

**ITEM No ...7.....**

**REPORT TO: CITY DEVELOPMENT COMMITTEE – 26 JUNE 2023**

**REPORT ON: DISCOVER WORK UPDATE**

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

**REPORT NO: 170-2023**

**1 PURPOSE OF REPORT**

1.1 This report updates Committee on performance of the Employability Pathway; progress with the Discover Work Strategy and Action Plan, which responds to the Scottish Government and Local Government’s ambition to transform Scotland’s employability services through the No One Left Behind policy; and the proposed Challenge Fund approach for the redesign and co-commissioning of employability services from 1 April 2024.

**2 RECOMMENDATION**

- 2.1 It is recommended that the Committee:
- a notes the significant and sustained level of performance of the Employability Pathway for the period 1 October 2019 – 31 March 2023;
  - b notes the progress in delivering the Discover Work Strategy and Action Plan 2022 – 2027, including the service redesign process during 2023 and the proposed co-commissioning timetable for service implementation from 1 April 2024;
  - c remits the Executive Director of Corporate Services and the Executive Director of City Development to finalise the commitment of employability funding following the redesign and co-commissioning process undertaken by the Discover Work Partnership; and
  - d remits the Executive Director of City Development to bring a further report to the City Development committee in summer 2024 on the outcome of the co-commissioning process and final performance of the current Employability Pathway programme.

**3 FINANCIAL IMPLICATIONS**

3.1 All commitments made in relation to this report are contained within the employability budget managed by the Council, on behalf of the Discover Work Partnership, inclusive of funding from Scottish Government.

**4 BACKGROUND**

4.1 Reference is made to Article VII of the minute of the City Development Committee meeting on 5 September 2022 (Report No 206-2022 refers) where Committee noted the improvement in performance of the Employability Pathway up to 31 March 2022 and the commitment of additional employability funding following a competitive Challenge Fund (Round 2) process.

**5 EMPLOYABILITY PATHWAY PERFORMANCE: 1 OCTOBER 2019 - 31 MARCH 2023**

5.1 The aim of the Discover Work Partnership is to address local need, promote inclusion, and ensure that those furthest from the labour market are proactively targeted and supported into sustainable employment through the Employability Pathway.

5.2 Employability Providers were appointed in September 2019 through a competitive Challenge Fund (Round 1) process to deliver services in the Employability Pathway. As detailed in the City Development Committee Report No 206-2022, the Employability Pathway was enhanced in July 2022 following Challenge Fund (Round 2).

- 5.3 Current providers delivering services in the Employability Pathway are:
- Dundee City Council’s Adult Employability Service;
  - Dundee City Council’s Youth Employability Service; and
  - All in Dundee - a consortium of third sector organisations led by ENABLE Works in partnership with Barnardo’s, Volunteering Matters (Project Scotland), Access to Industry, One Parent Families Scotland, Street League, HELM Training Ltd, and The Prince’s Trust.
- 5.4 All providers target priority customer groups and deliver specialist support to address the barriers they face, that is provided in a way that is simple, streamlined and attractive to them. The priority customer groups include those who are:
- long-term unemployed;
  - experiencing physical and mental health conditions including disabilities;
  - refugees or ethnically diverse;
  - aged 50+;
  - living in the Most Employment Deprived Areas of Dundee;
  - parents – with a focus on specific family groups; and
  - young people at risk of not participating in education, employment, and training.
- 5.5 The Employability Pathway provides an end-to-end service for the residents of Dundee with a streamlined and focussed route into employment. Providers work together to improve the proportion of customers that progress towards and enter employment and ensure most customers sustain their employment.
- 5.6 Since the Employability Pathway began in October 2019, there has been a significant and sustained improvement in performance compared to the previous programme. These improvements include the proportion of customers entering a positive destination (up from 34% to 75%) and the proportion of customers sustaining positive destinations for 12 months+ (which was not monitored previously but is now 62%). Please see **Appendix A** for further performance data and infographics on key customer circumstances summarised in charts.
- 5.7 The current Employability Pathway programme has been extended by one year, up to 31 March 2024, to provide continuity during a period of transition, including an exit from the European Social Fund and adoption of the UK Shared Prosperity Fund. During 2023, the Discover Work Partnership will co-commission the next evolution of the Employability Pathway for 2024/2025 and beyond in preparation of further devolved funding from Scottish Government through No One Left Behind.
- 6 DISCOVER WORK STRATEGY AND ACTION PLAN 2022 – 2027**
- 6.1 Discover Work is Dundee’s Local Employability Partnership. It is a multi-agency approach to the development of shared objectives, the alignment of efforts and the commitment of resources relating to employability. Discover Work members include Skills Development Scotland, Dundee and Angus College, the Department for Work and Pensions, Dundee City Council, Dundee & Angus Chamber of Commerce, Dundee Volunteer & Voluntary Action (Third Sector Interface), Developing the Young Workforce, Dundee Health and Social Care Partnership, NHS Tayside, Business Gateway and Social Security Scotland.
- 6.2 The Discover Work Strategy 2022 – 2027 was published in April 2022, which sets out its ambitious strategic vision, goals and context in “*Transformation of employability for a new*

*Dundee*". It aims to maximise the opportunities provided by Scottish Government and Local Government's ambition to simplify Scotland's employability system through the *No One Left Behind* policy, and deliver outstanding and recognisable improvements in outcomes for customers. The Strategy is supported by a robust *Action Plan*, with all actions aligned to three strategic goals:

- 1 Strengthen the functions and effectiveness of Discover Work;
- 2 Improve employability outcomes for customers; and
- 3 Establish, promote, and increase awareness of Discover Work.

6.3 As detailed in the *Discover Work Strategy 2022-2027* and reflected in the new *Council Plan 2022-2027* and *City Plan 2022-2032*, there are approximately 11,000 unemployed or inactive people of working age in Dundee who could or want to be in employment, with mental health conditions and other disabilities hindering the participation of many in the workforce. The priority for the Council and wider partnership in the next few years is to assist the whole of this cohort by transforming the way we deliver services and use funding more efficiently to support the harder to reach groups find fair and rewarding employment.

6.4 Since its publication, Discover Work has progressed its Strategy through the implementation of the robust Action Plan and the establishment of Task and Finish Groups that are accountable for progress with agreed outputs. These include:

Title of Task & Finish Group	Purpose/Remit
Shaping the Principles for a Redesign of Employability Services	Collaborative working between the Fairness Leadership Panel, Dundee Fighting for Fairness, and Discover Work to shape the principles of the co-commissioning process
Review of Third Sector Employability Footprint	Explore opportunities for the sector as a provider of employability services, how the sector may respond to the strategy, and add further value (eg employment & training opportunities within the sector and leveraging other funding available to the sector)
Review of Council Employability Teams	Explore opportunities for the Council as a provider of employability services, how the Council may respond to the strategy, and add further value (eg as an employer, anchor institution, and contractor of supplies & services)
A Step Change in Positive Destinations for Young Dundonians	Develop an Improvement Plan to address the city's participation measure of those aged 16-19

## 7 REDESIGN AND CO-COMMISSIONING OF EMPLOYABILITY SERVICES FOR 2024/2025

7.1 During 2023, Discover Work will redesign employability services through a co-commissioned Challenge Fund process for the allocation of employability funding from 2024/2025 for up to 5 years.

7.2 This will include the next phase of devolved funding from Scottish Government to Local Employability Partnerships through *No One Left Behind* (inclusive of Parental Employment Support to deliver employability aspects of *Best Start, Bright Futures: Tackling Child Poverty Delivery Plan 2022-2026*) and is key to the delivery of top line action areas and strategic goals detailed in the *Discover Work Strategy 2022-2027*, many of which respond further to the Fairness Commission recommendations of 2021.

- 7.3 As highlighted in the new City Plan 2022-2032, further collaborative working is taking place between the Fairness Leadership Panel, Dundee Fighting for Fairness, and Discover Work to shape the principles of the co-commissioning process and to assess applications for funding from potential employability providers.
- 7.4 The co-commissioning process will include the allocation of employability funding from a range of sources including No One Left Behind from the Scottish Government, the UK Shared Prosperity Funding from the UK Government, and potentially Tay Cities Deal funding as part of the Skills and Employability Programme. The final value of allocations will not be known until later in 2023 or early 2024. However, officers estimate a total value of £3.8m per annum.
- 7.5 An indicative timetable for the co-commissioning process is provided in **Appendix B**. Delegated powers are sought for Executive Directors in the absence of a Committee Meeting in February 2024 and to prevent any delay in the awarding of funding and the preparation of Employability Providers to implement new services from 1 April 2024 ie preventing any potential gap in service provision.

## 8 POLICY IMPLICATIONS

- 8.1 The content of this report was previously considered in Report No 206-2022 and remains valid. The original report was subject to an Integrated Impact Assessment. An appropriate Senior Manager has checked and agreed with this assessment. For follow-ups relating to initial reports agreed prior to 22 August 2022 a copy of the Integrated Impact Assessment is available (where applicable) on the Council's website at [www.dundee.gov.uk/iiia](http://www.dundee.gov.uk/iiia). For follow-ups relating to initial reports created after this date, a copy of the Integrated Impact Assessment is included as an Appendix to that initial report.

## 9 CONSULTATIONS

- 9.1 The Council Leadership Team have been consulted in the preparation of this report and agree with its content.

## 10 BACKGROUND PAPERS

- 10.1 None.

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Head of Planning and Economic Development

Author: John Davidson

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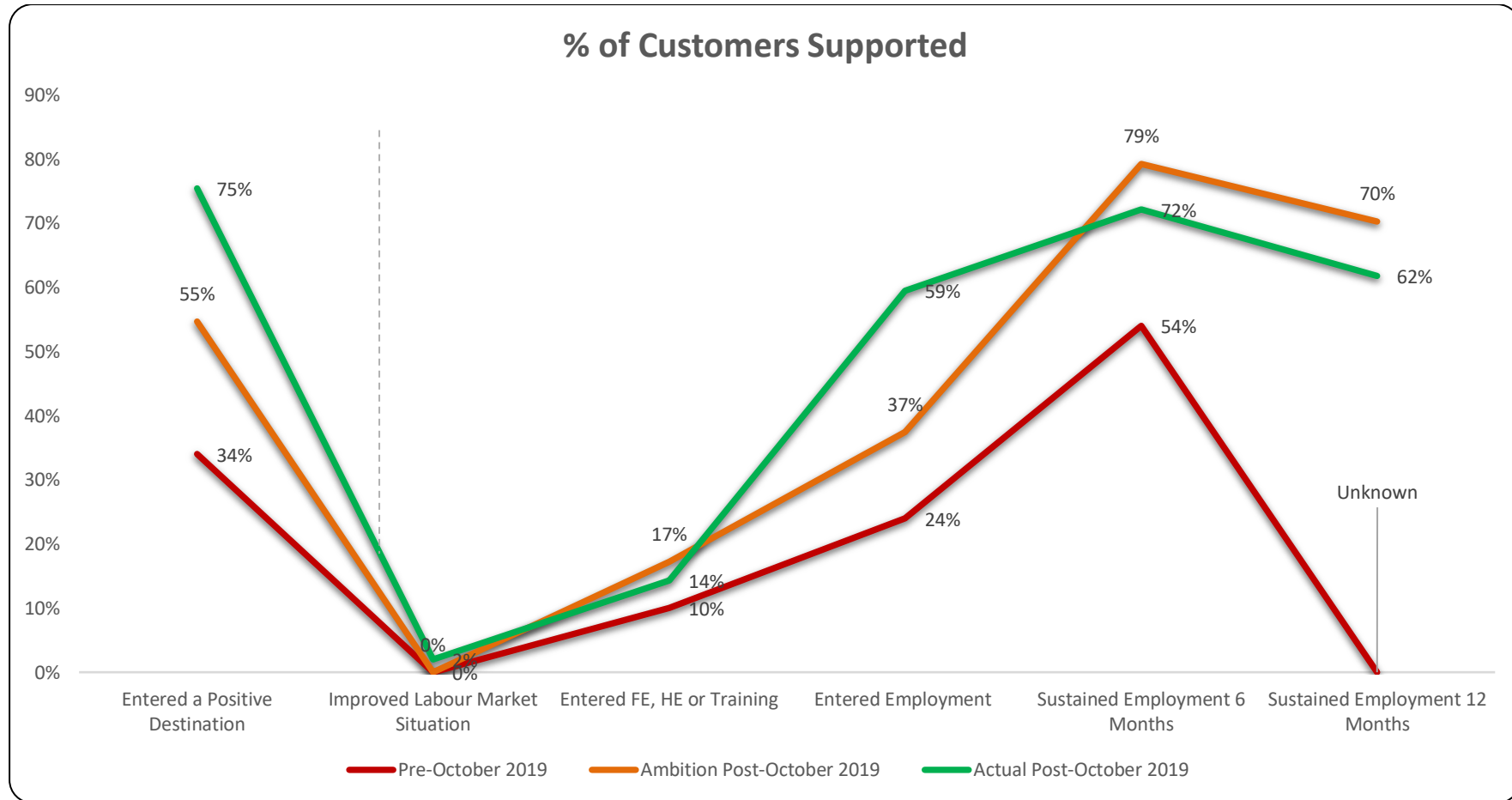
GH/JD/KS

30 May 2023

**APPENDIX A - EMPLOYABILITY PATHWAY PERFORMANCE: 1 OCTOBER 2019 - 31 MARCH 2023**

Outcomes

**Actuals Since 2019 Versus Ambition and Historical Performance (Percentages Only): 1 October 2019 - 31 March 2023**



## Actuals to Date Versus Ambition (Volumes and Percentages): 1 October 2019 - 31 March 2023

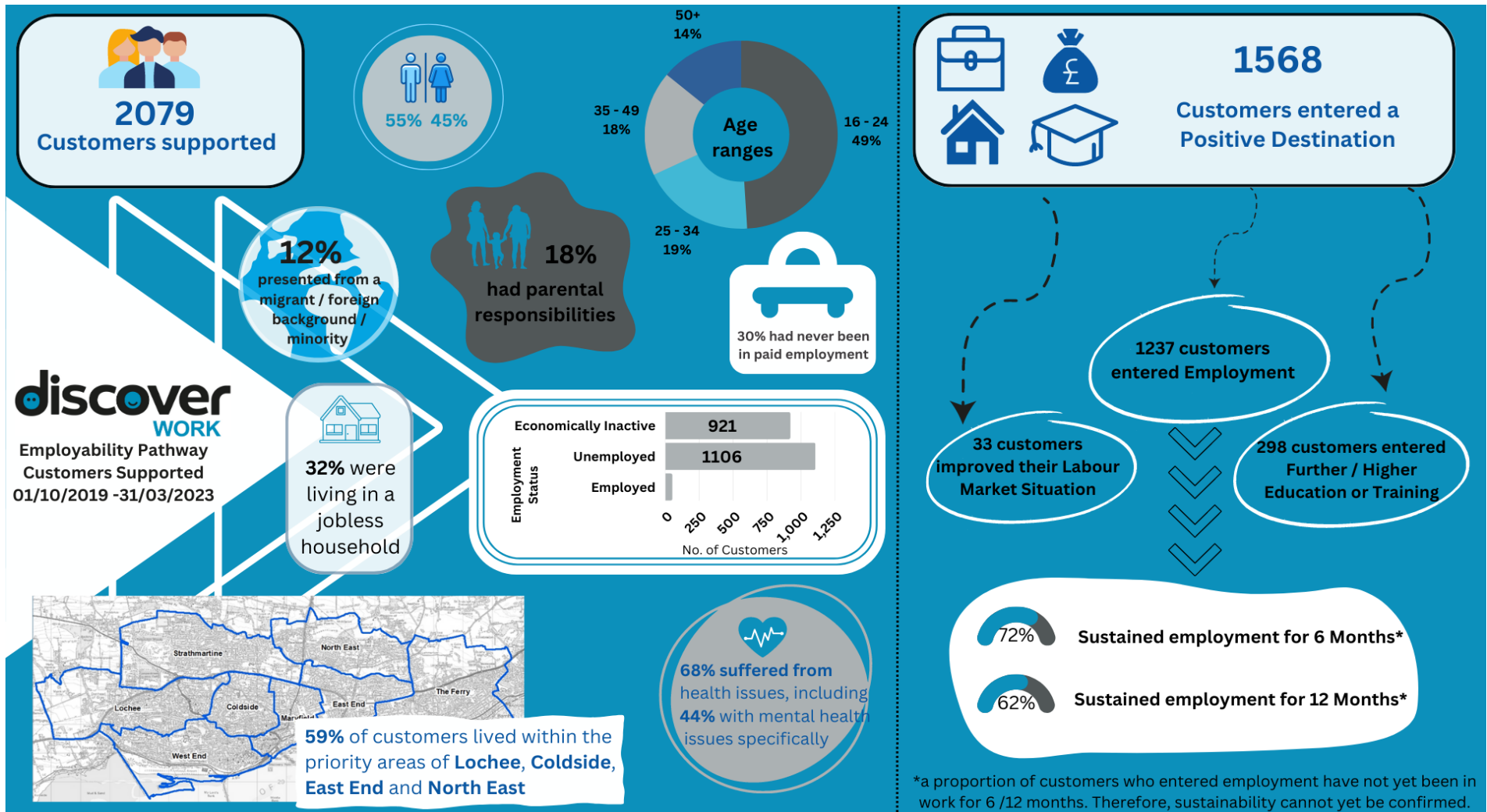
	<b>* Ambition</b>		<b>Actuals to 31/03/23</b>	
	<b>Volume</b>		<b>Volume</b>	
<b>Employability Pathway</b>				
<b>Customers Supported</b>	<b>2290</b>		<b>2079</b>	
<b>As a Subset of Customers Supported:</b>	<b>Volume</b>	<b>%</b>	<b>Volume</b>	<b>%</b>
<b>Total Entered a Positive Destination</b>	<b>1277</b>	<b>55%</b>	<b>1568</b>	<b>75%</b>
<b>As a Subset of those Entered a Positive Destination:</b>	<b>Volume</b>	<b>%</b>	<b>Volume</b>	<b>%</b>
Improved Labour Market Situation **	-	-	33 **	2%
Entered Further/Higher Education or Training	403	17%	298	14%
<b>Entered Employment</b>	<b>874</b>	<b>37%</b>	<b>1237</b>	<b>59%</b>
<b>Total Entered a Positive Destination</b>	<b>1277</b>	<b>55%</b>	<b>1568</b>	<b>75%</b>
<b>As a Subset of those Entered Employment:</b>	<b>Volume</b>	<b>%</b>	<b>Volume</b>	<b>%</b>
<b>Total Entered Employment</b>	<b>874</b>		<b>1237</b>	
Entered Employment after 01/10/2022 ***			201 ***	
Entered Employment before 01/10/2022			1036	
<b>Sustained Employment for 6 Months +</b>	<b>690</b>	<b>79%</b>	<b>747</b>	<b>72%</b>
<b>Total Entered Employment</b>	<b>874</b>		<b>1237</b>	
Entered Employment after 01/04/2022 ***			423 ***	
Entered Employment before 01/04/2022			814	
<b>Sustained Employment 12 Months +</b>	<b>612</b>	<b>70%</b>	<b>503</b>	<b>62%</b>

\* 20% Reduction against original targets due to impact of COVID-19 on customers and services (01/03/20 - 31/07/22), as well as recent inflationary costs

\*\* Improved Labour Market Situation relates to customers who were employed when accessing and receiving support.

\*\*\* Customers who entered employment but have not yet been in work for 6 or 12 months. Therefore, sustainability at 6 or 12 months cannot yet be confirmed.

**KEY CUSTOMER DEMOGRAPHICS/CHARACTERISTICS**



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**APPENDIX B - TIMETABLE FOR CO-COMMISSIONING OF EMPLOYABILITY SERVICES (CHALLENGE FUND)**

Key Milestones	Day	Date	Days Since Previous Milestone	Weeks Since Previous Milestone
Finalise Committee Report seeking delegated power to approval award/s	Wednesday	31/05/2023	0	0.0
Meeting of the City Development Committee	Monday	26/06/2023	26	3.7
Finalise development of principles by Fairness Leadership Panel	Friday	14/07/2023	18	2.6
Prior Information Notice published on Public Contract Scotland	Friday	11/08/2023	28	4.0
Last Date for Expressions of Interest in Awareness Event	Friday	25/08/2023	14	2.0
Awareness and Engagement Event	Friday	01/09/2023	7	1.0
Period for Collaborative Discussions between Potential Applicants	Friday	01/09/2023	0	0.0
Advertisement published online	Friday	29/09/2023	28	4.0
Last Date for questions to be submitted to the Discover Work Partnership	Friday	24/11/2023	56	8.0
Closing Date for the Submission of Applications (4.00pm)	Friday	01/12/2023	7	1.0
<b>Total Period for Collaborative Discussions and Application Process</b>	-	-	<b>91</b>	<b>13.0</b>
Assessment and Clarification Process Commences	Friday	08/12/2023	7	1.0
Assessment and Clarification Process Ends	Friday	26/01/2024	49	7.0
Notification of Outcome(s)	Friday	02/02/2024	7	1.0
<b>Total Period for Assessment and Clarification Process</b>	-	-	<b>56</b>	<b>8.0</b>
Challenge Fund Award Letter/s	Tuesday	13/02/2024	11	1.6
Service Inception Meeting/s	Tuesday	27/02/2024	14	2.0
Service Start Date(s)	Monday	01/04/2024	34	4.9
First Formal Review	February – March 2026			

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