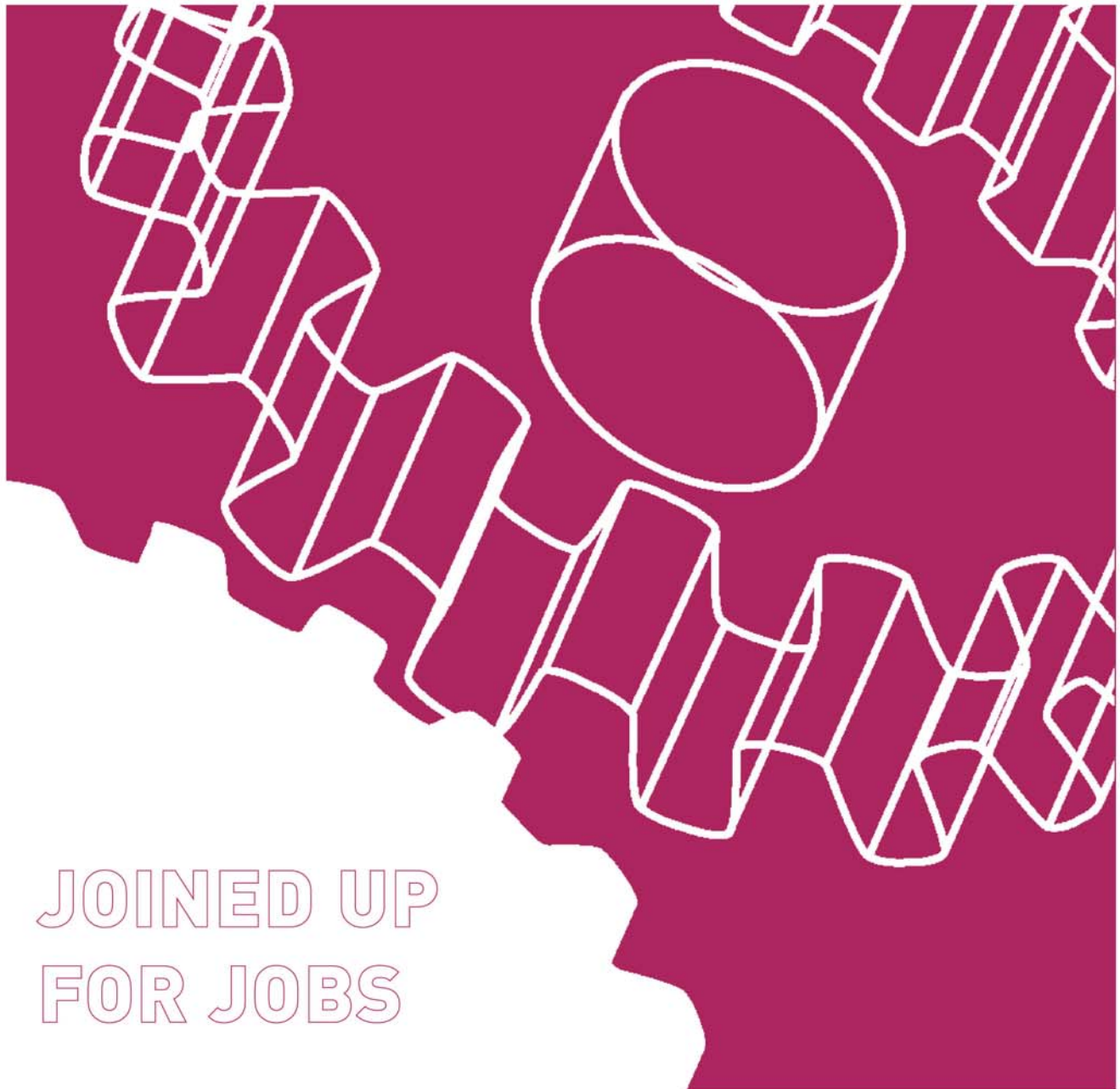


# POOLING TOGETHER

SCOPING THE CAPACITY OF EDINBURGH, MID AND EAST  
LOTHIAN'S DISABILITY AND EMPLOYMENT SUPPORT SECTOR

Supplementary Chapter- Working Better Together – The Way Forward



JOINED UP  
FOR JOBS

Edinburgh's Employability Agreement

April 2007

# The 'Primary Intermediary Model'

## Additional Chapter

### Working Better Together - The Way Forward

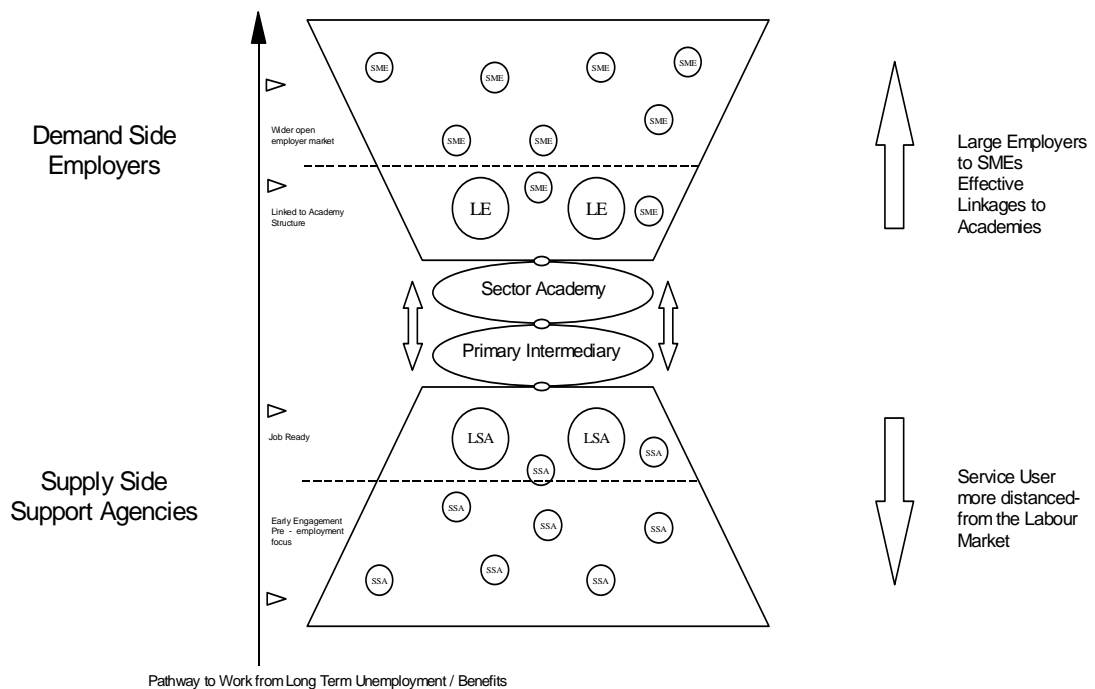
#### Introduction

Over the past year, Intowork's Networks team (funded mainly through the ESF's Scottish Objective 3 Programme) has undertaken capacity building activity with a wide range of intermediary organisations working across Edinburgh, Mid and East Lothian. This work has centred on our continuing developmental role with the Lothian Employability Forum, a formal network of disability and employment intermediaries, and the Midlothian Employment Action Network (MEAN), a group of intermediaries working across a range of disadvantaged client groups in Midlothian.

#### The PIMs Model – A Background

The original concept of the Primary Intermediary Model (PIMs) was 'created' from the need for those specialist employment intermediaries to 'work better together'. At that time the employment sector 'Academies' were a fairly new phenomenon and the PIMs model sought to 'bridge the gap' between the supply side intermediaries, and the 'demand driven' academies, whilst strongly acknowledging that both 'elements' adopt a client centred approach.

#### Primary Intermediary Model - Demand Led meets Client Centred



LE - large employer  
LSA - large support organisation  
SSA - small support organisation

Effectively the network of intermediary agencies itself would be the 'Primary Intermediary', without any need for a single organisation to undertake that role on behalf of other agencies linked into the network. The model, in its original form, ties in strongly with the 'Joined Up for Jobs' ethos of improved information sharing, better client referral and progression activity and more defined delineation of tasks.

This development work has also been undertaken during a period of significant environmental change which has markedly increased the medium to longer-term instability of many intermediary agencies. Factors influencing this include –

- the impending reduction in ESF funding, amid other fears around the general levels and availability of funding
- the proposed introduction of UK wide welfare benefit reform and the staged rollout of the Pathways to Work programme, including an extended contracting phase which has still to be concluded
- the acquisition and development of Cities Strategy status for Edinburgh
- the failure of a local authority led consortium to win the mainstream New Deal delivery contract for Edinburgh and the Lothians
- the Scottish Executive's publication and ongoing implementation of their Workforce Plus proposals
- a difficult period for the City's various employment sector Academies which has seen their number reduce – again the result of continued funding instability, and
- the publication of the Freud Report which further develops and adds to the Welfare to Work agenda, and with a strong focus on the nature of service contracting i.e. the concept of the single regional contractor

This combination of factors has made our work much more difficult, as some individual organisations have concentrated (some might say quite rightly) on their own survival strategies, at the expense of other activity - including any real commitment to operational partnership working. However, a small number of agencies have kept their finger on the partnership pulse, recognising the thrust of the various strategic documents and developments that have been launched over the past year and a half. These strategic inputs point the way towards the need for more effective partnership working at an operational level – going beyond mere networking and information exchange. The 'case management' approach is very much at the forefront of this, moving the emphasis from organisations providing a service across every stage of the pathway to employment, to one where specialist inputs to suit the needs of the jobseeker can be provided and managed across a range of intermediary agencies i.e. ideally in a set up where targets and outcomes can be shared

This managed approach across different agencies is, to a certain extent, at odds with the supported employment model – a person centred model where contact is maintained with the individual (more or less) throughout the pathway to employment, developing trust and a feeling of continuity between the individual and the service provider. However, a number of the medium

sized to smaller agencies, particularly those working in the mental health and learning disability fields have been keen to adopt a more intensive partnership based approach. It is to developing these smaller operational partnerships that the focus of PIMs has now shifted – acknowledging joining up a whole service framework across a range of client groups is for the future. These agencies seem more committed to developing a new way of working than some larger agencies. Indeed, one major Scottish charity with a significant delivery presence in the city and surrounding travel to work areas, contributed no information or data to the main PIMs report at all. It would appear that some of these larger agencies have their own separate and sometimes national programme focussed agendas e.g. as contracted Workstep programme contractors, ‘dipping their toe’ into local activity mainly to keep an ‘eye on the competition’.

## **PIMs in Practice - progress so far**

### **Maintaining the ‘All Intermediary’ Network**

Taking forward the development of the ‘Primary Intermediary Model’ is still a difficult work in progress. Information sharing, networking and shared training activity is being undertaken on a regular basis across the full range of employment intermediary member organisations i.e. those intermediaries who have bought fully into membership of the Lothian Employability Forum (LEF) activity and the Midlothian Employment Action Network (MEAN).

This ‘broad brush’ capacity building across a network of intermediaries has been fairly straightforward. There is a strong but informal commitment on the part of these intermediaries to this type of activity – but it cannot be construed as real and formalised operational partnership working.

However, developing this ‘full blown’ operational partnership working across and between intermediary agencies is still some way off – either through a lack of real commitment to the principle itself or as a result of the environmental factors (principally around funding stability and organisational survival) listed earlier in this chapter.

As previously noted, the introduction of a case management approach – particularly to the disability and employment intermediaries is a newer concept, and somewhat at odds with the accepted model of supported employment, where the stability of the one to one relationship with the client is paramount. While many intermediaries have been happy to deliver one to one services across the ‘pathway to employment’ – from initial engagement through to post employment support, there has been little evidence of a more segmented approach where organisations specialise or deliver elements where they have a recognised expertise. As already noted, this antipathy to ‘shared delivery’ is as much to do with current outcome driven funding structures as any other factor. Current cross agency interaction at the delivery level is largely informal.

Intermediaries are still 'locked into' outcome based funding streams which preserve this approach. Organisations develop their own agendas ensuring that outcomes are met, with the ultimate aim of preserving their service.

An example of the 'separate and distinct agendas' issue is the Workstep programme – formerly and somewhat confusingly known as the Supported Employment Programme. Funded by Jobcentre Plus, agencies managing Workstep places are some distance removed from the smaller supported employment intermediaries. Workstep provides (to the intermediary) on average £4.8K per annum for each managed place. This amount can be used as a direct wage subsidy, or can be retained by the Workstep provider to pay for in workplace support, training and other assistance. For those larger organisations, who in the main manage Workstep places, this represents a fairly regular and substantial income stream. Consequently, their organisational agenda is different and more focused on maintaining Workstep income, as opposed to developing or linking into other funding streams or services. This is evidenced in terms of membership of the 'various' national associations for supported employment intermediaries. Although many organisations hold dual membership, Workstep providers tend to affiliate more strongly to the British Association of Supported Employment (BASE), whereas smaller intermediary agencies tend to align with the Scottish Union of Supported Employment (SUSE).

Similarly, some (but not all) agencies funded through local authority Social Work / Health and Social Care funding streams (mainly around the learning disability and mental health client groups) are somewhat loath to see their current funding arrangements 'tampered' with. These agencies have been funded 'substantially' year on year for a considerable time, but with none of the rigorous monitoring, reporting and evaluation processes in place, which accompany other funding regimes or even funding from other departments within the same local authority. The argument from the 'funded' organisations would one based on 'they have stability', but whether this represents a longer term best value option on the part of the Council is another debate. Yet again we have another agenda where maintaining the status quo appears to be in the best interests of some of the intermediaries i.e. the maintenance of a 'closed shop' approach, rather than one of open partnership or even open contract tendering.

In essence, these examples illustrate why it is so difficult to get all the providers 'singing from the same hymn sheet'. The funding environment, allied to organisational attitudes and priorities represent the biggest barriers to real operational partnership working – with organisations following different agendas, largely driven by the funding stream they most depend on. Attempts to undertake and support operational partnership working are therefore made in the context of what is currently -

- an unsupportive and disjointed funding framework
- an environment of instability as the welfare to work agenda and funding framework undergoes significant change
- a period where organisations (in many cases) are motivated by survival and continuation, rather than the higher ideals of partnership activity

## **Cross Agency Operational Partnership Working – Client Group focused Service Delivery Consortia**

If we acknowledge that bringing all the disability and employment intermediary agencies into one 'operational partnership' is the most desirable outcome – we must also accept, given previous arguments, that this is currently very difficult to achieve. However, there are still a number of agencies who want to take partnership working to the next level. Witness some of the interview comments made by intermediaries as part of the PIMs report research process -

***“A few networks are good and useful, but the difficulty is quite a few organisations are competing for the same funding so they don't want to work together.”***

***“Organisations need to see something tangible coming out of working together or they are not inclined to pursue it . . . if there was something to be gained from it, then organisations would be more inclined to do this.”***

***“There should be more joint working with intermediaries who share similar client groups or circumstances, they understand each other.”***

***“It is very difficult for organisations to work together effectively who cater for very different client groups with different needs. They can't work as one large organisation under the disability banner, as the needs are very different.”***

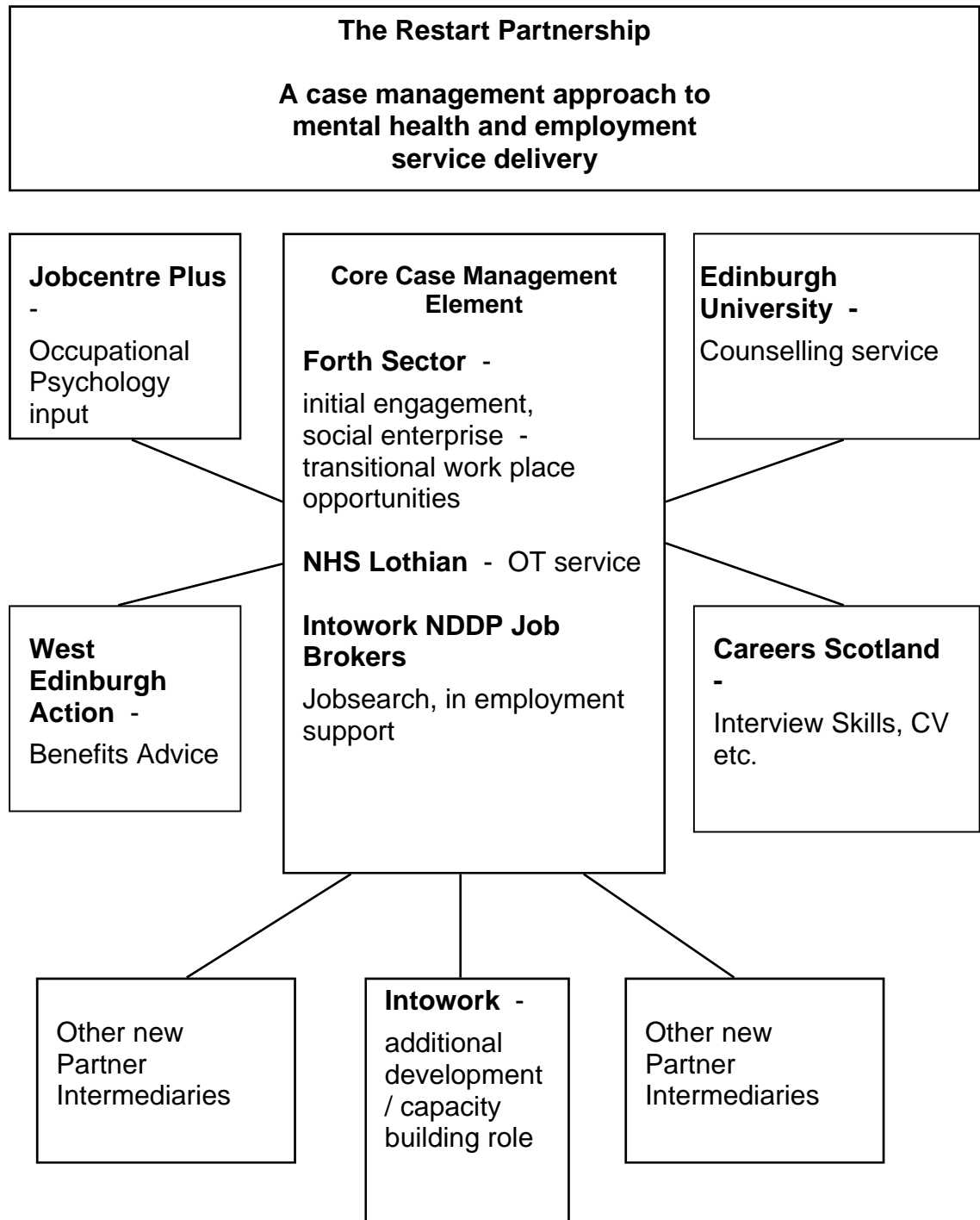
These last two comments have informed our approach in taking forward our development work. Whilst we are maintaining support for wider networking and good practice exchange through LEF and MEAN, we are working with smaller groups of intermediaries within the mental health and learning disability / higher support need fields. The work within the mental health field is particularly important, given the –

- size of the client group
- the length of time intermediaries are, on average, working with clients to achieve a positive outcome (see the main PIMs Report), and
- the mismatch between current service capacity and projected demand (see the later section on Pathways to Work).

We (Intowork) have entered into a working partnership with Forth Sector as part of the Restart mental health service delivery partnership. Our Job Broker service links into this partnership – providing jobsearch and in workplace support as apart of a wider case management approach. We also anticipate an ongoing developmental role through our capacity building work – helping to enlarge the partnership and develop operational systems and protocols. In tandem with this, we have supported two small protocol working groups (again focusing on mental health and learning disability) from which a general partnership and information sharing agreement has been developed. This is now being distributed and signed up to by the wider LEF organisational

membership – thereby tying in the broader gamut of organisations to more formalised information and referral exchanges.

The Restart project has been around for some time, but is only now – with the enlargement of its core partner element - expanding into a fully fledged case management based service delivery partnership.



The basic model (akin to the service cluster concept) and the number of core and specialist partners already committed to working together shows potential

– but still needs some work in terms of the partnership aspects of its operation. Whilst the model provides a holistic approach to working with a mental health client seeking employment, it has been created by ‘cobbling together’ various funding streams and outcome frameworks. This has created some difficulty and misunderstanding around who is getting what, for doing what. This has been the focus of some of Intowork’s discussions with Forth Sector around our own Job Broker income – again a result of convoluted and complex funding streams and the need to maximise the income coming into support the partnership.

However, the combination of Forth Sector’s expertise in getting clients ready for work (through their network of social firms), Intowork’s supported employment expertise and additional Occupational Therapy support through NHS offers good core capacity, with other ‘specialist intermediaries’ feeding in with specific inputs. It is entirely possible that other partners will be brought into ‘the mix’, as and when their ‘operational culture and commitment’ fits with the rest of the partnership.

We perceive the major issues around this partnership are –

- funding and the longer term stability of the partnership arrangement
- mixing and matching different funding streams in terms of activities and outcomes
- the level of input and financial support from NHS Lothian i.e. the relationship between mental health wellbeing and employment and how the funding load is shared
- the way the partnership is managed and developed

We envisage that a similar high support needs / learning disability client group partnership will also come to fruition, based on our experience of working with a small number of providers in a Learning Disability Protocol Group. A potential alternative to this could be integration into the mental health partnership – given that many people with a learning disability also experience mental health issues and, that both disabilities are covered within the Mental health care and treatment Act (Scotland) 2003 (Section 26 re the local authorities providing services supporting progression towards employment). However, the creation of a separate and initially small high support needs partnership seems to be the favoured option.

Given that we (Intowork) are one agency - and no longer able to be (in some eyes) an ‘honest broker’, as we are also a ‘competitor’ - within a much larger group of intermediaries, this work is time consuming and involves a great deal of persuasion and no little cajoling. The pressures of funding and the ‘spectre’ of strategic change through welfare reform e.g. the impending rollout of the provider led Pathways to Work model have not (as yet), convinced enough agencies of the benefits of forming operational consortia. There is also a lack of understanding of the competitive benefits, through enhanced ‘economies of scale’, that this might bring under any potential future ‘Freud Report’ led prime regional contractor regime.

The high support needs consortia we are currently trying to develop could be best described as a small ‘partnership of the willing’. Five intermediary

agencies have committed themselves to taking this partnership forward, with a view to formalising the arrangement and looking at the potential for joint service delivery and future joint bidding for funding. Progress is slow and there is a key agency that has not been particularly supportive in terms of the proposal. However, this has not deterred the group from trying to move the concept forward. A recent discussion was held with a representative from the Executive's Workforce Plus Team, who expressed a strong interest in the development of learning disability / high support needs consortium in Edinburgh. The development of a consortium of this type is very much in tune with Workforce Plus (particularly around the issue of learning disability), and recognises that the service delivery expertise currently housed within smaller agencies, has a better chance of surviving in the longer term as part of a larger linked or even merged service grouping. We are currently shaping up a proposal, with the other partner organisations, which will be forwarded to the Workforce Plus team.

### **Disability intermediary engagement with the Academies**

Active engagement by the disability and employment intermediaries with the city's employment sector Academies has, to a large extent, been patchy. Similarly, most Academies have had a minimal involvement in working with disabled jobseekers. This stems from a 'systemic mismatch' between the Academies and the disability and employment intermediaries – particularly those that operate to the supported employment model of service delivery. The one to one nature of the supported employment model is at odds with the 'group entry' approach undertaken by the Academies. Other barriers to Academy entry stem from inflexible entry criteria, particularly around qualifying benefits or age restrictions, which preclude many disabled jobseekers from participating. Some of the comments made by intermediaries and Academy representatives during the research phase of the main PIMs Report, focus on this –

#### ***Intermediary Comments:***

***“Academies have been difficult to access. There was a gap – the academies want job ready people and the intermediaries' clients are far from this.”***

***“Experience with the academies has been variable; we have approached some and heard nothing in return.”***

***“Academies should look at earlier engagement with clients who are harder to help and should seek more detailed information from intermediaries on the issues faced by clients and the kind of support and intervention required to improve their 'employability'.”***

***“An issue with one of the academies was that they insisted clients had to come of benefits to join the course.”***

***“Academies need to disclose the involvement of other agencies to potential employers . . . the failure to do this led to a loss of more than***

***one job. The Academies also need to be more flexible in supporting and accepting clients with higher support needs.”***

***Academy Comments:***

***“We (the Academies) are training clients for vacancies which exist now – not in nine months time.”***

***“We have received few referrals from intermediaries . . . The Retail Academy tends to have far stronger links with area based intermediaries, often receiving referrals from them. A barrier to closer working with specialist disability intermediaries is the model of supported employment utilised by them. This model often requires the physical presence of a support worker in the person’s workplace – for a retailer, this is very difficult in a hectic store environment.”***

***“It would be impossible within the current demand led framework to provide longer training programmes; the programmes have been reduced from 8 weeks to 6 weeks to meet the needs of employers.”***

***“The Academies do not have the luxury of this ‘touchy feely’ approach to employment, if they were to incorporate this model (transitional work placement) they would lose the close links they have with employers.”***

***The ideal situation would be one where the intermediaries were employability focused and the academies were employment focused, concentrating on the finishing stages. Intermediaries would therefore concentrate on generic soft skills leaving the academies to focus on more employment specific skills.”***

***“Specialist intermediaries need to work harder at engaging with us (the Academies) – we don’t know enough about their client’s needs and the barriers they face. Academies could better accommodate disabled clients with better and more support from the specialist intermediaries.”***

***“The supported employment model and academy structure are an ill fit. The academy funding doesn’t and will likely never allow for this intensive long term support. The length of courses is being reduced rather than lengthened, requiring clients to be nearer to job readiness.”***

What we would say is that Academies and disability and employment intermediary agencies – particularly those following the supported employment model of delivery – can happily co-exist as different options or choices within a wider ‘pathway to work’ service framework. The potential for joint working is still there, but as individual options they currently meet different market niches and service different client groups. The Academies (in the main) work with job ready people requiring minimal levels of support who can be placed into an employment situation with a linked employer in a short period of time. The disability and employment intermediaries work with not so job ready people who require additional (and sometimes substantial) supports to make the transition to employment, and also to sustain that employment. As such they can service their own markets and work in partnership as and when required.

The overall operational and funding environment has been a mitigating factor, precluding deeper links between Academies and intermediaries. Significant factors have included -

- The Academies funding regime has been unstable and subject to significant change
- There has been a discernable shift in some of the Academies client group focus, to working with younger people e.g. the NEET group
- There have been difficulties with programme entry criteria and qualifying benefits issues
- There have been difficulties in providing one to one support within a group intake environment

On a positive note, the revitalised Public Sector Academy offers a real opportunity for joint working with intermediaries – in terms of assisting the Council to meet its DED Public Sector Duty obligations under the expanded Disability Discrimination Act. This development will not only open up new public sector employment opportunities, but also transitional work placement benefits whereby jobseekers can build up their confidence, self esteem, workplace skills, CVs and qualifications.

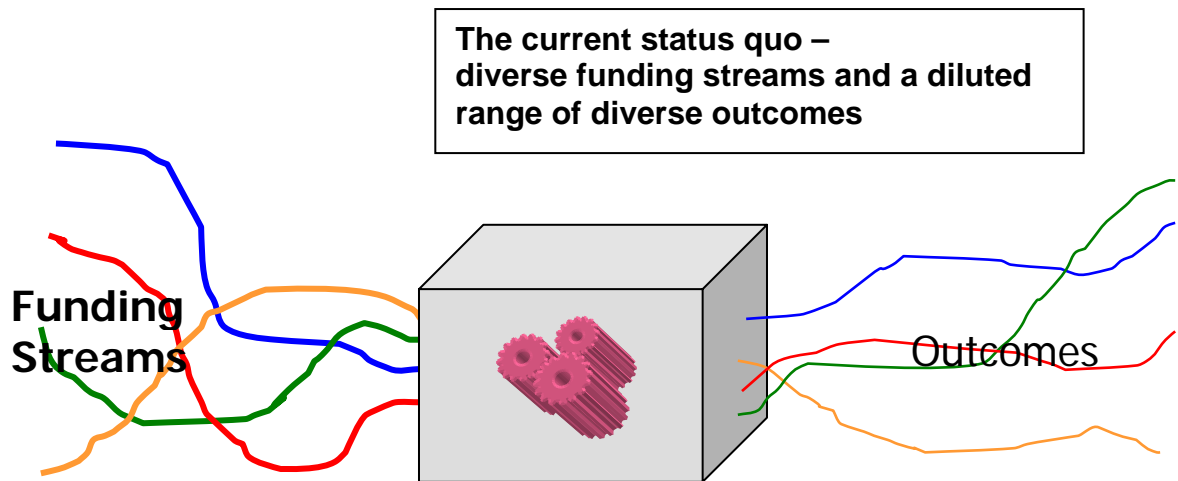
In summary, the Academies and disability employment intermediaries have not as yet 'gelled' as well they could have. Given the current uncertainties over funding and the instability within the wider operational environment, there are still significant barriers to moving forward or enhancing this situation. The new Public Sector Academy with a stronger 'transitional work placement emphasis' does offer a positive way forward, and we are sure that disability and employment intermediaries will play a key partner role in its ongoing development and operation.

## **The Changing Environment – Key Strategies and Initiatives**

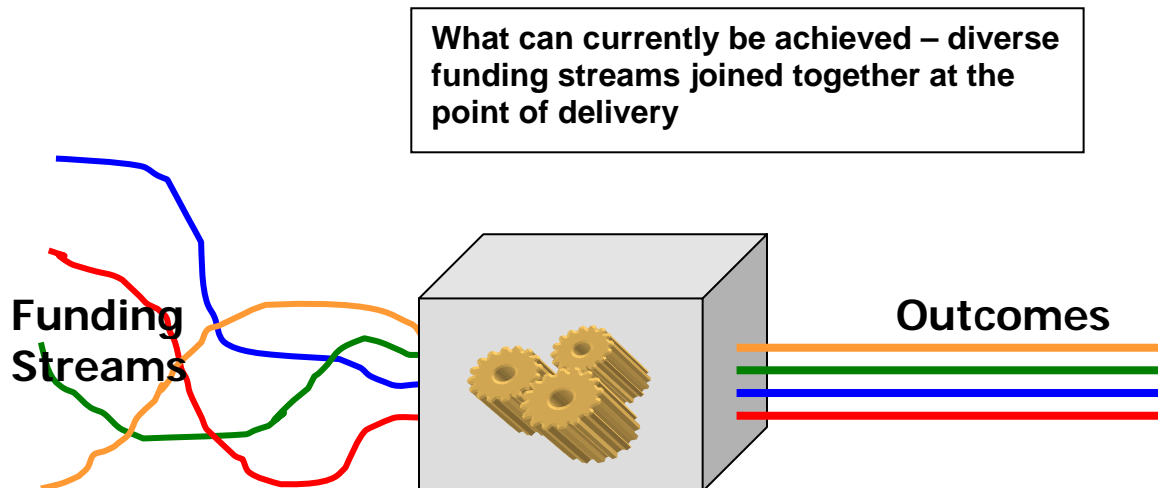
### **The Scottish Executive's Workforce Plus**

After much delay, the Scottish Executive's Workforce Plus – An Employability Framework for Scotland document was launched last summer. Edinburgh was not one of the chosen pilot areas but the rationale behind the document is one which is being encouraged for adoption in all areas by the Executive, through the establishment of local Workforce plus Partnerships and linkages into the wider community planning process.

Perhaps an analysis of what is required on the ground can be presented using the 'Workforce Plus' cable and routing box (as a Pathway to Work process) analogy. The current status quo is perhaps best represented by a group of funders (first diagram on p.11), investing money into the 'pathway to work' with a series of outcomes determined individually by each funder.



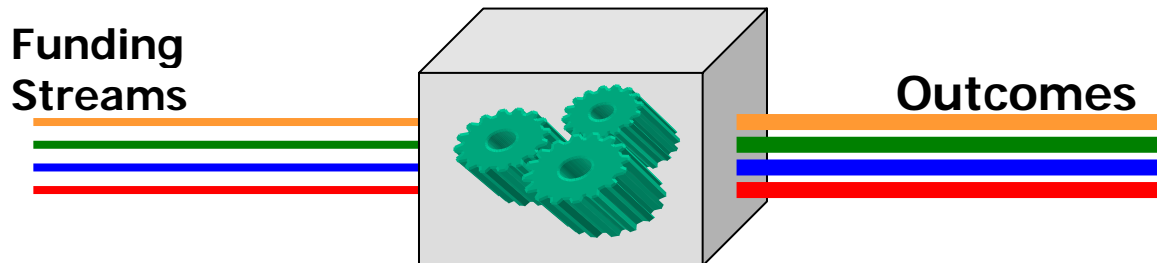
As Workforce Plus states, the current return on this £500 million plus annual investment in Scotland falls well below desired expectations.



The second diagram represents a scenario faced by organisations looking to work in more effective operational partnerships. The funding streams remain diverse but the intermediaries weld together those streams to mix and match outcomes, ultimately giving a stronger overall performance. An example of this would be the aforementioned Restart mental health partnership where a variety of outcomes have had to be integrated, with all the required flexibility driven by the intermediary partners e.g. matching JC+, ESF and Lottery outcomes into some form of manageable whole.

The next diagram indicates potentially where we would like to be, with funders and intermediaries operating in a joined up way, resulting in even stronger outcomes e.g. funding specific parts of the 'pathway to work' with an equally clear set of linked outcomes required from each partner. In this scenario, each partner knows their part and what they have to do to achieve it. This is obviously beneficial in a case management / shared outcome scenario, where each partner cannot lay claim to the final job or sustained job outcome.

**Joined up funding achieving stronger outcomes through 'shared outcome' service delivery**



Support for small 'joined up' client group focused service delivery partnerships (or service clusters), fits in well with the kind of delivery infrastructure as promoted within Workforce Plus –

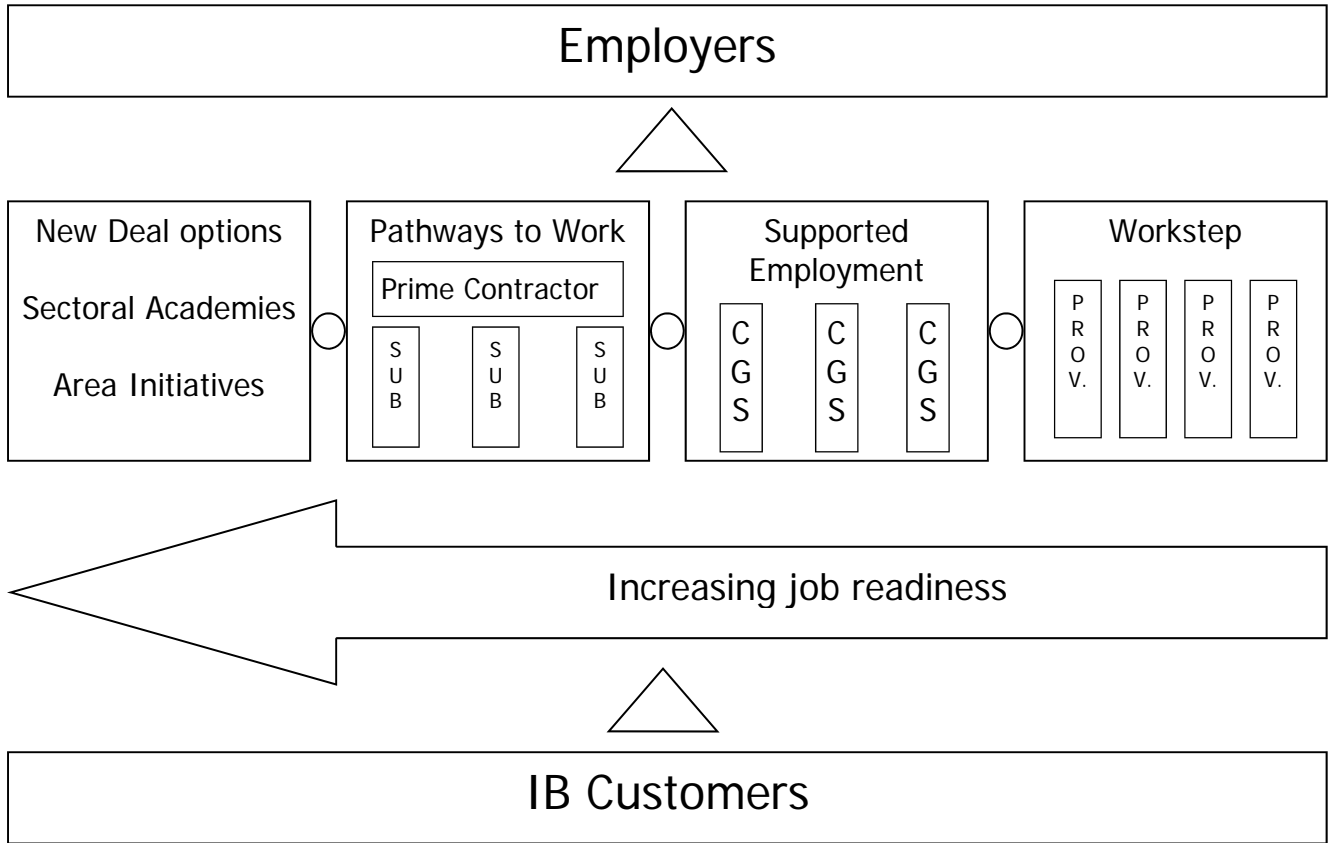
- An individualised service can still be maintained
- The assessment process can be shared and not duplicated
- There is more effective referral and case management on a client by client basis
- The measurement and recognition of progression is made easier
- The employer engages with a joined up and more professional 'unit'
- Service user involvement is more effective as all the constituent service parts are linked up
- Service provision becomes more relevant to the local labour market
- Outcomes are stronger and consequently better value for money is achieved

The wider network, whether it be the Lothian Employability Forum or even wider Joined Up for Jobs Partnership Forum can still service the need for information sharing and professional exchange – just as they presently do.

In the diagram below, each option or pathway to work – whether it is a client group specific partnership, an area initiative or Academy – is a part of the wider Joined Up for Jobs Partnership. The case management element can be managed in different ways i.e. the case manager may be an integral part or member of one of these options, but through linkages they can also tap into other choices or options offered through the other routes. In essence, the case manager assists the client through a particular route, but also uses elements within other routes to assist the individual jobseeker. It would be difficult to have a gateway case manager covering all these routes and options. Perhaps the simplest option is ensuring that JC+ staff (PAs, IBPAs, DEAs etc.) are aware of these routes and refer to the appropriate case manager e.g. Forth Sector as lead organisation in the Restart mental health service delivery partnership.

# Linked Pathways to Work The JU4J Offer to IB Customers and Employers

Defining and refining the offer to employers



Improving the offer to jobseekers / customers and organising its delivery

\*CGS – Client Group Specific Service Delivery Partnership

\*SUB – Pathways to Work subcontractor

\*Prov. – individual Workstep provider

Indeed, the rollout of Pathways to Work may be a ‘slightly less welcome’ catalyst for this as disability and employment intermediaries (including some of the larger providers) are sub contracted to deliver specific parts of a process (see next section).

### **Provider led ‘Pathways to Work’**

Intowork and various disability and employment intermediaries have been approached by the shortlisted organisations who have made it through to the (now extended) final stage of the provider led Pathways to Work tendering process (as managed by DWP in Sheffield). This has been an interesting and sometimes disappointing process. Whilst the original ‘Pathways pilot areas’ experienced what could be described as ‘Rolls Royce’ levels of funding, the

proposed provider led rollout areas will work within a much more constrained funding regime. In discussions with a number of the potential contractors (and we acknowledge some of this information is available on the DWP website), we know that –

- The 'price per head' i.e. the funding available per participant will be in the region of £1100, considerably lower than current NDDP Job Brokering agreements where the unit price can range from this lower level up to £5K plus
- There will be some limited capacity to pay a higher rate approx. £1800 per person (or even an hourly support rate) for those potential clients with higher support needs
- Subcontractors will be paid a mix of outcome based funding and fixed price activity rates e.g. an initial skills assessment at £50 per completion
- The proposed throughput of participants across the Edinburgh, Lothians and Borders operational area will be approximately 6,000 people over a 2.75 year period
- Some prospective contract bidders have indicated 5 month turnaround times to achieve positive outcomes, somewhat at odds with the 'worked with times to achieve an outcome' as indicated in the main PIMs report
- Approximately 20% of potential programme participants will be screened out as being 'not fit for work' i.e. they will not need to participate in the regime of work focused interviews, but can still take up the PtW option if they so wish
- Of those targeted for participation in PtW, the expected 'into employment or other positive outcomes' success rate is 30%
- The tender process will ultimately be decided on a bid scoring regime of 60% price, and 40% quality
- The standard subcontractor funding regime will be 30% ongoing contract payment, 50% on job outcome and 20% on sustained outcome at 26 weeks
- Some tendering organisations seem most interested in using subcontractor premises and accommodation to conduct the regime of work focused interviews - one can only assume to reduce their own costs in terms of investing in 'expensive' city centre premises
- Tendering organisations may be successful in a number of geographical areas if they are able to pass on 'discounts' to DWP, i.e. based on the economies of scale they are able to achieve through winning larger overall contract values

- There is considerable risk placed on subcontractor under what is largely an outcome driven funding set up i.e. in terms of recruitment and accommodation to handle the proposed subcontractor volumes – the subcontract volumes offered are in excess of what most organisations currently handle, and the proposed combined annual throughputs of IB customers are in excess of what the current disability and employment service framework handles
- There is some concern that the prime contractor will ‘cream’ the most job ready IB customers (some prime contractor candidates have indicated they will handle one third of the total volumes themselves) and that the ‘more difficult’ customers will be referred onto subcontractors

The substantial reduction in the proposed unit price seems to indicate that contract holders and subcontractors will have to concentrate on volumes and play quick results (with those people closer to employment) against the higher investment needed in working with and supporting those people who face more significant barriers. The question of sustainability of outcomes is also a moot question, in that it is very difficult to see how longer term ‘in workplace’ support can be a viable option, given these fairly low levels of funding.

This would tend to suggest that the process of ‘creaming’ those people closer to labour market participation may be a strong feature of PtW, whilst those further from the labour market will again be disadvantaged.

In terms of maintaining provision for those people with higher support needs, and those client groups facing higher levels of labour market exclusion, it seems logical to suggest that further investment, particularly in mental health services and the infrastructure around those services would be a logical and sensible objective under any Cities Strategy status fuelled development.

### **Cities Strategy Status**

Edinburgh’s DWP Cities Strategy stated aim of ‘seeking to pilot ways in which services can be made to operate in a coordinated way and managed around shared objectives’ fits in strongly with the proposed model of ‘linked pathways to work’ and ‘client group specific service delivery partnerships’. The fit is even stronger when one considers the requirement to –

- share analysis and intelligence
- share targets i.e. the disaggregation of headline targets
- share commissioning, contracting and procurement practices
- share operational infrastructure for cooperative working
- share management information, monitoring and performance management systems

The proposed elements within –

- Defining and refining the offer to employers, and

- Improving the offer to jobseekers / customers and organising its delivery

link in strongly with the proposed model. However, we firmly support the notion that joined up funding and procurement remains the lynchpin upon which longer term success and failure will depend – as detailed in Edinburgh’s DWP Cities Strategy proposal document.

### **Funding Restrictions**

A well document cloud on the horizon is impending reductions in funding – particularly through the European Social Fund Scottish Objective 3 Programme route. A number of key disability intermediaries - Forth Sector, the Engine Shed, Intowork, the Action Group et al have a strong dependence on this particular funding stream. The reduction down to approximately 40% of current levels will have a strong influence on the availability and stability of services for some of the most disadvantaged (in labour market terms) client groups in the city and surrounding travel to work areas (particularly people with mental health issues and people with a learning disability). When you add in other specialist services under longer term threat working with people on the Autistic Spectrum, people with Acquired Brain Injuries etc., then the situation appears quite stark.

Should some of these services disappear or at best contract, then the impact on the capacity of the employability service framework will be significant. Many of the organisations that are now being approached by potential Pathways to Work contract holders (and remember the target for this programme is a throughput of 6,000 people on Incapacity Benefit over 2 years and 9 months) may not be in a position to subcontract, as core funding reduces through ESF and is replaced by outcome related and fixed price activity funding.

A further implication is the impact of a loss off or reduction in capacity might have on the new Public Sector Academy i.e. it is envisaged that specialist intermediaries will play a key role in the development of this initiative through the provision of in workplace support.

### **Scottish Parliament Equal Opportunities Committee Inquiry**

This inquiry report – under the working title ‘Removing Barriers and Creating Opportunities’ contains a number of key recommendations on supported employment that cover establishing a supported employment programme in Scotland. The recommendations cover other aspects including national standards for delivery, coordination of services, 50% job targets for SE providers, funding, the role of employers and local authorities.

In essence it is another document which supports mainstreaming of the supported employment model. Given the change in administration, this may be yet another report that ‘withers on the vine with time’.

## **SUSE Blueprint**

Commissioned by the Scottish Executive's Dept. of Enterprise, Transport and Lifelong Learning (Workforce Plus Team), the 'Blueprint for Supported Employment in Scotland' document illustrates how the supported employment model has become widely established in assisting people who face significant levels of exclusion in the labour market. A number of case studies and good practice examples have been incorporated into the 'blueprint', which further illustrate how supported employment is delivered across Scotland.

Ten key recommendations are made in terms of influencing policy makers and funding providers – with a view to supporting the future development of services and moving the supported employment model into the mainstream of employability and employment focused service provision.

We have worked with the SUSE Board on preparing a Big Lottery application, which would fund SUSE for the next five years and incorporate the development of national delivery standards for supported employment, and the completion of further more detailed work on a cost benefit analysis of the supported employment service delivery model.

## **The Way Ahead for PIMs in 2007**

Intoworks PIMs project is funded by the Scottish ESF Objective 3 Programme through to the end of June, with a further prolongation period through to the end of December 2007. We envisage continuing our capacity building activity through that period, with a particular emphasis on working with the aforementioned Restart mental health service delivery partnership. The reasoning behind the choice of mental health is detailed earlier in this chapter. In the main, the focus on mental health activity is particularly relevant given the size of this particular client group i.e. the fact that one in three people now presenting for Incapacity Benefit has mental health problems as their primary disability, allied to the capacity of existing services and their development to meet growing demand. This work would focus on –

- Participating actively as a Restart delivery partner with a focus on the pre employment job search and post employment in workplace support
- Bringing other service delivery partners into the mix i.e. those providers whose culture and working methods may need to change to adapt to this new way of working
- Developing joint operational procedures and protocols – around sharing client information, client tracking, outcome reporting, employer information etc.
- Building delivery capacity through appropriate training and good practice activity
- Raising mental health awareness with potential employers
- Encouraging the enhanced involvement of public sector and health sector partners
- Continued working with the Lothian Employability Forum and Midlothian Employment Action Network in terms of supporting the

Workforce Plus and City Strategy agendas, as well as the rollout of the provider led Pathways to Work programme in the area

- Working with local authorities and assisting them to meet their DDA / DED Public Sector Duty obligations through support for the new Public Sector Academy

We will also continue our work on formalising the learning disability / high support need service provider consortium as a separate entity.

As this is quite an extensive list, we envisage making further funding applications to the Big Lottery and through the new 2007-13 ESF Framework i.e. if there is an activity fit specified under the three new main priorities, to continue capacity building. The new ESF framework annual project threshold of £200K is a huge barrier, given the match funding requirement that this would place on the organisation. If we cannot meet this (and it is extremely unlikely that we can) then we will have to withdraw from capacity building activity.

We would anticipate some interest and support from the City of Edinburgh Council and the Capital City Partnership, in terms of the context and content of this work and taking forward the Joined Up for Jobs and Cities Strategy working agendas.