

Agenda Item	9
Report No	RDB-06-23

HIGHLAND COUNCIL

Committee: Redesign Board

Date: 30 March 2023

Report Title: Corporate Employability Review

Report By: Depute Chief Executive

1 Purpose/Executive Summary

- 1.1 This report sets out a draft consultancy brief for a corporate review of employability services across Council and partners as appropriate. This follows the Council Budget decision on 2 March 2023 to initiate such a review. The Redesign Board are asked to consider draft specification, offer comment and note that, following consideration of this matter by Extended Leadership Team on 13 March 2023, it was agreed to identify Service leads for involvement in short-life working group to contribute to and oversee proposed consultancy work.

2 Recommendation

- 2.1 It is recommended that the Redesign Board consider the draft specification and offer comment, noting that the external adviser review when complete will be brought back to the Redesign Board for further consideration.

3 Implications

- 3.1 **Resource** – Council Budget identified £60k revenue savings to be identified in 20223/24 from this proposed review of employability activity across all Council services. External adviser costs to be met from Employability Team budget but efforts will first be made to utilise external Scottish Government 'No One Left Behind' (NOLB) grant. NOLB grant is linked to a new national policy approach to employability services across Scotland, with local authorities being the lead accountable bodies responsible locally for the design and delivery of client centred services.
- 3.2 **Legal** – None at this stage but statutory responsibilities will be captured and addressed in review.

- 3.3 **Community (Equality, Poverty, Rural and Island)** – Review seeks to address the complex service landscape which impacts on vulnerable individuals and the client centred approach being developed across Scotland/Highland to aid clients, and in particular parents, to progress towards and when employed to progress in work.
- 3.4 **Climate Change / Carbon Clever** – No implications at this stage identified.
- 3.5 **Risk** – No implications at this stage.
- 3.6 **Gaelic** – No implications at this stage.

4 Background

- 4.1 The word ‘employability’ is generic and understandably is used widely in society and in service provision. There is a need to better define and understand the use of this term and establish those services which are supportive (for example, alcohol and drug support services to address issues of addiction to first enable an individual to have stability), and those that wholly exist and have core focus of getting individuals ready for and into work (once, for example, issues of addiction are addressed/managed and they are stable and able to benefit from more targeted employment support).
- 4.2 A concern is that across Council Services there may be duplication (actual or perceived) of service delivery, insofar as certain Council Services may also offer certain employability related support linked to their primary purpose, and thus clients may not secure the specific ‘individualised’ service they need to support them achieve their employability outcomes. There is also the concern that potentially different Council services are inadvertently delivering the same support.
- 4.3 Whilst the Council recognises that external funding is secured and supports much of this dedicated employability activity (and is directed to the Employability Team via annual ring-fenced ‘No One Left Behind’ grant from Scottish Government and more recently, the UK Government Shared Prosperity Fund), it is noted that there is also Council revenue funding being utilised to deliver both direct and supportive employability related services, and if there is actual service duplication, this means that there is a high probability that unnecessary Council revenue funds are being utilised when otherwise external funding could be used.

5 External Adviser Management

- 5.1 It is proposed to contract an external adviser via tender through Public Contracts Scotland, to undertake an independent review. The appointed consultant will be required to bring challenge and independent assessment based on an informed understanding of national (Scottish and UK) employability policy and funding, and a good knowledge of transferable emerging and best practice as to how local government is organising itself to lead on and best deliver employability outcomes.
- 5.2 Allied to this work, it is expected that the external adviser will identify any Council revenue funding efficiencies/savings that could be achieved, including immediate and direct savings in 2023/24 as well as longer-term indirect savings secured 2024/25

onwards through Service redesign and improved employment outcomes (savings due to reduction in associated service demands).

- 5.3 If the review is to be successful in its corporate reach, the external adviser will need to engage with and involve a number of Council Services (and NHS as lead agency for certain Service delivery, and HLH given their adult learning and development remit), whether they are involved either directly or indirectly in supporting employability outcomes for clients. It is therefore proposed to have a short-life cross-service consultancy support team, including Service accountancy support, to work alongside the external adviser to aid the gathering of relevant information and data collection and more generally, oversee the consultancy work. It is proposed that consultancy contract and cross service team will be led by Service Lead Economy and Regeneration, working to Depute Chief Executive.

6 Next steps for the Council

- 6.1 Following consideration by the Extended Leadership Team, work is underway to finalise the external advisers brief and identify the Service personnel to sit on the short life Working Group to contribute to and help oversee consultancy.
- 6.2 The intent thereafter will be to tender for the work via Public Contracts Scotland and once contracted to initiate the short-life Working Group. Work is ongoing with partner local authorities to establish cost parameters of similar reviews, to ensure that the budget set provides for sufficient consultancy expertise and time to deliver on the study outcomes.
- 6.3 Subject to the findings of the study a number of options may exist to action. In the first instance, it is proposed that the consultancy review when complete will be brought back to the Redesign Board for further consideration.

Designation: Depute Chief Executive

Date: 20 March 2023

Author: Andy McCann, Service Lead Economy and Regeneration

Appendix 1

Highland Council Review of Employability Services Consultancy Specification

DRAFT

Context:

The Highland Council is keen to undertake a focused review of its services that support employability outcomes. This is primarily an internal (Council) review but set in context of the inter-agency approach to employability – as led by the Highland Employability Partnership.

The word ‘employability’ is generic and understandably is used widely in society and in service provision. There is a need to better define and understand the use of this term and establish those services which are supportive (for example, alcohol and drug support services to address issues of addiction), and those that wholly exist and have core focus of getting individuals ready for and into work (once, for example, issues of addiction are addressed/managed).

A fundamental concern is that across its Services there may be duplication (actual or perceived) of service delivery, insofar as certain Council Services may also offer certain employability related support linked to their primary purpose, and thus clients may not secure the specific ‘individualised’ service they need to support them achieve their employability outcomes. There is also the concern that potentially different Council services are inadvertently delivering the same support.

While much of its employability activity is aligned with and driven by the Scottish Government (and CoSLA agreed) No One Left Behind policy and financial agenda, the Council wishes to better understand this agenda and the outcomes sought including the more recent policy development to improve employment outcomes for parents in work to help address child poverty, as well as traditional outcomes to get unemployed people into sustainable work to address labour shortages.

Allied to this the Council is keen to review the expectation that it is the active and lead partner locally influencing and managing employability services across partner organisations and how the agenda aligns with and/or influences other policy objectives and service delivery arrangements.

Whilst the Council recognises that different sources of external funding is secured and supports much of this employability activity, it is noted that there is also Council revenue funding being utilised to deliver both direct and supportive employability related services, and if there is actual service duplication, this means that there is a high probability that unnecessary Council revenue funds are being utilised.

Outcomes:

1. Mapping as to who does what in support of improved employability outcomes for clients, with clarity on the separation between supportive and dedicated services.
2. Clarity on the expectation from Scottish Government (and more recently by UK Govt with its Levelling-Up programme) placed by on local government to deliver / co-ordinate employability services alongside its other statutory and non-statutory services. Allied to this identify the external financial resources made / planned to be made available to undertake this work.
3. The identification of emerging and best practice approach as to how local government has organised itself to deliver employability services alongside other supportive/contributory services.
4. Recommendation on how Highland Council could re-design itself and its service provision/co-ordination to improve employability outcomes.
5. The identification of any Council revenue funding efficiencies/savings that could be achieved, including immediate and direct savings in 2023/24 as well as longer-term indirect savings secured 2024/25 onwards through Service redesign and improved employment outcomes (savings due to reduction in associated service demands).

Consultant:

The Council is keen to contract a consultant to undertake this work who will be able to bring challenge and independent assessment to the review. Allied to this the consultant will need an informed understanding of national (Scottish and UK) employability policy and funding, and a good knowledge of transferable emerging and best practice as to how local government is organising itself to lead on and best deliver employability outcomes.

Consultancy Management:

The Council recognises that a number of its Services are involved either directly or indirectly in supporting employability outcomes for clients and accordingly, if the Review of Employability Services is to deliver on the outcomes sought, that a cross-service consultancy support team is needed.

In support of this work, the Council will identify dedicated Operational Service contacts together with Service Accountants, to work alongside the consultant to aid the gathering of information and data to enable the required analysis of how current employability related services (supportive and direct) are delivered and funded. The Services involved and direct contacts are:-

- *To be confirmed*