

# Moray Skills Profile

December 2014



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## 1. Introduction

Over the past year Skills Development Scotland (SDS) has been working with key partners to develop a robust evidence base to help inform regional skills planning in Scotland. This has involved the development of a set of eleven Regional Skills Assessments (RSAs), working in collaboration with the Scottish Funding Council, Scottish Enterprise and the Scottish Local Authorities Economic Development Group.

RSAs cover the Scottish Enterprise Operating region and are intended to be factual documents which provide a consistent analysis of skills issues at a regional level. They are expected to be used to support Regional Outcome Agreements by Colleges, to inform the work of Community Planning Partnerships in developing Single Outcome Agreements, and will be used by SDS to inform service delivery. The RSAs provide a picture of key economic and skills data at a regional level.

In addition, a Skills Investment Plan (SIP) has been created for the Highlands and Islands with the goal of setting out a framework within which skills needs can be addressed now and in the future. The evidence base for the Highlands and Islands Enterprise area is contained within the Skills Investment Plan for the Highlands and Islands. The SIP has been developed in partnership with Highlands and Islands Enterprise, the Scottish Funding Council, the University of The Highlands & Islands and local authorities. The key message from the SIP is one of opportunity with the main themes focusing on:

- Meeting the needs of employers;
- Planning for the needs of the future economy;
- Retaining young people in the region;
- Attracting people of working age; and
- Engaging employers in the skills system.

Following the production of the SIP, partners in Moray requested an extract summary of the data for that local authority area. This report responds to that request by providing data at that level where it is available. The document is structured as follows:

- section 2 – Economic performance
- section 3 – Profile of the workforce
- section 4 – People and skills supply
- section 5 – Education and training provision
- section 6 – Sectors of economic importance
- section 7 – Further information

## 2. Economic Performance

### Summary

- Moray generated **3.3% of all Scottish output in 2012.**
- Moray's economic performance has been consistently **above the Scottish average** since 2002.
- Median weekly earnings in Moray are **below those of both Scotland and the UK**
- The rate of business start ups in Moray is **below that of Scotland and the UK**, but has been **growing in recent years.**

### Headline Performance Indicators

	Moray	Scotland
<b>Economic Growth</b>		
Total GVA 2012 (£m)	£3,545	£106,342
<b>Productivity</b>		
GVA per Employee 2012	£83,300	£43,700
Change in GVA per Employee 2005-2012	£6000	£700
<b>Business Base</b>		
Business Birth rate per 10,000 of population 2012	26	33
BERD expenditure per head of population 2012	£37	£133

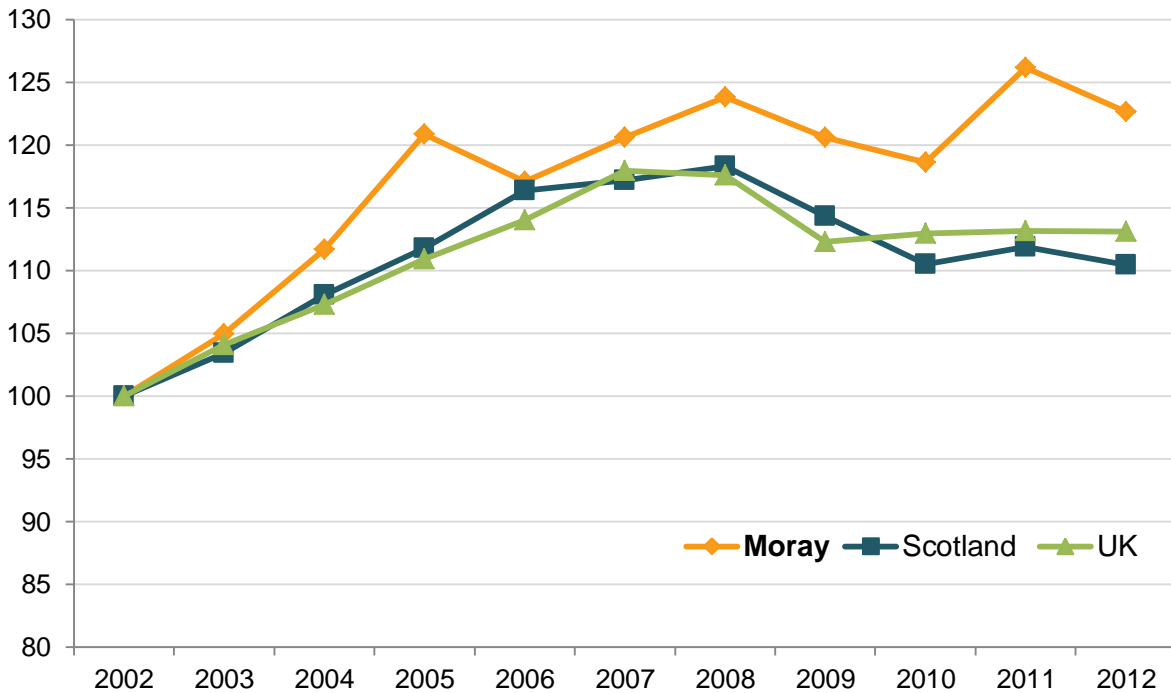
This section looks at the economic performance of Moray covering:

- Gross Value Added
- Productivity
- Earnings
- Business base

## 2.1 Gross Value Added (GVA)

The Moray economy has performed consistently above Scotland and the UK over the past decade and the impact of the recession has been less pronounced in Moray than nationally. The regional economy grew between 2006 and 2008 before contracting sharply. The most recent year for which data is available (2012) shows a slight decrease in output from Moray in contrast to a more stable picture nationally.

Figure 2.1 GVA index (2002 = 100)



Source: ONS Regional Accounts  
Index based on GVA in real prices

Table 2.1 shows that Moray has below average representation within production, financial and business services relative to Scotland as a whole.

**Table 2.1 Total GVA (percentages) by sector**

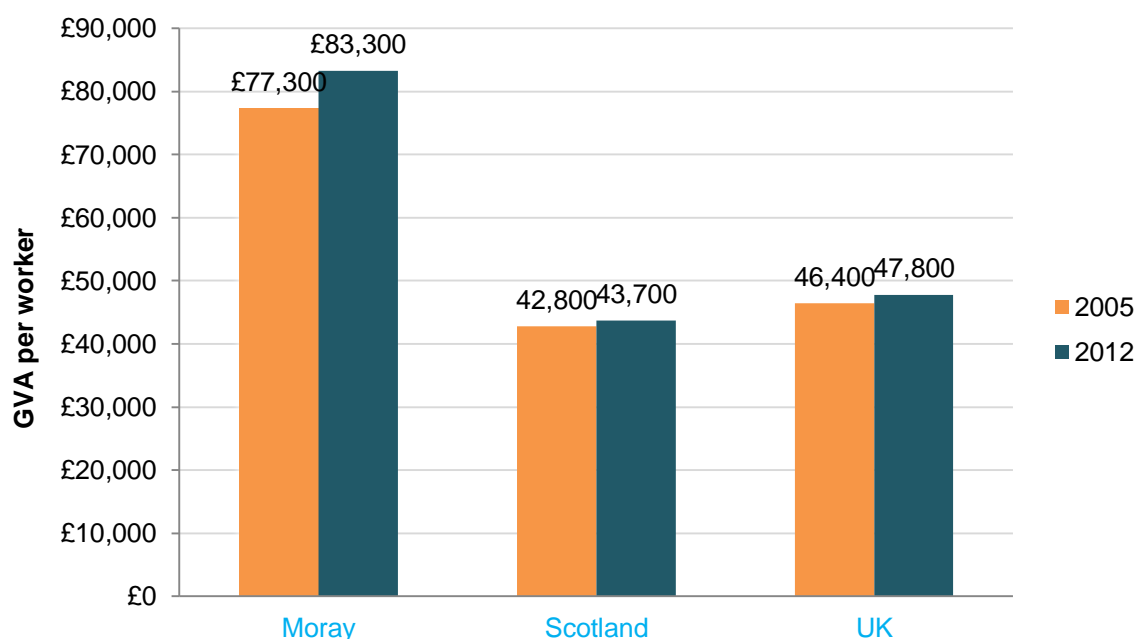
Sector	Moray	Scotland	UK
Public administration; education; health	24%	22%	19%
Distribution; transport; accommodation and food	23%	18%	18%
Real estate activities	17%	10%	11%
Production	13%	19%	15%
Construction	8%	7%	6%
Business service activities	6%	10%	12%
Other services and household activities	4%	3%	3%
Agriculture, forestry and fishing	3%	1%	1%
Financial and insurance activities	1%	7%	9%
Information and communication	1%	3%	6%
Total	<b>100%</b>	<b>100%</b>	<b>100%</b>

Source: ONS Regional Accounts  
Percentages based on GVA in current basic prices

## 2.2 Productivity

The Moray economy is more productive than the Scottish economy as a whole and levels of productivity have increased in recent years compared with stability nationally, see figure 2.2.

**Figure 2.2 GVA per worker 2005 - 2012**



## 2.3 Earnings

Table 2.2 shows that full-time workers in Scotland earned an average of £508 per week in 2013, relative to a UK average of £518<sup>1</sup>. The equivalent figure for Moray was below both the Scottish and UK averages at £466. However, it is important to note that these figures are **workplace-based**. That is, they are based on the earnings of those whose job is located within an area, rather than the earnings of those who live there. For areas that experience large commuting flows, the differences can be substantial.

**Table 2.2 Median Gross Weekly Earnings 2013**

	Full-Time Workers	
	Median Weekly Earnings	% of Scottish average
<b>Moray</b>	<b>£466</b>	<b>92%</b>
Scotland	£508	100%
UK	£518	102%

Source: Annual Survey of Hours and Earnings  
Figures are in current basic prices  
Figures are workplace-based, rather than resident-based

## 2.4 Business Base

Table 2.3 shows that the total number of businesses in Moray has risen slightly in recent years in line with growth nationally.

**Table 2.3: Number of businesses 2008-2013**

	2008	2013	Change 2008-13	
			No	%
<b>Moray</b>	<b>3,730</b>	<b>3,780</b>	<b>50</b>	<b>1%</b>
Scotland	195,300	198,300	3,000	2%
UK	2,643,200	2,625,500	-17,700	-1%

Source: ONS, UK Business: Activity, Size and Location  
All figures have been rounded to 100 and calculations have been carried out on the unrounded figures

<sup>1</sup> Average refers to median. Full-time workers are defined as those who work more than 30 paid hours per week or those in teaching professions working 25 paid hours or more per week.

Table 2.4 shows that the sectoral structure of the business base in Moray is broadly similar to Scotland as a whole with some exceptions; Agriculture, Forestry & Fishing is more prevalent whilst Professional, scientific and technical is less so.

**Table 2.4: Businesses by Sector 2013**

	Moray	Scotland
Agriculture, forestry & fishing	18%	9%
Production	7%	5%
Construction	11%	9%
Motor trades	4%	3%
Wholesale	3%	4%
Retail	12%	12%
Transport & storage	3%	3%
Accommodation & food services	7%	8%
Information & communication	2%	4%
Finance & insurance	2%	2%
Property	2%	3%
Professional, scientific & technical	9%	15%
Business admin & support	4%	6%
Public admin & defence	2%	2%
Education	3%	3%
Health	6%	6%
Arts, entertainment & other services	6%	7%
<b>Total</b>	<b>3,800</b>	<b>198,300</b>

Source: ONS, UK Business: Activity, Size and Location

The majority of companies in both Moray and Scotland are micro- businesses employing fewer than 10 people. The remainder are mainly SMEs with up to 50 employees.

**Table 2.5 Business by Sizeband 2013**

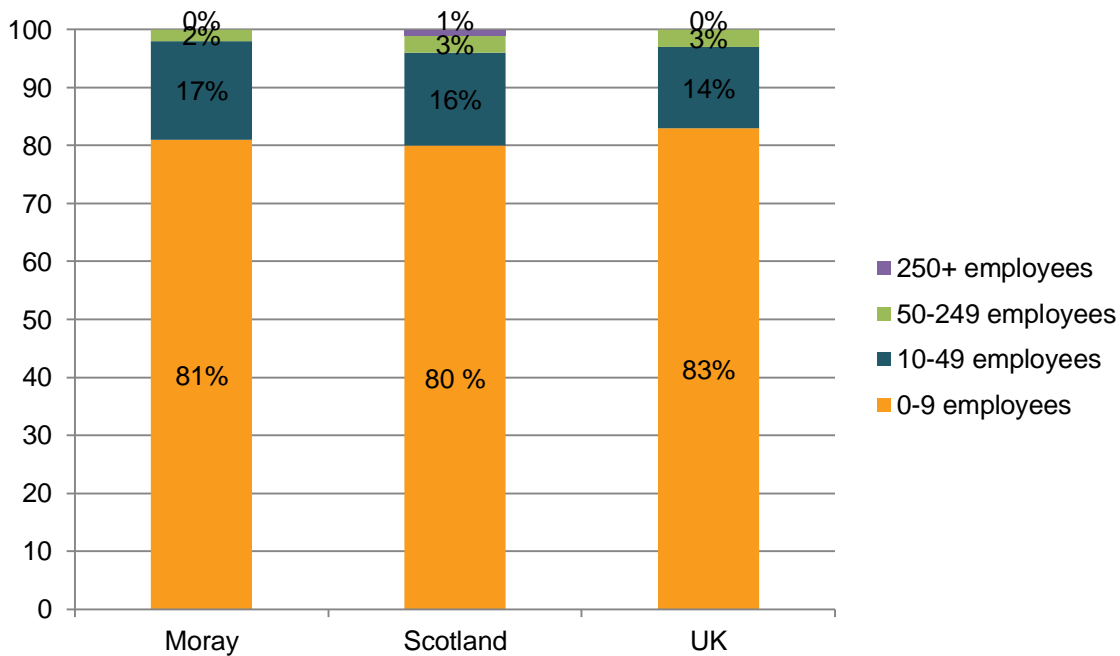
Sizeband	Moray	Scotland	UK
0 - 9	3,050	158,960	2,170,080
10 - 49	630	32,065	367,055
50 - 249	90	6,230	76,635
250 +	10	1,035	11,720
<b>Total</b>	<b>3,780</b>	<b>198,290</b>	<b>2,625,490</b>

Source: UK Business: Activity, Size and Location



When interpreting the information shown in figure 2.3 it is worth noting that whilst large firms (with 250+ employees) represent less than 1% of the overall business base in Scotland, they are an important source of job opportunities. In 2013, large companies employed over 50% of all people working in Scotland.

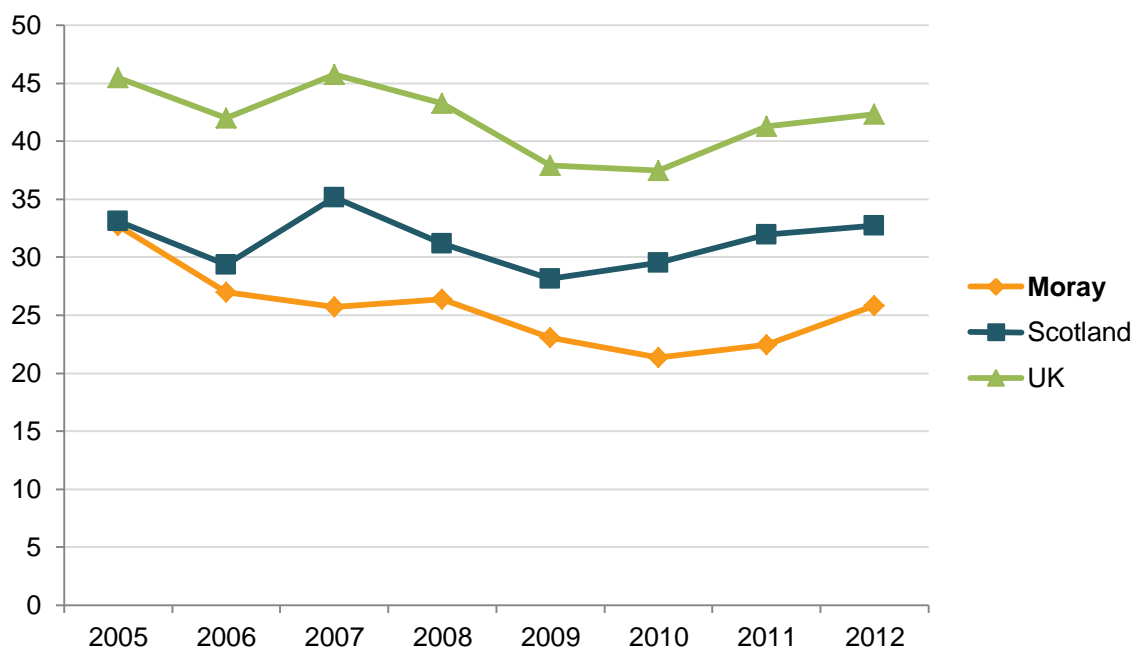
**Figure 2.3 Businesses by Sizeband 2013 (%)**



Source: ONS, UK Business: Activity, Size and Location

Figure 2.4 shows that the business birth rate in Moray has gone from being equal to the Scottish average in 2005 to being consistently below it every year since.

**Figure 2.4 Business Birth Rates per 10,000 Population 2005-2012**



Source: ONS, UK Business: Activity, Size and Location

Patterns of company support suggest that there are firms operating across a range of sectors in Moray that offer significant potential for future growth. Scottish Enterprise<sup>2</sup> (SE) works with companies across Scotland that are identified as offering potential for future growth. These 'account managed' companies take many forms – they range from start-ups to large companies and are found in both established and emerging sectors. They vary in size and scale, but each has been selected as a result of their significant growth potential. SE offers intensive, tailored support to help them fulfill this growth potential.

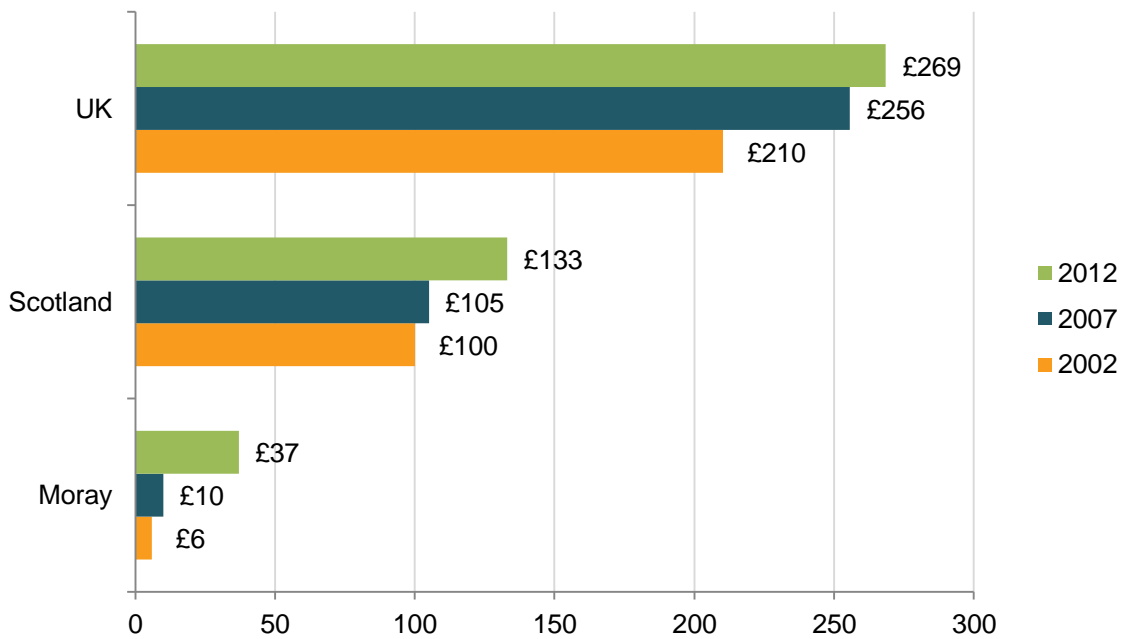
Account managed companies in Moray cover a variety of sectors:

- Food and Drink – 3 companies
- Enabling Technologies/IT – 2 companies
- Construction – 1 company
- Energy – 1 company
- Tourism – 1 Company
- Non Sector – 1 company

<sup>2</sup> Does not include H&I Enterprise figures as SDS does not have access to these.

Business Enterprise Research & Development expenditure in Moray is substantially lower than the Scottish Average. This is shown in figure 2.5, in which it is clear that despite rises in recent years, Moray's BERD expenditure is less than a third of that of Scotland as a whole and less than 20% that of the UK per head of population.

**Figure 2.5 Business Enterprise Research & Development (BERD) expenditure per head of population (£)**



Source: Scottish Government; SQW Calculations

### 3. Profile of the Workforce

#### Summary

- There were **34,500 people working** in Moray in 2012
- The largest employing industries in Moray are **health, retail and manufacturing**.
- Moray has a very high concentration of employment in **Food & Drink** and relatively high concentration in **Tourism** which are both **Scottish Government Growth Sectors**
- The Occupations that have seen the most growth in employment since 2005 in Moray are **Sales and Customer Service, Professionals and Operatives**.

#### Headline Performance Indicators

	Moray	Scotland
<b>Jobs</b>		
Total Employment 2012	34,500	2,523,100
% Change in Employment 2009-2012	-1%	-4%
<b>Industrial Structure</b>		
% Employment in Growth Sectors	29%	27%
<b>Occupational Profile</b>		
% Employment in Professional occupations 2013	15%	20%
% Change in Employment in professional occupations 2005-2013	29%	22%

This section looks at the Profile of the workforce in Moray covering:

- Employment
- Industrial structure
- Occupational Profile.

### **3.1 Employment**

There has been a net decline in total employment across Moray since 2009. However table 3.1 shows that compared to both the Highlands and Islands and Scottish averages, Moray has actually done relatively well in relation to total employment change since 2009.

**Table 3.1: Total Employment 2009-12**

	2009	2012	Change 2009-2012	
			No.	%
<b>Moray</b>	35,700	34,500	-1,200	-1%
<b>Highlands and Islands</b>	<b>161,300</b>	<b>146,400</b>	<b>-14,900</b>	<b>-9%</b>
<b>Scotland</b>	<b>2,523,100</b>	<b>2,425,900</b>	<b>-97,100</b>	<b>-4%</b>
<b>GB</b>	<b>27,858,200</b>	<b>27,872,500</b>	<b>14,300</b>	<b>0%</b>

*Source: Business Register and Employment Survey*

Table 3.2 shows that the largest employing industries in Moray are health, retail and manufacturing.

**Table 3.2 Employment by Broad Industry Sector 2012**

Sector	Moray	Scotland	GB
Agriculture, forestry & fishing	-	82,400	482,800
Mining, quarrying & utilities	300	64,800	354,900
Manufacturing	5,700	183,400	2,342,500
Construction	2,500	125,000	1,288,500
Motor trades	700	39,800	500,300
Wholesale	1,000	73,600	1,114,800
Retail	4,000	240,900	2,848,300
Transport & storage	1,200	96,300	1,243,800
Accommodation & food services	2,400	167,100	1,901,900
Information & communication	200	58,100	1,052,100
Financial services	400	91,300	1,045,500
Property	400	33,300	492,500
Professional, scientific & technical	1,000	172,500	2,154,500
Business services	1,400	182,700	2,264,900
Public admin & defence	2,400	145,500	1,348,700
Education	3,000	179,700	2,540,800
Health	5,400	376,200	3,646,600
Arts, entertainment & other services	1,700	113,200	1,249,300
<b>Total</b>	<b>34,500</b>	<b>2,425,900</b>	<b>27,872,500</b>

*- The local authority employment figures from BRES exclude farm agriculture (SIC subclass 01000), meaning that it is not possible to get an accurate estimate of employment in agriculture, fishing and forestry at a regional level from this source*

Relative to the Scottish economy as a whole, Moray has a below average share of jobs in **professional and financial services**, as well as in **mining, quarrying & utilities**.

Table 3.3 shows that the Top 20 employing industries in Moray are dominated by public services, retail and hospitality.

<b>Industry</b>	<b>No. of employees</b>
Hospital activities	2,000
Retail sale in non-specialised stores with food, beverages or tobacco predominating	1,900
Manufacture of rusks and biscuits; manufacture of preserved pastry goods and cakes	1,600
Primary education	1,600
Distilling, rectifying and blending of spirits	900
General secondary education	900
General public administration activities	900
Other social work activities without accommodation n.e.c.	900
Hotels and similar accommodation	700
Social work activities without accommodation for the elderly and disabled	700
Restaurants and mobile food service activities	700
Defence activities	500
Manufacture of other food products n.e.c	500
Manufacture of other wearing apparel and accessories	500
Construction of residential and non-residential buildings	400
Freight transport by road	400
Beverage serving activities	400
: Residential nursing care activities	400
Regulation of the activities of providing health care, education, cultural services and other social services, excluding social security	400
Development of building projects	300

*Source: Business Register and Employment Survey*

Table 3.4 shows that Moray's representation is over 3 times above the average in Food & Drink, about average in tourism and below average within the other Scottish Government Growth Sectors.

The Government Economic Strategy for Scotland identifies six Growth Sectors that are considered to offer significant potential to drive future economic growth in Scotland<sup>3</sup>.

**Table 3.4: Growth Sector employment 2012**

	Employment in Scotland	Employment in Moray	% share of jobs in Moray	Employment Specialisation* (relative to Scotland)
Creative Industries	65,200	500	1%	54%
Energy	63,400	-	-	-
Financial & Business Services	215,600	1,500	4%	49%
Food & Drink	117,900	5,700	17%	340%
Life Sciences	16,000	-	-	-
Tourism	181,500	2,500	7%	97%

*Source: Scottish Government Growth Sector Database; SQW Calculations. Based on the Scottish Government Standard Industrial Classification (SIC) definitions*

Table 3.4 shows that Food & Drink is the only Growth Sector in which Moray is over represented, although by a sizeable degree. In employment terms, **Food & Drink and Tourism** are the largest of the Growth Sectors in Moray accounting for 17% and 7% of all jobs respectively.

Regional Selective Assistance (RSA) is the main investment grant scheme for businesses located in areas of Scotland designated for regional aid under European Community law (assisted areas). RSA is available to limited companies, sole traders or partnerships for projects that meet a number of criteria<sup>4</sup>.

In Moray Digital Media & Enabling Technologies is an area in which RSA grants have been awarded, with 50 jobs being safeguarded through grants of £750,000.

<sup>3</sup> *The Government Economic Strategy, Scottish Government (2011)*

<sup>4</sup> To qualify, projects must take place in Scotland within an assisted area; directly create or safeguard jobs; not be offset by job losses elsewhere; involve an element of capital investment; and be mainly funded from the private sector.

Table 3.5 shows that the occupational profile of Moray residents is **broadly in line with Scotland as whole**. Although a slightly higher share of people in Moray work in skilled trades and as operatives than across Scotland.

**Table 3.5: Employment by Occupation 2013**

	Moray		Scotland	
	Total	%	Total	%
Managers & Senior Officials	3,800	9%	211,000	9%
Professionals	6,600	15%	490,800	20%
Associate Professional & Technical	4,900	11%	314,100	13%
Administrative & Secretarial	3,200	7%	269,200	11%
Skilled Trades	6,100	14%	273,400	11%
Caring, Leisure & Other Services	4,600	10%	230,400	9%
Sales & Customer Services	3,700	8%	223,600	9%
Operatives	5,000	11%	158,100	6%
Elementary occupations	5,900	13%	282,000	11%
<b>Total</b>	<b>43,800</b>	<b>100%</b>	<b>2,452,600</b>	<b>100%</b>

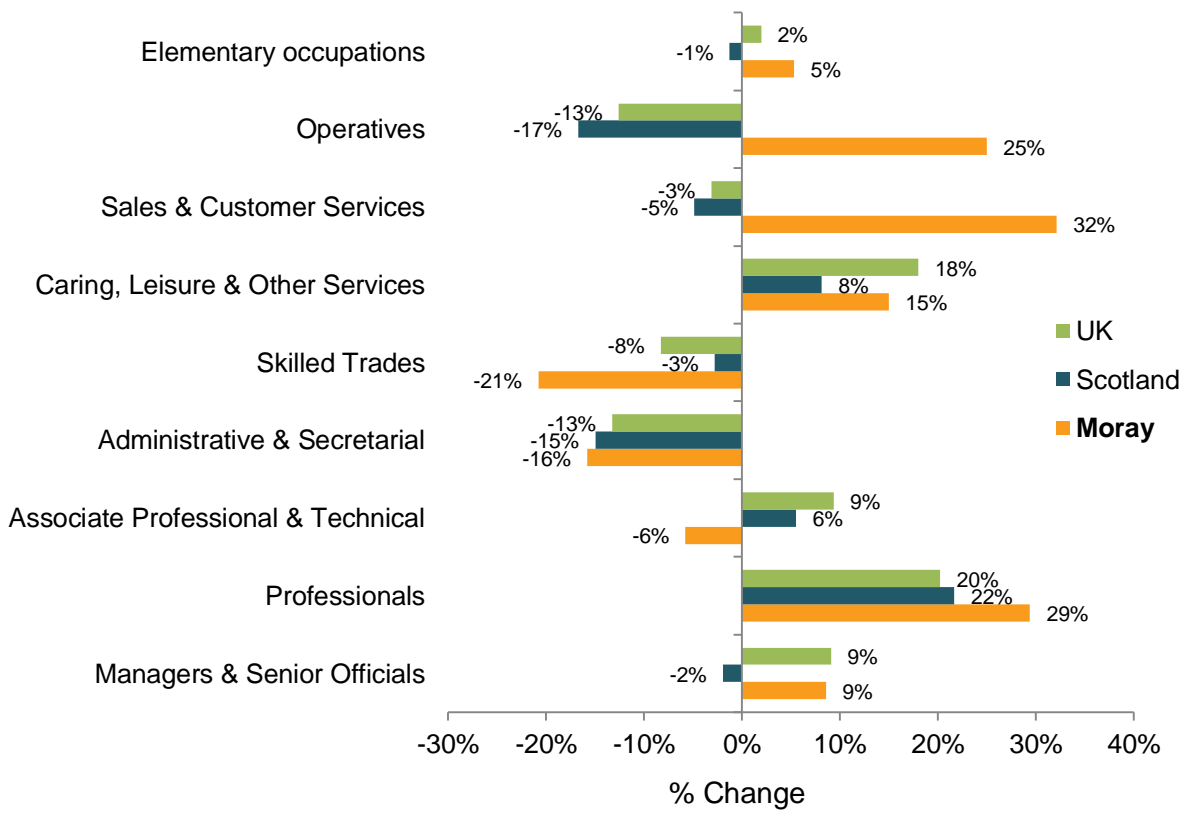
*Source: Annual Population Survey Data covers the period October 2013 – September 2014*

There have been some important changes in the occupational profile of Moray residents over the past decade. Across the UK and other industrialised nations, there has been a long term shift away from low skilled occupations towards those requiring higher level skills and qualifications. This has been partly driven by globalisation and the impact of technological advancements.

The exception to this trend is the rapid growth of the 'caring, leisure & other service' occupational group. This includes many people working in tourism and hospitality sectors, but also those working in caring professions. This occupational group is expected to continue to expand as the ageing population drives increased demand for care services.



**Figure 3.1 Change in employment by occupation 2005 - 2012**



Source: Annual Population Survey

## 4 People and Skills Supply

### Summary

- Population growth in Moray is **slightly ahead** of Scotland as a whole, with an increase of 6% **between 2002 and 2012**
- Moray is home to a **relatively high** proportion of adults over the age of 55 and **fewer** residents aged 25-44 compared to Scotland as a whole
- In 2013 Moray had a **higher** employment rate than Scotland at 79%, compared to a Scottish rate of 71%
- The Unemployment rate in Moray in 2013 was 4.9% **considerably lower** than the Scottish rate of 8%

### Headline Performance Indicators

	Moray	Scotland
<b>Population</b>		
Total population 2012	92,900	5,313,600
% Population change 2002-2012	6%	5%
<b>Labour Market Participation</b>		
Employment rate 2013	79%	71%
Unemployment rate 2013	4.9%	8%
<b>Youth Unemployment</b>		
Total unemployed 16-24 year olds (Feb-14)	1,630	33,190
% Change in unemployed 16-24 year olds (Feb-13 – Feb-14)	-27%	-24%

This section looks at People and Skills Supply in Moray covering:

- Population
- Labour Market Participation
- Youth Unemployment

#### 4.1 Population

There has been an increase in the population in Moray over the last decade, as shown in table 4.1, in line with the growth across Scotland and the UK.

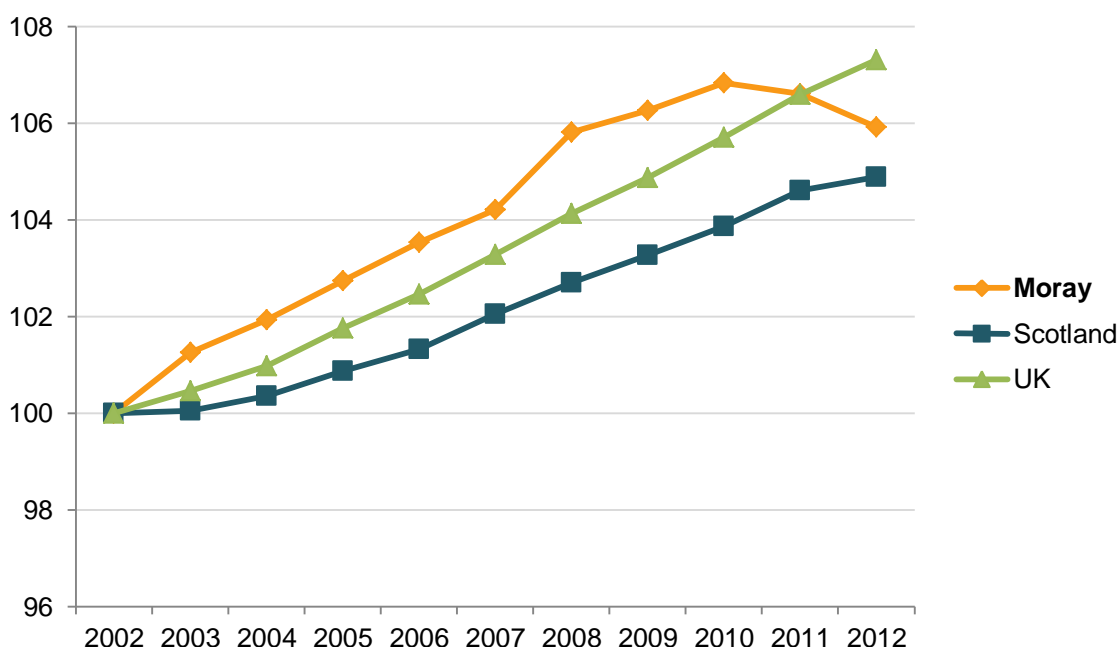
**Table 4.1: Total Population**

			Change 2002-2012	
	2002	2012	No.	%
<b>Moray</b>	<b>87,700</b>	<b>92,900</b>	<b>5,200</b>	<b>6%</b>
Scotland	5,066,000	5,313,600	247,600	5%
UK	59,365,700	63,705,000	4,339,300	7%

*Source: General Register Office for Scotland; Office for National Statistics*

Figure 4.1 shows that the population of the Moray was increasing sharply between 2002 and 2010, although it has been falling since then. This contrasts with both Scotland and the UK, which have experienced year-on-year population increases since 2002.

**Figure 4.1 Index of population change 2002-2012**



*Source: General Register Office for Scotland; Office for National Statistics*

There have been important changes in the age profile of residents in Moray and Scotland over the past decade.

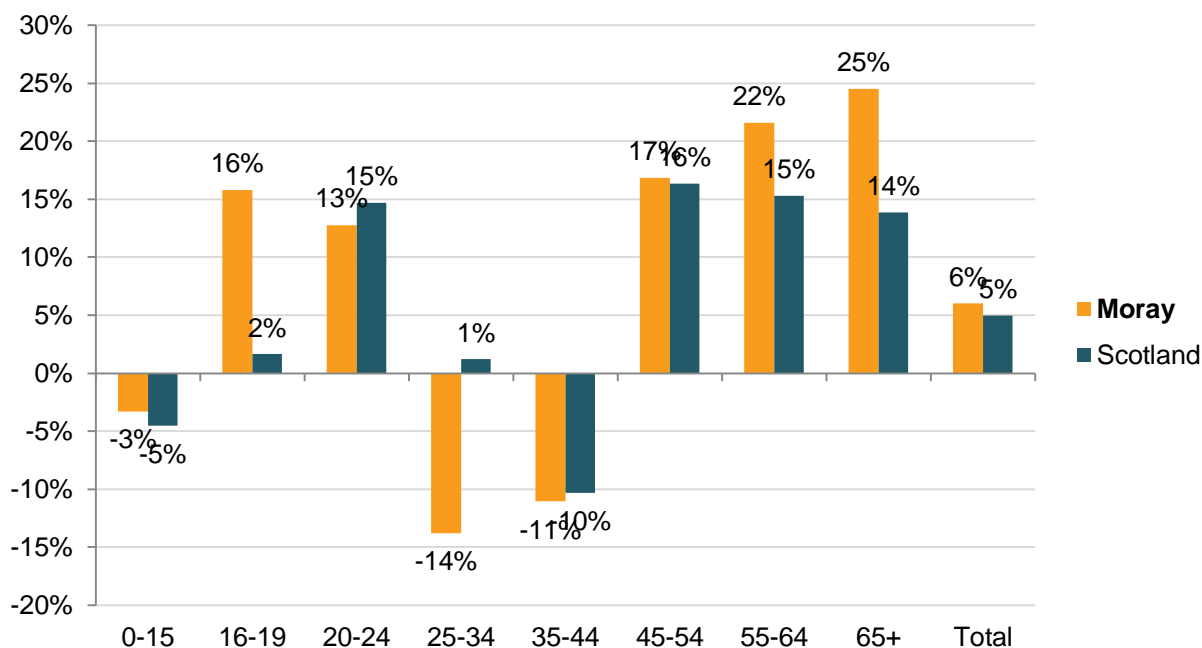
When looking at the change in population by actual numbers of people table 4.2 shows that Moray and Scotland's trends look roughly the same, with the notable exception of the key 25-34 age group, which has decreased in Moray and increased across Scotland.

**Table 4.2 Population Change by age band 2002-2012**

Age Band	Moray	Scotland
0-15	-566	-43,146
16-19	649	4,169
20-24	565	47,464
25-34	-1,648	8,026
35-44	-1,503	-81,419
45-54	2,006	111,808
55-64	2,180	87,798
65+	3,537	112,900
<b>Total change</b>	<b>5,220</b>	<b>247,600</b>
<b>Total population 2012</b>	<b>92,910</b>	<b>5,313,600</b>

However when you look at the percentage change in population it is clear that there are far more substantial differences in the trends.

**Figure 4.2 Population change by age band 2002-2012 (%)**



Source: General Register Office for Scotland

Figure 4.2 shows:

- **A decline in the number of children** – there were 3% fewer young people under the age of 16 in Moray in 2012 than in 2002, Slightly under the decline of 5% in this age group across Scotland over the period
- **A large increase in the number of people in their late teens** – there was a 16% increase in the number of 16-19 year olds during this period in Moray, much larger than the 2% increase across Scotland as a whole

- **An increase in the number of young adults in their early 20s** – there was some growth in 20-24 year old age group in Moray, although this was slightly slower than across Scotland as a whole
- **A marked ageing of the population** – the greatest population increases have been amongst older age groups both within Moray and across Scotland, with Moray having the larger overall increase.

Looking forward, Moray’s population will slightly decline, unlike the Highland and Islands region and Scotland where population will increase (Table 4.3).

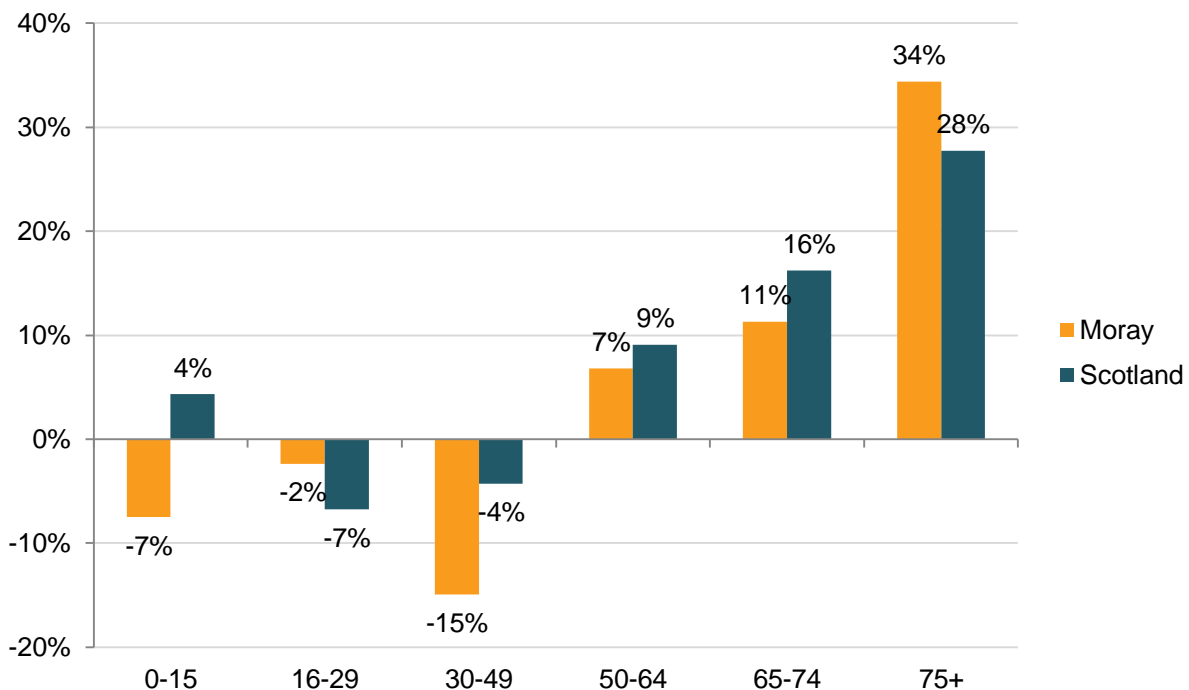
**Table 4.3: Projected Population 2012-2022**

	2012	2022	Change 2012-2022	
			No.	%
<b>Moray</b>	<b>92,910</b>	<b>92,838</b>	<b>-72</b>	<b>0%</b>
Highland & Islands	485,020	487,901	2,881	0%
Scotland	5,313,600	5,519,600	206,000	4%

Source: General Register Office for Scotland

Figure 4.3 shows that Moray will continue to have high growth of people above the age of 75, but a below average rate of growth for residents in their 50s and 60s.

**Figure 4.3 Projected Population Change by Age 2012-2022**



Source: General Register Office for Scotland

## 4.2 Labour Market Participation

The employment rate in Moray (79%) is above the rate for both Scotland (71%) and the UK.

**Table 4.4 Resident Employment 2013**

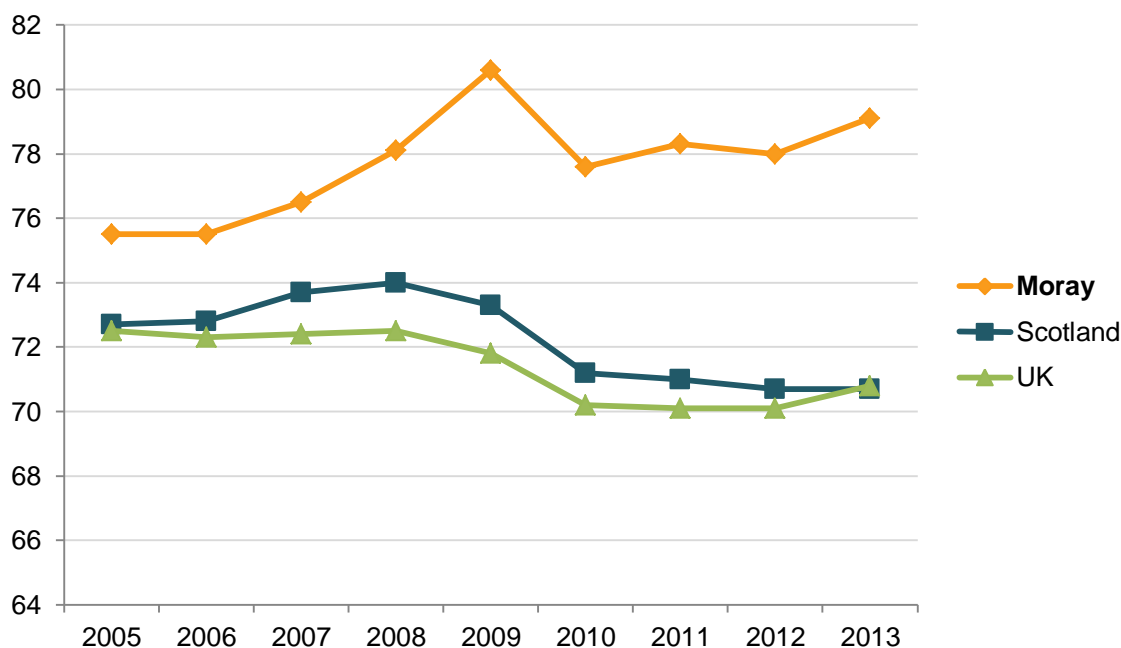
	Total	Rate
<b>Moray</b>	<b>42,200</b>	<b>79%</b>
Highlands and Islands	180,800	71%
Scotland	2,401,100	71%
UK	28,472,300	71%

Source: Annual Population Survey

Data is based on a sample survey and therefore subject to varying confidence intervals

Figure 4.4 shows that the Moray labour market has been only slightly impacted by the recession with a sharp fall in the employment between 2009 and 2010.

**Figure 4.4 Employment rate 2005-2013 (%)**



Source: Annual Population Survey

Data is based on a sample survey and therefore subject to varying confidence intervals

Table 4.5 shows that over 2,000 Moray residents were unemployed and seeking work in 2013. Moray's unemployment rate was below that of both Scotland and the UK. The International Labour Organisation (ILO) definition of unemployment covers those of working age who are out of work, want to work and are actively seeking and available to start work. The ILO unemployment rate is the percentage of the economically active population who are unemployed on this measure.

**Table 4.5 ILO unemployment 2013**

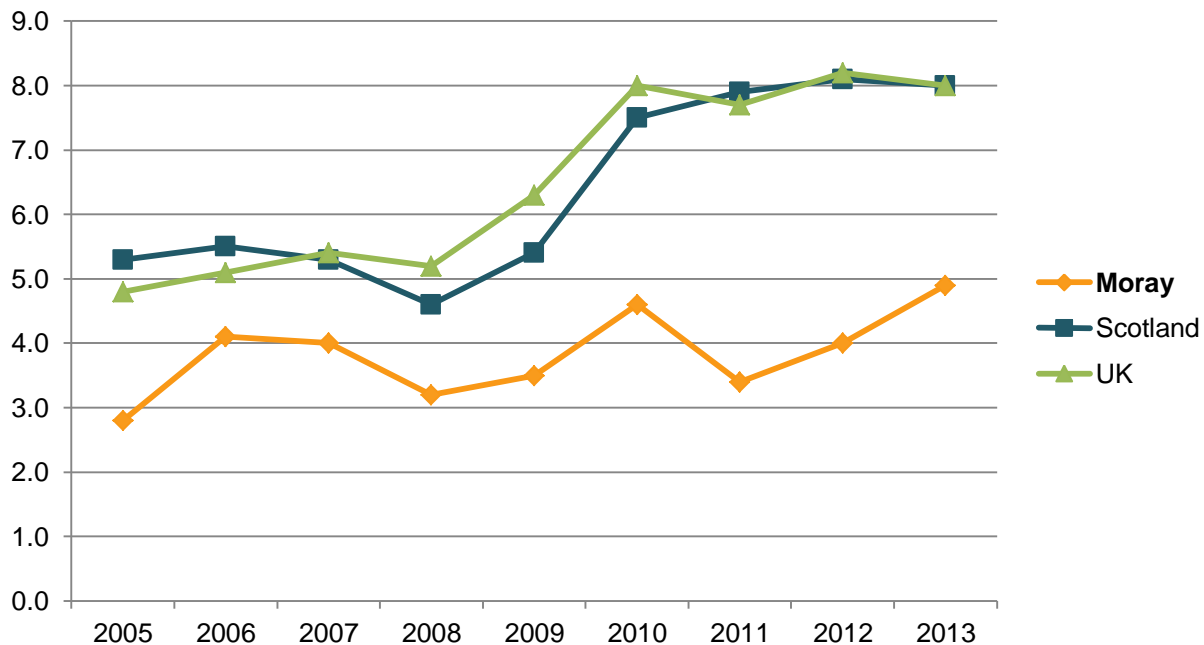
	Total	Rate
<b>Moray</b>	<b>2,200</b>	<b>4.9%</b>
Highlands & Islands	11,400	5.1%
Scotland	207,700	8%
UK	2,471,800	8%

Source: Annual Population Survey

Data is based on a sample survey and therefore subject to varying confidence intervals

Figure 4.5 shows that between 2005 and 2013 unemployment in Moray has fluctuated, but has always remained consistently below both Scottish and UK levels

**Figure 4.5 ILO unemployment rate 2005-2013 (%)**



Source: Annual Population Survey

Data is based on a sample survey and therefore subject to varying confidence intervals

Table 4.6 shows that unemployment amongst young people aged 16-24 does now appear to be falling, both within Moray and across Scotland. The rate at which it is falling in Moray is slightly higher than Scotland but lower than the Highlands and Islands region.

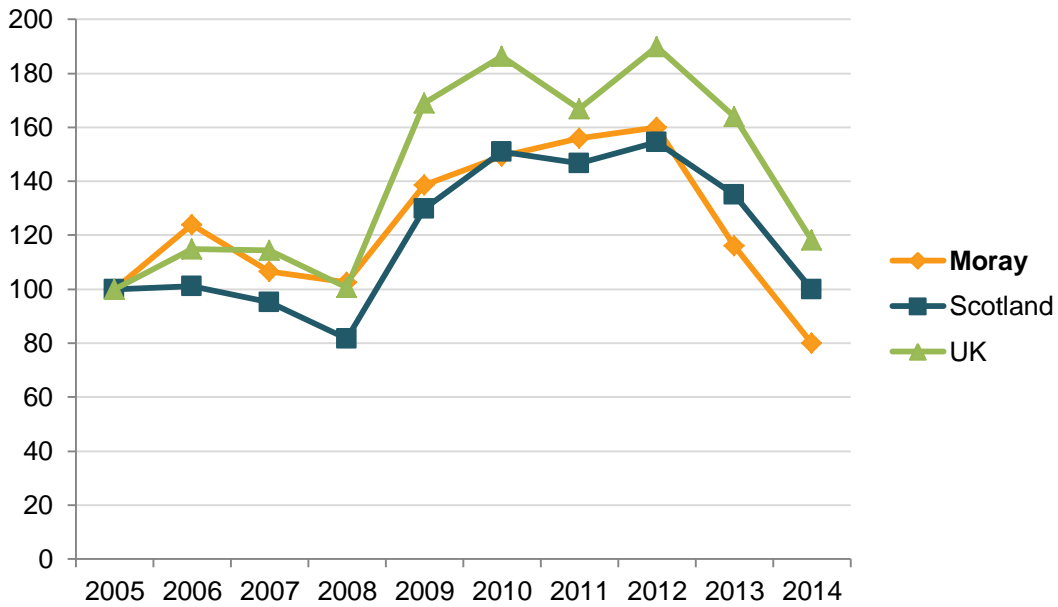
**Table 4.6 Unemployment amongst 16-24 year olds, 2013-14**

	Feb-13	Feb-14	Change 2013-14	
			No	%
<b>Moray</b>	<b>500</b>	<b>360</b>	<b>-140</b>	<b>-27%</b>
Highlands & Islands	2,430	1,630	-800	-33%
Scotland	43,740	33,190	-10,550	-24%

Source: Skills Development Scotland administrative database; Department for Work and Pension

The impact of the recession was particularly marked amongst young people in Moray. Figure 4.6 shows change in the claimant count for 16-24 year olds since 2005. It should be noted that this measure excludes many unemployed 16-17 year olds who are not eligible to claim Jobseekers Allowance (JSA). It is therefore only a partial measure of unemployment amongst this age group. However it is useful for examining longer term trends.

**Figure 4.6 Index of claimant count for 16-24 year olds, 2005-2014 (100 = 2005)**



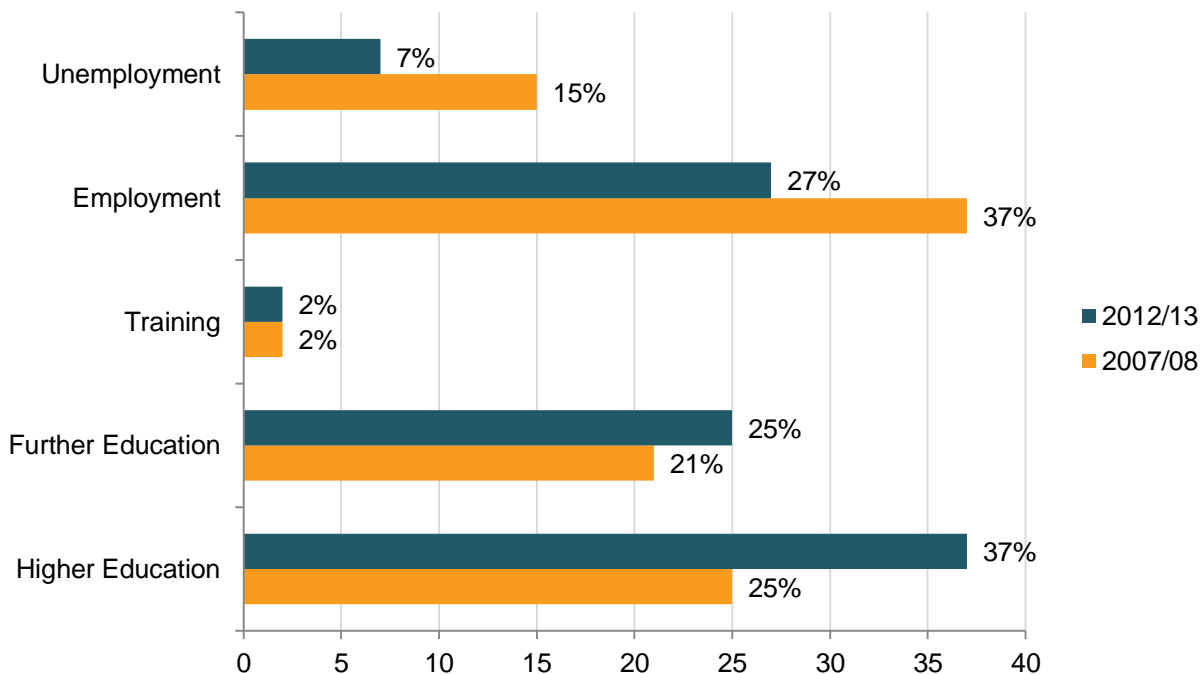
Source: Department for Work and Pensions



### 4.3 Qualifications and Attainment

Figure 4.7 shows that since the onset of the recession in 2008, more school leavers have been choosing to stay in education rather than enter the labour market. This is a common trend across Scotland.

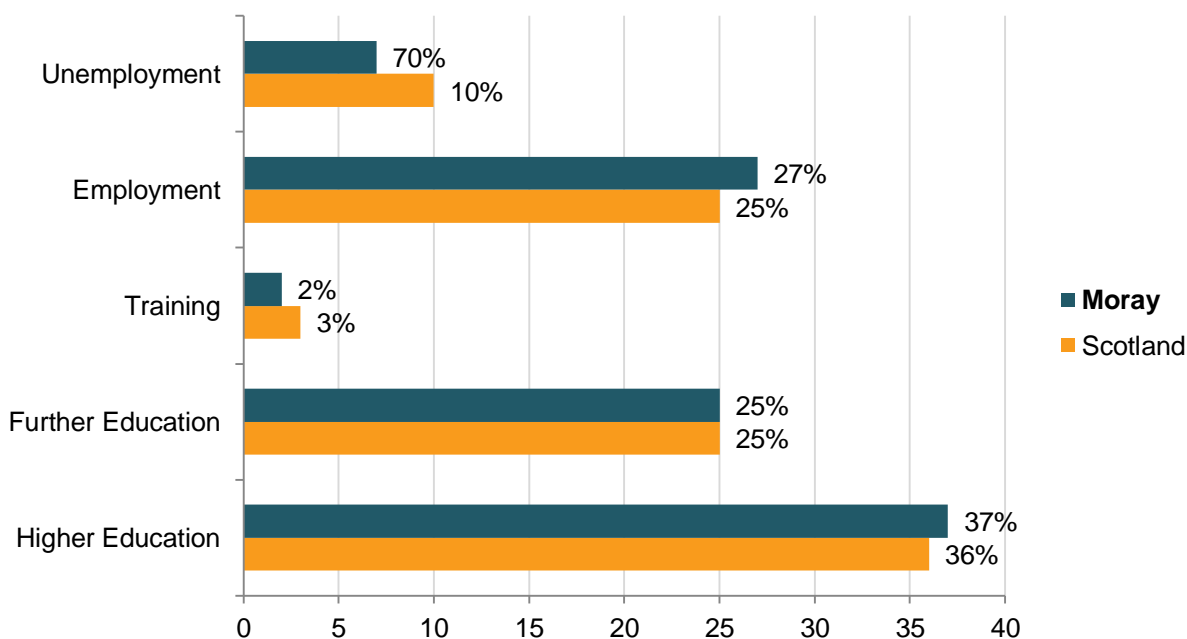
**Figure 4.7 School leaver destinations in Moray 2007/08 – 2012/13 (%)**



Source: Scottish Government School Leaver Destination Survey

Figure 4.8 shows that school leavers in the Moray are more likely to go into higher education and employment and less likely to go into unemployment, than their counterparts across the rest of Scotland.

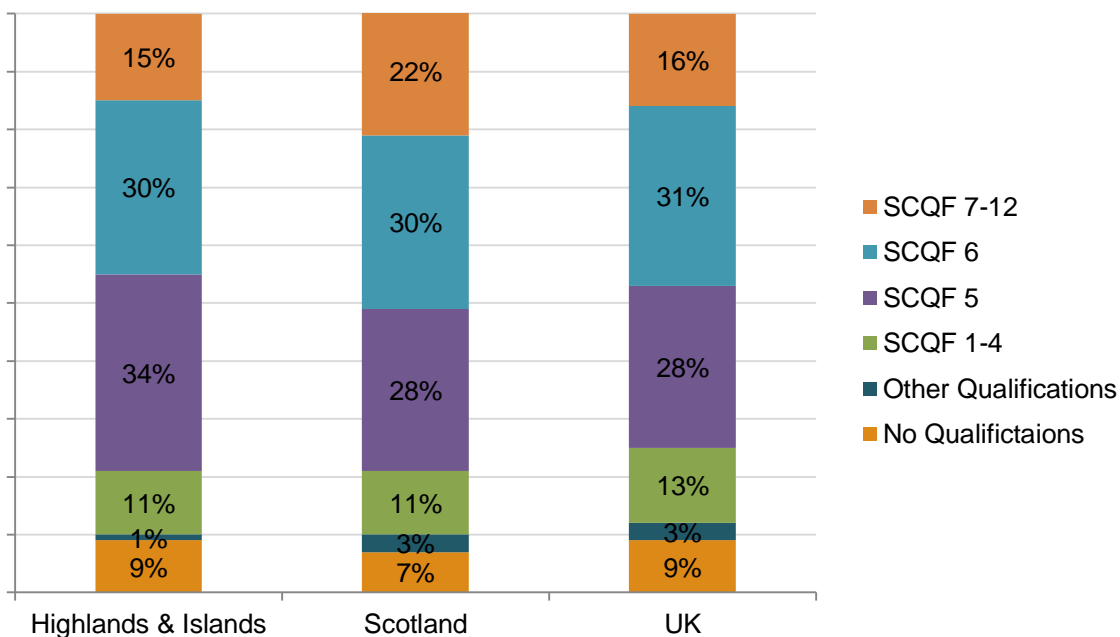
**Figure 4.8 School leaver destinations 2012/13 (%)**



Source: Scottish Government School Leaver Destination Survey

Figure 4.9 shows that young people in the Highlands and Islands<sup>5</sup> are more likely to have mid-level qualifications and slightly less likely to have higher level qualifications than across Scotland.

**Figure 4.9 Qualification profiles of the Young People (16-24) 2012**



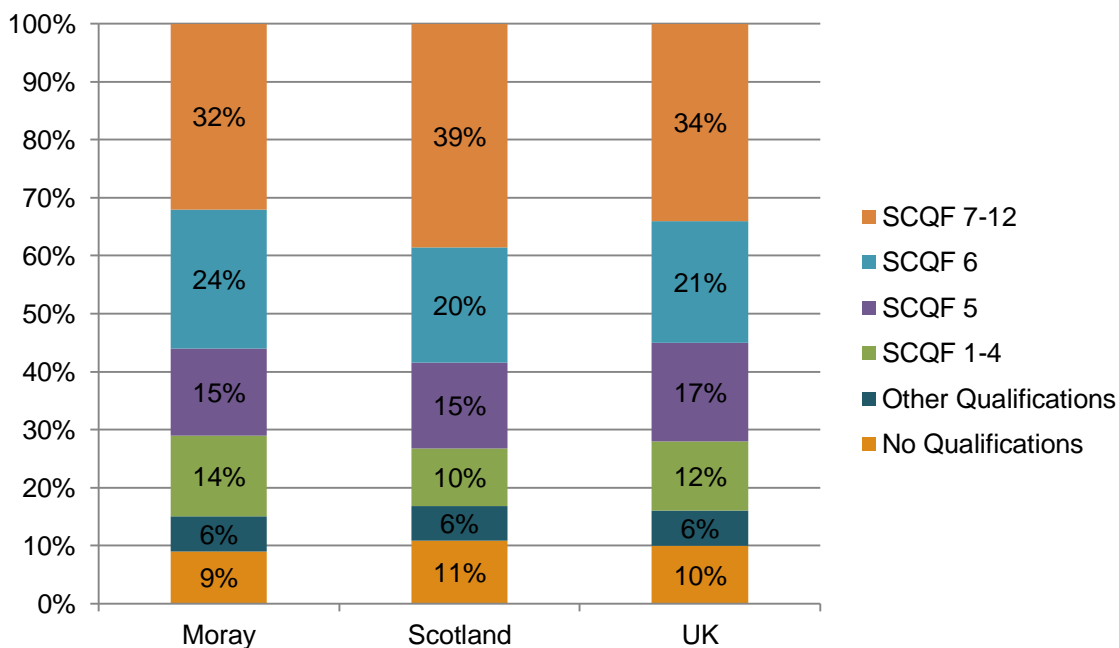
Source: Annual Population Survey

<sup>5</sup> Data not available at Local Authority level

Figure 4.10 shows that these differences in the qualification profile of Moray residents balance out to a certain extent when looking at all people of working age.

When looking at the working age population as a whole, the qualification profile of the Moray is more closely in line with the that of Scotland as a whole, indicating that the lack of higher level skills among young people is balanced out by more highly skilled people in other age brackets. However, it should be noted that these regional averages mask significant variations within Moray in terms of the qualification profile of residents.

**Figure 4.10 Qualification profile of the working age population (16-64) 2012**



Source: Annual Population Survey

## 5. Education and Training Provision

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### Summary

- **430** Moray residents started a Modern Apprenticeship in 2013/14, **39% more** than in 2010/11
- The most common MA frameworks taken up by Moray residents are **Construction, Sport, Health & Social Care and Food & Drink**
- The most common subjects taken by full time students at Moray College in 2012/13 are **Hairdressing, beauty & comp therapies, Care and Hospitality & tourism**
- The most common subjects studied by Moray College UHI students were **Social studies, Business and Administrative studies and Engineering**

This Section looks at post-16 education and training in Moray covering:

- Modern Apprenticeships
- College provision
- University provision

## 5.1 Modern Apprenticeships

Table 5.1 shows that there were 430 apprenticeship starts<sup>6</sup> in Moray in 2013/14.

**Table 5.1 Modern Apprenticeships 2013/14**

	MA Starts	MA Leavers	MA Achievements	Achievements as % of Leavers
<b>Moray</b>	430	457	350	76%
Highlands and Islands	<b>2,275</b>	<b>2,319</b>	<b>1,755</b>	<b>76%</b>

*Source: Skills Development Scotland  
Based on the home area of trainees*

There has been a sizeable increase in the annual number of new MA starts in Moray in recent years.

**Table 5.2 Modern Apprenticeship Starts 2010/11 – 2013/14**

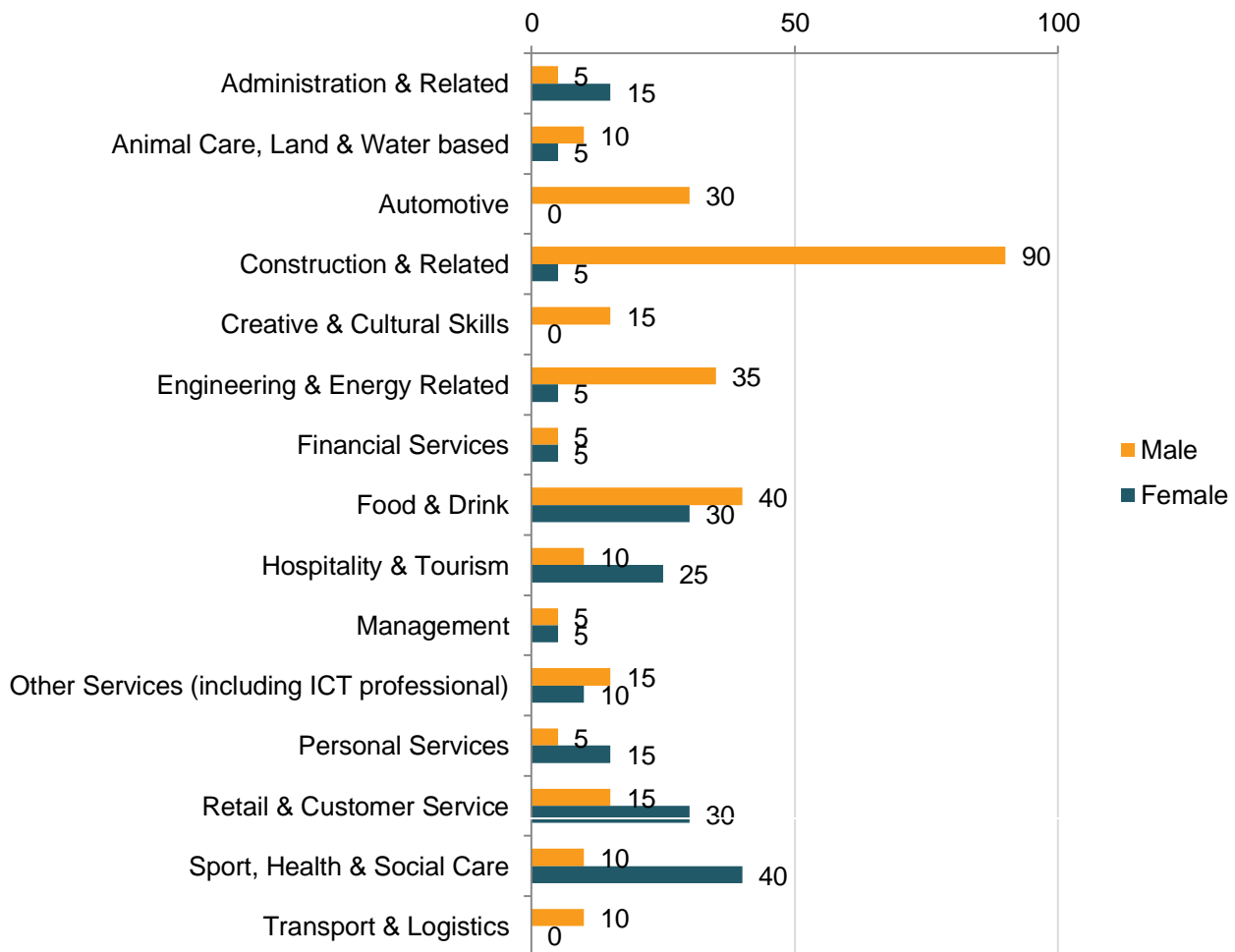
	2010/11	2011/12	2012/13	2013/14	Change 2010/11 – 2013/14	
					No.	%
<b>Moray</b>	310	425	455	430	120	39%
Highlands & Islands	<b>1,710</b>	<b>2,170</b>	<b>2,285</b>	<b>2,275</b>	<b>565</b>	<b>33%</b>

*Source: Skills Development Scotland  
Based on the home area of trainees*

<sup>6</sup> NB: All figures have been rounded up to the nearest 5 and as a result totals may not sum due to this rounding. Percentages and regional figures have been calculated on the unrounded figures. Due to rounding, figures presented in these tables may differ from those published elsewhere by SDS.

The most common MA frameworks taken up by Moray residents are Construction, Sport, Health & Social Care and Food & Drink. There is a notable gender difference in the take up of MAs by framework.

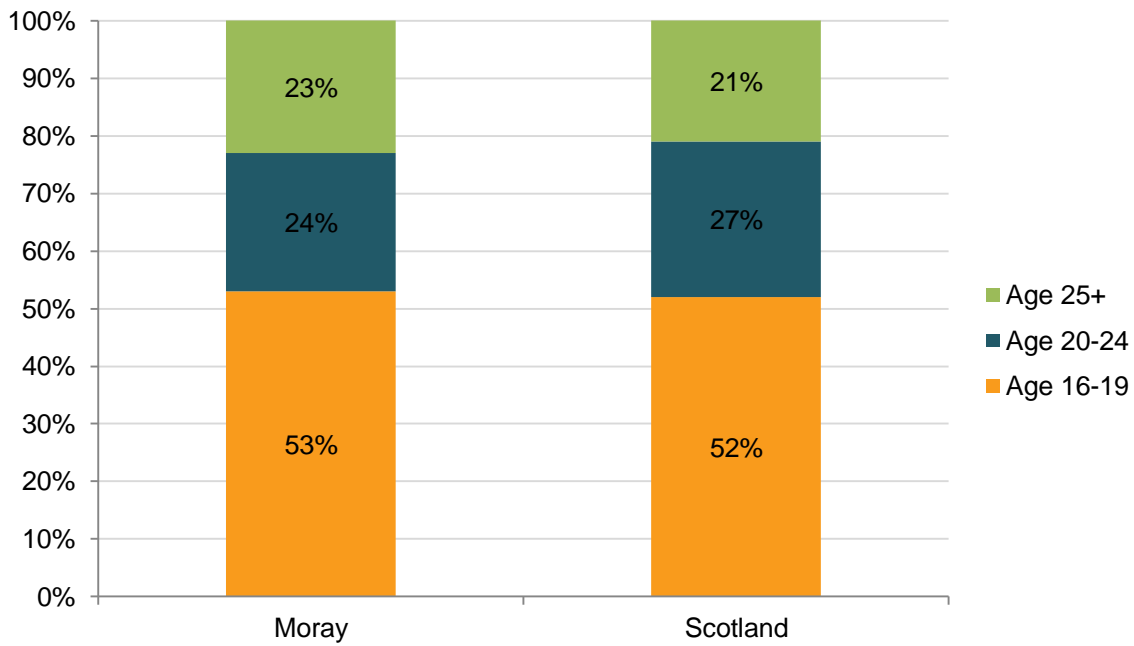
**Figure 5.1 MA starts by Framework and Gender 2013/14**



Source: Skills Development Scotland  
 Total MA Starts in 2013/14 = 2,160  
 Based on the home area of trainees

The age profile of MAs in Moray broadly matches that of Scotland, with the majority of new starts being taken by 16-24 year olds.

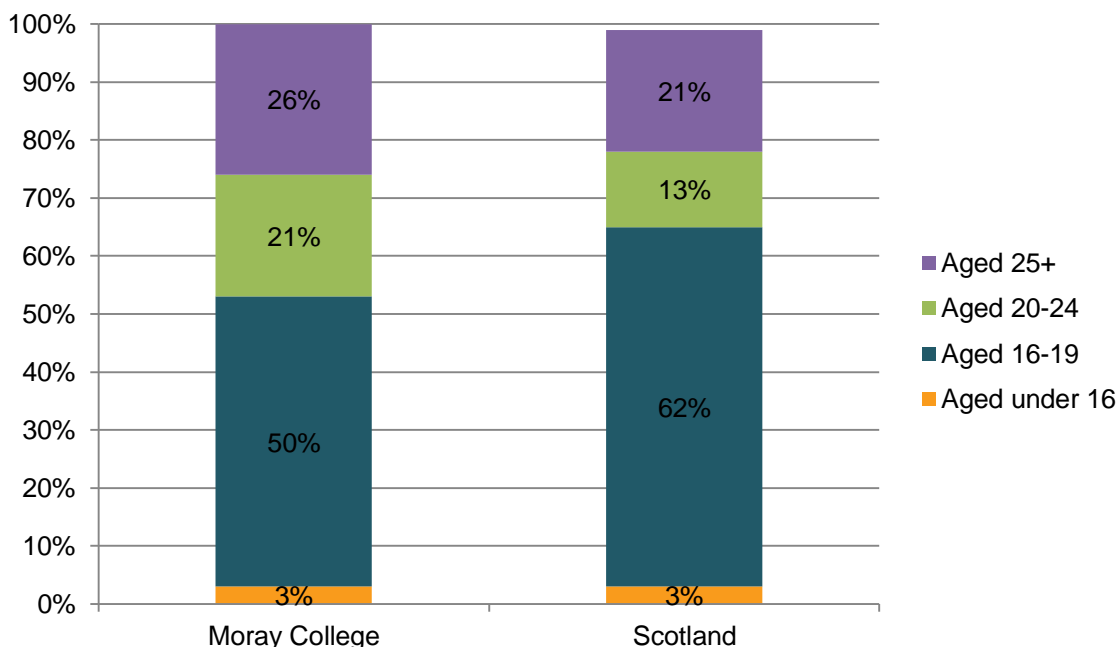
**Figure 5.2 Age profile of new MA starts 2013/14 (%)**



## 5.2 College Provision<sup>7</sup>

This section concentrates on Further Education provided at Moray College. Figure 5.3 shows that students at Moray College are less likely to be in the 16-19 age group than the rest of Scotland and more likely to be aged 25+.

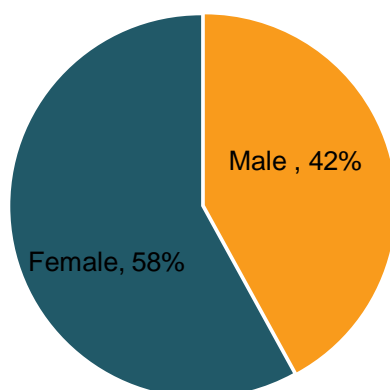
**Figure 5.3 College Provision by Age Group 2012/13 (% SUMs<sup>8</sup>)**



*Source: Scottish Funding Council*

Figure 5.4 shows that Moray College has a 58% female to 42% male students; this is compared to a 52% - 48% split for Scotland as a whole.

**Figure 5.4 College provision by gender 2012/13**



*Source: Scottish Funding Council*

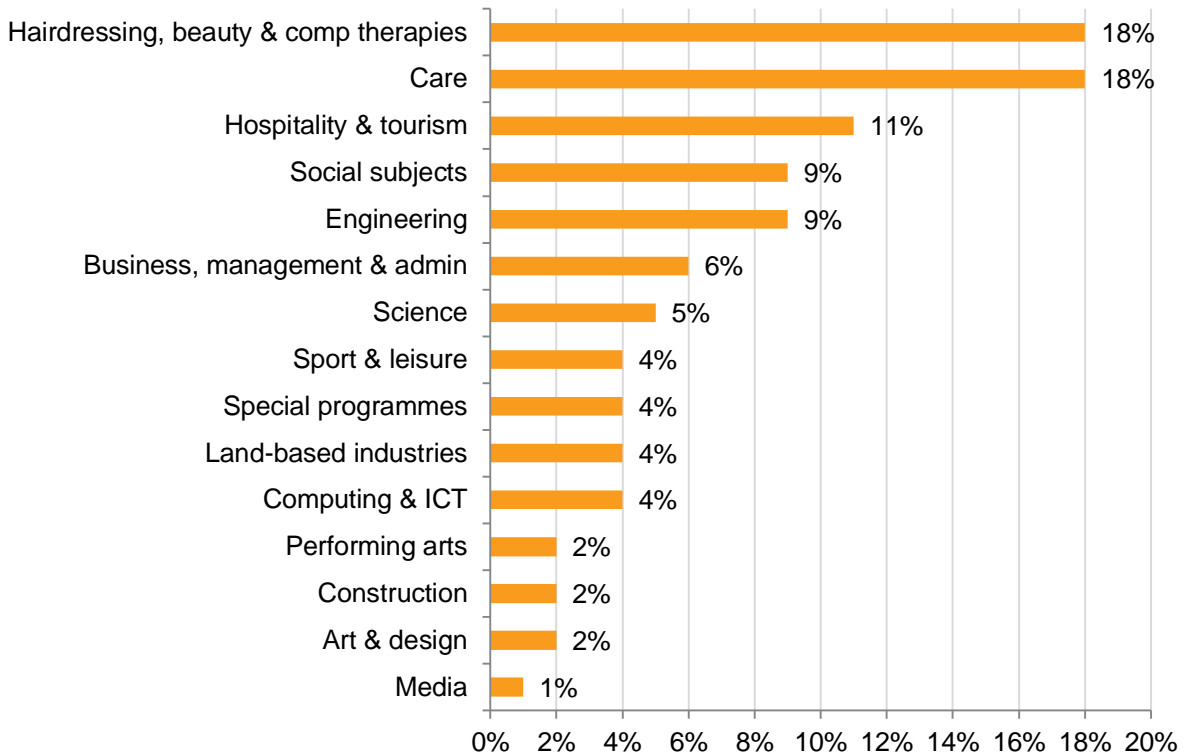
<sup>7</sup> Due to rounding, figures presented in these tables will differ from those published elsewhere by SFC.

<sup>8</sup> Student Unit of Measurement - Equates to approximately 40 hours of planned learning classroom-based attendance



Figure 5.5 shows that the most common subjects taken by full time students at Moray College in 2012/13 are Hairdressing, beauty & comp therapies, Care and Hospitality & tourism

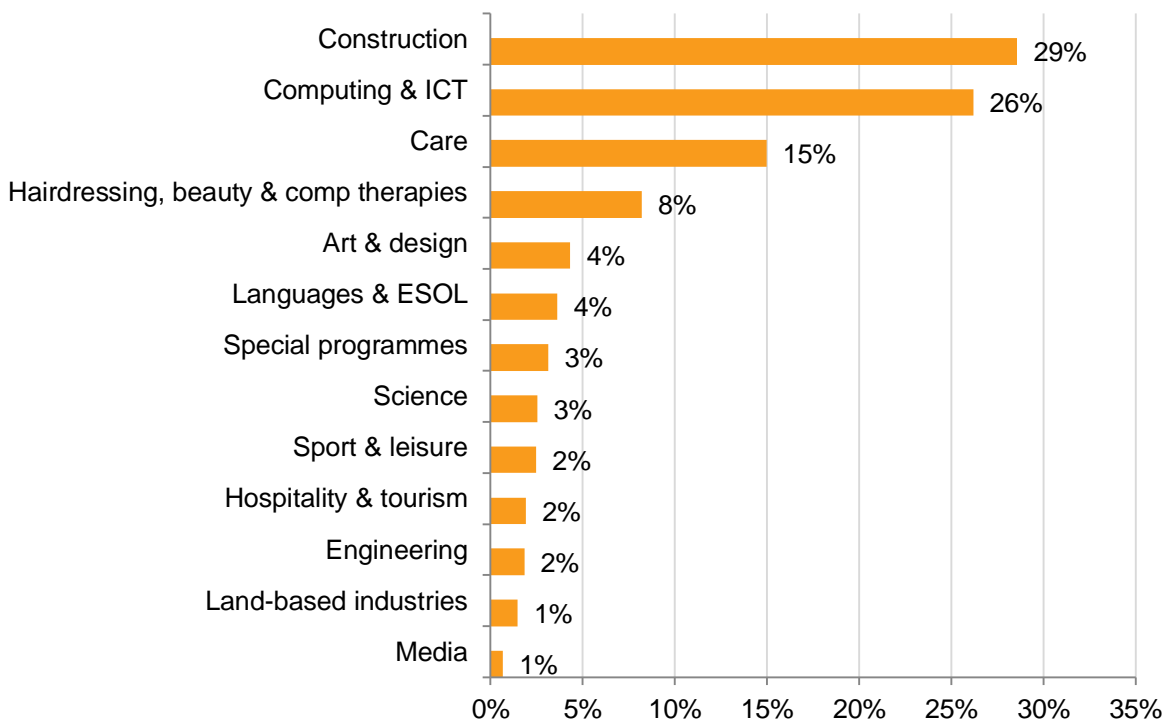
**5.5 Full-time college provision by subject 2012/13 (% SUMs)**



Source: Scottish Funding Council

Figure 5.6 shows that the most common subjects taken by part-time students at Moray College are Construction, Computing & ICT and Care.

**Figure 5.6 Part-time college provision by subject 2012/13 (% SUMs)**



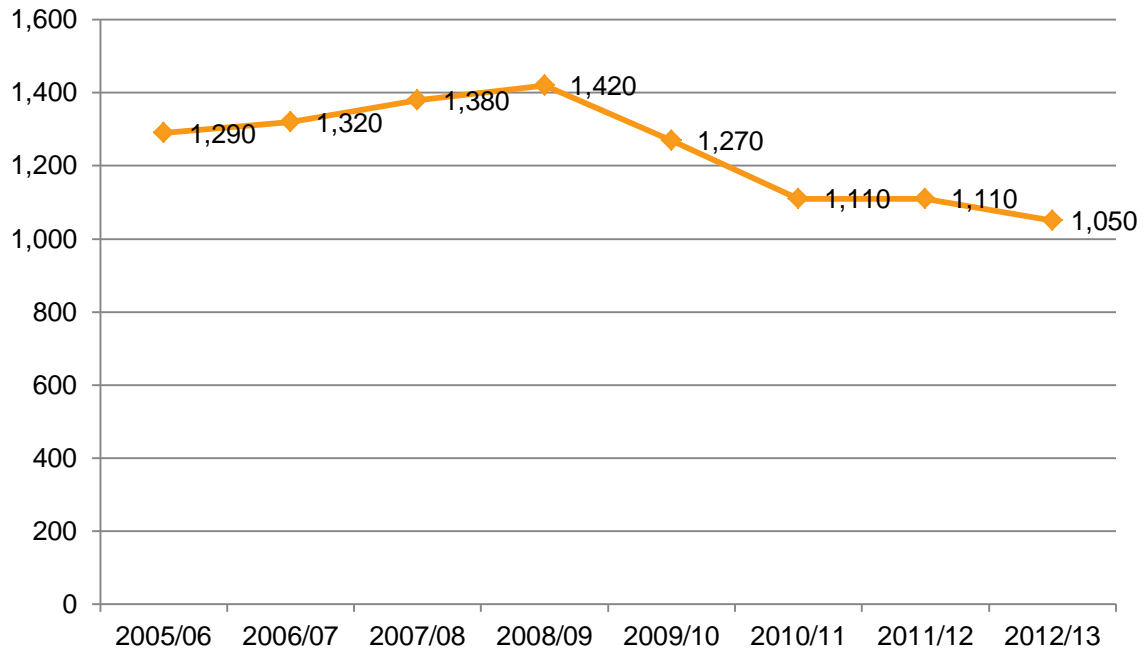
Source: Scottish Funding Council

### **5.3 University provision**

This section concentrates on Higher Education provision at Moray College UHI.

Figure 5.7 shows that there was a gradual increase in the number of university students at Moray College UHI from 2005/06 and 2008/09, followed by a gradual drop in numbers between 2008/09 and 2012/13

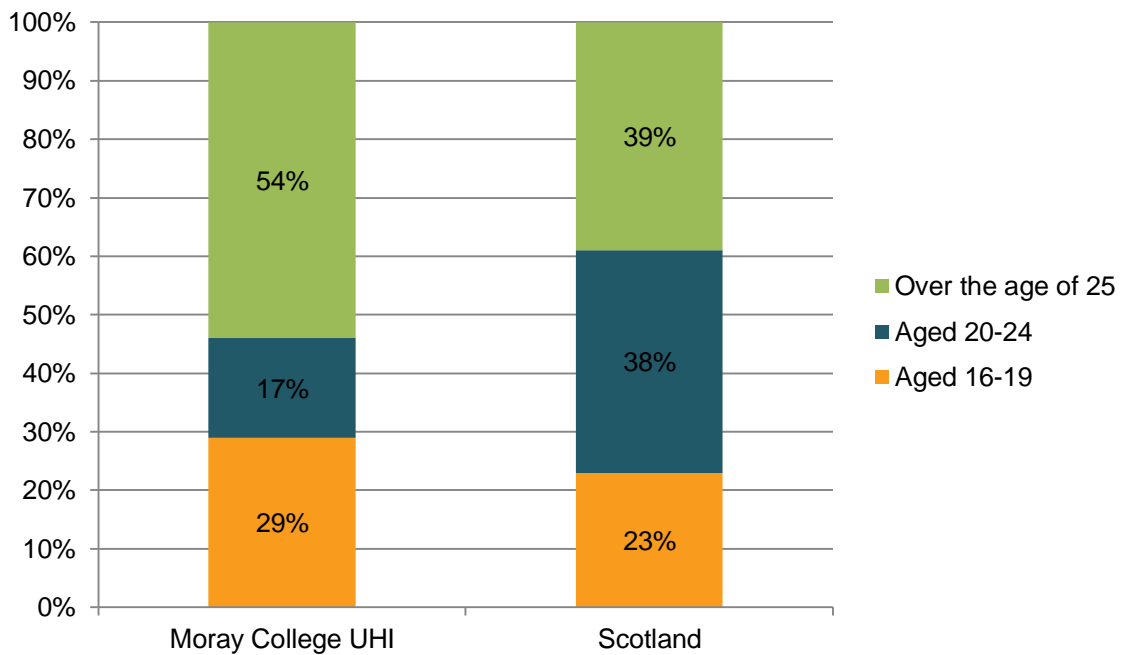
**Figure 5.7 total University students 2005/06 – 2012/13**



*Source: Scottish Funding Council Figures have been rounded to the nearest 10*

Figure 5.8 shows that Moray College UHI has a considerably higher proportion of students over the age of 25 than the rest of Scotland and far fewer in the 20-24 age range.

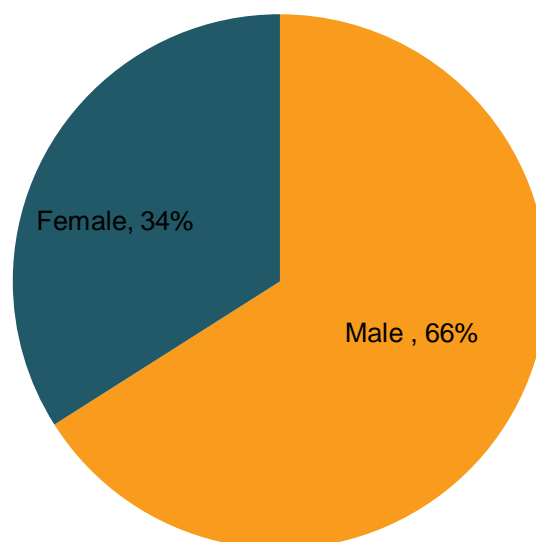
**Figure 5.8 University students by age 2012/13**



Source: Scottish Funding Council

Figure 5.9 shows that Moray College UHI has a far larger share of male students than female students. This is compared to a 43% - 57% for Scotland as a whole.

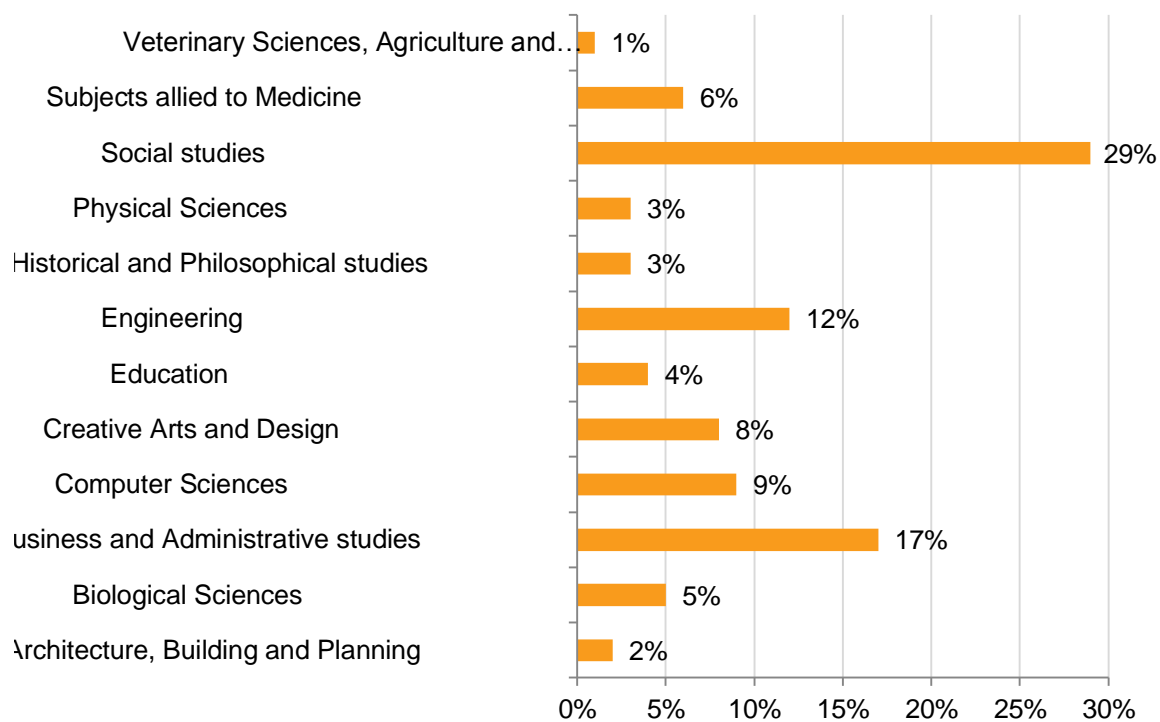
**Figure 5.9 University students by gender 2012/13**



Source: Scottish Funding Council

Figure 5.10 shows that the most common subjects studied by Moray College UHI students were Social studies, Business and Administrative studies and Engineering.

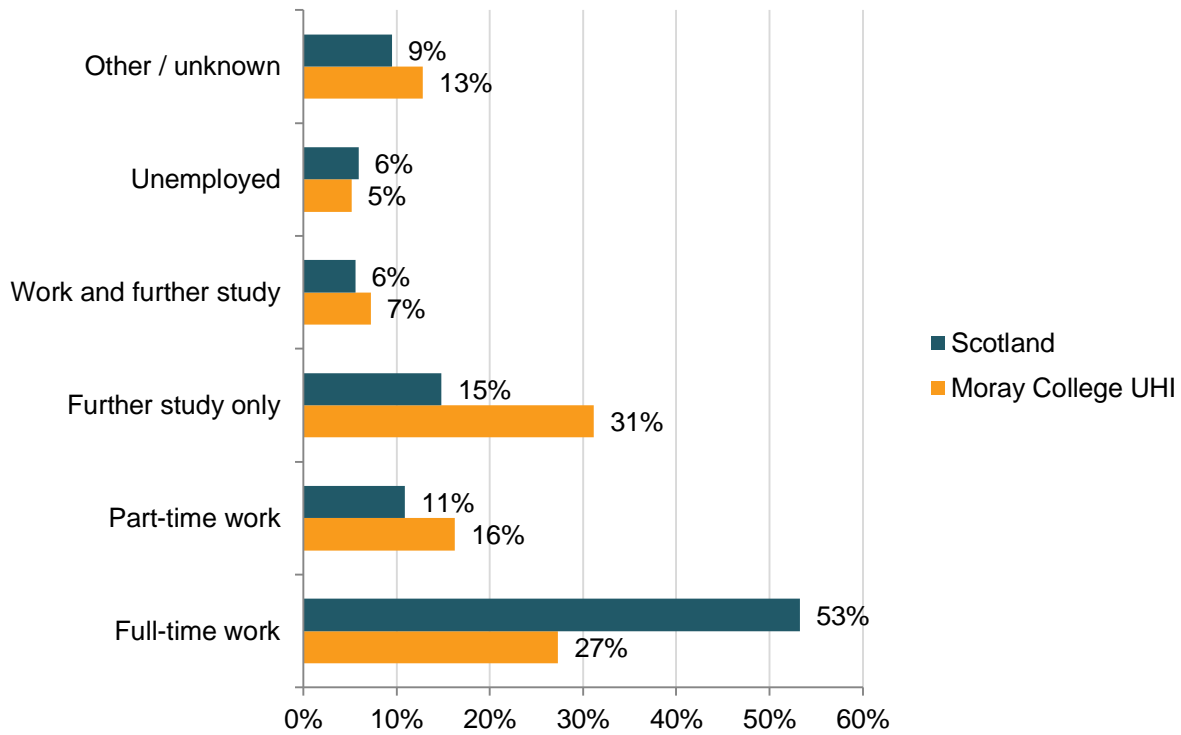
**Figure 5.10 University students by subject 2012/13**



Source: Scottish Funding Council

Figure 5.11 shows that graduates from Moray College UHI were more than twice as likely to go on to further study only compared to Scotland as a whole and almost half as likely to go into full time work.

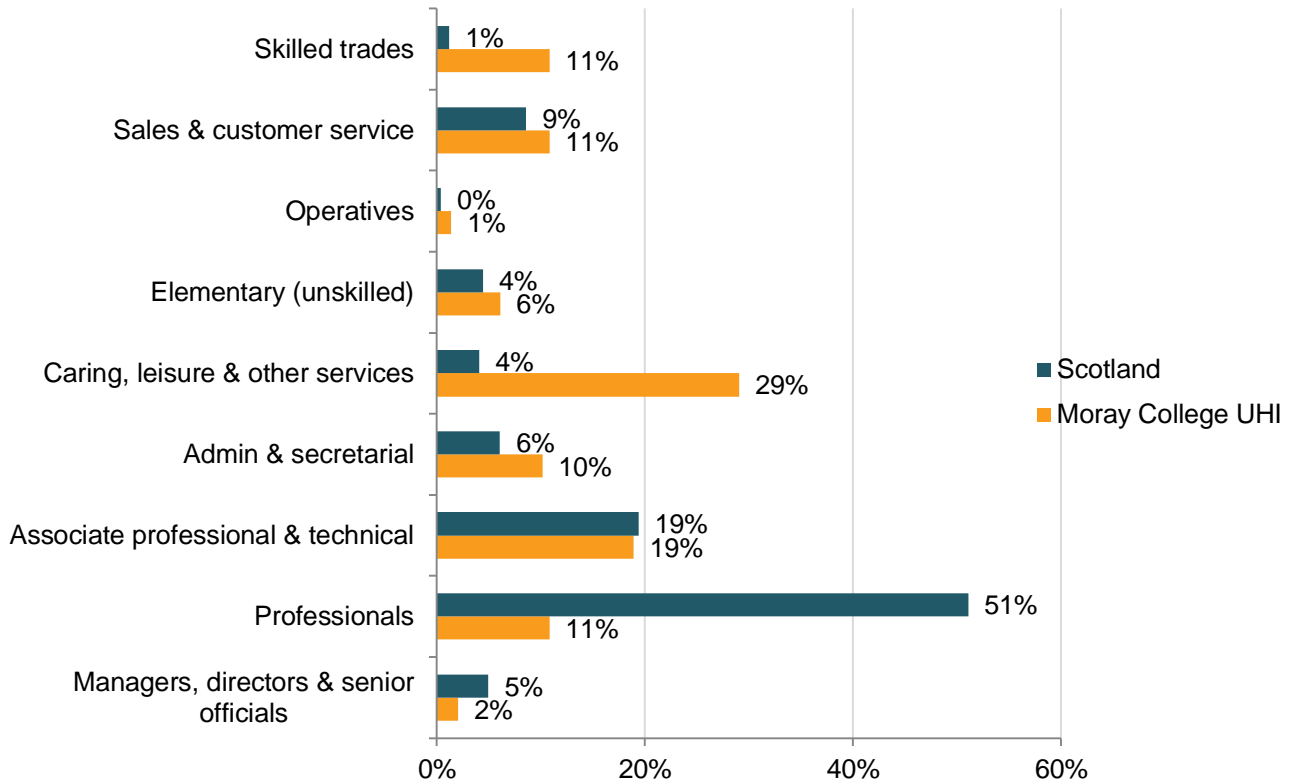
**Figure 5.11 Employment status of HE graduates 2011/12**



Source: HESA Destination of Leavers Survey; Scottish Funding Council

The most common occupations, see figure 5.12, for graduates of Moray College UHI are Caring, leisure and other services and Associate professional & technical. This is very different to the most common graduate occupation in Scotland, which is Professionals, which counts for 51% of Scottish graduates, but only 11% of Moray College UHI graduates.

**Figure 5.12 HE Graduates by occupation 2011/12**



Source: HESA Destination of Leavers Survey; Scottish Funding Council

## 6. Government Growth Sectors of Economic Importance in Moray

**Food and Drink** is the only Scottish Government growth sector in which Moray is over represented in employment compared to Scotland as a whole.

### Key facts

- Worth **£5.4bn** to Scotland in exports
- Vast majority of business, 86%, are agriculture business, most of which are very small businesses or sole trader businesses. Food and drink manufacture accounts for 4% of the businesses and these are more likely to have 0-50 employees.

### Characteristics of the Workforce

- Food and drink business are more likely to hire someone with low level qualifications than other sectors and are less likely to offer any kind of training
- The Food and drink sector has an aging workforce, with a high number of workers over the age of 45, which suggests a high demand for a new flow of young entrants into the industry.
- Primary producers are more likely to experience hard-to-fill vacancies and skills gaps compared to the rest of the economy as a whole

### Challenges facing the sector

- The main challenges facing Scotland's Food and drink industry are **internationalisation**, in the shape of increasing competition from foreign companies and **attracting and retaining talent**, in the form difficulties around getting the right staff for the job and keeping them within the business.
- Collaboration is an issue as well, there is evidence to suggest that collaborative supply chains can raise competitiveness of companies and enable them to respond more swiftly to market change

### Priorities to support skills development with the sector

- **Improving young people's awareness** of career opportunities within the sector; through employer engagement at schools and colleges and curriculum development. Also the flexibility of Modern Apprenticeships can meet needs of smaller businesses and address skills shortages. This will also improve the sector's attractiveness as a place to work.
- **Improve Entrepreneurial Skills and Innovation** within the sector, especially in the areas of marketing and product development. For example by connecting companies with the research and knowledge base within the Further and Higher education sectors.
- A proposal has been put forward for the creation of a **Food and Drink Skills Academy** hub at Moray College to encourage key skills in this sector.

Detailed information on this sector can be found in the Food and Drink Skills Investment Plan at:

[http://www.skillsdevelopmentscotland.co.uk/media/309948/skills\\_investment\\_plan\\_for\\_scotland\\_s\\_food\\_and\\_drink\\_sector\\_june\\_2012.pdf](http://www.skillsdevelopmentscotland.co.uk/media/309948/skills_investment_plan_for_scotland_s_food_and_drink_sector_june_2012.pdf)

**Tourism** is also very well represented in Moray.

### **Key facts**

- Worth **£15.4bn** to the Scottish economy or 10.4%
- **7.6%** of total employment or **185,900 jobs**
- Over half (52%) of tourism employees are in **small business**, with less than 50 employees, compared to 33% of the economy as a whole

### **Characteristics of the Workforce**

- 55% of employees in tourism are **part-time** compared to an average of 33% in other sectors
- A significantly higher proportion of jobs in tourism, 48% are in elementary occupations, than other sectors

### **Challenges facing the sector**

- The main challenges facing the Tourism sector are **attracting and retaining staff** and ensuring that staff have the **right training and experience** to do the job.
- A lack of **collaboration** between businesses in the sector can also be an issue. For example, business in one area can work together to make themselves more attractive as a destination.

### **Priorities to support skills development with the sector**

- **Improve Entrepreneurial Skills and Innovation** within the sector, especially in the areas of marketing and product development. For example by connecting companies with the research and knowledge base within the Further and Higher education sectors.
- **Improving specialist customer service** skills training, current training provision often fails to emphasise how important this is to the sector
- Better use of **available technology** to find out what customer needs actually are. For example the use of social networking sites or quick and easy online surveys to gain feedback.
- Development of practical and relevant modern apprenticeships within the sector. For example getting smaller companies to see the value of taking on MAs.

The Skills Investment Plan for the **Tourism** sector can be found at:

[http://www.skillsdevelopmentscotland.co.uk/media/595056/tourism\\_sip\\_document.pdf](http://www.skillsdevelopmentscotland.co.uk/media/595056/tourism_sip_document.pdf)



## 7. Further Information

For any further information on RSAs or SIPs please contact:

Chris Brodie – Lead Head Sector Development – [Chris.Brodie@sds.co.uk](mailto:Chris.Brodie@sds.co.uk)