

S31. Employability Update

The committee considered a report by the Acting Director of Development Services providing an update on the performance and impact of local employability provisions across the Falkirk Council area in response to the Covid-19 pandemic including actions to support economic recovery and mitigate wider implications of unemployment, inactivity and poverty. In addition, this report indicated work undertaken to utilise both Scottish Government and UK Government employability support investment and the progress towards phase 2 of the Scottish Government 'No One Left Behind' strategy.

In the Falkirk Council area, there had been 57 vacancies filled in the Kickstart programme since May 2021, the committee asked if any permanent jobs had been filled yet and what sectors these roles were in. The commencement of the programme was delayed till May 2021 meaning that the 6-month period was only just coming to an end and therefore support had begun to find permanent positions. Due to the widespread marketing of the programme, it had led to local employers in a variety of sectors coming forward and thus, diverse opportunities although some had to be adapted to suit the young people available to fill these roles. The Kickstart programme contributed to the Employer Engagement Strategy by allowing greater relations between the Council and local employers and create further opportunities.

Members noted the reduction of funding for Fair Start Scotland which had initially been £874,464 in 2020/21 and reduced to £430,695 in 2021/22 and asked for the reason behind this. Ms McCulley stated that the funding stream began in 2018 and was originally proposed to end in 2021, however, an extension was agreed for a further two years until 2023. The Scottish Government decided to fund the extension period with a 60%-40% split in regard to the service fee they provided – the programme remained performance-based paid but the reduction was reflective of the Scottish Government split which was 60%. In 2022/23, the Council would receive the 40% split.

October 2021 saw the end of the Furlough Scheme, of which Falkirk had 4,500 furloughed jobs whilst also by the end of October, the number of local vacancies and jobs advertised was anticipated to increase. Members aligned this information with overall claimant count in the Falkirk Council area sitting at 4.4% and questioned if this was expected to decline. Ms McCulley explained that it would depend upon who was available in the job market and claiming benefits. Due to the turbulent nature of the employment market, those who approached the Employment and Training Unit previously could now enter a job without support thus those who were seeking support, faced additional challenges.

The committee referred to the end of the European Structural Fund in December 2022 but the UK Government had not committed to a replacement UK Shared Prosperity Fund. It asked if there were any plans to mitigate the impact of a possible gap in funding for those in need of additional employment support. The Employment & Training Manager

explained that there had been initial indications that the UK Shared Prosperity Fund would not be at the levels anticipated when entering consultation with Scottish and UK Governments. Ms McCulley believed the fund would be a proportionate share. The Acting Director of Economic Development explained that the bids were also made for the Levelling Up Fund and the Community Renewal Fund – the latter offered employment training opportunities through local Third Sector providers which was initially intended to be a one-off payment, however, the outcome of the UK Shared Prosperity Fund may alter this. He continued that Business Gateway was impacted with the dissolution of European funding in 2022 and was also awaiting the consultation document issued by the UK Government regarding the UK Shared Prosperity Fund.

Following on from this point, committee questioned if a contingency plan was in place for those involved to which Ms McCulley referred to the movement towards phase 2 of the No One Left Behind Strategy which was funded through Skills Development Scotland as the Employability Fund and the SCVO for the Community Job Scotland Fund were ending March 2022 and monies offered to the No One Left Behind Strategy. The funds for these schemes would be shared across the 32 local authorities thus demanding local governance to evaluate where resources and funding would be best utilised. She stated the anticipated phase 3 of the Strategy would align with the ending of the Fair Start Scotland programme, although no final information was yet available; it was anticipated the finance for this programme would mirror what occurred in phase 2.

Following a question on whether there was a possibility of reduced funding and how this would impact the service's savings, the Acting Director of Development Services explained that this was a concern currently due to the major changes within the Employment and Training Unit. Although the Council had previously attracted external funding, the number of changes presented risk, but discussions were held amongst Finance colleagues in terms of future savings. He recognised the difficulty of budgeting as cuts were inevitably going to impact services.

Members raised concerns that modern apprentices and graduates joining the Council would be worse-off in terms of training due to the blended approach to working. Ms McCulley stated the Employment and Training Unit worked alongside HR to unveil that the % of modern apprentices across the Council had reduced from 5% to 0.9% for a variety of reasons. She assured that work had been ongoing to ensure the contracts of these new employees were flexible to reflect the needs of the service and deliver quality training. The blended approach to working was being adopted across all sectors and therefore allowing modern apprentices and graduates to gain this experience was a positive. The Employment and Training Unit was offering advice to managers on how to best support any new employees whilst the Unit continued to support their own modern apprentices.

Ms McCulley responded to a question about promoting and increasing the number of modern apprentices in care by explaining there was both contract and non-contract modern apprentices meaning those who did not qualify for

the traditional funding route were still supported. Currently in the Health & Social Care sector, several young people were undertaking many opportunities whilst the Unit continued to support those in the Third Sector and Private Sector who had recently started in their roles. The challenge being faced was due to the demand for employees therefore making it difficult for the Council to place individuals on pre-employment training courses, although, were still able to support individuals throughout their time as an apprentice. Furthermore, the challenge was seen nationally leading to discussions about how the sector can attract more young people across Scotland. She recognised the magnitude of the issue and stated that Falkirk could only contribute to the resolution partially.

Decision

The Scrutiny Committee:-

- (1) noted the report below on the Council's co-ordination of employability services in response to the Covid-19 pandemic, and**
- (2) noted the work undertaken to utilise additional investment provided during this period.**