

# Renfrewshire

Skills Assessment  
January 2016



## **Acknowledgement**

The Regional Skills Assessment Steering Group (Skills Development Scotland, Scottish Enterprise, the Scottish Funding Council and the Scottish Local Authorities Economic Development Group) would like to thank Ekosgen for their highly professional support in the analysis and collation of the data that forms the basis of this Skills Assessment Update.

## Introduction

### What is this report?

This is a specific skills summary report for the Renfrewshire local authority area, one of a series of 32 local authority reports across Scotland. These follow the preparation of 2015 summary Regional Skills Assessments (RSA) which have been developed by Skills Development Scotland (SDS), in partnership with Scottish Enterprise (SE), the Scottish Funding Council (SFC) and the Scottish Local Authorities Economic Development (SLAED) Group.

The preparation of local authority-specific reports are designed to help support local authorities and partners with skills investment planning by providing local authority level data where this exists. The reports also support SDS in planning its provision for individuals and businesses.

This series of local authority reports sits alongside the 2015 RSA update reports which highlight some of the key messages for the regions. The local authority and regional updates are summary reports, underpinned by the full data matrix, available at [sds.co.uk/what-we-do/partnerships/regional-skills-assessments/](https://sds.co.uk/what-we-do/partnerships/regional-skills-assessments/). The data matrix has been redesigned to be more user-friendly, and accompanying guidance on how to use the matrix can be found alongside the full data matrix.

### What has changed since 2014?

The economic situation in Scotland has continued to improve in the last year, and the recovery evident at the time of the last RSA is more firmly established, with rising GVA and falling unemployment. Against many indicators, Scotland has returned to pre-recession levels. There continues to be a rise in the participation of women and older workers, and youth unemployment previously apparent has started to fall. Still, under-employment remains an issue and productivity growth in Scotland (and the UK) remains weak and largely consumer-driven.

In policy terms, a new Economic Strategy for Scotland is in place. This puts the 4 'I's – Internationalisation, Investment, Innovation and Inclusive Growth – as central to the strategy. Increasing exports continues to be a key policy objective, and the prominence of Inclusive Growth reflects the desire for a re-balancing form of economic growth. Innovation, including workplace innovation, continues to be highly important. Investment continues to be necessary for firms to be successful. Existing strategies and policies also remain important, including the 2010 Skills Strategy and the 2014 Developing the Young Workforce - Scotland's Youth Employment Strategy.

The 2015 RSA update seeks to reflect some of these policy developments. For the first time the data matrix includes deprivation indicators, and there is greater attention paid to inequality issues such as age, disability and gender indicators. There is also more detail on school-level provision, migration, travel to work/study, claimant counts and employment projections.

## Selected headline indicator changes

Renfrewshire	Previous year	Most recent year	% change
<b>Economic performance</b>			
Gross Value Added (GVA) (£m)	£2,660 (2012)	£2,766 (2013)	<b>+4.0%</b>
GVA per worker	£32,300 (2012)	£33,500 (2013)	<b>+3.7%</b>
Number of businesses	5,275 (2013)	5,410 (2014)	<b>+2.6%</b>
<b>Profile of the workforce</b>			
Total employment	71,300 (2013)	75,400 (2014)	<b>+5.8%</b>
Professional occupations	15,300 (2013)	15,600 (2014)	<b>+2.0%</b>
<b>People and skills supply</b>			
Total population	173,900 (2013)	174,200 (2014)	<b>+0.2%</b>
ILO unemployed	6,700 (2013/14)	4,900 (2014/15)	<b>-26.9%</b>
16-24 unemployed	848 (2014)	436 (2015)	<b>-48.6%</b>
<b>Deprivation</b>			
Workless households	12,883 (2012)	11,233 (2013)	<b>-12.8%</b>
% of children with free school meals	n/a	38% (2015)	<b>n/a</b>
<b>Education and training</b>			
MA starts	925 (2013/14)	990 (2014/15)	<b>+7.0%</b>
College provision (headcount)*	24,330 (2012/13)	28,123 (2013/14)	<b>+15.6%</b>
Higher Education provision (headcount)*	8,020 (2012/13)	8,176 (2013/14)	<b>+1.9%</b>
<b>Skills mismatches</b>			
% of employers recruited in past 2-3 years	66%* (2014)	(next updated 2016)	<b>n/a</b>
% of employers reporting not all staff fully proficient	20%* (2014)	(next updated 2016)	<b>n/a</b>

\*Please note, this data is only available at the regional level, covering East Renfrewshire, Inverclyde, Renfrewshire and West Dunbartonshire local authorities.

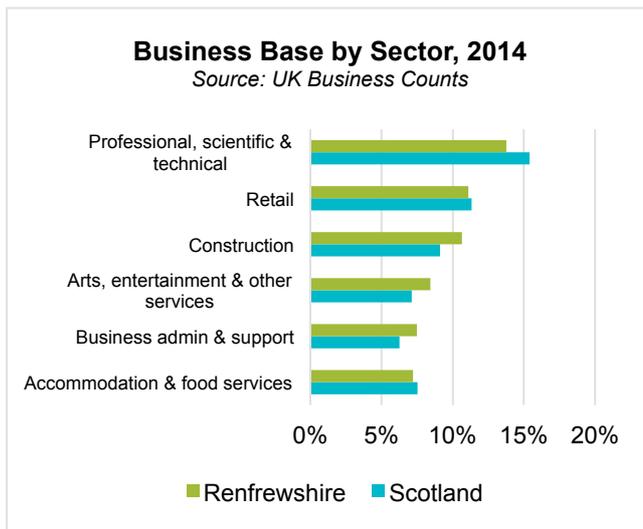
## 1 Economic performance

Renfrewshire generates a modest proportion of Scotland's total GVA output, 2.4%, an increase on the 2.3% the previous year. GVA is dominated by the production sector (30% of the total) and by the public administration (education; health) sectors (21%). GVA increased by 4% in 2013, well above the Scotland increase of 2.9%, following a 5.0% fall in GVA in 2012 (when GVA across Scotland increased by 2%).

Productivity levels in Renfrewshire are below the Scottish and UK averages. GVA per worker was £33,500 in 2013, 29% below the Scottish average of £47,000 and 34% of the UK average of £51,000. GVA per worker increased by 5% between 2006 and 2013, although this was at a level significantly below the Scotland increase (18%) and UK increase (17%).

Most recent (2014) data shows that full time jobs in Renfrewshire, at £540 per week, pay above the Scottish (£519) and UK (£518) averages. This is unchanged from 2013, compared to a 2% increase across Scotland. Those *living* in Renfrewshire also earn £540 on average for a full time job, again above average.





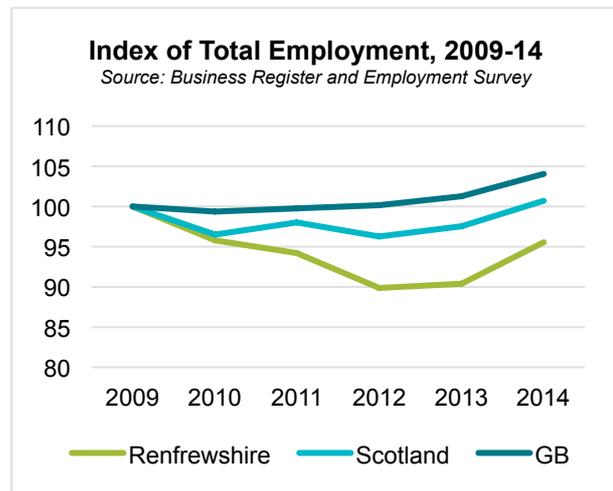
There were 5,410 VAT/PAYE registered businesses in 2014, up 2.6% from 2013, just below the 2.8% Scotland increase. Since 2010, the base has grown by 3%, below the 5% growth in Scotland and 6% in the UK.

The professional, scientific and technical accounts for the largest share of the business base (14%), although this is below the proportion across Scotland. Retail (11%) and construction (11%) sectors are the next most prominent

sectors, followed by the arts, entertainment and other service and business services sectors, which are both more represented than in Scotland as a whole.

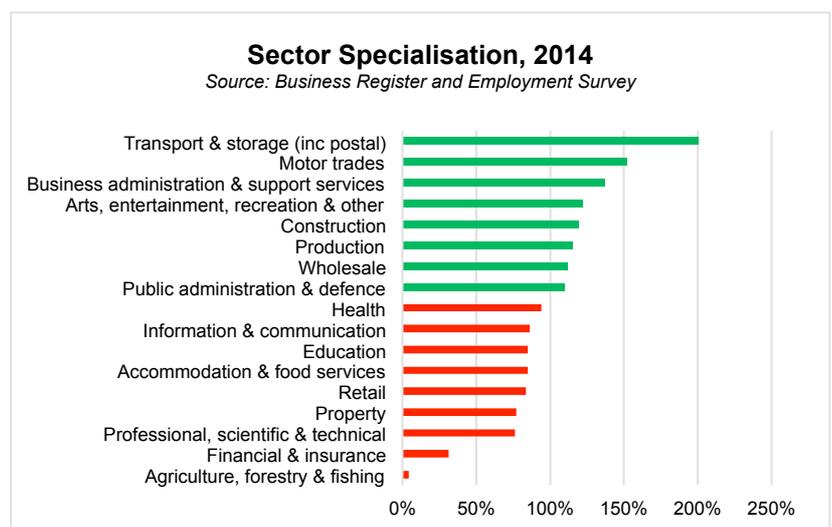
## 2 Profile of the workforce

Total employment started to recover strongly in 2014, up 6% from 2013, following a sharp jobs decline of 10% over the period 2009 to 2012. There were 75,400 employed in Renfrewshire in 2014, however this was still 4% less than in 2009 whilst across Scotland jobs have recovered to pre-recession levels. Total employment has increased by 1% 2009-2014 across Scotland.

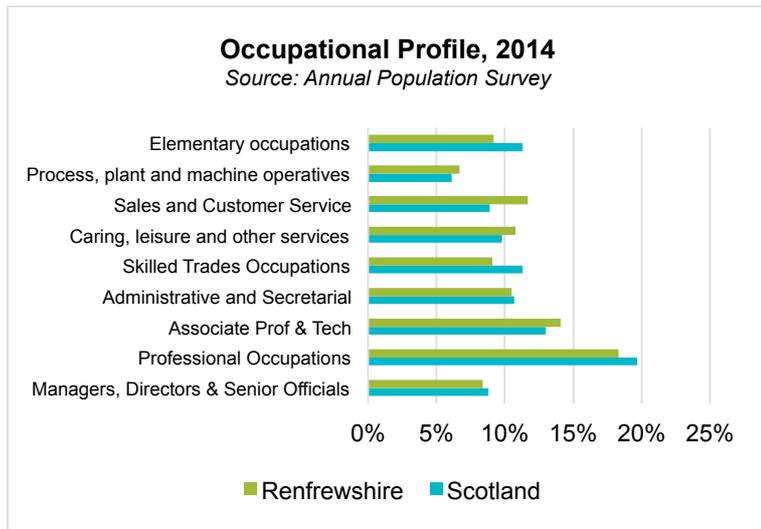


Health accounts for the largest proportion of jobs, 15%, or 11,400, just below the Scotland proportion. This is followed by production (12%) which remains an important employment sector and business services (11%), which is also more concentrated in the area than nationally.

Renfrewshire has a high employment concentration in a number of other sectors, including transport and storage (twice as concentrated as across Scotland) and motor trades. The arts, entertainment and recreation sector is also well represented. The area has fewer employed in the higher value added professional, scientific and technical jobs. Sectoral specialisation exists for those sectors with a value which is above 100%.

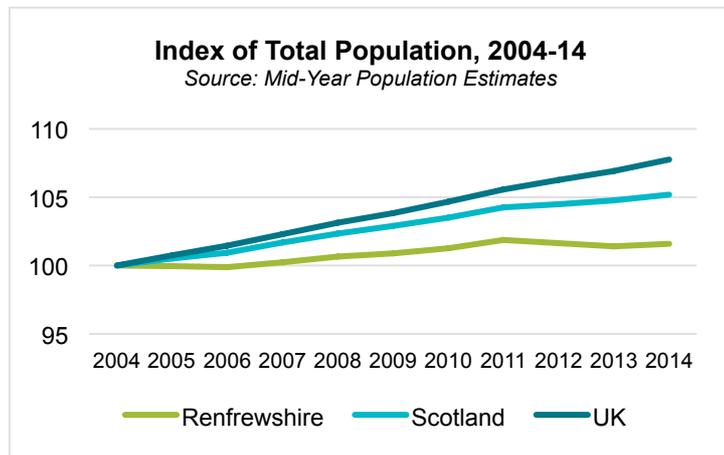


In all, 18% of Renfrewshire residents in employment are in professional occupations – 15,600 – below the Scotland and UK averages of 20%, although a higher proportion are associate professional and technical. A larger proportion is also employed in sales and customer service occupations (12% compared to 9% in Scotland). There is also a higher than average occupied in caring, leisure and other services.



### 3 People and skills supply

At an estimated 174,200, the 2014 population has fallen slightly since 2013, although there has been a with a 2% increase since 2004. This compares to 5% growth in Scotland and 8% growth in the UK over the same period.



The employment rate for Renfrewshire in 2014 was 74%. This is one percentage point higher than for Scotland and Great Britain. The rate is also an increase of one percentage point on the 2013 rate.

In 2014/15 there were 4,900 ILO unemployed people (those out of work and actively seeking work), down from 6,700 in 2013/14. The ILO rate in 2014/15 was 6% in Renfrewshire, in line with the Scotland and UK rates. In 2015 there were 436 unemployed young people aged 16 to 24, a decrease of 49% since 2014.



The proportion of school leavers entering Higher Education from Renfrewshire in 2014/15 was 42%, a two percentage point decrease from 2013/14 but still above the Scotland average. The percentage entering Further Education (27%) has increased from 22% in 2007/08. Around a fifth (19%) entered employment, down from 23% in 2013/14.

The proportion of those aged 16-64 years in Renfrewshire with high level qualifications (41% at SCQF 7-12) is in line with the Scotland (41%) rate. A slightly higher proportion (10%) have no qualifications, compared to 9% in Scotland. Amongst 16-24 year-olds, 30% have higher-level qualifications (SCQF 6) – slightly above the Scottish rate (27%).

## 4 Deprivation

One in five Renfrewshire households (11,233) are workless households (2013), in line with the Scottish rate, and slightly above the 17% in the UK. Just over a third of households (34%) have incomes above £30,000, compared to 31% across Scotland.

In all, 38% of those at school in Renfrewshire are entitled to free school meals, just below the national average of 39%.



## 5 Education and training provision

There were 10,097 pupils enrolled at secondary schools across Renfrewshire in 2014, 30% of whom were S5 and S6, just above the 29% across Scotland.

There were 990 SDS-supported MA starts in 2014/15, a 7% increase on the 925 in 2013/14. 63% of starts were male and the remainder female (37%). There were 980 SDS-supported MA leavers in 2014/15.

28,123 students (headcount) were studying at West College Scotland in 2013/14 (across its three campuses in Clydebank (West Dunbartonshire), Greenock (Inverclyde) and Paisley (Renfrewshire)); 88% of these were studying at FE level and 12% at HE level. 68% of West region residents who are at college study locally.<sup>1</sup>

8,176 students (headcount) were studying at the University of the West of Scotland in 2013/14, based in Paisley (Renfrewshire). There were 3,109 graduates. This included 2,762 with a first degree (89%) and a further 347 postgraduates (11%).<sup>2</sup>

## 6 Skills mismatches<sup>3</sup>

66% of employers in Glasgow and the Clyde Valley had recruited in the 2-3 years prior to the UKCES survey, and 29% had taken on leavers from Scottish education institutions (in contrast to 67% and 26% across Scotland).

Just under a fifth (18%) of employers in Glasgow and the Clyde Valley reported that not all of their staff are fully proficient, just below the average for Scotland of 19% - with skills gaps most likely in skilled trades, sales and customer services, operatives and elementary occupations.

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<sup>1</sup> Please note, this data is only available at the regional level, covering East Renfrewshire, Inverclyde, Renfrewshire and West Dunbartonshire local authorities.

<sup>2</sup> *ibid.*

<sup>3</sup> Please note, data is from 2013 as the UKCES Employer Skills Survey is only undertaken every two years. Further, data is only available at the regional level, covering East Dunbartonshire, East Renfrewshire, Glasgow City, Inverclyde, North Lanarkshire, Renfrewshire, South Lanarkshire and West Dunbartonshire local authorities.

## 7 Looking forward

The population of Renfrewshire is forecast to increase by 1,533 over the 2014-2024 period, an increase of 0.9%. This compares to 5% growth at the UK level, and a 4% rise at the Scotland level.



The school roll is projected to fall slightly from 10,100 in 2014 to 9,500 by 2018 (a fall of nearly 6%). Across Scotland, the trend is for a 2% fall over the same period.

Based on 2012 figures, national employment figures are projected to rise by 5.3% from 2012 to 2022, with the fastest increases occurring between 2017 and 2020. Greatest levels of growth are expected in information technology (32%) and health and social work (17%). There is projected to be a fall in agriculture employment (-15%), other manufacturing (-12%) and public administration (-11%).

## 8 Summary

Following a significant fall in total employment of 10% in Renfrewshire following the economic downturn, there was strong jobs growth 2013 to 2014, of 6%, faster than the Scotland and UK averages. The business base is also growing, and at a rate close to the Scotland average, with some higher value added sectors (including the creative industries) more prevalent than elsewhere, a sector where there is also strong employment concentration. Renfrewshire continues the transition to a more balanced economy, with business administration and support services now the third largest sector in employment terms behind the health sector, and the traditional mainstay of employment, the production sector.

GVA output increased by 4% in 2013, although productivity growth has been slower than the Scotland and UK averages over the longer-term. There remain fewer Renfrewshire residents employed in professional occupations compared to the Scotland average, and a higher proportion in sales and customer service roles, partly reflecting the strong business services and wider services sectors. At the same time, both those living in Renfrewshire and those commuting out to jobs elsewhere earn more than the Scotland and UK averages for full time work; indicating that jobs in the local area pay as well as those outwith the area.

The proportion of young people with high level qualifications is above that of Scotland, and a higher than average proportion of school leavers enter Higher Education. Unemployment is now in line with the Scotland and UK averages. However, there remain significant numbers outside the labour market, and there are more than 11,000 workless households in the area, although the proportion, at 20%, is in line with the Scotland average.

The challenge for Renfrewshire is to continue to broaden and diversify the business and employment base, whilst recognising and sustaining traditionally important sectors, notably the production sector. The area suffered job losses as a result of the recession, and is still struggling to restore employment to 2009 levels, which has been achieved elsewhere. The supply of skills needs to meet employer demands in both growth and existing sectors. There is a requirement to ensure that there is a sufficient flow of skills into the services sector in particular, including business services and health, given their higher proportionate share of the local employment base.