

EXECUTIVE SUMMARY

The Commission for Developing Scotland's Young Workforce was set up in January 2013 to consider :

- How a high quality intermediate vocational education and training system, which complements our world-class higher education system, can be developed to enhance sustainable economic growth with a skilled workforce.
- How to achieve better connectivity and co-operation between education and the world of work to ensure young people at all levels of education understand the expectations of employers, and that employers are properly engaged.
- How to achieve a culture of real partnership between employers and education, where employers view themselves as co-investors and co-designers rather than simply customers.

BACKGROUND

Youth unemployment levels are currently 18.8%¹, more than double that of the average working age population. The reality of this statistic is that almost one in five young people in Scotland wake up in the morning wondering if their country needs them.

It is important that all young people in Scotland are provided with the opportunities to develop and use the skills and abilities necessary to become an active part of the labour force and to maximise the benefits to them and their contribution to economic growth.

More than 50 per cent of our young people don't go to university and, of these, very few leave school with vocational qualifications with labour market currency. The majority have had limited access or exposure to the world of work with only 27%² of employers offering work experience. For school pupils this is generally limited to one week in S4.

We are simply not preparing or equipping these young people for the world of work. There must be much more focus on providing them with the skills, qualifications and vocational pathways that will lead directly to employment opportunities.

It is also clear that employers have lost the habit of employing young people. Only 29 per cent of employers recruit young people from education³ and only 13% of employers take on apprentices⁴. Business and industry must be encouraged to work together with education and young people, and vice versa, to establish pro-active and engaged relationships which will benefit both young people and employers.

¹ Source: Labour Force Survey Jan-Mar 2014, ONS

² Source: Employer Perspectives Survey 2012. UKCES

³ Source: Employer Skills Survey 2013, UKCES

⁴ Source: Employer Perspectives Survey 2012. UKCES

The Commission has met more than 400 people across Scotland⁵ – leaders of schools, colleges, local government, business and industry and young people. The dialogue has been extremely helpful, frank and open in our examination of the current approach to school and college education, Modern Apprenticeships and employers' involvement in education and employment of young people and how this can be improved for the benefit of the young people and our economy.

We have developed a wide ranging set of recommendations across the six main areas of our remit, with the aim of increasing youth employment levels in Scotland to match those of the better of our European competitors. These cover:-

Better preparing school leavers for the world of work

- Beginning well before the start of the senior phase⁶ and right through to S6, young people should be exposed to a wide range of career options. This can only be achieved by schools and employers systematically working together in meaningful partnership to expose young people to the opportunities available across the modern economy. To support this a comprehensive standard should be developed for careers guidance which would include involvement of employers and their role and input.
- As they move into the senior phase, young people of all abilities should have the opportunity to follow industry relevant vocational pathways alongside academic studies. Thus we proposed new school-college vocational partnerships with the potential for young people to do qualifications such as National Certificates and Higher National Certificates as well as options to do the first year of a 3-4 year apprenticeship while still at school. It is also vital that we introduce a 21st century approach to high quality work experience that provides pupils with a meaningful and productive exposure to the world of work.

College education focused on employment and progression in learning

- Moving beyond school, we must ensure that young people at college pursue studies with an expectation of that they will lead successfully to employment in the prevailing labour market. The newly formed regional colleges, through more focused and ambitious outcome agreements, and working closely with industry, should ensure that a college education provides skills and qualifications relevant to the market requirements and in particular the new challenges of the modern technology orientated economy.

Modern Apprenticeships focused on higher level skills and industry needs

- Modern Apprenticeships should be developed in those industry sectors of the economy where young people have the best chance of building a long term career. Alongside this, the number of high level Modern Apprenticeships, level 3 and above, should be

⁵ List available at

<http://www.scotland.gov.uk/Topics/Education/edandtrainingforyoungple/commissiondevelopingscotlandsyoungworkforce>

⁶ The senior phase takes place from S4 to S6 in schools and includes ages 16 to 18 out of school.

expanded significantly to support Scotland's medium term economic growth. Industry must be to the fore of the future development of Modern Apprenticeships in Scotland.

More employers engaging with education and recruiting more young people

- Employers have a huge amount to gain from improving young people's workplace experience and knowledge of career options. The Review clearly identifies the many advantages for employers from much closer partnership working with schools and colleges in the development of the key assets for their future success. The Review makes a number of proposals in how employers can become much more involved to the benefit of themselves and the education system, principally through the proposed Invest In Youth Regional Groups.
- The majority of employers are not recruiting young people. Urgent and sustained action is required to counter this. It's proposed this is tackled again through the Invest In Youth Regional Groups with a range of initiatives to encourage employers to overcome the real and perceived barriers to employing young people.

Advancing Equalities

- As part of our review, we have looked at the challenges in advancing equalities within Scottish education and youth employment. We have particularly looked at gender, ethnicity, disability and care leavers. There are clearly no quick fixes in these areas, but we have made some recommendations focused on practical steps which we believe will make a difference in the medium to long term. This requires action and clear targets to address existing under representation and segregation within vocational education and looking at this in the development of senior phase vocational pathways could help improve equality outcomes in the workplace in the medium term.

Successful Implementation – success targets

The Commission believes with the appropriate level of support from government, education and employers, and with sustained mainstream investment in the changes proposed, Scotland should achieve:

- All 363 secondary schools in a long term partnership with employers within 3 years.
- The quality of work experience and career guidance to be significantly enhanced – all school pupils to receive work experience and career guidance in line with Recommendations 2 and 3 by 2020.
- An additional 5,000 Modern Apprenticeship places at level 3 and above by 2020 with potential for further growth beyond that.
- 60% of school leavers not attaining Highers to leave school with meaningful industry relevant vocational qualifications by 2020.

- Our unemployment rate to reduce to the average youth unemployment rate of the 5 best performing European countries by 2020. At current rates and population size, this should take youth unemployment down by around 30,000.

Our Recommendations are as follows –

EDUCATION & TRAINING

SCHOOLS

Senior Phase Vocational Pathways

Recommendation 1: Pathways should start in the senior phase which lead to the delivery of industry recognised vocational qualifications alongside academic qualifications. These pathways should be developed and delivered in partnership with colleges and, where necessary, other training providers. Their delivery should be explicitly measured and published alongside other school performance indicators.

Preparing Young People For The World Of Work

Recommendation 2: A focus on preparing all young people for employment should form a core element of the implementation of Curriculum for Excellence with appropriate resource dedicated to achieve this. In particular local authorities, Skills Development Scotland and employer representative organisations should work together to develop a more comprehensive standard for careers guidance which would reflect the involvement of employers and their role and input.

Recommendation 3: A modern standard should be established for the acceptable content and quality of work experience, and guidelines should be made available to employers. This should be developed by Education Scotland in partnership with employer bodies and Skills Development Scotland. This should involve input from young people. Work experience should feature in the Senior Phase Benchmarking Tool and in Education Scotland school inspections.

COLLEGES

Regional Outcome Agreements

Recommendation 4: Colleges' key role in the development of Scotland's young workforce should be recognised and managed through Regional Outcome Agreements.

Focus On Employment

Recommendation 5: The new regional colleges should have a primary focus on employment outcomes and supporting local economic development. This should be underpinned by

meaningful and wide ranging partnerships with industry and should be at the forefront of Regional Outcome Agreements and their measurement.

SCHOOLS AND COLLEGES WORKING IN PARTNERSHIP

Recommendation 6: A commitment to supporting the development of Scotland's young workforce through the enhancement of vocational education pathways should feature prominently in the National Performance Framework, Community Plans and College Regional Outcome Agreements.

MODERN APPRENTICESHIPS

Alignment with Economic Growth

Recommendation 7: Modern Apprenticeships should be aligned with the skills required to support economic growth.

Access and Higher Level Opportunities

Recommendation 8: Development of Modern Apprenticeship access processes and progression pathways should be prioritised.

Quality Improvement

Recommendation 9: An industry-led quality improvement regime should be introduced to oversee the development and promotion of Modern Apprenticeships.

Growth

Recommendation 10: If employers can be encouraged to offer significantly more good quality apprenticeships, the Scottish Government should consider a carefully managed expansion of the annual number of Modern Apprenticeship starts.

QUALITY ASSURANCE

Recommendation 11: Employability must be a key focus within Education Scotland's work to support and quality assure the delivery of education. To support this, Education Scotland must work more closely with business organisations and their members to ensure that their work is underpinned by an understanding of industry's needs and expectations.

SCIENCE, TECHNOLOGY, ENGINEERING AND MATHS

Recommendation 12: A focus on STEM should sit at the heart of the development of Scotland's Young Workforce.

MORE CHOICES MORE CHANCES

Recommendation 13: Support for young people at risk of disengaging from education and for those who have already done so should focus on early intervention and wide ranging, sustained support. This should relate to labour market demand and should be focused on helping young people engage on the labour market relevant pathways that we have highlighted.

INVOLVEMENT OF EMPLOYERS

Regional Invest in Youth Groups

Recommendation 14: The Scottish Government should support the creation of regional industry-led Invest in Youth groups across Scotland to provide leadership and a single point of contact and support to facilitate engagement between employers and education.

Business and Industry Partnerships with Schools

Recommendation 15: Businesses across Scotland should be encouraged and supported to enter into 3-5 year partnerships with secondary schools. Every secondary school in Scotland and its feeder primaries should be supported by at least one business in a long-term partnership.

Recommendation 16: Scotland's leading industry sector groups and companies should be encouraged to work with the Scottish College for Educational Leadership to develop a programme to provide emerging school staff leaders with a wide ranging understanding of industry and careers.

Business and Industry Partnerships with Colleges

Recommendation 17: Employers and national industry sector groups should form partnerships with regional colleges to ensure course content is industry relevant and full advantage is taken of work based learning and employment opportunities.

Industry Led Skills Planning

Recommendation 18: In the development of future industry Skills Investment Plans and Regional Skills Assessments, and in the updating of existing plans, there should be a specific focus on youth employment and the development of vocational pathways starting in the senior phase.

Recognising Good Practice – Invest in Youth Accolade

Recommendation 19: A nationally defined Invest in Youth Accolade should be developed to recognise industry's engagement in the development and employment of Scotland's young workforce.

Additional Support for Businesses Recruiting and Training Modern Apprentices

Recommendation 20: A small business Modern Apprenticeship recruitment incentive package should be developed to equip and support smaller and micro businesses to recruit and train more young people.

Recommendation 21: Voluntary levy schemes to recruit and train young people in skills shortage areas should be encouraged. Groups of employers should be supported to work in collaboration, with the Scottish Government providing co-funding.

Incentivising and Supporting More Employers to Recruit More Young People

Recommendation 22: Procurement and supply chain policies in both the public and private sectors should be applied to encourage more employers to support the development of Scotland's young workforce.

Recommendation 23: Public sector employers should be encouraged by the Scottish Government and local authorities to be exemplars in a national Invest In Youth Policy and this should be explicitly reflected in their published corporate plans.

Recommendation 24: Growth businesses and Inward Investment companies in receipt of public funding should be encouraged and supported to employ young people.

Recommendation 25: Financial recruitment incentives should be re-examined and carefully targeted to achieve the most benefit in providing sustainable employment for young people.

ADVANCING EQUALITIES

Cross Cutting Equality Issues

Recommendation 26: Scotland should embed equality education across Curriculum for Excellence.

Recommendation 27: Promotion and communication of career options should actively target equalities groups to promote diverse participation across gender, Black & Minority Ethnic groups, young people with disabilities and care leavers. The promotion of Modern Apprenticeship opportunities should be to the fore of this activity.

Gender

Recommendation 28: Senior phase vocational pathways should be designed to encourage more gender balance across occupations.

Recommendation 29: The Scottish Funding Council and colleges should develop an action plan to address gender disparities within college education. This should be underpinned by realistic but stretching improvement targets. The Scottish Funding Council should report on this annually.

Recommendation 30: Skills Development Scotland should develop an action plan to address gender disparities within Modern Apprenticeships. This should be underpinned by realistic but stretching improvement targets. SDS should report on this annually.

Young People From Black and Minority Ethnic Groups

Recommendation 31: A targeted campaign to promote the full range of Modern Apprenticeships to young people and parents from the BME community should be developed and launched to present the benefits of work based learning as a respected career option and alternative to university.

Recommendation 32: SDS should set a realistic but stretching improvement target to increase the number of young people from BME groups starting Modern Apprenticeships. Progress against this should be reported on annually.

Young Disabled People

Recommendation 33: Career advice and work experience for young disabled people who are still at school should be prioritised and tailored to help them realise their potential and focus positively on what they can do to achieve their career aspirations.

Recommendation 34: Funding levels to colleges and MA training providers should be reviewed and adjusted to reflect the cost of providing additional support to young disabled people, and age restrictions should be relaxed for those whose transition may take longer.

Recommendation 35: Within Modern Apprenticeships, SDS should set a realistic but stretching improvement target to increase the number of young disabled people. Progress against this should be reported on annually.

Recommendation 36: Employers who want to employ a young disabled person should be encouraged and supported to do so.

Care Leavers

Recommendation 37: Educational and employment transition planning for young people in care should start early with sustained support from public and third sector bodies and employers available throughout their journey toward and into employment as is deemed necessary.

Recommendation 38: Across vocational education and training, age restrictions should be relaxed for those care leavers whose transition takes longer.

Recommendation 39: In partnership with the third sector, the Scottish Government should consider developing a programme which offers supported employment opportunities lasting up to a year for care leavers.

A set of supporting documents including the Commission's Interim Report, Statistical Analysis and an Equality Impact Assessment is available at:

<http://www.scotland.gov.uk/Topics/Education/edandtrainingforyoungple/commissiondevelopingscotlandsyoungworkforce>