

No One Left Behind (NOLB)

Employability Funding Stream

EQIA Summary

September 2019



Scottish Government
Riaghaltas na h-Alba
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**Equality Impact Assessment – Summary
No One Left Behind (NOLB) Funding Stream**

Title of Policy	2019/20 No One Left Behind (NOLB) Funding Stream
Summary of aims and desired outcomes of Policy	<p>Scotland's new National Performance Framework and Economic Strategy set out the Scottish Government's purpose and vision for inclusive economic growth. A critical aspect of inclusive growth is ensuring that as many people as possible, including those further from the labour market and facing complex or challenging circumstances, have the opportunity to access fair and sustainable work.</p> <p>Developing Scotland's employability system in this way will require partners at local, regional and national level to work together and in collaboration with providers of other services. No-One Left Behind (NOLB) Employability Funding Stream commits to working with Local Government partners, to develop a joint action plan that will identify and address emerging employability themes which will include a focus on improving integration and alignment of employability provision at a local level to help simplify the landscape.</p> <p>We want to ensure we have the right support in place for people making their first steps into the labour market; for disabled people and other equality groups experiencing disadvantage in the labour market; and for workers who need a second chance to find and sustain work. We believe that delivering this agenda is vital to ensure a more diverse and inclusive workforce.</p>
Directorate: Division Team	Fair Work Employability & Skills: Employability Division

Executive Summary

Introduction

An Equality Impact Assessment (EQIA) is intended to examine an existing or proposed policy to identify what effect it may have on different groups in the community. Carrying out the assessment can help to pinpoint any potential negative impacts on a particular equality group. It can also help to show what the potential benefits may be to certain equality groups from implementing the proposed policy.

Employability services have a key role to play in addressing long standing barriers in the labour market so that everyone has the opportunity to fulfil their potential. From 1 April 2019, the Scottish Government will introduce the new No One Left Behind (NOLB) Employability Funding Stream, which is aimed at helping those members of society who face challenging barriers to finding and maintaining employment, reach their true potential

Background

The report on the Review of Employability Services was published on 5 December 2018, <https://www.gov.scot/publications/one-left-behind-review-employability-services/>, incorporating the main themes identified from both stakeholder sessions and research carried out, on the Scottish Government's behalf, by Blake Stevenson. The main themes include:

- Services should be more flexible, and more clearly designed around the needs and capabilities of the people who use these services;
- A more responsive person-centred approach, with users having access to a trusted mentor, who provides through and after care support, would benefit both users and employers;
- A single contact point is needed for employers that could streamline employer and stakeholder interaction, minimising the pressure on a select few employers and enabling more employers to be identified and involved;
- A more consistent approach to defining and demonstrating success and impact needs to be developed, including an approach that enables providers to work more effectively with those in more complex circumstances who may take longer to move into and sustain work;
- Organisations can access a vast array of funding to support employability services. Future funding arrangements should minimise the number of funding streams feeding into the system and have consistent performance requirements to reduce the bureaucratic burden on providers; and
- Longer-term funding arrangements would enable commissioners and providers to better plan, invest and innovate.

From 1 April 2019, Scotland's new, No One Left Behind (NOLB) Employability Funding Stream aims to:-

- Develop an employability system that is more flexible, joined-up and responsive to the needs of service users. Over the next 2-3 years, our ambition is to move towards new collaborative regional funding arrangements, working closely with key stakeholders.
- Integrating two of the existing employability programmes initially – Activity Agreements (AAs) and Scotland's Employer Recruitment Incentive (SERI) – this funding will be merged into the new local employability funding stream supporting “No One Left Behind (NOLB)”.
- The roll out of the initial phase of the new funding stream on from April 2019 will provide an opportunity for the Scottish Government to work in partnership with Local Authorities (LAs) to introduce a more flexible and user-based model of delivery that supports those in local communities at stages 1 and 2 of the Employability Pipeline who are most in need of employability support and those at stage 5 who need support to help them into work.
- During this initial stage, we will work towards achieving the overall objectives set out in the review above. LAs must ensure these principles and objectives are kept to the fore and be integrated successfully with roll-out of the full programme in 2021-22.

Referrals to the No One Left Behind funded programmes are expected to come from a range of organisations including: schools, LA Social Work Departments; Skills Development Scotland and other Third Sector organisations. While there is no guarantee of referrals to the service, there is an anticipation that around 2,500-3,000 individuals will be supported through the new Employability Funding Stream annually.

Arrangements for the NOLB from 2019-20 will include:

- Bringing the AA/SERI programmes into a single grant offer;
- Developing a combined programme, in line with objectives, that retains the two strands of activity and fits within legislative competence;
- Working with LAs to identify and design a programme that fits with our joint expectations;
- Ensuring that LAs are given the flexibility to deliver a programme that takes into account local need;
- Providing a Key Worker support service throughout a participant's journey; Retaining our ambitions under the 'Opportunities for All' strategy that focusses on improving outcomes for young people who are NEET (not in employment, education or training) or at risk of becoming NEET and are within 6 months of the school leaving date;
- Grant arrangements that enable the SG to administer the grant to individual LAs and monitor outcomes, while also affording LAs the flexibility to deliver the services identified as necessary in local areas;
- Arrangements that maximise the opportunity for inclusion of partner funds;
- SERI liabilities for those young people who started the programme in the current year but have not yet reached 52 weeks in their work placement; and

The Scope of the EQIA

The EQIA has been informed by detailed analysis of existing evidence and data (both qualitative and quantitative) in order to draw out the potential impacts of the policy for the eight protected characteristics:

- Age
- Disability
- Sex
- Pregnancy and maternity
- Gender reassignment
- Sexual Orientation
- Race
- Religion and Belief

Methodology

The evidence for this EQIA was taken from the Office for National Statistics (ONS), International Labour Organisation (ILO) and Labour Force Survey.

The Scottish Government has also utilised both formal and informal stakeholder feedback to inform policy. For example, we held a number of stakeholder engagement sessions in the spring and summer of 2018 with a range of stakeholders from the public, private and third sectors, recording details of best practice and noting suggestions for change. In addition, many stakeholders sent us in their written feedback for consideration. We also commissioned Messrs Blake Stevenson to gather feedback from service users and provide us with a written report.

Key Findings

The EQIA has provided evidence that there are groups who have difficulty in the labour market, this includes those with protected characteristics. This analysis has contributed to the design of NOLB, which will provide support to anyone experiencing difficulty including disabled groups, minority ethnic groups and lone parents (who are predominantly female) with the aim of helping them access fair and sustainable work.

Local Authorities have been asked to demonstrate how they will proactively reach out to all groups identified as struggling to find training or employment, and how the delivery of NOLB will not discriminate against those with multiple barriers to accessing sustained employment. The policy proposition relating to NOLB will primarily have an impact on individuals, their families and the communities and neighborhoods where people work and live. In particular, the service will benefit:

- Disabled people
- Those with Health Conditions acting as a barrier to work
- Care Leavers
- Refugees
- Ethnic Minorities
- Lone Parents
- People with convictions (someone who has completed a custodial sentence or a community sentence) or offenders (someone who is completing a community sentence)
- Those resident in the 15% most deprived Scottish Index of Multiple Deprivation areas (SIMD)

Age

Labour market outcomes for 16-24 year olds are poorer than labour market outcomes of other age groups. The funding Stream will be focused on age groups where support is needed most, however it will take an inclusive approach to support all ages. Labour market outcome data is available for all age cohorts allowing comparisons by age to be made. According to the Labour force survey, priority must be given to young people.

Disabled Groups

Labour market outcomes for disabled individuals are poorer than labour market outcomes of non-disabled individuals. This is especially true for disabled young people (16-24) who are shown to face double disadvantage in the labour market due to disability and their age. Disabled young people (aged 16-24) have a lower employment rate (43.2%) than their non-disabled peers (59.4%).

Racial Equality

Minority ethnic individuals are less likely to be in employment than those from non-minority ethnic groups. Minority ethnic young people aged 16-19 are more likely to be participating than those from non-minority (White) ethnic groups. School leavers of 'Asian – Pakistani' ethnicity were most likely to progress to a positive destination following school with 'Mixed or multiple ethnic groups' least likely to progress to a positive destination. Data on employment rates for 2018 indicates that there are differences in employment outcomes by ethnic group. In 2018, the employment rate for the 'White' population in Scotland was 75%. This compares to an employment rate of 70% for 'Indians', 65% for 'Pakistanis/Bangladeshis', 58% for 'black or black British', 51% for 'other ethnic group', and 48% for 'mixed ethnic group'.

Gender

On gender the evidence is mixed with men doing better on some measures and women on others. The employment rate for men (77.8%) in 2017 was higher than the employment rate for women (70.9%). The unemployment rate of 16-24 year old men (10.1%) was greater than the unemployment rate for 16-24 year old women (8.2%) in 2017. For inactivity, the rate for women (26.5%) was higher in 2017 than the rate for men (18.4%). We know that women are more likely than men to have caring responsibilities which would explain some of the difference. Men were more likely to be underemployed (would like to work more hours, given the opportunity) than women. In 2017, 8.5% of men were underemployed compared to 7.5% of women.

The Equality Impact Analysis has shaped and informed the Scottish Government's policy development by:

- Developing a Policy Statement for all future programmes allowing colleagues to structure and adapt the EQIA on an ongoing basis;
- Has helped to address the negative impact sanctions can have on vulnerable people in society. Scottish Ministers have agreed that all customers participating in Scotland's employability service should do so on a voluntary basis.
- Presenting an opportunity to design and deliver effective and targeted employment support services in Scotland that better meet the needs of unemployed Scots, those employing community and services that reflect national and local labour markets and which helps to build on existing service delivery in Scotland.
- An opportunity to better align, not just mainstream, employability support, creating the opportunity to deliver more effective, targeted and joined up public services and seek broader progress and potential shared outcomes (and investment) in devolved services.

Recommendation and Conclusion:

The EQIA process has not altered the policy intention but it has identified evidence gaps and likely data going forward to allow for policy implementation to be monitored.

The evidence suggests that this policy represents a small but important change, which will have no negative effect or but may have a potential positive effect on particular protected characteristics, specifically: age, disability, sex and black and minority ethnic employment.

During the process of policy implementation, the EQIA will be used to inform decisions on implementation and on the policy's interaction with other policies. It will also play a key role in the development of the policy for 2018 Devolved Employment Support Services.

The Scottish Government lacks robust evidence on how other protected groups are supported by employment services in Scotland and the outcomes they achieve. A clear ambition of the Service is to add to existing evidence and data on successful interventions for these groups.

To continue the learning for 2018, Scottish Government is asking Service Providers to collect the following in relation to protected characteristics:

- Gender;
- Age;
- Disability / long term health condition;
- Race;
- Religion;
- And Sexual orientation.

The equality impact analysis has shaped and informed the Scottish Government's policy development by:

- Driving changes to the Policy Statement and Operational Guidance. It has assisted in focusing the development of NOLB policy on protected groups and shaped the approach being taken to monitor success in this regard, building on the information being offered to Local Authorities giving breakdowns of the demography within areas.
- Committing to continuous improvement using evaluation and management information collected throughout to improve and shape future delivery of employability services.
- Using the devolution of employment services as a significant opportunity to design and deliver effective and more targeted employment support services in Scotland that better meet the needs of the unemployed, particularly those in protected groups, through services that reflect national and local labour markets, and which build on, and integrate with, existing service delivery in Scotland.
- Setting employment support services within a wider, coherent and forward looking Scottish labour market strategy based on core Scottish Government principles of sustainable economic growth, equality, fair work, and social justice.
- Framing an approach to monitoring the effectiveness of the Funding Stream in supporting protected groups, this EQIA will be referred to during the evaluation

processes for NOLB. We have disseminated analysis of the demographics within each Local Authority area. This analysis contains detailed breakdowns of age, sex, gender, race and religion, of the cohorts within each area. We will monitor provider's performance on a Quarterly basis and this will include progress on provision for those with protected characteristics in their areas.



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