

Manifesto for 2015

Five principles for tackling long term unemployment

ersa

**Employment Related
Services Association**

ERSA's recommendations for future employment support

As the economy recovers and unemployment falls, greater attention turns to the long term unemployed - the jobseekers not yet benefitting from the proceeds of growth.

ERSA members know that with the right help most jobseekers can and want to work. They also know that many employers will take on the long term unemployed if the candidates are well prepared and supported. Placing the needs of both sets of customers – jobseeker and employer – at the centre of the design and delivery of employment services is crucial.

In recognition of this we have established five principles which, if adopted, should help support jobseekers to access work, as well as preventing long term unemployment to begin with.

In the run up to the General Election, welfare policy is likely to be central to many party manifestos. However, effective welfare reform is only possible if good quality employment support is also available. So, with the aim of taking the politics out of welfare policy, we are asking all political parties to sign up to the principles outlined below.

ERSA's five manifesto principles

1. Commission employment services for the long term unemployed reflecting the needs of jobseekers and business

A huge evidence base exists drawn not just from the Work Programme, but also from previous government programmes, including the Flexible New Deal and Future Jobs Fund. From these some common lessons can be drawn about the design of future services. ERSA is calling for:

- The retention of national commissioning of employment services for the long term unemployed. However, co-commissioning of services should be trialled for those jobseekers with the most intense support needs.
- Local authorities to be given a greater role in the assessment and scrutiny of contracts. Contract boundaries should respect and work with boundaries of other services.
- Employment providers to be rewarded for supporting people into work and helping them progress in work, with a pricing model that truly reflects the costs of supporting jobseekers.
- Design programmes to allow pooling of budgets and sharing of outcomes with other providers including social housing.
- Retention of the flexible approach to delivery, which allows providers to design services for the individual rather than being proscribed to by Whitehall.
- Clear service standards, designed in partnership, by the government, service providers and jobseekers themselves. These should be well publicised and backed up by an accessible complaints process.
- Greater support to be given to high performing smaller organisations to be able to enter and thrive in the market.
- Reform of Jobcentre Plus so that it is rewarded for getting jobseekers work rather than just moving them off benefit.
- Allow providers including subcontractors to publish performance data and remove barriers to data sharing between services.

2. Ensure sufficient support is available for jobseekers with the most complex needs

Some jobseekers have multiple barriers to work which require support from a number of different agencies over a longer period of time. However, many of these barriers can still be overcome. ERSA is calling for:

- An upfront, holistic assessment of all jobseeker employability needs on day one of their benefit claim. This should be regularly updated and shared via an individual jobseeker 'employability record', owned in online format by each jobseeker.
- Radical reform of the Work Capability Assessment (WCA) so that it is 'right first time'. The WCA should be a positive experience for individuals, which helps them on their employment journey rather than a cause of trauma.
- The introduction of different financial models for supporting jobseekers with the most complex needs. This should include more upfront payments, reward for 'distance travelled' towards the labour market and the introduction of a ring-fenced budget for additional specialist support accessible by employment providers in agreement with the jobseeker.
- Stimulation of the social finance market to encourage investment in new ways of working with the most complex jobseekers.

3. Place skills at the heart of the system both for those out of work and progressing in work

The future economy will demand higher level skills than exist in the current workforce. At the same time the UK workforce is aging, with people expected to work for a longer period of time. It is therefore essential that the skills and employment systems work more effectively together to support people through the different stages of their working lives. ERSA is calling for:

- The introduction of greater flexibility in the design, delivery and financing of courses so

that individuals can continue their studies whilst moving from unemployment into work.

- A greater proportion of funding to be made available for skills courses for the long term unemployed in recognition that not all will be able to access apprenticeships.
- A stronger match between the needs of the local labour market and training provision available so that public money is better targeted at filling skills gaps.
- All jobseekers to have access to good quality careers information and face to face guidance, incorporating advice on training routes and labour market opportunities.

4. Meet the needs of employers

Even with the economy recovering, competition for jobs remains high. This means that employer demands must be at the heart of the system, with services designed to meet their needs. ERSA is calling for:

- Employers to be engaged in the design and delivery of employment support initiatives that get people job ready and help them progress in work.
- Greater incentives and support for employers who take on jobseekers with the greatest needs, including those with complex health issues.
- More use of 'intermediate labour market' projects – social enterprise and supported employment routes which provide jobseekers with real work in a protected environment.
- Greater recognition of the value of high quality work experience as a means of boosting jobseeker skills, motivation and confidence as well as providing evidence of work readiness to the employer.
- A commitment to promoting self employment routes for jobseekers. This means supporting services that foster entrepreneurship and designing a benefit system that supports rather than penalises those that start their own business.

5. Prevent youth unemployment

It is a scandal that young people are still leaving school without clear education and employment pathways before them and that some of today's young people are still not in education, employment or training. Preventing youth unemployment must be a priority for all political parties. ERSA is calling for:

- Earlier intervention to identify young people likely to become 'NEET' and support to be put in place for them to pursue alternative routes through the education system.
- An overhaul of careers advice to ensure all young people are able to access independent advice which in turn is backed up by local labour market information and specialist advice from employer bodies.
- All young people to have an 'employability passport' capturing their skills and employment journey spanning school, post 16 education and training, work aspirations, experience and achievement.
- Immediate referral for young people who do become 'NEET' to high quality specialist support. The co-production of action plans by the employment provider and young person should be the norm.
- Greater access to jobs in 'intermediate labour market' programmes paid for by the allocation of funding streams previously used for the Youth Contract.

About the Employment Related Services Association

ERSA is the sector body for organisations delivering, or with an interest in, employment related services. It has over 170 members, spanning the private, voluntary and public sectors, ranging from multinationals through to small specialist charities operating in their local communities.

Its members include prime contractors of the current back to work programmes, including the Work Programme and the specialist disability programme, Work Choice. It also represents a high number of subcontractors and other organisations, including those providing 'end to end' services and specialist support services. The majority of its members are not for profit.

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