

**THE HIGHLAND COUNCIL**

**PLANNING, ENVIRONMENT AND DEVELOPMENT COMMITTEE**

**18 January 2012**

**EMPLOYABILITY SERVICE**

**Report by Director of Planning and Development**

Agenda Item	7
Report No	PED 5/12

**SUMMARY**

This report provides an update on the work of the Employability Service and outlines an Action Plan to deliver on the Council's Commitment to Youth Employment.

The work of the Employability Service and the Council's Youth Commitment supports the Council's Single Outcome Agreement commitment to reduce poverty, of having more people supported into employment and increasing the number of young people 'looked after' or leaving school who move into education, training or employment.

**1. Update on Employability Service**

**1.1 Commissioned Services**

In November 2011, Committee considered a review of the Employability Service and agreed revised priorities for the Service. Included within this was a continued need to move towards the commissioning of out-sourced employability services rather than the grant aiding of projects/services. It was noted that as part of this work the Service should seek to co-commission its services alongside the re-commissioning of the National Training Programmes by Skills Development Scotland (SDS).

1.2 Detailed investigative work is ongoing with SDS and JobCentrePlus on this matter looking at the contract specification and the mechanics of co-commissioning. This joint work is positive and progressive but challenging given the complexities involved and tight timescale connected with the National Training Programme re-tendering exercise. A verbal report on progress will be given to Committee.

1.3 Members will recognise that this movement from grant aid to commissioned services may have adverse implications for certain existing 'grant aided' providers if they are unsuccessful in securing work as part of the new commissioned arrangements or there is a gap between the end of the grant aided services and the start of the new commissioned services. Hence it is conceivable that, from a client perspective, transitional service arrangements may need to be provided at the end of 2011/12 or during the early part of 2012/13 until the new commissioned services are fully operational. This matter is recognised and will be closely monitored during the procurement process with mitigating actions put in place to ensure continuity of service provision to clients. This may have resulting financial ramifications - see paragraphs 3.1 and 3.2.

#### 1.4 Skills for Life and Work

When Members considered the 2011/12 Employability Budget in March 2011, Members agreed to contribute £36k to the ECS Activity Agreement Programme for young people who had left school but who had not obtained further learning or employment. At that time it was not known whether Scottish Government funding would continue beyond the pilot period to March 2011. Since then Scottish Government and ESF funding until 2014 has been approved and it has not been necessary for ECS to draw down the Employability Service contribution. ECS has now requested that the £36k approved be redirected to another project.

- 1.5 One of the effects of the current economic downturn is that many more young people are staying on at school post 16. Accordingly, there is now a need to develop a more appropriate curriculum within the Curriculum for Excellence that provides more challenging and engaging activities for young people who are not undertaking a full academic timetable. It is proposed therefore that the funding be diverted to this purpose and offered as a Challenge Fund to a small number of secondary schools to develop a more appropriate curriculum on a pilot basis for S5 and S6 pupils staying on at school. The pilot projects would focus on 'Skills for Life and Work' which is an entitlement enshrined in the Curriculum for Excellence document 'Building the Curriculum 4'. The Challenge Fund will be administered by ECS and schools would submit proposals and report on outcomes with the intention of feeding into the Curriculum development process. The proposed project is one included in the Youth Employment Action Plan – see below.

## 2. **Council Commitment to Youth Employment**

- 2.1 In November 2011 Members agreed a Six Point Commitment to Youth Employment. Allied to this Members agreed to set up a cross Service Employability Board chaired by the Director of Planning & Development and asked that the Board prepare an Action Plan for the January 2012 PED Committee, detailing how the Council will deliver on the commitments made.
- 2.2 The Action Plan is attached as Appendix 1 to this report and details the actions to be taken, any costs arising, the timetable and outcomes anticipated and identifies the responsible officer/Service. As Members will note it brings together a wide range of mandatory and discretionary actions, mostly delivered by the ECS and Planning and Development Services, but also critically identifies a number of actions which all Services must deliver.
- 2.3 It is intended that the Employability Board will meet every 8 weeks to review delivery and progress and accordingly will be able to report back to the August 2012 PED Committee or earlier if requested by the new Council administration.
- 2.4 Members will note that the Action Plan does not include those actions to be undertaken by High Life Highland in support of Youth Employment. Following the creation of High Life Highland (HLH) to deliver the Council's Culture, Leisure and Learning activity, ECS remains responsible for setting Youth Work policy and for determining what is delivered on its behalf by HLH. Accordingly HLH assists ECS in developing policy and work streams and its staff have, in this respect, a direct contribution to make in the delivery of the action plan for Youth Employment. HLH will therefore be involved in this

work and any actions arising will be integrated into the Service Delivery Contract between the Council and HLH at the earliest opportunity.

### **3. Implications**

#### **3.1 Resource:**

As detailed paragraph 1.3 it is anticipated that the occasion may arise whereby there is a need to provide for transitional services for clients when the transfer from grant aided to commissioned services takes place. Unfortunately as the procurement exercise is yet to take place, it is not possible to define or quantify the services required and hence the sum involved.

3.2 Members will be aware from the March and November 2011 PED Committee reports on Employability and the January 2012 Revenue Monitoring Budget Statement report, that the Service is predicting an under-spend of £0.220m once ear-marked balances from 2010/11 are included. The revenue budget for 2012/13 is essentially fully committed.

3.3 If the cost of the transitional services is marginal, efforts will be made to provide from the 2011/12 and 2012/13 revenue budgets but if a more significant cost is involved in 2012/13, the remaining ear-marked balances will be utilised for this purpose.

3.4 The Actions identified in support of Youth Employment do not require additional funding and can be provided from existing and/or anticipated Service revenue budgets.

#### **3.5 Risk:**

A risk has been identified in that certain clients who currently access employability services which are delivered by providers through grant assistance from the Council, could potentially suffer a break in continuity of service if the service provider is unsuccessful in the forthcoming procurement exercise. If this situation arises, mitigating actions will be needed and transitional services provided. This will have budgetary implications as detailed above.

#### **3.6 Legal:**

There are no legal implications arising from this report.

#### **3.7 Equalities:**

The Employability Service through its very purpose seeks to remove the barriers that stop individuals from preparing for and entering the world of sustained employment. The cross Service and inter-agency approach adopted seeks to ensure that all have the client focused service and support they require.

#### **3.8 Climate Change:**

There are no climate change implications arising from this report.

**5. Recommendations:**

5.1 The Committee is recommended to:

- (i) Agree to redirect the £36k already approved to ECS for Activity Agreements, to the Skills for Life and Work project.
- (ii) Note the Actions proposed to deliver on the Council's Six Point Commitment to Youth Employment.

Designation: Director of Planning and Development

Date: 9th January 2012

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## **APPENDIX 1: The Highland Council Commitment to Youth Employment Action Plan (January 2012)**

The Highland Council has agreed a six point commitment to Youth Employment. This Action Plan details how the Council will deliver on the commitments made.

- 1. The Council will ensure all young people, starting with those in secondary school, will receive the information, guidance and advice they require to enable them to make informed choices on the training and employment options open to them.*
- 2. The Council will provide training and work experience directly itself, via employers and 3<sup>rd</sup> sector organisations to help young people to make informed choices on the training and employment options open to them and for some to get their first critical experience of the world of work.*
- 3. The Council will create youth specific trainee and permanent jobs across a wide range of occupations and locations throughout Highland.*
- 4. The Council will encourage employers and developers to provide opportunities for young people through its use of grant and loan finance, the Business Gateway advisory service and promotion of corporate responsibility.*
- 5. The Council will require suppliers and contractors to provide training, work experience and jobs for young people through its purchase of goods and services.*
- 6. Further to its adoption of the principles of the Family Firm approach, the Council will provide a planned, coherent and individualised approach to post school transition for young people who have been Looked After.*

<b>Commitment 1: Information, Advice and Guidance</b>				
<b>Action</b>	<b>Cost and approval status</b>	<b>Outcome</b>	<b>Responsible Officer (Supporting Service)</b>	<b>Progress (R/A/G and Comment)</b>
1. In partnership with Skills Development Scotland promote and support the use of the 'My World of Work' website as a key source of information and advice.	No extra cost involved	All S4, S5 and S6 secondary school pupils registered and accessing website by end Dec 2012.	Moira Forsyth, ECS	Some schools already accessing.  Dialogue commenced with SDS regarding planned roll out.
2. Continue to support the delivery of Activity Agreements	£366k cost per annum. ESF and Scot Govt. funding secure until March 2013.	At least 150 young people benefiting from Activity Agreements in 2012/13  85% of participating young people progressing into positive destination (training, education, employment, volunteering)	Moira Forsyth, ECS	300 Agreements created to date with 175 currently active. Positive destination current breakdown: 37% GRFW, 35% College, 18% Employment (FT & PT), 5% Volunteering, 5% other 15% disengage usually for health reasons, pregnancy, moving away –2% usually re-engage
3. Provide additional key worker support through the Employability Service to:	Fully funded within the core	Number of young people securing advice, guidance and information from key	Andy McCann, P&D	The Employability team already have provided support to 170 clients, of

<b>Commitment 1: Information, Advice and Guidance</b>				
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<ul style="list-style-type: none"> <li>- Young people (16-24) on JSA (who are unemployed and in need of continuing and additional support) (Priority to young people in transition from Activity Agreements and to young people for whom the Council has a particular responsibility).</li> <li>- JSA claimants experiencing additional disadvantages in the labour market, e.g. carers, people recovering from illness or parents returning to work</li> <li>- Youth Trainees on paid work placement with Council;</li> <li>- Employers/Employees in receipt of Council Employment Support Grant</li> </ul>	Employability Team budget	worker staff.		which, 45 are young people. The number of young people securing key worker support will increase in line with the revised priorities as agreed at November 2012 PED Committee.

## Commitment 1: Information, Advice and Guidance

<b>Action</b>	<b>Cost and approval status</b>	<b>Outcome</b>	<b>Responsible Officer (Supporting Service)</b>	<b>Progress (R/A/G and Comment)</b>
5. The Youth Convener and Highland Youth Voice will lead a young person's review of the experience of young people of the information, guidance and advice, and support services provided.	Fully funded within the staff resource of Youth Convener and support.	The findings will be used by the Council and partners to aid service review and improvement.	Stuart Davidson, Youth Convener (High Life Highland)	Youth Convener presenting a report to the January 2012 Joint Committee for Children and Young People on Youth Employment. This action and others arising will be identified and developed with Youth Convener and Highland Youth Voice Executive Group.

<b>Commitment 2: Training and Work Experience</b>				
<b>Action</b>	<b>Cost and approval status</b>	<b>Outcome</b>	<b>Responsible Officer (Supporting Service)</b>	<b>Progress (R/A/G and Comment)</b>
1. Review with employers and partners, how employer engagement takes place across the public sector and will bring forward a sustainable model of employer engagement that delivers for business and shapes the business offer from the public sector.	Included in £30k approved payment to Highland Employer Coalition Ltd	Proposed sustainable model of employer engagement	Andy McCann, P&D	Underway and involving SDS and JobCentrePlus (to be completed early February 2012)
2. Develop a Skills for Life and Work programme within the Curriculum for Excellence to aid young people to be better placed to access work upon leaving school.	£36k (to be considered by Jan 2012 PED Committee)	Pilot programme with number of schools to be complete by June 2012.  Number of S5 and S6 young people benefiting from pilot programme.	Moira Forsyth, ECS	Schools to be requested to submit proposals for pilot programme by end January 2012.
3. As the Highland's largest employer, the Council together with High Life	No extra cost involved	150 number of work experience placements provided	All Directors (Moira Forsyth, ECS)	Currently the Council and High Life Highland provide 114 work experience

<b>Commitment 2: Training and Work Experience</b>				
<b>Action</b>	<b>Cost and approval status</b>	<b>Outcome</b>	<b>Responsible Officer (Supporting Service)</b>	<b>Progress (R/A/G and Comment)</b>
Highland will provide an increased number of planned work experience placements for S4, S5 and S6 secondary school pupils. This will be across all Services and locations in Highland, highlighting the wide range of administrative, technical and professional services provided by Council staff and showcasing the value of public service.				placements per annum.  To be reviewed with improved matching of young people to work placement opportunities.
4. Highland Council will explore replicating the Bridge to Employment (BtE) model of engagement between business and education which has been successfully trialled by Lifescan Scotland with UHI and Highland schools.	Funding approved for Lifescan  No funds required from Highland Council as	100 young people over 3 years to benefit from renewed Lifescan BtE programme  Number of new BtE programmes with energy and engineering employers	Moira Forsyth, ECS	Lifescan BtE programme to be continued with schools in Inner Moray Firth Travel to Work area. Expressions of interest required from schools by mid January 2012.  Preliminary meeting held in December 2011 and roll out

<b>Commitment 2: Training and Work Experience</b>				
<b>Action</b>	<b>Cost and approval status</b>	<b>Outcome</b>	<b>Responsible Officer (Supporting Service)</b>	<b>Progress (R/A/G and Comment)</b>
	present			documentation to be prepared in January 2012
5. Activity Agreements will continue to provide the most vulnerable school leavers with learning and support to assist them to progress into employment or more formal learning.	See Commitment 1: Action 3			
6. Work with partners to co-commission and jointly deliver the National Training Programmes and complementary local Highland pre-employment services.	£700k including £350k ESF in 2012/13 and match SDS/ESF funding confirmed.	Outcomes to be confirmed once joint contract specification agreed with Skills Development Scotland	Andy McCann, P&D (Moira Forsyth, ECS)	Contract documentation complete end January 2012  Tendering timetable to be agreed with SDS
7. Sgeama Greis Gniomhachais – the Gaelic Student Placement Programme, offering 10	£2.5k Council contribution per annum to programme.	9 summer student placements	Morag Anna Macleod, ECS	Update report on 2011 Programme given to the Gaelic Committee on 12 January 2012.

## Commitment 2: Training and Work Experience

<b>Action</b>	<b>Cost and approval status</b>	<b>Outcome</b>	<b>Responsible Officer (Supporting Service)</b>	<b>Progress (R/A/G and Comment)</b>
week summer placements for gaelic speaking students in organisations engaged in Gaelic and community development activity.				

### Commitment 3: Job Creation (Council)

<b>Action</b>	<b>Cost and approval status</b>	<b>Outcome</b>	<b>Responsible Officer (Supporting Service)</b>	<b>Progress (R/A/G and Comment)</b>
1. The Council will provide 66 paid youth trainee work placements with mentor support within the Council and with public sector partners.	£440k in 2012/13-13/14 including £220k ESF	66 Youth Trainee work placements	Andy McCann, P&D (All Services)	Recruitment of first trainees to commence January 2012  All 66 Youth Trainee work placements have been agreed with Services
2. The Council will provide 27 jobs per annum (2011/12 and 2012/13) for Modern Apprenticeships and investigate options to extend this to other sectors.	£410k costs included in Service budgets	27 Modern Apprenticeships per annum in 2011/12 and 2012/13  Increased number of Modern Apprenticeships	Cathy Christie, CE (All Services)	Existing programme of Modern Apprenticeships in place.  Development of Modern Apprenticeship Programme and Service guidance by April 2012 to increase numbers of MA's and frameworks utilised.
3. The Council will provide 35 trainee and 131 graduate posts 2011/12 which will predominantly be filled by young people.	Costs included in Service budgets	35 trainee and 131 graduate posts in 2011/12	Cathy Christie, CE (All Services)	Existing programme of trainee and graduate posts in place.  To be reviewed by April 2012 to inform the 2012/13 outcome.

### Commitment 4: Job Creation (Private and Third Sector)

<b>Action</b>	<b>Cost and approval status</b>	<b>Outcome</b>	<b>Responsible Officer (Supporting Service)</b>	<b>Progress (R/A/G and Comment)</b>
1. The Council will, through the Business Gateway service offer an enhanced recruitment advisory service to assist employers to create 150 new jobs.	£180k in 2012/13 – 2013/14 including £90k ESF (approved)	150 new jobs created by private sector	Andy McCann, P&D	Adviser recruitment underway by Highland Opportunity Ltd. with commencement of enhanced recruitment advisory service in Feb 2012.
2. The Council will encourage these and other employers to create 190 jobs including jobs for young people through the targeted provision of grant assistance.	£540k in 2012/13 – 2013/14 including £270 ESF (approved)	190 new jobs supported	Andy McCann, P&D	Grant Scheme to be launched in January 2012.
3. The Council, through its Enterprise Trust, Highland Opportunity Ltd., will provide loan finance to private and third sector businesses to enable them to grow which in turn may increase job	£450k loan finance available in 2012/13	160 jobs created/sustained	Andy McCann, P&D	Included as part of Highland Opportunity Ltd. ongoing loan activity, 130 jobs created/sustained to date in 2011/12.

<b>Commitment 4: Job Creation (Private and Third Sector)</b>				
<b>Action</b>	<b>Cost and approval status</b>	<b>Outcome</b>	<b>Responsible Officer (Supporting Service)</b>	<b>Progress (R/A/G and Comment)</b>
opportunities, including job opportunities for young people.				
4. The Council will work alongside employers and encourage them to adopt the best practice of other employers to provide paid trainee and work placements which in turn may lead to job opportunities for young people.	No direct costs involved	Number of paid trainee and work placements	Andy McCann, P&D	To be progressed through Highland Employers Coalition Ltd and Scottish Business in the Community.
5. The Council will prepare guidance for developers and communities alike to demonstrate how renewable energy community benefit payments, can be used to provide jobs and training for young people	To be determined	Best Practice and Guidance document to be prepared and made available to developers and communities alike.	William Gilfillan, CE	Best Practice and Guidance document to be commissioned.  Subject o be discussed at the Highland Community benefit Conference on 24 <sup>th</sup> February 2012

## Commitment 5: Procurement (Community Benefit)

<b>Action</b>	<b>Cost and approval status</b>	<b>Outcome</b>	<b>Responsible Officer (Supporting Service)</b>	<b>Progress (R/A/G and Comment)</b>
1. The Council's Procurement Board will prepare best practice guidance for Council Services on the opportunities that exist for the use of 'community benefits' clauses in the Council's procurement activity including the opportunities that exist for targeted recruitment and training of young people.	No direct costs involved	Guidance document to be prepared on procurement law and 'community benefit' clauses  Number of jobs created overtime  Number of training places provided overtime	William Gilfillan, CE (Ashley Gould, Finance)	Draft guidance to be prepared and presented to the January 2012 cross service Procurement Board.
2. The Council will share this guidance and encourage others who are issuing large contracts in Highland to build in community benefit clauses to their contracts, in particular seeking opportunities for targeted	No direct costs involved	Number of jobs created overtime  Number of training places provided overtime	William Gilfillan, CE (Ashley Gould, Finance)	To be determined how best to achieve via Procurement Board.

**Commitment 5: Procurement (Community Benefit)**

<b><i>Action</i></b>	<b><i>Cost and approval status</i></b>	<b><i>Outcome</i></b>	<b><i>Responsible Officer (Supporting Service)</i></b>	<b><i>Progress (R/A/G and Comment)</i></b>
recruitment and training of young people.				

## Commitment 6: Family Firm

<b>Action</b>	<b>Cost and approval status</b>	<b>Outcome</b>	<b>Responsible Officer (Supporting Service)</b>	<b>Progress (R/A/G and Comment)</b>
<p>1. A selected number of young people who are Looked After at home and away from home, and care leavers, will be offered work experience opportunities within Highland Council. The activities each young person participates in will depend on their age and individual needs and circumstances. Highland Council will build on this incrementally until all Looked After Children and Young People can be offered experiences of the workplace, with mentoring support, within the Local Authority.</p>	No additional costs	Minimum of 11 work placements undertaken by young people in 2012, with expectation that they will increase in line with number of referrals.	Moira Forsyth (Jon King/Katrina Beaton, SWS)	Process agreed; services all signed up to this; 5 referrals in preparation Jan 2012.