

Employability – COVID-19 Response – Senior Leaders Group Minutes
Employability – COVID-19 Response - Senior Leaders Group Meeting No. 01
Date and Time of Meeting 27 August 2020, 09:30 – 11:00

1. Welcome and Introductions

Michael Dunion welcomed everyone to the meeting via Skype for Business.

- 1.1. Full list of attendees can be found in Annex A and apologies were given from some members.

2. Senior Leaders Group Terms of Reference

Sharon Telford spoke to the Employability – COVID-19 Response Senior Leaders Group Terms of Reference (Paper 01:01)

- 2.1. The Employability – COVID-19 Response – Senior Leaders Group has been convened to demonstrate collective leadership, provide advice and constructive challenge to the actions arising from the Employability – COVID-19 Response – Operational Group.
- 2.2. Although this group has been brought together as a response to the COVID-19 employability crisis that we are facing, we may drop “COVID-19 Response” from the title of this group and rename as the Employability Senior Leaders Group. Comments were invited from the members
- 2.3. No One Left Behind background and principles are shown in the TOR. The COVID crisis has brought these ambitions into even greater focus and our approach of collaborative working, flexible, straightforward and person centred support has never been more pertinent.
- 2.4. The membership of this group demonstrates our desire to work collaboratively and that we should each think beyond our organisation’s boundaries, and identify where our collective experience and expertise can help shape and transform the employability landscape.
- 2.5. A draft governance structure is shown within the TOR and ensures that all key partners are represented at all levels.
- 2.6. The Operational Group feeds into this group and minutes from the previous Operational Group have been sent as a below the line paper (BTL 01:01).
- 2.7. It’s our intention when circulating the minutes, to include the EIS site link where all these and the Operational group minutes will be published.
- 2.8. The TOR will be reviewed every 3 months to ensure they remain relevant and fit for purpose.
- 2.9. Comments and feedback were welcomed from the group members

In discussion, the following points were made:

- 2.10. Within each of the key areas of the governance structure, each of these have their own governance structures.
- 2.11. Comments and feedback are welcome on the governance structure and terms of reference for the group.
- 2.12. A separate governance structure should be shown to include other critical areas including Economy, Skills, Careers and Labour Market to show a cross government approach.

3. Labour Market Overview

Ellie Crawford spoke to the Labour Market Analysis slide deck (Paper 01:02)

- 3.1. Scottish GDP fell by 19.7% in quarter 2 of 2020, – the sharpest quarterly contraction on record. Some sectors including Construction and some of the sub-sectors within the Services industry - such as Accommodation and Food Services and Arts, Culture and Recreation - experienced the greatest monthly falls in GDP in March and April.

- 3.2. The full impacts of COVID-19 on Scotland's labour market have been muted, largely because of the protective effect of the employment support schemes. Latest ONS labour market statistics covering April to June 2020 showed that Scotland's employment rate fell over the quarter to 74.3%. Scotland's unemployment rate rose over the quarter to 4.5% or 124 thousand people.
- 3.3. Other indicators showing larger declines. Claimant count rate of 7.9% in July – with around 222,300 people claiming unemployment related benefits. Average hours worked have been declining across the UK since lockdown, partly driven by the large number of people on furlough. In Scotland (April – June), average hours worked by those in employment have fallen by 6.7 hrs over the year to 25.3 hrs per week (-21.0%). Earnings are also being impacted by COVID-19, with pay growth slowing. Annual growth in PAYE median pay in Scotland was 0.2% in the year to June 20 compared with 4.6% growth in the previous year (to June 19). Lockdown measures implemented in March led to a drop in demand for labour, reflected in a significant fall in vacancies in Scotland and the UK. SDS, using Burning Glass data, reported that the number of new job postings in Scotland fell by more than two-thirds (67%) from 38k in March to 12k in April. New job postings in Scotland have steadily increased accelerating over the month of July, suggesting the return of some recruitment activity as lockdown measures ease.
- 3.4. In terms of sector impacts, the proportion of workforce furloughed was highest in Accommodation & Food Services (77%), Construction (73%) and Arts/Entertainment and other services (72%) in Scotland.
- 3.5. In terms of regional impacts, the largest rises in claimant count rate have been in more deprived local authority and rural areas. In terms of furlough data, as a percentage of all employees, the highest concentration of employees supported on the JRS were in Highland (35%) and South Ayrshire (34%) with the highest numbers in Glasgow (92,900) and Edinburgh (75,000).
- 3.6. In terms of equalities impacts, early data shows signs of greater impact on men, although this may be temporary, women may still face larger impacts longer term. Much larger falls in both employment levels and rates, larger rises in both unemployment levels and rates and higher rates of furlough for young people. Too early to provide Scotland level evidence on other groups.
- 3.7. Office of Chief Economic Adviser estimates that unemployment is likely to rise to around 10% this year. The Job Retention Scheme is playing a pivotal role in reducing unemployment. Without it, OCEA estimates that unemployment could have reached around 14%.

In discussion, the following points were made:

- 3.8. Analysts will continue to examine impacts on groups and present further data when it becomes available.
- 3.9. Other analytical teams within Scottish Government have been leading on the analysis of how COVID-19 is impacting young people and Ellie committed to linking interested parties up with analytical leads if they contacted her directly.
- 3.10. The team will do further analysis around the impact of COVID-19 on the quality of work and also on regional/ local level impacts.

4. Scotland's Youth Guarantee

Gavin Gray gave a verbal update on Scotland's Youth Guarantee that is currently being undertaken.

- 4.1. His team are working closely with Sandy Begbie who is developing the Implementation Plan for Scotland's Youth Guarantee.
- 4.2. Recent publications from the Institute of Public Policy Research show the number of young people that have been impacted by the pandemic and the long term effects.
- 4.3. Recommendation from the Benny Higgins report suggested implementing something similar to the Edinburgh Guarantee which was an umbrella that sat over a number of options including education, apprenticeships and training to help keep the young people engaged.

- 4.4. The Implementation Plan is due to be completed within the next few days, with it being published shortly after.
- 4.5. Regular dialogue has been taking place with DWP to ensure we are up to date with the Kickstart programme development and how this will sit alongside the Youth Guarantee.
- 4.6. We want to ensure that we are not creating new programmes or initiatives but using the existing infrastructure.

In discussion, the following points were made:

- 4.7. Scottish Government and Cabinet Secretary are committed to Fair Work and the Living Wage and this will be key. Conversations with employers to date are with those that are established Living Wage employers.
- 4.8. Deputy First Minister has been clear on putting people in meaningful activity that will prepare them for the jobs ahead to support the economy.
- 4.9. Work in the past has proven successful when engaging at sectoral level. Having Trade Union and employers around the table is an approach which will be pursued.

5. No One Left Behind Overview including Delivery Plan

Pamela Smith and Anne Shiels spoke to the No One Left Behind including Delivery Plan slide deck (Paper 01:03)

- 5.1. The initial No One Left Behind report was published in March 2018 outlining the aspirations of Employability in Scotland to be better aligned and joined up approach.
- 5.2. The report looked to review the employability landscape, strengthen and support local partnerships, clarify better pathways to support individuals and better align services that already existed.
- 5.3. The person centred principle is key and it is evident that other stakeholders need to be engaged to help shape and support the system.
- 5.4. Scottish and Local Government entered a partnership agreement to help solidify the shared ambition and commitment to develop and improve employability in Scotland.
- 5.5. The COVID-19 Operational Group was established earlier this year to help connect partners together to tackle the impacts of the pandemic.
- 5.6. Scottish Government and COSLA have agreed how funding will be proportioned throughout Scotland which will aid progression of future phases of No One Left Behind.
- 5.7. The virus is currently being suppressed however it has brought No One Left Behind into sharper focus to help mitigate the economic, social and health impacts.
- 5.8. The Delivery Plan will be published in October 2020 and will outline the importance of strengthening partnerships to help achieve the No One Left Behind principles.

In discussion, the following points were made:

- 5.9. A framework was agreed to use the Local Employability Partnerships to have conversations with stakeholders at a local level. This will join up partners utilising a 'whole system approach' and making connections e.g. Green Ambition, No one Left Behind, Equalities, IG, 'Just Transitions' to ensure those previously left behind are now included.
- 5.10. Through the various governance groups with partners they will be kept up to date with activity on publications and the development of respective papers.
- 5.11. The original timeline of activity for No One Left Behind has had to be re-visited due to COVID-19 and to take account of the [Enterprise and Skills Strategic Board recommendations](#).
- 5.12. A national mapping exercise of what programmes and initiatives exist should be completed to ensure there is no overlap and to join up the agendas.

6. AOB

- 6.1. There needs to be focus on supporting business's and small to medium employers to allow them to grow and develop, to support equality and fair work for people to move into.

6.2. A conversation around the employers perspective in how they can support and fit in would be worth discussing at a future meeting.

Close of Meeting

Annex A – List of attendees

Attending

Michael Dunion (Chair)	Scottish Government
Gavin Gray	Scottish Government
Amy Stuart	Scottish Government
Ellie Crawford	Scottish Government
Cat Macauley	Scottish Government
Sharon Telford	Scottish Government
Anne Shiels	Scottish Government
Sandra Black	Society of Local Authority Chief Executives (SOLACE)
Pamela Smith	Scottish Local Authorities Economic Development Group (SLAED)
Robert McGregor	Convention of Scottish Local Authorities (CoSLA)
Anna Fowlie	Scottish Council for Voluntary Organisations (SCVO)
Kate Still	Princes Trust (Network of Networks)
Alison Findlater	Department of Work and Pensions (DWP)
Sandra Stewart	Department of Work and Pensions (DWP)
Stuart McKenna	Scottish Training Federation (STF)
Rozanne Foyer	Scottish Trade Union Congress (STUC)
Susan Love	Federation of Small Businesses (FSB)
Donna Burnett	Public Health Scotland (PHS)
Alison Nimmo	Developing Young Workforce (DYW)
John Wilkes	Equalities and Human Rights Commission (EHRC)
Fiona Burns	Scottish Funding Council (SFC)
Sharon Drysdale	Scottish Funding Council (SFC)

Apologies

Joanne Farrow	Scottish Government
Amy Stuart	Scottish Government
Gordon McGuinness	Skills Development Scotland (SDS)
Barry McCulloch	Federation of Small Businesses (FSB)
Karen Watt	Scottish Funding Council (SFC)
Yvonne Blake	Poverty and Inequality Commission (PIC)

Secretariat

David Watson, Programme Management Officer