

North Lanarkshire Council Report

Enterprise and Growth Committee

approval noting

Ref

Date 06/02/20

Employability Resources Update

From Lizanne McMurrich

Email mcmurrichl@northlan.gov.uk **Telephone** 01236 812338

Executive Summary

The Employability Resources update seeks to inform the Enterprise and Growth Committee of the current status of the Council's externally funded employability programmes and their progress in the current labour market. Information is provided on programmes funded by the EU, the Scottish Government and the Glasgow City Region City Deal as well as how these contribute to the Council's inclusive growth ambitions.

Information is also provided on new Scottish Government funds aimed at addressing child poverty by supporting unemployed and employed parents to secure employment or progress in work.

Recommendations

It is recommended that the Enterprise and Growth Committee:

- (1) Consider and note the contents of this report.

The Plan for North Lanarkshire

Priority Improve economic opportunities and outcomes

Ambition statement (5) Grow and improve the sustainability and diversity of North Lanarkshire's economy

1. Background

- 1.1 The Council is the lead partner in a number of employability programmes and initiatives that deliver support to unemployed and underemployed residents of North Lanarkshire and currently attract external funding from the European Social Fund, the Scottish Government's No One Left Behind initiative and the Glasgow City Region City Deal. The programmes which are supported by external funds all have the aim of supporting those residents of North Lanarkshire who have multiple barriers to entering employment or securing increases in the rewards from employment for those who are underemployed and they are delivered under the banner of *North Lanarkshire's Working*.
 - 1.2 The programmes detailed below are delivered in the wider context of The Plan for North Lanarkshire and play a role in the Council's inclusive growth and tackling poverty work and are currently being further aligned and integrated with the wider employability work of the Council as part of the ongoing Employability Review.
-

2. Report

2.1 North Lanarkshire's Employability Pipeline

- 2.1.1 As reported to Committee on 7 February 2019 Phase One of this programme ran from 2016-2018. Final job outcomes were 3,103 against a target of 2,877 with over 25% of the support in this programme focused on 16 -19 year olds. The outcomes associated with Phase Two funding, which delivers four years of support from January 2019 to December 2022, are for there to be 4,100 job outcomes with support aimed at those residents who can evidence at least two barriers to entering the labour market.
- 2.1.2 The projected cost of the Phase Two proposal submitted by the Council to the Scottish Government's EU funding team is £16.9 million with European Social Fund support of 46.25 % of this cost, subject to detailed quarterly claims being submitted.
- 2.1.3 The overall programme is co-ordinated and delivered by the Council's Employability Resources team and Routes to Work Ltd. and there have been changes made in light of the current challenges within the North Lanarkshire labour market. While unemployment in North Lanarkshire is currently low, the area has a high number of 16-64 year olds on health related benefits at over 21,000 and has the highest percentage in Scotland of 16-64 year olds with no qualifications at 15.4%, which equates to over 33,000 residents.
- 2.1.4 Many of those supported by the programme will come from these groups with the most common barriers being lack of work experience or qualifications and health issues, including mental health. Given the investment and resulting employment and training opportunities that will be delivered by The Plan for North Lanarkshire it is critical that our residents are in a position to take advantage of these opportunities. Other new initiatives being delivered in Phase 2 include tailored programmes for Justice Services clients, increased work with Housing Services to identify residents who may benefit from support and building on those links established with community based healthcare professionals. There is a continued focus on ensuring a high level of support is directed at young people.
- 2.1.5 The programme has also committed resources to supporting the Education and Families Pathways programme for those young people who are eligible to leave school

in December 2019 and who may not move to a positive destination without additional support.

- 2.1.6 The programme is currently on track to deliver on targets for Phase Two, with the figures from January to November 2019 outlined below. In addition, 74% of those supported into employment across both phases of the programme have sustained employment at the 26 weeks check against a target of 70%.

Phase	Target	Actual
Phase 1: Apr 2016 – Dec 2018	2,877	3,103
Phase 2: Jan - Nov 2019	963	1,050
Total	3,840	4,153

It should be noted that a number of those who entered employment in 2019 would have been receiving support since 2018 and were existing participants, therefore Phase Two already had momentum and did not face the lead-in time new programmes face in attracting participants. However, given the refinement in terms of the target groups this lead will be a challenge to maintain and it is expected that Phase 2 actual outcomes will converge with target outcomes.

- 2.1.7 To put the scale of the Council's provision into perspective it is useful to compare the outcomes of Council's employability pipeline against that of Fair Start Scotland, the Scottish Government's national employability service. The first figures which offered a local authority breakdown were released in August 2019 and cover the period from April 2018 until June 2019, the first 15 months of Fair Start delivery. The table below shows the job outcomes achieved and 26 week outcomes for both Fair Start Scotland and the Council programme over the same period.

April 2018 – June 2019	Fair Start Scotland (North Lanarkshire)	North Lanarkshire's Working
Job Starts	580	1,280
26 weeks - still in work	141 (24%)	947 (74%)

The Fair Start Scotland delivery in North Lanarkshire is led by Remploy Ltd, a company owned by Maximus Inc. which is a US based outsourcing company. The performance of Remploy Ltd in North Lanarkshire compares slightly favourably with the performance of other Fair Start providers across Scotland. The key outcome of sustainment in employment at 26 weeks is viewed as critical to the effectiveness of the Council's programme and there is a significant investment in supporting participants into the right job for them as well as offering support during the transition from benefits to work and in-work support to both employee and employer for up to 26 weeks.

2.2 No One Left Behind Fund

- 2.2.1 In May 2019 the Scottish Government announced that it was providing a grant offer to the Council of £445,183 for 2019/20 to deliver on the No One Left Behind policy. No One Left Behind is the national policy driver for the Scottish Government's employability provision. As well as seeking to ensure that marginalised groups and those further from a job are supported, it also seeks to promote alignment and integration of national and local employment initiatives.

- 2.2.2 A significant element of this funding has continued to focus on existing commitments which had already been planned for 2019/20, i.e. on those young people within the area previously on Activity Agreements, including provision for young people with additional support needs, to ensure they are supported into a sustainable positive destination. Another portion of the funding is used to enhance provision on two identified areas of need in relation to employability support. The fund is supporting two specialist members of staff for Routes to Work Ltd to deliver mental health support to young people on our employability programmes, an increasingly common barrier, and support to participants over 50 years of age. The numbers in this age group have been growing in recent years, possibly driven by rising retirement ages and changes in benefits. Characteristics they often present with are social isolation, long term unemployment and health issues. The remaining part of the funding is being used to incentivise employers who take on participants to pay the Real Living Wage to our participants for up to 12 months.
- 2.2.3 The support from the programme began in August 2019 and by the end of September 2019 had engaged 71 people. A full report on outcomes will be provided at the end of its first full year of delivery. It is expected that this funding will be available again in 2020/21 and lessons from 2019/20 will be taken into account; however, it is currently allowing the Council to provide and enhance the support available to residents at both ends of the employability pipeline, i.e. those distant from the labour market and those who are ready to begin employment into Fair Work.

2.3 Working Matters More – Glasgow City Region City Deal

- 2.3.1 As reported to Committee on 7 November 2019 the Working Matters programme concluded on the 31 March 2019. Due to a DWP (Department of Work and Pensions) Grant underspend of £530,000, there was a request from DWP in February 2019 to create a short-term programme, focusing on a priority client group. The successor programme is to be delivered within the financial year 2019/20 across the City Region.
- 2.3.2 The North Lanarkshire proposal was submitted and accepted for delivery from August 2019. A short programme will be delivered by Routes to Work Ltd and the employability team to work with 48 justice services clients with a view to supporting at least eight into employment by March 2019. The overall programme cost is £88,080 with a £23,322 contribution from the Council's City Deal budget and £64,758 coming from DWP grant.

2.4 Parental Employment Support Fund

- 2.4.1 As part of its initiative to address child poverty the Scottish Government has allocated £12 million until March 2022 across Scotland to support parents, who are in or at risk of poverty, to access or progress in work. Each local authority in Scotland received an indication of its allocation on 5 November 2019, with North Lanarkshire's at £814,000.
- 2.4.2 There is a framework around how the funding can be spent with 35% of the funds to be allocated to unemployed parents and 65% to parents in employment with outcomes related to employment or increase in earnings/ increased qualifications for those in work. There are also priority groups of parents for the funding and these are those where children are more likely to be in poverty. These are lone parents, a parent with a disability, those with 3 or more children, minority ethnic parents, parents whose youngest child is less than one and parents who are under 25 years of age.

- 2.4.3 While employability focused this funding will play a role in supporting the Council's Child Poverty Action Plan and therefore a project plan is being developed in conjunction with the Council's Financial Inclusion team and other stakeholders to ensure the Parental Employment Support Fund in North Lanarkshire has real and sustainable benefits for our communities.

3. Equality and Diversity

3.1 Fairer Scotland

Assessment not required.

3.2 Equality Impact Assessment

Assessment not required.

4. Implications

4.1 Financial Impact

Employability Resources and former Community and Learning Development budgets allocated to externally funded Employability programmes staff costs are matched to EU funds.

4.2 HR/Policy/Legislative Impact

There are no HR/ Policy or legislative impacts.

4.3 Environmental Impact

No environmental impacts.

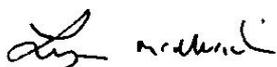
4.4 Risk Impact

The risk management of North Lanarkshire's externally funded employability programmes is incorporated within Council's risk register which is reviewed on a regular basis.

5. Measures of success

- 5.1 North Lanarkshire Council continues to play a leading role in supporting unemployed residents into employment.

- 5.2 The Council's employability programmes play a significant role in supporting inclusive growth and tackling poverty in North Lanarkshire.



Lizanne McMurrich
Head of Communities