



Centre for Local  
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# bulletin

## Linking the worklessness and skills agendas: new assessments and plans

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### INTRODUCTION

In comparison to many of our European and indeed International competitors the labour market of the United Kingdom is unique. In addition to challenges around 'traditional' unemployment, the UK has the issue of worklessness to contend with. Around 15% of the working age population are currently non-participative in the labour market, as measured by claims of Jobseekers' Allowance (JSA), Incapacity Benefit (IB) (now known as Employment and Support Allowance – ESA), and Income Support (IS). This presents a significant social and economic challenge for the functioning of economies at national and sub-national levels.

The recession has exacerbated this challenge with the stock of workless increasingly competing with the newly, and more skilled, unemployed for employment and skills development opportunities. National level policy in relation to tackling unemployment and worklessness has been verbose over the last five years, never more so than over the last 12 months with the introduction of the Future Jobs Fund, for example. It is, however, at the local level where the pinch of worklessness and unemployment is being felt most and where there is evidence of variation in the factors influencing the issue.

This local variation makes the process of Local Economic Assessments (LEAs), as recently legislated for in the Local Democracy, Economic Development and Construction Act<sup>1</sup>, increasingly important. It is vital that as part of this process local authorities and partners understand the voracity of unemployment and worklessness in their locality and the key factors which influence that challenge. The policy suggestions of the Houghton Review<sup>2</sup> for local authorities to produce specific Worklessness Assessments and Work and Skills Plans are extremely useful additions to understanding the scale of the challenge at the local and sub-regional levels.

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<sup>1</sup> HM Government (2009) *Local Democracy, Economic Development and Construction Act 2009*.

[http://www.opsi.gov.uk/acts/acts2009/ukpga\\_20090020\\_en\\_1](http://www.opsi.gov.uk/acts/acts2009/ukpga_20090020_en_1)

<sup>2</sup> Department for Communities and Local Government (2009) *Tackling Worklessness: a review of the contribution and role of English local authorities and partnerships*. <http://www.communities.gov.uk/documents/communities/pdf/1161160.pdf>

Government has indicated that a key element of the LEA process will be to produce Worklessness Assessments. Work and Skills Plans will also be required, particularly in areas in receipt of Working Neighbourhoods Fund and Future Jobs Fund. This CLES bulletin seeks to provide an overview of the policy agenda around Worklessness Assessments and Work and Skills Plans before providing, in the absence of any official guidance to date, some of our thoughts as to what these Assessments and Plans should contain. The policy and delivery overview is firstly framed in an assessment of the need for such Assessments and Plans.

## **THE CONTEXT OF RECESSION**

The recession has exacerbated many of the challenges we face in policy and delivery terms in the United Kingdom in relation to worklessness and low skills. The recession of the late 2000s is varying significantly from those of the 1980s and 1990s in terms of the diversity of industry being affected. In the 1980s and 1990s the bulk of industrial change, and associated job losses, were felt in predominantly lower skilled industries such as manufacturing. This time round the recession has hit the full spectrum of industrial sectors including financial and business services and construction.

This cross-sectoral impact presents a significant challenge for the UK labour market. Over the last 10 years, the Government and delivery partners have worked progressively to reduce levels of unemployment and particularly claims of the core unemployment related benefit JSA. This emphasis upon tackling unemployment has been twinned with key investment in both the education system, in terms of schools and universities, and upon workplace education to raise levels of skills.

In output and target terms, this investment has had an impact. As of early 2008, levels of employment in the UK were at their highest for decades at around 75% of the working age population. Associatively, more young people were achieving the standard 5 Grade A\*-C at GCSE and record numbers were entering the university system. What this investment has not necessarily addressed is the challenge of worklessness and very low or no skills levels amongst the existing workforce.

Over the last ten years, and despite significant investment in strategy and delivery programmes, levels of worklessness, often categorised by claims of IB (now reformed as the Employment and Support Allowance) have remained relatively stagnant at the 2.5 – 2.6 million mark. This represents a large proportion of the population and not only presents a social challenge for each individual, but also an economic challenge in terms of UK productivity.

The recession and its cross-sectoral impact present a further key challenge to tackling worklessness. As more highly skilled people from professional occupations become unemployed, those furthest away from the labour market and with lower skills levels are finding it increasingly more difficult to compete for opportunities. Government rhetoric on tackling unemployment and worklessness during recession has been good. The second phase of the £3billion Flexible New Deal Programme, for those struggling to access employment following 12 months of a claim of JSA, has been legislated for, as has the £1.5billion Future Jobs Fund which is targeted at those out of the labour market aged 18-24.

In reality these programmes are not necessarily tackling the core challenge of the 'stock' of workless. Those who are furthest away from the labour market and those who are more likely to have disproportionately lower levels of, or no skills. Existing targeted worklessness programmes such as the £500million Working Neighbourhoods Fund are relatively small-fry when compared to the investment going into tackling unemployment.

It is at the local level where the impacts of unemployment and worklessness are being felt hardest. There are key and longstanding evidential links between worklessness and inequality and poverty; between worklessness and social housing; and between worklessness and low skills. The recession means that the challenge of worklessness moves beyond being a social issue as identified in the linkages above to being a key local economic and corporate challenge. Worklessness effectively

presents a key challenge for local business in terms of the multiplication of income in the local economy and for service provision in terms of increased demand.

The local authority and its partners including Jobcentre Plus, the Learning and Skills Council and the Primary Care Trust, have often recognised the challenge worklessness presents for their economies and have responded largely in strategic terms. For local authorities such as Manchester City Council, worklessness has become a key corporate priority which is not only the responsibility of the Economic Development Department but cross-departmentally. For Manchester City Council, tackling worklessness has become a key strategic part of procurement decisions, as well as a delivery remit of departments such as Social Services and Education.

This key role of the local authority in tackling worklessness was demonstrated in the final report of the 2008/09 Houghton Review. Whilst recognising that there were key strategic and delivery examples of local authority and partner good practice in tackling worklessness, a conclusion ratified in the recent CLES publication, 'Making it work'<sup>3</sup>; there remained much more that local authorities and partners could do to understand the scale and causes of worklessness in their localities. One specific link which the Houghton Review felt warranted further examination was that between worklessness and low or no skills.

This recognition of the fact that more could be done strategically to understand the cause and effects of worklessness at the local level, and the need for better linkages between worklessness and skills agendas, shaped two of the core policy recommendations of the Houghton Review. The first policy recommendation suggested that local authorities should undertake a Worklessness Assessment as part of the wider Economic Assessment Duty process to be implemented through the Local Democracy, Economic Development and Construction Act. The second policy recommendation suggested that income received through funding sources such as the Working Neighbourhoods Fund and Future Jobs Fund be framed within a detailed Work and Skills Plan.

## **THE CHALLENGES FOR THE WORK AND SKILLS AGENDA**

As outlined above, the recession has exacerbated many of the challenges we face in the UK in relation to tackling worklessness and low skills. Figure 1 demonstrates the challenge of balancing labour market interventions for those in receipt of JSA and those who are workless. It shows the sharp increase in claims of JSA (middle line in Figure 1) over the last year to just under 1.5 million by May 2009; the stagnation of claims of Incapacity Benefit (top line in Figure 1) over the last ten years at the 2.6 million mark; and the relative decrease in claims of Income Support (bottom line in Figure 1) amongst lone parents to the current level of just over 700,000. As of February 2009 a further 107,236 people claimed Incapacity Benefit in Northern Ireland.

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<sup>3</sup> Centre for Local Economic Strategies (2009) *Making it work: analysing different ways of tackling worklessness*. [http://www.cles.org.uk/files/103791/FileName/Makingitwork\(web\).pdf](http://www.cles.org.uk/files/103791/FileName/Makingitwork(web).pdf)

Figure 1: Change in claims of JSA, IB and IS (2000-2009)<sup>4</sup>

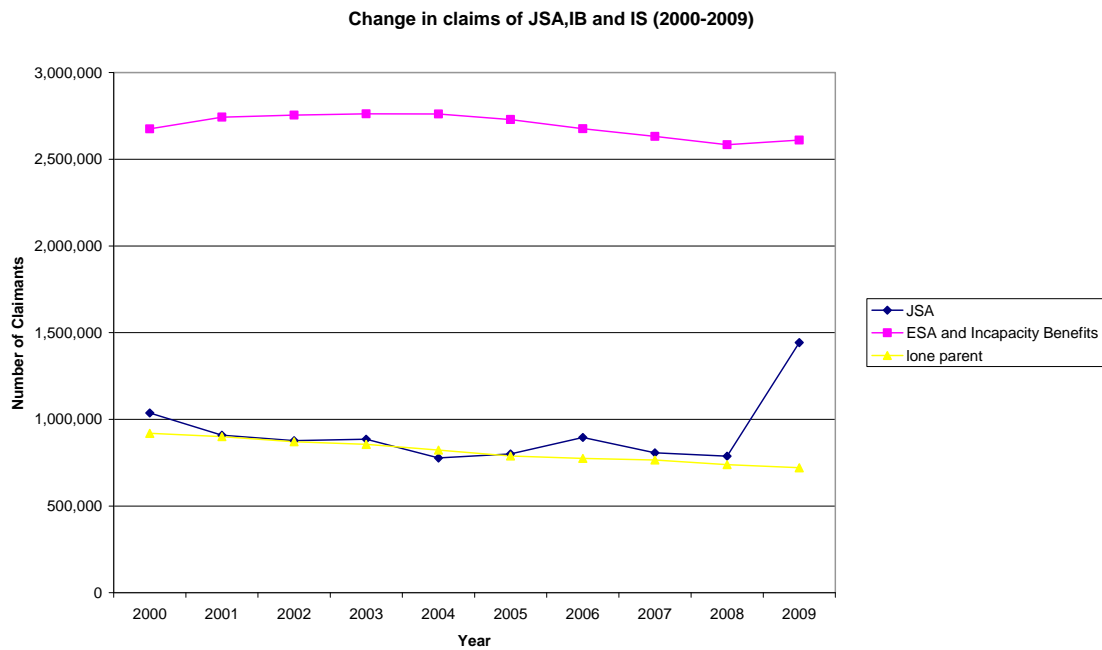
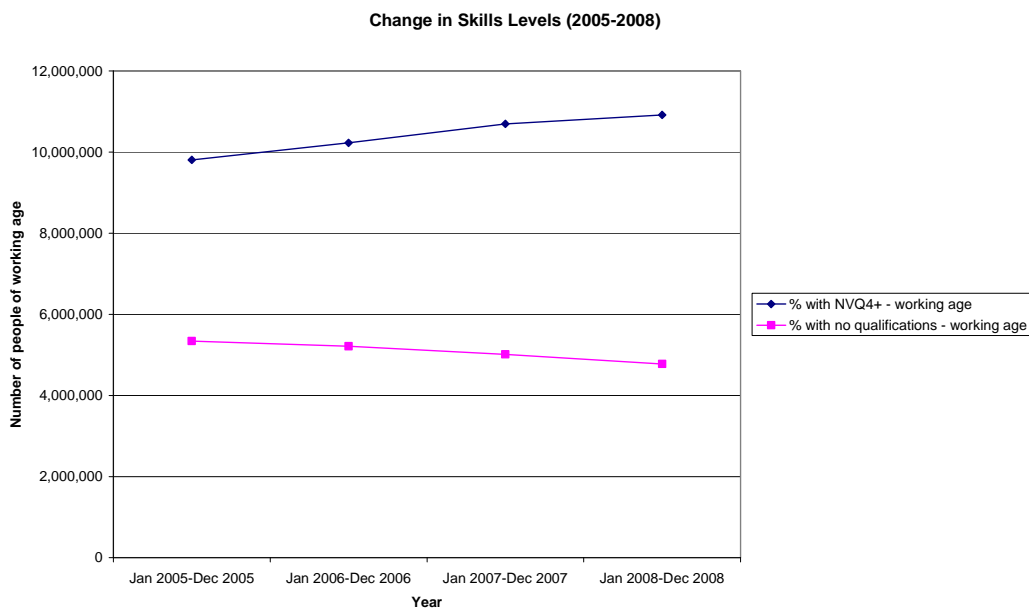


Figure 2 demonstrates changes in skills levels in the United Kingdom between 2005 and 2008. It highlights that on the whole the number of people of working age population with Level 4 plus qualifications (top line in Figure 2) has increased over the last four years to nearly 11 million people. This is however, only 28.9% of the working age population. It also demonstrates that the number of working age people with no qualifications (bottom line in Figure 2) has fallen to just under 5 million people, but still accounting for 12.7% of the working age population.

Figure 2: Changing in qualification levels (2005-2008)<sup>5</sup>



<sup>4</sup> Source of data: [www.nomisweb.co.uk](http://www.nomisweb.co.uk) . Please note all data is for Great Britain and does not include Northern Ireland

<sup>5</sup> Source of data: [www.nomisweb.co.uk](http://www.nomisweb.co.uk) . Please note this data is for the United Kingdom

Linking worklessness and skills will become increasingly important for local government over the next few years as responsibilities and funding are gradually diverted from the Learning and Skills Council to local authorities. Increasing the skills levels amongst the working age population is integral to tackling worklessness and raising UK productivity.

## THE POLICY CONTEXT OF THE HOUGHTON REVIEW

As outlined earlier in this bulletin, the welfare reform, employment and worklessness agendas have been awash with a myriad of centrally led policy interventions in the last five years. The recent welfare reform green and white papers<sup>6</sup> signalled the Government's key reform to the welfare system in relation to the shift from Incapacity Benefit to the more capability to work focused Employment and Support Allowance. This was preceded by a series of Government papers on approaches to delivering welfare policy and tackling worklessness with particular emphasis placed on the notions of 'rights and responsibilities' upon the claimant to actively seek work in return for benefit; and of 'personalised and individualised' approaches on the part of the providers in delivery terms.

These welfare and strategic policy developments have been supplemented with a range of delivery mechanisms designed to tackle worklessness and unemployment. The shift from Neighbourhood Renewal Fund to Working Neighbourhoods Fund started the Government's re-emphasis upon tackling unemployment, worklessness, low levels of skills and enterprise formulation. What has followed is an array of strategic and delivery policy aimed at tackling worklessness predominantly in the most deprived areas and amongst specific target groups. Key areas of delivery policy have included: the rollout of Pathways to Work; Cities Strategy; Flexible New Deal; and Future Jobs Fund.

Whilst these policy and delivery mechanisms have provided funding for local authorities and partners to tackle worklessness at the local level, they have not necessarily been provided, or delivered, with a comprehensive knowledge of the extent, scale or nuanced challenge worklessness provides in different localities; nor what approaches or project interventions work in tackling worklessness. As mentioned earlier, worklessness is a very variable issue, with the scale, causes and influencing factors varying by locality.

The Houghton Review recognised this variability and in particular the need for local authorities and partners to recognise the scale and causes of worklessness in their locality before moving towards delivering interventions. This ethos shaped two of the key recommendations of the review, namely Worklessness Assessments and Work and Skills Plans.

From April 2010, as proposed in the Sub-National Review of Economic Development and Regeneration<sup>7</sup> and legislated for in the Local Democracy, Economic Development and Construction Act, all top-tier authorities will have a duty placed upon them to produce a Local Economic Assessment (LEA). The LEA is designed so that local authorities can more effectively understand, in data and intelligence terms, the functioning of their local economy. This legislation has been introduced for a number of reasons.

First, it seeks to make the function of economic development a statutory duty. For far too long economic development has been an optional function for local government, meaning in budgetary terms resources have been allocated elsewhere. LEA will serve the purpose of identifying key economic need within localities and shape the decision making process for future funding, strategy and delivery activity.

Second, it seeks to fill the accountability gap which exists between local authorities and the Regional Development Agencies. LEAs are designed to form the local evidence base which informs the

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<sup>6</sup> Department for Work and Pensions (2009) *Raising expectations and increasing support: reforming welfare for the future*. <http://www.dwp.gov.uk/docs/fullversion.pdf>

<sup>7</sup> Department for Communities and Local Government (2008) *Prosperous places: taking forward the review of sub-national economic development and regeneration*. <http://www.berr.gov.uk/files/file45468.pdf>

development of the Integrated Regional Strategy. Again this is important for identifying need and funding considerations.

Third, for too long the process of local economic strategy development and delivery has been prosaic and 'un-development' focused. Local economic development strategy, as highlighted in recent CLES research<sup>8</sup> has had an over-emphasis upon economic growth as a driver and upon themes such as inward investment. LEA presents local authorities with the opportunity to address the orthodoxy in the local economic development process and consider growth perspectives alongside issues of social and environmental concern.

Fourth, it seeks to build momentum in the gathering of data, evidence and intelligence in relation to local economic development. The gathering of such information is crucial to understanding the shape and functioning of local economies, together with the nuanced causes of specific issues.

## **WORKLESSNESS ASSESSMENTS AND WORK AND SKILLS PLANS**

Worklessness and skills are two key agendas which local authorities and partners are expected to consider as part of the LEA process. In many ways, the challenge of worklessness and low skills apply to many of the reasoning points outlined above for the implementation of LEAs. Indeed, the Houghton Review placed such importance on the issue of worklessness that it suggested, as part of the recommendations, that an accompanying Worklessness Assessment be produced as part of the LEA process. The Government have bought into this and suggest that a full and formal Worklessness Assessment will inform and form part of the monitoring arrangements for the receipt of special funding such as Working Neighbourhoods Fund and Future Jobs Fund. This will be supplemented by a Work and Skills Plan.

### ***Worklessness Assessments***

The Houghton Review introduced three key recommendations and mechanisms for improving the framework by which local authorities and partners undertake worklessness and skills related activities. These three key recommendations were as follows:

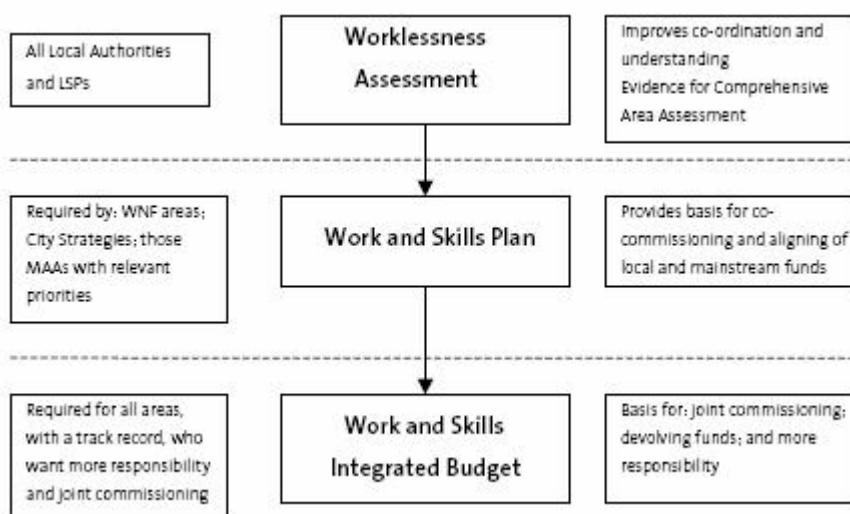
- all local authorities should be required to produce a Worklessness Assessment as part of their wider economic assessment;
- local authorities would have the option to produce a Work and Skills Plan which would set out the local partners response to local economic conditions;
- central government should consider establishing a Work and Skills Integrated Budget in areas where the Work and Skills Plan is of sufficient standard.

These recommendations are based on the precept that current arrangements around worklessness and skills at the local level are overly complex and bureaucratic. As such, the recommendations form part of a new framework for empowering partners and delivering worklessness and skills strategy and interventions at the local authority level, as demonstrated in Figure 3.

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<sup>8</sup> Centre for Local Economic Strategies (2009) *Toward a new wave of local economic activism: the future for local economic strategies*. <http://showcase.hcaacademy.co.uk/files/general/toward-a-new-wave-of-local-economic-activism.pdf>

Figure 3: The core Houghton recommendations framework<sup>9</sup>



Worklessness Assessments are therefore designed to inform the evidence base for the LEA, the Work and Skills Plan and also the Comprehensive Area Assessment process. The Houghton Review suggests that a Worklessness Assessment could:

- provide a basic understanding of worklessness in each area;
- set a benchmark for partners to understand how labour market conditions are changing;
- contain a demographic profile of those who are claiming out of work benefits;
- identify those people most at risk of redundancy and long term unemployment;
- identify neighbourhoods that may suffer more than others;
- provide an overview of the local capacity to support those who are made redundant and unemployed people;
- contain a statement of employer views and needs.

We will come back to the specifics of each of these component parts a little later in the bulletin, but it is anticipated that this data and evidence assessment will lead to a statement detailing:

- overall aims and any related targets;
- priority area and people for support;
- actions that the local authority and partners are taking.

As with the LEA generally there are a number of potential challenges around the Worklessness Assessment, most notably in terms of local authority capacity to actually develop and deliver the Assessment and also in terms of the geography at which to undertake the Assessment. There is a key move within the LEA process to undertake analysis at the functional economic geography level as opposed to the local authority level and the Worklessness Assessment will need to marry up to this geography.

### ***Work and Skills Plans***

The Houghton Review suggests that the Worklessness Assessment is just the start of a more effective framework for tackling worklessness and skills challenges. It should lay the foundations for a more joined up approach to tackling the challenges through a Work and Skills Plan. The core idea behind Work and Skills Plans is that they bring together the core activities of local authorities and partners in

<sup>9</sup> Department for Communities and Local Government (2009) *Tackling Worklessness: a review of the contribution and role of English local authorities and partnerships*. <http://www.communities.gov.uk/documents/communities/pdf/1161160.pdf>

relation to tackling worklessness and skills into an integrated plan, providing an understanding of the scale and extent of local activity and avoiding duplication. In some localities this type of partnership integration is already in place through mechanisms such as Cities Strategy, Joint Investment Frameworks and Multi Area Agreements, but in others there is much work to be done. The Houghton Review suggests that Work and Skills Plans will do the following:

- bring together local partners (including local authorities, Jobcentre Plus, Learning and Skills Council, social landlords, Primary Care Trusts, and others) in a shared commitment to decide how best to tackle worklessness, increase skills, and boost levels of enterprise;
- be clearly influenced by employers and their needs;
- ensure effective management of customer journeys;
- align existing mainstream services and local activity;
- set out the partners' expenditure plans;
- identify duplication and gaps in provision;
- take steps to increase capacity where required;
- set out how Local Area Agreement priorities and locally agreed targets will be delivered through partnership efforts, updating them as appropriate;
- channel any new resources to address the problems of increasing unemployment.

The Work and Skills Plans are expected to be informed by the Worklessness Assessment with Local Strategic Partnerships and Employment and Skills Boards driving their governance arrangements.

## **CLES THOUGHTS ON DEVELOPING WORKLESSNESS ASSESSMENTS AND WORK AND SKILLS PLANS**

Despite their firm commitment to LEAs and associated Worklessness Assessments, Government has not yet released detailed guidance for consultation upon how local authorities and partners are expected to put them together. This is despite the new duty indicating that top tier local authorities will be legally obliged to put together an assessment from April 2010. Whilst many authorities have started the process of putting together the LEA, particularly through the formation of project teams and the collection of initial baselines, progress on Worklessness Assessments has, at least publically, been slower.

The Improvement and Development Agency (IDeA) have produced a 'How To' guide for producing worklessness strategy<sup>10</sup>, yet this document is largely about the process of strategy as opposed to what needs to be collected and what relationships need to be examined as part of any Worklessness Assessment. CLES does however have thoughts upon the key considerations required in producing the Worklessness Assessment.

The IDeA suggests a five stepped approach to developing a worklessness strategy as follows:

1. getting the partnership right;
2. assessing the problem and the limitation of current provision;
3. the customer journey;
4. developing strategic priorities and an action plan to deliver against these;
5. implementing the plan, monitoring progress and evaluating and refreshing the strategy.

Stage 2 of the IDeA approach to worklessness strategy development is effectively the Worklessness Assessment and as such CLES would suggest that local authorities and partners need to undertake a number of activities to ensure an effective assessment of worklessness in their locality and particularly its linkages to other agendas. As such the Worklessness Assessment could consist of the following component parts:

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<sup>10</sup> Improvement and Development Agency (2009) *developing a strategy to tackle worklessness*.  
<http://www.idea.gov.uk/idk/aio/10133098>



### ***Stage 1 – Develop local data picture***

Local authorities and partners should look to identify the scale of the challenge of worklessness in their areas. In this due consideration should be given to the geographies of neighbourhood, ward, local authority and functional economic geography. Data about the extent of worklessness in a locality can be derived from national sources such as NOMIS ([www.nomisweb.co.uk](http://www.nomisweb.co.uk)) and from partner organisations such as Jobcentre Plus. The first figure to identify is the number and proportion of the working age population of the locality which are workless (this is commonly derived by gathering DWP data on claims of the core benefits of Jobseekers Allowance (JSA), Incapacity Benefit (IB) and Employment and Support Allowance (ESA), and Income Support (IS)). It is however important to break this data down by the following example categories:

- geography, in order to identify neighbourhoods within your locality with high levels of worklessness and thus in need of support;
- age and gender;
- ethnicity;
- duration of claim;
- previous employment.

### ***Stage 2 – Understand the characteristics of claimants in your locality***

Given the Government's drive towards 'rights and responsibilities' on the part of the claimant and 'individualised and personalised' support on the part of the provider, it is important that the Worklessness Assessment understands the needs of claimants. People who have been away from the labour market for a significant period of time are clearly going to require more intensive support and approaches such as outreach; whereas those closer to the labour market and recently unemployed will require less intensive approaches such as brokerage. Additionally, for some employment may not be the only outcome from a tackling worklessness intervention, but rather skills development and training. Local authorities need to work closely with partners such as Jobcentre Plus to effectively understand the skills characteristics and support requirements of claimants within the locality. Again this needs to be broken down geographically and demographically.

### ***Stage 3 – Understand the demand side***

Worklessness Assessments and associated strategy and interventions cannot just be about the size, scale and support requirements of the supply side (i.e. the claimants). There needs to be a considered emphasis placed upon the role of the demand side (i.e. business and employers). Worklessness Assessments need to understand the scale of local businesses to support employment, particularly in relation to vacancies and the nature of employment. Local authorities need to work with partners such as the Chamber of Commerce to understand effectively the local business sector and their potential receptiveness to supporting claimants into up skilling and/or work.

### ***Stage 4 – Research the role of the public sector in tackling worklessness***

Any Worklessness Assessment should not just consider the role of the private and third sectors as employers but also look at the vital role of the public sector. Local authorities and other public sector bodies should seek to assess the mechanisms they have in place to support claimants into employment through legislative considerations, such as equality practices, and through delivery considerations, such as apprenticeships. A further way in which authorities could understand their role in tackling worklessness is in the procurement process. The Worklessness Assessment could consider the extent to which local organisations are utilised to provide goods and deliver services and seek to understand the extent to which suppliers utilise local labour in their delivery activities. This would demonstrate the direct and indirect contribution of local authorities to tackling worklessness.

### ***Stage 5 – Assess linkages to other agendas and cross-departmentally***

Worklessness Assessments are likely to be led by the economic development department. It is however important to recognise that worklessness has linkages to other agendas and should be a cross-departmental issue within local government. There is an evidenced link between worklessness and health; between worklessness and poverty; between worklessness and social housing; and between worklessness and low skills. The Worklessness Assessment should therefore explore these

evidential links at the local level. There should also be a consideration strategically of the extent to which tackling worklessness is a priority locality wide. Stage 5 will be of critical importance for understanding the linkages between worklessness and skills. Any Worklessness Assessment needs to consider the extent to which low skills levels impact upon the local economy

### ***Stage 6 – Understand the current strategic role of worklessness***

In an era characterised by Government targets, national indicators, Local Strategic Partnerships and Local Area Agreements, local authorities and partners will have a number of outcomes and associated targets around tackling worklessness to deliver against. Local authorities should therefore, as part of the Worklessness Assessment, undertake a strategic mapping exercise of exactly what targets they are currently working against and which partner has delivery responsibility against them.

### ***Stage 7 – Map worklessness interventions***

The Worklessness Assessment also provides local authorities with the opportunity to take stock of the programme and project interventions already in place at the locality level. Authorities should look to map the interventions that they and partners such as Primary Care Trusts, Jobcentre Plus and Voluntary and Community Sector organisations have in place to tackle worklessness. This kind of mapping exercise not only provides an understanding of what is going on, but also enables best practice and potential duplication to be identified. The mapping exercise should also take stock of funding, both mainstream and special initiative, that the locality is in receipt of for tackling worklessness.

The seven stages of the Worklessness Assessment should frame the development of the Work and Skills Plan which will be a key requirement in areas in receipt of Working Neighbourhoods Fund and Future Jobs Fund. In addition to the activities identified above in relation to the Worklessness Assessment and those activities suggested in the Houghton Review, CLES would suggest that a Work and Skills Plan considers the following stages:

### ***Stage 1 – Identify need and target interventions***

The Worklessness Assessment should have provided local authorities and partners with an idea of:

- the scale of worklessness;
- the characteristics of claimants;
- the role of the demand side in tackling worklessness;
- the role of the public sector in tackling worklessness;
- the links between worklessness and other agendas;
- the strategic policy of the locality in relation to worklessness;
- the current interventions being undertaken in the locality.

The first stage of the Work and Skills Plan should use this information to identify target areas, groups and localities for activity in relation to worklessness and skills and set associated targets.

### ***Stage 2 – Identify approaches***

In addition to targeting localities and groups, the development of the Work and Skills Plan should consider the types of approaches that are effective in the locality in tackling worklessness and skills challenges. This effectively develops a toolkit of considerations for different groups when it comes to delivery. As mentioned earlier, outreach might be the most effective approach for supporting the long term workless into employment or skills development or training.

### ***Stage 3 – Gap interventions***

The Worklessness Assessment will have identified through a mapping exercise what is already going on in a locality to tackle worklessness and skills challenges. The mapping exercise will also have served the purpose of identifying specific gaps in provision. The Work and Skills Plan should be used to identify potential solutions to those gaps. Local authorities and partners should visit the Assessments and Plans of other similar localities to identify the types of interventions being delivered and whether they can be adopted and implemented locally.

#### ***Stage 4 - Implement innovative monitoring arrangements***

The monitoring of worklessness interventions has historically been made on the basis of counting outputs such as 'number of people into work' or 'cost per output'. This narrow focused approach has failed to account for the fact that the outcome of a worklessness intervention is not only just a job for a claimant. Instead, claimants travel a distance in their personal and professional skills development before moving into employment. The Work and Skills Plan should therefore look to be outcome focused in its monitoring arrangements as well as consider distance travelled.

#### **CONCLUSION**

Tackling unemployment, worklessness and low skills is clearly a prevalent concern for Government given the emphasis placed upon these issues over the last five years and particularly over the last 12 months through the implementation of programmes such as Future Jobs Fund. Government have clearly recognised the challenge worklessness in particular presents for monetary and social economies and the vitality of the UK economy as a whole and responded in policy terms. It is however at the local level where the most innovative and effective practice around tackling worklessness and unemployment is being enacted. What local authorities and partners need is the flexibility to continue to embed this innovation and tools to enable more effective understanding of the scale, nuances, causes and variations in the issue of worklessness at the local level.

The Local Economic Assessment and its key element of a Worklessness Assessment should enable this local understanding to be developed and act as a shaper of future strategy and delivery through the Work and Skills Plan. CLES is finding, from our many discussions with local authorities about LEA, that a lack of Government clarity over guidance and a range of other challenges around capacity are hindering the early development of LEAs. CLES has provided some pointers in this bulletin as to what we expect a Worklessness Assessment to constitute and it will be interesting to view the extent to which forthcoming Government guidance matches evidence and strategic considerations in the production of both Worklessness Assessments and wider LEAs.

The Government's drive for tackling worklessness, unemployment and low skills was further emphasised in the publication today (15<sup>th</sup> December 2009) of a new White Paper. 'Building Britain's Recovery: Achieving Full Employment'<sup>11</sup> is effectively the Government's blueprint for getting the UK back on track in terms of reaching the ambitious 80% full employment target. It recognises that recession has had a significant impact upon UK industry and the labour market and responds with a number of policy proposals seeking to enable full employment. There is an underlying emphasis within the White Paper upon young people, effectively following on from the implementation of Future Jobs Fund. Particular proposals for young people include:

- a dedicated personal adviser for young people from day 1 of their JSA claim;
- extra support for 16-17 year olds from Jobcentre Plus;
- a new subsidy for employers taking on 16-17 year old apprentices;
- a January guarantee for 16-17 year olds who are not in employment, education or training (NEET) of an offer of an Entry of Employment place, and Education Maintenance Allowance to go with it;
- a reduction in the Young Persons Guarantee from 12 months to 6 months of unemployment for a guaranteed job, training or internship;
- the Graduate Guarantee that graduates still unemployed after six months will be offered a graduate internship or other support;
- over 100,000 government funded additional training and job opportunities.

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<sup>11</sup> HM Government (2009) *Building Britain's Recovery: Achieving Full Employment*  
<http://www.dwp.gov.uk/docs/building-britains-recovery.pdf>

In addition to the above support for young people, the White Paper also continues to drive forward the Government's emphasis upon personalised and individualised support on the part of providers. This includes:

- more help for those who suffer a succession of short spells of unemployment by fast tracking them to stronger support;
- more tailored support for the over-50s, including help to tackle age discrimination and fast tracking to more support;
- increasing the support for professionals from private sector recruitment agencies.

The over-riding ambition of the new White Paper is to re-iterate the Government's ambition for full employment and that eight out of every ten people of working age should be in employment. The first objective will be to get over 1 million more people into work over the next five years as the economy grows. The proposals presented in the White Paper are brought together under 5 categories:

- **Ensuring a recovery** which largely discusses the role of partners in tackling unemployment;
- **Helping people to prepare for work** including new funding to ensure people on JSA who take up training have their travel and childcare paid;
- **Support for parents and carers** including the introduction of mental health co-ordinators in Jobcentre Plus;
- **Better off in work** including proposals to ensure the benefits system encourages lone parents to try out work for a few hours a week;
- **Quality employment** supporting people to progress in work including a Family Friendly Working Hours Taskforce;
- **Modernising our services** including proposals for exploring different models of flexible, personalised support, including piloting a delegated flexibility model in four Jobcentre Plus Districts.

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