

## EQUALITY IMPACT ASSESSMENT - RESULTS

<b>Title of Policy</b>	Individual Learning Account (Scotland) Amendment Regulations 2017
<b>Summary of aims and desired outcomes of Policy</b>	To re-focus the Individual Learning Accounts scheme and align with the needs of individuals and the economy, with a greater focus on helping those out of work make a transition into work as well as helping those in low-paid jobs gain additional qualifications to aid their progress.
<b>Directorate: Division: team</b>	Directorate of Fair Work, Employability and Skills: Fair Work and Skills Division

### **Executive summary**

Scotland's Labour Market Strategy, published in August 2016, included a commitment for the Scottish Government to undertake a joint review of the current Individual Learning Account scheme with Skills Development Scotland. The review formed part of the Scottish Government's aim to enhance the employment prospects of those in work or looking for work; to equip people with the right skills to participate and be successful within our labour market; and to support employers by providing workers with opportunities to improve their work-related skills and qualifications.

A range of factors were considered during the review including the impact the scheme has had on employability, the popularity of the scheme since inception, learner feedback, and the performance and efficiency of the current system for both learners and course providers. Additionally, the review took into consideration the views of employers following the Scottish Government's recent consultation on the UK Government's Apprenticeship levy.

Following careful consideration of the findings, Scottish Ministers agreed to launch a re-focussed Individual Learning Account scheme. The scheme

will continue to provide up to £200 for individuals to fund a wide range of courses but with grants directed to training which is for the purpose of equipping a person for employment or to advance in employment. In line with a focus on training for employment, the name of the grant will change to “Individual Training Account”.

There will also be closer alignment with Adult literacy and numeracy and specifically the Big Plus brand designed to tackle low levels of adult literacy and numeracy in Scotland.

## **Background**

The Scottish Government has consulted with Skills Development Scotland and Students Award Agency Scotland to review the Individual Learning Account. The consultation also sought learner and course provider feedback from telephone surveys and seminar events, targeting the most regular users in order to gain insights into what worked well and what could be improved.

The findings of the review revealed that the number of people applying for Individual Learning Accounts has declined significantly in recent years, suggesting that the time is right to refocus the offer to suit the current jobs market and Scotland's Labour Market Strategy. We know that over the three years prior to the review the number of people applying for ILAs had declined significantly, by almost 45,000. Over the same time period, the number of courses attended had reduced by almost 50%. Also, whilst there have been a number of changes in the eligibility criteria for ILAs since they were launched in 2004 it is not necessarily the case that recipients are using this support for work based training.

To enhance the quality of training provision, a revised set of criteria will tighten focus on the outcomes of courses. Only training courses which result in an industry recognised qualification or pave the way towards an industry recognised qualification will be eligible for funding. ‘Leisure’ courses will no longer be funded and curriculum areas which fail to deliver quality would be subject to removal. The role and eligibility of training providers will be revised so that the impacts of the scheme can be better measured and training providers will be required to demonstrate quality and outcomes associated with the courses they can offer.

The proposed changes ensure that level of funding remains the same and is still widely available. Indeed, eligibility is to be extended on the back of

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feedback provided during our consultation with stakeholders. For example, recognising the changing labour market conditions for graduates, persons holding first degrees or postgraduate qualifications will no longer be excluded from the scheme.

### **The Scope of the EQIA**

The EQIA has considered the potential impact of the changes against the profile of learners having participated in the Individual Learning Accounts scheme in recent years. In conjunction with the outcome of the review and consultation, data from equalities questionnaire forms completed voluntarily by those opening an Individual Learning Account account was considered

### **Key Findings**

The key change identified is that individuals who are looking to undertake training purely for 'leisure' interest will no longer be funded through the scheme. This policy change does not in itself discriminate against any particular group as it applies across all groups as does the opportunity presented to individuals under the new scheme to undertake training to enhance employment prospects.

It is recognised, however, that around 3.5% of Individual Learning Account users are aged above 65 and that a number of these will use the scheme mainly for courses offering a "leisure" interest. However, this is positioned against the economic background and a shift away from Individual Learning Account being a universal learning offer and more focussed on getting people into or progressing in work. It is also worth noting that the Individual Training Account scheme is income assessed and open to all, there is no age limit.

### **Recommendations and Conclusion**

The Scottish Government has concluded that no changes to the development of policy for the introduction of Individual Training Accounts are necessary as a result of the EQIA and the policy is therefore applicable equally to all individuals. The EQIA has confirmed that the policy will not directly or indirectly discriminate on the basis of age, disability, gender, gender re-assignment, sexual orientation or race and belief.

We will continue to monitor the policy against the equality impacts as Individual Training Accounts are introduced. We are establishing an Individual Training Account Working Group with membership drawn from

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a range of training providers. The intention is the Group would meet on a regular basis before and after the implementation of the revised scheme to ensure it is operating as effectively as possible. We will ensure equality impacts are a key consideration in the Group's discussions.