



GCVS Employability Briefing Note

October 2006

Key Issues for the Voluntary Sector

Introduction

Key issues for the voluntary sector

There has been growing interest over the last year in the employability agenda, and in recent months we have seen the fruition of a number of major developments on this subject. Policy and funding initiatives, at UK, national and local levels are now being aligned to ensure priority is given to tackling what are seen as unacceptable and entrenched levels of unemployment, particularly affecting the most vulnerable groups in society. These developments will have a considerable impact on voluntary organisations working to support people into employment.

The briefing note which follows aims to summarise what is being proposed. It will cover the following strategy areas:

1. Welfare Reform;
2. Workforce Plus;
3. More Choices, More Chances; and
4. The City Strategy for Glasgow.

First however, we highlight some of the implications of these policy initiatives for the voluntary sector.

Opportunities for the Voluntary Sector

2. Opportunities for the Voluntary Sector

As you consider the content of this briefing, you will see that there are a number of potential areas of opportunity for voluntary organisations in contributing to the various employability strategies. For example,

- the sectors long and successful track record of working with those who are “hardest to reach”;
- the emphasis placed on early intervention. The sector already provides a first contact for many in returning to health and developing skills; and
- the provision of advice and information on welfare benefits – capacity for which will certainly be needed with the changes to the benefits system proposed through welfare reform.

GCVS feels that concerted efforts now need to be made to ensure the sector’s contribution is visible and that decision-makers take these aspects into account during the planning and contracting of future services.

Potential Threats

3. Potential Threats

GCVS also has a number of concerns regarding these developments and believes more information is needed on some of the specific points proposed. Voluntary organisations in the city are telling us they are worried about

- the plans for the rationalisation of funding – proposed in both the Workforce Plus and City Strategy – coming at a time when the sector is already feeling the effects of the funding cuts the City Council is imposing, to fund its own Equal Pay reconciliation, and the emerging reductions to EU funding levels;
- The proposed commissioning of services which will be based on the Equal Access Partnership mapping exercise. Streamlining provision through a small number of large providers could have significant implications for local voluntary organisations, yet these are often the very organisations that engage most effectively with the proposed target groups.



Introduction ctd

Potential Threats ctd.

- The push to target-driven outcomes which is potentially at odds with the need for longer-term support for the priority groups detailed in these strategies; and
- The lack of voluntary sector representation and influence at strategic level – again regarding both the Workforce Plus Partnerships and the City Strategy. The sector has made it clear that it wants its views, its values, its expertise, its in-depth knowledge of the key client groups to be factored into the planning process.

On this latter point, GCVS was given a clear mandate by its members at its Employability Conference in June 06 to seek representation on the Welfare to Work Forum and City Strategy group, where decisions are being taken about the shape and content of future delivery of employability services in the city.

However, despite our best efforts, to date the Glasgow voluntary sector continues to be unrepresented in the planning processes. Perplexingly – and uniquely among city partnerships - we are being told the sector cannot be involved in the partnership which is planning strategic development of employability services in the city because voluntary organisations get funding to deliver services to clients!

Influencing Future Action

4. Influencing Future Action

GCVS needs your continued input in shaping a voluntary sector position regarding these developments. So it is over to you now!

Attached to this briefing note are details of an online questionnaire. After you have read the following briefing and considered its implications for your clients and your organisations, we would be delighted if you would complete and e-mail it back by Friday 10th November.



Welfare Reform

1. Welfare Reform

The Welfare Reform Bill was published in July 2006 and describes the Government's future plans for tackling unemployment in light of its priority to achieve an 80 per cent employment rate for people of working age by 2010. The proposals in the Bill, most of which will be phased in during 2008, place a particular focus on those out of work who are sick and disabled, lone parents and/or older in age i.e. over 50. A major overhaul of the Incapacity Benefit system is planned which aims to simplify the system and includes:

- The replacement of incapacity benefits with a new Employment Support Allowance and a new Personal Capability Assessment (PCA) to enable more relevant support in moving people back to work.
- A focus on early intervention with increased support to employers and employees in managing health in the workplace; improved absence and return to work management; and increased support to health professionals to enable them to provide holistic treatment plans which recognise the benefits of work with respect to rehabilitation and long-term health.
- More customer contact and employment advice and support for individuals with health conditions to enable them to realise their ambition to return to work, building upon evidence from Pathways to Work.
- Housing benefit reform, which includes the national roll-out of the Local Housing Allowance.

Work-focused interviews and the new PCA will be targeted at new claimants and not existing IB recipients. However, a City Strategy will be piloted from 2007 in a number of cities across the UK, including Glasgow, where there are large concentrations of IB claimants. Details of this are provided at a later point in this briefing.

Workforce Plus

2. Workforce Plus

The long-awaited, "Employability Framework" was published by the Scottish Executive in June 2006 under the banner Workforce Plus. With c. 500,000 jobs anticipated in Scotland by 2008 and no correlating growth in the working age population, the Framework sets out proposals to create the conditions that ensure those currently outside work have the optimum opportunity to find a way back in. Workforce Plus places a strong emphasis on the need for more effective and integrated working between organisations at national and local level to improve provision for those who face barriers to work.

The overall aim is to create a Scottish "Employability Service" which involves national leadership and local action. National and Local Workforce Plus Partnerships will be created that will work to:

- Move 66,000 people into work and off DWP benefits by 2010;
- Direct the distribution of an additional £11 million funding during the period 2006-08, i.e. £5.6m million per year, through the local Community Planning Partnerships Community Regeneration Fund;
- Align the numerous employability-focused funding streams available at local level to ensure shared goals and objectives through a shared infrastructure and procurement approach.



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Workforce Plus

Targets and spend are to go to the 7 priority areas originally detailed in the Closing the Opportunity Gap Priorities under Target A and therefore include Glasgow.

Six key themes will be prioritised:

- Early intervention;
- Client focused interventions;
- Employer engagement;
- Sustaining and progression in employment
- Joined-up planning and delivery of services;
- Better outcomes.

In terms of priority groups, the Framework focuses on three target categories:

- Those excluded from the labour market;
- Those closer to the labour market but who still need help; and
- Those in low paid or low skilled work.

However, those considered to be the “hardest to help” are given particular priority and include:

- People with no qualifications
- People experiencing ill health/ disabilities
- Lone parents
- Ex-offenders
- People with care responsibilities
- People with substance misuse issues
- People resident in disadvantaged areas

Local funding partners will work together to agree the scale and pattern of services needed and joint responsibilities for outcomes. A key change in emphasis is proposed, where funders will have responsibility to clients not organisations or projects. On this basis, organisations risk the removal of funds if performance is not good. The Framework also proposes streamlining provision by contracting with fewer providers as a means to tackling the level of duplication of services targeting employability.

A National Partnership is currently being established and an Action Plan agreed which will focus, among other things, on agreeing ways to increase value for money and jobs outcomes through a review and re-alignment of training and education budgets.

Local Partnerships are also being established to develop 1 and 3 year Action Plans which detail mechanisms to ensure:

- delivery through a coherent and complete support service;
- streamlined funding and performance management arrangements;
- investment in infra-structure and capacity building

Initial activities for the local partnership will include a mapping of service delivery to allow rationalisation of provision and to identify gaps before service planning takes to the commission activities in local areas. Glasgow is currently reviewing and updating the earlier mapping exercise commissioned by the Equal Access Partnership, and it is therefore likely that this data will inform decisions on future commissioning of employability services in the city.



More choices,
more
chances

3. More Choices, More Chances

This strategy complements Workforce Plus in terms of its priorities and approach. However, its emphasis is primarily one of prevention, targeting the pre-16 age group, with related action defined for those post-16. Of the estimated 35,000 young people in Scotland in the NEET group i.e. “not in education or employment”, approximately 20,000 are deemed to be “problematic”.

The overarching aims of the strategy are:

- to stem the flow of NEET with a focus on prevention rather than cure;
- to have a system-wide (pre-and post16) focus on ambitions for, ownership of and accountability for the NEET group;
- to prioritise action on education and training outcomes for the NEET group as a step towards lifelong employability.

The strategy identifies priority sub-groups, deemed to be the most vulnerable to becoming NEET. These are:

- Care leavers
- Carers
- Young offenders
- Young parents
- Low attainers
- Persistent truants
- Young people with physical/ mental disabilities
- Young people misusing drugs or alcohol

Like Workforce Plus, the strategy proposes more effective, joined-up working between the agencies engaged with these groups, for example, health, housing and social care - and the work that can be done around employability. Specific objectives and planning will tie in with the National and Local structures being developed for Workforce Plus.

Glasgow is identified as one of 7 “hotspots”, with the Executive providing £800,000 over two years towards an action plan for tackling the issue in the city. Again, the funding will be managed and distributed via the CPP.

The Cities
Strategy

4 The Cities Strategy

At the end of July, Glasgow heard that it had been successful in achieving Cities Strategy pathfinder status, along with 12 other cities and towns across the UK. This followed the submission of an initial plan to the DWP which outlined Glasgow’s ideas towards pooling resources and expertise in order to tackle the specific problems faced by the city in getting people back to work.

Glasgow’s bid set out an ambitious plan to achieve a 40,000 reduction in the level of unemployment by 2010. The Government has set aside £5 million towards the initiative and areas that are successful in meeting targets will be eligible for additional funding that can be re-invested into local services and priorities .

The strategy is being led by the Welfare to Work Forum and a consortia has been established to take the plans for the city forward. This comprises representatives as detailed below.



Glasgow City Strategy Consortium Members

- Glasgow City Council
- Scottish Enterprise Glasgow
- NHS Greater Glasgow and Clyde
- Communities Scotland
- Glasgow Chamber of Commerce
- Jobcentre Plus
- Glasgow Community Planning Partnership
- The Scottish Funding Council
- Glasgow Employer Coalition
- Glasgow Welfare to Work Forum.

The voluntary sector is acknowledged in the City Bid, but primarily as an operational rather than strategic partner .

The Glasgow bid proposes the following approach:

- the targeting of existing IB claimants; lone parents, the over 50's and unemployed people within Glasgow's BME communities;
- the introduction of a range of flexibilities which will be made available to jobless clients, focusing on lone parents and the "stock" of IB claimants across all 50 city Wards;
- more effective co-ordination across agencies and providers – with specific focus given initially to two areas within the 10 CPP areas experiencing the lowest employment rates.

Key areas are identified which seek to build on the priorities and plans being developed for Workforce Plus, including:

- The co-ordination of funding to support activity for the areas and clients targeted;
- Investment in the supply chain of delivery, particularly regarding engagement with target groups, training and work experience and retention and progression in the labour market;
- A Consortium –led determination of the key outputs of services, for example, numbers into jobs and retention rates; employer and client satisfaction levels. The bid confirms an increased focus on the need to "drive provider behaviour to deliver results;"
- Measurement by a single assessment tool developed by the Consortium.

To back up the proposals, first priorities include:

- An immediate and fundamental review of funding; and
- A plan to generate culture change in the key public sectors at middle management and frontline staff levels to ensure readiness for pilot delivery.

Your Response

Having read this briefing which summarises recent policy developments, please now go to our online survey at

<http://www.surveymonkey.com/s.asp?u=917702733276> .

Complete the questionnaire and let us know your views!

Thank you !