

To: Economy and Jobs Policy Board
On: 1 February 2017

Report by: Director of Development and Housing Services

Heading: Employability Fund - Update

1. Summary

- 1.1 Renfrewshire Council has successfully bid to deliver training places through the Skills Development Scotland Employability Fund for the last four years. The purpose of this report is to update members on progress of the 2016 / 17 contract and to advise of the tender submission for 2017 / 18.
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2. Recommendations

- 2.1 It is recommended that the Board:
- (i) Note current performance levels for the 2016-17 Employability Fund Contract;
 - (ii) Note the intention to bid for 40 places in the 2017-18 programme;
 - (iii) Agree that further updates on progress for this area of service provision be provided to the Board.
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3. Background

- 3.1 Regular reports are provided to Board on Renfrewshire Councils bids to, and delivery of, the Employability Fund.
- 3.2 Employability Fund places have reduced significantly over the past two years. There was a national budget reduction of approximately 40% in 2016 / 17, with the Renfrewshire area having 342 places available (a reduction of 242 places from the previous year).

- 3.3 While there is no budget reduction for 2017-18 Renfrewshire's overall allocation will reduce by 6% due to the areas positive performance in terms of the numbers of people in work. A total of 320 places will be available in Renfrewshire for 2017-18.
- 3.4 In 2016 Renfrewshire Council secured a contract to deliver 25 Employability Fund places for 2016 / 17 at Stage 2 of the employability pipeline. The 25 places were to be utilised for all age groups under Employability Fund: 16-17; 18-24, and 25+. The training opportunities would be made available in areas such as environmental, catering and administration.
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4. 2016 / 17 Performance

- 4.1 Through the 2016 / 17 tender process Skills Development Scotland (SDS) awarded Renfrewshire Council a contract which allowed up to 25 Stage 2 starts. The contract value was a maximum of £59,066.
- 4.2 The contract value is based on an average rate for each client, based on their particular achievements whilst on the programme. Providers can claim a start payment for each new participant, an Output payment for each participant who achieves a qualification, an Outcome payment for those who move into a positive destination (e.g. job or Modern Apprenticeship) and a Sustained Outcome payment for those who are still in a positive destination six months after they complete the Employability Fund Programme.
- 4.3 By December 2015 Renfrewshire Council had utilised 20 starts. We also had an agreed commitment for the final 5 places to begin in January 2017
- 4.4 We therefore applied to SDS for 5 additional places. This was agreed taking our total number of new starts to 30 and increased the contract value to a maximum £62,816.
- 4.5 To date 14 of the 20 starts have completed the programme, with another 6 still participating in the programme. 11 of the 14 (79%) have moved onto a positive outcome and the remaining 3 are still being supported to find work through our Employability Hub.
- 4.6 We have claimed £54,505 of our contract value to date and our profiling indicates that we will utilise the full contract value. This is due to us securing particularly high rates of achievement for Outputs (qualifications) and Outcomes (positive destinations) during this contract year.
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5. 2017 / 18 Tender Submission

- 5.1 SDS began the tender process for 2017 / 18 Employability Fund contracts in December 2016.
- 5.2 SDS have confirmed there will be 320 places available in Renfrewshire. This was broken down as 118 places for 16-17 year olds across Stages 2 – 4 and 202 places for those aged 18+.

- 5.3 Following discussions with service contacts the Renfrewshire Council submission will be for **40** new starts in 2017-18. This will again include a range of opportunities across the employability pipeline, but will mainly focus on Stage 2.
- 5.5 Whilst this number may seem ambitious, given the reduction in places available, we are hopeful that SDS will recognise the successful achievement rates gained in 2016 / 17 and will allocate places accordingly.
- 5.6 SDS anticipate that the outcome of the tender process will be advised in March 2017.

Implications of the Report

1. **Financial** – No implications, as ongoing service delivery will be managed through current financial arrangements. All costs of delivery will be met by the contract.
2. **HR & Organisational Development** – None.
3. **Community Planning – Jobs and the Economy** - contributes to the themes of the Jobs and Economy community planning theme.
4. **Legal** – None.
5. **Property/Assets** – None.
6. **Information Technology** – None.
7. **Equality & Human**
The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.
8. **Health & Safety** – None.
9. **Procurement** – None.
10. **Risk** – None.
11. **Privacy Impact** – None.

List of Background Papers

- (a) Background Papers – Board Papers – Employability Fund 2015 / 2016 – 28 January 2015 and 2 September 2015

The foregoing background papers will be retained within Development and Housing for inspection by the public for the prescribed period of four years from the date of the meeting. The contact officer within the service is Ruth Cooper, 0141 618 7868, ruth.cooper@renfrewshire.gov.uk

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