

Jobs and Wellbeing Economy Directorate
Employability Division

NO ONE LEFT BEHIND

ALL-AGE EMPLOYABILITY SERVICE

LOCAL EMPLOYABILITY PARTNERSHIPS

BEST PRACTICE GUIDE

2024/25

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CONTENTS	PAGE
1. Context	3
2. National Service Products	4
3. Personal Support – Employability Key Worker	5
4. Employability Pipeline	6
5. Eligibility	8
6. Eligible/Ineligible Costs	9
7. Discretionary Payments	11
8. Early Intervention	11
9. Duration	12
10. Participant Journey	12
11. Employer Recruitment Incentives	12
12. Engaging with Business	12
13. Training Allowances	13
14. Disclosure Scotland Checks	13
15. Equalities	13
16. Reporting and Claiming	13
17. Progression and Outcomes	14
18. Completers	15
19. Early Leavers	15
20. Fair Work First	15
21. Payment of at least the Real Living Wage	15
22. Appropriate Channels for Effective Workers' Voice	16
23. Verification	16
24. Management Information	16
25. Participant Feedback	16
26. Audit and Compliance	16
27. Education Maintenance Allowance (EMA)	17
28. Welfare Benefits	17
29. Questions	17
30. Annex A - Frequently Asked Questions	18
31. Annex B - Parental Transitions Support	21

1. Context

Scotland's [National Performance Framework](#) and [National Strategy for Economic Transformation](#) 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, can access and progress within fair and sustainable work.

Building on the Scottish and Local Government [Partnership Working Agreement](#) for Employability, we are working with local government and other partners to design and deliver person-centred employability services that support people to move towards, into and within employment. The first phase of the new model was rolled out in April 2019 and the second phase in April 2022 supported by a [Local Employability Partnership Framework](#). Referrals to Fair Start Scotland ended in March 2024. From 1 April 2024, all-age employability support for disabled people and those at risk of long-term unemployment is provided through our No One Left Behind approach.

Grant funding arrangements enable Local Employability Partnerships (LEPs) to apply flexibility to delivering employability support to ensure that services are responsive to both service users and local labour markets.

No One Left Behind continues to provide the opportunity to LEPs to ensure that a co-investment approach achieves Scottish and Local Government joint ambitions, delivering transformational change and an employability system that improves outcomes for all users.

As part of the implementation of Phase 2, Scottish & Local Government introduced local level 3-year Delivery Plans covering the period April 2022 to March 2025. In addition to this, each Local Authority must provide an Annual Investment Plan detailing expected delivery over the coming year.

There is still work to be done to fully integrate employability services across Scotland, and the Scottish Government is continuing to engage with Local Government and other partners to develop the No One Left Behind approach. Continuous improvement remains at the heart of all we do and we will continue to share best practice and learning both nationally and locally, gathering evidence of what works to inform future development.

No One Left Behind is an all-age approach which supports people with complex barriers to enter the labour market.

Tackling Child Poverty

Employment can offer a sustainable route out of poverty for many families. The Scottish Government published '[Best Start, Bright Futures: Tackling Child Poverty Delivery Plan](#)' on 24 March 2022, building on the work of the first Tackling Child Poverty delivery plan and setting out an ambitious target to support 12,000 parents into work and an additional 3,000 in-work parents to increase their income from employment.

Whilst employability has a key role to play in reducing Child Poverty, our ambitions cannot be met by employability support alone. Not only must we extend the reach of our services to parents but we must build stronger links with other services locally to provide the integrated packages of support that parents need.

No One Left Behind will continue to provide both pre-employment and in-work training support to parents from the priority family groups, and who are most at risk of or experiencing poverty, to increase their earnings through employment.

Through Tackling Child Poverty, No One Left Behind provides support to:

- Lone Parent families
- Families with a disabled child or adult
- Families with a young mother (aged under 25 years)
- Minority ethnic families
- Larger families (3 or more children)
- Families where the youngest child is under 1 year

Our service eligibility also recognises different family structures, such as a grandparent or guardian caring for a child. The targeted support available supports parents to address barriers, upskill and/or re-train to help increase family income. It provides personalised support for parents who face barriers to progressing their careers, including help to gain qualifications, improving skills or work experience, money advice, and motivational support.

2. National Service Products

Our National Service Products aim to help ensure that all employability services are consistent with the Scottish Approach to Service Design.

Service Standards: Working collaboratively with partners from the public, third and private sectors we have developed our Service Standards to bring national coherence and define expectations of delivery. These Standards cover a broad range of activity, including Local Employability Partnership activity and our expectations of service providers. These will also be the basis of annual delivery reporting from Local Authority areas. Our Service Standards enable Local Employability Partnerships to deliver consistent service quality whilst being empowered to determine how best to implement services in a way that meets user needs at a local level.

Customer Charter: This Charter has been co-designed with users of employability services and will help to ensure that people are at the centre of service design and delivery, and that all services are informed by lived experience.

Shared Measurement Framework: Employability services must make effective use of available data to understand how well they are reaching people in need and driving forward improvement. The Shared Measurement Framework will continue to play a key role in enabling the development of a system that is driven by consistently defined and measured data and supports a shift from multiple, separate approaches to measuring the success of services, to a coherent view of what is working for people at national, local, and individual levels.

Employability Key Workers and staff involved in the delivery of services under No One Left Behind must familiarise themselves with the Service Standards, and Customer Charter and actively consider how they ensure that these commitments are met.

3. Personal Support – Employability Key Worker

Consistent advice, guidance and support underpins the all-age No One Left Behind approach. Local Authorities have the responsibility to ensure that Employability Key Workers are qualified and experienced. The responsibility for ensuring there are sufficient, timely and quality learning and training opportunities across the strategic skills pipeline lies with Employability Leads. Employability Key Workers can be based either within the Local Authority or within private/third sector organisations where services have been commissioned.

Employability Key Workers will also provide pre-16 engagement support (but not provision or activity) for young people identified as requiring employability support for up to 6 months prior to leaving school. They will also work with Developing the Young Workforce/Curriculum for Excellence Leads in schools, focusing on ensuring that young people re-engage with mainstream pathways.

Additionally, Employability Key Workers should provide aftercare training support to enable participants to sustain progression and promote fair working practices, including payment of the Living Wage.

There are other interventions available for those who need support to find and sustain work. Employability Key Workers are best placed to help people identify the most appropriate intervention for their individual needs.

4. Employability Pipeline

The Employability Pipeline, or Strategic Skills Pipeline, model has been developed as a framework to support the effective delivery of employability services.

The five stages are set out below:

Employability Pipeline	
Stage 1: Referral, Engagement & Assessment	<ul style="list-style-type: none"> • Reaching out to individuals • Supporting people into regular activity and positive routines • Helping people to connect with others
Stage 2: Needs Assessment	<ul style="list-style-type: none"> • Assessing the initial needs of participants • Agreeing on activities to be undertaken • Addressing barriers to employment or training
Stage 3: Vocational Activity	<ul style="list-style-type: none"> • Delivering a range of accredited training and employment training for core skills. • Job search advice and activities • Raising awareness of enterprise and entrepreneurship in order to meet the needs of individuals
Stage 4: Employer Engagement and Job Matching	<ul style="list-style-type: none"> • Arranging work or volunteer placements with employers • Assisting individuals to secure job vacancies • Matching job-ready participants to jobs
Stage 5: In-Work Support and Aftercare	<ul style="list-style-type: none"> • Supporting individuals to maintain and progress within the workplace

During recent partnership discussions, some Local Authority partners have raised the possibility of creating a “Stage 0” in the employability pipeline to encompass outreach and early engagement work with those furthest from the labour market.

While this suggestion has been carefully considered, the current definition of “Stage 1 – Referral, Engagement, and Assessment” on the Employability in Scotland website already covers this type of activity, including initial outreach in the community, as well as supporting people into regular activity, positive routines, and helping them to connect with other people. “Stage 2 – Needs Assessment” also provides scope for this kind of activity, such as additional wellbeing support, specific confidence building measures, and bespoke support to begin dealing with barriers to vocational or skills activity. We will continue to think about ways to develop and refine the employability pipeline.

5. Eligibility

Given the range of barriers individuals may experience, and that these barriers are often intersectional, the eligibility criteria for individuals to receive employability training from No One Left Behind is purposefully broad to ensure local areas have the flexibility they need to respond to local demand. Individuals must reside in Scotland and must be:

- a) People from school leaving age up to 67 years (Pensionable age) who are experiencing barriers to employment (must be experiencing at least one barrier);
- b) Young people over the age of 15 years who are within 6 months of the school leaving date and who are identified as being at risk of not moving on to a positive destination; or
- c) Parents on a low-income whilst in-work*. Although there is a specific focus on the six priority family groups, our service eligibility also recognises different family structures.

*NOLB funding can only be used to provide in-work support if this is categorised as 'training', unless the participant is 'disabled' or 'long-term unemployed, receiving support of at least a year and claiming reserved benefits'. If aftercare support other than training is required, alternative funding must be used to support this.

It should be noted that:

- LEPs have discretion on how best to respond to local needs and circumstances in their local area based on evidence of need.
- Individuals awaiting the outcome of asylum applications may also participate in employability training, but cannot undertake paid work; nor can they receive a training allowance during their participation.
- Whilst all participants who meet the eligibility criteria above can access training for employment, participants who are disabled, or who are long-term unemployed (LTU) receive support for at least a year and are claiming reserved benefits are eligible for wider support to select, obtain and retain employment. For all participants whether or not they are entitled to this wider support, NOLB funding can be used as part of a wider package of support for individuals alongside other funding sources.

Barriers to Employment

The following is a list of the main barriers to employment experienced by participants, although this list is not exhaustive:

- Disabled people, including those experiencing mental health issues and those who have an impairment or long-term health condition
- Primary Carer
- Person with a conviction (including CPO's)

- Person aged over 50 years
- People from Ethnic Minority backgrounds and minority racial groups
- Gypsy/travelling community
- Person requiring support with language, literacy, or numeracy, including those for whom English is an additional language
- Lone parent
- Low skilled*
- Refugee or other granted leave to remain in the UK
- Homeless person (including temporary or unstable accommodation)
- Person affected by substance misuse
- Living in a household with children in poverty
- Person living in the 15% most employment deprived SIMD geographies (see ESF Scottish Local Authority Employment Deprived Area Postcodes list)
- Person living in an area defined as a “rural area**” or “very remote rural***”
- Person living in a jobless household
- Long-term unemployed

* Individual’s highest level of qualification is at SCQF Level 4 or below.

** Persons residing in thinly populated areas according to the Degree of urbanisation (DEGURBA category 3) classification. Thinly-populated areas means that more than 50 % of the population lives in rural grid cells.

*** In the Scottish Government 8 Fold Urban Rural Classification (see ‘Rural Area Rating’ column on ESF Scottish Local Authority Rural Area Postcodes list).

Recording Evidence

Evidence of eligibility should be recorded. Evidence of identity, residence, age, etc. should be in line with current Local Authority practice, saved in the case file and should be stored for at least 5 years.

6. Eligible/Ineligible Costs

The eligible costs set out in para 2.8 of the grant offer letter are described more fully below:

- Support provided by Employability Key Workers, including: direct management and administration; workforce capacity in providing support to those for whom this intervention has been identified as appropriate; and engaging with young people no earlier than six months prior to the school leaving date.
- Beneficiary led Employer Recruitment Incentives in line with the Employer Recruitment Framework.
- Employer engagement and job brokering costs, for example, recruitment events and Job Fairs.
- Providing appropriate training opportunities and/or provision to participants.
- Providing funding for the achievement of accredited training, industry recognised certification and Vocational Qualifications.
- Travelling expenses and related costs for participants to enable them to attend external training sessions and relevant interviews.*

- Travelling expenses and related costs for staff and Key Workers in connection with providing support to participants.
- Capacity building within the local partnership to improve local partnership working to ensure delivery of objectives and milestones for the programme.
- The administration and co-ordination costs associated with delivering No One Left Behind.
- Training and development of Key Workers to ensure they are trauma informed, gender and diversity competent and equipped to support all participants, particularly those with additional support needs.
- Specialist support as more fully described below, which is required for participants who need more focused employability support to help them enter the labour market.**
- Investment in both national and local Third Sector and Private Sector providers to deliver employability support and training, which can include provision of the equipment and accommodation directly required to deliver No One Left Behind.
- A Training Allowance towards support for participants whilst undertaking employability training, where there is no alternative financial support available.
- Reach – e.g. utilising employability hubs and providing Key Worker support within these hubs.

* **Expenses** can only be met under No One Left Behind where they relate specifically to **training** for employment. So, for example, if the travelling expenses relate to attending work, these costs are not eligible.

****Specialist Employability Support** is targeted at people with significant and on-going barriers to employment whose needs are not able to be met by mainstream employability support. Typically they will require a longer-term access to services including significant aftercare and in-work support to sustain employment. Participants may include, but are not limited to, disabled people including those with severe and enduring mental ill health, in recovery from addictions or experiencing long term health conditions and who require support from Key Workers with relevant experience and training. Support should be developed and co-ordinated in partnership with relevant partner agencies as appropriate e.g. health, housing or third sector and captured in a flexible action plan. Examples of specialist employment support include but are not limited to Individual Placement Support and Supported Employment

The ineligible costs set out in paragraph 2.9 of the grant letter are described more fully below:

- Any Value Added Tax (VAT) reclaimable by the Grantee.
- Any employment costs arising from the Grantee's legal obligations to its employees, for example parental leave, sick leave, redundancy. There is no formal relationship between Scottish Government and the employee.
- Costs for employability not directly related to No One Left Behind.

- Council or other organisation/agency general overhead charges - capital, management, administration, accommodation, travel and subsistence costs where these do not directly relate to No One Left Behind;
- Costs not related to training for employment. Scottish Ministers do not have powers to provide funding to support participants who are in work or transitioning into work. NOLB funding can only be used to support a participant who is training for work unless the participant falls into one of the two categories covered by the Scotland Act 2016*.
- Ongoing child care costs.
- Any goods or services not received by the Grantee by the end of the financial year – 31 March 2025.
- Costs not directly supporting the grant purpose.
- Discretionary payments related to supporting non-disabled participants to transition to or remain in employment.
- Discretionary costs relating to those who fall outwith the category of being at risk of long-term unemployment, receiving assistance for at least a year and claiming a reserved benefit.
- Staff relocation costs.
- Insurance costs.

*The two categories of participants covered by the Scotland Act are:

- (a) disabled people; and
- (b) those who are in receipt of reserved benefits, are receiving support of at least a year and who are at risk of long-term unemployment.

7. Discretionary Payments

In exceptional circumstances, where Key Workers are unable to provide funding from existing sources, a discretionary payment of support may be made to support people to access training, including training while in employment, with a view to supporting progression. For example, costs may be provided for emergency childcare, or transport costs. However, where the payment is needed in relation to supporting transition to employment or to sustain employment, any discretionary payments must be met from alternative funding, unless the participant is disabled, or is Long Term Unemployed receiving support for at least a year and is claiming reserved benefits.

The Grantee is responsible for ensuring that there are no adverse benefit or tax implications for the individual and evidence must be captured to support the discretionary payment decision.

A Guide to discretionary payments in relation to parental transitions is attached at **Annex B**.

8. Early Intervention

For those who have been assessed as likely to benefit from participation, and meet the eligibility criteria, early intervention and engagement can start no earlier than 6 months prior to the young person's official school leaving date. The Employability Key Worker may only provide support and advice to the participant during this period and cannot use NOLB funding to pay for training courses.

9. Duration

No One Left Behind is a voluntary service which provides an individually tailored package of support to help individuals progress into work. The assessment of a person's needs should determine the minimum requirements for taking part in a Learning Agreement/Action Plan. It is recommended that a minimum of 3 hours per week of engagement should be planned for from the outset. However, Employability Key Workers may use their discretion during assessment to determine the most suitable level of engagement and tailor support around individual needs.

The duration of support is also determined by the participant – allowing progression at a point when they are ready. Within this flexibility there must be a clear focus on the participant's progression towards more formal learning, training or employment. This carries an expectation that a participant's work on the Learning Agreement/Action Plan might evolve or become more demanding, resulting in longer periods of participation as they progress.

For some people participation will be a short, focused intervention which helps them to become ready for more formal learning or employment. For others however, a longer timeframe may be needed. It is recommended that a participant should take part in a Learning Agreement/Action Plan for an anticipated period of support to enable progression to the next stage of the employability journey. This will be dependent on individual need, with the majority of participants requiring support for no longer than 18 months. It will however depend on the intervention, the nature of support and the other provision available locally.

10. Participant Journey

The success of participation should be based on achieving milestones which are agreed at the outset but may be varied and added to throughout the period of engagement, depending on emerging needs and the additional barriers identified. Milestones can be based on achieving soft skills such as increased confidence or using public transport, however, a suitable method of tracking progress against these skills must be utilised. From the outset, participants should be supported to articulate their goals in terms of their development and progression. Participation will form a clear pathway towards progression and will include activities specifically designed to prepare participants, such as taster sessions at college, time with training providers, mentoring, peer mentoring opportunities and innovative group projects.

11. Employer Recruitment Incentives

Employer Recruitment Incentives (ERIs) can be provided at the discretion of the Local Authority but must be in line with the revised [ERI Framework](#).

12. Engaging with Business

Local Authorities must engage with local businesses in the private and third sectors to support NOLB delivery and provide valuable opportunities for participants, including work placements, apprenticeships and sustainable jobs. There is also an emphasis on the provision of green jobs to help towards meeting net zero commitments.

13. Training Allowances

A framework is currently being developed, which sets out the minimum standards for a public funded Training Allowance (TA) to help support participants as they undertake skills development and training. Training Allowances are vital to encourage participation in employability training and to ensure that those from disadvantaged backgrounds are able to take advantage of the employability support available to them.

Training Allowances have been developed to align with other financial support available, such as Universal Credit for those aged 18+ and Education Maintenance Allowances for young people taking part in formal Learning Agreements, and should only be offered to those who are not eligible to access other methods of financial support such as reserved benefits or college bursaries. The framework aligns with the commitment to deliver the all-age No One Left Behind approach across Scotland.

Local Authorities have discretion to decide on the level of funding available as a Training Allowance in the local area but we would suggest that this should be in the region of £55 per week for the duration of the training.

14. Disclosure Scotland Checks

The Police Act 1997 introduced Disclosure Scotland checks to promote safer recruitment practices and the Protection of Vulnerable Groups (Scotland) Act 2007 established the PVG Scheme which aims to protect vulnerable people.

Where Local Authorities deem that vulnerable people are in receipt of support then as such they are required to comply with the Local Authorities' Disclosure Policy.

15. Equalities

Local Authorities should be mindful that no one should be denied an opportunity because of their race or ethnicity, their disability, their gender, sexual orientation, or religion.

It is important to reflect on how you engage with minority groups as part of the EQIA process and consider whether any changes to engagement practises need to be put in place to ensure reach to those with protected characteristics.

It is the responsibility of local government to ensure compliance with the rules on provision of statutory impact assessments. The EQIA previously submitted to Scottish Government and published on Local Authority websites must be updated annually. Other statutory impact assessments as required of public bodies, must also be in place.

Engagement with minority groups should be included as part of the quarterly reporting process set out below.

16. Reporting & Claiming

Local Authorities are required to submit a Quarterly Report and Grant Claim form (Schedule 2) within the dates set out in the Grant Offer Letter. The Quarterly Report consists of a data return spreadsheet containing individual-level participant data, a Financial Report, a section for input of narrative to support delivery and a section for

good news stories and case studies. The narrative section allows Local Authorities to describe in more detail the activity being delivered each quarter by the Local Authority and other commissioned providers as well as enabling feedback on any specific points/challenges. There is separate guidance contained within the reporting template to explain what information should be included.

The Report must be fully completed, signed by the Finance Director and returned to Scottish Government within 28 days of the end of each Quarter. Incomplete or missing documents will delay the payment of grant.

Completed Reports contain sensitive data and should be submitted to the OCEA Objective Connect folder – instructions and a tab on the Report template will direct you to this.

The Schedule 2 claim form does not contain sensitive data and should therefore be uploaded to the Local Authority Connect folder. The amount claimed on the Schedule 2, must be the actual expenditure within that quarter. Documentary evidence supporting expenditure is required to be retained by the Local Authority and made available to Scottish Government on request.

The Schedule 3 Statement of Compliance – s
Schedule 3 of the Grant Offer Letter is the Statement of Compliance which should be signed by the Finance Director and returned to Scottish Government once final claims have been submitted at the end of the reporting year.

Completing the Finance Return

Quarterly finance returns should be returned to Scottish Government within 28 days of the end of each Quarter. Each budget tab on the return should be fully completed, providing clear details of budget expenditure to date. Supporting narrative on actual expenditure against LA/LEP profiling as well as a description of the rationale on forecast outturn and steps taken to achieve this should also be included.

Additional monthly finance returns should be submitted as requested at the end of months May, August, November and February, to provide an up to date forecast outturn position, including the rationale for how this will be achieved and an explanation on any variance from previous forecasts.

All returns must be signed / approved by the LA Director of Finance with the submitting email either coming directly from Director of Finance, or they must be cc'd into the email.

17. Progression and Outcomes

The data items that should be collected and reported from have been agreed via the [Shared Measurement Framework](#) and collaborative work taken forward via the Employability Data and Reporting Group.

These are set out in the Data Reporting template which is included with the Quarterly Report.

Completers

At any point where the participant and Employability Key Worker agree that the participant has completed their Learning Agreement/Action Plan, the Employability Key Worker should arrange to carry out an exit review.

This could be because the participant has gained the skills needed to move into work.

18. Early Leavers

Where support through No One Left Behind is no longer suitable for the participant, this should be agreed and onward referral to an appropriate alternative support service should be made and recorded on the case notes. Where possible the reason for leaving early should be recorded in the case notes and onward support established if the participant is willing.

A Participant is regarded as having disengaged from No One Left Behind when the Employability Key Worker has been unable to make contact with the participant for at least 3 months.

If the participant is under 19 years of age Skills Development Scotland must be notified so that the Participation Measure data can be updated accordingly.

19. Fair Work First

Fair Work First is the Scottish Government's policy for driving high quality and Fair Work across the labour market in Scotland by applying fair work principles to grants, other funding and contracts. In delivering NOLB, Local Authorities will be expected to give regard to the Fair Work Framework [The Fair Work Framework - The Fair Work Convention](#). Local Authorities are asked to commit to adopting the following Fair Work Principles in a way that is relevant and proportionate for their organisation:

- Appropriate channels for effective voice, such as trade union recognition;
- Investment in workforce development;
- No inappropriate use of zero hours contracts;
- Action to tackle the gender pay gap and create a more diverse and inclusive workplace;
- Payment of the real Living Wage;
- Offering flexible and family friendly working practices for all workers from day one of their employment; and
- Opposing the use of fire and rehire practice.

20. Payment of at least the real Living Wage

In general, Local Authorities must demonstrate they are paying at least the real Living Wage before a grant can be accessed. All UK-based staff aged 16 and over, including apprentices, who are directly employed by the Local Authority, must be paid at least the real Living Wage; and any UK-based workers who are not directly employed but are directly engaged in delivering the grant-funded activity, whether they are sub-contractors or agency staff, must also be paid at least the real Living Wage.

Local Authorities may apply to Scottish Government for limited exceptions to provide funding to organisations who cannot pay at least the real Living Wage in order that the measure is proportionate.

21. Appropriate channels for effective workers' voice

All organisations with a workforce must be able to demonstrate, before they can access a grant, that all workers employed within that organisation have access to effective voice channel(s), including agency workers.

22. Verification

As part of the grant application process, Local Authorities will be expected to provide a statement verifying their Fair Work First commitment and confirming it has been developed in agreement with the workforce. The representative providing confirmation should be from the relevant trade union(s) where one or more is recognised. For Local Authorities, an Accountant's certificate will be sufficient. Guidance on the evidence required can be accessed here: [Fair Work First guidance - Annex B - FWF condition evidence](#).

Guidance on the Fair Work First Commitment can be accessed here: [Grants - applying Fair Work First \(sharepoint.com\)](#)

23. Management Information

It is important to ensure that, when participants are moving between different service providers the risk of disengagement is mitigated. This means that, as well as a common process for assessing participant's needs, there should be a procedure for ensuring that information from existing systems is drawn on to support an individual's participation in a Learning Agreement/Action Plan, and for appropriately reflecting their participation and progression. An important part of this will be monitoring the participant's progression when they complete their Learning Agreement/Action Plan; this will require close working with other learning providers.

24. Participant Feedback

All participants should have the opportunity to provide feedback on the support received, to inform continuous improvement. Employability Key Workers should ensure that there are a variety of suitable options for participants to provide feedback, that recognise the individual circumstances of each participant. Early leavers should be offered the option to complete an online survey or another appropriate feedback tool. Details of the methods utilised and the feedback received should be reported in the Quarterly Progress Reports.

Although feedback should be handled at the local level in the first instance, participants also have the option to provide feedback through a national process, if they do not wish to do so directly to their Key Worker/ service provider. You can find out more in the [Customer Charter](#).

25. Audit and Compliance

Local Authorities will be expected to identify and develop internal review mechanisms and measures that ensure standards of delivery have been met. For audit purposes, services will keep all participant files up to date and retain any evidence obtained within case files which can be stored electronically. Overall quality

reviews will be carried out by Scottish Government. The content of these reviews will be developed with partners recognising the person-centred approach.

26. Education Maintenance Allowance (EMA)

Young people (Age 16 –19) who are participating in No One Left Behind should have access to financial support in the same way as participants learning in more formal settings. To access EMA, in line with legislative requirements, participants must have a formal Learning Agreement and progress must be agreed by local Education Departments. Where EMA is not appropriate for the participant, consideration should be given to provision of a Training Allowance.

Young people may be eligible for EMA if the household income is £24,421 or less before tax (for households with one dependent child) or £26,884 before tax (for households with more than one dependent child). The young person may be eligible for a weekly payment of £30 per week

Vulnerable young people undertaking support may require extra support in the application process in addition to developing and undertaking their tailored Learning Agreement.

A Learning Agreement sets out what's expected of participants around attendance and coursework. The Learning Agreement is set by the Key Worker (approved by the education provider) and takes the participant's personal circumstances into account.

The Local Authority Employability Lead should liaise with Education colleagues and agree the approach and process to be followed. Guidance on Education Maintenance Allowance can be found [here](#).

27. Welfare Benefits

It is for Local Authorities to ensure that participants undertaking employability support are aware of the rules around taking part in employability training while they are in receipt of benefits. Participants in receipt of Universal Credit or legacy benefits should discuss with their Work Coach how taking part in NOLB can help them to move into work and must obtain agreement, as part of their Claimant Commitment, prior to starting any employability activity. Under Universal Credit up to 12 weeks full-time employability training is allowed without benefits being affected.

The new [Social Security Adult Disability Payment](#) in Scotland is being introduced through a phased approach from March 2022. Participants in receipt of the Adult Disability Payment or those who are still in receipt of Personal Independence Payment can receive employability support and take up employment without affecting their benefit payments.

28. Questions

Any questions or areas where further information is required should be directed to the shared mailbox – nooneleftbehind@gov.scot

A list of Frequently Asked Questions is attached at Annex A.

Frequently Asked Questions

Communications

Q. Do marketing materials need to be approved? If so, by whom? And what logo/ wording should be used on this?

A. No, Grantees are expected to ensure their local materials are fit for purpose. The SG Saltire Logo should be used where SG funding is being utilised and a copy of this can be requested from your Relationship Manager.

Funding

Q. Discretionary payments – does this include parental transitions fund – what evidence would cover the awarding of this?

A. Guidance in relation to the Parental Transition Fund is provided at Annex B.

Q. Can Grant funding be used to fund access to a local hub to deliver NOLB services to participants?

A. Local Authorities should utilise their own core funds or liaise with other organisations to pay for leases, etc. Scottish Government grant funding should be used to support direct delivery – e.g. funding Key Workers to provide support within the Hub.

Q. Are the employability interventions going to Providers under NOLB subject to subsidy control?

A. It is for Local Authorities to determine whether the funding provided is a subsidy or not. A Link to the SG Subsidy Control Guidance can be accessed here: [Subsidy control: guidance - gov.scot \(www.gov.scot\)](https://www.gov.scot/topics/subsidy-control/guidance)

Q. Is the SG responsible for employment costs arising from the Grantee's legal obligations to its employees, for example maternity leave, parental leave, sick leave, redundancy?

A. Although a post may be funded by way of SG grant, the Grantee is the employer of the post-holder and is therefore responsible for meeting all employment related rights and obligations, including maternity pay, etc.

Q. Can grant funding be used to clear council debt as a means to engage parents/households in poverty, with a view to supporting parents into employment whilst offering debt advice?

A. Funding cannot be used for the clearance of debt. NOLB funding is intended to reduce poverty through supporting people into work.

- Q. Please clarify whether participants with ‘No recourse to public funds’ (NRPF) are able to access support, to allow for a coherent, consistent approach.**
- A.** Individuals with no recourse to public funding may participate in employability support, except when it involves paid work. They are not eligible to receive a Training Allowance.
- Q. Can NOLB funding for Tackling Child Poverty be used to pay for staff (in addition to the funding provided through the GRG)?**
- A.** Yes, funding may be used to pay staff costs, e.g. where COSLA methodologies do not fully cover the resource required to meet local needs. In the main, the GRG element should be utilised to support costs for providing a Child Poverty Coordinator (or other staffing costs) before accessing other grant funding which will allow for the majority of the grant to be used for delivery of services.
- Q. Can the final quarter payment be made at end of March to provide delivery in the first quarter of the following year?**
- A.** It is for the Grantee to decide how providers and suppliers should be paid for services. However, NOLB grant funding can only be used to pay for services delivered in the same financial year up to 31 March. Claims are paid based on actual spend.
- Q. Does the LEP have discretion to work with non-parents who are employed?**
- A.** NOLB funding can only be used to pay for training for employment and cannot be used to pay services for those who are in employment or transitioning to employment, unless this is classed as in-work training. Exceptions to this rule are ‘disabled people’ or those who are ‘in receipt of reserved benefits, receiving support for at least a year and at risk of long-term unemployment’.
- Q. Can discretionary payments be used to pay for support for parents who are in work or starting work, e.g. for child care costs, travel expenses, etc.**
- A.** No, NOLB funding can only be used to cover costs related to a participant who is training for work and cannot be used to pay for expenses related to a participant who is either in work or transitioning to work, unless the participant is from one of the categories covered by the Scotland Act*. This is because Scottish Ministers only have devolved powers to fund ‘training for work’ and powers related to ‘employment’ are reserved to the UK Government. Alternative funding should be used to cover any necessary costs for participants who need this additional support. Additional Guidance related to provision of parental transition support is attached at Annex B.

Q. Where NOLB funding is supporting a participant who lives outwith the Local Authority boundary, should the Local Authority providing the funding record the activity on their data report or the Local Authority where the participant resides?

A. The Local Authority providing the funding for the participant should record the activity rather than the Local Authority where the participant resides.

Reporting

Q. Is an Annual Report still required to be completed in October or is this covered through Relationship Manager meetings and quarterly returns?

A. There remains a requirement for an Annual Report to be completed in October. SG will share a template and completion requirements nearer the time

Q. Where should Quarterly reports be uploaded to?

A. Quarterly Reports should be uploaded to the OCEA Objective Connect folder as these contain sensitive data. Claims for payment should be uploaded to the Local Authority Connect folder.

Policy

Q. Are email signatures acceptable on the LA Privacy Notice where the LA has been unable to obtain a wet signature, e.g. if no face-to-face delivery has been conducted ?

A. This is for the LA to consider, in line with internal compliance requirements.

Q. Please explain the SG's definitions of 'underemployed' and 'in and out of poverty'.

A. Grant funding can be used to support Priority Family Groups to increase their income from employment (either in or out of work) provided this is related to training, for example: Lone Parents; Parents or children with a disability; Parents with three or more children; Parents from a minority ethnic background; Parents with a youngest child under one year; and Families with a parent under 25 years. Support for Parents isn't just limited to these groups.

For reference, the Child Poverty (Scotland) Act 2017 sets out definitions of absolute and relative poverty – [Child Poverty \(Scotland\) Act 2017 \(legislation.gov.uk\)](#). Individuals who are 'in and out of poverty' will fall into these categories from time to time. 'Underemployed' refers to those who are employed for fewer hours than they wish to be or to those with specific qualifications who are not employed to their standard of education, eg a graduate who is working as waiting staff is considered to be 'underemployed'.

- Q. When employing Key Workers to deliver support to individuals, what level of financial detail would SG expect Local Authorities to keep?**
- A.** Local Authorities should keep evidence for audit purposes in line with their internal protocols. Evidence should be retained for at least 5 years.

Parental Transitions Support – Guidance for Scottish Local Authorities

Introduction

1. A number of Local Authorities have indicated their intent, subject to the availability of resources, to provide discretionary payments to low-income parents who have an offer of employment. The purpose of payments is to help tackle financial insecurity for parents when they start work by providing support to meet their priorities.
2. To support local policy development, the Scottish Government engaged with HMRC and DWP, on behalf of Local Authorities, to seek guidance on how such payments would be treated under reserved tax and benefit rules.
3. HMRC advised that, under regulations at that time (November 2023), such payments would be taxable as income and would be considered to be earnings for the purposes of Class 1 (employee and employer) NICs. In addition, the PAYE rules (regulation 12) mean that the Local Authority would be the 'other payer' and so would need to set up a PAYE system and be responsible for deducting income tax and NICs on the payments. Payments would be considered income for tax credits and individuals receiving payments wouldn't then be eligible for tax-free childcare.
4. In recognition of the positive impact payments may have on individuals, Treasury Ministers agreed to introduce regulations to formally exempt payments from tax and national insurance from 1 April 2024 onward. Payments made before this date will be subject to regulations in place at that time.
5. Local Authorities must meet the cost of payments from available resources. Where funds have been allocated for a specific purpose, Local Authorities must ensure compliance with any relevant terms. No One Left Behind funding cannot be utilised for payments of this nature.
6. This guidance covers payments made under the scheme.

Eligibility

7. Parents are eligible for payments, at local discretion, if they meet the following criteria:
 - engaging in local employability services;
 - are in receipt of social security benefits on the basis of low income, or as a result of disability;
 - have a formal offer to start work;
 - their circumstances are assessed as appropriate by practitioners.

8. Parents may be eligible for local employability support services if they are at risk of long-term unemployment or are in work and have low earned income.
9. A 'parent' is defined as any individual who is responsible for a dependent child, or the partner of an individual responsible for a dependent child.
10. It is unlikely that repeat awards linked to employment will occur in a rolling year. Subsequent awards may be made at local discretion.

Making payments

11. Payments should be made by Local Authorities, with the method and timing of the payment agreed with the individual.
12. Local Authorities have discretion over the method used to make payments to households. It is recognised that, in most cases, payments will be made as a direct payment into the individual's bank account. Where an individual has expressed preference for an alternate payee, this should be considered on a case-by-case basis.
13. Alternate payment methods should be considered as appropriate and in agreement with the individual. This could include, for example, a gift card or voucher to the individual, a payment to an organisation delivering a service, or the purchase of an item on an individual's behalf / allocation of item(s) from existing stocks, for example, a bike/travel card.
14. Local Authorities have discretion in whether any payment is given at one time or split over a number of payments. HMRC considered proposals on the basis that payments may be split and paid in instalments over a short period, accounting for no more than 3 months, to suit requirements of the individual. Payments over a period longer than 3 months are not covered by this guidance and may require additional consideration by HMRC.
15. Local Authorities have discretion over the cumulative value of payments/awards to be provided to an individual in any given period. HMRC considered proposals on the basis that payments did not exceed £1,000 in any given year. Payments considerably more than this value are not covered by the guidance and may require additional consideration by HMRC.

Treatment for tax and benefit purposes

16. From April 2024 onward, payments made in line with this guidance are non-taxable¹. Recipients do not need to inform HMRC of the amounts received and those who are self-employed do not need to report the amounts on their Self-Assessment tax returns. As these payments are non-taxable they do not impact tax credits. Tax credits claimants do not need to report these payments as income to HMRC.

17. DWP have considered the purpose of such payments against the definition of ‘local welfare provision’ⁱⁱ in relevant legislationⁱⁱⁱ. On that basis, DWP have indicated that payments would be disregarded for the purpose of those benefit entitlements for which the legislation specifies that capital to be disregarded includes ‘any local welfare provision.’^{iv} DWP have also indicated that the payments would have no impact on particular contribution-based benefits^v.
18. DWP have indicated that payments will be treated as capital for the purpose of Universal Credit and may impact upon entitlement where the total capital held exceeds £6,000, either prior to or as a result of this payment. Further information on the treatment of capital for the purpose of Universal Credit can be found on the understanding Universal Credit [website](#).
19. DWP have noted that current legislation will not allow for the childcare costs element of Universal Credit to provide support where the childcare costs have already been paid elsewhere^{vi}. Payments made by Jobcentre Plus Work Coaches, through the Flexible Support Fund, are exempt from tax^{vii} and can be reimbursed through Universal Credit^{viii}.
20. Local HMRC Customer Compliance Managers will be able to provide further advice in relation to tax and national insurance.

Monitoring and reporting

21. No additional reporting requirements have been agreed because of this guidance. It is encouraged to continue reporting details of awards through existing mechanisms, including annual Local Child Poverty Action Reports.
22. Local Authorities should maintain appropriate records of all payments made under this scheme.

ⁱ Regulations will be amended to include such payments in Part 10, Chapter 5 of the [Income Tax \(Earnings and Pensions\) Act 2003](#)

ⁱⁱ “local welfare provision” means occasional financial or other assistance given by a local authority, the Scottish Ministers or the Welsh Ministers, or a person authorised to exercise any function of, or provide a service to, them, to or in respect of individuals for the purpose of:

- (a) meeting, or helping to meet, an immediate short term need
 - (i) arising out of an exceptional event, or exceptional circumstances; and
 - (ii) that requires to be met in order to avoid a risk to the well-being of an individual; or
- (b) enabling individuals to establish or maintain a settled home, where those individuals have been or, without the assistance, might otherwise be
 - (i) in prison, hospital, a residential care establishment or other institution; or
 - (ii) homeless or otherwise living an unsettled way of life;

ⁱⁱⁱ Regulation 2(1) of the Income Support (General) Regulations 1987, regulation 1(3) of the Jobseeker’s Allowance Regulations 1996, regulation 2(1) of the Employment and Support Regulations 2008, regulation 2(1) of the Housing Benefit Regulations 2006, regulation 2(1)

of the Housing Benefit (Persons who have attained the qualifying age for state pension credit) Regulations 2006 and regulation 1(2) of the State Pension Credit Regulations 2002.

^{iv} Income-related Employment and Support Allowance, Housing Benefit, Income Support, Income-based Jobseeker's Allowance, and State Pension Credit.

^v New Style Jobseeker's Allowance and New Style Employment and Support Allowance.

^{vi} [The Universal Credit Regulations 2013](#), section 34 (2)

^{vii} Exempt payments / grants are set out in Part 10, Chapter 5 of the [Income Tax \(Earnings and Pensions\) Act 2003](#)

^{viii} [The Universal Credit Regulations 2013, Section 34, 2 \(b\)](#)