

**The Highland Council**  
**Planning, Development and Infrastructure**  
**25 January 2017**

Agenda Item	<b>7</b>
Report No	<b>PDI/ 04/17</b>

## **Employability Services**

### **Report by Director of Development and Infrastructure**

#### **Summary**

This report provides Members with an update on activity to end December 2016 and delivery of the Employability Team Work Plan.

The work of the Employability team directly supports the Council's Programme of support for the Highland economy, and specifically helps with the creation of jobs and efforts to help people who are unemployed and to assist young people who have left school to access training, education or work.

## **1. Background**

- 1.1 The past year has been a transformational one for the Employability team with the introduction of a new suite of European funded activity, and the increased presentation of clients whose circumstances require greater support to prepare them for the labour market. At the same time the size of the Employability team has reduced by 40% thereby requiring operational changes to enable sustained service delivery. The closure of Highland Opportunity Ltd. and the transfer of some functions in-house to the Council has assisted in this process and enabled a closer link between the business development and employability teams to be developed.

## **2. Workplan Delivery**

- 2.1 In November 2015 the Planning, Development and Infrastructure Committee approved a refreshed purpose and work plan for the Employability team. This usefully refined the client group the team work with and the rationale for why work and high levels of economic participation are sought and beneficial. The work plan approved was for the period 2015/16 to 2018/19 to align with the (first) phase of European funding sought and to complement and enhance the range of partner services provided to clients across Highland.

#### **Our purpose is:**

To support young people and adults not in work to progress towards and into sustained employment.

#### **We do this because:**

A job and an increase in income is the (most common) route out of poverty to improved health and wellbeing.

A growing Highland economy requires a skilled workforce and high levels of labour market participation.

Investing in people now will help reduce the long-term demand on public services.

#### **Who will we work with?**

We will help young people who have left, or are about to leave, school but who are not in work or studying at further or higher education.

We will help those Adults who are actively seeking to enter or to return to the labour market but who need support to overcome barriers which stop them from doing so.

When delivering our services, we will make particular efforts to work with clients who are disabled, who are looked after or who are from a disadvantaged background to help them progress towards and into sustained employment.

#### **How will we help them?**

We will deliver a client centred service. Our services will be based on their needs and we will work with partners to ensure clients are able to access the range of services they require to overcome any barriers they may have as they progress towards and into work.

Whether our clients are accessing Council or partner services, we will keep in touch with them to ensure the services they require are what they need and are of the standard required.

Working together with other Council Services, our partners and the private sector, we will create job and work placement opportunities to help our clients secure sustained employment.

#### **When doing so:**

We want to deliver a high quality service that is recognised by our clients and businesses alike as one which successfully gets clients ready for and into sustained work.

2.2 Despite some delays experienced with the new European funded programmes, it has been a successful year to date with headline performance as follows:

- 1:1 detailed advisory support to 203 clients as they prepare for and progress towards work;
- support 23 workclubs across Highland, 9 of which with advisor support;
- third sector partners, either through Council funding or external funds sourced for them by the Council, providing a range of services to 2200 clients to enable them prepare for and access work;
- 97 unemployed individuals have secured jobs which have been directly supported by the Employability team; this includes 25 young people securing fixed term employment with the Council, 8 of whom are care leavers;
- 193 businesses securing HR advisory support when employing staff;
- approval secured for up to £5.65m ERDF/ESF support for Council and partner employability related activity over a three year period; and
- City Region Deal commitment to pilot a Highland approach to Employability and Skills

Members are asked to refer to **Appendix 1** for a more detailed update for each of the actions listed in the work plan.

2.3 It is anticipated that during the period to end March 2017 the momentum achieved to date will be maintained, with continued positive outcomes for clients.

2.4 Resource availability during 2017/18, including match for the European funds, will determine whether activity can be sustained at the levels currently achieved and delivery of the work plan undertaken as planned.

### 3. Implications

#### 3.1 Resource:

The team access European, Scottish Government and other funding as opportunities arise to secure additional resources to add value to its own activity or to bring resources to others in Highland. The management of ESF resources (up to £3.2m over next three years) to Highland's Third Sector providers is an example where the Employability team play a critical role in accessing and managing ESF resources, as the third sector are now unable themselves to apply for such Highland based funds.

#### 3.2 Legal/Risk:

3.2.1 When securing external funding the Council is required in effect to enter into contractual agreements with the Scottish Government to ensure the funds are correctly utilised and accounted for. If this is not done correctly the Council will be financially at risk of not being able to reclaim the funds involved and reputationally at risk of being perceived as unable to manage public funds correctly.

3.2.2 During the financial year, three previous 2007-13 ESF Programme funded projects (Youth Trainee Scheme; Create and Employ; Strategic Employment) and a Scottish Government Youth Employment Scotland grant scheme was subject to external audit. All four audits and another Stage 1 Compliance Audit for the new EU Programmes 2014-2020, were satisfactory and raised no concerns.

#### 5.3 Climate Change/Carbon Clever, Gaelic:

There are no direct implications arising from the work of the Employability team.

#### 3.4 Equality/Rural:

The Employability team make particular efforts to work with clients who are disabled, who are looked after or who are from a disadvantaged background to help them progress towards and into sustained employment. This recognises that economic prosperity and a fairer society go hand in hand and that a job and an increase in income is the (most common) route out of poverty to improved health and wellbeing.

#### **Recommendation**

Members are asked to note performance to date and delivery of the Employability Team Work Plan.

Designation: Director of Development and Infrastructure

Date: 11 January 2017

Author: Andy McCann, Economy and Regeneration Manager

Background:

- Employability Services Report, PDI Committee, November 2015
- Employability Update, PDI Committee, February 2016

## Appendix 1: Employability Team Workplan 2015/16 – 2018/19

### PROGRESS REPORT: 1<sup>ST</sup> APRIL 2016 TO 31 DECEMBER 2016

#### **Our purpose is:**

To support young people and adults not in work to progress towards and into sustained employment.

#### **We do this because:**

- A job and an increase in income is the (most common) route out of poverty to improved health and wellbeing.
- A growing Highland economy requires a skilled workforce and high levels of labour market participation.
- Investing in people now will help reduce the long-term demand on public services.

#### **Who will we work with?**

- We will help young people who have left, or are about to leave, school but who are not in work or studying at further or higher education.
- We will help those Adults who are actively seeking to enter or to return to the labour market but who need support to overcome barriers which stop them from doing so.
- When delivering our services, we will make particular efforts to work with clients who are disabled, who are looked after or who are from a disadvantaged background to help them progress towards and into sustained employment.

#### **How will we help them?**

- We will deliver a client centred service. Our services will be based on their needs and we will work with partners to ensure clients are able to access the range of services they require to overcome any barriers they may have as they progress towards and into work.
- Whether our clients are accessing Council or partner services, we will keep in touch with them to ensure the services they require are what they need and are of the standard required.
- Working together with other Council Services, our partners and the private sector, we will create job and work placement opportunities to help our clients secure sustained employment.

#### **When doing so:**

- We want to deliver a high quality service that is recognised by our clients and businesses alike as one which successfully gets clients ready for and into sustained work.

<b>STAGE 1 Referral/Engagement Activity</b>	<b>Description</b>	<b>Other Information</b>	<b>Activity (1<sup>st</sup> April 2016 – 31<sup>st</sup> December 2016)</b>
Work Clubs and community based access services	Review Work Club provision and ensure effective links with housing support, benefit maximisation and health services as part of an integrated anti-poverty strategy.	Co-ordination and integrated approach within Council Services and in commissioning.	<p><i>The Adviser team have provided 1:1 support for 203 clients to enable them to overcome barriers as they progress towards and into work.</i></p> <p><i>The Service supports 23 weekly workclubs across Highland including attendance and provision of advisory support at 9 workclubs.</i></p> <p><i>Developed links with Housing including input to their revised housing support contract and agreed referral processes</i></p>
Joint Working (Assessments)	Work with partners to develop common assessment criteria and joint working protocols to underpin staff development; service design and commissioning.	Reconfiguration of service provision opportunities arising from devolution of service provision and ESF funded activity.	<p><i>The Highland City Region Deal has a commitment to develop a pilot Highland Approach to Employability and Skills. Work is continuing with partners to progress.</i></p>
<b>STAGE 2 Barrier Removal</b>			
Work It Out	Undertake procurement exercise to appoint Framework Contractors and manage pull down of services to support	European Social Fund resources to be secured and managed (autumn 2015 and ongoing).	<p><i>£150k ESF grant secured</i></p> <p><i>Procurement complete and a list of Framework Providers appointed</i></p>

STAGE 1 Referral/Engagement Activity	Description	Other Information	Activity (1 <sup>st</sup> April 2016 – 31 <sup>st</sup> December 2016)
	adults who are returning to the employment after a period of absence. The Programme will offer tailored short term courses and learning activities that engage learners; encourage self-awareness; personal confidence and provide clients with the skills and knowledge to be active and successful job seekers.	The activity will be administered/co-ordinated by the HQ and area adviser employability team. The majority of activity will be undertaken by a range of external providers. A procurement exercise will be undertaken to appoint the external providers.	<i>Activity contracted from 4 providers, delivering client monitoring and group work for up to 92 clients.</i>
Positive Pathways (in partnership with Care and Learning Service)	Undertake joint procurement exercise with Care and Learning Service to appoint Framework Contractors and jointly manage clients to access complementary Council and partner services. The service will work with young people who have left school but who are not in work or in further or higher education. The aim of the programme is to ensure engagement in continued learning and progression towards employment of training opportunities.	European Social Fund resources to be secured and managed (autumn 2015 and ongoing).  The activity will be administered/co-ordinated by a small team of Care and Learning Service staff with the majority of activity undertaken by a range of external providers. A joint procurement exercise will be undertaken to appoint the external providers.	<i>£698k ESF grant secured</i>  <i>Procurement complete and a list of Framework Providers appointed</i>  <i>Activity being administered/co-ordinated by Care and Learning Service</i>

STAGE 1 Referral/Engagement Activity	Description	Other Information	Activity (1 <sup>st</sup> April 2016 – 31 <sup>st</sup> December 2016)
<b>STAGE 3 Vocational Activity</b>			
Employability Fund (in partnership with Skills Development Scotland)	Actively participate in the design of contract specification and in contract award and delivery. This programme is a significant part of service delivery in Highland and presents opportunities for better alignment.	To ensure alignment with local strategic skills pipeline and effective use of resources.	<i>Participated in Skills Development Scotland 2016/17 contract assessment and provider appointment.</i>  <i>Ongoing input to contract performance (and early stage input to 2017/18 procurement exercise)</i>
<b>STAGE 4/5 Employer Engagement and Job Matching In-Work/Aftercare</b>			
HR Advisory Services	Establish and manage a contract for Business Gateway to deliver recruitment advice to businesses including aftercare support to employers in managing staff.	European Social Fund resources to be secured and managed (autumn 2015 and ongoing).	<i>1:1 advisory support provided to 193 businesses securing 53 jobs</i>  <i>£216k ERDF secured to provide specialist HR advice to growing businesses</i>
Employment Grant Scheme	Manage a grant scheme supporting employers to recruit unemployed people. This will be a wage subsidy scheme aimed at supporting micro SME's to recruit and provide employment for	European Social Fund resources to be secured and managed (autumn 2015 and ongoing).  The Council will administer	<i>Temporary scheme established due to delay with ESF approval:</i> <ul style="list-style-type: none"> <li>• <i>12 unemployed people supported into work</i></li> <li>• <i>8 modern apprentices supported (as part of the Shared Highland</i></li> </ul>

STAGE 1 Referral/Engagement Activity	Description	Other Information	Activity (1 <sup>st</sup> April 2016 – 31 <sup>st</sup> December 2016)
	people who have been unemployed and who have additional barriers to employment, for example, long-term unemployed; economically inactive; rural etc. which stop them from entering/returning to the labour market.	this scheme.	<p><i>Apprenticeship Construction initiative)</i></p> <p><i>£435k ESF secured and new scheme launched</i></p> <ul style="list-style-type: none"> <li><i>• 28 unemployed people supported into work</i></li> </ul>
Graduate Placement Scheme	Manage a grant scheme supporting employers to employ a Graduate to undertake a time limited project to enable the business to grow. Enter contract agreement to provide independent assessment of the business need for the grant.	European Regional Development Fund resources to be secured and managed (autumn 2015 and ongoing)	<p><i>£413k ERDF secured</i></p> <ul style="list-style-type: none"> <li><i>• 13 businesses supported to appoint a Graduate to deliver a business growth project</i></li> </ul>
Graduate Intern Scheme	As resources allow, manage a scheme to encourage Council Services to employ graduates to deliver short time projects.	As opportunities arise, identify, secure and manage external funding to support.	<p><i>No external funding opportunities available</i></p>
Scottish Employment Recruitment Incentive (SERI)/Other	Manage the 2015/16 Scottish Government SERI grant scheme, and other equivalent schemes which may arise.		<p><i>Delivered this grant scheme on behalf of the Scottish Government/Skills Development Scotland</i></p> <ul style="list-style-type: none"> <li><i>• 11 young people supported into work</i></li> </ul>



STAGE 1 Referral/Engagement Activity	Description	Other Information	Activity (1 <sup>st</sup> April 2016 – 31 <sup>st</sup> December 2016)
Advisory In-work support	Establish an in-work advisory support service for new staff appointed through Council funded schemes. This service will support new employees overcome any challenges faced to remain in sustained employment.		<i>Service established and provided by HR and Employment Advisers</i>
Work Experience Programme	Manage a scheme to identify, appoint and support young people to secure 6 month work placements with the Council and public partner organisations. This Programme will offer a range of paid work based learning opportunities for young people and will be developed to work with other public sector partners, open the age range of beneficiaries and focus on key client groups, for example, care leavers.	European Social Fund resources to be secured and managed (autumn 2015 and ongoing)	<p><i>£472k ESF secured</i></p> <ul style="list-style-type: none"> <li><i>• 25 young people have secured employment (6/12 months) with the Council</i></li> <li><i>• 8 of these jobs have been secured by care leavers (12 month posts).</i></li> </ul> <p><i>All postholders were identified as young people who had a high likelihood of not progressing into work, education or training</i></p>
Creation of Job Opportunities via Procurement	Work with the Council's Procurement team to help secure the creation of jobs and work placements for young people as		<i>Work was focused on the ICT Re-provision contract and as part of the Community Benefits Plan, a commitment has been made by Wipro</i>

STAGE 1 Referral/Engagement Activity	Description	Other Information	Activity (1 <sup>st</sup> April 2016 – 31 <sup>st</sup> December 2016)
	part of the community benefit received from Council contracts.		<i>to create 5 Trainee posts per annum</i>
<b>ALL STAGE ACTIVITY</b>			
Challenge Fund	Conduct a Challenge Programme to identify and appoint third sector providers to deliver an all Stage strategic pipeline service including specialist and more intensive services for particular client groups, for example, long-term health conditions; homeless etc.	<p>The Scottish Government is keen that third sector providers – who have their own funding are able to access ESF funds. As the lead partner the Council needs to manage this process as third sector providers cannot secure ESF resource direct from Scottish Government.</p> <p>European Social Fund resources to be secured and managed (autumn 2015 and ongoing).</p>	<p><i>Temporary support provided to third sector providers to sustain activity until new ESF supported programme in place:</i></p> <ul style="list-style-type: none"> <li><i>Calman; New Start Highland and The Shirlie Project supported with £107k grant to sustain service provision to 249 clients</i></li> </ul> <p><i>Up to £3.27m ESF secured</i></p> <p><i>Procurement complete and a list of Framework Providers appointed</i></p> <p><i>5 providers contracted to date (pulling down £1.19m ESF) and a total of up to 882 clients will benefit from services over a one year period</i></p>
<b>OTHER SUPPORTING ACTIVITY</b>			
Deprived Area Funds	Review DAF programme for 2017/18 with tighter focus on employability outcomes and		<i>DAF grants disbursed to 17 recipients supporting over 1000 clients. DAF supported activity is diverse; however,</i>

STAGE 1 Referral/Engagement Activity	Description	Other Information	Activity (1 <sup>st</sup> April 2016 – 31 <sup>st</sup> December 2016)
	alignment of activity to the local strategic skills pipeline.		<p><i>the underpinning principle of all projects is to build the capacity of clients to prepare them for the workplace. Activity ranges from the delivery of formal training and qualifications to activity that supports positive mental well-being.</i></p> <p><i>DAF review deferred due to uncertainty with future budget.</i></p>
Team structure	Review and bring forward a revised team structure reflecting refreshed approach and any implications arising from the devolution of employability services to Scotland and the outcome of the Council's City/Region Deal.		<p><i>Actioned and accelerated due to staffing reductions.</i></p>
Data Management System	Complete establishment and introduction of system (autumn 2015) and its use thereafter to manage client information.		<p><i>System established and operational. Increased client information will become available.</i></p> <p><i>Currently Orkney Islands Council utilise system as a user. Ongoing discussions for access by Comhairle nan Eilean Siar; Shetland Islands</i></p>

STAGE 1 Referral/Engagement Activity	Description	Other Information	Activity (1 <sup>st</sup> April 2016 – 31 <sup>st</sup> December 2016)
Strategic Skills Pipeline	Work with partners at a strategic Highland and local level, to use the strategic skills pipeline as the structure around which Council and partner services will be organised and aligned.		<i>Council and Moray Council.</i>
			<i>Established and used by Council and partners when commissioning services</i>