



**Network of Local Authority  
Observatories on Active Inclusion**

## **Employment and Training provision for those most disadvantaged in the labour market and the role of the Local Authority**

National report on the role of employment and training services for the active inclusion of  
people furthest away from the labour market.

**Local Authority Observatory on Active Inclusion  
Southampton**



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## Glossary of Terms

<i>Activation strategies</i>	Key features of these strategies require that benefit recipients are expected to engage in active job search and improve their employability, in exchange for receiving efficient employment services and benefit payment.
<i>Active Inclusion</i>	The term derived from the Lisbon Strategy, it is the means of supporting an individual to become included in all elements of society from a state of exclusion.
<i>Active Labour Policies</i>	To help unemployed people back to work include job placement services, benefit administration, and labour market programmes such as training and job creation.
<i>BME</i>	Black and Minority Ethnic
<i>Disability Benefits</i>	The general term given to a number of benefits / allowances relating to illness or disability, including incapacity benefit.
<i>District</i>	Local Authority unit in Northern Ireland
<i>DWP</i>	Department of Work and Pensions. The government department responsible for welfare and employment issues. Formerly the Department of Social Security (DSS) and Department for Education and Employment.
<i>Conditionality</i>	The requirement to satisfy certain conditions to receive benefits e.g. to be available and willing to accept a job offer
<i>ESF</i>	European Social Fund (ESF) set up to improve employment opportunities in the European Union to help raise standards of living.
<i>Economically Active</i>	A person who is employed or actively seeking employment - made up of people over the age of 16 who are engaged in at least one hour a week are engaged in work, receiving a wage, cash or other in kind.
<i>Full Employment</i>	The aspiration to achieve 80% employment of the working population. This has been defined for several reasons: job availability, expected levels of economic activity.
<i>GVA</i>	GVA (Gross Value Added) measures the contribution to the economy of each individual producer, industry or sector in the United Kingdom.
<i>Hardest to Reach Groups</i>	Groups of individuals who are furthest from the labour market. The causes / reasons for this are varied, and may relate to cultural background, wealth, amongst other issues. In most cases these are the individuals with multiple barriers to gaining sustainable employment.
<i>Incapacity Benefits</i>	Incapacity Benefit (IB) is paid to existing claimants of working age who cannot work because of illness or disability and has recently been replaced with Employment Support Allowance.
<i>Index of Multiple Deprivation</i>	Produced by each of the nations of the UK and assess relative income, employment levels providing an index figure for comparison.

<i>Job Seeker</i>	An individual of working age, actively seeking employment.
<i>Jobcentres</i>	a local office, managed centrally, where information and access to job vacancies are displayed and where unemployment benefits are administered
<i>Jobcentre Plus</i>	The dedicated agency of the DWP through which employment is brokered, and benefits are agreed and paid from.
<i>LSC</i>	Learning Skills Council. Until recently the agency responsible for funding and planning education and training for over 16-year-olds in England
<i>Mental Health</i>	A positive mental state, with an absence of feelings of depression and anxiety. It also may include an individual's ability to enjoy life and procure a balance between life activities and efforts to achieve psychological resilience.
<i>National Action Plan (NAP) 2008 -2010</i>	Outlines the current position in the (UK) and the action to tackle poverty and increase social inclusion - produced with reference to the EU common objectives it is informed by a range of indicators and follows a format agreed between the EU Member States and the European Commission. The report reflects in-depth engagement with a wide range of stakeholders, including people experiencing poverty, the voluntary and community sector, and devolved and local government.
<i>NEET</i>	Young people aged 16-18 who are (N) not engaged in any form of (E)ducation, (E)mployment or job-related (T)training .
<i>NVQ</i>	National Vocational Qualifications (NVQs) are work based awards in England, Wales and Northern Ireland that are achieved through assessment and training. In Scotland they are known as Scottish Vocational Qualification (SVQ).
<i>Personalisation</i>	The tailoring of services to meet the specific needs of the individual.
<i>Regional Economic Strategies (RES) 2006 - 2016</i>	Prepared by Regional Development Agencies (RDA's), sets out a strategy for sustainable growth in the local regional economy. The Strategy for SE England is structured around three key themes: <b>Global Competitiveness</b> -this means building on existing concentrations of excellence and by becoming more enterprising, innovative and skilled. <b>Smart Growth</b> - Raising levels of prosperity per head across the South East without increasing the region's ecological footprint through better productivity, higher levels of enterprise and by bringing more of the resident population into economic activity. <b>Sustainable Prosperity</b> - pursuing growth within environmental limits creating new opportunities for innovation and competitiveness. Quality of life in the South East is a key source of its competitive advantage, and must also be a focus for investment.

<i>Shaw Trust</i>	National charity working with employers, social services and the disabled to help people with disabilities find employment.
<i>Social Economy</i>	A <i>third</i> sector in between the private and public sectors, typically characterised by charities and social enterprises.
<i>Social Enterprise</i>	Social Enterprises are businesses with primarily social objectives whose surpluses are principally reinvested for that purpose in the business or community, rather than being driven by the need to maximise profit for shareholders and owners.
<i>Social Exclusion</i>	The state of being excluded from the basic elements of life (including employment) preventing people from progressing, or interacting with wider society. This also has a geographical element, where whole communities could be considered to be socially excluded.
<i>Social Exclusion Task Force</i>	The Task Force coordinates the Government's drive against social exclusion, ensuring a cross-departmental approach. The Task Force champions the needs of the most disadvantaged members of society within Government, ensuring that as with the rest of the public service reform agenda, people are priority.
<i>Social Firms</i>	A type of social enterprise - businesses that trade for a social or environmental purpose and their profits are reinvested back into the company to help them achieve this purpose. The specific social purpose of Social Firms is to create jobs for people those who find it hardest to get them, specifically those people with disabilities.
<i>South East Development (SEEDA)</i>	<i>England Agency</i> Supports the economic development of the South East region working at a local, regional, national and international level to attract inward investment, helping businesses reach their full potential and to win practical support from a range of partners. Brings funding into the region to help the economic growth of the South East.
<i>Unemployment</i>	All males 16-64 and women 16-59 who are without work, currently unavailable for work and are actively seeking employment.
<i>Unitary Authority</i>	A combined single tier local authority includes all local authorities in Wales, Scotland and many urban authorities in England.
<i>Well-being</i>	A positive physical, social and mental state: it is not just the absence of pain, discomfort and incapacity. It requires that basic needs are met, that individuals have a sense of purpose, and that they feel able to achieve important personal goals and participate in society. It is enhanced by conditions that include supportive personal relationships, strong and inclusive communities, good health, financial and personal security, rewarding employment and a healthy attractive environment.
<i>Young People's Agency'</i>	<i>Learning</i> The YPLA introduced as part new legislation (2009 previously part of the LSC) is an enabling body to support local authorities

in carrying out their new duties - providing a broad commissioning framework and strategic data and analysis for local authorities to use.



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# 1. Introduction

This report examines the role of employment and training services for the inclusion of particularly vulnerable people. It is an output of the EUROCIITIES-Network of Local Authority Observatories on Active Inclusion (EUROCIITIES-NLAO) which monitors the implementation of the Active Inclusion strategy on the local level, with a particular focus on social services.

The Active Inclusion Strategy was designed at the European level.<sup>1</sup> It aims to integrate people furthest away from the labour market, both

- by helping them to become employable and
- by supporting those who are unable to work to live a dignified life by providing financial and social support to establish reasonable living conditions.

The strategy is based on three pillars:

- adequate minimum income,
- link to the labour market,
- access to quality services.

Each pillar of the strategy is underpinned by a set of quality principles for its implementation, which are shared by all EU Member States. The fulfilment of these principles is considered a prerequisite for the Active Inclusion strategy to work.

According to the European Commission, the following social services are particularly relevant within the Active Inclusion strategy: social assistance services, employment and training services, housing support and social housing, childcare, long-term care services and health services.

Cities are key to the delivery of social services such as social housing or social assistance services. Through their responsibilities as policy-makers and service providers, they are involved in the whole cycle of service provision, from commissioning and procurement to delivery and evaluation. Also, cities play an important role in adapting European strategies, such as the Active Inclusion strategy and national strategies, to the specific needs and realities of their territories. It is at local level that policies are put in place to implement European and national strategies. Therefore, cities are in an excellent position to monitor the implementation of the Active Inclusion strategy, particularly with regard to the third pillar on social services.

In the pilot phase of the EUROCIITIES-NLAO project two of the services mentioned above are being investigated. The first report concentrated on the role of social and supported housing.<sup>2</sup> This one looks at the role of employment and training services in the active inclusion of people furthest away from the labour market.

This report has been prepared by Southampton Local Authority Observatory (Southampton LAO) as part of the EUROCIITIES project to document the role of the Local Authority in meeting the employment and training needs of the most disadvantaged groups in the local labour market. As such it focuses on developments in Southampton as a core example of a 'whole' system, however Southampton City Council is also very grateful for the contributions from other Cities, particularly Edinburgh, in the preparation of this report.

It focuses on the roles and functions of key local actors in promoting employment and training within an 'Active Inclusion' model in the UK, acknowledging the socio-political context in which employment and training is currently being shaped in the UK.

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<sup>1</sup> EC Recommendation on the active inclusion of people excluded from the labour market from 3 October 2008

<sup>2</sup> Cities and Active Inclusion: Housing: Including people and communities through social and supported housing in the UK

The report is based on information acquired by conducting desk research, interviews and focus group meetings with relevant stakeholders and national experts. This study provides an overview of the employment and training policies and provision at a local level for those people furthest from the labour market. Following this introduction, chapter 2 outlines the Active Labour policies that show the move towards activation of those people receiving working age benefits. Chapter 3 highlights the different challenges facing cities across the UK and definitions of those groups of people who are most often found to be socially excluded. Chapter 4 contains the most detail, as it is local approaches and delivery that is the focus of the study and contains examples from different cities in the UK. Chapter 5 brings together the strengths and challenges. In chapter 6 employer EU's Active Inclusion Quality Principles.

**Employment in the UK**

The employment rate currently in the UK stands significantly influenced by the current global econc in unemployment to 7.8%<sup>4</sup> (from the low of 4.7% (the highest in the UK since 1996).

The UK is aspiring to achieve *full employment (raised to 80% of the working age population in 2005)*, as part of the wider promotion of the wider well-being agenda. The focus on work is a significant driver in allowing people to *fully participate* in society and to promote their overall sense of well-being.

Employment and training are both significant factors that have an impact on people's lives and therefore contribute towards the promotion of their overall sense of well-being. The model in figure 1 illustrates linkages to other factors and the interdependency of these in promoting well being within the local authority roles and responsibilities

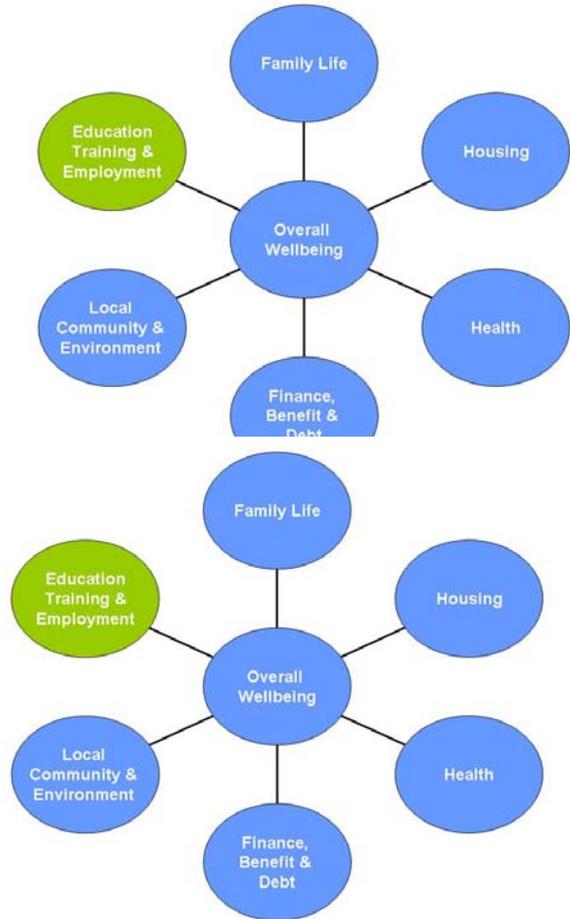


Figure 1: Local Authority contribution to Well Being

<sup>3</sup> Office of National Statistics (2010)  
<sup>4</sup> Office of National Statistics (2010)

Within the dynamic of an increasingly global market, the UK (along with its EU Partners) needs to ensure that it has a dynamic and thriving economy, this depends on an active and skilled workforce to be able to operate competitively at a global level. As such there is a strong drive towards the introduction of measures to **encourage, train & retrain** those people not presently active in the labour market. This has become even more significant in the present economic climate, with the UK one of the most significantly affected nations in the EU.

The UK national response to the European Year for Combating Poverty and Social Exclusion sets out in some detail both the context and the programme for 2010. This response brings together the current thinking that focuses on bringing those people most excluded into mainstream society. It reports that in 2007/08, there were 5.6 million working-age adults living in poverty in the UK and underlines that active intervention plays a key role in the UK employment strategy<sup>5</sup>.

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<sup>5</sup> The Scottish Government's Economic Strategy includes targets relating to tackling poverty and income inequality. The Welsh Assembly Government's One Wales agreement sets out the Welsh approach to delivering solutions to tackle poverty and social exclusion in Wales. In Northern Ireland, *the Success through skills* strategy provides a framework for skills development

## 2. Context

This section will establish the political, policy and governance context in which employment & training is being developed in the UK. This will focus on specific urban challenges which are faced at a local level and the implication these challenges have on skills and employment and how these are manifested within the local area.

### 2.1 Politics

The key elements of the British socio-political system currently include a guarantee of minimum standards of income, social protection and the provision of & access to services.

However it is important to note that this is not a unified model, with significant variances being seen nationally and across the devolved administrations in Northern Ireland, Scotland and Wales. There has also been a radical change in the British welfare state over the last 2 decades with more emphasis on people taking positive action to find suitable employment, including those people who may have previously been considered unlikely or unable to work. The traditional role of the social security system in assessing eligibility for and paying cash benefits has been broadened significantly, with the national security system now being expected to undertake a much more significant position in preparing working age people for, and connecting them to, the labour market<sup>6</sup>.

This has been demonstrated through the latest approach by the present government<sup>7</sup> in the UK which has sought to bring together new powers to actively encourage people back into the work force (such as whole families who haven't worked, sometimes for generations) though a new employment and skills drive<sup>8</sup>.

The Government's Social Exclusion Task Force set up in 2006 focuses on those people most at risk of social exclusion and problems of severe deprivation. The Task Force has overall responsibility for Public Service Agreement 16 ('PSA 16') which focuses on 'socially excluded adults' and aims to ensure that those most socially excluded are supported to access the mainstream basic requirements of both settled accommodation and employment, education or training. PSA16 focuses on four client groups who are particularly vulnerable to multiple forms of disadvantage:

- Care leavers at age 19
- Offenders under probation supervision
- Adults receiving secondary mental health services
- Adults with learning disabilities

As part of a national response to the economic downturn, the Government has also invested £3 billion to improve the access to employment services through the national network of local 'Jobcentre Plus<sup>9</sup>' offices managed through the Department for Work and Pensions (DWP). As part

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<sup>6</sup> Finn, D. (2009), 'Employment First: Activation Policies in Great Britain'

<sup>7</sup> This report was drafted before the UK national election to be held on May 6<sup>th</sup> 2010]

<sup>8</sup> Communities & Local Government (2009), "£40 million to lift long-term jobless back into work"

<sup>9</sup> Jobcentre Plus (JCP) a government agency for working age people it advertises job vacancies; administrates

of this the government has committed to guaranteeing a job or training to all long-term unemployed young people through the 'Backing Young Britain' policy.

## 2.2 Policy Framework

There continues to be a 'work first' concept and a belief that work is 'the best route out of poverty'. There are 3 main parts to the 'activation strategy' which now supports this approach:

- All benefit recipients (of working age) to take part in employment related activity.
- To make work 'pay' using -
  - 'in work' tax credit system
  - the introduction of the minimum wage
  - support with childcare costs
- Personalised and tailored support directed at those who are most disadvantaged<sup>10</sup>.

In the late 90's, the government started a programme of reforms to 'activate' all working age claimants, especially lone parents and those claiming incapacity and disability benefits. These groups had previously received very little support or encouragement to seek employment. These reforms introduced the mandatory Work Focused Interview (WFI) which required all working age claimants to attend to assess their eligibility for work before any benefits become payable.

The very high levels of unemployment as a result of the recession in the mid 1980's, highlighted the increased numbers of people claiming benefits staying much longer on benefits with each recession or economic downturn. This demonstrated that the longer an individual's unemployment persists, the longer it takes to get back into work.

As a result, in this recent economic downturn the 'activation' strategy is being heavily promoted with, for example, job search requirements being extended to Lone Parents with children whose youngest child is 7 or over (it had previously been 12).

The *work first* approach is highlighted throughout many policy instruments and approaches undertaken by the UK government and reflected in local authority strategies and action plans. The Government's Public Service Agreement 16<sup>11</sup> focused on the support of *socially excluded* adults ensures that they are "*offered the chance to get back on a path to a more successful life*". A key focus has been increasing the number of 'at risk' individuals who are settled in accommodation, employment, training & education. PSA 16 establishes that a "*home and a job are the core foundations of normal, everyday life which the majority of people take for granted*" going on to highlight the desire to "*extend this expectation and aspiration to the most excluded for whom a settled home and opportunity to work can seem out of reach*". The particular value of this initiative is its cross-sector focus, highlighting the commitment, across government, to deliver tailored holistic support to meet the needs of the individual. This policy has been developed by the

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job seeker benefits; offers a matching service using personal advisers who caseload clients to work with them to address barriers to work.

<sup>10</sup> Finn, D. (2009). Employment First: Activation policies in Great Britain.

<sup>11</sup> PSA's were originally introduced in 1998 and set out performance targets across government departments. Each PSA is underpinned by a delivery agreement which is shared across all contributing departments and is developed with partners and frontline workers.

Social Exclusion Task Force (SETF) and is seen as central to the Government's inclusion agenda.

The *Well-being Agenda*, (see fig. 1) illustrates the wide range of highly connected issues which impact on people's lives, and therefore contribute to a wider approach to supporting the individual, with employment & training forming one element of it.

In the UK, national and local strategies bring together the different services and organisations to ensure a holistic approach for employment and training related agendas:

- Changes to the benefit system including medical assessments
- Changes to employment support programmes
- Actions by Local Government
  - Promoting economic development
  - Addressing disadvantage
- Changes in the management of Education and Skills programmes

The Government's commitment to the provision of employment for disadvantaged groups also directly links to the aims of the UK's Equality and Human Rights Commission to reduce inequality, eliminate discrimination, strengthen good relations between all people and to promote & protect human rights to ensure that all have a fair chance to participate in society. The Equalities Act 2006 placed a new duty on local authorities to support the promotion of equal rights for all, including those with mental health issues and disabilities. This is in place to support people looking for employment, undertaking training & education as well as supporting individuals to maintain sustainable employment. This Act provides for the 'Disability Equality Duty', requiring "people who work in the public sector to consider the impact of their work on disabled people, and take action to tackle disability and inequality" as a means of providing for better employment opportunities for people with disabilities.

The implementation of these developments has been through a number of related policy and legislative activities:

### 2.2.1 Benefit System, including medical assessments

The *Gregg Review: Realising Potential - A vision for personalised conditionality and support (2008)* outlines the changes to conditionality for receiving social/ employment related benefits - with an increase in tailoring support to support benefit recipients in becoming economically active. This review stated that the responsibility of an individual claiming benefits should be looking for or engaging in activity to help them towards employment. This review led the way to the introduction of a concept of a *Single Working Age Benefit* scheme. It recommended that there should be three broad groups of benefit recipients, and within each of these groups, individuals would have specific responsibilities:

One | *A work ready* group, for people who are immediately job-ready based on the current Job Seekers Allowance Scheme. These claimants will be offered general information and support by Jobcentres.

Two | *Progression to Work* group: aimed at those where an immediate return to work would not be appropriate, but where with help and support this could be an

achievable outcome. Support will be provided, tailored to their capabilities and personal circumstances and commissioned from and delivered by external agencies.

Three | 'No Conditionality'<sup>12</sup> group, those claiming benefits unable to work at this time in their lives. For example this would include lone parents with children under one and those with health issues for whom employment would be out of the question.

This is a key component of the activation approach which, in particular, mirrors the three pillars in the Active Inclusion Strategy through these three groupings.

The *Welfare Reform Agenda 2007 & 2009 "No One Written Off"* has changed the focus from provision of 'unemployment maintenance', to the concept of 'employment support' - and included a review of incapacity benefits<sup>13</sup>, with the introduction of the *Employment Support Allowance*. This promoted a new positive focus on employability for those claiming incapacity benefits on the grounds of ill health or disability i.e. those whose health condition is such that 'no conditions' would have been imposed for the receipt of benefits. This replaced the previous Incapacity Benefit and Income Support paid to new customers from October 2008 and enforced a commitment on the claimant to undertake a series of mandatory 'work focused' interviews, dependant on the severity of the health condition. This was an important change from labeling the benefit recipient as 'incapable' to a more positive and vocationally focused outcome. The key has been to change the description of recipients of benefits as *incapable* to encouraging them to become 'job ready'. Those claiming incapacity benefits for longer than a year were much less likely to consider employment or be successful in obtaining employment due to a range of reasons. These include the loss of job search skills, up-to-date employment skills, a loss of confidence and self esteem.

To support this new focus on a person's work abilities as opposed to disabilities, the Personal Capability Assessment has been replaced with a Work Capability Assessment (WCA), which aims to give a more specific and personalised medical view of the claimant's ability to undertake some form of work.

The reform also gave powers to improve the sharing of information between DWP and Local Authorities for the purpose of increasing take-up of social security benefits, however there are still concerns about meeting data protection requirements in sharing personally identifiable information between agencies.

## 2.2.2 Support programmes and the new DWP Commissioning Strategy

Both the Gregg Review and the changes in how the DWP commissions services have focused on the need to offer personalised and tailored support to those people most disadvantaged in the labour market. Some of those recently unemployed, for example in the recent economic downturn, are more able to find and secure employment having a recent job history and knowledge of the labour market. However for those with multiple barriers this can be a more complex issue and often requires external support to address each of the barriers. The *DWP Commissioning Strategy* has driven the change for increased partnership work to impact on those most disadvantaged. The strategy went further in clarifying the role of the Local Authority as a partner, seen as able to

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<sup>12</sup> Conditionality - See glossary

<sup>13</sup> Incapacity benefits - See glossary

broker employment and training services with external organisations. Each year the DWP spends approximately £1 billion in the external procurement of employment support provision. There is a current drive, working with both private and voluntary sector partners, to increase the number of people with sustainable employment, whilst also creating cost efficiencies. This strategy has sought to ensure a greater level of partnership working in the sector, to reduce overlapping provision of services, as well as to increase the range of services which can be delivered to beneficiaries. The local authority is often a key partner providing a coordinating function in any collaborative partnership to deliver services locally, being well placed to make the links with other relevant strategies e.g. health and well being, children and young people local housing, basic skills programmes.

### 2.2.3 Empowerment and the Well being agenda in Local Government

The Local Government Act (2000) gave powers to Local Authorities to promote economic, environmental and social well-being within their area and this well being agenda has been the driver for many local authorities to actively seek ways to impact on employment and training in their areas. Employment has increasingly been recognised as having a major impact on the well being of individuals. This Act gives the necessary powers for local authorities in England and Wales to undertake any actions they consider likely to promote the economic, social and environmental well-being of their area (unless explicitly prohibited elsewhere in legislation) (See figure 1). The Local Government Association (LGA) working with the Improvement and Development Agency (IDeA) represents local government at a national level, bringing together the local authorities in both England and Wales. It is able to share and disseminate examples of effective local practice with toolkits held on the IDeA website to support local authorities dealing with worklessness issues locally.

The Government's *Total Place* initiative has explored how holistic area based funding approaches can be used to improve the way that local agencies deliver fundamental changes so that services can achieve more for lower cost. This initiative, still at concept development stage, could become a significant feature of future central and local government policy. This is supported by the Local Government Association (LGA) which states that 'Local areas must have the freedom to design services that better meet the needs of the people who live there'. The aims of the initiative include:

- Mapping the money into a local area and making the links between services
- Look at the existing cultures and processes and identify possible efficiencies.
- Collaboration between agencies on service redesign to better reflect customer needs.

### 2.2.4 Changes in the Education and Skills requirements

**Skills for Growth (Nov 2009)** sets out the strategy to implement a skills system based on 'real world' outcomes rather than simply just qualifications achieved. The National Strategic Skills Audit, 'Skills for Jobs: Today and Tomorrow' (2010) outlines the key challenges and issues facing the UK. It is recognised that up-to-date skills are vitally important to ensure that the UK can operate in the European and the wider world economy. Since 1997 there has been a focus on basic skills seeking to improve adult literacy and numeracy, which has supported and helped adults gain broad

employability skills. The strategy notes that 'employers face a workforce with insufficient skills at the intermediate technician, associate professional and skilled occupation levels' which are seen as critical to many of the industries of the future. It recognises the need for a system to deliver skills with economic value shifting the focus of the skills system by measuring its success in meeting employers' skills needs and enabling learners to progress into work.

The UK Commission for Employment and Skills was established in 2008, as a recommendation from the Leitch Review<sup>14</sup>. Created by the merger of two predecessor organisations, the Sector Skills Development Agency and the National Employer Panel, the new Commission's aim is to improve employment and skills systems to enable the UK to become and remain a leader in productivity and in having a fair and inclusive society.

The Apprenticeships, Skills, Children and Learning Act (2009) substantially amended the legislation, with responsibility for the education of 16 -19 year olds transferred to local Authorities. The newly formed Young People's Learning Agency (YPLA) will support local authorities to carry out these new responsibilities by producing national frameworks to 'support planning and commissioning, ensuring coherence of commissioning plans, managing the national funding formula, and providing strategic data and analysis'. When local authority commissioning plans are agreed by both the sub-regional and regional planning group, the YPLA will check to ensure that they are both achievable and affordable.

To make this happen at a local level, the Local Authority, along with learning and skills providers, employers and the third sector will work together through 14-19 Partnerships to ensure that learners have access to these national qualifications routes. This legislation also sets out the change to the school leaving age, while presently young people can leave school at 16, this raises to age 17 from 2013 and up to the age of 18 from 2015.

## 2.3 Governance (and the role of local government)

Across the UK, the principle responsibility for employment and training services currently lies with the Department for Work and Pensions (DWP), the government department which develops and implements policies and strategies for the worklessness agenda. The Department for Business, Innovation and Skills (BIS) has responsibility for the wider skills agenda. In Scotland, Wales and Northern Ireland local authorities also work directly with the devolved governments, and as such there are often variances in the approaches across the UK.

The support and benefit conditionality for the majority of workless people is delivered locally through Jobcentre Plus (JCP) on behalf of the DWP. JCP is an 'executive agency' (i.e. an organisation within government but with specific responsibilities and powers), providing services at a local level to support people of working age from welfare into work, as well as working with employers to identify means of filling their vacancies and delivering programmes which meet their skills requirements. Much of the provision of services is contracted out from JCP and delivered by a range of providers, referred to as 'Prime Contractors'.

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<sup>14</sup> Leitch Review 2006 - an independent review of the UK's long term skills needs. It committed the government to identify the UK's optimal skills mix for 2020 to maximise economic growth, productivity and social justice, set out the balance of responsibility for achieving that skills profile and consider the policy framework required to support it.

BIS was created as a government department to bring together the major levers of the economy together in one place. The policy areas - from skills and higher education to innovation and science to business and trade policy - all of which help to drive economic growth.

The Local Authority as an administrative unit in the UK does not have a statutory role in the setting of employment and training policy, or its delivery. However it supports, coordinates, and monitors the services delivered locally. In addition local authorities are often one of the largest employers in an area (or commissioners of services employing people) e.g. Southampton City Council employs over 8,000 people, equating to 6.4%<sup>15</sup> of the economically active workforce. Through this role as a significant employer, the Local Authority often provides significant inputs into local workforce training and development. Local Authorities working with populations with high levels of unemployment usually take a greater interest in this area and will be seen to be more active than other authorities which face fewer problems<sup>16</sup>.

However much of the local activity is effectively funded through the Department of Work and Pensions, particularly through their commissioning of agencies to deliver employment and training related services. This commissioning activity is detailed below. A key area of development in the UK has been the development of closer working at a local level between local DWP offices and local authorities.

The planning and procurement processes of Local Authorities are also used to support investment in economic development, skills and local recruitment. In Southampton, the *Planning Core Strategy*<sup>17</sup> requires that employment & skills plans form part of any agreement with all major developments - the authority is also developing a 'Sustainable Procurement Strategy' - this will include employment, skills & training targets in the procurement of local services.

From April 2010 the Local Authority remit has expanded to include a responsibility to plan and commission services for 14-19 year olds, working with the new national 'Young People's Learning Agency'

*Figure 2 (see below)*

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<sup>15</sup> NOMIS (2010)

<sup>16</sup> Also the LGA lobbies and campaigns for changes in policy, legislation and funding on behalf of councils, and the people and communities they serve. The LGA has been supporting the devolution of economic powers and funding streams to address worklessness, economic growth and regeneration, campaigning for a gateway allowing the sharing of personal data between local authorities and the DWP.

<sup>17</sup> The Planning Core Strategy will become a key part of all of the planning documents known as the 'Local Development Framework'. The Core Strategy will also include a broad spatial vision for the city and key objectives for achieving this.

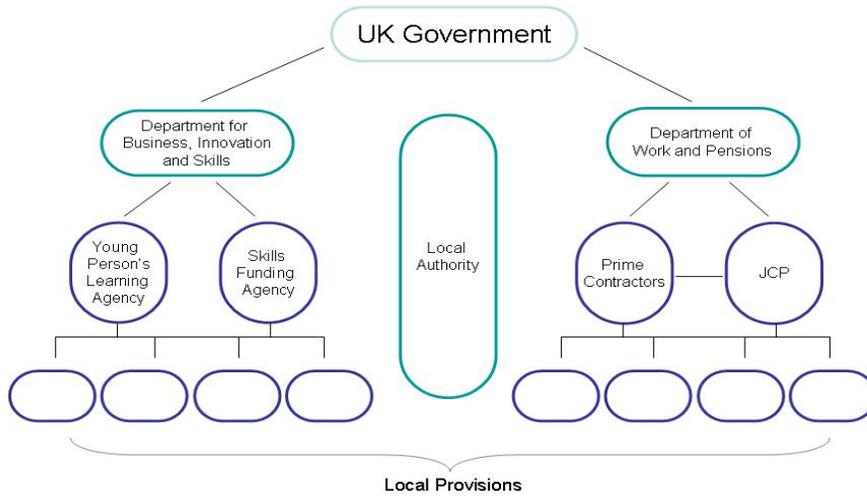


Figure 2 above shows a governance structure - Local authorities provide key linkage between economic and employment programmes at the local level.

### 3. Urban Challenges & Target Groups

This chapter outlines the particular challenges facing Southampton and other cities in the UK with particular regard to the provision of employment and training services. It analyses the ways in which *people are excluded from the labour market*, and how they are identified as target groups for policies at the local level.

Generally, the last ten years has seen an identifiable increase of the numbers of people in work in the UK, along with a similar rise in home ownership resulting in a considerable rise in prosperity nationally. This rise in prosperity however has not been experienced by all, and there is an increasing divide between the rising prosperity, and those people experiencing poverty and social exclusion.

#### 3.1 Urban Challenges

With an increasing urban population in the UK (90% of population or totalling over 55 million people), cities face many different specific challenges, which each city having its own individual characteristics. For example there is a significant variance between the labour market experiences of those in the North East and South East of England.

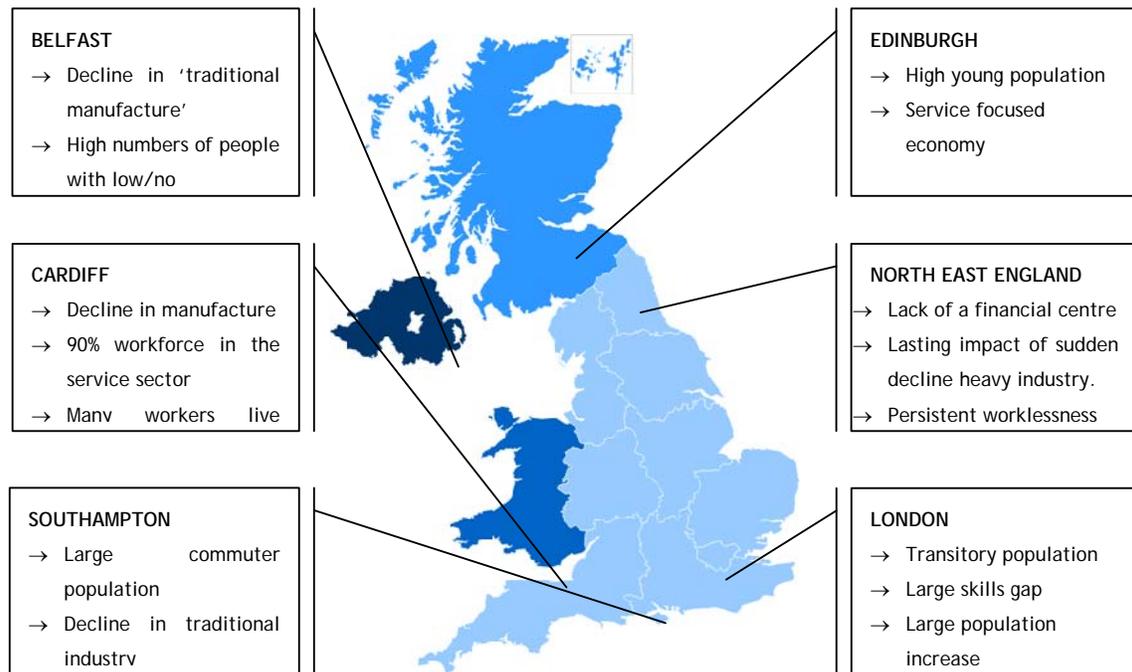


Figure 3: Economic map of UK

Major economic and infrastructure changes have had a significant affect on urban areas and continue to do so with consequential impacts on employment opportunities. This has required a continual need to review and revise economic aspirations and employment development programmes across the UK reflecting the wide variation in economic changes as exemplified in figure 3. These economic aspirations have been affected and continue to be influenced by the current economic crisis which affects both national and local economic development.

### 3.2 Target Groups

Using the index of multiple deprivation<sup>18</sup> produced by each of the governments of the UK, it is apparent that the most deprived communities in the UK are in London, the North East and the North West. There is a broad corresponding correlation here when comparing this information with unemployment data for the same regions, with the North East of England ranking highly in both unemployment rates as well as the index of multiple deprivation.

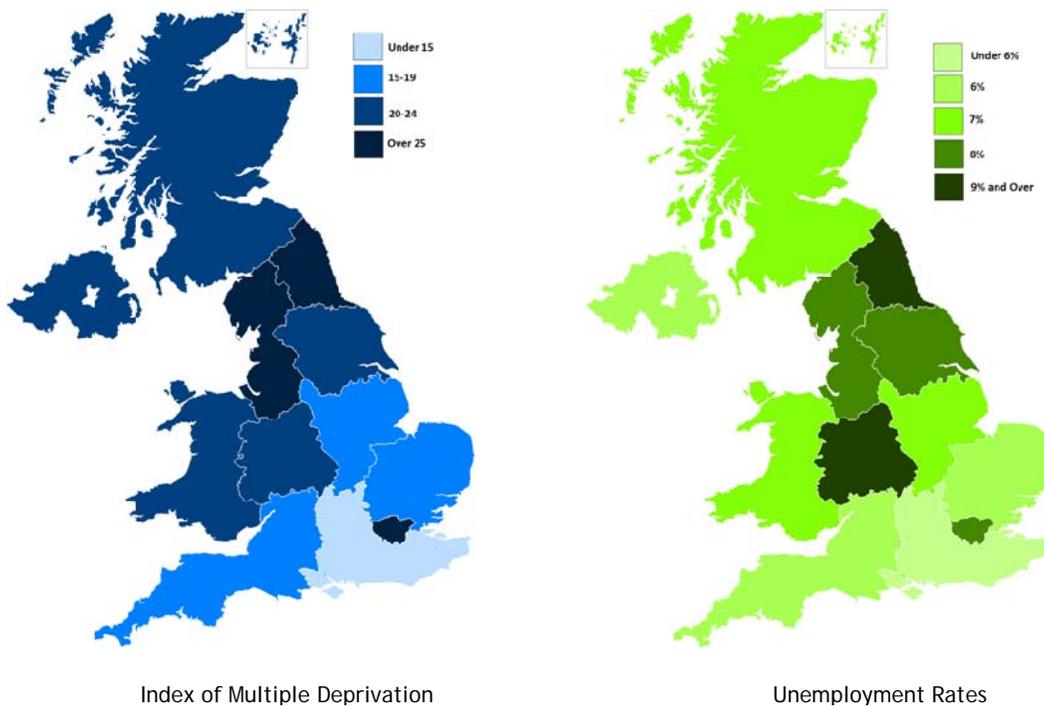


Figure 2: Index of Multiple Deprivation - Source: Communities and Local Government

The diagram gives an overview of the geographic areas suffering from ‘multiple deprivation’. There is a set of more local level indicators known as Super Output Areas, where the data collected is

<sup>18</sup> The Index of Multiple Deprivation 2007 (IMD 2007) is a measure of multiple deprivation at the small area level based on the idea of distinct dimensions of deprivation e.g. housing, employment, health poverty which can be recognised and measured separately. People may be counted as deprived in one or more of the domains, depending on the number of types of deprivation that they experience.

compared against specific measures - comprised of 10 sets of data brought together and weighted to provide one index by which these Super Output Areas can be compared. The data sets include

- income deprivation
- employment deprivation
- health deprivation and disability
- education
- skills and training deprivation
- barriers to housing and services
- crime

The index is used to rank areas and districts and the ranking impacts on funding allocation, more funding is given to the areas which are seen to be more disadvantaged.

The term *social exclusion* is often used as a 'short-hand' term for what can happen when people (*or* areas) find themselves with multiple social and economic barriers. These can typically include unemployment, discrimination, low skills levels, low incomes, poor housing, living in a high crime area and family breakdown.

Although many of the issues of unemployment and deprivation impact broadly on urban areas, as shown in figure 4, there are also pockets of deprivation that occur at a neighbourhood level, there is a significant incidence of pockets of such deprivation across rural and low density urban areas. For example, there are cases of ex-mining towns which are still suffering from low levels of permanent employment following the closure of the mines over 20 years ago<sup>19</sup>.

There are a range of groups who are disadvantaged in the labour market and therefore often at a much higher risk of being workless, living in a deprived area can often increase these risks.<sup>20</sup> It is important to note that being part of these groups does not automatically mean that an individual will be disadvantaged; rather the chance of becoming disadvantaged is much greater.

Research shows these issues are often linked and mutually reinforcing, with Social Exclusion being the consequence of people finding themselves becoming disadvantaged<sup>21</sup>. Additionally there is evidence which highlights how these disadvantages can be transmitted from one generation to the next, creating what has become known as the *cycle of deprivation*.

Several groups are disproportionately represented within statistics showing low skills levels and worklessness as well as in indicators of poverty and social exclusion. These groups typically include:

***Black & Minority Ethnic (BME)***

| BME groups are often over-represented in unemployment figures nationally. At a very local level the figures can seem very high often due to geographical polarisation. New incoming communities are often moved (actively or passively) into the same area which causes challenges for

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<sup>19</sup> Countryside Agency (2009), '*Easington Colliery - an economically depressed ex-mining town in Durham*'

<sup>20</sup> Richie, H., Casebourne, J., Rick, J. (2005), 'Understanding workless people and communities: A literature review', Department for Work and Pensions, HM Stationary Office.

<sup>21</sup> Social Exclusion Taskforce (2010)

the local authority in promoting social cohesion. These challenges are often addressed by small projects that receive little regular long term funding.

*Ex-Offenders*

- | With a typical 70% re-offending rate, lack of education & training form one of the most significant barriers impacting on the lives of individuals, and is a key factor leading towards fractured lifestyles. The National Offender Management Service (NOMS) is a national organisation that has a key role to reduce re offending. It recognises that it is unable to manage this without the support of other relevant stakeholders. NOMS commissions services from organisations in the public, private and voluntary sectors which have experience with working with people who face multiple barriers in obtaining work, including substance misuse; family break up; no recent employment history and often no secure accommodation. Lack of accommodation is most often cited as the cause of reoffending.

*Lone Parents*

- | There is an increased amount of support and advice available for single parents with lone parent advisers introduced into the local job centres in the in the late 90's. All single parents whose youngest child is over 7 (recently changed from 12) are required to be actively seeking employment or training. Affordable and accessible childcare provision remains the most significant barrier for lone parents in being able to undertake full time employment or training - in particular for those with young children (those under school age). There is a government target to ensure there are Children's Centres in local neighbourhoods offering free childcare places for children over 2 years and 7 months for 3 sessions per week. However this provision is less popular with those more disadvantaged single parents e.g. those who culturally would normally stay home to look after their own children.

*People with Disabilities. Learning Difficulties & Mental Health Issues*

- | Often prevented from accessing the workforce for a variety of reasons, including accessibility of workplaces and a lack of understanding of the issues facing people with learning or physical disabilities or mental health challenges.

*Older People (50 +)*

- | People over 50 can often face multiple barriers to employment including for example lack of skills (e.g. IT) or up to date skills and age discrimination. There are a growing number of people aged 50 and over that have become unemployed and claiming benefit for more than

6 months (due in part to redundancies in the present economic climate). People over 50 are more often recognised as having health issues that may impact on their ability to take up employment.

*Young People*

- | One of the most rapidly growing groups across the UK during the current recession, and vastly over-represented in unemployment figures. Although staying on in education has increased, the numbers of young people not in education employment or training (NEET) continues to increase. This has been against a back drop of steadily increasing employment rates (before the present economic downturn), with a particular decline in employment of 16- 17 year olds. This has been particularly exaggerated by the economic crisis and, as a result, the government has introduced the Future Jobs Fund as part of the 'Backing Young Britain' campaign. This £1 billion fund will create 100,000 new jobs for 18 - 24 year olds offering employment with training opportunities. The Future Jobs Fund also includes £6,500 towards the wages for these young people. A recent change in legislation has increased the school leaving age from 16 in 2010 to 17 in 2013 rising to 18 in 2015. These policies are seeking to turn the tide of young people joining the benefits system.

These are groups of people whose needs are unique and complex and are often difficult to reach who do not take part in mainstream activities and therefore do not engage with service provision. Highly localised and tailored services are required to address these needs.

This is not to suggest that all people in these groups are *socially excluded*, but that they can often face multiple or additional barriers into employment. For example ex-offenders often have fractured experiences in education with lifestyles which are not conducive to learning, with poor role models and limited access to accommodation. These can prove to be very limiting factors preventing them from living sustainable lives.

## 4. Local Implementation

This section establishes the employment & training approaches and services in place in Southampton and mirrored in other authorities in the UK taking into account local needs and circumstances. Contrasting examples are also used here from other cities, particularly from Edinburgh. It sets out how authorities are working to encourage participation in the labour market for those people most excluded, linking to the wider 'well being' agenda.

### 4.1 Approaches

National employment and training policies have been adapted and embedded in a wide range of local policies and frameworks, which are more practically focused on local delivery. For example, Southampton City Council has developed the following local plans and strategies related to economic development and employment development:

- Economic Development Action Plan
- Local Regeneration Strategy
- Children and Young People Strategic Plan
- Health and Well-being Strategy
- Adult Learning Skills Plan

Local Authorities have a wide range of functions and play a significant role in the coordination and integration of provision locally, though often with only limited funding streams available for the provision of employment & training related developments. Many initiatives developed by Local Authorities seek funding externally (for example, European Social Fund).

The following sets out the main approaches, and related levels of influence, taken by Local Government in promoting local employment and training opportunities together with their impact on those most excluded from employment.

#### 4.1.1 Local Economic Development

Local government has a key role in developing strategies to increase job opportunities and revitalise both local and regional economies.

The Southampton *Economic Development Action Plan* is an example of how Southampton City Council and its partners support and encourage local business; creating effective partnerships to develop economic and related social welfare programmes. These action plans focus on local economic developments promoting local approaches, responding to local needs and circumstances.

The Southampton Economic Development Action Plan (SEDAP)<sup>22</sup> identifies the top priorities for Southampton and includes the following objectives:

- increase educational attainment, skills, qualifications and employment progression;
- reduce worklessness and improve employability;
- increase enterprise and innovation;

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<sup>22</sup> [www.southampton-partnership.com](http://www.southampton-partnership.com)

- bring forward employment and associated infrastructure, and
- improve the city image.

These action plans are owned by the local partnerships, in England known as Local Strategic Partnerships (LSP)<sup>23</sup>. The LSP in Southampton is known as the Southampton Partnership, within which the Economy and Enterprise board focuses on the following cross cutting themes:

- reducing the impact of the economic downturn;
- achieving the longer term vision for Southampton, and
- economic inclusion of the more 'deprived neighbourhoods.

These Economic Development Action Plans refer to and include the objectives of the wider Regional Economic Strategies (RES), which outline the strategy for the specific region, addressing regional priorities and challenges. Southampton is within the South East region of England and the regional strategy is produced and coordinated by the South East England Development Agency (SEEDA).

In Southampton, the Economic Plan (SEDAP) also refers to and incorporates other local strategies to ensure local strategic integration, including;

- Local regeneration strategy
- Local transport plan
- PUSH <sup>24</sup>Business Plan
- Children and Young peoples plan.

Specific plans have also been developed to address economic challenges caused by the current economic crisis. The impact of the economic downturn has varied across the UK. Those areas where there are large financial centres, such as London, have been particularly badly affected. Edinburgh, which has a large financial sector, has though utilised its partnership relationships to reduce the impact of the downturn. The City of Edinburgh Council, for example has set out a broad strategy for action as it rises to the challenges currently affecting the world's economy. An innovative 'Economic Resilience Action Plan' includes measures to help safeguard jobs, provide targeted business support and stimulate new inward investment in key sectors. A cross-party working group has been set up to implement the action plan and address the economic challenges facing the city.

Proposals include:

- stimulating £100M new investment in Edinburgh, with an innovation team to promote diversity away from existing key sectors
- providing more support for businesses looking to expand existing operations or relocate to Edinburgh
- setting up rapid redeployment teams to secure job and training opportunities and providing support into self-employment
- developing a public sector-backed 'home loans' scheme to help first-time buyers and acquiring 'unsellable' homes from developers for rent
- Saving at least 10% of council fuel, energy and food costs through efficiencies.

Belfast City Council has developed and adopted an 'Employability and Skills Strategy and Action Plan' using the City Strategy Pathfinder model<sup>25</sup>. This strategy includes the local authority's

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<sup>23</sup> See appendix 1

<sup>24</sup> Partnership for Urban South Hampshire - [www.push.gov.uk](http://www.push.gov.uk)

<sup>25</sup> City strategy pathfinder initiative introduced by Department of Work and Pensions to pilot a partnership approach in 15 cities in the UK

intention to address the issues of worklessness and poor skills both of which are seen as having a detrimental impact on the economic performance of the city and regional economy. Included in the strategy is an action plan that identifies particular issues and what actions will be taken to address them. The strategy was adopted in March 2010 so there has not been any monitoring or evaluation.

In the south Hampshire area a sub regional partnership has also been developed. The 'Partnership for Urban South Hampshire' (PUSH) and is made up of 11 local authorities and key external partners. PUSH has produced an Economic Development Strategy that details how the partners and stakeholders will work together to create opportunities for the sub region's economic growth. The strategy outlines the following targets;

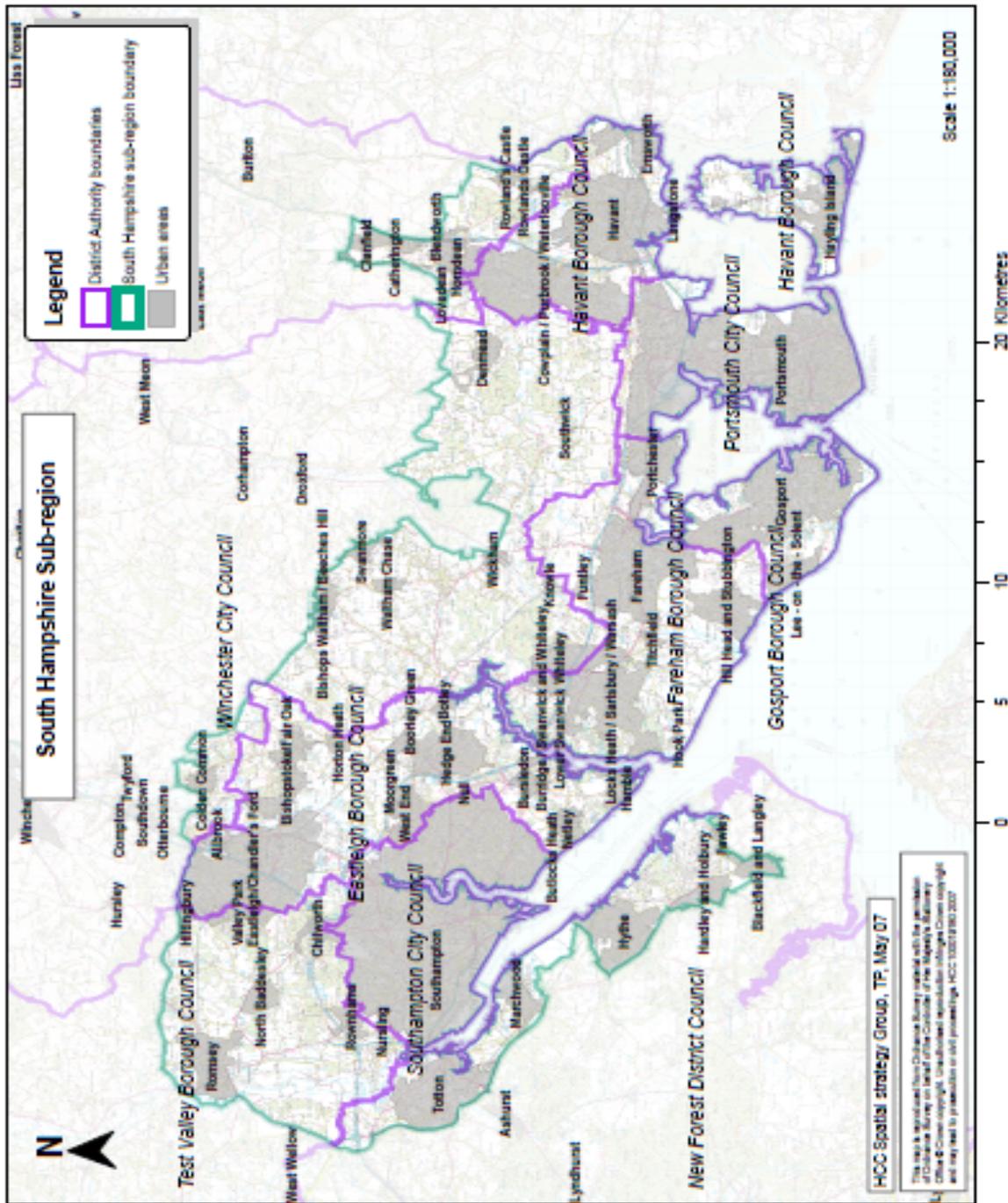


Figure 3- Ordinance Survey map of PUSH area - Source: [www.PUSH.Gov.UK](http://www.PUSH.Gov.UK)

- Raising annual growth from 2.75% to 3.5% by 2021-2026
- Annual productivity improvement (Gross Value Added (GVA) per employee) of 2.7% by 2026;
- 59,000 new jobs especially in business services, logistics and distribution, retail and tourism;
- Growth in advanced manufacturing and knowledge-intensive firms
- Increase in attainment and skills, especially at NVQ Levels 2 and 4:
- 2 million square metres of new employment land (60% of which is already identified), and delivery of the regionally important South Hampshire Strategic Employment Zone (to be based in Eastleigh, one of the urban centres, using ex railway industry land).

There is increasing support both nationally and locally to encourage social enterprise and social firms, reflecting wider goals for businesses alongside delivering profit. Such approaches can be particularly appropriate to creating local employment opportunities for those often most disadvantaged, for example, those people with mental health issues, physical and learning disabilities.

In **Edinburgh** Six Mary's Place<sup>26</sup> is a Guesthouse in the Stockbridge area of Edinburgh and is one of a family of social firms established by Forth Sector<sup>27</sup>, an organisation that develops new business ideas to provide employment for people with mental health problems. Forth Sector's social firms offer real, valued work for staff and trainees while meeting the demands of their diverse customers.

In **Southampton** 'Jamie's Computers' - a division of Southampton's largest homelessness charity 'The Society of James', provides meaningful occupation to socially excluded adults in Southampton, many of whom have been homeless. Giving people something meaningful to do has been recognised as an important factor in breaking the 'revolving door' syndrome of homelessness. It helps an individual to build confidence and self-esteem, as well as develop new skills. The focus is on pre-vocational life-skills training and confidence building activities.

Jamie's Computers provides a host of activities, at a variety of levels and requiring different amounts of time commitments to meet the needs of a diverse range of people.

Jamie's 'learners' have access to -

- Internet ready computers kitted out with current software
- Bespoke learning plans that develop confidence and promote inclusion
- Opportunities to train on-the-job in our enterprising IT collection, refurbishment and sales operation

These activities are funded by a combination of grants and income generated by commercial services.

Local economic development is growing in importance for many local authorities. Making the links between economic development and the Well Being agenda at the local and sub regional level is

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<sup>26</sup> <http://www.sixmarysplace.co.uk/>

<sup>27</sup> <http://www.forthsector.org.uk/index.htm>

important. The focus for the city is to be 'economically vibrant' and to continue to attract inward investment and needs to compliment the development of a skilled and readily available workforce. Local authorities play an increasingly prominent role in enabling closer partnership working to improve overall economic prospects.

#### 4.1.2 Partnership and policy coordination (renamed from integration with Other Policies including local assessment and partnership headings)

The National Action Plan outlines the policy drivers that are relevant to those people most disadvantaged and the Social Exclusion Task Force promotes public service agreements, including those focused on socially excluded adults (e.g. PSA16) at the national level. At the local level, economic development plans promote the continued integration of public sector services and delivery, encouraging and enabling public, private and voluntary sector agencies to work together to address the challenges facing the local economy. In Southampton, for example, there is no one document that focuses entirely on those most disadvantaged, although the local regeneration strategy - 'Closing the Gap' - is focused on those people most disadvantaged and living in 'deprived communities'. Also, as highlighted in the LAO housing report<sup>28</sup> local authorities play a key role as a provider of social housing and work in close partnership with housing associations. Many of the identified target groups of those people most disadvantaged are often in social housing<sup>29</sup>; the local authority is a key actor/partner able to directly access and target those people most in need of support. Most local authority strategies, including the housing strategy, have elements that include supporting tenants into employment and training.

Measurement of the effectiveness of these strategies is managed through the local authority partnerships using the Local Area Agreements (LAA) in England and Wales, and the Single Outcome Agreement (SOA) in Scotland. These agreements are set locally with the local strategic partnership (LSP) in England and Wales and Community Planning Partnership (CPP) in Scotland)

These local agreements (LAA's and SOA's) are an important tool in working towards better outcomes. They are agreements between national and regional levels of Government and local authorities setting out how each will work towards improving outcomes for local people reflecting local circumstances and priorities. These agreements are uniquely shaped to reflect the needs and circumstances of the areas they cover, working to join up public services effectively, encouraging local solutions to local circumstances on an 'interagency' basis. There is often substantial negotiation between local and regional/national government in coming to agreement on these local targets.

Alongside this approach the government has also piloted the 'City Strategy Pathfinder' initiative focusing specifically on promoting local and effective employment programmes.

The government's City Strategy Pathfinder initiative, first announced in January 2006 as part of a government paper 'Empowering People at Work', funded pilot activity in 15 cities to support and improve local services and their coordination. It sought to combat issues of worklessness and poverty in urban areas by bringing together relevant local stakeholders, for example Jobcentre

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<sup>28</sup> LAO Southampton: Including people and communities through social and supported housing in the UK

<sup>29</sup> The Hills review: Ends and Means

Plus, training providers, local employers, to address local challenges together with local partners supporting economic and employment development issues. It was to understand whether it would deliver more effectively if stakeholders aligned their efforts and shared priorities. Its key aims were to:

- Significantly improve employment rates (particularly for those most disadvantaged)
- Ensure that individuals are better able to find and remain in work
- Improve the skills of individuals so that they can progress in work.

This pilot has been extended for a further 2 years. In an evaluation by University of Warwick, the key messages show that partnerships have developed over time with boards becoming more focussed. A tension has been between competition and coordination when partners themselves are also direct deliverers of services.

A specific example showing where resources have been pooled and agencies and stakeholders have worked collaboratively is reflected in the following example from Edinburgh, where the partners in the cities Jobs Strategy have funded a mobile multi agency service to support those people most disadvantaged.

The 'Get On' project in Edinburgh uses a mobile resource bus to take services to all parts of the city complementing the static infrastructure of support services delivered through Community Planning and 'Joined Up for Jobs' structures. Services include all relevant departments and key partner agencies. A complimentary outcome has been that the 'Get On' Mobile Unit (GOMU) provides a platform for front line staff from local agencies to work together to promote each other's services and develop an understanding of how they collectively contribute to the various steps involved in improving an individual's health, well being and employment prospects. It is known that many of the priority target groups of such services have multiple barriers and often require support from a number of specialist services. It is also understood that many people worst affected by such barriers are often among the hardest to help because of the depth of their problems, but also because they do not present to services for support in the first place. The 'Get On' Mobile Unit reaches out to those people, as well as refreshing the scope of all partner agencies on display to those service users who have previously engaged but have not maintained contact as well as.

A particular partnership approach from PUSH<sup>30</sup> Employment and Skills Board created a multi agency task force, with representatives from the local authorities, Jobcentre Plus, the Learning Skills Council and Business Link. This task force is the mechanism to deliver activities to drive forward integrated employment and skills services in 'urban South Hampshire'.

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<sup>30</sup> PUSH: Partnership for Urban South Hampshire

### 4.1.3 Some examples of projects initiated by this task force include

- Improving access to redundancy support information for both employees and employers, offering advice and guidance to those leaving employment about their future employment options - thereby reducing the time spent claiming benefits with the associated risks of long term unemployment.
- Developing a coordinated approach to the delivery of 'Section 106<sup>31</sup>' employment and Skills plans - ensuring that future building development plans include local employment and training opportunities.
- Identify growth and decline business sectors to inform current and future skills demands - therefore enabling local service delivery partners and organisations to map future resource needs and funding opportunities.

The results of these projects are informing local service design to develop local economic delivery activity, including the relevant and tailored support to those most disadvantaged in the labour market. To understand and measure the impact of the PUSH projects, the partnership has adopted a Performance Management and Evaluation framework developed specifically to monitor and evaluate PUSH interventions.

Many of those people most disadvantaged are known to more than one local government agency, often having multiple barriers - including housing, care needs mental health issues. By sharing knowledge and a having shared interest in delivering quality services, the move towards a partnership approach has allowed for the better use of resources, including funding streams, creating cross agency links and a knowledge sharing process.

### 4.1.4 Conditionality of Financial Assistance

The Local Authority does not have a responsibility for the provision of employment related financial assistance to individuals in the UK; it is delivered directly through the DWP and their local Jobcentre Plus offices.

Since the mid 1980's there has been a responsibility on all those claiming work related benefits to actively look for work, or to take any reasonable job offer. Although legislation is in place to support this system, it is often at the discretion of the Jobcentre 'personal adviser' to enforce this and is often dependant on the exact circumstances of the person claiming benefits and the current job market. In practice, much of the focus has been on those most able to move into employment and 'job ready' as they are least resource intensive.

### 4.1.5 Commissioning

Much of the funding for employment and training related support is held or coordinated through the DWP. Over the past 20 years, DWP has started to work more pro actively with other partners

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<sup>31</sup> Section 106 is a planning obligation (or legally binding agreement) that the local authority can use to agree employment and training opportunities. Southampton City Council is working in partnership with developers to introduce Employment & Skills Programmes linked to new major developments in the city

and stakeholders, especially local authorities. The DWP Commissioning Strategy introduced in 2008 was developed from the government review 'In work Better Off'. This strategy sought to simplify and rationalise the previously complex set of 'welfare to work' contracts around a set of core strategic contracts moving to larger and longer contracts known as Prime Contractors, these contracts would enable the Prime Contractors to sub contract focussed, local provision where necessary. The Department for Work and Pensions spends approximately £1 billion on employment provision and is now primarily delivered through a range of *Prime Contractors* on a local / regional basis. This drive for fewer larger contracts was expected to lead to cost efficiencies in the administration of services and standardising quality across the UK. It has however also resulted in a loss of local delivery capacity and knowledge, causing the break down of local networks. Smaller, often local, delivery organisations have also found it more difficult to deliver projects for the same costs as the larger contractors.

As a result of the changes brought about by the DWP Commissioning Strategy smaller local providers have to market their services more aggressively to bring themselves to the attention of prime contractors, becoming more focussed on what they can deliver effectively. They may often have to prepare multiple applications for funding support.

The local authority plays an increasing role as a local partner encouraging local multi agency, cross sector projects with the local authority often acting as a critical partner, bringing together the relevant stakeholders to deliver services best able to have an impact on local issues and challenges.

The commissioning process has created a more 'market based approach' which, whilst having created a more value focussed service, has also created difficulties at a very micro level with small suppliers less able to successfully apply for funding to offer very focussed provision.

#### 4.1.5 Quality Management

As the responsibility for the different policies sit in different government departments, there is no overarching quality assessment framework.

Learning provision for both children and adults is overseen by OFSTED - the Office for Standards in Education, Children's Services and Skills. This is the body responsible for the regulation and inspection of education and skills for learners of all ages. Information, Advice and Guidance is quality assessed against the MATRIX<sup>32</sup> standard, the quality framework used to measure the effective delivery of information, advice and/or guidance on learning and work.

With the large DWP contracts delivered through Prime Contractors the monitoring and quality assessment is part of the commissioning process. Outcomes and results are notified to the relevant government department. At a more local level, services are generally mapped to show accessibility, eligibility criteria and funding streams with customer satisfaction measured by questionnaires or informal feedback required as part of the contract monitoring process.

The following National Indicators are used to measure three factors at a local level to capture trends related to benefits:

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<sup>32</sup> MATRIX is the body appointed by BIS to assess quality standards

- NI 152 – the gap between the city and region in terms of the level of working age people claiming out of work benefits
- NI153 – the proportion of working age people claiming out of work benefits in the worst performing neighbourhoods
- NI173 – the proportion of working age people losing their job and claiming benefit as a result of ill health.

#### 4.1.6 Use of European Social Fund (ESF) & Local Practices

The Department for Work and Pensions (DWP) has overall responsibility for ESF funds in England. Each region has an allocation of ESF money to fund projects with allocations based on regional employment and skills needs - for example, the numbers of people not in work and who do not have good qualifications. At the regional level, ESF funds are distributed through public agencies such as the Skills Funding Agency and DWP (known as 'Co-financing Organisations'). Their role is to bring together ESF and domestic funding for employment and skills so that ESF complements domestic programmes.

ESF is targeted on people most disadvantaged in the labour market, and focussed on making a difference to the lives of people from some of the most disadvantaged communities.

In Southampton, the European Social Fund (ESF) has granted Southampton City Council almost £9million in funding since 2002 allocated at a regional level, to help tackle long term unemployment, improve training and education and encourage young people into work. This money has been used to set up and maintain a variety of different projects ranging from providing training to developing an employment strategy for the whole of the city.

**Exodus** was an ESF project working with short-term prisoners and other priority offenders across the South East region including and London to reduce re-offending by increasing employability. In Southampton, a consortium led by Southampton City Council, with its partners including HM Prison Winchester, the National Probation Service, the National Health Service (NHS), Hampshire Constabulary, employers, voluntary and community sector organisations and housing providers. The project supported offenders held at the regional prison in Winchester both before and after they are released to Southampton. The aim was to ensure a planned and smooth transition into the community and the workplace. Along with its partners, the City Council also addressed accommodation, substance misuse, life skills and mental and physical health issues affecting offenders' chances of getting and keeping a job. Offenders had access to the City Council's supported employment service, City Limits Employment, which helped them with everything from writing job applications to attending interviews.

#### 4.2 Services & Delivery

There is no centralised or common practice in terms of services and delivery in the UK, it varies across differing cities, regions and devolved government administrations. Different Authorities have to address different economic and employment challenges, so there are no standardised outcomes, with the exception that all local authorities generally seek to maximise local employment rates.

The Local Government Association (and its 'Improvement and Development Agency' arm) both monitor the activities of Local Authorities - and have toolkits and offer support on their websites, with dedicated departments that focus on addressing employment and worklessness issues.

#### 4.2.1 A 'Local' Coordinated Response

Whilst the statutory responsibility for employment and training does not rest with the local authority, local authorities have been taking a growing role in ensuring that local responses are co-ordinated to best meet local needs. As referenced in figure 4 the challenges facing different local authorities across the UK require and result in different responses. The Southampton Economic Development Action Plan (SEDAP) and regeneration strategies in Southampton have little or no funding to commission or deliver services directly however, by encouraging local co-ordinated activity, they enable consortiums of organisations to pool their budgets together and improve their chances in applying for external funding.

**SITES- Southampton, Information and Employment and Training Services** - is a partnership of local providers offering a coordinated approach to identified skill shortages and labour market issues in the city, also supporting and promoting social inclusion<sup>33</sup>. This partnership is coordinated by Southampton City Council and is chaired by the Assistant Chief Executive for Economic Development and Regeneration. Through this partnership, stakeholders and providers work together to understand the issues and challenges facing those most disadvantaged in the city and to ensure people from disadvantaged backgrounds (including those in the identified 'priority' neighbourhoods) have access to opportunities to increasing employability and skill levels. SITES commissioned a project to provide an up to date analysis of worklessness in the city, this was undertaken by the centre for Local and Regional Economic Analysis<sup>34</sup> at the University of Portsmouth. This analysis has given very specific information of the hotspots of worklessness in the city which will enable the local authority to commission effective targeted responses to the issues facing those areas. Unsurprisingly many of these 'hotspots' are in areas comprised mostly of social housing. SITES inform the Economic and Enterprise Board of the wider Southampton Partnership ensuring a 'joined up' approach to challenges and issues facing those people socially excluded. At a recent conference (January 2010) SITES brought together the key service delivery organisations to ensure focus on the priorities outlined in the economic development action plan.

##### **Beat the credit crunch**

In October 2008, SITES funded a pilot project tackling worklessness in a very specific part of the city - an area recognised as a Super Output Area (see page 15) with a significantly high level of economic inactivity. The project provided residents with advice and signposting on a range of issues including work related queries including how to find work or getting qualifications and other everyday issues e.g. health, childcare, debt problems. The key findings showed that the top 5 queries were fuel bills, finding a training course, health (finding services, healthy living), money advice and finding a job. During the six month project, five people found jobs, and 33 people were helped to access courses. Also those of the 144 households, 82 households (57%) have children,

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<sup>33</sup>[http://www.southampton-partnership.com/images/SITES%20Action%20Plan%20Progress%20Autumn%202008\\_tcm23-222086.pdf](http://www.southampton-partnership.com/images/SITES%20Action%20Plan%20Progress%20Autumn%202008_tcm23-222086.pdf)

<sup>34</sup>[http://www.southampton-partnership.com/images/Statistics%20Final%20report%20Dec%202008\\_tcm23-222571.pdf](http://www.southampton-partnership.com/images/Statistics%20Final%20report%20Dec%202008_tcm23-222571.pdf)

with the majority of these having one or more children under 5 years of age. The lack of suitable affordable childcare makes it difficult to access training and work.

#### 4.2.2 Services whilst still in full time education (renamed Education to Work)

It is only from April 2010, that new legislation requires Local Authorities in England to plan and commission services for 14-19 year olds, working with the new national 'Young People's Learning Agency'. This new legislation includes a guarantee that every learner from 14-19 will have opportunities to develop the skills and knowledge to enable them to progress to further learning, higher education and skilled employment giving them the best chance of success in adult life.

In preparation for these changes, local authorities take account of the following factors:

- Using evidence and analysis of local needs and demand;
- Ensuring all young people are on a path to success;
- Providing better options for all young people;
- Ensuring integrated support for all young people; and,
- Enabling local areas to deliver.

There are examples of some excellent relationships between some schools and employers through Education Business Partnerships (EBP). These partnerships work within a local authority area with local government in both primary and secondary schools supporting and helping to build relationships between the 'world of work' and education. These partnerships seek to raise aspirations amongst young people and to engage young people from an early age (as young as 6), preparing them for the world of work. These EBPs engage with employers to understand their upcoming employment needs and to encourage young people in to sectors that are struggling to attract good quality applicants.

**Volunteer Business Mentors** - Solent Education Business partnership which works in Southampton and Portsmouth recruits volunteers from businesses and the local community to be mentors to young people in schools. Mentors work on a one to one basis with a pupil aged 14-16 and are matched with each other based on shared interests, locality and career choices. Mentoring meetings take place every two to three weeks in school, and last approximately one hour. All mentors are trained and are supported throughout the programme. Mentoring enables pupils to discuss their career aspirations with an older more experienced person who can guide them as they make decisions about their post compulsory education options.

#### 4.2.3 Services for Adults 19 + (renamed Training / Retraining, Matching, Personalisation / Coaching/ Case Management)

There are over 60 local projects in Southampton offering support into employment and training opportunities, including, for example, support and advice on starting small businesses. Training opportunities may be directly related to new employers starting up in Southampton or as part of a wider agenda to ensure that people are able to compete in the job market by offering training on

producing an up to date CV or interview techniques. It is important to have training opportunities for basic literacy and numeracy along with basic ICT skills and Southampton has a range of opportunities available designed for specific groups e.g. single parents or people whose first language is not English. A basic knowledge of these essential skills is seen as key to ensuring that all job seekers are not hampered in securing employment. Below are examples of the support offered by the Southampton Information, Training and Employment (SITES) partnership for residents in the city:

**Information advice and guidance** – skills checks, careers advice are provided by organisations such as Next Step, Wheatsheaf Trust, FE Colleges, Youth & Community Services.

**Skills training** - specific vocational skills development through FE Colleges and training organisations such as CDG and Crescent training. Basic skills development in literacy, numeracy and IT for individuals who have low or no skills. This is delivered by providers such as FE Colleges, Learn Direct services

**Pre-employment training** – a combination of skills support, personal development, interview skills in response to specific employer recruitment needs. Again, delivered by a range of providers depending on the specific employer needs.

**Personal support** – specialised support to meet individual needs. For example, City Limits supports individuals with learning disabilities or other health issues; SAFE delivers support to those with mental health and other conditions using a Cognitive Behavioural Therapy approach. Confidence building delivered through providers such as Empower. The needs of migrant workers supported through groups such as CLEAR or community organisations.

A local voluntary organisation, **Wheatsheaf Trust**, was set up in 2000 to address the multiple barriers of people most disadvantaged in Southampton - a charity based organisation, (part of the 3<sup>rd</sup> sector) they offer a range of tailored services for those most disadvantaged in the community. By applying for funding (including ESF) they have been able to offer Information, Advice and Guidance (IAG) both at a drop in centre based in the city centre but also able to offer outreach to more excluded communities. Wheatsheaf have delivered training courses to support people into work including *Confidence in Jobsearch* which raises individual's confidence through enhancing application skills. A basic construction skills workshop teaches basic brick-laying, carpentry and painting skills in addition to the personal and social skills required in the work place.

As part of its role, SITES also monitors performance of provision and partnership activity against the relevant Local Area Agreement national indicators (NI's) that relate to worklessness – shown in the quality management section page 30.

The information and data collected is used to inform both future provision and any identified gaps. This information along with the economic analysis undertaken on behalf of SITES by the University

of Portsmouth enables Southampton City Council to better understand the challenges at a micro level and to develop innovative responses, for example, the Beat the Credit Crunch project.

#### 4.2.4 Matching and Case Management

The most effective tool for supporting people with multiple barriers into employment and training is face to face, one to one contact. 'Case Management' is very much the accepted model for providers and is used by the Jobcentre and external providers e.g. Shaw Trust, and is seen as a successful tool to support people into employment or training. It builds a relationship with the jobseeker/benefit recipient, then working with them to understand their barriers and offer support through the various stages of job search. During these interventions, the personal adviser will also be able to work with the individual to 'match' them to known vacancies. This is also part of the Jobcentre Plus process - the ability of JCP staff to match people to jobs is often used a selling tool to encourage employers to place their vacancy with the Jobcentre.

#### 4.2.5 Supported Employment

As local social services agencies, local authorities also often provide 'Supported Employment' agencies for people with disabilities or mental health problems. Both the Equalities Act (2006) and Welfare Reform Act (2007 and 2009) support a continuing change in the way that people with disabilities and mental health issues are supported towards and into employment. The focus is on encouraging, assisting and supporting people into a range of employment options including voluntary activity. Employers are supported in taking on people with disabilities; support is provided, including some financial help for the job seeker with adaptations necessary to remain in the work place i.e. 'ergonomic' keyboards, software to support those people with visual impairments etc. There are also organizations that offer different levels of supported employment e.g. 'Remploy' who offer specialist employment services and are the UK's leading employer of disabled people.

City Limits - a service managed by Southampton City Council providing a Supported Employment Service for individuals with learning disabilities since 1990. This service has developed with the benefit of through external funding (including European Social Fund) into one which offers individually tailored services based on the model of supported employment, to other client groups including those people with mental health issues. The service works with individuals to understand the person's preferred job. It contacts relevant employers; works with those employers to find out more about their workplace, co-workers, and the support an individual might need in that environment to ensure that both the employee and employer receive assistance, information and back-up to achieve success. The focus is then also on the longer term and any possible career progression.

An example of the support available through City Limits includes the Severe Learning Disability Employment Service. It is available to people aged 18+ who have a severe learning disability. The service is aimed at individuals who are motivated to move towards work and open employment. An employment officer will work with an individual to develop a vocational profile - a positive assessment of a person's abilities and aspirations; and then work with that individual to help them

to achieve their goals. The service is provided on a one-to-one basis with each person having their own named employment officer. Activities offered include:

- Vocational profiling
- Job matching
- Support to access training and education opportunities
- Support with job applications / CVs
- Support to find voluntary placements
- Work experience and work trials
- Interview practice and support
- Support in work / job coaching
- Benefits advice
- Support for employers
- Advice on access to work / aids & adaptations

### 4.3 'Last Step' into Work

There is an increasing focus on the employer engagement in local labour market development activities. This recognises that working with the employers is key to changing perceptions - for example - to improve understanding of the issues facing those people with mental health issues or physical disabilities. Local Employment Partnerships<sup>35</sup> (LEP), have been developed as a response to understanding the need to work more closely with employers, with issues and challenges such as the demographic changes, the changing job functions and globalisation. Employers are encouraged to recognise and understand the benefits of a more diverse work force; flexibility in working patterns; and the need to support training and development of their workforce to ensure they remain both an economically vibrant employer and part of a wider economically active community. LEP's are working with 'activation strategies' to support employers to recruit from the disadvantaged groups - these partnerships work with employers to understand their job roles and function, to review their application process to offer a more inclusive and supportive practice, to ensure that their processes do not inadvertently exclude people by asking for unnecessary qualifications. The local authority with its partners have developed short work focussed 'pre employment' training courses targeted at those most disadvantaged e.g. lone parents; disabled; those with long term health issues - an example from Southampton is shown below

**Local employment partnerships** - support for those most disadvantaged in the labour market - to be offered a guaranteed job interview.

IKEA Southampton, a new flagship store, was scheduled to open in February 2009. The promotion and recruitment campaign for 450 managers, supervisors and co-workers commenced in Spring 2008.

IKEA has a clear recruitment concept - the store community should be representative of the local community. To make this concept reality, IKEA Southampton endorsed a partnership approach to

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<sup>35</sup> Local Employment Partnerships are in England only - JCP is developing an equivalent approach for Scotland and Wales.

promotion and recruitment that reached out to priority groups and deprived neighbourhoods across the city of Southampton and surrounding travel-to-work areas.

IKEA engaged with Southampton City Council, Jobcentre Plus and the Learning & Skills Council to establish a strategic partnership, out of which an Integrated Employment and Skills Plan was developed. The main objective of the plan was to ensure a fully inclusive promotion and recruitment campaign, ensuring that IKEA was supporting local and national government priorities by maximising opportunities for unemployed people facing significant barriers to the labour market.

To understand the needs of the local community, IKEA utilised an existing information network - Southampton Information, Training and Employment Service (SITES). Through this network, IKEA consulted with local voluntary, community and support organisations to ensure that the content of the Plan was responsive to local needs and would 'add value' to support programmes already running across the city. This consultation process identified that the programme should take 'IKEA to the Community' and a bespoke Pre-employment Training programme was developed. The consultation also informed a specific media campaign including the presence of advertising vehicles in the community.

The Pre-employment Training (PET) programme was designed and delivered by staff from IKEA and Southampton City Council. Content of the two day course was mapped against IKEA Competencies (used to score applicants at interview) and focussed on improving confidence, motivation and self-esteem, and preparation for the IKEA interview process.

In total 383 candidates applied for jobs; 143 were invited to attend 'pre-training'; 86 went on to attend a group assessment interview; 49 attended a final interview and 24 were offered jobs. (Further data that some of the others on the training went on to get other work)

A further example of work with employers includes **Joined Up for Jobs** - the jobs strategy for Edinburgh as part of the City Strategy pathfinder initiative. This includes an offer to employers to help with recruitment and filling vacancies and advice about funding and related subjects. The strategy requires that each individual local partner organisation, including for example, Jobcentre Plus, training providers, colleges etc, contacting employers should be a gateway to all other local and national employer support services.

## 5. Conclusions, Strengths & Challenges

The UK has seen major changes in the last two decades (prior to the recent economic crisis) with a significant rise in employment opportunities and in a period of economic buoyancy. The UK saw the reduction in numbers of people claiming work related benefits move to an all time low.

However, during this period, there was a steady rise in the numbers of people claiming health and disability related benefits. The economic downturn has generated a sharp increase in the numbers of young people not in education, employment or training. These are two of the factors that activation strategies have sought to influence. Both the Welfare Reform Act and the Equalities Act both outline the intention to support disadvantaged groups into employment, underpinning the 'work first' policy and recognising that work, whether paid or unpaid, enables increased social inclusion.

*"Waged work is endowed with enormous social, value in our society. To be deprived of access to it is to subject the individual to grave social disadvantage"* <sup>36</sup>

Many of these requirements are only now being formally implemented in the UK and it will be important to monitor their impact on those 'furthest from the labour market' and ensure that the relevant support mechanisms are provided alongside the new provisions. Partnership working is clearly recognised as paramount, with agencies and local government departments working together to achieve positive outcomes for those people often suffering from multiple barriers to employment. Many of these families and individuals are often known to more than one department or local organisation. Working together, pooling resources and sharing knowledge focuses activity in a holistic combined approach which in turn leads to improved outcomes.

### Strengths

At a local level, the strengths of the UK system are in the area based policies and strategies that identify very local problems and challenges and work with local providers to design tailored support. The results from the evaluations on the City Strategy Pathfinders show that working in partnership at a strategic level with the pooling of resources allows for innovative service delivery developments. There are excellent examples of very local provision addressing the needs of disadvantaged people. The Total Place initiative, if taken forward by a future government, may provide further opportunities to deliver services in a cost effective and holistic way. Shaping local procurement and planning strategies is being actively used to provide further opportunities for a local authority to work with employers and businesses to support local economic development. There is an increased influence for employers in developing appropriate education and skills. Current focuses include continuing to develop ways to improve links with both new and existing businesses as employers - linking economic activity and activation of benefit recipients.

The investment into the Jobcentre Plus local offices and their facilities has had a significant effect on enabling people to access job vacancies that suit their requirements, the ability to apply for jobs directly using 'Job Points' - allowing a job seeker to select a travel to work area, the type of work and the hours of work in which they are interested. These facilities alongside the different

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<sup>36</sup> Noel Whiteside; *British Social Welfare: Past, Present and Future*: edited By David Gladstone: UCL press 1995

provision available offering support, advice and guidance into work or training are a positive aspect of employment services in the UK.

### Challenges

The benefits of working in partnership across agencies and departments are clear however there remain issues with data sharing arrangements. Data sharing agreements and permissions need to be established to improve the ways in which agencies can improve their focus on individuals with complex needs. There are often individuals and families known to many of the local agencies that are all managed separately creating a situation where there is often an overlap of resources and the possibility that issues can be overlooked.

The sharing of good practice outcomes from pilots and innovative programmes can be challenging as there are different communication strategies across agencies and government departments. The City Strategy pathfinder model set up a learning network that has been successful and is an example of a model for disseminating good practice. The toolkits available on the IDeA and LGA websites have much useful information.

Encouraging the development of sustainable employment has sometimes come second place to reducing the numbers of people claiming benefits. This can conflict with a broader local or regional agenda to tackle the multiple problems facing some individuals. For local and regional areas the active inclusion agenda is not just about getting people off work related benefits but about enabling them, for example, to become less socially isolated, learn to manage their health conditions and reduce their demands on local health provision through having more stable and rewarding employment patterns. By becoming 'active' they can be seen as better role models for their children, breaking the intergenerational economic inactivity. By using 'target groups' and setting 'eligibility criteria' there is a real possibility that some people may never become eligible for support and guidance, importantly, the 'working poor' and those people who have to take short term work interspersed with periods relying on benefits.

It is important to continue to find ways to engage with employers, encouraging them to be part of the process, understanding the issues facing those people often most disadvantaged. They can assist by enabling flexible ways of working, enabling specialist agencies to work with them in supporting people with particular difficulties to retain employment, supporting education and skills training to develop local workforces meet international economic challenges.

## 6. Assessment of policies alongside EU Common Principles & Recommendations

In the context of the European Active Inclusion strategy, the EU has laid down a number of collective principles as a starting point for access to services of good quality. The EUROCITIES-NLAO tests these quality principles for their relevance against local active inclusion policies. The following chapter provides an analysis of the principle features of the services provided in the UK structured against these European quality principles and develops a series of recommendations for how performance could be improved. These recommendations have been produced on the basis of the discussions during the thematic seminar on employment held in the UK on 29<sup>th</sup> March 2010.

### Territorial Availability, physical availability, affordability

The benefits of partnership working at local level to deliver against known issues in the local area is very much strength of the UK system. Local Government has been playing a greater role in coordinating local partnerships and ensuring local activity is focused on local needs. Recent government policy development has been exploring how greater collaboration and pooled funding could increase the effectiveness and efficiency of local service delivery (The 'Total Place' initiative). Local Government is a key player in promoting such initiatives, though funding for this work is contingent on how local councils set their priorities. Forthcoming reductions in public expenditure may threaten this role.

Employment and training support provision is commissioned to be accessible to local communities. The DWP funded programmes place access as a high priority, making it a clear requirement on selected providers. While local government has become increasingly involved in collaborating on the development of local programmes, often promoting core social inclusion goals, local 3<sup>rd</sup> sector providers have faced difficulties in competing for the contracts available through the new procurement system.

#### Recommendations

Explore the opportunities for 'Total Place' approaches to local management of economic and employment programmes.

Consider making the role of local government in this work a 'statutory' function with central funding provided to support this.

Develop procurement models which recognise the importance of social inclusion goals and the real strengths of local providers with local knowledge and resources in meeting local needs with labour market inclusion goals factored into procurement policy.

### Solidarity, equal opportunities for service users and employees, and due account for diversity users

There is clear legislation on equality of opportunity in employment in the UK. Employment support services commissioned by the DWP are all required to show how they will engage with and consider the needs of the local community, incorporating ethnic mix, gender and age. Recent legislation has added support to discourage ageism.

Programmes with the a focus of engaging people in paid employment can mean that resources are focussed on those who present least problems and ignore other critical stepping stones which may benefit others, such as volunteering.

Childcare remain a barrier to some families, some parents do not want to use childcare outside the family, and while there is more childcare available this is not always seen as accessible by, for example, single parents juggling the needs of children of different ages. This is being addressed by the introduction of neighbourhood Children's Centres across England and Wales. While these have had a significant impact by offering low cost childcare and the centres often have job advisers working on site - it can still be a huge challenge to a single parent with more than one child.

Some providers have tended to focus on people with the least difficulties, especially when there is a pool of more job ready individuals available to work with and this has mitigated against a focus on those furthest from the labour market.

#### Recommendations

Continue to support employers to remove stigma attached to physical and mental health issues and learning disabilities.

Develop more flexible models for funding childcare opportunities, for example, a more personalised approach enabling family members to provide appropriate and more flexible support to people in low income employment.

Develop incentives for agencies to work with those who are 'hardest to reach'.

### Investment in human capital, working conditions and adequate physical infrastructure

Public sector organisations have good internal training and development programmes that support staff to ensure good customer service.

The use of external contractors and 3<sup>rd</sup> sector organisations funded on a short term basis e.g. 1-3 years can cause issues for staff retention due to concerns about job security and challenges for voluntary organisations when transferring staff from one project to another. Such short term programmes do not enable the development of effective staff development programmes.

Recommendations

Develop longer term funding programmes which allow for optimum use and development of staffing but with the flexibility to require organizations to adapt their programmes to changing conditions.

Comprehensive and Coordinated services, conceived and delivered in an integrated manner

Partnership is a key element for the success of any provision at the local level, working together across agency and sector to understand the needs of a very local neighbourhood and tailoring service delivery to the community.

Using a coordinated approach to tackling multiple disadvantages such as housing, debt advice, skills and childcare issues has shown a significant impact for example, the City Strategy pathfinder model has shown benefits to pooling resources and early findings from the 'Total Place' initiative show both cost efficiencies and an increased ability to target customer needs.

Combining targets and agreeing priorities ensures that the services delivered can be measured for impact across agencies and sectors e.g. the benefits of moving into employment has shown a reduction in health issues.

Local or regional programmes can do things central programmes find more difficult e.g. by bringing pots of money together and commissioning programmes focus on employment access as part of a range of broader benefits. However, local or regional programmes to tackle worklessness do sometimes use the same targets, target groups and approaches as those procured centrally and therefore programmes can end up competing rather than being complementary. If agencies target benefit claimants or inactive clients then it can be difficult to understand which interventions are having the impact and where value for money can be driven.

Employers are becoming more actively involved in the education process and thereby able to influence school leavers and raise aspirations of the younger generations. Nevertheless employers remain concerned that there are insufficiently trained pools of work ready people. There needs to be greater focus on training that is linked to the skills people need to do jobs available locally. This is a particular issue for those people who are long term unemployed or have been out of the labour market for a long time who may often have no or limited access to work-related training. Although the 'work-first' approach has many benefits, enabling employers to compete effectively and enabling people to remain in jobs with the ability to progress in the labour market (and open up entry level opportunities for others) fundamentally depends on effective and appropriate skill development programmes.

Recommendations

Employment development programmes need to become fully integrated in local social inclusion approaches. This is best managed and co-ordinated through the full involvement

of local government in the development of local programmes.

Procurement of employment and training programmes should be tailored to enable programmes to relate to very local priorities and needs, and flexible enough to respond quickly when new priorities emerge. The development of more strategically focused skill development programmes needs to be developed alongside a 'work first' culture in sustaining local economies.

Continue to develop relationships between schools and employers and develop training and employment access programmes for those furthest from the labour market.

#### Users' involvement and personalised approaches that meet the multiple needs of people as individuals

The 'activation approach' now being encouraged through legislative requirements means that people are required to engage in their own job seeking and training development programmes. This has been matched by more personalised support programmes albeit within a framework of compulsion.

Employers are being encouraged to take a more active role in local labour market development activities which should mean that programmes can focus on areas where there are most local opportunities. However local training programmes can tend to focus on generic skills and qualifications which may leave a gap between individual abilities and local labour market requirements.

Job coaching schemes e.g. for people with learning disabilities or mental health problems have been proven to be successful but are not universally available.

In summary, there has been a focussed approach on meeting very individual needs through a range of developments, however this could be further expanded and developed, especially for people most disadvantaged.

#### Recommendations:

Continue to resource personalised support programmes for job seekers and diversify approaches, especially to focus on the most disadvantaged.

Invest in more job coaching and specialist support schemes for those with particular difficulties in accessing and retaining employment.

Encourage the development of integrated external training and employer based learning programmes to ensure local programmes are addressing local employment opportunities.

Develop service evaluation programmes, based on users' experiences, to influence future, more personalised service design.

### Monitoring and performance evaluation and sharing of best practice

This is a relatively undeveloped area in the UK. Performance measurement is used to monitor employment and training support programmes commissioned by the DWP, however these are often basic, e.g. focusing on numbers of people obtaining employment and not on other factors such as:

- Provision for those harder to reach
- The local relevance of training and development programmes.
- The effectiveness of programmes in addressing individual needs and differences.

Local strategies are monitored locally through local partnerships; however the mechanisms for this are relatively unsophisticated. The impact of the current economic crisis has also meant long term targets have had to be reduced or indeed ignored altogether to address the specific challenges of the immediate crisis.

Recommendation:

Develop new models for measuring success in this area. This could be based on best practice from other European experiences, outcomes impact and social return investment. Also focus on the wider social return of coordinated approaches as well as specific employment related outcomes and impacts.

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Additional information found at:

[www.southampton-partnership.com](http://www.southampton-partnership.com)

[www.sixmarysplace.co.uk](http://www.sixmarysplace.co.uk)

[www.forthsector.org.uk](http://www.forthsector.org.uk)

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[www.northernireland.gov.uk](http://www.northernireland.gov.uk)

# Southampton Partnership Framework

