

**REPORT TO:** Employment, Learning & Skills and Community Policy & Performance Board

**DATE:** 20<sup>th</sup> November 2023

**REPORTING OFFICER:** Executive Director, Environment & Regeneration

**PORTFOLIO:** Employment, Learning & Skills and Community

**SUBJECT:** Halton People into Jobs – transition from engaging with Unemployed Halton residents to Economically Inactive residents

**WARD(S)** Borough wide

## 1.0 PURPOSE OF THE REPORT

- 1.1 To provide members with an overview of the current services provided by Halton People into Jobs (HPIJ) and our future focus to engage with more Economically Inactive residents for Ways to Work and the new Work and Health Pioneer Programme.

To provide opportunities to members to raise any questions with regards to us supporting Economically Inactive/Unemployed residents.

## 2.0 RECOMMENDATION: That the report be noted.

## 3.0 SUPPORTING INFORMATION

- 3.1 Halton People into Jobs has delivered a range of DWP Welfare to Work Programmes since 2011 including the Work Programme, Ways to Work, the Work and Health Programme, JETS and more recently the Work and Health Programme Pioneer Support Programme. All of these programmes have supported unemployed Halton residents with looking for and sustaining employment. Recent funding streams focus more on engaging with and supporting Economically Inactive residents into work.

Ways to Work has been delivered by HPIJ since January 2016. It was funded by ESF/DWP up until October 2023 when ESF funding ceased. Strategic Investment Fund (SIF) has been allocated to cover the gap between ESF ending on 31<sup>st</sup> October 2023 and the UK Shared Prosperity Fund (UKSPF) starting on 1<sup>st</sup> April 2024. The focus for both SIF and UKSPF is to engage with Economically Inactive.

### **Definition of Economically Inactive for SIF/UKSPF is:**

Economically inactive individuals are those not in work and not actively seeking work (unlike unemployed individuals who are actively seeking work).

Not all economically inactive individuals claim benefits. For those that do, this would include those claiming either “legacy” benefits or those within specific conditionality regimes in Universal Credit: The former includes Employment Support Allowance (ESA), Incapacity Benefit (IB) and Income Support (IS). The latter includes claimants within the Preparation Requirement or Work Focused Interview Requirement conditionality regimes. There is no length of time on inactivity required. People count if they are 16+.’

In October 2023 Halton Borough Council entered into a subcontracting arrangement with the existing Work and Health Prime (WHP) Contractor (Ingeus) who had been tasked with delivering the Department for Work & Pensions WHP Pioneer Support Programme until September 2024.

**Definition of Economically Inactive for DWP/WHP Pioneer is:**

Inactive customers will be defined as customers who are not in UC intensive work search regime or income based JSA at point of referral. The following will therefore qualify:

- Universal Credit - Work Preparation
- Universal Credit – Work Focused Interview Only
- Universal Credit – No Work-Related Requirements
- Universal Credit – Light Touch Out of Work
- Universal Credit – Conditionality Unknown
- Employment and Support Allowance (ESA)
- Employment and Support Allowance Contributory (ESAC)
- Incapacity Benefit (IB)
- Income Support (IS)
- Passport Incapacity Benefit (PIB)
- Severe Disablement Allowance (SDA)
- Training Allowance (TA)
- Not in receipt of any “out of work” benefit.

- 3.2 Both of the above contracts are voluntary programmes for individuals that meet the respective Economically Inactive criteria and are looking to start work in the immediate future.

Ways to Work is grant funded and quarterly claims will be submitted to the LCRCA for costs associated with delivering the contract. The WHP Pioneer programme offers ‘Payment by Results’, which are received on achievement of sustained job outcomes. Performance is measured against sustained outcomes being met (meeting the earnings threshold of approx. £4000).

Participants can access the WHP Pioneer programme for up to 15mths. They are supported by their Advisor/Employment Specialist throughout the duration of the programme. Ways to Work will be funded through SIF (Oct 23 – Mar 24) and then UKSPF (Apr 24 – Mar 25). Discussions are being held with the LCRCA regarding future funding to continue the Ways to Work service beyond March 2025.

### 3.3 Breakdown of Economically Inactive in Halton (NOMIS):

| Economic inactivity (Jul 2022-Jun 2023) |                   |               |                   |                      |
|---|-------------------|---------------|-------------------|----------------------|
|   | Halton<br>(Level) | Halton<br>(%) | North West<br>(%) | Great Britain<br>(%) |
| <b>All People</b>                       |                   |               |                   |                      |
| Total                                   | 17,100            | 22.2          | 23.2              | 21.4                 |
| Student                                 | #                 | #             | 26.1              | 26.7                 |
| Looking After<br>Family/Home            | 3,600             | 21.1          | 16.8              | 19.5                 |
| Temporary Sick                          | #                 | #             | 2.3               | 2.3                  |
| Long-Term Sick                          | 6,600             | 38.4          | 31.2              | 26.6                 |
| Discouraged                             | !                 | !             | #                 | 0.3                  |
| Retired                                 | 1,700             | 10.2          | 12.7              | 13.1                 |
| Other                                   | #                 | #             | 10.6              | 11.6                 |
| Wants A Job                             | 4,200             | 24.4          | 16.4              | 17.6                 |
| Does Not Want A Job                     | 12,900            | 75.6          | 83.6              | 82.4                 |

### 3.4 Performance/achievement

#### Ways to Work (Oct 23 – Mar 24)

- 94 starts on programme (between Oct 23 and Mar 24)
- 32 job starts (between Oct 23 and Mar 24)
- 34% into work

#### WHP Pioneer Programme (Sep 23 – May 24)

- 83 starts on programme (between Sep 23 and Sep 24)
- 44 job starts (between Nov 23 and May 25)
- 28 paid job outcomes (between May 24 and Feb 26)
- 53% into work
- 63% of those in work to reach a sustained outcome

### 3.5 Income and expenditure

WHP Pioneer Programme – income is generated from job outcome payments (paid when the participant earns £1,000. Notification is received from HMRC when they achieve this) and sustained job outcome payments, whilst customers remain in sustainable employment.

Ways to Work – income is generated through quarterly claims to cover the associated costs of the service plus a 15% management fee.

Income and expenditure is closely monitored through a combination of internal and external mechanisms, to ensure that contracts are delivered efficiently.

Where possible, access to other available services and/or funding streams are maximised to support the delivery of the Ways to Work and WHP Pioneer Programme contract and their challenging targets.

### **3.6 Key Successes**

WHP Pioneer Programme – mobilisation and implementation plan was achieved within a short timescale ensuring that the contract 'go live' date was met on 13<sup>th</sup> September 2023. HBC are the only local authority that delivers WHP and the WHP Pioneer Programme across the LCR.

Ways to Work – successful close down of the ESF funded programme 30<sup>th</sup> September 2023 and transition to new SIF funded programme from 1<sup>st</sup> October 2023. 2328 Halton residents were supported through the ESF/DWP funded Ways to Work programme between January 2016 and September 2023 of which 1061 were supported into paid employment (45% into work).

### **3.7 Key issues**

Two similar programmes running parallel to each other potentially trying to engage with the same customer group. However, HPIJ is well placed to utilise funding streams effectively so that customers and employers get the best out of each programme.

The number of Inactive referrals from Jobcentre Plus will need to be maintained. HPIJ will need to effectively market both contracts to meet the contracted (indicative) profiles/targets for both contracts.

### **3.8 Concluding comments**

Performance across programmes for the unemployed has been strong. We acknowledge the transition from supporting unemployed residents to economically inactive will be a real challenge but the team will continue to work hard and will strive to achieve the targets set out.

## **4.0 POLICY IMPLICATIONS**

4.1 None identified at this stage.

## **5.0 FINANCIAL IMPLICATIONS**

5.1 DWP/LCRCA contracts are closely monitored to ensure sufficient income is being generated to cover the full delivery costs of provision.

HBC internal audit conduct annual audits on externally funded provision across the Employment, Learning and Skills Division.

## **6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

### **6.1 Children & Young People in Halton**

Some HPIJ customers engage with other projects across Halton that complement each other in supporting local residents and their families with a range of issues.

### **6.2 Employment, Learning & Skills in Halton**

The fantastic achievements that have come out of the various Work Programmes delivered by Halton Borough Council's Employment, Learning and Skills Division getting so many people into work are a very positive outcome for the local economy. Many of the individuals that have accessed the programme have also gained vital maths, English, IT and employability skills along the way, in addition to sector specific qualifications such as FLT, Digital Skills, Food Hygiene, CSCS etc. Signposting to partner organisations to support individuals furthest away from the labour market has been a key part of the programme. Delivery of the Ways to Work and WHP Pioneer Programme will continue to build on the success we have had previously.

### **6.3 A Healthy Halton**

HPIJ customers will be signposted to various health and wellbeing initiatives that are delivered by Halton Borough Council and other external agencies including the Health Improvement Team to support individuals with a range of complex health barriers.

### **6.4 A Safer Halton**

None

### **6.5 Halton's Urban Renewal**

None

## **7.0 RISK ANALYSIS**

7.1 The management of these contracts has been meticulous and close monitoring both internally and externally ensure any risks identified are carefully mitigated, with clear action plans in place to address any underperformance, quality and compliance factors.

## **8.0 EQUALITY AND DIVERSITY ISSUES**

None

**9.0 CLIMATE CHANGE IMPLICATIONS**

None identified.

**10.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

None under the meaning of the Act.