

NORTH LANARKSHIRE COUNCIL

REPORT

To: COMMUNITY SERVICES COMMITTEE		Subject: REVIEW OF THE CAREERS SERVICE
From: DIRECTOR OF COMMUNITY SERVICES		
Date: 2 MARCH 2001	Ref: JMcG/MC	

1. INTRODUCTION

1.1 The purpose of the report is to advise Council of the outcome of the recent review of the careers service in Scotland and the publication by the Scottish Executive of its response. The report also proposes that North Lanarkshire Council should endorse a partnership response to these papers.

2. BACKGROUND

2.1 Since the last major review of the careers service in Scotland in 1992/93 the careers service has been organised on a pan-Lanarkshire basis through a sub-contractual arrangement to Lanarkshire Careers Partnership Ltd. The partnership company has a board of directors comprising representatives at both elected member and officer level, from North and South Lanarkshire Councils, Scottish Enterprise Lanarkshire, the further education colleges and training providers. The careers staff are employees of the councils with North Lanarkshire Council having around fifty staff members. Aside from Lanarkshire only one other area in the West of Scotland organises its careers service on this basis. In every other area the careers service is delivered through an independent privatised company with the staff employed directly by the company.

2.2 On 6 October 1999 the then Scottish Minister for Enterprise and Lifelong Learning, Henry McLeish, announced a review of the careers service in Scotland and the formation of an independent review committee chaired by Barbara Duffner, Head of Personnel Performance at the Royal Mail. The committee's remit was "to examine the role of the careers service in Scotland and the scope for change and development of that role in the light of trends and initiatives in education, lifelong learning and the labour market".

3. THE REPORT OF THE REVIEW COMMITTEE

3.1 The Duffner committee outlined six underlying principles which they believe should underpin the provision of careers guidance in Scotland. Careers guidance should be impartial, informed, client centred, confidential, available to all and coherent. The report highlighted a variety of issues, particularly the perception of what it described as "institutional clutter" in relation to provision of services and a general lack of consistency in approach. The report set out an agenda for change to take account of developments in the workplace, in information and communications technology, the role of "Learndirect Scotland", the impact of the Beattie

Committee Report and the importance of good labour market information on employment opportunities. The report concluded that the role of the careers service should be geared more towards assisting individuals to cope more successfully with changes in the market place. The report contained 46 recommendations in all. Further information is available from the Department.

#### **4. THE RESPONSE OF THE SCOTTISH EXECUTIVE**

- 4.1 The response of the Scottish Executive generally endorsed the findings of the Duffner committee and accepted the case for change with a particular focus on client needs. It suggested that the "institutional clutter" identified by Duffner should be removed by amalgamating the roles and functions of the current careers service companies, adult guidance networks, education business partnerships and local learning partnerships.
- 4.2 The Scottish Executive response outlined a number of options for future service delivery and identified its preferred option, namely the establishment of a national service to be branded as "Careers Scotland". The new body would be led by a national supervisory board "aligned" with Scottish Enterprise and Highlands and Islands Networks. Careers staff would be employed by these networks. The underlying argument is founded on the basis that such an alignment would be most likely to reflect the significance of lifelong learning in economic success. The Scottish Executive paper also emphasised the importance of moving towards a one door approach with services geared to "all ages" and stronger links with employers and the further and higher education sectors. Although not of particular significance in the North Lanarkshire context the paper also emphasised the preference to bring all careers staff in Scotland back into the public sector.
- 4.2 The above national organisation would be reflected at a local level by the creation of local boards under the "Careers Scotland" banner. The local boards would be funded directly from the national organisation which would also offer direction to the local boards. The paper proposed that membership of local boards could be split roughly equally amongst local enterprise companies, local authorities and the training and business sector. The new arrangements would be established from April 2002 with a shadow year beginning in April 2001. During the shadow year a ministerial steering group is to be established as well as a joint working group chaired by the Scottish Executive. Implementation teams will also be established within Scottish Enterprise.

#### **5. A PARTNERSHIP RESPONSE**

- 5.1 For the best part of the last ten years careers guidance in Lanarkshire has been delivered on a partnership approach. It is therefore proposed that a single response to the current consultation should be made on behalf of all of the partners in Lanarkshire. Discussions with the Scottish Executive have indicated that such a response would be welcomed and would send a very positive message. The copy of the proposed response is attached as an appendix to this paper.
- 5.2 The proposed response is broadly in favour of much of the Scottish Executive's proposals. The argument in favour of removing "institutional clutter" is very strong and the creation of a national service offers a welcome enhancement of the profile of the service. Over the last year or so staff have expressed concern through their trade union representatives that the careers service might be moving towards a full privatisation model. The new proposals would retain staff within the public sector and this has been generally welcomed by local careers staff. The council will continue to be closely involved with its partners in setting the strategic direction of the new organisation at both national and local levels. This is very welcome.

5.3 The proposed response does however emphasise a number of other points as follows:

- Publication of guidance by the Scottish Executive on the shape of the new services is awaited with interest. It is to be hoped that these guidelines will allow maximum flexibility for the partners at a local level to mould a service which will be truly reflective of local needs.
- Some uncertainty requires to be cleared in relation to the term "alignment" in relation to the Scottish Enterprise Network. It is to be hoped that the new relationships will not be hierarchical and that the relationship between national and local levels can be established without creating a further "clutter" in relation to reporting lines.
- The significance of an effective performance measurement system and related measures will be of critical importance.
- The significance of solid partnership development to date should not be lost as the new system becomes established at national and local level.
- The emergence of the Lanarkshire Economic Forum should act as a stimulus to development but the linkages between the forum and the new local advisory board of "Careers Scotland" will require further clarification.
- Further consideration should be given to the proposals which exclude a placing and benefit policing function from the new service.
- The new proposals will fundamentally change the service and the commitment in the Scottish Executive response to a new funding formula based on client need is appropriate and welcome. However there are attendant issues concerning the current infrastructure in Lanarkshire. For example many of the careers service offices, including its headquarters, are housed in premises which may not be entirely appropriate to its proposed wider role.

5.4 As part of the consultation exercise which produced the partnership response a number of meetings took place, some of which involved Scottish Executive input. It is clear from these meetings that representatives of the Scottish Executive would welcome suggestions as to how the proposed local advisory board might be constructed. Against that background the response is therefore suggesting a structure for the new advisory board. This would comprise representation from the two local authorities, Scottish Enterprise Lanarkshire and the business sector representing the core membership. Each would have equal representation. In addition further board members could be nominated, for example from the further education/higher education sector, the voluntary sector, the employment service and the Lanarkshire Economic Forum.

5.5 The proposed response has been the subject of discussion and consultation with a number of North Lanarkshire Council departments including education, planning and environment and chief executive's.

## 6. PERSONNEL IMPLICATIONS

6.1 As indicated earlier in the report careers staff currently employed by North Lanarkshire Council will be transferred under the Scottish Executive's proposals to the Scottish Enterprise Network. Initial discussions have taken place with the trade unions. These will continue as the detailed proposals for transfer of staff begin to emerge.

7. **RECOMMENDATIONS**

7.1 That committee:

- (i) Note the publication of the review of the careers service in Scotland and the Scottish Executive's response as summarised above
- (ii) Homologate the proposed partnership response attached as an appendix to this report
- (iii) Refer the report to the education and social inclusion committees for their interest and information.

## Lanarkshire Partners Response to Careers Service Review

### Case For Change

- ◆ We endorse the view that as the economic and social context within which the Careers Service operates is changing, so too should the Careers Service to ensure continuing client focus and appropriate strategic position within Lanarkshire.
- ◆ We also recognise Lanarkshire Careers Service is already fulfilling much of the recommended work by ensuring partnership contributions and support to the on-going strategy and operation.
- ◆ We endorse the view that the potential for Careers Service contribution to career planning and development extends beyond the first destination for school-leavers. With this extension, the new and developing role for current and emerging partners is evident.
- ◆ The economies of scale arguments in procuring and ensuring support for the Careers Service is well-made. The service has had little infrastructural investment since 1995, as company contracts have been dominated by achieving direct client delivery services.
- ◆ There needs to be clarification on the responsibility and funding for careers education.

### Underlying Principles

- ◆ We endorse the principles. As the careers guidance should be impartial, so too should the Careers Scotland in the sense that no single provider of opportunity should have organisational priority on the clients' destinations.

### Transitions and Inclusive All-Age Careers Guidance

- ◆ We endorse the recommendation to provide early intervention for the most vulnerable clients; and embrace the opportunity to develop services for clients of all ages seeking to plan or develop their career.
- ◆ The prioritised groups for free guidance are those for whom other funding may be available eg ESF. Our abilities to seek funding for others may be restricted by this.
- ◆ Access is an image issue in Lanarkshire. We have maintained a community-based service, recognising the individuality of communities across Lanarkshire. These premises are unsuitable for attracting new adult clients, yet a local community base is still required to work with our Inclusiveness clients. The will to also provide digital access means 3-way client access costs are high and not fully recognised in the Review as a funding issue.

## Education for Work

- We endorse the provision of career-related learning in primary schools, rather than careers education, which can involve choosing areas of occupational interest.
- ◆ We believe there is a need to clarify who is responsible for careers education, for funding and delivery. An advisory role for the new organisation does not clarify this; nor the fact that we could be held accountable for it in future through national performance measures.
- ◆ Incorporating enterprise skills into CPD for teachers will take time, although it is a helpful step forward.
- ◆ The involvement in the board of the informal learning community needs to be recognised.
- ◆ The provision of an all-age careers guidance service needs to recognise that partners have a role to play in supporting the careers guidance process but not in duplicating the delivery of it. The new developed model for Lanarkshire Adult Guidance Network has taken account of this.
- ◆ We endorse the view that a single forum should have the lead role to prepare the Education for Work and Enterprise plan. That forum should be Careers Scotland. The plethora of related plans is worth auditing.
- ◆ We agree Governance and Accountability issues for the board are vital to demonstrate impartiality and engender continuing partnership goodwill.

## Goals and Critical Success Factors

- ◆ We endorse the integrated model to “unclutter” the landscape.
- ◆ We endorse the 4 goals and the critical success factors for Careers Scotland.
- ◆ We recognise that not all Careers Services and partners have the same starting point. Measuring success from these differing points will be difficult to assess and assimilate, but a benchmark should be set as a starting point.
- ◆ We agree the need for a national brand name.
- ◆ The establishment of working groups to take forward proposals needs to be co-ordinated. We also suggest there be scope for a bottom-up approach in shaping and developing the future. Two-way communication on this is a must.
- ◆ Cohesion can also derive from a co-ordinated national support structure for Careers Scotland, including careers information. Education Gateway could be rolled-out to support this agenda on a national basis.

## Social Inclusion

- ◆ Local partnership support has been expressed in our recent bid for Inclusiveness through the Careers Service.
- ◆ We aim to co – ordinate the area strategy group as part of the Routes to Inclusion group currently operating Lanarkshire.
- ◆ We believe the Key Worker role will develop more naturally through a partner-supported re-focused careers service than national prescription by the National Action Group.

## LMI and Vacancy Handling

- ◆ We agree the interaction between employers and Careers Service should be more sophisticated than servicing vacancies.
- ◆ The pros and cons of vacancy handling and placement are noted. However, the Inclusiveness agenda is about supporting young people in making effective transitions. A fresh approach to this work, without costly “benefits policing” is required. *We do not endorse this function as either or, but that it should be demand rather than supply led.* This will ensure supported transitions into Skillseekers, education and employment can continue, but from a different approach.

## ICT

- ◆ Now that careers services are moving towards client management systems which provide electronic data collection for statistical returns, there should be scope to have electronic reporting directly to the central unit responsible for collating and examining careers service management returns.
- ◆ In order for this to be put in place, it will be necessary to examine the options for a Scotland-wide network or Intranet of careers services.
- ◆ To date, no organisation has taken web-enabled guidance to its potential. The formation of Careers Scotland should produce a unique opportunity to bring together the best current practice and expand in an innovative way to look at careers guidance delivery over the internet. The establishment of links with *learnirect scotland* will be essential for the provision of a seamless information and guidance service to individuals.
- ◆ In considering the establishment of a Careers Scotland ICT network, it would be of value to look at how it can communicate with the Enterprise Networks ICT structure. Close links could enable careers services to have immediate access to the most up-to-date labour market information from Future Skills Scotland, and conversely the Future Skills Scotland could have immediate access to the careers service data on first destinations of school leavers.

- ◆ Close working arrangements between *learndirect scotland* and Careers Scotland will be essential to ensure the user of the service is assisted in as efficient a manner as possible. It would be worth investigating the inclusion of *learndirect scotland* in the Careers Scotland ICT network. This could facilitate the electronic referral of clients and the sharing of information databases.
- ◆ Proposals for implementation of the recommendations of the Beattie Committee involve sharing client data between partner organisations. It would be unrealistic to aim towards all partner organisations operating the same client management system, and therefore transfer of information between relevant organisations will have to be addressed to meet the demands of the Social Inclusion programme. A solution to this issue will also, in the short term, provide a means for electronic communication of client data between careers services.
- ◆ A common IT platform is, however, desirable in the longer term. In progressing this, it is important not to make a hurried decision to impose one of the existing packages on all careers services. This is an exciting opportunity to have a high quality client management system, which can enhance the provision of service tailored to the needs of the individual and can provide a plethora of management information to support policy decision-making and development planning.
- ◆ The incorporation of Continuing Education Gateway could be a considerable business advantage in developing new services and products for clients on a national basis and in generating further income.

#### Performance and Client Satisfaction

- ◆ We agree that for some time, the number crunching approach to quality has been ineffective in demonstrating the impact and effectiveness of service provision
- ◆ More than any other area, this has the potential to bring about the cultural changes and integrate 4 organisations
- ◆ Impact requires a different approach to measure distance travelled by clients

#### Professionalism

- ◆ We fully endorse CPD and initial year training to national standards. We do not endorse a national training unit, as training should be transparent to local organisational objectives, albeit within a national framework
- ◆ With such a plethora of national working to be established, this area, more than others has the potential to turn into a compromise between local needs and nationally organised training courses. It should also fully take account of the needs of staff from EBPs, AGNs and LLPs.

## Funding

- ◆ We agree with the recommendation to find a further way to equitably distribute funds in recognition of real client need and ongoing environmental issues
- ◆ We endorse the Scottish Executive recognition that our 2 Councils have supported us in kind for 5 years. A notional figure has been requested and given.

## Lanarkshire partners' response to Scottish Executive response to Careers Service Review

### Background

Partnership working, strategically and operationally, is well developed in Lanarkshire. The plethora of national policies necessitating local partnership responses has led to a number of partnership groups being established. However, a pragmatic view has been agreed upon to rationalise the number and functions of the groups.

As a result, there is a *mature level of partnership* working which can value the benefits of joint working and understand partnership diversity. This response, therefore, reflects that understanding and seeks to demonstrate the quality of partnership by providing one response for all relevant partners in Lanarkshire. Bringing this together at an early stage is the key to future success.

These are:

Scottish Enterprise Lanarkshire, South Lanarkshire Council, North Lanarkshire Council, Education Business Partnership, Lanarkshire Careers Partnership Ltd and Lanarkshire Adult Guidance Network.

There is as yet, no Lanarkshire Learning Partnership established in Lanarkshire.

The following *partnership principles* express our high quality working and commitment.

- ◆ All key partners will have joint responsibility to ensure the success of Careers Scotland - Lanarkshire;
- ◆ Partnership working should be transparent, including funding allocation
- ◆ Strategic management will underpin the implementation of Careers Scotland Lanarkshire to ensure quality and consistency in service delivery;
- ◆ Clients must be able to easily understand the aims, objectives and benefits of Careers Scotland Lanarkshire;
- ◆ The structure of Careers Scotland Lanarkshire must ensure clear linkages to other related activity within Lanarkshire and national strategies;
- ◆ Careers Scotland Lanarkshire should be managed and delivered as an integrated client centred process;
- ◆ In order to ensure Careers Scotland Lanarkshire remains client centred, a robust performance management system must be a key driver for review and growth.

## Response

### Case for change

- ◆ Whilst we agree there are inconsistencies in delivery across Scotland we believe the service and the board is well-developed in Lanarkshire. We recognise and welcome this new and radical approach to service strategy and suggest maximum flexibility at a local level for the new service, within the national standards and framework. This can enable local initiatives, and often the funding that supports them to continue and flourish.
- ◆ We view Careers Scotland as having an enabling rather than directional purpose, enabling freedoms to flourish locally towards a national goal, in line with a national benchmarking system which will encourage full commitment and opportunities for continual development.
- ◆ Careers Scotland Lanarkshire represents a radical change which will simplify structures and place clients at the heart of activity.
- ◆ Careers Scotland Lanarkshire's business plan will provide the opportunity to strengthen the aims and strategies of the 4 organisations through a coherent mutually supportive structure, implying parity of esteem for the strategies of the 4 organisations.
- ◆ There is further opportunity to reduce 'clutter' beyond the 4 organisations into 1.
- ◆ Accountabilities and relationships require clarification, particularly between the proposed national and local structures to avoid a plethora of reporting lines. (One of the key questions to be addressed is the exact nature of the 'alignment' to the LEC Network, although recent Ministerial announcements suggest that this relationship will not be 'hierarchical but parallel' and that the new service will be impartial).
- ◆ We agree a performance management system is required along with a new set of performance measures, based on impact and effectiveness for the new organisation. This is the key to accountability for the new local advisory board working in a national framework. This should be remitted to a partnership with consultancy support to develop, trial and evaluate in the shadow year. Again, we would envisage Lanarkshire at the forefront. We need to move away from either/or debates and consider a 'layered' approach within an overall framework e.g. EFQM. Performance needs to be measured at all levels from individual through to national level. Performance Indicators for partnership working should also be included. *This above all will create the radical shifts in culture which are required.*
- ◆ We endorse the key principles, main goals and critical success factors.

- ◆ This is more about widening the boundaries of guidance and at the same time strengthening and focusing the efforts of guidance. This will require radical shifts in behaviour – we will need to think differently, re-order our priorities and develop faster reflexes. We need to give our culture permission to change so that the organisation can survive in a fast-moving world. (If we try to salvage everything we'll end up carrying a lot of baggage).
- ◆ The role and contribution of existing partners to date should be recognised as they will be the foundation of the new structure in achieving equal partner representation and in forming the tripartite arrangement for the new Local Advisory Board
- ◆ Given the important focus on economic regeneration, employability and preparation for the world of work, links to the emerging Lanarkshire Economic Forum need to be clarified and reflected in the local structure adopted

#### Economic Context

- ◆ We endorse the recognition that the new organisation can play a key role socially and economically, in terms of employability, action and skills, social justice and enterprise.

#### Young People at School

- ◆ We endorse the opportunity for local authorities and education to become more involved in strategic decision-making in the new organisation, locally and nationally.
- ◆ We endorse the emphasis on preparation for world of work and the proactive strategic integration role that the new organisation can play.
- ◆ We support the view that independent careers guidance can strike a balance between the needs of the individual and the needs of the local/national labour market.

#### Transition from School

- ◆ We endorse the higher profile of the formal and informal learning community in the local advisory board, enabling us to strengthen the support role careers guidance can play to stimulate the learning market.

#### Other organisational changes

- ◆ We recognise this change is happening at a time of great change for others, especially in inter-related fields of learning, skills and the economy.

- ◆ We recognise the strategic position of the Careers Scotland board will need to take account of continuing change in the partnership working of Lanarkshire to ensure initial and ongoing strategic and operational fit

#### Addressing the cluttered institutional landscape

- ◆ A Review of Services to Unemployed in Lanarkshire revealed there are fewer services than first thought. However, clarification on roles and responsibilities locally has ensured partners now compete together for contracts not between one another for clients. The principles of this work have enhanced partnerships in Lanarkshire and eliminated duplication and confusion. The remit of Careers Scotland in Lanarkshire needs to build on this success to date.

#### Structural Issues

- ◆ We agree with the need to improve accountability and clarify responsibilities, but suggest that if this is a national blueprint then the new organisation will operate in a local vacuum. The proposed model is vertical in nature with the local Careers Scotland reporting into the Centre. Mechanisms will need to ensure horizontal links with all stakeholders and contributors are not lost. From a partnership-wide perspective this especially includes the business community. Possible board make-up and remit is shown in the Appendices.

#### Structural Options

- ◆ We agree with having a national branding and a national framework, but believe much needs to be clarified before a national service is achieved. This would appear to fly in the face of Community Planning processes, and may lead to the new organisation having a “plethora of bosses”, trying to fit locally whilst being answerable nationally. The EBP would prefer a name other than Careers Scotland.
- ◆ In considering the options, we need to keep all current partners on board, as well as embracing new ones. The partners in the present company will still be our partners. Their role and contribution to date should be recognised, as they will be the foundation on which support and development of the new organisation will occur.
- ◆ The Chief Executive of Careers Scotland is to be a manager of the Scottish Enterprise Network/Highlands and Islands Enterprise. Clarification on level and remit/responsibilities and how this integrates locally is required to ensure impartiality and partnership goodwill continues.

#### At the local level

- ◆ The local advisory board should support the local economic picture, and balance this with the learning community needs. We would like to suggest how this board can be balanced between the partners in the Appendices.

- ◆ A full remit for the board and its reporting/accountability needs to be prepared to demonstrate the impartiality which stems from alignment

#### Links to Employment Services

- ◆ We already have a Service Level Agreement with Employment Services and high quality strategic and operational links, ostensibly through our joint work on the New Deal
- ◆ A key future issue is the role of the Inclusiveness Key Worker and the continuing roll-out of the New Deal

#### The Executives preferred solution

- ◆ We endorse the approach that independent careers guidance services should be available through a resourced public sector organisation
- ◆ We endorse improving access to a seamless service which recognises the individual strengths each element has to offer

#### Way Ahead

- ◆ Whilst we endorse the new monies being made available, we are reminded of the need for infrastructural investment in the new organisation, which is not about direct client delivery. This entails investing in premises and ICT, for example, to develop the image needed to eradicate the public perception that we are a school-leaver only service.
- ◆ We fully endorse the view that a new funding formula is found which reflects careers guidance needs for all our clients and is not based on the current inequitable division of the GAE funding formula.
- ◆ As funding is raised as an issue, we would remind Scottish Executive that the Councils support Lanarkshire Careers Service to the tune of £289,500 for services such as reduced rentals, payroll and legal services. Careers Service companies who became fully privatised received help with start-up costs in the past.

**CAREERS SCOTLAND**

**POSSIBLE BOARD MODEL REPRESENTATION**

Membership drawn from:

Scottish Enterprise  
Lanarkshire (2)

South Lanarkshire  
Council (2)

North Lanarkshire  
Council (2)

Business (2)

FE/HE (1)

Voluntary Sector (1)

Employment Services  
(1)

LEF rep (1)

Board Member                  Social Inclusion/Guidance Manager (1 alternate)

Elected Member                  Education/Enterprise Resources (1 alternate)

Elected Member                  Education/Community Services (1 alternate)

This could achieve a board of 12-15 from  
which the tripartite representation of  
education, the learning industry and business  
can be drawn