



March 2011

REPORT OF WORKSHOP ON DWP WORK PROGRAMME

Final report prepared by

CLES Policy Advice

Presented to

North West Improvement and Efficiency Partnership

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1 INTRODUCTION

On Wednesday 9th March 2011 economic development practitioners from across the North West met at the Mechanics Institute in Manchester to discuss the government's emerging mechanism for tackling unemployment and worklessness, the Work Programme. The workshop was designed and delivered by the Centre for Local Economic Strategies (CLES) as part of the economic activities of the North West Improvement and Efficiency Partnership (NWIEP).

This report records the key findings of the workshop including providing narrative around each of the speaker presentations and the ensuing round table discussions. It is also accompanied by an action plan which highlights some of the key remaining questions around the Work Programme and areas where economic development practitioners in the North West will require support in the future. The report has three appendices covering: the agenda for the workshop; the final attendee list; and the summary of evaluation forms.

The workshop primarily sought to discuss the role of local government in strategic and delivery terms in the Work Programme. As such four key themes were identified to shape the workshop:

- The Coalition Government's approach to economic development and regeneration;
- Introducing the Work Programme;
- What the Work Programme means for prime contractors and the voluntary and community sector;
- The role of local government strategically and in delivering the outcomes of the Work Programme.

The workshop was split into two parts. In the first part representatives of central government, prime contractors, the voluntary and community sector, and local government gave their perspectives of the roles of their organisations in delivering the Work Programme. In the second part attendees were asked specifically to discuss the types of support required in the North West to enable the Work Programme to be delivered effectively. As such, there were four key discussion questions:

- How is your authority/organisation approaching the Work Programme?
- What engagement and relationship have you had with the prime contractors and voluntary and community sector?
- How does the Work Programme fit strategically in your locality in terms of corporate priorities around tackling worklessness?
- What support is required in the North West to broker more effective engagement?

Speaker presentations for the workshop are on the CLES website (<http://www.cles.org.uk/news/north-west-event-on-the-work-programme/>)

2 SUMMARY OF SPEAKER PRESENTATIONS

2.1 Sarah Longlands, Director of Policy, CLES

Sarah introduced the content and objectives of the workshop, together with providing some policy context. The Work Programme forms part of the Coalition Government's whole scale reform of the UK's welfare system. As opposed to the myriad of welfare benefits and employment programmes, there will be an emerging system of a universal credit (bringing together Jobseekers Allowance, Incapacity Benefit, Employment and Support Allowance, and Income Support) and a single Work Programme.

2.2 Paul Pinnington, NWIEP

Paul provided an overview of the activities of the third year of the NWIEP Economy workstream. There are two elements to it. The first is a series of practitioner workshops focusing upon four key emerging policy areas: Regional Growth Fund; engaging communities in social enterprise; the Work Programme; and funding for businesses and physical developments. The second is tailored consultancy support for each of the North West's sub-regions around the development of Local Enterprise Partnerships.

2.3 David Higham, Head, BIS NW

David provided an overview of some of the key economic themes which are driving Coalition Government policy. One of the key themes is rebalancing the economy which government sees as happening in four key strands: from public to private sector; from welfare to work; from financial services; from over-dependence on the South East. It was recognised that this transition would not be immediate but would be a longer term project shaped by policies such as LEPs, RGF, and the Work Programme. David outlined the component parts of key emerging policy areas such as Enterprise Zones and also alluded to some fears around funding suggesting that the funding allocated for LEPs was not too dissimilar to what was funded for economic development activities for the Regional Development Agencies.

David provided an overview of the activities of the BIS local teams and particularly their role as the interface between places and Whitehall. David highlighted the importance of LEPs not working in isolation. Instead recognising that they needed to link up effectively with Work Programme delivery and importantly 'wrap-around' mainstream service provision to ensure efficiencies, effectiveness and growth. LEPs should be setting out challenging visions for growth and development but not deluding themselves.

2.4 Paul Hardman, Regional Development Director, A4e Ltd

Paul provided the perspective of the private sector prime contractor for the Work Programme and particularly how they are seeking to engage with local government and the voluntary and community sector. He highlighted first of all that whilst the Work Programme was no doubt a significant change for practitioners, it was for clients where the change will really hit, potentially making life more difficult in the move towards employment. Paul suggested that A4e's approach to delivering the Work Programme would become more innovative as the programme developed. They are currently doing lots of forecasting but highlighted that the success of intervention is only likely to be felt two or three years further down the line.

Paul outlined a number of challenges currently facing A4e around the Work Programme including:

- ❑ Questions around whether prime contractors have skilled staff for specialist interventions such as for people with mental health issues;
- ❑ Whether sufficient lessons have been learnt from previous worklessness intervention as to 'what works';
- ❑ How the supply side and employer engagement is managed more effectively;
- ❑ How the prime contractors and local government can work together more strategically on the Work Programme;
- ❑ How prime contractors can work with partners to ensure Work Programme interventions are linked to and do not duplicate mainstream services;
- ❑ The lack of engagement of A4e on Local Strategic Partnerships.

2.5 John Hacking, North West Third Sector Special Purpose Vehicle

John provided the perspective of the voluntary and community sector in the Work Programme, particularly highlighting potential roles for the sector in the Work Programme and key emerging challenges. John saw there being three key opportunities for the voluntary and community sector:

- ❑ For thematic groups who support target groups;
- ❑ For thematic groups who provide services to target groups as well as support;
- ❑ For groups who provide a broad range of work related support as a core activity.

John provided a number of key challenges for the sector including:

- ❑ How voluntary and community sector organisations reconcile large contracts with their local priorities and their organisational ethos;
- ❑ How an holistic approach to tackling worklessness recognises and addresses the complex needs of many client groups;
- ❑ The expectation that the sector will become sub-contractors; more likely that they will be suppliers to sub-contractors.

John also outlined the activities of the special purpose vehicle set up in the North West and designed to support voluntary and community sector organisations access Work Programme contracts. The SPV brings together both third sector infrastructure bodies and 51 delivery bodies with a remit to: remove inflexibilities; broker partnerships with prime contractors; and engage employers.

2.6 Heather Clark, Acting Head of Economic Development Unit, Manchester City Council

Heather provided the perspective of local government in relation to the Work Programme and particularly how they are linking it to wider strategic priorities. Heather outlined the priorities of Manchester City Council when it came to worklessness and also demonstrated the scale of the challenge. Heather highlighted that the Work Programme and wider policy were changing the way in which local government operated, in particular, suggesting there were the following roles for local authorities in the Work Programme:

- ❑ A strategic leadership role – providing economic intelligence of needs, opportunities and targeting within the locality and providing a gateway to partners;
- ❑ A service provision and commissioning role – providing direct ‘wrap-around’ services to the Work Programme and commissioning aligned activities;
- ❑ A partnership role – bringing prime contractors into partnership structures such as the Work and Skills Partnership.

Manchester City Council are currently undertaking a range of activities to seek to engage with prime contractors in the design phase of the Work Programme and with the wider supply chain. They are keen to: align services; co-commission activities; and analyse performance information. Engagement with the supply chain is being undertaken through the Neighbourhood Regeneration Teams.

2.7 Sean McGrath, Head of External Relations, Lancashire County Council

Sean outlined the challenges facing Lancashire County Council in relation to the Work Programme and additionally their offer to prime contractors. Key challenges included:

- ❑ The geography of the Work Programme with Lancashire being part of the contract with Merseyside and Cumbria. This geography does not necessarily reflect the pockets of worklessness in Lancashire nor the complexities of two-tier local government;
- ❑ The lack of a LEP (to date) in Lancashire which restricts engagement between prime contractors and local government;
- ❑ The need to link unemployment to skills to economic growth which is not always evident in early discussions around the Work Programme.

Lancashire County Council have a number of existing programmes which they feel would add value to Work Programme delivery. This includes the Communities and Talent Management Programme which provides work start and apprenticeship opportunities.

3 SUMMARY OF ROUND TABLE DISCUSSION

Following the speaker presentations the attendees were split into groups to discuss the content of the presentations and the four key questions outlined in the introduction. The analysis of the discussion is split into two parts: the challenges of the Work Programme; and the potential solutions and support required in the future.

3.1 Challenges

- ❑ Aligning parts of the local authority beyond economic development to the priorities of the Work Programme;
- ❑ For prime contractors in convincing wider parts of the public sector such as the police and health bodies of the strategic benefits of the Work Programme;
- ❑ Proving the wider impacts of the Work Programme beyond employment i.e. wider economic, social and environmental benefits;
- ❑ Questions over who is best placed to lead on employer engagement in a locality whether it be the local authority, LEP, Chamber of Commerce or other representative body;
- ❑ Ensuring local priorities in two-tier areas influence Work Programme delivery especially if strategically driven at top-tier or LEP level;
- ❑ Concern that gaps in delivery and capacity will only become evident when the Work Programme becomes operational;
- ❑ Who provides the strategic leadership and relationship management between prime contractors, sub-contractors, suppliers, and local stakeholders;
- ❑ Providing the local authority capacity to co-ordinate and influence activities around the Work Programme particularly given key cuts in worklessness practitioners;
- ❑ Competition between prime contractors particularly when it comes to employer engagement. Is there a need for a neutral broker for this?
- ❑ What happens to local authorities with existing employment programmes if they are not detailed as sub-contractors in the prime contractors bid;
- ❑ Competition between prime contractors when it comes to engaging with clients. How are clients allocated and is there a danger of duplication of offer?
- ❑ Uncertainty over who to contact, particularly for the voluntary and community sector and what the nature of involvement needs to be;
- ❑ Engaging other key strategic local partners such as Registered Social Landlords and health professionals with prime contractors;
- ❑ The current lack of linkages between the Work Programme and other emerging policies such as Regional Growth Fund, Enterprise Zones, and the Enterprise Allowance;
- ❑ A lack of knowledge by prime contractors of voluntary and community sector organisation in localities.

3.2 Solutions/support

- ❑ Communication across local authorities and the wider public sector about the Work Programme and its priorities;
- ❑ A cost-benefit analysis type model of evaluating the effectiveness of Work Programme outcomes;
- ❑ Detailed employer engagement strategies for the Work Programme to avoid duplication and to provide strategic leadership;
- ❑ Lower-tier and prime contractor representation on Local Strategic Partnerships and thematic employment groups;
- ❑ Guidance on the role of LEP in the Work Programme and additionally how best to broker employer engagement;
- ❑ A broker in localities with a role to detail how the Work Programme will operate and to deal with any issues post the announcement of the prime contractors;
- ❑ An aligned approach to employer engagement in collaboration between prime contractors, local government and the voluntary and community sector;
- ❑ Case studies and promotion of effective models of cross-partner activities to tackle worklessness;

- ❑ A coordination role for voluntary and community sector infrastructure bodies to manage relationship between prime contractors, sub-contractors and voluntary and community sector groups;
- ❑ Guidance around involving Registered Social Landlords in the Work Programme;
- ❑ Guidance upon what fair competition between prime contractors constitutes.

4 CONCLUSION AND ACTION PLAN

The purpose of the workshop on the Work Programme was to explore the role of local government in delivering its outcomes. From discussions at the workshop it is clear that engagement by local government with prime contractors across the North West has differed by locality. Whilst some local authorities are written into a number of the delivery and operational bids of prime contractors; others have struggled to identify a strategic role. The workshop has identified a number of challenges around the Work Programme predominantly around communication and brokerage. These are key strategic actions and rather than providing an action plan here it is probably more useful to prioritise them:

- Develop cross-sectoral employer engagement strategies and an aligned approach;
- Embed prime contractors into local partnership structures;
- Develop guidance on:
 - The role of the LEP in the Work Programme;
 - The role of other partners such as RSLs in the Work Programme;
 - What fair competition between prime contractors constitutes.
- Communicate across the local government and the wider public sector about the Work Programme;
- Develop brokers for prime to local authority and prime to voluntary and community sector relations.

APPENDIX 1

Agenda

9.30 – 10.00	Registration and Coffee
10.00 – 10.05	Welcome from the Workshop Chair <i>Sarah Longlands, Director of Policy, Centre for Local Economic Strategies (CLES)</i>
10.05 – 10.10	Year 3 of the NWIEP Economy Workstream <i>Paul Pinnington, North West Improvement and Efficiency Partnership (NWIEP)</i>
10.10 – 10.25	The emerging policy agenda <i>David Higham, BIS Local Team</i>
10.25 – 10.35	Discussing the consequences of the Work Programme in the North West: the view of the prime contractor <i>Paul Hardman, a4e</i>
10.35 – 10.45	Discussing the consequences of the Work Programme in the North West: the view of the voluntary and community sector <i>John Hacking, NWSPV</i>
10.45 – 11.00	Questions and Answers
11.00 – 11.10	Break
11.10 – 11.35	Discussing the consequences of the Work Programme in the North West: the view of the local authority <i>Heather Clark, Manchester City Council</i> <i>Sean McGrath, Lancashire County Council</i>
11.35 – 12.05	Facilitated group discussion at tables <i>The role of local government in engaging with and delivering the Work Programme</i>
12.05 – 12.30	Feedback from group discussions and action planning
12.30	Lunch

APPENDIX 2

Attendees

Name	Surname	Organisation
John	Barry	Knowsley MBC
Gordon	Benson	Preston CC
Jo	Boley	St Helens Chamber
Gareth	Brown	CLES
Heather	Clark	Manchester CC
Vanda	de Freitas	Blackpool Council
Pauline	Devine	Starting Point/ St Helens Chamber
Becky	Edwards	Salford CC
Kay	Field	Manchester CC
Janet	Fraser	Selnet Ltd
Rupert	Greenhalgh	CLES
John	Hacking	NWSPV
Paul	Hardman	A4E
David	Higham	BIS Local
Naila	Ilyas	Rochdale MBC
Matthew	Jackson	CLES
Bill	Kindon	Lancaster
Bina	Limbachia	Lancashire CC
Sarah	Longlands	CLES
Judith	Robinson	Sefton MBC
Rona	McFall	Regenerate Pennine Lancs
Sean	McGrath	Lancashire CC
Adrian	Nolan	CLES
Kate	O'Donnell	Tameside MBC
Kevin	Peacock	The Mersey Partnership
Paul	Pinnington	NWIEP
Caroline	Powney	Cumbria CC
Tamar	Reay	Preston CC
John	Risk	CWEC
Jessica	Smith	CLES
Martyn	Waterson	Warrington Borough Council
David	Whelan	Institute for Economic Development
Martine	Winder	Lancashire Economic Partnership
Peter	Woodhouse	NWE

APPENDIX 3
Evaluation Summary

Overall, how useful and relevant did you find today's event?

Very- 10 – 71% Quite 4- 29% Not at all 0- 0%

If you were giving this event a score out of 10, what score would you give it?

7- 3 responses- 23%
 8- 7 responses- 54%
 9- 1 response- 8%
 10- 2 responses- 15%

Average- 8.15

If you did not give the day a 10, what would have made it a 10/10 for you?

- More representation from prime contractors
- Probably should have been a full day event
- Think I may just be particularly well informed about the WP.
- Views of other primes, more time for questions
- It was useful to discuss the approaches of other organisations to the Work Programme and establish what we need to focus on in the next few months. Would perhaps have liked more time for discussion and shorter time on presentations
- More time for questions for speakers
- Further details on the CVS sector
- Less powerpoint presentations- more discussion networking opportunities
- More discussion time between local authorities
- I could have had better background knowledge

Are there any issues you feel have been missed, or questions you did not get to raise?

- More depth information on the new enterprise allowance
- Only around the expectations of primes and their relationships with smaller local authorities
- Business needs perspective constraint and opportunities
- From my perspective I was concerned about the lack of focus on social enterprise from the prime. I hope raising it in the workshop will lead to them recognizing the need to work with those already doing the work.

Are you aware of anyone else who might wish to join the NWIEP Economy network? If so, please note their details below.

- Work colleagues already alerted to the network

Do you have any feedback you want to give on the venue?

- Venue fine but cost of city centre parking high and access by car not great at this time of morning.
- Excellent workshop
- Venue fine- given the audience a more central venue may have been more efficient