Education and Skills Committee: SCVO Reflections on Skills Development Scotland
28 October 2016

Summary

Our specific reflections on the performance of Skills Development Scotland are:

- Occupational segregation and under-representation remains a feature of skills interventions. Increased partnership working with the third sector and streamlining support, including collaboration with CJS, will help to improve up-take of MAs and outcomes for disadvantaged groups.
- Volunteering has not been given appropriate attention as a means of developing soft skills and confidence, aptitudes employers are placing increased emphasis on.
- The third sector remains absent from labour market intelligence and lacks any visibility on SDS websites. This would imply SDS do not yet view the third sector as a potential source of growth.
- While emphasis on high-skilled digital jobs is important for economic and technological growth, ensuring the population has basic digital skills is vital for inclusive growth. As such, basic digital skills should be a key priority, promoted throughout SDS services with all age groups.
- Personalised support is vital for disadvantaged groups, but this requires a move to more flexible approaches to outcomes and commissioning outside the traditional pipeline model.

Introduction

We welcome the opportunity to share our reflections of the performance of Skills Development Scotland (SDS) ahead of the Education and Skills Committee’s pre-budget scrutiny. Our response focuses on equalities, volunteering, digital skills and collaboration with the third sector.

Equalities

Within their written submission, SDS reiterate their commitment to ‘driving forward sustainable and inclusive economic growth’. This positions equalities as a central theme within their agenda.

Despite renewed emphasis on equalities within Modern Apprenticeships (MAs), symbolised by positive developments such as the Equalities Action Plan and partnership-working with Who Cares? Scotland and BEMIS, occupational segregation remains a constant feature of skills intervention programmes. Only 3.9% of apprenticeship starts in Scotland in 2015/6 were disabled and women account for only 5% of engineering apprenticeship starts. In 2015/16, 74% of MA frameworks had a gender balance of 75:25 or worse.

SDS should foster deeper collaboration with the third sector to harness the expertise of voluntary organisations throughout the design and delivery of programmes. To work with third sector organisations only through contracting-out arrangements to deliver programmes erodes the
distinctive potential of the sector to offer valuable contributions towards the design of programmes and target provision through collaborative approaches.

**Partnership Working**

The cluttered landscape of support makes it difficult for employers to have a clear understanding of what is available. We believe partnership working is key to assisting employers to navigate the system. Currently, SCVO have a working relationship with SDS across a number of areas and projects, including supporting SDS with their work on equalities and SDS are involved in referring young people to Community Jobs Scotland (CJS).

While we welcome SDS’ engagement with SCVO and their work with individual third sector organisations, we believe there is scope for much deeper engagement on a more consistent, longer-term basis. At present, much of this engagement is focused on individual, time-bound projects which do not enable permanent change. Deeper collaboration would promote better outcomes, particularly for disadvantaged groups.

**What could change?**

Through such collaboration, the relationship between CJS and apprenticeships could be streamlined and strengthened. CJS has a proven track-record in helping those furthest from the labour market and realigning CJS as both a means of obtaining an employment outcome in and of itself, while also enabling CJS to become a pre-apprenticeship option would be a positive development.

Moreover, given the high levels of retention on the CJS programme, reaching-out to CJS employers to highlight Employer Recruitment Incentive and apprenticeship routes would promote greater transition from CJS to MAAs and encourage recruitment of disadvantaged groups. We are currently engaged in a very small pilot with SDS to achieve this goal and we hope that we will be able to scale this up in due course.

Despite sitting on the CJS Advisory Group and making referrals, there is little visibility of CJS on the various SDS websites and nothing to signpost young people to CJS jobs. This adds to the perceived difficulty of trying to find out information about services. In addition to ensuring CJS has appropriate visibility, MyWoW could also link to Goodmoves, the third sector recruitment site.

While SCVO has had many discussions with SDS about promoting collaboration and exploring opportunities for closer partnership working, we believe that now is the time to turn these visions into action.

**Labour market intelligence**

We agree with the SDS submission to the Enterprise and Skills Review in noting the importance of sectoral and regional intelligence in meeting Scotland’s skills needs. Regional Skills Assessments and Skills Investment Plans (SIPS) are important tools in this planning process. However, there has not been enough engagement with the third sector on SIPS and we believe greater engagement would facilitate better skills planning and asset mapping.
The third sector has a total income of £4.9bn, equal to that of Scotland’s Creative Industries, and employs 138,000 people\(^1\), as many people as the Creative Industries and the Energy Sector combined. While both of these sectors have been given individual SIPs, the third sector has not been mentioned within the development of these tools, which evidently limits the usefulness of these documents for the growth of the third sector.

The third sector incorporates social care providers, housing federations and thriving social enterprises and thus the strategies of all of our enterprise and skills agencies must speak to the third sector as a key audience and partner. At present, it does not appear that SDS views the voluntary sector as a potential area of growth and investment. There is perhaps a tendency to see the third sector as homogenous and requiring support, outside that offered to private sector organisations. We do not believe this to be the case.

There are a range of MAs frameworks which have applicability to the third sector and SCVO would be happy to assist SDS in engaging with new third sector employers to expand the reach of training programmes in the third sector.

**Targets**

MAIs in Scotland are subject to broad annual targets that have been widely criticised for emphasising quantity over quality or an approach linking these targets to economic and social need. Subsequently, they do little to improve the quality, nature and inclusiveness of MAIs in Scotland. Numerical targets are an arbitrary measure of success and ignore other measures of fundamental importance, such as attainment, responsiveness to employer needs and equalities. The hardest to reach are not well-served by increasing targets.

These targets are symbolic of a broader prescriptiveness from Government. Rigid letters of guidance prevent enterprise and skills agencies from being responsive to demand and changes in the economy. In some ways, therefore, if skills and enterprise agencies are not meeting the objectives of the NPF and economic strategies some blame must lie with Government itself for the priorities outlined within these annual Letter of Guidance.

**Volunteering**

There is some engagement with SDS on volunteering, in particular in the realm of their national guidance offer and signposting to volunteering. The new MyWoW website has valuable information on volunteering placements, opportunities and skills. Moreover, SDS engages with volunteering via Youth Employment Boards.

Despite these positive developments, there is no mention of volunteering in the SDS 5-year corporate plan, suggesting it has not been prioritised at strategic level. In future planning cycles, volunteering should be an integrated objective with strategies designed in collaboration with third sector partners. Volunteering plays a vital role in skills production and wellbeing for those furthest from the labour market. As such, promoting self-building through volunteering as a pre-apprenticeship or pre-employment route would have a positive effect on the outcomes for disadvantaged groups.

The experience of our sector is that when people are able to build soft skills and confidence through voluntary opportunities, paid employment often follows. For example, recent research from the Charity Retail Association showed that 80% of charity shop volunteers felt that their

\(^1\) [http://www.scvo.org.uk/news-campaigns-policy/research/scvo-scottish-third-sector-statistics/]
volunteering had improved their skills\(^2\). Moreover, Project Scotland research highlighted that 93% of volunteers felt their voluntary placement had an impact on their career and life choices to date.\(^3\)

SDS have acknowledged the importance of confidence within their strategic goals and given reflections from employers that soft skills, such as attitudes and aptitudes, are pivotally important, having a more formal link with volunteering may further SDS’ ambition of skill-matching and producing ‘work ready’ young people.

**Skills**

Despite high-levels of investment, there remains a skills mismatch in Scotland. While 77% of businesses operating in Scotland expect to have more jobs for people with higher-level skills over the coming years, over two-thirds of businesses in Scotland (69%) are not confident about filling their high-skilled jobs in future.\(^4\) We acknowledge that this is a challenge given that the education and training system is tasked with producing skills for future demand, which has often not yet been identified.

Although the role of SDS in tackling skills gaps is important, it would be wrong if there was a sole reliance on the public sector to fill skills gap while the private sector continues with business as usual. It is not the sole responsibility of Scottish Government and its agencies to fulfil the economic strategy. The private sector, and indeed the third sector, must play its part.

**Digital**

In Scotland there are still approximately 800,000 people who do not effectively access the internet. There are questions as to whether SDS’ Digital First approach will create a growing gap between the ‘haves’ and ‘have-nots’ as those without access to the internet cannot find out about opportunities. Moreover, the recently published report by the Carnegie UK Trust showed that those without internet are more likely to live less active lifestyles, have poorer mental health and feel less socially connected. We would be happy to work with SDS to promote digital participation, as SCVO is currently engaged in an important project, One Digital, which focuses on basic digital skills.

This is particularly important given research by Tinder Foundation which found that almost three-quarters (72%) of employers would not even interview a candidate who does not possess basic computer skills. As Scotland’s national skills agency, the lack of basic digital skills should be a key concern for SDS.

**In-work support**

A key priority must be in-work support and engagement with the Scottish Government’s fair work agenda. Supporting employees promotes sustainable work and is essential to furthering SDS’ aim of producing ‘high performing, highly productive, fair and equal workplaces’. For some individuals, any lack of in-work support will ultimately hinder their ability to participate in the labour market. We acknowledge that SDS have started some of this work, for example collaborating with Enable to provide additional support for MAs. However, we believe that this work needs to be scaled-up in order to create genuine equality of opportunity for all.

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\(^3\) [https://www.projectscotland.co.uk/we-are-ten/](https://www.projectscotland.co.uk/we-are-ten/)

Within the written evidence, SDS point to personalisation and customer-centric services as a means of achieving the objectives of the Christie Commission. While the Career’s Guidance example cited is important, we would be interested to know how such approaches could be applied to other services such as MAs. We believe that for some individuals, the rigid, inflexible pipeline method to skills and training is not the correct approach. In fact, this approach and subsequent commissioning could actually be seen to dis-incentivise working with harder to reach groups.

Those involved in the delivery of the pipeline must understand and recognise that there are groups that need to be supported differently. At present, any person-directed project would be judged against the same priorities of direct costs against the length of time to deliver a sustainable outcome. Ultimately, such programmes will be judged poorly against other interventions, leading to less provision that will work for disadvantaged groups. We believe that although greater flexibility may lead to greater costs, personalisation is essential when working with harder to reach groups. Without such efforts, it is feasible that there will be stubborn youth unemployment as disadvantaged groups are effectively ‘parked’.

Conclusion

As SDS looks to progress against the National Performance Framework, there are numerous challenges and opportunities. Overall, we believe return on investment should not be measured only in terms of GDP and apprenticeship numbers, but rather in terms of inclusive growth, the participation of disadvantaged groups, sustainable employment, the provision of digital skills, skills matching and social development.

Such objectives can only be achieved with a joined-up coherent system of support delivered simultaneously by SDS in collaboration with the third and private sector as key partners.

More information on our reflections of the enterprise and skills landscape can be found in our response to the Enterprise and Skills Review.
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About us

The Scottish Council for Voluntary Organisations (SCVO) is the national body representing the third sector. There are over 45,000 voluntary organisations in Scotland involving around 138,000 paid staff and approximately 1.3 million volunteers. The sector manages an income of £4.9 billion.

SCVO works in partnership with the third sector in Scotland to advance our shared values and interests. We have over 1,600 members who range from individuals and grassroots groups, to Scotland-wide organisations and intermediary bodies.

As the only inclusive representative umbrella organisation for the sector SCVO:

- has the largest Scotland-wide membership from the sector – our 1,600 members include charities, community groups, social enterprises and voluntary organisations of all shapes and sizes
- our governance and membership structures are democratic and accountable - with an elected board and policy committee from the sector, we are managed by the sector, for the sector
- brings together organisations and networks connecting across the whole of Scotland
- SCVO works to support people to take voluntary action to help themselves and others, and to bring about social change.

Further details about SCVO can be found at www.scvo.org.uk.