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# Employer Skills Survey 2024

# Mid and South West Wales Report

Mae'r ddogfen yma hefyd ar gael yn Gymraeg.

This document is also available in Welsh.

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# Employer Skills Survey 2024: Mid and South West Wales Report

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Views expressed in this report are those of the researcher and not necessarily those of the Welsh Government

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# Glossary

### Site (also referred to as workplace, business, employer or site)

A single location of an organisation – for this survey all have at least two people working at that location.

### Sector

Sector definitions are based on Standard Industrial Classification (SIC) 2007 codes.

### Occupations

Occupational definitions are based on Standard Occupational Classification (SOC) 2020 codes.

### Vacancy density

Vacancies which are proving difficult to fill, as defined by the site (from the question: “Are any of these vacancies proving hard to fill?”).

### Skill-shortage vacancy (SSV)

A specific type of hard-to-fill vacancy that occurs when an employer cannot find applicants with the required skills, qualification, or experience to do a job.

### SSV density

The number of SSVs as a proportion of all vacancies.

### Skills gaps

Skills gaps exists when an employer thinks a worker does not have enough skills to perform their job with full proficiency. Skill gaps apply to existing employees.

### Skills gaps density

The number of employees that lack full proficiency as a proportion of all employment.

**Under-use of skills (skills under-utilisation)**

An employee's skills are under-used / underutilised if the employer reports a person has both skills and qualifications that are more advanced than required to perform the job role they are currently in.

**Off-the-job training**

Training beyond that which takes place on-the-job or as part of an employee's normal work duties. It can be undertaken at the employer's premises or off the premises as long as it is funded and arranged by the employer.

**On-the-job training**

Training that the employer funds or arranges that takes place where the employee normally works (for example, at their desk). This would be activities recognised as training by staff rather than the sort of learning by experience which could take place all the time.

# 1. Introduction

## 1.1 Background

This document provides a summary of key findings among employers in Mid and South West Wales from the Welsh Government and Department for Education's Employer Skills Survey (ESS 2024), a large survey of employers which provides a definitive picture of the extent, nature and impact of skills challenges faced by employers.[1]

From 2010 to 2017, ESS sat alongside the Employer Perspectives Survey (EPS) to produce insights that complemented each other. The focus on EPS was primarily outward-looking, covering provision of and engagement with the wider skills system, while ESS was more inward-looking, assessing the current skills position and skills needs of employers. Since the 2019 survey, the EPS content has been incorporated into ESS (i.e., this is the second ESS in the series to include questions formerly asked in EPS).

## 1.2 Methodology

The ESS 2024 questionnaire was largely consistent with 2022, in order to maintain comparability with the wider time series. However, some changes were made to cover new topic areas of policy interest - Artificial Intelligence usage and Net Zero plans. The survey population comprised individual sites with at least two employees on the payroll, meaning sole traders were excluded. The population covered employers from all sectors of the economy (private, public and third sector).

The sampling unit was at a site level, rather than at an organisation / company level. This is in recognition of the influence that local labour markets have on skill issues and the fact that skills issues are felt most acutely at the site level. Market Location, a commercial provider of employer contact details, was used as the principal sample source for ESS 2024, supplemented with 'top up' sample ordered directly from the ONS Inter-Departmental Business Register (IDBR).

Telephone interviews were conducted between June 2024 and January 2025. A total of 1,945 interviews were achieved with employers in Mid and South West Wales from 5,605 achieved across Wales overall. Data was collected via Computer-

[1] The principal areas of Wales included in the 'Mid and South West Wales' definition are: Powys, Ceredigion, Pembrokeshire, Carmarthenshire, Swansea and Neath Port Talbot.

Assisted Telephone Interviewing (CATI). Employers were offered the option to be interviewed in Welsh or English.

For further information on the survey methodology, please refer to the accompanying Technical Report or the full Wales Report.

## 1.3 Reporting conventions

The terms ‘site’ and ‘employer’ are used interchangeably throughout this report to avoid excessive repetition.

The survey population is UK employers with employment of two or more; this means employers with at least two people working on payroll including working proprietors. When reporting volume and density measures, we typically refer to ‘employees’ throughout the report rather than employment.

All comparisons referred to in the report commentary are statistically significant at the 95% level of confidence. This applies to comparisons 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 the tables, ‘zero’ is denoted as a dash (‘-’); and an asterisk is used (‘*’) if the figure is larger than zero but less than 0.5%.

Throughout the report, 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 italicised 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 report are taken from responses by employers to the ESS 2024 survey and therefore represent their views.

# 2. Recruitment and external challenges

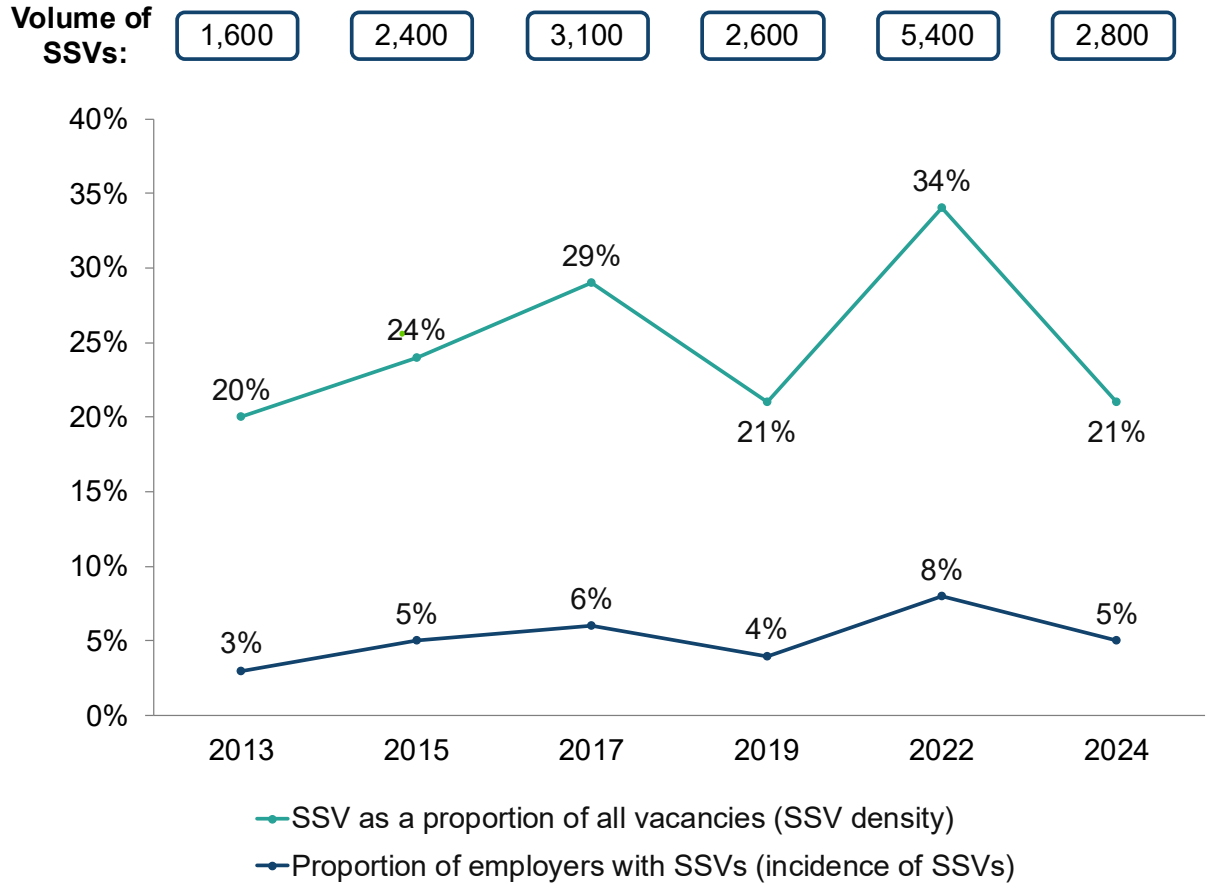
Around 1 in 6 employers (15%) in Mid and South West Wales had vacancies at the time of the survey, which was lower than the proportion across Wales overall (17%). The proportion of employers with vacancies in Mid and South West Wales had decreased compared with 2022 (20%).

When considering vacancies as a proportion of employment (vacancy density), there was around one vacancy for every 25 employees in Mid and South West Wales (3.7%), higher than the proportion in Wales overall (2.8%). Vacancy density in Mid and South West Wales was not significantly different when compared with 2022 (4.5%). The volume of vacancies in Mid and South West Wales decreased from 15,800 in 2022 to 13,100 in 2024.

Although the majority of vacancies were not proving hard to fill due to shortages of applicants with the required skills, qualifications or experience, difficulties recruiting employees due to skill-shortages can be a significant problem for employers. One in 20 (5%) employers in Mid and South West Wales reported having vacancies as a result of skill-shortages in applicants, (skill-shortage vacancies, or ‘SSVs’), slightly lower than the result for Wales overall (6%). The incidence of SSVs in Mid and South West Wales was also lower when compared with 2022 (5% vs. 8% in 2022), as was the case in each Welsh region and the nation as a whole.

Around a fifth (21%) of vacancies were SSVs in Mid and South West Wales, which was notably lower than the figure for Wales overall (28%). This density of SSVs in Mid and South West Wales in 2024 decreased from 34% in 2022. There were around half the number of SSVs in Mid and South West Wales in 2024 (2,800) when compared with 2022 (5,400). A breakdown of the incidence, density and volume of SSVs in Mid and South West Wales over time can be seen in Figure 2-1.

**Figure 2-1 Incidence, density and volume of skill-shortage vacancies in Mid and South West Wales, 2013 to 2024**




Description of Figure 2-1: Line chart showing the incidence and density of SSVs over the 2013 to 2024 period, with text boxes showing the volume of SSVs over this period. The chart shows that each measure increased from 2013 to 2022, with some fluctuation in 2019. Each measure decreased in 2024, with this data broadly in line with 2019. Base: All sites in Mid and South West Wales (2013: 2,016; 2015: 2,104; 2017: 1,726; 2019: 2,340; 2022: 1,721; 2024: 1,945).

The most common skill reported to be lacking among applicants to SSVs in Mid and South West Wales, as in 2019 and 2022, was the specialist skills or knowledge needed to perform the role (contributing to 73% of SSVs), followed by time management and task prioritisation (55%), solving complex problems (47%), and knowledge of relevant products and services (47%). When looking at changes since 2022, the proportion of SSVs affected by broad people and personal skills lacking saw a notable increase, from 55% in 2022 to 72% in 2024. Similarly, some individual skills reported as lacking and affecting SSVs had increased in prevalence since 2022; these included instructing, teaching or training people (contributing to 37% of SSVs in 2024 vs. 15% in 2022), making speeches or presentations (26% vs. 10%),

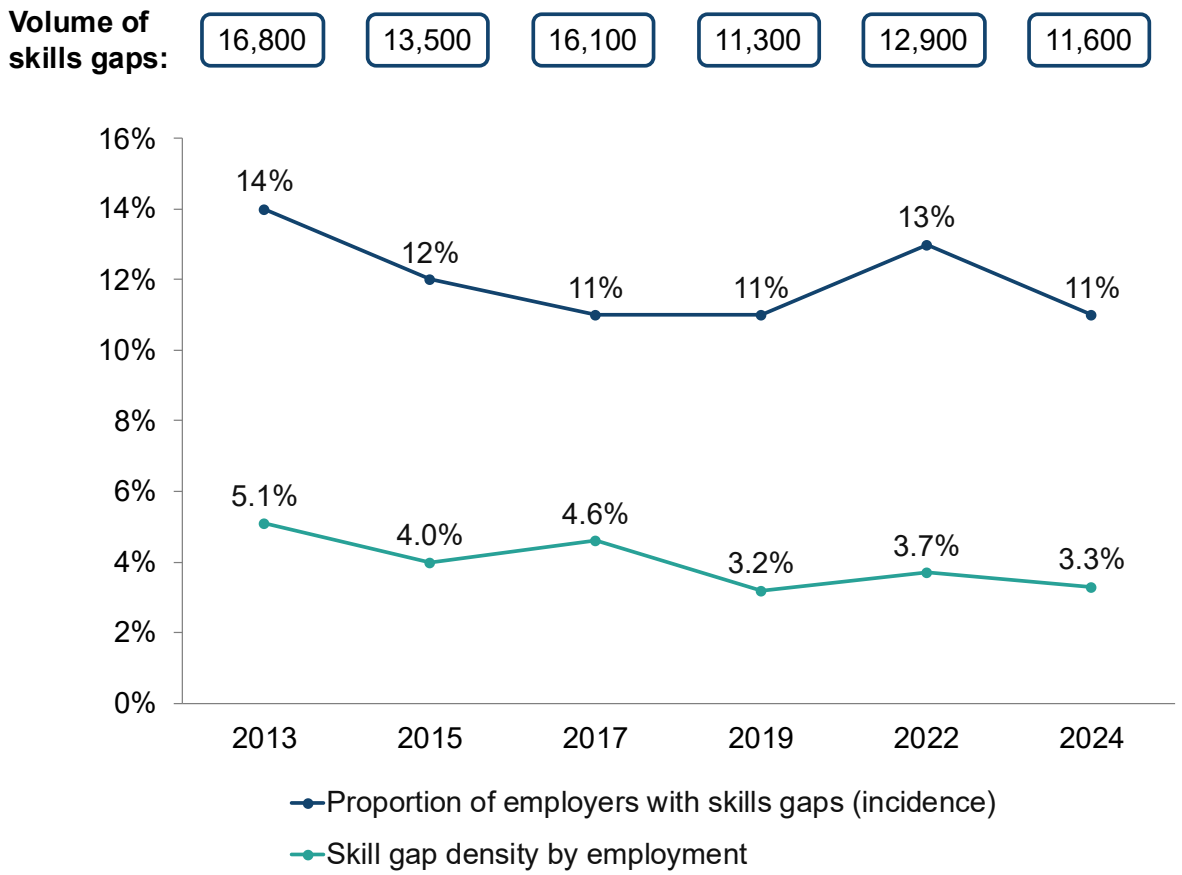
managing time and task prioritisation (55% vs. 40%), and teamworking skills (44% vs. 29%).

By far the most commonly reported detrimental impact of SSVs, as in previous years, was increased workloads for existing employees (89%). This was also the most cited impact in Wales overall (90%). Other reported impacts included increased difficulties meeting customer service objectives (54%), increased operating costs (49%), delays developing new products or services (46%) and losing business or orders to competitors (45%).

# 3. The internal skills challenge

Overall, 11% of sites in Mid and South West Wales reported that they had skills gaps (i.e. at least one member of staff not fully proficient in their role), similar to 2022 (13%). The proportion in Mid and South West Wales was lower than Wales overall (12%) in 2024[footnote 2]. The proportion of the workforce in Mid and South West Wales not considered fully proficient (3.3%) was broadly in line with other regions in Wales, with the exception of South East Wales (4.5%). The volume of staff with skills gaps returned to the level seen in 2019 (11,300 in 2019 and 11,600 in 2024) after an increase in 2022 (12,900). A breakdown of the incidence, density and volume of skills gaps in Mid and South West Wales over time can be seen in Figure 3-1.

**Figure 3-2 Incidence, density and volume of skills gaps in Mid and South West Wales, 2013 to 2024**




Description of Figure 3-1: Line chart showing the incidence and density of skills gaps over the 2013 to 2024 period, with text boxes showing the volume of skills gaps in

[2] Due to different base sizes for particular subgroups or within different years of the ESS survey, some figures may be reported as 'higher' or 'lower' than others (indicating a statistically significant difference) despite the same or smaller percentage point differences when compared to figures reported as being 'consistent' or 'similar', and vice versa.

each year. Each measure decreased since 2013. Base: All sites in Mid and South West Wales (2013: 2,016; 2015: 2,104; 2017: 1,726; 2019: 2,340; 2022: 1,721; 2024: 1,945).

Most (84%) skills gaps were caused in part by factors that can be considered 'transient' causes – causes that will naturally ease over time, such as being new to the role or training only being partially completed. This was consistent with 2022 (84%). Around 3 in 10 skills gaps (29%) were entirely due to transient causes, an increase compared with 2022 (20%). Being new to the role contributed to 71% of skills gaps, while training only being partially completed contributed to 60%. These were also the two most common causes of skills gaps in 2022 (70% and 63% respectively).

The skills most commonly reported as lacking and contributing to skills gaps in Mid and South West Wales were those related to time management and task prioritisation (contributing to 71% of skills gaps) and team working (53%). The most commonly reported technical and practical skill lacking was specialist skills and knowledge required to perform the role (48%). Compared with 2022, skills gaps were more likely to be affected by broad people and personal skills (89% in 2024 vs. 80% in 2022). When looking at specific people and personal skills, the proportion of the workforce reported to be lacking time management and task prioritisation (71% in 2024 vs. 57% in 2022) and team working (53% vs. 46%) skills had notably increased since 2022.

As when looking at the impact of SSVs, the most commonly reported implication of skills gaps was increased workloads for other staff (51%), in line with Wales overall (50%). This was also the most common impact in 2022 (54%).

Overall, 35% of employers had staff with qualifications and skills more advanced than required for their current jobs. This was consistent with the overall Wales result (33%). The proportion of staff who were under-utilised in Mid and South West Wales was 7.8%, similar to 9.8% across Wales as a whole.

Three in 10 employers (30%) in Mid and South West Wales had provided some form of work placement in the last 12 months, a similar proportion to 2022 (27%). This was also consistent with other regions in Wales in 2024. Work placements in Mid and South West Wales were most commonly offered to people in education (22%); 13% offered placements to people at school, 10% offered them to people at college,

while 7% offered them to people at university.

Most employers offering some form of work placements reported doing so for altruistic reasons (69%), with giving people experience (52%) and moral reasons / benefitting young people (19%) being the most commonly cited altruistic reasons. Among those that did not offer work placements or other work-related experiences, the most commonly reported reasons for not doing so were structural reasons (65%), including not having suitable roles (25%).

# 4. Training and workforce development

Under 6 in 10 (55%) employers in Mid and South West Wales reported arranging or funding training for their staff in the last 12 months, consistent with the proportion seen in 2022. This was lower than the overall proportion across Wales overall in 2024 (60%). On-the-job training was more commonly offered than off-the-job training in Mid and South West Wales (45% compared to 36%).

The proportion of staff that received training in the last 12 months in Mid and South West Wales was 63%. This was consistent with 2022 (63%).

Among those that had not provided training in the last 12 months or so, the stand out reason for not doing so, as the case across Wales, was that staff were already considered to be fully proficient (70%), a similar proportion to 2022 (69%).

**Table 4-1 Proportion of employers that trained staff and the proportion of staff trained over the previous 12 months in Wales and the Welsh regions, 2015 to 2024**

| | Employers that train (%) 2015 | Staff trained (%) 2015 | Employers that train (%) 2017 | Staff trained (%) 2017 | Employers that train (%) 2019 | Staff trained (%) 2019 | Employers that train (%) 2022 | Staff trained (%) 2022 | Employers that train (%) 2024 | Staff trained (%) 2024 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Wales** | **63%** | **64%** | **62%** | **58%** | **62%** | **65%** | **60%** | **63%** | **60%** | **64%** |
| Mid / South West | 59% | 65% | 62% | 59% | 60% | 62% | 55% | 63% | 55% | 63% |
| South West Wales | 61% | 63% | 64% | 56% | 61% | 64% | 59% | 63% | 57% | 61% |
| Mid Wales | 54% | 71% | 58% | 67% | 58% | 57% | 49% | 61% | 52% | 67% |
| South East Wales | 66% | 65% | 62% | 58% | 64% | 65% | 63% | 61% | 64% | 64% |
| North Wales | 66% | 60% | 61% | 55% | 63% | 68% | 59% | 65% | 61% | 66% |

Base: All sites in Wales in 2024 (5,605); All sites in Mid and South West Wales in 2024 (1,945). Other base sizes are shown Annex A.

Overall, 220,700 staff were trained in Mid and South West Wales, for a total of 1.2 million training days in the past 12 months. This equated to 5.4 training days per person trained per year (i.e., ‘per trainee’), and 3.4 days per employee (compared to 6.6 days per trainee and 4.2 days per employee in Wales overall). The results were similar to 2022 levels, when 5.6 training days were provided per trainee per year and 3.5 days per employee per year.

The most common type of training offered to employees by employers that provided training was job specific training (83%) followed by health and safety or first aid training (76%) and basic induction training new staff (64%).

Nearly 6 in 10 (59%) employers reported that they were in ‘training equilibrium’, meaning they undertook the amount of training over the previous 12 months that they wanted, which was in line with the overall Wales average (57%). This meant that 41% of employers wanted to deliver more training than they had done over the last 12 months.

## 5. Apprenticeships

Under 1 in 10 (7%) employers had apprentices as employees at the time of the survey, while 8% offered apprenticeships but did not have any apprentices; overall, around 1 in 7 (14%) employers in Mid and South West Wales had apprentices or offered apprenticeships, consistent with the proportion in 2022 (14%).

Just over 1 in 5 (22%) employers in Mid and South West Wales planned to offer apprenticeships in the future. This was a notably lower proportion than in 2022 (34%), a decrease that was reflected across Wales and the rest of the UK.

# 6. High performance working practices

A minority (6%) of employers in Mid and South West Wales were classed as High Performance Working (HPW) employers, meaning they adopted 7 out of the 10 High Performance Working practices that were included in the survey. This was in line with the proportion of HPW employers across Wales as a whole (6%).

The most common HPW practice implemented by employers was having an equal opportunity policy (71%, however this was lower than 78% in Wales overall) followed by on- or off-the-job training (55%) and task variety (49%). Compared with 2022, employers were less likely to have an equal opportunity policy in place (71% in 2024 vs 79% in 2022). Figure 6-1 outlines the prevalence of HPW practices in 2022 and 2024.

**Figure 6-3 Prevalence of High Performance Working Practices in Mid and South West Wales, 2022 to 2024**

Description of Figure 6-1: Bar chart showing the prevalence of high performance working practices among employers in Mid and South West Wales over the period 2022 to 2024. In both years, having an equal opportunity policy was the most common HPW practice. Base: All sites in Mid and South West Wales in Module D: 2024: 473; 2022: 394.

# 7. Artificial Intelligence

In order to understand how employers are engaging with Artificial Intelligence (AI), new questions were introduced in the 2024 survey which asked employers about their use of AI.

Around 1 in 9 (11%) employers in Mid and South West Wales said their site currently uses AI. This was in line with results across Wales as a whole (12%).

Among those sites currently using AI, 7 in 10 (71%) had started using it in the past 12 months, around 1 in 6 (16%) had been using it for 1 to 3 years, while 1 in 10 (10%) had been using it for more than 3 years. Most (86%) said they would be embedding AI into their site's processes and operations to at least some extent over the next 3 years; this was a similar proportion to the other Welsh regions.

Of those sites not using AI, most (82%) had no plans to adopt it, which was a slightly higher proportion compared with Wales overall (80%).

## 8. Net Zero

A new question was asked in the 2024 survey that asked employers about their Net Zero strategy. Being ‘a Net Zero site’ means that the site’s carbon emissions are equal to, or less than, the amount of carbon being removed from the atmosphere by the site.

Employers in Mid and South West Wales were asked whether they had a Net Zero strategy in place. Overall, around 1 in 6 employers (15%) had a Net Zero strategy in place, while a further 4% said they were already at Net Zero; which was higher than the overall Welsh average of 3%. Around 1 in 5 employers (19%) did not have a strategy in place currently but were planning to implement one. Over two fifths (43%) of employers had no plans to become Net Zero, though a sizeable proportion (19%) were also unsure about their site’s Net Zero plans.

# 9. Conclusions

ESS 2024 shows that vacancies had decreased among employers in Mid and South West Wales compared to previous years. Around 1 in 5 vacancies (21%) in Mid and South West Wales were skill-shortage vacancies (SSVs), down from roughly a third (34%) in 2022. The most common skills reported as lacking among applicants were the specialist skills or knowledge required to perform job roles, time management and task prioritisation skills, and complex problem-solving abilities. Increased workloads for existing staff remain the most frequently reported impact of SSVs.

Skills gaps within the workforce remain at similar levels to previous years. Around 1 in 9 employers (11%) reported having skills gaps within their workforce. Most skills gaps were caused by transient factors such as new hires or incomplete training, but weaknesses in time management and task prioritisation, teamwork, and technical expertise were commonly reported. Broad people and personal skills, including time management and task prioritisation and team working, were more likely to be reported as lacking compared with 2022.

Training activity was consistent with 2022. Just over half (55%) of employers in Mid and South West Wales reported providing training in the past year, with this mainly being job-specific and health and safety or first aid training.

Around 1 in 7 (14%) employers in Mid and South West Wales currently had apprentices at the time of survey or offered apprenticeships, while just over a fifth (22%) planned to offer them in the future, down from 34% in 2022.

A small minority of employers in Mid and South West Wales (6%) were classed as High Performance Working (HPW) employers. Around 1 in 9 employers (11%) reported that they currently use Artificial Intelligence, while around 1 in 6 employers (15%) had a formal Net Zero plan in place, while 4% were already at Net Zero.

## Key findings

| | Mid and South West Wales 2019 | Mid and South West Wales 2022 | Mid and South West Wales 2024 | Wales 2019 | Wales 2022 | Wales 2024 |
|---|---|---|---|---|---|---|
| **Vacancies and skill-shortage vacancies (SSVs)** | | | | | | |
| % of sites with any vacancies | 13% | 20% | 15% | 15% | 22% | 17% |
| % of sites with any hard-to-fill vacancies | 6% | 14% | 8% | 7% | 15% | 9% |
| % of sites with SSVs | 4% | 8% | 5% | 5% | 10% | 6% |
| % of all vacancies that are SSVs | 21% | 34% | 21% | 24% | 35% | 28% |
| Number of vacancies | 12,500 | 15,800 | 13,100 | 40,800 | 58,900 | 35,700 |
| Number of skill-shortage vacancies | 2,600 | 5,400 | 2,800 | 9,800 | 20,600 | 10,100 |
| **Skills gaps** | | | | | | |
| % of sites with any staff not fully proficient | 11% | 13% | 11% | 13% | 14% | 12% |
| Number of staff not fully proficient | 11,300 | 12,900 | 11,600 | 50,900 | 51,500 | 50,400 |
| % of staff not fully proficient | 3.2% | 3.7% | 3.3% | 4.0% | 4.1% | 3.9% |
| **Training** | | | | | | |
| % of sites training any staff over the last 12 months | 60% | 55% | 55% | 62% | 60% | 60% |
| % of sites providing off-the-job training in the last 12 months | 43% | 33% | 36% | 45% | 36% | 40% |
| % of workforce trained | 62% | 63% | 63% | 65% | 63% | 64% |
| Total days training | 1.2m | 1.2m | 1.2m | 4.2m | 5.3m | 5.4m |
| Training days per trainee | 5.6 | 5.6 | 5.4 | 5.1 | 6.8 | 6.6 |
| Training days per employee | 3.5 | 3.5 | 3.4 | 3.3 | 4.2 | 4.2 |
| **Apprenticeships** | | | | | | |
| % of employers who currently had apprentices on site or offered apprenticeships | 16% | 14% | 14% | 16% | 17% | 16% |

| | | | | | | |
|---|---|---|---|---|---|---|
| % of employers planning to offer apprenticeships in the future | 27% | 34% | 22% | 27% | 35% | 24% |

# Annex A: Base Sizes

**Unweighted base sizes for all sites in Wales (2013 – 2024)**

| | 2013 | 2015 | 2017 | 2019 | 2022 | 2024 |
|---|---|---|---|---|---|---|
| **Wales** | **5,996** | **6,027** | **5,913** | **6,773** | **4,825** | **5,605** |
| **Region** | | | | | | |
| North Wales | 1,580 | 1,528 | 1,584 | 1,666 | 1,193 | 1,350 |
| Mid Wales | 717 | 742 | 605 | 793 | 694 | 717 |
| South East Wales | 2,400 | 2,395 | 2,603 | 2,767 | 1,911 | 2,310 |
| South West Wales | 1,299 | 1,362 | 1,121 | 1,547 | 1,027 | 1,228 |
| Mid / South West Wales | 2,016 | 2,104 | 1,726 | 2,340 | 1,721 | 1,945 |