

Minute of Meeting

Economy & Jobs Policy Board

Date	Time	Venue
Wednesday, 01 February 2017	13:00	Council Chambers (Renfrewshire), Council Headquarters, Renfrewshire House, Cotton Street, Paisley, PA1 1AN

Present: Councillor John Caldwell, Councillor Lorraine Cameron, Councillor Andy Doig, Councillor Roy Glen, Provost Anne Hall, Councillor Jim Harte, Councillor Michael Holmes, Councillor John Hood, Councillor Kenny MacLaren, Councillor Eileen McCartin, Councillor Sam Mullin, Councillor Iain Nicolson, Councillor Jim Paterson, Councillor Jim Sharkey

Chair

Councillor Roy Glen, Convener, presided.

In Attendance

M Crearie, Director of Development & Housing Services; A Morrison, Head of Regeneration, R Cooper, Economic Development Manager and V Howie, Finance & Resource Manager (all Development & Housing Services); and A McNaughton, Senior Committee Services Officer (Finance & Resources).

Declarations of Interest

There were no declarations of interest intimated prior to commencement of the meeting.

1 Revenue Budget Monitoring Report

There was submitted a joint revenue budget monitoring report by the Directors of Finance & Resources and Development & Housing Services for the period 1 April to 11 November 2016.

DECIDED:

- (a) That the report be noted, and
- (b) That it be noted that there had been no budget movements since the last report.

2 Capital Budget Monitoring Report

There was submitted a capital budget monitoring report by the Director of Finance & Resources for the period 1 April to 11 November 2016.

DECIDED: That the report be noted.

3 Business Gateway Delivery Update

There was submitted an update report by the Director of Development & Housing Services relative to the provision of an in-house Business Gateway service for Renfrewshire from 1 October 2016 as previously agreed by this Board at its meeting on 31 August 2016.

The report explained the arrangements now in place to deliver Business Gateway services in Renfrewshire and intimated that the Council had secured the transfer of a Business Growth Adviser and a Business Information Assistant together with 55% (£332,000 per annum) of the former Business Gateway budget for delivery of the service in Renfrewshire, Inverclyde and East Renfrewshire.

An opportunity had arisen to apply to the European Regional Development Fund for additional funding to augment the Business Growth service in Renfrewshire and the Director of Development & Housing Services had duly submitted an application for £130,167 to provide a two-year programme of support, with match funding of £195,254 from the Business Gateway budget. The total cost of the two-year programme was £325,421.

Councillor Glen, seconded by Councillor J Sharkey, moved (a) that the content of the report be noted; (b) that the action of the Director of Development & Housing Services to apply for additional European Regional Development Fund finance to augment the Business Gateway services in Renfrewshire through an additional grant of £130,167 be homologated; and (c) that further reports on the performance of the Business Gateway service be submitted to this Board.

Councillor Andy Doig, seconded by Councillor Nicolson, moved as an amendment, that an additional recommendation be added to paragraph 2, to delete paragraph 4.4 and insert:

“This additional adviser post will focus on supporting the self-employed and sole-trader

sector of the Renfrewshire economy, recognising that Renfrewshire has had historically higher levels of business start up failures compared to other local authorities.

It is further recognised by the Scottish Federation of Small Businesses that self-employed and sole traders are the bed-rock of a sustainable and vibrant local economy, which Renfrewshire Council seeks to encourage.”

On the roll being called the following members voted for the amendment: Councillors Cameron, Andy Doig, K MacLaren, McCartin, Nicolson and Paterson.

The following members voted for the motion: Councillors Caldwell, Glen, Provost Hall, Councillors Harte, Holmes, Hood, Mullin and J Sharkey.

6 members having voted for the amendment and 8 members having voted for the motion, the motion was accordingly declared carried.

DECIDED:

- (a) That the report be noted;
- (b) That the action of the Director of Development & Housing Services to apply for additional European Regional Development Fund finance to augment the Business Gateway services in Renfrewshire through an additional grant of £130,167 be homologated; and
- (c) That further reports on the performance of the Business Gateway service be submitted to this Board.

4 Employability Fund- Update

There was submitted an update report by the Director of Development & Housing Services relative to progress to deliver the Skills Development Scotland Employability Fund (the Fund) contract during 2016/17 and the submission of a tender to deliver the contract during 2017/18.

The report detailed the performance during 2016/17 intimating that a total of 30 Stage 2 new starts were now receiving training at a contract value of £62,816 of which £54,505 had been claimed. It was anticipated that the full contract value would be achieved by March 2017.

The Council would now submit a tender to the Fund for a contract to deliver 40 new starts during 2017/18 that would include a range of opportunities across the employability pipeline, but be focussed mainly on Stage 2. It was anticipated that the outcome of the tender submission would be known in March 2017.

DECIDED:

- (a) That the performance of the Employability Fund during 2016/17 be noted;
- (b) That the intention to bid for 40 places in the 2017/18 programme be noted; and
- (c) That further updates on progress to deliver the Employability Fund be submitted to this Board in due course.

5 Modern Apprenticeship Programme - Update

There was submitted an update report by the Director of Development & Housing Services relative to the Modern Apprenticeship Programme 2016/17, the introduction of a new Apprenticeship Levy in April 2017, and the submission of a tender to Skills Development Scotland to continue the programme in 2017/18.

The report detailed performance of the programme during 2016/17 and intimated that 37 places were available, of which 23 starts had been agreed or were currently in place. Work would continue to ensure as many of the remaining places as possible were filled by March 2017. To date, 36 modern apprentices (100%) had completed their training successfully and had left the programme; 35 of whom had secured jobs with the Council or with an external organisation. The current contract was valued at £151,858 of which £114,798 had been claimed. It was anticipated that the full contract value would be achieved by March 2017.

The report also advised that from April 2017, all UK employers with annual wage bills of more than £3 million would be subject to an Apprenticeship Levy of 0.5% of the annual wage bill, less an allowance of £15,000. The levy had been introduced to increase apprenticeship opportunities across the UK. Based on the wage bill for 2016/17, Renfrewshire Council's contribution was estimated at £1,150,000.

As apprenticeships were a devolved matter, the Scottish Government would receive £221 million from the levy and had confirmed that this would be used to support a range of employability initiatives, as detailed in the appendix to the report. These new initiatives could offer opportunities for current employees of the Council to access the modern apprentice programme and work to identify such opportunities was ongoing.

The report explained that the Council would now submit a tender to Skills Development Scotland for a contract to deliver places for 25 new Modern Apprentices during 2017/18. It was anticipated that the outcome of the tender submission would be known in March 2017.

DECIDED:

- (a) That the current performance of the Modern Apprenticeship programme be noted;
- (b) That the introduction of an Apprenticeship Levy be noted; and
- (c) That further updates on progress to deliver the Modern Apprenticeship programme be submitted to this Board in due course.

6 Invest in Renfrewshire Employer Recruitment Incentive (RERI)

There was submitted a report by the Director of Development & Housing Services seeking to revise the Invest in Renfrewshire Employer Recruitment Incentive (RERI) from 1 February 2017 and to replace the current incentive and the national incentive: Scotland's Employers Recruitment Incentive (SERI) that would conclude on 31 January

2017 and would not be replaced.

The reported explained the revised RERI offer to be made available to employers, detailed the funding to be used to both sustain the delivery of RERI until June 2018 and expand it to include participants who were aged 50 or over.

DECIDED:

- (a) That it be agreed that the revised Renfrewshire Employer Recruitment Incentive be delivered with effect from 1 February 2017 to support 50% of the National Minimum Wage or Living Wage cost for up to 26 weeks;
- (b) That the conclusion of the current Scotland's Employer Recruitment Initiative on 31 January 2017 be noted; and
- (c) That further updates on employer recruitment incentives be submitted to this Board in due course.

7 Labour Market Update

There was submitted an update report by the Director of Development & Housing Services relative to labour-market statistics for Renfrewshire as at December 2016 and providing comparisons, where data was available, with Scottish and UK labour markets.

The Renfrewshire Economic Development Newsletter, dated January 2017, was attached to the report and highlighted that with effect from May 2016 the claimant count included those in receipt of Job Seekers Allowance (JSA) and those in receipt of Universal Credit where previously this count had included only those in receipt of Job Seekers Allowance. As at December 2016, the overall claimant count for Renfrewshire was 2.4% with 2,695 people claiming JSA and Universal Credit, a slight increase of 0.1% from the same period last year.

The report also advised that Pernod Ricard (parent company of Chivas) had confirmed their decision to proceed with the proposed relocation of their bottling and distribution business from Paisley to Kilmauld, Dumbarton. Given that the company was one of the largest employers in the Paisley area, the First Minister had indicated her commitment to establishing a task force to fully examine the implications of this decision for local employees and to consider the future use of the Renfrew Road site. The first meeting of the task force would take place in early February 2017 and reports on its progress would be submitted to this Board.

It was proposed that this Board, in light of further redundancies at Doosan, Renfrew and re-deployment of jobs at the Department of Work & Pensions, Lonend, Paisley, would seek to explore with the Scottish Government the option of including these workforces within the scope of the task force. This was agreed.

DECIDED:

- (a) That the employment and claimant count figures as at December 2016 be noted;
- (b) That the change in claimant count reporting to include both Job Seekers Allowance and the Universal Credit be noted;

(c) That, it be agreed, that in light of further redundancies at Doosan, Renfrew and re-deployment of jobs at the Department of Work & Pensions, Lonend, Paisley, the option of including these workforces within the scope of the task force be explored with the Scottish Government; and

(d) That further reports on progress of the task force be submitted in due course.