

## Minutes of the 21 April 2017 Joint SFC and SDS Skills Committee (JSC) meeting

### Key advice to SFC/SDS Boards

#### Advice to SFC and SDS Boards

##### SDS Board should:

On the **Early Learning and Childcare SIP Approach** item: note the points raised by the Committee, in particular:

- To allow an opportunity for employers and industry bodies to feed into the draft action plan.

##### Both SFC and SDS Boards should:

On the **Early Learning and Childcare SIP Approach** item: note the points raised by the Committee, in particular:

- That the work on developing the Action Plan is a good opportunity for SDS and SFC to demonstrate effective skills alignment.
- Consider the effect on other sectors of displacement of workers due to a potential pay differential.

On the **Digital Disruption** item note

- That advice will be provided to the Boards following the deep dive discussion at the next JSC meeting in August.



## **Joint Skills Committee minutes**

The thirty-first meeting of the Skills Committee of the Scottish Funding Council (SFC) and Skills Development Scotland (SDS) was held at 12.30pm on Friday 21 April 2017 at City Campus, City of Glasgow College, 190 Cathedral Street, Glasgow, G4 0RF

**Present:** Lorraine McMillan (Chair)  
Allan Colquhoun  
Doreen Davidson  
Paul Little  
Barry McCulloch  
Stuart McKenna  
Tricia Rainey  
Caroline Stuart

**Officers:** Michael Cross (SFC)  
Sharon Drysdale (SFC)  
Louise Lauchlan (SFC)  
Alison Malcolm (SFC)  
Gordon McGuinness (SDS)  
Andre Reibig (SFC)  
Mili Shukla (SDS – until end of Item 5)  
Paul Zealey (SDS)

### **Observers**

**and guests:** Morven Cameron, Highland and Islands Enterprise  
Donald MacRae, Independent  
John McMorris, SQA  
Scott Sutherland, Scottish Government (until end of Item 5)  
Joshua Ryan-Saha, The Data Lab (Item 6 only)

**Apologies:** Amanda Brown  
Carroll Buxton  
Gordon Grant  
Linda Hanna  
Rob Henthorn  
Craig Mahoney  
Professor Anton Muscatelli  
Grahame Smith  
Dr Ken Thomson  
Graeme Waddell

**17/11 Welcome by the Chair and apologies**

The Chair **welcomed** members, guests and observers.

The Chair **noted** the Committee's thanks to Rob Henthorn for his support of, and contribution to, the Committee during his time as the NUS Scotland representative.

Apologies were noted as above.

**17/12 Declarations of interest**

The Chair **reminded** Committee members of their responsibility to indicate if they had, or may be perceived to have, a conflict of interest under any item.

The following member confirmed potential interest as follows:

- For paper SC/17/08, Allan Colquhoun (Leonardo UK)

Should a potential conflict arise the member would leave the meeting during consideration of that item.

**17/13 Minute of 2 February 2017 (SC/17/Min 1)**

The Committee received the unconfirmed minutes of the meeting of the 2 February 2017, which had been to the SFC Board with the advice endorsed and would go to the SDS Board on 27 April 2017.

The Committee considered the minute from the meeting on 2 February and **agreed** to an amendment to the list of attendees. The Committee also agreed to amend the minute to reflect the full discussion on College Innovation in section 17/05. The minute will now state that the committee commented:

- That investing and establishing an innovation centre in a College would help meet the recommendations within the Reid report.

**17/14 Chair's business and matters arising (SC/17/06)**

The Committee **noted** this paper updating members on matters arising and meetings undertaken by the Chair since the last meeting of the Committee, including the Chair's attendance at a meeting of the SFC/SDS Alignment Working Group on 1 March and Caroline Stuart's attendance at a further meeting of the Group on 31 March as the Chair's representative.

SFC and SDS executives provided an update on Phase Two of the Enterprise and Skills Review, highlighting the key points from the Ministerial Statement by the Cabinet Secretary for Economy, Jobs and Fair Work on 30 March 2017. These included:

- That the SDS and SFC Boards would remain.
- The new Strategic Board will have an independent Chair.
- A report on Phase 2 of the review will be published by the end of May.

The Committee **reviewed** the advice tracker and updates were provided on current ongoing advice items. Further to a query about the Workforce Development Fund the Chair **agreed** to include it on the agenda for the next meeting. It was suggested that the Advice Tracker should focus more on the input/output of advice given.

#### **17/15 Early Learning & Childcare Skills Investment Plan Approach (SC/17/07)**

The Chair **welcomed** Scott Sutherland (Scottish Government), Paul Zealey (SDS), Mili Shukla (SDS) and Alison Malcolm (SFC) to present this item.

Scott introduced the item by outlining the background to the Scottish Government's expansion plans for free provision in Early Learning and Childcare, highlighting the four key principles of: affordability; accessibility; flexibility; and quality of provision. Mili then presented an overview of the SIP development work and draft action plan and Alison provided an update on the work SFC have been undertaking in relation to the expansion and the impact on college and university activity levels .

The Committee were asked to **consider** the draft action plan and strategic objectives for the final development of the SIP.

The Committee asked the Scottish Government and Executive to:

- Confirm that if the indicative increase of 10% per annum for Modern Apprenticeships was less than required by employers how this can be addressed.
- Identify the proportion of the current workforce who are non-EU.
- Consider the effect on other sectors of displacement of workers due to a potential pay differential.

- Be aware of risk management and the impact of not achieving the plan, perhaps strategic objectives 4 and 3 should be reviewed first.
- Include a strong focus on older workers
  - Apprenticeships for over 25 year olds?
  - Redundancies (PACE) – career change opportunities/large scale training?

Committee members also:

- Asked how realistic it is to expect high quality workers when paying low wages?
- Asked if there is an opportunity for employers and organisations to feed into the action plan?
- Commented that this was a good opportunity for SDS and SFC to demonstrate effective skills alignment.

## **17/16 Digital Disruption (SC/17/08)**

The Chair **invited** Sharon Drysdale (SFC) to introduce this item, followed by presentations from JSC Committee member Caroline Stuart and Joshua Ryan-Saha, Skills Programme Manager at The Data Lab.

Sharon highlighted the aims and actions of the Scottish Government's refreshed Digital Strategy for Scotland.

Caroline Stuart delivered a presentation outlining the impact digital disruption is having across the world and the shifting of boundaries between industries, which is resulting in changing business models. Data is at the heart of transformation and research shows that the most profitable/productive companies are those who adopt a data driven approach.

Joshua Ryan-Saha delivered a presentation outlining that data-active companies are 50% more likely to launch new products or services and 10% more productive, however, over 2/3 of business struggled to fill a 'data' vacancy and 30% of companies are still 'dataphobic'. Job roles are changing, some are becoming more automated, whilst many others require job holders to have a wider range of digital skills, as well as the ability to be flexible as job roles are changing more quickly due to automation and data innovation. The skills required include: data literacy; creativity; and more data experts who are socially intelligent.

Committee members commented on the difference between the messages the refreshed Digital Strategy and the presentations gave and what we are presently doing to tackle the issues raised – particularly in regard to work in schools.

In light of time, the Committee members were **invited** to write down their key comments and questions on what challenges need to be overcome to ensure that the skills system is able to deliver the vision and what do education and training providers need to do to deliver the skills required? This would ensure that contributions were not lost.

It was agreed that members' comments and questions are to be collated by the executive and circulated around the committee in the near future to keep the information and discussion alive and the subject would be continued at the next Committee meeting. It was planned that following the initial discussion at this Committee meeting there would be a further deep dive into specific issues at the next meeting.

**17/17      Joint Skills Committee: Annual Report 2016-17 (SC/17/09)**

The Committee **agreed** the version of the Annual report with a small textual change to highlight the opportunities that the Enterprise and Skills review had raised for the remit and strategic position of the Joint Skills Committee.

**17/20      Date of next meeting: Wednesday 23 August 2017, Edinburgh**

The Chair thanked all members for their attendance and contributions to the discussions.