

**ITEM No ...6.....**

**REPORT TO:** CITY DEVELOPMENT COMMITTEE – 7 DECEMBER 2015

**REPORT ON:** ARRANGEMENTS FOR THE FUTURE INVESTMENT OF EMPLOYABILITY FUNDS

**REPORT BY:** EXECUTIVE DIRECTOR OF CITY DEVELOPMENT

**REPORT NO:** 447 2015

**1 PURPOSE OF REPORT**

1.1 To seek Committee approval for interim arrangements for Employability Services up to March 2017 and advise of proposals to develop new arrangements from April 2017 onwards

**2 RECOMMENDATION**

- 2.1 It is recommended that the Committee
- a approves the extension of the three existing procured contracts with Lifeskills and Craigowl until 31 March 2017.
  - b approves the continuation of the existing pilot projects as outlined in paragraph 4.8 of this report until 31 March 2017.
  - c notes the request from Craigowl to reduce their job broker contract and agree the proposal to replace the reduction in job outcomes with an alternative provision.
  - d approves an open competition approach to award a grant/grants to provide new employability training (stage 3 of the pipeline) for 12 months, from 1 April 2016 to 31 March 2017.
  - e notes progress to date in carrying out the fundamental review of Employability Services in the City and proposals to develop a co-commissioning approach to inform future decisions.

**3 FINANCIAL IMPLICATIONS**

3.1 The proposed arrangements for 2016-17 will be met from the Council's existing financial allocation to employability

**4 BACKGROUND**

**Review of Employability Services**

- 4.1 The Council and the Dundee Partnership agreed in May 2015 that a Review into Employability Services should be undertaken to achieve a step change in Employability Outcomes.
- 4.2 When complete, this review will recommend how the Council and the Dundee Partnership can develop and deliver a high quality employability service that is responsive to employers, to clients and which delivers better outcomes for Dundee.
- 4.3 As part of this Review, working groups from across the Dundee Partnership, including representation from Dundee City Council, Department for Work and Pensions, Skills Development Scotland, the Third Sector Interface, Dundee and Angus College, NHS Tayside and other key partners are considering the actions required to deliver a "whole" employability

service for Dundee. A report will be submitted to Committee on recommended actions from the review and timescales for implementation in due course.

### **Proposed Future Commissioning Arrangements**

- 4.4 One of the working groups will consider co-commissioning and how partners can work together to ensure that the resources of the individual partners meet agreed needs and fully complement existing and planned provision by others.
- 4.5 The group will also seek to ensure that arrangements complement emerging proposals for the successor arrangements to Work Programme and Work Choice which will be devolved to Scotland from April 2017. The working group will require time to develop robust recommendations for future commissioning and this work will be taken forward in the first half of 2016.

### **Extension and Variation of Existing Procured Contracts**

- 4.6 The next contract break point for existing contracts is 31 March 2016. In order to maintain services to clients, it is recommended that the existing procured contracts remain until 31 March 2017. These are:
- Lifeskills – The application Process
  - Craigowl – Job Brokerage and In Work Aftercare
  - Craigowl – Money and Debt Advice
- 4.7 A written request has been submitted from Craigowl Communities to reduce the job outcome targets in the job brokerage contract from 800 per year to 440. It is recommended that this is accepted as Craigowl Communities have indicated that they will not be able to deliver the full number of job outcomes. As a result, the payments made to Craigowl will reduce in line with the lower outcomes.

### **Continuation of Other Service Arrangements**

- 4.8 A number of pilot projects were developed in 2015/2016. In order to ensure continuity of services to clients and enable the results from these pilots to be fully assessed and inform the work being taken forward by the commissioning working group, it is recommended that the following services are continued until 31 March 2017:
- DCC Employability Support Team
  - DCC 16+ Learning Choices
  - DCC Employability (Community Learning & Development)
  - Project Scotland – Volunteering
  - Lifeskills – Accredited Training

### **Stage 3 Employability Training**

- 4.9 Claverhouse ran two employability contracts at stage 3 (employment training) of the pipeline. Since the liquidation of the company, the two remaining contractors have offered alternative services at stage 3, including accredited and non accredited training. These will end on 31 March 2016 and will leave a considerable gap in employability provision. To address the shortfall in services, between 1 April 2016 and 31 March 2017, an open competition process is recommended. In line with current arrangements for existing procured services, it is proposed to maintain a payment by results approach, ensuring value for money and consistency across the payments framework. In line with arrangements in previous years, it is proposed that the approach will be developed and assessed with the full input of the Dundee Partnership Employability Assessment Group.

**5 RECOMMENDATIONS FOR ENHANCING JOB OUTCOMES**

- 5.1 It is recommended, in order to achieve some of the job outcomes that will not be delivered through the Craigowl Communities contract, that Officers prepare a specification, in consultation with partners, for the delivery of another service designed to achieve job outcomes. It is recommended that a provider is identified through an open competition and that an agreement is entered into with the provider that offers the best proposal for the period up to 31 March 2017. The assessment of proposals will be undertaken by the Dundee Partnership Employability Assessment Group.

**6 POLICY IMPLICATIONS**

- 6.1 This Report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti-Poverty, Equality Impact Assessment and Risk Management. An Equality Impact Assessment is attached to this report.

**7 CONSULTATIONS**

- 7.1 The Chief Executive, the Executive Director of Corporate Services and Head of Democratic and Legal Services have been consulted and are in agreement with the contents of this report.

**8 BACKGROUND PAPERS**

- 8.1 None.

Mike Galloway  
Executive Director of City Development

Gregor Hamilton  
Head of Planning & Economic Development

GH/AM/MS

25 November 2015

Dundee City Council  
Dundee House  
Dundee

**EQUALITY IMPACT ASSESSMENT TOOL**

**Part 1: Description/Consultation**

<b>Is this a Rapid Equality Impact Assessment (RIAT)?</b>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
<b>Is this a Full Equality Impact Assessment (EQIA)?</b>	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
<b>Date of Assessment: 27/11/2015</b>	<b>Committee Report Number:</b>	
<b>Title of document being assessed: Arrangements for the Future Investment of Employability Funds</b>		
<b>1. This is a new policy, procedure, strategy or practice being assessed</b> (If yes please check box) <input type="checkbox"/>	<b>This is an existing policy, procedure, strategy or practice being assessed?</b> (If yes please check box) <input checked="" type="checkbox"/>	
<b>2. Please give a brief description of the policy, procedure, strategy or practice being assessed.</b>	Interim and longer term arrangements for allocating employability funds	
<b>3. What is the intended outcome of this policy, procedure, strategy or practice?</b>	To maintain service provision in the short term and achieve a more coherent employability service in Dundee and improve employability outcomes in the medium and long term	
<b>4. Please list any existing documents which have been used to inform this Equality and Diversity Impact Assessment.</b>		
<b>5. Has any consultation, involvement or research with protected characteristic communities informed this assessment? If yes please give details.</b>	No	
<b>6. Please give details of council officer involvement in this assessment.</b>  (e.g. names of officers consulted, dates of meetings etc)		
<b>7. Is there a need to collect further evidence or to involve or consult protected characteristics communities on the impact of the proposed policy?</b>  (Example: if the impact on a community is not known what will you do to gather the information needed and when will you do this?)	No	

**Part 2: Protected Characteristics**

**Which protected characteristics communities will be positively or negatively affected by this policy, procedure or strategy?**

**NB Please place an X in the box which best describes the "overall" impact. It is possible for an assessment to identify that a positive policy can have some negative impacts and visa versa. When this is the case please identify both positive and negative impacts in Part 3 of this form.**

**If the impact on a protected characteristic communities are not known please state how you will gather evidence of any potential negative impacts in box Part 1 section 7 above.**

	<b>Positively</b>	<b>Negatively</b>	<b>No Impact</b>	<b>Not Known</b>
Ethnic Minority Communities including Gypsies and Travellers	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Gender	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Gender Reassignment	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Religion or Belief	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
People with a disability	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Age	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lesbian, Gay and Bisexual	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Socio-economic	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pregnancy & Maternity	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Other (please state)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

### Part 3: Impacts/Monitoring

<p><b>1. Have any positive impacts been identified?</b></p> <p>(We must ensure at this stage that we are not achieving equality for one strand of equality at the expense of another)</p>	<p>Services that support people into work will have a positive Socio Economic impact. Employment is generally the most important means of obtaining adequate economic resources, which are essential for material well being and participation in society and there is strong evidence that work is generally good for physical and mental health and well-being.</p> <p>The interim arrangements require the contractors and service departments to support workless people who are amongst the most disadvantaged people in society. The design of employability services in future will take into account the higher risks of worklessness associated with particular groups including people with health issues, disability, younger and older age groups and people experiencing Socio-economic disadvantage</p>
<p><b>2. Have any negative impacts been identified?</b></p> <p>(Based on direct knowledge, published research, community involvement, customer feedback etc. If unsure seek advice from your departmental Equality Champion.)</p>	<p>No</p>
<p><b>3. What action is proposed to overcome any negative impacts?</b></p> <p>(e.g. involving community groups in the development or delivery of the policy or practice, providing information in community languages etc. See Good Practice on DCC equalities web page)</p>	<p>N/A</p>
<p><b>4. Is there a justification for continuing with this policy even if it cannot be amended or changed to end or reduce inequality without compromising its intended outcome?</b></p> <p>(If the policy that shows actual or potential unlawful discrimination you must stop and seek legal advice)</p>	<p>N/A</p>
<p><b>5. Has a 'Full' Equality Impact Assessment been recommended?</b></p> <p>(If the policy is a major one or is likely to have a major impact on protected characteristics communities a Full Equality Impact Assessment may be required. Seek advice from your departmental Equality lead.)</p>	<p>No</p>
<p><b>6. How will the policy be monitored?</b></p> <p>(How will you know it is doing what it is intended to do? e.g. data collection, customer survey etc.)</p>	<p>The performance of projects will be monitored through the Council's employability management information system.</p>

**Part 4: Contact Information**

<b>Name of Department or Partnership</b>	City Development
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<b>Type of Document</b>	
Human Resource Policy	<input type="checkbox"/>
General Policy	<input type="checkbox"/>
Strategy/Service	<input type="checkbox"/>
Change Papers/Local Procedure	<input type="checkbox"/>
Guidelines and Protocols	<input type="checkbox"/>
Other	<input checked="" type="checkbox"/>

<b>Manager Responsible</b>	<b>Author Responsible</b>
<b>Name:</b> Gregor Hamilton	<b>Name:</b> Allan Millar
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<b>Signature of author of the policy:</b>	Allan Millar	<b>Date:</b>	02 November 2015
<b>Signature of Director/Head of Service:</b>	Gregor Hamilton	<b>Date:</b>	
<b>Name of Director/Head of Service:</b>	Gregor Hamilton		
<b>Date of Next Policy Review:</b>			