

**MUTUAL LEARNING PROGRAMME:**  
**HOST COUNTRY DISCUSSION PAPER - SCOTLAND**

**‘Good practice makes perfect: considering the purpose and value of  
an employability learning network’**

Peer Review on ‘The Employability Learning Network’

Scotland: 11-12 April, 2011

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## CONTENTS

1. QUICK SUMMARY .....	4
2. LABOUR MARKET SITUATION IN THE HOST COUNTRY .....	5
3. POLICY MEASURE .....	8
4. RESULTS.....	13
5. DIFFICULTIES AND CONSTRAINTS.....	15
6. SUCCESS FACTORS AND TRANSFERABILITY .....	17
ANNEX 1: SUMMARY TABLE.....	20

# 1. QUICK SUMMARY

*This paper has been prepared for a Peer Review within the framework of the Mutual Learning Programme. It provides information on the policy example of the Host Country for the Peer Review – in this case, Scotland. For information on the views of the countries participating in the Peer Review, please refer to the relevant Peer Review Comments Papers.*

## 1.1 Context and background

This paper looks at the development, success and appropriateness of the Scottish Employability Learning Network (ELN) within the context of the wider Scottish employability policy framework. The latter is based on a series of co-ordinated actions by partnerships at the local and national level to assist identified disadvantaged groups to access the labour market. The key national co-ordinating group at the Scottish level, the National Delivery Group (NDG), agreed to set up the ELN as part of its capacity building remit. It has now developed as a mechanism strongly focused on sharing experiences and good practice across local areas, providing practical guides and toolkits, and keeping network participants up to date with a fast moving policy context.

These activities take place in a wider labour market context which suggests that, after a sustained period of employment growth to 2008, the recession significantly impacted on employment levels in Scotland. Whilst the economy may be slowly emerging from recession, recent quarterly growth figures lead to uncertainty as to whether a full recovery is underway.

## 1.2 Local delivery of the employability strategy

Local Employability Partnerships (LEPs) have been developed at local authority level to advance delivery of the strategy. Precise details of activities vary in each area but have commonly been based on a series of co-ordinated actions which have included developing: local employability pathways; service maps of all relevant interventions across the partner agencies; specific engagement processes for 'harder to help' labour market groups; shared local management information systems (MIS); articulating a more coherent employability offer to employers; and combining resources to support new services in response to identified gaps.

## 1.3 Key features of the Employability Learning Network (ELN)

The ELN was established in the autumn of 2009, and currently provides a range of services:

- A dedicated website which contains a continually increasing range of information, including: toolkits to assist practical action; case studies on good practice; news on relevant developments; and an information library of relevant publications.
- A monthly e-bulletin which is distributed to a large network of subscribers in the public, private and voluntary sectors, and a 'weekly round-up' which proactively informs subscribers of immediate developments of relevance to the employability agenda.
- Events for ELN members and wider partners, which focus on immediate and important wider policy and funding developments.
- The provision of an on-line community forum to enable interactive discussion of issues and developments relevant to ELN members, and more recently the testing of social media based opportunities via 'Twitter'.
- The development of short life sub groups to take forward specific issues of relevance.

## **1.4 Reflections on ELN development to date**

Overall, the ELN has developed well over a relatively short period of time. Recorded participation rates in the various services are high in a Scottish context and continue to grow. The quality and range of materials provided are robust and relevant to partners at the local and national level and to practitioners at the operational level. There has been an encouraging focus from the outset on providing supports which help participants to take practical action, based on materials produced directly by the ELN or identified from other sources. Importantly, the information provided on new developments is quickly and clearly presented.

In addition to the content of ELN services, the approach to developing the network has been important. From the outset it has been structured and operated as a mechanism 'owned' and directed by its participants. This has successfully managed to ensure a consistent flow of high quality information from local and national partners. The sponsorship and support of the already established NDG was - and continues to be - a critical support factor in the ELN's development, as has the dedicated resources provided by the Scottish Government to lead and coordinate activities. Access to the network activities free of charge has been a further success factor, alongside the opportunity for participants to use the services when, and with an intensity that suits their needs. Importantly, the network continues to develop in response to participant direction.

## **1.5 The scope for transferability**

A number of key features of the approach to addressing employability issues in Scotland are likely to be relevant to other EU countries. The success factors which have underpinned progress are detailed in section 6.1. Equally, a policy development similar to the ELN would also appear to be valuable and transferable to other member states. This would require considering equivalent wider support structures to those which have assisted the ELN's progress - in particular the establishment of a lead coordinating partner. The relatively small scale of Scotland and the existing strengths of the relationships between partners, have also helped developments. The challenges facing larger states will be different. Finally, the ELN experience suggests the scope for and potential benefits from, linking with similar networks in other countries to provide a wider learning community.

# **2. LABOUR MARKET SITUATION IN THE HOST COUNTRY**

## **2.1 Introduction**

This section provides an overview of the labour market background in Scotland and presents headline data on the key client groups with the most significant employability barriers to labour market entry.

## **2.2 Economic overview**

With a population of just under 5.1 million people, Scotland has a distinctive and diverse economy. It is an essentially rural country; 94% of its land mass is rural<sup>1</sup>, but 82% of the population live and work in urban areas. Similarly, its industrial and sectoral infrastructure and socio-economic profile display many contrasts, with pockets of the population facing unique sets of challenges based on a range of structural, spatial, and cultural circumstances.

In common with the rest of the UK and Europe, Scotland has been significantly affected by the recent economic recession. Although the speed of recovery is still uncertain there are some signs of recovery. However, these appear to be relatively modest and the trends do

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<sup>1</sup> Rural Scotland Key Facts 2010, Scottish Government, <http://www.scotland.gov.uk/Publications/2010/09/17092437/2>

not suggest a straightforward pattern. There are also interesting comparisons with developments in the broadly comparable 'small EU countries'<sup>2</sup>. Key messages include:

- The sharpest fall in GDP was in the first 3 quarters of 2009, but Scotland's level of reduction of 4.3% was not as severe as the other small EU countries where the overall rate was 5.2%.
- Scotland's decline however, from mid 2009 to mid 2010 appears to have continued more than in comparable countries with a GDP reduction of 1.7% compared to 1.3%. This trend has continued, and in the year to 2010 Q3 - whilst other small EU countries had returned to 1% GDP growth, Scotland's GDP still declined by 0.1%.
- The recovery in Scotland remains uncertain - whilst Q2 of 2010 recorded the highest growth rate since 2006 (1.3%), this had slowed again to 0.5% in Q3.

Key uncertainties in the pace and scale of the recovery in Scotland include the strength of the recovery across the whole of the UK. Although experiencing a shallower recession compared to the UK, Scotland has experienced lower growth than the UK economy since recovery started.

### 2.3 Labour market

In the quarter Oct to Dec 2010, Scotland had an employment rate of 71.1%<sup>3</sup>, the highest employment rate of the four countries in the UK, and higher than the employment rate in the EU.<sup>4</sup>

Whilst the recession has impacted on labour market conditions in both Scotland and the UK, the pattern of the deterioration has varied between the two economies. Scotland has experienced a more severe fall in employment and a higher rise in unemployment.

Compared to the pre-recession peak of March to May 2008, data for October to December 2010 shows that:

- Employment levels in Scotland are 2.9% lower (a fall of 73,700).
- The employment rate for people aged 16 to 64 has declined by 3.6%.
- The International Labour Organisation (ILO)<sup>5</sup> unemployment rate is 4.1% higher (a rise of 111 700).

Latest headline indicators for Scotland, for October to December 2010<sup>6</sup> show that:

- The employment rate was 71.1%, representing 2,490,000 employed people.
- The ILO unemployment rate was 8.0%, representing 216,000 unemployed people.
- The economic inactivity rate was 22.6%, accounting for 769,000 inactive people.
- The claimant count unemployment rate<sup>7</sup> was 5.0%, accounting for 139 700 people (this has increased in 6 of the last 7 months, with levels now at their highest point since the start of the recession).
- In Scotland, 20,775 people have been claiming Job Seekers Allowance (JSA) for 12 months or more, an increase of 12.0% over the year, and 142.6% over the 2 years to January 2011.

<sup>2</sup> Gross Domestic Product - GDP Growth: EU Comparison, Scottish Government, Economy Statistics. The small independent EU countries are defined as: Austria, Denmark, Finland, Ireland, Luxembourg, Portugal and Sweden. Annual Gross Domestic Product (GDP) growth rates for Scotland and the Small EU Countries are calculated on a rolling four quarters on four quarters basis. <http://www.scotland.gov.uk/Topics/Statistics/Browse/Economy/TrendData>

<sup>3</sup> Labour Market Monthly Briefing – February 2011, Scottish Government, Employability, Lifelong Learning and Skills Analysis

<sup>4</sup> Eurostat data shows the employment rate in Europe 25 in 2009 to be 65.0 and in the UK to be 69.9. The comparable rate (based on the European rate calculated as persons aged 15 to 64 in employment) in Scotland in 2009 was 70.6%.

<http://epp.eurostat.ec.europa.eu/portal/page/portal/eurostat/home/>

<sup>5</sup> ILO and claimant count unemployment are measured differently: ILO measures unemployment

<sup>6</sup> Labour Market Statistics Scotland, February 2011, ONS Statistical Bulletin

<sup>7</sup> See note 5

- The proportion of those on claimant count for more than 12 months has increased from 7.9% in January 2009 to 14.3% in January 2011.
- The proportion of those claiming for more than 24 months has increased from 1.6% in January 2009 to 3.3% in January 2011.
- The age group to see the largest increase in the claimant count unemployment rate was 18-24 year olds, with an increase of 2.2% over the year, to 16.4%.
- The number of people claiming workless benefits in Scotland was approximately 490,700 in May 2010. This is a reduction of approximately 2,500 individuals since the same period in 2009.

## 2.4 Poverty and deprivation

- In 2008/09 there were 860,000 people (17% of the population) in relative poverty (before housing costs) and 540,000 people (11% of the population) in absolute poverty (before housing costs) in Scotland.<sup>8</sup>
- Eighteen percent of individuals in urban areas were in relative poverty (before housing costs), whilst in rural areas this figure was 13%.
- Poverty is geographically concentrated: in west central Scotland it is concentrated in urban areas and in deprived communities.
- 459,495 working age people live in the 15% most deprived data zones in Scotland<sup>9</sup>, of these 121,725 (26%) are employment deprived.

## 2.5 Key client groups

The National Employment Strategy, 'Workforce Plus'<sup>10</sup> identified a series of groups who were much more likely to be out of work, and required to be the focus of action. These included<sup>11</sup>:

- **People with no qualifications** - this group accounted for 13.3% of the working age population (aged 16 to 64) in 2009. Rates of worklessness peak in the 'low or no qualifications' group at 48.7% (247,000). Those with no qualifications represent just over 35% of the workless population.<sup>12</sup>
- **People who are long term unemployed** - the longer an individual is unemployed the more likely it is that their worklessness will continue. About two thirds of the workless group have been out of work for over three years or have never worked.
- **Lone parents** - there are 174,000 lone parents in Scotland (92% of whom are women). In May 2010, there were 54,780 lone parent claimants of Income Support in Scotland. Among lone parent women of working age, 35% are looking after home and family, 26% work part time, 20% work full time, 2% are self-employed, 8% are unemployed and seeking work, 4% are in higher or further education and 4% are sick or disabled.
- **People with caring responsibilities** - there were 38,780 claimants of Carers Allowance in Scotland in May 2010.
- **People with disabilities or health problems** (in particular mental health problems) - over half of the workless client group declared a health problem<sup>13</sup>. These can include musco-skeletal problems, drugs misuse, alcohol problems, the consequences of work

<sup>8</sup> Poverty and income inequality in Scotland: 2008/09. See annex 2 for more details.

<sup>9</sup> Scottish Index of Multiple Deprivation 2009

<sup>10</sup> Workforce Plus is considered in more detail in Section 3

<sup>11</sup> Young people aged 16 - 19 years old were also recognised as a key priority, but their issues were progressed through the More Choice, More Chances strategy.

<sup>12</sup> Report of the Workless Client Group Workstream, An Employability Framework for Scotland 2006

<sup>13</sup> Report of the Workless Client Group Workstream, An Employability Framework for Scotland 2006

and non work related accidents and a range of mental health problems. Those with mental health problems represented a significant section of this group. In addition:

- There were 37,700 claimants of Disability Living Allowance in May 2010<sup>14</sup>.
- 25,252 adults with learning disabilities were known to local authorities in 2008, corresponding to approximately 5.9 adults with learning disabilities per 1,000 population<sup>15</sup>.
- There has been a continuous increase in the number of prescriptions for antidepressants in Scotland<sup>16</sup> - from 1 160 000 in 1992/93 to 4,010,000 in 2007/08. Estimated daily use of antidepressant drugs by the population aged 15 to 90 increased from 1.9% in 1992/93 to 9.7% in 2007/08.
- In 2009-10, there were 96,900 people aged 16-64 who were 'work-limited disabled' in Scotland, with an unemployment rate of 13.4% compared to the rate of 7.1% amongst the non disabled working age population.<sup>17</sup>
- 18,600 people with depression, learning problems and nervous disorders were unemployed, with an unemployment rate of 9.5%<sup>18</sup>.
- **Ex-offenders** – 120,800 people in Scotland were convicted within Scottish Courts in 2009-10<sup>19</sup>. The majority (60%) resulted in a financial penalty, whilst almost 13% (15,700) received a custodial sentence and 13% (16,300) resulted in a community sentence. The remaining 14% of convictions mainly resulted in admonishments. In Scotland in 2009-10, 20,371 prisoners were liberated from prisons.. The unemployment rate amongst ex-offenders is unknown, but the UK level research suggests that ex-prisoners are likely to be 13 times more likely to be unemployed than the general population.<sup>20</sup>
- **People with drug problems** - in 2009/10, 10,325 'new' individuals were reported to the Scottish Drug Misuse Database (SDMD). This corresponds to a rate of 211 per 100,000 of the Scottish population.
- **Homeless people** - in 2009-10, 56,669 households made homeless applications to their local council in Scotland.<sup>21</sup>

It is also recognised that many people experience a combination of many of these issues.

Many of the data collection processes on the scale and nature of vulnerable labour market groups were triggered by the development of the National Employability Strategy 'Workforce Plus'. This provided the platform for subsequent work by local and national partnerships, and a focus for many of the learning issues prioritised by the Employability Learning Network.

## 3. POLICY MEASURE

### 3.1 Introduction and definitions

This section initially considers the wider employability policy framework in Scotland, the national<sup>22</sup> and local structures within which this is progressed, and then details the intended

<sup>14</sup> DWP benefit statistics: working age population by key statistical group.

<sup>15</sup> Statistics Release: Adults with Learning Disabilities, Implementation of 'The same as you?' Scotland 2008

<sup>16</sup> Health of Scotland's Population: Mental Health, Scottish Government Health and Community Care Statistics

<sup>17</sup> NOMIS, Disability level by economic activity, Annual Population Survey June 2009 – June 2010

<sup>18</sup> NOMIS, Economic activity of those with health problems, Annual Population Survey June 2009 – June 2010

<sup>19</sup> Scottish Government Criminal Justice Statistics, Criminal Proceedings in Scottish Courts 2009-10

<sup>20</sup> Prejudged: Tagged for Life, A research report into employer attitudes towards ex-offenders, Working Links, 2009

<sup>21</sup> Shelter Scotland Homelessness Statistics 2009-10



contribution of the Employability Learning Network (ELN) in supporting these developments.

In the Scottish context, the ELN defines 'employability' as '...all the things that enable people to increase their chances of getting a job, staying in, and progressing further in work<sup>23</sup>'. The key developmental points from this definition are firstly the recognition that employability support needs to incorporate a wide range of issues which impact on someone's ability to progress in the labour market, and secondly that supports need to be available from the earliest part of an individual's journey, through to sustaining and progressing into employment. These two factors influence much of the developmental work at national and local levels detailed below.

### 3.2 The policy framework - Workforce Plus

Since 1999, Scotland has had a devolved parliament based in Edinburgh. The legislative framework assumes all powers are devolved, with the exception of defined policy areas 'reserved' to the UK Government. Overall employment policy is in this latter category, as is responsibility for welfare benefits. But most of the other related issues around employability are the responsibility of the Scottish Government including skills, economic development, health, education, and regeneration activities. Understanding this context is important to understanding how employability strategy and delivery has evolved in Scotland.

At the UK level, the incoming Government in 1997 triggered a series of activities within their overall 'welfare to work' policy. This signalled a more proactive approach to labour market interventions which - through a combination of supportive measures and increased benefit conditionality - sought to move many more disengaged people into work. The UK Coalition Government elected in May 2010, has reformed and extended this approach through: consolidating approaches in a new single 'Work Programme'<sup>24</sup>; increasing benefit conditionality; and a significant planned reform of the welfare system.

Within this context, the key document which has directed recent policy and practice development in Scotland is 'Workforce Plus: an Employability Framework for Scotland'<sup>25</sup>. Published in June 2006, this strategy recognised that more needed to be done to assist the estimated 168,000 Scots not working but who were identified as wanting to access employment. Further work was needed at both local and national levels to address this challenge. Whilst acknowledging positive developments, including an estimated investment across all agencies of at least £515 million per annum<sup>26</sup>, this work was often fragmented and uncoordinated across the various agencies involved. There was a need to better understand the nature and needs of the types of people requiring assistance, and for a stronger evidence base on what support interventions were most effective. Workforce Plus also noted the need to improve linkages across different policy domains, strengthening links between the employability, health, justice and education sectors.

Based on this analysis, Workforce Plus identified the need for action at local and national levels against six themes: the importance of early interventions; the need for client focused approaches; the need to develop strong employer engagement mechanisms; the importance of sustaining and progressing people once they are in employment; the need to join up and plan services better; and the need to seek and measure improved outcomes.

### 3.3 Priority target groups and areas

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<sup>22</sup> As detailed later in this section, Scotland has a devolved parliament within the overall governance framework of the United Kingdom. The context in which the term 'national' is used in this paper refers to Scotland.

<sup>23</sup> ELN website: <http://www.employabilityinscotland.com/employabilitylearningnetwork.aspx>

<sup>24</sup> The Work Programme is explained further in annex 2.

<sup>25</sup> Scottish Government, June 2006: 'Workforce Plus - an Employability Framework for Scotland'. A sister document to Workforce Plus, 'More Choices More Chances' represented the other element of the Scottish Employability Framework, and addressed the challenges of reducing the numbers of young people aged 16-19 'not in employment, education or training' (NEET). Scottish Government - June 2006.

<sup>26</sup> Calculated for the years 2003/4 and 2004/5, and recognised as a likely underestimation of the total relevant budgets. Scotland has a population of approximately 5,100,000.

Workforce Plus identified a series of groups who were much more likely to be out of work and thereby required to be the focus of action. As indicated in Section 2, these included: people with no qualifications; people who are long term unemployed; lone parents; people with caring responsibilities; people with disabilities or health problems (in particular mental health problems); ex-offenders; people with drug problems; and people experiencing homelessness issues. It was also recognised that many people experienced a combination of many of these issues, increasing their potential barriers to labour market engagement.

Analysis also highlighted significant geographic concentrations of unemployment. As a consequence, seven geographic areas were designated as priorities for action and received a small amount of additional direct funding from Workforce Plus<sup>27</sup>.

### 3.4 The remit and membership of national employability support structures

The creation of national and local partnership based support structures, and the relationship between these, was recognised as the key mechanisms through which to advance the objectives of Workforce Plus. At the Scottish level these now include:

- A National Delivery Group (NDG) of key stakeholders which includes lead officers of local employability partnerships, national support agencies and the Scottish Government. The NDG has strong practitioner focus and: seeks to promote best practice; share information and learning between areas; identify potential barriers to progress; and lead developmental work on priority issues.
- The Scottish Employability Forum (SEF) which provides a higher level policy link and includes senior input from agencies including the Scottish Government, Jobcentre Plus, Skills Development Scotland, NHS Scotland and the Scottish Funding Council<sup>28</sup>, alongside representatives from the third sector and employers. The SEF considers cross cutting policy issues which impact on employability; these are often referred from the NDG.
- A Third Sector Employability Forum, which supports the development of capacity and connects the important contribution of the third sector to employability issues.
- A Health and Employability Delivery Group which articulates and embeds the critical connections between the employability and health agendas.

### 3.5 The development of Local Employability Partnerships

The national structures are complemented by a series of Local Employability Partnerships (LEPs) which have been established in most of Scotland's 32 local authority areas<sup>29</sup>. The precise remit and membership of the LEPs varies by area, but are based on advancing the aspirations for local action detailed in Workforce Plus. Membership normally includes representatives from: the local authority<sup>30</sup>; Skills Development Scotland; Jobcentre Plus; the National Health Service; Further Education institutions; the local voluntary sector; local employer forums; and (less commonly) Scottish Enterprise. The most common activities LEPs take forward include:

**Developing a local employability 'pathway'**<sup>31</sup> which defines the nature of the customer journey in a series of stages from initial contact with support agencies to sustained employment. These pathways recognise that people seeking support: start at different

<sup>27</sup> These areas were: Glasgow; North Lanarkshire; South Lanarkshire; Dundee; Renfrewshire; West Dunbartonshire; and Inverclyde. These are all in west central Scotland, with the exception of Dundee. The initial additional resources were comparatively small at £800,000 per annum per area. The main focus of Workforce Plus was to make the resources already in the system work better.

<sup>28</sup> A summary of the role of these agencies is contained in Annex 2.

<sup>29</sup> In some areas the LEPs also take forward local work connected to the 'More Choices, More Chances' strategy.

<sup>30</sup> Local authorities normally have a number of representatives on LEPs in recognition of the wide range of services they provide. These can include dedicated employability staff, alongside officers from: economic development; education; social work; community learning and development; and area regeneration services.

<sup>31</sup> Local areas use different terminologies, including 'pathway', 'pipeline' and 'continuum'. The basic principles are the same whichever word is applied.

stages in the process; will need different levels of support; and that they progress at varying speeds towards employment. The precise definition of the stages within local pathways varies. Commonly however, they cover: customer referral/engagement; pre-employability support/labour market barrier removal; vocational activity; employer support/engagement/job matching; and in work support/ aftercare. The centrality of the concept of pathways to the work of LEPs cannot be underestimated. Along with service mapping, they have provided a focal point to: assess partnership starting points; consider the specific needs of disengaged groups; identify what services are currently in place to meet these needs; establish gaps; and based on this, take appropriate developmental action. A recent evaluation of the North Ayrshire continuum summarised the value of this approach as follows ‘...the Employability Continuum has changed the way employability services are conceptualised and delivered locally – reducing overlap and duplication and ensuring all partners and delivery organisations know and understand what is being delivered and by whom. By changing perceptions and working practices, the Continuum has had a significant impact above and beyond the numbers it has helped move towards and into work<sup>32</sup>’.

**Mapping all the relevant services** provided by partner agencies against the defined employability pathway to ensure all partners and potential customers understand the collective service offer. This has commonly led to the establishment of service directories and databases. These are used by developmental and strategic staff to plan new service developments, and by practitioner level staff to improve the signposting between the various services.

**Developing specific engagement processes for ‘harder to help’ labour market groups**

- many LEPs have placed significant emphasis on identifying and applying innovative approaches to engaging groups who often fail to connect to service supports. An example of this approach is the development of the Glasgow’s network of ‘Bridging Services’, which have sought to engage more vulnerable groups by working closely across employability, health, addictions, social care, criminal justice, and homelessness issues. In addition to providing direct support at the point of customer engagement, the Bridging Services have operated pilot projects to test new approaches and have led a large scale capacity building programme which brings together front line staff from the various policy areas and the voluntary sector to discuss common interests and share information. The Bridging Services experience has reinforced the need to: clearly articulate common interests in advancing employability interventions; share information in a way which does not ‘assume’ knowledge; and to use all the points of initial contact that people may have (i.e. health or social care) as the basis to gradually introduce employability supports.<sup>33</sup>

**Developing shared local management information systems (MIS)** to improve client tracking and the recording of the impact of local partner interventions. Five LEPs were given specific funding to enable the development of information systems which tracked the effectiveness of a range of partner interventions and enabled a better understanding of the customer journey through various employability supports. The design of these systems was dependent upon agreement of a service pathway and a meaningful commitment to working in partnership across agencies. The ELN now assists sharing the learning from this work across other LEPs and has facilitated the rollout of further local MIS by providing information on the experience of the lead areas. Cost savings in adapting existing systems, rather than establishing new systems, are now anticipated.

**Developing and articulating a more coherent employability offer to employers** - a number of LEPs have progressed work to provide a more coherent and integrated offer to

<sup>32</sup> Review of the North Ayrshire Employability Continuum - University of Glasgow Training and Employment Research Unit, December 2010.

<sup>33</sup> Review of Glasgow’s Bridging Services: Final Report - Eddy Adams Consultants Ltd and Smart Consultancy (August 2009). The Bridging Services took forward and consolidated a previous ‘Equal Access Initiative’

employers. This has addressed employer concerns about a cluttered and confusing landscape - with too many public sector partners separately approaching the same employers. In response an 'employer offer' has now been formally articulated in many areas which seeks to simply bring together information on all the employability supports available to local employers and how these can be accessed. The information resources produced have included a service directory for delivery staff in support agencies. This enables better signposting to relevant supports between partner services, alongside a shorter summary of the services available for direct use by employers.

**Combining resources to support new services in response to identified gaps** - the most common sources of funding for LEPs include: funding from various local authority budgets (employability, regeneration, anti poverty initiatives, etc.); Skills Development Scotland; Jobcentre Plus; 'ring fenced' Scottish/UK Government budgets managed at the local level, such as the Fairer Scotland Fund and the Future Jobs Fund; the health service; and the Big Lottery. Many of these sources have then been used as match funding to access ESF and ERDF contributions. In Glasgow, Edinburgh and Dundee additional dedicated Department of Work and Pensions monies have been used in recent years as part of the UK Government's 'City Strategy Pathfinder' programme. The degree to which these funding sources have been fully integrated varies significantly. In some less developed partnership areas, it does not extend beyond services developed and funded by individual partners seeking to ensure in practice that they work together. Much more ambitious models now include elements of co-commissioning/design and procurement. In Glasgow for example, a 'Memorandum of Understanding' between partner agencies has become the basis to: combine resources, design service specifications, tender for services and then manage the successfully appointed contractors. This latter model is harder to achieve, but represents a deeper and more integrated partnership approach.

### **3.6 The Scottish Employability Learning Network (ELN) - background and rationale**

The ELN was established in late 2009 to take forward the capacity building and learning objectives of the NDG. It is a cross governmental initiative and aims to:

- Learn from other people and organisations facing the same problems.
- Access and publicise good practice and the evidence of 'what works?'
- Work with a bank of experts who will provide advice and share their experience through master classes, meetings, seminars and workshops.
- Develop and access resources such as toolkits, online learning programmes and 'how to' guides.
- Identify any new research, tools and resources needed by network members and based on this, commission any work required to address these requirements.

### **3.7 ELN services and activities**

The ELN currently provides a range of services and activities which include:

- A dedicated website which includes a continually increasing range of information, including: toolkits to assist practical action; case studies on good practice; news on relevant developments; and an information library of relevant publications. A recently added section enables each local area to 'showcase' its structures, developments, and good practice.
- A monthly e-bulletin which is distributed to a large network of subscribers in the public, private and voluntary sectors. This further highlights key developments, details forthcoming events, and shares good practice.
- The more recent introduction of a 'weekly round-up' which proactively informs subscribers of immediate developments of relevance to the employability agenda.

- The organisation of events for ELN members and wider partners. These focus on immediate and important wider policy and funding developments. Recent events have included bringing together representatives of LEPs with potential future delivery organisations of the new UK wide 'Work Programme' and the facilitation of discussions between local and national strands of the new EU Priority 5 funding to maximise the alignment and impact of these resources.
- Provision of an on-line community forum to enable interactive discussion of issues and developments relevant to ELN members and more recently the testing of social media based opportunities via 'Twitter'.<sup>34</sup>
- The development of short life sub groups to take forward specific issues. These recruit members of the network with specific knowledge on key topics to further develop and share practice. Recent sub groups have been established on local management information systems and employer engagement and a new sub group will shortly be set up to look at employability issues in rural areas.

In addition to the services offered, how the network operates is also key to understanding its approach. It has been developed and operates as a mechanism led by and responsive to its members. As a consequence, its activities continue to evolve in response to requests from members and key changes in the developmental context. In addition to feedback from network participants, these processes are also supported by ongoing links to the NDG.

### 3.8 ELN participation and resources

Participation in the ELN is open to anyone with an interest in advancing employability issues in Scotland at both a practitioner and policy level. It primarily consists of members of LEPs, but is also used by staff in national agencies and the third sector. Access to the website and wider participation in all of the network's activities is free of charge.

The ELN is coordinated and operated by the Scottish Government's Employability Team. Whilst all members of this team contribute to the work of the network, two officers are dedicated to its development - an ELN Manager and a Support Officer. The ELN has access to a dedicated Scottish Government Employability Team budget to commission specific work and to support wider network activities. The network also relies heavily on 'in-kind' resource contributions from participants. It is not possible to place a monetary value on these, but the costs will be significant. No direct European Union funding supports the network.

## 4. RESULTS

### 4.1 Introduction

Initially this section considers the overall evidence of impact of the Scottish Employability Framework and then seeks to identify the effectiveness and relevance of the ELN.

### 4.2 Assessing the impact of the Scottish Employability Framework

Workforce Plus contains only one specific performance target; this was to seek to reduce the number of people on working age benefits by 66,000 in the seven priority local areas between 2006 and 2010. This represented a 26% reduction in benefit claimants in these areas. Other areas were invited to review their activities and set appropriate targets. These were normally linked to wider Single Outcome Agreements (SOAs) established in each

<sup>34</sup> <http://twitter.com/employinscot>



area; mechanisms which seek to identify clear performance targets from all aspects of public sector investment<sup>35</sup>.

No formal national evaluation of performance of progress against these targets has been published. Two reasons appear most relevant to this: firstly that reporting on these indicators is largely anticipated locally through the SOAs and secondly that the labour market within which the employability strategy has progressed has deteriorated rapidly since 2006. Workforce Plus was developed towards the end of a sustained period of jobs growth and did not anticipate the very significant consequences of recession experienced in more recent years. In this context, performance expectations have consequently had to be revised downwards.

Some local evaluation work has been undertaken. This provides an insight into measurement approaches and performance, but it is by no means comprehensive across all areas. Formal external evaluations have been relatively uncommon across the LEPs.<sup>36</sup> The local studies highlighted below are instructive on what kind of measurements are applied and have assisted further development work in the areas covered. But significant caveats are required before drawing any Scottish wide conclusions from these. A key reason for the creation of LEPs was that each area faces different challenges and circumstances; consequently responses have varied considerably, limiting the scope to make direct comparisons.

#### **4.3 Local Employability Partnerships - examples of evaluation findings<sup>37</sup>**

The North Lanarkshire Employability Partnership is promoted as 'North Lanarkshire's Working' (NLW). This is a wide and ambitious partnership which has built upon a long standing history of interagency working in the area. An evaluation published in late 2010<sup>38</sup> found that in the period 2008-2010:

- 7,147 people engaged with the NLW service - significantly above the initial targeted figure
- 2,294 (30.5%) moved into employment
- 57% of people retained employment for at least 26 weeks
- 48% of the people assisted were registered unemployed for under six months, 14% were registered unemployed for over three years (the large majority of whom were women)
- The most common progression barriers for adult customers were (in order): a lack of qualifications; a lack of work experience; and disabilities
- 39% of the people assisted were from the most disadvantaged communities - significantly below the initial target of 60%

The North Ayrshire Employability Partnership has recently reviewed the impact of its 'employability continuum'<sup>39</sup> - the local terminology for the concept of a 'pathway'. Data analysed for the year 2008/2009 indicated that in this period:

- 2,033 people registered with the programme
- 558 people moved into employment

<sup>35</sup> SOAs are linked to national performance indicators and Community Planning Partnership structures; both of these are summarised in annex 2.

<sup>36</sup> Local progress against targets will, however, normally be reported in some form through SOAs.

<sup>37</sup> There has been limited comparative benchmarking work on the relative performance of local areas to date. Concerns continue that, without carefully identifying the similarity of the customer groups supported by each LEP, inappropriate comparisons may be drawn. In a competitive funding environment this is a very sensitive issue.

<sup>38</sup> Evaluation of North Lanarkshire's Working - Eddy Adams and David Smart, November 2010

<sup>39</sup> Review of the North Ayrshire Employability Continuum - University of Glasgow Training and Employment Research Unit, December 2010

- 239 people moved into transitional employment
- 533 people moved into training or education
- 433 existing employees received support from a 'job-rotation' programme and accessed further training and development opportunities
- 106 people progressed into volunteering opportunities
- 44 social enterprises were supported

#### **4.4 A framework for measuring the impact of the ELN**

Assessing the impact of the ELN cannot be based on similar metrics. The role of the network is not to directly assist people into work, but rather to provide a mechanism to share information, develop support tools, and disseminate examples of good practice around the variety of related structures which seek to do this. Consequently, performance needs to be assessed against a combination of measures.

**The quantitative information available on the scale and use of the various ELN services** - in the 16 months since the launch of the website 35,000 visits have been recorded and 160,000 pages have been viewed. Thirty percent of visitors use the site regularly. In addition, the e-bulletin has doubled subscriber levels to 1,300 and over 250 people read the weekly round-up. The content of the site includes 11 employability theme areas and the availability of over 30 practical 'toolkits'.

**Qualitative reflections on the relevance and quality of the network's activities** - the website is well presented and easy to navigate; the content is clearly relevant to the challenges within the wider Scottish employability strategy; and the events have provided a forum for a wider range of stakeholders to come together and consider the practical alignment of planned developments. Participant feedback, whilst largely anecdotal, appears to confirm the network's value. Comments include that '...it is an excellent resource', whilst another LEP member notes they had '...sourced most of my information from the network to date'. More specifically, a local practitioner reflected that through involvement in the ELN they had '...learned to give greater consideration to priority groups and how agencies can work together'.

**The degree to which the overall approach of the ELN appears correct** - the ELN operates on the basis of significant inputs from a range of partners and members. Scottish Government support and leadership has certainly been important, but the network only remains sustainable if participants continue to provide a range of high quality and practical information. From the outset, the approach has consequently been very focused on providing a participatory, member led and owned vehicle. Many options are open for participants to request and influence further network development.

## **5. DIFFICULTIES AND CONSTRAINTS**

### **5.1 Delivering the Scottish Employability Strategy**

The overall employability strategy in Scotland has not been formally reviewed, but progress and developmental work is ongoing through the various structures detailed above. Learning from these and the experiences of local partnerships, suggests a number of common difficulties and constraints. These are briefly considered below and could be examined in much more detail. But the main purpose of this list is to enable an assessment of the degree to which the ELN is supporting the employability community in addressing these challenges:

- **The Scottish labour market has declined significantly since the initial publication of Workforce Plus in 2006.** Unemployment rates have risen steeply, and the

anticipated recovery in job opportunities is not yet apparent. Finding opportunities for more marginalised labour market groups has become considerably more difficult in this increasingly competitive job market.

- **Very significant public sector budget cuts** are now impacting on all of the agencies who fund employability interventions and these can be anticipated to continue for some time in the future. This creates new challenges for partners in working together as their individual budgets are reduced, but also demands ever closer service alignment to ensure overall service provision is maintained in the context of fewer overall resources.
- **Progressing employability issues in Scotland must always seek to appropriately align UK and Scottish level developments.** Within LEPs, the key link agency in this respect is commonly Jobcentre Plus, which is the main partner organisation funded from UK rather than Scottish Government budgets. Whilst relationships are good in most areas, ensuring that developments at these different levels work well together is an ongoing consideration. The current introduction of the UK wide Work Programme is a good example of this challenge.
- **Working together in partnership across a wide range of areas is not straightforward.** Partners commonly have different: delivery systems; reporting mechanisms; geographic operating boundaries; performance priorities; and cultures. Respective partner understandings of the role and remits of other agencies can often be limited and out of date. Effective joint working cannot be taken for granted and considerable partnership capacity building has been, and will remain, important within the LEPs.
- **Finding meaningful, effective and integrated mechanisms to engage with employers remains challenging.** A great deal of good work is apparent across the country, but in many areas employers still feel the collective employability service offer is unclear and disjointed.
- **Establishing common management information systems has been difficult in practice.** Whilst a number of areas have pioneered the development of new systems, others have made little progress. In addition, incorporating information from locally funded services and the services funded at either a Scottish or UK level, has remained difficult.
- **More work is still required to further connect the employability agenda to other policy domains** such as health, justice and education - though significant progress on this has been apparent in recent years.
- **LEPs report ongoing problems in reaching some of the harder to help labour market groups** - particularly people on long term health benefits. Significant effort has been invested in designing and testing innovative approaches to this issue, but it remains a challenge. Linked to this, in many areas initial targets to engage a defined percentage of clients from the most deprived local communities have not been achieved.

## 5.2 Developing the ELN

Progressing the ELN has involved addressing a number of key challenges. These have included:

**Establishing the initial credibility of the ELN** - starting any network of this nature is challenging; networks need participants, but the existing level of participation is often a critical aspect of people joining. Quickly creating a 'critical mass' of involvement is vital. The creation of the ELN from the already well established NDG was central to overcoming this challenge.



**Communicating the purpose and nature of the network** - simply establishing the ELN name did not automatically lead to all potential network participants immediately understanding what it was or why they should be involved. Communicating clearly and consistently about what the network was, and what it expected of participants, was very important.

**Ensuring a lead agency drives these developments** - leadership and drive, particularly in the early stages of network development, are critical. Without dedicated resources, provided by an agency with credibility across the employability community, the network would not have developed at the pace achieved.

**Maintaining the flow of high quality information** - the network required to quickly establish a reputation for providing high quality, relevant and reliable information of practical use to participants. Sourcing this was, and remains, a major challenge. It requires continual reinforcement that the network is only as strong as the commitment of network members to contribute appropriate materials.

**Maintaining the right balance in network focus** - as the ELN continues to evolve, an inevitable challenge is ensuring the focus of activities remains correct. It is understandable that a significant volume and range of information is required to be available, but this requires a balance with concentrating on the most important issues. Linked to this, determining the correct mix of providing news of developments, alongside the provision of practical 'how to' guides and toolkits, will require ongoing consideration.

**Distinguishing between 'practice' and 'good practice'** - a key objective of the network is to promote 'what works?' Consequently, it seeks to showcase 'good practice'. But in reality agreeing what this is and what activities should be promoted by the network, is likely to be a sensitive issue.

**Keeping pace with a rapidly evolving context** - the pace of change in both the Scottish and UK employability context is very rapid and understanding the connections between various developments is often complex. These circumstances have presented additional challenges for the ELN, but addressing them creates an important resource for many network members.

**Ensuring the relevance of network services and content to all participants and areas** - although relatively small in population, Scotland is a very diverse country. In the employability context two factors are particularly important. Firstly, the significant area variations in terms of economic prosperity and deprivation. Secondly, the distinctions between the dense population profiles of Scotland's major urban conurbations and its large rural and remote areas. A truly 'national' network needs to be responsive to all these local circumstances.

## 6. SUCCESS FACTORS AND TRANSFERABILITY

### 6.1 The Scottish Employability Strategy

This section primarily focuses on the lessons from the ELN. But initially a number of features of the Scottish Employability Strategy are suggested as of potential relevance and applicability within other EU member states. These include the need to/importance of:

- Developing approaches within a wider national policy framework.
- Clearly defining and developing structures which link local and national actions, and address policy and practice developments.
- Agreeing and communicating a wide definition of 'employability' which recognises the importance of interventions from a range of other policy domains - most notably, health, education, justice, and community development and learning.

- Developing multi agency partnerships - locally and nationally - which engage all the key stakeholders and funding agencies.
- The need for clear leadership of local partnerships - this is normally provided by local authorities, but in some areas LEPs are chaired by representatives of other partners<sup>40</sup>.
- Local partnerships building actions from a number of core 'foundation' activities - the development of a service pathway; the mapping of all relevant existing services; and the development of agreements on how to align and capture management information across all partner interventions.
- Aligning, integrating and combining resources to maximise impacts, and mitigate against the realities of very significant overall resource reductions.

## 6.2 The Employability Learning Network - success factors

The ELN is a relatively new development and when this paper was written had been operational for approximately 16 months. It continues to evolve and grow. But despite this short lifespan, it has evidenced significant progress. Key factors central to this success are suggested below.

Success factors in terms of the services and mechanisms provided are suggested as:

- The ELN has created a strong and mutually supportive series of activities and services - linking policy and practice.
- The issues prioritised and covered by the various ELN mechanisms are clearly relevant to the employability context and the challenges presented within the wider strategy.
- A very strong and consistent focus has been placed on providing practical guidance in the form of 'toolkits' and the 'showcasing' of good practice. Members are provided with learning strongly focused on influencing action.
- The style and nature of ELN services are clear and accessible. In particular, the website is well presented and easy to navigate.
- The ELN has established credibility as a forum to bring together key stakeholders in events which have addressed the relationship between UK and Scottish developments, considered the integration of national and local issues, and enabled access for participants to wider expertise and experience.
- Considerable effort has been made to ensure information is available quickly on new developments and policy changes through in particular, the monthly e-bulletin and weekly round ups. Given the complexity and pace of current developments, compiling this in a single source is very useful to practitioner and policy stakeholders.
- The ELN continues to broaden and test new and more interactive communication mechanisms such as the discussion forum and Twitter. These may widen network participation in future.

Success factors in terms of the ELN approach and delivery include:

- The overall aspiration of the network from the outset to be responsive to and 'owned' by its participants - this has been continually communicated and has helped to ensure the ongoing relevance of its activities.
- The preparation of well presented promotional materials on the role of the network, which articulate what members can expect from the ELN and what they are intended to contribute<sup>41</sup>.

<sup>40</sup> In Glasgow, the organisation which incorporates the work of the LEP is 'Glasgow Works'. This is chaired by a very prominent Scottish businessman. His input is widely considered to have been a very positive contribution to the group's work - appropriately providing a different perspective to those provided by public sector participants.

- The quick establishment of significant levels of network involvement - this was essential to a sense of initial viability and 'critical mass'.
- The development of approaches which enabled and encouraged network members to input information. This was initially based on goodwill and the sponsorship of the well established National Delivery Group. More recently, the development of an area based page for each LEP has helped to provide a further platform for highlighting good practice and developed a healthy sense of 'competition' between local areas.
- The leadership and dedicated resources provided to operate the ELN by the Scottish Government's Employability Team. Whilst the network depends on contributions from members, it is very unlikely to have grown and maintained the momentum it has without the drive of these staff.
- The importance gained from the Scottish Government establishing the ELN as a cross departmental initiative - strengthening links across different policy domains.
- Enabling network participants to engage in different ways, at different times and with varying levels of intensity. The ELN does not operate a formal membership system, considering that this may have dissuaded some people from initially participating.
- Offering participation and access to the ELN free of charge. It is not clear what the implications of applying charges for involvement would have been, but it can be predicted this would have restricted the levels of involvement and the range of network inputs.
- A commitment to ensure the network's activities are relevant to all areas of Scotland - for example by agreeing to the establishment of a rural employability sub group.

### **6.3 The Employability Learning Network - potential transferability**

Based on this review, a policy development similar to the ELN would appear to be a potentially valuable and transferable option for other EU countries. The benefits of the approach taken and the services provided, appropriately customised, are likely to be common. Few technical challenges are suggested. It would be necessary however, to consider the degree to which local and national support structures are replicated in some form and whether there is an acceptance of the wider definition of 'employability' applied in Scotland. A leadership and resourcing role comparable to that provided by the Scottish Government would also be required - particularly in the initial set up and developmental stages.

Another key transferability issue is scale. Scotland is a relatively small country with just over 5,000,000 people - a large majority of whom are concentrated in the populous 'central belt' between the main cities of Glasgow and Edinburgh. This has enabled close and long standing relationships to have been established between many key players across the partner agencies. This situation will be different in larger countries, which will bring new challenges and perhaps the requirement to consider more regionally based initiatives.

A further developmental opportunity worth consideration is the degree to which similar networks in other member states could themselves connect with each other to provide a wider forum to share good practice. This could shortcut access to high quality and relevant information between countries - applying the core principles of the ELN across a much wider geographic area.

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<sup>41</sup> For example, an ELN promotional leaflet and the 'ELN Members Guide'. Both of these documents are available on the website.

## ANNEX 1: SUMMARY TABLE

Labour market situation in the Host Country
<ul style="list-style-type: none"> <li>• An overall employment rate of 71.1% - above the UK and EU averages.</li> <li>• Since the pre recession peak in the spring of 2008, employment levels down 2.9% (73,700) and the ILO unemployment rate up 4.1% (111,700).</li> <li>• A wide range of disadvantaged groups with labour market participation rates significantly below the overall average.</li> <li>• Slow and variable pattern of GDP recovery since early 2010.</li> </ul>
Key features of the policy measure
<ul style="list-style-type: none"> <li>• Development of a national employability strategy focused partnership action to assist identified disadvantaged groups into work.</li> <li>• Development of an Employability Learning Network (ELN) to share good practice, provide practical assistance and build capacity within Scotland's employability community.</li> <li>• Development of the network based on strong member ownership and participation.</li> </ul>
Results
<ul style="list-style-type: none"> <li>• Since late 2009, 35,000 website visits, 1,300 e-bulletin subscribers; 164 participants receiving the ELN weekly round up.</li> <li>• Over 30 practical 'toolkits' available through the network.</li> <li>• High quality, accessible and easy to navigate information clearly relevant to the challenges set in the national strategy.</li> </ul>
Difficulties and constraints
<ul style="list-style-type: none"> <li>• Establishing initial credibility and the scale of usage for the network.</li> <li>• Clearly communicating to potential participants the role of the network and the expectations on them to provide relevant information and good practice examples.</li> <li>• Determining the correct balance between providing 'news' and practical support tools.</li> <li>• The sensitivities of identifying 'good' practice.</li> </ul>
Success factors and transferability
<ul style="list-style-type: none"> <li>• The overall ELN package of services and activities.</li> <li>• The leadership and support roles of the dedicated Scottish Government support team and the national Delivery Group.</li> <li>• Free and flexible access to network participation.</li> <li>• Potentially transferable to other countries, but with the recognition of the need to replicate equivalent support structures and factoring the relatively small size of Scotland.</li> <li>• Opportunities for similar networks in other countries to link together.</li> </ul>

## ANNEX 2 - PARTNER ORGANISATIONS IN THE PROVISION OF EMPLOYABILITY SERVICES IN SCOTLAND

The following section briefly summarises the roles of various agencies referenced in the paper and provides some further background information on key terms of relevance to the employability context.

### Partner agencies

*The Scottish Government* - is the devolved administration for Scotland and answers to the Scottish Parliament. It is responsible for most of the issues of day to day concern to the people of Scotland, including: health; education; justice; environment and rural affairs; and transport.

*Local authorities* - Scotland has 32 democratically elected local authorities. These provide a wide range of key services funded by a combination of a local 'Council Tax' and a grant from the Scottish Government. Main functions include the local management of education, social care, housing, environmental and transport services. Local authorities also deliver local economic development, area regeneration and dedicated employability services.

*Jobcentre Plus* - is an executive agency of the UK's Government's Department of Work and Pensions. It provides services that support people of working age from welfare into work and helps employers to fill their vacancies. Scotland is one of six Jobcentre Plus regions in the UK. It currently incorporates six operating areas, but this will shortly be reduced to four.

*Skills Development Scotland (SDS)* - is the lead national agency for the promotion and delivery of skills to individuals and employers. It provides a range of services including training, careers advice and guidance and lifelong learning. SDS has five operating regions, but seeks to build and integrate service delivery from the local authority level.

*NHS Scotland* - is responsible for all of Scotland's primary and secondary health services. Services are primarily delivered and managed by 14 local NHS Boards.

*The Third Sector* - the third sector is the generic term which includes the growing numbers of services and enterprises in Scotland which operate as non profit distributing organisations. It includes voluntary sector organisations, social enterprises and co-operatives.

*The Scottish Funding Council* - is the national strategic body that is responsible for funding, teaching, and learning provision, research and other activities in Scotland's 43 Colleges and 20 university and higher education institutions.

*Scottish Enterprise* - is lead national economic development agency in Scotland which works with businesses to stimulate economic growth and improve business environment.

### Other key terms/initiatives

*Community Planning Partnerships (CPPs)* - these are local partnerships set up by statute in 2003. Led by the local authority, they enable a range of local public sector stakeholders to come together and plan collective service provision across all service areas. This process is largely directed by the development and reporting on Single Outcome Agreements (see below). Local Employability Partnerships (LEPs) will normally report through local CPP structures.

*Single Outcome Agreements (SOAs)* - are linked to CPPs and require each local area to align all planned funding interventions to a series of clearly defined outcomes. These local outcomes are required to be consistent with a Scottish Government national outcomes framework. LEP progress in terms of employability issues are contained in the SOAs.

*The Work Programme* - this is UK wide Department of Work and Pensions programme which will be introduced in the summer 2011. It aims to consolidate a range of existing programmes into a single package which offers a wider group of people support to access the labour market. In particular it will support a process to ensure more people on long term health benefits become 'active' jobseekers. This is linked to wider changes in welfare benefit eligibility. The Work Programme will be delivered through a series of commercially contracted prime contractors from the private or voluntary sectors.

*Integrated Employment and Skills (IES)* - is a UK wide initiative but with a distinctive Scottish dimension. It primarily involved closer working between Jobcentre Plus and Skills Development Scotland to ensure easier access for people to an integrated package of job seeking assistance, skills development support, careers advice and guidance, and access to literacy and numeracy support. After a series of pilots this initiative is now being rolled out across Scotland and this development is expected to increasingly integrate with the work of LEPs.

### **Poverty definitions**

The Scottish and UK Governments use two main poverty measures, both of which reveal slightly different information about changes in poverty over time. These measures are relative and absolute poverty:

*Relative poverty:* Individuals living in households whose equivalised income is below 60% of UK median income in the same year. This is a measure of whether those in the lowest income households are keeping pace with the growth of incomes in the economy as a whole. In 2008/09 the relative poverty threshold for a couple with no children was an income of £244 per week from all sources (income from all sources before housing costs and after income tax, national insurance, etc.). For a couple with children, the threshold would be higher and for a single person (without children) the threshold would be lower.

*Absolute poverty:* Individuals living in households whose equivalised income is below 60% of the (inflation adjusted) Great Britain median income in 1998/99. This is a measure of whether those in the lowest income households are seeing their incomes rise in real terms. In 2008/09 the absolute poverty threshold for a couple with no children was an income of £209 per week from all sources (income from all sources before housing costs and after income tax, national insurance, etc.).