



The Scottish Parliament  
Pàrlamaid na h-Alba

## FINANCE COMMITTEE

### AGENDA

15th Meeting, 2012 (Session 4)

Wednesday 16 May 2012

The Committee will meet at 10.00 am in Committee Room 1.

1. **Decision on taking business in private:** The Committee will decide whether to take item 6 in private.

2. **Subordinate Legislation:** The Committee will take evidence on the Official Statistics (Scotland) Amendment Order 2012 from:

John Swinney, Cabinet Secretary for Finance, Employment and Sustainable Growth, Julie Wilson, Deputy Chief Statistician, and Janette Purbrick, Statistician, Scottish Government.

3. **Subordinate Legislation:** John Swinney, Cabinet Secretary for Finance, Employment and Sustainable Growth, to move S4M - 02857- That the Finance Committee recommends that the Official Statistics (Scotland) Amendment Order 2012 (draft) be approved.

4. **Improving employability:** The Committee will take evidence in a roundtable format from:

Karen Adams, Educational Projects Manager, NHS Education for Scotland;

Stephen Boyd, Secretary, STUC;

Duncan Dunlop, Chief Executive, Who Cares? Scotland;

Dr James Miller, Director, Open University in Scotland, on behalf of Universities Scotland;

Andy Milne, Chief Executive, SURF;

Laurie Russell, Chair, Social Enterprise Scotland;

Alan Sherry, Principal, John Wheatley College, on behalf of Scotland's Colleges;

Pamela Smith, Chair, subgroup on employability, Scottish Local Authorities Economic Development Group;

Jim Wallace, Acting Head of Children's Services, Barnardo's Scotland;

Henrietta Wright, West of Scotland District Manager, Department of Work and Pensions, UK Government.

5. **Local Government Finance (Unoccupied Properties etc.) (Scotland) Bill (in private):** The Committee will consider a draft report on the Financial Memorandum of the Local Government Finance (Unoccupied Properties etc.) (Scotland) Bill.
6. **Social Care (Self-directed Support) (Scotland) Bill:** The Committee will consider a draft report of the Financial Memorandum of the Social Care (Self-directed Support) (Scotland) Bill.

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The papers for this meeting are as follows—

**Agenda Item 2**

Paper by the clerk

FI/S4/12/15/1

**Agenda Item 4**

Paper by the clerk

FI/S4/12/15/2

**Agenda Item 5**

PRIVATE PAPER

FI/S4/12/15/3 (P)

**Agenda Item 6**

PRIVATE PAPER

FI/S4/12/15/4 (P)

## Finance Committee

15th Meeting, 2012 (Session 4), Wednesday 16 May 2012

### The Official Statistics (Scotland) Amendment Order 2012

#### Purpose

1. The purpose of this paper is to invite the Committee to consider the [Official Statistics \(Scotland\) Amendment Order 2012](#). A copy of the draft affirmative Scottish Statutory Instrument (SSI) is attached (Annex A) along with a note from the Scottish Government on the purpose and effect of the Order.

#### Background

2. The purpose of the Order is to amend the Official Statistics (Scotland) Order 2008 to add five additional persons to the list of persons specified as producers of official statistics. These five bodies are—

- NHS 24
- Scottish Ambulance Service Board
- Scottish Social Services Council
- Social Care and Social Work Improvement Scotland (Care Inspectorate)
- Sustrans Limited

3. The Scottish Government considers that the Order has no financial effects on it, local government or business. On that basis a Business Regulatory Impact Assessment has not been produced.

#### *Draft affirmative SSI procedure*

4. Approval is being sought through the draft affirmative SSI procedure. Affirmative SSIs are considered following the procedure set down in Rule 10.6 of Standing Orders which allows a 40-day period for committees to consider and report. The Subordinate Legislation Committee considered the draft SSI at its [meeting on 8 May 2012](#). It had no issues to report.

5. The Cabinet Secretary will move the following motion—

S4M -02867 John Swinney: The Official Statistics (Scotland) Amendment Order 2012 [draft]—That the Finance Committee recommends that the Official Statistics (Scotland) Amendment Order 2012 [draft] be approved.

Supported by: Fergus Ewing

#### Conclusion

6. The Committee is invited to consider the draft affirmative SSI.

**Fergus D. Cochrane**  
**Senior Assistant Clerk to the Finance Committee**

**The Official Statistics (Scotland) Amendment Order 2012**

The above document can be accessed via the link below—

<http://www.legislation.gov.uk/sdsi/2012/9780111016909/contents>

## Finance Committee

15th Meeting, 2012 (Session 4), Wednesday 16 May 2012

### Improving employability

#### Introduction

1. One of the key themes to emerge from the fiscal sustainability roundtable sessions that the Committee held at the beginning of the year was employability and sustainable employment. At its meeting on 28 March 2012 the Committee agreed to hold a series of oral evidence sessions prior to summer recess which will explore the need to improve the employability of individuals experiencing high levels of multiple deprivation as a prerequisite to increasing sustainable economic growth.
2. In particular the Committee has agreed to explore the following—
  - current initiatives to improve the employability of individuals experiencing high levels of multiple deprivation, including the use of modern apprenticeships, work and training places;
  - how such initiatives are being evaluated;
  - the relative success of such interventions;
  - what barriers to success there have been; and
  - what further action could be taken.
3. The findings from these sessions will then help to inform the focus on economic growth in scrutinising the draft budget 2013-14 in the autumn.
4. This is the first of series of the oral evidence sessions and will explore in particular the role of the public and third sector. The remaining sessions are—
  - Wednesday 23 May: roundtable session with individuals businesses and oral evidence session with business sector representatives, including Enterprise agencies
  - Wednesday 30 May: evidence session with Skills Development Scotland
  - Wednesday 13 June: evidence session with the Minister for Youth Employment
5. Participants in today's roundtable session have provided a short written submission and these are attached at Annex A. Attached at Annex B is a copy of the Scottish Government's draft Scotland's Youth Employment Strategy.

#### Background

*Commission on the future delivery of public services*

6. In its [Report on the future delivery of public services](#), the Christie Commission emphasised that—

“The greatest challenge facing public services is to combat the negative outcomes for individuals and communities arising from deep-rooted inequalities.”<sup>1</sup>

7. The Commission stated that “if we do not manage to effect a shift to preventative action, increasing “failure demand” will swamp our public services’ capacity to achieve outcomes.”

8. It concluded that specific action to tackle inequalities must be taken and noted that a recurring theme in the evidence presented to it had been the importance in addressing inequalities of public service interventions that enhance the employability of individuals, and so improve their and their families’ life chances.<sup>2</sup>

9. The particular problems posed by long term youth unemployment in Scotland and the consequential pressure on public services has been long been recognised. As the National Endowment for Science, Technology and the Arts has pointed out—

“Scotland has one of the highest proportions of people not in education, employment or training between the ages of 16-19 years in the OECD. The proportion of 16-19 year old NEETs has remained static since 1996.”

10. While in its draft *Scotland’s Youth Employment Strategy*, the Scottish Government states that—

“Research shows that the financial consequences of young people moving into long term unemployment are high. For example the lifetime cost of a single cohort of young people failing to make the transition into regular employment is estimated to be in the region of £2 billion.”<sup>3</sup>

*Roundtable session on fiscal sustainability*

11. In his evidence to the Committee during the roundtable session focusing on fiscal sustainability and inequalities and socio-economic deprivation, Dr James McCormick from the Joseph Rowntree Foundation emphasised that there must be “an almost obsessive focus” on employability.<sup>4</sup> He stated that—

“We need to shift from concentrating on how we get people to the starting line, which basically means throwing them at the market until they stick—towards much more of a focus on how employers behave.”<sup>5</sup>

12. The Poverty Alliance agreed with this point, stating that—

“Enhancing the employability of those who have been long term unemployed or similarly disadvantaged is vital to ensure that they have the capacity to take advantage of opportunities in the labour market.”<sup>6</sup>

<sup>1</sup> *Report by the Commission on the Future Delivery of Public Services*. Paragraphs. 2.7-2.8

<sup>2</sup> *Report by the Commission on the Future Delivery of Public Services*. Paragraph. 6.19

<sup>3</sup> Scottish Government (2012) *Scotland’s Youth Employment Strategy*

<sup>4</sup> Scottish Parliament Finance Committee. *Official Report, 18 January 2012*, Col.527.

<sup>5</sup> Scottish Parliament Finance Committee. *Official Report, 18 January 2012*, Col.527.

13. However, witnesses emphasised that improving the employability of an individual should not be undertaken in isolation. For example, the Poverty Alliance stressed that “any skills and learning strategy designed to boost employability throughout life must be accompanied by an economic and jobs strategy that promotes inclusive, as well as sustainable, growth.”<sup>7</sup>

14. The Joseph Rowntree Foundation confirmed that “entering work cannot provide a sustainable route out of poverty if job security, low pay and lack of progression are not also addressed.”<sup>8</sup>

15. For its part, the Wise Group emphasised the need to provide appropriate support to employers. It stated that—

“There are two customers when people work with long-term unemployed people: the long-term unemployed person and the employer. If we cannot get the right person to meet the employer’s needs, the employer will not be happy and the person will not stay in the job. Therefore, we must work with employers.”<sup>9</sup>

16. The Wise Group also highlighted the need to work with the families of the newly-employed person stating that—

“There is an increasing awareness that taking an individual out of a family and getting them a job is not the answer if that family has a number of issues. There must be more consideration of issues in families and support for them.”<sup>10</sup>

*Evidence session with Lord Smith of Kelvin*

17. At its meeting on 28 March the Committee took evidence from Lord Smith of Kelvin, Chair of the Smith Group. In its [report of November 2011](#) the Group made a series of recommendations to the Scottish Government on young people not in education, employment and training (NEET), both in terms of the factors that contribute to a young people becoming NEET and those interventions that can be most effective in helping a young person to find employment or training.

18. In his evidence to the Committee Lord Smith emphasised the importance of soft skills. He stated that—

“It starts with simple life skills: turning up appropriately dressed, on time and with the attitude that they want to learn. They then need some basic skills in reading, writing and arithmetic.”

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<sup>6</sup> Poverty Alliance. Written submission.

<sup>7</sup> Poverty Alliance. Written submission.

<sup>8</sup> Joseph Rowntree Foundation. Written submission.

<sup>9</sup> Scottish Parliament Finance Committee. *Official Report, 18 January 2012*, Col.532.

<sup>10</sup> Scottish Parliament Finance Committee. *Official Report, 18 January 2012*, Col.532.



19. He recognised, however, the intergenerational challenge noting that—

“As representatives from Barnardo’s could tell you, those youngsters come from backgrounds that feature three generations who are not working and an attitude that work and education are not for the likes of them.

20. Lord Smith emphasised the role that the business could play in supporting employment opportunities and improving employability. For example, he stated that—

“I have not come across any business, large or small that does not want to do something in this area—you are pushing against an open door. However, the information pathways are sometimes confusing and the ask of employers is never made clear.”

21. He emphasised that—

“When public sector organisations interface with private sector ones, they should tell them exactly what they want. The private sector organisation can always turn round and say that they will not do it.

As a business guy, I have found that, when public sector people come to me, they go round the houses and say, “Hi, we’d like a wee bit of support.” I say, “Just tell me. What is it? Do you want me to give them jobs? Do you want money, premises, coaching or mentors? Just tell me.”

22. Lord Smith also noted that different approaches needed to be made depending on the nature and size of the business. He stated that—

“You must understand that a Tesco needs a different selling message from a wee plumber in Peebles, because some of the decisions are made at headquarters.

Sometimes, it is necessary to go to the human resources departments in London, Manchester or wherever to get buy-in to do things in Scotland.”

23. Lord Smith also noted that the focus on improving employability should not be confined to urban areas, stating that—

“We need to look further afield if we do not want rural areas to become totally depopulated—we do not want that.”

*Scottish Government action*

24. Employability has been defined by the Scottish Government as follows—

“‘Employability’ encompasses all the things that enable people to increase their chances of getting a job, staying in a job, and progressing further in work”

25. As such, there are a number of different agencies and levels of Government involved in delivering employability related policy. The provision of employment

services is currently reserved to the UK Government, and delivered in Scotland by Jobcentre Plus, an agency of the Department for Work and Pensions.

26. While employment services are reserved, training for employment is a shared responsibility between the UK and Scottish Governments. Employability is also impacted by a broad range of devolved policy areas, delivered by, for example: local authorities, health boards, universities and colleges and non-departmental public bodies (NDPBs). Devolved policy areas which could impact on an individual's employability include skills, health, regeneration, and childcare.

#### *Budget provision*

27. In its document, *A Scottish Budget for Growth*, the Scottish Government set out the action it is taking through its budget to tackle unemployment. It states—

“The Scottish Government is taking direct action to tackle unemployment and ensure that people who are out of work or underemployed – particularly our young people – have access to the right training, skills or education opportunities to meet their needs.”<sup>11</sup>

28. It indicates that the Scottish Government is taking forward a range of methods including—

- The Opportunities for All initiative will ensure that every 16-19 year old who is not in work, a Modern Apprenticeship or education will be offered a place in education or training;
- Delivering 46,500 training opportunities – the vast majority of which will be targeted at young people;
- Funding 25,000 Modern Apprenticeship new starts in each year of this Parliament;
- Creating 14,500 pre-employment training opportunities;
- Completing the roll-out of Activity Agreements to help the most vulnerable young people remain in education and training; and
- Continuing to fund the Educational Maintenance Allowance.

#### *Employability network*

29. The [Employability and tackling poverty learning network](#) highlight the following “strategies” as being key determinants of employability policy in Scotland—

- [Workforce Plus](#) - This strategy acknowledges that that a key factor in moving people out of poverty is through work
- [More Choices More Chances](#) - A Strategy to Reduce the Proportion of Young People not in Education, Employment or Training in Scotland
- [The Scottish Government's Economic Strategy](#) - Sets out the short and long term targets in relation to economic growth
- [Skills for Scotland: Accelerating the Recovery and Increasing Sustainable Economic Growth](#) - The Scottish Government's refreshed Skills for Scotland Strategy.

<sup>11</sup> [www.scotland.gov.uk/Resource/Doc/49303/0121297.pdf](http://www.scotland.gov.uk/Resource/Doc/49303/0121297.pdf)

- [Achieving Our Potential: A Framework to tackle poverty and income inequality in Scotland](#) - This Framework sets out further priorities for action and investment to deliver improvement in: reducing income inequalities; introducing longer-term measures to tackle poverty and the drivers of low income; supporting those experiencing poverty or at risk of falling into poverty; making the tax credits and benefits system work better for Scotland.

*Youth employment strategy*

30. The Scottish Government has recently published its draft [Scotland's Youth Employment Strategy](#). The strategy sets out action under the following headings—

- Opportunities for All
- An all-Government and all-Scotland response to youth unemployment
- Post-16 education reform
- Engagement with employers
- Local authority support for young people
- The Third sector's contribution
- DWP support for young people
- Going further.

31. Members may also wish to note two SPICe briefings recently produced on Youth unemployment—

[http://www.scottish.parliament.uk/ResearchBriefingsAndFactsheets/S4/SB\\_12-20.pdf](http://www.scottish.parliament.uk/ResearchBriefingsAndFactsheets/S4/SB_12-20.pdf)

[http://www.scottish.parliament.uk/ResearchBriefingsAndFactsheets/S4/SB\\_12-19rev.pdf](http://www.scottish.parliament.uk/ResearchBriefingsAndFactsheets/S4/SB_12-19rev.pdf)

**Conclusion**

32. The Committee is invited to consider this information in its oral evidence sessions on improving employability.

### **Written submission from Barnardo's Scotland**

Barnardo's Scotland would like to thank the Committee for the opportunity to give evidence on these crucial issues.

We would wish to highlight some key issues arising from our Barnardo's Scotland service experience.

#### **Current initiatives to improve the employability of individuals experiencing high levels of multiple deprivation, including the use of modern apprenticeships, work places and training places**

Barnardo's Works currently delivers across 7 geographical areas and we are situated in: Renfrewshire (Paisley), Glasgow (offices within Scottish and Southern Energy), Edinburgh, Highland (Inverness covering Highlands & Islands), Cairngorms (covers Cairngorms National Park), Moray, Perth & Kinross and Dundee.

#### **Barnardo's Works approach to working with young people**

We adopt a holistic approach with each young person. We develop a learner-centred relationship, focusing on helping the individual to overcome multiple and complex barriers to employment. Most young people accessing Barnardo's Works have little or no work experience and lack formal qualifications. Many have a criminal record, ongoing offending behaviour or describe themselves as having a dependency on drugs or alcohol.

We also work with a high number of young people on the homeless register, those who are young parents and care leavers.

Our programme indirectly promotes and protects the physical and mental health of communities. One in 10 children and young people have a diagnosable mental health disorder that will affect his or her ability to learn, cope with stress or enjoy a normal life.

Young people are particularly vulnerable during the transition from adolescence to adulthood and mental health services for this age group can be weak. The assistance that we provide, in association with partner agencies, provides the opportunity to gain self-worth through being employed, discernable improvements in their social circumstances and future ability to keep out of the benefits system.

We find that an asset based, capabilities approach works well with this client group where we seek to help the young people understand their social environment and take control of it. This helps increase their resilience and brings a sense of coherence to their surroundings, especially with their families and friends. This enables them to eventually manage their own circumstances more effectively and, together with finding a job, leads to long lasting improvements in their life chances.

## Barnardo's Works delivery model

Through continuous evaluation of how we deliver support to our young people, we have developed a delivery model that provides a proven mechanism for finding our young people sustained employment while working closely with local employers.

Delivery Model	Elements of Service
<p><b>Referral Phase</b> Referrals received from a Prime Contractor</p>	<ul style="list-style-type: none"> <li>• Quick initial contact.</li> <li>• Assessment of need</li> <li>• Individual Action Plan</li> </ul>
<p><b>Preparation for Work</b> Activities that support a young person to the point where they can sustain full-time, independent employment</p>	<ul style="list-style-type: none"> <li>• Barnardo's Works induction</li> <li>• Industry relevant qualifications and vocational training</li> <li>• Work placement/s</li> <li>• Job search support/Addressing ind. barriers</li> <li>• Better off calculation</li> <li>• <i>Possible referral to specialist support</i></li> </ul>
<p><b>Employment</b> The transition into full-time paid work</p>	<ul style="list-style-type: none"> <li>• Employer Support Fund <i>available on assessment of need</i></li> <li>• Individual support and skills development plan</li> </ul>
<p><b>In-Work Support</b> Continuing support for the young person and the employer</p>	<ul style="list-style-type: none"> <li>• Conflict resolution/Addressing ind. barriers</li> <li>• Mentoring support</li> <li>• Career development</li> </ul>
<p><b>Aftercare</b></p>	<ul style="list-style-type: none"> <li>• Keeping in touch/future job search</li> </ul>

## How such initiatives are being evaluated

Barnardo's Works has been evaluated by Napier University (final report May 2011).

- The evaluation recognised the considerable impact that Barnardo's Works has on a young person's life and is highly valued by young people and employers.
- Through Barnardo's Works, Barnardo's are providing some of the most disadvantaged young people in Scotland with access to skills, training and jobs. In this respect Barnardo's Works is closely aligned to the Scottish

Government priorities and may provide a template by which disadvantaged groups could be given access to skills training and jobs.

- Employers felt rewarded and satisfied that their offer of a placement could have a profound and positive effect on the life of a young person from a marginalised background. Employers valued the enthusiasm and positive attitude of the young people. Barnardo's Works is sending young people that 'match' the needs of the jobs and employers appreciate this. Small employers especially value the continued pastoral support provided by Barnardo's Works workers.
- Young people spoke highly of the contribution that the programme had made to their lives. Their primary concern was for access to work and training. Training and qualifications were understood as ways in which they would progress into employment.

More recently Napier University has worked with our young people and services to identify what makes Barnardo's Works a success. The Workable draft report has not been publicly released yet but the draft findings identified that Barnardo's Works takes a Capabilities Approach to working with our young people:

*"The approach argues that inequality should not only be limited to material dimensions such as a person's income or wealth, but should include things that are only partly influenced by their affluence such as the richness of family life, relationships, capacity to influence public sphere and politics and sustainability of their lifestyles. It focuses on the ("substantive") freedom of people to choose what they value as opposed to narrowly focusing on utility maximization (e.g. happiness) or access to resources (such as income). The approach is concerned with what people can do rather than what they actually do. Also it recognises differences and diversity between people (heterogeneity), the different or multi-dimensional influences on someone's welfare and the crucial importance of autonomy and freedom of choice. Therefore from a capabilities perspective, it is important to see unemployment or precarious employment in terms of impacts on wellbeing and quality of life."*

### **The relative success of such interventions**

In the year to March 2012, Barnardo's Works in Scotland engaged with and helped 354 young people, 75% (265) of whom we helped on to employment, education or training. 208 of those 265 positive destinations were young people moving on to employment. Our monitoring of those who go in to employment shows that, historically, 65% of those going in to work sustain the job beyond 6 months.

### **What barriers to success there have been; and what further action could be taken**

The inevitable one is funding that allows us to work with young people from vulnerable groups (care leavers, ex-offenders, young carers) for the longer period of time that is required to make a difference for these young people. Typical

intervention periods of 13 or 26 weeks often are not long enough to make a difference. We would assert that more support “up stream” is required for these young people before they can be ready to access mainstream funding such as Get Ready for Work, which is rightly there to help young people who are closer to obtaining employment. (We are embarking on work with 26 young people leaving care in Edinburgh this year; it will be interesting to see the evaluation of our approach and impact on the young people. This will see a 39 week intervention in place, funded by City of Edinburgh Council.)

Some financial barriers exist, particularly for care leavers moving from supported accommodation to employment. There can also be a disconnect between important services such as housing and supporting a young person in to employment.

We always need more employers to come on board and that is something our Employer Liaison Officers work at doing.

The task of improving employability for young people from vulnerable backgrounds means that we need to work flexibly and deliver support to them whenever they need it which means the service cannot function on a 9.00am to 5.00pm basis.

## Appendix 1

### Examples of initiatives that Barnardo’s Works has developed and is currently developing in Highland

<b>Programme</b>	<b>Eligibility</b>	<b>Funding</b>
Activity Agreements	Young people aged 16 – 18 in Highland, Moray and Aberdeenshire.  Part-time training (group work and 1-1) for young people focussing on life skills development and preparation for the workplace.  SCQF Level 3 Steps to Work Accredited	The Highland Council, Moray Council, Moray LEADER. Aberdeenshire Council
Get Ready for Work	Young people aged 16 – 18 in Highland, Moray, Aberdeenshire, Perth & Kinross.  Full-time training (group work and 1-1) for young people focussing on employment and training.  SCQF Level 4 Employability Accredited	SDS
JobShop	Young people aged 16 – 24 in Highland and Moray.	Combination

	A daily drop in for young people who need support applying for jobs, creating CVs or developing interview skills.	
MisFits	Young people aged 16 – 24 in Inverness.  Lunchtime drop in for young people who need to access a variety of support services, including subsidised lunches, shower facilities and a duty social work service	Combination
The Work Programme	Young people aged 16 – 24 in Inverness.  We are a subcontract for Working Links in the DWP's national Work Programme framework.	DWP
Tailored Employer Recruitment	Young people aged 16 – 24 in Highland, Moray, Aberdeenshire, Perth & Kinross.  Tailored recruitment for large businesses such as SSE.	Employers
Rewrite	Young people aged 16 – 24 in Highland.  Creative literacy courses using media, music, poetry and art to overcome the barrier literacy poses to entering the workplace confidently.	Innovation Challenge Fund
Bump	Young women aged 21 and under in Highland or Moray.  A part-time 10 week course for young women who are pregnant with their first child, focussing on life skills development, planning for the future, and making links with Health.	Equalities Fund
Baby Steps	Young women aged 24 and under in Highland or Moray.  A 26 week back to work course for young women with a child under the age of 4. This course can contribute financially towards 3 days worth of childcare per week in order to offer a	Equalities Fund



	transitional approach to moving back into employment.	
Employer Recruitment Days	Open days for local and national employers in the Highland and Moray.	Combination
School's Work	Young people aged 14 – 16 who are about to reach school leaving age.  A 10 week school's course that focuses on next steps and life skills development.	SDS
Creative Circus	Young people aged 14 – 16 who are about to reach school leaving age.  A weekly school's course which is focussed on developing confidence through circus skills.	Rank Foundation
<b>Developments</b>		
Modern Apprenticeship Scheme	Young people aged 16 – 24.	Funding Bid Submitted – Coastal Communities Fund.
Face2face	Young people aged 16 – 24.	Funding Bid Submitted – Life Transitions.

**Written submission from the  
Department for Work & Pensions Scotland**

**Current initiatives within the Department of Work and Pensions**

Every unemployed claimant has an initial diagnostic interview with an Adviser in our Jobcentres, followed by regular jobsearch interviews. Our Advisers then determine the most suitable support, tailored to each individual and targeted at the most appropriate stage in their claim, to help them to find work.

The Advisers then consider whether unemployed people would benefit from a menu of additional support on offer, e.g. Get Britain Working initiatives, Mandatory Work Activity, training provision and the Flexible Support Fund.

**Get Britain Working Initiatives**

- Work Clubs – a place for unemployed people to meet for support.
- Work Together – we signpost unemployed people to voluntary organisations to undertake voluntary work.
- Work Experience – help young unemployed claimants get work placements with local employers. We have worked closely with the Scottish Government and Skills Development Scotland to link Work Experience to Modern Apprenticeships and Employer Recruitment Initiatives.
- Enterprise Clubs - provide support for unemployed people who wish to consider self-employment.
- The New Enterprise Allowance - provides access to a business mentor and financial support to people who wish to start their own business.
- Sector-based work academies - sector-specific pre-employment training in sectors with high volumes of local vacancies, followed by a work experience placement and a guaranteed job interview.

Mandatory Work Activity lasts for 4 weeks and is designed for the small number of claimants who need to re-engage with the system, refocus their job search and gain valuable work-related disciplines, such as attending work regularly and on time and working under supervision.

**Flexible Support Fund**

The Flexible Support Fund can be used by our Advisers to cover expenses associated with taking up work or training. Through a grant funding arrangement with partners, it can also be used to fill gaps and add support to current provision where it is not sufficient or appropriate to meet customer needs.

**Youth Contract**

A new Youth Contract was launched by the Coalition Government on 2 April and this includes a range of additional help (worth almost £1bn) over the next 3 years to help unemployed young people prepare for work and find a job. The key measures are:

- Additional work experience or sector-based work academy places
- Additional support through the Department of Work and Pensions by way of more Adviser time and weekly signing

- Wage incentives, worth up to £2,275 each for employers taking on 18-24 year olds through the Work Programme for at least 26 weeks.

### **Partnership working**

The success of all these measures depends on strong local partnership working and active support from employers in creating effective local employability initiatives. We work closely with many organisations, e.g. Skills Development Scotland, Scotland's Colleges, Voluntary Organisations, Prince's Trust, Scottish Prison Service etc. to do so.

### **The Work Programme**

The Work Programme focuses on helping the longer term unemployed into sustainable employment. Once referred, claimants remain on the Work Programme for two years or until the provider has claimed all available payments for the time the individual spends in employment. Contracted service providers have been given flexibility to decide how best to support the jobseekers we refer to them, and get paid on the basis of their results.

### **Welfare Reform Bill**

Through reforms to the benefit system and the introduction of Universal Credit in October 2013, the Coalition Government wants to ensure that work pays. Reforms impacting on employability issues are:

- Universal Credit will provide a new single system of means-tested support for working-age people who are in or out of work. Support for housing costs, children and childcare costs will be integrated in the new benefit. It will also provide additions for disabled people and carers.

NHS Scotland-involvement-in-initiatives-to-improve-the employability-of-individuals-experiencing-high-levels-of multiple-deprivation.

- The Government is keen to ensure that benefits are well targeted and fair. Universal Credit will improve work incentives because:
  - financial support will be reduced at a consistent and predictable rate and people will generally keep a higher proportion of their earnings;
  - the intention is that any work pays, in particular, low-hours work; and
  - reducing the complexity of the system, and removing the distinction between in-work and out-of-work support, thus making clear the potential gains to work and reducing the risks associated with moves into employment.
- A Benefit Cap will be introduced from April 2013, whereby households on out-of-work benefits will no longer receive more in welfare payments than the average weekly wage for working households.
- There will be tougher sanctions for people who commit fraud and for people who do not meet their job seeking responsibilities.
- Lone parents on Income Support whose youngest child is 5 years old or over will need to claim either Jobseeker's Allowance, if they are capable of work, or Employment and Support Allowance, if they have limited capability for work or a health condition, if they want to receive support from benefits. A report published

on 15 December 2011 found that lone parents were generally very positive about work and the benefits it would bring them and their families – for both financial and non-financial reasons.

**Written submission from the Scottish Local Authorities Economic  
Development Forum**

**Copy of response to Scotland's Youth Employment Strategy**

**Preface**

Local Authorities welcome Scotland's Youth Employment Strategy and the Government's intention to utilise all its powers as part of the response tackling the persistent high levels of unemployment. We welcome the opportunity to comment on the proposed direction of travel and would wish to reinforce and highlight the significant contribution that Local Authorities make to developing and leading diverse and responsive approaches to meeting the employment and skills needs at a local level.

We are pleased to see a particular focus on an all Government response to Youth Unemployment recognising that an effective response must go beyond education and training and we are encouraged by the additional focus and support for job creation measures.

However, whilst the proposed strategy sets out some laudable intentions we are keen to ensure that it is commensurate with the efforts of Local Authorities through their lead role in Community Planning Partnerships and is fully in concert with the Strategic Skills Pipeline development and objectives of supporting young people to attain, sustain and progress in employment. We therefore make particular observations and comments for consideration.

**Better Alignment of Scotland's Employability Services (BASES)**

There is universal support for increased collaboration, integration and alignment of skills and employment services and we would encourage a continued concerted effort based on the Christie Principles. Local Authorities have provided constructive feedback via the Post 16 Reform Consultation and the Make Training Work Review and have contributed to all ongoing consultations and discussions which seek to address the current fragmentation and complexity of the employment and skills system to help improve the future design, delivery and outcomes.

It is suggested that an overarching Youth Employment Strategy could create the framework for delivery through Local Employability Partnerships by reducing bureaucracy, combining expertise and knowledge, and creating the potential to generate increased value for the public purse through increasing sustainability. We understood the implementation of the Strategic Skills Pipeline was being established aimed at achieving this type of alignment of interventions at a local level, therefore, as stated above, hope that the Youth Employment Strategy augments local employment and skills outcome agreements as part of a devolved and localised approach to delivery and doesn't crowd an already busy strategy and policy environment.

## **16 – 19 Opportunities for All**

We welcome the commitment to delivering a place in Post 16 Learning for all 16 – 19 years olds and would encourage Government to utilise the Strategic Skills Pipeline approach to provide competence based framework to support and efficient and effective learner journey that relates directly to labour market need and opportunities, and should build on the aims of the Curriculum for Excellence.

We would urge an end to the current approach to silo funding to enable a more flexible and robust learner journey to be supported along an employability pathway. The delivery of Opportunities for All will require a better age and stage segmentation of learner needs and provide a coherent approach to effectively bridging the transition between education and the labour market. The funding model should be reviewed accordingly to support this approach.

The commitment to offer 25,000 Modern Apprenticeship opportunities in each of the next 5 years is welcome, however, young people most in need of More Choices and More Chances are least likely to be able to access these opportunities and we would wish the Scottish Government to consider how this issue can be addressed.

Consideration should also be given to how more employers, including the public sector can be encouraged to provide Modern Apprenticeship opportunities and to how a geographical spread of Modern Apprenticeship opportunities can be achieved which reflects the levels of youth unemployment being experienced in different parts of the country.

It should be recognised that there are many forms of Community Learning and Development delivered within Local Authorities and with third sector partners. It is suggested that a clearer fit for Activity Agreements with the Strategic Skills Pipeline is required in order to improve access, retention and progression in learning for the more vulnerable 16/17 year olds. It would be helpful to agree milestones and outcomes from activity agreements to support progression. All 16+ Learning Choices should be linked to the Scottish Qualifications and should improve accredited core skills, this provides a simple framework for all to utilise when informing and supporting young people, parents/carers and employers.

Activity Agreements have been shown to work, however, the funding commitment ends on 31 March 2013. We would encourage the strategy to identify how support the most vulnerable in their transition from school will be planned and resourced over the medium to long term.

## **Public Contracts and Procurement**

Many Local Authorities deliver a range of targeted training And employment outcomes for young people as a “Business as Usual” approach to their procurement and purchasing. We welcome the focus on government contracts to deliver Training and Apprenticeship Plans and would encourage collaboration with the Local Authorities were possible. We also support the introduction of the proposed Sustainable Procurement Bill and the intention to increase support for Youth

Employment outcomes from Community Benefit Clauses in Procurement. We would urge avoidance of re-inventing the wheel when there is much existing good practice within the tried and tested approaches developed by Local Authorities.

## **NHS**

We welcome the encouragement to NHS to fully participate in the use of their powers and potential to develop new and additional Modern Apprenticeship opportunities. We would encourage collaboration at local level through the Community Planning Partnerships to maximise connectivity and potential.

## **Engaging Businesses and Employers**

We welcome increased support for local businesses and employers and in particular the intention to engage more with SMEs. We would encourage a minimisation of bureaucracy for SMEs through a locally delivered streamlined public sector one door approach providing a menu of support options using common language. This approach would provide additional benefit through the local infrastructure for Business support and development and stronger integration with economic development in general.

There is concern amongst Local Authorities around how representative the views expressed by the large national employers are as SMEs provide the bulk of sustainable employment opportunities in local labour markets. There is often a disconnection between the nationally articulated employer support needs and those which exist at a local level.

There can often also be multiple and inappropriate demands on employers re work experience and the increased focus on this as an option in schools and with benefit claimants is a concern regarding displacement, job substitution and the quality of work experience provided. National standards and local protocols would be helpful.

We would welcome a less centralised top down approach in favour of a locally designed and delivered model responding to local needs and circumstances. We support the need for a National framework establishing standards of engagement. The better alignment and integration of an employer offer must extend beyond national agencies and take cognisance of the varying support needs of both clients and employers as a one size won't fit all. And in particular the opportunity to provide a more relevant offer to SMEs that supports the aims of the strategy through combining business development, e.g. Business Gateway, and workforce planning services, reducing bureaucracy and risk for this largely untapped source of opportunity and growth.

## **Scotland's Digital Participation Charter**

We welcome the digital participation charter and strategy and recognise the benefit of a co-ordinated and focused action to deliver economic and social benefits. There is recognition of the movement towards increased service provision to be delivered electronically, however, there is a risk of digital exclusion for the most vulnerable job

seekers which may require additional investment to ensure an appropriate support infrastructure is in place.

### **Cashback for Communities**

Reducing re-offending, improving offender learning and establishing sustainable outcomes should be a key focus of this welcome additional source of funding which when utilised creatively can deliver a wide range of additional community benefits. We would support the continued focus on skills, learning and employment and acknowledge the need to establish a productive interface with those clients entering the work programme early who may have multiple engagements with local service provision.

### **Third Sector Engagement**

The third sector provides a unique, diverse and valuable contribution to the skills and learning agenda. The persistent high levels of youth unemployment within local communities, has created unprecedented demands on the third sector and many resources are under increasing pressure. This brings fresh challenges and opportunities in how we best utilise and align public sector resources. Whilst we welcome the increased funding to support capacity building and note the national allocation of ESF and Community Jobs Scotland we have concern that this is not the best approach to deliver high, quality sustainable outcomes at a local level. We would urge government to consider the support to the third sector being increasingly directed through local employment partnerships where the local third sector interface is actively involved. This would ensure a better alignment with the local strategic skills pipeline and also create opportunities for improved engagement in the delivery of local services.

### **Local Authorities as a Key Strategic Partner**

The disaggregation of resources, priorities and targets via intermediate government agencies remains a difficult, bureaucratic and cluttered process. Whilst we welcome increased pooling of funding and a movement towards co-commissioning, the number of publicly funded agencies/departments commissioning the same or similar things still mitigates against a more simplified and streamlined process.

We would continue to urge the government to localise control and accountability closer to communities we serve through overall responsibility sitting with the Local Authority as the Lead Accountable Body. As experience illustrates a more consistent and coherent approach would provide a truly aligned service the approach to the distribution of European Social Funds provides an excellent example this approach.

A Youth Employment Strategy and Action Plan provides an excellent opportunity to create a national framework for action and Local Authorities are keen to contribute to the delivery of sustainable outcomes for our young people.



## Written submission from NHS Education for Scotland

### Introduction

NHS Education for Scotland (NES) is the special health board responsible for supporting NHS services in Scotland by developing and delivering education and training for those who work in NHSScotland (NHSS). Although most of NES's work focuses on the learning needs of NHSS staff working in the registered healthcare professions, the organisation has been working closely with NHSS Boards across Scotland to develop a wide range of support for the large numbers of staff working in non-registered and non-clinical roles. Through this work NES has identified some of the ways in which NHSS Boards are involved initiatives designed to address issues of employability, and some of the challenges which exist in taking this work forward. This submission provides a brief summary of some of the work undertaken by NES and colleagues in other NHS Boards in this area, and highlights some of the key challenges which persist.

### Initiatives to address issues of employability

- A number of NHS Boards have, for some time, operated pre-employment programmes aimed at helping young people develop some of the skills needed for support roles in NHSScotland. *Healthcare Academies* were generally developed in partnership with JobCentre Plus. Evaluation of these initiatives would be undertaken by the individual Boards operating programmes so central data are not available. However, some illustrative examples of destinations are available.
- In 2010, NES identified that a number of Boards were interested in engaging Modern Apprentices, particularly in areas such as Estates where the age of the current workforce is causing serious concern. However, there was very limited understanding of the requirements and processes involved in MA programmes. NES, in partnership with Skills Development Scotland (SDS) commissioned a report<sup>12</sup> into the use of MAs in NHSS and barriers to greater use. This report identified a range of issues and noted that the researcher had identified only very small numbers of MAs in the service. It should be recognised, however, that MAs might be engaged via different routes and therefore gaining an overall understanding of numbers in the service was challenging.
- To help NHS employers navigate the MA landscape, NES & SDS published a *Guide to Modern Apprenticeships for NHSScotland*<sup>13</sup> in January 2011. The Guide was launched at the NES Educational Conference, where an MA Summit brought together a range of organisations involved in supporting young people into work so that they could meet with NHS employers. This group included Barnardo's and two organisations supporting the *Adopt an Apprentice* scheme.

<sup>12</sup> *Modern Apprenticeships in the NHS in Scotland (2010)* available at <http://www.nes.scot.nhs.uk/about-us/what's-new/modern-apprenticeships-across-nhs-scotland.aspx>

<sup>13</sup> *Guide to Modern Apprenticeships for NHSScotland (2011)* also available at <http://www.nes.scot.nhs.uk/about-us/what's-new/modern-apprenticeships-across-nhs-scotland.aspx>

- In June 2011, Chief Executive of NHSS, Derek Feeley, wrote to all Chief Executives in NHSS Boards encouraging them to support the youth employment agenda by increasing the number of employment opportunities which they offer for young people. These opportunities included work placements and MA places. In response to this letter, there was a marked increase in requests to NES for support in implementing MA programmes. To address this increase in requests for help, NES convened an MA Discussion Event in late October 2011 designed to share good practice, discuss key challenges and identify the most appropriate approach(es) to addressing these challenges. The event drew more than 70 delegates, with representation from NHS Boards, learning providers and national educational organisations (including Sector Skills Councils and SDS).
- Recent contacts with NHS Boards (March 2012) have reported a noticeable increase in MA activity since 2010. More Boards have also reported involvement with the *Get Ready for Work* programme, providing work placements for young people in partnership with learning providers and/or local authorities. In addition, the issue of employability is being included in the workforce planning processes within a number of Boards.

### **Barriers to success and suggestions for future action**

The MA Discussion Event in October 2011 provided an opportunity for representatives from areas of the service which might be able to offer MAs to discuss key benefits and challenges, and to identify the actions which might support greater use of MAs in NHSS.

Group discussions led to the identification of important potential benefits to the service of MA programmes. They were seen to provide important support for succession planning and a sustainable workforce, and for helping to create a more diverse and engaged workforce.

A number of major challenges were also identified. These included:

- the limited clear understanding of MAs at different levels within NHSS, meaning that strategic and operational managers did not necessarily see the potential benefits to the service of offering MA places
- the difficulty of securing funding for the employee costs associated with MAs, particularly given the need for efficiency savings and the level of funding required for MA places
- the perceived complexity of the education funding system relating to MAs.

Delegates were asked to develop 'action plans' to identify how challenges might be addressed. Key among the suggestions were

- the engagement of decision makers at strategic and operational levels in order to increase understanding of and gain sponsorship for MAs. This includes support for funding of MA employee costs.
- the development of support infrastructure at a national level to enable NHS Boards to implement MAs at a local level. This includes improved access to education funding and support to achieve economies of scale.

## Written submission from Scotland's Colleges

### Key points:

- **Preventative Spending** – Investment in colleges constitutes significant preventative spend. Colleges are often the only provider of opportunities for those furthest removed from the labour market, including former offenders, those with low or no skills, those experiencing redundancy, young people with additional support needs and adult returners. Improving the employment prospects of these individuals has a positive benefit not only to their quality of life but to the wider economy, as well as significant savings to the public purse.
- **Partnership working** – Project work with partners has been key in colleges' success with those experiencing high levels of multiple deprivation. Working with jobcentre plus, local government and employers to provide joined up approaches that provide skills, work experience and real job prospects. Colleges would struggle to deliver such opportunities in isolation. Secure funding for delivering such projects is important for their ongoing success. Such partnership working has the potential to support broader activity such as regeneration.

### Scotland's college sector 2010–2011:

- Scotland's 41 colleges taught over 300,000 learners in 2010–11, delivering more than 83 million hours of learning in subjects as diverse as engineering, catering, agriculture, nursing, illustration, personal care, business management and computer games development.
- Over 30% of college students come from the most deprived areas of Scotland. In colleges serving the most deprived areas, this can rise to over 70%.
- Colleges are open access, operating on a first come, first served basis.
- Part-time and short duration study accounts for the majority of college students, reflecting the diverse needs of a population of learners between school age to post-retirement age. Almost 80,000 students undertake full-time study.
- Students between 16 and 24 make up around 37% of the total, with 45% of learners over 25. The median age for female students is 25, for male students it is 20.
- Courses provided range from those that serve for those with low or no skills – providing a lifeline into work – to degree level qualifications and, in the case of UHI member colleges, up to PhD level (SCQF levels 1–12).
- Around 23% of colleges' teaching activity is in higher education qualifications.

### Skills and Employability - Youth employment

Youth unemployment is fast becoming a major challenge for Scotland which will require focused action and investment. The Scottish Government has recently set its priorities to support young people into work in the Youth Employment Strategy. Prioritising training and skills development that leads to employability and real life changes is a key priority for colleges, which are the main provider for vocationally focused qualifications and opportunities in Scotland. Last year colleges enrolled over 120,000 young people aged between 16 and 24 onto courses at further and higher education level, as well as over 50,000 young people under 16.

It is important to note that college activity also provides for those outwith the 16–24 age group, often providing second chances to adult learners which are not otherwise available elsewhere – in short providing opportunities for all. While youth employment is a serious challenge, we consider that being able to support people back into work, providing up-skilling and retraining are also essential for Scotland's full economic recovery.

Improving employability, however, requires a greater wealth of activity than qualifications alone. Colleges, with their excellent links in the community and with businesses, actively seek to provide opportunities for their learners which further improve their prospects, offer work experience, work based learning and cultivate entrepreneurship.

### **Deprivation and the learner profile**

College learners tend to start from a lower base, with fewer existing qualifications and often greater needs for support in achieving positive outcomes.

This profile reflects the proportion of learners coming from the most deprived areas, where colleges present an essential route to skills and employability. People in deprived areas still tend greatly towards college participation rather than university, whereas for the least deprived areas, the reverse is the case. This is particularly true for those who have been out of education for some years and have low to no skills and need support to succeed. Supporting these individuals into employment is an area in which colleges pride themselves on their success.

For example, in Glasgow colleges, 58% of learners are from the most deprived backgrounds, more than double the rate of any other area of Scotland. John Wheatley College has the highest proportion at 72%, followed by Anniesland and Cardonald at 45.8% and 43.3% respectively<sup>14</sup>.

### **Modern Apprenticeships**

Colleges support the delivery of the majority of apprenticeships in Scotland. In 2010–11 a total of 21,516 Modern Apprenticeships (MAs) were being delivered in colleges (12,827 with 16 to 19 year olds). Around 4,000 of these are MAs directly contracted by Skills Development Scotland (SDS) to be delivered within the college, but the majority are delivered where the college is the subcontracted training provider which wholly or partly delivers the MA where other training providers or consortia hold the contract with SDS.

It is likely that, given the increasing targets for MAs being set by the Scottish Government, colleges will require to provide support for more MA learners. MAs are funded separately to the main SFC grant, and as such we expect will largely be protected from the funding reductions in other areas of colleges' activity.

The move to regional delivery has the potential to create new opportunities for learners undertaking MAs, but colleges are also conscious of the need to protect existing partnerships with businesses through these changes.

There is a trend, since the economic downturn, for less investment from employers in providing training opportunities for their staff. The reduction seen in training being

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<sup>14</sup> SFC: Learning for All, 5<sup>th</sup> update, March 2011

paid for by employers is not likely to indicate a drop in demand or need, but demonstrates that these costs are being squeezed in meeting other business needs.

### Employment initiatives

Colleges are the lead provider of vocational further and higher education in Scotland; however, this is only part of their activity which supports employability among learners.

Collectively, colleges engage with around 30,000 businesses across Scotland, with relationships at local, regional and national level. are embedded in their communities and able to use the opportunities there to support students in developing their skills and experience in environments outwith the college. This includes:

- training in local real life work environments
- organising work placement opportunities
- supporting entry to pre recruitment programmes
- encouraging volunteering opportunities
- undertaking community projects which offer work experience
- providing additional employer recognised qualifications and certificates
- paid work opportunities and internships within the colleges themselves.

Partnership working on targeted projects alongside employers and agencies such as Jobcentre Plus (JCP) have enabled colleges to deliver numerous successful employability initiatives, often with those most removed from the job market.

### Examples include:

More information on these initiatives is available on request.

- **Forth Valley College ‘Gateway to Work’** – this project is a unique partnership between the college, JCP, Skills Development Scotland (SDS), Business Gateway and local employers in the Forth Valley area. Under the Futures Plus initiative, the college works closely with JCP, using a jointly devised referral system, to match individuals who are unemployed or facing redundancy with real opportunities in the local labour market and arranges tailored transition training which develops their skills to fit the opportunities and make them more attractive to employers. The partnership has also worked with local companies facing large scale redundancies to reskill employees for other roles within the organisation. In its first year the Futures Plus initiative secured over one hundred sustainable jobs and prevented as many redundancies. For these first hundred candidates, JCP calculated a minimum overall saving of £1,096,154 to the local economy, based on benefit savings, tax and national insurance payments with a deletion of any training costs. The success rate for Futures Plus in terms of tracked, sustainable job outcomes has been consistently between 65% and 72% throughout.
- **Kilmarnock college- The HIVE** (Hope, Inspiration and Vision in Education) is a dedicated learning space within Kilmarnock College. Staff prepare young people with challenges for future personal success. There are 5 programmes, at different age entry points and levels: School Taster Courses (280 pupils); Winter Leavers’ programme (45 students); Prince’s Trust Team Programme (50 students); Personal Empowerment Zone –PEZ (90 students) and Inside Out – for short term prisoners (150 students). Many of the students have behavioural challenges and/or offending backgrounds. Some students are the first in 3 family generations

to be in further education. Learning is delivered in a non-threatening way so that students are encouraged to see the value of education and are inspired to have aspirations. In order to design the programmes the College consulted with young people in the MCMC group to better understand what engaged them and encouraged them to learn.

- **Dundee College Case study: The PACE (Pupil Access to College and Employability) Programme** PACE is a partnership between Dundee College and Dundee City Council Education Department. It has been a flagship programme of the MCMC group for over 10 years, evolving to take into account changing needs and opportunities. It constitutes a full-time programme for pupils in their last 6 months of school and a part-time programme for pupils in their last 12 months. The main aim of the programme is to re-engage young people who have a range of complex needs and who have disengaged from mainstream educational provision. There are 48 full-time places and 32 part-time places. The programme is open to young people who are affected by family circumstances; health or disability; social, emotional and behavioural difficulties or the learning environment. A typical group of full-time PACE students will have these outcomes: 15% to college courses; 5% to training providers; 5% to employment; 15% receive continued support through pipeline agencies.
- **John Wheatley College: Employability programmes:** The college runs a number of targeted employability initiatives. For example, working in partnership with the Community Health and Care Partnership and Working Links, the *Pathways to Progression* programme supports lone parents with a 3 month introductory programme, a work placement and HNC in Health Care. This has supported 25 lone parents into sustainable employment over a three year period. Similarly, working with local retailers, JCP and regeneration agencies, the college has delivered a number of short courses, focussing on core skills and customer service, with an average 70-80% progression to employment.
- **West Lothian College: Big 50** - The Big 50 concept was developed by West Lothian College in partnership with the Centre, Livingston and Jobcentre Plus. The programme has been designed by West Lothian College to help those who are now ready for work and receiving benefits into secure employment. The main aim linking to Livingston is 50 celebrations to find employment for 50 people in the retail, hospitality and tourism sectors. The partnership has recruited 50 unemployed people and provides a bespoke training programme leading to employment opportunities within retail hospitality and tourism sectors in the West Lothian area. Many of this 50 have been drawn from communities of significant deprivation. A guaranteed interview and work placement /job will be available at the end of the programme.

## Written submission from the STUC

### Introduction

1 Unemployment in Scotland is currently high, is forecast to rise through 2012/13 and will likely not fall to pre-crisis levels for at least another 3 years. With output still over 4% below pre-recession levels and around 11% below the 2007 trend, the STUC firmly believes that the UK Government must bear primary responsibility for the parlous state of the Scottish labour market. It has chosen to impose an ideological and irresponsible austerity programme on a weak economy; the results, including high unemployment, were entirely predictable.

2 As the STUC has consistently warned since 2008, the tragedy of the 'great recession' is the needless repetition of the labour market policy mistakes of the 1980s and 1990s which left Scotland with too many communities blighted by persistent economic activity. The failures of current policy will result in significant human, social and economic costs for years to come.

3 In the context of an economy suffering a massive deficit of demand, the STUC believes it is important to be realistic about what active labour market programmes can achieve. Even in good times, successful programmes require careful design and implementation and tend to be expensive. The most effective programmes can carry significant deadweight costs. Robust evaluation is complex and difficult.

4 However, the costs of inaction are higher. The world's best performing labour markets spend substantially more on active labour market interventions and this investment isn't subject to the peaks and troughs which characterise the UK's approach. It is important that the Finance Committee considers these issues and identifies the kind of interventions which can make a difference in the post crisis labour market.

### ***'Employability' is not just a supply side problem***

5 It is undeniable that many individuals in Scotland (and elsewhere) experiencing '*high levels of multiple deprivation*' find it difficult to access labour market opportunities. However, the STUC is consistently frustrated that this problem is viewed only from a supply side perspective. We believe it is essential that the design, implementation and evaluation of all labour market interventions must be considered within the prevailing macroeconomic context.

6 Recent research<sup>1</sup> suggests that the type of intervention that was successful in the relatively strong pre-crisis labour market (such as 'mutual obligations' approaches), may not necessarily replicate that success in the weak post crisis labour market. Similarly, those interventions (such as wage subsidising, short-time working schemes) which proved most successful when the economy was collapsing through late 2008/early 2009 were exactly the type of interventions which had been poorly evaluated during the pre-crisis years.

7 The 'mutual obligations approach' was much more likely to yield positive outcomes in pre-crisis than post-crisis labour markets where the issue is not matching people to jobs but declining availability of jobs and vacancies in the first place. This is the central dilemma of active labour market policy in a time of rapidly rising unemployment: focusing on active programmes assumes that there are jobs to go to. The benefits of employability-enhancing measures such as training are also likely to wither on the vine if they are not accompanied by opportunities to put them into practice in real jobs.

8 It is important to note that over an extended period – perhaps around the last 40 years – the Scottish economy has failed to generate sufficient numbers of decent, full-time jobs. This represents the failure of policy under successive administrations; pre and post devolution. The STUC's most recent estimate of Scotland's *full time employment deficit* is 490,000.

9 Also, too many Scottish workplaces are not welcoming places for any new employee; individuals who have spent extended periods unemployed will find such environments all the more difficult. This is a problem rarely addressed in the public policy debate.

10 And very often, the type of jobs that 'individuals with high levels of multiple deprivation' access after support through labour market initiatives are low wage and insecure with very little prospect of training or career progression. It must be emphasised that this is a permanent and recurring state of affairs<sup>ii</sup> for too many workers (perhaps over 20% of the total labour force) in Scotland. Any assessment of the success of active labour market programmes must include an evaluation of the quality of work attained at the end of the process. Moving people into low wage, insecure employment is at best only a partial success if it is to become a permanent rather than a temporary state. Research shows that low wage, insecure work has 'almost as large an adverse effect as unemployment' on workers'<sup>iii</sup> future employment prospects.

### ***Important to be realistic***

11 It's important to emphasise that most social programmes, including active labour market policies, don't help everyone who participates - either because their outcomes remain poor despite the programme or because they would have had a good outcome anyway.

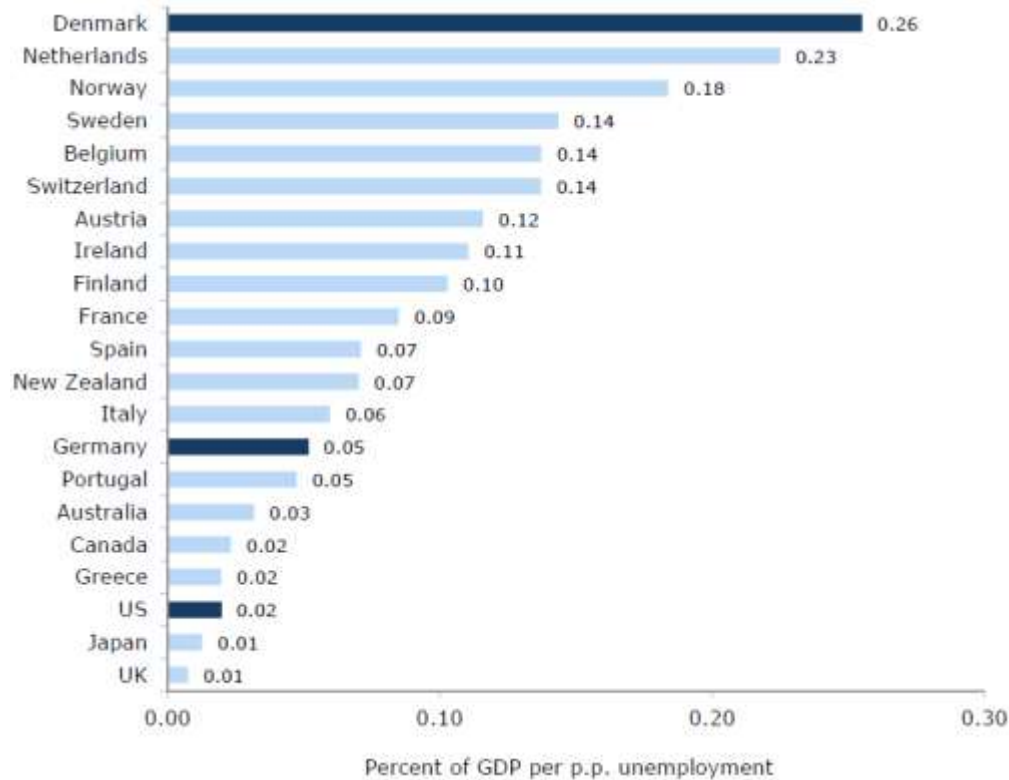
12 For instance, this is clearly true in reference to the UK Government's work experience programme: 54% of participants were still on benefits afterwards and of the 46% who left benefits, 40% would have done so anyway<sup>iv</sup>. This implies that about 86% of the observed impact of the programme is deadweight. It's worth noting also that these figures are similar to the outcomes that persuaded the Government that the EMA should be dropped in England.



**Successful active labour market programmes are expensive**

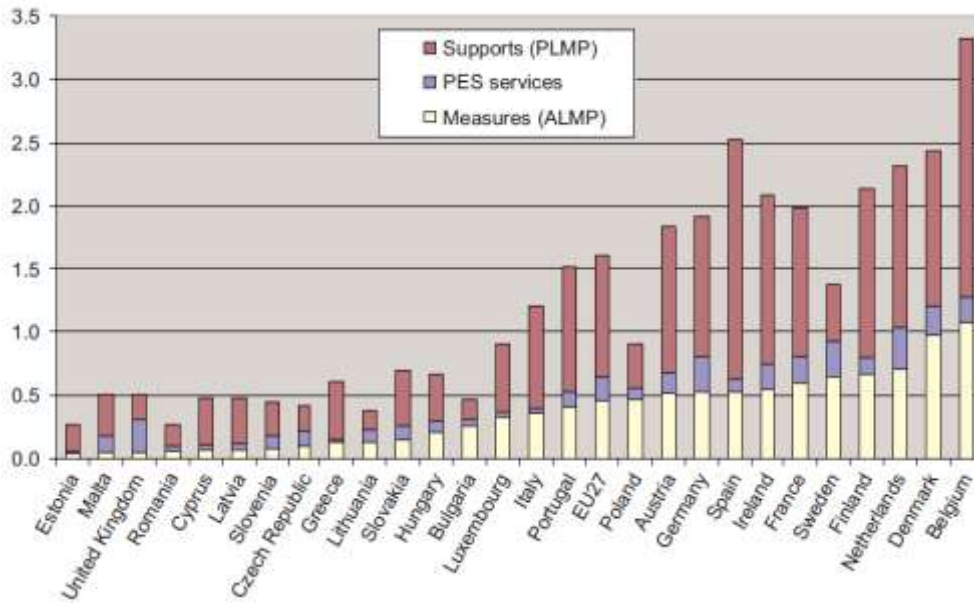
13 Given that the Committee is addressing these issues in the context of fiscal sustainability, it is important to emphasise that the UK (currently and historically) spends less on active labour market programmes than most other developed nations:

Fig 1<sup>v</sup> Expenditure on Active Labour Market policies, 2007 (OECD data)



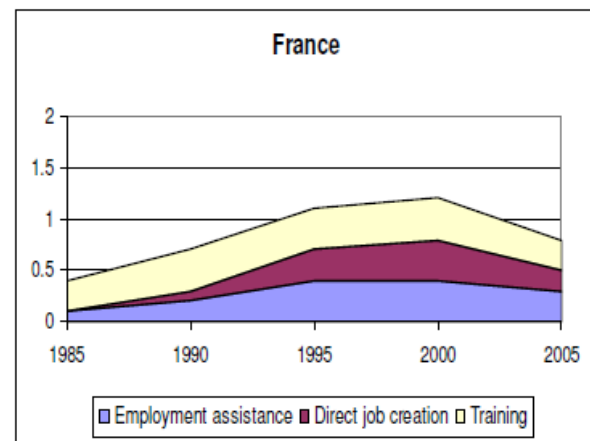
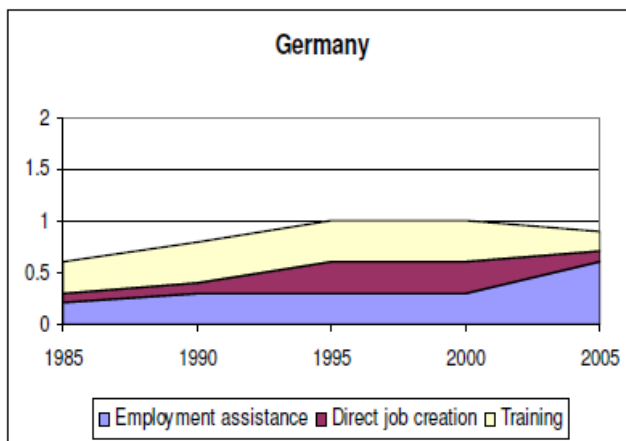
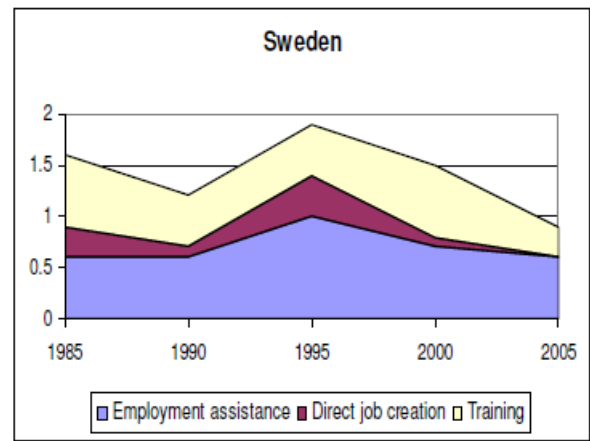
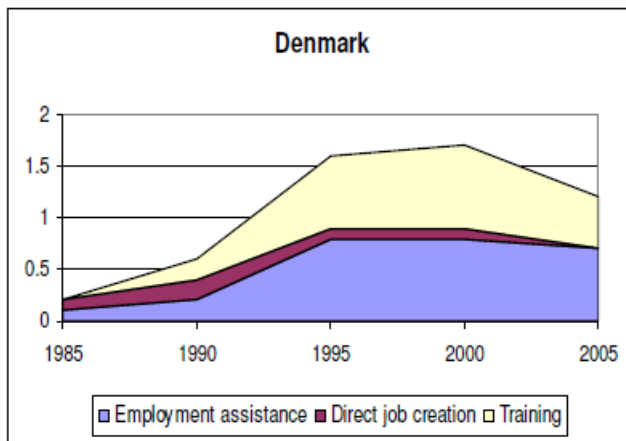
14 Even when spending on passive labour market programmes and public employment services are taken into account, UK spending remains comparatively very low by international standards:

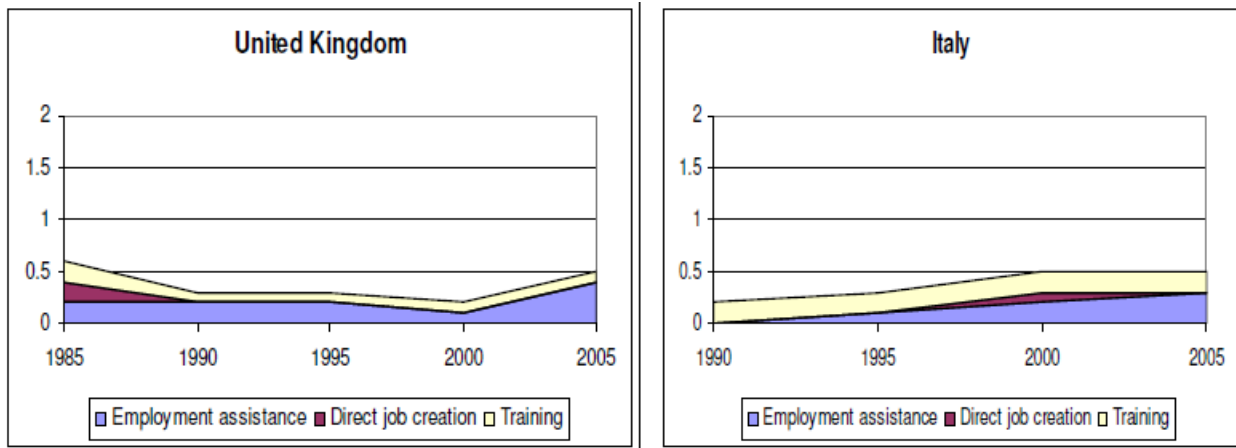
Fig 2<sup>vi</sup> Share of GDP spent on labour market policies



(%)

15 The UK spends less on active interventions, but also focuses this spend in different areas from Europe's best performing labour markets; historically much less has been spent on direct job creation and training<sup>vii</sup>:





### ***What works internationally?***

16 Evaluation is not hugely positive about what active labour market programmes have achieved and can achieve although it is important to bear in mind that, to at least some degree, publication bias is relevant here: the majority of economists undertaking such studies have an intellectual antipathy to the type of labour market intervention under discussion which they often regard as an unwelcome interference in the market. Evaluations are often poorly designed and partial.

17 The ILO<sup>viii</sup> argue that careful screening of evaluation results shows that programmes tend to be successful when:

- Measures are well targeted (albeit at the expense of low take up); requires good profiling of participants/programmes;
- Undertaken in real workplaces rather than 'make work' or make training schemes;
- the private sector is involved in genuine partnership;
- intermediaries have sufficient capacity; and,
- measures are combined i.e. combining supply and demand measures: e.g. training and public works.

18 Learning from previous evaluations, the ILO recommends that active labour market programmes in developed nations should be made '*permanent but flexible parts of the economy as they can provide flexibility and security and function as automatic stabilisers*'. Specific recommendations include:

- Acceptance of a new concept of high/full employment with permanent active labour market programmes;
- Creation of effective labour market institutions working in both private and public sectors;
- Flows (entries, exits) are mediated through these institutions (labour market intermediaries).

### **Current programmes**

19 The STUC believes that, given the scale of current labour market challenges, the totality of active labour market programmes is, as Jonathan Portes of the NIESR has recently argued 'too small, insufficiently funded and poorly designed to make a significant difference'.

#### *UK Programmes*

20 Since the 2010 General Election, the range of public active labour market programmes has changed completely. The New Deal programmes and Employment Zones have been cancelled and one of the first things the new government did was to abolish the Future Jobs Fund (The Coalition Government refused to undertake independent evaluation of the FJF. The only robust independent evaluation undertaken - by Inclusion - was broadly positive but with some recommendations for improvements). During the election, the Conservatives campaigned for a single programme to take the place of the confusing range of different schemes then in existence. In the event it's just as difficult to keep track of the range of programmes now operating.

21 The STUC has some serious reservations about current UK programmes particularly work experience placements. Recent evaluation does show that the scheme does provide some benefits; however there is scope for radical improvement: placements are, as recently argued in the ACEVO Commission on Youth Unemployment report, 'often too short, of poor quality, with young people given little to do and the placement poorly linked to their wider education or the advice and guidance they receive'. Placements must be linked to the genuine prospect of a job at the end. There are also ongoing concerns over job displacement and substitution.

#### *Scottish programmes*

22 In addition to its main programmes (Modern Apprenticeships and Training for Work) the Scottish Government has introduced a number of other worthwhile interventions through the course of the current economic crisis. These include Safeguard an Apprentice through to the Community Jobs Fund.

23 The STUC is unaware of any recent robust, independent evaluation of these schemes. Recent JRF research found that '*there has not been a step change in the efficacy of the employment and employability infrastructure in getting the poorest in Scotland or Wales into work*'<sup>ix</sup>.

### **Who delivers?**

23 The STUC is increasingly concerned over the use of private sector organisations in the delivery of active labour market programmes. We are unaware of any robust evidence that private organisations deliver better outcomes than public sector agencies.

## **Conclusion**

24 Active labour market programmes are an essential part of any well-functioning labour market. However, they are difficult to design and implement and tend to be expensive. Programmes must be flexible to adapt to changing economic circumstances. There has to be an element of realism as to what such programmes can achieve in a macroeconomic environment characterised by high unemployment and low demand.

25 The UK has invested comparatively very low sums in active labour market programmes. These have been reactive to economic circumstances and suffer from the lack of strong and effective labour market institutions to oversee design and delivery.

26 The STUC would recommend that:

- Government at all levels recognises both the importance of active labour market interventions but also the limited outcomes that are associated with all such social programmes, especially when the labour market is so weak;
- Programmes are sufficiently funded and resourced and that there is a healthy scepticism about what the private sector will deliver;
- Work experience programmes must be associated with the genuine prospect of a job and that concerns over displacement must be adequately addressed;
- All existing programmes should be robustly but fairly evaluated; recognising that good outcomes might not always include immediate transition into employment;
- Active labour market policy cannot and should not ignore issues of permanent and recurring low-wage, insecure employment. Moving unemployed individuals into a position where they permanently cycle between bad jobs and no jobs should not be considered a success.

**Written submission from SURF  
Scotland's Independent Regeneration Network**

**About SURF**

SURF is a unique, cross sector network focused on improving community and individual wellbeing through more successful and sustainable regeneration. It has over 250 member organisations, ranging from small community groups to some of Scotland's largest private companies, and include; local authorities, housing associations, health boards, academic institutions, professional bodies and voluntary organisations.

Through an extensive activities programme and related outputs, SURF explores and shares current practice, experience, ideas and knowledge across all regeneration-related sectors. It uses the information and views it gathers to inform and influence more successful and sustainable regeneration policy and practice. It does so mainly through its close contact with key decision makers in the Scottish Government, its agencies and those in local government.

**Areas of Interest**

The Scottish Parliament Finance Committee may be interested to know of two particular areas of current SURF activity:

**1) Reality, Resources, Resilience – regeneration in a recession**

SURF is presently undertaking a programme of collaborative work with the Joseph Rowntree Foundation to examine the 'Reality, Resources, Resilience' in Scottish communities under the impact of recession-related policy decisions. This process is being supported by the Scottish Government.

The aim is to learn more about specific circumstances, and to deepen understanding of the effects of public and private spending reductions; and secondly, to explore the 'ameliorative responses' that communities and their partners are making. The main focus is on the lived experience and perspectives of residents, businesses, voluntary sector support bodies and public sector service organisations. The key emerging so far include:

**IMPACTS:<sup>15</sup>**

- **Small Cuts:** The disproportionately negative impact of the relatively small, short-term savings achieved through reductions in local physical maintenance regimes and cuts in grants/delivery contracts to community groups.
- **Blocked Systems:** The far-reaching and locally corrosive problems arising from stymied opportunities in employment, training, education and housing.

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<sup>15</sup> A more detailed report on the 'impacts' stage of this programme is available on the SURF website:

<http://www.scotregen.co.uk/knowledge/publications.asp?sid=9>

- **Lost Investment:** The fracturing of previously agreed, partnership-based regeneration master-plans and the ‘flight to prime’ of both private and public investment programmes that leaves existing investments isolated and unsustainable.
- **Sense of Abandonment:** The diversion and drying up of place specific regeneration support funding.
- **Short-Term Focus:** A shift away from long-term thinking around holistic regeneration goals to more narrow, immediate activities.
- **Erosion of Networks:** The diminishing scale, depth and range of social networks supported by community groups and less formal local associations.
- **Policy Conflicts:** Funding cuts exacerbating dissonance between diverse policy developments from the UK, Scottish and local governments.

#### **AMELIORATIVE RESPONSES:**

- **Creative collaborations:** Linking place and people and the things they really care about via social and artistic processes.
- **Liberating the front line:** Accessing experience, knowledge and networks where staff and local people interact and at the front line of public services.
- **Willing partners:** Creatively ‘bending the rules’ to make things happen where they otherwise would not.
- **Cover stories:** The useful bureaucratic and political cover provided by pilot projects for breaking barriers and merging roles.
- **Spreading success:** Some good practical evidence of successful scaling up and devolving down.

The contacts and messages from this work form the programme for SURF’s upcoming Annual Conference in Edinburgh on 29.05.12.2

#### **2) Linking Infrastructure and Community Regeneration**

Both the UK and the Scottish Governments are investing in physical infrastructure activity as a means of providing jobs and other opportunities in the midst of the continuing recession, and stimulating longer term sustainable growth. SURF is facilitating discussion between senior policy influencers and practitioners with responsibility for the funding and delivery of Scottish Government backed physical infrastructure investment in order to:

- share perspectives about the links between infrastructure investment and wider community regeneration outcomes for disadvantaged communities and people, such as employment, skills, wellbeing, local services & economic resilience

- inform Scottish Government policy thinking on the further development and delivery of its National Regeneration Strategy
- explore the opportunities for shared added value benefits from precious investments by making better links to community regeneration activities



## Written submission from Universities Scotland

### INTRODUCTION

Universities Scotland is the representative body of Scotland's 19 universities. We welcome the opportunity to give written and oral evidence to the Committee as part of its series of round-table discussions. There are three areas of university activity that may be of interest to Committee members in relation to this inquiry;

1. Universities' efforts to widening access to learners experiencing high levels of multiple deprivation;
2. Universities' focus on employability for students and graduates
3. The role of universities in delivering training and continuing professional development for Scotland's existing workforce.

As this inquiry originates from the Committee's wish to consider inequality and social deprivation and the hugely negative impact that social deprivation can have on an individual's outcomes in life, within a broader theme of fiscal sustainability, this brief focuses most on widening access to university. However, Universities Scotland would be very happy to provide more information on any other aspect of university activity.

### 1. WIDENING ACCESS TO UNIVERSITY TO LEARNERS EXPERIENCING MULTIPLE DEPRIVATION

- **Committed to widening access.** Every one of Scotland's universities is committed to widening access to university and to the principle that it should be academic merit and potential that determines entry to university, not an individual's financial circumstances.
- **Measurement and progress to date.** A wide range of metrics and reporting structures are in place to monitor universities progress on widening access both at a Scottish (Scottish Funding Council) and UK (HESA) level. The student body at Scotland's universities is increasingly diverse with:
  - 22.9% of the student population from the 40% most deprived neighbourhoods – a proportion which is significantly higher than the number who obtain five Highers or equivalent from the 40% most deprived deciles. This reflects the fact that many students enter university from college and other routes.
  - the 10% who entered with advanced standing directly into years two or three;
  - the 40% who study part-time, with the Open University in Scotland playing a significant role in the delivery of part-time education.
- Universities partner closely with schools and colleges to raise aspirations, improve attainment and to provide increasingly flexible and diverse entry routes into university and recognise prior learning – all of which helps to contribute to widening access to university.
- **Outcome agreements on access.** Universities are determined to build on their record of widening access. Currently all universities are negotiating outcome agreements on access with the Scottish Funding Council (SFC) to be in place by July 2012 and to take effect from academic year 2012/13. This work is still in development and so the detail is yet to be defined however it is important to ensure that collaborative partnerships between universities are not undermined by setting individual institutional targets. It will also be necessary to bear in mind

limitations inherent in the Scottish Index of Multiple Deprivation as a measure and the need to measure progress over three to five year periods to avoid annual fluctuations.

- **Supporting a holistic approach to widening access.** There is now a significant body of evidence from multiple sources which demonstrates the impact that deprivation has on an individual's life choices including, very acutely, their educational attainment. Disengagement from learning typically starts many years before entry to university and there is a clear correlation between deprivation and attainment at both standard and higher grade. Universities cannot alone redress these circumstances. Universities Scotland supports a policy of early years intervention and on-going support from birth, through pre-school and into adulthood if Scotland is to make a substantial step-change in this area. A holistic approach that involves schools, colleges and universities as the best way to widen access to university over the long-term.

## 2. FOCUS ON EMPLOYABILITY FOR STUDENTS AND GRADUATES

- **Employability a core part of university activity.** Scotland's universities believe that youth employment is a priority issue and share the ambition to ensure that Scotland's young people have the opportunity, skills and confidence to enter work, training and higher and further education, which will not only benefit them but will also benefit the economy and country as a whole. That is why employability is embedded into the learning and teaching strategies of every one of Scotland's universities.
- **Graduates showing resilience.** Graduate employment is another area of activity that is closely monitored and evaluated. Figures published in summer 2011 show that 88% of graduates from Scottish universities are in positive destinations only six months after study which indicates that graduates continue to show resilience despite the challenging jobs market. The statistics showed Scotland's universities achieved the highest rate of positive destinations in the UK, the highest starting salaries (at £21,000) and the lowest level of assumed unemployment (at 7% compared to UK 9%). Graduate resilience is further reinforced in contrast to the concerning unemployment rate for all 16-25 year olds at the same period which was 20 per cent. The Scottish Funding Council has a role in university employability and closely monitors progress of a broad programme of activities in the sector under the umbrella project *Learning to Work* (strands one and two).
- **High-level skills a driver of Scotland's economy.** Whilst a focus on those individuals furthest from employment, education and training is understandable, it is important not to be complacent about Scotland's skills level and how this compares internationally. A recent report to the European Parliament warns that "*Europe is no longer setting the pace in the global race for knowledge and talent while emerging economies are rapidly increasing their investment in higher education*" (source: European Commission [COM\(2011\) 567 final](#) to the European Parliament, September 2011)
- **Graduate talent as a magnet for investment and economic growth.** Over the last twelve months, a number of companies have chosen to locate or reinvest in Scotland, citing the graduate talent pool in Scotland as a major factor in their decision. Such investments from companies like Avaloq, FMC, State Street, Outplay Entertainment have created hundreds of graduate-level jobs, but also

hundreds of non-graduate jobs, helping to drive economic growth for all of Scotland. This is a key role for universities both through the production of high-quality human capital and research and development.

### **3. WORKFORCE DEVELOPMENT AND CONTINUING PROFESSIONAL DEVELOPMENT (CPD)**

- This is a significant area of activity for universities but is often overlooked.
- Data from the HE Business Community Interaction survey found Scotland's universities delivered 152,000 learner days of recorded CPD to Scotland's workforce in 2009/10 and 93.33 per cent of universities offered bespoke training for business either on campus or on the business's premises.
- A growth in mature applicants to university in recent years (50+ per cent increase for applicants for entry in 2010 and then 15% for 2011 entry before plateauing) shows the significant role universities play in re-skilling and up-skilling Scotland's workforce.
- There are many close partnerships between universities and business for CPD including the Open University in Scotland's partnership with Unite the union and Rolls Royce and Glasgow Caledonian University's bespoke provision in the form of Howden Academy and ClydeUnion Academy with companies Howden and Clyde Blowers respectively.

## **ANNEX**

### **EMPLOYABILITY CASE STUDIES**

- **A sector-wide employability network: The Scottish Higher Education Employability Network.** SHEEF is a sector-wide network for graduate employability across Scotland's universities. It works to co-ordinate and share good practice development within HEIs and colleges and to strengthen links and encourage dialogue between student bodies, institutions and employers. The Scottish Funding Council, Universities Scotland, NUS Scotland, the Scottish Institute for Enterprise, QAA Scotland, Association of Graduate Careers Advisory Service Scotland and the Higher Education Academy are involved in the forum.
- **Confident Futures – Edinburgh Napier University.** Edinburgh Napier University runs a mentoring scheme to sharpen their graduates' competitive edge in the job market. The scheme is part of the University's Confident Futures Programme aimed specifically at third and fourth-year students from non-traditional backgrounds or those that have entered university through a further education route. The scheme links students up with mentors from business and industry and successful figures from the University's alumni so students benefit from personal and professional development and get the opportunity to build long-term relationships with members of the business community.
- **Third Sector Internships Scotland (TSIS).** TSIS is an initiative to create 300 paid internships in the Third Sector across the breadth of Scotland. Funded by the Scottish Funding Council as part of its Learning to Work 2 programme, the initiative is delivered by Queen Margaret University Edinburgh, The Open University in Scotland and the Scottish Council for Voluntary Organisations, with wider support from other Scottish universities. All internships are paid at the living

wage rate (£7.15 per hour) which makes them attractive to students from all backgrounds and can be equivalent to ten weeks' full-time work.

- **The Scottish Institute for Enterprise.** SIE is an initiative supported by the SFC and Scottish Enterprise to increase the number of students who consider entrepreneurship a real option during and after their studies. Every Scottish university is part of SIE and there are two or three Student Interns on each university campus, who promote SIE and their own University's enterprise services, and also run their own local events, competitions, and enterprise society.

## WIDENING ACCESS CASE STUDIES

- **Pathways to the Professions – University of Edinburgh.** This ground-breaking project, initiated in 2001/02, encourages progression by under-represented school students into professional courses in Law, Medicine, Veterinary Medicine and Architecture. All students from the 46 local secondary schools in Edinburgh and the Lothians are eligible to register with Pathways.
- **Access to Learning Summer School (DUAL Summer School) – University of Dundee.** The DUAL Summer School is for students lacking conventional entry requirements for a good reason: a 10-week course leading to guaranteed undergraduate places. Eligibility for the programme is based on being on a number of criteria including being the first person in a family to go to university or having a low income.
- **Caledonian Club – Glasgow Caledonian University.** The Caledonian Club engages with pupils as young as three from nursery, through primary and secondary school as part of its widening participation and community engagement initiative. It offers activities in school and on the university campus designed in partnership with Club schools to enhance the school curriculum and concentrate on the development of personal and social skills.
- **First Chances Project – University of St Andrews.** A number of secondary schools from the Fife area participate in the First Chances project. The rationale behind First Chances is for the school to select ten pupils at the start of S3 who they feel can be aided in raising their aspirations and attainment.
- **Scottish Widening Access Programme (SWAP).** SWAP gives independent advice to adults about opportunities to access higher education. There are many adults who have the potential to succeed at university, but missed out first time round, for whatever reason. Since the launch of SWAP in 1988 more than 27,000 adults have taken the SWAP route to return to study.

## Written submission from Who Cares? Scotland

### Looked After Young People:

Who Cares? Scotland's (WC?S) mandate is to represent the voice of Looked After Young people. Under most indicators of social well-being looked after young people achieve the poorest outcomes. **Only 36%**<sup>16</sup> are entering a positive destination, whether that is training, education or employment and this is not necessarily sustaining within it. Contrary to this outcome, in a WC?S consultation with care leavers in 2012 aged 19-23, highlighted that all of them aspired to having a job. They lacked the life skills and/or technical skills to be able to gain and sustain in employment. It is a necessity for this generation and future looked after young people, that we enable them to lead sustainable lifestyles as socially and economically active citizens.

### Myriad of issues that affect looked after young people:

**Relationships** - The key feature that most young people who have been looked after have in common is that they have suffered a breakdown in their close developmental relationships. Relationships are the key to setting aspirations and building self-confidence. Supportive long-term relationships are central to looked after young people's sustainable engagement in employability programmes.

**Transitions** – As looked after young people begin to leave school and consider work or training programmes they are also often being made to go through a transition in where they live and a reduction in the support they receive. This can include leaving a residential unit or foster family. The levels of support for this transition out of care are variable and sometimes inadequate. Young people can feel isolated in tenancies or lack the practical skills from budgeting to cooking to thrive. Consequently this is often a time of pressure, and young people leaving care often cannot cope with this transition whilst also maintaining a place on an employability programme or job.

**Solutions** - As well as improving the way we transition young people out of care, we need to be sure that appropriate longer-term support is given to young people as they transition into being a young adult and gradually gain further independence.

The particular circumstances and context within which looked after young people live needs to be considered in the development of any employability programme. It needs to be tailored to meet their needs.

More generic employability programmes that last for 6 – 12 weeks might succeed in getting a looked after young person into a positive destination, but the majority will not sustain that without their broader context being considered.

Due to personal circumstances young people who are known to Who Cares? Scotland, who take up Modern Apprenticeships and/or attend other employability schemes, have witnessed only **50%** of them sustaining their personal development. And these are young people who have passed interviews and selection processes.

It is clear that tailored solutions need to be created to assist care leavers into positive destinations. Who Cares? Scotland has the expertise and responsibility towards these young people to work together with other partners to provide an effective solution that the Scottish Government should invest in.

## **The Supported Internship Programme**

**The Partners: Venture Trust – Link Living – Move On – Who Cares? Scotland**

All the partners have direct experience of working with young people who have experienced the care system. The partners' experience of having worked with care leavers will enable them to give the most appropriate support to the young people to succeed in maintaining employment.

- Recruited care leavers aged 16 -25 attend a one month personal development programme, to help them to reflect on why they want to participate in the internship programme and what they want to achieve and what they will have to put in.
- Recruits will be matched into one of the other partner organisations from which they do not have experience. This will support the young person's transition into realising they are there to work and not to be there primarily as a young person in need of services.
- The recruits will form a peer- support group, to share learning, encourage and motivate each other to remain within their jobs, this support will continue when they gain full external employment.
- The internship will be for 6 months and should involve the young person gaining qualifications.
- The recruits will undertake a meaningful work-place role within each organisation.
- The internships will be for up to 16 hours per week so as not to interfere with benefit payments.
- The internships will be paid positions within the organisations
- If the young people complete their internship successfully they will be given a guaranteed job within an external organisation that the 4 partners have identified.

The four partner organisations have the range of expertise and relationships with the looked after young people to enable a programme like this to work. It is an innovative solution that needs to be resourced, as we cannot continue to fail our looked after population through inappropriate programmes.

The main barrier to its current success is financial. For only £125K this type of programme could be effectively rolled out.

We know that we would get employers in the private and public sector to engage a care leaver, if they are an effective employee. We are confident this programme will enable young people to achieve this ambition and realise their potential.

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<sup>i</sup> See for instance Labour Market Policy in the Great Recession, John Schmitt, CEPR May 2011 & Financing and operating active labour market programmes during the crisis, Eurofound, 2011

<sup>ii</sup> Pg 1, Low-Wage Lessons, John Schmitt, CEPR 2012

<sup>iii</sup> 'The Interrelated Dynamics of Unemployment and Low –Wage Employment', Stewart, Journal of Applied Economics, vol 22, 2007

<sup>iv</sup> Early Impacts of Work Experience, DWP, April 2012

<sup>v</sup> Labour Market Policy in the Great Recession, John Schmitt, CEPR May 2011

<sup>vi</sup> Financing and operating active labour market programmes during the crisis, Eurofound, 2011

<sup>vii</sup> The political economy of active labour market policy, Giuliano Bonoli, 2010

<sup>viii</sup> Active Labour Market policies around the world, ILO 2005

<sup>ix</sup> The impact of devolution – employment and employability, JRF 2010