

PERTH AND KINROSS COUNCIL

Strategic Policy and Resources Committee – 21 September 2016

ANNUAL PROGRESS REPORT ON THE PERTH AND KINROSS DEVELOPING OUR YOUNG WORKFORCE ACTION PLAN

Joint Report by Senior Depute Chief Executive (Equality, Community Planning and Public Service Reform) and Depute Chief Executive, Environment (Sustainability, Strategic and Entrepreneurial Development)

PURPOSE OF REPORT

The Council and its Community Planning partners developed a local action plan in response to the Scottish Government's Youth Employment Strategy which was published in December 2014. This report provides an update on progress on the Developing our Young Workforce Perth and Kinross Action Plan which was approved by this committee in June 2015 (Report No. 15/253 refers).

1. BACKGROUND / MAIN ISSUES

- 1.1 The Scottish Government's [Youth Employment Strategy](#) was developed in response to the recommendations of The Commission for Developing Scotland's Young Workforce which published its final report [Education Working for All](#) in June 2014. This highlighted the need for concerted action to tackle structural and recurring youth unemployment. Its recommendations were wide-ranging and spanned the education and training system, calling for more effective joint working between schools, colleges, training providers and employers. It aims to provide the best possible blend of learning for young people to better equip them for the world of work.
- 1.2 The Scottish Government published an [Annual Update on its Youth Employment Strategy](#) in December 2015. This highlighted that good progress is being made across all of the work streams outlined in the strategy (Schools, Colleges, Apprenticeships, Employers and Equalities). Further details of progress at a national level and remaining challenges are outlined in paragraphs 1.6 and 1.7 below.
- 1.3 Nationally unemployment has fallen considerably, both at an overall level and within young people specifically. The total claimant count is down from 97,315 (June 2014) to 75,265 in June 2016 (a drop of 23%), and the numbers of 18-24 year olds are down 33% in the same period. This is mirrored within Perth and Kinross with overall unemployment levels declining by 30% for all age groups in the same period, and by 36% for the 18-24 age group. The numbers of 18-24 year olds unemployed has declined from 360 to 230. However young people are still disproportionally represented within the overall numbers of those out of work, and due to their lack of work experience face additional challenges in securing employment.

- 1.4 A small number of Developing our Young Workforce (DYW) Regional Employer led groups were established in 2014/15, and in 2015/16 these were established in most areas across Scotland. The Regional Groups are now starting to engage with businesses and education providers to help “make the connections” between the two. The new Investors in Young People award which recognises employers who develop young talent in a structured and comprehensive way is now gaining momentum, with a growing number of employers seeking accreditation. In addition the number of Modern Apprenticeships (MA's) nationally has increased, and new Foundation and Graduate Apprenticeships have been introduced.
- 1.5 The Government allocated funding to Local Authorities in 2014/2015 and 2015/2016 to support the implementation of the proposals. A total of £389K was allocated to Perth and Kinross and further details on how this was allocated are outlined in paragraph 2.3.
- 1.6 Nationally the main actions progressed under the 5 work streams in 2015/2016 include:

1.6.1 Schools – Work Relevant Learning 3-18

- Additional vocational learning opportunities offered to senior phase pupils.
- New Foundation Apprenticeships (which allow pupils to complete elements of an apprenticeship while still at school) expanded from 2 pilot programmes to 29; recruiting around 300 pupils across 20 local authority areas.
- New national guidance documents published for:
 - School/Employer Partnerships
 - Career Education Standard (3-18)
 - Work Placements Standard
- Education Scotland Inspections now take into account how well young people are being prepared for work and are now incorporated in the How Good is our School 4 self-evaluation.
- Career Advice now given to young people at an earlier stage in school.
- Work developed as to how best increase pupil participation in Science, Technology, Engineering and Mathematics (STEM).
- The Scottish Funding Council have developed a Gender Action Plan to address gender balance in senior phase vocational pathways.

1.6.2 Colleges – A Valued and Valuable Choice

- Senior phase pupils benefitting from additional vocational opportunities delivered by Colleges.
- The range of Foundation Apprenticeships has been expanded.
- Colleges are now re-aligning their curriculum to better meet the needs of employers.

1.6.3 Apprenticeships – Access to Work Based Learning for All Young People

- The number of Modern Apprenticeship (MA) opportunities has increased to 25,500 (up 500) with a target of 30,000 to be reached by 2020.
- Foundation Apprenticeships expanded in number and scope.
- New Graduate Level Apprenticeships being developed.
- MA Equality Action Plan has been developed – includes targets for MA participation among specific under-represented groups.

1.6.4 Employers – Employers' Investment in the Young Workforce

- More Regional Employer Led Groups established across Scotland, most areas now have a group established and operational.
- Investors in Youth Accreditation now established and 326 business accredited (as of June 2016 - including 46 Gold Awards and 35 Silver).
- Guidance on School/Employer Partnerships published.

1.6.5 Equality – Developing the Talents of All Our Young People

- Skills Development Scotland (SDS) has published an MA Equality Action Plan.
- SDS has funded MA's targeted at under-represented groups.
- Pilot projects developed to identify Best Practice.

1.7 The Government's Annual Progress Report also sets out a number of **challenges** which include:

- Maintaining a focus on Developing the Young Workforce and its aims against a background of budgetary constraints and considerable demands on the education system.
- Ensuring a focus on learning about the world of work from the early stages of school onwards not just within the senior phase.
- Ensure those advising young people have a good understanding of the full range of opportunities available to them.
- Ensure planning, timetables and logistics facilitate growing numbers of young people choosing vocational pathways.
- The need to demonstrate how vocational pathways are valued by employers and are therefore a secure and positive destination for young people to pursue.
- Continue to work at developing sustainable and proactive school/college partnerships to improve the range and scope of learning opportunities.
- Making the best use of public funds across the skills landscape particularly with the forthcoming introduction of the Apprenticeship Levy the impact of which is unclear at the moment.
- The need to focus our efforts around getting maximum value from the reinvigorated connections between education and employers; and share best practice across the Regional Employer-led Groups.
- The need to prioritise those young people who continue to face barriers and seek to ensure positive destinations for **all** young people.

2. PERTH AND KINROSS UPDATE

- 2.1 Within Perth and Kinross good progress has been made across all five of the DYW action work streams, mainly as a result of enhanced partnership working across organisations. Locally we need to ensure that we align the offering within our schools and Perth College UHI to meet the needs of our current and future employers. With a number ambitious projects highlighted with the Perth City Plan and a number of others being developed through the ongoing work on the Tay Cities Deal, this provides an opportunity to better align skills demand and supply. A detailed update on all the Recommendations and Actions is attached as Appendix 1 to this report. The Perth and Kinross Community Planning (CPP) DYW Working Group have been monitoring the implementation of the Action Plan agreed in 2015. However, now that the Regional employer led DYW Board has been established, the CPP group will be disbanded, with the monitoring role for the overall action plan being transferred to the Community Planning Economy and Lifelong Learning Outcome Delivery Group.
- 2.2 The Lifelong Learning Committee received a full update report in May of this year ([report 16/227 refers](#)) on actions taken to implement the Enterprise and Employability policy in Secondary Schools which was developed in response to the DYW recommendations.
- 2.3 The additional funding from the Scottish Government has allowed the Council to provide additional support in all ten secondary schools' to take forward the implementation at a local level. It has supported the creation of a new temporary post to co-ordinate and progress projects at a corporate and community planning level, including leading the creation of the DYW Board in Perth and Kinross and working with them to develop a proposal for funding. It has also allowed the Council to develop a number of pilot initiatives in collaboration with Perth College UHI. The two projects include one which will develop blended learning approaches (where pupils learn in part through the delivery of content and instruction via digital and online media) in the subject areas of play work and retail initially; and the second pilot project will promote the take up of STEM subjects through an S2 project focussing on the Food and Drink sector.
- 2.4 The Schools/College Strategic Group has maintained momentum and has developed a wider range of vocational opportunities for senior phase pupils, and this has resulted in a significant rise (+45%) in the number of pupils undertaking vocational courses whilst still at school. 13.6% of all school leavers in 2014/15 achieved at least one vocational qualification at SCQF level 5 up 2.1% from the 2013/14 figure; compared to a national figure of 9%. Pilot S3 Vocational Taster courses have been developed which have given younger pupils an introduction to the types of courses available at College. These are proving very popular with pupils.

- 2.5 In addition the new Foundation Apprenticeships (FA's) were offered via Perth College UHI with two courses running in 2015/16 in Engineering and Care with a total of 20 pupils participating; these are designed to be a two year programme. These are a new option for pupils, and it has been challenging to recruit pupils onto the courses. It is hoped that once young people and their parents learn more about the Foundation Apprenticeship route they will attract more interest. Two Foundation Apprenticeships are on offer for 2016/2017 in Early Years; and in Engineering, with 21 pupils recruited onto the courses; and a further four continuing with Year 2 of the Engineering FA. One of the original Engineering FA pupils is about to commence an HNC in Engineering at the College, and although none of the original 10 who were recruited onto the Care FA in 2015/16 are continuing with the FA course they have all been successful in securing a full-time place at Perth College UHI for 2016/17.
- 2.6 The numbers of school pupils experiencing Work placements has also increased, with numbers up from 373 in 2013/2014 to 621 in 2014/2015. This is due to an increased focus on employer engagement and additional schools now participating in the Career Ready programme. Career Ready provides mentoring, a 4 week paid work placement, master classes and workplace visits. In 2015/2016 9 schools, 60 pupils and 30 employers participated, compared to 4 schools, 39 pupils and 9 employers in year one of the programme (2013/2014).
- 2.7 All secondary schools now have a member of the senior management team identified as having a lead responsibility for DYW and most schools have now held employer engagement events. All schools are building employer links in a variety of ways and there are some excellent examples of partnership working. For example, The Community School of Auchterarder and Gleneagles Hotel have a long-standing link between the school and the largest employer in its catchment area. A wide variety of connections exist through a number of departments and across the whole school; from the Home Economics Department working closely with the hotels chefs on a variety of projects, including work experience opportunities; through to the HR director explaining to the S5 cohort the very wide range of occupations employed by the Hotel, and raising the profile of job opportunities available within the business and wider hospitality sector. They have also been involved in the Career Ready programme, and are now developing links with the Languages department. A good number of pupils go on to work within a variety of roles within the Hotel.
- 2.8 The growing number of school/business partnerships was celebrated with the launch of a new Chamber of Commerce Business Award which saw a number of schools submit applications. This culminated with the winners being announced at the Chamber Star Awards in November 2015. The winning partnership was between Perth Academy and Vasart Cleaning. Andrew Morgan the owner of Vasart Cleaning a commercial cleaning business based in Perth is an ex-pupil of Perth Academy. This link was established around 3 years ago after a "S2 speed careers" conference that the school organised with the help of the local Rotary Club. Andrew helped to establish an Enterprise Group, which led to the setting up of a school shop run by the pupils and supported by Andrew and one of the teachers. This project has

developed over time and has helped the young people develop a range of skills; from making and selling, marketing, finance and inter-personal and customer care skills. They have expanded the range of products stocked, surveyed fellow pupils to gauge interest in potential new items, and invested profits to the benefit of all pupils. Andrew has also used his links with the Rotary to get more business people involved in providing advice and mock interviews.

- 2.9 A draft Schools Wider Achievement Standard has been developed which outlines a set of entitlements for all young people in the broad general education and senior phase of their secondary education. The range of entitlements are outlined under themes – Employability; Enterprise and Creativity; Volunteering; Residential/Outdoor Experience; Leadership; Citizenship; and Cultural Experience. In 2015/2016 there was a significant increase in the numbers of pupils participating in such activities; with 52% more pupils achieving a Youth Achievement Award, an additional 34% participating in the Youth Philanthropy Initiative, and an additional 32% participating in Duke of Edinburgh Awards.
- 2.10 There has also been an expansion in the numbers of young people participating in Modern Apprenticeships within Perth and Kinross. The total number of MA's has increased from 747 (2014/2015) to 880 in 2015/2016; with the majority targeted at the 16-24 age group (674). The number of higher level 3 MA's has also increased. More employers are also now recruiting MA's, 226 in 2015/2016 compared to 211 in 2014/2015, the majority being small employers only recruiting in single figures. The most popular occupational groups remain construction (26%), hospitality and tourism (21%), Automotive, Retail and Customer Services, and Sport, Health and Social Care (all 11%).
- 2.11 The Council have contributed to this increase with the numbers of annual Modern Apprenticeship opportunities rising from 55 in 2013/14 to 86 in 2015/16 and providing a total of 303 opportunities in total since 2012. In addition through the Employment Connections Hub we have offered recruitment incentives to local businesses to recruit young people. The Hub supported 33 young people into employment through the Scottish Government's Employer Recruitment Incentive (SERI) in 2015/2016, with 30 of these sustaining employment once the year-long programme had finished. The Council itself also created its own Recruitment Incentive in 2015/16 which has supported an additional 31 young people into employment.
- 2.12 One of the key actions in the Action Plan was the establishment of a Perth and Kinross Regional DYW Board led by the private sector. The Board was established in early March and includes a wide representation of business sectors and key organisations. A list of Board members is attached at Appendix 2. The Board with support from the Council's DYW programme manager submitted a bid in June to the National Group and the Scottish Government for funding to create an Executive Team to support the development of more extensive and strategic links between businesses and the education sector. A small sub group of the Board presented their proposals to the National group on the 14 June 2016 and their proposals have

now been approved and a grant offer letter issued. The Board was bidding for a total grant of £495K over a three year period, to employ an executive team and to fund projects to support their objectives. The Board was formally launched by the Deputy First Minister at the end of August. The Board's key performance indicators and local targets are outlined within Appendix 1.

2.13 The Perth and Kinross Youth Employment Strategy developed by the new Regional Board aims to:

- Support employers to engage directly with schools and colleges.
- Encourage the recruitment of more young people, including through Modern Apprenticeships.
- Equip young people with the skills local business needs.
- Give young people access to better and more flexible work experience opportunities.
- Encourage more young people to set up their own business or become self-employed.
- Focus in particular on young people who need extra support, come from disadvantaged backgrounds, have a disability or face other barriers in getting into work.

2.14 Early actions proposed by the Board include:

- Mapping of current practice – to understand barriers, perceptions and opportunities from both an educational and employer perspective re Work Placements/MA's/other engagement with young people.
- Encourage more employers to provide Work Experience opportunities.
- Research employers' knowledge/understanding of education system and support available.
- Review what the local Business needs are in terms of skills for future employees.
- Communicate and engage with the local business community to encourage greater participation in the agenda.

2.15 The Council is to act as the "lead body" to receive the grant funding and to employ the team on behalf of the Board. In the majority of other areas it is the Chamber of Commerce who is taking the lead, however due to limited staffing capacity within the Perthshire Chamber the Council have offered to facilitate the Board and the Executive Team.

2.16 Locally a small number of businesses have been accredited as Investors in Young People (IiYP), including the Council who achieved the Gold Standard. It is hoped that many more will seek accreditation. A local workshop is being held at the end of September to support more local employers to adopt a proactive and comprehensive youth employment strategy.

2.17 In terms of local actions linked to the Equality work stream a number of partners are taking forward initiatives to encourage greater diversity of participation in school and college courses, and to encourage a wider take up of MA opportunities. Perth College UHI produce an annual Equalities Plan which highlights progress against the actions set out within their Equality Report and Mainstreaming Plan 2013-2017. The most recent report highlights a number of areas where good progress has been achieved:-

- College working in partnership with the Minority Communities Hub (MEAD)
- The College and Air Service Training have adjusted activities to reflect the diverse cultural background of their students
- College has ensured graduation ceremonies celebrate and reflect the diverse cultural and ethnic backgrounds of their students
- Developed a successful College Transitions programme to better prepare and encourage more vulnerable and disadvantaged young people to take up College Courses
- Piloted a successful Men Only Evening Class in Childcare Studies

2.18 In addition the College and the Council secured funding from Skills Development Scotland's Equality Challenge Fund in terms of outcomes achieved these included:-

- 9 young people from under-represented groups obtaining MA positions
- 4 young people undertook a pre-apprenticeship programme (one secured employment, one is on an extended work placement; and 2 are being supported to secure either work, an MA or a college place)
- Working with partners and other agencies to better understand the barriers and concerns employers have when recruiting candidates from these groups, and to identify what support is available both for employers and the young people.

3. CONCLUSION AND RECOMMENDATIONS

3.1 Since the Developing our Young Workforce Action Plan was approved in June last year good progress has been made to implement actions at a local level to support the national Youth Employment Strategy. Actions have been progressed locally across all the key work streams of schools, colleges, MA's, employer engagement and equalities, with a number of cross-cutting actions developed.

3.2 Whilst good progress has been achieved in 2015/16 further work is required to really embed the principles of Developing our Young Workforce across all partners, and within their forward planning. Challenges and key areas for improvement include:

- Ensuring good practice is shared across all schools and embedded within Improvement Plans.
- Reviewing activity in early years and primary sectors to widen the impact of the DYW agenda earlier in the education process.

- To work closely in partnership with Skills Development Scotland to improve Careers Guidance within schools and to ensure the new Careers Guidance Standard is implemented.
- To support the development of the new Perth and Kinross DYW Regional Board.
- To support the development and encourage further participation in vocational opportunities for our young people.
- To ensure local businesses are informed of the benefits of working with the education sector and encouraged to become engaged in a variety of ways.

3.3 These actions will be the focus for partnership activity in 2016/17 and going forward.

4. RECOMMENDATIONS

4.1 It is recommended that the Committee:

- Notes and welcome the good progress made in implementing the Perth and Kinross Developing our Young Workforce Action Plan in partnership with a number of our Community Planning partners; and
- Agrees the areas identified for improvement, and prioritise these for action in 2016/17.

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Approved

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1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

Strategic Implications	Yes / None
Community Plan / Single Outcome Agreement	YES
Corporate Plan	YES
Resource Implications	
Financial	YES
Workforce	YES
Asset Management (land, property, IST)	YES
Assessments	
Equality Impact Assessment	YES
Strategic Environmental Assessment	NO
Sustainability (community, economic, environmental)	YES
Legal and Governance	YES
Risk	YES
Consultation	
Internal	YES
External	YES
Communication	
Communications Plan	YES

1. Strategic Implications

Community Plan / Single Outcome Agreement

- 1.1 The proposals outlined in this report will support the delivery of the Perth and Kinross Community Plan/Single Outcome Agreement, particularly the priorities outlined below:-

- (1) Giving every child the best start in life
- (2) Developing educated, responsible and informed citizens
- (3) Promoting a prosperous, inclusive and sustainable economy

Corporate Plan

- 1.2 The proposals outlined in this report will support the delivery of the Council's Corporate Plan Priorities:-

- i) Giving every child the best start in life
- ii) Developing educated, responsible and informed citizens
- iii) Promoting a prosperous, inclusive and sustainable economy

2. Resource Implications

Financial

- 2.1 The Scottish Government have allocated funding to Local Authorities to support the implementation of the Commission's recommendations. Paragraph 2.3 within the attached report outlines how this is being allocated locally. The Head of Finance has been consulted on the contents of this report.

Workforce

- 2.2 Additional funding secured by the DYW Perth and Kinross Regional Board in 2016 will fund the creation of a small Executive Team for a three year period. Three posts will be funded by the grant received from the Scottish Government and the Council have agreed to fund a Modern Apprentice to support the work of the Team. The Council have agreed to act as "lead body" to manage the grant funding and employ the DYW Executive Team.

Asset Management (land, property, IT)

- 2.3 There are no land and property implications arising from this report.
- 2.4 There are no information technology implications arising from this report.

3. Assessments

Equality Impact Assessment

- 3.1 Under the Equality Act 2010, the Council is required to eliminate discrimination, advance equality of opportunity, and foster good relations between equality groups. Carrying out Equality Impact Assessments for plans and policies allows the Council to demonstrate that it is meeting these duties.
- 3.2 The proposals within the Action Plan approved in 2015 were considered under the Corporate Equalities Impact Assessment process (EqIA) with the following outcome:
- (i) Assessed as **relevant** and the following positive outcomes expected following implementation:-
- One of the core principles of the Commission for Developing Scotland's Young Workforce is to improve outcomes for all young people, particularly those who face particular challenges; including care leavers, young people with disabilities, those from disadvantaged communities and those from Black and Minority Ethnic communities.
 - In addition, the national and local action plans seek to address some of the gender stereotyping in education, as well as gender

imbalances in a significant number of occupations and careers young people pursue.

Strategic Environmental Assessment

- 3.3 The Environmental Assessment (Scotland) Act 2005 places a duty on the Council to identify and assess the environmental consequences of its proposals. No further action is required as it does not qualify as a PPS as defined by the Act and is therefore exempt.

Legal and Governance

- 3.4 There are no legal implications arising from this report. The new Perth and Kinross Developing our Young Workforce Board have developed and agreed a Governance Framework.

Risk

- 3.5 There are no specific risks with delivering the actions outlined within the report. The key risk is in terms of failing to deliver a proactive and thorough local response ensuring both the education sector and local employers are fully engaged in developing joint actions to support the local strategy. However, all the key stakeholders are involved both within the Community Planning Economy and Lifelong Learning Outcome Delivery Group and within the new DYW Regional Board who are tasked with implementing the action plan.

4. Consultation

Internal

- 4.1 The Director (Education and Children's Services), the Head of Secondary Education and Inclusion, the Head of Finance and the Corporate Human Resources Manager have been consulted in the preparation of this report, and their views incorporated.

External

- 4.2 The members of the Community Planning DYW Working Group (including representatives from Perth College UHI, Perthshire Chamber of Commerce, Skills Development Scotland, the Federation of Small Businesses, Department of Work and Pensions, and the Perth and Kinross Association of Voluntary Service) have been involved in the preparation of this first Annual Report, and their views incorporated. The DYW Board have also been consulted and are content that the Council will act as the Lead Body in terms of the Grant Award from the Scottish Government and in employing the Executive Team.

5. Communications

- 5.1 The DYW Board have agreed to establish a Communications Working Group to develop a Communications Plan, this will be an action taken forward in 2016/17.

6. BACKGROUND PAPERS

The following background papers have been utilised in the preparation of this report:-

- Developing the Young Workforce – Scotland's Youth Employment Strategy – Annual Progress Report 2014-2015
- Report to the Lifelong Learning Committee – 25th May 2016 (Report 16/227 refers)

7. APPENDICES

- 7.1 Appendix 1: Perth & Kinross DYW Action Plan – Annual Progress Report 2015/16
- 7.2 Appendix 2: DYW Perth and Kinross Regional Board - Membership

