

The Highland Council

City of Inverness Area Committee – 21 October 2013

Agenda Item	6
Report No	CIA/54/13

Deprived Area Fund and Employability Activity

Report by Director of Planning and Development

Summary:

The Report outlines the revised Deprived Area Fund criteria approved by Planning, Environment and Development Committee on 14 August 2013 for the application of the Fund in 2014/15. The Report identifies the implications of this in the City Area and asks Members to agree arrangements to develop a strategic approach to the use of the Fund over a three year period 2014-17.

Information is also attached of recent partnership employability activity in the City Area, for noting.

1. Background

1.1 The existing Deprived Area Fund (DAF) was instituted by the Council in the 2011/12 financial year. The operation of the Fund was reviewed by Planning, Environment and Development Committee at its meeting on 14 August 2013 and a revised approach was approved. The revised scheme is set out in Appendix 1 to this Report setting out the strategic purpose and criteria for the funding to achieve –

- Better alignment to the **Working Together for Highland** Programme, the Single Outcome Agreement and other anti-poverty measures;
- a revised distribution mechanism using the Scottish Index of Multiple Deprivation 2012¹ to identifying a larger number of areas of disadvantage within Highland;
- provision of funds for and devolved decision-making to all Highland Council Area Committees;
- a three year funding commitment to encourage development of strategic and pro - active approaches by Area Committees to tackling poverty and disadvantage along with other service provision.

2. Deprived Area Fund – City of Inverness Area 2014 -17

2.1 The revised approach approved by PED identifies the 44 data zones that are ranked in the 15% most deprived data zones in Highland². Using this revised approach the City of Inverness Area has 16 data zones identified as shown in the Table in Appendix 1 (previously 6 datazones). This approach identifies parts of Dalneigh, Central Inverness, Merkinch, Hilton, Raigmore and Ardersier as areas with relatively high concentrations of disadvantage.

¹ The Scottish Index of Multiple Deprivation identifies small area concentrations of multiple deprivation across all of Scotland in a consistent way.

² The previous approach used the datazones in Highland within the 15% most deprived in Scotland.

- 2.2 As Appendix 1 illustrates these datazones comprise 20% of the Total and the Working Age Populations but have over 40% of the Income and the Employment³ Deprived Populations (45% - 3025 / 6,755 individuals and 42% - 1845 / 4,350 individuals respectively). The datazones shown in Appendix 1 have been grouped into “locality” areas, however, Members will note that there are other datazones that do not fit within the 15% criteria but have very similar characteristics particularly numbers of income and employment deprived that are not far short of those identified by this method. This reinforces the approach of not being over prescriptive about tight geographic targeting and using an approach that prioritises these areas but is not exclusive to them.
- 2.3 The Planning and Development Committee have made a three year commitment to sustain the funding to enable a more strategic approach to the use of the funds and to the management of change. The eligible activity and criteria have been amended as shown in Appendix 1 with clearer “output” measures defined. However, the criteria of empowerment through community engagement and adding value to existing provision or attracting external funding remain important aspects of the funding. The need to complement other activity tackling poverty and disadvantage is also a key factor in shaping how the funds are used.

3. Developing a Strategic Approach in the City Area

- 3.1 The existing Deprived Area Fund in Inverness has been mainly focused on the Merkinch area as part of a continued and sustained focus on community engagement and development in that area over a period of years. Numerically this area continues to be a priority for targeting within the City. In recent years some financial assistance has been awarded to projects in the Hilton area. The inclusion in the new approach of parts of Dalneigh, Raigmore and Ardersier, but with similar amounts of funding will present a significant challenge in devising arrangements to benefit all these datazones – and neighbouring areas. However, it should also be noted that the Employability Service also supports employability related activity across the city, including Dalneigh and Hilton and this revised Deprived Area map usefully aids the targeting of adviser and other funded activity including Work Clubs and pre-employment courses.
- 3.3 The three year timeline allows for a planned approach to the use of the Fund and to managing change. Nevertheless there is a need to promote the Fund with the relevant communities and to enter a dialogue with them about this and other community development initiatives for 2014-15. Similarly there is a need to engage with partners and undertake a mapping of existing and proposed community initiatives.
- 3.4 In order that the interest in community initiatives can be assessed it is proposed that initial applications / expressions of interest be invited for the Fund using the Council's Single Grant process. A public notice will be placed with a closing date of 2nd January 2014 for submissions to be received. It is then proposed that the mapping, appraisal of existing community activity and the applications be considered by the Committee's Inverness Common Good Fund Grants Sub-Committee (GSC) to formulate a strategic approach to the use of the Fund and prepare recommendations for a Report back to the City

³ SIMD uses a wider definition of economic inactivity in measuring employment deprivation not just people claiming Job Seekers Allowance.

of Inverness Area Committee for its first meeting in 2014. The GSC would make recommendations to the City of Inverness Area Committee and would recognise links across other funding streams used by applicants including the Inverness Common Good Fund.

4. Recent Employability Activity in the City Area

4.1 As reported at previous meetings an Inverness Employability Group comprising the main CPP partners meets regularly to review and plan joint activity in the area. A note of the remit of the group and recent activity is attached as Appendix 2. Members are asked to note that activity.

5. Implications

5.1 The Financial Resources for the Fund are made available by PED for a three year period. The Fund will be managed within the Council's Single Grants Process where appropriate to ensure due diligence and accountability is maintained. The Fund aims to address Inequalities in communities and will assist people with barriers to employment. It will have no particular Climate Change/Carbon Clever implications though proposals for funding may involve environmental or recycling projects.

Recommendation:

Members are asked to

- approve that the mapping, appraisal of existing community activity and the applications be considered by the Common Good Fund Grants Sub-Committee to formulate a strategic approach and recommendations with a Report back to the City Committee for its first meeting in 2014.
- Note the recent activities of the Inverness Employability Group.

Designation: Director of Planning and Development

Date: 9 October 2013

Authors: Andy McCann, Economy and Regeneration Manager; Bob MacKinnon, Employability Team Manager

Background Papers:

Report to City of Inverness Area Committee – 11 February 2013

<http://www.highland.gov.uk/NR/rdonlyres/98F3E507-88A0-4545-8142-A63A1737C500/0/Item6CIA0413.pdf>

Report to Planning, Environment and Development Committee –

<http://www.highland.gov.uk/NR/rdonlyres/38CEFD25-1731-445C-9521-910A4C5B9784/0/Item10PED4913.pdf>

<http://www.scotland.gov.uk/Topics/Statistics/SIMD>

HIGHLAND COUNCIL DEPRIVED AREA FUND 2014 – STRATEGIC FRAMEWORK

Purpose

The primary purpose of this Fund and the key outcome sought is to widen participation in the labour market in targeted Highland communities. Allied to this and a secondary outcome sought, is to increase the skills and confidence of these targeted communities to take action themselves to widen participation in the labour market.

The Deprived Area Fund will therefore directly support the Council's Working Together for the Highlands Programme and associated Single Outcome Agreement.

Distribution of Funds:

The distribution of the Deprived Area Fund is based on the 15% of the most deprived datazones in Highland in the SIMD (2012). These are shown in Table One grouped together in Council Ward and Area Committee clusters. On this basis the proposed distribution of £440,000 for 2014-15 is show below by Area Committee groups.

Area Committee	No. of Datazones	£
City of Inverness Area	16	£160,000
Caithness & Sutherland Area	10	£100,000
Skye, Ross & Cromarty Area	13	£130,000
Lochaber Area	3	£ 30,000
Nairn, Badenoch & Strathspey Area	2	£ 20,000
Total	44	£440,000

Targeting:

The Deprived Area Fund is relatively small compared with the level of overall need and therefore judgement will be required on how best to direct the funds to ensure impact recognising that there will be other competing and equally compelling needs. The Area Committees will have devolved power to determine the best use of the funds within the Strategic Purpose and Criteria set out by Planning and Development Committee. While the funds are allocated on the basis of SIMD datazones, spend need not be restricted to these areas though proposals must demonstrate clear fit with the criteria, outputs and outcomes.

Specific Criteria:

In order that the Deprived Area Fund delivers on its twin outcomes of labour market participation and increased community skills and confidence, it is recognised that, as a minimum, specific criteria must be met:

- Criteria 1:
Effective targeting - proposals must respond to identified community needs (primarily within the identified datazones) including published statistics and evidenced community and client group engagement and consultation.

- Criteria 2:
Identified employability aims – proposals must have identified and evidenced employability outputs and outcomes.
- Criteria 3:
Proposals must complement and add value to other related services and programmes tackling poverty and inequality.
- Criteria 4:
Proposals must engage with local communities and build community capacity and leadership.

These criteria, together with further explanation and a technical assessment, will be used to evaluate any proposals.

Sustainability:

The Council recognises that tackling poverty and disadvantage requires sustained effort over time. The commitment of the funds will be initially for three financial years (2014/15, 2015/16, 2016/17) to allow Areas and projects to take a strategic approach to develop new or change existing usage. This period aligns with the Council's Preventative Initiative and ensuring alignment with this and other initiatives tackling poverty and disadvantage will be crucial to the impact of the Funds.

Eligible Activity:

Area Committees will be able to use the funds in one of or a combination of ways:

- Recurring funding to community organisations that meet the purpose and criteria requirements – to be governed by a service level outcome/agreement;
- Operation of a discretionary grant scheme for activities that meet the purpose and criteria but do not require recurring funding.
- Provision of additional levels of mainstream or contracted services for targeted groups or communities.

Outputs

Proposals will be required to demonstrate measurable outputs leading towards the outcome objectives of the Funds. These might include people –

- Engaging in job-seeking activity (specific to project – e.g. work clubs; job search; work preparation);
- Sustaining voluntary activity and work experience placements;
- Engaging in informal community learning / health management activity as a first step to employment
- Participation in accredited further education or training
- Obtaining employment

Process and Assessment:

To prepare for the inception of the new Deprived Area Fund from April 2014, each Area Committee will receive a Report before the end of 2013 outlining the terms of the funds and the existing position in their Area. This will enable them to determine how they want to deliver the funds in the longer term within the Strategic Purpose and Criteria agreed and address any transitional measures that are needed to affect changes. Where there is no current recurring expenditure Areas will be able to invite proposals or expressions of interest for 2014-15.

Reference:

<http://www.highland.gov.uk/NR/ronlyres/45051D6F-25E8-4E4D-A185-18C9CA0CAEDC/0/SIMD1215mostdeprivedinHighlandmap.pdf>

Data Zone	Data Zone Name	Ward	Total Population (SAPE 2010)	Best-fit Working Age Population** (men 16-64, women 16-60)	Income domain 2012 rate (%)	Number of Income Deprived People 2012	Employment domain 2012 rate (%)	Number of Employment Deprived People 2012
S01003812	Inverness Dalneigh South	Inverness West	825	445	21	170	19	85
S01003817	Inverness Dalneigh South West	Inverness Central	966	559	23	225	20	110
S01003818	Inverness Dalneigh Central	Inverness Central	838	484	18	150	13	60
S01003829	Inverness Dalneigh West	Inverness Central	641	401	14	90	14	55
S01003837	Inverness Dalneigh North	Inverness Central	709	403	20	140	20	80
S01003833	Inverness Central North West	Inverness Central	535	371	23	120	23	90
S01003853	Inverness Central & Longman	Inverness Central	1,052	837	24	255	29	245
S01003845	Inverness Merkinch Telford	Inverness Central	1,000	686	23	230	25	170
S01003849	Inverness Merkinch East	Inverness Central	920	596	27	250	33	195
S01003855	Inverness Merkinch South	Inverness Central	855	518	32	270	25	130
S01003860	Inverness Merkinch North	Inverness Central	709	425	38	270	42	180
S01003862	Inverness South Kessock	Inverness Central	694	404	39	275	31	130
S01003793	Inverness Hilton South	Inverness Ness-Side	495	298	20	100	18	55
S01003796	Inverness Hilton West	Inverness Ness-Side	638	390	25	160	25	95
S01003839	Inverness Raigmore North	Inverness Millburn	631	404	25	155	21	85
S01003878	Ardersier	Culloden and Ardersier	933	539		165		80
	Datazone Totals		12,441	7,760		3,025		1,845
	Datazones as % of City Area		20	20		45		42
	City of Inverness Area Totals		61,502	38,599		6,755		4,350

There has been a change to the definition of the working age population as a result of changes to the female state pension age. Previously the working age population included men aged 16 to 64 (inclusive) and women aged 16 to 59 (inclusive). The SIMD 2012 employment domain data relates to August 2011, a time at which the female state pension age was around 60 years and 8 months. The benefits included in the employment domain are only available to the working age population and so DWP benefit data naturally tracks the change in state pension age. However the small area population estimates used as the denominator are only available for single years of age. As a result, a best-fit working age population covering men aged 16 to 64 (inclusive) and women aged 16 to 60 (inclusive) has been used.

The count of the number of income deprived people in a datazone is equivalent to the count of adults and their dependants in receipt of Income Support, Employment and Support Allowance, Job Seekers Allowance, Guaranteed Pension Credits, and Child and Working Tax Credits.

The count of the number of employment deprived people in a datazone is equal to the number of men aged 16-64 and women aged 16-60 who are on the claimant count, receive Incapacity Benefit, Employment and Support Allowance, or Severe Disablement Allowance.

Inverness Employability Group

Remit - Set vision and priorities –

Short term – Presentation from each organisation on their role & remit & target client group, changes and updates within their organisation; Working to agreed local priorities and coordinating data sharing and delivery ;

Medium term – Links with employers locally and local labour market intelligence current and future; Marketing/delivery of offers to businesses and training awareness; Marketing group – Facebook, Twitter, flyers; Hold & Promote Sector Events;

Long term – Funding and commissioning of services, what other funds, resources available. Act as a joint purchasing group

IEG Membership

Highland Council (Employability Officer, 16+ Co-ordinator) , Inverness College, NHS, Skills Development Scotland , Sign Post, Merkinch Partnership

IEG Activity

- IEG meet every 4/6 weeks
- Local Workshops with partner advisers to discuss issues, barriers, interventions and preventative measures for clients and employers
- Events.
 - **Jobs & How to get them** – event held in February attended by 109 young people aged 16-24 with. Presentations from Partners; Inverness College and Businesses seeking to recruit.
 - **Care Sector Event** in September held at Town House, Inverness to promote training and recruitment offers. Attended by 10 Care Sector businesses and around 50 people considering employment in the sector.
 - **Supplier day** being organised by Miller Construction in relation to UHI Inverness College Campus and other public sector contracts.
- Increase numbers of attendances at Workclubs in the Inverness area due to UJM and Welfare Reform – plans to expand.
- Joint planning of contracted support training, promotion and delivery of occupational skills and work preparation programmes.
- Tourism event to be held in Feb 2014

October 2013