

**Skills in Lancashire:**

**Sector Skills Action Plan for the Visitor Economy**

**June 2015**

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### About the Visitor Economy Skills Action Plan

The visitor economy is one of seven key business sectors in Lancashire that the Local Enterprise Partnership (LEP) has identified as a future driver of jobs and wealth. The visitor economy provides employment and upskilling opportunities, improves and protects the built and natural environments and creates demand for high quality businesses and services. It contributes more than £3bn a year to the county's overall economy and supports more than 50,000 jobs, plus many more in the local supply chain. It is also growing: forecasts predict that nearly 4,000 more full time equivalents will be required in the sector between 2014 and 2020.

Nonetheless, recruitment challenges, high staff turnover and a range of skills issues are preventing it from achieving its potential. The full breadth of jobs and careers in the sector is not accurately conveyed to young people, the rewards and opportunities it can offer are undersold and too often it is seen as a second best option or a stepping stone to a different career.

The Lancashire LEP, Lancashire County Council and Marketing Lancashire have therefore produced this visitor economy skills plan in collaboration with employers, business organisations and the county's network of skills providers. It is designed to help enable the provision of skills and learning to meet the needs of the county's visitor economy and to support the delivery of Lancashire's Visitor Economy Strategy, the Employment and Skills Strategic Framework and elements of Lancashire's Strategic Economic Plan.

The skills plan is an operational document. It proposes a series of actions, each of which has been assigned a lead organisation with responsibility for its implementation. The plan will be a live document that is reviewed and updated to ensure that the efforts of those involved in delivering it are channelled into activities where there is the greatest need for intervention.

The plan recognises that there is already forward momentum. The Blackpool Tourism Academy, take-up of high quality customer service training and capital investments in Further Education are just some of the developments that are in progress. The plan does not duplicate this good work, but rather seeks to introduce complementary activity that can help accelerate the pace of change.

### Defining the Visitor Economy

The definition of the visitor economy used in this plan is based on the Standard Industrial Classification (SIC) codes listed at Appendix A. This definition covers the core components of the tourism system that are required to support a successful visitor economy and includes the main types of businesses with whom visitors will spend money while at a destination (e.g. accommodation, food and drink services, a range of art, entertainment, cultural and sport attractions and conventions and trade shows). It also includes a limited range of transport activities (taxis, transport hire and water transport) which are often supported by leisure spend in visitor destinations.

### Acknowledgements

The Lancashire LEP, Lancashire County Council and Marketing Lancashire would like to express their thanks to everyone that has contributed to the development of this plan. The willingness of visitor economy employers, in particular, to make time available for consultations and to participate in surveys has been very much appreciated.

### Consultation and Development

This plan was developed between April and July 2015. It has been underpinned by input from 73 employers from across Lancashire who have contributed via a combination of one-to-one interviews, focus groups and web based surveys.

Tutors and course leaders of provision relevant to the visitor economy in FE colleges, training providers and higher education institutions have also been consulted, as have other stakeholders with strategic and operational roles relevant to the visitor economy.

# 1 The National Visitor Economy

## Summary of Key Points

- The visitor economy supports 1.4 million jobs in the UK, has been the fastest growing sector over recent years and is expected to grow one and a half times faster than the economy as a whole over the next decade.
- There remains a strong push at a national level to increase levels of inbound tourism to the UK, aided by lower oil prices and the lasting effects of the London 2012 Olympics. 2015 looks set to be a record year, with an estimated 31.5 million overseas visitors and associated expenditure of £22.2bn.
- In 2014 there in excess of 90 million overnight stays in England by British residents, resulting in £18.1bn of spend. In the same year, there were 1.3 billion day trips in the UK (£45bn spend) and 233 million nights (£19.1bn) spent in the UK by overseas visitors.
- The visitor economy nonetheless faces challenges. A perception exists that overseas destinations offer better value for money and there is limited knowledge of the breadth and quality of the domestic visitor economy offer. Attracting, retaining and motivating staff to work in the sector is difficult and an over-stretched transport infrastructure can impact negatively on the visitor experience, especially during high season.
- Opportunities for the sector include a growing senior market, increasing demand for engaging and unique visitor experiences and greater opportunities for digital marketing and promotion.

## Scale and Contribution

1.1 The visitor economy is integral to the nation's prosperity. It directly supports 1.4 million jobs and contributes £48bn a year to the national economy. These figures rise to 2.6 million jobs and a contribution of £106bn when indirect benefits<sup>1</sup> are also included<sup>2</sup>. In 2013, the visitor economy accounted for approximately 10% of all employment in the UK and 9% of all Gross Domestic Product<sup>3</sup>.

1.2 Since 2010, the visitor economy has been the fastest growing sector in the UK and accounted for a third of the total net increase in jobs between 2010 and 2012<sup>4</sup>. The growth in inbound tourism and an increase in domestic trips which, following a peak in 2009, have remained above pre-recession levels<sup>5</sup>, have been amongst the key drivers of this growth.

1.3 The GVA (Gross Value Added) multiplier for tourism has been estimated at 2.2, i.e. for every £1,000 of direct GVA that is generated in tourism, a further £1,200 is secured elsewhere in the economy as a result of supply chain transactions<sup>6</sup>. National forecasts for the sector remain strong: Deloitte are predicting 630,000 more tourism jobs by 2025<sup>7</sup>, while Oxford Economics expect employment in the tourism and culture sector to grow one and a half times faster than the economy as a whole over the same period<sup>8</sup>.

1.4 The strong baseline position and the positive future outlook are down to several factors, although the prevalence and spending of three specific visitor groups/types are particularly important<sup>9</sup>:

<sup>1</sup> For example, benefits accruing to sectors that rely on the visitor economy through the supply chain

<sup>2</sup> Tourism in England Key Facts and Figures, Visit England

<sup>3</sup> Tourism: Jobs and Growth. The economic contribution of the tourism economy in the UK, Deloitte and Oxford Economics, November 2013

<sup>4</sup> England Tourism Factsheet, Visit England, May 2015

<sup>5</sup> Tourism in England: Key facts and trends, Visit England

<sup>6</sup> Tourism: Jobs and Growth. The economic contribution of the tourism economy in the UK, Deloitte and Oxford Economics, November 2013

<sup>7</sup> Tourism: Jobs and Growth. The economic contribution of the tourism economy in the UK, Deloitte and Oxford Economics, November 2013

<sup>8</sup> Taken as accommodation; food and beverage service activities; travel agency, tour operator and other; arts, entertainment and gambling activities

<sup>9</sup> England Tourism Factsheet, Visit England

- **Overnight stays by British residents:** in 2014, there were in excess of 90 million overnight stays in England by British residents, resulting in some £18.1bn of spend.
- **Day trips:** in the same year, there were 1.3 billion day trips in the UK, generating spend of £45bn.
- **Overseas visitors:** 233 million nights, 29.8 million trips and £19.1bn of spend occurred as a result of overseas visitors to the UK in 2014.

1.5 In recognition of its financial significance, and in keeping with the growing trend for worldwide travel, there has been a strong push at a national level to increase levels of inbound tourism to the UK. Visit Britain's *Delivering a Golden Legacy: A growth strategy for inbound tourism to Britain from 2012 to 2020* set a target of 40 million additional visitors (a 23% uplift), while a series of schemes have sought to increase trade for Britain's tourism sector, including the GREAT Britain campaign which sells Britain's tourism offer in the international marketplace. These schemes, combined with the lasting effects of the London 2012 Olympics and low oil prices, are resulting in increased numbers of overseas visitors coming to the UK. Looking ahead, this is expected to continue, with 2015 set to be a record year (VisitBritain forecasts 31.5 million overseas visitors and expenditure of £22.2bn<sup>10</sup>).

1.6 In addition, there were almost 21.7 million business trips (domestic and from overseas) made in/to the UK in 2013<sup>11</sup>. Whilst during the recession the number of trips fell, a recent UK Event Markets Trends survey pointed towards significant increases during 2015 and beyond<sup>12</sup>.

<sup>10</sup> Visit Britain forecasts, December 2014

<sup>11</sup> England Tourism Factsheet, Visit England

<sup>12</sup> UK Event Market Trends Survey 2014

## Domestic Tourism

1.7 In broad terms, domestic trips for holiday purposes can be categorised under three main headings: seaside, urban and rural. Key features of each are shown below.

### Seaside tourism<sup>13</sup>

Seaside destinations account for 31% of all overnight domestic trips made for holiday purposes, with almost half of all trips occurring between July and September. Seaside trips are more likely than other trips to involve children, be made by people in the lower social grades and involve longer stays.

Blackpool was the second most commonly visited overnight seaside destination between 2010 and 2012, accounting for 1.48m overnight trips. Scarborough was the most visited with 1.62m overnight trips.

Following a period of growth in 2009, holiday trips to the seaside (nationally) have reduced back to pre-recession levels.

### Urban tourism<sup>14</sup>

Urban areas make up 31% of domestic overnight trips for holiday purposes and, whilst numbers peak during the summer months, they occur all year round. Overnight trips to urban areas have been growing steadily since 2007.

Relative to other domestic trips, urban stays more commonly involve adults only, are shorter and involve train travel and hotel stays.

Locations in Lancashire do not currently feature in the top 10 destinations for urban tourism (the top three are London, Manchester and York).

### Rural tourism<sup>15</sup>

Trips to the countryside account for 22% of domestic overnight trips. Almost three quarters of rural stays occur in spring and summer.

Countryside trips tend to be by car and involve a higher than average proportion of people in the upper social grades. Countryside trips have remained relatively stable and continue to be above pre-recession levels.

<sup>13</sup> England's Seaside: What are the opportunities? Visit England, 2013

<sup>14</sup> Urban England: What are the opportunities? Visit England, 2013

<sup>15</sup> England's Countryside: What are the opportunities? Visit England, 2013

1.8 Accommodation occupancy rates across England continue to increase, both at weekends and during the week (a year on year increase has been observed in both categories over the past four years). The decade from 2003 to 2013 also saw considerable increases in hotel stock, with investment of £13bn supporting the creation of 106,380 new rooms. This represents a net addition of 66,000 rooms after accounting for closures<sup>16</sup>.

## Challenges and Opportunities

1.9 At a national level, the visitor economy remained relatively strong during the economic downturn and looks set to perform well during the next growth cycle. Nonetheless, and as VisitEngland notes<sup>17</sup>, significant challenges remain. Some of these are beyond the control of the visitor economy itself and include exchange rate fluctuations, international security and economic shocks. Others can be influenced through national policy, local stakeholders and theme-specific plans such as this one. They include:

- Perceptions that overseas destinations offer better value for money to UK holidaymakers than domestic destinations, in part due to the growth of low cost airlines.
- Limited knowledge about the breadth and quality of the domestic visitor economy offer (as covered later in this document, this extends to and influences the perceptions that young people and their parents have of job and careers in the visitor economy).
- Difficulties in attracting, retaining and motivating staff to work in the sector. This is linked to the above point and has been a consistent message emerging from the primary research undertaken with employers for this plan.
- An over-stretched transport infrastructure which can impact negatively on the visitor experience, especially during high season.
- Inconsistent broadband coverage which can impact on both business marketing and the visitor experience.

1.10 However, VisitEngland also notes that there are new and potentially lucrative opportunities for employers in the sector, such as:

- Growing senior markets: the baby boom generation is reaching retirement age and is more leisure focused and affluent than previous generations.
- Demand from across the financial spectrum (from budget to luxury markets) supported by growing numbers of multi-generational trips and increasing numbers of last minute short breaks.
- Greater opportunities for digital marketing and promotion (a topic that is revisited in Chapter Five).
- Growing demand for engaging and unique experiences, including activity holidays and 'doing trips'.

1.11 These challenges and opportunities have informed a refresh of the VisitEngland *Strategic Framework for Tourism in England 2010-2020*, which identifies the five growth priorities listed below. All five of these, indirectly at least, have relevance to this action plan, although priorities 2 and 4 are particularly significant.

1. Investing in tourism products and experiences in line with market trends and strategic needs.
2. Attracting and retaining motivated people and developing their skills.
3. Increasing the visibility and understanding of England's tourism offer.
4. Overcoming barriers to business competitiveness and investment.
5. Investing in the infrastructure and environment on which tourism relies.

1.12 A series of action plans underpin the delivery of the Strategic Framework. The Skills Action Plan<sup>18</sup> sets out the following vision and objectives, all of which are pertinent to the implementation of this visitor economy skills plan for Lancashire:

<sup>16</sup> Institute of Hospitality Digest 2014

<sup>17</sup> Visit England website, Refreshing the Growth Strategy for England's Tourism Industry

<sup>18</sup> Available at:

[https://www.visitengland.com/sites/default/files/downloads/final\\_skills\\_action\\_plan\\_1\\_june\\_2012\\_0.pdf](https://www.visitengland.com/sites/default/files/downloads/final_skills_action_plan_1_june_2012_0.pdf)

## Vision

To increase the productivity and performance of England's tourism businesses through investing in the skills of the workforce, which will contribute to 5% growth, year on year, in the England tourism market by 2020.

## Objectives

1. To motivate employers to improve performance through investing in the skills of their workforce.
2. To increase awareness of, and access to, the skills solutions and products that are available to employers.
3. To raise skills levels in the sector by:
  - a. Encouraging more people into the sector and ensuring they enter with the required skills.
  - b. Improving customer service skills.
  - c. Developing and supporting current and future managers and owner operators.

1.13 In addition, the Government's Tourism Policy, published in March 2011, recognises the cross-cutting nature of tourism activity and the role it can play in achieving wider objectives. In its foreword, the Prime Minister states:

*"Our aim is clear: we want to take tourism in Britain to a whole new level and harness the huge potential this area holds to grow our economy....For the first time, Government has a tourism strategy that reaches right across Whitehall, looking at policies from a tourism perspective."*

1.14 The three aims within the strategy are to:

- **Deliver a £100m campaign**, co-funded by the Government and the private sector, to attract 4 million extra visitors to Britain over the next four years, resulting in additional spend of £2bn and the creation of 50,000 new jobs.

- **Increase the proportion of UK residents who holiday in the UK to match those who holiday abroad each year.** For longer stays (four nights or more) this would mean 29% of UK holidaymakers holidaying in Britain rather than the current level of 20% (in doing so, this would generate an extra £1.3bn in domestic spend and create 26,000 new jobs).
- **Improve the sector's productivity** to become one of the top five most efficient and competitive visitor economies in the world.

1.15 The priority being afforded to the visitor economy at a national level is significant for Lancashire, where stakeholders have a similarly ambitious outlook for their sector. This outlook, along with an overview of the Lancashire visitor economy as it is now, is described in Chapters Two and Three.



## 2 Lancashire Today

### Summary of Key Points

- Lancashire has a diverse and comprehensive visitor offer. It includes Areas of Outstanding Natural Beauty (Forest of Bowland, Arnsdale and Silverdale), England's most popular seaside destination (Blackpool) and a 137 mile coastline offering an array of visitor options. It has a historic county town with impressive built heritage (Lancaster), an administrative hub with significant business tourism potential (Preston), a growing events programme and outstanding businesses that are both award winning and very popular.
- Significant recent investments made by the county's local authorities include £100m to create the new Blackpool tramway, £40m of public realm improvements in Preston town centre and £25m to improve the Cathedral Quarter in Blackburn. Recent private sector investments have included £15m to improve Blackpool Pleasure Beach and £3m to develop a new IlluminAsia experience. The county has also been successful in securing investment from national funding programmes such as the Coastal Communities Fund, the Heritage Lottery Fund and the Sustainable Transport Fund.
- Challenges for the visitor economy in Lancashire include the quantity, quality and variety of the accommodation stock in certain areas, a sub-optimal public transport and rural road infrastructure and a lack of profile, especially at the national level. There is also a lack of clarity and a strong message about what the county has to offer to consumers.
- The vision for Lancashire, as defined in the forthcoming Visitor Economy Strategy, includes being recognised as one of the top 5 English counties for a refreshing and relaxing short break and an active family holiday; to be known nationally as a culinary 'must visit destination'; and to be destination that offers outstanding customer service on a par with the best worldwide.

### Visitor Economy Overview

2.1 Lancashire's diverse physical and economic geography, its rich industrial heritage and its mix of coastal, rural and urban areas results in a comprehensive visitor offer, summarised below.

2.2 The **Forest of Bowland** Area of Outstanding Natural Beauty (AONB) and the rural showcase in the **Ribble Valley** are of a quality that puts them on a par with the best in the country as destinations for walking, cycling and good food and drink sourced locally. Lancashire's **inland waterways** also provide an excellent visitor experience, although they remain a relatively unrecognised asset and have the potential to attract more visitors in the future.

2.3 A seaside resort for decades, **Blackpool** has retained its place as England's most popular seaside destination, famous for its tower, illuminations and entertainment, as well as being recognised internationally as the home of ballroom dancing. After a period of decline, Blackpool is reinventing itself and has embarked on a programme of investment in its facilities, services and accommodation stock and has recently launched a new national promotional campaign.

2.4 Blackpool sits centrally in a **137 mile coastline** that is visited for its tranquillity, beauty and opportunities for engaging with nature. The **Arnsdale and Silverdale AONB** and the wider **Morecambe Bay** area is highly valued by visitors who like to relax and refresh themselves in the area and pursue activities such as cycling and walking. The **Fylde and Wyre** coastlines, though less developed, are dotted with seaside towns and villages that attract visitors for days out and family holidays as well as hotspots of national excellence such as championship golf in Lytham St Anne's and at Royal Birkdale.

2.5 Just inland sits the historic county town of **Lancaster**, a small city with a built heritage that puts it in England's top flight, potentially. As the heritage centre of the county, with its Georgian roots evident in its architecture, it is a place that provides a quality environment for people that like history, independent shopping and cultural experiences. It is also one of the county's biggest opportunities for growth.

2.6 **Preston** is the administrative heart of the county. It has significant potential as a hub for business tourism and, because of its transport links and the



fact it is only two hours by train from London, is an important orientation point for visitors to the county.

2.7 Lancashire has a growing **events programme**. Those with the highest profile are Blackpool Air Show, the Illuminations and annual Switch On Event, Fleetwood Festival of Transport, Vintage By the Sea and the Lytham Festival, alongside which is a plethora of smaller festivals offering an authentic Lancastrian experience.

2.8 In terms of its **services and facilities**, the county has some outstanding businesses that are both award winning and very popular. The Freemasons at Wiswell, for example, received the gold award for Tourism Pub of the Year at the 2014 Visit England Awards for Excellence, while the Woodland Spa won Global Spa of the Year and Best Emerging Spa at the Luxury Spa Awards in 2015. In the North West, Blackpool is second only to the Lake District in terms of consumer's consideration for a visit. It also performs well against other resorts, coming second only to Bournemouth in appeal amongst consumers nationally.

## A Summary of Strengths, Opportunities and Challenges

2.9 Lancashire's visitor economy has considerable strengths – much of its product is well developed and the county provides high quality and memorable experiences for visitors. But like most destinations in England, it also has challenges (accommodation and public transport being amongst the most prominent) as well as opportunities to strengthen and diversify the visitor offer going forwards. These strengths, challenges and opportunities are summarised in the boxes opposite.

Strengths	Inland and coastal landscapes.
	The entertainment hub at Blackpool.
	Rural showcase in the Ribble Valley and Forest of Bowland.
	The heritage city of Lancaster.
	A growing programme of events, some with national potential.
	A wide range of outdoor activities for all ages and abilities.
	An emerging business tourism offer at Preston.
	Good road and rail connections, and proximity to Manchester International Airport and other regional airports and ports.
	Range/depth of quality food producers and eateries sourcing locally.
Challenges	Quality of the accommodation base.
	Quantity and variety of the accommodation base in specific areas.
	New business-oriented accommodation and venues.
	Weak public transport and outdated rural road infrastructure.
	Lack of profile, particularly at a national and international level.
Opportunities	Lack of clarity and a strong message about what the county has to offer to consumers.
	Arrival points and gateways to provide a better welcome and a stronger sense of place.
	Accommodation, facilities and experiences for people with accessibility needs.
	Flexible, accessible and customised training programmes and business advice particularly for small tourism businesses.
	Partnerships between the tourism industry and Lancashire's three universities to grow business tourism and maximise the value of the 'visiting friends and relations' market.
	Lancashire's centres of excellence to grow a hospitality workforce for the future that will provide outstanding customer service.
	Cultural tourism for Lancashire, defining what it means for the county and how it could be used to attract more visitors.

## Improving the Visitor Offer

2.10 Recent investments, some of which have been on a very significant scale, demonstrate the importance that the county's local authorities attach to the visitor economy. These investments have included (although are by no means limited to):

- £100m to create the new Blackpool tramway.
- £40m of public realm improvements in Preston town centre.
- £25m to improve the Cathedral Quarter in Blackburn.

2.11 The county has also been successful in securing investment from national funding programmes. For example:

- £1m was secured from the Coastal Communities Fund to develop cycling experiences, improve the welcome for visitors and support events in the Morecambe Bay area.
- £4.5m was secured from the Heritage Lottery Fund to help restore Lytham Hall.
- £1.2m was secured from the Sustainable Transport Fund to help develop cycling facilities in the county.

2.12 Private sector investment has also increased. Some £15m has been invested in Blackpool Pleasure Beach, £3m in the new IlluminAsia experience and upgrades have been made at the Preston Marriott. There is new ownership and investment for Preston's Guildhall, while a range of restorations and developments in heritage properties are refreshing and developing Lancashire's tourism offer.

## The Vision for Lancashire

2.13 Lancashire's Visitor Economy Strategy (out for consultation at the time of writing) has identified a bold vision for Lancashire as a visitor destination in 2020. Comprised of six different elements, the vision is as follows:

### The Vision for Lancashire as a Visitor Destination

1. To be recognised as one of the top 5 English counties for a refreshing and relaxing short break and an active family holiday.
2. To be known nationally as a culinary 'must visit destination' because of the authenticity and quality of its food and drink, from field to table, locally sourced from the county's stunning valleys, plains, woodlands and coasts.
3. To be a preferred location for corporate events and association conferences because of the choice and value for money of its venues and the breadth and depth of the business tourism infrastructure.
4. For the county's cultural offer, centred on Lancaster and key annual events, to be one of the main reasons that visitors choose to visit Lancashire.
5. To be recognised for its stunning 137 mile coastline that effortlessly combines seaside heritage and contemporary leisure experiences and is centred on England's favourite resort, Blackpool.
6. A destination that offers outstanding customer service on a par with the best worldwide and is an example of best practice in offering accessible holidays.

2.14 Having a workforce with the right skills mix is a theme that runs through each element of the vision and one that will be integral to the success of the county's visitor economy in the future. It is therefore important that as the Visitor Economy Strategy is implemented, this plan be kept under regular review to ensure that it is focused on the areas (geographic and sectoral) where intervention is most needed to support the sector to grow and succeed.

### 3 The Visitor Economy in Numbers

#### Summary of Key Points

- The STEAM model estimates that 79 million visitor days were spent in Lancashire in 2013 (+6% on 2009), more than two fifths of which were in Blackpool, Fylde and Wyre. The economic impact of the sector in 2013 was estimated at £3.5bn (£0.5bn more than in 2009).
- Lancashire's visitor economy comprises 3,800 businesses (8% of the total business base in the county), approximately two thirds of which operate in the food and services sub-sector. East Lancashire has the highest number of visitor economy businesses in the county, although the highest concentration is in Blackpool, Fylde and Wyre.
- Lancashire's visitor economy businesses are typically small: fewer than 100 businesses employ more than 50 people and fewer than 20 employ more than 250.
- The visitor economy in Lancashire employs an estimated 50,500 people (8% of total employment in the county). In addition to the obvious hotspot in Blackpool, above average concentrations also exist in Wyre, Lancaster and the Ribble Valley. Employment in the visitor economy across the county as a whole fell by 7% (a net reduction of 3,500 jobs) between 2009 and 2013.
- Lancashire's visitor economy workforce is characterised by a high proportion of young people. Employees aged under 30 account for 34% of employment in the sector (compared with 24% across the LEP area as a whole), and 53% are aged under 40.
- An above average proportion of employees in the visitor economy have no formal qualifications (one and half times the average for the LEP area) or are not qualified above Level 2. In contrast, the proportion of visitor economy employees qualified to Level 4 and above is less than half of the LEP-wide average.

### Scale of the Market

#### Visitor Numbers

3.1 The STEAM (Scarborough Tourism Economic Activity Monitor) model uses a range of local inputs to monitor trends in visitor activity and, in doing so, demonstrates the significance of the visitor economy to Lancashire. STEAM estimates that 79 million visitor days were spent in the LEP area in 2013<sup>19</sup> (+6% on 2009 levels), more than two fifths of which were in Blackpool, Fylde and Wyre, reflecting the concentration of major attractions in this area. Visitor days in the other sub-geographies were also significant, ranging from 3 million in West Lancashire to 18 million in East Lancashire.

3.2 The STEAM model reported an increase of more than 4 million visitor days between 2009 and 2013, reflecting, in part at least, a rise in the number of people taking domestic holidays and day trips during the recession<sup>20</sup>. Over this period, East Lancashire recorded the highest absolute increase in visitor days while West Lancashire recorded the highest percentage increase, albeit from a significantly lower base than the other sub-geographies.

Lancashire Visitor Days				
	2013		Change 2009-2013	
	No.	%	No.	%
Lancashire	79.1m	100%	4.3m	6%
Blackpool, Fylde and Wyre	34.1m	43%	0.8m	2%
East Lancashire	18.0m	23%	1.5m	9%
Central Lancashire	14.5m	18%	1.0m	7%
Lancaster	9.0m	11%	0.6m	8%
West Lancashire	3.5m	4%	0.4m	13%
Source: STEAM				

3.3 There is an ambition from key stakeholders across the LEP area to increase visitor numbers significantly. Marketing Lancashire is aiming for 85 million visitor days, supporting 70,000 jobs, by 2016 and whilst these are

<sup>19</sup> STEAM (Scarborough Tourism Economic Activity Monitor) model data, 2013

<sup>20</sup> The main home locations for day trip visitors to Lancashire are the North West, Yorkshire and the West Midlands.

stretching targets, some of the early signs are encouraging. In Blackpool, for example, adult visitor numbers increased again in 2014, as did average levels of customer satisfaction<sup>21</sup>.

3.4 Lancashire is also capturing a share of the UK's growing overseas visitor market. Preston is Lancashire's most commonly visited town by overseas visitors, recording 51,000 visits in 2013, followed by 47,000 visits to Blackpool and 39,000 to Lancaster<sup>22</sup>.

### Economic Contribution

3.5 STEAM estimated the economic impact of Lancashire's visitor economy to be £3.5bn in 2013<sup>23</sup>. Just over half of this was generated in Blackpool, Fylde and Wyre, which is a higher proportion than its share of visitor days, pointing towards an above average level of spend per visitor in this sub-geography.

3.6 The sector's economic contribution is estimated to have increased by more than £0.5bn between 2009 and 2013. The greatest absolute increase was in Blackpool, Fylde and Wyre, although the largest proportionate increase occurred in West Lancashire. In all sub-geographies, the uplift in the sector's economic contribution exceeded the percentage uplift in visitor days.

Lancashire Visitor Economy Economic Impact				
	2013		Change 2009-2013	
	No.	%	No.	%
Lancashire	£3,548m	100%	£551m	18%
Blackpool, Fylde and Wyre	£1,822m	51%	£242m	15%
East Lancashire	£656m	18%	£116m	21%
Central Lancashire	£554m	16%	£92m	20%
Lancaster	£382m	11%	£71m	23%
West Lancashire	£135m	4%	£31m	30%
Source: STEAM				

<sup>21</sup> Blackpool Council survey

<sup>22</sup> International Passenger Survey, ONS

<sup>23</sup> <http://mediafiles.thedms.co.uk/Publication/LM/cms/pdf/STEAM%20OVERVIEW-%20Eng-Wal-NI.pdf>

## The Business Base

### Scale and Geography

3.7 Almost 3,800 businesses operated in Lancashire's visitor economy in 2014, accounting for 8% of the total business base in the LEP area. Nationally (excluding London), the visitor economy accounts for a very similar proportion of the business base<sup>24</sup>.

3.8 East Lancashire has the highest number of visitor economy businesses in the LEP area, although it also has the highest number of businesses per se of the five Lancashire sub-geographies. The concentration (i.e. the share of the total business base accounted for visitor economy businesses) is, not surprisingly, highest in Blackpool, Fylde and Wyre. It is significantly higher still in the Blackpool local authority area, where nearly one in five of all businesses operate in the visitor economy.

Visitor Economy Business Base by Sub-Geography (2014)			
	No.	% of sub-geography business base	% of Lancashire total
East Lancashire	1,250	8%	33%
Blackpool, Fylde and Wyre	1,075	11%	28%
Central Lancashire	820	7%	22%
Lancaster	385	9%	10%
West Lancashire	270	7%	7%
<b>Total</b>	<b>3,795</b>	<b>8%</b>	<b>100%</b>
Source: UK Business Count. Note data from this source is subject to rounding and sub-geographies therefore do not sum to the LEP total.			

### Sub-Sector Profile

3.9 Approximately two thirds of visitor economy businesses operate in the food and services sub-sector, both within Lancashire and nationally (excluding

<sup>24</sup> National figures in this paper exclude London. This reflects that the business base and employment profile of London is distinctly different to the rest of the country and therefore tends to distort national results.

London). Relative to the national business base, Lancashire has an above average proportion of accommodation businesses but is under-represented in terms of businesses offering creative, arts and entertainment activities.

Visitor Economy Business Base by Sub-Sector (2014)			
	No.	% of Lancashire business base	% of national excluding London business base
Food and drink services	2,555	67%	65%
Accommodation	435	11%	8%
Creative, arts and entertainment activities	255	7%	11%
Sports and recreation	210	5%	5%
Land transport	145	4%	3%
Renting and leasing	110	3%	2%
Tour operator and reservation services	40	1%	1%
Conventions and trade shows	25	<1%	2%
Cultural activities	15	<1%	<1%
Water transport	0	0%	<1%
<b>Total</b>	<b>3,790</b>	<b>100%</b>	<b>100%</b>
Source: UK Business Count. Note data from this source is subject to rounding and sub-sectors therefore do not sum to the LEP total.			

### Business Size

3.10 Lancashire's visitor economy is characterised by micro and small businesses<sup>25</sup>, as is Lancashire as a whole. Fewer than 100 visitor economy businesses employ more than 50 people, and fewer than 20 employ more than 250.

3.11 This business size profile is not uncommon (in Lancashire's information and communication sector, for example, 95% of employers have fewer than 10 staff). The juxtaposition in the visitor economy is nonetheless of note, especially in Blackpool, where large, international businesses such as Merlin Entertainments

<sup>25</sup> Those employing fewer than 50 people.

and Cuerden Leisure operate alongside, and indeed rely upon, a plethora of small, independent accommodation and food businesses that for generations have been at the heart of the traditional visitor economy.

Lancashire Business Base by Size Band (2014)			
	Visitor Economy		Lancashire Total
	No.	%	%
0-9	2,965	78%	87%
10-49	745	20%	11%
50-249	70	2%	2%
250+	15	<1%	<1%
<b>Total</b>	<b>3,795</b>	<b>100%</b>	<b>100%</b>
Source: UK Business Count. Note data from this source is subject to rounding.			

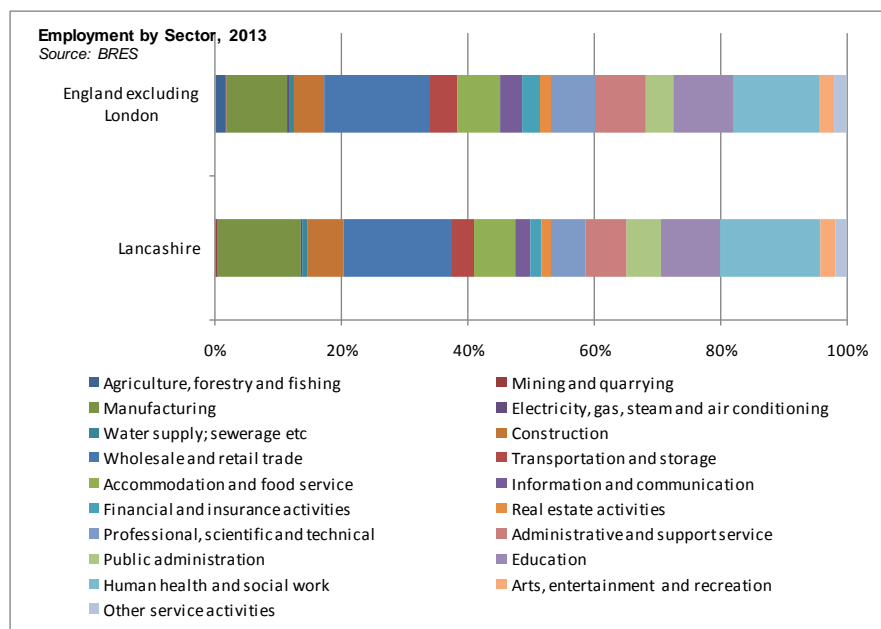
### Employment in the Visitor Economy<sup>26</sup>

#### Total Employment

3.12 In 2013, Lancashire's visitor economy employed approximately 50,500 people, equating to 8% of all employment in the county, i.e. around 1 in every 12 jobs in Lancashire was in the visitor economy. This is in line with the profile nationally.

3.13 The overall sectoral profile of employment in Lancashire relative to nationally (excluding London) shows that employment in those sectors typically associated with the visitor economy (accommodation and food and arts, entertainment and recreation) is in proportion to national averages.

<sup>26</sup> The information presented in this section is based upon data taken from the Business Register and Employment Survey which provides data on both the number of people in employment, and the number of employees in an area. The 'employment' indicator is used in this study as it has a wider definition and therefore provides a more accurate indication of the scale of employment. The employment figure captures all people who are in employment, including working owners, which includes sole traders, sole proprietors and partners who receive drawings and/or a share of profits but are not paid via PAYE. However, it should be noted that despite these inclusions, BRES employment data does not capture all of self-employment.



### Geographic Profile

3.14 Blackpool, Fylde and Wyre accounts for just over a third of all visitor economy employment in Lancashire and just over a fifth of total employment (all sectors), demonstrating once again the significance of the visitor economy to this sub-geography. It also has a higher concentration of larger visitor economy employers (to be expected given the prevalence of large visitor attractions in Blackpool). East and Central Lancashire each account for just under a quarter of visitor economy employment. In both cases these are smaller proportions than the sub-geographies' share of total employment.

Visitor Economy Employment by Sub-Geography (2013)			
	Employment	% of Lancashire VE sector employment	% of all Lancashire employment
Blackpool, Fylde and Wyre	17,200	34%	21%
East Lancashire	12,100	24%	34%
Central Lancashire	11,600	23%	29%
Lancaster	5,400	11%	9%
West Lancashire	4,200	8%	7%
<b>Total</b>	<b>50,500</b>	<b>100%</b>	<b>100%</b>

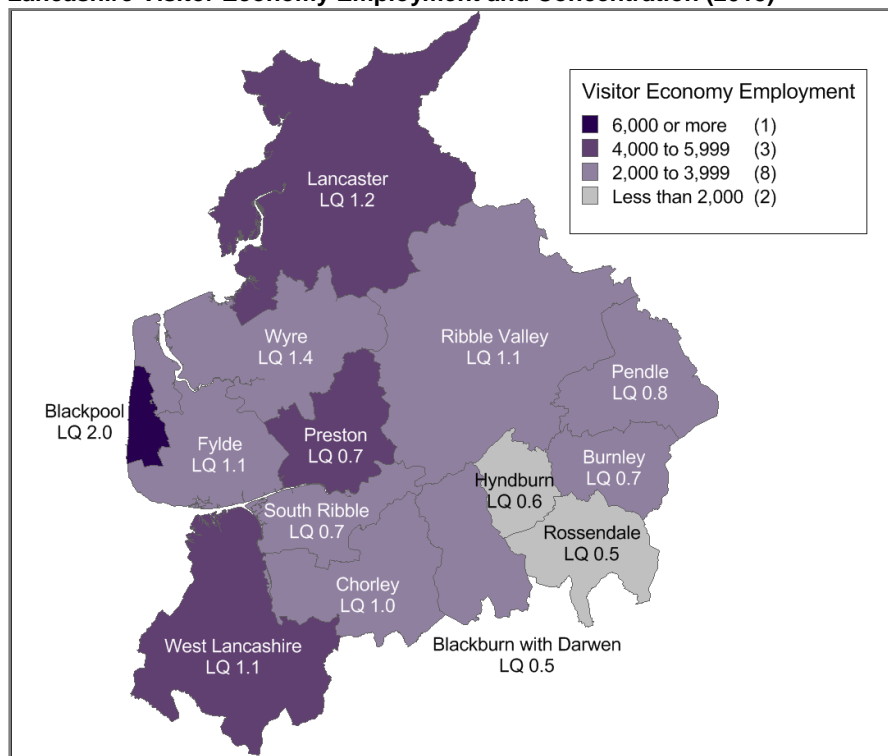
Source: Business Register and Employment Survey

3.15 The sub-geography figures mask variations in the distribution and concentration of employment at a local authority level (see chart below). For example, Blackpool is very significant for visitor economy employment, both in terms of the number of jobs and the location quotient<sup>27</sup> (LQ) (9,700 jobs, equating to 19% of the Lancashire total, and a LQ of 2.0, i.e. double the national average). Relatively high levels of visitor economy employment are also evident in Lancaster (5,400 jobs), Preston (5,100 jobs) and West Lancashire (4,200 jobs). Together with Blackpool, these four authorities account for nearly half of all visitor economy employment across the LEP area. Although smaller in absolute terms, above average concentrations of visitor economy employment also exist in Wyre and the Ribble Valley.

<sup>27</sup> A location quotient (LQ) is an analytical statistic that measures an area's industrial specialisation relative to a larger geographic unit. A LQ of 1 indicates that an industry's representation is in line with the national average, a LQ of more than 1 indicates overrepresentation while a LQ of less than 1 indicates underrepresentation.



### Lancashire Visitor Economy Employment and Concentration (2013)

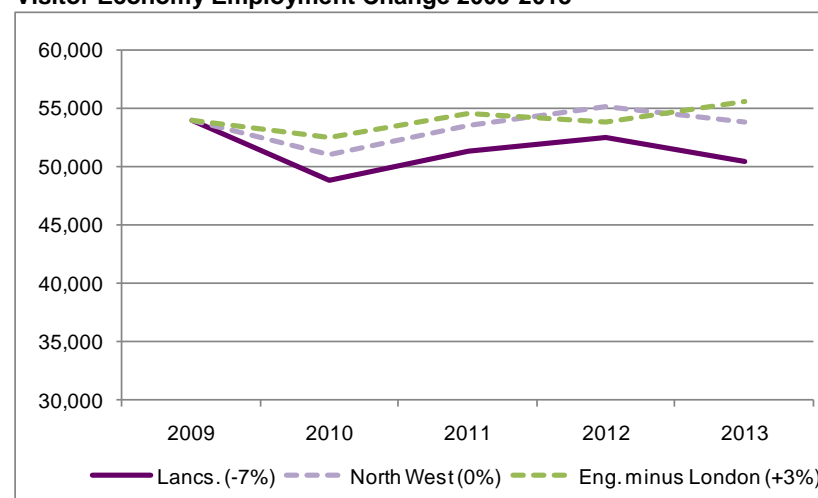


Source: Business Register and Employment Survey

### Recent Change

3.16 Between 2009 and 2013, employment in Lancashire's visitor economy fell by 7% (a net reduction of 3,500 jobs), while employment across the LEP area as a whole remained relatively stable. As shown in the following chart, visitor economy employment dipped sharply between 2009 and 2010 – notably more so than across the North West region and England as a whole – and despite recovering over the next two years, remained below pre-recession levels in 2013. This is in contrast to pre-recession employment levels being regained in the North West and across England. Of some concern is the reduction in visitor economy employment in Lancashire between 2012 and 2013 – a time when employment in the sector nationally showed a marked increase.

### Visitor Economy Employment Change 2009-2013<sup>28</sup>



Source: Business Register and Employer Survey

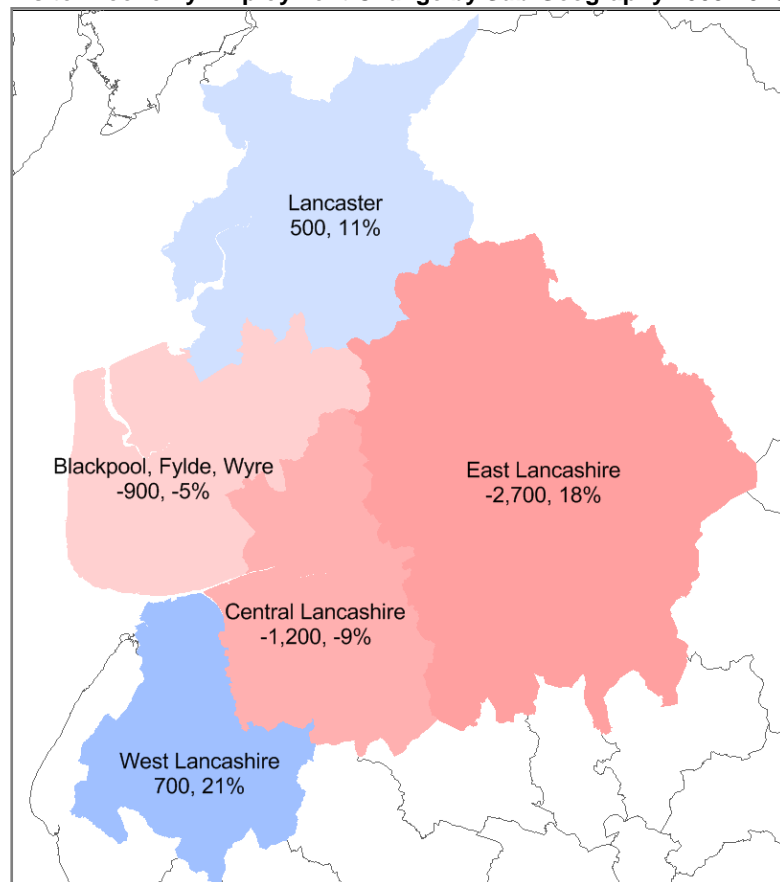
3.17 Whilst there has been a reduction in visitor economy job numbers at LEP level, the picture at sub-geography and local authority level is more mixed. As shown in the charts on the following page (the first of which shows employment change between 2009 and 2013 by sub-geography and the second by local authority):

- Two of the five sub-geographies – West Lancashire and Lancaster – experienced net employment growth between 2009 and 2013. In proportionate terms the growth in West Lancashire was large – the visitor economy workforce increased by a fifth over a four year period.
- Seven local authorities experienced a net loss of 10% or more, with Rossendale, Preston and Hyndburn badly affected in relative terms.
- The reduction was less substantial in Blackpool, although in Wyre – a neighbouring authority – 10% of visitor economy jobs were lost.

<sup>28</sup> The North West and England figures have been indexed to allow for comparison against the Lancashire trend.

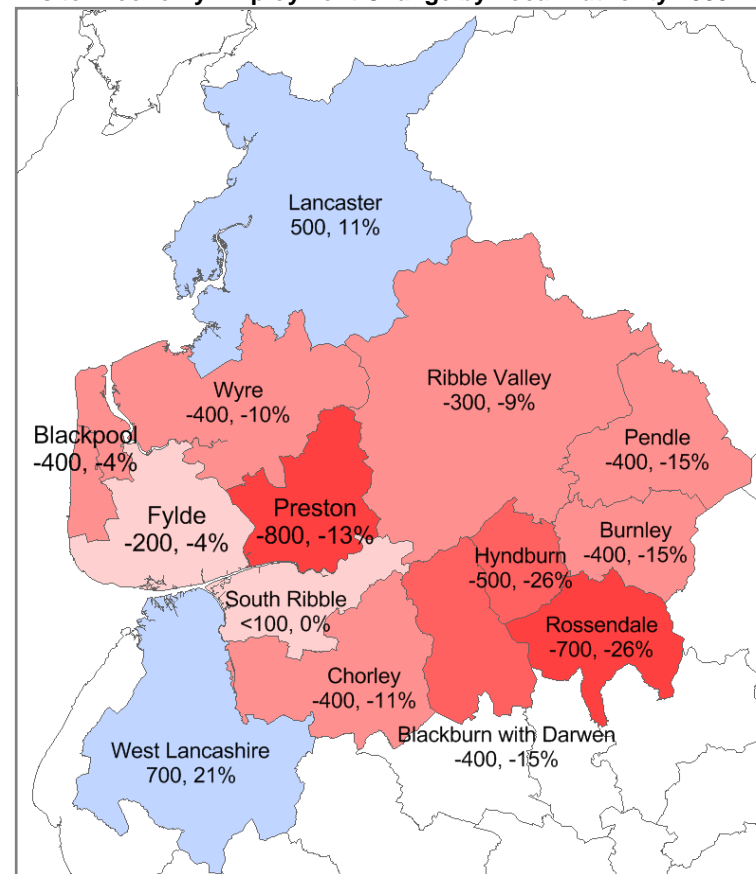


**Visitor Economy Employment Change by Sub-Geography 2009-2013**



Source: Business Register and Employer Survey

**Visitor Economy Employment Change by Local Authority 2009-2013**



Source: Business Register and Employer Survey

### Employment by Sub-Sector

3.18 The food and drink services sub-sector is the largest employer in Lancashire's visitor economy, followed by accommodation and sports and recreation. Together these three sub-sectors account for 92% of all visitor economy employment across the LEP area.

Lancashire Visitor Economy Employment by Broad Sub-Sector (2013)		
	Employment	% of Lancashire total VE employment
Food and drink services	30,800	61%
Accommodation	10,000	20%
Sports and recreation	5,700	11%
Creative, arts and entertainment activities	1,000	2%
Tour operators and reservation services	900	2%
Renting and leasing	700	1%
Cultural activities	700	1%
Land transport	600	1%
Conventions and trade shows	100	<1%
Water transport	<100	<1%
<b>Total</b>	<b>50,500</b>	<b>100%</b>
Source: Business Register and Employment Survey		

3.19 Comparing the figures above to the sub-sector structure of the business base shows that businesses in the food and drink sector are, on average, the smallest (they account for 61% of employment but 67% of businesses) while accommodation businesses are, on average, the largest (they account for 20% of employment compared with 11% of businesses).

3.20 The statistics also show that Lancashire has an employment concentration<sup>29</sup> in five specific sub-sectors within the visitor economy. The largest

<sup>29</sup> Defined for the purpose of this analysis as a LQ of 1.2 or more (i.e. 20% or more significant than nationally) and 1,000 or more employees at the four digit SIC code level.

of these is event catering (4,400 jobs), although the highest concentration is in amusement and theme park activities, reflecting the offer in Blackpool.

Visitor Economy Employment Concentrations (2013)			
	Employment	% of Lancs employment	LQ: England minus London
Activities of amusement parks and theme parks	1,000	2%	2.4
Event catering activities	4,400	9%	1.8
Other amusement and recreation activities	2,200	4%	1.6
Camping grounds, recreational vehicle parks and trailer parks	1,000	2%	1.3
Holiday and other short stay accommodation	1,100	2%	1.2
Source: Business Register and Employment Survey			

### Productivity

3.21 Oxford Economics figures suggest that productivity (measured as GVA per worker) in Lancashire's visitor economy sector is lagging behind that of many other sectors.

3.22 At £17,300 in 2014, it was just over half the average reported for the Lancashire economy (£34,100) and less than 80% of the national visitor economy average (£21,900). In Blackpool (the local authority with the highest concentration of visitor economy employment), the position is even more stark: GVA per worker in the visitor economy is estimated at £14,900.

3.23 The visitor economy in Lancashire reported GVA growth of 5% between 2005 and 2014 which helped to close the gap to the Lancashire average, although not significantly so.

## The Visitor Economy Workforce

### Age Profile

3.24 Lancashire's visitor economy workforce is characterised by a high proportion of young people. Employees aged under 30 account for 34% of employment in the sector, compared with 24% across the LEP area as a whole. Employees aged 16-19, in particular, are over-represented.

3.25 This will continue to be the case for the foreseeable future and gives rise to challenges. Employers note that some roles, for example front of house staff in restaurants and other customer facing activities, are better suited to people with more work and life experience, yet it can be difficult to find suitable candidates. More generally, the employers consulted for this study regularly remarked on the absence of appropriate work readiness skills amongst younger job candidates.

Age Profile of Visitor Economy Employees in Lancashire		
	Visitor Economy (%)	Lancashire Economy (%)
Age 16 to 19	9%	4%
Age 20 to 29	25%	20%
Age 30 to 39	19%	21%
Age 40 to 49	21%	26%
Age 50 to 59	17%	20%
Age 60 to 64	6%	6%
Age 65 and over	3%	3%
<b>Total</b>	<b>100%</b>	<b>100%</b>
Source: Census and BRES		

### Gender and Ethnicity

3.26 Females account for 54% of visitor economy employees in Lancashire, compared with 53% across all sectors in the LEP area combined. Visitor economy employees are predominantly white (90%), which is similar to the 93% across Lancashire as a whole (all sectors). The second largest ethnic group working in the visitor economy in Lancashire is Asian/Asian British, accounting for 8% in the sector compared with 1% across the LEP's total employment base.

### Qualifications Profile

3.27 The 'highest level of qualification' profile for the visitor economy in Lancashire is below that of the LEP area as a whole. An above average proportion of employees in the visitor economy have no formal qualifications (one and half times the proportion for the LEP area) or are not qualified above Level 2. In contrast, the proportion of visitor economy employees qualified to Level 4 and above is less than half the LEP-wide average.

3.28 There are various reasons why this is the case. As explained later in this chapter, the visitor economy is, typically, a low paying sector and that acts as a deterrent for some well qualified individuals. It is also the case that some roles within the sector do not require applicants to have achieved qualifications at intermediate or higher levels. Employers also feel that advice and guidance in schools fails to convey the breadth of opportunities and progression pathways that exist, in doing so deterring young people capable of high levels of achievement from considering it as a viable option.

Highest Level of Qualification		
	Visitor Economy (%)	Lancashire Economy (%)
No qualifications	17%	11%
Level 1 qualifications	17%	15%
Level 2 qualifications	24%	18%
Level 3 qualifications	18%	17%
Level 4 qualifications and above	14%	30%
Apprenticeships and other qualifications	10%	9%
<b>Total</b>	<b>100%</b>	<b>100%</b>
Source: Census and BRES		

### Occupational Structure

3.29 The significance of customer facing activity in the visitor economy is reflected in its occupational structure: sales and customer service staff account for nearly a quarter of the sector's workforce (23%), compared with 8% across all

sectors in the LEP area. Elementary occupations, skilled trades and managerial roles are also over-represented in the visitor economy.

Lancashire Occupational Profile (2013)			
	Visitor Economy		Lancashire Economy
	No.	%	%
Sales and customer service	11,600	23%	8%
Elementary	8,600	17%	11%
Skilled trades	7,300	14%	12%
Managers, directors and senior officials	6,800	13%	10%
Administrative and secretarial	5,600	11%	12%
Associate prof. & tech.	3,200	6%	12%
Process, plant and machine operatives	2,700	5%	7%
Caring, leisure and other service	2,400	5%	11%
Professional	2,300	5%	17%
<b>Total</b>	<b>50,500</b>	<b>100%</b>	<b>100%</b>

Source: ekosgen estimates based on Annual Population Survey and Business Register and Employment Survey. Note: Profile relates to those employed by businesses in Lancashire (workplace based).

### Hours Worked<sup>30</sup>

3.30 A high proportion of visitor economy employment in Lancashire is part time. As a consequence, when compared with the Lancashire economy as a whole, full time working is 25 percentage points below the average (influenced, of course, by the seasonality of the tourism industry).

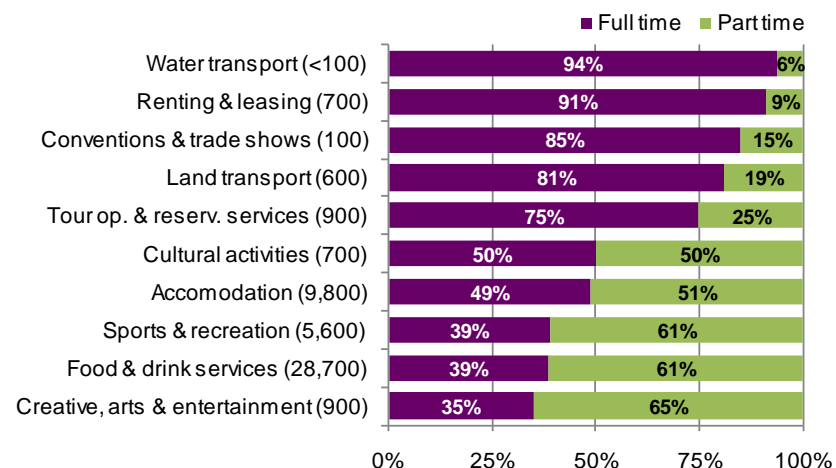
<sup>30</sup> In this context, a full time job involves more than 30 hours of paid work per week and a part time job involves 30 or fewer hours per week. A full time and part time split is not available for BRES employment data (i.e. all employees plus the number of working owners) and the data presented here captures employees only.

Lancashire Employees by Full Time and Part Time Working (2013)		
	Full time	Part time
Lancashire Visitor Economy	43%	57%
Lancashire All Sectors	68%	32%

Source: Business Register and Employment Survey

3.31 Within the different sub-sectors of the visitor economy, part time working ranges from 6% (water transport) to 65% (creative, arts and entertainment). There is a correlation between sub-sectors with the highest number of employees and those reporting high levels of part time working.

### Lancashire Visitor Economy by Full Time and Part Time Employees (2013)



Source: Business Register and Employer Survey. Number of employees shown in brackets.

### Wages

3.32 Wages in the visitor economy have historically been lower than in many other parts of the economy and recent figures show that this remains the case. In 2014, the average annual wage in Lancashire's visitor economy was less than half the all-sector average for the LEP area. Unsurprisingly given the north-south

salary divide, average wages in the visitor economy in Lancashire are lower than they are nationally.

Visitor Economy Average Annual Wages (2014)			
	Lancashire	England	Lancs as % England
Visitor economy	£11,444	£12,525	91%
Overall economy	£23,858	£27,487	87%
Source: ekosgen estimates based on Annual Survey of Hours and Earnings and Business Register and Employment Survey			

3.33 Sub-sectoral data<sup>31</sup> shows that average wages are particularly low in the beverage service sub-sector (£9,300). In other sub-sectors, the average ranges from £11,900 (operation of sports facilities and amusement parks) to £23,400 (water transport), i.e. in all parts of the visitor economy earnings are below the economy wide average.

## Looking Ahead: Forecasts for the Visitor Economy

### Employment

3.34 Using the 2014 STEAM data as a baseline, and factoring in historic trends and assumptions around future visitor expenditure, it is estimated that just under 4,000 additional full time equivalents will be required in Lancashire's visitor economy between 2014 and 2020<sup>32</sup>. Based on STEAM's definition of the sector and the baseline employment numbers used in the model, this is an increase of 8.6%. More than two fifths of this increase (42%, 1,652 FTEs) is expected to occur in Blackpool. None of the other local authority areas are expected to account for more than 11% of the increase.

### Replacement Demand

3.35 Replacement demand occurs as employees retire, leave the workforce and/or move to other jobs. The STEAM forecasts do not include replacement demand (i.e. they cover new FTEs only) but given the transiency of the visitor economy workforce, it is safe to assume that replacement demand in this sector

will be above average<sup>33</sup>. Employers suggest that the following occupations are particularly affected by replacement demand:

- **Engineers (mechanical and electrical):** this is more of an issue for the larger visitor economy employers who have plant and equipment to maintain (e.g. theme/amusement parks). The specific issue is one of an ageing workforce: employers report that many of their engineers are approaching retirement age and that some are being encouraged or incentivised to work longer because employers face significant difficulties recruiting staff to replace them.
- **Chefs and kitchen staff:** this affects visitor economy employers of all sizes, including those with a strong reputation for quality and those employing head chefs that are highly regarded and well recognised within the industry. High levels of staff churn, rather than retirements, is the issue.
- **Seasonal and other temporary roles:** often filled by students and those not considering a longer term career in the sector, there are many peak season jobs that are subject to replacement demand each year.

### Population Projections

3.36 Population projections produced by the Office for National Statistics suggest that the population in Lancashire will grow more slowly than in both the North West and the country as a whole between 2015 and 2025 (2% compared with 4% and 7% respectively).

3.37 The working age population in Lancashire is expected to fall by nearly 2% over this period, in contrast to a 2% increase nationally. This will equate to 18,000 fewer residents of working age by 2025.

3.38 Of particular note for the visitor economy (which is characterised by a young workforce) is that the number of residents in Lancashire aged 20-29 is projected to decrease significantly – a drop of nearly 20,000 over the next 10 years. Low levels of growth are also forecast for 15-19 year old population.

3.39 Given that employees aged under 30 currently account for 42% of employment in the visitor economy, compared with 23% across Lancashire as a whole, this could result in further recruitment challenges, have implications for the

<sup>31</sup> Four digit SIC code level

<sup>32</sup> Global Tourism Solutions, 2015

<sup>33</sup> *Skills in Lancashire: A Comprehensive Evidence Base on Skills and Employment* (ekosgen, 2015) estimates all-sector replacement demand at 4%. Anecdotal feedback from employers gathered for this study, plus a review of vacancy data, suggests that in the visitor economy it will be significantly higher.

use of migrant labour and exacerbate the problems of an ageing workforce in certain occupations (e.g. engineers).

Population Projections 2015 – 2025				
	Lancashire		North West	England
Total	36,500	2%	4%	7%
Working Age	-18,000	-2%	-1%	3%
<b>Detailed Age Groups</b>				
Under 15	5,200	2%	4%	8%
15-19	2,100	2%	3%	7%
20-29	-19,400	-10%	-10%	-6%
30-39	12,900	8%	9%	9%
40-49	-28,900	-14%	-11%	-5%
50-59	-2,300	-1%	-1%	4%
60-64	17,600	21%	23%	26%
65+	49,300	17%	18%	21%
Source: ONS				

## 4 Recruitment and Retention

### Summary of Key Points

- High vacancy rates have been a feature of the visitor economy for many years and continue to be the prevalent, both nationally and in Lancashire. Staff turnover has declined, although at more than 18% in 2012, it remains amongst the highest of any sector in the country.
- There are numerous reasons why recruitment and retention challenges exist in the visitor economy. Average wages are less than half of the all-sector average for Lancashire and weekend and evening working is common. Employers are also strongly of the view that full breadth of jobs and careers available in the visitor economy are not being accurately conveyed to young people, especially in schools, and that a career in the sector is often seen as a second best option.
- Employers also expect higher standards in terms of employability and say that too few job applicants (especially young people) have the requisite work readiness skills to give the employers confidence that taking them on will be low risk.
- A related issue has also been identified around soft skills, and in particular customer handling, planning and organisation, oral communication and team work.
- Apprenticeship numbers in the sector have fallen significantly and the employers consulted for this study spoke of difficulties in finding suitable candidates for their apprenticeship vacancies. Some have disengaged from apprenticeships completely and are trying instead to develop their future workforce through work experience and placement schemes.

### Introduction

4.1 The visitor economy has above average job vacancy rates and levels of staff turnover that are higher than any other sector in the country. This chapter explores the recruitment and retention issues facing the sector and, in doing so, draws on published data/reports and feedback obtained from employers gathered for the purposes of this plan.

4.2 **The chapter draws on data from the National Employer Skills Survey 2009 and the UK Employer Skills Surveys 2011 and 2013. In each of these surveys, the sector classification most relevant to the visitor economy is ‘hotels and restaurants’ (other parts of the visitor economy are subsumed within different sectoral classifications). It is therefore important when interpreting the findings to remember that findings from the National/UK Employer Skills Surveys reflect only a part of Lancashire’s visitor economy, albeit a significant one.**

### Vacancies: National Survey Data

4.3 High vacancy rates have been a feature of the visitor economy for many years. The 2009 National Employer Skills Survey, for example, found that 17% of hotels and restaurants reported having one or more vacancies, compared with the all-sector national average of 12%. This message was reinforced in the 2011 and 2013 surveys<sup>34</sup>, although by 2013 the gap had narrowed to three percentage points.

4.4 It is a situation that is also reflected at the Lancashire level: the 2013 UK Employer Skills Survey showed that 17% of Lancashire’s hotels and restaurants were reporting vacancies, compared with the all-sector average for Lancashire of 12%.

4.5 However, the 2013 survey also shows that hotels and restaurants tend to have fewer vacancies that are hard to fill or are classed as ‘skills shortage vacancies’, where candidates are reported to lack the necessary skills for the job. There could be several reasons for this, although it is of note that many of the employers consulted for this work have said that they recruit “*on attitudes, not specific skills*” (to quote a hotelier). In other words, it is not technical or job

<sup>34</sup> In 2013 the survey became UK-wide rather than just England and was renamed the UK Employer Skills survey.



specific skills that they prioritise when recruiting, but rather the demonstration of the right attitude (*"we recruit attitudes; we teach skills"* said another consultee).

Vacancies in the Lancashire LEP Area		
	Lancashire Total	Lancashire Hotels and Restaurants
Establishments with vacancies	12%	17%
Have at least one vacancy that is hard to fill	4%	2%
Have a skills shortage vacancy	3%	1%
% of all vacancies which are skills shortages vacancies	23%	3%
Source: UK Employer Skills Survey 2013		

### Vacancies: Labour Insights

4.6 The Labour Insights online labour market information system gathers data on the job vacancies advertised online across the UK. Job postings are gathered from over 20,000 sources and categorised by occupation, sector and qualification requirement.

4.7 The data shows that across the two categories most relevant to the visitor economy – 'Accommodation and Food Service Activities' and 'Arts, Entertainment and Recreation' – in excess of 1,300 vacancies were advertised in Lancashire in 2014. This is 100 fewer than in 2013 but nearly 500 more than in 2012.

Lancashire Vacancies by Sector					
	2012	2013	2014		UK
	No.	No.	No.	%	%
Human Health And Social Work Activities	5,610	11,570	11,110	14%	9%
Manufacturing	6,340	5,740	4,860	6%	5%
Education	3,270	4,230	4,640	6%	5%
Wholesale And Retail Trade	2,870	3,200	2,910	4%	3%
Public Admin And Defence	640	1,390	2,300	3%	3%
Information And Communication	1,300	1,910	2,090	3%	3%
Administrative And Support Service Activities	1,730	3,340	1,880	2%	1%
Professional, Scientific And Technical Activities	1,360	1,300	1,020	1%	2%
Financial And Insurance Activities	1,750	1,080	1,010	1%	3%
Other Service Activities	660	1,050	920	1%	1%
Transportation And Storage	760	1,400	900	1%	1%
Accommodation and Food Service Activities	590	980	880	1%	1%
Construction	370	700	480	1%	1%
Arts, Entertainment And Recreation	250	440	440	1%	1%
Real Estate Activities	120	450	430	1%	1%
Utilities: Water Supply	4340	380	140	0%	0%
Mining And Quarrying	100	110	100	0%	0%
Utilities: Electricity	40	60	50	0%	0%
Agriculture, Forestry And Fishing	20	50	20	0%	0%
Activities Of Households As Employers	60	90	20	0%	0%
Unspecified	30,520	47,160	43,200	54%	60%
<b>Total</b>	<b>58,800</b>	<b>86,620</b>	<b>79,400</b>	<b>100%</b>	<b>9%</b>
Source: Labour Insights					

4.8 On the surface it may appear that vacancies in 'Accommodation and Food Service Activities' and 'Arts, Entertainment and Recreation' are, in relative terms, not especially prevalent. For example, the number of vacancies recorded in Human Health and Social Work Activities in 2014 equates to 11.3% of the

number of jobs in that sector in the same year. In manufacturing the equivalent figure is almost 6% and in education it is 8%. In 'Accommodation and Food Service Activities' and 'Arts, Entertainment and Recreation' combined, the figure is 2.3%.

4.9 In reality, however, these figures are likely to distort the true position, the key reason for which are the informal recruitment practices common to the visitor economy and covered in more detail later in this chapter. It is also of note that against more than half of all the vacancies captured by Labour Insights, the sector is not recorded, although there is no reason to assume that a disproportionate amount of these will be in visitor economy jobs.

4.10 Based on the Labour Insights data, the most commonly reported vacancies across the two visitor economy related sector areas have been for kitchen and catering assistants, chefs and customer service posts, all three of which featured in the anecdotal feedback provided by employers for this plan. Sales and retail assistants have also been in demand, although as with a number of the other occupations, fewer vacancies were recorded in 2014 than the year before. By contrast, vacancies for managerial staff, including those working in restaurants and catering establishments, bars and other service areas, appear to have increased.

#### Lancashire Vacancies in the Visitor Economy\* – Most Commonly Reported by Occupation (top 15 occupations shown)

	2013	2014
Kitchen and catering assistants	147	101
Chefs	137	143
Customer service occupations (NEC)**	162	89
Sales and retail assistants	102	95
Managers and directors in retail + wholesale	67	47
Restaurant and catering establishment managers and proprietors	51	72
Waiters and waitresses	76	79
Bar staff	32	35
Managers and proprietors in other services (NEC)**	35	44
Other administrative occupations (NEC)**	28	45
Actors, entertainers and presenters	22	50
Catering and bar managers	20	28
Other elementary service occupations (NEC)**	27	29
Receptionists	29	6
Cleaners and domestics	24	19

Source: Labour Insights

\*Defined here as 'Accommodation and Food Service Activities' and 'Arts, Entertainment and Recreation'.

\*\*Not elsewhere classified.

4.11 Although the data on vacancies by local authority is not complete, it suggests over half of all the visitor economy vacancies in 2014 were in Preston and Blackpool. None of the other local authorities accounted for more than 10% of the total number of vacancies.

### Vacancies: Feedback from Lancashire Employers

4.12 The online survey of employers undertaken for this study also explored recruitment difficulties in the Lancashire visitor economy and found that:

- A third of the businesses had faced difficulties filling vacancies in the previous two years.

- The hardest posts to fill included chefs, housekeepers, lifeguards, receptionists and software engineers (reflecting the diversity of the businesses that responded to the survey and to some extent echoing the Labour Insights data).

4.13 Most of the employers did not foresee these recruitment difficulties becoming any worse over the next two years, but it was similarly rare for them to report that they expect them to get any better.

## Staff Turnover

4.14 Staff turnover in hospitality has declined in recent years, but, at more than 18% in 2012<sup>35</sup>, it remains amongst the highest of any sector in the country. It is estimated that staff turnover costs the sector £274m a year<sup>36</sup> which, based on Lancashire's share of hospitality employment<sup>37</sup>, would mean that the county's hospitality employers incur attrition related costs of approximately £6.6m per annum (or £2,200 per business, on average).

4.15 To some extent this is unavoidable. A surge in demand for staff over the summer months and an equivalent drop-off later in the year dictates that attrition and transiency is, and will remain, above national averages. But it almost certainly needn't be as high as it is and the cost to employers needn't be so great. Through the provision of more accurate and comprehensive information, advice and guidance about the sector to young people, a redressing of the downward trend in apprenticeships and a concerted effort to better sell the jobs and career paths available, it should be possible to reduce the number of people in the sector (both hospitality and the wider visitor economy) who subsequently choose to leave.

4.16 High turnover can also act as a disincentive for businesses to invest in their workforce. Based on data from the UK Employer Skills Survey, hotels and restaurants, both nationally and in Lancashire, are less likely to provide training for their staff than businesses across the UK economy as a whole. It can also be difficult from a logistical perspective for employers to train their staff at the start of, or during, the high season.

<sup>35</sup> Employer Skills Survey, 2012, People 1<sup>st</sup>

<sup>36</sup> Hospitality and Tourism – Creating a sustainable workforce, People 1<sup>st</sup>

<sup>37</sup> Defined here as 'food and drink services' and 'accommodation'

## Informal Employment

4.17 The number of jobs that are offered and secured through unofficial, cash-in-hand arrangements is hard to estimate. However, based on feedback from employers and skills providers obtained for this study it is clearly very prevalent for the following two reasons:

- Employers (especially smaller employers) can find it difficult and time consuming to recruit staff through formal channels in sufficient volume for their peak season, turning instead to informal networks and cash-in-hand offers. The timing of FE provision can also be a factor here, as some employers are keen to take on college leavers from the Easter period onwards, but find themselves unable to because the learners are still on programme until the end of the academic year.

*"If they [the FE college students] aren't available until late June or July, that's too late for us. We have to look elsewhere, which is a shame because the college students have actually done on a course which gives them a bit of know-how about our industry."*

Manager of an independent hotel

- Young people can (naturally) be drawn by the appeal of cash-in-hand summer work in the sector, despite it being short term, low paid and lacking in future prospects. For the duration of the employment, the average wage will often comfortably exceed the minimum paid to apprentices.

4.18 These issues have existed for many years in the sector and are far from straightforward to address. They are also by no means unique to Lancashire: a study dating back to 1994 and another from 2004 noted the prevalence of black market employment in the tourism sector nationally<sup>38</sup>. But that is not to say that new and additional efforts should not be made to try and make further inroads into them. As such, the actions in Chapter Seven advocate the provision of good quality, accurate and timely advice for young people about jobs and careers in the sector. They also encourage skills providers to consider whether they can compress the delivery schedule for provision relevant to the visitor economy to be better aligned with the annual surge in demand from employers.

<sup>38</sup> E.g. Riley, M (2004) 'Labour mobility and market structure' and Stalker, P (1994) 'The work of strangers'.

## Why do Recruitment Challenges Exist?

### *Pay and conditions do not compare well*

4.19 Average wages in the visitor economy are less than half of the all-sector average for Lancashire. Weekend and evening work is common to many roles and whilst there are evidently numerous career paths that can lead to considerable financial rewards, the entry level salaries are, in many cases, at the minimum wage.

4.20 National economic cycles can also affect the relative appeal of pay and conditions in low paying sectors. The visitor economy and social care, amongst others, have been known to experience more pronounced recruitment challenges when the national economy is more buoyant and individuals have greater choice over where they work.

*“Improvements in the economy, shift working, working over seven days.....all of these things make a job in our sector less appealing than other opportunities”*

Employer

4.21 Anecdotally, employers also noted that fewer Eastern European migrants are putting themselves forward for visitor economy employment than in the past. For some employers, Eastern European workers have been (and remain) an important way of filling vacancies and are reportedly less likely to leave than British employees.

### *Opportunities in the Visitor Economy are undersold*

4.22 One of the most consistent messages to emerge from the primary research undertaken for this study is that the full breath of the visitor economy and the jobs and careers prospects it offers are not being accurately conveyed to young people, especially in schools.

4.23 Responsibility for careers guidance rests with schools but restrictions on resources and the demands of the national curriculum mean that it can assume a lesser priority than it ideally should. Employers consulted for this study were commonly of the view that the advice and guidance is not up to date and that it

gives far too narrow a perspective of the opportunities and careers (as distinct from jobs) that are available. They spoke of a misconception that job opportunities in the sector are wrongly, but nonetheless often, seen as being limited to waiting tables, kitchen work or seasonal employment. The full array of roles (which cover marketing, management, finance and a host of other areas) is rarely conveyed accurately.

*“The message isn’t getting across that you can pursue all sorts of paths in hotels and catering. It’s regarded as cooking and cleaning rooms, but there’s a world of opportunities out there.”*

Employer

4.24 Employers believe that this has a considerable bearing on the volume (or lack) of job applications they receive and the characteristics of the applicants. Many also see it as being amongst the most significant issues to be addressed if the supply of, and demand for, skills in the visitor economy are to become better aligned.

4.25 Apprenticeships are also relevant here. Following a steady year-on-year increase in Leisure, Travel and Tourism apprenticeships in Lancashire, a marked fall of more than 60% was recorded between 2011/12 and 2013/14. The number of starts across all frameworks combined in Lancashire also fell over this period but to a far lesser extent (-16%). There are various reasons for this. The Raising the Participation Age reforms, for example, have caused fewer young people to choose employment (full or part time) with training as their preferred post-16 destination. The recession prevented many employers, including those operating in the visitor economy, from taking on (more) apprentices, and the proposed introduction of Advanced Learning Loans for Level 3+ provision for learners aged 24+ has also played a part.

4.26 Research has also found that that nearly two thirds of parents do not understand apprenticeships (in any sector) and the majority believe they are only available in manual jobs<sup>39</sup>. Research by City and Guilds has shown that young men are almost twice as likely to be advised to pursue an Apprenticeship as

<sup>39</sup> <https://www.aat.org.uk/news/article/parents-and-apprenticeships>

young women<sup>40</sup>, while the Sutton Trust found that 65% of teachers said they would rarely or never advise a high-achieving student to consider an Apprenticeship<sup>41</sup>.

4.27 Visitor economy employers in Lancashire, including large employers, see these as very significant problems. Those consulted for this study regularly spoke of difficulties in finding suitable candidates for their apprenticeship vacancies. Some have disengaged from apprenticeships completely as a result and are trying instead to develop their future workforce through work experience and placement schemes. Others need apprentices to help address the issue of an ageing workforce but very few, it would seem, receive enough applications from young people with the skills and attributes they require (note that quote below comes from one of the county's larger visitor economy employers).

*"We advertised a vacancy for an apprentice engineer in October 2014....I'm doing the first interview next week [June 2015]. There has been such little interest."*

Employer

4.28 There is also the issue of apprentice retention. Hoteliers consulted for the study reported that apprentices will often work at the business for a few weeks, but will soon leave having become disillusioned by weekend and evening working. The low minimum wage for apprentices (£2.73 per hour at the time of writing) also influences retention, although the same problems were reported by employers who pay the adult minimum wage.

4.29 Given the well documented commercial and economic benefits of apprenticeships, the policy priority that has already been attached to them by the new Government and the frustration that is evident amongst Lancashire's visitor economy employers, it is important that action be taken. Chapter Seven therefore advocates that apprenticeships feature as a core theme within a new Visitor Economy Ambassador Programme and that options be explored to increase the

number of employers participating in Traineeships (for some young people a natural stepping stone to an apprenticeship).

### **Negative perceptions exist of jobs in the visitor economy**

4.30 Jobs in the visitor economy are often, if wrongly, labelled as 'second best'. There are various reasons for this, ranging from attitudes (nationally) towards service sector employment to the undeniable issue of low average pay, but to bracket all employment in the sector together in this regard is both inaccurate and very frustrating for employers.

4.31 The available data on young people's job choices would seem to highlight the problem. In mid-May 2015, there were 1,786 young people in Lancashire's NEET (not in education, employment or training) cohort, only 126 of whom (7%) had expressed an interest in working in the sector. And across the cohort of young people aged 15-17 in full time education in Lancashire, only 4% of those with a recorded job preference had identified a job in the visitor economy.

4.32 The suggestion that customer facing roles in the sector require only very basic skills is also misplaced. Front of house staff in hotels, for example, require day-to-day working knowledge and practical ICT user skills for the particular technology used in their business. They may need to know how to access Wi-Fi systems, troubleshoot problems guests may have with technology and carry out simple maintenance activities such as restarting. Many kitchen roles also require general IT user skills to carry out stock taking, ordering, menu planning as well as using HR and e-learning systems as part of their development.

4.33 A consistent theme in the feedback from employers is that these messages aren't being adequately conveyed to young people in schools. Consequently it is a topic that is revisited in the actions in Chapter Seven.

### **Employers expect applicants to be more work ready**

4.34 Skills providers, from schools to higher education, recognise and are embracing the importance of core skills, flexibility and equipping their learners with appropriate work readiness skills.

4.35 Nonetheless, employer feedback suggests that they expect higher standards and that too few job applicants (especially young people) have the

<sup>40</sup> <http://www.cityandguilds.com/news/March-2014/apprenticeships-not-just-for-boys#.VNSPA0WzXX4>

<sup>41</sup> The Sutton Trust, Higher Apprenticeships Better for Jobs than University Degrees Say Public, press release, 8 July 2014

requisite set of rounded work readiness skills that give the employers confidence that taking them on will be low risk.

*"We find that many young people are not very well prepared and struggle to get into the routine of going to work each day."*

Employer

4.36 There are examples of where industry and education are working well together on these issues (see the Runshaw College example in Chapter Six), but the opportunity exists to strengthen those links.

### ***Access to transport can be a barrier to employment***

4.37 Several times during the consultation work undertaken for this study, the scarcity of public transport services outside of conventional working hours has been highlighted as an issue affecting (un)employment and the filling of vacancies in the visitor economy.

*"We're only 3 miles out of the town but we have terrible trouble finding people [to fill vacancies] because many don't have their own transport and they finish work after the buses have stopped."*

Employer

4.38 Schemes aimed at addressing this issue (e.g. *Wheels to Work*) exist elsewhere in the country, but not currently in Lancashire. Chapter Seven therefore recommends that a dialogue be initiated with stakeholders in other sectors to explore the merits of introducing a cross-sector supported transport initiative.

### ***Applicants often lack the necessary soft skills***

4.39 National research by People 1<sup>st</sup> has identified a particular recruitment challenge around the poor quality soft skills of job applicants<sup>42</sup>. To some extent this is supported by the 2013 UK Employer Skills Survey and the 2011 National Employer Skills Survey, both of which found that hotels and restaurants with hard

to fill vacancies often report that applicants lack the necessary customer handling, planning and organisation, oral communication and/or team work skills.

4.40 These findings are corroborated not only by the Labour Force Survey – which in 2014 found that almost three fifths of tourism employers said that young people lacked basic soft skills such as communication and team working<sup>43</sup> – but also by the primary research undertaken for this study, where employers cited attitudinal, motivational and personality issues as being amongst the main reasons for their recruitment challenges.

4.41 It is difficult to address this holistically through a sector specific action plan, but nonetheless, in a competitive, customer focused market the importance of soft skills and attitudes, including effective communication, can have a definite impact on business performance. Commendable progress has been made through the provision of high quality customer service training and steps should be taken to continue driving up the number of visitor economy employers participating in this kind of workforce development activity in the future.

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<sup>42</sup> Overcoming the Soft Skills Challenge, People 1<sup>st</sup>, May 2015

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<sup>43</sup> Labour Force Survey 2014, ONS



## 5 Skills Gaps

### Summary of Key Points

- Skills gaps in the visitor economy are distinctly more prevalent than they are across the UK economy as a whole. In Lancashire, the 2013 UK Employer Skills Survey showed that 22% of the county's hotels and restaurants had a skills gap, compared with the all-sector Lancashire figure of 17%. The proportion of staff in hotels and restaurants reported not to be fully proficient was twice the LEP average.
- Managerial skills gaps are common in the visitor economy. The young workforce and high turnover rates mean that employees who remain within the workforce often find themselves progressing into senior positions at a faster rate than they might do in other sectors. This offers a degree of social mobility but can also lead to inexperienced managers.
- Whilst the proportion of businesses able to accept online bookings is increasing, it is estimated that more than a quarter of bed and breakfast establishments (nationally) are still unable to do so. Anecdotal feedback provided for this study points to an opportunity for smaller visitor economy businesses in Lancashire to become more skilled at e-commerce, online marketing and social media.
- Expectations of customer service in the visitor economy have risen considerably in recent years, yet many employers still report skills gaps in this area. Considerable efforts are being made to address the issue in Lancashire and it is important that these be continued and, where appropriate, expanded to ensure that the local visitor economy keeps pace with other parts of the country and responds to evolving consumer demands.

### National Headlines<sup>44</sup>

5.1 A skills gap occurs where staff are reported not to be fully proficient at their jobs. Nationally, the evidence suggests that skills gaps in the visitor economy are distinctly more prevalent than they are across the economy as a whole. For example:

- The UKCES 2012 Sector Skills Assessment<sup>45</sup>, which uses a classification of 'hospitality, tourism and sport', found that a fifth of these businesses reported skills gaps, compared with an all-sector average of 13%. The proportion of employees with skills gaps in these businesses was estimated at 8%, which was also considerably higher than the all-sector figure of 5%. It was also higher than in any other sector.
- The 2013 UK Employer Skills Survey paints a similar picture for hotels and restaurants and shows that 23% of these businesses nationally had skills gaps against an all-sector average of 17% (see table below). It also reports that 9% of the hotels and restaurant workforce was deemed not fully proficient compared with 5.5% nationally. Sales and customer service roles, machine operatives and elementary occupations are those within which staff are the most likely to be deemed not fully proficient.

<sup>44</sup> Figures in this chapter that are taken from the UK Employer Skills Survey are for hotels and restaurants only.

<sup>45</sup> Hospitality, tourism and sport: Sector Skills Assessment (2012), UKCES



Incidence of Skills Gaps by Sector		
Sector	% establishments with skills gaps	% staff reported as having skills gaps
UK (all sectors)	17%	5.5%
Hotels and Restaurants	23%	9.0%
Agriculture	11%	4.6%
Mining and Quarrying	14%	3.1%
Manufacturing	20%	6.0%
Electricity, Gas and Water	19%	5.6%
Construction	13%	4.8%
Wholesale and Retail	19%	6.6%
Transport and Communications	15%	4.6%
Financial Services	21%	4.4%
Business Services	13%	5.1%
Public Administration	23%	5.3%
Education	22%	3.8%
Health and Social Work	20%	5.2%
Community, Social and Personal Services and Activities	16%	5.6%
Source: UK Employer Skills Survey 2013		

5.2 The above has its roots in the higher levels of employment of young people in the hotels and restaurants industry, the low entry level requirements for many roles and employers' training strategies (it is known from both the 2011 and 2013 Employer Skills Surveys that a below average proportion of hotels and restaurants provide training, and especially off-the-job training, for their staff).

5.3 The figures are also likely to be influenced by the staff turnover in accommodation and food and beverage services in particular, i.e. with high rates of churn and a competitive environment in businesses across the sector, it can be difficult to maintain a workforce which is fully skilled.

## Skills gaps in Lancashire: Headlines

5.4 The national picture of skills gaps is largely reflected at the Lancashire level, with the 2013 UK Employer Skills Survey showing that 22% of Lancashire's hotels and restaurants have a skills gap, compared with the all-sector Lancashire figure of 17%. Hotels and restaurants account for 12% of all skills gaps in Lancashire, a proportion that is one and a half times greater than the employment share of the entire visitor economy across the LEP area. What is more, as a proportion of employment, the number of staff not proficient in their role is twice the LEP average.

Skills Gaps in the Lancashire LEP Area		
	Lancashire Hotels and Restaurants	Lancashire Total
% of establishments with any staff not fully proficient	22%	17%
Number of staff not fully proficient as a % of employment	8%	4%
Source: UK Employer Skills Survey 2013		

5.5 Only a third of the businesses that responded to the online survey for this plan said that the skills of their current workforce fully meets their business needs.

## Management and Leadership

5.6 The transient nature of the workforce can make it difficult for employers, especially SMEs, to develop management and leadership capabilities. People 1<sup>st</sup> estimate that 6% of hospitality and tourism businesses have managerial vacancies and that problems often arise due to managers being new in their role, not having completed formal management training and struggling to adapt to their new responsibilities<sup>46</sup>.

5.7 Feedback from employers obtained for this work chimes with the national message and adds weight to the assertion that SMEs in the visitor economy should be supported to develop their leadership and management skills. The

<sup>46</sup> Hospitality and Tourism: We overlook our management and leadership needs at our peril, People 1<sup>st</sup>

relatively young workforce and high turnover rates mean that employees who remain within the workforce often find themselves progressing into senior positions at a faster rate than they might do in other sectors. Whilst this offers a degree of social mobility, it can also lead to relatively inexperienced managers.

*“Too many employers fail to recognise that leadership and management doesn’t just come through long service, it is a skill that needs to be trained or coached.”*

Employer

5.8 The new European programme may provide the opportunity to provide leadership and management support through a bespoke programme of intervention, drawing on the expertise of local stakeholders and building in lessons learnt from previous initiatives.

## Digital Awareness and Marketing

5.9 A recent travel and tourism survey administered nationally<sup>47</sup> found that half of the businesses surveyed reported a year-on-year increase in online bookings and 16% more companies were able to take online bookings than a year earlier. Despite this, 26% of operators in the hotel and bed and breakfast sector are still unable to take online bookings and anecdotal feedback provided for this study points to an opportunity for smaller businesses in the sector to become more skilled at e-commerce, online marketing and social media.

*“Some of our students do placements at small hotels and bed and breakfasts. So often, I get feedback from the employers about how the student has helped them to set up a Twitter account or put them on Facebook. We assume that everyone does this nowadays but in this sector it’s just not the case.”*

Course leader, FE College

5.10 The Superfast Lancashire programme is increasing access to the technology but further work may be required to promote take up, including

explaining how to use superfast enabled technologies and showcasing the benefits that can be generated as a result. In the online survey of employers for this study, more than 80% of the companies who expect at least one workforce skill to require improvement over the next two years (and more than a third of the full sample) highlighted IT/digital skills.

## Customer Service

5.11 Over the last 20 years, expectations of customer service in the visitor economy, and indeed across the economy as a whole, have risen considerably. It is therefore of some note that in 2013, 61% of the hotels and restaurant businesses with skills gaps said that these gaps included customer handling skills and 26% said that had resulted in them losing business to competitors<sup>48</sup>. Amongst the companies that responded to the online survey for this study, more than half of those who expect at least one workforce skill to require improvement over the next two years cited customer service as a key area.

5.12 Considerable efforts are clearly being made in this regard in Lancashire (see ‘The Emerging Response’, below, for examples). It is important that these be continued and, where appropriate, expanded to ensure that the local visitor economy keeps pace with other parts of the country and responds to evolving consumer demands.

## The Emerging Response

5.13 Whilst the recruitment and retention issues (Chapter Four) and skills challenges (this chapter) in the visitor economy may not have previously been researched with a specific Lancashire focus, they are well recognised within the county and have led both employers and skills providers to take action.

5.14 The two summaries in the shaded boxes below highlight some of the new and innovative practice that is taking place. But these examples are by no means exhaustive. Others include:

- **The new £5m Visitor Economy Centre at Accrington and Rossingdale College.** Due to open in September 2015, the new centre will host the college’s Hospitality and Catering, Travel and Tourism, Financial Services and

<sup>47</sup> Travel and Tourism Survey 2015, MHA

<sup>48</sup> Employer Skills Survey 2013, UKCES

Business and Logistics departments. It will also include a high quality restaurant, bakery, retail outlet and conference facilities.

- **UCLan** offer local, national and international work experience for their Tourism and Hospitality Management students, while some **FE colleges** in the county have recruited tutors with up to date industry experience who are well placed to convey the skills that employers in today's visitor economy need and expect.
- Take-up of **Welcome to Excellence** – one of the most successful customer service initiatives in the UK – has been strong and the ambition for Blackpool to become the first seaside town in the UK to achieve **WorldHost Recognised Destination** status provides clear evidence that the town is looking to further strengthen its visitor offer.

#### **Blackpool Tourism Academy**

The Blackpool Tourism Academy (BTA) is a co-funded initiative through the government's Employer Ownership Pilot which is seeing £2m invested over three years to raise the skills of people who work in the resort's visitor economy.

The training available ranges from customer service, supervisory and management programmes, to spectator management, gaming awareness, selling techniques and passenger carrying. Over 2,500 training places will be available to staff within the Academy founding employers (Merlin Entertainments, Cuerden Leisure, Blackpool Transport Services, Sandcastle Waterpark and Blackpool Zoo). Courses feature participants from across several businesses at once, and are hosted at a range of employer venues.

The BTA is an ambitious programme that is introducing a skills progression model that will be recognised throughout the resort. It also sees the introduction of a new apprenticeship framework to meet to the needs of a modern tourism industry. Each employer will have slightly different requirements and as such the framework has bespoke modules such as spectator management and selling skills. The aim is to create over 100 new apprentice opportunities for people in Blackpool, while the BTA as a whole will deliver over 5,000 new training opportunities for staff within businesses across the resort up to 2017.

#### **Runshaw College**

Runshaw College has entered into an innovative partnership arrangement with Hays Travel to develop 'The Travel Pod at Runshaw'. A fully working, commercial travel agents, the pod gives students the opportunity to undertake meaningful work experience in a retail travel environment whilst also gaining recognised industry qualifications.

The college also has a mock aircraft giving Travel and Tourism students the opportunity to gain practical experience and a recognised qualification in airline cabin crew.

Recently the college ran an awareness raising session and invited the careers advisors from 40 secondary schools to attend, the aim being to convey the full range of study options and job/careers opportunities that exist in the visitor economy. Since running the session the college has seen a marked increase in applications.

## 6 Supply Side Provision

### Summary of Key Points

- In 2013/14, there were 8,530 starts on Leisure, Travel and Tourism 'education and training' learning aims in Lancashire. This is a 21% drop from the previous year, influenced in part by the Raising the Participation Age reforms. In 2013/14, starts in Leisure, Travel and Tourism accounted for 3% of all education and training starts in Lancashire.
- In 2013/14, just under half (47%) of the learning aim starts were by learners aged 16-18. Eleven per cent of the starts were by learners aged 19-24 and 42% by learners aged 25+. Learners aged 16-18 were the most likely to pursue learning aims at Level 3 while those aged 19-24 were the most likely to pursue learning aims at Level 4.
- Lancashire's providers fare well against the national average success rate for education and training provision in Leisure, Travel and Tourism. Across the ten providers that delivered the highest volume of Leisure, Travel and Tourism learning aims in 2013/14, seven had an above average success rate and only three were below.
- With 360 starts across the county in 2013/14, Leisure, Travel and Tourism was the sixth most commonly selected apprenticeship framework in Lancashire, although the frameworks in the top three positions had between 7 and 13 times that number of starts.
- Following a steady year-on-year increase in Leisure, Travel and Tourism apprenticeships in Lancashire, a reduction of 60% was observed between 2011/12 and 2013/14. Learners aged 16-18, and those aged 25+, have been responsible for the reduction.
- UCLan is the only university headquartered in the county that currently delivers provision under the 'Hospitality, Leisure, Sport, Tourism and Transport' category. In 2013/14, UCLan had 800 first degree students and 260 postgraduate students on that provision, equating to 5% of their undergraduate and 6% of their postgraduate cohorts respectively.

## Education and Training

6.1 'Education and training' in this context includes FE provision, community learning and workplace learning. Apprenticeships are considered separately later in the chapter.

6.2 The education and training data – and indeed all the data in this chapter – is taken from the Skills Funding Agency's Data Cube<sup>49</sup>. It covers all learners learning within Lancashire. Unless otherwise stated, those learners whose registered home address is in Lancashire but who learn outside of the county are excluded from the analysis.

### Starts: overall, by age and level

6.3 In 2013/14, there were 8,530 starts on Leisure, Travel and Tourism learning aims in Lancashire. This is a reduction from the previous year of 2,290 starts: a 21% drop which has been influenced, in part at least, by the Raising the Participation Age reforms. In 2013/14, starts in Leisure, Travel and Tourism accounted for 3% of all education and training starts in Lancashire.

#### Leisure, Travel and Tourism Learner Aim Starts by type

	2012/13	2013/14	Change 2012– 20/14
	No.	No.	%
Education and Training	10,820	8,530	-21%

Source: Data Cube

6.4 As shown below, a considerable proportion of the reduction in starts (1,380 starts or 60%) is accounted for by provision at Levels 1 and 2. In proportionate terms there have been notable increases in provision at Entry Level and Level 4, although in both cases the absolute numbers remain low.

6.5 The overall reduction in starts is of some concern for the visitor economy in Lancashire, where employers have been of the view for some time that too few

<sup>49</sup> On the Data Cube, all ESF funded provision is recorded as 'education and training'. Workplace learning, in the context of the Cube, is only recorded as such where it is funded through the Adult Skills Budget. As such, workplace learning numbers, when considered in isolation, appear very low. For that reason they have been incorporated under the 'education and skills' umbrella heading.

young people are choosing post-compulsory study, jobs and careers in the sector. It also adds weight to the actions in Chapter Seven regarding information, advice and guidance.

Leisure, Travel and Tourism Learner Aim Starts by level					
	2012/13		2013/14		Change 2012 – 2014
	No.	%	No.	%	%
Entry level	40	0%	100	1%	150%
Level 1	2,150	20%	1,160	14%	-46%
Level 2	2,280	21%	1,890	22%	-17%
Level 3	2,760	26%	2,600	30%	-6%
Level 4	190	2%	280	3%	46%
Higher level	80	1%	-	0%	-100%
Not applicable	3,310	31%	2,510	29%	-24%
<b>Total</b>	<b>10,820</b>	<b>100%</b>	<b>8,530</b>	<b>100%</b>	<b>-21%</b>
Source: Data Cube					

6.6 In 2013/14, just under half (47%) of the learning aim starts were by learners aged 16-18. Eleven per cent of the starts were by learners aged 19-24 and 42% by learners aged 25+. Reflecting the younger age profile of the visitor economy workforce, learners aged 16-18 and 16-24 are over-represented on visitor economy provision relative to provision across the Lancashire LEP area as a whole.

Leisure, Travel and Tourism Learner Aim Starts by Age 2013/14: Comparisons with Lancashire LEP area profile		
	Leisure, Travel and Tourism	Lancashire LEP Area
16-18	47%	35%
19-24	11%	16%
25+	42%	48%
<b>Totals</b>	<b>100%</b>	<b>100%</b>
Source: Data Cube		

6.7 The table below shows that 85% of education and training learning aims started by learners aged 16-18 were at Level 2 or above, compared with equivalent figures of 77% for those aged 19-24 and 19% for those aged 25+ (noting the high proportion of 'not applicable' records for this age group). Learners aged 16-18 are, by some margin, the most likely to pursue learning aims at Level 3.

Leisure, Travel and Tourism Learner Aim Starts by age and level (%)				
	16-18	19-24	25+	Total
Entry level	0%	4%	2%	1%
Level 1	14%	14%	13%	14%
Level 2	26%	42%	13%	22%
Level 3	57%	19%	4%	30%
Level 4	2%	16%	2%	3%
Not applicable	0%	5%	68%	29%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
Source: Data Cube				

### Starts by provider

6.8 Lancashire County Council delivered at least twice the number of education and training learning aim starts in leisure, travel and tourism as any other provider in 2013/14. Note, however, that the Lancashire County Council figure includes 1,700 community learning starts (92% of the Council's total starts). Blackpool and the Fylde College is the only other provider accounting for more than 10% of education and training starts.

Leisure, Travel and Tourism Education and Training Starts by Provider 2013/14: Top 10 Providers		
	No.	% of total starts
Lancashire County Council	1,850	22%
Blackpool and the Fylde College	940	11%
Blackburn College	710	8%
Accrington and Rossendale College	560	7%
The Blackpool Sixth Form College	530	6%
Preston College	520	6%
Runshaw College	400	5%
Burnley College	390	5%
Myerscough College	290	3%
Newcastle College Group	270	3%
<b>Total FE Starts</b>	<b>8,530</b>	<b>100%</b>
Source: Data Cube		

### Achievements and Success Rates

6.9 Achievements in this context tell us the number of achieved learning aims within a given period. There were 9,280 learning aim achievements in Leisure, Travel and Tourism in Lancashire in 2012/13 and 7,180 in 2014 – a reduction of 23% (a broadly equivalent reduction as was observed in starts).

6.10 More insight is gained by looking not at absolute numbers of achievements, but at success rates (the number of achieved learning aims with an end date in a given period expressed as a percentage of starts with a planned end date in that period). The table on the following page therefore shows the success rates in Leisure, Travel and Tourism of the 10 providers with the highest number of achievements in that subject area<sup>50</sup>.

<sup>50</sup> Note that the way in which the success rates are calculated dictates that they may include provision that has been delivered outside the Lancashire LEP area. Note also that Lancashire County Council does not appear in the table because the success rate statistics do not include community learning.

Leisure, Travel and Tourism Education and Training Success Rates by Provider 2013/14	
	Success Rate (%)
Blackburn College	96.2%
Burnley College	92.1%
Lancaster and Morecambe College	92.1%
Preston College	92.1%
Myerscough College	90.2%
Runshaw College	89.6%
The Blackpool Sixth Form College	89.5%
Blackpool and The Fylde College	88.2%
Accrington and Rossendale College	87.8%
Newcastle College Group	84.5%
Source: SFA	
Note: Table presents data on estimated providers with highest number of achievements in Lancashire.	
Above the national success rate in Leisure, Travel and Tourism (88.5%)	
Below the national success rate in Leisure, Travel and Tourism (88.5%)	

6.11 Overall, Lancashire's providers fare well against the national average success rate in Leisure, Travel and Tourism of 88.5%. Across the ten providers that delivered the highest volume of Leisure, Travel and Tourism learning aims in 2013/14, seven had an above average success rate and only three were below the national average. The message is therefore that where learners are choosing Leisure, Travel and Tourism related provision in the county, in many cases that provision appears to be of high quality and they have a very strong chance of succeeding.

6.12 Further research could be undertaken with Blackburn College, in particular, to identify whether any aspects of their teaching and learning practice in Leisure, Travel and Tourism may be relevant and of benefit to other providers in the LEP area.



## Apprenticeships

### Starts: overall, by age and level

6.13 In 2013/14 there were 360 starts on Leisure, Travel and Tourism apprenticeships in Lancashire. This represents 3% of all apprenticeship starts in the county and is line with the equivalent figures for both the North West region and the country as a whole. Leisure, Travel and Tourism was the sixth most commonly selected apprenticeship framework in Lancashire in 2013/14, although the frameworks in the top three positions had between 7 and 13 times the number of starts as Leisure, Travel and Tourism.

Apprenticeship starts by sector: Change 2012/13 – 2013/14					
	2012/13	%	2013/14	%	Change (%)
Business, Administration and Law	6,380	36%	4,690	33%	-26%
Health, Public Services and Care	4,520	25%	3,380	24%	-25%
Retail and Commercial Enterprise	3,020	17%	2,530	18%	-16%
Engineering and Manufacturing Technologies	1,860	10%	2,090	15%	13%
Construction, Planning and the Built Environ.	790	4%	570	4%	-27%
Leisure, Travel and Tourism	430	2%	360	3%	-15%
Education and Training	340	2%	270	2%	-22%
Information and Communication Technology	330	2%	250	2%	-24%
Agriculture, Horticulture and Animal Care	160	1%	190	1%	20%
Arts, Media and Publishing	30	0%	30	0%	-3%
Science and Mathematics	10	0%	1,410	0%	56%
<b>Total</b>	<b>17,860</b>	<b>100%</b>	<b>14,384</b>	<b>100%</b>	<b>-19%</b>
Source: Data Cube					

6.14 Between 2012/12 and 2013/14, the reduction in the number of Leisure, Travel and Tourism apprenticeships was accounted for entirely by a drop in the number of Advanced Apprenticeship starts. This mirrors the situation across Lancashire (all frameworks), where Advanced Apprenticeships accounted for 46% of starts in 2012/13 but only 33% in 2013/14. The reduction is believed to be largely down to the proposed introduction of Advanced Learning Loans for Level 3+ provision for learners aged 24+, although the Government has since withdrawn this obligation.

6.15 Perhaps of greater concern is the fact that following a steady year-on-year increase in Leisure, Travel and Tourism apprenticeships in Lancashire, a reduction of 60% was observed between 2011/12 and 2013/14, reflected in employer feedback about the scarcity of good quality apprenticeship candidates. The number of starts across all frameworks combined in Lancashire also fell over this period but to a far lesser extent (-16%).

Leisure, Travel and Tourism Lancashire Learner Profile by level: Apprenticeship Starts				
	2012/13		2013/14	
	No.	%	No.	%
Intermediate Level Apprenticeship	230	55%	230	63%
Advanced Level Apprenticeship	190	45%	130	37%
<b>Total</b>	<b>430</b>	<b>100%</b>	<b>360</b>	<b>100%</b>
Source: Data Cube				

6.16 Looking at Leisure, Travel and Tourism starts by age group shows that 16-18 year olds and, to a greater extent, 25+ year olds have been responsible for the reduction in starts between 2012/13 and 2013/14 (linked to the previous point on Advanced Learning Loans). By contrast, there was a slight increase in starts amongst learners aged 19-24 over that period. This sits directly at odds with the all-framework profile across Lancashire, which saw a 10% increase in starts amongst 16-18 year olds, but a 3% and 40% reduction amongst those aged 19-24 and 25+ respectively.



Leisure, Travel and Tourism Lancashire Learner Profile by age: Apprenticeship Starts					
	2012/13		2013/14		Change
	No.	%	No.	%	%
Under 16	-	-	-	-	-
16-18	140	34%	120	33%	-17%
19-24	130	31%	140	39%	8%
25+	150	35%	100	27%	-34%
<b>Total</b>	<b>430</b>	<b>100%</b>	<b>360</b>	<b>100%</b>	<b>-15%</b>

Source: Data Cube

6.17 In some regards, the situation in Lancashire mirrors that nationally. Research from CIPD suggests that apprenticeships in Leisure, Travel and Tourism receive, on average, fewer applications than vacancies in the vast majority of other subject areas. Vacancies in Leisure Management and Leisure Operations, in particular, tend to receive very few vacancies<sup>51</sup>. Even so, it is a pattern which gives employers considerable cause for concern, especially where apprentices form an integral part of their workplace planning and succession strategies.

### Starts by provider

6.18 Nearly one in five of all 2013/14 apprenticeship starts in Leisure, Travel and Tourism was delivered by Lifetime Training Group headquartered in Bristol. Noting that figures in the Data Cube are rounded, the other main providers of Leisure, Travel and Tourism apprenticeships each delivered a similar number of starts.

Leisure, Travel and Tourism Apprenticeship Learner Starts by Provider 2013/14		
	No.	% of total starts
Lifetime Training Group Limited	70	19%
Wigan Metropolitan Borough Council	20	7%
Progress To Excellence Ltd	20	6%
Burnley College	20	6%
Babcock Training Limited	20	5%
Icon Vocational Training Limited	20	5%
North Hertfordshire College	20	5%
Barnardo's	20	4%
Thomas Cook Group UK Limited	20	4%
Loughborough College	10	3%
<b>Total Apprenticeship Starts</b>	<b>360</b>	<b>100%</b>

Source: Data Cube

### Achievements and Success Rates

6.19 There were 500 Leisure, Travel and Tourism apprenticeship achievements in Lancashire in 2012/13 and 270 in 2013/14, although as with 'education and training', more insight can be gleaned from success rate data<sup>52</sup>. This is shown below for the 10 providers with the highest number of apprenticeship achievements in Lancashire in 2013/14. There is a much larger spread of success rates amongst these providers than in the equivalent table for Education and Training – almost 28 percentage points between the provider with the highest success rate and the provider with the lowest. Those providers in *italics* are headquartered outside the Lancashire LEP area.

<sup>51</sup> The Match Factor: Good Practice in Apprenticeship Recruitment (CIPD, 2014)

<sup>52</sup> As with the education and training data, the way in which the success rates are calculated dictates that they may include provision that has been delivered outside the Lancashire LEP area.

Leisure, Travel and Tourism Apprenticeship Success Rates by Provider 2013/14	
	Success Rate (%)
League Football Education	92.1%
Blackburn College	91.3%
<i>Kingston Maurward College</i>	89.8%
Burnley College	87.5%
<i>Thomas Cook Group UK Limited</i>	86.9%
<i>Lifetime Training Group Limited</i>	75.1%
<i>Cambridge Regional College</i>	74.0%
<i>Babcock Training Limited</i>	73.2%
<i>Icon Vocational Training Limited</i>	71.5%
<i>Weston College Of Further And Higher Education</i>	64.5%
Source: SFA	
Note: Table presents data on providers with highest number of achievements in Lancashire.	
On or Above the national success rate in Leisure, Travel and Tourism (71.5%)	
Below the national success rate in Leisure, Travel and Tourism (71.5%)	

## Higher Education Institutions

6.20 Lancashire has three universities that are headquartered in the county: UCLan, the University of Lancaster and Edge Hill University. In terms of visitor economy provision (defined as courses categorised by HESA<sup>53</sup> as 'Hospitality, Leisure, Sport, Tourism and Transport'), only one of those – UCLan – delivered any provision in 2013/14. In that year, they had 800 first degree students and 260 postgraduate students undertaking provision, equating to 5% of their entire undergraduate and 6% of their postgraduate cohorts respectively.

<sup>53</sup> Higher Education Statistics Agency

## 7 Actions

7.1 The actions in the tables on the following pages are separated into three categories. Together these categories cover a range of employment and skills topics relevant to the visitor economy, some of which are a high priority now and others which will grow in significance over the years ahead, especially without further intervention. The three categories are:

- **Preparing the Future Workforce:** these actions are designed to increase the number of people with the right skills and attitudes choosing careers in the visitor economy. They have been developed in response to high vacancy rates, high turnover and growing frustration amongst employers about how their sector is perceived within parts of the skills system. They also acknowledge that apprenticeship numbers in visitor economy related provision are falling, despite the proven benefits they offer, and that many employers would like the work readiness and employability skills of young people to be better.
- **Developing the Existing Workforce:** these actions are aimed at addressing skills gaps in the visitor economy workforce. They seek to increase the proportion of SMEs that can sell online, advocate support for new and young managers and look to ensure that the visitor economy is prioritised within future workforce development programmes in Lancashire.
- **Learning from Good Practice and Deepening Knowledge:** these actions recognise the innovative and effective practice that is already taking place in Lancashire's visitor economy and proposes that its wider roll-out be considered. They also recommend that economies of scale be explored with senior influencers in the visitor economy nationally and that further qualitative research be undertaken with employers in specific sub-sectors.

7.2 Each action has been assigned a lead organisation that will be responsible for its implementation and for reporting progress to the Employment and Skills Board. However the lead organisations will not (and in many cases cannot) be solely responsible for the *delivery* of the actions. This will require the involvement and expertise of other organisations. Against each action, the most appropriate 'supporting organisations' have therefore also been identified.

## Preparing the Future Workforce

Ref.	Action	Lead	Supporting
P1	Explore options for a best-in-class 'Hotel School' as a joint venture between skills providers and employers to develop people's skills/experience across an array of occupations and disciplines.	Lancashire Skills Hub	Employers
			Skills providers
P2	<p>In partnership with employers, develop a <i>Visitor Economy Ambassador</i> programme with a remit to:</p> <ul style="list-style-type: none"> <li>- Better and more accurately promote the breadth of jobs and careers in the sector to young people across the county;</li> <li>- Address inaccurate and outdated perceptions about the sector;</li> <li>- Improve parents' knowledge and understanding of visitor economy careers in Lancashire;</li> <li>- Raise the profile and tackle misconceptions about apprenticeships in the sector.</li> </ul> <p>The <i>I Care... Ambassador</i> programme (an initiative currently running in the adult social care sector) may be a useful point of reference.</p>	Marketing Lancashire	Employers
			Lancashire LEP
P3	Working in partnership with other initiatives being developed in Lancashire, appoint a <i>Visitor Economy Schools Champion</i> with responsibility for raising the profile of the visitor economy and the jobs and careers it offers within secondary schools.	Lancashire LEP	Schools
P4	Linked to action P3, recommend and actively promote the Hospitality Guild's interactive career map <sup>54</sup> to schools, other skills providers and careers guidance professionals across the LEP area. The map captures the huge variety of opportunities within hospitality and tourism, explains job roles, qualification requirements and career paths.	Lancashire LEP/Schools Champion	The Hospitality Guild

<sup>54</sup> <http://www.hospitalityguild.co.uk/A-Career-in-Hospitality/Career-tools/Career-Map>. The Hospitality Guild also provides a broad array of other resources, the likes of which many employers and skills providers do not seem to be aware of but said, when consulted for this study, that they would welcome.

Ref.	Action	Lead	Supporting
P5	Actively promote Traineeships to employers in the visitor economy as a way of helping to address the shortage of suitable candidates for apprenticeships.	Skills providers (working with the <i>Ambassador</i> programme when implemented)	Schools
			Marketing Lancashire
P6	Ensure that skills providers across the county are aware of, and are willing to take action on, employers' growing concerns and disillusionment about the scarcity of suitable candidates for apprenticeships (especially apprentice engineers and chefs).	Lancashire Skills Hub	Skills providers
P7	Develop an employer-led 'employability chartermark', drawing on examples of effective practice from elsewhere in England, to strengthen the alignment between employers' requirements on work readiness and young people's attributes. The chartermark could also include agreements over access to work experience, up to date information on career routes, mock interviews and workplace visits.	Lancashire Skills Hub	Skills providers
			Schools
			Employers
P8	Explore options for compressing the delivery schedule for the Study Programme to be better aligned with employers' recruitment needs, i.e. starting after the end of the peak season and finishing before the onset of the peak season the following year.	Skills providers	-
P9	Introduce a Sector Based Work Academy for the visitor economy to recruit and train unemployed local people to fill employers' vacancies.	Jobcentre Plus	Local authorities
			Skills providers

## Developing the Existing Workforce

Ref.	Action	Lead	Supporting
D1	Design and implement a project to support visitor economy employers (and especially SMEs) to improve their awareness and use of online sales, marketing and social media.	Lancashire LEP	Skills Funding Agency
			Skills providers
D2	Design and implement a project to develop the leadership and management capabilities of SMEs in the visitor economy, building on existing initiatives where they have been successful and drawing on local expertise (e.g. the Lancashire Business School at UCLan).	Lancashire LEP	Skills Funding Agency
			Skills providers
D3	Working with key stakeholders in other sectors affected by a lack of public transport as a barrier to work, explore options for introducing a cross-sector initiative, based on the <i>Wheels 2 Work</i> model, to help people access employment opportunities that involve unconventional working hours and/or are in areas not well served by public transport.	Lancashire LEP	Jobcentre Plus/Department for Work and Pensions
D4	Ensure that ESF project specifications for workforce development schemes explicitly mention the visitor economy as a priority sector.	Lancashire LEP	Skills Funding Agency
			Skills providers

Ref.	Action	Lead	Supporting
D5	Ensure that visitor economy employers are a priority group for the proposed Lancashire Skills Pledge	Lancashire Skills Hub	-
D6	Develop local case studies and testimonials from Lancashire's visitor economy employers (including SMEs) to showcase the benefits of good quality customer service training. Publicise these materials as widely as possible through existing networks and employer engagement activities.	Skills providers	Marketing Lancashire
D7	Include skills and competencies relevant to jobs in the visitor economy within the 'retraining and guidance offer' available to individuals in major redundancy situations.	Lancashire Skills Hub	Local authorities
			Skills providers
			Jobcentre Plus



## Learning from Good Practice and Deepening Knowledge

Ref.	Action	Lead	Supporting
L1	Work with employers and skills providers to determine the appetite for, and feasibility of, replicating the Blackpool Tourism Academy model in other parts of the LEP area with concentrations of visitor economy employers, e.g. Lancaster and the Ribble Valley.	Lancashire LEP	Blackpool Tourism Academy
			Employers
			Skills providers
L2	Present/discuss this plan with the British Hospitality Association, the Tourism Society and other relevant trade bodies, networks and forums to explore opportunities for economies of scale and mobilising resources around shared objectives.	Marketing Lancashire	Lancashire LEP

## Appendix A: Visitor Economy Definition

Visitor Economy Sector Definition	
Land transport	4932 : Taxi operation
Water transport	5010 : Sea and coastal passenger water transport 5030 : Inland passenger water transport
Accommodation	5510 : Hotels and similar accommodation 5520 : Holiday and other short stay accommodation 5530 : Camping grounds, recreational vehicle parks and trailer parks 5590 : Other accommodation
Food and drink services	5610 : Restaurants and mobile food service activities 5621 : Event catering activities 5629 : Other food service activities 5630 : Beverage serving activities
Renting and leasing	7711 : Renting and leasing of cars and light motor vehicles 7721 : Renting and leasing of recreational and sports goods
Tour operator and reservation services	7912 : Tour operator activities 7990 : Other reservation service and related activities
Conventions and trade shows	8230 : Convention and trade show organizers
Creative, arts and entertainment activities	9001 : Performing arts 9002 : Support activities to performing arts 9003 : Artistic creation 9004 : Operation of arts facilities
Cultural activities	9102 : Museum activities 9103 : Operation of historical sites and buildings & similar visitor attractions 9104 : Botanical and zoological gardens and nature reserve activities
Sports and recreation	9311 : Operation of sports facilities 9321 : Activities of amusement parks and theme parks 9329 : Other amusement and recreation activities
Source: ekosgen	