

DURHAM COUNTY COUNCIL

ECONOMY OVERVIEW AND SCRUTINY COMMITTEE

WORKING GROUP REPORT ON WORKLESSNESS (Employability)



PASSIONATE ABOUT PEOPLE: PASSIONATE ABOUT PROSPERITY

April 2007



Making a difference where you live

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DURHAM COUNTY COUNCIL

OVERVIEW AND SCRUTINY

WORKING GROUP REPORT ON WORKLESSNESS

PASSIONATE ABOUT PEOPLE: PASSIONATE ABOUT PROSPERITY

“Most men who have once gained the habit of work would rather work – in ways to which they are used – than be idle ... But getting work ... may involve a change of habits, doing something that is unfamiliar or leaving one’s friends or making a painful effort of some other kind.”

And for those unemployed for a certain period, they:

“should be required, as a condition of continued benefit to attend a work or training centre, such attendance being designed as a means of preventing habituation to idleness and as a means of improving capacity for earnings.”

(Beveridge Report 1942)

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यदि आप इरा सूचना का सार हिन्दी में चाहते हैं, तो कृपया 0191 383 3673 पर फोन करें।

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FOREWORD BY CLLR. LEN O'DONNELL



Durham County Council plays a vital role in people's lives as a place shaper and contributor to economic, social, environmental and community development. We are also a major employer, providing and promoting employment opportunities across a wide range of services.

One of our priority areas for improvement has, as its focus, the promotion of economic well-being with a focus on improving economic activity through a combination of reducing the number of people claiming incapacity benefit, job creation and focus on the knowledge economy.

All of the evidence shows that paid and voluntary work make an important contribution to an individual's physical and mental well-being. Clearly, there are a number of organisations and agencies working at a local, regional and national level to address worklessness (employability). It is a complex issue, which requires a flexible, holistic and responsive approach, based on individuals' needs and circumstances.

The focus of the Overview and Scrutiny working group looking into worklessness (employability) aimed to identify what we are doing and what we could do better in responding to the needs of some of our most vulnerable people in supporting them back into employment.

What I recognise as an important first step in this process is the need to engage those individuals who have been out of the job market for extended periods of time as early as possible and to support them to take steps toward employment.

I would like to thank the people who took time out of their busy schedule to come and meet with the Overview and Scrutiny working group, share their experience and the approaches being taken in supporting people into employment.

CLLR. LEN O'DONNELL

Chair of Economy Scrutiny Sub Committee
April 2007

PROJECT TERMS OF REFERENCE

Although unemployment in the County is below the national average, the level of worklessness is one of the highest in the County. The County Council, in partnership with key agencies, will continue to work on improving economic activity with a focus on reducing the number of people on incapacity benefit and supporting job creation.

The terms of reference for this scrutiny exercise have been set in this context, looking to assist the County Council and its partners to consider how best it can progress on this improvement priority. The working group also took note of the Local Area Agreement outcome for building a strong economy which has, as one of its foci, support for employers to tackle worklessness.

The Working Group agreed that the focus of the work was to consider:

- Do we have a strategic approach to support people to come off Incapacity benefit and into employment?
- What we mean by the term “worklessness”? What is Employability?
- How we can make best use of resources and avoid duplication by working in partnership with key agencies in County Durham achieve the best outcome for local people and employers regarding worklessness;
- What roles do the public and private sector play with this agenda? What support issues have they identified to assist them deliver on this agenda?
- Look to influence work in place regionally and locally that has mapped worklessness, identifying gaps and opportunities;
- Look at the issue of a skills and training data base to support employers and prospective employees;
- Ultimately identify whether we have made a difference in the lives of people who are on Incapacity Benefit and Job Seekers Allowance.
- Can we identify examples of good practice nationally, regionally and locally?

MEMBERSHIP OF THE WORKING GROUP

The membership of the Working Group was drawn from the Economy Scrutiny Sub Committee. However, not all members of the sub-committee attended all the meetings of the Working Group.

Councillor Len O`Donnell chaired the working group; Vice Chair was Councillor Phil Graham.

The following Councillors' and Co-opted Members were invited to meetings:

Councillors: Armstrong, C. Carr, Chaplow, Chapman, Coates, Cordon, Fergus, Foster, Graham, Iveson, Knox, Maddison, Magee, Marshall, Martin, Meir, O'Donnell, Pye, Shuttleworth, Simmons, Southwell, Stradling, Wade, Williams and Young.

Co-opted: Ms. B. Lowis, Councillor M. Iveson and Mrs. E. Richardson

APPROACH

The Working Group agreed to take evidence from key witnesses involved directly and indirectly with worklessness. They also agreed to receive correspondence, organise visits, meet with relevant parties to ensure members fully understood and received evidence on this matter before reaching any conclusions or making any recommendations.

The following people gave evidence to the working group:

Graham Young	Deputy Team Leader, Chief Executive's Office
Richard Smith	Economic Development
Elaine Richardson	External Partnership Manager - Job Centre Plus
Dave Park	Pathways to Work Manager - Job Centre Plus
Nerise Oldfield	Adults and Community Service (Workable Solutions)
Christine Caine	Jobcentre Plus
Fiona Faill	Adult and Community Services (Workable Solutions)
Phil Young	Esh Group
Burney Johnson	Head of Transport, Strategy and Design (Environment)
Kate Welch	Aiming High in Easington
Robin Beveridge	OneNorth East
Margaret Robson	Corporate Services (JobCentre Plus)
Rod Varley	North East Construction Employment Intergrator
Gary Bainbridge	Service Users Co-ordinator Adult and Community Services
Adrian White	Business Manager (Transport Section)
Stewart Watkins	County Durham Development Company
Mick Martin	Jobcentre Plus
Terese Little	(NRG)
Margaret Anderson	(NRG)
Julie Hume	(Jobcentre Plus)
Nick James	Learning and Skills Council
Steve Thour	Bishop Auckland College
Dawn Fairlamb	Bishop Auckland College
Charlotte Snow	The Enterprise Agency for Wear Valley and

	Teesdale
Andy Weitch	Wear Valley Learning Partnership
Dave Jackson	Wear Valley Employment Team
Sue Dawson	Wear Valley District Council
Avril Hamilton	WVDC/Coundon and Leeholme Community Partnership
Anna Harris	Groundwork
Ceri Gibson	BTCV Green Gym
Paul Allison	Sherburn Stone Company/WVEWG/WVLSP

REPORTING

The Working Group agreed to report, in the first instance, to the Economy Scrutiny Sub-Committee on its findings, then to Corporate Management Team and Cabinet with its recommendations. Cabinet will be invited to respond to these recommendations via an action plan.

METHODOLOGY

A detailed project plan for all the Working Group meetings was developed. (See appendix 1). The plan, in effect, is a scoping document that identifies who attended the meetings and the nature of the evidence they gave.

The Working Group held a total of ten meetings between August 2006 and January 2007. All these meetings were held in County Hall with 'expert' witnesses invited to give evidence in relation to the terms of reference.

A visit to the Wear Valley Employability Working Group took place in February where members had an opportunity to meet key partners involved in delivering on worklessness issues.

Finally, research on best practice, facilitated by Northumbria University on behalf of the Overview and Scrutiny Team, is available to assist in demonstrating examples of what works elsewhere to assist in any gaps with evidence we may have overlooked – Appendix 2

KEY FINDINGS

36,000 people are currently claiming incapacity benefit in County Durham with high levels in Sedgefield and Easington areas. Worryingly 50% of claimants are over 50. This figure is increased on a monthly basis by additional 300 - 350 new customers in County Durham.

The definition of '**worklessness**' (**better known as employability**) refers both to people who are unemployed (and actively seeking employment) and those who are economically inactive (out of work and not actively seeking employment). Individuals in this latter position can either be in receipt of certain working age

benefits (for example Job Seekers Allowance) or, in some cases, out of contact with all formal public agencies (for example, working in 'cash-in-hand' jobs in the informal economy).

The UK is currently enjoying a sustained period of low unemployment, with latest Government figures suggesting 74.7% of people of working age are in employment and an unemployment rate of 5.2% (ONS May 2006). The most recent State of the Region report suggests that, except for the Inner London region (which contains the most deprived inner city boroughs in the country), the North East has the highest level of economically inactive households in England with around one in five households containing workless individuals. The Government has become increasingly concerned about 'hidden unemployment' which has not previously been captured by traditional measures and perpetuates a culture of economic inactivity in some communities and deprived neighbourhoods. This primarily consists of individuals in receipt of Incapacity Benefits and who are not working as a consequence of ill-health.

There are many **challenges** to be overcome on what has been described as the '**journey to work**'. Challenges include:

- physical and mental problems that make work and travel to work difficult;
- caring responsibilities;
- lack of affordable childcare;
- low skills and qualifications;
- lack of recent work experience;
- Misinformation and lack of access to information about employment (especially in concentrations of economic inactivity which means people have little or no access to the informal network where those in work tell those without work of openings and opportunities);
- workless people are less likely to own cars but also less likely to use public transport, suggesting poor access and/or affordability issues;
- working in the informal economy;
- cultural, motivational and aspirational barriers which are often compounded by issues of trust around the sustainability of jobs, loss of benefits;
- financial and debt management;
- a record of offending
- personal and behavioural problems
- benefits system/rules; and
- lack of inter-agency working that would strengthen the support available to assist people to return to work.

Reduction in the level of worklessness is a key priority for the County Council in its drive to build a strong economy. The level of worklessness is one of the highest in the country (see above). Working in partnership, the County Council will focus on improving economic activity with a specific focus on reducing the number of people claiming incapacity benefit and supporting job creation. Partnership activity and joint-working, activities in the field of employability include a wide range of stakeholders namely, local authorities, Job Centre Plus, the Learning and Skills Council, Government Office for the North East, One

NorthEast, the Regional Development Agency, Sub Regional Partnerships, Local Strategic Partnerships, employer engagement coalitions and employers, the voluntary and community sector, and a range of centrally-funded Government pilot schemes.

Jobcentre Plus is a Government Agency supporting people of working age from Welfare into Work and helping employers to fill their vacancies. The organisation is part of the Department for Work and Pensions. JCP plays a major role in supporting the Department's aim to promote opportunity and independence for all through modern, customer-focused services. It works in partnership to address and respond to local priorities and issues; ensure additional activities deliver added value to the worklessness agenda; avoid duplication of activity/resource; and use resources effectively. Jobcentre Plus has a significant role in providing work for those who can, and support for those who cannot by:-

- Helping disadvantaged people into work
- Providing Financial Support while out of work
- Delivering an Employer Recruitment Support Service
- Working with Employers and Partners to fill vacancies
- Identify customers
- Work with them at their level
- JCP and other organisations
- Engage and persuade to start the journey back to work
- Highlight the benefits
- Develop package to meet individual needs

It would be fair to say that JCP has significant resources in place to support its customers. However, to address the high levels of worklessness, there is still a lot to be done. JCP works in partnership to:-

- Address and respond to local priorities and issues
- Ensure additional activities deliver added value to the worklessness agenda
- Avoid duplication of activity / resource
- Use resources effectively

Durham County Council and Jobcentre Plus have signed a Local Partnership Accord. The accord aims to reduce the number of working age people on benefits who are suitable for employment and help those with barriers to work, such as disabled or older people, to get jobs. It will supplement the work already being done by the County Council and Jobcentre Plus to help disadvantaged people find jobs. The long-term aim of the accord is to help the county's employers recognise the benefits of recruiting people from across the whole community into work. Under the agreement, the County Council will also examine its own employment practices with the intention of seeking to make them more accessible to these people.

It is expected that increased employment will impact on levels of crime and disorder, lead to improvements in health, reduce poverty and provide greater opportunities for young people.

Pathways To Work (PTW), in many ways, represents the second stage of development for the Department for Work and Pensions (DWP's) employability policy, providing as they do, a fully-integrated package of support measures for those on Incapacity Benefits with a particular focus on long-term claimants. In recognition of the fact that even short-term disengagement from the labour market can result in long-term economic inactivity, PTW has been developed to support work-focused interventions for Incapacity Benefit (IB) claimants and those clients who move from Job Seekers Allowance (JSA) to IB. The programme has a dual aim; to stem IB claimant registrations as well as reducing overall numbers of claimants .

Durham County Council, through its countywide supported employment service "**WorkAble Solutions**" supports people with disabilities into and during employment. "WorkAble Solutions" concentrate on supporting people into employment and limit work placements to those people who are work ready. To facilitate this, WorkAble Solutions have a more rigorous screening process in respect of all new referrals and are no longer involved in voluntary work, placements or long-term vocational training. However signposting advice and guidance is still being offered.

Eligibility criteria exists in relation to can be offered to people aged 16-65 ,who live in County Durham, have a disability or are employed by Durham County Council and have a disability.

WorkAble solutions helps service users by offering :

- One to One Support (Tailored to the individuals needs and regularly reviewed)
- Route Familiarisation (Travel Training)
- Pre-employment Training (to prepare people for work, including H&S in the workplace, moving and handling, DDA, job searching and interview techniques and skills required for applying for jobs)
- Work Placements (six week unpaid placement to gain skills and real work experience of what the job entails)
- Basic Skills assessment (Literacy and Numeracy Assessments and information of basic skills workshops available)
- Job searching (show people how to job search, visit Job Centres, Newspapers and Internet Sites)
- Welfare Benefits advice – Benefit calculations and completion of forms (to ensure people are not financially worse off in work).
- Access to Work (Financial assistance with aids and adaptations/transport to work costs etc)
- Workstep (Job Centre contacts offering ongoing support, advice and assistance to service user)
- Short Vocational Courses (1 day courses in Food Hygiene, H&S, Basic First Aid etc)
- Interview Preparation and Support (Accompany to interview and support)
- Access to Financial Assistance (Discretionary Fund and Return to Work Credit and Applications for Grants)

- Regular Monitoring Visits – to review situation and implement/reduce support

Workable solutions also offer employers:-

- One to One Support (tailored to the individuals needs and regularly reviewed)
- Work Trials (allows employer to assess someone for up to 15 working days, no wages are paid)
- Access to Work (financial assistance with aids and adaptations, support worker costs etc)
- Workstep (Job Centre contacts offering ongoing support, advice and assistance to employer)
- Disability Awareness (for Employers and Employees)
- Access to Financial Assistance (via Job Centre including Job Introduction Scheme, Access to Work, New Deal)
- Regular Monitoring Visits – to review situation and increase/decrease support
- Advice and Guidance on Employment Issues - To support employer by giving advice and guidance on employment issues.

One NorthEast is the lead agency responsible for developing the region's economic strategy and supports a range of programmes that increase and promote economic activity and inclusion. The draft RES states that enhancing regional competitiveness depends on achieving both high levels of productivity and high rates of economic participation. This dual approach, which advocates reducing economic activity and increasing productivity simultaneously, will help to ensure that the region's economy is sufficiently robust to absorb and retain an increased supply of labour to achieve sustained employment in the longer term. The RES has an objective that addresses the issue of worklessness by measures to reduce the barriers that prevent people from participating in economic activity. This priority encompasses three main areas of work:-

- a. tackling worklessness and promoting employability,
- b. addressing the needs of deprived areas,
- c. promoting equality and diversity

One NorthEast, Regional Employability Framework Stage 1, identifies between £65m - £160m to support employability initiatives facilitated by Job Centre Plus and the Learning and Skills Council (LSC). Much of the resource is dispersed in relatively small amounts to a wide range of organisations. There is a lot of duplication in relation to the provision of funding and there is a need for a 'central pot'. The system would then be streamlined and be able to respond to applications for funding more quickly. There is a definite need for a 'single pot' of money that all partners can access. Funding is available from a range of public sources and includes streams such as:-

- Statutory funding of bodies such as Job Centre Plus;
- Single Programme (administered by RDAs);
- European Social Fund (administered by Government Offices);
- Neighbourhood Renewal Fund (administered by Government Offices); and
- New Deal for Communities.

Single Programme is a delegated resource from central government through One North East to the County Durham Economic Partnership. Single Programme should not supplement the core funding of organisations that receive it but rather should act to gain additionality and plug gaps in provision. The County Durham Economic Partnership (CDEP) is authorised to agree funding for projects until March 2008.

The total Single Programme funding utilised against Durham County Council's "Building a Strong Economy" aim in 2005/06 was £16,318,668 (£10,051,477 capital and £6,267,191 revenue). This was against an allocation of £17,228,333.

The planned funding for 2006/07 against the "Building a Strong Economy" aim is £21,620,000 (£13,688,000 capital and £7,933,000 revenue). Within this total, £7,324,647 is allocated towards projects contributing towards worklessness. The CDEP has sought to ensure that the best value for money is extracted from Single Programme for County Durham by engaging key partners to develop project proposals to address an identified priority for a given amount of resource and to deliver a specified number of outputs.

"Aim High Routeback" works to ensure that everyone in the Easington locality has access to the highest quality information, advice and guidance, learning opportunities, job search and enterprise support. The focus of the project is geared towards engaging local people, not creating jobs. However, over a five-year period, it has been successful in getting 5,000 local people back into work.

'Aim High Routeback' has been complementary to the area's Pathway To Work scheme. It has won additional Northern Way funds to support a multi-disciplinary team of health and employment professionals working to encourage up to 500 individuals claiming Incapacity Benefits into work. This is achieved through an integrated programme of 'condition management' and employment advice, aimed at helping clients to overcome inter-related barriers between health and workforce disengagement. Clients have highlighted the intensive nature of the one-to-one support provided by the scheme as a key strength.

The **'Condition Management Programme'** is an innovative new programme designed to help people understand and manage their health condition in a work environment. The Pathways to Work Programme has Condition Management as part of its 'Choices' package and can only be accessed by those customers who are on the Pathways to Work programme and who choose to be referred to Condition Management.

Common **health problems** experienced by the long-term unemployed in these areas include respiratory and mobility problems and heart disease. In addition, depression and stress-related conditions can be more common. These difficulties can also be coupled with problems such as poor nutrition, smoking and lack of exercise, compounding the effects of an individual's original illness or disability.

The private sector plays a significant role in contributing and supporting employability initiatives across the county. In particular, the ESH Group (leading the way in construction) has developed the 'Fit for Employment' scheme supporting young people into employment and contributed to the GCSE Construction and the Built Environment.

The Esh Group is a local construction company, based in County Durham. In 2004, in partnership with Dearness Valley School the company developed a vocational training programme for Year 10 and 11 students to improve and expand progression routes in local construction jobs and address skills shortages.

The phased programme of activity provided 120 GCSE students with an initial one-week training programme in employability skills. Sixty students then progressed into Phase 2 of the scheme, a one week course on the construction industry. The final phase then offered 30 students the opportunity to gain work experience on a construction site. Twenty students were then offered apprenticeships on completion of their GCSEs. In addition, intensive support was provided for students with special educational needs to allow them to complete basic skills tests. A 58% improvement in actual GCSE performance was also achieved by students on Phase 3 of the programme.

The success of the programme resulted in it achieving DfES Pathfinder status. The Esh Group have recently become the first private company to lead a national pilot for a GCSE qualification in construction. This will develop the Fit for Employment model as well as better preparing the students for the world of work.

The company has developed 'Fit for Employment Again', a programme of training and skills development for Members of the Tyneside Cyrenians, a homelessness project in Tyneside. The NVQ in Construction Maintenance has been run in partnership with Newcastle College which has been flexible in helping to develop a scheme which is responsive to the needs of mature learners (for example, running the programme as an intensive half-year course rather than a standard two year programme). Esh Group is currently considering ways of developing this model further across a range of projects

The **National Employment Panel (NEP)** links with clients and contractors to maximise the engagement and recruitment of local people in major construction related projects with a particular emphasis on the training and recruitment of long-term jobseekers. It is an employer-led organisation that provides independent advice to the Chancellor and Ministers in the DWP and DfES on welfare to work and skills policies and programmes. Their missions is to help more disadvantaged people get and keep work, while ensuring that employers have the workforce they need to grow and compete. NEP believes that national policy and programme design must encourage and enable local delivery bodies to be demand-led. It works through Employment Coalitions.

The Employment Coalitions focus on the need to develop processes and mechanisms so that disadvantaged local (especially workless) people are

prepared for and have access to jobs arising from regeneration and other major construction projects.

NEP firmly believes that achieving the employment objectives requires the integration of a number of tools:-

- Local demand intelligence, establishing a generic and effective model for securing and analysing intelligence on future skills requirements.
- Procurement co-ordination, the use of a toolkit developed as the new approach to public procurement (NAPP) and creating obligations on developers and contractors to implement targeted training and recruitment within the construction contract
- New routes to employment, providing a template for planning support, from initial referral and assessment to pre recruitment support and customised training
- Better integration of Construction-skills, JCP and LSC funding, in conjunction with funding such as SRB, NRF, providing a seamless route for people wishing to enter the construction industry
- New ways of providing customised training and work based experience, employer led and adopting a unitised approach to NVQ s.
- Continued workforce development for sustainable careers

NEP is working on a predictive forecasting model. Simply, employers tell them how many operatives of each occupation it takes to produce a given amount of output in each of the work types. This enables demand led training to be put in place.

NEP believes the added value of the Integrator model supports:-

- Strategic drivers of partner organisations
- Promotion of partnership approach across the region
- Demand led training – based on demand forecasting model
- A Regional approach consistent with Northern Way Objectives by addressing Skills & Worklessness agendas
- Better channelling of funding
- Complements existing structures & initiatives
- Approach can be transferred to other sectors
- Proven cost benefits
- Builds on existing momentum in the Region

Accessibility Planning is a process that aims to promote social inclusion by helping people from disadvantaged groups or areas access jobs and essential services. Transport can play a pivotal role in ensuring clients' access to employability services and work opportunities as well as providing a vital service

to helping clients maintain employment. Transport and the wider notion of 'connectivity' present both physical and psychological barriers for people who are economically inactive. Lack of effective, accessible, affordable and reliable public transport can limit people's ability to access services and jobs. However, perceptions of distance can also present psychological boundaries. This means that, for many people, some areas are automatically excluded from their job search on the basis of a perceived notion of distance and inaccessibility. Activities to change these perceptions can be the first step in encouraging people to think more widely about the employment opportunities available to them.

The **County Councils Integrated Transport Unit (ITU)** is well placed to begin to address some of the issues associated with difficulties experienced in the field arising from a lack of a single organisation taking responsibility for the effective integration of accessibility planning.

A welcome development is the County Councils approach via its LTP (2006 – 2011), working with Local Strategic Partnerships to ensure local transport priorities are central to it. Using resources from the LTP, alongside capital Neighbourhood Renewal Fund and other external funds, the aim is to develop a series of projects emerging from the County Durham Accessibility Assessment. These will have a particular emphasis on helping people in isolated rural areas to access council services and will be supported by an Access to Service Group within each LSP

A **review of worklessness** pilots took place drawing on activity in the NE and Scotland. The analysis was undertaken as part of the partnership working arrangements between Job Centre Plus and Durham County Council. Success or failure was assessed and recommendations have been made on how the pilots can be adapted to work within Durham County Council. These provide some important recommendations for where the Council may want to invest its energies in reducing the level of worklessness in County Durham:

- **Type 1:** Ring fenced vacancies – Gateway to Gateshead 1

The analysis suggests it provides for partial success for clients and failed in internal communications and processes. The reviewer does not recommend this approach.

- **Type 2:** Block Recruitment/New Deal – Gateway to Gateshead 2.
This can be successful for clients, but failed in internal communications. Type 2 could be implemented to address skill shortages in the Social Care sector (using New Deal).
- **Type 3:** Intermediate Labour Market – Childcare Works Glasgow.

This has proven to be very successful for clients and regeneration of communities. The Project is still running. Type 3 could address worklessness in specific communities and priority groups.

- **Type 4:** Block recruitment/New Deal – Jobs Auctions. This too has been very successful - 47 out of 50 people found work. This is an innovative answer to recruitment needs but will take one organisation or team to co-ordinate and lead. Type 4 could be actioned by setting up public sector 'Job Auctions' in partnership with key stakeholders.

Recruitment Agencies have an important role by ensuring that the client has high quality, fit for purpose temporary staff in the right timescale. NRG, in particular, create and manage databases of pre-interviewed, skill-tested and fully referenced staff. They also manage all personnel aspects of assignment leaving the client to focus on delivery aspects. They support the candidate by establishing an experience and skill base, determining eligibility to work in UK, references, CRB checks etc and, of course, place people in suitable temporary posts. They offer advice and support in search for permanent work and refer to training agencies and other support organisations.

With regard to training, Government policy is to target those adults who do not have skills for life and below Level 2 NVQ. In the North East, a lot of pilot work has been undertaken to extend the focus/targeting to below Level 3. The 'Train to Gain' initiative provides support to those in employment whereby businesses are paid to release staff who do not have 'skills for life' and are below Level 3. (Currently help is given to over 4,000 people a year in the North East via this scheme.)

The **Learning and Skills Council** currently contract with over 80 providers in relation to the 'Train to Gain' Initiative. There is over £100m available to be used in relation to training that falls outside the 'Train to Gain' initiative.

The **Wear Valley Employability Working Group** (an employment action group) focuses on NRF super output areas. The team aligns various projects to the Regional Employability Model and is focused on community engagement, providing skills training, personal mentors and confidence building. The projects tend to be aimed at those with a low basic skills base and do not always guarantee entry into the job market. The success of the project is due to the co-operation and close working arrangements of the Team.

Twelve **Personal Advisers** work in the area from Guisborough to Berwick to provide services to their customers who are in receipt of sickness and incapacity benefits. Each Personal Adviser will have a live case load of approximately 80 customers. Their services include:-

- Understanding the customers situation
- Discover what kind of work they would like to do
- Give advice about the local labour market
- Discuss the most appropriate route into employment
- Agree the next steps to take.

The Personal Adviser will support their customers in preparing for and finding work and this could include:

- Understanding the customers situation
- Discover what kind of work they would like to do
- Give advice about the local labour market
- Discuss the most appropriate route into employment
- Agree the next steps to take

Whilst gathering the evidence in this process, the Leitch Review of Skills has been published (Dec 2006). Leitch highlights the fundamental and direct relationship that exists between skills, employment and productivity which is crucial, not only to ensuring future economic prosperity and development but also broader issues of equality and social justice. The report's headline recommendations focus on building, and better integrating, existing skills and employment offers, based on a strengthened demand-led focus and approach. Leitch believes that this will assist in ensuring that the UK becomes a world leader in skills by 2020 to secure greater international competitiveness.

KEY MESSAGES

One size does not fit all – in other words, there is no one size fits all approach for worklessness interventions with the evidence showing that flexibility and local autonomy are critical to effective worklessness interventions.

Successful approaches to worklessness interventions have been found to be holistic, client-centred and include customised provision of services relevant to clients.

Evidence exists that suggests that delivery of worklessness interventions should take place locally, allowing **local conditions** and issues to be taken into account. However, it is also recognised that a strategic overview, perhaps at the travel-to-work areas (or other spatial level) is needed.

Effective engagement of individuals onto worklessness interventions can be achieved through approaches such as locating premises central to, or accessible for, the local community; outreach work; employing local people as advisers; and networking, linking and delivering through other local organisations.

No single method stands out as better than others – different methods suit different target groups and areas. There is some evidence that organisations less obviously connected with government can play a much more effective role in securing initial engagement with particular target groups eg Aim High Routeback

Employer engagement is important for a number of aspects including maximising the potential for obtaining vacancies, ensuring good match between client skills/attributes and employer needs, and promoting sustainability and progression once clients are placed in jobs eg ESH Group. Employer commitment is also recognised as fundamental for good Intermediate Labour Market (ILM) schemes.

Best practice for achieving employer engagement includes engaging employers from the start, working within the interests and capacity of employers, incorporating employer requirements in all stages (including design), utilising existing relationships, focusing on selected sectors, occupations and areas, creating employer confidence and trust in the processes, and ensuring effective communication.

A client-centred, holistic, customised approach is important for effective delivery of the intervention. The type of provider (i.e. public, private, and community/voluntary) is not a critical factor for success – evidence shows that delivery has been effective for all types of provider.

A sufficient level of autonomy is required in order to make sure that the intervention is **flexible** and can adjust to local context and circumstances.

There is some evidence that flexibility regarding the need for formal training would be an advantage as formal training is not always needed, and can be a disincentive to the engagement of some individuals.

Evidence suggests that **'work first'** programmes are more effective than large scale training programmes and that the focus should be on developing 'personal skills'. A number of 'work first' approaches do tend to provide some intensive post-employment support, which seems to play a positive role in the beneficial effects of this approach.

One universal critical success factor (at both strategic and delivery/operational level) is **effective partnership working**.

The success of some interventions may be due to particular labour market conditions at that time – emphasising the importance of local conditions and context into account.

With regard to the level and intensity of support required, many people in the target groups face major obstacles to work and require specialised and intensive help to overcome them. This level of support should not be underestimated e.g. Jobcentre Plus

There are examples of post placement support on national pilot programmes for the hardest to help/reach groups. Other pro-active approaches include identifying high risk of drop-out clients who then receive more intensive post-placement support than other clients.

Success Factors include:-

- Targeting at the long-term unemployed,
- Diversity of work placements available,
- Payment of a wage,
- Voluntary participation and provision of effective links to supportive services (e.g. provision of pre-placement training on job search skills and work place norms, counselling and job search assistance),

- Must be embedded in the local area,
- Require a holistic approach,
- Should collaborate with other agencies,
- Need an employer-focused approach, and
- Projects' benefits need to be sustained
- Employer commitment is fundamental and
- Formal training is not essential.

For outreach to be successful, and in order to build trust and confidence, the local service has to be seen as a **community based service**. Two approaches can be taken:

- a. Establishing a local base, which could be either a local job shop or advisers based in a community building. Basing services in a local community hub helps attract people who use the building and makes it easier to promote the service and make referrals.
- b. Second, outreach work, including delivering surgeries in libraries, community centres, and GP offices, attending local community meetings, providing job and careers advice in a mobile bus going round estates and holding job fairs.

For addressing **travel to work issues**, a range of services can help assist workless individuals when they are looking for, and sustaining, employment. This includes:

- Provision of funds to cover travel costs,
- Better/improved travel information and journey planning in Jobcentre Plus offices,
- Provision of concessions on public transport for target groups,
- Extension of current public transport provision,
- Express transport services from excluded/deprived neighbourhood to employment opportunities,
- Provision of fixed route services that would otherwise not exist,
- Demand responsive transport schemes, and
- Streetscape improvements (to help address security and safety concerns).

CONCLUSIONS and RECOMMENDATIONS

A key message is that 'no one size fits all' – no one project can be lifted and transplanted without adapting it to the local circumstances of another area.

Practice suggests that there are different phases to successfully engaging with, and moving people towards, employment:-

Phase 1 - making use of existing networks and practices to make contact with long term unemployed:-

- E.g. using local voluntary & community networks; area based initiatives such as Sure Start/Children's Centres; community development workers and other workers in local communities such as Health Trainers; holding community events; employing local people
- Good quality data can help to target resources at key areas.

Phase 2 - developing an holistic, client-centred approach which addresses the problems people face and which brings together activities and courses which will give people the skills they need.

Examples:-

- Skills for life; interview & presentational skills; personal & social skills; skills which employers are looking for; non-accredited learning which builds confidence; information, advice & guidance
- Mentors may be needed to support people through learning into employment;
- 'Branding' of initiatives can help to raise their profile, as in the 'Aim High' programme in Easington
- Importance of sharing information and practice across organisations and districts.

Phase 3 - supporting people towards and into employment – for some, the route may be long and involve voluntary work as a stepping stone to paid employment:-

- Whichever route people take, it must be a seamless one into employment which requires organisations to work closely together and provide support, possibly through into post-recruitment
- A flexible fund can help people to overcome very specific barriers such as equipment, clothing, transport
- Support is needed for employers to prepare them to take on long term unemployed people

There are already many employability initiatives going on in the County. The aim should be to use Commission 6, under the auspices of the County Durham Economic Partnership, to support and complement initiatives already underway or planned, creating added value in a very clear and specific way and helping to build the foundations for future funding from April 2008.

The key elements in delivering on this agenda focus upon:-

- A strong 'driver' organisation to take responsibility for leading the work – LSPs are increasingly becoming the focus for employability work in the Districts;

- A partnership approach with a clear focus on employability and links to local agencies –the County Durham Economic Partnership can play a significant role within the context of the Local Area Agreement to lead a strategic and co-ordinated approach to reduce worklessness.;
- A flexible and discretionary fund to support people towards employment – frustration with a plethora of funding sources does not help. A single pot of funding that is used on a commissioning bases will help streamline and support agencies support people into employment;

RECOMMENDATION

The County Council through its involvement in the County Durham Economic Partnership (CDEP) should use its influence to ensure that the different phases to successfully engaging with, and moving people towards employment is considered as a model worth investing in.

The County Council should ensure that when the Single Programme fund comes to end in March 2008 opportunities to secure future funding to deliver on the employability (worklessness) agenda are in place.

The County Council should ensure that the Local Area Agreement process is the main vehicle for future planning and delivery in promoting a strong economy County Durham wide.

The County Council should use its influence in the region to ensure that future commissioning arrangements through One North East to support employability initiatives take into account the County Durham perspective.

The County Council should encourage One North East to consider streamlining the plethora of funding streams into a “single pot” that target action at worklessness/employability initiatives.

Other key elements in delivering on this agenda focus upon:-

- Working with employers, particularly those in the key growth sectors, to identify and address their needs and concerns;

RECOMMENDATION

The Country Council should publicise its supported employment scheme “Work Able solutions” to other public and private sector organisations as a model of good practice in both supporting individuals and employers.

- Sharing of good practice in reaching the long term unemployed –examples of the approach and outcome from both the Esh Group and Aim High Routeback are important in this regard;

RECOMMENDATION

The County Council, through the County Durham Economic Partnership, should promote and showcase examples of good practice locally in reaching the long term unemployed.

- Develop an holistic, client-centred approach which addresses the issues and barriers facing unemployed people and provides a range of services to meet their needs –the approach that JCP has taken in this regard looking at support, advice and information to get people from welfare to work is worth noting;
- Support & encouragement for people to take different routes into employment. Evidence suggests that ‘work-first’ approaches (i.e. getting people into jobs as quickly as possible) are more beneficial than approaches which emphasise education and training.

RECOMMENDATION

The County Council in partnership with Jobcentre Plus through the Accord and the County Durham Economic Partnership should consider the range of effective interventions that help move people from welfare to work.

The specific challenge here though for partners is two-fold:

- a) How to break the cycle of deprivation that is firmly embedded in some of our communities which can contribute to a “culture of poverty “;and
- b) How to raise the aspirations of local people who live in areas of socio-economic decline to support them to realise their potential and to contribute to their quality of life.

- County Durham’s Accessibility Planning case study demonstrated the importance of developing a strong evidence base to ensure that all areas of need were effectively considered, underpinned by qualitative data to help identify user demand and individual travel barriers.
- Options to exploit local employment opportunities through procurement processes should be explored, particularly in response to future major capital initiatives such as Building Schools for the Future.
- Accessibility of local authorities’ own recruitment procedures to economically inactive clients.

- As a sector the County Council is a significant expender of capital finance and its role in delivering major capital and infrastructure programmes such as Building Schools for the Future makes it an important player – particularly in the construction industry. Evidence suggests that there is a skills deficit in the construction industry.

RECOMMENDATION

The County Council should explore opportunities available through the National Employment Panel (NEP) who have developed a toolkit on recruitment and selection and training for people who are economically inactive and want to work in the construction industry.

These opportunities could relate to major capital schemes that County Council is involved with, for example Building Schools for the Future that will require skills necessary to work in the construction industry.

- Importance of good quality data on clients and employers so that we are better able to target resources more effectively and match individuals with employers more effectively;

RECOMMENDATION

The County Council through its involvement with County Durham Economic Partnership should encourage the partnership to consider investing in a data base of clients and employers, so that resources can be deployed more effectively and people and organisations matched more appropriately.

- The youth employment agenda is focusing on the need to develop a variety of learning and training options to ensure young people are effectively 'job-ready' and are not at risk of disengagement once they leave statutory education.

RECOMMENDATION

The County Council and its partners should consider how best to respond to the needs of those young people who are not in education, not in employment and not in training.

The County Council should consider as an approach, the model developed by the ESH Group in working with young people in supporting them in to employment and training.

RECOMMENDATION

The County Councils Overview and Scrutiny function will systematic review progress on recommendations.

That the first review for all working group reports is completed in 6 months time (December 07).