McTier, A., Glass, A., Clelland, D. and McGregor, A. (2010) *Review of East of England ESF and mainstream worklessness funding.* Project Report. EEDA / University of Glasgow.

http://eprints.gla.ac.uk/45803

Deposited on: 14 February 2011

Enlighten – Research publications by members of the University of Glasgow
http://eprints.gla.ac.uk

REVIEW OF EAST OF ENGLAND ESF AND MAINSTREAM WORKLESSNESS FUNDING

FINAL REPORT (JUNE 2010)

Alexander McTier, Andrea Glass, David Clelland and Alan McGregor

University of Glasgow
Adam Smith Building
40 Bute Gardens
Glasgow
G12 8RT

TABLE OF CONTENTS

1. INTRODUCTION

Introduction

The East of England, along with the rest of the UK, has not escaped the impact of the global credit crunch and recession and has seen the number of redundancies, company closures and workless individuals in the region increase significantly. As a result, the demand for services that support workless individuals towards and into sustained employment has increased and is likely to increase in the coming years given the impending cuts in public expenditure and the potential impact on service levels. As a result, the challenge facing funders, policy makers and services is how to most effectively target funded provision for maximum benefit. It is in this context that this study was commissioned.

Aim of the Study

The overall aim of the study is to analyse European Social Fund (ESF) and mainstream worklessness provision in the East of England. This will help support a more coordinated and appropriately targeted approach to the delivery of worklessness provision. Specifically the analysis will help inform and influence ESF regional co-financing plans and local plans for the 2011-2013 funding period.

This will be achieved through the:

- Production of a **demand statement** that outlines future employment opportunities for workless clients; the skills, training and qualification needs to compete for these opportunities; and the scale and characteristics of the workless population.
- Production of a **supply statement** that identifies and quantifies current and planned ESF and mainstream provision to support workless individuals.
- Comparison of the demand and supply in order to draw out key **conclusions and recommendations** for future worklessness provision.

Key Definitions

At the outset it is important to clarify some of the terminology within the aims of the study, as this sets the framework in which the research has been undertaken. This is shown in Figure 1.1 and focuses on the definition of worklessness provision in general terms, the type of in-scope provision available by funder and the timescale used for the research.

Figure 1.1: Definitions of Research Terminology

WORKLESSNESS PROVISION – GENERAL	
Worklessness Provision	Provision specifically targeted at individuals who are out-of-work. The East of England Customer Journey[1] has been used as the basis for the definition and includes the provision for individuals 'Up to 6 months unemployed' and 'From 6 months of unemployment' and excludes provision falling in the 'In Employment / Offers for Employers' or 'Facing Redundancy' categories. This excludes any 'off the street' advice, information, guidance or jobsearch activity offered by Department for Work and Pensions/Jobcentre Plus (DWP/JC+) or the Learning and Skills Council/Skills Funding Agency (LSC/SFA).

1 *East of England Customer Journey,* Jobcentre Plus (See Appendix 1)

WORKLESSNESS PROVISION – BY FUNDER	
Wrap Around – ESF Provision	ESF Priority 1 projects delivered in the East of England and funded through the six co-financing organisations in the region: Department for Work and Pensions (DWP), Learning and Skills Council (LSC/SFA), East of England Development Agency (EEDA), Luton Borough Council, Bedfordshire and the National Offender Management Service (NOMS). This has been termed 'wrap around' provision as it should in theory plug gaps or weaknesses in mainstream provision. Information for ESF Priority 2 projects was also captured as an add-on to the research, although they have an upskilling focus. Its analysis is included in Appendix 3.
Wrap Around – EEDA EP Programme	EEDA's Economic Participation (EP) programme. This has been classed as 'wrap around' provision as it should in theory plug gaps or weaknesses in mainstream provision.
Mainstream – DWP Provision	DWP/JC+ contracts falling within the East of England Customer Journey 'Up to 6 months unemployed' and 'From 6 months of unemployment' stages. The contracts captured are: Community Taskforce; Flexible New Deal; Future Jobs Fund; JC+ Support Contract; New Deal 18-24s; New Deal for Lone Parents; New Deal for Disabled People; Pathways to Work; Progress 2 Work; WORKSTEP; Work Preparation; and the Working Neighbourhoods Fund.
Mainstream – LSC/SFA Provision	LSC/SFA contracts within the East of England Customer Journey 'Up to 6 months unemployed' and 'From 6 months of unemployment' stages. The contracts captured are: Employability Skills Programme; Young Person's Guarantee Work-Focused Training; Young Person's Guarantee: Routes into Work; and Work Focused Training 6 Month Offer.
WORKLESSNESS PROVISION – TIMESCALE	
Current and Planned Provision	Defined as the provision available in the 2010 calendar year (i.e. January to December 2010) – as this timescale provides funders, policy makers and services with an understanding of what is being delivered now and in the coming months, rather than what has been available in the past. Where contractors were not able to provide specific information for the January to December 2010 period, a best-fit calculation has been made to produce indicative data for the 2010 calendar year.

The Employment Pathway

A six stage employment pathway, showing the focus of activities used to support clients from initial engagement, through assessment, tackling a range of barriers, job search and culminating in aftercare was used as the basis for a more detailed analysis of activities. This is shown in Figure 1.2 and discussed in more detail in subsequent chapters.

Figure 1.2: The Employment Pathway

CLIENTS OUT OF WORK			→		**CLIENTS IN WORK**
Engaging with Clients	**Assessing Client Needs**	**Tackling Personal Barriers**	**Tackling Skills / Job-Related Barriers**	**Job Search and Placement**	**In Work Support and Aftercare**

Research Methodology

The research was undertaken between January and May 2010 and consisted of three main elements.

- ***Mapping of ESF and Mainstream Worklessness Provision***. A short mapping template was developed to collect information about each individual contract's timeframe, funding, customer targets, availability by area, activities and capacity. Following a short pilot, the template was sent to the project contacts of all ESF and mainstream provision identified for the purposes of this research by the key agencies funding worklessness provision in the East of England – DWP/JC+, LSC/SFA, EEDA and ESF Co-financing organisations.

- ***Assessment of Future Labour Market***. To help identify future employment demand, an assessment of future East of England labour market demand was undertaken to better understand the skills, training and information needs of workless individuals to support them towards and into sustainable employment. The assessment took two forms:
  - Desk-based review of labour market research and strategic documentation.
  - Interviews with regional economic practitioners who could provide a regional overview of skills, training and information needs.
- ***Local Authority Area Focus Groups***. To capture views at the local authority level, focus groups were held in each upper tier local authority with a range of local stakeholders to discuss what they view as the main future employment opportunities in their area; the skills, qualities and attributes needed to compete for these opportunities; and their assessment of local worklessness provision.

The Methodology Appendix provides greater explanation of the three research elements.

Report Structure
The report has been structured in line with the main aims of the study.

- **Chapter 2: Demand Statement.**
- **Chapter 3: Supply Statement.**
- **Chapter 4: Analysis of Worklessness Provision.**
- **Chapter 5: Recommendations.**

A Methodology Appendix, a **Statistical Appendix** containing supporting tables not used within the main body of the report and an **ESF Priority 2 Appendix** are provided at the end of the report.

2. DEMAND STATEMENT

Introduction

This chapter provides a concise statement of demand to set the context in which ESF and mainstream provision is delivered. Through better understanding of demand, future worklessness provision can be more effectively designed to support and prepare workless individuals towards and into real, sustainable jobs. The demand statement has been organised around three themes:

- ***Labour Market Demand*** – summarising the type and scale of employment opportunities likely to become available in the East of England.
- ***Employer Demand*** – summarising the skills, training and qualification needs of employers.
- ***Demand for Worklessness Services*** – summarising the worklessness levels in the East of England and the types of worklessness services that support the constituent workless client groups.

Labour Market Demand

Making definitive assertions on future employment opportunities is a risky business – particularly at a time when the economy is emerging from recession. However, by learning from recent employment trends, drawing on future employment projections and considering the impact of current economic development strategies, it is possible to make some broad statements on where the employment opportunities are most likely.

Recent Employment Trends

Learning first from the five years leading up to the recession (see Figures A2.1 and A2.2), employment growth has been strongest in higher-skilled, service-sector jobs but there have been notable declines in lower skilled jobs – particularly in low-skilled manufacturing jobs. Specifically, employment growth in the East of England was greatest between 2003 and 2008 in:

- *By industry*: public administration, education and health; financial and business-related services; and construction.
- *By occupation*: managers and senior officials; personal service occupations; professional occupations; and associate professional and technical occupations.

In contrast, manufacturing saw employment fall significantly by almost one-fifth, while by occupation declines were greatest in the lower-skilled process, plant and machine operatives and administrative and secretarial occupations.

Future Opportunities

The recession had a negative impact on the number of jobs in the East of England and Insight East's East of England Forecasting Model (EEFM) projects that the effects of the recession will continue to be felt in the coming years. For example, between 2008 and 2011 the number of jobs in the region will decrease by 167,000 but then steadily increase from 2011 – although pre-recessionary employment levels will not be achieved again until 2015[2].

Understanding that job opportunities are likely to be relatively few in number, Figure 2.1 provides an overview of the employment opportunities most likely to become available in the East of England based on EEFM forecasts, JC+ vacancy data and regional and local level consultations. It has been broken down to cover growth opportunities in the:

---

[2] Insight East (2009) *East of England Forecasting Model*

- ***Short-term*** – i.e. currently widely available based on vacancy data.
- ***Medium-term*** – growth opportunities between 2008 and 2013 (given that the next tranche of ESF funding is for the period 2011-2013).
- ***Long-term*** – growth opportunities between 2008 and 2018, which several regional stakeholders felt were important to understand because during a recessionary period steps to upskill the current workforce for the jobs of the future should be paramount so that the workforce is more productive and competitive in economic recovery and growth.

Figure 2.1: Summary of Future Labour Market Opportunities

SHORT-TERM / CURRENT OPPORTUNITIES *Source*: JC+ Vacancy Data (2009 – Figures A2.3 & A2.4); Regional and Local Consultations	
Care Sector	Widely viewed as a growing employment sector due to the ageing of the population but the social and residential care sector in particular is struggling to recruit and retain staff due to the perceived negative image of the sector.
Retail Sector	Affected by the recession with a number of prominent high street chains closing but the high turnover rates within the sector mean there is a regular flow of entry-level vacancies.
Tourism, Hospitality and Leisure Sectors	Many parts of the East of England are major tourist destinations and have benefited from the recession and the growth of the '*staycation*'. Looking forward, the region is hoping to benefit from the spin-off effects of the 2012 London Olympics.
Business and Professional Services	Major employer across the East of England with the sector spanning ICT, legal, finance and accounting, marketing and advertising, and real estate services.
MEDIUM-TERM OPPORTUNITIES *Source*: EEFM Forecasts (2008-2013 Figure A2.5); Regional and Local Consultations	
Public Sector Services	Forecasts project growth in public administration, education and health – but forecasts are based on past employment trends and do not factor in prospective cuts to public sector spending and employment.
Other Services	'Other Services' includes personal care services and is forecast to grow for the reasons outlined for the care sector above.
LONG-TERM OPPORTUNITIES *Source*: EEFM Forecasts (2008-2018 – Figure A2.5); Regional and Local Consultations	
Financial and Business-Related Services	As outlined above, the sector is an important employer across the East of England and is expected to recover strongly post-recession. Also identified as a growth sector in HM Government (2009) *Jobs of the Future*.
Public Sector Services	Forecasts project long-term and substantial growth in public administration, education and health but these must again be read with the health warning about prospective cuts to public sector spending and employment.
Other Services	Due to it including the personal care sector, 'Other Services' are expected to continue to grow. Also identified as a growth sector in HM Government (2009) *Jobs of the Future*.
Retail Sector	As outlined above, the sector is an important provider of entry-level jobs across the East of England and is expected to recover post-recession. Also identified as a growth sector in HM Government (2009) *Jobs of the Future*.
Construction Sector	Sector and employment levels are expected to rebound after the recession due to the projected population growth in the region and demand for new housing. Opportunities may also stem from increased demand in environmentally-friendly construction techniques and 'retro-fitting'.

OPPORTUNITIES BY OCCUPATION *Source*: EEFM Forecasts (2008-2018 – Figure A2.6); Regional and Local Consultations	
All Occupations	While not every occupation is forecast to see net growth in the number of jobs, the replacement demand brought about through job turnover and retirements means that there will be opportunities in every occupational type.
Personal Service	Net growth forecast in grouping that includes care and childcare assistants and occupations in the leisure sector.
Managerial, Professional and Technical	Net growth forecast in higher skilled occupations that are likely to be found across all sectors of the economy.
Sales and Customer Service	Net growth forecast in occupations in the retail, tourism and hospitality sectors.

Over and above the opportunities forecast by the EEFM Forecasts, it is also important to consider emerging employment sectors. At the national level, the commitment to the *Building Britain's Future: New Industry, New Jobs*[3] agenda has led to the *Jobs of the Future*[4] statement on where opportunities are expected to be. These closely match those supported in the *East of England Regional Economic Strategy 2008-2013*[5]– i.e. low carbon, low resource economy, digital economy, life sciences, health and ICT – and the economic development strategies of the upper tier local authorities.

The *East of England Innovation Baseline Study*[6] finds that the region has considerable strength in these sectors – albeit that employment in these sectors is small relative to total employment and that these sectors are concentrated in specific areas or clusters of the region, such as Cambridge, South Cambridgeshire and Hertfordshire. Indeed the consensus amongst regional players is that there will be jobs created in these sectors but the majority will be highly-skilled, relatively small in number and/or concentrated in specific parts of the region – meaning that the impact of these jobs on the workless client group could be limited.

While the volume and accessibility of the job opportunities emerging from these advanced sectors may be questioned, Figure 2.2 also presents opportunities in other, more accessible sectors as identified in *Jobs of the Future*[7] and regional and local consultations.

[3] H.M. Government (2009) *New Industry, New Jobs*
[4] H.M. Government (2009) *Jobs of the Future*
[5] EEDA (2008) *East of England Regional Economic Strategy 2008-2013*
[6] The Work Foundation (2009) *East of England Innovation Study*
[7] Ibid.

Figure 2.2: Summary of Emerging and Other Labour Market Opportunities

NEW INDUSTRY, NEW JOBS OPPORTUNITIES *Source*: HM Government (2009) *Jobs of the Future*; EEDA (2008) *East of England Regional Economic Strategy*; UKCES (2010) *Skills for Jobs: Today and Tomorrow*; Regional and Local Consultations	
Low Carbon Economy	Significant number of future jobs to be created through the **renewable energy** cluster centred around Great Yarmouth on the Norfolk/Suffolk coast and the Sizewell and Maldon nuclear power stations. Peak employment is expected in 2016-2017 with a technical skilled workforce ranging from Level 3 to Level 5 skills required to meet this demand. Other opportunities from the low carbon economy include environmental building technologies and environmental-related services such as monitoring, control, solutions and consultancy
Advanced Manufacturing	High-skilled opportunities expected in high-tech manufacturing in aerospace, pharmaceuticals, electronics and precision instruments.
Life Sciences	High-skilled opportunities expected pharmaceuticals, medical biotechnology and medical technology.
Digital Economy and Creative Industries	High-skilled opportunities expected ICT, broadcasting and creative industries.
OTHER OPPORTUNITIES *Source*: HM Government (2009) *Jobs of the Future*; UKCES (2010) *Skills for Jobs: Today and Tomorrow;* Regional and Local Consultations	
Logistics, Warehousing and Distribution	Important regional sector which is centred on the region's ports, airports and distribution centres close to the M1.
Agriculture	Sector remains an important employer in many parts of the East of England.
Food and Drink	Prominent sector linked to the region's agricultural produce.
Business and Professional Services – as discussed above	
Care Sector – as discussed above	
Retail Sector – as discussed above	
Tourism, Hospitality and Leisure Sectors – as discussed above	

Employer Demand

The review of future labour market opportunities identified the sectors and occupations where new jobs are most likely. This section considers demand in a different way by considering the skills, training and qualifications that employers are likely to look for when recruiting. In doing so, it draws on EEFM qualification demand forecasts, Sector Skills Council research and regional and local consultations.

Supporting the skills targets set by the *Leitch Review of Skills*[8] and *Regional Economic Strategy*[9], EEFM qualification demand forecasts[10] show that demand will be strongest for individuals qualified to degree level. However, as Figure 2.3 shows, the existing workforce does not meet this level of demand and there is a pressing need to increase the skills base of the region in order to attract and develop more advanced, highly-skilled jobs to the East of England.

---

[8] H.M. Treasury (2006) *Leitch Review of Skills*
[9] Ibid, p5.
[10] Insight East (2010) *Qualification Demand Forecasts for the East of England*

Figure 2.3: Qualification Demands of Future Jobs (2008-2018) and Current Qualifications Profile (2008)

	Qualifications of Working Age Population (%), 2008	Qualifications of Projected Jobs (%), 2008-2018
No Qualifications	12	9
Level 1 (lower grade GCSEs and equivalent)	21	17
Level 2 (higher grade GCSEs and equivalent)	23	20
Level 3 (A-Levels and equivalent)	18	19
Level 4 or Above (Degrees and equivalent)	26	35
Total	**100**	**100**

Source: Insight East (2010) *Qualification Forecasts for the East of England, 2008-18* (EEFM-based)

An employer's priority is to recruit and retain individuals with the skillsets they require. In view of this, research undertaken by the Sector Skills Councils representing the main employment sectors in the region has been reviewed to better understand the skills needs facing employers. The review is summarised in Figure 2.4 – with the most commonly identified skills issues as follows:

- ***Lack of soft skills*** – this is a broad set of skills or attributes that includes customer service skills, the ability to follow instructions, the ability to work in a team and communication skills.
- ***Lack of practical, technical or on-the-job skills*** – the ageing of much of the workforce along with the growth of more advanced sectors means it is proving harder to recruit for technical occupations. Such occupations range from engineering technicians to nurses to ICT and software developers – with the majority of these occupations requiring Level 3 qualifications or above.
- ***Limited work experience*** – related to the issue above, applicants often do not have the relevant work experience and expertise sought by employers.

Turning to the views of regional and local stakeholders, their assessment of the skills, information and training needs closely match those identified in the Sector Skills Councils research. However, they also raised:

- ***Competition from migrant workforce*** – the work ethic and strong skills base of migrant workers makes them a very attractive to employers, particularly in the care, hospitality, agricultural and food processing sectors.
- ***Access to transport*** – the rural geography of much of the East of England means that accessing employment and training opportunities without the use of private transport can be a major difficulty for workless individuals.

Figure 2.4: Summary of Sector Skills Councils Research[11]

CROSS SECTORAL ISSUES	
Skills Shortages when Recruiting: **All Sectors**	***Soft skills***: which includes customer handling/service skills; team working; oral and written communication skills ***Practical, technical or on-the-job skills***: skills specific to the job role. ***Work experience***: experience relevant to the job role.
Skills Gaps amongst Workforce: **All Sectors**	***Soft skills***: which includes customer handling/service skills; team working; oral and written communication skills. ***Leadership and management skills***: which includes financial management; people management; programme and project management.
Other Issues	***Ageing workforce***: identified in advanced manufacturing and energy; agriculture and environment; building services engineering; construction; energy and utilities; engineering and manufacturing; health; IT and telecommunications; lifelong learning; and logistics sectors. ***Low qualification profile*** of existing workforce relative to current and future sectoral needs: identified in advanced manufacturing and energy; engineering and manufacturing; financial services; and logistics sectors. ***Difficulties attracting new entrants*** identified in advanced manufacturing and energy; agriculture and environment; building services engineering; creative and cultural; energy and utilities; IT and telecommunications; justice; logistics sectors. ***High labour turnover*** identified in leisure and hospitality; retail; social care and care sectors. ***Poor attitude of young entrants*** with lack of required motivation, enthusiasm and attitude identified in building services engineering and retail sectors.
SECTOR SPECIFIC ISSUES	
Advanced Manufacturing and Energy	Insufficient in-flow of non-graduates (via apprenticeships and VQ routes) to meet replacement demand in processing and technician roles. Shortages expected in Technician and Operator workforce.
Agriculture and Environment	High reliance on migrant workers, particularly at peak season. Many migrant workers are over-qualified. Increasing skills needs due to technological advances, diversification and commercialisation.
Construction	Advanced manufacturing and electrical engineering skills gaps – with Level 2 skills/qualifications seen as the minimum for entry into sector. Increasing demand for expertise in procurement.

[11] Cogent (2008) Skills for Science Industries, Construction Skills (2005) East of England Action for Skills, Creative & Cultural Skills (2009) *The Big Issues*, e-skills UK (2008) *Technology Counts England: IT and Telecoms Insights 2008*, Energy & Utility Skills (2008) *Sector Skills Agreement England*, Financial Services Skills Council (2009) *Skills Review: UK Wholesale Financial Services,* Government Skills (2007) *Employers' Survey*, Improve Ltd (2009) *The Food and Drink Manufacturing Industry in the East of England 2009/2010*, Lifelong Learning UK (2009) *Lifelong Learning Workforce in England*, People 1st (2009a) *State of the Nation Report*, People 1st (2009b) *Regional Profile and Skills Needs Assessment – East of England*, SEMTA (2008) *Engineering Skills Balance Sheet – East of England: An Analysis of Supply and Demand Issues*, SkillsActive (2006) *East of England Sector Skills Agreement*, Skills for Care (2008) *The State of the Adult Social Care Workforce in England 2008*, Skills for Health (2009) *Skills and Labour Market Intelligence: East of England Regional Briefing*, Skills for Justice (2008) *Sector Skills Agreement for England*, Skills for Logistics (2009) *Logistics Sector Profile: East of England*, Skillsmart Retail (2008) *East of England Regional Background Brief,* Skillsmart Retail (2009) *Current and Future Trends in UK Retailing 2008-09*, SummitSkills (2005) *Sector Skills Agreement: East of England Final Report*.

CROSS SECTORAL ISSUES	
Creative and Cultural Sectors	Lack of knowledge of skills and qualifications needed to succeed in sector as high volume of education and training provision but few clear career pathways. Skills shortage around business and enterprise skills. Lack of good quality IAG for learners in the sector.
Engineering and Manufacturing	Technical and engineering skills gaps amongst workforce – particularly in computer aided design (CAD), tool setting and welding skills. Potential up skilling requirement for more than 54,600 employees across management and core technical occupations (34% of current workforce).
Financial Services	Shrinking pool of highly numerate indigenous workforce and strong competition from overseas applicants. Skills shortages in high level quantitative, language and financial-specific skills.
IT and Telecoms	Low-skilled jobs moving off-shore. Increasing demand for multi-skilled workers with strong business, interpersonal and technical skills. Poor uptake of computing courses/degrees at school, FE and HE level.
Leisure and Hospitality	Customer service levels may fall with declining numbers of migrant workers and greater reliance on indigenous workers. Chefs very difficult to recruit.
Social Care and Care	Employment expected to increase by 50-80% in next 20 years but sector already has recruitment and retention difficulties.

Demand for Worklessness Services

The third aspect to consider in terms of demand is the demand for worklessness services – i.e. the scale and type of workless clients that services are tasked with supporting towards and into sustained employment. In practice, there are varying definitions of 'worklessness' as a term but for statistical purposes, the most clear cut definition is the number of working age residents claiming out-of-work benefits, such as Jobseekers Allowance, Employment Support Allowance/Incapacity Benefit and Income Support. Using this measure, in August 2009 there were 366,610 workless individuals in the East of England, which equates to 11% of the working age population. For comparison, the Annual Population Survey estimates the East of England economically inactive working age population to be 622,000 in 2009 – so the 366,100 out-of-work benefits claimants does not equate to the total economically inactive population.

Recognising that current worklessness levels are at a high and could potentially increase further, Figure 2.5 breaks down the 366,610 out-of-work benefits claimants by characteristic and considers change between August 2007 and 2009. This is important on two fronts:

- The 2008-2010 tranche of ESF projects were decided on in 2007 so there is value in understanding how the workless client group has changed since 2007 as future ESF funding will need to reflect any changes and meet current demand.
- The recession has had a significant impact on worklessness levels, by looking at the change between 2007 and 2009, the change from pre-recessionary to mid-recessionary worklessness levels can be measured.

Figure 2.5: East of England DWP Out-of-Work Benefits Claimants, August 2007 and 2009

	August 2007	August 2009		August 2007-2009
	Total	Total	% of Total	% Change
Breakdown by Age				
Under 25s	43,710	62,380	17	43
25 to 34	58,420	72,410	20	24
35 to 44	70,920	82,000	22	16
45 to 54	64,180	78,020	21	22
55 to 64	66,520	71,760	19	8
Breakdown by Gender				
Male	152,060	197,940	54	30
Female	151,730	168,660	46	11
Breakdown by Duration of Claim				
Up to 6 months	62,300	107,280	29	72
6 to 12 months	28,850	45,780	12	59
1 to 2 years	32,960	36,890	10	12
2 to 5 years	54,000	51,940	14	-4
5 years or more	125,670	124,710	34	-1
Breakdown by Benefit Statistical Group				
Job Seekers Allowance	56,250	114,540	31	104
ESA / IB	177,350	182,550	50	3
Lone Parent	57,340	54,870	15	-4
Others on Income Related Benefits	12,850	14,640	4	14
Breakdown by Upper Tier Local Authority Area				
Bedford	9,550	11,540	3	21
Cambridgeshire	25,110	31,010	8	23
Central Bedfordshire	10,040	13,240	4	32
Essex	72,820	88,530	24	22
Hertfordshire	47,120	59,010	16	25
Luton	14,690	17,510	5	19
Norfolk	51,940	59,450	16	14
Peterborough	13,420	16,800	5	25
Southend-on-Sea	12,980	15,290	4	18
Suffolk	36,070	42,180	12	17
Thurrock	10,040	12,040	3	20
Total Out-of-Work Claimants	**303,790**	**366,610**	**100**	**21**

Source: NOMIS DWP Work and Pensions Longitudinal Study

To summarise Figure 2.5 between August 2007 and August 2009:

- ***Total clients*** – there has been a 21% increase in the total number of clients.
- ***By age*** – there is a relatively equal share of workless residents across each 'decade' age group in August 2009 but the recession has had the greatest impact on 16-24 year olds with a 24% increase.
- ***By gender*** – the recession has had a greater impact on males with proportionately more male out-of-work claimants in August 2009.
- ***By duration of claim*** – in August 2009 there is a distinct 'U' shape profile with new claimants (up to 6 months) and those claiming for 5 years or more making up the greatest number of out-of-work benefits claimants. This 'U' shape profile is a result of the 72% increase in claimants of up to 6 months; while there has been a 59% increase in claimants of between 6 and 12 months – both a consequence of the recession.
- ***By benefit statistical group*** – the ESA/IB claimants make up half of all out-of-work benefits claimants but the biggest increase has been JSA claimants, which have doubled in number between August 2007 and 2009.
- ***By local authority***, the greatest number of out-of-work benefits claimants are found in the largest county authorities: Essex, Hertfordshire, Norfolk and Suffolk. All have been affected to a similar extent by the recession.

What Works

In considering the design and delivery of provision for workless clients it is not enough just to be able to identify the scale and type of services required. There is also a need to find out about which services are most effective i.e. a demand for 'what works'. Despite the potential changes over time in workless client groups, their characteristics and needs, mainstream worklessness provision has historically been targeted at specific groups (e.g. lone parents or long term unemployed) and therefore the evidence base around what works is structured around these main client groups. Summarising a review of interventions undertaken for DWP[12], some of the key observations around what works for some of these groups (several of which are ESF Priority 1 groups) are outlined below in Figure 2.6.

Figure 2.6: Summary of What Works by Client Group

Young People	In addition to their youth and subsequent limited work experience, young people may experience a range of complex range of problems which may include addiction issues, basic skills problems, care responsibilities, offending behaviours and problems of homelessness. This makes assessing what works problematic. There is a need to offer a menu of options that can be brought together in a complementary way to address individual need.
Long-Term Unemployed Adults	The typical problems faced by long term unemployed adults include a lack of basic skills, benefit issues and financial difficulties, drug dependency, history of offending, poor confidence and low aspirations, a lack of motivation and problems with transport difficulties. As with young people, this points to the need for a range of supports that the long term unemployed can access. One to one support and advice is necessary to motivate and build confidence, but it is not sufficient in itself. Exposure to the workplace is important to help clients back into work and could be offered in the form of work trials.

[12] Hasluck, C. and Green, A. (2007) *What works for whom*? Research Report No. 407. Department for Work and Pensions.

Older Benefit Claimants	For those aged 50 plus, the main problems that they face are likely to be age related. These may be health issues, outdated skills, care responsibilities and potentially financial problems. Although the group is heterogeneous in nature work trials, targeted training, softer skills training, personalised support and access to good quality job opportunities have been shown to have a positive impact. The possibility of self employment should also be considered for older people, given the identified positive association between age and self-employment.
Lone Parents	As a group, lone parents are heterogeneous. However in broad terms they lack confidence, cycle in and out of work and display a higher incidence of health problems than the wider population. Advice and guidance and confidence building measures have been shown to be a central component of programmes to support lone parents. Getting them engaged in the first instance appears to be the key.
Disabled People	Again individuals with disabilities and those experiencing health problems are a diverse group, with a wide range of barriers to employment and differing levels of motivation to get a job. They have typically been supported through either specialist programmes targeting individuals wanting to move towards or into the labour market, or specialist disability programmes working alongside employers to support individuals once they are in work or through general mainstream programmes. Because of their varied circumstances what works is very varied, however regular customised advice and guidance, where an advisor builds an appropriate package of support is viewed as positive, along with help targeted at the transition point into employment.
Black and Minority Ethnic (BME) Communities	Although the BME community is heterogeneous, there is an evidence base that suggests that the BME community faces considerable disadvantage in accessing the labour market, with some individuals experiencing multiple issues around personal barriers, care responsibilities, qualifications and employer attitudes. Some sub-groups of the BME community e.g. Pakistani and Bangladeshis women may also have additional needs around fluency in English and a range of other religious and cultural issues that impact on their ability and/or motivations to work. There is evidence to suggest that skills policies do not deliver to the BME community as effectively as for the general population and there have been some issues around the quality of specialist provision. A targeted approach, often through outreach has proved to be an effective way to engage with the BME community, which is less likely to engage in mainstream services. Additionally work to support employers through diversity training can help to break down barriers. High quality language support is valuable for many workless individuals to help them access training and employment and the availability of guidance and advice in a community language can prove invaluable for some individuals.

Beyond the specific lessons relating to particular client groups, there are more general lessons that can be applied across the client base:

- The multiple and complex issues faced by many individual clients mean holistic approaches with individualised and flexible solutions are required.
- Access to high quality job search activity is very important, as the majority of clients leave benefits without engaging in specific mainstream employability interventions *per se.*

The challenge is that what works in any time specific context cannot be assumed to work in a less favourable context in which there are fewer jobs available, such as the recession that the UK experienced in 2008[13]. Indeed, Hasluck and Green stress that as labour markets change, so the characteristics of those needing support also change – so necessitating a review of the prioritisation of client groups and the

[13] Ibid. p11

support that is provided to them. Given the recent recession and the changing opportunities arising in the local labour market in the East of England, this report is timely.

Summary of Chapter

Introduction

- This chapter provides a concise summary of demand to set the context in which mainstream and 'wrap around' provision is delivered.

Labour Market Demand

- Recent employment trends show that employment growth has been strongest in higher skilled, service sector jobs, with notable declines in lower skilled jobs – especially manufacturing.
- The recession has had a negative impact on the number of jobs in the East of England, and the effects of the recession will continue to be felt in the coming years, with pre-recessionary employment levels not achieved again until 2015.
- Current and short term job opportunities are likely in the care, retail, tourism, hospitality and leisure sectors and business and professional services.
- In the medium term (to 2013), public sector are forecast to grow, although these forecasts are based on past employment trends, which do not incorporate the scale of possible cuts in public sector spending. Other services are also considered a growth area.
- Long term opportunities (to 2018) are likely to focus on financial and business related services, other services, retail and construction. Forecasted growth in public sectors services may need to be reconsidered in the context of predicted cuts in public sector spending.
- There are likely to be opportunities flowing from the *New Industries* in the low carbon (particularly renewable energy), digital economy, life sciences, health and ICT, although these are likely to be more specialist in nature, relatively small in number and focused in specific geographic areas.
- Some additional opportunities likely to open up around logistics, warehousing and distribution, agriculture and food and drink.

Employer Demand

- Demand is strongest for individuals qualified to degree level, and given that the existing workforce in the East of England does not meet this, there is a pressing need to increase the skills base of the region to attract and develop highly skilled jobs.
- The most commonly identified skills issues both through review of Sector Skills Council research and feedback from regional and local stakeholders are a lack of soft skills, a lack of practical, technical or on-the-job skills and limited work experience. In addition, stakeholders also identified competition from migrant workforce and access to transport as important.

Demand for Worklessness Services

- Using the definition of worklessness as the number of working age residents claiming out-of-work benefits (JSA, ESA/IB and IS), there were 366,610 workless individuals in the East of England, 11% of the working age population.
- An understanding of how the characteristics of workless clients have from when the current ESF projects were funded (i.e. 2007) is necessary particularly given the subsequent period of recession. In the period August 2007-2009:
  - By total clients - a 21% increase in the total number of clients;

  - By age – a 24% increase in clients aged 16-24;
  - By gender – a greater impact on males;
  - By duration of claim – a 72% increase in claimants up to 6 months unemployed and 59% increase in claimants 6-12 months unemployed. The greatest number of out-of-work benefit claimants are made up of those up to 6 months unemployed and more than 5 years unemployed.
  - By benefit group – the ESA/IB clients make up half of all benefit claimants, although JSA claimants have doubled in the timeframe.
  - By local authority – greatest numbers of workless clients are found in Essex, Hertfordshire, Norfolk and Suffolk.
- It is helpful to identify 'what works' for different client groups, notwithstanding the need to recognise that the characteristics of clients and their needs change over time, particularly in response to changing economic conditions. This may necessitate a review of the prioritisation of client groupings and the support afforded to them.
- Although it is possible to identify key interventions that help specific client groupings including young people, long-term unemployed, older benefit claimants, lone parents, disabled people and those experiencing health problems and BME communities, the multiple and complex issues faced by many individual clients means that a holistic approach with individualised and flexible solutions is required. As the majority of clients leave benefits without engaging in specific mainstream employability intervention *per se*, access to high quality job search activity remains important.

3. SUPPLY STATEMENT

Introduction

This chapter provides a concise statement of supply – i.e. in broad terms the worklessness provision which is being delivered in the East of England. It breaks out mainstream provision delivered through DWP/JC+ and the LSC/SFA from 'wrap around' provision delivered through ESF and the EEDA Economic Participation Programme. This is an important distinction, because these programmes are seeking to add value to mainstream provision – so understanding the differences, gaps and overlaps with mainstream provision is critical when considering how best to allocate the 2011-2013 tranche of ESF funding.

The chapter has two main aims:

- To identify the key **changes in mainstream provision** between 2007 and 2010. This is important because the 2011-2013 tranche of ESF funding should not necessarily replicate the support provided in the period 2008-2010 and to effectively plug any gaps requires an understanding of how mainstream provision has changed in that time.
- To summarise the **worklessness provision offer in the East of England**. This is based on the overview of provision by DWP, LSC/SFA, EEDA Economic Participation and ESF Priority 1 contracts. More detail looking at service alignment by client group, area and type of activity is provided in Chapter 4.

Changes in Mainstream Provision

To set the context for the findings of the mapping exercise which focuses on current and planned provision in 2010, Figure 3.1 provides an overview of the main changes in mainstream provision between 2007 and 2010 since the allocation of the first tranche of the current round of ESF funding. This has been structured by major client groups and subsequently by type of activity. This shows in broad terms that there has been a re-focusing of resources on specific parts of the employment pathway, namely '*Tackling Skills / Job-Related Barriers*', '*Job Search and Placement*' and (to a lesser extent) '*In Work Support and Aftercare*'. This is returned to more fully in Chapter 4. However, in focusing on key changes by client group, Figure 3.1 shows:

- A significant increase in resources targeted at supporting unemployed 18-24 year olds towards and into employment with a comprehensive package of job search, training, work experience and work placements activities in place.
- More intensive work preparation and job search activities for JSA claimants.
- Increased resources targeted at clients with ill health or a disability through the rolling out of Pathways to Work.
- Greater targeting of resources towards supporting lone parents into and sustaining employment.
- Gradual shift towards more specialist work-related supports for older clients.

Figure 3.1: Main Changes in Mainstream Worklessness Provision 2007 to 2010

Young People: 18-24 Year Olds
Introduction of Backing Young Britain package for up to 26 weeks unemployed, which comprises of: – Voluntary group job search sessions – Work trials and work experience schemes – Expanded mentoring provision – Graduate internships Introduction of Young Person's Guarantee for over 26 weeks unemployed, which comprises of: – Future Jobs Fund – a six-month placement – Routes into Work – up to 8 weeks LSC/SFA-funded work-specific training – Work-Focused Training – 3-6 month LSC/SFA-funded full-time training – Community Taskforce – work experience placement
JSA Claimants
Reforms to JSA has led to more intensive work preparation and job search activities, which include: – Early screening and tackling of basic skills issues – Intensive job search and back-to-work action planning – such as JC+ Support Contract 'Improving Job Search' and 'Getting Ready for Work' modules – Work Focused Training from 6 months unemployed – Flexible New Deal – 'Black Box' provision that involves personalised, specialist back to work provision.
IB/ESA Claimants
Change from Incapacity Benefits (IB) to Employment Support Allowance (ESA) with introduction of Work Capability Assessment to identify those able to work. National rolling out of Pathways to Work, which includes: – Work-focused interviews focused around work-related barriers and job search – Tackling of personal barriers – e.g. the Condition Management Programme – Introduction of Return to Work Credit to support sustainable employment
Lone Parents
Phasing out of Income Support with lone parents increasingly required to claim JSA (dependent on age of youngest child) Enhanced package of support around job search, work preparation and in work support stages, which includes New Deal for Lone Parents, work-focused interviews and in-work credits
Older Clients: 50 Years and Over
Increasing back-to-work support for the over 50s, which includes: – Specialist back-to-work support via Personal Advisers – Increased access to work trials – Early access to 6 month unemployed offer – e.g. JC+ Support Contract and Work Focused Training

In 2009, in *Building Britain's Recovery: Achieving Full Employment* DWP put forward seven key principles on which the future of welfare reforms was to be based. These very much tied in with the '*Tackling Skills / Job-Related Barriers*', '*Job Search and Placement*' and (increasingly) '*In Work Support and Aftercare*' stages. The seven key principles are:

- Helping people prepare for work.
- Addressing obstacles to work.
- Helping people to stay in work.
- Helping people to progress in work.
- Making people better off in work.
- Setting stronger obligations to take up help that is on offer.
- Delivering efficient and adaptable services.

The new Coalition Government which took office in May 2010, has outlined in broad terms its plans for welfare to work programmes. Although the detail is yet to be announced in full, the proposals do not work against the principles outlined previously, and are focused around:

- A single welfare to work programme to help all unemployed people get back to work, with participation no longer dependent on benefit type;
- Faster referrals to access support for JSA claimants with the most significant barriers (compared to the current 12 months) and a maximum of 6 months for those aged under 25;
- Services customised to the individual, with longer and/or more intensive services for the more disadvantaged, but with tougher conditionality;
- A framework of private and not for profit contractors to be launched from early 2011;
- Long term contracts, with black box delivery and payments strongly based on outcomes;
- A strong move into AME-DEL i.e. contracts let will reflect prospective benefit savings; and
- A significantly reduced role for DWP/JC+.

Clearly there are implications for the commissioning, design and delivery of worklessness services in the light of these changes, and these will need to be reviewed as the detail and timescale for their implementation becomes clearer.

Worklessness Provision in East of England

Before analysing the results of the templates, the **general perception of worklessness provision in the East of England** – as raised during the study's focus groups with local stakeholders in each of the local authority areas – is summarised below:

- ***2010 is a Favourable Funding Climate***. The current funding environment for worklessness provision (i.e. the provision and funding available in the 2009 to 2010 period) is very favourable. However, all appreciated that future cuts in public expenditure will mean that the current favourable funding environment will not last and that worklessness provision will be significantly affected.
- ***Provision is Overly Fragmented***. While there is currently abundant service provision, local practitioners find that the range of provision is overly fragmented, disjointed and confusing. The East of England Customer Journey 'map' is helpful but a major challenge for practitioners continues to be trying to navigate a coherent route through the different service and funding options to advance their clients along the pathway towards and into employment.
- ***National / Regional Contracting versus Local Providers Tension***. The tension between the national and regional contracting and management of worklessness contracts versus ensuring effective service delivery that meets the needs of clients and local areas was frequently raised. The main concerns raised of letting ESF and mainstream contracts at the national and/or regional level were that:
    - National and regional commissioning frameworks favour larger national/regional contractors who have the resources to submit tenders and deliver services at this scale. This puts local service providers at a disadvantage with the consequence that their local knowledge, expertise, working relationships and commitment to the local area are potentially lost.

  - Sub-contracting by national and regional contractors to local service providers is encouraged but the perception is that in reality local providers are not strongly involved.
  - National and regional commissioning frameworks are setting targets at the regional level – i.e. for the East of England as a whole – rather than setting sub-regional and local targets. As a result, regional contractors are delivering on their targets but without proper reflection of local levels of need and demand across localities.
- ***Supply Not Meeting Demand***. The degree to which worklessness provision is contracted, designed and developed in line with wider labour market opportunities was questioned by some. For example, concerns were raised around:
  - The extent to which worklessness provision is informed by strong labour market intelligence at both the regional and local level. The fear is that provision is designed in isolation of wider labour trends.
  - The extent to which worklessness provision is tied into larger scale physical regeneration and infrastructure projects. For example, the specific question of whether ERDF expenditure is explicitly connected with ESF spend was raised as the two should in theory be complementary.

Figure 3.2 provides an **overview of worklessness provision in the East of England**. It is important to note that the provision captured relates to specific contracts, services or projects delivering employability activities. It does not include any 'off the street' advice or guidance provided by mainstream providers (JC+ and LSC/SFA). Based on the returns of all of the103 contractors/providers, in 2010:

- There is £110,247,546 of funded worklessness provision in the East of England. 70% of the total funding in 2010 is through DWP/JC+.
- A minimum of 71,592 clients are targeted to be supported through this provision. This is stated as a minimum as detailed client information for two contracts likely to be working with several thousand clients across the East of England was not provided by their contractors/providers.
- Average spend per client is calculated at £1,068, which varies from £1,266 under ESF Priority 1 projects to £647 under the EEDA Economic Participation programme.
- 58% of contracted services state that their funding will end during or at the end of 2010. The percentage is highest amongst LSC/SFA funded provision.

Figure 3.2: Overview of East of England Worklessness Provision, 2010

	'Wrap Around'		Mainstream		All
	ESF 1	EEDA	DWP/JC+	LSC/SFA	
TOTAL FUNDING (£), 2010[1]					
Total	£21,868746	£8,530,267	£76,901724	£2,946,809	£110,247,546
TOTAL CLIENTS, 2010[2]					
Total	15,707	13,191	39,639	3,055	71,592
AVERAGE SPEND PER CLIENT (£), 2010[2]					
Total	£1,266	£647	£1,138	£965	£1,068
DURATION OF PROJECTS[1]					
End During 2010	3 (7%)	0 (0%)	15 (48%)	14 (82%)	32 (31%)
End December 2010	26 (59%)	0 (0%)	1 (3%)	0 (0%)	27 (26%)
Confirmed beyond 2010	15 (34%)	11 (100%)	15 (48%)	3 (18%)	44 (43%)

Note: [1] Based on all 103 contractors/providers
[2] Based on returns from 101 contractors/providers who provided detailed client information

Summary of Chapter
Introduction

- This chapter provides a concise statement of the supply of worklessness provision in the East of England.
- It breaks out the mainstream provision delivered through DWP/JC+ and the LSC/SFA from the 'wrap around' provision through ESF and the EEDA participation programme.
- Key changes in mainstream provision are identified to provide a basis for the assessment of gaps.

Changes in Mainstream Provision

- In broad terms there has been a re-focusing of resources at specific parts of the employment pathway around '*Tackling Skills/Job Related Barriers*', '*Job Search and Placement*' and (to a lesser extent) *'In Work Support and Aftercare'.*
- The key changes by client group show:
  - A significant increase in resources targeted at supporting unemployed 18-24 year olds towards and into employment with a comprehensive package of job search, training, work experience and work placements activities in place.
  - More intensive work preparation and job search activities for JSA claimants.
  - Increased resources targeted at clients with ill health or a disability through the rolling out of Pathways to Work.
  - Greater targeting of resources towards supporting lone parents into and sustaining employment.
  - Gradual shift towards more specialist work-related supports for older clients.
- Based on the key principles put forward in *Building Britain's Recovery: Achieving Full Employment,* this trajectory is likely to be sustained, although the plans for welfare to work programmes of the new Coalition Government that took office in May 2010, once fully articulated ,will have implications for the commissioning, design and delivery of worklessness services, and these

will need to be reviewed as the detail and timescale for their implementation becomes clearer.

Worklessness Provision in the East of England

- The perceptions of key local stakeholders across the East of England suggest that:
  - The funding climate for worklessness provision in 2010 is very favourable, but this will not last in the face of projected cuts in public expenditure.
  - Provision is overly fragmented, disjointed and confusing, with practitioners struggling to navigate the options for their clients.
  - There is tension between national/regional contractors and local providers around a squeezing out of local providers without the infrastructure and resources to engage, paying lip service to encouraging local contracting which does not happen in practice and targets set at the East of England level that do not respond to the demands of specific localities.
  - There is some concern that provision is not fully informed by wider labour market intelligence nor linked into larger scale physical regeneration and infrastructure projects.
- This overview of worklessness provision relates to the specific contracts, services or projects delivering employability activities in the East of England. It does not include any ‘off the street’ advice or guidance provided by mainstream providers (JC+ and LSC/SFA).
- Based on the returns of 103 contracts, in 2010 there is:
  - £110,247,546 of funded provision;
  - A minimum of 71,592 clients can be supported through this provision.
  - Average spend per client is £1,068, varying from £1266 under ESF Priority 1 projects to £647 under the EEDA Economic Participation Programme.
  - 58% of the contracted provision will end during or at the end of 2010.

4. ANALYSIS OF WORKLESSNESS PROVISION

Introduction
This chapter builds on the overview of worklessness provision in Chapter 3 and provides further, in-depth analysis of the information gathered through the review. Specifically, the analysis will consider alignment (or the fit) of worklessness demand and supply on three fronts. These are:

- **Type of Activity** – where does the supply fit along the employment pathway, what types of activities are delivered, and what are the supply's target client outcomes?
- **Clients** – which client groups does the supply target?
- **Local Authority Areas** – how is the supply distributed across the East of England?

Type of Activity
Employment Pathway
The local stakeholders were asked to give their perceptions of local provision along the employment pathway: client engagement – personal development activities – work preparation activities – in work support and aftercare: the consensus was that greater levels of resources are targeted at the middle stages of the employment pathway. Their views are summarised below.

- There are ***insufficient resources targeted at engaging potential clients – particularly those hardest to reach***. For some, the best means of overcoming this is for employability organisations to work more closely with local, community-based organisations that already have strong engagement with target client groups. Organisation types include local housing associations, community-based learning providers and childcare providers.
- Grouping personal development and work preparation activities together, there was a perception that there is ***some overlap and duplication in pre-employment provision*** at the regional and local level. For example, job search, CV and application preparation were seen as activities that a number of services provide for clients. Some also felt that there was an overlap in redundancy support programmes.
- Activities that ***work with employers and clients who have moved into work were seen to be insufficiently resourced***. Employer engagement, in-work support and aftercare are all resource intensive activities in terms of time, effort and commitment but are widely recognised as important if sustainable employment outcomes are to be achieved.

Supporting the focus groups' views, Figure 4.1 shows how contractors/providers estimated their funded resources were allocated across the six stages of the employment pathway outlined below. A breakdown for the EEDA Economic Participation programme across the pathway could not be provided but, with this as a caveat, Figure 4.1 shows:

- The greatest proportion of resources is targeted at the work preparation stages of '*Tackling Skills/Job-Related Barriers*' and '*Job Search and Placement*'.
- The smallest proportion of resources is targeted at the early stages of the employment pathway with 9% towards '*Engaging with Clients*' and 12% towards '*Assessing Client Needs*'. ESF Priority 1 funded provision is the main deliverer of engagement activities.
- '*In Work Support and Aftercare*' activities are mainly DWP/JC+ funded – and this reflects the greater commitment placed on these activities outlined in Figure 3.1.

Figure 4.1: Funding across Employment Pathway Stages (£ and %), 2010[1]

CLIENTS OUT OF WORK →					CLIENTS IN WORK
Engaging with Clients	**Assessing Client Needs**	**Tackling Personal Barriers**	**Tackling Skills / Job-Related Barriers**	**Job Search and Placement**	**In Work Support and Aftercare**
ESF PRIORITY 1					
£3,109,958	£2,638,586	£3,651,427	£5,087,259	£3,573,343	£1,036,502
16%	14%	19%	27%	19%	5%
MAINSTREAM - DWP/JC+					
£2,465,613	£4,913,172	£7,707,005	£8,634,882	£10,453,185	£7,940,230
6%	12%	18%	21%	25%	19%
MAINSTREAM - LSC/SFA					
£343,822	£359,699	£340,091	£904,695	£338,086	£84,222
15%	15%	14%	38%	14%	4%
ALL					
£5,919,392	£7,911,457	£11,698,522	£15,626,836	£14,364,614	£9,060,953
9%	12%	18%	24%	22%	14%

Notes: [1] Based on the 79 contractors/providers able to provide an estimate of funding across the pathway. Allocation of EEDA Economic Participation programme across employment pathway stages was not available.

Activities

Alongside the spend profile given in Figure 4.1, Figure 4.2 shows the specific activities that contractors/providers state that they are funded to deliver. While Figure 4.2 helps to show the shape of employability provision in the East of England, there are limitations to it:

- The analysis shows the number of clients that contractors/providers state they are funded to provide each activity to. However, it does not show the intensity or the level of resources committed to each one. For example, far greater resources would be required to deliver an NVQ Level 2 training course than information, advice and guidance to a client.
- The analysis does not show the extent to which activities are joined up at a regional level – and there are two aspects to this:
  - Within individual contractors/providers, are different activities delivered as a package to meet the needs of their clients? For example, is job search and interview preparation delivered in tandem with in work support and aftercare? This can be understood to some extent at the level of the individual contractor/provider but not when aggregated to the regional level.
  - Across contractors/providers, to what extent is provision joined up through client referrals and partnership working so that clients can access activities that meet their needs even if their original/host contractor/provider does not deliver that activity? The focus groups provided some insight into the level and quality of local referrals and partnership working but no robust, evidence-based conclusions could be drawn from these.
- The allocation of clients engaging in different types of activities is based on the judgement of contractors/providers in terms of how they have categorised the component parts of the support they offer against various

activities. This will be dependent both on their overall detailed knowledge of their services and on their individual interpretation.

Given these limitations, Figure 4.2 suggests that:

- Personal development activities, such as confidence building, are widely available and are on offer to approximately 39,000 clients.
- Information, advice and guidance (IAG) is also widely delivered – and this is important given that this study excludes the 'off the street' IAG provision provided by JC+ Personal Advisers and NextStep advisors.
- Identifying client needs and developing individual action plans is also widely delivered.
- For clients nearing employment, there is a lot of provision around job search and interview preparation – and again this does not capture the provision provided by JC+ Personal Advisers and NextStep advisors, much of which would fall into this category of activity.

Figure 4.2: Activities Provided to Clients, 2010[1]

	'Wrap Around'		Mainstream		All
	ESF 1	EEDA	DWP/JC+	LSC/SFA	
Personal development activities	13,636	7,496	15,766	2,109	39,007
Information, advice and guidance	14,131	3,212	17,773	2,880	37,996
Identifying client needs, developing individual action plans	14,770	1,429	18,150	2,947	37,296
Job search and interview preparation	10,328	4,474	10,687	2,142	27,631
Core skills development	9,495	6,588	4,866	1,819	22,768
Work placement/work experience	6,101	225	7,458	226	14,010
Basic skills/Skills for Life	7,307	1,712	1,515	1,238	11,772
Advice and support for self-employment/ entrepreneurship	4,723	1,205	1,818	287	8,033
In work support/aftercare	3,166	0	4,588	27	7,781
Job related training to NVQ Level 2 or equivalent	2,288	618	2,127	1,027	6,060
Job related training to NVQ Level 1 or equivalent	2,699	116	1,208	1,089	5,112
Benefits and/or money advice	2,427	0	1,800	0	4,227
Work trials	2,377	0	450	183	3,010
Childcare support/provision	187	908	0	12	1,107
Job related training to NVQ Level 3 or equivalent	263	78	30	474	845
Voluntary placement	32	77	444	0	553
Intermediate Labour Market	174	0	0	290	464
Mentoring	241	0	0	0	241
Non accredited training	135	0	444	0	135

Note: [1] Based on the 97 contractors/providers able to provide detailed information on activities

It is not possible to definitively state from Figure 4.2 whether the range of activities delivered is the right package for the East of England but, looking at potential gaps or weaknesses in targeted client group provision, Figure 4.2 indicates that there are relatively few activities around **tackling** the barriers around **benefits, welfare and money advice and childcare provision.** With regards to upskilling and work preparation, the level of activity around **work trials**, **job related training to NVQ Level 3 or equivalent, voluntary placements and mentoring** is also relatively low.

In addition to the review, the local authority focus groups highlighted the need for high quality IAG services – as these are deemed vital in supporting workless individuals towards and into sustainable employment. Indeed, good quality IAG should effectively sit above the employment pathway as it helps inform clients of their next steps or options at every stage of the pathway. Other activities identified in the focus groups and mapping templates where additional resources could be targeted were:

- Self-employment and enterprise activities because many participants felt self-employment should be increasingly supported as a strong positive outcome given the limited number of job and training opportunities available.
- Pre-apprenticeship training courses that support young people to compete for and sustain apprenticeship programmes. For example, many apprenticeships require at least Level 2 qualifications and knowledge of what the profession involves, attributes which some young people are found to be lacking.
- Enhanced progression routes to support workless individuals into sectors with future employment opportunities – i.e. those sectors which are expected to grow or are facing recruitment difficulties. The types of sectors suggested match those sectors outlined in Chapter 2.
- Volunteering is seen to be an effective but under-valued activity in terms of increasing workless individuals' skills, experience and confidence. Several focus group participants felt there was significant scope to increase the number of volunteering opportunities.
- Mentoring can, like volunteering, be an effective means of increasing an individual's employability through the support and guidance of an experienced one-to-one mentor. There is however only limited funding for the training of mentors.

Target Outcomes

Another way of looking at where activity is focused is to seek to understand the target outcomes expected of contractors/providers – for example, are they focusing on getting people into employment or is the focus on education and training? Figure 4.3 shows that in 2010, contractors/providers stated that they had specific targets of:

- Getting 25,354 clients into employment (8% of all clients).
- Engaging 25,481 clients into education or training (36% of all clients).
- Supporting 643 clients to achieve another positive outcome – almost exclusively in ESF Priority 1 projects, reflecting the fact that these projects are often targeting more disadvantaged clients.

Figure 4.3: Targeted Clients by Outcomes, 2010[1]

	'Wrap Around'		Mainstream		All
	ESF 1	EEDA	DWP/JC+	LSC/SFA	
Into employment	5,484	4,288	14,555	1,027	27,377
Engaged in education or training	5,472	8,856	1,076	1,577	25,481
Other positive outcome	605	0	38	0	643

Note: [1] Based on the 101 contractors/providers able to provide detailed information

Clients

Figures 4.4 and 4.5 analyse how contractors/providers are funded to target specific client groups. Figure 4.4 analyses clients by their employment status – i.e. their duration out of work; while Figure 4.5 analyses clients by priority client group – with the focus being on the priority client groups of the European Social Fund. Looking at client by employment status first and referring back to Figure 2.5's summary table of the size and characteristics of the East of England's out-of-work benefits claimants, Figure 4.4 shows that in 2010 contractors/providers are targeting:

- At least 23,378 clients who are unemployed for 12 months – and long-term claimants account for 58% of total out-of-work benefits claimants (although this cuts across all benefit types).
- 18,963 clients who are unemployed irrespective of unemployment duration.
- 12,616 clients who are claiming ESA/IB – the vast majority of which come via two mainstream Pathways to Work contracts. ESA/IB claimants account for 50% of total out-of-work benefits claimants.
- 7,348 clients who are unemployed for between 6 and 11 months – and the 6-11 months unemployed account for 12% of total out-of-work benefits claimants.
- As would be expected when reviewing specific worklessness provision, only a very small number of clients are either in work (in programmes that also have workless clients) or are up to six months unemployed.

Figure 4.4: Targeted Clients by Employment Status, 2010[1]

	'Wrap Around'		Mainstream		All
	ESF 1	EEDA	DWP/JC+	LSC/SFA	
In work	521	0	689	0	1,210
Up to 6 months out of work	28	0	0	0	28
6 to 11 months of unemployment	300	0	5,644	1,404	7,348
From 12 months of unemployment	96	0	23,378[2]	217	23,691
Unemployed for Any Duration	6,648	11,770	390	155	18,963
Unemployed 6 months +	1,128	0	1,050	1,326	3,504
14-16 at risk of NEET	4,552	0	0	0	4,552
Claiming ESA/IB	0	0	12,616	0	12,616
Redundant (or Threat of)	1,431	0	0	0	1,431

Note: [1] Based on the 101 contractors/providers able to provide detailed information on employment status.
2 This is a minimum figure as only partial information was could be provided by at least one major contractor/provider

Figure 4.5 shows how contractors/providers are funded to target specific client groups. It is important to clarify that other client groups will often be eligible for the funded provision but that the numbers below relate specifically to where contractors/ providers have specific targets that they are funded to deliver on. Again referring back to Figure 2.5, Figure 4.5 shows that contractors/providers are targeting:

- 17,329 clients who have a disability or a health condition – the vast majority of which come via two mainstream Pathways to Work contracts. ESA/IB claimants account for 50% of total out-of-work benefits claimants.
- 5,578 clients aged 14-19 who are in or at risk of NEET – with this predominately funded through ESF Priority 1.

- 4,662 clients aged 18-24 via the mainstream Young Person's Guarantee provision – and the 18-24 year old claimant group accounts for (an increasing) 17% of total out-of-work benefits claimants.
- 4,338 clients with no or low qualifications – with the majority of activities funded through ESF Priority 1 and EEDA Economic Participation programme.

Looking at potential gaps or weaknesses in targeted client group provision, Figure 4.5 indicates that there are **small numbers targeted in the substance misuse/addictions, homeless, parents of carers/care leavers and (to a lesser extent) BME and ex-offender/offender client groups – i.e. most disadvantaged client groups**.

There would also appear to be relatively little provision targeted at lone parents (accounting for 15% of total out-of-work benefits claimants) and over 50s (accounting for approximately 30% of total out-of-work benefits claimants). However as Figure 3.1's summary of mainstream provision suggests that these two client groups should be sufficiently catered for, this may be a shortcoming of the review whereby the contractors/providers have only partially completed their returns or have not returned them at all. Further investigation of these apparent gaps or weaknesses would be necessary to verify that this is indeed the case.

Figure 4.5: Targeted Clients by Priority Group, 2010[1]

	'Wrap Around'		Mainstream		All
	ESF 1	EEDA	DWP/JC+	LSC/SFA	
Disability or health condition	1,883	1,116	14,326	4	17,329
14-19 years in or at risk of NEET	4,755	744	79	0	5,578
18-24 year olds	0	0	3,963	699	4,662
Clients with no / low qualifications	2,067	1,251	861	159	4,338
Women	3,551	38	20	4	3,613
BME groups	1,062	583	10	4	1,659
Older people (50 years or over)	1,244	0	0	0	1,244
Ex-offenders/offenders	1,203	0	10	0	1,213
Lone parents	720	0	139	4	863
Hotspots	0	755	0	0	755
Migrant labour	0	457	0	0	457
Over 25 year olds	0	0	115	202	317
Substance misuse/addictions problems	0	0	190	0	190
16-24 year olds	132	23	31	0	186
Homeless	154	0	0	0	154
Parents/carers	28	0	0	0	28

Note: [1] Based on the 98 contractors able to provide detailed information on target client groups
[2] '16-24' was identified by contractors as a distinct client group so has been split out from the '18-24 year olds'

In addition to the mapping exercise, the local authority focus groups were asked about the level of resources available for priority client groups and specifically whether there are insufficient resources available for any client group. The main weaknesses identified by client group were:

- Insufficient support available for individuals with a mental health issue or a disability as this client group is now at a further disadvantage in the current labour market yet often requires long-term and intensive levels of support.
- In a similar situation are offenders and ex-offenders.
- In areas with high numbers of migrant workers, there is a need for additional resources around ESOL and pre-ESOL provision and projects, such as the ESF Priority 2 TransQual project, that help migrant workers compete, access and sustain jobs that match their skills levels.
- Adult learning budgets have been cut meaning that there is less education, training and apprenticeship provision available for over 25s.
- Two emerging priority client groups brought about by the recession are HE/FE leavers or graduates and skilled older workers. Provision that specifically meets their needs is seen to be lacking with some demand evidenced for high-skilled, management level training courses.

Local Authority Areas

Turning to the distribution of worklessness provision across the East of England, the review allows for an estimation of client numbers and subsequent spend across the 11 local authority areas[14]. Figure 4.6 analyses provision across the local authority areas calculated on the basis of the 2010 spend for each contract for which funding information has been provided, apportioned according to the number of clients that they are funded to support in that area. Its completeness is dependent on the amount of detail that contractors/providers were able and/or willing to provide around funding allocation and client numbers across the local authority areas. 92 of the 103 contractors/providers provided this information, although there were significant differences across funder type and the 'missing' templates vary greatly in terms of their value and the number of clients that they work with. The main issues that relate to the incompleteness of this aspect of the review were that some contractors were:

- Unable to provide client information at levels below that of the region either because they do not track information in this way and/or lack the systems required to generate easily.
- Unwilling to provide disaggregated information as it was considered commercially confidential.

Of the total funding available to support clients overall it was possible to allocate 63% by local authority area. This can be broken down by key funder as 100% of the EEDA EP programme, 78% of the ESF 1 programme, 68% of the LSC/SFA mainstream activities but only 54% of DWP/JC+ mainstream activities. Although using these allocations as the basis of calculating the amount of spend by local authority will result in an ***underestimation*** of the level of support in an area (potentially significantly so in areas with major DWP/JCP+ contracts) this is the only option available. This table therefore shows the ***minimum*** amount of funding that is going into these local authority areas in 2010. Taking this into account Figure 4.6 shows:

- Norfolk receives the greatest amount of worklessness provision funding at £16,918,907.
- Essex and Suffolk have the next highest amounts at £11,723,333 and £9,470,057 respectively.
- Southend-on-Sea, Central Bedfordshire and Thurrock receive the least at less than £3m.

[14] Analysis at local authority level is shown in the Annex to the Regional Report.

- Southend-on-Sea receives the lowest amount at £1,609,462.

Figure 4.6: Funding to Support Clients by Local Authority Area (£), 2010

	'Wrap Around'		Mainstream		All
	ESF 1	EEDA	DWP/JC+	LSC/SFA	
Bedford	£981,459	£259,875	£3,186,343	£255,751	£4,683,428
Cambridgeshire	£1,560,921	£638,925	£2,526,660	£236,174	£4,962,681
Central Bedfordshire	£606,634	£519,375	£719,060	£108,758	£1,953,827
Essex	£4,256,294	£822,840	£6,130,772	£513,427	£11,723,333
Hertfordshire	£2,322,890	£1,090,290	£3,580,679	£146,946	£7,140,704
Luton	£1,160,480	£999,375	£1219,600	£68,854	£3,448,309
Norfolk	£2,429,847	£962,289	£13,411,878	£114,893	£16,918,907
Peterborough	£209,418	£692,374	£3,234,787	£53,116	£4,189,695
Southend-on-Sea	£581,146	£528,750	£311,199	£188,368	£1,609,462
Suffolk	£2,583,595	£655,521	£5,984,986	£245,954	£9,470,057
Thurrock	£357,453	£1,360,654	£1,197,956	£74,903	£2,992,965
Total Allocated by LA	**£17,050,137**	**£8,530,267**	**£41,503,920**	**£2,007,144**	**£69,093,368**
% of total allocated by LA	78	100	54	68	63
Total East of England	**£21,868,746**	**£8,530,267**	**£76,901724**	**£2,946,809**	**£110,247,546**

Note: [1] Based on the 92 contractors able to provide detailed information by local authority area.

Figure 4.7 provides an overview of where projects are targeting their provision by local authority area. As with Figure 4.6, this is based upon the 92 contractors/providers that were able to provide an estimate of their delivery by geography. It shows that:

- 18,433 clients are targeted in Norfolk – with the Great Yarmouth Working Neighbourhoods Fund making up a significant proportion of this total.
- Norfolk is followed by the other county authorities: Suffolk, 10,007 clients; Hertfordshire, 8,748 clients; Essex, 7,427 clients; and Cambridgeshire, 5,109 clients.
- Of the unitary authorities, the smallest targeted client numbers are in Southend-on-Sea (867 clients) and Central Bedfordshire (1,001 clients).

Figure 4.7: Number of Clients by Local Authority Area, 2010[1]

	'Wrap Around'		Mainstream		All
	ESF 1	EEDA	DWP/JC+	LSC/SFA	
Bedford	894	371	3,468	250	4,983
Cambridgeshire	1,056	1,736	2,135	182	5,109
Central Bedfordshire	456	285	151	109	1,001
Essex	2,671	144	3,961	651	7,427
Hertfordshire	2,042	2,442	3,908	356	8,748
Luton	1,167	754	384	35	2,340
Norfolk	1,721	809	15,785	118	18,433
Peterborough	150	1,969	2,228	27	4,374
Southend-on-Sea	321	203	151	192	867
Suffolk	2,825	2,557	4,411	214	10,007
Thurrock	291	1,921	1,103	81	3,396
Total East of England	**15,707**	**13,191**	**39,639**	**3,055**	**71,592**

Note: [1] Based on the 92 contractors able to provide detailed information by local authority area.

Figure 4.8 provides a comparison of estimated spend per funded client and spend per out-of-work benefits claimant. Taking the East of England as a benchmark, average spend is calculated as £1,068 per funded client and £209 per out-of-work benefits claimant. By local authority area, there is a mixed picture:

- There are no local authority areas with above average spend on both measures.
- There are four local authority areas – ***Central Bedfordshire, Essex, Luton and Peterborough*** – that have ***higher per spend client but lower per out-of-wok claimant spend***. This suggests that worklessness provision is targeted at an insufficient number of clients in these areas but, at the same time, they receive proportionately less funding given total number of workless clients.
- There are five local authority areas – ***Bedford, Norfolk, Peterborough, Suffolk and Thurrock*** – that have ***higher per out-of-wok claimant spend but lower spend per client***. This suggests that worklessness provision in these areas is targeted at too many clients and potentially spread too thinly.
- There are two local authority areas – ***Cambridgeshire and Hertfordshire*** – with ***below average spend on both measures***. Both have amongst the lowest worklessness levels in the East of England.

Figure 4.8: Worklessness Provision Spend per Funded Client and Out-of-Work Benefits Claimant by Local Authority Area (£), 2010[1]

	Total Worklessness Funding	Spend per Funded Client		Spend per Out of Work Benefits Claimant	
		Total Funded Clients	Spend per Funded Client	Total Out-of-Work Claimants	Spend per Claimant
Bedford	£4,683,428	4,983	£940	11,540	£406
Cambridgeshire	£4,962,681	5,109	£971	31,010	£160
Central Bedfordshire	£1,953,827	1,001	£1,952	13,240	£148
Essex	£11,723,333	7,427	£1,578	88,530	£132
Hertfordshire	£7,140,704	8,748	£816	59,010	£121
Luton	£3,448,309	2,340	£1,474	17,510	£197
Norfolk	£16,918,907	18,433	£918	59,450	£285
Peterborough	£4,189,695	4,374	£958	16,800	£249
Southend-on-Sea	£1,609,462	867	£1,856	15,290	£105
Suffolk	£9,470,057	10,007	£946	42,180	£225
Thurrock	£2,992,965	3,396	£881	12,040	£249
East of England	**£76,459,313**	**71,592**	**£1,068**	**366,610**	**£209**

Note: [1] Figure based on the 92 contractors able to provide detailed information by local authority area.

Summary of Chapter

Introduction

- This chapter builds on the overview of worklessness provision in Chapter 2 and provides further, in-depth analysis gathered through the review.
- It examines the alignment of worklessness demand and supply in terms of the type of activities delivered across the employment pathway, the clients groups targeted and its distribution across the East of England.

Type of Activity

- In considering local provision across the employment pathway, local stakeholders considered that:
  - There are insufficient resources targeted at engaging potential clients, particularly the hardest to reach.
  - There is some overlap in pre-employment provision, specifically job search, CV and application preparation and in redundancy support programmes.
  - Aftercare and in-work support were seen to be insufficiently resourced.
- The views of stakeholders were supported by the analysis of the employment pathway data collected through the review (which excluded a breakdown on EEDA Economic Participation programme). This showed that:
  - Greatest proportion of resources is targeted at the work preparation stages '*Tackling Skills/Job-Related Barriers*' and '*Job Search and Placement*'
  - Smallest proportion of resources is targeted at the early stages of the employment pathway '*Engaging with Clients*' and '*Assessing Client*

Needs'. ESF Priority 1 funded provision is the main deliverer of these activities.
  - The bulk of the *'In Work Support and Aftercare'* activities are provided through DWP/JC+.
- In terms of the activities that are delivered through the these contracts, the most widely available are personal development activities, IAG and identifying client needs and developing individual action plans. For those nearing employment jobsearch and interview preparation are a key focus.
- Activity is least around tackling the barriers around benefits, welfare and money advice and childcare provision. With regards to upskilling and work preparation, the level of activity around work trials, job related training to NVQ Level 3 or equivalent, voluntary placements and mentoring is also relatively low.
- Other areas identified by stakeholders where it was considered additional support was required were self-employment and enterprise, pre-apprenticeship training programmes, enhanced progressions routes to provide support into sectors yielding job opportunities, volunteering and mentoring.
- Target outcomes help to identify the intended focus of provision e.g. employment or upskilling.
- The review suggests that in 2010 there are specific employment targets for 24,766 (35%) of clients, with 16,681 (25%) to be engaged in education or training.
- In terms of client's employment status 18,963 are classed as unemployed (irrespective of unemployment duration), 13,168 are unemployed for 12 months or more, 12,616 are claiming ESA/IB and 7,048 unemployed for between 6 and 11 months. As expected would be the case in reviewing specific worklessness provision, only a very small number of clients are either in work (in programmes that also have workless clients) or are up to six months unemployed.
- The targets that providers have in relation to specific client groups (which will not necessarily reflect the characteristics of the clients that are supported through the programmes) show that the largest numbers are those with a disability or health condition supported in the main through Pathways to Work, young people 14-19 in or at risk of NEET, 18-24 year olds and clients with no or low qualifications.
- In the focus groups client groups in need of additional ongoing support were identified as individuals with a mental health issue or a disability, offenders and ex-offenders. For areas with higher numbers of migrant workers, ESOL and pre-ESOl was seen as a priority as were attempts to accredit existing qualifications. Two emerging priority client groups brought about by the recession are HE/FE leavers and skilled older workers.
- The funding to support clients at the local authority level has been calculated on the basis of the 2010 spend for each contract for which there is funding information available, apportioned according to the number of clients that they are funded to support. 92 of the 103 contractors/providers provided this information, although there were significant differences across funder type and the 'missing' templates vary greatly in terms of their value and the number of clients that they work with. This shows that Norfolk receives the largest amount of funding (£16,918,907), followed by Essex (£11,723,333) and Suffolk (£9,479,057). Southend on Sea, Central Bedfordshire and Thurrock each receive less than £3 million each and Thurrock receives the least at £1,609,462.

- Average spend per funded client in the East of England is calculated as £1,068, with £209 per out of work benefit claimant. By local authority there is a mixed picture.

5. RECOMMENDATIONS: DEMAND VERSUS SUPPLY

Introduction

The task facing funders seeking to support workless clients is how to achieve maximum added value from the resources that are available to them. There is a critical need for funders to seek cost effective delivery of worklessness services and this is an even greater imperative in the current operating context, which demands demonstrable efficiency savings. This chapter outlines a series of recommendations that flow from the analysis of the demand and supply of worklessness provision across the East of England in 2010 as presented in Chapters 2-4. These recommendations are intended to identify key issues and outline potential areas for action and have been organised thematically around:

- Effective commissioning;
- Information deficits;
- Labour market connections;
- Focus by activity;
- Focus by target client group; and
- Focus by local authority area.

Effective Commissioning

To be cost effective, it is important to identify the 'right' services at the commissioning stage. This research has added to the evidence base to support the commissioning of worklessness services, that is identifying what to buy and/or deliver as part of the portfolio of support for workless individuals in the East of England. There is no 'text book' best approach to commissioning, although the growing trend that first appeared pre-economic downturn towards more collective, co-ordinated and shared approaches is now much more central to the agenda. This is coupled with the growing trend towards national prime contracting by the mainstream agencies including DWP/JC+ and more recently the LSC/SFA.

This raises a number of key issues for those commissioning services around who they should be engaging with, the degree to which the level of services should be specified versus a 'black box' approach, whether or not services are better commissioned at a regional or local authority level, whether there should be a focus on a small number of prime contractors or a larger number of specialists, the length of the contract period and the balance of payment for activities versus outputs and outcomes. All of these issues need to be part of the decision making process for ESF moving forwards.

Information Deficits

This review of worklessness provision highlighted a number of difficulties in obtaining a complete understanding of what is funded to be delivered to workless clients – both nationally and across the East of England.

At a national level, the research team attempted to tabulate the funding allocation to and the number of clients targeted by each mainstream employability contract since 2007 to support Figure 3.1 and quantify how national employability provision has changed since the last tranche of ESF provision was agreed. However, this proved unworkable as there is no single, comprehensive source that can provide such an overview and attempts to source this information centrally through DWP/JCP+ were unsuccessful. This in itself shows how difficult it is to understand what is delivered at the regional and local level if the national picture of mainstream provision cannot be captured.

Within the East of England, the research's review of worklessness provision had to work with the wide range of contractors/providers involved and variations in terms of scale of operation and delivery – so making it a complex process. These difficulties stem from a range of internal and external issues as outlined below:

- Many contractors/providers struggled to complete the templates, citing information deficits in relations to the way in which money is spent across client groups, activities and geographic areas. With support the majority of these issues were addressed, but this was a resource intensive and relatively slow process.
- A number of contractors/providers also raised some concern about providing information externally (albeit to be used in an aggregated format in which individual organisations cannot be identified in this report) as the information is (or potentially could be) commercially sensitive.

Whilst not underestimating the willingness of the majority of contractors approached to assist in the review, the difficulties that many experienced in completing the information request highlights the problems faced by those seeking to identify and keep track of what is on offer on an ongoing basis.

The challenges encountered in undertaking the review of provision leads to the following recommendations.

- For funders, they should stipulate that for purposes of evaluation and review contractors/providers must provide key contract delivery information down to the level of upper tier local authority areas. Target client numbers, client group and type of activity should all be a prerequisite of funding. This will be harder for 'black box' DWP contracts but some approximation to upper tier local authority areas should be made.
- For contractors/providers, there is a need for more robust internal processes within some organisations to facilitate such information requests that seek information be upper tier local authority area, client group and type of activity.
- For funders and contractors/providers, there is a need to work more closely together and in a transparent manner so that there is a better understanding of what is on offer. Not only will this help address the perceived fragmentation of what is on offer but also improve the co-ordination of provision. This is critically important if the value of wrap around provision, such as ESF provision, is to be maximised because its funded provision must be targeted at gaps or weaknesses in mainstream provision.

Labour Market Connections

Concern was raised, particularly by local stakeholders that worklessness provision is not preparing clients for the future employment opportunities in the labour market – whether in terms of skills, training or qualification needs. Given the need to achieve maximum added value from worklessness spend, it is important that this weakness is addressed so that there are stronger employment pathways in place to support workless clients into real and sustainable jobs. To better connect workless clients into future opportunities, actions are needed on both the demand and supply side.

On the demand side, the scale and type of future opportunities needs to be better understood by the region's employability funders and contractors/providers. This would involve:

- Making informed use of labour market intelligence (labour market trends, projections, employer consultations and wider research) to scope out the employment opportunities likely to be created at the regional and sub-regional levels and by sector taking into account each sector's supply chain. This study has provided a summary of future employment opportunities but there is scope for more in-depth analysis on the number of jobs to be created and the skills needs of these jobs by sector at the regional and sub-regional level.

- Communicating labour market intelligence to funders and contractors/providers so that services to clients can be tailored to the opportunities that exist. Insight East, as the regional observatory, is well placed here to act as the designated labour market intelligence source that funders and contractors/providers can refer to and concise summaries of future labour market opportunities at the regional, sub-regional and sectoral levels based on a range of labour market intelligence sources should be produced and updated on a regular basis.

On the supply side, employability provision needs to respond and tailor services to the employment opportunities identified by the labour market intelligence. This would involve:

- Reviewing the East of England's employability provision by sectoral focus. This was beyond the scope of this study but there is a need to better understand the extent to which contractors/providers are preparing clients to enter employment across different sectors. Such an exercise would help identify sectors where there is too much or too little activity; and, where a sectoral focus is taken by a contractor/provider, more targeted labour market intelligence could be provided to them to support their activities.
- Delivering a coordinated supply side response across contractors/providers and geographies. Where large-scale regional opportunities exist, a coordinated response across a number of contractors/providers may be needed that cut across different scales of provision (e.g. national, regional and locally contracted provision) and across different local authorities. Funders are well-placed here to influence provision so that the aim of delivering a strong supply side offer that meets the needs of the sector and employers is achieved.

Focus By Activity

Review Spend Profile Across the Employment Pathway

Analysis across the employment pathway, combined with the assessment of changes to mainstream provision in Chapter 3, shows resources are predominantly targeted towards the work preparation '*Tackling Skills / Job-Related Barriers*' and '*Job Search and Placement*' stages. In contrast, there are fewer resources targeted at either end of the pathway: i.e. the '*Engaging with Clients*' and '*Assessing Client Needs*' stages at the start of the pathway; and the '*In Work Support and Aftercare*' stage at the end (although changes in mainstream provision suggest that weaknesses at the end of the pathway are being addressed).

Given the shape of provision, it is recommended that ESF Priority 1 provision continues to support projects that deliver '*Engaging with Clients*' and '*Assessing Client Needs*' activities – particularly for the hardest to reach client groups. However, due to the time, resources and effort needed to engage clients, raise aspirations and tackle barriers to participation, ESF Priority 1 and mainstream employability contractors/providers must work closely with the voluntary and community sector, who traditionally play a big role in engagement and tackling personal barriers, as this helps maximise the value of ESF and mainstream employability spend.

Plugging Gaps

The analysis showed up significant gaps around some types of support that have been demonstrated to be of value to priority client groups, particularly gaps in benefits, welfare and money advice, volunteering and mentoring.

Overlaps

Although there were a range of activities that were identified as widely available such as personal development activities, IAG and personal action planning, this does not equate to a significant overlap in provision for workless clients as far as contractors/providers and local stakeholders are concerned. It was more the case that these activities were seen as an integral part to provision across various parts of the employment pathway. No significant overlaps in provision were identified.

Focus by Client Group

Between 2007 and 2009, the recession has had a major impact on worklessness levels and contributed to a 21% increase in out-of-work claimants in the East of England. By age group, the greatest increase has been amongst 16-24 year olds and the mainstream provision has responded to this through the Young Persons' Guarantee offer. By statistical group, the number of JSA claimants has doubled but still half of all out-of-work claimants are claiming ESA/IB. Again this has been addressed by the mainstream through Pathways to Work in particular. However, notwithstanding these changes, mainstream provision does not target all client groups specifically and analysis from the review suggests that there would be benefit in ESF continuing and/or increasing its funding for provision that supports:

- **14-19 years in or at risk of NEET** – the review shows that ESF Priority 1 funded projects play an important role in helping to prevent the number of 18-24 year old clients increasing further.
- **Most disadvantaged client groups** – there is still limited targeted mainstream provision towards the following client groups and these are groups that ESF has funded to date. These groups are now at further labour market disadvantage given the numbers of individuals currently out-of-work that may be far better placed to take advantage of any opportunities coming on stream.
  - Substance misuse/addictions clients.
  - Homeless clients.
  - Parents of carers/care leavers.
  - BME communities.
  - Ex-offender/offender clients.
- There would appear to be relatively little provision targeted at lone parents and over 50s, although this may be a shortcoming of this review whereby returns for projects focusing on these client groups have not been completed in full by contractors/providers. Figure 3.1's summary of mainstream provision indicates that these client groups are sufficiently catered for, but further investigation may be necessary to ensure that this is indeed the case.
- Gaps identified in the focus groups around HE/FE graduates, skilled older worker, learning opportunities for the over 25s, language and accreditation support for migrant workers and help for those with mental health issues are also areas that should be considered for additional support.

Focus by Local Authority Area

Concerns were raised by local stakeholders that the needs of workless clients and smaller areas (unitary authorities and district authorities down to neighbourhood level) are not being adequately met through the move towards national, regional and DWP/JC+ district contracts. The validity of this cannot be tested as part of this research, however as this perception was raised repeatedly, there is value in funders considering how to address these concerns and potentially balance the needs of workless clients and smaller areas with the current contracting and commissioning arrangements. Options include:

- Funders stipulating that for purposes of evaluation and review contractors/providers must provide key contract delivery information down to

the level of upper tier local authority areas (as outlined previously to address information deficits).
- Funders placing greater requirements on main contractors to specify which sub-contractors and partner organisations they will be working with at the sub-regional level to deliver their services – with funders placing a greater emphasis on the need for collaboration at the sub-regional level.

Moving Forward

A number of recommendations have been outlined above on how and where to maximise the value of ESF provision in 2011-2013. In the main, these recommendations can be summarised as improved performance measurement and management, enhanced use of labour market intelligence, ESF provision tailored to gaps and weaknesses in mainstream provision, and greater collaborative working at the sub-regional level. To deliver on these recommendations, the following steps are suggested:

- Measuring Performance:
  - Establish an enhanced Management Information System that will allow effective decisions around ESF and mainstream provision to be made by client group, local authority area, activity type and other specifications.
  - Develop a reporting framework that brings to each CFO simple but significant information around key performance indicators.
- Labour Market Intelligence:
  - Work with Insight East and local authority economic observatories to agree on what regional, sub-regional and sectoral labour market intelligence could be produced and how.
  - Develop a mechanism for ESF and mainstream practitioners to readily access concise and up-to-date labour market intelligence reports for their region, sub-region and targeted sector of employment.
- ESF Provision Dovetailing with Mainstream Provision
  - Mainstream and ESF funders must work together to identify where ESF provision can best support the East of England's workless client groups. This requires all partners to commit to the process and be as open and detailed as they can on what each is currently funding, where and to which client groups.
- Greater Collaborative Working at the Sub-Regional Level
  - Funders need to recognise the value of contractors working with organisations at the sub-regional level – particularly in relation to engaging with clients and provision meeting local needs – and stipulate the need for collaboration at the sub-regional level within their contracting processes.

APPENDIX 1: METHODOLOGY

Mapping of ESF and Mainstream Worklessness Provision

Stage 1	Stage 2	Stage 3	Stage 4	Stage 5
Using the East of England Customer Journey framework (see overleaf), it was agreed that the provision in scope was that available for individuals: - Up to 6 months unemployed - 6 months unemployed and above The only exception to this was the inclusion of ESF Priority 2 provision.	ESF and mainstream funders were approached to provide the research team with a list of their funded provision and relevant contact details for each contract. Specifically, the following funders were approached: **ESF Co-Financing Organisations**: DWP; LSC/SFA; EEDA; Luton BC; Beds; NOMS **Mainstream**: DWP; LSC/SFA; EEDA Economic Participation programme	Database of contracted provision in scope compiled – including contract name, key contact name and contact details. Draft mapping template piloted with small number of contractors to ensure template was fit for purpose.	Following pilot exercise, final version of mapping template emailed to all contact names. Where mapping template was not completed and returned, contact names were followed up via email and telephone.	All mapping templates reviewed for sense and completeness before entered into SPSS for analysis. Where information was not provided for 2010 calendar year, a calculation was made to apportion the funding and target client numbers given for the full contracted period to 2010 only.

East of England Customer Journey

In Employment / Offers for Employers | **Facing Redundancy** | **Up to 6 months unemployed** | **From 6 months of unemployment**

Nextstep service:
- **Information, Advice and Guidance:** Advice on skills, qualifications and employment. Offered as a universal service to anyone, no matter what their employment status. A more in-depth service is available to those with particular needs.
- **'Skills Health Check'**: In **Cambridgeshire, Suffolk and Norfolk**, JSA claimants can be referred to nextstep for a 'Skills Health Check' which can also include a diagnostic skills assessment.
  In **Bedfordshire, Hertfordshire and Essex**, JSA customers reaching 6 months of their claim are also eligible for referral to nextstep for a 'Skills Health Check' which can also include a diagnostic skills assessment.

In Employment / Offers for Employers

Train To Gain
- literacy and numeracy
- first full L2 and repeat L2 for certain sector-specific areas
- first L3 and L4 (19-25 year olds and others without first L2)

Local Employment Partnerships
(Now for individuals at day 1 of unemployment)
LEPs could include some of the following:
- Work trials for potential employees
- Developing pre-employment training and offer opportunities for people who complete that training
- Reviewing recruitment processes to ensure that they don't unnecessarily exclude anyone
- Trying new ways to help people take up a job such as offering flexible working patterns
- Giving current employees the chance to mentor people who want to return to work

Recruitment Subsidy
This is made up of two elements
- £1,000 recruitment subsidy is available to employers who offer eligible 6mth plus JSA customers employment that is expected to last at least 26 weeks & consists of an average of 16 hours per week
- Up to £1,500 of Train to Gain support available via the brokerage service

Work Trials
- Provides employers with the opportunity to try out a potential employee for up to 30 days
- At no cost to the employer, the customer remains on benefit for the duration
- Suitable for most jobs over 16 hours a week that are expected to last at least 3 months

National Apprenticeship Service
- A mix of on and off the job learning, working towards nationally recognised qualifications.
- www.apprenticeships.org.uk
- Candidates can search for vacancies and employers can upload their vacancies online.
- Available to both adults and young people.

English Language Training for Migrant workers
Pre-ESOL training for employed migrant workers

Beyond 2010
Demand led skills identified by employers- workforce development training for specific sectors: Life sciences and healthcare; Low carbon and sustainable technologies; Automotive & high-tech manufacturing; Food and drink processing; Creative sector; Sustainable communities; Tourism in support of Olympics; Financial and business services; Transport gateways and logistics; Social enterprise
Qual levels: Basic skills to Level 4

Facing Redundancy

Rapid Response Service
- Administered by Jobcentre Plus
- Available to all employees, up to 13 weeks after being made redundant.
- Can include a range of job search support – CV preparation, applying for jobs online, access to vacancies matching etc
- Orientation sessions on how to claim and in and out of work benefits
- Skills training analysis and job focused training

LSC funded Response to Redundancy offer
- 2-8 weeks offer for those facing redundancy, recently made redundant, and newly unemployed.

Training is:
- customised, flexible, tailored to labour market
- improved access to advice about jobs and training
- fully funded repeat L2 and partially funded repeat L3 on return to work

Response to Redundancy
- Supports those at risk of redundancy
- Individual information and advice (delivered one to one)
- Soft skills workshops – for example CV writing, interview tips
- Funded training to develop relevant employability skills for future employers
- Direct links to additional business support mechanisms

Up to 6 months unemployed

Newly Unemployed Offer:
- **Support for newly unemployed** - 1 hour group session or 1 day external courses
- **Additional adviser support** for customers who want it, alongside jobsearch reviews.
- **Support for professionals and executives** – delivered by external organisations
- **Backing Young Britain** (see additional sheet)
- **Support Contract** – various training modules for JSA customers / other groups.
- Additional support via disability employment advisers
- **New Deal for Lone Parents** and **New Deal for Partners**
- **Progress to Work/LinkUp**: helping those with a history of drugs/alcohol misuse & ex-offenders
- **Fast-tracking to 6 month support** for those at particular risk of long-term unemployment

From 6 months of unemployment

6 Months Offer:
Advisor Support
- An average of 3 hours personal adviser support for each customer to draw up an action plan
- Six consecutive weekly jobsearch reviews (Cambridgeshire & Suffolk and Norfolk)

Self Employment
- Referral is made to Business Link 0845 717 1615 for advice on self employment.
- When the customer begins trading they will receive a weekly credit of £50 for 16 weeks

Volunteering
- Contracted third-sector broker discuss suitable volunteering opportunities to improve employments prospects.

Recruitment Subsidy
- £1000 subsidy payable to an employer who recruits someone who has been on JSA for 6 months (see "In Employment" column)

Work Focused Training ("6 month offer")
- LSC funded provision delivered through colleges
- Part time training or flexibility to attend up to 8 weeks full time training
- Includes Local Employment Partnership pre-employment training option
- Direct referral via a JCP Advisor or through nextstep Adviser

Young Persons' Guarantee*
From 6 months unemployed
Menu of options:
1. **Future Jobs Fund**
2. **Routes into Work – Care** (Dept. Health)
   – Others (LSC)
3. **3-6 months full time training**
4. **Community taskforce**

Crosscutting features:
- Referral to option – 6 -12 month window
- Individuals may be 18 yrs 4 mths+, up to 24 yrs old
- Demand starts with different parties for different options
- New Deal for Young People is still operating in approx 50% of GB until October 2010

*<u>**See additional Annex on further new support for 18-24 year olds**</u>

Up to 6 months / From 6 months of unemployment

Skills for Jobs
Bespoke, flexible, skills training linked to local labour market. Eligibility: Unemployed adults, 19+. Includes pre-employment training for Local Employment Partnerships.

Employability Skills Programme
Literacy, numeracy, ESOL and employability skills. Eligibility: Any JCP customer with a basic skills need

Flexible Routeways / Intermediate Labour Market
ESF funded JCP provision to help JCP customers furthest from the labour market.

Support for sick and disabled people
A range of provision to support disabled people in work and to assist in finding work. Programmes include:
Pathways to Work, New Deal for Disabled People in Essex, Workstep and **Work Prep**

Volunteering Into Employment (Sport & Culture sectors)
Day 1 entry unemployed and economically inactive support to all ESF target groups.
- Diagnostic needs assessment which include skills for life needs
- Ongoing mentoring and support throughout the programme including during volunteering placements
- Provision of practical/ financial support including childcare, accessibility requirements and sustainable transport options.
- Support for the local volunteering infrastructure to ensure that the programme is sustainable and leaves a legacy within the sports and cultural sectors requiring volunteers.
- Progression into employment or on to further learning

Financial Capabilities and Inclusion
Developing the financial capability of economically inactive participants through relevant high quality training

Inspiring Women's Enterprise
Day 1 entry unemployed and economically inactive women with 1-1 advice and guidance, development workshops, pre start business planning, signposting, mentoring and peer support provision.

Enterprising Communities
Day 1 entry unemployed and economically inactive support to all ESF target groups with one to one coaching to help individuals who would not normally access mainstream start up support to understand the opportunities and risks of self-employment and to guide them to the most appropriate service.

Flexible New Deal

Flexible New Deal (To replace existing New Deal from Oct 09)
After 12 months of self managed, directed and supported jobsearch, the customer is handed over to specialist providers for back to work provision.
- personalised support from specialist providers where appropriate
- guarantee of four weeks of full-time work-focussed activity if do not move into work

<u>**Stage 1**</u>, months 1-3 is Self Managed Jobsearch,
<u>**Stage 2**</u>, months 3-6 is Directed Jobsearch,
<u>**Stage 3**</u>, months 6-12 is Supported Jobsearch through **JCP Support Contract**.
<u>**Stage 4**</u> is Flexible New Deal, available to JSA customers after they have been claiming for 12 months and will be delivered by external, specialist back-to-work service providers

The Flexible New Deal gives providers the flexibility to deliver a more personalised and responsive service tailored to the individual

Cambridgeshire, Suffolk and Norfolk are Phase 1 Districts for FND. Bedfordshire, Hertfordshire and Essex are Phase 2 Districts so continue with existing New Deals until Oct 2010

Katie Mackenzie, East of England LSC, 5 January 2010 v.6

Assessment of Future Labour Market

Stage 1	Stage 2	Stage 3	Stage 4
Desk-based Internet search of relevant research and documentation outlining the future skills, training and information needs across key sectors. List of potential regional contacts with an overview of the East of England economy and future skills, training and information needs drawn up and agreed. Contacts included individuals from EEDA, LSC/SFA, Sector Skills Councils and employers organisations.	Desk-based review of relevant research to identify future skills, training and information needs. Key findings from review to inform interviews with regional contacts.	Regional contacts approached about participating in a short telephone interview to capture their views on future skills, training and information needs in the region.	Interviews conducted with regional contacts and information collated to add insight into desk-based review of relevant research.

Focus Groups in Local Authority Areas

Stage 1	Stage 2	Stage 3	Stage 4
Research team provided with list of Economic Participation programme contact in each of the 11 local authorities.	Research team approached each contact to ask whether they or a colleague would be able to assist us to organise and host a focus group of key local stakeholders. Possible stakeholders suggested included: local authority (upper and lower tier), LSC/SFA, JC+, colleges and voluntary sector.	Focus groups organised and completed. Size of each focus group ranged from 6 to 15 participants. A joint Bedford and Central Bedfordshire focus group was held as a similar event had recently been held as part of a separate Bedfordshire mapping study.	Key findings of focus group written up and sent to local authority contact. Key findings used to inform analysis of ESF and mainstream funding and assessment of the future labour market.

APPENDIX 2: SUPPORTING STATISTICAL TABLES

Figure A2.1: Total Employment by Industry, East of England

Region	Employment, 2008		% Change in Employment, 2003-2008
	Total	% of Total	
Agriculture & Fishing	34,900	1	10
Energy & Water	8,900	0	-25
Manufacturing	245,800	10	-17
Construction	128,400	5	11
Transport & Communications	144,800	6	1
Retail & Hospitality	598,600	25	-1
Financial & Business Services	511,200	21	12
Public Admin, Education & Health	604,600	25	13
Other Services	115,600	5	0
Total	**2,392,700**	**100**	**4**

Source: NOMIS Annual Business Inquiry

Figure A2.2: Total Employment by Occupation, East of England

	Employment, 2008-09		% Change in Employment, 2005/06-2008-09
	Total	% of Total	
Managers & Senior Officials	483,600	17	11
Professional Occupations	369,500	13	4
Associate Professional & Technical	402,700	14	4
Administrative & Secretarial	310,600	11	-5
Skilled Trades	301,600	11	-3
Personal Service	215,600	8	7
Sales & Customer Service	200,100	7	-2
Process, Plant & Machine Operatives	188,600	7	-9
Elementary Occupations	312,800	11	4
Total	**2,793,000**	**100**	**2**

Source: NOMIS Annual Population Survey (July-June data; 3-year timeframe longest available)

Figure A2.3: Live Unfilled Vacancies by Industry, East of England 2009

	Total	% of Total
Agriculture & Fishing	1,300	1
Energy & Water	1,900	1
Manufacturing	5,200	2
Construction	7,400	3
Transport & Communications	8,200	4
Retail & Hospitality	35,900	16
Financial & Business Services	118,100	51
Public Admin, Education & Health	40,100	17
Other Services	11,200	5
Total	**229,400**	**100**

Source: NOMIS JC+ Vacancy data (January-December 2009 aggregate vacancies)

Figure A2.4: Live Unfilled Vacancies by Occupation, East of England 2009

	Total	% of Total
Managers & Senior Officials	9,600	4
Professional Occupations	9,400	4
Associate Professional & Technical	33,600	15
Administrative & Secretarial	11,400	5
Skilled Trades	18,100	8
Personal Service	49,900	22
Sales & Customer Service	33,900	15
Process, Plant & Machine Operatives	19,500	8
Elementary Occupations	44,000	19
Total	**229,400**	**100**

Source: NOMIS JC+ Vacancy data (January-December 2009 aggregate vacancies)

Figure A2.5: Employment Projections by Industry, 2008-13 and 2008-18

	2008 – 2013		2008 – 2018	
	Absolute Change	**% Change**	**Absolute Change**	**% Change**
Agriculture & Fishing	+400	+1	-300	-1
Energy & Water	-900	-5	-700	-4
Manufacturing	-44,900	-16	-69,800	-25
Construction	-11,500	-5	+16,300	+7
Transport & Communications	+2,600	+2	+4,000	+2
Retail & Hospitality	-2,000	0	+30,700	+5
Financial & Business Services	+1,100	0	+81,700	+14
Public Admin, Education & Health	+29,000	+4	+67,100	+10
Other Services	+6,000	+4	+13,300	+8
Total	**-21,900**	**-1**	**+142,300**	**+5**

Source: Insight East (2009) *East of England Forecasting Model – Autumn results*

Figure A2.6: Employment Projections by Occupation, 2008-2018

	Expansion Demand	**Replacement Demand**	**Net Requirement**
Managers & Senior Officials	43,400	171,600	215,000
Professional Occupations	46,800	130,600	177,400
Associate Professional & Technical	37,600	141,600	179,200
Administrative & Secretarial	-39,200	131,300	92,100
Skilled Trades	-38,800	107,100	68,300
Personal Service	61,200	107,400	168,600
Sales & Customer Service	29,700	78,600	108,300
Process, Plant & Machine Operatives	-7,100	71,700	64,600
Elementary Occupations	-33,500	112,600	79,100
Total	**100,100**	**1,052,500**	**1,152,600**

Source: Insight East (2010) *Occupation Forecasts for the East of England, 2008-18* (EEFM-based)

APPENDIX 3: ESF PRIORITY 2

The total funding through the ESF 2 programme 2010 in the East of England is estimated at £6,240,055. The total number of clients supported through ESF 2 programme 2010 estimated at 7046.

Figure A3.1:Targeted Clients by Outcomes, 2010

Into employment	640
Engaged in education or training	5864
Other positive outcome	429

Figure A3.2: Targeted Clients by Employment Status, 2010

In work	6320
Redundant (or Threat of)	3178
Unemployed for Any Duration	125

Figure A3.3: Targeted Clients by Priority Group, 2010

Clients with no / low qualifications	2172
Women	1517
Migrant labour	774
Older people (50 years or over)	603
Disability or health condition	453
BME groups	252
Ex-offenders/offenders	165
Lone parents	3

Figure A3.4: Activities Provided to Clients, 2010

Information, advice and guidance	4335
Identifying client needs, developing individual action plans	3920
Non accredited training	2156
Basic skills/Skills for Life	1504
Job search and interview preparation	1055
Personal development activities	907
Job related training to NVQ Level 2 or equivalent	865
Job related training to NVQ Level 3 or equivalent	681
Job related training to NVQ Level 1 or equivalent	373
In work support/aftercare	316
Childcare support/provision	274
Core skills development	143
Benefits and/or money advice	125
Advice and support for self-employment/ entrepreneurship	42
Work placement/work experience	40

Figure A3.5: Funding across Employment Pathway Stages (£ and %), 2010

CLIENTS OUT OF WORK			→		CLIENTS IN WORK
Engaging with Clients	**Assessing Client Needs**	**Tackling Personal Barriers**	**Tackling Skills / Job-Related Barriers**	**Job Search and Placement**	**In Work Support and Aftercare**
£192,801	£163,027	£113,569	£2,974,088	£22,422	£1,407028
4	3	2	61	1	29

Note: Allocation of EEDA Economic Participation programme across employment pathway stages was not possible.

Figure A3.6: Capacity

	%
Demand exceeds supply	23
Demand equals supply	69
Supply greater than demand	8

Figure A3.7: Funding to Support Clients by Local Authority Area (£), 2010

Bedford	380820
Cambridgeshire	356785
Central Bedfordshire	314506
Essex	482818
Hertfordshire	348376
Luton	320141
Norfolk	364422
Peterborough	288919
Southend-on-Sea	235021
Suffolk	346256
Thurrock	235021
Total East of England	6,240,055

Note: Contractors were unable to allocate circa £2.5 million of spend across the East of England at the local authority level.

Figure A3.8: Number of Clients by Local Authority Area, 2010

Bedford	375
Cambridgeshire	393
Central Bedfordshire	301
Essex	539
Hertfordshire	374
Luton	307
Norfolk	384
Peterborough	302
Southend-on-Sea	255
Suffolk	365
Thurrock	255
Total East of England	7046

Note: Contractors were unable to allocate 3200 clients across the East of England at the local authority level.