

Ask the Minister questions - response

1. Given the remarkable and positive progress made by the DYW Programme, does the Minister not have any concerns on proposed changes to education governance that will likely disrupt and put at risk the DYW Programme's progress?

COSLA

- No. Progress is being made by the Developing the Young Workforce (DYW) programme. Central to its success has been its approach to partnership working. As we develop new structures within our education system, especially the Regional Improvement Collaboratives (RICs) – it will be essential that we build on and strengthen existing partnership working. The new RICs, which are in very early stages of development, have the potential to bring together schools and their partners within their regions to do this and we will be working with our partners to support this to happen.

2. When will the DYW Regional Groups clearly demonstrate added value, given some were set up some time ago with significant resources invested in them?

COSLA.

- The DYW Regional Groups are already demonstrating their value.
- The primary purpose of the 21 employer led DYW Regional Groups is to encourage and support school-employer engagement. This supports the DYW programme milestone requiring that meaningful and productive school/employer partnerships are operating in all secondary schools by 2018/19.
- The value of the DYW Regional Groups is reflected in the increasing number of employers offering work placement opportunities. The 2016 UK employer survey shows 21% of employers in Scotland had offered a work placement to a school pupil in the last 12 months – a significant improvement from 2014 (10%) – (UK CES Employer Perspectives Survey, 2016).
- All of the twenty one employer-led DYW Regional Groups are building momentum across the country. The Scottish Government continues to work with each of the groups to ensure they have a coherent structure; are developed and run by local employers; and align to the needs of local areas. We are already seeing a meaningful difference in local areas, with improved relationships between schools and employers.
- We regularly collect a range of performance information from each group and are developing a more structured reporting process to ensure a consistent approach across all of the regional groups. Now that they are all established, our ambition is to produce a coherent national picture of progress to provide direction, demonstrate impact and support distinct regional approaches to strengthening school-employer partnerships. To this end we have commenced work to establish a focused list of performance indicators and commenced an evaluation programme.

3. What needs to be done to ensure all teachers buy-in to the ethos of DYW and take a more flexible approach to allowing young people out of school to take up work inspiration and work-based learning opportunities?

Aberdeen & Grampian Chamber of Commerce

- Education Scotland has been working closely with schools, local authorities and national partners to build support and improved understanding of DYW aims.
- A DYW authority and College Leads network has been established to build capacity, understanding and sharing of practice. This network has also met with the DYW Regional Groups network to build knowledge and understanding across education and employers.
- Almost all secondary schools now have a senior resource in the school with responsibility for leading on DYW.
- The Career Education Standard, Work Placement Standard and School Employer Partnership Guidance have been promoted widely to settings across Scotland to support the development of employability and career management skills in the curriculum and to encourage work inspiration and work-based learning opportunities.
- Creativity and Employability is a focus for Quality Indicator 3.3, in *How good is our school? [Fourth Edition]* and aspects relating to the DYW agenda permeate other quality indicators. HMI gather evidence about DYW through school inspections, including information about learning pathways.
- Education Scotland's post-16 inspection team now take part in secondary school inspections to explore provision relating to Senior Phase Vocational Pathways.
- Colleges have well-established arrangements with local secondary schools to provide young people with opportunities to access vocational programmes. SFC and Scottish Government have hosted regional DYW events to support closer collaboration and enhancement of the school/college offer for young people.
- College Outcome Agreements now contain plans which outline how regions will enhance employer engagement and develop pathways from school through college and into employment as part of their wider contribution to DYW.
- The outcomes of the Learner Journey Review will ensure that education provision for young people is as effective and efficient as possible and provides more stepping stones for those needing most support.

4. Background: It is great news that youth unemployment has been successfully tackled through recent collaborative efforts through a greater focus on full-time courses. Equally, it is encouraging that the Scottish Government's Outcome Agreements recognises the importance of part-time courses, too.

Question: What do you believe is the right balance for the college sector right now between part-time courses for people studying while in work and full-time courses?

Colleges Scotland

- We continue to expect colleges to manage their curriculum to respond to the economic needs of their region, extending and responding to national economic and social priorities.
- The mechanism which will better support colleges to respond to regional economic needs will be provided by the skills alignment work of the Scottish Funding Council and Skills Development Scotland, which will support the direction of college provision toward Scotland's key economic growth sectors on a regional and national basis.
- Within this framework, the right balance will be determined by a college and its partners. Working with the Scottish Funding Council, and connected to a national college strategy, we expect all colleges to be able demonstrate that they offer provision which best meets the needs of learners, in terms of those who need second chances; those who need support back to work; and those who need access to higher level vocational skills for careers and routes to university.

5. What is the minister working on to improve the numbers of young women entering traditionally male training and professions, and vice versa?

Culture Counts

- Encouraging diversity in the workforce by tackling gender stereotyping in career options is central to the Developing the Young Workforce programme. Key to this aim is removing real or perceived barriers to open up more opportunities for young people to access training and employment programmes to support smoother transitions to further, higher education, training and work.
- Education/employer partnerships, the Career Education (3-18) and Work Placement standards and earlier careers advice and guidance supports enriching a young person's learning, knowledge and understanding of career options such as in the STEM sector.
- The learning from the Improving Gender Balance Project on addressing gender stereotyping through whole school approaches, is being shared by the Project's national development officers and through national partners' websites. This work will be extended nationally in line with the ambitions set out in the STEM Education and Training Strategy for Scotland.

6. Background: More and more people in Scotland are taking up apprenticeships, but the number of disabled apprentices is still very small.

Question: What will the minister and the Scottish Government do to increase the numbers [of disabled apprentices]; given that such a big part of the apprenticeship process is employer-led?

Kate Samuels

- The Scottish Government and Skills Development Scotland are committed to equality of opportunity within Modern Apprenticeships. The Equalities Action Plan for Modern Apprenticeships: Year 1 update, published in July 2017, outlines Skills Development Scotland's work with partners and employers on a national and regional basis.
- The focus is to deliver interventions that will result in increased numbers of minority ethnic, disabled and care experienced young people in apprenticeships as well as addressing the gender imbalance in apprenticeship frameworks where it exists.
- Focus will be placed on measures to increase the number of individuals starting apprenticeships who have a learning or physical disability. As we now have sufficient scale of participation to provide a baseline for achievements, emphasis will also be placed on strategies to enable disabled people to sustain and achieve their apprenticeship.
- Significant improvements have been made in relation to disability representation. This relates to both improvements in reporting, due to the support that Skills Development Scotland has given to providers, as well as the implementation of the actions outlined in the Modern Apprenticeship Equalities Action Plan.
- Additionally in April 2017, the Scottish Government introduced enhanced contribution rates, providing young disabled people and those with experience of care with the highest level of Modern Apprenticeship funding for their chosen Frameworks up to the age of 29.
- These enhancements help to make our apprenticeship programme attractive and accessible to all - ensuring equality of access to opportunities continues to be key to the long-term success of Developing the Young Workforce. This is demonstrated, for example, by the 2018/19 Modern Apprenticeship contracting instructions for providers which will re-emphasise explicit equalities requirements to help advance equality of opportunity.
- Additionally, during Scottish Apprenticeship Week Skills Development Scotland published new guides for employers on inclusive recruitment of both employees and apprentices.

7. Background: Last year, Colleges Scotland welcomed the Scottish Government fulfilling its commitment to reduce youth unemployment by 40%, four years ahead of schedule. This achievement represents a great example of the collaborative efforts of Scotland's schools, colleges, and skills agencies. However, it is clear that a renewed focus must be directed towards those young people with protected characteristics who are less likely to have positive outcomes.

Question: How will the Scottish Government ensure that opportunities available through Developing Scotland's Young Workforce are targeted effectively towards these young people?

Colleges Scotland

- As part of the Learner Journey Review we have considered how we can do more for those who get the least out of the system, especially those who are looked after and S4 statutory leavers.
- The review has identified the need to look again at the offer in place from the start of S4 for all young people identified as at risk. Equally, to look at the ways in which schools reach out to make the most of the support that surrounds the child and young person– involving early identification and a planned curriculum with the necessary support in place for all young people identified as at risk. And to look at how we support this effort through better alignment of financial incentives.
- This is about building on work that is already underway, ensuring appropriate alignment with existing initiatives, including approaches emerging through the Pupil Equity Fund and building on the work of the Children and Young People Improvement Collaboratives.
- This work already tells us that we need to build on the partnership lessons of DYW and better support schools to work more closely and earlier with other professionals, existing out with the school environment, so that the curriculum offer is planned and supported as part of a wider child support plan.
- As they develop, this will have implications for RICs and how they support the types of multi-agency involvement needed to drive up attainment. There is a sophisticated network of partners already involved in this work - the task will be harnessing this and building on the existing corporate parent responsibilities of agencies to drive the ambition for further improvement.
- Although this review focuses on 15-24 year olds, the Scottish Government remains committed to wider lifelong learning. The implications of the review go beyond age 24.

- It will continue to be important, therefore, to ensure there is the right balance between undergraduate degrees and other forms of post-secondary education, including shorter tertiary qualifications and work based learning. This is why we will continue to review the volume of employment-based training, including Graduate Apprenticeships as part of our Modern Apprenticeship offer, and part of a joined up skills investment strategy, to maintain the standards of technical education and ensure that our skills investment is in response to and in anticipation of future skills shortages and emerging opportunities.
- Education Scotland has been undertaking an extensive analysis of inspection findings to explore progress being made by early learning centres, schools, colleges and training providers. Findings from these reviews are being used to further strengthen the way evidence is being gathered.
- Education Scotland is also undertaking work to develop an 'Equalities Toolkit' to share effective practice through its National Improvement Hub.
- Education Scotland and Skills Development Scotland are developing collaborative approaches to DYW Recommendation 27 to ensure a coherent approach to equality in the promotion of and transitions into Modern Apprenticeship Training Programmes.

8. Will the Apprenticeship Levy be practically used to address the DYW equalities targets i.e. gender, disabled young people and those young people who have been 'looked after', given the lack of sufficient progress with the equalities key performance indicators (KPIs) for DYW?

COSLA

- Introduction of the UK Apprenticeship Levy is a UK Government tax imposed across the UK, including devolved nations, where skills and training policy is devolved.
- Scottish Government receives a hypothecated share of estimated Levy receipts as part of the Block Grant. This largely replaces funding that would have been part of the block grant. Indeed in 2017-18 we estimate the cost of paying the levy for the public sector in Scotland to have been £73m. This figure is some £30m **more** than the national extra funding as part of the levy, reducing public sector spending leeway.
- We will continue to invest the entirety of the notional sum in skills, training and employability to meet the needs of employers, the workforce, young people and Scotland's economy.
- We are continuing our commitments to deliver what Scotland needs and will build on our strong and successful skills system. We are increasing our investment in apprenticeships; early years recruitment and training; employability programmes; and employment focussed college provision for young people.

9. What provision does the Government have in place to ensure the recognition of learning and continued employment of apprentices who are directly and indirectly impacted by the closure of their employers or training provider, such as we saw with Carillion?

NUS Scotland

- In these situations *Adopt an Apprentice*, delivered by SDS, provides a range of support to help those who lose their job complete the apprenticeship.
- MAs are assigned a case manager to work proactively with them and support them to complete their apprenticeship.
- The case manager will work with the apprentice and provide guidance and advice to allow them to continue their Modern Apprenticeship. This will include work by the Skills Development Scotland Employer Services Team to canvas its employer networks for opportunities for redundant apprentices.

In addition

- Skills Development Scotland works with the Scottish Government on the Partnership Action for Continuing Employment (PACE).
- PACE works to minimise the time individuals affected by redundancy are out of work. The package of support is tailored and includes one to one counselling, information on rights and entitlements, financial advice, skills development and help with job search.

10. As we celebrate the achievement of apprentices around Scotland what progress has been made in reducing the cost of travel for apprentices?

NUS Scotland

- The Scottish Government, through its agency Transport Scotland, is working with a range of external partners to develop a pilot scheme of our commitment to provide free bus travel for young Modern Apprentices. The pilot will test the technical systems and process, and help us to understand the travel patterns and needs of young Modern Apprentices so that we may appropriately tailor the free travel offer for any future scheme.

11. Background: Scottish Government has reduced the contribution to Modern Apprenticeship Funding to Hospitality and Food and Drink businesses and training providers, by 47% since 2014.

Question: How can the quality of experience be assured and apprenticeship opportunities be available with such a dramatic decrease? Many SMEs in Hospitality cannot afford to pay for any aspect of the apprenticeship themselves how will government address this?

Aberdeen & Grampian Chamber of Commerce

- SDS recently completed work in response to calls to review the criteria for funding decisions for Modern Apprenticeships and to make the contributions structure more transparent. This was intended to improve Modern Apprenticeships and drive up return on investment of Scottish Government funding.
- SDS developed a framework for determining contribution rates for MA frameworks based on:
 - the proportion of taught learning (including Core / Career Skills);
 - the complexity of assessment;
 - the cost to administer; and
 - premiums for supporting Scottish Government priorities (age, level and sectors).
- This allows a consistent approach across all frameworks, reflecting the different levels of training and assessment required across occupations and levels.
- With specific regard to Hospitality, the contribution rates have not been raised by employers but has been raised primarily by training providers.
- As part of the changes, contribution rates were increased where costs of taught learning are higher while any reductions were introduced in a phased fashion.
- Of course contribution rates are kept under review and I will always expect SDS to respond to any concern raised with them or via the Scottish Government.

12. What is happening to ensure that businesses on the ground are given the right support to help make apprenticeships work for them?

Culture Counts

- SDS provides specialist knowledge, information and advice to employers and engages with businesses of all sizes across all sectors and regions of Scotland to promote the range of funding and support services available from SDS and its partners, including:
 - Advice and information on Foundation, Modern and Graduate Apprenticeships to support workforce planning and development;
 - Free business consultancy through Skills for Growth which provides SMEs with support to match their skills and people needs with their business objectives.
- In addition, we have two web services providing additional support for businesses who engage with apprenticeships:
 - Apprenticeships.scot allows employers to post MA vacancies, and provides wide ranging information on the different types of apprenticeships and their benefits to businesses;
 - Our Skillsforce provides employers with engaging information and advice on skills planning and clear signposting on how to find support.

13. For large employers who previously recruited apprentices and now pay the apprentice levy too, what additionality can they see or do you think they are now simply paying more tax?

Aberdeen & Grampian Chamber of Commerce

- The Scottish Government has been clear that the Scottish share of the Levy receipts largely replaces money previously received and will continue to be invested in skills, training and employability to meet the needs of employers, the workforce, young people and Scotland's economy.
- We have developed a distinctly Scottish approach to the introduction of the Levy and are funding a package of measures as set out in the Scottish Government's published response to our consultation on the introduction of the Apprenticeship Levy in December 2016.
- This includes apprenticeships; care sector skills – the voluntary sector development fund; and, the pilot Flexible Workforce Development Fund.
- The new Fund is a further expansion of the package of skills and training measures available in Scotland to support Levy paying employers develop their workforce.

- Employers in Scotland are encouraged to consider how to make best use of the publicly funded skills, training and employability programmes available to improve performance and productivity across their workforce.
- As always, we are committed to continuing to work closely with stakeholders to develop the skills and training offer in Scotland to ensure it meets the needs of employers and the economy.

14. Background: Colleges in Scotland are working with Skills Development Scotland, schools and employers to continue contributing to the delivery of the apprenticeship target and are keen to increase the apprenticeship programme.

Question: Would you favour a change in the way apprenticeships are awarded that could benefit colleges over private sector companies? If so, what changes would you like to make?

Colleges Scotland

- There are no plans to fundamentally alter the manner in which training contracts for apprenticeships are awarded.
- In relation to the awarding of apprenticeships, it is important to ensure choice and quality are maintained to better meet the needs of industry and employees.
- The Flexible Workforce Development Fund Pilot has been designed to meet the needs of business, by allowing Apprenticeship Levy paying employers to define, within broad parameters the type of skills support they need from colleges. We continue to monitor uptake of the pilot, and will both learn the lessons from this and continue to work with employers as we move towards delivery of the Flexible Workforce Development Fund next year.

15. Background: The world of work is changing and business is clear that upskilling and retraining staff has a crucial role to play in helping to close skills gaps. To that end, the introduction of a Flexible Workforce Development Fund was welcome. However, the £10,000 cap per employer significantly restricts the range of high quality training the Fund should be designed to support, while businesses would also benefit from the delivery model being opened up to include all accredited training providers, rather than being restricted exclusively to the college sector.

16. Question: With an external evaluation of the first year of the FWDF underway, is the Scottish Government open to making significant changes to the Fund based on the feedback they receive, particularly around the delivery model and the size of the cap, to ensure the FWDF delivers maximum benefit to individuals, employers and the Scottish economy?

CBI Scotland

- The Flexible Workforce Development Fund Pilot has been designed to meet the needs of business, by allowing Apprenticeship Levy paying employers to define, within broad parameters the type of skills support they need from colleges. The evaluation and feedback we receive will inform decisions we make about any changes to the model we have designed.

17. Background: Feedback from CBI Scotland members shows that age restrictions on apprenticeships prevent some employers, notably in the retail sector, from getting support in their efforts to help the long-term unemployed back to work. This includes, for example, women returning to work after having children and people who have previously worked in traditional industries.

Question: While the focus in recent years has understandably been on tackling youth unemployment, is the Minister willing to look at where age restrictions on apprenticeship frameworks could be lifted to broaden the availability of apprenticeships to help support the long-term unemployed back to work and to allow apprenticeships to be used as a way of upskilling existing staff members?

CBI Scotland

- Apprenticeships are an important option for school leavers, but are increasingly providing a diverse range of work based learning opportunities for people of all ages and backgrounds.
- Last year saw an increase of over 20% in the number of people over 25 starting an apprenticeship. Already, during the course of this year, that figure is increasing.
- In addition to continuing our commitment to implement Scotland's Youth Employment Strategy: 'Developing the Young Workforce', and to encourage those over 25 to undertake apprenticeships, in 2018/2019 we are also delivering a range of measures to enable access to apprenticeships for the over 25s including:

- An increase in the number of Modern Apprenticeships Frameworks that can be supported for apprentices aged over 25.
- Enhanced contribution rates for disabled people and those with experience of care up to the age of 29.
- An increase in the numbers of Graduate Apprenticeships being delivered which are not age restricted.

18. Background: Business is committed to investing in skills – 9 in 10 have a learning and development strategy and more than 8 in 10 have a dedicated training *and development budget*.

Questions:

- With the Apprenticeship Levy entering its second year, how does the Minister see the Levy impacting on business' relationship with the skills system in the long term?
- What areas does the Minister see as opportunities for closer collaboration to meet the skills needs of the future?
- And is the Scottish Government looking at collaborative models elsewhere that we could learn from?

CBI Scotland

- Our Programme for Government, made clear our prioritisation of education and our on-going commitment to equip our young people with the skills and qualifications they need to succeed in a rapidly changing labour market.
- To achieve our ambitions it is vital that Scotland's skills system is able to respond to all future challenges. The Enterprise and Skills Review underlines the ambition we have for Scotland's future economy. That is why the creation of the new Enterprise and Skills Strategic Board has been such an important milestone and will improve the engagement of industry in the operation of the two national skills bodies, SDS and SFC.
- There is no doubt that the introduction of the Levy fundamentally alters the basis on which Scotland's skills system is funded, and underlines the importance of the employer voice in ensuring Scotland's skill system supports their needs in future.
- Apprenticeships in Scotland are employer-led and therefore demand-led. Apprenticeships are determined by industry and thereby reflect Scottish labour market skills requirements.
- Employers continue to have a voice through the Modern Apprenticeship Group, the Scottish Apprenticeship Advisory Board (SAAB) and through the SAAB Employer Engagement Group. This group communicates with employers and gathers insight on how to support and encourage employer participation in apprenticeships.

- A further mechanism for engagement and influence is through our Industry Leadership Groups, which comprise leading business figures drawn from across the private sector as well as senior representatives from the public sector including Scottish Enterprise, Scottish Government and key stakeholders
- In addition, the employer-led DYW Regional Groups aim to increase the number of employers engaging in discussion about skills and offering apprenticeship opportunities.
- I will continue to have an open door policy to meet with employers and industry to discuss Skills and Apprenticeships.

19. Background: Local Authorities are clear that the loss of the Apprenticeship Levy has adversely impacted on their ability to do more within their communities and as the largest employer in most areas.

Question: Is there scope to return the Levy paid by councils back to them to continue their initial good work in this area?

COSLA

- Local authorities are a vital partner in supporting our ambitions for Scotland to have a skilled and productive workforce, and we continue to work constructively with COSLA on these issues, recognising the financial constraints which surround the levy in relation to the Scottish Government's budget.
- There are no restrictions to local authorities drawing on the various training initiatives we have in place. Indeed, in response to the public sector, (including local authorities) being liable to pay the UK Government's Apprenticeship Levy, we have ensured that the public sector is now entitled to the full rate for payment of Modern Apprenticeship training.

20. How can the value of work based learning through apprenticeships be better communicated to young people and their parents?

COSLA

- We recognise the need to do more to market and promote the wider vocational offering in schools and relevant work has been progressing as part of our DYW programme. A package of services is now available in all secondary schools across Scotland, which includes the Universal Service Offer. This is further supported by:
 - SDS's web service for individuals, [MyWoW](#)
 - Group engagements at P7/S1 through to Senior Phase
 - Parental engagement from P7/S1 to S6
 - Career guidance 1:1 support at subject choice phase including 1:1 offer for parents/carers
 - Targeted service offer
 - Sustained coaching relationship from S3 to S6 delivering 1:1 career guidance interventions.

- In addition, five guides have now been produced in conjunction with the National Parents Forum of Scotland, providing parents with information on creativity, apprenticeships, career education, digital skills and career conversations.

21. What are the plans for how the Apprenticeship Levy will be distributed up to 2021 and what opportunity is there for the future development of flexible workforce fund to include higher funding to large levy payers?

Developing the Young Workforce, Edinburgh, Midlothian & East Lothian Regional Group

- The Flexible Workforce Development Fund Pilot has been designed to meet the needs of business, by allowing Apprenticeship Levy paying employers to define, within broad parameters the type of skills support they need from colleges. We continue to monitor uptake of the pilot, and will both learn the lessons from this and will continue to work with employers as we move towards delivery of the Flexible Workforce Development Fund next year.

22. Would it be Possible to broaden the academic awards recognised for MAs (beyond SVQs) to align with existing career pathways?

Developing the Young Workforce, Edinburgh, Midlothian & East Lothian Regional Group

- The aim of a Modern Apprenticeship is to develop competence for a particular occupation through work-based learning. Competence is gained through a Scottish Vocational Qualification (or alternative Competence Based Qualification) which is delivered and assessed in the workplace. The inclusion of additional learning is strongly encouraged to enhance the competence learned through the SVQ (or CBQ). We would encourage employers to consider additional knowledge requirements to complement the SVQ or CBQ when apprenticeship frameworks are being developed and reviewed.

23. How will Graduate Apprenticeships be funded after the current cohort of students?

Developing the Young Workforce, Edinburgh, Midlothian & East Lothian Regional Group

- The Scottish Government is committed to growth of Graduate Apprenticeships (GAs), as underlined by our inclusion of GAs for the first time within our 2018 delivery targets for apprenticeships. It is vitally important that Scotland's skills system continues to support the needs of our businesses in future, both through our future budget decisions and also in terms of the alignment of skills planning and provision supported by the Strategic Board for Enterprise and Skills.

24. It is vital that all sectors are represented and consulted on within tech advisory groups, how will you better consult and include Health and Social Care?

Developing the Young Workforce, Edinburgh, Midlothian & East Lothian Regional Group

- SDS engaged with Scottish Government Health and Social Care Workforce Policy Teams and contributed to the development of the National Workforce Delivery Plans for the sector. We continue to engage with relevant partners such as NHS NES on workforce planning for the health and care sector and share skills intelligence to inform future activity. SDS is also engaging with SG e health, the Digital Health Institute (Innovation Centre) and contributing to the development of the new digital strategy for the integrated health and social care sector. We also engage with other national organisations, such as the Scottish Social Service Council and the Care Inspectorate and have recently published a Skills Investment Plan for the Early Learning and Childcare sector.

25. Health and Social Care as one of our key sectors requires more support for the challenge of workforce development. Currently this is restricted by financial models based on low contribution rates for many awards required in workforce, e.g. healthcare clinical and non-clinical, Social Services and Healthcare – needs to be better for 19-24yrs. How can this be improved?

Developing the Young Workforce, Edinburgh, Midlothian & East Lothian Regional Group

- SDS carried out a review of contribution rates reflecting evidence received from employers and training providers. An uplift was announced for two frameworks in the health and social care sector (Dental Nursing and Social Services Children and Young People). This is shown in the table below:
- Proposed new rates from April 2018 (uplift from 17/18 rates in brackets)

Modern Apprenticeship framework	Social Services Children & Young People	Dental Nursing
16-19 age group	£5,500 (+£1,000)	£5,200 (+£1,500)
20-24 age group	£2,700 (+£1,000)	£2,700 (+£1,500)
25+ age group	£1,700 (+£1,000)	£1,600 (+£1,000)

26. Background: The Scottish Government's Race Equality Action Plan 2017-2020 commits to work with Skills Development Scotland to annually review their Equality Action Plan for Modern Apprenticeships to monitor progress towards improvements.

- SDS has committed that by 2021, BME groups will undertake Modern Apprenticeships at a rate equal to the BME population (4.0% at the 2011 Census.) As of December 2016, the rate of BME groups undertaking Modern Apprenticeship had only increased 0.2% from December 2015 to 1.7%. It is likely that the BME population of Scotland is growing faster than 0.2% per year, so in effect we are likely going backward in terms of representation. Additionally, most Modern Apprenticeships are available in cities in which the BME population is much higher than 4.0%, which further adds to the challenge of equal representation.

Question: What actions are the Scottish Government planning to undertake to help Skills Development Scotland progress on this goal?

Coalition for Racial Equality and Rights

- Skills Development Scotland (SDS) published its Equality Action Plan (EAP) Year 1 update on Tuesday 18 July 2017. SDS will publish subsequent updates annually.
- The Equality Action Plan covers a five year period up until 2021 and sets out clearly the scale of the challenge relating to occupational segregation and inequality in MAs and the requirement for all partners to work in collaboration.
- The plan contains a comprehensive list of activity which is already underway to increase participation rates among the under-represented groups.
- The long term aim of the Equality Action Plan is to effect systemic change which requires a major cultural shift in relation to the career pathways that young people choose and to the recruitment and employment practices of employers.
- The focus is to deliver interventions that will result in increased numbers of minority ethnic, disabled and care experienced young people in apprenticeships as well as addressing the gender imbalance in apprenticeship frameworks where it exists.
- The plan was developed in consultation with a wide range of stakeholders including Scottish Government, BEMIS, Close the Gap, Engender, Capability Scotland, Glasgow Disability Alliance, Glasgow Centre for Inclusive Living, Scottish Throughcare and Aftercare Forum, Stonewall Scotland, Scottish Transgender Alliance, STUC and Scottish Refugee Council.

27. Background: We note the Government's intention to increase the number of Foundation Apprenticeships.

Question: When are we going to see foundation apprenticeships offered in every school across Scotland?

Scottish Chambers of Commerce

- We are making good progress on access to Foundation Apprenticeships (FAs) across Scotland. FAs are currently available in every Local Authority area of Scotland and in 71% of schools. We are committed to delivering 5,000 new FA starts in 2019, and will be exploring wider school coverage within our expansion plans.
- It has been agreed by SDS and the Scottish Government that an annual statistical report on the Foundation Apprenticeship Programme will be published in November each year (based on data as at 30 September) on the SDS corporate website. The initial report was published on 20 March 2018.

28. Background: Business investment in apprenticeships in Scotland remains buoyant and we are continuing to see growth by business which is confirming business investment in training, with record levels of opportunities being posted. However, SCC, has been promoting to its members the Graduate Apprenticeship option. We see this as a major step forward in providing more opportunities for our young people and business, coupled with the lever to support skill shortages in the future. This has become even more critical with Brexit, and the labour market supply challenges. This demand by business is not being matched with available funding from the Scottish Government.

Question: How is the minister proposing to alleviate this situation to ensure that demand is met for business, to open up even more opportunities for young people?

Scottish Chambers of Commerce

- The Scottish Government is committed to growth of Graduate Apprenticeships (GAs), as underlined by our inclusion of GAs for the first time within our 2018 delivery targets for apprenticeships. It is vitally important that Scotland's skills system continues to support the needs of our businesses in future, both through our future budget decisions and also in terms of the alignment of skills planning and provision supported by the Strategic Board for Enterprise and Skills.

29. Background: The Scottish Government announced a £10M Flexible Training Fund for colleges. We understand this fund has been set up with proceeds from the Scottish Apprenticeship Levy Tax, with the objective being to develop and support needs of business.

Questions: Business is asking what ownership, influence and control over how this money is being spent is being provided for the business community? It appears that business is not taking up the offer from colleges currently, can he confirm this? Could we utilise this fund perhaps through bids or other processes, to engage business and provide them with the opportunity to train in areas and disciplines that they need, as opposed to potentially being in a situation where it could be deemed as being “provision led”?

Scottish Chambers of Commerce

- The Flexible Workforce Development Fund Pilot has been designed to meet the needs of business, by allowing Apprenticeship Levy paying employers to define, within broad parameters, the type of skills support they need from colleges. We continue to monitor uptake of the pilot and the Scottish Funding Council will review the success of the pilot year and this will inform the operation and guidance we set out for the continuation of this programme in AY 2018-19. We will also consider the individual FWDF allocations to colleges / regions as part of the review process.
- We have therefore not at this point allocated funds for 2018-19 to individual colleges as this is subject to the review of the pilot year. In particular we need to review the delivery of each college against its target.
- The Scottish Government has appointed EKOS as the independent evaluator in line with existing Scottish Government research frameworks. EKOS will arrange to meet with a number of: employers; employees; and external stakeholders including: SFC; COSLA; Colleges Scotland; Oil & Gas UK; SCVO; Police Scotland; NHS Scotland; FSB; STUC; SDS; CBI Scotland; and the Business Gateway National Unit.
- The independent evaluation of the fund during this pilot year will provide the Scottish Government with a robust and evidenced-based insight into how well the fund is working from a variety of perspectives. The findings will assist the Scottish Government to inform policy development to support Year 2 of the Fund.

30. Background: DYW Local Panels has been deemed to be successful in terms of outputs/impacts in the majority of geographical areas in Scotland. Part of this success has been due to (a) locally driven; (b) business led and (c) ability to form effective partnerships/relationships.

Questions: Do we have national indicators which do not only measure quantity but focus on quality? And is one measurement the alleviation of skill shortages for Scotland?

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- From a DYW perspective there are four national KPIs, one of which has an explicit quality focus (“Increase young people’s exposure to meaningful work based activity in education”).
- Skills Development Scotland publishes a wide array of statistics and indicators, many of which have an explicit quality focus. For example the Skills Mismatches Data Matrix, which provide an indication at national and regional of Skills Shortages, Hard to Fill Vacancies, Skills Gaps, Skills under-utilisation, Skills Gaps by Occupation, and the Impact of Skills Gaps on Business.
- Gross Value Added (GVA), as a proxy measure of productivity, reflects both quantity and quality. Skills Development Scotland publishes a wide array of statistics and indicators relating to GVA, such as GVA by Sector and GVA per Job.

31. Background: In relation to the Apprenticeship Levy Tax. We appreciate this has been introduced by Westminster. During a lengthy consultation process by the Scottish Government, ideas were put forward to engage more small and medium sized businesses who were part of the large company supply chains to be able to access the levy pot.

Questions: How has the Minister progressed this area, how many small and medium sized businesses have benefitted from its introduction? And how is it being measured?

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- As skills policy is devolved across the UK, Scottish Ministers decide how the resources available to them should be allocated. The Scottish Government continues to prioritise existing commitments to deliver our distinctly Scottish approach to skills, training and employment provision, including the expansion of Apprenticeships.
- Following the conclusion of our consultation on the UK Government’s Apprenticeship Levy in the summer of 2016, we published the independent analysis of the responses which showed broad employer support for all of the options on which we consulted.

- In direct response to the views of employers in Scotland, identified in our Consultation responses, all of the funds raised through the Apprenticeship Levy will be invested in skills, training and workforce development to meet the needs of employers, the workforce, young people and Scotland's economy. This was set out in the Scottish Government's response to our consultation on the introduction of the Apprenticeship Levy by the UK Government which was published in December 2016.
- The Scottish Chamber of Commerce is however correct that some respondents to the consultation made additional comments which included:

“Requests for funding to be available to employers not paying the Levy (e.g. employers in a “supply chain”; those addressing the needs of a particular sector; and SMEs in general). “
- These comments may have been made in response to UK Government announcements made at that time regarding the English Apprenticeship system which cited plans for Levy paying employers to be able to pass on funds from their digital accounts for Apprenticeship training to employers in their supply chain.
- Subsequently from April 2018, in England they plan to allow levy-paying employers to transfer funds to other employers, through the apprenticeship service. Transfers can be made to any employer, including smaller employers in their supply chain, and apprenticeship training agencies. Levy-paying employers will initially be able to transfer up to 10% of the annual value of funds entering their apprenticeship service account.
- There is no requirement for such a system in Scotland as in Scotland all employers are able to access funding for approved apprenticeships. There is no upper limit on the number of apprentices your business can employ.
- We recognise that apprenticeships are an essential way for all employers, regardless of size and sector, to develop their workforce and contribute to business and economic growth. Larger employers are encouraged to raise awareness across their supply chain.
- Skills Development Scotland continue to actively raise awareness of the benefits of employing apprentices.