Northampton Waterside Enterprise Zone Skills Research

A report for Northampton Borough Council and South East Midlands Local Enterprise Partnership (SEMLEP)

Desk Research Summary Report
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1.0 Executive Summary

- The establishment of a more competitive and balanced economy is predicated on raising the skills profile of the UK workforce to successfully provide higher level skills for strategically and economically important sectors;
- Once locally specific strengths have been identified, responsibility for the targeting of resources, particularly in relation to education and training, rest with local authorities, providers and wherever possible, employers;
- The Coalition Government has identified Advanced Manufacturing and Engineering, Knowledge Intensive traded services and enabling sectors (such as energy and construction) as key growth sectors for local and national economies;
- According to SEMTA, Advanced Manufacturing comprises six sub-sectors, Aerospace, Silicon Electronics, Plastics/Printed Electronics, Industrial Biotechnology and Nano-technology, all of which are prominent within the Northampton and wider LEP economies;
- The most important occupational categories within SEMTA’s footprint are skilled trades (21%), managers (20%) and professionals (20%);
- Over the next 10 years there is expected to be an 11% increase in managers, directors, and senior officers and a 14% increase in professional, associate and technical roles;
- The UK automotive industry is home to a number of high end, premium car manufacturers, which allows them to differentiate themselves from European and Asian manufacturers through greater export value and higher level skills;
- Automotive companies invest heavily in training, characterised by the recruitment of 14,000 apprentices during 2011;
- Construction, of late, has been the sector that larger economies (most notably the US) have utilised to stimulate job creation, economic recovery and growth;
- The skills profile of the construction industry is shifting to include a higher proportion of Managers, Professionals and Associate Professionals;
- Financial and Professional Services identified as 1 of 8 sectors in the 2011 Growth Review; a sector dominated by managers, professionals and associate professionals;
- It is important to recognise and cater for the contribution of the Logistics sector to the Northampton and LEP economies as part of any representative skills strategy and Action Plan;

The Local Picture

- The three largest sectors in terms of employment, across all spatial levels are Wholesale and Retail, Administrative and Support Service activities and Human Health and Social Work;
- According to the LEA, almost 2 in 5 employees (38.6%) in Northamptonshire work in sectors characterised as being part of the knowledge economy;
- Financial and Business Services account for well over a quarter of all jobs in Northampton;
- Northampton has a lower proportion of its workforce in the top three occupational categories of employment;
- Both Northamptonshire and Northampton Enterprise Partnership (NEP) have a lower proportion of people employed in professional occupations (16%) when compared to the national average of 19%);
- NEP has a lower proportion of its working age population with degree level qualifications or above;
- Northampton and Daventry have higher proportions of their working age populations with no formal qualifications.
2.0 Sectoral Profiling and Key Growth Sectors

This report provides a detailed but succinct summary of strategic and statistical information that achieves two principal objectives to support the future strategy development work of the Steering Group and other key stakeholders, including local authorities, Northampton Waterside Enterprise Zone, employers and training providers. Firstly, it is important to frame the research and the resultant strategy within a wider national context, with particular emphasis on understanding the infrastructural, labour market and skills profiles of key growth sectors and sectors of importance to national economic recovery and sustainable growth. Secondly, attention is turned to providing a detailed economic profile and structure of the spatial area covered by the South East Midlands Local Enterprise Partnership (SEMLEP). This will include assessments of the local labour market and proposed growth sectors identified within the Local Economic Assessment. Emphasis has been placed on detailing locally specific strengths and weaknesses in both the labour market and sectoral profiles of the study area to assist in the identification of possible actions for the strategy.

2.1 Long Term Economic Prosperity and Sectoral Specialisation

Successive National Skills strategies, penned by both the former Labour and current Coalition Governments, have sought to position the labour market and skills base of the UK within a wider assessment of European skills and to consider the role skills will play in providing a more stable, and diverse economy. In seeking to establish a more competitive and balanced economy, emphasis has been placed on raising the overall skills profile of the UK workforce, alongside providing higher level skills for strategically and economically important sectors. As stated within the Coalition Government’s Industrial Strategy, a sector based approach to industrial policy and sustainable economic growth ‘can promote a greater measure of diversity in economic activity, which may secure an enhanced resilience to economic shocks’.

2.1.1 The UK’s Growth Sectors

Both immediate and long-term recovery will be predicated on identifying where the UK, and its constituent regions and localities, can have greatest success in capturing high value opportunities based upon key strengths and capabilities. Once identified, it is then the responsibility of locally specific stakeholders (supported through national policy and funding interventions) to target resources, particularly within the education and training arenas, to facilitate and nurture continued development and expansion in these areas of strength. However, it is essential that policy and decision makers at all spatial levels ensure that growth is not predicated solely on the relative performance of one or two industry sectors or sub-sectors, but on the contributions that can be made by a variety of industries. For example, Northamptonshire and the wider SEMLEP and NEP areas, have clear areas of specialisation and competitive advantage in motorsport, mechanical engineering, business and finance and logistics.

The sectoral specialisations of prominence within the economies of Northampton, the wider county, SEMLEP and NEP, carefully mirror those that have been pushed to prominence at national level as part of the National Growth and Industrial strategies. Through considering the size and opportunity for future growth, together with the barriers to growth and scope for government action, both the Department for Business, Innovation and Skills (BIS) and the Coalition Government have collectively identified the following sectors as adding the most value:

- Advanced Manufacturing and Engineering: Including aerospace, automotive and life sciences;
• Knowledge intensive traded services: Including professional and business services, the information economy and traded aspects of higher and further education; and
• Enabling sectors: such as energy and construction.

Many of the sectors above benefit from a strong physical infrastructure within the enterprise zone and the wider catchment area and are now in a position to benefit from central Government support, including a major Government initiative in relation to STEM, which has served to highlight skill shortages in the workforce.

2.2 National Profile of Locally Important Industrial Sectors

As highlighted above, many of the industrial sectors of importance to the national economy feature prominently in the sectoral profile of the study area, particularly within Northampton and Northamptonshire. Therefore, before assessing the labour market and economic infrastructure of the study area, there is significant benefit to be gleaned from outlining and analysing the national profiles of these growth sectors. Particular emphasis has been placed on understanding the strategic importance of the sector, its composition and profile, workforce demographics and current and future skills requirements.

2.2.1 Advanced Manufacturing and Engineering

Relevant Sector Skills Councils: SEMTA and Summit Skills

BIS has identified the Advanced Manufacturing (including engineering) as comprising six sub-sectors, all of which play an important role in the local economies of Northampton, Northamptonshire, SEMLEP and the Enterprise Zone: Aerospace, Silicon Electronics, Plastics/Printed Electronics, Industrial Biotechnology; Composites and Nano-technology. The automotive industry is also of particular importance to the Enterprise Zone and wider study area and is analysed below.

Advanced Manufacturing represents one of the best opportunities for the UK to not only re-balance the economy, but also to promote long-term economic growth. The constituent sectors have the potential to drive up levels of value added and make a substantial contribution to export growth. This is evidenced by the fact that the industry accounted for over half of all UK exports in 2009, 12% of gross value added (GVA) and employed approximately 2.6 million people in 2010.

Table 2.1 Key Economic, Demographic and Infrastructural Facts

- Mature engineering industries account for 47% of employment, 815,000 employees;
- The six sub-sectors above contain a higher proportion of micro-businesses employing between 1 and 10 people;
- Almost two thirds of the workforce (61%) are between the ages of 35 and 59, much higher than the 46% for all sectors;
- Only 9% of the manufacturing workforce is under 25 compared to the cross-sectoral average of 13%;
- The most important occupational categories within SEMTA’s footprint are skilled trades (21%), managers (20%) and professionals (20%);
- The proportion of employees in higher skilled occupations (SOC codes 1, 2 and 3) is greater for SEMTAs sectors (52%) than for all sectors in the UK (43%);
- Over the next 10 years there is expected to be an 11% increase in managers, directors, and senior officers and a 14% increase in professional, associate and technical roles;
- This is counterbalanced by a 16% reduction in skilled trades, highlighting the importance of ‘upskilling’
Sector Skills Assessment

2.2.2 Automotive

The UK automotive industry, which incorporates both manufacturing and retail activities, remains a vitally important part of the UK economy, particularly in the heartlands of the East and West Midlands. Annually, the sector generates £50 billion in turnover and typically delivers around £10 billion in net value added to the UK economy. The UK is home to seven volume car manufacturers, eight commercial vehicles manufacturers, 11 coach and bus manufacturers and more than 10 niche and specialist vehicle manufacturers. There are two critical differentiators between the UK Automotive industry and those of other European nations and the Far East; two differentiators that serve to maintain its competitive advantage within the global market place. Firstly, many automotive companies, thinking in particular, of Jaguar Land Rover and Bentley, operate in the premium market, and provide far superior vehicles to those manufactured in many European and Far Eastern countries. Only Germany, with Mercedes Benz and BMW, has car manufacturers to rival those of the UK. Secondly, and related to the previous point, the UK Automotive sector is not as heavily reliant on the supressed consumer markets and wider economies of Europe. As stated, below, the sector is the largest in terms of export revenue. Jaguar Land Rover sold over 71,000 vehicles to overseas markets last year, and the sector as a whole exports to over 100 markets worldwide accounting for 11% of total UK exports across all sectors. This compares more than favourably with the likes of Peugeot, Fiat and Renault, who have been adversely impacted by waves of poor demand, severe over capacity and a lack of finance.

Table 2.2 Key Economic, Demographic and Infrastructural Facts

- The automotive industry is the UK’s largest sector in terms of exports and generated £29 billion of export revenue for the UK in 2010. In a typical year, UK car manufacturers;
- The industry employs over 730,000 people across manufacturing, retail and aftermarket sectors;
- Eight Formula One teams and the largest concentration of motorsport firms can be found in Motorsport Valley, of which Northampton, the county and SEMLEP are an integral part;
- The automotive industry is at the forefront of Research and Development and has been a constant innovator of new products to encourage safer and greener motoring;
- The industry invests 20 billion Euros a year in R&D and a strategic shift towards a low carbon economy will see in excess of £150 billion invested in low and ultra low carbon vehicle technologies over the next 20 years;
- 2011 saw a number of high profile announcements from Global Original Equipment Manufacturers (OEMs) regarding investment in the UK automotive sector. The investments, from companies such as McLaren Automotive, Rolls Royce, Tata Motors, Toyota, Honda and Aston Martin, resulted in the creation of 9,900 new jobs and the safeguarding of a further 12,000. Investments in facilities expansion and new models were worth more than £4 billion.

The UK automotive industry is a very highly skilled sector, and as such, invests heavily in training and upskilling, employing thousands of apprentices. According to SMMT, new engineering and technology graduates have a starting salary more than 10% higher than other UK graduates and in 2011 over 14,000 Apprentices were recruited. According to the Chief Executive of SMMT, ‘The UK automotive industry offers fantastic career and skills opportunities for young people across a huge variety of disciplines, from design, engineering, supply chain, manufacturing, retail and aftermarket.

Table 2.3 Automotive Skills

- In 2011 64% of UK automotive companies provided training, with 58% recruiting 16 year olds from schools and 11% directly from Universities and Higher Education Institutions;
• At any one time, there are approximately 18,000 apprentices working in automotive retail;
• The GVA per employee for automotive is £61,100 compared with only £35,000 across the whole economy.

2.2.3 Construction (incorporating Sustainable Construction)

Relevant Sector Skills Council: Construction Skills

Construction, which is increasingly having to consider implications associated with environmental sustainability and sustainable construction, continues to be a vital component of the UK economy, not only directly as a result of its contribution to output and employment, but also strategically in its contribution to the built environment and as part of various initiatives to stimulate growth. Construction was one of the first sectors impacted by the economic downturn and one of the worst affected in terms of relative decrease in employment. It has also been the sector that larger economies like those of the US and UK have turned to in order to stimulate recovery and growth.

Table 2.4 Key Economic, Demographic and Infrastructural Facts

• Turnover for the sector was £184.13 billion in 2010, with the top 100 construction companies in the UK accounting for more than 37% of the sector’s total turnover;
• Across all sectors of the UK, 59% of employment is within SMEs (0-249) while in construction 85% of employment is concentrated in firms with less than 250 employees;
• The majority of construction workers are between the ages of 25 and 59 (more than 80%);
• Only 11% are aged between 16 and 24, compared with 13% for all sectors;
• Replacement demand for skilled construction and building trades in the period 2010 to 2020 is expected to be 434,000, which will equate to 43% of the sector workforce by 2020;
• There are continued concerns about the attractiveness of the sector to young people and the importance of bringing in skilled trades at the younger age ranges;
• Drivers for change in the construction sector include meeting low/zero carbon requirements, adopting new technologies and satisfying other regulatory requirements;
• To meet these challenges, the skills profile of the sector has been changing with an increased share of people working in higher level occupations, particularly Managers, Professionals and Associate Professionals.

2.2.4 Professional and Business Services

Relevant Sector Skills Council: Financial Skills Partnership

The Financial and Professional Services sector continues, in spite of its recent negative press, to be a major engine for growth for the UK economy throughout the 21st Century and was identified by the Coalition Government as one of 8 sectors within the 2011 Growth Review. According to 2010 data, the sector had output of nearly £200,000 million, having grown by 4.4% every year in the period 2000 to 2010, and employment of 3.65 million.

Table 2.5 Key Economic, Demographic and Infrastructural Facts

• In 2010, 63% of total employment resided in financial, insurance and other professional services sub-sectors, 12% in real estate activities, 4% in rental and leasing and 21% in employment activities;
• Over half of all employment in the financial, insurance and other professional services sub-sectors can be found among micro-businesses and a further 35% among establishments with fewer than 24 employees;
• 30% of employment in the sector are aged 45-59, with 28% aged 25-34 and 26% aged 35-44;
• Employment in the sector is dominated by managers, professionals and associate professionals, who comprised approximately 55 per cent of employment in the sector;
• In the period to 2020, the number of employees required in these highly skilled occupational groups will continue to grow and will account for 60% of the workforce;
• In addition to requirements at managerial and professional level (SOC codes 1,2 and 3), the sector will have strong demand for within other occupational groups, in particular clerical and administrative and sales and customer service (SOC codes 4 and 9)

2.2.5 Logistics

Relevant Sector Skills Council: Skills for Logistics

Whilst perhaps not considered to be one of the ‘sexy’ sectors that will elicit significant economic growth and the provision of large volumes of highly skilled, high value added employment, it is still an important contributor to the economy of the study area. To this end, it is important to briefly reflect upon, and assess the profile of the sector in the same way as those outlined above.

Logistics is the flow of goods between the point of origin and the point of consumption in order to meet the requirements of consumers. The sector operates 24 hours a day, does so on a global scale and underpins all other sectors of the economy. Despite this, many people are still unaware of the sector’s importance to global, international, national, regional and local economies. To this end, it is not surprising that the sector has been somewhat overlooked by national and local policy objectives. Logistics employers are spread across the UK and are engaged in all modes of transport: road, rail, air and sea. Logistics also includes other activities that form part of the supply chain, such as cargo handling, warehouse and storage, freight forwarding and the supporting activities provided by port and airport authorities.

Table 2.6 Key Economic, Demographic and Infrastructural Facts

• The Logistics Sector employs 1.55 million people across 192,740 companies. The sector is dominated (81%) by workplaces employing 10 or fewer people;
• Nearly half (48%), or 746,800 individuals, do not have a level 2 qualification, a much higher proportion than the all-sectors figure of 29%;
• The extent to which UK logistics employees are trained is particularly weak compared to international competitors;
• Research shows that 47% of companies with fewer than 5 employees provide training, while nearly all (97%) of those with more than 100 employees do so. This is significant in a sector dominated by small companies;
• The transport sector accounts for 21% of the UK’s domestic greenhouse gas emissions with freight transport alone accounting for 31% of the sector’s output. The sector is looking at a number of ways to reduce its environmental impact;
• The Driver CPC legislation will have a massive impact on the Logistics Sector as over 300,000 professional drivers, in vehicles over 3.5 tonnes, will be required to take the training in the next five years;
• The Coalition Government has increased numbers of apprenticeships places, with Logistics recognised as a priority sector by the National Apprenticeship Service.
2.3 The Local Picture

In order to ensure the strategic relevance and appropriate targeting of interventions as part of the proposed strategy, it is important to consider and discuss the profile of the study area. That said, the individuals and organisations that will ultimately be responsible for the design, content and implementation of the strategy should have a detailed understanding of the relative strengths of the study area and its profile. The information provided in this sub-section, therefore, will draw out key facts and statistical evidence that may be of importance, and may potentially shape the content of the final skills strategy and action plan. Data contained in this section has been derived from the Northamptonshire Local Economic Assessment and Office for National Statistics employment and business data (taken from NOMIS and neighbourhood statistics).

2.3.1 Employment by Sector

Table 1.7 below provides an abridged version of local employment by industry sector. Data has been provided based upon two key criteria: firstly, the importance of the sector for employment and GVA and secondly, its identification and inclusion as one of the ‘key growth sectors’ within either national or local policy.

Table 2.7 Employment by Sector

<table>
<thead>
<tr>
<th>Sector</th>
<th>Northamptonshire (County and LEP)</th>
<th>Northampton</th>
<th>Nottinghamshire</th>
<th>SEMLEP</th>
<th>East Midlands</th>
<th>England</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing</td>
<td>12.3</td>
<td>7.6</td>
<td>13.3</td>
<td>10.0</td>
<td>13.0</td>
<td>8.7</td>
</tr>
<tr>
<td>Construction</td>
<td>4.3</td>
<td>3.7</td>
<td>7.0</td>
<td>4.1</td>
<td>4.9</td>
<td>4.5</td>
</tr>
<tr>
<td>Wholesale and retail trade; repair of motor vehicles and motorcycles</td>
<td>18.5</td>
<td>16.0</td>
<td>18.4</td>
<td>18.7</td>
<td>17.4</td>
<td>16.2</td>
</tr>
<tr>
<td>Transportation and storage</td>
<td>7.7</td>
<td>6.0</td>
<td>4.3</td>
<td>6.2</td>
<td>5.0</td>
<td>4.7</td>
</tr>
<tr>
<td>Financial and insurance activities</td>
<td>3.1</td>
<td>6.0</td>
<td>1.5</td>
<td>2.8</td>
<td>2.0</td>
<td>4.0</td>
</tr>
<tr>
<td>Professional, scientific and technical activities</td>
<td>5.6</td>
<td>6.3</td>
<td>4.8</td>
<td>6.8</td>
<td>5.0</td>
<td>7.5</td>
</tr>
<tr>
<td>Administrative and support service activities</td>
<td>11.0</td>
<td>13.5</td>
<td>6.1</td>
<td>10.3</td>
<td>9.2</td>
<td>8.3</td>
</tr>
<tr>
<td>Education</td>
<td>8.2</td>
<td>7.0</td>
<td>8.6</td>
<td>9.3</td>
<td>10.0</td>
<td>9.5</td>
</tr>
<tr>
<td>Human health and social work activities</td>
<td>11.0</td>
<td>12.9</td>
<td>13.8</td>
<td>11.0</td>
<td>13.0</td>
<td>12.7</td>
</tr>
</tbody>
</table>

*NOMIS Business Register and Employment Survey (BRES), 2011*

The three largest sectors in terms of employment, across all spatial levels are Wholesale and Retail, Administrative and Support Service activities and Human Health and Social Work and the proportions of employment are all higher than the national average. These sectors would be classified as low skilled and low value added and reflect the broad skills profile of the study area. There is also significant employment in manufacturing, particularly within the NEP boundary (12.3%) and that of the East Midlands (13%) region, when compared to the national average (8.7%), and Transport and
Storage. Transport and Storage, more commonly referred to as Logistics, is also a more important sector to the local economy, when compared to other regional averages and the national average.

2.3.2 Key Areas of Employment

The table and descriptive text above, has provided an overview of the sectoral profile of the spatial area, but it is important to ‘drill deeper’ and consider industries and activities within which Northampton, the county and the wider LEP areas, have a strategic and competitive advantage. These activities have been identified and discussed as part of the Local Economic Assessment (LEA) and should form the focal point of any proposed strategy and action plan.

2.3.2.1 High Performance Technologies, Engineering and Motorsports

Northamptonshire, which also encompasses the Enterprise Zone, has a world wide reputation as a leader in high performance engineering and research. The county alone is already home to over 1,500 high performance technology companies, representing all levels of the supply chain. This ‘sector’, which has a local annual turnover of approximately £2bn, encompasses a range of industrial and research and development activities in the low carbon sector, in relation to renewable energy and sustainable construction. Key strengths, both in relation to infrastructure and business presence include the following:

- Recognition as ‘Motorsport Valley’ largely as a direct result of its rich heritage, the location of Silverstone, home of the Formula One British Grand Prix, and the quality and quantity of world class engineers;
- The presence of engineering employers including: Cosworth in Northampton, Mercedes-Benz HPE and Imor Engineering in Brixworth, together with F1 teams such as Force India and Mercedes GP at Brackley and other racing tracks such as Rockingham and Santa Pod;
- 3.1% of employees in the Northamptonshire work in the high performance engineering sector;
- The importance of High Performance Technologies for the immediate locality has been recognised via the establishment of the High Performance Technology (HPT) Network;
- The presence of the UTC at Silverstone has been widely recognised as an opportunity for growth and skills development and as a link between employers and training providers.

2.3.2.2 Knowledge Economy Employment

According to research undertaken for the completion of the Local Economic Assessment, almost 2 in 5 employees (38.6%) in Northamptonshire work in sectors characterised as being part of the knowledge economy. This proportion is below the England average of 42.1%, but higher than the regional position that equates to 36%. Northampton has the highest proportion of employment in the ‘Knowledge Economy’ (44%) with Corby having the least (28.6%). However, many of the comparator areas, most notably Milton Keynes (48.5%) have a higher percentage of knowledge economy employment.

2.3.2.3 Business Services

The business services sector is flourishing in Northampton. Financial and business services account for well over a quarter of all jobs in the town, which is significantly above the national average. With its expanding population, competitive overheads, and strategic location in the centre of England, Northampton and the wider catchment, including the county and SEMLEP areas, offer a competitive advantage to the full spectrum of firms in the sector, from SMEs to multinational corporations.

Financial giants including Barclaycard and Nationwide have a major presence in the town, and are joined by a wide variety of companies that chose Northampton to base their regional, national or international headquarters.
2.3.3 Occupational Profile

A critical element of the strategy and action plan will be its focus on particular occupational levels and the establishment of an approach that facilitates progression from lower to higher occupations. An important starting point in achieving this is to provide key decision makers with an occupational breakdown of the workforce. Ideally, it would have been beneficial to provide an occupational breakdown by each of the sectors and industries discussed above. However, the vagaries of data collation mean that there is no occupational profiling data for individual sectors at the necessary spatial levels.

Table 2.8 Employment by Sector

<table>
<thead>
<tr>
<th>Occupational Level</th>
<th>Northamptonshire</th>
<th>Northampton</th>
<th>Nottinghamshire</th>
<th>SEMLEP</th>
<th>NEP</th>
<th>East Midlands</th>
<th>England</th>
</tr>
</thead>
<tbody>
<tr>
<td>Managers, directors and senior officials</td>
<td>10.5</td>
<td>8.2</td>
<td>9.1</td>
<td>10.3</td>
<td>10.5</td>
<td>10.0</td>
<td>10.2</td>
</tr>
<tr>
<td>Professional occupations</td>
<td>16.0</td>
<td>17.4</td>
<td>17.2</td>
<td>18.5</td>
<td>16.0</td>
<td>16.9</td>
<td>19.5</td>
</tr>
<tr>
<td>Associate prof &amp; tech occupations</td>
<td>13.8</td>
<td>13.5</td>
<td>12.3</td>
<td>14.0</td>
<td>13.8</td>
<td>12.4</td>
<td>13.9</td>
</tr>
<tr>
<td>Administrative and secretarial occupations</td>
<td>10.1</td>
<td>11.2</td>
<td>12.0</td>
<td>11.2</td>
<td>10.1</td>
<td>10.7</td>
<td>11.1</td>
</tr>
<tr>
<td>Skilled trades occupations</td>
<td>10.4</td>
<td>8.2</td>
<td>12.7</td>
<td>10.4</td>
<td>10.4</td>
<td>12.2</td>
<td>10.7</td>
</tr>
<tr>
<td>Caring, leisure and other service occupations</td>
<td>10.5</td>
<td>9.8</td>
<td>9.1</td>
<td>8.8</td>
<td>10.5</td>
<td>9.1</td>
<td>8.9</td>
</tr>
<tr>
<td>Sales and customer service occupations</td>
<td>6.2</td>
<td>7.6</td>
<td>7.8</td>
<td>7.7</td>
<td>6.2</td>
<td>7.6</td>
<td>8.0</td>
</tr>
<tr>
<td>Process, plant and machine operatives</td>
<td>8.5</td>
<td>6.4</td>
<td>6.7</td>
<td>6.3</td>
<td>8.5</td>
<td>8.2</td>
<td>6.4</td>
</tr>
<tr>
<td>Elementary occupations</td>
<td>14.2</td>
<td>17.7</td>
<td>12.7</td>
<td>12.5</td>
<td>14.2</td>
<td>12.6</td>
<td>11.0</td>
</tr>
</tbody>
</table>

Looking first at higher level occupations, **Northampton has a lower proportion of the workforce in the top three categories of employment**, when compared, not only to the national average, but also compared with the county and two LEP areas. Northamptonshire and Northampton Enterprise Partnership (NEP) have a **lower proportion of people employed in professional occupations (16%)** when compared to the national average (19.5%).

Of particular concern from the perspective of the skills strategy, is the proportion of the Northampton workforce employed in **elementary occupations, with it being more than 6% higher** than the national average and a minimum of 3% higher when compared to the county and LEP areas.
2.3.4 Skills and Qualifications Profile

In reviewing the qualifications data detailed in Table 1.9 below, there are some significant variations in the prevalence of high level skills, particularly when assessing district performance.

Table 2.9 Highest Level of Qualification

<table>
<thead>
<tr>
<th>Location</th>
<th>% with nvq4+ - aged 16-64</th>
<th>% with nvq3+ - aged 16-64</th>
<th>% with nvq2+ - aged 16-64</th>
<th>% with nvq1+ - aged 16-64</th>
<th>% with no qualifications - aged 16-64</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corby</td>
<td>17.2</td>
<td>41.3</td>
<td>59.5</td>
<td>76.9</td>
<td>11.2</td>
</tr>
<tr>
<td>Daventry</td>
<td>29.7</td>
<td>50.2</td>
<td>65.3</td>
<td>78.0</td>
<td>18.0</td>
</tr>
<tr>
<td>East Northamptonshire</td>
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<td>48.5</td>
<td>73.4</td>
<td>89.2</td>
<td>6.9</td>
</tr>
<tr>
<td>Kettering</td>
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<td>53.1</td>
<td>70.5</td>
<td>84.0</td>
<td>7.0</td>
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<tr>
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<td>31.0</td>
<td>48.4</td>
<td>62.0</td>
<td>75.0</td>
<td>15.9</td>
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<tr>
<td>South Northamptonshire</td>
<td>32.9</td>
<td>50.9</td>
<td>75.0</td>
<td>88.5</td>
<td>6.5</td>
</tr>
<tr>
<td>Wellingborough</td>
<td>21.4</td>
<td>44.7</td>
<td>66.7</td>
<td>81.9</td>
<td>12.0</td>
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<tr>
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<td>30.9</td>
<td>51.9</td>
<td>68.8</td>
<td>84.3</td>
<td>8.9</td>
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<tr>
<td>Northamptonshire (same as NEP)</td>
<td>29.1</td>
<td>48.6</td>
<td>66.9</td>
<td>80.9</td>
<td>11.9</td>
</tr>
<tr>
<td>South East Midlands LEP</td>
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<td>52.1</td>
<td>69.5</td>
<td>83.0</td>
<td>10.3</td>
</tr>
<tr>
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<td>28.4</td>
<td>50.1</td>
<td>68.2</td>
<td>82.1</td>
<td>11.5</td>
</tr>
<tr>
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<td>52.4</td>
<td>69.5</td>
<td>82.8</td>
<td>10.4</td>
</tr>
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</table>

At county level, Northamptonshire and NEP has a lower proportion of its working age population (16-64) with Degree level qualifications or above (29.1%) when compared to the national average, a situation mirrored by the overall qualifications profile of the East Midlands region (28.4%). SEMLEP performs better with a qualifications profile very similar to that of the national average. Of particular concern are the figures for selected local authorities. Both Corby and Wellingborough have significantly lower proportions of their working age population qualified to Level 4 or above, highlighting the need for targeted support to raise this percentage. However, these two localities do not have significantly different issues in respect of individuals with no formal qualifications, when compared to other areas. The same cannot be said for Daventry and Northampton, both of who have significantly higher proportions of their working age populations with no formal qualifications (18% and 15.9% respectively).