

Impact Investment Location:

Analysis of Employment Potential and Skills Requirements - University Quarter Additional Jobs

In addition to the employment that the education-led facility projects within the University Quarter development will create, the University Quarter Investment Report produced by Eye Develop Ltd for Staffordshire University in July 2008 identified that there will also be knock-on employment.

The University Quarter Investment Report identified that apart from people directly employed by the three institutes the knock-on employment will include:

- Employment resulting from additional expenditure by the University, College and Sixth Form College on goods and services;
- Induced expenditure caused by staff employed by the institutions spending their wages in the local economy;
- Learners on courses spending money in the local economy; and
- Visitors to the institutions spending money in the local economy (this includes business tourism and other visitors).

In order to calculate this knock-on employment the University Quarter Investment Report has relied heavily on the report 'The Economic Impact of UK higher education institutions' produced by the University of Strathclyde in 2004. In this report they calculate that on average for every 100 people employed within a HEI there will be an additional 99 'knock-on' jobs sustained in the UK economy. Eye Develop Ltd applied this employment multiplier of 0.99 to the directly employed staffing numbers explored above to estimate the 'knock-on' employment within the UK economy. This methodology assumes that the employment multiplier for Further Education institutions is the same as for HEIs. This may not be the case since the profile of students by origin differs in Higher Education relative to Further Education.

Since the objective of the University Quarter investment is the regeneration of North Staffordshire it is important to consider how many of these knock-on jobs are within the target area rather than within the UK as a whole. For this reason the report by Eye Develop Ltd applied a leakage figure of 50% in accordance with English Partnerships High Leakage 'Ready Reckoner'.

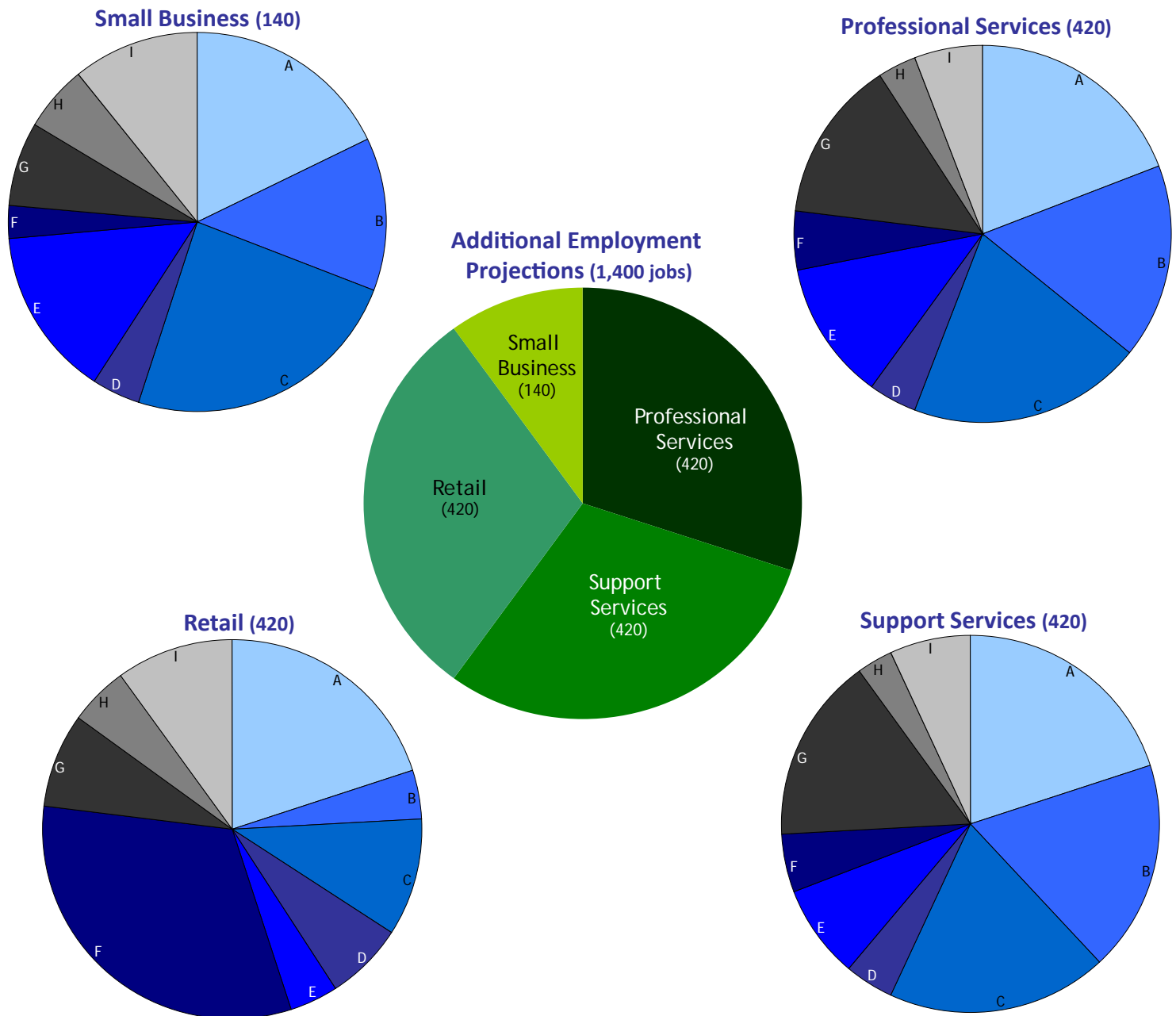
Based on these working assumptions, it is estimated that 1,400 knock-on jobs will be created by the education-led regeneration under the chosen option within the University Quarter Investment Report. Overleaf analysis is provided of the potential job creation and the associated skills needs required.

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Requirements - University Quarter - Additional Jobs

The skills analysis is based on Working Futures III projections, a model developed by Cambridge Econometrics and the Warwick Institute for Employment Research. The projections break down employment to nine occupational levels. The pie charts below illustrate the proportion of employment expected to be created in different sectors and occupations. Occupations are then matched to qualification levels required at the development on completion.



Occupation & Qualification Levels (overall jobs required):

- | | |
|---|---|
| A Managers & Senior Officials - NVQ Level 4 or 5 (270 jobs) | E Personal Service Occupations - NVQ Level 2 or 3 (120 jobs) |
| B Professionals Occupations - NVQ Level 4 or 5 (180 jobs) | F Sales & Customer Service Occupations - NVQ Level 2 or 3 (180 jobs) |
| C Professional & Technical Occupations - NVQ Level 3 or 4 (240 jobs) | G Administrative, Clerical & Secretarial - NVQ Level 2 (170 jobs) |
| D Skilled Trades Occupations - NVQ Level 3 (70 jobs) | H Transport & Machine Operatives - NVQ Level 1 or 2 (60 jobs) |
| | I Elementary Occupations - NVQ Level 1 or 2 (110 jobs) |

It is important to appreciate that the purpose of the Working Futures III projections is not to make precise forecasts of employment levels. Rather, the aim is to provide policy analysts and others interested in future trends in the structure and composition of employment with useful information about the general nature of changing employment patterns and their implications for skill requirements. All of the Working Futures III projections should therefore be regarded as indicative, rather than being precise predictions of the magnitude of any changes.