

EU.EM.NET Project W.P 2

Country report : UK

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Characterisation of the T&H sector in the UK

Tourism sits within the governmental responsibility of the Department for Culture Media and Sport (DCMS)

The Sector Skills Council for the T&H Sector is People 1st. A sector skills council is a government recognised, industry-focused body established to support the development of skills and training within that industry. They have identified 14 industries within the sector and their aim is to support both employers and employees within them, with a focus on skills and productivity.

The UK Commission for Employment and Skills (UKCES) produces regular skills forecasting reports for the sector.

There are a number of institutes and associations concerned with various parts of the sector including:

- The Confederation of Tourism and Hospitality (CTH)
- The Hotel and Catering International Management Association (offers only global professional hospitality qualification)
- The Association of British Travel Agents
- The Institute of Travel and Tourism
- The Tourism Society
- The British Hospitality Association.

With regards to education and training for the sector CTH is the awarding body for qualifications in the sector, and a wide range of courses and qualifications are available across training and educational organisations. For example with regards to Higher Education there are currently approximately 770 courses offered relating to T&H.

General description of the sector:

The hospitality, tourism and sport sector employs 2,046,000 people (roughly seven per cent of total UK employment) across 223,370 business establishments (nine per cent of all establishments).

Whilst the sector is an important contributor to the UK's economy (hotels and restaurants alone contribute over £36bn1 in Gross Value Added (GVA), 2.9 per cent of the total across the economy), GVA per employee job is considerably lower than the average for the economy as a whole (£23,000 compared to £46,000).

The hospitality, tourism and sport sector has the lowest proportion of full-time employees of all sectors (55 per cent compared to 73 per cent) and employs a particularly young workforce (33 per cent are aged under 25 compared to 11 per cent across the economy). In addition, 11 per cent of workers in the sector are self-employed (compared to 14 per cent across the economy), 10 per cent are employed on a

temporary basis (six per cent for the economy as a whole) and 52 per cent are female (46 per cent across the economy). There are some clear demographic imbalances across the sector: for example, women are significantly under-represented in managerial roles

The vast majority of establishments in the sector (91 per cent) employ fewer than 25 people.

With 23,300 business start-ups in 2009, this is a sector where many small start-up businesses may be unaware of the range of training available or how to access training relevant to their needs and to help them grow.

The workforce is also relatively low skilled. Only a fifth of the workforce are qualified to level 4 and above (compared to 37 per cent across the whole economy), though this varies by subsector.

In terms of recruitment issues, 32,700 establishments (15 per cent of all sector establishments) have vacancies, according to the UK Commission's Employer Skills Survey 2011 (Davies et al, 2012). Five per cent of sector establishments report hard-to-fill vacancies, with three per cent reporting skills shortage vacancies. A large percentage of employees in the sector are from overseas. In 2010 this was given as 21% nationally rising to 59% in London.

Employment opportunities in the hospitality, tourism and sports sector are categorized into the following sectors:

- Accommodation - 16% of those in the sector work in hotels, hostels, bed and breakfasts (B&Bs) and self-contained apartments;
- Betting and gambling - 4% work in casinos or betting shops;
- Food and beverage services - The majority of people in the sector work in bars, pubs, inns, cafés and restaurants;
- Sports and active leisure - 20% of employees work in the likes of gyms, golf courses, football clubs and theme parks;
- Travel and tourism - 6% of the sector's workforce are in the travel agent or tour operator industries.
- Hospitality and Tourism – Between 2006 and 2010 the sector grew overall by 2%.

In 2010 there were 72,580 restaurants in the UK, however the numbers of pubs, bars and nightclubs has fallen in recent years. The sector has had the biggest increases in new businesses but also the greatest number of closures.

- **Sources:**

- o UKCES : <http://www.ukces.org.uk/assets/ukces/docs/publications/evidence-report-68-hospitality-sport-tourism-ssa.pdf> British Hospitality Association

<http://www.bha.org.uk/wp-content/uploads/2010/10/BHA-Economic-Contribution-of-UK-Hospitality-Industry-Final-.pdf>

- People First <http://www.people1st.co.uk/research/industry-profiles> Office of National Statistics http://www.ons.gov.uk/ons/dcp171776_303556.pdf

Main figures of the sector can be summarized as follow:

The hospitality, leisure, travel and tourism sector is the 5th largest in the UK:

- The sector employs more than two million people across the UK (2,106,600). This accounts for roughly one in 14 of every UK job.
- It is estimated that tourism contributed £115.4bn in 2009, 8.4 percent of UK GDP, and supported 2.6m jobs.
- By 2020, the direct contribution of the visitor economy is forecast to be 4.1 percent of UK GDP (£87bn), supporting 1.5m jobs directly.
- Between 2009 and 2010, total employment across the sector fell by five percent.

Key facts and figures

- Size and scope of the sector
 - The sector covers 14 industries from hotels and restaurants through to events, gambling and travel services.
 - There are approximately 139,200 individual hospitality, leisure, travel and tourism business enterprises in the UK, of which 45 are restaurants and an additional 33 percent restaurants.
 - The sector is dominated by small and medium sized enterprises (74 percent) with less than one percent employing more than 250 people. However, they account for a relatively small proportion of the workforce.
 - Businesses with over 250 staff account for less than one percent of businesses but employ 43 percent of the workforce.

Productivity

- The sector has the lowest labour productivity of any sector in the UK economy, with a similar service sector (retail) having double the labour productivity of the sector.
- Whilst international comparisons of productivity are difficult to make, figures have suggested the sector lags behind the United States, France and Germany.

Workforce

- The sector employs over two million people.

- Restaurants form the largest sub-sector in the industry in terms of employment, employing over 600,000 people (31 percent of the workforce), followed by hospitality services (18 percent) and pubs, bars and nightclubs (16 percent).
- The sector has an important presence across the UK. However, the UK has the greatest share of the sector's workforce (83 percent). For the latest skills and labour market intelligence on the sector go to: www.people1st.co.uk/research
- The sector employs a young workforce with 13 percent of staff aged 16-19 and a further 18 percent aged 20-24.
- 4 percent of the workforce are from ethnic minorities, higher than average across the whole economy.
- 54 percent of the workforce are full-time staff.
- Roughly one in five (21 percent) of the sector's workforce are from overseas. This rises to 59 percent in London.

Core occupations

The sector employs people in both a large number of core occupations (specific to the sector) and additional occupations (found in most sectors). The following provides employment numbers for the sector's core occupations:

- Kitchen and catering assistants (402,200)
- Chefs and cooks (273,200)
- Waiting staff (235,200)
- Bar staff (196,100)
- Restaurant and catering managers (158,200)
- Housekeepers and related occupations (59,800)
- Hotel and accommodation managers (58,400)
- Travel agents (47,600)
- Publicans and managers of licensed premises (43,500)
- Leisure and theme park attendants (24,000)
- Conference and exhibition managers (22,400)
- Travel and tour guides (16,600)
- Hotel porters (12,100)
- Travel agency managers (8,500)

Hard-to-fill vacancies and skill shortages

- 17 percent of sector establishments report having vacancies, 22 percent of which are hard-to-fill.
- 66 percent of these vacancies are hard-to-fill because applicants lack the required skills.

How hotels, restaurants and caterers are fuelling jobs growth:

- Hospitality and tourism now accounts for over 10% of the UK's workforce and is now the 4th largest employing industry in the UK, its growth significantly outpacing the rest of the economy
- The industry generated over one quarter of all new jobs created since 2010 – (153,000 jobs) and is uniquely placed to generate new jobs for the 18-24 age group
- Scotland and Wales have the highest percentage of people employed in hospitality businesses (9.2% each) and Northern Ireland has the lowest percentage (7.3%)
- Westmoreland and Lonsdale (in The Lake District) is the parliamentary constituency with the highest percentage of people working in hospitality
- Three London Boroughs (Kensington, Westminster North and Chelsea and Fulham) are also in the top 20 parliamentary constituencies which have the highest percentage of people working in hospitality
- The UK has improved its overall world travel and tourism ranking and moved from 11th position in 2009 to 5th in 2013
- As a holiday destination, Britain is perceived as too expensive for many international travellers and businesses looking to travel to the UK – it is at the very bottom of the price competitiveness ranking at 138 out of 140 countries

In 2009 there were approximately 12,400 establishments in the hotel industry in the UK. There were an estimated 70,000 establishments in the restaurant industry in 2011. In 2011 there were 57,900 establishments in the pubs, bars and nightclubs category. Growth in pubs and restaurant numbers and turnover have been affected by the recession, however these are now growing again.

From analysis of further education data, it can be seen that 97,297 individuals started hospitality, leisure, travel and tourism related courses. Of these 29,923 were on Train to Gain and 70,004 were in Further Education.

There is a lot of information in the T&H sector with regards to education, training and, importantly, sector skills forecasting. However the sector is often broken down into smaller specific parts, for example:

Employment Characteristics of Tourism

- There are 2.7 million main and second jobs in tourism, 185,000 of these are second jobs;
- 1 million of the of the 2.5 million main jobs in tourism industries are part time;
- There are more than half a million self-employed people in tourism characteristic industries;
- Almost a quarter of a million employee jobs in the tourism industries are temporary.

A Profile of Employment in Tourism Industries in the UK. The most often used breakdown contains four summary groups that relate to:

- accommodation,
- food and beverage serving activities,
- passenger transport, vehicle rental and travel agencies and
- cultural, sports, recreational and exhibition / conference activities.

Inform / Promote / attract

Promotion and marketing of the T&H sector in the UK

There are many ways in which the sector works to attract potential employees. Internet research reveals that there are numerous organisations and websites that do this including both publicly funded and private organisations, including:

- The British Council
- UKSP – set up by People 1st the sector skills Council for both employers and employees
- Target Jobs – for graduate jobs
- The National Careers Service
- National Apprenticeship Service

All About Careers

It is frequently promoted through giving key statistics and characteristics about the industry. There are also clear career paths within the sector, given the range of occupational profiles and skills required.

These include that it offers a lot of part-time work, has a majority younger workforce that a significant number of employees are from overseas, information on payscales, promotional opportunities and case study stories.

Website examples:

- <http://www.turijobs.co.uk/defaultuk.aspx>:
This website also has an international job search
- <http://www.allaboutcareers.com/careers/industry/hospitality-tourism.htm>:
This website includes a sector overview -
“The main thing to know about careers in hospitality and tourism is that it’s never going to be your typical nine-to-five job. The people who work in this sector really take one for the team and work when other people are having fun. For instance, people who work in pubs and clubs tend to work mainly in the evenings, and people who work in tourism are especially busy when everyone is jetting off on their summer holidays.
Jobs in hospitality and tourism are all about providing friendly, efficient and attentive customer service. Consequently, excellent communication skills, patience and a friendly nature are

essential for you to thrive in these industries. You really have to want to work in this sector to do it well. It's a lot more difficult to be friendly and helpful if you're not enjoying yourself."

- http://www.prospects.ac.uk/hospitality_tourism_sport_sector_overview.htm:

This is the UK's official graduate careers website

The Sector Skills Council for T&H not only promotes the industry but has set up UKSP as a hub for employees, potential employees, employers and training agencies.

- <http://www.uksp.co.uk>

Benefits of the T&H sector are particularly put forward by using particular characteristics of the sector.

From Graduate Prospects, 2012 - "What's it like working in the sector" Graduates entering the hospitality, tourism and sport sector can expect:

- a relatively low salary - the sector has the lowest mean hourly earnings of all the sectors. However, this is largely a result of the low average hourly pay in the food and beverage area bringing down the figures. Other areas pay considerably better. In travel and tourism and sport and active leisure, for example, employees earn an average of £13 and £14 respectively;
- a customer-facing working environment - many roles are busy and fast-paced, particularly at peak times, and require a lot of interaction with consumers;
- to start on part-time hours - 44% of the workforce is employed on a part-time basis, although there is scope for full-time hours in a range of positions."

UKSP is adept at promoting the sector and emphasizes qualities such as talent, motivation, etc. However this doesn't seem to be targeted at any specific group but instead promotes T&H as a 'career' rather than just offering jobs.

There is specific literature making the case for the take up of more women into the industry see - http://torc.linkbc.ca/torc/downs1/Women_1st_Case_For_Change_Executive_Summary_November_2010.pdf

The following list includes examples of **marketing campaigns** in the UK targeting the T&H sector:

- <http://uksp.co.uk> : targeting anyone interested in a career in the sector
- Visit Britain – campaign to create 50,00 jobs and boost visitor spending – see - <http://www.bighospitality.co.uk/Business/Tourism-marketing-campaign-to-create-50-000-jobs>
- There is also currently a national marketing campaign aimed at getting more young people into Apprenticeships across all sectors and including T&H – see <http://www.uksp.co.uk>

- The Hospitality Guild has launched a new campaign (Feb 2013) that will showcase career development opportunities in the hospitality industry and help 20,000 people gain paid employment through apprenticeships. This is designed to meet the needs of employers and young people looking for careers and training in the sector.
- UKSP was set up by the T&H Sector Skills Council as a one stop shop for careers, jobs, training, qualifications, employers and training providers in hospitality, leisure, travel and tourism.

These campaigns mainly put forward that:

- That there are a huge range of types of jobs within the sector. That the kinds of jobs available are not usually 9-5pm office based and involve interacting with people, i.e. good customer service
- Transferable skills can be acquired through employment in the T&H sector for example team work, communication and customer service
- Career paths and promotion (from entry-level positions to management jobs) are clear and accessible. As it is a fast changing sector (with a tendency for high staff turnover) this means that if someone is committed and hard working they are likely to have good opportunities to progress fast
- Non-Monetary benefits of working in the T&H sector also exist (though these are dependent on the type of job - e.g. travel related)
- Flexible hours / shifts. Travel opportunities with some roles Additional benefits may include meals, accommodation, etc.

Promotion is also made via sector organisations promoting contests at regional, national and European level:

- People 1st run several national competitions
- Women 1st Shine Awards – recognising the achievements of women working in hospitality, transport, travel & tourism
- Rising Stars Awards – recognising emerging talent in the retail industry

There are also various regional tourism and hospitality awards. They tend to include different types of businesses e.g. hotels, restaurants, visitor attractions, etc.

Arena International organise the European Hospitality Awards

Concerning promotion in schools, careers advice of any kind is not something that is offered to primary school aged children (up to 11). Careers advice is offered to young people in secondary education up to 16/18. Professionals offering careers advice and guidance would be expected to have broad knowledge across sectors including T&H.

T&H jobs visibility in the UK

The sector employs both a large number of core occupations (specific to the sector) and additional occupations (found in most sectors).

The following provides employment numbers for the sector's core occupations:

- Kitchen and catering assistants (402,200)
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- Conference and exhibition managers (22,400)
- Travel and tour guides (16,600)
- Hotel porters (12,100)
- Travel agency managers (8,500)

Occupation Main & second job employment within tourism industries

- Kitchen and catering assistants 274,400
- Waiters and waitresses 230,800
- Bar staff 206,100
- Taxi and cab drivers and chauffeurs 184,100
- Chefs 149,600
- Restaurant & catering establishment managers & proprietors 109,700
- Cleaners and domestics 86,000
- Sports and leisure assistants 52,600
- Sales and retail assistants 47,000
- Catering and bar managers 45,700
- Cooks 44,700
- Hotel and accommodation managers and proprietors 44,600
- Sports coaches, instructors and officials 40,300
- Publicans and managers of licensed premises 39,100
- Receptionists 39,100
- Other administrative occupations n.e.c. 37,800
- Musicians 37,700

- Leisure and sports managers 35,600
- Actors, entertainers and presenters 34,900
- Managers and proprietors in other services n.e.c. 33,700
- Artists 33,500
- Travel agents 33,200
- Financial administrative occupations n.e.c. 32,000
- Customer service occupations n.e.c. 28,800
- Conference and exhibition managers and organisers 27,800
- Air travel assistants 25,100
- Cleaning and housekeeping managers and supervisors 20,700
- Sales accounts and business development managers 20,500
- Authors, writers and translators 19,100
- Book-keepers, payroll managers and wages clerks 18,800

- **Source: ONS Annual Population Survey**
 - o Note: totals may not sum due to rounding
 - o Given the size and diversity of the sector there are also many more jobs within the sector not listed here

Qualifications: There are a wide range of qualifications and courses available within the sector.

Courses available include:

- General National Vocational Qualifications (GNVQs),
- National Vocational, Qualifications (NVQs),
- Scottish Vocational Qualifications (SVQs),
- Scottish National Qualifications and Standard Group Awards and Higher National Certificates and Diplomas (HNCs and HNDs).

Main examination boards:

- General National Vocational Qualifications (GNVQs) in Leisure and Tourism or Hospitality and Catering.
- The more specialized National Vocational Qualifications (NVQs) and their Scottish equivalent, Scottish Vocational Qualifications (SVQs).
- City & Guilds certificate, diploma and advanced diploma.
- Edexcel and SQA National Diploma/Certificate, Higher National Diploma/Certificate, AQA and OCR.
- The Wine and Spirit Education Trust.
- The Travel Training Company (TTC training), (air fares and ticketing course, approved by IATA).

- British Airways' Chameleon Training & Consulting (fares and ticketing courses, accredited by IATA).
- The British Institute of Inn-keeping.

Higher Education Courses: There are many undergraduate and postgraduate taught courses that one could take from leading UK universities and colleges. UCAS is the organization that is responsible for managing applications to higher education, especially for undergraduate roles. Undertaking a quick search of tourism, results in a find of 545 courses on the UCAS course search page. There are approximately another 228 courses available for Hospitality. Some universities/colleges to offer these course include: Coventry University College, University of Wolverhampton, University of West London, Middlesex University, Bournemouth, London South Bank, St Mary's Twickenham London and London School of Business to name a few.

Many professional bodies give and award professional qualifications in tourism and hospitality. Membership of a professional body enables one to have access to training, events, opportunities to network and build contacts and the chance to keep up with the latest industry news. The Sector Skills Council that includes Tourism and Hospitality (People 1st) is working to produce National Occupational Standards (NOS). It does this on the behalf of the professional bodies within the sector, and in order to ensure that qualifications are aligned with the needs of the industry. These NOS are produced within 'suites' for example the Hospitality Supervision and Leadership suite of standards, which is built up of a number of units. As there are so many different types of jobs associated with the sector it is more appropriate to focus on these NOS areas, which will cover the necessary competences for a range of related jobs.

Our research points to the fact that larger and more established employers are more likely to use competences, whilst smaller, newer and independent employers are less likely to.

In the T&H sector there is also some definition of career paths, for example those available at <http://www.uksp.co.uk/Career>: This details interactive career maps covering – Coffee Shops, Events, Fast Food, Food Service Management, Gaming, Holiday Centres, Hotels, Membership Clubs, Pubs Bars & Nightclubs, Restaurants, Tourism, Travel, Visitor Attractions, Youth Hostels

Learners in higher education, United Kingdom (4-digit JACS subject of study Number of learners)
(N800) Hospitality, leisure, tourism & transport 9,583
(N810) Travel management 476
(N820) Event management 4,395
(N830) Tourism 781
(N831) Tourism studies 17

(N832) Tourism management 1,934
(N860) Hospitality 1,371
(N861) Hospitality studies 5
(N862) Hospitality management 1,625
(N870) Recreation, sport & leisure studies 5,454
(N890) Hospitality, leisure, tourism & transport not elsewhere classified 212

Source: Higher Education Statistics Authority, 2008/09.

In discussion with food businesses and food related organisations (training and provision) in SE London they have identified that a growth sector is the coffee / café market and that there isn't any specific training available for this. It requires a particular skill set including good customer care, food handling and barista skills.

The largest 13 coffee shop brands now operate approximately 2,500 outlets, compared with 1,000 just three years ago. This is also a sub-sector where there are a large amount of smaller and independent traders.

List of existing **associations** in the sector:

- Association of British Travel Agents (ABTA) "Our purpose is to help our members to grow their businesses successfully and sustainably, and to help their customers have confidence in their travel experience."
- Association of Licensed Multiple Retailers The ALMR is the network of entrepreneurial retailers and industry suppliers that champions the smaller independent companies that own and operate pubs, bars and restaurants in UK.
- Association for Student Residential Accommodation (ASRA) Promotes and supports the professional activities of individuals working in student accommodation, provides a network for information and opportunities for professional development and a forum for representation, consultation and discussion of professional interests.
- British Beer and Pub Association The British Beer and Pub Association is the leading body representing Britain's brewers and pub companies.
- British Hospitality Association The BHA is the leading representative organisation in the hospitality industry, representing hotels, restaurants and food service providers.
- British Institute of Innkeepers (BII) BII is the professional body for the licensed retail sector with charitable status and a remit to raise professional standards
- Chartered Institute of Environmental Health (CIEH) A registered charity and the professional voice for environmental health. It sets standards, accredits courses and qualifications for the education of members and other environmental health practitioners.

- Guild of British Coach Operators Works to enhance the status of members and increase the opportunities for development of members' business.
- Institute of Hospitality The professional body for individual managers and aspiring managers working and studying in the hospitality, leisure and tourism industry. Includes careers and professional development advice and vacancies.
- Institute of Travel and Tourism (ITT) ITT shows its commitment to careers and education by recognition of good practice, student awards, consultancy and much more.
- International Air Transportation Association (IATA) The International Air Transport Association (IATA) is the trade association for the world's airlines, representing some 240 airlines or 84% of total air traffic.
- International Association of Tour Managers IATM is the professional association of experienced tour managers (active members), founded over forty years ago and having members all over the world.
- People 1st The sector skills council for hospitality, passenger transport, travel and tourism in the UK.
- Tourism Concern Aims to effect change in the tourism industry by campaigning for fair and ethically traded tourism.
- Tourism Management Institute (TMI) TMI is the Destination Management section of Tourism Society. We are a network of professionals who promote and develop destinations across the UK, Europe and worldwide.
- The Tourism Society 'Our aim is to drive up standards of professionalism in a fast-growing global industry which can have major social, economic and environmental impacts on communities and nations.'
- World Tourism Organisation UNWTO is the United Nations agency responsible for the promotion of responsible, sustainable and universally accessible tourism. World Travel and Tourism Council (WTTC) WTTC is the forum for business leaders in the Travel and Tourism industry.

Develop and Train Workforce

Existing training and qualification levels in the UK

Whilst there is data available about the occupational levels (and percentages of staff in each) it has been difficult to find very specific data on the qualification levels of staff. The following figures relate to the UK labour force and not specifically the T&H sector:

- NVQ level 4 and above 17.5%
- NVQ Level 3 22%

- NVQ Level 2 27.5%
- NVQ Level 1 and entry level 22%
- No Qualifications 11%

(Source: Labour Force Survey 2009)

There is widely accessible information for graduates to encourage them to go into the T&H sector at management / supervisory levels – see <http://www.prospects.ac.uk>

The People 1st National Occupational Standards also highlight and promote management level skills.

The industry is a responsive one that therefore has some characteristics that change rapidly. In the UK some parts of the sector (pubs) have decreased in number whilst others have grown (coffee shops). The sector as a whole has been affected by economic recession both nationally and internationally, but has more recently been seen to be growing again overall. In terms of training needs the sector seems to be good at working together to identify skills gaps and therefore training needs. Consumer expectation and technology are also affecting sector operators.

Changes in Technology have been mainly driven by large companies although smaller businesses are now using it to promote and market their businesses and add value. Key changes include:

- Increased use of the internet to purchase goods and services;
- Faster broadband technologies;
- The growing popularity of User Generated Content (UGC) websites such as TripAdvisor;
- Advances in mobile phone technology;
- Use of technology to reduce costs such as light sensors and solar technology; and the use of social networking sites as marketing tools.

The above changes suggest that the sector has increasing needs for skills in ITC including marketing via internet, social media, etc. Changes in the industry are monitored through statistical labour market and sector data, and then communicated via the main bodies. This sector is expected to grow significantly over the next couple of years, with a rise in demand predicted particularly for high level, skilled positions. This means that there is a drive to attract more graduates to consider this as a career option. For example recently a skills shortage in Asian and Oriental Cuisine was highlighted which resulted in a meeting of lead employers and training providers and led to the development of a joint action plan. This involved considering how industry and government could better work together to tackle skills shortages through increasing skills nationally

Quality and certification in the UK

There are no actions (that this research uncovered) towards expanding tourism & hospitality in high schools, however there is a wealth of information about careers in the T&H sector including a shift in

emphasis towards vocational education and training, with a current focus on promoting apprenticeships.

The research points to the fact that credential recognition in the sector is already well established. People 1st (as the T&H sector skills council) is responsible for ensuring high consistent standards of training in the sector that directly respond to employers' needs. They also directly inform policy and strategy in this area. For example they are currently establishing a Hospitality Guild "which aims to provide a single authoritative voice on hospitality skills to the Government". They also conduct research with employers and work with governments to raise employer ambition and investment in skills, and to ensure that public funds are focused on qualifications and training programmes the industry needs and respects.

Importantly they are responsible for qualifications and credential recognition: they have "carried out significant qualification reform, removing outdated and inappropriate qualifications and developing robust career pathways to provide employers with the right people, with the right skills and knowledge".

People 1st has worked with awarding organisations to completely change the landscape of qualifications for the sector. Their website states "We also conduct regular reviews of National Occupational Standards, which describe what an individual needs to do, know, and understand in order to carry out a particular job or function, for our industries." For more information see - <http://www.people1st.co.uk/national-occupational-standards-and-qualifications>

In addition, People 1st (the T&H sector skills council) work with the Higher Education sector with regards to developing relevant qualifications including foundation degree frameworks.

NQF in the UK

Most countries are already developing national qualifications frameworks (NQFs) which will be linked to the EQF. This is a relatively recent development – currently, only the UK, Ireland, France and Malta have NQFs. The fact that the number of NQFs is growing demonstrates that countries recognise their advantages – in particular in lifelong learning, including facilitating the recognition of non-formal learning, for example skills acquired at work but not formally certified.

The Office of Qualifications and Examinations Regulation (Ofqual) is a non-ministerial government department that regulates qualifications, exams and tests in the UK and vocational qualifications in Northern Ireland. However vocational NVQs are regulated through their relevant sector Skills Councils.

For Tourism and Hospitality this is therefore People 1st.

NVQs in the UK are now progressively being replaced with QCF (Qualifications and Credit Framework) awards, certificates and diplomas. Some awards persist in NVQ format while others have changed to their new formats. Responsibility for NVQs, which previously existed chiefly with QCA (the Qualifications and Curriculum Authority), is now more fragmented, and is largely overseen by QCA's replacement agency, QCDA (Qualifications and Curriculum Development Agency), and by OfQual (Office of Qualifications and Examinations Regulation) with industry sector development responsibilities cascading down to industry bodies via the UK Government Department for Business, Innovation and Skills (BIS), and the Sector Skills Councils (SSCs). The QCF (Qualifications and Credit Framework) is the present UK framework for creating and accrediting qualifications in England, Wales and Northern Ireland.

The QCF was formed in 2008 after several years of tests and trials, initially operated by the then QCA (Qualifications and Curriculum Agency/Authority), and jointly implemented by the QCA (now QCDA - Qualifications and Curriculum Development Agency), the Learning and Skills Council (LSC) and Ofqual (Office of Qualifications and Examinations Regulation). The QCF is regulated (in the UK) by Ofqual (Office of Qualifications and Examinations Regulation). The Qualifications and Credit Framework (QCF) aims to "...give a wider range of learners the opportunity to get the qualifications they need, in a way that suits them... QCF qualifications are designed with the help of employers so learners can be assured that they're gaining skills that employers are looking for..." The QCF also seeks to "...help learners achieve skills and qualifications that meet industry needs, and to enable work-based training to be nationally recognised..." More significantly, compared to previous systems, the QCF aims to allow and recognise smaller steps of learning than typically have existed in qualifications, and to enable learners to build up qualifications 'bit by bit'. This perhaps makes it more conducive to the integration of Key Competences.

The European Qualifications Framework (EQF) was referenced in creating the QCF. The EQF links European countries' qualifications systems to each other and makes it easier to cross-reference qualifications between countries. The following is extracted from a QCF explanatory leaflet, aimed at UK employers (although useful also to learners, teachers/trainers and employees), published in 2010. "Vocational and work-related qualifications are changing to become more responsive to the specific demands of employers and learners. They will be more relevant to employers' needs and more accessible to a wider range of learners. An essential tool in this reform of vocational qualifications is the Qualifications and Credit Framework (QCF)." The QCF and the larger reform surrounding NVQs and wider training and development in the UK are central to the National Skills Strategy 'Skills for growth', which focuses on helping people achieve skills that match the demands of modern labour markets.

EQF in the UK

The UK European Co-ordination Group for VET provides the forum at UK level to coordinate the implementation work on the European Qualifications Framework (EQF). The UK is represented on the European Commission Advisory Group which co-ordinates the implementation of the EQF at the

European level and is composed of representatives of member states, European social partners and other stakeholders as appropriate.

Training Organisations and employer's link; development of curricula in the UK

People 1st (the T&H sector skills council) broker this role and work closely with the industry and with education providers (colleges and Higher Education and other training providers) to ensure that training directly responds to employers' needs and requirements.

People 1st's training division has developed a number of products and initiatives to help employers in the sector. They actively encourage and promote employer involvement through offering services, resources, newsletters, research, networks, events, etc.

Any available support for T&H training will be directly advertised through the People 1st website and networks. For example there is a current drive in the UK to create more Apprenticeships and this is a key way that employers can recruit new people and also get funding support in order to do so.

Because People 1st are the key network for the industry they directly research employer needs which then inform the development and provision of training. For example their 2013 State of the Nation report surveyed more than 2,000 employers across the sector in order to analyse current labour market trends, skills, and education and training needs.

Technology and social media is shaping the sector through: increasing customer awareness and expectations; discounting vouchers and offers; online bookings and deals; engaging customers through social media; customer reviews; needing to develop strong online presence and interactivity; marketing and branding, etc.

Whilst hospitality businesses have tended to be slow adopters of social media and online technology this is becoming increasingly important, however it is difficult to make any definitive statement about the relationship between technology and training in the sector.

People 1st actively promote apprenticeships: "Apprenticeships in the hospitality, passenger transport, travel and tourism sector are a great way to attract talent to the sector and allow keen individuals to gain real work experience while achieving a nationally recognised standard." Their website gives a huge amount of information on Apprenticeships for potential employers. See <http://www.people1st.co.uk/apprenticeships/england/information-for-employers>

Partnerships between employers and education or training providers are sometimes brokered directly or through specialist organisations such as ELBA or UDC for example. Much of the focus is currently on Apprenticeships, with training organisations looking for employers in specific sectors to take on apprentices.

There are 'job fairs' at which employers and training providers collaborate to offer information and promote themselves to job seekers, particularly younger people. Worldskills UK is a good example of this as they run the annual Skills Show - "Free to attend, the UK's largest skills and careers event inspires young people with exciting opportunities in further education, skills and Apprenticeships. A highly interactive experience, the show features the opportunity to try bite-size tasters of work-related skills, speak with employers about job and training opportunities, receive specialist advice, hear industry speakers and watch skill performances and competitions – all under one roof!"

Retain workforce in the T&H sector in the UK

Mature workers encouragement

There are some examples of employers in T&H encouraging mature workers to consider employment in the sector for example by:

- offering part-time
a high proportion of jobs in the sector are part-time. It is noted that "The sector needs to consider recruiting more part-time staff from other labour pools who may also be seeking the flexibility the sector requires and can offer, such as working mothers and older people working past retirement age, rather than students." In the recent State of the Nation People First Report 2013.
- offering flexible work arrangements
e.g. JD Wetherspoon a large (750 outlets) pub / bar company promotes the benefits of employing older workers through increasing workforce diversity and flexible hours.

Students' attraction

Many students support themselves in further education through part time employment in the T&H sector. The research hasn't found any examples of directly encouraging students to do this, though they are tax exempt whilst in education.

"Many waiting staff are young, full-time students who work part time to earn additional income. These roles are largely low skilled, when considering job-specific skills, but at the same time require good customer service abilities. They are attractive because of their flexibility and require limited experience. Working as a waiter is generally considered a job rather than a career and, as a result, these roles have low labour retention rates with only basic training and very little ongoing development" (State of the Nation 2013). Notably 31 percent of leisure and theme park attendants are students which is likely to be due in part to the seasonality of this area of work.

HR practices

Obviously this is only applicable to larger employers. The example given of Wetherspoons employment and recruitment practices (P19) in attracting older employees and offering flexible hours is likely to increase retention rates.

One example is The Dorchester Hotels. Their Area Director of Human Resources, explains how the company wants to move towards a more flexible workforce so that it can be more responsive to changing business patterns and bookings. “We need to be increasingly agile in our planning to adapt to business changes and short lead times on reservations which can impact business levels on a very short time scale.” The company is looking to develop a more flexible workforce in two key ways; by developing a more flexible core team through development programmes and succession planning and by exploring flexible working options and developing a casual workforce that can supplement the core team when required.

Skills anticipation (forecasting) in the T&H sector in the UK

General information

The Sector Skills Council that includes Tourism and Hospitality is People 1st. They are the prime source for skills forecasting and produce regular papers on this for example – Skills Priority Paper for the Hospitality, Leisure, Travel and Tourism Sector Dec 2010. <http://www.people1st.co.uk/research/sector-skills-assessments>

Employers are involved in anticipating and identifying needs in the sector through employers and professional associations that work closely with the Sector Skills Councils. The People 1st Sector Skills Council represents 24 industries

The 24 industries that sit within the People 1st footprint are:

- Aviation
- Bus
- Coach
- Community transport
- Contract food service providers
- Driver training
- Events
- Gambling
- Holiday parks
- Hospitality services
- Hostels
- Hotels

- Light rail/tram
- Membership clubs
- Pubs, bars and nightclubs
- Rail
- Restaurants
- Self catering accommodation
- Taxi and private hire
- Tourist services
- Transport planning
- Travel services
- UK Waterways
- Visitor attractions

They also produce regularly updated profiles of all of these industries.

People 1st also do regular analysis and reporting on the skills needs across the sector and in relation to specific parts of the sector. The most recent report (State of the Nation 2013) involved surveying over 2000 employers in order to produce up to date information on:

- Economic contribution and performance
- Workforce size and characteristics
- Recruitment and retention
- Workforce skills and development
- Future trends.

This kind of assessment is within the remit of the T&H sector skills council. This information and analysis will be foremost in informing and predicting future skills needs and the sector skills council will also work with the education sector in order to ensure training is responsive to identified skills gaps.

Skills forecasting through the sector skills council involves employers, training and education providers and trade bodies / associations.

They also draw on detailed statistics drawn from a variety of sources including:

- The UK Employer Skills Survey,
- Hospitality Employment Index,
- Inter-departmental business register – Office for National Statistics, Country Brand Index 2012-13, and Working Futures 2010-2020 UKCES/IER/CE.

Methods used

The methods used to forecast skills in the sector seem to be well established, and fairly comprehensive and robust. Employers' responses (through survey and consultation) are triangulated with other data sources, building a clear picture of the sector currently and comparing this with previous years as well as other sectors in order to contextualise the information. Obviously a bigger sample of employers surveyed would enhance the strength of the data, though given the sample size the findings may well be the same.

In addition, larger employers will assess their own needs, and certainly People 1st work closely with employers and industry experts to elicit assessment and encourage feedback on this.

Trends in the next 5-10 years

Employers overwhelmingly identified customer service skills as the most important skill area in their business over the next 3-5 years. This fits well with the customer trends (changing customer tastes and spending patterns) that are expected impact on businesses in the sector.

Management and leadership skills were the next most important future skills need. This included skills in:

- Understanding product excellence
- Managing a more diverse flexible workforce
- Increasing responsibility for engaging their staff
- Finance management.

Skills important to the business in the next 3-5 years (in order of ranking)

1. Customer service skills
2. Management and leadership
3. Sustainability
4. Effective use of social media in a business environment
5. e-Marketing skills
6. Basic computer literacy / using IT
7. Catering to guests/customers from abroad
8. Access to business support services
9. Advanced IT or software skills

Comparing these trends to the last 5 to 10 years, the importance of IT and social media has increased. This has not only affected the types of skills needed but also have led to customers being increasingly knowledgeable and well informed and therefore this influences patterns of spending.

The sector needs to be more able to respond to this through increasing these specific skills in its workforce. Management skills are becoming more important, which is in part a response to the needs of businesses in the sector to be able to quickly respond to sectoral changes and to face the current economic challenges

Main evolution of the sector in the coming years

The sector continues to rely on a high percentage of migrant workers; 22 percent compared to 14 percent average across the economy as a whole.

The proportion of migrant workers found in each industry largely reflects the industry's ethnic profile, with a higher proportion working in the restaurant, events and hotel industries. In looking at the percentages for migrant workers across sector industries these have remained stable between 2010 to 2011 with little change other than in the events industry, which has increased from 12% to 28%.

The new UK immigration policy will mean that recruitment from outside the EU will become increasingly difficult.

Examples of roles that have particularly high percentages of non UK workers are:

- Kitchen and catering assistants
- It is characterised by a high percentage of female (66percent) and part-time workers (67 percent), and there are a large percentage of students (19 percent) and workers born outside the UK or the Republic of Ireland (23 percent). The part-time nature of the role makes it more attractive for women who are caring for children, but the low-skill and relatively low paid nature of the role means it is not attractive for many job seekers. This could explain why such a large percentage of international workers are filling this role.
- Chefs- 32 percent of chefs were born outside of the UK,
- Waiting staff - Workers born outside the UK or the Republic of Ireland (26 percent). This is a role that employers are increasingly looking to hire from throughout the EU.
- Housekeeping and related roles
- Housekeeping roles have traditionally been filled by international workers and 21 percent of people currently working in this role were born outside of the UK
- Hotel Managers 16 percent of hotel managers were born outside the UK.

Promoting T&H professions Europe-wide

Benefits

- There are particular roles in the sector in the UK that have significant skills and staff shortages whilst overall the sector is expected to grow. This is also likely to be the case in other EU countries. Therefore drawing on a wider labour pool would be good for T&H employers.
- There are a lot of jobs within the sector that are seasonal / temporary
- There are many generic professions / roles with skills that are directly transferrable in other European contexts
- There are parts of the sector that directly benefit from skills being transferred across Europe
- Sharing learning and expertise Europe wide is good for the sector
- Cultural and linguistic diversity is an advantage for many businesses within the sector
- Using the EQF to be able to enhance the transfer skills and labour across Europe is good for both individuals and employers.

Risks

In some countries and regions this might mean increased skills shortages in specialist areas with labour being attracted to areas of higher pay.

Existing best practices in the UK

In the T&H sector

The existence of the People 1st sector skills council is vital as an interface between training providers and employers in the sector. They are crucial to gathering information from across the different industries within the sector and in analysing this in order to anticipate skills gaps and training needs. Much of the work they do can be described as good practice in that the information they provide is valuable to sectoral training providers and employers, thereby supporting and enhancing their work.

Where they forecast new or increasing skills gaps they are able to work with training providers to help them better meet the industries needs. They are pivotal in that through their well-established networks and sectoral representations they can also, where appropriate inform governmental policy and strategy. As well as being able to report on the sector nationally, they also focus on particular parts of the sector and regional differences.

They have 3 key areas of work:

- research,
- vocational learning,
- and training.

Each of these areas informs and supports the expertise and resources of the others. For example vocational learning works with the industry to set national occupational standards, develop apprenticeship and foundation degree frameworks and determine which qualifications need to be developed to meet industry needs. However without the strong employer networks, consultation and research base they would not have the inside industry knowledge needed to do this.

The People 1st research department has a dedicated team of quantitative and qualitative researchers who support the role of the Sector Skills Council. Its mission is to produce robust and impartial intelligence that identifies and analyses the skills and labour market needs of the hospitality, leisure, travel and tourism sector.

The team's specific knowledge of the sector's labour market and close links with employers ensures that not only can it produce robust research at competitive rates, but it can also provide a level of interpretation and analysis that many commercial providers fail to capture.

The People 1st Training Division offer tailored support and capacity building to the sector in order to increase competitiveness and respond to current and future trends. It is "crucial in ensuring that hospitality, leisure, travel and tourism employers have access to robust, up-to-date and relevant training programmes that will have an impact on their business."

The sector skills council therefore has a unique position within the T&H sector. A good example of how this position is effectively utilized in consulting employers needs and shaping training is highlighted in the following news article:

"People 1st calls for employers to speak up as Government reviews apprenticeships and youth training for the hospitality industry People 1st, the sector skills council for the hospitality, passenger transport, travel and tourism sector, is asking all employers to express their views on how they would like apprenticeships and youth training to be shaped to help them deliver a workforce skilled to drive the industry's success in coming years.

Dr Stephen Farry, Minister for Employment & Learning, announced a review to examine the future of apprenticeships and youth training, and how they can better meet the needs of employers and apprentices in Northern Ireland in February.

In addition to working with the Minister on his expert advisory panel, People 1st is now co-ordinating the sector's response to ensure all employers in this critical sector of the economy have the chance to provide feedback as Government prepares to reform the future of the industry's key training programmes.

To provide an opportunity to gather views for the response to Government, People 1st would like to meet with employers to discuss their thoughts throughout May and June, in addition to launching an online survey in coming weeks to gain feedback.

Roisin McKee, director of People 1st in Northern Ireland, said that she was keen to meet with employers individually to ensure they are given the best chance possible to provide their feedback.

It is imperative that employers use this chance to be heard. The review provides our industry with the opportunity to ensure apprenticeship training is more closely matched to the specific needs of businesses in the sector and that we benefit from the right people with the right skills.”

Hospitality

“Apprenticeships are of growing value to the hospitality sector. Between August 2010 and July 2011 672 people completed an apprenticeship, while the following year the figures grew by more than 100 to 799. This period of review is a once in a generation opportunity for employers to mould the framework that will underpin training for a vast proportion of our workforce.

People 1st will be asking employers to express their opinions on all elements of apprenticeships, but in particular it is seeking to understand employer opinion on the need for higher level apprenticeships, which occupational areas would benefit from government funded apprenticeships and ways to improve young people’s employability skills.”

<http://www.people1st.co.uk/news>

APPENDIX