Enterprise M3 (including all of Surrey)
Local Skills Improvement Plan

Economy and Labour Market Analysis

May 2025 Update

Contents

Overview

Economy - Business - Jobs

Major contributor to the Exchequer and regional economy

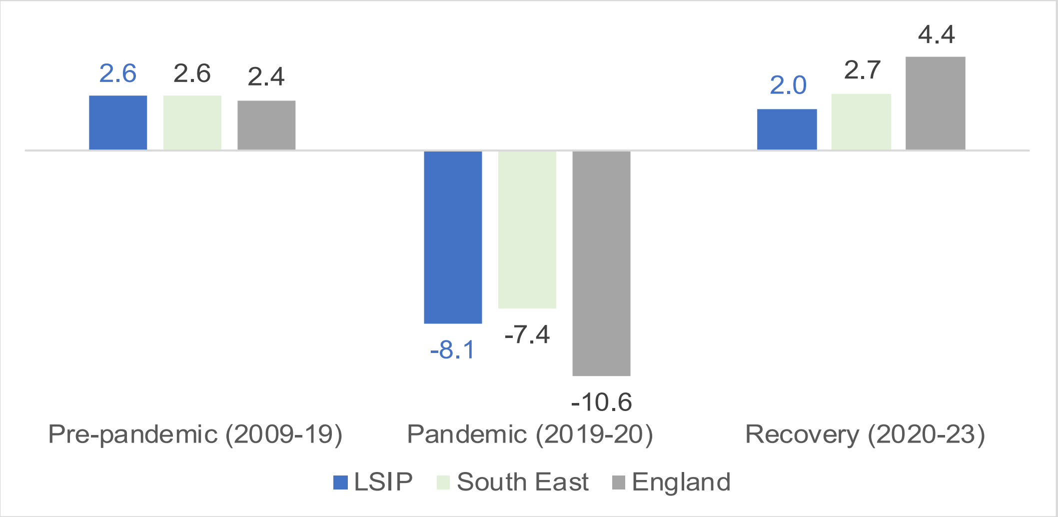
- Accounts for about 26% of the South East region's economy.
- The LSIP area contributed some £100bn to UK GDP in 2023, of which £90.6bn was economic output (GVA).
- £10.5bn in indirect taxes on products (VAT and other taxes)* in 2023, or 14% higher than in 2019.

Strong past growth, relatively resilient to pandemic but relatively sluggish recovery

- In the pre-pandemic decade GDP growth was on average comparable to the regional average and ahead of England.
- More resilient than England but economic recover since the pandemic lags South East / England.

Economy (pounds million, 2023)

Real GDP growth (% per annum)



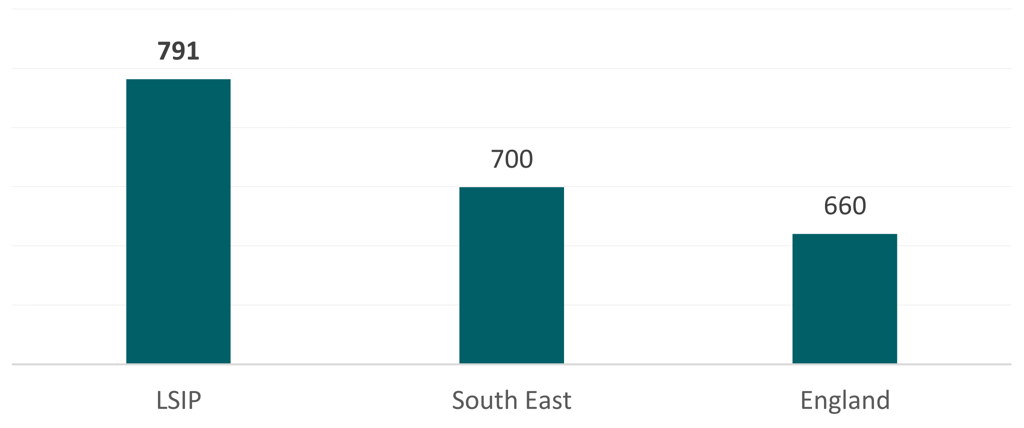
Above average business concentration, but ..

- Approximately 97,300 enterprises with over 110,000 local business units in 2023.
- Business density exceeded national and regional averages by 6% and 13%, respectively.
- Business distribution by size mirrors a trend seen nationwide, with mostly micro and small enterprises but most employment/turnover in SME and large.

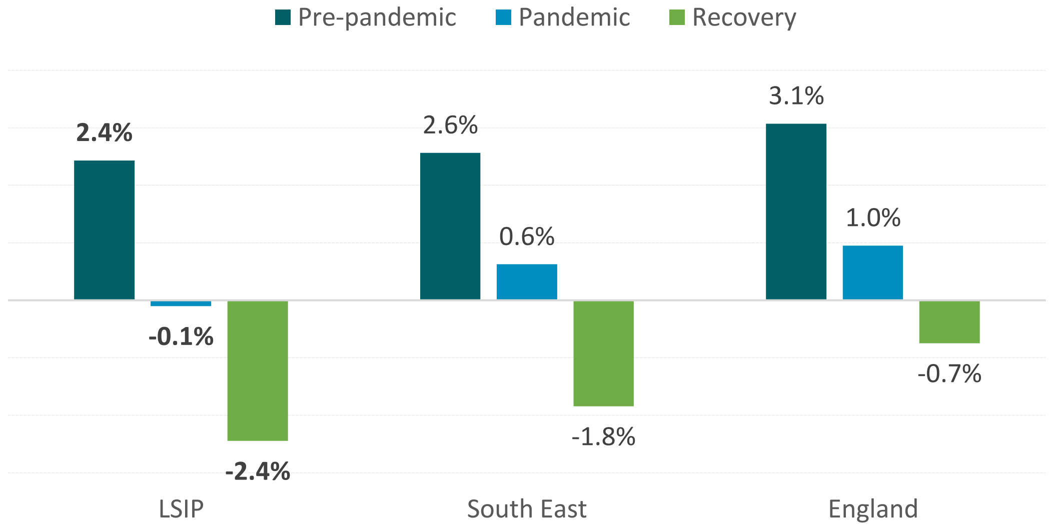
.. past business growth and post-pandemic data lag regional and England average

- Past business growth lagged the regional and England average.
- Relatively sharp fall in total business stock post pandemic but large businesses growth faster than the average (1.8% per annum growth) between March 2021 and March 2023.

Business density, 2023
(Enterprises per 10,000 people of working age)



Business growth (enterprise, % per annum)

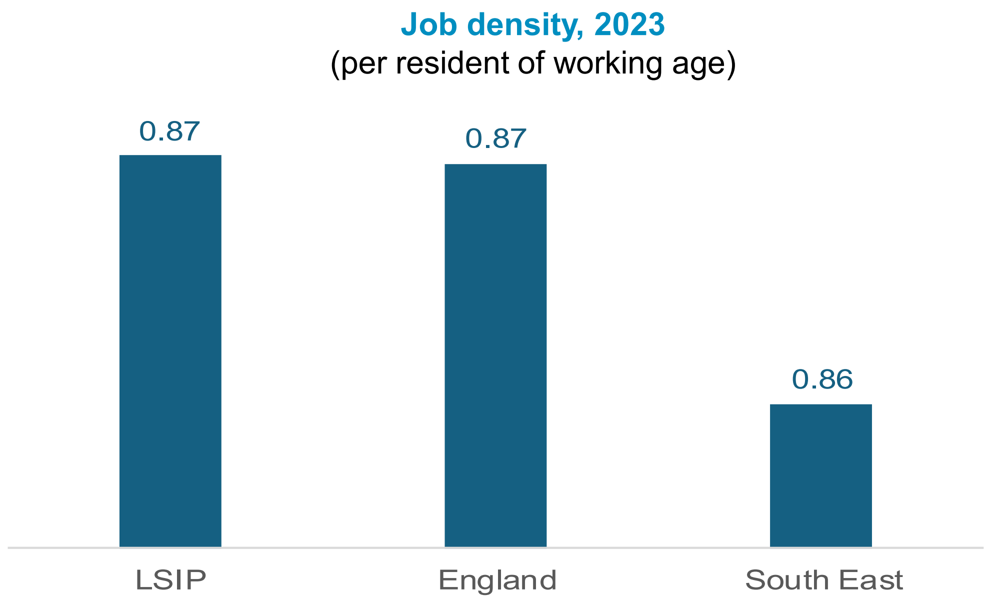


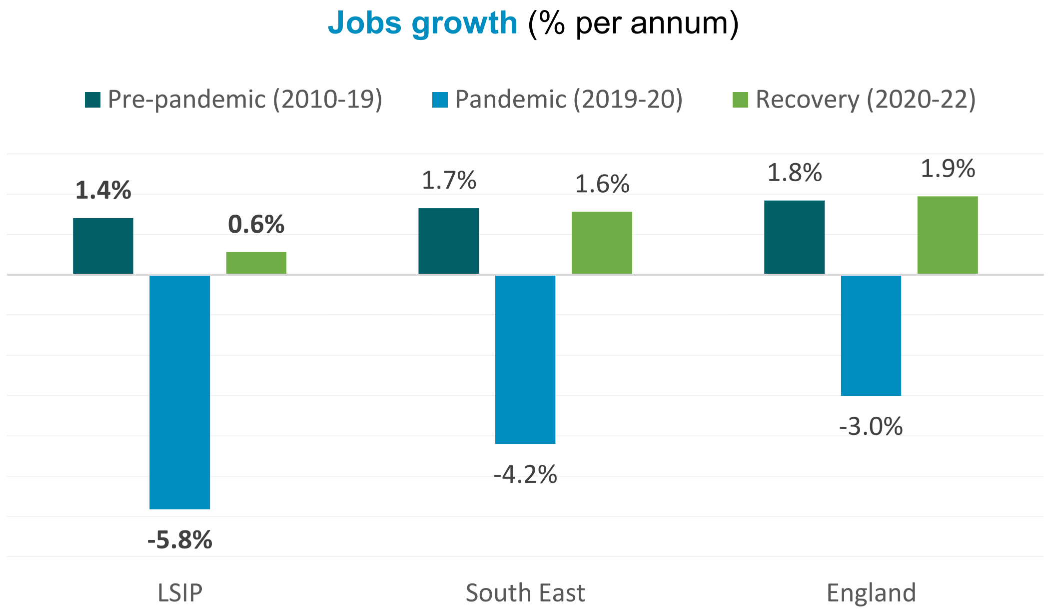
Over 1m jobs but job density comparable to national average

- 1.084 million jobs in 2023, equivalent to 0.87 jobs per working-age resident.
- Job density comparable to England and slightly above the South East but jobs quality is equally important.

Trend growth, recession and recovery lag the average

- Jobs growth pre-pandemic lags the average.
- Sharp fall in the number of total jobs during the pandemic.
- Recovery up to 2022 lagged both the regional and England average.





Business Community

Businesses by Size 2024

Number of VAT and/or PAYE based enterprises in districts, counties and unitary authorities within region and country by employment sizebands								
Units: Counts (control rounded to base 5)								
	Employment Size Band							
	0-4	5-9	10-19	20-49	50-99	100-249	250+	Total
E07000084 : Basingstoke and Deane	5,495	665	400	210	70	35	40	6,915
E07000085 : East Hampshire	5,120	660	360	190	50	25	10	6,415
E07000089 : Hart	3,565	455	235	110	45	25	15	4,450
E07000092 : Rushmoor	2,390	380	210	125	60	35	20	3,220
E07000093 : Test Valley	4,500	660	350	215	70	40	15	5,850
E07000094 : Winchester	5,560	1,090	845	445	90	30	30	8,090
E07000207 : Elmbridge	6,975	755	370	195	70	35	40	8,440
E07000208 : Epsom and Ewell	3,030	310	150	80	25	15	15	3,625
E07000209 : Guildford	5,550	755	435	240	90	40	25	7,135
E07000210 : Mole Valley	4,140	550	245	155	45	25	30	5,190
E07000211 : Reigate and Banstead	5,535	675	305	175	45	20	40	6,795
E07000212 : Runnymede	3,495	440	210	110	55	30	40	4,380
E07000213 : Spelthorne	3,795	370	200	110	30	20	10	4,535
E07000214 : Surrey Heath	3,510	465	225	120	55	30	45	4,450
E07000215 : Tandridge	3,980	550	225	110	30	20	10	4,925
E07000216 : Waverley	6,720	745	365	180	65	30	20	8,125
E07000217 : Woking	3,765	425	220	150	50	25	30	4,665
	77,125	**9,950**	**5,350**	**2,920**	**945**	**480**	**435**	**97,205**

Businesses by sector 2024

Number of VAT and/or PAYE based enterprises in districts, counties and unitary authorities within region and country by broad industry group

Units: Counts (control rounded to base 5)

	01-03 : Agriculture, forestry & fishing	05-39 : Production	41-43 : Construction	45 : Motor trades	46 : Wholesale	47 : Retail	49-53 : Transport & Storage (inc postal)	55-56 : Accommodation & food services	58-63 : Information & communication	64-66 : Finance & insurance	68 : Property	69-75 : Professional, scientific & technical	77-82 : Business administration & support services	84 : Public administration & defence	85 : Education	86-88 : Health	90-99 : Arts, entertainment, recreation & other services	Total
E07000084 : Basingstoke and Deane	280	330	1,075	190	275	360	245	260	810	115	225	1,255	615	40	135	270	435	6,915
E07000085 : East Hampshire	290	370	965	230	215	360	140	255	545	125	245	1,290	595	30	100	235	425	6,415
E07000089 : Hart	85	175	675	165	130	210	100	175	505	95	195	985	415	20	80	140	300	4,450
E07000092 : Rushmoor	10	185	580	125	125	255	130	200	335	70	95	455	295	0	55	120	185	3,220
E07000093 : Test Valley	315	385	840	205	250	345	265	230	420	100	255	1,015	475	30	110	260	350	5,850
E07000094 : Winchester	415	335	905	170	225	1,355	140	325	595	145	390	1,525	610	35	145	305	475	8,095
E07000207 : Elmbridge	45	235	965	120	265	485	155	305	935	210	450	2,215	935	0	145	320	655	8,440
E07000208 : Epsom and Ewell	10	100	610	70	115	205	85	175	420	65	135	790	330	0	80	175	260	3,625
E07000209 : Guildford	115	265	950	165	245	370	135	300	785	165	300	1,690	685	20	150	295	500	7,135
E07000210 : Mole Valley	145	200	740	140	175	325	90	200	415	150	215	1,205	485	15	130	190	370	5,190
E07000211 : Reigate and Banstead	60	255	1,255	165	205	375	180	280	610	170	260	1,375	680	5	130	305	485	6,795
E07000212 : Runnymede	45	175	715	160	190	255	210	195	455	80	190	720	460	0	80	160	290	4,380
E07000213 : Spelthorne	15	190	845	165	150	360	375	225	520	50	130	645	370	0	70	130	295	4,535
E07000214 : Surrey Heath	40	195	625	140	140	250	135	190	480	90	175	900	490	5	100	160	335	4,450
E07000215 : Tandridge	125	190	965	145	160	250	115	180	370	135	230	920	495	15	90	185	355	4,925
E07000216 : Waverley	180	300	880	160	200	425	90	275	805	880	420	1,780	760	20	150	225	575	8,125
E07000217 : Woking	25	195	560	115	160	275	155	210	570	90	145	1,085	460	0	85	195	340	4,665
	2,200	4,080	14,150	2,630	3,225	6,460	2,745	3,980	9,575	2,735	4,055	19,850	9,155	235	1,835	3,670	6,630	97,210

Mostly micro and small but economic significance in medium and large

- Comprising 90 out of every 100 businesses, micro-enterprises (0 to 9 employees) dominate business landscape, with notable sectoral variations.
- Relatively few medium and large businesses but contribute the most to employment and turnover (GVA).

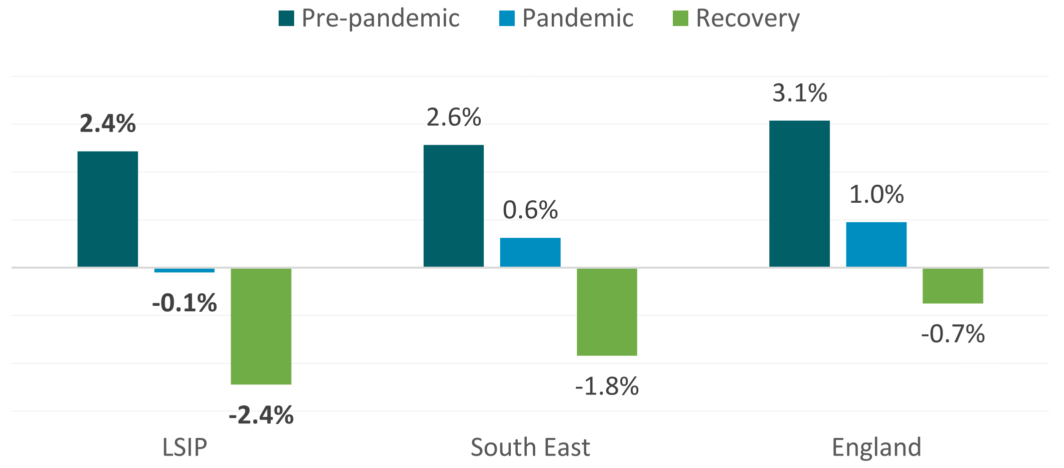
Business stock decreases post-pandemic

- Government measures supported businesses during pandemic.
- Sharper fall post-pandemic than in the region and nationally, driven by micro enterprises.
- Relatively strong performance of large businesses.

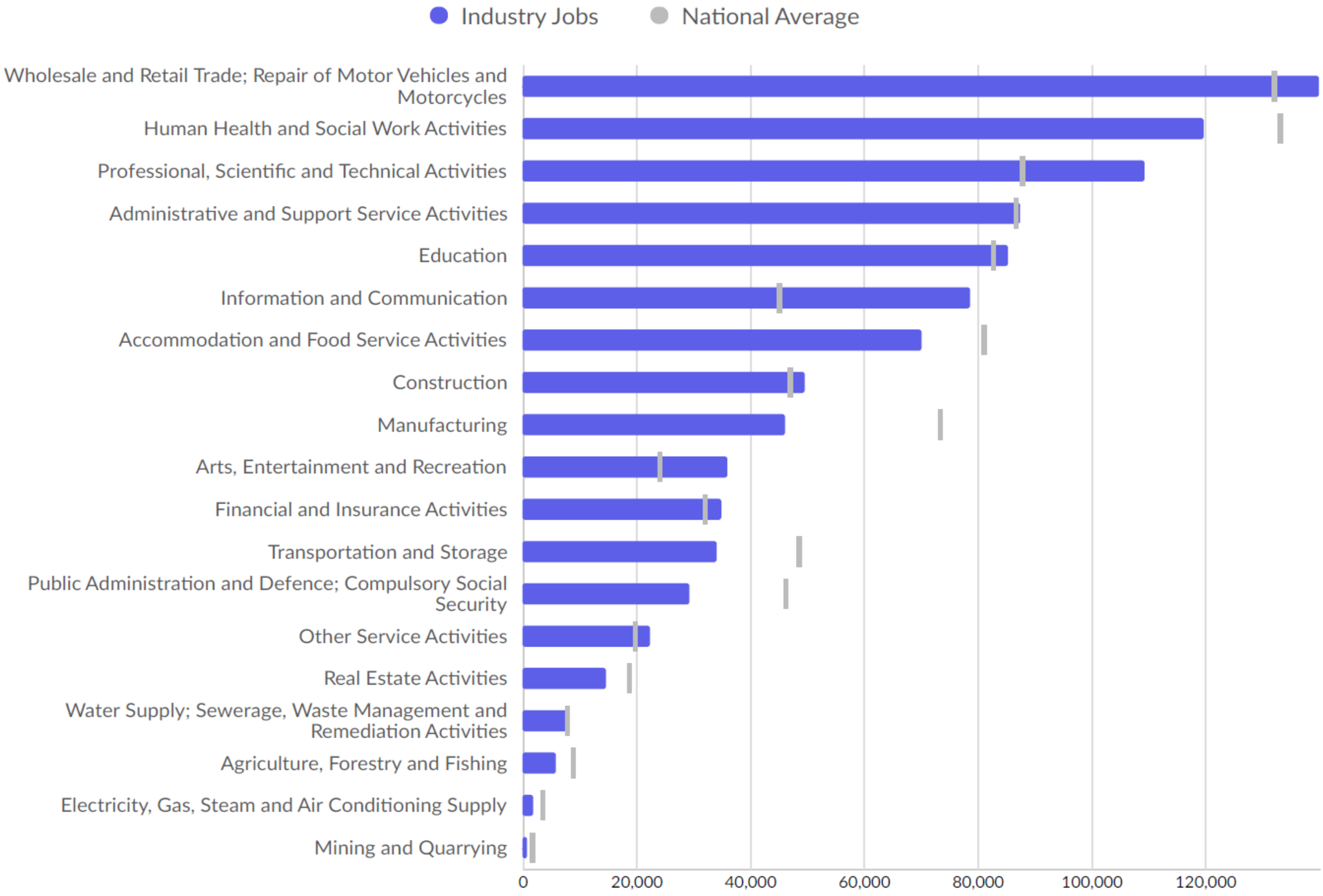
*Note: Business surveys are conducted every March. For analysis purposes, the pandemic period is defined as March 2019 to March 2021, not just until March 2020.

Business (enterprise) distribution	Micro	Small	Medium	Large
3 : Agriculture, forestry & fishing (A)	93.2%	5.6%	0.9%	0.2%
3 : Mining, quarrying & utilities (B,D and E)	86.2%	10.3%	2.3%	1.1%
3 : Manufacturing (C)	81.7%	14.1%	3.3%	0.9%
3 : Construction (F)	95.3%	4.2%	0.4%	0.1%
2A : Motor trades (Part G)	91.5%	7.4%	1.0%	0.2%
2A : Wholesale (Part G)	80.7%	15.2%	3.5%	0.6%
2A : Retail (Part G)	83.4%	15.8%	0.7%	0.2%
2A : Transport & storage (inc postal) (H)	90.8%	7.3%	1.5%	0.3%
2A : Accommodation & food services (I)	73.3%	23.5%	2.3%	0.9%
1 : Information & communication (J)	92.4%	6.3%	1.0%	0.3%
1 : Financial & insurance (K)	94.2%	3.9%	1.1%	0.7%
2A : Property (L)	95.1%	4.5%	0.3%	0.1%
1 : Professional, scientific & technical (M)	94.2%	4.8%	0.8%	0.2%
2A : Business admin & support services (N)	89.7%	8.2%	1.6%	0.5%
2B : Public administration & defence (O)	85.7%	4.1%	2.0%	8.2%
2B : Education (P)	76.6%	13.5%	6.9%	3.0%
2B : Health (Q)	72.9%	20.3%	5.5%	1.3%
2A : Arts, entertainment, etc (R,S,T and U)	89.1%	9.3%	1.3%	0.3%
Total	**89.6%**	**8.6%**	**1.4%**	**0.4%**

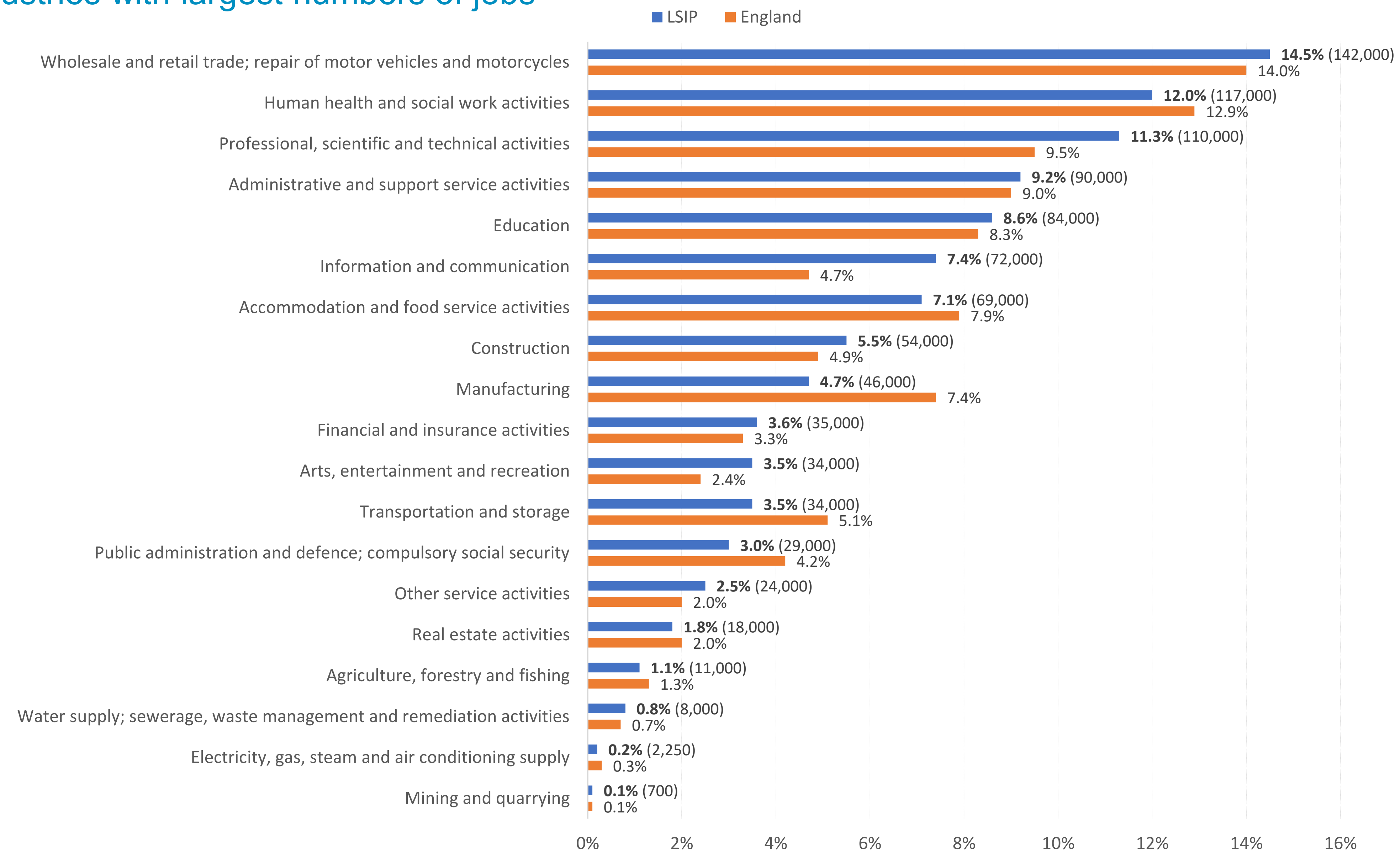
Business growth (enterprise) (% per annum)



Broad Industries with largest numbers of jobs



Broad industries with largest numbers of jobs



Selected Clusters across the LSIP area

Cluster	2020 Jobs	2023 Jobs	% Change	Average Wage (2023)	Employment Concentration	GVA (2019)	% Total of GVA
Digital	60,823	69,780	14.7%	£51,426	2.00	£4,487,878,392	7.94%
Forestry	1,473	1,411	-4.2%	£27,403	1.81	£30,041,533	0.05%
Sports and Leisure	20,323	28,772	41.6%	£28,112	1.59	£895,984,850	1.59%
Appliances and Personal Goods	10,170	9,209	-9.4%	£46,209	1.45	£950,389,726	1.68%
Professional Services	38,136	43,819	14.9%	£43,380	1.42	£3,382,764,090	5.99%
Production Technology	17,015	18,879	11.0%	£46,757	1.38	£1,276,144,470	2.26%
Household Goods and Services	35,151	38,706	10.1%	£28,729	1.36	£1,862,762,986	3.30%
Precision Technology	10,171	10,210	0.4%	£46,116	1.31	£806,868,657	1.43%
Automotive Services	17,858	22,257	24.6%	£34,895	1.26	£1,479,522,557	2.62%
Local Environmental Services	2,929	5,941	102.8%	£37,318	1.23	£236,828,567	0.42%
Air Transport	3,660	4,667	27.5%	£36,487	1.16	£218,341,841	0.39%

Micro business decline in Knowledge-Intensive services, partially offset by Construction growth

- Enterprise levels remain below pre-pandemic peak, particularly impacting micro enterprises.
- Micro enterprise drop driven by Knowledge-Intensive services, particularly '*ICT*' and '*Professional & technical services*', erasing pre-pandemic gains.
- Partially offset by business growth in '*Construction*', '*Accommodation & food services*' and '*Property*'.

Past growth relatively strong in all but two sectors

- Decline in '*Manufacturing*' and '*Wholesale*' sectors between March 2010 and March 2020, contrasting with growth in other sectors.
- Robust expansion in Knowledge-Intensive services (1), accompanied by rapid growth in large '*Accommodation & food services*' enterprises.

Growth since pre-pandemic peak (March 2020 - March 2023),% cumulative	Total	Micro	Small	Medium	Large
3 : Agriculture, forestry & fishing (A)	-6.3	-7.2	0.0	100.0	0.0
3 : Mining, quarrying & utilities (B,D and E)	7.4	8.7	0.0	0.0	0.0
3 : Manufacturing (C)	-2.8	-3.7	0.9	8.7	-12.5
3 : Construction (F)	7.5	7.8	1.7	9.1	0.0
2A : Motor trades (Part G)	0.8	1.7	-9.5	25.0	-50.0
2A : Wholesale (Part G)	-4.2	-4.5	-3.8	4.5	-20.0
2A : Retail (Part G)	-5.3	-8.1	13.1	-18.2	0.0
2A : Transport & storage (inc postal) (H)	4.3	4.3	10.3	-18.2	0.0
2A : Accommodation & food services (I)	9.6	8.9	12.8	5.9	0.0
1 : Information & communication - ICT (J)	-23.9	-25.6	8.0	0.0	0.0
1 : Financial & insurance (K)	-2.5	-2.5	-4.5	0.0	0.0
2A : Property (L)	9.4	9.9	0.0	0.0	0.0
1 : Professional, scientific & technical (M)	-14.5	-15.5	6.7	7.1	0.0
2A : Business admin & support services (N)	-4.0	-5.0	8.7	-6.5	0.0
2B : Public administration & defence (O)	2.1	2.4	0.0	0.0	0.0
2B : Education (P)	0.8	2.2	-3.9	-10.7	22.2
2B : Health (Q)	4.7	3.8	7.4	5.4	12.5
2A : Arts, entertainment, etc (R,S,T and U)	1.0	1.7	-6.3	6.3	33.3
Total	**-5.4**	**-6.4**	**4.8**	**-0.4**	**2.4**

Enterprise trend growth (March 2010 - March 2020), % per annum	Total	Micro	Small	Medium	Large
3 : Agriculture, forestry & fishing (A)	1.3	1.3	1.8	0.0	100.0
3 : Mining, quarrying & utilities (B,D and E)	7.9	8.7	2.5	7.2	100.0
3 : Manufacturing (C)	-0.2	0.0	-1.0	-1.2	-2.2
3 : Construction (F)	2.1	2.2	0.0	0.0	0.0
2A : Motor trades (Part G)	0.5	0.6	0.2	-5.4	0.0
2A : Wholesale (Part G)	-1.2	-1.4	-0.5	2.0	0.0
2A : Retail (Part G)	2.0	1.5	6.0	4.6	0.0
2A : Transport & storage (inc postal) (H)	2.9	3.2	0.0	4.6	0.0
2A : Accommodation & food services (I)	0.6	-0.3	3.7	2.7	8.8
1 : Information & communication (J)	**3.4**	3.5	2.3	1.1	4.1
1 : Financial & insurance (K)	**4.5**	**4.8**	0.5	0.0	2.9
2A : Property (L)	2.8	2.9	2.3	-4.0	0.0
1 : Professional, scientific & technical (M)	3.0	3.1	1.6	2.9	2.9
2A : Business admin & support services (N)	3.4	3.6	1.7	1.8	0.0
2B : Public administration & defence (O)	**5.9**	**6.9**	0.0	100.0	0.0
2B : Education (P)	2.8	2.5	4.1	2.9	4.1
2B : Health (Q)	3.0	4.0	0.3	2.5	2.9
2A : Arts, entertainment, etc (R,S,T and U)	0.0	-0.2	2.0	1.3	0.0
Total	**2.2**	**2.3**	**1.7**	**1.8**	**1.6**

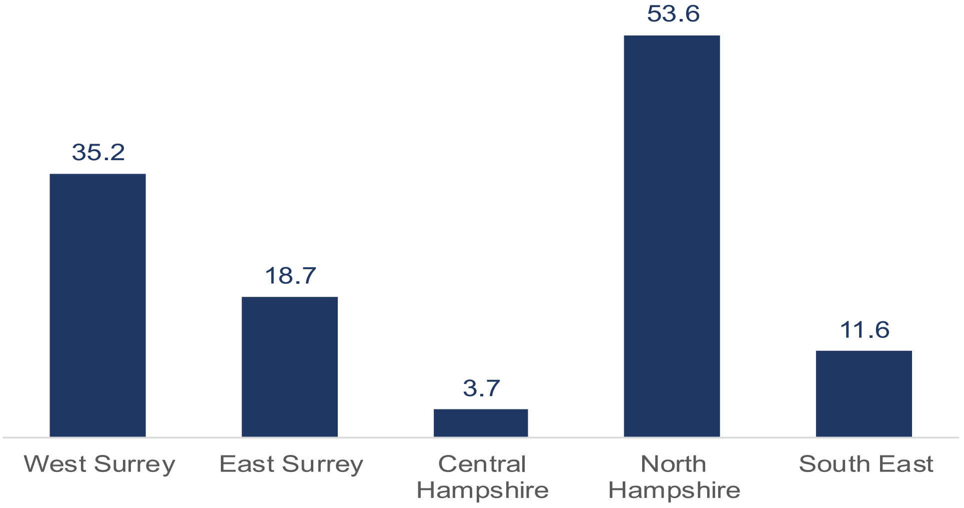
Headline productivity over ¼ above the national average

- Getting more productive relative to national average, yet substantial sub-area differences persist.
- North Hampshire is the most productive sub-area in the country outside the City of London with West Surrey not far behind.
- Central Hampshire slightly above the national average but below the regional average.

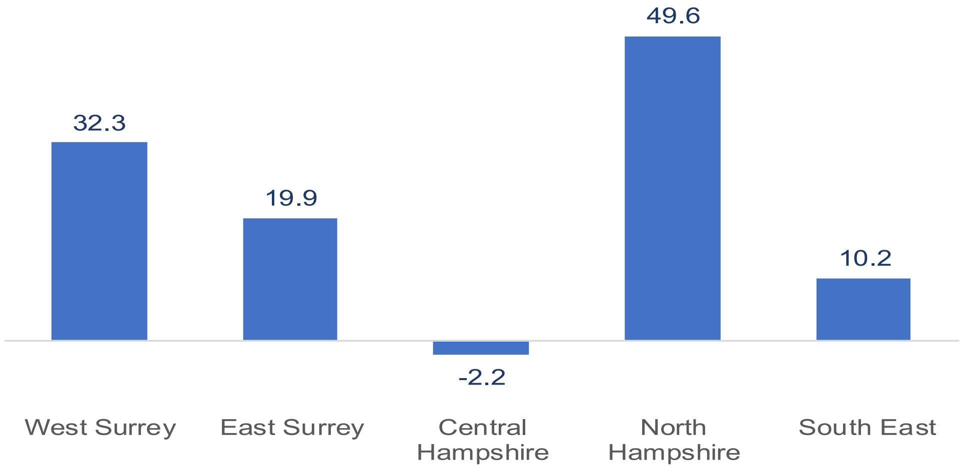
Slightly less strong in terms of productivity per job

- Productivity per job over a fifth higher than the national average and showing relative growth.
- However, Central Hampshire falls below the national and regional average in terms of productivity per job.

Productivity per hour worked
(relative to national average, % 2022)



Productivity per job
(relative to national average, % 2022)



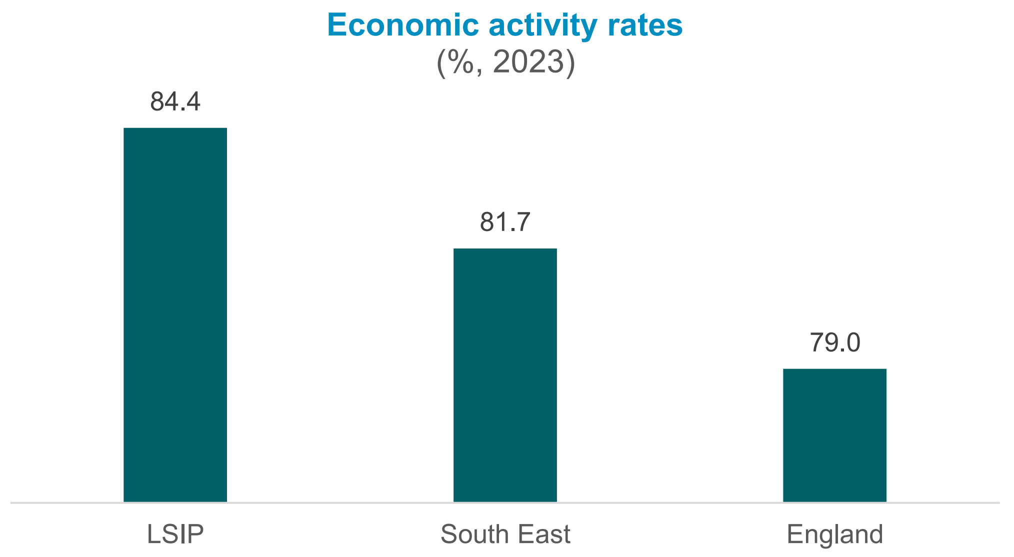
Employment Landscape

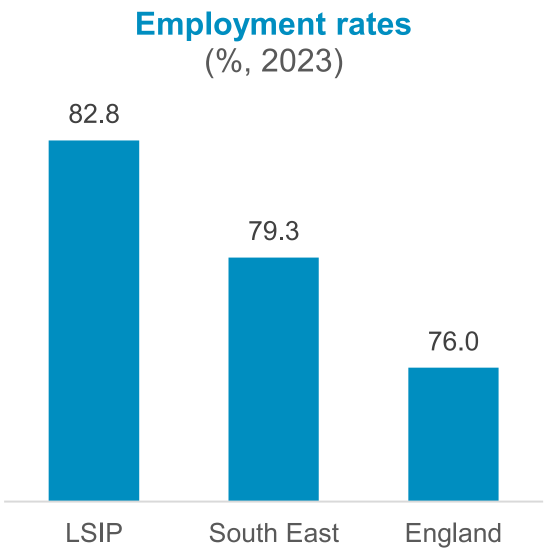
Exceptionally high economic activity

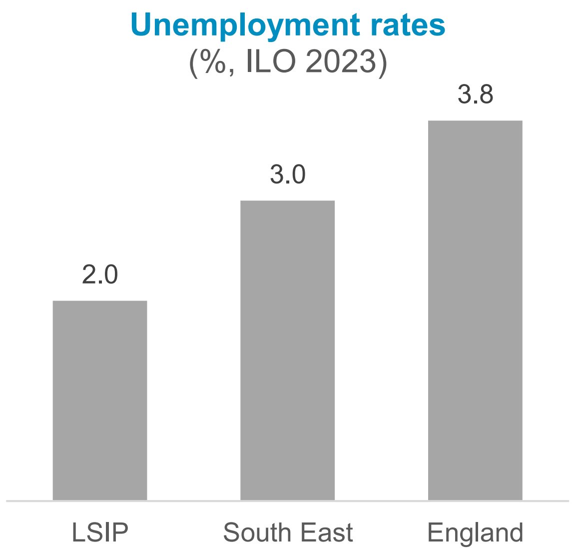
- Workforce of over 1 million, 85% of which is economically active.
- Extremely tight labour market and aging population.
- Limited opportunities for economic growth through increased economic activity and employment compared to other areas.

Near full employment levels

- 980,000 residents in employment, with only 20,000 unemployed, according to the headline measure.
- Employment and unemployment rates significantly outperform those in England and are much stronger than in the South East.
- Aging population and migration > a challenge for expanding the labour supply.





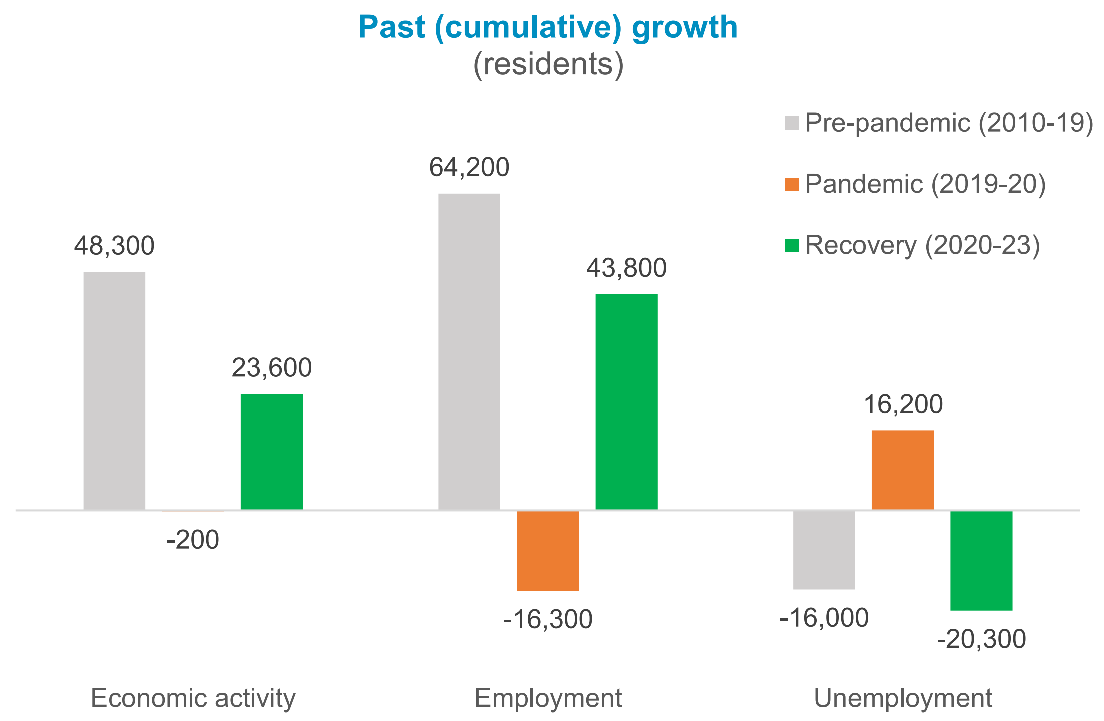


Robust labour market recovery

- Despite significant pandemic impact resident employment rebounded strongly post-pandemic.
- Faster employment growth than national and regional averages.
- Unemployment falls sharply > economy at about full employment level.

Future impact of ageing population in labour market

- Ageing population poses a challenge to labour market participation / supply and skills policy.
- Anticipated peak in labour supply – implications on retention, recruitment, investment and growth.



Concentrations of knowledge-intensive traded services (ICT, professional and financial services)

- Workplace employment (excluding self-employment) stands near 980,000.
- Over one-fifth (22%) of workplace jobs are in Knowledge-Intensive services, surpassing regional and national averages.
- Notable concentrations in *'ICT', 'Professional, scientific & technical services'*, surpassing national and regional averages.
- *'Finance & insurance'* sectors also exhibit higher concentrations compared to the regional average.
- Conversely, there is a low concentration in the relatively small *'Manufacturing'* sector, despite its high value-added nature.

Workplace employment by sector and sector concentrations
(relative to England and South East average, 2022)

	Workplace employment	% employment	Concentration (Eng.=1)	Concentration (S. East=1)
1 : Information & communication (J)	72,000	7.4	**1.6**	**1.2**
2A : Arts, entertainment, etc (R,S,T and U)	58,000	5.9	**1.3**	**1.2**
1 : Professional, scientific & technical (M)	110,000	11.3	**1.2**	**1.2**
2A : Motor trades (Part G)	21,000	2.1	**1.2**	1.0
2A : Wholesale (Part G)	42,000	4.3	1.1	1.0
3 : Construction (F)	54,000	5.5	1.1	1.0
1 : Financial & insurance (K)	35,000	3.6	1.1	**1.4**
2B : Education (P)	84,000	8.6	1.0	0.9
2A : Administrative & Support Activities (N)	90,000	9.2	1.0	1.0
2A : Retail (Part G)	79,000	8.1	1.0	0.9
2B : Health (Q)	117,000	12.0	0.9	1.0
3 : Mining, quarrying & utilities (B,D and E)	10,000	1.0	0.9	0.8
2A : Property (L)	18,000	1.8	0.9	1.0
2A : Accommodation & food services (I)	69,000	7.1	0.9	1.0
3 : Agriculture, forestry & fishing (A)	11,000	1.1	0.8	0.8
2B : Public administration & defence (O)	29,000	3.0	0.7	0.9
2A : Transport & storage (inc postal) (H)	34,000	3.5	0.7	0.7
3 : Manufacturing (C)	46,000	4.7	0.6	0.8

Note: sector classifications
1: higher-value added knowledge intensive traded services
2: local services (2A private and 2B mostly public)
3: traditional primary and secondary industries

Sector concentrations
1 = comparable to the benchmark average
1.2 = in terms of employment 20% more concentrated than the benchmark area

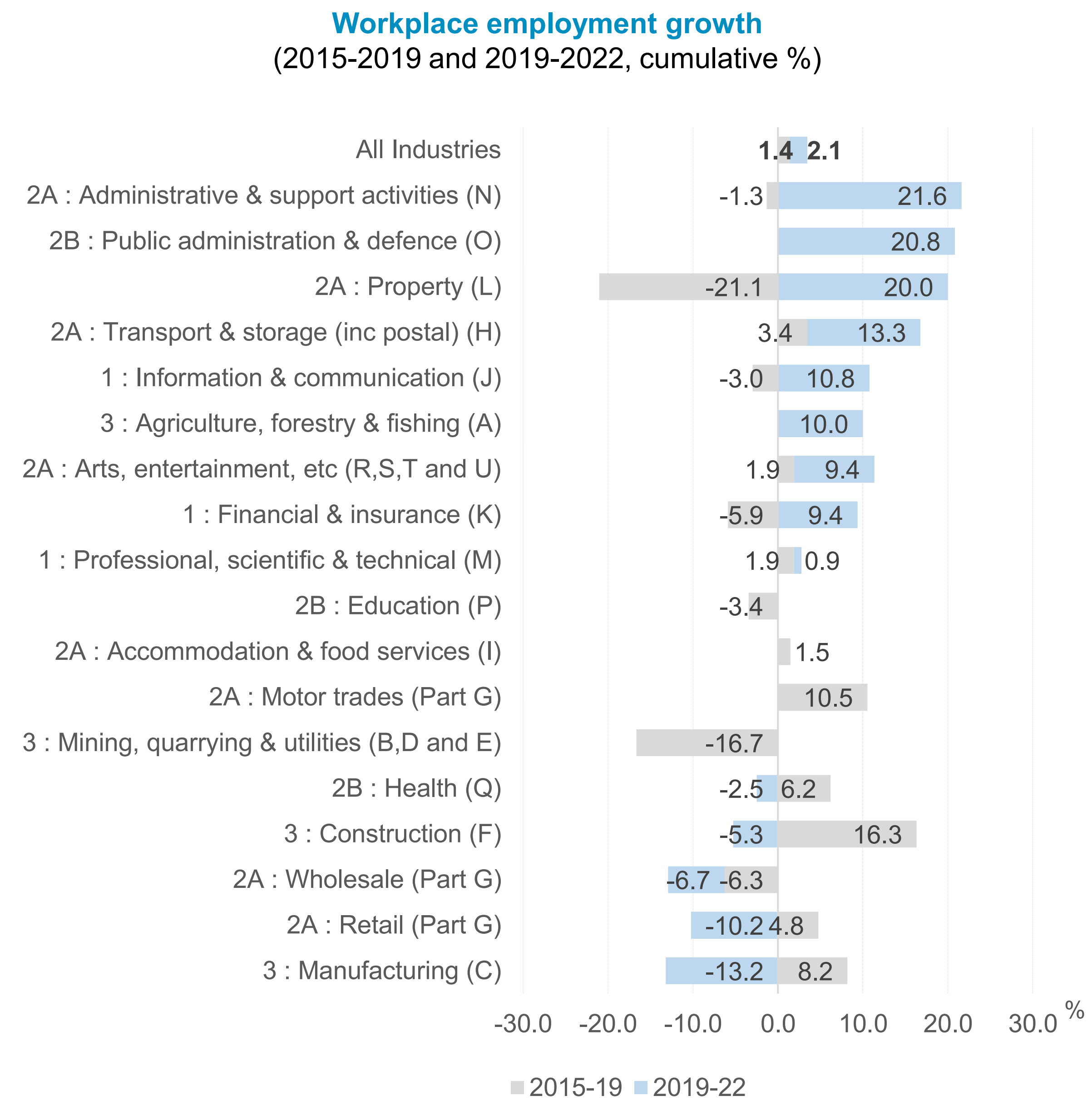
Sector color coding in the '% employment' (third) column indicates concentrations relative to England and South East averages. Green signifies above-average concentrations in both, amber denotes comparable concentrations, and red indicates below-average concentrations in both.

Sluggish growth between 2015 and 2019

- Between 2015 and 2019, workplace employment increased by 13,000, up by 1.4%.
- *'Construction', 'Motor trades' and 'Manufacturing'* experienced the fastest growth in employment.

Strong recovery post pandemic

- 20,000 or 2.1% more jobs in 2022 than in 2019. Some 40,000 more jobs in 2022 than 2021.
- Strong growth in '*Administrative & support activities*' (+16,000), particularly in supplying temporary workers. *ICT* performed well (+7,000), albeit at a slower pace than '*Administrative activities'.*
- However, '*Manufacturing', 'Retail', and 'Wholesale'* sectors still lag behind pre-pandemic peak employment levels.

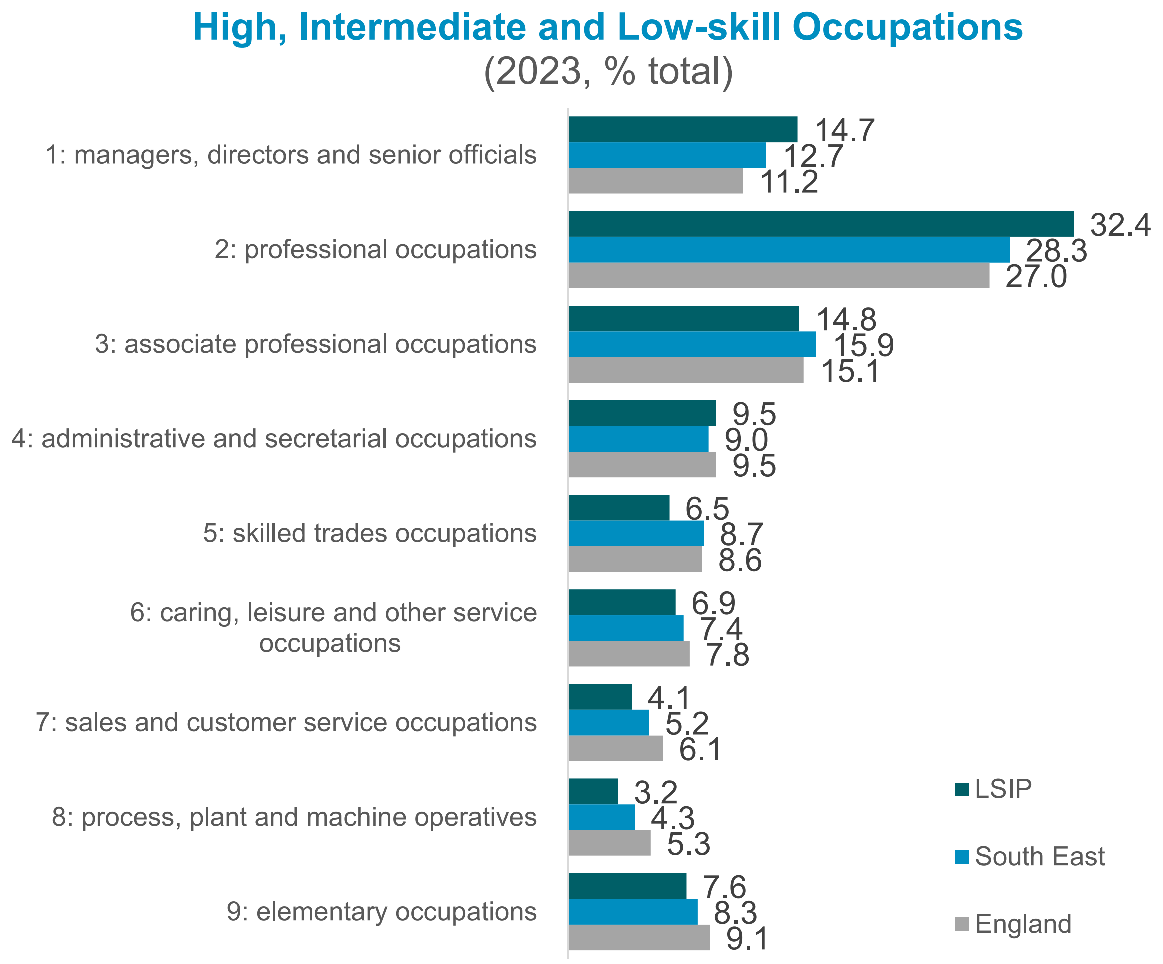


Concentration of advanced skills

- High-skilled occupations make up approximately 47% of the LISP workforce, a slight increase from 2021 (45%).
- The highest concentration is observed in '*Professional occupations*' with nearly a third of the LSIP workforce (32%).
- Concentration of high-skilled occupations significantly exceeds both regional and national averages.

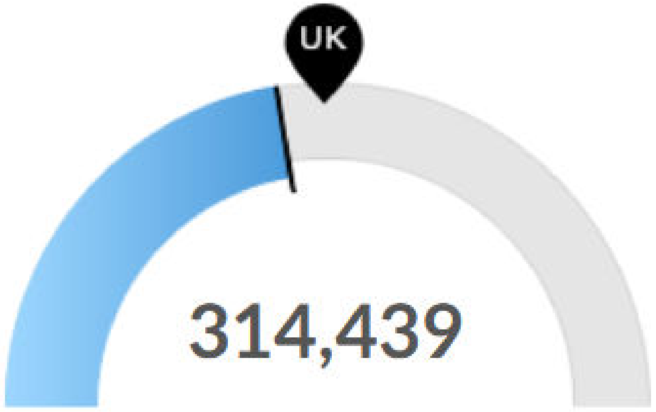
Intermediate and lower-skilled occupations underrepresented relative to average.

- Conversely, below-average concentration observed for lower intermediate (e.g., retail and hospitality) and elementary occupations.



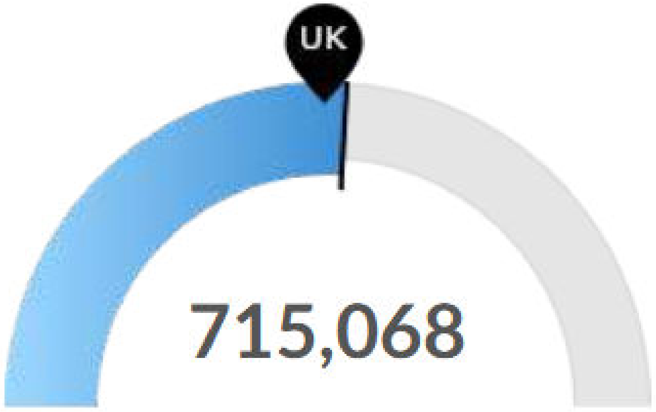
Demographics

1.99 MILLION PEOPLE – 1.23 MILLION OF WORKING AGE – 387,200 CHILDREN – 376,800 65+ YEAR OLDS



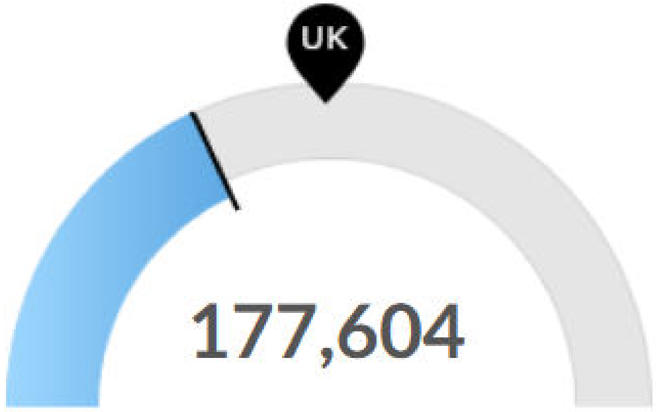
Millennials

Your area has 314,439 millennials (ages 25-39). The national average for an area this size is 365,513.



Retiring Soon

Retirement risk is about average in your area. The national average for an area this size is 676,460 people 55 or older, while there are 715,068 here.



Racial Diversity

Racial diversity is low in your area. The national average for an area this size is 274,841 racially diverse people, while there are 177,604 here.

Source: Lightcast (2024)

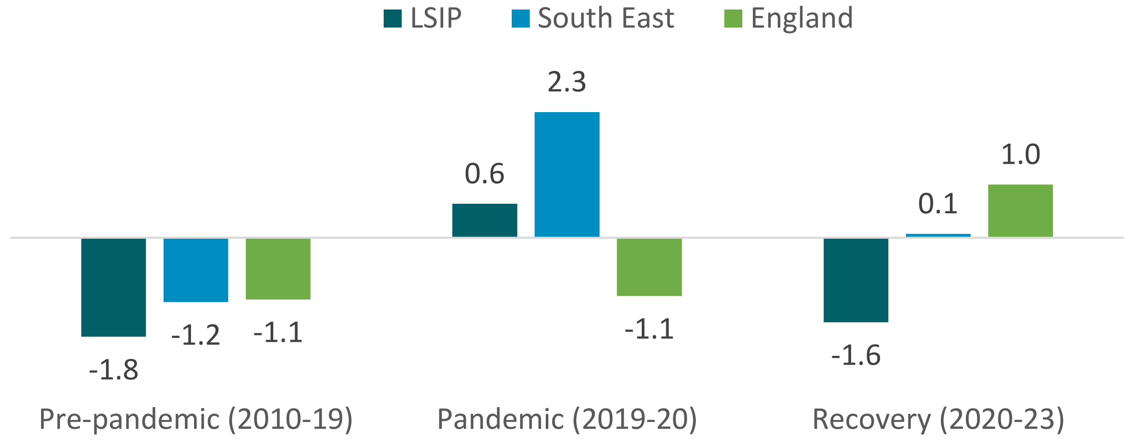
Economic inactivity lower than national average

- 184,000 economically inactive residents of working age (15.6% of working age population).
- Falling inactivity before and after pandemic, faster than in South East or England.
- Less scope than elsewhere to boost growth in working age population.

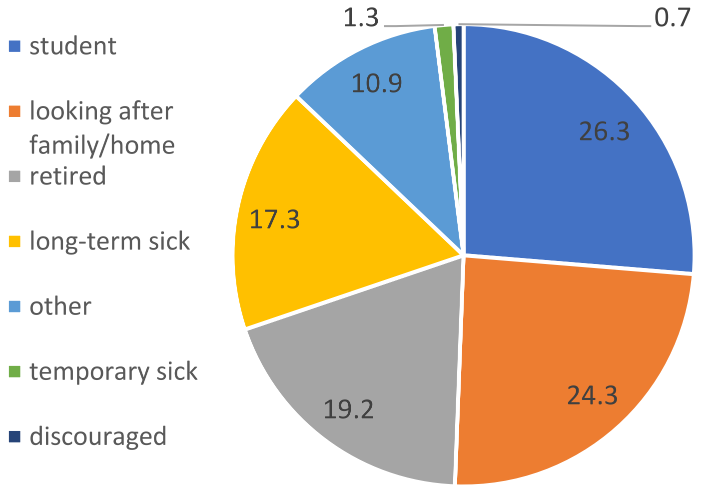
Relatively large proportion of early retirees

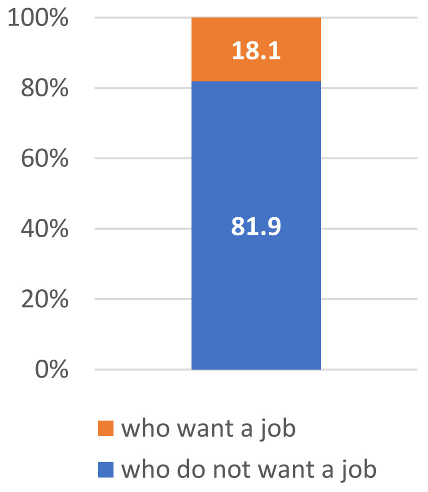
- Reasons for inactivity: Students (1/4), Family care (1/4) above the national average, Retirement (1/5), Long-term sickness (17%).
- Close to 1 in 5 (33,4000) want a job, higher than 16.2% in the South East and 17.8% in England.
- Possible interventions needed: childcare services, healthcare support and training programs.

Economic inactivity growth (% per annum)



Economically inactive by reason for inactivity
(%, 2023)



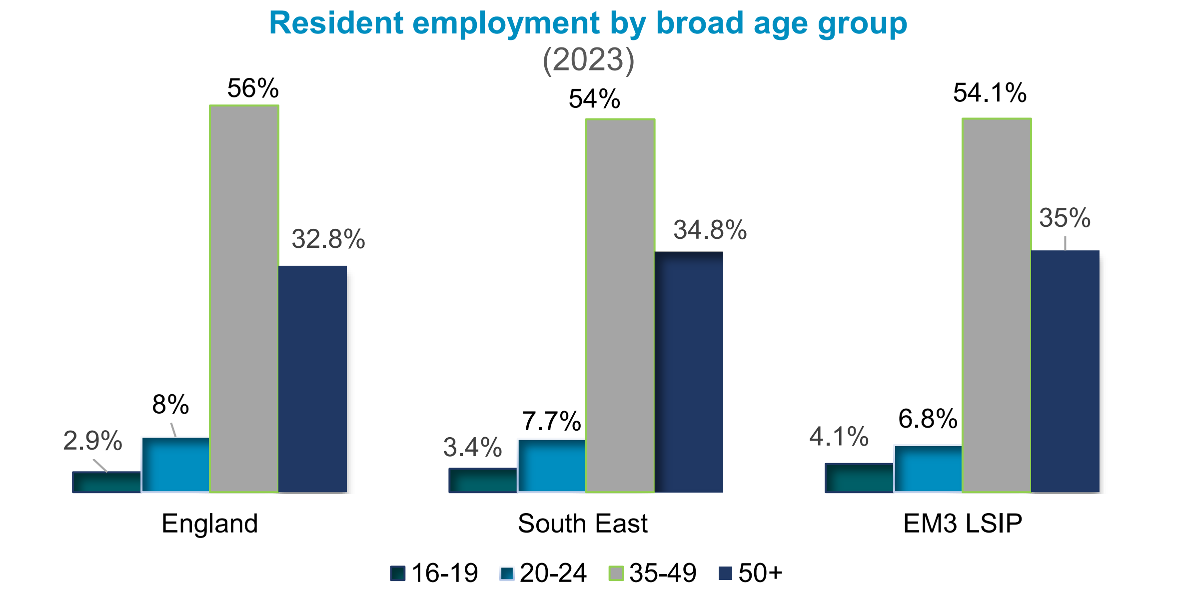


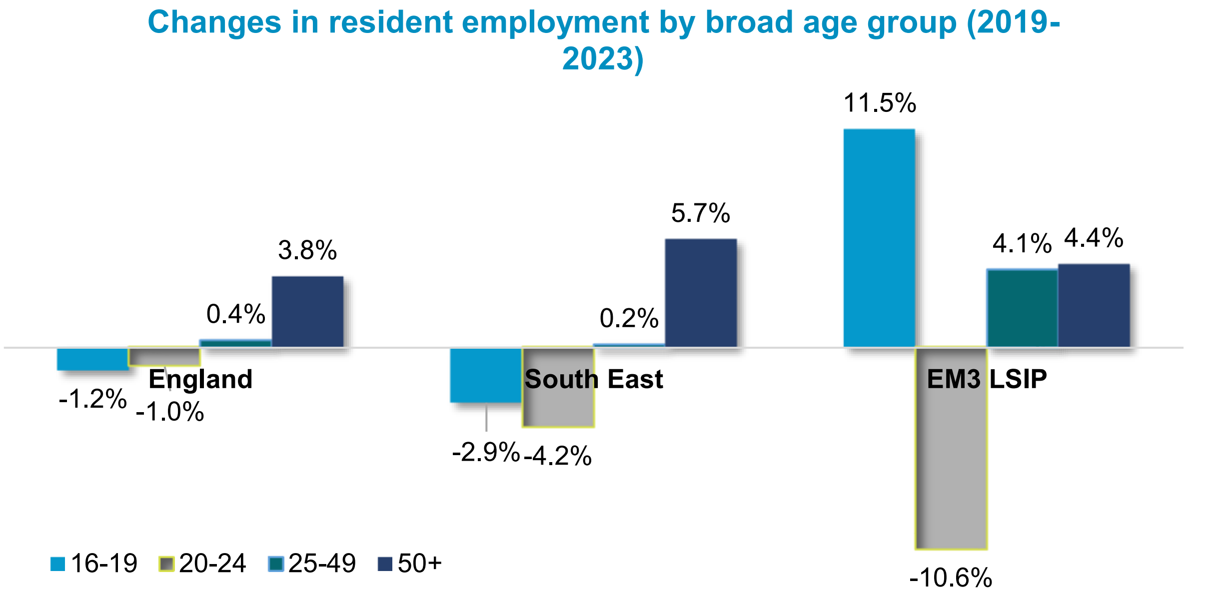
Concentration of older resident workers

- Around 360,000 older resident workers (50+) in Enterprise M3 and Surrey LSIP area in 2023.
- Above average concentrations of older workers and young workers (16-to-19-year-olds).
- Below average share of people in the prime age group (25-to-49-year-olds)

Sharp fall in 20-24-year-olds resident employment in the LSIP area

- Decreasing resident employment numbers for 20-24-year-olds across England and the South East, but most noticeable in the LSIP area 2019-2023.
- The LSIP area sees strong growth in resident employment in the prime age group.



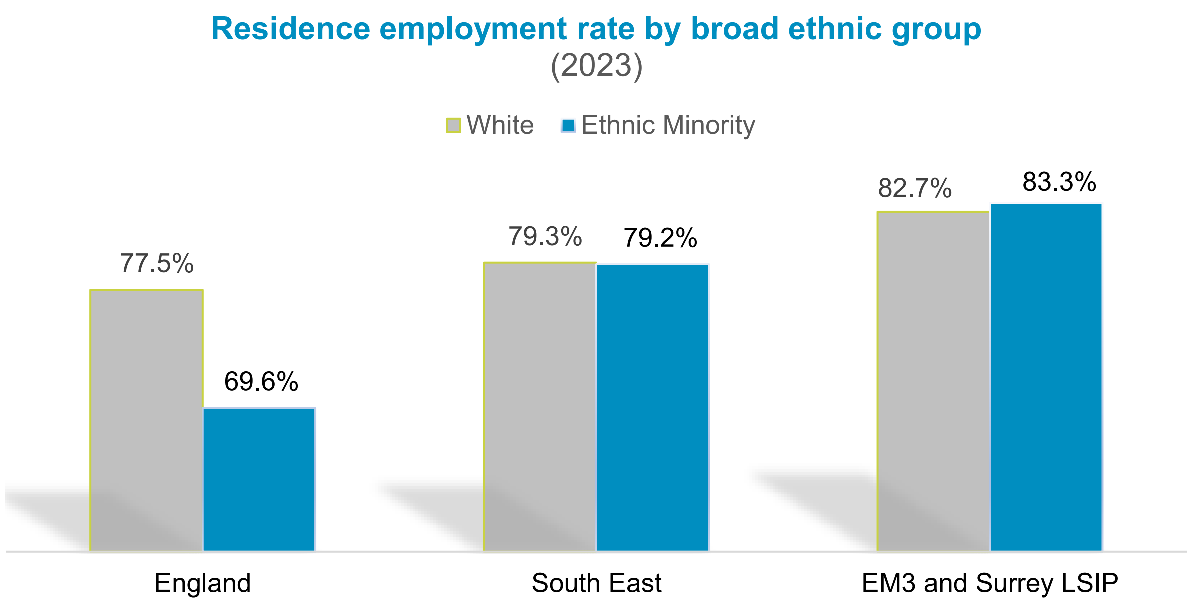


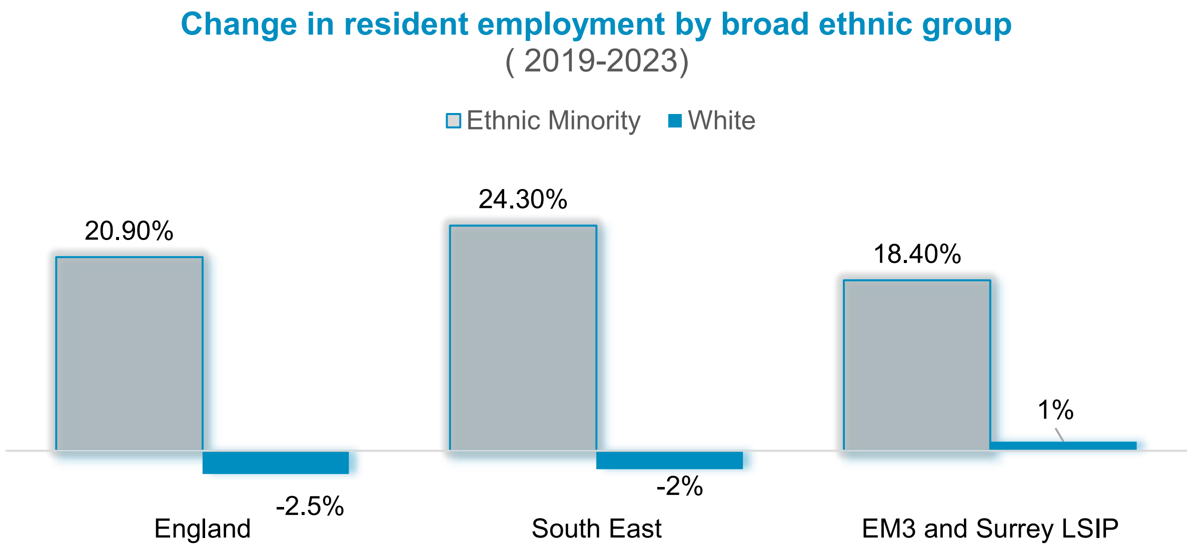
Increasing ethnic minority employment rates

- Employment rates among the LSIP area's ethnic minority groups are above rates in the South-East and well above the national average.
- LSIP ethnic minority employment rates are also slightly higher than white employment rates in 2023.
- Employment rates among ethnic minorities in the LSIP area increased by 3.2 percentage points 2019-2023.
- Employment rates on a national level shows a 7.9 percentage point gap between white and ethnic minorities, but not in the South-East and the LSIP area in 2023.

Changes in ethnic minority resident employment

- Number of ethnic minority residents in employment significantly increased nationally, regionally and in the LSIP between 2019 and 2023 .



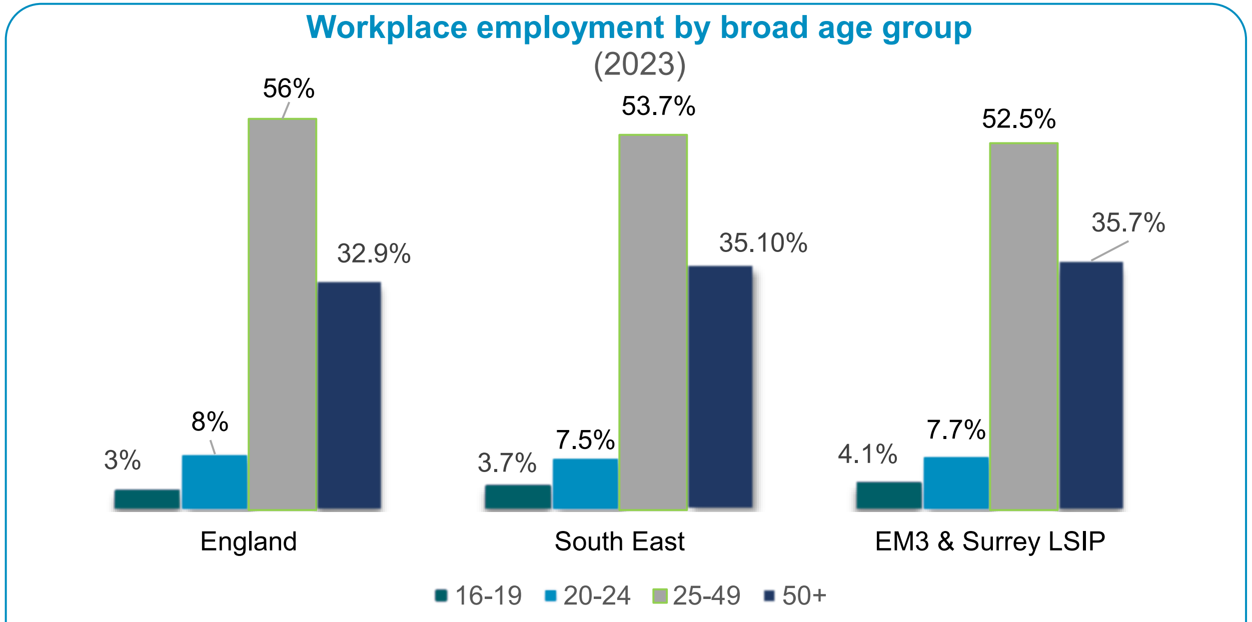


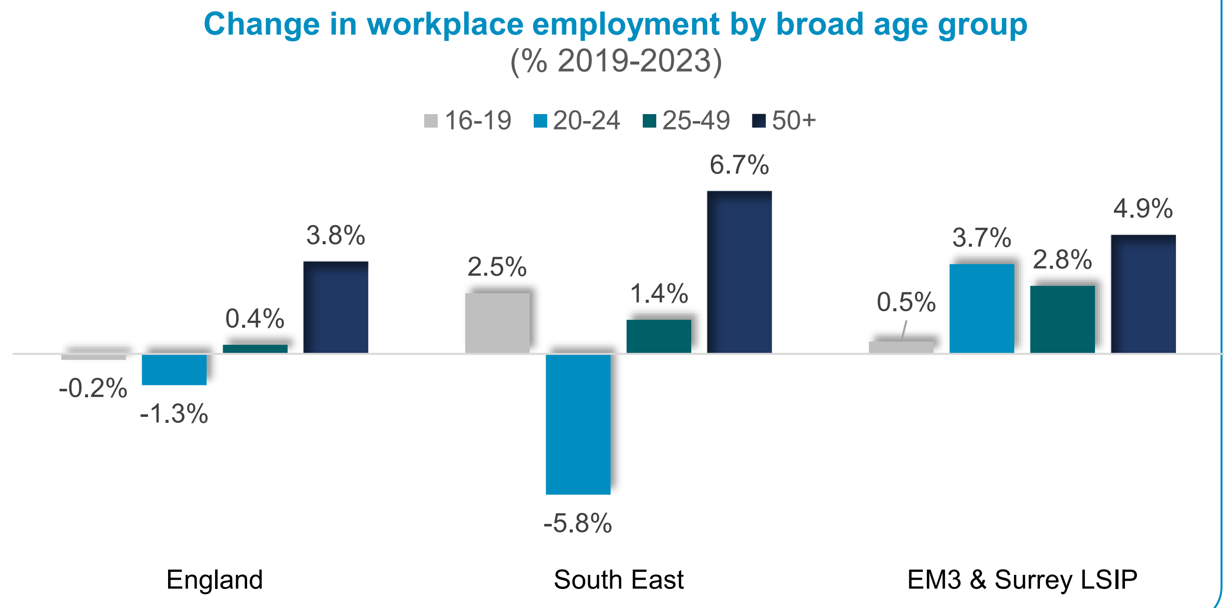
Concentration of older workers

- Around 340,000 older workers (50+) in Enterprise M3 and Surrey LSIP area in 2023.
- Above average concentrations of older workers and young workers (16-to 19-year-olds).
- Relatively smaller share of people in the prime age group (25- to 49-year-olds).

Relatively strong employment growth in the prime age and older workers groups

- Employment growth in the LSIP 20–24-year-old group but decrease nationally/SE in 2023.
- Employment growth in the prime age group considerably faster than in the region or England.
- The older age group sees the fastest increase in employment, but slower than in the region.





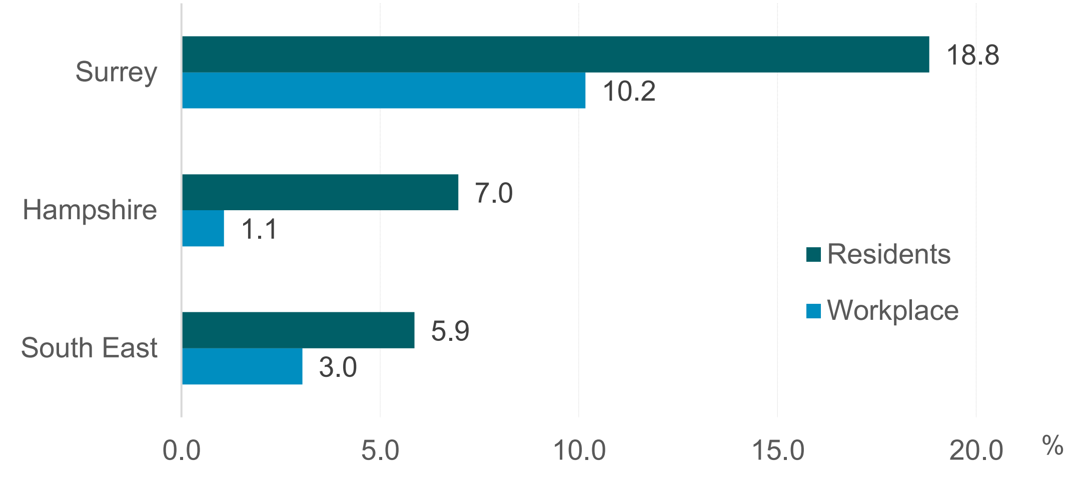
High wage levels

- Residence wages exceed both regional and national averages, while workplace wages are higher in Surrey but lag behind the regional average in Hampshire.
- Residence wages are approximately 19% higher than the national average in Surrey and 7% higher in Hampshire, while workplace wages are about 10% higher than the national average in Surrey but nearly comparable to the average in Hampshire.
- The gap attributed to elevated commuter incomes.

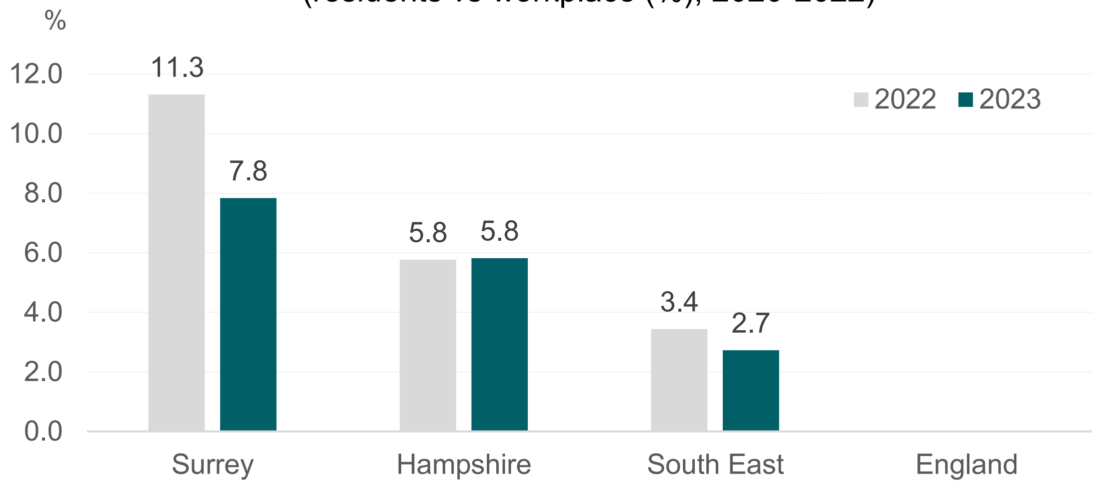
Narrowing wage gap between residents and workplaces in Surrey

- The wage gap in Surrey decreased from 11% to 8% between 2022 and 2023, while in Hampshire, it remained unchanged at 6%. Surrey experiences a wider gap but sees a reduction consistent with the regional average.

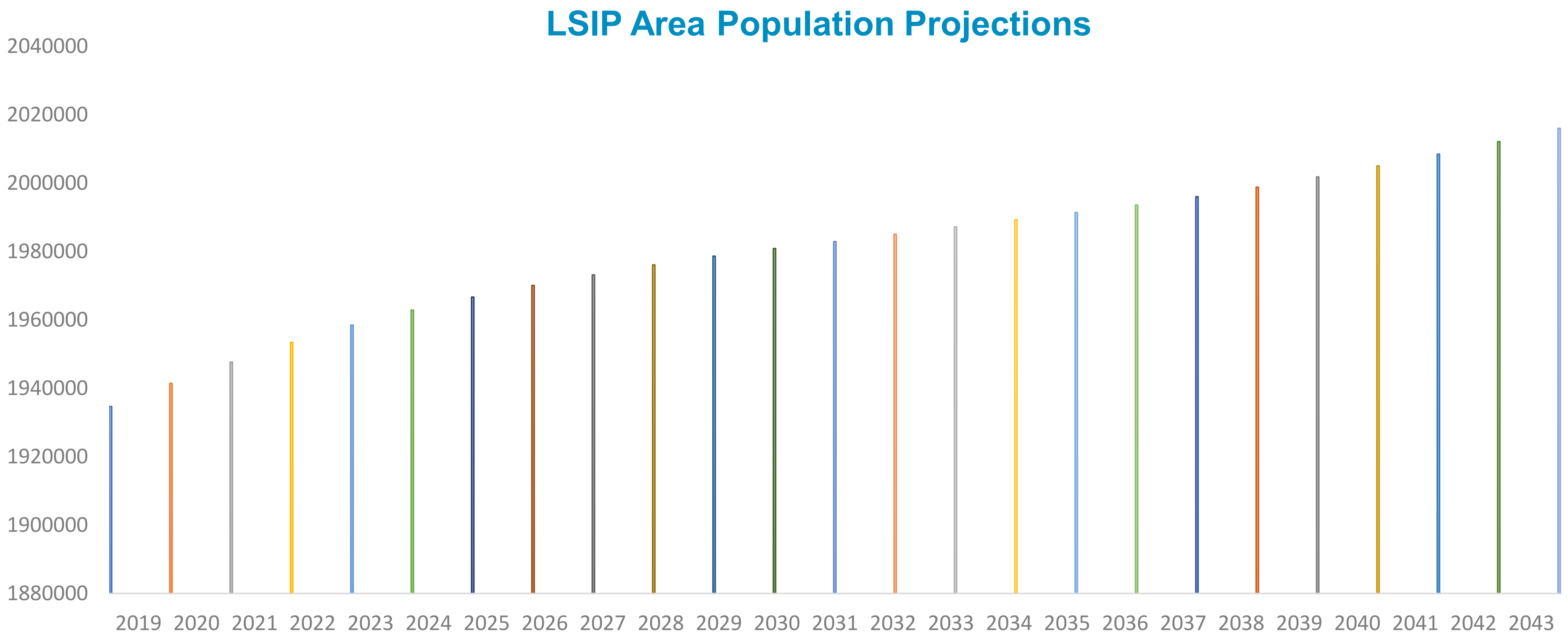
Wage levels
(relative to England average (%), 2022)



Wage gap
(residents vs workplace (%), 2020-2022)



Note that the chart shows total population projection data in numbers in the LSIP area only, not working age population.



Source: ONS (2023)

Projected decrease in working age population

- The projected share of working age population (16-64) nationally/SE and LSIP area shows a decreasing trend per annum until at least 2043.
- The LSIP area forecast shows a greater fall in working age population share compared to SE/nationally.
- Retirement age has increased and is likely to keep increasing but this will have limited impact on the labour supply in the area.
- Growth in older workforce > rising demand for upskilling.

Projected share of working age population
(% 16-64 age group)

Note that population estimates/projections data from ONS/Nomis includes working population 16-64, it does not include working age population above 64.

Skills demand

IN-DEMAND SKILLS / OCCUPATIONS (Jan 2024 – Mar 2025)

Headlines from over 364,000 online job postings

- Strong demand in **education**, **sales**, **care & domestic help**, and hospitality/catering.
- Advertised salaries range £10K - £208K **(median £30K).** Reflects strong above inflation wage growth. Median **advertised salary grew by 8.8%** between Jan 2024 and March 2025.
- Top job posting activity located in **Guildford**, **Reigate & Banstead** and **Basingstoke & Deane**.
- 78% of postings do not list an education level
- Excluding employment agencies top companies posting include **NHS**, **Surrey and Hampshire County Councils**, University of Surrey, and in private sector include Tesco, BaE Systems, Butler & Mitchell.
- Top industries posting include **mostly public sector** in Human Health, Education & Public admin & Defence, and in private sector consumer services such as **Food & Beverage Services** and in **Retail**.

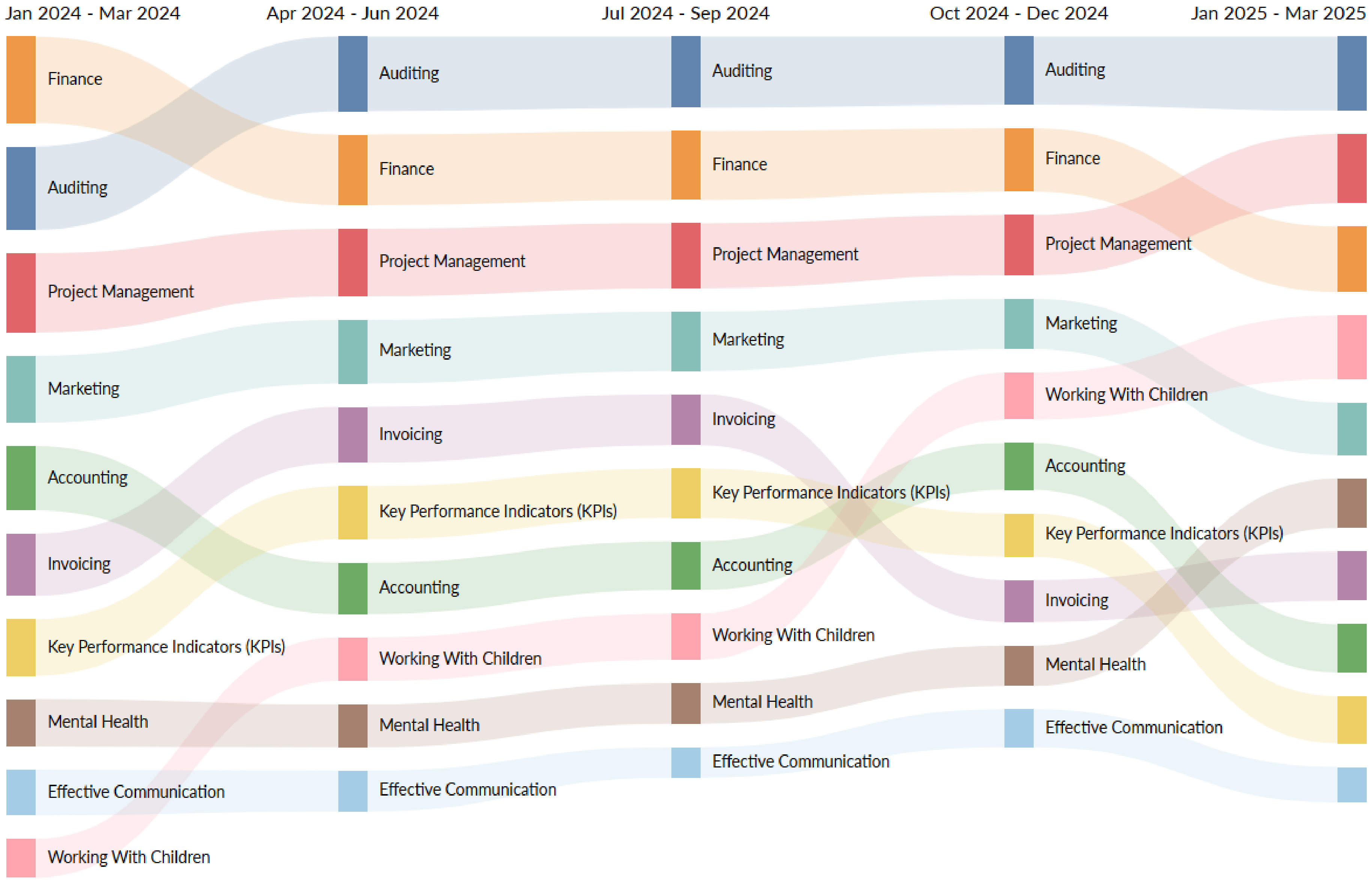
Top Ten posted occupations and job titles
(LSIP area Jan 2024 – Mar 2025)

Occupation	Unique Postings	% of all Unique Postings
Teaching Assistants	11,458	5.6
Sales Related Occupations n.e.c.	11,417	5.6
Care Workers and Home Carers	11,383	5.6
Cleaners and Domestics	9,086	4.4
Kitchen and Catering Assistants	6,510	3.2
Customer Service Occupations n.e.c.	6,171	3.0
Special and Additional Needs Education Teaching Professionals	6,095	3.0
Chefs	5,990	2.9
Programmers and Software Development Professionals	5,666	2.8
Book-keepers, Payroll Managers and Wages Clerks	5,552	2.7

Job Title	Unique Postings	% of all Unique Postings
Teaching Assistants	5,653	7.7
Support Workers	4,264	5.8
Learning Support Assistants	3,445	4.7
Cleaners	3,354	4.6
Care Assistants	3,244	4.4
SEN Teaching Assistants	2,821	3.9
Primary Teachers	2,050	2.8
Nursery Practitioners	1,999	2.7
Administrators	1,884	2.6
Housekeepers	1,719	2.4

Source: Lightcast (2025)

TOP 10 IN-DEMAND SKILLS

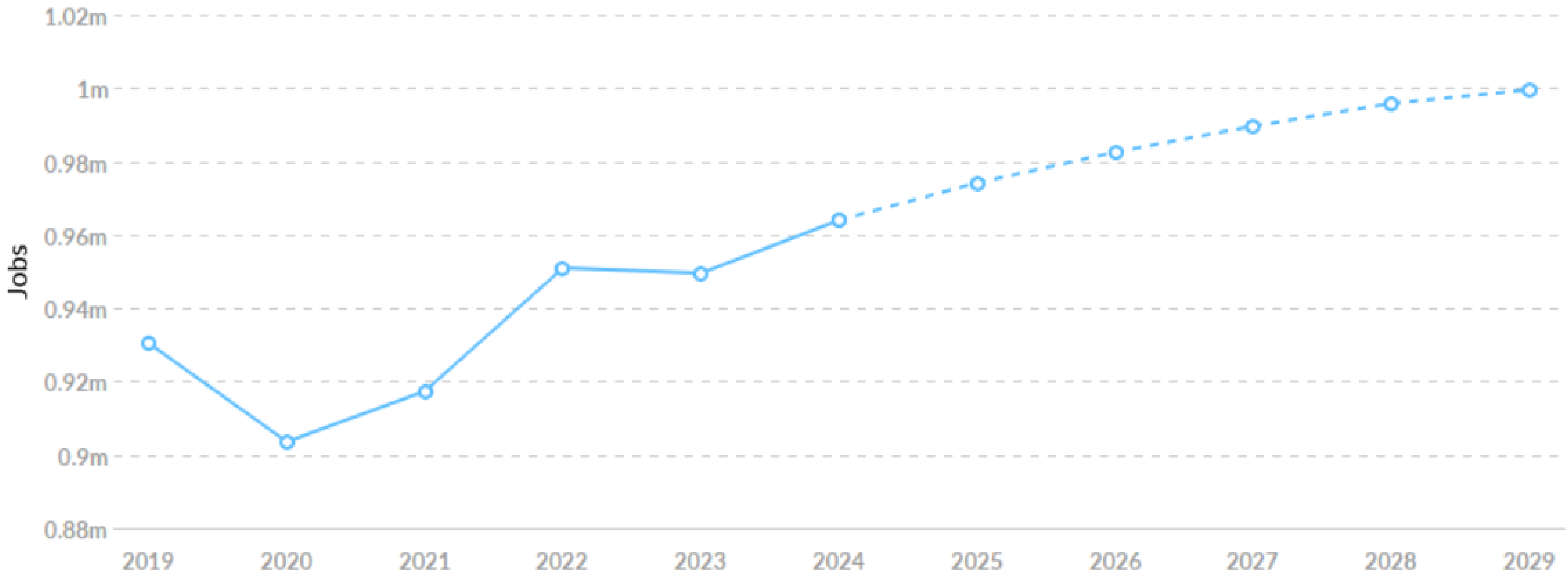


Source: Lightcast (2025)

Forecast Job and Skills Demand

According to Lightcast estimates, from 2019 to 2024, the number of jobs in the area increased by 3.6%, from around 930,400 to 964,000. This change fell short of the national growth rate of 5.4% by 1.8%. Projected growth by 2029 could reach one million jobs. However, ONS data suggests that the area had over 1 million jobs in 2023.

LSIP Jobs – Trend Growth and Projected Growth



Source: Lightcast (2025)

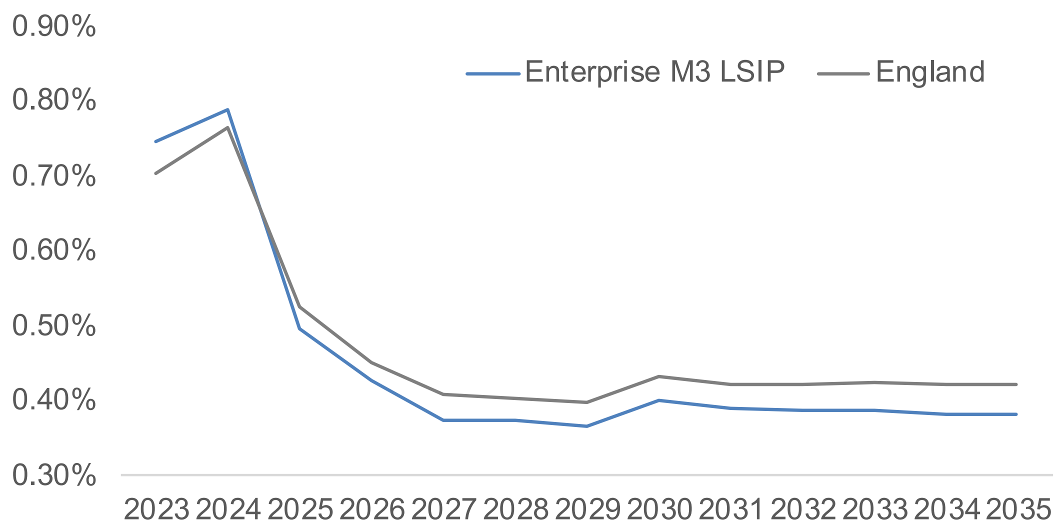
Projected employment growth to lag slightly below the national average over the next decade

- Relatively strong employment growth projected for 2025.
- Over the short-term faster employment growth than nationally.
- Over the medium-term employment growth (0.4% p.a.) projected to slightly lag the national average.

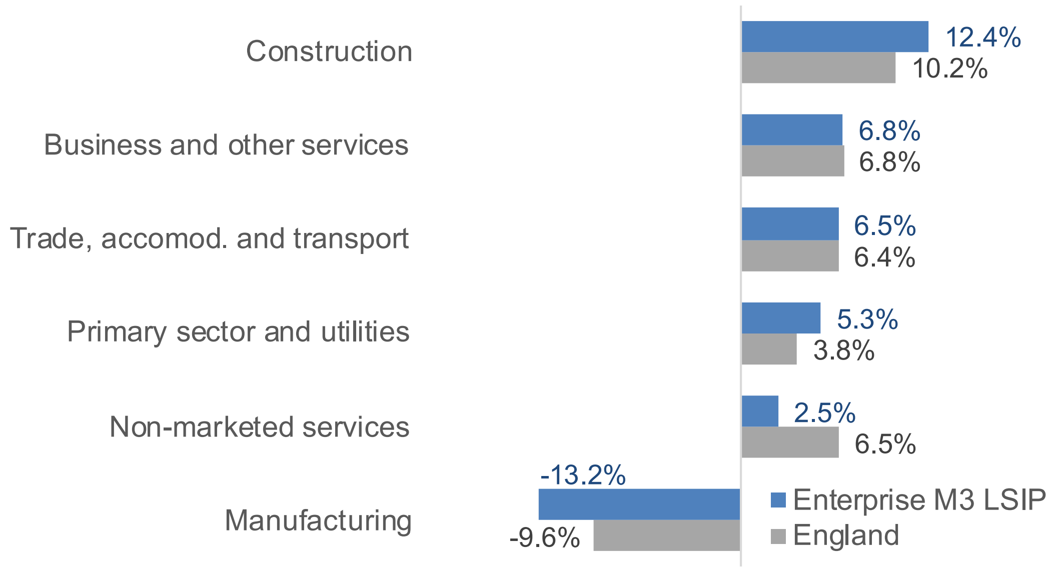
Strong demand in construction but falling demand in manufacturing

- Significant increase in housebuilding target → strong growth in construction.
- Employment growth in services broadly comparable to national average.
- Manufacturing employment projected to contract faster than national average.

Projected employment growth, 2023-2035 (DfE)



Projected employment change by broad sector, 2023-2035 (DfE)



PROJECTED JOBS DEMAND BY INDUSTRY

Fastest projected growth in consumer-facing services

- Employment in accommodation and food projected to increase by a fifth over the forecast horizon, faster than in other industrial sectors
- Strong projected growth in associated sectors such as arts & entertainment and food, drink and tobacco

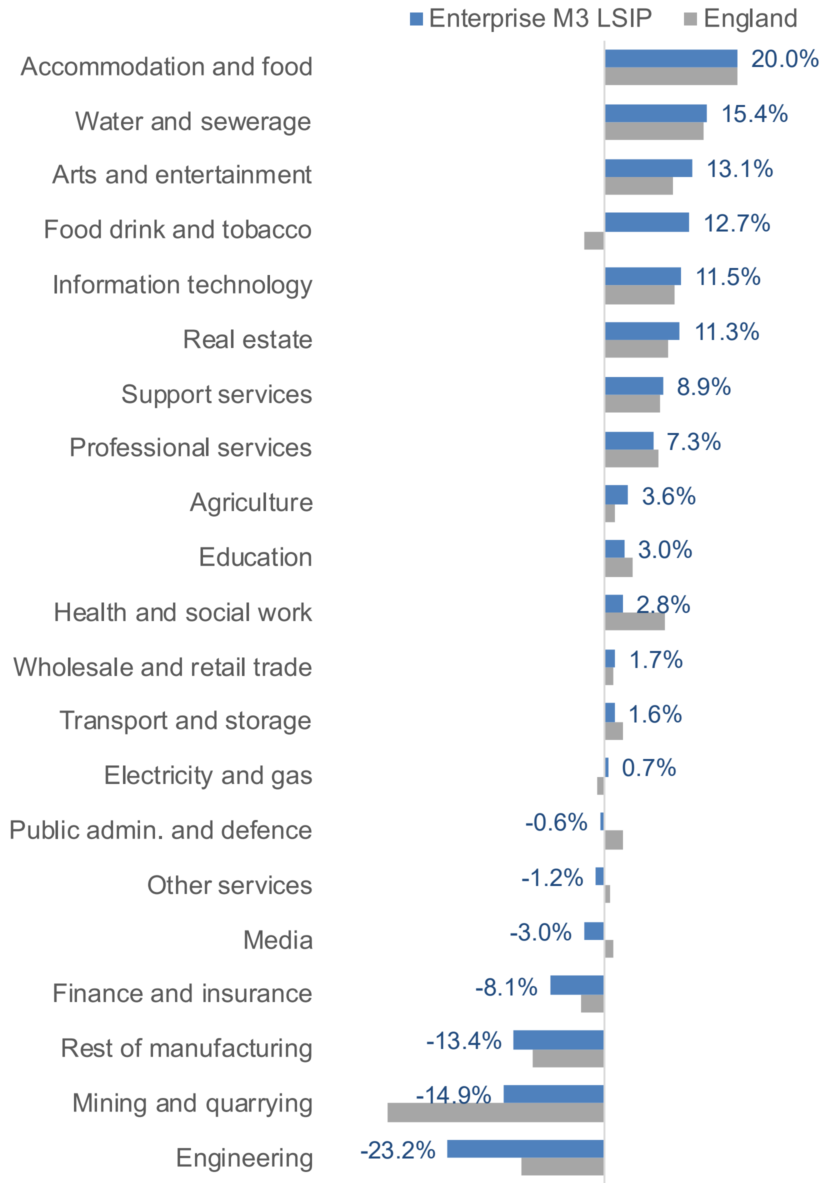
Strong growth in ICT and professional services

- Strong growth in employment in information technology, slightly faster than the England average
- Strong growth in private professional and support services

Falling demand in several services

- Public admin and defence projected to contract slightly.
- Falling total employment in manufacturing but growth in replacement demand.

Projected employment change by industrial sector 2023-2035 (DfE)



Future occupational demand driven by higher skilled occupations

- Fastest employment growth among managers, directors and senior officials
- Strong projected growth for professional and associate professional occupations

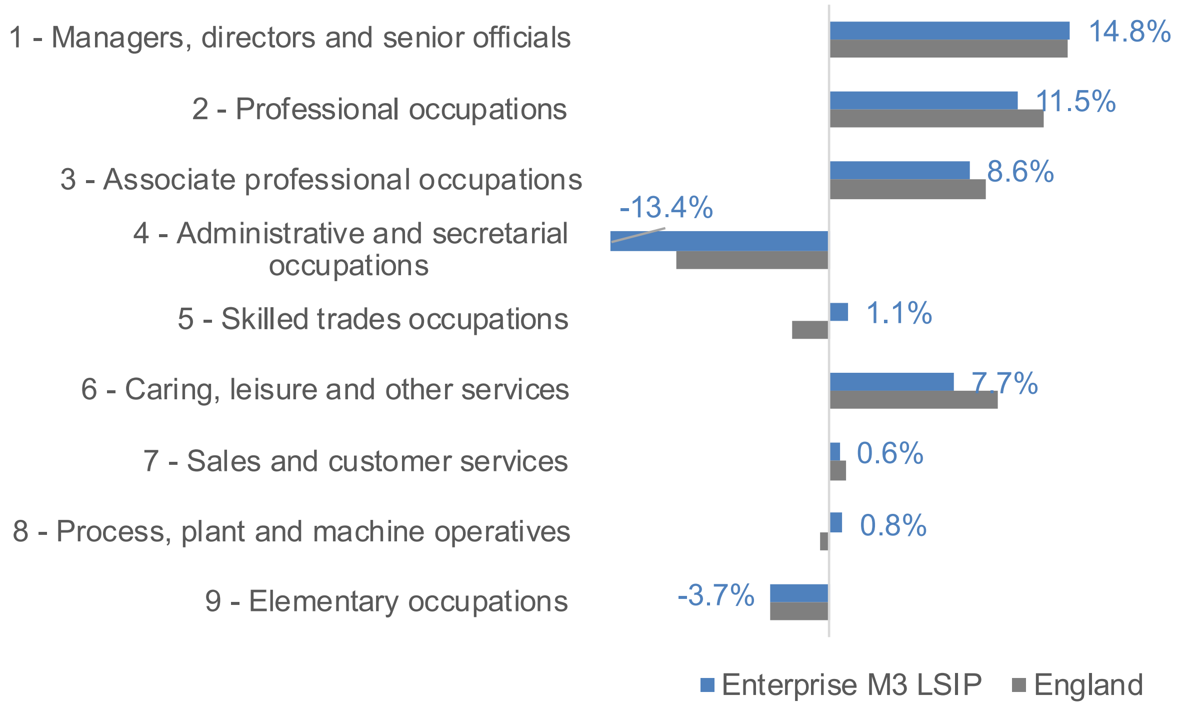
Ageing population drives demand for care and related occupations

- Strong growth among care, leisure and other services occupations

Increasing reliance on technology to affect demand in several intermediate and low skilled occupations

- Sharp fall in demand among administrative and secretarial occupations
- Modest fall in elementary occupations

Projected employment change by major occupation, 2023-2035 (DfE)*



* Source of employment, occupation and qualifications projections is DfE (August 2024) - Labour market and skills projections.

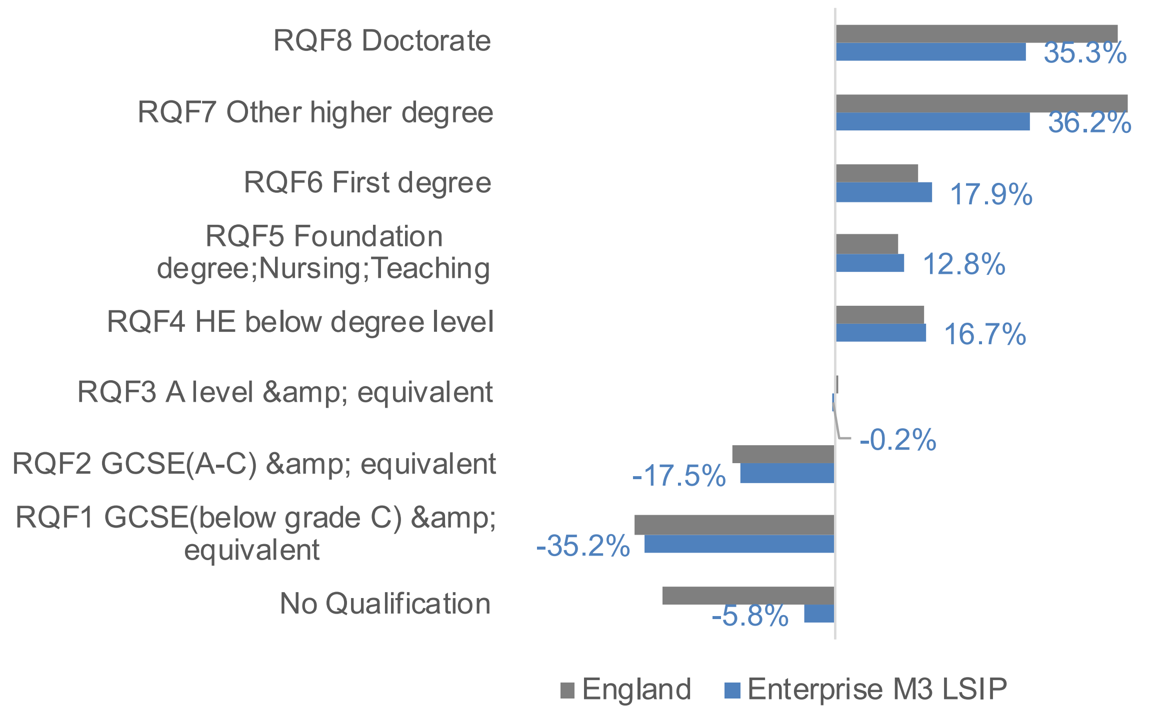
Projected shift towards high-skilled qualifications

- Strong growth in demand for high-skilled workers – people with doctorate and masters but projected growth below the national average.
- Above the national average growth in degree level qualifications, foundation degrees, nursing and teaching.

A decreasing proportion of jobs requiring no qualifications

- Falling demand for people with no qualifications but significantly smaller than nationally.
- Relatively sharp fall in demand for RQF1 and RQF2 levels (GCSE), comparable to the national average.
- Little change in demand for some intermediate (RQF3 A level) qualifications.

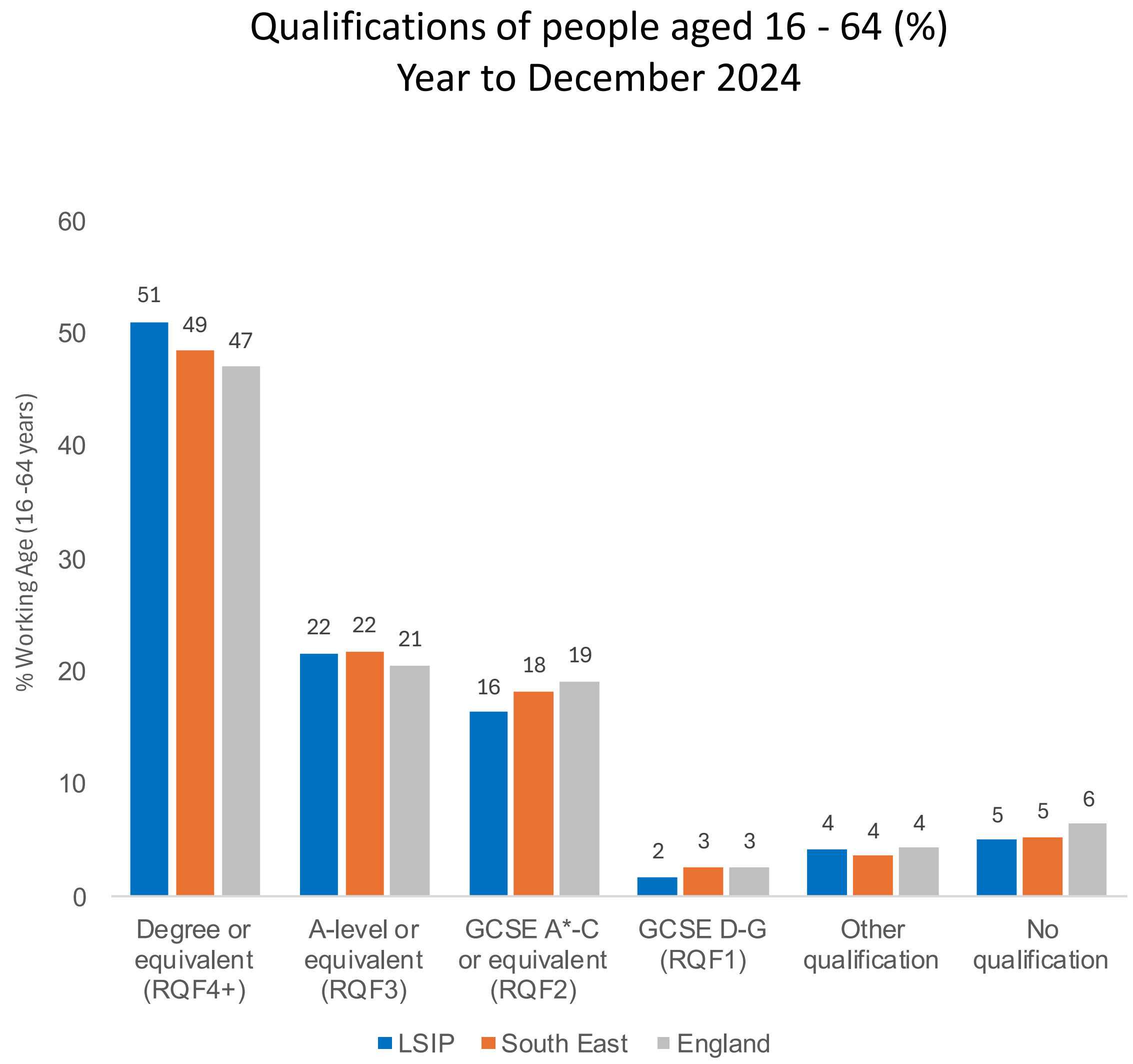
Projected employment change by qualification, 2023-2035 (DfE)



Skills Supply

Skilled resident workforce: a profile of high-quality talent

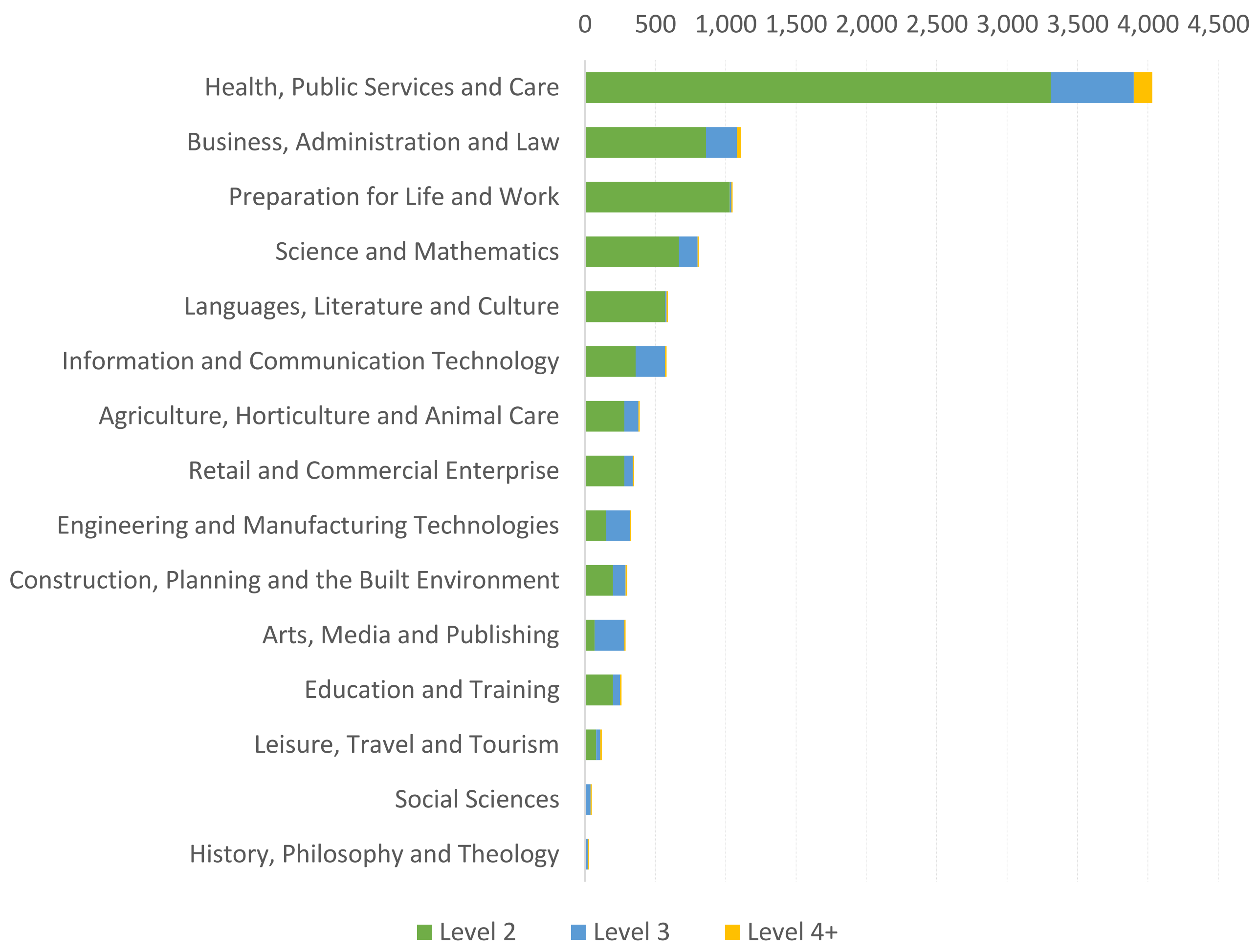
- Within the LSIP area, just over half (51%) of residents possess a degree or its equivalent, surpassing national (47%) and regional (49%) averages.
- At the bottom end of the skills distribution some 5% of residents lack any qualifications, marginally lower than the national average (6%) but in line with the regional average.
- The journey towards higher education and increased earning potential often commences with Level 3 qualifications, such as A-levels and vocational equivalents.
- Just over 1-in-5 (22%) of residents in the LSIP area hold such qualifications, in line with the national average, and marginally higher than regional average (21%).



Vocational enrolments in Further Education (2023-24)

- 10,300 vocational further education enrolments (excluding GCSEs grades 1-3) across levels 2 to 7 for the academic year 2023-24.
- Primarily distributed across lower levels:
  - 8,020 enrolments (79%) at level 2
  - 1,870 enrolments (18%) at level 3
  - 270 enrolments (3%) at level 4
- '*Health, Public Services & Care*' sector accounted for 40% of total enrolments with 4,030 individuals.
- '*Business Administration & Law*' followed with 1,110 enrolments (11%), while '*Preparation for Life & Work*' saw 1,050 individuals enrolled (10%).
- Small numbers for ICT, Engineering and Construction.

FE vocational enrolments per SSA* and level, 2023-24

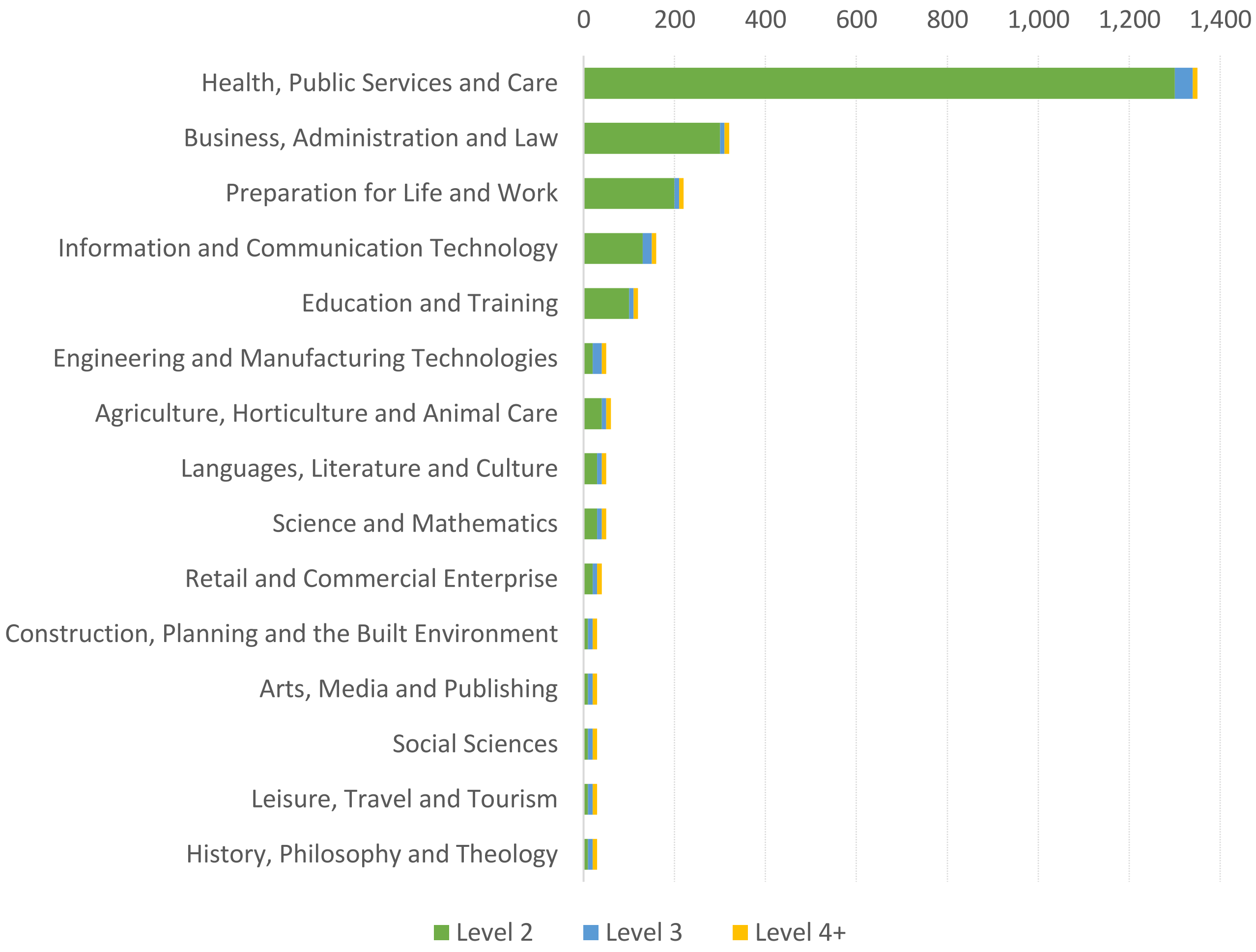


* Note: SSA stands for Sector Subject Area

Vocational achievements in Further Education

- 2,570 vocational further education achievements at levels 2 and 3 (excluding GCSEs grades 1-3) for the academic year 2023-24.
    - 2,220 (86%) at level 2
    - 200 (9%) at level 3
    - 150 (6%) at level 4
- The *'Health, Public Services & Care*' sector subject stood out, comprising the majority of achievements with 1,350, accounting for 52% of the total.
- '*Business Administration & Law*' accounted for 320 achievements (13%), and *'Preparation for Life & Work*' with 220 achievements (9%).
- Small numbers for Engineering, Science & Mathematics.

FE vocational achievements per SSA* and level, 2023-24



* Note: SSA stands for Sector Subject Area

Achievements in Further Education (2022-23): Level 2

SSA	ACTIVATE LEARNING*	THE WINDSOR FOREST COLLEGES GROUP*	HSDC*	EAST SURREY COLLEGE	BCoT	NESCOT	SPARSHOLT COLLEGE	FCoT	BROOKLANDS COLLEGE	PETER SYMONDS COLLEGE	TOTAL
Science and Mathematics	3,000	1,030	350	720	400	300	360	250	390	130	**6,930**
Languages, Literature and Culture	2,300	770	300	580	330	240	340	250	350	130	**5,590**
Health, Public Services and Care	410	800	620	530	720	510	50	210	30	50	**3,930**
Retail and Commercial Enterprise	290	150	300	120	230	150	30	180	90	10	**1,550**
Preparation for Life and Work	470	200	350	10	110	150	30	90	30		**1,440**
Agriculture, Horticulture and Animal Care	170	110	40	10	40	100	460	10			**940**
Construction, Planning and the Built Environment	190	30		100	160	230	10	80	100		**900**
Engineering and Manufacturing Technologies	100	90	100	150	100	30	110	40	80		**800**
Arts, Media and Publishing	330	90	80	80	10	60	10	40	30	30	**760**
Business, Administration and Law	80	80	90	70	180	90	10	60	40	30	**730**
Leisure, Travel and Tourism	250	130	40	40	20	90	40	30	20		**660**
Information and Communication Technology	20	20	170	80	60	30	4	10	20	20	**434**
Education and Training	10	10	40	10	20	90	4	4	4	4	**196**
Social Sciences	70		30								**100**
History, Philosophy and Theology	20										**20**
TOTALS	**7,710**	**3,510**	**2,510**	**2,500**	**2,380**	**2,070**	**1,458**	**1,254**	**1,184**	**404**	**24,980**

*It encompasses all colleges, including those nearby but outside the LSIP area.
Active Learning operates three out of seven colleges within the LSIP vicinity, while the Windsor Forest Colleges group operates one out of four, and HSDC oversees one out of three colleges within the area.

Achievements in Further Education (2022-23): Level 3

SSA	PETER SYMONDS COLLEGE	HSDC*	ACTIVATE LEARNING*	THE WINDSOR FOREST COLLEGES GROUP*	SPARSHOLT COLLEGE	FCoT	EAST SURREY COLLEGE	BCoT	NESCOT	BROOKLANDS COLLEGE	TOTAL
Science and Mathematics	2,140	930	580	480	170	90	30	4		50	**4,474**
Arts, Media and Publishing	690	990	870	460	250	270	360	110	90	50	**4,140**
Social Sciences	1,060	790	310	280	120	110					**2,670**
Business, Administration and Law	530	430	420	330	90	110	80	40	70	40	**2,140**
Health, Public Services and Care	100	260	700	260	140	150	120	170	120	80	**2,100**
Leisure, Travel and Tourism	150	210	290	280	120	90	90	60	50	50	**1,390**
Agriculture, Horticulture and Animal Care		60	230	200	650			40	30		**1,210**
Languages, Literature and Culture	590	250	70	90	20	20					**1,040**
Engineering and Manufacturing Technologies	60	110	160	50	20	160	120	60	30	50	**820**
History, Philosophy and Theology	390	160	90	60	20	10					**730**
Preparation for Life and Work	350	180	10	50	20	4					**614**
Retail and Commercial Enterprise	40	30	160	40	30	70	40	40	40	50	**540**
Information and Communication Technology	120	50	90	70	30		40	40	50	20	**510**
Construction, Planning and the Built Environment			4	4		10	10		30	30	**88**
Education and Training	4	4	10	10		10		4	4		**46**
TOTALS	**6,224**	**4,454**	**3,994**	**2,664**	**1,680**	**1,104**	**890**	**568**	**514**	**420**	**22,512**

*It encompasses all colleges, including those nearby but outside the LSIP area.
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Achievements in Further Education (2022-23): Level 4+

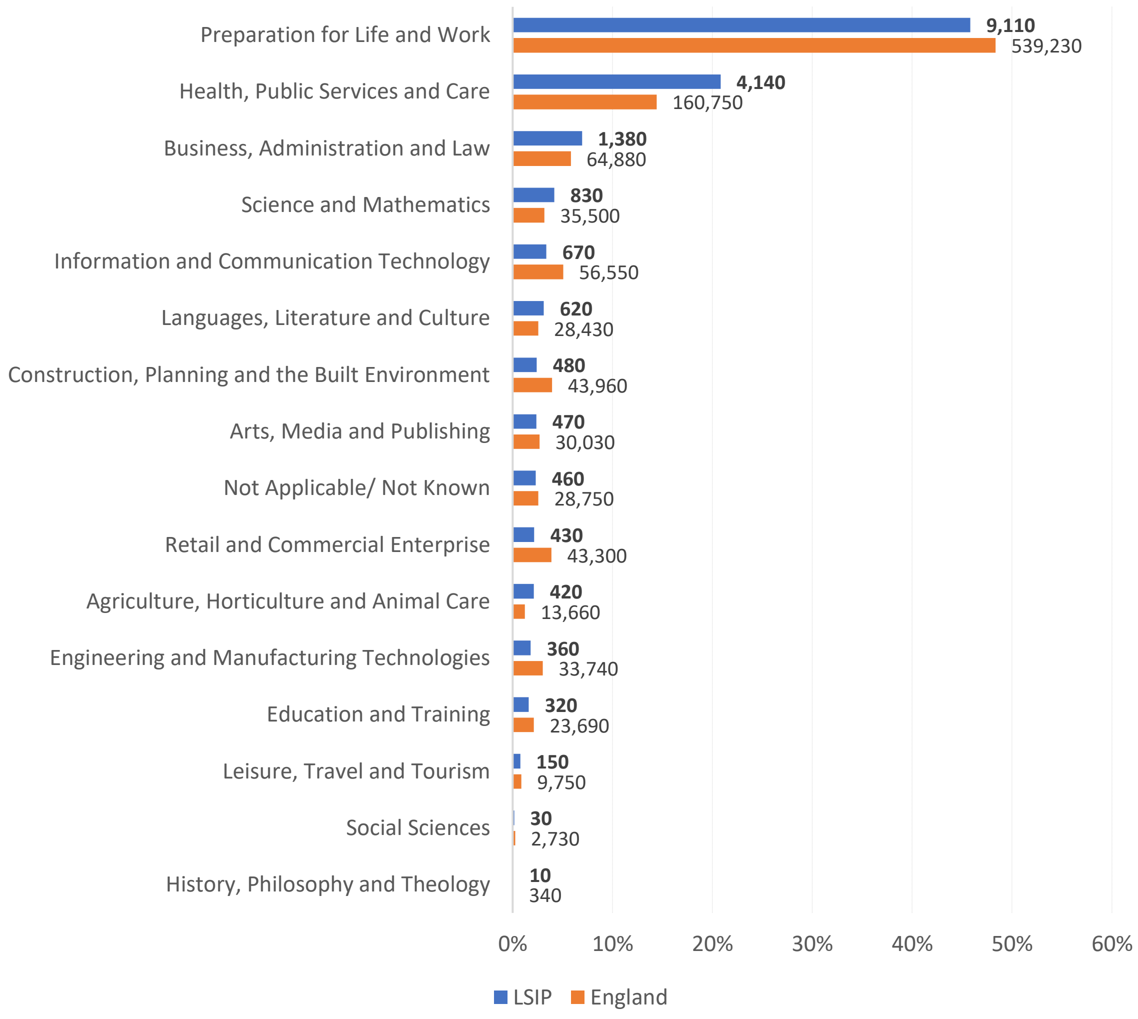
SSA	EAST SURREY COLLEGE	ACTIVATE LEARNING*	HSDC*	BCoT	FCoT	PETER SYMONDS COLLEGE	THE WINDSOR FOREST COLLEGES GROUP*	BROOKLANDS COLLEGE	NESCOT	SPARSHOLT COLLEGE	TOTAL
Arts, Media and Publishing	40	4	20				10		4		**78**
Health, Public Services and Care	4	30		10	20	10	4				**78**
Retail and Commercial Enterprise			20	10		4			4		**38**
Business, Administration and Law	4	10	4	4	4			10		4	**40**
Agriculture, Horticulture and Animal Care											**0**
Construction, Planning and the Built Environment											**0**
Education and Training	4			4							**8**
Engineering and Manufacturing Technologies											**0**
History, Philosophy and Theology											**0**
Information and Communication Technology											**0**
Languages, Literature and Culture											**0**
Leisure, Travel and Tourism											**0**
Preparation for Life and Work											**0**
Science and Mathematics											**0**
Social Sciences											**0**
TOTALS	**52**	**44**	**44**	**28**	**24**	**14**	**14**	**10**	**8**	**4**	**242**

*It encompasses all colleges, including those nearby but outside the LSIP area.
Active Learning operates three out of seven colleges within the LSIP vicinity, while the Windsor Forest Colleges group operates one out of four, and HSDC oversees one out of three colleges within the area.

Adult FE Education & Training enrolments

- In the LSIP area, there were approximately 20,000 enrolments for individuals aged 19 and above.
- Of these enrolments, nearly half were in the field of *'Preparation for Life & Work*',
- *'Health, Public Services & Care*' accounted for 21%.
- These enrollment patterns mirror national trends, with a noteworthy observation of a higher percentage of adults pursuing *'Health, Public Services & Care*' courses compared to the national average.
- Additionally, it is worth noting the higher proportions of learners opting for *'Business, Administration & Law*' courses (7%), as well as *'Science & Mathematics*' (4%), in comparison to national enrollment figures.

Adult FE Education & Training enrolments by sector subject area 2023-24 (LSIP & England)*

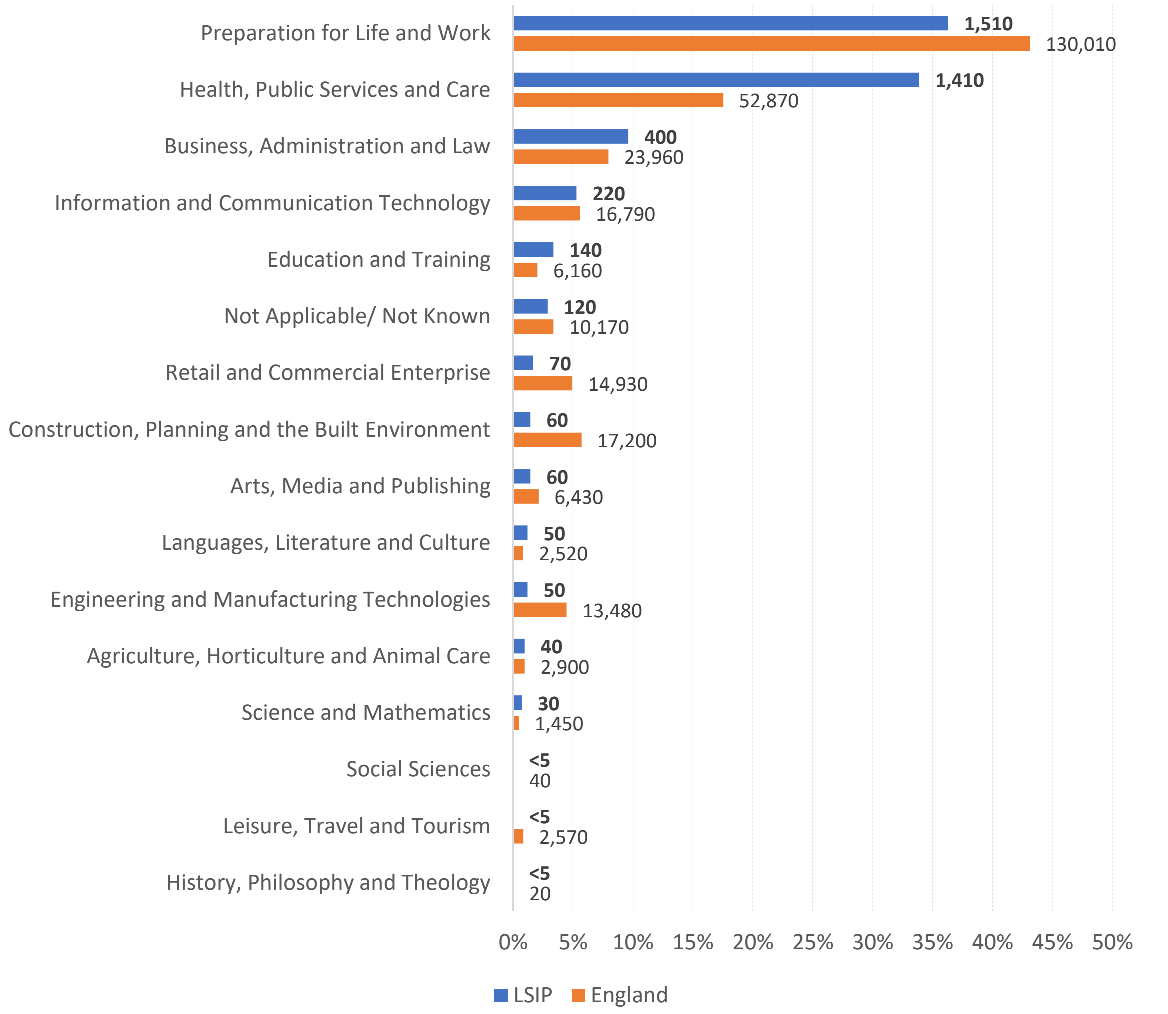


* Note: The horizontal axis indicates enrollment percentages (%), while data labels at the end of each bar denote the corresponding number of enrollments in the subject.

Adult FE Education & Training achievements

- Across the LSIP area, a total of 4,160 achievements were recorded among those age 19+.
- Largest proportion was in the *'Preparation for Life & Work*' sector, closely followed by *'Health, Public Services & Care*'.
- Notably, there was a significantly higher percentage (34%) of adult achievements in *'Health, Public Services & Care*' compared to the national average (18%), nearly double the national rate.
- Similarly, *'Business, Administration & Law*' surpassed many other sector subjects and boasted a higher percentage (10%) than the national average (8%).
- Engineering and construction fell short of the national average.

Adult FE Education & Training achievements by sector subject area 2023-24 (LSIP & England)*

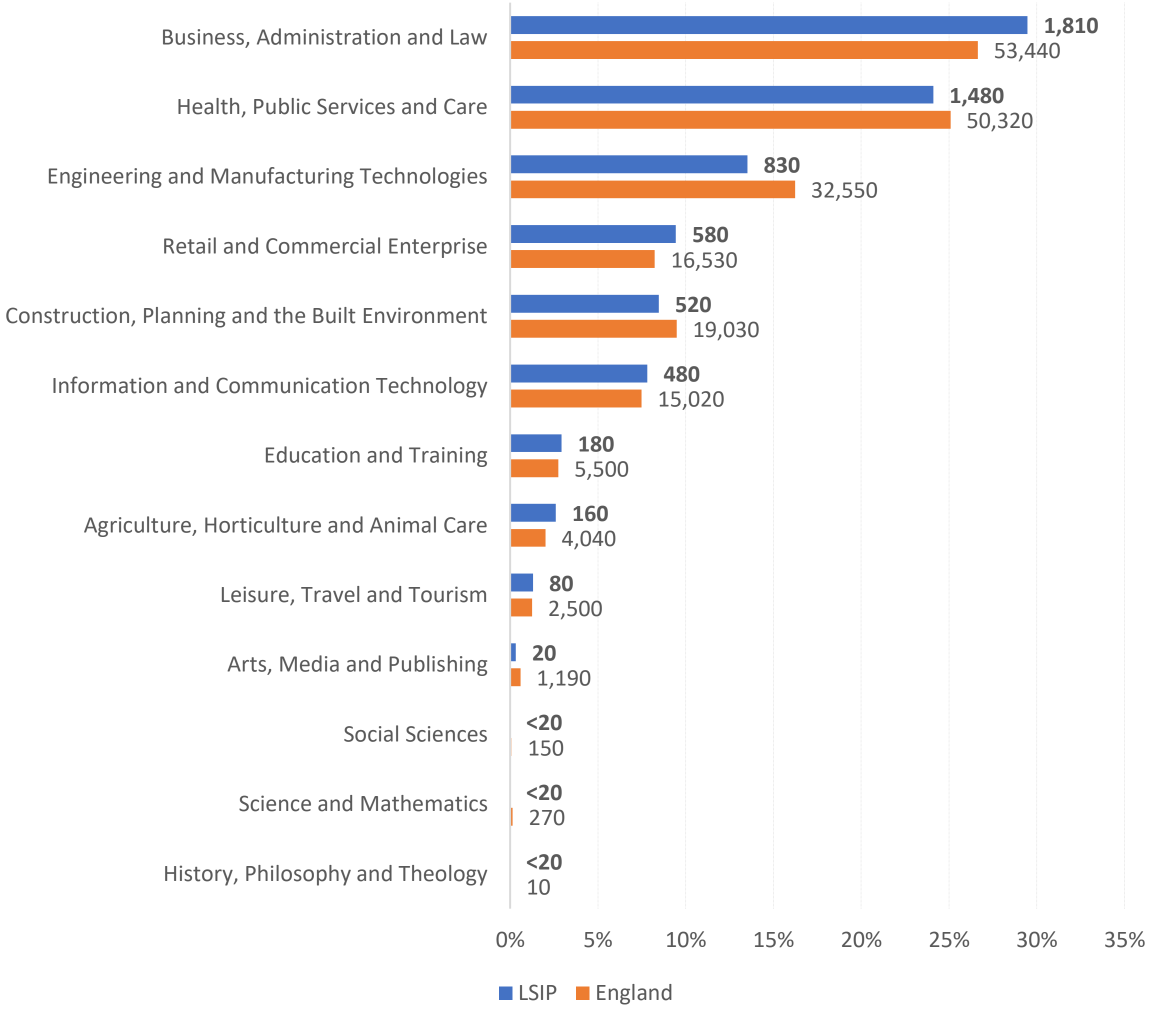


* Note: The horizontal axis indicates achievement percentages (%), while data labels at the end of each bar denote the corresponding number of achievements in the subject.

Apprenticeship starts by sector subject area

- In the 2023-24 academic year, the LSIP area witnessed nearly 6,200 apprenticeship starts.
- Apprenticeship start numbers are down compared to 2020-21 figures, possible related to the pandemic.
- '*Business Administration & Law*' are thelargest sector accounting for over one in four apprenticeships (29%) within the LSIP area, surpassing the national average of 27%.
- '*Health, Public Services & Care*' (24%) and '*Engineering & Manufacturing Technologies*' (13%). But their shares were relatively smaller compared to national figures.
- Small numbers for Science & Mathematics.

Apprenticeship starts by sector subject area 2023-24 (LSIP & England)*

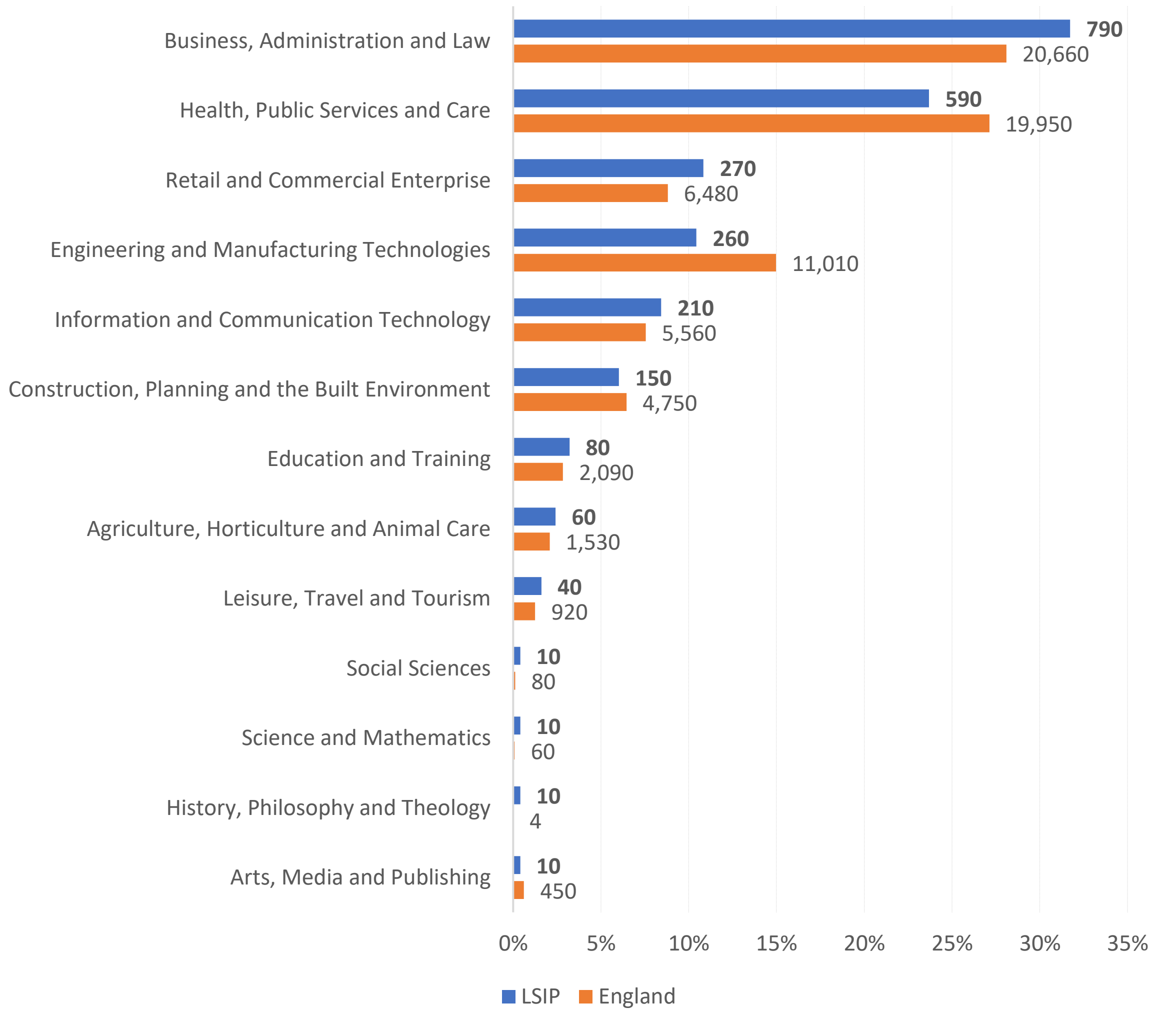


* Note: The horizontal axis indicates start percentages (%), while data labels at the end of each bar denote the corresponding number of starts in the subject.

Apprenticeship achievements by sector subject area

- The LSIP area had approximately 2,500 apprenticeship achievements in the 2023-24 period.
- 'Business, Administration & Law' and 'Health, Public Services & Care' sectors collectively accounted for over half of all achievements, with 32% and 24%, respectively.
- Concern arises over the lower share in the 'Health and Care' sector.
- ‘*Retail & Commercial Enterprise*’ (11%) and *‘Engineering & Manufacturing Technologies*' (10%), accounted for over a fifth of all accomplishments in the LSIP area.
- The LSIP area surpassed the national average in achievements in sectors such as 'Business, Administration, & Law’, ‘Retail & Commercial Enterprise’ and 'Information & Communication '.

Apprenticeship achievements by sector subject area 2023-24 (LSIP & England)



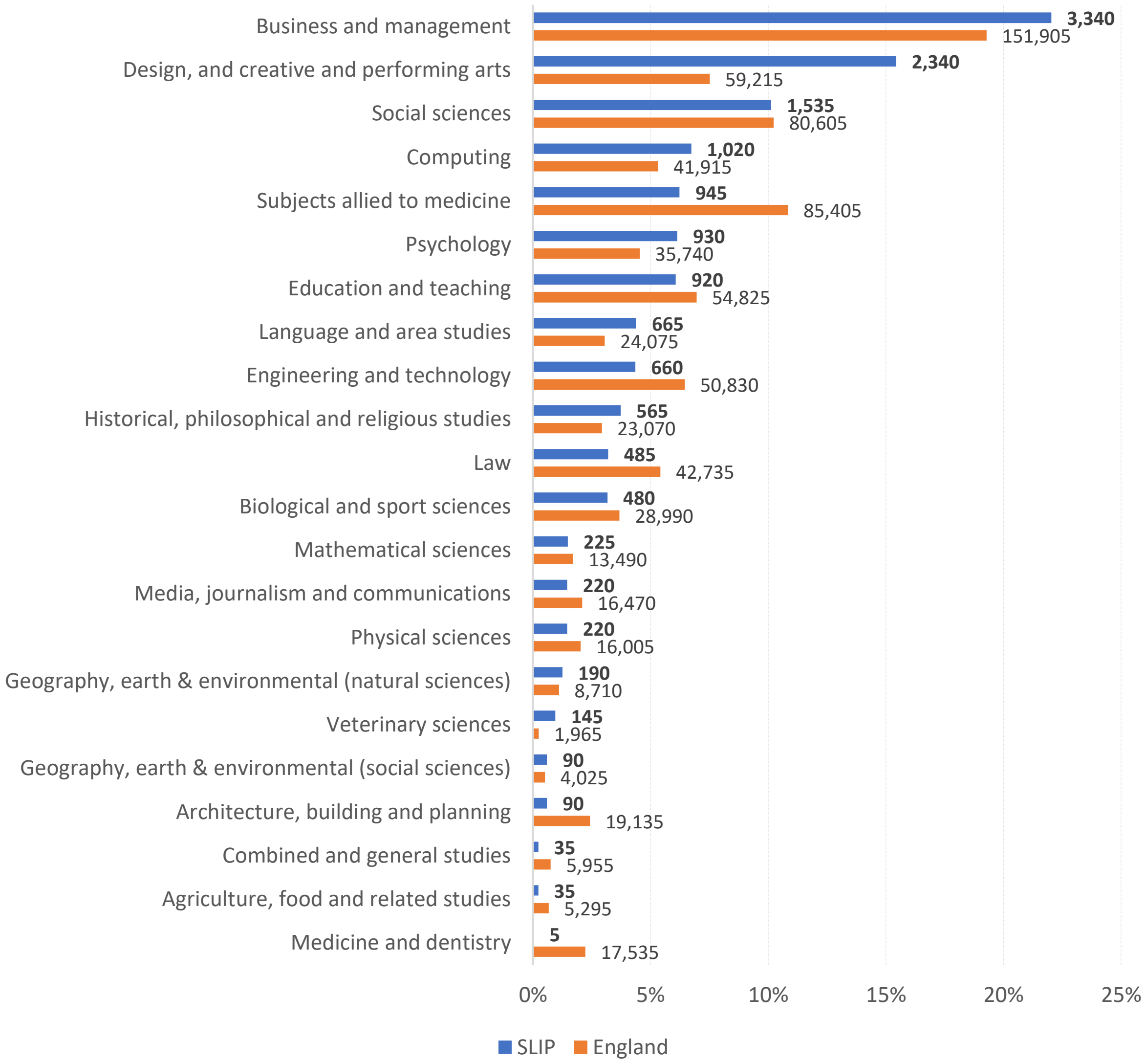
* Note: The horizontal axis indicates achievement percentages (%), while data labels at the end of each bar denote the corresponding number of achievements in the subject.

HE qualifiers by sector subject area

- In 2021-22, the LSIP area witnessed the graduation of 15,200 students from local Higher Education institutions*, slightly fewer than the previous academic year's 15,450.
- Notably, 'Business and Management' accounted for the largest proportion of qualifiers, with more than one in five graduates (22%) in the LSIP area, above the national average of 19%.
- 'Design, Creative & Performing Arts' saw a substantial presence, with 15% of graduates, almost double the national average of 8%.
- The area lagged the national average in 'Engineering & Technology' and 'Subjects Allied to Medicine' but did better in 'Computing'.

* Royal Holloway & Beford New College, The University of Surrey, The University of Winchester and University for the Creative Arts

HE qualifiers by sector subject area, 2021-22 (LSIP & England)

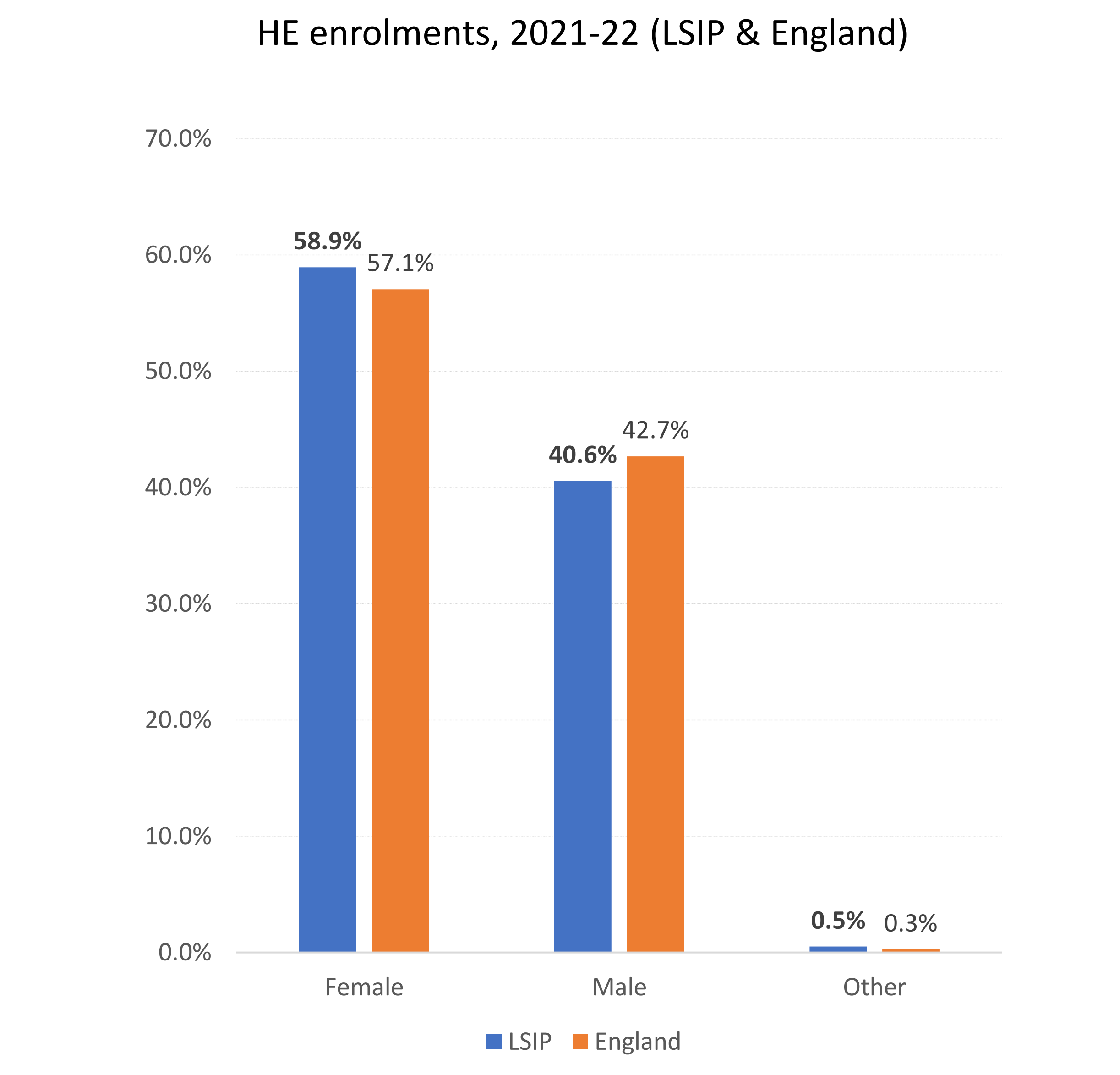


* Note: The horizontal axis indicates achievement percentages (%), while data labels at the end of each bar denote the corresponding number of achievements in the subject.

HE enrolments by gender

- In 2021-22, the LSIP area had approximately 45,800 enrollments at local higher education (HE) institutions*.
- While the proportion of female students (59%) was slightly higher compared to the national average (57%), the overall trend reflects a similar pattern, with a higher proportion of females pursuing university education.
- The University of Winchester boasted the highest percentage of female students, with over two in three students (67%) being female.
- Significant female representation was also observed at the University for the Creative Arts (62%), Royal Holloway & Bedford New College (56%), and the University of Surrey (55%).

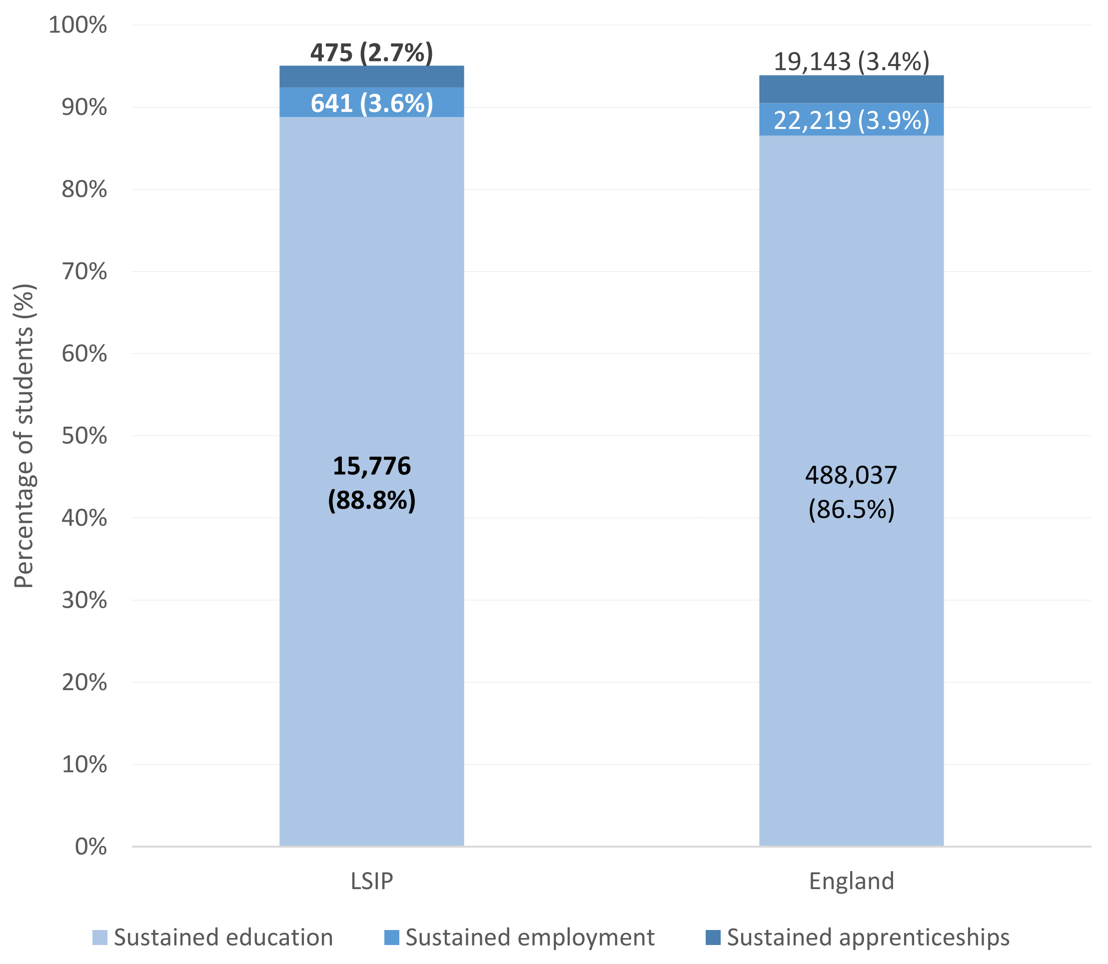
* Royal Holloway & Beford New College, The University of Surrey, The University of Winchester and University for the Creative Arts



KS4 destinations

- During the 2021-22 academic year, around 17,800 Key Stage 4 (KS4) students were in the LSIP area.
- Approximately 89% pursued further education, while about 2.7% chose apprenticeships and 3.6% entered the workforce.
- Compared to the national average, the LSIP area had higher rates of continuing education, but slightly lower rates of apprenticeships and employment
- Most apprentices (60%) advanced to level 2, exceeding the national average of 56%.
- Student employment or apprenticeship rates increased compared to the previous academic year, nationally and in the LSIP area, driven by exceptionally strong labour demand.

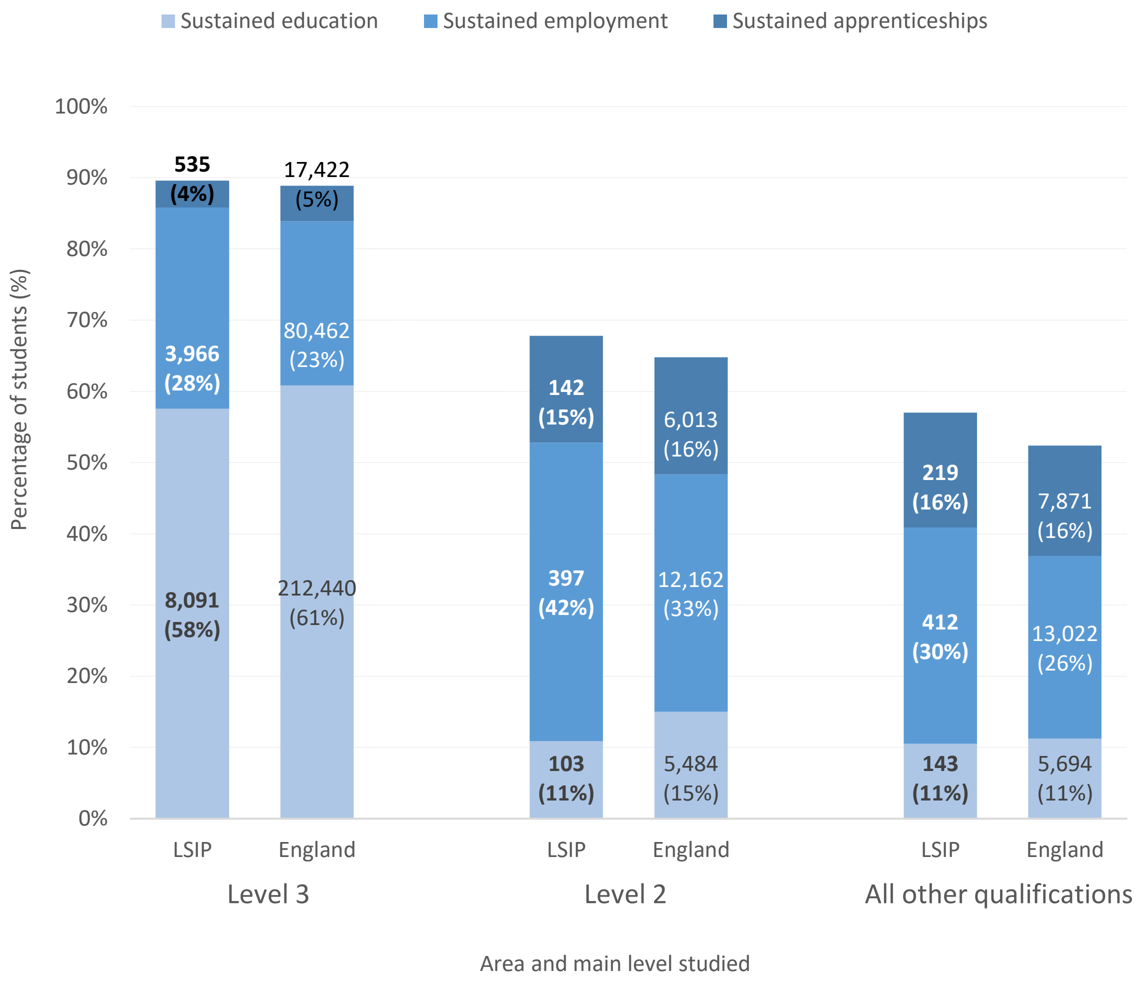
Destination of KS4 pupils from state-funded mainstream schools 2021-22



16-18 destinations

- In 2021-22, the LSIP area had over 16,300 students aged 16-18. 14,000 (86%) pursued level 3 qualifications, while 2,300 (14%) pursued level 2 qualifications or other qualifications.
- Of those in level 3, more than half (58% or 8,100) continued education, 28% (4,000) entered employment, and 4% (500) started apprenticeships, including 155 undertaking level 4+ apprenticeships.
- Compared to the national average, more students in the LSIP area entered the workforce, while apprenticeship rates were similar.
- For 16-18-year-olds studying at level 2, a larger proportion transitioned into employment opportunities, driven by a strong labour demand. However, the proportion remaining in education (11%) was significantly lower than the previous year (32%).

Destination of students after 16-18 by main level studied (state-funded mainstream schools and colleges), 2021-22

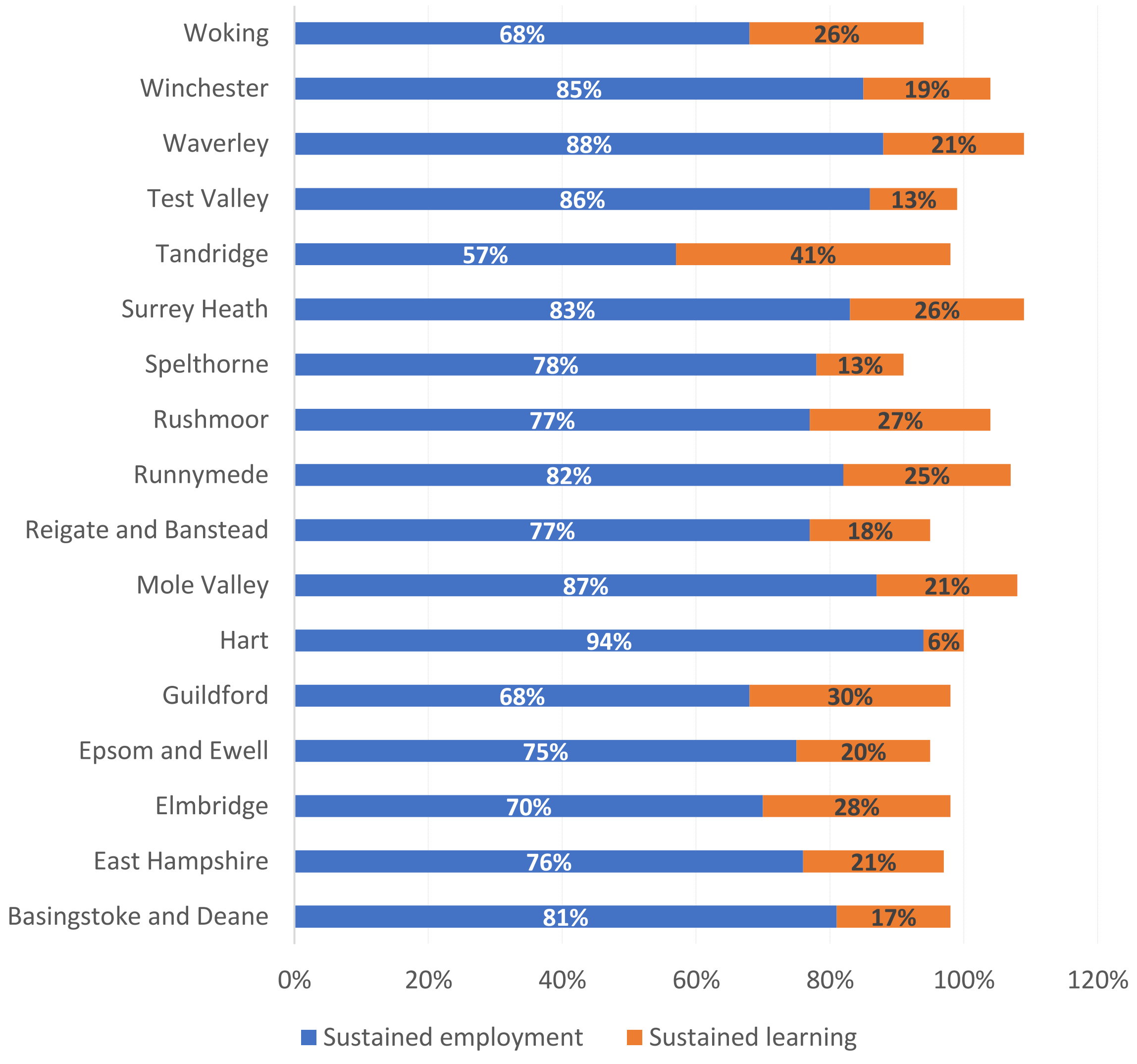


Destinations of adult FE and Skills learners

At local level:

- Hart saw the highest transition rate into sustained employment at 94%, while Tandridge had the lowest at 57%, well the national average of 70%.
- Tandridge, Woking and Guildford had the rates below the national average.
- In contrast, Tandridge led in sustained learning participation, with about 41% of learners engaged, notably higher than the national average of 24%.
- Spelthorne and Test Valley had relatively low rates for sustained learning participation, below the LSIP average and below the national average.

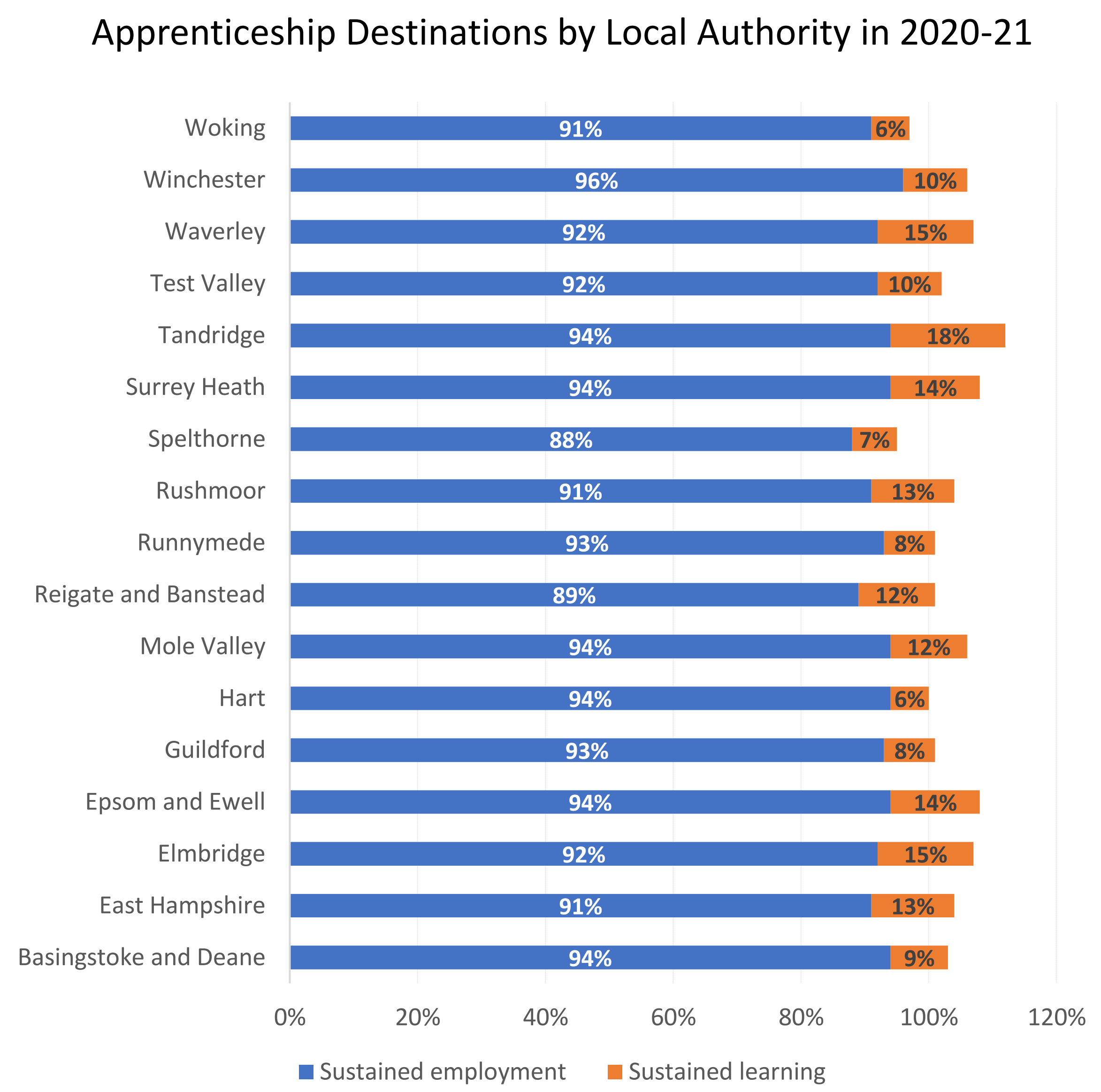
Destination of FE & Skills Learners by Local Authority in 2020-21



Apprenticeship destinations

At local level:

- Winchester leads with 96% of apprentices entering sustained employment, followed by six other districts at 94%, surpassing the national average of 92%.
- Spelthorne has the lowest proportion at 88%.
- Eleven districts showed an increase in apprenticeships entering sustained employment compared to the previous academic year.
- For sustained learning, all districts are below the national average of 15%, except for Tandridge (18%), Elmbridge, and Waverley, both at 15%.

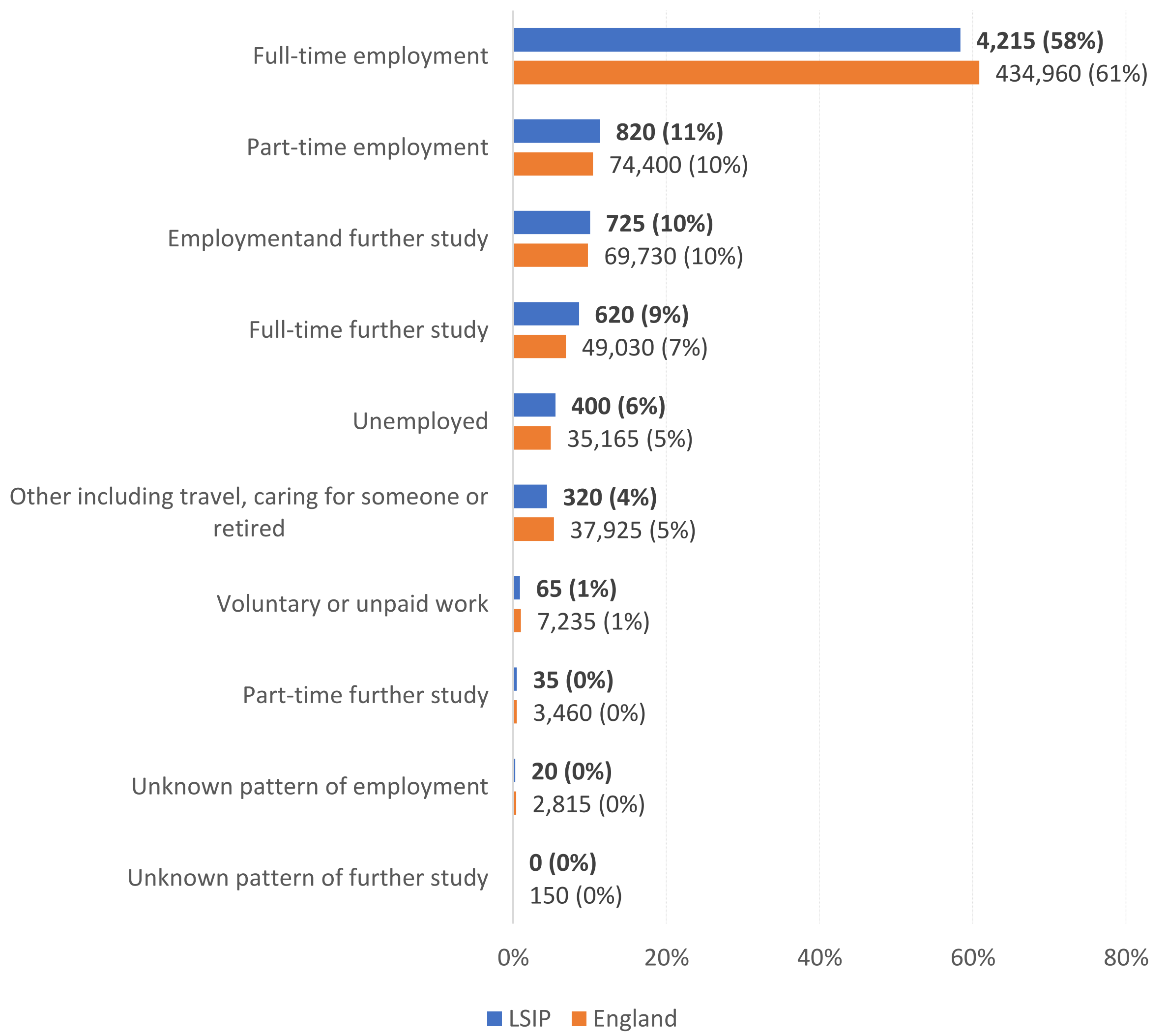


HE graduate destinations

- The profile of HE graduate destinations in the LSIP area mirrors the national trend, with most graduates (58%) securing full-time employment, a slight increase from the previous year (54%), though still below the national average (61%).
- This rise likely reflects increased labor demand post-Covid-19 pandemic.
- Additionally, a slightly higher proportion of LSIP graduates opted for part-time employment (11%) and full-time further education (9%) compared to the national figures (10% and 7% respectively).

* Royal Holloway & Beford New College, The University of Surrey, The University of Winchester and University for the Creative Arts

Graduate destinations for 2020-21 academic year



Graduate migration

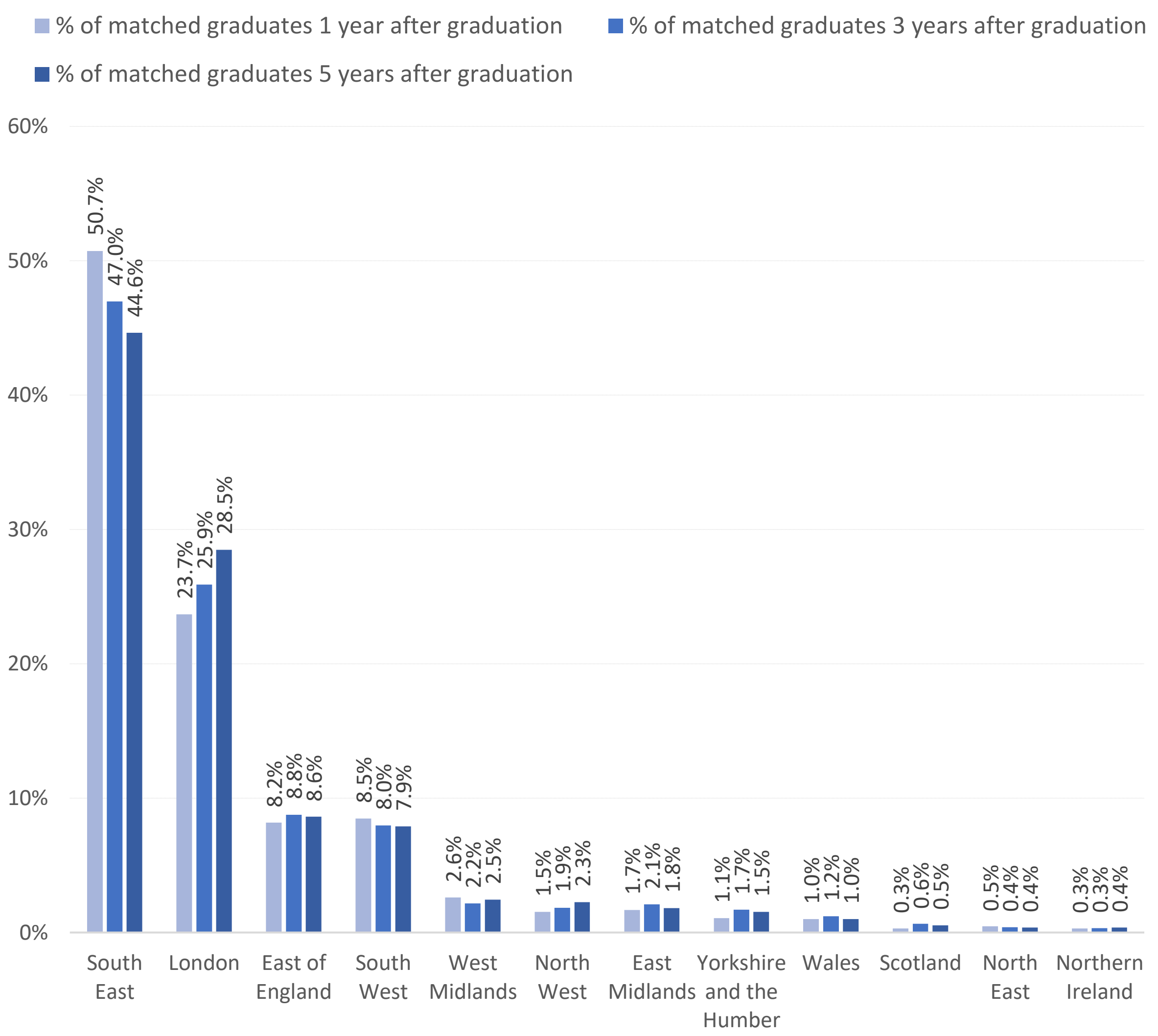
- Initially, approximately half of LSIP HE graduates remain in the South East region (51%), with this proportion declining over time to 45% after five years.

- The shift away from the South East is primarily driven by graduates moving to London, a trend that remains consistent over time compared to the previous tax year.

- London's attractiveness to graduates is evident, influenced by factors like job prospects, higher salaries, lifestyle preferences, and individual situations. Graduates relocating to London increased from 24% after one year to 29% after five years.

* Royal Holloway & Beford New College, The University of Surrey, The University of Winchester and University for the Creative Arts

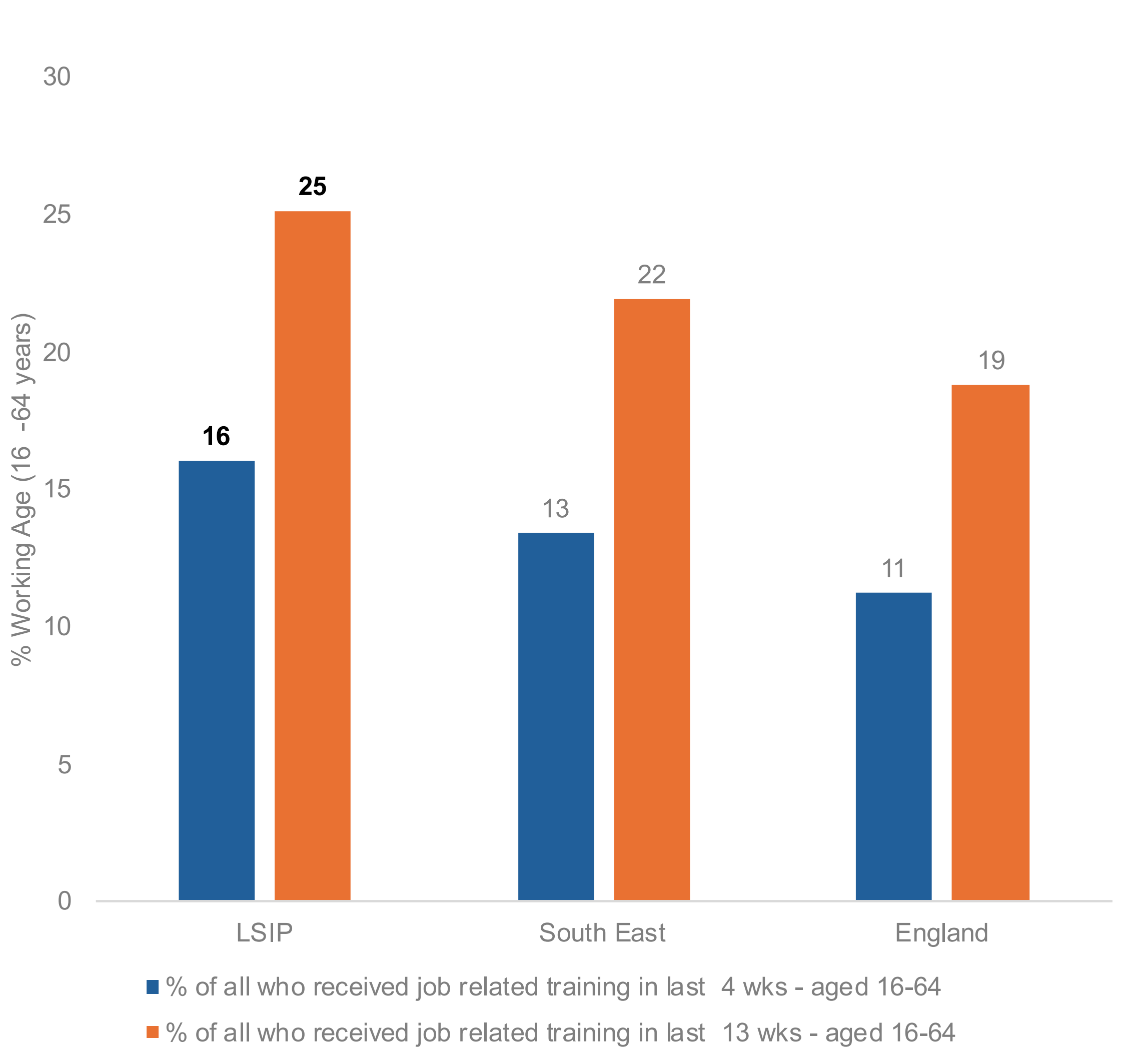
Current region of residence of graduates from HEIs in LSIP, 2020-21



Proactive engagement in job-related training

- For the LSIP area, alongside apprenticeships, there is evidence of employers continuing to provide training to employees.
- Among the 1.2 million workers aged 16 to 64 in the LSIP area, around 191,000 (16%) were engaged in job-related training within the past four weeks.
- An additional 298,000 (25%) trained within the last 13 weeks preceding the survey in 2024.
- However, the majority, or three in four workers, could still benefit from job-related training in the area.

Percentage of all who received job related training - aged 16-64 2024



- **Overview** - UK Office for National Statistics (regional accounts, UK business counts survey, 2022-based population estimates and job density survey).
- **Business Community** – UK Office for National Statistics (UK business counts, BRES and productivity surveys) and Lightcast.
- **Employment Landscape** – UK Office for National Statistics (LFS/APS and BRES surveys).
- **Demographics** – UK Office for National Statistics (annual survey of hours & earnings and LFS/APS survey) and Lightcast.
- **Vacancies (online job postings)** – Lightcast.
- **Forecast Growth** – Bank of England, Office for Budget Responsibility (OBR), UK Office for National Statistics (2018-based population projections), Department for Education (DfE Labour market and skills projections: '2020 to 2035') and Lightcast.
- **Skills Supply** – UK Office for National Statistics (LFS/APS survey), Department of Education (DfE Explore education statistics - EES) and Higher Education Statistics Agency (HESA).