

CONSULTATION RESPONSE FORM

Question 1 - The table in part 5 provides an overview of the proposals under each of the EU 2020 headings – Smart, Sustainable and Inclusive – matched against the relevant thematic objective and investment priorities. Do you think the investment priorities are the most appropriate ones for the activity suggested?

The proposals outlined in Part 5 appear to align well with the thematic objectives and investment priorities. We support the overall strategic aims of the European Structural and Investment Funds (EUSIF) and welcome the focus on investment in education and skills to support economic growth, combat poverty and enhance social inclusion. Particular areas that we support are: work experience opportunities; access to advanced apprenticeships; matching skills acquisition with skills demand and the continued learning and development of existing employees.

These priorities reflect the challenges that the employers across our footprint are facing: attracting a diverse workforce; recruiting people with the right skills, in the right roles; and continued development of existing staff. The objectives therefore align with our vision as a Sector Skills Council (SSC) and we can see huge opportunities for supporting these aims by drawing down EU funding, specifically through the European Social Fund (ESF).

We have developed, and continue to develop skills solutions in response to the intelligence we gather from the employers we work with. The strategic objectives of the European Social Fund could enable more employers in Scotland to benefit from these solutions, thus supporting the ambitions of the programme. We work with Skills Development Scotland on initiatives such as the Skills Investment Plan and would welcome the opportunity to work with them on the proposals that have been outlined in Part 5 SMART GROWTH.

Advanced Apprenticeships

We have made huge strides in encouraging employers to develop and deliver high quality apprenticeships that meet their business needs, and provide apprentices with a stretching programme of skills and knowledge development. Apprenticeships relating to the financial, legal and justice sectors are now available up to Level 4 (SVQ). We know that there is demand in these sectors for more, higher level apprenticeships to be developed in the future.

Apprenticeships offer an opportunity to develop the skills required for successful employment and an affordable route into a long-term career. The increasing use of apprenticeships in the financial and legal sectors will also have a significant impact upon workforce diversity. By offering a route that does not require the attainment of a university degree, these professions will be opened up to a wider pool of talented people. The employers that we work with in these sectors are relatively new to apprenticeships, however; they are quickly becoming advocates of them:

“Skills for Justice has been instrumental in helping Kennedys navigate the unknown world of apprenticeships. With their expert understanding they have led us, and others, on a journey which will result in better access to the profession and a new generation of lawyers who have learned “on the job... “Recruitment is just brilliant, we had applications from an amazing calibre of candidates, and we are very pleased with the result.” Emma

Phipps, Kennedys

The FLSP has developed an Apprenticeship toolkit that supports employers to become apprentice-ready and to maximise the benefits of apprenticeships for their business. This is especially helpful for Small and Medium-sized Enterprises. We would like to provide a similar toolkit to support employers across the rest of our footprint and we believe they would be willing to pay for it. However; the majority of the employers we work with are new to apprenticeships and therefore we would not expect that they would be willing pay for the development and design of the product. Funding from the ESF could push this venture forward.

Preparing young people for employment

Work experience is a useful mechanism for improving employability skills where it is of high quality. However; the availability and quality of work experience opportunities vary and tend to favour those that are well-connected, neglecting those that are most disengaged and therefore those most in need. The FLSP has developed an industry-led virtual work experience platform tailored for the Financial Services Sector: [GetInGetOn](#) (GIGO). It is based on a strategy to support firms to address issues surrounding education and skills, youth unemployment and building the financial skills and accountancy workforce for the future. GIGO focuses on developing young people's industry related employability skills and knowledge before they reach the workplace.

GIGO creates a new entry pathway for young people aged 14-24 that brokers the transition from school and college through to the place of work via virtual work experience opportunities. Young people develop much needed and prioritised employability skills and receive high quality e-career mentoring from industry specialists.

The GIGO programme allows employers to provide high quality work experience that will raise the career aspirations of students. Virtual work placements are not limited by location or connections – a young person with no connections to people working in the sector, living in a remote part of the UK can access GIGO.

It also reduces the costs of a physical work placement; the cost of offering a GIGO placement is estimated at £166, markedly lower than that of a traditional placement (estimated at £1300). Because it is more affordable, businesses find it an attractive alternative to traditional work experience programmes, hence providing more opportunities.

Students currently receive a certificate on completion which demonstrates achievements that fit with the Curriculum for Excellence. This solution will enable the industry to help to increase social mobility and youth employment on a wide scale.

GIGO has proven so popular in England that it is now being adapted for the legal sector and we have received interest from employers in the justice sector. The existing programme has also recently been endorsed by Matthew Hancock, Minister for Skills in England. We are now running a small pilot of the programme in Scotland, in partnership with Standard Life. An independent evaluation will be conducted by Skills Development Scotland which we expect to evidence the benefits.

A further extension of GIGO could be to adapt it so that it could be used by teachers and careers advisers to enhance their knowledge of employment in the financial services sector - or if rolled out - any given sector.

Careers Education, Information, Advice and Guidance

One of the ways in which the EU Structural Investment Funds could add value is through awareness raising campaigns. Every teacher in Scotland has a responsibility to provide accurate, balanced careers education, information, advice and guidance. We are aware that teachers are struggling to stay up to date with all of the options available to their pupils once they progress from school and college. We have worked hard to engage with schools to promote pathways into the financial services sector and can offer a great deal of support through, for example our Step into a Career in Finance and Professional Services events for students and our website careers portal; [Directions](#).

Directions

Directions provides information on legal, finance, accountancy and financial services using employer-approved job profiles and films to help get new, young talent interested in joining the industry. The FLSP's Larger Firm Partners have their own branded channel to offer fresh opportunities and engage with a younger audience. It has the support of employers confirming it as an example of good practice.

"Directions gets it right. It's the go to place for careers in our sector, to understand them and find the positions firms are looking to fill. Targeting schools from broad geographic locations is challenging and Directions successfully worked with us to fill our apprenticeship positions and all for a highly competitive price." Julie Hyett, Aon.

Step into a Career in Finance and Professional Services Events

We have been working with Glasgow, Edinburgh and Aberdeen local authorities and schools to deliver career events (free of charge) for S5 and S6 students. These events support students and their teachers in understanding progression options in finance, accountancy and financial services firms. The events are designed to enable students who may have an interest or are curious about a career in finance, accountancy and financial services the opportunity to speak directly to a number of employers who offer high quality school leaver programmes, sponsored degrees, apprenticeships and those that recruit graduates on formal training schemes.

To date we have run 3 events (Glasgow, Edinburgh and Aberdeen City) reaching approximately 140 students. Feedback has been very positive, particularly raising awareness of alternative routes into the industry such as apprenticeships and school-leaver schemes which some firms in Scotland are finding difficult to fill e.g. In Glasgow 96% of students found the event 'very helpful' in developing their understanding of the different employment opportunities (such as school-leaver programmes) and education routes (such as apprenticeships).

One local authority has used the format of these career events to promote careers in other industries such as Energy.

Although these events have been successful in raising the awareness of students regarding alternative routes into the industry we believe there is work to be done to 'influence the influencers' i.e. parents and guidance teachers. We have been speaking to Education Scotland, Local Authorities and Skills Development Scotland about how best to reach these groups. We are currently exploring the possibility of providing Continuous Professional Development events for teachers.

Any future events (students/parents/teachers) would be subject to funding and we are currently

exploring what opportunities there may be for industry/ government including Skills Development Scotland and FLSP partnership working. The ESF provides a further opportunity to support this type of activity. There is a real opportunity to make a significant impact on young people's employment opportunities at minimal cost.

Sectoral and regional skills for future industry needs

Economic growth relies on employment opportunities. There *are* opportunities in financial and legal services but employers are frustrated because there is a severe lack of candidates with the required skills. This highlights the critical need to match supply with demand through better use of accurate up-to-date Labour Market Information (LMI).

Skills for Justice is currently developing a Skills Observatory which will host all of our LMI and make it even easier to interpret and access the information.

Case study: Proposal for a Skills Observatory

The Skills Observatory would be a suite of interactive maps, charts and data that provides tactical, timely and relevant intelligence and analysis for employers, careers and job agencies. It generates deep and previously undetected insight for stakeholders enabling sound, evidence based high impact decisions to be made on skills and sector investment priorities. It is underpinned by cutting-edge spatial statistical analysis and modelling techniques within a framework of Geographic Information Systems (GIS).

The Skills Observatory will play a critical role in defining skills development and support growth targets. It can present information and data in a meaningful way that strengthens strategic decision making in areas like: the skills employers are looking for in their prospective employees, including any specialist skill requirements; what skills and/or training is needed to fill new posts as new business is attracted to Scotland; gaps in education, skills and growth strategies and to inform curriculum planning and the delivery careers Information Advice and Guidance (including targeted communications and events) and support bids and business cases to attract future investment.

Business Competitiveness (Leadership Development)

Through the Glass Ceiling

[Through the Glass Ceiling](#) is a programme designed specifically for women managers looking to develop their personal leadership capability in order to 'move up the ladder'. The programme, offered by the FLSP, has received excellent feedback from participants and we are finding a great deal of interest in Northern Ireland and Scotland. Unfortunately, paying to attend the course is not prioritised in an economically restrained environment and therefore the ESF could fill this gap by subsidising this type of programme for aspirational women.

Question 2 – Section 6 sets out the linkages between Structural, Rural and Fisheries Funds as well as linkages to other EU Funding Programmes. We would welcome stakeholder comments on these linkages in order to help us develop this thinking further

N/A

Question 3 - Do you think the new proposals will have a positive or negative impact on the protected characteristics and wider issues of inclusion and participation? **And**

Question 4 - If you think there will be a negative impact on the protected characteristics or inclusion and participation please provide suggestions as to what could be done differently to diminish this impact.

Although the overriding objectives of the EU Commission and the Scottish Government are closely aligned, there is a challenge to satisfy all of the requirements and achieve the ambitious outcomes desired. The Scottish Government has clearly worked hard to design a process that is complementary, including embedding the horizontal themes across all programmes. Consideration of the impact on people with protected characteristics, and the wider issues of inclusion and participation should be threads that run through all of the design, selection and delivery processes. As with sustainable development measures, treating these elements as a ‘bolt on’ would have a negative effect overall.

We are pleased that the Scottish Government is conducting an Equality Impact Assessment and we feel that, provided that relevant bodies such as the Strategic Delivery Partnerships and the Partnership Agreement Monitoring Committee recognise that the horizontal issues are an integral element of the programmes, the impact will be positive. When assessing the merits of a proposal, it is tempting to focus on the financial return on investment, not least because it is easier to measure. Horizontal themes and wider, long-term benefits and sustainability should be given equal or greater weighting in the assessment process.

Hard to reach people

We are greatly encouraged by the recognition that the involvement of the third sector will be crucial for successful engagement with hard to reach people. Not only do voluntary organisations have the communication channels that enable them to access the most vulnerable and sidelined people in society, the people who work in the voluntary sector also possess the necessary knowledge and skills to provide appropriate support. The challenges faced by service users are often highly complex and will be best addressed by involving those who have this experience and understanding. Using their established networks to provide a wider geographical reach will also be useful.

There is a clear link between a highly skilled justice and community safety workforce and a secure, prosperous growth economy. Across the UK we work with employers who promote social inclusion, combat poverty and injustice, provide safety and stability, and support people of all ages to be productive members of society.

The Fire and Rescue Services and Police Services have an excellent track record of engaging with young people and offering them education and work experience opportunities. This improves their employment prospects and, in turn, benefits the local community.

We would urge Scottish Government to ensure that SDPs and the PAMC include ex-offenders and young offenders when considering programmes that address the themes of inclusion and participation. This is evidently a section of society that is desperately in need of additional support to help them to gain employment. A significant proportion of offenders lack essential skills which makes it difficult for them to find employment. This is often a motivating factor for criminal behaviour, particularly where the crime is driven by necessity i.e. poverty. The cycle continues on release; the lack of employment opportunities for ex-offenders is one of the main drivers of re-offending and can have harmful effects on communities.

The cost of custodial care and the current re-offending rates, as well as the cost to businesses and the human cost of crime, are all factors that make support for this section of society a high priority. As the social inclusion theme is 'not yet clear – under development', we would like to suggest that bids that aim to support ex-offenders into employment or (education) should be considered eligible for funding.

Employers in the financial and legal services sectors also contribute to youth engagement through their employability strategies and corporate social responsibility initiatives.

As mentioned, there has been a huge increase in the design and delivery of apprenticeships in the professional services (finance and legal) and justice sector. The apprenticeships that we have developed with employers in these sectors, across the UK, have opened up pathways into employment for young people from less affluent backgrounds. They can also be used for people looking to change career later in life – an increasing issue in a time of job insecurity. The potential to improve social mobility whilst benefitting employers by providing them with a wider and more diverse talent pool is staggering.

It would be sensible to forge links between youth training programmes and apprenticeship frameworks at Levels 2 and 3 to strengthen a clear pathway into employment.

Lead partners

Encouraging partnerships that span the spectrum of the private, public and voluntary sectors will bear fruit. Lead partners should be selected as such because of their capacity to absorb the burden of administration and management of the programme. This should not skew the balance of power in their favour. Private sector organisations are more likely to be the lead partner and provide match funding but this will be complemented and balanced by activity delivered by voluntary and public sector organisations. Alternatively, employer-led organisations such as sector skills councils can be a useful conduit for bringing together organisations across the sectors, or SMEs within a sector.

Match-funding in kind should be considered for small organisations, particularly those in the voluntary sector who have little money but an abundance of skills.

Question 5 - Please provide your views for improving the process for design, procurement, delivery, monitoring and evaluation to strengthen delivery of sustainable development.

Overall we are impressed by the Scottish Government's attempts to embed horizontal themes throughout the entire process. An integrated approach will increase the chances that the programmes that are funded are the most appropriate and high impact whilst also reducing duplication.

It will be equally important to involve the most appropriate agencies in the design and delivery of the selected programmes. There can be a tendency to use the same organisations again and again which can stifle innovation. Lead partners should ensure that they are not missing opportunities by sidelining organisations that could add value. Information and communication channels must be widely available and lead partners should encourage enquiries from interested parties as early as possible to avoid missed opportunities.

Question 6 – Do you have any further comments on the proposals outlined in this document?

We are disappointed that support for graduates has not been identified as eligible for EU funding. There is a perception that graduates are not in need of the same level of support as non-graduates but we have found that there is room for improvement here too. For example, our engagement with employers in the Highlands and Islands has unearthed a problem of under-employment rather than unemployment. Graduates struggle to find work at graduate level in their local areas. We have also found that many graduates are unaware of the opportunities available in SMEs and are more inclined to apply for jobs at larger firms, exacerbating the barriers to SME competitiveness. Appendix 1 provides a case study to illustrate the value of the Graduate Foundation College.

The FLSP [Graduate Foundation College](#) assists employers with finding talented people with the skills that they require to enhance their business. The College offers a structured programme of academic training and industry experience to bright graduates in order to increase their employability as future advisers. It has particular benefits for SMEs and micro-businesses as they will not be restricted by whether they are able to fund initial training and induction for new starters. Meanwhile graduates will achieve an entry level standard into the world of financial advice or compliance and during the programme, where possible, they will be introduced to a participating firm, providing them with invaluable insight and experience of the world of work. The Graduate Foundation College also has the potential to assist businesses with their talent pipeline; future-proofing for hard-to-fill vacancies. If this kind of initiative is not eligible for support under the EU SIF it would be useful to have a discussion with Scottish Government about any other potential funding that could be secured in order to offer this service to more graduates and SMEs.

For any enquiries, please contact Colette Wymer, Policy and Intelligence Officer on 0114 231 7370 or Colette.wymer@sfjuk.com. Address: *Distington House, Skills for Justice, Atlas Way, Sheffield S4 7QQ*

Eric's career on the right path

A man who came to the UK to pursue his dreams of working in finance has praised an innovative project designed to help graduates into the sector.

Eric Simpson, 25, moved from Cape Town to Glasgow in 2012 after completing his property degree but struggled to find work.

His luck changed when signposted by Jobcentre Plus to the Financial and Legal Skills Partnership's Graduate Foundation College – an ambitious industry-led initiative to help young graduates qualify as financial advisers and fill much needed positions in small and medium sized advisory firms across the country.

The College offers a structured programme of academic training and industry experience to bright, young graduates in order to increase their employability as future advisers.

After completing an initial eight-week learning programme, including the first set of industry qualifications needed by those working in the field, Eric secured a three-month internship at One Solution based in Glasgow.

He said: "I've wanted to work in finance for a while. Although my degree concentrated on property, it covered lots of financial aspects and when the markets crashed in 2008, I knew that I should look at other avenues. I really enjoyed the financial aspects and thought I'd look into it further.

"But after I came to Scotland, I couldn't get a job so I was delighted when the job centre put me in touch with the Graduate Foundation College. The learning units were great and really set me up for my internship with One Solution."

During his internship, Eric undertook a wide variety of duties including processing applications, system updates, client liaison, marketing and customer service.

And having impressed during the three-month period, Eric has been offered more work with the company going forward.

Group Operations Manager Josie Lorimer said: "Right from the interview stage, Eric shone immediately. We couldn't believe he was unemployed. He's polished, intelligent, very receptive and comfortable in his surroundings. In just three months he's become a very important part of the team.

"The Graduate Foundation College has been great for us – it has given us time to assess and value the effort being put in by the graduate and see if they fit in with the team. We'll definitely be looking to continue working closely with it going forward."

Eric is also continuing his studies to gain the necessary qualifications as he prepares for a career in financial services.

He added: "If I hadn't heard of the College, I really don't know where I'd be now."