

Report

Report to:	Executive Committee
Date of Meeting:	13 May 2020
Report by:	Executive Director (Finance and Corporate Resources)

Subject:	Employability Services 2020
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ Outline the range of employability programmes delivered within South Lanarkshire and their impact;
- ◆ Detail the arrangements for delivering employability services during the first quarter of 2020, to meet the changing demand for services during the COVID-19 outbreak; and
- ◆ Outline proposals for future employability services, taking account of changes at a national and local level as a result of the impact of COVID-19 pandemic.

2. Recommendation(s)

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

- (1) that the content of the report be noted; and
- (2) that the change in services outlined as a result of extenuating circumstances in the report be agreed.

3. Background

- 3.1. Employability services have been delivered within South Lanarkshire since 1996. Although not statutory services, these are a significant component of the council's commitment to residents of South Lanarkshire and address tackling and reducing poverty, providing sustainable opportunities to live and work and flourish in our area.
- 3.2. The context of employability services is complex, with involvement from public, private and third sector stakeholders. Notably, in 2017, responsibility for employability services was devolved from UK to the Scottish Government, and this heralded a fundamental review of how employability services are delivered, funded and accessed in Scotland. The policy document No-one Left Behind indicated the direction of travel, outlining a realignment of services to be more person-centred, joined up and easily accessible.
- 3.3. Work has been ongoing in relation to the realignment of employability and understanding the implications of this. After the Partnership Agreement between Scottish Government and Cosla Leaders was signed in November 2019, both Cosla and the Improvement Service have established temporary employability posts to assist with these discussions. An Employability Summit between local government and Scottish Government took place on 5 February 2020.

- 3.4. Significant amounts of funding are associated with employability services and this has been part of the alignment conversation. So far, £7million has been allocated as grant to local government to deliver on No-one Left Behind priorities, with a further £30million likely to be allocated to local authorities in this next financial year to fund employability services. A further £12million has just been allocated to deliver programmes to support low-paid or unemployed parents seeking sustainable employment. In addition, the Scottish Government has contracted directly with providers throughout Scotland to deliver the Fairstart programme, a voluntary participation programme aimed at those most removed from the labour market, and those with health issues.
- 3.5. The main focus of all of these services is on the working-age population in Scotland, however there are cross-overs into the work undertaken by schools in terms of preparing for employment, the joining-up with the business agenda through Developing Scotland's Young Workforce, and the development and implementation of Foundation Apprenticeships.
- 3.6. There are strong links with employability services and European funding which have enabled greater spend in our most deprived areas, on participants who experience significant/multiple barriers to employment. This arrangement is now time-limited due to the UK exit from the European Union, and the legacy funding will run until 2022.
- 3.7. The Council provides a range of these employability services to the community through its own employees, through a Teckal arrangement with Routes To Work South, and through other contracts, most recently with South Lanarkshire College.
- 3.8. These arrangements came to a technical conclusion on 31 March 2020. Under normal circumstances, arrangements would be in place for delivery of services for 2020/21, based on anticipated demand and need. This would have been mainly focussed on those furthest from the labour market with multiple barriers to employment, and those experiencing in-work poverty. This planned activity reflected the unemployment rate in February 2020, of 3.5% in Scotland, the lowest it had been in 8 years.

4. Delivery of Services in South Lanarkshire

- 4.1. Employability is a Council-wide responsibility involving a range of different services, from economic development, criminal justice services, housing, schools and personnel. The main responsibility for delivery of working-age employability services lies with Finance and Corporate Resources and this includes the connections with workforce planning for the Council and our partners.
- 4.2. This has seen a significant expansion of programmes such as Modern Apprenticeships, and Upskilling activities which tackle in-work poverty for example.
- 4.3. The range of programmes, participants and funding streams for 2019/20 are set out in Appendix 1.
- 4.4. From April 2019 to December 2019, excluding the school programmes Aspire and Rise, 1258 unemployed people engaged with our services, 578 gained employment, with a further 282 entering further training and 245 achieving a qualification. In addition, we supported a further 133 employees of South Lanarkshire businesses, who are in receipt of low incomes, to progress into better employment terms and

conditions, with 118 of these employees gaining accredited training and qualifications. 39% of all clients reside within the lowest 15% SIMD areas. The figures do not reflect a full year, as services were disrupted by the outbreak of COVID-19 from the end of February 2020 and therefore the final quarter's result have been excluded.

- 4.5. The council is also part of the Glasgow City Region grouping and takes the lead on the Skills and Employability portfolio, recently developing a Regional Skills Investment Plan for the whole area, and joining up activity amongst the many stakeholders in this area of work including Scottish Government, Skills Development Scotland, local colleges and universities as well as the west of Scotland local authorities.

5. Current Position in Delivery of Adult Employability Services as a result of the COVID-19 outbreak.

- 5.1. As social and economic life was disrupted as a consequence of the global COVID-19 health pandemic and subsequent lockdown, arrangements were put in place by the Council's employability team and Routes to Work South, to assist existing clients remotely. This was achieved by providing email and telephone support and online tutorials and learning. Work was undertaken with employers in the essential services group, who were recruiting, to make the connection with those who were currently unemployed but would be most readily able to take up employment.

- 5.2. It has become clear that some of our existing clients need additional support at this time, and that many of those with health issues are self-isolating, observing strict social distancing protocols and in some cases, shielding for the duration of the outbreak.

- 5.3. There has been a marked increase in demand from individuals who have experienced a recent change in their employment circumstances as a result of the COVID-19 outbreak. So far, we have engaged with over 100 new participants from 23 March 2020 who are receiving employability help and support. This includes employees who are furloughed, those who are recently unemployed and self-employed seeking employment and those made redundant. The team are continuing to provide employability support remotely to both existing and new participants during this unprecedented period of lockdown. The type of support includes: -

- Regularly engaging with clients
- 1-2-1 coaching and personal development sessions
- Confidence building sessions
- Mindfulness training
- Counselling sessions
- Supported job searching and job matching
- CV support and creation
- Basic IT support
- Interview preparation
- Group training sessions and webinars
- Signposting / supporting clients to access all financial support available as a result of COVID-19

- 5.4. The sort of additional support that they are looking for can range from advice and guidance in relation to accessing benefits, their employment rights and details about the government schemes for the self-employed. The employability team have joined up with colleagues in the Business Support and Development team and the Money Matters service, to provide up-to-date help and guidance through the available grants and benefits, as well as making connections to employment opportunities.
- 5.5. The characteristics of these clients are quite different from traditional employability clients, in that nearly all are job-ready and have made the connection to our services by self-referring through social media and online channels. The normal referral channel, DWP, are fully occupied dealing with the upsurge in new Universal Credit claimants, and benefit enquiries.
- 5.6. The criteria for client eligibility, the agreed mechanisms for delivery and the means of collecting evidence requirements for funding bodies such as the EU and the Scottish Government, have become impossible to achieve in full and have to be reviewed. These issues have been raised with the Scottish Government, as the main funders or Managing Agent for ESF, through the SLAED group. Initial discussions on the Scottish Government directly funded programmes (Fairstart, Employability Fund, Parental Employment Support and No-one Left Behind) have recognised the need for flexibility around these issues. The same reassurance has not yet been received regarding ESF, and the final sign off would lie with the EU. The most recent communication on this matter has indicated that relaxation of the existing rules would be considered on a case by case basis.

6. Adult Employability Service proposals for immediate future and recovery phase

- 6.1. A different and responsive approach is needed to tackle the employability related issues now and plan for the recovery stage as the pandemic reduces and the current economic and social lockdown is eased. The council's employability service has moved temporarily to a digital, remote service and will continue to engage with existing vulnerable clients and families using technology. All of our activity, and funding streams are being reviewed to ensure flexibility to meet local needs.

For example, The No-One Left Behind (NOLB) delivery will be realigned to meet the needs of our local labour market as a result of COVID19 outbreak. This will involve:-

- re-skilling and Up-skilling for those made redundant,
- supporting employees and employers who face difficulties and
- ensuring that we continue to provide an employability support service for the most vulnerable in our local communities.

- 6.2. The focus on priority neighbourhoods and the worst 15% SIMD areas will continue, however, this will be extended to reach those made recently unemployed throughout South Lanarkshire. These are the South Lanarkshire residents who need support at this time.

In due course, the challenge will be the recovery phase:- national and local jobs market, with businesses already stopping recruitment, prioritising safeguarding jobs, which are often furloughed. The wider impact on businesses after the government's Job Retention Scheme concludes, may result in increased redundancies as some businesses will be unable to recover.

Work will continue with our Local Employment Partnership to deliver a collaborative partner response, ensuring that we are able to respond to the short, medium and longer-term challenges. The Council has been working with the SLAED network to ensure some consistency and common understanding of issues as they arise.

- 6.3. Preparation for delivery of our local Parental Employment Support(PES) programme will continue, with some modifications to include parents who have been made redundant and have lost their source of income. A holistic person-centred approach will still be adopted, operating a key worker model of delivery, joining up with other services such as health, justice, financial inclusion services. The original projected client group for the Parental Employability Support Fund programme included 65% of clients being in work but experiencing in-work poverty. Given so many employees are furloughed or now unemployed through redundancy, this proportion will change.
- 6.4. The Parental Employability Support Fund nationally amounts to £12.1million over 2.4 financial years. In addition, it has been announced that this fund will be enhanced by a PES boost fund of £4.1million, ring-fenced to employability in the early years sector.
- 6.5. The Aspire programme is delivered by Education and supports young people to enter a positive destination upon leaving. The programme engages young people in a personalised action plan which may involve one-to-one support, employability and personal development groupwork and work tasters and placements. The programme, which is supported through NOLB funding and ESF, supports young people in the last 6 months of school and can work with young people until their 19th birthday. The programme has contributed significantly to reducing youth unemployment and in 2019 92.6% of 16-19 year olds (2019 annual participation measure) in South Lanarkshire were participating in further education training or work compared to 91.6% nationally. Further details can be found in Appendix 1.
- 6.6 Our employability team are involved with our local partners in providing support to employees and employers at risk of redundancy in our area.

Over the last 4 weeks we have been working with several employers to support their recruitment of essential workers. Many of these opportunities are guaranteed for a minimum of 12 weeks, are a mixture of both full and part time and include:

- Warehousing – currently over 250 opportunities
 - Home Care – over 50 opportunities (mixture of both Drivers and Non-Drivers required)
 - Contact Centre – over 250 opportunities (Customer Service Assistants for an outsourcing company who are working on the Scottish Governments Covid-19 hotline)
 - Porters, Domestic and Catering – over 60 opportunities
 - Grounds Maintenance – approx. 10 opportunities
- 6.7. We will continue to support and to recruit Modern Apprentices in areas where the Council anticipates there to be demand within our own workforce. This is likely to be primarily in social care and early years, but will include some MAs in Business

Administration, Roads and Craft occupations. This enables the Council to develop young adults into our workforce for the future. It is particularly important that we do this as it has been reported by Skills Development Scotland, that 75% of employers who provide Modern Apprenticeship opportunities have furloughed their MAs.

- 6.8. The contracts for all employability provision were reviewed last year, in order to accommodate the longer term conclusion to European funding, and the changes in national policy direction outlined. Given the fluidity of our current situation, this will be kept under review.

We have an approved ESF grant of £6.5million which runs from 2019 until 2022, provided there is appropriate match funding. Given the current exceptional circumstances, we will alert the Scottish Government as the Managing Agent of EU funding, that our programme's target client group and methods of support and gathering evidence will change. It is anticipated that approx. 40% of our clients in the next few months will be recently unemployed as a result of the impact of COVID-19.

The Working Matters More programme, jointly funded by DWP, concludes in July 2020 and will not be extended.

- 6.9. There will continue to be support provided to those who need it most, in our supported employment programmes, and intensive support programmes such as Connect 2. Similarly the work on the most rural areas, which is supported by Banks Renewables will also continue in this financial year,
- 6.10. As the unemployment rate is anticipated as doubling in the next quarter, our focus will be on all of those individuals and families who experience hardship as a result of unemployment. We will extend the range of occupations and organisations with whom we work, and in particular, we will work with our business support colleagues to offer a joined-up approach for employers and employees.

Tackling poverty in this way will contribute to our commitments in the Council's Child Poverty Action Plan. Equally, we will work with colleagues in the Community Engagement Team, to listen to what residents want from employability services.

- 6.11. The Council's employability team and colleagues in Corporate Communications and IT have been developing an online information and signposting space for any member of the public, who might be looking for support with employment, skills and training. Currently, most traffic is email and telephone contact is via the Council's website and COVID-19 page. In addition, we have established an online learning platform dedicated to employability clients, so that they can access skills and information from home.

7. Employee Implications

- 7.1. Within the Council, there are 84 employees involved in delivering the wide range of employability services, based mainly within Finance and Corporate Resources (62) and Education Resources (22).
- 7.2. Routes To Work South has 50 employees, who work on a range of employability programmes on behalf of the Council, both adults and young people, as well as Scottish Government and Skills Development Scotland employability contracts.

8. Financial Implications

- 8.1 This represents the budget and grant funding for the financial year 2019/20. The detail is found in Appendix 1.

	2019/20 Budget	Council Funding	ESF Funding	Other Funding
Total	6.148	4.081	1.136	0.931

- 8.2. For 2020/21, the employability budget is set out below, and takes account of current external grant increases and reductions.

	2020/21 Budget	Council Funding	ESF Funding	Other Funding
Modern Apprentices	0.245	0.160	0.000	0.085
Upskilling	0.169	0.101	0.068	0.000
Connect 2	0.222	0.133	0.089	0.000
EK Hub	0.070	0.070	0.000	0.000
Connect 2 Renewables	0.345	0.000	0.000	0.345
No One Left Behind	0.416	0.000	0.000	0.416
Adult Gateway	0.743	0.446	0.297	0.000
Parental Employment Support	0.371	0.000	0.000	0.371
Rural Employability Academy	0.225	0.135	0.090	0.000
Coalyard (including Cafés)	0.545	0.545	0.000	0.000
Employability Fund	0.035	0.000	0.000	0.035
Aspire	0.881	0.537	0.344	0.000
Staff and Resources	1.404	1.404	0.000	0.000
Total	5.671	3.531	0.888	1.252

- 8.3. Services delivered by internal teams will be met from existing mainstream Council budgets. This will be supplemented with grant monies from Scottish Government in the form of No One Left Behind Grant and Parental Employment Support Funds.
- 8.4. Where work is carried out on the council's behalf, Routes to Work South will undertake that work using the revised guidelines on client referral and eligibility
- 8.5. Payment includes the match element to ESF funds on which the overall employability service is based and which the Council claims back from Europe at a later date. This repurposing of our employability service may change the current agreement with Europe on eligibility criteria and delivery model, but is pragmatic and responsive to need under the circumstances.
- 8.6. Scottish government has indicated that variations to the agreed EU funding and delivery model should be highlighted to them and will be considered on a case by case basis. The council has sought approval to adapt the scope of our EU

programme by extending the eligibility of clients to include those impacted by COVID-19, and awaits a response.

- 8.7. Cosla is working with the Scottish government to examine the scope and potential to re-shape £60m of funding around the necessary COVID-19 locally led responses for the period from April 2021 onwards. Cosla are also supportive of encouraging maximum flexibilities in how ESF monies could be used to support employability priorities in light of COVID-19.

9. Climate Change, Sustainability and Environmental Implications

- 9.1. There are no specific implications for climate change, sustainability or the environment as a result of these proposals.

10. Other Implications

- 10.1 There has been some recent uncertainty over the Scottish Government's practices as the Managing Agent for Scotland's European Funded programmes. This led to a suspension of the European funded programme payments to local authorities until a satisfactory solution was found. As this is outwith the Council's control, we await notification that the Scottish Government has resolved the issues with the EU and note that the system for submitting payment has been re-opened.

11 Equality Impact Assessment and Consultation Arrangements

- 11.1 Equality impact assessments have been carried out on different elements of the employability service programmes since 2016. An equality and social impact assessment on the whole service is being conducted currently for the new financial year 2020/21.

Paul Manning

Executive Director (Finance and Corporate Resources)

27 April 2020

Link(s) to Council Values/Ambitions/Objectives

- ◆ Improve the Quality of Life for Everyone in South Lanarkshire
- ◆ Focussed on People and Their Needs
- ◆ Support our communities by tackling disadvantage and deprivation and supporting aspiration

Previous References

None

List of Background Papers

None

Contact for Further Information

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

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Appendix 1

Details of South Lanarkshire Council's Employability Services 2019/20

1. Our in-work programmes focussed on Modern Apprenticeships within our own workforce, and an Upskilling programme with businesses throughout South Lanarkshire. More recently the Council supported a number of employees to undertake Graduate Apprenticeships as well
2. Since 2018, the number of Modern Apprentices taken on by the Council has increased significantly as a result of additional resources being allocated to MAs in Early Years and Social Care as part of our workforce planning, for anticipated increased demand in those areas. Apprentices are paid the council living wage rate when they commence their training and additional funding was allocated to the budget to pay for the increase in MA numbers in Early Years and Social Care in 2017. Currently we have 191 Modern Apprentices across the council in the following areas:

Administration - 22
Architectural Technician - 2
Craft/Craft Technical - 50
Early Years - 58
Roads – 7
Social Care - 41
Digital Applications/IT Support - 11

3. As the apprenticeship framework has grown nationally, graduate apprenticeship qualifications have emerged in key growth areas. Within the Council we have supported 21 Graduate Apprentices in the following areas:

IT (cyber, IT for Business, software engineering)
Business Management
Early Learning & Childcare
Construction & the Built Environment
Civil Engineering

Since the Graduate Apprenticeship programme started, 1 employee has completed the programme qualifying with a first class honours degree, while the others are currently working through 1st, 2nd and 3rd year.

4. Employability Fund - The Employability Fund supports young people towards employment through customised vocational training opportunities. It responds to the needs of employers to provide young people with real life work experience. Recently it has acted a pre-cursor to the MA programme in Roads.
5. Working Matters More (WMM) - This is the successor programme to the City Region Working Matters labour market initiative, a small employability programme sponsored by DWP, and which allows delivery to continue to July 2020. The South Lanarkshire delivery model is primarily focused on supporting those experiencing in-work in poverty and unemployed people experiencing mental health issues.

6. Our Upskilling programme is aimed at supporting those on low-incomes, working in companies based in South Lanarkshire, helping individuals and organisations by providing additional training, qualifications and skills. This in turn enables participant employees to maximise their potential and to increase their earnings either through promotions, additional hours, better contractual arrangements, and career development. Currently we are supporting 134 participants across a range of different occupations.
7. Although our in-work programmes have expanded, there is still significant support and opportunity being provided to those who are unemployed. As the employment rate increases, those who are unemployed are often those with the greatest barriers to employment. The Scottish Government's Fairstart programme tackles some of this population, especially those experiencing health barriers.

The Council offers Gateway to Employment, delivered by our partner in this area of work, Routes to Work South. From April to December 2019, it has supported 322 people into employment, overcoming significant challenges to achieve sustainable employment and financial independence. Similarly, the Council offers a Connect 2 programme to a small number (33) of individuals with multiple barriers, and for whom intensive individual and small group support over a longer period of time is needed before a work placement is an option.

8. In the rural areas of South Lanarkshire, the employment challenges can be different, with travel and variety of opportunity presenting residents with additional hurdles. The Council has developed a programme in partnership with Banks Renewables. This employability initiative supports unemployed residents living within 10 km of Middle Muir Windfarm in Crawfordjohn and Kype Muir Windfarm in Strathaven with tailored support to meet individual needs in reducing barriers to employment. Examples of this are shown at Appendix 2.
9. The Council offers employability support to a number of young adults with learning disabilities through the Coalyard Cafe based in Larkhall, and Project Search, based in East Kilbride. In addition, an evening café offering employability support to young adults with autistic spectrum disorder, based in the Murray Owen Centre, has been open for the last year, and supports a regular group with social skills and role rehearsal which will enhance employment and vocational success. This group has seen numbers increase from 5 to 20 over the last year.
10. For our young people who are at risk of missing out on a positive destination when leaving school, our Aspire Programme provides a safety net and ongoing support to those young people who need it. This year the Aspire programme has supported 378 pupils in the senior phase and 247 school leavers who have left school.

The programme is targeted at young people who are in the senior phase and at six months from their school leaving date and are at risk of becoming unemployed when they leave school and young people who have left school up to age 19th Birthday (26th Birthday if care experienced).

Referrals are identified in partnership with schools, Skills Development Scotland, Housing, Social Work and Youth Justice following GIRFEC principles. Young people are assigned a dedicated vocational development worker who carries out an assessment and provides one-to-one support to assist the young person to complete an individualised action plan which can include:

- Identifying and removing barriers to employment
- Raising awareness of opportunities
- Parents and carers support, home visits,
- Employability Groupwork and personal development
- Vocational tasters
- Work experience

11. In recent years our employability programmes have been re-aligned to ensure the best fit with the national and local employability landscape. Our services are targeted at deprived neighbourhoods and workless groups in our local communities who experience multiple barriers preventing them from gaining sustainable fair work.

Employability Budget 2019/20

	2019/20 Budget	Council Funding	ESF Funding	Other Funding
Modern Apprentices	0.245	0.160	0.000	0.085
Upskilling	0.169	0.101	0.068	0.000
Connect 2	0.280	0.219	0.061	0.000
Inclusiveness	0.190	0.114	0.076	0.000
Working Matters	0.100	0.050	0.000	0.050
EK Hub	0.070	0.070	0.000	0.000
Connect 2 Renewables	0.345	0.000	0.000	0.345
No One Left Behind	0.416	0.000	0.000	0.416
Adult Gateway	1.243	0.746	0.497	0.000
Rural Employability Academy	0.225	0.135	0.090	0.000
Coalyard (including Cafés)	0.545	0.545	0.000	0.000
Employability Fund	0.035	0.000	0.000	0.035
Aspire	0.881	0.537	0.344	0.000
Staff and Resources	1.404	1.404	0.000	0.000
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