



**LOCAL AUTHORITY
EMPLOYABILITY CONFERENCE
10th and 11th April 2014
Stirling Management Centre**

CONFERENCE REPORT

KEY NOTE

The Employability Conference held on 10th and 11th April 2014 provided a critical opportunity for Local Authority Officers to participate in professional peer group discussions on priority issues to help shape and articulate the Local Government distinctive contribution to the employability agenda.

The conference demonstrated the vast talent within Local Authorities with a well articulated breadth and depth of knowledge, skills and experience evident throughout the workshop discussions and feedback sessions.

The conference endorsed the importance of the “All Council Approach” recognising that Local Authorities have been increasingly utilising every opportunity to improve and maximise employability outcomes, especially for those most disadvantaged in the labour market.

Delegates committed to continuing to raise the profile of employment as the main route out of poverty, inequality and disadvantage and recognised good quality employment as the main mitigation against the impact of the transformational programme of welfare reform.

There was an independent follow up survey undertaken by Scottish Government and the results were extremely positive with some highlights noted below:

- *100% of respondents felt the conference had met its aims and outcomes with 71.1% strongly agreeing;*
- *87.8% agreed there should be an annual conference with only 4.4% stating they would not be happy to make a financial contribution;*
- *100% said the conference sessions were appropriate and informative with 73.3% strongly agreeing; and*
- *100% thought that the conference was well organised with 80% strongly agreeing and 100% of respondents would recommend the conference to colleagues.*

The conference reinforced that Local Authorities have a key role to play in ensuring that we create a robust, thriving and diverse economy. The collective strength and wellbeing of any community will be heavily influenced by the level of employment, confidence and prosperity enjoyed by its citizens. A strong local economy is also central to our ability to achieve positive social and environmental outcomes and the employability agenda is right at the centre of any local approach.

Keith Winter
On behalf of SOLACE
Executive Director
Environment, Enterprise & Communities
Fife Council

Welcome

Keith Winter, SOLACE welcomed delegates to the first SLAED Employability conference and thanked Scottish Government for their financial support which made the conference possible enabling 64 delegates to attend representing 30 Local Authorities. In his opening speech Keith Winter noted that the conference was taking place at a pivotal time for Local Authorities and it was acknowledged that since 2007 there has been a changing landscape with Local Authorities have been playing an increasing role in the delivery of Local Economic Development.

Delegates heard that over the last five years, there has been an increasing transfer of resources to Local Authorities, including Business Gateway, Youth Employment Scotland and European Funding and the value of direct activity was estimated at **£263 million** in **2012/13** based on the returns from Local Authorities as part of the Economic Outcomes Framework. The report also highlighted that **1,300 staff** were employed within Local Authority Economic Development Departments over the same period.

It was recognised that increasing demands have been placed on SLAED as the professional voice of the Local Government contributing to the development of national policies and strategic approaches. It was noted that Local Economic Development and Employability is a key priority for councils throughout Scotland and participation in the Scottish Employability Forum places Local Government at the heart of the political leadership as the three tiers of Government seek to align policy and resources to maximise outcomes for Scotland's working age population.

Local Authorities are increasingly collaborating and have increased their joint working to maximise resources for Local Government and via SLAED officers have worked in partnership to present a consistent and coherent Local Government voice evidenced by the recently agreed Employability Policy Statement.

It was acknowledged that number had to be limited as the event was oversubscribed, an endorsement for the appetite amongst colleagues to discuss current topical issues, network and share of best practice assisting us to articulating our distinctive contribution to the employability agenda which in financial terms we estimate is in excess of £60M.

Following discussion across all Local Authorities, the 6 conference themes identified for the five sessions across the two days were:

- 1. Local Government Policy Statement**
- 2. Scottish Government's priorities for 2014/15**
- 3. Youth Employment Strategy Refresh**
- 4. Strategic Skills Pipeline**
- 5. Welfare Reform**
- 6. European Structural Funds**

Theme 1

Local Government Employability Policy Statement

The Local Government Policy Statement on employability was developed jointly between SOLACE and SLAED and endorsed by COSLA in November 2013. This is intended to provide a clear focus on this key activity in local Government and to mobilise all parties to address the challenges we are facing. The statement has been sent to key partners and in particular John Swinney, Cabinet Secretary with responsibility for Employment. Unsurprisingly the statement highlighted that more responsibility should be given to Local Authorities and that **more of the employability related resources should be routed through Community Planning Partnerships.**

Whilst not a statutory service the pivotal role of Local Authorities is embedded in the Local government (Scotland) Act 2003 which outlines the role of Local Authorities to, “promote and advance well being.”

Local Authorities play a key **enabling** role in economic recovery and job creation. Support infrastructure is aligned and focused to provide the maximum contribution to **securing and creating jobs**

Employability remains a significant policy issue given the current economic conditions and the consequences arising from the implementation of the welfare reform programme. The recently published “Working for Growth” Employability Framework for Scotland makes clear the challenges facing public sector partners and it is essential that Local Government articulates its distinctive contribution to the employability effort as the transformational impact of welfare reform starts to impact employability services and the local economy.

This policy statement for Scottish Local Government on employability is embedded in the key principles of the Christie report ensuring that:

- Services are built around people and communities, their needs, aspirations, capacities and skills, to build up their autonomy and resilience; and
- Services prioritise prevention, reduce inequalities and promote equality.

Expected Outcomes from Session

1. ***Increased understanding of the challenges and opportunities presented by the Local Government Employability Policy Framework.***
2. ***Improved understanding of policy implications in practice.***
3. ***Increased awareness of the connectivity with Scottish Government Policies and Programmes.***
4. ***Increased understanding of the pivotal role played by Local Authorities.***
5. ***Acknowledgement of agreed priorities for action moving forward.***

Scotland's 32 councils provide vital public services from the cradle to the grave. Delivered directly or in partnership with others, these services involve substantial resources. In 2013 councils spent nearly £21 billion, employed 204,500 staff and used buildings and other assets with a value of around £38 billion.¹ Employment as a key instrument for tackling economic and social exclusion and that Council's are well placed to make a unique contribution in an "all Council" approach.

So are we making a sufficient corporate footprint on employability?

In addition to their role as major employers and procurers of services, local authorities lead on the delivery of a number of critical functions that create the conditions to support and enable investment in local economies; such as planning, licensing, education, employability, transport infrastructure and local regeneration. Cross-service collaboration is at the heart of local economic development activity. How well this works in practice across Local Authorities is variable. Local economic development services do not sit neatly as a single local authority discipline; rather it is a corporate theme that runs through council services.

The Scottish Employability Forum's action plan equally forms the core of our local priorities for Employability and the Policy statement looks to address these from a Local Government perspective. It is therefore crucial that we articulate our distinctive contribution to addressing these priorities through a strengthened and consistent Local Government voice.

- 1. *Better Linking Economic Development and Employability***
- 2. *Allocation of Resources Across Priority Groups***
- 3. *Measuring Performance***
- 4. *Assessing Impact of welfare Reform***

The key principles of the Christie Commission Report on Public sector Reform will underpin our approach to these priorities to strengthen and reinforce local democracy and accountability through a more aligned and localised approach to the delivery of public services.

- ***Services built around needs of people and communities***
- ***Key drivers – early intervention and prevention***
- ***Better alignment of local support services***
- ***Full use of the "All Council" approach***

As well as the "all Council" approach the better alignment of services also requires a move towards the single citizen approach as we look at the whole costs of public services where there is scope to improve our delivery of multi service interventions – especially with the introduction of the Welfare Reform Programme and arising consequences.

¹ Local Government Overview Accounts Commission March 2014

Some of the challenges and opportunities around welfare reform

- **Mitigating impacts**
- **Local Support Services**
- **Universal Credit**
- **Claimant Commitments (in and out of work)**
- **Jobs deficit – under-employment**
- **Resources**
- **Sanctions**

The extension of conditionality and the increased use and scale of sanctions alongside changes to payments presents significant challenges and the main mitigation for workless clients is being supported back into quality, sustainable employment. The availability of jobs and the match between supply and demand will continue to present challenges for economic development – both locally and nationally.

The all Council approach seeks to capitalise on all the powers of the Local Authority to generate the maximum scope and potential to improve and advance well being, and in this instance through employment. The “all Council” approach requires Council Services to look at how a more integrated and collaborative approach could improve outcomes and demands a better connected way of working.

- **Corporate contribution to employability**
 - Core Purpose (Purchaser, Employer and Service Provider)
- **Better alignment of services**
 - Improved efficiency and effectiveness
 - Alignment to Corporate goals
 - Partnership working

Theme 2

Scottish Government Priorities 2014/15

Gavin Gray, Scotland’s Skills Unit, Scottish Government provided an overview of the Scottish Government’s Priorities for 2014/15 and referenced the work of the Scottish Employability Forum and collaborative activity with Local Authorities. It was acknowledged that the key focus of the Scottish Government continued to be on young people but it was recognised that there were emerging challenges around employability support for older job seekers. It was noted that the work of the Cambridge Policy Consultants would generate a view on this with emerging recommendations thereafter considered by Scottish Government. The focus of activities in 2014/15 will remain as:

- ***Supporting those not in education, employment or training into sustainable employment***
- ***Skills gaps and underemployment***
- ***Transitions from education to work***
- ***Equality issues***
- ***Workforce and workplace development***

Recognising that these activities were delivered in partnership with Local Authorities Scottish Government were looking to continue to collaborate on the five key areas of priority outlined for the coming year:

- 1. Commission for Developing Scotland's Young Workforce**
- 2. Refresh of the Youth Employment Strategy**
- 3. Working Together**
- 4. Scottish Employability Forum Action Plan**
- 5. Scotland's Future**

Workshop 1 - Key Questions/Issues for Discussion

- 1. How do we strengthen the role of Scottish Local Government and establish common standards, approaches and values across areas of mutual interest and concern creating a coherent and consistent Scottish Local Government approach?**
- 2. How do we develop a streamlined common performance monitoring system to articulate the contribution from Local government to employability?**
- 3. What do we need to do to firmly embed the "all Council Approach to employability?"**
- 4. How do we advance and align our collective common priorities with Scottish Government?**

The workshop format provided an opportunity for discussion on the challenges and opportunities outlined in the Local Government Policy Statement and Local and National Priorities concluding with some concise actions that can be taken forward as our collective employability priorities for 2014/16 taking forward the Policy statement and implementing a best practice response.

Key Points from Discussion

- Agree common standards and definitions across Local Government and with National Government;**
- Develop a National MIS with investment from Scottish Government to deliver a national framework through Local Authorities and CPPS linking to SOAS;**
- De-clutter the landscape and better articulate the strategic and collaborative structures to assist in better alignment, coherence and consistency;**
- Improve Chief Officer and political buy in to employability as a key early intervention action – as part of an all Council approach;**
- Better align Council services and objectives to maximise economic footprint;**
- Raise the profile and contribution of employability within local economic development;**

Theme 3 Youth Employment Strategy Refresh

Joe Dowd and Shalani Raghavan from Scottish Government provided an input around the refresh of the Youth Employment Strategy which was first launched in June 2012. The main aim of this strategy was to bring a cross Government focus to tackling high levels of youth unemployment. It was recognised that the document is still relevant but it was developed in a different economic climate and it was noted that Scottish Government is keen to revise the strategy so that it is more relevant to current outlook and takes account of the significant opportunities for structural reform that will be presented by the Wood Commission on Developing Scotland's Young Workforce.

Delegates heard that the Scottish Government wants to change Scotland's place in the world. In late 2012 the 3-Step Improvement Framework was introduced. The Framework provides a method to help unlock and channel the collective knowledge and energy of those working in the public sector. The Framework is about getting started and "doing" by implementing the improvements that will deliver transformational change. The Framework and its principles are the bedrock of the Early Years Collaborative and are being embedded and put to practical use across local authorities and Community Planning Partnerships in Scotland. Shalani Raghavan would aim to demonstrate how improvement science can be used to both strategically and at a local level to design and implement sustainable change in re-designing the Youth Employment Strategy.

Joe Dowd outlined the Scottish Government vision for the refresh of the Youth Employment Strategy²

- ***To go below pre-recession youth unemployment rate of 14%***
- ***Develop a shared commitment to reducing youth unemployment***
- ***Identify changes that will make the difference***
- ***Demonstrate leadership to make change happen***

Expected Outcomes from Session

- 1. To capture a shared vision for reducing youth unemployment (ambition to reach pre-recession levels)***
- 2. To develop a shared aim statement for reducing youth unemployment (possibly linked to European comparators or the level of all age unemployment)***
- 3. To clearly identify the game changers that will make the difference (e.g. improving transitions, better asset management etc.)***
- 4. To devise change ideas and practical suggestions on tackling youth unemployment***

² <http://www.scotland.gov.uk/Publications/2012/06/9210/0>

It was noted that the Scottish Government are seeking active involvement from Local Authorities and it was agreed that SLAED would provide collective feedback after the workshop sessions. Scottish Government is particularly interested in the views of Local Government in:

- ***Creating a common goal for reducing youth unemployment***
- ***Performance measures***
- ***Views and ideas on what will make the difference***

Shalani Raghavan, Scottish Government outlined that to change Scotland's place in the world we must find new and better ways to achieve the outcomes we want. It was noted that the Youth Employment Strategy is at the Macro level and working in partnership we need to explore how to we get our big ambitions and aims into practice at a Micro level.

A 3-Step Improvement Framework was presented that has been developed to help unlock and channel the collective knowledge and energy towards a common goal of real and lasting improvement across our public services. It was noted that the Framework is designed to prompt self-assessment and debate and is about getting started and 'doing': creating conditions for and implementing the improvements. A Bob Lloyd video on the Model for improvement was shown to illustrate the theory in practice.

It was noted that strategic models often provide the "what" and the "why" but not the "How," which is the key difference with improvement framework proposed. We are not good at making change for improvement because we do not test whether it can be delivered appropriately in various conditions and environments before we expect it to be implemented. It was also recognised that not all change is improvement.

The four part cycle was explained as follows:

1. **Plan** - Decide what change you will make, who will do it, and when it will be done. Formulate a hypothesis about what you think will happen when you try the change. What do you expect will happen? Identify data that you can collect (either quantitative or qualitative) that will allow you to evaluate the result of the test.
2. **Do** - Carry out the change.
3. **Study** - Make sure that you leave time for reflection about your test. Use the data and the experience of those carrying out the test to discuss what happened. Did you get the results you expected? If not, why not? Did anything unexpected happen during the test?
4. **Act** - Given what you learned during the test, what will your next test be? Will you make refinements to the change? Abandon it? Keep the change and try it on a larger scale?

It was highlighted that the most important factor is that the measures are owned by the people who are doing the improvement.

The workshop format provided an opportunity for discussion on the Refresh of the Youth Employment Strategy and the improvement framework outlined.

Workshop 2 - Key Questions/Issues for Discussion

- 1. What needs to change?**
- 2. Who can help in delivering these changes?**
- 3. What will the change achieve?**

There was wide ranging discussion on the alignment and connectivity of the Youth Employment Strategy Policies and Actions Plans at both the Scottish and Local Government Level across departments such as Education and Economic Development.

Terminology and definitions were again cited as an area which created confusion and the lack of consistent, meaningful data meant that it was difficult to measure performance. The need for consultation, intelligence led planning was identified as a key element in the improvement planning process and that this should be done from the bottom up to agree meaningful changes. It was noted that there are too many initiatives, schemes, and programmes when what is required is a transformational and systemic change to tackle the structural issues of Youth Unemployment. It was noted that prior to the recession Youth Unemployment was still disproportionate.

Key Points from Discussion

- ***Local Authorities should be given a more strategic role for Employability in considering and taking forward the recommendations of the Wood Commission due to the responsibility for Education and Local Economic Development;***
- ***Local Authorities need to be given greater responsibility for delivering change;***
- ***We need to stop parachuting in new initiatives and stick with a plan to deliver measurable outcomes – consistent systems, definitions and measures of performance are required;***
- ***The Youth Employment Strategy should sit within the Employability Framework for Scotland³ and needs to be integrated within the existing relevant partnerships to ensure a strategic and coordinated approach is agreed to engaging with employers/business;***
- ***The role of Skills Development Scotland at a National and Local level needs further clarification and agreement;***
- ***Single Outcome Agreements should better reflect national and local priorities with meaningful KPIs – contributions and attributions to improved outcomes need greater clarity;***
- ***A period of stability to fully implement process of change is required too many short term approaches driven by silo funding streams;***

³ <http://www.scotland.gov.uk/Publications/2012/09/5609/0>

The Youth Employment Strategy was still considered to be appropriate and fit for purpose the main issues are in the translation of strategic aims and objectives into measurable action plans. There was broad general support for the content of the existing Strategy but the devil is in the detail in the implementation and to this end the following observations were provided for consideration:

All Government Approach – There is limited evidence of benefits being delivered from Scottish Government procurement, there is a wealth of knowledge and experience across Local Authorities, it may be worth formalising expected outcomes from anticipated spend moving forward;

Public Sector Employment – There is an obvious conflict between reducing budgets and headcount and being able to effectively develop and recruit new labour market entrant into the public sector. What flexibilities can be considered?

Role of NHS - There is limited and variable experience of the contribution of the NHS to improved outcomes for young people – can the “All Government Approach” be extended to include NHS and increase their economic contribution locally?

Community Justice Service - Is there scope to look at better linkages between unpaid work and employability to reduce re-offending and improve outcomes?

Third Sector – There is a need to clearly articulate and differentiate the contribution to Youth Employment by national and local third sector organisations as this continues to be a source of tension within the sector.

Opportunities For All - This requires a better articulation in terms of any proposed Youth Guarantee linked to improved outcomes. Local management, delivery and monitoring of nationally agreed standards, targets and outcomes is essential moving forward to ensure meaningful and appropriate measures of progress. Local Authorities and Scottish Government should more directly determine and agree collective outcomes.

Regional Colleges – The Regional College Agreements and the need to link more effectively to Local Employability Partnerships and Strategic Skills Pipelines should be an essential component of a refreshed strategy alongside better monitoring of college leaving destinations.

Employer Engagement - should be designed and agreed through the existing Local Employability Partnership structures to avoid cluttering the public sector ask and offer ensuring effective alignment and common standards.

Simplifying the System – We would welcome further streamlining of the bureaucracy, processes and paperwork with greater focus on outcomes. Increased flexibility and refinement of national and local structures would be helpful in this process. The management of outcomes and resources via Community Planning Partnership is seen as essential in improving accountability and effectiveness.

Theme 4 Strategic Skills Pipeline

Background Statement

Hazel Mackie (Falkirk Council) and Lucinda McAllister (Fife Council) provided contrasting local approaches to delivering the Employability Pathway more commonly referred to as the Strategic Skills Pipeline. It was recognised that this has now been adopted as the national a framework for organising employability service delivery and resources. The European Structural Funds and National Training Programmes have been structured and aligned with the Pipeline further distinguishing prioritisation by age as well as stage. However, many Local Authorities and Local Employability Partnerships have subtle differences in their detailed application and definition of the stages within this Framework.

It was noted that the Scottish Employability Forum through the engagement of Cambridge Policy consultants are currently reviewing the allocation and performance of Public Sector Employability Funding by age and Stage and will be determining a set of recommendations for future action by the three tiers of Government.

Expected Outcomes from Session

- 1. *Increased understanding of the variety of Pipeline Approaches.***
- 2. *Improved awareness of the issues in Universal application.***
- 3. *Improved and broader consensus of Local Authority role and implications.***
- 4. *Agreed improvement actions for discussion with Employability Partners***
- 5. *Identification of best practice***

The workshop format provided an opportunity for discussion on various local applications of the pipeline highlighting different models of how service provision was organised and delivered. The role of partners also varied highlighting inconsistent approaches amongst national partners across geographies. It was noted that there were also variations in the role of the Local Authority and the nature of the partnership working. However, there was a common view that how pipelines are funded was a central element of their success. Similarly there was general agreement on the problems with access to meaningful data and intelligence to enable the effective planning, design and delivery of provision.

The workshops explored some specific questions around the management and operating of the Strategic Skills Pipeline Approach to assist in highlighting common improvement actions.

Key Questions/Issues for Discussion

- 1. What are the key differences in interpretation and application?**
- 2. What is the role of Local Authorities?**
- 3. What differences are there in who delivers/leads on each stage?**
- 4. Where are there differences of opinion in the activities per stage?**
- 5. Are the current resources allocated across stages appropriate?**
- 6. Can there be a competence based approach to the Pipeline?**
- 7. Is the pipeline applicable to all ages?**

A full discussion took place on Strategic Skills Pipelines and with the European Social Fund Employability Pipelines currently high on the radar there were additional considerations around activities at stage 1 and 2 of the pipeline and the fit with other national programmes etc.

Key Points from Discussions

- There is a need for some common definitions and understanding of the needs, characteristics and outcomes related to client engagement and progression in the pipeline;**
- Whilst one size does not fit all agreement on some common assessment tools and employability competences/factors at each stage of the pipeline would be helpful in designing provision at each stage of the pipeline;**
- It was agreed there was some scope for a competence based approach but that flexibility would still have to be built in to the design;**
- It was recognised that some stages had greater breadth than others, however funding models meant that clear outputs and outcomes relating to each stage were essential;**
- DWP don't always recognise and work with the 5 stages of the pipeline and this creates difficulty in referring and working with claimants;**
- It was noted that there is a need to clarify how SDS engage across the stages and what career information advice and guidance is available on an ongoing basis;**
- It was agreed that the Strategic Skills Pipeline is applicable at all ages and is now being adopted as part of the senior phase transition planning in some areas to better support progression;**
- It was noted that in some areas it is difficult to get a range of provision and providers across the stages;**
- There was a general consensus that there was not enough resources available for the older age group and that stage 1 and 2 were very resource intensive;**
- There was a general consensus that more discussion was required on Activity Agreements and how these aligned with the Strategic Skills Pipeline;**

Theme 5
Welfare Reform – Local Support Service Framework

Greig Robson from COSLA highlighted the emerging position of Universal Credit (UC) in the programme of Welfare Reform and in particular the and the potential service implications for Local Authorities. An update on Universal credit was provided alongside an explanation on what is meant by the Local Support Services Framework highlighting some challenges and opportunities.

Expected Outcomes

- 1. Increased understanding of welfare reform roll-out – timelines etc***
- 2. Increased understanding of the services required to respond to Universal Credit***
- 3. Increased understanding of how the LSS will be developed locally and what OPA and DPA etc are.***
- 4. Increased understanding of the challenges and opportunities these developments provide***
- 5. Discussion and agreement on priority areas for action individually and collectively to prepare for Universal Credit and to progress SLAED objectives.***

It was noted that there had been a slowdown in the implementation of the Universal Credit providing the opportunity for Scotland's Local Authority employability leads to develop plans. Full national roll-out was now scheduled for 2016-17 with new claimants transfer first in 2016 and then migration of existing claimants later.

It was noted that there was a Local Government mandate to develop local support services framework with DWP who have committed to working with Local Authorities as key partners for next 5 years.

A final decision on Local Authority involvement will be taken by COSLA leaders, when resources for Local Support Service Frameworks (LSSF) are known. However, it is assumed that politicians will approve Local Authority delivery of LSSF which means in 2 years time, it will be local design of services and agreements with district managers. An overarching Partnership Agreement between Scottish Local Authorities and DWP but it was interesting to note that LSSF

“It provides a structure, developed by DWP in collaboration with Local Authority (LA) colleagues, for planning holistic and integrated localised claimant support for people who need extra help to make or maintain a claim for UC to support their journey towards self-sufficiency and independence.”

“The ultimate aim of those providing services under the framework will be the creation of a “single claimant journey” from dependency to self-sufficiency and work readiness, as far as is possible, behind which all service providers should be aligned.”

It was noted that there are challenges ahead in understanding what Universal Credit will mean for Local Authority services, what demands will exist, how tensions with DWP can be overcome, how we can fund additional services, how we can share data effectively, how can we support while not being associated with anything viewed as punitive.

However it was recognised that UC provides a “hook” to progress aspects of service delivery which employability leads will have an interest in – co-location, digitalisation, effective triage, joined up services and joint commissioning. There is an opportunity to implement improvements over next 2 years, to ensure that the Local Support Services Framework is introduced and fully integrated into the Strategic Skills Pipelines.

It was noted that the LSSF from DWP’s perspective is about:

- ***Additional burdens from UC***
- ***Digital Access and Support***
- ***Personal Budgeting Support***
- ***Triage (assess what support someone needs)***
- ***Advice and support to make a claim (focus on vulnerable groups)***
- ***Joint planning, commissioning and monitoring***
- ***More data sharing***
- ***Co-location***
- ***Closer alignment with social work and housing services***

Key Questions/Issues for Discussion

- 1. How do we improve partnerships with JC+ to position where in 18 months, we are comfortable jointly planning, commissioning, monitoring and managing services?***
- 2. LSSF will fund additional triage, digital access and financial inclusion activity to support UC claimants – how do we prepare to increase capacity and make sure these services join up with existing services?***
- 3. Existing skills pipeline provision is coming under pressure from the claimant commitment – how best do we manage this?***
- 4. What are our top 3 priority areas for action over next 18 months to prepare for LSSF?***

A full discussion took place on UC and LSSF which highlighted variations in relationships and working practices across DWP Local Authority areas. It was also noted that there was a range of different approaches across and within Local Authorities with a dominance from revenues, benefits, housing and finance. There was recognition of the connectivity with the pipeline especially at stage 1 and 2. There was concern that current service design would not be fit for purpose and it was noted that due to the focus on youth employment many services to adults had been reduced or had disappeared.

It was recognised that in many areas there was a strategic fit with financial inclusion activities and local strategies to tackle poverty, it was noted that many in work claimants also required support.

There was acknowledgement that a many of things UC will drive Local Authorities will have an interest in already but the LSSF will provide a vehicle for a more joined up customer journey designed and funded locally. The opportunity to integrate more preventative approaches into pipelines efficient delivering improved services and outcomes.

Key Points from Discussions

- ***Local Authorities will need to deal with the issues anyway so it would make sense to drive the agenda and try and get additional resources;***
- ***There is concern that Local Authorities and services could be tainted by too close an association with DWP;***
- ***There is concern that a single common and coherent position is not agreed across Local Authorities;***
- ***It will be even more important to join up within Councils to avoid the risk of separate agreements being reached for single issues with department leads blind of other activity and joint approach;***
- ***Data sharing and protocols continues to be an issue and would have to be part of any discussions/negotiations;***
- ***Can we use the Flexible Support Fund to start piloting joint approaches with DWP?***

Theme 6 European Social Fund 2014 -2020

Micelle Gauiter (Dundee City Council) provided some background information to the new programme and delivered a presentation outlining the terminology, jargon Highlighting key and current issues for Local Authorities.

Expected Outcomes

- 1. Increased shared understanding of Proposed Delivery Arrangements.***
- 2. Increased alignment of assumptions underpinning Employability Pipeline Costings***
- 3. Increased awareness of Simplified Costs***
- 4. Agreed process for refining pipeline***
- 5. Shared understanding of support requirements***

It was noted that the Partnership Agreement chapter for Scotland sets out a common strategy for how EU Funds in Scotland will be deployed. It is based on strategic concentration, identifying the few and significant interventions where these funds could make a measurable impact in Scotland on achieving Europe 2020 targets and aims.

The programmes are also seeking to use a simpler, more robust control framework, which is legally, financially and administratively safe, including much wider use of procurement and simplified cost options. It was noted that Local Authorities via CPPs were leading on the Local employability pipelines and had populated template(s) for their proposed pipeline activity. It was also noted that there was ongoing work on Simplified Costs and in particular in developing a scale of unit costs, funding requirements and outputs/outcomes.

The major changes in the new programme were highlighted as:

- ***European Structural & Investment Funds = ESF, ERDF, EAFRD, EMFF***
- ***Move away from challenge rounds***
- ***Less small “projects” to large strategic interventions e.g. Enhanced Pipelines & Business Gateway Plus***
- ***Scottish Government desire to move towards procurement and away from partnerships***
- ***EC will increasingly focus on procurement & State Aid***
- ***Move towards Lead Partners for strategic interventions***
- ***Payments to Lead Partners on achievement of outputs***
- ***Payments via EUMIS***

It was noted that there were still gaps in information, further clarification of costs and match-funding, no confirmation of Social Inclusion and Poverty or timescales for the completion of the Partnership Agreement and Operational Programme. It was proposed to move into workshops to discuss the matters arising and the key questions outlined below

Key Questions/Issues for Discussion

- 1. Have we made common assumptions in putting together our template and what do we need to do locally to refine the templates?***
- 2. Have we used common costings and are any ineligible costs included?***
- 3. Can we get the figure of £192m down to £124m?***
- 4. Can additionality be evidenced and justified?***
- 5. Can the amount requested really be spent and matched?***
- 6. What support do is needed immediately?***
- 7. What support/resources do we need once the programme starts?***

Given the complexity of the issues arising it was agreed to remain in a whole group and refer to the templates that had already been submitted for the Employability Pipelines by each Local Authority. It was noted that there was an overbid for resources and confusion around match-funding, eligible activity and the position regarding ERI.

It was noted that an allocations methodology was being proposed but still to be confirmed and it was indicated that some Local Authorities may not want to deliver to the level of their allocation due to match funding issues and the need to provide additionality.

It was agreed that follow up discussion was required and ongoing effective communication was essential given the complex and changing nature of the EU Structural Funds. The revised structure and governance of EU Funding within SLAED was noted and further information will be available in due course. It was noted that the next scheduled ESF CPP Network meeting was 2nd May 2014 and hopefully more information would be available then.

Key Points from discussion

- *Local Authorities need to look at re-profiling due to overbids and reassess the assumptions on which bids were made;*
- *Clarification on ERI and links with match-funding requirements and new programme to be sought from Scottish Government;*
- *Clear guidance on eligible match funding, additionality required as there appears to be differing interpretations;*
- *CPP Network Group to be aligned within SLAED structure for liaison etc with Scottish Government;*
- *More detailed information on Social Inclusion and Poverty Strategic Intervention and links with the Employability Pipelines required;*
- *Model of Unit costs to be further explored;*
- *Ongoing communication and information sharing agreed as essential;*
- *Role and engagement of third sector within Employability pipelines needs further discussions; and*
- *Links with SDS and College ESF proposals need further exploration.*

Conclusion

The conference was deemed an overwhelming success and the evaluation survey proved the value and worth of the focused discussion on Employability from the Local Authority perspective. A second conference for 2015 is proposed with the creation of an organising committee with indicative dates available soon.