

No one written off: reforming welfare to reward responsibility (Cm 7363)

A response to the Department of Work and Pensions from
the National Institute of Adult Continuing Education

1. The National Institute of Adult Continuing Education (NIACE) is an independent non-governmental organisation and charity. Its corporate and individual members come from a range of places where adults learn: in universities, further education colleges, workplaces, local community settings, prisons and in their own homes via ICT. The ends to which NIACE activities are directed can be summarised as being to secure more, different and better quality opportunities for adult learners. It is particularly concerned to advance the interests of those who have benefited least from their initial education and training.
2. NIACE welcomes the aspirations manifested in the Consultation Paper. We commend its ambition to transform the welfare system so that it provides the right support to help people in need and enable people to become more empowered, self-confident and self-reliant. We also greatly support the Department's vision that this requires a strategy for sustaining and progressing in work through the acquisition of skills rather than one just limited to the obtainment of any employed position.
3. However these proposals will impact on practically all who claim benefits-around 4.3 million people. And such a big overhaul towards an increase of conditionality and benefits sanctions does not only place more responsibility on individuals as is mentioned in the Green Paper, but also on the capacity of the Department for Work and Pensions and its agencies, especially JobCentre Plus. The Department thus has a greater responsibility to ensure that support for individuals is responsive, easily accessible and of high quality so that the system is transformative rather than punitive.
4. The risks, as well as the rewards are high. Since the Green Paper was published we have experienced a dramatic transformation in the world's economic outlook. Although we are sympathetic to the measures for stimulating employment and learning support, NIACE is concerned that the sticks that go with the carrots may no longer be appropriate. In a recession, the welfare system faces an even bigger challenge to provide equalities of opportunity to those farthest away from the labour market alongside new claimants.
5. This is why in this response along with stating our endorsements and concerns NIACE sets out recommendations and ways in which NIACE's expertise can be best capitalized to help the Department reach its goal of empowering 'hard to reach'¹ people to work. The wider role that learning of all kinds, not simply skills training, can have on empowering people to take control of their lives is something NIACE would like to explore further with the Department.

¹ It is important to note that when services and providers identify target groups as "hard to reach" they fail to understand that it is also the system that is hard to reach for adult clients. It is not simply about changing individuals to become more receptive to services; more needs to be done to have providers better attuned to individuals' circumstances.

Is the skill system ready to empower Jobcentre Plus customers?

6. NIACE warmly welcomes the Department's decisive action to join up the skills and employment services and bridge inter-departmental silos within Whitehall. Particularly welcome are the flexibilities introduced to the 16 hour rule which previously impeded claimants from accessing the learning they needed to find sustainable and fulfilling opportunities in the labour market.
7. Allowing personal advisers to prescribe full-time education when they judge it appropriate has the potential to be highly beneficial to creating a personalised and supportive system.
8. We would strongly encourage the Department to complement the 16 hour rule amendments with a parallel initiative to raise awareness among Jobcentre advisers of the benefits and results that learning can achieve to get claimants closer to work, into work and more importantly into sustained work. Evaluations of pilots dealing with joined up employment and skills strategies, like the Skills Coaching initiative, indicate that when advisers understood the focus of skills policies and their benefits, the customer journey was much more efficient.² Joining up skills and employment is also about creating a seamless understanding among the deliverers of services of the multiple strategies that help people get off benefits.
9. However the results learning can deliver will depend on whether suitable provision is available for an individual's particular needs in a specific place and time. The underlying questions are:

Does the present skills system (public, private and voluntary providers) have the capacity, expertise and incentives to support benefit claimants back to work?

Is this offer inclusive and constant throughout all regions of the UK?

10. **NIACE is deeply concerned that despite an ambition to join up the skills and employment systems, the former may not yet be adequately suited to cope with the new demands.** Over the past three years, with Government concentrating most of its efforts and resources on reaching Lord Leitch's targets, especially through the highly-focussed Train to Gain programme for people in employment, other learning opportunities have been severely weakened and reduced.
11. In just two years England has lost at least 1.4 million adult learning places, with the decline particularly damaging the flexible and responsive provision likely to be required by many Jobcentre Plus clients. Benefit claimants, and specifically the long term unemployed facing multiple barriers, are most likely to be at an entry level learning stage if not completely disengaged from learning. For many people in this group, motivation is critical. It is not enough to present a simple solution. Policies need to start with the beliefs and

² LSC (2007) *Evaluation of Year 2 of the Skills Coaching Trials and Skills Passports*, London.

perceptions of the client group and work to help them towards a state of readiness where they can suspend feelings of fatalism and cynicism and begin to believe that engagement offers a real prospect of a better life.

12. Unfortunately the hardest hit from the decline in LSC-funded adult learning is entry level and flexible, non-accredited provision, with 40 per cent of its adult learners being swiped out in two years:

Change in adult learner numbers (in 000's) on LSC funded Level 1 and Entry level provision ³					
	2004/05	2005/06	2006/07	Change	Percentage Change
Level 1 and Entry level	1,483.3	1,246.50	880.1	-603.2	-40.6

13. Furthermore short courses, which are the mode of learning most suited to engage with “hard to reach” learners, have been particularly hard hit. As have subject courses crucial to Jobcentre Plus customers including: Health, Public Services and Care with a decline of **-477,000** places, ICT with **-394,000** and Preparation for Life and Work with a decline of **-248,000**.
14. As departments and providers are pressured to achieve the qualification targets of the skills system, they are using levers such as limiting funding entitlements only to learning that will count towards those targets. Given that pre-entry level qualifications and ‘other’ provision do not count directly toward the Leitch targets, many providers have felt pressured to respond by reducing provision for those farthest away from the labour market. This has left learners not only with fewer publicly funded subjects and modes of study but has also left the system with a weaker infrastructure for engaging with the most marginalised.
15. For example,

Colleges have been told that they should register for the programme only those likely to get into sustained employment within 6 months of leaving. These changes disadvantage anyone with more complex needs. For example blind and partially-sighted people typically face the challenges of learning access software which mean they require more time. The changes also block off an important route into mainstream further or higher education for those capable of more than low-skilled employment.

RNIB College Loughborough runs residential training programmes for adults, funded by the DWP. There are currently 10 colleges in England providing Residential Training for Disabled Adults. The programme is for those people requiring a greater degree of support than is provided by other programmes such as New Deal for Disabled People (NDDP). The Residential Training Unit administers the total budget of around £19m. Previously colleges were credited with a “positive outcome” if trainees entered employment or full time education or training within a year of leaving the programme. The DWP is under funding pressure and is focussing on achieving the government target of 80% of adults in employment. Major changes to the RTU contract have been implemented from April 2007:

- Only employment within 6 months of finishing the programme counts as a positive outcome
- Full time education or training is no longer a positive outcome
- There is financial pressure on colleges to get people through programmes as quickly as possible.

³ LSC (2007) SFR Further Education, Work Based Learning, Train to Gain and Adult and Community Learning Learner Numbers in England: 2006/07

16. The weakening of the system's capacity to reach the most disadvantaged begs the question of whether learning support will be of equal quality throughout all areas of the country. Although NIACE fully endorses the Green Paper's proposal to shift responsibility towards local partnerships, evidence of a weaker infrastructure overall means that some areas and regions might not have the right courses available. If benefit sanctions are to be implemented both a rural-proofing of existing provision and an equalities impact assessment should take place beforehand.
17. Furthermore NIACE is unconvinced about the mechanisms set in place so far and how they will respond to individual demand, particularly where the future Skills Accounts are the chief individual route to engage with learning. Skills Accounts to date are largely a report of an individual's learning history and a statement of possible options, not a funding guarantee, nor an initiative that actively engages hard to reach learners and providers in anything more than a very basic way. Furthermore Skills Accounts are primarily focused on first full Level 2 qualifications which are a long way ahead in many benefits claimants' employability journey and inappropriate in many others'.
18. NIACE is surprised that the Foundation Learning Tier has not been given a stronger mention either in this document or the previous Work Skills command paper. Entry level programs and courses are critical for Jobcentre Plus customers. The LSC's *Prospectus for Progression Pathways* has stated:
- "The Foundation Learning Tier is being developed in response to the concern that for some learners the 'gap' from entry level to level 2 is too large and too complex in terms of qualification structure, or is simply too inaccessible"*⁴.
19. NIACE is concerned that there is a fault-line running through the Government's approach. Skills policy choices of the last three years have leaned towards a 'one-size fits all' prioritisation of the Train to Gain programme and an employer-led approach whereas the Employment services are changing towards a more flexible and personalised strategy intended to deliver real concrete outcomes in peoples' lives. As sanctions are imposed and more responsibility is expected of claimants it is crucial that the skills system evolves together with the employment service. Despite welcome moves towards an integrated employment and skills strategy, NIACE believes there is still insufficient 'read-across' between Government Departments.

Empowering the 'hardest to reach' to work through learning

20. Throughout the employability national debate, employers have successfully begun to articulate their business needs. A key element of what employers express is their imperative need for so-called 'soft skills' where *timekeeping*, *enthusiasm* and *personal presentation* are recurrently named as the most important.⁵ Furthermore these are the skills employers expect individuals to develop themselves without investment from the company.

⁴ LSC (2008) *Prospectus for Progression Pathways*

⁵ Martin, R; Villeneuve-Smith, F; Marshall, L and E. McKenzie (2008) *Employability Skills Explored*, Learning and Skills Network.

21. A more in depth look on what these skills entail can be derived from the *Skills Toolkit for Employers* developed by the Skills for Business Network. At entry level employers say that they would expect a person to:
- Feel good about yourself and be confident
 - Display positive body language
 - Take care of your own health and hygiene
 - Show interest, initiative and effort
 - Turn up to work on time
 - Deal with people, problems and situations in an honest, true and decent way
22. Adult learning can be a key tool with which benefit claimants can achieve these skills. However the type, flexibility and mode in which this learning is delivered is key to its success.
23. Many Jobcentre Plus clients need time to develop motivation and confidence before they commit to a full qualification. Those clients include those with lower levels of skills, ex-offenders, those managing or recovering from mental illness or disabling conditions and those for whom long spells of unemployment are likely to be common. The evidence suggests that adult learners with low basic skills levels will be motivated to learn only if their individual circumstances are sensitively responded to in a learning environment that is encouraging and supportive. Furthermore, many of these adults have negative or disrupted experiences of formal education and if the curriculum and pedagogy available does not take this into account a compulsory learning situation may further reinforce an association between learning and what is undesirable.
24. Moreover the teaching of employability skills for the most disadvantaged should not be limited simply to a curriculum constrained by measurable “employability qualifications”. The learning needs of those who find services hardest to reach need to go beyond training in CV writing and job seeking tips. The funding regimes that underpin these courses also need to be more flexible to fully recognise the learning paths that adults require. Currently only a full learning aim can be entered on an Individualised Learner Record, leaving individual units of an award unrecognised and without access to funding. NIACE is concerned that too narrow a view of what “employability related training” looks like restricts the development of truly effective learning provision for the most disadvantaged – or indeed any adult with less-standard occupational or learning histories.
25. NIACE believes that being employable is about being empowered, motivated and confident enough to take action over your own life. It means being ready and willing to seek guidance and support in a desire to improve one’s current situation. Learning can most certainly provide this but going through, for example, an Entry Level 3 Employability Certification will not necessarily be an appropriate or even adequate way of achieving it for everyone.

26. NIACE is pleased to see that the Department has taken up David Freud's recommendations about a 'black box' approach to voluntary and private provision of employability outcomes. This will benefit the creation of some truly effective learning pedagogies and strategies for 'hard to reach' learners. We urge the Department to maintain this approach as free from qualification requirements and bureaucratic procurement restrictions as possible.
27. NIACE also appreciates and applauds the Green Paper's sensitivity towards properly understanding the multiple barriers individuals face to get off benefits. A full-fledged review of an individual's circumstances proposed to take place after two years of claiming benefits is a good step forward towards a personalized approach. Nevertheless NIACE believes that empowering the most disadvantaged should be given greater priority and placed at the centre of the integrated employment and skills system. One way of achieving this is by We do not, however, underestimate the challenge posed by moving people with chaotic lifestyles and those families that have lost a culture of employment.
28. As the LSC is set to give way to new structures outlined in the Machinery of Government reforms and to give employers an even stronger gatekeeping function over adult funding, this will leave those currently outside the labour market or on its margins to suffer most. The voice of employers is significantly strengthened under the new arrangements whilst that of adult learners faces a reduction, despite new flexibilities, with Train to Gain looking as an increasingly threadbare flagship policy for skills.
29. This is why NIACE believes that under the new re-structuring there is a case for a **National Learning Outreach Service (NLOS)**, containing the national parts of the infrastructure of informal adult learning and the Foundation Learning Tier and having a brief to secure and monitor learner participation data (in all adult learning - including sector-by-sector analysis) and promoting equality and diversity. Such a NLOS would provide a way of addressing issues of equity in terms of access, progression and achievement and offer local providers with a way of benchmarking success in their ability to reach under-represented groups of learners and a vehicle for promoting participation. This service could also act as a hub for all Employability Skills Programme providers and would share good practice of training that successfully empowered benefit claimants back to work. The NLOS might operate under the auspices of the proposed Skills Funding Agency but receive support from both DIUS and DWP in the way that the REPLAN programme (run by Government between 1984 and 1991) was funded both by the Department of Education and Science and the Department of Employment via the Manpower Services Commission).
30. NIACE would also recommend that along with the Department's review of conditionality systems in other countries a similar review be conducted on the curriculum and pedagogy used to motivate people on benefit into work. NIACE would gladly help the Department by sharing and collecting evidence which detailed critical success factors for engaging individuals, who experience multiple barriers back into learning and into employment. We urge Government to revisit the work of REPLAN, especially the approach set out in *Adult*

Unemployment and the Curriculum (A. Watts and E. Knasel, FEU/REPLAN 1985) which, more than 20 years on, remains the definitive blueprint for engaging people out of work in education and training.

An ageing workforce

31. The aspiration to see one million more older workers is welcome, as are also the introduction of Pathways to Work programme targeted to older IB claimants and the newly proposed Work Focused Interviews. However NIACE believes that such actions are short-term solutions that do not tackle the heart of the problem. Action needs to be taken to prevent older adults becoming ill with work related illnesses (particularly stress which manifests itself in many ways) and improve the quality of people's working lives.
32. One such approach is through the *Work Ability* age management method. This has had demonstrable success in Finland which experienced the effects of an ageing population earlier than most EU countries. In 1994, the Finnish 'older workers'' employment rate was 33.5 per cent (close to the French rate). It has since then risen to 53 per cent, while in France it has only risen to 41 per cent. NIACE believes that the Department would benefit by reflecting on Finland's experience of incorporating the promotion of *Work Ability* into a national agreement between employers and trades unions. This resulted in 80 per cent of Finnish companies having made some use of the concepts. Adopting such an approach would also contribute towards a healthier retirement/post work experience. Learning plays a key role in this approach and NIACE would be glad to provide the Department with more information on its effects and implementation.
33. A further issue to consider is that with the downturn in the economy now apparent older workers will most likely be the ones to face unemployment, a trend experienced in the past. Therefore the role of education and training and wider learning, is required not only to update the skills of this cohort but also to enhance the quality of their lives, so that they do not start on a cyclical decline often associated with long-term unemployment and help maintain their place in a modern vibrant workforce. The role of informal adult learning is especially relevant to achieve this.

Reforming the welfare system during an economic downturn

34. The current economic downturn does not overthrow any of the intentions within the Green Paper. In fact, empowering people to work or learn while claiming benefits becomes even more important as more people will come into the welfare system. Not going through with the proposals during the economic downturn will only mean that at the end of it more people will be written-off from the labour market, creating a new generation of unemployed. With a predicted one million Britons to be out of work by Christmas 2008 it is imperative to maintain their confidence, psychological wellbeing and skills through an entitlement to learning. It is also key that in preparation for a surge of redundancies, learning support is provided at the early stages of engagement, 2 to 6 months after benefit claims start.
35. There is no doubt that the economic times will put an extra financial strain on the welfare system. NIACE strongly urges the Department to be absolutely clear in its commitment to provide the flexible and appropriate learning and work support before making the system more reliant on conditionality and sanctions. Under the new economic outlook the Department needs to assess its commitment of reforming the welfare system with even more sensitivity to avoid simply penalising the poorest.
36. The risk of sanctions penalising the most disadvantaged is even higher when resources are scarce. NIACE is concerned that current policies might presently drive providers towards "quick wins" which guarantee funding but that disadvantage the most marginalized. While NIACE appreciates the Department is keen to encourage providers to focus on those with more complex barriers we believe a mechanism, to guarantee this happens, like the proposed National Learning Outreach Service (NLOS), is a necessity. Already a target-driven approach focuses on those people with the shortest journey to achieve the target. A more realistic and perhaps lower expectation of the speed at which outcomes are achieved needs to be considered.
37. Another recommendation to aid the Green Paper proposals during the economic turbulent times is to channel more of the skills system resources to entry level learning. Currently "employer led training" through Train to Gain is the biggest receiver of adult learning funds with employers being offered subsidized training for their employees. However employers have yet to take full advantage of this offer and the programme currently has an underspend of one third of its total budget. The underspend is likely to increase as employers tighten their finances and training and staff development budgets are reduced.
38. Policies, like Train to Gain, implemented by Government (not without a great degree of controversy over their effectiveness) are not adequate in periods of downturn and recession. NIACE would strongly recommend introducing further flexibilities within the employer led budget of adult learning that would expand employability learning within a redefined Train to Gain. For example by allowing anyone engaged in Train to Gain to complete their programme of learning easily even if made redundant or by increasing funding

for adults near to the labour market. A more in-depth rebalancing of adult learning funds should also be taken forward where entry level learning is given adequate priority perhaps by course funding being less linked to a qualification outcome and with a resurgence of taster courses.

39. NIACE would welcome the opportunity to elaborate on any of the themes covered in this paper, and looks forward to contributing further to discussions. In the first instance please contact Alastair Thomson (Senior Policy Officer) and Lucia Quintero-Re (Policy Officer) at 0116 2044241.

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