



# Action<sup>4</sup>skills

The Logistics Sector





# Action<sup>4</sup>skills

Targeting the sectors  
vital to Hertfordshire's  
economy



## Executive Summary

### Key statistics

	Logistics	All Herts
<b>Business base</b>		
No. of business establishments	1,130	49,200
Micro-businesses (<10 employees)	960	42,600
% business base	85%	87%
% employment	15%	22%
<b>Workforce</b>		
Total workforce	15,500	549,500
Employees	14,290	487,600
Self-employed as % workforce	8%	13%
Part-time employment	16%	34%
Female employment	20%	50%
Workforce aged under 25	12%	14%
Workforce aged 55 or over	14%	16%
<b>Workforce dynamics</b>		
Employment change 1998-2002	660	-
% Employment change	-4%	-2%
Forecast change 2004-2013	1,400	-
% Forecast change	+9%	+9%
Labour turnover p.a. (approx)	20%	N.A
% workforce in FT education 1yr ago	2%	3%
<b>Workforce skills</b>		
Workforce with no qualifications	2,330	-
	15%	11%
Low skilled workforce (≤ Level 1)	6,050	-
	39%	25%
High skilled workforce (Level 4+)	1,240	-
	8%	26%
Workforce training in previous 13wks	2,170	-
	14%	27%
<b>Skill needs</b>		
Employers with hard-to-fill vacancies	45	-
% business base	4%	8%
Employers with workforce skill gaps	790	-
% business base	17%	23%

Note: For definitions and sources see main report

### Key messages

- Logistics is a strategically important sector in the Hertfordshire economy, although it accounts for just 3% of the county's workforce.
- There are significant concentrations of logistics employment in the national post activities and freight transport by road sub-sectors, each of which account for around 30% of sector employment (equal to around 4,300 jobs in each sub-sector).
- A further 21% of employment is in the storage and warehousing sub-sector (equivalent to 3,000 jobs).
- The logistics sector has a particularly high concentration of workers in the 45-55 age group. This group accounts for 26% of the workforce (around 4,000 workers) compared with 21% in all industries. More than half of all workers in the freight transport by road sub-sector (around 2,100 people) are aged 45 or older.
- The sector suffers from a high level of staff turnover. Around 20% of the logistics workforce changes each year (equivalent to around 3,100 workers). A further 230 workers per year will be needed to meet the needs of forecast growth in the sector.
- Over half of all workers in the sector have intermediate level skills. 39% of the workforce (around 6,100 people) do not hold a Level 2 qualification and around 15% of staff (2,300 workers) have no qualifications.

- Skill gaps are particularly common among elementary occupations such as warehouse workers (43% of skill gaps).
- Communication, customer handling and team working skills were identified as those most in need of improvement, especially among process plant and machine operatives and elementary occupations. The need for these skills is likely to grow with increased demand for deliveries to domestic premises.
- Skill gaps are having a significant impact on employers, leading to increased operating costs and difficulties meeting customer service objectives.
- Workers at all skill levels in the Hertfordshire logistics sector are significantly less likely to undertake job related training than in all industries. The difference is particularly significant with regard to low skilled workers, with only 5% training in the past 13 weeks compared with 15% in all industries.
- Training in the sector needs to increase if logistics employers are to benefit from opportunities presented by advancements in technology, respond to the increased need for customer interaction and comply with statutory requirements such as the EU Professional Driver Training Directive.

### Conclusions and recommendations

LSC Hertfordshire and its partners will need to undertake work to prepare for the qualification requirements to be imposed by the EU Professional Driver Training Directive to be phased in between 2006 and 2009. This will include ensuring that employers are aware of how the legislation will affect them and making sure that provision is available to enable staff to become suitably qualified.

In addition, this paper outlines three more general workforce development priorities for the sector and makes a number of suggestions for employers and stakeholders to consider:

#### 1. Use technological changes as an opportunity to encourage literacy, numeracy and IT training in the sector

- The increasing sophistication of logistics systems is requiring more low skilled workers in the industry to have good literacy and numeracy skills.
- Encourage employers to train staff in generic or specific IT user skills.
- As nearly 40% of the sector's workforce do not have a Level 2 qualification, planned entitlement to Level 2 training could make a significant impact on the sector in this skill area. There is a need to increase awareness of the Level 2 entitlement.
- Use IT training as a "route in" to tackling literacy and numeracy issues.
- Ensure that provision is flexible to meet the needs of shift and "mobile" workers.

#### 2. Encourage the development of "interpersonal" skills such as communication, customer service and team working

- Encourage take up of qualifications including customer service and communication skills elements.
- Signpost employers with staff who have a need for ESOL training to appropriate provision.

#### 3. Promote clear progression routes and develop the image of the sector as a career choice

- The relatively high level of labour turnover in the sector suggests that many staff do not see work in logistics as a permanent career.
- Support schemes aimed at attracting young people to logistics and work with providers of careers advice to promote the sector's image as a career choice, particularly among "non traditional" groups.
- Work with Skills for Logistics and other partners to develop and promote clear career paths for the sector.
- Help logistics staff to feel valued through the promotion of Investors in People and other "respect for people" schemes.

## 1.0 Introduction

This paper is one of a series that outlines the workforce dynamics and skills and training issues in key sectors in the Hertfordshire economy.

The series sets out:

- The demographics of the workforce in each sector
- The skills and qualifications profile of the workforce
- The likely demand for and supply of new skills and workers, now and in the future
- Developments affecting the sector locally

Where possible local data has been used for the analysis. However, where local data was unavailable, inferences have been made from regional and national data to provide a best estimate of local workforce dynamics. Unless otherwise indicated, figures are for Hertfordshire.

For the purposes of this paper, the logistics sector includes; freight transport by road, air transport activities, cargo handling and storage, activities of other transport agencies, national post and courier activities. (For more information, see Annex I).

This definition has been chosen to reflect the coverage of the Skills for Logistics Sector Skills Council. The sector has been defined using Standard Industrial Classification (SIC) codes. As the definition is industry-based, workers included may be in any occupation, provided they work for an establishment considered to be part of the sector.



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## Key drivers of change

National government and European Union policy has had an important impact on logistics businesses in recent years and it is likely that this will continue to drive the sector in the future.

A major example of this is the opening up of UK postal services to competition. Before this change, postal services were tightly controlled by the government and the Royal Mail enjoyed a protected market. However, since 1999, all postal operators have seen a considerable decline in the extent of regulatory control over their business. Competitors are being allowed to enter into the market in stages, with 40% already opened up and the rest to follow by 2007<sup>1</sup>.

These changes are likely to have an important effect on the way business is done, not only within Royal Mail but also in competitor firms such as those currently providing delivery or courier services.

Policies in response to environmental and safety concerns are also important for the sector. The UK government and the European Union are both developing strategies to encourage sustainable transport, and as part of this they are seeking to encourage a shift in freight transport away from roads and towards rail and water, whilst simultaneously improving the efficiency of the road haulage industry. As part of its sustainable distribution strategy, the Department of Transport aims to introduce taxation to the haulage industry applicable to all lorries on UK roads<sup>2</sup>.

The EU working time directive is also likely to have significant implications for the sector, as it will place caps on permissible working hours per week. This may lead to a need for changes in working practices and/or a demand for additional drivers.

There have recently been a number of important policy developments relating to the air transport sub-sector. While air transport does not account for a large proportion of logistics employment in Hertfordshire, the proximity of airports at Luton and Stansted has implications for other elements of the sector serving international markets. The government has agreed to a significant increase in airport capacity and developments are planned to expand both Luton and Stansted<sup>3</sup>.

Changes in technology are also having an impact on the sector both directly and indirectly. Increased use of e-commerce and the development of home shopping will further change the way logistics businesses operate and organise. It is likely that growing trends towards making purchases in this way will lead to increased demand for deliveries of goods to be made directly to the customer's door. This will have a particular impact on mail and courier services and road freight transport companies. Staff providing these services will need the skills to drive suitable vehicles, for example Light Goods Vehicles (LGVs) or vans, and the ability to successfully interact directly with members of the public.

Technology has directly influenced the way work is done in the logistics sector in a number of ways, for example through computerised delivery tracking, navigation and stock management systems. Advances such as radio frequency identification chips, which can provide office-based staff with information about a vehicle on the road and its cargo, have the potential to help operators to become more efficient. These

<sup>1</sup> The UK Postal Regulatory Regime: Key Indicators, Postcomm, 2004

<sup>2</sup> The Future of Transport – White Paper CM6234, Department for Transport, 2004.

<sup>3</sup> Transport Gateways: Baseline Sector Study, EEDA, 2004.

savings could come from reducing the number of unnecessary or overly long journeys for example, reducing mileage, operational costs and fuel consumption.

However, in order for the logistics sector to fully benefit from the opportunities made possible by new technology, workers in the sector will need the skills to be able to use them effectively.

## Workforce development priorities

The logistics sector has changed significantly in recent years and some staff lack the skills they need to be fully proficient in their role. Technology is much more important in the sector than it once was and employers identify IT skills as a priority area for improvement among all staff.

Communication, team working and customer service skills have also been identified as an area where improvement is needed, with workers in traditionally low skilled roles increasingly requiring competence in these areas.

The logistics sector suffers from a high level of staff turnover and there is a need to promote clear progression routes and to help staff feel valued in order to improve retention.

Attracting suitable new entrants is also an important issue for the sector and there is a need to promote the image of logistics as a fulfilling career choice, especially among women and ethnic minorities.

This paper suggests that the most pressing workforce development needs over the next 3–5 years for the Hertfordshire logistics sector will be:

1. Use technological changes as an opportunity to encourage literacy, numeracy and IT training in the sector
2. Encourage the development of "interpersonal skills" such as communication, customer service and team working
3. Promote clear progression routes and develop the image of the sector as a career choice

These priorities are considered in more detail in the Conclusions and Recommendations section on page 16.

## Figure 1.1

### Logistics sector – SWOT analysis

#### Strengths

- A strategically important sector, serving many other parts of the economy
- Growth in delivery services being driven by e-commerce and home shopping

#### Weaknesses

- High concentrations of workers in older age groups, particularly in some sub-sectors, and age limitations to entry to some occupations
- Skill shortages, particularly for LGV drivers
- Negative perceptions of career opportunities in the sector
- Increasing need for customer service skills and IT skills

#### Opportunities

- The location of Hertfordshire with good access to major road, rail and air transport routes
- Opportunity to use sector changes and the Level 2 entitlement to encourage a "training culture" among employers
- Deregulation of postal services

#### Threats

- Working time directive
- Fuel costs and green taxes
- Deregulation of postal services

## 2.0 Logistics in the Hertfordshire economy

This section looks at the importance of the logistics sector in Hertfordshire and outlines the extent of logistics employment in the county.

### Key messages

- Logistics is an important sector in the Hertfordshire economy, with a workforce of around 15,500 in the county (employees and self-employed workers).
- Within Hertfordshire, logistics employment is particularly concentrated in the districts of Dacorum (21%), St Albans (18%) and Broxbourne (15%), which collectively account for 54% of all jobs in the sector.
- Large businesses with more than 200 employees account for only 1% of all logistics establishments in Hertfordshire but account for 43% of all logistics employment.
- 31% of employment in the logistics sector in Hertfordshire (approximately 4,400 jobs) is in the national post activities sub-sector.
- A further 30% of employees in the sector work in freight transport by road (4,300 jobs) and 21% work in cargo handling and storage (3,000 jobs).

In terms of employment, the Annual Business Inquiry (ABI) suggests that there are around 1,100 logistics establishments in Hertfordshire employing approximately 14,300 employees. The logistics sector accounts for around 3% of the employees in Hertfordshire, slightly below the proportion employed in the sector nationally (4%).

It should be noted that the ABI (like many other labour market information data sources) does not include self-employed people. The Labour Force Survey (LFS), which does include the self-employed, suggests that there are 1,200 self-employed people working in logistics within Hertfordshire (8% of the total workforce).

Figure 2.1 shows that logistics accounts for between 1% and 5% of total employment in most of the ten local districts within Hertfordshire. The exception to this is in Broxbourne, where the sector accounts for around 7% of employment (approx. 2,100 people). Relatively high proportions are also found in Dacorum and St Albans. In both cases, logistics accounts for around 5% of total employment.

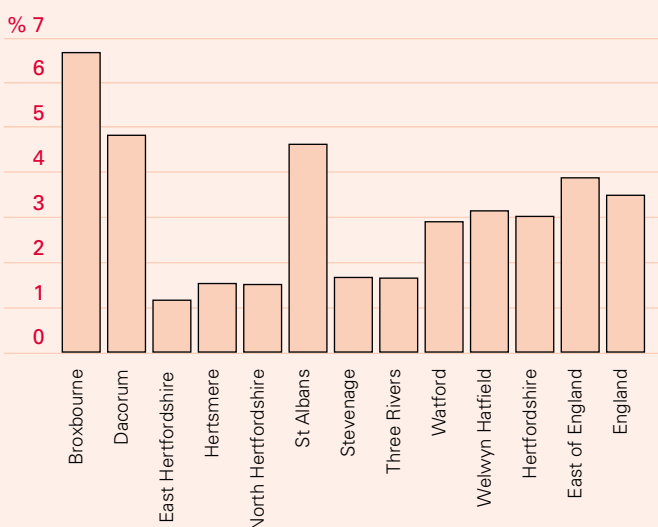
Figure 2.2 shows that Dacorum has the highest number of logistics employees (around 3,000) and business establishments (around 200) in the sector within Hertfordshire.

However, Broxbourne has the highest concentration of logistics employment with a Location Quotient<sup>4</sup> (LQ) of 1.84. St Albans has the lowest concentration (0.66), despite having a large number of employees in the sector.

<sup>4</sup> Location Quotients indicate the relative strength of the sector in the district. An LQ of more than 1 signifies that a district has a higher concentration of employment in the sector relative to Hertfordshire as a whole. An LQ of less than 1 indicates that a district has a lower concentration than Hertfordshire as a whole.

Figure 2.1

### Logistics as a proportion of total employment – Hertfordshire districts



Source: ONS Annual Business Inquiry, 2002  
Note: Figures do not include the self-employed

Figure 2.2

### Logistics employees and business establishments in Hertfordshire districts

District	Establishment	Employees	% of sector	LQ
Broxbourne	136	2,114	14.8	1.84
Dacorum	165	3,039	21.3	1.07
East Herts	122	616	4.3	0.81
Hertsmeire	84	647	4.5	0.82
North Herts	126	710	5.0	0.9
St Albans	118	2,588	18.1	0.66
Stevenage	79	669	4.7	1.33
Three Rivers	85	447	3.1	1.02
Watford	100	1,599	11.2	1.07
Welwyn Hatfield	111	1,864	13.0	1.19
Total	1,126	14,293	100	

Source: ONS Annual Business Inquiry, 2002.  
Numbers have been rounded.  
Note: Figures do not include the self-employed

Around 85% of employers in logistics (around 960 establishments) are 'micro-businesses' employing between 1 and 10 people. Small businesses employing between 11 and 49 people account for around 10% of logistics establishments in the county (110 businesses). Small businesses often face greater barriers than larger businesses when it comes to training their workforce.

Small and micro-businesses account for around a third (32%) of employment in the sector (around 4,500 employees). This is lower than the proportion of employment in the same type of establishments within the economy as a whole (46%).

Despite the high proportion of small and micro-businesses, medium sized businesses (between 50 and 199 employees) account for 26% of logistics employment (around 3,700 employees) and large businesses with 200 or more employees account for 43% (around 6,600 employees).

The logistics sector can be divided into six sub-sectors. These are:

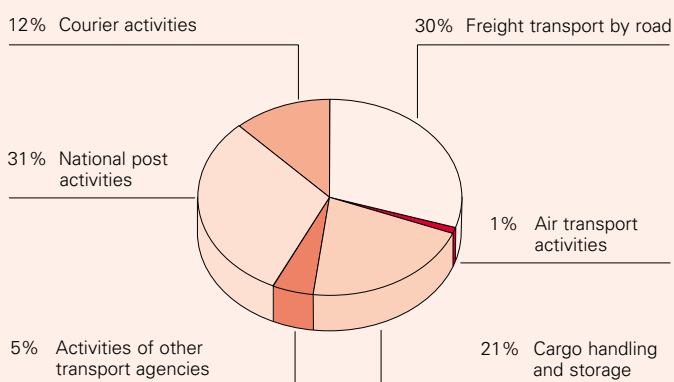
- Freight transport by road
- Air transport activities
- Cargo handling and storage
- Activities of other transport agencies
- National post activities
- Courier activities

More details on these sub-sectors can be seen in Annex I.

Figure 2.3 shows that 31% of employment in the logistics sector in Hertfordshire (approximately 4,400 jobs) is in the national post activities sub-sector. A further 30% of employees in the sector (around 4,300) work in freight transport by road and 21% work in cargo handling and storage (around 3,000 jobs).

**Figure 2.3**

**Employment by sub-sector – Hertfordshire**



Source: ONS Annual Business Inquiry, 2002

Note: Figures do not include the self-employed

## 3.0 The Current Workforce

This section profiles the current workforce and typical employment opportunities in the sector. It also looks at the current supply and demand for skills in the logistics sector.

### Key messages

- The logistics sector is dominated by male full-time employment.
- The logistics sector employs a large number of relatively low skilled process, plant and machine operatives and workers in elementary occupations.
- Around 39% of the logistics workforce is low skilled (6,100 workers) and a further 53% have intermediate level skills (8,200 workers). Around 15% of staff (2,300 workers) have no qualifications.
- Recruitment difficulties and skills gaps are less commonly reported by logistics employers in the East of England than in all industries in the region.
- Around 17% of logistics employers report skills gaps compared with 23% in all industries in the region.
- Team working skills (69%) and communication skills (54%) are the areas most in need of improvement in elementary occupations.
- Communication skills (64%) and customer handling skills (60%) formed the most common gaps among process, plant and machine operatives.
- Elementary occupations account for around 37% of employment in the sector but around 43% of skills gaps reported. Team working skills are the most frequently cited skill gaps for workers in these occupations.

Figure 3.2

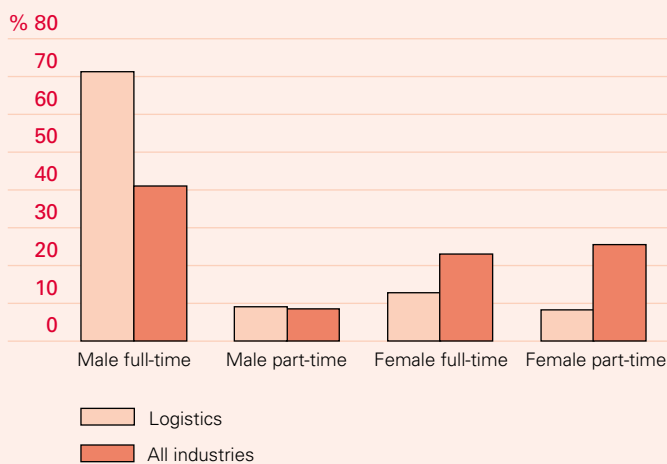
### Gender and employment status of logistics workers – district areas

	Male full-time (%)	Male part-time (%)	Female full-time (%)	Female part-time (%)
Broxbourne	67	10	13	10
Dacorum	72	6	15	7
East Herts	67	11	12	9
Hertsmere	64	13	13	11
North Herts	62	12	14	13
St Albans	76	10	10	5
Stevenage	69	8	14	9
Three Rivers	69	9	13	10
Watford	74	7	12	6
Welwyn Hatfield	74	7	13	6

Source: ONS Annual Business Inquiry, 2002  
Note: Figures do not include the self-employed

Figure 3.1

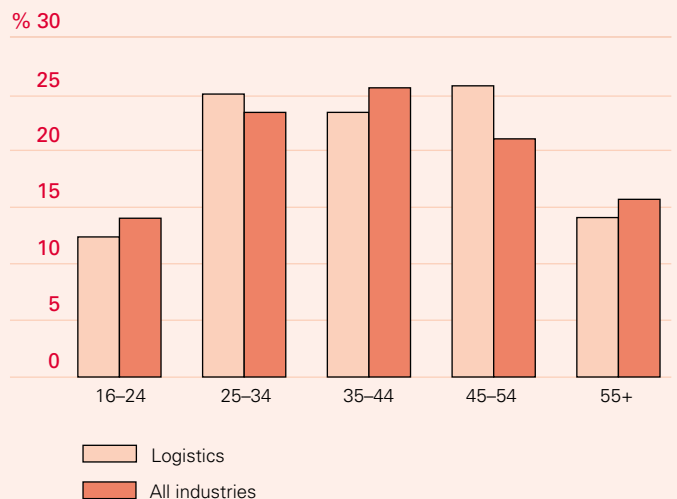
### Gender and employment status



Source: ONS Annual Business Inquiry, 2002  
Note: Figures do not include the self-employed

Figure 3.3

### Age breakdown of the sector – Hertfordshire



Source: ONS Labour Force Survey, Spring 2003. Inferred data  
Note: Figures include the self-employed

### Demographics of the sector

The logistics sector is heavily reliant on male labour. There are approximately 11,400 male employees in the Hertfordshire logistics sector, equal to around 80% of employees – compared with the average of 50% for all industries.

Around 12,000 logistics employees (84%) work full-time compared with 65% for all industries. Approximately 85% of those employed on full-time contracts are male.

Figure 3.2 shows that the employment structure of the logistics sector is broadly similar across the ten districts within Hertfordshire.

At a national level, employees from ethnic minority communities account for around 12% of employment in the sector, compared with 15% for all industries. Census 2001 data reveals that there is a smaller proportion of people from ethnic minority backgrounds in Hertfordshire than in England and Wales as a whole. We estimate that there are around 930 people from ethnic minority backgrounds working in the logistics sector in Hertfordshire (around 6% of the sector workforce). This is below the average for all industries (9%).

Figure 3.3 shows that the logistics sector in Hertfordshire has a higher proportion of workers aged between 45 and 54 than is found in all industries (26% compared with 21%). In the freight transport by road sub-sector, 50% of workers are aged 45 or older.

In the sector as a whole, there is a slightly below average proportion of workers in the 16–24 age group (12% compared

with 14%). However, only 9% of workers in the freight transport sector and 7% of process, plant and machine operatives are aged under 24 and it is likely that this reflects licensing and insurance restrictions for younger drivers.

### Occupational analysis

Figure 3.4 shows the broad occupational breakdown of employment in the sector. More than a third (37%) of all logistics employment in Hertfordshire is in elementary occupations (around 5,700 jobs). This is significantly higher than the proportion found across all industries (11%). Many of those in these occupations will work in goods or mail handling or storage.

Process, plant and machine operatives are also significant in the logistics sector and account for 27% of employment, equal to around 4,200 jobs. This reflects the importance of driving and machine operating occupations in the sector.

Unlike the other sectors analysed in this series the logistics sector has very few “sector specific” occupations, in which more than two thirds of employment is in the sector. As shown in Figure 3.5, the largest of these is postal workers, mail sorters, messengers and couriers, which accounts for around 20% of employment in the sector. Smaller specialist occupations only account for around 0.2% of sector employment in total.

However, despite the low number of sector specific occupations, there are some occupations in which a significant proportion of employment is within the logistics sector. For example, 54% of HGV drivers work in the logistics sector.

Figure 3.4

#### Broad occupational breakdown – Hertfordshire

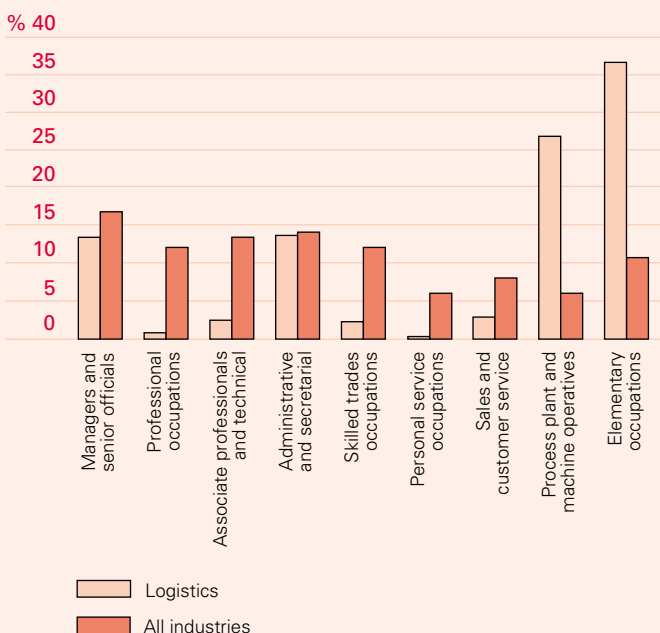


Figure 3.5

#### Employment in specialist occupations – logistics

Code	Occupation	% of sector employment	Estimated jobs in Herts
9211	Postal workers, mail sorters, messengers, couriers	20.1	3,100
-	Other sector specific	0.2	<100
-	Total sector specific	20.3	3,100

Source: ONS Labour Force Survey, Spring 2003. Inferred data.  
Totals may not sum due to rounding  
Note: Figures include the self-employed

**Figure 3.6****Employment in other significant occupations in logistics**

Code	Occupation	% of sector employment	Estimated jobs in Herts
8211	Heavy goods vehicle drivers	14.4	2,200
9149	Other goods handling and storage occupations n.e.c.*	12.3	1,900
8212	Van drivers	8.2	1,300
4134	Transport and distribution clerks	3	500
9134	Packers, bottlers, canners and fillers	2.9	500
1161	Transport and distribution managers	2.8	400
8222	Fork lift truck drivers	2.4	400
7111	Sales and retail assistants	2.2	300
4150	General office assistants or clerks	2.1	300
-	Other non sector specific	29.4	4,600
-	Total non sector specific	79.7	12,400

Source: ONS Labour Force Survey, Spring 2003. Inferred data.  
Totals may not sum due to rounding.  
\* n.e.c. = not elsewhere classified.  
Note: Figures include the self-employed

Figure 3.6 shows the other significant occupations in the logistics sector. As might be expected, other goods handling and storage occupations, HGV and van drivers form a significant proportion of the logistics workforce in Hertfordshire, accounting for over a third of sector employment (35%) between them. This is equal to around 5,400 jobs.

Sector based initiatives may be appropriate to develop the skills of many of the individuals employed in specialist occupations and others with a significant proportion of employment in the logistics sector and a requirement for "specialist" skills such as a HGV licence.

However, cross-sector initiatives to support workforce development may be more appropriate for other occupations shown in Figure 3.6.

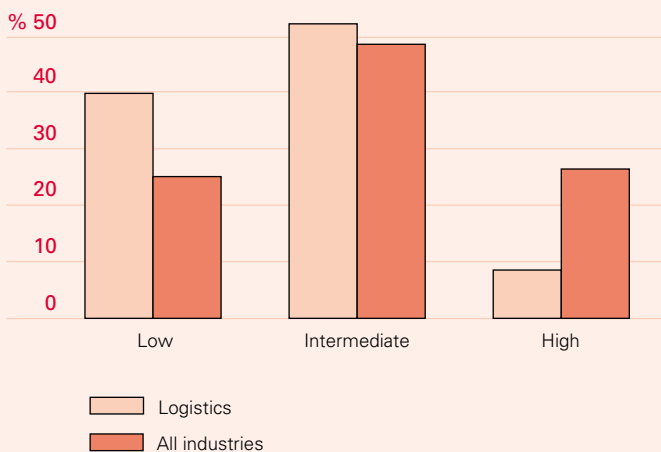
**Skills and qualification issues**

The analysis of skills in this paper uses qualifications as a proxy measure for skill level. Whilst this is not ideal, qualifications are the best measure available. Three broad skill levels are used:

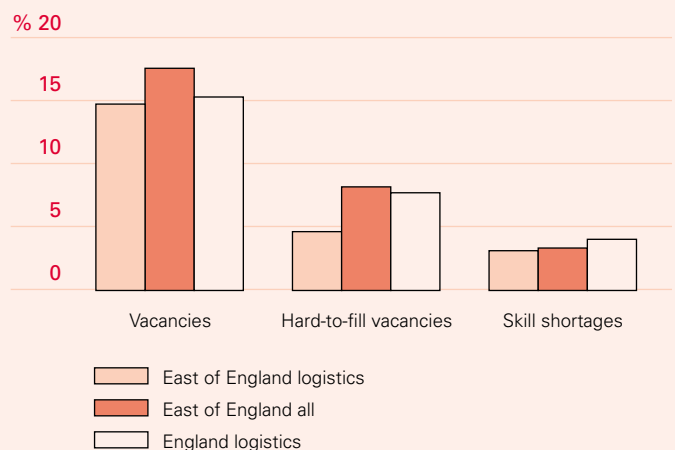
**Low skill** (NVQ 1 or less including those with no qualifications). Common skills requirements for these jobs at this level include basic literacy, numeracy and IT skills and a range of generic skills.

**Intermediate skill** (NVQ 2–3). Skill requirements in these occupations are often vocational or technical in nature. They may also require higher level generic skills including analytical and problem solving abilities.

**High skill** (NVQ 4+). These skills are important in managerial and professional and associate professional roles. They are sometimes technical in nature but usually require high level analytical, communication and people management skills.

**Figure 3.7****Skill levels – broad analysis – Hertfordshire**

Source: ONS Labour Force Survey, Spring 2003. Inferred data  
Note: Figures include the self-employed

**Figure 3.8****Recruitment difficulties and skill shortages**

Source: LSC National Employer Skills Survey, 2003. Inferred data.  
Note: Figures do not include the self-employed or businesses with only one employee

The LSC Hertfordshire Annual Plan 2004–05 highlights that overall the working population of Hertfordshire has the highest skills levels in the East of England.

Figure 3.7 illustrates the importance of intermediate level skills to the logistics sector, with over half of the workforce (around 53% or 8,200 workers) possessing skills at this level. Higher level skills are significantly less common in the sector than in all industries (8% compared with 26%) and a higher than average proportion of workers have low level skills (39% compared with 25%). This is equivalent to around 6,100 workers.

Within the logistics sector, around 15% of staff (2,300 people) have no qualifications, compared with 11% in all industries. The proportion of the workforce with no qualifications gives an indication of the likely extent of basic skills issues within the sector.

### Skills shortages and gaps

The National Employer Skills Survey (NESS) offers some insight into skills shortages (a lack of suitably skilled people in the labour market) and skills gaps (skills deficiencies in the existing workforce). It is important to note that the NESS does not include the self-employed or businesses with only one employee.

#### Skills shortages – recruitment difficulties

Figure 3.8 shows that vacancies are slightly less commonly reported by employers in the logistics sector in the East of England (15%) than by those in all industries in the region (18%) or by those in the logistics sector in England as a whole (16%).

East of England logistics employers were also slightly less likely to have hard-to-fill or skill shortage vacancies, with just 4% of organisations reporting hard-to-fill vacancies and 3% reporting skill shortages.

### Skills gaps

Around 17% of all logistics employers in the East of England (equal to around 790 business establishments in Hertfordshire) report skills gaps, compared with 23% for all industries in the region. However, 17% of logistics employers employing process, plant and machine operatives report skills gaps for this occupation, compared with 14% in all industries.

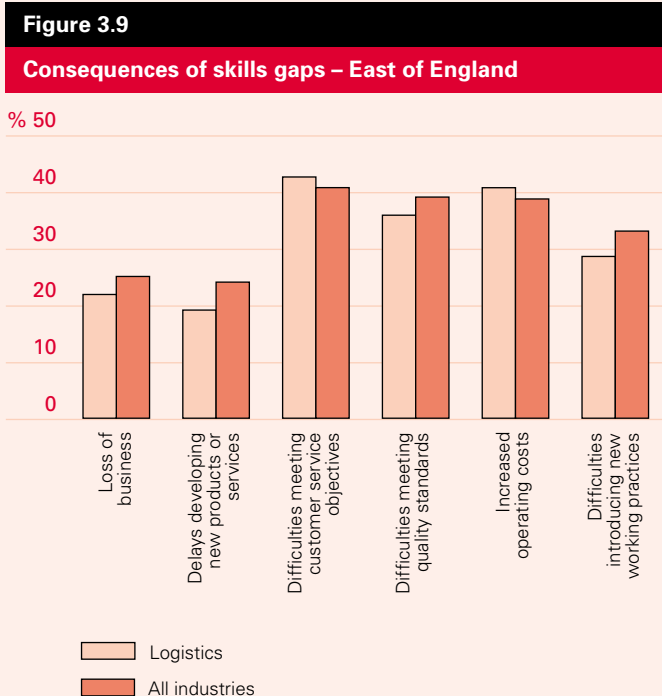
Figure 3.9 shows that employers in the logistics sector in the East of England were most likely to report difficulties meeting customer service objectives as a consequence of skills gaps, with 42% stating that they had experienced this problem. Increased operating costs were also commonly reported, with 41% of employers questioned citing this issue.

Figure 3.10 shows the incidence of skills gaps in the four largest occupational groups in the logistics sector, compared with the proportion of the workforce found in each occupation.

Around 43% of the skills gaps reported by employers in the logistics sector in the East of England are in elementary occupations. Skill gaps within this occupation are more common than might be expected from the proportion of the workforce employed in the occupation (37%).

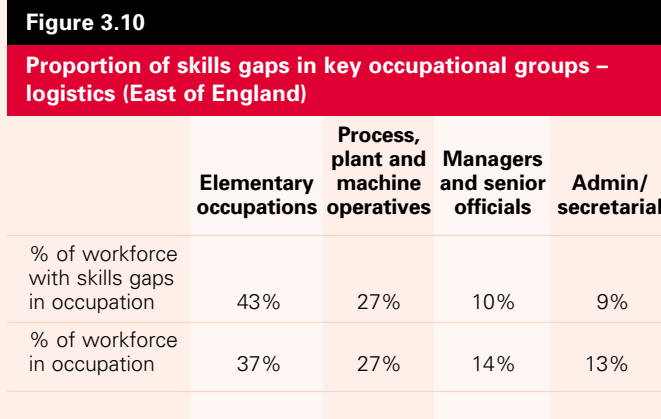
When asked about the skills that were lacking among those in elementary occupations (e.g. warehouse operatives and postal sorting workers) who are not fully proficient at their role, logistics employers were most likely to identify team working skills (cited by 69% of employers with skills gaps for this occupation) and communication skills (54%) as the areas most in need of improvement.

Communication skills (64%) and customer handling skills (60%) formed the most common gaps among process, plant and machine operatives.



Source: LSC National Employer Skills Survey, 2003.

Note: Figures do not include the self-employed or businesses with only one employee



Source: LSC National Employer Skills Survey, 2003 and ONS Labour Force Survey, Spring 2003.

Note: Figures do not include the self-employed or businesses with only one employee.

# 4.0 Workforce Dynamics

This section looks at the changing nature of employment in the sector, the sector's training activity and the implications for learning provision.

### Key messages

- Employment in the logistics sector declined between 2000 and 2002. However, future employment is forecast to grow strongly (an increase of 9% or an estimated 1,400 jobs by 2010).
- Staff turnover is a significant problem for the logistics sector. 20% of the logistics workforce changes each year (equivalent to around 3,100 workers).
- High labour turnover is likely to deter some employers from investing in further training for their staff. Workforce development strategies for the sector need to help maintain the supply of new recruits in the short term whilst encouraging more people to view the sector as a long term career option.
- Overall, training levels in the sector are relatively low with logistics workers at all skill levels less likely to undertake job related training than in all industries. This is not likely to be sufficient to turn around the skills gaps in the current workforce.
- Most of the training that is provided is the bare minimum required to do the job and comply with health and safety legislation.
- The main barriers to training reported are a lack of funding for training (reported by 41% of employers), lack of time for training (39%) and a lack of cover for training (33%).
- The volume of NVQ achievements is relatively poor and improvements need to be made if this is to become a significant route for new entrants.

**Figure 4.1**

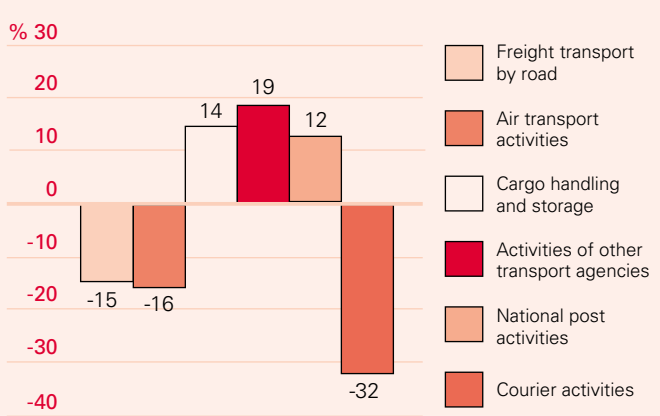
### Annual employment change 1998-2002 – Hertfordshire

	1998	1999	2000	2001	2002
Employment	14,953	16,743	15,870	15,916	14,293
% change from previous year	-	12%	-5.2%	0.3%	-10.2%

Source: ONS Annual Business Inquiry 1998, 2002  
 Note: Figures do not include the self-employed

**Figure 4.2**

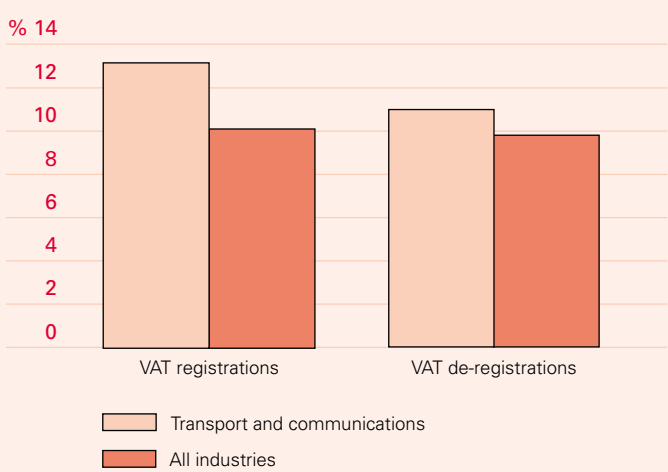
### Employment change 1998-2002 by sub-sector – Hertfordshire



Source: ONS Annual Business Inquiry 1998, 2002.  
 Note: Figures do not include the self-employed

**Figure 4.3**

### VAT registrations and de-registrations 2001-2002 – transport and communications – Hertfordshire



Source: NOMIS, VAT registrations/de-registrations by industry, 2002

The ABI suggests that employment in logistics within Hertfordshire was at a lower level in 2002 than in 1998, with an overall decrease of around 4% (700 jobs) during this period.

Figure 4.2 shows employment change in the sub-sectors of the Hertfordshire logistics sector between 1998 and 2002, and illustrates that there was significant variation between them. The largest decline in employment was in the courier activities sub-sector (decline of around 32% or 800 jobs). Freight transport by road and air transport activities also faced declines of around 15% each.

In comparison, the other sub-sectors grew over the period and all experienced employment increases of between 12% and 19%.

#### VAT registrations and de-registrations

VAT registrations and de-registrations also give an indication of sector growth and decline. Figure 4.3 shows VAT registrations and de-registrations as a percentage of business stocks at the end of the year.

[N.B: The data in Figure 4.3 relating to VAT registrations and de-registrations in 2002, has been gathered from NOMIS. The statistics only allow for analysis of 'Transport and Communications' and not the logistics sector in isolation. Therefore, the following statistics can only provide a broad idea about what is and has been happening in the logistics sector.]

Both VAT registrations and de-registrations are higher for the transport and communications sector than the average for all industries in Hertfordshire. Registrations account for a slightly greater proportion of business stocks (13%) than de-registrations (11%). This suggests that the net stock of businesses grew between 2001 and 2002 even though employment fell.

It should be noted that VAT registrations and de-registrations provide only an indication of what is going on in the sector. As well as businesses opening or closing down, the measures also include firms moving above or below the threshold for payment of VAT, currently £58,000 p.a. The measures do not take account of businesses below the VAT threshold so very small businesses are not included.

#### Projected employment change

The data in Figures 4.4 and 4.5 below, relating to forecast employment between 2004 and 2010, has been gathered from the Experian Business Strategies (EBS) forecasting model. The model uses its own sector definitions, of which 'Transport' is the closest match to the logistics sector as defined within this paper.

The EBS Forecasting model shows that, between 2004 and 2010, transport employment in Hertfordshire is expected to grow by around 9%. Applying this to the ABI/LFS data for the logistics sector, this equates to around 1,400 additional jobs.

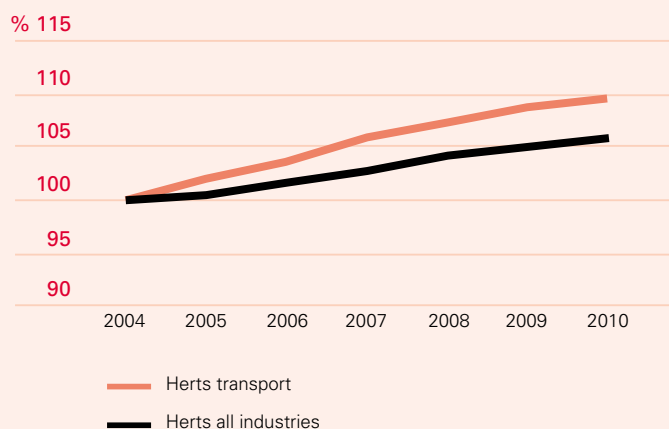
Figure 4.4 shows that the transport sector is set to see continuous annual increases in employment between 2004 and 2010. Furthermore, this annual growth is forecast to be above the rate for all industries in the county.

As shown in Figure 4.5, employment growth is forecast for the majority of occupations in the transport sector in the period between 2004 and 2010.

The most significant increases are expected in elementary occupations (13% or 740 logistics jobs), administrative and secretarial occupations (14% or 290 jobs) and process, plant and machine operative occupations (6% or 250 jobs).

**Figure 4.4**

#### Forecast employment in transport 2004–2010



Source: Experian Business Strategies Forecasting Model, 2003.  
Note: Figures include the self-employed

**Figure 4.5**

#### Forecasted employment change by occupation 2004–2010 – logistics (Hertfordshire)

Occupation (model categories)	% change in employment 2004–2010	Estimated logistics jobs in Herts
Managers and senior officials	10%	+210
Professionals	5%	+10
Associate professional and technical	17%	+60
Administrative and secretarial occupations	14%	+290
Skilled trades occupations	-4%	-10
Personal service occupations	13%	+10
Sales and customer service occupations	28%	+120
Process, plant and machine operatives	6%	+250
Elementary occupations	13%	+740

Source: Experian Business Strategies Forecasting Model 2003.  
Note: Figures include the self-employed.

### Employment flows

While projections suggest that new logistics jobs will be created in Hertfordshire, the majority of annual demand for new staff in any sector is to address natural turnover in the labour market, where people leave their current job through retirement, sickness and job changes for example.

The Labour Force Survey suggests that around 20% of the logistics workforce changes each year (equivalent to around 3,100 workers). This does not include people moving between jobs or sub-sectors within logistics. Therefore, turnover experienced by individual logistics employers may be even higher. Ensuring a constant supply of new labour and/or reducing labour turnover will be vital to the future success of the sector.

More than two thirds of those leaving logistics changed sectors (67%), with others leaving due to factors such as retirement, sickness and unemployment. The vast majority of those joining do so from another sector (80%), which may be partly due to insurance restrictions on the under 21s for some occupations.

### Newly qualified staff

In 2003, around 230 workers joined the Hertfordshire logistics sector from full-time education. Across the four colleges in Hertfordshire around 120 individual learners signed up for courses related to logistics in 2002/03.

Around 290 people completed or left logistics related Work Based Learning (WBL) programmes in 2003–2004. The majority were enrolled on Foundation Apprenticeships (73%) and 20% were undertaking Advanced Apprenticeships.

However, the volume of NVQ achievements is relatively poor and improvements need to be made if this is to become a significant route for new entrants.

Recent announcements<sup>5</sup> on the development of Apprenticeships could increase the importance of this route into the sector and include proposals to:

- Introduce 'Young Apprenticeships' to give more young people 'tasters' of vocational work and learning
- Extend the programme to offer more places to those aged over 25
- Improve the portability of programmes between employers.

### Training levels in the current workforce

The proportion of the sector's workforce reporting that they had undertaken job related training in the last three months is significantly lower than the level for all industries (14% compared with 27%).

Figure 4.7 shows that job related training is less common in logistics than the average for all sectors at all skill levels, with the largest difference for those with low level skills (5% compared with 15%). This will not help to address skills gaps within the sector.

Figure 4.8 shows that 42% of the logistics employers in the East of England questioned as part of the 2003 National Employer Skills Survey (NESS) (equal to around 470 employers in Hertfordshire) had funded or arranged training for their employees in the past 12 months, a lower level than the

<sup>5</sup> DfES Press Release 10 May 2004. 'New Apprenticeships will widen opportunity and boost business – Clarke'

**Figure 4.6**

#### Inflow and outflow 2002/3 – logistics

Inflow	%
Full-time education	6%
Changed sector	80%
Unemployment	6%
Other out of work (including family commitments etc.)	8%
Outflow	
Retirement	7%
Changed sector	67%
Unemployment	13%
Other out of work (including sickness, maternity etc.)	14%

Source: ONS Labour Force Survey, 2003. Inferred data.  
Note: Figures include the self-employed

**Figure 4.7**

#### Those undertaking job-related training in the past 13 weeks – Hertfordshire



Source: ONS Labour Force Survey, Spring 2003. Inferred data.  
Note: Figures include the self-employed

average for all sectors (57%). However, the proportion of those employers arranging training that supported learning towards a qualification was broadly in line with that for all industries (50% and 52% respectively). This may reflect training towards driving licences for different classes of vehicle.

Logistics employers are most likely to fund or arrange job specific (85%), health and safety (68%) or induction training (55%).

The most commonly reported barriers to developing and maintaining a skilled workforce are a lack of funding for training (reported by 41% of logistics employers), lack of time for training (39%) and a lack of cover for training (33%).

Given the high annual turnover of staff within the logistics sector it is perhaps surprising that the level of employers reporting high staff turnover as a barrier to developing and maintaining a skilled workforce is only slightly higher in logistics than in all industries (16% compared with 13% for all industries).

Business Link data suggests that in 2003/4, some 53 visits had been made to logistics establishments by business advisors, the majority of which were to businesses with between 1 and 9 employees (40%) or 10 and 49 employees (25%).

Investors in People (IiP) is a national quality standard that sets out a level of good practice for the training and development of people to improve business performance. Data supplied by Business Link reveals that one logistics establishment in Hertfordshire gained IiP recognition in 2003/4 and four were working towards the standard. Two out of the four logistics employers currently working towards the standard and the one employer to have achieved it employ more than 50 people.

**Figure 4.8**

**Establishment has funded job-related training in past 12 months – Hertfordshire**



Source: LSC National Employer Skills Survey, 2003.

Note: Figures do not include the self-employed or businesses with only one employee

## 5.0 Policy Dynamics

This section looks at the learning and skills representative bodies active in the logistics sector, their activities and their plans for the development of the sector. It also sets out the key issues and skills concerns for the sector that they have identified and the efforts they are making to try to address these issues.

### Key messages

- Skills gaps among junior and senior managers; literacy and numeracy problems among operatives and warehouse staff, and IT skills gaps among the workforce as a whole.
- Lack of confidence in the ability of current training supply system to deliver the appropriate skills required.
- The Regional Economic Strategy for the East of England aims to develop the sector strategically.

### Changing working practices

It is likely that there will be an increased need for licensed LGV drivers nationally in response to the EU 'working time directive', which will place caps on the number of hours that any driver may work in a week.

In addition, the EU Professional Driver Training Directive is due to be phased in between 2006 and 2009. This directive means that drivers of all vehicles over 3.5 tonnes will require the additional qualification of a Certificate of Professional Competence for Drivers<sup>6</sup>.

Government focus on making the road haulage industry more 'sustainable' has led to proposals that the Department for Transport will introduce taxation to the haulage industry through a distance based charge applicable to all lorries on UK roads. In order to minimise these additional costs, drivers may be required to operate new technologies such as satellite tracking and radio frequency identification chips to increase efficiency.

### Workforce development – national

Skills for Logistics, the Sector Skills Council (SSC) for the sector, was granted a five year licence in February 2004 by the Secretary of State for Education and Skills, Charles Clarke.

The SSC is charged with raising productivity and business performance across the logistics sector. Key sectoral issues and priorities for action identified by Skills for Logistics are outlined in Figure 5.1

<sup>6</sup> "Making the Case for the Road Haulage and Distribution Sector" – Road Haulage and Distribution Training Council Workforce Development Plan 2001–04

**Figure 5.1**

### Skills for logistics: strategic priorities

#### Key issues

- Skills shortages of LGV drivers and warehouse staff
- Poor record of employing women and people from ethnic minorities
- Skills gaps among junior and senior managers; literacy and numeracy problems among operatives and warehouse staff, and IT skills gaps among the workforce as a whole
- A lack of career progression routes
- A lack of confidence in the ability of the current training supply system to deliver the appropriate skills required
- Poor sector image exacerbating recruitment and skills problems
- Need for dissemination of good practice

#### Priorities for action

- Tackling LGV driver shortages with new training initiatives
- The launch of specially tailored training packages delivered by approved sector specialists

Source: [www.skillsforlogistics.org](http://www.skillsforlogistics.org).

With the expectation of significant change arising from government and EU policy, Skills for Logistics seek to ensure that skills shortages and gaps are being tackled. Work has already begun to confront shortages of LGV drivers with the introduction of a Logistics Skills Award for example. This Award is aimed at individuals aged 25 or older and places special emphasis on recruiting female trainees and ethnic minority entrants.

The scheme was developed in conjunction with the LSC and leads to an NVQ Level 2 in driving goods vehicles. Take-up of these schemes has been encouraging, and the SSC will extend similar initiatives to other areas of shortage.

Skills for Logistics is also currently working to develop a "Professional Development Stairway" for the sector. This tool aims to help employers to identify skills gaps and to enable the development of qualifications and training schemes relevant to the industry. It is hoped that it will provide a clear career path for new recruits and existing staff, increase retention and ensure the quality and relevance of training.

A generic stairway, covering all supply chains in the sector, is currently being tested as part of the consultation phase of the project, which is expected to last until summer 2005. Skills for Logistics then hope to build on this with more detailed stairways for different elements of the sector<sup>7</sup>.

The official go-ahead has now been granted for work to begin on a Sector Skills Agreement (SSA) for the logistics sector. These agreements are designed to allow employers in a sector to come together to identify their skills needs and to work

with training and education providers and other stakeholders, such as the LSC, to meet these needs.

Jobcentre Plus is also working to address driver shortages, using this as an opportunity to help out of work individuals to embark on a career in the logistics sector. As part of the New Deal, Jobcentre Plus works in partnership with logistics employers to help fund unemployed people to train to C+E licence standard, to prepare them for a work placement and ultimately full time employment<sup>8</sup>.

### **Workforce development – regional**

The East of England Regional Economic Strategy (forthcoming) recognises the need to capitalise upon the opportunities presented by developments expected in transport and logistics. This is identified within goal 6 of the strategy which is to make the 'most from the development of international gateways and national and regional transport corridors'. Figure 5.2 shows the five priorities related to strategic goal 6.

Work to address these priorities could have a significant effect on the Hertfordshire logistics sector. Employers could benefit from improvements to infrastructure and transport links for example but may need to make changes to adapt to strengthened environmental legislation. Developments to promote sea and rail freight transport could also have important implications for some parts of the sector.

<sup>7</sup> [www.trainingreference.co.uk](http://www.trainingreference.co.uk)  
<sup>8</sup> [www.rha.net](http://www.rha.net)

### **Figure 5.2**

#### **Priorities for achieving Goal 6 of the Draft RES**

- Taking advantage of the opportunities for airport expansion in the region
- Making the most of our gateways to the sea
- Promoting the delivery of strategic road, rail, and other public transport priorities for the region
- Ensuring that transport solutions serve economic growth in a sustainable manner
- Understanding and addressing the importance of transport links with London

Source: "Regional Economic Strategy for the East of England", EEDA, (Forthcoming).

## 6.0 Conclusions and Recommendations

This section sets out the workforce development priorities for logistics in Hertfordshire. It explores what is currently being done to address these priorities and what opportunities there may be for further action.

The logistics sector is currently characterised by low levels of job related training. This needs to change if the sector is to benefit from the opportunities presented by advancements in technology, respond to the increased need for customer interaction and comply with statutory requirements.

LSC Hertfordshire and its partners will need to work to prepare for the qualification requirements to be imposed by the EU Professional Driver Training Directive, which is to be phased in between 2006 and 2009. This will involve ensuring that employers are aware of how this will affect them and making sure that provision is available to enable staff to become suitably qualified.

In Section 1, three workforce development priorities for the logistics sector in Hertfordshire were proposed:

### **1. Use technological changes as an opportunity to encourage literacy, numeracy and IT training in the sector**

Technology, and in particular information technology, is likely to be one of the most important drivers of change in the logistics sector in future years. Advances in this area could potentially give rise to significant benefits for employers in the sector.

However, Skills for Logistics identifies IT skills gaps as a key issue relating to the sector's workforce as a whole and 20% of logistics employers in the East of England with skills gaps for elementary occupations reported that they felt that the IT user skills of these staff needed improving (compared with 14% in all industries).

It is likely that many of the IT user skills needed in the sector will be common to many other sectors (e.g. Windows and Microsoft Office training). However, it may be that there are common packages specific to the logistics sector (in terms of stock control and tracking, for example) that would benefit from the availability of local learning provision. Further investigation is needed to ascertain to what extent the skills needed are specific to the logistics sector.

The Sector Skills Development Agency (SSDA) is currently running a project investigating IT user skills issues in the manufacturing, process and logistics sectors. This will include interviews with employers and suppliers and a suite of trials to test possible solutions to the issues raised<sup>9</sup>.

As nearly two fifths (39%) of the sector's workforce do not have a Level 2 qualification, planned entitlement to Level 2 training presents an important opportunity to improve skills in this area.

In addition, 15% of workers in the sector have no qualifications at all (compared with 11% in all industries) and Skills for Logistics have identified literacy and numeracy problems as a priority for action. Employers also appear to recognise this issue, with 40% of those with skills gaps for elementary occupations reporting that literacy skills need to be improved.

Individuals with poor literacy and numeracy skills often find it hard to admit problems in these areas and to take steps to improve them due to feelings of social stigma. However, many people find it easier to admit to difficulties with IT skills (and to a lesser extent numeracy skills) than literacy skills and IT courses could be used as an opportunity to assess literacy training needs and to develop a seamless training offer that reduces feelings of isolation.

Logistics employers in the East of England also have a relatively poor record on funding or arranging training for their staff (42% compared with 57% in all industries) and this is the case for low skilled staff in particular. Only 5% of them had engaged in job related training in the last 13 weeks compared with 15% in all industries. Relating the need for training to developments in the sector such as integrated on line ordering and tracking systems for example could help employers to see the importance of this activity.

However, many employees in the sector are "mobile", spending time making deliveries for example, or are employed as shift workers. Training aimed at them needs to be flexible. One way for employers to attempt to address this issue could be through the Home Computing Initiative (HCI), which has already been taken on board by Royal Mail. This scheme is run by the DTI and allows employers to loan computers to staff to use at home as a tax-free benefit. The initiative aims to increase learning and training opportunities, boost IT skills and improve internal communications<sup>10</sup>.

### **2. Encourage the development of "interpersonal skills" such as communication, customer service and team working**

Increased direct contact between customers and many members of the logistics workforce is another major characteristic of the changing nature of the sector. In addition, increasing use of integrated systems is likely to increase the need for staff to communicate with their colleagues, including those who may not be physically nearby.

However, communication skills, customer handling skills and team working skills were identified by employers as the top three skill areas in need of improvement by staff not fully

<sup>9</sup> Cross Sector Progress – Live Projects Progress Report, Skills for Business Network, 2004

<sup>10</sup> DTI HCI website – [www.knowledgenetwork.gov.uk](http://www.knowledgenetwork.gov.uk)

proficient in their role. There appears to be a particular need to develop communication skills among process, plant and machine operatives, as nearly two thirds (64%) of employers with skills gaps for the occupation reported that they felt that these skills were in need of improvement, compared with 50% in all industries. The situation is similar with respect to customer handling skills. Half of logistics employers with skills gaps for process, plant and machine operatives identified these skills as being in need of improvement, compared with 39% in all industries.

The Level 2 entitlement could also prove valuable in this area as there are a number of qualifications available at this level that include the development of customer service skills alongside other knowledge relevant to work in the logistics sector. One example of this is the Carry and Deliver Goods (CDG) qualification. This NVQ qualification is aimed at staff delivering goods by light vehicle, van, pedal cycle or motorbike and covers working with others and customer service as well as skills such as planning routes and timing journeys<sup>11</sup>.

There is also evidence to suggest that driver shortages have encouraged some logistics employers to recruit increasing numbers of qualified drivers from overseas. It is likely that some of these workers may need English as a Second or Other Language (ESOL) training to improve their ability to communicate in English and this need is likely to become more pressing in light of the changes outlined above.

LSC Hertfordshire is not permitted to fund this training unless the recipients are EU citizens but they could help to signpost employers to appropriate training or funding sources.

### **3. Promote clear progression routes and develop the image of the sector as a career choice**

Recruitment difficulties are not generally reported by logistics employers in the East of England. However, these problems do appear to be an issue with respect to certain roles, for example some driving occupations.

Logistics also suffers from high labour turnover, with reports of poor perceptions of the sector as a career choice, especially among women and ethnic minorities.

Difficulty recruiting young people has historically been an important issue for the sector nationally, especially where insurance requirements restrict access to employment. In Hertfordshire, 50% of the workforce in the freight transport by road sub-sector is aged 45 or older and attracting new staff is likely to become even more of an issue as these workers approach retirement.

However, work is in progress to try to address some of these issues and LSC Hertfordshire should support and promote these schemes. Examples include apprenticeships aimed at traffic specialists, warehouse specialists, professional drivers and freight forwarding specialists and the Young Drivers

Scheme, run by Skills for Logistics. This scheme allows young people to gain specialised driving licences before reaching the age usually required to undertake this training.

While the logistics sector has a greater proportion of low skilled staff than the average for all industries, over 60% of the workforce have skills at Level 2 or above. Intermediate skills are particularly common in the national post activities and courier activities sub-sectors, where they are held by around 63% of the workforce.

Therefore, it will be important to ensure that bright new entrants continue to be attracted to the sector and LSC Hertfordshire should work with schools and other providers of careers advice to promote the image of the sector among potential new recruits, especially those who do not fit the "traditional profile" of sector workers.

Producing brief case studies of local women and people from ethnic minorities working in the sector could prove particularly effective promotional and careers material.

However, ensuring that once they enter the sector, workers have the opportunity to train and to move towards roles requiring greater levels of expertise and responsibility will be vital. The development of clear career paths will be essential to improving retention within the sector. LSC Hertfordshire and its partners should support and promote the work currently being undertaken by Skills for Logistics in this area.

Helping staff to feel valued is an important part of addressing retention issues and encouraging take up of Investors in People among employers in the sector could help here. Another example of an attempt to address this issue is the Department for Transport's "Drivers for Change" project. Originally supported by the Road Haulage Modernisation Fund, this project started with a pilot to develop an interactive benchmarking tool which allows employers to review their performance on a range of "respect for people" issues and assess themselves against others in the sector.

The project aimed to improve driver recruitment and retention by working towards improved conditions and employee relations and received strong support from the Transport and General Workers Union and the employers involved in the pilot. Once the Road Haulage Modernisation Fund came to an end, the Department for Transport undertook an evaluation of all the projects supported. The "Drivers for Change" project was selected as one of the most worthwhile and was allocated additional resources with the aim of developing voluntary workforce Key Performance Indicators (KPIs) for the sector. It is hoped that the scheme will be taken up by many more employers but it may be more suitable for larger businesses due to the time required to complete the benchmarking assessment<sup>12</sup>.

<sup>11</sup> Skills for Logistics website – [www.skillsforlogistics.org/nvq](http://www.skillsforlogistics.org/nvq)

<sup>12</sup> Review of the Road Haulage Modernisation Fund, Department for Transport, 2004

# Annex 1. Sector Description

## Logistics sector: SIC92 definition

### 62 and 6323 Air transport activities

Includes scheduled and non-scheduled air transport and other supporting air transport activities.

### 631 Cargo handling and storage

Includes cargo handling and storage and warehousing.

### 6024 Freight transport by road

### 6340 Activities of other transport agencies

### 6411 National post activities

### 6412 Courier activities other than national post activities

## Occupational job roles, SOC 2000 (nine key logistics roles)

### 9211 Postal workers, mail sorters, messengers, couriers

Workers in this unit group collect, receive, sort and deliver mail, documents, correspondence or messages, either between or within establishments.

There are no formal academic entry requirements. A medical examination may be required. Entrants complete short induction courses followed by a programme of off- and on-the-job training. NVQs/SVQs in Mail Operations are available at Levels 1 and 2.

#### Tasks

- collects mail from post boxes, receives parcels, and collects correspondence, documents and other material from individuals, offices or other establishments;
- sorts mail, parcels and other incoming and outgoing material for delivery, and maintains records of material received and despatched;
- delivers mail, parcels, correspondence and other materials to specified or agreed routes and schedules.

### 8211 Heavy goods vehicle drivers

Large Goods Vehicle (LGV) drivers (formerly HGV drivers), collect, transport and deliver goods in rigid vehicles over 7.5 tonnes, articulated lorries and lorries pulling trailers.

No formal academic entry qualifications are required. The LGV test incorporates a medical examination, theory test and assessed road driving. Candidates are normally at least 21 years old. NVQs/SVQs in Transporting Goods by Road are available at Level 2.

#### Tasks

- checks tyres, brakes, lights, oil, water and fuel levels and general condition of the vehicle;
- drives vehicle from depot to loading/unloading point;
- assists with loading/unloading and ensures that load is evenly distributed and safely secured;
- drives vehicle to destination in accordance with schedule;
- maintains records of journey times, mileage and hours worked;
- undertakes minor repairs and notifies supervisor of any mechanical faults.

### 9149 Other goods handling and storage occupations nec

Workers in this unit group convey household and office furniture, goods, equipment or other items in or near warehouses, slaughterhouses, shops, goods depots, etc., prepare requisitions or despatch documents of stocks held, accompany drivers of road vehicles, and perform other goods handling and storage related tasks not elsewhere classified.

There are no formal academic entry requirements. Training is typically provided on-the-job. NVQs/SVQs in Distribution and Warehouse Operations are available at Level 2.

#### Tasks

- loads and unloads goods from removal vans or delivery vehicles either by hand or using trolleys and lift trucks;
- packs furniture and household goods into crates and cartons for storage;
- undertakes the loading and unloading of goods and conveys goods about storage area.

### 4134 Transport and distribution clerks

Workers in this unit group perform various clerical functions related to the transport and distribution of goods and freight.

There are no minimum academic requirements, although entrants usually possess GCSEs/S grades. Training is usually provided on-the-job. NVQs/SVQs considering various aspects of road distribution and cargo operations are available at Levels 1, 2 and 3.

#### Tasks

- processes customer orders and forwards requisition documentation to storage and distribution personnel;
- formulates delivery loads, vehicle schedules and routes to be followed by delivery staff;
- monitors tachograph readings and maintains records of hours worked and distance travelled by drivers;
- obtains customs clearance and processes import and export documentation necessary for the movement of goods between countries.

### 9134 Packers, bottlers, canners, fillers

Workers in this unit group pack, wrap, fill, label and seal containers by hand or machine.

No academic qualifications are required. Training is typically provided on-the-job and varies according to the type of packing and product. Formal courses are run for specialist packing.

#### Tasks

- selects appropriate cylinder, ensures that there is no corrosion or other damage and fills with gas;
- fills tubes, ampoules, bottles, drums, barrels, bags, sacks, cans, boxes and other containers by hand using measuring/weighing aid or by positioning container under feeder spout;
- packs heavy goods in crates and boxes using hoist, mobile crane or similar lifting equipment;
- loads machine with packaging containers, materials, adhesive, etc., loads hopper with items to be packaged/wrapped, monitors filling, wrapping and packaging, adjusts controls as necessary and clears any blockages.

### 1161 Transport and distribution managers

Transport and distribution managers plan, organise, direct and co-ordinate the activities and resources necessary for the safe, efficient and economic movement of passengers and freight by road, rail, sea and air transport.

Candidates are recruited with a variety of academic qualifications and/or with relevant experience. Entrants to management trainee schemes offered by larger companies will require GCSEs/S grades, A levels/H grades, a degree or other equivalent qualifications. Off- and on-the-job training is provided. Professional qualifications are available. Legislation of the European Union requires all transport managers to hold a Certificate of Professional Competence (CPC).

#### Tasks

- plans the optimum utilisation of staff and operating equipment, and co-ordinates maintenance activities;
- examines traffic reports, load patterns, traffic receipts and other data.

**8212 Van drivers**

Van drivers collect, transport and deliver goods in vehicles up to 7.5 tonnes in weight.

There are no formal academic entry requirements. Entrants must possess a clean car driving licence. In order to drive vehicles between 3.5 and 7.5 tonnes, entrants must pass an additional test for a category C1 licence. NVQs/SVQs in Transporting Goods by Road are available at Level 2.

**Tasks**

- checks tyres, brakes, lights, oil, water and fuel levels and general condition of the vehicle;
- drives vehicle from depot to loading/unloading point;
- assists with loading/unloading and obtains receipts from customers for goods collected/delivered;
- drives vehicle to destination in accordance with schedule;
- maintains records of journey times, mileage and hours worked;
- undertakes minor repairs and notifies supervisor of any mechanical faults.

**8222 Fork-lift truck drivers**

Fork-lift truck drivers operate fork-lift trucks in factories, warehouses, storerooms and other areas to transfer goods and materials.

There are no formal academic entry requirements. Training is through accredited training schemes provided in-house or by manufacturers. NVQs/SVQs in Lift Truck Operations are available at Level 2.

**Tasks**

- operates controls to pick up load on forks;
- drives truck to unloading point and lowers forks to correct position on stack or ground;
- ensures that truck is connected to charger or is correctly refuelled for use;
- keeps records of work undertaken;
- cleans, oils and greases machine.

**7111 Sales and retail assistants**

Sales and retail assistants demonstrate and sell a variety of goods and services in shops, showrooms and similar establishments.

No minimum academic qualifications are required although some employers may require GCSEs/S grades. Training is typically provided on-the-job. Apprenticeships at NVQ/SVQ Level 3 and National Traineeships at NVQ Level 2 may be available. NVQs/SVQs in Retail Operations are available at Levels 1 and 2.

**Tasks**

- discusses customer requirements, including type and price range of goods/services desired;
- advises customer on selection, purchase, use and care of merchandise and quotes prices, discounts and delivery times;
- receives full or partial payment, writes bill, receipt or docket and packages merchandise for customer.



**Please clip  
your Action Plan  
here when we send  
it to you**



# Action<sup>4</sup>skills

Targeting the sectors  
vital to Hertfordshire's  
economy

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For more information visit [www.lsc.gov.uk/herts](http://www.lsc.gov.uk/herts)

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Hertfordshire