DEVELOPING SCOTLAND’S YOUNG WORKFORCE PROGRAMME

Joint Report by Service Director Strategy & Policy and Service Director Children & Young People

EXECUTIVE COMMITTEE

1 September 2015

1 PURPOSE AND SUMMARY

1.1 This report provides an update on the work of the Council and its partners in introducing a new programme to deliver ‘Developing the Young Workforce’, Scotland’s Youth Employment Strategy. ‘Developing the Young Workforce’ (DYW) sets out the strategy to implement the recommendations of the Commission for Developing Scotland’s Young Workforce (the Wood Commission).

1.2 ‘Developing the Young Workforce’, Scotland’s Youth Employment Strategy was published by the Scottish Government in December 2014. Following a major local event, held in February 2015 at Earlston High School, it was agreed that a programme should be established to deliver the ‘Developing the Young Workforce’ (DYW) recommendations in the Scottish Borders.

1.3 The Programme has been set up with 5 key themes. These are: ‘Schools and Pathways’, led by the Council’s Education service; ‘Colleges’ led by Borders College; Apprenticeships, led by Skills Development Scotland; Employers and Industry, led by the Council’s Economic Development service; and Equality, with all partners inputting. The Programme aims to deliver a significant culture change that will see young people being better prepared for work and businesses more directly engaged in that process. It will aim to deliver a shift in culture towards a ‘parity of esteem’ for vocational qualifications.

1.4 The report outlines progress being made in delivering the Programme, as well as the governance structure that is in place to manage it.

2 RECOMMENDATIONS

2.1 I recommend that the Executive Committee:-

a) Notes the new ‘Developing the Young Workforce – Scottish Borders’ programme that has been set up to deliver Scotland’s Youth Employment Strategy’s aims across the Scottish Borders;

b) Agrees the proposed allocation of resources to support the Learning & Skills Partnership and the 9 Secondary Schools in delivering the aims of the Programme; and
c) Agrees to receive regular updates on progress in delivering the Programme’s objectives, with a particular focus on the Council’s responsibilities and actions.
3 BACKGROUND

3.1 The Wood Commission on Developing Scotland’s Young Workforce was set up in January 2013 and its final report, Education Working for All, was published in June 2014. ‘Developing the Young Workforce’, Scotland’s Youth Employment Strategy was published by the Scottish Government in December 2014 in response to the Wood Commission’s findings and recommendations.

3.2 The strategy and implementation plan sets out how the Scottish Government will implement the Recommendations of the Commission for Developing Scotland’s Young Workforce to drive the creation of a world class vocational education system to reduce youth unemployment by 40% by 2021.

3.3 Following a major local event, held in February 2015 at Earlston High School, it was agreed that a programme should be established to deliver the ‘Developing the Young Workforce’ (DYW) recommendations in the Scottish Borders. The Council and a range of the Community Planning Partners need to work closely with local business and industry in order to successfully deliver the Programme.

4 DEVELOPING THE YOUNG WORKFORCE PROGRAMME

4.1 It has been agreed that the Borders Learning & Skills Partnership will form the Programme Board to oversee the development and implementation of the Developing the Young Workforce Programme. The Learning & Skills Partnership in turn reports to the Economy & Low Carbon Project Team of the Community Planning Partnership, providing a direct link into the CPP governance structure.

4.2 The Learning & Skills Partnership includes representation from all the key stakeholders including: Borders College; NHS Borders; Skills Development Scotland; Jobcentre Plus; the Third Sector; Social Enterprise Chamber; Borders Business Forum; the local employers HR Forum; and representatives from the Council’s Education and Economic Development services. The Programme Board’s role will be to bring together leaders from schools, further education, skills and industry to provide advice and scrutiny, support, coordinate responses and promote the aims and achievements of the Programme.

4.3 The overall objective of the Programme is to deliver ‘Developing the Young Workforce’, Scotland’s Youth Employment Strategy, for young people in the Scottish Borders. The Programme has been set up with 5 key themes. The first is focused on ‘Schools and Pathways’ and is led by the Council’s Education service; the second theme on Colleges is led by Borders College; the third theme on Apprenticeships is led by Skills Development Scotland; the fourth theme, Employers and Industry is led by the Council’s Economic Development service; and the fifth theme of Equality is a cross cutting theme with all partners inputting. The governance structure for the programme is set out in Appendix 1.

4.4 Fundamentally, this Programme is trying to deliver a significant culture change that will see young people being better prepared for work. This will see better learning pathways developed that give equal weight and stature to vocational learning alongside more traditional academic qualifications (‘parity of esteem’). It will also see schools and local businesses working in closer partnership to provide better work based learning experiences, and in the long run to meet the needs of existing
and new local industries and growth sectors. It is recognised that these changes will take some time to be developed and then to be embedded. The Programme needs to take a long term view of the outcomes over its 6 year timescale. In order to support the Programme, a programme manager will be recruited to take a lead coordinating role for the partnership.

4.5 In the shorter term, a range of programme deliverables have been identified for the coming 18 months. They are derived from the national DYW programme and reflect those that need to be directly delivered by partners locally, and others that will be delivered nationally, but have a local impact.

Theme 1 – Schools and Pathways
Achieving the Programme's ambitions for the young workforce requires a focus on some key actions by the Council, schools and their delivery partners. These include expanding the offer by increasing the routes from school into employment, or further education (which is closely linked to employment). The programme also aims to support teachers and practitioners to develop children's and young people's learning about the world of work. It aims to provide earlier relevant labour market focussed careers advice, when young people need it. It also aims to embed more meaningful employer involvement with schools.

4.6 A redesign of the Senior Phase (S4 – S6) in our secondary schools will be required. A Senior Phase Strategy has been prepared and finalised and is moving towards its implementation stages. There will also be a requirement to review the 3-18 Curriculum in our schools in order to develop employability skills for all learners. This will vary from early ‘awareness’ stages to later skills development on themes such as ‘team working’, ‘problem solving’ and ‘communication’.

4.7 There is a set of milestones setting out what this will involve over the next 18 months of the programme. These include seeing the aims of the Developing the Young Workforce (DYW) programme embedded within the Curriculum for Excellence Implementation Plan. It is also envisaged that communications and engagement work is undertaken to develop understanding of routes into work amongst parents, teachers and practitioners, as well as young people. It will see the Council respond to Education Scotland integrating DYW in inspection advice to schools. It will also see guidance and support being developed by Education Scotland and Skills Development Scotland for teachers and practitioners to support young people in S3 to learn about finding, applying and getting a job. Finally there should be Foundation Apprenticeship opportunities made available in the area.

4.8 Work is also planned with Borders College in order to increase the opportunities for ‘blended’ learning’. Blended learning can involve school work, College classes and work experience, in a mix tailored to the needs of the individual learner. Importantantly, a partnership agreement and stronger partnership working are also to be developed by each secondary school with relevant local employers, in order to strengthen local links with business.

Theme 2 - Colleges
Achieving the Partnership’s ambitions for the young workforce requires a focus on some key themes in relation to further education and college provision. These include young people being able to access more vocational options during the senior phase of secondary school, which
deliver routes into good jobs and careers, developed through effective partnership between schools, colleges, local authorities and other partners (‘blended learning’). This is complementary activity to that being undertaken in schools. Another key theme is improving opportunities and experiences for all learners, with a focus on reducing gender imbalance on course take-up. It will also be important to make sure that provision is aligned with economic needs and regional planning, with a focus on Science, Technology, Engineering and Maths (STEM) where appropriate. Finally the College will continue to develop the college outcome agreement to underpin improvements and measure progress.

4.11 The Science, Technology, Engineering and Maths (STEM) agenda is increasingly important as part of the drive to meet the needs of business and of a growing economy. Both the College and schools have a role in relation to STEM. The College is proactively pursuing the development of a new engineering facility, responding to the clear demand for these skills being expressed by local businesses. STEM programmes and pilots are also being undertaken within schools and STEM skills are being highlighted as a key need in relation to the City Deal work that is underway at a city-region level.

4.12 The milestones for the next 18 months of the programme include seeing College outcome agreements for academic year 2015-16 developed with more involvement from the local authority; young people benefitting from better work-related learning experiences; Scottish Funding Council developing a strategy to promote the value to employers of engaging with colleges; capacity building to support enhanced employer engagement in the college sector; and regional curriculum planning being better informed by Skills Investment Plans and the Regional Skills Assessment.

4.13 **Theme 3 - Apprenticeships**
Achieving our ambitions for the young workforce also requires a focus on key themes in relation to apprenticeships. These include development of Foundation Apprenticeships in schools; Modern Apprenticeship (MA) expansion including STEM and higher level apprenticeships; and clearer pathways into apprenticeships for those not in work or those from previously under-represented groups.

4.14 The milestones for the next 18 months of the programme include seeing Foundation Apprenticeship pathfinders undertaken in our area; targeted Modern Apprenticeship campaign activity developed; and support to small and medium enterprises to incentivise participation in MA programmes.

4.15 **Theme 4 - Employers and Industry**
Achieving our ambitions for the young workforce requires a focus on key themes in relation to employer and industry engagement. These include enhanced industry leadership and engagement; a stronger partnership between employers and education providers; and recruitment of young people being at the heart of workforce planning across the private, public and third sectors.

4.16 The milestones for the next 18 months of the programme include seeing the establishment of a business-led DYW Industry Group for the Scottish Borders and commitments to develop the young workforce agreed with public sector employers. It will also see a revised approach to the Scottish Government’s recruitment incentives established with local authorities and other partners. Supported employment opportunities in the third sector provided for care leavers and other groups of young
people who face significant barriers to employment will be developed. It will also see the sharing of good practice in public and private sector procurement in relation to the development of the young workforce. Finally, guidance on school-industry partnerships will have been developed.

4.17 **Theme 5 - Equality**
Reducing inequalities is a strong theme through all of the work in the Programme. There will be a particular focus on those young people with the most challenging barriers to address. During 2015-16, we will see initial equalities pilot actions developed, creating new opportunities for those from currently underrepresented groups; Scottish Funding Council publishing a plan to reduce gender imbalance on courses in joint action with Skills Development Scotland and other partners; and supported employment opportunities in the third sector provided for care leavers and other groups of young people who face significant barriers to employment.

5 **PROGRESS DURING 2015/16**

5.1 The Learning & Skills Partnership has been meeting on a monthly basis since March 2015 to ensure a focus on delivering the new Programme. Positive progress is being made across all of the themes. In relation to the Schools and Pathways workstream, a Senior Phase Strategy document has been finalised and agreed. Discussions around partnership working for finding placements in the final year are ongoing. The Head Teacher of Peebles High School, Campbell Wilson, has joined the Learning & Skills Partnership to represent the secondary schools and improve the sharing of information and understanding of priorities. The job description for the programme manager role has been developed and is being graded. The group has fed into the consultation on new work placement standards.

5.2 In relation to the College workstream, there have been 30 more applications for College courses from schools than last year. In response to high demand, two STEM groups are due to run with 32 students instead of the 16 originally planned. Unfortunately, due to issues over teaching space, it is likely to be session 2017-18 before Mechanical Engineering courses can be offered.

5.3 In relation to the Modern Apprenticeship workstream consideration is being given to how the new Foundation Apprenticeship qualifications can be run in the Scottish Borders. Skills Development Scotland is also working on a major strategy to promote Modern Apprenticeships to a wider range of employers.

5.4 In relation to the Employers and Industry workstream, Council officers have been working with a group of business representatives to establish a new industry-led group to play a key role in representing employer’s voices. A successful Business Breakfast was held on 28 May 2015 and fifteen businesses signed up to become involved in the new Scottish Borders Developing the Young Workforce Industry Group. The sub-group are now working on a funding application to Scottish Government to provide dedicated resources for this industry-led group. Initial research has also been undertaken looking at the current provision of work experience in the secondary schools. There was an excellent response to the questionnaire and it demonstrated a significant variation between the schools with regard to work placements.
5.5 **Employer Recruitment Incentives**

In order to support local businesses and help young people gain valuable work experience, the Council has been running the Scottish Borders Youth Employment Scotland (YES) scheme. This employer recruitment incentive has helped local businesses to create 156 job opportunities for young people since October 2013. The Council has extended the scheme until at least the end of September 2015.

5.6 Of the 128 contracts which have reached an end, 95 young people have completed the full six months contract, with 86 of them offered a continuation of their contract by their employer and four in employment elsewhere. More than a quarter of those who did not complete their six month contract moved into other employment. 45% of the participants were undertaking apprenticeship and certificated training opportunities. As the current programme draws to a close businesses appear to have an appetite to offer further opportunities for the area’s young unemployed.

5.7 As part of Developing the Young Workforce, the Scottish Government (SG) has developed a new employer recruitment incentive that simplifies the current delivery and compliance arrangements. Scotland’s Employer Recruitment Incentive (SERI) continues to deliver the Scottish Government’s commitment to target support at unemployed young people with additional barriers to enable them to obtain and remain in sustainable employment (including MAs) and to encourage and support micro and small businesses to recruit and sustain young MAs into their work places.

5.8 The incentive will be managed and delivered locally by Local Authorities, with Skills Development Scotland (SDS) administering the programme on behalf of the SG. The SERI scheme will offer employers a grant to offset the additional costs of recruiting and employing a young person, including equipment and staff time for training and induction. Where a company commits to a new job or new Modern Apprenticeship (MA) for up to 52 weeks, it will receive up to £3,963. The Government views the new scheme as a co-investment in young people with a view to helping businesses grow.

5.9 The Council has been allocated 33 places by the Scottish Government under the new SERI scheme. A Scottish Borders SERI scheme will be launched later in the year once the procurement process for an external service provider has been undertaken. This will put in place an external resource to match the young people and businesses together and also to support both the individual and the business through the period of the employment contract. The new SERI scheme will replace the Scottish Borders YES scheme.

6 **IMPLICATIONS**

**Financial**

6.1 The Council will receive additional resources from Scottish Government to help take forward the Developing the Young Workforce programme. The allocations have been agreed at a national level with COSLA. Scottish Borders Council received £165k at the end of 2014/15 financial year. A similar allocation is expected for the current financial year (2015/16). Although this payment has been made to the Council, the government’s expectation is that the funding will be used to help move forward the programme overall. With this in mind, part of the funding will be used to
fund a programme manager role which will support all of the partners in their input to the Programme. Part of the allocation will also be used to support the 9 High Schools to engage more effectively with local businesses and industry.

6.2 The establishment of a business led Developing the Young Workforce Industry Group will be supported by an additional stream of funding from the Scottish Government. A sub-group is currently developing a funding application which will be submitted to Scottish Government in the autumn. This will provide funding for a dedicated resource to help this new industry led group establish itself and become self-sustaining over time. The Scottish Government will provide 3 years of funding for the Industry Group, starting from the approval of their funding application.

6.3 The funding for the external service provider to be procured to facilitate the new SERI scheme will be met from existing Economic Development budget.

6.4 **Risk and Mitigations**

The key risk in relation to the delivery of the Programme is ensuring that the changes required are delivered and then successfully embedded. Significant changes in approach in schools and businesses are key to the success of the Programme. This risk is mitigated by the programme approach that has been put in place; by the Learning & Skills Partnership acting as the Programme Board; by the recruitment of a programme manager to ensure effective coordination; and by the establishment of an industry-led employers group to ensure that businesses are feeding into the delivery of actions and sharing information and good practice.

6.5 **Equalities**

An Equalities Impact Assessment is required for the new Programme. Equalities is already a key theme within the Programme itself.

6.6 **Acting Sustainably**

No decision is required that has economic, social or environmental implications. The programme will help ensure that young people are better prepared for the workplace, that local businesses are more engaged with schools and that the future skills needs of businesses are more closely reflected in school and college curriculums. All of these aspects will help to make the economy more sustainable.

6.7 **Carbon Management**

There are no direct implications for the Council’s carbon emissions from this proposal.

6.8 **Rural Proofing**

Rural proofing will be undertaken as part of the programme development. Access to training opportunities for young people in rural areas will be a key consideration under the equalities theme of the programme.

6.9 **Changes to Scheme of Administration or Scheme of Delegation**

There are no changes to be made.
CONSULTATION

7.1 The Chief Financial Officer, the Monitoring Officer, the Chief Legal Officer, the Service Director Strategy and Policy, the Chief Officer Audit and Risk, the Chief Officer HR and the Clerk to the Council have been consulted and their comments incorporated into the report.

Approved by

David Cressey Signature ..............................................
Service Director Strategy & Policy

Donna Manson Signature ..............................................
Service Director Children & Young People

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Background Papers: None

Previous Minute Reference: None

Note – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. Hugh Williams can also give information on other language translations as well as providing additional copies.

Contact us at Economic Development, Strategy & Policy, Scottish Borders Council, Council Headquarters, Newtown St Boswells, Melrose, TD6 0SA, Tel 0300 100 1800
Governance Structure for Developing the Young Workforce – Scottish Borders

1. Schools and Pathways – Work Relevant Learning from 3-18
   SBC Education

2. Colleges – A Valued and Valuable Choice
   Borders College

3. Apprenticeships – Access to Work Based Learning for All Young People
   SDS

4. Employers and Industry – Their Investment in the Young Workforce
   SBC Econ Dev

5. Equality – Developing the Talents of All Our Young People
   All

Communications
- Stakeholder engagement
- Public awareness campaign?

Learning & Skills Partnership
Acting as the Programme Board

Sounding Board
SG, COSLA, Best Practice from elsewhere, employers, providers

Programme Manager