

FC74. EMPLOYMENT AND TRAINING UNIT BUDGET POSITION AND EXTERNAL FUNDING

Council considered a report by the Director of Development Services setting out savings options in regard to the Employment Training Unit service.

As part of its consideration of the Revenue Budget on 7 October 2015 (ref FC50) Council authorised the progression of Equality and Poverty Impact Assessments (EPIA) and consultation on a number of savings options for 2016/17-2017/18. This included a proposal to reduce the service provision in regard to the Employment Training Unit (ETU).

The ETU is a non-statutory service funded by a combination of Council and external sources. The Council's contribution to the ETU in 2015/16 was £2,485,540. Savings of £350k had been identified for 2016/17 with a further saving of up to £1.4m identified from April 2017 should Council withdraw from the service. In light of imminent external funding bidding requirements, a degree of clarity over the Units future was required. The report set out four options ranging from total closure to retention of a core provision. Council was asked to determine its preferred option so that bids for external funding could be made.

The options were set out together with the outcomes of respective EPIAs. These were:-

- **Option 1** - Total Closure of ETU – this could deliver a total saving of £2,105,540;
- **Option 2** – Targeted savings – maintain service delivery capacity. This could deliver savings up to £300,000;
- **Option 3** – Greater reduction in budget and services. This would provide savings of £755,000; and
- **Option 4** - Maintain national training programs and de-commit from European Social Fund/Fairer Falkirk activity. This would deliver savings of £1,105,000.

Councillor C Martin, seconded by Councillor Dr CR Martin moved that Council:

- (1) *notes the options presented in respect of the future funding arrangements for the Council's Employment & Training Unit;*
- (2) *notes the Equalities and Poverty Impact Assessment prepared for the savings option selected to outline the consequences of the agreed decision; and*
- (3) *agrees option 2 (Targeted Savings) as the preferred savings option.*

Following discussion, and with consent of the Provost and Councillor Dr CR Martin as his seconder, Councillor C Martin agreed to adjust his motion to include a suggestion from Councillor Meiklejohn as follows:

- (4) *that an update report be provided either to a future meeting or to the Budget Working Group setting out the consequences if the funding bids are not successful and if they are, the new budget gap of £1.8m will be filled.*

Decision

Council agreed:-

- (1) to note the options presented in respect of the future funding arrangements for the Council's Employment & Training Unit;**
- (2) to note the Equalities and Poverty Impact Assessment prepared for the savings option selected to outline the consequences of the agreed decision;**
- (3) option 2 (Targeted Savings) as the preferred savings option; and**
- (5) that an update report be provided either to a future meeting or to the Budget Working Group setting out the consequences if the funding bids are not successful and if they are, the new budget gap of £1.8m will be filled.**