

Cheshire and Warrington Integrated Employment Programme

Introduction

This submission to the Secretary of State for Work and Pensions follows the recent visit to Ellesmere Port. It is set within the context of the Local Integrated Services (LIS) approach for which both Cheshire West & Chester (CW&C) and Warrington have pathfinder status. It is based on the acknowledged need for the problems of worklessness in Ellesmere Port and other deprived areas in Cheshire and Warrington to be delivered in a new integrated way. This is based on the two assumptions fundamental to the LIS approach outlined:

‘That too many individuals, families and places have been left behind despite major investment and the hard work of good people and delivery organisations. We can do better. Failure comes at a high price: the cost of support for a chaotic family, for example, can exceed £300k a year. New thinking is needed because what we’ve done in the past hasn’t really worked. The changing financial landscape means we have to deliver better local services for less.’

‘We know the most challenging people in society are most at risk when resources get reduced because interventions are expensive, and results can only be demonstrated in the longer term. But we also know what works: the direct involvement of communities and service users works; prevention works, freeing up frontline innovation works, dismantling barriers between professions works and having lead professionals controlling budgets and drawing down services works. LIS creates a new market in which communities are enabled to design and deliver services.’

Summary

This submission to the Rt. Hon. Iain Duncan Smith requests support to maximise the linkages between the Cheshire and Warrington LEP and the Work Programme Prime Contractor to be appointed for the area. Specific requests include:

- A ‘Duty to Co-operate’ requirement between Work Programme Prime Contractors and the Cheshire and Warrington Local Enterprise Partnership (LEP);
- ‘Status’ to pilot new integrated approaches to tackling worklessness in Local Integrated Service (LIS) areas and other deprived parts of the sub-region; and
- Resources to explore enhanced and affordable childcare to facilitate the journey back to work for lone parents.

The new integrated approach to tackling worklessness in CW&C is known as **the HHEET approach**. This involves a co-location of services to provide a single point of access for residents with the aim of supporting residents at a neighbourhood level to improve their confidence and skills to enter the job market. Crucial to the approach is the development of a delivery partnership between a range of services

and organisations to ensure any barriers to their progression or ability to access education, training or employment are removed.

Context –Cheshire and Warrington LEP Area

CW&C is one of three authorities comprising the Cheshire and Warrington economic area, the others being Cheshire East and Warrington.

The three local authorities in the Cheshire and Warrington sub-region have been successful in their local enterprise partnership LEP submission to government. The objective of the LEP is to make Cheshire and Warrington the best place to do business in the UK. It pledges to provide the ideal environment for businesses to grow, access to the right skills for growth and productivity, around supportive and efficient public services, effective infrastructure and utilities. Growth targets envisaged in the LEP submission include:

- Over 20,000 new jobs created with a key focus on manufacturing and exports
- A rise in population of around 100,000 involving the need for 70,000 new homes
- A £10billion-plus increase in GVA to around £30billion through acceleration growth of new businesses and start-ups

An Employment, Skills and Learning (ELS) partnership forms part of the LEP structure to ensure that employment, training and skill activities meet the needs of employers as well as provide appropriate support to residents of the area.

Whilst the sub-region is relatively affluent all three authorities experience patterns of significant and concentrated areas with high levels of worklessness. The requests in this submission will be applied to the most significant pockets of deprivation occurring within all three authority areas. Within CW&C the most significant areas of worklessness are within Ellesmere Port and Winsford.

In Ellesmere Port significant new inward investment has only off-set a small proportion of the huge decline in the traditional manufacturing sectors, resulting in a net decrease in private sector investment of almost 10% over the past 15 years. Whilst new employment over this period has been carefully targeted at residents of our most deprived neighbourhoods, resulting in significant improvements in the employment rate in these areas, any resemblance of success has been short-lived. We have learned that helping people into jobs is a key part of the picture to address worklessness, but this is fragile if not built upon firm foundations where educational attainment, health and crime, as well as inward investment and physical regeneration, are addressed simultaneously in an integrated fashion to beat deprivation. As a result, despite long years of hard work and investment in helping people into jobs, worklessness continues to thrive in Ellesmere Port, and the gap between deprived areas and the rest of the borough has continued to widen. The recession has hit the Ellesmere Port community hard with unemployment rates in the more deprived areas almost three times the borough and national average as well as high levels of worklessness and child poverty.

The Cheshire West and Cheshire average rate of Jobseekers Allowance (JSA) is 3.4%, however parts of Ellesmere Port are currently closer to 10%, and a number of neighbourhoods in Ellesmere Port, Winsford, Warrington and Crewe have JSA rates of between 6 and 7%.

These JSA figures could potentially increase in coming months as these neighbourhoods also currently have significant dependency upon Incapacity

Benefit (IB), more than 10% in some parts of the area. As IB customers are reviewed during the transfer to Employment Support Allowance, and as more customers are recommended to return to work, these neighbourhoods could potentially see the most significant shift from IB to JSA."

The aim of the Integrated Employment Support proposal is to ensure that all of the residents in the area, including those in deprived parts of the sub-region are able to benefit from opportunities created through the LEP. Within CW&C the Integrated Employment Support is proposed to be delivered through the HHEET approach. In Warrington work is focusing on closing the gap between deprived areas and the rest of the borough. We aim to discuss the adoption of a similar approach in Crewe in East Cheshire enabling the Cheshire and Warrington LEP to champion this approach as an early priority.

Request 1 – For a ‘Duty to Co-operate’ requirement between Work Programme Prime Contractors and the LEP.

Prime Contractors are being appointed to deliver the Work Programme and a prime contractor will be appointed for the Greater Manchester and Cheshire and Warrington ‘lot’. It is anticipated that Prime Contractors will be responsible for supporting a comprehensive ‘back to work’ package of support for all unemployed residents – regardless of benefit. It is also anticipated that they will be rewarded to provide more intensive support to those who are furthest away from the workplace. DWP is incorporating the Merlin Standard into WP contracts. This will require WP Prime contractors to show how they work with small local organisations.

The Integrated Employment Support model proposed by the HHEET model in CW&C and the Closing the Gap initiative in Warrington will help provide a supportive context for appointed prime contractors to work with in the deprived parts of the borough.

The Employment Skills and Learning Partnership of the Cheshire and Warrington LEP seeks assurances that the Work Programme Prime Contractor:

- will work in partnership with the Employment, Skills and Learning Partnership of the Cheshire and Warrington LEP;
- is wholly committed and supports the Integrated Employment model of working in the deprived parts of the sub-region;
- links closely with the ESL Partnership of the LEP to ensure that our Integrated Employment Model, and the important role in addressing areas of deprivation and culture of worklessness in the long-term, is central to the way in which the work programme is delivered.

It is suggested that this ‘duty to co-operate’ between Work Programme Prime Contractors with LEPs may be an appropriate requirement for all successful LEPs

The Employment Skills and Learning Partnership will also assemble information on small local organisations to assist WP prime contractors to achieve the Merlin Standard through using our local organisations to address the various barriers to employment experienced by individuals, in common with the Integrated Employment Programme (HHEET) approach.

Request 2 – Status to pilot new integrated approaches to tackling worklessness in LIS areas and other deprived parts of the sub-region.

This request is set within the context the ‘duty to co-operate’ between the Work Programme Prime Contractor and the LEP ELS group. It involves a request for a formal status to pilot the new integrated approaches to tackling worklessness within the LIS areas and other specially determined parts of the sub-region. Within CW&C the Integrated Employment Support model will focus around the HHEET approach being developed to address acute issues of worklessness in Ellesmere Port for potential rollout to other deprived parts of CW&C. Other parts of the sub-region may adopt this or similar models tailored to their particular circumstances. The key features of the HHEET integrated support model are that it will be delivered by a range of partners through:

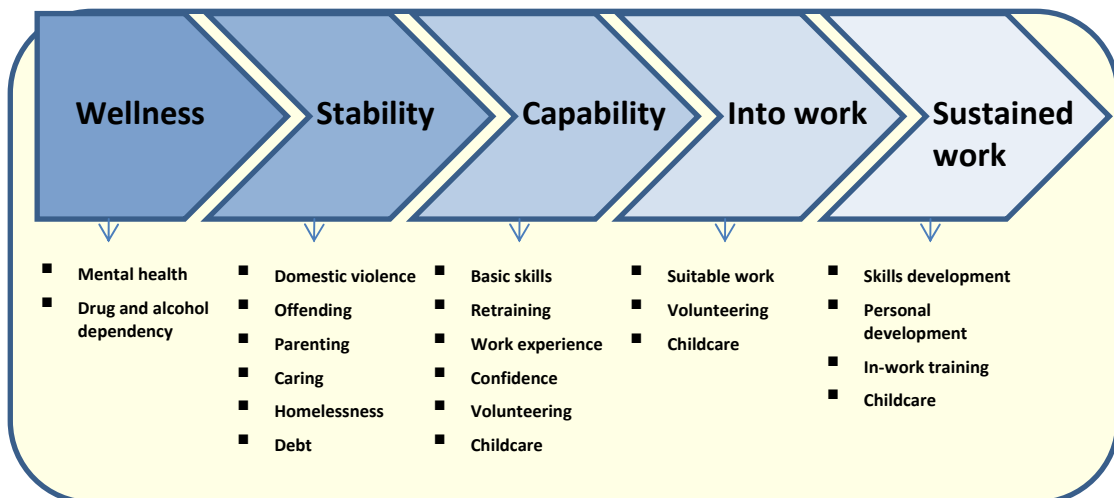
- co-ordination of employment providers to ensure that long term unemployed people in Ellesmere Port and other deprived areas of Cheshire and Warrington namely Crewe, Winsford and parts of Warrington are assisted back to work;
- integrating employment with housing , health education and other service providers in close contact with residents;
- link longer term unemployed clients with work, including self employment, via various support services to ensure that those who have been out of work for a long period of time are trained and supported to re-enter the job market.

Through this integrated provision the approach, including use of a HHEET Centre and satellites, will simplify access for job seekers through:

- joining up and co-ordinating providers of services through e.g. identifying a lead partner for each part of the customer journey,
- provide support to overcome individual problems such as transport access to jobs.
- Provide mentoring / intensive support possibly through the development of a key worker / case conferencing approach. (similar to Family Intervention Projects)

This is represented diagrammatically below:

The HHEET Integrated Employment Programme



The **Status and recognition** from the DWP to this model will provide the encouragement to all key partners from different service providers to contribute time and resources to the delivery of this integrated approach to employment and training in the deprived parts of the LEP area.

Request 3 – Resources to explore affordable Childcare

Affordable childcare remains an issue for working age parents and this is particularly acute for lone parents. Within Ellesmere Port there were 930 lone parents claiming benefit in 2008 and a similar number in the Weaver Valley – which incorporates Winsford. Lone parents also make up a significant number of benefit claimants in deprived wards in Warrington and Crewe.

There are a range of childcare providers across the sub-region including: day nurseries, pre-school playgroups, maintained nursery units, out of school clubs, and child-minders however affordability remains an issue for low income parents even where they may be entitled to a subsidy.

In practical terms the relatively high costs of childcare mean that in the short term, it may be difficult for parents to make work pay. New Welfare Benefit changes are committed to ensure that work always pays more than inactivity. For this reason we aim to identify and pilot ways of providing affordable childcare in ways which make work pay for low income parents within deprived parts of the Cheshire and Warrington area through:

Exploring ways in which existing resources for childcare within CWaC can be re-distributed and focused within deprived neighborhoods;

Exploring ways in which affordable childcare could be provided in ways which complement and fit within the context of the Local Integrated Services and the provision of the Work Programme. This may for instance involve:

- Ways of subsidizing childcare to low income parents through private sector sponsor or subsidies.
- Development of a Childcare Trust – which seeks to work with the WP Prime Contractors to maximise the partnership opportunities with employers and with the VCS
- Social Enterprise models to create childcare – e.g. co-operatives, multi-stakeholder models, or consortiums.