

The Welsh Food & Drink Skills Project delivering skills for future growth



Report Appendix December

2014



Contents

Appendix 1	SSCs Food and Drink Footprint by SIC Code	2
Appendix 2	Quantitative Survey Questionnaire	6
Appendix 3	Survey Technical Report	17
Appendix 4	Economic Contribution Data Sources	21

Appendix 1
SSCs Food and Drink Footprint by SIC Code

Appendix 1

SIC Classification	SOC Category									
	1	2	3	4	5	6	7	8	9	
01.11 Growing of cereals, except rice	0	0	0	0	2134	0	0	0	0	1110
01.12 Growing of rice	0	0	0	0	0	0	0	0	0	1120
01.13 Grwng veg & melons, roots & tubers	0	0	0	0	1113	0	0	0	1717	1130
01.14 Growing of sugar cane	0	0	0	0	0	0	0	0	0	1140
01.15 Growing of tobacco	0	0	0	0	0	0	0	0	0	1150
01.16 Growing of fibre crops	0	0	0	0	0	0	0	0	0	1160
01.19 Growing of othr non-perennial crop	0	0	0	0	384	0	0	0	0	1190
01.21 Growing of grapes	0	0	0	0	0	0	0	0	0	1210
01.22 Growing of trop and subtrop fruits	0	0	0	0	0	0	0	0	0	1220
01.23 Growing of citrus fruits	0	0	0	0	0	0	0	0	0	1230
01.24 Growing of pome fruit & stone fruit	0	0	0	0	0	0	0	0	0	1240
01.25 Grwng othr tree,bush fruits & nuts	0	0	0	0	0	0	0	0	0	1250
01.26 Growing of oleaginous fruits	0	0	0	0	0	0	0	0	0	1260
01.27 Growing of beverage crops	0	0	0	0	0	0	0	0	0	1270
01.28 Grwng of spices,drug & pharm crops	0	0	0	0	0	0	0	0	0	1280
01.29 Growing of other perennial crops	0	0	0	0	0	0	0	0	0	1290
01.30 Plant propagation	208	0	0	352	1842	0	0	0	825	1300
01.41 Raising of dairy cattle	542	0	0	0	6794	0	0	0	4089	1410
01.42 Raising of other cattle	362	0	0	0	0	0	0	0	686	1420
01.44 Raising of camels and camelids	0	0	0	0	0	0	0	0	0	1440
01.45 Raising of sheep and goats	346	0	0	182	4690	0	0	0	1418	1450
01.46 Raising of swinepigs	0	0	0	0	528	0	0	0	0	1460
01.47 Raising of poultry	378	0	0	0	1071	0	0	0	1029	1470
01.49 Raising of other animals	0	0	0	0	400	0	0	0	0	1490
01.50 Mixed farming	2159	0	0	802	12029	0	0	415	5828	1500
01.61 Support activs for crop production	188	397	206	176	1696	0	0	547	270	1610
01.629 Support activs for animal; nec	0	0	0	0	829	0	0	0	446	1629
01.63 Post-harvest crop activities	0	0	0	0	0	0	0	261	608	1630
01.64 Seed processing for propagation	0	0	0	0	0	0	0	0	0	1640
01.70 Hunting, trappng & relatd serv act	0	0	0	0	0	0	0	0	0	1700
02.30 Gathring wild grwng non-wood prod	0	0	0	0	0	0	0	0	0	2300
03.12 Freshwater fishing	0	0	0	0	0	0	0	0	0	3120
03.21 Marine aquaculture	0	0	0	0	0	0	0	0	205	3210
03.22 Freshwater aquaculture	151	0	0	0	100	0	0	0	0	3220
10.11 Processing and preserving of meat	170	0	0	0	553	0	0	703	652	10110

SIC Classification	SOC Category									
	1	2	3	4	5	6	7	8	9	
10.12 Proc and preservng of poultry meat	35	0	0	0	90	0	0	545	249	10120
10.13 Produc of meat & poultry meat prod	215	0	0	0	98	0	0	1154	667	10130
10.20 Proc fish, crustaceans & molluscs	82	0	0	65	260	0	0	326	264	10200
10.31 Procesg and preserving of potatoes	0	0	0	0	86	0	0	374	95	10310
10.32 Manu of fruit & vegetable juice	0	0	0	0	0	0	0	0	0	10320
10.39 Othr proc & preserv of fruit & veg	66	0	0	29	45	0	0	318	403	10390
10.41 Manufacture of oils and fats	0	0	0	0	0	0	0	0	0	10410
10.42 Man of margarine & sim edible fats	0	0	0	0	0	0	0	0	0	10420
10.511 Liquid milk and cream production	0	0	0	0	97	0	0	26	0	10511
10.512 Butter and cheese production	0	0	0	0	0	0	0	295	0	10512
10.519 Man milk prod, not cheese; nec	0	0	0	0	28	0	0	154	31	10519
10.52 Manufacture of ice cream	0	0	0	0	0	0	0	157	55	10520
10.611 Grain milling	0	0	0	0	0	0	0	191	91	10611
10.612 Man brkfst cereal & cer-basd fds	0	0	0	78	54	0	0	77	41	10612
10.62 Manu of starches & starch products	0	0	0	0	0	0	0	0	0	10620
10.71 Man bread, frsh pastry gds & cakes	116	0	110	51	865	0	99	1242	820	10710
10.72 Man ruskbispcres pastry gdcakes	108	0	63	42	326	0	0	348	251	10720
10.73 Man mac, nood, couscous & sim prod	0	0	0	0	0	0	0	0	0	10730
10.81 Manufacture of sugar	0	0	0	0	0	0	0	0	0	10810
10.821 Manu of cocoa, & chocolate conf	0	0	91	0	43	0	0	401	160	10821
10.822 Manuf of sugar confectionery	60	0	0	0	0	0	0	235	180	10822
10.831 Tea processing	0	0	0	0	0	0	0	0	0	10831
10.832 Prod of coffee & coffee substits	67	0	0	0	0	0	0	0	0	10832
10.84 Manu of condiments & seasonings	0	0	0	0	0	0	0	212	60	10840
10.85 Manu of prepared meals & dishes	80	0	0	0	36	0	0	305	145	10850
10.86 Man homogen food preps & diet food	44	0	0	0	0	0	0	125	166	10860
10.89 Manu other food products n.e.c.	159	0	125	0	70	0	0	1218	608	10890
10.91 Manu preprd feeds for farm animals	108	0	0	0	0	0	0	206	155	10910
10.92 Manufacture of prepared pet foods	0	0	0	0	56	0	0	218	0	10920
11.01 Distil, rectifyg & blendng spirits	139	19	76	0	0	0	0	175	182	11010
11.02 Manufacture of wine from grape	0	0	0	0	0	0	0	0	0	11020
11.03 Manuf of cider & other fruit wines	0	0	0	0	0	0	0	0	0	11030
11.04 Man other non-distil fermentd bev	0	0	0	0	0	0	0	0	0	11040
11.05 Manufacture of beer	367	58	161	76	0	0	0	442	180	11050
11.06 Manufacture of malt	0	0	0	0	0	0	0	0	0	11060

SIC Classification	SOC Category									
	1	2	3	4	5	6	7	8	9	
11.07 Manu soft drinks & mineral waters	51	18	118	0	88	0	0	127	213	11070
46.11 Agnts inv in sale of agri raw mat	0	0	0	0	0	0	0	0	0	46110
46.17 Agnts inv sale food, bev & tob	0	0	0	16	0	0	0	0	0	46170
46.21 Wsale grainuman tobseedsanml fd	66	0	11	0	0	0	90	48	18	46210
46.23 Wholesale of live animals	0	0	0	0	52	0	0	0	0	46230
46.31 Wholesale of fruit and vegetables	173	25	31	16	0	0	45	211	191	46310
46.32 Wsale of meat and meat products	78	0	0	21	169	0	0	133	158	46320
46.33 Wsale dairy prod, edible oilsfat	0	0	0	0	0	0	0	71	150	46330
46.341 Wsle fruitveg juic,wtrsft drnk	0	0	36	0	0	0	0	51	0	46341
46.36 Wsale of sugar & choc & sugar conf	0	0	86	18	57	0	0	126	153	46360
46.37 Wsale coffee, tea, cocoa & spices	0	0	0	0	0	0	0	0	0	46370
46.38 Wsale of oth food, inc seafood	84	0	25	29	28	0	0	272	146	46380
46.39 Non-spec wsale of food, bev & tob	361	0	226	304	27	0	316	468	685	46390
47.11 Ret sle non-spec strs foodbevto	5320	113	1143	2709	1376	44	35355	1697	10228	47110
47.21 Ret sale of fruit & veg spec strs	204	0	0	0	0	0	639	0	0	47210
47.22 Ret sale meat & rel prod spec strs	208	0	0	92	874	0	314	78	0	47220
47.23 Ret sale of seafood in spec stores	0	0	0	0	64	0	0	0	0	47230
47.24 Ret sale of bakery prod spec stres	284	0	0	154	314	0	1834	145	197	47240
47.25 Ret sale of bev in spec stores	53	0	28	0	0	0	367	0	0	47250
47.29 Othr ret sale of food spec stores	518	0	0	71	0	0	1009	0	129	47290
47.81 Ret sle; stlls & mrkt fd, bev,tobc	54	0	0	0	0	0	214	0	0	47810
55.10 Hotels and similar accommodation	1644	0	821	2125	2199	1606	118	87	6805	55100
55.201 Holiday centres and villages	360	0	38	126	94	299	29	100	425	55201
55.202 Youth hostels	0	0	0	0	0	0	0	0	0	55202
55.209 Othr holiday & collectv accom nec	1110	0	0	41	0	55	0	0	144	55209
56.101 Licensed restaurants	3443	0	61	621	6262	0	194	90	11398	56101
56.102 Unlicensed restaurants and cafes	2220	0	156	280	1995	0	1855	222	8477	56102
56.103 Tke awy food shp & mob food stnd	1489	0	0	113	1637	0	1857	441	2041	56103
56.21 Event catering activities	349	0	350	128	2366	98	255	86	3168	56210
56.29 Other food service activities	97	0	0	142	803	139	0	130	1936	56290
56.301 Licensed clubs	251	0	64	126	171	54	0	0	1488	56301
56.302 Public houses and bars	1866	0	0	180	1901	0	29	0	10003	56302
64.201 Actv of agric holding comp	0	0	0	0	0	0	0	0	0	64201
Total	26731	630	4024	9163	56794	2295	44620	15252	80727	240236

Appendix 2

Quantitative Survey Questionnaire

Q1. I have the questions for this survey in both English or Welsh. Which would you prefer?

1 English

2 Welsh

Q2. Can I ask your position within your business / organisation?

Q3a. And could you tell me the main activity and nature of your business\organisation at your location?

Q3b. Other than [ANSWER AT Q3a] is your business/organisation involved in any of these other activities?

Q4. Including yourself, how many people currently work for your business/organisation at this location?
At this stage please exclude any temporary or seasonal workers?

Q4b. I'd now like you to classify these into 4 broad levels of occupations. The four groups are...

GROUP 1 – OWNERS & SENIOR MANAGERS OR DIRECTORS

GROUP 2 – SUPERVISORY, JUNIOR OR MIDDLE MANAGERS

GROUP 3 – SKILLED TRADES

GROUP 4 – SEMI-SKILLED AND UNSKILLED

Q5. Can you tell me how many of your workforce are male and how many are female?

Q5a. And how many of your workforce are fluent Welsh speakers?

Q5b. And can you split your workforce by the following age categories:

Q6. Firstly, Which of the following skills have become more or less important to your business in the past three years?

So firstly, has ... become more important, less important or stayed the same?

READ OUT

[Load skills from skill list matrix (see below) based on answer given in Q3a] *

(EXAMPLES OF SKILLS CAN BE FOUND ON ACCOMPANYING SPREADSHEET)

- 1 More Important
- 2 No Change
- 3 Less important
- 4 Don't know

SKILLS LIST MATRIX

Business Activity	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Operating & Maintaining Equipment	x	x	x	x	x				x	x	x	x			
Waste Awareness	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Management of Raw Materials	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Procurement & Contracting	x	x	x	x	x										
Environmental Awareness and Practice	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Business and administration skills	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Sales & Merchandising	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Manual Handling	x	x	x	x	x				x	x	x	x			
Food Technology									x	x	x				
Bakery Skills							x			x	x		x	x	x
Knife Skills e.g. butchery, filleting		x	x	x	x		x	x	x	x	x	x			
Fishmongery				x	x	x	x		x						
Confectionery Skills							x		x	x	x				
Dairy Production Skills		x			x		x			x	x				
Brewing Skills	x							x		x	x				
Online Retail Skills						x	x								
Sourcing Skills e.g where you purchase goods from	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
The ability to speak to Welsh	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x

x denotes when a skill will be asked

Q6a. Thinking about all the different technical skills we have discussed, can you tell which skills you think will become more important to your business in the next three years?

Q7. To what extent is there a skills gap in your workforce for each of the following occupational groups?

Definition: A skills gap is where your **EXISTING** workforce does not have all of the necessary skills they require.

Q8. In the past three years, how, if at all, have skills gaps among your current workforce changed for the following occupational groups?

Q9. Have these gaps in skills affected your business in any of the following ways?

Q10. Did you recruit any employees (either full-time, part-time, seasonal, voluntary, migrant workers, unpaid family members) over the past 12 months?

Q10a. How many of the following did you employ?

Full-time

Part-time

Seasonal

Voluntary

Migrant workers

Unpaid family members

Q11. Did you have any difficulties when trying to recruit?

Q11a. Why was that?

Q11b. Which of the following ways describes how your company currently fill job vacancies?

- Internal promotion
- Use temporary staff
- Outsource to contractors i.e. use recruitment agency (including online)
- Recruit through:
- Job Centre
- Through our own communication channels
- Word of mouth

Q12. Have there been any job vacancies that you have been unable to fill in the past 3 years?

Q12a. What are they?

Q12b. In general, would you say difficulties in recruiting staff with the right skills have increased, decreased or stayed the same in the past 3 years?

Q13. Are you planning on recruiting any new employees over the next 12 months?

Q13a. Can you tell me approximately how many employees you plan to recruit over the next 12 months?

Q13b. Can you tell which skills you think are going to be particularly difficult to find when looking for new recruits for your business?

Q14ai. Do you currently offer any of the following?

- Apprenticeships.....
- Temporary Placements for Graduates...
- Temporary Work placements for students.....

Q14aii. How many.....[insert answer at Q14ai] do you offer per annum?

Q14a.iii. What is the main reason for not currently offering apprentices?

Q14b. Are you planning on offering any of the following in the future?

Apprentices...

Temporary Placements for Graduates

Temporary Work placements for students

Q14bi. How many.....[insert answer at Q14b] do you plan to offer in the future per annum?

Q14d. Are you aware of any support that your business can access to help with these types of placements?

Q14e. What, if any, barriers have you encountered in accessing business support to help with these types of placements?

Q15. I'm now going to ask you a few questions about training.

Q15b. Approximately how many people have received training in the following occupational groups?

GROUP 1 – OWNERS & SENIOR MANAGERS OR DIRECTORS

GROUP 2 – SUPERVISORY, JUNIOR OR MIDDLE MANAGERS

GROUP 3 – SKILLED TRADES

GROUP 4 – SEMI-SKILLED AND UNSKILLED

Q15c. On average, how many days per year would a typical employee in this group spend training?

Q15d. What impact do you think that training has had on the following aspects of your business in the past three years? Q15d. Does your business/organization offer or provide any Welsh language skills training in the workplace for staff?

	Increased a lot	Increased a little	No impact	Decreased a little	Decreased a lot
Productivity					
Turnover					
Diversification in business activity					
Profit Margins (pre-tax)					

	Increased a lot	Increased a little	No impact	Decreased a little	Decreased a lot
Staff motivation					
Quality of product / service					

Q15d. Does your business/organization offer or provide any Welsh language skills training in the workplace for staff?

Q15e. Which of the following type of Welsh language skills training has the business/organization offer or provide for staff over the last three years?

- Welsh language lessons during work hours
- Welsh language lessons during outside of work hours
- Welsh language improvement course (refresh skills) during work hours
- Other, please specify

Q16. When you need to get training for your staff, where do you go to find out what is available?

Q17. What training programmes have you accessed?

Q17a. Have you or any of your staff undertaken any training delivered as part of the Food and Drink supply chain project?

Q18. **The next few questions are about business performance and change...**

In the past 12 months, how have the following aspects of your business changed relative to the previous 12 months?

	Increased a lot	Increased a little	No change	Decreased a little	Decreased a lot	Don't know / refused
Size of workforce						
Level of recruitment						
Productivity						
Turnover						
Diversification in business activity						
Profit Margins (pre-tax)						

	Increased yn well	Increased yn well	No change	Decreased a little	Decreased a lot	Don't know / refused
Staff motivation levels						
Quality of product / service						

Q18a. What has had the biggest impact on business performance in the past 12 months?

Q19. The Welsh Government's Minister for Natural Resources and Food's recent announcement that turnover in the Welsh food and drinks sector is expected to increase 30% by 2020?

Q20. Thinking about your business as a whole, in the next 12 months, how do you expect turnover will change?

- Q21. What, if anything, do you think should be done to improve perceptions of the food and drink sector as a career choice?
- Q22. Please can you provide the postcode of the main location of your business in Wales? If more than one site please choose the largest in terms of employee numbers.
- Q23. Which of the following exist at your business?
- A business plan
 - A human resources plan that forecasts the numbers and types of staff that will be needed in the next 12 months
 - A written training plan that specifies in advance the level and type of training your employees will need in the coming year
 - A budget for training expenditure
 - A sustainability policy
 - An equal opportunities policy
- Q23a. Roughly how much is your budget for training expenditure per annum?
- Q23b. Roughly how much do you spend on training per annum?
- Q24. Has your training budget increased, decreased or stayed the same in the past 12 months, compared with the previous 12 months?
- Q25. How important is it for your business that your employees can speak Welsh?
- Q26. Could you tell me when your business\organisation started?
- Q27. In your words, what do you think will have the greatest impact on the supply of food and drink over the next 10 years?
- Q28. What was your turnover in the previous accounting year?

- Q29. Over the next few months we may be conducting further in-depth research with individuals who have taken part in this survey. Would you be willing to be re-contacted to be asked to take part if selected? Saying 'Yes' at this stage does not commit you to taking part.
- Q30. We will be publishing information about this research and other potential opportunities and developments in the food and drink supply chain via an e-bulletin. Would you like to receive this information?

Appendix 3

Survey Technical Report

Research Universe and Sample Frame

As part of the Food and Drink Skills Research 2014 project conducted by Miller Research in association with Beaufort Research, a survey of employers who operate in four sectors across the food and drink industry was undertaken. These four sectors fall under the remit of three sector skills councils (Lantra, Improve and People 1st). For the purposes of this research, this was defined as businesses in Wales of any size who fit the following SIC codes and matched the definition shown in Appendix 1.

Sample

The overall intended sample size for the research was 600 with specific numbers targeted in each of the four sector skills councils which, in part, reflected the number of businesses within each sector. The targeted and achieved sample sizes are shown in the table below:

	Primary production	Manufacturing	Retail	Service	Total
Target	150	150	150	150	600
Achieved	173	81	162	166	582

As the table above shows there was a shortfall of interviews among businesses whose primary activity was manufacturing. This has been compensated, to a certain extent, by increased interviews among businesses from the other three sectors. The shortfall of achieved interviews in Manufacturing was due to a number of factors:

- Only limited sample contact details (c.545) were available for this sector from which interviews could be conducted.
- Refusal rate among businesses in this sector was particularly high (54%)
- Several of the businesses that were classified as manufacturing on the sample database did not describe manufacturing as their primary activity (rather it was their secondary activity) and thus are not 'counted' against the Manufacturing target. It is worth noting, however, that when considering both primary and / or secondary activity a total of 107 businesses were involved in manufacturing.

To ensure that for each sector skills council a representative sample of businesses were interviewed, quotas were set on business size. Information from the sample frame provided by Market Location was used as the basis to set these quotas: The target and final achieved interviews (percentages) are shown in the tables below.

Business size sample breakdown

	Primary production		Manufacturing		Retail		Service	
	Target	Achieved	Target	Achieved	Target	Achieved	Target	Achieved
Employee size								
1 to 10	98%	98%	na	77%	78%	72%	79%	73%
11 to 50	1%	1%	na	19%	17%	24%	18%	25%
50 +	1%	1%	na	4%	5%	4%	3%	2%

The confidence levels associated with our overall sample size and example subgroups are as follows:

Standard error at 95% confidence level (excluding survey design factor)

Survey measure	50%	70% / 30%	90% / 100%
Sample size			
Overall – 582	+ / – 4.1	+ / – 3.7	+ / – 2.4
Primary production – 173	+ / – 7.5	+ / – 6.8	+ / – 4.5

Weighting

Reflecting that the numbers employed in organisations in four sectors varies, weighting was applied to the data to ensure that the total data set was representative of all those employed across the four sectors. As such the final weighted (and un-weighted) sample profile by sector was as follows:

Fieldwork

Fieldwork was conducted between 11 July and 30 September 2014 by Beaufort's trained team of interviewers. Interviews were administered by CATI (Computer Assisted Telephone Interviewing) and were undertaken with the person in each organisation who was responsible for recruitment of staff.

The questionnaire used for this research is appended to this document.

Data tabulations

These data tabulations show results at a total sample levels and by the following subgroups:

Break 1 - Main Activity

Agriculture – Businesses whose primary activity falls within the primary production sector as listed in section 1 of this report

Service – Businesses whose primary activity falls within the service sector as listed in section 1 of this report

Manufacturing – Businesses whose primary activity falls within the manufacturing sector as listed in section 1 of this report

Retail – Businesses whose primary activity falls within the retail sector as listed in section 1 of this report

Break 2 – Main or Secondary Activity

Agriculture – Businesses whose primary or secondary activity falls within the primary production sector as listed in section 1 of this report

Service – Businesses whose primary or secondary activity falls within the service sector as listed in section 1 of this report

Manufacturing – Businesses whose primary or secondary activity falls within the manufacturing sector as listed in section 1 of this report

Retail – Businesses whose primary or secondary activity falls within the retail sector as listed in section 1 of this report

Break 3 – Region

North – Businesses whose main site is located in Anglesey, Gwynedd, Denbighshire, Conwy, Wrexham or Flintshire

South West – Businesses whose main site is located in Ceredigion, Carmarthenshire, Pembrokeshire, Swansea, Neath Port Talbot and Powys

South East – Businesses whose main site is located Bridgend, Vale of Glamorgan, Cardiff, Newport, Monmouthshire, Torfaen, Blaenau Gwent, Caerphilly, Merthyr Tydfil or Rhondda Cynon Taf

Appendix 4

Economic Contribution Data Sources

The following list describes the source of data for each variable as well as providing commentary on the scope of each data source, noting the limitations where necessary and describing alternative solutions.

Number of Employees – sourced from the Office of National Statistics (ONS) Business Register and Employment Survey, and the Agricultural Surveys. The Business Register and Employment survey replaces the Business Register Survey and the Annual Business Inquiry and began collecting data in 2009. BRES surveys businesses in Great Britain that are registered for VAT and / or PAYE and in theory should produce an accurate representation of the employment levels in all FDSC sectors. However there is a notable shortfall of employment figures in the primary production sector. This is likely to be because the survey is based on workplace counts and excludes the self-employed. For this reason we have used Agricultural surveys to measure primary production labour numbers.

Number of Businesses – sourced from the Interdepartmental Business Register. The IDBR is a list of UK businesses held by the Office of National Statistics and provides a key data source for analysis of business activity. Similarly to BRES, the IDBR records data from VAT or PAYE registered businesses and therefore misses a small number of unregistered companies (approximately 1%). The register aggregates information by business unit of which there are three types. The following analysis uses local units, which are individual sites (for example factory or shop) that may or may not form part of a larger enterprise.

Turnover – sourced from the Interdepartmental Business Register 2009/2010. The IDBR can be analysed by both SIC code and turnover.