

**WEST DUNBARTONSHIRE COUNCIL****Report by Chief Officer, Housing and Employability****Housing and Communities Committee - 2 February 2022**

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**Subject:      Employability Service Provision**

**1.      Purpose**

- 1.1**      This report provides an update on the progress for the delivery of employability programmes and support and is set within the context of 'No One Left Behind' a new approach to employability services that requires partner input to services.
- 1.2**      The report outlines the developing No-One Left Behind employability policy between Scottish and Local Government to ensure that employability is aligned and integrated with service delivery at a local level. The report highlights the increasing role of Local Employability Partnerships in local decision making and the approach to acquiring local services.

**2.      Recommendations**

Committee is asked to

- 2.1**      Approve the proposed approach for West Dunbartonshire to establish an Employability Grant Programme delivered through the West Dunbartonshire Local Employability Partnership as the primary model for commissioning employability services from external service providers in 2021-24.
- 2.2**      Note that regular progress will be reported through the Community Planning Partnership Delivery Improvement Group.

**3.      Background**

- 3.1**      Employability is a key priority of both local and national government and is recognised as a major contributor to both local economic development and work to tackle poverty and deprivation.
- 3.2**      The Partnership Working Framework signed by both Scottish Government and the 32 local authorities identified a new collective approach to employability. This approach centres on the agreement between the Scottish Government and COSLA to work in partnership and shape national employability provision, while providing local authorities with the responsibility for identifying local priorities and implementing relevant responses.
- 3.3**      The approach is set within a 'Scottish Approach to Service design' and a number of existing employability funds, currently managed by SDS and SCVO, will be 'rolled up' into a single fund to be managed by the local authority.
- 3.4**      It is assumed the future use of these funds will be determined by input from the third sector and other employability providers and service users. It is also

expected that third and private sector service providers (partners) will obtain access to funding for the delivery of employability services.

**3.5** The first phase of the NOLB approach was to integrate investment in current national programmes into a new local employability delivery model managed by West Dunbartonshire Council (Working4U). This approach is very well established in West Dunbartonshire and consists of four groups:-

- The Strategic Employability Group – this includes representatives from key agencies responsible for the co-ordination and delivery of employability service. The group is led by Working 4U and sets strategic priorities to address local challenges and, where appropriate, invests funding resources to address these challenges.
- The Creative Design Group - consisting of employability service providers operating in West Dunbartonshire identifying service delivery challenges and solutions to inform local needs and opportunities.
- A community of Practice – consisting of frontline staff providing insight into the implementation of services and challenges faced by people accessing the services.
- Service User input – obtaining information about lived experience and impact of employability services on service users.

**3.6** The focus for the West Dunbartonshire LEP is consistent with the Scottish Government's No-One Left Behind (NOLB) policy and the plans for greater alignment and integration of employability services. It is also consistent with West Dunbartonshire strategic priorities. This means we will focus efforts on people who face challenges in securing access to employment and training opportunities (those most distant from the labour market) with emphasis placed on those with experience in care and families affected by poverty and disadvantage.

**3.7** Phase 2 of NOLB brings additional funds (Employability Fund and Community Jobs Scotland Programmes) at the end March 2022. It is expected that these funds will be managed by Local Authorities. However, use will be determined by Local Employability Partnership priorities.

**3.8** Scottish Government have identified that full and final implementation of the new NOLB employability model (Phase 3) will roll out in 2023/24 on completion of the current Fair Start Scotland contracts with those resources also then being directed to the LEP for local services.

**3.9** In summary, the employability agenda is changing significantly over the next two years. West Dunbartonshire Council has become the accountable body for the employability grant funding from Scottish Government. However, the expectation is that elements of the grant funding will be used for co-commissioning. This is designed to ensure that the funding is spread throughout the range of local partners while the LEP directs where services are required. Working4U will take the lead, act as chair for the Strategic Employability Group, and facilitate the management of the other groups within the partnership with support from partners

## **4. Main Issues**

- 4.1** A key element of the new approach to employability in Scotland is to ensure that the resources coming to a local authority area are distributed to best effect. It is expected that this will rest on a co-commissioned process led by the Local Employability Partnerships.
- 4.2** Partnership working and consultations with local providers have identified real concerns around the timing of the changes to be made this year (Phase 2). Many providers currently obtain funding through the Employability Fund programme. And while the proposed changes are broadly accepted there is concern that provision may not be in place at the beginning of Phase 2.
- 4.3** To mitigate the risks for local providers a number of Councils have been utilising a grant programme for a number of years. In addition, West Dunbartonshire Council used, to good effect, a grant approach for the distribution of funds from the UK Government Community Regeneration Funds.
- 4.4** It is proposed to establish a similar approach for West Dunbartonshire and create a new Employability Grant Programme. A future national procurement framework for the commissioning of employability services is also being developed by Scotland Excel. It is anticipated that the national procurement framework will be available from next year and can be used in addition to the proposed grant programme.
- 4.5** The Scottish Government funds allocated to WDC are:
- Young Persons Guarantee: £50,000 for 2021-22 activity and an expectation of a similar amount for next year (services for young people only)
  - Parental Employability Support Programme: £150,000 for 2021-23 activity (all age service provision)
  - NOLB: anticipated £250k - £0.5M in 2022-23 (Ministerial announcement is imminent). All age grant programme.
- 4.6** In addition, it is anticipated that planned and future development will adopt a similar requirement for partnership co-commissioning. This will include, for example, Fair Start Scotland (Scottish Government Employability Funds) and Community Regeneration Funds (UK Government employability funds replacing European Social Funds)
- 4.7** From the figures currently available and estimates of what may become available, we estimate that £150,000 is available in the current approved budgets for co-commissioned services with an additional £0.25 - £0.75M expected to be announced in the coming months for 2022-23.
- 4.8** As such we propose that a grant programme with an estimated value of £0.75million can be established in the current year and continue for the subsequent years 2022/23 and 2023/24. This will establish a solid foundation for the development of NO One Left Behind.

**4.9** Values of grant funding available may vary as they are dependent on the funds that will be made available by the Scottish Government and UK Government for Employability Service Provision.

## **5. Options Appraisal**

**5.1** We have explored a number of options for the effective distribution of funds for the provision of employability services by external partners, including.

- Establishing an local employability service provider framework;
- Using a national framework for the provision of employability services.
- Establish a competitive grant approach.

### Local Employability Service Provider Framework

**5.2** We have a Local Employability Service Provider Framework in place and will draw on this where we require additional specialist services outwith the context of our grant approach.

### National Framework

**5.3** A future national procurement framework for the commissioning of employability services is also being developed by Scotland Excel. It is anticipated that the national procurement framework will be available from next year and can be used in addition to the proposed grant programme.

### Employability Grant Approach

**5.4** The Employability Grant approach can be implemented at the discretion of the local authority and will provide a number of benefits, including:

- Complementing the current methods for procuring/acquiring employability services, adding flexibility in approach as a result.
- Adding value to the funding and other resources already available.
- Provide an application and assessment process for the allocation of funds.
- Supporting the aims and objectives outlined Next Steps for the Integration and Alignment of Employability Support in Scotland.
- The opportunity to support innovation, pilots, new ideas and approaches through a quicker process than formal procurement of services and timing that works for local providers.
- Shift from transactional relationships towards stronger partnership with providers to develop and deliver services improve lives and opportunities in West Dunbartonshire.

**5.5** Taking this into account we propose the development of a grant approach

that will complement existing methods for acquiring/procuring employability services.

## **6. People Implications**

- 6.1** The development of the approach to No One Left Behind represents a significant change in Working4U's role in managing and delivering employability services.
- 6.2** Working4U currently delivers services directly with limited procurement of external services. This change centres on its emerging role as a 'lead agency' with associated requirement for greater levels grant management, monitoring and evaluation of external service provision.
- 6.3** This places importance on developing the organisations capability to manage the grant application process and service delivery compliance. It also places importance on the role of partnership management within the local employability partnership and service delivery.
- 6.4** Working4U staff will give consideration on how to address the implications and growing demand as the lead agency function grows to meet requirements to incorporate additional grant funding.

## **7. Financial and Procurement Implications**

- 7.1** There are no additional funding requirements being placed on West Dunbartonshire Council. The employability grant will utilise funds provided by the Scottish and UK Governments for employability service provision where there is a requirement placed on West Dunbartonshire Council to adopt a partnership approach.
- 7.2** Funding from the Scottish Government that is available for the Council to distribute grants includes funds for:
  - Young Persons Guarantee.
  - Parental Employability Support Programme
  - No One Left Behind.
- 7.3** The amount of funding available from these sources each year in West Dunbartonshire will be determined through discussions with the Scottish Government and COSLA and has yet to be determined.

## **8. Risk Analysis**

- 8.1** The proposed approach has been established to manage a number of risks. These include:
  - Risk of non-compliance with COSLA/Scottish Government agreement on approaches to local employability provision. Scottish Government expects a partnership approach and evidence to demonstrate partner access to resources; the grant approach addresses this risk.

- Risk of non-compliance - Local service providers have limited access or opportunity to shape service provision. Creation of creative design group to influence grant priorities addresses the risk.
- Risk that local providers may not obtain access to resources - procurement process and scale of resources may lead to limited access to funds for local services competing with national organisations. A local grant approach manages the risk and supports local innovation.

## **9. Equalities Impact Assessment (EIA)**

**9.1** Equalities legislation requires that new or significantly changing policies or services and financial decisions should be subject to an assessment of their impact on the wellbeing of certain groups of people.

**9.2** Employability service provision provides positive impacts by focusing service provision on those that would not access employment and training opportunities without support. An equalities impact assessment has been carried out and emphasise the positive impact on individuals and families facing socio-economic disadvantage. This positive impact has been brought about by:

- Increased number of services designed to maximise income and access to training;
- Increased input to service design for those affected by poverty, disadvantage and unemployment.

## **10. Strategic Assessment**

**10.1** At its meeting on 25 October 2017, the Council agreed its five main strategic priorities for 2017 – 2022. These priorities included the commitment to a strong local economy with improved employment opportunities.

**10.2** This development of the local employability partnership will co-ordinate access to employability skills development and employment opportunities. By adopting a grant approach to acquiring employability services we will:

- increase access to support,
- broaden the number of organisations providing support;
- increase the types of support available across the employability pipeline

**10.3** As such the proposal has a strong fit with the Council's strategic priorities.

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**Working4U Manager**

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**Appendices:** None

**Background Papers:** An equalities impact assessment has been carried out.

**Wards Affected:** The services will be delivered throughout West Dunbartonshire.

