Chief Executive Foreword

Welcome to our Operating Plan for 2016/17

During the first year of our new five year Corporate Plan, we made significant progress towards achieving our ambitions for the people and businesses of Scotland. Our results in 2015/16 have shown that we are making a difference to employers and to the lives of our customers on a greater scale than ever before.

Year two of our five year plan is about building upon that success and working hard to ensure we contribute towards the creation of a competitive, inclusive and resilient economy.

Our Operating Plan for 2016/17 is ambitious and seeks to extend and widen our services. We will continue to work hard to ensure individuals have the support they need to develop skills and confidence to secure good work, and that businesses can access the skills they need to prosper.

Working with employers and partners is fundamental to the success of our ambitions - together, we have the key role in setting the national skills agenda. This year we aim to refresh and build upon our skills data to create the type of intelligence that informs not only our own programmes, but those of our partners, and helps to shape the skills system and better align supply and demand.

Our apprenticeship family will continue to grow this year and our work with industry leaders on the Scottish Apprenticeship Advisory Board, as well as increasing engagement with parents and teachers to highlight the benefits of work based learning, will be fundamental in shaping the impact of the upcoming Apprenticeship Levy in Scotland.

To support Scottish Government’s ambition for 2020, we’ll expand our Modern Apprenticeship programme in 2016/17 and extend our Foundation Apprenticeship programme. In addition, we’ll further develop our Graduate Level Apprenticeship pathways.

We will also work with partners throughout 2016/17 to deliver, and increase the reach of, our support for those faced with redundancy through PACE (Partnership Action for Continuing Employment). We will also help to address specific sectoral and geographical cases by working closely with special Scottish Government taskforces.

Fair work remains a priority this year and we will continue to implement and monitor the success of our Equality Action Plan. Throughout 2016/17, we will work hard to reduce the barriers faced by individuals in taking advantage of opportunities by mainstreaming our approach to increasing participation of under-represented groups.

We also will increase our contribution to supporting the long term unemployed and those unemployed with a disability via the Employability Fund, and continue to work with Scottish Government on a fully devolved employability service from April 2018.

Our priorities for 2016/17 reflect our commitment to working with schools and other partners to help people manage their careers throughout their lives. This year, we will extend our Career Information, Advice and Guidance (CIAG) service, working with school pupils at an earlier stage in their school career and ensuring they have access to the right support to make informed choices about their future careers.

But these ambitions can only be delivered through close partnership working and ensuring we keep our customers needs at the centre of everything we do. Together we can continue to make steady progress towards real and positive change to create a strong, vibrant and diverse economy.

Damien Yeates Chief Executive
Introduction

About us

We are Scotland’s national skills body, focused on contributing to Scotland’s sustainable economic growth by supporting people and businesses to develop and apply their skills. We work with partners at national, regional and local levels to create a Scotland where:

- employers are able to recruit the right people with the right skills at the right time
- employers have high performing, highly productive, fair and equal workplaces
- people have the right skills and confidence to secure good work and progress in their careers
- there is greater equality of opportunity for all.

We do this by delivering services for individuals and employers that help them to achieve their ambitions. By building strong partnerships with providers, funders and influencers of education and training, we drive a focus on delivering the programmes that will make a real difference to Scotland’s communities and economy. Investment in the right skills, at the right time and in the right place is at the heart of our approach to supporting individual achievement, as well as business and economic growth and a fairer Scotland.

Together with partners, we drive skills planning and development, as depicted by the model in Figure 1. By placing an increasing emphasis on the importance of work based learning, our approach aims to improve the response of education and training to the needs of industry and ensure people have the best possible chance of succeeding in the world of work.

Since our creation we have stimulated stronger relationships between providers of education and training, and businesses and industry, so that Scotland’s economy is fuelled by a skilled workforce both now and in the future. By developing the evidence base and aligning our work with what it tells us, we are responding to the needs of the economy and contributing to successful communities across Scotland.

The approach underpinning the skills planning model informs the development and delivery of our key products and services. These are:
• Support for employers to recruit, develop and plan a skilled workforce through a dedicated employer team and a skills web service, Our Skillsforce.

• Modern Apprenticeships – an established and successful approach to work based learning that enables businesses to train new entrants and existing employees to industry-recognised standards; to further extend the scope of work based learning opportunities, these are now complemented by additional work based learning pathways forming a wider ‘apprenticeship family’:
  o Foundation Apprenticeships, a new model of work based learning introduced in 2014-15, offering senior phase school pupils access to structured vocational learning
  o Graduate Level Apprenticeships offering a combination of academic and work based learning at an advanced level – we will be piloting alternative approaches in the course of the year ahead with partners in Higher Education

• Apprenticeship.scot, our web service that supports work based learning and provides a focus for advertising opportunities

• Leading delivery of PACE (Partnership Action for Continuing Employment), the Scottish Government’s national strategic framework for responding to redundancy situations and supporting the Scottish Government Taskforces set up to tackle specific redundancy situations

• Building Career Management Skills (CMS) through Scotland’s all-age career information, advice and guidance service delivered to school pupils, those in transition from school and adults (aged 20+)

• My World of Work - the SDS web service which offers the people of Scotland a unique mix of tools, features and job information to help them develop career management skills and discover more about themselves and the world of work

• Supporting individuals to secure and sustain employment through the development of employability and vocational skills through a local delivery model - the Employability Fund: co-commissioned with partners, and other employability initiatives

• Individual Learning Accounts - providing financial support for individual learning for those on low incomes.

The strategy map on the following page summarises our goals and broad areas of work, including those of our supporting enabling services.

The year ahead

The year ahead will see continued development and improvement of our products and services, and continued close work with partners and stakeholders to progress key priorities including:
• Earlier engagement with school pupils to support subject choices and develop their understanding of the world of work
• Further development and promotion of work-based learning to offer young people positive alternative pathways into work
• Active involvement in the design and development of a distinctively Scottish Employability Service
• Creation of a new Apprenticeship Advisory Board to influence the development of the Apprenticeship levy and the strategic direction of apprenticeships in Scotland
• Continued commitment to embed equal opportunities in all of our services

These and other priorities are detailed in this Operating Plan for 2016/17, the second year in our 5 year Corporate Plan. Key commitments are detailed for each of our goals, set in the context of a review of our achievements in the past year.
**Vision**
SDS contributes significantly to a Scotland that values skills, realising the potential of its people and businesses to build a competitive, inclusive and resilient economy.

**Purpose**
Making Skills Work for Scotland.
We lead skills planning and development, and support: employers to get the skills they need and individuals to get jobs and progress in the workplace.

**Our ambition for employers:**
Making skills work for employers

**Goal 1:** Employers are better able to recruit the right people with the right skills at the right time.
- Engage with employers to plan demand for skills both now and in the future
- Utilise this intelligence to influence the development and funding of:
  - Matching appropriate tertiary education provision
  - Work-based education, training and learning pathways
  - SDS products and services to respond to demand and equip people with the right skills for employers and our nation
- Deliver targeted programmes to help employers bridge the gap in industries where the supply does not meet demand in the short term.

**Goal 2:** Employers have high performing, highly productive, fair and equal workplaces.
- Provide trusted advice and support to enable employers to:
  - Invest in existing skills and plan for and develop, new talent
  - Create solid business plans that reflect long term skillforce requirements and fairness
  - Access the right products and services to grow their business through their skillforce
- Establish evidence on the impact, effective leadership and a culture of fairness and equality has on workplace productivity
- Through strategic engagement with industry, demonstrate and help deliver the benefits of adopting fair workplace and equality practices.

**Goal 3:** People have the right skills and confidence to secure good work, progress in their careers and achieve their full potential.
- Drawing on our careers intelligence, help people develop career management skills so they can:
  - Choose the right pathway through education and into work
  - Acquire essential employability and work-based skills
  - Take advantage of opportunities available to them within our economy and its employers
- Anticipate and plan ahead throughout their career
- Champion the wide range of pathways into work, ensuring each route is recognised and valued
- Invest in programmes such as Modern Apprenticeships to help Scotland’s workforce remain responsive to a changing economy and labour market.

**Goal 4:** Increased equality of opportunity for all.
- Work with partners at a local level to create a joined-up pipeline of accessible skills support, delivering greater equality and diversity in the workforce
- Establish a clear understanding of the barriers to participation some people face by working closely with equality experts
- Collaborate with partners to further shape services to break down systemic barriers and increase participation
- Collaborate with Scottish Government to help design and deliver devolved employability and skills programmes in Scotland.

**Our ambition for our organisation**

**Goal 5:** SDS is an employer of choice, an exemplar of fair work and internationally recognised for excellence, innovation and customer focus.
- To deliver sector-leading services to customers by:
  - Taking an innovative approach to leadership, skillforce development and equality
- Harnessing our digital capability and making best use of our business intelligence
- Maintaining a focus on quality, efficiency, effectiveness and sustainability underpinned by a culture of continuous improvement.

**Values**

- We put the needs of our customers at the heart of all we do
- We demonstrate self-motivation, personal responsibility and respect
- We continually improve to achieve excellence
- We make use of our combined strengths and expertise to deliver the best outcomes
Operating context

Our 5 year Corporate Plan outlines the economic, policy and wider context in which we operate. While the broad picture remains similar, there have been a number of changes in the last year that impact on SDS operationally and which must be considered in determining how we can most effectively use our influence to help shape the skills system and deliver the programmes and services that make skills work for Scotland. Key amongst these, and considered further below, are the introduction of a UK wide apprenticeship levy and the devolution of DWP employability services to Scotland.

The economy and labour market
Scotland’s economy has experienced 4 years of growth, slowly moving out of recession. Although this growth continues, it is now (early 2016) beginning to show signs of slowing. Growth has been stimulated by Scotland’s construction industry¹, which has experienced large public sector investment in new infrastructure, and the combination of low interest and mortgage rates which have prompted higher levels of household consumption, boosting retail and leisure sectors.

Conversely, changes in commodity prices², the decline in manufacturing industries across the UK³ and significant decreases in the value of oil have had major implications for Scotland over the last year. Lower oil prices have limited the amount of investment in the oil and gas sector, which is a major contributor to Scotland’s GDP. Serious knock-on effects on employment and the supply chain for that sector have highlighted the impact that a volatile global market can have on our economy and the importance of SDS PACE⁴ partnership services in being able to respond to situations where employers and individuals may be threatened by redundancy.

Despite the problems experienced in the north east, the 12 months to December 2015 saw Scotland’s labour market stabilise, with youth unemployment (16-24) rates at 14.6% (UK 13.3) and unemployment rates across the working age population at 5.8% (UK 5.1%)⁵. The employment rate (October-December 2015) in Scotland was 74.8% (UK 74.1%) with 22,000 more adults in employment than in the previous quarter. The jobs recovery has also been driven by part time employment. For every one full time job created between 2009 and 2014 – there were three part time jobs. Growth has started to show signs of slowing, suggesting a tightening and more competitive labour market.

There is a major change taking place in the occupational structure of the workforce, with an increasing number of higher level professional and technical occupations and lower levels of secretarial and administrative occupations. There is also a continuing fall in the number of process and machine operators and skilled trades, reflecting the reduction of the industrial workforce.

¹ The construction industry represents around 6% of the Scottish economy but accounts for over 40% of GDP growth over the last two years. The sustainability of such growth is under question and may be skewed by large public sector projects, including investment in the new Forth Road Bridge and Borders rail link. See Ernst & Young: [http://www.ey.com/UK/en/Issues/Business-environment/Financial-markets-and-economy/EY-Scottish-ITEM-Club-Forecast-2016](http://www.ey.com/UK/en/Issues/Business-environment/Financial-markets-and-economy/EY-Scottish-ITEM-Club-Forecast-2016)
² [http://markets.ft.com/research/Markets/Commodities](http://markets.ft.com/research/Markets/Commodities)
³ Including the steel industry and quarrying and mining activities – see, for example: [http://www.strath.ac.uk/media/departments/economics/fairse/fecvol39no2/Ou tlook_and_appraisal.pdf](http://www.strath.ac.uk/media/departments/economics/fairse/fecvol39no2/Outlook_and_appraisal.pdf)
⁵ These figures use the International Labour Organisation (ILO) definition of unemployment, which includes people who are out of work, seeking work and available to start work. To be ILO unemployed, an individual must satisfy all three criteria. The ILO definition supports direct comparisons of unemployment across countries. The measure is sample-based, sourced from the Labour Force Survey. Figures based on Oct-Dec 2015 rates.
Alongside this, the ‘hourglass labour market’ which offers disproportionate opportunities at the top and the bottom and few opportunities for those in the middle of the labour market, is forecast to continue. This presents a serious challenge to progression and may exacerbate under-employment and skills under-utilisation.

**Public Spending**
Towards the end of 2015, the extent of the challenge around public sector budgets in Scotland and the constraints in which SDS and our partners operate became clear. There is real pressure to deliver efficiencies against the backdrop of a challenging UK budget settlement and, like the rest of the public sector, we must make savings in 2016/17.

SDS has experienced some reductions in programme funding and we are also tasked with making further efficiency savings across the business. However, having demonstrated strong performance last year, we have successfully developed new approaches to improving our services, the further development and mainstreaming of which will be supported by new funding in 2016/17.

These include earlier and enhanced career information advice and guidance (CIAG) interventions in schools, the development of the Foundation Apprenticeship for senior phase pupils, expansion of the Modern Apprenticeship programme and introduction of a new Graduate Level Apprenticeship.

**The Apprenticeship Levy**
The UK Government’s introduction of an Apprenticeship levy is set to change the shape of the skills system with a significant impact on how apprenticeships are funded in future. Payable by every organisation with a wage bill in excess of £3 million, the levy comes into force in April 2017. It will be collected by Westminster through PAYE and redistributed across the UK. The detail of how the system will operate has still to be finalised and we are committed to working with industry and the Scottish Government to influence the outcome for Scotland.

The levy presents a real opportunity for a demand-led skills system. To influence and further shape the direction of change, we are creating a Scottish Apprenticeship Advisory Board with the aim of strengthening the employer voice in the education and skills system, with a particular emphasis on the strategic direction of apprenticeships. This will ensure that apprenticeships continue to meet the needs of industry and are clearly aligned with economic growth and job opportunities, while at the same time helping to progress our ambition for a learning system that places equal value on young people following work based pathways from school into work.

**Economic and Skills Policy**
Scotland’s Economic Strategy sets out a framework that describes how the Scottish Government aims to achieve a more productive, cohesive and fairer Scotland. As indicated in the diagram below, the strategy hinges on ‘inclusive growth’ which works on the principle that reducing inequality is essential to achieving sustainable economic growth.

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Specific aims are set out in the strategy to stimulate change in workplace policies to help tackle inequality, underrepresentation and to reduce youth unemployment, all of which we address throughout this plan.

The Scottish Government's Youth Employment Strategy\(^7\) describes how partners across the public sector will implement the recommendations of the Commission for Developing Scotland's Young Workforce\(^8\).

With a headline aim of reducing youth unemployment by 40% by 2021, the strategy highlights the need to engage employers in the education system and to provide learners with greater career management skills and a broader choice of vocational options to help prepare them for the world of work. It also seeks to diminish inequalities faced by young people, including those from ethnic minority backgrounds, disabled people and those in care.

We have made real progress in implementing change over 2015/16 and will continue to help deliver the ambitions of the Youth Employment Strategy, as detailed in subsequent sections of this plan.

**Employability**

The devolution of DWP services\(^9\) will see Scotland taking responsibility for externally contracted employment services (currently Work Programme and Work Choice) clients from April 2017. Arrangements have been put in place for a transition year in 2017/18, allowing time for the procurement and contracting for a new integrated employability programme which will commence delivery in April 2018. The focus of the programme will be on those with disabilities and long term health conditions and detailed consideration is being given to how the service will operate.

This provides a real opportunity for Scotland to redesign and better align existing and future support for unemployed people, offering a distinctively Scottish approach. We look forward to refocusing the delivery of the Employability Fund during the transition year to meet the needs of our new customers as well as playing a full role in the development of the future service. We will continue to work closely with the Scottish Government to ensure alignment of all support for the unemployed to deliver a seamless and effective integration of Scottish employability and skills services. Our current view of the employability landscape is outlined later in this Plan.

Demand for employability services in Scotland is also likely to be impacted by welfare reform. As Universal Credit is rolled out across the country, and the benefit entitlement of individuals is reassessed, there will be an increase in the number of people in receipt of universal credit who will be required to actively seek work or to increase their earnings.

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\(^9\) The position on the devolution of employability services should be clearer by the time the operating plan is published – and will be updated accordingly.
A larger pool of unemployed adults seeking work will include people who have not worked for a long time, which will have implications for employability services and may also impact on youth employment levels, if more adults enter an increasingly competitive labour market. This further emphasises the importance of creating a strong and integrated employability and skills service for Scotland.

**Workplace Innovation and Fair Work**

As noted above, a fundamental principle of Scotland’s Economic Strategy is to reduce inequality. To support this, the Fair Work Convention was established as an independent body in April 2015 to progress Fair Work practices in Scotland. In March 2016, the Convention published a Fair Work framework detailing five principles that should underpin a commitment to fair and progressive workplace policies.

The five principles emphasise the importance of ensuring the right frameworks exist to offer individuals an ‘effective voice’, ‘opportunity’, ‘security’, ‘fulfilment’ and ‘respect’ in the workplace.

We are fully committed to these principles. We have been working to ensure that SDS colleagues are engaged and empowered by encouraging feedback through our annual staff survey, consulting across the business in the development of our Corporate Plan and values and through the implementation of our Everyday Leadership approach. We also utilise the experience and expertise of colleagues in our business excellence activity, which relies on self assessment to inform continuous improvement.

We are an accredited Living Wage Employer and we endeavour to ensure that our working environment and workforce practices are inclusive, safe, respectful and fair. We offer development opportunities for our staff and are committed to supporting the Youth Employment Strategy by offering placements, internships and apprenticeships for young people.

As well as a focus on our own workplace policies, we will continue to work with the Scottish Government to actively support the Scottish Business Pledge among the wider business community and ensure our services support this, particularly in promoting:

- Progressive workplace policies which improve productivity and innovation
- Better opportunities for employee development, skills development and lifelong learning
- Increased focus on workplace equality issues across the private, public and third sectors
- The Living Wage and other aspects of fair remuneration

**Digital First**

The opportunities presented by digital technologies remain at the forefront of Government policy and are recognised as making a significant contribution to Scotland’s economic potential.

In addition to their 2012 publication, *Scotland’s Digital Future: Delivery of Public Services*, which focuses on the provision of accessible digital services and public sector collaboration, the Scottish Government is in the process of developing a *Digital Learning and Teaching Strategy* for Scotland which aims to improve the confidence of teachers, learners and parents in using technologies for education.

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12 From April 2016, a new national minimum wage will come into force across the UK. However, this is below the Living Wage. The Living Wage is a voluntary scheme and we will continue to work with employers and the Scottish Government to encourage more workplaces in Scotland to adopt it.
The change in culture and attitude to using digital technologies by individuals in schools, at home and in the workplace continues to influence how we deliver our services digitally. Through our work with education and with industry, and through the implementation of our Digital and ICT Skills Investment Plan, we are helping to bring the ambitions of the Scottish Government into fruition.

At the same time, as a business ourselves, we continue to exploit new ICT innovations to improve the way we operate so that we are a credible champion of change.

**Working with Partners**

Partnership working is crucial for making public services work better for customers. We will continue to ensure that our services contribute to the wider social and economic agenda, in line with Scottish Government expectations, and we will use our influence to help ensure that public services across Scotland are joined up as much as possible.

**Statutory Requirements**

As well as responding to the economic and policy drivers outlined above, we are also responsible for meeting a number of statutory requirements. These include the promotion and embedding of equal opportunities, carbon management, the Gaelic language and Corporate Parenting in our day to day work.

The Criminal Justice (Scotland) Act (2016) sees new duties placed on SDS as a Criminal Justice Partner from April 2017. We will continue to collaborate with statutory and non-statutory partners over the next year, including the newly formed Criminal Justice Scotland, to drive improvement and secure better outcomes for communities and people with a history of offending.

The Procurement Reform (Scotland) Act 2014 was the first major primary piece of legislation to be passed by the Scottish Parliament and is effective from mid April 2016. During 2016/17, we will take forward the Procurement Reform Act Regime in a pro-active and consistent manner.

All of these statutory requirements are built into our service delivery and compliance is monitored and reported.

With our focus on ensuring closer alignment between skills supply and the needs of our economy, we will continue to strengthen the services we deliver for individuals and businesses and look forward to responding positively to the opportunities and challenges in the year ahead.
Looking back – review of 2015/16

Our Operating Plan for 2015/16 set out our ambitions for attainment in the first year of our new five year Corporate Plan. This section summarises the key achievements and progress made last year.

Our ambition for employers – Looking back at 2015/16

At the heart of ‘making skills work for employers’ is the aim to ensure that the needs of Scotland’s industries and economy are met by the abilities and ambitions of its workforce. In 2015/16 we continued to develop our approach to building the skills intelligence base in Scotland, which underpins this progressive alignment of supply and demand.

During 2015/16, we focused on refreshing and improving Regional Skills Assessments (RSAs) in response to feedback from partners. This refresh not only updated and expanded the available information, but also allows it to be presented at Regional, Local Authority and City Deal Area. As a result, skills intelligence is now more accessible and user-friendly than ever before, empowering skills partners across Scotland to make informed decisions.

Complementary to this, and building on the success of our Highlands and Islands Skills Investment Plan (SIP), we developed an approach to producing Regional Skills Investment Plans (RSIPs). This was initially piloted in the Aberdeen City and Shire area, and will support a targeted and evidence-based response to the challenging and changing skills needs in that region. Looking ahead, this approach will enable more localities to understand, articulate and respond to their skills needs.

Our focus on defining the skills needs and development opportunities in Scotland’s key industry sectors continued in 2015/16, with the publication of the first Creative Industries SIP and the refresh of the Food & Drink, Tourism and Financial and Business Services SIPs.

The success of the SIPs was demonstrated through a range of activities; such as our multi-channel marketing campaign ‘Digital World’, designed to stimulate interest in careers in the ICT & Digital Technologies sector, and the successful launch of ‘Code Clan’.

Officially opened in October 2015, Code Clan is Scotland’s first digital skills academy. Its curriculum has been tailored to fit real-time market demands in Scotland’s digital sector amid a global skills shortage, and it has already seen its first students graduate. This demonstrates the ability of SIPs to identify specific skills needs, and appropriate responses, producing a competitive advantage for Scotland’s industries, its people and economy.

Our engagement with priority sectors also informed the development and introduction of new work-based learning pathways to support the future workforce. The first Foundation Apprenticeship pathfinders were developed and piloted in Engineering, Construction and Financial Services, with further programmes in development for the Energy and ICT sectors. The development of our new Graduate Level Apprenticeships also began. Combined, these will help to establish a clear pathway for work-based learning from school into highly skilled employment, and provide a valued alternative to academic options.

Our Modern Apprenticeship (MA) programme continues to grow. SIP and RSA analysis continues to contribute to the formal contracting process, with providers expected to demonstrate how their proposals meet the demands of the local economy as articulated in the skills evidence base. New frameworks are also being developed in response to skills intelligence, to ensure that opportunities and investment are aligned with future demand.
During the year there was a noted increase in the number of MA opportunities offered in financial services, and a record high number of MA opportunities offered in the construction sector.

In addition to the direct engagement of employers through MA and other SDS programmes, we established a 'Team Scotland' approach to reaching employers individually and through employer organisations, to inspire, support and embed a culture of continuous workforce development.

Across all sectors and regions our Employer Services Team engaged with 2,054 businesses in total, comprising 1,645 SMEs and, up 40% on the previous year, 409 large employers. We responded to over 12,000 employer enquiries received in person, through our helpline, our web service ‘Our Skillsforce’, or via partner organisations. ‘Our Skillsforce’ provided accessible online information and support to an average of 11,290 unique users per month over the year. This allowed us to promote the wide range of services available from SDS and our partners to more employers than ever before.

Our bespoke ‘Skills for Growth’ programme, delivered via Investors in People, experienced a 72% increase in the number of businesses it supported in matching their skills and people needs with their business objectives. Other promoted initiatives such as our Flexible Training Opportunities (FTOs), and Low Carbon Skills Fund enabled us to support employers to invest in the in-work skills development of over 6,650 employees across Scotland.

Through the promotion and delivery of the Scottish Employer Recruitment Incentive (SERI) we helped companies, including SMEs, to become fairer and more diverse workplaces, by supporting the recruitment of 1,252 young people from disadvantaged backgrounds.

In line with recommendations from the Commission for Developing Scotland’s Young Workforce, we also worked through the 22 DYW regional groups to encourage and support employers to engage with schools, and to actively recruit young people.

Reflecting the particular challenges faced by the Oil and Gas sector in the North East, there was a marked increase in Partnership Action for Continuing Employment (PACE) activity in the last year. In 2015/16, 47% of total PACE activity in Scotland was concentrated in and around employers based in Aberdeen City and Aberdeenshire, with the Shetland Islands accounting for an additional 11%. This work supported the targeted partnership approach to job-losses adopted through five Taskforces that were established in 2015/16.

The PACE Team supporting the Fife Taskforce, which was specifically established to support workers from the Tullis Russell plant, were particularly praised in their Education Scotland Review for strong leadership in shaping services locally, and for working closely with strategic partners to develop and implement national priorities. In total across Scotland, we delivered PACE services to 301 employers, supporting them through times of restructuring and redundancy; an increase of 19% on 2014/15.

**Our ambition for individuals – Looking back at 2015/16**

Across Scotland, we support individuals to build their career management, work-based and employability skills, throughout their career journey; from school, into further learning opportunities and employment. In doing so, we are able to use skills intelligence to help shape the decisions of people across Scotland, at all stages of their careers, so that they are well-placed to take up the opportunities arising within Scotland’s economy.
Across all of our CIAG services, in 2015/16 our staff supported 235,925 individuals, through a mix of 487,083 individual and group engagements.

A key focus for our schools work in 2015/16 was the development and dissemination of a suite of documents: the Career Education Standard (CES), Guidance on school / employer partnerships and the Work Placements Standard. We worked extensively with partners to develop these, with all documents published in September 2015. We then worked with the National Parent Forum of Scotland to produce a ‘nutshell guide’ to the CES, which was distributed to all parents of a child in secondary education, to help them understand their and our role in delivering CES. In partnership with Education Scotland, we also helped develop a training module for teachers, which was rolled-out in February 2016.

In the past year, in line with recommendations from Scotland’s Youth Employment Strategy, we also focused on developing an expanded service offer in schools. This is designed to engage and inspire young people at an earlier stage than before and help to better prepare them for the world of work. To achieve this, some of our activities included:

- working with P5-P7 teachers to develop lessons plans for delivering the CES,
- the introduction of group work for all pupils making the transition from primary to secondary school,
- 35 ‘Pathfinder’ schools developing and demonstrating the extended CIAG offer to S2/S3 pupils, particularly offering support to make subject choices.
- trialling a 12 week programme of one-to-one and group work for those S3 pupils in the greatest need of support

The lessons learned from these pathfinder schools will shape this extended offer as it is rolled-out across Scotland in August 2016.

We also conducted initial consultations to shape how this earlier intervention will be delivered to benefit looked-after children (LAC) and pupils with additional support needs (ASN).

In the operating year 2015/16, within Scotland's publicly funded secondary and special schools, our CIAG staff supported 189,142 pupils by delivering a total of 341,259 individual and group engagements.

We continued to target our intensive service at pupils identified as needing additional support to achieve a positive destination after school. Within the secondary school senior phase (S4-S6) 45,287 pupils received targeted individual support.

We enhanced this coaching provision by introducing ‘My Career Plan’ which helps pupils with additional support needs better understand their CMS progression.

As a measure of the impact of the work of SDS and its partners, we continued to see a year-on-year increase of school leavers entering positive destinations, which in 2014/15 reached a high of 92.9%. Girls achieved a slightly higher rate (94.1%) than boys (91.8%), while those from ethnic minority groups were also more likely to achieve a positive destination (93.8%). Our commitment to continuous improvement in schools also achieved an increase in pupil satisfaction as reported in our School Leavers’ Survey, rising to 67% in 2015, and showed more than 4 in 5 pupils reporting three or more benefits from our support.

Working in close partnership with schools, colleges and employers has been critical to the success of our first Foundation Apprenticeships, with 341 pupils from 78 schools leading the way in adopting this new approach to work-based learning. The Foundation Apprenticeships complement our more established programme of Modern Apprenticeships (MAs) and provide senior phase pupils with vital work experience while they learn.
Our CIAG offer to individuals was greatly enhanced during 2015/16 through the redevelopment and launch of the next generation of My World of Work (MyWoW). The updated site includes a data model that has been established to give users, including parents and teachers, access to data-driven content around the labour market and potential jobs and careers. As well as hosting new and updated text and video content, including tutorials, local job profiles across a wide range of industries, career and employer expert content, the service is also now compatible with mobile technology, such as tablets and smart phones. These significant improvements make our web service more accessible, responsive and user-friendly than ever before.

The number of individuals using MyWoW has exceeded expectations, with 136,853 new registrations to the site in 2015/16 and an average of 215,328 unique users per month visiting the site over the year. The new site includes tools to support our earlier engagement with school pupils around subject choices, and work has already begun to develop new interactive activities for use with Primary school pupils.

Building on the continuing success of MyWoW Live! at the Glasgow Science Centre, we have secured a new partnership with National Museums Scotland to open new sites going forward. This will further our ability to reach and inspire young people into STEM careers.

Through our careers centres we have maintained a strong focus on supporting the ‘Opportunities for All’ (OfA) agenda. Despite a rise in the numbers of 15-19 year olds choosing to remain in full-time education, we have been able to support 18,490 unemployed young people through one-to-one post-school support. Of those who received enhanced support, 57% progressed into a positive destination. Of those targeted young people progressing to a positive outcome, 47% were able to sustain their destination for 6 months. For some young people, the Certificate of Work Readiness provides the best opportunity to acquire employability skills. Last year we supported 3,116 young people through this programme by enabling them to gain vital experience in the work place.

In August 2015, we published, for the first time, a new ‘Participation Measure’, which supports the OfA by providing analysis of the number of 16 – 19 year olds in learning, training or work. This experimental data indicated a headline figure of 87.6% of 16-19 year olds participating in education, training or employment. This will be a key measure for us to develop and monitor going forward.

The Employability Fund (EF) supported 17,321 unemployed individuals to access specialist support to build their employability skills – the majority of whom (77%) were aged 16-24. EF provides support through programmes jointly commissioned with partners locally. 67% of EF participants in 2015/16 achieved a qualification, progressed to a further stage of the pipeline, or entered employment during the programme; of leavers achieving an outcome, 68% moved into employment. 95% of all EF participants reported that they found this programme useful.

To make our EF provision accessible to all, we launched the ASN Access Fund, which can provide funding for customers on stages 2-4 of the pipeline with additional support needs, in order to overcome barriers to participating on the programme. We also tendered for a new three year programme of the ESF Third Sector Fund, which will increase our specialist support for those furthest from the labour market.

We worked closely with Scottish Government throughout 2015/16 to consult on, develop and prepare for the new nation-wide employability service being devolved from DWP. Our continuation of this work is detailed in our commitments for 2016/17.
Our MA programme successfully reached its expansion target for 2015/16 with a total of 25,818 individuals starting an apprenticeship during the year; this was the first step towards achieving 30,000 starts per year in 2020. We are committed to focusing the allocation of MAs on young people and higher level skills attainment, and last year 79% of new MAs were taken up by 16-24 year olds, with 65% at Level 3 or above.

Our additional focus on growth and high participation sectors, including STEM-related frameworks, has been strongly delivered; more than doubling our target for MA starts in 2015/16 in the energy sector. There was also an increase in the achievement rate for MAs, with 76% of leavers in 2015/16 completing their apprenticeships successfully.

In December 2015, we published our MA Equality Action Plan which detailed how we will work to increase and support the number of MA starts from under-represented groups; including increasing uptake by individuals from ethnic minority communities, disabled people and individuals with care experience, as well as addressing issues of gender balance in certain sectors. This demonstrates our commitment to opportunities for all. Example projects in this plan include work within Ayrshire College to encourage better gender balance among STEM and engineering opportunities, and a project in East Kilbride to support young people with learning difficulties to progress on to MA opportunities.

Following the launch of [www.apprenticeships.scot](http://www.apprenticeships.scot) in March 2015, we saw good progress in the volume of users, vacancies uploaded and online applications submitted. We also continued to develop the site, making it easier for individuals to search for vacancies and events; helping the right person to be matched to the right opportunity. The site was visited by an average of 17,039 unique users each month, who had the chance to apply to 2,850 total opportunities uploaded in 2015/16.

Our Individual Learning Accounts (ILAs) can be used to fund training opportunities for people with low incomes who are looking to enter or progress in employment. We continued to review the delivery of this programme over the year, while still facilitating attendance at 23,970 courses across Scotland.

The challenging economic factors, noted earlier, meant our PACE services had to meet high demand. The SDS-led PACE partnerships delivered services to 17,883 individuals who were at risk of redundancy during 2015/16; an increase of 47% on the previous year.

We saw a similar increase of 40% in the number of individuals supported through our ‘Adopt an Apprentice’ programme, which supports Modern Apprentices who have been made redundant to find alternative employers with whom to complete their apprenticeships.

**Our ambition for our organisation – Looking back at 2015/16**

As an organisation we are committed to continuous improvement and development, both in driving the performance of our service delivery, but also in achieving efficiencies and excellence throughout the business. This is articulated in Goal 5 of our Corporate Plan, and in the corporate values that underpin all of our behaviours.

Our values are central to our drive to create a culture of ‘Everyday Leadership’ within our business. With a focus on building clarity and capability, Everyday Leadership will help us:

- deliver the best possible service to our customers
- encourage continuous improvement across the organisation
- enable our people to perform to the best of their capability
We continued to embed our commitment to continuous improvement, with teams across the business adopting our Business Excellence self-assessment programme alongside CIAG colleagues. Self-assessments in 2015/16 recorded a range of improvements achieved, including improved materials for group work, and increased school leaver satisfaction.

We worked closely with Education Scotland (ES) as they conducted eight external reviews of our work, including MyWOW, MA Engineering and six CIAG delivery teams. The ES reviews again endorsed the quality of the CIAG services we deliver to our customers, with 100% receiving a rating of good or above, and 69% rated very good or excellent.

As an employer we are committed to developing all colleagues, through adopting fair-work principles and promoting health and well-being. Last year, we achieved Living Wage Accreditation as well as our Bronze Healthy Working Lives award, which both recognise our commitment to our people. We intend to maintain these achievements and work towards further accreditation going forwards.

Our commitment to developing the young workforce as an employer as well as a provider remains undiminished. We employed a further 57 people on our expanding Young Talent programme in 2015/16, through a combination of traineeships, internships and Modern Apprenticeships. We were delighted to achieve the Investors in Young People Award as recognition of our work in this area, and to see the progression made by the young people themselves. Of those who completed or left the Young Talent programme this year, almost 90% moved on to a positive destination.

Our award-winning Procurement team worked hard to prepare the business for the implementation of the Procurement Reform Act from April 2016. They continue to achieve sector-leading standards in their work, and were awarded an outstanding score of 87% A+ in their Procurement Commercial Improvement Programme (PCIP) Assessment.

We continue to harness our digital capability to improve both our efficiency and effectiveness as an organisation. We developed an Electronic Document and Records Management System, ‘IShare’, to support the effective management of internal records, in line with the Public Records Scotland Act (2011), which is being rolled-out across the business. We also continued extensive work towards improving the integration of customer databases, financial and other management information systems, and enhancing data management processes and information quality.

Our continued focus on environmental sustainability culminated in receiving recertification of the Carbon Trust Standard and the publishing of our Carbon Management Plan 2015-2020. This plan sets an ambitious target of achieving a further 7% reduction in our carbon footprint by 2020, from our 2014/15 baseline. This equates to a 42% reduction by 2020, from a 2010/11 baseline, in line with the Scottish Government’s 2020 target. We are on target to achieve the 7%, having achieved a 1.2% reduction in Quarters 1 and 2 of 2015/16. Activities already completed, such as our energy audit of 31 offices across Scotland, will inform future savings.
Looking forward – 2016/17 commitments

Our Ambition for Employers in 2016/17

Central to achieving our ambition for employers is our role in leading skills planning and in developing a clear and robust intelligence base, built on the needs of industry and the economy, that we and our partners can use to inform our investment in skills and to strengthen jobs and careers intelligence.

We also have a clear role in supporting and inspiring employers to grow and develop their businesses through investment in skills and deployment of fair work practices. These roles will be strengthened as we lead the new Scottish Apprenticeship Advisory Board to shape the strategic direction of apprenticeships and champion work based learning pathways. Our ambition is to ensure the needs of industry and the economy strongly influence investment in education and skills. Our work in this area underpins our first two corporate goals, which are that:

Goal 1: Employers are better able to recruit the right people with the right skills at the right time

Goal 2: Employers have high performing, highly productive, fair and equal workplaces

We have already described our progress in extending and updating our skills intelligence in the last year, with a focus on strengthening the suite of Regional Skills Assessments. These provide insight and detail on the demand and supply of skills across Scotland’s regions and local authority areas and are already stimulating a more evidence-based focus on the way that skills initiatives and programmes should be tailored to meet the varied needs of Scotland’s industry sectors and communities. In the year ahead, we will be building our labour market and skills intelligence capacity to further support this dialogue and strengthen skills planning across Scotland.

During the year, we will work closely with partners to develop Regional Skills Investment Plans (RSIPs) for three further Scottish regions which will set out our collective view on the investment in skills supply each area needs to make the most of its economic potential.

At the same time, we will also continue to update and consolidate our sectoral Skills Investment Plans (SIPS). Developed in conjunction with industry leadership groups, these plans contribute to the skills evidence base and drive the skills changes needed to enable our priority and high-growth sectors respond to economic change and opportunity.

In the year ahead, we will be undertaking a strategic review of the demand for skills in Science, Technology, Engineering and Maths (STEM) sectors which will provide a framework for updating the four SIPS that have the greatest STEM focus, supporting the Scottish Government priority to raise the STEM-related skills of our working population. We also plan to engage partners in the development of a new Health & Social Care SIP, recognising the growing importance of this sector. Additionally, we will work with the Scottish Government to consider how best to deliver the skills needed to support expansion of early learning and childcare services.

Working with partners to develop and implement plans through regional and local outcome agreement processes, our aim is to inform the shape of further and higher education and other local investment in skills and so close the gap between skills demand and supply.

Our work with partners to develop and raise the profile of new work based learning pathways to better prepare young people for the world of work, will also continue in the year ahead. Our commitments...
include the development of three further Foundation Apprenticeship frameworks for delivery from 2018/19, widening the opportunity for school pupils in the senior phase to access structured vocational learning.

At the same time, and in conjunction with Higher Education partners and employers, we also plan to develop and promote models for Graduate Level Apprenticeships, initially in engineering, ICT and energy. Continued development of these, and other potential new pathways, will be supported by the creation of a new Institute for Work Based Learning which we aim to launch, in partnership with HE institutions, later in the year.

Our aim is that these exciting new developments will, over time, improve the capacity of the skills and learning system to deliver the skills that Scotland needs. The new Scottish Apprenticeship Advisory Board will bring a specific focus to ensuring that industry needs play a central role in shaping apprenticeship programmes.

Our strategy also involves working closely with Scotland’s industries and employers, to drive their appetite for high skills performance and support business growth, by making the most of their skills whilst also helping them build a pipeline of new talent. To support this, we will continue to deliver services directly through our Regional and Employer Services teams and through Our Skillsforce, which offers access to skills support and tools online.

Central to our services will be the expanding Modern Apprenticeship programme – with a record 26,000 opportunities being funded in 2016/17 - alongside the newer apprenticeship options detailed above. At the regional level, partners are already collaborating to ensure these programmes can be used to respond effectively to regional and local skills needs.

We will continue to work with Enterprise colleagues to support account managed companies, whilst continuing to develop a service offering tailored skills solutions to smaller companies to underpin growth. However, given the introduction of the apprenticeship levy and the reduction in specific employer skills programmes, we will review and realign our business model for delivery of employer services to ensure it continues to provide employers with the support they need.

We remain committed to improving diversity and fairness in the workplace and will continue to promote the Scottish Business Pledge, and the benefits that a diverse workforce can yield, in our work with industry and individual employers. We also stand ready to support the Scottish Government in implementing the Fair Work Convention’s framework. We will continue to engage with the network of industry-led Developing the Young Workforce Groups both regionally and nationally, supporting employers to engage more closely with education.

Our detailed commitments for the operating year 2016/17 are included in the table below.
<table>
<thead>
<tr>
<th>Service delivery area</th>
<th>2016/17 commitments</th>
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<tr>
<td><strong>Goal 1: Employers are better able to recruit the right people with the right skills at the right time</strong></td>
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| 1.1 Engage with employers to plan demand for skills both now and in the future | • Continue to develop the evidence base by strengthening our labour market and skills intelligence capacity and by publishing a Jobs & Skills report for Scotland, producing demand statements to support delivery of Foundation, Modern and Graduate-level apprenticeships, and through refresh (Sept) and publication of Regional Skills Assessments (November)  
• Engage with industry to identify demand for STEM-related skills and update those Skills Investment Plans (SIPs) with the greatest STEM focus (Digital, Engineering, Life Sciences and Chemical Sciences)  
• Deliver the £1.9m Digital Scotland Skills Investment Fund  
• Work with partners to develop a Health & Social Care SIP by March 2017  
• Work with partners to identify the skills needed to support the implementation of the Scottish Government’s Manufacturing Action Plan  
• Continue to work with partners to implement these and other sectoral SIPS, including:  
  o The Energy SIP, continuing also to support the Energy Jobs Taskforce  
  o The Creative Industries, Financial Services, Food & Drink, Tourism and Construction SIPS  
• Further develop the regional skills planning model, through a programme of regional skills investment plans (RSIPs), working with partners to develop plans for:  
  o Glasgow City Region  
  o Edinburgh and the Lothians  
  o Forth Valley  
• Publish the Aberdeen City & Shire Regional Skills Investment Plan (by June 2016)  
• Work in partnership to deliver the Highlands and Islands regional SIP |
| 1.2 Utilise the skills intelligence to influence the development and funding of:  
  o Matching tertiary education provision  
  o Work based education, training and learning pathways | • Engage with Colleges, Local Authorities to implement regional skills investment plans and ensure that SDS and partner investment is clearly aligned to meet local skills needs through regional college and local outcome agreements  
• Continue to engage with LA partners to shape or inform the development of City Deals  
• Tailor the evidence base to support different audiences and programmes, including updating the Foundation & Modern Apprenticeship Demand Model, and ensuring that My World of Work holds the latest careers intelligence  
• Develop bespoke evidence base products for SDS employer engagement, CIAG and NTP colleagues to support front line delivery |
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<th>Service Delivery area</th>
<th>2016/17 commitments</th>
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<td><strong>Goal 2 Employers have high performing, highly productive, fair and equal workplaces</strong></td>
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| 2.1 Provide trusted advice and support to enable employers to invest in existing skills and plan for, and develop, new talent; create solid business plans that reflect long term skillsforce requirements and fairness; access the right products and services | • Direct engagement, and skills support offered to small, medium and large companies, including growth companies and inward investors, including  
  o Work with strategic partners to further develop the ‘Team Scotland’ approach to employer engagement with a specific focus on driving investment in work based learning through apprenticeship programmes  
  o Ongoing delivery of the Skills for Growth programme, alongside development of a complementary SDS model to support business and workforce planning  
• Review and realign SDS business model for delivery of employer offer in response to the introduction of the apprenticeship levy and reduction in employer-specific programmes |
| o SDS products and services  
To respond to demand and equip people with the right skills for employers and our nation | • Expand the Foundation Apprenticeship programme by developing three further FA frameworks (Automotive, Life Sciences and Creative Industries) by July 2016 for delivery in 2018/19  
• In conjunction with Higher Education partners, develop and promote models for graduate-level apprenticeships initially in engineering and ICT  
• Launch an Institute for Work Based Learning by the end of 2016 including a virtual network involving universities and colleges in every region of Scotland to deliver seamless work based learning pathways  
• Develop and publish on My World of Work a skills pathway model (based on international best practice) supporting pupils’ subject and learning choices (Sept 2016)  
• Continued support for CodeClan, Scotland’s Digital Skills Academy, including expansion to a second location to double the capacity of the programme to 300 training places  
• Work with partners to continue to deliver, improve, and increase the ‘reach’ of PACE (Partnership Action for Continuing Employment) support for redundancy situations, including support to the special Scottish Government taskforces set up to address specific sectoral and geographical cases  
• Lead the implementation of the new Transition Training Fund by developing an enhanced PACE service offer to support organisational restructuring in the oil and gas sector, including redeployment into other sectors (£4m in 2016/17)  
• Continue to support the ‘Adopt an Apprentice’ scheme with enhanced levels of support for the oil and gas sector |
| services to grow their business through their skillsforce | • Encourage and support an increase in employer participation in the MA programme, especially smaller employers (under 50 employees)  
• Continue to develop OSF to support our employer offer, including the creation of an “Employer Community” members area |
|---|---|
| 2.2 Establish evidence on the impact of effective leadership and a culture of fairness and quality on workplace productivity, and through strategic engagement with industry, demonstrate and help deliver the benefits of adopting fair workplace and equality practices | • Support the Fair Work Convention through promotion of the Scottish Business Pledge, Investors in Young People and the Living Wage  
• Continue to engage with and contribute to the work of the Developing the Young Workforce National and Regional Groups  
• Advise employers on the opportunities and business benefits of engaging with young people and the education system and of a diverse workforce |
Our Ambition for Individuals in 2016/17

Our services aim to support Scotland’s people, especially young people, to secure successful, fulfilling careers, by helping them to understand their strengths and develop the range of career management, employability and work-based skills that they need to move successfully from learning into work. We also provide additional support for those who need it and we are working hard to reduce the barriers faced by individuals in taking advantage of opportunities. This work underpins our ambition for individuals and is reflected in our corporate goals which are to ensure that:

**Goal 3**: People have the right skills and confidence to secure good work, progress in their careers and achieve their full potential

**Goal 4**: Across all SDS services and programmes, there is increased equality of opportunity

**School**

Our work in schools continues to be the cornerstone of our services for individuals - helping people to build the career management skills needed to succeed in today’s world of work.

In line with our commitments last year, we are nearing the conclusion of a pilot ‘extended offer’ to engage with pupils earlier, as they transition from primary to secondary school, and to provide greater support for pupils when making subject choices in S2 or S3. Following evaluation, this offer will be refined, revised and implemented across all secondary schools from the start of the next academic year in August 2016.

At the same time, we will continue to deliver our universal and targeted offers in the senior phase, with one to one coaching support focused on those pupils at most risk of facing greater difficulty in transitioning from school. We will, however, review and revise the detail of this offer to ensure a progressive customer journey through successive school phases, and beyond.

Throughout the school phase we will continue to work with partners, including schools, Education Scotland, parents and pupils to embed career management skills within the school curriculum. This is central to the implementation and achievement of the new Career Education Standard.

In addition to career information advice and guidance, our school offer now includes work based learning options for senior phase pupils. Building on the success of early Foundation Apprenticeship pathfinders, and in response to increasing demand, we will be offering over 1,000 places across 8 frameworks. We anticipate that Foundation Apprenticeship options will be available in every local authority area in Scotland by April 2017.

**Post school in transition**

Our post-school transition offer continues to focus on supporting unemployed young people (predominantly 16 and 17 year olds) to develop the skills and confidence to secure and retain a place in training, learning or work.

Our work coaching service is our key contribution to the Scottish Government’s Opportunities for All policy and it is supported by our management of a shared dataset (accessible to partners through the ‘16+ Data Hub’) on the status of all 16-19 year olds.

In the year ahead, we will continue to work closely with partners to ensure all young people have support to access a positive opportunity, and in August we will publish the second ‘Participation Measure’ reporting on the learning, training or employment status of these young people.
**Adult**

As part of our all-age CIAG service, we also support adults at different transition points in and out of work and learning. By far the largest group supported are those referred through the PACE programme and we will continue to provide this vital support to individuals who may be faced with stressful redundancy situations. An enhanced level of support will be developed for those in the oil and gas sector benefiting from a new £12m (over 3 years) Transition Training Fund.

**Employability programmes**

Among the opportunities currently available for the unemployed are training places funded through the Employability Fund that SDS continues to manage. A smaller but still significant 11,650 places will be funded in the year ahead, and we will continue to commission opportunities locally with partners, reflecting local skills pipelines and with a focus on 16-19 year olds. We will also work to ensure that the Employability Fund is developed as necessary to meet the needs of the Scottish Government in delivering the devolved employability services during the transition year.

We will also develop and manage a new fund, with European funding support, to encourage national third sector organisations to provide employability opportunities for those furthest from the labour market. Scotland’s Employer Recruitment Incentive (SERI) will continue to be managed by SDS, offering up to 550 training places to vulnerable young people with additional support needs. We will ensure that these, and other employability offers, are aligned with the devolved employability service (discussed further below).

**Apprenticeship Family**

Running alongside our career coaching service and employability programmes is our continuing commitment to the Modern Apprenticeship programme, the core of our ‘apprenticeship family’. In 2016/17, we will offer 26,000 MA opportunities, in line with the Scottish Government’s Youth Employment Strategy ambition to reach 30,000 annually by 2020.

We will continue to seek an increase in the number of starts on STEM frameworks and at Level 3 or above in line with Scottish Government policy.

As noted earlier, the introduction of an Apprenticeship levy is set to change the shape of the skills system with a significant impact on the funding of apprenticeships, and we are committed to working with industry and the Scottish Government to influence how the new system works for Scotland.

Through the Scottish Apprenticeship Advisory Board will ensure that apprenticeships continue to meet the needs of industry and are clearly aligned with economic growth and job opportunities.

In addition and, as noted earlier, we hope to support 125 places on a new pilot, Graduate Level Apprenticeship.

**Digital support**

Underpinning all of our individual services is our online career support service, My World of Work. Following last year’s re-launch, the main new focus in the year ahead is to support our early intervention offer in schools with the provision of material suitable for younger age groups and primary teachers.

Our overall aim is that MyWoW provides a comprehensive and compelling resource for all of our customers, impressing upon them the importance of a proactive approach in planning for their future and bringing the opportunities and expectations of the world of work much closer. Our complementary and interactive MyWoW Live! experience, which has a specific STEM focus and was initiated in the Glasgow Science Centre in 2014, will be further extended to new museum and gallery spaces over 2016/17.

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17 Science, Technology, Engineering and Maths
Specifically supporting our apprenticeship family is the online Apprenticeships.scot. Now over a year old, this online proposition offers individuals and employers information on the different apprenticeship routes now available, and provides a portal for advertising apprenticeship opportunities.

**Equalities**
Alongside specific initiatives such as SERI and the Third Sector fund, a commitment to increase equality of opportunity and access runs through all of our services and programmes. Last year, we focused on a number of projects to establish how best to increase the participation of under-represented groups, particularly though not exclusively within the Modern Apprenticeship programme.

In the year ahead, our focus will be on mainstreaming this work. Our digital channels will also be used to help challenge stereotypes and pre-conceptions as young people take important decisions about their future careers, by providing information and case studies that challenge stereotypical career choices.

We will continue to implement and monitor the success of our Equality Action Plan, and have already begun to undertake more detailed monitoring and reporting of service uptake by the range of equalities groups.

**Devolved Employability Service**
The devolution of DWP Work Programme and Work Choice contracts to Scotland was agreed in November 2015. Although smaller in scope than originally anticipated, with the focus on support to the long-term (over 2 years) unemployed and those suffering ill health, the move still poses a significant change, and opportunity, for Scotland.

SDS will continue to work with the Scottish Government to design and shape a new employability service for Scotland commencing in April 2018. Its aim will be to build on the strengths of existing services, while seeking to improve coordination across the different public and third sector offers, to deliver personalised support that meets the needs of the unemployed, including those with specific barriers to employment, and equip individuals with the skills that employers need.

The broader landscape, and the service offers within it, is depicted in the Figure 4 below.

The new devolved service will sit in this landscape, and we will work to ensure that the service offers work together as a coherent employability system. We recognise that our own service offers, particularly for 16-25 year olds, will need to adapt and we are currently reviewing these offers, with a focus on developing management information and case management systems. This area of work will continue to be a key focus for us in the coming year.

Specific commitments to deliver against our ambition for individuals in the year ahead are described below.
<table>
<thead>
<tr>
<th>Service delivery area</th>
<th>2016/17 commitments</th>
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<tr>
<td><strong>Goal 3</strong></td>
<td>People have the right skills and confidence to secure good work, progress in their careers and achieve their full potential</td>
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<tr>
<td>3.1</td>
<td>Drawing on our careers intelligence, help people develop career management skills so that they can: choose the right pathway from education into work; acquire essential employability and work based skills; take advantage of opportunities available to them within our economy and its employers; anticipate and plan ahead throughout their career</td>
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<tr>
<td><strong>In school</strong></td>
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| | • Building on learning from the ‘early demonstrator’ schools, shape and roll out broad general education offer for P7/S1 and S2/S3 pupils, implementing in all schools in academic year 2016-17, including  
  o Group and individual engagement to support subject choices (S2/S3), and  
  o Additional support for S3 pupils with a maximum service offer  
| | • Continue to provide intensive career coaching to school pupils at greater risk of not securing a positive post-school destination from S3  
| | • Continued delivery of universal and targeted offers in senior phase (S4-S6) incorporating support offered through MyWoW, group work and one-to-one coaching  
| | • Review of full school service offer following roll out of BGE offer to ensure a progressive customer journey  
| | • Continue to engage with ES and other education partners nationally to ensure alignment of CMS and the Career Education Standard with the school curriculum  
| | • Evaluate and develop the delivery of our offer in relation to those with additional support needs  
| | • Review and implement revised approach to delivery of the MyWoW Ambassador programme to continue supporting the use of My World of Work in schools  
| | • Review and implement revised school partnership agreements to reflect the SDS new service offer for school, including Foundation Apprenticeships  
| **For 16 to 19-year-olds in transition** | | |
| | • Ensure data is captured on the participation of those aged 16 to 19 in education, training and work, and that this data is shared across partners to enable proactive support to those needing help to access an opportunity  
| | • Provide targeted coaching support to unemployed 16 to19 year-olds as part of our Opportunities for All commitment, ensuring integration with the new Employability Service for Scotland  
<p>| <strong>For those aged 20+</strong> | | |
| | • Continued CIAG support to those facing redundancy through the national network of 18 PACE partnerships |</p>
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<td><strong>3.2</strong></td>
<td>Help people acquire essential employability skills through the Employability Fund, the Certificate of Work Readiness, Individual Learning Accounts and other employability initiatives</td>
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<td></td>
<td>- Review whole post-school offer to ensure our service offers are adapted and aligned with the new integrated Scottish Employability Service</td>
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<td>- My World of Work</td>
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<td></td>
<td>- Develop new digital offer for younger pupils (p5-p7) for roll out in academic session 2016/17, including the development of primary teacher accounts</td>
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<td>- Continue to promote and raise awareness of MyWoW service with parents and teachers</td>
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<td>- Further extend the MyWoW Live! engagement model including 10 new STEM-focused gallery spaces in partnership with National Museums of Scotland</td>
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<td>- Provide 11,650 people with an opportunity to improve their employability skills, leading to a job or more advanced learning programme (2,650 of these places ring-fenced for colleges)</td>
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<td>- Work with employers, training providers and other partners to increase uptake of the Certificate of Work Readiness as a positive route for young people to demonstrate preparedness for entering the workforce</td>
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<td>- Continue to deliver ILAs, while working with Scottish Government to identify opportunities to align future activity to their wider Fair Work and workforce development objectives</td>
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<td>- Ensure all SDS employability offers align with the new employability service for Scotland, and, where necessary, are developed appropriately to commence delivery from 2017</td>
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<td><strong>3.3</strong></td>
<td>Champion a range of pathways into work, ensuring each is recognised and valued; including investment in programmes such as MAs to help Scotland’s workforce confidently adapt to a changing economy and labour market</td>
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<td>- Deliver 26,000 Modern Apprenticeship (MA) starts with a continuing focus on young people (16-24 and particularly 16-19), higher level (Level 3 and above) and STEM-related frameworks</td>
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<td>- Extend Foundation Apprenticeships in the senior phase, to support 1,500 pupils on the programme by March 2017, with availability in all Local Authority areas</td>
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<td>- Support the creation of 125 places on a newly developed pilot Graduate-level Apprenticeship programme by January 2017</td>
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<td>- Establish the Scottish Apprenticeship Advisory Board to drive the delivery of apprenticeships in ensuring that they meet the needs of industry and are clearly aligned with the needs of the economy</td>
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<td>- Continued development of our website, Apprenticeships.scot, to promote work-based learning and reflect the extension of the apprenticeship family, including FAs and GLAs</td>
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<td>- Influence system change through targeted engagement with key influencers, including teachers, parents and employers</td>
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<td><strong>3.4</strong></td>
<td>Work with local authorities and community planning</td>
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<td></td>
<td>- Co-commissioning process and in-year performance review with LEPs to ensure national skills and employability programmes meet local need</td>
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</tbody>
</table>
| partnerships to embed our contribution to Single Outcome Agreements, including Youth Employment Activity Plans | • Youth Employment Activity Plans updated in a new format to reflect provision for senior phase pupils and all age employability services, agreed with each CPP and in place across all regions and the 32 LEP areas  
• Work with other Community Justice Partners through local CPP structures, and Community Justice Scotland, to develop plans for the implementation of the Community Justice (Scotland) Act (2016) from March 2017 |
<table>
<thead>
<tr>
<th>Service delivery area</th>
<th>2016/17 commitments</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Goal 4</strong></td>
<td><strong>Increased equality of opportunity for all</strong></td>
</tr>
</tbody>
</table>
| **4.1** Work with partners locally to create a joined-up pipeline of accessible skills support (with a focus on those furthest from the labour market, and programmes with low levels of participation by particular groups) | • Administer the second round of Scotland’s Employer Recruitment Incentive (SERI) supporting companies to recruit up to 550 vulnerable young people into work, and encouraging micro-businesses to recruit MAs  
• Administer the targeted young people support to be delivered via the Open Doors Consortium to SERI participants in the targeted groups, supporting in the region of 550 individuals  
• Deliver (on behalf of SG) the Third Sector ESF Fund to encourage national third sector employability delivery for those furthest from the labour market (stages 1 & 2 of the employability skills pipeline) |
| **4.2** Establish a clear understanding of the barriers to participation faced by some people and collaborate with partners to break down systemic barriers and increase participation | • Continue to implement the Equalities Action Plan addressing under-representation in young people’s selection of career choices and uptake of National Training Programmes  
• Work closely with statutory and non-statutory partners to improve the employment outcomes of those who have offended, and to address their specific barriers to participation in the labour market; as well as engaging in preventative activities by helping to improve the employment prospects of vulnerable young people  
• Increase participation by under-represented groups in the MA programme:  
  o Disability  
  o Ethnic minority communities  
  o Care experience  
  o Gender |
| **4.3** Collaborate with Scottish Government to help design and deliver devolved employability and skills programmes in Scotland | • Work with SG to design and deliver an employability service for Scotland, ensure that existing SDS career guidance and employability offers are reshaped to align with the national service |
Our Ambition for our business in 2016/17

Our Corporate Plan 2015-2020 focuses our organisational ambition on areas where we believe we can achieve the greatest return.

The main themes are people management and fair work, equality, diversity and social responsibility and the continued exploitation of new technology, all underpinned by an unrelenting commitment to continuous improvement.

These themes will also ensure we respond fully to the Scottish Government’s corporate expectations of public bodies and are reflected in our final corporate goal, which is to be:

**Goal 5**: An employer of choice, an exemplar of fair work and internationally recognised for excellence, innovation and customer-focus

Recognising that our people are our most important resource, we are on a journey to transform our culture to one of ‘everyday leadership’. Aimed at fostering strong personal responsibility, customer focus and a culture of continuous improvement, this strategy depends on clarity of direction, development of capability, supportive working conditions and strong association with our corporate values. It also aligns with our commitment to promote the principles of fair work across our organisation.

Everyday Leadership is a long term project but we are ambitious in our intent and, this year, our priorities are to create a new approach to determining individual contributions to our corporate goals and focus on building capability throughout the business to make everyday leadership a reality.

Reflecting our commitment to fair work practices, we have already achieved a number of accreditations and will be preparing to achieve more in years to come. We are also determined to achieve equality and diversity in our own workplace, and will put in place an internal SDS diversity action plan.

Developments in digital technology continue to offer scope to deliver services differently and more effectively. In the year ahead, we will identify and, where possible, implement digital enhancements in relation to our core customer offers, with a particular focus on use of smartphone and tablet technology.

We are also introducing a number of system improvements internally which will enable all of our customer data to be held on the Microsoft Dynamics platform. This will facilitate data integration and help to strengthen data quality. At the same time, we are committed to a single approach for the production of management information and will be taking a number of steps towards this. All of this will enable us to create business intelligence that will better serve customers and allow us to more accurately demonstrate the impact of our services.

Our commitments to equality, diversity and social responsibility remain undiminished. Under Goal 4, we express how we intend to improve the monitoring of diversity in our provision of services. We are also very committed to ensuring that we continue to monitor diversity in our capacity as an employer, making sure that SDS leads by example and can evidence progress.

Our equality commitments will also be reflected in the publication, in the course of the year, of our first Corporate Parenting Plan and our second Gaelic Language Plan. We continue to focus on carbon reduction to help meet the Scottish Government’s ambitious national target and will be taking further steps to reduce business travel in the year ahead.
Continuous improvement is one of our organisational values and we have already made great progress in building a culture of self evaluation and reflection on what works and where there is scope to do better.

The year ahead will see us further embed our business excellence approach across our services, as well as implement a number of key strategic improvement projects which will deliver streamlined processes, better services to customers and better value for money.

Our specific commitments are described below:
<table>
<thead>
<tr>
<th>Service delivery area</th>
<th>2016/17 commitments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goal 5</td>
<td>SDS is recognised as an employer of choice, an exemplar of fair work and internationally recognised for excellence, innovation and customer-focus</td>
</tr>
</tbody>
</table>
| 5.1 Take an innovative approach to leadership, workforce development, workplace innovation, equalities and fair work | - Continue our journey towards a culture of Everyday Leadership, with a focus on providing clarity, through the development of a new approach to performance development and review (‘My Contribution’) and by building competence and capability amongst staff  
- Relaunch and refocus the SDS Academy service offer to ensure people are enabled to perform to the best of their capability, by creating access to personal and professional development resources, underpinned by the introduction of a new digital learning management system  
- Review and enhance our establishment planning and management process, and our recruitment processes  
- Continue to maintain young talent programme with commitment to providing 60 opportunities. Maintain and further develop our Fair Work policies, including delivery of our Healthy Working Lives Action Plan and maintaining our Living Wage Employer status  
- Continue to develop our partnership approach to employee relations, supported by ongoing positive engagement with trade unions  
- Progress our ambition to achieve equality in our own workplace, through the development and implementation of an SDS Diversity Action Plan |
| 5.2 Harness our digital capability, making best use of our systems and advances in technology, and our business intelligence | - Establish and embed partner working with our IS provider  
- Create digital first strategies for all of our customer facing services  
- Implement new MI system for national training programmes supporting more effective delivery and monitoring by training providers and staff  
- Review and enhance our customer support system (CSS) in CIAG services  
- Implement new shared CRM system for employer engagement  
- Deliver self-serve system for recording and managing key people management activity (e.g. absence, leave, mid and end of year reviews)  
- Further extend the application of the Cognos performance reporting system  
- Implement record management and other software solutions to streamline management of documents across the business  
- Further expand the scope of the 16+ data hub to include new partners and continue to work with all partners to improve data quality |
<table>
<thead>
<tr>
<th>5.3</th>
<th>Maintain our commitments to equalities and socially responsible and sustainable business practices</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Publish the second OFA participation measure report in August 2016</td>
</tr>
<tr>
<td></td>
<td>• Continue to monitor delivery against our Equality Outcomes and Equality and Diversity Action Plan</td>
</tr>
<tr>
<td></td>
<td>• Prepare to publish our Equality Mainstreaming Report in April 2017 including refreshed outcomes for the next 4 years, our gender pay gap information, equal pay statement, occupational segregation information in relation to race and disability and an annual breakdown of employees by protected characteristic</td>
</tr>
<tr>
<td></td>
<td>• Continued focus on carbon reduction and sustainable business practices – 1.4% carbon reduction per annum, 2015-20</td>
</tr>
<tr>
<td></td>
<td>• Publish the SDS Corporate Procurement Strategy 2016-2020</td>
</tr>
<tr>
<td></td>
<td>• Publish Corporate Social Responsibility Strategy 2016-2020</td>
</tr>
<tr>
<td></td>
<td>• Publish our second Gaelic Language Plan for the period 2016-19</td>
</tr>
<tr>
<td></td>
<td>• Publish our first Corporate Parenting Plan for the period 2015-2018 in July 2016</td>
</tr>
<tr>
<td></td>
<td>• Work with Scottish Government to improve equality and diversity amongst Board Members, including through updating the Skills Matrix ahead of Board recruitment, refreshing the Chairs’ Improvement Plan and proactively seeking a more diverse pool of candidates</td>
</tr>
<tr>
<td>5.4</td>
<td>Maintain our focus on quality, efficiency and effectiveness, underpinned by a culture of continuous improvement</td>
</tr>
<tr>
<td></td>
<td>• Continue to embed our approach to business excellence, including self-assessments across all services, to ensure ongoing innovation and continuous improvement</td>
</tr>
<tr>
<td></td>
<td>• Implement agreed strategic improvement projects to streamline and improve the effectiveness of key business systems and processes</td>
</tr>
<tr>
<td></td>
<td>• Work with Scottish Government and Education Scotland to review and implement a revised approach to external review of CIAG services and Modern Apprenticeship ‘off the job’ training, ensuring that inspection is proportionate and cost-effective</td>
</tr>
<tr>
<td></td>
<td>• Work with Scottish Government to extend and improve the reporting of PACE activity statistics</td>
</tr>
<tr>
<td></td>
<td>• Ensure that SDS-funded learning providers meet SDS quality standards through our ongoing compliance programme</td>
</tr>
<tr>
<td></td>
<td>• Review and update our estates strategy in response to new business delivery models</td>
</tr>
<tr>
<td></td>
<td>• Support the business through effective planning and performance management solutions</td>
</tr>
<tr>
<td></td>
<td>• Support the business through effective promotion, communications and stakeholder engagement, nationally, regionally and locally</td>
</tr>
<tr>
<td></td>
<td>• Further develop our Contact Centre strategy to support enhanced customer service delivery complementing our face to face and digital offers</td>
</tr>
<tr>
<td></td>
<td>• Continue to develop our Evaluation Action Plan and conduct research, publishing findings where appropriate</td>
</tr>
</tbody>
</table>
Budget 2016/17

Our key funding source is core Grant-in-Aid from the Scottish Government, and this will be enhanced by discrete funding to address Ministerial priorities, including initiatives to support the development of Scotland’s young workforce.

The additional funding will be available through the Scottish Government’s Autumn and Spring Budget Revisions, and disbursement of part of this funding will support the development and delivery of Foundation and Graduate Level Apprenticeship pathfinder activity across Scotland.

We have made two Strategic Intervention applications for European Social Fund monies, and we expect to receive some income during the year, using Grant-in-Aid to co-finance, where appropriate.

Our budget plans to support continued delivery of our career information, advice and guidance service, expansion of the Modern Apprenticeship programme, the continued development of industry engagement in skills investment planning, and other initiatives, as described in this plan.

At the same time, and in common with other parts of the Scottish public sector, we are identifying and implementing productivity and efficiency gains to reduce the cost, and improve the effectiveness of our organisation.

<table>
<thead>
<tr>
<th>Income</th>
<th>2016/17 £’000’s</th>
</tr>
</thead>
<tbody>
<tr>
<td>Core Grant-in-Aid (GIA)</td>
<td>176,100</td>
</tr>
<tr>
<td>Transfers, ABR &amp; SBR indicative GIA</td>
<td>26,960</td>
</tr>
<tr>
<td>European Social Fund income</td>
<td>4,495</td>
</tr>
<tr>
<td>Other income</td>
<td>300</td>
</tr>
<tr>
<td><strong>Total Income</strong></td>
<td><strong>207,855</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenditure</th>
<th>2016/17 £’000’s</th>
</tr>
</thead>
<tbody>
<tr>
<td>People Costs</td>
<td>64,506</td>
</tr>
<tr>
<td>National Training Programmes, Funds &amp; Initiatives</td>
<td>116,718</td>
</tr>
<tr>
<td>Industry and Employer Engagement</td>
<td>8,220</td>
</tr>
<tr>
<td>IT/IS Infrastructure</td>
<td>8,786</td>
</tr>
<tr>
<td>Estates</td>
<td>7,690</td>
</tr>
<tr>
<td>Indirect and Enabling Services</td>
<td>1,935</td>
</tr>
<tr>
<td><strong>Total expenditure</strong></td>
<td><strong>207,855</strong></td>
</tr>
</tbody>
</table>
Keeping track of progress and measuring success

Our Corporate Plan 2015-2020 sets our goals for the planning period. These goals, equivalent to long term outcomes, together with the more detailed strategy map, provide the foundation for the performance framework that we have developed to monitor our progress in achieving our five year ambitions.

An overview of this framework is given in Figure 5. It shows the key activities and outputs that will help deliver against our five corporate outcomes (our goals) and identifies a series of outcome indicators that will help us determine if we are on track to achieve them.

Our contribution to the National Performance Framework

As a public body, our performance is also aligned to the Scottish Government’s National Performance Framework\(^{18}\). This has been designed to measure and report on progress in achieving the Scottish Economic Strategy. Progress towards the two mutually supportive goals of increasing competitiveness and tackling inequality is supported by 16 National Outcomes and 50 National Indicators.

We have mapped the contribution of our services to eight national outcomes as shown in Figure 6. This diagram also shows the eight national outcome indicators to which SDS makes the most significant contribution. These include improving the skills profile of the population and increasing the proportion of young people in learning, training or work, corresponding closely with the indicators in our own performance framework.

To support this and our own framework, we continue to develop our approach to performance measurement and reporting to ensure we can demonstrate our contribution to corporate and national goals using the best possible measures, and we will continue to ensure that new measures and data sources are deployed where these support our framework.

To enhance our performance reporting capability and deliver responsive customer services we are also updating key customer relationship management systems and, underpinning our role as a producer of official statistics, introducing new data quality processes.

Annual planning and performance review

This annual Operating Plan for 2016-17 contains a set of specific commitments, against which we will report internally and externally, charting our progress towards achieving our five year goals.

Looking ahead

Our commitments, as described in this Plan, build on the achievements in 2015/16 and represent the second step towards achieving our five year goals. We will continue to work with partners to drive further change, innovation and improvement in the skills and learning system to achieve our ambitions and make a difference for the people, businesses and economy of Scotland.

\(^{18}\) At the time of writing, the National Performance Framework was being updated by the Scottish Government. Our strategy is mapped to the existing national outcomes and indicators and will be realigned once the refreshed framework has been published.
### Figure 5: SDS Performance Framework

<table>
<thead>
<tr>
<th>Activities – what we do</th>
<th>Outputs</th>
<th>Outcome indicators</th>
<th>SDS Goals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Influence and secure the provision of a robust evidence base, including skills intelligence and labour market information</td>
<td>Agreed sectoral and regional skills investment plans</td>
<td>Shift in programme spend to areas/sectors prioritised in regional and sectoral skills plans</td>
<td>Employers are able to recruit the right people with the right skills at the right time</td>
</tr>
<tr>
<td>Influence skills provision and spend</td>
<td>Plan milestones achieved</td>
<td>Reduction in skills shortages</td>
<td></td>
</tr>
<tr>
<td>Use evidence base to inform SDS programmes and services</td>
<td>Programmes to address skills shortages implemented</td>
<td>More employers reporting that new employees are job ready</td>
<td></td>
</tr>
<tr>
<td>Work with other public sector bodies to develop and deliver a multi-agency approach to employer</td>
<td>Delivery of advice and support to enhance workforce skills</td>
<td>Reduction in skills gaps</td>
<td>Employers have high performing, highly productive, fair and equal workplaces</td>
</tr>
<tr>
<td>Engage with industry to demonstrate the value, and support delivery of, fair and equal workplaces</td>
<td>Delivery of PACE services to support organisations and employees facing redundancy situations</td>
<td>Increase in employers engaging in workforce development activities</td>
<td></td>
</tr>
<tr>
<td>Offer customised support and advice to employers to help identify and address their skills needs</td>
<td>Higher achievement rates across SDS programmes</td>
<td>Increase in employers engaging with SDS</td>
<td></td>
</tr>
<tr>
<td>Build CMS and work-based skills through CIAG services, My World of Work, employability services and Foundation, Modern and Graduate Level apprenticeships</td>
<td>Delivery of targeted and universal CIAG and employability services in line with service offers</td>
<td>More individuals demonstrate improved CMS</td>
<td>People have the right skills and confidence to secure good work and progress in their careers</td>
</tr>
<tr>
<td>Support the Scottish Government in the design and delivery of devolved employability services across Scotland</td>
<td>Increased opportunities and pathways available for work-based learning</td>
<td>Increased proportion of customers sustaining a positive destination</td>
<td></td>
</tr>
<tr>
<td>Work with partners to understand, identify and address barriers to learning, training and employment for under-represented groups</td>
<td>Increased uptake of work-based learning options</td>
<td>More individuals demonstrate improved CMS</td>
<td></td>
</tr>
<tr>
<td>Proactively engage with, and support, under-represented customer groups to increase participation and achievement rates</td>
<td>Services delivered to under-represented groups and those most in need</td>
<td>Increased and more equitable uptake of SDS services from targeted groups</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Delivery of coaching guidance and CMS assessments to those identified as being most in need, in line with service offers</td>
<td>Improved access to and more equitable participation in employment, education and training</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>SDS better understands the barriers to learning, training and employment for targeted groups</td>
<td></td>
</tr>
<tr>
<td>Deliver transformational change in our approach to leadership</td>
<td>Implementation of Everyday Leadership; maintenance of Living Wage, HWL and IYIP accreditation</td>
<td>Increased diversity of SDS workforce</td>
<td>SDS is a good employer, focused on delivering excellent services</td>
</tr>
<tr>
<td>Foster a culture of effective planning, evaluation and continuous improvement</td>
<td>Implementation of carbon management, digital and management information strategies</td>
<td>Reduction in carbon footprint</td>
<td></td>
</tr>
<tr>
<td>Improve our digital capability by designing, developing and rolling out efficient and service-enhancing digital systems and online services</td>
<td>Extension of Business Excellence approach and delivery of customer research and evaluation</td>
<td>SDS’s evidence base increasingly informs decision-making and continuous improvements made throughout the business</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>SDS has more efficient and effective processes and use of resources</td>
<td></td>
</tr>
</tbody>
</table>
**Figure 6: SDS Goals Mapped to National Performance Framework**

<table>
<thead>
<tr>
<th>SDS Goals</th>
<th>National Outcomes</th>
<th>SDS contributing goal</th>
<th>National indicators</th>
<th>Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Employers are able to recruit the right people with the right skills at</td>
<td>We live in a Scotland that is the most attractive place for doing business in Europe</td>
<td>1 2 3</td>
<td>Improve Scotland’s reputation</td>
<td>+</td>
</tr>
<tr>
<td>the right time</td>
<td>We realise our full economic potential with more and better employment opportunities</td>
<td>1 2 3 4</td>
<td>Improve the skills profile of the population</td>
<td>+ + +</td>
</tr>
<tr>
<td>2 Employers have high performing, highly productive, fair and equal</td>
<td>We are better educated, more skilled and more successful, renowned for our research and innovation</td>
<td>1 2 3 4</td>
<td>Increase the proportion of young people in learning, training or work</td>
<td>+ + + +</td>
</tr>
<tr>
<td>workplaces</td>
<td>Our young people are successful learners, confident individuals, effective contributors and responsible citizens</td>
<td>1 3 4</td>
<td>Increase the proportion of graduates in positive destinations</td>
<td>+ + + +</td>
</tr>
<tr>
<td>3 People have the right skills and confidence to secure good work and</td>
<td>We have tackled the significant inequalities in Scottish society</td>
<td>2 3 4</td>
<td>Reduce Scotland's carbon footprint</td>
<td>+ +</td>
</tr>
<tr>
<td>progress in their careers</td>
<td></td>
<td></td>
<td>Reduce waste generated</td>
<td>+ + +</td>
</tr>
<tr>
<td>4 Increased equality of opportunity for all</td>
<td>We have improved the life chances for children, young people and families at risk</td>
<td>2 3 4</td>
<td>Increase renewable electricity production</td>
<td>+ + + + +</td>
</tr>
<tr>
<td>5 SDS is a good employer, focused on delivering excellent services</td>
<td>Our public services are high quality and continually improving</td>
<td>4 5</td>
<td>Improve people’s perceptions of the quality of public services</td>
<td>+ + + + +</td>
</tr>
<tr>
<td></td>
<td>We reduce the local and global impact of our consumption</td>
<td>5</td>
<td>Reduce underemployment</td>
<td>+</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Reduce the proportion of employees earning less than the Living Wage</td>
<td>+ + + + +</td>
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</tbody>
</table>