Dear Damien

Thank you for attending the Education and Skills Committee last week. The Committee agreed that I write to you to follow up on a number of matters.

During the evidence session there were several mentions of the SDS providing additional information to the Committee. The Official Report was published last Friday and for your convenience a list of issues where SDS was asked or offered to provide additional information is included in Annexe A of this letter.

The Committee noted that you were robust in your rebuttals of some of the criticism of SDS by Aberdeen and Grampian Chamber of Commerce and the Committee has written to the Chamber to offer it the chance to respond. The Committee considered that some of the AGCC comments on SDS’ performance were not isolated remarks and were mirrored by some of the other bodies that submitted evidence to the Committee.

Scottish Local Authorities Economic Development Group (SLAED), the SCVO, SOLACE, Colleges Scotland and CBI Scotland responded to the Committee and made, at times, similar points to the AGCC. The Committee asked that I draw this to your attention and would welcome your comments on these views. All of the submissions are published on our website. However for ease of reference, in Annexe B of this letter, I have quoted some of the submissions which correlate with elements of the AGCC’s submission discussed at the meeting.

Members also asked that I particularly bring to your attention the submission from SLAED, which represents some of your key local partners. Again for your ease of reference, I include a number of quotes from that submission in relation to the performance of SDS in Annexe C of this letter. I would welcome your comments on SLAED’s views.
I would be grateful for a response by Wednesday 30 November 2016.

Yours sincerely

JAMES DORNAN MSP
CONVENER
ANNEXE A

Additional Information to be Provided
Arising from Committee Meeting

- Information on the range of industries that SDS is encouraging individuals to become self-employed in the North East; and
- The number of people that have set up a business after being encouraged to do so by SDS.
  (Col 21)

- The basis for your comments on the oil and gas industry.
  (Col 23)

- Information on what is being done to support workers leaving the oil and gas industry in areas outside Aberdeen and Aberdeenshire.
  (Col25/26)

- Your reflections on whether to publish a focused set of KPIs or a balanced scorecard approach.
  (Col 31)

- Measurement of the value added of apprenticeships across broad occupations.
  (Col33)
Extracts from Submissions

A number of points were discussed in relation to the Aberdeen and Grampian Chamber of Commerce’s submission. Other respondents made similar points and, to illustrate this, the Committee asked that extracts submissions be highlighted to SDS.

Good governance (discussed at Col 20)

“Challenges include the potential bureaucratic nature of interactions, opportunities for simplification due to numbers of initiatives and risk of duplication.”
CBI Scotland

“The skills landscape would benefit from ... a less complex and administratively burdensome system to monitor activities.”
Colleges Scotland

“one-size-fits-all” (discussed at Col 23)

“The “one size fits all” focus at the national level with regard to service delivery is a key concern. In dispersed geographies local businesses can struggle to access Modern Apprenticeship opportunities for their employees.”
SLAED

The amount of strategic focus on regional needs (discussed at Col 24)

“There should be places made available for local government representatives on national bodies in respect of setting fiscal and development strategies ... An approach should be developed to allow for localised responses as an exception to national programmes”
SOLACE

Complexity of KPIs (discussed at Col31)

“A common and shared reporting and evaluation framework should be developed. Common data sets and management reports should be established to assist with a better evidence based approach to initiatives influencing strategies at the [national, regional and local levels].”
SOLACE

Partnership working (discussed at Cols 33/34)

“SDS regularly use local authorities as delivery partners, working to fair and challenging targets, and having the national agency as a partner has helped councils to raise outcomes for communities and individuals. This engagement is not consistent across Scotland.”
SOLACE
ANNEXE C

Extracts from the submission from
Scottish Local Authorities Economic Development Group

The Committee also asked that I highlight a number of concerns raised in the submission from Scottish Local Authorities Economic Development Group (SLAED).

“Between now and 2020, the review of contribution rates for Modern Apprenticeships is going to become extremely unbalanced, with significant cuts to service sector occupations in favour of STEM occupations.”

“There is too much short termism with SDS yearly contracting which impacts on the sustainability of local provision when coupled with cuts in the Employability Fund budget.”

“There is a need to ensure that all young people have access to a career adviser as required and this currently takes some time, therefore greater resource is needed in this area. It is important that resources for front line services are prioritised as the most recent spending and recruitment would appear to be at senior salary levels on centralised and corporate functions.”

“It would be helpful if SDS adopted the outcome focused performance approach expected of other employability services. Targets should be robust and comparable as local authorities are currently not aware of the targets for SDS staff in terms of providing direct support to young people.”

“There must be greater co-ordination and collaboration between local authorities and SDS to ensure a decluttered user experience in order to improve outcomes.”

“Some councils feel that SDS is very centralist with rural areas feeling excluded or lagging behind. This is a particular issue for outlying areas where service delivery is quite distinct from other areas. The only contact with SDS is remotely through email and phone, and contract managers are no longer visiting contracted providers. This leads to confusion and a lack of understanding about the issues in remote areas and how providers in these areas operate.”

“A concern regarding SDS is its lack of capacity to tailor national products and services to local circumstances. A ‘one size fits all’ approach lacks the ability to tailor interventions to identified needs.”

“Whilst SDS has a very strong National and Corporate image, this does not appear to translate locally. Many people seeking support from the council are unaware of SDS, especially the more disadvantaged job seekers who are likely to become multiple users of public services such as social work, housing, money advice etc.”