



Skills
Development
Scotland

Annual Review
2019/20

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Foreword

I'm proud to present our 2019/2020 Annual Review. Whilst there is lots to celebrate from the past year, this is, of course, set against the challenges posed by the pandemic which emerged in early 2020. Its onset has resulted in major changes to the way we work and driven the rapid innovation of digital offers required to help our customers at a time of great need.

In response to the increasingly changing world of work, we have continued to equip Scotland's current and future workforce with the skills and information they need to achieve their potential. Our nationwide network of careers professionals, providing targeted face-to-face support for those who need it most, combined with our all-age web service My World of Work, help Scotland's people to succeed in the labour market.

In the last year we continued to develop an increasingly demand-led, and responsive work-based learning system in Scotland, which supports the development of meta-skills. Employers and training providers were supported by SDS to not only offer high-quality Modern Apprenticeships, but also a greater choice and geographical spread of Foundation and Graduate Apprenticeships.

We have supported Scottish businesses – regardless of size, sector, or region – to use their voice to shape the learning system, and to become more productive and inclusive employers through investment in skills. We've worked with partners to promote business support and workplace innovation, and to build business resilience.

Our ambition to create a more joined-up, dynamic and inclusive skills system saw significant progress in 2019/20 through the establishment

of a joint Skills Alignment Directorate between SDS and the Scottish Funding Council. We are extremely grateful for the continuing efforts of our education, industry and agency partners, who have helped us shape and progress the skills alignment agenda.

Improving equality, diversity and inclusivity runs through all we do as an employer and service provider, and we remain dedicated to supporting all individuals to better prepare for, enter and progress in the world of work.

I'm pleased to report that our Annual Accounts for 2019/20 enjoyed an unqualified audit and report a £5 million contribution towards Scottish Government annual efficiency savings while demonstrating a year-on-year increase in our operational delivery.

I'd like to thank the Board for their support over the past year and to formally welcome the new members recently inducted.

Our people are at the heart of what we do, and I thank them for the expertise and dedication that is summarised in this Annual Review. Every number reported reflects the commitment and success of our colleagues.

In response to the unprecedented challenges we all now face, we'll continue to focus on harnessing the potential of all of Scotland's people and businesses to help Scotland recover.

Frank Mitchell
Chair, Skills Development Scotland

Introduction

Skills Development Scotland

Skills Development Scotland (SDS) is Scotland's national skills agency. **Our purpose is to drive productivity and inclusive growth through investment in skills**, enabling businesses and people to achieve their full potential. Our services are designed to reflect **best practice nationally and internationally** and, through **extensive engagement with partners** at national, regional and local level, we flex and shape our delivery to meet local needs and priorities.

We value **innovation and continuous improvement**, using both to drive the **quality and efficiency** of our work.

The operating year 2019/20 is the first in the three-year strategic planning period, 2019–2022, adopted across the skills and enterprise agencies in response to the Strategic Board's Strategic Plan. This sets out our collective commitment to raise Scotland's **productivity, equality, sustainability and wellbeing** to OECD top quartile levels.

Performance Framework

Our Strategic Plan is supported by a **Strategy Map** (see Figure 1) which defines the performance outcomes we are seeking to achieve. These outcomes form the basis for **monitoring success and progress** against our Strategic Plan and provide the framework for this Annual Review.

As the 2019/20 operating year came to a close, the **Covid-19 crisis** was just beginning, changing our operating context markedly. Although we were able to achieve our key targets for the year, we anticipate a significant change in our delivery and targets in the year ahead.

2019–2022



Strategic Plan



Figure 1

Goal 1: Enabling Scotland's People

Informed learning and career choices

Our all-age Career Information, Advice and Guidance (CIAG) services help Scotland's current and future workforce to develop the **Career Management Skills** (CMS) they require to achieve their potential in the face of **rapid changes in, and disruptions to, the labour market**. Our career professionals combine CMS development strategies with their knowledge of **local labour market information** to support individuals to make informed learning and career choices.

Our CIAG services are available to all, with Careers Advisers based in a network of SDS and partner delivery sites across the country. In addition, this academic year we agreed and implemented **436 individual School Partnership Agreements**, inclusive of all 358 publicly funded secondary schools in Scotland, where we deliver CIAG services to pupils and support teaching staff to build CMS into their lessons. Our **face-to-face support** is targeted to those with the greatest need and delivered alongside the universally available web service, **My World of Work**.

We remain committed to collaborating with partners across the sector to respond to the **Scottish Government's new Careers Strategy**, published this year.



In the 2019/20 academic year, we delivered **375,575** CIAG engagements to **186,956** secondary pupils:

- ▶ **96%** of P7/S1 pupils participated in transition group work
- ▶ **86%** of S2/S3 pupils making subject choices received an individual engagement
- ▶ **93%** of targeted pupils in S4–S6 received coaching (guidance) in all schools.

LIVE!

Over **30,000** pupils (P5–S6) engaged in **My World of Work Live!** using experiential technology to increase access to work-related experiences.



In the 2019/20 operating year, **9,129** individuals were supported by our targeted **Next Steps** service for young unemployed people. Over this period:

- ▶ **63%** of customers improved their CMS
- ▶ **68%** progressed to learning, training or work, of those, **58%** sustained that outcome for 6 months.



In 2019/20, over **38,000** people accessed our universal CIAG service and received support through over **76,000** engagements.



Over **2.6 million** users of our CIAG web service **My World of Work**.

Case study: **Careers Adviser Kathryn Aviss on making “connexions” at Perth Grammar School**

‘Career Connexions’ is designed for pupils in S3 who need extra support and motivation to think about their futures. It’s an innovative new programme developed in partnership between SDS, the school’s community link worker, the local Developing the Young Workforce group and employers.

Pupils taking part have a monthly ‘game station’. They meet with mentors, local employers, school staff and me to discuss topics related to careers. We look at how a young person’s strengths might play into their job, basic workplace etiquette or even how to start a CV.

It’s a great way for the young people to find out about businesses in their local communities, get insight into industries and understand the workplace generally.

We also talk about the courses and apprenticeships that relate to their strengths and skills, so they start to understand the opportunities open to them.

Christy Stevenson, Guidance Teacher at Perth Grammar School said: “It’s been such a success here, that Perth and Kinross Council and the Developing the Young Workforce group are already discussing with us how they might replicate the programme in other schools.



Kathryn and pupils at Perth Grammar School

Goal 1: Enabling Scotland's People

Effective learning pathways into productive employment

Scotland's workforce needs the skills to remain **adaptive and resilient** in the face of a constantly changing world of work. We are committed to creating a **flexible and dynamic work-based learning (WBL) system** in Scotland that:

- provides all people in Scotland with access to a **broad range of learning and career pathways** and opportunities to combine employment with ongoing learning
- creates a **greater balance** between work-based and academic learning
- provides a mechanism for employers to further **develop their current workforce**.

In the last year, our focus has been on **increasing the availability** of Foundation Apprenticeships (FA) in schools and expanding Modern and Graduate Apprenticeship (MA, GA) opportunities in the workplace.

Working closely with the Scottish Apprenticeship Advisory Board (SAAB) we established the Apprenticeship Approvals

Group to ensure that apprenticeship standards and frameworks provide high quality learning opportunities which meet the needs of employers and learners.



2019/20 target of **29,000** apprenticeship starts exceeded with: **27,875** MA starts and **1,160** GA starts in cohort 3 (2019).



3,445 FA opportunities taken up by school pupils, from 325 schools, in the 2019–21 cohort.



434 pupils started a work-based learning pilot at SCQF Levels 4 and 5 in schools, offered to S3–S6 pupils in automotive, hospitality and construction.



76.6% of leavers in 2019/20 achieved their Modern Apprenticeship.



75% of MA starts were at or above SCQF Level 6/VQ Level 3.



96% of MAs would recommend to others (MA Trainee Survey 2019).



88% of GAs would recommend to others (GA Learner Survey 2019).



91% of FAs in training would recommend to a friend or family member (FA Learner Survey 2019).



There were over **7,600** job opportunities advertised on **apprenticeships.scot** in 2019/20.



Scotland's Apprentice Conference named **Best Event** (Gold Winner) at the CIPR PRide Scotland Awards 2019.



Commissioned the **Organisation for Economic Co-operation and Development** (OECD) to undertake a research project on the Scottish work-based learning system.



Jordan at the Scottish Apprenticeship Awards



Mia, Foundation Apprentice, Engineering

Case study: **Jordan Fairlamb** reflects on his apprenticeship journey

“I felt I could get the same value from an apprenticeship as a university course, plus experience, so I became a Modern Apprentice with Dawnfresh, one of the UK’s largest suppliers of fish and seafood.

I’ve now progressed to become Dawnfresh’s first Graduate Apprentice, with the responsibility for the day to day ordering of salmon for the Bothwell Industrial Park business and managing stock worth £1.8million. I’ve got time at work and time at university working towards my degree.

My advice to people thinking about doing an apprenticeship is definitely to go for it.”

Jordan was named Apprentice of the Year at November’s Scottish Apprenticeship Awards event held in Dundee.

Case study: **Mia Pasquale** on choosing a Foundation Apprenticeship

“My guidance teacher told me about Foundation Apprenticeships and because I liked the idea of doing something practical, I chose to do one in engineering as one of my fifth-year subjects.

I got the opportunity to do the work experience part of my Foundation Apprenticeship at Coca Cola and have now applied for an engineering Modern Apprenticeship at Coca Cola’s Milton factory.

It has been amazing, and every day is different. Everyone is happy to help, and I’ve learned a lot. If you are willing to work hard, put in the time and effort, a Foundation Apprenticeship is a great way to start your career.”

Mia featured in our 2019 Foundation Apprenticeship campaign on television and online adverts.

Goal 1: Enabling Scotland's People

Productive and resilient workforce

To ensure that Scotland's workforce can remain **productive and resilient** in the face of changes in the economy and labour market, we offer support that enables individuals to make **effective choices at any point in their career**, whether they are looking to progress in, change or return to their careers. Our services include:

- support for those facing redundancy through the **Partnership Action for Continuing Employment (PACE)** service delivered in conjunction with partners locally
- promotion of opportunities to **reskill or upskill**, through initiatives such as the STEM bursary which enable people to adapt their skills to a different sector of the economy, or the Individual Training Account (ITA) programme aimed at those looking to progress in their careers or out of low-paid employment
- opportunities for people who are not currently engaged in the labour market to develop **employability skills** and build the work experience employers are looking for.



11,189 individuals from **295** companies provided with **PACE** information, including **2,215** receiving face-to-face CIAG support.



398 redundant MAs offered SDS support to access alternative learning and/or employment destinations, with **174** continuing their MA with a different employer.



111 career changers received the STEM Bursary to become teachers in STEM subjects, up from 107 in 2018/19.



19,212 ITA applications approved, which enabled individuals to achieve work-related qualifications.



8,750 Employability Fund (EF) starts delivered.



53.9% EF leavers achieved a positive outcome.



5,075 individuals supported by the **National Third Sector Fund**.

Case study: **Careers Adviser Hazel Kennedy on helping customer Skailer**

I first met Skailer after he had left college to become a full-time carer. He was dealing with panic attacks, depression and had no confidence. I helped him see himself as he really is, what he has to offer, bringing in positive thinking. Then we moved on to looking at his horizons and where he could go.

I worked with local partner agencies to find support for Skailer and he took part in Keep Scotland Beautiful's Canal College. The 14-week outdoor heritage skills programme is flexible, so he could work around his caring responsibilities.

Skailer successfully completed the programme and is now working towards a Community Achievement Award through the Canal College and Glasgow Kelvin College.

Skailer said "Every day I wake up and I can't believe the change in my life, only a few months ago I was in the darkest possible place, and now I'm looking forward to the future. It's honestly the happiest I've been, possibly since primary school. I never want another young person to be in the place I was – to feel as though you have no options. It's scary at first, but you have options, you have a future, don't let anything stop you."



Hazel and Skailer

Goal 1: Enabling Scotland's People

Equitable learning and employment outcomes

To maximise its economic potential, Scotland needs to **harness the diversity of all of its people**. As a corporate parent, community justice partner and responsible provider of public services, our products and services are designed to ensure individuals, particularly those most likely to achieve poor learning and employment outcomes, have access to a range of options and pathways which allow them to **effectively prepare for, enter and progress in the world of work**.

We remain committed to **improving equality, diversity and inclusivity** in our capacity as both an employer and service provider, and monitor participation and outcomes for equality groups as illustrated here.

	EF	MA	GA	FA
% starts who self-identified an impairment/health condition or learning difficulty	28.2%	15.4%	9.9%	16.3%
% starts by self-identified ethnicity	3.8%	2.4%	4.3%	6.5%
% starts self-identified as care experienced	7%	1.7%	-	2.4%

Overall participation measure rate 2019 (proportion of 16 to 19 year olds participating in education, training or employment):

	Overall Participation Measure rate
All 16 to 19 year olds	91.6
Disabled	87.0
Ethnic minority	95.1
Female	92.2
Male	90.9
Most deprived SIMD quintile	85.8

The participation gap between those who lived in the 20% most deprived areas and those in the 20% least deprived areas continued to narrow with a gap of 10.5 percentage points (pp) in 2019 (compared to 12.9pp in 2016, 11.5pp in 2017 and 10.8pp in 2018)

Percentage of Next Steps customers progressing to and sustaining learning, training or work:

	% progressing	% progressing & sustaining for 6 months
All customers	68%	58%
Disabled	67%	54%
Ethnic minority	71%	63%
Care experience	58%	50%
Female	69%	58%
Male	68%	58%
Most deprived SIMD quintile	66%	54%

Case study: **Maryam Zeitoun on moving to Scotland and becoming a Modern Apprentice**

I moved to Glasgow from Iran over two years ago. I wasn't sure if I should continue my studies to become an architect as I wanted to start earning money, but needed help learning English. So I took part in a course set up by Arnold Clark, SDS and City of Glasgow College. It was open to students studying English for Speakers of Other Languages (ESOL).

This led to a Modern Apprenticeship. I train in an all-female group, which is great as we all have a similar knowledge of cars and mechanics and I've also been able to develop my English language skills.

I wasn't worried about being female in a predominantly male industry. I have the view that it shouldn't matter about gender.

I'd like to continue my apprenticeship and get my qualification so I can have a successful career in the automotive industry. I'd love to specialise in electric cars or motorsports and be one of the leading female mechanics in this area.



Maryam, Modern Apprentice, Automotive

Goal 2: Mobilising Scotland's businesses

As set out in our Strategic Plan 2019–22, businesses need to be able to **attract, develop and retain** a diverse pool of talent to meet their **current and future skills needs**. Our role is to support and encourage Scotland's businesses to grow and prosper through investment in skills.

Across Scotland we support employers, regardless of sector or size, by advising them to take a strategic approach to **workforce planning**, build **resilience to disruption**, and create the conditions for **long-term sustainability**.

We work in **close collaboration** with our enterprise and skills agency colleagues to deliver an **aligned and integrated service offer** for employers with SDS leading on the skills agenda. As part of this, our new offer aims to increase understanding of, and provision for, **business growth and inward investment opportunities**.



450 large companies were relationship managed in 2019/20, helping them realise the benefits of increased work-based learning within their organisations.



171 small and medium sized enterprises (SMEs) were supported through **Skills for Growth**.



Over **43,000** users on our employer support site, **Our Skillsforce**.



In collaboration with Scottish Enterprise, Scottish Development International and Highlands and Islands Enterprise, SDS has managed over **100** accounts for businesses either looking to locate or expand operations in Scotland.



96% of MA employers and **100%** of GA employers would recommend apprenticeships to another employer (Apprenticeship Employer Survey 2019).

SAAB Engaged with employers through the **Scottish Apprenticeship Advisory Board (SAAB)** Employer and Apprentice Engagement Groups, including supporting and hosting events to promote work-based learning, share best practice and supporting school activities through apprentice ambassadorial 'my journey' talks.



SDS sector managers provided immediate, significant and ongoing engagement with all of Scotland's key sectors, through Industry Leadership Groups, to **mitigate the impacts of Covid-19** and plan for recovery.



Partners and participants from the **Fast Track pilot**



Claire, with SDS' Cyber Skills Project Manager Laura McEwan

Case study: **Ian Hanson, Sector Manager – Financial Services Manager, on Fast Track**

Responding to demand from the financial and business sector, SDS led work with financial services' employers and the City of Glasgow College, to pilot 'Fast Track', an innovative six-week work-readiness course co-designed and delivered with financial services companies – ensuring that it meets industry needs and, for participants, provides a strong position to secure future employment.

The first cohorts were HND/Degree level under or unemployed graduates aiming to progress a career in financial services. Following the successful pilot, work commenced with industry and learning providers to roll out the model elsewhere, including the Edinburgh region, to attract a diverse range of candidates.

Winning the Pioneer category of the Scottish Financial Enterprise Awards for this project was hugely encouraging and demonstrates our successful collaborative approach with industry and learning providers.

Case study: **Claire Gillespie, Sector Manger – Digital Technologies, on reskilling**

Our latest research shows there are around 13,000 digital technology job opportunities available every year in Scotland, with cyber security one of the faster growing areas.

With funding from the Scottish Government, we were delighted to provide support for the dedicated veteran's reskilling programme. It explores new and innovative ways to help us meet the demand for skilled workers.

The eight-week pilot is running in partnership with social enterprise SaluteMyJob, Abertay University, IBM and tech start up Skillzminer. It is allowing former forces personnel to learn ethical hacking and penetration testing skills at Abertay, as well as through online study and job shadowing.

Military personnel bring a raft of relevant skills ideally suited to cyber roles, and our aim is to build a new pipeline of much needed talent for the tech sector.

Goal 3: Influencing the learning and skills system

Our ambition is that Scotland has a **dynamic and responsive skills system**. At its heart, this means ensuring that skills provision is driven by demand for skills in the economy.

Working closely with national and regional partners, particularly the Scottish Funding Council (SFC), we aim to use our evidence base to **inform and prioritise skills provision**, through the implementation of the 5-step Skills Alignment Model which has been piloted in the past year.

We are continuing to build and enhance the **depth and quality of the evidence base** on skills supply and demand, through the collation and analysis of labour market information. By working in partnership with industry we help to identify and articulate their **current and future skills needs** and how these vary by geography, industry sector and occupation.

We are committed to ensuring work-based learning in Scotland, including **Scottish Apprenticeships**, are responsive to the evidence base – and the needs of employers. Our approach to this was strengthened this year by introducing a new employer-led governance structure for the leadership, development and approval of apprenticeship standards and frameworks.



Joint SDS and SFC Director of Skills Alignment and core team in place to drive **cross-agency activity** and investment including:

- ▶ Continued delivery of original three **pilot projects** – Early Years and Childcare, Financial and Professional Services and Glasgow College Region
- ▶ MA **Demand Statement** completed to inform contracting strategy for 2020/21
- ▶ Developed an **evaluation framework** and measures for all steps of the Skills Alignment Model.



10 Evidence base products delivered including a new data matrix tool for Labour Market Information, enabling all partners to have the most up to date, interactive and accessible evidence for their areas.



Pilots undertaken in **Graduate Apprenticeships** and **WBL at SCQF Levels 4/5** to test and learn from the current meta-skills model.



Continued to engage extensively with regional and local partners to ensure that skills issues are understood and acted upon, including publication of the **South of Scotland regional skills investment plan** and the **Rural Skills Action Plan for Scotland**.



Supported key sectors to develop more **responsive provision**, including the Fast Track financial services courses, informed by our range of skills investment and action plans.



Commenced initial work towards the development of a **Climate Emergency Skills Action Plan**.



In response to identified demand, and in partnership with employers, industry, and the devolved administrations, we developed or reviewed the content of **82** suites of National Occupational Standards, **49** Scottish Qualification products (SVQs/CBQs) and **63** Apprenticeship Frameworks, including 18 Scottish MAs.

Case study: **Seonag Campbell, Service Development and Delivery Manager, on the Western Isles Charter**

I was pleased to be part of the launch of the Western Isles Charter in October, a great example of how SDS is helping to shape the skills system. Developed by SDS and Comhairle nan Eilean Siar, it's the first Charter of its kind for Scotland.

The objective is to sustain the population in the Western Isles, to support local employers and to ensure that local people have the skills and support they need to thrive in employment. The new approach will see the delivery of sector-leading services to young people, including careers support, employability programmes and apprenticeships.

It's been a really exciting development for me on a personal level too as I come from Benbecula and know the challenge that depopulation can bring to fragile communities. The Charter applies practical solutions to incentivise school leavers to stay through the combined offer of an apprenticeship and affordable housing, enabling them to earn, learn and live in the islands.

I'm just so proud of the project and can't wait to see how it will help young people to stay and encourage others to move here, and all to ensure the isles flourish.



Seonag with SDS Chair, Frank Mitchell

Goal 4: SDS as an organisation

As one of the enterprise and skills agencies, we share the Strategic Board's ambition for **smarter delivery of services, improved customer experiences and streamlined ways of working**. Key to this is an **engaged and empowered workforce**. We continue to adopt practices, including our commitment to fair work, that will help us create a **high-performing workplace**.

In the continuing context of challenging public finances, we accept our responsibility to drive our own **efficiency and productivity**. We do this through a range of **continuous improvement and quality assurance** approaches and by seeking to maximise the application of digital technology, wherever possible in **collaboration with our agency partners**. Our commitment to continuous improvement remains a priority as we strive to achieve better outcomes, a better customer experience and enable all of our people to reach their potential.

By driving our own **innovation, efficiency and productivity** as an organisation, we seek to inspire others to follow our example. Our organisational resilience and robust business continuity plans were demonstrated by our

rapid response to the Covid-19 pandemic, with all colleagues operating online from home within a matter of days.



92% of SDS employees responded to the 2019 employee engagement **Your Views** survey. The average score for:

- ▶ **'I would recommend SDS as a place to work'** was **8.5** (8.3 in 2018)
- ▶ **'SDS is an equal opportunities employer'** was **8.3** (8.2 in 2018)
- ▶ **'I am proud to work for SDS'** was **8.5** (8.3 in 2018).



Top Scottish employer in the Stonewall workplace equality index and joint 12th in the UK, up from 18th last year.



Achieved **Gold Investors in People** accreditation, having already achieved Gold Investors in Young People accreditation in 2018.



49 new WBL opportunities (FA, MA, GA, Intern, Trainee Careers Advisers) offered through our **Young Talent** programme. **94%** of **Young Talent** leavers went on to a positive destination (93% in 2018/19).



A **25% reduction in our carbon footprint was achieved**, up to the end of Q4, compared to Q1–4 in 2016–17 (960 compared to 1,277 tonnes of CO2 equivalent).



£412,344 savings achieved on central contracts placed by SDS up to the end of Q3.



Continued delivery of **cross-agency IT services** from EIS, and provision of **new shared HR and Finance services** to support the establishment of South of Scotland Enterprise.



Submitted an application to Quality Scotland for the **EFQM Recognised for Excellence Award**.

Case study: **Kim Hume, Briefing Bank Assistant, shares her experience since joining SDS**

I started working as a Graduate Intern at SDS straight after university. I was surprised that even though it was my first big “proper” job, my manager and team really respected my input and what I had to say. I felt like a valued member of the team from day one. Before I knew it, I was leading on projects and became co-chair of SDS’s LGBTQ+ Allies Forum – I definitely wasn’t just making coffee or photocopying!

At SDS, a big part of our culture is being able to bring your “whole self” to work – so being open about who you are and not being judged for it. That’s been really comforting for me as I suffer from anxiety and it’s not always easy as a young person just starting out in your career.

It’s a really supportive environment, and I’m delighted to have now progressed from a Graduate Intern to a permanent role in my team.



Kim, left, with former colleague Sangeeta after a Pride march

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