

Meeting the Future Skills Challenge

Discussion Paper – Enhanced access to upskilling and retraining

Host: Jamie Hepburn, MSP, Minister for Business, Fair Work and Skills

Facilitator: Les Bayne, Managing Director, Accenture

Background

[Scotland's Future Skills Action Plan](#) (FSAP) recognises Scotland's skills system is among the world's most successful and that we benefit from more people with high level qualifications than any other OECD country. However, in a changing world, we have to be able to build upon our success to date to develop the system to deliver for the future.

Socio-economic trends, ranging from the global climate emergency to demographic changes (including the ageing workforce and rural depopulation), and the uncertain impact of technological advance mean that our skills system must evolve to become more adaptable.

The Plan provides a vision for our development of skills policies and programmes in the years ahead:

Scotland's highly skilled workforce ensures we are an ambitious, productive and competitive nation. Scotland's skills system will be the foundation on which we will deliver these ambitions, supporting our people through-out their working lives, and empowering our business to take advantage of future opportunities. A culture of shared investment in Scotland's future workforce will unlock the potential of our people and businesses and deliver inclusive growth.

The Plan has four themes aligned to the [Enterprise and Skills Strategic Board's Future Skills Mission's](#) recommendations. These are:

- Increasing system agility and employer responsiveness;
- Enhancing access to upskilling and retraining opportunities;
- Ensuring sustainability across the skill system; and
- Accelerating the implementation of the learner journey review.

It sets out the actions already underway to meet the challenges and opportunities we face. It also considers how the Scottish Government can work with system stakeholders, including employers and their representative bodies, to develop proposals for longer term change to re-orientate the skills system to be more agile, flexible and responsive to changing demand.

Upskilling and Retraining

We know that low levels low rates of working age population growth alongside a need to reverse a decline in job-related training mean that we must consider how we

can enhance access to upskilling, reskilling and retraining opportunities so that individuals can gain skills regardless of age or current qualification levels.

According to IPPR's report [Scotland Skills 2030](#), 2.5m adults of working age will still be participants in the labour market in 2030, representing nearly 80% of the projected total workforce.

Further, while we know that technological advance, digitalisation and automation will continue to drive rapid change in the labour market and the skills needs of the workforce, its long term impact is not yet clear. As such we must take steps to ensure the workforce is agile and able to respond at pace to fluid change.

Analysis of the Employer Skills Survey 2017 indicates that the need for upskilling is common across all sectors and for a variety of reasons. This includes new legislative requirements. Introduction of new technology, new working practices development of new services, increased competitive pressure and the UK decision to leave the EU.

FSAP sets out a range of initial actions in development or underway to address this. These include

- Doubling our investment in work based training to £20m, building on the £10 Flexible Workforce Development by 2020/21.
- Publishing a Careers Strategy to support learners and workers in making more informed career choices through-out their lives.
- Through the [Skills Action Plan for Rural Scotland](#) improving access to work-based learning, education and skills training across the rural economy.
- increasing our investment in workforce development to £20m per annum from 2020/21 to drive the alignment of our support for the existing workforce, recognising the potential this creates to leverage additional support for those in work.
- As it becomes established, the [National Manufacturing Institute Scotland \(NMIS\) Manufacturing Skills Academy](#) will develop a catalogue of advanced manufacturing modules to understand and cater to needs across the sector.

National Retraining Partnership

FSAP highlights the development of a National Retraining Partnership (NRP) as a key step in enhancing access to upskilling and retraining opportunities. The Scottish Trades Union Congress (STUC) and the Confederation of British Industry (CBI) have been working to agree how to take forward a NRP with a specific focus to engage business, workers and wider stakeholders to identify how upskilling and retraining opportunities can deliver the skills needs of Scotland's future workforce. Looking ahead to the coming year, the NRP will seek to:

1. Establish an agreed baseline of the current upskilling and retraining offer available in Scotland, with a particular focus on the current employer and union offer.
2. Undertake an engagement exercise with employers and workers across Scotland to establish their views as to what are the main barriers and challenges to enhancing re-training, re-skilling and up-skilling offers to workers.
3. Develop its collective view and proposals for establishing an embedded partnership approach to in-work retraining and upskilling with employers and workers, informed by the insights gained through this work.

Questions

- Considering your own organisation and sector, what are the key skills that employees will need in the next 5-10 years?
- Do you believe that education and training provision as currently constituted will be able to meet these needs, and, if not, what reforms would be most effective?
- In increasing the opportunities for upskilling and retraining in Scotland, how do we ensure that these opportunities are available for all?
- How do we create a culture of collective investment in upskilling and retraining opportunities across Scotland?