

To: Leadership Board

On: 15 September 2021

Report by: Chief Executive

Heading: Co-Commissioning of Employability Services

1. Summary

- 1.1. This report provides an update to the 21st February 2021 Board Paper “Employability Programmes and Support” and provides a further overview of the current employment landscape and the proposed specific approach of Renfrewshire Council and the Local Employability Partnership to support those across Renfrewshire who are unemployed.
 - 1.2. In particular the report outlines the developing No-One Left Behind employability policy between Scottish and Local Government to ensure that employability is aligned and integrated with service delivery at a local level. The report highlights the increasing role of Local Employability Partnerships in local decision making and the co-commissioning of local services.
 - 1.3. The paper proposes a new partnership grant process for employability service delivery, managed by the Council and delivered through the Local Employability Partnership, to ensure that the right employability services are delivered locally.
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2 Recommendations

- 2.1 It is recommended that the Board:
 - i. Approves the approach proposed for Renfrewshire to establish an Employability Grant Programme delivered through the Renfrewshire Local Employability Partnership as the primary model for co-commissioning in 2021-23.
 - ii. Agrees the use of the funding identified through the existing and planned Employability budgets .

- iii. Notes that regular progress will be reported through the Community Planning Partnership. A review of the grant process, and suggestions for any further grant programme, will be reported to a future Leadership Board.
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3. Background

- 3.1 Employability is a key priority of both local and national government and is recognised as a major contributor to both local economic development and work to tackle poverty and deprivation.
- 3.2 The Partnership Working Framework signed by both Scottish Government and the 32 local authorities identifies a new collective approach to employability where the Scottish Government and the Convention of Scottish Local Authorities (COSLA) work in partnership to positively shape employability provision nationally and to deliver it locally. Partnership working (including the third sector and other employability providers as well as the vulnerable in our communities) will support redesigned services so that the people we collectively serve are better placed to realise their potential, better able to find ways into paid work and to reduce both dependency and inequality.
- 3.3 The partnership working across Renfrewshire is very well established in terms of employability provision and the Local Employability Partnership (LEP) is both proactive and responsive to local need. The Renfrewshire LEP has ensured that there is a solid partnership across all providers in the area and this is reflected in the excellent attendance at local conferences and events over the last 7 years. At the latest conference in June (an online event) 148 people from over 50 local services / bodies contributed to the latest plans and developments for employability services across the area. Renfrewshire is seen as best practise across Scotland in partnership working on employability.
- 3.4 The employability focus for the Renfrewshire LEP is on those furthest from the labour market as guided by the Scottish Government's No-One Left Behind (NOLB) policy and the plans for greater alignment and integration of employability services across local authority areas.
- 3.5 The first phase of the NOLB approach was to integrate investment in current national programmes into a new local employability delivery model managed collaboratively between Scottish Government and local government.
- 3.6 The introduction of this new delivery model in 2019/20 on a small proportion of the Scottish Government funds has enabled local authorities to apply a more flexible and user-based model for delivery. This offered local authorities more discretion to decide which services will be most effective to address local employability need, depending on local needs and circumstances.
- 3.7 Phase 2 of NOLB relates to the completion of the current Employability Fund and Community Jobs Scotland Programmes at end March 2022 with those resources being distributed to Local Authorities for Local Employability Partnership decisions on where to use the additional resources to best effect.

- 3.8 Scottish Government have identified that full and final implementation of the new NOLB employability model (Phase 3) will roll out in 2023/24 on completion of the current Fair Start Scotland contracts with those resources also then being directed to the LEP for local services.
- 3.9 In summary, the employability agenda is changing significantly over the next two years. The role of the Local Employability Partnership is evolving to have a greater focus on local decision making and the co-commissioning of services to the private and third sector providers in the area.
- 3.10 Renfrewshire Council remains the accountable body for the employability grant funding from Scottish Government, but the expectation is that elements of the grant funding will be held for co-commissioning. This ensures that the funding is spread throughout the range of local partners while the LEP directs where services are required. The Lead Officer for Employability across Renfrewshire, and the Chair of the Renfrewshire LEP, is the Council's Economic Development Manager.

4. Employability in Scotland: No-One Left Behind

- 4.1 A key element of the new approach to employability in Scotland is to ensure that the resources coming to a local authority area are distributed to best effect through a co-commissioned process by the Local Employability Partnerships.
- 4.2 Partnership working and consultations with local providers (both third sector and private providers of employability services) has identified real concerns around the timing of the changes to be made this year. Many providers currently secure funding through the Employability Fund programme in the area and while the proposed changes are broadly accepted there is worry at provision not being in place at the point of change.
- 4.3 To mitigate the risks for local providers a number of Councils are currently developing an employability grant programme to support the provision of local services but through a more flexible, and faster, process of grants for the delivery of services. Areas such as Dundee and Edinburgh have been utilising a grant programme for a number of years with great success.
- 4.4 It is proposed to establish a similar mechanism for the Renfrewshire area and to create a new Employability Grant Programme. A future national procurement framework for the commissioning of employability services is also being developed by Scotland Excel. It is anticipated that the national procurement framework will be available from next year and can be used in addition to the proposed grant programme.
- 4.5 At the time of writing this report the Scottish Government funds allocated to employability service delivery in Renfrewshire (and in scope to be co-commissioned) are:
- Young Persons Guarantee: £300k for 2021-22 activity and an expectation of a similar amount for next year (services for young people only).
 - Parental Employability Support Programme: £150k for 2021-23 activity (all age service provision).

- NOLB: anticipated £650k-£1M in 2022-23 (Ministerial announcement is imminent). All age grant programme.
- Invest in Renfrewshire ESF application underspends (due to provision not being delivered due to covid) £400k to end Dec 2022. All age grant programme.

4.6 From the figures above, £850k is available in the current approved budgets for co-commissioned services with an additional £650k-£1.3M expected to be announced in the coming months for 2022-23.

4.7 It is suggested that a grant programme with minimum grant value of £850k can commence in the current year. The value of the grant programme will be increased when further announcements of funding are made by the Scottish Government. The Local Employability Partnership will co-commission services through grants and contracts. Renfrewshire Council remain the Accountable Body for the grants.

5. Employability Grant Programme

5.1 It is proposed to develop a Renfrewshire employability grants programme to award grants for the delivery of employability services during the period from November 2021 to end March 2023 (in the first instance). This initial time period would allow for services to start either in the 21-22 financial year or the 22-23 financial year.

5.2 The Renfrewshire Local Employability Partnership will publish a grant framework for applications. The framework will identify the specific target groups and priority areas, the types of provision required, the types of outcomes and impacts being aimed for and any special requirements of the funding sources being used to finance the process. The framework will allow providers to come forward with their own ideas and suggestions for new services and provisions while addressing areas of particular need or gaps in provision, promoting inclusion and ensuring that those furthest from the labour market are proactively targeted and supported into sustainable employment.

5.3 The Employability Grant Programme will:

- Augment the current employability pipeline in Renfrewshire by outlining clear aims and guiding principles to bidding organisations for new services.
- Create a level playing field with equal opportunity for all eligible organisations.
- Add value to the funding and other resources already available.
- Provide an application and assessment process for the allocation of funds.
- Support the aims and objectives outlined in the Renfrewshire Economic Strategy, the Renfrewshire Economic Recovery Plan, and No One Left Behind – Next Steps for the Integration and Alignment of Employability Support in Scotland.

- 5.4 The benefits of a grant programme would be:
- An open and transparent approach which offers all local employability providers the opportunity to get involved.
 - The opportunity to develop and nurture small local partners (private sector and third sector) to become more involved and also to support larger and/or national organisations to work across Renfrewshire.
 - The opportunity to support innovation, pilots, new ideas and approaches.
 - A quicker process than formal procurement of services and timing that works for local providers.
 - A new local method of jointly commissioning services through grant programmes and unit costed models of delivery.
 - A partnership with providers where we genuinely work together to improve lives and opportunities in Renfrewshire.
- 5.5 An Assessment Panel of LEP members and Council Officers will manage the assessment and scoring procedures following the Council's grant processes.
- 5.6 Each application will be scored by at least two separate individuals from the Assessment Panel who then meet to agree a moderated score with comments. The moderated score will then presented to the full Assessment Panel for further comments on strategic fit and moderation if required.
- 5.7 Membership of the Assessment Panel will be drawn from strategic partner organisations represented on the LEP including:
- DWP
 - West College Scotland
 - Skills Development Scotland
 - Renfrewshire Chamber of Commerce
 - NHSGGC
 - Engage Renfrewshire
 - DYW West
 - Various Council Departments
- 5.8 Key stakeholders and potential bidders have been consulted on this approach. Future opportunities will be provided for stakeholders to seek clarity on a number of matters in advance of the formal application and assessment process.
- 5.9 A call for applications is likely to be published around the end of September 2021 and, following an assessment and clarification process, the Renfrewshire LEP aims to provide provisional Employability Grant Fund awards during November (for projects commencing in the 21-22 financial year) and December (for projects commencing in April 2022). These timescales have been very well received by potential bidders, particularly those concerned about the closure of the Employability Fund.

- 5.10 Regular progress will be reported through the Community Planning Partnership and a review of the grant process, and suggestions for any further grant programme, will be reported to a future Leadership Board.
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Implications of the Report

1. Financial

No additional finance is sought for this proposal. Resources are already in the Renfrewshire Economic Development budgets for employability.

2. HR and Organisational Development – no immediate implications.

3. Community Planning

- Our Renfrewshire is thriving – The proposal would support additional employability services in the area supporting more people into work.
- Our Renfrewshire is well - The delivery of new opportunities have the potential to positively impact on physical, emotional and mental health and wellbeing.
- Reshaping our place, our economy and our future - The approaches outlined in the report will contribute to supporting local growth, the development of skills and experiences and sustainable jobs.

4. Legal – The finalised grant process would be subject to legal checks.

5. Property/Assets – None.

6. Information Technology - Support from IT may be required in order to develop an online grants process.

7. Equality & Human Rights

(a)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 – None.

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.

List of Background Papers

21st February 2021 Board Paper “Employability Programmes and Support”

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