

Draft 7

**GLASGOW CITY STRATEGY:
BUSINESS PLAN**

Draft 7a

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1. SECTION 1: VISION AND STRATEGY

The Glasgow Challenge

- 1.1. Glasgow is one of the fastest growing cities in the UK. More than 60,000 jobs were created between 1995 and 2004, faster than in the rest of Scotland and Britain. Crucially, two thirds of these jobs went to Glasgow residents, rather than commuters. An extra 40,000 Glasgow residents found work over this period and the majority were full-time, with the growth split evenly between men and women. Three quarters of Glasgow's new jobs have been in large workplaces. The transformation of Glasgow has delivered:
- a renewed City Centre placing Glasgow as No 3 in the UK retail super league behind only the West End of London and Birmingham.
 - the 5th most popular destination in the UK for overseas tourism.
 - a doubling of overseas exports.
 - a major regeneration of the Clyde Waterfront, including the new International Financial Services District, Pacific Quay and the Digital Media campus.
 - Clyde Gateway, Nova Technology Park, City Science and the Silverburn and Fort Shopping Centres.
- 1.2. Future developments include the City's efforts to host the Commonwealth Games, the Collegelands Development; a major rebuilding programme for the Universities and Colleges alongside the opportunities arising from the M74 extension and the East End Regeneration Route. Independent labour market research suggests that the City will continue to deliver an increasing number of employment opportunities between now and 2015, however the skill requirements for these jobs will rise (see para 2.8).
- 1.3. Despite the transformation in Glasgow's economic performance significant challenges in terms of worklessness and poverty still remain;
- *Glasgow current has an employment rate of 66%, well below the UK average of 74% (Scotland 75%)*
 - *The most recent available data (May 2006) suggest that Glasgow has around 94,960 working age people on DWP benefits. (88,290 of these on 3 main DWP benefits (see para 2.9)*
 - *This figure is set against the fact the entry level vacancies per person in Glasgow is double the national average for vacancies.*
 - *77% of these claimants live in the 50 wards in Glasgow falling into the worst 15% of areas across the country as a whole.*
 - *In October/ November 2005, nearly 5000 young people were in the NEET Group (see para 2.12).*
 - *In 2005, 33% of the city's children lived in workless households, double the population for Scotland as a whole (see para 2.12).*
 - *In 2006, 39% of primary school pupils in Glasgow were entitled to free school meals, an indicator of child poverty*

- *The employment rate for the city's non- white working age population is only 56% (see para 2.12).*

1.4. Glasgow's challenge is to galvanise the energy and resources of the City Strategy members and the imagination and professionalism of delivery organisations to achieve the maximum impact with the resources available.

1a: Our Vision

1.5. The Glasgow Welfare to Work Forum has a unifying vision for employment. The Forum wants a vibrant local economy where employment rates are high, where employers can find the skills and aptitudes they need and where work is the route out of poverty, particularly child poverty, and the way to close the gap between prosperous and disadvantaged communities.

1.6. The Forum wants to build on the rises in employment and falls in joblessness of recent years. However further progress now requires more than existing interventions can offer. The Forum members want to achieve a step change in employment and skills development. This will entail strengthened local leadership, effective employer engagement, collaborative, inter-agency planning and an integrated delivery system which provides a 'whole needs' approach to the issues and barriers experienced by workless and low skilled individuals. The Forum believes that the City Strategy will be a prime catalyst and vehicle for this to be achieved.

1.7. Over the City Strategy two-year pilot period we will demonstrate that we have created an approach and structure that demonstrates maximum capability in terms of co-ordinating and aligning multi-agency activity in order to improve efficiency and effectiveness. Taking into account the size of the gap between the current employment rate and the target, restricting our planning to two years will see us achieve a modest impact, but participation in this Pilot is the start of a long term commitment to support and drive institutional and cultural change, to substantially and sustainably increase employment and skills levels in Glasgow

1.8. Our vision is complementary to the Glasgow Community Planning Partnership's vision in terms of worklessness and the new economic strategy for the city "A Step Change for Glasgow". The City Strategy will encompass the Scottish Executive's Workforce Plus plan and align with the new NEET Strategy.

1.9. The Forum want to see a Glasgow where;

'Everyone who is able to work can, given the right type of job and appropriate support'

1b: Our Strategy

Strategic Objectives

1.10. Working collaboratively we will;

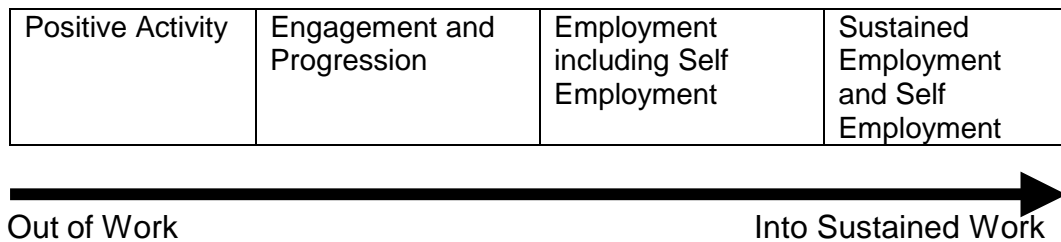
- Simplify the strategic structures for employability decision-making and align funding by 2008.
- Work towards new commissioning arrangements for service delivery by 2008.
- Develop services to employers and individuals focusing on addressing key labour market issues on recruitment, retention, skills and diversity by 2010.

This will result in a reduction in the number of workless residents in Glasgow by 17,200 by 2010 from 94,960 (2006).

1.11. More progress has been made on child poverty than in other areas of the UK. There is still more to be done. The City strategy will reduce child poverty and a set of monitoring indicators will be developed for this purpose.

1.12. The strategic focus of the City Strategy will be on the engagement of workless people, and employers. This will be delivered through a two- prong approach. Firstly by creating an employability pathway (see diagram below) to assist those on benefits who want to enter the labour market, move into sustainable jobs and career progression.

Figure 1 : The Employability Pathway, from benefits to sustainable jobs and career progression



Source: Workforce Plus, Scottish Executive 2006

1.13. Secondly, by increasing the number of job vacancies available to City Strategy clients, through additional employer engagement activity and improved vacancy filling processes. This approach will be supported by improvements in streamlining and inter-agency cooperation. As outlined in 1.10, our strategy will build on strong foundations based on partnership work done to date. It will secure long term and far sighted solutions to improve the quality, relevance, coverage and value for money of employability service delivery.

1.14 The Outcomes by Strategic Objective are outlined in Table 1 below.

Table 1: Outcomes by Strategic Objective

Strategic Objective	Outcomes
Reduce the number of workless residents in Glasgow by 17200 by 2010 from 94,960 (2006)	<p>Clear targets to reduce the numbers on benefit and in jobs (see Section 3e)</p> <p>Reductions in Child Poverty</p> <p>Common definitions, evidence requirements, reporting and tracking systems.</p>
Simplify the strategic structures for employability decision-making and align funding by 2008.	<p>Memorandum of Understanding between key funders to align/ pool employability funds</p> <p>New Partnership Group to make joint decisions on allocations of funds</p> <p>Reductions in the number of organisations – to reduce overlap and duplication</p>
Work towards new commissioning arrangements for service delivery by 2008	<p>New /simplified commissioning model, spatially targeted and co- terminus with the 5 Community Health and Care Partnership (CHCP) boundaries.</p> <p>Build capacity of Health and Social Care staff, to work with employability organisations and vice versa.</p> <p>Single area contracts with 5 year Performance Framework Agreements (PFAs)</p> <p>Reconfiguration of LEDCs - from 8 to 5</p> <p>Competitive tendering for the commissioning process.</p> <p>Redistribution of resources across the 'employability pathway'*. In particular targeting more resources on engagement and in work support.</p>
Develop services to employers and individuals focused on addressing key labour market issues on recruitment, skills, retention and diversity by 2010	<p>Employer engagement strategy focused on job opportunities and particularly growth in public sector jobs.</p> <p>Improved vacancy system to get more City Strategy clients into jobs by March 2008.</p> <p>Continued progress on making health and social work provision more linked to the employability agenda</p> <p>Support for employers on recruitment, diversity and retention</p> <p>Move some Training for Work (TFW) funding to post employment support for work based qualifications</p>

1.15 Our Key Milestones for Years 2 and 4 will be:

1.16 After 2 Years

- Reduce numbers on benefit by 7600
- Memorandum of Understanding signed
- New Partnership Group to lead City Strategy make joint decisions on allocations of funds
- Common definitions, evidence requirements and reporting complete
- New Commissioning Arrangements agreed
- Employer Engagement Strategy fully implemented
- Support for work based qualifications implemented

1.17 After 4 Years:

- Reduce numbers on benefit by 17200
- Redistribution of funds on employability pathway to provide appropriate levels of funding for early engagement and in-work support
- Support for post employment work based qualifications embedded

1.18 Section 3b contains more information on the Programme Elements and Milestones. Targets by Priority Groups and timelines are covered at Section 3e.

Strategic Fit with existing regional/sub regional strategies

1.19 The Glasgow City Strategy sits comfortably within a framework of interrelated and interdependent strategy and policy initiatives (see Appendix 1)

1.20 The key strategic link at Scottish level is with Community Planning and the work of the Glasgow Community Planning Partnership (GCPP). There is also synergy with the Scottish Executive through the 'Closing the Opportunity Gap' targets, Healthy Working Lives and the Workforce Plus and NEET strategies. At local level the fit is with documents such as the Welfare to Work and Equal Access Strategies and the newly published Glasgow Economic Strategy (A Step Change for Glasgow).

- 1.21 The 'closing the opportunity gap' targets are driven by the Glasgow Community Planning Partnership (GCPP), which was formed in 2004 to take forward the city's approach to Community Planning. The Glasgow CPP brings partners together with the aim of delivering better, more joined-up public services in the city. An important part of the Partnership's work is to ensure that the targeted regeneration of Glasgow continues to improve the quality of life for all of our citizens and visitors.
- 1.22 The Glasgow CPP has identified five priority themes (objectives) for the city. These themes focus on creating : a *working, learning, vibrant, healthy* and *safe* Glasgow. *Glasgow's Community Plan 2005-2010* sets out in more detail why these themes have been chosen, and what the Partnership propose to do to address these objectives.
- 1.23 In addition, Glasgow's response to the Scottish Executive strategy of *Closing the Opportunity Gap - Glasgow's Regeneration Outcome Agreement (ROA) for 2005-2008* sets out the specific details or framework of how the city will use available resources to meet the Partnership's 5 strategic themes. This framework describes a spectrum of activities to achieve a range of *Outcomes* for the city.
- 1.24 These *Regeneration Outcomes* will focus on a number of key priorities in Glasgow and in particular *employability* (sometimes referred to as worklessness) and *addictions*. The City Strategy targets to reduce worklessness will be included in the Regeneration Outcome Agreement for Glasgow, agreed between the Glasgow Community Planning Partnership and the Scottish Executive.

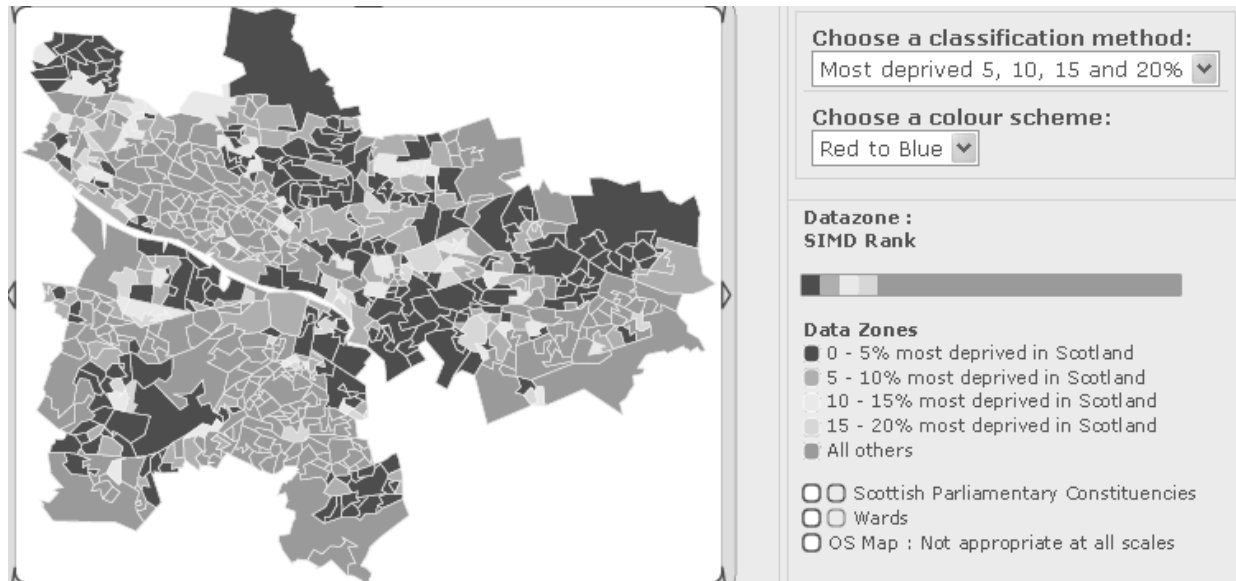
2. SECTION 2: LOCAL CONTEXT

2a: Local Analysis

2.1 Geography

Figure 2: Scottish Index of Multiple Deprivation (SIMD) 2004

- Proportion of Glasgow Data Zones Ranked in the bottom 15% most deprived



Source: SIMD, Scottish Executive © Crown Copyright. All rights reserved
Scottish Executive 100020540 2006

- 2.2 The Glasgow Plan covers residents from the target groups throughout the city. The map provided above demonstrates the level of Data Zones, or neighbourhoods, that fall within the most deprived areas of Scotland. More than half (54%) of Glasgow's population were living in neighbourhoods (Data Zones) termed as deprived according to the 2004 Index.
- 2.3 Glasgow also has a disproportionate share of overall multiple-deprivation in Scotland– it accounted for 38% of all the 15% most deprived Data Zones in Scotland in 2004, despite only having 11% of the Scottish population.
- 2.4 Whilst an update of the SIMD for 2006 has shown slight improvement in levels of multiple-deprivation across Glasgow, the city still has a disproportionate share of poverty and inequality.

Labour Market Analysis

- 2.5 The City of Glasgow sits at the heart of a wider metropolitan labour market area with 935,000 jobs. Glasgow is a major employment node for this wider labour market area with 393,000 jobs, 42% of the metropolitan region as a whole (Annual Business Inquiry (2004)). A key trend over the last 10 years has been a progressive tightening of all the sub-labour markets within the

metropolitan economy. This means that reducing the joblessness rate and increasing the employment rate in Glasgow will not only help tackle child poverty and other key issues around social inclusion, but will release additional labour supply to help drive forward the metropolitan Glasgow economy.

- 2.6 Strong growth in labour demand is projected across a range of sectors and occupations for Scotland's labour market as a whole (Futureskills Scotland, Labour Market Projections to 2014 (2006)). Demand will grow for managerial, professional and technical occupations – but decline for craft, clerical, semi-skilled and unskilled manual workers. Nevertheless, there will still be a large volume of replacement vacancies for craft, clerical and lower skilled manual jobs. A recent analysis of the 'usual occupations' of JSA claimants resident in Glasgow (NOMIS, claimant count) shows that 41% are classed as 'Elementary occupations', 9% as 'Process, Plant and Machinery Operatives' and 11% as 'Skilled Trades' i.e. over 60% are unskilled, semi-skilled or skilled manual.

The SLIMS Regional Forecasts (Appendix 2) suggest that **employment growth** in the City will continue, albeit at a slower rate and not necessarily in the same sectors as the past. A net increase of 10,900 jobs is expected by 2015 (Appendix 2 Table A4).

191,000 **job openings** (sum of net change and replacement demand) are predicted by 2015 (Appendix 2 Table A3). In summary:

- Demands for all jobs (new and replacement) in administrative and secretarial occupations will be very high – many of these jobs are likely to be in financial and business services
 - Personal service employment may be an important source of jobs, primarily in the health and social work sector
 - Overall numbers of sales and customer service jobs is likely to remain constant but there will be significant replacement demand.
 - Despite decline in absolute numbers for skilled trades and machine and transport operatives, the replacement demand is significant
 - Despite the general movement towards a higher value economy, a significant demand for elementary occupations is forecast, probably mostly in the hotels and restaurants sector.
- 2.7 In addition to the sector specific skills identified above to take advantage of the job opportunities it is anticipated that softer skills (eg. customer handling, communication skills, etc) will remain important as these are frequently cited by employers with recruitment difficulties and skill gaps in their existing workforce (Futureskills Scotland, Skills in Scotland (2006)).

2.8 By 2015 the SLIMS forecasts for Glasgow suggest an increasing polarisation of the labour market in qualification terms, with Level 2 becoming the entry threshold for many jobs. Across Scotland jobs requiring no qualifications is projected to fall 43% between 2004 and 2009 (FutureSkills Scotland, Labour Market Projections to 2014 (2006)). In summary:

- Less than one in ten jobs opportunities by 2015 will require people with no qualifications. Currently 23% of City residents have no qualifications (rest of UK 15%, Labour Force Survey 2004)
- 36% jobs will need Level 4+ qualifications, compared to the current 28% (rest of UK 26%, Labour Force Survey 2004)
- 20% of jobs will require Level 3
- 35% of jobs will require Level 2
- Level 2 will become the access threshold for entry into many jobs.

It is therefore essential for the City to not only increase its employment rate, but also to increase the skills levels of the resident population to meet these more stringent demands. Indeed it is fully recognised that unless the City's skill levels are improved substantially it will not prove possible to achieve sustainable increases in the employment rate of residents. This is an issue addressed in the City's new economic development strategy, "A Step Change for Glasgow" (see Appendix 1)

Client Group Analysis

2.9 The most recent available data (May 2006) suggest that Glasgow has around 94,960 working age people on DWP benefits of which 88,290 are on the 3 key benefits:

- 61,980 sick and disabled claimants 58,250 are on IB
- 13,990 lone parents
- 16,050 unemployed claimants on Jobseekers Allowance

Since May 2003 the number on these 3 key benefits has declined by over 10,000, although the percentage reduction varies across the groups.

2.10 In Glasgow as in Scotland as a whole one of the enduring problems has been the low employment rates of particular groups. The groups with employment rates well below the City average include disabled people, lone parents, those aged 50+, and members of some minority ethnic groups (see FMR 2007).

2.11 The Glasgow Challenge Research Project (TERU, 2003) on people claiming IB found that:

- Around a third were interested in getting back to work
- Over 50% faced four or more significant barriers to work, including perceived benefit traps, caring responsibilities, ill health and disability

Research by TERU for The Glasgow Anti Racist Alliance (GARA) identified a range of issues and personal barriers that those from BME backgrounds face when looking to gain employment. These included:

- A lack of confidence
- Facing institutional racism
- Language barriers
- The role of the family business
- Lack of IT skills and
- Perceptions about the value of some forms of education and training.

2.12 The City Strategy will therefore have a particular interest in groups of the population where employment rates are well below the current City average of 66% (May 2006) and/or issues particularly entrenched in Glasgow.

- A significant reduction needs to be achieved in IB stock simply because it accounts for 60% of the total
- 25,860 are aged between 50 and 64. Of IB claimants 22,900 have been unemployed for more than 2 years and are aged 50+. The employment rate for those over 50 is 55% - 11% behind the City average
- The employment rate for the BME population is 56% - 10% behind the City average (2001 Census of Population). There are significant variations however by ethnic group. (Employability and BME Communities in Glasgow, FMR 2007)
- A third of dependant children live in workless households (OECD, 2006), many of which will be lone parents. The number of lone parent households is estimated at 27,000 (One Plus and One Parent Families Scotland) - this is one of the contributing factors of child poverty.
- The NEET Group contributes to the flow of clients onto key benefits. The Scottish Executive (Analytical Services, ETLLED, August 2006) estimates that there are around 5,000 in the NEET category with 48% of those already on DWP benefits.

Therefore the Target Groups are:

- IB stock (Pathways to Work is dealing with the on-flow)
- Over 50s
- Lone Parents
- Members of some minority ethnic groups
- NEET

Appendix 2 provides more detailed labour market information. Section 3e details the targets in relation to these Priority Groups.

2b: Mapping Current Provision

What is Delivered?

- 2.13 We believe that the delivery infrastructure for reducing joblessness needs to be viewed much more widely than is conventionally the case. For example, the NEET Strategy for the City considers the actions required largely within the context of the education system, where many young people are already disaffected and disengaged from the process of compulsory education by S3. The current initiatives contributing include:
- *Development of vocational training routes* through Glasgow's schools, starting in S3.
 - *Career planning activity* across the age groups delivered through Careers Scotland, but with a significant proportion of the resource committed to younger people.
 - *Transition to work skills programmes* such as Skillseekers and Modern Apprenticeships (MAs). In the Glasgow context these are now largely employed status – 100% in the case of MAs.
 - *Mainstream college provision*, which includes off the job training for MAs, but also a wide spectrum of other learning activities most of which will have employability enhancement components.
 - *Training and employability interventions aimed specifically at adult (18+) jobless people* – probably the centre ground of the delivery infrastructure as we conventionally view it.
 - *Employability interventions funded by the NHS and Social Work* -typically tackling the issues faced by jobless people sitting further from the labour market.
- 2.14 Beyond the obvious 'employability delivery network' there are other key elements in the employability infrastructure.
- 2.15 Mainstream services such as health and social care which engage with many of the more disadvantaged groups of jobless people. Specialist services provided usually by voluntary sector organisations or the public sector, including addictions services, money and debt counselling, etc.
- 2.16 There are significant issues to be resolved in Glasgow – and other localities. The City Strategy aims to influence the appropriate allocation of funding resources across the delivery infrastructure to generate the maximum sustainable reduction in unemployment for the combined investment of partners.
- 2.17 A detailed breakdown of the projects/programmes funded through Jobcentre Plus, Scottish Enterprise Glasgow, Community Planning Partnership (Community Regeneration Fund (CRF)), and Glasgow City Council is appendicised. The breakdown focuses on the 20 largest for each. (Appendix 3).

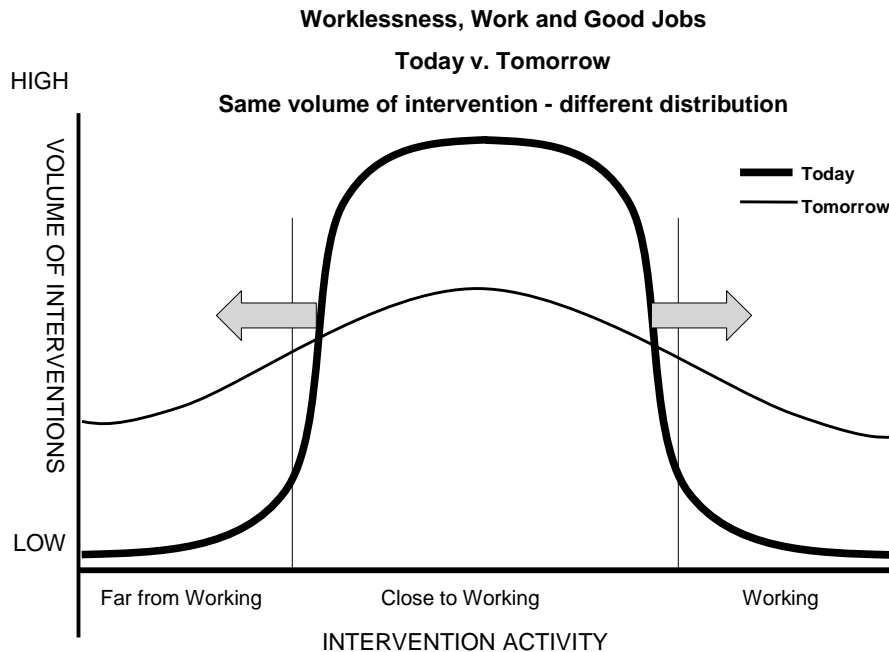
- 2.18 This shows the type of activities funded, but also the importance of the 'mixed economy' of private, public and voluntary sector providers of employability services. Within the Glasgow context, the voluntary sector is a major player through the city's network of local economic development companies and major not for profit organisations.
- 2.19 Additionally, a substantial investment in employability-raising services is also carried out by the following bodies.
- *Glasgow Community Planning Partnership* funds a range of employability interventions to a value of around £17.5 million (2006/7).
 - *Glasgow City Council Social Work* funds a range of employability interventions to a value of around £4.72 million (2006/7).
 - *Careers Scotland's* service delivery in resource terms amounts to around £5 million per annum, principally delivering career planning services to schools, NEET and adults. It plays a significant role in relation to the NEET group.
 - *Glasgow Equal Access Partnership* attracts funding from Glasgow City Council, the Scottish Executive and the EU Equal Project, and employs staff to link up social care, health and employability services at the community and City level.
 - *NHS Greater Glasgow and Clyde (NHS GG&C)* runs the innovative Working for Health (WfH) to link jobless people to employment within the NHS but also supports projects with an employability dimension to the sum of £1.62 million in Glasgow (2006/7).
 - *Glasgow's colleges* are major players in the city's learning infrastructure. They provide off-the-job training for apprentices, a wide range of 'access' courses, ESF-funded courses for jobless people and other disadvantaged groups – in addition to mainstream learning activities.

Spread of Funding

- 2.20 In 2004 the key partners in Glasgow mounted a major study mapping employability services in the city and a wider stakeholder consultation exercise to help take forward the work of Glasgow Equal Access Partnership. A number of key findings resulted from this. The principal effort in the delivery of the pipeline is in work preparation, with interventions for those closest to the labour market the single most important category of service support. Much less resource is devoted to initial engagement and the delivery of positive activity to stabilise individuals and provide routine in their lives on the one hand, and to supporting individuals once in employment on the other. The resource allocation runs roughly along the following lines:
- Initial positive activity (15%);
 - work preparation: initial stages (32%);
 - work preparation: later stages (39%);
 - in-work support (15%)

2.21 The feedback from the delivery infrastructure chimed with the resource allocation. In-work support was identified as the major under-resourced area. The diagram below shows the current distribution of funds and the proposed flatter curve that we want to achieve for delivery to these target groups.

Figure 3 : Worklessness, Work and Good Jobs



Source : Adapted from Jeff Jablow

Securing Value for Money

2.22 Under the Chairmanship of Jim McColl of the Glasgow Welfare to Work Forum, over the last year the principal funders of Welfare to Work provision in Glasgow, (i.e. Glasgow City Council, SE Glasgow, Jobcentre Plus and Glasgow Community Planning Partnership) have been meeting to consider how greater value for money can be secured from their investment. This has been a complex and challenging exercise.

- Target groups vary from those focused by benefit type, geography or age to those focused on lack of skills and the acquisition of relevant labour market qualifications. Some programmes target volunteers whilst others deal with mandated clients.
- The data collected to verify the success of the programmes differ. For example, training programmes record leavers and the percentage getting jobs whilst programmes such as the Employment Zone record the numbers into jobs only.
- The funders utilise different methods for 'contracting' with employment and training providers. The core funding provided by, for example, the Glasgow City Council Service Level Agreement (SLA) make it difficult to attribute

the job outcomes, since the conditions of funding relate to a range of activities – not just helping workless people into jobs.

2.23 On the basis of the work to date, the funders came to a number of conclusions about their provision.

- The Funders should when they re-contract or provide funding under an SLA require 'contractors' to provide information to a common set of definitions, within a given time period (e.g. an annual return). This would minimise the difficulties experienced with this type of exercise going forward.
- The Funders need to agree common effectiveness measures for similar contracted provision. Similarly all funders should require the same audit trail where, in principle, it would be possible to check what happened to particular individuals. In order to facilitate this it would be helpful if funders employ the same Data Protection sign-off.
- It is not possible to tell how many people in a given contract, in a given year, who have moved into a job have also been counted by another contractor within the same year. A comparison between a decline in the numbers receiving benefits and the job outcomes achieved is therefore required.

Wider Assessment of Provision

2.24 It is important to recognise that the TERU mapping exercise in 2004 covered the full spectrum of employability services from initial engagement and the provision of meaningful activities, such as volunteering, all the way through to aftercare and in-work support. As well as identifying some gaps and weaknesses in relation to specific important services, such as money and benefits advice, more generic shortcomings in the delivery infrastructure were identified – and these are shown clearly in the table in Appendix 4.

Priority Issues for Improving Delivery Infrastructure

2.25 The analysis of the delivery infrastructure suggests that action needs to be taken in the following areas.

- Resource needs to be re-allocated to give greater weight to the process of engaging more disadvantaged jobless people in employment pathways, and to retaining and progressing them once employed.
- The many different funding streams and services delivered need to join up much more effectively to generate a seamless pathway along which the city's jobless population can move towards work.
- Tracking and management systems need to be improved to support more joined up service delivery and provide more reliable information on cost effectiveness and value for money.
- Short-term funding is a constraint on organisations investing in their organisational capacity and staff development.

- Employer engagement processes are currently too fragmented. A more systematic and coherent approach needs to be introduced.
- Insufficient use is made of targets in driving the performance of the delivery infrastructure.
- A major investment in staff development will be needed to improve the performance of the delivery infrastructure as a whole.

3. SECTION 3: PROGRAMME DESIGN

3a: Approach and Programme Design

- 3.1. Glasgow's City Strategy proposal is soundly built on our collective understanding of the current employability and funding structure. From our analysis we are convinced that the distribution of resources across the employability pathway does not adequately meet the need of the target groups or employers. Moreover services are not sufficiently joined up to promote the flow of individuals into work. Glasgow needs to use its existing resources better and to design delivery systems that promote more employment outcomes.
- 3.2. In response we are proposing a highly innovative and ambitious approach that has the potential to significantly change the employability service delivery infrastructure for the long - term. The approach is broad based and will benefit all target groups and specifically rewards success in securing work for the more marginalised groups. The type of change proposed cannot be achieved instantly but the longer term effects of that change will have a legacy beyond the period of the City Strategy.

An approach which increases the efficiency and effectiveness of the funding allocation and output measurement systems will achieve greater value for money. This has the potential to release additional funding for additional activity and more in depth targeting. Where this is linked to improvements in the identification of vacancies through inward investment, improved targeting of employers, and specific employer arrangements, there will be improvements in the levels of employment

By specifically targeting groups such as I.B. stock claimants (not flow, i.e., newly onto the benefit) that many existing programmes do not cater for, any results in this area are additional in terms of claimants moving from welfare into work as it is highly likely that such people would not have been reached by the existing service delivery network which has not been expressly aimed at such groups. 20% of all Pathways to Work entrants are from existing stock, but the remaining stock is essentially a new area in Glasgow and any successes here in terms of higher employment rates are therefore additional.

Overall the City Strategy aims to reduce the number of individual contacts with companies but achieve greater impact with those contacts. This is only achievable if the services being offered are meeting the needs of the employers. An improved vacancy filling system and adherence to codes of

practice in identifying job ready appropriate individuals will do this. The linkages within the City Strategy to identify growth opportunities, inward investment and major regeneration activity will allow the skills profiles required and lead in times for staffing.

- 3.3. The Welfare to Work Forum was established in 2003. Since then funding partners and public, private and voluntary sector providers have been addressing the worklessness issue on a range of fronts. This has resulted in a number of good practice models particularly on engagement and joining up services and building capacity. The City Strategy is the ideal vehicle to allow us to accelerate the work and to achieve demonstrable and clear impacts on the level of worklessness in the City.
- 3.4. A key underlying principle will be to deliver services that are client centred and tailored to each individual's needs.
- 3.5. Joining up the funding and activity of Health and Social Care to improve the employability pathways to mainstream provision will be a critical measure of success. Our approach will promote an easier progression through the employability pathway into work. Streamlining of these services will be of most benefit to those most distanced from the labour market. This work has started with the introduction of Community Health and Care Partnerships (CHCPs) , Equal Access and Pathways to Work.
- 3.6. Glasgow is distinguished by having a particularly extensive network of local employability services and a mature economic development infrastructure. Our infrastructure has been built painstakingly over many years and has key elements that we are keen to retain and build. Glasgow is therefore not a blank canvas on which to 'sketch' a City Strategy.
- 3.7. The network of Local Economic Development Agencies (LEDCs) in Glasgow is being reconfigured from 8 to 5. This will happen at the start of the City Strategy implementation period. The change is important because it makes boundaries with other delivery structures such as Community Planning, CHCPs co-terminus. This has the potential to make Glasgow truly unique in having co-terminus service policy and delivery boundaries across the areas of health social services training and employment.
- 3.8. Given the wide range of services that jobless people require to move into the labour market these co-terminus boundaries clearly place Glasgow in a very strong position to successfully tackle worklessness issues during and beyond the life span of the City Strategy.

What will change as a result of City Strategy?

- 3.9. In direct contrast to the current situation by 2008 we want the City to have made progress in:

- Shifting more resources into engagement, retention and in-work progression;
- Aligning funding streams so that they all contribute to the end objective of sustainable employment for the identified key client groups;
- Creating and managing a supply of providers with five year long term contracts within the Partnership framework agreements (PFAs) in return for strong provider performance;
- Through review and evaluation reducing the number of under-performing organisations and re-investing these resources into engagement and retention;
- Using effective case management and common client tracking and reporting systems to enable clients to efficiently move through the support system towards a job; and
- Creating an information system for managing employability provision in the City that can be shared by all the partners and reduce the need to gather the same information from workless clients several times by several different providers.

Enabling Measures

- 3.10. Glasgow has undertaken a major flexibilities consultation exercise and identified an extensive list of potential flexibilities. A process will be put in place to progress a large number of these that are local issues and may be able to be resolved through individual or collective work by partners.
- 3.11. The DWP Enabling Measures Working Groups are picking up many of the common flexibilities identified across the country. These have therefore not all been repeated. Glasgow has more work to do to refine the exact parameters of some of the flexibilities. These have all been listed under Programme Elements. The flexibilities will all ultimately have an impact on the overall success levels of progressing individuals through the system or into sustainable work and some are about evidencing that success. At this stage we would prioritise the following:

16 Hour Rule - DWP

Flexibility is required around implementation of the 16 hour rule especially in relation to employer led vocational training/HE/FE where there is a strong likelihood of job outcomes for the claimants involved. Financial and other risks could be mitigated by conditions placed on relaxation such as attendance rates, duration of training, job/interview guarantees.

Benefit run-Ons - DWP

Currently many benefit run-ons are restricted to four weeks and are available to only some groups, e.g. lone parents or those on Pathways to Work. Rather than former claimants entering work quickly and falling off the benefits cliff with regard to Housing Benefit and Council Tax Rebate they should continue to get these benefits until their first full salary is paid along with Working Tax Credit and Housing Benefit if applicable. Eligibility for this should be extended to the stock of Incapacity Benefit claimants who have been claiming for over one year.

Raise Earnings Disregard - DWP

It would be beneficial to raise the earnings disregard in line with the annual rise in the minimum wage. Currently the earnings disregard for those on IB/Income Support is only £20 per week, which means that claimants can only work just under 4 hours at minimum wage rate levels of pay. For every pound earned over £20 one pound is deducted from their benefits and 85p must be paid in rent for those in Housing Benefit. Such punitive levels of disregard do not exactly encourage claimants to try work with a view to possibly going into longer part-time or full time employment. The Earnings Disregard should be raised in line with the annual minimum wage rise so that claimants can work at least one day a week (8 hours) without their benefits being affected.

Postcode Lottery – Spatial Concentration – Scottish Executive

A wide range of current funds such as Community Regeneration Fund and TFW (see 6 below) concentrate on worst 15% SIMD areas. IB stock claimants and the other priority groups, especially BME, are not neatly concentrated in these areas and this should be recognised. Flexibility in this area would also make efficiency of scheme administration easier.

Training for Work – Job sustainability and access to work-based qualifications

Projections suggest that just one in ten job opportunities between 2004 and 2010 will require people with no qualifications. Currently one in five working age Glaswegians possess no qualifications. (Source: Future Jobs and Skills in Glasgow 2005-2010, Scottish Enterprise Glasgow). The Leitch Review proposes that across the UK 90% of the population should reach a Level 2 by 2020, and a significant proportion of those should move onto a Level 3.

Research evidence demonstrates:

- Financial returns increase with the level of qualification attained. The average weekly pay for those with no qualifications was £252, Level 2 £260 and Level 3 £346 (Spring Labour Force Survey 2003, ONS)
- Smaller workplaces are less likely to provide training for their staff (Source: FutureSkills Scotland, Skills in Scotland 2006)
- The proportions of employees receiving training is greater in higher skilled occupations than in lower skilled occupations (Source: FutureSkills Scotland, Skills in Scotland 2006)
- FutureSkills Scotland reports that hard to fill vacancies are increasing and that they are hard to fill because of skills shortages (Source: FutureSkills Scotland, Skills in Scotland 2006)

The proposal is to move around 25% of the current TfW budget to support work based qualifications at Level 2 and MA (or level 3 if no MA framework). This would aid job sustainability by increasing the earning potential of individuals and their access to a career with prospects. A commitment to qualifications will enable individuals to secure both entry to and progress within the labour market, as Level 2 increasingly becomes the labour market entry level.

Re-instate Job Sustainability Targets - DWP

The re-instatement of sustainability measures into Job Centre Plus's Performance Targets would greatly help our work in the areas of in-work progression and individual career development. The stock of IB clients is largely an unknown quantity and it will be important to track patterns of sustainability which could be quite different to current patterns.

Data Sharing - DWP

Glasgow is represented on the data sharing working group and has flexibility requests around access to non disclosive (analytical data) and access to individual personal data that are being picked up under that Group. In addition access to individual level and HMRC data to prove job outcomes and sustainability has been raised through this group. This timescale of this HMRC information in demonstrating outcomes is also important to the success of the Strategy.

3b:Key Programme Elements

3.12 The City Strategy will focus on three workstreams:

- Streamlining
- Delivery

- Employer Engagement

3.13 Within each workstream there are a number of Actions which when taken together with the Enabling Measures will plug the gaps identified by our mapping exercise, address duplication and fragmentation and drive up both the quality and success of provision. This will lead to a greater and more sustainable reduction in worklessness than would have been achieved in the absence of the City Strategy.

Detailed Action List

3.14 Task Group Champions have specific responsibility for ensuring the Actions identified below are delivered. The Task Group Champions will be members of the Core Team (see Section 4b on Programme Management) and will draw on expertise across the City to carry out the necessary work. The Lead Champions are underlined. A more detailed Action Plan is available on request.

The Champions come from the public, private and voluntary sector organisations who have been involved leading Glasgow’s Welfare to Work efforts and in developing the City Strategy. The are: Glasgow City Council (GCC), Equal Access (EA); Enable; Scottish Enterprise Glasgow (SEG); Jobcentre Plus (JC+); Glasgow Community Planning(GCPL); Greater Glasgow NHS (GGNHS) and the Community Health and Care Partnerships (CHCP); Scottish Funding Council (SFC); the Local Economic Development Company Network (LEDCN); Careers Scotland (CS); Glasgow Chamber of Commerce (GCoC) and; Glasgow Employers Coalition (GEC).

Table 2 : Action Milestones and Task Group Champions

MILESTONES				
	Action and Task Group Champions	One Year	Two Years	Three Years
ACTIONS ON STREAMLINING				
1	<p>Merging of Welfare to Work Steering Group, City Strategy Steering Group, Funders Group and Equal Access</p> <p><u>Champions: Jim McColl</u> <u>(Clyde Blowers)</u>/Richard Cairns (GCC)</p>	<ul style="list-style-type: none"> - Memorandum of Understanding signed - Creation of Partnership Group - Appointment of Executive Director, Core Team and Task Group Champions 	<ul style="list-style-type: none"> - Decision on merger with Equal Access finalised 	
2	<p>Common Definitions and Reporting Periods</p> <p><u>Champions: Stephanie Young (SEG)</u>/Mick Rodgers (GCC)/Robert McKay (JC+)</p>	<ul style="list-style-type: none"> - Agree definitions - Align evidence requirements - Implement new funding mechanism 	<ul style="list-style-type: none"> - Incorporate requirement in new contracts 	<ul style="list-style-type: none"> - Incorporate requirement in new contracts

3	Monitoring and Evaluation Champions: Stephanie Young (SEG)/Mick Rodgers (GCC)/Laurence Howell (SFC)/Jim Gray (GCPL)	<ul style="list-style-type: none"> - Design Monitoring and Evaluation Framework - Determine baseline data and key indicators - Agree with Treasury/DWP/Scottish Executive standards to evidence - Implement Tracking System 	<ul style="list-style-type: none"> - Annual review of reductions in worklessness and benchmarking reports - Commission and review independent survey or users experience - Review changes in distribution of funding - Incorporate Tracking System requirements in new contracts 	<ul style="list-style-type: none"> - Annual review of reductions in worklessness and benchmarking reports - Attribution work and wider impacts study - Review changes in distribution of funding - Incorporate Tracking System requirements in new contracts
4	Joining up Pathway Champions: Iona Colvin (CHCP)/Kate Still (EA)/Richard Cairns (GCC)/Norman Dunning (Enable)	<ul style="list-style-type: none"> - Design training - Build capacity of Health and Social Care staff - Evaluate 	<ul style="list-style-type: none"> - Build capacity of Health and Social Care staff 	<ul style="list-style-type: none"> - Build capacity of Health and Social Care staff
5	Alignment of Funding Champions: Jim Gray (GCPL)/Robert mackay (JC+)/Mick Rodgers (GCC)/Stephanie Young (SEG)/Jim Donnelly (JC+)	<ul style="list-style-type: none"> - Map contract renewal - Agree which funds to be pooled or aligned in tender 	<ul style="list-style-type: none"> - Include in Framework Agreements - Evaluate 	
ACTIONS ON DELIVERY				
6	Good Practice Framework Champions: Mick Rodgers (GCC)/Kate Still (EA)/Jim Gray (GCPL)/Hugh Brady (SEG)/Danny Logue (CS)/Laurence Howell (SFC)	<ul style="list-style-type: none"> - Develop for inclusion in procurement process - Develop process to share practice including links with communications strategy 	<ul style="list-style-type: none"> - Sharing practice - Evaluation of practice 	<ul style="list-style-type: none"> - Sharing practice - Evaluation of practice
7	New Commissioning Model Champions: Mick Rodgers (GCC)/Stephanie Young (SEG)/Robert McKay (JC+)	<ul style="list-style-type: none"> - Design Framework Agreements - Design procurement system - Pre qualifications and evaluation of providers - Tender and commission 	<ul style="list-style-type: none"> - First round Framework Agreements in place - Performance related outcomes in place - Evaluate process 	<ul style="list-style-type: none"> - Second round Framework Agreements in place - Performance related outcomes in place - Evaluate process
8	Madano Partnership Project Champions: Robert	<ul style="list-style-type: none"> - Evaluate South Side and East End pilots - Consult on options for roll-out 	<ul style="list-style-type: none"> - Roll out across City - Evaluate 	

	McKay (JC+) /Mick Rodgers (GCC)			
9	Work-based Qualifications and Support Champions: Stephanie Young (SEG) /Mick Rodgers (GCC)/Stan Paterson (GEC)	<ul style="list-style-type: none"> - Post employment support developed - Built into good practice framework - Communicate employees/employers - Funding secured 	- Service operating	- Evaluate
ACTIONS ON EMPLOYER ENGAGEMENT				
10	Vacancy Filling Champions: Stan Paterson (GEC) /Danny Logue (CS)/Linda Laird (JC+)	<ul style="list-style-type: none"> - Identify 20 major employers - Co-ordinate recruitment events - Scope new service - Establish City wide team 	- City wide marketing/vacancy team as single point of contact operational	- Evaluate
11	Diversity and Job Retention Champions: Lisa Buck (SHAW) /Stan Paterson (GEC)/Jackie Erdman (HAW)/Jim Donnelly (JC+)	<ul style="list-style-type: none"> - Scope service for retention rehabilitation support - Establish links with Healthy Working Advice Line - Develop good practice advice 	- Promote services available	- Evaluate
12	Links to Regeneration and Jobs Growth Champions: Calum Graham (Opportunities) /Stephanie Young (SEG)/Mick Rodgers (GCC)/Jim Gray (GCPL)/Lesley Sawyer (GCoC)/Frances Murphy (Community Scotland)/Stan Paterson (GEC)/Jim Donnelly (JC+)	<ul style="list-style-type: none"> - Identify sectors/projects with job opportunities - Learn lessons from retail, WHiGG, TfW and Next Steps (Wise Group) pilots - Secure commitments from major public sector employers - Develop LOAN Agreements 	- Implement LOAN Agreements	<ul style="list-style-type: none"> - Implement LOAN Agreements - Evaluate approach

ACTIONS ON STREAMLINING

Action 1 – Merging of Welfare to Work Steering Group, City Strategy Steering Group, Funders Group and Equal Access

3.15 The first three groups will be merged to create The Partnership Group. This is a proactive and positive change that will flatten the employability infrastructure and consolidates strategic focus. The Partnership Group will consider the options for a merger with Equal Access.

Action 2 – Common Definitions / Reporting Periods

3.16 The current employability funding / delivery system is characterised by a wide range of slightly differing definitions of clients, reporting periods and evidence requirements. This inconsistency makes aggregation and comparison of participant numbers and performance outcomes very difficult. It is also wasteful, as providers spend time responding to different requests that could be spent on front line services.

3.17 For the first time under the City Strategy all domestic employability funding will be allocated on a common set of definitions, reporting periods and evidence requirements. Further consideration will need to be given to how European Funding could be included in this proposal as definitions and reporting timescales are more difficult to influence in the timeframe.

3.18 The new framework for the agreed definitions will begin implementation from 1 April 2007 and be applied to new City Strategy contracts. The framework will include agreed definitions of;

- Client groups (for City Strategy)
- What is a job / into employment
- What is a sustainable job
- What constitutes training
- What constitutes employment related activity
- What is counted as movement into FE/HE
- How is in work progression or advancement defined

3.19 The common definitions will build on early work that has been undertaken by Funders and the LEDC network with help from Glasgow University (TERU) – Alan McGregor. The new contracting model proposed would rely heavily on an agreed set of definitions being in place.

Action – 3 Evaluation and Monitoring Framework (including the Performance Tracking System).

The Evaluation and Monitoring Framework, which has been commissioned from the University of Glasgow, is outlined at Section 5d; Review and

Evaluation. Qualitative feedback from users is outlined in section 5c : Learning. The Action Milestones in the table refers to the Sections 5c and 5d and the section below on the Performance Tracking System.

- 3.20 In common with most other cities Glasgow benefits from a wide range of organisations delivering support services to those on various forms of state benefit. These cover private, public and voluntary organisations.
- 3.21 Currently there is no single performance system for capturing information on which services are delivered to which recipients by whom. Nor is there any information on how individuals progress through the range of services towards employment. A system will be developed, piloted and rolled out to providers as a means of tracking activity, progress and performance. Glasgow has carried out an independent professional options appraisal of potential alternatives and a provider has been commissioned.
- 3.22 Organisations in receipt of funding from the City Strategy partners will be required to use the system as a condition of funding. This condition is already in place with the Community Regeneration Funded (CRF) projects.
- 3.23 This data will then be used to track aggregate need, demand for different types of interventions, the emerging relationships between services, and clients, and the relative effectiveness of interventions over time. There will be a range of query tools available to funders, contractors, and service users to reflect this.
- 3.24 We are currently appraising the feasibility of different ways of populating the system. We are mindful of the challenges in areas of data protection, data integrity, and client confidentiality particularly where it might involve any sharing of data with JCP and other statutory bodies.
- 3.25 We are confident that even with these challenges the system will be able to produce a robust and comprehensive data set that will support the planning and management services.

Action 4 - Joining up the Pathway Between Health and Social Care Provision and Training Services

3.26 Glasgow is proud of its progress in moving individuals from Health and Social Care provision towards labour market opportunities.

- Equal Access Refocus funded 22 projects supporting 500+ beneficiaries and encouraged multi agency joint working to assist a range of care groups and IB clients. Also Employment Support Worker Teams in the East and West have supported 88 beneficiaries and encouraged multi agency joint working to assist specific care groups.
- Working for Families (GCC, LEDCs and other city partners) offered childcare support and assistance for Lone Parents to assist 915 into work between October 2004 and February 2007. 536 sustained employment and 664 entered or completed education and training.

There is still more to do and share with other areas. Building on the work of Equal Access, Glasgow will simplify the transition between early stage interventions and progression into work. We will build the capacity of Health and Social Care staff, to talk knowledgeably to individuals about work and make timely and appropriate employability referrals. Similarly we will build the capacity of training organisations, to understand and respond to the needs of those more distanced from the labour market.

3.27 The new commissioning model will rely on a steady 'flow' of clients. Equal Access and the CHCPs will work together to achieve this in tandem with the Employment Planning and Implementation Group. This Group brings together the main Health and Social work partners. It has been tasked by the NHS Strategic Employability and Health Group to lead along with Equal Access on the delivery of an action plan to join up the pathway between health and social care provision and training services.

3.28 Equal Access will drive forward: stakeholder engagement, user involvement, culture change, capacity building and training, research and development, mainstreaming best practice, pulling together city wide thematic linkages, aligning city and locality based activity and generally co-ordinating and joining up services within the health and social care sectors.

Action 5 – Alignment / Pooling of Funding

3.29 Under the City Strategy the ‘key funders’ have scoped out a dramatically different way that employability funding will be arranged over time and improved process for strategic decision-making. In the first instance this involves aligning of resources and joint decision making against the strategic objectives of the City Strategy. In the longer term pooling of resources where appropriate. The proposal assumes that;

- Funders have different levels of resource to contribute.
- Not all resources can / will be disbursed in exactly the same way.
- Funding will be discussed and agreed jointly.
- Existing contacts will take time to run down.
- The new Commissioning model will have significant impact over time.
- Aligning Health and Social care activity to the strategic aims will enable us to target those furthest from the labour market.

3.30 The figure included as Appendix 5 shows how over time funding and decision making structures may move under the City Strategy. The model proposes more resources shifting into the new contracting model over time and features a regular review process that allows focus and targets to be adapted to suit changing circumstances.

ACTIONS ON DELIVERY

Action 6 – Employability Good Practice Framework (what we want to see in tenders)

3.31 Following extensive discussion and consultation we have developed a framework of good employability practice that spans engagement through to in-work support. (see figure Appendix 6). Current provision already stretches across this continuum. However the city wide coverage, balance and relative priority of the elements needs to be addressed under the Strategy.

3.32 The framework highlights key features such as: the preparation of individual action plans that form an agreement setting out the responsibilities of individuals and the providers of services that will assist them towards work.

3.33 It also highlights the importance of client focused case workers; the role of case management throughout the whole welfare to work process where the client chooses options appropriate to their own unique circumstances from a wide flexible menu of employability services and, whereby many of these services are provided by voluntary or community sector or social economy specialist sub-contractors or referral agencies.

- 3.34 Throughout the whole process providers would be expected to use common definitions, time periods, reporting and performance tracking systems agreed.
- 3.35 During the consultation on the delivery model, delivery organisations want funders to be less prescriptive and allow them the flexibility to design provision that can be tailored to the individual needs of the client whilst meeting the strategic objectives of the City Strategy.

Action 7 - New Commissioning Model (the tendering process)

- 3.36 Moving to a new Commissioning model has the potential to change the employability landscape in Glasgow radically. One of the most attractive features of the model is its sheer simplicity. A client centred approach and provision tailored to individual need have been placed at the heart of the proposal.
- 3.37 The full benefits of the change will take a number of years to be realised but even in the shorter term is a valuable component of the strategy.
- 3.38 The new commissioning model will be spatially focused on 5 areas, co-terminus with the 5 CHCP areas. Funding will be based on job outcome targets and there will be a longer term relationship with providers through Partnership Framework Agreements (PFA). This will make a significant contribution to driving up quality and performance but will provide greater flexibility in delivery design for providers.
- 3.39 The move to the new contracting model will be in stages. The new procurement process will take up to 12 months and will encompass existing contracts as they conclude.

A Common city-wide procurement process

- 3.40 To reduce bureaucracy, streamline administration processes and prevent providers having to submit several tender bids, all 5 areas will adopt the same tender deadlines, pre-tender qualification processes, advice notes and application forms.
- 3.41 However the specifications will stipulate that providers must be able to;
- Operate at the five CHCP area levels;
 - Deliver services from local outlets (i.e., not make people go to city centre locations);
 - Place clients into both local and city centre jobs; and
 - Work with a wide range of specialist contractors and referral agencies.

- 3.42 There will be a two stage decision making process that will be compliant with requirements of public procurement. A multi-agency Assessment Panel will scrutinise and score bids and make recommendations for decision by the Partnership Group.

Partnership Framework Agreements (PFA)

- 3.43 We believe that quality procurement does not begin and end with tendering but is about being actively engaged with service delivery throughout the whole contract implementation period. We will adopt this approach by using a framework of PFAs;
- 3.44 We will regularly meet the selected providers over a five year period. We will discuss and mutually agree when employability services need to be adjusted in the light of experience, results and changed circumstances;
- 3.45 We strongly believe that the PFA approach will lead to a more mature relationship being developed with providers.
- 3.46 However even under the PFA all payments are ultimately performance based and the process will also involve a more formal annual review of provider performance with the scope for much more frequent contact if performance targets are not being achieved;

Non-prescriptive approach

- 3.47 Within the good practice framework (see Appendix 6), the precise service delivery recipe will be left to individual providers. In this way we hope to foster productive partnerships and delivery consortia, and encourage experimentation and innovation.

Outcome based funding

- 3.48 We believe that outcome based funding will drive improvements in performance and delivery. The payment structure proposed reflects the aim of getting workless people into jobs and to enable them to stay in and progress within them.

Proposed Payments Schedule

- 3.49 An up front payment of around 20% will to be paid to the successful bidder. This payment to be used for providing support to workless people to get jobs, or for working capital or cash flow support reasons. The rest of the payments will be much more strictly performance outcome or target based. The exact spread of payments is currently being discussed however the key payment milestones will be:

- Job placement
- 13 weeks retention in a job
- 26 weeks in a job
- In Work Progression Payment, i.e., evidence of career advancement in work not necessarily with the same employer.
- Disadvantaged Group Payments (see list at 3.55)

3.50 Obviously the above list of groups cuts across our five stated EOI priority groups. For planning purposes we will also have to have an idea of what percentage of the total budget will be allocated against each of these five priority groups. The payment structure will be reviewed after a year to ensure that it is operating as expected and promoting the appropriate targeting.

3.51 The above could create cash flow and core funding concerns for some organisations, particularly voluntary and social economy organisations currently delivering all stages of the pipeline. Therefore we are proposing that existing core funding to such organisations will remain in place for the time being and continue to fall outside the City Strategy at this stage but will be subject to an annual review by the Partnership Group.

3.52 We intend to carry out a fundamental review and evaluation of the effectiveness of all organisations providing employability services in the City. The role and importance of core and flexible funding will form part of the remit for the Review. The review will use information from the implementation of the Common Definitions and Tracking System and Provider Performance and Client Feedback.

3.53 We believe that given the above it will therefore be possible to allocate the employability service delivery funding that will come through the City Strategy on a strict performance related employment outcome basis.

3.54 To ensure that people furthest from the labour market are covered and to avoid creaming and deadweight issues for each geographical area there will be additional sub targets for people with physical disabilities, offenders, homeless and people with mental health, learning or addiction issues. Those with significant physical or learning disability may never work more than 0-16 contracted hours per week. Some individuals may work 0 hour contracts, which are common in the hotel and tourism and leisure industry and have the flexibility to take account of fluctuating health conditions.

Use of specialist sub-contractors/referral agencies

- 3.55 The above list of target groups makes it clear that we expect providers to involve a wide range of specialist providers/referral agencies and that this should be clearly reflected in contract bids.
- 3.56 In recognition of the need to help people very far back in the labour market and the important role of specialist providers in this area, we will therefore welcome joint-ventures or partnership bids between more than one provider and/or specialist providers and referral agencies.

Action 8 – Madano Partnership Project

- 3.57 Madano is an Incapacity Benefit Toolkit commissioned by the Jobcentre Plus national marketing team to help engage more effectively with Incapacity Benefit customers.
- 3.58 The Glasgow pilot of this toolkit, carried out in the South Side of the City (Newlands) appears to have been very successful with a 37% response rate. We see value in using this model more widely with IB stock and others however there are limited Jobcentre plus resources available to deal with the additional responses that could be generated from larger scale usage.
- 3.59 Under the City Strategy Jobcentre Plus will work in partnership with other employability counselling/advisory agencies to provide the follow up to these responses within those agencies existing resources. The Toolkit may also be refined for usage with the other City Strategy target groups. This element of the strategy has the potential to offer some significant early successes.

Action 9 - Employment Support for Work Based Qualification

- 3.60 We will pilot activity aimed at addressing retention and progression issues. We will move some Training for Work (TFW) funds to specifically support City Strategy client and will provide levels 2 & 3 qualifications. This will give longer-term contact and provide long-term evidence of the relative success of a skills based approach.

3c Employer Engagement

Current employer engagement

- 3.61 There is a lot of employer engagement activity already undertaken in Glasgow, by multiple agencies. This means that a single employer may be approached by a number of organisations on a range of topics and issues. At present there is no way of accurately measuring the range of employer contact or any indicator of the relative success of these approaches. The City strategy aims to improve and streamline this engagement activity at least in terms of City Strategy client groups.
- 3.62 There appear to be three main reasons for employer contact/engagement in relation to employment. These are:
- i. Vacancy and skills related contact
 - ii. Employer network/ support organisations – Chamber of Commerce, GEC, local business clubs and employer forums
 - iii. Consultation in relation to improving services – government and local strategies for skills, employment and regeneration issues

Information Gathering

- 3.63 A detailed list of the information gathered on recruitment diversity and skill needs is provided in Appendix 7.
- 3.64 There are a number of types of employer contact on employability issues, these include;
- Dedicated employer marketing team (Jobcentre Plus, Local Economic Development Companies, Careers Scotland)
 - One to one contact with employers based on client's careers choice (voluntary sector, not for profit organisations, Jobcentre Plus)
 - Work placements/job trials (most organisations)
 - Service level agreements (private recruitment companies)
 - Gatekeeping roles (LEDCs – FORT and Silverburn examples)
 - Direct training for work (Not for Profit, voluntary sector, LEDC)
- 3.65 A recent study by Re:focus suggests that there may be as many as 147 public, private and not for profit sector organisations involved in securing vacancies from employers. This volume causes overlaps and confusion for employers.

3.66 The overarching principle, which will drive our actions in terms of employer engagement, is **Minimum contact – maximum outputs**. We are aiming to achieve better employer engagement and support by delivering a more streamlined service. We will view the employer also as a client.

3.67 We aim to achieve this by adhering to the following underlying principles;

- **Single point of contact**: to streamline the contact process.
- **Quality service**: delivered by professionals
- **Joined up Partnership**: to deliver a streamlined service .
- **Signposting**: to direct employers to the correct support first time.

Strengthening Employer involvement

3.68 In terms of Strengthening Employer involvement we will;

- By May '07 - Co-ordinate through an Annual Calendar of Recruitment events, all organisations in the City who manage job fairs etc in order to streamline and avoid duplication of events and effort providing a one door approach for employers
- By May '07 - Identify 20 of the major employers in the city and work with them to:
 - Identify champions within their organisations to support the programme
 - Generate pipelines for the cities jobless
 - Feed vacancies into the marketing team
 - Use these employers to baseline diversity and monitor the impact of this baseline on the strategies interventions
 - On-going relationship to monitor and encourage career progression beyond entry level jobs
- By June '07 - Map existing employer networks in the city
- By June '07 - Consider developing a new network of HR practitioners
- By August '07 - Assess the scope of working with those networks most closely allied to the priorities set out in the DWP City Strategy bid
- By March '08 - Establish a City Wide Vacancy Marketing and Employer Support Team

3.69 The actions set out below focus on how we plan to provide a more effective service to employers. The actions also cover the importance of encouraging employers to increase workforce diversity to help both the more disadvantaged jobseekers and help create and sustain a more effective workforce.

ACTIONS ON EMPLOYER ENGAGEMENT

Action 10- More Systematic Approach to Vacancy Filling

3.70 We propose a more systematic and effective process for securing and filling **more vacancies specifically for City Strategy clients.**

- Most recruitment is done through regular market mechanisms and we are not trying to substitute for this
- But for the part of the recruitment market we do have influence over we want to make it simpler and more convenient for employers to use
- If we can do this then more employers will use this vacancy pool and increase the number of job vacancies that are available through it for people who are not in the labour market at the moment.

The improved system will:

- waste less employer time and provide a more effective vacancy filling service
- waste less provider time and generate more vacancies for jobless people

3.71 A City Wide job marketing team will be established, using secondments from city partners which will include Jobcentre Plus, Local Economic Development Companies and not for profit agencies. The model will be developed by June '07, and the team will be fully established by March 2008.

3.72 Employers will have one Account Manager. Each Account Manager will develop and support a portfolio of employers either on a geographical, sectoral basis. They will assist with identifying posts, agreeing the specification and circulating the vacancy around the network of employment related projects.

3.73 The labour market in Glasgow is not related to those areas where the majority of economically inactive residents live. Many jobs will be found in the city centre, some jobs will be outside of Glasgow. Our mechanism for engaging with employers is designed to access the widest range of jobs and to engage with employers at the city level in order to provide the widest range of opportunities.

3.74 Employability projects will be invited to submit information on potential applicants, who fit the specification and job ready criteria for the post. Depending on the number of clients proposed the Account Manager may be required (perhaps with the employer HR department) to short list the number of candidates put forward to the employer. There will be rigour in the matching process offered and clear agreement on the degree of job readiness required for individual posts.

3.75 We envisage the process being supported by a database accessible by participating employability projects and Account Managers. This will improve the two way communication and referral process.

3.76 Measures of success will include:

- An increasing share of all Glasgow's vacancies coming into the vacancy pool via the centralised team
- An increasing volume of vacancies in the vacancy pool and
- An increase of repeat business from employers (proxying speed of vacancy filling, appropriateness of people referred etc.)

Action 11 – Employer Support on Diversity and Job Retention

3.77 Despite an increase in the supply of jobs in Glasgow many people who want to work still experience significant barriers some of which are caused by employer practices. There are three main areas where employer practice acts as a barrier to people affected by health and social issues to return to work or stay in work;-

- At the recruitment stage
- Retaining employees in a supportive working environment
- Rehabilitating employees who have become ill or suffered an accident, whether work or non-work related.

3.78 If the City Strategy is to be successful then employer practice will have to change to recruit and retain a more diverse workforce. There are already some supports in place for employers e.g. Business Gateway, which could be promoted through the City Strategy. However there are also some gaps most notably on job specification and interviewing procedures and on return to work and workplace adjustments.

3.79 Similar to the job marketing team it is proposed that single point of contact is created for employers. Secondments would be sought from professionals working in the area of employer engagement. The team would work in conjunction with the recruitment team to build up knowledge of local employers, collect baseline information on diversity policies and monitor increase in diversity policies over the life of the pilot. The team would work around the issues of recruitment, retention and rehabilitation with employers.

3.80 In terms of **recruitment** we will seek to identify a secondee from the business sector with an HR background to act as a resource for employers on reducing recruitment barriers and on innovative recruitment practice.

- 3.81 In relation to **retention** the team will promote the Healthy Working Lives Award among other initiatives, along with the range of city wide and local service. They will identify and use innovative initiatives to give employers guidance on how best to support individual's additional needs.
- 3.82 Finally, in terms of **rehabilitation** the team will promote services such as the Safe and Healthy Working Advice Line to employers and develop support for employers on Rehabilitation Policies and guidance on best practice.

Action 12 – Links to Regeneration and Job Growth

- 3.83 Glasgow's economy is continuing to generate new jobs and has a healthy turnover in existing jobs. It is also at the heart of major long - term regeneration projects such as Clyde Waterfront and Clyde Gateway Developments. Such developments will generate significant short and longer-term employment opportunities. In addition, the public sector accounts for 32% of overall jobs available in Glasgow. Together this offers the City Strategy a tremendous opportunity to find mechanisms to reintegrate significant numbers of the City Strategy target groups back into the labour force. Partners will work together to identify the opportunities that these major regeneration projects and large scale recruitments will bring.
- 3.84 The City Strategy will capitalise on this opportunity to ensure that the City Strategy client groups can compete effectively for these jobs. This may take the form of pre recruitment/interview training, targeted labour clauses, Service Level Agreements, sector specific initiatives, demand led pipelines within the public and private sectors, work trials, etc. In terms of jobs within the public sector we will build on the success of the Working for Health employability project in other areas of the public sector. A pilot employability project is about to start with Cultural and Leisure Services within Glasgow City Council with a longer term view of rolling out a Working for Health type programme across the Council. Work is also taking place with SE Glasgow Jobcentre Plus and the Wise Group to develop training leading to jobs within Transport Scotland, Criminal Injuries and Community Scotland. These initiatives will be integrated as part of our strategy aimed at employment within the Public Sector.
- 3.85 In the past agencies such as Scottish Enterprise Glasgow and Jobcentre Plus have had significant success in such arrangements, training wider unemployed groups to take up retail employment opportunities at the Fort and Silverburn retail park developments and for employment within the NHS.

3.86 As part of the Clyde Gateway project a charter has been signed by both Glasgow and Lanarkshire local authorities, Jobcentre Plus, Scottish Enterprise Glasgow and Lanarkshire and other partners. The LOAN Framework: Linking Opportunity and Need has been devised to better connect the jobs created by regeneration projects to the economically inactive in disadvantaged areas and groups. The Framework sets out a number of critical activities to be undertaken in conjunction with local partners.

3d: Voluntary and Community Sector Engagement

3. 87 We are keenly aware of the significant and important role that the voluntary and community sectors play in current employability provision. This ranges from very large nationally recognised organisations to very small local providers. Much of the VCS consultation was undertaken by Equal Access on behalf of the City Strategy. This included a series of events involving over 80 frontline staff from circa 50 organisations, as well as running additional service user focus groups. The consultation process led directly to the Development of the Employability Good Practice Framework. It also highlighted the need for more engagement and in-work activity, the benefits of a person centred approach and the need for a case worker/management approach. The consultation on the flexibilities exercise reinforced a number of recommendations that we are addressing in this Business Plan. These include: greater co-ordination between funders, the need for common definitions and reporting mechanisms, and the need for a flexible delivery system that is able to respond to each individuals needs. The delivery model proposed will involve procurement of services from a wide range of providers including VCS organisations. The structure of the proposed contracting model requires the inclusion of specialist provision of the kind offered by these organisations. It is recognised that VCS has particular expertise to offer across a wide range of services and target groups. The strategy will offer VCS organisations the flexibility to design interventions to best meet the needs of their target groups as well as encouraging better joined up partnership working. Service delivery bids will need to demonstrate a depth and breadth of provision. There will be a need for some capacity building support for the VCS to assist them to compete effectively in the new commissioning model.

3.88 As well as direct involvement through contracting, there are established VCS engagement mechanisms operating in the city. There are strong links with partners through existing networks representing a broad range of community sector and voluntary sector organisations: the Glasgow Council of Voluntary Sector (GCVS), Greater Glasgow Network of Supported Employment (GGNSE) Scottish Council for the Voluntary Sector (SCVO) the Supported Training Action Group (STAG) and the Glasgow Training Provider Forum. Moreover, there are links with specialist networks such as: The Glasgow Homelessness Partnership, Glasgow Anti Racist Alliance, the Ethnic Minority Enterprise Centre, the Glasgow Childcare Partnership and the Glasgow Advice and Information Network (GAIN) Currently, there is a voluntary sector reference group which informs the work undertaken by partners as part of the

implementation of the Equal Access Strategy. It is anticipated that Equal Access will continue to assist with on-going consultation to ensure that the VCS are involved as widely as possible in the successful implementation of the strategy.

3e: Targets

3.89 The key objective is to increase the Glasgow employment rate by 2016 to the Scottish average of 75% (SCfG). Currently the Glasgow employment rate is 66%, 9% below the Scottish average and 8% below the UK average. To be on target to deliver this we have calculated that we will need to reduce the number of residents claiming key out of work benefits by 17,200¹ over the lifetime of the City Strategy (to 2010). This is in addition to the reduction of 15,000 already achieved between 2003 and 2006. Historical analysis of WPLS has shown an annual average reduction of 3612 over the last four years and the targets therefore include stretch.

Table 3 : Targets

Year	Net reduction in claimants	Absolute increase from preceding year	Percentage increase from previous year	Starting number of benefit claimants	Employment rate
2003-2006	15,000	N/A	N/A	109,960	66% (May 2006)
2006/07	3,600	780	22%	94,960	67.1%
2007/08	4,000	400	11%	91,360	68.3%
2008/09	4,500	500	12.5%	87,360	69.8%
2009/10	5,100	600	13.4%	82,860	71.3%
2010 Total	32,200	N/A	N/A	77,760	71.3%

In the event that all requested Enabling Measures are granted, our proposed targets would therefore be to:

- Increase the employment rate from 66% to over 71%, a 5 percentage point increase over three years, by moving 17,200 residents claiming out of work benefits into work.

¹ The original targets proposed in the EOI were based on the previously published Welfare to Work Forum targets. Following confirmation that WPLS will be the measurement tool for the City Strategy, the data has been reviewed and the targets confirmed. The customer pool in WPLS used for baseline data groups includes JSA, IB, lone parents, others and disabled. And information is available on the DWP website ensures transparency of measurement. There is a small element of the Carer group, where data is also available on the website, that are in receipt of another working age benefit. While we would expect to see some impact on this group, the information is not clearly available and we have therefore decided not to use the Carer group within the measurement criteria.

- This total will be made up of the following claimant categories
 - 10, 492 IB claimants into work
 - 2,294 JSA claimants into work
 - 2,580 Lone parents in receipt of IS into work
 - 688 Disabled claimants into work
 - 516 Other claimants into work
- Work to significantly reduce the exceptionally high levels of worklessness, across all benefit types, in:
 - residents aged 50+ , by assisting 5,143 into work
 - the BME population, by assisting 2,000 into work
 - NEET, by assisting 688 into work.
- Offer one third of participants access to a work based qualifications and increase the retention in work from the estimated 30% to 50%.

3f: Programme Budget

- 3.90 In the broadest sense the Glasgow City Strategy Budget comprises a proportion of the total employability spend of the members (in excess of £50 million, excluding FE and any operating costs). This historical figure needs to be moderated to reflect that current funding covers a wider/different target group than the City Strategy, and that isolating the specific proportion of employability spend in Health and Social Care provision is problematic. (Appendix 3 shows the main employability spend programmes)
- 3.91 We are committed to aligning funding where possible and moving to a commissioning model that will start the process of pooling funds. The pace of change will be constrained by existing contracts and interrelationships between current funding structures and aspects such as core funding and leveraging of European and Lottery funds.
- 3.92 A first step to aligning and pooling is an exercise to list all of the existing contracts and timescales and produce a process by which agreement will be reached on which will be renewed and or varied to better reflect the aims of the City Strategy and which will be pooled and become part of the flexible finance that is used for the new Commissioning model (see 3b Action Milestones).
- 3.93 The practical difficulties in reaching agreement across agencies are not underestimated and the alignment and pooling process is likely to happen over a number of years as trust grows between partners and mechanisms become more flexible to allow this level of co-operation. Some of the larger JCP contacts have 2/3 years to run but others from partners such as Glasgow City Council have shorter contractual periods where pooling could be trialled sooner.

- 3.94 The model proposed is about driving up the quality and redistribution of resources across the employability pathway. The appropriateness of alignment or pooling will be a key consideration for the Partnership Group. Further it will not be at the expense of the capacity to deliver. It will be important to maintain a critical level of stability around existing delivery so that recent successful momentum is not lost.
- 3.95 The overall resources can be broken down into the following categories:
- In Kind Agency Resources e.g. secondments, Task Group champions, premises and associated costs
 - Allocated/Contracted, where a map of renewal timescales will be prepared by a Task Group (see 3b Action Milestones)
 - Flexible, i.e. currently funds unallocated (see below)
 - Matching options e.g. ESF and Big Lottery
- 3.96 The Partnership Group has agreed in the Memorandum of Understanding the budgets that will be “in scope” for the City Strategy
- Community Planning Partnership, Community Regeneration Fund
 - Glasgow City Council SIB and related budgets
 - NHS Greater Glasgow and Clyde, employability related
 - Jobcentre Plus/DWP all employability related budgets
 - Scottish Enterprise Glasgow, Training for Work
 - Workforce Plus and elements of the NEET (post school) budget
- 3.97 The Partnership Group will make decisions during 2007/08 on the allocation of £4.299m to address the priorities laid out in the Business Plan. This is additional to the Seedcorn Budget and the projected underspend of Deprived Area Fund in 06/07 of £887,866.

Budget for Allocation in 2007/08

	£ millions
Workforce Plus	1.399
Deprived Areas Fund	2.9
Total	4.299

(£0.799 m of Workforce Plus (including the New Futures Fund successor programme) for 2007/08 is already allocated)

The Partnership Group has agreed that the Deprived Areas Fund money will be applied to improving engagement. Workforce Plus will contribute to:

- Supporting the implementation of the plan (e.g. staffing to support the Partnership Manager) and;
- Changes required to the infrastructure to support implementation

The budget outline will be agreed at the May meetings of the Partnership Group and the Community Planning Finance Group.

- 3.98 Some of the funding blocks above are currently fixed but are annual budgets and could be re-aligned over time. The Agency resources (in Kind) devoted to the City Strategy will be a substantial addition in terms of staff time and expertise, to the work of the Core Team.

Matching

- 3.99 The most obvious sources of matching Funds are expected to be Lottery and European Funds. The Scottish ESF Programme 2007-2013 is being negotiated. The funding available will reduce to 40% of previous levels. Levering additional funding is a large and critical element of the current funding structure and will continue to be so for the contracted and fixed elements of funding. Further work will be done to find the optimum way of levering these kinds of funding into the Commissioning model either at source or by organisation.

3g: Cross Cutting Themes

- 3.100 The Glasgow City Strategy will impact each of the cross cutting themes. The potential impacts at individual/City level are not stand-alone but have well recognised interrelationships and interdependencies. Action 12 describes the Regeneration Theme.

Diversity

- 3.101 A healthy economy relies on a plentiful and supply of labour. This means that employers need to consider the diversity of their workforce to ensure that they are not intentionally or unintentionally excluding potential productive workers. The City Strategy will promote the reintegration of significant numbers of individuals back into the labour market. These will be from target groups that are recognised as being seriously disadvantaged in entry to the labour market, and that are underrepresented in the make up of the current workforce.
- Jim McColl, Chairman of the Glasgow City Strategy is a member of the National Employer Panel's Commission on Race Equality in the Workplace. Glasgow has been selected as one of five Cities in the UK to work with the Commission.
 - Employer attitudes and perceptions as well as the individuals own perceptions of their ability to secure employment are all factors that impact on achieving diversity in the workforce.
 - The marketing and awareness elements of the City Strategy will make employers more aware of what these groups can offer and the business case for recruiting from this pool. Employers will also be encouraged to

review recruitment systems to remove barriers to diversity within the workforce.

- 3.102 Introduction of successful workers from the target groups will help to break down stereotypes and encourage employers that include people from different ethnic backgrounds, span a range of ages, and employs women and men in non-traditional roles. Workplace adjustments for people with disabilities or illness are relatively inexpensive and employers will be encouraged to use existing supports to retain and recruit people with disabilities or health issues.
- 3.103 There are economic and social advantages in a workforce that spans a range of ages, ethnicities, genders and those who are managing ill health.

Health and Social Care

3.104 The City Strategy could have a profound effect on health outcomes in the city over the next ten years while the health of Glaswegians could have an equally profound effect on the City Strategy. It has long been recognised that tackling the determinants of health cannot be achieved by the NHS alone but in partnership with a range of stakeholders. As unemployment causes poverty and poverty is an indicator for poor health the NHS has become a partner in major employability initiatives in Glasgow. These include Welfare to Work, Equal Access, Pathways to Work (Condition Management Programme), and the DWP City Strategy. There are also a range of other initiatives funded by the NHS which aim to tackle unemployment.

- Work with GPs and other health and care professionals to signpost people to employment advice. This is an area the City Strategy hopes to build on.
- Employability projects for a range of community care client groups, for example mental health, addictions and disability.
- The Working for Health initiative, in conjunction with Scottish Enterprise Glasgow and Job Centre Plus trains long term unemployed people for health vacancies.
- The Health at Work team, part of the Healthy Working Lives national initiative, hosted by South West CHCP has worked for over 10 years across Greater Glasgow with a range of public, private and voluntary sector employers on creating supportive and healthy working environments.

3.105 A recently established strategic NHS GG&C Employability and Health group will help to link the City strategy to align local and strategic work in Health and Social Care.

3.106 The strategy will impact on health in a number of ways. The strategy will aim to strengthen the interface between health activity on employability for community care client groups and mainstream employability services. Over time an increasing number of health related services will be refocused to increase the employability aspects of delivery. This will encourage individuals

with a range of health issues to consider how their particular barriers to work might be addressed by 'condition management' assistance or consideration of alternative types of employment.

- 3.107 The business case for retaining and supporting workers with disability and chronic ill health issues and for recruiting from less traditional pools of labour will be made to employers. The City Strategy will promote initiatives such as the Healthy Working Lives Award leading to more understanding of health related issues in the workplace and retention of workers.

Economic Growth

- 3.108 Following decades of decline Glasgow has been experiencing its most sustained period of economic growth in many years. Even so economic activity levels are still very low by comparison with other parts of the UK. The timing of the Green Paper and the City Strategy Initiative present a timely opportunity for Glasgow to innovate and link opportunity and need by finding ways to link its economic growth with the workless residents of the city.

- 3.109 The characteristics of Glasgow's labour market and sectoral composition have changed dramatically in the last 15 years. The business case will be made to Glasgow employers about the need to diversify the workforce and look to new markets. In very recent years that focus has been on workers from other countries. The City Strategy needs to make the case that employing from the City Strategy target groups is good for individual businesses and the economy as a whole as the benefit burden reduces and new tax - payers enter the system.

- 3.110 We have an excellent understanding of the developing labour market in Glasgow. This will allow it to focus on major growth areas to making sure that those employers have the staff they need with the correct skills to ensure continued growth in the City. The City Strategy is quite clear about its desire to have a close relationship with employers and to promote provision that meets the needs of the changing labour market

- 3.111 The new economic strategy for Glasgow emphasises the shift in employer needs towards workers with Level 3 qualifications. Resources from Scottish Enterprise Glasgow will be targeted towards the in work end of the employability spectrum and promoting Level 3 Modern Apprenticeships for individuals from the City Strategy target groups once in work. This would give the City Strategy contact with these individuals for up to four years.

Social Inclusion

- 3.112 80% of workless residents in Glasgow live in the 50 local wards designated as eligible for DAF funding. Social inclusion is at the heart of the City Strategy improving the 'life chances' for some of the most excluded in Glasgow's population and narrowing the gap between them and those less excluded in economic and social terms. Any significant shift in employment activity rates

will have a social inclusion impact in these areas as individual and household earnings increase.

- 3.113 Increased numbers of people from our target groups IB / NEET/ Lone Parent/ BME/ Over 50's in work will provide additional role models / help to break down stereotypes and encourage others to consider work as a viable option.
- 3.114 The Full Employment Areas Initiative (FEAI) is just one example of innovative and farsighted work that will be expanded under the City Strategy. FEAI uses locally based 'animators', drawn from the community to engage in an in depth way with anyone in the designated area who wants to move into work. This is a highly person centred approach that extends to advocacy to address the barriers to employment. A small pilot project adopting this model is being run within the BME community and if successful could be expanded under City Strategy.
- 3.115 Area based contracting / commissioning will promote more focused work in the most difficult areas including peripheral housing estates. The geography that is proposed for area based contracting is important in joining up all of the support available.

SECTION 4: GOVERNANCE AND MANAGEMENT

4a: Governance

4.1 A Partnership Group merging three bodies: the Funders Group, the Welfare to Work Steering Group and the City Strategy Steering Group, will be responsible for the strategy and delivering the Business Plan. The working of the Partnership Group is covered by a Memorandum of Understanding. It covers:

- purpose, aims and objectives
- duration of the memorandum and arrangements for review
- roles and responsibilities of the Partners
- arrangements for representation and co-option
- appointment of Partnership Manager and staff
- financial and administrative support (Glasgow Community Planning Ltd)
- complaints and conflicts of interest
- dispute resolution
- declaration of interests and register of interest
- managing risk (see 4 e)
- marketing and publicity
- equal opportunities and
- information management

The Scottish Executive will have Observer Status at the Partnership Group.

4.2 Terms of Reference and Aims

The Partnership will be responsible for the strategy and delivery of:

- the DWP, City Strategy
- the Scottish Executive, Workforce Plus and post school NEET
- the employability elements of the “Working Glasgow” theme under the Glasgow Community Plan
- “work for those without” the employability element of Glasgow’s ten year economic development strategy known as “A Step Change for Glasgow” (SCfG)

It therefore brings together into one Group for the first time, the strategy and delivery of all employability activity in Glasgow.

4.3 The Partnership aims to meet or exceed the targets set out in this Business Plan by delivering:

- Real action on worklessness by maximising the number of Glasgow residents in work by 2010
- Reductions in child poverty

- High, quality, effective and responsive employability services

4.4 Role of the Partnership Group

The Partners collectively, working through the Partnership Group will:

- Determine funding allocations and agree funding processes, with due regard for the Scottish Public Finance manual and the existing systems of partners
- Report publicly and seek views on progress towards the achievement of the targets on an annual basis
- Monitor progress, evaluate and amend actions as required
- Promote policy alignment among the partners
- Facilitate advocacy and problem solving amongst the Partners
- Market, brand and promote efforts

4.5 Frequency of Meetings

The Partnership Group will meet at least 8 times a year under the **Chairmanship of Jim McColl**. The quorum is five.

4.6 Review

The duration of the Agreement is until December 2010 and the first review will be one year from the date of commencement. The Memorandum will officially commence following the Local and Scottish Elections.

4.7 Composition of the Partnership Group

Table 4: Composition of Partnership Group

Name	Organisation	Designation	Gender	Ethnicity	Disability
Jim McColl	Clyde Blowers	Chair	M	White-Scottish	N
Stuart Patrick	Scottish Enterprise Glasgow	Operations Director	M	White-Scottish	N
Tom Divers	NHS Greater Glasgow and Clyde	Chief Executive	M	White-Scottish	N
Richard Cairns	Glasgow City Council	Head of Economic & Social Initiatives	M	White-Scottish	N
Jim Fairbairn	Glasgow Employers Coalition	Chair	M	White-Scottish	N
Richard Brown	Glasgow Community Planning Partnership	Managing Director	M	White-Scottish	N
Ian Taylor	Jobcentre Plus	District Manager	M	White-Other British	N

The Partnership Group may also co-opt other members. To date it has co-opted Lesley Sawers, Chief Executive, Glasgow Chamber of Commerce and Professor Alan McGregor.

4.8 Accountable Body

The Memorandum of Understanding appoints Glasgow Community Planning Ltd (GCP Ltd) as the corporate body providing financial and administrative support for the Partnership. GCP Ltd is the vehicle established to support the community planning process on behalf of the Glasgow Community Planning Partnership (CPP) at a city and local level. It is established under sections 18 and 19 of the Local Government Scotland Act 2003.

GCP Ltd will act as the recipient of funds from the DWP and Workforce Plus and NEET and will disburse these funds as directed by the Partnership Group, and account for them using the same procedures and standards applied to the disbursement of other public monies via Community Planning.

GCP Ltd is an experienced organisation responsible for administering, monitoring and reporting on £66m of public money for the Scottish Executive. This includes funds related to employability and regeneration including the:

- Community Regeneration Fund - £49 million in 2007/2008
- The Glasgow Key Fund (£1.2 million) and Social Justice Resources allocations (£1 million)

4.9 Conflicts of Interest Procedure

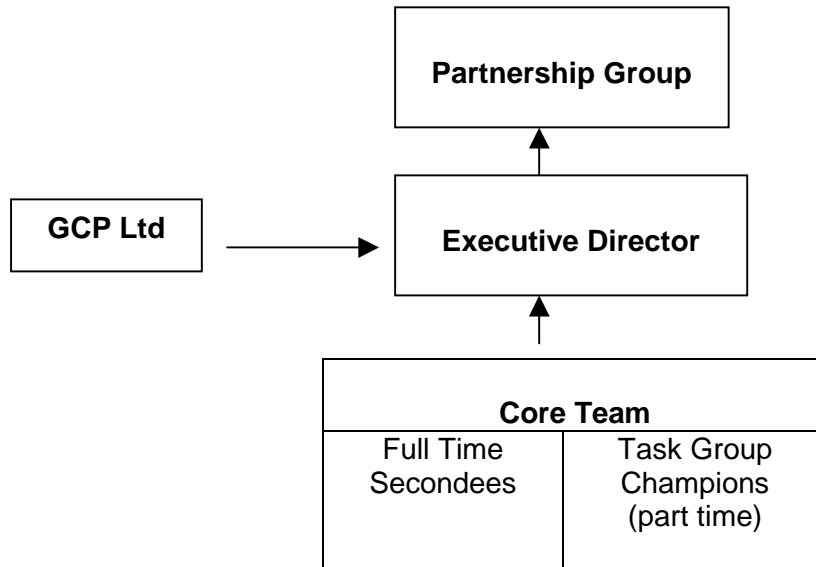
The Partnership Group will operate a comprehensive procedure to deal with conflicts of interest. The procedure covers a code of conduct for members of the Partnership Group, a register of personal interests, a procedure for identifying conflicts, a procedure for withdrawing from the meeting and a procedure for minuting this process.

4b: Programme Management.

4.10 Recruitment is underway for an Executive Director (funded by DWP seedcorn and Workforce Plus), who will be supported by a core team (secondes and Task Group Champions). The Executive Director will report to the Partnership Group. The organisation chart is provided below.

4.11 Table 2 Action Milestones identifies the Task Group Champions, including the lead Champion, responsible for taking forward the key actions and the timelines.

4.12 GCP Ltd will provide financial and administrative support to the Partnership Manager, as identified in the Memorandum of Understanding.

Figure 4 : Management Structure**4c: Performance and Financial Management****4.13 Performance Measurement**

The Partnership Group has agreed a set of high level Key Performance Indicators (KPIs) by which it will measure its performance against the stretching targets that it has set itself. Three measures will be used:

1. Net reductions in claimant groups (measured through WPLS) and;
2. Employment rates, against the 2006 baseline (measured through the quarterly LFS).
3. Progress on the Action Plan Milestones (see Table 2).

4.14 The KPIs to be measured include:

- City level and the 5 CHCP areas
- Incapacity Benefit
- Jobseekers Allowance
- Lone Parents
- Disabled
- Other claimants
- 50+
- BME
- NEET
- Proportion of the working age population qualified to Level 2
- The proportion of the working age population qualified to Level 3

4.15 **Review Process**

Data for the **KPIs** will be collected by the Executive Director and presented quarterly to the Partnership Group, using the “traffic light” system. The Partnership Group has the strategic responsibility for monitoring progress and performance and considering any actions/proposals necessary to address underperformance.

4.16 The **Action Plan** identifies Task Group Champions and timelines for implementation. The Executive Director will liaise with Task Group Champions and prepare a monthly Progress Report using the “traffic light” system for the Partnership Group. It will detail actions completed, explanations for delay and actions/proposals to address any underperformance.

4.17 The Partnership Group will also review the **Risk Register** monthly and update it quarterly. Section 4e provides an explanation of this process.

4.18 At the level of individuals and providers the Partnership Manager will prepare for the Partnership Group a quarterly report from the **Tracking System on individual and provider performance**. The Tracking System will be a critical performance measurement tool to identify how many people are in the delivery system, their stage of work readiness, journey through the delivery system and relative success rates. Analysis of this information will support the funding decisions and potential shifts in resourcing over time, to better meet the needs of individuals. The proposed **Commissioning Model** and payment system will allow analysis at Provider level and ensures that performance management is built into contract arrangements. The longer term Partnership Framework Agreements (PFA) and annual contract reviews provides the mechanism to identify and address underperformance.

4.19 **Financial Administration and Reporting**

GCP Ltd will administer funds held on behalf of the City Strategy, including monitoring and verifying expenditure. The statutory basis and experience of GCP Ltd is outlined at Section 4a on Governance. GCP Ltd will have responsibility for:

- Contracting with and making payment to Providers, as directed by the Partnership Group and consistent with the relevant funding conditions;
- Providing the Executive Director with a monthly statement of accounts setting out all forecast and actual income and expenditure and associated target performance;
- An annual statement of accounts, including an independent audit.

4d: Administrative Budget

4.20 The current administrative budget as outlined in the Seedcorn Bid is shown in Table 5. This will be augmented with additional people resources through secondees and the Task Group Champions. Scottish Enterprise Glasgow will provide the required services to The Partnership Group. Other in-kind support will be provided by partners e.g. accommodation and related services for hosting the Project Manger during the writing of the Business Plan were provided by JCP. However the exact nature and value of these resources will evolve over time and cannot be fully quantified at this stage.

The level of Resources required after the Seedcorn Bid period will be reviewed during the first year of operation (commencing on April 1st 2007 and known as the implementation phase). It is too early to quantify what resource will be required.

4.21 Consultancy

Consultants to provide strategic facilitation, statistical and policy information and drafting of Business Plan.

4.22 Core Team (Secretariat)

Engagement of core team to provide support in preparing and implementing the Business Plan. The initial spend will secure a Project Manager to facilitate the drafting of the Business Plan and thereafter an Executive Director to implement the Plan. Other members of the Core Team will include secondees and the Task Group Champions.

4.23 Communications

Expenditure related to marketing activity, branding and production of a communications plan and any associated materials.

4.24 Performance Tracking System

Design, management and hosting expenditure for the Performance Tracking System developed specifically for City Strategy.

4.25 Research

Key pieces of research undertaken to support the implementation of the City Strategy including support for the collection and interpretation of financial and performance data.

Table 5: Budget Forecast for Seedcorn Fund

	Budget	Budget	Source		Budget	Source		Total	Total	Total
		2006/07	Seedcorn	other	2007/8	Seedcorn	other	Budget	seedcorn	other
Consultancy	57,126	41,588	15,538	0	0	0	0	57,126	41,588	15,538
Secretariat	38,412	38,412	0	140,000	140,000	0	0	185,000	178,412	0
Communications	0	0	0	28,000	28,000	0	0	28,000	28,000	0
Tracking System *	183,000	30,000	153,000	0	0	0	0	183,000	30,000	153,000
Research / Performance Management	0	0	0	42,000	42,000	0	0	42,000	42,000	0
	278,538	110,000	168,538	210,000	210,000	0	0	488,538	320,000	168,538

*£111K ESF £42K Workforce Plus

4e: Risk Management

4.26 Process

The Partners will maintain a Risk Register compliant with the Corporate Governance requirements defined by the Scottish Executive. These mirror the Combined Code “Principles of Corporate Governance and Code Provisions” (issued 25 June 1998) and the requirements of the Turnbull Report “Internal Control: guidance for Directors on the Combined Code” (issued 27 September 1999), adapted as required to the accountability arrangements for public sector bodies. The Executive Director will be responsible for maintaining and managing the risk register. The Risk Register will be reviewed (monthly) and updated (quarterly), by the Partnership Group, with the review including: the identification of new risks; whether current likelihood and impact assessments of existing risks are still appropriate; whether any of the items recorded are no longer to be regarded as risks, and can be removed from the register; and the effectiveness of the management of existing risks.

4.27 Risk Register

The Partnership's Risk Register (see Appendix 8) is designed to record risks, along with an assessment of likelihood and impact, responsibility for managing the risk and mitigating action. This is designed to specifically manage risks appropriate to the Business Plan objectives and is not intended to duplicate or replace Partner's own Risk Registers.

4f – Implementation Timeline

4.28 The **table** below reflects the timeline envisaged. The milestones noted are high - level milestones that will help to measure performance against the overall timescale. Beneath that more detailed implementation plans with timescales will be developed. It is important to emphasize that the new commissioning element of the plan will not be in place until April 2008. The procurement process envisaged will be lengthy and is likely to take 12 months from start to implementation.

Table 6 : Implementation Timeline

City Strategy Milestones	By End	Interdependencies
Common Definitions Agreed and In Use	Apr-07	
Formal Launch Event of City Strategy.	Apr-07	
Initiate Core Vacancy Team	Apr-07	
Performance Tracking System Initiated (pilot phase)	Jun-07	
Advertise for Expression of Interest - Commissioning Model	Apr-07	Depends on agreement on tender specification and money being in place
Invitations to Tender - Commissioning Model	Aug-07	
Roll out of Vacancy Model	Aug -07	Depends on additional staff resources being made available
Resources for Commissioning Model Agreed	Dec-07	Depends on suitable governance and accountability being in place
Performance Tracking System In Full Use	Apr-08	
Commissioning Tender Process Completed	Apr-08	Depends on timescale being as expected
07/08 Seed corn Budget Spent and Accounted For	Apr-08	
Commissioning Commencement	Apr-08	
Merging of Welfare to Work and Equal Access	tba	
Common definitions/reporting periods	tba	
Joining up health/social care provision and training	tba	
Employability good practice framework	tba	
Implementation of the Madano Partnership project	tba	
Employment support for work-based qualifications	tba	

SECTION 5: REVIEW AND EVALUATION

5a : Consultation

- 5.1 We have been proactive in consulting with a range of key stakeholders and service users. As a result, the Business Plan is well conceived, workable and has the input and support of the widest possible range of stakeholders. The process has included discussions with and feedback from: service users, funding bodies, employers, private and voluntary sector providers and their frontline delivery staff and representatives of local community organisations.
- 5.2 The consultation has been phased in 3 distinct stages:
- Concept design and development – Expression of Interest (EOI)
 - Implementation model development
 - On-going monitoring and evaluation

Phase 1: Concept Design and Development – Expression of Interest (EOI)

- 5.3 The first stage was preparation for the submission of the Expression of Interest (EOI). We gathered stakeholder views on the government's proposals outlined in the Green Paper "A New Deal for Welfare – Empowering People to Work", launched during 2006. Equal Access together with Community Planning Glasgow Ltd. raised awareness of the Green Paper Reforms and co-ordinated and collated stakeholder feedback as part of the preparation for the EOI tender submission. Consequently, our City Strategy bid sits comfortably within the policy context of the Green Paper. Consultation on this document was a key element of the concept design and development phase.
- 5.4 A number of consultation events and service user focus groups were held. Consultation with the voluntary sector took place on the 10th of March 2006. The Secretary of State for Work and Pensions, John Hutton attended the event which was hosted by the Glasgow Group of MP's. Over 80 people from circa 50 voluntary organisations participated. Another event was held in the Campanile Hotel on the 22nd of March 2006, involving circa 80 frontline staff from 40 service providers and service users. Thematic delivery agencies, attended an event on the 31st of March 2006 in the Adelphi Centre, involving 25 people. The Minister also attended an employer event to discuss the Green Paper.

5.5 A focus group was held on the 14th of March with 12 members of the Southwest Practitioner's Forum. Another group was held on the 17th of March, with 8 service users from the Wellbeing Initiative. A final group was held on the 24th of March with 12 service users from the Scotia Clubhouse. The feedback from these events, combined with service user reports, shaped the production of the EOI. The following recommendations were incorporated into the business plan:

- The importance of an individual person centred approach
- The need for more resources directed at client engagement and in-work support
- Adopting a case management system
- A request that funders were not overly prescriptive about how needs were met
- Longer term funding arrangements and a more joined up strategic approach
- The need for common information and reporting systems and timescales

5.6 The implementation model was developed in response to these recommendations.

Phase 2: Implementation Model Development

5.7 We aim to ensure that the implementation model not only meets the immediate requirements of the City Strategy bid but also provides a long term robust infrastructure to support those currently on benefits to move into sustainable work. We have responded to DWP suggestions for improvement on our EOI by demonstrating that the Glasgow Business Plan:

- Has made progress in simplifying and aligning strategic decision-making for employability in the city
- Demands more effective collaboration between delivery organisations
- Commits to re-aligning resources over time to succeed in meeting the set targets
- Specifies the detail of the requested flexibilities
- Set stretching and ambitious targets

5.8 We tasked two smaller partnership working groups to develop the broad parameters of the new model. Consultation with key stakeholders was built into the process in a number of different ways. Firstly, through regular bi monthly updates presented at the City Strategy Partnership meetings. Secondly, it commissioned a consultation exercise on flexibility options.

- 5.9 This involved requesting detailed information across the range of delivery organisations about possible improvements to the current employability system. The consultation process was pro-active. Voluntary Sector providers, the Local Economic Development Network and Further Education Colleges met on the 22nd November to co-ordinate their response to the City Strategy.
- 5.10 Furthermore, Equal Access and Glasgow Community Planning Limited arranged consultation events with the wider range of stakeholders on the proposed implementation model. An event was held in the Banbury Centre on the 29th of November with 76 attendees. The needs of particular target groups were met by holding two further focus groups on the 5th of December. One event was organised in collaboration with One Plus a specialist voluntary agency providing a number of services to lone parents. The second event was organised jointly with the Ethnic Minority Enterprise Centre (EMEC) and the Glasgow Anti Racist Alliance (GARA) both of which provide a range of services to BME communities.
- 5.11 Consultation with employers was the focus of one of the partnership working groups. Proposals for meeting labour market requirements, filling vacancies and meeting employer needs was tested in a series of events and workshops organised in collaboration with the Employers Coalition Both large scale employers and SMEs attended.
- 5.12 Feedback from all of the above events was collated and used to finalise the proposals for the employability infrastructure that will deliver on the City Strategy.

Phase 3: On-Going Monitoring and Evaluation

- 5.13 We are very aware that there will be a need for on-going consultation mechanisms in order to monitor and evaluate the effectiveness of the cities' employability infrastructure. This will be achieved by featuring employability on the agenda of key partnership structures at locality and city wide levels. The 5 CHCP (and 10 CPP) structures will advise on levels of community engagement across the city. Working with a range of thematic service delivery partners and locality partners, Equal Access will support the process of service user feedback through a programme of regular workshop and/or focus group events. As well as utilising organised workshops and events both workless people and employers will be consulted directly through appropriate marketing media, which may include the use of direct mailings, on line surveys and/or text or phone responses to local advertising. The Employer's Coalition will provide feedback on the employer's experience of the new system. All of these response mechanisms will feed into the main Partnership Group, which will drive forward any areas for improvement in the employability infrastructure.

5b) Communications

5.14 We will put in place effective systems for both internal and external communications. The Executive Director will have responsibility for leading the communication and marketing plan. Additional professional assistance will be sought on the implementation of the communication and marketing strategy to ensure that communications methods selected are appropriate for the various target audiences: the workless target groups, employers, the range of service providers, including the VCS, and partners. The first important milestone will be a launch of the plan following the Scottish elections.

Internal

5.15 Channels of communication will be streamlined at strategic and operational levels across the city. The rationalisation of employability planning structures under the umbrella of the Partnership Group is a significant step forward in simplifying responsibility for co-ordinating and communicating strategic decisions. The new Partnership Funding Arrangements will clarify the organisations contractually responsible for the operational delivery of the employability services.

External

5.16 We will use various mechanisms for raising awareness of our pathfinder both with stakeholders and the general public. A toolkit of marketing materials will be commissioned and produced to promote the objectives of the City Strategy and the activities being supported and delivered. City wide and locality based events will be used to promote our achievements against targets and to disseminate information on best practice approaches and lessons learned. Case studies/stories demonstrating the changes made to the lives of individual people will be produced and placed in a variety of relevant publications. A quarterly 'e.bulletin' will provide an update on the progress being made against the targets and will be disseminated to key stakeholders. A database of employability service providers and local service directories will be produced and disseminated widely across the city. Finally, we will ensure that all relevant information and documentation can be easily obtained via a Website compliant with accessibility requirements.

5c) Learning

5.17 There are a number of ways in which we will identify and learn from the most successful aspects of our approach. Having an active and knowledgeable Core Team working in tandem with delivery partners, will allow us to quickly spot where there is successful practice innovation in service delivery. Ensuring that we have excellent communication and dissemination systems in place will enable us to rapidly share and learn from the most successful elements of our pathfinder. Progress against the work programme will be

reviewed regularly by the Core Team to encourage the inclusion of best practice. In addition, putting in place sound information systems for tracking and monitoring our progress will assist us in identifying what works best. Over time this will highlight which parts of the delivery system are getting results and which are not. The tracking system will furnish rich data that will help us to identify potential blockages in the employability pathway. This knowledge will assist us in finding appropriate solutions to overcome any problems. We can also raise issues directly at DWP meetings if we discover that a particular issue is beyond our immediate locus of control and requires government intervention.

- 5.18 We are committed to co-operation and sharing of lessons learned with partners cities in Dundee and Edinburgh. A formal mechanism exists to do this through the Workforce Plus National Delivery Group established by Scottish Executive and Chaired by Professor Alan McGregor. DWP has started and will hopefully continue its support for networking events for all City Strategy areas, and potentially linking more closely with other areas that have a similar thematic focus. Through the work of our Chairman and his role on the NEP Commission on racial equality Glasgow is already discussing the potential benefits of a closer link with Sheffield on BME issues.
- 5.19 Our communication systems and dissemination using a Website should ensure that the learning gained as part of the process of implementing the City Strategy Bid is available to both Pathfinder and non-Pathfinder areas in “real time” and on a continuous basis over the lifetime of the Strategy. We also envisage that we will be able to share good practice through attendance and participation at conferences and events on employability, and through our toolkit of marketing materials.
- 5.20 Regular customer feedback on services will be part of the on-going consultation process. We want quality service provision that achieves the targets set out in the Business Plan. We will put in place a range of measures to ensure continuous improvement that will deliver on the longer term ambitions for the city. The Core Team will be responsible for regular monitoring of delivery performance against the Business Plan targets. The Core Team will liaise with partners on the collection of customer feedback and will be responsible for commissioning the analysis of the results. The findings will then be used to review and amend, where necessary, the service provision.

5d: Review and Evaluation

- 5.21 On behalf of the City Strategy, Scottish Enterprise Glasgow has commissioned from Professor Alan McGregor at the Training and Employment Research Unit (TERU) at the University of Glasgow, the design of a Monitoring and Evaluation Framework. This will include information from the Tracking System (see Section 3 Actions on Streamlining) and monitoring of reductions in worklessness through WPLS.

Whereas the DWP and the Scottish Executive are principally focused on the level of worklessness and bringing about a sustainable reduction in this the Partners in Glasgow have for a long time been interested in the idea that significant reductions in worklessness can generate significant savings to the Exchequer and to public services more generally. Where these can be demonstrated, a strong case can be made for continuing significant investment in reducing worklessness. The challenge is to create a Framework which will be sufficiently compelling for the Treasury as the ultimate controller of public spending. This standards of evidence required to make a convincing case for causality between the interventions delivered and the reduction in worklessness will be discussed with DWP and Treasury.

The Framework will tell us in relation to the task of reducing worklessness:

- How well we are doing e.g. in reducing the gap between the regeneration areas/target groups and the City average;
- The overall economic and social impact of the reduction in worklessness;
- The benefits to the Exchequer

The impacts of the City Strategy go beyond the fall in worklessness to such questions as, what are the knock on effects for:

- Tax paid and benefits claims;
- Demands on key public sector services such as health and social work;
- Negative indicators around health, child poverty, educational under-performance, numbers at risk of being in the NEET group, etc.

The Framework will:

- Review the Treasury's Green Book for good practice and for guidance on selection of key indicators;
- Identify frequency of data collection;
- Design standard reports and presentations of the data;
- Determine baseline data and key indicators;
- Benchmark against time (are we doing better than we have done in recent years?) and place (are we doing better than Scotland and the UK as a whole – and relative to other cities with similar worklessness problems?);
- Attribution;
- Evaluate wider impacts e.g. have the efforts generated a significant reduction in worklessness which can't be explained by an improving economy?

City Strategy Glossary of Abbreviations and Terms

BME	Black and Minority Ethnic
CHCP	Community Health and Care Partnership (Glasgow covered by 5 CHCP areas)
City Strategy Task Group	The Committee charged with Implementation of the City Strategy. Comprising key funders and strategic agencies operating in Glasgow.
Community Planning	Community Planning is a statutory process that brings together the public sector, partners and the community to agree priorities on planning and the provision of services. It is about ensuring that public services are delivered in the most efficient and joined up way possible.
GCPP - Glasgow Community Planning Partnership / GCPP Ltd - Glasgow Community Planning Partnership Ltd	GCPP - The partnership brought together to deliver Community Planning in Glasgow - GCPP Ltd is the organisational the structure that distributes and administers the funding and functions of the GCPP.
CMP (Condition Management Programme)	Element of Pathways provision at JCP where health professional provide advice to clients on managing health conditions to facilitate re-entry to labour market.
CRF	Community Regeneration Fund (significant funding resource operated by Communities Scotland through Community Planning Partnerships)
DAF	Deprived Areas Fund - DWP funding previously distributed through JCP that will be part of the City Strategy budget for 2007/8
DWP	Department for Work and Pensions
EAS - Equal Access Strategy	Local Initiative working to improve the pathway of provision from health and social care and other employability provision by changing attitudes and relationships between various parts of the delivery process.
EOI (Expression of Interest)	The first stage in areas bidding to be one of the 15 Cities selected for city strategy status.
ESF	European Social Fund
Full Employment Areas Initiative (FEAI)	Innovative project involving locally based animateurs to improve engagement in a defined local area. Taking those who want a job through to getting a job
GARA	Glasgow Anti-Racist Alliance
GRfW	Get Ready For Work (National Skills Programme operated by Scottish Enterprise)
Healthy Working Lives	The strategy aims to improve the health of working age people in Scotland by enabling people to work in safe, supportive working environments
HMRC	Her Majesties Revenue and Customs
IB	Incapacity Benefit
JCP	Jobcentre Plus
JSA	Job Seekers Allowance (operated by JCP)

LEDCs	Local Economic Development Companies (Glasgow covered by 5 LEDCs)
LOAN	Linking Opportunities and Need
MAAs	Modern Apprenticeships (National Skills Programme operated by Scottish Enterprise)
NEET	Young people aged 19-24 'Not in Education, Employment or Training'
NHS Greater Glasgow and Clyde (NHS GG&C)	NHS Health Trust that covers the Glasgow area
Pathways	Pilot Initiative at JCP in some areas
PFA	Partnership Framework Agreement
ROA	Regeneration Outcome Agreement (measurement of Community Planning Activity)
SCfG	Step Change for Glasgow
SIMD	Scottish Index of Multiple Deprivation
SVQ	Scottish Vocational Qualification
TERU	Glasgow University - Training and Education Research Unit
TFW	Training For Work (National Skills Programme operated by Scottish Enterprise)
W2W Forum - Welfare to Work Forum	Host body for the Glasgow City Strategy. Forum for the key funders and agencies involved in employability activity and issues related to worklessness.
W2W Funders Group	Strategic Funders Group addressing better cross agency co-ordination of employability funding in Glasgow.
WF+ Workforce Plus	Scottish Executive's policy response to the issues of inactivity and wage /skills poverty.
WfH	Working for Health - pre employment training and in work support project for recruitment to the NHS. Used to be called WHIGG.
WPLS	Working Pensions Longitudinal System - DWP System for tracking levels of benefit claimants

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- APPENDIX 3 : 2005/06 CONTACTORS BID FOR MAIN FUNDERS
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- APPENDIX 6 : EMPLOYABILITY BEST PRACTICE FRAMEWORK
- APPENDIX 7: EMPLOYER DATA GATHERING
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APPENDIX 1 – STRATEGIC FIT WITH CITY STRATEGY

STRATEGY	FIT WITH CITY STRATEGY
Community Planning – Glasgow Community Plan 2005- 2010	
The Glasgow Community Plan has five inter-linked priority themes to create a <i>working, learning, vibrant, healthy</i> and safe Glasgow. The Community Plan has been endorsed by thirteen key public, private and voluntary sector agencies across the city.	Strategic fit in terms of targeting inclusion and worklessness issues, and recognising the linkages with other elements such as health, education and environment.
Closing the Opportunity Gap – Glasgow’s Regeneration Outcome Agreement 2005-2008	
<i>Glasgow’s ROA is an outcome-driven strategy to help ‘close the opportunity gap’ by regenerating the most disadvantaged neighbourhoods. Glasgow’s ROA has two over-arching themes of addictions and employability (worklessness). The employability programme consists of nine separate initiatives supported with £4.8m of Community Regeneration Fund monies in 2006/07 (£4.9m for 2007/08). These initiatives are delivered across the city to engage with a variety of client groups who are removed from the labour market.</i>	Strategic fit in terms of the target groups involved and the focus on Glasgow’s 15% most deprived areas, where most of the city’s inactive population reside.
More Choices More Chances – NEET Action Plan	
MCMC provided the strategic context for the NEET Action Plan. Within this strategy, Glasgow has been identified as one of the seven NEET hotspot areas in Scotland.	Strategic fit in terms of NEET targeting
Workforce Plus – An Employability Framework for Scotland (2006)	
Scottish Executives policy response to the issues of inactivity and wage /skills poverty. This framework aims to help 66,000 individuals, in seven local government areas (including Glasgow) to move from benefits to work.	Strategic fit in terms of focus on incapacity and on target groups, and the emphasis on the role of effective local partnership working.
Framework for Economic Development (06) / Smart Successful Scotland (04)	
A Smart, Successful Scotland is the Executive’s strategic direction to the Enterprise Networks to achieve the FEDS vision. One of the 3 priorities of SSS is Learning and Skills for a flexible and skilled workforce, which includes action to narrow the gap in unemployment and provide the best start for our young people.	Strategic fit in terms of diversification of the workforce and increasing the pool of available skilled labour.
A Step Change for Glasgow (2006) –Glasgow Economic Forum	
New economic strategy that provides the framework for actions in pursuit of a ten-year vision	Strategic fit in terms of addressing employment

of the city's economy.	rates, meeting needs of employers and promoting an inclusive City.
<i>Equal Access Strategy (2004) – Equal Access</i>	
Equal Access is a Glasgow Wide strategy aimed at getting those furthest removed from the labour market back into work and improving the pathways to work.	Strategic fit in terms of target groups and shifting focus of health /social work activity
<i>Welfare to Work Strategy (2003) – Welfare to Work Forum</i>	
Working collaboratively and imaginatively to make Glasgow one of the leading commercial and industrial cities in Europe with a healthy and dynamic economy providing good quality jobs for all Glaswegians and an employment rate that is higher than the rest of the UK.	Host organisation for City strategy. Full strategic fit with aim of Welfare to Work Strategy and Forum.
<i>Healthy Working Lives- A Plan for Action (2004)</i>	
The strategy aims to improve the health of working age people in Scotland by enabling people to work in safe, supportive working environments. It aims to bring together employability, health and safety, occupational health and health promotion to support employers and employees.	Strategic fit in terms of the employer engagement strategy

LABOUR MARKET CONTEXT / CLIENT GROUP ANALYSIS**1. Labour Market Context****Employee Numbers, Sectors and Occupation**

1.1. The Glasgow labour market has performed well since the mid 1990s, with 393,000 workplace jobs (i.e. excluding self employed) in 2004, an increase of 61,000 since 1995. The increase since 1995 has not been equally distributed across all sectors of the economy and Table A1 shows that the sectors with the highest levels of growth from 1995 to 2004 were financial & business services, public services and retail & catering, and that these sectors also had the greatest numbers of employees in 2004.

Table A1: Workplace employment in Glasgow 1995-2004

Sector	No. employees 1995	No. employees 2004	Absolute change 1995-2004	% change 1995-2004
Agriculture	200	200	0	0%
Utilities	3,000	3,800	800	26%
Manufacturing	34,600	23,700	-10,900	-32%
Construction	17,700	17,700	0	0%
Retail, catering etc.	69,800	84,400	14,600	21%
Transport & telecom.	22,900	22,900	0	0%
Financial & business services	70,900	98,600	27,700	39%
Public services	95,900	122,600	26,700	28%
Other services	17,100	19,600	2,500	15%
TOTAL	332,100	393,400	61,300	19%

source: SLIMS

1.2. Table A2 shows forecast future growth by industry sector², which is strongest in financial & business services and, to a lesser extent, public services. The historic growth in retail & catering is not forecast to continue. Overall the total forecast growth to 2015 is 11,000, which represents a reduced rate of increase compared to the previous decade.

Table A2: Employment forecasts for Glasgow (inc. self employed) 2005-2015

Sector	No. employees 2005	Forecast no. employees 2015	Absolute change 2005-2015	% change 2005-2015
Agriculture	200	200	0	0%
Utilities	3,700	3,200	-600	-16%
Manufacturing	25,000	17,500	-7,600	-30%
Construction	24,300	20,800	-3,500	-15%
Retail, catering etc.	84,300	83,800	-400	0%
Transport & telecom.	22,400	21,600	-800	-3%
Financial & business services	104,400	120,900	16,500	16%
Public services	126,900	133,000	6,100	5%
Other services	23,900	25,000	1,100	5%
TOTAL	415,100	426,000	10,900	3%

source: SLIMS

² note that table 2 includes self employed whereas table 1 does not, hence the difference between 2004 figures in table 1 and 2005 figures in table 2

1.3. It is also possible to look at the composition of the additional jobs by occupation type. Table A3 shows that the greatest forecast increases are in professional occupations, associate professional & technical and personal services, and the greatest forecast decreases are in skilled trades and managers & senior officials.

Table A3: Employment forecast for Glasgow by occupation 1995-2015

Occupation	Employment Share 1995 (%)	Employment Share 2005 (%)	Projected Employment Share 2015 (%)	Net change (in total numbers) 2005-2015
Managers & senior officials	13	12	11	-4,000
Professional occupations	12	13	15	9,000
Associate professional & technical	16	17	17	4,000
Administrative & secretarial	15	16	16	3,000
Skilled trades	9	8	6	-5,000
Personal service	6	7	8	5,000
Sales & customer service	10	10	10	0
Machine & transport operatives	7	5	5	-1,000
Elementary occupations	12	11	11	2,000
TOTAL	100	100	100	11,000

source: SLIMS

1.4. However it is important to bear in mind that the total number of job openings (change in the number of workplace jobs plus replacement demand for those people already in work who leave) is much greater than the change in the number of workplace jobs alone. The number of job openings to 2015 is forecast to be 191,000

1.5. In contrast to Table A3, Table A4 shows an increase in job openings (i.e. including replacement jobs) for all occupations, with the greatest amount of increase in professional occupations, associate professional & technical, and administrative and secretarial, and the least amount of increase in personal services³ and machine and transport operatives.

Table A4: Employment forecast for Glasgow by occupation including replacement demand 2005-2015

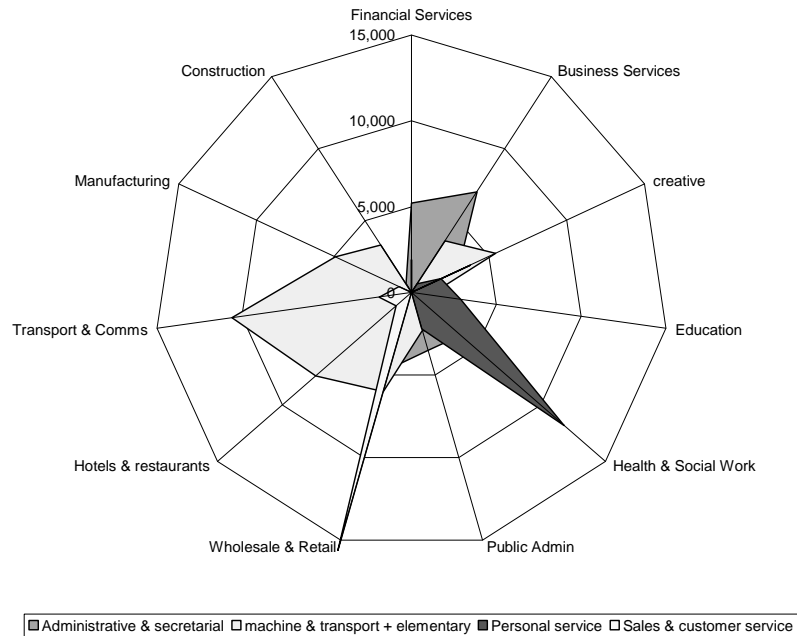
Occupation	Net change (in total numbers)	Replacement demand	Total job openings
Managers & senior officials	-4,300	19,100	14,900
Professional occupations	9,100	26,500	35,500
Associate professional & technical	3,600	28,400	32,000
Administrative & secretarial	2,600	37,800	40,500
Skilled trades	-4,800	20,200	15,400
Personal service	4,600	4,000	8,600
Sales & customer service	-300	14,000	13,800
Machine & transport operatives	-1,300	9,900	8,700
Elementary occupations	1,600	20,700	22,300
TOTAL	10,900	180,700	191,500

source: SLIMS

³ the low value for personal service replacement demand seems surprising

1.6. To complement the above occupational analysis, Graph A1 shows the current distribution of 'lower level' occupations, and highlights the concentration of personal services occupations in the health and social work sector and the concentration of sales and customer services occupations in the wholesale and retail sector.

Graph A1: Distribution of occupations by sector, Glasgow 2004



source: SLIMS

1.7. Interpretation of Tables A2 to A4 plus Graph A1 indicates some key points for the next ten years in Glasgow (excluding analysis of professional-type occupations)

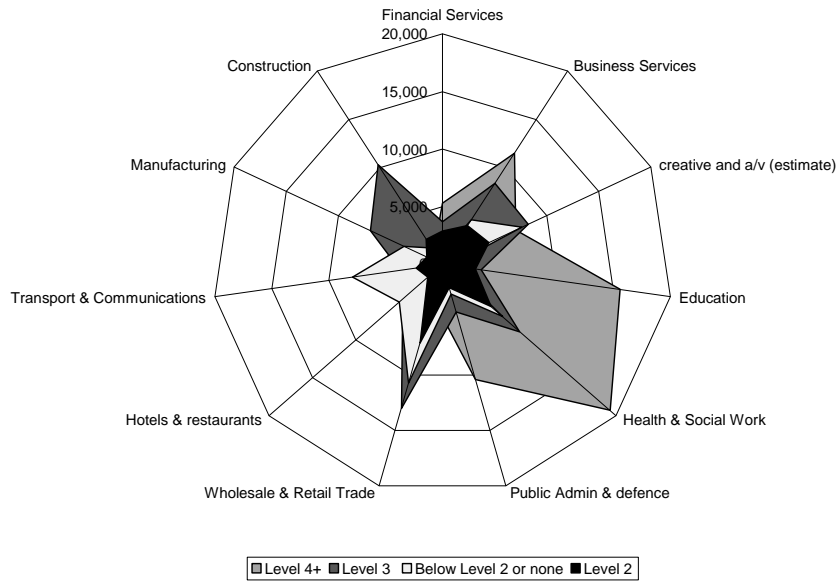
- demand for all jobs (new and replacement) in the administrative and secretarial occupations will be very high – many of these jobs are likely to be in financial and business services
- despite the decline in absolute numbers, the replacement demand for skilled trades and machine and transport operatives is not insignificant (the former mostly in construction and the latter mostly in transport & communications)
- personal service employment may be an important source of new jobs, primarily in the health and social work sector
- the overall numbers of sales and customer service jobs is likely to remain roughly constant but there will be significant replacement demand (concentrated in the wholesale and retail sector)
- despite the general movement towards a 'higher value' economy, a significant demand for elementary occupations is forecast, probably mostly in the hotels and restaurants sector.

Qualifications

1.8. Understanding the level of qualifications needed to enter and sustain employment in the labour market is also important and Graph A2 looks at employee qualification levels by sector. This shows the

- concentration of level VQ4+ in education and health & social work
- relatively low numbers of level 2 in all sectors

Graph A2: Distribution of vocational qualification levels of employees by sector, Glasgow 2004



source: SLIMS

1.9. It is also possible to look at forecasts of demand for qualifications, as in Table A5, which breaks down the total job openings numbers from Table A4. This shows the highest forecast demand being for VQ4+ and VQ2, followed by VQ3. This implies an increased polarisation of the labour market by 2015, with increased percentages of jobs requiring VQ4+ or VQ2, and that VQ2 will be the access threshold for entry into many jobs.

Table A5: Occupation and qualification forecasts for Glasgow for job openings by 2015

	VQ4+	VQ3	VQ2	Lower or none	Total
Total number of people	68,900	37,400	67,800	17,500	191,600
% of total job openings	36%	20%	35%	9%	100%

source: adapted from SLIMS

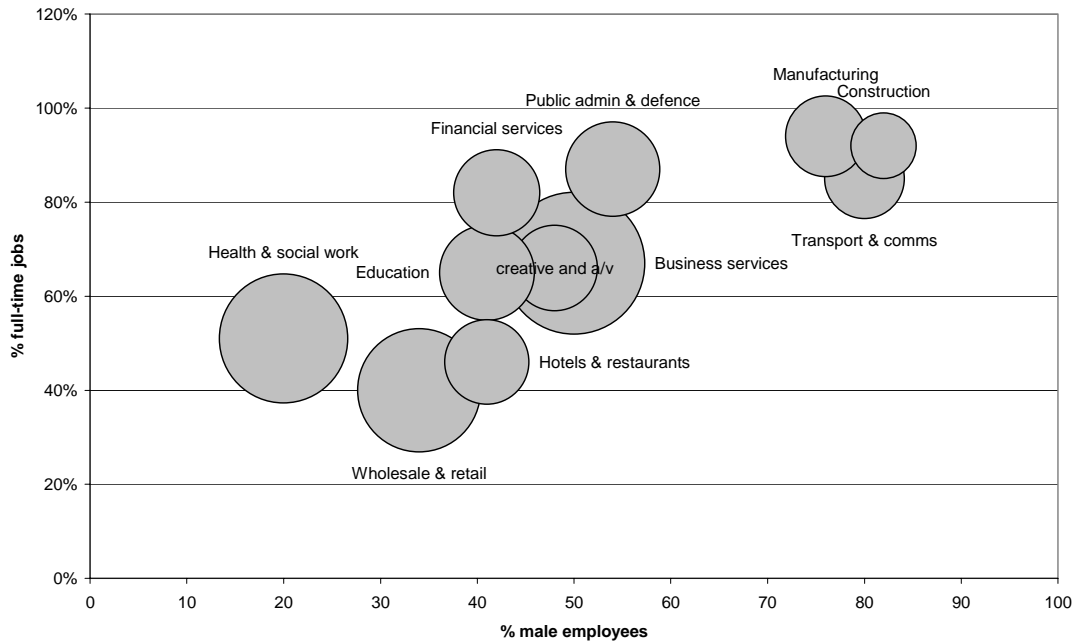
Gender and the Nature of Jobs

1.10. Moving on to consider the relationship between gender and the nature of jobs, Graph A3 shows the expected general linear relationship between the percentage of male employment in a sector and the percentage of full time jobs⁴. This relates to the forecasts in Table A6 (which break down the total figures from Table A2) that suggest that the number of full time jobs in Glasgow will actually fall by 2015, though the number of part-time jobs will rise, and that approximately all the new jobs created will be filled by women. Therefore most new jobs will tend to be in the sectors with lower percentages of full time jobs and male employment, which is generally consistent with the observations made previously

1.11. However it should be remembered that Table A6 only relates to new jobs and therefore makes no specific reference as to what will happen regarding the (much larger) number of replacement jobs.

⁴ Also it is worthwhile noting that two large sectors, health & social work and wholesale & retail both contain a relatively low percentage of full-time jobs.

Graph A3: Comparison of full-time jobs and male employment by sector, Glasgow 2004



source: SLIMS

note that the size of the bubble for each sector indicates the relative number of employees in each sector

Table A6: Employment forecasts – gender and full-time/part-time for Glasgow 2005-2015

Total number of new jobs by 2015	Number of new full-time jobs in 2015	Number of new part-time jobs in 2015	Number of new jobs occupied by men in 2015	Number of new jobs occupied by women in 2015
11,000	-4,000	15,000	0	11,000

source: SLIMS

Conclusion

1.12. In conclusion the Glasgow labour market is currently strong and is forecast to remain robust to 2015. The number of new jobs created to 2015 is forecast to be less than the numbers created over the last decade; however job openings (new plus replacement jobs) numbers will be substantial. Many of these jobs however will require specific skills and higher levels of qualification.

2. Client Group Analysis

2.1. Glasgow’s plan covers all workless groups. However in Glasgow, as in Scotland as a whole, one of the enduring problems has been the low employment rate of particular groups of disadvantaged people. The Glasgow City Strategy has therefore decided that it will have a particular interest in

- IB Stock
- BMEs
- Over 50s
- Lone Parents
- NEET.

These are groups where employment rates are well below the average and/or issues are particularly entrenched in Glasgow.

2.2. We are aware that the statistics and information available at a Glasgow level for a number of these groups is weak. This is particularly true of the BME statistics. It is clear that additional research or further analysis will be required to support implementation.

2.3. The most recent available data (May 2006) suggest that Glasgow has around 94,960 working age people on DWP benefits of which 88,290 are on the 3 key benefits (IB, JSA and Lone Parent). This comprises;

- 62,000 **sick and disabled** claimants, of which 58,250 are on IB;
- 14,000 **lone parents**;
- 16,050 **unemployed** claimants on Jobseekers Allowance; and

2.4. Over the last five years the numbers have dropped by approximately 13,000 (11.5%) but this ranges from a fall of 14% for those on Incapacity Benefit (IB) through to 21% for people on Income Support (IS). 77% of these claimants live in the 50 wards in Glasgow falling into the worst 15% of areas across the country as a whole.

2.5. In Glasgow, as in Scotland as a whole, one of the enduring problems has been the low employment rate of particular groups of disadvantaged people. The groups of the population with employment rates well below the average include the over 50s, disabled people, lone parents and members of some black and minority ethnic (BME) groups.

IB Claimants

2.6. Analysis of the DWP data on IB benefit claimants shows the following on the characteristics the jobless group in the city. Of the 58,250 IB claimants:

- 32,280 are male,
- 25,860 are aged between 50 and 64,
- 48,500 (50%) have been unemployed for 5 years or more; (30,630 on IB over 5 years, a further 11,810 between 2 and 5 years)
- 22,900 have been unemployed for 2 years or more and are aged 50+

2.7. These last three statistics indicate how difficult it will be to secure significant reductions in the IB stock, as older and/or long term unemployed people are at a particular disadvantage in looking for work.

2.8. For clients in receipt of IB or Severe Disability allowance (SDA). At point of claim an average of 53% of customers have a mental health condition. At 2 years on benefit this figure increases to 70% and also includes those who are still suffering a physical condition.

2.9. Looking specifically at the people claiming IB or related benefit, the Glasgow Challenge Research Project (TERU, 2003) found that:

- At least a third were interested in getting back to work
- however, over 50% faced four or more significant barriers to work, including perceived benefits traps, caring responsibilities, ill health and disability

BME

2.10. Between 1991 and 2001 the BME population in Glasgow rose from 3.5% to 5.4%. Around 31,500 BME (around one third of the Scottish total) reside in Glasgow.

2.11. The Annual Population Survey suggests that only 44% of Glasgow's *BME working age population* are in employment, although there are no statistics on the numbers claiming benefits. This employment rate compares to 67% for the city's white population.

2.12. In addition to the resident BME population, the refugee and asylum seekers population also has additional needs to be addressed. Additional support funding is currently made available by the *Scottish Executive* to Glasgow to assist the integration of asylum seekers into local communities.

Table : Black & Minority Ethnic (BME) and Asylum Seeker Populations in Glasgow*

Local Community Planning Area (based on aggregations of multi-member wards):	Resident BME population¹	Asylum Seeker population²	Total BME & Asylum Seekers	% of all BME & Asylum Seekers
Langside & Linn	2,572	100	2,672	7%
Drumchapel/Anniesland & Garscadden / Scotstounhill	1,373	979	2,352	6%
Govan & Craigton	2,515	583	3,098	8%
Shettleston & Ballieston & Part of Glasgow North East	1,485	203	1,688	5%
East Centre & Calton	1,098	67	1,165	3%
Greater Pollok & Newlands/Auldburn	2,540	199	2,739	7%
Maryhill/Kelvin & Canal	2,004	90	2,094	6%
Springburn & Part of Glasgow North East	1,642	2,231	3,873	10%
Pollokshields East & Southside Central	9,276	1,190	10,466	28%
Partick West & Hillhead & Anderston/City	7,005	146	7,151	19%
Glasgow City	31,510	5,788	37,298	100%

Sources: ¹ Census of Population, 2001 ² Scottish Asylum Seekers Consortium, 2005

* this table excludes the refugee population for which exact dispersal figures are unavailable

2.13. The approach to tackling the issues that black and ethnic minority groups face must be tailored in appropriate ways, as a one size fits all approach has limited effects compared to more relevantly targeted strategies and interventions. This is in recognition of the barriers that often exist to engaging people from BME groups, such as culture, religion, racism, discrimination, literacy and language. A failure to address these issues will lead to BME communities being excluded from mainstream services and employment opportunities.

2.14. In Glasgow we know that that different ethnic populations within the overall BME Community have different characteristics. In general however the BME population has relatively high levels of school and post school educational attainment. Some of these figures are masked however by transitional BME student populations.

2.15. From workforce data we know that individuals from BME communities tend to be found in a fairly narrow band of occupational sectors and levels. There is certainly work to be done with individuals and parents to broaden perceptions of the labour

market and the opportunities available. There are significant unknowns regarding female participation in the labour market. It is unclear the extent to which cultural child and dependant care preferences have accounted for non participation rates in the past and if this pattern is changing or if appropriate support can be designed to change the pattern.

2.16. There is significant amount of work ongoing with the BME community in Glasgow. Some of this work is health/engagement and employability activity. Referrals and inter-connections between projects could definitely be improved.

2.17. A new pilot engagement project which uses the Full Employment Areas Initiative (FEAI) is underway. This uses amateurs from the BME community to undertake intensive engagement activity. Early feedback from this is encouraging and the pilot could be extended under the City Strategy.

Lone Parents

2.18. A third of dependent children live in Glasgow's workless households (OECD, 2006), many of which will be lone parent households.

2.19. Information from One Plus and One Parent Families Scotland estimates the number of one parent families in Glasgow is as high as 27,000. A high proportion of these live in poverty. A combination of factors that include poverty, poor housing, stress and relatively low levels of household income spent on themselves means that lone parents are vulnerable to ill health. Ill health will impact on an individual ability to work or train for work. The strategy recognises the high levels of poverty among lone parents and the subsequent impact on health.

Over 50s

2.20. Making an impact in the numbers of claimant over 50s returning to the labour market is a major challenge. There is little recent local research on the particular needs and expectations of this group. There is currently little discrete provision directed at this group although JCP does have New Deal 50+.

2.21. In recent years certain sectors of the labour market such as retailing have begun to recognise the need to consider employing older workers. Some of the positives include maturity, responsible attitudes to work, communication skills and the range of skill levels that may be on offer. The City Strategy needs to capitalise on this.

2.22. Glasgow's health record means however that many of the workless over 50's have poor or chronic health problems. Such health issues and the duration on benefits means that some of the over 50s have significant barriers to overcome. A secondary consideration will be a social issue in relation to care responsibilities. Many younger Glasgow working families and lone parents rely on non working over 50s for childcare. Many over 50s act as primary carers for elderly relatives. The additional cost to the state of returning child/elderly carers to work and finding alternative care provision can be significant. Some early retirements mean that the pool of potential over 50 labour may also include some highly skilled individuals. Finding approaches that appeal to these workers may involve negotiating part time opportunities with employers.

NEET

2.23. A key group is young people (16-19) not in education, training or employment (NEET). An issue their own right the NEET group contribute to the flow of clients into the stock of IB claimants. Scottish Executive (Analytical Services, ETLLD, August

2006) estimates indicate on the latest available data (October/November 2005) that there are approximately 5,000 in the NEET category in Glasgow, and around 48% of those are already DWP benefit claimants.

2.24. In Careers Scotland's first year, 2002, more than 1100 school leavers were in this position. However, strong collaborative work with Careers Scotland, schools and other partners has seen this reduced to 580 almost 50% improvement on the previous position.

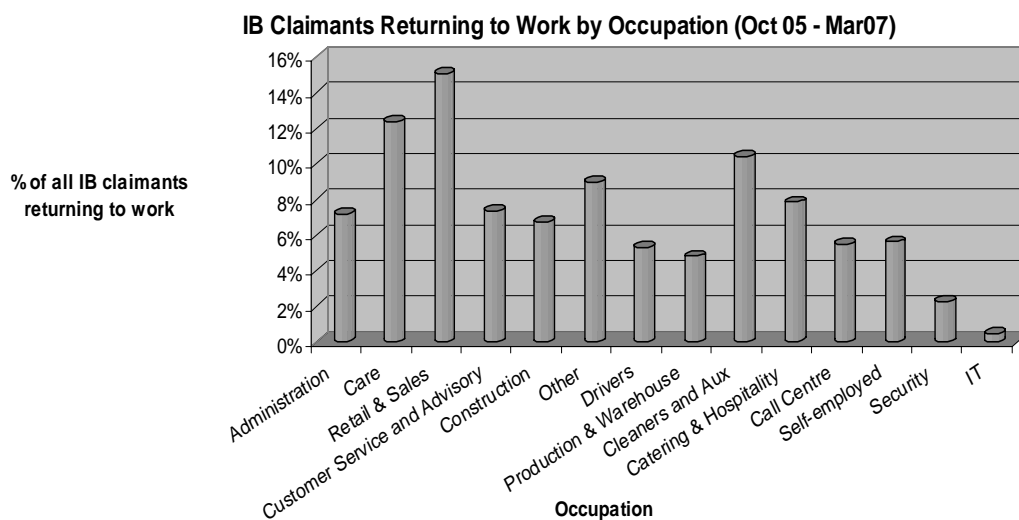
2.25. This period has seen a 10% reduction of school leavers entering the NEET group at a time when had things remained the same we could have expected an increase to reflect the increase caused by asylum seekers who in many cases are not able to take up available opportunities until leave to stay is given.

3. Matching Labour Market to Client Groups

3.1. As noted above the forecast for future labour demand in Glasgow is positive and will provide opportunities that can be exploited.

3.2. A high proportion of job openings will be in professional, technical and management jobs. While this may not be the most likely immediate destination for IB clients there are some individuals who will be highly qualified and where 'condition management' or retraining / job adaptation activity could lead to sustainable employment. We also know that a high proportion of the BME potential adult workforce are highly qualified and school leavers have high levels of educational attainment and aspirations to enter professional occupations. For some others a longer reintroduction into the labour market through longer term education activity could lead to the higher skill levels required.

3.3. For IB clients we have a fairly clear picture of employment destinations and the characteristics of those individuals. The three tables below show the sectors where IB clients have found employment, the age breakdown of those clients and the working hours involved. The chart below shows IB Claimants returning to work by occupation.

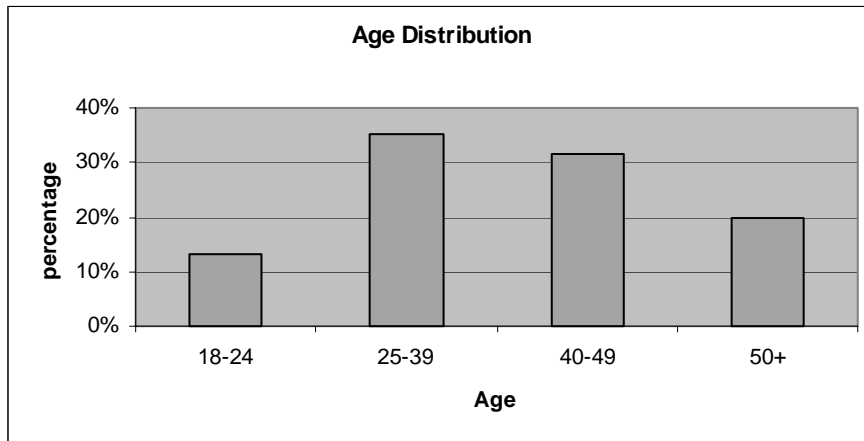


Source JCP

3.4. From this we can see that IB clients are finding work across a range of sectors and in particular in care / retail / administrative and others service sectors.

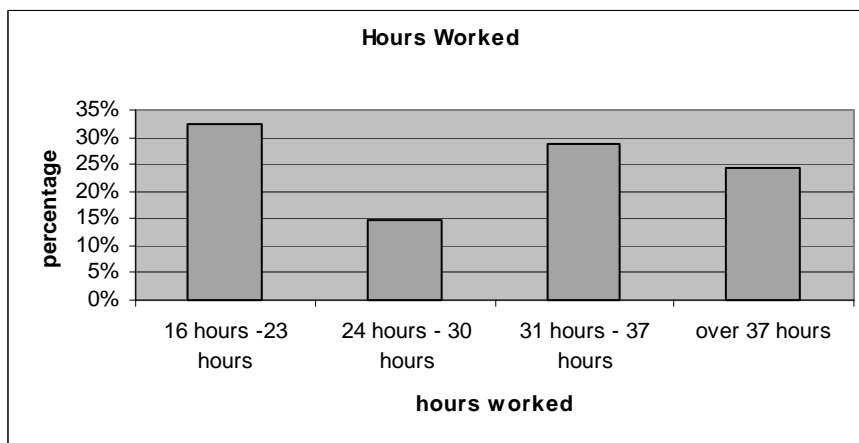
Many will be entry level or unskilled jobs. This pattern matches many of the sectors with new or replacement demand.

3.5. The figures show that of IB clients returning to work over 60 % are between 25 and 50 with around 20% being over 50. This figure for over 50s returning to work is encouraging and suggests that targeted work can be done with this group to increase the numbers.



Source JCP

3.6. The hours worked figures are interesting with over 30% being part time employment of between 16-23 hours and over 50 % more recognisably full time working. There will be some work to be done to investigate if this is through choice and a desire for part time working for those with care or other responsibilities or simply the type of work available and employers' preference for fixed hours part time contracts.



Source JCP

3.7. The role of the public sector in Glasgow will be critical to the success of the City Strategy. Capitalising on the growth and turnover in that sector could have a significant impact. It can provide both entry level and higher skilled employment opportunities. It may also be able to provide shorter-term stepping stone opportunities moving people towards the labour market through volunteering or intermediate labour market opportunities. The public sector is an area where City Strategy can influence recruitment processes or make special arrangements.

3.8. Jobcentre Plus also holds statistics for other benefit groups entering employment such as Lone Parents, those on NDDP and those on JSA for more than

6 months. These will all be interpreted and used on an ongoing basis to guide and target City Strategy activity.

MAPPING TABLE : ASSESSMENT OF GLASGOW'S WELFARE TO WORK INFRASTRUCTURE

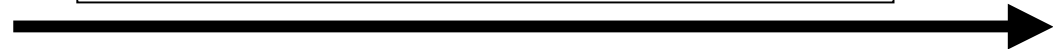
Issue With Provision	Nature of Problem
Gaps and Weaknesses in Service Delivery	<p>A number of gaps and weaknesses were identified.</p> <ul style="list-style-type: none"> • Childcare services, with issues around cost, hours of delivery, school holiday coverage, etc. • Problems accessing mainstream support services for people with learning disabilities and mental health issues. • Aftercare and in-work support. • Longer term support for those with the greatest distance to travel to find and sustain employment. • Weak links between employability and money advice services.
Fragmentation of Delivery	<p>A large number of organisations providing employability services – broadly defined – across the city. The mapping exercise identified 125 organisations and allowing for non-response the true figure is probably nearer 140. Within this, of course, a relatively small number of organisations account for a significant proportion of the service delivery contracted out by the key funders.</p>
Sometimes Weak Focus on Employment.	<p>Nearly 40% of the organisations involved said that employment was not the primary goal of their service, raising issues about how effectively these organisations are playing into the pipeline moving the most disadvantaged jobless people towards the labour market.</p>
Meeting Needs of Most Disadvantaged	<p>There was a concern that the delivery infrastructure did not cater adequately for the most disadvantaged groups of clients. Two issues were raised here. Firstly, the length of time available to work with individual clients has been reduced. Secondly, some staff in organisations working with clients closer to the labour market lack the skills to work with more disadvantaged clients.</p>
Dealing With Diversity	<p>Glasgow's provision of employability services is broadly aligned with the gender and ethnicity mix of the workless population in terms of spend. However, no information was readily available on the relative effectiveness of the provision in getting women and members of BME groups into sustainable employment.</p>
Managing Capacity	<p>25% of the organisations responding to the survey had waiting lists, but 38% were operating with spare capacity – raising issues about the effective management of capacity across the delivery infrastructure.</p>

Draft 7

Issue With Provision	Nature of Problem
Targets and Performance Indicators	75% of the organisations surveyed had no targets in relation to client progress on employability criteria. Admittedly, this is an artificially high figure as larger contractors attracting major resource from Scottish Enterprise Glasgow, Jobcentre Plus and others will have specific targets. Nonetheless, there is an issue about using targets to create a more focused effort.
Employer Engagement	Nearly three quarters of the projects were engaging with employers on behalf of their clients. This is a positive sign as it recognises that employment is the end goal for many clients, but shows the demands being made on employers by a large number of organisations for vacancies, work placements, training opportunities, etc. Again, this is a very fragmented system.
Timescale of Funding	Nearly 60% of services were either funded for less than one year or on an open-ended basis where the approvals were annualised. This creates difficulties in recruiting and retaining staff, and also generates limited incentive for organisations to invest in building the capacity of their organisations and their staff.
Constraints on Service Providers	<p>A number of constraints on the effectiveness of service providers were highlighted.</p> <ul style="list-style-type: none"> • Short term funding, already discussed above. • Excessive bureaucracy, particularly in relation to the reporting requirements of different funders – Jobcentre Plus, Scottish Enterprise Glasgow, Glasgow City Council, European Social Fund, etc.
Staff Development Needs	<p>Around 90% of the service delivery organisations reported issues around training and supporting their staff. The most typical developmental needs mentioned were:</p> <ul style="list-style-type: none"> • increasing staff knowledge of benefit constraints, financial implication of moving into work, services available and delivery infrastructure; • how to work more effectively with employers; • engaging more effectively with the most disadvantaged clients; • the skills to develop natural supports in the workplace for more disadvantaged clients moving into employment • 31 % currently talk to their clients about employability <p>Whereas it is the responsibility of organisations to train their own staff, short term funding reduced their capacity to invest significantly in staff training and development.</p>

CITY STRATEGY EMPLOYABILITY FUNDING

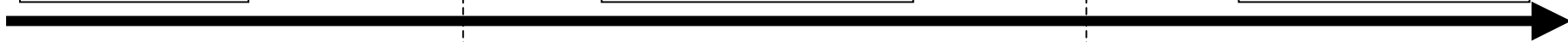
Joint funding decisions against strategic priorities



Current Position

By April 2008

Beyond April 2008



Funding arranged in silos per funding organisation

Health and Social Work
Employability Spend

Some funding would remain outside the new contacting model.

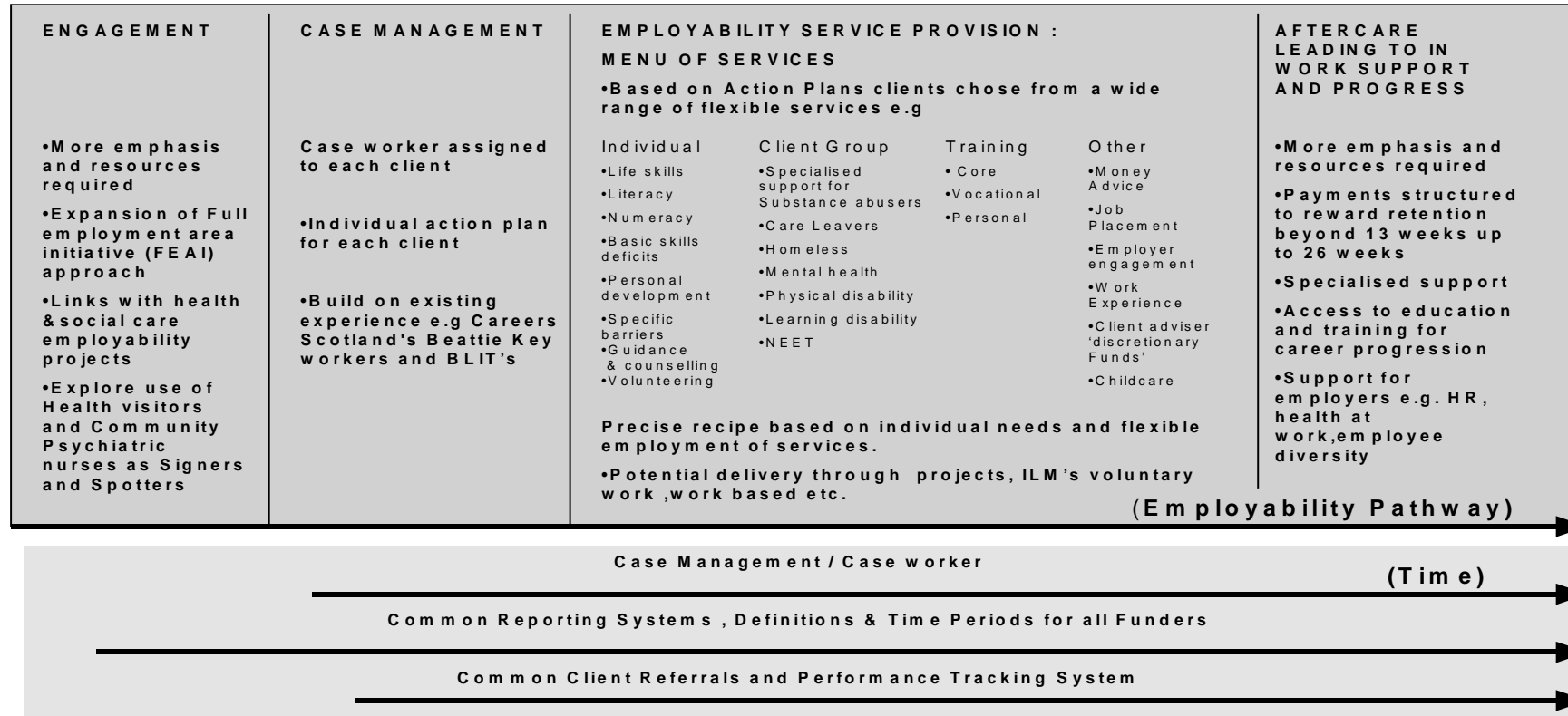
Commissioning Model
Including some health spend

Agreed spend outside contacting model – reviewed over time

Funds for Commissioning model increase in scale.

Existing statutory provision such as Careers Scotland /JCP services

Glasgow City Strategy Employability Good Practice Framework



EMPLOYER DATA GATHERING AND USE ON RECRUITMENT , DIVERSITY, SKILL NEEDS**Recruitment**

<i>Collected</i>	<i>Used</i>	<i>How they could be better used</i>
Manpower planning	By employer themselves	Shared and used for pipeline planning
Placement information	By each project to inform funders	This information could be fed into a central resource to build a better picture

Diversity

<i>Collected</i>	<i>Used</i>	<i>How they could be better used</i>
Equal Opportunities audits	Carried out by the employers themselves	To provide a baseline and also to encouraged to collect wider data.
Sickness absence information	By employers themselves	To provide a baseline
Equal opportunities information by project for funders	To provide information to funders	To better assist service planning and support the employers

Skills Need

<i>Collected</i>	<i>Used</i>	<i>How they could be better used</i>
Future skills Scotland	To inform policy development	To shape pipelines by linking directly to employers needs
Manpower planning	By organisations themselves	Shared to inform pipelines
<i>Collected</i>	<i>Used</i>	<i>How they could be better used</i>
Manpower planning	By employer themselves	Shared and used for pipeline planning
Placement information	By each project to inform funders	This information could be fed into a central resource to build a better picture

APPENDIX 8

RISK REGISTER

CITY STRATEGY

DATE : MARCH

No	Risk	Root Cause	Risk Owner	Risk Rating (H/M/L)	Mitigating/Controls in place
1	Insufficient Resources	The plan assumes a certain level of resourcing will be available. This could vary because budgets are reduced or barriers emerge that prevent organisations from aligning/contributing resources in the way expected.	Partnership Group	Medium	The proposed plan is based on the level of resources identified at the current time. Governance and management structures will allow identification of variations and agreement of reprioritisation. The commissioning model will allow for variations and changes to targets and focus. Alternate/replacement funding would be investigated.
2	Rate of Contract Renewal	The balance of funding that comes up for renewal 2007/08 will affect how much is available for new activity or the new commissioning model.	Partnership Group	Medium	The shift to the new commissioning model will take time. The funds available for this model will vary over time. A timetable of contract completion dates will be completed. A phased/flexible approach to the new contracting model will need to be adopted to allow longer-term existing contracts to complete and flexible enough for new funds to be added. The contracting model/framework agreements/annual reviews provide this flexibility.

No	Risk	Root Cause	Risk Owner	Risk Rating (H/M/L)	Mitigating/Controls in place
3	Dip in Performance	Some elements of the strategy represent significant changes. Changes to established systems could prompt a temporary dip in performance.	Partnership Group	Medium	The City Strategy Team will closely monitor performance. This will identify any anomalies /dips. Remedial action will be agreed if required.
4	Delivery Staff - Skills Shortages	There is anecdotal evidence to suggest that Glasgow may be facing serious staff shortages in the HR Counselling field, especially dealing with workless clients. Experience shows that the success of programmes with workless clients is highly dependent on having high quality staff with the appropriate skills for the demanding work required. Recent recruitment experience in Glasgow has shown difficulties in recruiting staff as many have moved to the private sector.		High	Through commissioning and other processes there will be ongoing contact with providers to monitor the extent and nature of any skills constraints. Consideration will also be given within the strategy to how providers can be advised of succession planning sharing of skills resources and best practice.
5	Time Delays	A number of elements of the strategy are interrelated and delays in one have potential knock ons to others. In particular there are interrelationships between common definitions/the performance tracking system and performance management.		High	Reporting structures will be set in place to monitor individual elements of the plan and their inter-relationships. We will have options to vary resources or agree 'work arounds'. A system of 'champions' will be put in place to give individual members a particular interest in the progress of key elements.

No	Risk	Root Cause	Risk Owner	Risk Rating (H/M/L)	Mitigating/Controls in place
6	Changes to Key Elements	The key elements in the plan are highly innovative and strategic in nature. These have been developed and proposed in good faith and will involve the cooperation of a number of agencies. These agencies may face unexpected constraints to participation in the format proposed.		Medium	Delivery of the City Strategy will be viewed as an organic process that will need to be flexible enough to adapt to alteration. DWP advice will be sought where changes have potential to materially affect the overall success of the Strategy.
7	Changes in TFW	Some delivery organisations rely heavily on TFW as core or match funding. Any change could have unforeseen impacts.	SE Glasgow	Medium	If the proposed changes to TFW are not possible alternative methods of addressing retention and progression issues will be considered. This is likely to involve smaller pilot actions on work based qualifications funded through other existing funds or leveraging in new funding for this activity via ESF or lottery etc.
8	Progress on Flexibility	The scale/pace of change that can be achieved impacted by the progress made on delivering flexibilities. Many of flexibilities identified are small local issues and others are major flexibilities in access to data etc in particular proving job outcomes through HMRC. The progress on these will be a limiting factor on success.		Medium	DWP has offered some 'work -arounds' for some of the more difficult flexibility issues or those that will take time to be resolved (e.g. Data Sharing). Additionally we have a process in place to review and prioritise more local flexibilities that have been identified, that may also be able to produce improvements in systems.

No	Risk	Root Cause	Risk Owner	Risk Rating (H/M/L)	Mitigating/Controls in place
9	Impact of Changes to ESF	The changes to scale and operation of ESF could seriously affect operation of some delivery organisations and reduce overall resources and capacity to deliver.		Medium	It is too early to outline contingency plans as the scale and nature of the reduction for Glasgow is not yet clear. A shadow round for 2007 is being held and will give a better indication of the resources available. The current draft of the ESF Plan gives priority to hardest to help workless people and for Workforce + areas of which Glasgow is one. Glasgow will be lobbying separately to ensure that the appraisal process prioritises projects aligned to the City Strategy. If the reduction in Glasgow ESF funds is significant a reassessment of the priorities for funding from existing budgets will be considered.

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