Regional Skills Assessment
Fife
March 2022

Contents

Regional Skills Assessments

First launched in 2014, the Regional Skills Assessments (RSA) provide a robust evidence base to support partners in strategic skills investment planning. They have evolved over time based on an independent review carried out in 2015 and continuous feedback from partners.

To ensure an inclusive approach to their development, dissemination and utilisation, RSA are produced by Skills Development Scotland (SDS) in partnership with Fife Enterprise, Scottish Enterprise, Scottish Government, the Scottish Funding Council (SFC) and the Scottish Local Authorities Economic Development Group.

In this March release we report on strategic drivers, the economy, the impact of COVID-19, labour market requirement, supply of people and an update on SDS regional action. Our March spotlight feature is on the Scottish Employer Skills Survey.

RSA include the use of published data sets. Inevitably, when using published data there is a time lag but the data contained is the most up to date available at the time of writing. In response to COVID-19 we include more data derived from administrative sources where possible as time lags with this data are, in general, shorter. However, we still rely mostly on data from the core labour market surveys.

RSAs also include forecast data that has been commissioned through Oxford Economics. Caveats need to be applied when using forecast data. The Technical Note[1] provides full detail on this, but broadly it should be noted that forecasts are based on what we know now and include past and present trends projected into the future. Their value is in identifying likely directions of travel rather than predicting exact figures. The more disaggregated they become, especially at smaller geographical units, the less reliable they are likely to be. Standard occupational classifications (SOC) and standard industrial classifications (SIC) are used to define occupations and industries.

The Office for National Statistics (ONS) have useful SIC[2] and SOC[3] hierarchy tools that can be used to understand the classifications in more detail.

In addition, we provide analysis by Key Sector. Key Sectors are central to our Skills Investment Planning approach. Each Key Sector has a tailored Skills Investment Plan (SIP) which gives a picture of the economic and labour market situation, trends in skills and qualification supply and employers' perspectives on the skills issues affecting the sector. Regional SIPs have also been developed. SIPs and RSIPs are available on the SDS website.[4] Sector Skills Assessments are also available which provide updated Labour Market Insight for the Key Sectors.

The RSA Data Matrix supplements this report and data on SDS products and services can be accessed from Publications and Statistics section on our corporate website.

Finally, in the sections which follow, the numbers and figures in the body of the text are rounded for ease of reference and readability and therefore may differ slightly from other publications.

This RSA report is for Fife, which covers the Fife local authority.

Introduction

The Context for Scotland's Labour Market

COVID-19 has hit Scotland's economy hard, exacerbating a number of pre-existing issues and challenges. In addition to the drivers listed here, the emergence of complex challenges such as labour shortages, supply chain disruption and inflationary pressures could impact Scotland's future course.[5] Global security issues heightened by the conflict in Ukraine have the potential to cause further disruption, in particular to energy markets and costs. The development of fit-for-purpose skills has an important role in supporting continued economic recovery and inclusive growth. An effective skills system helps support and attract inward investment, increase productivity and tackle inequality and deprivation.[6]

The Economy and Productivity

At the time of writing, the Scottish Fiscal Commission (SFC) forecast that Scotland's economy will grow by 2.4% in 2022-23. The SFC also suggest that longer-term scarring to the economy from the pandemic could mean that trend GDP at the start of 2025 is forecast to remain 2% lower than their pre-pandemic forecast.[7]

Measuring productivity during the pandemic has been challenging, but at a high level, variance in productivity performance is expected across sectors, and in turn regions.[8]

Demographic Change

As with many economies in the developed world, Scotland's population is ageing. By 2045, the number of people of pensionable age in Scotland is expected to increase by 20.6% (205,800 people), whilst the working-age population is projected to decline by 2.4% (84,400 people). This suggests the possibility for a tighter labour market in future and an increasing dependency ratio.[9]

Based on population projections, the Fife dependency ratio will be 68% in 2043, compared to Scotland's 60%.[10]

Equality and Inclusive Growth

The Scottish Government's focus on Fair Work remains, supporting 'growth that combines increases in prosperity with greater equity, creates opportunities for all and distributes the dividends of increased prosperity fairly'.[11]

COVID-19 has had an uneven impact on some groups in society including young people, older workers, women, disabled people, ethnic minority groups, low paid and low income households.[12]

Automation

Advances in technological developments continue unabated and these are changing the world of work. In Scotland around 46% of jobs have high potential for automation, some 1.2m jobs.[13] Many jobs are expected to evolve rather than disappear, for example skilled machine operatives rather than manual labour.

There will also be the creation of new high-quality jobs and opportunities for more flexible working, expedited by the pandemic.

Climate Change

The Scottish Government has set 2045 as the target for achieving a net zero carbon economy. The 2021 Energy Position Statement[14] ahead of COP26 cemented Scottish Government priorities. The labour market will be affected by changes to climate change legislation and consumer behaviours as the economy moves towards greater sustainability.

'Green jobs' are central to the government's plans for recovery. Demand for green jobs (and green skills) is expected to increase rapidly as a result of policy and legislative drivers and consumer choice. The area is well placed to benefit from these opportunities.

Brexit

Prior to the pandemic, Brexit was a key source of uncertainty, and this created downwards pressure across productivity, business investment, retail sales and trade. The number of EU workers in Scotland declined due to reduced in-migration and/or increased return migration. Ongoing Brexit concerns, and COVID-19 considerations, create heightened uncertainty regarding the supply of migrant labour from the EU and further afield. [15] Fife is slightly more exposed to reductions in EU exports, when compared to Scotland as a whole. In 2019, EU citizens were 4% of all employees, compared to 6% for Scotland as a whole.[16]

Regional Economy[17]

The Regional Economy: At a glance

Gross Value Added (GVA)

Total **Fife** GVA 2021:
£7,310m and **5%** of total Scottish output

From 2009-2019, GVA in **Fife:**
increased by **15.9%** or **£1,026m**

Mid-term forecast average annual growth (2021-2024):
Fife: 2.6%
Scotland: 3.0%
United Kingdom: 3.3%

Longer-term forecast average annual growth (2024-2031):
Fife: 1%
Scotland: 1.3%
United Kingdom: 1.5%

Productivity

Fife productivity 2021:
£50,600, in **Scotland** it was **£53,000**

Mid-term forecast productivity (2024):
Fife: £53,100
Scotland: £55,700

Long-term forecast productivity (2031):
Fife: £57,700
Scotland: £60,300

Wellbeing Economy

The pandemic has had a profound negative impact on Scotland's wellbeing, particularly in terms of health, the economy and fair work. This has brought further impacts on already marginalised communities, further exacerbating inequalities.

Existing inequalities face potential challenges as new forms of disadvantage may emerge. For example, increasing reliance on technology, accelerated by the pandemic, may bring new opportunities as well as risks of excluding certain groups where technology is not as accessible.

Establishing a wellbeing economy[18] remains a top priority for the Scottish Government. This involves creating an inclusive and sustainable economy whilst also promoting prosperity and resilience. Wellbeing is a key aspect of the Scottish Government's 2021-22 Programme for Government.[19] Scotland is a founding member of the Wellbeing Economy Governments (WEGo), where members collaborate to utilise expert advice on delivering a wellbeing economy. Previous discussions included sustainable tourism, inclusive growth, child poverty and wellbeing budgeting.[20]

The Scottish Government's National Strategy for Economic Transformation (NSET) sets out ambitions for Scotland to become Fairer, Wealthier and Greener, with people at the heart of a wellbeing economy.[21]

In the RSA we, as of yet, do not include any measures of the wellbeing economy alongside the traditional monetary measures of economic performance. This is an area of development, and a number of other resources are available to support partners and stakeholders with this policy area:

- Wellbeing Economy Alliance
- Scotland's Centre for Regional Inclusive Growth

The Fife Economy

Economic output
Gross Value Added (GVA) is a measure of the value of goods and services produced in an area and is an indicator of the economy's health.

GVA is not an all-encompassing measure, it simply tells us about economic output. Beyond the economic measures, the aim of achieving inclusive economic growth is a priority for Scotland as noted in a speech by the First Minister to the Wellbeing Economy Alliance: *"Scotland is redefining what it means to be a successful nation by focusing on the broader wellbeing of the population as well as the GDP (Gross Domestic Product) of the country."* [22]

Current Economic Performance
In 2021, GVA was forecast to be £7,310m in Fife, 5.0 per cent of Scotland's output (£146,920m).

This share of GVA ranks Fife in the middle third of RSA regions for GVA contribution to the Scottish economy. The highest value sectors in the regional economy were forecast to be:

Manufacturing:
£1,425m

Real Estate Activities*:
£781m

Public Administration and Defence; Compulsory Social Security:
£780m

*The GVA output from the Real Estate sector is however inflated by owner-occupier imputed rent. Imputed rent captures, economically, the value of the service homeowners are providing to themselves by owning and living in their own home

Past Economic Performance

Prior to the pandemic, the region's economic growth rate was lower than Scotland's. On average Fife's economy grew by 1.5 per cent each year (2009-2019).

From 2019 to 2020, the region's economy contracted sharply as measures were taken across the UK to limit the spread of COVID-19.

The contraction of economic output in Fife was estimated to be 9.5 per cent between 2019 and 2020, which was lower than what occurred across Scotland.

The pandemic had a substantial impact on the UK economy, with GVA falling by 9.7 per cent in 2020.

Future Economic Performance

Whilst it is possible to forecast what could happen, there are a multitude of factors that can influence what materialises. The greatest contributing factor to a region's economic recovery will be their sectoral footprint, however other place-based factors will also influence their recovery.

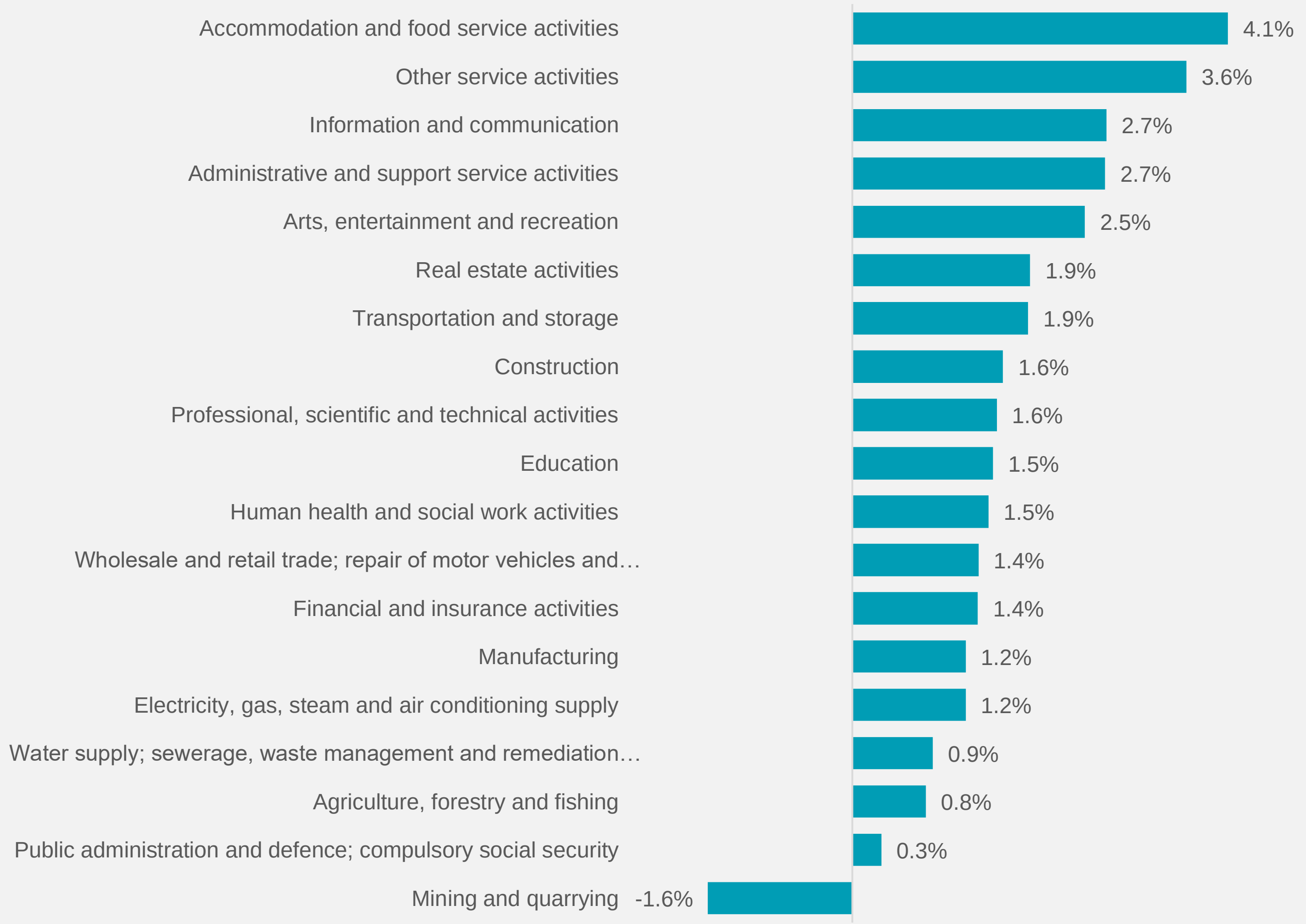
In the mid-term it is forecast that Scottish GVA will return to pre-pandemic levels in 2022, with growth of 8.2 per cent in 2021 and 5.4 per cent in 2022. Overall, GVA growth in Scotland is forecast to average 1.8 per cent per year between 2021 and 2031, 0.2 percentage points slower than the UK average.

Between 2021 and 2031, the largest contributions to growth across Scotland will come from Human Health and Social Work (adding close to 0.1 percentage points per year to overall GVA growth in Scotland) and Real Estate Activities (just over 0.1 percentage points). This reflects the size of these sectors as well as levels of growth.

As shown in Figure 1, Accommodation and Food Service Activities is forecast to have the largest annual GVA growth in Fife from 2021-2031, at 4.1 per cent. It is followed by Other Service Activities (3.6 per cent) and Information and Communication (2.7 per cent).

Data for absolute change is available in the RSA Data Matrix.

Figure 1: Forecast average annual GVA change by Industry (%) (2021-2031), Fife



Productivity

Productivity is the measure of goods and services produced per unit of labour input. COVID-19 has impacted on productivity across the UK in several ways and it has created new challenges in how productivity is accurately measured. The Office for National Statistics (ONS)[23] highlight that measures based on output per job or worker are expected to experience large declines, whereas falls in output per hour could be less pronounced.

Interventions like the Coronavirus Job Retention Scheme (CJRS), which ended on 30th September 2021, impacted on the underpinning data. Under this scheme individuals on furlough were categorised as being employed but working no hours. If a worker or jobs-based productivity measure is used, the input (one worker or job) remains the same but output declines as no work was taking place. Whereas if hours worked was used both input and output would decline. This demonstrates the possible divergences observed in productivity measures over the past two years.

Caution is needed when interpreting the productivity data presented and it must be considered in the context of other data and insight. Despite the challenges, it remains advisable to report on productivity as it is a measure that can help us to understand regional variances and challenges.

The Oxford Economics forecasts of productivity shown here have been calculated by dividing total regional GVA by total regional employment (measured by jobs). We use this data as it provides a forecast figure to help estimate the impact the pandemic has had on productivity and longer-term trajectories post-pandemic. An equivalent based on hours worked is not available.

Current Productivity

Based on forecasts as of October 2021, productivity in Fife was forecast to be £50,600. This was below the average for Scotland of £53,000.

The region's productivity is largely driven by the sectoral mix that makes up its economy.

Mid-Term Productivity

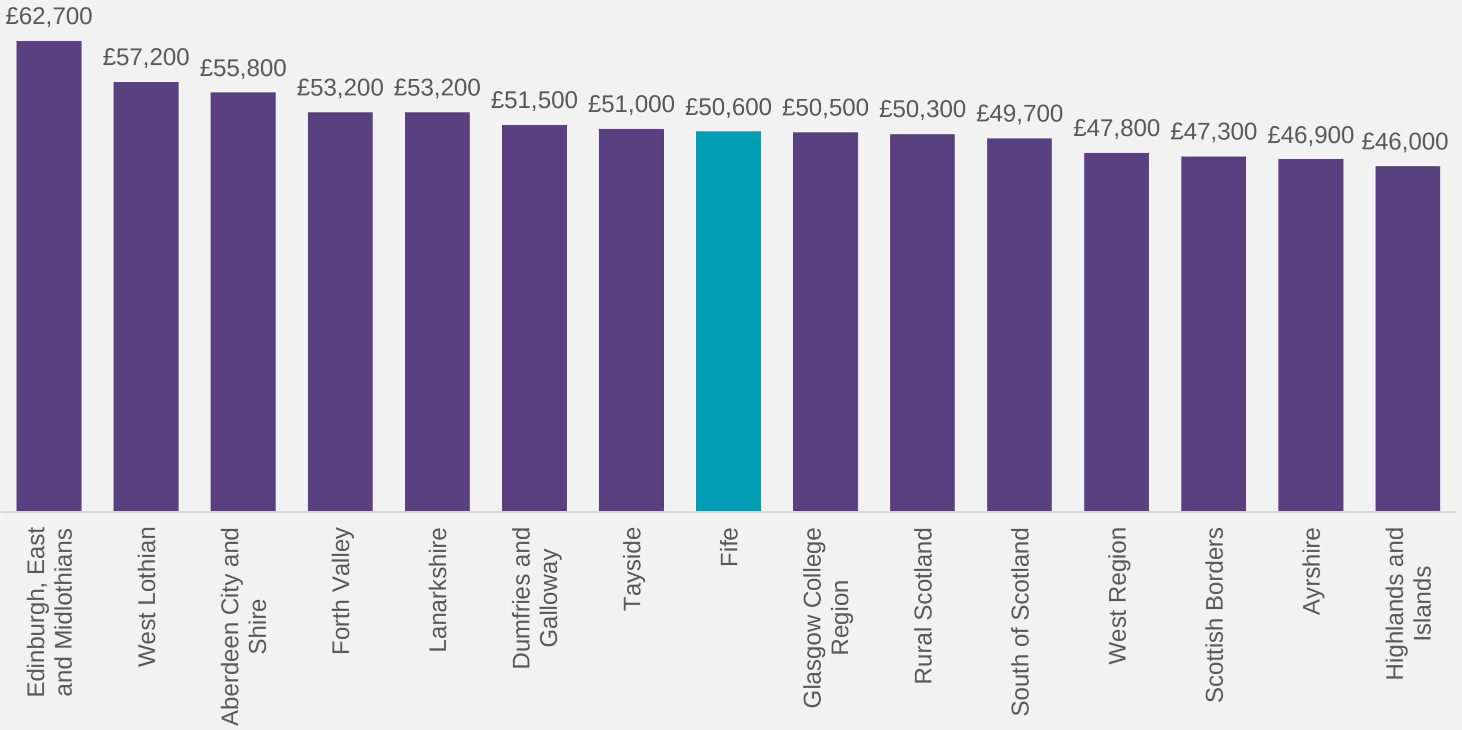
Based on forecasts as of October 2021, productivity in the region in the mid-term (2021-2024) is expected to grow by 1.7 per cent on average each year.

This is the same as the forecast Scottish growth rate over the same period.

Long-Term Productivity

Based on forecasts as of October 2021, productivity in the region in the long-term (2024-2031) is expected to grow by 1.2 per cent on average each year. At a high-level, variance in productivity performance is anticipated across regions due to their sectoral mix and place-based factors.

Figure 2: Productivity (2021)



Regional Labour Market[24]

- Employment
- Wider Labour Market Indicators

Employment: Employment in Fife

Current Employment
Total employment in Fife (measured by people) was estimated to be 145,600 in 2021, 5.6 per cent of Scottish employment.

According to the Annual Population Survey, between October 2020 and September 2021, the employment rate for the working-age population (aged 16-64) in the region in 2020 was 70.2 per cent, which was above the rate for Scotland (72.9 per cent).[25]

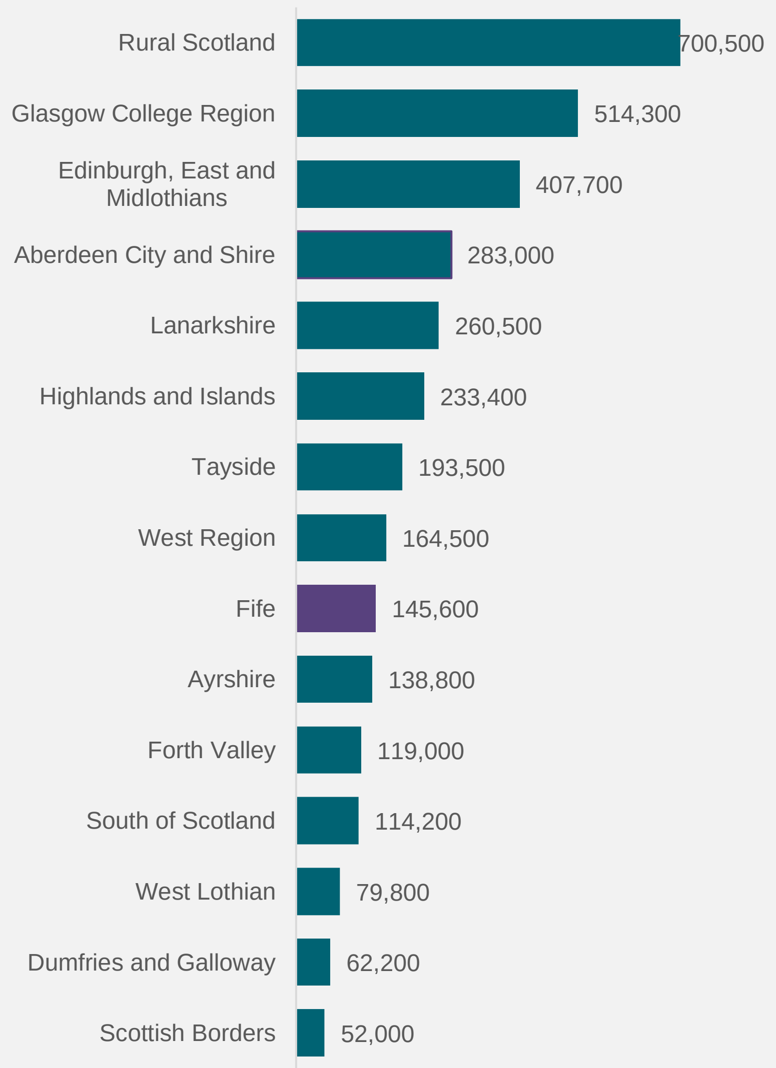
The region's overall employment rate means that approximately three in ten of the region's working age population were unemployed (4.0 per cent) or economically inactive (23.2 per cent). Inactivity includes people who are studying, retired or looking after their family or home.[26]

Note: data will not sum to 100% as unemployment rate is based only on economically active population

Across Scotland, and within the region, more people worked full-time than part-time, 102,700 people (70.6 per cent) were in full-time jobs in Fife in 2021. This was a smaller percentage share compared to Scotland where 74.2 per cent of people were in full-time employment.

Part-time employment accounted for a higher percentage share of employment in the region compared to Scotland, 29.4 per cent compared to 25.8 per cent. Overall, there were 42,900 people in part-time employment in Fife.

Figure 3: Employment in Scotland by region (2021) (people)



In Fife, the largest employing sectors, and their estimated regional share of employment, in 2021 were (see Figure 4):

Education:
10.7 per cent

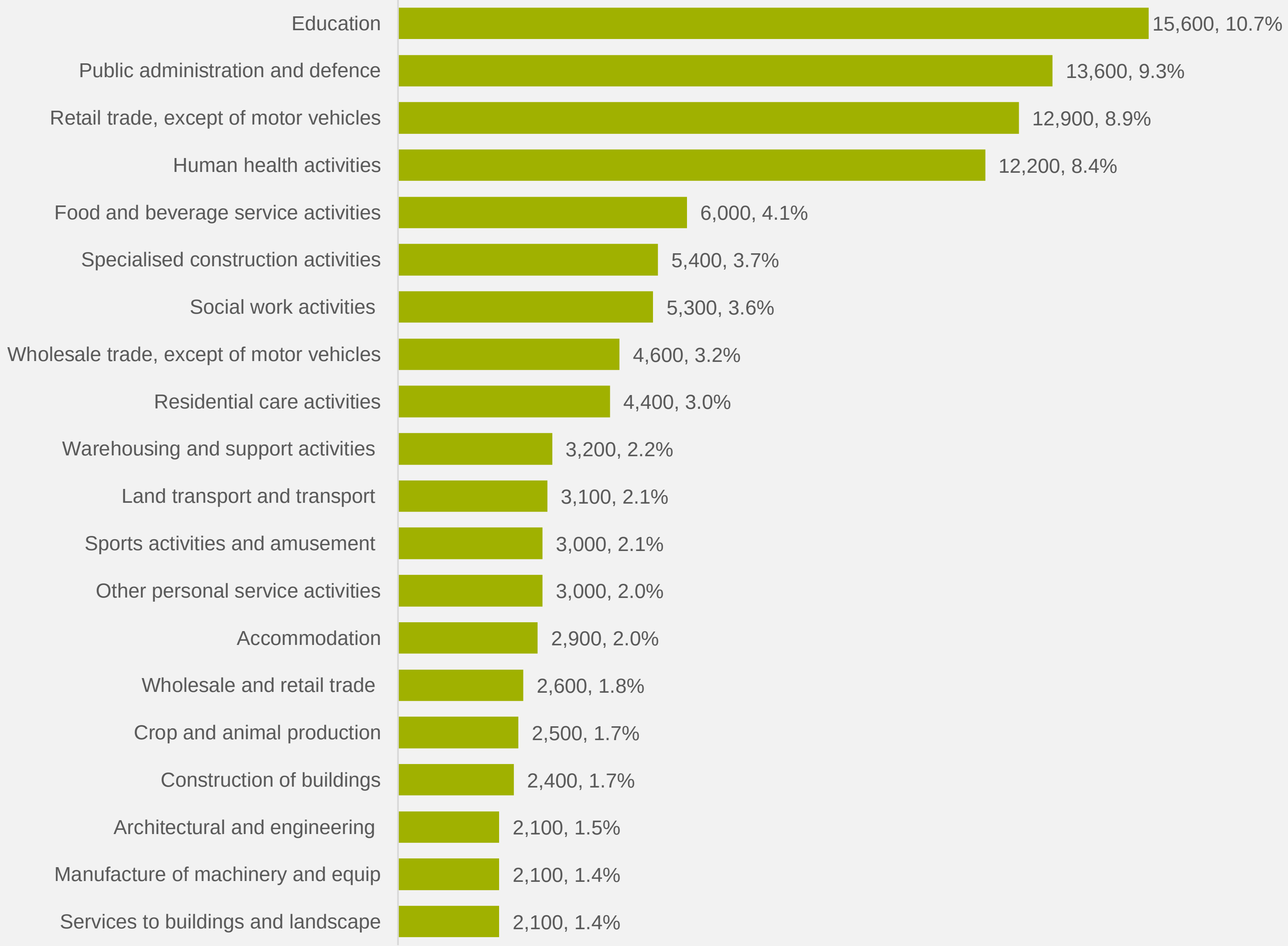
Public Administration and Defence:
9.3 per cent

Retail Trade, Except of Motor Vehicles:
8.9 per cent

Human Health Activities:
8.4 per cent

Food and Beverage Service Activities:
4.1 per cent

Figure 4: Employment by Industry and share of total employment (2021), Fife



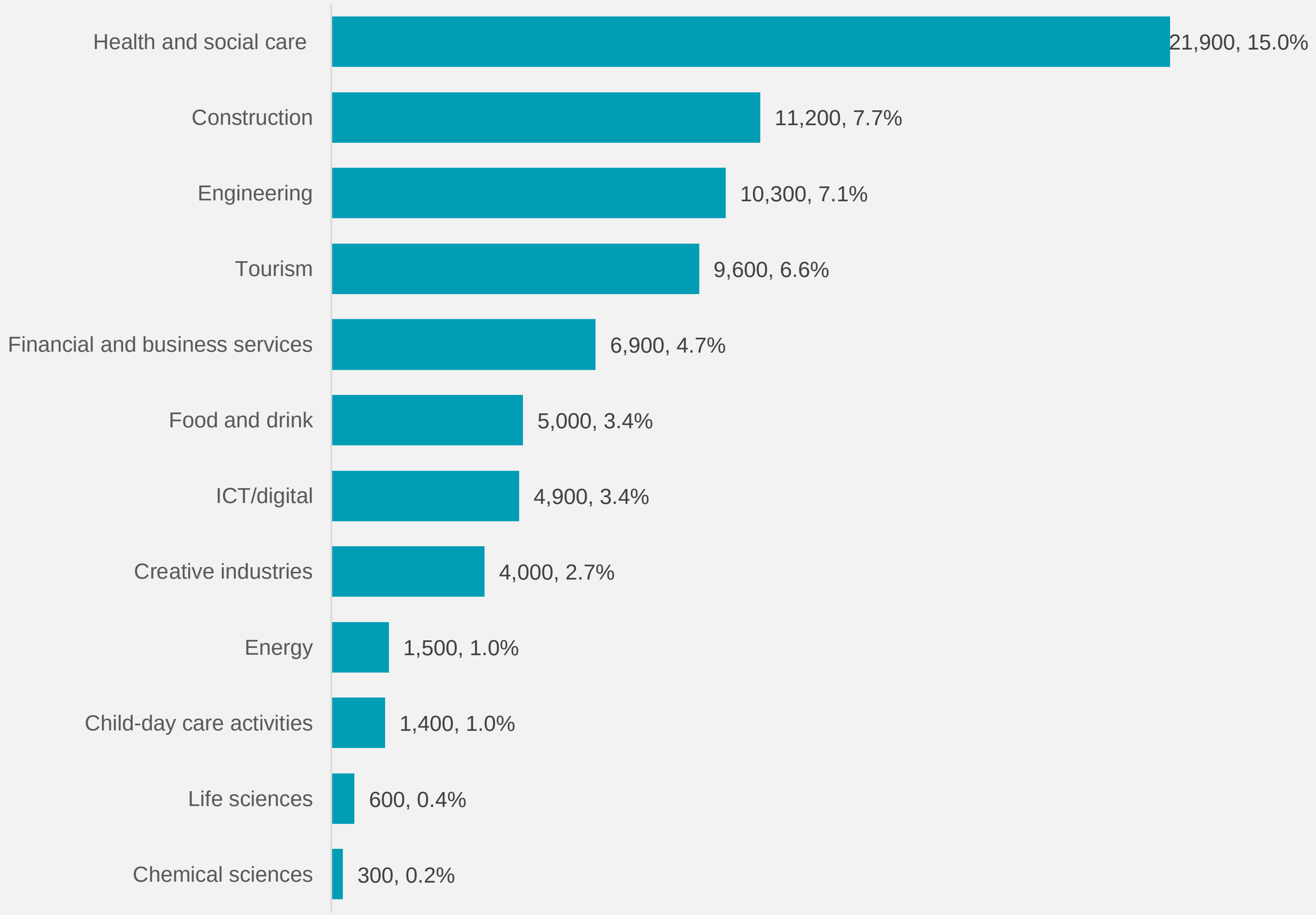
Of the key sectors, Health and Social Care, was estimated to be the largest in Fife in 2021. The sector accounted for 21,900 people. Construction was the second largest with a total of 11,200 people (see Figure 5).

Large sectors are an important source of jobs. However, regions also have sectoral strengths that make them unique. This means that smaller sectors can be more important than their size suggests, as they are more concentrated in the region compared to the national average.

In Fife, Manufacturing of Electrical Equipment was the greatest specialism, with the percentage of employment in this sector 4.6 times the Scottish average. Other sectors that had above average concentrations in Fife included:

- Manufacturing of Machinery and Equipment (3.3 times as concentrated),
- Manufacture of Other Transport Equipment (3.0 times as concentrated),
- Manufacture of Basic Metals (2.6 times as concentrated) and
- Other Manufacturing (2.6 times as concentrated).

Figure 5: Employment by Key Sector and share of total employment, Fife (2021)

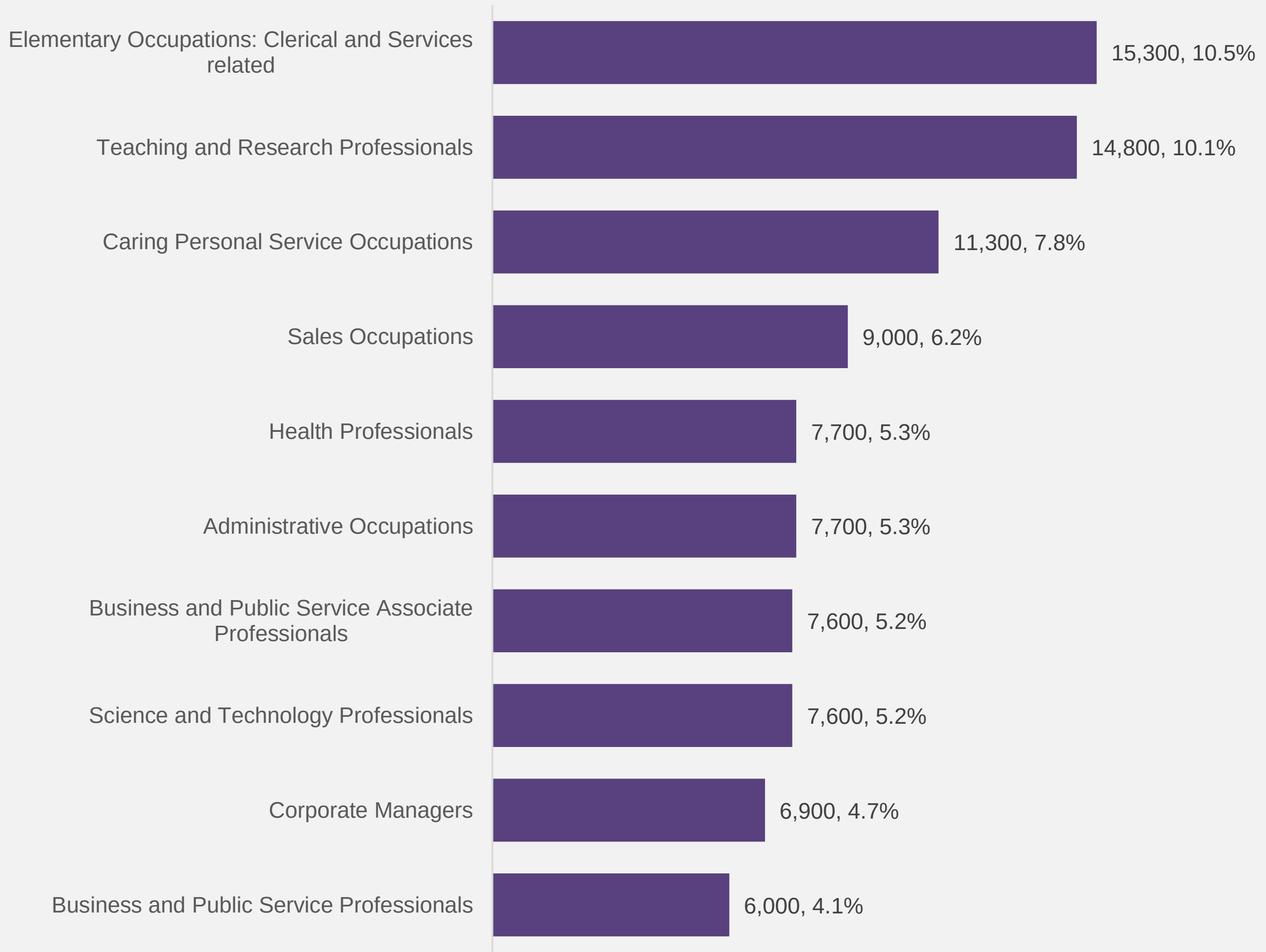


Sectors tell us about the industries that people work in, and occupations provide insight on the type of jobs people do. In 2021, 66,600 employed people (45.8 per cent) in Fife were in 'higher level' occupations, 28.3 per cent were in 'mid-level' occupations and 25.9 per cent were in 'lower level' occupations. The occupational structure of Fife was different to Scotland. Compared to Scotland, the region had a lower percentage of the workforce in higher level occupations and a similar percentage of the workforce in mid-level occupations. Scotland had a lower percentage of the workforce in lower-level occupations.

A detailed look at the occupational structure shows that the largest occupations in the region in 2021 were estimated to be (see Figure 6):

- Elementary Occupations: Clerical and Services Related: **10.5 per cent**
- Teaching and Research Professionals: **10.1 per cent**
- Caring Personal Service Occupations: **7.8 per cent**
- Sales Occupations: **6.2 per cent**
- Health Professionals: **5.3 per cent**

Figure 6: Employment by Occupation and share of total employment, Fife (2021)



Past Employment

Pre-COVID-19, employment in the region had increased by 0.3 per cent from 2009 to 2019. There were 400 more people in employment in 2019 compared to 2009. The percentage of growth within the region was less than the 5.9 per cent growth observed across Scotland over the same time period.

From 2019 to 2020 the number of people employed in the region was estimated to have increased by 2,900, from 142,400 to 145,300. This was an increase of 2.0 per cent, compared to a 1.2 per cent decline across Scotland.

Employment is estimated to have expanded further in the region from 2020 to 2021. These gains are estimated to have occurred despite income support schemes coming to an end. An increase of 300 people in work is estimated to have occurred from 2020 to 2021 in Fife, which is smaller than the expansion from 2019 to 2020. Overall, employment is estimated to have increased by 3,200 from 2019 to 2021 in the region.

Combining the change from 2019 to 2020 and 2020 to 2021, employment growth was observed in 10 of the 19 industry sectors in Fife (see Figure 7). Growth is forecast to have occurred in some sectors that had increased demand as a result of the pandemic.

The number of people estimated to be working in the region's Professional, Scientific and Technical Activities and Human Health and Social Work sectors increased by 1,200 people each.

There were job losses in Manufacturing as employment declined by 600, which was a loss of 3.6 per cent of the sector's workforce.

Figure 7: Employment change by Industry, Fife

Growth Sectors	Employment change 2009-2019	Employment change 2019-2020	Employment change 2020-2021
Professional, Scientific and Technical	1,000	1,000	200
Human Health and Social Work	-6,400	700	500
Public Administration and Defence	6,400	200	500
Administrative and Support Services	-400	200	200
Education	0	400	0
Transportation and Storage	3,000	300	0
Declining Sectors	**Employment change 2009-2019**	**Employment change 2019-2020**	**Employment change 2020-2021**
Manufacturing	-600	-300	-300
Accommodation and Food Services	800	-500	-100
Arts, Entertainment & Recreation	100	-300	-200
Construction	100	-300	0
Other Service Activities	400	-100	-100

Employment Forecast

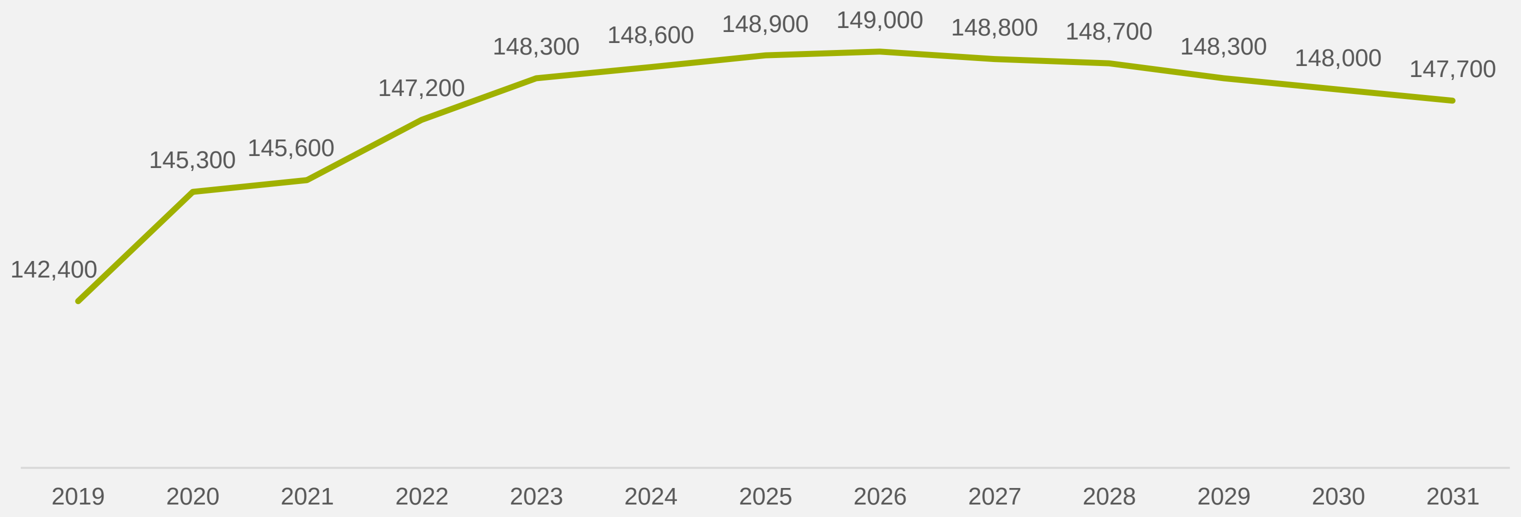
In the mid-term (2021-2024) the number of people in employment is forecast to grow by 5,300 in the region.

For Scotland as a whole, it is forecast to be 2023 when the number of people in employment reaches and then surpasses 2019 employment levels.

Over the longer term (2024-2031) employment within the region is forecast to decrease. In 2031, it is forecast that there will be 900 fewer people in employment compared to 2024. Across Scotland the number of people in employment is forecast to increase.

The level of employment contraction in the region equates to an average annual rate of -0.1 per cent over the longer term. For comparison, Scotland's forecast growth rate is 0.1 per cent.

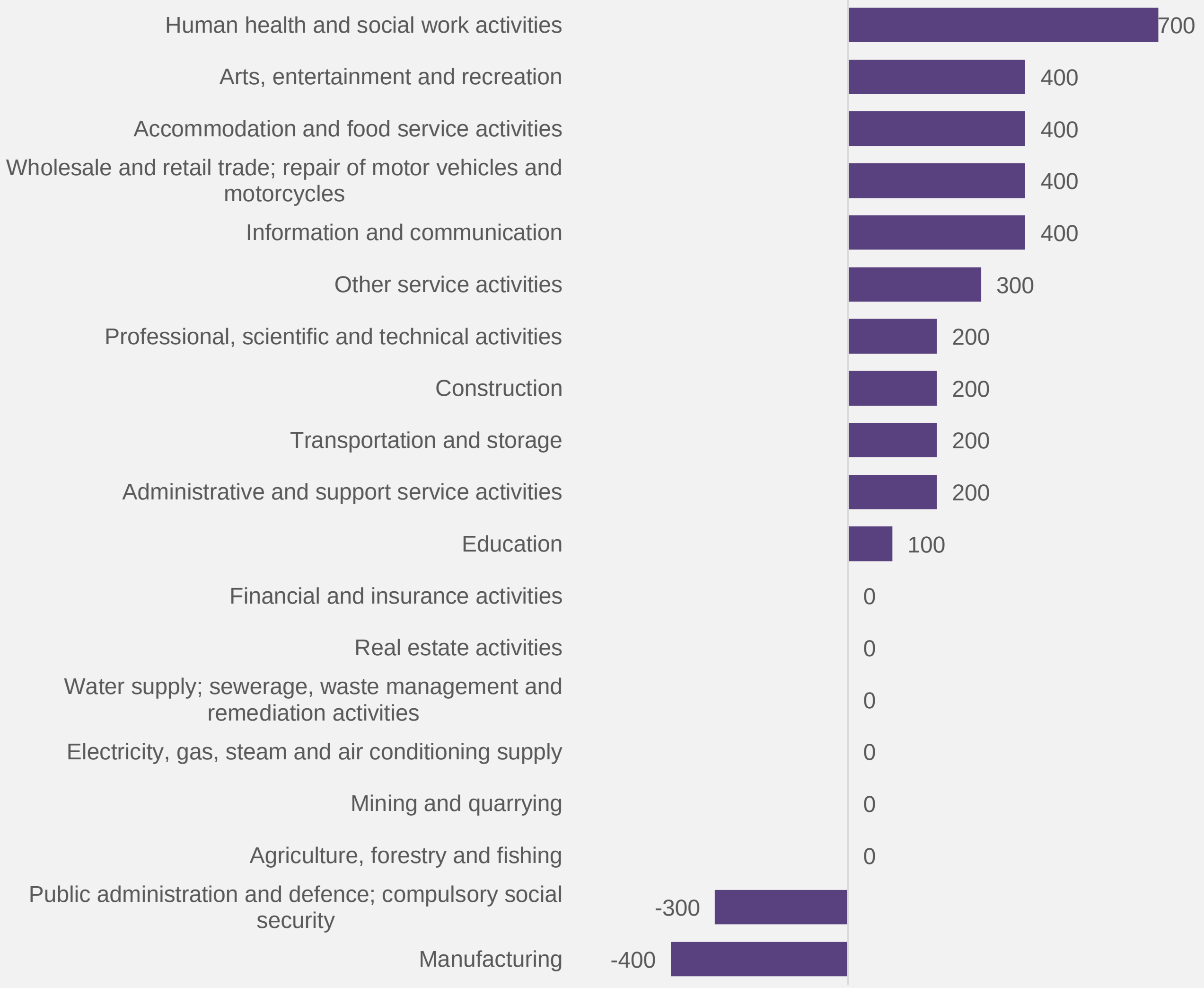
Figure 8: Forecast Employment (2019-2031), Fife (people)



Although strong employment growth is forecast in the mid-term in Fife, sectors will have varying performance. The greatest employment growth is forecast in Human Health and Social Work Activities, with 700 more people expected to be working in the sector by 2024 compared to 2021. Other sectors forecast to have growth over the mid-term forecast period include Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles (400 people), Accommodation and Food Service Activities (400 people), Information and Communication (400 people) and Arts, Entertainment and Recreation (400 people).

Not all sectors in the region are forecast to grow in the mid-term. Manufacturing is the sector forecast to have the greatest employment contraction from 2021 to 2024. During the forecast period a decline of 400 people in employment is anticipated. This reflects the general trend of more capital intensive and higher value-added activity in the sector, which requires less labour-intensive methods (see Figure 9). The Public Administration and Defence; Compulsory Social Security sector is forecast to have a decline of 300 people over the same period of time.

Figure 9: Forecast Employment Change by Industry (2021-2024), Fife (people)

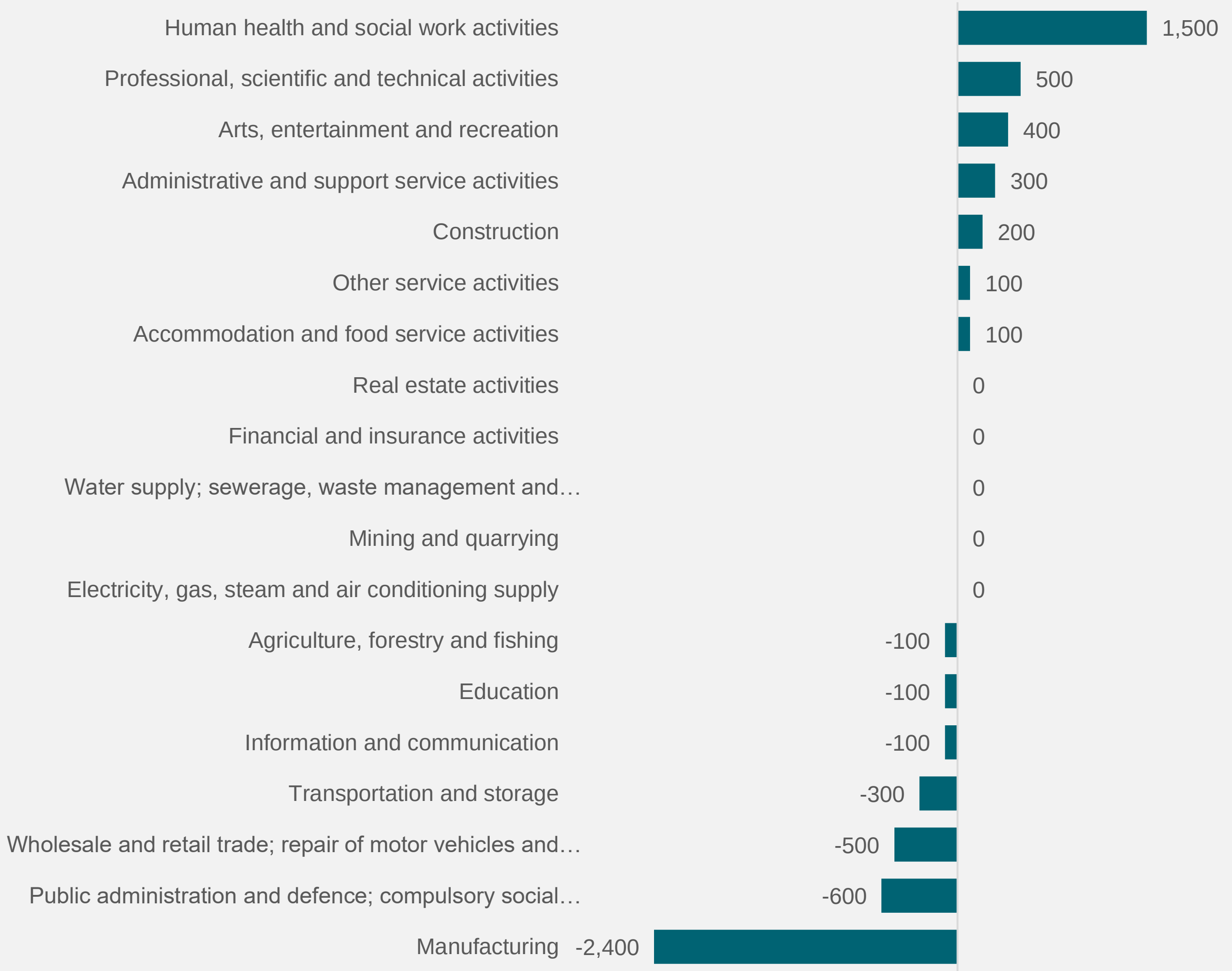


Over the longer term, and similar to the mid-term, sectors are expected to have varied outlooks.

Fife's Human Health and Social Work Activities sector is forecast to have the greatest absolute growth. From 2024 to 2031 the number of people employed in this sector is forecast to increase by 1,500. Other sectors forecast to have growth over the longer-term forecast period are Professional, Scientific and Technical Activities (500 people), Arts, Entertainment and Recreation (400 people), Administrative and Support Service Activities (300 people) and Construction (200 people). Growth in Human Health and Social Work Activities is driven by Scotland's ageing population, along with the aim to protect the provision of frontline services.

The mid-term contraction in the Manufacturing sector is forecast to continue over the longer term as the adoption of new technologies and production methods continues and the sector produces more but with fewer workers. The sector with the greatest contraction is forecast to be Manufacturing (see Figure 10).

Figure 10: Forecast Employment Change by Industry (2024-2031), Fife (people)



Similar to sectors, occupations have varying outlooks. In the mid-term Caring Personal Service Occupations is forecast to experience the greatest employment increase in Fife from 2021 to 2024 (of 400 workers). Growth in this occupation is closely related to the forecast rise in employment by sector. An additional 300 workers are expected to be required in Corporate Managers. Other occupations anticipated to have an increase that is relatively large for the region include:

- Health Professionals: **300 people**
- Culture, Media and Sports Occupations: **300 people**
- Business and Public Service Professionals **300 people**

Secretarial and Related Occupations are likely to contract over the mid-term (-100 people) (see Figure 11).

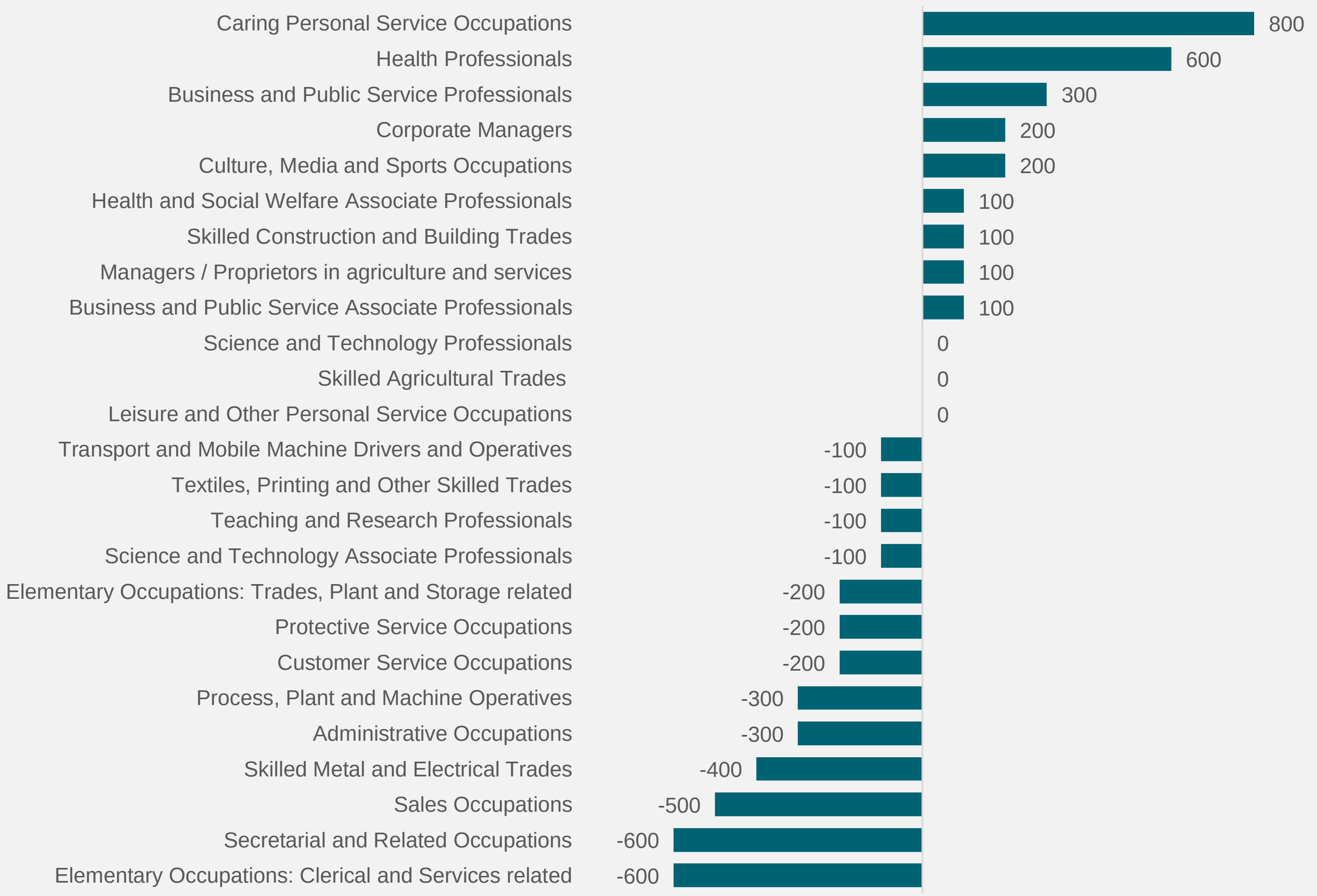
Figure 11: Forecast Employment Change by Occupation (2021-2024), Fife

Over the longer term, in Fife the greatest growth is forecast to be in Caring Personal Service Occupations with an additional 800 workers. This will be closely followed by Health Professionals (600 people), Business and Public Service Professionals (300 people), Corporate Managers (200 people) and Culture, Media and Sports Occupations (200 people). Growth in these roles reflect the relatively strong performance in business services employment and the uplift in spending and recruitment in the health sector.

Occupations likely to have the greatest contractions over the longer-term are Elementary Occupations: Clerical and Services related (-600 people), Secretarial and Related Occupations (-600 people), Sales Occupations (-500 people), Skilled Metal and Electrical Trades (-400 people) and Process, Plant and Machine Operatives (-300 people) (see Figure 12).

There will also be changes in the types of roles workers undertake within sectors, as new ways of working and technologies are introduced to the workplace. This supports growth in IT and technological-based roles across a broad range of sectors, from manufacturing to retail to professional services – so not just in the digital sector.

Figure 12: Forecast Employment Change by Occupation (2024-2031), Fife



Other Labour Market Indicators: Current Job Postings

Current Job Postings in Fife[29]

A source of real-time labour market information is data on online jobs postings. It provides a useful barometer for the activity of the jobs market alongside other insight. COVID-19 has had a substantial impact on the volume of job postings across Scotland. We report monthly on the latest national data in our COVID-19 Labour Market Insights Report.

Number of job postings from February 1st, 2021 to January 31st, 2022 were:
20,400, 3.2% of all job postings in Scotland

32.8% more than previous 12-month period

Within the region the locations with the most jobs advertised were:

Dunfermline
5,000 postings

Kirkcaldy
3,500 postings

Glenrothes
2,700 postings

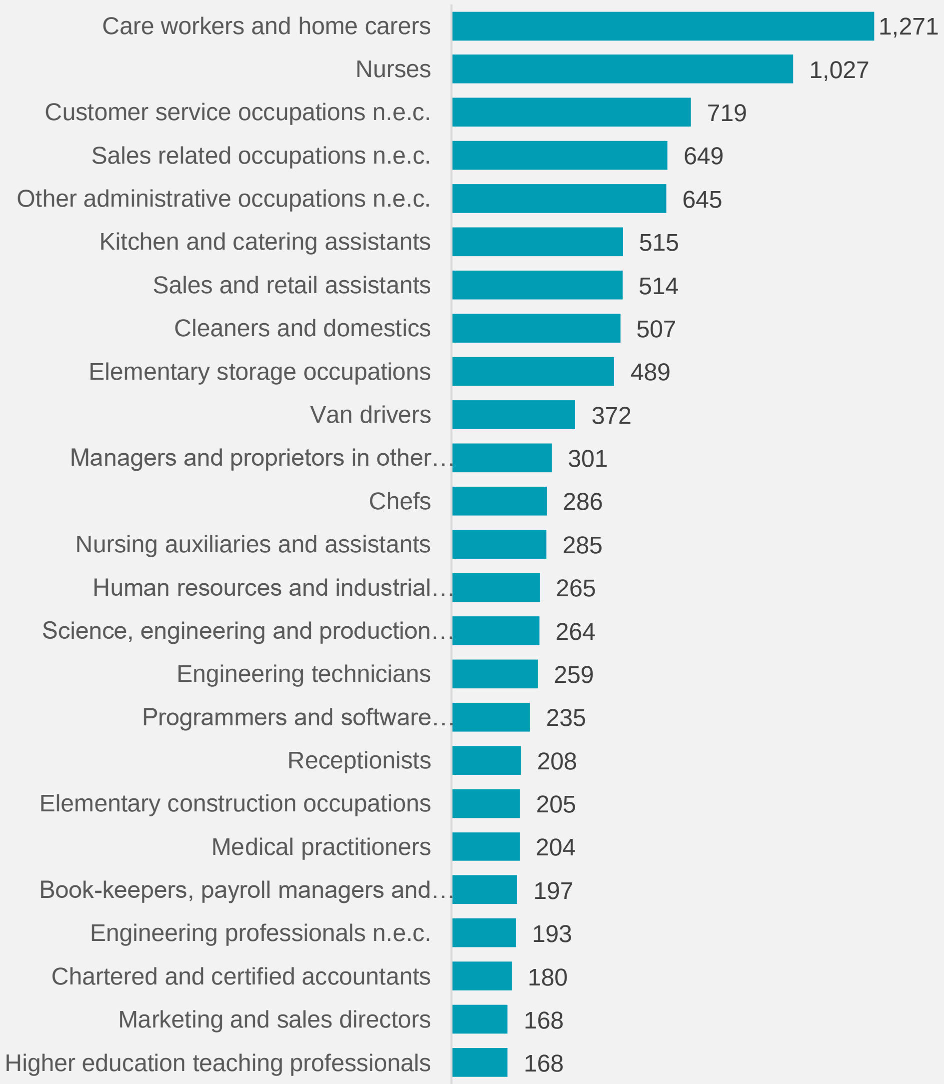
The most requested specialised skills were:

Customer Service
2,300 postings

Teamwork/Collaboration
2,000 postings

Cleaning
1,700 postings

Figure 13: Job Postings by Occupation (February 2021 – January 2022), Fife

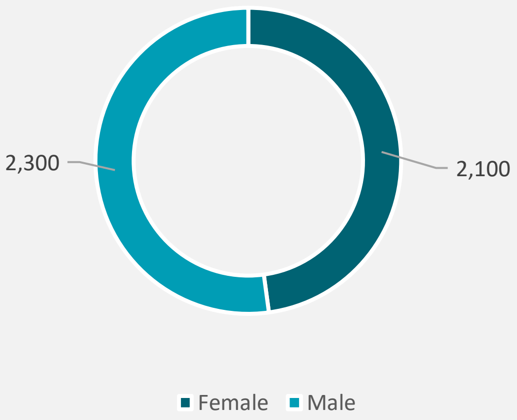


Impact of COVID-19: At a glance

Furloughed Jobs in Fife

Jobs furloughed at 30th September 2021:
4,400, 5.4% of Scotland's furloughed workforce

Jobs furloughed by gender:



Sectors with largest number of furloughed jobs:

Wholesale and Retail Trade:
700

Accommodation and Food Services:
700

Construction:
500

Professional, Scientific and Technical:
400

Redundancies

PACE information provision (individuals):

Location	2019/20	2020/21	1st April 2021-31st Jan 2022
Fife	874	891	152
Scotland	11,189	34,222	5,784

PACE information provision (employer sites):

Location	2019/20	2020/21	1st April 2021-31st Jan 2022
Fife	30	43	7
Scotland	498	1,009	184

Modern Apprenticeship redundancies:

Fife:

Q3 2020/21: **48**

Q3 2021/22: **8**

Scotland

Q3 2020/21: **834**

Q3 2021/22: **194**

Impact of COVID-19: At a glance

Unemployment October 2019 to September 2020, and October 2020 to September 2021 in Fife:

	Unemployment 16+ 19/20	Unemployment 16+ 20/21	Unemployment 16-24 19/20	Unemployment 16-24 20/21
Number	9,700	11,900	3,100*	3,500*
Rate	5.4%	6.8%	17.8%	19.2%

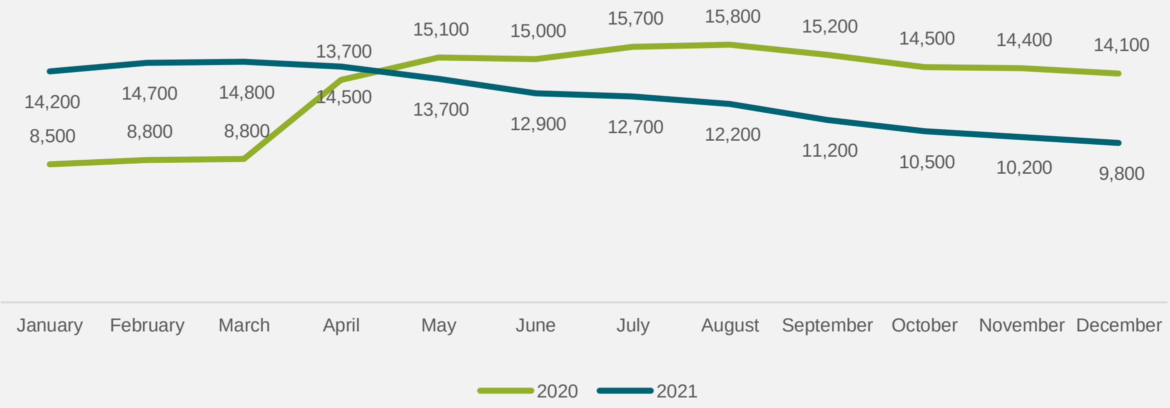
Unemployment October 2019 to September 2020, and October 2020 to September 2021 in Scotland:

	Unemployment 16+ 19/20	Unemployment 16+ 20/21	Unemployment 16-24 19/20	Unemployment 16-24 20/21
Number	99,800	113,300	38,200	33,900
Rate	3.6%	4.2%	11.5%	10.4%

Universal Credit claims in Fife:

Since March 2020, across Scotland the number of Universal Credit claimants has increased by 185,300, from 264,100 to 449,400 in December 2021.

Claimant Count claims in Fife:



Since March 2020, across Scotland the number of Claimant Count claimants has increased by 23,200, from 114,700 to 137,900 in December 2021.

Please note that Claimant Count data has not been seasonally adjusted.

First published in 2020, our series of COVID-19 Labour Market Insights explore traditional and new sources of data and evidence to understand the impact of the pandemic on the labour market. In this section we replicate as far as possible the COVID-19 Insights for Fife and include analysis to demonstrate how the impact in the region compares to Scotland.

Furloughed Jobs

The Coronavirus Job Retention Scheme (CJRS) ended on 30th September 2021. It was a vital support mechanism for businesses affected by the pandemic, helping them to retain and continue paying their employees. Early indications suggested that 9 in 10 people in the UK who were supported by the CJRS in September 2021 were in work in October 2021. However, there is evidence to suggest that redundancies in Scotland increased in the three months to November 2021.

Jobs Furloughed[28]

At 30th September 2021, there were 4,400 jobs furloughed in Fife, accounting for 2.9 per cent of eligible employments for furlough in the region and 5.4 per cent of Scotland's furloughed workforce (80,800 jobs).

This furlough take up rate compares with 3.0 per cent in Scotland and 4.0 per cent in the UK.

The sectors with the largest number of jobs furloughed in Fife as of 30th September were:

Wholesale and Retail Trade: 700 jobs

Accommodation and Food Services: 700 jobs

Construction: 500 jobs

The sectoral profile of furlough in the region was broadly the same as Scotland.

Across Scotland more male employments were furloughed than female employments, 41,800 compared with 39,000 at 30th September 2021. Whilst earlier in the pandemic there were more furloughed female employments, male employments were the most furloughed in the last few months of the CJRS. The gender breakdown in the region is:

Female employments:
2,100 jobs,
2.7 per cent take up rate

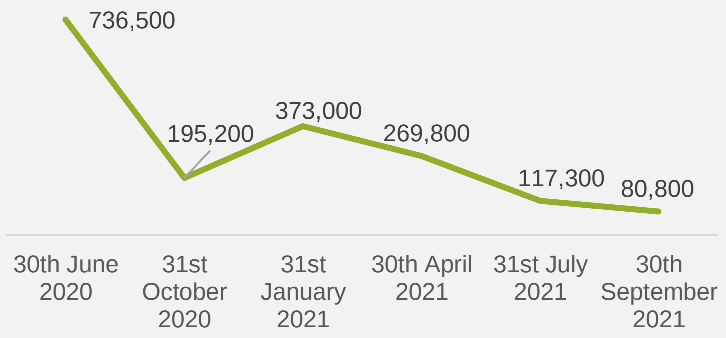
Male employments:
2,300 jobs,
3.1 per cent take up rate

Trends in Furloughed Jobs

Time series data to 30th September 2021 was only available at Scotland level. As shown at Figure 14, the number of furloughed employments in Scotland peaked at 736,500 on 30th June 2020. This fell by 73.5 per cent to a low of 195,200 on 31st October 2020. However, the introduction of a second lockdown saw this nearly double, to 373,000 on 31st January 2021. Reflecting the loosening of restrictions, from 31st January to 30th April 2021 the number of furloughed jobs fell by 103,200 or 27.7 per cent.

The number of furloughed jobs continued to fall into the summer of 2021, down to 117,300 by 31st July 2021, a decrease of 56.5% since 30th April 2021. By the end of the CJRS, the number of furloughed jobs had fallen to 80,800, a decline of 31.1% since 31st July 2021, or 36,500 in actual numbers.

Figure 14: Furloughed jobs (June 2020 – September 2021), Scotland



Redundancies

Whilst the CJRS played a significant role in preventing mass redundancies, data does suggest that redundancies increased as a result of the pandemic.

Partnership Action for Continuing Employment (PACE)[29]

PACE is a partnership of 24 organisations, led by SDS, which was set up by the Scottish Government to support businesses and individuals facing redundancy. PACE aims to minimise the risk of redundancy before it happens.

In the financial year 2020/21, PACE provided information to 34,222 individuals and 1,009 employer sites across Scotland. For comparison, 11,189 individuals and 498 employer sites were supported in 2019/20.

In Fife, 891 individuals and 43 employer sites were supported by PACE in 2020/21, compared with 874 individuals and 30 employer sites in 2019/20. Proportionally, the number of individuals and employer sites supported by PACE increased by less in Fife than it did in Scotland.

The sectors with the greatest information provision for individuals in Fife in 2020/21 were:

Manufacturing: 299

Wholesale and Retail: 164

Arts, Entertainment and Recreation: 142

Mining and Quarrying: 108

These sectors are broadly similar to those with the greatest information provision to individuals across Scotland.

From 1st April 2021 to 31st January 2022, PACE delivered information provision to 152 individuals and 7 employer sites in Fife, and 5,784 individuals and 184 employer sites across Scotland.

Modern Apprenticeship (MA) Redundancies[30]

As with redundancies across the labour market, the CJRS likely masked the full economic impact of the pandemic when it was active.

COVID-19 has fundamentally changed the context in which apprenticeship training is delivered, and the statistics must be considered in this context.

In addition, fluctuations throughout the year are expected. Due to the lower number of MA starts, comparisons with the same point year, should be treated with caution.

By Q3 2021/22, 194 MAs have been made redundant in Scotland. For comparison, 834 MAs had been made redundant by Q3 2020/21.

In Fife, 8 MAs had been made redundant by Q3 2021/22, compared with 48 by Q3 2020/21. From Q3 2020/21 to Q3 2021/22 the number of MA redundancies in the region decreased by 83.8 per cent, compared with 76.7 per cent across Scotland.

The occupational groupings with the largest number of MA redundancies in Scotland as at Q3 2021/22 were:

Construction and Related: 117

Hospitality and Tourism: 21

IT and Other Services: 12

Regional and National Unemployment

The latest data shows that unemployment has fallen across Scotland in the past year.

There were 104,800 people aged 16+ unemployed in Scotland over the period November 2021 to January 2022. This was 8,600 fewer than the previous three-month period (August 2021 to October 2021). Furthermore, there were 14,600 fewer people unemployed compared to the same point last year (November 2020 to January 2021).[31]

Comparable regional data is not available for November 2021 to January 2022. However, we can report unemployment data for those aged 16 and over and those aged 16-24 between October 2020 and September 2021. Youth unemployment in Fife was 3,500 (19.2 per cent), whilst total 16+ unemployment was 11,900 (6.8 per cent).[32]

This compares with 10.4 per cent for youth unemployment and 4.2 percent for total unemployment in Scotland.

Compared with October 2019-September 2020, the youth unemployment rate in Fife in October 2020-September 2021 had increased by 1.4 percentage points and the 16+ unemployment rate had also increased by 1.4 percentage points. This compares to a decline of 1.1 percentage points in the youth unemployment rate in Scotland, and an increase of 0.6 percentage points in the total 16+ unemployment rate in Scotland.

Universal Credit[33]

Whilst Universal Credit includes individuals who are not unemployed, data on Universal Credit claimants is a useful and timely barometer of how COVID-19 has impacted on individuals.

In the Fife, Universal Credit claims increased from 21,800 in March 2020 (prior to the onset of the pandemic), to 36,200 in March 2021 (the end of the 2020/21 financial year). Proportionally, Universal Credit claims increased less in the Fife than in Scotland.

Since the beginning of 2021/22, Universal Credit claims have decreased in the Fife, to 34,100 in December 2021. For comparison, across Scotland the number of Universal Credit claims has also decreased.

Claimant Count[35]

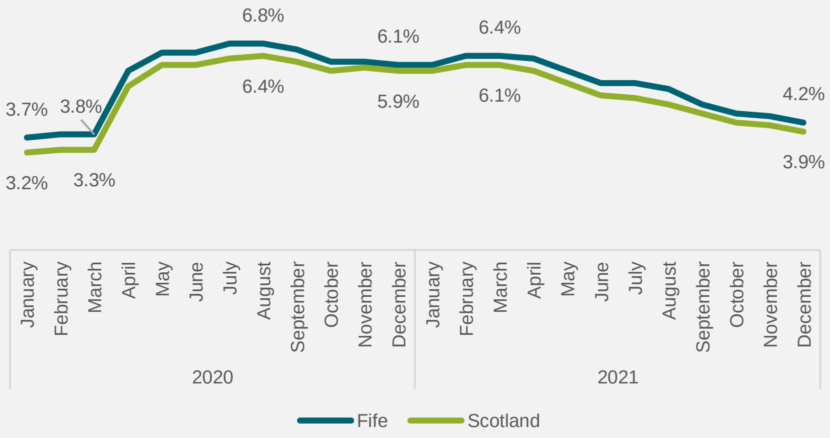
Claimant count aims to provide data on the number of people receiving out of work benefits. This is currently an experimental series, which counts the number of people claiming Jobseeker's Allowance plus those who claim Universal Credit and are required to seek work and be available for work.

In the Fife, claimant count increased from 8,800 in March 2020 (prior to the onset of the pandemic), to 14,800 in March 2021 (the end of the 2020/21 financial year). Proportionally, claimant count increased less in the Fife than in Scotland.

Since the beginning of 2021/22, claimant count decreased in the Fife, to 9,800 in December 2021. For comparison, across Scotland claimant count has also decreased.

Claimant count rate shows the number of claimants as a proportion of residents aged 16-64. As shown in Figure 15, in the Fife the claimant count rate has increased from 3.8 per cent in March 2020 to 6.4 per cent in March 2021, falling to 4.2 per cent in December 2021. This is a decrease from a peak of 6.8 per cent in August 2020. For comparison, across Scotland the claimant count rate was 3.3 per cent in March 2020, 6.1 per cent in March 2021 and 3.9 per cent in December 2021. Nationally the claimant count rate peaked at 6.4 per cent in August 2020.

Figure 15: Claimant Count rate (January 2020 – December 2021), Fife



Regional Requirement[35]

Future demand for skills

In this section we provide an overview of the total labour market requirement in Fife. They should be used as guidance on overall trends based on current evidence - rather than definitive numbers. We provide this overview for two time periods:

- The mid-term, 2021-2024; and
- The longer-term, 2024-2031.

We do this as the data and evidence suggests that, for the most part, the changes and dynamics in the mid-term are largely a result of the economy and labour market recovering from the impacts of the pandemic.

Whereas over the longer-term we see changes associated with recovery level-off, and the labour market operating in the ‘new normal’. In most cases by the end of 2024 or during 2025 we see labour markets return to a position similar to that pre-pandemic. Whilst this is generally the case, not all regions are expected to.

It is important to note that the forecasts do not account for national or regional activities, initiatives or investments that are planned. This is true for planned activity relating to jobs being lost in the area through relocation or business closure, and also activity that may lead to jobs being created. Users of the RSA are encouraged to overlay the forecasts with their knowledge of local factors.

Expansion Demand

Expansion demand is the measure of an increase/decrease in jobs, as a result of economic growth or contraction.

Replacement Demand

Replacement demand is the number of job openings generated by people leaving the labour market (i.e. those who retire, move away, or change jobs).

Total Requirement

Total requirement is made up of expansion demand and replacement demand to show the total number of job openings.

Future demand for skills – Job openings in the mid-term (2021 - 2024)

In Fife, the labour market forecast for the mid-term (2021-2024) however suggest there could be some jobs growth and opportunities created as a result of the need to replace workers leaving the labour market due to retirement and other reasons.

In Fife, 21,600 job openings are forecast from 2021 to 2024. In the region, and as shown in the previous chapter, the number of people required is forecast to increase by 3,000 from 2021 to 2024 due to expansion in the labour market. The replacement requirement of 18,600 people will also create a need for labour.

In **Scotland**, 361,500 job openings are forecast from 2021 to 2024. The number of people required is forecast to increase by 72,500 from 2021 to 2024 due to expansion in the labour market. The replacement requirement of 289,000 people will also create a need for labour.

Whilst positive, caution is needed as there are still a wide range of unknowns concerning Scotland's post COVID-19 recovery, including the threat of new COVID-19 variants. The jobs market could also be competitive, with the number of people seeking jobs outnumbering the opportunities available. Skills mismatches and job quality will also be important factors to consider.

Note: figures may not sum due to rounding

Expansion Demand
Fife: 3,000 people
Scotland: 72,500 people

+

Replacement Demand
Fife: 18,600 people
Scotland: 289,000 people

=

Total Job Openings
Fife: 21,600 people
Scotland: 361,500 people

In **Fife**, the total requirement for people with higher education level qualifications are:

SCQF 11-12	SCQF 7-10	SCQF 6	SCQF 5	SCQF 1-4	No quals.
1,400 (7%)	10,800 (50%)	2,400 (11%)	4,300 (20%)	900 (4%)	1,700 (8%)

In **Scotland**, the total requirement for people with higher education level qualifications are:

SCQF 11-12	SCQF 7-10	SCQF 6	SCQF 5	SCQF 1-4	No quals.
29,000 (8%)	174,700 (48%)	44,800 (12%)	72,200 (20%)	15,700 (4%)	25,100 (7%)

Job openings are expected to be concentrated in a small number of sectors, with four sectors in Fife forecast to account for 11,200 (52.0 per cent) of the requirement. These are (see Figure 16):

Wholesale and Retail Trade
4,300 jobs;

Human Health and Social Work Activities:
2,700 jobs;

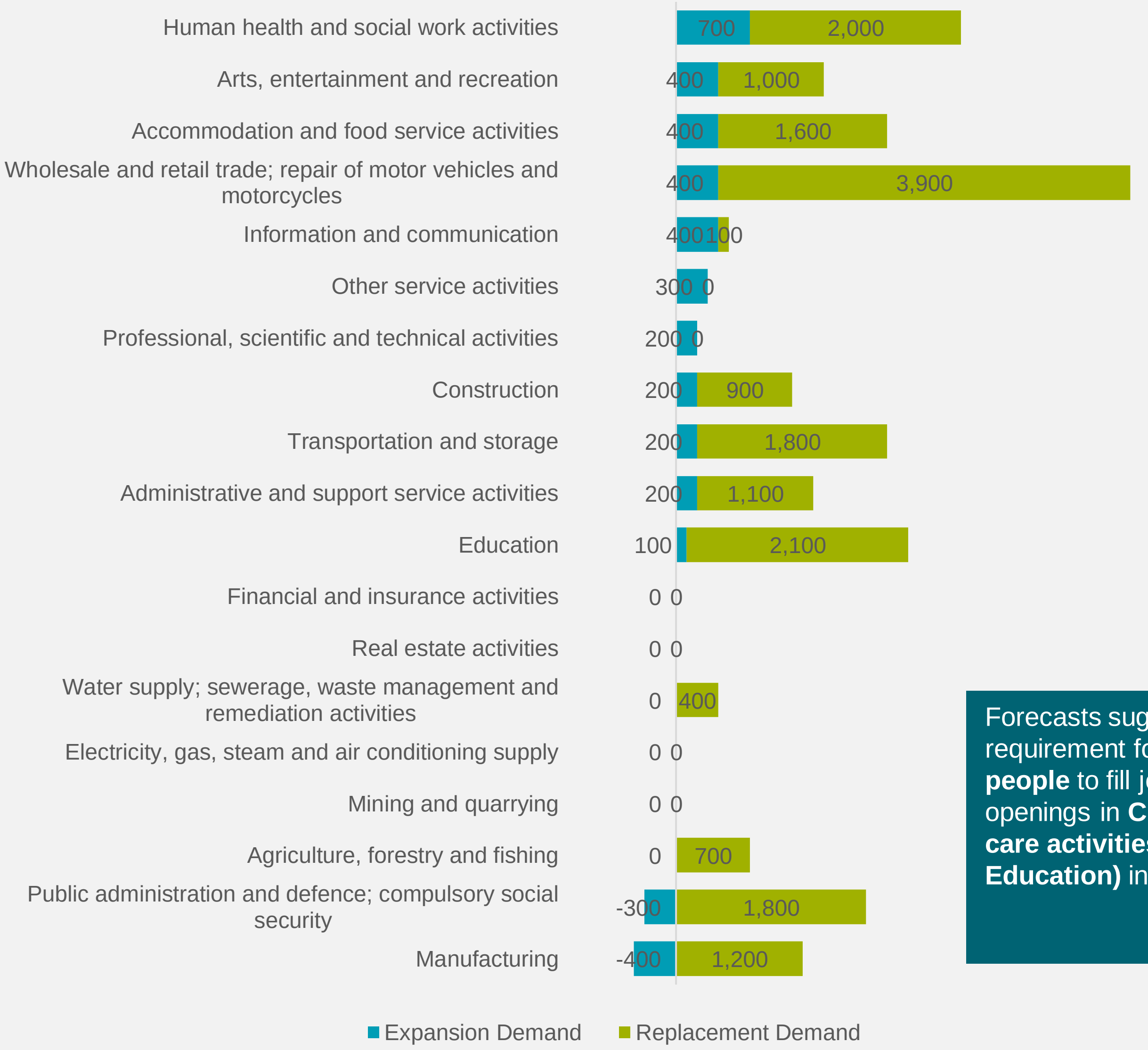
Education:
2,200 jobs; and

Accommodation and Food Service Activities:
2,000 jobs.

Headline figures for each sector do not show how the composition of the sector is changing. Within sectors changes to operating practices are taking place, for example the shift to online shopping with a reduction of shopping on the high street within the Wholesale and Retail Trade sector. These shifts are not captured in the aggregated groups. Similar experiences to a greater or lesser extent will be taking place in other sectors too and we would encourage readers to bear this in mind when interpreting the data. Please get in touch with us via the RSA mailbox (rsa@sds.co.uk) if you require any assistance.

Note: figures may not sum due to rounding

Figure 16: Forecast Total Requirement by Industry (2021-2024), Fife



Forecasts suggest a requirement for **200 people** to fill job openings in **Child-day care activities (within Education)** in **Fife**

In Fife, employment growth by sector is forecast across a range of occupations. Growth is expected to be highest in Caring Personal Service Occupations, with 400 people needed to fill these new roles. This accounts for 14.5 per cent of the region's total expansion demand between 2021 and 2024 and is higher than the rate for Scotland (9.5 per cent).

Occupations that are growing indicate how the labour market will develop in the future in terms of the type jobs created and skills that may be required.

Across almost all occupations that are projected to grow between 2021 and 2024, the qualifications with the greatest requirement are SCQF 7-10. This accounts for 50 per cent of the region's total requirement for this period, higher than the rate for Scotland (48 per cent).

As shown in the data above, jobs of the future are typically going to require higher-level qualifications. This includes occupations that have historically required lower-level qualifications. Despite this, there is still a need for individuals with qualifications at all levels to fill job openings in the region.

Figure 17: Forecast Employment Growth by Occupation (2021-2024), Fife

Occupation	Expansion Demand	Greatest Qualification Required
Caring Personal Service Occupations	400 People	SCQF 7-10
Corporate Managers	300 People	SCQF 7-10
Health Professionals	300 People	SCQF 7-10
Culture, Media and Sports Occupations	300 People	SCQF 7-10
Business and Public Service Professionals	300 People	SCQF 7-10
Elementary Occupations: Clerical and Services Related	200 People	SCQF 5
Science and Technology Professionals	200 People	SCQF 7-10

Future Demand for Skills – Job openings in the long-term (2024-2031)

The forecasts for the long-term (2024-2031) highlight that jobs growth is not forecast to continue in Fife. However, it is expected that there could be an ongoing requirement for skilled people to fill opportunities created by people leaving the labour market. This feature of the labour market, known as the replacement requirement, is a symptom of the demographic change strategic driver.

In Fife, 45,200 job openings are forecast from 2024 to 2031. In the region, and as shown in the previous chapter, the number of people required is forecast to decline by 900 from 2024 to 2031 due to contraction in the labour market. The replacement requirement of 46,100 people however will create a need for labour.

In **Scotland**, 743,700 job openings are forecast from 2024 to 2031. The number of people required is forecast to expand by 25,900 from 2024 to 2031. The replacement requirement of 717,800 people will also create a further need for labour.

The long-term forecast is changeable and could be influenced by a range of factors both related and not to Scotland's post COVID-19 recovery. National and local policy, investment and initiatives could all influence the long-term outlook presented.

Note: figures may not sum due to rounding

Expansion Demand
Fife: -900 people

Scotland: 25,900 people

+

Replacement Demand
Fife: 46,100 people

Scotland: 717,800 people

=

Total Job Openings
Fife: 45,200 people

Scotland: 743,700 people

In **Fife**, the total requirement for people with higher education level qualifications are:

SCQF 11-12	SCQF 7-10	SCQF 6	SCQF 5	SCQF 1-4	No quals.
2,600 (6%)	23,400 (52%)	4,700 (10%)	9,800 (22%)	1,000 (2%)	3,700 (8%)

In **Scotland**, the total requirement for people with higher education level qualifications are:

SCQF 11-12	SCQF 7-10	SCQF 6	SCQF 5	SCQF 1-4	No quals.
55,100 (7%)	370,700 (50%)	87,500 (12%)	161,900 (22%)	18,000 (2%)	50,500 (7%)

Job openings are expected to be concentrated in a small number of sectors, with four sectors in Fife forecast to account for 25,100 (55.5 per cent) of the requirement. These are (see Figure 18):

Wholesale and Retail Trade:
9,000 jobs;

Human Health and Social Work:
6,800 jobs;

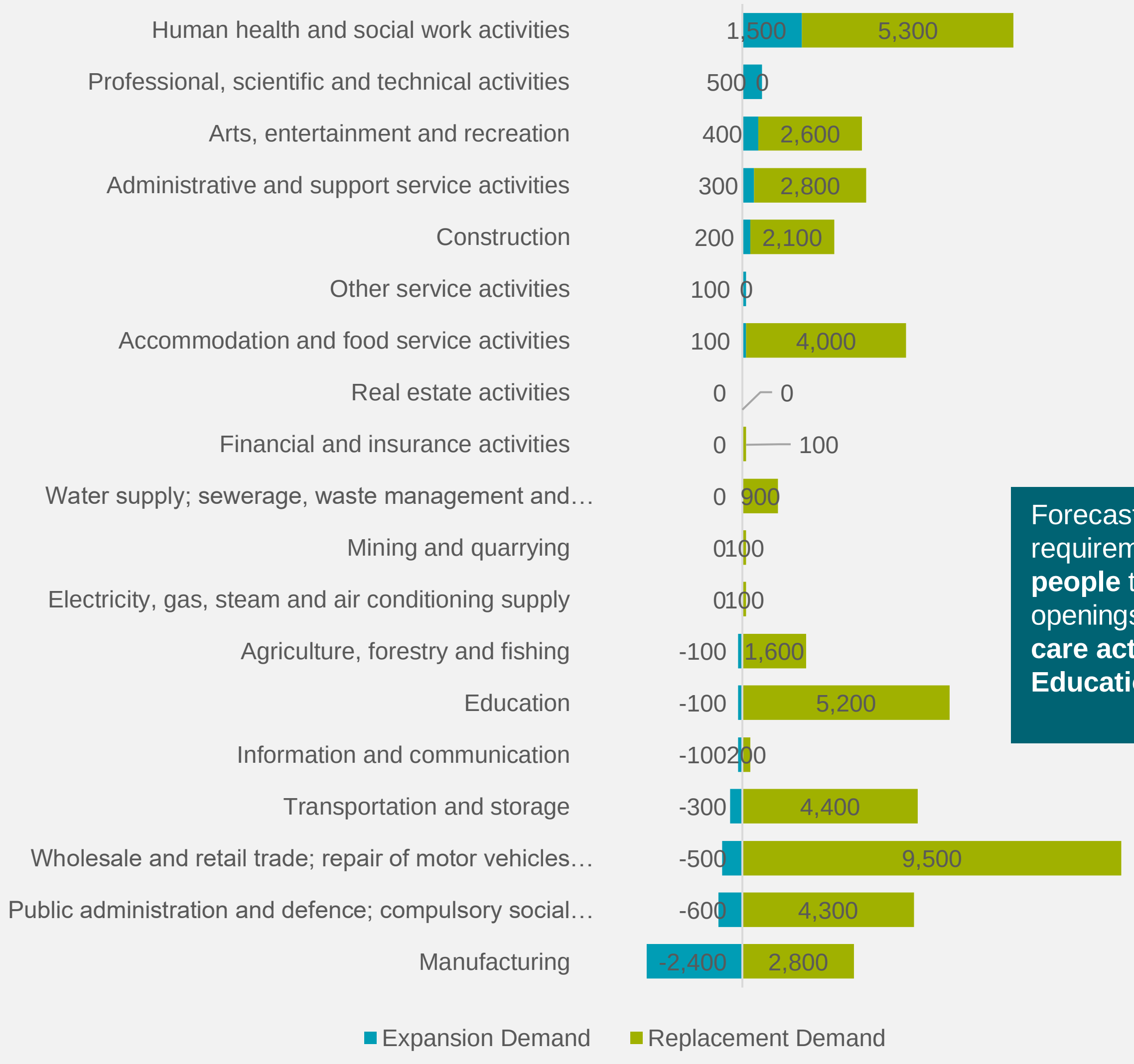
Education:
5,100 jobs; and

Transportation and storage:
4,100 jobs.

As we highlighted in our analysis of the mid-term, the operating practices of some sectors are changing and evolving and will continue to do so over the longer term too. Automation has accelerated as a result of the pandemic and Industry 4.0 is set to have an even greater impact on the operating practices of sectors such as Wholesale and Retail.

Note: figures may not sum due to rounding

Figure 18: Forecast Total Requirement by Industry (2024-2031), Fife



Forecasts suggest a requirement for **500 people** to fill job openings in **Child-day care activities (within Education)** in **Fife**

Similar to mid-term projections, employment growth by sector will be spread across a range of occupations in Fife. Whilst overall a decrease in employment is forecast in Fife for 2024-2031, there is growth within certain occupations. Growth is expected to be greatest in Caring Personal Services, with 800 people needed to work in this occupation.

Occupations that are growing indicate how the labour market will develop in the future in terms of the type of jobs created and skills that may be required. This will be important in the long-term beyond the COVID-19 recovery in Scotland.

Across almost all occupations that are projected to grow between 2024 and 2031, the qualifications with the greatest requirement are SCQF 7-10. This accounts for 52 per cent of the region's total requirement for this period, higher than the rate for Scotland (50 per cent).

As shown in the data above, jobs of the future are typically going to require higher-level qualifications. This includes occupations that have historically required lower-level qualifications. Despite this, there is still a need for individuals with qualifications at all levels to fill job openings in the region.

Figure 19: Forecast Employment Growth by Occupation (2024-2031), Fife

Occupation	Expansion Demand	Greatest Qualification Required
Caring Personal Service Occupations	**800 People**	**SCQF 7-10**
Health Professionals	**600 People**	**SCQF 7-10**
Business and Public Service Professionals	**300 People**	**SCQF 7-10**
Corporate Managers	**200 People**	**SCQF 11-12**
Culture, Media and Sports Occupations	**200 People**	**SCQF 1-4**
Health and Social Welfare Associate Professionals	**100 People**	**SCQF 7-10**
Skilled Construction and Building Trades	**100 People**	**SCQF 1-4**

March Spotlight: Skills Shortages, Gaps and Challenges in Fife[36]

Skills Shortages, Gaps and Challenges in Fife

The **Employer Skills Survey** (ESS) gathered information on the skills challenges that employers encountered when recruiting, and any challenges that they had within their existing workforces. It is the primary source for this insight as it has taken a consistent approach across sectors and regions.

The publication of the Scottish ESS follows a longstanding UK-wide ESS series (including Scotland) which was conducted biennially from 2011 to 2017. The 2020 survey was undertaken within the context of the COVID-19 global pandemic. Fieldwork was conducted between 20th October and 22nd December 2020, during which period the level of restrictions in different areas of Scotland were under constant review and changing frequently. The survey covered:

- Recruitment and skill-shortage vacancies;
- Skills gaps in the existing workforce;
- Skills under-utilisation;
- Upskilling - the need for staff to acquire new skills or knowledge;
- Training and workforce development;
- Employers' response to COVID-19; and
- High Performance Working practices.

The insight presented in this spotlight feature is from the 2020 Scottish ESS.

Skills Shortages

Skills shortages are challenges that arise when employers are recruiting but are unable to find applicants with the required skills. When a vacancy cannot be filled due to a shortage of skills it is a skill shortage vacancy (SSV). SSVs impact on the workplace and workforce in a number of ways, including:

- Increasing the workload for other staff;
- Creating difficulties when trying to meet customer service objectives; and
- Increasing operating costs.

According to The Open University Business Barometer (October 2021), in 2020, there was estimated to be a skills shortage in nearly two-thirds (62%) of businesses in Scotland, and 59% of Scottish businesses said they struggled due to the skills shortage.[37]

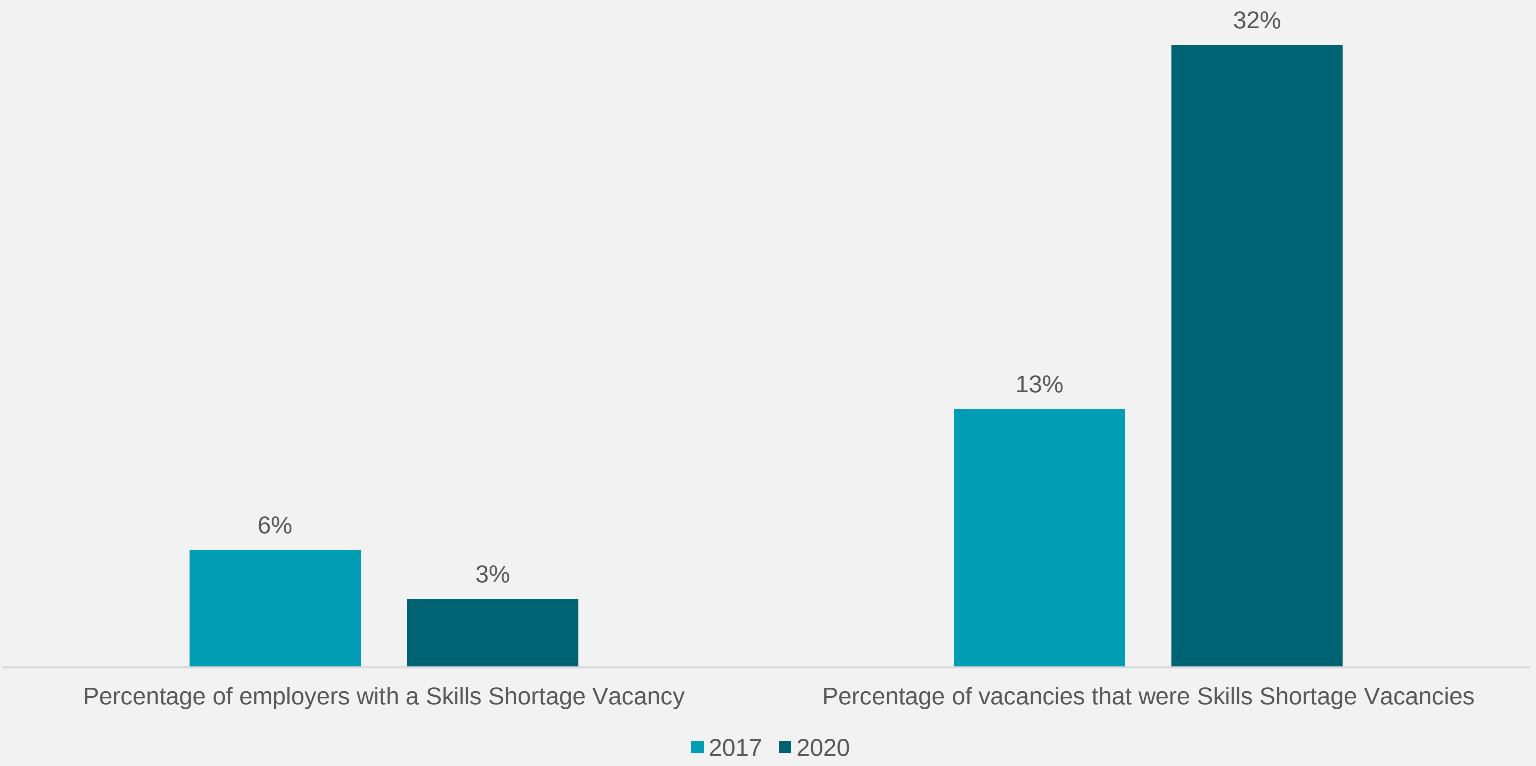
To understand the scale of the challenge that skills shortages present we can consider their incidence (how many employers are experiencing the challenge) and their density (how many vacancies are affected).

In 2020, the number of employers reporting at least one SSV in Fife was three per cent, the same as in Scotland. The incidence of SSVs in the region was lower than in 2017 (six per cent). Across Scotland, the incidence of SSVs has also decreased from six per cent in 2017.

Density, which indicates how many vacancies were SSVs, was higher in Fife than Scotland in 2020 but was lower in 2017. In 2020, density in the region was 32 per cent, up from 13 per cent in 2017 (see Figure 20).

Across Scotland, density was 21 per cent in 2020, down from 24 per cent in 2017. This suggests a challenge that is more prevalent in the region's labour market compared to Scotland's.

Figure 20: Skills Shortage Vacancies (2017 and 2020), Fife



Across Scotland, the most common impact of SSVs among employers were:

- Increased workload of other staff;
- Difficulties meeting customer services objectives; and
- Increased operating costs.

Skills are not the only reason employers can find it difficult to fill vacancies. Other factors like hours and location can also make it hard to fill vacancies.

In 2020, employers across Scotland reported that the most difficult technical/practical skills to obtain from applicants were specialist skills or knowledge needed to perform the role, knowledge of products and services offered by their organisation, and knowledge of how their organisation works. Over the same period, employers reported that the most difficult people/personal skills to obtain from applicants were ability to manage time and prioritise tasks, team working, and creative and innovative thinking. There was no substantial change in the proportion of employers reporting these technical/practical and people/personal skills between 2020 and 2017.

Skills Gaps

Skills gaps arise when existing employees are not fully proficient as they do not have all the skills necessary for their role – these can be people, personal, practical and/or technical skills. Similar to skills shortages, we consider the incidence (how many employers have at least one person not fully proficient) and density (how many employees are not fully proficient). Skills gaps have similar impacts to SSVs and can slow down innovation in the workplace. Across Scotland, the most common causes of skills gaps were:

- Employees being new to their role;
- Training being incomplete or not received;
- An inability to recruit staff with the required
- skills, creating a need to upskill employees/recruits; and
- Inability to recruit staff with the required skills.

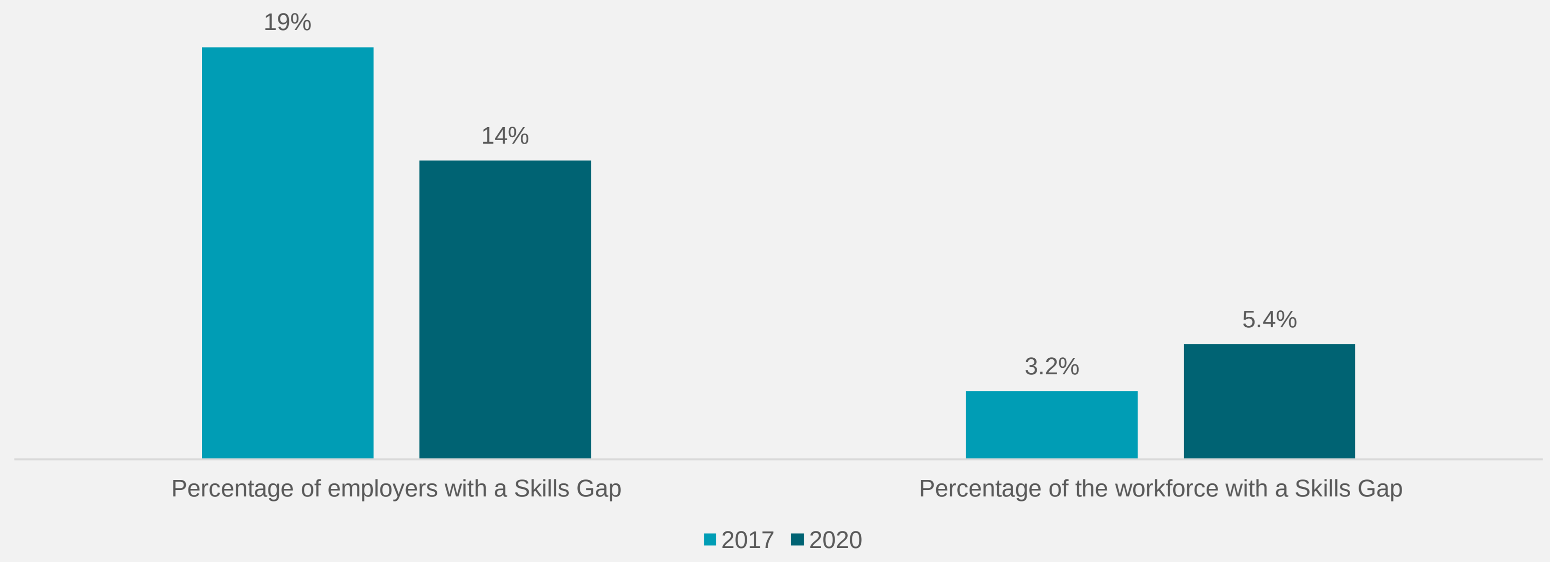
In 2020, the number of employers who reported a skills gap in at least one employee was 14 per cent in Fife, higher than in Scotland (12 per cent). Of the 14 regions, Fife has one of the highest incidences of skills gaps. Since 2017, the incidence of skills gaps in the region has decreased. In 2017, 19 per cent of employers experienced a skills gaps, which was higher than Scotland (16 per cent).

Overall, 5.4 per cent of the workforce in Fife had a skills gap in 2020. This was an increase from 3.2 per cent in 2017, and above the Scottish rate of 4.0 per cent in 2020 (see Figure 21).

In 2020, across Fife, the main implications of skills gaps were:

- Increased workload of other staff;
- Higher operating costs; and
- Losing business or orders to competitors.

Figure 21: Skills Gaps (2017 and 2020), Fife



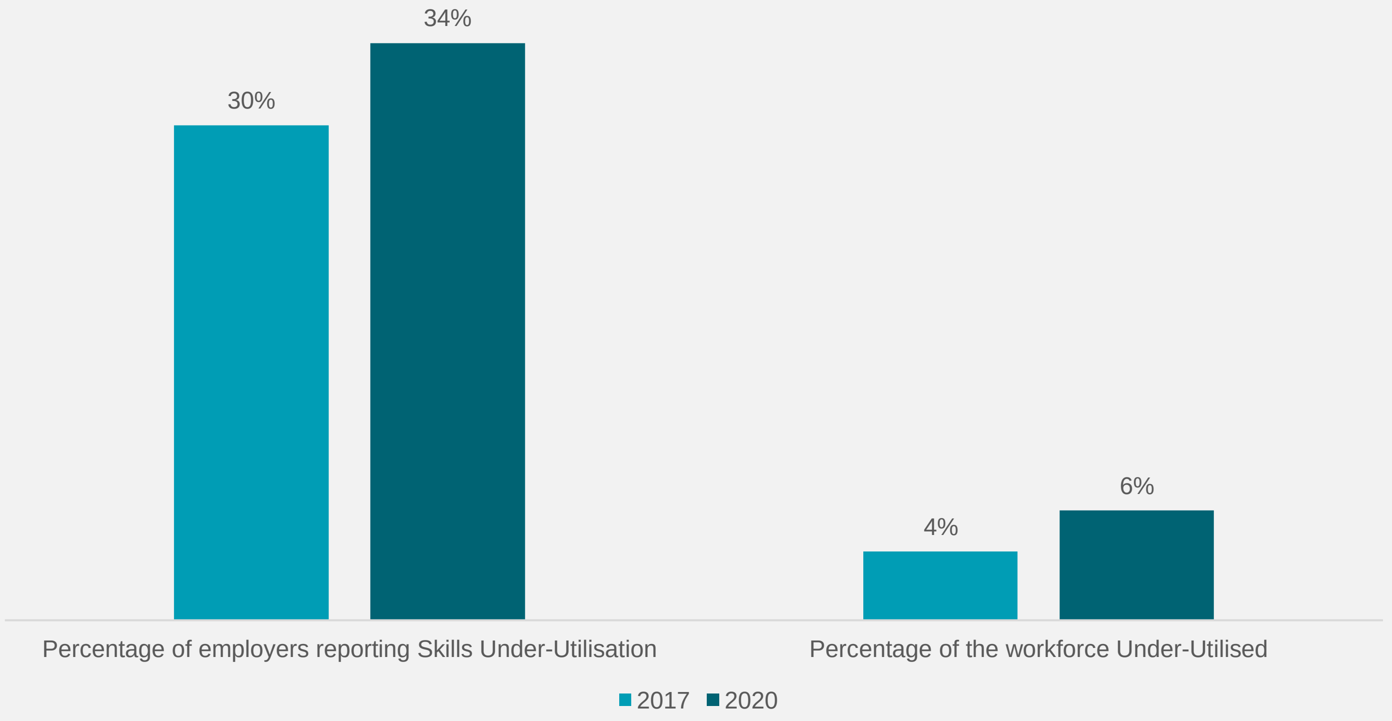
Skills Under-Utilisation

Employees are under-utilised if they have skills and qualifications more advanced than what is needed for their role. Addressing skills under-utilisation is important. In 2012, the economic cost to the UK of skills under-utilisation was estimated to be between £12-25bn. If skills-utilisation was on a par with the levels observed in Germany or France (where under-utilisation levels are between 8.5 to 12.2 per cent lower), UK GDP would be £5-9bn higher.[38] The under-utilisation of skills also impacts on individuals, including on their income, health and wellbeing.[39] Similar to SSVs and skills gaps, we can understand the incidence (how many employers have under-utilised employees) and density of the challenge (how many employees are under-utilised).

The number of employers reporting skills under-utilisation in their workforce was slightly higher in Fife in 2020 compared to Scotland. The number of employers reporting skills under-utilisation was 34 per cent in Fife, compared to 33 per cent in Scotland. The percentage of employers reporting skills under-utilisation increased in the region from 2017 to 2020, from 30 per cent. The percentage decreased across Scotland from 2017 to 2020, from 35 per cent.

The proportion of staff under-utilised has increased in the region, from four per cent in 2017 to six per cent in 2020. Across Scotland, the percentage of staff under-utilised decreased from nine per cent to eight per cent (see Figure 22).

Figure 22: Skills Under-Utilisation (2017 and 2020), Fife



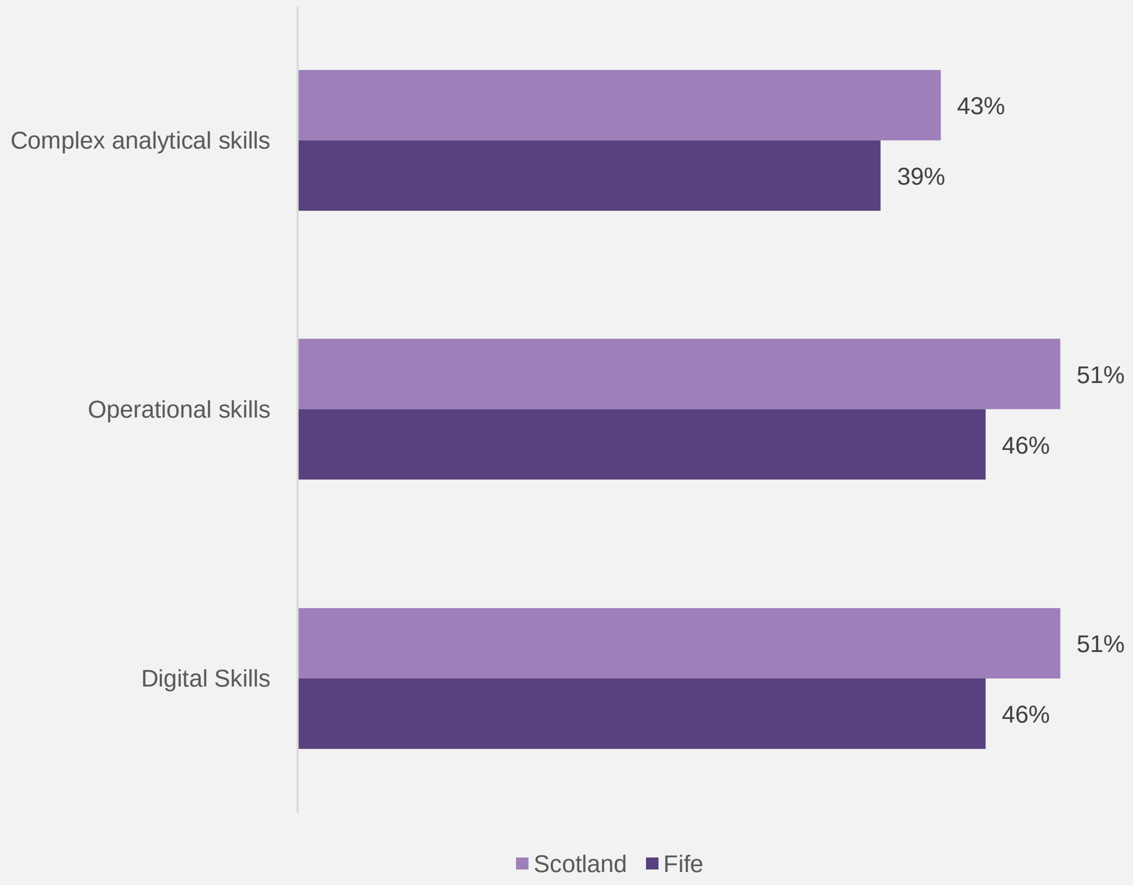
Upskilling

Skills are gained throughout life, and there may be a need to reskill due to:

- New legislative or regulatory requirements;
- The introduction of new technologies, equipment or working practices;
- Increased competitive pressure;
- The development of new products and services;
- The UK's decision to leave the EU; and more recently
- The impact of the COVID-19 pandemic on working practices.

A need to upskill employees in the next 12 months was anticipated by 74 per cent of employers in Scotland (as of 2020). This was higher than the percentage of employers across Scotland who anticipated a need to upskill in 2017 (69 per cent). Within Fife, operational skills and digital skills were the most commonly mentioned development areas. Less than half of the employers who identified development needs mentioned operational or digital skills (46 per cent each) . The need to upskill operational and digital skills were lower in the region compared to Scotland (51 per cent for each). Employers in the region also expected a need to upskill the complex analytical skills of their employees (39 per cent). Compared to Scotland, the need to upskill complex analytical skills was lower in the region (43 per cent in Scotland) (see Figure 23).

Figure 23: Employers anticipating a need to upskill by type of skill (2020), Fife and Scotland



Regional Insight

Regional partnership skills response to addressing skills demand

SDS has also worked with partners to develop a Taycities Regional Strategy Action Plan for the Regional Economic Strategy, which is providing a focus on short and medium-term priorities. One of the themes of the RES and its delivery plan is – People: opportunities for all, equity and fairness. SDS is taking a key role in progressing these actions through the Regional Skills Advisory Board.

Fife is in a unique position in that it sits across a two city region deals. The Tay Cities Region Deal are already delivering growth and driving investment into the area. Under the Deal there is up to £20 million to deliver a Skills and Employability Development Programme, the work of which aligns well with the Regional Skills Investment Plan. This is due for approval early 2022.

In 2022-23, SDS will continue to support the Labour Market Analysis and Evaluation project as part of the Edinburgh and South-East Scotland City Region Deal. Recent work completed to map out green skills demand and supply across Edinburgh and South-East Scotland. This is informing the development of the RPF and the Integrated Regional Skills and Employability Programme to ensure that the region can capitalise on green economy opportunities.

Regional partners are also developing the Leading Economic Recovery action plan. SDS are supporting this through labour market data.

SDS continues to share regional labour market insights with partners and has created a new online resource to support our Local Employability Partners (LEPs) when designing bespoke local services to help people into learning and employment. The new resource brings together labour market information and intelligence, along with other key resources that will help partners to design employability services that are focused on the needs and aspirations of the community. This includes equality data, annual and monthly participation rates and regional skills assessments (RSAs) which provide a robust evidence base to support with strategic skills and investment planning. RSAs also provide the most detailed picture yet of the effect of the pandemic on regional labour markets.

Click to add text

These insights are informing the development of education and skills priorities for the Fife region.

We have recently published an extensive set of Sector Skills Assessments with a wealth of information on key sectors, including key strategic drivers, job postings and current/future demand. This RSA will also form a key part of providing data and insight to inform skills planning in the region.

Opportunities in the green and digital economies are a key focus for Fife. SDS is focused on the need to prepare workforce skills for the economy that is emerging as a result of the climate emergency.

We have published a Climate Emergency Skills Action Plan and continue to work with partners to provide a range of upskilling/reskilling training that enables a resilient, able and adaptive workforce and business base. More information on how to take a green approach to your career, future skills and green job opportunities can be found at Green Jobs Workforce Academy. Similarly, a Digital Economy Skills Action Plan is in development and will be launched in the coming year.

SDS has worked with Developing the Young Workforce and other partners to ensure that each secondary school in Fife benefits from a detailed and coordinated plan for how CIAG and DWY activity will drive the development of career management skills.

In the past year, SDS has worked with partners on the most comprehensive review of Scotland’s careers services in a generation; with an aim to ensure they are fit for purpose and meet the demand of a fast-changing world of work. In the year ahead, we will work with our regional partners to implement an ambitious redesign of the careers service.

More information on the work of SDS in your local authority area can be found on our website with key data, LMI reports, the support we provide to individuals and business in your area and useful contact information.

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