A report by Beyond 2030 on future skills needs in the York, North Yorkshire and East Riding Local Enterprise Partnership Area

More Developed Area:
York and North Yorkshire

Visitor Economy:
Arts, Entertainment and Recreation subsector

Completed on behalf of Calderdale College as part of the College's 2017-18 ESF funded Skills Support for the Workforce programme across the York, North Yorkshire and East Riding Local Enterprise Partnership Area.

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1 Introduction

The EU's Cohesion policy aims to reduce economic and social disparities at regional level across the EU. Consequently, the European Commission has three categories of regional funding:

- ***Less Developed regions***, whose GDP per capita is below 75% of the EU average
- ***Transition regions***, whose GDP per capita is between 75% and 90% of the EU average
- ***More Developed regions***, whose GDP per capita is above 90% of the EU average

Within the YNYER LEP, York and North Yorkshire at nearly 98% GDP per capita is considered a More Developed Area (MDA), while East Riding at 83% is considered a Transition Area (TA) (Eurostat, 2016).

This report considers the Visitor Economy: Arts, Entertainment and Recreation subsector within the More Developed Area (MDA) of York and North Yorkshire.

1.1 York and North Yorkshire MDA

North Yorkshire covers an area of 8,654 square kilometres (3,341 sq mi), making it the largest county in England. The majority of the Yorkshire Dales and the North York Moors lie within North Yorkshire's boundaries, and around 40% of the county is covered by National Parks.

York and North Yorkshire is divided into a number of local government districts: Craven, Hambleton, Harrogate, Richmondshire, Ryedale, Scarborough, Selby and the City of York.

It has a resident population of 809,200, which equates to 71% of the LEPs resident population (ONS, 2017). Nearly 380,000 individuals are employed in the area. Employment rates stand at 81.9% for North Yorkshire and 78% in York compared to LEP average of 79.9% (Table 1).

Using YNYER LEP as the standard, we can see various differences in the productivity, skills and employment across North Yorkshire and York. Table 1 highlights where the area performs better (green) or worse (red). For example, self-employment in North Yorkshire stands at 14.1% - greater than within York, the LEP as a whole and the English average. However, the number of individuals qualified to level 4 or above is lower and the proportion with no qualifications is greater in North Yorkshire.

Table 1 Productivity, skills and jobs:

Measure	North Yorkshire	York	YNYER LEP	England
Gross Weekly pay full time (£)	£475.40	£505.40	£481.30	£544.20
Job density (the ratio of total jobs to population aged 16-64.	0.96	0.85	0.86	0.84
Employment Rate	81.9%	78.0%	79.9%	75.0%
Self-Employment	14.1%	9.6%	12.2%	10.6%
Full-time workers	63.1%	62.7%	63.8%	69.1%
Unemployment Rate	2.3%	3.2%	3.0%	4.7%
Economically Inactive	16.1%	18.8%	17.6%	21.2%
Level 4+	35.9%	42.7%	37.5%	37.9%
No Qualifications	6.5%	6.2%	6.3%	7.8%

Source: Office for National Statistics: LEP and National Labour Market Profiles; GVA for Local Enterprise Partnerships

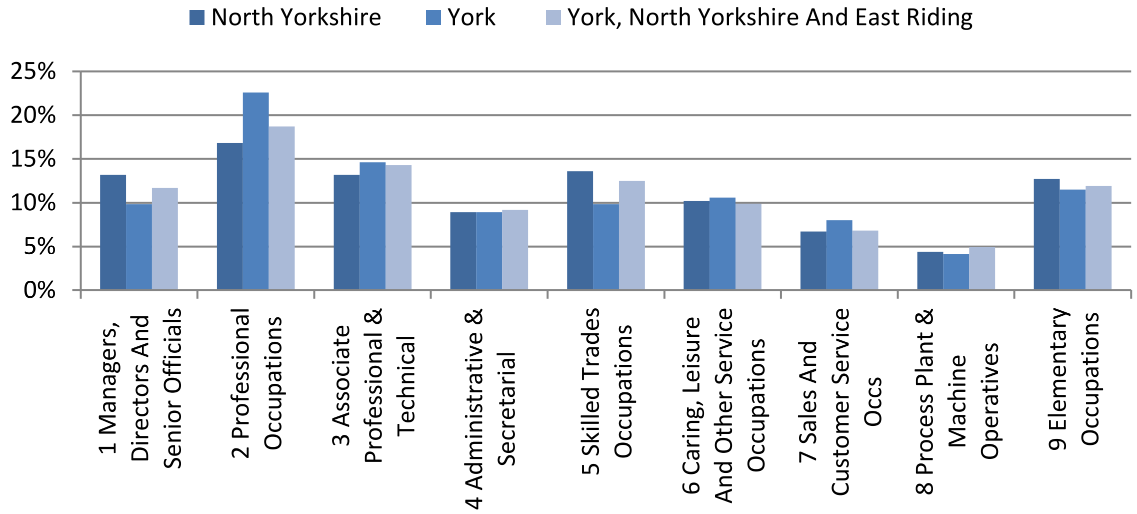
As previously mentioned nearly 380,000 individuals work across the York and North Yorkshire area. The largest employment sectors are (ONS, 2015):

- Health and Social work, employing 13% of all workers
- Accommodation and food services, employing 11% of all workers
- Retail, employing 10% of the workforce

The occupational profile across York and North Yorkshire has some variations compared to the LEP and national data (Figure 1). For example:

- There are more managers in North Yorkshire - 13% compared to 10% in York and 12% at a YNYER LEP level
- Nearly a quarter (23%) of the workforce are professional occupations in York, compared to 17% in North Yorkshire
- North Yorkshire has more skilled trade personal than York (14% compared to 10%)

Figure 1 Employment by broad occupation (Jan 2016 - Dec 2016)



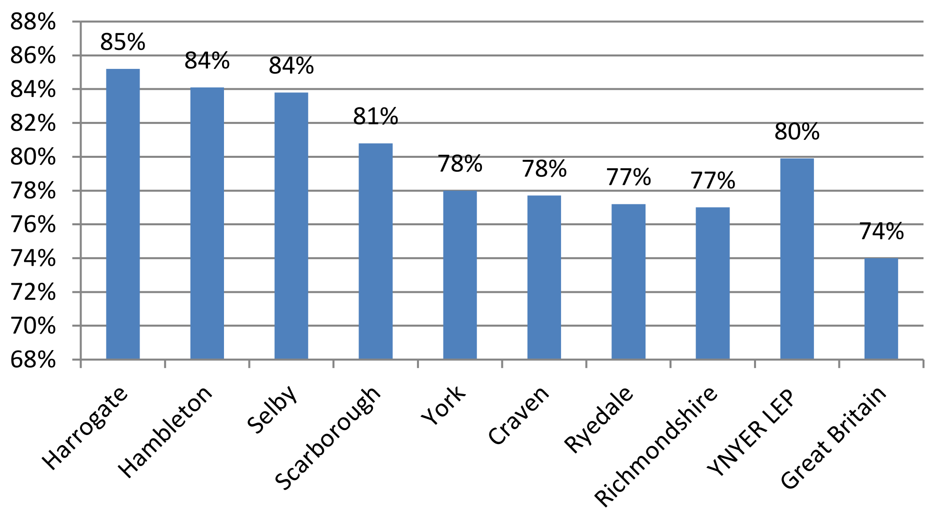
Source (ONS, 2017)

1.1 Local Authorities

The York and North Yorkshire MDA is made up by a number of local government districts: Craven, Hambleton, Harrogate, Richmondshire, Ryedale, Scarborough, Selby and the City of York.

Looking in more detail at Local Authority level, we can see that there are variations in the employment rate: Harrogate has the highest at 85% while Richmondshire has the lowest at 77%. However the employment rate in all local authorities is greater than the national average (Figure 2).

Figure 2 Employment rate across the LEP and North Yorkshire Local authorities



Source (ONS, 2017)

Using YNYER LEP as the standard, additional variations in the job, skills and productivity levels of each of the local authorities are highlighted in the table below. Where the area performs better, we have highlighted this in green with relatively poor performance being highlighted in red in Table 2. In summary:

- Three authorities have a lower weekly wage than the LEP average (Craven, Ryedale and Scarborough).
- In three authorities the job density is above one - meaning that there is more than one job for every resident aged 16-64. These are Craven, Harrogate, and Ryedale. However Craven and Ryedale employment rate is lower than the LEP average.
- Self-employment is particularly high in Harrogate and Scarborough and also in Scarborough, the proportion of full-time workers is low.
- The proportion of workers with a level four qualification ranges from 23.5% in Hambleton to 50.4% in Craven.

Where the local authority area performs better than the YNYER standard we have highlighted this in green or worse in red in the table below.

Table 2 Productivity, skills and jobs by local authorities in York and North Yorkshire MDA

	Craven	Hambleton	Harrogate	Richmondshire	Ryedale	Scarborough	Selby	York	YNYER LEP	England
Gross Weekly pay full time (£)	£413.10	£496.80	£535.50	£507.20	£443.10	£460.30	£549.40	£509.60	£481.30	£544.20
Job density (the ratio of total jobs to population aged 16-64.	1.16	0.98	1.06	0.8	1.02	0.93	0.73	0.85	0.86	0.84
Employment Rate	77.7%	84.1%	85.2%	77.0%	77.2%	80.8%	83.8%	78.0%	79.9%	75.0%
Self-Employment	*	14.7%	19.2%	*	12.7%	18.0%	*	9.6%	12.2%	10.6%
Full-time workers	60%	65%	61.5%	62.5%	69.9%	58.5%	68.6%	62.7%	63.8%	69.1%
Unemployment Rate	3.2%	2.8%	2.7%	2.8%	3.3%	3.7%	3.8%	3.2%	3.0%	4.7%
Level 4+	50.4%	23.5%	42.9%	25.3%	36.8%	37.5%	31.0%	42.7%	37.5%	37.9%
No Qualifications	*	9.1%	*	*	*	7.4	8.9%	6.2%	6.3%	7.8%

(ONS, 2017) * data not available, sample to small

1.2 Emerging developments in York and North Yorkshire MDA

The York and North Yorkshire area is not standing still. Improvements in transport, infrastructure, and housing continue to attract employers and business opportunities. Speaking with stakeholders we understand that each local authority has or is in the process of updating Local Plans and Investment Strategies. For example, Hambleton Inward Investment Strategy and Action Plan has just been published, with the aims to attract quality jobs to the district by looking at its unique selling qualities and how they can be recognised nationally. The initial focus will be on potential employment sites around Leeming Bar. The plan will look at the land, skills, support and opportunity the area has to offer investors, ensure a sufficient supply of good quality sites over the next five years, and encourage links between existing and potential new businesses in the area. It will also promote the creations of centres of excellence in some sectors.

Examples of growth, investment and development in the area includes:

Al Khaleej International is looking at a site next to the Allerton Park waste incinerator, near the A1/ A59 junction for a new sugar beet processing plant. The company has asked Harrogate Council planners for environmental opinions before it puts in a full planning application. If the new plant goes ahead, the company claims it would create employment for 200 to 300 jobs, and would buy sugar beet from 3500 farmers mainly across the North East of England (Prest, 2017).

Sirius Minerals PLC is seeking to become a leading producer of multi-nutrient fertilizer and current focus is the development of North Yorkshire Polyhalite project. Located 3.5km South of Whitby, the project will involve the extraction and granulation of the mineral. The project involves the construction of an underground mine, along with the necessary infrastructure above and below grounds that will be necessary for transporting processing and distributing the minerals. The project is expected to deliver 2,500 direct and indirect jobs (Sirius Minerals PLC, 2017)

Covance, a global drug development business, currently based in Harrogate where more than 1,000 people are employed, are expanding on the National Agri-Food Innovation Campus, at Sand Hutton near York. Opening in late 2017, the laboratory extension in York will employ up to 30 scientists (Knowlson, 2017).

ACM Global Laboratories, a medical diagnostic testing company, has added a second specialised building to its laboratory block in Hospital Fields Road, York. The jobs generated will be high tech and include laboratory scientists, life sciences project managers, quality assurance professionals and data managers (York Press, 2017).

Furthermore in York, York Central - a 72 hectare site formed mainly of former railway land behind the station - could see the development of thousands of new homes and enough office space for 7,000 new jobs (City of York Council, 2017)

Near Whitby, a new 60-lodge holiday could be built on a hotel estate. The Classic Lodges hotel group has submitted an application to build a holiday park on its estate at Grinkle Park, following two years of extensive planning and consultation with the relevant authorities (Copeland, 2017). The development would see the restoration of the hotel's Grade II listed stable block, the re-introduction of a derelict caravan site, and the formation of two new lakes to complement the existing water feature. The lodges would be created in an environmentally considerate way and are aimed at the 'staycation' market of families who prefer to holiday in England than abroad. In addition to the construction jobs, once fully operational, the lodge park would create 25 jobs.

Discussions with Selby District Council highlighted a number of planning applications, including housing applications, the construction and operation of a combined cycle gas turbine (CCGT) power station, While Harworth Group Plc has recently secured the resolution to grant planning consent from Selby District Council to redevelop Kellingley Colliery, 151 acre site into a major new manufacturing and distribution centre, which could create 2,900 new jobs and bring investment into the region of £200m. (Bean, 2017).

Newby Wiske Hall, formerly the North Yorkshire Police's Headquarters has been sold to PGL, a company that runs educational activities for schools and young people in March 2017. PGL plan to open the site in Spring 2018 and reported that they will create more than 100 jobs, not only in instructing activities, but in catering, housekeeping, site maintenance and management roles.

The above demonstrates some of the opportunities in the area where new firms are entering and currently resident employers are expanding. These developments will have multiplier effects across the supply chains and wherever consumption occurs.

2 Arts, Entertainment and Recreation in North Yorkshire

2.1 Introduction

The arts, entertainment and recreation sector is a subsector of the wider visitor economy. It includes a wide range of establishments that operate facilities or provide services to meet varied cultural, entertainment, and recreational interests of their patrons. This sector comprises:

- establishments that are involved in producing, promoting, or participating in live performances, events, or exhibits intended for public viewing;
- establishments that preserve and exhibit objects and sites of historical, cultural, or educational interest; and
- establishments that operate facilities or provide services that enable patrons to participate in recreational activities or pursue amusement, hobby, and leisure-time interests.

Across York and North Yorkshire there are a number of arts, entertainment and recreation facilities:

The area is home to the North York Moors a national park, containing one of the largest expanses of heather moorland in the United Kingdom. The moors also have the North Yorkshire Moors Railway, a heritage railway which is one of the busiest steam heritage lines in the UK and Falling Foss waterfall.

Whitby hosts the Captain Cook Memorial Museum as well as Whitby Abbey and a ruined Benedictine abbey overlooking the North Sea.

Scarborough has a Sea Life Sanctuary, Peasholm Park, Alpamare, and Scaborough Spa: a multipurpose venue offering conference, exhibition, entertainment and banqueting facilities. Further south of the town is Playdale Farm Park.

Flamingo Land, near Malton, attracts over 1.5 million visitors every year to its Theme Park, Zoo & Conservation and Holiday Resort.

Harrogate Convention Centre provides conferences, exhibitions and live entertainment shows including comedy, drama and live music. While Ripley Castle and Gardens is an historic attraction open to the public all year round.

Around York; there is York Maze, The Web Advantage Park, Yorkshire Air museum, York Castle & museum, National Railway museum, City Walls, York Minster, Jorvik Viking Centre, as well as a number of other museums and sites.

The Royal Horticultural Society and the National Trust also have a number of sites in the York and North Yorkshire area.

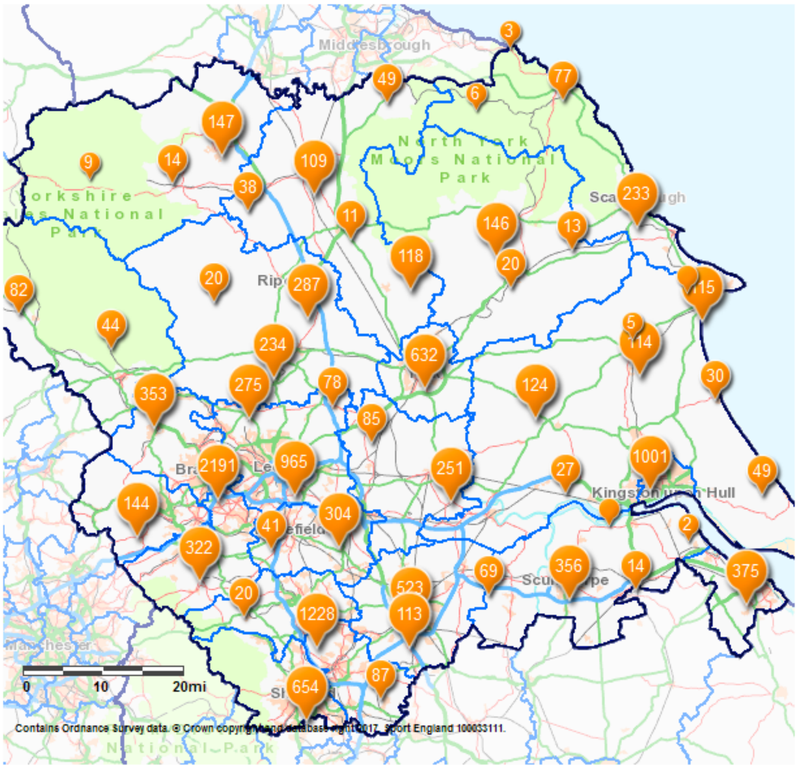
In terms of sporting and recreation, Sport England's Active Places database reveals that across the Yorkshire and Humber region, 36.3% of adults (16+) participate in at least 30 minutes of sport a week, slightly higher than nation average of 35.4%. To accommodate this, the region has over 12,000 sports facilities. The majority available are grass pitches (7,176), followed by sports halls (1,139) and tennis courts (952). However, sporting facilities that are run by public sector organisations may not be included in these figures. For example, local authority leisure centres may be officially classed as a local authority business establishment. This suggests that the 'official' number of sporting related businesses is likely to be an underestimation.

Table 3 Top facilities in Yorkshire and Humber

Facility	Number
Grass Pitches	7176
Sports Hall	1139
Tennis Courts	952
Health and Fitness Suite	699
Studio	555
Artificial Grass Pitch	544
Swimming Pool	393
Squash Courts	367
Golf	273
Athletics Tracks	34

Source Sport England Active Places database

Figure 3 Sport and recreation facilities by location in Yorkshire and Humber



Source Sport England Active Places database

Local Authorities are one of the primary funders of art and cultural activities, along with the contribution from the Arts Council England. From public libraries to municipal galleries, from music education and arts festivals to public art, councils are active in regional cultural life.

The Department for Communities and Local Government data shows how much is spent on cultural & heritage and recreation and sports by local authorities. Across North Yorkshire, 1% of the total service expenditure was on cultural & heritage and recreation and sports compared to 3% across England in 2015/16 (DCLG, 2016).

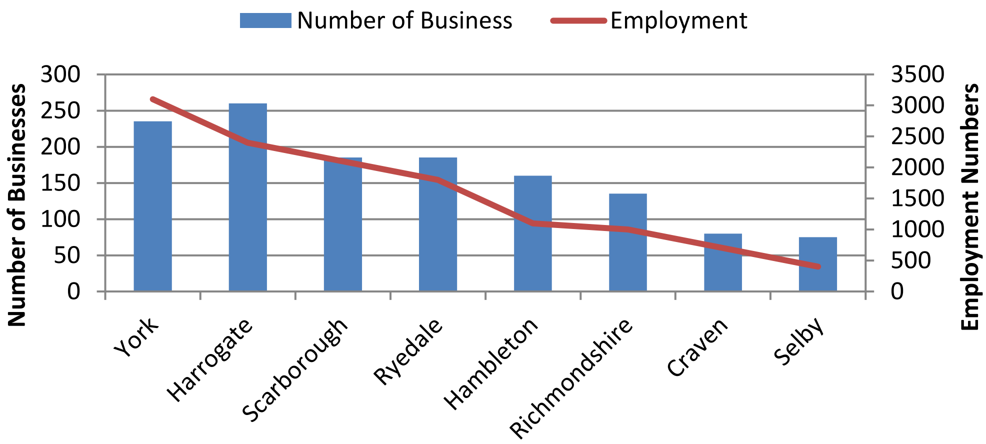
2.2 Arts, Entertainment and Recreation economy and employment

North Yorkshire has a resident population of nearly 810,000 (ONS, 2017) and is also a key destination for domestic and overseas visitors (Visit Britain, 2015). For example in 2015, York was the 17th most visited city by overseas visitors, with 240,000 staying visits (Visit Britain, 2015). Other towns across North Yorkshire attracted a further 190,000 visits. While on average 4.7million yearly trips are taken to North Yorkshire by domestic visitors (VisitBritain, 2015).

Consequently the North Yorkshire area has numerous businesses in the arts, entertainment and recreation subsector.

In total the York and North Yorkshire MDA has 1,315 businesses operating in this subsector, employing over 12,000 individuals. Greatest employment is found within York, accounting for 24% of the workforce. A further 19% are employed in Harrogate.

Figure 4 Distribution of arts, entertainment and recreation businesses and employment in North Yorkshire



Source (ONS, 2015) & (ONS, 2016)

Within the subsector there is further disaggregation of business and employment:

- Sports activities accounts for 59% (775) of all subsector businesses and 68% of employment
- One in five (19%) of businesses are classified as creative, arts and entertainment activities and these employ 7% of the workforce.
- Libraries, archives, museums and other cultural activities accounts for 12% of the subsector workplaces and 19% of employment.
- One in ten businesses (10%) operates within gambling and betting activities and these employ 7% of the workforce.

But of note in this subsector are the volunteers that assist in many of the workplaces, particularly in the cultural and sporting areas.

The Institute for Volunteering Research found that most common fields of interest supported by volunteers was education, with sports and exercise also in the top four. Arts and museums ranked 8th in the types of organisations helped (Low, et al., 2017).

Volunteers have always played a vital part in the sport and physical activity sector. Without them, most activity simply wouldn't happen. 5.6 million people volunteer every month in sport and physical activity in England (Sport England, 2017).

The job roles which have the greatest number employed in the arts, entertainment and recreation subsector across Yorkshire and Humber are:

- Financial administrative occupations (not elsewhere classified (n.e.c.))
- Receptionists
- Sports and leisure assistants
- Kitchen and catering assistants
- Leisure and sports managers
- Leisure and theme park attendants
- Cleaners and domestics

2.1 Skills needs – Primary Research testing the data

2.1.1 Planning for the future

Data tells us that across the LEP economy 58% of firms have a Business Plan which specifies objectives for the coming year, which is slightly lower than national findings of 62% (UKCES, 2016). 39% of firms had a training plan, again less than national average of 42%.

Our primary research highlights that employers in the subsector in the MDA frequently do not have either of the above. Smaller establishments are clearly focussing on operational matters, and whilst there is some understanding of the need to plan this is clearly a gap.

2.1.2 Recruitment and retention

There is a high level of recruitment demand across the arts and other service sector and this is mirrored in the arts, entertainment and recreation subsector. Nationally we have seen that 22% of firms in the arts and other service sector reporting at least one vacancy; greater than UK findings (19%) (UKCES, 2016).

But it is not just recruitment; many firms also report retention issues and this appears to be increasing. In 2010 7% of firms reported difficulties retaining staff but by 2015 this had increased to 10% (UKCES, 2016).

Flamingo Land

The theme park near Malton are actively seeking new team members to ensure that their 1.5million visitors a year receive the best customer service. Roles they seek include:

- Restaurant Staff - Front of House professionals delivering food with great service
- Amusements - Customer focused, keep the fun rolling in the arcades
- Games Stalls - Challenge fun loving customers to win great prizes
- Bartenders
- Ride Photography - Ensuring customers have a lasting memory
- Retail - Sales Assistants helping customers find that special gift or souvenir in the shops
- Kitchens - Head Chef, Sous Chef, Kitchen Assistant & Kitchen Porter
- Catering Crew - Baristas, Fish Fryers, Sandwich Artists and counter staff are always offering fast food on the go
- Administration Support - Admissions, Accounts and Cash Office
- Warehouse - Stocking up the park ready for the thrill seekers
- Holiday Resort & Caravan Cleaning - To keep the standards high for guests
- Maintenance Team - Park Cleaners, Plumbers, Joiners, Painters, & Gardeners
- Security - Trained professionals ensuring everyone is safe and secure
- Rides/Operations Staff-Electricians, Engineers and ride operators
- Leisure Complex - Lifeguards & Customer Service Assistants
- Holiday Village - From meeting guests at Reception to working in the Customer Service team

2.1.3 What are your current skills needs and skills gaps?

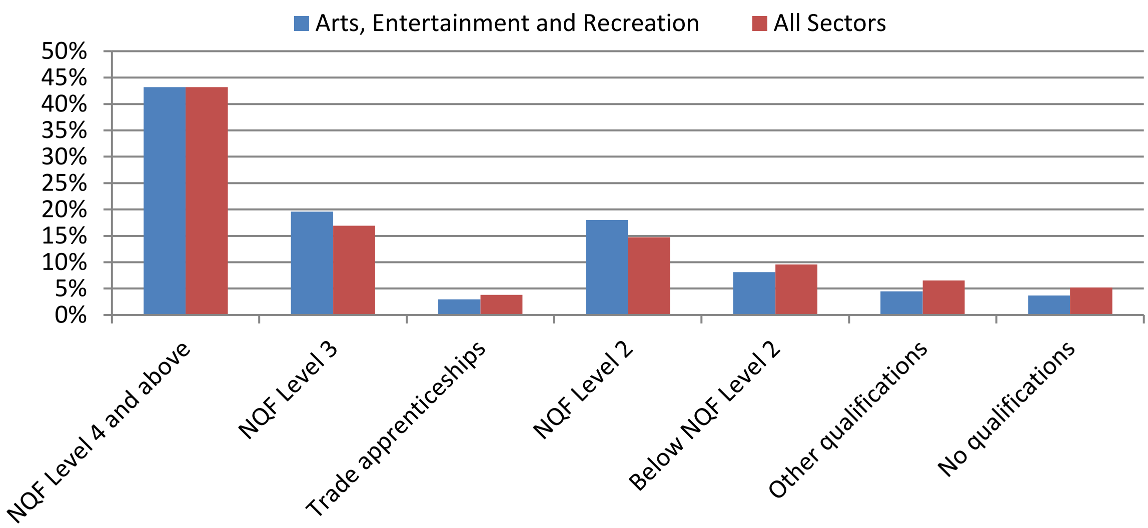
Skills levels

At a national level the Arts, Entertainment and Recreation sector has a very similar profile to the all sector average (Figure 5). Two in five workers hold a level 4 qualification or above compared - the same as national data at 43%. 16% do not have a level 2 qualification, with 4% having no qualifications at all.

There is some variation within the sector. For example 73% working within libraries, archives and museums have a level 4 or above, while within gambling and betting activities only 22% do.

The largest occupational group in the subsector is Associate professional and technical occupations – accounting for 32% of the workforce - and these roles traditionally require higher levels of qualifications. These include roles such as Sport coaches and instructors, artists, entertainers, dancers and choreographers. A further 12% of the workforce are in senior managerial position.

Figure 5 Qualifications levels of Arts, Entertainment and Recreation subsector



(Office for National Statistics, et al., 2016)

Skills gaps

Across all sectors in the LEP, 15% of firms report having a skills gap - i.e. where an employee is deemed by their employer to be not fully proficient, i.e. is not able to do their job to the required level (UKCES, 2016). Overall is has been calculated that over 21,200 individuals in the LEP are not proficient in their job.

Across the UK Arts and other service sector 12% of firms report having a skills gap, with over 47,000 individuals not full proficient in their role (UKCES, 2016). The main causes of skills gaps in the arts and other services sector are:

- Individual is new to the role, with 59% of employers reporting this factor
- Their training is currently only partially completed (59%)

These two factors are both predominantly transient: that is to say one would expect skills gaps resulting from these causes to be eliminated once staff have settled into their new roles and/or existing training has been completed.

From our primary work we can suggest that the following skills are particularly needed and valued by employers:

- Customer service was the main area raised, but obviously it is a less technical skills
- Health and safety training is a necessity for many roles working in the subsector
- Fundraising and commercialisation are seen as major issues in a number of cultural areas such as heritage. As public funding is diminished, organisations will need the skills to harness new business development and philanthropic investment.

2.1.4 Training

The arts and other services sector invests a significant amount of money in training and development. In 2015, 2.6bn was spent across UK sector, equating to an average spend of £3,410 for every worker trained (Vivian, et al., 2016).

Across all sectors in the LEP, 65% of firms had funded or arranged training for staff in the previous 12 months, while across the UK arts and other service sector 70% of firms had done so (UKCES, 2016). The vast majority of training and development is targeted at initial training and development and perceived statutory areas such as health and safety.

Our primary research found similar findings in this area. Key areas of training for employers in Sports activities, amusement and recreation activities are health and safety, insurance, minibus driving and ensuring facilities are fit for purpose. The cost of compliance is also an area of concern.

Cost and time were the main drag factors on engaging non mandatory training, but we also heard criticisms of course provision and that there was a lack of high quality providers who really understood the needs of the sector.

Sports activities, amusement and recreation activities employ a high proportion of part-time workers (63 per cent) (ONS, 2015). Part-time working may suit both the nature of the business and certain groups of workers (such as carers and students), but it does present a potential barrier to training in terms of time off work (when hours are shorter), affordability and time of delivery.

2.1.5 Apprenticeships

Nationally there has been a large uptake of apprenticeships across the hospitality sector, however only 10% of businesses are offering them and the vast majority are large businesses (APPG, 2016).

Across North Yorkshire there has been a steady increase in the number of individuals participating in an apprenticeship. In 2009/10, there were just over 9,200 individuals on one, while by 2013/14 this had risen to nearly 19,000 (DfE, et al., 2017). Nearly two in five (38%) were within Richmondshire, 14% in Harrogate, 13% in York, 11% in Scarborough and the remainder in the other local authority areas.

In terms of all framework starts, 27% were by individuals under the age of 19, 45% by 19 to 24 year olds and the remainder 28% were over 25 across North Yorkshire (DfE, et al., 2017).

However, the table below highlights that relatively few (140) of the framework starts have been on Leisure, Travel and Tourism frameworks. This is just over 1% of all apprenticeship starts in the area. Considering visitor economy employment is in the region of 10% this can be considered low.

The majority (65%) of starts on frameworks relating to the visitor economy sector at a national level are at intermediate level and 35% at an advanced level.

In our primary work we explored this and the reasons will be familiar to people working in the skills sector. Whilst there is a general support for the principle of Apprenticeship, it was felt that they were often too large an intervention for this subsector. The lack of career route, high staff churn, and the relatively low skilled occupations were all mentioned. It is clear that larger employers are more likely to use apprenticeships than the smaller employers.

From our primary work we can see that the challenge, particularly for SMEs, in hiring apprenticeships continue to be significant. There are issues around awareness, relevance and perceived bureaucracy, but we do wonder if the currently available frameworks fit with the need.

Table 4 Apprenticeship Programme Starts by Parliamentary Constituency and Sector Subject Area (2013/14)

Sector Area	Harrogate and Knaresborough	Richmond (Yorks)	Scarborough and Whitby	Selby and Ainsty	Skipton and Ripon	Thirsk and Malton	York Central	York Outer
Agriculture, Horticulture and Animal Care	10	40	20	20	30	40	10	10
Arts, Media and Publishing	0	0	0	0	0	0	0	0
Business, Administration and Law	190	270	250	210	170	180	170	150
Construction, Planning and the Built Environment	20	50	40	50	40	60	60	40
Education and Training	0	0	0	10	0	10	0	0
Engineering and Manufacturing Technologies	70	150	120	170	100	120	80	90
Health, Public Services and Care	200	3,670	230	180	170	180	160	120
Information and Communication Technology	20	20	10	20	10	10	10	10
Languages, Literature and Culture	0	0	0	0	0	0	0	0
Leisure, Travel and Tourism	20	20	20	10	20	20	20	10
Preparation for Life and Work	0	0	0	0	0	0	0	0
Retail and Commercial Enterprise	200	280	190	150	190	170	200	140
Science and Mathematics	0	0	0	0	0	0	0	10
Unknown	0	0	0	0	0	0	0	0
Total	740	4,500	880	800	750	800	710	600

Source (DfE, et al., 2017) Apprenticeships by parliamentary constituency 2011/12 to 2014/15

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2.2 Future requirements

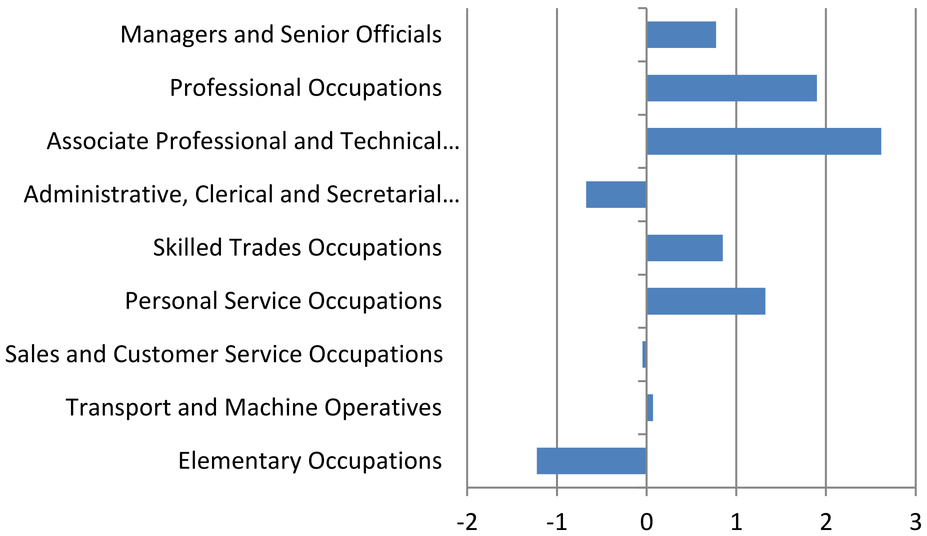
2.2.1 Sector growth

Future workforce projections for the subsector are available at the wider region of Yorkshire and Humber rather than the North Yorkshire area but this still provides a useful indication of changes in the workforce moving forward.

Employment in the Yorkshire and Humber arts and entertainment subsector is expected to grow 8% between 2014 and 2024 – or by nearly 6,000. This is a greater rate than whole economy where growth of 5.5% is anticipated in the region, but less than the UK subsector figure of 9% (UKCES, 2016).

We expect to see employment growth for higher level occupations, including managers, professional occupations and associate professionals and technical roles (Figure 6). Net job losses are projected for elementary roles and administrative roles.

Figure 6 Arts, entertainment and recreation subsector occupation change, 2014 -2024 (000s)



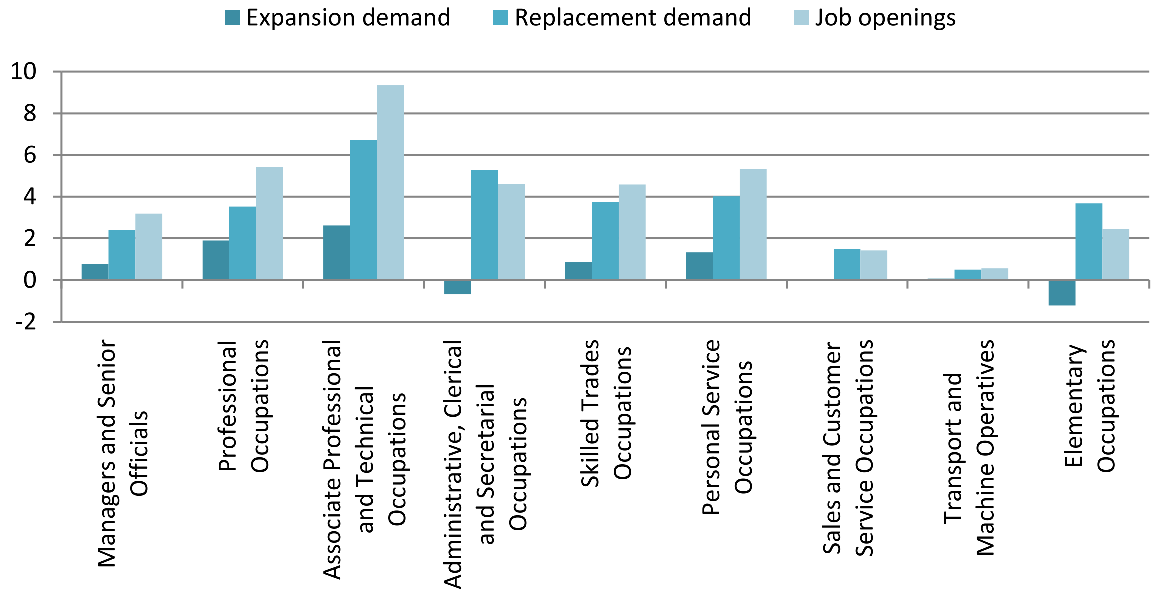
Source: UKCES Working Futures VI

2.2.2 Replacement need and total demand

Over the next decade, replacement demands are expected to generate nearly five times as many job openings in the subsector compared to net job growth.

Overall the Arts and entertainment subsector in Yorkshire and Humber is expected to have nearly 37,000 job openings between 2014 and 2024: 6,000 sector growth and 31,000 replacement demand. A quarter (25%) of all job openings will be within Associate professional and technical roles and a further 15% in professional positions (Figure 7).

Figure 7 Job openings in the Arts, entertainment and recreation by occupation 2014 - 2024 (000s) in Y&H



Source: UKCES Working Futures VI

The startling fact that 85% (31,000) of the new staff requirements are needed to replace existing employees is a consequence of its older workforce. The Creative, arts and entertainment, and Libraries, archives, museums areas have a low proportion of young workers (7% and 5% compared to national average 12%). But consequently also means that they have a much older workforce – two in five workers are over 50 years of age.

2.2.3 Qualifications

The change in qualification levels of the workforce shows that there will be a shift towards more people holding higher qualifications (Table 5).

By 2024, 53% of people employed in the Arts and entertainment subsector are expected to be qualified at level 4 and above (higher than YNYER all sector proportion of 47%), whilst the proportion of people with no formal qualifications or level 1 is expected to fall to 9%.

Table 5 Change in qualification profile arts, entertainment and recreational subsector, Yorkshire and Humber

	No qualifications and level 1	Level 2	Level 3	Level 4 – 6	Level 7 – 8
Qualification example	GSCE (grades D – G) BTEC level 1	GCSE (grades A* - C) NVQ Level 2	AS & A level BTEC National	Certificate of higher education (L4) Foundation degree (L5) Bachelor's degree (L6)	Master's degree (L7) Doctorate (L8)
2014 level **2024 level**	12,500 7,300	16,400 14,900	16,700 14,500	23,200 36,000	4,300 6,200
2014 – 2024 % change	-42%	-10%	-13%	55%	43%
2014 % share	17%	22%	23%	32%	6%
2024 % share	9%	19%	18%	46%	8%

Source: UKCES Working Futures VI

2.2.4 Future roles and skills

The above Working Future projections demonstrate that there will be growth across most occupational groups and a significant replacement need for positions. This will be for entry level, through skilled positions up to higher level roles.

Employers have not necessarily identified any new roles developing in the next 6 years; rather it will be recruiting for existing positions.

A fundamental part of this sector is the actual performers who people want to come and see. It is clear that there are real financial pressures being placed on the performing arts sectors. This has led to significant concern around where the next generation of world class performers will come from. Likewise we know that there is concern about the impact of the current political discourse on migration on the sector.

Whilst we do not want to downplay this part of the sector, our research has heard the most concern around roles in support and back office functions. We wonder if our findings would be different if the primary work had been conducted in places with more companies dedicated to performing, such as London for example.

In this way our primary research was in keeping with the wider data analysed.

2.3 Drivers of change

2.3.1 Political

Safety

British amusement parks have been placed into the media spotlight in recent years when an incident on the Smiler rollercoaster at Alton Towers left five people with serious injuries and more recently a young child passing away at Drayton Manor. This has brought health and safety into the spot light.

The record at theme parks and fairgrounds however is good. More than a billion "individual bums-on-seats rides" are taken every year and from those rides around 35 people are taken to hospital for treatment (Smith, 2016). This low accident rate is thanks to a range of safety precautions, which stretch from rollercoasters' over-the-shoulder harnesses and electronic control systems to measures as simple as fences to keep park visitors away from moving parts.

Fairgrounds, which are taken apart and reassembled frequently, have the dangers of worn equipment, which must be inspected regularly, but workers also have the danger of working at height.

HSE is working with the British Association of Leisure Parks, Piers and Attractions to ensure the robustness of its members' risk management systems, and with the Health and Safety Laboratory to check that physical and electronic protections are as strong as the parks and regulators believe them to be.

Leaving the European Union

Uncertainty post Brexit is a concern reported by employers in the subsector. In the run up to the 2017 General Election when a large Conservative victory seemed likely, it was assumed that the UK was about to begin some form of 'hard' Brexit. Despite being rarely defined, it was expected that this would be a Brexit based on leaving all EU institutions and associated agreements with the UK then negotiating our own agreements at a national level.

However, following the surprise result in June 2017, it now seems likely that whilst Brexit will happen, it may be at the 'softer' end, opening up the possibilities of effectively paying for access to various parts of the EU institutions/agreements – including access to the Single Market.

This uncertainty is a significant challenge. We simply do not know what will be the outcome of the Brexit negotiations, so employers have only best guesses on key issues such as free movement of labour, tariff free trade, legislative requirements etc. This lack of information is clearly unhelpful for making decisions over long term investments.

The effect on inward migration particularly from EU countries could affect the sector's ability to recruit and retain skilled staff and is by far the biggest issue employers have raised with us.

Legislation / Regulations

As with other industries which interface directly with the public, this is a sub sector which is heavily regulated. Employers are not expecting there to be significant new legislation in the next few years.

2.3.2 Economic

Austerity

Local government is one of the primary funders of art and cultural activities, along with the contribution from the Arts Council England. However, direct funding from local government to the arts, museums and libraries has been under enormous pressure in recent years.

In the arts and museums infrastructure we have seen significant improvement in bringing the arts to more people, wherever the live. But recipients of public funds have to show how that money benefits the public - and the nation. How can the value of arts and culture be measured?

The more we understand - and talk about - what art does for us, in terms of the economy, our education, health and wellbeing, the lives of our communities and of our nation, the more we can give government and the taxpayer the confidence to invest.

But not only that, as public funding is reduced, organisations will need the skills to harness new business development and philanthropic investment.

Rising Costs

The whole subsector is affected by rising operating costs. For example increasing energy prices impacts on the whole sector. We also heard that insurance costs, particularly in relation to the outdoors industry where activities are perceived to be of higher risk than usual are having an impact on the sub sector. Consequently, resource management and budgetary controls are important.

A slowdown in economic growth

Research by Deloitte reveals that the activities most likely to be foregone by people when they have less money were: betting and gaming; attending live sports events and short breaks. This obviously is relevant here.

Wage levels

The National Minimum Wage (NMW) was first introduced in the UK in April 1999 at a rate of £3.60 per hour for over 21-year-olds. Prior to that there was no statutory minimum. In April 2016 the government introduced the National Living Wage (NLW) at a level of £7.20 per hour for those over 25 years old, increasing to £7.50 in April 2017. It is expected to rise to at least £9 per hour by 2020. The impact of this is likely to be significant on this subsector. Hoteliers undoubtedly face higher payroll costs and this is challenge they face. In a subsector such as this, maintaining the pay differentials is also likely to have a significant cost.

Labour availability

Following the recession, the economic situation across the UK and North Yorkshire has been improving. Unemployment rates in the area have declined from a high of 7.5% in 2011 to 2.3% at the end of 2016. Of those claiming JSA, 43% have been out of work for six months or more (ONS, 2017) and are therefore more of a challenge to get back into work. Consequently it's becoming harder to recruit.

Demographic changes mean that there are fewer younger people entering the job market, which has a adverse effect, particularly on sports, amusement and recreation part of the subsector as it employs a greater proportion of 16-24 (35%) than found across the economy as a whole 12%). So employers need to find ways to attract and then retain staff. Recruitment and retention are two important issues.

Creative, arts and entertainment, and libraries, archives, museums, require higher skills levels for entry and therefore have a lower proportion of young workers (7% and 5% compared to national average 12%). But consequently also means that they have a much older workforce – two in five workers are over 50 years of age. Hence the replacement demand in the subsector. Employers need to consider their succession plans.

2.3.3 Social

Attraction Security

Protecting the security and welfare of guests is paramount. If guests do not feel safe, then they will not attend. Operators of entertainment, arts and recreational facilities are increasingly ensuring that they have staff who are trained to be vigilant and responsive to any threat and execute procedures to alert the relevant authorities. Larger sites often maintain both active and passive security protocols across attractions in order to maintain the integrity of physical boundaries and operations/assets within.

Consumer needs

Research by Mintel reveals that 82% of consumers have visited attractions in the previous 12 months. (Deloitte, 2016).

The sector is not just for the young. While the Millennials, consumers aged 18-24, are the most likely to spend in categories such as gym and sports, short breaks or drinking in coffee shops; the age groups in the middle are more active spenders on betting and gaming, eating out and drinking in pubs and bars. Employers know this and are targeting their marketing appropriately.

2.3.4 Technological

Technology is expected to play an ever-increasing role in the subsector, meaning that digital skills are going to be important across all job roles.

2.4 Key Points

What follows is a presentation of the key findings from the above.

- 1,315 businesses operate in this subsector, employing over 12,000 individuals. Greatest employment is found within York, accounting for 24% of the workforce. A further 19% are employed in Harrogate
- The subsector relies on a high number of volunteers.
- Soft skills are a fundamental and key part of the skills needs of the workforce
- There are a high number of skilled roles in the subsector but we have not heard significant challenges around recruiting these roles.
- The main skills identified as being missing are soft or general skills rather than technical or professional skills
- Compliance is a key driver for training
- Take up of Apprenticeships is not high in this subsector
- We expect to see employment growth for higher level occupations, including managers, professional occupations and associate professionals and technical roles, but net job losses are projected for elementary roles and administrative roles.
- The Creative, arts and entertainment, and Libraries, archives, museums areas have a low proportion of young workers. Consequently also means that they have a much older workforce
- This is a subsector where higher level skills are going to be near essential in the future.
- Bidding for funding is a new skill needed by the sub sector – as is capturing and evaluating the impact of that funding.
- Resource management and budgetary controls are important
- Security is a new area of skills and training and with threats to public safety is only likely to be more in demand.
- Demand for the services offered by this subsector is clearly linked to demographics and employers are marketing themselves accordingly.

3 Annex

Table 6 Employment by Industry in the LEP and Local Authorities

Industry	Craven	Hambleton	Harrogate	Richmondshire	Ryedale	Scarborough	Selby	York	North Yorkshire	East Riding of Yorkshire	YNYER LEP
2 : Mining, quarrying & utilities	125	500	350	225	200	200	2,000	400	4,000	1,250	5,000
3 : Manufacturing	3,000	6,000	5,000	1,000	5,000	5,000	7,000	4,500	36,000	17,000	53,000
4 : Construction	1,500	2,250	3,000	1,000	1,500	1,500	1,750	4,000	17,000	6,000	23,000
5 : Motor trades	450	900	1,750	350	700	600	500	1,500	7,000	3,000	10,000
6 : Wholesale	1,500	2,250	4,500	700	1,000	1,000	2,000	2,500	15,000	5,000	20,000
7 : Retail	3,000	3,500	8,000	2,000	1,750	5,000	2,250	14,000	39,000	12,000	51,000
8 : Transport & storage (inc postal)	1,000	1,750	3,000	600	600	1,250	3,500	4,500	17,000	6,000	23,000
9 : Accommodation & food services	3,000	3,500	8,000	3,000	3,000	7,000	2,000	11,000	42,000	9,000	51,000
10 : Information & communication	350	600	2,000	150	150	300	800	2,500	7,000	2,250	9,000
11 : Financial & insurance	2,500	450	2,500	150	350	600	300	4,500	12,000	1,250	13,000
12 : Property	450	800	1,500	400	800	1,000	300	2,000	7,000	1,750	9,000
13 : Professional, scientific & technical	1,750	2,250	8,000	1,000	1,500	1,250	3,000	8,000	27,000	7,000	34,000
14 : Business administration & support services	6,000	3,000	6,000	1,000	1,250	2,000	3,500	8,000	30,000	7,000	37,000
15 : Public administration & defence	450	3,500	2,000	800	700	1,250	700	5,000	15,000	10,000	24,000
16 : Education	3,000	3,000	7,000	1,500	2,250	3,500	3,500	12,000	36,000	12,000	48,000
17 : Health	2,250	5,000	12,000	1,500	1,750	8,000	3,000	16,000	50,000	17,000	67,000
18 : Arts, entertainment, recreation & other services	1,000	1,750	3,500	1,250	2,000	2,500	700	5,000	19,000	4,500	23,000
Column Total	31,000	41,000	80,000	17,000	25,000	43,000	36,000	105,000	379,000	122,000	500,000

(ONS, 2015)

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