

**East Midlands Sector Skills Research
Leicestershire LSC Report**

Skills for Health

1. Introduction

This report is part of a wide-ranging programme of skills research covering all five Learning and Skills Council areas in the East Midlands region.

In relation to each of these Learning and Skills Council areas and the East Midlands region as a whole, a series of detailed reports have been produced that focus on the present and future skill needs of different sectors of the economy. The research outputs include:

- Individual reports for each Sector Skills Council footprint
- A further set of reports covering 39 of the 67 sectors defined by the Working Futures 2 employment forecasts. These sectors have been selected with reference to their importance in terms of numbers employed regionally and at an individual LSC area level and with consideration to the value each report will add to the Sector Skill Council reports.¹

This report focuses on the Skills for Health Sector footprint within the Leicestershire LSC area. The activities covered by the Skills for Health Sector footprint are set out in Appendix One.

The analysis contained in this report is entirely based on secondary data and includes use of data from the Working Futures 2 employment forecasts², National Employer Skills Survey 2005, Annual Business Inquiry 2004 and the Census 2001. Information compiled by Skills for Health Sector Skills Council has also been utilised.

The structure of this report is as follows:

- Current sector structure
- Sub sector analysis
- Workforce profile
- Historical trends
- Forecast employment change
- Drivers of change and key skill issues
- Human resource indicators
- Business and employment matrix

¹ A separate report setting out the full criteria for selection of reports has been produced and is available from Nottinghamshire Learning and Skills Council

² Working Futures: New Projections of Occupational Employment by Sector and Region, 2004, SSDA/LSC/IER/CE

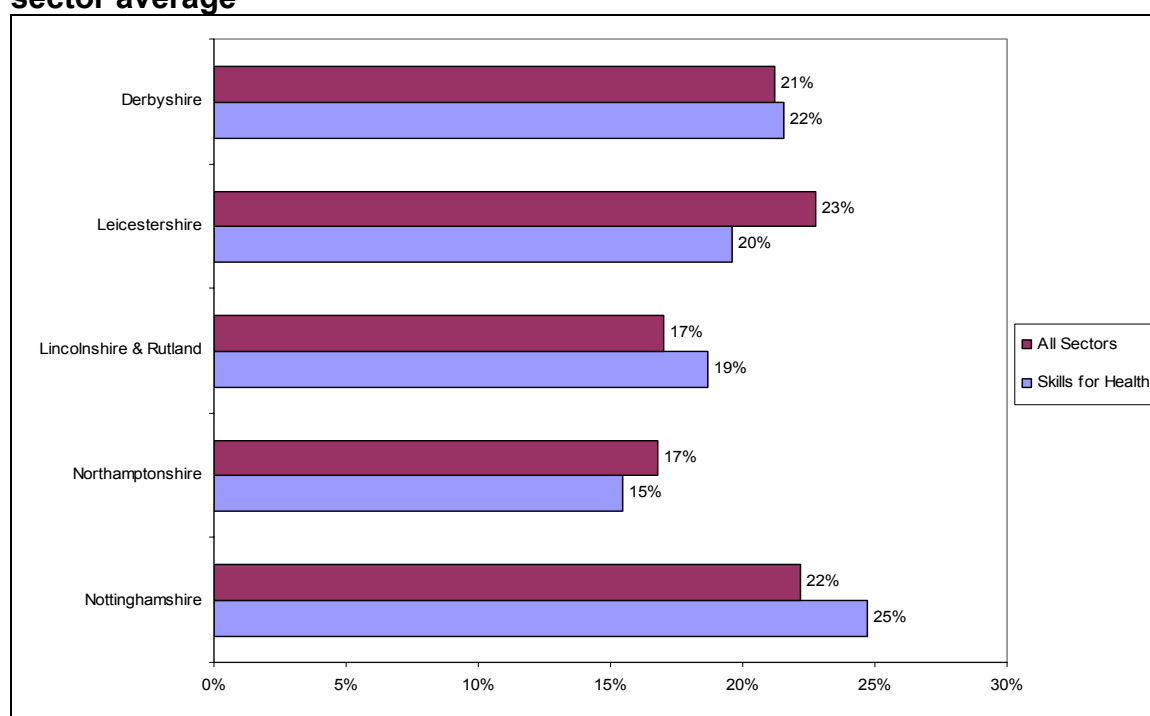
2. Current sector structure

Based on the Annual Business Inquiry 2004 there are an estimated 674 employers and 27,075 employees working in the Skills for Health sector in the Leicestershire LSC area³.

The sector accounts for 2% of all employers in Leicestershire LSC area and 7% of total employment⁴.

Chart 1 sets out the distribution of Skills for Health employers by LSC area within the East Midlands region and compares this with the distribution of all employers (All sectors)⁵.

Chart 1: Share of total employers by LSC area; Skills for Health and All sector average



Source: ABI 2004

Analysis of the spatial distribution of the sector indicates that as a proportion of all Skills for Health employers within the East Midlands Region those in

³ The Annual Business Inquiry figures on employment excludes those self employed and casual labour, so is likely to under-estimate the total number of people working in the sector. Working Futures 2 data which takes account of numbers self employed estimate that the total numbers working in the sector in 2004 was 27,750.

⁴ The Annual Business Inquiry (ABI) estimates for employers cover all UK businesses registered for Value Added Tax (VAT) and/or Pay As you Earn (PAYE).

⁵ It should be noted that the figures on all charts in this report have been rounded to the nearest full percentage, but the bars on each chart still reflect any small decimal point differences

Leicestershire account for an estimated 20% and of all Skills for Health employers in England, those in Leicestershire account for 1.6%

In relation to employment, the respective figures are 20% of the regional total and 1.7% of the total for England. (See Table 1 for more details).

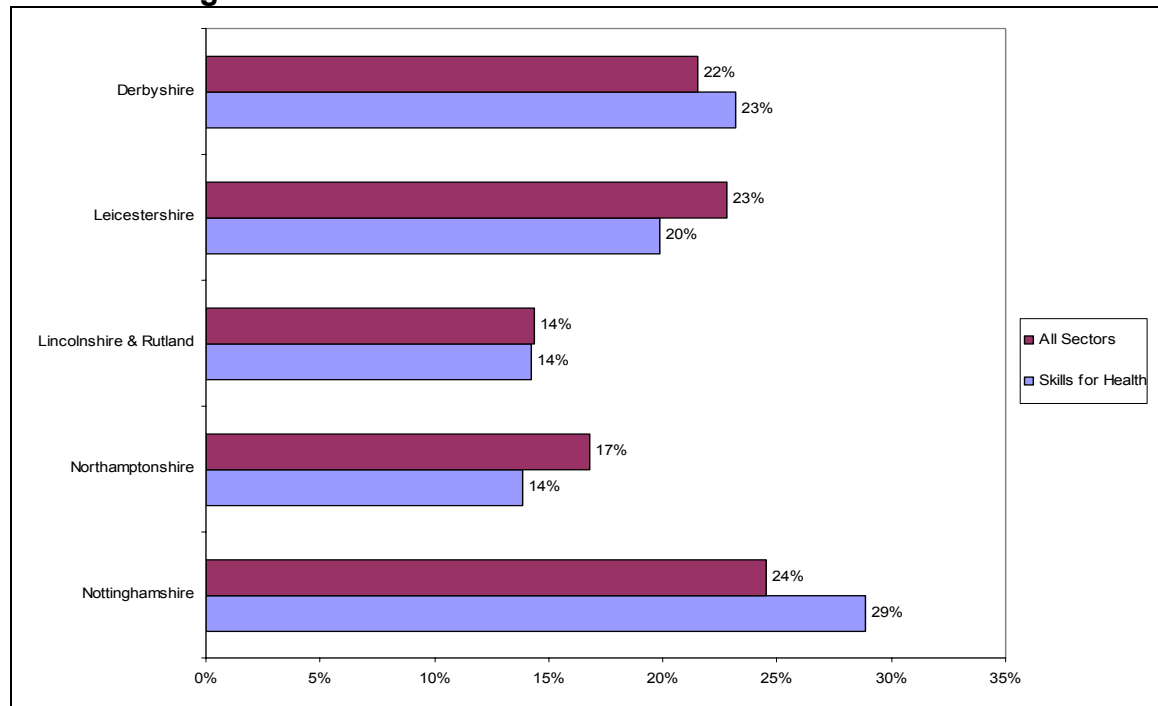
Table 1: Structure of employment and employers within Skills for Health; Leicestershire, East Midlands Region, England

	Number (LSC area)	As % of all in LSC area	As % of sector in East Midlands Region	As % of sector in England
Number of employers	674	2%	20%	1.6%
Number of employees	27,075	7%	20%	1.7%

Source: ABI 2004

Chart 2 sets out the distribution of Skills for Health employment by LSC area and compares this with the distribution of total employment (All sectors).

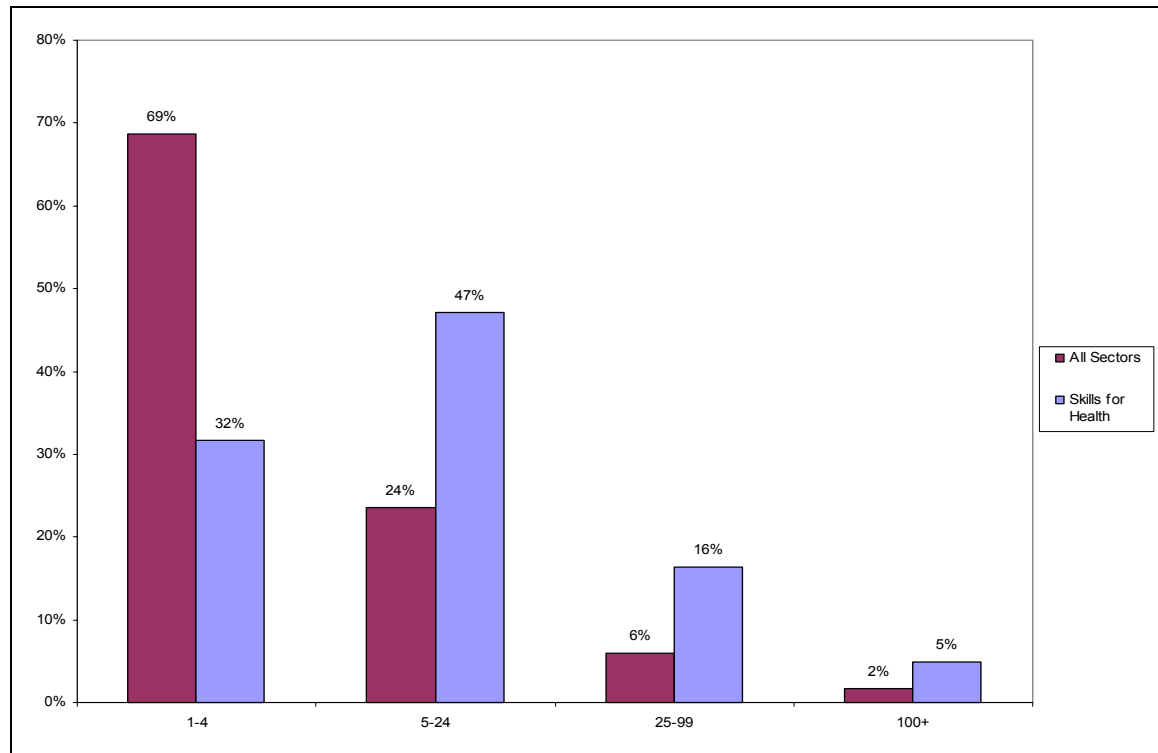
Chart 2: Share of total employment by LSC area; Skills for Health and All sector average



Source: ABI 2004

Chart 3 outlines the proportion of employers within different employment size bands in Leicestershire and indicates that by comparison with the average for all sectors within Leicestershire, there are relatively high concentrations of small to medium sized employers within the Skills for Health sector footprint (Those employing between 5-99 employees).

Chart 3: Proportion of employers by employment size band in Leicestershire; Skills for Health and All sector average



Source: ABI 2004

Table 2 identifies the proportion of employees working in different sized workplaces and highlights the relative concentrations of employment within large establishments (Those employing 100+ employees).

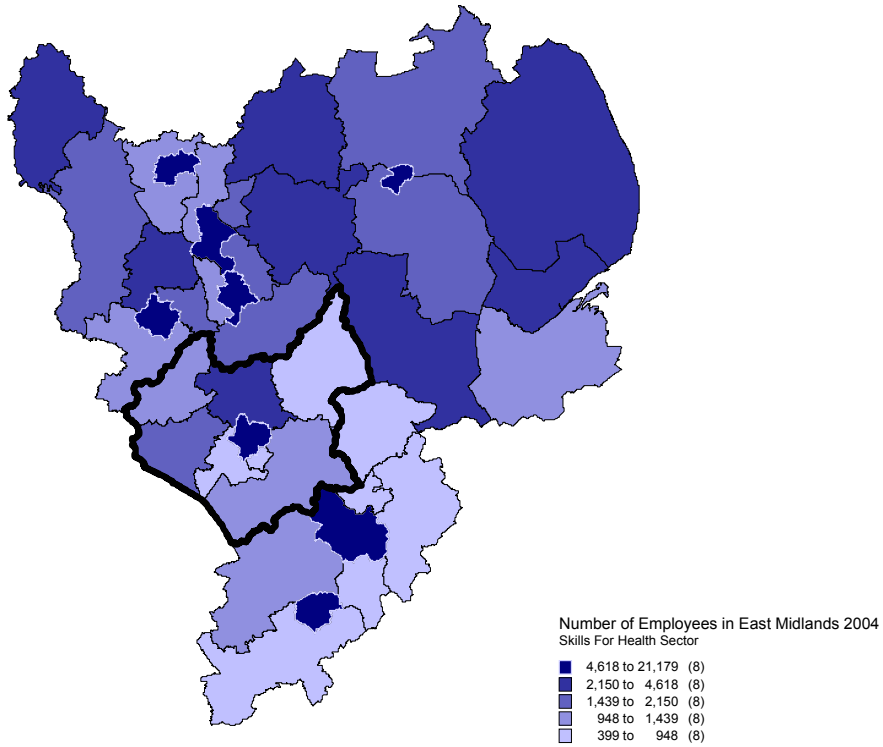
Table 2: Size structure of employment within Skills for Health; Number of employees within each employer size band; Leicestershire, East Midlands Region, England

	Number of employees in Skills for Health (LSC area)	% employees in Skills for Health (LSC area)	% employees in All sectors in LSC area	% employees in Skills for Health in East Midlands Region	% employees in Skills for Health in England
Number of employees (1-4 employees)	548	2%	11%	2%	2%
Number of employees (5-24) employees)	3,685	14%	22%	14%	14%
Number of employees (25-99) employees)	5,331	20%	24%	24%	21%
Number of employees (100+) employees)	17,511	65%	43%	60%	64%
All employees	27,075	100%	100%	100%	100%

Source: ABI 2004

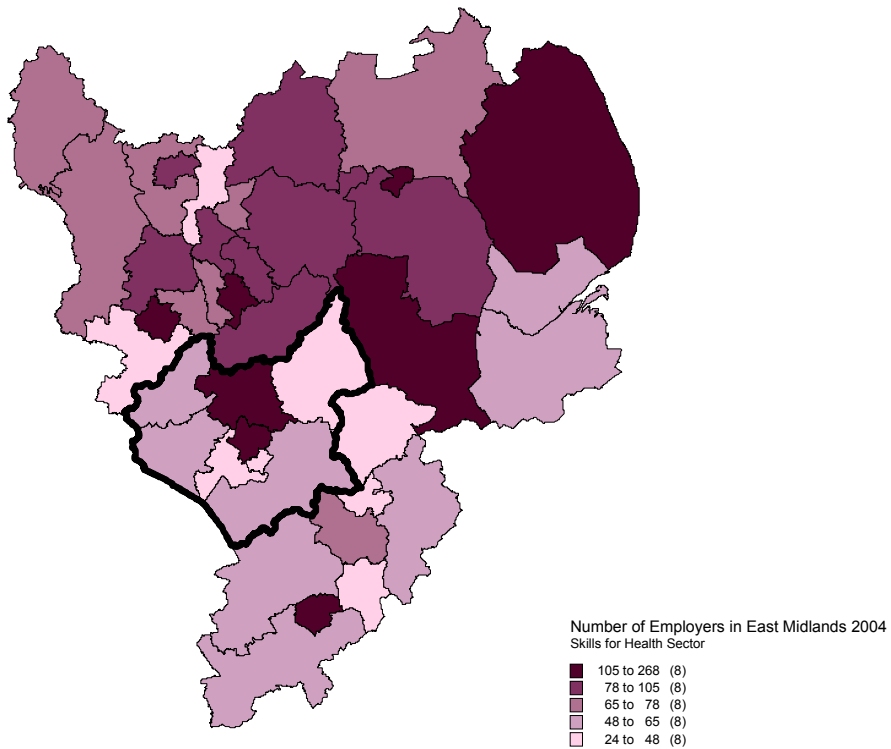
Maps 1 and 2 highlight the spatial concentrations of employees and numbers of businesses in the Skills for Health Sector within each local authority area within the East Midlands region. Appendix Two contains a key to all local authority names within the East Midlands region.

MAP 1



Source: Annual Business Inquiry 2004

MAP 2



Source: Annual Business Inquiry 2004

3. Sub sector analysis

Total employment within all sectors in Leicestershire represents about 1.8% of the total for England. Given that employment within Skills for Health within the LSC area represents 1.7% of the total for England, employment in Skills for Health activities within Leicestershire are slightly under-represented.

Table 3 provides a breakdown of employment within different Skills for Health sub-sectors⁶.

The analysis indicates that hospital activities accounts for an estimated 71% of all employment in Skills for Health activities in Leicestershire.

Table 3: Number and % of employment by Skills for Health sub-sector; Leicestershire, East Midlands Region, England

	Number (LSC area)	As % of all in Skills for Health sector in LSC area	As % of sub-sector in East Midlands Region	As % of sub-sector in England
Dental practice	873	3%	22%	1.7%
Hospital activities	19,300	71%	20%	1.7%
Medical practice	2,607	10%	16%	1.5%
Other human health activities	4,296	16%	20%	1.6%
Total for Skills for Health	27,076	100%	20%	1.7%

Source: ABI 2004

Table 4 provides a breakdown of employers within each Skills for Health sub-sector.

⁶ Appendix One contains SIC definitions for each Skills for Health sub sector

Table 4: Number and % of employers by Skills for Health sub-sector; Leicestershire, East Midlands Region, England

	Number (LSC area)	As % of all in Skills for Health sector in LSC area	As % of sub-sector in East Midlands Region	As % of sub-sector in England
Dental practice	122	18%	24%	1.8%
Hospital activities	138	20%	18%	1.6%
Medical practice	213	32%	20%	1.6%
Other human health activities	201	30%	18%	1.7%
Total for Skills for Health	674	100%	20%	1.6%

Source: ABI 2004

Table 5 identifies sub regional concentrations of employment within different Skills for Health sub-sectors, using location quotients. Location quotients use the local share of national employment for the sub-sector or sector and compare it with the local share of national employment overall. The difference gives an indication of whether there is a higher level of employment in the sub-sector/sector than average, or a lower level. In this example, the average for all sectors is 1.0. Therefore, a figure for a sub-sector/sector below 1.0 indicates an under-representation of employment and a figure above 1.0 represents a relative concentration of employment.

The analysis indicates that in relation to Leicestershire LSC as a whole, there are considerable regional variations in the concentrations of employment within different sub-sectors. Table 5 also identifies a number of relative concentrations of employment or 'hot spots' at a local authority area level.

Table 5: Sub regional concentrations of employment within Skills for Health sub sectors within Leicestershire

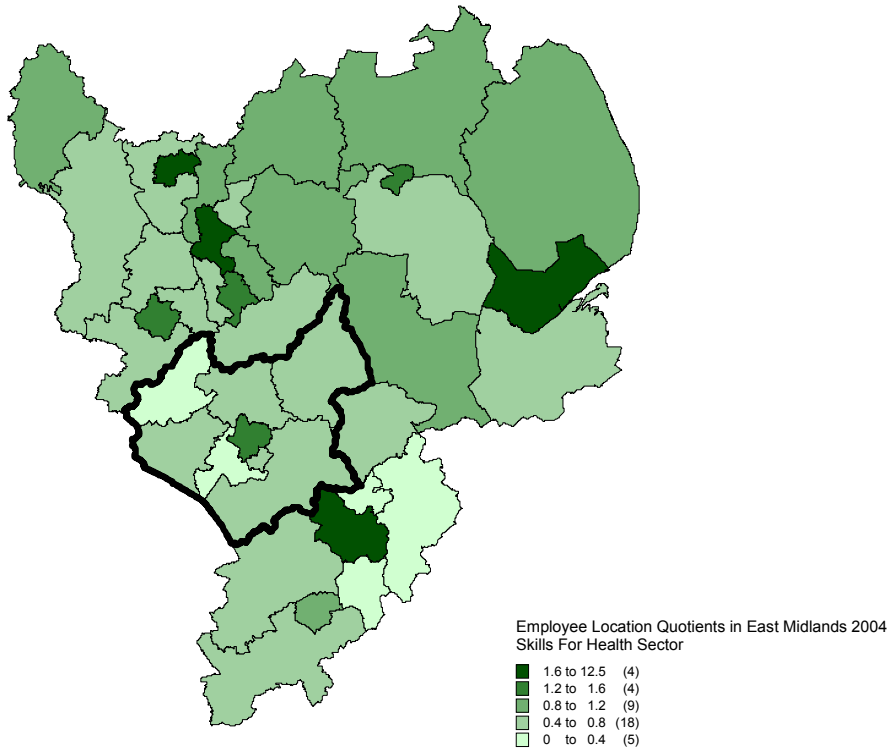
Sub-sector	Location Quotients for Skills for Health sub-sectors in Leicestershire ⁷	Sub regional 'hot spots'
Dental practice	0.93	Charnwood (1.43)
Hospital activities	0.92	Leicester City (1.84)
Medical practice	0.85	
Other human health activities	0.88	Charnwood (1.72)
Total for Skills for Health	0.91	Leicester City (1.54)
Total for All Sectors	1.00	

Source: ABI 2004

⁷ The share of employment in England within each sub sector or sector in Leicestershire by comparison with the share of employment in England in Leicestershire of all sectors.

MAP 3

Map 3 identifies spatial differences in location quotients for the Skills for Health sector for each local authority area in the East Midlands region.



Source: Annual Business Inquiry 2004

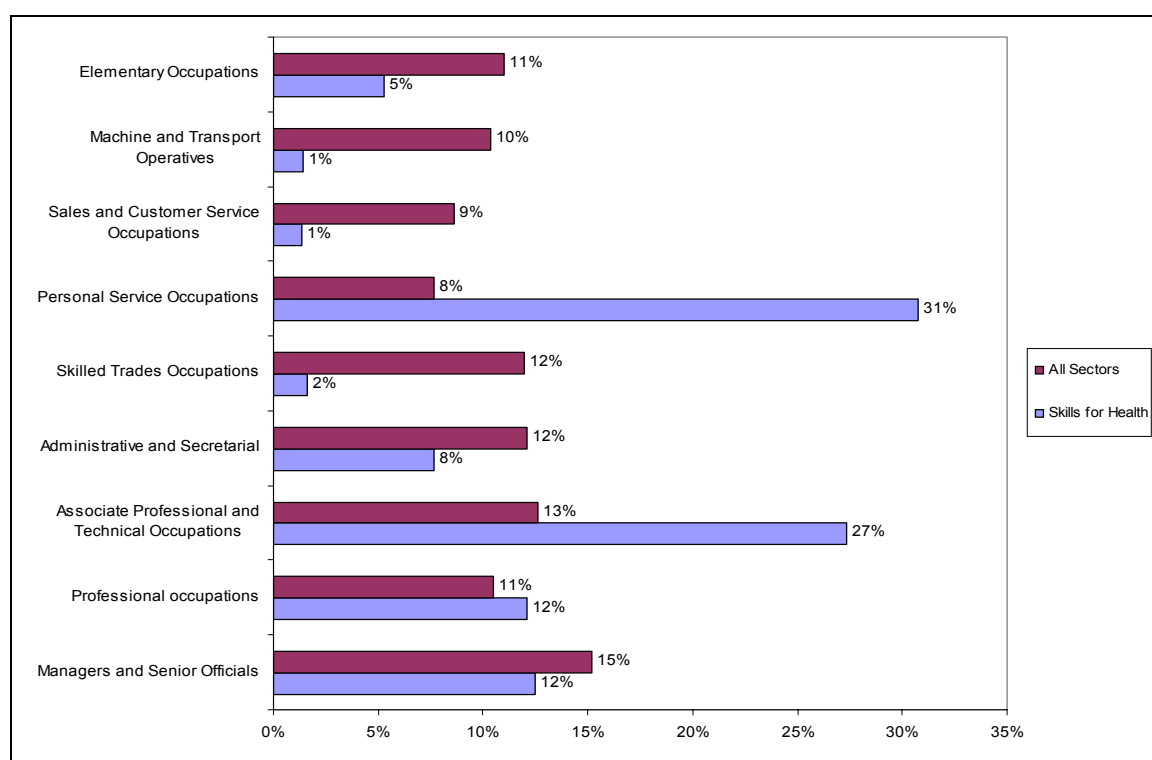
4. Workforce profile

This section examines the profile of those working within the Skills for Health sector in Leicestershire in relation to occupations, employment status, ethnicity, age and attainment level.

Chart 4 sets out the occupational structure and indicates that by comparison with the average for all sectors:

- A somewhat higher proportion of those employed in the Skills for Health sector work in personal service and associate professional and technical occupations
- A lower proportion work in transport and machine operative, sales and customer service and skilled trade occupations

Chart 4: Occupational structure of employment within Leicestershire; Skills for Health and All sector average



Source: Working Futures 2

Table 6 indicates that by comparison with the average for all sectors within the Leicestershire LSC area⁸:

⁸ The employment data relating to the workforce profile in terms of part time and full time employees, self-employment and gender is drawn from Working Futures 2 and are estimates. At an individual LSC area level these figures need to be treated with caution

- Part time work is more prevalent within Skills for Health
- The gender profile is predominantly female

Table 6: Skills for Health workforce profile summary; Leicestershire, East Midlands, England

	Skills for Health			Average for all sectors in LSC area
	LSC area	Regional average	Average for England	
% part time employees ⁹	42%	46%	44%	28%
% full time employees ¹⁰	51%	48%	49%	60%
% self-employed ¹¹	6%	6%	7%	12%
% male ¹²	19%	19%	21%	54%
% female ¹³	81%	81%	79%	46%
% Non-White employees ¹⁴	8%	7%	10%	12% ¹⁵
% employed whose highest qualification is NVQ Level 4 or above ¹⁶	9%	45%	48%	18%
% employed whose highest qualification is NVQ Level 3	7%	6%	7%	8%
% employed whose highest qualification is NVQ Level 2	20%	16%	16%	21%
% employed whose highest qualification is NVQ Level 1	25%	14%	13%	21%
% employed with no qualifications	30%	14%	12%	24%
Other qualifications/Not known	9%	5%	4%	8%
% employed aged 16-17 ¹⁷	1%	1%	1%	2%
% employed aged 18-24	9%	8%	7%	12%
% employed aged 25-44	53%	52%	52%	50%
% employed aged 45+	37%	39%	40%	36%

⁹ Working Futures 2

¹⁰ Working Futures 2

¹¹ Working Futures 2

¹² Working Futures 2

¹³ Working Futures 2

¹⁴ Census 2001. All Census data utilised is workplace based

¹⁵ In relation to ethnicity, qualifications and age, the average for all sectors has been derived from the average for all SSC footprints

¹⁶ All attainment level data has been derived from Census 2001.

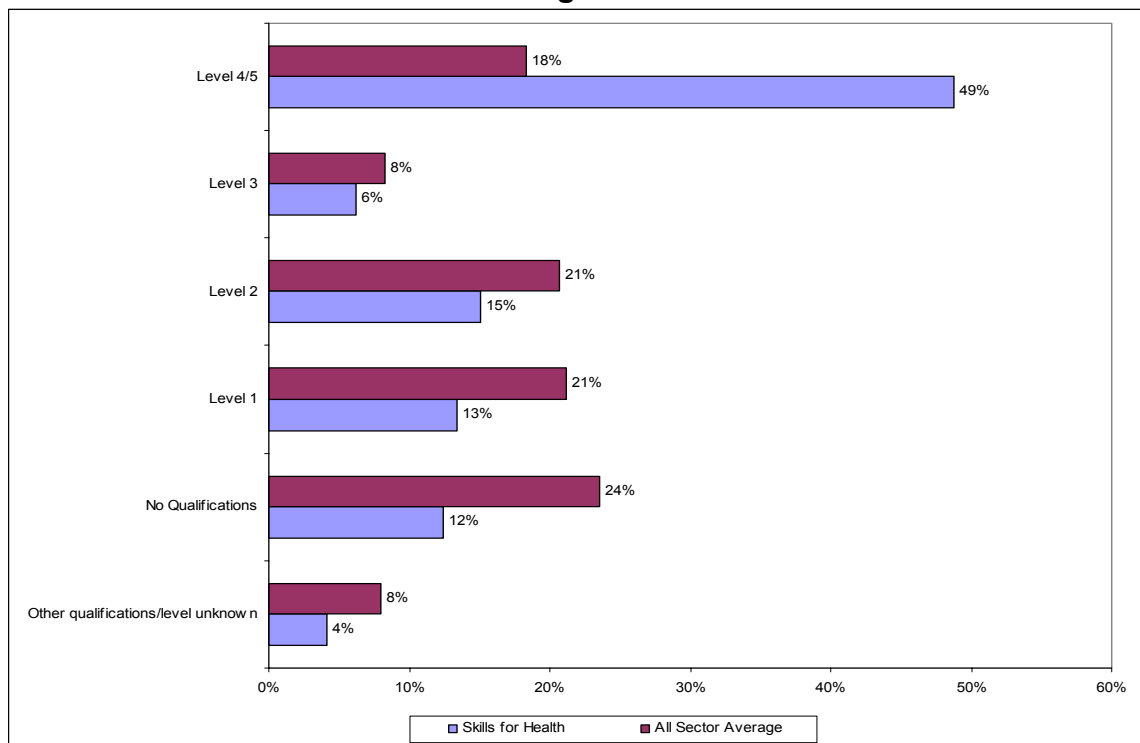
¹⁷ All age data has been derived from the Census 2001

It is estimated that 8% of all Skills for Health workers within Leicestershire are classified as Non-White, which compares with an England average of 10%. The average for all sectors in the Leicestershire LSC area is 12%.

Examination of the existing age profile of the workforce can help highlight a number of potential recruitment, retention and succession issues employers may need to address. Within Skills for Health the proportion of those aged 45 or more within Leicestershire is 37%. This compares with an average for all sectors in the LSC area of 36%.

In relation to workforce attainment levels, Table 6 and Chart 5 indicate that while it is estimated that 30% of the Skills for Health workforce within Leicestershire have no qualifications, the average for all sectors in the LSC area is 24%. At the other end of the spectrum, while an estimated 9% of the Skills for Health workforce in Leicestershire has attained an NVQ Level 4 or above qualification, the respective average for all Sector Skill Councils in Leicestershire is 18%.

Chart 5: Proportion of Leicestershire workforce by highest qualification; Skills for Health and All sector average



Source: Census of Population 2001

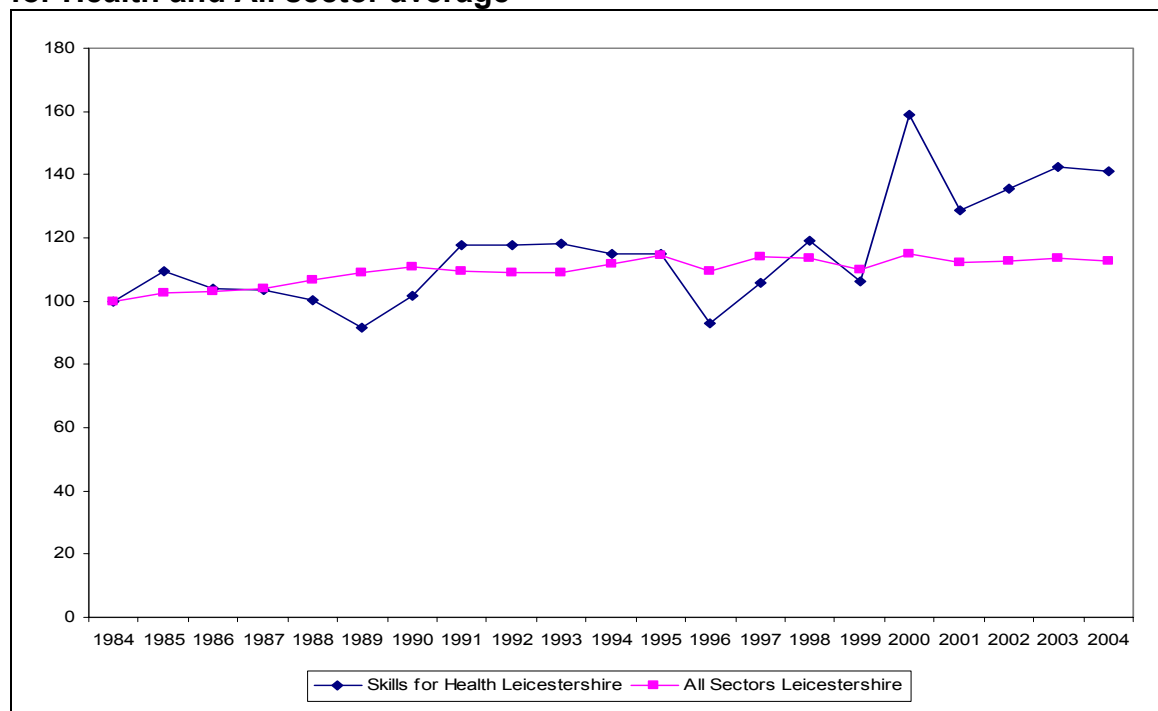
5. Historical trends

Table 7 identifies employment trends over the period 1984-2004. The analysis indicates that:

- Over the whole period 1984-2004 numbers employed within Skills for Health in Leicestershire changed by an estimated 13,100, or +90%. This compares with +81% for the sector in the East Midlands Region and +53% within England. The average for all sectors within Leicestershire over this period was +13%.
- Over the more recent period 1994-2004 numbers employed within Skills for Health in Leicestershire changed by an estimated 1,750, or +7%. This compares with +26% for the sector in the East Midlands Region and +19% within England. The average for all sectors within Leicestershire over this period was +1%.

Chart 6 outlines the year on year changes over the period 1984-2004. It shows how the growth/decline in employment in the Skills for Health sector compares with the growth/decline in employment across all sectors. It maps the change in employment, with the figure for both sets of data being indexed to 100 in 1984.

Chart 6: Historical employment trends in Leicestershire 1984-2004; Skills for Health and All sector average



Source: Working Futures 2;

Note: Both the Skills for Health and All sector average have been indexed to 100 in 1984

Table 7: Skills for Health employment trends summary 1984, 1994, 2004; Leicestershire, East Midlands, England

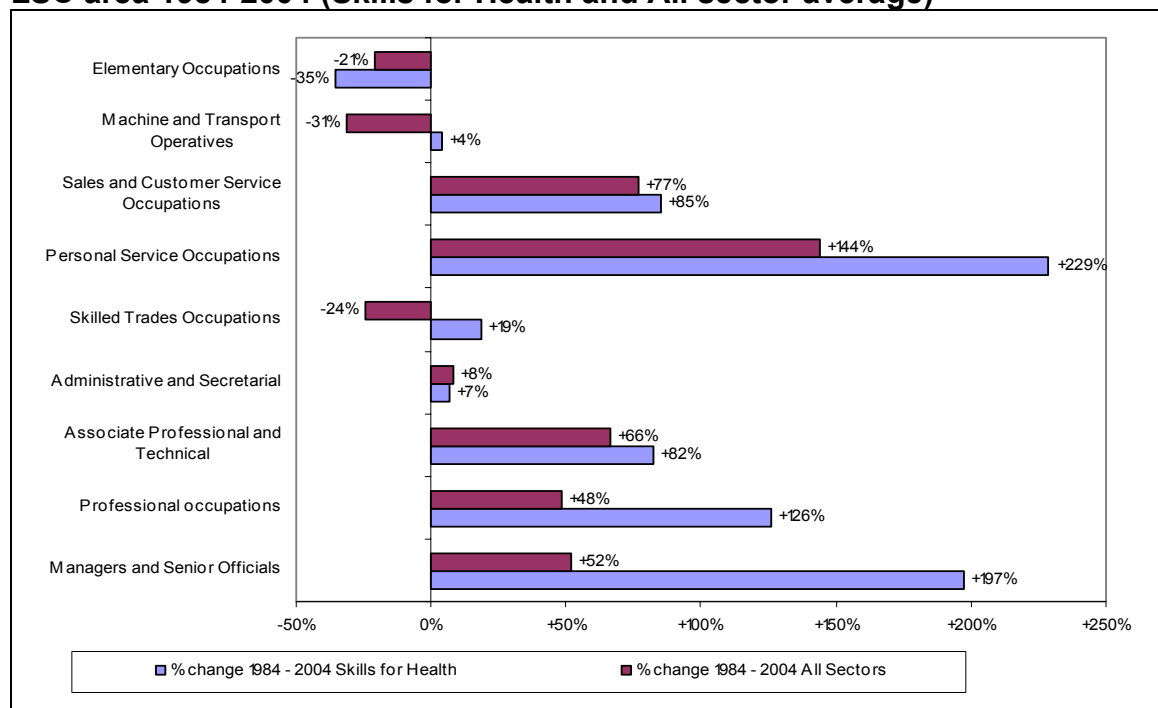
	LSC area Numbers	LSC area %	Regional average	Average for England	Average for all sectors in LSC area
Change in numbers employed 1984-1994	11,400	+78%	+44%	+28%	+12%
Change in numbers employed 1994-2004	1,750	+7%	+26%	+19%	+1%
Change in numbers employed 1984-2004	13,100	+90%	+81%	+53%	+13%

Source: Working Futures 2

Note: Numbers have been rounded to the nearest 50

Chart 7 sets out changes in employment by occupation and indicates that there has been growth in nearly all occupational areas within Skills for Health in Leicestershire, with the exception of elementary occupations where there has been a decline.

Chart 7: % change in numbers employed by broad occupation within LSC area 1984-2004 (Skills for Health and All sector average)



Source: Working Futures 2

6. Forecast employment change

Table 8 and Chart 8 provide a summary of forecast employment change over the period 2004-2014.

Table 8: Skills for Health employment forecast summary; 2004-2014

	Skills for Health				Average for all sectors in LSC area (%)
	Leicestershire area (Numbers)	Leicestershire area (%)	Regional average (%)	Average for England (%)	
Change in total numbers employed	2,850	+10%	+11%	+11%	+2%
Expected change part time employees	1,750	+15%	+18%	+14%	+9%
Change full time employees	1,600	+11%	+10%	+9%	+1%
Change in numbers self employed	-500	-29%	-29%	-3%	-8%
Change in numbers of males	1,250	+24%	+24%	+21%	+1%
Change in numbers of females	1,600	+7%	+8%	+8%	+3%
Net requirement (Total numbers)	14,000	N/A	N/A	N/A	169,000
Replacement demand (Total numbers)	11,000	N/A	N/A	N/A	161,000

Source: Working Futures 2

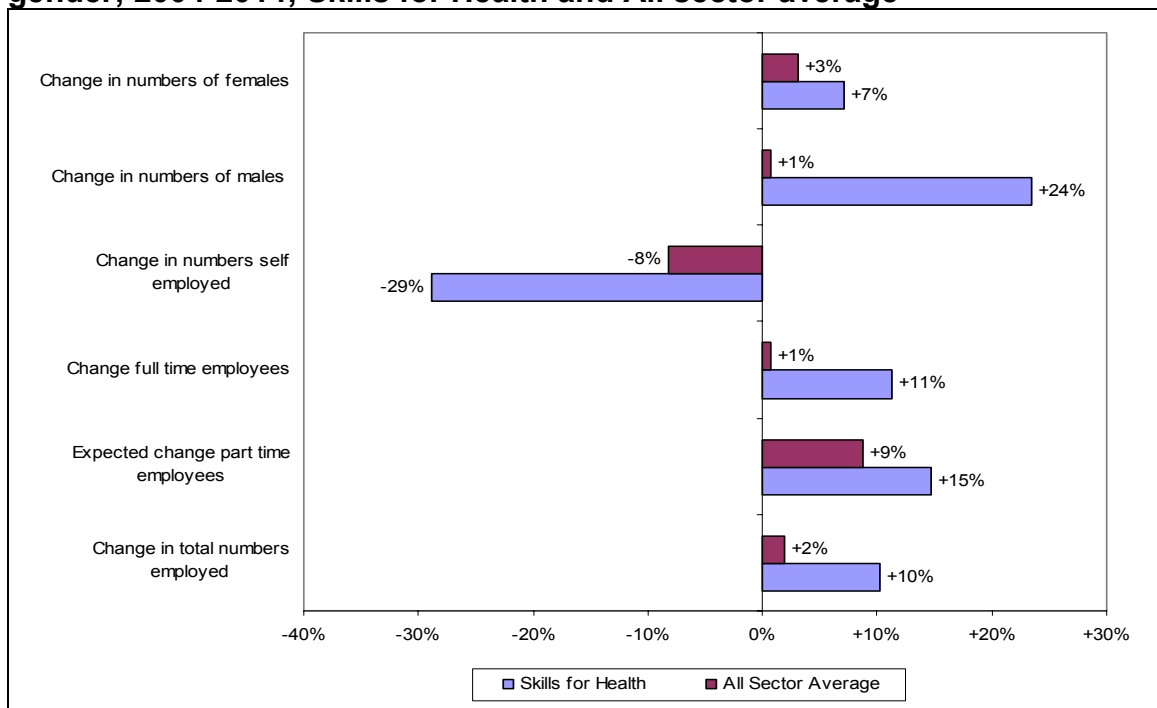
Note: Numbers have been rounded to the nearest 50

The analysis set out in Table 8 indicates that over the period 2004-2014 it is estimated that:

- overall employment within the Skills for Health sector will increase by about 2,850, implying an estimated change of +10% over this period. This compares with an estimated +11% in relation to the sector regionally and +11% within England. The respective figure for all sectors in the LSC area is +2%.
- part time employment within the Skills for Health sector will increase by about 1,750, implying an estimated change of +15% over this period. This compares with an estimated +18% change in relation to the sector regionally and +14% within England. The respective figure for all sectors in the LSC area is +9%.

- full time employment within the Skills for Health sector will increase by about 1,600, implying an estimated change of +11% over this period. This compares with an estimated +10% in relation to the sector regionally and +9% within England. The respective figure for all sectors in the LSC area is +1%.
- self-employment within the Skills for Health sector will decrease by about -500, implying an estimated change of -29% over this period. This compares with an estimated -29% in relation to the sector regionally and -3% within England. The respective figure for all sectors in the LSC area is -8%.
- male employment within the Skills for Health sector will increase by about 1,250, implying an estimated change of +24% over this period. This compares with an estimated +24% in relation to the sector regionally and +21% within England. The respective figure for all sectors in the LSC area is +1%.
- female employment within the Skills for Health sector will increase by about 1,600, implying an estimated change of +7% over this period. This compares with an estimated +8% in relation to the sector regionally and +8% within England. The respective figure for all sectors in the LSC area is +3%.

Chart 8: Forecast change in numbers employed by nature of work and gender; 2004-2014; Skills for Health and All sector average

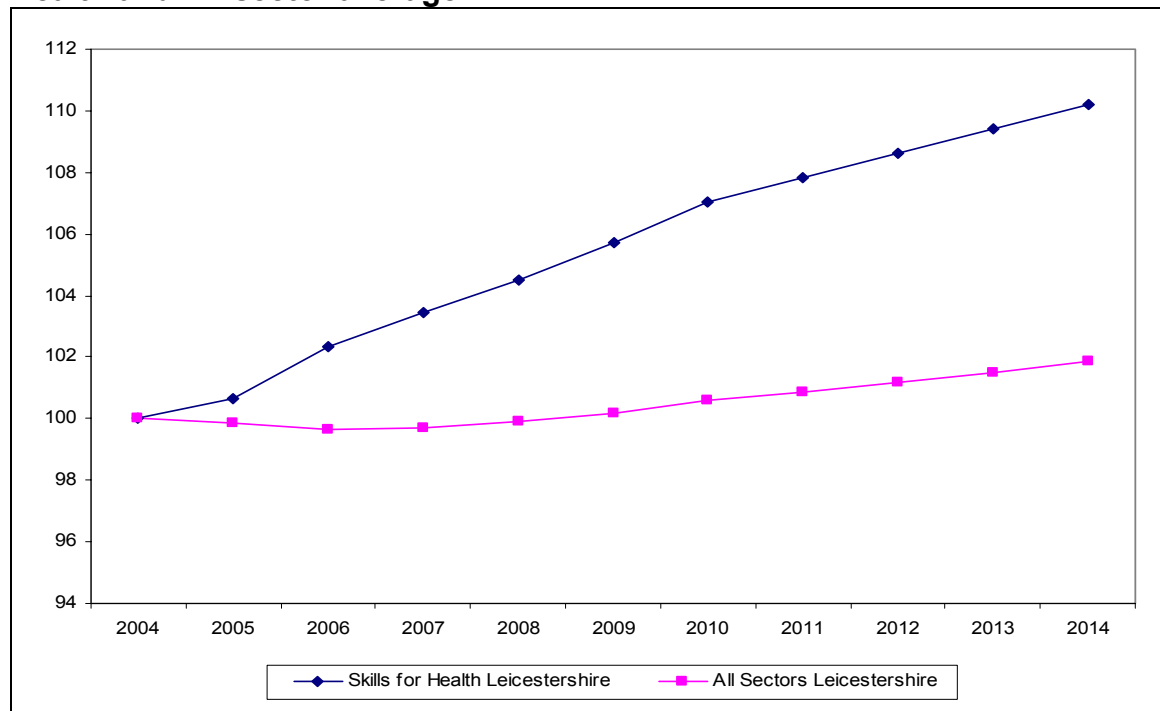


Source: Working Futures 2

The forecasts set out in Table 8 and Chart 8 indicate that in addition to the net increase in numbers employed within Skills for Health in Leicestershire over the period 2004-2014 there are likely to be an additional 11,000 workers required as a result of replacement demand, as people retire, move into other jobs in the sector or leave the sector altogether. This implies a net requirement for workers over the whole period 2004-2014 of about 14,000 workers, or an average annual net requirement of about 1,400 workers¹⁸. This accounts for about 8.3% of the total estimated annual net requirement for all sectors in Leicestershire.

Chart 9 outlines year on year forecast changes within the Leicestershire Skills for Health sector for the period 2004-2014 and compares these trends with the all sector average, forecast by indexing both sets of data to 100 in 2004. The chart indicates that the Leicestershire Skills for Health sector is likely to outperform the all sector average over this period.

Chart 9: Indexed forecast employment change 2004-2014; Skills for Health and All sector average



Source: Working Futures 2;

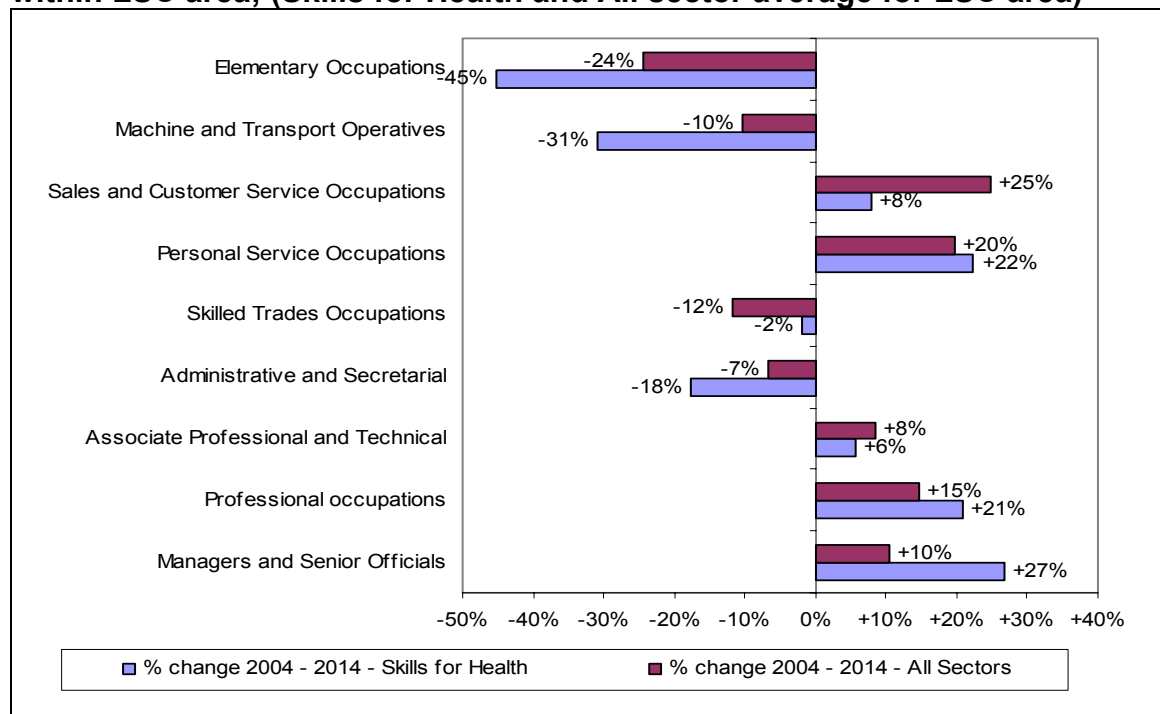
Note: Both the Skills for Health and all sector average have been indexed to 100 in 2004

¹⁸ The actual annual net requirement will of course vary from year to year

Chart 10 identifies forecast change by occupational area over the period 2004-2014 and compares expected trends within the Skills for Health sector with the all sector average within Leicestershire.

A number of occupational areas within the Leicestershire Skills for Health sector are expected to experience growth, with the exception of elementary, machine and transport operative, skilled trade and administrative and secretarial and occupations, which are expected to experience net decline.

Chart 10: Forecast change 2004-2014 by main occupational categories within LSC area; (Skills for Health and All sector average for LSC area)



Source: Working Futures 2

7. Drivers of change and key skill issues

Drivers of change

Work undertaken by Skills for Health as part of the Sector Skills Agreement process revealed that there are numerous sociological, demographic, technological and policy trends driving change within the health sector. These include an ageing population; the impact of genetics and new technology; a renewed focus on public health; regulatory change; growth in the voluntary sector and a limit to doctor's working hours. All of these factors, in combination, have a major impact on how workforce needs in the health sector should be addressed¹⁹.

The health sector stakeholders and employers who were surveyed as part of an extensive study in 2005²⁰ claimed that the most important drivers were:

- *A patient centred approach to delivery.* It appears likely that the policy agenda will continue to place a growing emphasis on a patient-centred approach to health care service delivery at the front-line, particularly the first point of contact with the patient.
- *The connections with the provision of education and training.* Evidence from workshops organised by the King's Fund as part of the Stage 3 of the Sector Skills Agreement process suggested that the sector needs to support skills development solutions through more flexible, modular and more widely accessible formats and the promotion of more and better links between vocational, academic and professional qualifications, with greater emphasis on work-based learning and assessment. It also needs to establish modern and consistent qualification frameworks and assessments to overcome the structural blocks associated with traditional methods that were seen to hinder access, transferability and inter-changeability of roles, skills and qualifications²¹.
- *The implications flowing from the demographic changes both in terms of health service demands.* This will be an increasing challenge as the health care needs of an ageing population have to be met and as patients become more well-informed and aware of their rights and options.

¹⁹ Sector Skills Agreement for Health – The Case for Change Summary, SSA Stage 3, February 2006

²⁰ Skill Needs Appraisal, Skills for Health, Submission to the Sector Skills Development Agency, November 2005.

²¹ Sector Skills Agreement for Health: Stage 3, Delivering a Flexible Workforce to Support Better Health and Health Services – The Case for Change, January 2006

- *The characteristics of the health care workforce.* Nearly two-thirds of employers considering that increased flexibility in the workforce had to be a high priority. There appears to be little doubt that health care service delivery is going through tremendous change and the major implications this will have for the workforce.

It is also clear that technological change and advances in medical science will act as fundamentally important drivers of change but they will need to be accompanied by improvements in the capacities of the workforce to apply the scientific and technological developments both effectively and cost-effectively.

The recently published summary of the case for change document summarised the main drivers of change in the health sector²²:

Service

- Health care and public health reforms - focused on the centrality of patient and user needs and expectations of more effective services
- Growth of the Independent and Voluntary sectors as providers of NHS services in some parts of the UK
- Technological change Impact of genetics on future diagnosis and management of disease

Workforce

- Modernising medical and other health professional careers
- Agenda for Change pay reform in the public sector
- Knowledge and Skills Framework (KSF)
- European Working Time Directive 2008/9
- Workforce shortages in new/ changing role areas
- Requirement for improvements in the' productivity of the workforce
- Demographic changes – ageing workforce and declining birth-rates require measures to attract and retain older workers to maintain capacity

Financial

- Financial pressures in publicly provided healthcare services and changing market conditions in the independent and voluntary sectors
- Reduced financial growth in the public sector from 2008 onwards

Educational

- Reforms across HE and FE - emphasis on greater responsiveness and innovation in the delivery of learning
- Frameworks for Achievement in qualifications and credit - to support seamless progression pathways and recognition of work- based learning

²² Sector Skills Agreement for Health – The Case for Change Summary, SSA Stage 3, February 2006

- Lifelong learning, literacy, numeracy and IT skills policies – emphasis on unlocking the potential of many people through access to continuous learning and development opportunities

Key skills needs

Skills for Health has highlighted²³ the increasing demand for a more flexible workforce in health care. There is an expectation that the general demand for labour will continue to increase in the near future, driven partly by increased public expenditure on health and other financial commitments through training budgets. It is also likely that there will be continued increases in the demand for the highly qualified component of the workforce.

Despite the fact that the sector has experienced a significant growth in employment and growth in the highly qualified component of its workforce, employer organisations are still reporting specific skills shortages and internal skills gaps.

The major area of skills gaps in England were reported to be in communication skills, customer handling and problem solving skills.

Employers and other stakeholders confirmed that ICT and leadership and management skills were likely to be a more important source of internal skills gaps in the near future, as reported in the 2003 English Employer Skills Survey. The need for better customer handling and team working skills were also reported to be 'high priority'. The surveys were designed for employers to identify skills gaps linked to specific staff groups and a large majority of respondents reported up-skilling support to clinical staff as a 'large gap'.

Over the next 5 to 10 years, employers and other stakeholders believe that future skills requirements are likely to be driven by a growth in demand for vocational qualifications, specifically in those qualifications that will provide the health sector workforce with the capacity to fulfil new roles and competences. The traditional roles of nurses and health care assistants are also expected to change in response to the pressures for improved health service delivery. These pressures are likely to increase the demand for generic and basic skills as well as specialist skills.

The health service skills gap typically involves those that are not qualified or educated to degree level. Skills for Health consider that it is increasingly clear that this section of the workforce needs to be developed through more vocational qualifications, within an overall national career and qualifications framework.

²³ The information on skill needs in this section has been drawn from the Sector Skills Agreement for Health: Stage 3, Delivering a Flexible Workforce to Support Better Health and Health Services – The Case for Change, January 2006

Skills priorities identified by Skills for Health through employer engagement and surveys²⁴ include the following:

- *Increased demand for vocational qualifications below degree level* - this contrasts with current findings from the analysis of trends in qualifications, which reveal an observed increase in the importance of degree level qualifications
- *A balance in the relative importance of health specific and generic skills* – In this context, generic skills include skills such as ICT, leadership and management that will be required by all employees in the sector. Demand for all kinds of skills will increase, but there should be a balance between health specific and generic skills
- *New qualifications to match new roles or competences* – new roles, qualifications and competences are needed (and need to be applied consistently across organisations, agencies and teams)
- *Both employees and employers working together towards re-configuring the skill mix within the workforce* – while employees will increasingly acquire new qualifications and skills to match new roles and competences, employers should be equally geared towards bringing about this change

²⁴ Sector Skills Agreement for Health – The Case for Change Summary, SSA Stage 3, February 2006

8. Human resource indicators

Table 9 is based on the results of the National Employer Skills Survey (NESS) 2005. In order to ensure the data utilised is reasonably robust, all analysis is restricted to a regional or national level.

Table 9: Skills for Health Human Resource indicators summary

	East Midlands Skills for Health average	England Skills for Health average	Average for All sectors in East Midlands
% employers reporting skill gaps	15%	18%	16%
Skill shortage vacancies (SSVs) as a % of all vacancies	29%	27%	20%
% employers reporting hard to fill vacancies	8%	9%	5%
Hard to fill vacancies as a % of all vacancies	38%	37%	29%
% employers undertaking training over the previous 12 months	85%	83%	66%
% employees undertaking training over the previous 12 months	100%	87%	84%
% establishments with a business plan	60%	63%	55%
% establishments with a training plan	72%	67%	47%
% establishments with a training budget	50%	50%	34%
% of establishments that formally assess whether individual employees have gaps in their skills	72%	74%	56%
% of establishments formally assess the performance of employees who have received training and development	70%	83%	46%
Employer engagement score ²⁵	65.0	67.3	47.6

Source: National Employer Skills Survey 2005

Note: The sample size for data from NESS at a detailed sector level is likely to be too small at an LSC level. All data has been weighted

²⁵ This has been compiled by summing the % of establishments with a business plan, establishments with a training plan, establishments with a training budget, establishments that formally assess whether individual employees have gaps in their skills and establishments that formally assess the performance of employees who have received training and development divided by 5

Table 9 compares the Skills for Health sector within the East Midlands with the respective figures for England and also the average for all sectors within the East Midlands region. The analysis indicates that in relation to:

- the proportion of employers reporting skill gaps, the figure for Skills for Health within the East Midlands region of 15% compares with a figure for Skills for Health in England of 18% and an average for all sectors in the East Midlands region of 16%
- the proportion of employers reporting hard to fill vacancies, the figure for Skills for Health within the East Midlands region of 8% compares with a figure for Skills for Health in England of 9% and an average for all sectors in the East Midlands region of 5%
- reported skill shortage vacancies as a proportion of all vacancies, the figure for Skills for Health within the East Midlands region of 29% compares with a figure for Skills for Health in England of 27% and an average for all sectors in the East Midlands region of 20%
- hard to fill vacancies as a proportion of all vacancies, the figure for Skills for Health within the East Midlands region is 38% compared with a figure for Skills for Health in England of 37% and an average for all sectors in the East Midlands region of 29%
- the proportion of employers undertaking training over the previous 12 months, the figure for Skills for Health within the East Midlands region of 85% compares with a figure for Skills for Health in England of 83% and an average for all sectors in the East Midlands region of 66%
- the proportion of employees undertaking training over the previous 12 months, the figure for Skills for Health within the East Midlands region of 100% compares with a figure for Skills for Health in England of 87% and an average for all sectors in the East Midlands region of 84%

A number of indicators of levels of employer engagement have been utilised as part of the analysis. A composite employer engagement score based on five different indicators has been derived, these being the % of establishments with a business plan, establishments with a training plan, establishments with a training budget, establishments that formally assess whether individual employees have gaps in their skills and establishments that formally assess the performance of employees who have received training and development.

The composite employer engagement score provides an indication of the overall commitment of employers to these human resource planning and management techniques. The analysis indicates that the East Midlands Skills for Health sector has an overall score of 65.0, compared with 67.3 for Skills for Health in England and an All Sector regional average of 47.6.

9. Business and employment matrix

Table 10 sets out a series of business and employment indicators for Skills for Health in Leicestershire. Each of these indicators has also been set in the context of a ranking of all 25 Sector Skills Councils in Leicestershire, which provides an SSC ranking (1-25) for Skills for Health in relation to each indicator.

Table 10: Business and employment matrix

Indicator	Skills for Health	SSC Ranking
Number of businesses 2004	674	14
Numbers employed 2004	27,750 ²⁶	3
% change in numbers employed 1984-2004	+90%	3
Absolute change in numbers employed 1984-2004	+13,100	2
Expected % change in numbers employed 2004-2014	+10%	6
Expected absolute change in numbers employed 2004-2014	+2,850	3
Expected absolute replacement demand 2004-2014	+11,000	2
Skill Shortage Vacancies as a % of all vacancies 2005	29%	4
% of employers reporting skill gaps 2005	15%	11
% workforce with no qualifications	30%	4
% employed whose highest qualification is NVQ Level 1	25%	4
% employed whose highest qualification is NVQ Level 2	20%	14
% employed whose highest qualification is NVQ Level 3	7%	14
% employed whose highest qualification is NVQ Level 4 or higher	9%	18
% non-white employees 2001	8%	14
% employees aged 45+	37%	10
An occupational employment change score ²⁷	0.19	10

²⁶ This figure is derived from Working Futures 2 and is an estimate that includes employees and those working on a self employed basis. The figure therefore differs from data derived from the Annual Business Inquiry – It is rounded to the nearest 50

²⁷ This occupational employment change score has been developed in order to provide an indication of the extent of occupational restructuring expected to occur in the future within different sectors. The score is derived from Working Futures 2 data and is calculated by summing each element of expected occupational change (using broad occupational groupings) over the period 2004-2014 and expressing this as a ratio in relation to total numbers employed in 2004 in all occupations within Skills for Health. The direction of change in occupational employment, whether negative or positive is treated as positive when calculating this ratio. The score provides an indication of the extent of expected occupational restructuring, with the highest scores pointing to a greater level of expected occupational restructuring.

Activities covered by the Skills for Health Sector footprint

SSC industry	Sub sectors	SIC sub sector definitions
Skills for Health [85.1]	Hospital activities	8511
	Medical practice	8512
	Dental practice	8513
	Other human health activities	8514

