

Notice of Meeting and Agenda Jobs & the Economy Thematic Board

Date	Time	Venue
Wednesday, 01 June 2016	09:30	CMR 3, Council Headquarters, Renfrewshire House, Cotton Street, Paisley, PA1 1AN

KENNETH GRAHAM
Head of Corporate Governance

Membership

Councillors Glen and Lawson; B Grant, Chamber of Commerce; J Burns, DWP; S Graham, Engage Renfrewshire; I McLean, Renfrewshire Forum for Empowering our Communities; R Nimmo, Glasgow Airport; J Downie, Police Scotland; M Crearie, A Morrison; R Cooper and Y Farquhar, all Renfrewshire Council; S Clocherty and H Cunningham, Renfrewshire Health and Social Care Partnership; N Shields, Scottish Enterprise; M Gilligan, Skills Development Scotland; J Binning, Strathclyde Partnership for Transport; M Dunn, University of the West of Scotland; and A Dick, West College Scotland.

Chair

Councillor Glen.

Members of the Press and Public

Members of the press and public wishing to attend the meeting should report to the customer service centre where they will be met and directed to the meeting.

Further Information

This is a meeting which is open to members of the public.

A copy of the agenda and reports for this meeting will be available for inspection prior to

the meeting at the Customer Service Centre, Renfrewshire House, Cotton Street, Paisley and online at www.renfrewshire.cmis.uk.com/renfrewshire/CouncilandBoards.aspx

For further information, please either email democratic-services@renfrewshire.gov.uk or telephone 0141 618 7112.

Items of business

Apologies

Apologies from members.

Declarations of Interest

Members are asked to declare an interest in any item(s) on the agenda and to provide a brief explanation of the nature of the interest.

- | | | |
|----------|---|----------------|
| 1 | Minute of Previous Meeting | 5 - 10 |
| | Minute of the meeting of the Jobs & the Economy Thematic Board held on 8 February 2016. | |
| 2 | Rolling Action Log | 11 - 12 |
| | Report by the Director of Finance & Resources, Renfrewshire Council. | |
| 3 | Developing the Young Workforce - West Region | |
| | Presentation by Programme Director, Developing Young Workforce | |
| 4 | Regeneration and Economic Development - Emerging Issues for Renfrewshire | 13 - 14 |
| | Presentation by Head of Regeneration, Development & Housing Services, Renfrewshire Council. | |
| 5 | EU Referendum SCC - Business Survey Results | 15 - 26 |
| | Report by Chief Executive, Renfrewshire Chamber of Commerce. | |
| 6 | Renfrewshire Chamber of Commerce Update | |
| | Verbal update by Chief Executive, Renfrewshire Chamber of Commerce. | |
| 7 | Renfrewshire Recruitment Incentive | 27 - 30 |
| | Report by Economic Development Manager, Development & Housing Services, Renfrewshire Council. | |

**8 Invest in Renfrewshire - Conference & Awards 2016
"Aiming Higher" Update**

Verbal update by Economic Development Manager, Development & Housing Services, Renfrewshire Council.

9 Labour Market Update

31 - 36

Report by Director of Development & Housing Services, Renfrewshire Council.

10 Interim Year 3 Progress Report

Report by Director of Development & Housing Services, Renfrewshire Council. (COPY TO FOLLOW).

11 Partnership Update

Verbal update by all Board Members.

12 LEP Update

Verbal update by Area Manager, SDS and Economic Manager, Renfrewshire Council.

13 Key Priorities for Jobs & the Economy Thematic Board

Board discussion led by Lead Officer.



Minute of Meeting Jobs & the Economy Thematic Board

Date	Time	Venue
Monday, 08 February 2016	10:00	P114, P Block/Coats Building, UWS,

PRESENT

Councillor Lawson, Renfrewshire Council; B Grant, Chamber of Commerce; J Burns, DWP; S Graham, Engage Renfrewshire; M Crearie and R Cooper, both Renfrewshire Council; S Clocherty and H Cunningham, Renfrewshire Health and Social Care Partnership; N Shields, Scottish Enterprise; M Gilligan, Skills Development Scotland; M Dunn, University of the West of Scotland; and A Dick, West College Scotland.

CHAIR

In the absence of Councillor Glen it was agreed that Mary Crearie chair the meeting.

IN ATTENDANCE

M Foley, UWS; A Armstrong-Walter, Y Farquhar and C MacDonald, all Renfrewshire Council.

APOLOGIES

Councillor Glen, Renfrewshire Council; I McLean, Renfrewshire Forum for Empowering our Communities; A Morrison, Renfrewshire Council; and J Binning, Strathclyde Partnership for Transport.

DECLARATIONS OF INTEREST

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

ORDER OF BUSINESS

M Crearie advised that she proposed to alter the order of business to facilitate the conduct of the meeting by considering item 3 of the agenda after item 4 and item 9 of the agenda after item 3.

1 MINUTES OF PREVIOUS MEETINGS

There was submitted the Minutes of the Jobs & the Economy Thematic Board held on 16 November, 2015, and the Joint Meeting between Children & Young People Thematic Board and Jobs & the Economy Thematic Board held on 17 November, 2015.

DECIDED: That the Minutes be approved.

2 ROLLING ACTION LOG

The Rolling Action Log was submitted for approval.

J&E.27.03.13(1.5II); J.E. 09.01.14(6); AND J&E.27.03.13(2.3III)

As these actions were complete it was agreed that they be removed from the action log.

DECIDED:

(a) That it be agreed that completed actions J&E.27.03.13(1.5ii); J.E. 09.01.14(6); and J&E.27.03.13(2.3iii) be removed from the Rolling Action Log; and

(b) That the Rolling Action Log be approved.

3 REGIONAL PARTNERSHIP FOUNDATION APPRENTICESHIPS PATHFINDER DELIVERY 2016/18

There was submitted a report by the Economic Development Manager, West College Scotland which advised that the College had submitted a bid to deliver a number of Regional Partnership Foundation Apprenticeship Pathfinders in 2016/18 in partnership with Renfrewshire Schools, Renfrewshire Council and Employers.

The report indicated that the contract would be awarded in late January/early February 2016 and if successful, delivery would commence in August 2016.

DECIDED:

(a) That the report be noted; and

(b) That a progress update report would be submitted to a future meeting of the Board.

4 TACKLING POVERTY UPDATE

The Strategic Lead Officer (Tackling Poverty & Welfare Reform) gave a presentation relative to an update on the Tackling Poverty Strategy and Action Plan.

The presentation gave a brief overview of what had been achieved to date; outlined some key facts from the Tackling Poverty Programme; drew special attention to the Tackling Poverty outcomes and the significant progress towards the three key pledges; and highlighted the need for well-designed sustainable neighbourhoods and how organisations should work.

DECIDED: That the presentation be noted.

5 SPOTLIGHT ON UWS

The Vice Principal for Learning and Teaching and Executive Dean of Business and Creative Industries at the University of the West of Scotland addressed the Board and gave a brief overview of the University merger; detailed statistics relating to foreign and UK students attending the University; highlighted the vision for the University and the part the University would play in the regeneration of Paisley and Renfrewshire as a whole; and presented an insight into the opportunities, pitfalls and requirements to lead a 21st century University.

DECIDED: That the presentation be noted.

6 RENFREWSHIRE: FULL YOUTH EMPLOYMENT INITIATIVE PROPOSAL

There was submitted a report by the Economic Development Manager, Development & Housing Services relative to Youth Employment.

The report advised that since the launch of Invest in Renfrewshire in 2012, youth employment levels in Renfrewshire had increased by over 50% and youth unemployment had fallen by over 80%. Due to this success, it was proposed that the Council aim to further reduce youth unemployment and strive to eliminate structural unemployment for young people in Renfrewshire. The report indicated that the Council, via the Employability Services, would focus on supporting unemployed young people into work within the first six months of being unemployed. An allocation of £2.1 million of Youth Employment Initiative (YEI) funding had previously been reported to the Board to support youth employment programmes across Renfrewshire to 2018. An outline proposal to increase the YEI funding in Renfrewshire to £5,030,253.40 over three years had been received on 6 January 2016, and would enable existing Council budgets for youth employment through Invest in Renfrewshire and mainstream Economic Development funding to be matched. The funding request had been approved and an acceptance of grant signed by the Chief Executive. This funding would be used to assist in supporting the Council's ambitions to further reduce youth unemployment until June 2018.

DECIDED:

(a) That the current youth employment levels and the significant increase in youth employment in Renfrewshire over the last three years be noted;

(b) That it be agreed that Renfrewshire Council should introduce an initiative to further

reduce youth unemployment and strive to eliminate structural unemployment for young people in Renfrewshire;

(c) That it be agreed that a partnership group be established across the CPP to take this forward; and

(d) That it be agreed that further updates on progress for this area of service provision be provided to the Board on a regular basis.

7 UPDATE ON EU FUNDING FOR RENFREWSHIRE 2015/20

There was submitted a report by the Economic Development Manager, West College Scotland relative to an update on EU Funding for Renfrewshire 2015/20 - Agreement on Funding Proposals for the Renfrewshire CPP Area. The report advised that funding had now been confirmed and training had commenced. The report also provided details on the additional full time places supported by the funding.

DECIDED: That the report be noted.

8 RENFREWSHIRE CHAMBER OF COMMERCE UPDATE

A verbal update was given by Bob Grant, Chief Executive of Renfrewshire Chamber of Commerce on the activities of the Chamber.

It was noted that:

- Bob Davidson was now in post as Programme Director of Developing the Young Workforce - West Region;
- A Living Wage event was to be held on 17 February 2016 at West College Scotland;
- The B2B event would be held on 8/9 June 2016 at the Lagoon Leisure Centre. The Conference would take place on 9 June 2016 in the Brough Hall, UWS;
- As part of the Tackling Poverty Programme, funding had now been approved for the Skills Ambassador Programme to be rolled out to Secondary Schools within Renfrewshire. The programme would be much more substantial and would cover S2, S4 and S6 pupils;
- Renfrewshire Chamber of Commerce was the lead organisation for the Partnership & Business Engagement Workstream as part of the Executive Group for Paisley 2021. The aim of the group was to engage the assistance of partners and businesses to deliver a successful Bid for Paisley.

DECIDED: That the verbal update be noted.

9 REGENERATION UPDATE

There was submitted a report by the Head of Regeneration, Renfrewshire Council which provided a summary of the various regeneration activities currently being taken forward in and around Paisley Town Centre. It was noted that since the last update report a number of key milestones had been reached on projects such as City Deal, the bid for City of Culture 2021, the Outline Business Case for the Paisley Museum redevelopment.

DECIDED: That the report be noted.

10 **LIVING WAGE UPDATE**

A verbal update was given by the Economic Development Manager, Development & Housing Services relative to a report which was being prepared which sought approval to apply for Scottish Living Wage Accreditation under the scheme organised by the Poverty Alliance in partnership with the Living Wage Foundation.

She intimated that the report would detail the activities across the Council that supported the payment of the Living Wage across Renfrewshire, including the promotion of a Living Wage Campaign to promote the benefits of the Living Wage to employers in Renfrewshire; encouraging tenderers to pay the Living Wage; and applying for Living Wage accreditation.

It was noted that as part of the campaign an event would be held by Invest in Renfrewshire on 17 February 2016 for employers to promote the benefits of paying the Living Wage.

DECIDED: That the verbal updated be noted.

11 **LABOUR MARKET**

There was submitted a newsletter by Economic Development which provided an overview of employment activity and economic development in Renfrewshire at the end of October 2015.

The newsletter illustrated the Renfrewshire labour market position and advised how Renfrewshire fared in comparison to the rest of the country. It also included a brief summary of the progress made to date by the Council's Invest in Renfrewshire Programme and Business Gateway Programme and provided information on wider economic development activity across Renfrewshire.

DECIDED: That the newsletter be noted.

RENFREWSHIRE COUNCIL JOBS & THE ECONOMY THEMATIC BOARD ROLLING ACTION LOG



To: **Jobs and Economy Thematic Board**

On: **1 June 2016**

Report by:

Alasdair Morrison; Head of Regeneration; Renfrewshire Council

REGENERATION AND ECONOMIC DEVELOPMENT – EMERGING ISSUES FOR RENFREWSHIRE

1. Summary

- 1.1 This covering report introduces a presentation which will be made by Council officers to the Thematic Board at its June 2016 meeting.

2. Recommendations

- 2.1 It is recommended that the Board notes the content of presentation to be delivered at the June 2016 meeting on the above issues.

3. Background

- 3.1 During 2016 Renfrewshire Council is preparing a new strategic Economic Framework for the area, as well as a Town Centre Action Plan for Paisley. Both of these documents will be subject to extensive stakeholder consultation in their draft form before being agreed by the local authority as policy statements. The presentation will also offer an update on current progress with the 3 City Deal projects in Renfrewshire.

Economic Framework

- 3.2 The Economic Framework will identify a number of strategic priorities for driving forward the Renfrewshire economy and will include those elements that most people would expect to see included in such an approach eg.
 - UK City of Culture Bid – placing heritage and culture at the forefront of the economic strategy;
 - Glasgow Airport – realising that the USP of the airport's location in Renfrewshire is a significant building block for economic growth;
 - Housing – developing strategies that will see increased levels of new build housing in Renfrewshire to attract new residents to the area;
 - Developing a marketing approach to successfully brand the area and place to its strength of local identity and being well connected;

- Tackling poverty – continuing with strategies aimed at overcoming concentrations of disadvantage that exist in parts of Renfrewshire;
- Devising an approach to link skills education and training to future employment supply;
- Developing a closer and complementary relationship with the wider Glasgow city-region to place Renfrewshire as integral to the conurbation's growth;

Glasgow City Region City Deal

- 3.3 With Strategic Business Cases now having been approved for all 3 of Renfrewshire's infrastructure projects in the City Deal programme, significant progress is now being made across a number of elements. Public exhibitions have taken place in May 2016 in Paisley, Renfrew and Braehead alongside a large number of presentations to local community groups.
- 3.4 The presentation will offer a brief update on each of the projects:
- Glasgow Airport Investment Area (approved budget £52M)
 - Clyde Waterfront and Renfrew Riverside (£78M)
 - Glasgow Airport Access (£144M) – Joint Project with Glasgow City Council

Paisley Town Centre Vision

- 3.5 Building on the success of the award winning Paisley Town centre Heritage Asset Strategy and the push for UK City of Culture 2021, Council officers are currently preparing a longer term vision for Paisley Town Centre. This will approach a number of dimensions of a successful place including enhanced investment, encouragement to dwell, increased range of functions and enhancement to the environment and user experience.
- 3.6 The Council realises that Paisley Town Centre represents one of the biggest challenges facing Renfrewshire in terms of projecting a more positive image of the local area, whilst at the same time representing one of the most significant opportunities to change the perception of place as the “shop window” of Renfrewshire.
- 3.7 The Vision will identify a number of Action Areas for delivering change over time in conjunction with a range of stakeholders and, as importantly, will act as a canvass for other ideas from stakeholders to emerge and to complement or supersede those in the draft version. The Vision aims to encourage additional investment and new employment for local people through a visitor and cultural led focus to act as a point of differentiation for Paisley against other town centres.



To: **Jobs and the Economy Thematic Board**

On: **1st June, 2016**

Report by:
Bob Grant, Chief Executive, Renfrewshire Chamber of Commerce

EU Referendum SCC Business Survey Results

1. Summary

- 1.1 On 10th May Scottish Chambers of Commerce published the results of their third survey of business opinion on the forthcoming referendum on the UK's continued membership of the EU. In doing so, SCC has maintained its impartial stance on the outcome of the referendum, whilst ensuring that the views of Chamber members and the business community are reported.
- 1.2 There are two aspects to the attached survey results:
 - A Scotland wide survey and a localised report relevant to Renfrewshire, East Renfrewshire and Inverclyde business responses.

2. Recommendations

- 2.1 It is recommended that the Board notes the report.

MAY 10, 2016



EUROPEAN UNION REFERENDUM SURVEY: PHASE THREE

SCOTTISH CHAMBERS OF COMMERCE
ECONOMIC DEVELOPMENT INTELLIGENCE UNIT

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Key Findings



- 68.3% of respondents would vote to remain a member of the EU if a vote was held tomorrow (Compared to 69.4% survey between Jan-Feb 2016 and 73.5% in 2015). 22.9% stated that they would vote to leave the EU, 0.8% indicated that they would not vote, and 8.0% stated that they don't know.
- When asked how committed they were to their voting intentions, 57.3% stated that they were completely committed, 32.7% indicated that they were quite committed (but unlikely to change their mind), 9.7% said that they were only slightly committed (and could change their mind), and 0.3% are uncommitted.
- In terms of the areas in which businesses believed there would be a negative impact, if the UK were to leave the EU, the top three were:
 - o The company's profitability (39.3%)
 - o Overall growth strategy (36.1%)
 - o Import/Supply Chain Strategy (34.4%)
- The majority of respondents reported that the referendum debate so far has had no material impact on the following aspects of their business:
 - o Business orders and sales (76.5%)
 - o Ability to recruit new staff (88.1%)
 - o Ability to attract investment (78.7%)
 - o The total costs incurred by their business e.g. overheads, staff costs etc. (79.8%)
- Businesses were asked to what extent they understand the long-term business implications of the UK voting to remain a member of the EU as well as if the UK votes to leave the EU. In both instances the majority of businesses stated that they either completely understand the business implications, have a good understanding, or have some understanding.

VOTING INTENTIONS

The Scottish Chambers of Commerce network have surveyed businesses in Scotland throughout the course of the European Union referendum debate. For each of the three surveys which have taken place, respondents were asked how they would vote if an in-out referendum on the UK's membership of the European Union "if the poll were held tomorrow". The most recent results indicate that 68.3% of respondents would vote to remain a member of the EU. This represents a marginal decline in support for remaining a member of the European Union of 1.1% from February 2016. Over the course of the three surveys, the percentage of respondents stating that they would vote to remain a member of the EU has fallen from 73.5% in September 2015 (Figure 1).

Support for leaving the EU has increased, rising from 13.5% in September 2015 to 22.9% of firms stating that they would vote to leave the EU in the most recent survey of Scottish businesses (April 2016). This could be attributed to the number of respondents that stated "don't know" in previous surveys now intended to vote to leave the EU. The number of businesses signaling that they did not know how they would vote has declined from 12.5% in September 2015 to 8.0% in April 2016. The majority of businesses are completely committed to their voting intentions as stated by 57.3% of respondents (Figure 2).

From the most recent survey results (Apr 2016), it can be shown that medium and large businesses are more in favour of remaining a member of the EU, with 78.3% of medium business respondents stating that they would vote to remain a member of the EU and 73.1% of large businesses wishing to remain a member. Conversely, micro and small businesses were less likely to vote to remain a member with 69.9% and 63.6% indicating that they would vote to remain a member of the EU. Additionally, there were a higher number of micro and small businesses stating that they would vote to leave the EU, with 27.1% of small businesses indicating that they would vote to leave- higher than any other business size. (Figure 3).

Figure 1: Voting intentions

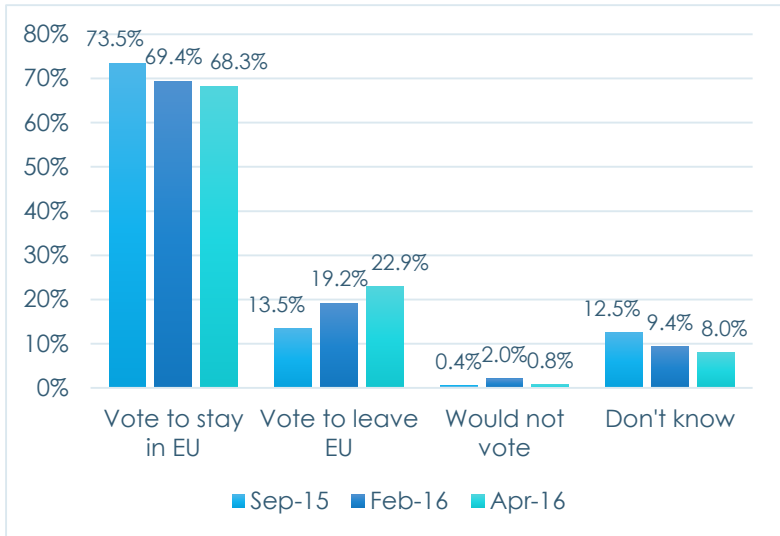


Figure 2: Commitment to voting intentions

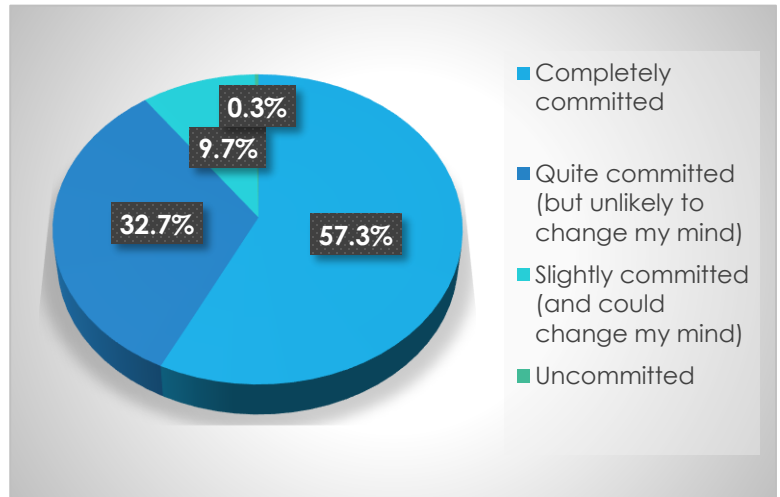
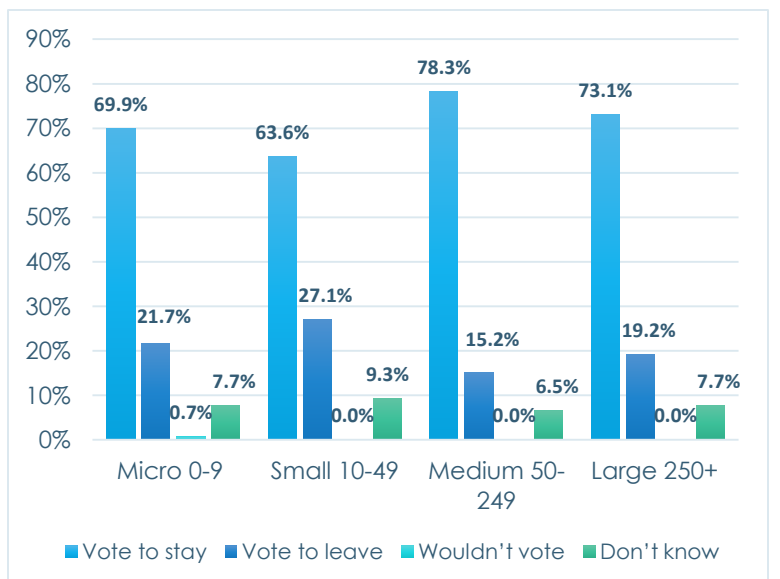


Figure 3: Voting intentions by business size



VOTING INTENTIONS

Exporters

Respondents were asked if they were importers or exporters in order to evaluate the voting intentions in terms of how active they were with regards to international trade. From this, it can be shown that the majority of respondents either import or export to/from the EU, with 60.5% of firms highlighting that import goods/products and/or services from countries inside the EU, and 57.5% stating that they export goods/products and or services to countries inside the EU. Fewer businesses stated that they were importers/exporters to countries outside the EU, with 40.8% indicating that the export to countries outside the EU, and 36.3% stating that they import from countries outside the EU. (Figure 4)

Overall, exporters were more supportive of Britain remaining a member of the EU than non-exporters, with 68.8% indicating that they would vote to stay in the EU and less than one quarter (23.7%) of businesses stating that they would vote to leave. Conversely, fewer non-exporters stipulated that they would vote to remain a member of the EU (63.9%), and just over one fourth of non-exporting businesses specified that “if the poll were held tomorrow” they would vote to leave the EU. Highlighting that non-exporters were marginally less supportive of remaining a member of the EU than businesses that currently export. (Figure 5)

Unsurprisingly, results show that businesses that export to countries inside the EU are more supportive of remaining a member of the EU than those who export to countries outside the EU and those businesses that do not export. 69.7% of businesses that export to EU member countries stated that they would vote to remain a member of the EU. From the businesses that currently export to countries outside of the EU, 64.7% indicated that they would vote to remain a member of the EU. (Figure 6).

In summary, those trading with both EU and non-EU markets express the strongest support for Remain, with the strongest levels of support for Leave among those that either do not export or only export out with the EU.

Figure 4: International Trade

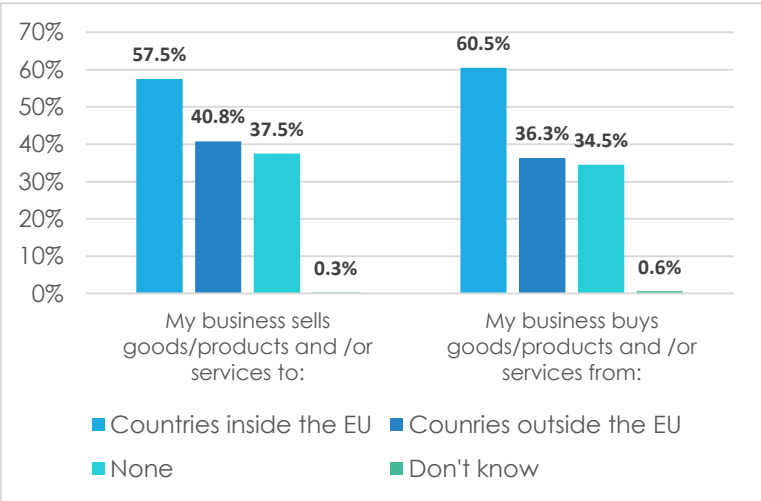


Figure 5: Voting intention by exporter

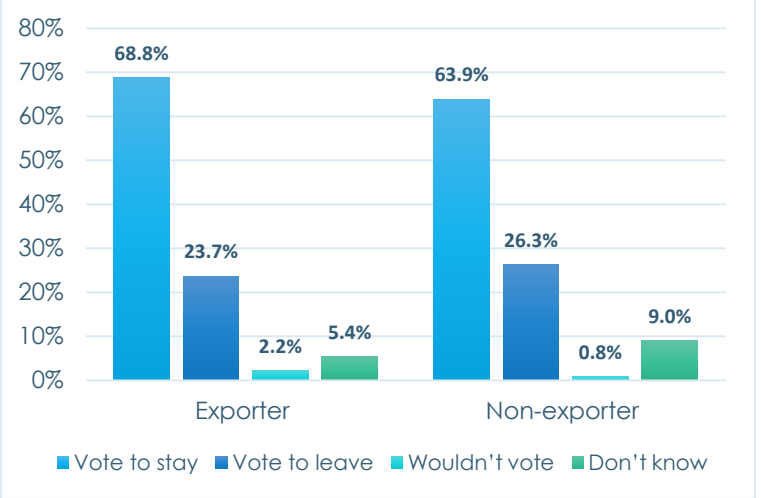
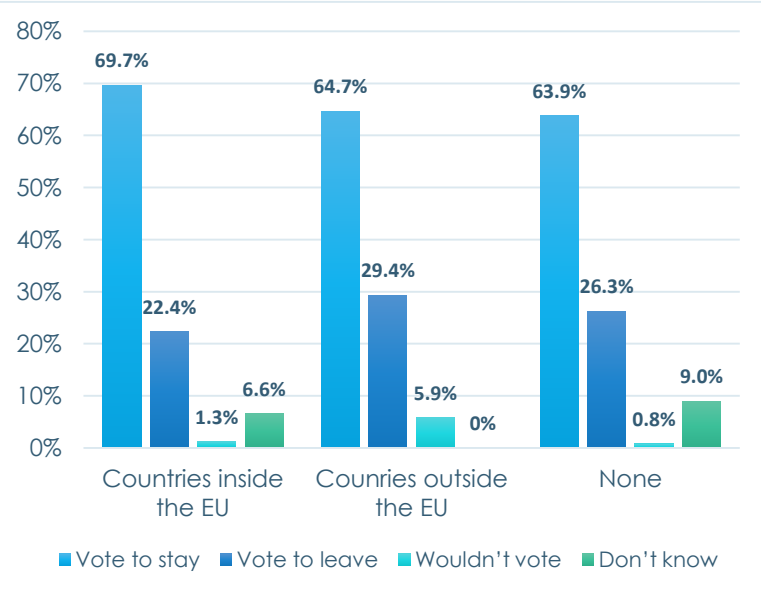


Figure 6: Voting intention by export location



BUSINESS IMPLICATIONS

Businesses were asked what impact the planned referendum has had on their business to date. From this it can be identified that the majority of respondents reported that the referendum debate so far has had no material impact on the following aspects of their business: Business orders and sales (76.5%), ability to recruit new staff (88.1%), ability to attract investment (78.7%), and the total costs incurred by their business e.g. overheads, staff costs etc. (79.8%).

Remain member of the EU

Respondent were then asked what the long-term business implications were if the UK votes to remain a members of the EU. Firstly, firms were asked to what extent they understand the long-term implications in terms of; access to skilled labour, trade with countries inside the EU, trade with countries outside the EU, the effect on the prices their business buys and sells goods at, and the effect on the UK's political governance arrangements. The majority of respondent indicated that they understood the implications on all of the above aspects to some extent (as shown in Figure 7). Businesses highlighted that they have a better understanding with regards to the implications that remaining a member of the EU would have on their businesses access to skilled labour than on any of the other aspects mentioned above, with 61.2% indicating they either completely understand or have a good understanding of the implications.

Additionally, respondents were asked if the UK voted to remain a member of the EU what do they believe the impact on their businesses strategy and profitability would be. The majority of businesses believe that remaining a member of the EU would have no impact on the following aspects:

- Import / supply chain strategy (62.4%)
- Export / international sales strategy (65.5%)
- Treasury / cash management (64.2%)
- Recruitment strategy (68.8%)
- Investment strategy (68.1%)
- Tax management strategy (70.1%)
- Overall growth strategy (53.2%)
- Profitability (53.2%)

Figure 7: Impact if UK votes to remain a member of the EU

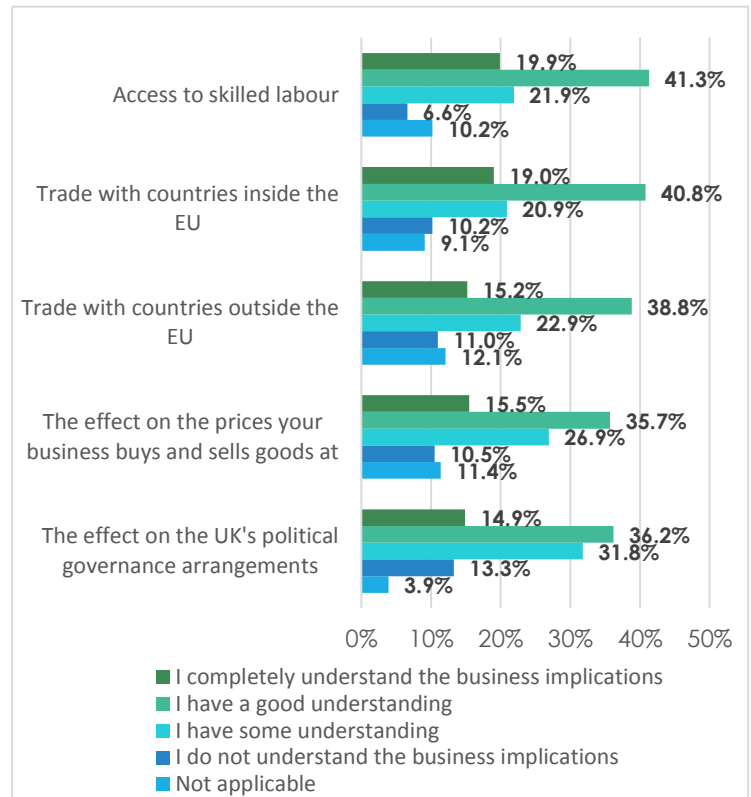


Figure 8: Impact if UK votes to remain a member of the EU on strategy and profitability



BUSINESS IMPLICATIONS

Leave the EU

Businesses highlighted that they have less of an understanding in terms of the businesses implications in the event that the UK votes to leave than if the UK were to vote to remain a member, as displayed in figure 9. This can be shown by the higher number of businesses stating that they **do not understand the business implications**, if the UK were to leave the EU, on the following aspects of their businesses:

- Access to skilled labour (15.8%)
- Trade with countries inside the EU (26.2%)
- Trade with count outside the EU (21.1%)
- Effect on the prices they charge (13.9%)
- Effect on the UK’s political governance arrangements (29.2%)

The majority of businesses stated that in the event that the UK voted to leave the EU, there would be no impact on the following aspects of their business: Treasury/ cash management (52.2%), recruitment strategy (57.3%), investment strategy (52.8%), and tax management strategy (55.6%) (Figure 10). In terms of the areas in which businesses believed there would be a negative impact, if the UK were to leave the EU, the top four were:

- The company’s profitability (39.3%)
- Overall growth strategy (36.1%)
- Import/Supply Chain Strategy (34.4%)
- Export / international sales strategy (32.8%)

Figure 9: Impact if the UK votes to leave the EU

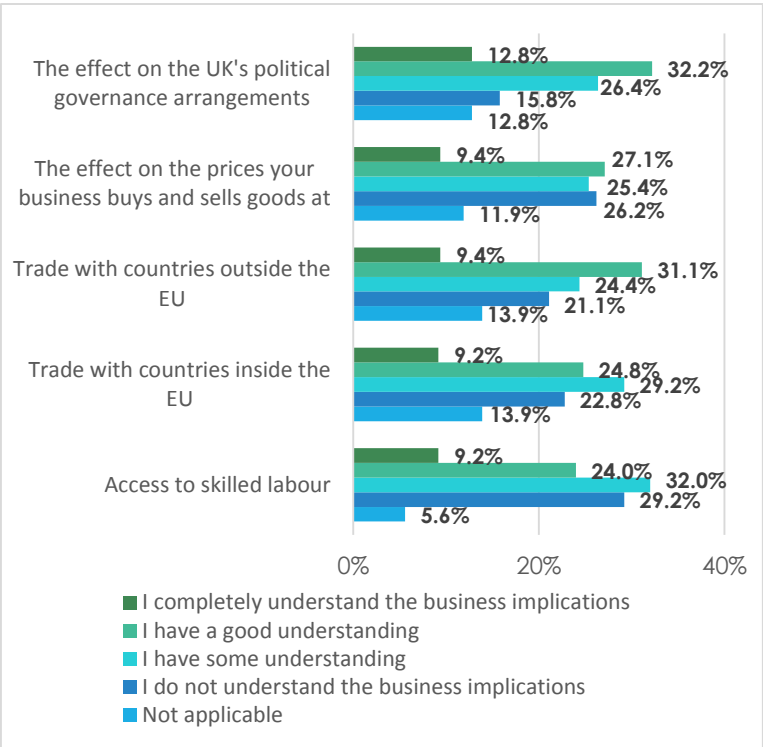
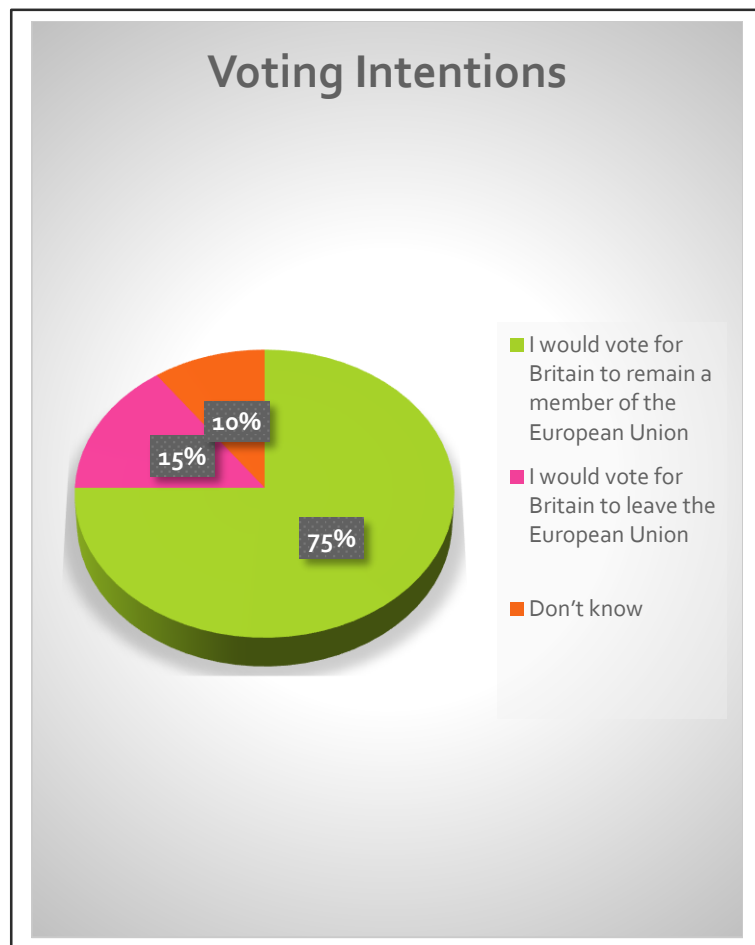


Figure 10: Impact if UK votes to leave the EU on strategy and profitability





- From the businesses that responded from the East Renfrewshire, Renfrewshire and Inverclyde areas, the business size break down was as follows: Micro (38.9%), Small (38.9%), Medium (0%), and Large (22.2%).
- 75% of respondents from East Renfrewshire, Renfrewshire and Inverclyde would vote to remain a member of the EU if a vote was held tomorrow, 15% stated that they would vote to leave the EU, and 10% did not know how they would vote.
- When asked how committed they were to their voting intentions, 50% of East Renfrewshire, Renfrewshire and Inverclyde businesses stated that they were completely committed, and 40% indicated that they were quite committed (but unlikely to change their mind).
- In terms of the areas in which businesses believed there would be a negative impact if the UK were to leave the EU, the top two were:
 - Import/supply chain strategy (35%)
 - Export/international sales strategy (35%)
- The majority of respondents reported that the referendum debate so far has had no material impact on the following aspects of their business:
 - Business orders and sales (75%)
 - Ability to recruit new staff (80%)
 - Ability to attract investment (70%)
 - Total costs incurred (70%)



Businesses were asked to what extent they understand the long term business implications of the UK voting to remain a member of the EU as well as if the UK votes to leave the EU. In both instances the majority of businesses stated that they either completely understand the business implications, have a good understanding, or have some understanding.

	Vote to stay	Vote to leave
Access to skilled labour	75%	65%
Trade with countries inside the EU	70%	50%
Trade with countries outside the EU	65%	55%
The effect on the prices your business buys and sells goods at	70%	45%
The effect on the UK's political governance arrangements	70%	35%



To: *Jobs and the Economy Thematic Board*

On: 1st June 2016

Report by:

Director of Development and Housing Services

TITLE:

Renfrewshire Recruitment Incentive 2016-2018

1. Summary

- 1.1 This report provides information on the new Invest in Renfrewshire Recruitment Incentive Programme from 1st May 2016. It is anticipated that this programme will run until 30 June 2018 however further amendments may be necessary in light of any new national programmes of support.
- 1.2 The new programme builds on the offer of grant to Renfrewshire Council for the new Scottish Government SERI (Scotland's Employer Recruitment Incentive) Programme. The previous programme was suspended from 4th December 2015, and the new offer of grant is available until January 2017.

2. Recommendations

- 2.1 Note the changes to the new Renfrewshire Recruitment Incentive Programme.

3. Background

- 3.1 Invest in Renfrewshire has provided a range of Recruitment Incentives to Employers since 2012. Over 600 additional posts have been created over this time for unemployed young people, making a significant impact on the areas youth employment levels.
- 3.2 A key priority has always been to simplify any subsidies to employers and as such the recruitment incentives have always developed around any national programme to add value, and increase places locally.
- 3.3 The most recent National Programme, Scotland's Employer Recruitment Incentive (SERI), was launched in July 2015 and "paused" on 4 December resulting in a loss of 35 places in Renfrewshire. This was reported to board in February 2016.
- 3.4 Invest in Renfrewshire continued to offer incentives to employers based on the previous SERI model and a new offer of SERI support has now been received.

- 3.5 The new SERI model was available from 1st April but notification of the new scheme was only received a week or so prior to this. As such the decision was made to start the new programme on 16th May to allow companies sufficient notice of the changes.

4. **New SERI Programme**

- 4.1 The new Scottish Government SERI Programme is much reduced with a total of 550 places across Scotland. Places have been allocated across Local Authorities using the same methodology as the Employability Fund.
- 4.2 Renfrewshire has been awarded 21 places for the duration of the Programme with a maximum contract value of £94,500.
- 4.3 The new Programme has a simpler cost model based on a total of three separate payments to employers over 52 weeks totalling £4000 and a bonus payment of £500 at week 52 if the Living Wage has been paid. This is slightly higher than the previous Programme (£3963), however, there are fewer payments with employers not receiving any grant until the young person has been in work for 4 weeks; a further payment is made at week 12 then nothing until the young person completes 52 weeks with no pro-rata payments allowable, see table below for comparison

	On Start £350	Week 4	Week 12/13	Week 26	Week 52	Living Wage Bonus	Total
Old SERI and existing RRI	£350	-	£903.25 (wk 12)	£903.25	£1806.50	£1000	£3963/ £4963
New SERI	-	£600	£1400 (wk 13)	-	£2000	£500	£4000/ £4500

- 4.4 In addition, the new programme has a sharper focus on young people (16 – 29 years) with the greatest barriers to employment.
- 4.5 To be eligible all young people must satisfy one or more of 18 barriers which include, disability or long term health condition, care experienced, carer, lone parent, low qualifications, offenders and military early leavers. No exception is made for age or for entering a Modern Apprenticeship.
- 4.6 Other features of the Programme remain unchanged, employment of at least 16 hours per week for a minimum of 52 weeks.

5. **Proposed Renfrewshire Recruitment Incentive from 16th May 2016**

- 5.1 Invest in Renfrewshire has operated a single offer to employers for a number of years. This avoids employers selecting the most lucrative grant offer and creating a competition between grant programmes.
- 5.2 To continue this approach it is intended that the Renfrewshire Recruitment Incentive will broadly mirror the SERI programme and payment points, but will continue paying the Living Wage Incentive at the current Renfrewshire Council level of £1000.

- 5.3 SERI will be matched into our ESF funded Youth Employment Initiative (YEI) programme which allows us more flexibility in terms of eligibility and allows us to offer an increased number of places over a longer period.
- 5.4 YEI funding of over £5M is confirmed from February 2015 to 30 June 2018 at an intervention rate of 67% to cover the full range of youth employability programmes delivered by Renfrewshire Council. The full value of the YEI programmes (ESF and Council contributions) is £7,507,840. Within that budget £900,000 is allocated for Employer Recruitment Incentives. In addition, a small programme for over 50s is also included in the EU pipeline application at a total value of £80,000.
- 5.5 The Renfrewshire Recruitment incentive will continue to support employers from Renfrewshire recruiting young unemployed people from Renfrewshire at a minimum of 30 hours per week. If the young person (through personal circumstances or health reasons) is unable to work 30 hours per week then this can be reduced.
- 5.6 The employer must pay (as a minimum) the national minimum wage rate for the age of the young person and the recruitment incentive will not exceed 50% of the recruitment costs of the new employee. The Living Wage payment would only be claimable if the **Scottish Living Wage** of £8.25 (reviewed annually) is paid throughout the 52 weeks of the grant period.
- 5.7 The Renfrewshire Recruitment Incentive will be funded through SERI, Renfrewshire Council/ Invest in Renfrewshire and ESF (Pipeline) or ESF (YEI) support. Matching to ESF enables an increase in the number of place funded and extends the duration of the programme.
- 5.9 The level of Renfrewshire Recruitment Incentives (full rate) available for the 1st July 2015 – 30th June 18 period is anticipated to support the creation of around 260 jobs with combined funding of around £980,000 available. Around 120 posts have already been created from 1st July 2015 until May 2016.
- 5.10 The proposed programme for the Renfrewshire Recruitment Incentive is set out below on the basis of a full subsidy.

	Week 4	Week 12/13	Week 26	Week 52	Living Wage Bonus	Total	Total Budget available
New Renfrewshire Recruitment Incentive <i>(Matching the SERI payment structure, supporting no more than 50% of the wage costs and with an additional Living Wage payment in line with previous Renfrewshire programmes).</i>	£600	£1400	-	£2000	£1000	£4000/ £5000	£980,000

- 5.11 Further reports on progress, or changes, will be brought back to board.

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Renfrewshire Economic Development Newsletter – April 2016



Important Changes to the Newsletter Statistics

There have been significant changes to the claimant count on nomis, which is part of the Office for National Statistics (ONS).

Previously the most regularly updated figures indicating, at local authority level, those unemployed and seeking work were the Job Seeker Allowance (JSA) figures. These figures have been used and reported on regularly to the Economy and Jobs Policy Board over the past few years.

The new Universal Credit (UC) system has rolled out in stages across the country since 2013. There have been no published figures available on UC since the roll out until now.

From March 2016 the Nomis figures have changed and Job Seeker's Allowance (JSA) and Universal Credit (UC) are measured together in one statistic: the claimant count.

The Claimant Count

The claimant count is a measure of the number of people with live claims for the principal reason of being unemployed. Previously, Job Seeker's Allowance (JSA) was the main unemployment benefit. Now, Universal Credit (UC) is included.

These new experimental statistics that now combine JSA and UC stretch back to January 2013 when Universal Credit started to roll out in pilot areas. Although experimental, this new claimant count is now the new standard. By contrast, the previous norm of using purely JSA claimants is no longer the official claimant count and is being slowly phased out.

The experimental statistics still include UC claimants who are not in-work, but are also not required to seek work – a group that skew the statistics for as long as they are counted.

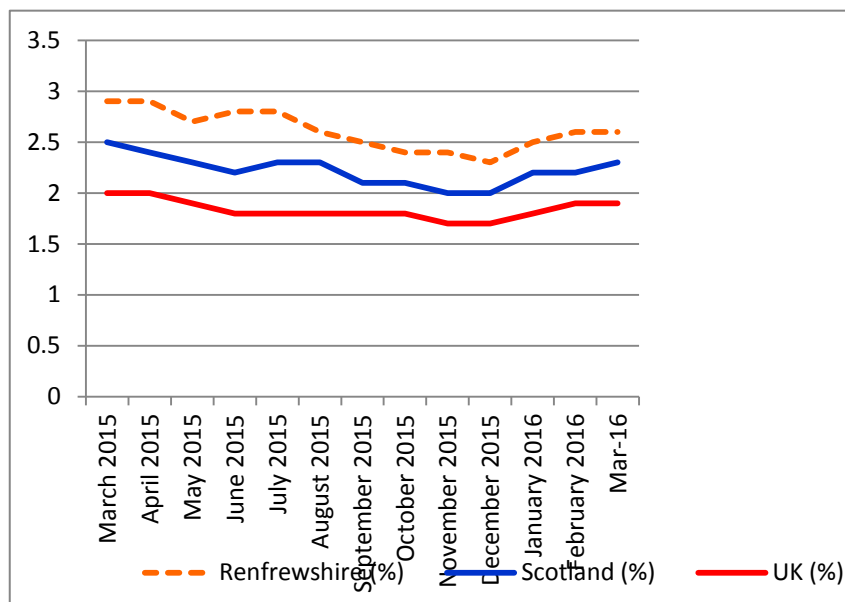
The new Claimant Count figures are relatively limited at present and provide information on key age groups but not length of unemployment or the breakdown of male /female. It is expected that this further breakdown of information will become available soon.

March 2016: Claimant Count Figures

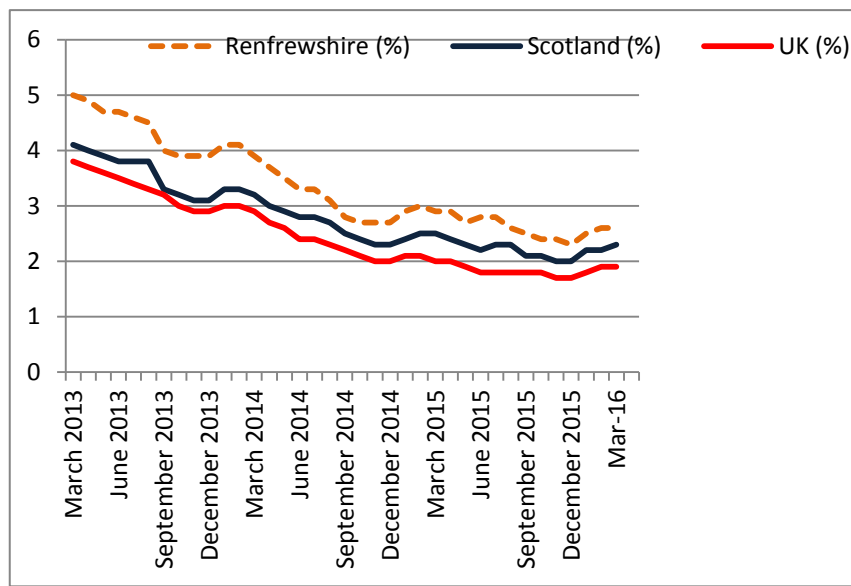
Claimant Count: All Ages (16+)

- The claimant count rate for Renfrewshire for March 2016 is 2.6%, with claimants totalling 2,940.
- This month the rate is unchanged.
- Renfrewshire is currently ranked 24th out of the 32 local authorities.
- The rate this time last year was higher at 2.9%.
- Over the last 3 years the rate has dropped from 5% to 2.6%

All Ages(16+): Claimant count rate 2015-2016



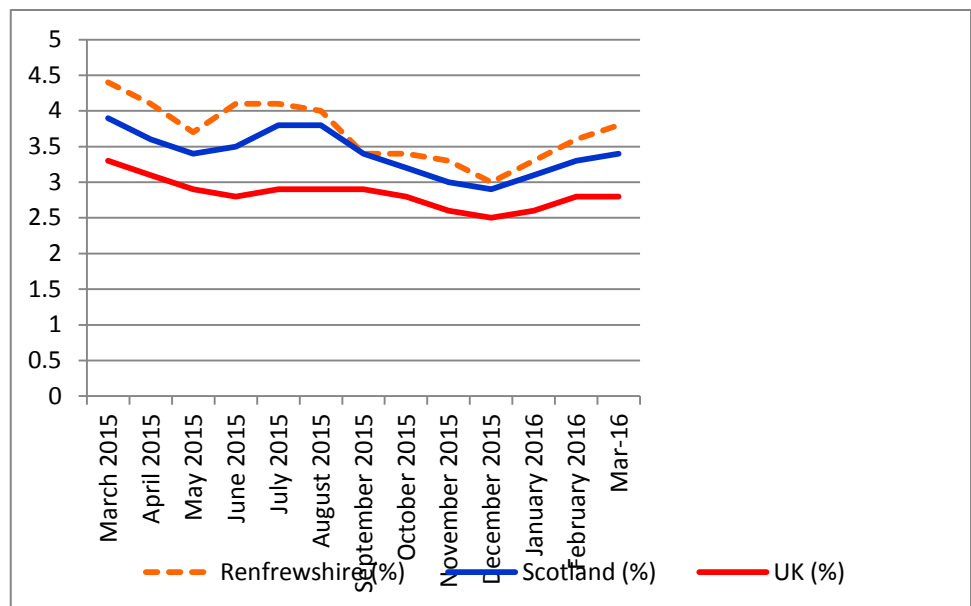
All Ages(16+): Claimant count rate 2013-2016



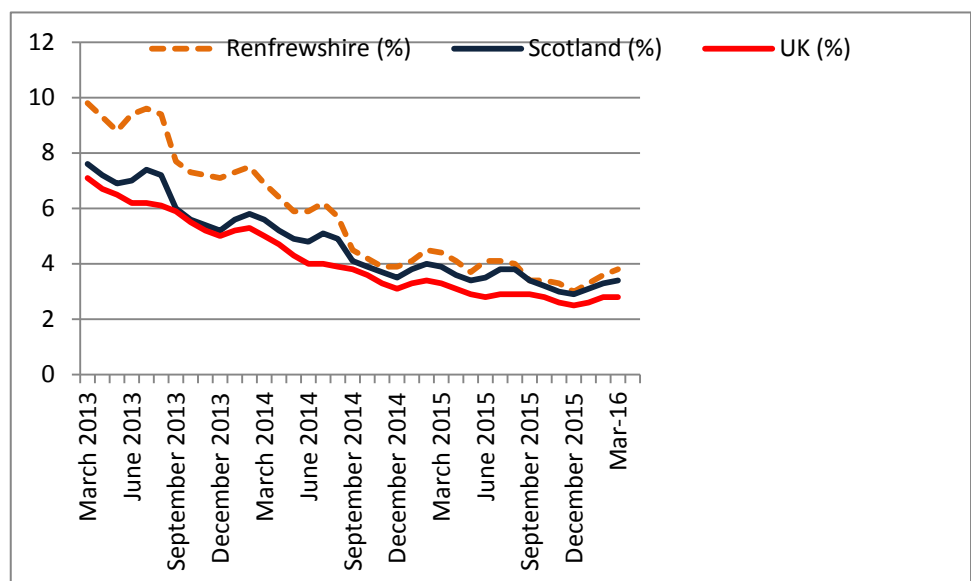
Claimant Count: Youth (18-24)

- The claimant count rate for Renfrewshire for March 2016 was 3.8% with claimants totalling 570.
- This month the rate has gone up by 0.2%.
- Renfrewshire is currently ranked 18th out of the 32 local authorities.
- The rate this time last year was higher at 4.4%
- Over the last 3 years the rate has fallen from 10% to 3.8%

Youth (18-24): Claimant count rate 2015-2016



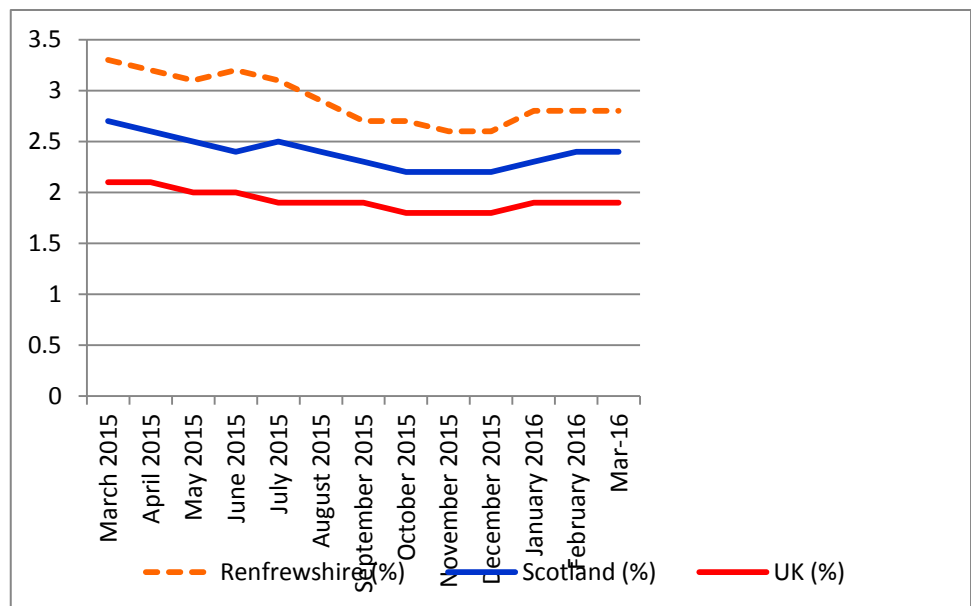
Youth (18-24): Claimant count rate 2013-2016



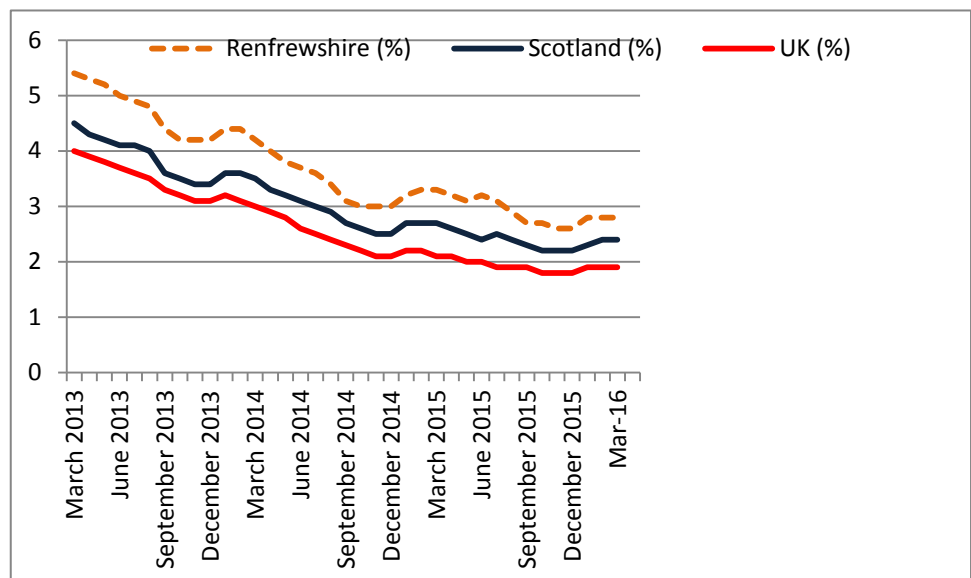
Claimant Count: 25-49

- The claimant count rate for Renfrewshire for March 2016 was 2.8% with claimants totalling 1,600.
- This month the rate has remained constant.
- Renfrewshire is currently ranked 23rd out of the 32 local authorities.
- The rate this time last year was higher at 3.3%
- Over the last 3 years the rate has fallen from 5.4% to 2.8%

25-49: Claimant count rate 2015-2016



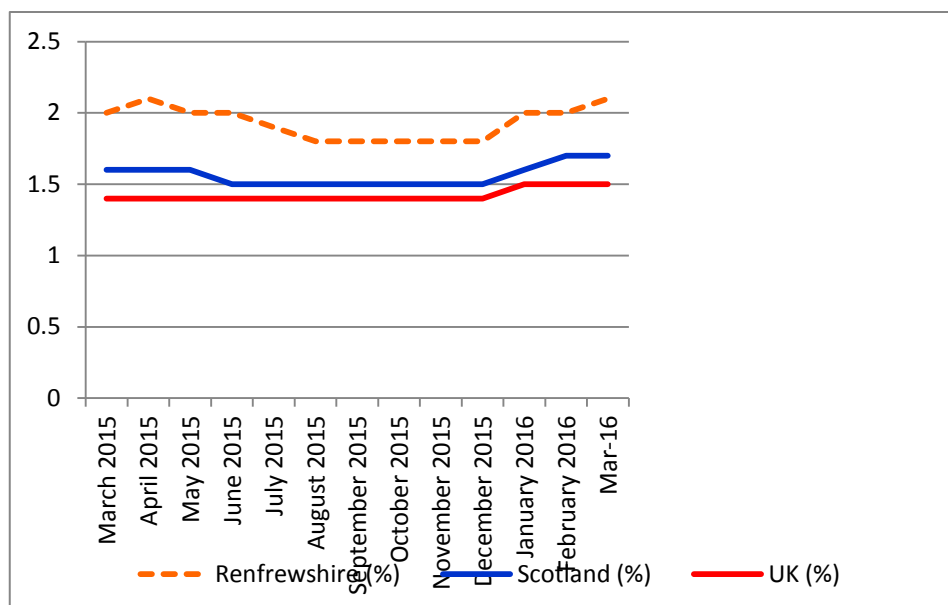
25-49: Claimant count rate 2015-2016



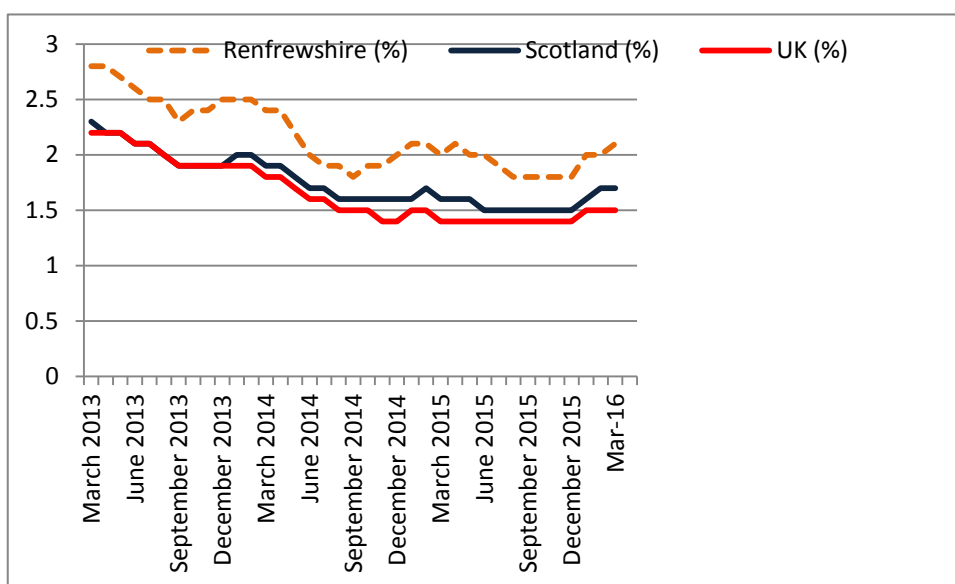
Claimant Count: 25-49

- The claimant count rate for Renfrewshire for March 2016 was 2.2% with claimants totalling 750.
- This month the rate has increased by 0.1%.
- Renfrewshire is currently ranked 25th out of the 32 local authorities.
- The rate this time last year was lower at 2.0%
- Over the last 3 years the rate has fallen from 2.8% to 2.1%

Ages 50+: Claimant count rate 2015-2016



Ages 50+: Claimant count rate 2015-2016



Invest in Renfrewshire Update – April 2016

INVEST IN EMPLOYMENT

Since the launch of Invest in Renfrewshire in June 2012 **1,027** new paid posts have been created:

- **774** new jobs have been created through the wage subsidy / Employer Recruitment Incentive programmes.
- **200** Graduate Internships have been created, **135** within the Council and **65** with local companies (approved).
- **88** people have started traineeships, **80** with the Council and **8** with Businesses.

In addition:

- **7,392** unemployed people have registered and received support from the Invest in Renfrewshire employability service.
- **2,286** additional people have been supported to move into wider employment opportunities.

INVEST IN COMMUNITIES

The Invest in Renfrewshire Social Enterprise Small Grants Fund, launched in December 2014, with a budget of £200k has now:

- Dealt with enquiries from more than **56** social enterprise companies and organisations.
- Approved **15** awards totalling **£97,422**.
- Additionally, **4** Community Traineeships grants have been awarded, totalling **£20,000**.

INVEST IN BUSINESS

877 local companies have signed up to the Invest in Renfrewshire initiative of which:

- **374** companies have been offered grants to pursue development, training, exhibition and ICT projects, amounting to combined funding of over **£1,666,940**.
- Funding of **£87,100** has been provided through the micro loan fund.
- The Retail Improvement Scheme has received **161** formal applications. The applications to hand are **12**. The amount of grant support awarded to date is approximately **£1,000,000**.

In the last **42** months, since the start of the new Business Gateway contract:

- **1,112** new companies have been established with Business Gateway support.
- **459** businesses have demonstrated growth aspiration and been given a dedicated business adviser.
- **313** start-up workshops and **228** business growth workshops have been delivered.