

Equality Impact Assessment – Results

Devolved Employment Support Services 2017

May 2017

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Title of Policy	2017/18 Employment Support Services
Summary of aims and desired outcomes of Policy	<ol style="list-style-type: none">1. The aim of the transitional service will be to deliver high quality employment support to those with a disability who want and need help to enter and remain in the labour market.2. To create a strong platform for the delivery of a new programme from April 2018 and to work in partnership with stakeholders to establish support that achieves high quality outcomes.3. To meet the needs of people with disabilities who need more specialised support to find employment or keep a job once they have started work.4. To provide a voluntary, tailored and coherent range of specialist employment services which respond flexibly and effectively to the needs of disabled people and their employers.
Directorate: Division Team	Employment Support Services

Executive Summary

1. The Scotland Act 2016 places a duty on Scottish Ministers to provide employment support to those in Scotland who are disabled or at risk of long term unemployment from the expiry of current DWP contracts in April 2017. Scottish Ministers have agreed a transitional approach to the first year of devolution – 1 April 2017 to 31 March 2018 to maintain continuity of service for disabled people and those claiming Employment Support Allowance subject to Work Related Activity by DWP and who want support to enter work (with work defined as 16 hours or more per week). This will meet the 2015 Programme for Government commitment to replace the existing contracted services operated by DWP.

2. Scottish Government will replace DWP's Work Choice and Work Programme with two new 1 year programmes (i) Work First Scotland, a 1 year contract between Scottish Government and current DWP Work Choice Providers in Scotland; and (ii) WorkAble Scotland, delivered by Skills Development Scotland (SDS) delivering a new transitional employability service for customers with a health condition and at risk of long term unemployment, and who want to enter work.

3. The evidence gathered from a number of sources suggests that the policy represents a small but important change – (devolution of DWP Contracted Employment Support Services to Scottish Government). No negative impacts of the policy have been identified for any of the protected characteristics. The evidence has identified potential positive impacts concerning age, disability, sex and black and minority ethnic employment. The majority of anticipated impacts relate to advancing equality of opportunity to support those who want to work into work.

4. Evidence gathering and analysis provided through the 2015 Consultation undertaken by Scottish Government on the devolution of employment support served to highlight the affected customers and potential impacts on equality dimensions for 2017 Programme. The Equality Impact Assessment (EQIA) has not altered the policy intention, but it has highlighted areas that will require further development in the 2018 policy.
5. During the process of policy elaboration in advance of implementation, the information in the EQIA was used to inform decisions on implementation and on the policy's interaction with other policies. It will also influence the development of the policy for 2018 Devolved Employment Support Services.
6. Scottish Ministers agreed to enter into a Non-Competitive Action (NCA) with the three existing Work Choice Providers for Work First Scotland, Remploy, Shaw Trust and Momentum Skills. As this is a NCA, it limits our ability to influence any significant change to support our findings through this exercise, however, it will aid us in moving towards the new contract in 2018.

Background

7. The devolution of UKG contracted employment support allows us to build on existing Scottish Government services to develop the skills of our workforce and help them into work through employability support. It is an opportunity to better align and integrate services funded across Scottish Government and locally to help people into work. Cabinet's agreement to additional funding for these services is based on the premise of taking forward public sector reform in this respect and working towards the achievement of greater alignment of employability and skills services by 2020.
8. In March 2016, Cabinet agreed that the impact of UKG decisions resulting in significant reductions in future funding of contracted employment programmes required such a fundamental rethink of programme planning that at transitional year should be put in place from 2017. This would put in place an interim service, with a view to a longer mainstream programme being procured to commence in April 2018.
9. Cabinet further agreed that priority groups for this service would be disabled people, with a non-competitive action (NCA) with existing Work Choice contractors to maintain existing service levels to disabled people. A further gap was identified for those claiming Employment and Support Allowance who might be seeking employment support. Cabinet therefore agreed that Skills Development Scotland would provide a low volume service through the Employability Fund mechanism for these individuals.
10. Work First Scotland: Scottish Government is seeking to maintain the existing volume of services, which for 2015-2016 was 3,300 places. Job outcome performance expectations will be equal to or will exceed existing performance levels.
11. Work Able: Through Work Able Scotland, Skills Development Scotland will procure and manage up to 1,500 starts for eligible customers with a health condition who want to enter work and putting in place support for those at risk of Long Term Unemployment.
12. Both these transitional services will be a voluntary service with no application of DWP benefit conditionality or sanctions attached to participation.

13. It is Scottish Ministers' intention that no one is left behind, and supporting individuals in their journey towards employment, regardless of their starting point, their age or the barriers they face. A system of entitlement to support, based on need, was identified as the way forward.

14. A total of 215 responses to the consultation were received and then independently analysed. The report has been published on the Employability in Scotland website.

15. Respondents were also keen to ensure geographical equality. The most common benefit identified of a nationally designed programme was that it ensures consistency and equality of services by helping to avoid 'postcode lotteries' where service availability and quality vary across Scotland. It was felt that employability services formed part of the social inclusion response, given that inequality, poverty and disadvantage are linked to unemployment.

16. Scottish Ministers believe that no one should be denied opportunities because of their race or ethnicity, their disability, their gender or sexual orientation, their age or religion.

The Scope of the EQIA

17. 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

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

19. The Scottish Government has used both formal and informal stakeholder feedback to inform policy, including through the 2015 Consultation exercise. The Scottish Government published its response: '*Creating a Fairer Scotland: A New Future for Employability Support in Scotland*'.

Key Findings

20. Our assessment of the likely impact of the policy upon those within the protected characteristics identified the following potential positive impacts:

(i). Age – According to the labour market statistics, variations in employment and unemployment rates are apparent across different age groups. Unemployment rates vary between 15.8% (Aged 16-24) and 4.1% (Aged 35-49). No gaps were identified. In addition to this service, other Scottish Government support, such as the Employability Fund and support for young people through SERI and Community Jobs Scotland, customers of all working age will continue to be supported through locally funded support, in particular by local authorities and employability partnerships.

(ii). Disability – At 40.9%, the disabled employment rate is almost half of the non-disabled rate (81.5%) and is lower than the UK disabled employment rate of 47.9% (ONS, Labour Force Survey, Apr-Jun datasets 2016). The Scottish Government has published a Disability Delivery Plan with a series of key actions on employment and an overarching target to halve the disability employment gap. Devolved employment services will make a contribution to the achievement of this target. The new services offer a less prescriptive and more flexible provision with a greater focus on those who need specialist support, therefore presenting an opportunity to promote equality.

(iii). Sex – At first glance, women in Scotland perform well in the labour market, The current employment rate of 70.5% (ONS Labour Force Survey June-August 2016) is the 4th highest in the EU and, since the 2008 recession, women have contributed significantly to the recovery of employment rates in Scotland – more so than in the rest of the UK. However, male unemployment remains higher in Scotland than in the UK – 7.3% versus 5.2%). This support service will be available to those who need them and for those that meet eligibility. Service Providers have to ensure support complies with current legislation and have written equal opportunities policy in line with the Equality Act 2010.

(iv). Black and Minority Ethnic (BME) – Some ethnic minority groups suffer disadvantage in the labour market, and when broken down by gender, the employment rate for women in these groups is even lower. There are real issues of intersectionality, particularly for women from ethnic minorities and many reasons for this. Service Providers have been asked to engage positively to support such customers into sustained employment, recognising the geographical variations in ethnic minority populations, and the sensitive culture issues affecting them. SG will influence the Invitation To Tender (ITT) for the 2018 Service to ensure potential bidders outline how they intend to address this.

21. 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;

The 2015 Consultation provided a clear focus on key priorities in developing the policy for the transitional year and assisted highlighting areas of equality to be taken into account in delivering the programme;

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:

And providing an opportunity to better align, not just mainstream employability support, but also disability employment services with other Scottish Government and Public Sector support for unemployed Scots, such as Welfare, Health & Social Care, 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:

22. 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.

23. The evidence suggests that this policy represents a small but important change (devolution of Contracted Employability Support Services from DWP), which will either have no effects or potential positive effects on particular protected characteristics, specifically: age, disability, sex and black and minority ethnic employment.

24. 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.

25. The Scottish Government lack 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.

26. Also, Scotland's transitional programmes will be a 'universal' offer to all eligible people in the flow population, whilst other voluntary programmes over the last 20 years have mostly been self-selecting (by referrer, provider, and/or individual) resulting in a higher proportion of motivated participants.

27. 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;

Religion;

And Sexual orientation.



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