
Report To:	Environment & Regeneration Committee	Date:	28 October 2021
Report By:	Regeneration Manager	Report No:	ENV029/21/SJ/JH
Contact Officer:	Jennifer Horn	Contact No:	01475 715573
Subject:	Workforce Development Update		

1.0 PURPOSE

- 1.1 The purpose of this report is to provide an update on all matters in relation to the Council's services and contracts relating to Workforce Development. It is also to set out the impact of COVID-19 on the economy, including an update on the recent UK and Scottish Government announcements on employment support in response to the impact on the labour market from COVID-19.

2.0 SUMMARY

- 2.1 The purpose and structure of the Employability Pipeline is to provide Inverclyde residents with tailor made pathway of support, where their individual circumstances, barriers, needs and aspirations are assessed and delivery organisations work collaboratively to support and progress each individual through their personal pathway towards, and into, a positive destination.
- 2.2 The Inverclyde Employability Pipeline provides a range of employability support to local residents looking for work, or looking to improve their employment situation. It also supports Inverclyde businesses to train and grow their workforce.
- 2.3 COVID-19 has had a large and lasting impact on the economy and one that we continue to live through. The UK and Scottish Governments have introduced a number of support measures to mitigate the impact of COVID-19 on the labour market.
- 2.4 To deliver employability programmes the Council contracts relevant organisations to deliver services that are of high quality and provide best value for money. There are 5 contracted services through Stepwell, Inverclyde Community Development Trust (x2), Enable Scotland, all managed by the Workforce Development Team.
- 2.5 As can be seen from the performance data, while 2020/2021 was a challenging year in many areas contractors still performed well considering the circumstances and in 2021/22 the performance to August 2021 has been improved.
- 2.6 In addition the Workforce Development Team also provide and manage the following services: Modern Apprenticeships, The Graduate Work Experience Programme, Wage and Graduate Wage Subsidy Programme, Kickstart and Long Term Unemployed Job Creation programme.

3.0 RECOMMENDATIONS

- 3.1 It is recommended that the Committee notes the services that are offered, notes the current contracted and in house service performances and delegates powers to allow officers to undertake a tender exercise for future provision, the outcome of which will be duly reported to the Committee.

Stuart W. Jamieson
Interim Director Environment and Economic Recovery

4.0 BACKGROUND

4.1 Since 2008 Inverclyde Council has undertaken, on behalf of the Community Planning Partnership ‘Inverclyde Alliance’ delivers employability services for Inverclyde residents.

4.2 The Inverclyde Employability Pipeline provides a range of employability support to local residents looking for work, or looking to improve their employment situation. It also supports Inverclyde businesses to train and grow their workforce.

4.3 The impact of Covid-19 on the UK economy has been stark and one that we will continue to feel as furlough ended on 30 September 2021 and the Universal Credit uplift ended on the 6 October.

4.4 The latest Inverclyde Labour Market Statistic have recently been published and are reported by NOMIS as follows:

Headline	Inverclyde	Change from the period	Scotland	Change from the previous financial year
UC Claimant Count* (Aug 2021)	5.6%	-1.2%	4.9%	-1.5%
Economic inactivity (Apr 2020-Mar 2021)*	26.5%	-0.8%	23.6%	-0.7%
Unemployment rate (Apr 2020-Mar 2021)*	4.8%	+0.1%	4.6%	+1.3%
Employment rate (Apr 2020-Mar 2021)*	70.2%	+1.3%	72.8%	-1.7
% of population with no qualifications (Jan 2020 – Dec 2020)*	12.1%	+2.4	8%	+1.7%

Sources: *Nomis

4.6 Employability in Inverclyde

4.7 Since 2008 Inverclyde Council has undertaken, on behalf of the Community Planning Partnership ‘Inverclyde Alliance’ delivery of employability services for Inverclyde residents.

4.8 The Inverclyde Employability Pipeline provides a range of employability programmes to support to local residents looking for work, or looking to improve their employment situation. It also supports Inverclyde businesses to train and grow their workforce.

4.9 The Employability Pipeline enables partners in Inverclyde to provide an integrated approach to employability that avoids the artificial distinction between activities supporting the unemployed and the workless while recognising the important skill needs of local business and its workforce.

4.10 Currently, five main contracts are designed to ensure delivery of services on behalf of the Council. The following contracts are managed by the Workforce Development Team:

Contract Title	Contractor	Summary of Activity
Progress	Stepwell	Supporting unemployed/inactive residents with a health barrier by providing specialist health advice, training, supported employment and job placement opportunities.
Employment Advice, Advocacy and Guidance	Inverclyde Advice and Employment Rights	Delivers services in the field of employment rights and work related issues including specialist advice, advocacy, and guidance on employment rights including employment law, workplace health and safety and occupational

Employability Services	Inverclyde Community Development Trust LTD (ICDT)	health. Provides a range of activity for those wanting to improve confidence, motivation and skills to enable progression to further/higher education, employment, self-employment and volunteering. Pre-vocational and vocational training in a range of sectors provided. Employer engagement/job brokerage and in work support also provided. Local third sector organisation Financial Fitness, delivers specialist support to clients
Work Experience Programme	Inverclyde Community Development Trust LTD (ICDT)	Provision of funded employment within the local community. Offering 6 months of employment paid at the National Minimum Wage.
Employer Engagement	Enable Scotland	A dedicated service that will work with local employers to assess their recruitment practices and workforce demographics to promote diversity and inclusive practice. Assistance with all aspects of the recruitment process is available. The service also provides a suite of training packages including Disability Awareness, Autism Awareness, Mental Health in the Workplace, Assistive Technology Awareness, Employment Law Basics, Access to Work training and Equality & Diversity Training. In-work support for the employer and employee is also provided

- 4.12 The contracts above have been in place from April 2020. A tender exercise was undertaken for the 2020/2021 and the team exercised the extension to take the contract to March 2022. A re-tender exercise is underway to ensure contracts are in place for delivery of employability services until 2023.
- 4.13 More detail on the performance for 2020/21 and 2021/22 to date are contained in Appendix 1. It is acknowledged that the year 2020/21 was a particularly challenging year due to Covid-19 and therefore the results achieved in some areas are significantly lower than the target set. However, it is noted that performance from March 2021 to August 2021 has been much improved.
- 4.14 In addition to managing these tendered services the Workforce Development Team also provide and manage the following services: Modern Apprenticeships, The Graduate Wage Subsidy Programme.
- 4.15 Our Modern Apprenticeships (MA) programme, which is open to young people aged 16-19 years who are able and willing to achieve a Scottish Vocational (SVQ) at Level 2 or 3. The MA programme offers young people the opportunity to learn new skills, achieve a nationally recognised qualification and enables them to earn as they learn within a range of areas.
- 4.16 In 2021/22 there will be a new intake of 25 MAs. 23 are currently progressing through safe recruitment with 2 in Life Science MA. The WFD Team are continuing to progress 15 internal MA Council positions. A further 5 MA's have moved on to post-qualification roles and the team are working to support them in securing appointments in the coming months.
- 4.17 The Modern Apprentices are funded through the Council's budget (earmarked reserves and core budget) as well as Scottish Government Funding Young Persons Guarantee and No One Left Behind.
- 4.18 The Council's Graduate work experience programme provides 18 month paid work experience to recently qualified graduates looking to gain relevant experience to enhance their employment prospects post programme. In 2021/22 there will be a new intake of 14 18-month posts, which at

present are in varying stages of recruitment and identification of suitable placements and will be in post by the end of March 2022. A further 5 people are in post from 2020/21 intake are also receiving ongoing support from WFD.

- 4.19 Inverclyde Council's Wage Subsidy Programme aims to support employers in their recruitment of Inverclyde residents into sustainable employment. If approved employers can claim 50% of the actual hourly pay rate, up to a maximum of £10,000 or £13,500 if paying the Real Living Wage, when they employ an Inverclyde resident. Preference will be given to posts that are permanent, however if a fixed term contract is offered it must be for 18 months. Through the Graduate Wage Subsidy Programme, funded by Inverclyde Council, employers can claim for 50% of the actual hourly rate, payable to a maximum of £16,000 or 52 weeks, to employ a recent graduate (within 3 years) who is Inverclyde resident. The post must be for a minimum of 18 months. A total of 130 jobs are currently supported through the Wage and Graduate Wage Subsidy programmes and a further 25 are in progress, as well as ongoing enquiries. The Wage and Graduate Wage Subsidy is funded through earmarked reserves, regeneration budgets, Young Persons' Guarantee and No One Left Behind monies.
- 4.20 Long Term Unemployed Job Creation Programme is a Scottish Government Funded scheme through which the Council will support 30 1 year posts which are currently being identified and recruitment will be complete by the end of January 2022. No One Left Behind monies will be used and it will be augmented by earmarked reserves.
- 4.21 Funding from Scottish Government has posed particularly challenges this year as grant funding award notices have not been provided until well into 2021/22, as well as late notification of changes on funding spend criteria. This gives a particular challenge to the team in planning for spend of funding and fulfilling deadlines. Every endeavour will be made to ensure that funding is fully committed but given that the grant letters and changes have been made significantly late in 2021/22 this does pose a risk of underspend of Scottish Government funding. Feedback on these points has been presented to the Scottish Government through SLAED.
- 4.22 The Council will also support 20 people by the end of March 2022 through LGV and PCV Training which will be funded through the Council's earmarked reserves.
- 4.23 Kickstart is the UK Government scheme providing funding to employers to create new 6-month job placements for 16 to 24-year-olds who are currently on Universal Credit and are at risk of long-term unemployment. The Council augment the UK monies with Council funding which allows the placement to be extended to 1 year. The WFD are currently progressing with 30, 1-year posts, with the aim that they will be in post by the end of Dec 2021.
- 4.24 **Employability Funding**
- 4.25 The UK and Scottish Governments have many funds to support people into or remain in employment. Many have been introduced or enhanced to mitigate the impact of COVID-19 on the labour market. Some of the measures are delivered through other employability services and some are routed through the Council:
- Partnership Action for Continuing Employment (PACE) - The Scottish Government's initiative for responding to redundancy situations through providing skills development and employability support that is delivered through Skills Development Scotland.
 - Transition Training Fund is an investment which will be focused on helping individuals in sectors where there is the greatest risk of job losses. This new offer will help people gain the skills they need to transition into new jobs in key growth sectors. This is delivered through Skills Development Scotland
 - Fair Start Scotland This is the devolved employment support service launched in April 2018, delivered by contracted providers across 9 contract package areas and it has now been extended for 2 years with the last start to the programme in March 2023. This provides support for unemployed people with disabilities, health conditions and other barriers annual expenditure £20m. Delivery has been contracted to the Wise Group for Inverclyde.

- Young Person's Guarantee is a fund which recognises the importance of local flexibility and the critical role of colleges in delivering meaningful opportunities for young people. From the £60m, £30 million to local authorities to deliver flexible local responses through local partnerships, which can help keep people in work and support young people and local employers; £10 million to create additional opportunities in colleges; £10 million to support pre-apprenticeship activity with Skills Development Scotland and colleges; and £10 million to build on the successful Developing the Young Workforce (DYW) infrastructure.
- No One Left Behind is Scottish Government Funding which supports individuals regardless of age and background and puts them at the heart of the service. It is a more flexible, joined up and integrated and aligned policy with Housing, Health and Justice. The services must address key concerns including structural inequalities in the Labour Market.
- Parental Employment Support Fund (PESF) and PESF Boost is Scottish Government funding which provides help to parents to remove barriers to work, which might include health support, money advice and motivational support as well help meeting the challenges of in work poverty.
- Kickstart Scotland - This is a 6 month paid work experience at National Minimum Wage for 25 hours per week for 6 months for 18-24 year olds in receipt of UC deemed to be at risk of long term unemployment. This is a UK wide initiative with an open bidding process with a minimum bid of 30 opportunities providing placements with public, private and third sector employers.

5.0 PREPARATION FOR 2022/23

- 5.1 As discussed the WFD Team are currently working towards a tender exercises for employability services. This new contract will seek a similar level of services as noted above.
- 5.2 In 2019 the Scottish Government introduced No One Left behind which sought transformational change with the ambition to develop better aligned and integrated employability service in Scotland. The first phase has been completed and it has been announced, after some delay, that phase 2 will commence in April 2022. Phase 2 will see the cessation of the Employability Fund and Community Jobs Scotland in March 2022, there will be a move from national to local governance arrangements and a move towards collaboration and co-production. There will be a sustained shift towards user engagement, collaboration in service design, and more effective and improved partnership working through increased local governance. Moving to a local governance approach will allow Local Employability Partnerships, statutory bodies including Skills Development Scotland, Department for Work and Pensions, Colleges, the third sector and business representatives to work together with local communities to design and deliver services that best meet local needs.
- 5.3 Recently the Minister for Just Transition, Employment and Fair Work and the COSLA spokesperson for Community Wellbeing stressed this is not removing funding from the system. Nor is it additional money being awarded to Local Authorities. No One Left Behind will see a move from the national funding of programmes to a local commissioning and grant approach, and it will continue to deliver a mixed economy of provision at a local level. Local Authorities will be the lead accountable bodies in administering the funds but the services that are required to be commissioned will be determined by the Local Employability Partnerships, which is chaired by the Local Authority.
- 5.4 The Inverclyde Local Employability Partnership in Inverclyde has recently been re-established to ensure that work to deliver No One Left Behind in April 2022 is progressed. The LEP will develop a local Delivery Plan which will enable more inclusive, aligned and responsive services.

6.0 IMPLICATIONS

6.1 Finance

There are no direct financial implications arising from this report as this is an update on previously approved financial commitments.

Financial Implications:

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report	Virement From	Other Comments
N/A					

Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (If Applicable)	Other Comments
N/A					

6.2 Legal

There are no direct legal implications arising from this report.

6.3 Human Resources

There are no direct human resource implications arising from this report.

6.4 Equalities

Equalities

(a) Has an Equality Impact Assessment been carried out?

YES	
X	NO – This report does not introduce a new policy, function or strategy or recommend a substantive change to an existing policy, function or strategy. Therefore, no Equality Impact Assessment is required

(b) Fairer Scotland Duty

If this report affects or proposes any major strategic decision:-

Has there been active consideration of how this report's recommendations reduce inequalities of outcome?

YES	YES – A written statement showing how this report's recommendations reduce inequalities of outcome caused by socio-economic disadvantage has been completed.
X	NO

(c) Data Protection

Has a Data Protection Impact Assessment been carried out?

X

YES – This report involves data processing which may result in a high risk to the rights and freedoms of individuals.

NO

6.5 Repopulation

There are no direct repopulation implications arising from this report.

7.0 CONSULTATIONS

7.1 None.

8.0 BACKGROUND PAPERS

Appendix 1: Employability Contract Services Performance April 2020-March 2021
Appendix 2: Employability Contract Services Performance April 2021-August 2021

Appendix 1:

Employability Contract Services Performance April 2020-March 2021

Contract	Summary of Activity	Information	12 month target	Actual	% of Target
Progress	Supporting unemployed/inactive residents with a health barrier by providing specialist health advice, training, supported employment and job placement opportunities.	Number of clients supported	55	49	89.09%
		No of clients progressing to further/higher education or other training leaving the contracted activity	8	5	62.50%
		Number of supported employment placements/job placements directly provided	18	13	72.22%
		Number of clients gaining a partial or full vocational training	30	22	73.33%
		Number of clients with greater confidence to progress into work	35	32	91.43%
		Number of clients progressing to employment on leaving the project	22	15	68.18%
		Employment advice, advocacy and guidance	Delivers services in the field of Employment Rights and Work Related issues including specialist advice, advocacy, and guidance on employment rights including employment law, workplace health & safety and occupational health.	Number of clients supported	500
Number of clients remaining in employment	400			455	113.75%
Number of job retention hearings, attended	60			63	105%
Number of clients with greater awareness of their employment rights	460			462	100.43%
Employability Services	Provides a range of activity for those wanting to improve confidence, motivation and skills to enable progression to further/higher education, employment, self-employment and volunteering. Pre-vocational and vocational training in a range of sectors	Total number of clients	740	214	28.92%
		Clients aged 16-29		112	
		Clients aged 30+		102	
		Number gaining qualification	396	34	8.59%
		Number moving into employment	260	45	17.31%
		Number of ILM clients	12	8	66.67%
		Number supported to address financial barriers to employment	250	160	64.00%

	provided. Employer Engagement/Job Brokerage and in-work support are also provided. Local third sector organisation Financial Fitness, delivers specialist support to clients.				
Work experience programme	Provision of funded employment within the local community. Offering 6 months of employment paid at the National Minimum wage.	Total number of clients	60	53	88.33%
Employer engagement	A dedicated service that will work with local employers to assess their recruitment practices and workforce demographics to promote diversity and inclusive practice. Assistance with all aspects of the recruitment process is available. The service also provides a suite of training packages including Disability Awareness, Autism Awareness, Mental Health in the Workplace, Assistive Technology Awareness, Employment Law Basics, Access to Work training and Equality & Diversity Training. In-work support for the employer and employee is also provided	Total number of employers supported	55	31	56.36%
		Number of employers worked with via the Inclusive Workplace Toolkit to assess their recruitment practices		6	
		No. of employers undertaking Enables free training resources		31	
		No of employers provided with In-Work Support		0	
		Total number of employers sign-posted to Inverclyde Council for other business support		13	

Appendix 2:

Employability Contract Services Performance March 2021-August 2021

Contract	Summary of Activity	Information	12 month target	Actual	% of Target
Progress	Supporting unemployed/inactive residents with a health barrier by providing specialist health advice, training, supported employment and job placement opportunities.	Number of clients supported	55	34	61.82%
		No of clients progressing to further/higher education or other training leaving the contracted activity	8	1	12.50%
		Number of supported employment placements/job placements directly provided	18	7	38.89%
		Number of clients gaining a partial or full vocational training	30	13	43.33%
		Number of clients with greater confidence to progress into work	35	27	77.14%
		Number of clients progressing to employment on leaving the project	22	9	40.91%
Employment advice, advocacy and guidance	Delivers services in the field of Employment Rights and Work Related issues including specialist advice, advocacy, and guidance on employment rights including employment law, workplace health & safety and occupational health.	Number of clients supported	500	176	35.20%
		Number of clients remaining in employment	400	173	43.25%
		Number of job retention hearings, attended	60	31	51.67
		Number of clients with greater awareness of their employment rights	460	176	38.26%
Employability Services	Provides a range of activity for those wanting to improve confidence, motivation and skills to enable progression to further/higher education, employment, self-employment and volunteering. Pre-vocational and vocational training in a range of sectors provided. Employer Engagement/Job	Total number of clients	740	202	27.30%
		Clients aged 16-29		117	
		Clients aged 30+		85	
		Number gaining qualification	396	74	18.69%
		Number moving into employment	260	31	11.92%
		Number of ILM clients	12	0	0%
		Number supported to address financial barriers to employment	250	55	22.00%

	Brokerage and in-work support are also provided. Local third sector organisation Financial Fitness, delivers specialist support to clients.				
Work experience programme	Provision of funded employment within the local community. Offering 6 months of employment paid at the National Minimum wage.	Total number of clients	60	34	56.67%
Employer engagement		Total number of employers supported	55	11	20.00%
		Number of employers worked with via the Inclusive Workplace Toolkit to assess their recruitment practices		0	
		No. of employers undertaking Enables free training resources		11	
		No of employers provided with In-Work Support		0	
		Total number of employers sign-posted to Inverclyde Council for other business support		0	