

RRF045 BUILDING LEARNER PROGRESSION PROJECT

Higher level LMI needs and current HE in FE provision in London

A guide for HE professionals

Linking London, July 2013



In partnership with



Funded by



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1. Introduction – by Caroline Neville, Director, AoC London and Sue Betts, Director, Linking London

This toolkit, developed by Linking London, was commissioned by the AOC as part of the LSIS Building Learner Progression funded project.

It is designed to be a helpful adjunct to your own planning.

In this area of work there is “no magic bullet”, but your environmental and data scanning will reap rewards. It is clear from our research that we are emerging from a fairly “steady state” in this area of work. It is also obvious therefore that many colleges could benefit from a hard look at development work in this area – we believe the time is right.

2. The importance of LMI and the challenges it offers

Labour Market Information is a term that is used to describe key facts about what is happening in the labour market and employment.

The distinction between labour market information and labour market intelligence is important. Labour market information, refers to hard data from original sources, (like data produced by the Office for National Statistics) includes facts about the numbers of employees working in a particular sector or occupation, salaries and breakdowns by region, or gender for example. Labour market intelligence is the interpretation and contextualisation of data so that insights and conclusions can be drawn from it. It can include information on a range of issues such as: current and future employer skill needs; the existence, extent and nature of recruitment problems caused by skills shortages that may be holding back competitiveness; the existence, extent and nature of skills gaps amongst employees that may negatively impact on productivity.

The provision of high quality and timely LMI is also particularly important today given the rapidly changing economic and social context in the UK.

Good quality labour market intelligence can inform policy development, funding decisions and crucially in this context, curriculum design. It can also help employers to understand the steps they need to take to remain competitive in the longer term, and is vital in the delivery of effective careers information, advice and guidance to help ensure individuals make informed choices relating to education and training and career choice and progression.

Challenges

LMI is collected by a variety of organisations, including government departments and agencies, employer and professional organisations, trade unions, academics, as well as SSCs but there has been questions raised over the quality of labour market information and intelligence in recent years, in particular the lack of co-ordination and consistency in data produced.

The Leitch Review for example identified the need to make improvements to the LMI system in the UK, noting that there is ‘little coordination between [survey] sources, meaning that in some instances they deliver contradictory information’ (HM Treasury, 2006).

How LMI is disaggregated and classified in various reports can vary which can lead to difficulties in comparing like with like. Geographical boundaries used may not coincide and how sectors and occupations are classified (SIC and SOC codes) can differ and have changed over time.

LMI has a short shelf life and close attention to when data has been produced needs to be paid when making use of it.

Further, while there is more LMI than ever available, it is located in a number of places and is often highly technical, reducing its value to non-experts.

An encouraging development is the recent work on an online data portal developed by the UK Commission for Employment and Skills: LMI for All. It aims to bring together existing national sources of high quality and reliable labour market information (LMI) that can inform people's decisions about their careers.

This first release of the data tool includes information from two key products from the Office for National Statistics: the Labour Force Survey and the Annual Survey of Hours and Earnings; plus data from two products from the UK Commission for Employment and Skills: the Employer Skills Survey and Working Futures. UKCES will be consulting with other organisations that own data during the project to extend the range of LMI available through the data portal. This first version of LMI for All was launched in May 2013. UKCES expect the final version to be made available by April 2015.

Further details can be found via: www.lmiforall.org.uk.

3. Sources of LMI

[The Annual Survey of Hours and Earnings \(ASHE\)](#)

Part of the ONS website, (ASHE) provides information about the levels, distribution and make-up of earnings and hours paid for employees within industries, occupations and regions in the UK.

[British Chambers of Commerce](#)

The British Chambers of Commerce publishes economic surveys based upon the responses of business members and produces forecasts on the health of the UK economy.

[The Confederation of British Industry \(CBI\)](#)

The CBI collects a wide range of sophisticated data that is invaluable to anyone looking for an accurate snapshot of the UK economy.

[London Data Store](#)

The London Datastore has been created by the Greater London Authority (GLA) as an innovation towards freeing London's data. They want people to be able access the data that the GLA and other public sector organisations hold, and to use that data however they see fit – free of charge.

[National Careers Service](#)

Job market information for different sectors including entry and progression, skill requirements, work force statistics, national/regional data and future prospects.

[NOMIS](#)

NOMIS is a service provided by the Office for National Statistics, ONS, to provide free access to detailed and up to date UK labour market statistics from official sources.

[Office for National Statistics](#)

Official source of labour market statistics. Regular bulletins contain the latest estimates of labour market statistics (including employment, unemployment and economic inactivity) for the United Kingdom.

[Recruitment and Employment Federation \(REC\)](#)

Labour market intelligence section of the REC website is dedicated to providing information, updates and detail of what's happening in your geographic area.

[Sector Skills Councils](#)

There are 18 Sector Skills Councils and 5 Sector Skills Bodies who work with over 550,000 employers to define skills needs and skills standards in their industry. Each Sector Skills Council (SSC) produces labour market information on its specific industry.

[The UK Commission for Employment and Skills](#)

The UK Commission for Employment and Skills (UKCES) is a publicly funded, industry led organisation providing strategic leadership on skills and employment issues in the four home nations of the UK. Key LMI publications include: *National Skills Audit for England*, *Employer Skills Survey*, *Employer Perspectives Survey* and *Working Futures*.

[The Warwick Institute for Employment Research](#)

The Warwick Institute for Employment Research was established by the University of Warwick in 1981. The IER is one of Europe's leading centres for research in the labour market field. Its work includes comparative European research on employment and training as well as that focusing on the UK at national, regional and local level.

[What Do Graduates Do?](#)

Produced by the Higher Education Careers Service Unit (HECSU). Presents findings from the Higher Education Statistics Agency's Destinations of Leavers from Higher Education survey.

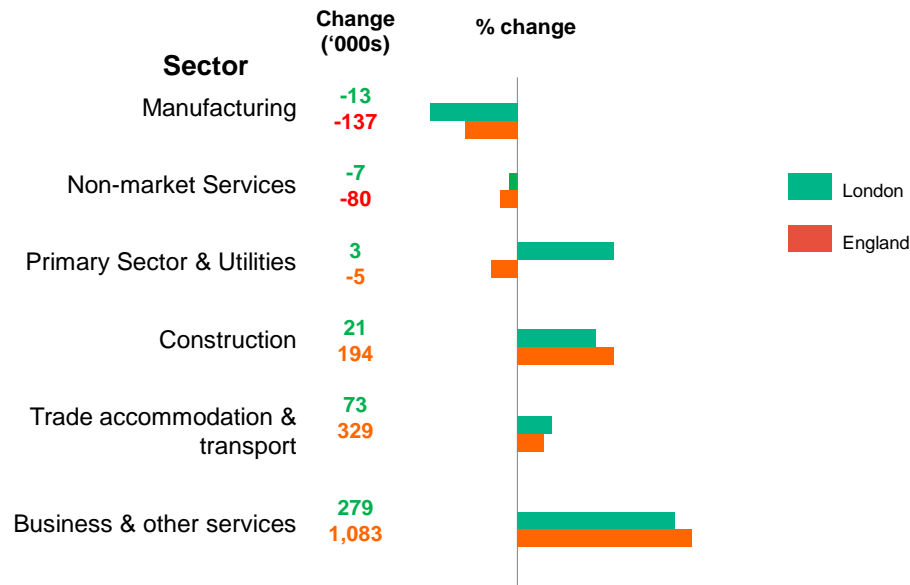
4. Key Sectors that are Important for London

According to the UKCES Working Futures report the main growth sectors for London are the primary sector and utilities, in particular water and sewerage, skilled construction trades and related occupations, and business and other services including professional and support services. These are predictions based on projected growth between 2010-2020.

Future employment needs - but where will the growth come from in London?



Projected UK employment change by sector (% change) in London and England between 2010-2020



(Source: Working Futures)

These sectors cover a wide range of occupations. If we break this down by occupation again, according to additional data produced as part of the Working Futures report, then the following occupations are predicted to be some of the main growth areas between 2010 - 2020:

- Corporate managers and directors
- Professionals – including health, business, public service, media and science, research, engineering and technology professionals
- Associate professionals – including health and social care and business and public service associate professionals
- Culture, media and sports occupations
- Caring, personal service occupations
- Skilled construction and building trades

It is important to note that replacement demands created in the main by those who leave the labour market are projected to account for a significant number of job openings, more in fact than through the creation of new jobs.

The highest replacement demands are for professionals, administrative and secretarial occupations, along with skilled trades and elementary occupations. High replacement demands include occupations where overall new openings are predicted to decline, for example, administrative and secretarial occupations.

Further details are included in the main Building Learner Progression report: Key Sectors within London's Economy: Continuing Trends and Growth Sectors, Plus the needs of the Future.

5. A closer look at London's diverse needs

London is a global city with great diversity in terms of the ethnicity and culture of its people and the economics and employers present within and across all 32 boroughs. As has been explained already having up to date knowledge of LMI information for London and locally is important. In addition having an accurate picture of borough or adjoining borough characteristics is useful. Local data could consist of the following:

- Data on the economic diversity within your locality, e.g. from the ONS and the London Datastore
- Data on employer diversity within your borough, e.g. from your Inward Investment & Enterprise team within your borough or local chamber of commerce
- Data on your existing learners travel to study patterns

Economic diversity

Please refer to *Key Sectors within London's Economy: Continuing Trends and Growth Sectors, Plus the Needs of the Future* (Linking London, June 2013), for a three boroughs case study, looking specifically at Barking & Dagenham (LBBD), Kensington & Chelsea (RBKC) and Camden, in order to reflect the differences, variety and contrasts present within and between inner and outer London. In summary these three boroughs demonstrate the variety present across boroughs, from the relative affluence of RBKC and Camden to the higher levels of unemployment and a greater percentage of children living in out of work families in LBBD and differences apparent across indices of multiple deprivation. This snapshot hints at the inequalities present within boroughs, which can often be hidden by "average" figures.

Employer diversity

As detailed in London's Skills Challenge (2013), "Business characteristics also vary widely across London. Significant concentrations of business activities range from the financial district in the City and Canary Wharf, the jewellery quarter in Hatton Garden, the legal activities in Holborn and Chancery Lane, and the printing and publishing cluster in Clerkenwell, to the cultural, entertainment and retail activities in the West End, the food manufacturing activities in Park Royal, the transport and logistics hub in south Hillingdon and west Hounslow, and the concentration of machinery and equipment manufacturing in east Bexley, to name just a few". They go on to say that "Many other concentrations of commercial and retail activity exist across the capital, each with their own skills and recruitment needs."

Travel to Study Patterns

In 2004 a study investigating travel to study patterns in London suggests that "London learning patterns are extremely complicated owing to the significant movement of learners and workers across a wide geographic but densely populated area, especially in central London and from the South East into London." It found that young college students are taking long journeys across London in order to attend specific colleges or to access specific provision that cannot be found locally. Some of this provision which may be lacking locally is in areas for which demand for labour is

high and unmet, suggesting that shortages in training provision may be contributing to skills shortages.

Summary

- Explore what data already exists within your institution.
- How up to date is it?
- Contact and make a sustainable link with your local borough Inward Investment & Enterprise team either directly or via the London Councils, Chamber of Commerce.

6. HE in London’s Further Education Colleges

Of the 39 further education colleges (FECs) in London which offer prescribed higher education courses (level 4 +), 15 are funded directly by HEFCE¹. Where there is not a directly funded arrangement with HEFCE, colleges receive indirect funding through an HEI, however it is common for most colleges to provide HE courses through a combination of arrangements.

Table 2 above shows that of the 317,265 FTE which comprises London’s HE student population in 2009-10; 8,855 FTEs² are being taught within FECs.

The chart below shows the number of FE colleges offering courses within the HEFCE designated sectors areas included in table 1.

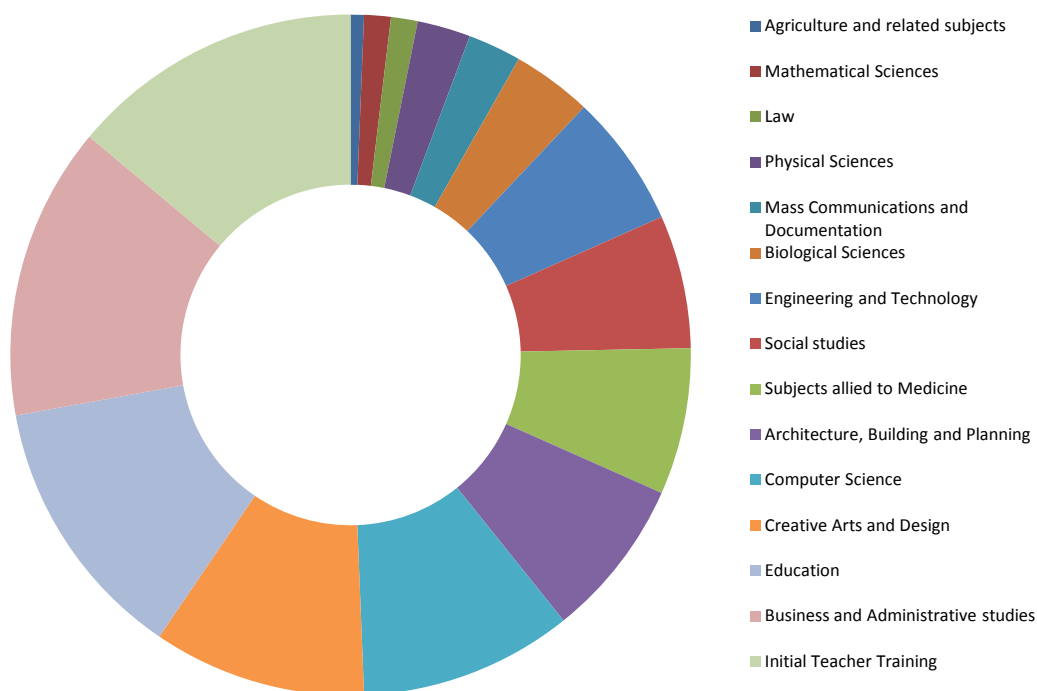


Figure 1, Number of London Further Education Colleges offering courses in specified sector areas.

¹ A snap shot of Further Education College (FEC) provision at level 4 and above in London (Linking London, July 2013)

² Figures obtained by adding together the number for HEI registered FEC taught (4,835 FTEs) plus the number of FEC registered and FEC taught (4,025 FTEs).

There are more HE students studying at London FECs on courses which can be grouped in the HEFCE sectors of Initial Teacher Training (14 per cent of the total HE students studying in FEC) and Business and Administrative studies (14 per cent) and education (13 per cent), than in other sector areas.

Unsurprisingly, the lowest number of HE students studying within FECs in the London region can be found on courses categorised as agriculture and related studies.

7. Commission on Adult Vocational Teaching and Learning (CAVTL)

The Commission on Adult Vocational Teaching and Learning, which was created from a recommendation from *New Challenges and New Chances* (2011), launched its summary report, “It’s about work... Excellent adult vocational teaching and learning”, in March 2013.

The Commission’s summary report makes a set of ten recommendations in order to enable excellent adult vocational teaching and learning to flourish in England, which can be found in the full report here:

<http://repository.excellencegateway.org.uk/fedora/objects/eg:5937/datastreams/DOC/content>

Below we have selected key recommendations of particular relevance to this guide and Vocational Education and Training (VET) providers.

1. **Adopt the two-way street**

This is a call to adopt the concept of a VET system working as a **two-way street**, not further education and skills operating as a separate ‘sector’. The **two-way street** is about genuine collaboration between college and training providers, and employers.

2. **Develop a core and tailored approach to vocational qualifications**

The commission asks Adult Vocational Qualifications for England to consider the development of a **core and tailored approach** to enable vocational qualifications to meet the shared aims of employers and individual learners.

It suggests that there should be a nationally specified core and a tailored element to meet local demand.

3. **Reinstate employers’ presence and influence across VET providers starting with curricula panels**

The commission states that this is very much about the **two-way street** and ensuring a **clear line of sight to work**, for example ensuring that every curriculum area in a college or a training provider should have at least one employer sponsor, and preferably an employer panel involving trade unions.

4. **Establish a National VET Centre to take responsibility for research and development of VET**

The Commission calls on providers and employers along with other stakeholders (the guild and government) to establish a National VET Centre that includes a new research and development capacity focused on vocational pedagogy and the development of VET more widely. The VET Centre would also take responsibility for the development of a regional ‘Network of Centres’ to showcase and experiment with new ideas for excellent vocational teaching and learning, and to act as focal points for employers and other partners to evaluate its impact.

8. Starters for 10 – Getting started using LMI

1) Existing structures, procedures and practice (Internal):

- a) Who has a role in curriculum planning and development in response to LMI within your institution? – this could include:
 - i) Curriculum leads/managers
 - ii) Employer engagement/Business Development Unit
 - iii) HE in FE lead
 - iv) Data team/researchers/analysts
 - v) Marketing, recruitment and communication teams
 - vi) IAG advisers/practitioners
- b) How has planning using LMI been undertaken to date?
 - i) Any examples of good practice, if so share via AoC
 - ii) Any challenges?
- c) Who has the final say? / where are decisions about the final portfolio made?
- d) How is the colleges LMI “mission” communicated to staff within the college?

2) Existing procedures, structures and practice (External):

- a) Do you have external stakeholder links to inform curriculum planning? – these could include:
 - i) Chambers of Commerce
 - ii) Sector Skills Councils
 - iii) Professional bodies
 - iv) Local borough inward investment teams

3) Who is going to lead on this work, by when, and through what reporting mechanisms?

4) Suggestions on using LMI data effectively

- a) Data sources to consider (see section 3)
 - i) “Sell by date” - is this data up to date and is it the most recently available? When is the next data release? Do different sources of data contradict each other (consider the reasons for this – who has produced or funded the data?).
 - ii) Is the data produced by a reliable source? How impartial is it?
- b) Is this data around the current state of play or a prediction for the future?
 - i) What external conditions does that prediction require?
- c) How is the data classified and disaggregated?
 - i) Does it refer to specific regions or is it national?
 - ii) Different data sources often classify sectors and occupations differently.

5) What are other providers offering in your locality?

6) Do the findings provide supporting evidence for developing the course?

7) Is there current or potential employer & student demand for the proposed course?

- a) Employer forums
- b) Learner focus groups
- c) Unmet demand during institution open days, enrolment days feedback etc

8) How will the LMI findings inform course development?

- a) Curriculum content
- b) Learning outcomes
- c) Assessment
- d) New employer business links

9) How will the course be marketed to prospective learners and employers?

10) What lessons can be learnt in relation to using LMI to inform future curriculum development?

- a) What applicability does the method used have for other curriculum areas?
- b) How will it inform the institutions IAG offer to prospective and current learners?

9. References, useful links and resources

- The London Evening Standard 30th April 2013.
- Do the Maths – Tackling the shortage of school places in London (April 2013), London Councils.
- Building employer relationships: What do employers want from providers', (2009), Cfe research commissioned by Linking London.
- London Thames Gateway Development Corporation (www.ltgdc.org.uk/legacy/wp-content/files/visions/Vision%20for%20London%20Riverside.pdf)
- The demand for higher level skills in London, (2009), Cfe research commissioned by Linking London.
- Skills: How are London Borough Economic Development Teams working in partnership with local FE Colleges (2012), London Councils.
- London's Skills Challenge: Meeting London's Skills Gap, (2013), London Councils.
- Jobs and Growth Plan for London (April 2013) London Enterprise Panel.
- University of Brighton (2004), 'Travel to study patterns and causes in London', London Learning and Skills Council.

10. Closing Comments

We hope you find this guide useful. We see it very much as a work in progress. As a web based resource we are keen to keep it updated.

If you have any additions, queries or suggestions, please get in touch with Stuart Mitchell at Linking London: s.mitchell@linkinglondon.ac.uk