

HIGHLAND WORKS

EMPLOYABILITY DEVELOPMENT PLAN 2010

Section 1: The Context

Employability is defined as the combination of factors and processes which enable people to progress towards or get into employment, to stay in employment and move on in the workplace.

These factors and processes include a range of services to individual job seekers and employers

- assisting people with personal development; work experience and job preparation, job seeking and retention.
- assisting employers in supporting the creation of jobs; staff recruitment, induction and retention processes; training and staff development practices, particularly for SME's that need assistance with HR functions.

Responsibility for Employability Services are shared between UK and Scottish Government's, with Westminster having responsibility of UK wide **Welfare to Work** policies including eligibility for out-of work and in-work benefits. The **Scottish Government** has devolved responsibility for supporting development of the economy, education, skills and training and works in partnership with a other public authorities and the Third Sector in Scotland to provide services that contribute to helping people out of poverty by getting people into work.

The aim of this Strategy is to apply the Scottish Government's Workforce Plus to services in Highland to provide a joined up approach between UK, Scottish and local partner organisations that ensure services are delivered effectively, efficiently and economically. It aims to ensure a coordinated approach to engaging with people who are disengaged from the labour market to enter, sustain and progress in work.

This Development Plan and associated actions and work streams will enable the Partners to respond more effectively in a rapidly changing policy context including -

- changes to national employability programmes and types of employment related benefits;
- the need to ensure effective and coordinated service provision between central UK, Scottish and local government agencies in the context of reducing finances;
- the challenge of economic recovery and achieving sustainable economic development;
- rising unemployment and the need for targeted and differentiated services for people and areas particularly disadvantaged in the labour market;
- promote good equalities employment practices within the private, social economy and public sectors.

With tightening public sector funding it is more important than ever for Partners to work together to ensure a maximum return for investment by avoiding duplication and pooling resources..

The principal public agencies involved in development of employability services include -

- Job Centre Plus
- Skills Development Scotland
- The Highland Council
- Highlands & Islands Enterprise
- NHS Highland
- UHI (Higher and Further Education)

The public sector partners work mainly on the “supply” side of the labour market assisting people obtain the capability, skills and information to obtain employment.

This work needs to link with the “demand” side of the economy – businesses seeking employees. The partners will engage with a range of geographic and sector business organisations to ensure services are responsive to business needs.

Each of the principal public agencies has systems for planning and accountability through Strategic and Operating Plans. A summary of these is attached as Appendix 1.

This strategy is intended to identify the links that need to be made across these separate Operating Plans, identify the working and actions required to achieve the aim of more “joined up services” and identify the outcomes from these activities – contributing to the Highland Single Outcome Agreement as the principle Partnership document.

Section 2: The Challenges

Economic activity in Highland is high compared to Scotland and UK. However, whilst the rate of unemployment and those claiming out of work benefits is lower than Scotland and the UK, significant challenges remain for Partners.

The Single Outcome Agreement between the Community Planning Partners in Highland and Scottish Government identifies key strategic priorities in Highland's geography and dispersed population ensuring -

- Provision of infrastructure assisting access to services (Housing; Learning; Childcare; telecommunications; transport links (internally and externally));
- Growth of sustainable jobs and business, including high value, SME's and social enterprises;
- Reduction of inequality by supporting more people with better services and to make better life choices including work;
- Increasing earnings focused on those with lowest pay;
- Ensuring services are accessible, narrowing the gap and limiting the impact of distance from services in remote and rural communities;
- That new development and growth is planned and designed for sustainability;
- Alignment of public sector bodies responses to the recession (short term and long term).

Key Statistics regarding economic activity and unemployment are detailed in Appendix 2 and summarised below:

Welfare Reform

The UK Government's 21st Century Welfare consultation indicates the aim of taking a "single programme" approach to people of working age that are economically inactive, simplifying programmes and getting people off benefits. 16,594 residents of a working age were in receipt of key working age benefits in Highland in November 2009. This approach involves much greater numbers as well as a more diverse range of personal and skills development needs.

Out of those residents receiving out of work benefits -

- 4,124 are Job Seekers;
- 1,590 receive Employment and Support Allowance;
- 8,590 receive Incapacity Benefit;
- 1,720 receive Loan Parent Income Support; and
- 570 receive other income related benefits.

School Leavers

The partners face significant challenges in providing services for young people reaching the statutory school leaving age with evidence of increasing numbers of young people in need of More Choices and More Chances in post school provision. In particular the opportunities for young people to continue with

learning, to enter employment or related training are the focus of an Activity Agreement pilot over 2008 – 2010 supported by Scottish Government..

Job Seekers

Unemployment on the Highlands is highly seasonal and was above the Scotland and Great Britain average around the Millennium but has fallen steadily since then until beginning to rise in late 2008. Highland's seasonal unemployment makes short term interpretation difficult but the figures from late 2007 to April 2010 show that unemployment appears to be rising, but at a slower rate than in Scotland and Great Britain, despite following the usual seasonal fluctuation in 2009.

- In April 2010, 4,124 residents were unemployed and claiming Job Seekers Allowance (JSA) – 3.1% compared to 4.3% Scotland;
- In April 2010, 1,145 people or 0.9% of working age people in the Highland are long term unemployed (claiming JSA over 6 months).
- Whilst long term unemployed has not increased as rapidly as in the rest of Scotland, significantly, the number of residents out of work for more than a year has more than doubled in the past 18 months.
- The number of young people who are aged 24 and below receiving JSA generally follows the national pattern with 950 or 6.6% of young people receiving the benefit. This is an increase

Barriers to employment

Many people in Highland experience particular personal barriers to employment in addition to the availability of services and infrastructure in the area as a whole. Frequently people will experience multiples of these barriers requiring coordinated and sustained approaches to enable individual progression. A summary of these is provided below.

- Homelessness - the Local Authority was assessed to have a legal duty to provide a permanent housing outcome to 977 (8%) households (March 2010). This is an increase of 138 households with Homelessness priority need at the year end compared to last year.

- Criminal Justice - 740 people with Highland addresses were liberated from prison in 2005/6, 90% of these were male, and 22% were young offenders.

- Substance Misuse - 550 new clients from Highland were reported to the Scottish Drug Misuse database in 2004/5 – a higher rate per population than the national average; 2,139 alcohol related hospital discharges were also recorded in 2004/5 with 81% of these people being of a working age.

- Learning Difficulties - Translating national averages, it is estimated that 450 people of working age within Highland will have a serious learning difficulty, and 2,600 will have mild to moderate problems.

- Mental Health - Translating national averages, it is estimated that around 13,230 people of working age are projected to have had a mental health illness.

- Qualifications - An estimated 14,000 people in Highland of working age have no qualifications.

Communities with concentrated numbers of out of work residents

Whilst evidence within Appendix 2 illustrates that there is a spread of residents claiming out of work benefits across the Highlands, there are clearly high concentrations of residents claiming out of work benefits within specific communities. These communities have been identified using data received from the 2009 Scottish Index of Multiple Deprivation. A continued specific focus on these areas is therefore required.

Key Conclusions

This headline data has informed the approach adopted in this Strategy and the resulting workstreams. They convey a number of key issues that Partners must address including:

- Targeting resources to respond to the scale and geographic distribution of economic inactivity;
- The diversity of individual circumstances we must respond to when delivering an integrated employability service across mainstream and specialist providers;
- The deep seated and sometimes multiple barriers many of our residents face and require support with to gradually move towards employment;
- Tackling the dispersed nature of unemployment and infrastructure in Highland including access to training, transport and childcare;
- The seasonal and part-time nature of many employment opportunities and the often small and very small nature businesses seeking to grow and recruit.

In common with other parts of the country Highland is experiencing disproportionately high increases in unemployment among young people under 25 and those over 50. Assisting young children out of poverty through parents obtaining or returning to work employment remains a priority for the partners.

However history shows that during recessions, people who have been made unemployed but who have skills (or have re-skilled) and work experience will return to work when the economy recovers and when work is made available. Those individuals already furthest removed from the labour market will be pushed even further away and deeper in to poverty. Partner effort clearly must accommodate all but, allied to the emerging changes in Welfare Support, particular effort needs to be focused to supporting those individuals who are furthest removed but who wish or are been encourages to return to the world of work.

Section 3: Employability Services within Highland

There are a broad range of ‘employability’ services being delivered within the Highlands from supporting clients close to the labour market to very specialised (and sometimes long term) services supporting those furthest away from the labour market with multiple barriers to progressing into work. These services include the **national programmes** provided through Job Centre Plus, Skills Development Scotland and Highland & Islands Enterprise as well as more **local** and often **client group** focused services provided through Highland Council, NHS Highland and a significant number of Third Sector Organisations including social enterprises.

The overall aim of **Highland Works** is to ensure the connection of employability services and specialised services in a coherent framework which supports the progression of individuals into sustained employment. The aim is to provide a seamless service for clients, regardless of which organisation is supporting the individual at each stage of their progression.

Employability Services are frequently categorised on a “pathway” or “pipeline” that illustrates the stages in an individual’s progress towards employment as illustrated in Table 1. It is useful to consider where these employability services within the Highland fit in the ‘employability pathway’ as illustrated in Table 1 below.

The major provision of these services is through national programmes commissioned by the Department of Work and Skills Development Scotland to provide advice, guidance and practical assistance in preparing for and seeking work.

The services provided through local authorities and NHS, either directly or through contracted services, focus on moving people on from treatment/rehabilitation through positive personal development and basic skills activity – people “further away from employment” and less likely to engage with these national programmes.

The challenge for Partners is to ensure individuals are supported by the right services in the right places at the right time. This requires the partners to continually monitor needs and services to ensure mutual understanding of design and delivery arrangements and “seamless” provision to clients.

We know from mapping exercises that there is not an equal access to all of these employability services and recognise that the geography of the Highland area does present a number of challenges for service delivery.

This area of work will form an important part of the partners work over the next year or so as new national programmes are commissioned and the local public agencies review the service provision and commissioning arrangements.

Table 1: Employability Services

Out of Work	Employability Pathway	Description	Delivery by
	Stage 1: Positive Activity	This includes the engagement of jobless people and provides activities too help people with more severe barriers to stabilise their lives and develop their confidence.	The Highland Council, NHS Highland, the Third Sector*
	Stage 2: Engagement and Progression (work preparation initial stages)	At this stage the aim is to get jobless people on board employability projects or services. Services can support people to develop career aspirations, skills and remove barriers.	The Highland Council, Job Centre Plus, Skills Development Scotland, Further Education Providers, and the Third Sector*
	Stage 3: Employment (work preparation later stages)	At this stage services help people move into employment and self employment.	The Highland Council, Job Centre Plus, Skills Development Scotland, Further Education Providers, Business Gateway, Highland Employers Coalition, and the Third Sector*.
	Stage 4: Sustained Employment and Self Employment	At the final stage services help people sustain their employment and move to more rewarding employment.	The Highland Council, Job Centre Plus, Skills Development Scotland, Further Education Providers, Business Gateway, Highland Employers Coalition, and the Third Sector*.
Into sustained work			

* Third Sector Services either provided independently, through Service Level Agreements / grant support or through commissioning.

In Scotland the Workforce Plus Strategy has been developed by Scottish Government to focus on making the best use of existing resources and improving performance by -

- Developing shared objectives;
- Creating a common understanding of the current infrastructure of support and drawing on this to create more complete ‘supply chains’;
- Aligning funding and procurement to ensure that partners’ money is being used to buy services in a coherent and ‘joined up’ way;
- Placing a stronger emphasis on effective performance measurement and management and in particular seeking to manage the local employability service as an integrated service;
- Drawing more effectively on the wide range of front line staff (eg in Social Services, Health and Community Development) who engage with priority clients, and help these front line staff and their managers understand the significant role they can play in the employability agenda.

There will be significant changes in the resources and programmes available from all partners in the next few years. This emphasises the importance of the central purpose behind **Highland Works** – achieving the benefits to people and businesses that will flow from better integrated and coordinated services.

Section 4: Future Actions

The Community Planning Partners have established a joint Highland Economic Forum as the principal means of ensuring focus on economic development. This group receives updates and briefings on developments in the Highland economy and in turn directs specific pieces of work to progress particular issues. The Actions to develop a coordinated and integrated approach between partner services are being developed through the **Highland Employability Partnership** responsible for overseeing the implementation of the employability strategy in Highland.

The Partnership's aims will be to contribute to the achievement of the Community Planning vision for Highland to be a place with strong, vibrant communities where everyone has a good quality of life and access to opportunities, choices and high quality services which are sustainable, accessible and meet people's needs. It will take responsibility for overseeing the strategic development of employability including developing a strategic and action plan, coordinating funding, setting targets, reviewing performance and procuring services and support the implementation of specific Single Outcome Agreement (SOA) Outcomes

Core membership of the Partnership includes:

- Job Centre Plus
- Skills Development Scotland
- Highlands & Islands Enterprise
- The Highland Council
- NHS Highland
- UHI/ Further & Higher Education
- Highland Employers Coalition/ Employer Interests

The Partnership Strategy will aim at achieving the following outcomes –

- Reducing the numbers of individuals reliant on work related benefits;
- Increase the number of individuals with barriers to employment progressing through positive activity and training;

The Partners are accountable to their own national and local parent bodies for delivery of specific services and work through agency strategic and operating Plans within the parameters of the policies and resources available to them. The principle Partner Plans are shown in Appendix 1. It is not intended to replicate these here. The **Highland Works** Development Plan will be advanced by a series of interlinked and cross-cutting work streams and actions that link together the actions that the Partners need to undertake together to ensure more effective delivery of these programmes including -

- **Delivering National Programmes** - These are the Programmes commissioned by DWP at UK level and by Scottish Government (through SDS). Currently

focused mainly on those closer to work including recently unemployed or people possibly needing retraining to obtain employment, these programmes are being reviewed as part of the UK Government Single Work Programme approach. This will broaden the range of benefit claimants eligible as well as the nature of the services available and service delivery arrangements.

- **Local & Specialist Programmes** – These services focus mainly on those people with multiple barriers requiring longer term support to manage personal circumstances, develop skills, obtain work experience and access intermediate or supported employment.

- **More Choices, More Chances** – Young people, 16-18 years to ensure a positive transition from school to the world of work – this will include pre school - leaving activity for young people identified as being at risk of leaving school without any plans to enter further education, training or employment.

Partnership Actions will focus on strategic issues identified by Scottish Government as part of the Workforce Plus policies to achieve greater integration between services by -

- **Creating effective partnership structures and capacity building;**
- Engagement with employers in identifying labour market needs and promoting recruitment, staff development and retention practices;
- Partnership staff development programmes.

- **Ensuring a coherent and complete range of services;**
- Shared data analysis and strategic needs assessment;
- Shared client assessment and service data between agencies ensuring seamless service for individuals;

- **Alignment and streamlining of funding and resources.**
Alignment of partner services (directly provided, grant aided or commissioned) to ensure effectiveness, efficiency and equity of provision;

The Partners will maintain a Highland Employability Plan Actions to deal with these cross-cutting issues – many of which will change rapidly in the next few months.