

Perth and Kinross Council

Employability Strategy

An Interim Council approach to Employability and Skills

November 2016



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Introduction

This Strategy is a Council approach to tackle unemployment, poverty and social exclusion through increasing employment and improving skills. This approach will enable better partnership working and the flexibility to respond to changes to national and local policy and employment programmes. We aim to prevent people falling into unemployment, support new entrants into the labour market, address barriers to employment and support those in employment to sustain employment. We aim to maximise the opportunities for individuals on low incomes and help employers meet their future skills needs.

Economic Context

Perth & Kinross is a great place to live with continued population growth and significant creation of new businesses. Our communities have a wealth of talent and energy. Our businesses, of which 99% are small to medium enterprises, play a crucial role in the local economy and local employment. There are real opportunities via our Tay Cities Deal and Perth City Strategy to attract new investment and new businesses to the area. Our young people are achieving excellent results in our schools and our positive destination outcomes are 94%, above the national average of 92%.

Perth & Kinross has consistently been in the top quartile for economic activity and low unemployment levels in the working age population. However, there are significant and persistent pockets of unemployment, poverty and “Working Poor”. Although unemployment levels have reduced, Perth City North and Perth City Centre wards have consistently recorded levels above or equal to the Scottish national average of 2.2%. Of the benefit claimants in Perth & Kinross, 51.3% are resident in Perth City. People with caring responsibilities are the only group that has seen a decrease in employment levels.

In Perth & Kinross, there is a concentration of seasonal and traditionally low paid employment opportunities within the hotel, hospitality and food services, retail and personal services sectors.

Economic progress to date

Economic activity levels are currently 82.6%, ranking the area the 4th highest in Scotland. Our benefit claimant count has been fluid, with numbers reducing slightly in 2012 only to dip again early 2013. Since Autumn 2013 numbers have consistently improved quarter on quarter.

Claimant count age profile improvements

Age Group	June 2012		June 2016*		Progress (reduction in Claimant Nos.)
Working Age Total	2,190	2.4%	1,050	1.1%	-52%
16-17	5	0.2%	0	0%	-100%**
18-24	660	6.0%	230	2.0%	-65%
25-49	1,160	2.5%	545	1.2%	-53%
50+	365	1.2%	275	0.9%	-25%

*June 2016 figures include Universal Credit claimants.

**Figures for this Age Group are unreliably small and, due to their rounding, the resulting percentage progress marker should be treated with care
Source: NOMIS

Benefit claimant changes

Benefit	Q4 2012		Q4 2015		Progress (reduction in Claimant Nos.)
Main out of work	8,320	9.1%	6,840	7.4%	-18%
Job Seekers	1,980	2.2%	910	1.0%	-54%
Employment Support Allowance	5,350	5.8%	5,180	5.6%	
Lone Parent	690	0.8%	590	0.6%	-3%
Carers	920	1.0%	1,200	1.3%	-14%
					30%

Source: DWP Benefits (NOMIS)

Perth and Kinross is historically and predominantly dependant on service sector industries. Wage levels of vacancies are often around the national minimum wage. However, the average weekly earnings level of £516.90 gives a respectable annual income of £26,879, placing PKC 16th highest earning Local Authority area.

This figure hides the prevalence of low earnings, as many of the residents in Perth & Kinross commute to other local authority areas and this drives up the earnings locally. It is also thought that the increasing number of self-employed people has inflated this figure.

In the 5 years between 2009 and 2014 Perth & Kinross saw 3,100 new business ventures established. The 5 year business survival rate of 48.3% in Perth & Kinross is the 4th highest rate among local authority areas in Scotland.

Distance travelled

Since April, 2012 the Council Employability Services have achieved:

Corporate and Democratic Services

- 303 modern apprenticeships places
- 40 graduate employment places

Education and Children's Services

- 210 activity agreements
- 117 activity agreement positive outcomes
- 94.2% attainment levels
- 316 participated in basic computer skills sessions
- 99 pupils and 39 employers participated in Career Ready programmes
- 45% increase of school pupils participating in Vocational Skills Programmes

Housing & Community Care

- 166 individuals supported to gain or sustain employment
- 1,815 individuals supported via the 33 members of the Employability Network
- 50 individuals were given Mental Health employability support (with an additional 30 closures), an increase from 30 in 2012.
- 130 individuals supported into Positive Designations, including volunteering, independent travelling or work skills placement.

The Environment Service (inclusive of Westbank Enterprises)

- 1,536 participants given one-to-one employability support
- 55 work experience support
- 898 job outcomes
- 428 created due to our Employer Recruitment Incentives
- 51 Skills Academy job outcomes

Policy Framework

Currently national policy and agencies are under review by the Scottish Government and this will impact on how we deliver services in future. The Community Empowerment Act (Scotland) 2015 will also have an impact as well as the Tay Cities Deal. In addition the Brexit vote in 2016 may impact on ESF funded programmes. This strategy aims to be responsive to change and agile in response to the dynamics within this policy area.

Employment and employability contributes to many policy areas nationally and locally. This strategy complements and addresses the following:

National Frameworks (Appendix 2)

- Scotland's Economic Strategy
- The Employability Framework for Scotland ('Working for Growth')
- Developing Scotland's Young Workforce – Scotland's Youth Employment Strategy
- Scotland's New Employability Service
- The Scottish Strategy for Autism
- The Apprenticeship Levy
- Fair Work

Local Frameworks (Appendix 3)

- Perth & Kinross Community Planning Partnership
- Perth & Kinross Community Planning Partnership Single Outcome Agreement
- Perth City Plan
- European Social Fund 2014-2020
 - Perth & Kinross Environment Service
 - Perth & Kinross Housing and Community Care
- Autism Spectrum Condition Modern Apprenticeship Scheme

Future Frameworks (Appendix 4)

- Local Outcome Improvement Plan
- The Fairness Commission
- Living Wage Accreditation
- Carer Positive Employer
- Tay Cities Deal

Partnerships

The Council works with a number of key partners to deliver employment outcomes in Perth and Kinross. From early 2017, we are expecting a significant shift in the employability landscape due to a review of partner organisations, additional devolved responsibilities and new ways of working. An early action of this strategy is to re-engage with key partners and revive the partnership structure following consultation with our stakeholders. This will include re-visiting the local employment partnership model, more partners included in the employability board and refreshing employability input into the Economy and Lifelong Learning Outcome Delivery Group. The employability board will act as the Local Employment Partnership. Additional partners e.g. Skills Development Scotland, Jobcentre Plus, PKAVS etc. will be invited to join the board to enhance the strategic partnership working.

External Partners (Appendix 5)

- The Department of Work and Pensions (DWP)
- Job Centre Plus (JCP)
- Skills Development Scotland (SDS)
- Developing Scotland's Young Workforce Board
- Perth College UHI
- Third Sector Interface
- Perthshire Chamber of Commerce
- Federation of Small Businesses
- Employers

Internal Stakeholders (Appendix 6)

All services in Perth and Kinross Council play a part in delivering of employability. PKC has a significant role to play as a major local employer, the education authority; a purchaser of goods and services, and a provider and commissioner of employability services.

Part 2 - Strategy

Priority Groups

In a bid to promote an inclusive Council approach to the new and refreshed Employability Strategy for Perth and Kinross, a series of discussions were held with colleagues to ensure that this strategy would truly reflect the remit of our service users as well as the needs of the local community. Appendix 1 details the actions we will take and our priority groups are:

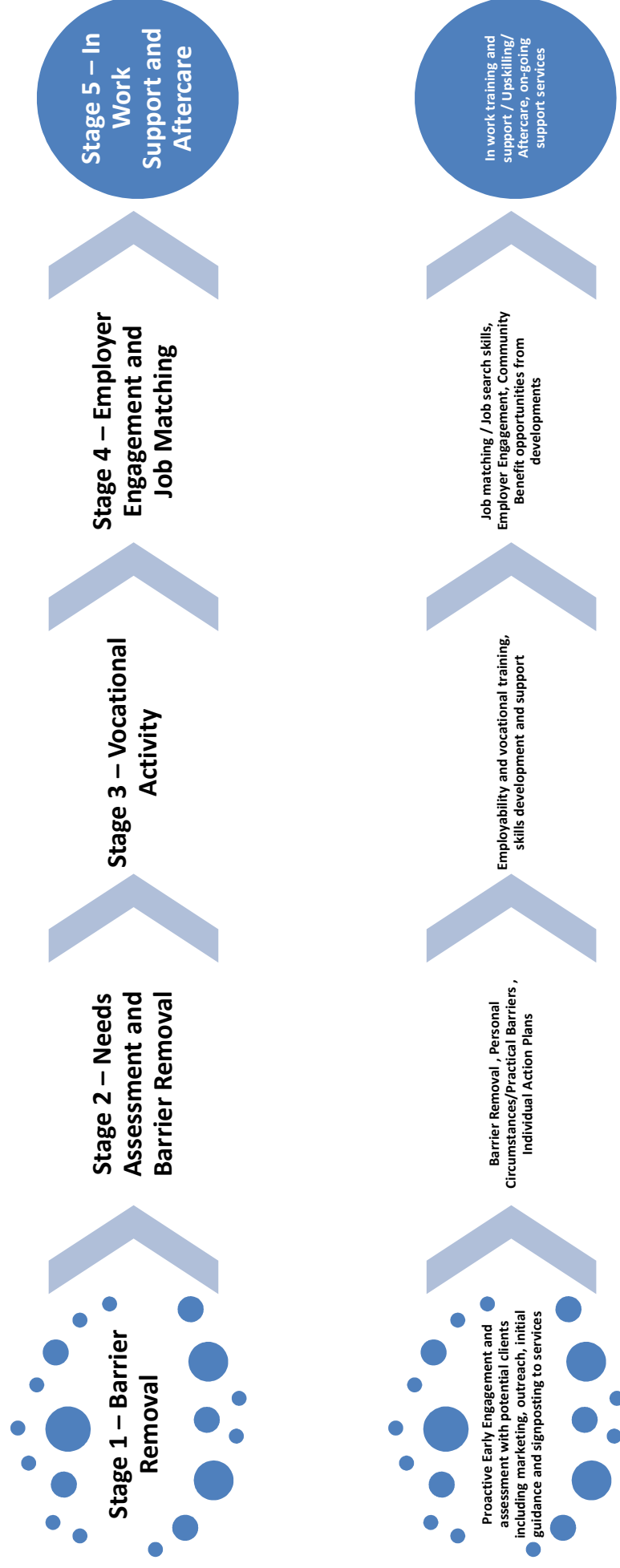
- Individuals with care responsibilities
- Young people aged 14-24 currently unemployed or at risk of becoming unemployed;
- Individuals of all ages with significant disadvantages who want or need help to find and sustain employment including mental and physical disabilities
- Unemployed individuals who reside in areas of high deprivation as identified within the Scottish Index of Multiple Deprivations (SIMD16) and data from the segmentation toolkit, Acorn;
- Support individuals and business during episodes of redundancy via Partnership Action for Continuing Employment PACE interventions;
- Those individuals that are low skilled, low paid and/or under employed.

Perth and Kinross Strategic Skills Pipeline

The strategic skills pipeline has been adopted by the Scottish Government and is now an established and recognisable method of supporting people into employment. In Perth and Kinross, this was developed and piloted by HCC and the following diagram represents how the pipeline works within Council services.

This diagram illustrates that Perth & Kinross Council and our strategic partners already deliver a vast array of diverse and effective services across a 5 Stage Employability Pipeline. However, we believe more can be done to improve outcomes through greater clarity of purpose, increased co-operation and more integration of service delivery. This will require a commitment to a Council approach within services and our Partners. Mapping of our partners' delivery of the pipeline is contained in Appendix 7. These actions are set out in summary below, and further detailed in the Action Plan appended as Appendix 1 to this Strategy document.

Perth and Kinross Employability and Skills Pipeline



Stage 1 - PKC Activities	Stage 2 - PKC Activities	Stage 3 - PKC Activities	Stage 4 - PKC Activities	Stage 5 -PKC Activities
Outreach	Activity Agreements	Skills Academies	Skills Academies	Modern Apprenticeships
Activity agreements	Peer support	Work Experience	Work Experience	Living Wage
Funded Provision	Community based Activities	Volunteering	Recruitment Incentives	Fair Work
Needs Assessment	Adult Learning	Self Employment	Welfare Rights	Redundancy /redeployment
Welfare Rights	Careers Information	Activity Agreements	Westbank Enterprises	Supported Employment

For illustrative purposes – this is not a comprehensive list

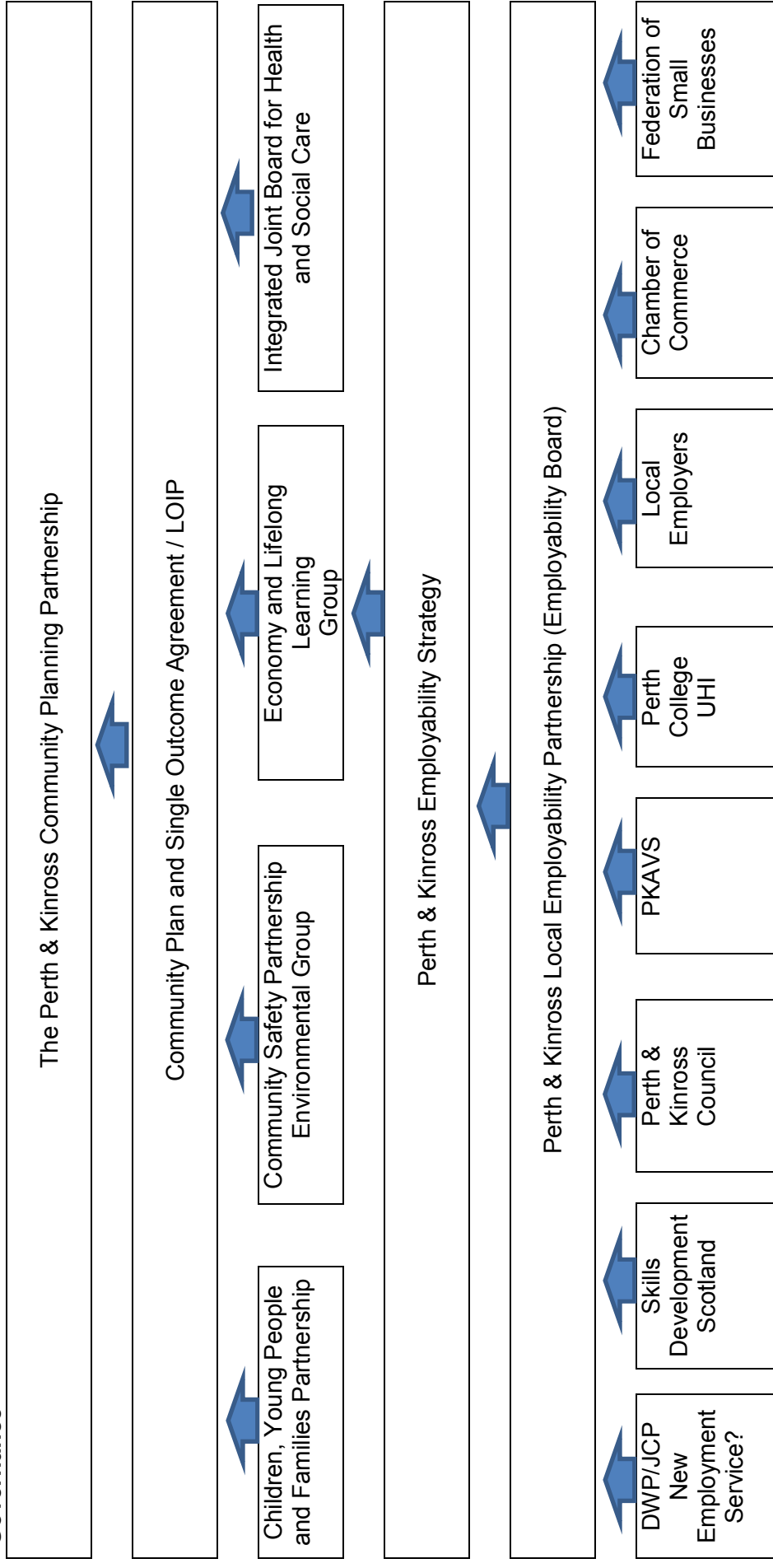
Reviewed and Refreshed Employability Commitments

Our aims are:

1. We will prepare our young people for the future by:
 - Delivering the Developing Young Workforce Strategy for Perth and Kinross
 - Continuing to build on the year on year improvements in educational attainment and accreditation levels
 - Doing all we can to ensure they are equipped to leave school and get a job, access further or higher education, or have appropriate training opportunities
 - Ensuring we provide a range of initiatives to provide our young people with the relevant work skills
 - Invest in modern apprenticeships with particular emphasis on qualifications at SVQ level 3 or above
2. We will ensure those who are already disadvantaged are not further marginalised by:
 - Putting in place effective support to help individuals move towards training and employment opportunities
 - Further developing a commissioning role for Council Services which may provide opportunities for employment
 - Supporting Young people with an Autism Spectrum Condition into employment
3. We will support the unemployed by:
 - Complementing the work of Job Centre Plus through more intensive one-to-one coaching and help improve employability chances through customised training and job brokering
 - Working with partners across the Tay City Deal project to maximise job opportunities for Perth & Kinross residents
4. We will work innovatively with businesses and our partners to help them grow and create more jobs by:
 - Investing expertise through an effective enterprise support network (Business Gateway, Perth & Kinross Council, Scottish Enterprise, Perthshire Chamber of Commerce and the Federation of Small Businesses)
 - Co-ordinating public sector employer engagement with larger employers
 - Encouraging the creation of a greater number of higher paid, higher skilled jobs

- Encouraging more private sector participation in work experience opportunities, pre-recruitment and training incentives
 - Assisting local Small Medium Enterprises to access the benefits as a result of the Modern Apprenticeship levy
5. We will lever more employment benefits from public sector investment by:
- Accelerating our capital investment programmes where possible to generate labour demand in the local economy
 - Using Community Benefit Clauses to support local employment and training
 - Promoting Fair Work through the Council's employment policies and practices
6. We will ensure appropriate governance and management systems are in place to deliver the strategy by:
- Implementing the Employability Strategy and Action Plan through robust joint planning and management arrangements in Perth and Kinross
 - Establishing a robust monitoring framework
 - Ensuring adequate service provision across all stages of the employability pipeline
 - Improving communication and information flow between local and internal partners
 - Improving information and communication with clients and potential clients

Governance



Prevention and Early Intervention

There is a focus throughout this Strategy on early intervention and prevention to ensure that the Council and key partners maximise investment and minimise the use of support services in future.

Ensuring that all our citizens are employable and being in employment has a positive effect on the following areas:

- Reduction in poverty
- Reduction in the use of council services
- Reduction in employability spending
- Capitalisation on the investment in early years, primary and secondary education
- Reduction in welfare spending
- Increased earning potential from higher qualifications
- More public sector resource through increased tax revenues

