

Creating a Fairer Scotland – devolution of work choice/work programme update

March 2016

Scottish Government have announced their plans for transition arrangements for devolution of ‘the space in which Work Choice and Work Programme both currently sit’ for April 2017 and beyond. Fundamentally this is devolution of employment support for vulnerable groups and the long term unemployed, including those with disabilities and health conditions in Scotland. The official announcement can be found at the link below. Further details were also shared at the Third Sector Employability Forum on 23 March 2016.

<http://news.scotland.gov.uk/News/Investment-in-employability-244a.aspx>

Key elements of the interim arrangement are:

- up to a £20 million additional investment in 2017/18
- a 12 month replacement for current Work Choice contracts to March 2018; and
- use of the Employability Fund mechanisms to appoint providers to provide support for people seeking work, who are over 24 months unemployed between April 2017 and March 2018. The funding available for this is currently unclear but looks to be in the region of £7 million. Commissioning is anticipated to be open in September 2016.

Going forward for commissioning beyond 2018 the structures are still being developed. The SG team are committed to using minimum 3 year contracts which is great news. They are still analysing the best approach to the geographical areas for commissioning – somewhere between 1 and 32 is all we know! The team are also aware of the issues around Prime and Sub models of contracting as well as the implications of outcome-only payment models, all of which suggests that whatever comes next it will address a number of the issues raised by providers through the consultation.

The client group for long-term unemployed has been extended to those over 24 months unemployed (where as previously it was 12 months for the Work Programme). This is a DWP decision and has implications on the numbers of clients who will be eligible for the new services. Discussions around sanctions and mandation are ongoing. What is clear is that there will be much closer working between JC+ and the new provision especially around key transition points for customers.

Critical to all of this is the adoption of a ‘test and learn’ approach to commissioning and delivery – with a real focus on testing ideas, reviewing what does and doesn’t work and changing the model accordingly.

We will let you know as soon as we hear more. Watch this space!

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