Skills Development **Scotland**



SDS Equality and Diversity Mainstreaming Report **Outcomes**

2025 - 2029

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Foreword

In recent years, political developments across the globe have put the progress that has been made on equality and diversity efforts at risk. We are facing into an increasingly uncertain future – globally, locally and as an organisation.

No matter what the future holds, SDS will remain committed to improving the lives of the most vulnerable people. We reaffirm our commitment to tackling inequality and breaking down barriers.

To ensure we have the right priorities for the coming years, SDS developed the Equality Evidence Review, which considers a wide range of evidence on the education and skills system in Scotland across protected characteristics along with other markers of inequality.

In addition, we undertook an extensive consultation for our new equality outcomes. This included internal work with colleagues from across all levels and areas of the organisation, and external work with the 19 partners who are members of our Focal Point Groups.

I am grateful to our colleagues who remain dedicated to improving equality of opportunity for those who face disadvantage because of their protected characteristics or lived experience. I also want to express my sincere thanks to our equality partners for their ongoing collaboration, engagement and support, and for sharing their expertise and feedback during the consultation.

It is clear that no individual organisation can work in isolation to address inequality, poverty and injustice. We will therefore continue working in partnership with Scottish Government and our agency and other partners to achieve system change.

We have developed four key equality outcomes to continue mainstreaming equality across our work and to continue contributing towards a fairer and more inclusive Scotland. Together, these outcomes offer an outline of what and how we will do over the next four years.

These outcomes are published alongside a review of the progress we made in delivering our 2021-2025 outcomes. I am confident we will continue to build on our successes and will face up to the challenges and opportunities that come our way.

Frank Mitchell

Chair, Skills Development Scotland

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In this report, the term 'minority ethnic' is used wherever possible and when referring to people from a Mixed or Multiple; Asian; African; Caribbean or Black; and Other ethnic group, in line with reporting official statistics. We recognise that any one term will not resonate with everyone and we support everyone's right to define themselves. However, for consistency with previous years, 'BME' and 'BAME' are used where these terms were referenced for reporting purposes.

1. Introduction

About Skills Development Scotland

Skills Development Scotland (SDS) is the national skills agency. Our ambition is that skills contribute to a thriving, productive and inclusive Scotland.

Collaborating extensively, we work to deliver our vision for an agile, dynamic and employer-led skills and careers ecosystem, which enables all people to develop the skills, adaptive resilience, and personal agency to thrive in a vibrant and inclusive labour market.

Through intelligence-led delivery of Scotland's Career Service, apprenticeships and other learning and skills interventions, and the sharing of expertise and insight, we inspire and enable people and businesses to develop the right skills for a changing world. In doing so, we aim to generate the change that will lead to inclusive growth, greater productivity, a more prosperous and skilled workforce, and a fairer, more equal society.

Further details on SDS's strategic approach and operational activities can be found in our **Strategic Plan 2022-27**.

Education and skills reform

The Scottish Government is progressing its education reform programme following several independent reviews, including the Independent Review of the Skills Delivery Landscape and Purpose and Principles for Post-School Education, Research and Skills. During this time, the Scottish Government reform has affected SDS's ability to implement improvements to apprenticeship delivery. In 2025, the Scottish Government announced its decision to consolidate all post-school funding provision within the Scottish Funding Council (SFC). The Tertiary Education and Training Bill sets out the legislative changes required. SDS is expected to continue to deliver our responsibilities for National Training Programmes until mid-to-late 2026.

Successive budget cuts have meant that a range of different programmes, such as Individual Training Accounts and the National Transition Training Fund, have been stopped. Beyond our core programmes, our ability to effect change has been reduced. Further decisions made by the Scottish Government will impact SDS and the products and services it delivers. We will continue working to enable all people to develop the skills, adaptive resilience, and personal agency needed in the labour market during this period of uncertainty and change.

Our responsibilities as a public body

As set out in the Equality Act 2010 public sector organisations, including SDS, have a duty to have due regard when carrying out their public functions as a service provider, policy maker and an employer, with a need to: eliminate discrimination; advance equality of opportunity and to foster good relations.

This Equality and Diversity Mainstreaming Report sets out our new equality outcomes for 2025-29. It is published alongside our **Equality and Diversity Mainstreaming Report 2021-25 update**, which demonstrates how SDS has worked to embed equality and diversity throughout our organisation and meet our responsibilities as a public sector body. It contains details on how, as a listed authority in The Specific Duties (Scotland) Regulations 2012, SDS has fulfilled our reporting duties to:

- report progress on mainstreaming the equality duty
- publish equality outcomes and report progress
- equality impact assess and review policies and practices
- gather and use employee information
- publish gender pay gap information
- publish statements on equal pay
- publish occupational segregation information in relation to gender, race and disability
- consider award criteria in relation to public procurement

- consider other matters, as specified from time to time by Scottish Ministers
- publish in an accessible format.

In addition to this core equality legislation, a range of other Scottish Government strategies and policies impact and inform our work on equality. We are also mindful of the specific requests of public bodies listed in our annual Letter of Guidance, and of possible future obligations on SDS from recent or anticipated publications.

Our commitment to equality, diversity, and inclusion is embedded across all our goals in our **Strategic Plan 2022-27**.

2. Developing our equality outcomes

The development of our new plan has been informed by:

- findings from our Equality Evidence Review
- consultation with our colleagues and stakeholders.

This section briefly summarises the findings from that activity.

Equality Evidence Review 2025 – a summary of key points

The SDS Equality Evidence Review provides up-to-date evidence on education and employment across the protected characteristics. It highlights that individuals across the protected groups can face some of the greatest barriers and poorest outcomes in relation to participation and progression in the education and skills system. Where available, evidence on intersectionality¹ is included. The interaction of different protected characteristics can create the greatest inequality.

Key findings

- Those at the younger and older ends of the labour market are more likely to face barriers and discrimination at work. Population ageing may lead to an increased need for the participation of older workers.
- The education system and labour market present challenges to how far **care experienced** young people are able to progress and flourish.

- **Disability** has increased across the population for all age groups. Mental health has an increasing impact on individuals experience of education and work. Disabled individuals continue to be under-represented in the labour market at all levels.
- **Girls' and women's** experience of education and the labour market remains different to that of men. Occupational segregation², low pay, poor progression and underrepresentation remain an issue. Sexual harassment impacts on women's experience of education and work.
- Poverty interacts with other protected characteristics to produce some of the greatest inequalities. Poverty has a significant negative impact on labour market and educational outcomes.
- Minority ethnic groups face significant challenges of underrepresentation, discrimination and low pay despite better educational performance at school and higher education.
- **Lesbian, gay and bisexual** young people face significant bullying and harassment at school and these challenges can continue in the workplace.
- **Trans** individuals face significant barriers in both education and labour market with bullying and harassment being a key issue.
- **Data availability** is a key issue in relation to equality. In particular, there is little granular data on disability and race.

¹ EHRC describe intersectionality as "the relationship between overlapping social identities and protected characteristics".

² Occupational segregation is the distribution of workers across and within occupations, based upon demographic characteristics, most often gender.

Colleague consultation

We consulted with almost 250 colleagues from across SDS to inform the development of this report. The SDS Equality Programme Board, Community of Practice groups, employee networks and colleagues from each service offer participated in a series of consultation events during 2024. The feedback from these sessions was collated, and common themes were identified. Key findings are summarised below.

We understand from our staff that:

- There is a growing need to support neurodiverse staff and so SDS will look at ways to enhance our approach to personcentred workplace adjustments.
- We must continue to prioritise listening to and learning from our colleagues from different backgrounds, which could be through our employee networks or other mechanisms.
- It is important that our customers feel our services are for them and a potential way to do this is through building and expanding our use of co-design in service development³.
- We should continue to improve how we use, and share lived experience⁴, building on the good practice developed across the organisation to date.
- We must continue to develop our local and national partnerships to include the move to community-based services and ensure consistency and reach.
- Colleagues want to be able to share practice at regional and national levels.
- 3 Co-design is a design approach that actively involves users and stakeholders from the beginning of a project, right through to roll-out.
- 4 Lived experience refers to knowledge acquired through direct, first-hand and personal experience.

Stakeholder consultation

We engaged with our stakeholders extensively in the development of this report. Equality organisations were asked to discuss our service proposition and consider potential barriers and challenges the people they represent face.

Three consultation events were held with 19 external partners to gather their input on priorities for SDS over the next four years. These events were held in person and online. SDS is very grateful for the time and expertise our voluntary sector partners committed to attending our consultation events.

We understand from our partners that:

- SDS has an important contribution to make as part of the wider skills system and so collaboration to achieve our goals is essential, particularly with local partners.
- There is a sense that young people are not prepared for work.

 Through partnership working, SDS can support the transition between school and next steps, for example through experiential career learning⁵ and mentoring for apprenticeships.
- Statistical and other data can be complimented with lived experience of customers and from partners to fully understand their experience.
- It is important that CIAG staff are trauma informed⁶ and have an understanding of the impact of gender-related inequality.

- 5 You can find out more about SDS's approach to experiential career learning here.
- 6 Trauma-informed practice is an approach "which is grounded in the understanding that trauma exposure can impact an individual's neurological, biological, psychological and social development". Trauma-informed practice aims to increase practitioners' awareness of how trauma can negatively impact on individuals and communities, and their ability to feel safe or develop trusting relationships.

3. Our equality outcomes for 2025 – 2029

The feedback from our internal and external consultations alongside the Equality Evidence Review has inform the development of our equality outcomes for 2025-29. Following good practice from the Equality and Human Rights Commission (EHRC), we have aimed to target specific groups in our equality outcomes, based on where the evidence shows there is the greatest need and potential for impact. These are not intended to be an exhaustive list and will not exclude others who could also benefit.

SDS's four equality outcomes are:

Equality outcome 1: Inclusive services



Minority ethnic, disabled and Care Experienced customers who face multiple disadvantage, including poverty, can access services in a way that meets their needs and circumstances.

Equality outcome 2: Impact of occupational segregation



SDS uses its influence and relationships to drive positive system change in relation to labour market segregation by gender and race.

Equality outcome 3: Effective transitions



Disabled, Care Experienced, lesbian, gay, bisexual, trans and non-binary young people leave school with the support, advice, and skills to move successfully into education, training or the labour market.

Equality outcome 4: SDS as an employer



SDS fosters an inclusive culture where diverse voices shape decision making and improve organisational effectiveness.

Equality outcome 1: Inclusive services

Minority ethnic, disabled and care experienced customers who face multiple disadvantage, including poverty, can access services in a way that meets their needs and circumstances.

The evidence shows that households with disabled children and minority ethnic households are at greater risk of living in poverty. Care Experienced young people are at greater risk of unemployment or being in low paid roles. Equality partners highlighted the importance of engaging with local third sector partners and working collaboratively to improve outcomes. They also emphasised the importance of flexible service delivery, in terms of time and location.

- **Develop and deliver impactful CPD**: Continue to develop, co-design and deliver appropriate equality focused CPD for colleagues, partners and contracted providers, including structured practice sharing opportunities.
- Widen engagement with local communities: Develop evidence-based approaches to widening engagement with community-based equality partners and customers.
- Ensure services are available for customers in a way that suits them: Continue to use consultation and co-design approaches, particularly with people with protected characteristics and lived experience of poverty, to ensure that SDS services are available in a way that meets the needs and circumstances of our customers.
- Further develop our approach to digital inclusion: Provide alternatives across our digital service. We will work with partners to improve digital inclusion across the skills system. Where we have digital service offers, we will focus on user-testing with equality groups.



Equality outcome 2: Impact of occupational segregation

SDS uses its influence and relationships to drive positive system change in relation to labour market segregation by gender and race.

While women and minority ethnic individuals are more likely to excel within educational settings, their labour market outcomes are poorer, with lower pay and underemployment. The Gender Commission and equality partners emphasised the importance of working collaboratively across the system to impact change. Occupational segregation is a societal issue and cannot be solved by a single organisation. Equality partners felt it was important that SDS staff are gender competent and understand the importance of considering gender in our delivery of service.

- Improve understanding of gender equality: Enhance
 colleague understanding of the impact of gender inequality
 in the labour market on individuals and steps they can take
 to mitigate this through service delivery and partnership working.
- Focus on inclusive service design: Consider the opportunity to counteract messages that reinforce occupational segregation by gender and race through experiential career learning and other service delivery.
- Work across the system to support the delivery of commission recommendations: SDS will continue to support the delivery of the recommendations from the Gender Commission and the Commission on Race in Apprenticeships alongside relevant partners, employers and contracted providers.
- Support employers and industry: Build understanding of the impact of occupational segregation and possible steps that employers can take to improve equality within their businesses/sectors.
- Work with education: Collaborate with Education Scotland and the Career Services Collaborative to ensure messaging around occupational segregation aligns with messaging to teachers, parents/carers, and students.



Equality outcome 3: Effective transitions

Disabled, Care Experienced, lesbian, gay, bisexual, trans and non-binary young people leave school with the support, advice, and skills to move successfully into education, training or the labour market.

Disabled and Care Experienced individuals often have longer and more circuitous routes to employment. Multiple transitions increase the risk of poorer long-term destinations. Evidence suggests that LGBT young people face bullying and harassment in school, education and employment. Equality partners and colleagues highlighted the importance of working together to support customers. They also highlighted the importance of trauma-informed approaches. SDS recognises that there is a lack of evidence around transitions and this should be investigated.

- Strengthen transitions for disabled customers: Implement best practice that has been identified by practitioners and partners to support disabled young people to achieve the best outcome for them.
- Deliver our commitments for Care Experienced individuals: Continue to deliver the ambitions of our <u>Corporate Parenting</u> Plan.
- Support the delivery of recommendations around Care Experience: Continue to support the delivery of the recommendations from the Scottish Apprenticeship Advisory Board's SLWG report on Care Experienced, specifically around mentoring for care-experience apprentices.
- Research on transitions: Increase our understanding of the challenges those from these protected groups face making the transition to early adulthood.
- Further develop local and national partnership: Continue to develop relationships with third sector partners to deliver holistic support for customers from these protected characteristics groups, particularly those with mental health problems.
- Continue to develop trauma-informed approaches: Improve colleagues' understanding of the impact that trauma can have on our customers and how that trauma can impact their outcomes.



Equality outcome 4: SDS as an employer

SDS fosters an inclusive culture where diverse voices shape decision making and improve organisational effectiveness.

While SDS will continue to seek to increase the diversity of our workforce we recognise this may be inhibited by external factors such as financial constraints affecting recruitment. We therefore anticipate a focus on improving the experience of colleagues through development of inclusive culture and practice. This will include maintaining our strategic commitment to anti-racism, acting on feedback from our disabled colleagues and continuing to develop channels for effective employee voice. As we transition to a sustainable operating model through our Transform 27 programme, we will lay the foundations for future progress, investigating opportunities to increase flexibility and opportunity through a focus on employee skills.

- Define and foster an inclusive culture: Develop a clear definition of inclusive culture that aligns with SDS values and embed this into our evolving 'everyday leadership' culture.
- Improve the experience of our disabled colleagues at SDS: Continue to improve our approach to person-centred workplace adjustments including improved understanding of needs related to neurodiversity in our workplace.
- Continue work to become an anti-racist organisation:

 Continue our commitment to anti-racism learning and
 collaborate with minority ethnic colleagues, ensuring their
 lived experiences help inform and determine this work.
- Embed inclusion into our approach to transformation:

 Develop a 'skills first' approach to transition to a skills-based organisation, delivering workforce agility through skills development.
- Strengthen opportunities for diverse and effective employee voice. Further develop our networks and communities and create new ways to influence change for a wider range of colleagues.



4. Future monitoring and reporting

The work and ambitions highlighted through our equality outcomes, and the wider content of this mainstreaming report, are very much ongoing, and progress against these will continue to be monitored and reported internally on that basis. We will continue to take a cross-organisational approach to ensuring progress is made against each of our equality outcomes.

An interim update on progress against our equality outcomes will be reported in our next mainstreaming report, due in 2027. Prior to that, some actions and measures will also be reported via other SDS corporate publications and the publication of official statistics.

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