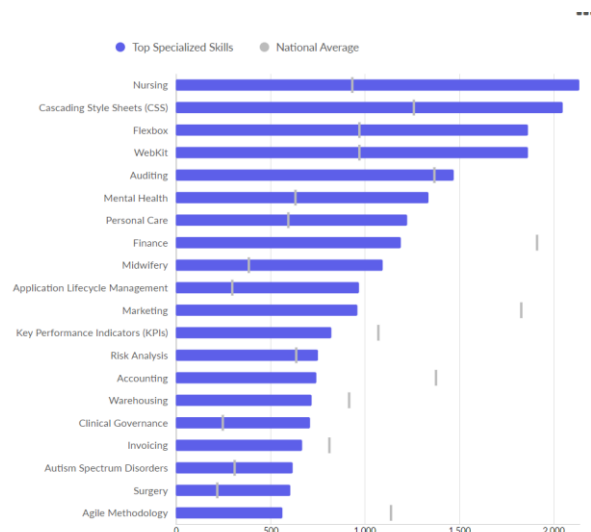
Job Title	Total/Unique (May 2022)	Posting Intensity
Support Workers	2,732 / 792	3 : 1
Health Care Assistants	2,514 / 346	7 : 1
Care Assistants	1,482 / 344	4 : 1
Teaching Assistants	512 / 259	2 : 1
Registered Nurses	829 / 239	3 : 1
Staff Nurses	2,103 / 198	11 : 1
Cleaners	483 / 181	3 : 1
Customer Service Advisors	339 / 163	2 : 1
Warehouse Operatives	397 / 161	2 : 1
Registered General Nurses	553 / 147	4 : 1
Customer Assistants	464 / 137	3 : 1
Production Operatives	278 / 122	2 : 1
SEN Teaching Assistants	241 / 120	2 : 1
Registered Mental Health Nurses	1,026 / 108	10 : 1
Physiotherapists	343 / 107	3 : 1
Team Members	295 / 107	3 : 1
Personal Assistants	198 / 103	2 : 1
Administrators	255 / 102	3 : 1
Deputy Managers	220 / 101	2 : 1
Mental Health Practitioners	1,668 / 82	20 : 1

- A posting intensity of 11:1 for Staff Nurses, 10:1 for Registered Mental Health Nurses, and 20:1 for Mental Health Practitioners..

What skills are employers asking for?



- This kind of data is being used to inform young people in careers sessions, not only about specialised skills and the types of jobs and industries they might want to go into – but things that are perhaps overlooked, like “soft skills” or “core skills” that might not be industry/job specific.
- Interestingly, management/leadership skills, and customer services skills are in high demand – might this indicate an attempt to replenish those workers lost during the pandemic?



A look to the future..

We don't have a crystal ball, but we do have forecasting, and we can look at fast growing skills..

We've just started trialling LinkedIn data on behalf of the Careers and Enterprise Company, and will be reporting back our findings on it's usefulness later in the summer..

LinkedIn data we're using will allow us to access insights on Labour Market movements for almost 350,000 LinkedIn users in Lancashire

Skills (100)	1y growth	Professionals
Analytical Skills	▲ 32%	7,538
Customer Experience	▲ 26%	4,613
Administrative Assistance	▲ 19%	3,562
Information Technology	▲ 15%	5,869
Finance	▲ 13%	11,221
Accounting	▲ 13%	4,111
Psychology	▲ 12%	2,990
Data Analysis	▲ 12%	8,245
SQL	▲ 11%	3,586
Adobe Illustrator	▲ 10%	3,242

- Analytical skills are the fastest growing skills among LinkedIn users in Lancashire – this is bad news for me...
- Data Analysis skills are fast growing – this is also bad news for me...
- SQL skills are fast growing – this is really dreadful news for me..
- We're using information such as this from LinkedIn, from EMSI Burning Glass, and with research done as part of the Local Skills Improvement plan to try and assist education institutions, Careers Advisors and through them, Young People, about what the future holds for them in Lancashire.

Looking further into the future



- We won't look at sectors, because we'll be here all day, but we can look at occupations, and the connotations of skill levels and qualification levels these occupations carry with them..
- We're using Cambridge Econometrics' Local Economy Forecasting Model as a shared Lancashire single source of truth, for our joint understanding of the future.
- We see strong "Replacement Demand" across occupations at all skill levels, where there will be a need to replace workers leaving those jobs to move into different jobs, or workers retiring.
- Where things differ is in "Expansion Demand"
 - There will be a shrinkage in the number of jobs at Skill Level 1 by 3000 jobs by 2036
 - There will be growth of 2,000 jobs at Level 2
 - There will be growth of 6,500 jobs at Level 3
 - There will be growth of 45,000 at Level 4 and above..
- Though there are some exceptions:
 - Care Roles
 - Customer Service Roles
- Highly skilled jobs will become faster growing, but there will still be a requirement for jobs at other skill levels.
- High skilled jobs growth will be driven by things such as Cyber, STEM, Low Carbon (insert favourite LGA fact here)