

ABERDEEN CITY COUNCIL

COMMITTEE	City Growth and Resources
DATE	27 th November 2018
REPORT TITLE	Extending Employability Provision
REPORT NUMBER	PLA/18/263
DIRECTOR	N/A
CHIEF OFFICER	Richard Sweetnam
REPORT AUTHOR	Matt Lockley
TERMS OF REFERENCE	2.2 determine the Council's strategies for city growth and place planning except in relation to major infrastructural planning; and 2.3 consider reports on key actions by the Council towards the delivery of the Regional Strategy and the Inward Investment Plan.

1. PURPOSE OF REPORT

- 1.1 To inform Committee of the proposed extension to the Progress through Positive Partnerships programme until December 2022.

2. RECOMMENDATION(S)

That the Committee :-

- 2.1 Note that the Council intends entering into a further European Social Fund grant agreement with the Scottish Government to ensure continued delivery of the Progress through Positive Partnerships programme until December 2022

3. BACKGROUND

- 3.1 Aberdeen City Council has been leading the delivery of the Progress through Positive Partnerships project, aimed at supporting people with multiple and complex needs into positive employment and training participation, since early 2017. The project is part-funded by the European Union through a European Social Fund (ESF) allocation for employability activity to Aberdeen. Each local authority in Scotland has a proportionate allocation of the same fund, depending on population levels. The project and associated resource commitments were approved by Communities, Housing and Infrastructure Committee on 25th August 2016 (CHI/16/154).

- 3.2 The Progress through Positive Partnerships project is currently contracted (for ESF contributions) until the end of December 2018. Aberdeen City Council contributes staff costs (1.4 FTE posts in City Growth are 100% dedicated to the project). The remainder of the project budget is made up of provider partners' funds and a contingency allocation (£150,000) from the City Centre Masterplan budget to meet any specific gaps or mitigate any specialist needs. The delivery model is based on the Scottish Government's employability pipeline. Pathways Services (an Aberdeen-based third sector organisation) provides the initial engagement and keyworker support elements, with a range of other third sector and training providers delivering employability and sector specific training courses and work experience. All of these services have been procured through a framework model.
- 3.3 At the time of writing, 564 people had been referred to the project from a variety of sources, including 284 via the neighbourhood skills audits. Of those, 235 confirmed an interest in the project and 197 were actively engaged. The relatively low number compared to the overall targets are due to the project's late start (in August 2017) following contract negotiation and procurement delays.
- 3.4 158 action plans have been submitted for approval, detailing training and support provision for clients; 91 places on training courses had been allocated; 22 clients had undertaken a variety work experience placements; twelve have achieved qualifications; 56 had secured employment (50 full-time and six part-time, 21 of whom continue to receive keyworker support); and two had started college courses at NESCOL.
- 3.5 Additionally, the project has delivered two jobs fairs, attracting over 2,100 people in total, and a networking event for city-based training and support agencies to knowledge sharing and improve referral routes for clients. These events have been very positively received by participating organisations.
- 3.6 In the spring of 2018, the Scottish Government announced that it would seek notes of interest from local authorities to extend projects until the maximum permitted period, which is the end of December 2022. Aberdeen City Council area has an indicative ESF allocation of £771,546 for the four years from 2019-2022. This would be expected to deliver outcomes as shown below and would require match funding of £1,157,319 (to maintain the 60:40 split required by ESF).
- 3.7 The project extension, if approved by the Scottish Government, would engage 5,790 unemployed people over its duration. It would seek to support a minimum of 1,870 people into employment, with a minimum of 1,300 participants achieving a recognised qualification. The project would also offer aftercare to participants entering employment and work with employers to support at least 750 people to gain in-work qualifications and a similar number to make a positive progression within their employment.
- 3.8 The extension will enable the Progress through Positive Partnerships project to continue to play an important role in the employability ecosystem in the city. It is a significant contributor to the Council and Community Planning Partnership's

Inclusive Growth ambitions and is particularly well-suited to supporting employability activity in localities and the Council's response to the neighbourhood audits, referenced in a previous report to this Committee (PLA/18/034). It is a flexible project that can adapt to changes elsewhere in the employability ecosystem (i.e. Department for Work and Pensions and Scottish Government initiatives) to ensure that it is consistently adding value. The project responds effectively to employer and sector demands and is a strong foundation for work on Regional Economic Strategy priorities such as community benefits and Developing the Young Workforce.

- 3.9 The Council's contribution to the match funding can be provided by extending the staffing commitment to delivery of the project to the end of 2022. This would not require any additional resources – the posts are on the Council's permanent establishment.
- 3.10 Evaluation of the work to date from delivering the PPP programme shows that the funding model (whereby provider partners are required to provide 60% match funding) is a major barrier to engaging a wide range of community-based partners and therefore providing sufficient training and employability support activities. In order to mitigate this and to enable a framework to be procured that is more reflective of client need and economic demands, the project team will continue to support third sector partners to seek alternative sources of funding to support programme delivery.
- 3.11 The project will deliver over £4 million of investment in employability and skills activity over its six-year duration, supporting people with multiple and complex needs, predominantly in the city's priority localities. Over £1.62 million will have been secured in ESF grant and £1.94 million contributed by partners to the project. Aberdeen City Council's total contribution over the duration of the project will be just under £513,000, which is a combination of staff time and the £150,000 allocation from the City Centre Masterplan, and which equates to approximately 13% of the total.

4. FINANCIAL IMPLICATIONS

- 4.1 There are no additional financial implications for the Council in entering into the European Social Fund extension. The existing model of allocating staff resources to support the project delivers the Council's share of match funding and enables the Council to claim 40% of the costs associated with these posts.

5. LEGAL IMPLICATIONS

- 5.1 It is anticipated that the grant agreement will be an extension to the existing one. It can be signed through powers delegated to Chief Officers, following consultation with the Convenor of City Growth and Resources Committee. The content of the grant agreement between the Scottish Government and Aberdeen City Council will be reviewed by the Council's legal team before sign off.

5.2 The extension of European Social Fund to the end of 2022 is guaranteed by the UK Government and is not affected by Brexit negotiations.

6. MANAGEMENT OF RISK

	Risk	Low (L), Medium (M), High (H)	Mitigation
Financial	The European Social Fund allocation to the UK has been confirmed until the end of the existing funding period (i.e. end December 2022) although this agreement may well be subject to change as Brexit negotiations conclude.	M	If there are changes to the European Social Fund position as a result of Brexit negotiations, the project can be stopped within a six-month window and any participants can be transferred to alternative provision. However, it is likely that the UK Government will underwrite any European Social Fund commitments until the end of December 2022.
Legal	A new procurement exercise would be required to identify and contract with providers to form a framework for delivery of the project beyond December 2018.	M	Previous procurement exercises have resulted in limited take up due to the high match funding requirements. The Council will continue to support partners and provides to apply for and secure additional funds to support project delivery
Employee	No risks identified	NA	None
Customer	If the project is not extended, there is a risk that significant numbers of Aberdeen City residents, particularly those in priority localities, will not have access to such a wide range of employability services.	M	Aberdeen City Council facilitates the Employability Training Providers Forum and is a core partner of the Regional Learning and Skills Partnership. If the project is not extended, work through these groups would seek to mitigate the impact of the project not continuing.
Environment	No risks identified	NA	None
Technology	No risks identified	NA	None
Reputational	No risks identified	NA	None

7. OUTCOMES

Local Outcome Improvement Plan Themes	
	Impact of Report
Prosperous Economy	<p>Inclusive Economic Growth - We will ensure there is access for all employers to qualified labour.</p> <p>We will significantly improve the city through regeneration of our communities and ensuring a vibrant economy.</p> <p>By providing improved access to support services, training and job seeking skills, people living in our communities will be in a stronger position to find and sustain employment, improving their lifestyles and reducing reliance on the state.</p>
Prosperous People	<p>The proposal would extend the support offered through the Progress through Positive Partnerships programme until the end of December 2022. The project supports people on their pathway back to employment, giving them life skills such as financial and debt management and health and wellbeing guidance alongside support for employment specific development. This should support the development of more resilient people, families and communities.</p>
Prosperous Place	<p>The project naturally targets people and communities in the city's priority localities, breaking down barriers to employment and training and supporting people to take up the opportunities available to them. It also links to initiatives such as the Council's Community Benefit programme, which delivers social and employability benefits from major council contracts.</p>

Design Principles of Target Operating Model	
	Impact of Report
Partnerships and Alliances	<p>Closer working with partners and the strengthening of existing relationships would support the further development of a strategic employability pipeline in Aberdeen, while encouraging cross-referrals resulting in greater support for those citizens in need of it and reducing duplication of effort.</p>

8. IMPACT ASSESSMENTS

Assessment	Outcome
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Equality & Human Rights Impact Assessment	The recommendations from this report do not require a full Equality and Human Rights Impact Assessment.
Privacy Impact Assessment	The project deals with sensitive and complex personal data relating to individual participants. The project team have worked closely with Information Governance colleagues to ensure compliance with the new GDPR regulations.
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
- CHI/16/154 – *European Social Fund, Employability Pipeline* – report to Communities, Housing and Infrastructure Committee, 25 August 2016, published

10. APPENDICES (if applicable)

None.

11. REPORT AUTHOR CONTACT DETAILS

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