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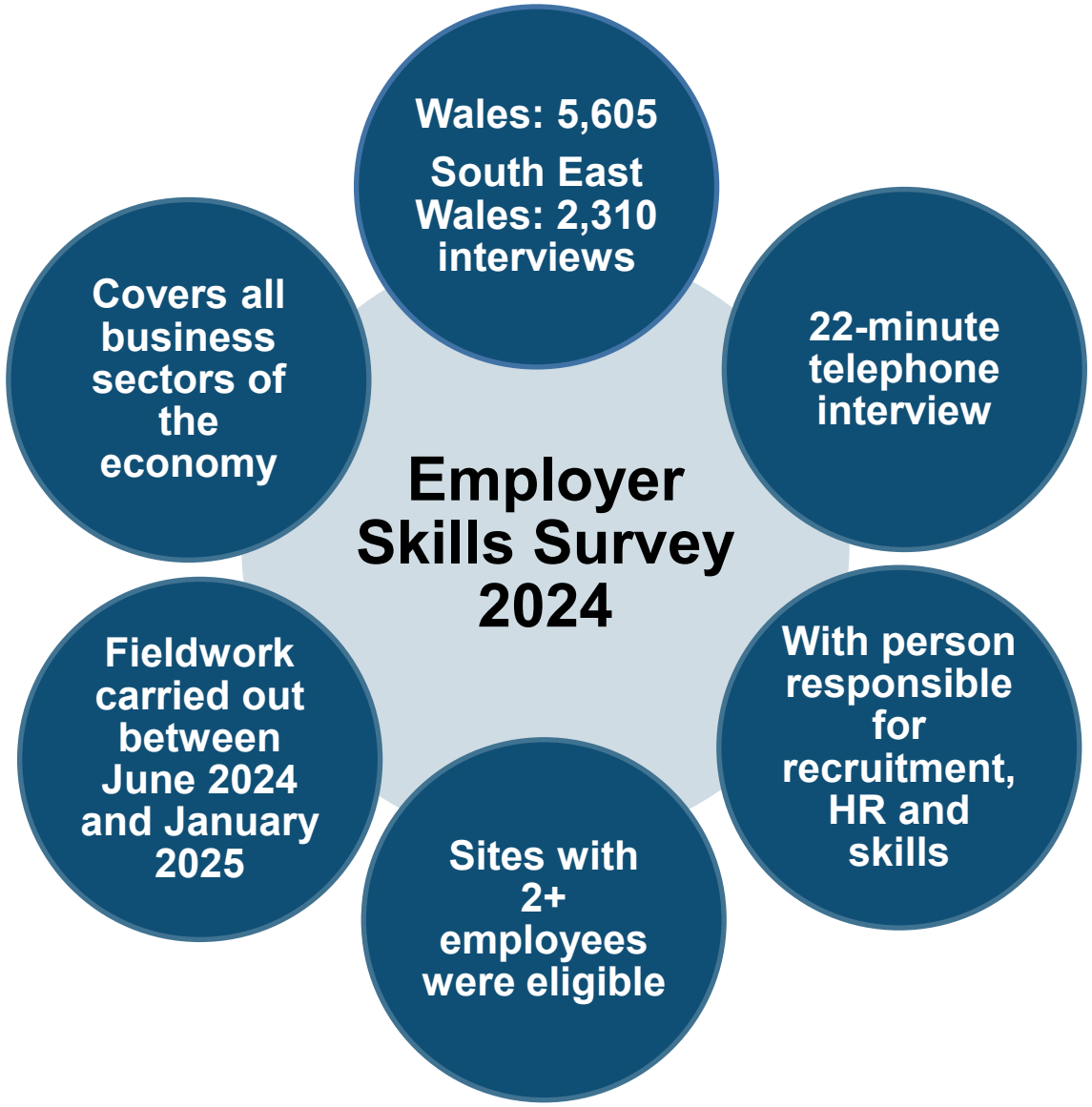
Employer Skills Survey 2024

Core results: South East Wales slide pack

Department for Education

IFF Research

Introduction



Slide Pack Information

- The seventh survey in this biennial series
- Includes content which was previously covered in the Employer Perspectives Survey
- This slide pack focuses on the following core areas of the survey:
  - Recruitment and skill-shortage vacancies
  - Skills gaps in the existing workforce
  - Training and workforce development
  - Employer practices: High Performance Working Practices, use of Artificial Intelligence and Net Zero strategies

Further detail – including on other survey areas – is available in the Wales reports and data tables

Methodology

- The population covered by the survey comprised UK employers at the site level (rather than at an organisational level) with at least 2 employees on the payroll. Sole traders with a single person on the payroll were excluded.
- The survey encompassed sites across the whole of the UK, covering all sectors of the economy (the commercial, public and charitable spheres).
- ESS 2024 was the second in the series to use a Random Probability Sampling (RPS) approach, where the sample is processed according to agreed protocols, meaning that sites have an equal and known probability of being sampled.
- Data was collected via Computer-Assisted Telephone Interviewing (CATI). Employers were offered the option to be interviewed in Welsh or English.
- The overall response rate for sites in Wales was 71%, calculated as ‘achieved interviews’ as a proportion of all respondents who were successfully contacted and reached a final outcome (including those who refused, or who quit during the interview). The response rate for Wales was higher than those for the other UK nations, which ranged from 63% to 66%.
- Further detailed technical information is available in the accompanying Technical Report, published on the DfE website.

Reporting conventions

- The terms ‘site’ and ‘employer’ are used interchangeably throughout this report to avoid excessive repetition.
- All comparisons referred to in the slide pack are statistically significant at the 95% level of confidence. This applies to differences between survey subgroups, such as region, size and sector, and also to differences over time. In some places, the highest or lowest subgroups are reported to give an indication of range, however this does not suggest statistical significance.
- Throughout the report unweighted base figures are shown on tables and charts to give an indication of the statistical reliability of the figures. These figures are always based on the number of sites answering a question, as this is the information required to determine statistical reliability.
- In tables, ‘zero’ is denoted as a dash (‘-’); and an asterisk is used (‘*’) if the figure is larger than zero but less than 0.5%. All volume measures have been rounded to the nearest 100.
- Throughout the slide pack, figures with a base size of fewer than 30 sites are not reported (a double asterisk (**) is displayed instead), and figures with a base size of 30 to 49 are denoted by a single asterisk (*) next to the data value and should be treated with caution as the margin of error for these results is larger and therefore the results are less statistically reliable.
- Please note that, unless otherwise stated, all figures presented in this slide pack are taken from responses by employers to the ESS 2024 survey and therefore represent their views.

Questionnaire coverage

Large sections of the ESS survey were modularised to ensure that ESS and EPS legacy questions could be covered without adding significantly to interview length. All employers were asked a set of core questions and one modularised set of questions, after being randomly allocated to a module. The survey structure (in order of how questions were asked to employers) is shown below:

- **Vacancies and skill shortage vacancies**
- Recruitment channels (Module C)
- Recruitment of education leavers (Module C)
- Work placements and work inspiration activities (Module B)
- **Workforce composition and skills gaps**
- **Underutilisation (Module A)**
- Upskilling (Module A)
- **Training and workforce development**
- Investment in Training
- Vocational qualifications (Module B)
- **Apprenticeships (Module A)**
- National Occupational Standards (Module D)
- **High Performance Working Practices (Module D)**
- **Current and future use of AI**
- **Net Zero**

Only the topics in **bold** are covered in this slide pack

Achieved interviews

By nation and region	Population	Number of interviews
Wales	86,800	5,605
South East	36,200	2,310
By size (number of employees): South East Wales	Population	Number of interviews
2-4	18,100	649
5-24	13,900	1147
25-49	2,200	273
50-99	1,100	150
100+	1,000	91

By sector (South East Wales)	Population	Number of interviews
Primary Sector & Utilities	1,200	49
Manufacturing	1,900	159
Construction	3,600	181
Wholesale & Retail	7,400	458
Hotels & Restaurants	4,000	238
Transport & Storage	1,200	92
Information & Communications	1,100	56
Financial Services	700	38
Business Services	7,200	412
Public Administration	600	34
Education	1,300	123
Health & Social Work	3,200	283
Arts & Other Services	3,000	187

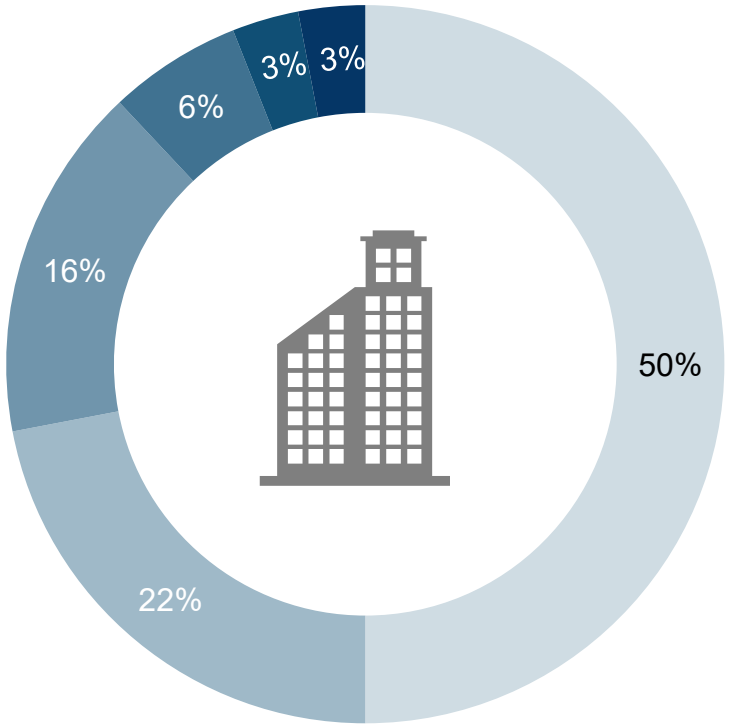
All the figures presented in this slide pack are subject to a margin of error. At a 95% confidence level, the maximum margin of error is 2 percentage points (p.p.) for South East Wales. Within South East Wales, for sectors which are in scope for reporting (with a base size of 30 or more), at the 95% confidence level, the margin of error for results based on ‘all sites’ ranges from 4 p.p. for Wholesale & Retail to 16 p.p. for Public Administration.

Due to small base sizes for sub-groups and higher margin of error, care should be taken when comparing sub-group differences over time

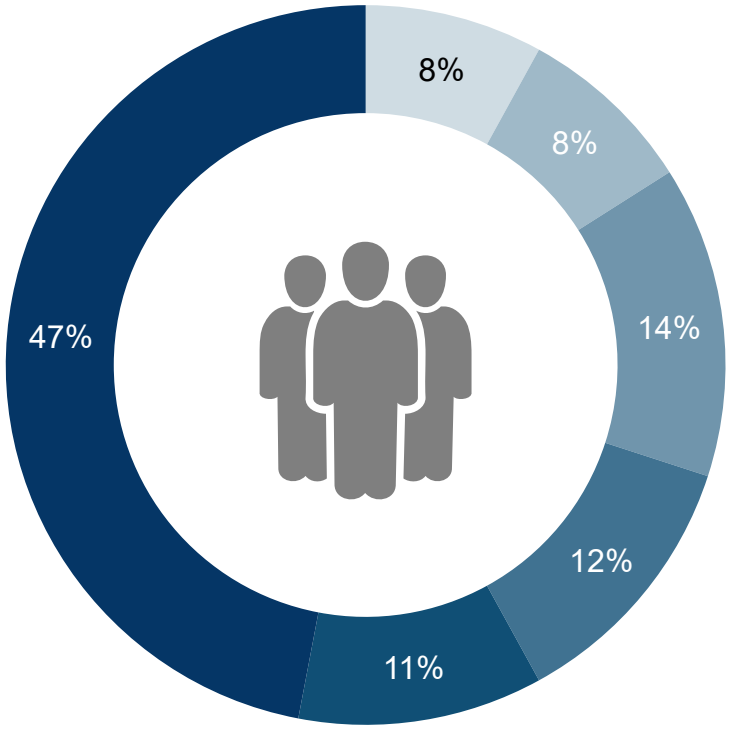
Population counts taken from the ONS Inter-Departmental Business Register (IDBR), and have been rounded to the nearest hundred.

Survey population South East Wales: employer size profile by number of employees

% of all sites



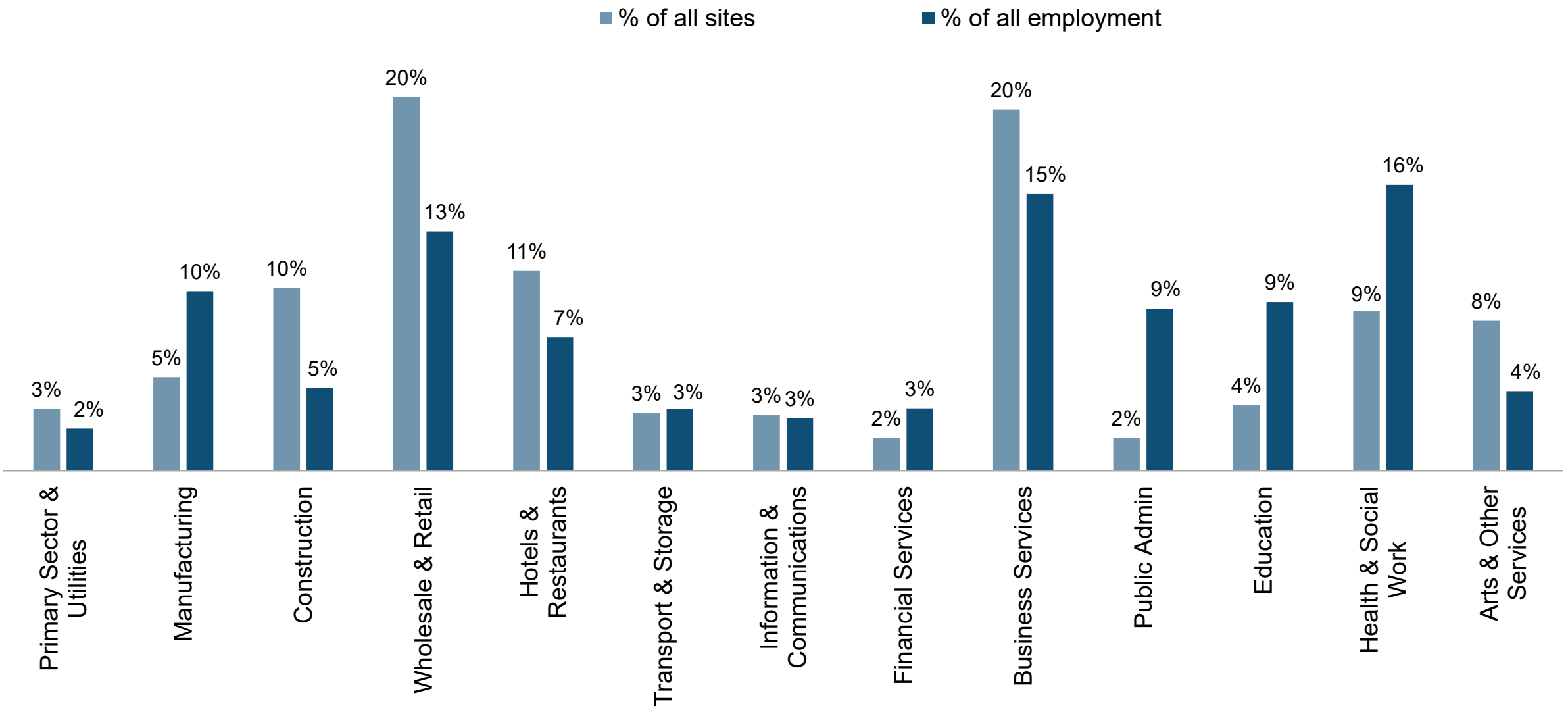
% of workforce



Number of employees: 2 to 4 | 5 to 9 | 10 to 24 | 25 to 49 | 50 to 99 | 100+

Source: ONS Inter-Departmental Business Register (IDBR).

Survey population South East Wales: sector



Source: ONS Inter-Departmental Business Register (IDBR)

Key definitions

Site base	Proportions are based on the number of sites, defined here as a single location of an organisation, where at least two people work.
Employment base	Proportions are based on the total number of employees and working proprietors across sites.

	Vacancies	**Skill-shortage vacancies (SSVs)**	**Skills gaps**
Incidence	Proportion of sites reporting at least one vacancy	Proportion of sites reporting at least one skill-shortage vacancy (i.e. vacancies which are reported to be hard-to-fill because applicants lack relevant skills, qualifications or experience)	Proportion of sites with at least one employee deemed by their employer to be not fully proficient in their role
Density	Vacancies as a proportion of all employment	Skill-shortage vacancies as a proportion of all vacancies	The number of staff reported as not fully proficient as a proportion of all employment

Overview

- After surging in 2022, vacancy levels decreased in 2024 while the challenge around skills supply has lessened slightly. The incidence of skill-shortage vacancies (SSVs) fell from the 2022 high but remained above levels seen in the years 2013 to 2019.
- Both the proportion of employers with skills gaps and the density of skills gaps among the workforce remained in line with 2017 to 2022 levels. The proportion of employers with at least one employee with qualifications or skills more advanced than required for their role was in line with the Wales average.
- The proportion of employers who had arranged or funded training for their staff in the previous 12 months remained consistent with 2022, however the proportion of staff trained was higher than the 2022 result. Employers in South East Wales were more likely to have reported providing training to their staff than any other Welsh region, although the proportion of the workforce trained was in line with the Wales average.
- Looking at employer practices, a minority in South East Wales were considered to be High Performance Working (HPW) employers. Similarly, small proportions of employers reported using Artificial Intelligence (AI) or said they had a Net Zero strategy in place.

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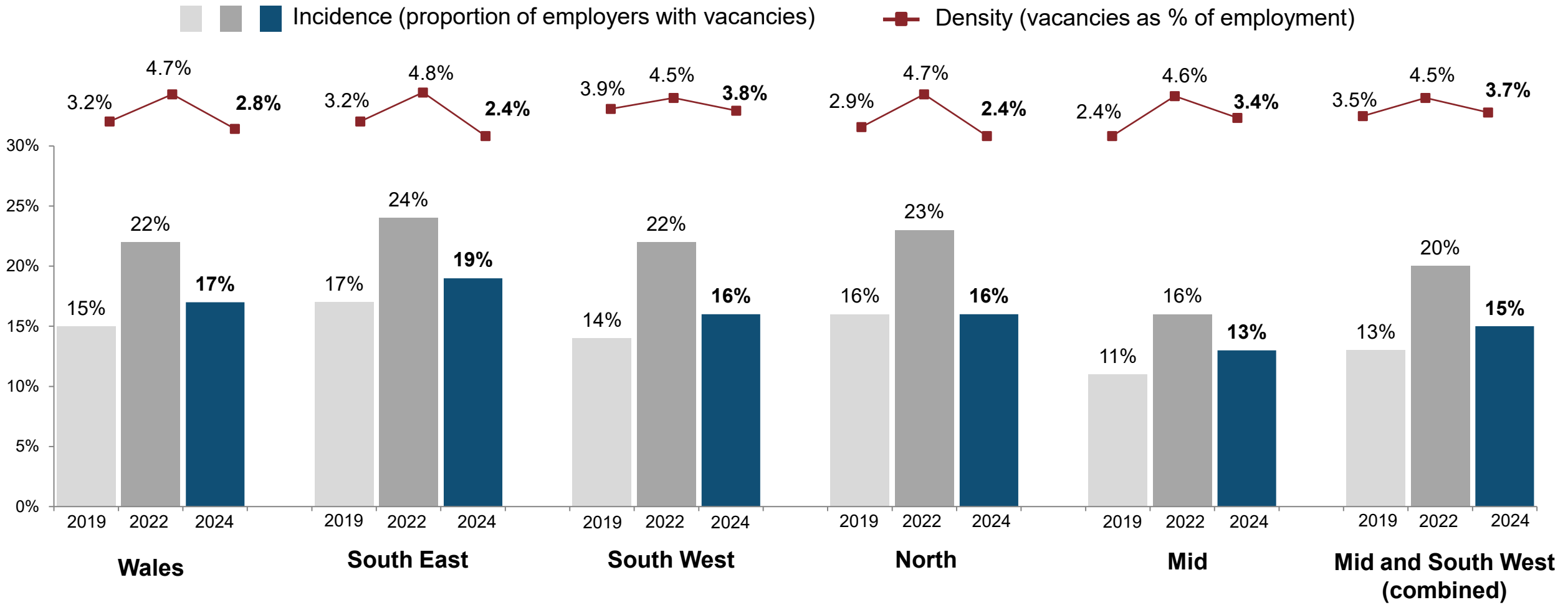
Recruitment and skill-shortage vacancies (SSVs)

Department for Education

IFF Research

Vacancy incidence decreased across each Welsh region, except in Mid Wales, returning to 2019 levels. Vacancy density decreased in South East Wales and North Wales



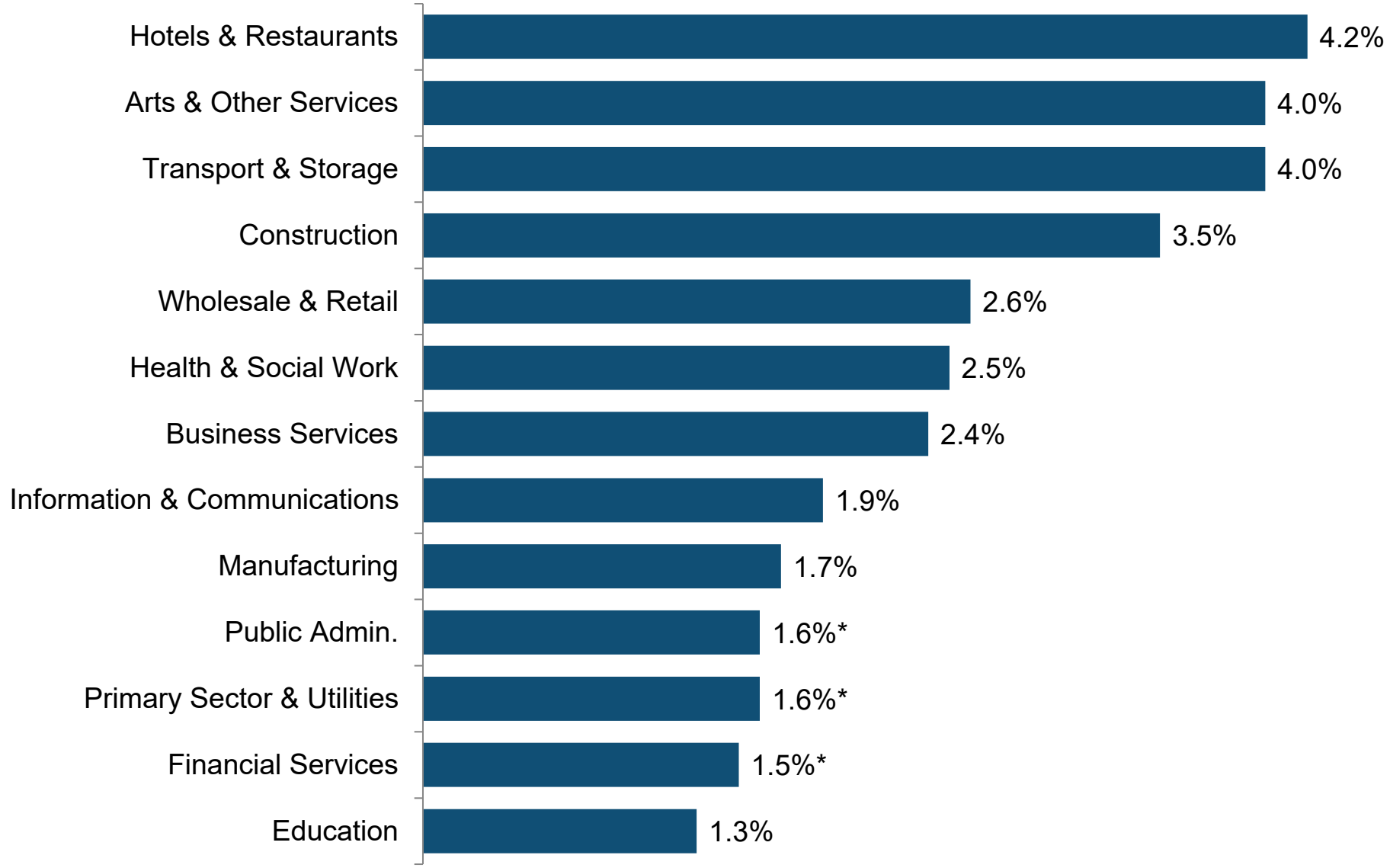
Wales	South East	South West	North	Mid	Mid and South West (combined)
35,700	15,500	10,400	7,000	2,700	13,100

Number of reported vacancies (2024)

Base: All sites in Wales (2024: 5,605; 2022: 4,825; 2019: 6,773). 2024 regional base sizes range from 717 in Mid Wales to 2,310 in South East Wales.

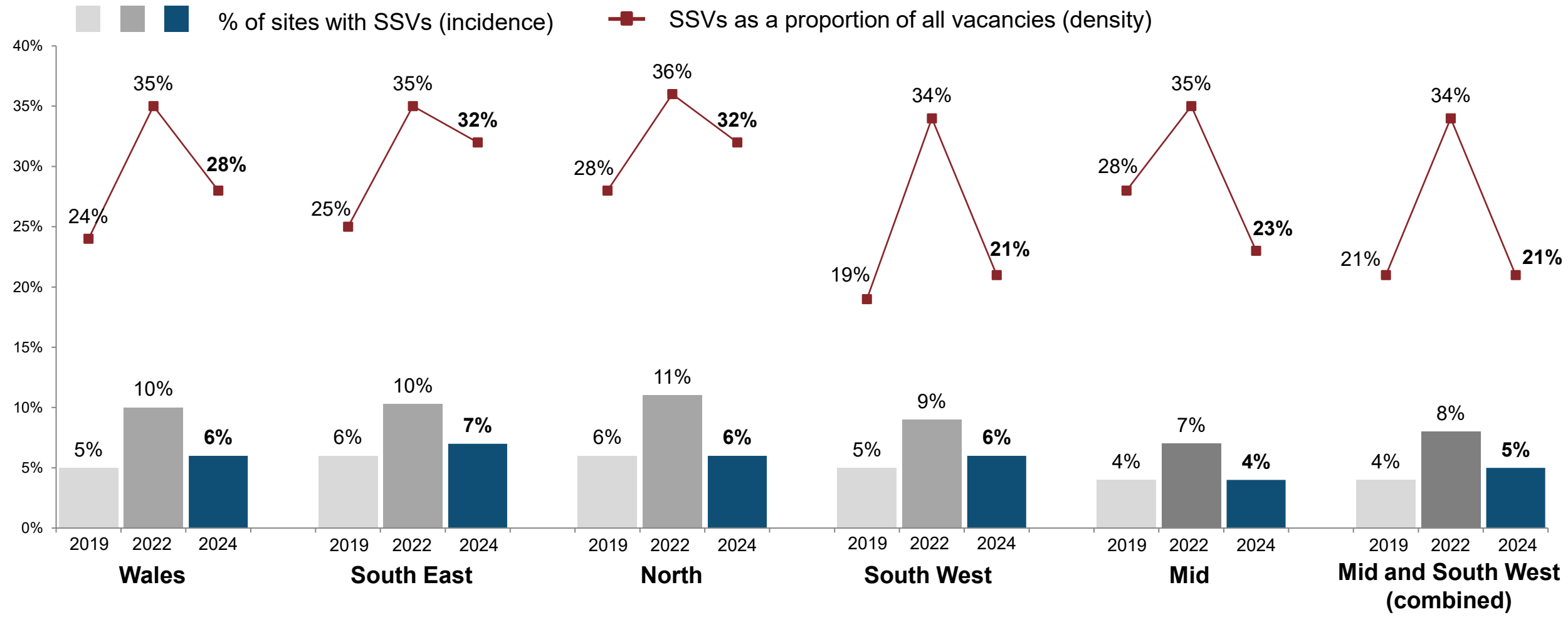
By sector, vacancy density was highest in the Hotels and Restaurants sector

Number of reported vacancies (2024)
1,900
1,100
900
1,000
2,200
2,500
2,300
200
1,100
1,000
200
300
800



Base: All sites in South East Wales (base sizes range from 34 Public Administration to 458 in Wholesale & Retail). ***Where base sizes are between 30 and 49, an asterisk has been included next to the data value. When base sizes are small, volume and density measures at subgroup level can be heavily influenced by a small number of cases. Results should be interpreted with caution.***

SSV incidence decreased across all regions to levels similar to 2019, and was highest in South East Wales and lowest in Mid Wales



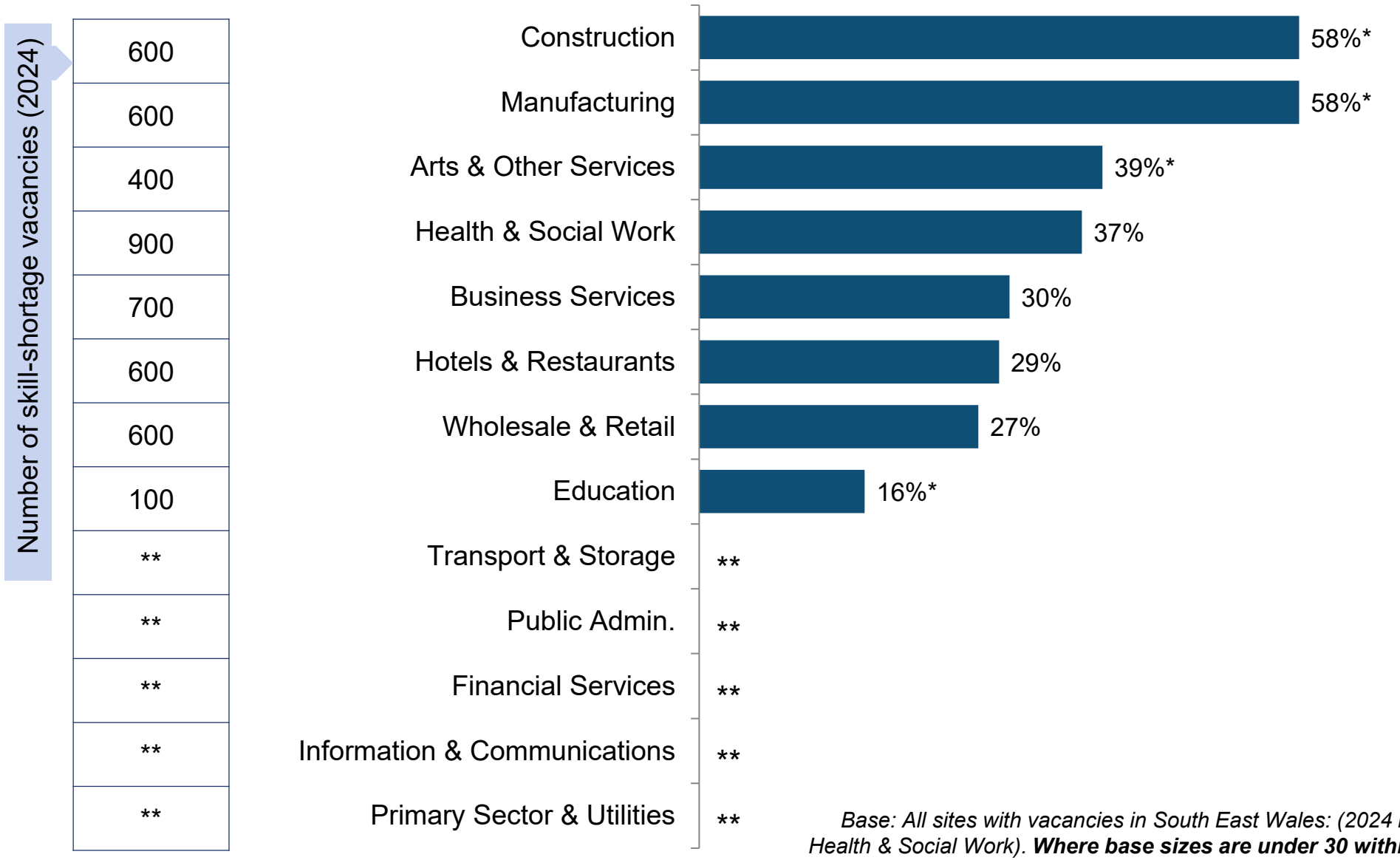
Wales	South East	North	South West	Mid	Mid and South West (combined)
10,100	5,000	2,200	2,200	600	2,800

Number of skill-shortage vacancies (2024)

Base for incidence of skill-shortage vacancies: All sites in Wales: (2024: 5,605; 2022: 4,825; 2019: 6,773). 2024 regional base sizes range from 454 in Mid Wales to 1,321 in South East Wales.

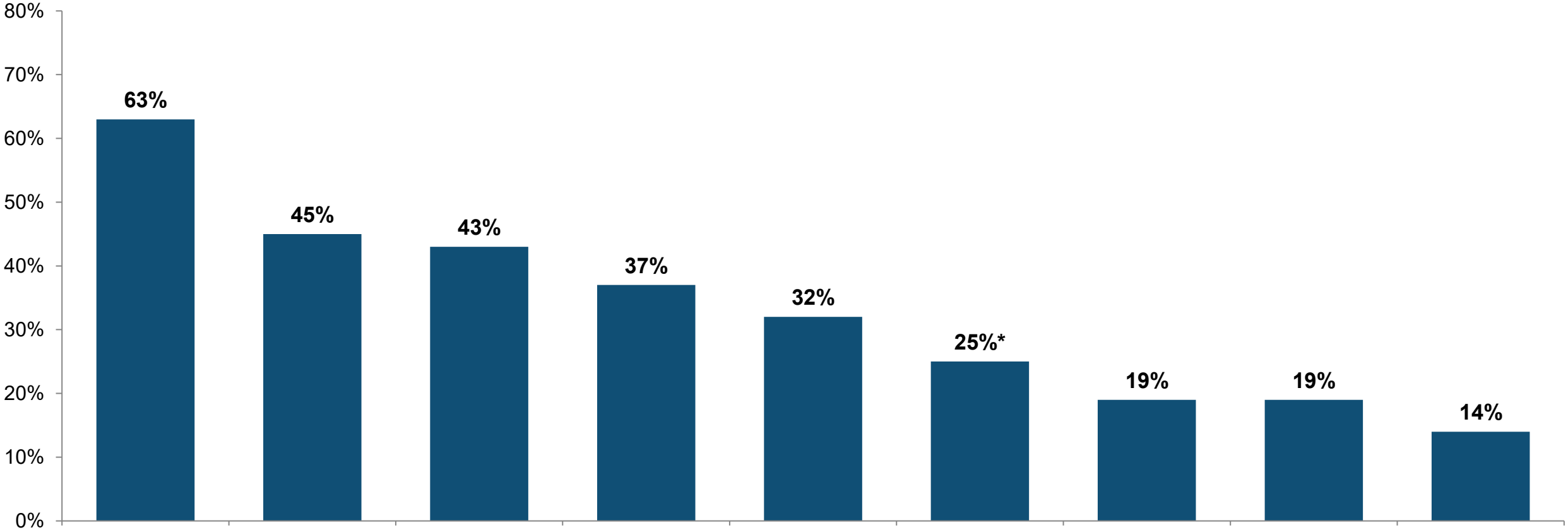
Base for density: All sites in Wales with vacancies: (2024: 1,300; 2019: 1,503; 2022; 1,560). 2024 regional base sizes range from 160 in Mid Wales to 552 in South East Wales.

By sector, SSV density was highest in the Construction and Manufacturing sectors



Base: All sites with vacancies in South East Wales: (2024 base sizes range from 37 in Education to 102 in Health & Social Work). ***Where base sizes are under 30 within a sector, data has been removed (denoted by a double asterisk); where base sizes are between 30 and 49, an asterisk has been included next to the data value. When base sizes are small, volume and density measures at subgroup level can be heavily influenced by a small number of cases. Results should be interpreted with caution.***

At the occupational level, the density of skill-shortage vacancies was highest among Skilled Trades roles

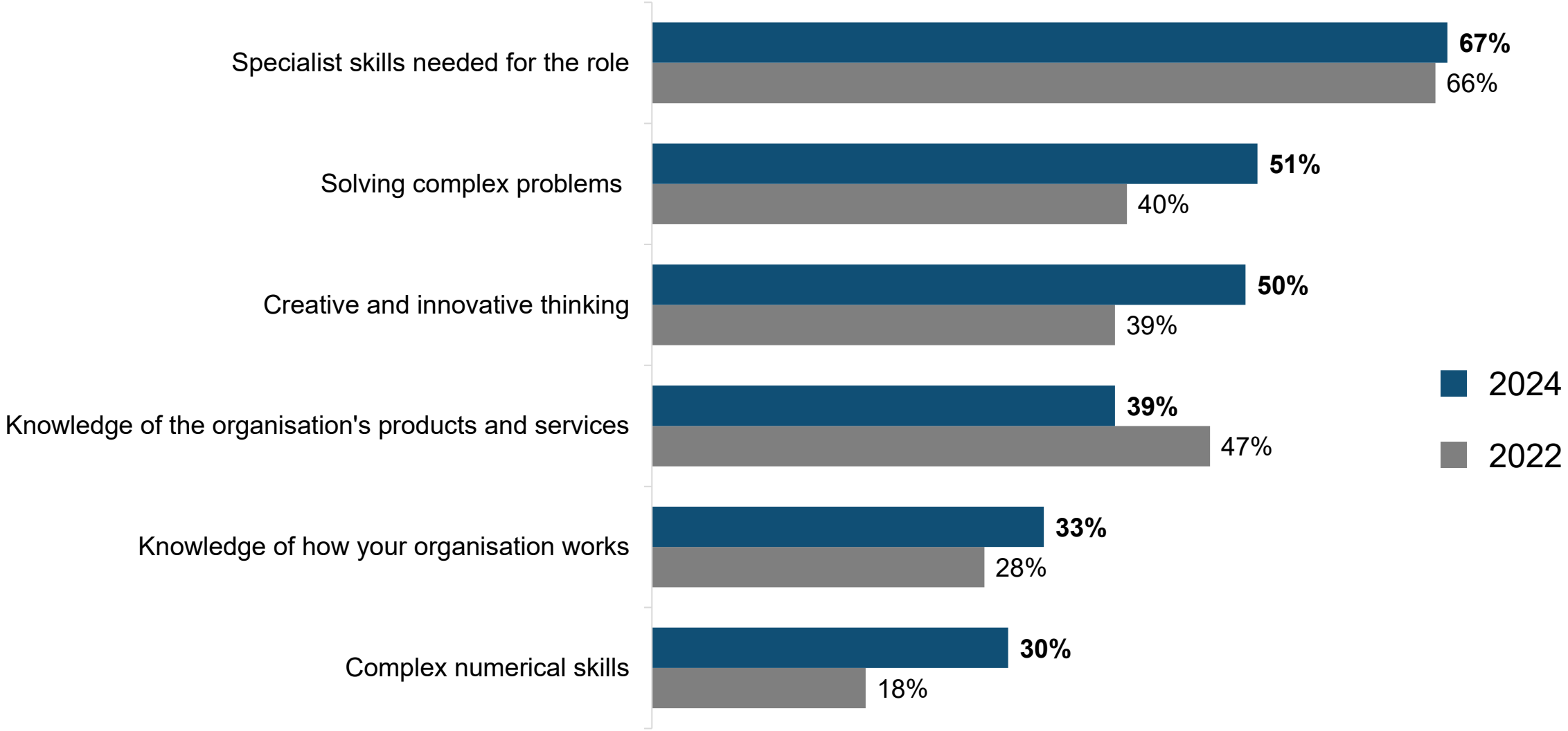


Skilled Trades	Caring, Leisure, Other Services	Associate Professionals	Machine Operatives	Professionals	Managers	Sales and Customer Service	Elementary	Admin. and Secretarial
1,200	1,100	500	400	600	100	300	500	100

Number of skill-shortage vacancies (2024)

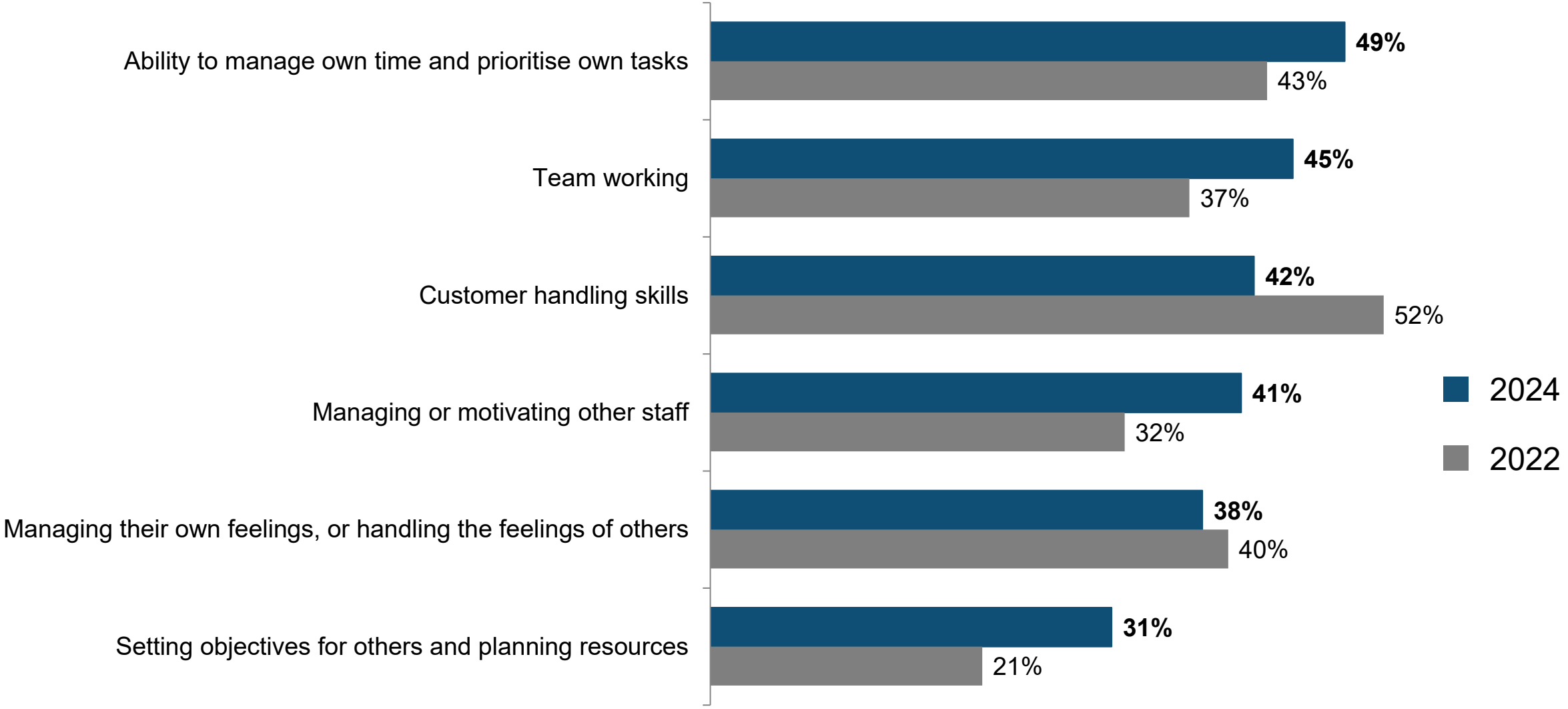
Base: All sites in South East Wales with vacancies in the given occupations: (2024 base sizes range from 40 for Managers to 108 for Caring, Leisure, Other Services). ***Where base sizes are between 30 and 49, an asterisk has been included next to the data value. When base sizes are small, volume and density measures at subgroup level can be heavily influenced by a small number of cases. Results should be interpreted with caution.***

Specialist skills or knowledge remains the most common technical and practical skill reported as lacking among SSV applicants



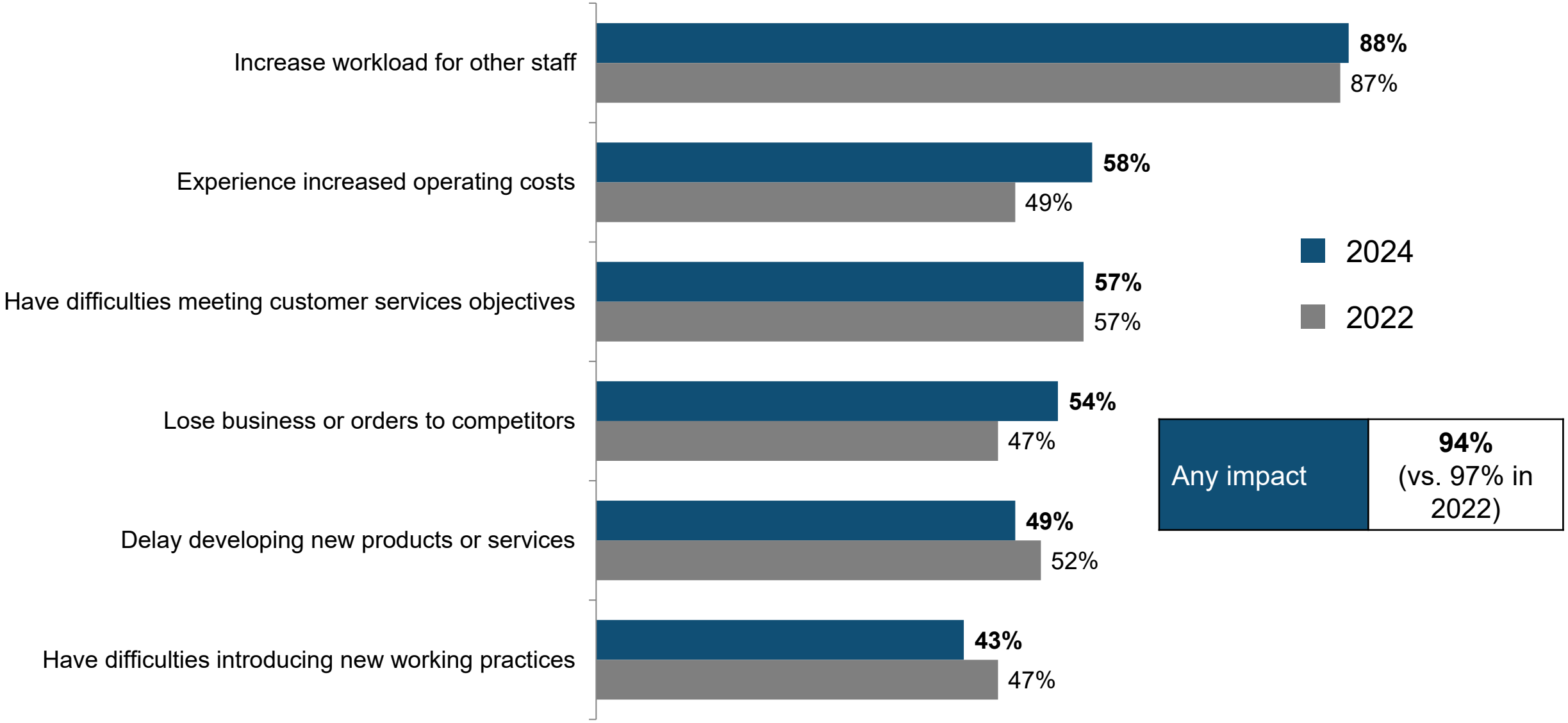
Base: All sites with skill-shortage vacancies in South East Wales (2024: 205; 2022: 257). Figures are shown as a percentage of all skill-shortage vacancies followed up (not a percentage of all sites).

The most common people and personal skills reported to be lacking among SSV applicants were time management and task prioritisation, and team working



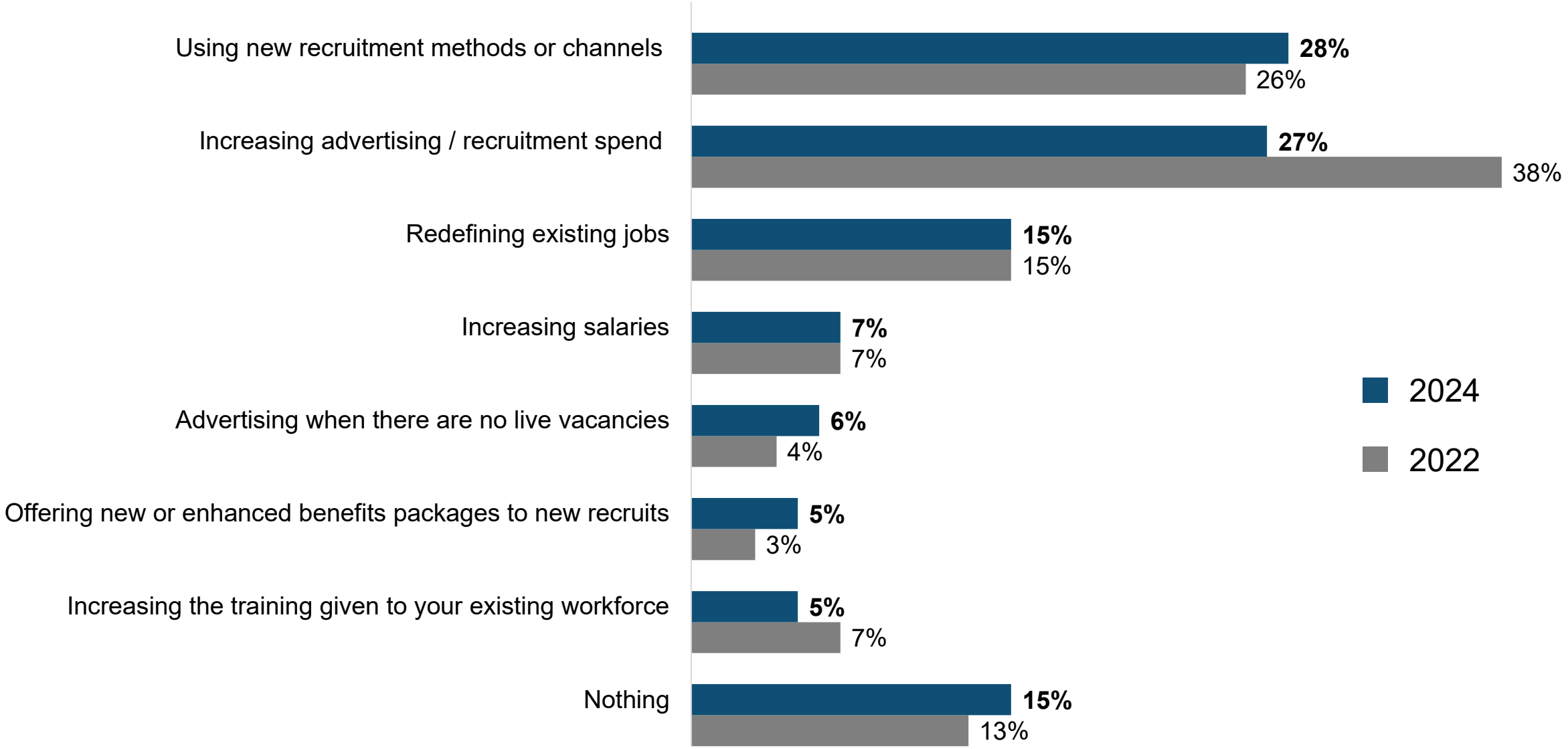
Base: All sites with skill-shortage vacancies in South East Wales (2024: 205; 2022: 257).
Figures are shown as a percentage of all skill-shortage vacancies followed up (not a percentage of all sites).

The most commonly reported impact of SSVs was an increased workload for other staff, as was the case in 2022



Base: All sites in South East Wales with hard-to-fill vacancies that are all as a result of skill shortages (2024: 189; 2022: 213).

There was a notable decrease in employers increasing advertising or recruitment spend as a means of overcoming hard-to-fill vacancies



Base: All sites with hard-to-fill vacancies that are all as a result of skill shortages (2024: 189; 2022: 213)

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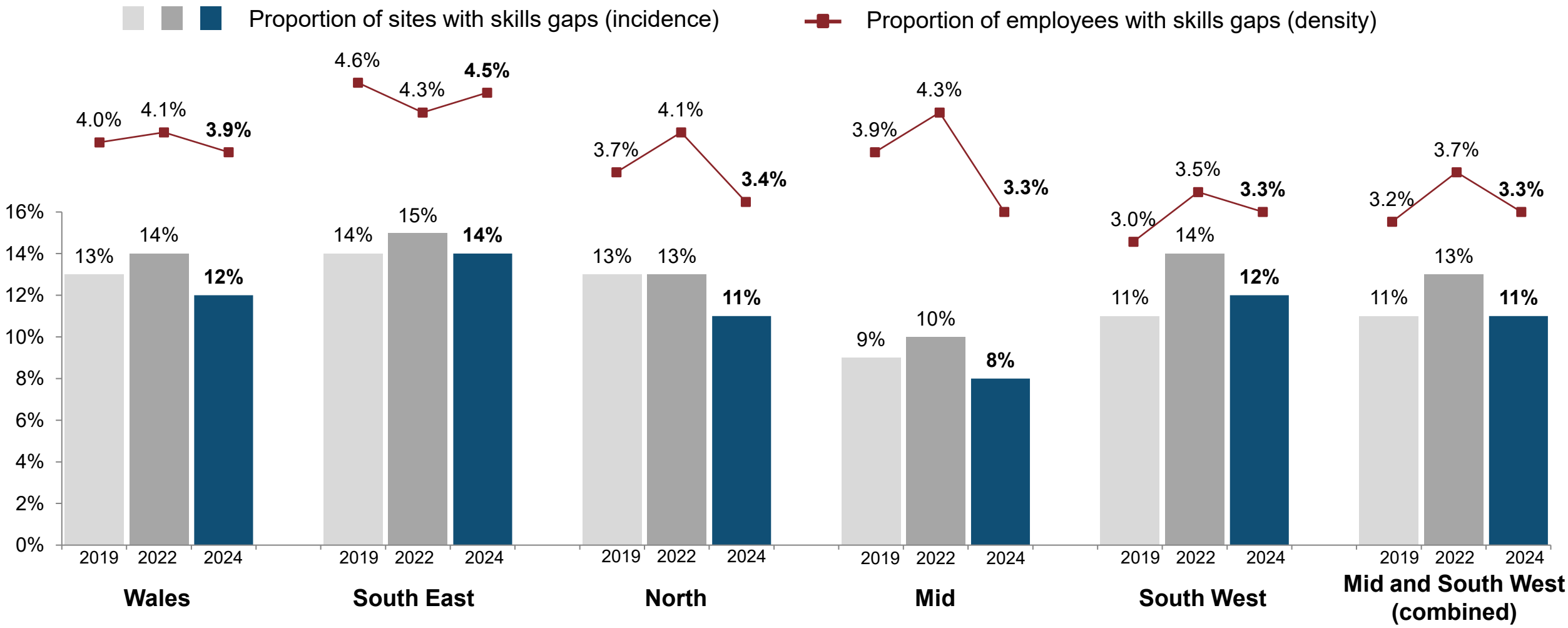
Skills gaps in the existing workforce

Department for Education

IFF Research

Skills gap incidence and density remained in line with 2022 and 2019 levels across all Welsh regions

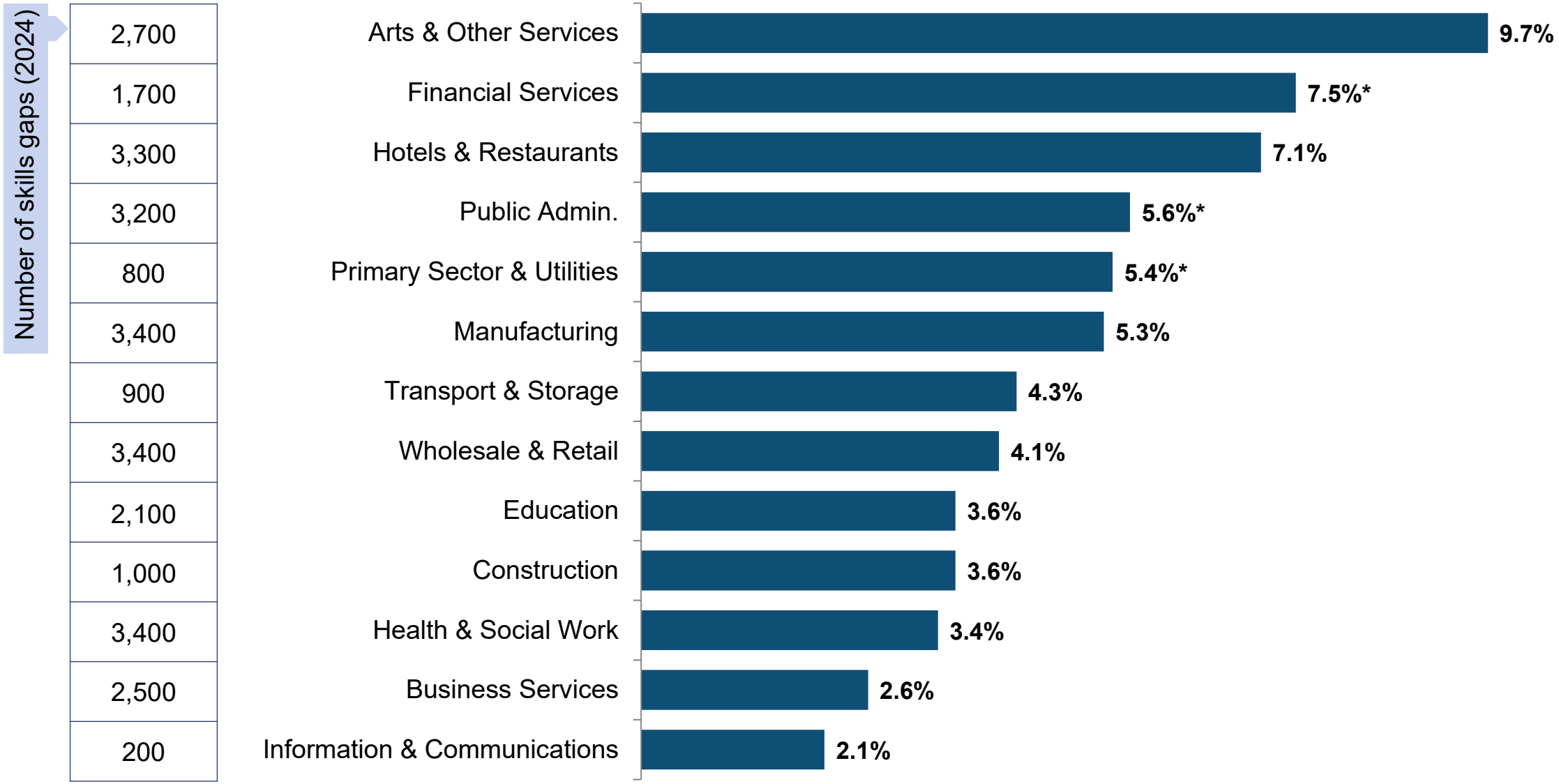


Wales	South East	North	Mid	South West	Mid and South West (combined)
50,400	28,900	9,900	2,700	8,900	11,600

Number of skills gaps (2024)

Base: All sites in Wales (2024: 5,605; 2022: 4,825; 2019: 6,773). 2024 regional base sizes range from 717 in Mid Wales to 2,310 in South East Wales.

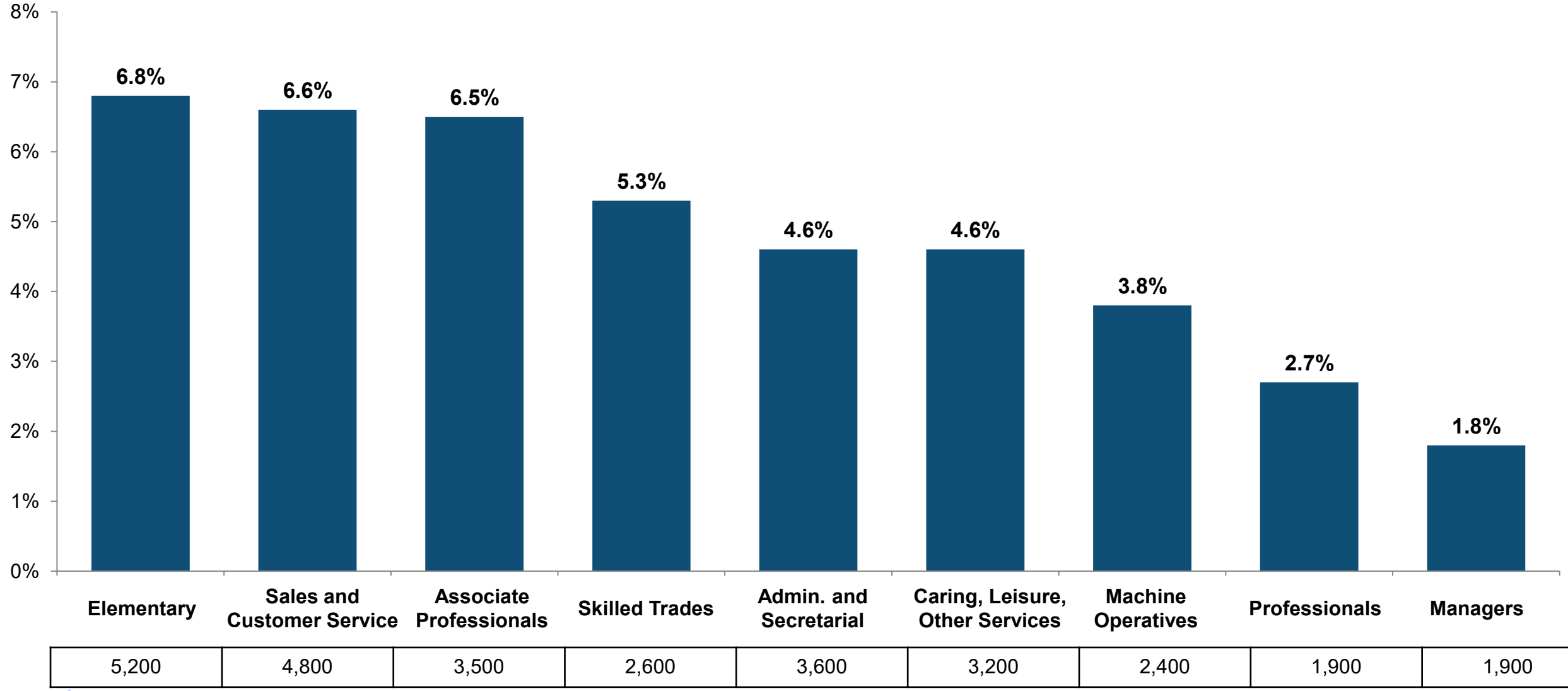
The density of skills gaps was highest in the Arts & Other Services sector



Base: All sites in South East Wales (base sizes range from 34 in Public Admin. to 458 in Wholesale & Retail).

Where base sizes are between 30 and 49, an asterisk has been included next to the data value. When base sizes are small, volume and density measures at subgroup level can be heavily influenced by a small number of cases. Results should be interpreted with caution.

By occupation, density of skills gaps was highest among Elementary and Sales and Customer Service roles

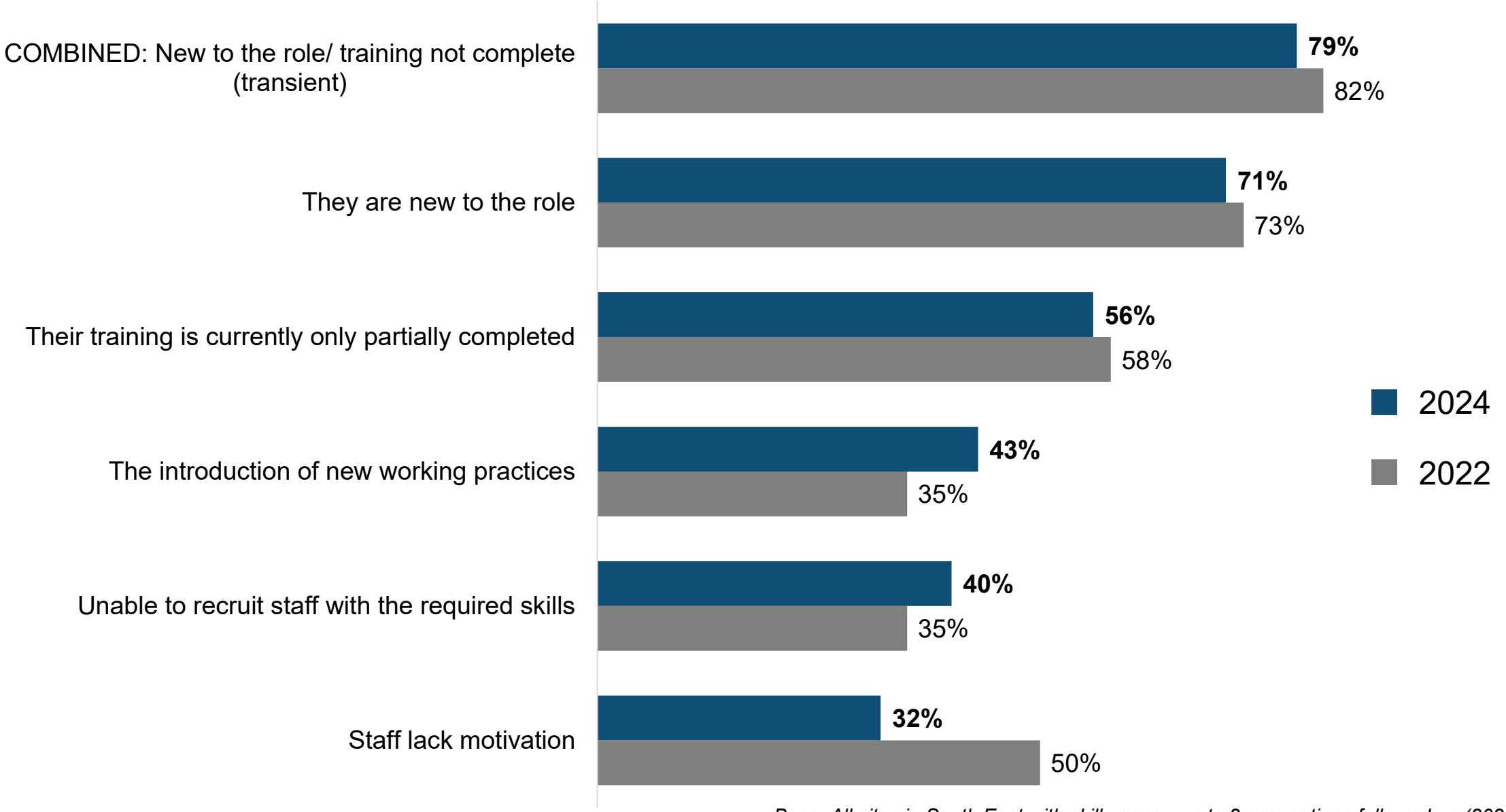


Elementary	Sales and Customer Service	Associate Professionals	Skilled Trades	Admin. and Secretarial	Caring, Leisure, Other Services	Machine Operatives	Professionals	Managers
5,200	4,800	3,500	2,600	3,600	3,200	2,400	1,900	1,900

Number of skills gaps (2024)

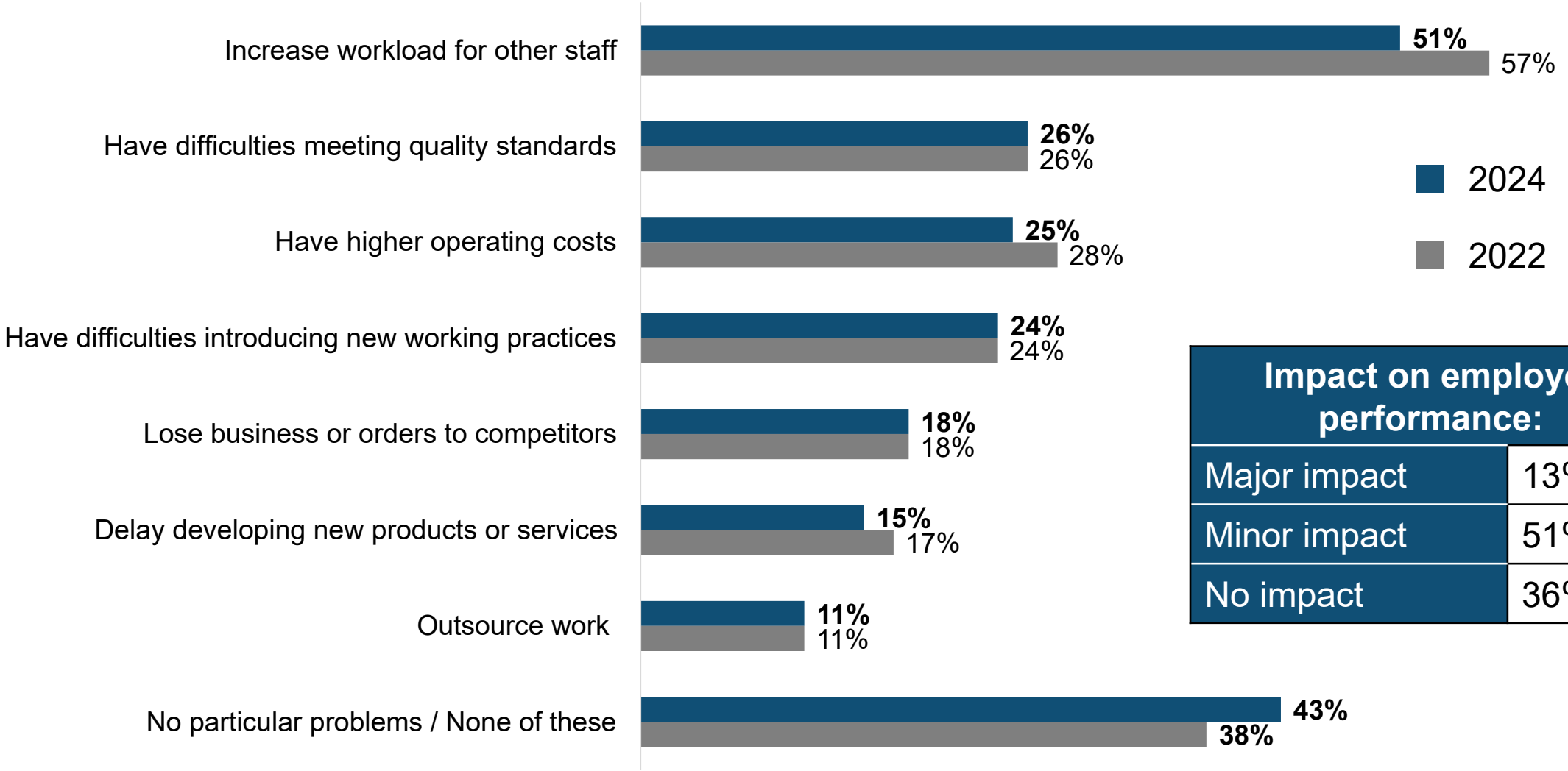
Base: All sites in South East Wales with staff in the given occupations (2024 base sizes range from 332 for Associate Professionals to 2,237 for Managers).

Transient factors continued to be the leading causes of skills gaps



Base: All sites in South East with skills gaps - up to 2 occupations followed up (2024: 411; 2022: 378)
Figures are shown as a percentage of all skills gaps (not a percentage of all sites)

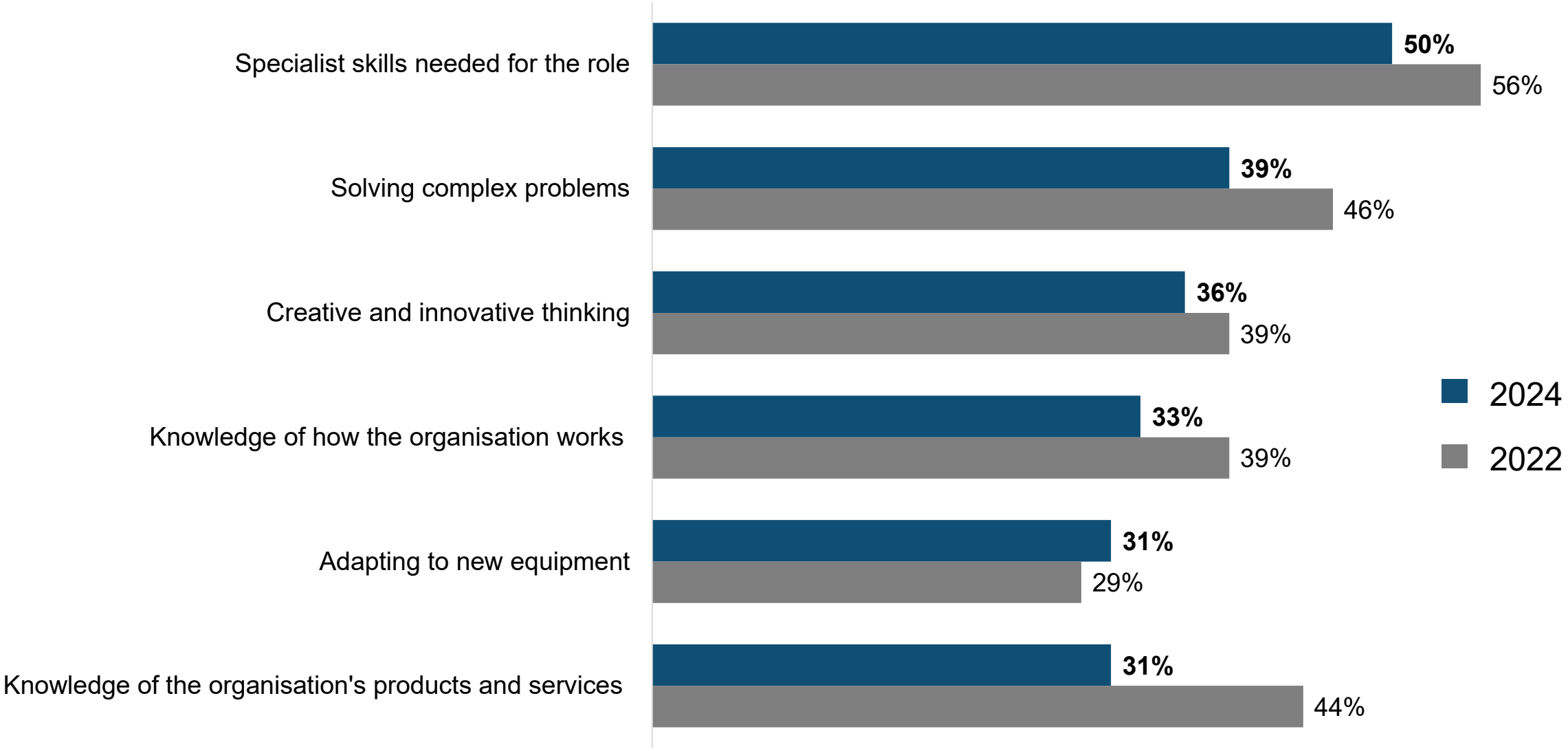
As when looking at SSVs, the main impact of skills gaps continued to be increased workloads for other staff members



Impact on employer performance:	
Major impact	13%
Minor impact	51%
No impact	36%

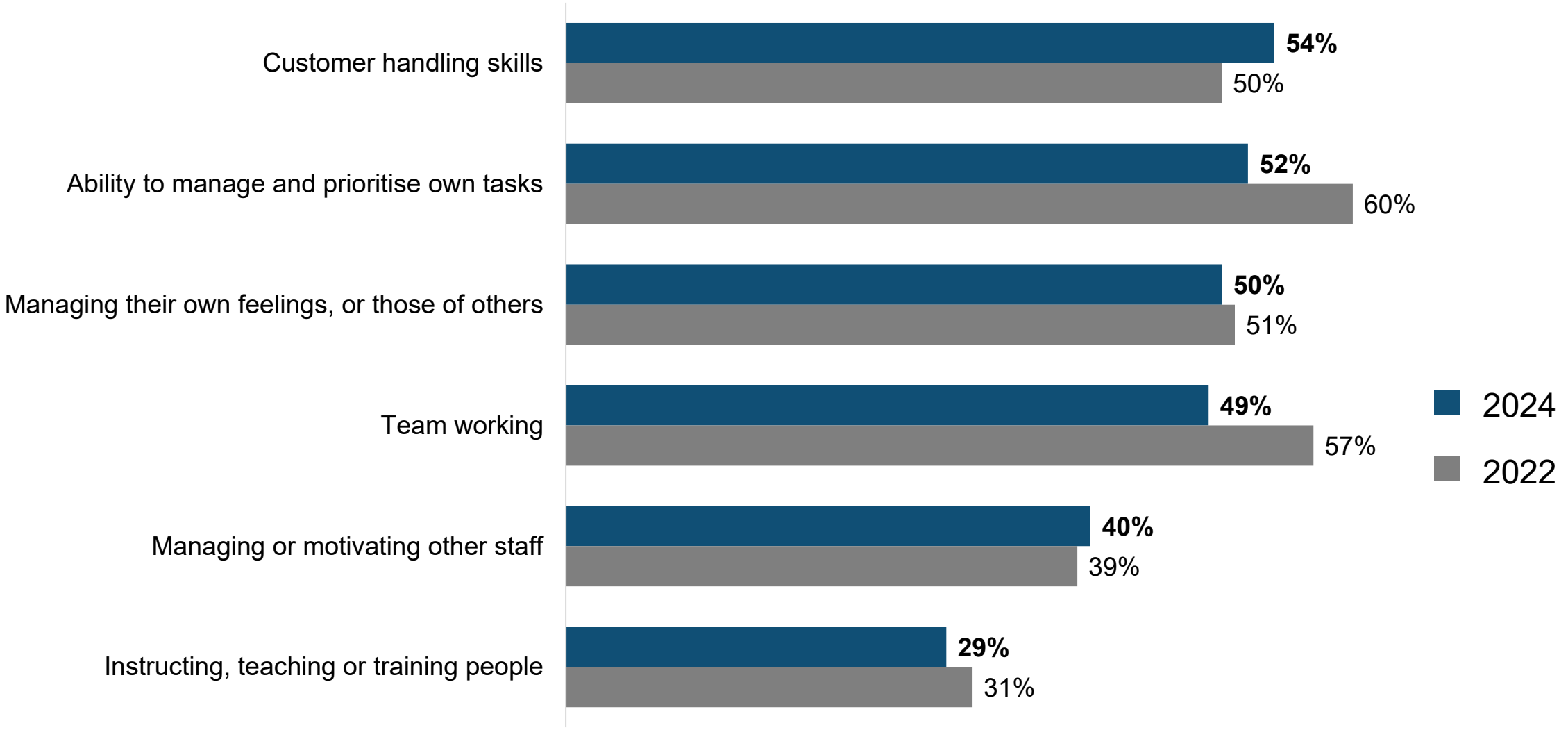
Base: All sites in South East Wales with skills gaps (2024: 411; 2022: 378).

Specialist skills or knowledge remained the most common technical and practical skill reported as lacking among the existing workforce



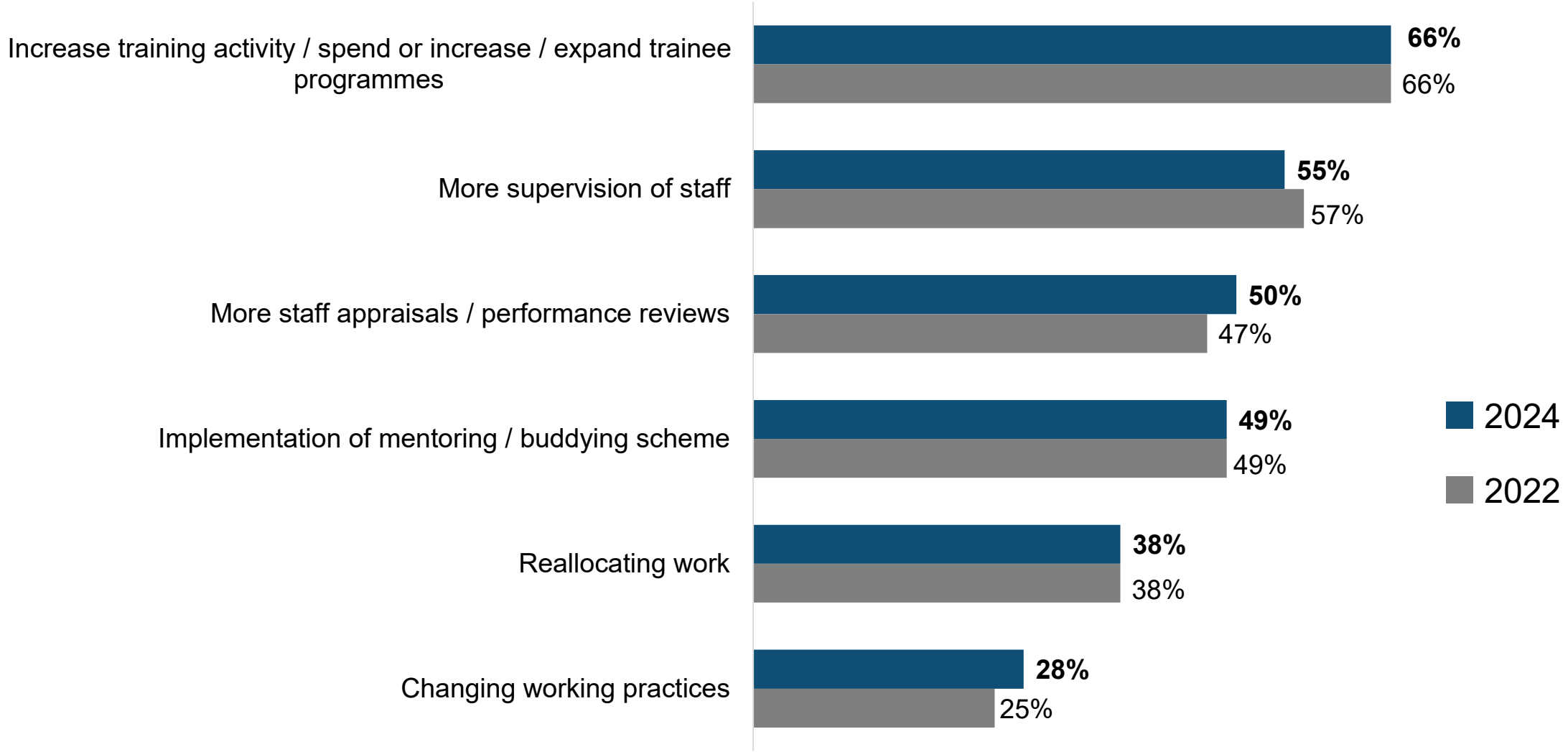
Base: All sites in South East Wales with skills gaps - up to 2 occupations followed up (2024: 411; 2022: 378). Figures are shown as a percentage of all skills gaps (not a percentage of all sites).

There was a notable decrease in the proportion of the workforce reported to be lacking the ability to manage their own time and prioritise tasks



Base: All sites in South East Wales with skills gaps - up to 2 occupations followed up (2024: 411; 2022: 378)
Figures are shown as a percentage of all skills gaps (not a percentage of all sites)

The most common action taken to overcome skills gaps continues to be increase training activity / spend or to increase / expand trainee programmes



Base: All sites in South East Wales with skills gaps (2024: 411; 2022: 378).

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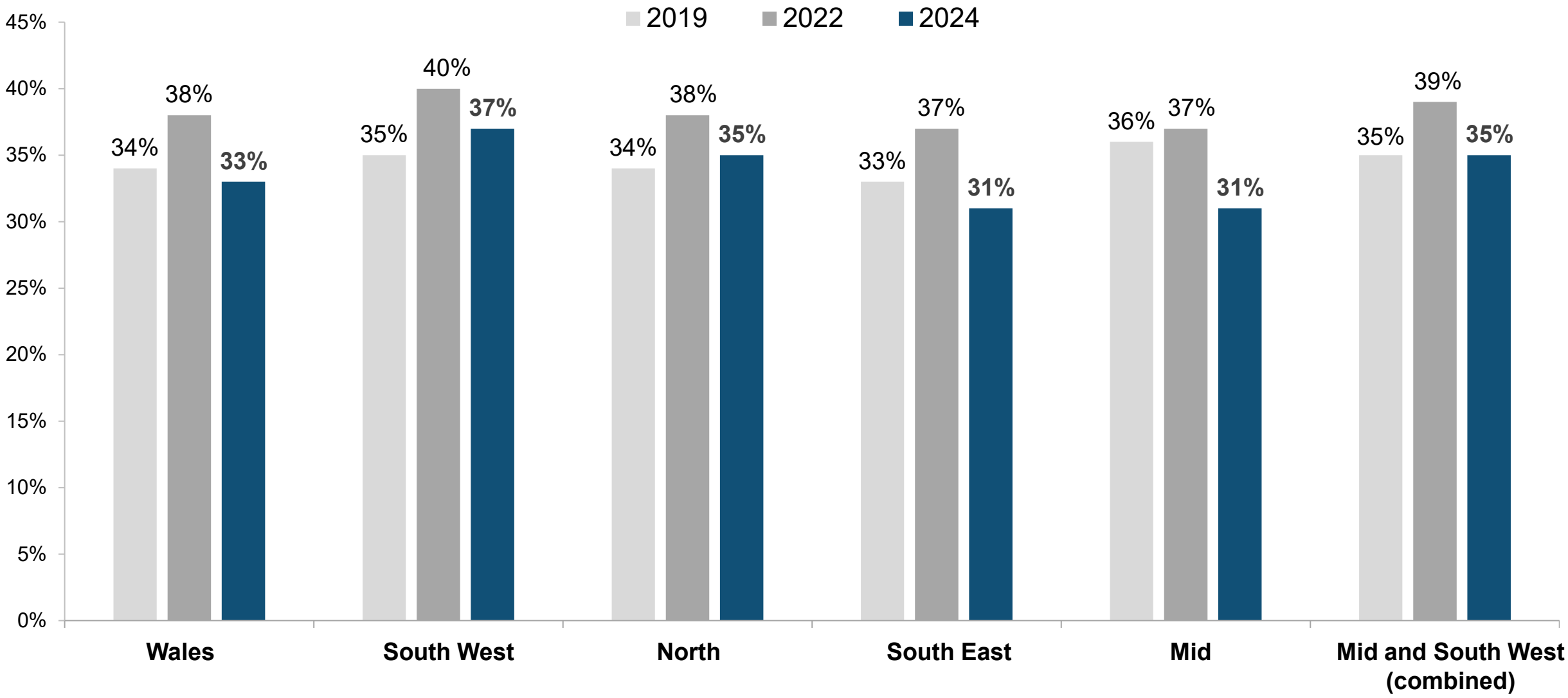
Under-use of skills and qualifications

Department for Education

IFF Research

South East Wales was the only Welsh region which saw a notable decrease in the proportion of sites with underutilised staff when compared with 2022



Base: All sites 2024 (Module A): Wales: 1,379; regional base sizes range from 181 in Mid Wales to 568 in South East Wales.

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Training and workforce development

Department for Education

IFF Research

Training and workforce development – South East Wales summary

Measure	2015	2017	2019	2022	2024
% of employers that train	66%	62%	64%	63%	**64%**
% of employers that train *off*-the-job	51%	46%	45%	37%	**43%**
% of employers that train *on*-the-job	52%	49%	52%	54%	**54%**
% that *only* train *on*-the-job	15%	16%	19%	26%	**22%**
% of staff trained over the last 12 months	65%	58%	65%	61%	**64%**
Days training per person trained	7.3	5.0	4.7	7.4	**8.0**
Total training days provided	2.7m	1.8m	1.9m	2.8m	**3.3m**

The number of training days per person trained in South East Wales has increased notably since 2019

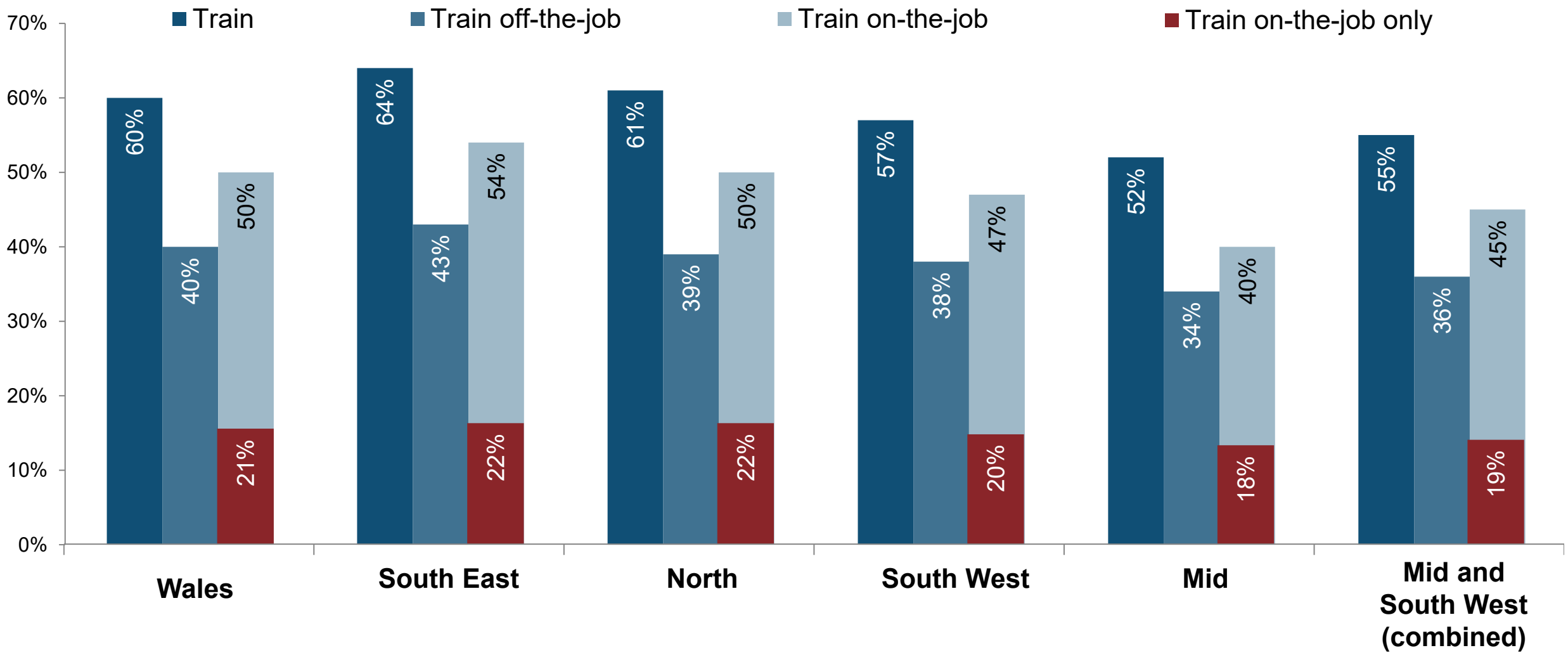
By nation and region	Days per person trained			Total training days		
	2019	2022	**2024**	2019	2022	**2024**
Wales	5.1	6.8	**6.6**	4.2m	5.3m	**5.4m**
North	5.5	6.9	**4.9**	1.1m	1.3m	**0.9m**
Mid	6.4	5.2	**5.8**	0.3m	0.3m	**0.3m**
South East	4.7	7.4	**8.0**	1.9m	2.8m	**3.3m**
South West	5.4	5.7	**5.3**	0.9m	1.0m	**0.9m**
Mid and South West (combined)	5.6	5.6	**5.4**	1.2m	1.2m	**1.2m**

The Manufacturing sector had the most training days per trainee and the highest number of total training days

By sector	Days per person trained	Total training days
Primary Sector & Utilities	**6.3***	**41,000***
Manufacturing	**22.0**	**780,000**
Construction	**10.3**	**173,000**
Wholesale & Retail	**6.5**	**298,000**
Hotels & Restaurants	**6.3**	**195,000**
Transport & Storage	**4.4**	**65,000**
Information & Communications	**7.8***	**23,000***
Financial Services	**	**
Business Services	**9.6**	**637,000**
Public Admin.	**2.6***	**48,000***
Education	**3.8**	**173,000**
Health & Social Work	**7.3**	**654,000**
Arts & Other Services	**5.8**	**94,000**

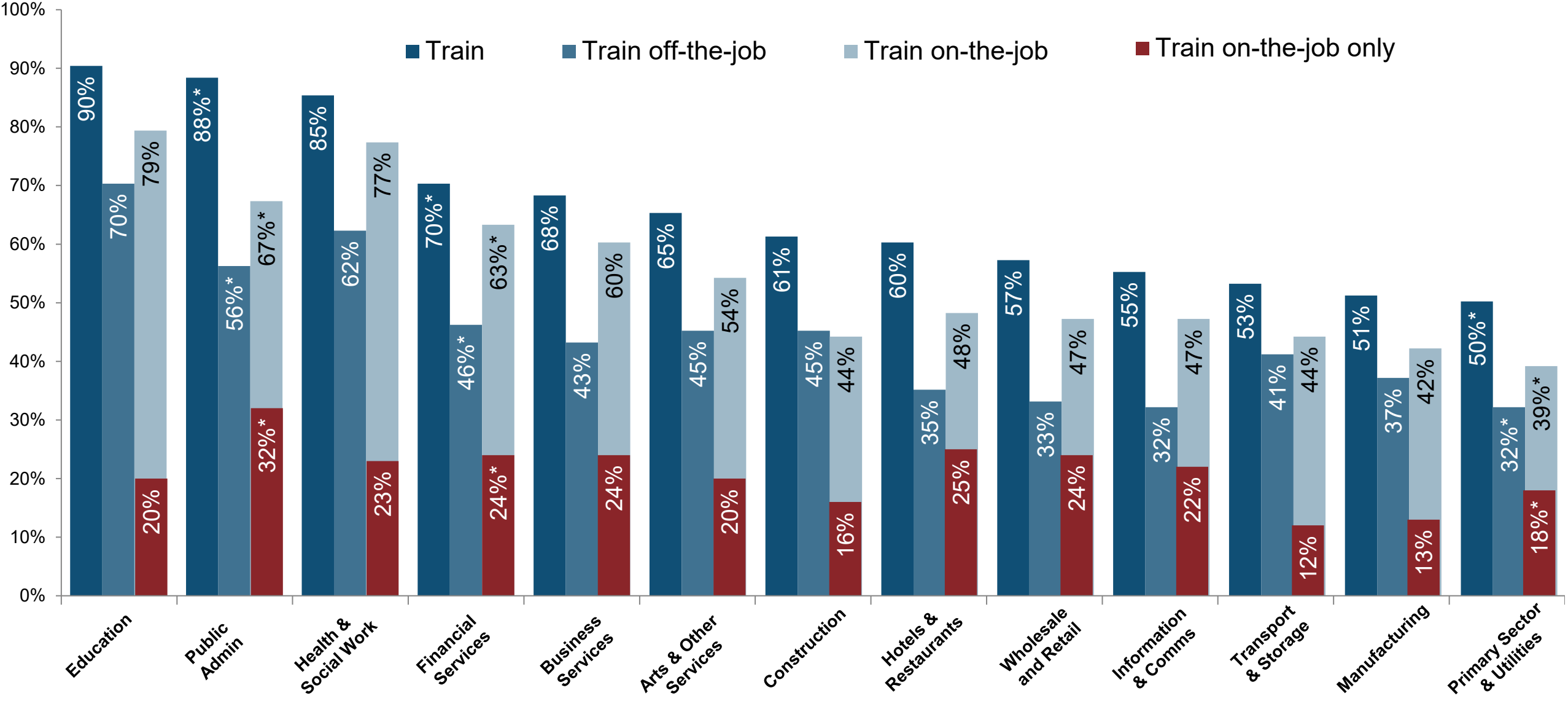
Results for Financial Services not shown due to low base size (28). Where base sizes are between 30 and 49, an asterisk has been included next to the data value; When base sizes are small, volume and density measures at subgroup level can be heavily influenced by a small number of cases. Results should be interpreted with caution.

Employers in South East Wales were most likely to have funded or arranged training for their staff



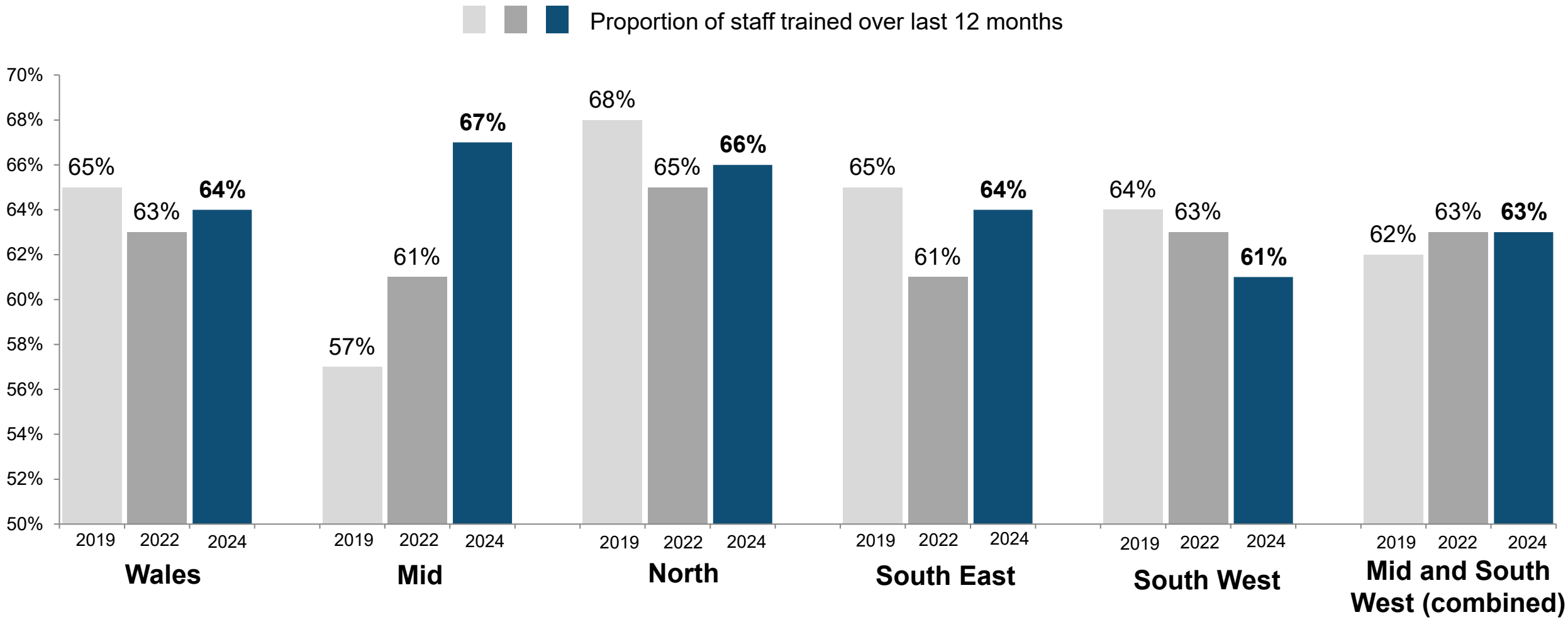
Base: All sites in Wales: 5,605; Regional base sizes range from 717 in Mid Wales to 2,310 in South East Wales.

Employers in Education, Public Administration and Health and Social Work were most likely to have provided any training



Base: All sites in South East Wales (base sizes range from 34 in Public Administration to 458 in Wholesale and Retail). ***Where base sizes are between 30 and 49, an asterisk has been included next to the data value.***

The proportion of staff trained in South East Wales increased compared with 2022

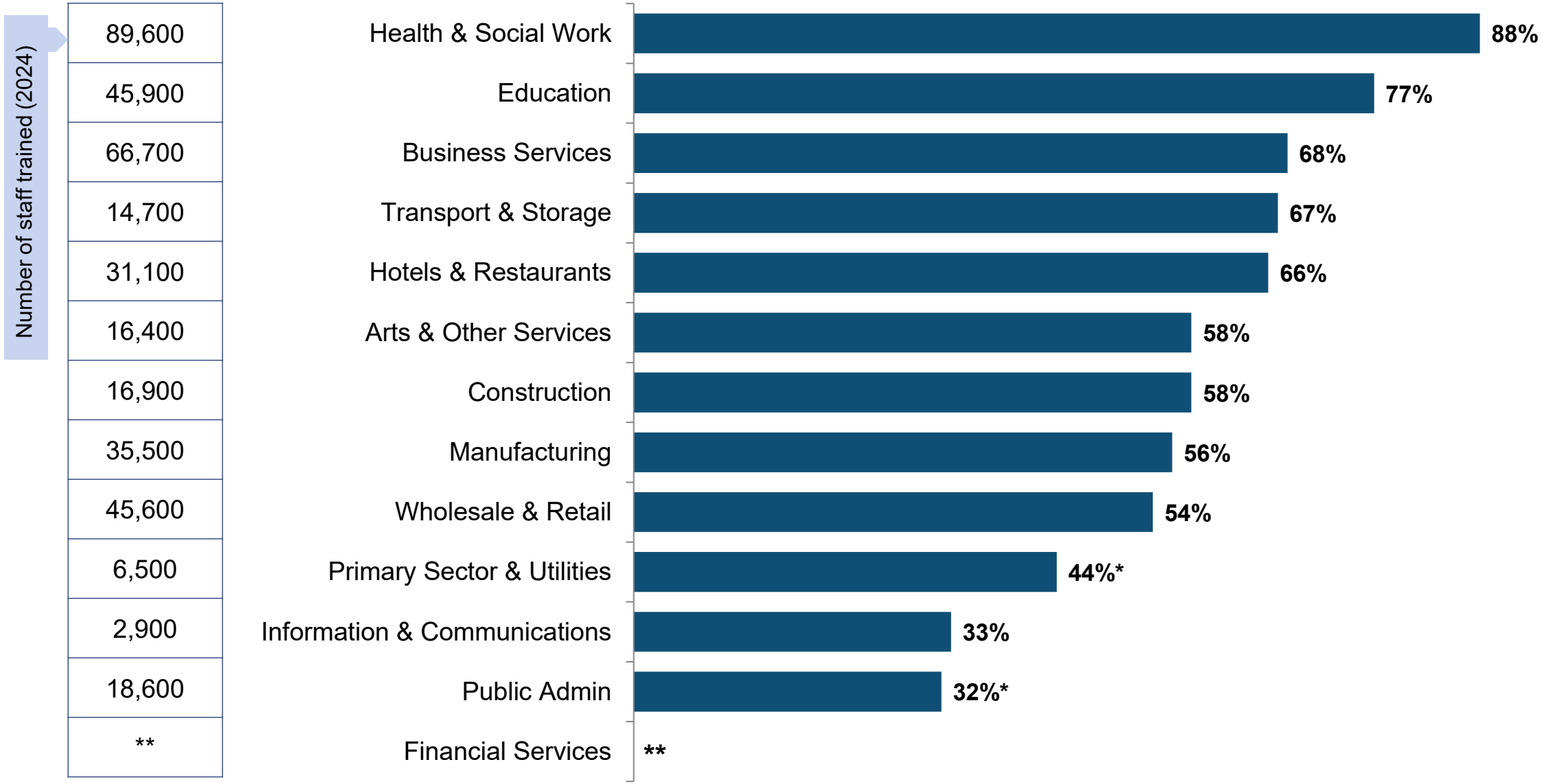


823,400	54,000	192,000	410,700	166,700	220,700

Number of staff trained (2024)

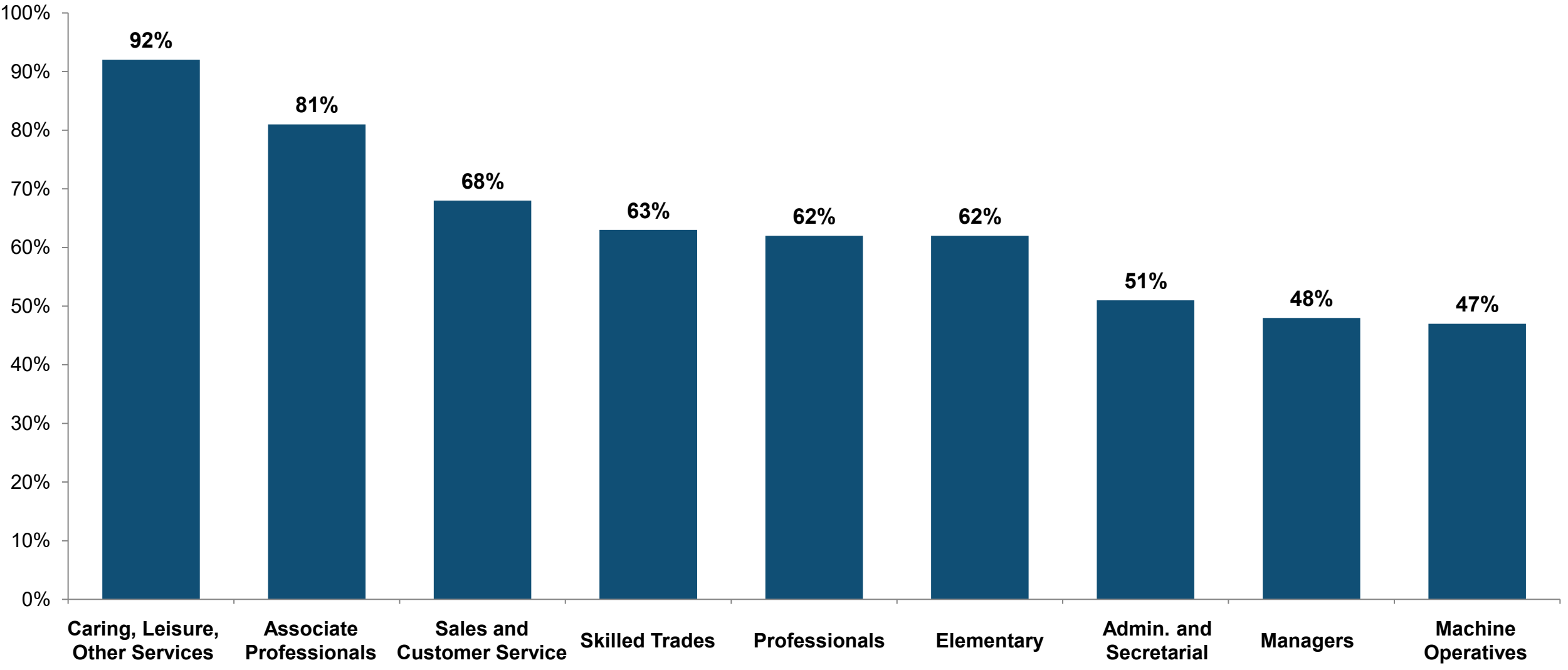
Base: All sites in Wales (2024: 5,605; 2022: 4,825; 2019: 6,773). 2024 regional base sizes range from 717 in Mid Wales to 2,310 in South East Wales.

The Health and Social Work sector saw the highest proportion of staff trained



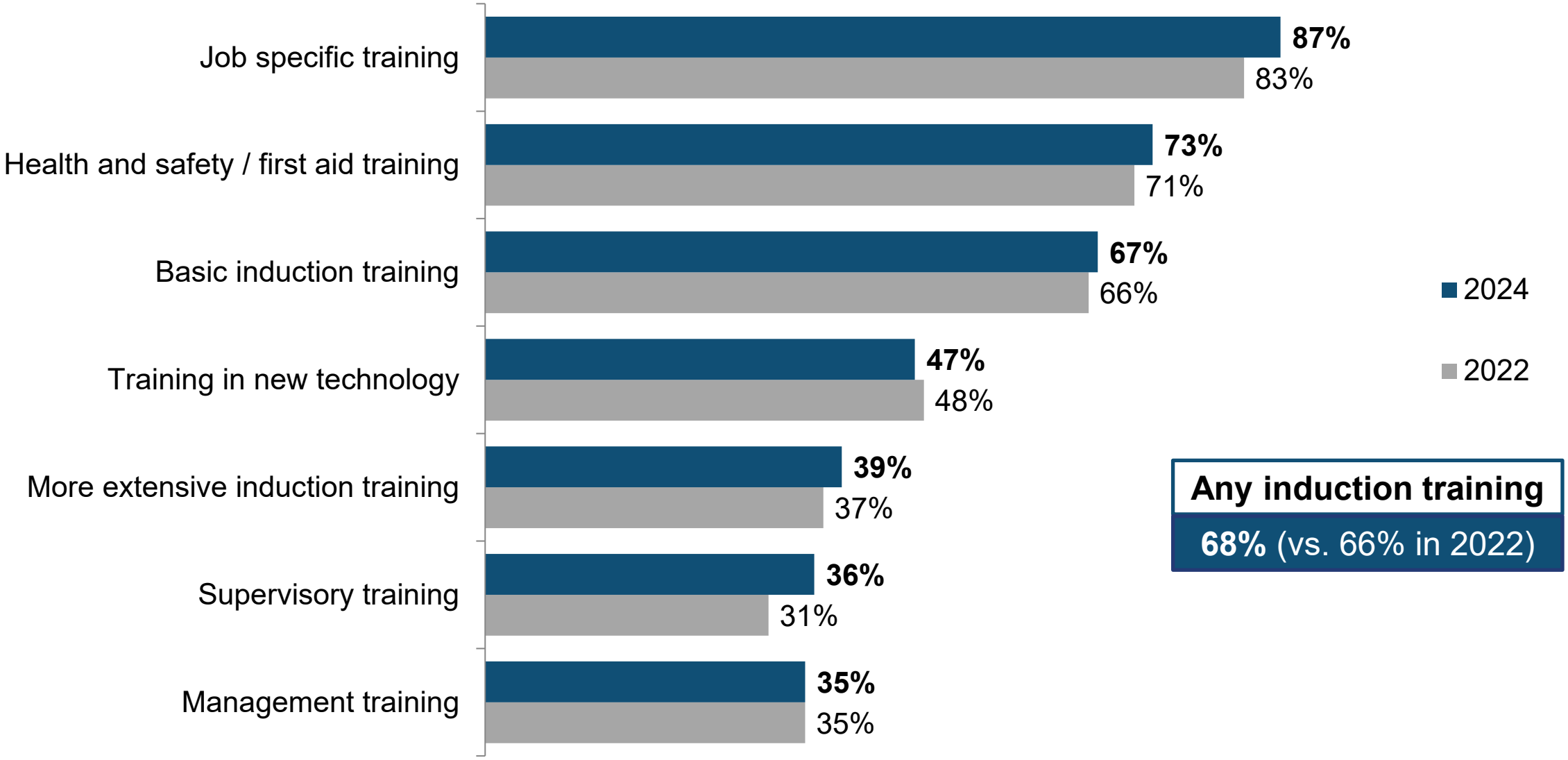
*Base: All sites in South East Wales (base sizes range from 38 in Public Admin. to 458 in Wholesale and Retail)**. Where base sizes are under 30 within a sector for 2024, data has been removed (denoted by a double asterisk); where base sizes are between 30 and 49, an asterisk has been included next to the data value. When base sizes are small, volume and density measures at subgroup level can be heavily influenced by a small number of cases. Results should be interpreted with caution.*

Those in Caring, Leisure & Other Services roles were most likely to have received training in the past 12 months



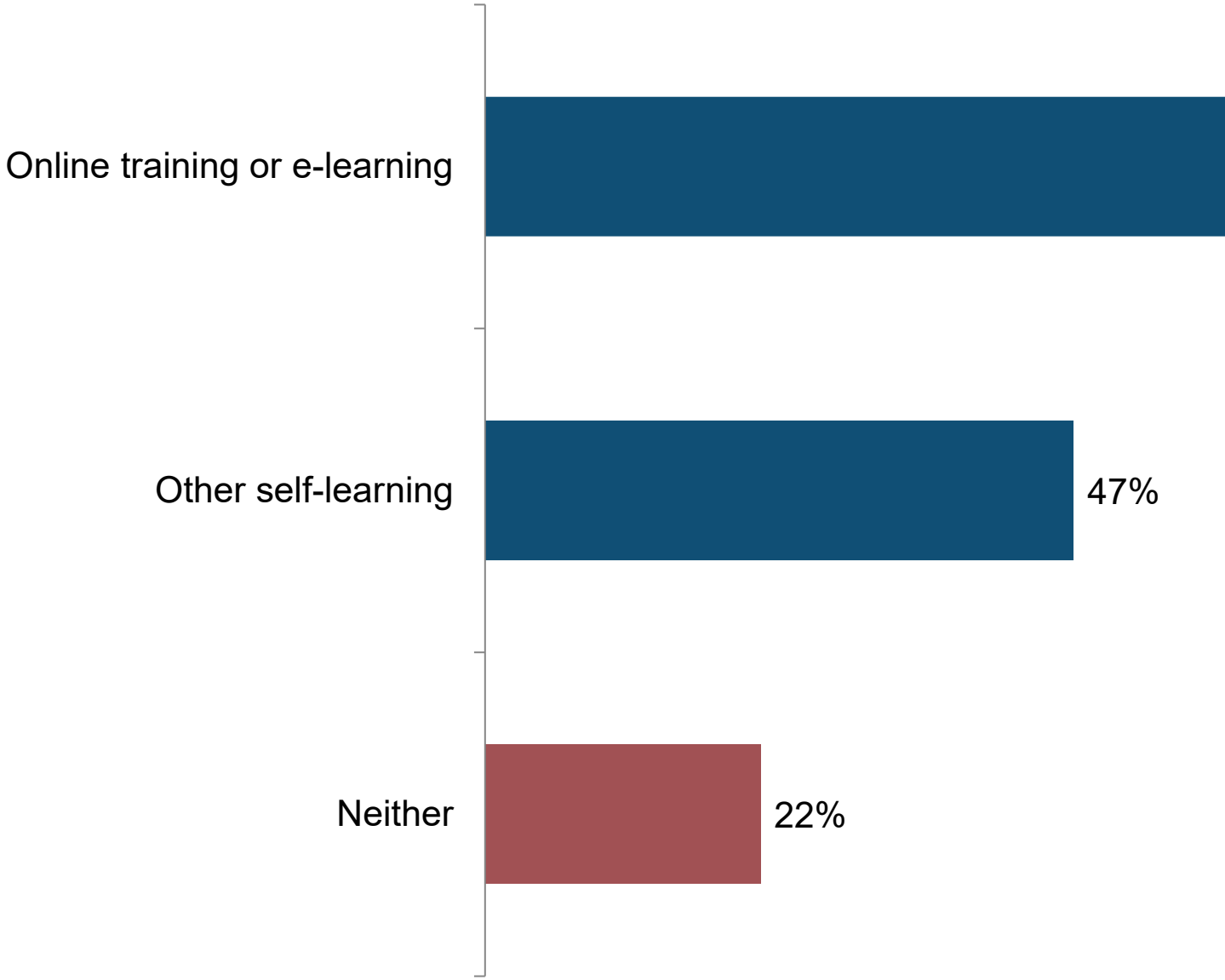
Base: All that employ each occupation in South East Wales (excluding modelled data). (2024 base sizes range from 217 for Associate Professionals to 1,142 for Managers).

The most common type of training, as in 2022, was job specific training, followed by health and safety / first aid training



Base: All sites in South East Wales that train (2024: 1,678; 2022: 1,389)

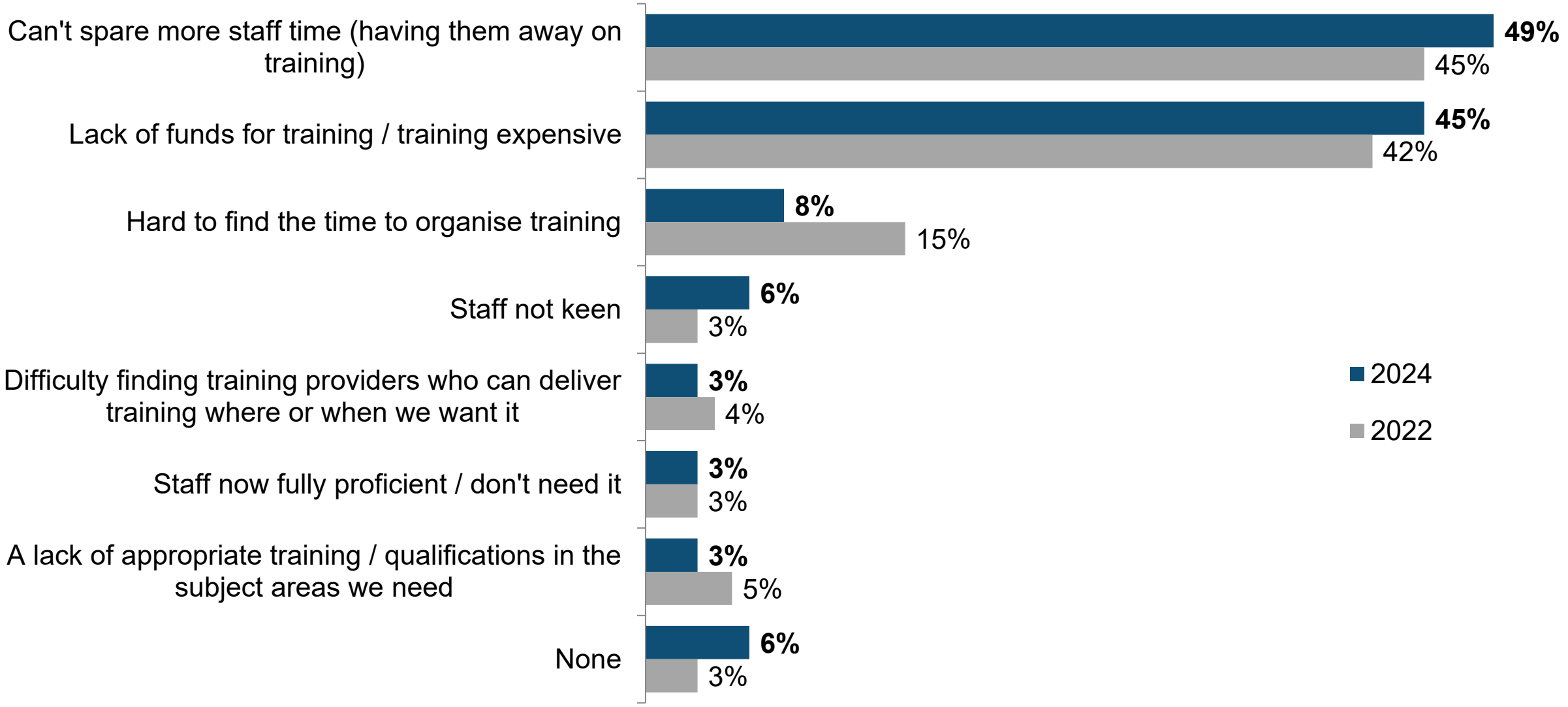
Around 7 in 10 employers that trained their staff offered online or e-learning training



Any online training or self-learning	77%
Both	41%

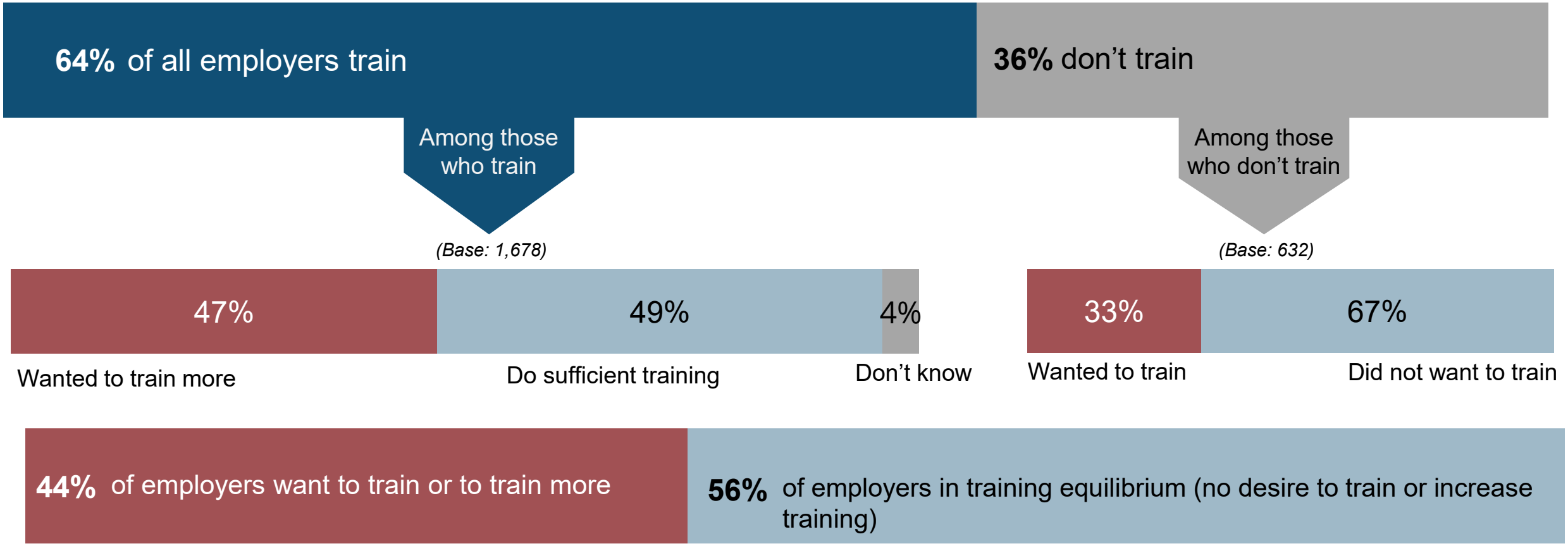
Base: All sites in South East Wales that train (2024: 1,678)

The inability to spare more staff time and a lack of funds for training were the most cited barriers to employers providing more training



Base: All sites in South East Wales who would have provided more training in the past 12 months if they could (2024: 811; 2022: 685)

A majority of employers were content with the amount of training that they provide



*Note training employers responding 'Don't know' (4%) have been included in the group 'Want to train more' on the final measure

Base: All sites in South East Wales (2,310). Note, the percentages may not sum to 100% due to rounding.

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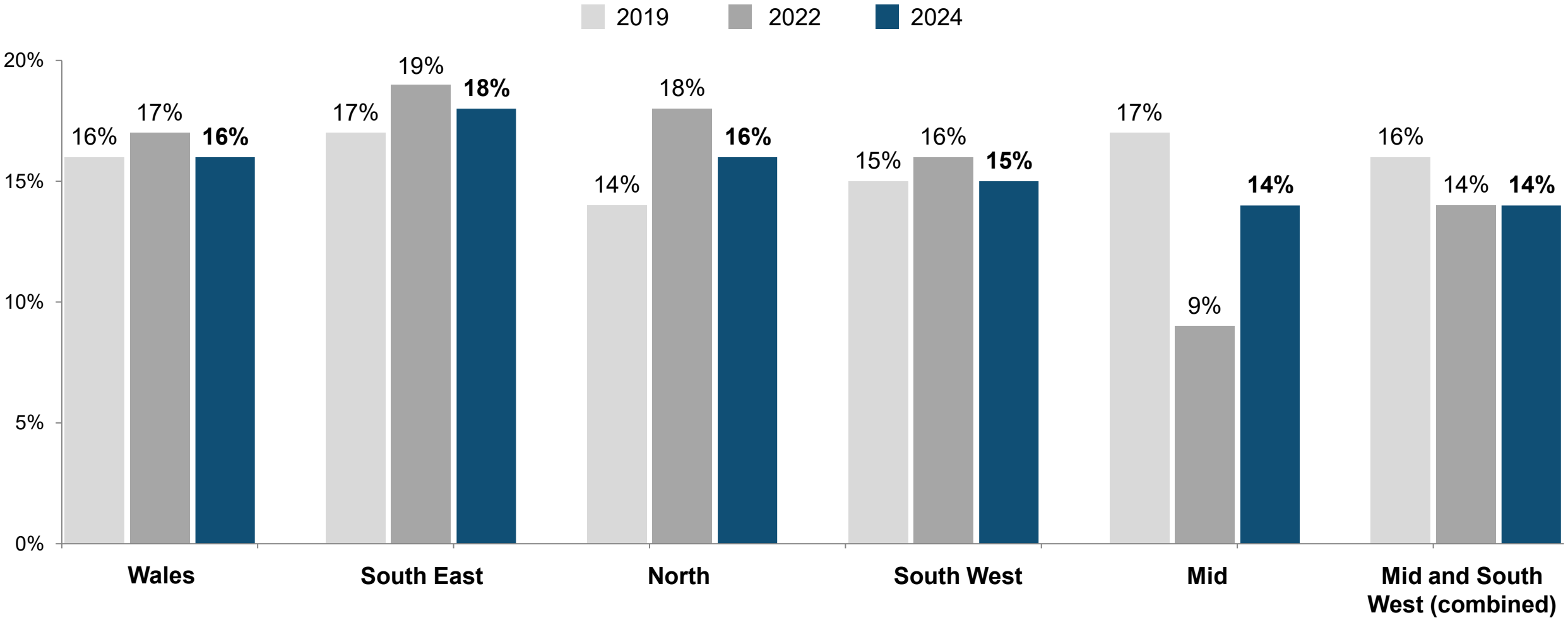
Apprenticeships

Department for Education

IFF Research

The proportion of employers who offered apprenticeships was similar to previous years across the Welsh regions



Base: All sites in Wales (Module A) 2024: 1,379; 2022: 1,239; 2019: 1,704. 2024 regional base size ranges from 181 in Mid Wales to 568 in South East Wales.

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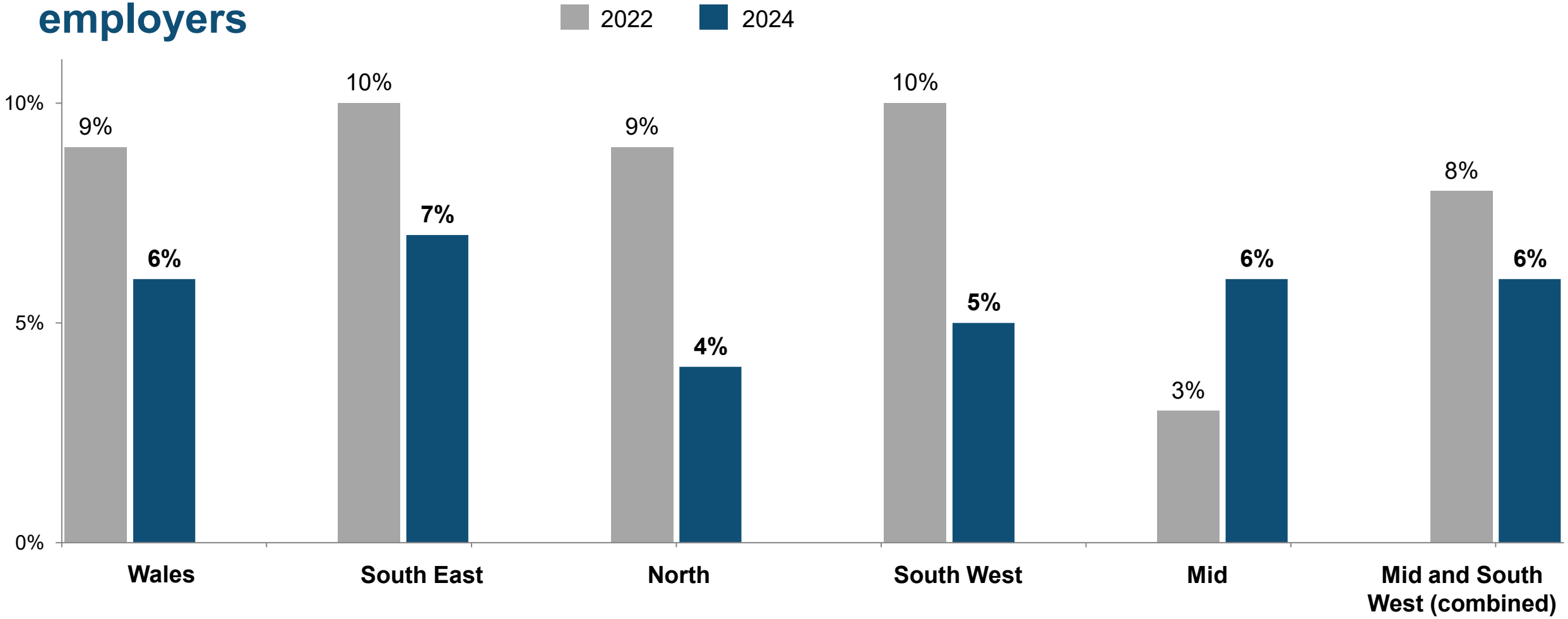
High Performance Working Practices

High Performance Working (HPW) practices are practices recognised to ensure employee skills are harnessed, nurtured and used to their best effect

Department for Education

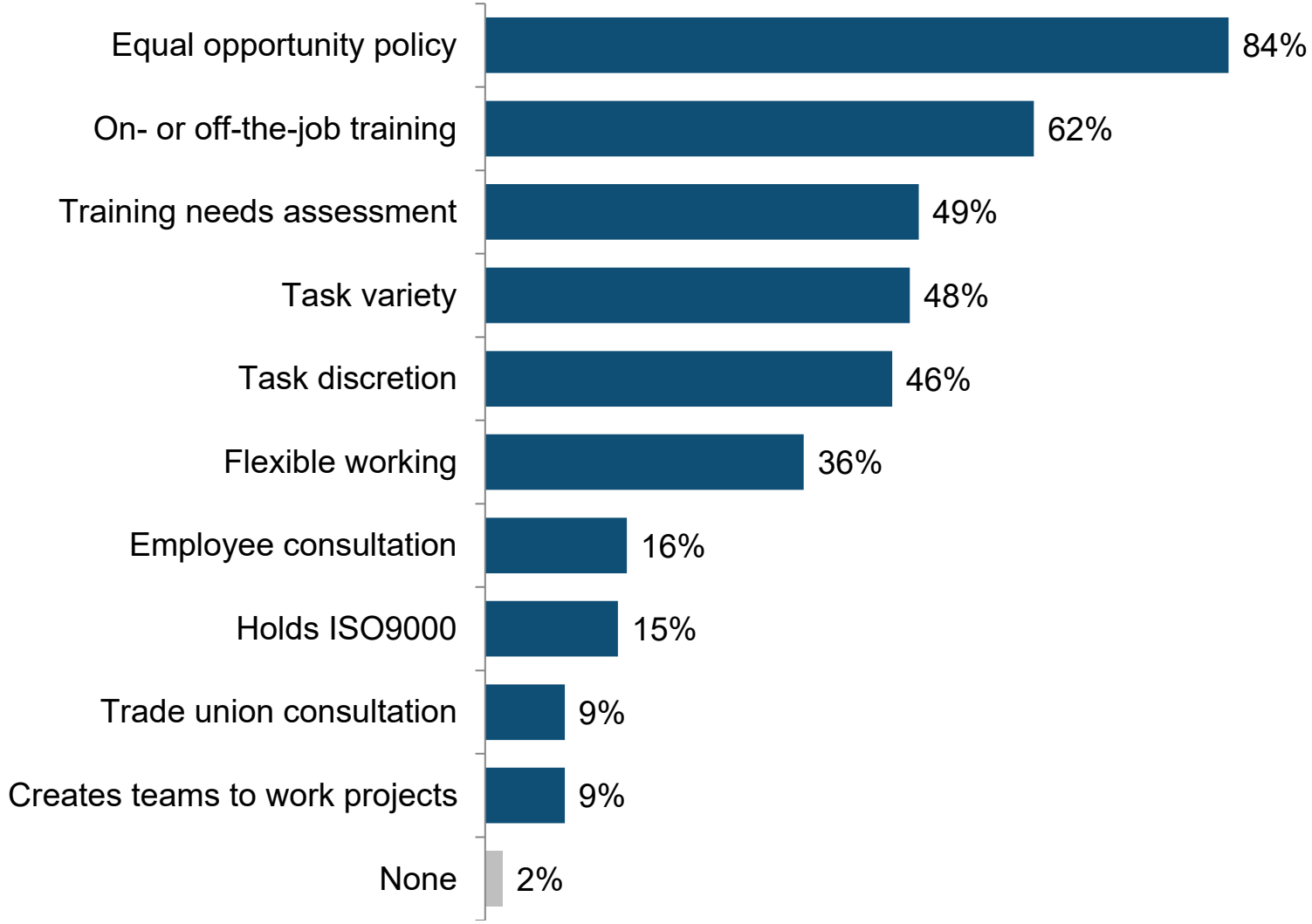
IFF Research

The proportion of HPW employers in South East Wales was in line with Wales overall. Employers in North Wales were least likely to be HPW employers



Base: All sites in Wales (Module D) 2024: 1,396; 2022: 1,153. 2024 regional base size ranges from 190 in Mid Wales to 595 in South East Wales.

The most common HPW practice implemented by employers was having an equal opportunity policy



7%

were HPW employers (defined as having 7 of 10 HPW measures in place)

4 practices

was the average number of HPW practices adopted

Base: All sites in South East Wales (Module D) (595).

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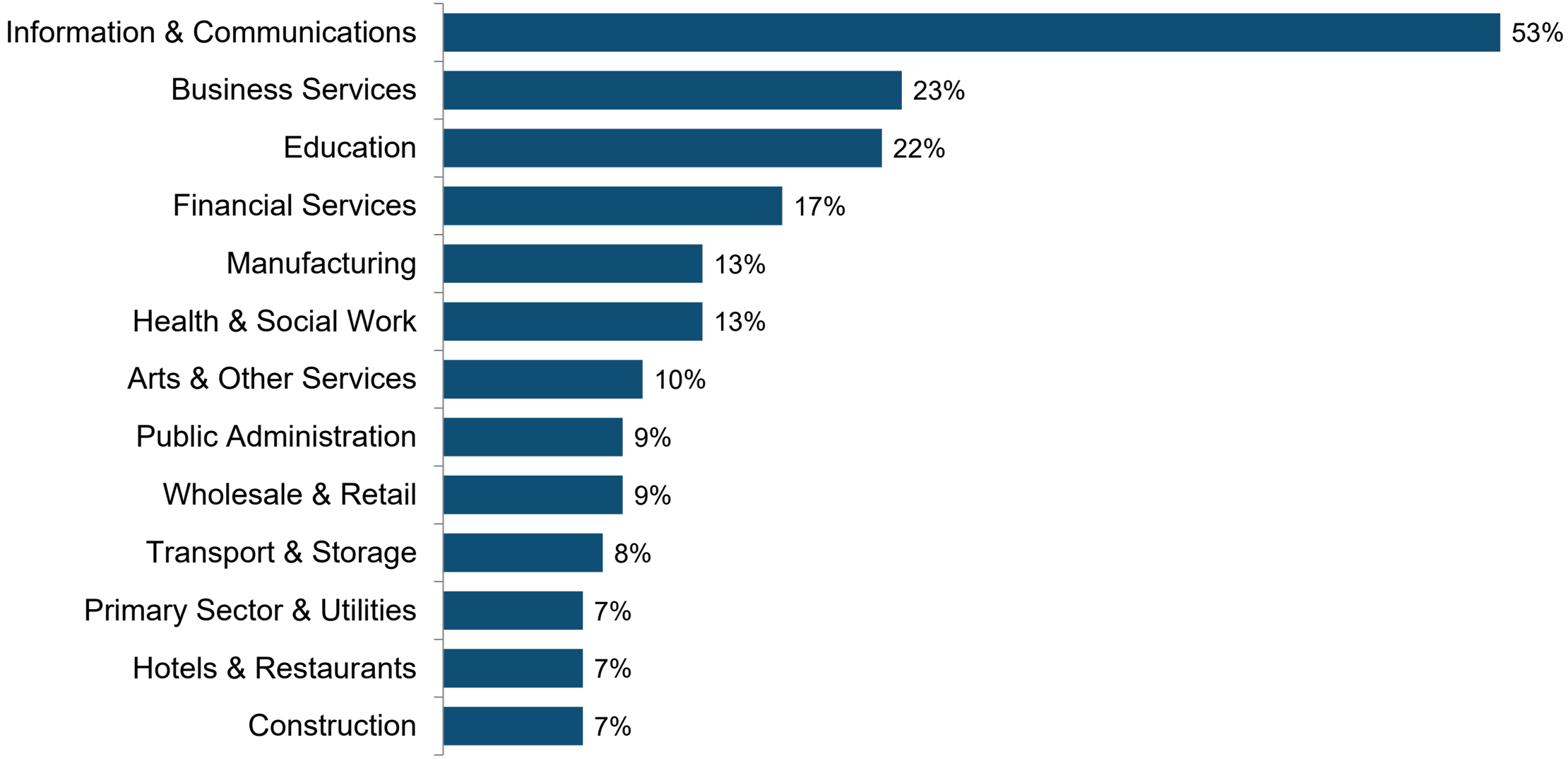
Current and planned use of Artificial Intelligence (AI)

Department for Education

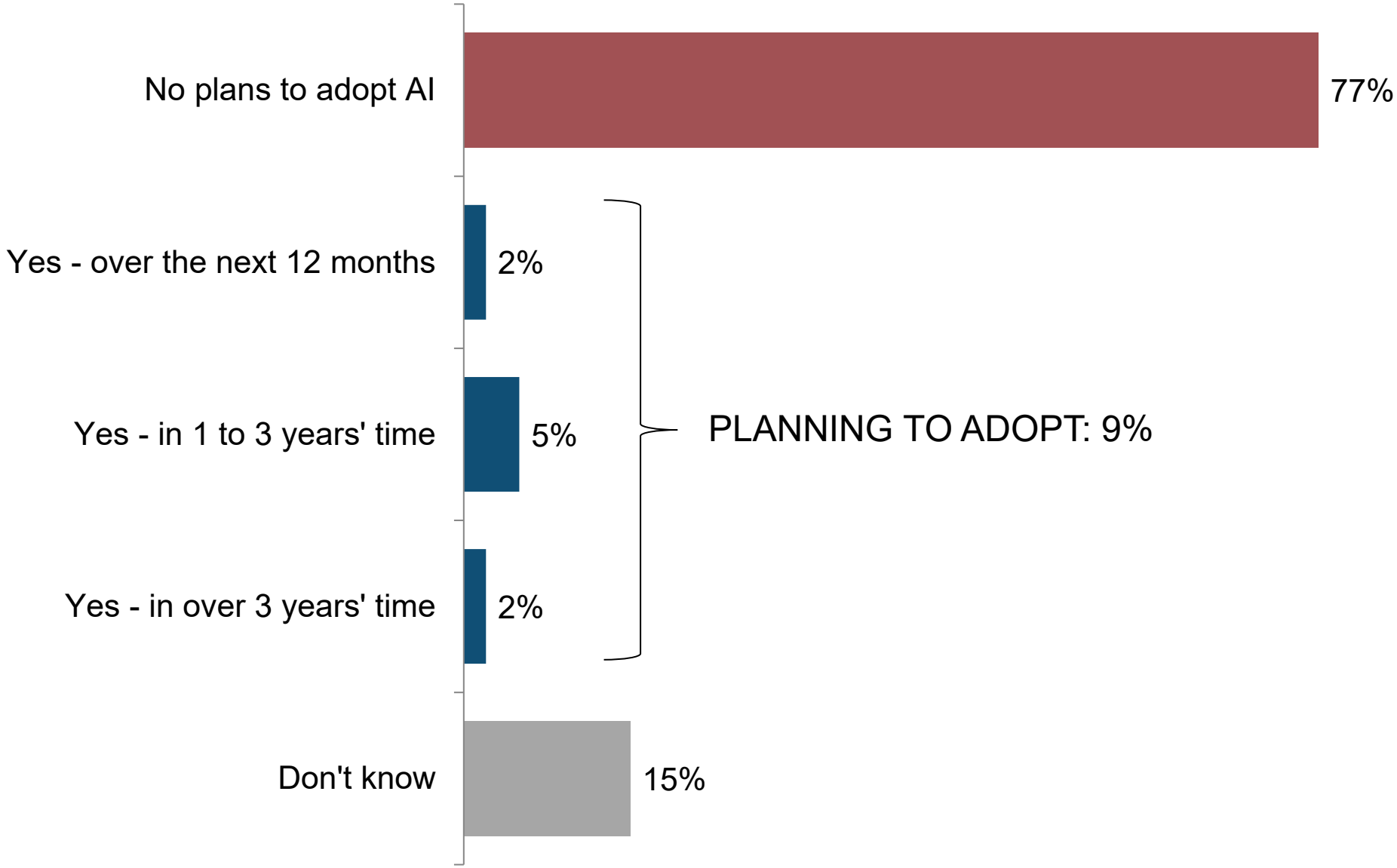
IFF Research

More than half of employers in the Information & Communications sector were using AI, more than twice as many as any other sector



Base: All sites in South East Wales (base sizes range from 34 in Public Admin. to 458 in Wholesale and Retail).
Where base sizes are between 30 and 49, an asterisk has been included next to the data value.

Most employers not using AI had no plans to adopt it



Base: All sites in South East Wales that do not use Artificial Intelligence (AI) (1,902)

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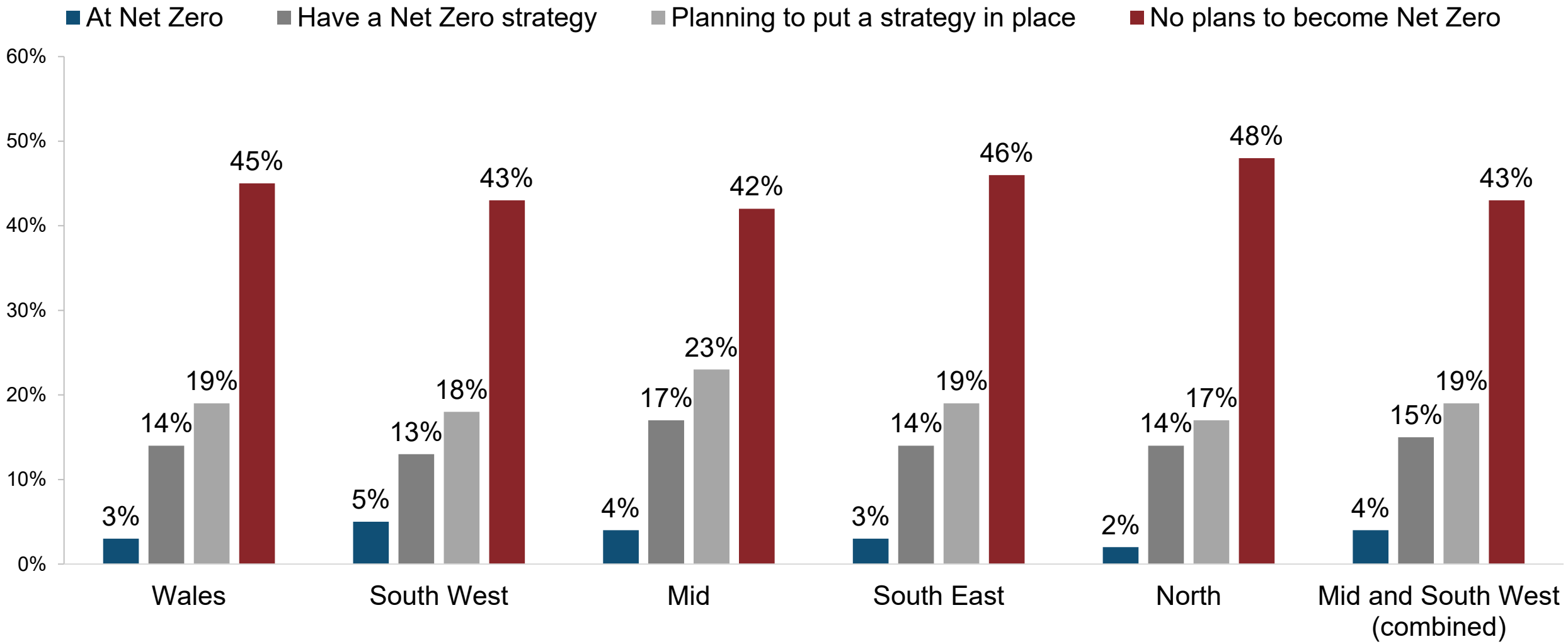
Net Zero

Department for Education

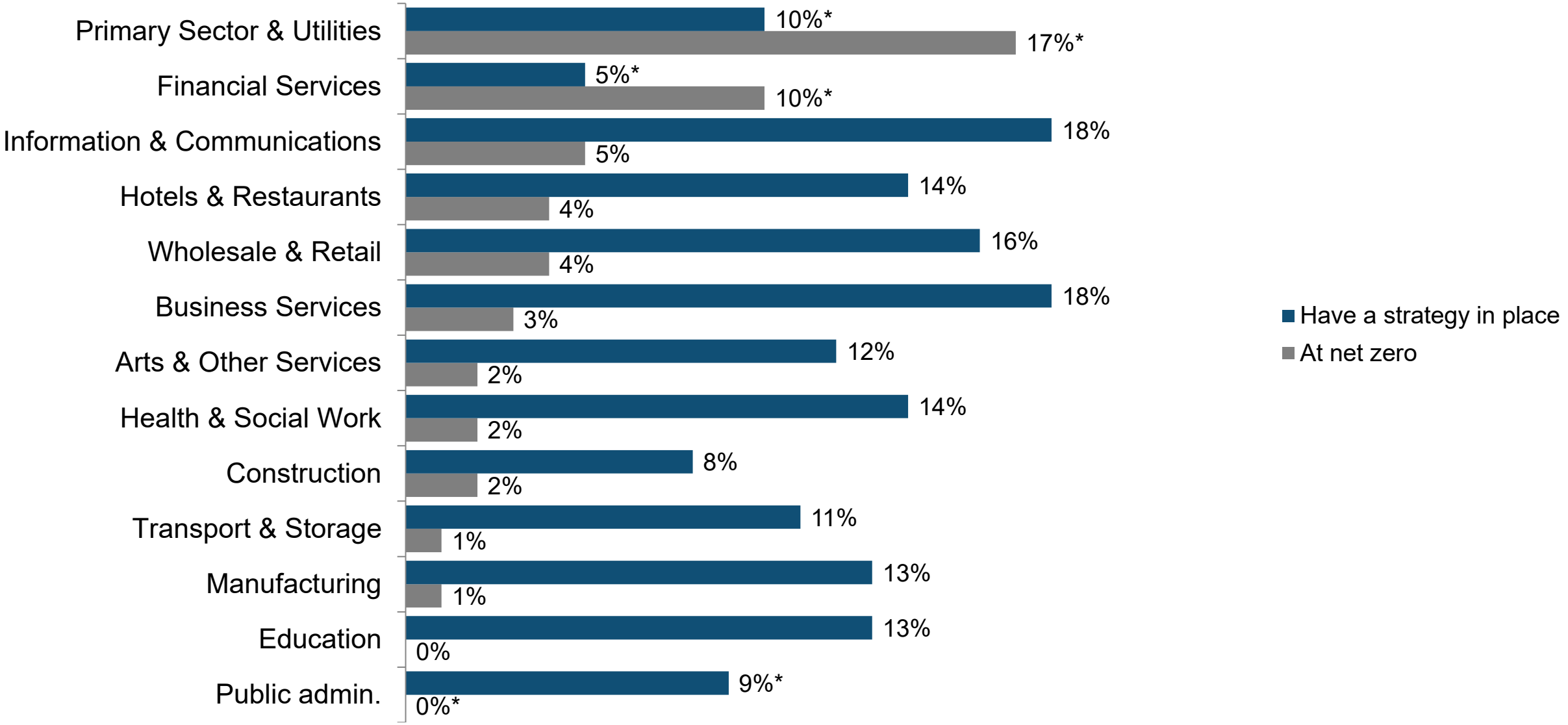
IFF Research

The proportion of employers in South East Wales that had a Net Zero strategy was consistent with Wales as a whole, but lower than Mid Wales



Base: All sites in Wales (5,605). Regional base size ranges from 717 in Mid Wales to 2,310 in South East Wales.

Primary Sector & Utilities employers were most likely to be at Net Zero already



Base: All sites in South East Wales (2,310). Sector base sizes range from 34 in Public Admin. to 458 in Wholesale and Retail).
Where base sizes are between 30 and 49, an asterisk has been included next to the data value. Results should be interpreted with caution.

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Summary and conclusions

Department for Education

IFF Research

Summary of Findings – 1

- **ESS 2024 found a lower proportion of employers in South East Wales with vacancies (19% vs. 24% in 2022)**. **Skill-shortage vacancies (SSVs) affected a smaller proportion of employers than in 2022** (7% vs. 10% in 2022), although they made up nearly a third of all vacancies (32%) as was the case in 2022 (35%).
- Among those whose hard-to-fill vacancies were all SSVs, **almost all (94%) reported that these had an impact on their organisation**, similar to the proportion in 2022 (97%). As in previous years, the most common impact was **increased workloads for other staff** (88%).
- The proportion of employers reporting skills gaps (14%) and the density of skills gaps (4.5%) **remained similar to previous years**. **South East Wales had the highest skills gap** density of the Welsh regions (4.5% vs. 3.3% to 3.4% in other regions).
- **Employers in Arts and Other Services, Financial Services* and Hotels and Restaurants had the highest density of skills gaps** (9.7%, 7.5% and 7.1% respectively). In line with the Wales average, **the occupation with the largest skills gap density was Elementary occupations** (6.8%)**.**
- **As in 2022, a large proportion of skills gaps were caused, at least partly, by transient causes (79%),** such as being new to the role and not having completed their training yet. For **13% of employers, skills gaps had a major impact on the organisation**, with a further 51% reporting a minor impact. The most common impact being an increased workload for other staff (51%). As in 2022, the most common action taken to overcome skills gaps was to **increase training activity, spending or programmes (66%)**.
- Nearly **a third (31%)** of **sites in South East Wales had staff who were underutilised** in their current job role, a decrease from 37% in 2022.

*Note Financial Services had a low base size of 38, results should be treated with caution.

Summary of Findings – 2

- **The proportion of employers that had provided training in South East Wales in the last 12 months was higher than Wales as a whole (64% vs. 60%)** and was similar to 2022 (63%). The proportion of staff who had received training increased from 61% in 2022 to 64% in 2024. Employers in South East Wales offered **the highest number of training days per trainee** (8.0 days) and **per employee** (5.1 days) of all the Welsh regions.
- Employers in the Health and Social Work sector trained the highest proportion of their staff (88%), whereas staff in **Public Admin** (32%) and **Information and Communications** (33%) sectors were **least likely to have received training**. By occupation, **Caring, Leisure & Other Services staff** (92%) and **Associate Professionals** (81%) were the occupations most likely to receive training while **Machine Operatives were least likely** (47%).
- **Around a fifth (18%) of South East Wales employers currently had or offered apprenticeships,** in line with the Wales average (16%).
- In South East Wales, **3% of employers were at Net Zero and 14% had a Net Zero strategy in place**. The **Primary Sector & Utilities* (17%)** was the most likely to be at Net Zero compared to other sectors, while the **Business Services sector (18%)** was more likely to have a strategy in place to become Net Zero in South East Wales.
- One in seven (14%) employers used AI, with **employers in the Information and Communications sector (53%) by far the most likely to do so**. Among those who did not use AI, over three-quarters (77%) had no plans to do so.
- The proportion of employers in South East Wales who were **considered to be High Performance Working employers was 7%, in line with the Wales average** of 6%.

*Note Primary Sector & Utilities had a low base size of 49, results should be treated with caution.

Conclusions

- ESS 2024 highlights some of the recruitment challenges that employers face in South East Wales relative to Wales overall. Results reflect a cooling of the labour market after a rapid increase in vacancies as the Welsh economy emerged from the COVID-19 pandemic period. Vacancies have decreased, while the challenge around the skills supply has lessened slightly, though the proportion of all vacancies that are SSVs in South East Wales remains above the level seen in the years 2013 to 2019.
- In terms of the internal skills picture, the proportion of employers with skills gaps was at similar levels to the years 2017 to 2022, as was the density of skills gaps. Skills challenges continue to be detrimental to employers in South East Wales, with the most common reported impact continuing to be an increased workload for the existing workforce.
- Training and workforce development can be a means of addressing skills challenges. Employers in South East Wales were more likely to have reported providing training to their staff in the past 12 months than any other Welsh region, although the proportion of employees receiving training in the past 12 months was in line with results across Wales overall.
- The proportion of employers offering apprenticeships in South East Wales has remained consistent with 2022.
- Looking at employer practices, a minority in South East Wales were considered to be High Performance Working (HPW) employers. Around 1 in 7 (14%) were using Artificial Intelligence (AI). A minority were also either at Net Zero (3%) or had a Net Zero strategy in place (14%).