

Skills and Employment Policy - July 2010

The Single Work Programme

The Single Work Programme, the core initiative that will replace all current employability schemes, will be implemented by Jun 11. Current schemes such as Pathways to Work will come to an end in the next 12 months. The overarching programme will serve a multi-client group and so training provision will be tailored to individuals.

Service Academies will be a component of the Single Work Programme. They will offer six week sector-focused training schemes consisting of two weeks' pre-employment training and a four week work placement. The sectors are yet to be finalized, but the academies that deliver the training are intended to be employer led.

A contracting Framework approach is being introduced. The primary commissioner will be DWP, however, all publicly funded organisations will be free to commission the providers that are placed on the framework.

The framework is made up of 11 geographical lots which will reflect the regional structures in England, Scotland and Wales i.e. Yorkshire and Humber locally.

Providers have been formally invited by DWP to bid for these lots, with a deadline of end Jul 10 for tenders.

By the end of Nov 10, DWP will identify 3-8 providers (single providers or consortia) to deliver within these geographical areas (although it appears only a maximum of two would deliver at the same time).

The financial capacity of the providers will be critical, as the contact values are approx £10-50m p.a. Once in the framework, organisations will compete to supply employment support.

Successful training providers will be awarded funding upon delivery of sustainable 'additional' outcomes and will be given financial incentives to work with harder to reach clients. Contracts within the framework will be longer-term (4-7 years)

Incapacity Benefit

In the autumn, starting in Burnley and Aberdeen, Incapacity Benefit claimants will be asked to attend a Work Capability Assessment. The rest of the country will follow, with reviews taking place when the normal benefit review is due.

The Work Capability Assessment is designed to measure whether someone is able to work. It has been recognised that the quality of the assessing body and the delivery of these assessments is critical so the process is currently under review. Labour had already started to explore measures to ensure this and has asked the new Government to consider its findings.

Government will take forward recommendations to treat people waiting for or between courses of Chemotherapy, in the same way as those already receiving it. It will also extend the criteria for people with severe disability due to mental health conditions, meaning fewer very sick people will be asked to attend an assessment.

National Minimum Wage

Following the Low Pay Commission's report to Government, the new National Minimum Wage rates, which will come into effect on 1 October 2010 will be:

- £5.93 per hour for low paid workers aged 21 and over, increased from £5.80;
- £4.92 per hour for 18-20 year olds, increased from £4.83; and
- £3.64 per hour for 16-17 year olds, increased from £3.57.

An apprentice minimum wage of £2.50 per hour will be introduced for the first time. The new rate will apply to those apprentices who are under 19, or those that are aged 19 and over, but are in the first year of their apprenticeship.

Skills Funding Agency Priorities

Business Secretary Vince Cable has written to the Chief Executive of the Skills Funding Agency setting out how government funding for 2010-11 should be spent. Priorities include increasing the number of apprenticeships places; reducing the number of 18-24 year olds not in employment, education or training; and encouraging more people to participate in adult and community learning.

Adult Careers Advice

The integrated Adult Career Service will be re-launched under the brand 'Next Steps'. The service will include a national helpline, a regionally-focussed web presence and face-to-face sessions for those who face the greatest barriers in the job market.

Diplomas

The Department for Education (DfE) has released a statement reassuring students studying or looking at Diplomas that they are to continue. Restrictions on schools and colleges are being removed, so that they can offer Diplomas without a lengthy application process.

The 'entitlement' - that all Diplomas must be available to all areas by 2013 - is also being softened. This may slow down some of the current momentum around Diplomas.

DfE has also published a list of schools which have registered an interest in becoming academies. See <http://www.education.gov.uk/academies/schools-registering-interest>. Schools with 'outstanding' status can apply, and if successful, an additional 10% of the relevant local authority budget will move to them.

Local Enterprise Partnerships

Government has confirmed that the last regional development agencies will be closed by the end of March 2012.

Local Economic Partnerships will replace regional development agencies and will operate on a more local basis.

These partnerships between elected councillors and business would be designed to improve the coordination of public and private investment in key areas such as transport, housing, skills and regeneration.

Government has set local authorities a deadline of Sept 10 to decide how and where these partnerships will be established. Discussions took place between all 22 councils in Y&H on 25th Jun on this matter.

Local authorities decided there needed to be "the ability" to deal with economic development as a regional issue, but that appears to have been taken in different ways by different councils.

One partnership – led by councils and businesses and responsible for boosting local economies – may cover Leeds and the surrounding area, known as the city region. Another could cover Sheffield city region, with a third for York and N Yorkshire. There could also be a Humber partnership, or separate bodies for the north and south bank.

A White Paper, due later this summer, will set out plans for incentives for local authorities to support growth, including options for business rates and council tax, which would allow councils to reinvest the benefits of growth in local communities.

Local funding and influence is concern – with a budget of £270m for Yorkshire Forward and key achievements such as the quick and effective response to provide redundancy support to businesses and individuals, the region should not throw the baby out with the bathwater.

A £1bn Regional Growth Fund will be available to regions to bid for. However, although Government has said that additional funding will be available for Local Enterprise Partnerships in the same way as for RDAs, no details are available yet.