

## Some key employability strategy drivers and programmes

This paper provides a summary of some of the key employability strategy drivers, pilots and programmes. It is not intended to be exhaustive, but to give some outline information to help understand some of this complex landscape.<sup>1</sup>

The three **Command Papers** jointly produced by the **Departments for Work & Pensions and Innovation, Universities and Skills** make clear the Government's policy intentions for **employability** and for **integrated employment and skills (IES)**. These are:

- **Opportunity, Employment and Progression: making skills work (Nov 07)**
- **Ready to Work, Skilled for Work (Jan 08)**
- **Work Skills (June 08)**

Each paper builds on the previous one by adding further detail about how the Government envisages the integration of employment and skills support. Each has significant implications for the way in which agencies and providers work. Silo working does not fit with this agenda.

The Government intends to progress towards greater integration through a number of trials across the country. The Integrated Employment and Skills (IES) trial in Central London is due to be implemented later in the year. Its purpose is to create a more effective customer journey that results in a greater number of workless and low skilled people move and progress through skills development and into sustainable employment. It is also intended to help the public agencies (particularly the LSC, JCP and LDA) develop more effective ways of integrating, tracking and evaluating their services. It will include trialling an Adult Advancement and Careers Service as well as a number of other new elements.

The Government's policy drivers are contained within the LSC's Grant Letter, in particular the need for joint working between the Department for Work and Pensions, Jobcentre Plus and the LSC to achieve a **more integrated employment and skills system**.

The **London Skills and Employment Board's strategy** is very much in line with the IES agenda, it states that:-

- radically new approaches will be required from funding and delivery agencies so employment and skills services are seamless for employers and individuals;
- a new form of responsiveness is required from providers to meet demand;
- it wants colleges collectively to develop change management programmes to remodel the sector and develop closer links with employers to support improving employability and progression to higher levels; and
- it wants to open up the market for publicly funded provision to improve quality and generate innovation.

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<sup>1</sup> This is not a policy statement of behalf of any agency.

More recently, the London Skills and Employment Board has published a progress report, *The London Approach*, which summarises responses to the consultation draft of the strategy. The final version of the strategy is likely to be launched in the next few weeks.

In February, the Government published its new **Department of Work and Pensions Commissioning Strategy** which established important roles for its “prime contractors” in developing and strengthening the whole welfare to work supply chain. Key points from this strategy include: -

- Core (or ‘prime’) contractors responsible for effectiveness of whole supply chain.
- Expectation of excellent sub-contracting relationships.
- Important role for smaller and specialist providers.
- Performance review will include prime contractors’ effectiveness in managing sub-contractors.
- Jobcentre Plus will assess the quality of the customer experience.

DWP have said that the new contracting strategy will apply to the current contracting round for the Flexible New Deal which is replacing a number of the existing New Deals.

There is a range of initiatives and programmes that is relevant to the development of a more integrated employment and skills system. A brief summary of these are noted below to help with our discussions on the day.

## Some key pilots and programmes

### Employability Demonstration Pilots

Sponsored by the LSC London Region, the Employability Demonstration Pilots (EDPs) were established to test out innovative skills and employment interventions over a 2 year period from March 2007. There are 11 across London, led by FE colleges. Evaluation so far of the EDPs have shown the importance of

- *Flexibility and “breaking the normal rules” (mainstreaming employability is proving more difficult).*
- *Getting right balance of resource between skills provision and assessment/coaching/brokerage.*
- *Ensuring progression from ‘first steps’ learning to employability skills.*
- *Working effectively with Jobcentre Plus (and DWP providers).*
- *Effective partnership working on employability pathways.*
- *Finding ways of engaging employers.*

### ESOL Transition Fund

This is a joint initiative between LSC London Region and the London Development Agency which aims to strengthen the development and delivery of work focused ESOL provision. It also aims to make the changes sustainable by bringing about shifts in provider infrastructure and culture. All the EDP colleges are involved in the ESOL Transition Fund, along with some additional colleges and other providers, including borough adult education services.

## **Employability Skills Programme**

This is an LSC programme delivered in partnership with Jobcentre Plus. It offers Jobcentre Plus customers a programme to enhance their employability skills whilst improving their literacy, language and numeracy skills. There is an emphasis in the programme on job outcomes but also some scope for progression to Skills for Jobs provision. Participants are encouraged to work towards a qualification. It is a 12-15 week programme and operates at two levels: Foundation (for people who are at Entry Levels 1 and 2) and Employability (for people who are at Entry Level 3 or Level 1).

## **Skills for Jobs**

'Skills for Jobs' is an LSC initiative and an 'umbrella' for a range of different individually tailored actions that directly link skills and employment. The main target group is low skilled adults who are not currently in employment but who want to work and who are close to employment. The programme provides an important 'pre-employment' phase, has an emphasis on job outcomes, and is an important 'pipeline' to Train to Gain. Interventions are designed to be short e.g. up to 1-month during the pre-employment phase and can include skills development but the emphasis is very much on providing personalized employment support. Other key aspects include demonstrating how provision is part of wider employment related activity and how it will impact on the development of mainstream provision to create a more labour market demand led offer. There are currently 8 Skills for Jobs clusters operating in London so far, but successful bidders to the new ESF round will be announced shortly.

## **Pathways into Work**

This is a DWP programme to help people with health conditions move from Incapacity Benefits into work or closer to the labour market. Customers who claimed IB prior to December 2007 can join the programme voluntarily however customers making new or repeated claims for benefit receive a capability assessment by a Personal Advisor and may be mandated to attend up to 5-work focused interviews. These interviews are designed to develop and review an individual's work action plan, and look at the barriers the individual is facing in joining the labour market and how they might be overcome e.g. if an individual needs to change employment sectors they can be given help to retrain. In house recruitment managers work with employers and individuals to match employer vacancies to the skills of individuals, and this will be carried out within the remit of the Local Employment Partnership (see below). Unlike previous programmes targeted at people on IB, the Pathways to Work programme also has a condition management element attached to it which is offered alongside employability support. Pathways to Work is a much bigger programme than the other employability programmes.

## **Flexible New Deal**

Flexible New Deal (FND) will be the first programme commissioned under the DWP Commissioning Strategy and will replace the existing individual New Deal programmes. Under FND large prime contractors will be given the role of 'managing agents' overseeing large regional contracts through sub-contracts with individual providers. FND is being brought in, in 2 phases the first phase of which will be implemented from October 2009 and will include the 2 JCP districts: Lambeth, Southwark and Wandsworth and Central London. Phase 2 will be implemented from October 2010 and will include the other London JCP districts: West London, City and East

London, North and North East London and South West London. There will be an emphasis on sustainable job outputs and providers will be paid by results, focused on helping long-term unemployed people into jobs that last. Payments will be staged so that final payments take into account whether a person is still in employment after 13 and 26 weeks so there will be a clear pipeline into Train to Gain to encourage in-work training as part of sustaining employment. New claimants will be referred to FND after 12 months of unemployment

### **Local Employment (Employer) Partnerships**

These partnerships were announced in 2007 and at their heart is a 'jobs pledge' under which Jobcentre Plus works with national and local employers in both the private and public sector to offer job opportunities for people who are at a disadvantage in the labour market, such as lone parents, people with disabilities, and the lowest qualified. As part of the arrangements employers agree a number of specific measures they will take to help support JCP priority customers. Employers can secure effective pre-employment training to meet the skill needs of their business, and help with developing 'in work' training to support retention and the development of the new recruits.

### **City Strategy Pathfinder**

The City Strategy Pathfinder (CSP) is an innovative approach to tackling worklessness and child poverty launched by the DWP in May 2006. There are two in London, one in East and South East London and one in West London. The CSP are about 'pooling resources and creating new flexibilities for local partners to work together within a community, to improve economic regeneration through skills, employment and health'. East and South East London CSP brings together a consortium of the key partners, including the five boroughs, Jobcentre Plus (JCP), the London Development Agency (LDA), the Greater London Authority (GLA), the Learning and Skills Councils (LSC) and local employers, with the aim of radically re-shaping welfare to work activity in the area.

### **Local Area Agreements (LAAs)**

An LAA is an agreement between a local area and central government (and monitored in London through the Government Office – GOL), and describes how up to 35 local priorities, drawn from a set of over 190 national priorities, will be met by delivering local solutions. LAAs are currently being updated and new agreements will be approved by June 2008. LAAs support the integrated skills and employment agenda with many having skills and employment related indicators amongst their improvement indicators. However, there are a number of LAAs that do not have skills targets. It is important to bear in mind that many key borough based strategies are not part of the LAA but are a critical part of local planning and development. Multi-area agreements (MAAs) are also being established in some areas of the country. Often these agreements have a particular focus such as economic development. Currently there are no MAAs in London.

Local strategic partnerships (LSP) oversees the LAAs. These are non-statutory bodies that brings together different parts of the public, private, voluntary and community sectors working at a local level, with the lead player being the local authority. The aim is to help different organisations work together to deliver services more effectively.

The Machinery of Government changes and the 'sub-national review' both indicate an increased role for local authorities in many areas of work, including adult skills and ESOL. This has implications for the way in which they work with other agencies.