

# Our Capital, Our Workforce

**Edinburgh College Employer Skills Survey 2024**

Summary Findings Report



Five years ago, when Edinburgh College last carried out a formal skills survey of local employers, the skills needs of our region looked very different to today. This should hardly be surprising. The pandemic which followed the publication of our 2019 report, represented perhaps the greatest labour market disruption in living memory. However, it's easy to forget

that in the summer of 2020 the fears for the future (in terms of employment and the economy) were of economic scarring, whole industries that may not survive or recover, and the resultant prospect of widescale unemployment. At that point, few foresaw that the pandemic would, instead, be followed by a period of much tighter labour markets, with employers struggling to fill positions and skills shortages affecting nearly every sector, hampering the pace of economic recovery.

With this changed context in mind, and some evidence that labour market tightness is finally easing, now feels like a relevant time to refresh our understanding of the skills needs of our region, and the views of our employer partners within it. This report, drawing on survey responses from – and interviews with – employers across Edinburgh, East Lothian and Midlothian, aims to provide a snapshot of the current skills needs of our region, an insight into the workforce challenges employers are having now (and foresee in the future), and a discussion of how we at Edinburgh College are orientating ourselves to support employers in our region to thrive into the future.

What comes through strongly from our results is that the last five years have precipitated an even greater pace of change in the nature of work and the future skills needs of our economy. It suggests that the need to upskill our workforce and to drive up economic productivity through innovation has never been greater.

Unfortunately, where upskilling is concerned, our research confirms that the axing of the Flexible Workforce Development Fund was a blow not just for the college sector but for employers across the region, who look set to reduce workplace training in

response to this policy shift. This, along with a growing desire among employers to engage with the college sector in innovation, suggests that how Government can effectively support and fund colleges to work with employers in these areas should be given careful consideration as part of the reform process in light of the Withers review.

The consequences of not investing in skills are grave. The drive to net zero offers the prospect of a green re-industrialisation of Scotland, but this prospect will only become a reality if we ensure we respond quickly to the evolving skills needs of the green industries as they develop. Technology too, means that our economy's skills needs are evolving rapidly. Virtual Reality (VR) and Augmented Reality (AR) technology continues to diffuse and disrupt and the rapid development of Artificial Intelligence (AI) offers the prospect of huge advances in productivity. Both however require significant upskilling if their promise is to be realised and their potential benefits reaped.

As a college it is incumbent on us to keep pace with these changes. Our vision for the future is shaped by a clear focus on our people, our sense of place, and our combined performance, the three themes that underpin our new strategy. Ensuring that we build on our proud track record in these areas and continue to support employers in our region with a pipeline of highly skilled, work-ready graduates, is a goal that cuts across all of these themes and is central to the College's mission.

I'd like to thank all partners who gave their time to participate in this research. I look forward to engaging with you all around the results and working together towards our shared goals for the region's future economic prosperity.

**Audrey Cumberford MBE FRSE**  
Principal and CEO  
Edinburgh College

## Contents

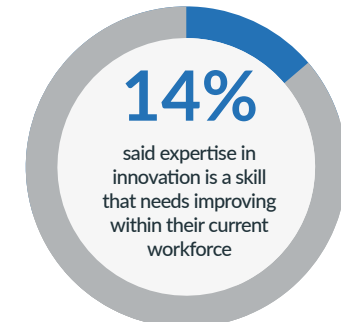
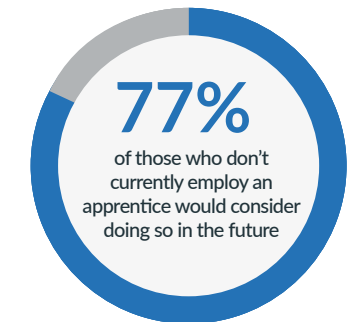
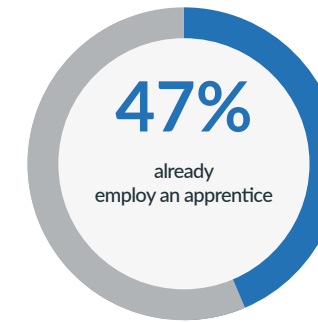
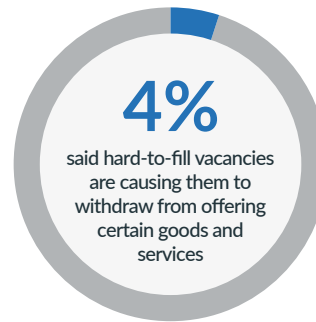
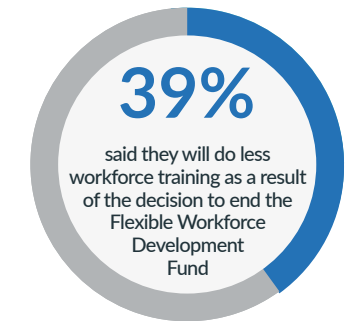
<b>Executive Summary</b> .....	<b>2</b>
<b>Methodology</b> .....	<b>3</b>
<b>Our Findings:</b>	
Recruitment.....	4
Workforce Development.....	7
Investment in Workplace Training.....	10
Apprenticeships.....	12
Employer Engagement.....	14
<b>Conclusion</b> .....	<b>16</b>



## Our research suggests

- Although indications are that labour markets are “cooling”, skills gaps continue to cause issues for employers across the region.
- Where hard-to-fill vacancies are concerned, specialist skills or knowledge required for the role, is the main thing employers are struggling to find, but there are also employers struggling to find applicants with the necessary resilience, as well as teamworking, and leadership skills.
- Recruitment challenges and skills gaps are affecting certain industries far more than others.
- Employer confidence that skills gaps will prove easier to plug in the future remains low.
- The primary impact of recruitment challenges and skills gaps for employers is to increase workload for other staff.
- Recruitment challenges and skills gaps may also be having an adverse impact on regional productivity and economic growth.
- The ending of the Flexible Workforce Development Fund will have a significant adverse impact on levels of on-the-job training.
- Apprenticeships remain attractive to employers.
- Innovation is an increasing focus for employers.

## Of the employers surveyed...





The results and analysis presented in this report are based on primary research conducted by the College's Policy, Research and Business Intelligence Unit.

The primary data collection tool was a 30-question survey, sent out to employers across the region. The survey contained a mix of questions that asked employers to reflect on skills-related issues, such as their recruitment (including any hard-to-fill vacancies), the skills needs of their workforce, the types of training and upskilling opportunities they provide for staff, and their engagement with apprenticeship programmes.

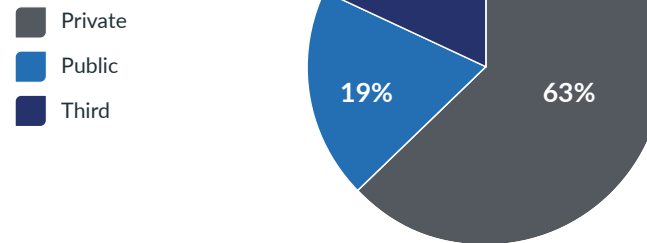
As can be seen in the graphics on this page, survey responses came from employers representing a wide cross section of industries, business sizes and types and, collectively, respondents provided a reasonably representative sub-sample of employers across the region. Combined, the employers who responded to the survey employ over 16,786 people, equivalent to nearly 4% of the Edinburgh, East and Midlothian region's total workforce.

To develop a more in-depth picture of some of the issues explored, survey data was supplemented by a small number of semi-structured interviews with selected employers. Employers were selected to represent a range of industries and company sizes, and consideration was given to ensuring scope to explore a range of differing survey responses in more depth. Employer interviews were recorded, transcribed and then analysed using Qualitative Content Analysis.

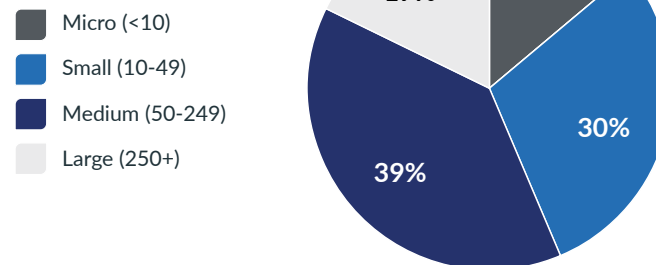
**Table 1**  
Overview of Employers Selected for Interview

Company	Company size (employees), (national)	Public/Private/Third	Industry
Employer A	0-100	Third	Social Care
Employer B	1000+	Private	Legal/ Real Estate
Employer C	100-250	Private	Construction

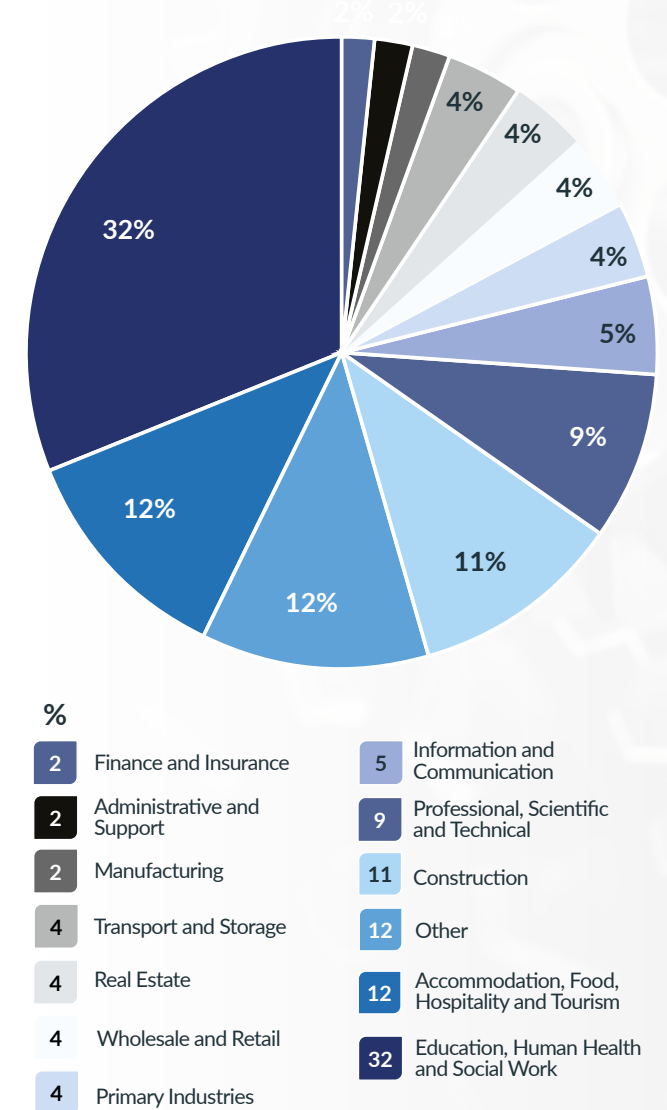
**Figure 1**  
Employers by Sector



**Figure 2**  
Employers by Size



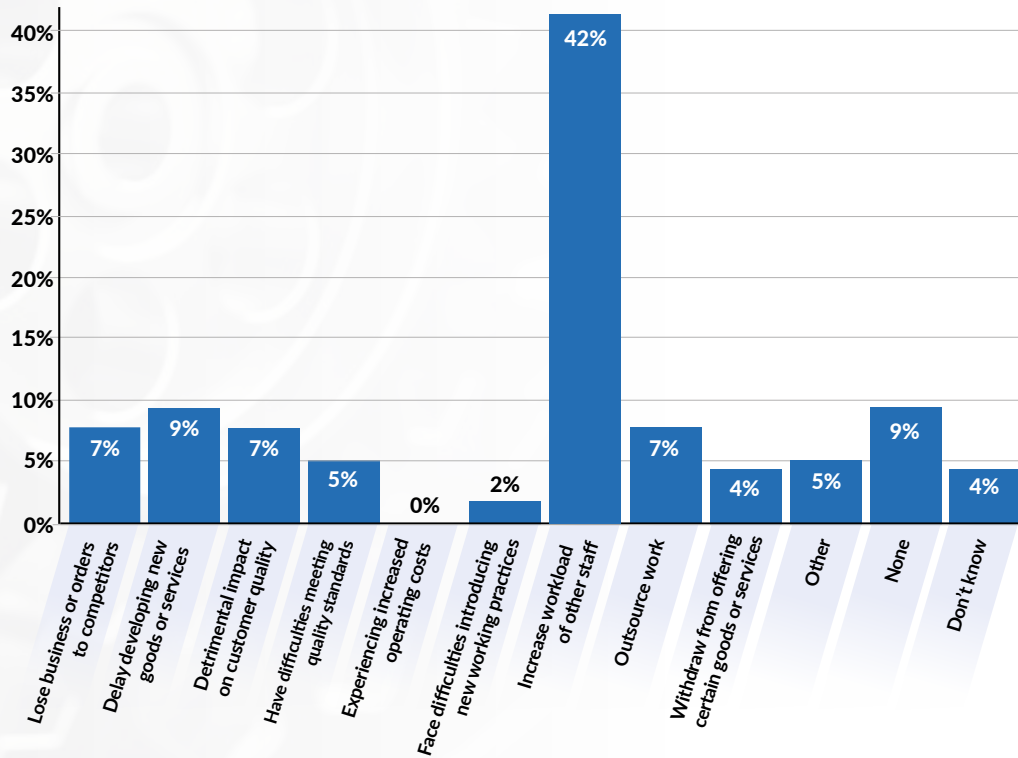
**Figure 3**  
Employers by Industry Sector





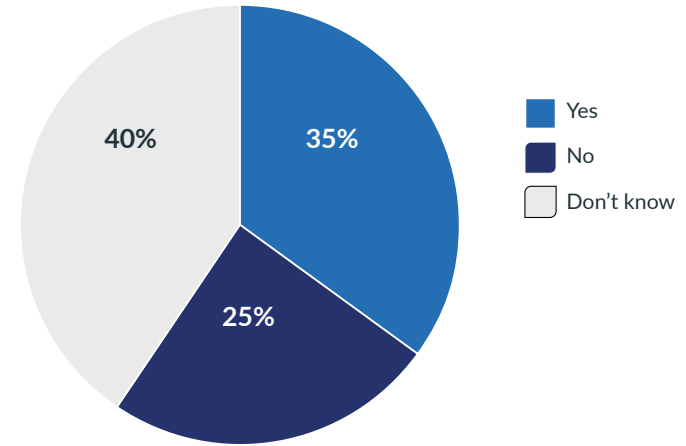


**Figure 5**  
Impact of hard-to-fill vacancies

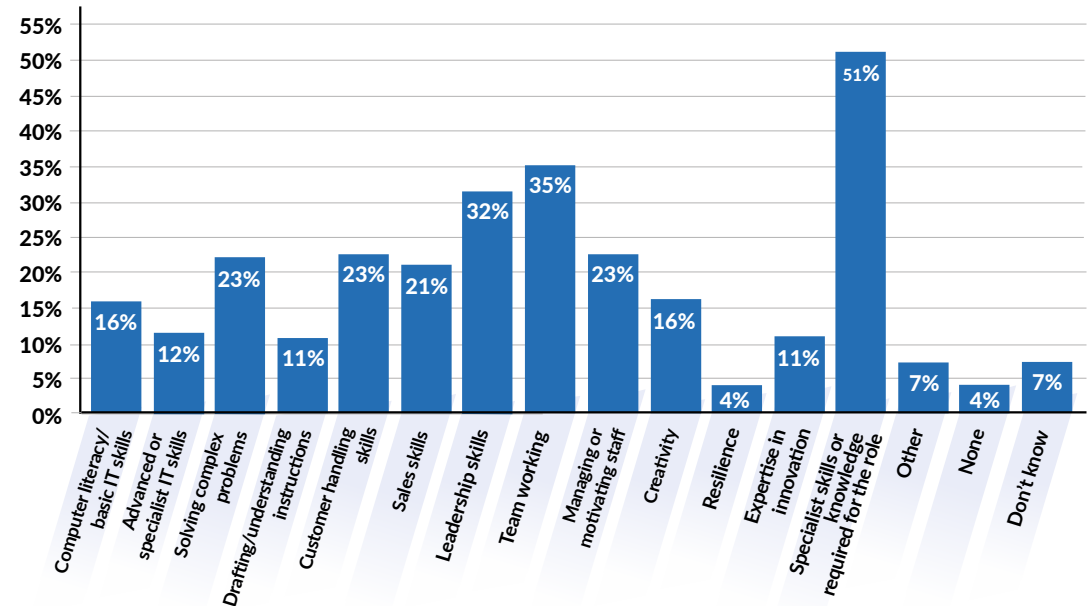


It makes us focus – I suppose we have to think about taking on new work, how we're going to resource it. **Employer C**

**Figure 6**  
Do you feel confident your organisation will be able to recruit the right people for the vacancies you need to fill in the upcoming year?



**Figure 7**  
Skills missing in hard-to-fill vacancies





Edinburgh College has an important role to play in ensuring skills supply and demand align in the region's labour market, and in addressing key skills shortages of the type described above.

In recent years, the College has also invested in enhancing and future-proofing our facilities in key areas of employment growth. For example, in 2022, with funding support from Scottish Power Energy Networks and the Energy Skills Partnership, the College opened a new Renewables and Energy Efficiency Training Centre at our Granton Campus. The new facility is home to a range of equipment that will be used in the construction and house building sector now and in years to come, such as air source heat pumps, ground source heat pumps, solar PV panels and rainwater harvesting equipment. The Centre therefore allows students, apprentices and industry professionals to learn how to use cutting edge equipment and develop skills required to build low energy homes, and to modify existing homes to become more energy efficient. The Centre represents a key element of the College's response to the engineering and technical skills challenge discussed above, as well as supporting the region's ambitions around net zero through ensuring a supply of highly skilled workers.

The findings of our research underline how the College's decision to invest in facilities that future-proof these key areas of provision, aligns with its role in ensuring skills supply and demand are in sync in the region. In the coming months, the College will continue to engage with employers and partners to ensure it continues to support them to address the recruitment and skills challenges they are facing, and plays a key role as a skills enabler for the Edinburgh city region.





## Overview

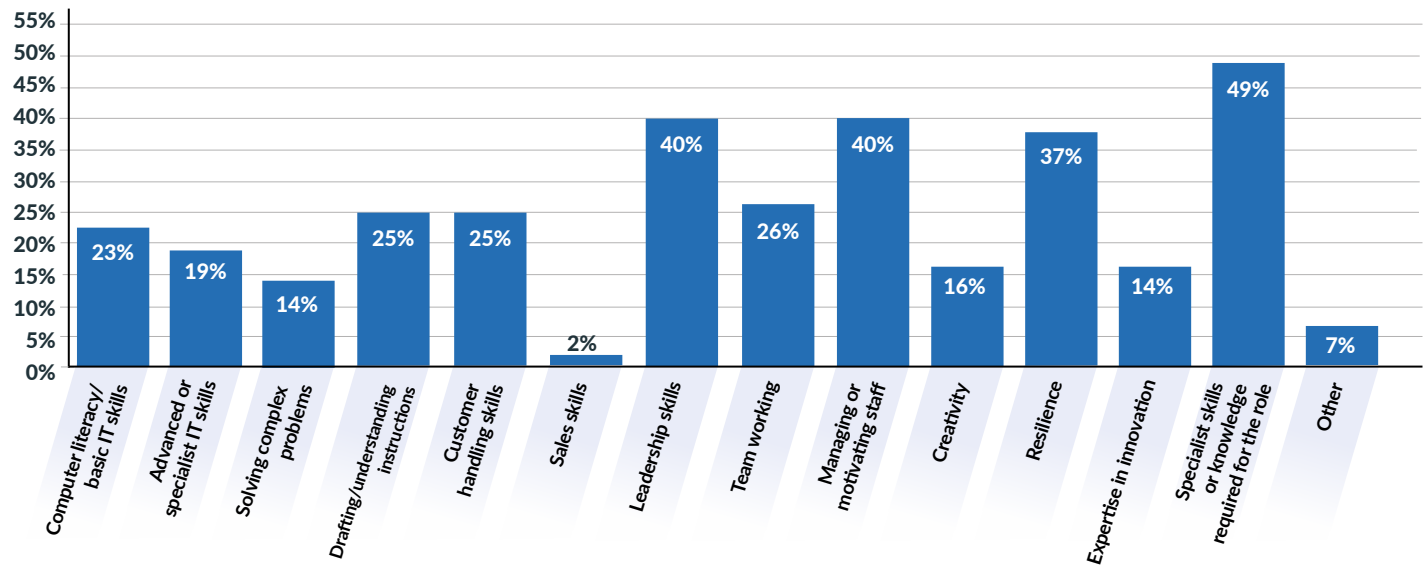
- All employers surveyed identified areas where they felt the skills of their current workforce need improving.
- When arranging training, the vast majority of employers (70%) prefer a mix of online and in-person training.
- A high proportion of employers (49%) felt that the “specialist skills and knowledge required for the role” of their current workforce needed improving.

As well as looking at skills they found to be in short supply when recruiting, employers were asked to reflect on the upskilling needs of their current workforce. Figure 8 shows the results of this question.

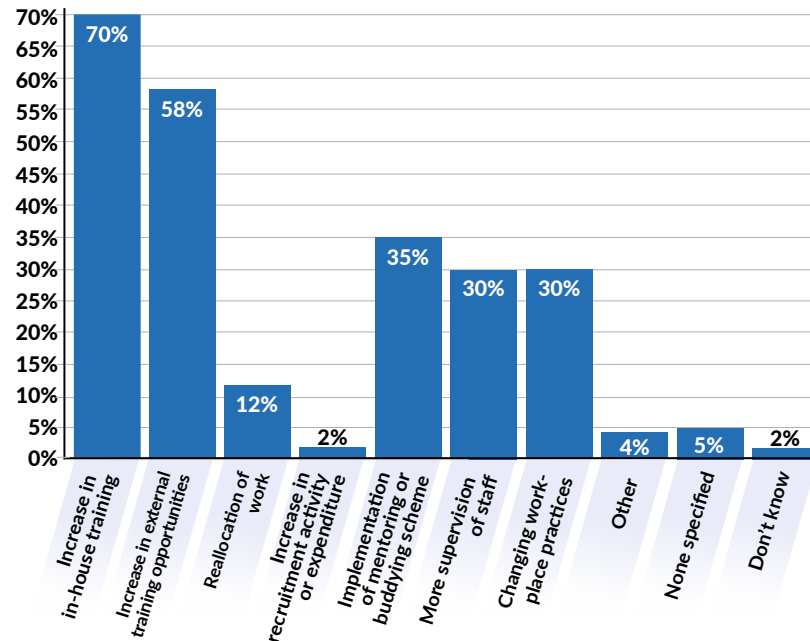
The results suggest that employers’ perceptions of the upskilling needs of their current workforce largely mirrored the skills they are struggling to find in potential applicants discussed in the previous section, with specialist skills and knowledge related to the role by far the biggest area.

Employers were then asked to select, from a range of options, the steps they are currently taking to upskill their current workforce. The results of this can be seen in figure 9. As can be seen, training (whether in-house or external) was the main way employers were addressing skills shortages in their current workforce.

**Figure 8**  
Skills missing in current workforce



**Figure 9**  
Steps to upskill staff



I think digital skills is certainly one (an upskilling need of the current workforce)...

we’ve found that the colleges provide the courses that allow us to dip in and dip out, with small amounts of people as required, and that’s something we’d like to see more of, is just being able to access that when we need it. **Employer C**



# Our Findings: Workforce Development

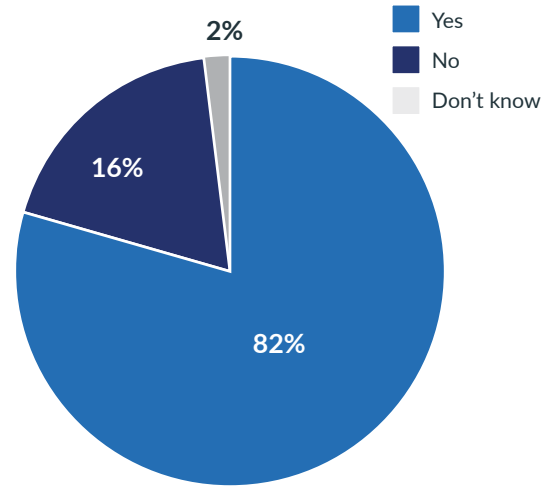


When asked, some 82% of employers surveyed have arranged or funded some form of on- the-job or off- the-job training and development for employees over the past 12 months (see figure 10).

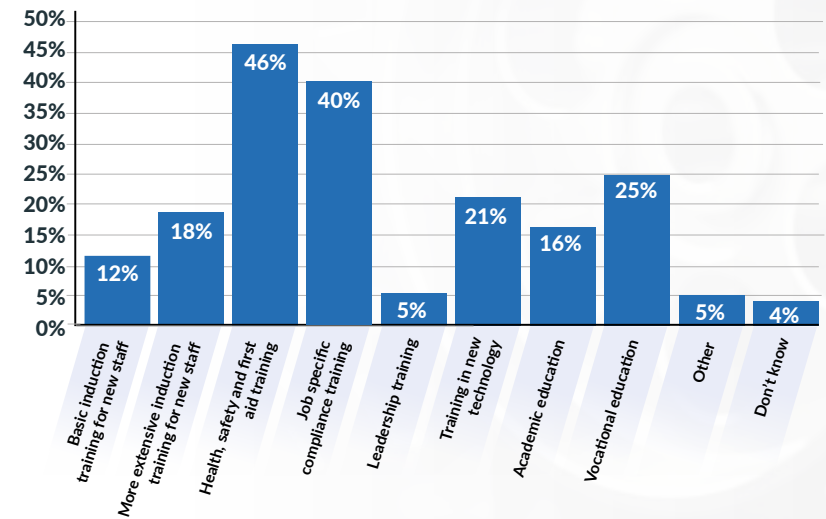
Our survey also probed on the types of training employers had arranged both at management and non-management level. The findings are shown in figures 11 and 12.

Where training was concerned, employers were asked to signal their preference for the mode of delivery. The results of this are shown in figure 13. What comes through clearly is that employers overwhelmingly prefer a mixed delivery method, suggesting that while online training has become more prevalent post-pandemic, employers still see value in at least an element of face-to-face delivery.

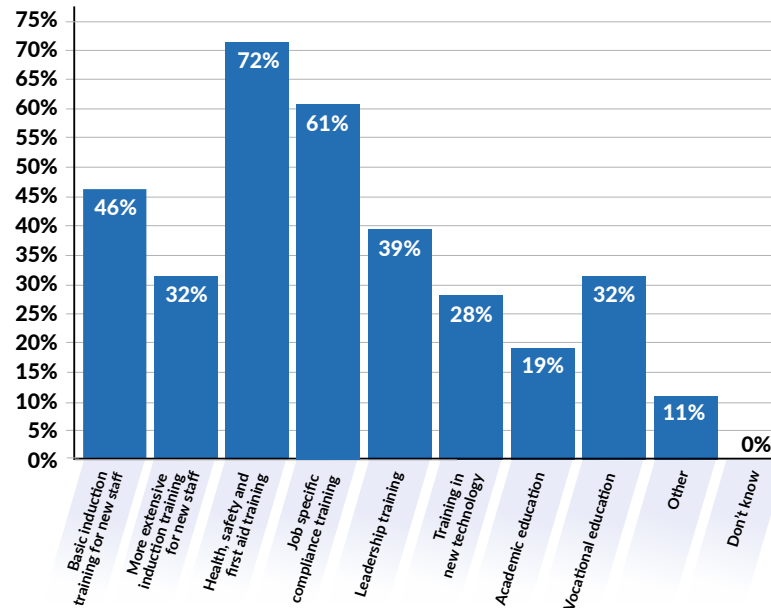
**Figure 10**  
Arranged Training



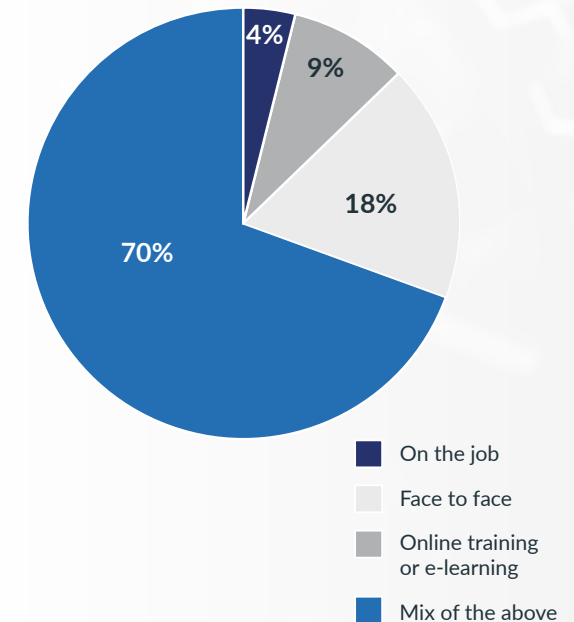
**Figure 12**  
Types of training - management



**Figure 11**  
Types of training non-management



**Figure 13**  
Training Modes



We accessed a lot of soft skills training, as well as leadership and management training, excel training. We've put people through admin and HR qualifications as well. **Employer A**



Edinburgh College delivers a range of courses and programmes aimed at tackling skills shortages in key areas and supporting individuals to upskill and advance in their career.

An example of this is Women in Digital and Data Innovation. The course, supported by Equate Scotland and the Data Lab Community, facilitates access to higher education and training and supports women into employment in tech and related roles.

The course is part of the Data Education in Colleges initiative, a collaboration between Edinburgh, Fife, Borders, and West Lothian colleges funded by the Data Skills Gateway programme, that aims to establish a Data Science skills progression pathway from SCQF levels 3 to 8. This pathway also offers opportunities for higher education at Edinburgh Napier University or direct employment as well as promoting digital, meta and transferable skills, whilst also ensuring intersectional equality is promoted and supported across the technology sector.

The course caters to two distinct groups of learners; women seeking to improve their effectiveness in their current work roles (SCQF 7) and women aspiring to specialise in the field of data science or analysis (SCQF 8). Through the course, a large cohort of women have achieved the SQA-recognised Professional Development Award (PDA) in Data Science.

This course not only focuses on imparting essential skills like Data Analysis and Visualisation, but also emphasises the development of transferable skills such as numeracy, digital literacy, and meta skills like collaboration, critical thinking, and communication.



“ I can tell you what we signed up for, so coaching and mentoring, dealing with difficult situations, delegation skills, supervisory skills, time management, negotiation skills, project management skills, emotional intelligence, influencing skills, becoming an effective leader. **Employer B** ”



## Overview

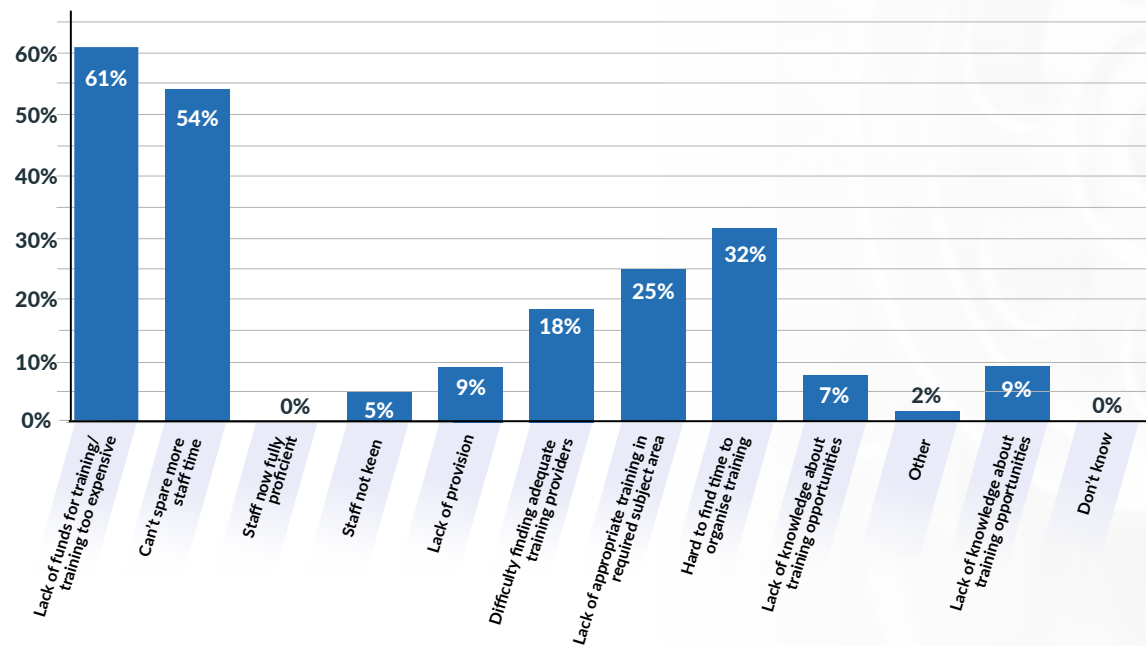
- **61%** of employers said lack of funding is the biggest barrier to providing more training.
- **51%** of employers surveyed pay the apprenticeship levy.
- **42%** made use of the Flexible Workforce Development Fund.
- **39%** who undertook training through the FWDF, indicated they would do less workforce training as a result of the fund's abolition.
- **19%** indicated they would fund more training themselves to make up for the cut funding.

Employers were asked to reflect upon the barriers that prevented them from undertaking more workforce training. The results can be seen in figure 14. Two issues came through strongly as those that currently prevent the employers surveyed from undertaking more workforce training: lack of funds and lack of staff time for training.

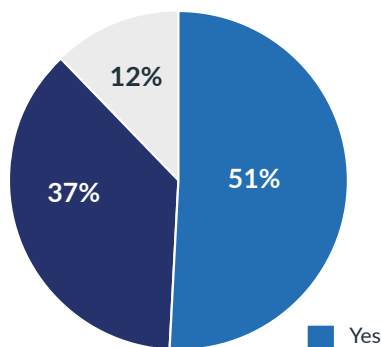
The research also looked to understand the impact of policy (and policy changes) related to workforce training. The vast majority of respondents to the survey pay the apprenticeship levy (see figure 15), and just under half utilised the Flexible Workforce Development Fund. Those respondents who had previously accessed the Flexible Workforce Development Fund (see figure 16), were then asked how the fund's abolition would impact their future workforce upskilling plans. The results can be seen in figure 17.

The results suggest that the abolition of the FWDF will have a significant impact on workplace training in the region, with more than a third of those surveyed saying they will now do less training, and only 19% saying they will self-fund more training to account for the loss of the FWDF.

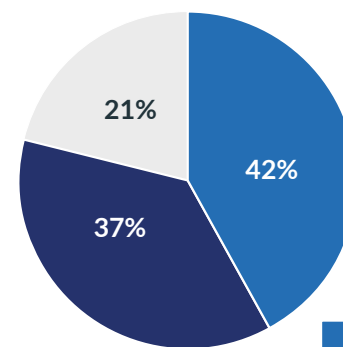
**Figure 14**  
Training Barriers



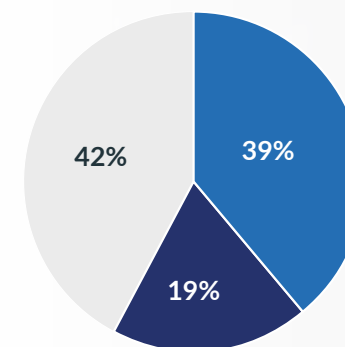
**Figure 15**  
Levy Payers



**Figure 16**  
FWDF



**Figure 17**  
FWDF Abolition



■ Yes  
■ No  
■ Don't know

■ Yes  
■ No  
■ Don't know

■ We will do less workforce training  
■ We will directly fund more training ourselves  
■ Unsure/undecided



Through the Flexible Workforce Development Fund, Edinburgh College delivered training to more than 10,000 people in the 7 years from the Fund's inception in 2017 to its abolition in 2024, equivalent to around 1 in 43 workers across the entire Edinburgh, East and Midlothian region (SDS, 2024). In 2023/2024, the final year of the Fund, the College delivered training for more than 200 companies (both SMEs and large companies) across the private, public and third sector.

Although a wide array of training was delivered through the fund, in response to the diverse needs of individual employers, a considerable amount of training was delivered in areas related to soft skills gaps identified by employers in our survey, such as Management and Leadership, as well as training aligned to areas of key hard skills shortages, such as Digital and Data Skills, Green Skills and Engineering.

Despite the challenge presented by the decision to end the FWDF, Edinburgh College is continuing to support employers to access training. In particular, the College's Enhanced Skills portfolio of cross-curricular programmes is supporting companies to tackle workforce challenges and productivity issues as well as supporting them to scale-up, decarbonise, innovate and internationalise. Through this approach, the College continues to play a key role in addressing the urgent skills gaps of our rapidly changing economy.



The FWDF that's a biggie, that's a constant chat when you meet up with other training people.

Falling off the cliff is kind of how it feels. .... Obviously, our income comes from providing support for people with learning disabilities. And there's very little capacity in the funds we get for training. I mean, its 0.001%, we're talking kind of pennies. There's no way that we can think about... I mean we loved all the soft skills stuff that Edinburgh College delivered, it was great. But we can't prioritise that over people's care needs.

**Employer A**





## Overview:

- 47% of employers surveyed currently employ an apprentice.
- 77% of those surveyed who do not currently employ an apprentice would potentially consider working with EC to employ an apprentice in the future.

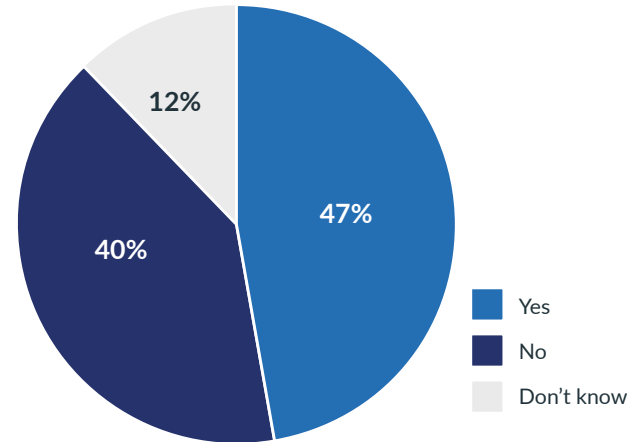
In our survey, employers were first asked whether or not they currently employ an apprentice. The result can be seen in figure 18. Our survey also asked those who did not currently engage in the apprenticeship system, whether they would consider doing so in the future. The results can be seen in figure 19.

Our research suggests that even where employers do not currently employ an apprentice, there is considerable appetite to engage with the apprenticeship system in the future.

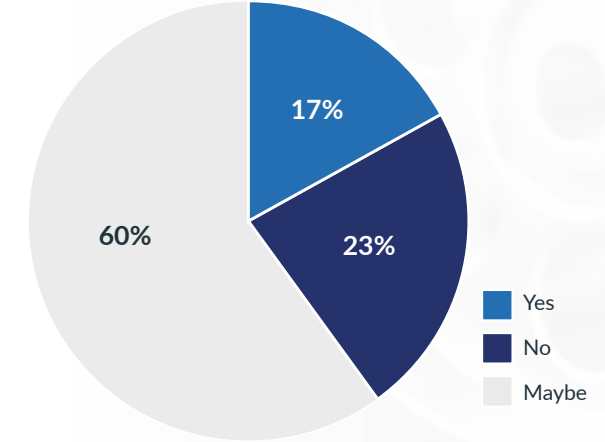
“ So, in terms of the value they add, you can't really put a price on that to be honest. It's something that we've been investing in and we've been supporting since it came in. We are quite forward-thinking in terms of what we want to do around social mobility so it's helpful in that respect. And, like I said, we've just had the first cohort qualify this year so it's something we want to continue doing.

**Employer B**

**Figure 18**  
Proportion of employers surveyed who currently employ an apprentice.



**Figure 19**  
Proportion of employers that don't currently employ an apprentice who would consider doing so in the future.





Edinburgh College delivers around 2,000 apprenticeships each year, in areas from construction and automotive through to health and social care, making it a key player in the delivery of apprenticeships not just in the Edinburgh city-region, but nationally.

With the Withers Review recommending reforms to the post-16 skills landscape, and the Scottish Government considering reform to the way apprenticeships are funded and delivered, Edinburgh College is well-placed and ready to expand our work in the delivery of apprenticeships, providing employers with the workforce they require now, and in the future. We will continue to work proactively with partners to support a future-proof apprenticeship system that delivers for learners and the skills needs of Edinburgh and the wider capital city region.





## Overview:

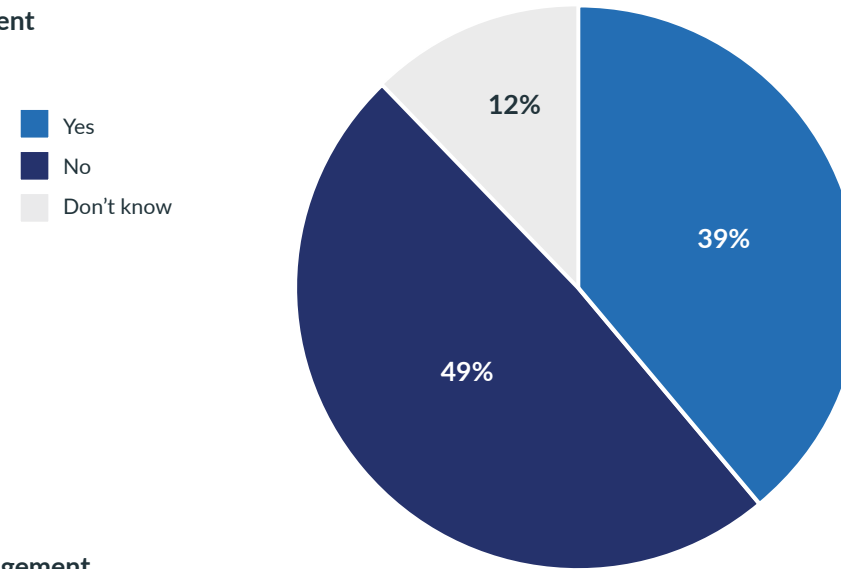
- 39% of those employers surveyed currently engage with Edinburgh College in some way.
- 72% of those employers surveyed who engage with Edinburgh College, most do so for employee training.
- 41% for apprenticeships.

Our survey asked respondents whether their organisation currently engages with Edinburgh College. The results are shown in figure 20.

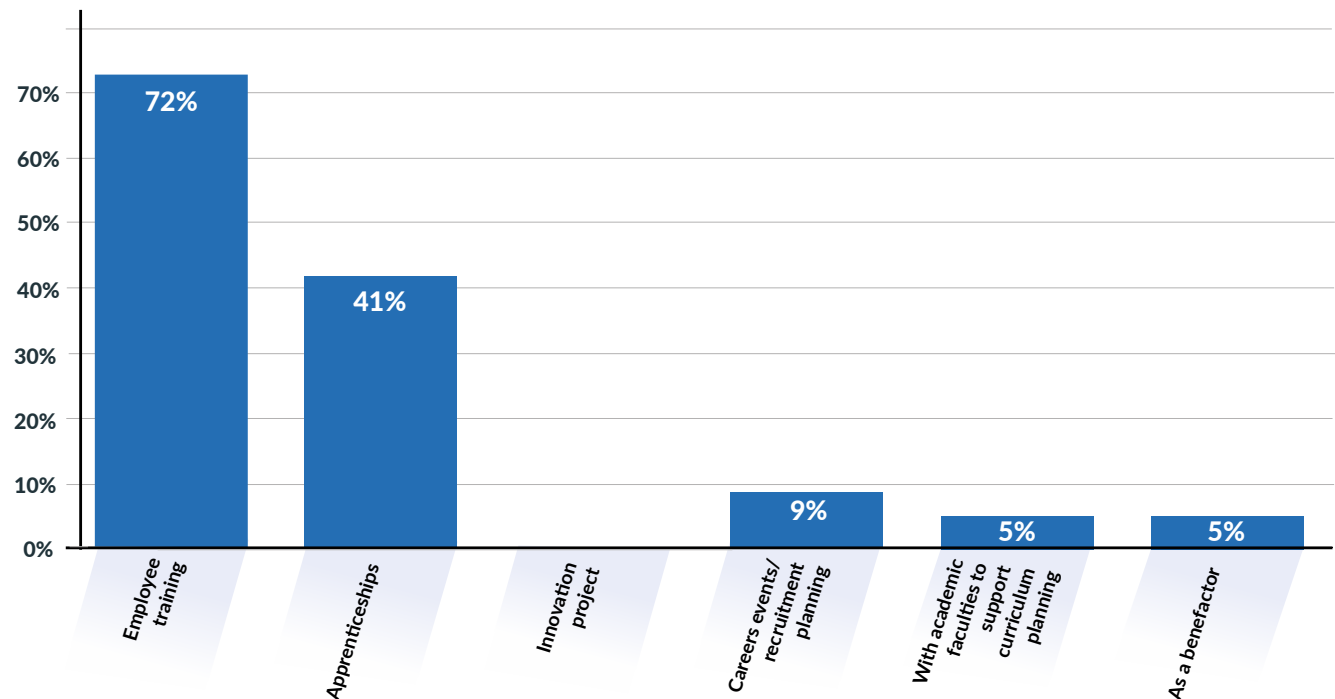
Those who did engage with Edinburgh College were then asked what form that engagement took. The results are shown in figure 21.

“There’s lot of training I would like to access. The main factor is the funding if I’m honest. I could give you a list of training that I would love to access at Edinburgh College that I know Edinburgh College would deliver very well. Just this morning I was in a meeting where we were discussing supervision training that Edinburgh College had delivered in the past. That was incredibly impressive and is still talked about years later in our organisation. But I can’t afford that right now. **Employer A**

**Figure 20**  
College Engagement



**Figure 21**  
Methods of Engagement





In 2023, Edinburgh College and Anturas won the prestigious Innovation in Business Award at the annual Edinburgh Chamber of Commerce Business Awards, for work on an innovation project aimed at revolutionising railway safety verification in Scotland, England and beyond.

Anturas is a leader in delivering Safety Verification Schemes and has worked on major projects including Edinburgh Trams and the ongoing Glasgow Subway Modernisation. However existing methods of determining safety verification requirements are costly and resource-intensive.

To tackle this issue head-on, Anturas and Edinburgh College collaborated on an Innovation project funded by an Interface Standard Innovation Voucher. The project led (on the Edinburgh College side) by Computing lecturer Jorge Correia aimed to develop a user-friendly, web-based application that streamlines the safety verification process and ensures compliance with ROGS regulations.

The project kicked off with Edinburgh College working alongside Anturas to adapt the Microsoft Excel database, that was at the limits of its application, and develop a purpose-built web application that offers flexibility, security, and ease of use.

The new digital tool guides users through the process of determining and implementing a Safety Verification Scheme, incorporating features including system definition, interface development, and preliminary hazard analysis. It will also integrate industry-standard risk models and commercial risk tools, providing a comprehensive solution for safety verification.

The current phase of development is focused on enhancing the application's front-end, optimising user experience, and implementing robust data security measures. The modular architecture of the application also allows for adaptability to client and industry needs, while a guided workflow assists users in framing Safety Verification Schemes efficiently.

Looking to the future, the College and Anturas plan to develop the back-end of the digital tool with the help of further funding.







**Although focussed on employer perspectives on recruitment challenges and future skills needs, our research findings touched on a wide range of issues.**

While our findings highlighted a number of ongoing recruitment and upskilling challenges for employers, especially in certain sectors, roles and skills; more positively, it also found some evidence to suggest that some labour market tightness may be easing in some areas.

Similarly, although (often acute) funding challenges were a key theme where training and upskilling was concerned, our research also found a continued appetite on the part of employers to engage with the College on upskilling their staff, employing apprentices and collaborating in a range of other ways to provide opportunities for all across the region.

Edinburgh College will use these research findings to inform our ongoing work, and particularly our future strategy for employer engagement. We hope that, for our partners, this research will complement existing research in this area and contribute to deepening our collective understanding of the future skills needs of the Edinburgh city-region.

In this spirit, Edinburgh College looks forward to continuing to work collaboratively with others to pursue our shared goals for a more prosperous capital city region, that provides opportunity for all within it.

You can read the full report here:



# Our Capital, Our Workforce

**Employer Skills Survey**  
Summary Findings Report 2024