

ABERDEEN CITY COUNCIL

COMMITTEE	City Growth and Resources
DATE	18 September 2018
REPORT TITLE	Employability One-Stop Shop
REPORT NUMBER	PLA/18/148
DIRECTOR	
CHIEF OFFICER	Richard Sweetnam
REPORT AUTHOR	Matt Lockley
TERMS OF REFERENCE	2.3

1. PURPOSE OF REPORT

- 1.1 The report provides an update on the previously proposed employability one-stop shop.

2. RECOMMENDATION(S)

That the Committee :-

- 2.1 Note the update on the proposed employability one-stop shop.

3. BACKGROUND

- 3.1 At its meeting in August 2017, Communities, Housing and Infrastructure Committee approved a report (CHI/17/197) which proposed the negotiation of a lease with Instant Neighbour (an Aberdeen-based social enterprise that runs retail units offering affordable second-hand furniture and homewares and hosting learning and employability placements) to enable the establishment of an employability one-stop shop on Union Street. The proposal envisaged that Instant Neighbour would take on the lease from the building's landlord and that the Council would sub-lease space in the building on behalf of the wider employability partnership.
- 3.2 Negotiations between Instant Neighbour, the Council and the landlord continued during late 2017 and into the spring of 2018. The premises remained an attractive proposition in terms of location and accessibility, but costs were a significant issue. Partners' ability to contribute to the funding package was limited which meant that the Council would be liable for significant costs, both in terms of paying the sub-lease (50% of the total rent / rates) and the

associated ongoing utility costs. Fit out costs were also estimated to be substantial given that the lower ground floor (which would have been the employability one-stop shop) had previously been a stock-room. In addition, the lease offered was on a 10-year basis with a review / break clause at five years – which would have been mirrored in the sub-lease arrangement.

- 3.3 Negotiations with the landlord came to a head in the spring of 2018, as other parties were interested in leasing the premises. Instant Neighbour was not in a position to commit and had a separate offer on the table for city centre premises. Given the financial implications and the extended lease requirements, officers did not consider it feasible for the Council to continue lease negotiations with the landlord as the sole partner.
- 3.4 The city's employability partnership continues to have an interest in establishing city centre one-stop premises, alongside a similar model in priority localities. Whilst partners are supportive of the principle of co-locating some services, there are significant limitations to the amount of resources that they are able to commit. More cost-effective solutions are therefore being explored, including less formal, more ad hoc arrangements (for example, at Skills Development Scotland's premises on Union Street or at Momentum's new facilities at Ruby Court). Instant Neighbour has taken on space at Union Square and there may also be opportunities for some co-location and service delivery there.

PROGRESS THROUGH POSITIVE PARTNERSHIPS

- 3.5 Members considered a report on Neighbourhood Audits, part of the Progress through Positive Partnerships employability project at their meeting in June 2018 (PLA/18/034). Further to that report, the Council has now been invited to consider an extension to the project which could secure European Social Fund resources until the end of December 2022. Officers are considering the opportunity and will bring a further report to this Committee, setting out the financial implications and benefits of extending the project, in due course.

4. FINANCIAL IMPLICATIONS

- 4.1 More cost effective solutions for the employability one-stop shop continue to be investigated, including via the Council's own estate. If any proposals require additional resources that cannot be accommodated within City Growth budgets, a further report will be brought back to this Committee.

5. LEGAL IMPLICATIONS

- 5.1 There are no direct legal implications arising from the recommendations of this report.

6. MANAGEMENT OF RISK

	Risk	Low (L), Medium (M), High (H)	Mitigation
Financial	None	NA	None
Legal	None at this stage	L	If further proposals are developed, advice will be sought from Corporate Landlord colleagues and the Council's legal team if necessary.
Employee	None	NA	None
Customer	None	NA	None
Environment	None	NA	None
Technology	None	NA	None
Reputational	None	NA	None

7. OUTCOMES

Local Outcome Improvement Plan Themes	
	Impact of Report
Prosperous Economy	None – proposal is not to proceed
Prosperous People	None – proposal is not to proceed
Prosperous Place	None – proposal is not to proceed

Design Principles of Target Operating Model	
	Impact of Report
Partnerships and Alliances	Continued work with employability partners will identify future opportunities for co-location of projects and services.

8. IMPACT ASSESSMENTS

Assessment	Outcome
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Equality & Human Rights Impact Assessment	The recommendations from this report do not require that a full Equality and Human Rights Impact Assessment is required.
Privacy Impact Assessment	Not applicable
Duty of Due Regard / Fairer Scotland Duty	Not applicable

9. BACKGROUND PAPERS

- PLA/18/034 – *Neighbourhood Audits of Regeneration Areas* – report to City Growth and Resources Committee, 19 June 2018, published
- CHI/17/197 – *Employability One-stop Shop* – report to Communities, Housing and Infrastructure Committee, 29 August 2017, published

10. APPENDICES (if applicable)

None.

11. REPORT AUTHOR CONTACT DETAILS

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