

Young Person's Guarantee

Fairer Scotland Duty Assessment

October 2021

Fairer Scotland Duty Assessment Summary

Title of Policy

Young Person's Guarantee

Summary of aims and expected outcomes of policy

Every person aged between 16 and 24 will have the opportunity, depending on their circumstances, to study; take up an apprenticeship, job or work experience; or participate in formal volunteering. This is the ambition of the Young Person's Guarantee as proposed by Sandy Begbie CBE and committed to by the Scottish Government in the Programmes for Government in 2020 and 2021. In addition, the Government outlined the Guarantee as a key element within their plans for the first 100 days in office. The announcement of £70 million of funding in 2021/22 through the Guarantee, which builds on the initial funding of £60 million in 2021/20, meets four of the Government's 100 day commitments and plays a crucial role in the Government's [COVID Recovery Strategy](#):

- £45 million for local partnerships to provide training, employer recruitment incentives, and mental health interventions for young people
- £13.5 million for Colleges, Universities and the Scottish Funding Council to provide industry-focussed courses supporting up to 5,000 young people and employment support for 500 recent graduates
- £10 million for the roll-out of new school coordinators and enhanced school provision to support young people access education, work and training.
- £1.5 million to increase places on volunteering and Third Sector programmes.

The importance of delivering the Guarantee is crucial considering the immediate impacts of the Coronavirus (COVID-19) outbreak on young people's participation in learning, training and employment. However, the Scottish Government is also committed to ensuring that the Guarantee makes an enduring and sustainable impact on outcomes for young people and our economy. The long-term aim is to ensure that services and support delivered through the Guarantee prepare young people for the current and future labour market, and directly improve outcomes for young people with a particular focus on those disproportionately affected by COVID-19.

The Young Person's Guarantee is youth focussed and employer-led, building on the success of Developing the Young Workforce, and must make a tangible difference to young people and to those who provide opportunities that allow young people to reach their potential. The key aim of the Guarantee is to ensure all young people are able to access the opportunities provided through the Guarantee, and be supported to participate and progress within those opportunities. This will involve a 'no wrong door' approach where partners work collectively to connect and support young people towards positive outcomes.

Summary of evidence

We acknowledge that other demographic characteristics such as race, gender and disability are explicitly linked to socio-economic disadvantage. We published a full [Equalities Impact Assessment and Equalities Action Plan](#) which provides an in-depth analysis of the impact of the Guarantee on these protected characteristics and also broadened it out to include care experienced young people. We have also published a [Child Rights Wellbeing Impact Assessment](#) which provides an analysis of the impact of the Guarantee on the wellbeing and rights of children in line with the UN Convention on the Rights of the Child.

Through further analysis of internal and external research and engagement both across Government and with external representative bodies, evidence shows socio-economic disadvantage is more prevalent in young people than other age groups.

In summary, key findings from evidence gathering include:

Low Income

Evidence of income prior to the pandemic shows young people were already earning below median pay compared to working age adults in other age ranges¹. In 2020, 41.5% of young people aged 18-24 earned below the real living wage, the highest proportion of any age range². In 2020, full-time employees aged 16-24 who worked in Scotland earned around a third (31%) less than the median weekly pay for full-time employees aged 16 and over³. The proportion of 16-24 year olds claiming

¹ [Low-Pay-Britain-2020.pdf \(resolutionfoundation.org\)](#)

² [Annual survey of hours and earnings: 2020 - gov.scot \(www.gov.scot\)](#)

³ [Young person's local authority labour market dashboard - gov.scot \(www.gov.scot\)](#) Note: Annual Survey of Hours and Earnings, ONS. Estimates for employees on the PAYE system on adult rates

Universal Credit has remained largely consistent across the pandemic. In March 2020, 16-24 year olds represented 17% of the total Universal Credit caseload for Scotland. As of July 2021 this current stands at 16%. Of all 16-24 year olds in Scotland currently claimant Universal Credit, 37% are in employment⁴.

Employment

Young people in Scotland's labour market have been particularly impacted by the COVID crisis, in part due to being employed in large numbers in those sectors (e.g. hospitality) most affected by the public health restrictions necessary to save lives and protect the NHS. Between July 2020 and June 2021, the employment rate for 16-24 year olds was 51.8%⁵. The unemployment rate for 16-24 year olds is the highest of all age groups, and over twice as high as that of the population aged 16-64 years⁶. Under 25 year olds were over two and a half more times likely⁷ to work in sectors which have shut as a result of the pandemic compared to employees in other age ranges. However, insecure employment amongst this group was already present prior to the COVID-19 pandemic, evidence shows 16-24 year olds are least likely to be in contractually secure employment⁸.

The Annual Participation Measure for 16 to 19 year olds for 2021 shows 15.5% of this cohort are in employment. This has decreased from 18.3% in 2020, however the latest statistics account for a longer period of COVID-19 related restrictions. Of the unemployed proportion, 1.3% are seeking employment, training or education⁹.

Analysis of the follow-up destinations (9 months after leaving school) of school leavers in 2019-20 showed 6.6% of school leavers living in the most 20% deprived areas were found to be unemployed, compared to only 2.2% of leavers from the least deprived areas¹⁰.

whose pay for the survey pay-period was not affected by absence. Estimates for 2020 include employees who have been furloughed under the Coronavirus Job Retention Scheme (CJRS).

⁴ [Stat-Xplore - Table View \(dwp.gov.uk\)](#)

⁵ [Labour Market Statistics for young people \(16-24 years\): Scotland and UK – July 2020 to June 2021 - gov.scot \(www.gov.scot\)](#)

⁶ [Labour market monthly briefing: October 2021 - gov.scot \(www.gov.scot\)](#)

⁷ [Sector shutdowns during the coronavirus crisis: which workers are most exposed? - Institute For Fiscal Studies - IFS](#)

⁸ [National Indicator Performance | National Performance Framework](#)

⁹ [annual-participation-measure-2021-report.pdf \(skillsdevelopmentscotland.co.uk\)](#)

¹⁰ [Summary Statistics for Follow-up Leaver Destinations, No. 3: 2021 Edition - gov.scot \(www.gov.scot\)](#)

Although the Coronavirus Job Retention Scheme has now come to an end, the most recent data showed that there were 9,830 jobs on furlough held by under 25 year olds at the end of August, representing 10.5% of all Scottish employments on furlough¹¹.

Wealth Distribution

Analysis before the pandemic shows that the median household wealth where the adult in the household is aged 16-24 is lower than all other age groups¹². However this is not unexpected given under 25 year olds have a lower minimum wage (reduced to under 23 year olds as of April 2021).

Poverty

Analysis of poverty in Scotland shows that young people (16-24) have remained consistently more likely to be in relative poverty than other adult age groups. Between 2017 and 2020, almost double the amount of 16-24 year olds were living in relative poverty compared to pension age adults. Both young people aged 16-24 and under 16 year olds have been found to have the joint highest poverty rate across all ages¹³.

Analysis of families in poverty show that in families where the head of the household is in full time education or training, in 4 out of 5 families, the head of the household is aged between 16-24¹⁴.

Deprivation

The highest proportion of young people in Scotland live within the Dundee City council zone, followed closely by Glasgow City and Stirling¹⁵. Analysis of deprivation in 2020 shows the 5% most deprived zones in Scotland remain the same since 2004. These include multiple zones in Glasgow City as well as one area within each of Inverclyde, North Ayrshire, North Lanarkshire, Renfrewshire and Highland. Overall, Inverclyde, Glasgow City, North Ayrshire, West Dunbartonshire and Dundee City have the most data zones with 20% highest deprivation¹⁶. However, it's also important to note that not all young people within these areas are living in deprivation.

¹¹ [Coronavirus Job Retention Scheme statistics: 7 October 2021 - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

¹² [Wealth in Scotland 2006-2018 \(data.gov.scot\)](https://data.gov.scot)

¹³ [Poverty and Income Inequality in Scotland 2017-20 \(data.gov.scot\)](https://data.gov.scot)

¹⁴ [Poverty in Scotland 2021 | JRF](https://www.jrf.org.uk)

¹⁵ [Inequalities by age in the context of Covid-19 \(slide-pack\) - gov.scot \(www.gov.scot\)](https://www.gov.scot)

¹⁶ [Scottish Index of Multiple Deprivation 2020: introduction - gov.scot \(www.gov.scot\)](https://www.gov.scot)

The Annual Participation Measure for 16 to 19 year olds for 2021 shows that 16 to 19 year olds living in the 20% most deprived Scottish Index of Multiple Deprivation (SIMD) areas have the lowest rate of participation in education, training or employment across all SIMD quintiles. 16 to 19 year olds in the 20% most deprived areas have a participation rate of 87.1% compared to 96.4% in the least deprived 20%¹⁷.

Debt and Financial Stability

Prior to the pandemic, 6.3% of households headed by a 16-24 year old were financially unstable compared to only 2.9% of households overall¹⁸. Recent research shows that a higher proportion of young people have needed to use their savings due to the impact of the pandemic, compared to other age groups¹⁹.

Food Insecurity

The most recent Family Resources Survey shows households headed by a 16-24 year old were less likely to be food secure than households headed by someone from an older age group. Only 73% of younger households were food secure compared to 82% of households where the head was 25-34²⁰.

Low Attainment

Analysis from February 2021 shows only 47% of school leavers from the 20% most deprived areas left school with one or more Highers (SCQF level 6) compared to 83% of school leavers from the 20% least deprived areas²¹.

Recent analysis of school leaver follow-up destinations show that 87.6% of school leavers from the 20% most deprived areas were in a positive destination 9 months after leaving school. This is 8.3 percentage points lower than peers living within the 20% least deprived areas.

For school leavers in higher education, only 27% of those from the 20% most deprived SIMD areas were still in university 9 months after leaving school. There is a 35.6 percentage gap compared to school leavers from the least 20% SIMD areas. However this dynamic changes when looking at further education. More school leavers from the

¹⁷ [Annual Participation Measure | Skills Development Scotland](#)

¹⁸ [Wealth in Scotland 2006-2018 \(data.gov.scot\)](#)

¹⁹ [Financial impact of COVID-19 already being felt by Britons, especially younger generations | Ipsos MORI](#)

²⁰ [Family Resources Survey: financial year 2019 to 2020 - GOV.UK \(www.gov.uk\)](#)

²¹ [Summary Statistics for Attainment and Initial Leaver Destinations, No. 3: 2021 Edition - gov.scot \(www.gov.scot\)](#)

20% most deprived areas (31.5%) were still in further education placements as a follow-up destination compared to the 20% least deprived (14.2%)²².

Summary of assessment findings

Given the disproportionate impact of COVID-19 on young people and existing inequalities within the labour market, improving equality and inclusion to eliminate discrimination is central to the Guarantee to ensure that no one is left behind. While the scope of the Guarantee is to support all young people aged 16-24, building on the existing education, learning, skills and employment opportunities, the additional funding provided by the Scottish Government to support the Guarantee has been focussed on supporting those young people who are furthest from the labour market and to embed the Developing the Young Workforce Strategy and other employer offers within the education curriculum. The Guarantee takes into account the need to improve opportunities and access to support for young people from lower socio-economic backgrounds. We recognise that other demographic characteristics will also impact levels of socio-economic disadvantage.

A full [Equality Impact Assessment and Equality Action Plan](#) for the Guarantee was published in March 2021²³ which examined the impact of the Guarantee on age, disability, sex, pregnancy and maternity, gender reassignment, sexual orientation, race and ethnicity and religion and belief. The action plan outlines the approach and specific action we and partners will take to improve outcomes for young people, including:

- Fund and support to employers to adopt and embed fair and inclusive workplace practices as per Fair Work First guidance;
 - Fund school coordinators in secondary schools across Scotland to strengthen collaborative working across delivery partners and de-clutter a complicated economic landscape to match labour market demand to employability skills required from employers;
 - Target eligibility criteria for funding to support those young people with the greatest barriers to employment to enable them to obtain, sustain and progress in employment;
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²² [Summary Statistics for Follow-up Leaver Destinations, No. 3: 2021 Edition - gov.scot \(www.gov.scot\)](#)

²³ [Young Person's Guarantee Activity Plan \(Phase 1\): EQIA and Equality Action Plan - gov.scot \(www.gov.scot\)](#)

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- Create additional opportunities (including specific opportunities for young people who experience labour market inequalities);
 - Create additional opportunities for vulnerable and care experienced young people and ensure employers are committed to supporting this group;
 - Support young people to participate in apprenticeships, and implement activity highlighted in Skill Development Scotland's (SDS) Equalities Action Plan and through their Gender Commission;
 - Develop governance arrangements, which have oversight for the Guarantee, and ensure that a diverse range of young people are active participants in these arrangements, including decision-making;
 - Fund the college sector to deliver additional college places, targeted at supporting young women; young parents and families (particularly those at risk of child poverty); young disabled people; and young people from minority ethnic and minority racial groups;
 - Fund the Graduate Talent internships programme supporting those from widening participation backgrounds and/or from underrepresented groups; and those with little or no work experience, and those graduating from discipline related to the hardest hit sectors;
 - Support young people to undertake formal volunteering opportunities and address barriers that may prevent them from doing so; and
 - Take a person centred approach to supporting those young people who need it most at a local level.

In addition to the support offered through the Guarantee, the Coronavirus Job Retention Scheme has provided crucial support to those young people over this time. Although now closed, the Scottish Government has continually pressed the UK Government for the scheme to be kept in place for as long as required and for the UK Government to be clear to businesses and workers, well in advance of the furlough scheme ending, what further assistance will be in place – to support jobs and necessary labour market transitions in the most deeply-impacted sectors.

Another element to the Young Person's Guarantee is the UK Government's Kickstart programme. The Scottish Government welcomes the investment in the Kickstart programme and the recent announcement that the

scheme will be extended until March 2022. However, if we are to take full advantage of our collective investment into young people, further dialogue is required regarding how best to support young people due to finish their Kickstart placements in the coming months. In particular, there is a significant opportunity for Kickstart to work more closely with the Young Person's Guarantee and our delivery partners from across the public, third and private sectors to support the broadest range of young people possible. For example, through providing additional wraparound support to young people in or due to finish Kickstart placements.

The Scottish Government has provided both Local Government and specialist Third Sector employability organisations additional funding to offer alternative options and wrap around support for young people who are not eligible for the Kickstart programme. This wrap around support is flexible and determined at a local level based on the local labour market but includes funding to pay the living wage, additional training and support or funding to extend the duration of the opportunity. The aim of this support is to help those young people transition into sustainable employment.

The Guarantee reinforces the 2021-2022 Programme for Government and manifesto commitment to ensure equality of access for all young people. Through an equalities based approach, our aim is to ensure that young people from all socio-economic backgrounds and geographic locations are able to access the Guarantee. The aim is for all young people to be able to access an opportunity to participate in education, training, apprenticeship, formal volunteering or employment and that additional support, based on their need, will be provided for those who require it in order to access, participate, sustain and progress within that opportunity.

We have recently revised formal governance structures for the Guarantee to align with those for [No One Left Behind](#). The leadership, which will be co-chaired by Scottish and Local Government, will provide political leadership and strategic direction to drive simplification, alignment and integration across the enterprise, employment and skills system to improve outcomes. The Guarantee will now share several workstreams with No One Left Behind to support this agenda. As part of our governance process we have committed to ensuring that a diverse range of young people and youth organisations are involved in the governance structures of the Guarantee.

To maximise the role of young people in shaping the Guarantee, Young Scot have established a Young Person's Leadership Panel with diverse representation. To date, the Panel has identified priorities in order to inform what young people want to see including decision making and governance; accessibility and inclusion and poverty and low-income households. Young Scot have drafted a second phase proposal which sets out the areas of work the Panel will undertake in order to support development and implementation over the next year.

The Guarantee's Implementation Group is made up of approximately 30 partners from the public, third, and private sectors, including organisations who represent the views of young people. This Group currently provide advice to the Scottish Government on the implementation of the Guarantee.

An Equalities Sub-group has been set up on behalf of the Implementation Group, maintaining strategic oversight on work to embed and advance equality within the implementation of the Guarantee. This will include supporting delivery partners to eliminate discrimination and advance equality of opportunity in the implementation of the Guarantee. The remit of the group also includes supporting care experienced young people. This will primarily be through supporting implementation of the Equality Action Plan for the Guarantee. Members will provide advice, expertise and knowledge, and represent the views of the groups of young people they engage with and represent.

The Guarantee is aligned to the Fair Work principles. We have published research on precarious work²⁴ and are working with partners to implement the report's recommendations, for example this includes encouraging payment of the living wage, informing young people of their employment rights and delivery partners adhering to health and safety matters as part of employability, volunteering, training and employment opportunities.

We have advised delivery partners and employers to adopt the following Fair Work Principles as part of the Guarantee:

- Employers will be asked to commit to creating an inclusive and fair workplace as part of the 'five

²⁴ Young people's experiences of precarious and flexible work - A report by Progressive Partnership for the Scottish Government - Evidence Review (www.gov.scot)

asks' when becoming involved in the Guarantee. This will be linked to the employer's own diversity and equality policies.

- Fair Work First including payment of the living wage will be promoted and is included within their grant relationships.
- A place-based approach will also be taken to ensure that young people living in rural and island communities can participate.
- Encourage Fair Work practices, including Payment of the Living Wage to help tackle poverty, among employers.

Grant funding for services within the Guarantee provided by partners is approved on the condition that they adopt the fair work principles outlined, and support young people to understand their employee rights.

By working collaboratively with employers and partners to increase the availability of secure employment outcomes and improvements to wages i.e. endorsing a Living Wage, we hope to improve levels of low income and subsequently reduce poverty and financial instability amongst young people.

Work is on-going to ensure that the Young Person's Guarantee is also aligned to the Scottish Government's Fair Work Action Plan, Race Equality Framework & Action Plan, Disability Employment Action Plan, Gender Pay Gap Action Plan, Future Skills Action Plan, Tackling Child Poverty Action Plan and The Promise. This includes, for example, funding specific Third Sector programmes targeted at supporting care experienced young people; or working with Local Government to fund supported employment opportunities for young disabled people and liaising with Gypsy Traveller communities as part of our collective approach to service design.

Grant letters to Local Authorities and the Third Sector all state that activities delivered through the Young Person's Guarantee should support these Scottish Government Action Plans. Local authorities must also target support towards young people with protected characteristics and additional barriers to employment, examples of which are include:

- Disabled person including those who have an impairment or long-term health condition
 - Care experienced young people
 - Carers
 - Person with a conviction (including CPO's)
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- Early leavers from the armed forces, veterans and ex-forces personnel
 - Long-term unemployed (6 months or over) who are not on Community Work Placements
 - Person who has failed their ESA Work Capability Assessment
 - Ethnic minority groups, with a targeted approach focussed on those groups for whom there is an employment gap and informed by local population ethnicity data.
 - Gypsy/travelling community
 - Partner of current or ex-Armed Forces personnel
 - Person requiring support with language, literacy or numeracy, including those for whom English is an additional language
 - Lone parent
 - Refugee or other granted leave to stay in the UK
 - Homeless person (including temporary or unstable accommodation)
 - Person affected by substance misuse.

We will also continue to work with Local Employability Partnership, Local Government and specialist Third Sector organisations to explore ways in which we can reach out to support young people who are not participating/in active. This will include reaching out to these young people through a variety of channels to make them aware of opportunities through the Guarantee and involving them in the design of the services. For example, early discussion are taking place with Local Government and other partners on scoping options for developing early engagement and barrier removal activity that could provide pre-employment support specifically aimed at supporting Violence Against Women and Girls.

We are working with partners to develop and implement the Measurement and Evaluation Framework for the Guarantee. Using a phased approach to implement the framework will ensure we have access to information to inform national and local decision making in the short-term while also giving a thorough assessment of how the Guarantee is supporting young people in the long-term.

The framework will build on existing monitoring and evaluation drawn from a range of sources at both national and local level (e.g. Employability, Further/Higher Education and Developing the Young Workforce). As well as informing our understanding of how the Guarantee is working in practice, employability data will ultimately feed

into a wider Shared Measurement Framework as part of No One Left Behind key workstreams. To date, we have developed an overarching set of [Key Performance Indicators](#) which were published in July. We are currently working on evaluation plans that will aim to explore the experiences of young people, delivery partners and businesses engaging with Guarantee.

Using this data we will work with partners to ensure people from all socio-economic backgrounds are able to access opportunities. This data will also be used to inform the continuous improvement of the Guarantee, ensuring action is taken to address arising barriers in access or inequality in opportunity amongst participants. We are currently developing a continuous improvement strategy across both the Guarantee and No One Left Behind. The overarching aim of this strategy is to support partners to deliver on our collective aspiration to continuously improve our approach to employability support. The strategy will provide tools to allow us to engage with delivery partners to improve the impact the Guarantee on socio-economic disadvantage amongst young people.

As with the other impact assessments we will continue to review the impact of the Guarantee on socio-economic disadvantage and liaise with colleagues on relevant Government cross-cutting objectives such as reducing child poverty and fair work. We will also continue to review the assessment and potential impacts against a range of indicators in the National Performance Framework including educational attainment and child material deprivation.

Sign off

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