

SKILLS ISSUES IN THE HOSPITALITY AND TOURISM SECTOR IN BOURNEMOUTH, DORSET, POOLE, AND SOMERSET

**A report to
LSC Bournemouth, Dorset and Poole**

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1. Introduction

1. BMG Research has been commissioned by LSC Bournemouth, Dorset and Poole to assist the LSC to develop its policies and programmes in respect of eight local sectors. These are....
 - Health
 - Engineering
 - Construction
 - Hospitality and tourism
 - Retail
 - Financial services
 - Childcare
 - Social care
2. These sectors are regarded as current priorities for the LSC on a number of grounds. They each employ significant numbers of people in Bournemouth, Dorset, Poole, and Somerset. Several of them have significant local focus (in the sense of employing above-UK average proportions of the workforce in the local area. They have an importance to local economies which extends beyond direct employment – generating wealth externally to the local area which is ‘imported’ into the local area for distribution as local incomes and wages, supporting or linking with other key activities, or providing fundamental services (in house building or social welfare, for example) which are essential underpinnings of an effective society and economy. There is also significant prima facie evidence to suggest that these sub-sectors face a substantial challenge to maintain the flow of labour and skills which they need to secure an optimal level of efficiency. This is not to say, of course, that other local sectors do not have these properties. But, with limited resource, the LSC’s intent is to seek progress in *some* sectors rather than dissipate resources too widely. Attention will turn to other areas of the economy in due course.
3. The essence of each study is broadly to undertake a desk review of available information on the sector which describes each local sector, recognises how the sector is developing and the challenges each sector faces, considers how this change process affects skills needs and supply, and, thus, identifies a set of ‘skills issues’ on which the LSC and its partners may focus with recommendations for appropriate action.
4. This report is the output of a study of the local *hospitality and tourism sector*. Because of the recent re-configuration of LSC activity in the South West Region, the study, whilst originally commissioned by the local LSC for Bournemouth, Dorset and Poole, now reports on, and applies to, the new LSC sub-region which combines *Bournemouth, Dorset, Poole and Somerset*. For convenience, we will refer to this new operating area as ‘the BDPS area’ in the remainder of this report.
5. The report’s chapters consider:
 - The structure and character of sector delivery in the BDPS area.
 - Key skills and labour demand indicators.
 - Skills supply into the sector.
 - Skills issues and recommendations.

2. Hospitality and tourism sector employment in the sub-region

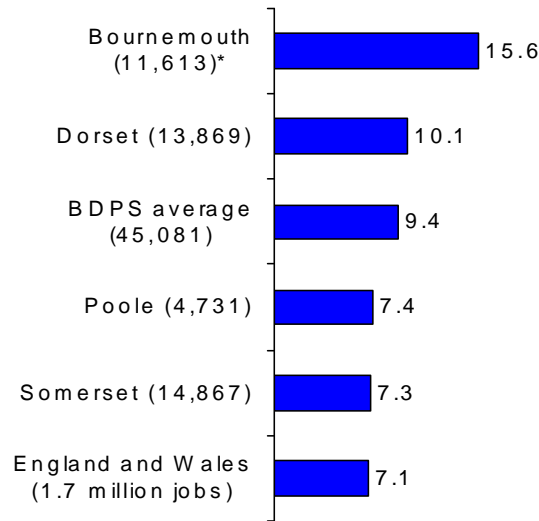
Defining the sector

6. The hospitality and tourism sector is a complex one which combines a range of economic activities whose skill needs are addressed by the 'People 1st' Sector Skills Council (SSC). These activities are:
 - Hotels
 - Restaurants
 - Pubs, bars and nightclubs
 - Contract food service providers
 - Membership clubs
 - Events
 - Gambling
 - Travel services
 - Tourist services
 - Visitor attractions
 - Youth hostels
 - Holiday parks
 - Self-catering accommodation
 - Hospitality services

Employment in the sector

7. It can be estimated (Annual Business Inquiry and Working Futures 2) that the BDPS area has 45,000 people employed in 4,313 hospitality and tourism establishments.
8. Hospitality and tourism employment is more significant to the economy of the BDPS area than to the national economy, particularly in Bournemouth, which has over twice the national proportion of employment in the sector:

Figure 1: Percentage of all employment in each County/Unitary Authority which is in the hospitality and tourism sector

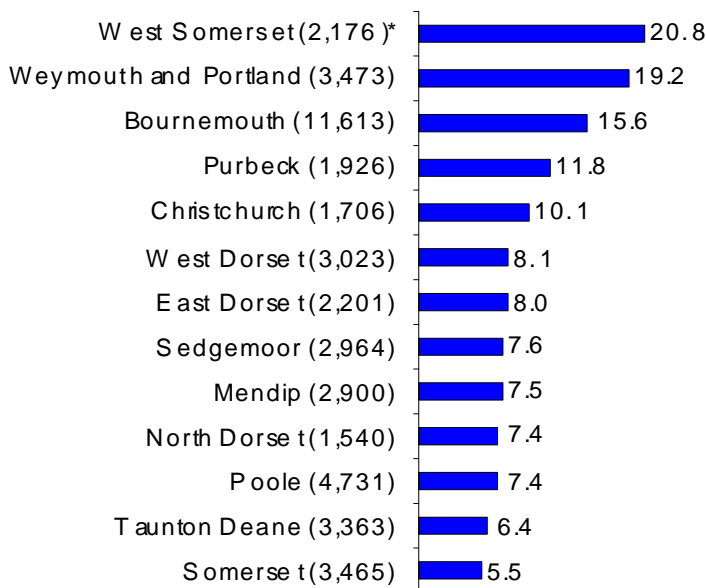


Source: ABI 2004

* Actual numbers of hospitality and tourism jobs

9. At a more detailed spatial level, it can be seen that the percentage of hospitality and tourism jobs in local economies varies quite markedly:

Figure 2: Percentage of all employment in each District/Unitary Authority which is in the hospitality and tourism sector



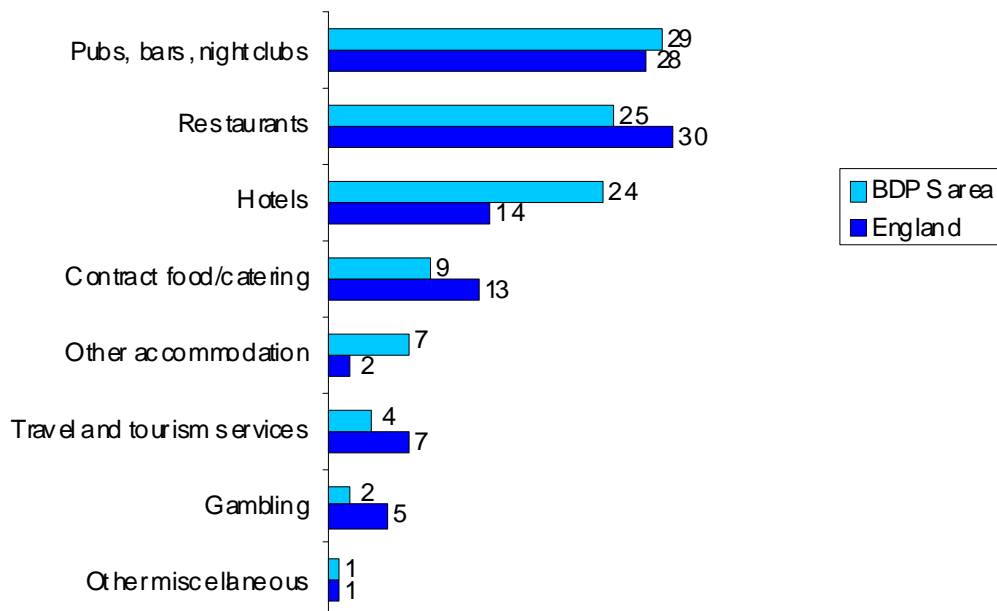
Source: ABI 2004

* Estimated numbers of hospitality and tourism jobs in brackets

10. The distribution of hospitality and tourism sector employment in the BDPS area shows a distribution which, compared with national averages, is weighted to pubs, bars, hotels, and 'other accommodation', corresponding to the area's function as a significant tourist destination. At more local level (not shown), these distributions

are even more pronounced. For example, 47% of Bournemouth's employment in the sector is in hotels:

Figure 3: Percentage of all hospitality and tourism in sub-sectors of the sector



Source: ABI 2004

11. Given, as above, that the sector employs around 45,000 people in around 4,313 establishments – an average of between 10 and 11 people per establishment – it is not surprising that many hospitality and tourism establishments are small:

Table 1: NUMBERS of hospitality and tourism establishments of different sizes in the BDPS area

	1-10 employees	11-24 employees	25-199 employees	200+ employees	Total
Bournemouth	552	103	85	0	740
Dorset	1,252	157	61	1	1,471
Poole	312	44	31	0	387
Somerset	1,426	197	88	1	1,712
Total	3,544	501	265	2	4,313

Source: ABI 2004

12. Table 1 shows that 82% of hospitality and tourism establishments in the BDPS area are very small, employing 10 or fewer people. Only around 6% of establishments employ 25 or more people.

13. However, the distribution of *employment* is not quite so skewed. Slightly fewer than 4 out of 10 people work in very small establishments (those with 10 or fewer staff) whilst slightly more than 4 out of 10 work in establishments employing at least 25 people. The proportion of people working in these latter (larger) establishments is higher in the Bournemouth/Poole conurbation than in the Counties of Dorset and Somerset:

Table 2: Employment in hospitality and tourism establishments of different sizes in the BDPS area

	1-10 employees		11-24 employees		25-199 employees		200+ employees		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Bournemouth	2,853	25	2,361	20	6,399	55	0	0	11,613	100
Dorset	6,179	45	3,441	25	3,925	28	314	2	13,869	100
Poole	1,648	35	1,002	21	2,081	44	0	0	4,731	100
Somerset	5,943	40	3,349	23	4,949	33	626	4	14,867	100
Total	16,623	37	10,153	23	17,364	39	940	2	45,081	100

Source: ABI 2004

Note: Percentages add horizontally

Other employment characteristics

14. Other characteristics of employment in the sector are described below. The descriptions are drawn from national sources (Sector Skills Agreement, People 1st) but it can be assumed that the labour force characteristics are *broadly* true of the BDPS area

Age

15. Just over a third of the hospitality, leisure, travel and tourism workforce is under the age of 25:

Table 3: Age profile of the sector workforce

Age band	Total workforce (%)
16-24	37
25-34	21
35-44	19
45-54	14
55-64	8
65+	2
Total	100

Source: Labour Force Survey, 2004/05

16. Workforce age profiles vary considerably by industry. Pubs, bars and nightclubs and restaurants employ the largest proportion of people in the 16-24 age group.

Whilst the hotel and travel services industries also employ a young workforce, those working in contract catering, hospitality services and other holiday accommodation tend to be older. Demographic changes and the tighter labour market have already meant that many employers are now recruiting international workers (see below). However, in the medium to long-term, they may be forced to rethink their traditional recruitment pools, resulting in more older workers being targeted by the sector.

Importance of students in the workforce

17. The sector has always relied on students to fill vacancies. Overall, 17% of the sector's workforce are also full-time students. Restaurants and pubs, bars and nightclubs have the largest student workforce. Businesses in areas with large student populations rely particularly heavily on students.
18. Employing a large number of students has advantages and disadvantages. They may be more willing to work unsociable hours than the rest of the population and are more willing and able to work extra shifts if necessary. However, most students have to fit work around their studies so are unable to work at certain times and may want to reduce their hours around exam periods. Most students are not employed for very long within the industry as they tend either to work during their vacation or during term time and then move on. This can push up staff turnover rates quite considerably (see Chapter 4).

International workers

19. The sector has traditionally looked overseas to meet its employment needs. According to the Labour Force Survey (2005) there are just over 234,600 overseas workers working in the hospitality, leisure, travel and tourism sector nationally. This equates to 18% of the workforce.
20. These figures are likely to be an underestimate as there will be people working illegally in the UK who are unlikely to admit to doing so when questioned: so-called 'undocumented workers' include those who have entered the country illegally, those who have overstayed the length of their visa, and those on student visas who are working more than the permitted hours.
21. The largest sources of international workers are from the Middle East and Asia. This is unsurprising given the size and importance of the Asian and Oriental restaurant market to the sector. The second largest representation is from Europe (31%) and the smallest proportion whose main job falls in the hospitality, leisure, travel and tourism sector are from Australasia (2%) and the Americas (8%).
22. In terms of characteristics, international workers employed in the hospitality, leisure, travel and tourism sector are likely to be young (64% are aged between 16 and 39) and male (65%).

Language

23. Correspondingly, compared to other sectors in the economy, a relatively high proportion of the workforce does not speak English as their first language. It is estimated that 59% of international workers do not speak English as their first language.
24. There are variations in proficiency in English across migrant groups with Bangladeshi and Pakistani groups having the lowest levels of proficiency.

25. According to the Labour Force Survey (2005), 22% of international workers in the sector have experienced difficulty in finding or keeping a job due to language difficulties.

Full and part-time employment

26. Across the sector the number of full-time workers exceeds the number of part-time workers by 12%. However, this masks large industry variations. The pub, bars and nightclub industry has the largest percentage of part-time workers (54%). This compares to visitor attractions which have over 80% of employees working full-time. However, it is important to recognise that industries such as visitor attractions will employ a higher percentage of seasonal staff, who may be working full-time, but only for a limited period.

Table 4: Percentage of full and part-time employment by sub-sector

Industry	Full-time	Part-time
Pubs, bars and nightclubs	46	54
Restaurants	53	47
Contract food service providers	59	41
Hotels	63	37
Travel and tourist services	73	27
Gambling	64	36
Holiday centres and self-catering accommodation	50	50
Visitor attractions	82	18
Total	56	44

Source: Labour Force Survey, 2004/05

Temporary employment

27. A relatively high proportion (6%) of the hospitality, leisure, travel and tourism workforce is employed on a temporary basis. The most common types of temporary employment are casual and seasonal work:

Table 5: Types of temporary employment

Type of temporary employment	% of all employed on temporary basis
Casual work	61
Seasonal work	18
Contract for fixed period, fixed task	8
Agency temping	4
Not permanent in some other way	10
All temporary	100

Source: Labour Force Survey, 2004/05

28. Employers in the restaurant, hotel and pub industries are most likely to employ staff on a casual basis, often to cope with peaks and troughs in business. For example, casual staff may be employed over the Christmas period or to cope with demand generated by large scale events.

29. Seasonality in the tourism industry is perpetuated by the weather and school term times. In recent years there is evidence to suggest that tourism demand is becoming less seasonal as fewer people take traditional two week holidays as more opt for short breaks. Employers themselves are also diversifying what they offer to attract people all year round.
30. Temporary work is particularly common in the visitor attraction, holiday centre, hostel, and tourist services industries. These industries are likely to be most affected by seasonality. In addition, casual labour or volunteers are often used in the running of events.
31. In terms of geographical location, coastal, rural and, to some extent, historic areas (outside of large cities) are most likely to be affected by seasonality and therefore more likely to employ people on a casual or seasonal basis.

Self-employment

32. Approximately 7% of the hospitality, leisure, travel and tourism workforce are self-employed. This is lower than the average across the economy as a whole and considerably lower than in other countries such as France, where a quarter of those working in the hotel and catering industry are self-employed:

Table 6: Percentage of self-employment

Industry	Percentage of self-employment %
Holiday parks	44
Restaurants	14
Travel services	9
Contract food service provision	8
Pubs, bars and nightclubs	7
Visitor attractions	6
Gambling	4
Hotels	4
Hostels	0
Total	7

Coverage: UK

Source: Labour Force Survey, 2004/05

Figures for the hospitality services, events and membership club industries are not available

33. Industries with particularly high levels of self-employment in the UK include self-catering accommodation, hostels and travel services. In the self-catering and hostel industries, many self-employed owner managers could be described as running 'lifestyle' businesses.

Trend in employment

34. Nationally, the sector is believed (by People 1st) to be a growing one. It is estimated that employment in the sector grew by around 7% between 1999 and 2004 – a faster rate of growth than in the economy overall.

35. The 'Working Futures 2' model suggests equivalent growth in the same period in the BDPS area.
36. However, growth is expected to slow. People 1st reports growth of below 1% to 2012 whilst the local 'Working Futures 2' model projects only 2% growth in numbers employed locally between 2004 and 2014. However, the future of the sector depends on economic performance, consumer confidence, and changes in consumer tastes. None of these are easily predictable over future periods. It seems likely that whilst the immediate prospect is for quite stable employment levels, but that picture could shift substantially depending on future events.

Summary: employment in the hospitality and tourism sector

37. A review of employment in the sector suggests:
- That the sector employs around 45,000 people in the BDPS area with particular concentrations (as proportions of the total workforce) in West Somerset, Weymouth, and Bournemouth.
 - The local employment distribution, compared with the national one, is more strongly weighted to employment in the hotels and pubs/bars/nightclubs sub-sectors.
 - 82% of establishments in the sector employ 10 or fewer people. However, only 37% of the workforce work in these 'micro' establishments.
 - The sector is more strongly dependent than most on....
 - Young people
 - Students
 - In-migrant workers
 - Part-time, casual, and seasonal staff
 - After a period of employment growth, a more stable level of employment is forecast.

3. Key sector drivers

Introduction

38. The previous chapter of this report recognised changes in employment in the recent past and forecast changes for the future. However, employment levels are just one output of more fundamental drivers which determine the sector's progress and development. These are discussed below.

Economic prosperity

39. The overall state of the national and international economy is a first direct and important driver for the sector. Consumer confidence is the main determinant of overall levels of expenditure. In good times, businesses and individual consumers alike will typically spend more on goods and services within the sector. Corporate hospitality and conference expenditure will generally be higher, more holidays will be taken, consumers will choose to eat out more, and so on. In short, the hospitality sector is immediately vulnerable to movements in the wider economy, both in the UK and abroad.
40. Generally, expenditure in various sector-related areas has expanded greatly in the last three decades. With a 1971 index value of 100 in each case, expenditure on recreation and culture was 570 in 2002 (a nearly 6-fold increase), on restaurants and UK hotels was 199 in 2002, and expenditure abroad was 715 (a 7-fold increase). Expenditure in the UK by foreign tourists was 219 in 2002 (more than double that in 1971). Clearly, in the long term, the value of the sector's markets has risen strongly in line or ahead of general increases in wealth.

Consumer tastes and attitudes

41. However, whilst the economy dictates the overall volume of disposable income and generates the consumer confidence to spend rather than save that income, it is consumer tastes and attitudes which determine *where* expenditure takes place.
42. In recent years, a number of trends have been observed, for example:
- Increased interest in activity holidays.
 - A major shift from a single two week family holiday to more frequent shorter breaks.
 - More variety in 'ethnic' restaurants beyond the 'traditional' Indian, Chinese or Italian high street restaurants.
 - Demand for 'fine dining' driven by increasing interest in good food and the rise of the TV chef.
 - Rise of themed or large bars catering mainly to young drinkers at the expense of the traditional pub.
 - Globalisation of holiday markets with many more distant destinations added to the traditional European ones.
 - Increase in internet gambling and spread betting on a wider range of sports and games and decline of the small independent bookmaker.
43. These and other changes are in part driven by the industry but are also responses to changes in consumer lifestyle preferences.

Demographics

44. Some changes are linked to demographic characteristics – most notably the ageing of the UK population profile. This has significance to the industry workforce, reducing the number of, and increasing the competition for, the young workers on which the industry has traditionally depended. This aspect will be discussed in later sections. However, a further major effect is the rise of the ‘grey consumer’, relatively affluent in historical terms, and driving some of the trends noted above; for example, increasing the demand for short, high-quality breaks and increasing the demand for suitable (non-fast food) eating opportunities, from the ‘pensioner pub lunch’ to ‘fine dining’ for the more affluent.

Regulation

45. Government policy has a significant impact on the way the sector operates, especially for specific industries like gambling and pubs. A key issue for the industry is the increased regulation facing employers. Over recent years and months the sector has witnessed significant pieces of legislation coming on to the statute books:
- *The Gambling Act 2005* – this Act received royal assent in April 2005 and contains a new regulatory system to govern the provision of all gambling in Great Britain, other than the National Lottery and spread betting. It is the most significant change to the gambling industry since the 1960s and has wide ranging implications for the industry. The Act has three key objectives which concern the protection of children and vulnerable people, the prevention of crime and ensuring that gambling is conducted in a fair and open way. Social responsibility is currently high on the agenda of the industry as highlighted in the DTI future focus group and this has skills implications both for management and front of house occupations. The distribution of new casinos of various sizes is still to be finally determined but offers opportunities for the development of new local attractions which may, to varying degrees, accelerate local economic output and employment.
 - *The Licensing Act 2003* – this Act updated the licensing laws in England and Wales, simplifying the licensing process and providing greater flexibility in terms of opening hours. The possibility of increased opening hours may have an impact on the number of staff required, or on the number of hours worked by existing staff. This in turn may exacerbate current hard-to-fill vacancies. There are also concerns about the efficiency and cost of the new licensing process.
 - *National Minimum Wage* – The National Minimum Wage (NMW) was introduced on 1st April 1999. It was set to produce maximum benefits for low-paid workers that can be achieved without damaging the business and employment prospects. There are claims that the NMW damages business, but there is no conclusive evidence to prove this. Although the NMW increases the costs of many businesses, these costs may be passed on to the consumer. As this affects all businesses in the area, it may not greatly change the competitive landscape.

‘As the National Minimum Wage rises most businesses put up their prices and ultimately we have to raise our prices to recoup it.’ (Hotel employer – West Midlands)

- *Proposals to ban smoking in public places.* There are proposals to ban smoking in all enclosed public places and workplaces by the end of 2008. All restaurants, pubs and bars preparing and serving food will also be smoke free. Research by BDO Stoy Hayward has suggested that the hospitality industry would lose 33,600 jobs due to falling customer numbers, leading to a drop in profits of more than £230 million in Great Britain. Examples from the Republic of Ireland and New York, where a smoking ban has been enforced, bear this out. Both have seen a drop in workforce numbers.
 - *Other legislation* which particularly affects the sector or which has recently changed includes the Disability Act, Health and Safety, the Employment Act and regulations which affect planning.
46. While large businesses within the sector are more likely to be able to deal with such legislation effectively, some smaller employers within the sector feel that legislation is becoming increasingly onerous and that the amount of legislation which applies impacts negatively on their ability to remain competitive.

Competition

47. The extent of competition in sector markets is a further clear 'driver' of how the sector operates in terms, say of innovation and, particularly, of employment.
48. Because of the sector's complexity, the issue of competition is not simple to describe. However a matrix suggests:

Table 7: Competition in the hospitality and tourism sector

Sub-sector	Barriers to entry	Threat of substitutes	Degree of rivalry
Serviced accommodation	Higher at upper end (large hotels) but low for smaller lifestyle businesses	Foreign destinations are major competition	33% of industry is 'branded'; small independents operate the majority
Self-catering accommodation	Low – easy entry and exit	Budget-level serviced accommodation	Majority is small owner-operated
Holiday parks	High – mainly high cost operations	Overseas alternatives (Disney, etc.)	Many smaller operators but Centreparks, Butlins, Pontins have major shares
Contract food	Expanding market; some large players but many opportunities at lower levels	Retail outlets; in-house company catering	Dynamic industry with multiple players
Restaurants	Easy to enter as an independent or franchisee; many lifestyle businesses	Pub food; eating at home	Huge number of competitors; strong price competition; 'hyper-competitive'
Pubs	Dominated by large/medium chains but leasing provides entry for many	Supermarket low-price drinking at home	Fragmented; mobile ownership; strong price competition
Events	Large events require huge investment but many opportunities for smaller players at weddings, outdoor functions	Overseas competitors (for conferences, shows, exhibitions, etc.)	Large events strongly competed-for; smaller events (weddings, etc.) may be less competitive
Gambling	Dominated by major players; increasingly difficult for independents	Betting exchanges; overseas internet operations; other leisure options	Small number of dominant players
Visitor attractions	Easy to enter at a small scale but difficult to generate viable markets	Other leisure activities; overseas attractions	Strong rivalry based on quality of major attractions (rides, etc.)
Travel services	Easy to enter via internet; competition, however, from high street travel brands and large dot.coms	Independent holiday organisation via internet excluding travel agents	Increasing consolidation squeezing independents into niche services
Tour operators	Need economies of scale; difficult for small operators to enter	Independent travel organised via internet, not a tour 'package'	Strong price competition

49. What this table shows is that the various sub-sectors of the industry are mainly highly competitive. Many are easy to enter, but frequently face possible substitutes (often abroad). Rivalry is, therefore, often intense and expressed in terms of price (at various levels and standards of quality). Though some sub-sectors are dominated by major players, domination is seldom so strong as to exclude a variety of small independents.

Other drivers

50. Other factors which may increasingly influence the sector's progress in future years include:
- *Environmental concerns.* There may be a growing movement which resists distant travel on the grounds of its impact on the environment through air travel. This may lead to higher fuel taxes and a general constraint on overseas travel, perhaps to the benefit of home destinations (but also with some reduction in tourist numbers from overseas).
 - *Terrorism.* The level and location of any future major terrorist attacks or threats may similarly influence the destination patterns both of domestic and foreign tourists.

What do these 'drivers' drive?

51. If these are some of the major drivers 'at play' in the sector, the question then is of what they actually drive or, in principle, should drive. The answer may be summarised as:

- *Investment:* The Annual Business Inquiry suggests that investment levels (new buildings, plant and equipment) in the sector are high (above average for the economy as a whole). Broadly, the industry has the confidence that it will get a significant return on investment in assets. The planning system is, however, a constraint on some further investment which would otherwise occur.
- *Innovation:* Innovation is hard to measure because it has a strong subjective element. However, it is believed (by People 1st) that innovation in terms of services and quality improvements has been very significant amongst large operators but more constrained amongst many smaller 'lifestyle' businesses where improvement is still required. Innovation in IT – mainly use of the Internet for marketing and booking – is now widespread and only the smallest businesses do not now have a web presence.

Other advances in technology are also having significant impact across most of the sector. While changes have mainly been driven by larger businesses, small businesses are also using technology in order to become more competitive, to promote and market their business and to distribute their products or services.

Thus, key technological changes affecting the industry include:

- The growing use of the internet within the home to purchase sector services.
- Faster broadband technologies.

- Advances in mobile phone technology.
- Use of database mining techniques to target consumers.
- Chip and pin.
- Automated scheduling software.

Larger businesses are more likely to take advantage of developments, but not exclusively so.

- *Enterprise*: 'Enterprise capability' (according to the Skills Need Assessment for the sector, People 1st) has been defined broadly as 'the capacity to handle uncertainty and respond passively to change, to create and to implement new ideas and ways of doing things, to make reasonable risk/reward assessments and act upon them on one's personal and working life'.

The Assessment also notes that, according to Business Link, half of small businesses in the sector fail in their first three years, often because they lack the skills needed to succeed. Business Link lists the key business skill areas for starting a new business across all sectors as:

- Financial management – this includes having a good grasp of cashflow planning, credit-management and maintaining good relationships with your bank and accountant.
- Product development – the ability to make long-term plans for product development and identify the people, materials and processes required to achieve them. Knowing your competition and your customers' needs.
- People management – this includes managing recruitment, resolving disputes, motivating staff and managing training. Good people management will help employees to work together as a well-functioning team.
- Business planning – the ability to assess the strengths and weaknesses of your business and plan accordingly. Ability to prepare a business plan and budget plan.
- Marketing skills – having a sound marketing approach. This covers setting up and overseeing sales and marketing operations, analysing markets, identifying selling points for your product and following these through to market.
- Customer/supplier relationship management – the ability to identify suppliers and positively manage relationships with them.

Qualitative findings (in research undertaken by People 1st) support the view that sector managers need both a broader and deeper knowledge across all these areas.

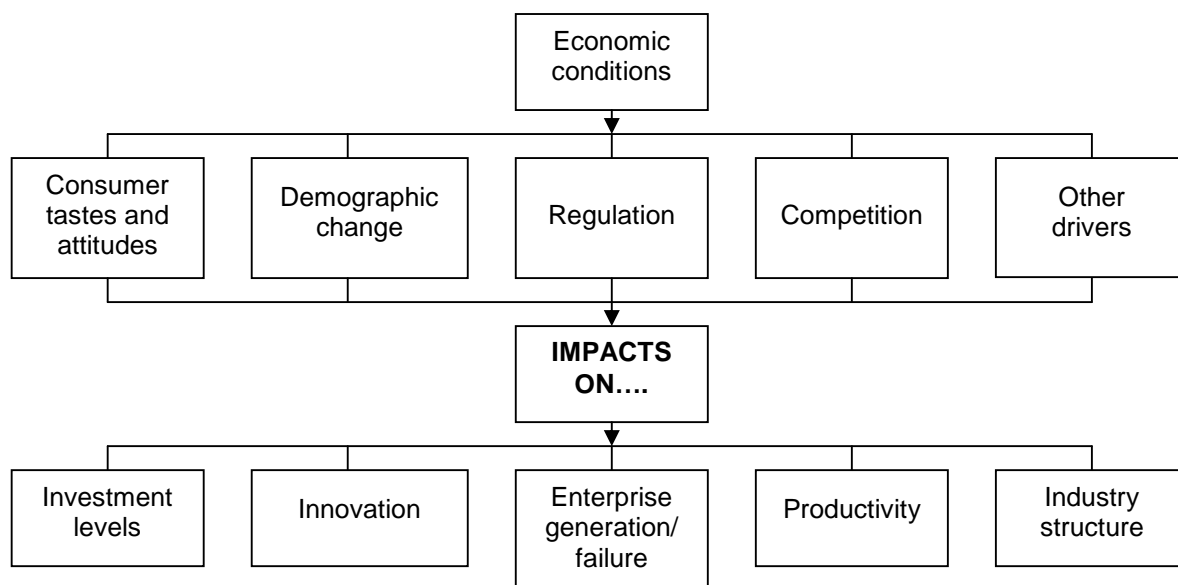
- *Productivity*: In principle, the high degree of competition in the sector (which is noted above) should drive productivity in

the sector forward. Indeed, labour productivity (Gross Value Added per employee) has seen rises in tourism-related industries (for example, by 2.8% in 1998/99, by 3.4% in 1999/2000, and by 2.0% in 2000/01). However, overall, labour productivity in the sector remains the lowest of all major sectors in the UK. The factors which combine to explain this appear to be:

- Productivity varies widely in the sector. The most productive establishments at the higher end may generate five times as much added value per employee as those at the least productive end.
 - The high level of low cost but low skilled labour in the sector is counter-productive – though costs are minimised, the quality and, therefore, the value of output is compromised.
 - The ‘people centred’ nature of the sector inhibits the sector more than any other from reducing its labour inputs and few functions can realistically be outsourced to lower cost operators.
- *Restructuring:* The sector is one in which there is considerable change in ownership and industry structures to achieve the optimal efficiencies and economies of scale. In some sub-sectors, consolidation is apparent, whilst in others fragmentation has occurred. For example: the major brewery pub chains have been dispersed and new, smaller, chain operators have entered the market; small independent bookmakers have mostly been displaced by large chain bookmakers; mini-chains of mid-range restaurants have developed; significant operators which consolidate self-catering accommodation (issuing widely-marketed brochures/web-sites and taking a fee from individual property owners) have developed; collaborations between companies to offer, say, marquee accommodation, catering, entertainment, and display technology as single package have been established in the events sub-sector; and so on.

Summary: sector drivers

52. In short, therefore, the sector can be described as one in which a series of ‘drivers’ put pressure on a number of features of the sector’s operating environment and form of organisation. This can be simplified as:



53. In turn, the latter factors have significant effects on the patterns of demand for labour and skills in the sector and on the way in which the sector responds to these needs. These are considered in the next two chapters of this report.

4. Demand for labour and skills in Bournemouth, Dorset, Poole and Somerset

Introduction

54. Thus far, we have reflected on the size of the hospitality and tourism sector in the BDPS area, on the trend in employment, and on the major factors which drive both the overall level of employment and the changing nature of skills required in the industry.
55. In this chapter, the nature of labour and skills demand in the sub-region is considered in more detail.

Occupational structure

56. At the simplest level, 'labour demand' can be considered just as the necessity to fill the 45,000 or so jobs which are offered by the sector in Bournemouth, Dorset, Poole and Somerset. However, the nature of those jobs can be more clearly understood by reference to their occupational structure.
57. It is not possible to quantify the occupational structure for the BDPS area in exact terms, since no adequate data source is available for this purpose. However, extrapolating the occupational structure of employment for the region to the local workforce total produces an estimate of the local occupational structure which is probably not too far away from the actual one. This technique produces results as below:

Figure 4: Estimated occupational profile of hospitality and tourism sector staff in the BDPS area, 2004/05



Source: People 1st estimates (using 2004/05 LFS data) projected on to the local workforce total

* Estimated numbers of employees in each occupational group in BDPS area in brackets

58. The figures in this chart have a spurious precision because they project national estimates on to a local workforce. However, the numbers and proportions are probably broadly accurate. They serve to show that a high proportion of the total workforce – something like two-thirds (64%), or around 30,000 employees in the BDPS area – are in *lower skill grades*, working as kitchen assistants, cleaners, domestics, waiters and bar staff. *Managers*, mainly of pubs, bars, restaurants, and hotels, account for around 16% of jobs and *chefs and cooks* for around 13%. The remainder of the workforce (around 7%) comprises a mix of mainly intermediate skilled staff working in a variety of sub-sectors.
59. In terms of the occupational balance, People 1st (Sector Skills Agreement, 2005) suggest that the numbers of managers in the industry has risen whilst the number of lower grade staff has declined. However, for the future, 'Working Futures 2' (IER/LFS Forecasting Model) suggests broad occupational stability within a local employment total which is also stable. The only significant shift which Working Futures 2 projects is a further modest decline in the number of independent proprietor/managers and a compensatory upward movement in the number of 'corporate managers' managing 'chain' establishments.

Replacement and recruitment needs

60. Of much more significance than either the change in overall employment numbers or movements in the occupational structure of the industry is, of course, the level of *staff turnover* in the industry and the replacement and recruitment needs which staff turnover generates.
61. People 1st investigated this issue extensively via their national 2005 Recruitment and Retention Survey.
62. This survey identified an overall annual labour turnover rate of 30% but with variation between 21% in contract catering and 40% in pubs, bars, and nightclubs. People 1st remark that these rates are lower than other estimates, eg. Hospitality Training Foundation observed 48% turnover in 1999 and the Chartered Institute of Personnel and Development suggested a hospitality sector rate of 65% in 2005. The People 1st estimate may be a little conservative therefore. However, if a rate of at least 35% is assumed locally, it would be the case that around 15,000-16,000 people would need to be recruited each year in the BDPS area to fill positions left vacant by leavers.
63. The People 1st survey also estimated annual turnover rates for particular occupations in the industry, ranging from 17% for managers to 37% for bar staff and waiters. Applying these rates to the main occupations in the sector would suggest that the key annual recruitment needs for replacement purposes in the BDPS area would be of the order of:
- 3,500 kitchen assistants
 - 2,400 cleaners and domestics
 - 2,300 bar staff
 - 2,000 waiters and waitresses
 - 1,900 chefs and cooks
 - 1,200 pub, bar, restaurant and hotel managers
64. Reflecting on staff turnover, the report considers the argument that the large number of students working in the sector can distort figures on labour turnover.

Many students purely work either over a holiday period or during term-time and may leave to return to study or return home. In some cases employers rely on students during peak seasons and do not need them during quieter periods. Many employers employing students plan for this type of turnover and some students return to the same employer year after year. For others, turnover of student labour is as problematic as all other labour turnover. They still need to replace leavers which costs money in terms of recruitment and training. Given these issues it is important to gain an understanding of the extent of student labour turnover. All respondents who had had at least one leaver during 2004 were asked to estimate how many of those who left voluntarily were students returning to study. Overall, employers estimated that around 20% of leavers were students returning to study.

65. When the survey investigated reasons for staff leaving in more detail, the following analysis was the result:

Table 8: Why staff leave the hospitality and tourism sector

Reason for leaving	%
Returning to school/college/university	22
To get a better job/better job offer/alternative employment	18
More money/better pay	9
Moved away	9
To work full-time/wanted more hours	8
Change of job/different career	8
Left the country/gone back home	8
Better working hours/unsociable hours/weekend working/split shifts	7
Promotional prospects/further their career	6
Gone travelling/backpacking/gone abroad	5
Bored/fed up with job	4
Pregnancy/maternity leave	4
Afraid of hard work/couldn't do the job	3
Location/too far to travel/fed up travelling	3
Personal reasons	3
Other	7
Not sure	12

Source: Recruitment and Retention Survey, 2005, People 1st

66. This suggests that returning to study by students is a significant factor but that poor quality jobs (compared with others in or out of the sector), uncompetitive pay, better career prospects elsewhere, and better terms and conditions also generate turnover in significant proportions of cases.
67. Some of these other circumstances were described colloquially by survey respondents:

'Kitchen porters are like a revolving door – they are very hard to retain and are always going through disciplinary procedures.' (Hotel employer, Yorkshire and Humberside)

'I lost a whole kitchen of staff when the manager left, he took all of his staff with him, it is often like this if the managers go. It also happens quite a lot

in housekeeping. Obviously we can poach staff and many of our new staff have come from other hotels.’ (Hotel employer, UK)

‘I would say third assistant chefs or Chef de Partie, we lose them because they move up the chain, or they move to a chain pub where the work is not any greater and may be less skilled but they can earn more money. So unless you have someone who wants to develop their craft, they are likely to go elsewhere for better money.’ (Restaurant employer, South West)

68. Significantly, however, only 15% of the sector employers in the study felt that staff turnover was too high. Essentially, it seems that many employers in the sector have factored high staff turnover into their mode of operation. The position is perhaps summed up by the respondent in the survey who remarked:

‘There is a polarisation in the hotel structure, those that stay and those that you know are going to leave, they are different pools of employees, some staff you know are only going to stay for six months for whatever reason and this is fine;’ (Hotel employer, South West)

69. Moreover, when asked what they had done to improve staff retention, over 40% of surveyed managers had done nothing. Those who had done something frequently relied on making sure staff felt appreciated but others had acted to raise wages, offer flexible working, offer promotions, and so on:

Table 9: Measures to improve staff retention

Measures	%
Ensure staff feel appreciated	19
Give staff the opportunity to air their view	16
Provide training for staff	15
Provide regular pay rises	15
Conduct regular staff appraisals	11
Offer flexible working	9
Promote staff internally	6
Provide a staff benefits package	5
Provide career development opportunities for staff	3
Set targets for line managers to reduce staff turnover	2
Improve skills of line managers	2
Benchmark pay and benefits packages against those of competitors	1
Other	20
Not sure	41

Source: Recruitment and Retention Survey, 2005, People 1st

Changing skill needs

70. Previous sections of this chapter have considered the issue of labour and skills demand, largely in the sense of the number of people required by the industry overall and in terms of their occupations. It has been suggested that the key driver of future demand for new labour is the high turnover rates which obtain in much of the industry. But what of the *skills* which will be required by people who are actually in post? Will those skills change over the foreseeable future?

71. This question can be considered in two ways.
72. Firstly, will *new skills* be required in the future. Secondly, will *higher levels and greater volumes of current skills* be required in the future.
73. The literature (eg. Sector Skills Agreement, People 1st) is somewhat equivocal regarding the first question but the basic answer seems to be 'no'. Essentially, the main skills which the industry needs are likely to remain those which are currently deployed in the industry. The main roles in the industry are largely well-understood and frequently at relatively low levels. The occupations of kitchen assistant, hotel domestic, waiter, barman, publican, chef, and so on are expected to remain essentially what they are now and have been for many years. Technologies used by these occupations are relatively simple and no major change is anticipated. Where technologies occur such as web-based marketing and room booking systems, chip and pin restaurant bill paying, electrical/ mechanical food preparation devices in kitchens, and so on, these are already widely used and well-understood by the industry. Indeed, it may be argued that some occupations, such as that of chefs, are being de-skilled (in this case by the use of meals or meal components prepared off-site and delivered to restaurants in a cook-chilled state).
74. What is generally regarded as more important is that the industry becomes smarter at what it already does – more people operating to higher standards in order to deliver a better and more competitive standard of service to customers who have increasing choice as to how and where they spend their leisure time and money. Generally, as in other sectors in the UK economy, the most positive directions for the industry are seen as those which drive the added value and, thus, the productivity of the sector upwards.
75. Within this general remit, several strands can be discerned:
- Better *customer service standards and skills* across all occupational groups in the industry, but particularly those which have a 'customer facing' component in their job roles.
 - Better and more widespread *IT skills* amongst staff who perform administrative and clerical functions concerned with the marketing, management and front-of-house functions of their sub-sectors.
 - More capability in *foreign languages*, not just in the 'traditional' European ones, but to cater for increasing numbers of foreign visitors from countries such as Russia and China, which are growing markets for the UK industry.
 - Better knowledge of complex *regulations* affecting the sector amongst managers and supervisors.
 - Better *human resource management* skills to recruit and manage an increasingly diverse workforce and to reduce labour turnover.

Summary: labour and skills demand

76. A review of labour and skills demand in the hospitality and retail sector shows:
- At the most basic level, labour demand is that generated by the 45,000 employment opportunities in the sector in the BDPS area.

- Occupationally, that demand is configured by three main occupational strata – lower skilled workers (64% of the total), managers (16% of the total), chefs and cooks (13% of the total).
- It is not anticipated that the occupational balance within the sector or the gross number of people employed within it will change substantially over the foreseeable future.
- However, high labour turnover will continue to generate very strong recruitment needs for most occupations in the sector. It is estimated that at least 15,000-16,000 recruits are needed each year.
- To some degree, high labour turnover is expected within the industry and is part of the basic mode of operation of many businesses in it.
- With a relatively low use of technology and a relatively static mode of operation, future skill needs are largely not concerned with the development of *new* skills.
- Rather, the need is to develop an industry which supports more high-added value operations and greater productivity. To do so, the industry needs to deploy higher levels of existing skills more widely.

5. Supply of labour and skills

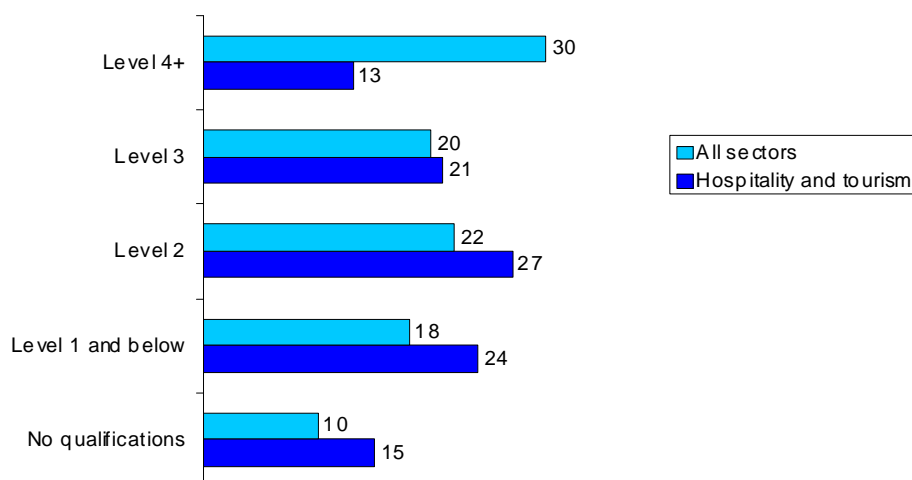
Introduction

77. The previous chapter quantified current and future demand for skills as closely as available statistics and other intelligence allow.
78. This chapter turns to consider the question of labour supply into the industry.

The national picture

79. Statistics on the national supply of skills into the hospitality sector are patchy and frequently outdated. However, some basic points (Labour Market Review for the Hospitality Industry, Hospitality Training Foundation, 2003) are:
 - Overall, the number of people enrolling on hotel and catering courses in Further Education appears to be rising (increasing, for example, by 8% between 1999 and 2002).
 - Around 70,000 people (on average) register for an NVQ in hospitality each year. The total number of registrations (people holding/seeking an NVQ) rose from 125,000 in 1995 to 540,000 in 2002. Much of the greater proportion of registrations are in Food Preparation and Cooking at Levels 1 and 2 (58% of all registrations) or in Food and Drink Service (26% of all registrations).
 - By 2001, 11% of all participation in Foundation Apprenticeships was in the Hospitality area; 8% of all participation in Advanced Apprenticeship was in Hospitality. However, the most significant statistic was that only 9% of Apprenticeship starts and only 4% of Advanced Apprenticeships starts completed the programme in its entirety.
 - By August 2002, only 1,067 Hospitality organisations were recognised as an Investor in People – and the number was falling.
80. The *qualifications profile* for the sector suggests that the sector has a less qualified workforce than that of the economy as a whole (see chart below). It should be noted that the qualifications for the sector are for any subject not qualifications in hospitality. It should also be noted that the profile for the sector may be artificially improved by students working temporarily in the sector. The 'permanent' or core workforce may be more badly qualified than the profile suggests:

Figure 5: Percentage of staff with different levels of qualification in the hospitality and tourism sector and in the wider economy



Source: LFS 2004/05

81. Even in the core skilled occupation, that of chefs and cooks, fewer than a third of these have a qualification above Level 2 and nearly 4 out of 10 have qualifications below Level 2:

Table 10: Qualification levels of those working in core occupations

	NVQ Level 4 and above (%)	NVQ Level 3 (%)	NVQ Level 2 (%)	NVQ Level 1 and entry level (%)	No qualifications (%)
Hotel accommodation managers	30	19	21	14	16
Restaurant and catering managers	19	20	28	24	9
Publicans and managers licensed premises	19	24	24	20	14
Conference and exhibition managers	46	21	15	12	5
Travel agency managers	16	40	20	22	2
Chefs, cooks	7	22	32	25	14
Travel agents	19	26	27	26	2
Kitchen and catering assistants	3	14	28	34	21
Waiters, waitresses	7	27	32	20	14
Bar staff	12	30	27	20	11

Source: LFS 2004/05

82. Statistics on *employer training* from the National Employer Skills Survey at national level show:

Table 11: Training indicators, 2003 and 2005

	Hospitality in 2003	Hospitality in 2005	All sectors 2005
Trained staff in last year	65	61	65
Trained staff off-the-job in last year	N/A	38	49
If trained, used FE to do so	26	23	28
If trained, used private provider to do so	26	23	28

Source: NESS03 and NESS05

83. This data has quite negative aspects:
- The proportion of establishments in the sector supplying training fell from 65% to 61% whilst the proportion of all establishments in the economy as a whole which supplied training rose (from 59% in 2003) to 65% - a higher proportion than in the hospitality and tourism sector.
 - The hospitality and tourism sector is notably less likely to supply off-the-job training and to use external providers.
84. The question of the *age of the workforce* is also a significant factor in the adequacy of labour supply in the industry. People 1st ('Is it goodbye to ageism?', People 1st, February 2006) suggests that there is a growing frustration with employing younger people. An increasing number of employers believe that they lack the job readiness and positive attitude of previous generations. In this recent study, employers highlight some of their concerns:

'Young people have a terrible attitude. They should be proud in their job.'

'Young people are in a different world today. You can get into the Big Brother house and be rich and famous the next day. Why would you want to work?'

'Parents have a strong influence at the age of 16 on the choice of career and a lot of young people come to catering by default. If you can't do anything else you do catering. The parents' views of the industry matter, cooking does not go on in homes anymore and is minimal in schools, there is nothing extra about food.'

85. It would be wrong to suggest that all young people lack the required skills and attributes, but there is a growing disenchantment and this has been witnessed across the whole of the UK. Explaining this resentment is more difficult. Undoubtedly, there may be some employers who are looking at the problem through rose-tinted spectacles, and in fact these problems have been around for many generations. It also needs to be recognised that there is tighter labour market than in the past. Hospitality increasingly has to compete with other sectors

to entice able people to come and work in the sector. Given that the percentage of people under 24 is getting smaller and that the sector workforce in that age range has remained fairly constant, the sector may be getting fewer of the more able workers, and so it is perhaps unsurprising that employers are noticing a deterioration in the standards.

86. How best can the problem be tackled? Other sectors are, in part, turning to older workers to solve their labour shortage, but there still seems reluctance for this sector to go down this route. When discussing with employers how best to solve recruitment problems they tend to come back to the age old solutions – getting into schools earlier, convincing parents that the sector offers careers or making work placements better. All sensible ideas to tackle the problem of getting more younger people into the sector, but the sector seems reluctant to shift its thinking to consider an older workforce.
87. Many employers (according to People 1st in their report ‘Is it goodbye to ageism’, February 2006) may not be unduly concerned about the problem as they have a steady stream of willing and able workers from the new EU Accession States. Between 2004 and 2006, the sector welcomed over 63,000 workers from the likes of Latvia and Poland. Many employers say that their attitude to work is better – ‘they turn up on time’, ‘they iron their shirts’ and crucially they can ‘understand customer needs’. On the downside their English language skills can be hit and miss – a key reason why many have come over in the first place. With the increased number of international workers coming over is there a need to consider other recruitment pools? The optimists would argue no. The sector can continue to rely on international workers, with more around the corner – especially if the EU continues to enlarge and welcomes Turkey and the Balkans. The pessimists (or some would argue realists) on the other hand would say that the sector needs to think more long-term, that it needs to increase its competitiveness by raising the quality of products and service. And that the only way to do this is by reducing labour turnover and ensuring the workforce has the skills to meet the needs of the customer.
88. For some employers employing an older workforce is the answer:

‘Hotel porter staff can be difficult, especially as workers are getting older. The older worker likes the tips they get. The young people are just not interested in holding the door open for people, even if it means getting a tip.’ (Hotel employer)

‘It is difficult for us to get trained staff as an independent travel agency as we look for wider experience than a multi-national agency would. Customers do take notice of the older person, we have a part-time lady who is 70 working for us and when the customers come in they all want to speak to her, as they trust her straight away.’ (Travel agency employer)

‘There needs to be a balance between old and young workers, they tend to work in different areas, the younger staff will work on the rides and the older staff in the shop for example.’ (Visitor attraction manager)

‘I’ve noticed that for events that need volunteers, the age is going up. I suppose it is the fact they are more reliable. Younger people don’t necessarily want the jobs. People just fill in the forms to get on the benefits process. Some people don’t actually turn up. A career for them is not as important. They have more benefits, child tax benefits. They may as well stay at home. The big question is the baby boomers – the 40 year olds. What’s going to happen to them over the next ten years? Will they have to

hand over their pensions, and will 50 year olds want to do these skills?
(Events employer)

'We struggle with seasonal staff. We try to keep them and this comes back to trying to pick up the right staff and offer a positive salary. Sometimes we keep them over years, but this is mainly older people, rather than younger people at 18 or 20. But as you can imagine, their knowledge at this stage is vast.' (Hospitality employer)

89. Those employers who employ an older workforce testify that their attitude to work is much more positive and that they can empathise better with the customer. Recruiting older workers also presents some challenges. Employers suggest that some older workers need more support initially to give them confidence – especially if they have been away from the job market, others need support working with computers or new technology.
90. Often, however, employers who are reluctant to recruit older workers suggest that they wouldn't recruit older workers as they need someone who can be on their feet all day and (often off the record) someone who looks good in front of the customer.
91. There are going to be some job roles that may not be suitable for older workers, but to rule out older workers for any job role fails to realise their potential and simply conjures up a one-dimensional view of what constitutes an older worker. Increasing the percentage of people in their 40s and 50s would create a significant sea change, ensuring not only that the sector isn't putting all its eggs in one basket, but also acknowledging that the sector's customer base is also ageing.

Local skills supply

92. Turning now from the national context to the local position, labour and skills supply in the BDPS area depends, broadly, on two factors. Firstly, the general availability of labour and, secondly, the scale and success of mechanisms to generate relevant skills.

Broad labour supply

93. Thus, a first issue concerns the availability of labour in general. Of course, the hospitality and tourism sector is in competition with other sectors for the supply of labour – particularly at lower levels and for generic skills which are readily transferable between sectors. The question is one of whether the local labour market is 'tight' (ie. fairly competitive for labour or skills) or not.
94. There are a number of indicators of 'tightness' in Bournemouth, Dorset and Poole.
95. Firstly, the working age employment rate in Dorset and Poole is higher than in England and the SW as a whole though Bournemouth has a lower rate than both. Since 2001/02, the rate has grown in Dorset, but fallen in Poole and in Bournemouth. The national rate has remained static, and the SW rate has fallen slightly:

Table 12: Employment rates in Bournemouth, Dorset and Poole

Percentage of working age population	Jun 01-May 02	Jun 04-May 05	% point change
Dorset	79.4	80.9	+1.5
Bournemouth	73.0	68.1	-4.9
Poole	80.3	77.2	-3.1
South West	78.9	78.8	-0.1
England	75.1	75.1	0

Source: ONS Quarterly Labour Force Survey 4th quarter average May 05

96. Thus, although there has been some slackening, local employment rates in Dorset and Poole (though not Bournemouth) remain higher than national levels – suggesting that the number of people available to enter the labour market is lesser than elsewhere.
97. Secondly, the latest annual unemployment rates are 3.9% for Bournemouth, 2.4% for Dorset and 2.3% for Poole (SW: 3.6%, Eng: 4.7%). Bournemouth’s 12-month average claimant count rate of 1.7% is higher than the South West average of 1.4%. The rates for Dorset (0.9%) and Poole (1.0%) are below. All are less than the England rate (2.4%). Again, therefore, labour market tightness is evident. Unemployment rates (though recently moving upwards) remain very low in historical terms and local unemployment may be reduced to the minimum of people in ‘transitional’ unemployment – between jobs – or who are difficult to employ because of low abilities and/or low motivation.
98. If these factors suggest that local labour supply is constricted, then data on *house price* data emphasises the difficulty for prospective applicants for lower paid/lower skilled occupations to move into the area.
99. Thus, in Q3 of 2005, the average house price in Poole (£254,959) was the highest (out of 15) among SW county and unitary authorities, and was 29.3% above the English average (£197,201). (SW: £202,396). Dorset had the third highest average house price in the region (£230,261), and Bournemouth the ninth highest (£196,367).
100. More particularly, lower quartile housing affordability ratios show that lower quartile house prices are approximately 9.1 times lower quartile resident earnings in Bournemouth, and 9.6 times in Poole (SW: 8.5, England 6.8). For Dorset districts, ratios range from 9.2 (Weymouth and Portland) to 11.9 (Christchurch). The latter is the highest lower quartile ratio of any local authority in the South West. (*House Prices: OPDM Mean House Prices Q3 2005 (provisional)/ Affordability: HM Land Registry house prices Q1-Q2 2005/ONS Annual Survey of Hours and Earnings 2005.*)
101. Data on *Somerset* is less comprehensive but it can be noted that:
- Somerset’s economic activity rate (81.6) remains higher than that of the South West (80.8) or the UK (78.1)
 - Unemployment (claimant count) is lower in Somerset (1.4) than the South West average (1.7) or the UK average (2.6).

- House prices are below the average for England and Wales. However, because of relatively lower wages, their affordability is also less than average.
102. Overall, these statistics, for the BDP area and Somerset, suggest that the labour market in both sub-regions is still quite tight and that the hospitality and tourism sector has to find advantages (typically of easy entry and flexible and casual work rather than of high wages) to maintain its workforce levels in quite competitive labour market conditions. At lower skill and pay levels, house prices are a major barrier to in-migrants who might otherwise service the industry.

Work-based learning (WBL): Hospitality and catering

103. Statistics for WBL participation in the BDPS area show that 547 Apprentices completed their hospitality and catering programme in 2004/05. These were distributed by age and gender as:

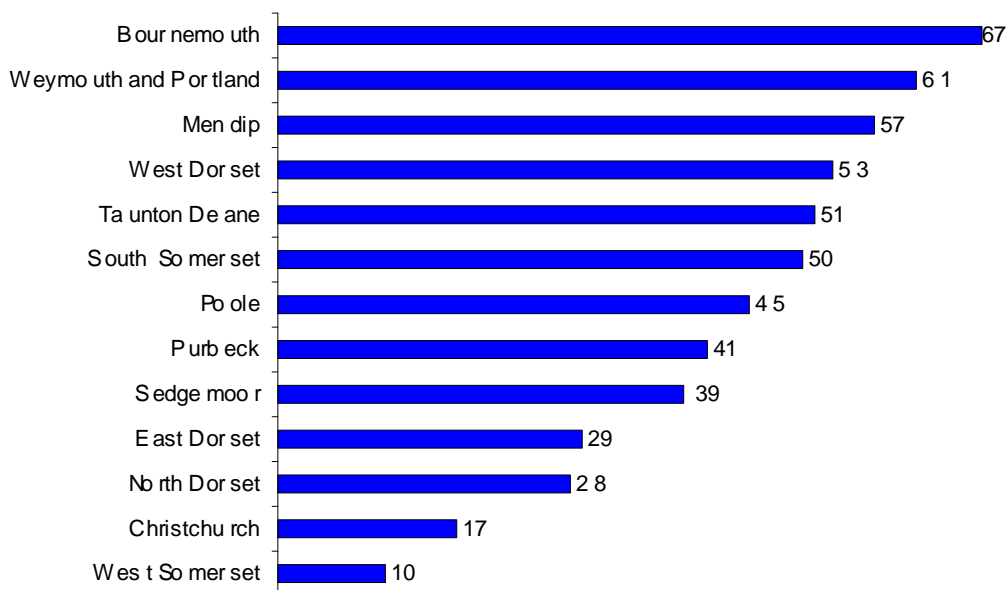
Table 13: 'Completing' hospitality and catering apprentices in the BDPS area, 2004/05

	F	M	Total
16-18 years	94	129	223
19-20 years	71	77	148
21-24 years	72	10	176
Total	237	310	548

Source: ILR 2004/05

104. It can be seen that there were more male than female Apprentices in this sector.
105. Locationally, Apprentices were resident in all BDPS Districts/UAs with the greater number in Bournemouth, Weymouth and Portland, and Mendip:

Figure 6: Numbers of ‘completing’ hospitality and catering Apprentices per District/UA, 2004/05



Source: ILR 2004/05

106. The great majority of Apprenticeships (422 cases) were at Foundation level, Level 2, rather than at Advanced level, Level 3 (126 cases).
107. Success rates in 2004/05 were moderate (but rather better than the 25% completion which People 1st quotes as the national success rate) and improved markedly in 2005/06:

Table 14: Success rates in hospitality and catering Apprenticeship in the BDPS area, 2004/05 and 2005/06

	2004/05		2005/06	
	Some achievement	Full framework completion	Some achievement	Full framework completion
Advanced Apprenticeship	41%	29%	48%	40%
Apprenticeship	53%	37%	53%	46%

Source: ILR 2004/05 and 2005/06

Work-based learning (WBL): Travel and tourism

108. Many fewer Apprentices – just 30 – completed in the travel and tourism sub-sector than in the hospitality and catering sub-sector. These were distributed by age and gender as:

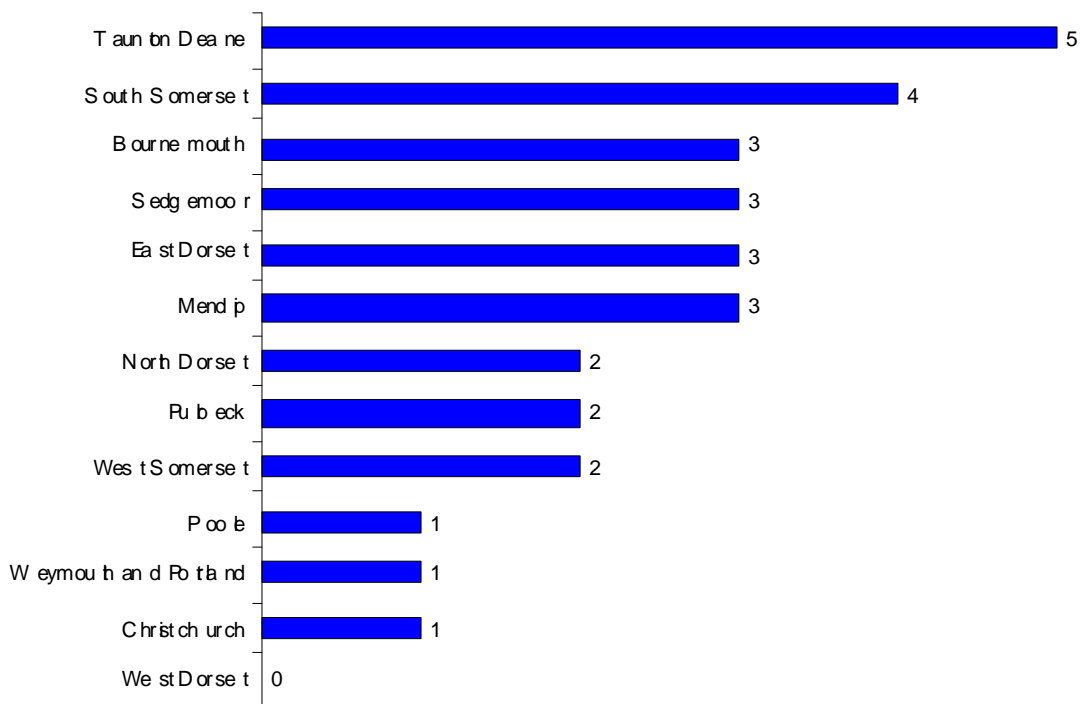
Table 15: 'Completing' travel and tourism apprentices in the BDPS area, 2004/05

	F	M	Total
16-18 years	20	1	21
19-20 years	3	3	6
21-24 years	2	1	3
Total	25	5	30

Source: ILR 2004/05

109. It can be seen that these Apprentices were mainly young and female.
110. Locationally, this small number of Apprentices were spread thinly across most Districts/UAs in the sub-region.

Figure 7: 'Completing' travel and tourism Apprentices per District/UA, 2004/05



Source: ILR 2004/05

111. The majority of Apprenticeships (22 cases) were at Advanced level, Level 3, rather than at Foundation level, Level 2 (8 cases).

112. Success rates were moderate in 2004/05 with the worst rate being for full framework completion of the Advanced Apprenticeship but showed marked improvement in 2005/06 at the Advanced level:

Table 16: Success rates in travel and tourism Apprenticeship in the BDPS area, 2004/05 and 2005/06

	2004/05		2005/06	
	Some achievement	Full framework completion	Some achievement	Full framework completion
Advanced Apprenticeship	41%	23%	83%	58%
Apprenticeship	55%	55%	73%	38%

Source: ILR 2004/05 and 2005/06

Further Education: Hospitality and catering

113. In total, 2,391 people resident in the BDPS area undertook hospitality and catering studies in Further Education during 2004/05. Of these:
- 752 (32%) were aged 16-18, 1,639 (68%) were aged 19 or over.
 - 1,220 (51%) were female and 1,639 (68%) were male.
 - 1,084 (45%) were studying at Level 1/entry level, 682 (29%) were studying at Level 2, and 623 (26%) were studying at Level 3.
114. The 'learning aims' of 16-18 year old students were directed to:

Table 17: Learning aims in hospitality and catering of 16-18 year olds in FE, 2004/05

Advanced VCE (Double Award) in Hospitality and Catering	1
Advanced VCE in Hospitality and Catering	12
BTEC National Certificate in Hospitality Supervision	9
BTEC National Diploma in Hospitality Supervision	18
Certificate for Pastry Cooks and Patisiers	11
Certificate in Basic Food Hygiene (Entry Level)	1
Certificate in Hospitality and Catering (Entry 3)	6
Certificate in Pan-Asian Cookery	3
CG 3330 Preliminary Cooking	1
Conversion from Advanced VCE to Advanced VCE (Double Award) in Hospitality and Catering	4
Diploma for Pastry Cooks and Patisiers	1
Food Hygiene Certificate	28
Foundation Certificate in Food Hygiene	110
Intermediate Food Hygiene Certificate	2
Introduction to Catering and Hospitality	2
Introductory Certificate in Hospitality Conflict Handling	1
Introductory Certificate in Hospitality Customer Service	115
National Certificate for Licensees	10
National Certificate for Personal Licence Holders	8
National Certificate In Licensed Retailing	3
National Diploma in Science (Technology of Food)	1
National Skills Profile - Catering	1
NVQ in Food and Drink Service	121
NVQ in Food Preparation and Cooking	206
NVQ in Food Preparation and Cooking (General)	17
NVQ in Food Preparation and Cooking (Kitchen and Larder Work)	19
NVQ in Food Preparation and Cooking (Patisserie and Confectionery)	5
NVQ in Hospitality Supervision	18
NVQ in Kitchen Portering	2
NVQ in Preparing and Serving Food	16
Total	752

Source: ILR

115. The learning aims of students aged 19 or over were:

Table 18: Learning aims in hospitality and catering of those aged 19 and over in FE, 2004/05

Advanced Certificate in Food Safety	16
Intermediate Certificate in Food Safety	31
National Certificate for Personal Licence Holders	164
Advanced Certificate in Applied HACCP Principles	1
Advanced Certificate in Wines and Spirits	2
Advanced VCE in Hospitality and Catering	2
BTEC National Certificate in Hospitality Supervision	1
BTEC National Diploma in Hospitality Supervision	9
Certificate in Basic Food Hygiene (Entry Level)	1
Certificate in Food Preparation	6
Certificate in Fresh Foods (Fruit and Vegetables)	2
Certificate in Hospitality Studies	1
Certificate in Nutrition	1
Certificate in Wines, Spirits and Other Alcoholic Beverages	9
Certificate Introduction to the Hospitality Industry	8
CG 3330 Preliminary Cooking	6
Diploma for Pastry Cooks and Patisseries	3
Food Hygiene Certificate	40
Foundation Certificate in Food Hygiene	581
Foundation Certificate in HACCP Principles and Practice	1
Intermediate Certificate in Food Hygiene and Safety	49
Intermediate Food Hygiene Certificate	12
Introductory Certificate in Hospitality Customer Service	16
Level 2 Certificate in Food Hygiene	7
National Certificate for Licensees	303
National Certificate In Licensed Retailing	114
National Certificate in Science (Technology of Food)	1
National Skills Profile - Catering	37
Nutrition and Weight Management Certificate	1
NVQ in Food and Drink Service	28
NVQ in Food Preparation and Cooking	120
NVQ in Food Preparation and Cooking (General)	7
NVQ in Food Preparation and Cooking (Kitchen and Larder Work)	21
NVQ in Food Preparation and Cooking (Patisserie and Confectionery)	6
NVQ in Hospitality Quick Service	1
NVQ in Hospitality Supervision	10
NVQ in Housekeeping	2
NVQ in Kitchen Portering	1
NVQ in Preparing and Serving Food	9
Professional Certificate in Hotel and Catering International Management	7
Ship's Cook	2
Total	1639

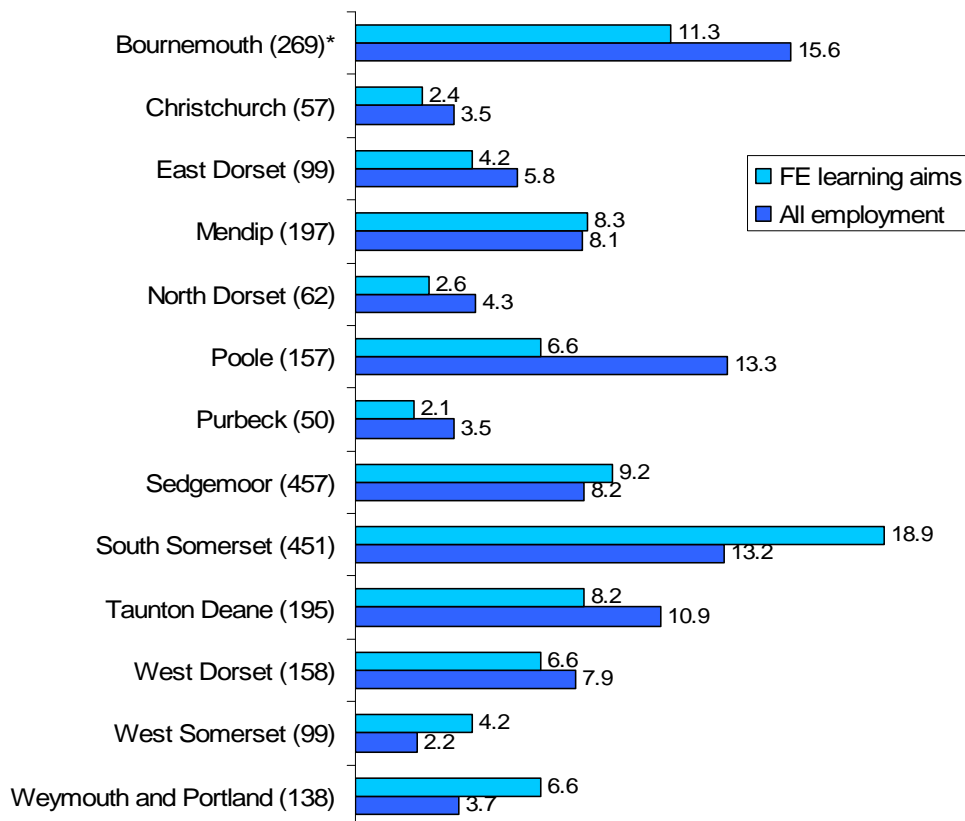
116. It can be seen that key areas of study were:

- Foundation certificates in Food Hygiene
- National certificates for licensees, Personal Licence holders, and licensed retailers
- NVQs in Food and Drink service and Food Preparation and Cooking

117. Of 16-18 year students, 81% either completed their learning aim or were continuing working towards it; 19% failed to complete. Of 19+ year old students, 97% either completed their learning aim or were continuing working towards it; 3% failed to complete.

118. In terms of location of residence of FE hospitality and catering learners, there was a very biased pattern, with very high numbers of students in Sedgemoor and South Somerset Districts. The proportions of all FE learning aims in hospitality and catering is compared with the size of local economies:

Figure 8: Percentages of hospitality and catering learning aims and of all employment by District/UA

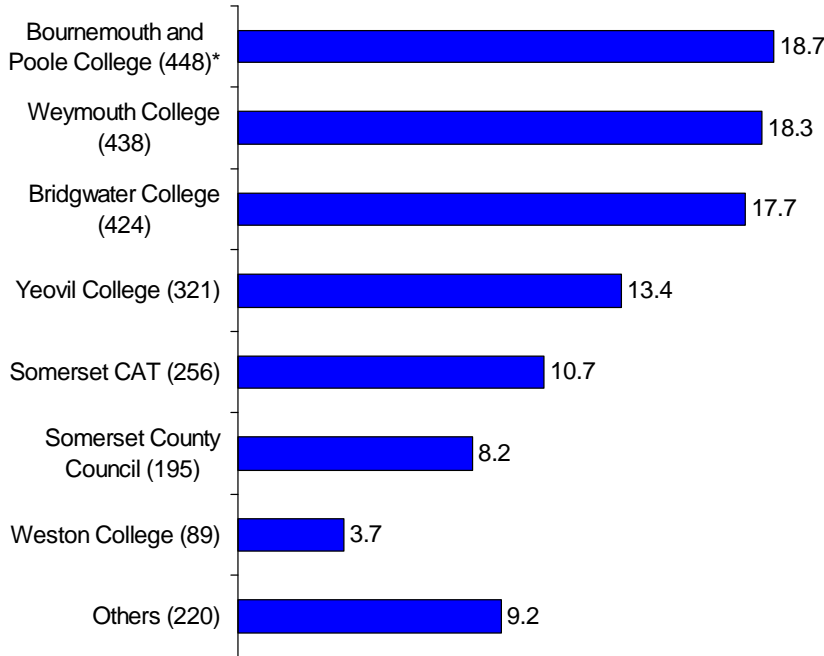


Source: ILR and ABI 2004

* Number of hospitality and catering learning aims

119. It seems probable that the pattern of learning is strongly influenced by the location of Colleges. Further analysis shows key hospitality and catering FE providers as:

Figure 9: Providers of hospitality and catering learning aims; percentages of total



Source: ILR 2004/05

* Numbers of learning aims in brackets

Further Education: Travel and tourism

120. As with Apprenticeship, fewer learning aims were pursued in travel and tourism than in hospitality and catering. In total, 841 people resident in the BDPS area undertook travel and tourism studies in Further Education during 2004/05. Of these:

- 739 (88%) were aged 16-18, 102 (12%) were aged 19 or over.
- 668 (79%) were female and 173 (21%) were male.
- 53 (6%) were studying at Level 1/entry level, 516 (61%) were studying at Level 2, and 272 (32%) were studying at Level 3.

121. The 'learning aims' of 16-18 year old students were directed to:

Table 19: Learning aims in travel and tourism of 16-18 year olds in FE, 2004/05

Advanced VCE (Double Award) in Travel and Tourism	69
Advanced VCE in Travel and Tourism	3
Air Fares and Ticketing Level 1	6
BTEC Certificate in Preparation for Air Cabin Crew Service	1
BTEC Certificate in Preparation for Tourist Guiding	13
BTEC Diploma in Travel Operations	18
BTEC First Diploma in Travel and Tourism	42
BTEC Introductory Certificate in Hospitality, Travel and Tourism	25
BTEC Introductory Diploma in Hospitality, Travel and Tourism	11
BTEC National Award in Travel and Tourism	26
BTEC National Certificate in Travel and Tourism	47
BTEC National Diploma in Travel and Tourism	77
Certificate for Airline Cabin Crew	18
Certificate for On-Tour Managers	13
Certificate for Resort Representatives	83
Certificate in Air Fares and Ticketing	28
Certificate in Travel (Travel Agency)	66
Certificate in Travel Destinations	92
Certificate in Travel Planning	23
CG 4801 ABTAC Level 2	13
CG 4802 ABTOC Level 2	3
Conversion from Advanced VCE to Advanced VCE (Double Award) in Travel and Tourism	17
Foundation Certificate in Travel	5
GNVQ in Intermediate Leisure and Tourism	18
Intermediate Certificate in Air Cabin Crewing	19
NVQ in Travel Services (Leisure Travel, Business Travel, Call Centre Operations)	1
Tour Operators Certificate - Advanced	1
Travel Agents Certificate - Advanced	1
Total	739

Source: ILR

122. The learning aims of students aged 19 and over were:

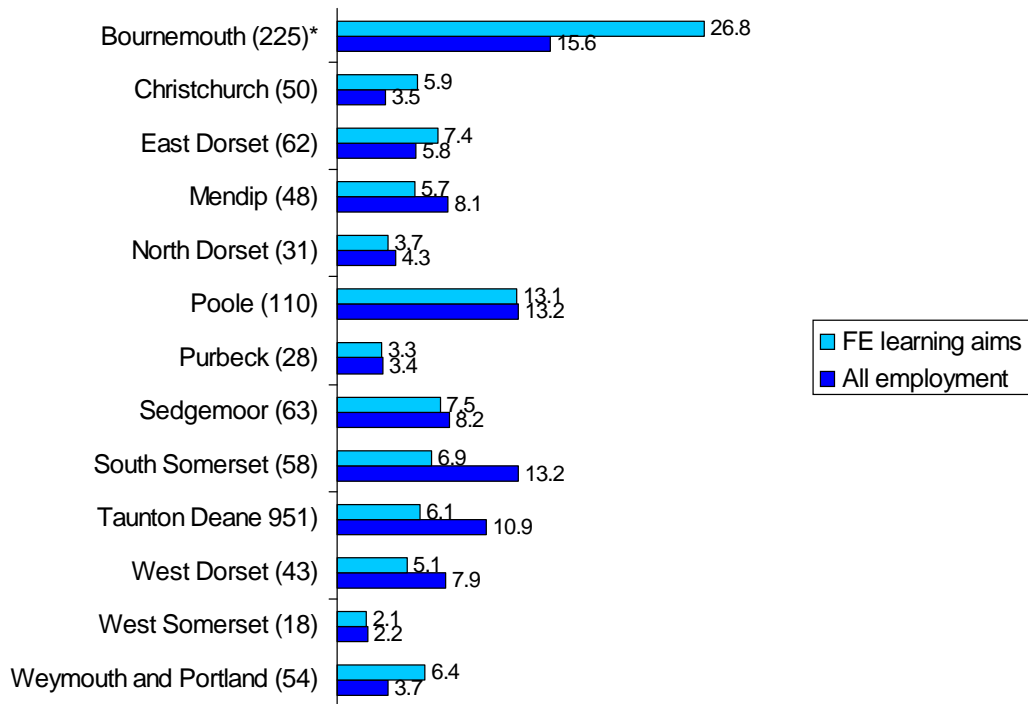
Table 20: Learning aims in travel and tourism of those aged 19 and over in FE, 2004/05

Advanced VCE (Double Award) in Travel and Tourism	2
Air Fares and Ticketing Level 1	5
BTEC Award in Transporting Passengers by Taxi and Private Hire	13
BTEC Certificate in Preparation for Tourist Guiding	2
BTEC Diploma in Travel Operations	1
BTEC Introductory Certificate in Hospitality, Travel and Tourism	3
BTEC National Certificate in Travel and Tourism	1
BTEC National Diploma in Travel and Tourism	2
Certificate for Airline Cabin Crew	7
Certificate for Resort Representatives	6
Certificate in Air Fares and Ticketing	9
Certificate in Travel (Travel Agency)	24
Certificate in Travel and Tourism	1
Certificate in Travel Destinations	2
Certificate in Travel Planning	2
CG 4801 ABTAC Level 2	3
CG 4865 International Tourism: Diploma in International Tourism	5
Conversion from Advanced VCE to Advanced VCE (Double Award) in Travel and Tourism	3
First Diploma in Travel and Tourism	2
GNVQ in Intermediate Leisure and Tourism	3
Intermediate Certificate in Air Cabin Crewing	4
Travel Agents Certificate - Primary	2
Total	102

Source: ILR

123. It can be seen that key areas of study were:
- BTEC qualifications in travel and tourism
 - A variety of travel-related certificates
124. Of 16-18 year students, 66% either completed their learning aim or were continuing working towards it; 34% failed to complete. Of 19+ year old students, 64% either completed their learning aim or were continuing working towards it; 36% failed to complete.
125. When the distribution of places of residence of travel and tourism students is examined, there is a pronounced imbalance in favour of Bournemouth:

Figure 10: Percentages of travel and tourism leaning aims and of all employment by District/UA

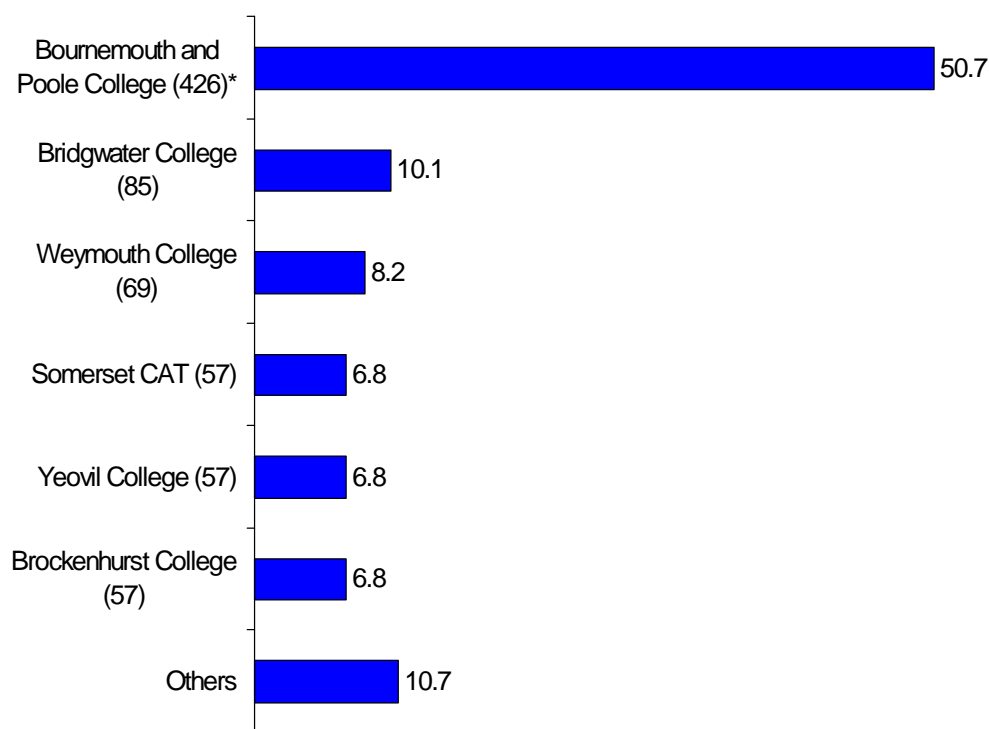


Source: ILR and ABI 2004

* Number of travel and tourism learning aims

126. Again, the key influence appears to be the nearness of provision with Bournemouth and Poole College being the key provider, supporting half of all learning aims:

Figure 11: Providers of travel and tourism learning aims; percentages of total



Source: ILR 2004/05

* Numbers of learning aims in brackets

WBL and FE in the hospitality and tourism sector: comment

127. An analysis of local Work Based Learning aims in FE related to the sector reveals a number of key points:

- Overall, the volume of participation is quite high with 577 Apprentices coming to the end of training (either successfully or without completing) and 3,232 people pursuing a relevant learning aim in FE.
- With respect to *Apprenticeship in hospitality and catering*:
 - The great majority of Apprenticeships are at Level 2 – only 23% were at the Advanced level.
 - Despite recent improvement, there is still significant scope to improve achievement rates.
- With respect to *Apprenticeship in travel and tourism*:
 - Such Apprenticeships are very few – only 30 Apprentices finished such training in travel and tourism in 2004/05 and only 21 finished on 2005/06. Again, there is scope to improve achievement particularly at Level 2.
- With respect to *FE learning aims in hospitality and catering*:
 - 2,391 learning aims were pursued.
 - The majority were at Level 2 (29%) or Level 1 (45%). Overall, this study appears to be quite basic.

- Though there was a very substantial volume of learning aims, much study appeared to be regulatory. Around 60% of learning aims concerned food hygiene or licensing regulations. Of course, these are important issues but do not necessarily enhance core skills or industry productivity.
 - Completion rates were good – very few students dropped out, especially amongst adult (19+) learners.
 - There was a considerable locational bias such that residents of some Somerset Districts (notably Sedgemoor and South Somerset) were particularly likely to participate. A factor may be the location of Colleges. Whilst Bournemouth and Poole and Weymouth Colleges are the largest providers, Somerset has four providers (including the County Council) with a significant market presence.
- With respect to *FE learning aims in travel and tourism*:
 - The great majority of students in this area of study are young women predominantly studying at Level 2. It is suggested (by a knowledgeable commentator on local FE patterns) that this area of study is frequently used by advisors as a 'residual' or 'longstop' area of study for 16 year old girls who don't have a high level of academic ability, wish to continue in post-16 study of some kind, but don't have a clear career objective in mind.
 - Completion rates are worse than for hotel and catering subjects with over a third failing to complete.
 - Again, participation appears to be partially governed by the proximity of courses – Bournemouth residents are over-represented but Bournemouth and Poole College is the major provider, supporting half of all learning aims in the travel and tourism sub-sector.

The quality of local provision: College inspection reports

128. Previous paragraphs have described the outputs of local FE provision. However, whilst noting the range of qualifications which students worked towards and offering information on completion, the data does not really indicate the *quality* of provision.
129. The only objective source of information on quality is that provided by *Ofsted inspection reports*. These are by no means comprehensive, however, and no reports on hospitality and tourism are available for some Colleges which BDPS area students attend. Nor are reports fully up-to-date. However, recognising these limitations, some inspection report material can be set out here.

Weymouth College (Inspection November 2004): Hospitality and catering

130. Overall provision in this area is **satisfactory (grade 3)**

Strengths

- high retention rates on level 2 courses
- good development of students' practical skills
- good resources for food production.

Weaknesses

- low pass rates on most courses
- low retention rates on level 1 and level 3 courses
- narrow range of teaching strategies
- ineffective individual learning plans.

Scope of provision

131. The college offers NVQ programmes in catering and hospitality at level 1 in preparing and serving food, level 2 in food preparation and cooking and food service, and level 3 in food preparation and cooking. Level 1 and level 2 qualifications are provided for both full-time and part-time students. There are 81 students in total, of whom 45 are full time. The majority of full-time students are aged 16 to 18, whilst most part-time students are adults. There are 12 apprentices in hospitality and catering. Apprentices attend college one day a week for vocational training and key skills. There is also a group of school pupils aged 14 to 16 who attend the college for two afternoons a week to work towards NVQ level 1 in food preparation and cooking.

Achievement and standards

132. Too many students fail to complete their courses successfully. Retention rates on NVQ level 2 courses are above the national averages, although pass rates are significantly below. Retention rates on the NVQ level 1 preparing and serving food course have been below the national average for the past three years and the pass rate has also declined during this period to below the national average. Retention rates on the NVQ level 3 food preparation and cooking course have been low over the past three years. The progress of learners on apprenticeship programmes is unsatisfactory. There has been no achievement of apprenticeship frameworks up to the time of inspection. Retention rates have also been low, with no students completing in 2001/02 and 54% completing in 2003/04. Students starting the programme in 2004 have all remained on the course. Currently, there are high in-year retention rates on all courses.
133. Students achieve a high level of practical skills in food preparation and cooking. Good examples of butchery skills were displayed in the preparation of joints of meat and good techniques exhibited in the filleting of large fish for a function at the college. The working environment of the college allows students to improve their practical and social skills by working in teams. Students develop good skills in customer care by working in the practise restaurant. All students are aware of the standards expected of them. Teachers monitor their progress well and provide good support when required.

Table 21: A sample of retention and pass rates in hospitality and catering, 2002 to 2004

Qualification	Level	Completion year:	2002	2003	2004
NVQ preparing and serving food	1	No. of starts	12	28	13
		% retention	67	68	69
		% pass rate	100	84	56
NVQ food preparation and cooking	2	No. of starts	21	25	53
		% retention	100	88	77
		% pass rate	76	64	59

Source: ISR (2002 and 2003), college (2004)

* The number of enrolments on most courses is too small to show illustrative data

Quality of education and training

134. Teaching and learning are satisfactory. Teaching schemes are comprehensive and detailed. In practical lessons, teachers use small demonstrations well to illustrate techniques to the whole group, for example, decorating cold buffet items. Advanced level students are able to clearly relate the skills they are learning to the hospitality industry. In the better lessons, teachers require the students to be self-critical.
135. Theory teaching is less effective. Teachers often fail to fully identify the expected learning outcomes at the start of lessons. A narrow range of strategies is used to support learning. Lessons are predominantly teacher centred and do not fully accommodate the differing learning styles of students. The use of new technology in teaching and learning is insufficient.
136. Assessment is well planned and thorough, fulfilling awarding body criteria. Students have a good understanding of the overall requirements. However, they rarely take responsibility for deciding when they have gathered sufficient evidence to meet the NVQ criteria. Teachers involve students well in evaluating the standard achieved during assessment. Outcomes are recorded accurately and there is a well-managed process for monitoring students' progress. Internal verification is well planned and covers all aspects of the NVQ programmes. However, individual learning plans are ineffective. Targets for achievement are usually the same for all students, with little variation to reflect individual ability and progress. This is also reflected in work-based learning where there is insufficient consideration of the students' workplace and the range of experiences gained within it. The initial assessment process does not fully inform teaching. There is little consideration of differing abilities and learning styles when planning teaching.
137. The range of courses in catering and hospitality is narrow, as is the range of additional qualifications available to students. The college plans to introduce a level 2 pastry qualification during the current academic year to address this, and to improve students' knowledge and employment prospects. Enrichment activities are limited. There are good links with local schools, particularly through the Increased Flexibility programme. Although staff have good informal links with the industry, there is no established forum where college staff and employers meet to identify the requirements of local employers and develop suitable courses.
138. Students receive good support from teachers. Vocational teachers, who provide the majority of teaching, also provide a high level of support and, in many cases, are the main contact for students. Students are recruited to courses by a variety of

routes and receive good pre-entry guidance. Interviewing is thorough, providing good information about courses and the expectations of the college.

Leadership and management

139. Leadership and management are satisfactory. The area experienced a period without a manager in post when many aspects of management were not addressed, such as course development and planning. The new manager is implementing policies and procedures in an open and consultative manner. Targets have been introduced for retention, pass and attendance rates. Staff understand these and monitor them through regular meetings. There is a well established and thorough process of quality assurance on all NVQ courses. Meetings are well recorded with identified actions, but they often fail to establish target dates for completion. All staff contributed to the self-assessment report, which recognises the weaknesses of the area.

Somerset College of Arts and Technology (Inspection May 2003): Hospitality, leisure and tourism

140. Overall provision in this area is **satisfactory (grade 3)**

Strengths

- good range of additional qualifications
- good rate of progression to employment and further study
- particularly good range of enrichment activities
- good specialist resources in travel and tourism.

Weaknesses

- low retention rates on most courses
- poor planning of some lessons
- poor punctuality in most lessons
- inadequate resources in hospitality and catering.

Scope of provision

141. The college provides a wide range of courses in hospitality and catering. These include NVQ programmes in food preparation and cooking at levels 1, 2 and 3; food and beverage service at level 2; and restaurant supervision and AVCE courses in hospitality and catering at level 3. Part-time students achieve a range of qualifications through study in the workplace or through combined study at the college and at work. In sports, there are national diplomas in sports development and fitness, and applied science (sports studies) and an NVQ level 2 course in sport and recreation. Travel and tourism courses include AVCE travel and tourism, GNVQ intermediate leisure and tourism and NVQ travel services at level 2. At the time of inspection, there were 114 students aged 16 to 18 and 10 adults on full-time programmes. On part-time programmes, there were 24 students aged 16 to 18 and 496 adults, many of whom were studying in community venues. There were six foundation modern apprentices and one advanced modern apprentice in hospitality and catering.

Achievement and standards

142. Retention rates on most courses are unsatisfactory. Action is being taken to address this issue and the retention rate in the current year is good and is above the national average on most courses. Pass rates are satisfactory except on the NVQ level 2 travel services course. Attendance on some programmes is low. There are good progression rates into employment and further study. For example, 81% of students on the NVQ level 2 food preparation course gained employment and 85% of students on the national diploma in applied science (sports studies) went on to further studies.

143. The standard of students' work is satisfactory. Assignments are well presented and students use ICT to good effect. Working in the college restaurant and the travel shop, students develop their communication and interpersonal skills. They are polite to customers and to each other and deal well with enquiries and complaints. Many travel students demonstrate good research skills, investigating tourist destinations and calculating the costs of different itineraries. Most students have good customer care skills and telephone techniques. In sport studies, students work effectively in teams and, when coaching others, they recognise and respond to participants' varying abilities and needs.

Table 22: A sample of retention and pass rates in hospitality, leisure and tourism, 2000 to 2002

Qualification	Level	Completion year:	2000	2001	2002
NVQ preparing and serving food	1	No. of starts	8	6	8
		% retention	100	67	88
		% pass rate	86	80	80
NVQ food preparation and cooking	2	No. of starts	28	40	29
		% retention	68	67	54
		% pass rate	83	91	71
NVQ sport and recreation (coaching)	2	No. of starts	10	13	42
		% retention	80	85	62
		% pass rate	86	100	81
NVQ travel services	2	No. of starts	24	14	12
		% retention	63	64	50
		% pass rate	29	100	33
National diploma in travel and tourism	3	No. of starts	13	16	17
		% retention	54	69	41
		% pass rate	43	90	86
National diploma in science (sports studies)	3	No. of starts	29*	22*	20*
		% retention	67	59	60
		% pass rate	75	77	83

Source: ISR (2000 and 2001), College (2002)

* College data

Quality of education and training

144. Most teaching is satisfactory. However, in some lessons, planning is poor, teaching is unimaginative and activities do not provide students with enough challenge. In a few lessons, the students did not have a clear understanding of what was expected of them. Students' late arrival at many lessons is disruptive, but teachers do not always tackle the problem effectively.

145. Assessment is well managed and effectively used to monitor students' progress. Hospitality and sport students are aware of the progress they are making towards their qualifications. Assignments in hospitality and sport are vocationally relevant and well structured. Those in travel and tourism are not sufficiently demanding. Feedback on assignments by teachers does not always indicate how students can make improvements in order to achieve a higher grade. Work placements in hospitality and sport provide useful opportunities for students to develop their knowledge and skills and often contribute to their assessment. Students also benefit from visits to local organisations, overseas trips and the acquisition of additional industry-relevant qualifications, such as the certificate in employment skills.
146. Students speak highly of the help they get from staff on academic and personal matters. Pre-entry guidance and interviewing are effective. A student support officer is working with students and staff to improve attendance and retention rates. Initial assessment identifies students' additional learning needs and appropriate support is provided. Students' action plans are reviewed in regular tutorials, and consolidation weeks, held twice a term, provide useful opportunities to review progress and complete assignments.
147. There are good specialist resources for travel students. These include the college's travel agency as well as extensive texts and computer-based resources in the integrated learning centre. However, resources for food preparation and service are poor and do not reflect the range and standard found in industry. The public restaurant is good, but there are sometimes too few customers to provide students with enough opportunities to prepare meals. New facilities for hospitality are expected to open in 2004. All staff are well qualified and most have teaching qualifications.

Leadership and management

148. Leadership and management in this area are satisfactory. Course teams set and monitor targets for retention and pass rates effectively and use national averages to measure success. The self-assessment process works well in identifying strengths and areas for development, but does not provide a sufficiently detailed action plan.

Bridgwater College (Inspection February 2002): Travel and tourism

149. Overall provision in this area is **outstanding (grade 1)**

Strengths

- outstanding pass rates on the advanced GNVQ in leisure and tourism
- stimulating and effective teaching
- excellent facilities for cabin crew training
- teachers with current experience of the industry
- excellent links with industry
- good range of qualifications available to full-time students.

Weaknesses

- insufficient opportunities to work in the college travel shop
- lack of level 1 qualifications.

Scope of provision

150. The main provision comprises the AVCE in travel and tourism, which replaced the advanced GNVQ in 2001 and an intermediate course in travel operations which is based on the Association of British Travel Agents (ABTA) primary and advanced certificates. These core qualifications have been successfully combined with a range of additional vocational qualifications to provide a level 2 programme designed to meet the needs of the travel industry. These additional qualifications include the European Metropolitan Transport Authority (EMTA) air cabin crew certificate; Edexcel tourist guiding operations; NCFE certificate for resort representatives; Edexcel advanced certificate in overseas operations (children's couriers); and the English Tourist Board (ETB) welcome host certificate. No level 1 qualifications are offered.

Achievement and standards

151. Students' achievements are very good. Pass rates on the advanced GNVQ leisure and tourism course were outstanding in 2000 and 2001. All students achieved the qualification. The retention rate on the course has also been above the national average in each of the three years from 1999. Retention and pass rates on the qualifications that make up the current intermediate programme have been above the national average, with the exception of the 38% pass rate on the airfares and ticketing course in 2001. At the time of the inspection, the retention rate of students was good; no students had withdrawn from the AVCE programme. Students demonstrate good levels of attainment in their written work and in their contributions during lessons. The quality of their written work is outstanding. Good use of IT is also apparent from inspection of students' files.

Table 23: A sample of retention and pass rates in travel and tourism, 1999 to 2001

Qualification	Level	Completion year:	1999	2000	2001
Association of British Travel Agents Certificate (ABTAC) (primary level)	2	No. of starts	*	*	33
		% retention	*	*	75
		% pass rate	*	*	71
ETB welcome host	2	No. of starts	*	6	141
		% retention	*	100	100
		% pass rate	*	100	100
NCFE certificate for resort representatives	2	No. of starts	*	20	33
		% retention	*	85	75
		% pass rate	*	94	78
Air fares and ticketing (level 1)	2	No. of starts	*	*	33
		% retention	*	*	72
		% pass rate	*	*	38
GNVQ advanced leisure and tourism	3	No. of starts	29	13	25
		% retention	76	77	77
		% pass rate	95	100	100

Source: ISR (1999 and 2000), college (2001).

* course did not run

Quality of education and training

152. Most teaching is good or very good. Teachers prepare appropriately detailed schemes of work and lesson plans. Most lessons are well organised and lively. Teachers successfully draw on students' experiences to illustrate key points. Imaginative revision techniques included quizzes and card games. In some lessons, students evaluated the quality of each other's work. The teaching of key skills is an integral part of courses. Key skills are also well developed in assignments. Teachers give useful feedback on assignments, which enables students to improve and progress with their studies.
153. Many of the part-time staff teaching on travel courses work in the travel and tourism industry. Their current experience enhances their teaching. Full-time staff are also up-to-date. One of the teachers works as a ski representative during college holidays. The college has some outstanding resources, in particular a mock aircraft cabin used for cabin crew training. Students studying for the cabin crew certificate

wear cabin crew uniforms to lessons and use the mock cabin to learn professional working practices. The college travel shop is linked to a local travel agency. It provides realistic work experience for students. A member of staff is employed to work in the travel shop and to provide specialist training for students. Students do not get enough opportunities to work in the travel shop. Experience is not offered to AVCE students. Level 2 students only work in the shop for one day every two weeks. There is a good range of books, periodicals and videos in the library, but some of the travel guides in the travel shop are out of date.

154. There are good links with a range of well-known travel organisations. A partnership with a major tour operator has resulted in a range of benefits for students and staff which includes employment of students as resort representatives, support with resources, and financial support for the promotion of the travel and tourism curriculum. Travel industry practitioners often attend the college as guest speakers to give students an insight into employment in the sector. Students also benefit from a well-organised overseas residential course which is an integral part of their programme.
155. Tutorial support is well structured and effective. There are good procedures to identify students who are experiencing problems and who might leave the programme before completion. Tutorials are often used to help students wishing to enter employment after their studies. For example, students who were previously on the GNVQ programme were invited to a tutorial to share their experience of working at a residential camping centre in Brittany with students who were applying for jobs there.

Leadership and management

156. Curriculum management is good. The manager works well with the course team. There are regular team meetings at which students' progress is monitored and discussed. Outcomes of the lesson observation programme are used effectively to improve teaching and learning. Annual self-assessment accurately identifies key strengths, issues and development needs. Appropriate action is then taken. The course team has a clear vision of how the programmes should be developed and teachers play an active role in curriculum development.

Yeovil College (Inspection February 2005): Sports, leisure and travel

157. This inspection report is mainly not concerned with the 'travel' part of this curriculum area. However, inspectors noted:

'a significant minority of unsatisfactory teaching in travel and tourism'

'only a limited range (of courses) in leisure, travel and tourism'

'pass rates for the AVCE travel and tourism course have been well above the national averages'

158. Overall, this curriculum area is graded as **good (grade 2)**.

Bournemouth and Poole College (Inspection March 2003): Hospitality and catering

159. Overall provision in this area is **satisfactory (grade 3)**

Strengths

- high pass rates on some courses
- good teaching and learning in hospitality and some sport and tourism lessons
- good range and achievement of additional qualifications
- strong links with employers
- good additional support for students.

Weaknesses

- poor retention rates on some courses
- inadequate on-site provision for sports
- unsatisfactory resources for some cookery lessons
- insufficient level 1 provision on sport, leisure and tourism
- little use of IT
- insufficient assessment in the workplace.

Scope of provision

160. Courses are offered mainly at levels 2 and 3 at the Lansdowne site. These include NVQs in food preparation and food service and the national diploma in hospitality and catering. The college also offers the AVCE in travel and tourism, the certificate and diploma in international tourism and specialist cabin crew training. In addition, the national diploma in applied science (sports studies) is provided. There are 370 students on long and 238 on short full-time courses, 1,215 students study part-time, and there are 682 students aged 16 to 18 and 1,211 aged 19 or over. A good range of additional qualifications is also provided which enhance the credibility of the training to employers. These include the community sport leaders' award and the food hygiene certificate. There are 102 work-based learners following AMA or FMA programmes in catering. Most programmes involve students attending college one day each week, although specialised chefs attend college for one term each year.

Achievement and standards

161. Over the four years prior to the inspection, retention and pass rates on the NVQ level 3 in food preparation, the sports progression award, and the travel agents primary certificate have consistently exceeded national averages. Retention rates and pass rates on the international tourism certificate and diploma programmes were all below national averages in 2001/02. Performance on most other courses has been satisfactory with no course showing continuous improvement in either retention or pass rates. The completion of frameworks on the specialised chefs AMA programme is good. However, on day release work-based learning, framework completion is poor and retention rates in the second year are low. Nevertheless, there is good achievement of NVQ level 2.

162. Practical cookery lessons are based on realistic working environments. Cookery students are encouraged to reach their full potential and they rise to the challenge. There is a roster for 'student head chef'. Students carry out this responsibility

effectively. With the support of the tutor, the student head chef ensures that all dishes on the menu are presented to a standard appropriate for a high-quality restaurant. Surveys conducted by the 'student head waiter' show high customer satisfaction levels. Students demonstrate higher skill levels than are normal for their stage of training. Students' confidence and social skills are also developing well. In sports leisure and tourism, most students produce satisfactory work. They show good debating skills. Some students have excelled at sporting events at county level and above.

Table 24: A sample of retention and pass rates in Hospitality, sport, leisure and travel, 2000 to 2002

Qualification	Level	Completion year:	2000	2001	2002
City and Guilds 4865 international tourism certificate	2	No. of starts	28	34	20
		% retention	57	**	75
		% pass rate	94	**	60
City and Guilds progression award in sports and leisure	2	No. of starts	20	16	29
		% retention	90	88	69
		% pass rate	83	100	75
NVQ 2 food preparation and cookery (1 year)	2	No. of starts	106	62	109
		% retention	86	**	63
		% pass rate	88	**	69
NVQ 3 food preparation and cookery (2 year)	3	No. of starts	41	49	44
		% retention	71	86	70
		% pass rate	96	100	100
Advanced GNVQ/AVCE* hospitality and catering	3	No. of starts	***	22	17
		% retention	***	**	81
		% pass rate	***	**	100
City and Guilds 4865 international tourism diploma	3	No. of starts	36	33	38
		% retention	86	**	79
		% pass rate	89	**	60
National diploma (applied science) sports studies	3	No. of starts	***	**	20
		% retention	***	**	38
		% pass rate	***	**	100

*AVCE in 2002

**data unreliable

***course did not run

Source: ISR (2000 and 2001), college (2002)

Quality of education and training

163. Most teaching is satisfactory or good. In hospitality some lessons are outstanding. In the best lessons, schemes of work are detailed and a range of professionally prepared support materials and learning aids are used. Presentations are crisp and authoritative and are interspersed with individual and group activities that consolidate students' learning by enabling them to test out theories and concepts. Many students are well motivated. An effective hospitality administration lesson was conducted as a business meeting. The teacher's lesson plan was distributed as an agenda. The whole class was actively involved. Students had prepared and researched well for the meeting. They demonstrated clear application of meetings procedures and protocol. In some food theory lessons, students learned effectively and with enthusiasm using an interactive ILT package. The materials, though not yet fully developed, contain useful information, explanation and assessment. In some other lessons the teaching is not demanding enough. Visual aids are less attractive, and learning activities are poorly planned and are repetitive. Students' motivation to complete tasks is low in such lessons. In nearly all lessons, teachers are aware of the less able students and individualised support is provided discreetly.
164. Assessment is carried out systematically in line with marking schemes that are clear and are shared with students. Internal verification is sound and where criticisms of assessment are made actions are undertaken. Most marking sheets contain helpful comments that are supportive and constructively critical. The assessment programme for work-based learners takes place predominantly during the learners' time at college, and there is insufficient work-based assessment and evidence.
165. Assessments are used as a basis for effective student reviews which are held every half term. Progress is discussed and improvement targets and actions are agreed for completion by the next review date. Student progress is also monitored at curriculum team meetings and strategies are agreed to provide extra support for students at risk of withdrawal or under-achievement.
166. Most teachers are well qualified and have significant industrial experience which increases the commercial credibility of courses for students and employers. Much classroom accommodation is good. Rooms are spacious, appropriately furnished and well equipped. Furniture layouts enable effective one-to-one discussions between students and staff. One kitchen is well equipped and other kitchens and restaurants are satisfactory. However, one room used for patisserie and confectionery work is poorly equipped and inadequate for this purpose. The cookery demonstration room is unsatisfactory, and it does not comply with good hygiene practice. The college has undertaken steps to address this matter. Accommodation for practical activities in sport is off-site and mostly of good quality. However, lack of on-site facilities restricts students' practical skill development. Students on some courses are not directed to use IT sufficiently and there is little use of ILT by most teachers.
167. Support for students is good. Students receive thorough induction. The learning needs of all students are diagnosed and teachers are forceful in persuading students to take up the support offered. Tutor support and liaison with parents and employers are good. Reviews for work-based learners are also conducted well, with effective target setting and progress review. Students make good use of other services provided by the college such as counselling and financial support.
168. In sport and tourism there are few courses at level one and no work-based learning, although students are clearly advised of alternative local providers. Programmes are enriched by a wide range of additional activities, including visiting speakers,

trips and a student union programme. Over 60 % of students have an opportunity to undertake work experience during their time at college, many of them in highly renowned establishments. Some catering students get work experience in starred restaurants in France. This is made possible by the excellent relationships that exist between the college and the industry at local, national, and international levels.

Leadership and management

169. Management of the three teams in this area of learning is sound. Curriculum managers are respected by staff, and provide energetic and thoughtful leadership. Regular team meetings are held to discuss curriculum development and other operational matters as well as reviewing performance and monitoring student progress. Courses are effectively reviewed, strengths and weaknesses recognised and action plans agreed to address emerging weaknesses. Development priorities also arise from a recently strengthened appraisal system. Surveys of students' views are carried out and managers address resultant key issues. However, staff have little awareness of the strategic priorities of the college and do not feel able to influence the college planning process.

College inspection reports: summary points

170. The key points of this inspection material are perhaps:
- 3 out of the five College departments were rated merely as 'satisfactory' rather than better.
 - Instances (rather than a generality) of poor teaching were observed
171. However, as we noted above, several of the reports are now quite dated and it may be that observed limitations have been addressed.

New teaching developments in Bournemouth

172. In particular, two new developments in Bournemouth, both involving Bournemouth College, support a view that provision has been and is being significantly improved, in Bournemouth at least.
173. Firstly, Bournemouth and Poole College has been (May 2006) awarded full *Centre of Vocational Excellence (CoVE)* status for Culinary Arts by the Learning and Skills Council (LSC).
174. CoVE status is awarded by the LSC to training organisations that dedicate specific resources to raising skill levels and focusing on meeting the training needs of employers within a specialist industry. Achieving and maintaining the CoVE involves engaging employers closely in the design and delivery of training and meeting set targets for learners to achieve essential Level 3 qualifications. The state-of-the-art training offered through the CoVE is set to significantly improve the prospects of individuals and employers within the culinary arts and hospitality sector.
175. The College's principal has noted that the College has 'a history and reputation for hospitality and catering excellence and via the CoVE have been able to implement new strategies to further develop teaching and learning, and to promote the catering sector generally. The College has refurbished the training kitchens and developed exciting new innovations in catering training – such as live camera links between the kitchens and lecture theatres. The College's relationships with

employers through the Chefs' Forum have been strengthened, as have those with schools and other interested parties.'

176. At the heart of the CoVE is the partnership between the College and the Academy of Culinary Arts and its Specialised Chefs Scholarship which was granted a Beacon Award in 1999 and a National Training Award in 2001. The College is also forging strong links with other colleges and training providers to share good practice. The full CoVE status has been awarded by the LSC after a successful development year where the College worked to realise its key objectives. There are plans for a further two years of substantial further developments, before its status is reviewed again.
177. Early practical developments include the establishment of new courses in hotel reception and management, kitchen refits and the purchase of new equipment.
178. Secondly, a new *Bournemouth Hotel School* is in development.
179. This major educational innovation for the hotel industry in the UK was originally conceived in January 1999 by the South West of England Regional Development Agency (South West RDA) and Bournemouth University in conjunction with the Bournemouth and Poole College and Bournemouth Borough Council. The idea was developed through the support of the Savoy Educational Trust which made a substantial grant that year enabling full feasibility studies and business planning to take place. The South West RDA secured a site in 2004 adjacent to the Bournemouth International Centre, together with land in the ownership of Bournemouth Borough Council.
180. The £40m project will create a new, high-quality, 4-star hotel school to take up to 60 student placements on a new foundation degree course as well as supporting training towards a range of NVQs.
181. A developer for the Hotel School has been selected and it is expected that the hotel and school can open for business and training in 2008.

Employer training

182. To this point, our analysis of local skills supply has focussed on 'official' programmes. However, the hospitality and tourism sector, more than most, has traditionally relied on *internal* training systems to prepare individuals for their roles – informal systems in small independent businesses and quite sophisticated ones in the major corporates.
183. The National Employer Skills Survey gives an insight into the training behaviour of hospitality and tourism establishments. To secure a reliable sample, regional statistics (based on 633 responses) are used as a proxy for the BDPS area. The table below sets out a range of training-related indicators and compares them with the regional all-sectors average:

Table 25: Employer training indicators: regional statistics used as proxy for BDPS area

	All sectors average *	Hospitality and tourism *
Training infrastructure		
Has a training plan	44	38
Has a training budget	32	23
Uses formal job descriptions	74	68
Formally assesses skills gaps	55	48
Uses annual performance reviews	58	47
Engagement in training		
Trained any staff in past year	65	59
Trained any staff off-the-job	42	33
Only supplied on-the-job training	22	26
Average number of days per trainee	14.3	13.5
Average annual spend on training per training establishment	£2,661	£871
Training towards qualifications		
Proportion of staff trained towards a nationally recognised qualification	17.2	15.7
Proportion of staff trained towards an NVQ	7.8	7.3
Proportion of employers (who use NVQ) training staff towards NVQ Level 3	48	40
Proportion of employers (who use NVQ) training staff towards NVQ Level 4	15	4
Use of external providers		
Proportion of training establishments used FE in last year	30	27
Proportion of training establishments <i>not</i> using FE saying 'prefer to train in-house'	45	53
Proportion of training establishments using private providers	50	38

Source: NESS 2005

* Note: Percentages unless otherwise indicated

184. This table confirms a number of acknowledged characteristics of training behaviour in the hospitality and tourism sector:

- Slightly weaker infrastructure for training.
- Less likelihood of employers being engaged in staff training.
- Shorter training.
- Stronger likelihood of only supplying on-the-job training.
- Less likely to train staff towards qualifications, particularly higher level ones.
- Less likely to use external FE and private providers and more likely to express a preference for in-house training.

185. Many of these characteristics are concerned with the 'smallness' of many establishments in the sector and are typical of small business across the whole economy. The average statistics with which the sector ones are compared are heavily weighted by training behaviour in large (particularly large public sector) establishments. Nevertheless, they point in various ways to the significant margin that exists in the sector to increase employer engagement in workforce development.
186. However, local sector representatives note that much of the local sector is quite 'qualifications-averse' and that it is difficult to stimulate employer engagement. A significant barrier is believed to be the cost, particularly of chef training, with NVQ elements being seen as expensive by managers of small local establishments.
187. It is also suggested that the NVQ qualification is a far weaker guarantee of professional cookery standards than the 'old' City and Guilds qualification, which had a much stronger theoretical underpinning. It is also noted that the training of assessors is fairly nugatory. These factors are believed to have combined to devalue qualifications in employers' eyes.

Summary: labour and skills supply into the hospitality and catering sector

188. A review of labour supply into the sector at *national* level suggests....
- Rising participation in hospitality and catering training and NVQ.
 - Significant volumes of Apprenticeship but very low completion rates.
 - A below-average qualifications profile.
 - Low qualifications in some core occupations.
 - Lower-than-average and declining levels of employer training.
 - Lack of confidence in the quality of young entrants to the sector but a reluctance to use older workers.
189. At *local* level....
- A competitive labour market for lower skilled people.
 - Significant volumes of hospitality and catering Apprenticeship and study in FE. Lower volumes in travel and tourism.
 - Bias to Level 2 training and study.
 - Substantial volumes of study driven by regulation.
 - Improving but still moderate success rates in Apprenticeship.
 - High success rates in hospitality and catering FE, lower in travel and tourism.
 - College inspection reports reveal mainly moderate quality of provision.
 - Major learning developments in Bournemouth – CoVE and hotel school.

- Below-average employer training and development in the local sector and difficulty in stimulating employer engagement.

6. The balance between demand and supply

190. The key question in respect of the demand and supply of skills is, basically, does skills supply currently meet the needs of the industry, and will it do so in future.
191. One method of assessing this would be to consider the demand for skills and set it against an account of supply. However, any attempt to match these two analyses against each other in a statistical sense is not possible. The problem has several angles:
- Firstly, data on demand is unreliable. Forecasting models cannot predict the future with any great precision; and the smaller the area to which they are applied, the less precise they become.
 - Secondly, data on supply is hard to interpret. It is not known, for example, which skills WBL trainees are training in, nor what level of employability they reach, particularly amongst the substantial proportion of trainees who do not complete the full framework. FE data is also imprecise in that it deals with 'learning aims' rather than numbers of individuals (some of whom may pursue more than one aim) and again it is not clear how many trainees proceed to full qualification and are delivered into the workforce.
 - Thirdly, we have noted that a significant proportion of employers in the sector train their staff (around 59% in the most recent estimate). A little more than a quarter of these use FE. What the remainder do is largely unknown. Some of the training may not be productivity-related at all. Health and Safety training, for example, and induction training, though essential, don't necessarily improve the overall level of skills employed in retail activity as such. But amongst the remainder must be a significant amount of training which formally or informally improves worker performance. But the scale or nature of that improvement and its contribution to the overall skills equilibrium in the sector is not measurable.
 - Fourthly, whilst people train towards and achieve qualifications, the quality of that training and the worth of the qualification is variable. Simply, we do not know how much of the training which WBL/FE delivers is regarded as adequate by the industry but it seems unlikely that all of it is.
192. Generally, therefore, *inferences* can be drawn from an examination of demand and supply. Some of these have been set out in previous chapters and will be extended in the final chapter of this report. However, a formal statistical account of the skills equilibrium, one which says, for example, that the area will need x people with formal hospitality and tourism skills per year and is generating y people with these skills per year, cannot reliably or meaningfully be computed.
193. In order to comment on the skills equilibrium, therefore, we need to rely on evidence of *disequilibrium* – that is, of skills shortage and skills gaps. The following table uses data from National Employer Skills Surveys to generate some broad indicators of such difficulties. South West regional data is used as a proxy for the BDPS area (to avoid the problem of small sample bases):

Table 26: Indicators of labour and skills deficiencies, South West Region, 2005; percentages of establishments

	2005	
	All sectors	Hospitality and tourism
Have at least one vacancy	17	20
Have at least one vacancy which is hard-to-fill	7	9
Have a skill shortage vacancy	4	5
Have a skills gap	15	19

Source: NESS05

194. What this data shows is that the hospitality and tourism sector faces slightly higher difficulty in recruiting and hospitality and tourism employers are more likely to believe that at least some of their employees are not fully proficient (19% against an average of 15%).

195. The occupational distributions of vacancies, skill shortage vacancies, and skills gaps are also clearly different from the average for the economy as a whole:

Table 27: Indicators of skills difficulties; percentages of all difficulties associated with different occupational groups, South West Region, 2005

	% of vacancies		% of skill shortage vacancies		% of staff not fully proficient	
	All sectors	Hospitality and tourism	All sectors	Hospitality and tourism	All sectors	Hospitality and tourism
Managerial	5	4	4	9	11	6
Professional	7	0	9	0	8	*
Technical	16	*	13	0	3	*
Clerical	12	9	8	4	11	2
Skilled trades	10	15	26	51	9	7
Personal service staff	9	2	11	0	6	2
Sales/customer service	16	4	9	0	25	17
Operatives	11	*	13	2	7	0
Elementary staff	15	65	7	35	21	66
	100	100	100	100	100	100

Source: NESS05

* Less than 0.5%

196. This data shows that:

- Vacancies in the sector are very strongly weighted to *low-skilled elementary staff*, but there is also a significant vacancy situation with regard to the craft occupation in the sector – *chefs*.
- *Skill shortage* vacancies are also mainly concentrated in these two groups but with the largest share of skill shortages being that for *chefs* ('skilled trades'). There is also an above-average proportion of skill shortage vacancies concerned with *managers*.
- Lack of proficiency in existing workforces is concentrated in low-skilled, elementary staff but with some lack of proficiency also amongst customer service staff (bar staff and waiters).

Summary: the balance of demand and supply

197. The data suggests that, notwithstanding the significant volumes of training in the industry....

- The industry has higher vacancy rates, recruitment difficulties, and skills gaps than is average for the economy.
- Difficulties mainly concern:
 - The restricted availability of skilled chefs
 - The poor quality and skills of a significant portion of lower skilled workers who make up the bulk of the sector workforce as a whole

7. Skills issues in the hospitality and tourism sector

198. A review of the hospitality and tourism sector reveals that the central 'issue' for the sector is that many employers are small businesses in a highly competitive sector. As such they tend....
- To have managers who are not professionally trained.
 - To operate a business model which depends on low pay, minimum skill levels, minimum required training, low technology, and long and/or unsocial hours.
199. Stemming from this position....
- The industry attracts many young people because of ease of entry but the great majority are only temporarily in the industry, using it as stop-gap employment.
 - The sector is seldom a first choice career for the most capable young people.
 - The industry offers a weak environment for Apprenticeship. Skill levels deployed and job roles are frequently too simple to require any prolonged training. In small establishments there is little scope for progression into supervisor roles which would justify Advanced (Level 3) Apprenticeships and such Apprenticeships are rare. The 'bureaucracy' and cost of Apprenticeship (for Apprentices who may well leave to work elsewhere) are also onerous to small businesses.
 - In any case, employers are frequently disengaged from interest in other than the most basic training or that which regulation enforces. They are unaware of formal institutions set up to promote learning. In a recent industry survey in Cornwall and Devon, for example, fewer than a fifth of 400 small hospitality establishments knew that the sector had a Sector Skills Council and none could name it. They do not understand 'funding streams' or how to access them. They place personality and attitudes ahead of qualifications in selecting staff and tend to use Further Education Colleges less frequently than most other sectors to train their staff.
200. Since the industry has a tradition of operating in this way, it is scarcely surprising that its image as supplier of good careers is not strong. Young people, careers advisers, and teachers are not likely to place hospitality high in a list of desirable career choices – though the rise of the TV chef may have changed this circumstance to some degree. A local Connexions representative also points out that 'image', whether good or bad, is one thing. However, if the *reality* is that the sector in substantial parts offers low wages, low status and poor working conditions it is *intrinsically* likely to have difficulties recruiting and retaining young people when, as now, labour market conditions are still reasonably competitive. However, the sector, being relatively open to young people, is still reported as being a significant 'destination' for 16 year old school leavers who don't continue in education. In 2004 it was, for example, the fourth most popular destination for 16 year old school leavers in Bournemouth, Dorset and Poole (below sales, construction, and hairdressing).
201. One result is persistent skill shortage for the key craft occupation in the sector, chefs, and a permanent condition, tacitly accepted by the industry, in which scarcely-trained, mainly young, people operate to indifferent standards across a

whole range of support jobs. In recent years, increasing numbers of in-migrant workers have been used to bolster employment in the sector and, to some degree, to make up for the domestic population's lack of enthusiasm for what they see as menial work.

202. Of course, this negative assessment should not be used as a caricature of the whole sector. Major chains of hotels, pubs and restaurants operate to increasingly high standards of efficiency and deliver impressive consumer choice. Within these organisations, training *is* formalised and career progression opportunities are well-organised. And many well-managed small establishments – pubs, guest houses, independent hotels, restaurants, etc. – offer an extremely high quality experience to visitors, diners, or drinkers.
203. And it should be recognised that the sector is not in any sort of a 'skills crisis'. Despite a notable shortage of chefs, the industry can and will continue to operate successfully whether or not any change occurs in the way the industry collectively goes about its business, particularly in respect of workforce development, or in the support infrastructure for training.
204. However, the industry recognises that it is under pressure. To sustain itself at present levels or to grow, the industry needs to compete in a global tourism market and to compete for its share of domestic discretionary income. In the first case, it has to persuade UK or foreign holidaymakers to prefer Dorset or Somerset to other areas of Britain or the rest of the World. In the second case, it has to persuade local residents to go to the pub or restaurant in preference to eating at home with a bottle of cheap supermarket wine.
205. These pressures are dichotomous. On the one hand, there is pressure to minimise prices – 'two for one' pub meals, 'all you can eat for £7' buffets, and happy hour cheap drinks are typical results. Under this pressure, minimum wages, high staff turnover and basic levels of skill are virtually built-in. On the other hand, there is a perception, as in other industries, that some forms of business operation can't compete on price but must pursue 'a higher price for top quality' approach – the 'high added value' model. Even this approach retains pressure on costs and the temptation to try and deliver high quality on the basis of low wage rates in order to maximise profit; but there is, at least, the opportunity and a motive for seeking to raise standards of professionalism at all or most staff levels.
206. The question is of how this can be achieved.
207. The first and most powerful reaction must, of course, come *from the industry itself*. As we have noted, the larger players in the industry and some smaller ones are already attuned to the necessity to take internal responsibility for generating the human resource base on which product quality at least partially depends.
208. The further question is of what external agencies, such as the LSC and its partners, can do to assist or hasten the widening of this best practice.
209. The answers seem, in principle, to be well-understood. The plausible techniques are:
 - Methods of promotion and widening employer engagement:
 - Supporting and encouraging employer networks.
 - Marketing and promotion of best practice.

- Business advice to assist 're-engineering' in favour of new markets and higher quality business models (Business Link).
 - Supplying training needs analysis.
 - Brokerage of training and funding (Train to Gain) to stimulate better HRD and to overcome employer awareness, knowledge and information gaps.
 - Limited subsidy to training (Train to Gain again).
- Assessing and improving the volume, flexibility, industry-relevance, and quality of Further Education provision – particularly to increase the flow of chefs into the sector (Bournemouth and Poole CoVE and the Bournemouth Hotel School, for example).
 - Improving retention in the industry to stabilise the sector workforce and extend its skills and experience:
 - Development of clear progression routes and opportunities.
 - Encouraging more employers to invest in their workforce and to achieve formal Investors in People recognition.
 - Improving Apprenticeship, encouraging more employers to offer more and better placements, and mentoring more Apprentices through to full framework completion.
 - Encouraging employers to accept Skills for Life funding to improve numeracy and literacy amongst their staff and to support in-migrant learning of English.
 - Encouraging employers to be more receptive to older workers and finding means of funding training for older entrants.
 - Marketing of sector career opportunities to young people, careers advisors, and teachers.
210. Most of these needs are, as we suggest, well-recognised. A range of initiatives sponsored by the LSC, People 1st, or employer and local authority networks and partnerships are already in place or are in development. For example, the local Centre of Vocational Excellence has already developed useful contacts with the industry including a Chefs Forum and an industry advisory group.
211. Thus, the key issue for the local LSC and its partners is not whether industry needs have been recognised. Nor is it whether programmes and initiatives have been designed or are being developed.
212. Rather, the real issues are whether the programmes and initiatives are sufficiently well co-ordinated, resourced and effective across the new local LSC geography (combining Bournemouth, Dorset, Poole and Somerset); and whether these programmes/initiatives, which are mostly of fairly recent origin, will be maintained and funded consistently over a sufficient period of time in order to allow them to have more than a marginal or temporary effect.

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