

# SCVO briefing to Scottish Parliament

## Employment Support

September 2020

### About SCVO

The Scottish Council for Voluntary Organisations (SCVO) is the national membership organisation for the voluntary sector. We champion the sector, provide services, and debate big issues. Along with our community of 2,000+ members, we believe that charities, social enterprises, and voluntary groups make Scotland a better place.

Evidence from this briefing is drawn from a series of engagement with the sector over the past couple of months on the impact of coronavirus. It is also drawn from our experience of running Community Jobs Scotland since 2011 and ongoing work in the field of employability.

### 1) The future of employment support?

Numerous programmes and schemes have recently been announced to try and mitigate the impact of the pandemic on employment over months to come (Young Person Guarantee, Kickstart, Green Jobs Fund, National Transition Training Fund, Centre for Workplace Transformation, Partnership Action for Continuing Employment (PACE), Green Jobs Fund etc). At the time of writing, it is fair to say that many questions remain unanswered in terms of employment support. The voluntary sector has representatives on several working groups established at national level which is welcome. Nevertheless the input from the sector still feels too often like an afterthought. Regarding the programmes mentioned above, it is yet far from clear what the exact role of the sector will be and how all these programmes will (or not) align with each other. It also remains to be seen what funding will be available to the sector and which resources voluntary organisations will be able to rely on as these new programmes develop.

### 2) Sector's role as an employer

The voluntary sector has a vital role to play in shaping Scotland's future. The Scottish voluntary sector encompasses an estimated 40,000+ organisations, from grassroots community groups and village hall committees to more than 6,000 social enterprises, nearly 25,000 registered national charities, and over 100 credit unions. Together, they employ over 100,000 paid staff, work with over 1.4 million volunteers, and have a combined annual turnover that reached £6.06b in 2018. Those figures demonstrate the key role of the sector as an employer and a significant economic actor; and we welcome the Scottish Government's recognition of the 'level and scale of services' the voluntary organisations can provide 'and the crucial role they play in our communities' in the 2020/21 Programme for Government (PfG).

Nonetheless our role as an employer also means that the sector is not immune to the impact of the pandemic on employment. The Scottish Parliament's recent inquiry into the voluntary sector concluded that 'the ability of the sector to provide support to the most vulnerable in our society in uncertain economic times is crucial.' But, for many of Scotland's charities and community groups, the outlook for 2020 was already 'unsettled' well before the pandemic hit. Respondents to our 2019 Sector Forecast

Survey<sup>1</sup> echoed known challenges of increasing demand against a backdrop of shrinking public sector budgets. 34% thought their organisation's financial situation would deteriorate, 75% believed the sector's economic situation would worsen, and 82% were worried about funding cuts.

Today many organisations face the threat of closure in the months and years ahead. While emergency Scottish Government funding streams have provided vital support during the pandemic, several organisations have had to reduce services and others have already ceased operations. The announcement of a £25 million Community and Third Sector Recovery Programme in the PfG does show that the sector is seen as essential to recovery. This funding may help some organisations to keep their doors open but it is likely that more people in the sector will become unemployed.

SCVO has a role to play in supporting organisations across the sector in what is now the 'recovery' phase. To help members focus on vital frontline services (and with initial funding provided by The National Lottery Community Fund) SCVO is currently setting up a HR and Employment Support Service. The new service will provide HR support and guidance for voluntary sector organisations on leaving lockdown, flexible working, restructures, redundancies and supporting positive employee mental health. The latest figures gathered by SCVO shows that on average between 15% and 30% of staff have been furloughed, which works out as 16,000-32,000 of the sector's 108,000 paid staff. There is a need to create jobs in the sector and many questions remain when the furlough scheme ends in October given the precarious financial position of most charities. What will happen with furloughed staff and other staff longer term – transition funding? redundancies? Staggered returns? Redeployment?<sup>2</sup>

### 3) Sector's role in supporting people furthest away from labour market

Another key role performed by the sector is supporting people to access employment through employability programmes, thus helping to reduce unemployment and tackle issues such as the disability employment gap. We know that people who were furthest away from the labour market prior to coronavirus will need even more support now. More specialist employability programmes will be vital in the context of increasing unemployment and a transition to a wellbeing-oriented economy where skillsets will need to adapt. As more intensive support will be required, it is crucial to remember that the voluntary sector can help develop and deliver a person-centred service.

On one hand, policies are key levers in addressing employment support. The ethos behind *No One Left Behind* (NOLB), the Scottish Government's employability strategy, is right but we need to ensure that employers are aware of such plans and are at least being kept informed of developments, preferably involved in shaping their design. Evidence from Community Jobs Scotland (CJS) programme<sup>3</sup>, suggests that many employers and employees do not have knowledge of key policies at present. For

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<sup>1</sup> You can find results from the survey at: <https://storage.googleapis.com/scvo-cms/wp-content/uploads/2019/02/Third-Sector-Forecast-2019.pdf>

<sup>2</sup> See *Coronavirus and its impact on the Scottish voluntary sector – what do we know so far?* available at: <https://scvo.org.uk/p/38967/2020/06/08/coronavirus-and-its-impact-on-the-scottish-voluntary-sector-what-do-we-know-so-far>.

<sup>3</sup> CJS is funded by the Scottish Government and managed by SCVO. It has operated since August 2011, across all local authorities and has created nearly 10,000 paid opportunities with over 1,000 Scottish voluntary sector organisations for young unemployed people (aged 16 to 29) who are most disadvantaged in the labour market. More information can be found at <https://scvo.org.uk/jobs/community-jobs-scotland>.

example, only 18 out of 87 attendees at the CJS event held at the Gathering<sup>4</sup> in 2020 were aware of NOLB. SCVO certainly has a role to play in sharing relevant information but more must be done by Scottish Government to ensure that regular updates can be provided to employers<sup>5</sup>.

Moreover the status of the voluntary sector also needs to improve in terms of parity of esteem with the public sector. To provide a platform and collective voice for voluntary organisations in Scotland, in relation to employability policy and practice, SCVO has recently joined forces with the Third Sector Employability Forum (TSEF). Through this partnership we are working together to influence the implementation and delivery of *NOLB*. Collaboration like this however cannot exist in a vacuum. There still needs to be greater recognition of the voluntary sector as a genuine partner in shaping Scotland's future.

Finally helping people to get a job also requires better and greater alignment of policies. From education to social security, the support provided by voluntary organisations *prior to 'employment support'* is significant and yet often dismissed. Many people will need help with basic life skills before they are ready to enter employment. Organisations across the sector are currently providing this support to many people but this work is simply not recognised or valued as a key stage in the employability process. That must change to ensure that employment support truly focuses on a person's entire journey helping them achieve their potential and lead a better life.

#### 4) Focus on youth employment

Although people across all ages will be affected by the impact of coronavirus on the labour market, young people are most likely to be affected by a new recession<sup>6</sup>. Young people are our future and they are the workforce of tomorrow, they must therefore be a priority. The launch of the Kickstart programme<sup>7</sup> and the announcement of the Young Person Guarantee by Scottish Government highlight the importance of youth employment. It is still early days and numerous questions remain regarding the implementation of both schemes in the coming months. What is essential is for the sector to be considered as an equal partner in implementing these programmes, and for necessary resources to be put in place so that employers receive help as needed and as many young people as possible can be supported and find a sustainable job in the longer term.

Across the sector significant evidence has been gathered over the last few years, even decades, on what works best when supporting young people and what the barriers are. As an example, at a CJS event earlier this year employers cited confidence as the biggest barrier for young people, followed by interpersonal skills around integrating within the workplace. Meta-skills are crucial to increase confidence and ensure that young people gain/remain in employment. It is important to understand and recognise that many employees will need help with basic life skills such as time keeping, communication with others, behaviours in the workplace. This should be acknowledged more widely and addressed with appropriate resources.

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<sup>4</sup> The Gathering is organised every year by SCVO and is the largest free voluntary sector event in the UK. In February 2020, the CJS team from SCVO organised a session attended by 87 employers and employees from across Scotland to gather feedback on the programme and their needs for the future.

<sup>5</sup> At the time of writing, NOLB's delivery plan is still due to be published.

<sup>6</sup> Latest Labour Market Overview, UK is available at:

<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/uklabourmarket/september2020>

<sup>7</sup> See <https://www.gov.uk/government/collections/kickstart-scheme>, and <https://www.gov.scot/publications/youth-guarantee-no-one-left-behind-initial-report/>

Over the past few months, the current crisis has also highlighted the need for all sectors to come together and provide solutions. In response to this, TSEF, Scottish Training Federation, Scottish Union of Supported Employment and Employment Support Scotland – ERSA are currently working together focusing on the economic impact of the pandemic on people with a view to develop a series of recommendations for Scottish and local governments. Moreover, examples of good partnership working between the voluntary sector and public sector during the pandemic prove that innovative ways of working must be supported and expanded.

***Example of good partnership working in employability:***

*Values in Action Scotland (VIAS) is committed to ensuring people with learning disabilities or autism have the same opportunities as everyone else and are supported to achieve these goals, including work. While their planned events were halted due to the lockdown, VIAS' already strong relationships with Renfrewshire Council was integral to their efforts in moving these vital services for young people with learning disabilities or autism online. Their first online Young Scotland's Got Talent event in July (delivered in partnership with Scottish Commission for Learning Disability) was a huge success, and the Economic Development Department at Renfrewshire Council ran a Project SEARCH workshop for virtual attendees. Together with Glasgow City Council and North Lanarkshire Council, all three councils provided role models to discuss employment and opportunities for young people. Positive partnerships between VIAS and Renfrewshire Council have also supported communications for Project SEARCH, a one-year transition programme which provides employability training and education. Having noticed some vacant placements remaining available, VIAS and the council have worked together on a communications plan to promote the project and opportunities online. Positive relationships stretch beyond Renfrewshire, with North Lanarkshire Supported Enterprise having commissioned VIAS to deliver autism awareness and creating an inclusive workplace training online after recognising their innovative approach to co-produced training at a recent VIAS event. This example highlights the importance of strong ongoing relationships between local government and the voluntary sector, and how continued dialogue can foster new opportunities even in the most challenging of times.*

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