

Report

Report to:	Enterprise Services Committee
Date of Meeting:	3 September 2013
Report by:	Executive Director (Community and Enterprise Resources)

Subject:	Routes to Inclusion and More Choices, More Chances Activities Update
----------	---

1. Purpose of Report

1.1. The purpose of the report is to:-

- Outline performance of the Council's Employability Programme, South Lanarkshire Works 4U, last year and in the first quarter of this year
- Outline the results of the School Leaver Destination Report (SLDR) follow-up published in June, and
- Seek approval to a grant award to SALUS (NHS Lanarkshire).

2. Recommendation(s)

2.1. The Committee is asked to approve the following recommendation(s):-

- (1) that the strong performance of the Routes to Inclusion programme, South Lanarkshire Works 4U, in 2012/13 and in the first quarter of 2013/2014 is noted
- (2) that the positive results from the SLDR follow-up for 2011/2012 are noted.
- (3) that NHS SALUS are allocated £160,000 in the form of a grant to deliver relevant services in 2013/2014.

3. Background

3.1. South Lanarkshire Council continues to make significant investment in promoting employability and access to sustainable employment opportunities, particularly for targeted priority groups. In recent years, a focus has been given to young people aged under 24, with specific targeting of 16 to 19 year olds, who require support under More Choices, More Chances if they are to achieve positive employability or education destinations and not become part of a potential future 'lost generation'.

3.2. The approach has always been a partnership response working closely with internal and external services to develop and deliver a range of activities and opportunities that achieve positive progression towards a range of sustainable outcomes. The partners include all Resources whether through offering apprenticeships, supported placements or delivering programmed activity, and working with local Further Education Colleges, Skills Development Scotland, NHS, the Voluntary Sector and the Department of Work and Pensions through Jobcentres.

4. Routes to Inclusion Employability Services Outcomes

- 4.1. The operating environment has continued to prove tremendously challenging with significant structural changes within partner organisations and the continued economic uncertainty particularly affecting small and medium sized businesses. Across Scotland, Further Education colleges are undergoing radical change in both structure and funding, and Skills Development Scotland is embedding the job coach/career coach and case management approach for key groups of young people. Skills Development Scotland has also revised the whole model of delivery for National Training Programmes and replaced this with a new Employability Fund offering an individually tailored programme linked to local labour market opportunities. Within this changing environment, the Council's services have been maintained, focused on young people and adults who are often the furthest from the labour market and require the highest levels of support.
- 4.2. Recently published labour market statistics indicate that the number of young people aged 16-19 claiming Jobseekers Allowance (JSA) has continued to fall in the past year, down by over 19% since June 2012. However, the rate of unemployment amongst this group still remains higher than the Scottish average with South Lanarkshire continuing to be within the 10 local authority areas with the highest unemployment for this age group. The numbers aged 20-24 who have signed off JSA increased by almost 17% in May 2013, however, there has also been a net increase in the numbers of new claimants.
- 4.3. It is against this backdrop that the Council's leadership and resource has supported a significant number of young people into a job while simultaneously meeting the recruitment needs of local businesses. The Council also plays a key role in supporting partnership efforts for individuals who are being made redundant. An example includes Scottish Resource Group who have recently gone into liquidation with potentially 128 jobs being lost. The Council, working with SDS and Routes to Work South, established rapid response measures to ensure those affected had opportunities for retraining or achieving qualifications for other opportunities within the industry.
- 4.4. The report to the Committee's meeting on 19 March 2013 was only able to report on 9 months of delivery in 2012/2013 at that point. This report allows us to confirm the year end figures (together with 1st quarter performance) which are significantly higher than target due to investment of additional external funds secured to support interventions, jobs and businesses. The performance this year has started well and again with expected additional external investment, it is hoped that the performance of the previous year can be matched. A summary of the outcomes is as follows:-

Routes to Inclusion Outcomes	Target	Actual	%	Target	* Actual	%
	2012/2013			2013/2014		
Number of workless individuals on programmes (engagements)	2000	4260	213%	2800	1398	49%
Number entering jobs	1100	1753	160%	1200	333	27%

*First quarter 2013/2014

4.5. South Lanarkshire has again been successful in attracting additional funding from:

- Department for Work and Pensions (DWP) - £350,000 (yet to be confirmed). This resource is being targeted on Work Programme Completers and will provide link officer support and specific programmes to help maintain motivation and build confidence in using IT for job search and welfare benefit support.
- Youth Employment Scotland – Employer Recruitment Incentive co-financed by the Scottish Government and European Social Fund £815,808 - this offers employers a contribution towards wages in the first 6 months up to a maximum of £3200 (depending on the age of employee and number of hours worked etc). Through our existing agreements with Routes to Work South who currently deliver South Lanarkshire Jobs Fund significant effort is being made to quickly establish the new employer recruitment incentive. It is anticipated that 250 young people will be identified and move into work by the end of the calendar year. The arrangements for 16-17 year olds through our Youth Jobs Fund programme will remain the same as in previous years i.e. a subsidy up to 50 weeks at 50% of the National Minimum wage.

5. School Leaver Destination Report follow-up

- 5.1. The Council leads the South Lanarkshire More Choices, More Chances Partnership which aims to ensure that support is provided to school leavers to move into a positive destination whether this is into employment, further or higher education, or training. A range of services work closely together to share information and provide support relevant to the needs of young people, particularly those who are likely to be furthest from the labour market. Every year, Skills Development Scotland contact each young person who has been identified as a school leaver, initially in September and thereafter in the following March, to record their destination since leaving school. This information is used to inform the wider policy initiatives and to measure the performance of partnerships linked to Single Outcome Agreement targets.
- 5.2. The table below outlines the results in the last three years showing the initial September figures and the follow up in March. This also indicates the most recent figures at a Scottish level. A reduction in positive destinations between the two points is always to be expected, but the most recent figure confirms an improvement on last year and that the overall South Lanarkshire positive destination result is equal to the Scottish average.

SLDR Follow up Comparison

	SLC 2009.10	SLC 2010.11	SLC 2011.12	Scotland 2011.12
% positive Initial	86.2%	87.4%	89.8%	89.9%
% positive Follow up	86.1%	86%	89.5%	89.5%
% difference	-0.1%	-1.4%	-0.3%	-0.4%

- 5.3. A brief summary of the main points from the follow up figures published in June are as follows:-

- 18 fewer leavers overall were in a positive destination
- Employment as a destination had increased by 4% (114 young people)
- Activity Agreements, Further Education, Training and Higher Education had all reduced although all by small percentages
- Unemployed seeking work was down 0.3% (9)
- Unemployed not seeking work had increased by 0.5% (14)

- 5.4. In general, the figures confirm progress being made in ensuring programmes are successful in providing support for young people, and that those who fall out of an initial positive destination are subsequently being identified and provided with alternative options. As can be seen, the implementation of the Council's wage subsidy programmes is having a direct impact on employment as a destination.

6. NHS SALUS Grant Award

- 6.1. The South Lanarkshire Works 4U programme includes a wide range of programmed activity for those aged 16-24. It is recognised that some groups require more intensive and bespoke provision. It is through NHS SALUS that support for many young people who are currently not receiving employability focused services due to health or other issues can be delivered. These services are additional to the offer from NHS Lanarkshire and provide the much needed assessment and input from specialist services and practitioners to identify and remove potential barriers to their employability progression. This is particularly important in the current climate in which competition with those with a recent job history and experience makes the process much more difficult for young people with significant barriers.
- 6.2. It is proposed that funding of £160,000, already agreed as part of the overall Employability Services' budget at the Committee meeting in March 2013, is awarded to SALUS (NHS Lanarkshire) in the form of a grant to deliver health related services that support progression towards the labour market.

7. Employee Implications

- 7.1. None.

8. Financial Implications

- 8.1. In addition to the £160,000 grant award to SALUS noted above, additional income of £350,000 from DWP for the delivery of agreed services and the potential of up to £815,808 from Scottish Government and EU funding is being awarded, in response to uptake and depending on compliance by small businesses locally.

9. Other Implications

- 9.1. Risk assessments are carried out on the components within the wider Routes to Inclusion employability support programme. Maximising draw-down of awarded Community Planning Partnership European Funding requires the application of adequate match funding from Community and Enterprise and other Resources. The bulk of services are provided through a Procured Framework Agreement which ensures value for money and flexibility that meets the needs of the client groups and employers. The Council programmes require flexibility to avoid overlap or duplication and deliver maximum value.

10. Equality Impact Assessment and Consultation Arrangements

- 10.1. This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy and, therefore, no impact assessment is required.
- 10.2. All necessary consultation arrangements have taken place.

Colin McDowall

Executive Director (Community and Enterprise Resources)

20 August 2013

Link(s) to Council Objectives/Values

- Supporting the local economy
- Tackling disadvantage and poverty
- Efficient and effective use of resources

Previous References

- Enterprise Services Committee 19 March 13

List of Background Papers

None

Contact for Further Information

If you would like to inspect the background papers or want further information, please contact:-

Simon Carey, Regeneration and Inclusion Manager

Ext:3812 (Tel:01698 453812)

E-mail simon.carey@southlanarkshire.gov.uk