

28 October 2020

Dear Colleague

## **WORKING IN PARTNERSHIP TO DELIVER NO ONE LEFT BEHIND, OUR EMPLOYABILITY APPROACH**

You will recall that we last wrote to you on 22 April 2020 outlining the measures that Scottish and Local Government, with our partners, were putting in place to respond to the COVID - 19 health and economic crisis. The past seven months have been the most challenging that many of us have ever faced in our lifetime, impacting on health, wellbeing and the economy. Whilst we made good progress as a nation over the summer months to suppress the virus enabling us to open up some sectors of the economy, we recognise that the second wave and the measures that we have had to put in place will cause further uncertainty for those in employment and those seeking employment.

We are acutely aware of the impact on the labour market, the disproportionate effect on sectors, communities and individuals resulting in increasing levels of unemployment, underemployment and additional challenges for those furthest from employment.

Scottish Government, Local Government and partners welcome the recommendations of both the Advisory Group on Economic Recovery (AGER) and the Enterprise and Skills Strategic Board (ESSB/ERAG) in helping to shape the response to the crisis in recognising that the employability sector has never been more crucial.

Building on the £33 million to support existing employability support services in announced in February, the Cabinet Secretary for Economy, Fair Work and Culture committed a further £100 million to be invested in targeted employment support and training, including:

- £60 million in a Young Person's Guarantee to give all young people access to work, training or education.
- £25 million in a National Transition Training Fund to support those facing redundancy and unemployment focused on helping those in sectors and regions most exposed to the current economic downturn.
- £5 million to maximise resources for those facing redundancy through Partnership Action for Continuing Employment (PACE).

In July, Fair Start Scotland was extended for a further two years, allowing more people to join the service up to 31 March 2023 providing stability and continuity for FSS participants and allowing us to manage the anticipated COVID-19 related increase in demand for support from the most vulnerable and disadvantaged in our communities.

The development of the Young Person's Guarantee was a key recommendation from the Advisory Group on Economic Recovery and Sandy Begbie was asked by Ministers to develop an implementation plan. He consulted widely and his ['Young Person Guarantee - No One Left Behind - Initial Report'](#) was published on 2 September 2020 setting out a number of recommendations building on the work already underway through No One Left Behind and on the collaborative, person-centred approach we have already established.

The Young Person's Guarantee will also 'wrap around' the UK Government KickStart programme to provide the necessary additional support for Scotland's young people to enter the labour market. We are working with DWP and our partners to ensure that the landscape is complementary and is easy to navigate; maximising the opportunities for young people. More detail on the implementation of the Young Person's Guarantee will be provided early in November.

The first phase of the National Transitional Training Fund was launched on 8 October, with an initial £11 million available for people who have lost their jobs or who are at risk of redundancy as a result of coronavirus (COVID-19). The fund will be administered by Skills Development Scotland (SDS) on behalf of Scottish Government. Two further strands will launch this autumn.

We remain focussed on the principles of No One Left Behind, working collaboratively with partners across sectors to ensure services can adapt to this time of challenge and change and to plan for recovery ensuring the right support is available at the right time in the right way for those who need it. Whilst there has been some delay as we responded to the unprecedented situation caused by the pandemic, officials have been engaging and making progress to move towards a more joined up and aligned employability system in Scotland. This will be more important than ever as we look to tackle the significant challenges ahead.

As you will be aware, following the successful Phase 1 transition of Activity Agreements (AA) and Scottish Employer Recruitment Incentive (SERI) last year into the No One Left Behind model, we have agreed in principle to Phase 2 implementation from April 2022.

In moving forward with Phase 2 it will be essential to proceed at a pace that enables us to both sustain our employability system and the support that users of that system

rely upon, and also allow all partners to collectively work together on a robust plan for change, ensuring that readiness is underpinned by strong, inclusive and agile local employability partnerships which are responsive to labour market demands and challenges.

The pace and scale of implementation will be subject to a robust readiness assessment underpinned by a decision making framework developed jointly by Scottish and Local Government collaborating with delivery partners.

As we move forward with this process we can confirm that Community Jobs Scotland and the Employability Fund will be operational in the next financial year (2021/22). It should be noted however that the continuation of both Community Jobs Scotland and Employability Fund in 2021/22 will be dependent on ongoing spending review and budget discussions.

Our overall investment in employability support will be for all ages, meeting the needs of individuals and building on the well-established services managed by Government and others across the employability landscape. In taking forward our approach to service design and user involvement including the Young Person's Guarantee, we will continue to have a particular focus on helping those most adversely affected during the health and economic crisis – disabled people, minority ethnic communities and lone parents.

We will do this through our existing services such as Fair Start Scotland and other targeted services including:

- Parental Employability Support Fund (PESF) offering specific, targeted and integrated employability and up-skilling support to parents to move towards and into work. In addition the provision of additional support for disabled parents; and young parents to support them to access employment; additional support for all parents accessing ELC funded places including those accessing eligible 2 places
- Careers Information Advice and Guidance Strategy ensuring our careers services are flexible and accessible, as well as helping people of all ages be responsive to the changes in the labour market and economy.
- A Fairer Scotland for Disabled People: Employment Action Plan. Supporting employers to recruit and retain disabled people, supporting disabled people to enter employment; and young people and improved support through transitions.
- PACE (Partnership Action for Continuing Employment – Providing additional support to those at risk of or being made redundant to ensure integrated support is delivered through existing local infrastructure and in partnership with public, third and private sector as required.

As we progress our shared ambitions for No One Left Behind it seems appropriate to revise the Scottish and Local Government shared action plan published pre COVID-19 in February 2020. A significant step in the development of this approach will be the publication of the Scottish and Local Government No One Left Behind Delivery Plan next month.

The Delivery Plan will:

- Allow for further involvement from partners in work streams
- Reaffirm our commitment to No One Left Behind in the context of COVID-19
- Include further detail on No One Left Behind phase 2 implementation plans.
- Support the ongoing strengthening of local, regional and national partnership working.

The Delivery plan will be reflective of our shared ambition in developing a responsive and flexible employability system in Scotland and will require the commitment and collective leadership from partners at national, regional and local levels to deliver the transformation required to improve outcomes for all our communities and we are committed to continuing to work with everyone involved to achieve this.



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