

**SCOTTISH FUTURE EMPLOYMENT SUPPORT SERVICES  
ADVISORY GROUP  
NOTE OF MEETING HELD ON 4 NOVEMBER 2015  
Scottish Government, 150 Broomielaw, Glasgow, G2 8LU**

**Present:**

Stephen McConnachie, Group Partnership Manager, Jobcentre Plus (Scotland)  
Alastair Cameron, Chair of TSEF  
David Coyne, Policy Advisor, Skills Development Scotland  
Joanne Farrow, Employability Implementation Lead, Scottish Government  
Andy Lobban, Employability Implementation, Policy Officer, Scottish Government  
Mike McElhinney, Head of Employability and Skills, Scottish Government  
Stuart McKenna, Scottish Training Federation  
Professor Alan McGregor, Director of the University of Glasgow's Training and Employment Research Unit (Chair)  
Neville Prentice, Senior Director of Service Development & Delivery, Skills Development Scotland  
Colin Robertson, Employability Policy Lead, Scottish Government  
Laurie Russell, Co- Chair ERSA Scotland  
Pamela Smith, Chair of Scottish Local Authority Economic Development (People) Group, Scottish Local Government  
Tony Wilson, Director of Policy & Research, CESI

**Apologies:**

Liz Cameron, Chief Executive, The Scottish Chambers of Commerce  
John Kemp, Director of Strategic Development , Scottish Funding Council  
Kirsty McHugh, Chief Executive, Employment Related Services Association (ERSA)  
Ross Martin, Chief Executive, The Scottish Council for Development and Industry  
Laurence Martindale, Labour Market Interventions Strategy Unit, Department for Work and Pensions (DWP)  
Dave Moxham, Deputy General Secretary, The Scottish Trades Union Congress  
Sally Witcher, Chief Executive, Inclusion Scotland

**Welcome and Introductions**

Prof. Alan McGregor welcomed everyone to the third meeting of the Future Employment Services Advisory Group.

**Minute and Actions from Last Meeting**

Alan received confirmation from members that there were no issues arising from the previous minute (of 22<sup>nd</sup> September 2015) and noted one outstanding action for DWP to forward information on "what's working well and what is not".

**Action**

DWP information on “what’s working well and what is not” to be circulated.

**General Update****Consultation:**

An update on consultation activity was given by Joanne. Members were advised that there were 218 responses with approx 40 received from individuals. Responses are being reviewed and any personal information redacted, before being published on Citizen Space on 13<sup>th</sup> November 2015. The first draft of the analysis from Rocket Science is due next week with the final draft due by the end of November. The Scottish Government will publish the analysis, along with a Government response early next year.

Around 80 ministerial and official engagements were undertaken during the consultation period, to support and encourage a good response.

Joanne and Alan thanked members for all their help with the consultation process.

**Action**

Rocket Science consultation analysis to be circulated to members once available.

**Scotland Bill**

Colin advised that there has been no UK Government announcement on Clause 26 of the Scotland Bill – Employment Support Programmes as yet, but we expect Scottish Parliament Legislative Consent Motion around Jan 2016, once the act becomes a bill in UK parliament (passed by mid Feb).

Scottish Government continue to monitor the need for a Section 30 agreement, which would expedite the necessary legislation for future delivery, should this be required.

**Fiscal Framework**

Colin advised that work to date has focussed on establishing principles and approach, rather than discussing numbers which - will now be post Scottish Parliament & Scottish Government budget.

UKG Treasury department favour an agreement based on single year at point of devolution, while Scottish Government advocate a multiyear settlement linked to Barnett formula & unemployment level.

## Programme Management

Mike advised members that there was a system of programme management in place and thanked everybody for their comments on the draft Vision statement. A separate Programme Board has been formed to oversee activity. At this time, a number of risks have been identified such as the Scotland Bill timing and fiscal framework discussions, which remain undefined. A three stage approach has been identified – continuity, integration and alignment with Job Centre Plus and wider alignment with a phased programme from April 2017 to 2020. Time scales are challenging but can be achieved with help from Advisory Group members.

Finally, Mike advised that a paper on the future shape of devolved employment services would go to Cabinet in December 2015. Members agreed that it would be useful to discuss the Cabinet paper at the next Advisory group meeting and asked that the timing of the meeting be extended to allow this to happen. It was also agreed that the Cabinet Secretary for Fair Work, Skills & Training be invited to attend this discussion.

Mike also advised that the outcome of the spending review would be fundamental to future service delivery. The implications for Scotland should become apparent early 2016.

Members commented on current challenges, including the fact that unemployment in Scotland was on a reverse trend to England and was actually rising, with the possibility that this could be attributable to the difficulties the Oil and Gas sector were facing. Members agreed that the labour market was challenging, but that there was scope for improvement as the system is very complex for the end user with many different programmes.

### Action

- Next Advisory Group meeting to be extended to include Cabinet Paper discussion.
- Cabinet Secretary for Fair Work, Skills & Training to be invited to the next Advisory Group meeting.

## CESI Research

Tony Wilson, Director of Policy & Research at the Centre for Economic & Social Inclusion provided some background on the commissioned research for Scottish Government. This research seeks to identify domestic and international best practice, assisting Scotland to build an evidence base on what works well in terms of employability support services. Tony advised that challenges around this work included an absence of evidence in some areas and making sure that findings were relevant to Scotland.

Tony provided some detail on two of the key areas of research:

**Client assessment** - A number of systems have been looked at across the world. Essentially they have two functions:

Triage – assessing the need

Diagnostic – determining the support.

Members commented that the relationship between the advisor and customer is essential, with a need for training and an easy to use system for front line staff. Some concerns were raised about the current lack of assessment to identify a person's needs and the lack of a handover from organisation to organisation at different parts of the customer journey. It was agreed that better information sharing between organisations is needed to avoid having to start triage from the beginning at each stage. Information needs to be coherent too.

**Payment by Results (PbR)** - Again, a number of different systems have been looked at. It was suggested that PbR can be an effective way of getting results such as securing sustained and better employment outcomes. It can drive improvements in service delivery, however there are risks attached, such as 'cherry picking' of people and 'parking' of clients.

Tony advised CESI advocate use of the accelerator model as a way of mitigating against some of these issues.

Alan thanked Tony for his valuable contribution to the discussion, and members agreed that it would be useful to have a workshop to discuss the final research report in some detail.

**Action**

- Workshop to be arranged to discuss the CESI report in detail, by end 2015.

**AOB**

Stephen McConnachie advised that the Work and Pensions Select Committee report into Welfare to Work has now been published. This report makes a number of recommendations on the shape of future programmes. It was agreed that a link to the report should be circulated.

It was noted that the date of the next meeting is 13<sup>th</sup> January 2016.

**Action**

Circulate a link to the Work and Pensions Select Committee report into Welfare to Work (<http://www.publications.parliament.uk/pa/cm201516/cmselect/cmworpen/363/36302.html>)