

**SCOTTISH EMPLOYABILITY FORUM  
SCOTLAND OFFICE, 1 MELVILLE CRESCENT, EDINBURGH**

**NOTE OF MEETING HELD ON 6 MARCH 2014**

**Welcome and minutes from the last meeting**

1. The Secretary of State for Scotland, the Rt Hon Alistair Carmichael, MP (the Chair) welcomed everyone to the meeting and introductions were made. **Annex A** provides a note of attendees and apologies.
2. The minutes of the last meeting were agreed.

**Work plan update**

3. The Chair invited Professor Alan McGregor to provide an update on the four workstreams under the work plan.
  - i. A review of allocation of resources across different priority groups*
  - ii. Measuring performance*

In September 2013, SEF members agreed that independent research should be commissioned to progress Priorities 1 and 2. Following a competitive procurement process let via Public Contracts Scotland, Cambridge Policy Consultants (CPC) was appointed in December 2013. Professor McGregor said that the first stage of the research was now complete and Andy Hirst would provide a presentation under agenda item 3.

- iii. Better linking of employability and economic development*

Professor McGregor advised that this workstream continued to be challenging, however, there was practical action underway looking at employer engagement. This included four pilot areas which were mapping local employer engagement activity to determine duplication and gaps in terms of business engagement. Initial findings suggested that there was limited overlap in terms of employer engagement, however, many employers were not being contacted.

- iv. Assessing the impact of welfare reforms upon employability*

Professor McGregor stressed that this workstream was about the impact on employment and employability services, rather than wider economic impact. Although some work was being undertaken by Local Employability Partnerships on the consequences of welfare reforms locally, timescales for the wider welfare reforms roll out, including Universal Credit, would impact on the completeness of any assessment undertaken in the short term. SEF Secretariat would consider further how best to fulfil the remit of this workstream.

4. The Chair asked for comments and the following key points were made in discussion:

- Further consideration needed to be given to how to reach those employers not currently being contacted, particularly those in rural locations and micro/small businesses. One possible solution was to use existing employer networks to reach other employers.
- Thought also needed to be given to how to move from a range of diverse engagement between individual employers and individual agencies to a whole system approach.
- Recognition that although the four pilots focused on the process for employer engagement, it was important to understand the needs of employers and individuals within the process, and the effectiveness of the types of services being offered.
- It would be useful to share the findings from the pilots with SEF and then across all local authority areas. **(Action: SEF Secretariat)**

### **Review: Emerging findings on the allocation of resources across priority groups**

5. The Chair invited Andy Hirst, Managing Director, Cambridge Policy Consultants to present on the key findings emerging from the report so far. A copy of the presentation is attached at **Annex B**.

6. Following the presentation a useful discussion ensued and the following points were made:

- The importance of the work by CPC to the SEF was recognised and underlined by all members.
- Where there were gaps in information, there was a commitment from the DWP, COSLA and SOLACE to work with CPC to resolve any blockages to ensure this work was fully informed.
- Thought to be given to the development of locality based case studies, to help illustrate the breadth of resource allocations at that level while supporting a national overview.
- While a global assessment of funding levels and sources would be helpful, greater benefits would be achieved through establishing the journey of individuals in relation to the system. While it was recognised that may not be possible, it would be helpful to understand why as the need to understand the value of the offer at different stages of the skills pipeline was important.
- Support was offered via SDS' current activity on tracking individuals.

### **Better linking of economic development and employability**

7. The Chair invited Elma Murray to present on the topic of better links between economic development and employability. A copy of the presentation is at **Annex C**. The following points were made in discussion:

- The third sector already plays a role at a local level, by sitting on many Community Planning Partnership Boards (CPPs), but there was scope for them to be more involved. There could be further alignment and co-operation

across all partners in relation to ideas and strategy at a local and national level.

- Local partners could be more agile to changing market demands and greater support could be given to employers, for example to encourage businesses to grow and take on additional staff.
- Broad recognition that in linking the employability and economic growth agendas, there may be a tendency to focus on those closest to the labour market. However with improving economic conditions there was currently an opportunity to ensure that a wider focus was developed.
- It was important to ensure that those furthest from the labour market, for example, ex-offenders, individuals with mental health problems, could be supported to gain employability skills and move into the labour market. This was especially difficult when the labour market was “tight” as it was now. In many cases this was a role taken on by the third sector although it should be done by all employers.
- It was necessary to be clear about who were the hardest to help and what made them different in order that the right amount of resource was spent on the right person, with an emphasis on an asset based approach. It was noted that there may be presentational issues in investing resources in those furthest from the labour market, at the expense of other groups, when in most cases only a small percentage went onto gain employment, although the wider benefits of reduced offending, improved health were often significant.
- Overall the focus should be on the individual as well as job creation, including issues such as skills development, treatment in the workplace. Harder to reach groups should be recruited for attitude and trained in the necessary skills.
- Early intervention was crucial, especially to prevent inter-generational worklessness. There was a role for education, local communities but also business and employers.
- It was possible that there were systematic and structural issues that needed to be addressed. There may be learnings from other European countries that Scotland could draw on. All partners in the employment/employability sector were working more closely than they were 10 years ago. However, engagement with employers needed to move from “transactional” to “collaborative” to be successful and sustainable in the long term. More support needed to be given to smaller employers at key steps of growing their business, for example, moving from their house to business premises, taking on their first member of staff etc., in order to help grow the economy.

### **Any other business**

8. The Chair advised that Remploy had written to SEF expressing an interest in joining. The Forum agreed that since Remploy Limited is an Executive Non-Departmental Public Body, sponsored by DWP, with an operational remit, it might be better placed to make a useful contribution as part of the NDG. The UK Government and DWP were already represented on the Forum by the Chair and Richard Cornish. **(Action: SEF Secretariat to advise Remploy).**

9. The Chair sought members' views on how the forum was working to date, whether there was any gaps in membership and if there was any specific issues the

Forum should be tackling. There was a general consensus that, although it was still early days, the membership seemed broadly representative of the key players in the sector. However, SEF Secretariat, in supporting the Forum, should keep in mind that members could be co-opted on, for example employers, as and when their expertise was required. **(Action: SEF Secretariat)**

10. The next meeting would be in autumn 2014.

## **ATTENDEES**

## **ANNEX A**

### **Present**

Alistair Carmichael, MP, Secretary of State for Scotland  
John Swinney, MSP, Cabinet Secretary for Finance, Employment and Sustainable Growth  
Harry McGuigan, COSLA Spokesperson for Community Wellbeing.  
Angela Constance, MSP, Minister for Youth Employment  
Professor Alan McGregor, Chair of the National Delivery Group  
Laurie Russell, Chair of Social Enterprise Scotland  
Paul McKelvie OBE, Scotland Commissioner to the UK Commission for Employment and Skills  
John McClelland, CBE, Chair of Skills Development Scotland.  
Grahame Smith, STUC  
Crawford Gillies, Chairman of Scottish Enterprise  
Professor Mary Bownes, Highlands and Islands Enterprise  
Paul De Pellette, Director, Ingeus  
Nick Young, Stakeholder Manager, Working Links  
Elma Murray, Chief Executive, North Ayrshire and SOLACE representative  
Colin Borland, Head of External Affairs, Federation of Small Businesses  
Tony McElroy, Tesco, Head of Regional Government Affairs  
Martin Sime, Chief Executive, SCVO  
Richard Cornish, Director of Work Services Scotland, DWP

### **Supporting officials**

James Fowle, Cosla  
Paula McLeay, Cosla  
Rona Sweeney, Scottish Government  
Colin Robertson, Scottish Government  
Claire Rackley, Scotland Office  
Dawn Abell, Scotland Office  
Stephen McConnachie, DWP  
Pamela Smith, Scottish Local Authorities Economic Development Group (SLAED)

### **Apologies**

Mike Kirby, President of STUC  
Professor Lorne Crerar, Chairman, Highlands and Islands Enterprise  
Helena Craw, Scottish Director, Working Links

Presentations are attached separately

**ANNEXES B AND C**