

THE HIGHLAND COUNCIL

RESOURCES COMMITTEE – 1st OCTOBER 2008

Agenda Item	
Report No	

Supporting people into employment and the use of the Fairer Scotland Fund Report by Head of Policy & Performance

Summary:

This report highlights the use of the Fairer Scotland Fund in supporting several commitments within the Council's Programme "Strengthening the Highlands" and with partners in the Single Outcome Agreement. It describes the process underway of moving from five former ring-fenced funds into a composite fund which offers greater flexibility in how that fund is used to support people into work, particularly those facing barriers to employment. As part of the "Strengthening the Highlands" commitments Members are asked to approve the Council signing up to the Local Employment Partnership with Jobcentre Plus and to lead on the development of a strategy for improving employment opportunities in Highland which will maximise EU and partner funding and be shaped by gathering a range of evidence, including a conference event for November 2008.

1. Using the Fairer Scotland Fund to support the Council's Programme "Strengthening the Highlands"

1.1 The Fairer Scotland Fund is made available to the Council to enable Community Planning Partnerships to "work together to tackle area-based and individual poverty; and to help more people access and sustain employment opportunities." (*Scottish Government Guidance*.) The Fund with associated Council and partner activity will contribute the Council's "Strengthening the Highlands" Programme in creating sustainable communities and building a fairer and healthier Highlands. In particular the Fund will support directly the following Council commitments to:

- Work with the Scottish and UK Governments and partners to prevent and reduce poverty by supporting more people into sustained employment.
- Increase the number of young people leaving school moving into education, training and employment to 87% by end March 2009 and will, with our partners, review the target for 2011.
- Work with the Scottish Government and our partners, especially NHS Highland, to meet the health and care needs of our population and reduce inequalities in health. This will include reducing alcohol and drug misuse, smoking cessation, reducing obesity and tackling poverty.
- Work with the Scottish Government, the business community, HIE and the third sector to promote business growth including more local businesses and social enterprise through the establishment of business gateway by 2009 and other Council support.
- Pursue initiatives to support the procurement of local goods and services by the Council and others.
- Work with employers, further education colleges and partners to increase the training and apprenticeship opportunities across the highlands, with a 33% increase in the number employed by the Council by 2010-11 (a rise to 200).

- Develop a compact with the third sector (voluntary, charity and community organisations and social enterprises) in the Highlands setting out how we will support the sector and work together.
- Fulfil all of the Council's duties to promote equalities and to tackle discrimination and disadvantage – as an employer, in providing public services, in community leadership and partnership working.

1.2 The Principles set out for the Fund include:

- A clear focus on investment to address the causes of poverty, not its symptoms;
- A strong emphasis placed on making early interventions for vulnerable individuals, families and disadvantaged communities;
- Promotion of joint working between local partners;
- Focused action on improving employability as a key means of tackling poverty;
- Empowering communities and individuals to influence and inform the decisions made by the community planning partnerships.

2. Changing how the Fund is used

2.1 Earlier Reports to this Committee (res 15-08 20 February; res 37-08 3 April) have noted the introduction of the Fairer Scotland Fund across all Scottish Local Authorities, in Highland amalgamating five previously separate, ring-fenced funds. Each previously had separate reporting requirement to Scottish Government, with scrutiny through separate Committees of the Council. The funds and management arrangements were:

- Working for Families (Planning and Development Service);
- Community Regeneration Fund – CRF (Chief Executive's Service);
- Community Voices (Chief Executive's Service);
- Changing Children's Services (part-funding) (Children's Services); and
- More Choice, More Chances (ECS).

A summary of the activity supported by the predecessor funds is shown at Appendix One. Separate reports have been made to the appropriate Service Committees for these Services. Resources Committee is the parent Committee for the Community Regeneration and Community Voices Funds.

2.2 The required Annual Report for the Community Regeneration Fund (2007-8) has been submitted to the Scottish Government. It is placed in the Members Library and on the Website. A summary of the CRF expenditure for 2007–08 is attached as Appendix Two, showing expenditure totalling £806,412 CRF (99.7%) and £43,025 Community Voices (86%). 2007-08 was the final of three years development of these funds in designated parts of Highland (Wick; parts of East Ross and Merkinch). As can be seen from the Report and the use of existing funds there is already a strong alignment with employment services for particular groups in Highland that serve as a base for the development of the new Fund.

- 2.3 The CRF was managed through a Regeneration Outcome Agreement, a precursor to the Single Outcome Agreement process. The Report highlights some of the Outcomes and Outputs from the Programme over three years including –
- 9 environmental improvements and 16 community facilities improved;
 - 27 community engagement and planning consultations undertaken;
 - 180+ learning opportunities accessed by community organisations and leaders;
 - 160 attendees in informal learning activity;
 - 75 people accessing vocational training opportunities;
 - 600 young people regularly accessing informal learning and sports activity.

2.4 Future monitoring of FSF by the Scottish Government is focussed on outcomes with reports through the Single Outcome Agreement process. This means the Council, with partners, has discretion to use the fund strategically and creatively, with no interference from the Government as long as the benefit of the fund can be demonstrated. The allocation method across Scotland reflects both concentrations of **multiple** deprivation and patterns of **individual** deprivation. There is no requirement to target the Fund to only those data zones which are within the 15% most deprived in Scotland; although the Government expects to see an accelerated impact in these areas.

3. Developing an employment strategy for the Highlands

3.1 The single Fairer Scotland Fund is intended to provide an opportunity to take a strategic, rather than fragmented and time-limited, view of the services to develop for supporting people into employment as the means of preventing and getting people out of poverty. Those facing particular barriers into employment are likely to be:

- Lone parents
- Parents with support needs, including returners to the labour market;
- Long term unemployed people;
- Young people aged 16-19 in need of more chances and more choices;
- Young people aged 16 -24 for whom the Council is a corporate parent;
- Young people with significant additional support needs;
- Young people in transition from children to adult services;
- People with sensory and physical disabilities;
- People with a learning difficulty;
- People with mental health needs;
- People with general ill health requiring support to retain employment;
- People misusing drugs or alcohol;
- Ex-offenders;
- People living in areas where employment opportunities are poorer, low paid or seasonal.

In addition, particular barriers may be faced by people because of their gender, age or ethnic background. In any period of economic downturn additional efforts would be required to maximise employment and improve opportunities for young people and adults who require additional support.

3.2 While people may face barriers to employment because of their particular circumstances and because of how they are perceived by others; they should be able to access the services and opportunities needed for quality of life:

- A functioning economy with job opportunities;

- Opportunities for learning and personal development;
- Affordable basic services for an acceptable quality of life (ability to meet housing, household, fuel, health, childcare, transport etc costs);
- Access to capital, credit and financial services;
- Being and feeling part of a community in a clean, safe and good quality environment;
- Personal wellbeing and social acceptance.

Particular attention will be needed to design services to enable equality of opportunity and to overcome the barriers which exist for people in a variety of circumstances. In particular it will be important to move away from short term projects to developing good quality and mainstreamed services that help move people into employment which are flexible and diverse and which can be tailored to meet individual needs.

- 3.3 Clearly the Council cannot achieve employability outcomes without working with partners. Obvious partners include: Skills Development Scotland; Jobcentre Plus; NHS Highland; further education colleges; the Employers' Coalition; a range of social enterprises and voluntary organisations. Developing employability needs to start within universal education provision. Schools have a key role in supporting young people to gain employability through a wider focus on skills, extending skills for learning to skills framework and skills for life. A new partnership forum at officer level is developing to ensure a joint approach to helping people into employment. This group will be responsible for the delivery and reporting of the SOA targets related to employment of young people and adults which form an Appendix to the Single Outcome Agreement, summarised in Appendix 3.
- 3.4 The Council has a role not only as a service provider but also as an employer and the largest in the region. The Department of Works and Pensions, through Jobcentreplus works with employers through Local Employment Partnership Agreements (www.jobcentreplus.gov.uk/up). These Partnerships are a national initiative with Employers to help potential recruits move from welfare to sustained employment and continue to develop their skills. The Council is invited by DWP to enter such an Agreement to include a number of specific measures to help support potential recruits into work. Members are asked to agree to the Council entering an Agreement with Jobcentreplus with the specific measures to be agreed with the Head of Personnel.
- 3.5 Within the Council there is a need to bring the range of approaches and resources from across a number of Services together. In addition to the direct funding roles of ECS; Planning & Economic Development; Social Work and Chief Executive's Services the provision of Housing Support, Benefits and Money Advice Services; Transport and Social Economy organisations play a significant part in the framework of services. Proposals for changing the way we manage services within the Council to support people into employment for those in most need will be developed for consideration at a future Committee meeting. A strategic approach would involve the following steps:
1. Understanding the need for employability services – the scale, whether there are any geographical patterns to consider and the type of barriers faced by young people and adults, with information drawn from a range of sources;
 2. Understanding the current supply of services – what is provided, where and by whom, the effectiveness of these services, the views of young people and

adults using them;

3. Identifying the gaps and opportunities in service delivery, sourcing good practice elsewhere and identifying priority areas;
4. Being clear about the outcomes which are expected, linked to resources and national policy;
5. Changing and managing services and resources – in-house and out-sourced services, service specifications and standards, joint funding and procurement, staff development and quality assurance;
6. Performance systems for monitoring, reporting, enabling scrutiny and reviewing the strategy. This is required for assessing progress on a number of levels: against outcomes; for operational management; and for tracking the differences the services are making at an individual level (longitudinal surveys).

3.6 To date, and in preparation for a strategy to be in place from 2009 -10 onwards, the partnership group is progressing steps 1 and 2 above. Over the next month work will begin on step 3. This will include participation in a national study to understand the approaches being used to providing supported employment services¹. It is proposed to present our information at a conference hosted by the Council in November in order to find a common understanding on:

- the scale and type of need for employability services in the Highlands;
- the way in which services need to adapt or be created;
- how best to proceed in partnership.

The event should include presentations from a range of professionals including from the business community; hearing some personal stories from people who have used services and workshops to debate and generate ideas. The audience would include: public sector staff (managers and practitioners from current partners and civil servants); entrepreneurs; service providers (social enterprise and voluntary organisations); and elected members (up to 20 members could be accommodated). A speaker from Scottish Government will be invited to present on the developing poverty framework policy and Fairer Scotland Fund.

3.7 The output from the conference would inform the draft strategy to be presented to Members by the end of this year, describing the roles and responsibilities of the partner agencies and plans for coordination. Delegate feedback could be in the form of a newsletter which could up-dated with information twice a year to sustain the networking required.

4. Resource implications

4.1 The allocation of Fairer Scotland funding to Highland is £1.563m in 2008-9 - the sum of the previously separate funds. Because of changes in the funding formula used it will increase by £400,000 in each of 2009/10 (to £1.959m) and in 2010/11 (to £2.354m). This provides the Partners with a significant opportunity to change services and make sustainable improvements for more individuals, families and

¹ The Council is one of five Councils taking part in a scoping exercise being conducted by Cosla and the Scottish Government. This will support the work of the Supported Employment Task Group to develop a framework for Supported Employment for Scotland.

communities in Highland, with mainstream and external funding sources. The Fund can be matched for example by European funding programmes. Also, it can be carried forward across financial years though the full allocation has to be expended by 31st March 2011.

4.2 The Report to this Committee in April 2008 set out the basis of funding for the current year based on maintaining continuity for existing provision while allowing time for consultation with communities and partners about the future strategic use of the Fund. Approval was given to fund:

- a) the extension of the current Working for Families contract with Highland Opportunity Ltd to March 2009 and to expand it to include Lochaber;
- b) Continue allocations of funding for young people building on the approaches used in More Choices, More Chances and in Children's Services; and the introduction of 16+ Learning Choices in 10 Integrated Learning Communities;
- c) Initial allocations of funding for 2008-9 to specific and previously qualifying communities to continue community benefit and employability projects, based on the previous CRF allocations (at £71,000 for each data zone) and including an allocation of £35,500 for the Lochaber Partnership.

The Report also noted the need for a review of the partnership working arrangements at local and Highland level to deliver the outcomes and targets associated with the Fund, with any new proposals for the use of the Fund, including potential use of EU funding, to be brought to a future meeting for approval.

4.4 The local CRF Partnership Steering Groups, Working for Families and 16+ Learning Choices delivery groups are working within the sums available this year as approved in April. Members are advised that the approved expenditure for this year, including the implications of the recommendations above, will underspend on the former CRF element as shown in Appendix 4 and summarised below. It is likely that there will be balances from the other elements of the Fund to be carried forward to next year. This arises because Working for Families has operated partly on a carry forward from last year and because of lead in times for new projects. Planned expenditure will be monitored and a further report brought if there is significant change or additional expenditure anticipated.

FSF Commitments to date 2009	
WICK	33,500
FEARN	20,700
INVERGORDON	32,000
ALNESS	68,000
MERKINCH	247,661
New Developments	123,500
Management & Monitoring	50,000
Available £689,000	£575,361
Potential carry forward	£113,639

Members are asked to note planned expenditure for 2008/09.

5. Recommendations:

5.1 The use of the Fairer Scotland Fund (FSF) can support the Council's Programme for Strengthening the Highlands and provides the opportunity to develop a strategic approach to supporting young people and adults into employment in Highland as part of the Council's and Government's Tackling poverty framework.

5.2 Members are asked to note –

1. the range of activity funded previously by the former ring fenced CRF funds based on annual reports submitted this year;
2. the current outcomes expected from the FSF as set out in the Single Outcome Agreement as part of a wider approach to tackling poverty;
3. the use of the Fund in 2008-9, with commitments of £1.563m, growing to £2.354m in 2009-10 and that a strategic bid will be produced for drawing down EU funding from 2009 onwards;
4. that the Council is participating in national study on supported employment services;
5. the Council is hosting a partnership conference in November to inform the strategy and begin to support a new employability network for the Highlands.

5.3 Members are asked to approve:

1. Joining the Local Employment Partnership scheme for the Council to work with Jobcentre Plus to help potential recruits to move from welfare to sustained employment and continue to develop their skills to encourage progression in work;
2. An evidence-based, partnership approach to developing an employability strategy for the Highlands, with further reporting to Members.

Signature:

Designation: Head of Policy and Performance

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Date: 11.9.08

Background Papers:

Community Regeneration Fund Annual Report 2007-08

<http://www.highland.gov.uk/livinghere/communityplanning/communityregeneration/>

Correspondence from the Scottish Government.

Reports to Resources Committee - 20 February 2008 - res 15-08; 3 April 2008 res 37-08)

Fairer Scotland - Predecessor funds in Highland

Community Regeneration Fund (£641k 2007/08)

The fund aims to bring improvements to Scotland's most deprived areas and to help individuals and families escape poverty. The fund in Highland specifically is focused on Building Safe, Strong and Attractive Communities; Getting People into Work, and Engaging with Young People. It is targeted using the SIMD 2004 analysis to areas in Wick, Balintore, Invergordon, Alness and Inverness. Local Community Planning Steering Groups deliver the programme locally and working closely with their respective communities. Programme managed through Chief Executive's Service by Regeneration Coordinator reporting through Resources Committee.

Community Voices (£53k 2007/08)

This fund aims to support community engagement in regeneration areas through meeting administrative costs, expenses, training and capacity building of community representatives. In Highland it is aligned with the targeting and purpose of the Community Regeneration Fund (as detailed above). Management and Governance has also been through Resources Committee.

Working for Families (£600k 2007/08)

The Initiative aims to assist parents on low incomes, parents with other stresses in the household (for example, mental health, disability, and substance abuse) and lone parents to move towards or into employment by breaking down the childcare and other barriers. The Initiative was originally targeted on the basis of SIMD 2004 analysis but more recently has been locally extended and now is targeted to East Caithness/Sutherland, Easter Ross, Skye and Lochalsh and parts of Inverness. Multi-agency local operational groups co-ordinate the initiative at the local level. Funding initially awarded to Local Authority Economic Development Departments – in Highland the programme is managed by Highland Opportunity Ltd by directly employed staff in some areas and in others through contracts with community and voluntary organisations. Reporting has been through Planning & Economic Development Committee

More Choices, More Chances (£75k 2007/08)

This fund is aimed at reducing the proportion of young people not in education, employment or training. Work is ongoing to develop work experience for young people with Autism Spectrum Conditions; with Calman Trust to pilot targeted interventions for selected pupils in their final school year; and directly to Intensive Support Centres and some schools to increase and improve vocational learning opportunities. Funding managed through Strategic Partnership group led by ECS and through ECS Committee.

Changing Children's Services (Inclusion Funding - £194k p.a.)

The Inclusion Funding is included within the total CCSF allocation to Highland (£ in 2007/08). The use of this funding is not separately identified within Integrated Children's Services in Highland. Discussions will take place with Government and Children's Services on how this contribution will be managed within the Fairer Scotland arrangements. It is anticipated that funding will be aligned with employment support and transition services for young people who have been looked after. Governance has been managed through the Joint Committee for Children & Young People.

COMMUNITY REGENERATION FUND 2007 – 08		SUMMARY
SUMMARY EXPENDITURE		£
WICK (Pulteneytown)		
Building, safe strong and Attractive Communities		32,040
Getting people into Work		16,530
Engaging with Young People		25,033
Capacity Building/Community Engagement		4,000
FEARN PENINSULA (Balintore)		
Building, safe strong and Attractive Communities		63,513
Getting people into Work		12,150
Engaging with Young People		21,530
Capacity Building/Community Engagement		747
INVERGORDON		
Building, safe strong and Attractive Communities		58,050
Engaging with Young People		30,064
Capacity Building/Community Engagement		173
ALNESS		
Building, safe strong and Attractive Communities		91,883
Engaging with Young People		70,082
Capacity Building/Community Engagement		5,090
MERKINCH		
Building, safe strong and Attractive Communities		127,676
Getting people into Work		84,046
Engaging with Young People		84,515
Capacity Building/Community Engagement		36,215
MONITORING & EVALUATION		43,075
HIGHLAND CRF TOTALS		
Building, safe strong and Attractive Communities		373,162
Getting people into Work		112,726
Engaging with Young People		231,224
Capacity Building/Community Engagement		46,225
Monitoring & Evaluation		43,075
		806,412
COMMUNITY VOICES (All Local Areas)		43,025

SINGLE OUTCOME AGREEMENT – HIGHLAND POVERTY & FAIRER SCOTLAND TARGETS

We live in a Scotland that is the most attractive place to do business in Europe

- 1.1 To grow more local businesses, including social enterprise;
- 1.2 To increase productivity in businesses with growth potential in key sectors;
- 1.3 Balanced population growth across the Highlands;

We realise our full economic potential with more and better employment opportunities for our people.

- 2.1 High levels of economic activity are sustained;
- 2.2 Median earnings increase in Highland;
- 2.3 More balanced economic growth across the Highlands (target transformation to areas of lowest or falling levels of economic activity);

We are better educated, more skilled and more successful, renowned for our research and innovation.

- 3.1 Increase the proportion of school leavers in positive sustained destinations;
- 3.2 Increase the number of young people in training and apprenticeships;
- 3.3 More people able to access opportunities for learning and employment in their communities;
- 3.4 Improved workforce development and workforce planning;

Our young people are successful learners, confident individuals, effective contributors and responsible citizens.

- 4.1 Continue to increase the proportion of pupils at all stages achieving or exceeding the appropriate levels relevant to their stage in reading, writing and maths;
- 4.2 More young people are confident and contribute effectively to their communities;
- 4.3 More young people are supported to take responsibility in their life choices;

Our children have the best start in life and are ready to succeed.

- 5.1 Early years services deliver improvement across all developmental indicators;
- 5.2 Effective education services for early years;

We live longer and healthier lives.

- 6.4 People affected by mental ill health receive appropriate care for their needs;

We have tackled the significant inequalities in Scottish society.

- 7.1 Reducing poverty by supporting more people into sustained employment;
- 7.2 Reducing financial hardship by ensuring more people access services and benefits they are entitled to;
- 7.3 Reducing homelessness and providing responsive services to homeless people;
- 7.4 Reducing health inequalities
- 7.5 Tackling discrimination, promoting equality, participation and good relations;

We have improved the life chances for children, young people and families at risk.

- 8.1 Children grow up safely;

We live our lives safe from crime, disorder and danger.

- 9.2 Reduced problematic alcohol misuse;
- 9.3 Reduced problematic drug misuse;

We live in well designed, sustainable places where we are able to access the amenities and services we need.

- 10.1 New development and growth is planned and designed for sustainability;
- 10.2 Increase the supply of housing;
- 10.4 Limit the impact of distance from services in rural and remote communities;

We have strong, resilient and supportive communities where people take responsibility for their own actions and how they affect others.

- 11.1 A well supported voluntary sector with sustained high levels of volunteering in the Highlands;
- 11.2 More communities own, manage or have a stake in local assets;
- 11.3 Improved quality of life through community led action and more people feeling connected to their communities.

Our public services are high quality, continually improving, efficient and responsive to local people's needs.

- 15.2 improved access to public services with customers' views taken into account.

FAIRER SCOTLAND FUND 2008 – 09 COMMITMENTS AT AUGUST 2008.

CAITHNESS PARTNERSHIP	FAIRER SCOTLAND FUND	FSF
Recipient	Key Service/Project	
Pulteneytown People's Project	Pulteneytown Learning House	12,000
Pulteneytown Youth Forum	Youth Leadership Training Programme	3,500
Pulteneytown People's Project	PPP Youth Programme	8,000
Pulteneytown People's Project	MAASK (After school club)	10,000
WICK Total	Indicative £71,000	33,500
FEARN PENINSULA	FAIRER SCOTLAND FUND	FSF
Fearn Peninsula Partnership	Partnership Development	8,700
Balintore Resident's Group	Seaboard Community Lunch & Social Club	3,500
The Highland Council - CLD	Balintore Youth Programme	2,000
Kilmuir & Logie Easter Action & Development Group (KALE)	KALE Development Project	3,500
Milton Community Woodlands Trust	Administration & Core Costs	3,000
FEARN Total	Indicative £71,000	20,700
INVERGORDON	FAIRER SCOTLAND FUND	FSF
Invergordon & District Initiative	Partnership Development	
	Community Buildings Audit	2,500
	Invergordon Community Lunch Club	4,500
Invergordon Football Club	Pavilion Refurbishment	25,000
Invergordon Community Council	Albany Road Childcare Project	
INVERGORDON Total	Indicative £71,000	32,000
ALNESS	FAIRER SCOTLAND FUND	FSF
Alness Initiative	Partnership Development	8,000
The Highland Council	Youth Development Team	60,000
ALNESS Total	Indicative £142,000	68,000
MERKINCH, INVERNESS	FAIRER SCOTLAND FUND	FSF
Merkinch Partnership	Partnership Development	36,000
Merkinch Partnership	Sports Development Programme	19,000
Merkinch Enterprise	Skills Training Programmes (ESF)	19,261
Merkinch Development Ventures	Ness Soaps	35,000
Arts in Merkinch	Merkinch Arts Programme	30,000
Merkinch Greenspace.	Community Garden & Green Gym project	22,000
For the Right Reasons	Merkinch Support Project	6,000
Inverness CAB	Merkinch Outreach Service	9,400
The Highland Council	mp33 - Advice & Information Services	70,000
Merkinch Development Ventures	Black Bridge Bikes	1,000
MERKINCH Total	Indicative £284,000	247,661
Development Projects	FAIRER SCOTLAND FUND	FSF
Highland Opportunity Ltd	Lochaber Employability Developments	40,000
New Start	Training Programmes/ ESF funded	48,000
Community Learning	Lochaber Developments	35,500
	New Developments	123,500