



# Cooking up Growth, Serving up Talent

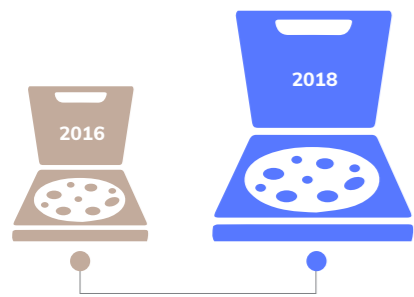
In the takeaway sector

2019

# Introduction

The Cooking up growth, Serving Up Talent report provides a snapshot of the valuable economic, social and cultural contribution made by the takeaway sector to the UK. Based on research conducted by Retail Economics and Prevision in 2019, the report examines the entrepreneurial opportunity the sector presents, the huge steps takeaway restaurants have taken to respond to changing consumer appetites and the challenges posed by government regulation, which threatens to stifle a vibrant sector.

## Cooking up growth



**37,732**  
dedicated  
takeaways  
— across the UK

**2x** takeaway sector growth over the last three years

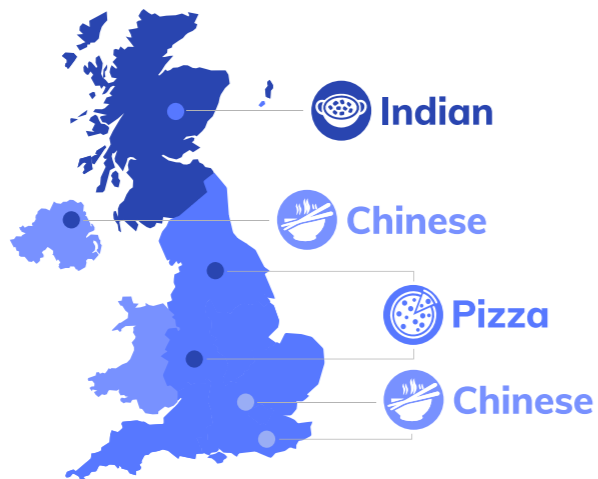
**1/3**  
takeaways, restaurants and cafes in the UK use online apps



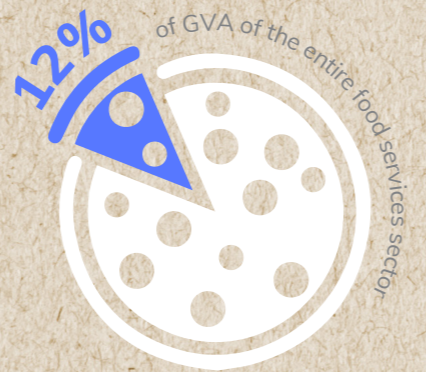
### Regional favourites

**TAKEAWAY**  
**£12.5 billion**

Total UK spending on takeaway in 2018



**£5.9 billion**  
additional value in 2018



**40%**  
of takeaway owners are first-time entrepreneurs

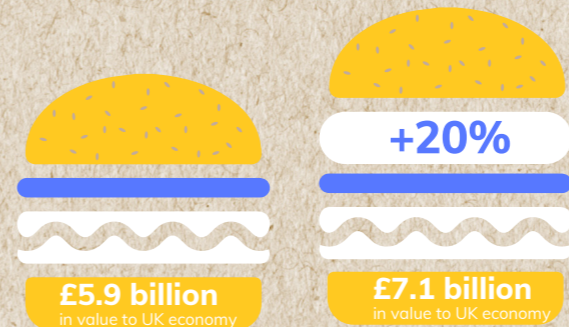
## A hotpot of entrepreneurs

**286,798**  
**J** **BS**

in the takeaway sector

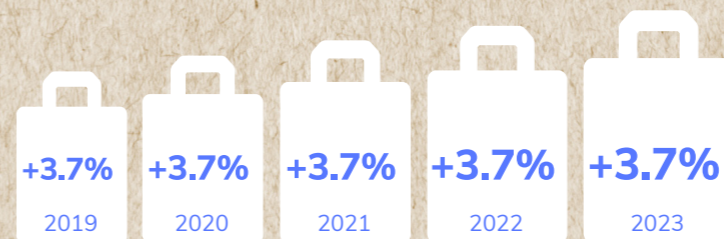


**30%** of takeaways employ more than 10 staff



consumers spent **£12.5 billion** in 2018

consumer spending on takeaways is forecast to rise to **£15 billion** by 2023



Takeaway market set to grow over the next five years

## Serving up talent in the future

The **catering and hospitality T-level** is expected to be in effect by **2023**



**Chefs** are the most **in-demand** skilled trade in the UK

**Chefs** are included on a

Shortage Occupation List, which prioritises professions that are in demand, but are required to earn over **£29,570**

# About the research

The research for this report was conducted by Retail Economics, an independent economics consultancy, using industry-standard macroeconomic models to quantify the economic contribution of the UK takeaway sector to the UK economy. The models use data from the Office for National Statistics, the Business Register and Employment Survey, the Labour Force Survey, the Annual Survey of Hours and Earnings, HMRC and proprietary data from Retail Economics.

A survey of 300 takeaway owners from across the UK was also conducted by Prevision. Interviews took place between the 10 July to the 24 July 2019.

Data was also supplied by Just Eat.

The takeaway sector is defined as any restaurant, café, takeaway or eating establishment offering food to consumers, either for home delivery or for collection to consume off the premises. Where establishments sell both eat-in and takeaway services, only the takeaway aspects of the business have been considered.

# Foreword By Ibrahim Dogus

Chair, British Takeaway Campaign



I first moved to the UK in 1994, when I was 14, as a Kurdish refugee from Turkey who could speak very little English. I began my new life in London washing dishes in restaurants in which I couldn't even afford to eat the starter. Then I got an evening job as a waiter while studying, saving for years before eventually being able to open my first restaurant, Troia. After four years of 16-hour days, seven days a week, I was able to buy the restaurant next door. Now I own three restaurants, employ 60 people and recently had the honour of becoming Mayor of Lambeth. Like many people who come to London and make it their home, supporting and championing my local community is something extremely close to my heart. With the support of colleagues and partners, we have just opened a café, With Love, a not-for-profit coffee shop, which will support homeless people in London.

My story is the perfect example of the entrepreneurial spirit behind every takeaway restaurant owner, who drive a thriving, vibrant sector to success. The research conducted for this report shows the true extent of the economic, social and cultural contribution the takeaway sector makes.

Over the last three years, the takeaway sector has transformed. Go back twenty years or so and the choice of food-to-go on the local high street was typically limited to just a few cuisines – an Indian curry, an Italian pizza, a Chinese Chow Mein, an American burger or some fish-n-chips. Now over 100 cuisines are available at a click of a button – from Japanese sushi or Kurdish kebabs to Lebanese mezze and Ghanaian jollof rice – so many UK towns and cities have food from all corners of the world available on their doorstep. This transformation has meant that the takeaway sector has grown at almost twice the rate of the overall economy, with total spending rising to £12.5 billion in 2018, an increase of 18% since 2015. This has led to an increase of approximately 13,000 jobs since 2015 – for many, just like it did for me, the takeaway sector acts as a gateway employer offering first-time employment, training and a career path for entrepreneurs.

This entrepreneurial spirit results in a disproportionate contribution to the economy: demand for takeaways is estimated to have added £5.9 billion in value to the UK economy in 2018 and £307 million in direct taxes to UK Government.

It is not a straight road to success however. The takeaway sector and its thousands of business owners needs Government support if it's to continue to grow.

The research in this report shows the scale of the challenges threatening to dampen the entrepreneurial spirit of the sector. Access to specialist chefs has long been a problem. The art of operating a tandoor oven, which reach temperatures of 500 degrees, is something Bangladeshi chefs learn over many years. Sushi chefs easily spend ten years honing their craft before they're considered a master. It's these specialist skills that mean takeaway restaurants need to be able to recruit employees from outside the UK. As the new Government considers what our future immigration policy looks like, I urge Ministers to consider the needs of businesses which make such a high contribution to the UK, and which will simply go out of business if they cannot recruit the people they need.

Encouraging more British people into the sector must also be a priority. The BTC is proud to support the Government's ambition to introduce the Catering T-level and sits on the board tasked with shaping the curriculum. This report makes a number of suggestions as to how the Government can ensure technical education is successful so that more British people of any age, ethnicity or background, can be upskilled and enter a sector which provides more opportunity to own your business than any other.

The BTC, which I am delighted to chair, will continue to campaign to safeguard our industry's future success. My hope is that Government will work with us to ensure this thriving sector can continue to serve the UK.



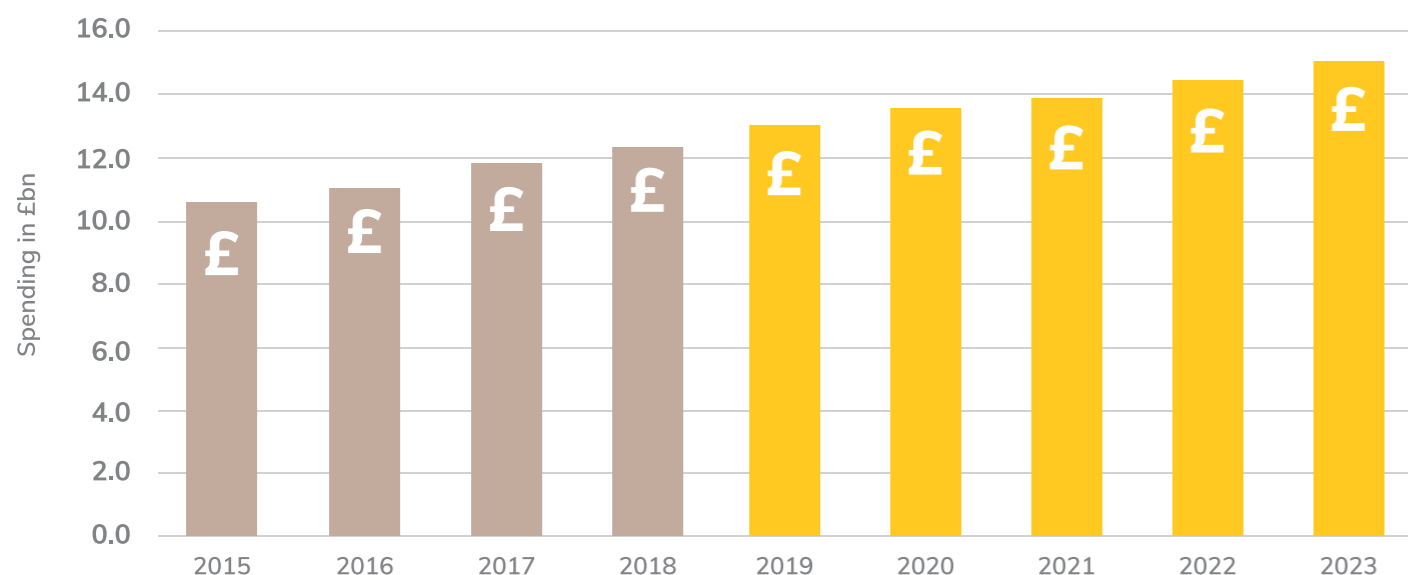
# The takeaway sector: cooking up growth

The takeaway sector is undergoing a period of unprecedented change. Thanks to busier lifestyles and unparalleled convenience, consumers purchase food more frequently from a wider range of outlets.

The diversity of choice when it comes to cuisines is greater than ever before and technological advancement means that consumers can order Vietnamese noodle soup, Kurdish kebabs, Kenyan barbeque or fish and chips at times and locations to suit busier and healthier lifestyles.

Online apps, along with increasing choice and quality has powered growth in a sector, which makes an important contribution to the economy in terms of jobs, taxes and value generation. Over the last three years, the takeaway sector has grown at almost twice the rate of the overall economy and total consumer spending on takeaways has risen to £12.5 billion in 2018, up from £10.6 billion in 2015.

£12.5 billion was spent on takeaways in 2018



In response to demand from consumers, the number of dedicated takeaways is estimated to have risen to 37,732 in 2018, from 30,189 in 2015.

The average household spent £38 per month on takeaways in 2018, an increase of 15% since 2015, with takeaways now accounting for almost

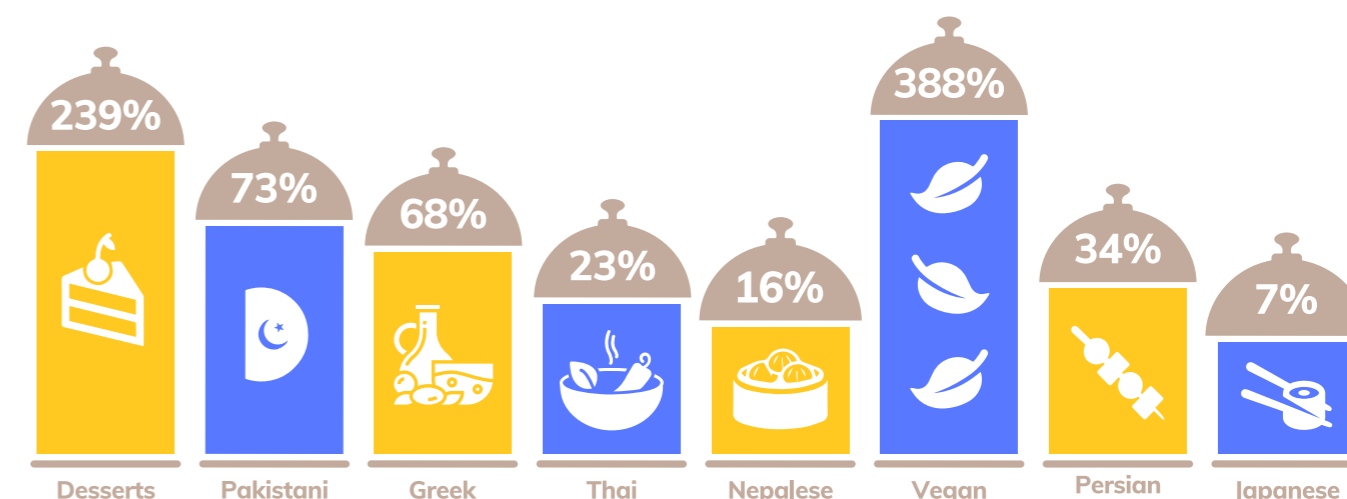
The sector has responded quickly to the changes in consumer appetites. Vegan orders have increased by 388% between 2016 to 2018. The increasing popularity of Persian food has seen growth of 34% in the same time frame, while the number of Nepalese takeaway restaurants has increased by 16%.

## Driven by Digital

Technology has been central to the growth of the sector, providing new and innovative routes to market for small, independent takeaway restaurants. Almost 35,000 takeaways and restaurants now use online apps.

**1/3**  
takeaways, restaurants and cafes in the UK use online apps

## Some of the fastest-growing cuisines 2016-2018

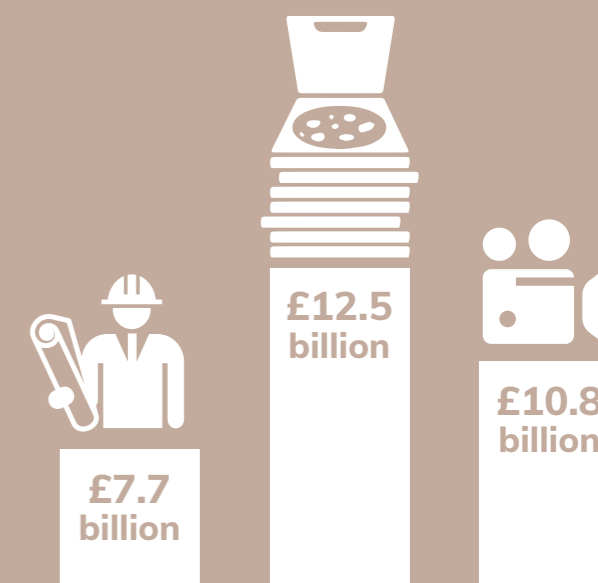


- Technological advancement and a record choice of cuisines is driving huge growth
- Changing consumer trends is leading to healthier options



Putting this into context, measured by revenue, the takeaway sector is greater in size than architecture and television production.

Takeaway is **bigger** than the **architecture** and **TV production** industries



<sup>1</sup>A dedicated takeaway is classed as a takeaway food shop or mobile food stand. It does not include restaurants offering a takeaway service.



**Christian Joseph,**  
owner of Romulo Café, Kensington

Filipino food is still a relatively undiscovered cuisine in the UK. We opened Romulo Café in 2016 with the aim of changing that. Through opening the restaurant, we wanted to introduce Filipino food to those who had never experienced it before and to provide an outlet for those who have and love it.

We want our customers to have an authentic Filipino dining experience, whether they eat in our restaurant or enjoy our food at home. To support this, we explored the possibility of hiring chefs from the Philippines. Who better to cook the traditional meals on our menu than someone who trained in the country?

But it quickly became clear that the current legislation in place makes it extremely difficult to hire skilled chefs from abroad, despite the fact there is a significant skills gap in the market.

Having a chef from the Philippines in our kitchen, training our team and cooking traditional Filipino food, would enable us to provide an even better service for our customers. But the current immigration legislation makes the process hugely complex - there are many hurdles to overcome despite the clear benefits. I'd love to see the government recognise the skills required by chefs to support the continued growth of small businesses like ours.

## New Cuisines And Healthy Options Are Transforming Takeaways

The takeaway sector has responded with speed to the shift in consumer demand for vegan, vegetarian and healthy options. Over 90% of takeaway restaurants offer vegetarian options with more than half also catering for gluten free, dairy free and vegan customers. In addition, more than three quarters offer dishes such as salad or fruit, 73% offer a choice on portion sizes and 50% of takeaway restaurants in the UK now offer low-salt options.

Our findings also show that over a third of takeaway restaurants provide calorie and nutritional information. However, the cost and difficulty of calculating calories is cited as a major barrier to providing further information. Calculating calories can result in a substantial cost for businesses, many of which do not have the levels of infrastructure or regular income needed to implement full-scale calorie labelling.

### Recommendation #1

Three in five takeaway owners participating in our research want the Government to make an online calorie calculator, as already exists in Scotland and Northern Ireland, available in England and Wales. This would dramatically increase the number of takeaways able to provide full calorie labelling without forcing small business owners and entrepreneurs to incur heavy costs in the short term.

**Katy Habibian,**  
co-owner of Village Pizza franchise, London

Growing up, I never thought I would be in a position where I would be running my own business. My husband and I opened the first Village Pizza in 1994. Two decades on, we now operate a franchise of 10 takeaways in locations across South West London.

Making sure we have the best quality ingredients is really important to us and we invest a lot of time in understanding our supply chain. If one of our customers asked me where the beef on their pizza came from, I'll be able to tell them the exact farm and field where it was reared.

We want to be sure that the ingredients we use are as low in additives and chemicals as possible. We are constantly looking for ways to reduce the sugar and salt in our meals and have signed up to healthy catering commitments with our local councils to work with them on the best ways to do this.

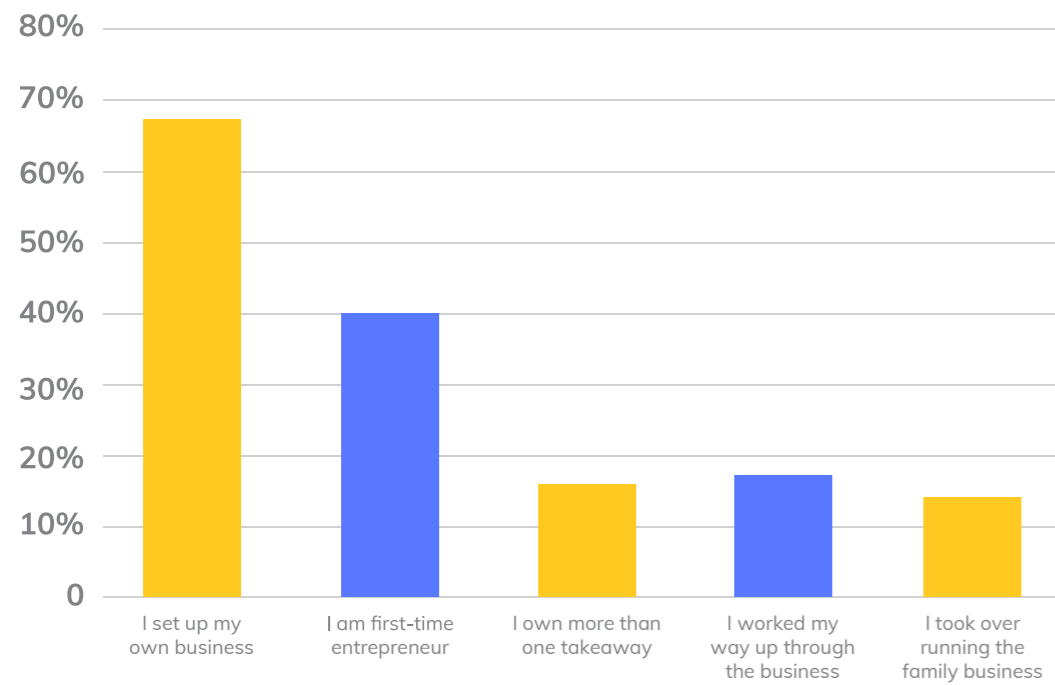
**73%** of takeaway restaurants offer a choice on portion sizes and **50%** offer low-salt options

# A Hotpot Of Entrepreneurs

Demographically, the takeaway sector is one of the most diverse and inclusive areas of the UK economy. It offers employment to a wide range of ethnic backgrounds and inspires young entrepreneurs, with 67% of research respondents setting up their own business.

40% of this group consider themselves first-time entrepreneurs, illustrating the opportunities within the sector to own your business. With small enterprises forming the lifeblood of the UK economy, the takeaway sector is a vital supply of entrepreneurial activity.

67% of takeaway owners have set up their own business



**Harpeet Kaur,**  
co-owner of Barni's, Huddersfield

My sister, Gurvinder, and I always knew we wanted to work for ourselves. It's part of the business mindset our parents instilled in us.

We set up Barni's back in 2015, starting out with just one delicious waffle, but we've spent the last few years growing our menu and developing our brand. Our main restaurant is in Huddersfield, as well as two express kiosks in Leeds and Sheffield.

Opening our restaurant has allowed us to realise a lifelong dream, one which may not have been possible in many other industries. Our love of sweet things now means we get to employ 25 people in our local community to share our passion with.

- Takeaways are one of the most ethnically diverse parts of the UK economy
- The sector offers a gateway for would-be entrepreneurs

The takeaway sector is a hive of entrepreneurial activity: 40% of takeaway owners are first-time entrepreneurs

**40%**



**30%** of takeaways employ more than 10 staff

Takeaways provided  
**286,798**  
**JQBS** in 2018

## A gateway employer for would-be entrepreneurs

Rapid growth has supported a booming jobs market. The industry supported approximately 286,800 jobs in 2018, an increase of almost 13,000 jobs since 2015, employing more people than the Telecoms, Advertising or Insurance sectors.

Small businesses make up the majority of the sector and are growing so rapidly that 30% of takeaways now employ more than 10 people. For many, the takeaway sector acts as a gateway

employer, offering first-time employment, training and a rewarding career path for entrepreneurs.

What's more, the creation of jobs covers the length and breadth of the UK. Yorkshire and The Humber has seen the largest increase in the creation of jobs since 2015, followed closely by the East and West Midlands and the North East. Nearly 286,800 people worked in the takeaway sector in 2018.

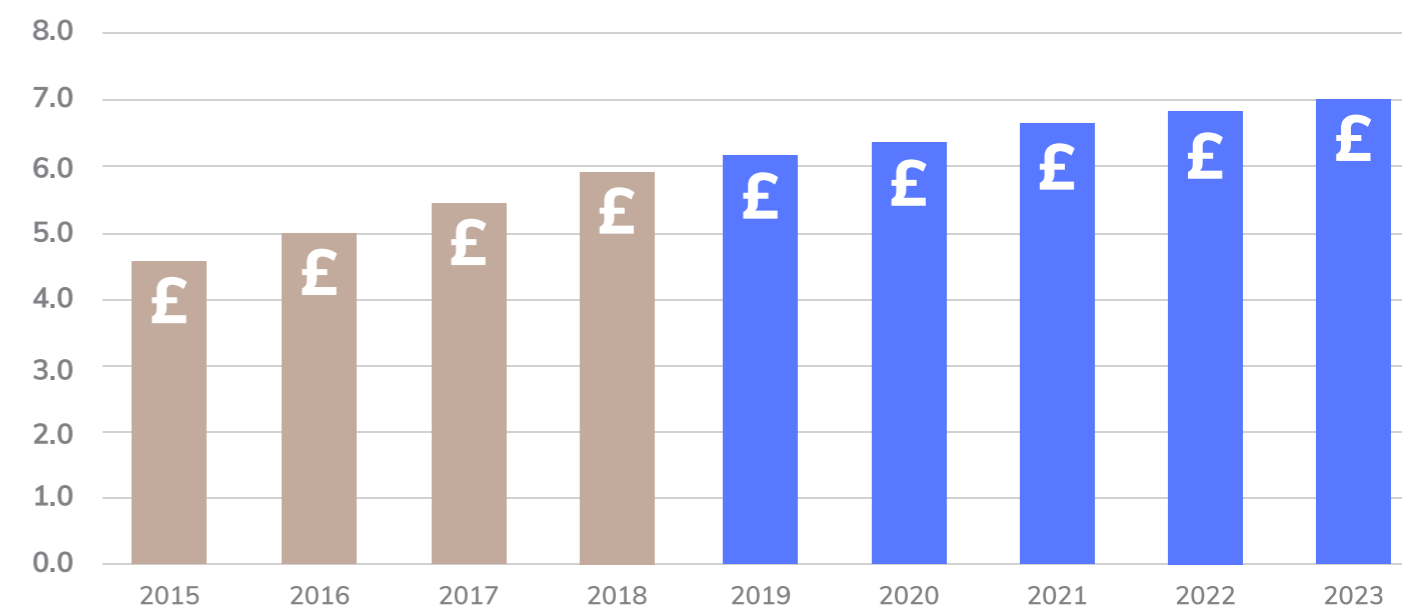
## Feeding The Economy

The takeaway sector makes a vital contribution to the UK economy and is estimated to have created £5.9 billion additional value in 2018. This equals 12% of the entire food services industry, including restaurants, cafés, pubs, bars and events. Takeaways also play a significant role in generating business taxes, contributing more than £300 million in direct taxes in 2018. Include indirect taxes such as VAT and employee national

insurance contributions and this figure stands at over £1.8 billion in taxes for the Exchequer.

With the size of the takeaway market set to grow by approximately 3.7% per year over the next five years, the sector will remain an important source of revenue for the Government. Total consumer spending on takeaways is forecast to rise to £15 billion by 2023, an increase of 20% on 2018, resulting in £7.1 billion in value to the UK economy.

£5.9 billion in value to the UK economy in 2018

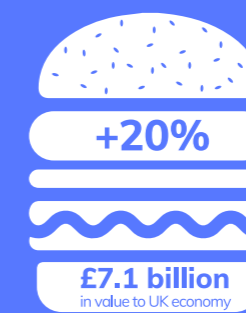


## The takeaway sector is an important source of revenue to the UK economy

Total consumer spending is forecast to rise to **£15 billion** by **2023**, an **increase of 20%** on 2018



consumers spent  
**£12.5 billion**  
in **2018**



consumer spending on takeaways  
is forecast to rise to  
**£15 billion**  
by **2023**



was paid in **direct** and  
**indirect** taxes to the  
exchequer in **2018**



## Andrew, Dino & George Papas, co-owners of Papas, Yorkshire

Fish and chips have been in our family since 1966. Our grandad always dreamed of setting up his own shop – as well as loving cooking, he also loved the social and hospitality aspect of running a takeaway.

We respectively trained as a vet, lawyer and doctor, but it just never felt right to us and our passion brought us back to frying.

There's a real stigma around working for a takeaway, and our parents were slightly shocked when we chose to come back to the family business, but it's a stigma that we're keen to dispel.

If you're passionate about the work you do – running a quality business, cooking delicious food and giving back to your community – then there's nothing but pride to be found in running a takeaway.

It's this love for our work that we're trying to instil in others. We see frying as a career, not just a stop gap or summer job, so invest heavily in staff training as well as going out to local schools to educate and inspire the next generation and show what a career in hospitality and the takeaway sector can offer. We then offer apprenticeships to people of all ages, but it isn't about recruitment – we want to change how the industry's perceived.

## Serving Up Talent In The Future

The vital contribution made by the takeaway sector should not be taken for granted. Our research has found that takeaway owners are facing a multitude of struggles, which threaten to stifle the entrepreneurship currently creating growth.

In particular, to continue to thrive and grow, the sector needs access to the right skills. The British Takeaway Campaign is committed to helping to strengthen the UK skills base. That is why we are helping with the design and rollout of the Catering and Hospitality T-level. But this will not happen overnight and it is crucial that the new immigration system also supports the sector.

## Equipping UK workers with the skills to succeed

The shortage of skilled and unskilled workers in the UK brings into sharp focus the importance of developing a world-leading technical education system. A recent report from the think tank Centre for London, found that roughly 10% of qualified chefs leave the profession every year. One of the most significant reasons for this is that young people are not adequately trained to cope with the rigours of working in catering. Many have not had first-hand experience of working in a kitchen.

The BTC has been proud to support the creation of the catering and hospitality T-level, sitting on the panel tasked with building the curriculum. These technical A-levels (T-levels) are aimed at

reinvigorating vocational qualifications across 15 areas of technical training and will provide students with 315 hours of placement in industry, with the ambition of better preparing young people when they enter the workforce following their studies.

The catering and hospitality T-level was originally due to be in effect by 2022 but is now expected in 2023.

For the T-level to be a success in solving the skills shortage and reducing the need for the sector to rely on immigration, the Government needs to consider three areas.

### Recommendation #2

The Government should mandate that T-level placements are paid, in a way which reflects the contribution a student makes during their placement. Currently, payment of students during their industry placement is at the discretion of the employer. To encourage more young people into technical education, the career benefits and opportunities must be clear and paid placements would play a significant role in inspiring interest in technical education.

### Recommendation #3

The Government's own figures show that chefs are the most in-demand skilled trade in the UK for the last two years. We would urge the Government therefore to bring forward the introduction of the Catering and Hospitality T-level to 2021, to reflect the need to increase the homegrown talent entering the sector.

### Recommendation #4

The Government should explore the feasibility of introducing a grant aimed at large and medium-sized businesses to incentivise them to offer placements to T-level students, similar to the Apprenticeship Grant for Employers, which was withdrawn in 2018. Industry placements are at the core of the T-level curriculum, but they require the Government, colleges and industry to work together to ensure students have access to high-quality placements.

Young people should be given every opportunity to succeed. Given the scale of entrepreneurship within the takeaway sector, which is one of the only sectors where owning your own business is a more than achievable goal, we urge the Government to support these recommendations so that collectively, we can upskill the next generation of British entrepreneurial talent.



## Building an immigration system that supports the sector. Reviewing the salary threshold

Under current government plans, the UK's post-Brexit immigration system will require all EU and non-EU citizens to earn at least £30,000. Our research shows that just 6% of the entire takeaway sector earn an annual salary above £30,000.

Additionally, under the Government's current immigration system, chefs are included on a Shortage Occupation List which prioritises professions that are in demand – but for entry under this scheme they are required to earn over £29,570.

### Recommendation #5

The Government should reduce the salary threshold for its future regime. As soon as this level is set for the future immigration system, the salary requirement for chefs under the current Shortage Occupation List should be brought in line with it. These two changes will support the sector in both the short and medium term.

### Temporary visas

The food industry as a whole is also reliant on low-skilled workers from outside the UK. In 2018, 25% of takeaway jobs were filled by EU and Non-EU nationals. The Immigration White Paper, published by the Home Office in December 2018 set out a transitional measure to allow a time-limited (12 month) route for low-skilled workers, followed by a 12-month cooling off period before a worker could reapply for a visa.

This time restriction does not allow for the investment and resource committed by takeaway restaurants, hotels and the rest of the food sector into training workers. Many takeaway restaurant owners spend months training their staff, only to have to start afresh with new staff 12 months later.

**All non-EU citizens must earn at least £30,000 to qualify for a high-skilled visa, unless their profession is on the Shortage Occupation List**



**Rahul Sharma,**  
Director of The Regency Club, Edgware

My parents first opened The Regency Club back in 1991. They were first-generation immigrants from India, but were born in Kenya, meaning our food is a kind of fusion between the two: Kenyan style barbeque cooked in traditional Indian spices. Staffing is undoubtedly the biggest issue. The type of food we serve, Indian, demands chefs with specialist skills – for example operating a 500° tandoor oven! It's a skillset that not many UK-trained caterers currently possess, meaning we've had to look abroad for our chefs.

The current government restrictions around takeaway chefs and their salary thresholds have been a huge barrier here, as it's made recruiting from outside the EU a real challenge. We're grateful for what the takeaway sector has done to support our 35 employees and their families. We hope that any future changes to the rules allow us to bring in the chefs we need to keep serving our local community for decades to come.

## Recommendation #6

The Government should increase the duration of short-term visas to two years, with a two-year cooling off period if necessary, in order to offset the cost of recruiting and training new employees.

## An Australian-style points system

The new prime minister has proposed an Australian-style points system, pledging greater openness to high-skills immigration. According to government figures, chefs were the most in-demand skilled trade in the UK for the last two years, illustrating the difficulty takeaway restaurants face in recruiting specialist chefs either here in the UK or from abroad.

## Recommendation #7

The Government should introduce a medium and long-term strategic skills list (MLTSSL), which is a key part of the Australian system, and designates professions which are of strategic importance to economic growth. Chefs are included in the Australian MLTSSL, meaning they can reapply for a visa on a continuous basis.

These initiatives would have a significant positive impact on the ability of the sector to recruit skilled chefs and therefore support the ongoing growth of the sector, projected to generate £7.1 billion in value to the UK economy by 2023.



**Ajmal Mushtaq,**  
owner of Mushtaq, Hamilton, Scotland



In 2009, I left my job as a management consultant in London to head back to Scotland to pursue my passion of being a chef and running my own business. My parents owned a restaurant and I wanted to follow in their footsteps, putting the culinary skills I learnt growing up to good use. Mushtaq grew very quickly. Within five years of opening our doors for the first time, we employed 60 people. But since 2014, that growth has plateaued. We have been unable to recruit chefs with the skills we need from the local workforce. After four years of constant searching, we are still to find someone with the skills we need.

Current immigration legislation categorises anyone that works in a takeaway as low skilled which is simply not the case. This makes hiring chefs from overseas extremely difficult despite the fact I'm unable to find the right candidates locally. Coupled with the current salary threshold of £30,000, which is completely unsustainable for the majority of takeaway owners, I don't believe there is the support in place from government to allow businesses to grow.

The takeaway sector makes a huge contribution to the UK economy. As a business owner, I would like to see the industry receive the recognition it deserves.

# Conclusion

The takeaway sector makes a valuable contribution to the UK economy and must be protected. The recommendations made by this report will ensure that the sector continues to flourish, creating further job opportunities and allowing entrepreneurs to grow their businesses.

## Recommendations

### Skills

- Mandated wages for T-level students during their industry placements
- Bring forward the Catering and Hospitality T-level to 2021
- Explore the feasibility of a grant to incentivise businesses to offer placements

### Immigration

- Reduce the salary threshold for chefs on the Shortage Occupation List
- Increase the duration of short-term visas to two years
- Introduce a medium and long-term strategic skills list

### Health

- Introduce an online calorie calculator as exists in Northern Ireland and Scotland

## About the British Takeaway Campaign

Launched in 2017, the British Takeaway Campaign (BTC) represents those involved in the supply and preparation of the nation's favourite foods. Drawing together some of the largest trade associations, suppliers and thousands of restaurants, the BTC aims to secure recognition of the economic, social and cultural contribution of the sector and support its growth, by boosting training and access to skills. For more information about the BTC and its members visit [www.britishtakeawaycampaign.co.uk](http://www.britishtakeawaycampaign.co.uk) and follow @GBTakeaway on Twitter.