



“Worklessness”



A Work Plan Study by the Communities Scrutiny Panel

January 2011

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1. Chair's Commentary

This has been a very informative and relevant study, given the current economic climate. The subject of worklessness was vast and involved many wide-ranging issues, so the Panel needed to be very focussed in its scoping and address factors which translated into practical service provision for individuals in Preston.

However, the study has been challenging in many respects, because of the ongoing Government changes to service provision in respect of addressing worklessness and the Government's Comprehensive Spending Review, which has impacted both on the Council's service provision and that of its external partners.

The Panel's final recommendations reflect the challenges presented by that changing position, particularly that of the Council losing the Area Based Grant. The Panel were mindful of the fact that, any recommendations would be subject to budgetary implications, particularly in light of ongoing negotiations in the lead up to Budget Council on 24 February 2011.

Yours truly,

Councillor Danny Gallagher



Councillor D Gallagher
Chair
Communities Scrutiny Panel

2. Membership of the Panel



Councillor Gallagher
(Chair)



Councillor Pringle
(Vice-Chair)



Councillor Mrs Afrin



Councillor Mrs K R Cartwright



Councillor Gale



Councillor Greenhalgh



Councillor Hart



Councillor Lavalette



Councillor Shamsuddin



Councillor Truby



Councillor Richardson



Councillor Wilson

3. Deliberations

3.1 This topic was selected by the Council's Overview and Scrutiny Management Committee at its meeting on 9 April 2010 and referred to the Communities Scrutiny Panel to undertake. Below is a summary of the Panel's deliberations, highlighting the key issues identified and discussed. There are also web links to the corresponding minutes, which also incorporate presentations received by the Panel.

3.2 9 June 2010

3.2.1 Peter Bargh, Assistant Director Community Engagement and Michelle Arthur and Angela Callagher from Preston Employment Partnership gave a presentation to introduce the Panel to the topic of worklessness and the work of the Preston Employment Partnership.

The Panel further considered the Proposed Scoping Document for the work plan study.

[Minutes 9 June 2010](#)

3.3 18 August 2010

3.3.1 Interview with Emma Burgess, Preston Job Centre Plus

Emma Burgess, a Stage 1 Personal Adviser from Preston Job Centre Plus attended the meeting to discuss its approach to tackling worklessness and the service provision available to clients.

She explained that the Job Centre provision was organised in stages triggered by the length of time a client had been unemployed and claiming Job Seekers Allowance (JSA):-

- At “Stage 1” claimants were expected to sign on at the Job Centre every two weeks and after thirteen weeks, attend “Back to Work” support group sessions.
- After claiming JSA for thirteen weeks, Stage 2 would be triggered and claimants would then have to sign on once a week.
- If a claimant reached six months, Stage 3 would be triggered and intensive advisor support would then be provided which included the “Young People’s Guarantee” for claimants 18 – 25 years old.

She also informed the Panel that:-

- The Government had given no indication as to what the changes in provision might be in the light of expected spending cuts and that staff had been advised to continue with the existing procedures in the meantime.
- In respect of illness/incapacity claimants, clients were initially assessed to establish fitness to work, which would determine whether they qualified for Incapacity Benefit (now Employment and Support Allowance) or JSA. Specialist provision was available for incapacity benefit claimants to assist them towards being in a position where they may be able to take employment e.g. voluntary work and the “Access to Work” scheme with participating employers.
- The figures for JSA claimants in Preston as at June 2010 were as follows:-
Up to six months – 2,155
6 – 12 months – 680
over 12 months – 430

Breakdown of JSA claimants in Preston by age group:-
18 -24 years – 975
25 – 50 years – 1855
Over 50 years – 420

(However, it was noted that if Incapacity Benefit claimants were included the figures would be much higher).

3.3.2 It was highlighted that a substantial number of people were now being taken off incapacity benefit and transferred to JSA. Claimants were entitled to appeal against this decision, however this process took time and in the meantime people would be on reduced benefits. Ms Burgess informed the Panel that the appeal process would often take about two months. It was confirmed that a significant number of these appeals were successful.

3.3.3 Mapping Worklessness in Preston

Peter Bargh (Assistant Director, Head of Community Engagement) and Angela Callagher from the Preston Employment Partnership gave a presentation giving members a comprehensive picture of worklessness in Preston and produced the following information:

- The 'Index of Multiple Deprivation 2007' (IMD), a national survey carried out every three years which combined a number of indicators (such as income, employment, health deprivation and disability, education/skills/training, housing and crime) into a single deprivation score for districts in England. It indicated that a number of central wards in Preston were areas within the most deprived 10% in England.
- The number of Job Centre Plus programmes contracted to different organisations (which included PEP) which in turn delivered to specific target groups such as claimants for certain benefits, young people, ex-offenders, minority ethnic groups and disabled people.

Members noted the following key points regarding service position at that point:-

- PEP was the only organisation not contracted by Job Centre Plus, but who offered service provision to target groups who were not eligible to access other Job Centre Plus Contracted services, such as young people 14 -18 years and people ineligible to claim out of work benefits.
- Over 50% of PEP's clients were on job seekers allowance, the rest were made up of groups, such as Young People not in Education or Training (NEETs), Incapacity Benefit claimants, Ex offenders, lone parents, homeless people, and also those not working but ineligible to claim benefits.
- There were not many Incapacity Benefit claimants among PEP's clients however, PEP often dealt with the personal issues arising from a person being transferred from Incapacity Benefit to JSA.

The future was uncertain for clients under the “flexible new deal” pending possible Government budget cuts.

- It was highlighted that, although PEP’s clients were spread across all deprived wards, it was noted that offices were based in the town centre and therefore that geographical location may be a factor as regards access to PEP services. Peter Bargh agreed at that point that PEP needed to engage in more outreach work and highlighted the example of the recent “Roadshow” promotional event.
- **Performance for PEP the last Quarter – Key figures at that point :**
 - 9 people had found a job who had been unemployed for 36 months
 - in total 93 clients had found a job in the last quarter.
 - PEP’s workload was increasing and that at that point each of PEP’s 9.5 advisory staff had approximately 50 - 60 cases.

[Minutes 18 August 2010](#)

3.4 **15 September 2010**

3.4.1 **Welfare Benefits Officer - Discussion/Interview**

Sue Ballantyne, Deputy Advice Services Manager (Welfare Benefits) attended the meeting and informed the Panel as to the background and current position of welfare benefits relating to worklessness.

She provided the following information:-

- In October 2008, Incapacity Benefit had been replaced with ‘Employment and Support Allowance’ for new applicants, which had much stricter qualifying criteria. She indicated that of these 78% had failed to qualify. Existing Incapacity Benefit claimants could continue to claim as long as they passed a medical.
- A Work Capability Assessment (which included a medical assessment) would take place within the first 13 weeks of claiming E&SA.
- According to figures from the Department of Work and Pensions, nationally 102,500 assessments had been carried out in the last three months; of these 68% failed their medical (subject to appeal) and of those that appealed, 38% were successful. The waiting time for an appeal was typically 6 – 8 months. Pending the appeal, applicants received the basic level of E&SA.

3.4.2 Angela Callagher (PEP) also indicated to the Panel that in PEP's experience there was a lack of joined up thinking as regards Incapacity Benefit and JSA claimants – procedures for the two benefit systems were completely different which made it particularly difficult for vulnerable clients such as people with mental health issues. She further indicated that this was an underrated problem often masked or unrecognised. She explained that vulnerable clients were most likely to be affected by the benefits transfer as they would be less likely to challenge the decision or "make a fuss".

The Panel expressed strong concerns regarding the effect of the changes to the benefits system on people with mental health issues.

Members noted that statistically 1 in 4 people will suffer with mental health issues at some point in their lives, and that people in poverty/on welfare benefits are more likely to develop mental health issues in the long term; in the light of this the problems highlighted were of particular concern.

3.4.3 PEP Performance Data and Worklessness SWOT analysis

The Assistant Director (Head of Community Engagement) presented a S.W.O.T analysis of the Preston Employment Partnership, carried out both by the PEP team internally and from an external perspective, by Malcolm Clarke (UCLAN) and Joan Burrows (Preston CVS).

Michelle Arthur (Head of Employment and Enterprise) also provided detailed information relating to the performance of PEP from 2005 to July 2010.

- The PEP report indicated that the total number of client registrations over the years was 3252 and PEP had successfully assisted a total of 1208 individuals into work over a 5 and a half year period. It had also assisted 344 people into training and a further 81 individuals into volunteering.
- **The greatest weakness/threat identified by both internal and external SWOT analysis was the financial position/ funding for the service, which the Panel were informed would end in March 2011.** In preparation for this PEP had already been already working on an Expression of Interest for a new contract under the Government's "Welfare to Work" Scheme (position at September 2010).
- **An additional weakness identified by the Panel was the difficulty in quantifying the strengths of PEP, due to the type of service it offered, i.e. working with clients on a highly individualised, 1 to 1 basis** to establish what was in their best interests. The work of PEP involved, for example raising the self esteem/confidence of individuals so that they could develop skills to obtain employment, an achievement that

could not be quantified. It was highlighted that because of this clients sometimes felt that they had found employment without any assistance at all, making it even more difficult to monitor the performance of PEP.

- **Recommendation** - Arising from the discussion about the future of PEP/worklessness agenda at Preston, members suggested investigating the feasibility of the Council setting up its own recruitment agency as an alternative means of addressing levels of worklessness.

[Minutes 15 September 2010](#)

3.5 13 October 2010

3.5.1 Joan Burrows - Preston Council for Voluntary Service

Mrs J Burrows from Preston Council for Voluntary Service gave a presentation on the role of CVS in relation to tackling worklessness. She informed the Panel that:-

- A partnership had been created between CVS and PEP (a National Lottery funded project) in order to deliver volunteering opportunities to unemployed people to assist them in eventually finding work.
- The CVS currently had 168 volunteering opportunities available although recently it had been about 250. She indicated that the relationship between PEP and CVS had been a two way process, i.e. clients from PEP would be referred to CVS and vice versa if appropriate. She further indicated that from January – December 2009, 93 of clients referred from PEP had been found substantial volunteering opportunities. Finally, she stressed that the current position (at that point) was due to the funding issues surrounding PEP, it was unclear whether the project would continue.

3.5.2 Mrs Burrows indicated that the team at CVS would refer anyone diagnosed with mental health issues to PEP and added that if the diagnosis was serious enough the client would often have a support worker. Angela Callagher (PEP) also indicated that PEP work with “The Bridge” mental health services and the Minerva Health Centre. She further indicated that in such cases PEP would have acted as an advocate in the case of someone they felt had unfairly had their benefits changed.

Michelle Arthur (PEP) confirmed that although PEP did work with NHS services such The Bridge and Lancashire Condition Management, it was PEP that approached them, rather than vice versa. **The Panel felt that the NHS was not being proactive as regards this important area of provision and that formal strategic and financial support from the NHS was required.**

3.5.3 PEP Clients – Transcript of Radio Interview

Michelle Arthur and Angela Callagher played an audio CD and provided the transcript of a recent Radio Interview with BBC Lancashire, in which PEP's clients were interviewed about their experiences of worklessness and their use of PEP.

- The interviews revealed an overall positive view of PEP services, particularly in terms of building relationships and assisting clients with updating their CVs.
- Members noted that increased confidence had been particularly highlighted by the interviewees, who had also stressed how this can be detrimentally affected by unemployment.

[Minutes 13 October 2010](#)

3.6 17 November 2010

3.6.1 Malcolm Clarke - Preston Vocational Centre

Malcolm Clarke, a trustee at Preston Vocational Centre (PVC) attended the meeting. Preston Vocational Centre provided vocational training and other support to the young people and adults of Preston & District, and included courses such as brickwork, painting and decorating, and bench joinery. He informed the Panel that:-

- The Centre had initially been founded on the basis of receiving funding from the Council of £75,000 for a period of three years but due to the current economic climate the Centre was now having to explore ways of sustaining itself.
- Since it first opened in February 2009 up until September 2010, Preston Vocational Centre (PVC) had registered 950 students, including
 - young people not in employment or training (NEETs) (120)
 - people belonging to disadvantaged groups (60),
 - referrals from Job Centre plus (105), and
 - referrals from NHS mental health services (5).
 - At that point PVC had also developed a link with Preston Employment Partnership when the Government's 'Welfare to Work' programme was established and currently took referrals of unemployed young people from PEP.

3.6.2 The Panel enquired as to whether PVC had any links with the Community Gateway Association possibly to provide a service e.g. repairing social housing/empty homes through one of their contractors such as Jackson Lloyd. It was suggested that one way to ensure the continuation/sustainability of funding worklessness provision could be to link it to the affordable housing/homelessness agenda.

3.6.3 Mr Clarke agreed that it would be beneficial for PVC to provide skills e.g. repairs, painting and decorating for empty homes.
The Panel agreed that developing this as an aspiration be one of their recommendations. Cllr Afrin also indicated that she would speak to Strategic Housing about this.

3.6.4 Lancashire Condition Management Programme

Mike Rose from the NHS Lancashire Condition Management Programme (CMP) attended the meeting.

He explained that :-

- the Condition Management Programme was aimed at supporting people currently in receipt of Incapacity Benefit/Employment and Support Allowance to manage their long-term health conditions in order to return to work. The Programme was delivered by the NHS on behalf Job Centre Plus as part of “Pathways to Work”.
- the Programme employed a “holistic” approach to their clients’ health and wellbeing, addressing their physical health, mental health and self esteem issues. This meant that CMP employed a wide range of specialists such as nurses, medical practitioners and counsellors. Each client would be assessed, a treatment programme drawn up and assigned a case manager.
- in this context ‘success’ was often measured in terms of alleviating mental health issues such as depression and anxiety. There was no direct performance monitoring link between CMP and clients finding employment - the programme was based on a general principle of a link between health issues and worklessness, and that improving a person’s health and wellbeing would enhance their ability to return to work.
- CMP received approximately 45 – 50 referrals per week (the drop rate was equivalent to that of NHS mental health services) and that support would be provided to a client for six months.

3.6.5 Mr Rose confirmed that, as a result of NHS budget cuts, the Lancashire Condition Management Programme would come to an end in the next few months. He queried how health issues would fit into the future worklessness agenda. He indicated it was likely that a similar programme would be delivered by a private sector company such as Serco; however, it would probably be performance related i.e.

direct link between the service and clients obtaining work. Mr Rose acknowledged that the CMP, being person-centred was expensive and difficult to evaluate. However, the programme was an efficient investment in terms of cost per client.

- 3.6.7 Councillor Shamsuddin referred to the Panel's previous recommendation regarding a possible strategic partnership link with the NHS in respect of worklessness. Mr Rose indicated that he was uncertain whether the NHS would be agreeable to this, because it would need to demonstrably be beneficial to the NHS in terms of financial or statistical outcomes. In his opinion, the NHS and the worklessness agenda should be linked, but as regards the future agenda there appeared to be a lack of connectivity and greater pressure for outcomes i.e. employment.

[Minutes 17 November 2010](#)

3.7 15 December 2010

3.7.1 Preston Vocational Centre - Site Visit

Martin Grayston, Manager at Preston Vocational Centre, welcomed Members and gave the Panel a short tour of the Centre.

He informed Members that:

- The Centre worked in partnership with Preston College to deliver courses leading to City and Guilds qualifications. The Centre had also recently received accreditation to deliver a BTEC in Construction which was equivalent to a GCSE. He indicated that the Centre worked with high schools in Preston and that approximately fifty pupils per day attended the Centre. Since PVC opened, around 1,000 pupils have attended the Centre.
- The Centre also partnership with Job Centre Plus, providing six week courses for around 15 – 20 clients. The Centre also offered provision to disabled people – it currently catered for 3 attendees from Tom Finney School.
- the Centre worked with the top 80 youth offenders in Preston to help them get a structured, work-based routine to discourage re-offending.

Courses taken at the Centre have led to proper apprenticeships with local employers, in partnership with Preston College.

Peter Bargh reminded the Panel that, as indicated by Malcolm Clarke at the previous meeting, PCC funding would no longer be available and the Centre would be seeking funding from alternative sources.

3.7.2 Skills Funding Agency - Anne Gornall

Anne Gornall, Head of Learner Services at the Skills Funding Agency (part of the Business, Innovation and Skills Department) attended the meeting. The Agency provided funding for all education and training providers for people over 19 years of age. Ms Gornall gave a presentation on the latest developments as regards the skills agenda and informed the Panel that:

- The Government had recently undertaken a consultation and strategic review of the system structure and funding mechanism and had now published its policy document “Skills for Growth: Strategy Document” (and other related documents).
- The main policy aims were to simplify the skills funding system, address budget constraints in light of the current economic climate and to instigate a shift from public sector funding to “shared” funding for skills provision, i.e. between training providers (e.g. colleges), learners and employers.
- Basic skills training would continue to be fully funded and also training for people in receipt of “active” benefits (i.e. related to seeking work or participating in programmes related to getting people back into work) would be fully funded.
- However, schemes such as “Train to Gain” had now been abolished so employers would need to be on board as regards the “upskilling agenda” because they will be expected to fund all or part of training and qualifications. The policy would also include ‘public procurement levers’ – such as employers must provide training for and employ local workless people.
- Under the new system there would be a correlation between Skills Funding and the Lancashire Enterprise Partnerships. The system would now be that the LEP would establish local plans/needs with training providers and so, instead of separate funding pockets, there would be one lump sum to disseminate at local level based on the needs identified via the LEP.
- Ms Gornall stressed that the policy placed greater emphasis on the value of apprenticeships and that from 2012, funding provision would be based on the basis of outcomes, i.e. jobs, apprenticeships, or progression to higher education.
- **Impact of the policy on generational worklessness:** Anne Gornall clarified that funding would only be available for people on benefits related to seeking work or participating in programmes related to getting people back to work. This would be part of the “Welfare to Work” programme.

It was noted that this policy would leave a gap in provision for people in the “generational worklessness” category, which was currently filled by PEP.

4. Findings and Conclusions

1. The term “Worklessness” did not simply refer to unemployment. It was a generic term used to describe a complex and highly individualised problem. It could be defined as “Individuals who have never worked or been unemployed for periods of time, who may be unable to gain employment as a result of a variety of barriers that prevent them from entering the job market.”
2. There were several reasons/factors to explain worklessness, including structural and economic factors (e.g. lack of job availability) and factors relating to the individual.
3. (At time of writing) The Council is providing a direct service to tackle worklessness in Preston in the form the Preston Employment Partnership (PEP), previously funded by the Area Based Grant. In terms of addressing worklessness, PEP’s service focussed on the factors relating to the individual, some of which were:-
 - Health issues (physical or mental)
 - Lack of or no work experience
 - No work aspiration
 - No educational aspiration
 - Low or no skills
 - Low or no confidence
 - Learning difficulties
 - Child care issues or being a carer
 - Problems with addiction
 - Financial/debt problems/benefit dependency
4. PEP worked with a wide range of partners, including Job Centre plus, Preston CVS, “Bridge” NHS mental health services and Preston Vocational Centre.
5. PEP had been identified as the only organisation not contracted by Job Centre Plus, but who offer service provision to target groups who were not eligible to access other Job Centre Plus Contracted services. However 50% of PEP client group are referred from Job Centre Plus.
6. Over 50% of PEP’s clients were on job seekers allowance, the rest were made up of groups, such as People Not In Education, Employment or Training, Incapacity Benefit claimants, Ex offenders, lone parents, homeless people, and also those not working but ineligible to claim benefits. PEP’s clients are spread across all deprived wards.
7. In October 2008 ‘Incapacity Benefit’ was replaced by ‘Employment and Support Allowance’ for new applicants. As a

result of the new assessment procedures, a number of people formerly on Incapacity Benefit had been reassessed and transferred to Job Seekers Allowance.

8. The appeals process often takes several months, during which time the appellant would be on reduced benefits pending the appeal. A significant percentage of the appeals were successful.
9. It is difficult to performance monitor some of PEP's work which was inherently qualitative in nature, e.g. raising self esteem/confidence of individuals in order to gain skills to improve writing job applications and interviews, which could not be quantified. In addition to this, PEP can only advise its clients, it did not have the power to compel its clients (unlike the Job Centre) to take a certain course of action.
10. Claimants with mental health issues are particularly vulnerable individuals affected by the changes to the benefits system.
11. Although PEP works with NHS services such as The Bridge it was PEP that approached them, rather than vice versa. There was a need for formal recognition of the service provided by PEP by the NHS at a strategic and financial level.
12. During the course of the study it was confirmed that the Area Based Grant (ABG) would be cut as part of the Government Comprehensive Spending Review. This was a threat to the continuation of PEP because existing funding would end in March 2011.
13. In light of the above, an alternative to PEP would be to set up a recruitment agency run by the Council.
14. PEP would be in a strong position to apply for funding to deliver part of the Government's new "Welfare to Work" programme. However, this would not be possible if PEP were not in existence beyond March 2011 and the outcome of successful funding applications will not be known until mid 2011.
15. Volunteering is an excellent way of gaining experience and skills for employment, as well as raising the confidence and self esteem of the individual. PEP has an excellent relationship with Preston CVS, however the project was under threat because of funding issues with regard to PEP.
16. Preston Vocational Centre plays an excellent role in tackling/preventing worklessness in Preston by providing vocational training to young people, including those not in education, employment or training (NEETs) and referrals from Job Centre plus.

17. The panel identified a potential benefit of Preston Vocational Centre partnering with social housing associations (e.g. Community Gateway Association) to provide students with skills by repairing/painting and decorating empty homes.
18. Preston Vocational Centre received funding from several partners including Preston City Council. Funding would no longer be available from PCC as a result of the cuts and so the Centre would be looking to alternative sources.
19. During the course of the study, one of PEP's external partners the NHS Lancashire Condition Management Programme, which provided support for people claiming Incapacity benefit or Employment Support Allowance to manage their long-term health conditions in order to return to work, came to an end due to NHS budget cuts resulting from the Comprehensive Spending Review. It was likely that a similar programme would eventually replace it but delivered by the private sector organisation and more focused on performance targets and outcomes.
20. The Skills Funding Agency, which provided funding for all education and training providers for people over 19 years old, had undergone a strategic and policy review. As part of this policy the SFA had received a budget cut of 25%.
21. There would be move towards shared funding of skills provision between education/training providers (colleges), learners and employers and greater emphasis on apprenticeships.
22. As regards worklessness, funding for courses would only be provided for those in receipt of "active" benefits i.e. relating to seeking work or participating programmes related to getting people back to work. This meant there would be a gap in provision for those in the "generational worklessness" category, a gap that would (at time of writing) be filled by PEP.
23. Under the new system, there would be a link between skills funding and the Local Enterprise Partnerships who would establish plans/needs for the area with local training providers. It was therefore crucial that the issues in Lancashire be resolved as soon as possible.

5. Recommendations

1. That the Panel supports the resolution at Council 16.12.11 *“To consider the continuation of Preston Employment Partnership (PEP) to enable a continuous vital service to be transferred over to either private or third sector recruitment organisations as part of the governments plans to tackle Worklessness”*.

and

That the Panel acknowledged the work of PEP in addressing worklessness in Preston and recommended that Cabinet explore all possible avenues to secure the continuation of PEP pending the outcome of the Welfare to Work funding.

2. That Cabinet note the concerns of the Panel regarding the number of claimants transferred from Incapacity Benefit to Job Seekers' Allowance relative to the number of subsequent successful appeals.
3. That Cabinet note the concerns of the Panel regarding the effect of the changes to the benefits system on people with mental health issues.
4. That officers investigate the feasibility of the Council setting up a recruitment agency as a means of addressing levels of worklessness.
5. That (subject to the final outcome in respect of recommendation 1), the Panel identifies the need for formal recognition by the NHS of PEP's work with clients with mental health issues and that this should be in the form of strategic and financial support from the NHS.
6. That the Cabinet be recommended, as an aspiration for the Council, to explore and develop the idea of partners such as Preston Vocational Centre working with social housing organisations, to provide skills to repair empty homes and social housing, with a view to exploring the wider possibility of linking the worklessness and housing/homelessness agenda
7. That Cabinet note the excellent work of Preston Vocational Centre, in particular that young people not attending school are getting the opportunity to gain trade-based qualifications, who would otherwise be at risk of sliding into worklessness.
8. That Preston City Council supports Preston Vocational Centre in any way possible in the future.

6. Management Team Commentary

No funding has been included in the Cabinet Budget Proposals in respect of the continuation of PEP. The current position is that PEP is unlikely to be in receipt of external funding until at least September at the earliest. On the basis of September the cost would be £150K plus redundancy of £70K if funding did not materialise. Such an extension with no certainty that Serco (the prime bidder we have worked with) will receive the contract, or even that a contract will be awarded is very high risk for the Council. It will also require alternative savings of £220K to be identified in the next year.

No funding exists within the Cabinets' budget proposals for a feasibility scheme in respect of a recruitment agency. Neither is any funding available for such a venture, should it be feasible. Given the existing market of recruitment agencies and the expected new government initiative during the summer, Cabinet should carefully consider whether there is any merit in undertaking a feasibility study at this time.

APPENDIX A

Scoping Document

1.	<u>Scrutiny Chair:</u> Councillor D Gallagher	<u>Contact Details</u> Cllr.d.gallagher@preston.gov.uk
2.	<u>Scrutiny Support Officer:</u> Clare Gornall	c.gornall@preston.gov.uk Ext 6475
3.	<u>Departmental Link Officer:</u> Peter Bargh	p.bargh@preston.gov.uk Ext 3403

1. **Which of our Corporate Priorities does this topic address?**

In the Council's corporate Plan 2009 -2012 the Council sets out its vision which includes:

Brighter Futures – Tackling deprivation by reducing in equality in health and well being, housing, worklessness and access to services.

Also Supporting People.

It further states that Preston is a city in which everyone has learning opportunities to fulfil their potential and good job prospects. The worklessness programme is contributing to the following local area agreement targets:

NI 151 Overall employment rate,

NI 152 Working Age people on out of work benefits

NI 153 Working age people claiming out of work benefits in the worst performing neighbourhoods

NI 117 Number of 16-18 year olds who are not in education employment or training (NEET)

NI 163 Working age population qualified to level 2 or higher

NI 6 Participation in regular volunteering

2. **What are the Panel's overall aims and objectives in doing this work?**

- Comprehensive understanding of what worklessness is and the extent of the current worklessness in Preston.
- Who deals with reducing worklessness now (including what JobCentre Plus does) and what are the gaps for Preston.

- Increased member knowledge of how PCC is contributing to reducing worklessness via working neighbourhood funding initiatives.
- Look at the performance data over the last couple of years. How effective is the service, is the service providing value for money and what are the impacts of under performance. In particular, to look at the underspend issue.
- Determination of whether PCC should be delivering on worklessness and if so how can this be taken forward to improve existing provision/service to ensure the appropriate mechanisms are in place to respond to demand, including the development of a package of bespoke initiatives / procurement of relevant services to meet this demand.
- An understanding of how the change of government policies Welfare to Work programmes will potentially impact on Preston's communities. Also local service delivery (pending information which will be available in October 2010).
- Identify possible areas of duplication
- Look at possible income generation opportunities

3. **Possible outputs/outcomes to this review are:-**

More engagement with a wider group of elected members, increased understanding of what worklessness means, its impact on individuals and how to tackle it. Including wider knowledge of the fundamental and multiple barriers and issues that individuals face that prevent individuals from accessing employment.

Recognition of the good practice and partnership work currently being undertaken, by WNF initiatives.

Recognition of PEP model, its bespoke activities in treating people as individuals and supporting people out of poverty (which may be into employment, increased confidence and self awareness, increased skills or work experience,) with a view to potentially mainstreaming the service, if deemed appropriate. Also looking at good practice elsewhere.

A SWOT analysis of worklessness, to include input from the Chair of Prosperous Preston TWG, Malcolm Clarke.

Clarification of impact of new Welfare to Work programme, areas of good practice and what other methods can be adopted to improve/change the service or what should if appropriate be stopped.

4. **What specific value can Scrutiny add to this work area?**

Give members a better understanding of how they would want to take worklessness forward / *development of current initiatives* in the future and contribute to the sustainability/mainstreaming of the service.

Whether PCC can influence other services/agency activities in terms of delivering on the Worklessness agenda.

5. **Duration of the Review?**

6 - 9 months (*subject to ongoing review in light of funding issues*).

6. **What category does the review fall into**

Policy Review yes Policy Development yes
External Partnership yes Performance Management yes
Holding Executive to account yes

7. **What information do we need to undertake the Scrutiny Review**

Performance reports

List of partners – UCLAN, Lancashire Learning and Skills Council, Business Link, CVS

National research e.g.
Houghton Review – Tackling Worklessness (March 2009)
Up to date worklessness research

Details of funding arrangements

Preston statistics – e.g. Unemployment rates, JSA claimants

Comparisons to other local authority similar initiatives.

Customer Evaluation sheets (comments and compliments from clients)

What other local authorities and services do and benchmarking information.

8. **Who can provide us with relevant evidence?**

1. JobCentre Plus – manager/front line staff

What areas do we want them to cover when they give evidence

What services they offer, how effective are they (measuring performance)

- | | |
|---|--|
| 2. Member/Lead Officer – Anthony Gornall and Peter Bargh | Background and rationale behind service and overview |
| 3. Manager of services Michelle Arthur and Angela Callagher | Various initiatives how they integrate, PEP operations |
| 4. Representative from LCC – LAA Economy Theme Group for LAA targets – Barrie Moreton | How service contributes to LAA targets within the Economy Theme Group and integration with Future Jobs Fund Programme. |
| 5. Views from External Partners e.g. Community Gateway, Vocational Centre (Malcolm Clarke – also LSP/PP), Princes Trust/Fire Service, UCLAN | Integration of services |
| 6. Views from Neighbourhood Management | Engagement of individuals |
| 7. Long Term Conditioning Centre Healthy Lifestyles Co-ordinator. | Health related issues and integration |

9. **What processes can we use to feed into the review (site visits/observations, face to face questioning, telephone surveys, written questionnaires etc?)**

Review of information provided

Visit to PEP/CVS/Vocational Centre and other operations

Face to face meetings with staff on the ground (PEP Employment Development Officers)

Client interviews if possible (depends upon will of clients but could be brought about by visit to Premier House and any client encounter that may take place at that time) Or various case studies.

10. **Diversity – How will we address the diversity standards in order to uphold the Council’s Single Equality Scheme?**

The service treats people as individuals by picking up on their needs in a bespoke and holistic way. People are therefore not treated the same but are treated equally as any issues relating to their background, race, gender, disability, faith, gender assignment sexual orientation or age are taken into account. Specifically, any language barriers or access issues etc are considered as part of

their own action plan and the service assists individuals to overcome whatever barriers they face through a series of interventions tailor made to the individual.

Reference Documents/Reports/Presentations

Tackling Worklessness: A Review of the Contribution and Role of English Local Authorities and Partnerships (Houghton Review March 2009)

Introduction to “Worklessness” and the work of PEP - Presentation

<http://preston.moderngov.co.uk/mgConvert2PDF.aspx?ID=13702&displaypref=0>

Job Centre Plus Service Provision

<http://moderngovapp/Published/C00000488/M00003679/AI00016642/JobCentrePlusYoungPeople1617YearOlds.pdf>

Job Centre Plus Programmes and Initiatives

<http://moderngovapp/Published/C00000488/M00003679/AI00016642/JobCentrePlusProgrammesWorklessnessinPreston.pdf>

Mapping Worklessness in Preston

[http://moderngovapp/Published/C00000488/M00003679/AI00016645/\\$BriefingNoteonWorklessnessJuly2010.docA.ps.pdf](http://moderngovapp/Published/C00000488/M00003679/AI00016645/$BriefingNoteonWorklessnessJuly2010.docA.ps.pdf)

[http://moderngovapp/Published/C00000488/M00003679/AI00016645/\\$MappingOfProvisionInPreston.pptA.ps.pdf](http://moderngovapp/Published/C00000488/M00003679/AI00016645/$MappingOfProvisionInPreston.pptA.ps.pdf)

<http://moderngovapp/Published/C00000488/M00003679/AI00016645/MappingofJCServicesBriefingNoteforGraph.pdf>

Index of Multiple Deprivation (IMD) 2007 National Survey

[http://moderngovapp/Published/C00000488/M00003679/AI00016645/\\$PEPAnalysisAug102doc11.docA.ps.pdf](http://moderngovapp/Published/C00000488/M00003679/AI00016645/$PEPAnalysisAug102doc11.docA.ps.pdf)

PEP Performance Data and SWOT Analysis

<http://preston.moderngov.co.uk/mgConvert2PDF.aspx?ID=13439&displaypref=0>

<http://preston.moderngov.co.uk/mgConvert2PDF.aspx?ID=13539&displaypref=0>

PEP Clients – Radio Interview – Transcript

PEP Employer Testimonials

Department of Business Innovation and Skills – Skills Strategy Document
<http://www.bis.gov.uk/assets/biscore/further-education-skills/docs/s/10-1274-skills-for-sustainable-growth-strategy.pdf>

Presentation by Anne Gornall, Skills Funding Agency
<http://preston.moderngov.co.uk/mgConvert2PDF.aspx?ID=14870&displaypref=0>