

The Work Programme

Summary

This note updates members on the Work Programme and the LGA response.

Recommendations

Members to note the report and discuss the issues it raises.

Action

Officers to take forward members' suggestions.

The Work Programme

Background

1. The Board agreed at its last meeting that we should lobby government for a role in commissioning the new Work Programme. The LGA's lobbying on place-based budgets has also identified employment support as a key component of the economic budgets that would form part of a place-based budget.
2. Since the last Board meeting (on 24 May) government has announced that:
 - a. the Work Programme will be commissioned centrally by DWP - in the first instance through Framework Agreements with large prime contractors;
 - b. the Working Neighbourhoods Fund will be reduced by 10% in year - as part of the £1.165 billion in year reduction to local government budgets;
 - c. the Future Jobs Fund will be wound down and no new contracts signed;
 - d. the funding for the LG Improvement and Development programme on worklessness has ended although the sums involved were small.
3. The role of local enterprise partnerships is covered in a separate note. But there is a tension between a bigger role for councils, working with business, in promoting local economic development and a centrally commissioned Work Programme.
4. Alongside these announcements, our contacts with DWP officials have identified that:
 - a. DWP ministers have met potential prime and sub-contractors for the Work Programme in seminar discussions with the private and voluntary sectors. Whilst we have offered a seminar with local government, officials have rebuffed our offer and said ministers would like to meet us when their thinking is further forward;
 - b. Ministers do not see a local government role in commissioning the Work Programme, although councils could commission services themselves using their own resources through the DWP Framework Agreements;
 - c. DWP are exploring the implications of Total Place with councils from Swindon, Birmingham and Worcestershire. LGA officers are involved in these discussions.

5. Senior DWP officials have stressed that they would like to build on the partnership working with councils developed over the last few years.
6. We would like to discuss with the Board our lobbying strategy in the light of these developments.
7. We expect the outline LEP proposals and work on place-based budgets to increase the pressure on DWP to consider how they can offer local government a stronger commissioning role.
8. We also see some big risks with the Work Programme – firstly around value for money and rewards to providers and secondly that the new programme does not mesh with local government’s support to get people back into work. So we do not need to change tack.
9. But we would suggest giving more weight to ideas that have been part of our position but which we have given comparatively less emphasis. Where councils would like to exercise the role, this could include:
 - a. dramatically strengthening council performance management and oversight and redress for citizens over Work Programme providers and Job Centre Plus;
 - b. councils or LEPs contributing to or taking responsibility for the tender specification, assessment and selection of contractors (who would have been pre-listed by DWP through the Framework Agreement process);
 - c. more radically, identifying ways in which councils could be incentivised to help people into work and off benefits, particularly for those people who have more complex needs. This would mean councils getting a share of the returns from reduced benefit payments which currently accrue solely to the Treasury. This is a key underpinning premise of the Work Programme but the opportunity to receive these kind of payments is currently being restricted to DWP contractors;
 - d. Putting more emphasis on the connections between our campaign for place-based budgets and effectively helping local people back into work.
10. Separately, we are:
 - a. arranging a seminar in the early autumn to bring together potential Work Programme providers and local councils to explore innovative ways of working together;
 - b. preparing a case study publication illustrating the range and success of activity council undertake on unemployment.

Financial Implications

None.

Implications for Wales

The Work Programme applies in Wales.

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