
Report To:	Environment & Regeneration Committee	Date:	2 November 2023
Report By:	Director, Environment & Regeneration	Report No:	E+R/23/11/06/SJ/JH
Contact Officer:	Jennifer Horn	Contact No:	01475 7145573
Subject:	Employability Update		

1.0 PURPOSE AND SUMMARY

- 1.1 For Decision For Information/Noting
- 1.2 The purpose of this report is to provide an update on the Council's services and contracts relating to employability.
- 1.3 The report sets out the employment landscape and the funding available and how it is being used by the Council in 2023-2024.
- 1.4 The report also sets out changes in terms of budget impact, external grant conditionality and next phases of No One Left Behind policy.

2.0 RECOMMENDATIONS

- 2.1 It is recommended that the committee:
- Notes the content of the report;
 - Delegates authority to the Director, Environment & Regeneration to undertake a tender exercise for targeted future provision, the outcome of which will be duly reported to the Committee

Stuart Jamieson
Director, Environment & Regeneration

3.0 BACKGROUND AND CONTEXT

3.1 Inverclyde Council provides employability services for all ages which are managed through the Regeneration Service across two teams Workforce Development and More Choices More Chances.

3.2 The Regeneration Service is responsible for the Local Employability Partnership, a multi-agency partnership, who produced a 3 year delivery plan in June 2022.

3.3 To set the context of support required, labour market statistics are set out below:

Headline	Inverclyde (2022-2023)	Inverclyde (2021-2022)	Change	Scotland (2022-2023)	Scotland (2021-2022)	Change from the previous financial year
UC Claimant Count	3.9%	4%	-0.1%	3.2%	3.3%	-0.1%
Economic inactivity	22.3%	22.4%	-0.1%	22.6%	23.5%	-.09%
Economic Inactivity and seeking work	Data no longer given due to sample size however states 90.8% do not want to work	15.3%		19.9%	17.9%	+2%
Long term sick	47.1%	41.5%	+5.6%	31.1%	29.7%	+1.4%
Unemployment rate	3.6%	3.5%	+0.1%	3.5	3.4%	+0.1%
Employment rate	75.3%	74.4%	+0.9%	74.7%	73.8%	+0.9%
% of population with no qualifications	Data not given	9.7%	-	Data not given	7.8%	-
Workless Households	18.4%	15%	+3.4%	17.8%	18.6%	0.8%
Gross Weekly Pay – All Full Time Workers (Inverclyde Residents)	(2022) 633.9	(2021) 568.	+£65.9	(2022) 640.3	(2021) 619.0	+£21.3

3.4 The statistics contained in the above table are a mix of improvement and deterioration from the 2022 update report:

- Employment has improved in Inverclyde at the same rate as Scotland,
- Unemployment increased slightly at the same rate as Scotland and we are still above the Scottish rate,
- % of population with no qualifications was not available for Inverclyde or Scotland
- Universal Claimant is falling at the same rate as the rest of Scotland but is slightly higher than the Scottish percentage.
- Pay has increased by £63.8 per week but still £6.40 behind the Scottish gross weekly pay.
- The number of economically inactive people has reduced very slightly but the number of people inactive and seeking work has reduced and the number of long term sick has increase by 5.6%. Of the 10,400 people who are economically inactive there are only 1,000 looking for work.
- The number of workless households has increased in Inverclyde whereas it is lower in Scotland and the trend is that it is decreasing.

- 3.5 The NOMIS statistics show that there are still challenges in the labour market in Inverclyde. Since the start of 2023 we have seen a number of business closing or reducing their workforce e.g. Amazon closure, IBM / Kyndryl relocation, and BPI Berry reducing their workforce.
- 3.6 The employability services provided by the Council are critical to support our residents into good quality fair work and support our businesses to employ local people and improve their job opportunities. In 22-23 the service supported 1217 participants and supported 467 participants into employment.
- 3.7 In terms of specific funding for the current financial year, this is made up of just over £1.7m in core funding (excluding staff), £3.7m in earmarked reserves (over multiple years) and £1.3m in external funding. In the current financial year the Council has received £886k in No-One Left Behind grant funding from the Scottish Government through All Age Provision (£415k) and Child Poverty Employability (£471k).
- 3.8 In addition to Scottish Government external grants, this year the service also has funding from the UK Government through shared prosperity - £435k. This is being delivered through internally led projects Steps 2 Progression (£150k), Progress to Employment (£79k), Youth Volunteering (£59k), New Opportunities (£70k) and Workplace Maths (£77k). There is also funding committed to these projects in 2024-2025.
- 3.9 Employability services are delivered through a combination of contracted and direct delivery provision. The Council currently has 4 contracts, which deliver employability provision which support Inverclyde residents progress along the employability pipeline to sustainable employment:
- Employability Services: Inverclyde Community Development Trust: 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. Vocational training in a limited number sectors is provided. Local third sector organisation Financial Fitness, delivers specialist support to clients.
 - Progress: Stepwell: Supporting unemployed/inactive residents with a health barrier by providing specialist health advice, training, supported employment and job placement opportunities.
 - Employer engagement: Enable: 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 and Mental Health in the Workplace. In-work support for the employer and employee is also provided.
 - 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 health.
- 3.10 The performance of the contracted provision for the first 6 months of 23-24 is shown in appendix 1.
- 3.11 In addition to externally contracted provision, the Council delivers the following support in house including; Modern Apprentices, Graduate Work Experience Programme Apprenticeship Wage Subsidy, Wage Subsidy Programme, Parental Employment Support Programme, Inverclyde Future Jobs, Learning Agreements and Activity Agreement. The provision delivered by the Council is shown in appendix 2.

4.0 Future years

- 4.1 As stated previously employability provision within Inverclyde is critical to ensure that we continue to support residents into good quality work and support local businesses to grow their businesses and job opportunities.
- 4.2 While there is currently external funding available, UK Government Shared Prosperity Funding is only to financial year 2024-25 and Scottish Government has been decreasing each year.
- 4.3 In the next few months the service will be required to progress a tender exercise for targeted employability services including specialist provision for health barriers to employment and supported employment. This report seeks approval to progress and conclude the tender exercise. The outcome of the procurement exercise will be reported to Environment and Regeneration once concluded. The procurement exercise and budget consideration may be required to run concurrently due to pressure in timescales.
- 4.4 The Scottish Government provides annual funding for No One Left behind as well as other initiatives prioritised by the Scottish Government; this financial year it is Child Poverty initiatives through Child Poverty Employability and last year it was Long Term Unemployed.
- 4.5 The ability to receive Scottish Government Funding for 2024-2025 is currently in doubt as the Council does not currently comply with the Government's Fair Work First requirements. The Council is currently working with COSLA to address this, but should this not be resolved by the time 2024-2025 grant offer letters are issued, we would not be able to accept their grant and this, along with agreed and proposed Council savings, would have a significant impact on the service that can be delivered.
- 4.6 Notwithstanding Fair Work First requirements of Scottish Government grants, the Scottish Government is progressing with the next phase of No One Left Behind implementation. The next phase will see individual placement and support and supported employment become a requirement of local delivery through local authorities and their Local Employability Partnerships (LEP). As yet the full extent of changes have not been articulated by the Scottish Government. The Council will work with the LEP to share what information we have and work to ensure that we are prepared for any changes that come into play in 2024-2025, should we be in a position to accept the grant offer from Scottish Government. Similar to procurement updates, the service will report to Environment and Regeneration Committee as soon as sufficient information is provided by Scottish Government.

5.0 IMPLICATIONS

- 5.1 The table below shows whether risks and implications apply if the recommendation(s) is(are) agreed:

SUBJECT	YES	NO
Financial	x	
Legal/Risk	x	
Human Resources		x
Strategic (Partnership Plan/Council Plan)	x	
Equalities, Fairer Scotland Duty & Children/Young People's Rights & Wellbeing	x	
Environmental & Sustainability	X	
Data Protection		x

5.2 Finance

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report £000	Virement From	Other Comments
External Funding	NOLB	2023-2024	£886k		
	UKSPF		£435K		

Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (If Applicable)	Other Comments
Core	Employability	2023-2024	£1.7m		

5.3 Legal/Risk

None.

5.4 Human Resources

None.

5.5 Strategic

Projects proposed are in line with current Inverclyde Council policies.

5.6 Equalities, Fairer Scotland Duty & Children/Young People

(a) Equalities

This report has been considered under the Corporate Equalities Impact Assessment (EqIA) process with the following outcome:

	YES – Assessed as relevant and an EqIA is required.
✓	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, assessed as not relevant and no EqIA 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 – A written statement showing how this report's recommendations reduce inequalities of outcome caused by socio-economic disadvantage has been completed.
✓	NO – Assessed as not relevant under the Fairer Scotland Duty.

(c) Children and Young People

Has a Children's Rights and Wellbeing Impact Assessment been carried out?

	YES – Assessed as relevant and a CRWIA is required.
✓	NO – Assessed as not relevant as this report does not involve a new policy, function or strategy or recommends a substantive change to an existing policy, function or strategy which will have an impact on children's rights.

6.0 CONSULTATION

6.1 None

7.0 BACKGROUND PAPERS

7.1 Appendices

- 1: Contracted Services
- 2: 2023-2024 Delivery Plan

Appendix 1 - CONTRACTED EMPLOYABILITY PROVISION - ANNUAL PERFORMANCE - April 2023 - March 2024

Target Performance To August 2023 = 42%

Contractor	Contract & Annual Value	Summary of Activity	Contract Information	Annual Target	Actual to August 2023	% on target
Stepwell	Health Barriers To Employment. £123,374	Supporting unemployed/inactive residents with a health barrier by providing specialist health advice, training, supported employment and job placement opportunities.				
			Number of clients supported	58	22	38%
			No of clients progressing to further/higher education or other training on leaving the contracted activity.	9	6	67%
			Number of supported employment placements/job placements directly provided	19	8	42%
			Number of clients gaining a partial or full vocational qualification	35	14	40%
			No of clients able to demonstrate, and record, greater confidence and improved motivation to progress into work	40	20	50%
			Number of clients progressing to employment on leaving the project	23	13	57%
Inverclyde Advice & Employment Rights	Employment Advice, Advocacy & Guidance. £71,000	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	462	163	35%
			Number of clients remaining in employment	455	158	35%
			Number of job retention hearings attended	63	18	29%
			Number of clients with greater awareness of their employment rights	462	163	35%
Inverclyde Community Development Trust	Employability Services. £858,500	Provides a range of activity for those wanting progress to employment, self-employment, FE/HE or formal volunteering. Pre-vocational and vocational training in a range of sectors is provided. Job matching and in-work support also provided. Local third sector organisation Financial Fitness provides a Better Off in Work service.				
			Total Number of Clients who are unwaged/unemployed or inactive	630	287	46%
			Total number of clients who are in low skilled/low paid employment	72	47	65%
			Clients gaining a full/partial qualification	315	68	22%
			Total number of unemployed/unwaged/inactive clients who go into employment upon leaving the contracted activity.	260	41	16%
			Total number of clients in low skilled/low paid employment who improved their employment situation as a result of the contracted activity.	45	13	29%
			Number supported to address financial barriers to employment	225	91	40%

Appendix 2 - 2023-24 Employability Provision

Delivery	Target Group(s)	Volume	Outputs	Outcome
Modern Apprentice Programme	Young People	86	Attainment of formal apprenticeship qualification and good quality work experience.	79 currently in post. 7 completers:- 5 entered employment and 2 went to Higher Education.
Graduate Work Experience Programme	Lack of work experience; Underemployed	22	Good quality work experience in line with academic achievement.	4 remain in post. 18 completed, 17 entered employment within and outwith the Council
Job Creation Programme - LTU	Long Term Unemployed Aged 25+	36	One year RLW employment with local third sector organisations/housing associations	34 completed. 18 entered employment, 16 receiving job search support.
Key Worker Support	All Age; unemployed/inactive; low skilled/paid	180	Action planning and review	Progression to appropriate training, employment, volunteering.
Parental Employment Programme (PEP)	Parents/Kinship Carers	22	6 - 12 months RLW employment with local third sector/housing associations	13 recently in post, remaining posts in recruitment phase.
Vocational Training	School Leavers	16	Vocational learning and accreditation	Progression to appropriate FE, training, employment.
Parental Employment Support (PES)	Parents/Kinship Carers	30	Access to variety of supports related to family needs	Ongoing provision to enable entry to, or sustain, employment.
Apprentice Wage Subsidy Programme	Young People. Local Employers	84	Financial support to local employers to hire local residents into formal apprenticeships.	In post with ongoing support provided as required.
Wage Subsidy Programme	All Age. Local Employers	52	Financial support to local employers to hire local residents into new employment.	In post with ongoing support provided as required.
Employer Recruitment Incentive (ERI)	Specific barriers to employment (including health). Local Employers	12	Financial support to local employers to recruit local residents who have particular challenges, including health issues.	In post with ongoing supports in place.
Activity Agreements	Supporting young people in transition from school education - 16-19 year olds	30	Action planning, personal development and review	Progression to appropriate personal development support, education, training, employment and volunteering
Youth Volunteering Programme	16-24 year olds	36	develops young people's skills and experiences; supports young people	Progress to volunteering
Steps 2 Progression	16-19 year olds	50	Support through youth hub - partnership of key services e.g. DWP, SDS, Council. Training opportunity through contracted provision	Progression to appropriate personal development support, education, training, employment and volunteering