





## 1. Context

This paper is one of a series that outlines workforce dynamics and skills and training issues in key sectors in Kent and Medway and across the South East as a whole. The series sets out:

- The demographic and skill profile of the workforce in each sector
- The likely demand for and supply of new skills and workers, now and in the future
- The current and potential offer to the sector from the Learning and Skills Council (LSC)

In addition, an overview paper provides a review of skills needs and intelligence across the whole of the economy, including cross-sector skills issues.

For the purposes of this paper, the retail and wholesale sector includes retail, automotive retail and wholesale sub-sectors (See Appendix I). Where appropriate, analysis in the paper distinguishes between these three sub-sectors.

Two of the three sub-sectors broadly reflect the 'footprints' or types of employers represented by Sector Skills Councils: *Automotive Skills* and *Skillsmart*. In recognition of those activities that are not covered by the remit of any particular SSC, we have defined a third industry group; 'other wholesale'. In summary,

**Retail** (*Skillsmart* SSC) – *retail trade*

**Automotive Retail** (*Automotive Skills* SSC) – *Sale and renting of vehicle and vehicle parts, including maintenance and repair services.*

**Wholesale** (Non-SSC) – *wholesale trade*

**The data presented in this paper is for Kent and Medway unless otherwise indicated.**

### Economic context

The retail and wholesale sector is of major economic importance to both Kent and Medway and the South East as a whole, with an estimated output (Gross Value Added) worth £2.8 billion in Kent and Medway alone, some 14% of the sub-region's total output.<sup>4</sup>

Retail and wholesale businesses directly employ 130,300 people in Kent and Medway, with an additional 18,200 working on a self-employed basis (12% of the sector's overall workforce).

Key drivers for the retail sector include changes in consumer behaviour, globalisation, government regulation, advances in technology and demographic changes in the population.

Another driver of change is the increased use of the Internet to purchase goods. Those retailers based on the high street or who only offer a limited number of goods online, have felt the impact of this increase on their businesses.<sup>5</sup> Although there is currently no official figure as to the impact of Internet retail sales on traditional retail sales, the Centre for

Economics and Business Research estimates that in 2005 around 9% of sales were over the Internet<sup>6</sup>.

The retail sector is tied to the overall performance of the economy and more specifically, to household income and consumer spending. While the retail sector has continued to enjoy growth in sales volume, the sector is particularly susceptible to changes in interest rates and consumer confidence. Price competition is particularly strong within the retail sector, with profit margins increasingly being squeezed.

Retailers have responded to this squeeze through greater use and exploitation of the latest technology. This has contributed to productivity savings and helped to maintain profit margins in the face of depressed prices. With regard to automotive retail, it is widely recognised that vehicles produced in 2015 will require a very different and wider knowledge base to cover the broadening scope of technologies and materials involved.<sup>7</sup>

Customer service is an integral part of business strategy for any retailer wishing to differentiate themselves from their competitors. While some companies choose to offer an extensive customer service package, others choose to adopt a 'no frills' approach. Increased realisation of the need for consumer loyalty, coupled with higher consumer expectations, suggest that customer service skills will be particularly important to the future success of the sector.

Effective customer service provision is essential to business in the automotive retail sector, particularly where customers are drawn from a local area and dealers rely on repeat business. Franchised dealers are often pressurised by car manufacturers to maintain a consistent quality of customer service but stakeholders in the sector suggest that this is not being achieved.<sup>8</sup>

### Policy Context

The retail and wholesale sector has been identified as a priority by the Regional Skills for Productivity Alliance. The South East Sector Skills Prioritisation Framework study also confirmed that the sector is a priority for the region and for Kent and Medway; the latter with regard to its economic scale, potential for growth and current skill needs (See Section 4).

*Skillsmart* and *Automotive Skills* are responsible for articulating the demand for skills from employers and helping to broker appropriate solutions, including the design of new qualifications and standards where appropriate. Recently, SSCs have been asked to broker Sector Skills Agreements (SSAs) with learning providers and funding bodies to ensure that the supply of skills meets employer need.

In the absence of any fully developed Sector Skills Agreements, Figure 1.1 overleaf outlines a number of priorities for both *Skillsmart* and *Automotive Skills*. Further details of the SSAs and the LSC's contribution to the agreement are outlined in Section 5.

<sup>4</sup> National Statistics 2005 Region in Figures (GVA 2002).

<sup>5</sup> [www.bbc.co.uk](http://www.bbc.co.uk), Festive boom for online shopping, 20 January 2006. Second Edition 2006

<sup>6</sup> The CEBR forecasting eye, Invisible consumers adding £1 bn to UK plc this year, 20 October 2005.

<sup>7</sup> *Automotive Skills* (2005) 'Automotive Live: Sector Skills Agreement-Summary of Debates'.

<sup>8</sup> *Ibid* (2005).

**Figure 1.1 SSC Priorities**

Skillsmart Retail	Automotive Skills
<ul style="list-style-type: none"> <li>• Delivery of a skills and qualifications framework to dispel misconceptions over available career opportunities</li> <li>• Develop a sector strategy to promote the sector</li> <li>• Ensure recognition from key funding bodies</li> <li>• Secure business support for small retailers by influencing funding bodies and facilitating cost effective provision</li> </ul>	<ul style="list-style-type: none"> <li>• Identify and reduce skill shortages</li> <li>• Attract new recruits into the industry and develop the skills of the workforce</li> <li>• Influence Government and its agencies to respond positively to the needs of the sector</li> <li>• Encourage learning providers to be more responsive</li> <li>• Develop capability, capacity and competence to fulfil key responsibilities to stakeholders</li> </ul>

Source: Skillsmart retail (2006) Annual Review 2004/2005; Automotive Skills (2004) Strategic Plan 2004-2007.

## 2. Sector Profile

### Regional Overview

There are around 811,300 retail and wholesale sector workers in the South East of England. More than 710,000 are directly employed by one of the region’s 73,400 business establishments and a further 100,600 workers are estimated to be self-employed (12% of the overall workforce).

The sector accounts for around 20% of all employees in the South East. Across the region the highest concentrations of retail and wholesale employment can be found in Kent and Medway and Sussex.

Some 85% of retail and wholesale business establishments in the region are micro-businesses, employing between 1 and 10 people. This is in line with the proportion for all industries.

Female employees make up slightly more than half of the workforce (51%), with part-time working arrangements representing almost two thirds of all workers (63%).

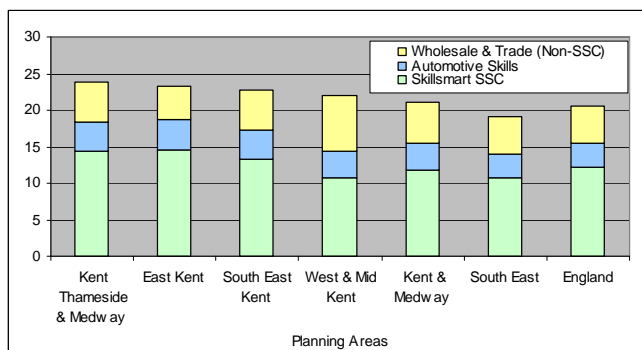
### Retail and Wholesale in Kent and Medway

There are **14,300 retail and wholesale business establishments in Kent and Medway**, accounting for 21% of the total business base. This is slightly higher than the proportion found regionally (19%).

A significant proportion of businesses in the sector are small. Nearly nine in ten (86%) of all businesses in the sector are micro enterprises (employing 10 or fewer people). This proportion is broadly in line with the size profile across all industries (85%).

Figure 2.1 shows that the sector accounts for between 11% and 14% of all business establishments across each of the four LSC partnership planning areas in Kent and Medway<sup>9</sup>. West and Mid Kent has a particularly high concentration of businesses in the wholesale sub-sector.

**Figure 2.1: Business establishments by area**



Source: ONS Annual Business Inquiry 2004. Note figures do not include the self-employed. Total establishment figures exclude farm based agriculture data in SIC92 class 0100.

The retail trade sub-sector (*Skillsmart*) is the largest of all three sub-sectors, accounting for 12% of all establishments in Kent and Medway (see Figure 2.2). The wholesale sub-sector is larger than the automotive retail sub-sector.

<sup>9</sup> East Kent (Canterbury, Swale and Thanet); South East Kent (Ashford, Dover and Shepway); Kent Thameside and Medway (Dartford, Gravesham and Medway); West and Mid-Kent (Maidstone, Sevenoaks, Tonbridge and Malling and Tunbridge Wells)  
Second Edition 2006

**Figure 2.2: Establishments by sub-sector**

	% of all business establishments		
	Kent and Medway	South East	England
Automotive Skills	4	3	3
Skillsmart	12	11	12
Other wholesale not covered by an SSC	6	5	5

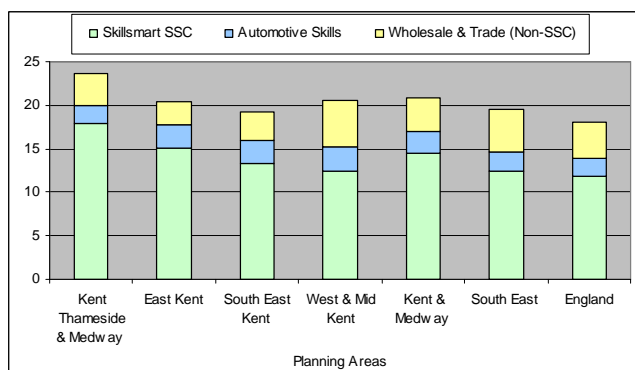
Source: ONS Annual Business Inquiry 2004. Note figures do not include the self-employed.

### Employment

There are **130,300 retail and wholesale sector employees in Kent and Medway**, accounting for 21% of total employment. This is marginally higher than the proportion found both regionally (20%) and across England as a whole (18%). **An additional 18,200 self-employed people** work in the sector in Kent and Medway.

Figure 2.3 shows that retail and wholesale accounts for between 19% and 24% of employment in each of the four LSC partnership planning areas. The proportion of retail and wholesale employment is greatest in Kent Thameside and Medway.

**Figure 2.3 Retail and wholesale employment by area**



Source: ONS Annual Business Inquiry 2004. Note figures do not include the self-employed. Total employment figures for planning areas exclude farm based agriculture data.

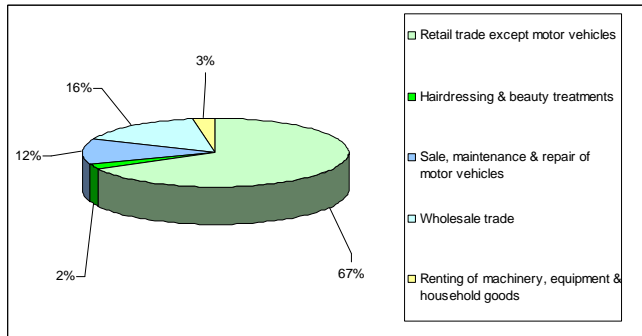
Numerically, West and Mid-Kent<sup>10</sup> accounts for the greatest number of employees in the sector (33% or 43,100), followed by Kent Thameside and Medway (29%) or 37,200).

Micro and small businesses are more common in the retail and wholesale sector (55%) as compared with the average for all industries in Kent and Medway (51%). *Owners and managers of small and micro-businesses are often difficult to engage in workforce development initiatives. For many the difficulty is as much to do with providing cover for people engaged in learning and replacing lost income as the direct cost of training.*

As shown in Figure 2.4 (overleaf), more than two thirds (69% or 90,100) of employees work within the retail (*Skillsmart*) sub-sector, which includes retail trade (67%) and hairdressing and beauty treatments (2%).

<sup>10</sup> The West and Mid Kent planning area accounts for the greatest number of employees as it has a greater geographic area.

**Figure 2.4: Employment by sub-sector**



Source: ONS Annual Business Inquiry 2004. Note figures do not include the self-employed.

At minor sub-sector level, we can see that one quarter (27%) or 35,100 employees are employed in activities relating to the retail sale of food and beverages (see Figure 2.5). This is the only minor sub-sector that accounts for more than 10% of total employment in retail and wholesale.

**Figure 2.5: Employees by minor sub-sector**

Minor Sub-Sector	% of sector employees	No of employees
<b>Skillsmart</b>		
Retail sale in non-specialised stores with food, beverages or tobacco predominating	27	35,100
Other retail sale in specialised stores	8	10,100
Retail sale of clothing	8	10,100
Other retail sale in non-specialised stores	7	9,700
Retail sale of hardware, paints and glass	3	4,100
Hairdressing and other beauty treatments	2	3,000
Retail sale of furniture, lighting equipment and household articles not elsewhere classified	2	2,300
Retail sale of electrical household appliances and radio and television goods	2	2,200
Retail sale of books, newspapers and stationery	2	2,100
Retail sale of footwear and leather goods	2	2,000
Dispensing chemists	1	1,600
Other Skillsmart	6	7,800
<b>Total for sub-sector</b>	<b>69</b>	<b>90,100</b>
<b>Automotive Skills</b>		
Sale of motor vehicles	6	7,200
Maintenance and repair of motor vehicles	4	5,700
Sale of motor vehicle parts and accessories	2	2,100
Renting of automobiles	0	400
Sale, maintenance and repair of motorcycles and related parts and accessories	0	300
<b>Total for sub-sector</b>	<b>12</b>	<b>15,700</b>

<b>Wholesale and Trade (Non SSC)</b>		
Non-specialised wholesale of food, beverages and tobacco	2	2,500
Wholesale of wood, construction materials and sanitary equipment	2	2,300
Wholesale of other household goods	2	2,200
Other wholesale	2	2,100
Wholesale of fruit and vegetables	1	1,200
Wholesale of other machinery for use in industry, trade and navigation	1	1,800
Renting of construction and civil engineering machinery and equipment	1	1,500
Other Wholesale and Trade (non-SSC)	8	10,300
<b>Total for sub-sector</b>	<b>19</b>	<b>23,900</b>
<b>Total retail and wholesale</b>	<b>100</b>	<b>129,700</b>

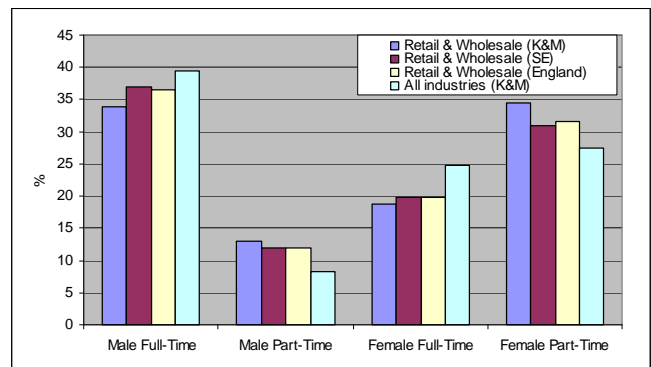
Source: ONS Annual Business Inquiry 2004. Figures do not include the self-employed.

**The current workforce**

More than half (53%) of employees in the sector are female, compared with 52% across all industries. Employment at regional and national level within the sector is also slightly more female dominated (51% and 52% respectively).

Part-time working is more prevalent within the retail and wholesale sector compared with the average across all industries, representing almost half of all workers (48% and 36% respectively). Furthermore, female workers are far more likely to be working on a part-time basis than their male counterparts. Around 35% of females work on a part-time basis compared with only 13% of male workers.

**Figure 2.6: Gender and employment status**



Source: ONS Annual Business Inquiry 2004. Note figures do not include the self-employed.

Female workers are more common in the retail (*Skillsmart*) sub-sector (64%), while the automotive retail (75%) and the wholesale (66%) sub-sectors are predominantly male. The majority of workers in the retail sub-sector are employed on a part-time basis (62%). In contrast, the automotive retail and wholesale sub-sectors are predominantly served by full-time workers (84% in both sub-sectors).

Evidence<sup>11</sup> from *Automotive Skills* suggests that the under-representation of women in the automotive retail sub-sector has contributed to a shortage of skilled workers. The SSC is

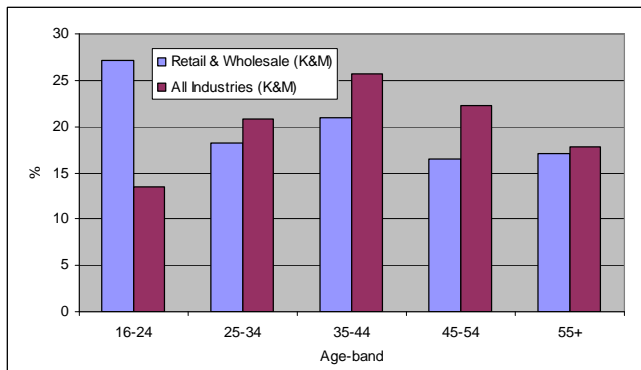
<sup>11</sup> [www.automotiveskills.org.uk/auto/control/Automotivate](http://www.automotiveskills.org.uk/auto/control/Automotivate) (Date accessed 13/03/06).

therefore committed to the promotion of automotive retail careers to women.

At a national level, ethnic minority communities account for around 13% of the sector's workforce, which is in line with the figure for all industries. Census 2001 data reveals that there are a smaller proportion of people from ethnic minority backgrounds in Kent and Medway than in England as a whole (6% compared with 13%). We estimate that there are around 8,900 people from ethnic minority backgrounds working in the retail and wholesale sector in Kent and Medway.

As shown in Figure 2.7, a significant proportion of workers in the retail and wholesale sector are aged between 16 and 24, 27% compared with 14% in all industries. The retail sector is an attractive route for many young people looking for their first job. Indeed, almost half (49%) of all 16-24 year olds employed in the sector are enrolled on a part-time or full-time educational course.

**Figure 2.7: Workforce Age Profile**



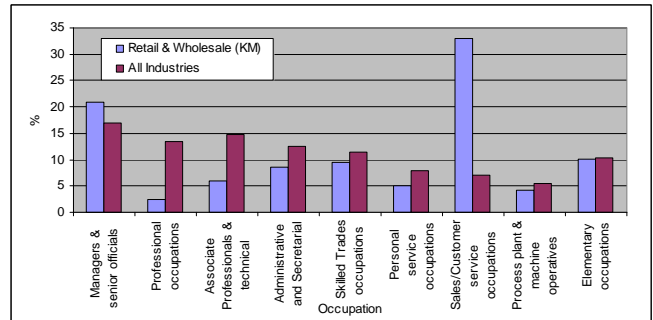
Source: Labour Force Survey Spring 2005. Inferred data. Note figures include the self-employed.

Although the sector attracts a significant number of young people, it suffers from an inability to recruit and retain high quality candidates. Young people often hold a negative view of the sector, particularly with regard to a perceived lack of career opportunities. *Skillsmart* has responded to this issue with the development of a Skills Map, which outlines progression routes and identifies career pathways. This work is further supported with a range of promotional literature aimed at engaging with students in FE and HE<sup>12</sup>.

**Occupational profile**

Around 33% or 49,000 retail and wholesale jobs are within sales and customer service occupations (see Figure 2.8), a far greater proportion than that found across all industries (7%). A further 21% work as managers and senior officials in the sector, equivalent to around 31,200 jobs.

**Figure 2.8: Broad occupational breakdown**



Source: Labour Force Survey Spring 2005. Inferred data. Note figures include the self-employed.

Figure 2.9 shows that around 58% of those employed in retail and wholesale work in 'sector specific' occupations (approximately 86,000 jobs). These are occupations where over two thirds of employment is within retail and wholesale and where sector based initiatives might be particularly appropriate. The proportion of sector specific occupations varies significantly across the three sub-sectors of retail and wholesale. Around 72% of jobs in the retail (*Skillsmart*) sub-sector are sector specific, compared with only 12% in wholesale (non-SSC).

**Figure 2.9: Specialist retail and wholesale occupations**

Occupation	Est. jobs in Skillsmart SSC	Est. jobs in Automotive Skills SSC	Est. jobs in Other Wholesale	% of retail and wholesale jobs
7111 Sales and retail assistants	32,000	1,700	700	23
1163 Retail and wholesale managers	8,500	800	1,400	7
7112 Retail cashiers/check-out operators	6,900	500	-	5
5231 Motor mechanics, auto engineers	100	6,800	-	5
6221 Hairdressers, barbers	5,700	-	100	4
9251 Shelf fillers	5,600	-	-	4
1234 Shopkeepers, wholesale and retail dealers	2,800	300	500	2
1232 Garage managers and proprietors	-	1,600	-	1
Other sector specific	9,000	500	500	7
<b>Total sector specific</b>	<b>70,600</b>	<b>12,200</b>	<b>3,200</b>	<b>58%</b>
	<b>72%</b>	<b>58%</b>	<b>12%</b>	

Source: Labour Force Survey Spring 2005. Inferred data. Note figures include the self-employed. Totals may not sum due to rounding. \* Not elsewhere classified. Note: fields marked with '-' represent figures which are negligible given the sample sizes involved.

Sales and retail assistant occupations account for the largest proportion of the overall workforce (23%). Other significant specialist occupations include retail and wholesale managers (7%) and retail cashiers/checkout operators (5%).

<sup>12</sup><http://www.skillsmartretail.com/main.asp?level1=5andlevel2=1andlevel3=3> (Date accessed 13/03/06).  
Second Edition 2006

Occupations that are not specific to retail and wholesale and where cross sector initiatives to support workforce development may be more appropriate are outlined in Figure 2.10.

**Figure 2.10: Employment in other occupations**

Occupation	Est. jobs in Skillsmart SSC	Est. jobs in Automotive Skills SSC	Est. jobs in Other Wholesale	% of retail and wholesale jobs
1132 Marketing and sales managers	1,600	800	2,300	3
9149 Other goods handling and storage occupations n.e.c.*	2,300	200	1,800	3
4150 General office assistants or clerks	1,800	600	1,200	2
4122 Accounts wages clerks, bookkeepers	1,000	500	1,500	2
3542 Sales representatives	1,000	700	1,100	2
7212 Customer care occupations	1,700	200	300	2
8212 Van drivers	700	800	300	1
1152 Office managers	400	100	1,300	1
7129 Sales related occupations n.e.c.*	800	-	900	1
Other non sector specific	16,300	4,900	13,000	24
Total non sector specific	27,600	8,800	23,700	41%
	28%	42%	88%	

Source: Labour Force Survey Spring 2005. Inferred data. Note figures include the self-employed. Totals may not sum due to rounding. \* Not elsewhere classified. Note: fields marked with '-' represent figures which are negligible given the sample size involved.

Marketing and sales managers are the single largest non-sector specific group, accounting for around 3% of all jobs in the sector.

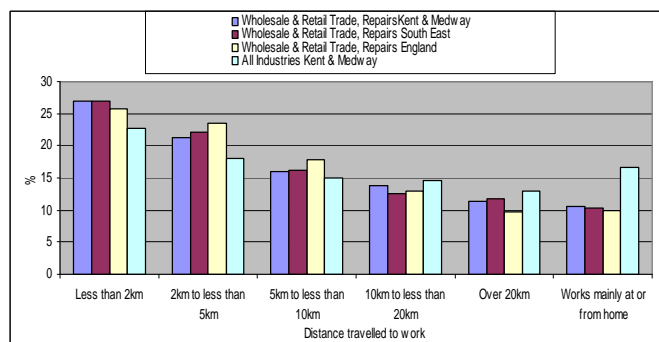
### Commuting

Analysis of the 2001 Census reveals that currently around 92% of those working in the retail and wholesale<sup>13</sup> sector in Kent and Medway also live in the area. The proportion of workers living and working in the same area is highest within South East Kent (81%) and lowest in West and Mid Kent (57%).

In general, commuting is more common amongst higher paid occupations (i.e. managerial and professional occupations). Lower skilled workers are more likely to live and work in the same area.

Figure 2.11 shows that 48% of retail and wholesale employees commute less than 5kms to work, while one quarter (25%) travel for more than 10kms.

**Figure 2.11: Distance travelled to work**



Source: ONS Census 2001, Standard Tables, Workplace population.

Around 11% of workers in the sector in Kent and Medway report that they work from home, a lower proportion than that for all industries (17%).

<sup>13</sup> Census 2001 data only allows for analysis of 'retail and wholesale' in the broadest terms and therefore should only be used as a guide to the situation in the sector.

### 3. Sector Skills Issues

#### Regional Overview

Between 2006 and 2014, employment in the sector is forecast to grow by around 9% across the region. To understand total employment change within the sector it is also necessary to look at labour turnover rates. Labour turnover rates in the retail and wholesale sector are amongst the highest of any industry, with replacement demand also likely to generate a significant requirement for new entrants into the sector.

The NESS offers some insight into sector **skill shortages** (a lack of suitably skilled people in the labour market) and **skill gaps** (skill deficiencies in the existing workforce).<sup>14</sup>

The National Employer Skills Survey (NESS) suggests that 17% of retail and wholesale employers in the South East have unfilled vacancies. Of these, around 44% are considered to be hard to fill and over a quarter (27%) are considered to be skill shortage vacancies, where there was a lack of suitably skilled candidates within the labour market.

Some 22% of sector employers report skill gaps within their existing workforce. The most commonly reported cause of skill gaps in the sector was a lack of experience and/or a worker having been recruited only recently.

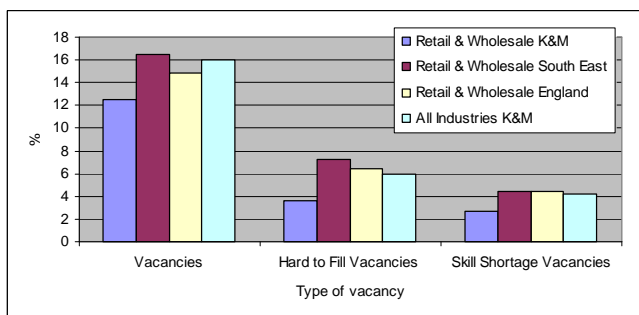
More than three fifths of retail and wholesale employers (63%) have funded or arranged job-related training for their employees over the past 12 months. As in many industries, the likelihood of having undertaken job-related training increases with the skill level of the employee.

#### Skill needs in Kent and Medway

As shown in Figure 3.1, retail and wholesale employers in Kent and Medway are significantly less likely to report vacancies, hard to fill vacancies and skill shortage vacancies. Hard to fill vacancies are reported by only 4% of employers in Kent and Medway compared with 6% in all industries.

Employers in the retail (*Skillsmart*) and automotive retail (*Automotive skills*) sub-sectors are slightly less likely to have skill shortage vacancies than employers in the wholesale (non-SSC) sub-sector (2% and 3% compared with 4% respectively).

**Figure 3.1: Skill Shortages**



Source: NESS 2005. Note figures do not include the self-employed or businesses with only one employee.

<sup>14</sup> The NESS does not include the self-employed or businesses with only one employee. Second Edition 2006

Skill gaps are more common in the retail and wholesale sector than in the economy as a whole (21% of employers have skill gaps compared with 17% in all industries). Figure 3.2 shows that this proportion is marginally lower than the regional sector average (22%) but higher than the national sector average (18%).

Skill gaps are most frequently cited by employers in the retail sub-sector (22%), higher than that found in both the automotive retail and wholesale sub-sectors (18%).

Research undertaken by *Automotive Skills* found that the main areas of skill gaps identified by employers are technical skills, management skills and generic skills, such as customer service, sales, stock management and life skills<sup>15</sup>.

**Figure 3.2: Skill Gaps (% of employers)**

	Kent and Medway	South East	England
Retail and Wholesale	21	22	18
Skillsmart	22	23	19
Automotive Skills	18	21	19
Wholesale and Trade (Non-SSC)	21	19	15
All Industries	17	18	16

Source: NESS 2005. Note figures do not include the self-employed or businesses with only one employee.

Retail and wholesale employers within the South East are most likely to report that the impact of skills gaps has been an increase in the workload for other staff (71%), followed by increased operating costs and difficulties meeting quality standards (35% and 34% respectively).

**The most commonly cited cause of skill gaps in the retail and wholesale workforce is staff lacking experience and/or having only recently been recruited** (76% of sector employers with skill gaps).

**Figure 3.3: Skill gaps by occupation**

	Managers and senior officials	Sales/Customer services	Elementary occupations
% of workforce with skills gap in occupation	9	55	18
% of workforce in occupation	20	34	11

Source: NESS 2005. Note figures do not include the self-employed or businesses with only one employee.

Figure 3.3 shows the incidence of skill gaps in the three largest occupational groups in the retail and wholesale sector compared with the proportion of the workforce found in each occupation. Around 55% of skill gaps identified by employers in the sector are related to sales and customer service occupations. They are more common than might be expected from the proportion of the workforce employed in the occupation (34%).

<sup>15</sup> Automotive Skills (2004) Strategic Plan 2004-2007.

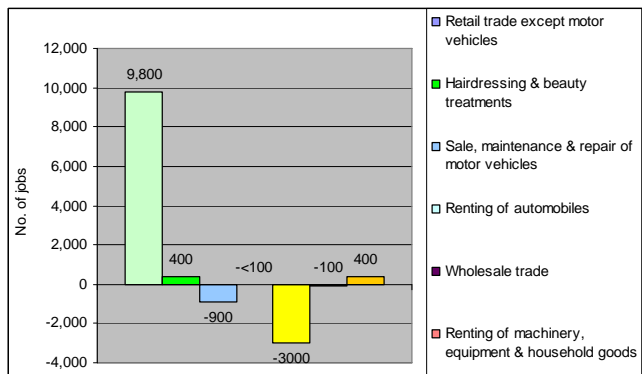
Skills gaps are more likely in elementary occupations (18%), while managers and senior officials account for a lower than expected proportion of skill gaps in the sector (9%).

**Employment Change**

**Between 1999 and 2004, employment in the retail and wholesale sector in Kent and Medway increased by 6% (7,100 jobs).** The corresponding figure for the South East is 4% and for England 8%.

Analysis at sub-sector level shows that the retail sub-sector experienced positive growth of around 13% or 10,200 jobs (see Figure 3.4), while the automotive and wholesale sub-sectors were both in decline (-6% or 900 jobs and -11% or -2,700 jobs, respectively).

**Figure 3.4: Employment change 1999-2004 by minor sub-sector**

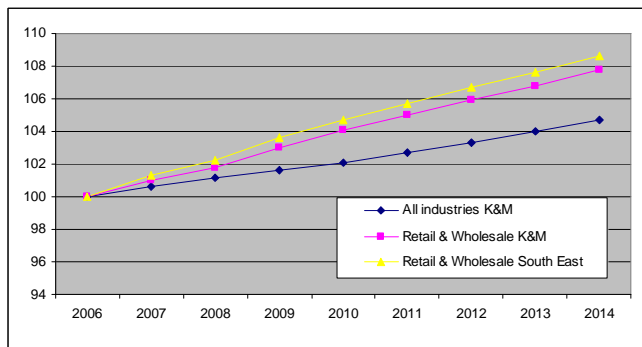


Source: ABI 1999 and 2004. Note: Figures do not include the self-employed. Figure omits wholesale of computers, computer peripheral equipment and software, other office machinery and equipment, other electronic parts and equipment and other machinery for use in industry, trade and navigation due to SIC inconsistencies.

Strong employment growth in the Kent and Medway retail sub-sector was reflected at both regional and national level. Declines in automotive retail and wholesale sub-sectors however, were significantly less acute across England as a whole (-2% and -4% respectively).

As shown in Figure 3.5, **employment in the retail and wholesale sector will rise by around 8% (12,000 workers) between 2006 and 2014.** While similar to the sector across the South East, the rate of employment growth is significantly higher than that for all industries.

**Figure 3.5: Forecast employment 2006-2014**



Source: IER/Warwick, Working Futures 2.

Figure 3.6 shows that personal service occupations within the retail and wholesale sector are expected to experience the most significant rate of employment growth during this period (39% or an additional 2,200 jobs in Kent and Medway).

However, due to its importance in the overall share of employment in the sector, growth in sales and customer service occupations is expected to create the largest number of additional jobs (5,500).

In contrast, employment in administrative and secretarial and elementary occupations is expected to decline by around 13% and 8%, respectively.

**Figure 3.6: Forecast employment by occupation**

Occupation	% change in employment 2006-2014	Estimated Jobs in K&M
Managers and Senior Officials	14	3,800
Professional occupations	13	500
Associate Professional and Technical	11	1,300
Administrative and Secretarial	-13	-1,600
Skilled Trades Occupations	-1	-100
Personal Service Occupations	39	2,200
Sales and Customer Service Occupations	13	5,500
Machine and Transport Operatives	11	800
Elementary Occupations	-8	-1,100

Source: IER/Warwick University, Working Futures 2.

Whilst overall retail and wholesale employment is expected to increase in Kent and Medway, this expansionary demand for employment will be dwarfed by the annual demand for new staff required to address natural turnover within the sector (replacement demand). In fact, it is estimated that the average rate of labour turnover in the retail sub-sector is currently at around 40%, a level that is amongst the highest across all industries.<sup>16</sup>

**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 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.

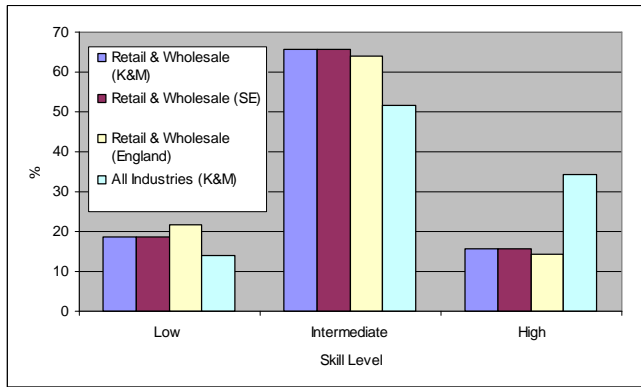
**High skill** (NVQ 4+). These skills are important in managerial and professional and associate professional roles. They are sometimes technical in nature but usually require high level analytical, communication and people management skills.

Two thirds of all workers in the retail and wholesale sector (around 99,200 people) possess intermediate level skills (see Figure 3.7).

High level skills are less common than in all industries (16% compared with 35%) and around 19% have low level skills.

<sup>16</sup> Skillsmart retail (2004) Annual Review 2004/05.

**Figure 3.7: Skill Levels – Broad Analysis**

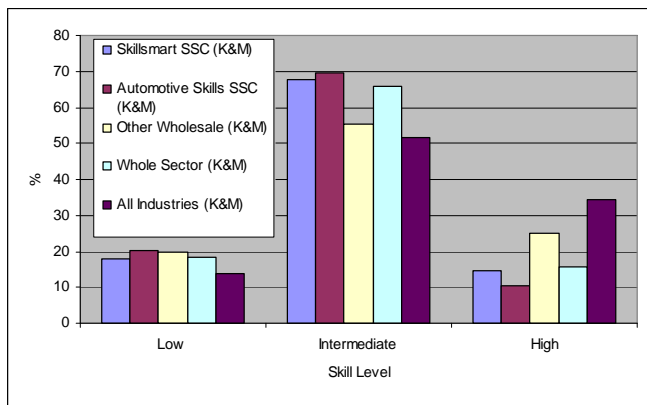


Source: LFS Spring 2005. Inferred data. Note: Figures include the self-employed.

**Around 11% of those working in the sector hold no formal qualifications** (16,400 people), compared with only 8% across all industries. The proportion of workers without qualifications gives an indication of the likely extent of basic skills needs within the sector.

Although the majority of workers across each of the three sub-sectors have intermediate level skills, Figure 3.7 shows that the wholesale (non-SSC) sub-sector is relatively more reliant on highly skilled workers (25%).

**Figure 3.7: Skill Levels – Sub-Sector Analysis**



Source: LFS Spring 2005. Inferred data. Note: Figures include the self-employed.

**Learning Provision**

In 2004/05, **4,100 learners** in Kent and Medway were undertaking **Further Education (FE)** courses in areas related to the retail and wholesale sector (see Figure 3.8). Nearly three fifths (57%) of these learners were studying towards qualifications at Level 2, much higher than the average found across all areas of learning (27%).

Overall, around 85% of learners following retail and wholesale related courses are female compared with just 57% of all FE learners in Kent and Medway.

**Figure 3.8: FE Provision 2004/05**

Area of Learning	Number of Learners	Level 1 and entry level	Level 2	Level 3	Level 4+	Other
Retail and Commercial Enterprise (Unclassified)	966	31%	41%	13%	1%	14%
Retailing and Wholesaling	311	0%	95%	5%	0%	0%
Service Enterprises	2,806	26%	58%	16%	0%	0%
<b>Total Sector</b>	<b>4,083</b>	<b>25%</b>	<b>57%</b>	<b>14%</b>	<b>0%</b>	<b>3%</b>
All Industries	-	39%	27%	17%	2%	15%

Source: LSC – Kent and Medway ILR.

Figure 3.9 shows that around 1,400 learners were enrolled on retail and wholesale-related **Work Based Learning (WBL)** qualifications in 2004/05<sup>17</sup>. Of these learners, nearly all were studying at NVQ Level 2 (81%) or Level 3 (17%). As with FE, the majority of learners are female (80%).

**Figure 3.9: WBL Provision 2004/05**

Area of Learning	Number of Learners	Level 1 and entry level	Level 2	Level 3	Level 4+	Other
Retail, Customer Service and Transportation	709	3%	71%	26%	0%	0%
Hairdressing and Beauty Therapy	712	1%	90%	8%	0%	0%
<b>Total Sector</b>	<b>1,421</b>	<b>2%</b>	<b>81%</b>	<b>17%</b>	<b>0%</b>	<b>0%</b>
All Industries	-	4%	58%	24%	1%	14%

Source: LSC – Kent and Medway ILR. Note: Figures are a snapshot of learners as of January 2005 to take account of the fact that WBL provision is not governed by term dates.

Another route for workforce development within Kent and Medway is the *Profit from Learning (PfL)* initiative. This government-backed training initiative allows employers to access funded training as well as claiming compensation for the time staff spend training<sup>18</sup>. Profit from Learning statistics for Kent and Medway reveal that 266 retail and wholesale businesses participated in the PfL initiative.

Overall around 740 employees undertook training as part of the programme. Around 50% undertook NVQ Level 2 qualifications and a further 8% undertook basic skills training.

During 2004/05, 970 learners were undertaking retail and wholesale sector related courses with **Adult and Community Learning (ACL)** providers in Kent and Medway (see Figure 3.10). As with ACL learning more generally, the

<sup>17</sup> Figures are for January 2005 (Period 6 of the academic year) and provide a 'snapshot' of those in learning to take account of the fact that WBL does not follow term times. The number of learners has then been identified based on the highest qualification level of the learner. Where a learner's highest level of learning is in retail and wholesale, the learner has been included.

<sup>18</sup> The Profit from Learning initiative was launched in Kent and Medway in September 2003 as a pilot scheme. The programme was available to companies in the area up until 31<sup>st</sup> March 2006. Train 2 Gain has now replaced Profit from Learning.

majority of learners undertaking sector related courses are following entry or Level 1 qualifications (83%).

**Figure 3.10: ACL Provision 2004/05**

Area of Learning	No of Learners	Level 1 and entry level	Level 2	Level 3	Level 4+	Other
Hairdressing and Beauty Therapy	974	95%	1%	4%	0%	0%
All Industries	-	83%	13%	3%	<1%	<1%

Source: LSC – Kent and Medway ILR.

Nine in every ten ACL hairdressing and beauty therapy students are female compared with 77% for all ACL students.

An important priority in current government policy is developing a “**vocational ladder**” into employment for young people from the age of 14, from vocational GCSEs and Young Apprenticeships through Foundation and Advanced Apprenticeships to Foundation Degrees<sup>19</sup>.

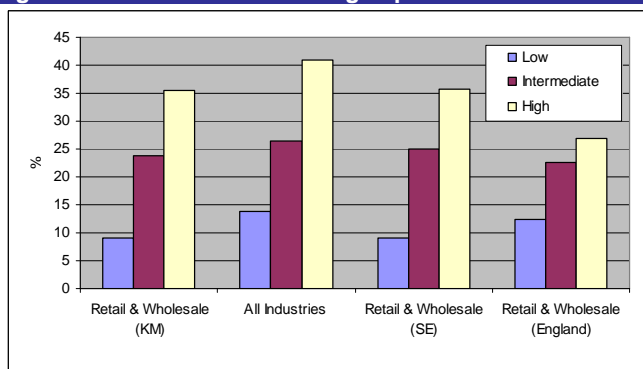
Foundation Degrees are vocational Higher Education qualifications at Level 3-4. They aim to integrate academic and work based learning through close collaboration between employers, universities and FE colleges. Since 2003, the government has been working to expand the number and range of Foundation Degrees available. Some examples of Foundation Degrees on offer at Further Education and Higher Education institutions in Kent and Medway with relevance to the retail and wholesale sector include:

- Retail management
- Business and marketing<sup>20</sup>

**Current Training Levels**

One quarter of retail and wholesale workers have undertaken job-related training in the last three months (23%) compared with 29% across all industries. As in other sectors of the Kent and Medway economy, high skilled workers are more likely to receive work-related training (see Figure 3.11). However, the level of job-related training in the retail and wholesale sector is lower than that found in all industries for all skill levels.

**Figure 3.11: Job-related training in previous 13 weeks**



Source: LFS Spring 2005. Inferred data. Note: Figures include the self-employed.

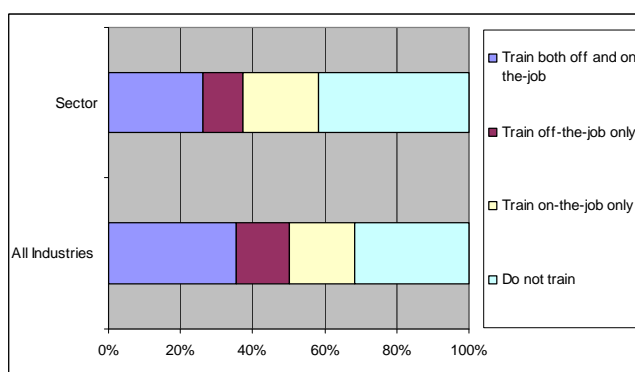
Three fifths (58%) of all retail and wholesale employers in Kent and Medway had funded job-related training for their employees in the last 12 months. This is lower than the

proportion found in all industries (68%) and in the sector regionally (63%).

Employers in the automotive retail (*Automotive Skills*) sub-sector are more likely to have funded or arranged job-related training than the retail (*Skillsmart*) or wholesale (non-SSC) sub-sectors (62% compared with 58% and 55% respectively). This trend does not hold at the national level, with employers across each sub-sector similarly likely to have funded or arranged job-related training.

As shown in Figure 3.12, on-the-job training is more common in the sector than in all industries (21% and 18% respectively).

**Figure 3.12: Type of training funded or arranged**



Source: NESS 2005. Note figures do not include the self-employed or businesses with only one employee.

<sup>19</sup> Department for Education and Skills website – [www.dfes.gov](http://www.dfes.gov).

<sup>20</sup> UCAS website – [www.ucas.ac.uk](http://www.ucas.ac.uk).

## 4. Sector Prioritisation

In recent years the LSC has introduced a wide range of initiatives to try to improve the responsiveness of vocational learning provision to the needs of employers from all sectors. Nevertheless, the LSC has also sought to identify key industries and occupations where the allocation of additional resources and the development of a more bespoke 'employer offer' could make most impact.

In 2005, the LSC, in conjunction with SEEDA, undertook and exercise to formalise and update its process for identifying priority sectors in South East England. **The sector prioritisation balanced scorecard should not be used in isolation from other evidence and from taking a broad view of the data.**

The sum of the scores across each indicator gives an overall score of 11 for the retail and wholesale sector in the South East (see Figure 4.1) – see Methodology box overleaf.

In response to strong employment growth forecasts and current employer skill needs, the South East Regional Skills for Productivity Alliance (RSPA) regard retail and wholesale as a priority sector for the region<sup>21</sup>.

**Figure 4.1: Sector Scorecard – Retail and Wholesale SE**

Indicator	Measure	Wholesale and Retail	13 Industry Average
Economic Scale	Output (GVA) share	13%	8%
	Employment share	20%	8%
	Relative employment concentration (SE-UK)	1.09	1
Growth Potential	Productivity (GVA per employee)	£26,561	£37,932
	Forecast employment growth 2004-2014	10%	7%
	% of employees with sub-Level 2 qualifications	24%	20%
Skill needs	% of employees with Level 2 or 3 qualifications	62%	48%
	Hard to Fill vacancies as % total employment	1.2%	1.3%
	<b>Score</b>	<b>11</b>	<b>6.3</b>

Source: South East Sector Prioritisation Framework 2006.  
Note on scoring: Unshaded=0; Light green=1; Darker green=3.

Every indicator except one (Productivity) contributes to the overall score for the retail and wholesale sector. The sector scores most highly for its economic scale, particularly with regard to employment (20%) and GVA (13%) share.

All three of the skill needs measures are highlighted as contributing to the score, suggesting that the retail and wholesale sector has an unmet need for skills development. Furthermore, the sector is dependant on intermediate level skills where LSC funded provision could have a significant impact.

Productivity in the sector is relatively low compared with the all industries average (£26,561 and £37,932 respectively). Productivity growth in the retail and wholesale sector is often

limited to the opening of new stores or warehouses, rather than growth within incumbent premises.<sup>22</sup>

The overall score for retail and wholesale is 6<sup>th</sup> highest of 13 broad sectors in the South East. The score for retail and wholesale in Kent and Medway is slightly higher than the regional score and the sector is again ranked 6<sup>th</sup> within the sub-region (see Figure 4.2).

**Figure 4.2: Sector Scorecard – Retail and Wholesale K&M**

Indicator	Measure	Wholesale and Retail	13 Industry Average
Economic Scale	Output (GVA) Share	14%	8%
	Employment share	21%	8%
	Relative employment concentration (SE-UK)	1.09	1
Growth Potential	Productivity (GVA per employee)	£21,461	£32,523
	Forecast employment growth 2004-2014	10%	6%
	% of employees with sub-Level 2 qualifications	24%	20%
Skill needs	% employees with Level 2 or 3 qualifications	62%	48%
	Hard to Fill vacancies as % total employment	1.2%	1.3%
	<b>Score</b>	<b>13</b>	<b>6.4</b>

Source: South East Sector Prioritisation Framework 2006.  
Notes: On scoring, Unshaded=0; Light green=1; Darker green=3. \*Skill needs figures are regional due to small local sample size.

The sector scores higher in Kent and Medway than in the region as a whole on account of its forecast employment growth between 2004 and 2014.

The Prioritisation Framework also created a regional skills needs indicator for the individual Sector Skills Councils, although the specific measures are slightly different to those adopted by the regional and sub-regional scorecards.

Figure 4.3 shows that both the retail (*Skillsmart*) and automotive retail (*Automotive Skills*) sub-sectors score on two of the three measures for the indicator, suggesting that they are of direct relevance to LSC policy and programmes.

<sup>21</sup> LSC (2005), 'South East Regional Statement of Priorities 2006-7'. Second Edition 2006

<sup>22</sup> <http://www.ifs.org.uk/wps/wp0507.pdf> (Date accessed 15/03/06).

**Figure 4.3 Skills needs indicator for SSCs**

Indicator	Measure	Skillsmart	Automotive Skills
Skill needs	% of employees with sub-Level 2 qualifications	22%	24%
	% of employees with Level 3 qualifications*	27%	38%
	% of businesses with Hard to Fill vacancies*	7%	7%
<b>Score</b>		<b>2</b>	<b>4</b>

Source: South East Sector Prioritisation Framework 2006

Notes: On scoring, Unshaded=0; Light green=1; Darker green=3. \*indicates slightly different measure from main scorecards.

While both sub-sectors are dependant on intermediate level skills, 38% of employees in the automotive retail sub-sector have a Level 3 qualification.

Given that a significant proportion of workers in both sub-sectors hold sub-Level 2 qualifications, LSC funded provision could have a significant impact on skills development in the sector.

### Methodology

The revised **South East Sector Prioritisation Framework** scores broad industrial sectors and occupations on a range of economic indicators that measure relative importance to the LSC and partners in terms of three dimensions:

1. **Economic scale:** The indicators prioritise larger sectors which are more likely to require significant resource allocations
2. **Growth potential:** The indicators highlight growing sectors as more likely to support future regional competitiveness
3. **Skills and learning needs:** The indicators identify sectors with unmet skills needs and/or intermediate level skills needs where LSC provision can make most difference

For each dimension there are several measures, each given equal weight. Each indicator has been given a score as follows:

- |   |  |
|---|--|
| 0 | significantly below the average,                 |
| 1 | at or above the average,                         |
| 3 | significantly above average (1.5 times the mean) |

For more details on the South East Sector Prioritisation Framework, please see the Overview paper.

## 5. The LSC Offer

This paper has suggested that the retail and wholesale sector relies to a significant extent on intermediate level skills and that the training funded and coordinated by the LSC is of direct relevance to the sector.

The retail and wholesale sector has been identified by the Regional Skills for Productivity Alliance as a priority sector through the recently revised South East Sector Skills Prioritisation Framework. The sector has also been identified as a priority at a sub-regional level in Kent and Medway.

### The core offer

The LSC will continue to provide a wide range of learning opportunities for young people (aged 14-19) wishing to enter the retail and wholesale sector. This will give employers access to Level 2 and Skills for Life training for staff who do not hold qualifications at Level 2 or above (equivalent to 4 GCSEs A\*- C). This training is fully funded for eligible individuals. Six of the seven Further Education colleges offer a range of provision to the sector and a range of LSC funded Apprenticeships will continue to be available through colleges and private training providers.

Following a series of Employer Training Pilots (e.g. Profit from learning), the LSC is also introducing a National Employer Training Programme (Train 2 Gain). This will give employers across all sectors access to free Level 2 training for staff who do not hold qualifications at Level 2 or above. The government has also pledged to match the offer for those who want to study full-time at college in order to gain equivalent qualifications.<sup>23</sup>

The LSC is also developing a national quality kitemark to recognise colleges that are responsive to local employer needs, building on standards such as Action for Business Colleges (A4BC) in the South East. Three colleges in Kent and Medway are accredited A4BC colleges (Canterbury, West Kent and Mid-Kent College).<sup>24</sup>

### Beyond the core

Specialist expertise and capacity in sector skills provision continues to be developed across the country through the establishment of Centres of Vocational Excellence (CoVEs).

At present, there are no retail and wholesale-related CoVEs located in Kent and Medway. The retail SSC, *Skillsmart*, however, foresees the development of at least one CoVE in each English region and is currently receiving applications for the establishment of additional centres over the coming year.

The white paper, *Skills: Getting on in Business, getting on at work*, publicised the government's plans to open 12 National Skills Academies. These academies will aim to raise the skills levels of employees<sup>25</sup>. Academies in the retail and automotive sector have already been opened and although they are not located within the South East, they are able to work with partners, such as the CoVE network, to influence the supply of sector specific skills training.

<sup>23</sup> DfES 2005. 'Skills: Getting on in Business, Getting on at Work' White Paper available at [www.dfes.gov.uk/publications](http://www.dfes.gov.uk/publications).

<sup>24</sup> LSC 2006 'Regional Statement of Priorities: South East Region.'

[www.lsc.gov.uk](http://www.lsc.gov.uk)

<sup>25</sup> <http://senet.lsc.gov.uk/features/may2005feature1.cfm>.

Second Edition 2006

## Sector Skills Agreements

Sector Skills Agreements are being developed by the Sector Skills Councils to act as a compact or "deal" that will align training providers, employers, funders and the government around a common set of goals aimed at addressing skills needs and the planning of current and future training provision.

The development of a Sector Skills Agreement is a five stage process involving;

1. Assessment of current and future skills needs
2. Assessment of current provision
3. Analysis of gaps and weaknesses
4. Assessment of the scope for collaborative action
5. Development of an action plan

The SSC for the automotive retail sector (*Automotive Skills*) is currently entering stage 2 of the SSA development process and is expected to be published by the end of January 2007. *Skillsmart* by contrast, began the development of its Sector Skills Agreement in February 2006. Under current proposals, *Skillsmart* aim to publish their final agreement in April 2007.

Given that *Skillsmart* and *Automotive Skills* are both at a very early stage of in the development of their respective SSAs, few of the interim findings are currently available. Figure 5.1 outlines a number of key drivers in the retail sector which are likely to impact on current and emergent employer demand for skills.

**Figure 5.1: Key Drivers of change in the retail sector**

- **Economic Climate;** changes to consumer confidence are reflected in the volume of retail sales
- **Consumer Taste;** more demanding and less inclined to be loyal to retailers, leading to a shift towards improving customer service
- **Globalisation and price competition;**
- **Consolidation;** intense market competition has encouraged consolidation which has forced out many of the smaller organisations.
- **Technology;** growth of e-retailing has led to an expansion in demand for IT personnel and customer service
- **Demographics;** demand and supply side implications of an ageing population. Retailers are seeking to encourage more mature workers into the sector which will require skills development

Source: Skillsmart (2005) 'Developing and occupational map of the retail sector'

The role for the LSC in supporting the *Skillsmart* and Automotive Skills SSAs will be further clarified with the publication of stage 4 of the developmental process; assessment of the scope for collaborative action.

In an assessment<sup>26</sup> of the retail sector, *Skillsmart* highlighted the following areas as priorities for skills development:

- Customer services
- Management and Leadership
- Information technology

<sup>26</sup> <http://www.skillsmartretail.com/> (Date Accessed 13/03/06)

- Basic Skills

In addition to these skill sets, the SSC identified a range of core competencies which will be important to the future success of the retail sector; including sales, merchandising, and property and money management.

## Appendix I. Sector Description

### Retail and Wholesale: SIC2003 Definition

#### Retail (Skillsmart) – including hairdressing and other beauty treatment

- 52.11 Retail sale in non-specialised stores with food, beverages or tobacco predominating
- 52.12 Other retail sale in non-specialised stores
- 52.21 Retail sale of fruit and vegetables
- 52.22 Retail sale of meat and meat products
- 52.23 Retail sale of fish, crustaceans and molluscs
- 52.24 Retail sale of bread, cakes, flour, confectionary and sugar confectionary
- 52.25 Retail sale of alcoholic and other beverages
- 52.26 Retail sale of tobacco products
- 52.27 Other retail sale of food, beverages and tobacco in specialised stores
- 52.31 Dispensing chemists
- 52.32 Retail sale of medical and orthopaedic goods
- 52.33 Retail sale of cosmetic and toilet articles
- 52.41 Retail sale of textiles
- 52.42 Retail sale of clothing
- 52.43 Retail sale of footwear and leather goods
- 52.44 Retail sale of furniture, lighting equipment and household articles not elsewhere classified
- 52.45 Retail sale of electrical household appliances and radio and television goods
- 52.46 Retail sale of hardware, paints and glass
- 52.47 Retail sale of books, newspapers and stationery
- 52.48 Other retail sale in specialised stores
- 52.50 Retail sale of second-hand goods in stores
- 52.61 Retail sale via mail order house
- 52.62 Retail sale via stalls and markets
- 52.63 Other non-store retail sale
- 93.02 Hairdressing and other beauty treatment

#### Automotive Retail (Automotive Skills)

- 50.10 Sale of motor vehicles
- 50.20 Maintenance and repair of motor vehicles
- 50.30 Sale of motor vehicle parts and accessories
- 50.40 Sale, maintenance and repair of motorcycles and related parts and accessories
- 71.10 Renting of automobiles

#### Wholesale and Trade (Non SSC)

- 51.11 Agents involved in the sale of agricultural raw materials, live animals, textiles raw materials and semi-finished goods
- 51.12 Agents involved in the sale of fuels, ores, metals and industrial chemicals
- 51.13 Agents involved in the sale of timber and building materials
- 51.14 Agents involved in the sale of machinery, industrial equipment, ships and aircraft
- 51.15 Agents involved in the sale of furniture, household goods, hardware and ironmongery
- 51.17 Agents involved in the sale of food, beverages and tobacco
- 51.18 Agents specialising in the sale of particular products or ranges of products nec
- 51.19 Agents involved in the sale of a variety of goods
- 51.21 Wholesale of grain, seeds and animal foods
- 51.22 Wholesale of flowers and plants
- 51.23 Wholesale of live animals
- 51.25 Wholesale of unmanufactured tobacco
- 51.31 Wholesale of fruit and vegetables
- 51.32 Wholesale of meat and meat products
- 51.33 Wholesale of dairy produce, eggs and edible oils and fats
- 51.34 Wholesale of alcoholic and other beverages
- 51.35 Wholesale of tobacco products
- 51.36 Wholesale of sugar and chocolate and sugar confectionary
- 51.37 Wholesale of coffee, tea, cocoa and spices
- 51.39 Non-specialised wholesale of food, beverages and tobacco
- 51.43 Wholesale of electrical household appliances and radio and television goods
- 51.44 Wholesale of china and glassware, wallpaper and cleaning materials
- 51.45 Wholesale of perfume and cosmetics
- 51.46 Wholesale of pharmaceutical goods

**Wholesale and Trade (Non SSC) - continued**

- 51.47 Wholesale of other household goods
- 51.51 Wholesale of solid, liquid and gaseous fuels and related products
- 51.52 Wholesale of wood, construction materials and sanitary equipment
- 51.56 Wholesale of other intermediate products
- 51.81 Wholesale of machine tools
- 51.82 Wholesale of mining, construction and civil engineering machinery
- 51.83 Wholesale of machinery for the textile industry, and of sewing and knitting machines
- 51.84 Wholesale of computers, computer peripheral equipment and software
- 51.85 Wholesale of other office machinery and equipment
- 51.86 Wholesale of other electronic parts and equipment
- 51.87 Wholesale of other machinery for use in industry, trade and navigation
- 51.90 Other wholesale
- 52.73 Repair of watches, clocks and jewellery
- 52.74 Repair not elsewhere classified
- 71.21 Renting of other land transport equipment
- 71.22 Renting of water transport equipment
- 71.23 Renting of air transport equipment
- 71.31 Renting of agricultural machinery and equipment
- 71.32 Renting of construction and civil engineering machinery and equipment
- 71.33 Renting of office machinery and equipment including computers
- 71.34 Renting of other machinery and equipment not elsewhere classified
- 71.40 Renting of personal and household goods not elsewhere classified

## Appendix II: Retail and Wholesale Specialist Occupations

**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. Modern 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;
- arranges goods on display stands, undertakes stock checks and assists with the receipt of deliveries from suppliers into the stock room;
- handles returns and deals with customer complaints

**1163 RETAIL AND WHOLESALE MANAGERS**

Retail and wholesale managers plan, organise, direct and co-ordinate the operations of retail and wholesale establishments.

Entry requirements vary from company to company. Entrants may possess GCSEs/S grades, A levels/H grades, GNVQs/GSVQs, a BTEC/SQA award, a degree or equivalent qualification. Entry is also possible through promotion after gaining sufficient experience. NVQs/SVQs in Retail Operations are available at Level 4.

**TASKS**

- provides information about merchandise to staff and customers;
- ensures that adequate reserves of merchandise are held and that stock keeping is carried out efficiently;
- maintains financial and other records and controls security arrangements for the premises;
- authorises payment for supplies received and decides on vending price and credit terms;
- examines quality of merchandise and ensures that effective use is made of advertising and display facilities.

**7112 RETAIL CASHIERS AND CHECK-OUT OPERATORS**

Retail cashiers and check-out operators accept payments from customers and give change in respect of sales or services.

There are no minimum academic requirements although some employers may require GCSEs/S grades or relevant experience. Training is typically provided on-the-job. NVQs/SVQs in Retail Operations are available at Levels 1 and 2.

**TASKS**

- records cost of each item on cash register or by use of bar code reader and totals the amount to be paid;
- receives cash, cheque or credit card payment, gives change and issues receipts for purchase;
- debits customer's account in respect of purchases or services;
- monitors fuel taken by self-service customers or refuels vehicle if required;
- reconciles takings with receipts and till rolls and maintains other transaction records as requested.

**5231 MOTOR MECHANICS, AUTO ENGINEERS**

Motor mechanics and auto engineers accept calls for help and repair and service the mechanical parts of cars, lorries, buses, motorcycles and other motor vehicles.

There are no formal academic entry requirements, although some employers may require GCSEs/S grades or an equivalent qualification. Training is undertaken off- and on-the-job. NVQs/SVQs at Levels 2 and 3 are available. Modern Apprenticeships at NVQ/SVQ Level 3 are available and take three to four years to complete.

**TASKS**

- may drive to site of breakdown and visually checks, test drives or uses test equipment to diagnose engine and mechanical faults;
- removes, dismantles and checks the appropriate parts, systems or entire engine;
- repairs and replaces defective parts;
- prepares new parts using hand and machine tools;
- reassembles, tests, adjusts and tunes the appropriate parts, systems or entire engine;
- carries out routine maintenance checks on oil and air filters, brakes and other vehicle parts/systems.

**6221 HAIRDRESSERS, BARBERS**

Hairdressers and barbers shampoo, cut, style and treat hair.

There are no minimum academic requirements for entry, although some colleges require candidates to possess GCSEs/S grades. Training is provided off and on-the-job and lasts up to three years leading to the awarding of NVQs/SVQs at Levels 1, 2 and 3. Modern Apprenticeships leading to an NVQ/SVQ at Level 3 are also available.

**TASKS**

- discusses customer requirements and cuts and trims hair using scissors, clippers, razor and comb;
- washes, bleaches, tints, dyes or waves hair and provides any necessary scalp treatments;
- combs, brushes, blow-dries or sets wet hair in rollers to style or straighten;
- shaves and trims beards and moustaches;
- collects payment, arranges appointments and cleans and tidies salon.

**9251 SHELF FILLERS**

Shelf fillers receive incoming goods from storage, check them for damage and place them on the appropriate shelves in the store.

There are no minimum academic entry requirements. Some on-the-job training may be provided.

**TASKS**

- selects goods from storeroom and checks for any damage;
- checks store layout or written instructions to determine the appropriate shelf location for the goods;
- prices goods by machine and fills shelves with goods;
- monitors depletion of stocks and re-fills shelves as required.

### 1234 SHOPKEEPERS AND WHOLESALE/RETAIL DEALERS

Workers in this unit group co-ordinate, direct and undertake the activities in the running of small independent retail and wholesale establishments.

There are no formal academic entry requirements. There are a variety of NVQs/SVQs relevant to the activities of specialist retail establishments. NVQs/SVQs in Retail Operations are available at Levels 2, 3 and 4

#### TASKS

- provides information about merchandise to staff and customers;
- ensures that adequate reserves of merchandise are held and orders new stock as maintains financial and other shop records and controls security arrangements for the premises;
- authorises payment for supplies received and decides on vending price and credit terms;
- examines quality of merchandise and ensures that effective use is made of advertising and display facilities
- maintains financial and other shop records and controls security arrangements for the premises;
- authorises payment for supplies received and decides on vending price and credit terms.

### 1232 GARAGE MANAGERS AND PROPRIETORS

Garage managers and proprietors plan, organise, direct and co-ordinate the day-to-day running of garages and specialist vehicle maintenance and repair establishments. There are no pre-set entry requirements, although some employers may require GCSEs/S grades or Intermediate GNVQs/GSVQs Level II. Off- and on-the- job training is provided.

#### TASKS

- ensures that necessary spare parts, materials and equipment are available or obtainable at short notice;
- arranges for maintenance staff to perform necessary maintenance and repair work on vehicles or motorcycles;
- checks completed work for compliance with safety and other statutory regulations;
- maintains records of repair work to detect recurrent faults;
- provides information about garage merchandise for staff and customers.

## Appendix III: Glossary

### Glossary of Abbreviations

<b>ABI</b>	Annual Business Inquiry
<b>CITB</b>	Construction Industry Trading Board
<b>CoVE</b>	Centres of Vocational Excellence
<b>DfES</b>	Department for Education and Skills
<b>E2E</b>	Entry to Employment
<b>EDIMS</b>	Equality and Diversity Impact Measures England
<b>ESOL</b>	English for Speakers of Other Languages
<b>ETP</b>	Employer Training Pilot
<b>FE</b>	Further Education
<b>GCSE</b>	General Certificate of Secondary Education
<b>GNVQ</b>	General National Vocational Qualifications
<b>GVA</b>	Gross Value Added
<b>HE</b>	Higher Education
<b>HEFCE</b>	Higher Education Funding Council for England
<b>HNC</b>	Higher National Certificate
<b>HND</b>	Higher National Diploma
<b>ICT</b>	Information and Communications Technology
<b>ILR</b>	Individual Learner Records
<b>JSA</b>	Jobseekers Allowance
<b>KCC</b>	Kent County Council
<b>KS3</b>	Key Stage 3
<b>LAD</b>	Local Authority District
<b>LFS</b>	Labour Force Survey
<b>LSC</b>	Learning and Skills Council
<b>LSCKM</b>	Learning and Skills Council Kent and Medway
<b>NEET</b>	Not in Education, Employment or Training
<b>NESS</b>	National Employer Skills Survey
<b>NETP</b>	National Employer Training Pilot
<b>NUTS</b>	Nomenclature of Territorial Units
<b>NVQ</b>	National Vocational Qualification
<b>ODPM</b>	Office of the Deputy Prime Minister
<b>ONS</b>	Office for National Statistics
<b>PfL</b>	Profit from Learning
<b>PLASC</b>	Pupil Level Annual Schools Census
<b>SEEDA</b>	South East England Development Agency
<b>SfL</b>	Skills for Life
<b>SFR</b>	Statistical First Release
<b>SSA</b>	Sector Skills Agreement
<b>SSC</b>	Sector Skills Council
<b>SDDA</b>	Sector Skills Development Agency
<b>StAR</b>	Strategic Area Review Technology
<b>UA</b>	Unitary Authority
<b>WBL</b>	Work Based Learning

## Glossary of Terms

### Annual Business Inquiry Action for Business Colleges

Annual Survey of businesses undertaken by ONS. Flagship programme supported by the South East region's six LSC's and SEEDA, as part of the Workforce Skills Programme.

### Basic Skills CoVE

Numeracy, Literacy and ESOL.  
Centres of Vocational Excellence – Colleges with specialist provision and facilities aimed at meeting needs of employers primarily to tackle level 3 skills in technical, craft and supervisory roles.

### IER/Warwick University (WF II)

Institute of Employment Research at the University of Warwick employment forecast model (based primarily on LFS and ABI)

### Labour Force Survey

Quarterly survey of labour workforce

#### Level 1

4 - 5 GCSE passes grades D – G or NVQ 1

#### Level 2

5 GCSE grades A\* - C, O-Level or NVQ 2

#### Level 3

A Level or NVQ 3 equivalent

#### Level 4

Higher Education: first and sub-degree

HNC, HND, NVQ4

#### Level 5

Postgraduate degree or NVQ 5

### Literacy

Ability to read and write

### National Employer Skills Survey

NESS is an annual Survey of Employers that allows comparative data analysis at local, regional and national levels with respect to training activity, vacancies, hard to fill vacancies and skills gaps. The survey is funded by the LSC in partnership with the SSDA and DfES, and includes a sample of around 75, 000 employers nationally with local sample boosts.

Ability to understand and use numbers.

### Numeracy

### Sector Skills Agreement

An agreement between employers (represented by a Sector Skills Council) and key funding partners (LSC) to meet existing and future training needs. Agreements will enable the government, employers, employee representatives and organisations who plan, fund and support education and training to tackle the provision of skills around a common set of objectives.

### Sector Skills Councils

Currently 25 councils representing approximately 85% of the economy.

### Skills Gaps

Exist where those in work in an organisation do not have the necessary skills to perform their jobs to a satisfactory standard.

### Skills Shortages

Exist where there is insufficient supply of skilled labour among the working population.

### Train to Gain

Replaced the Employer Training Pilot (marketed in Kent and Medway as Profit from learning).



## Useful Publications

‘Kent Economic Report’, Kent County Council

‘Kent Prospects’, Kent County Council

‘Learning and Skills Assessment’, Learning and Skills Council for Kent and Medway

## Useful Links

Learning and Skills Council: [www.lsc.gov.uk](http://www.lsc.gov.uk)

Learning and Skills Council for Kent and Medway:  
[www.lsc.gov.uk/kentandmedway](http://www.lsc.gov.uk/kentandmedway)

Department for Education and Skills: [www.dfes.gov.uk](http://www.dfes.gov.uk)

South East England Development Agency: [www.seeda.co.uk](http://www.seeda.co.uk)

Sector Skills Development Agency: [www.ssda.org.uk](http://www.ssda.org.uk)

## Contact Information

This publication is available from the Council’s website:  
[www.lsc.gov.uk/kentandmedway](http://www.lsc.gov.uk/kentandmedway)

If you would like to discuss the content of this document or have a research related enquiry, please call the Information and Intelligence Team:

Ahmad Eslami Head of Information and Intelligence  
Tel: 01732 876908  
E-mail: [ahmad.eslami@lsc.gov.uk](mailto:ahmad.eslami@lsc.gov.uk)

Gareth Henry Senior Research Executive  
Tel: 01732 876841  
E-mail: [gareth.henry@lsc.gov.uk](mailto:gareth.henry@lsc.gov.uk)

Lynn Sandercock Research Assistant  
Tel: 01732 876933  
E-mail: [lynn.sandercock@lsc.gov.uk](mailto:lynn.sandercock@lsc.gov.uk)

© 2006. Published by the Learning and Skills Council for Kent and Medway.  
LSC-P-KEN-060008

Extracts from this publication may be reproduced for non-commercial, educational or training purposes on condition that the source is acknowledged and findings are not misrepresented.

### Disclaimer:

Whilst every attempt has been made to ensure the accuracy of the data in this report, the Learning and Skills Council for Kent and Medway does not accept responsibility for any errors that should occur.