

**REPORT OF THE FORMER TRANSPORT, ENVIRONMENT & REGENERATION
OVERVIEW AND SCRUTINY COMMITTEE**

WORKLESSNESS

1. INTRODUCTION

1.1 In 2011, the Scrutiny Review “Supporting t

3. COMMITTEE FINDINGS

3.1 During the course of the work the Committee identified three key issues:

- The need to recognise worklessness as a priority for Birmingham;
- The need to work with partners and the third sector;
- The need to capture employment opportunities for those who are out of work.

Worklessness as a Priority

3.2 Earlier work by the Committee identified that Birmingham has a significant number of residents who have been out of work for some time. These tend to be concentrated in certain areas of the city. The Committee therefore continued to monitor the priority given to tackling long-term worklessness within key city strategies.

3.3 The overarching strategy for the city is t

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programme is now on-going, as is aligning this programme with the newly announced Troubled Families Initiative to be delivered through Local Authorities via “payment by results” funding available through Department for Communities and Local Government (DLCG).

- 3.15 The City Council are also leading on the **DWP Co-design WiSH (Worklessness in Shard End and Handsworth) pilot** to offer individuals with multiple barriers to employment better access to support services to help deal with the underlying issues preventing employment being secured. This support is provided by a co-located partnership team involving JCP, Midland Heart, Pertemps People Development Group and the City Council. Services are also provided to other excluded groups i.e. care leavers and Birmingham residents leaving HMP Winson Green. Currently the project has supported 379 hard to support workless clients, with 51 clients having so far progressed into employment. An interim evaluation is currently being conducted with a final evaluation due to be available at the end of the project’s two year delivery period in May 2013.

Working with the Third Sector

- 3.16 Alongside the partners mentioned above, another important part of the support for the long-term workless is the third sector. For example, it can be important for specific target communities that delivery of services is provided in places of trust through culturally tailored provision. Third sector involvement can add significant value to this.
- 3.17 A key problem identified is that the scale of funding mechanisms being utilised by the DWP and the SFA results in difficulties when brokering sustainable delivery partnerships involving the smaller third sector agencies. For example, the Work Programme contracts were too large for most third sector organisations to tender, and whilst most successful contractors stated that they would work with local third sector providers, little work has actually been sub-contracted. These concerns were reflected on a national level in a recent Select Committee report on the Work Programme.⁴
- 3.18 Council officers continue to work with the Work Programme Providers, who have agreed to review whether there are any service gaps where they can use third sector agencies and Registered Social Landlords.
- 3.19 Also, Members were informed that council officers are exploring drawing down other resources such as submitting applications for employment development activity to the JCP District Office under their **Flexible Support Fund Arrangements**. To that end, acting as Lead accountable body the City Council submitted 13 project proposals. In April 2012, the Council received offer letters in respect of eight of these projects that had been positively appraised. Two of the projects are in respect of direct City Council delivery, with six to be delivered through grant arrangements with external third sector delivery agencies.
- 3.20 Overall, the projects have the potential to draw down £323,546 of grant funding to deliver 199 employment outcomes for workless residents, particularly those for communities disproportionately distanced from the labour market. Subject to Cabinet Member approval these projects should commence from September 2012.

⁴ Work and Pensions Committee: Fourth report, Work Programme: Providers and Contracting arrangements – 8th May 2011

Box 1: The Work Programme

- 3.21 The Work Programme largely replaced the previous mainstream employment support provision. It is delivered for Job Centre Plus (JCP) by three Work Programme providers for Birmingham, Solihull and the Black Country: EOS Works Ltd, Newcastle College Group and Pertemps People Development Group. The Providers signed a five year contract and delivery began in June 2011.
- 3.22 Job Centre Plus randomly allocates all claimants to one of the three Work Programme Providers based on their market share of each claimant group. This ensures an equal share to test the Providers delivery models (see table 1 for details of referral times).

Table 1: Customer Groups and Referral Times

Customer Groups	

Capturing Employment Opportunities

3.25 The City Council has also taken a role in capturing job opportunities for those who are out

