

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)

1. KEY FOCUS

- Do we have a strategic approach to support people 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?;

2. KEY MESSAGES

- 2.1 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.

- 2.2 Successful approaches to worklessness interventions have been found to be *holistic, client-centred* and include *customised provision* of services relevant to clients.
- 2.3 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.
- 2.4 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.
- 2.5 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
- 2.6 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.
- 2.7 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.
- 2.8 A *client-centred, holistic, customised approach* is important for effective delivery of the intervention. The type of provider (ie public, private, community/voluntary) is not a critical factor for success – evidence shows that delivery has been effective for all types of provider.
- 2.9 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.
- 2.10 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.

- 2.11 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.
- 2.12 One universal critical success factor (at both strategic and delivery/operational level) is *effective partnership working*.
- 2.13 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*.
- 2.14 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 under-estimated eg Job Centre Plus
- 2.15 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.
- 2.16 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.
- 2.17 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.

2.18 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 that 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.

2.19 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).

3. KEY FINDINGS

3.1 40,000 people are currently claiming incapacity benefit in County Durham with high levels in Sedgefield and Easington areas. This figure is increased on a monthly basis by an additional 600 to 700 new customers going into Job Centre Plus.

3.2 Job Centre 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. JCP has significant resources to support its customers. 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.

- 3.3 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
- 3.4 As part of its 'Condition Management Programme' which is an innovative new programme designed to help people understand and manage their health condition in a work environment.
- 3.5 Reduction in the level of Worklessness is 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.
- 3.6 DCC, through its countywide 'supported employment service' supports people with disabilities into and during employment. It helps service users by offering :
- One to one support.
 - Travel training for people who are work ready.
 - Pre-employment training.
 - Work placements.
 - Basic skills assessment.
 - Job searching.
 - Welfare benefits advice - benefit calculations and completion of forms.
 - Access to Work.
 - Workstep.
 - Short vocational courses.
 - Interview preparation and support.
 - Access to financial assistance.
 - Regular monitoring visits.
- 3.7 Workable solutions offer employers:-
- One to One Support.
 - Work Trials.
 - Access to Work.
 - Workstep.
 - Disability Awareness.
 - Access to Financial Assistance.
 - Regular Monitoring Visits.
 - Advice and Guidance on Employment Issues.

- 3.8 The Regional Economic Strategy (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 and c) promoting equality and diversity.
- 3.9 One North East, 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.
- 3.10 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.
- 3.11 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.
- 3.12 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.
- 3.13 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.
- 3.14 Aim High Routeback works to ensure that everyone in Easington District 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.

- 3.15 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. This has been seen as a first for a private company
- 3.16 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.
- 3.17 Accessibility Planning is a process that aims to promote social inclusion by helping people from disadvantaged groups or areas access jobs and essential services.
- 3.18 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

NOT RECOMMENDED as the analysis suggests it provides for partial success for clients and failed in internal communications and processes.
 - **Type 2:** Block Recruitment/New Deal – Gateway to Gateshead 2

RECOMMENDED – successful for clients, but failed in internal communications.
 - **Type 3:** Intermediate Labour Market – Childcare Works Glasgow

RECOMMENDED: Very successful for clients and regeneration of communities. Project still running.
 - **Type 4:** Block recruitment/New Deal – Jobs Auctions

RECOMMENDED – 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.
- 3.19 The analysis suggests that Type 2 could be implemented to address skill shortages in the Social Care sector (using New Deal). The implementation of Type 4 could be actioned by setting up public sector

'Job Auctions' in partnership with key stakeholders. **Type 3** could address worklessness in specific communities and priority groups.

- 3.20 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 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 organizations.
- 3.21 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.)
- 3.22 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.
- 3.23 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.
- 3.24 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.

3.25 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

4. KEY CONCLUSIONS

4.1 A key message is that 'no one size fits all' – no one project can be lifted and transplanted without adaptation into another area.

4.2 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:-

- e.g. 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

4.3 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.

4.4 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.;
- working with employers, particularly those in the key growth sectors, to identify and address their needs and concerns;
- 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;
- developing 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;
- a flexible and discretionary fund to support people towards employment – frustration with a plethora of funding sources do not help. A single pot of funding that is used on a commissioning bases will help streamline and support agencies support people into employment;
- support & encouragement for people to take different routes into employment.

4.5 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.

5. RECOMMENDATIONS THAT IDENTIFY FINANCIAL IMPLICATIONS

5.1 None

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