

# Work Local Consultation

## Analysis of feedback

September 2017



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# Summary

## Introduction

This report summarises the key feedback messages from the LGA 'Work Local' consultation which ran between 5<sup>th</sup> July and 5<sup>th</sup> September 2017.

Work Local is the LGA's vision for an integrated and devolved employment and skills service – bringing together information, advice and guidance alongside the delivery of employment, skills, apprenticeships and wider support for individuals and employers. It was delivered by the Learning and Work Institute.

The consultation sought responses to the proposals outlined in the 'Work Local' report and feedback was received on the following key areas: reform, challenges posed by the current system, integrated services, strengths and risks of the proposal, devolving funding for employment and skills and local governance and partnership.

Some issues such as local need, funding and the duplication and complexity of activity were relevant to several of these areas and are included in this analysis wherever they were mentioned and therefore will appear in more than one theme.

## Methodology

Responses were received from 23 organisations. Eighteen were submitted via an online survey form and five were received by email. This analysis provides details of the key themes that emerged from the responses.

## Reform of the current employment and skills system

Feedback covered the following themes:

- **Disjointed provision:** Over half of respondents viewed the current provision as flawed, describing it as disjointed and overly complex. Actual vacancies were described as not in line with educational pathway choices and fragmented programmes were not currently providing results.
- **Local need:** A lack of flex in provision to meet local needs, few resources to do so and the lack of a localised approach was mentioned by nearly half of all respondents. There was a view that a coherent and co-ordinated approach catering to the bespoke needs of local areas, and recognition that a 'one size doesn't fit all' approach, was needed.
- **Funding:** Some respondents said that funding was currently fragmented and organised in silos, and that a joined up approach in this area was required.
- **Duplication of provision:** Some respondents mentioned both a lack of provision and duplication of provision in the current system.
- **Detrimental effect on the young:** A few respondents described the negative effects of the current system on younger people.

- **Local authority role:** A few respondents mentioned the lack of oversight, influence and control that local authorities currently have over the services available in their area. Local authority knowledge of the local economy and demography could be exploited to promote a better fit between the supply and demand sides of the labour market whilst targeting resources more effectively.
- **Working age Employment and Support Allowance (ESA) benefit recipients:** A few respondents mentioned that the current system had failed this group as it had not met their needs. They suggested that an integrated health and employment service was needed.

## Analysis in the Work Local report

No respondents disagreed outright with the analysis in the Work Local report but feedback covered the following themes:

- **Local requirements:** Support for developing a fully integrated local approach with significant devolution of powers and resources was mentioned by several respondents. This was seen as fundamental in order to maximise local employment and apprenticeship opportunities.
- **Duplication and silo working** was mentioned by some respondents who re-iterated the difficulties of the current approach describing it as confused, siloed, disjointed, over complex and fragmented in nature.
- **Alignment and integration:** Some respondents said that programmes (in particular Jobcentre Plus (JCP) and the Education and Skills Funding Agency (ESFA) needed to be more aligned, distinctive from each other and also agreed with the report's analysis that the scope to improve outcomes is currently limited due to a lack of alignment between local and national provision and across providers.

## Challenges of the current system

Feedback covered the following themes:

- **Lack of local consideration** was mentioned by around half of respondents who said that the current system did not take into account the different employment needs in local areas. A one size fits all centralised approach was viewed as ineffective in getting people back to work, as were many short term initiatives which failed to consider the local landscape. The current national agenda was viewed as hindering the ability to offer an effective skills and employment offer regionally and as creating duplication and inefficiency.
- **Funding:** Around half of respondents said that funding was disparate, complex and fragmented leading to poor co-ordination between initiatives and confusion for beneficiaries and providers. A general lack of resource and support for providers in order to develop their capacity to develop a curriculum with employers was felt to be in evidence.
- **People with complex needs:** Some respondents identified a lack of support with the transition into work for those people with a range of issues and complex needs.

- **Careers and young people's services:** Some respondents said that there was a lack of coherent and joined up careers advice for young people. Adult and young people's services were described as separate and isolated and Careers Education was not seen as comprehensive or well co-ordinated leading to a lack of information for individuals at the right time.

## Need for integrated services

All respondents agreed that integration was needed and feedback covered the following areas:

- **Local approach:** Local organisations, people and employers were described by some respondents as having the best insight about the region's skills, priorities and employment needs. An integrated and local level approach would help business, the economy and individuals. Integration of employment plans, skills plans, sector skills plans and in-work progression plans would also help to develop understanding about employees (and their employers) to ensure that they stay and progress in employment.
- **Other service areas:** Employment and skills were described as inter-dependent on other service areas such as health, housing and social care. The current lack of integration leads to difficulties, delays and reduced outcomes for clients.
- **Duplication of activity:** Some respondents said that existing separate programmes (for example for those aged 18 – 24 and people over the age of 25) need review, as the actions required to enhance their lives are often similar and maintaining these individual programmes leads to duplication of activity.

## Devolved and integrated employment service

All respondents agreed that an integrated and devolved employment service could work and feedback covered the following areas:

- **Existing examples and models:** Respondents cited examples of successful existing local partnerships and joint working models from the UK and overseas.
- **Resources,** capacity, expertise to commission, monitor and manage, avoiding short-termism and the ability to make good use of stakeholder intelligence were seen as key for the service to work, along with effective strategy and delivery mechanisms.

**Commitment and engagement:** Some respondents said that ensuring both a good working relationship with central government and their commitment was key, as was the proactive engagement of employers.

## Devolved and integrated One Stop Services

Feedback covered the following themes:

- **Local need:** An integrated service was positively viewed but it was felt that different geographical make-ups should be considered fully to ensure individual area needs could be met.
- **Tailored approach:** Some respondents said that providing a client and employer vacancy/placement matching service would help to give an individual approach rather than offering any type of job or training. A service that reflects local delivery requirements and where local variations were accepted was felt to be more important than being too prescriptive around a model, as was a service that could cater for those with complex needs.

## Key strengths of the proposals

Feedback covered the following themes:

- **Local approach:** Many respondents supported a local outcomes based approach which focussed on meeting the needs of the local labour market and local residents. Targeting and understanding local skills shortages to economically benefit the region was seen as key.
- **An integrated approach** with a joined-up and integrated way of working was supported by many respondents. It was felt that a one-stop approach would also reduce the duplication of activity.
- **Development of skills:** Some respondents identified the opportunity for the provision of training for real jobs with a career focus. They felt this would meet individual developmental needs, provide a personalised approach and would also allow local business to be supported and to grow as a result.
- **Cost effectiveness:** The ability to control local budgets and exert local control was mentioned by some respondents who felt that this would provide an enhanced ability to deliver services, be more cost effective and that local government experience in pooling budgets and making savings would be beneficial.

## Key risks of the proposals

Feedback covered the following themes:

- **Complexity, capacity and funding** and the costs associated with the service and the level of staff expertise that would be required to run it, was a concern for many respondents. Some felt that the proposals assumed a level of pre-existing staff expertise and capability which in fact may need to be established and which would require adequate funding.
- **Running the service:** Some respondents said that an overly complex or bureaucratic service which was target driven or run badly by the wrong people was a risk.

- **Phased approach:** Some respondents mentioned the need for a phased approach and that the new system would need to link with 14-19 services and schools to facilitate a smooth transition.
- **Local areas:** Some respondents said that flexibility around the definition of local areas would be needed as would clear sub-regional leadership. Developing a partnership delivery and governance mechanism to ensure that the service meets the needs of a disparate community but can come together at a county/local economic partnership (LEP) level to impact upon employment and growth within an area was also mentioned.
- **Central government role:** Some comments were made about a potential lack of central government clarity, commitment to and prioritisation of the proposals and a lack of central government trust in local accountability was also raised as a risk factor.
- **Data protection issues:** Potential issues with sharing information between partners was raised as a concern by some.

## Further devolving funding for employment and skills

Responses to this question were varied and many respondents supported the proposal but equally many expressed concerns or provided suggestions or felt that they would need more information on some elements. Some responses are summarised below but more details can be found in the main report:

**Positive comments** included: opportunities provided by devolved funding, the existence of previous positive examples of devolved funding and robust governance and benefits coming from the alignment of funding streams.

The **concerns** (some of which were restatements of the importance of following through of proposals already in the paper) and **suggestions** were as follows:

**Flexibility for individuals:** concern over a lack of flexibility failing to support those with specialist needs, a suggested use of local providers with local knowledge, flexibility within the system and investment in all groups.

**Funding/financial control:** views that Work Local must be effective in delivering education, training and employment support to a range of target groups, money is already locked into programmes meaning a limited amount of devolution can take place and a clear evidence base for any funding formula is needed, as is a transition period, if this would mean a radical change to the amount of resource going into an area.

### **Transparency and flexibility:**

views that localised commissioning can work but a system of checks and supports would need to be implemented alongside devolution of responsibility, and evaluation is required as there may be difficulties in maintaining a consistent national picture or framework. Consideration should be given to smaller contracts which can provide locally responsive and innovative services.

**Additional information required:** on revenue raising, how the proposals are cost neutral and about varying entitlements according to local need.



## Proposals for local governance and partnership

Responses to this question were wide ranging without any obviously common themes and full responses are provided in Annex B of the main report below.

# Main report

## Introduction

This report summarises the key feedback messages from the LGA's 'Work Local' consultation which ran between 5<sup>th</sup> July and 5<sup>th</sup> September 2017.

Work Local is the LGA and Learning and Work Institute's vision for an integrated and devolved employment and skills service – bringing together information, advice and guidance alongside the delivery of employment, skills, apprenticeships and wider support for individuals and employers.

The consultation sought responses to the proposals outlined in the 'Work Local' report. Respondents were asked about:

- reforming the current employment and skills system
- issues and conclusions in the 'Work Local' report
- challenges that the current system poses
- making employment and skills services more integrated and relevant to the needs of the local economy and residents
- how integrated, devolved, employment and skills services could be made to work
- the proposal for devolved and integrated One Stop Services
- key strengths and risks of the proposals
- proposals for devolving funding for employment and skills
- proposals for local governance and partnership.

## Methodology

Responses were received from 23 organisations. Eighteen were submitted via an online survey form and five were received by email. This analysis provides details of the key themes that emerged from the responses.

Table 1: Profile of respondents		
	Number	Per cent
Council	14	61
Other local government	1	4
Central government	0	0
Other public sector	0	0
Charity/community/ voluntary sector	2	9
Academic sector	0	0
Think tank	1	4
No organisation (responding as individual)	1	4
Other	4	17
Total	23	100%

Base: all respondents (23)

## Work Local consultation responses: key themes

This section outlines the full analysis of feedback given from the 23 respondents who completed the Work Local consultation questions. The analysis is grouped under the key areas covered by the consultation.

### Reform of the current employment and skills system

Respondents were asked whether they agreed that the current employment and skills system needs reform. Of the 20 who clearly answered this question, all specified that reform was needed.

Table 2: Do you agree that the current employment and skills system needs reform?		
	Number	Per cent
Yes	20	100
No	0	0
Don't know	0	0
No comment	0	0

Base: all respondents who gave a clear opinion (20)

Respondents were asked to provide reasons for their answer and their replies covered the following areas:

**Disjointed provision:** Over half of respondents viewed the current provision as flawed describing it as disjointed, overly complex, sporadic and providing a confused array of services. Actual vacancies were described as not in line with educational pathway choices and there was a general lack of alignment of services and fragmented programmes running which were not currently providing results.

**Local need:** The current lack of flex in provision in order to meet local needs, few resources to do so and the lack of a localised approach was mentioned by nearly half of all respondents. They suggested that a coherent and co-ordinated approach catering to the bespoke needs of local areas, and recognition that a 'one size doesn't fit all' approach was needed.

**Funding:** Some respondents said that funding was currently fragmented and organised in silos, and that a joined up approach in this area was required.

**Duplication of provision:** Some respondents mentioned both a lack of provision and duplication of provision in the current system.

**Detrimental effect on the young:** A few respondents described the negative effects of the current system on younger people which included: a lack of targeted careers advice, employment in low paid jobs and the need to be out of work in order to gain training opportunities.

**Local authority role:** A few respondents mentioned the lack of oversight, influence and control that local authorities currently have over the services available in their area, and the need for this. Local authorities' knowledge of the local economy and demography could be exploited to promote a better fit between the supply and demand sides of the labour market whilst targeting resources more effectively.

**Working age ESA benefit recipients:** A few respondents mentioned that the current system had failed this group as it had not met their needs. They suggested that an integrated health and employment service was needed.

## Analysis in the Work Local report

Respondents were asked to explain whether they agreed with the analysis of the issues and conclusions set out in the Work Local report. Their replies covered the following areas:

**Local requirements:** Support for developing a fully integrated local approach with significant devolution of powers and resources was mentioned by several respondents. A joined-up, locally led, place-based approach was seen as fundamental in order to maximise local employment and apprenticeship opportunities. One respondent mentioned however that there may be potential difficulties around developing this as some programmes (which are about to start) already have their own agenda for the next 3-4 years.

**Duplication and silo working:** Some respondents re-iterated the difficulties of the current approach describing it as confused, siloed, disjointed, over complex and fragmented in nature.

**Alignment and integration:** Some respondents said that programmes (in particular JCP and ESFA) needed to be more aligned and also distinctive from each other and agreed with the report's analysis that the scope to improve outcomes is currently limited due to a lack of alignment between local and national provision and across providers. Programmes were described as needing to be much better aligned to allow individuals to transition to and from services seamlessly.

**Other points** made in individual responses to this question included:

- It was suggested that local programmes (trying to achieve more joined up working) are already underway and are working well. Examples include a Welfare to Work partnership which is connecting up various providers/offers and a website launched for same purpose.
- It was suggested that having a central triage and utilising professionals would help to support people with their specific needs.
- There is a need for sustaining higher quality paid employment with a system that aims to reduce poverty.
- The need for a focus on accountability and outcomes with authorities maintaining an oversight, influence and control of services was mentioned.
- Full consideration should be given to the resource implications of the proposals.
- There is a need to provide clarity over whether 'Work Local' is the brand or the vision/framework to deliver.

## Challenges of the current system

Respondents were asked to comment on the challenges that the current system posed for their sector or organisation. Their replies covered the following areas:

**Lack of local consideration:** Around half of respondents said that the current system did not take into account the different employment needs in local areas. A one size fits all centralised approach was not seen as effective in getting people back to work with too many short term initiatives which did not consider the local landscape. The current national agenda was described as hindering the ability to offer an effective skills and employment offer regionally and as creating duplication and inefficiency. As they are held accountable for employment and skills delivery and increasing local growth, it was felt that it would benefit local authorities to have control over the resources available to them. The current system was described as failing to allow local authorities to achieve their ambitions and a co-ordinated and more collaborative approach to developing skills at a local level was required.

**Funding:** Around half of respondents said that funding was disparate, complex and fragmented. This has led to poor co-ordination between initiatives and confusion for beneficiaries and providers. There was felt to be a general lack of resource and support for providers in order to develop their capacity to develop a curriculum with employers.

**People with complex needs:** Some respondents identified a lack of support with the transition into work for those people with a range of issues and complex needs. A lack of supported employment opportunities, work placement experience, mentoring support and help with moving from benefits funding were all mentioned.

**Careers and young people's services:** Some respondents said that there was a lack of coherent and joined-up careers advice for young people. Adults' and young-people's services were seen as separate, with JCP sitting in isolation, which was unhelpful with the transition into work. Careers Education was not seen as comprehensive or well co-ordinated which has led to a lack of information for individuals at the right time.

**Other comments:**

- It was suggested that the current system has not helped with a reduction in poverty and persistent unemployment and low skills hamper local economic growth.
- It was felt that difficulty accessing transport has not helped with employment rates in some areas.

- Difficulty in measuring and collating the overall impact of the current system with some large national organisations focusing primarily on national targets rather than on the needs of the local economy was mentioned.
- It was suggested that there is confusion among employers as to where they can enter the employment and skills system and engage with it.

## Need for integrated services

Respondents were asked whether they agreed that employment and skills services needed to be more integrated and relevant to the needs of the local economy and residents. All respondents agreed and several provided their reasons for this:

**Local approach:** Local organisations, people and employers have the best insight about the region’s skills, priorities and employment needs. An integrated and local level (single framework) approach would help business, the economy (both local and national), and individuals. Integration of employment plans, skills plans, sector skills plans and in work progression plans would also help to develop understanding about employees (and their employers) to ensure that they stay and progress in employment.

**Other service areas:** Employment and skills are inter-dependent on other service areas such as health, housing and social care. The current lack of integration particularly around any health focused services for those with limiting conditions leads to difficulties, delays and reduced outcomes for clients.

**Duplication of activity:** Existing separate programmes (for example, for those aged 18 – 24 and people over the age of 25) need review as the actions required to enhance their lives are often similar and maintaining separate programmes leads to duplication of activity.

## Devolved and integrated employment service

Respondents were asked if they thought that an integrated, devolved employment service could be made to work. All 20 respondents who gave a clear opinion said that this could work.

Table 3: Do you think an integrated, devolved employment and skills service could be made to work?		
	Number	Per cent
Yes	20	100
No	0	0
Don't know	0	0
No comment	0	0

Base: all respondents who gave a clear opinion (20)

Respondents expanded on this with the following comments:

**Existing examples and models:** Several people gave examples of successful existing local partnerships and joint working models and examples from overseas were also given.

**Resources:** Several respondents said that the necessary capacity, resources, expertise to commission, monitor and manage, avoiding short-termism and the ability to make good use of stakeholder intelligence, would be key for the service to work. Financial control and effective strategy and delivery mechanisms would need to be put in place for the service to work properly.

**Commitment and engagement:** Some respondents said that ensuring both a good working relationship with central government and their commitment was key, as was the proactive engagement of employers.

**Other comments on how the service could work:**

- The new joint service would need marketing and promotion to work.
- Training needs to be relevant to market needs and currently money is wasted on individuals repeating the same course, rather than aligning training to individual or market needs.
- There should be an emphasis on sustainable employment outcomes including engagement with schools around the current and future skills needs of businesses, as part of raising aspirations.
- A commitment to minimum service levels that individuals could expect to receive in their area.
- Use a holistic approach to include volunteering as a route into employment
- Use an integrated employment and skills service based approach delivered through multi agency and multi-sectoral community partnerships.

## Devolved and integrated One Stop Services

Respondents were asked whether they agreed with the proposal in the report for devolved and integrated One Stop Services. Although there was broad agreement for this, many either felt that they needed more information or agreed but with certain provisos.

One respondent said that they did not entirely agree and their concern was that one stop shops would be limited in their ability to reach those people with more complex needs. They said that an older work programme-style of approach even as an integrated one-stop-shop may not provide the answer and suggested that better-resourced existing local community hubs would be a better way forward. This respondent also said that better financial support for local authorities would allow them to better coordinate existing programmes. The development of employment and support navigators was also suggested.

Suggestions for and comments on the proposals given by all other respondents are provided below:

**Local need:** Some respondents said that developing an integrated service was positive but felt that different geographical make-ups should be considered fully to ensure individual area needs could be met. The service should also be available to all, including those in rural areas who may have digital inclusion issues.

**Tailored approach:** Some respondents said that providing a client and employer vacancy/placement matching service would help to give an individual approach rather than just offering any type of job or training. A service that reflects local delivery requirements and where local variations were accepted was felt to be more important than being too prescriptive around a model, as was a service that could cater for those with complex needs.

### Other comments:

- The service should work for adults and younger people alike and not be age specific.
- There are successful 'one stop' models that are currently developing locally, indicating this approach can work.
- Consistent branding is good at a local level to promote a business facing offer and create a single route to engaging with employers. It is unclear whether the proposals are for a single national 'Work Local' brand and if there is room for a locally owned brand identity within the Work Local framework.
- Local examples exist of successful web-based resources and apps which are increasingly used to bring together service providers to package support as a single coherent offer to support engagement across broader groups of local residents and businesses.
- Links need to be made with local transport strategies.
- The rearranging of LEP boundaries may be problematic as there will be issues with overlapping areas. What is right for one LEP/combined authority/local authority may not be right for another.

### Key strengths of the proposals

Respondents were asked to explain what they saw as the key strengths of the proposals. Their replies covered the following themes:

**Local approach:** Many respondents supported a local outcomes based approach which focussed on meeting the needs of the local labour market and local residents. Targeting and understanding local skills shortages to economically benefit the region was seen as key.

**Integrated approach:** Many respondents supported the joined up and integrated way of working. It was felt that a one-stop approach would also reduce duplication of activity.

**Development of skills:** Some respondents identified the opportunity for the provision of training for real jobs with a career focus. They said that this would meet individual developmental needs, a personalised approach and would also allow local business to be supported and to grow as a result.

**Cost effectiveness:** The ability to control local budgets and exert local control was mentioned by some respondents. They felt that this would provide an enhanced ability to deliver services. The approach was also judged to be more cost effective; and local government experience in pooling budgets and making savings was also seen as beneficial.

### Other comments:

- The proposal provides an evidence-based approach.
- One person commented that the digital element of the proposal helps the sector operate in a more modern way.

### Key risks of the proposals

Respondents were asked to explain what they saw as the key risks of the proposals. Their replies covered the following themes:

**Complexity, capacity and funding:** Many respondents expressed concern around the costs associated with the service and the level of staff expertise that would be required to run it. Some felt that the proposals assumed a level of pre-existing staff expertise and capability which in fact may need to be established and which would require adequate funding.



**Running the service:** Some respondents said that an overly complex or bureaucratic service which was target driven or run badly by the wrong people was a risk. Poor management and a lack of accountability were also mentioned.

**Phased approach:** Some respondents mentioned the need for a phased approach and that the new system would need to link with 14-19 services and schools to facilitate a smooth transition.

**Local areas:** Some respondents said that flexibility around the definition of local areas would be needed as would clear sub-regional leadership. Developing a partnership delivery and governance mechanism ensuring that the service meets the needs of a disparate community but can come together at a county/LEP level to impact upon employment and growth within an area was also mentioned.

**Central government role:** Some comments were made about a potential lack of central government clarity, commitment to and prioritisation of the proposals. A lack of central government trust in local accountability was also raised as a risk factor.

**Data protection issues:** Some respondents mentioned potential issues with sharing information between partners.

**Other risks** identified in individual responses were:

- issues around competition and compliance
- potential job losses within some services
- providers need a local focus
- the need to raise awareness about a new service
- the limitations of the current ICT infrastructure which need to be developed in time for a new service
- the proposals do not include enough on the role of business. To have a fully joined up and integrated service businesses should be included as an integral part of the offer.
- scale of change
- capacity and capability risks which could be mitigated through a phased approach and support from learning and development networks to build capacity and share best practice between areas and government departments and agencies
- cross borough commissioning and procurement may be challenging but enables outcomes to be delivered at a lower cost
- keeping the focus in the proposal not just on getting individuals into work but also addressing skills gaps, and a focus on wider services such as housing.

## Further devolving funding for employment and skills

Respondents were asked to give their views on the proposals for further devolving funding for employment and skills. Many supported the proposal but equally many expressed concerns or provided suggestions or felt that they would need more information on some elements. These responses are summarised below:

The **positive comments** covered the following issues:

- Devolving funding provides an opportunity to make a change in support through the effective pooling of budgets and the introduction of local flexibility.
- This level of devolution would fully align employment and skills activity at a local level, firmly establishing the role of local areas in terms of setting strategic direction, responsibility for directing resources and managing delivery.

- Previous positive examples exist: the Employment and Skills Board who have demonstrated over recent years what can be done with devolved funding and mayoral combined authorities have demonstrated robust models of governance, accountability and assurance to take on devolved resources.
- Additional benefits will come from the alignment of funding streams through improved and mutually reinforced commissioning at a sub-regional level.

The **concerns** (some of which were restatements of the importance of following through the proposals already in the paper) and **suggestions** were as follows:

#### **Flexibility for individuals:**

- A one size fits all approach and a lack of flexibility will not support those with specialist needs.
- Using local providers should be considered to help deliver support for residents, who have the knowledge to support the client base effectively.
- Skills devolution is a key part of achieving greater integration and provision that better meets local needs, particularly further education and adult provision that is provided flexibly.
- There needs to be some flexibility within the system to vary entitlements should local need require it.
- There is a need to ensure investment in all groups and not just those aged 16-18.

#### **Funding/financial control:**

- Funding for skills that are outside of the national education system should be devolved to local areas, probably at LEP level to administer. Their understanding of skills and employment issues could be broadened to ensure that revenue/programme funding is used to benefit individuals who are at risk and socially excluded.
- Work Local must be effective in delivering education, training and employment support to a range of target groups including those with multiple needs and to do so will require accessibility of funding to locally based providers with relevant specialist services.
- Money is already locked into programmes which have several years to run and therefore a limited amount of devolution can take place.
- Consideration needs to be given to whether the proposals envisage financial control being completely devolved, or with expectations from central government, and what would happen to current entitlements in this scenario.
- There would need to be a clear evidence base for any funding formula and a transition period if this would mean a radical change to the amount of resource going into an area.
- Use appropriate payment mechanisms where possible, using grants as a procurement method.
- Length of funding – a new system should include programmes with a mix of short term trials for flexibility and long-term funding providing stability for commissioners and providers and allowing for preventative strategies.

#### **Transparency and flexibility:**

- Localised commissioning can work but a system of checks and supports would need to be implemented alongside devolution of responsibility. The interpretation of rules in different devolution agreements need frameworks but these should not stifle local flexibility.
- This should be subject to evaluation as there may be difficulties in maintaining a consistent national picture or framework.

- Consideration should be given to smaller contracts which can provide locally responsive and innovative services particularly in specialist areas and tender timescales should reflect the size and complexity of the contract in question.
- Levels of audit and administration should be proportionate – collecting evidence and submitting evidence for outcomes should be minimised and reflect the value of the contract and nature of client group.

**Additional information required:**

- More information is required on how the proposals would be 'cost neutral' and whether local areas would be able to retain any fiscal benefits.
- More information is required on revenue raising.
- The opportunity should exist to make the business case to vary entitlements relating to local need and economic performance.
- The framework should allow for each local area to determine the appetite and ability to take on the full suite of devolved functions and resources, within the timescales that work best for them.
- Work Local should consider recent learning from Sustainability and Transformation plan (STP) areas.

## Local governance and partnership

Finally, respondents were asked to give their views on the proposals for local governance and partnership.

Responses to this question were wide ranging without any obviously common themes and full responses are provided in Annex B below.

# Annex A: Survey Questions

## Contact details

Please provide your contact details below:

Name

Job title

Email address

Organisation

## Organisation

Please indicate the nature of your organisation:

- Council
- Other local government
- Central government
- Other public sector
- Charity/community/voluntary sector
- Academic sector
- Think tank
- No organisation. I am responding as an individual
- Other (please specify)\_\_\_\_\_

## Section 1: Current Employment and Skills System

### Reform

Do you agree that the current employment and skills system needs reform?

- Yes
- No
- Don't know
- No comment

*Please explain your answer*

*Do you agree with the analysis of the issues and conclusions set out in the 'Work Local' report? Please explain your answer*

### Challenges

What challenges, if any, does the current system pose for your sector or organisation?

*Please write in*

## **Integrated services**

Do you agree that employment and skills services need to be more integrated and relevant to the needs of the local economy and residents?

*Please explain your answer*

## **Work Local**

### **Integrated service**

Do you think an integrated, devolved employment and skills service could be made to work?

- Yes
- No
- Don't know
- No comment

*Please explain your answer*

## **The proposal**

Do you agree with the proposal in the report for devolved and integrated One Stop Services?

*Please explain your answer*

What do you see as the key strengths of the proposals?

*Please write in*

What do you see as the key risks for the proposals?

*Please write in*

What are your views on the proposals for further devolving funding for employment and skills? *Please write in*

What are your views on the proposals for local governance and partnership?

*Please write in*

## Annex B: Views on proposals for local governance and partnership

- Through the LEP I guess. Would need to include local IAG/WRL provision, FE, HE, Council, JCP, Training Providers, Employer forums, Chambers
- Support proposal
- If the 'local area' is too large, there is a risk that it will be difficult to make organisations accountable and decision-making process transparent.
- Brilliant.
- Positive.
- Need to see where this has worked - politics and business doesn't work.

The governance arrangements need to provide the stimulus for local flexibility and accountability as do the overall financial and governance arrangements. Devolution comes with accountability and we should not be concerned at that and indeed should welcome it. The joint board would be something that could work but again accountability rests with local governance and therefore whatever arrangements are put in place should reflect that with central government representatives understanding their role. In <authority> we are working on the development of such an arrangement as we prepare for our Integrated Employment Service bid, where a county partnership board will include the people mentioned in the paper but will also be served by local "place groups" that will ensure a truly responsive service

- Broad range of operational and strategic partners <is> key: voluntary and community sector, private <and> public sector. Agree the local partnership agreements would be useful tools and reviewing them annually could help provide local flex to changes in the labour market.
- There would need to be clear leadership and accountability from a sub-regional level to ensure consistency of message and equity of offer. Stakeholders aren't engaged in the development of the services as they are developed. There needs to be conversations with neighbouring areas. People do not always stay within a LEP geography.
- As previously mentioned, consideration needs to be given to how the Work Local and Local Labour Market Agreements proposals fit with the current and prospective devolution deals, as well as how the annual outcome measures will be monitored, by who, and how they interact with any reporting arrangements under separate devolution deals. Any arrangement needs to have a mechanism to allow both local and central government to challenge. The governance of any Work Local programme needs to build on our existing arrangements. The Employment and Skills Panel of <our area> - which includes local authorities, business leaders, representatives from the education and skills sector and the Department for Work and Pensions (DWP) - advises on the development of the Skills Plan, delivery agreements and the management of local and devolved programmes. The answer to question 6 on LEP boundaries and oversight of LEPs is also relevant here.

- We agree with the proposal that Work Local should be delivered at combined authority level, and therefore appropriate arrangements should be firmly established, linked to governance for the wider economic growth agenda. This will maximise the benefits of a 'Work Local' approach, to deliver a step change in local economies. Given the different governance arrangements and levels of devolution that currently exist, there will be a need to agree with central government a consistent framework to deliver Work Local, which incorporates sufficient flexibility to respond to arrangements in individual areas. It will be important that, whatever form this takes, it demonstrates the ability of areas to take on this level of devolved power and resource through accountable governance structures and financial assurance frameworks.
- Our review of the evidence for devolving welfare to work looked at the impact studies for Local Labour Market Agreements (LLMAs) in Canada - there are lessons to be learned both negative and positive. To overcome the negative impacts will require transparent data collection to enable cross-area comparison of impacts, regular review and updating of the funding formula, ongoing evaluation and minimum service standards and entitlements.
- The Governance proposals set out in the report through LLMAs and partnership agreements overseen by Joint Boards would build on our existing arrangements. The Employment and Skills Panel of the combined authority includes both local authority and business leaders and advisory representatives from the Education and Skills Funding Agency and Jobcentre Plus /DWP which is concerned with the development and delivery of the Skills Plan informed by local labour market information, Partnership Delivery Agreements and management of devolved and local programmes.



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