

**To: Leadership Board**

**On: 24 February 2021**

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**Report by: Chief Executive and Director of Finance & Resources**

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**Heading: Employability Programmes and Support**

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## **1. Summary**

- 1.1 Local unemployment levels have almost doubled due to the COVID-19 pandemic with more people, of all ages, now out of work and claiming benefits.
  - 1.2 Well-resourced and effective local employability services will be key to Renfrewshire's economic and social recovery and provide an essential support for those who are unemployed, will lose their jobs, have working hours reduced or find themselves in precarious employment.
  - 1.3 Both the Scottish and UK Governments have announced additional funding and support to help mitigate the levels of unemployment, with a particular focus on the impacts to young people.
  - 1.4 This purpose of this report is to provide an overview of the current employment statistics, the additional funding to support local responses to the pandemic and the proposed specific approach of Renfrewshire Council to support those affected and to maximise the opportunity to develop new employment opportunities.
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## **2 Recommendations**

- 2.1 It is recommended that the Board:
  - i. notes the additional offers of grant from the Scottish Government in relation to employability and redundancy support;
  - ii. notes the decision of the Chief Executive to bid for places in the UK Governments Kickstart Scheme; and

- iii. agrees the proposed refreshed employability approach for Renfrewshire.

### 3 Background

- 3.1 The Claimant Count is the most current and accurate of the statistics available to show the levels of those unemployed and looking for work in Renfrewshire. Figures are updated monthly by DWP.
- 3.2 From the latest figures in the table below, 6.2% (7,120 people) of the adult population aged 16-64 in Renfrewshire are currently claiming out of work benefits. This is a 77% increase from the March figures of 4,015 people claiming benefits with the biggest impacts seen in terms of female unemployment and those aged 50+.
- 3.3 The Claimant figures do not fully represent those out of work. The majority of young people aged 16-17 (and not in employment, education or training) are not eligible for benefits until they reach the age of 18. The number of young people currently looking for work, but not claiming benefits, is estimated to be around 140.
- 3.4 Renfrewshire Claimant Count (Nomis, 26th Jan 2021)

	Claimant numbers	Of which male	Of which female	Aged 16-17	Aged 18-24	Aged 25-49	Aged 50+
Mar-20	4,015	2,655	1,360	20	745	2,250	1,000
Apr-20	6,685	4,395	2,290	25	1,140	3,855	1,665
May-20	7,530	4,910	2,620	35	1,360	4,270	1,860
Jun-20	7,480	4,825	2,655	30	1,475	4,155	1,815
Jul-20	7,765	4,965	2,800	30	1,550	4,280	1,905
Aug-20	7,780	4,975	2,805	25	1,565	4,250	1,935
Sep-20	7,535	4,825	2,710	25	1,505	4,120	1,885
Oct-20	7,050	4,510	2,535	25	1,370	3,830	1,825
Nov-20	7,145	4,580	2,570	25	1,330	3,900	1,895
Dec-20	7,120	4,555	2,560	25	1,325	3,855	1,915
change Mar - Dec 2020	77%	72%	88%	25%	78%	71%	92%

- 3.5 The figures above also mask the significant numbers of Renfrewshire residents currently furloughed and whose jobs could be at risk. 10,200 residents in Renfrewshire are currently furloughed (Dec 2020).
- 3.6 For those working as self-employed the situation is also very difficult. 5,400 people are registered as self-employed in Renfrewshire and 62% of these (3,400 people) have claimed for the Self Employed Income Support Scheme due to loss of earnings.

- 3.7 The statistics for the period after April 2021 (when the furlough scheme is due to end) will reflect the real impact of COVID-19 on the unemployment rates and the scale of the recovery challenge.
- 3.8 In response to the increasing levels of unemployment both the UK Government and the Scottish Government announced plans to support jobs and employability. Due to the anticipated disproportionate economic impact on young people their response focused on this group with impacts to be achieved through the UK Kickstart Scheme and the Scottish Youth Guarantee.

#### **4. UK Government Kickstart Scheme**

- 4.1 The UK Governments' Kickstart Scheme aims to provide hundreds of thousands of paid work placements for young people on benefits through a £2 billion investment from the Government. Kickstart aims to create new 6-month job placements for young people who are currently on Universal Credit and at risk of long-term unemployment. The job placements should support the participants to develop the skills and experience they need to find work after completing the scheme.
- 4.2 The job placements created with Kickstart funding must be new jobs. They must not:
- replace existing or planned vacancies
  - cause existing employees or contractors to lose or reduce their employment

Funding is available for 100% of the relevant National Minimum Wage for 25 hours a week, plus associated employer National Insurance contributions and employer minimum automatic enrolment contributions. It also provides £1,500 per post to the employer, to cover any additional costs and expenses to support the young person. Employers looking for full time placements, or where the salary for the role is higher than minimum wage, would top up the subsidy to the required level.

- 4.3 Kickstart has the potential to be a very significant job creation programme. Keen to maximise the impact from Kickstart, Renfrewshire Council (through the Economic Development Team) bid to be both a Kickstart employer and also a "Gateway" to Kickstart funding for any business in Renfrewshire looking to get involved.
- 4.4 A local campaign was launched in late Autumn 2020 to promote the Kickstart Programme and to offer local employers an easy route to sign up for more information and to be part of a Renfrewshire bid.
- 4.5 The Council has already had two bids for a total of 345 jobs approved and are currently recruiting for the first of these posts. The value of funding for the 345 posts will be in excess of £2.5M.

4.6 120 of the approved posts will be with Renfrewshire Council. The previously successful Invest in Renfrewshire Traineeship and Internship programmes are currently being revamped to cater for the slightly different conditions of funding and will offer unemployed young people opportunities across the Council services. The Employability Service at the Russell Institute will provide support both during, and on completion of the Council placements to support the young people to move on to other work opportunities.

## 5. Scottish Government Young Person Guarantee:

5.1 The Young Person Guarantee is designed to be the umbrella that sits above all Scottish employability programmes for young people, it will be the single portal and brand, the simple journey for young people regardless of their circumstances when aged between 16 and 24.

5.2 The Guarantee sends a clear commitment that:

“every young person aged between 16 and 24 in Scotland, has the opportunity, based on their own personal circumstances and ambitions, to go to university or college, an apprenticeship programme, training, fair employment including work experience or participating in a formal volunteering programme.”

5.3 The Scottish Government committed £60M to the Guarantee with £30M of this coming to the local authorities in the current year . Of the £30M £953,279 is allocated to Renfrewshire Council for the 2020-21 financial year but requires to be spent or committed in this financial year.

5.4 The Youth Guarantee funding can be used for staff, additional wage subsidy / Employer Recruitment Support and additional employability services / activities. The Renfrewshire proposal is outlined below and been accepted by the Scottish Government.

### Youth Guarantee Interventions (Renfrewshire)

Intervention	Description (Summary)	Impact	Renfrewshire Proposal
<b>Enhanced Key Worker Support</b>	Enhance No One Left Behind model of delivery providing tailored flexible and person centred support. Helping to navigate and enable participation	Preventing vulnerable job seekers being disengaged entering into long term unemployment	Employ additional key workers to cope with the doubling of numbers. Also provide specialist roles (care leaver / disability).
<b>Employability Pipeline Provision</b>	Enhance stages 2 -3 in supporting purposeful activities in projects, volunteering and work experience gaining personal and core skills	Providing meaningful opportunities and activities for those not job ready and unable to engage in FE	Range of training contracts (particularly) to 3 <sup>rd</sup> sector organisations.

<b>Employer Recruitment Incentive</b>	Provide incentives to SMEs and Micro businesses to recruit young people and those already long term unemployed to undertake Apprenticeships or Vocational Qualifications/Certification. Intervention would be based on model previously delivered	Enable young and low skilled disadvantaged job seekers to enter employment and assist SME's /Micro Businesses to access new employees with financial support Align with increase in Modern Apprenticeship support	Use wage subsidy to sustain Kickstart places for a further 6 months or augment the programme to allow for apprenticeship opportunity.  Use also as a replacement for Kickstart if the young person isn't eligible.
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5.5 The Young Persons Guarantee requires a greater joining up of local services to young people and a single source of information to signpost the various offers of support. This will be co-ordinated through the Local Employability Partnership. The Council's Economic Development Team have been developing a website for all partners to contribute to and will fund a Partnership Co-ordinator for the Young Persons Guarantee (from the Government fund allocated) to ensure a long- term commitment to the Guarantee, changing the employability landscape for young people and delivering a more fair and inclusive economy for all.

5.6 The budget is only available for the current financial year. However, a separate budget for 2021-22 is anticipated in the next financial year.

## **6. No-One Left Behind (NOLB) and PACE Redundancy Support**

6.1 The Scottish Government also brought forward additional financial support for those at risk of being made redundant.

6.2 The Scottish Government and COSLA signed a 'No One Left Behind' Employability Partnership Agreement in December 2018. The Partnership Agreement is supported by a Delivery Plan that has been updated to reflect of the additional challenges in the labour market brought about by pandemic impacts.

6.3 Scottish Government has offered to increase the grant sum to Renfrewshire Council for NOLB by an additional £108,820. This sum will be paid over period 1 April 2020 to 31 March 2021 for additional provision within the Partnership Action for Continuing Employment (PACE) model of Key Worker support and single point of contact (SPOC) within local authorities, and provide PACE support to national agency helplines and dedicated key support for those facing redundancy situations. The additional investment will scale up the reach and impact of the current offer and increase the capacity to support people who have been made unemployed or whose jobs are under threat as a result of Covid-19, within the No One Left Behind framework.

- 6.4 The additional support will allow for new staff posts to specifically deal with those requiring redundancy support over the next year.

## **7. Next Steps**

- 7.1 The unemployment situation in Renfrewshire is likely to increase dramatically over the next few months when the UK Government furlough support ends. Both the Kickstart scheme and Young Persons Guarantee provide opportunity for significant economic impact in Renfrewshire at this critical time.
- 7.2 The Council is focussed on creating 700 new employment opportunities for young people through the Kickstart and Youth Guarantee programmes. This ambitious target is a key plank of the Economic Recovery Plan and has the potential to make the most impact over the next 2 years of all the actions.
- 7.3 Key to success will be maximising the opportunities available locally through proactive work with local employers and key Council services, simplifying the offer to young people and businesses and matching young people to employment opportunities.
- 7.4 Using the Young Persons Guarantee to (in part) sustain and add value to the Kickstart scheme will increase long term outcomes, provide more sustainable jobs and provide added value to the employer. The Young Persons Guarantee additionally offers support to those not ready for, or supported by, Kickstart and it is essential that a clear pathway into the various local opportunities is jointly agreed and promoted. There should be no wrong door for young people in Renfrewshire to benefit from the opportunities available here.
- 7.5 While the additional financial support from the UK and Scottish Governments has focussed on young people the Councils employability service, based at the Russell Institute, will be supporting all unemployed people regardless of age.
- Employability services will be reprofiled to ensure that those 25+ don't lose out on opportunities;
  - European Social Fund (ESF) underspends (due to lockdown and a reluctance from many to participate in programmes of support) can augment services to the 25+ age group;
  - Youth Job Creation programmes will focus on new and additional jobs and every effort will be made to ensure that this does not result in a job displacement in the older age groups;
  - Those over 50 will be a specific priority as numbers already show them to be the most impacted;
  - Other priority groups, including those with a disability, those who are care experienced, those living in areas of high unemployment or those with health conditions will be a priority for NOLB funding in the next year.

- 7.6 The next few years will present significant challenges in the economic recovery of Renfrewshire but the ambition and determination to do whatever is necessary and to meet those challenges head on has never been stronger. The employability plans and programmes implemented during the last recession resulted in a faster employment recovery rate in Renfrewshire than across other areas and that is the aim once again.
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## Implications of the Report

1. **Financial**  
Grants awarded to the Council will be monitored in accordance with the terms and conditions of grant. The Council will liaise with Scottish and UK Governments to comply with drawdown requirements and financial reporting requirements. Where grants are awarded to third parties, officers will liaise with those organisations to ensure they comply with requirements.
2. **HR and Organisational Development** – a number of temporary new posts will be supported through the additional funding. The funding will provide 100% of the finance required for these posts.
3. **Community Planning**
  - Our Renfrewshire is thriving – The grant support will assist both young people / unemployed people to become economically active and will also support local businesses to reopen and grow their services.
  - Our Renfrewshire is well - The delivery of new employment opportunities has the potential to positively impact on physical, emotional and mental health and wellbeing.
  - Our Renfrewshire is safe - Working in partnership with community, public and private sector stakeholders and organisations to achieve positive outcomes.
  - Reshaping our place, our economy and our future - The approaches outlined in the report will contribute to supporting growth, the development of skills and experiences and sustainable jobs.
4. **Legal** - none
5. **Property/Assets** - none
6. **Information Technology** - none.
7. **Equality & Human Rights**  
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 because for example it is for noting only. 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**  
All commissions funded by the grants will be procured through the appropriate procedures set out in the Council's Standing Orders Relating to Contracts.
10. **Risk**  
The projects actively monitor key risks and issues associated with delivery in accordance with the Council's Project Management Framework. Risks are identified and mitigating actions and allowances have been made and will be continually monitored.
11. **Privacy Impact - None**
12. **COSLA Policy Position - None**
13. **Climate Risk – None..**

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### List of Background Papers

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