University of Glasgow | Training & Employment Research Unit

Victoria Sutherland, Alex McTier and Alan McGregor

Training and Employment Research Unit (TERU)
University of Glasgow
Adam Smith Business School
40 Bute Gardens
Glasgow
G12 8RT

Alan McGregor
Email: alan.mcgregor@glasgow.ac.uk
Tel. 0141 330 5127

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EXECUTIVE SUMMARY

Background and Brief

1. Published in November 2014, the Regional Skills Assessments (RSAs) were developed by Skills Development Scotland (SDS), in conjunction with partners, to provide a single, comprehensive *skills evidence base* at the regional level. 11 RSAs were developed, covering the 26 local authority areas in lowland Scotland (the area covered by Scottish Enterprise).

2. This review contributes to the process of development, refinement and improvement of the RSAs and reflects a recognition by SDS and its partners that development of any new 'product' is an iterative process.

3. The review comprised.
   - A desk-based review of RSA documentation.
   - Interviews with key stakeholders including all 18 colleges and 26 local authorities covered by the RSAs, SDS staff involved in the development and use of the RSAs and national partners.
   - A desk-based review of good practice from across the UK and EU in the provision of labour market intelligence to support skills planning.

Review of RSA Documentation

4. RSAs were introduced to help ensure the Scottish skills system better serves the needs of individuals, employers and the economy. By providing robust data and analysis, it is hoped that they will lead to more effective skills planning and investment.

5. Written feedback on the draft RSAs was received from 20 local authorities, 13 colleges and a range of SDS and SFC staff. The main issues raised were in relation to the data contained within the RSA, the geography selected for the RSA and the extent to which there is sufficient analysis and interpretation.

6. Since publication, the RSAs have been downloaded nearly 1,500 times – suggesting that there is a demand for the information the RSAs provide.

Feedback from Consultation Process

7. Consultees generally felt the RSA *development process* had been well managed.

8. Consultees welcomed the RSA – with it widely being seen as a good addition to the evidence base. In particular, consultees felt that having a wide range of data on skills issues collated in a single place was useful.

9. Few consultees had used the *data matrix* – and a large number were not aware of its existence.

10. Most consultees were content with the *geographies* selected.
    - Where the region selected aligned with the region at which skills planning was undertaken, it was generally considered to be appropriate.
    - Local authorities would value more disaggregation of data at the local level.

11. Over half of the consultees had *used* the RSA to date – and many others planned to use it in the future. The main uses to date had been:
    - Supporting the colleges in preparing their ROAs.
    - Informing other decision making – such as curriculum planning and college business development strategies.

- Informing Modern Apprenticeship and Employability Fund contracting – with both SDS and contractors having used the RSAs.
- As background information in preparing papers.

12. The main *improvements* to the RSAs identified by consultees included:
- Bringing forward some additional data on a range of topics including the skills needs of the region's key sectors, future employment opportunities, travel to work and study patterns and inequality issues.
- Pulling out headline messages to help ensure the evidence base informs skills planning.
- Providing summary documents outlining key RSA findings.
- Developing a Scotland Skills Assessment to sit alongside the RSAs.

13. *Looking forward*, it is important that subsequent RSA development processes:
- Involve a wide range of regional partners.
- Focus on establishing and meeting the needs of partners and potential users.
- Are clear about the purpose of the RSAs.
- Are timely – with the RSA available in time to feed into key planning cycles.

14. Raising the profile of the RSAs, hosting workshops and events to highlight key findings and demonstrate how RSAs can be used and providing access to interactive data were all recommended as mechanisms to facilitate *greater use of the RSAs*.

15. There was some consensus in terms of the *updating* of the RSAs, with:
- Updates required no more than once a year – although there may be scope to update every 2 or 3 years with a more limited 'refresh' undertaken in the intermediate years.
- The timing of the updates being tied into the skills planning cycle. Whilst this varies across different partners, a summer release (say June or July) would appear to meet the needs of most partners.

Review of International Good Practice
16. The international examples reviewed as part of this study all had similar aims as the RSAs in terms of bringing together a wide range of LMI data sources together in a coherent manner that would support the skills decisions made by funders, providers and individuals.

17. The tools often took a predominantly national focus and delivered this information through an easy to navigate, web-based tool.

18. As for points of difference from the RSAs, the tools sought to:
- Provide more detailed data at the occupational level – ranging from employment forecasts; skills and attributes required; vacancy levels; and levels of migrant labour.
- Bring together quantitative and qualitative data to provide more insightful labour market analysis. This analysis was typically reported in the form of short briefing papers or articles around specific labour market issues or developments.

19. Long national or regional skills documents (such as RSAs) were not used by any of the tools reviewed. Instead their focus was more on providing a combination of the following:
- Supported access and navigation to up-to-date labour market statistics.
- Concise, summary regional reports, either in the form of a statistical infographic or a 3-5 page report.
- Regular/periodic thematic reports that combine quantitative and qualitative material to analyse a key labour market development.

Recommendations

20. Key recommendations arising from the research include:
    - RSAs should continue to be supported and developed.
    - SDS and its partners should agree whether to amend the current RSA *regions* in light of the feedback received from the consultees.
    - A *Scotland Skills Assessment* should be developed to sit alongside the RSAs.
    - SDS and its partners should consider whether to amend the *content* of RSAs. In making this decision, consideration should be given to the cost of collating and analysing the additional data and the extent to which skills planning and investment decisions would be different if it was available.
    - Future RSAs should set out more clearly the *key messages* for the region.
    - SDS and its partners should invest resources in updating the *data matrix* and consider how they could support users to get more value out of it. This could be achieved by providing responsive analysis of the data matrix, through capacity building with user organisations or a combination of both.
    - SDS and its partners should consider what the most effective *format* for the RSAs would be in the future, especially given that none of the good practice examples used a report format. This could include shifting away from the production of the RSA report to a series of shorter, more digestible papers or the development of a RSA online portal.
    - SDS and its partners should agree their roles and responsibilities in any future *development process*.
    - SDS and its partners should consider how it could *encourage greater use of the RSAs*.
    - SDS and its partners should agree how *frequently* the RSAs should be updated.

21. All of the recommendations outlined above have *cost implications*. At an early stage the RSA Steering Group should:
    - Assess the costs and resource implications of each option.
    - Consider the impact that any proposed changes will have on skills planning and investment.
    - Identify the resources each partner can bring forward.
    - Establish a business plan that sets out the approach to be taken and the contribution of each partner.

22. Going forward, SDS should *measure the success* of the RSAs in terms of their usage and the impact they are having on skills provision. We recommend measuring both outputs and outcomes.
    - *Output* measures should include:
        - Number of occasions the RSAs and data matrix is downloaded.
        - Numbers attending the proposed RSA workshops and events.
    - *Outcome* measures should include:
        - Number of ROAs that reference RSAs.
        - Number of colleges reporting that they have changed their skills investment as a result of the RSA.
        - Number of local or regional skills strategies and investment plans that reference RSAs.
        - Number of local authorities or regional groupings of local authorities reporting that they have changed their skills investment as a result of the RSA (gathered through an annual e-survey).

1. INTRODUCTION

Background and Brief

The Regional Skills Assessments (RSAs) were developed by Skills Development Scotland (SDS), in conjunction with partners, to help raise the effectiveness of the Scottish skills system to better serve the needs of individuals, employers and the economy. Published in November 2014, the RSAs aimed to provide a single, comprehensive skills evidence base at the regional level, covering the drivers of economic change, the structure of the regional economy and business base, the skills demands of employers, and existing patterns of skills investment. National, regional and local partners can then use the intelligence provided by the RSAs to inform in their skills investment planning. 11 RSAs were developed, covering the 26 local authority areas in lowland Scotland (the area covered by Scottish Enterprise).

This research was commissioned to help review the RSAs and contributes to the process of development, refinement and improvement. This reflects a recognition by SDS and its partners that development of any new 'product' is an iterative process. The key elements of the review were:

- To identify the *utility* of RSAs in terms of their:
    - *Scope* and *content*, basically relating to the appropriateness and value of the intelligence collated.
    - *Geography*, principally the appropriateness of the scale at which the analysis is conducted.
- To assess the effectiveness of the RSA *development process*, considering engagement and governance among other issues.
- To capture the ways in which RSAs have been *used*, or are planned to be used, to *influence* the processes for planning around skill needs and investing appropriately.
- To make *recommendations* on:
    - The future scope, content and geography of the RSAs, and the associated data matrices.
    - Improving the process and governance arrangements around the development, updating and refreshing of RSAs and data matrices.
    - Supportive actions required from national partners and steering group members to drive the effective use of RSAs in regional planning.

Research Methodology

The following methodology was used.

- An initial desk-based review of RSA documentation was undertaken. This included an analysis of the responses from consulted organisations during the RSA development process.
- Key stakeholders were consulted, with the focus of these discussions being their views on the development process, their assessment of the RSAs, their use of their RSAs and the areas were they felt the RSAs could be improved. In total consultations were carried out with:
    - All 18 colleges that were covered by the RSAs.
    - All 26 local authorities covered by the RSAs.
    - SDS staff involved in the development and use of the RSAs.
    - National partners – including Scottish Government, Scottish Funding Council (SFC), Scottish Enterprise (SE), Department for Work and Pensions (DWP), Scottish Council for Voluntary Organisations (SCVO), Third Sector Employability Forum (TSEF), Scottish Training Federation (STF), Scottish Trade Union Congress (STUC), Education Scotland, Universities Scotland and business representative bodies (including CBI, Scottish Chambers of Commerce, Federation of Small Businesses and SCDI).

- A desk-based review of good practice in the provision of labour market intelligence to support skills planning was undertaken, drawing on evidence from across the UK and EU.

Report Structure

This report is structured as follows:

- Chapter 2 reviews the RSA documentation.
- Chapter 3 presents the feedback from the consultation.
- Chapter 4 reviews the international good practice in providing robust skills and labour market intelligence to inform skills planning.
- Chapter 5 presents an overview of the key findings and a set of recommendations on how the RSAs should be taken forward.

2. REVIEW OF RSA DOCUMENTATION

Introduction
This chapter presents an overview of the key RSA documentation to:
- Identify the context within which the RSAs were established, with a particular focus on the rationale for their establishment.
- Map the key stages in the development process and to examine the feedback received from stakeholders on the draft RSAs. This provides an initial perspective on stakeholder assessments of the robustness, appropriateness and value of the RSAs at that stage.
- Examine the promotion and usage of the RSA to date.

Rationale for RSAs
RSAs were introduced as a radical measure to support the development of a Scottish skills system which better serves the needs of individuals, employers and the economy.
- There was recognition in the 2011 Government Economic Strategy of the key role that appropriate skills investment can play in minimising *skills shortages* and raising the *skills levels* of the workforce in growth businesses and sectors, so raising their competitiveness at the UK and international levels.
- Planning had to be based on *robust evidence* of *industry demands* of skills currently and prospectively. This recognises the importance of driving skills investment from the demand side as opposed to being provider led. The Joint Skills Committee of Skills Development Scotland (SDS) and Scottish Funding Council (SFC) has consistently underlined the need for robust, high quality evidence on economic and labour market needs in relation to skills.
- The reform of the college system, with the creation of a number of *regional colleges* with a remit to more effectively meet the needs of employers and learners, also generated demand for RSAs to provide the robust evidence base to drive college investment in skills development.

In the process of developing the Skills Investment Plans (SIPs) for key sectors and Regional Outcome Agreements (ROA) it became increasingly clear that there was a need for a much more robust evidence base on skills supply and demand at the regional level. The *purpose* of the RSAs was to:
- Support SFC and Regional Colleges in negotiating ROAs.
- Provide a framework for aligning SDS investment in individuals and businesses.
- Assist partners in planning their strategic investment in skills.
- Highlight gaps in national and regional skills evidence.

The next section sets out our understanding of the process followed in the development of the first set of RSAs.

RSA Development Process
The key stages in the development of the RSAs were:
- Establishing a steering group to oversee the development process. This involved SDS, SFC, SE and the Scottish Local Authorities Economic Development Group (SLAED).
- Gathering initial data and sharing this with the Regional Colleges.
- Working with partners to agree:
  - Geographies for RSAs.
  - The content of the RSAs.
- Developing draft RSAs. These were then circulated to regional partners including local authorities and colleges with an invitation for them to provide feedback on the drafts. Over 50 responses were received.

- Briefing national partners – including Department for Work and Pensions (DWP), employer representative bodies (such as Chambers of Commerce and Federation of Small Businesses), third sector bodies (SCVO and Third Sector Employability Forum), Scottish Training Federation and Scottish Trade Union Congress).

Reflecting the complex nature of the RSAs and the need for widespread consultation in the development process to ensure buy-in to the final RSAs, the process took over a year. This review forms the final stage of the development process and will bring forward recommendations for how the RSAs can be improved going forward. Figure 1 shows the timescales for each key stage of the process.

Figure 1: RSA Development Process

Stage	Timescale
Establish steering group	August 2013
Data collection and sharing with Regional Colleges	October-November 2013
RSA content and regions developed with partners	January-March 2014
RSA drafts developed and circulated to local authorities and colleges for 'sense check'	March-September 2014
Partner briefings	October-November 2014
RSA publication and launch	14 November 2014
Review of RSA development process, utility and usage	March-May 2015

Partner Feedback on Draft RSAs

As it is critically important that the RSAs met local and regional needs, SDS sought feedback at a number of stages in the process. In particular:

- Initial workshops were held on a regional basis in November 2013 to review initial data and discuss needs.
- A workshop was held with SLAED in May 2014 to share the emerging contents from the RSAs, to consider how the RSAs could be strengthened further and to consider how the RSAs might be used to influence skills investment.
- Once draft RSAs were complete, these were circulated to:
  - Local authorities, colleges and other partners for feedback.
  - SDS staff for feedback. The draft RSAs were circulated to SDS area managers/team leaders to gain regional and local perspectives and a small team of 2 other reviewers was also established for each RSA. These often included a sector lead (reflecting the industrial make up of the area).

In relation to the draft RSAs:
- 20 local authorities provided comments.
- 13 colleges provided comments.
- 19 sets of comments were received from SDS staff.
- 7 sets of comments were received from Scottish Funding Council.
- 1 other organisation (Universities Scotland) provided comments.

The feedback highlighted both strengths and weaknesses of the draft RSAs and consultees also brought forward a range of suggested improvements. In terms of the *weaknesses* highlighted:
- A number of different issues with the *data* were identified including:
  - Suggestions regarding additional data that consultees felt would be valuable to include. However, the suggestions were varied – with only a few suggestions made by more than one consultee.
  - Requests to provide more detailed data on particular topics.
  - Requests for more up-to-date data.

- Concerns regarding the robustness of particular datasets.
- The second most common issue related to the **geography** of the RSA under consideration. In particular, a key concern was that regional analysis concealed important differences within the region. Linked to this, a large number also highlighted that if the RSAs did not provide the data for each individual local authority alongside the regional picture, their effectiveness as planning tools would be limited. These issues were most commonly raised by local authorities and SDS staff.
- Some consultees highlighted **local intelligence** that they felt would be valuable to include in the RSA and/or raised queries in relation to the differences between RSA data and the findings of other local intelligence.
- A number of consultees felt that there was **insufficient analysis, discussion or interpretation** of this data. In particular, some already collated and analysed the same secondary sources of data as the RSAs and felt that the RSAs did not really add value.

Figure 2: Weaknesses Raised in Feedback (No. of Consultees Mentioning)

	Local authorities	Colleges	SDS	Others	Total
Data issues – including missing data, robustness, choice of datasets	11	6	6	3	26
Geography – including differences across a region and/or region selected not most appropriate	8	2	5	1	16
Lack of local intelligence/analysis – including cases where RSA data appears to contradicts local intelligence	6	3	3	0	12
Need for greater analysis and interpretation of data	2	4	2	2	10
Errors and factual inaccuracies	2	2	2	3	9
Other issues	1	5	9	3	18

Looking at the potential improvements suggested by the consultees:
- SDS staff account for a large proportion of the improvements suggested.
- The most common type of suggestion was a request to provide **additional data**.
  - Additional data was requested on a wide range of topics including Modern Apprenticeships, take up of STEM subjects, replacement demand, earnings, GVA, commuting patterns, worklessness and industrial structures.
  - In many cases, the topic was already included in the RSA – but the consultee felt there was more detailed analysis that could be undertaken that would add value.
- 17 consultees (including 10 local authorities) felt that the RSAs should include **local authority data** as well the regional data or that RSAs should be provided for each local authority area.
- Drawing on their expertise and knowledge of the local area, a number of consultees (particularly those from SDS) made suggestions in terms of **additional questions** that should be added to the 'Questions Arising' section at the end of each RSA.
- The RSAs draw heavily on national datasets that enable consistent analysis to be undertaken for each region. However, a number of consultees felt that the RSAs would be improved if they drew on a **wider range of research** – including studies that had been undertaken at a local level.

- Other common suggestions were in relation to improving the quality of the final reports – such as improving **consistency** and **ensuring references and sources are provided**.

Figure 3: Suggested Improvements Raised in Feedback (No. of Consultees Mentioning)

	Local authorities	Colleges	SDS	Others	Total
Provide additional data about topic of interest	2	5	10	4	21
Provide data/separate reports for local authority areas	10	3	3	1	17
Additional questions suggested for the 'Questions Arising' section at end of RSA	1		7	1	9
Greater consistency in report (e.g. benchmarks, rounding, time periods used)	1	1	5		7
Draw on wider range of research and intelligence	3	2	2		7
Ensure definitions and sources provided		2	4		6
Include more up-to-date data	1	3	1		5
Ensure local issues (e.g. important sectors, key developments) recognised in reports		1	4		5

Note: Issues mentioned by 5 or more consultees

In terms of the issues emerging from the analysis of the feedback:
- Despite SDS proactively seeking feedback on the draft RSAs, a small number of local authorities and colleges chose not provide feedback on the RSAs.
- Whilst most of the issues raised and suggestions are potentially easily resolved (e.g. requests to provide additional data on a topic, addressing omissions, providing definitions and sources, etc.), a more fundamental issue is that by focusing on regional level data their effectiveness as local planning tools has been limited.
    - The RSAs are intended to be **regional** planning tools – and therefore developing a RSA for each locality would have gone against their initial purpose.
    - However, the steering group recognised the importance to understand trends at a local authority level and therefore data by local authority was provided within the data matrix.

Use of RSAs
Web Analytics
Looking at the online activity in relation to RSAs:
- Since the launch of the RSAs on 14 November 2014, there have been just over 3,500 page views of the RSA landing page. However, care needs to be taken in interpreting page views as an individual may have viewed a page multiple times during a single visit or refreshes their browser, then these will appear as multiple page views.
- Unique page views eliminate the problem of multiple views of the page during a single visit – and are often seen as a more robust statistic. There have been just under 1,600 unique page views on the RSA landing page since the launch. The RSA landing page has accounted for 0.6% of all unique page views on the SDS site over this time period.
- The average amount of time spend on the RSA landing page is 1 minute 38 seconds, compared to an average of 37 seconds for all pages on the SDS website.
- Only 3% of users for whom the RSA landing page was the initial page they accessed on the SDS website left without progressing onto another page – perhaps reflecting the high numbers that go onto download a RSA. This is a relatively low bounce rate and compares to a rate of 7% for the SDS website as a whole.

Whilst it is positive that large numbers are accessing the RSA landing page and appear to be engaging with it, a key purpose of this page is to provide access to the RSAs themselves. Since the launch, RSAs had been downloaded 1,498 times by mid-February 2015.

Internal SDS Use of RSAs

An update prepared for the internal SDS RSA/SIP Programme Board in February 2015 outlined the progress that had been made in embedding the use of the RSAs within SDS since their launch. Activities had included:
- Commissioning of a review of the RSAs by the University of Glasgow Training and Employment Research Unit (TERU).
- Meetings with Heads of Region, Extended Regional Management Team (ERMT), Career Management Skills (CMS)/Career Information, Advice and Guidance (CIAG), Regional Labour Market Intelligence (LMI) Champions, National Training Programmes, Employer Engagement, Evaluation and Research and Strategy, Policy and Performance teams to raise awareness of the RSAs, explore how the RSAs can be used and what is required to enable SDS staff to use them effectively. A number of actions have arisen out of these meetings including:
  - Production of RSA and local authority level summary slidepacks.
  - Briefings for CMS/CIAG and Employer Engagement staff focused on relevant information.
  - Inclusion of relevant RSA information on the My World of Work (MyWOW) website.
  - Need to ensure the RSSs are used in Corporate Strategy and Annual Planning cycles.
- Commissioning of consultants to support the development of a skills strategy and investment plan for Aberdeen City and Shire.
- Responding to requests for briefings from Glasgow and Clyde City Deal, Inverclyde Community Planning Partnership Board, Scottish Training Federation, DWP and the Third Sector Employability Forum.

Internal SFC Use of RSAs

The RSA/SIP Programme Board paper also highlights that:
- SFC has encouraged Colleges to use the RSAs as the evidence base for their ROAs.
- SFC and SDS have agreed a timeline for the use of RSAs in the next ROA refresh (2016/17).

Key Findings

1. RSAs were introduced to help ensure the Scottish skills system better serves the needs of individuals, employers and the economy. By providing robust data and analysis, it is hoped that they will lead to more effective skills planning and investment.

2. The RSAs were developed over a period of more than 12 months and were launched on 14 November 2014.

3. Written feedback on the draft RSAs was received from 20 local authorities, 13 colleges and a range of SDS and SFC staff. The main issues raised were in relation to the data contained within the RSA, the geography selected for the RSA and the extent to which there is sufficient analysis and interpretation.

4. Since publication, the RSAs have been downloaded nearly 1,500 times – suggesting that there is a demand for the information the RSAs provide.

3. FEEDBACK FROM CONSULTATION PROCESS

Introduction

A key element of the review was to gather the views of key stakeholders on the RSA. Consultations were carried out with:

- All 18 colleges that were covered by the RSAs.
- All 26 local authorities covered by the RSAs.
- SDS staff involved in the development and use of the RSAs.
- National partners – including Scottish Government, Scottish Funding Council (SFC), Scottish Enterprise (SE), Department for Work and Pensions (DWP), Scottish Council for Voluntary Organisations (SCVO), Third Sector Employability Forum (TSEF), Scottish Training Federation (STF), Education Scotland, Universities Scotland and business representative bodies (including CBI, Scottish Chambers of Commerce, Federation of Small Businesses and SCDI).

The chapter summarises the views of consultees in terms of:

- The design of the RSAs – looking at the format and content of RSAs, the data matrix and the geographies selected.
- The RSA development process.
- The use of RSAs by consultees and how they plan to use them in the future.
- Their suggestions about how the value of the RSA can be maximised.

Design of RSA

Geography

Consultees were asked about whether the *geographies* selected for the RSAs were the most appropriate for skills planning. Most were comfortable with their geography and even those who suggested alternative geographies recognised the difficulty in finding a geography that met differing organisational and operational needs.

- Colleges were generally happy with the geography selected if it was coterminous with their Regional College/ROA boundary.
- For local authorities, whilst the regions selected were generally seen as sensible (with recognition of their alignment with other regional structures), there was a desire among some for more local analysis.

Content of RSA

Most consultees welcomed the RSAs, feeling they were a useful addition to the labour market and skills evidence base. The *most valuable* aspects included:

- A report with a strong focus on labour market and skills issues, something that was not available in the Scottish context.
- A wide range of labour market and skills data organised in a tabular and visual manner in a single place, with some of the data not readily available in the public domain.
- Data is organised and presented in ways that make it relatively easy to understand and interpret.
- Whilst some of the data is already in the public domain, many lack the skills or resources to analyse this data and the RSA addresses this.

Looking at aspects that are *less valuable*, some consultees:

- Argued that much of the data within the RSA is already in the public domain.
- Pointed to some potentially valuable data sources absent from the RSAs.
- Felt that there was insufficient analysis and little by way of key messages, meaning the RSAs were less valuable in terms of guiding labour market and skills planning and decision making at a local or regional level.

Data Matrix

Many consultees were not aware of or had not used the data matrix prior to the review. Amongst those who had accessed the data matrix:

- The main perceived benefit is enabling users to undertake their own analysis, especially at a local authority area. This is particularly useful for those organisations that undertake planning at a more local level than the RSA region.
- A number of consultees flagged up that the data matrix is only likely to be used by those that are already skilled and resourced for data analysis.

Format of RSA

In relation to the format of the RSAs:

- Some felt that the document was very long and that this was likely to be off-putting to potential users and cumbersome for actual users. However, they also recognised that there was little within the RSA that they would cut.
- Some argued that whilst the RSA was a good quality and useful document, they would value access to a RSA which was more of an interactive web-based resource.

RSA Processes

RSA Development Process

This section examines the consultees views on the development process, taking a backward look. Later in this chapter, we will look at their suggestions about how SDS and partners should manage the development of future RSAs.

The great majority of consultees had been involved in the development process. In general, they:

- Believed the development process had been managed well.
- Appreciated being involved.
- Felt that they were involved at the appropriate time in the process.

Some consultees felt their opportunity to influence the design of the RSAs was limited because they perceived that the overall approach was established and key indicators agreed prior to consultation. However, there was a recognition that it is more efficient to bring forward a proposition for comments and feedback than to approach consultees with 'a blank sheet'. A number of consultees welcomed the fact that SDS had changed the geography for their RSA in relation to their feedback.

Some felt the development process had taken too long with the consequence that the RSA came too late for their 2015/16 skills planning and investment timescales.

Use of RSA

Over half of the consultees had used the RSAs to date – although this varied across different groups.

- 16 out of 18 colleges had used the RSA. The main use had been in informing ROAs. Colleges have also used the RSA in funding applications and bids (for example, for Modern Apprenticeship provision), to inform their business development strategies and in preparing marketing and publicity material.
- 17 out of 26 local authorities had used the RSA in funding bids. Other uses included informing policy and in drafting briefings.
- SDS staff had used the RSAs in a variety of ways:
  - Presentations and workshops with partners (including local authorities, head teachers and business forums).
  - Informing the Modern Apprenticeship and Employability Fund procurement processes.
  - To develop resources for careers advisers.
  - For staff development.

- The main ways in which the RSA had been used by other consultees (including business representative organisations, SE, DWP, STUC, STF, etc.) was to provide information for briefings and papers, or as a resource to which colleagues or members can be signposted.

Three examples of how the RSAs have been used to date are given below.

Case Study: CBI

The CBI felt that the RSAs provide good background information on regional economies, with the key messages particularly helpful in identifying key issues for a region. The data on the skills issues in each region is helping to inform CBI's policy work on skills. In particular, the CBI is currently developing its manifesto for the 2016 Scottish Parliamentary elections. A key part of the preparatory work has been consulting with its members (employers) on their skills needs. The CBI has used the RSAs to inform these discussions – meaning they are starting from a more informed position than would otherwise be the case. In particular, the information the RSAs contain on the economic background of a region, the composition of the workforce and the key skills issues have all been extremely valuable.

Case Study: Dumfries and Galloway College

Overall, Dumfries and Galloway College felt the RSA was a very helpful document, with the data on growth sectors particularly useful. To ensure the RSA was utilised across the college, the Principal sent a 1-page note on the RSA findings to board members and key staff.

- They have used the RSA findings to amend the curriculum to ensure it better meets local needs. In particular, they have:
  - Strengthened their provision in engineering, construction, food and drink, tourism and care (with all of these having been identified as growth sectors in their RSA). This has included increasing the number of places available in these subjects, broadening the range of provision available and capital investment in facilities needed to deliver in these areas (including a new engineering workshop).
  - Hair and beauty is not mentioned in RSA but was one of largest subject areas for the college. As a result, they have continued to offer the breadth of delivery in this subject area but have reduced the number of places.
  - One of key messages from RSA was need for higher level technical skills (e.g. in engineering). As well as increasing provision, the college have also adjusted the level of provision – growing their HE provision and reducing FE. The RSA has been important in justifying this decision. They are also working with SDS to develop a graduate apprenticeship programme in light of this key message.
- The business development team has used the RSA to focus their efforts. For example, food and drink was identified in the RSA as a growth sector and the team has spent time over the last few months talking to employers in food and drink about their needs. This feedback will inform the curriculum for 2016/17.
- The college has also used data from RSA in Community Planning Partnership discussions, especially in relation to development of the Regional Economic Strategy. The RSA is useful in providing context for the college's approach.

> Case Study: Dundee and Angus College
>
> Dundee and Angus College reported that they had used the RSA in a number of different contexts. These are outlined below:
>
> - *Validation of strategic direction* – By assessing the key messages contained in the RSA against the strategic direction the college has been taking, the RSA brought confidence to Dundee and Angus College and its Board that the college was moving in the right direction. Similarly, the sectoral data reinforced the skills issues that the college's Industry Advisory Groups were focusing on.
> - *Informed curriculum design* – As part of the curriculum review process, the RSA was sent to all academic heads of department so that they could assess whether their departmental courses continued to meet industry needs or whether courses could be removed from the curriculum. While this exercise largely validated the curriculum, it did identify opportunities to expand provision in hospitality and retail, electrical engineering, and food science, manufacturing and engineering.
> - *Used in ROA* – Dundee and Angus College intentionally developed an ROA that included detailed economic analysis of its catchment area. The RSA was critical in informing the evidence base and without it the college would have paid external consultants to have undertaken the analysis.
> - *Supported funding applications* – RSA data was used as part of the successful applications for additional SFC European Social Fund (ESF) full-time places in engineering and hospitality.

The vast majority of consultees were planning to use the RSA in the future.
- All colleges were planning to use the RSA in the future – both for subsequent ROAs but also more generally for curriculum planning and decision making.
- Local authorities felt there was potential for the RSAs to be used by their education departments in taking forward the *Developing Scotland's Young Workforce* recommendations. This was echoed by Education Scotland.
- Careers advisers planned to use the RSAs in schools, with SDS's CMS team developing resources to help facilitate this.
- Most of the other consultees interviewed also expected to use the RSAs going forward – primarily to help inform decision making and planning, to inform funding bids or as background information for papers and research.

Although, as we have noted earlier, some consultees have reservations about some elements of the RSAs, the ***high level of intent to use shows they are a valuable addition to the landscape***.

Maximising the Value of RSAs
Improving RSA Design
Consultees provided proposals on how the RSAs and the data matrix could be improved to increase the value to them. A summary of the main proposals is given in Figure 4.

In relation to ***content***, suggestions made by more than one group of consultees (colleges, local authorities, SDS and others) included the following:
- Providing more detailed analysis of ***sectors important to the regional economy***. The RSAs already provide a range of data on sectors which consultees valued but they felt there would be value in 'drilling down' in more detail.
- Providing more projections on ***future employment growth***. Consultees wanted more specific industrial and occupational projections. However, detailed employment projections at the sub-regional level (i.e. RSA regions) are highly suspect.

- A number of consultees felt that there would be value in including information in the RSAs on *major infrastructure and regeneration developments* in the region, as these will be important drivers of economic and employment growth.
- Providing some analysis of *travel to work and travel to study patterns*. The limitation here is the fact that the Census is the principal data source.
- Given the enhanced strategic significance of *inclusive growth,* some consultees argued that future RSAs should incorporate more data on and analysis of *employment and skills issues in relation to inequality*, such as part-time working, underemployment, zero hours contracts and the skills profiles of those from disadvantaged groups or communities. There are limits here as data on zero hours and other issues are only sourced through specifically commissioned research.
- A number of colleges in particular wanted to see data on *college student destinations* included in the RSAs. However, this information is not currently collated on a systematic basis by colleges or SFC. SFC are currently piloting the collection of data on this key issue.
- Including details of *key national and local strategies* in the RSAs. In particular, a number of consultees flagged the importance of linking RSAs to SIPs more clearly.
- Providing *more analysis* generally, but additionally a set of *key messages* arising from the analysis *customised to the region* was a common ask in the consultations.

Consultees made 2 main suggestions on the *format* of the RSAs.
- Make the RSA report *more concise* or provide users with *access to shorter, more focused documentation* such as :
  - An executive summary.
  - Short briefing papers on specific topics or for specific audiences.
  - Access to key data in other formats (e.g. PowerPoint slides).
- Developing an *online resource* to enable users to access relevant and up-to-date data and briefings on an ongoing basis.

As outlined earlier, most consultees were content with the current *geographies*. Suggested changes to the geographies made by more than one group were to:
- Develop a *Scotland Skills Assessment* to sit alongside the RSAs.
- Develop RSAs for local authority areas. However, this would shift the RSAs away from their core principles and purpose as *regional planning tools*.
- Include local authority level data alongside the regional analysis in the RSA.

Whilst not mentioned by more than one group, a few colleges felt there would be value in RSAs aligning with Regional College boundaries where they do not already do so.

Figure 4: Improvements to RSA Design

	Content	Format	Geography
Colleges	• Provide more detailed employment projections. • Stronger focus on local sectors of importance. • Provide more data on skills gaps. • Need data on college leaver destinations. • Need greater consistency in definitions used (e.g. sectors) and presentation of data. • Greater consideration of the contribution and needs of the rural economy. • Link growth/gaps to current skills provision, identifying changes needed more clearly. • Provide data on major regeneration and development projects in region – and timescales and skills implications of these. • Include précis of key policies and SIPs. • Capture intelligence from local studies in form of key messages linked to documents. • Analysis of travel to work data. • Analysis of labour market and skills issues for those living in worst performing data zones. • Provide more data on SE account managed companies and their skills needs. • Provide data on vacancies. • Provide data on how skills needs within occupations are changing. • Ensure reader understands limitations of data (e.g. small sample sizes). • Provide data on outcomes (i.e. job entry and job sustainability following training). • Provide regional aggregations for school leaver destinations. • Provide information on MAs by sectors. • Provide insights into what are going to be major drivers of economic growth • Capture post-school, college and university initial and subsequent destinations.	• Provide executive summary and/or shorten report. • RSA are out-of-date as soon as published – develop an online portal providing access to data and analysis.	• RSA regions should be same as Regional College/ROA regions. • Develop a Scotland Skills Assessment. • Include disaggregation of data by local authority area.
Local authorities	• Provide more detailed analysis – especially	• Produce an Executive Summary or set of	• Some would value RSA for individual local

	Content	Format	Geography
	around employment forecasts. • Have greater employer input to develop greater sense of where the jobs will be. • Include or cross-reference with SLAED and Improvement Service indicators. • Increased skills content, with movement away from economic indicators. • Include data on health and disabilities. • Include analysis of travel to work data. • Include migration statistics. • Include data on vacancies. • Include Business Gateway start-up data. • Include greater analysis of part-time employment. • Include statistics on unemployment and qualification levels at neighbourhood level. • Include greater analysis of long-term unemployment. • Include data on redundancies (PACE). • Provide information on major local developments impacting on the demand for or supply of skills. • Greater analysis of what the data means in terms of key messages.	slides to highlight the key findings from the RSAs. • RSA are out-of-date as soon as published, suggest developing an online portal providing access/hyperlinks to data and analysis (e.g. briefing papers).	authority areas. • More generally need would value greater local authority breakdowns as economic development, employability and education provision is decided at local (CPP) level.
Skills Development Scotland	• Greater emphasis on key messages. • More analysis and less data/ technical information. • Case studies of value generated by previous RSAs. • Integration of NTP data into RSA. • RSA should highlight improvements in underlying data over time. • Historical context to how sectors and demand for skills have changed. • Discussion and analysis of travel to work patterns and their interaction with skill demand and supply. • More sectoral data around skills mismatches, focusing on important sectors locally, and not just key sectors.	• Good quality executive summary summarising the key messages. • PowerPoint summary of RSA.	• Potential refinement of the geography. • More analysis by local authority area.

	Content	Format	Geography
	• Would like to see college leaver statistics data included. • Would like to see travel to work data included. • Make more use of intelligence reports relevant to employment and skills compiled within local authorities. Potentially also local LMI could be filtered up through SDS frontline staff as well as frontline staff of DWP.		
Others	• Provide more on the skills that will be needed in future. • Make links between education/skills and economic development more explicit. • Provide more analysis of the data. • Provide more explanation of some statistics. • Provide more detailed employment forecasts. • Provide more detailed sectoral information (e.g. below broad industrial groupings). • Include data on travel to work patterns. • Include more data on inequalities/those excluded from labour market. • Ensure sources are properly defined – so it is possible for individuals to access underlying data. • Include data on third sector. • Include more data on employability provision (including volunteering). • Draw on APS and SHS to plug gaps in data (e.g. on part-time working). • Include data on college leaver destinations. • Provide analysis of entry level jobs. • Greater analysis of unemployed and economically inactive client groups. • More qualitative material – e.g. case studies, examples of how skills are being used by employers. • Consideration of wider issues – such as employers' perceptions that landscape is cluttered. • Describe linkages between RSAs and SIPs.	• Provide executive summary. • More concise document. • Make more user-friendly for schools to use in skills planning (e.g. shorter more focused report, remove terminology, etc.). • Develop an online portal/dashboard for accessing data.	• Develop a Scotland Skills Assessment to sit alongside regional reports. • Provide local authority specific reports.

Note: Issues raised by more than one group of consultees (e.g. colleges and local authorities) are highlighted in red.

Improving RSA Processes
As the RSAs provide an evidence base for skills planning and investment decision making, it is important that they meet the needs of the organisations and individuals engaged in this activity. Two key elements of this are ensuring the development process is effectively engaging potential users (to ensure it meets their needs) and ensuring that supports are in place to enable users to make maximum use of the RSAs.

In relation to the ***development process***, issues raised by more than one group of consultees included:
- Engaging a wide range of partners at a regional basis.
- Ensuring there is clarity amongst consultees about the purpose of RSAs.
- Ensuring the RSAs are developed and launched at the best time to feed into skills planning cycles.

Consultees made a number of suggestions for how SDS and its partners could ***support the use*** of the RSAs. Those mentioned by more than one group of consultees included:
- ***Raising the profile*** of the RSAs amongst potential users. Whilst colleges, local authorities and SDS staff interviewed were aware of the RSA, many felt that there was not a widespread awareness of the RSAs amongst their colleagues and partners. In addition, many consultees were not aware of the data matrix so there is a particular need to raise the profile of this key resource.
- ***Providing workshops and briefings*** on RSA and how to use it – especially around time of RSA updates. As well as supporting users to interpret and utilise the data within the RSAs, these sessions could provide examples of how the RSAs have been used.
- Providing access to RSA data through an ***interactive online portal*** to allow users to analyse the data

Frequency of RSA Updates
Looking forward, consultees were asked about the appropriate ***frequency*** of RSA updates. Whilst views varied, key issues raised by two or more groups of consultees included:
- The key aspect for consultees was to have access to up-to-date data to inform their skills planning. Organisations generally undertake skills planning either annually or on a ***2 to 3 year cycle*** – and therefore these were the most common suggestions. This could be complemented by ***annual short updates*** highlighting any significant changes since the last RSA.
- As outlined earlier, a number of consultees have suggested moving towards an ***online resource***. If this approach was adopted, data could be ***updated on an ongoing basis.***

Timing of RSA Updates
Linked to this, is the question of the ***timing*** of the RSA updates. Again, the main priority for most consultees was that it fed into their skills planning and investment decision making processes. Again, looking across the different groups of consultees, most made suggestions between May and September, suggesting a ***summer release would be most appropriate***.

Figure 5: Improvements to RSA Processes

	Developing RSAs	Facilitating use of RSAs
Colleges	• Ensure that there is clarity from the outset on the purpose of the RSAs – and the key audiences for them. • Focus the consultation on identifying what college (and other partner) needs are – and then build RSA around these. • Focus on identifying and filling data gaps. • Organise consultations on a regional basis – meeting colleges, local authorities and other CPP partners together. • Earlier discussions to increase opportunities to influence RSAs • Ensure RSAs available in time for planning and decision-making.	• Workshops or briefings • Provide interactive data • Provide charts/tables separately so they can be incorporated into other documents • Capacity building of partners
Local authorities	• Many local authorities felt CPP or LEP response would be better, and should be initiated earlier in the process so that CPP/LEPs have sufficient time to influence RSA content and design. • Where local authorities have LMI experts, value in SDS working more closely with them (e.g. circulate in advance list of proposed indicators). • More clarity about the purpose of the RSAs.	• Promote RSA to potential users (e.g. through CPPs/LEPs). • Facilitate events and workshops to discuss RSA, its use and how to enhance its use • Develop shorter RSAs to encourage greater use
Skills Development Scotland	• Ensure consult with staff from across SDS. • Ensure sufficient time available to comment on draft documents.	• Increase internal awareness of RSAs • More support is needed to help SDS and partners to better understand the content of RSAs • Hold a regional workshop to keep the RSA live and to identify good practice and issues
Others	• Ensure RSAs are published in time to influence skills planning and investment decisions. • Focus more on building relationships with potential users and understanding their needs. • Ensure development is a more collaborative process and is not perceived as being top-down. • Dedicate greater resources to managing feedback – as this process is central to building relationships with users. • Gain college input earlier in the process. • Widen range of organisations involved in development process to include third sector, employers, etc. • Make sure timescales and process for contributing are clear. • Greater clarity on roles of Steering Group members.	• Increase profile of RSAs • Ensure one-pagers, executive summary, interactive tools available – so individuals can access in form that suits them. • Hold a yearly briefing event to discuss key trends. • Develop online resource so users can analyse data themselves. • Business representative organisations were not sure how well used by business community – SDS should consider how it could encourage employers to make use of RSAs.

Figure 6: Proposed Schedule of RSA Updates

	Preferred frequency of RSA updates	Preferred timing of RSA release
Colleges	- Whilst views varied, many colleges felt it would be useful if the RSA data could be updated annually in line with the ROA cycle. - Some felt it would be sufficient for the data matrix to be updated annually – with the RSA document itself being updated less regularly (for example, every 3 years) or for there to be an annual refresh with a 3 yearly full update. - An alternative would be to move away from the publication of the RSA report and data matrix towards developing a portal where the most recent data can be downloaded on an ongoing basis.	- Colleges need the RSA data to be available at the beginning of their planning processes. - Suggestions ranging from January through to November. - As draft ROAs are submitted in November, many felt that the RSA needed to be available for summer/early autumn to help inform the planning for this key document.
Local authorities	- Data matrix would ideally be a live database that is updated on a monthly basis when the latest statistics are released. - In terms of the RSAs themselves, most local authorities feel they should be updated annually – though there is no need for such a lengthy document. - However, some questioned the value of the RSAs given the costs involved in developing them. It may be meaningful to divert some of the RSA budget to more extensive employer consultations to get a firmer idea of where the jobs will be.	- Local authorities differed in their views on the most appropriate publication date for their planning cycle. Suggestions typically ranged from August to November. At the same time, they felt an alternative publication date would not be too disruptive. - Main point of consideration is to find most appropriate time of year to publish given the updates of the statistical indicators. The different release dates should be mapped and the most appropriate date identified based on this.
Skills Development Scotland	Most consultees suggested updating either annually or biennially.	Whilst the timings given varied across functions, all suggestions were between June and September.
Others	- Consultees had mixed views on how frequently the RSA and data matrix should be updated – from an ongoing process to once every 3-5 years. - Most however, felt that there would be value in data being updated at least annually.	- Most felt that it was not for them to specify the timing of the release – as this should align with the needs of those undertaking skills planning and investment (e.g. colleges and local authorities). - As the organisation responsible for the ROA process, SFC felt that it would be valuable for the RSAs to be available by June to help inform ROA development. - Education Scotland felt that RSAs could potentially support schools and local authorities in Senior Phase Planning. To do so the RSAs would need to be published by May/June of each year. - STF felt an update by August/September would support planning for next financial year. - TSEF felt a September publication would support planning for next financial year.

Note: Issues raised by more than one group of consultees (e.g. colleges and local authorities) are highlighted in red.

Key Findings

1. Consultees generally felt the RSA development process had been well managed.

2. Consultees welcomed the RSA – with it widely being seen as a good addition to the evidence base. In particular, consultees felt that having a wide range of data on skills issues collated in a single place was useful.

3. Few consultees had used the data matrix – and a large number were not aware of its existence.

4. Most consultees were content with the geographies selected.
    *   Where the region selected aligned with the region at which skills planning was undertaken, it was generally considered to be appropriate.
    *   Local authorities would value more disaggregation of data at the local level.

5. Over half of the consultees had used the RSA to date – and many others planned to use it in the future. The main uses to date had been:
    *   Supporting the colleges in preparing their ROAs.
    *   Informing other decision making – such as curriculum planning and college business development strategies.
    *   Informing Modern Apprenticeship and Employability Fund contracting – with both SDS and contractors having used the RSAs.
    *   As background information in preparing papers.

6. The main improvements to the RSAs identified by consultees included:
    *   Bringing forward some additional data on a range of topics including:
        –   The skills needs of the region's key sectors.
        –   Future employment opportunities.
        –   Travel to work and study patterns.
        –   Inequality issues.
    *   Pulling out headline messages to help ensure the evidence base informs skills planning.
    *   Providing summary documents (e.g. executive summary, slidesets, etc.) outlining key RSA findings.
    *   Developing a Scotland Skills Assessment to sit alongside the RSAs.

7. Looking forward, it is important that subsequent RSA development processes:
    *   Involve a wide range of regional partners.
    *   Focus on establishing and meeting the needs of partners and potential users.
    *   Are clear about the purpose of the RSAs.
    *   Are timely – with the RSA available in time to feed into key planning cycles.

8. Raising the profile of the RSAs, hosting workshops and events to highlight key findings and demonstrate how RSAs can be used and providing access to interactive data were all recommended as mechanisms to facilitate greater use of the RSAs.

9. There was some consensus in terms of the updating of the RSAs, with:
    *   Updates required no more than once a year – although there may be scope to update every 2 or 3 years with a more limited 'refresh' undertaken in the intermediate years.
    *   The timing of the updates being tied into the skills planning cycle. Whilst this varies across different partners, a summer release (say June or July) would appear to meet the needs of most partners.

4. REVIEW OF INTERNATIONAL GOOD PRACTICE

Introduction

This chapter provides a concise review of LMI systems used in other countries in order to contextualise the RSAs and identify any points of learning that can inform their future development. The review consists of two main parts:

- The first provides an analysis of the LMI tools reviewed in *The Skills Panorama Good Practice Compendium*.
- The second is a first-hand assessment of three tools not covered by the above study, namely the South West (of England) Observatory Skills and Learning Intelligence Module (SLIM), the Learning and Skills Observatory Wales; and the EU Skills Panorama.

Good Practice

The Skills Panorama Good Practice Compendium[1] brings together examples of innovative and/or well-implemented labour market intelligence tools that help establish the balance between demand and supply of skills within a particular nation or region. The report includes assessments of 'comprehensive LMI tools' in Austria, France, Ireland, Denmark/Sweden (with the LMI tool being examined relating to the cross-border Öresund region) and the Czech Republic and notes that the motivations behind their development are to:

- Bring together dispersed sources of information on job opportunities and job descriptions.
- Support labour market mobility (territorial, occupational, sectoral).
- Help individuals make informed choices relating to their education and training.
- Maximise the impact of education, employment and skills policies, and employer behaviour to support jobs and growth.
- Identify and address specific labour market imbalances and needs.

In terms of their characteristics, the report finds that they offer:

- ***Various layers of information*** – e.g. sectoral, occupational and regional – that is brought together in a coherent manner.
- ***A predominantly national focus***, which provides more robust and detailed forecasting than at a regional level.
- ***Web-based tools designed to provide ease of navigation through different LMI material***. The best examples are seen to be the Austrian, Danish/Swedish and Czech tools that allow "*intuitive switching from sectoral to occupational views and rich, easily understood graphics illustrating major trends and developments. For those seeking more detailed analysis, these (tools) also offer thematic analyses and reports*".

Looking in more depth at these examples, Figure 7 below summarises our analysis of the good practice and use of the LMI systems. Reading across these, the good practice aspects can be interpreted as:

- ***Detailed data at the occupational level*** – ranging from employment forecasts; skills and attributes required; vacancy levels; and levels of migrant labour. The French tool, for example, provides detailed information on skills for 800 different professions.
- ***Use of quantitative and qualitative data*** to provide more insightful labour market analysis.
- ***User-friendly websites*** – with the Denmark/Sweden example including traffic light symbols to highlight skills shortages and over-supply on either side of the Denmark-Sweden border.

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[1] Branka, J. and Matouskova, Z. (2014) *The Skills Panorama: Achieving National and Regional Impact – Good Practice Compendium*. EU Progress Report.

In terms of their use, the tools are all designed to inform a ***wide range of users*** – including policy makers, skills professionals, careers advisers and the wider public. The Austrian example finds that these different user groups brings challenges as each group wants different kinds of LMI and have different levels of familiarity in using and analysing LMI.

While designed for a wide range of users, some of the tools have been developed to address or inform specific priorities. These include to:
- Educate the labour market decisions of young people and the unemployed.
- Identify skills mismatches that skills provision can then be directed towards.
- Inform immigration policy.
- Widen people's travel to work horizons by understanding labour market opportunities elsewhere.

Figure 7: Summary of Comprehensive LMI Tools

	Good Practice	Use
AMS-Qualifications-Barometer, Austria	• Consolidates information from many different sources that were not previously accessible to young people and their advisers • Information at national and regional level • Structured along occupational and vocational lines	• Targeted at young people for job and careers guidance • Also used by careers advisers, policy-makers, and adults • Use of data is regularly evaluated • However, some challenges faced with different user groups as they need different kinds of LMI and have different levels of familiarity in using and analysing LMI
Professions, Employment and Skills Needs, France	• National monitoring and forecast data on labour demand, professions and skills needs • Provides detailed information on skills required for 800 different professions – e.g. knowledge, skills, attitudes, activities and work context • 1 and 5 year forecasting • Online tools to assess preparedness for a profession	• Targeted at policy makers, education and training providers, and wider public
National Skills Database, Ireland	• Includes several sources of vacancy data (e.g. irishjobs.ie; recruitment agencies; newspapers, etc) to monitor vacancies • Based on National Skills Database data, three reports produced: National Skills Bulletin; Monitoring Ireland's Skills Supply; and Vacancy Overview Report • Skills Bulletin providers information at occupational level – e.g. on employment permits to non-EU nationals; hard-to-fill vacancies	• Skills mismatches used to inform vocational, education and training provision • Employment forecasts used to inform school leavers and job seekers • Monitor progress against targets set in National Skills Strategy • Inform immigration policy • Informs investment in active employment policy measures
Oresundsbalance (Jobs and Education in the Oresund Region), Denmark and Sweden	• Cross-border tool to encourage and support cross-border working and commuting • Danish and Swedish labour market data used to identify supply and demand on both side of the border for 250 occupations • Traffic light system used to show labour market shortage and over-supply by occupation	• Aims to widen people's travel to work horizons and create a more integrated region
Czech Future Skills	• Comprehensive website about labour market trends and skills needs forecasting • Detailed sector studies using quantitative and qualitative data • Forecasts for 533 occupations and 30 occupational groupings – including	• Used by practitioners, policy makers, providers and public • 3,000 – 5,000 unique visitors each month

	employment prospects (marks out of 10) • Regional benchmarking • Analysis of the future development of 41 sectors of the Czech economy	

The research has also reviewed three LMI tools not covered by the Skills Panorama Good Practice Compendium to see whether there are any points of learning for Scotland's RSAs. The three tools are as follows – and 1-page summaries of each are provided as an Annex to this chapter:

- South West (of England) Observatory Skills and Learning Intelligence Module (SLIM).
- Learning and Skills Observatory Wales.
- EU Skills Panorama (which the Skills Panorama Good Practice Compendium helped to inform).

In terms of the potential points of learning for the RSAs, the following features can be identified:

- The main resource in each tool is ***access to up-to-date labour market statistics*** for a wide range of demand and supply side indicators. The statistics are either provided by the resource itself or through clear weblinks to other statistical sources (e.g. to StatsWales or Eurostat).
- ***Ease of navigation around the labour market statistics*** is supported through:
  - Use of simple 'symbol' tabs (e.g. country flags) in the EU Skills Panorama to help direct users to the most appropriate data.
  - Use of a one-page summary infographic by the South West SLIM to provide an overview of all indicators and an interface to more detailed information.
- ***Monthly reports/newsletters*** to provide a monthly update of key labour market statistics and provide news on key policy, funding or wider labour market developments.
- ***Thematic analytical reports*** produced on a regular basis that provides insight and interpretation into specific labour market issues and developments.
- ***Links to key International and national LMI reports*** such as OECD and UKCES reports with introductions to explain what the reports contain.
- ***Video presentations*** have been used by Learning and Skills Observatory Wales to offer a different means of communicating LMI.

A key finding is that none of the three tools has RSA-type documents (although South West SLIM did have these until 2010). Instead the focus is more on providing a combination of the following:

- Supported access and navigation to up-to-date labour market statistics.
- Concise, summary regional reports, either in the form of a statistical infographic or a 3-5 page report.
- Regular/periodic thematic reports that combine quantitative and qualitative material to analyse a key labour market development.

Key Findings

1. The international examples all had similar aims as the RSAs in terms of bringing together a wide range of LMI data sources together in a coherent manner that would support the skills decisions made by funders, providers and individuals.

2. The tools often took a predominantly national focus and delivered this information through an easy to navigate, web-based tool.

3. As for points of difference from the RSAs, the tools sought to:
   - Provide more detailed data at the occupational level – ranging from employment forecasts; skills and attributes required; vacancy levels; and levels of migrant labour.
   - Bring together quantitative and qualitative data to provide more insightful labour market analysis. This analysis was typically reported in the form of short briefing papers or articles around specific labour market issues or developments.

4. Long national or regional skills documents (such as RSAs) were not used by any of the tools reviewed. Instead their focus was more on providing a combination of the following:
   - Supported access and navigation to up-to-date labour market statistics.
   - Concise, summary regional reports, either in the form of a statistical infographic or a 3-5 page report.
   - Regular/periodic thematic reports that combine quantitative and qualitative material to analyse a key labour market development.

5. KEY FINDINGS AND RECOMMENDATIONS

Key Findings
Design of RSA
Geography
1. Most consultees felt that the geography covered by their RSA was appropriate. The key exceptions to this are:
   - Where a RSA covers more than one ROA area, this limits its utility in planning the curriculum and informing the ROA.
   - Many local authorities would like a RSA for their area – but many also recognise that this is outside the current scope of the RSAs. A potential compromise would be to ensure that RSAs contain more local authority data.

Content of RSA
2. Consultees welcomed the development of the RSAs, with the content generally meeting their needs in terms of skills planning and investment decision making. The aspects of the RSA that are most valuable were considered to be that it:
   - Focuses on labour market and skills issues, addressing a gap in the evidence base.
   - Brings together a wide range of evidence (including some that is not otherwise in the public domain) in a single document.
   - Presents data in a relatively easy-to-understand format.

3. Most felt there would be value in the RSAs pulling out more clearly the ***key messages***.

Data Matrix
4. There is very little evidence that the data matrix is being utilised. Many consultees were not aware of the data matrix until the research team alerted them to it.

Format of RSA
5. Some consultees felt the length of the RSAs would limit the numbers that would use them.

6. Some consultees suggested replacing the RSA report and data matrix with an interactive, web-based resource.

RSA Processes
RSA Development Process
7. In general, consultees felt that the development process had been handled well, with the appropriate organisations being involved at the appropriate time in the process.

Use of RSA
8. Over half of the consultees had used the RSAs to date, principally to inform skills planning.
   - Colleges were using the RSAs to inform both their curriculum plans and ROAs.
   - Local authorities, colleges and training providers were using the RSAs to inform funding bids, aligning their proposals with the skills needs of their region.
   - SDS was using the RSA to inform the Modern Apprenticeship and Employability Fund commissioning processes.

9. The vast majority of consultees planned to use the RSA going forward, most for skills planning and investment.

Maximising Value of RSAs
Improving RSA Design

10. In relation to **content**, a number of additional requirements were ***identified by consultees*** including:
    - Setting out more clearly the **key messages** arising from the analysis.
    - More analysis of the **sectors that are most important to the region**.
    - More analysis of **future employment opportunities**.
    - Information on **major infrastructure and regeneration developments** in the region.
    - More analysis of **travel to work and study** patterns.
    - More analysis of **inequality** issues as they relate to labour markets and skills.
    - More analysis of the **outcomes** achieved by different interventions and providers.
    - Information on key **national and local strategies**, including SIPs.

11. However, care needs to be taken here as not all of the data consultees would like the RSAs to incorporate is available and some gaps would be highly costly to fill.
    - ***Data that is currently available*** includes:
        – Travel to work and study data (from Census 2011).
        – Data on unemployment rates within the worst 15% SIMD data zones (from the Claimant Count and DWP Benefit Claimants datasets).
        – Data on part-time employment (from the Annual Population Survey).
        – Information on major infrastructure and regeneration projects planned for each region (with Scottish Government and local authorities being best placed to provide this).
    - ***Data that is not currently available*** includes:
        – College destinations data. Our understanding is that collation of this data is currently being piloted by SFC but it would need to be available for all regions to enable its inclusion in subsequent RSAs.
    - ***Some data requests cannot be addressed*** even with the commissioning of additional research. In particular, employment forecasts cannot be produced with any accuracy at a regional level.

12. Suggestions were also put forward in relation to the **format** of the RSAs.
    - Given the length of the RSA, some consultees felt there would be value in producing a range of shorter, more accessible documents including an executive summary.
    - Some consultees felt that an online resource providing access to key data and briefing papers on an ongoing basis would be valuable. This would align with the good practice examples identified in South West England, Wales and the EU.

13. In relation to **geography**, most consultees were content with the current geographies.
    - Where the RSA did not align with the ROA, colleges and SFC felt there would be value in amending the geographies.
    - Within local authorities there was a desire for greater local authority data. Whilst some would like RSA for their local authority area, others felt including data at a local authority level within the RSA would suffice.
    - There was widespread support for the development of a Scotland Skills Assessment.

Improving RSA Processes

14. Consultees felt that when **developing** future RSAs, it is important for SDS and its partners to:
    - Engage a wide range of partners.
    - Ensure there is sufficient time to provide feedback and comments.
    - Launch the RSAs at a time that enables them to feed into skills planning cycles.

15. Consultees also suggested a number of ways in which SDS and its partners could **support** them in using the RSAS including guidance, workshops and ensuring that the RSAs contain key messages to inform skills planning.

Frequency of RSA Updates

16. In relation to the **frequency** of RSA updates, most consultees undertake skills planning on an annual or 2 to 3 year cycle. In line with this, most felt that either an annual RSA update or a full update every 2 to 3 years with an annual 'refresh' would be sufficient.

Timing of RSA Updates

17. For consultees, the key issue in relation to **timing** is ensuring the RSA is available in sufficient time to inform skills planning and investment decision making. Launching the RSAs in the summer (June/July) appears to be the option that meets the needs of the majority of partners.

Recommendations

1. A significant proportion of consultees have already used their RSA and the vast majority planned to use them in the future. Whilst consultees identified areas where improvements are needed, the introduction of the RSAs has clearly been welcomed by most. Given this, RSAs should continue to be supported and developed.

Design of RSA

Geography

2. SDS and its partners should agree whether to amend the current RSA regions in light of the feedback received from the consultees. The options are as follows.
   - **Option 1:** Continue with current RSA regions.
   - **Option 2:** Continue with current RSA regions but amend some where the RSA currently covers more than one ROA region.
     – There is a strong case for splitting the South of Scotland RSA into two RSAs (for Dumfries and Galloway and Scottish Borders).
     – There may be a case to split some others.

3. Given widespread support, we recommend that a **Scotland Skills Assessment** should be developed to sit alongside the RSAs.

Content of RSA

4. SDS and its partners should consider whether to amend the content of RSAs. There are three options.
   - **Option 1:** Continue with same content.
   - **Option 2:** Develop the content by including analysis of additional data that is readily available.
   - **Option 3:** Develop the content by including both data that is readily available and that which will be more costly to access (for example, data that will require commissioning research).

   In deciding which option to pursue, consideration should be given to the cost of collating and analysing the additional data and the extent to which skills planning and investment decisions would be different if it was available.

5. There is consensus around the need to set out more clearly the **key messages** for the region and we recommend future RSAs pull these out.

Data Matrix

6. To be valuable, the data matrix must be up to date and therefore we recommend SDS and its partners invest resources in updating this key resource.

7. We recommend that SDS and its partners consider how they could support users to get more value out of the data matrix. This could be achieved in three ways.
   - *Option 1:* SDS could provide responsive analysis of the data matrix in response to customer calls. The main advantage of this is that SDS has would have control over the quality of the data analysis process. Where SDS has already offered this service, it has been highly valued and has led to more effective use of the RSAs.
   - *Option 2:* SDS and its partners could support capacity building with user organisations to enable them to more effectively utilise the data matrix.
   - *Option 3:* A combination of Options 1 and 2 – with consideration given to the appropriate balance between these two approaches and how they would connect.

Format of RSA

8. SDS and its partners should consider what the most effective format for the RSAs would be in the future, especially given that none of the good practice examples used a report format. Options for consideration include the following.
   - *Option 1:* Continuing with the RSA report and data matrix.
   - *Option 2:* Continuing with the data matrix – but shifting away from the production of the RSA report to a series of shorter, more digestible papers on specific topics or for specific audiences (e.g. colleges, local employability partnerships, careers advisers).
   - *Option 3:* Shifting to an RSA online portal – which would provide the most up-to-date data, briefing papers on key topics (including a short annual update briefing) and links to key policies, strategies and research that should be taken into consideration in skills planning.

RSA Processes
RSA Development Process

9. We recommend that SDS and its partners agree their roles and responsibilities in any future development process, bearing in mind that most consultees were broadly content with the development process but with some minor amendments suggested.

Use of RSAs

10. Whilst consultees were aware of the RSAs and many were already utilising them, many had a limited awareness of the content of the RSA and/or lacked an understanding of how the RSAs could be useful to them in their work. In particular, many were unaware of the data matrix. SDS and its partners should consider how it could encourage greater use of the RSAs. The options include the following.
    - *Option 1:* Invest more heavily in the annual RSA launch to raise awareness of the RSAs.
    - *Option 2:* SDS to continue to develop bespoke materials for different audiences (for example, for careers advisers) to enable them to engage with the evidence base.
    - *Option 3:* Hold a series of workshops and events to help partners understand the content of the RSAs and how it can be used to inform skills planning.
    - *Option 4:* Establish a small number of pilots where SDS will work with regional partners to embed the RSA into skills planning and investment decision making. These can then be written up as case studies and/or form the basis of briefings/workshops with those in other areas. SDS and regional partners could use these pilots as an opportunity to better align the research that is commissioned at national and local levels, enabling more effective use of research budgets.
    - *Option 5:* A combination of Options 1 to 4, with consideration given to the cost effectiveness of the different approaches and how they interact.

Frequency of RSA Updates

11. SDS and its partners should agree how frequently the RSAs should be updated. There are three options.
    - *Option 1:* Update RSAs annually.

- **Option 2:** Update RSAs every 2-3 years but provide an annual 'refresh' highlighting any changes.
- **Option 3:** If SDS and partners agree to shift towards an online resource (see Recommendation 8 above), data could be updated and briefings drafted on a rolling basis.

Timing of RSA Updates

12. If the RSA is to continue to be published in a report format, SDS and partners should agree a schedule for its release. The key consideration here is to ensure it is available in time to inform skills planning. Whilst needs vary, summer (June/July) would appear to meet the needs of most.

Resource Implications

13. All of the recommendations outlined above have cost implications. In particular, those likely to incur the largest costs are:
- Expanding the number of RSAs (including the introduction of the Scotland Skills Assessment).
- Providing responsive support to customer calls or requests for training in relation to using the RSA.
- Development of an online portal.
- Commissioning of research to help understand the number and type of jobs that will be available in the future.

14. At an early stage the RSA Steering Group should:
- Assess the costs and resource implications of each option.
- Consider the impact that any proposed changes will have on skills planning and investment (i.e. will incurring additional costs lead to an improvement in skills planning).
- Identify the resources each partner can bring forward.
- Establish a business plan that sets out the approach to be taken and the contribution of each partner.

Measures of Success

15. Going forward, SDS should measure the success of the RSAs in terms of their usage and the impact they are having on skills provision. We recommend measuring both outputs and outcomes.
- *Output* measures should include:
  - Number of occasions the RSAs and data matrix is downloaded.
  - Numbers attending the proposed RSA workshops and events.
- *Outcome* measures should include:
  - Number of ROAs that reference RSAs.
  - Number of colleges reporting that they have changed their skills investment as a result of the RSA.
  - Number of local or regional skills strategies and investment plans that reference RSAs.
  - Number of local authorities or regional groupings of local authorities reporting that they have changed their skills investment as a result of the RSA (gathered through an annual e-survey).

16. By providing evidence to help inform strategic investment in skills, it is hoped that the RSAs will help ensure the skills supply in Scotland better fits skills demand. However, many factors can influence this. Gathering the indicators outlined above alongside a robust *theory of change* model will help demonstrate the contribution of the RSAs to achieving this important goal.

ANNEX TO CHAPTER 4: GOOD PRACTICE EXAMPLES

SOUTH WEST OBSERVATORY SKILLS AND LEARNING INTELLIGENCE MODULE (SLIM)	
Purpose	To bring information and intelligence on skills and learning to policy makers and practitioners across the South West. For example, to enable programmes and projects that promote skills and learning to be informed by the best available evidence.
Managed by	University of Exeter Marchmont Observatory
Funded by	European Social Fund
Target audience	Local authorities Local Enterprise Partnerships (LEPs) Employment and Skills Boards
Access	Open access to all Able to subscribe to email alerts of South West Skills Newsletter and SLIM Comment

Resources	Frequency of Update

Labour Market Data
 	
• Up to date labour market data for Heart of South West LEP, South West and England
    o Headline infographic on front page with overview of population, labour supply, unemployment, jobs, businesses
    o Supported by Excel spreadsheet
• Replaced Regional Labour Market Reports (ended in 2010 and were funded by South West Regional Development Agency)
	Monthly

South West Skills Newsletter • Latest South West News – policy, investments, funding • Latest National News – policy and funding • European Programmes – latest announcements • ESP Priorities – latest announcements • Sector Skills – latest publications and announcements • Labour Market data – latest ONS releases • Publications – latest relevant European, national and regional publications • Events Weblinks are provided to useful websites and links throughout	Monthly

SLIM Comment
 	
• Editorial think pieces on key announcements and reports
• Examples include:
    o Budget 2014 – Implications for Skills and Employment
    o OECD Adult Skills Review Report
	2-3 per annum

News Page • Latest announcements – tailored to South West	Weekly
Implications for RSAs	• SLIM is a up-to-date labour market intelligence resource for South West of England that is more interactive than the RSAs • The South West Skills Newsletter and the Labour Market Data are updated on a monthly basis and can be sent out by email to partners. Large-scale regional reports have been discontinued • SLIM Comment pieces provide opportunity for more in-depth analysis on key developments and announcements – but these have only sporadically been produced

LEARNING AND SKILLS OBSERVATORY WALES	
Purpose	Aims to encourage the development and exchange of evidence-based policy and improved decision-making by providing information, data and intelligence on Wales' labour market including education, learning and skills sectors
Managed by	Welsh Government Department for Education and Skills
Funded by	Welsh Government Department for Education and Skills
Target audience	Providers Employers Policy makers Individuals
Access	Available to all

Resources	Frequency of Update
Stats Wales LMI section • Provides direct access to parts of the StatsWales website that have an LMI focus • Links include to datasets on demography; skills and qualifications; education and training; economy and labour market • Breakdown available to local authority area level	Monthly

Monthly Labour Market Report
• Statistical report that provides update on key statistics (e.g. employment, unemployment and inactivity) but then focuses on specific theme.
• Recent themes include:
   o Equalities issues
   o Regional Skills Partnerships
   o Commuting in Wales
	Monthly

LMI Monthly Statistics and Research News • 2-3 page newsletter that providers introductions and weblinks to latest LMI statistics and research reports	Monthly

Synopsis Documents of Key LMI Reports
• Introductions and weblinks to key LMI reports produced at national level. These include:
   o UKCES Employer Skills and Perspectives Surveys
   o Working Futures
   o National Strategic Skills Audit for Wales
	Updated when reports published

Articles
• Welsh Government-produced 2-3 page synopsis of notable labour market trends or developments – with links to further information if required.
• Recent (2015) articles include:
   o The Cost of Workplace Absenteeism
   o Patterns of Inequality in the Labour Market – Gender Inequality
   o One in Seven now Home-Workers
	20-25 per annum

Challenge and Special Interest Papers
• Three papers produced to date that are employer-focused. They are entitled:
   o Can I afford not to employ a young person?
   o Can I afford not to employ a graduate?
   o Can I afford to employ an apprentice?
	Infrequently

Video Presentations • Four video presentations provided: o Higher education	Infrequently

	o Further education and work-based learning
	o Employers
	o LMI system in Wales
Implications for RSAs	• Observatory provides up-to-date LMI statistics by making strong connections with StatsWales, while also providing monthly labour market reports and thematic reports that provide greater insight to the statistics
	• The 20-25 thematic articles per annum are an effective means of providing labour market intelligence and analysis into topical labour market issues
	• Use of video presentations – albeit few in number – provide different means of providing labour market intelligence

EU SKILLS PANORAMA	
Purpose	The EU Skills Panorama aims to improve the capacity to assess and anticipate skill needs to help make education and training systems more responsive to labour market needs and to match better skill supply and demand across Europe.
	The Panorama is a central access point for data, information and intelligence on skill needs in occupations and sectors that provides a European perspective on trends for skill supply and demand and possible skill mismatches, while also giving information about national data and sources
Managed by	Cedefop leads the Panorama's development, in cooperation with the European Commission's Directorate-General Education and Culture (DG EAC) and Directorate-General for Employment, Social Affairs and Inclusion (DG EMPL).
Funded by	European Union
Target audience	Wide range of users – policy-makers, experts, employment agencies, and public
Access	Available to all

Resources	Frequency of Update
Occupations 'tab' • Statistical employment information by occupation using the International Standard Classification of Occupations • Interactive tool that provides access to latest Eurostat data for each occupation by EU-member state • Supported by 3-4 page Analytical Reports for key occupations (e.g. 'Chief Executives and Senior Officials' and 'Sales Workers')	Annually
Sectors 'tab' • Statistical employment information by sectors using the International Standard Classification of Occupations • Interactive tool that provides access to latest Eurostat data for each sector by EU-member state • Supported by 3-4 page Analytical Reports for key sectors (e.g. 'Advanced Manufacturing')	Annually

Country 'tab'
• Standard format for each country with three 'tabs':
    o European data – latest Eurostat data for that country
    o National data – weblinks to relevant national data sets
    o Useful National Resources – weblinks to recent national LMI reports (e.g. sectors, forecasts)
• Supported by 5-page Analytical Report for each country
• Weblinks also provided to following reports:
    o OECD Country Outlook
    o Skills.OECD at a Glance
    o Education and Training Monitor Country Report
	Annually

	o Bottleneck Vacancies in 'Country'	

Skills 'tab'
 	
 • Weblinks to latest Eurostat data on qualifications, literacy, Internet skills, computer skills, skills mismatches
 • Supported by 3-page Analytical Reports. Four produced to date on:
      o Adult Learning
      o Apprenticeships
      o European Job Growth Creators
      o Foreign Languages
		Annually

News • News page regularly with articles on new reports, statistics, policy, speeches and announcement		Daily/Weekly
Implications for RSAs	• Easy to navigate skills intelligence resource with good use of country flags and symbols as tabs • Focus is on the data but supported by 'Analytical Reports' and links to other national data sources	