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A Health, Work and Skills Plan for Wales

6th March 2025

Joshua Miles, Director for Wales

Agenda

- 1. Overview**
- 2. Discussion session**
- 3. Feedback**

The story so far...

Life at the jagged edge



Are you unemployed?

We deliver Fair Start Scotland employment support service on behalf of the Scottish Government. We support as many people as we can into sustainable work.

It's your choice!

Taking part in Fair Start Scotland is completely voluntary.



Department
for Work &
Pensions



UK Government



UK Shared Prosperity
Fund

Life at the jagged edge



GIG
CYMRU
NHS
WALES

Medr

Y Comisiwn Addysg Drydyddol ac Ymchwil
Commission for Tertiary Education and Research



Cymru'n Gweithio
Working Wales

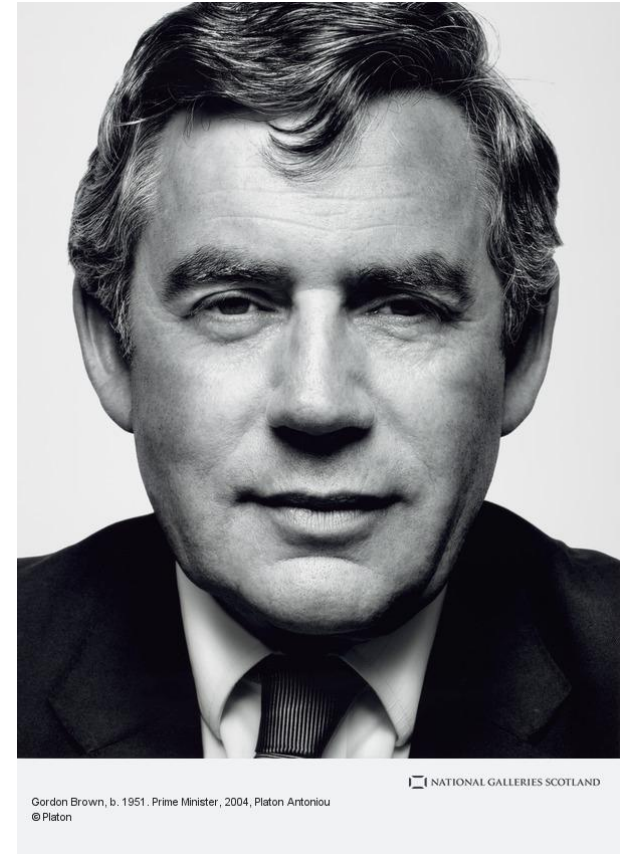
Twf Swyddi Cymru
Jobs Growth Wales

A new direction for Labour?

“We recommend devolving the administration of Jobcentre Plus so they can be made to work for local communities.”

“They could be integrated with local community health services to provide a holistic, tailored approach to people's needs...”

Gordon Brown's Constitution Commission 2022



Gordon Brown, b. 1951. Prime Minister, 2004, Platon Antoniou
© Platon

NATIONAL GALLERIES SCOTLAND

A statement of intent?

"The Welsh Labour Government and a UK Labour government would ensure Jobcentre Plus services better connect with the devolved careers service"

"To support this, we will devolve non-JobcentrePlus employment support funding to the Welsh Government so it can shape a joined-up work, health, and skills offer for local people".

Welsh Labour Manifesto, June 2024



Get Britain Working White Paper

*On the **Jobcentre**:*

“Reforms will cover Great Britain but will be flexible, operating differently in different areas to reflect local systems and needs – including reflecting devolution settlements in Scotland and Wales.”

*On **further devolution**:*

“The government has also made a new commitment to devolve non-Jobcentre Plus employment support funding to the Welsh Government”

*On new **trailblazer funding**:*

“In Wales the trailblazer will be jointly designed with the Welsh Government to ensure all aspects of the new jobs and careers service partner effectively with devolution of non-Jobcentre Plus employment support funding and areas of devolved competence.”

On intergovernmental arrangements:

*“We plan to establish **new governance arrangements with the Scottish and Welsh Governments** to help frame discussions around the reform of Jobcentre Plus, and agree how best to work in partnership on employment issues for which we both have responsibility and shared interests.”*



What does this mean for Wales?



What does this mean for Wales?

Rebecca Evans: *Officials from Welsh Government and the Department of Work and Pensions are in the early stages of discussion. The Minister for Culture, Skills and Social Partnership will update the Senedd on March 18th on the **Employability Support Programme** which covers a new Welsh Government employability offer as well as devolving non-JCP employment support funding and delivering an Economic Inactivity Trailblazer as announced in the White Paper.*



How to solve a problem like economic inactivity...

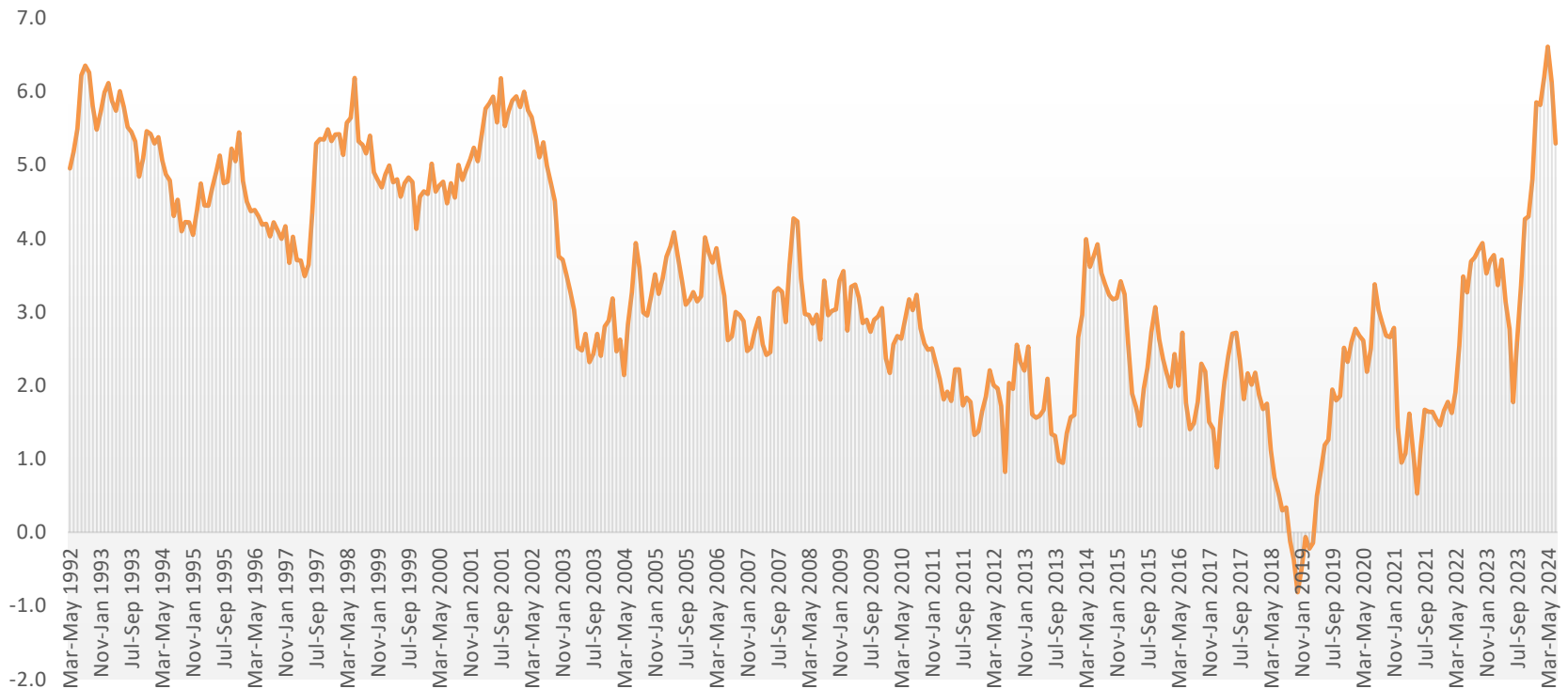
Welsh Labour Market - Overview

Key points

- Unemployment is at an **historic low** in Wales
- The employment rate in Wales is **lower than in England and Scotland**, as a result of higher rates of economic inactivity.
- Wales' employment and economic inactivity rates are **middling compared to other OECD countries** and well below global leaders.
- **Poor health and disabilities** are the main cause of economic inactivity in Wales, with **153,800 people or 8.5% of the working-age** population economically inactive due to long-term health conditions or disabilities in Wales, compared with 5.4% in England and 6.9% in Scotland.
- Increasing the overall employment rate in Wales would **help families move out of poverty and boost local economies** in Wales. This will require addressing economic inactivity through better employment support provision.
- Employment support has a role to play in addressing **job insecurity and in-work poverty** and making Wales a fair work nation.

Wales has a long-term inactivity problem

Economic Inactivity- UK/Wales

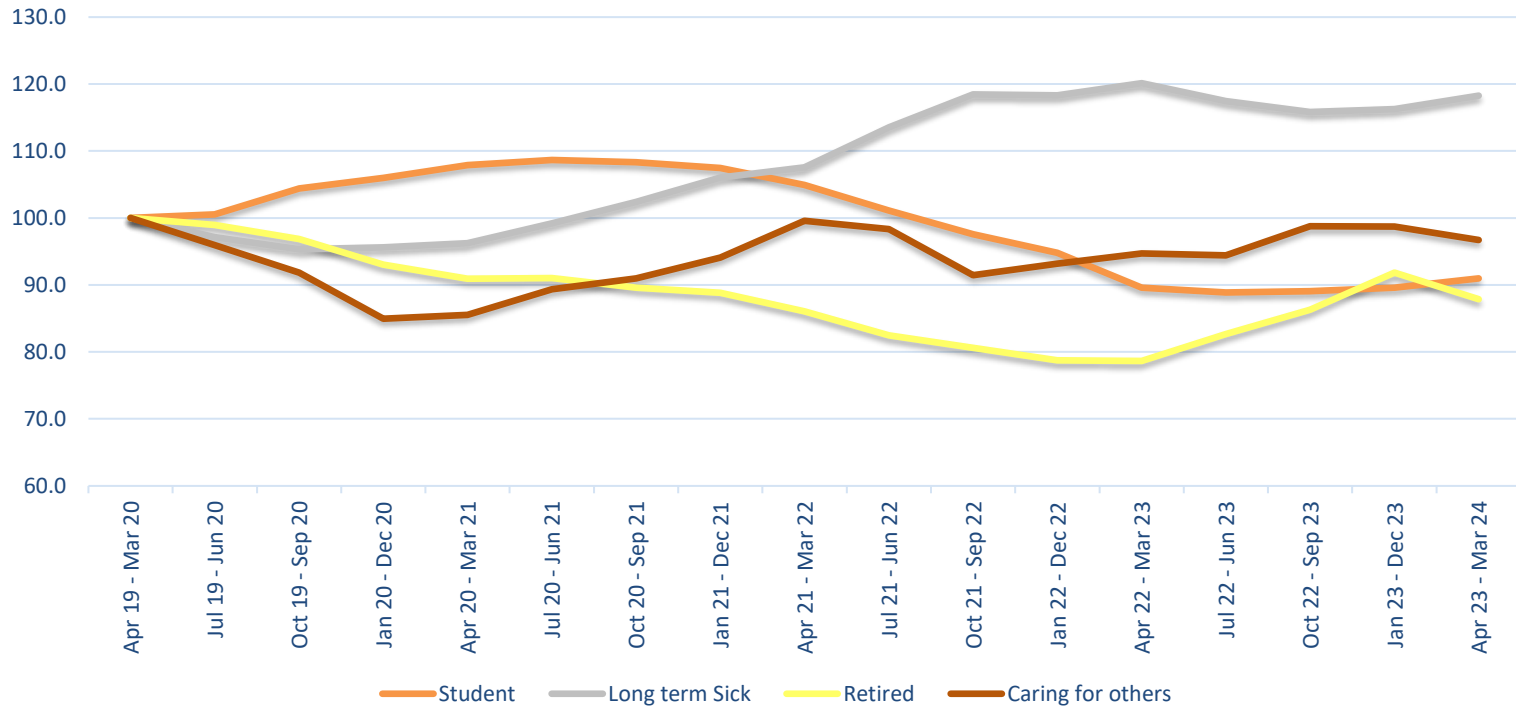


Welsh Labour Market - Challenges

Key points

- Within Wales, north Wales has a slightly better performing labour market, however **all areas are worse** than the UK average.
- The **employment rate for disabled people** in Wales was 48.9% in 2022. This compares to a rate of 82.2% for non-disabled people
- The **employment rate for Black, Asian and minority ethnic people** aged 16 to 64 in Wales was 67.7%. By comparison, the employment rate for White people was 73.6%.
- Economic inactivity is much **higher for females at 31.8%** of females aged 16-64 economically inactive compared to 16.9% of males in the same age cohort.
- The most common reason for economic inactivity for both males and females was **ill-health** at 29.8% and 39.5% respectively.
- For women, after ill-health **caring responsibilities** (24.5%) are the next most important contributor to inactivity whereas for men this was being a student (27.4%).

Tackling ill-health



Economic inactivity Wales, by reason – indexed to pre-covid

Existing provision: A snapshot

Existing provision - UK

Jobcentre Plus and DWP provision in Wales

Currently, 116,000 people receiving Universal Credit are mandated to engage with employment support provision as a condition of receiving their benefits. This provision is usually offered by Jobcentre Plus work coaches as well as specialised DWP programmes which include:

- **Restart**, providing 12 months help for people who have been unemployed for more than nine months. Unlike most employment support programmes which are voluntary, Restart participants are mandated to take part by their Jobcentre Plus coach.
- **Work and Health Programme (WHP)**, providing help for disabled people who have been out of work for more than 24 months, including in-work support. By the end of April 2023 some 19,125 people had started on the WHP in Wales, including 4,111 in the 12 months to the end of April 2023. This programme has now finished.
- Most economically inactive people are currently not entitled to receive Jobcentre Plus and DWP-commissioned employment support, the UK Government is developing a new programme called **Connect to Work** with local authorities.

Existing provision - Wales

Welsh Government programmes

Welsh Government funds a number of employment support programmes. Its largest programme is Working Wales, delivered by Careers Wales which has centres in every local authority. Working Wales underpins the Young Person's Guarantee.

Working Wales offers careers advice, one-to-one coaching and help to access grants and training. This programme also assesses and refers clients to a number of other Welsh Government employment support programmes which include:

- **ReAct+**, which provides financial advice and wrap around support to people who face specific barriers to work, for example, low confidence or poor mental health.
- **Jobs Growth Wales Plus**, which offers training and employment support for 16-19 year-olds who are not in Education, Employment or Training, with 5,330 young people on this programme over the 2022-2023 academic year.
- **Communities for Work Plus** which provides more intensive employment support to people who have multiple or complex barriers to work, for example refugees, care leavers and ex-offenders, economically inactive people and young people not in employment education or training.

Existing provision - Observations



A fragmented and complex employment support and skills landscape means that government investment is not put to the best use.

Employment outcomes are often poorer for groups such as older people and those with health conditions and disabilities

Employment support sometimes lacks flexibility to meet different needs

High coach case loads at the jobcentre

Employment support programmes can struggle to reach economically inactive people and those in low-paid work.

The assets of faith and civil society organisations who are delivering employment support are not always put to the best use.

Is devolution the answer?

Devolution is not an end in itself.

It can be part of the answer, but only if it addresses the challenges outlined previously.

Some principles to make this happen might be:

Universal and targeted services

A flexible, person-centred and integrated system

Subsidiarity where possible

Evidence-driven design

Investment in reaching and engaging users

An active role for employers

Value for money

Alignment with other policy areas

Transparency and accountability

Stable funding

Our next steps

Research aims

1. Create a richer **understanding of employment gaps** identified, and the reasons for lower employment rates
2. Bring together a **stronger network of organisations** who can advocate for change and raise the profiles of the issues identified
3. Develop an understanding of the different **geographies of Wales** and how that interacts with policy
4. Set out clear and implementable **policy suggestions** for a more inclusive Welsh labour market that closes the employment gaps identified

Methodology

1. Project inception and desk research

- Stakeholder reference group
- Evidence review
- Analysis of spending on existing employment support in Wales

3. Qualitative research

- Lived experience focus groups x6
- Stakeholder workshops x6

2. Quantitative research

- Employment gap analysis for the four economic regions in Wales using Annual Population Survey data

4. Policy recommendation development

- Develop proposals for change
- Reconvene lived experience and stakeholder groups for feedback sessions
- Data synthesis and final reporting

Discussion

Questions for discussion

1. How do we tackle economic inactivity?
2. How can work, health and skills policies be further aligned?
3. What does the devolution of employment support mean for work-based learning, and existing programmes such as Jobs Growth Wales+?
4. How do we balance local, regional, national and UK priorities?



Cael gwybod, cymryd rhan, cymryd rhan.
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