

Work and Pensions Committee

Oral evidence: DWP's response to the coronavirus outbreak, HC 178

Wednesday 16 December 2020

Ordered by the House of Commons to be published on 16 December 2020.

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Members present: Stephen Timms (Chair); Debbie Abrahams; Shaun Bailey; Siobhan Baillie; Neil Coyle; Steve McCabe; Nigel Mills; Selaine Saxby; Dr Ben Spencer; Sir Desmond Swayne; Chris Stephens.

Questions 357 - 400

Witnesses

[\[I\]](#): Tony Wilson, Director, Institute for Employment Studies, Stephen Evans, Chief Executive, Learning and Work Institute, and Professor Dan Finn, University of Portsmouth

[\[II\]](#): Martin McTague, National Vice Chair, Policy and Advocacy, Federation of Small Businesses, Mat Ilic, Chief Development Office, Catch22, Elizabeth Taylor, Chief Executive, Employment Related Services Association, and Mat Ainsworth, Assistant Director of Employment, Greater Manchester Combined Authority.

Examination of witnesses

Witnesses: Tony Wilson, Stephen Evans and Dan Finn.

Q357 **Chair:** I welcome everybody to this meeting of the Work and Pensions Select Committee, where we are taking evidence on the Government's Restart scheme. A very warm welcome to our witnesses who are joining us for this first panel. I will start by asking each of you very briefly to introduce yourselves, starting with Tony Wilson.

Tony Wilson: My name is Tony Wilson. I am the director at the Institute for Employment Studies, and we are an independent research institute.

Stephen Evans: Good morning, everybody. My name is Stephen Evans. I am the chief executive of the Learning and Work Institute, and we do research and development and policy work on employment learning and skills.



Professor Finn: I am Professor of Social Inclusion at the University of Portsmouth and for many years have studied the design and impacts of employment programmes, especially those targeted at the long-term unemployed.

Q358 **Chair:** Thank you all very much. I know that all of you followed very closely what previous schemes have done, not least the Work Programme from a decade ago. The Office for Budget Responsibility projects that unemployment will hit 2.6 million next year, and the target for Restart is to get a million people into work over three years from next April. Can I ask each of you, what does past experience tell us is going to be necessary to make Restart a success? Let us go in the same order if we can, starting with Tony.

Tony Wilson: I would point to three things in particular. The first would be making sure that we can effectively target support to those who are most disadvantaged. That means, for these purposes in particular, focusing on those who are longer-term unemployed and are more likely to need more specialist and intensive help and to secure employment through Jobcentre Plus support. It needs a clear focus on the individual, supporting the individual, making sure that we are listening to them and providing effective and frequent contact that is positive, forward-looking, based on their abilities, and focused on secure employment. It means really effective work with partners and employers, so it not just about how we work within the programme with individuals.

Given that this is going to be a centrally-commissioned programme—commissioned by DWP and managed by DWP—we really need to have effective local partnerships to make sure it is responding to local needs and working with local communities and joining up with local provision. We need really good links with employers. We need a quite different and intensive focus on employers in this recovery, given the nature of the crisis and the way it is affecting different areas.

Q359 **Chair:** On those three points, how did the Work Programme do? Do we need the Restart to do the same again, or were there things that need to be learnt from the Work Programme on those three points?

Tony Wilson: DWP has just recently published an impact assessment for the Work Programme, which does suggest that it was very effective for the long-term unemployed group in particular. I think the Work Programme was relatively well targeted, particularly because it did focus on those longer-term unemployed. I think it got better as time went on. We led an evaluation with the Learning and Work Institute, in which we ran two big surveys. In the second survey, people were being seen more frequently, they were being seen more consistently, and there was less variation according to people's needs.

There was quite a lot of evidence of what is often called premium parking, which other panellists will talk about too, in particular people who are relatively more disadvantaged often being seen less frequently,



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and that persisted throughout. It got better as the programme went on, but older people in particular are still less likely to be seen frequently, even in the second wave of the survey, for example. There was not always consistency of advisers. About three fifths of participants said they usually saw the same adviser or always saw the same adviser, but about two fifths said that they only sometimes or never saw the same adviser. Those are warning signs, I think.

On partnership working, I think that is one of the biggest areas for improvement. The Work Programme is not very well-integrated or aligned with local provision in its design but also in its implementation by providers. On employer engagement there is a lot of good practice but I think it could have done a lot more. There could have been a lot more co-ordination across the programme and leading by DWP and providers in partnership to make them simpler for employers, make it a better and more coherent offer for them. Yes, good marks, but I think we can do much better than the Work Programme.

Stephen Evans: There is a point about making sure we get support to those who need it. For me, that includes those who are out of work but not on benefit, so there will be long-term unemployed people who are not claiming benefits. We need to get support to them as well as those who are long-term unemployed claiming benefit. Often you get some degree of jobcentre discretion to refer people in, but I would argue, building on Tony's point, that we need some local partners to have some discretion too.

I think what is different about this crisis as well is that we will have some people who have been long-term furloughed, which is a new category through this crisis. How do we make sure that if people have been technically employed since March last year but may not have been at work since March last year, they benefit from this new support as well? I think there is a point about getting support to those who need it.

There is a second point about avoiding the creaming and the parking that Tony talked about. In the Work Programme we had a bit of a toxic mix of lack of clear service standards about what people can expect, the contact they can expect and then those two years on the programme, so people were there for a long time. I think that did lead to too little support and too much ignoring of people who had the most barriers to work and who needed the help most. I would like to see some really clear contact standards. How are people going to be contacted, when, how often, what support are they going to have access to?

The last point is that Restart is one tool in the box. It cannot just be commissioned and delivered in isolation. It needs to be part of the bigger picture of employment support to stop people becoming long-term unemployed, support to create jobs—that feels particularly important in this current economy—and also support for skills, for example basic skills. Joining up employment and skills is often a missing piece of the jigsaw



and I think was missing from the Work Programme. We have a real chance to do better here.

Q360 **Chair:** On your point about the service standards, do you think the Department should specify those or should each provider draw up their own based on how they are going to do things?

Stephen Evans: I would argue that those service standards should be set centrally by DWP so that everybody accessing this service anywhere in the areas it is available knows what to expect, and knows to expect regular contact. That is partly because this is a public service, so people should have clear expectations, and I think it is partly because on the Work Programme what tended to happen is providers were setting their own standards and effectively marking their own homework, and standards in some cases became watered down over time, particularly for the groups with the most barriers. I think we need those very clear standards set by the DWP when it is commissioning this programme so that everyone knows what they can expect and when.

Professor Finn: I will try to complement the points that Stephen and Tony have made, in terms of what maybe we should learn from the Work Programme. Going to the heart of it would be the nature of the contracts the Department has with the providers and then the nature of the expectations about how those providers are going to be working with subcontractors and with the local partners that have been referred to by Stephen and Tony. Clearly in here is going to be the importance of the balance between incentives and ensuring that providers have enough cash flow coming in to deliver the service standards that are a minimum expectation of what people can expect going into the programme.

The second point in terms of learning from the Work Programme is about not overpromising what the programme can deliver. When the Work Programme was launched by Minister Grayling back in the 2010 era, it was going to be all things to all people—and clearly it wasn't. That problem of great expectations not being delivered was compounded by a lack of transparency in the first few years of the programme and the most important lack of transparency was the unwillingness to publish performance data until well into the second year of the programme.

Inevitably programmes take a long time to get going before they start delivering results, but the perception was that there was something wrong and the programme was not succeeding, and that created a very bad impression publicly over that first year, because the perception was, "What do they have to hide?"

The final point that is going to be crucial as we go through the pandemic and into the subsequent period will be the interaction between Restart and the mandate and sanctions regime that the Department will be operating alongside it. Again, one of the things that did a lot of damage to the Work Programme in its first few years was its association with a very strict conditionality regime, the imposition of sanctions and the



relationship between managing work activities, which were not seen to be getting people into jobs.

Q361 Sir Desmond Swayne: When do we need to get this up and running by? Of the £2.9 billion that has been budgeted, £400 million now for the first year, is that enough for the first year? Do you have views about how the finance should be allocated between the years? Don't all speak at once.

Tony Wilson: I am happy to go first. The programme is going to be targeted at people who are reaching the 12-month point, or between the 12 and 18-month point in the searching for work conditionality group. It is what you would call a flowed programme, so the number of people flowing through that point in the claim. The big increase in inflow happened between April and June. There were about 1.9 million people entering the searching for work group at that point. They are going to flow through the 12-month point, April to June of 2021. How many will flow through, we do not know. It is likely to be around one in 10, so looking at potentially about 200,000 people who will be flowing through in that quarter.

The programme is not going to be ready by April. The earliest it will be ready will likely be June time, so you will have some people who will be 12 months, some will be 15 months, and they are all going to potentially hit at once. This is significantly larger—I think it is about four times larger—than the numbers who flowed through the Work Programme at the start. That was starting from a very low base. We are spending about one sixth now on employment programmes, contracted-out programmes, as we were on the eve of the last crisis, so we have a massive job in scaling up from about a £200 million market now in contracted-out provision to a multi-billion pound one over the coming years.

That is going to be a massive job and we are not going to have it ready in time to do all of that from May-June time. That is going to phase in over that period. After that I think numbers are going to drop really quite significantly quite fast, because inflows now into the searching for work group are above pre-crisis levels but they have fallen a lot. Although we only have data up to August, the data published yesterday suggest they are still coming down. They possibly rose again in November but it looks as though things have stabilised.

The big job is going to be April to June. We are not going to be ready for that. We are commissioning it a bit too late. We could have been starting this process in April, but if it is ready in the summer then I suppose it will be just in time to provide support for a lot of those people.

On the money point, it is payment by results, so I think 70% is going to be on outcomes and 30% is going to be on service fees. The £400 million spent in this year will mainly be the service payments, so it is enough because the money will be back-loaded. We will still be paying for this programme in five years' time; we will still be paying for it in six or seven



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years' time, even though we have stopped referring people in three years, because of the nature of the outcome-based payments.

Stephen Evans: For me the total planned size of the programme over the several years it is expected to run probably looks about right. We do not quite know because there is so much uncertainty at the moment, and therefore what we really need is flexibility in how we can ramp up and ramp down support. One of the issues with large contracted programmes is that necessarily you lose some of that flexibility in contracting. One point for me is how we make sure we have flexibility.

I am very concerned about the phasing over time, because we did have that big rise in unemployment in April, May and June 2020, and therefore you do not have to be Mystic Meg to see that there is going to be a big rise in long-term unemployment in April, May and June 2021. Yet this programme is not going to be up and running until the summer of 2021, so I worry about what happens to that big spike in the numbers of people becoming long-term unemployed in the spring of 2021 who are going to have to wait for support. Even then, there is going to be a very long queue because people will still be becoming long-term unemployed in summer 2021.

To give you a sense, we at the Learning and Work Institute developed some projections of long-term unemployment numbers based on the OBR data. We were expecting, on a central scenario, about 600,000 or 700,000 people to become long-term unemployed next year. That may dip a little because we did those numbers before the furlough scheme was extended, so you may get a slightly lower number.

The problem is the front-loading. As Tony said, we are expecting the numbers becoming long-term unemployed in the first three months of 2021-22 to be three to four times as big as the numbers who joined the Work Programme in its first few months, and the Work Programme had problems in its first few months getting up and running and getting up to speed. The overall size does not look out of kilter, but I think there is a front-loading problem. Where is the support going to be in April, May and June for those who we know are going to become long-term unemployed then?

Professor Finn: To amplify a little bit what Stephen said, one of the problems is that there will be a bulge of people going into the programme if you simply do it by the flows. This is where Jobcentre Plus will have some flexibility and it could be the important thing is managing the transition into the programme. The Work Programme in the early days was bedevilled by big queues at certain offices, and offices not being established when people needed them, so for Jobcentre Plus to manage that transition and manage the referral process well, especially in that first three to six-month period, will be critical to people's experience of the programme.



Another question in the background, and one that the Committee may wish to reflect on, is what are the eligibility criteria for the programme? We have simply spoken about 12-month claimant unemployed. What we do know from both British and international experience is to prevent long-term unemployment it is quite important for certain groups and certain people to get access to support at an earlier period. One of the things that happened through the Work Programme and has happened in other programmes is that an early entry group can grow and be contracted as the programme expands, but also in terms of trying to get in there earlier, so that some of the negative impacts of long-term unemployment do not get rooted in before people get the support that they need.

Q362 Sir Desmond Swayne: If the clients are to get the skills for sustained employment, what support does the programme really have to deliver?

Stephen Evans: Perhaps I will go first on that one. Traditionally what happens with these programmes is that providers or work coaches get discretion to try to work with the individual, to say, "What do you need to try to get you into that job and to keep that job?" One of the things that sometimes gets a bit missed in my view along the way is particularly those core employability skills such as literacy, numeracy and digital. About one in five adults lack those skills, and you are more likely to be out of work if you do not have those skills. The risk is that even if we get you a job if we have not improved those core skills, you are going to end up being a repeat customer—you are going to be back through the door.

There is a core of employability and basic skills that are really important for getting a job now and keeping a job and long-term employability. Then there are some specific vocational qualifications or courses or certificates that you will need for particular jobs. It is probably a little bit better on that through these sorts of programmes, and things like sector-based work academies work quite well in working with employers to say, "What do you need your new employee to do?" I think there is a mix between that employability and core skills where we need a bigger ambition, frankly, and then those vocational and technical skills where we do okay on the things you need to get into the job, but less well on the things you need to get on at work.

To give you one very quick example, apprenticeships are a great way to combine learning with earning. The Government have put a lot of focus on apprenticeships. Why do we not have more focus on people flowing through Restart and employment programmes getting a job and then that becoming an apprenticeship? That feels like an example of a disjoint between the employment system and the skill system that we could fix.

Professor Finn: To amplify that—this relates to how providers could be incentivised—one of the important things in the Work Programme was the innovation in starting to pay providers for the amount of time that people retained their employment, in terms of the sustained job outcomes that were rewarded. There is a lot of evidence to suggest that the system that



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was part of the Work Programme was far too complex and unwieldy and that a more targeted approach to incentivising providers, rewarding them for not just getting people into jobs but for the length of time they keep those jobs is a good proxy for those jobs being sustained. If people were in jobs for three months or six months, it is much more likely that they would stay in employment longer-term than if you simply pay people for getting people through the doors with an employer.

Tony Wilson: Picking up on Stephen and Dan's point, this does also emphasise why we need to have more investment in the training and the skills system, more investment in local partnerships—more investment through the shared prosperity fund, for example—so that there is a range of provision available that providers can align and join up with and refer into. That also means having a greater degree of local oversight of the programme and partnership working between central and local government and providers.

The core thing the programme needs to do really well is good quality one-to-one personal adviser support, ideally with small caseloads, not working with too many people, real focus on momentum, on searching for work and preparing for work, on rapid entry to employment where we can, and building on success, building on what has worked in the past but recognising that we need to do more to join up provision in coming out of this crisis.

Q363 **Sir Desmond Swayne:** Stephen, how much of your work and skills initiative do you consider could be implemented within Restart?

Stephen Evans: We published a report a few weeks ago to say what we argued support for the long-term unemployed should look like, which was a work and skills initiative, as you said. What we were arguing for was lots of things, but the core points were that support should be there for all long-term unemployed people, whether they are on benefits or not, and it is within DWP's gift to change the eligibility criteria for Restart so that you get those local referrals in or those long-term furloughed people who then ultimately lose their job. The DWP could widen the eligibility criteria so it is on offer for all long-term unemployed people, not just those on benefits.

We also argued that there should be those clear service standards that I was talking about earlier—minimum contact time and those sorts of things. Again, the DWP is currently beginning the commissioning of this programme so it is able to set those things out.

Also, we argued that there should be a basic skills guarantee, so this goes back to my point about there being 9 million adults across England alone who have low literacy or numeracy, and a good proportion of them are going to be out of work, so wouldn't it be great if we built in a basic skills guarantee through Restart? Lots of these things are able to be built into Restart.



The other point we were making is that we need lots of flexibility. We need to ramp up quickly because we have lots of growth in long-term unemployment coming in April and this programme is not going to be implemented until the summer. Also, the numbers are going to go up and down and we do not quite know how. We would argue for more local flexibility and leadership to tailor how this support is commissioned, rather than just doing a centrally-driven programme by the DWP. Lots of the elements could be built in; some of them will be, some of them won't be, but there is also a flexibility point and that is where local partners come in.

Q364 **Debbie Abrahams:** Good morning, everyone. I am going to build a little on what you have fed back to Stephen in answer to his earlier question. In particular, I would like to ask what we know from international experience of other welfare-to-work programmes about what works. What would you want to add to in terms of eligibility criteria? For example, do we need to fast-track people with health conditions who we know have been particularly affected during this crisis and in previous crises? Over to you. Who wants to kick off?

Professor Finn: I shall jump in, because I have looked at a lot of international programmes. There is a lot of evidence about what works and what does not work in terms of the mix of things. Going back to Tony's point, the personal adviser, the case management support within the programme is critical and then the range of supports around them. What is important is that there are elements within the programme targeted to the barriers and problems faced by particular groups.

For example, while much of the focus will be on job entry and on preparing people for work, in significant parts of the country there is a shortage of jobs. A job creation element as one part of what might be on offer, whether that is through working with local partnerships or what-have-you, will be important to have within the programme and recognises an element within it.

A second point—and this relates to who is eligible—is that international experience clearly shows that many other countries have profiling systems that for a number of reasons the DWP has been very reluctant to embrace. From Australia through to Germany, through to the Scandinavian countries, there are profiling systems that do not just rely on the length of time that people are claiming benefits, but try to ensure that when people have a combination of factors that we know are likely to lead to very long periods of unemployment, they get in early and allow them to enter the programme. That is likely to be there. It is there a bit in the Work and Health Programme with early entry groups, but it is certainly not very scientific and it is not very targeted. Bringing that in to Restart, if only to experiment with it in certain parts of the country, would be a really useful start and something we could learn from, both for the longer term as well as for the immediate delivery of the programme.

Q365 **Debbie Abrahams:** Can I pick up on that, Dan? What do you think of



the reluctance to do that? I remember from previous Select Committees going back a few years that this was pushed and I still do not really understand what the reluctance is.

Professor Finn: It is a bit of a head-scratcher, but basically when the Department looked at it, it has concluded that there is not enough justification from the evidence they have looked at, the combination of factors they have looked at, that if you intervene early you save money in the long-term or reduce unemployment spells from those early interventions. I think personally that is a misreading of the evidence. If you spoke to the equivalent departmental people in a country such as Australia, they will swear blind that their profiling system is accurate to 95% or 97%, and that it ensures that people have access to support earlier. There is a block there in the Department and it is something that maybe on other occasions you will be able to raise with the Minister and senior officials once again.

Tony Wilson: To add to that point, there are two things you need to make a profiling system work. First, you need to know whether you can accurately predict who is going to become long-term unemployed. Secondly, you need to know you have interventions that can shorten the duration of unemployment for those groups. The Department has done a fair bit on the first of those. It has a decent idea, but it is probably not enough on which to roll out a whole programme on this basis. It has a decent idea of how it might predict long-term unemployment, but it has not done enough on testing whether interventions can shorten that spell. You end up with potentially quite a large group with false positives and false negatives, potentially quite expensive interventions, so it is a vicious circle of constantly needing more research and more testing. I agree with Dan; we do need to give it a go and test if it might work.

Q366 **Debbie Abrahams:** That may also account for why we still have such a massive gap in certain groups in terms of employment. Is there anything you want to add about that, Tony? What do you think?

Tony Wilson: On the eligibility point, I very much agree with the points Dan was making. I would make one point, which is that we are very focused, as Stephen also said, on this group of flowing through long-term unemployment, claimant long-term unemployment. There are more people who are out of the labour market due to a long-term health condition—2.1 million people who are inactive due to long-term health conditions—and that figure has grown; it was growing before the crisis. That is significantly more than there are unemployed at the moment and we are probably going to end up spending 20 times, perhaps 30 times, as much money on support for the long-term unemployed group, unemployed people generally, on a cyclical basis, than we are on people who have a long-term health condition and were out of work at the start. We are talking about spending £2 billion or £3 billion in the next few years on supporting these groups, on supporting long-term unemployed and only a few hundred million on supporting people with long-term health conditions.



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I don't think the answer is to refer people into Restart when they have long-term health conditions, because that did not work in the Work Programme. We need to look at a significant scaling-up in the sorts of things that we know do work for those groups, such as support employment-type models, much more integrated lines with the employer and joining up with health services and other support, and much more specialist provision.

That is a significant gap and one that the Department is not yet getting a grip on. We have to run to stand still when supporting disadvantaged groups, because the labour market is much weaker and there are more people competing for jobs. Doing what we did in the past was not enough and will lead to those gaps growing.

Very briefly, on the point about what works in support with different groups, one of my concerns in this new programme is that it is going to be a single payment group and there will not be a variation in requirements or expectations around people with different characteristics and different needs. There is a certain irony here because two decades ago we were doing an enormous amount of quite specialist provision for different groups. Many European countries have adopted it as their model and got better at it, taken it forward and done more, particularly in thinking how to support older workers. Older workers were really let down in the Work Programme. We need to bring some of that back and we need to learn from what a lot of European countries and the US are doing around having more specialist support. It does not have to be more expensive, but different forms of support and building that into the programme design, rather than having single payment groups and a single set of requirements, single regimes. We have to be much better at recognising the needs of different long-term unemployed people.

Q367 **Debbie Abrahams:** Thanks, Tony. Stephen, do you want to add anything to this?

Stephen Evans: Yes, I agree with what Dan and Tony have said. There is a general point about making sure that we get out and reach out to all of those who are long-term unemployed or out of work, to make sure they have a good personal adviser, an action plan and regular contact. Then that action and support needs to be really tailored to their circumstances, and that is tricky if you have a one-size-fits-all programme.

We know the impact of the pandemic, for example, has been really different across the country for different reasons. Tony talked about older workers. We know that older workers perhaps are less likely to have lost their jobs than some younger workers but more likely then to get stuck in long-term unemployment, and previous programmes worked less well for them.

We have a report out this morning with Gingerbread, supported by the Joseph Rowntree Foundation, looking at single parents and the particular



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impact on single parents through this crisis, and what the jobs market looks like for them. How you tailor support is really important and that does require specialist support. Are you going to get that in a single programme? You cannot fix all problems with one programme, which is a really important point.

Q368 Nigel Mills: Can I go back to this issue of how we spot people who might become long-term unemployed before they have done the full 12 months? I think we did touch on this, as Debbie was saying, when we reviewed the previous Work Programme. I always thought it should be possible for the DWP, when it is mandating job search, to be able to spot that it has some people who are not getting any interviews and are not getting anywhere, and to try to intervene with them faster than people who are regularly getting interviews and are getting close to a job, and think that they might get over the line themselves. Is that one way you could target the right people, just by looking at the data you have on the job search system that you are making people use throughout the first year they are out of work?

Stephen Evans: I will go first on that. There is a point about how you identify people and then there is the point, as Tony said, about what support you get to them. Earlier in the summer we did a number of reports, including with Tony and a number of other organisations, about what support you need to put in place from the point at which people are perhaps notified of redundancy through to short-term unemployment, through to preventing long-term unemployment. The Department has done quite a lot of that and I think it has done some good stuff. It has done it relatively quickly but we would always like it more quickly. There is a question about how it joins up and is it getting to everybody, but I think there is some good stuff there.

In terms of how you identify people in the first place, I guess I have a bit more sympathy perhaps with the DWP's position on this, in the sense that what you do not want is to effectively stereotype people and say, "Well, you are likely to become long-term unemployed" and it becomes a self-fulfilling prophecy. I think that is a little bit of what is going on there as well in terms of reluctance.

Also, we do have a profiling system, but it is not a formal or consistent one because it relies on work coaches, effectively, spotting some of the things that you have just mentioned and saying, "We need to intervene here" or, "We need to do something extra" or, "We need to refer you to something else." I guess we do have a profiling system; it is just each individual work coach is going to have their own, but also based on some core characteristics. My worry there is the inconsistency across the country.

We did do a trial of the profiling system about seven or eight years ago but, as Dan was saying earlier, there is a case for trialling it a bit more to try to get that consistency. Work coaches are trying to spot these things. You do not want it to be one-size-fits-all, but you do want some



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consistency and that is quite a difficult tension to balance. I feel we could do better on this.

Professor Finn: At the moment quite often it relies on single characteristics, so the early entry will be: is the person an ex-offender, or are they coming out of care? These are key indicators but they tend to be singular. One of the things we learnt from in the Work Programme and from earlier programmes was that the Department and jobcentres tended to use early entry as a way of controlling the flow into programmes, rather than meeting the needs of their local population. With places where long-term unemployment fell really quickly under the Work Programme, you tended to find that there were a lot more early entry participants going towards providers because providers were putting pressure on jobcentres and the DWP to keep the flow of people coming into their programmes. That is not really the way in which early entry in profiling should be working, to just manage provider capability and provider viability.

This does not have to be incredibly complicated. In Australia a fairly simple questionnaire is used, and then at a certain point if people are at a serious disadvantage it triggers a more sensitive, personalised assessment. I don't think this needs to be as complicated as the literature would suggest, and pragmatically it could be delivered relatively quickly and easily and pick up particularly those people who have combinations of problems, from mental health through to undisclosed issues that they tend not to reveal until much further into programme participation.

Q369 Nigel Mills: One of the groups that you want to try to get to early would be an older worker who had had a good job in an industry that had just finished—he worked at the last metal basher in town and there is no more metal bashing anywhere nearby. He may be very skilled at something, but that job does not exist anymore. There are other people you would think you could spot that are applying for jobs but are getting nowhere, and they are not going to get anywhere because they do not have any skills that are relevant to any of the employers in their area and they may need some retraining, and the faster you do that, the better for them. Is that the kind of profiling you ought to be able to do, to have a look through someone's CV and spot those issues before they get to six or nine months unemployed and they become disillusioned and give up?

Tony Wilson: Yes, but there are two distinct things here. First, how can we make sure that we are delivering a more personalised and specialist support that people might need, based on their disadvantages but also the labour market and what they want, and how we can best support them to do those goals? Secondly, how do you choose who you refer to the Restart programme or another programme? The things you have described, I would really hope that Jobcentre Plus would be able to line that up without necessarily thinking, "The only thing I can do now is send somebody to Restart."



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You would also have to have quite a lot of confidence that Restart would be the right programme to meet those needs for those individuals. It may not be. We may be placing a bit too much on what we think Restart will be able to do, while there might be other things that better support those individuals with those sorts of need.

We do have the job entry targeted support provision that has been put in. We do have some, but not enough, investment in skills and training support, and there will be other local provision available too. As Stephen and Dan have said, there is a lot of profiling that goes on already within Jobcentre Plus in making those sorts of decisions. I don't think there is anything inherently better about delivering one-to-one adviser support through a contracted-out programme than through Jobcentre Plus work coaches, and I would like to see us having much more investment in, and a much higher quality of, the experience of people who are in employment services full stop. I do think there are other ways we can do this.

One final point, just on Restart specifically, is that the Government are going to ask providers to deliver a diagnostic review of every individual as part of the programme. In effect, they are placing a requirement on the providers to do these assessments in triage early in the claim. I think that is right, but there is an expectation that they will be better at this than Government have been, and they do not have access to the data and information that Government have had over the years to try to do this.

There is sometimes a risk that we place a bit too much stock on trying to diagnose people's barriers, and in particular do this too much early on in the claim. I have seen this in programmes we have evaluated. I see this now in programmes we are evaluating. You are spending a lot of time in the early part of the claim asking people about why they cannot work. All the evidence shows that the best way to start a programme is by focusing on assets, strengths, action planning and capability, positive momentum in trying to keep people motivated and engaged. Starting with a one-hour questionnaire is not the right way to start a programme. We need to get that balance right in the programme as well.

Stephen Evans: I have two very quick points on that. On the assessment point, too many services are too disjointed. The Jobcentre Plus work coach will go through some form of diagnostic with you, which will change through time, then the Restart provider, when you get to that point, will go through that sort of questionnaire, probably based on past experience, without having the full information from Jobcentre Plus. People might get annoyed about being asked the same questions twice. You will then get referred off to some skills provision. The risk is you get a third, different type of diagnostic. I think if you started from the individual you might have a slightly different set-up.



The second point is that one of the areas that we really need to invest in, which we have not, is proper retraining support, whether it is for the type of individuals you talked about or anyone else. We know coronavirus has probably accelerated some of the structural changes in the economy, yet our retraining support is slim to non-existent. There are 45% fewer adults in adult learning than 10 years ago. If you want to retrain using a level 2 or level 3 qualification and you already have one, you have to pay for it yourself. There are a whole set of other things. We have not done that and we have not joined it up properly with Restart and other DWP provision. There are two really big gaps there.

Q370 **Nigel Mills:** I am going to ask a separate question, because on the Work Programme we had two different providers in each area—at least two, but sometimes more—in an attempt to have some local competition, and there was some provision you could turn up or down the volumes going to each one. Is that a model that we should replicate, or should we have one provider per area and not have that non-choice from applicant competition?

Professor Finn: The evidence from Australia, where that model was adapted from—albeit slightly differently, in the sense that Australia tended to have more providers in the service areas, and they were operating together so you would have a choice of between three to five, depending on local population—is that on the one hand it does give both job seekers but also employers a bit of a choice about which providers they work with. Some of them specialised in certain sectors and working with certain kinds of groups of employers.

The second finding is that the way the Australians manage performance and reward outcomes does drive increased performance. That has been the evidence over a 10 to 15-year period with that model evolving—it is not perfect—in the Australian concept. Competition does matter and transparent benchmarking of performance between individual providers is a great focus for those providers to up their game when they are at risk of losing business.

Stephen Evans: Unless I have misremembered, I think with the Work Programme it was not really that type of competition. As an individual you were randomly assigned to one of the two or three providers. This was not a competition about individual choice; you would be randomly assigned and if provider A did better over time, DWP would randomly assign more people towards them. Why are we doing this? If it is about individual choice then we need to give people choice. If it is about competition, to get more referral numbers, driving behaviours, I am not sure that the Work Programme model demonstrated that.

There is a tension there, between we want choice and competition, but then we also want integrated and seamless services that join up, so how do we balance that tension? I am not sure the Work Programme model worked in the way—I agree with what Dan said about Australia, but if we want the Australian model we should probably do the Australian model



rather than have a DWP-driven competition for referral numbers, but people are randomly assigned and therefore the service you get is not any part of individual choice.

Q371 Debbie Abrahams: I am going to build on what we were just saying about what is working and what is not. Specifically, looking in more depth in terms of what you were saying about specialist advisers. In relation to people with long-term health conditions and disabilities, what do you think has worked in the past, both internationally and here, thinking about, for example, our own Work and Health Programme?

Tony Wilson: We do not have a lot of good information yet on the Work and Health Programme. We know the headlines—that referrals have not been particularly high, that job outcomes have been a bit lower than anticipated and there has been quite a lot of variation between areas.

There is quite a lot of evidence on what works in supporting people with health conditions, but it varies. It is an incredibly diverse group. One in five of us have a health condition or a disability, and our needs and the sort of support needed are going to be different. Again, the sorts of models that have worked are based on really good-quality, one-to-one support. It always comes back to the same things: often much smaller caseloads—potentially one adviser to 20 people, for example, whereas in a programme for the long-term unemployed you might be talking about 1:100, for example. It is also about frequent but substantive contact, so this is not a fortnightly, five-minute check-in—“Are you applying for jobs?” This is more of an engagement and dialogue and staying in regular contact, focusing on the individual.

We did some work a while ago, when I was at my last place, at the Learning and Work Institute, looking at delivering employment support for people with health conditions through the Work Programme but also through health provision and through Jobcentre Plus. One of the findings there was when you are trying to join up health and employment support you cannot view this just through a health lens or just through an employment lens. Some people will not want to talk about their health condition. They spend all their time talking to public services about their health condition. They want to talk about how they can get back to work or how they can prepare for work. Others will be quite socially isolated, for example, and will want much more around community engagement and starting to build up confidence and the skills and self-belief to start taking steps towards work. It is very different for different people.

There are two other points. One is around the real importance of joining up between services, more like multi-agency approaches, and that means much better sharing of information and much more of a partnership-based approach between different services. A lot of employment support for people with health conditions is now being delivered through the NHS, through supported employment models, in particular IPS—individual placement and support-type models. We are evaluating the health-led trials again with the Learning and Work Institute, and those are health-



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led, adapted into individual placement and support models in the west midlands and in the Sheffield city region. The key feature of that is around local partnership working and real focus and engagement on reaching out to those who are more disadvantaged and who may not engage with services normally or usually, and then trying to provide that more wrap-around support.

The final point is the real focus on rapid entry to employment where possible. It is not always that way, but supported employment models in particular are often very well-evidenced. That means quite a different approach to how we work with employers. This is not about job matching and brokerage, that is part of it, but it is about thinking about job design, about workplace adaptations, about changing how employers view disability and ill-health, and thinking as much about how we support employers to do this well, and do this better, as about how we support individuals to enter those jobs.

It is very different from what Restart will be. Restart is a response to a massive cyclical rise in unemployment. We cannot start commissioning, as we are doing with JETS, a whole load of employment support for unemployed people through a health programme, and nor should we be commissioning a health programme through Restart. We really need specific programmes that are focused on supporting those with long-term health issues and disabled people.

Q372 Debbie Abrahams: I missed what you were saying at the end, Tony, because you tailed off a little bit. So much of what you have just said relies on having quite specialist advisers or advisers who are able to, whether it is through a profiling scheme or through their own process, to identify the needs of the claimant. Do you think that there are enough specialist advisers? I seem to remember a ratio of about one disability employment adviser to 6,500 disabled people. I do not even think there are any specialist advisers now.

Tony Wilson: The model has changed. I think this was a mistake, frankly. We used to have specialist advisers who were more at the frontline. With the roll-out of universal credit, we moved to a model of mixed caseloads at the frontline, and then specialist advisers who are more "train the trainer" models, really, providing support to work coaches rather than support to the individual claimants.

The evidence is not entirely clear-cut here, but if we look internationally we see that there are models that work much better when you have more specialism at the frontline. A good example is the Perspective 50 Plus programme, which Dan pointed me to in a report we did back in April in Germany, with specialist advisers who are used to working with older people. It is definitely the case with disability employment programmes too.

The reason we have not been able to do that is partly because we have shrunk our employment services. As we grow them now, as we come out



of the crisis, I think we should look again at this. That means really boosting that capability. There is a really important role for the Institute for Employability Professionals and for us and for DWP in collaborating on how we train and develop those capabilities and how we make one industry across public, private and third sector provision, rather than viewing it, as it is now, as an incredibly diverse and competing market. There is a lot we can do to build capability and share practice at the coal face, on the frontline.

Q373 Debbie Abrahams: Thank you, Tony. Stephen and Dan, do you want to add to this?

Stephen Evans: I have two very quick points. One is about the investment in quality support, which Tony was making, which I think is spot on. Last year the DWP spent, I think, about £200 million on employment programmes. Back in 2009-10, just before the spike to deal with the increase in unemployment through the great recession, it was more like £1.3 billion. Some of that is because unemployment had fallen so much, and some of it is because the DWP was doing more in-house through Jobcentre Plus rather than contracting out. The point about having enough specialists and having low caseloads is really key to helping all of these groups that we have been talking about.

I want to emphasise the point that Tony was making about employers, which is really critical in general but also specifically for the groups we are talking about here. Most employers in my experience are good people, good employers who want to do the right thing, who want to get the best talent. They do not always know exactly how to do that or what it looks like. There is no reason that any employer should have necessarily heard of Access to Work, for example, so how do you get the word out? How do you get businesses helping businesses? How do you change that perception or underlying view? That requires much more intensive and ongoing work. You cannot just switch it on or off overnight. I think there is a long-term investment point about quality of support and working with employers.

Q374 Debbie Abrahams: Absolutely; a culture change. Dan?

Professor Finn: Again, I have two quick points to amplify and build on what has already been said. One is the arbitrary nature of the work capability assessment. What we know is that quite a few people who are going to be long-term claimant unemployed and eligible for Restart will have significant health problems and underlying health conditions. My concern here is about trying to get us back to one of the points I raised earlier, about the nature of conditionality and the sanctions regime that will operate with Restart. One of the things that did a lot of damage on the relationship between employment service providers and health services is that notion of mandation and compulsion. It is a very different approach from where the health service and health practitioners see themselves as coming from.



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The second quick point is that because Restart is targeted at people subject to all work requirements and universal credit, there is a whole population of longer-term benefit claimants that jobcentres are going to be seeing. What is the provision going to be for them?

Debbie Abrahams: Thank you, everyone. That was very helpful.

Chair: The last question for this panel is from Chris Stephens.

Q375 **Chris Stephens:** My first question is for Tony. You intimated to us before that the contractors' market for employment providers is one sixth the size it was in the last crisis. What challenges does that present to DWP, and how do you think it can overcome them?

Tony Wilson: I made this point last time I gave evidence, earlier in the crisis. It is remarkable. We have seen a really significant tailing off of contracted-out provision in the last three or four years in particular. There is a certain irony when we are talking about how we can support people into sustained and secure employment that the contracted-out employment provider market is incredibly insecure, relatively underfunded, quite low paid and a lot of people employed on temporary contracts because of the nature of the temporary provision. The first point is that we have had commissioning strategies in the past but I think we need a real focus on a long-term capability in the market and viewing it, as I said, as one industry, whether it is public employment services contracted out for region, whether it is social landlords, whether it is voluntary and community organisations or local government.

A lot of the people who were delivering employment programmes have moved into apprenticeships; they have gone where the money is. That is the leaders as much as those at the frontline, and now many people are coming back into provision. A lot of these people are staying in things that are still around, how you can support people into sustained employment, and support people who are in work to progress, so in some respects we can learn from that. We can build on some of those capabilities if we want to address job security and low pay, but there is quite a lot of moving, right now, and there is a massive job on in scaling up and moving people over and in building capability.

A final point is that it also does mean working with the recruitment industry in particular. I said this the last time I gave evidence. It is such a shame that we furloughed, and the Government are paying the wages of, most of the recruitment industry through the first lockdown at the same time as we were failing to get our act together on commissioning the unemployed. That has happened but I do think we can work much better across the recruiters as well as across the employment services. We will have to, to move more quickly in the next few months.

Q376 **Chris Stephens:** Thanks, Tony. When you spoke to us in May, you had two asks for the Department to pick up. One was to improve the one-to-one support, and I think you had also suggested a Cobra for jobs. Do you think the Department has picked up your suggestions and has it



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contacted you about them? Do you think the Department has been improving since you last spoke to us in May?

I have just a quick question for Mat Ainsworth. Mat, you recently told us about the Greater Manchester Working Well scheme. Are there any official statistics that you can give us around that?

Chair: Chris, Mat is joining us for the second panel, which we will move on to shortly, so we will pick that up then.

Chris Stephens: Right, I can ask Mat that then.

Chair: We will store that one up. You have given him good notice of it.

Tony Wilson: I suppose if I sounded critical of the Department in my evidence today, I just want to put on the record that I think it has done a remarkable job in what has been a massive crisis. The investment in employment services and employment support has been huge and has been rapid. I do think it has definitely done the right thing. There are things where we can say it should have done more, particularly around things like retraining, around how to support hiring, how we can invest in supporting disadvantaged groups. The things that I came to the Committee with in May saying, "These are the sorts of things we need to happen" were largely in the planning for jobs in the summer. Now we just have the job of implementing that, doing it well and making sure that it works for the most disadvantaged in particular.

On the Cobra for jobs, right now we are still in the midst of a public health crisis. That inevitably is rightly sucking up a huge amount of attention and focus. As we move into the new year and hopefully, God willing, we start to see progress on the virus, I do think we are going to need a similar level of collaboration and across-Government working, and wider partnerships with those outside Government too, to address the jobs crisis that we are going to face next year. I do still think we need something like a Cobra for jobs. The time for that may well be more in the spring than right now, but I think these challenges are going to define the next few years about how we can start to repair the damage from this crisis.

Chair: Thank you very much indeed, Chris, and thank you all for a very helpful and useful session. We are very grateful to all three of you. Thank you for joining us.

Examination of witnesses

Witnesses: Martin McTague, Mat Ilic, Elizabeth Taylor and Mat Ainsworth.

Q377 **Chair:** We move now to our second panel and welcome four witnesses. Thank you for being with us. I am going to ask you, as I did for the first panel, to say briefly who you are for the record and for those who are watching us as we talk. First, Martin McTague.



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Martin McTague: I am Martin McTague. I am chair of policy and advocacy at the Federation of Small Businesses.

Mat Ilic: Good morning. It's a pleasure to be here. I am Mat Ilic. I am the chief development officer at Catch22. We are a major national charity working across the social welfare cycle. We are also pleased to be one of the potential suppliers for Restart through our joint venture, Jobs 22.

Elizabeth Taylor: I am Elizabeth Taylor. I am the chief executive at ERSA, which is the membership trade body for employment support providers. I come from a provider background that has delivered most of the previous programmes.

Mat Ainsworth: Good morning. I am Mat Ainsworth. I am the assistant director for employment at the Greater Manchester Combined Authority and have been responsible for the commissioning of some of the devolved employment programme in the region.

Q378 **Chair:** Thank you all very much. I am going to start the questioning for this panel. As you know, Ministers have set a target of getting a million people into work through Restart over three years. What do each of you think will be necessary for that to be achieved? Let us go in the same order if we may, starting with Martin. What does the FSB think is needed here?

Martin McTague: The first thing to say is that I am not sure whether a million is enough. I think the key to whether there are a million jobs will probably be the next quarter in 2021. There are literally tens of thousands of businesses that are right on the edge of insolvency, so whether we meet the demand for jobs will depend on how many of those survive. It is very important that we focus on supply rather than demand—in other words, how can we make sure there are enough jobs out there in the economy to meet the unemployment figures that we know are likely to be there? In the last recession, 80% of new jobs were created by the self-employed and small businesses. That is going to be the key to the survival of a lot of these jobs. We would like to see some variation on Kickstart as the starting point.

Mat Ilic: As the previous contributors have said, the Department has made very significant strides in creating provision that will be, in my view, fit-for-purpose in supporting people who are long-term unemployed, which is where the targeting is happening here. It is incredibly difficult to forecast where that figure will end up, but certainly in the very short term it does create a facility by which we can help those who have historically been most excluded from the labour market. That is because we will not have reached that point of maturity where people who have perhaps lost their jobs very early on in the pandemic will be part of that long-term unemployed group.

I underline the importance of what Martin has just said about where the jobs are going to come from. What is perhaps very different in this crisis,



compared with previous crises, and not solely on the topic of SMEs but also on the topic of huge job creation sectors such as retail and hospitality, is that they have been among the most distressed and also they are faced with the greatest uncertainty in how the ongoing public health response will feature in their ability to continue with growth and job creation. Of course, part of that has been some of the structural decline in bricks and mortar retail as well.

Elizabeth Taylor: What we have to do is take the large-scale employment programme and bring it right down to a local level, looking at local growth sectors, local training initiatives and the challenges and opportunities in local labour markets. It is about really honing in that national provision into local offers and being really clear about where jobs can come, around employer engagement for those that can start recruiting. I would welcome something that is beyond Kickstart for job seekers over 24. It is really important to work with the combined authorities, the LEPs and the skills advisory panels to really look at the offer. What we have in Cornwall will not need to mirror what we have in Cumbria. You have to take that national provision and tweak it to a local level.

Mat Ainsworth: First, I welcome the significant investment in Kickstart, in Restart and in Jobcentre Plus, which is positive. I suppose there are a few things that I want to say, one of which is that those programmes, in order to be genuinely effective, need to dock with other services in the local area and respond to the local labour market. I still think there is a huge disconnect between skills and employment services on the ground. If we want to create something that genuinely supports people into the jobs that are here now and in the future, there needs to be more of a labour market response, as opposed to a work or skills response.

Through local industrial strategies and, as others have said, local skills plans, local combined authorities, local enterprise partnerships and local authorities have a key role to make that happen. Similarly, on the demand side there needs to be genuine working with local employers. There are some good positive things but I think there is more to be done. As has been said in the previous panel, there are still significant groups for whom support is not yet available, particularly those long-term unemployed with health conditions.

Q379 **Selaine Saxby:** This is a question specifically for the FSB. Martin, how do you think DWP should work with small businesses to support people into available jobs, and in which sectors do you think there will be more job creation over the next few years? How do we ensure that people are skilled up to take advantage of that job creation?

Martin McTague: I think our engagement with the DWP has been good over Kickstart—it got off to a bit of a shaky start but it has been good in recent months. We feel that the version we have ended up with is a good small business-focused product. There is a tendency in DWP not to think small first. We know that it is changing that and there is more emphasis



now on thinking about small businesses and the self-employed, which is a welcome change.

If I was going to point to one thing, it has to get into the mindset of the average employer. The average employer is thinking of risk factors when they are taking on an employee. They are thinking of things that could backfire in making that decision. Trying to minimise those risks and reduce the costs of taking that person on is what is going to make the most difference to getting real, long-term, sustainable jobs.

Coming to your sectors point, there is a real temptation to think of the flashy sectors that have done well in the Covid period. There are a lot of very mundane areas where people are employed in large numbers, and I think there needs to be more emphasis on supporting people into those kinds of jobs as well as the more high-tech jobs. The other point I would make is that it must continue to think small, to think about how it can help small business employers. Let us remember that 60% of the private sector workforce work for small businesses.

Q380 Debbie Abrahams: Good morning, everyone. My questions are segueing a little bit into what we were discussing with the previous panel, specifically on those groups who need more specialist support. What are your views on what have heard about the need to provide more tailored support? Who wants to kick off?

Mat Ainsworth: I am happy to start with that one. The investment in the long-term unemployed programme, Restart, is really positive. We know that the greatest number of people out of work are out of it due to poor health and disability. I do not want to draw a distinct line between long-term unemployed and health conditions and disabilities because those things often go together and are contributing factors. Reflecting a little bit on many things that were in the press yesterday, in relation to Professor Sir Michael Marmot's review and increasing inequalities, there are some key points that we need to focus on. Some of it is what type of support is appropriate. We know from experience of Working Well in Greater Manchester, and other programmes and innovation across the country, that that personalised, intensive, holistic support is absolutely critical, so it is about that dedicated key worker who builds a relationship with the individual and helps them to navigate what is an extremely complex system. There are things that can be done in bringing things together.

There are practical examples. In Greater Manchester, for example—I will be parochial about this—we have been rolling out social prescribing platforms, so that different parts of the system, such as the health system, the work systems and skill systems, can refer to each other and can do joint case management, which is just so important. We have seen some real examples of that working in practice where we have seen increasing access to psychological therapies, so therapies such as working jointly with case managing with employment key workers. All of



this will bring better outcomes for the individual, less stress and a more seamless offer.

There is that, as well as that very specialist support, so supported employment, individual placement support for people with mental health has been mentioned, and we have tried to ensure that through our devolved programme. For example, JETS is devolved to Greater Manchester, that we have mental health support, specialist debt and financial advice as part of our offer, because regardless of whether you are relatively newly unemployed or long-term unemployed, there are likely to be those issues in play. I do not think necessarily the system or commissioners think so holistically. There are a number of points there.

Again there are some practical things that Government can do now. The Work and Health Programme and the JETS programme can be extended, so that we have that support there for longer. Perhaps the final point I will make is about a decision on the UK shared prosperity fund, because that has in effect paid for the commissioning of many of those niche specialist services that people genuinely require, and at the moment it is not yet clear what the future of that will be.

Q381 Debbie Abrahams: Just before I move on to the other panellists, how do you compare with your outcomes? I know this will be at the forefront of the Government's mind. In terms of the Working Well programme, which as you say is a devolved programme, how has that compared to national programmes such as the Work and Health Programme?

Mat Ainsworth: Greater Manchester commissions the Work and Health Programme. That is called Working Well and we have a number of different programmes under that Working Well banner. There is not one piece of provision. I have used the Work and Health Programme as an example as I think it is a key one. The first point I will make is that our focus is not solely on a very narrow basket of indicators for our people moving into work or not. However, the Greater Manchester programme—and I think the official statistics have just been released—is as positive as anywhere else in the country. That in itself might not sound huge, but Greater Manchester is the third most deprived LEP in the country. Our outcome expectation for the programme is based on people moving into real living wage jobs as opposed to national living wage jobs. That direct comparability is quite difficult.

The most fantastic active labour market programmes still only support the minority of people into work and sustainable work, and often those who do not achieve a job outcome are forgotten about. Our focus is as much on every single person in the programme to make sure that, regardless of whether or not at the end of it you have moved into work, your life has been improved, your health has been improved and your housing is more sustainable. I think that holistic view of what is the outcome of the programme is critical



Martin McTague: The emphasis that I would like to place on it is that most small business employers are intensely proud of their role as employers. They take it as an important part of their contribution to the local community. If you look at how diverse their range of employees is, they take a lot more people from disadvantaged groups than you see from some of the big corporates. That is an important factor in seeing how you can help these groups. It is such an important sector of the economy that needs to be given as much support as possible.

One area I would like to draw attention to is that we are charged 13.8% on national insurance as an employer on each one of these new jobs. The ongoing cost of having that additional tax is a big imposition. If we could find some way in which we could target some of the help and divert some of that cost to help people from disadvantaged groups, I think that would be positive.

Q382 **Debbie Abrahams:** We will certainly pass that on to the Chancellor, Martin. Elizabeth, would you like to add to that?

Elizabeth Taylor: Yes. This is going to be this big national programme that is going to have such a range of people referred to it, and we have seen this market engagement and the commercial strategy from the DWP get these 14 organisations on to tier 1. What will make Restart a success in terms of those various groups and the most disadvantaged in the labour market is to build diverse supply chains.

Some of the responses we have seen from the employment support sector in the last nine months have been incredibly impressive. We have had Kickstart collaboration events with 324 small organisations at them. The secret is now to build on the work that has happened in the summer to build back the employment support sector so that you get specialist support and experts that can work with people who have care, childcare, transport, debt and housing issues.

What we will see for long-term unemployed in 2021 will most likely be different from what we have ever seen before, because it will come at the end of the health crisis—hopefully at the end—with the vaccine roll-out. It will see people who are in very vulnerable housing, perhaps more so than we have seen for years. It will see people with lingering health conditions and people who will never go back to the sectors they have worked in before. I think the employment support sector can respond to this. Okay, we need a really good diagnostic tool on Restart, but it is more important to have relevant provisions, and that is always preferable to mandation. The only way you get that relevant provision is by having a diverse supply chain.

We have this window now where organisations with that experience of European-funded provision, who have done local health provisions, if they are embedded now in the future of what is delivered through Restart, we will be able to work with the diverse groups.



Q383 **Debbie Abrahams:** Very briefly, Elizabeth, what proportion of your members in ERSA, for example, provide specialist support for disabled people and people with long-term health conditions?

Elizabeth Taylor: Within ERSA membership we will have the primes, as we call them, which will have delivered things like Work Choice, specialist employment support; that will in the past have delivered New Deal for Disabled People; and that will currently be delivering the work in the health programme and IPES. We have members who have local health-funded provision, and then we have people who have delivered National Lottery Building Better Opportunities provisions, people who are delivering things that have been procured at jobcentre district level through the flexible support fund's dynamic purchasing system. We will have that whole remit.

In the last nine months, we have done two sector surveys, and we have used the information to feed into the DWP and others about that level of expertise in the sector and the willingness to step up with that level of expertise to bring it into the national provision.

Debbie Abrahams: If you are able to provide a figure at a later time, Elizabeth, that would be really helpful.

Elizabeth Taylor: Yes. On the mailing list we have 3,500 organisations and we have over 200 members. I can provide breakdowns; I just do not have them to hand today.

Q384 **Debbie Abrahams:** That is fine; no worries at all. Mat, do you want to add to this?

Mat Ilic: Yes, just a couple of points from me. I guess the obvious one is that the long-term unemployed are not a homogenous group. Everything you have heard so far is very relevant and there are two key ingredients here. The first is that you have to have solid relationships and you have to have workers and coaches who can relate to people without pity and without prejudice. Hopefully, you will have heard that in all the evidence given so far.

The second thing, which I think is a bit of a departure from the Work Programme, is the mandation of this tailored approach. There was an extent to which the Work Programme, I think, created too much scope for providers to interpret the brief and, therefore, this creaming and parking phenomenon that was discussed earlier tended to feature.

The last thing to underline is that partnership is going to be absolutely central to success, with local labour markets and local institutions, with diverse suppliers to help cater for a whole range of different issues, needs, conditions, opportunities, and finally with employers. You have to remember that this has to be a kind of marriage of benefit to all parties, and some of the things that particularly work with people with barriers, including health barriers, include employer incentives, which I think was partly behind Martin's point. Ultimately, partnership is going to be



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absolutely central to making this a success, irrespective of how Government procurement works. It will be the people who try to make it happen on the ground who will really make a difference.

Q385 Debbie Abrahams: Can I just pick you up on what you have just said about not engaging with pity or prejudice? Would you like to explain what you mean?

Mat Ilic: Sure. You have some 7,000 new job coaches in jobcentres, some of them deployed from other public agencies. That in itself is a really steep learning curve in shifting new people on to the frontline to cope with demand purely in universal credit applicants if nothing else.

Then, in standing up a programme between, say, April and the summer, you need to ensure that you have skilled people with cultural competence who can address a whole range of different audiences of jobseekers, many of whom are extremely vulnerable, especially in the early days. They will be coming from a backdrop of full employment. This will be people who have been out of work probably since just before the pandemic, if we are talking 12 months, so the bulk of that initial cohort will be people who have been out of work at a time that we had record employment levels.

That is a really interesting early doors challenge for Restart, which, should it pass, will serve it well for the bounce back over the period as the economy starts to recover, as well as having people who were perhaps steadily employed in April to June but perhaps come from industries that were unfortunately among the very early victims of the suppression measures, whether it is hospitality or retail or creative industries and so on, and, indeed, some of the yo-yoing around the furlough scheme and who is protected and who is not.

I believe that the early test for Restart will be a significant one, and one that will really set the tone of how it will play out over the next two to three years.

Q386 Debbie Abrahams: But empathy is a key skill?

Mat Ilic: Absolutely.

Q387 Chris Stephens: My first question to all the panellists is this: how should DWP ensure that the Restart scheme works for disabled people?

Mat Ainsworth: The first point, and this is learning from the Work and Health Programme, is that you cannot underestimate the complexity of need and issues of some of our most vulnerable people who will be on the Restart programme. We just need to make sure that there are realistic expectations from providers and from commissioners in terms of the complexity of need.

Without wanting to repeat some of the earlier points, having a dedicated key worker for individuals—the word “empathy” has been used—



somebody who can have empathy and build a relationship with the individual, is really important. As important as the relationship between the provider, the jobcentre and the customer on the programme—and we have seen this through Work and Health—is that relationship between the commissioning provider and the rest of the system locally, particularly the health system and health commissioners.

We saw from the Work Programme that sanctions and conditionality created significant tension between health services and unemployment services and a lack of willingness to collaborate. I think we need to ensure that both DWP and their commissioning providers, working with facilitators, I suppose, like Mayors or combined authorities and others, can start to create that joint system response, in order then to actively look at where we have complementary services and where we have gaps in provision and how we might collaboratively and collectively try to address them. I think there is something at the system-wide level, supported by more joint case management so it is not just hand-off from one service to another. There needs to be joint working between services and that means joint case management, and I reference social prescribing as one tool to support that.

The other point is about working with businesses. Again, this is where local areas can really play a critical role. We know our local businesses. We have forums in place, such as the local enterprise partnership growth hubs, that manage and facilitate those relationships, and also things like the good employment charter in Greater Manchester, using some of the softer convening powers of the Mayor to work collaboratively with businesses to look at how they may be able to redesign jobs, workplace adaptation, bringing that specialist support that may be around HR or occupational health.

We have to be able to do all of those things, not just one or two of them. We need to get the whole system working together to make a difference. An employment programme on its own isn't the answer and can never be the answer. It needs to be the whole system working collaboratively and that needs to be co-ordinated on the ground.

Q388 Chris Stephens: Thanks, Mat. Can I ask the other Mat to come in? When we are looking at how we can help disabled people, are there any lessons that the DWP can learn from its predecessor schemes?

Mat Ilic: You will not be shocked to hear that people with disabilities and people with underlying health conditions are disproportionately negatively affected by unemployment generally, and by this situation specifically. There are obviously two aspects to this. The first is about employers themselves, and the polling of employers that tells you that one in five employers typically have concerns about their ability to make adjustments for a range of different conditions. Therefore, there is something behind hiring and hiring barriers in that process. Various things have been mentioned about good employment and good job expectations. We have a good employer guide that points to some of the



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issues and considerations that employers should be playing into when working with underserved groups. There is an aspect to this that is about employers.

On the topic of people themselves and the support that they should receive and how best to activate them in this context, the Work Programme did not crown itself in glory when it came to people with disabilities. It had too blanket an approach and, therefore, a very patchy record when it comes to harder-to-help groups.

In terms of the “what works” picture for this, for employees or prospective employees there is a lot around motivation and thinking about some of the barriers to work, whether it is about creating some grants and hardship grants to support accessibility of different sorts. Of course, this has to be very much led by the condition that the person has. Therefore, the skill of the worker, whether it is in the jobcentre or indeed the practitioner here, needs to be very well informed around a whole range of different health conditions, some of which are quite palpable and tangible and others which are much more subtle, such as neurodiversity and so on.

We talked about individualised case management, tailoring education, and training and work experience that can be as diverse and accessible as possible. We have to remember that although there is a digital dimension to all of this, especially in the short term, there will be people who do not fare well on such platforms. We need to find very workable alternatives and make adjustments for that and also any kind of specialist support, including peer support, to allow people to manage their conditions and any impairments that they might have.

When it comes to the employers, certainly incentives have been shown to work in international evidence, but they have to be very targeted so as to avoid a situation where the employer is doing what they would do normally but they receive an incentive. There is also quite a bit around supporting workplace adjustments wherever possible. One of the things we would underline in the programme as a whole, but also specifically when it comes to underserved groups, is in-work support. Our own proof points are that once people enter employment we should stay with them for a minimum of six months to ensure that they are sticking there. If they do pass through that threshold of six months, the evidence suggests that they are going to be in the job long term.

Working across both sides of the relationship is quite central to sustainable job outcomes, which is obviously what the programme is trying to create.

Elizabeth Taylor: To avoid repeating some of the things others have said, I would like to go to the point where somebody is referred to a provision, Restart or whatever. There is often a fear factor when they leave the comfort of the benefits and the existing relationships, so I believe there is a vital part to play when there is that transition between



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the Jobcentre Plus work coach and the employment support provider. A warm handover and talking about people's health conditions and disabilities at that point is important so that you can then start to focus on the things that people can do and people are not just defined by that health condition and disability.

There is lots of good practice that we can draw on that has come out of things like supported employment provision about job carving—making the job fit with what that person has to offer an employer—making good use of things like Access to Work, getting the right provisions in place from the beginning, but continuing with the in-work support so that when things go wrong, as inevitably they do, things can be fixed in that partnership between the employment support provider and the employer.

We have to get those things right because otherwise with a big programme like Restart it is very easy for people to get pushed to the back. I am not talking about parking and creaming. I am not saying that, but if it seems hard to work with somebody there are barriers put in place, and we have to make sure from day one that does not happen.

The other thing is that we need a new culture between jobcentres and outsource providers so that there is more collaboration and less competition, and it is not, "Look what they can do compared to what we can do." It has to be that when somebody is referred to the right provision at the right time, you say, "Look at this great outcome." I think we have that opportunity now to move on to that culture.

Q389 Chris Stephens: Martin, how can DWP help small businesses take on more disabled people?

Martin McTague: The best way I can frame this, which is not repeating some of the other things people have said, is that most small businesses do not have corporate social responsibility proposals or projects. They are driven by their owners' values and their owners often have a lot of goodwill towards disabled groups and are prepared to help. There is no escaping the fact that in a highly competitive jobs market, which is what we are going to be in, they will be at a disadvantage. There has to be help provided for employers to try to make sure that they can cope with some of the additional costs that will inevitably be incurred.

Q390 Dr Ben Spencer: I would like to pick up on some of the points that Mat Ainsworth made. Mat, you made a very strong case about the role of local partnerships. From your perspective, how would you like to see DWP work with you better and what do you think could help in terms of you delivering what you are delivering locally? On the relationship of DWP with local authorities in general, how do you envisage that that could work better? Should there be more devolution of powers and so on in meeting these aims?

Mat Ainsworth: Thanks for that question. I am just going to reflect on a point that Elizabeth made and the words that she used. What we need to



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create is a culture of collaboration, and I don't currently think that exists in the way that should. When you look at local industrial strategies or local recovery plans and national labour market strategies, you see that we share many of the same objectives. We share many of the same outcomes, and no single partner has all of the answers or levers to realise those ambitions.

My point is that I don't think it is a simple question of whether things are better being devolved or being centralised. In effect, if we genuinely create this culture of collaboration, it should not matter at the end who controls the budget or who commissions the service if we have worked well and effectively in the design of that strategy or programme.

However, I do not think we are in that space at the moment, although there have been some improvements. The devolved programmes and innovation pilots, as we have mentioned today, have clearly evidenced the importance of providing an integrated, person-centred asset base response.

Of equal importance, as has been clearly articulated by Martin and others, is understanding the local economic context and using local intelligence and contacts to ensure alignment with local business needs and opportunities. I don't think that happens as well as it could. Although we have some constructive discussions with DWP and we have a fantastic relationship with Jobcentre Plus on the ground—and this is not peculiar to Greater Manchester—where we do see some genuine collaboration, when it comes to the design of national programmes and national strategies, too often, whether it is the Mayor and combined authorities or local authorities, they are sometimes treated as an afterthought consultee rather than a genuine partner.

I think that is a shame, because we could deliver so much more by proactively working together in terms of both policy design and commercialisation of programmes, with local flexibility being built in from the outset and an understanding of the role that local areas can play in terms of governance, market stewardship and market management. It is not just a case of whether something is successful or not; it is more how we can make it as successful as it possibly could be, how we can ensure that, using skills as an example, our local skills provision is genuinely wrapping around this national programme or, in Greater Manchester, that our health services are genuinely gearing up to support people on Restart, as an example.

The difficulty we have, and I use Restart as a practical example, is that up until a couple of days ago, when we saw the invitation to tender document about the programme, we did not know what was going to be in it. It is really hard to have those discussions on the ground about practical alignment and practical joining up when we don't know what the Department's thinking is about it.



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I do not know what drives that, whether it is the pace of things being developed or perhaps a fear of this devolution/centralisation type of argument, but my plea would be that if we genuinely want to tackle these entrenched labour market inequalities, it means we need to look at employment, skills, health, transport, housing and a whole raft of other areas and genuinely tap into the expertise that exists in our local communities. We need to work collaboratively as true joint partners and not as mere consultees. That would be my starting point.

Q391 Dr Ben Spencer: Can I pick up on that collaborative point? You have partly answered it, but how do you improve this collaboration? Almost every week we hear a witness panel raising the point that one of the challenges in delivering a scheme that the DWP is delivering is around collaboration and different groups working better together. What do you think is the solution to that, if there is one?

Mat Ainsworth: It was 18 months ago, or perhaps slightly longer, that Greater Manchester signed, jointly with Government, a local industrial strategy, which outlined how we could and should work together over a number of years to address a number of labour market inequalities, as one of a number of measures. Our view was that this was potentially the framework for genuine joint policy development and strategy development between central government and Greater Manchester. Not, in effect, handing over the baton from one to the other or one being wholly responsible; this was about true joint working.

What we have seen is that has not happened and there has not been that openness of discussion, that true openness of thinking in terms of what responses might be. In effect, there were some very polite discussions and sometimes very productive discussions, but often we will meet and the policy development then happens behind closed doors in a departmental office and we then only see the end, what comes out of it a few months later. It is that openness and transparency in the design of strategy and policy through to programme delivery where I just think there needs to be a genuine new culture of collaboration, which I don't think exists. Some of that needs to be a recognition that we need to be partners and it is not about who controls the money and who controls the power; it is about joint, shared objectives. I just don't think that has quite landed yet.

Q392 Dr Ben Spencer: Thank you. Does anyone else on the panel have any points they want to raise? Yes, Mat, go for it.

Mat Ilic: There is always this tension between operating at pace if you are in central Government and the ability to design a programme that is ideally aligned and integrated with local service provision. I have to say that in the last 10 years we have probably seen devolution and localism on a scale that has perhaps not been seen before. Mat mentioned some of the things like adult education budgets and other things. Indeed, I know in my wheelhouse the justice space is very devolved in Greater



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Manchester, which is pretty unique compared with anywhere else in the country.

I guess to play into the programme a bit, this is still relatively early days in the procurement process. I appreciate it would be much better if there was time for consultation and writing scripts and so on, but to give some reassurance, the Restart programme explicitly requires providers to design and implement locally tailored, adaptable and supportive offers that complement local initiatives in every package area. In support of this, providers have to design interventions that are aligned to local growth sectors and opportunities, so it would be remiss and negligent and a failure of a provider not to work with the combined authority to take account of the local industrial strategy, to think about the local employment landscape, if that employer is going to be a success. Indeed, there will be no employers making it through a selection process that have gone through an activity of selecting a contract package area without taking account of those local realities.

While I think there are so many ways of cutting this and getting the programme designed through, it will be in the policy implementation where the proof really comes. I hope that, whoever is involved ultimately in the process, that culture of collaboration will become a thing and the spirit with which everyone takes this forward. I think we do have shared objectives, and the shared objectives are putting 1 million people who have been out of work for more than 12 months back into work. Without wishing to be disrespectful, that is a problem of central Government and an obligation and a challenge to the Treasury and, of course, DWP is executing on that. Devolution is a really important success factor that needs to be taken into account.

Q393 Nigel Mills: Can I turn to how we remunerate providers for their work under this scheme? Obviously, the Work Programme had a large element of payment by results, which it is probably fair to say had mixed impacts and led to a bit of creaming and parking, as we heard earlier. How do you think the Government should be remunerating providers in this scheme? Should it be payment by results or should there be a greater share of payment for activity?

Elizabeth Taylor: I think that on the whole payment by results has worked really well for the employment support sector. I think we have grown and we have learnt about it. One of the main things is that, as we look at a programme such as Restart, there are a lot of challenges early on. There aren't going to be the immediate jobs available. We are going to have to work with people to consider working in new sectors, and people are going to take up training, so the service fee is going to be extremely important.

The other thing that we have seen through some of the provision that has not been the mainstream DWP provision over the last few years is that bringing that group that were furthest from the labour market close to work has been done by funding—that has been European funding and



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National Lottery Building Better Opportunities. It has not been as totally outcome focused, but it has achieved really good results.

One of the other things around a model like the Work Programme was the extrapolation element, where the Department went back to providers and clawed back money when people had not sustained outcomes. Often it was not the fault of the provider, and it was quite detrimental to the sector. We saw some really good providers drop out of the sector. I would like to think that the staff and the expertise from those providers will come back in for the new challenge, but PbR, even though it is the right model, does need refining. It needs putting in the context of the health crisis and that people may not enter work that they then sustain and that we have to have a more honest and realistic way of looking at what a sustained outcome and in-work longevity looks like.

Q394 **Nigel Mills:** Are you supporting 30:70 as the proposed split?

Elizabeth Taylor: Yes, I would support 30:70, but I think we have to be really careful about what triggers the payments of the 70. I have not seen the Restart spec in detail and I don't think it will include that. That will come down to people's tenders at the final stage.

Q395 **Nigel Mills:** Does it make sense to have the same payment profile in year 1 as it does in year 3? Presumably, there will not be many sustained outcomes in the first year, so you end up with some quite tricky cash flow for the provider.

Elizabeth Taylor: There has to be enough cash flowing into the sector in year 1 because you won't build the diverse supply chains we need if money does not come through. There are some very vulnerable organisations that are not sure about the future of existing funding that might be provisions that will run alongside Restart. If you are running a European-funded programme, you may have an extension but you do not know what comes next. If you look at the total business offer from organisations in the employment support sector, there needs to be security in the early year if not two years of Restart.

Q396 **Nigel Mills:** Okay. Mat, I think you are waving at me.

Mat Ainsworth: Yes. To add to Elizabeth's point, I would agree that a shift from total PbR to one that is PbR and a delivery fee or service fee makes sense. The 30:70 seems reasonable. That is very similar to the Work and Health Programme now. As was pointed out in the previous panel, having a clearly articulated set of delivery standards is absolutely critical so we understand what that service fee is paying for and similarly that we do not follow some of the same mistakes from the Work Programme. Some of the supply chain members or some of that niche provision does not necessarily have the same payment methodology. We need to make sure that that service fee flows throughout the supply chain.



I have one word of caution, I suppose. We are hopefully coming through to the end of a health pandemic. Brexit is imminent. I do not think anybody is certain about how the labour market will respond, and there is a risk that the outcome expectations of the programme, which PbR obviously will be dependent on, are wrong. There need to be some review points to ensure that the outcome expectations are realistic, because I do think that we could set up some providers to fail if things go significantly worse or better than what we had anticipated.

The final point is around open-book accounting, which is something that the Department has brought in more recently through its cost model for the Work and Health Programme. I think it is important to try to genuinely understand how much it is really costing providers to deliver the services that they have tendered for. I still think there is more work for us to do collectively to understand what the right price point is for some of these programmes. I still think there is a bit of an unknown, so the more we can do to ensure that the programme helps to generate that information, the better the commissioning will be. That is important.

Mat Ilic: To add some specifics, I should say you probably need a degree in quantum mechanics to interpret the payment model this early on in the process. One of the challenges is that there is no specific mobilisation fee. If you have to stand up a programme of this scale between March and summer, that is a bit of a challenge. However, from a cash flow perspective, I believe that half of that 30% fee for service is paid in the first year, then the rest of it accrues over four years. So, there is a frontloading to aid cash flow.

On the payment by results, there have been some interesting documents released by DWP where it has done essentially some assumptions and some forecasts around what scale of outcome it expects across the population over the period of the programme, taking account of how long people have been out of work, what counts as an outcome—which is a certain level of income over an 18-month period—and also the economic conditions.

The latter is one of the single biggest challenges of this programme because the way that the economic conditions in response to the pandemic are playing out already and will be set to play out is probably more volatile and less predictable than anything we have seen previously. Hence my earlier point about certain sectors that we previously could have relied on to create mass employment, the labour-intensive sectors. That will be one of the factors that plays into this that may prove or disprove that some of the assumptions around the payment mechanism were right or wrong fairly early on in the programme.

Q397 **Nigel Mills:** We want payment by results but we want very flexible definitions of what the result might be throughout the life of the contract, depending on what the economy does. That is going to be quite tricky to write into a contract at the start, isn't it?



Mat Ilic: I think that a decent dialogue will be good.

Nigel Mills: You are going to almost be flexing that up and down throughout the contract. From what you were saying, we should have different performance measures for different groups so we can ensure that we are not ignoring the hardest to reach. We could have a separate funding stream for those to incentivise work. That is right, is it? Okay, thank you.

Q398 **Chair:** I have one final question, and this is a question for Mat Ilic. I am very familiar with Community Links in my area, which I think made a good contribution to the Work Programme. Community Links is now part of Catch22. You are a big organisation. Can you outline for us how Catch22 has been involved in employment support in the past? Do you anticipate a similar role in Restart or do you think from the point of view of your involvement Restart is going to be a bit different and, if so, how?

Mat Ilic: Thank you for that question. Our previous experience is very much as a subcontractor to large national providers, many of whom have been private sector organisations able to raise capital on the market and to bid for contracts worth six figures and so on. In the context of Restart, we are breaking with that tradition, dare I say, and standing up a joint venture with a private sector company. Of the 14 primes, there are four that are charities or social enterprises, and we are one of them. Although we are a major charity, we are still relatively small when it comes to some of the largest employability providers, but I am delighted that we are given an opportunity to try to underline the benefit of social value organisations in delivering programmes such as this. We are in good company with the likes of the Shaw Trust and others.

You rightly referenced Community Links, which of course is a very long-standing and embedded organisation in the Borough of Newham. There are aspects to that whole place and the hyperlocal nature of that type of charity, and indeed the diversity of services that can be provided under that roof—everything from debt advice to food banks and health screening services—that really lend themselves to a whole person-centred solution in a very local level.

I hope that aspects of that type of model can play in Restart, even though you have a national competition. I think you have to start with an experience of those types of services and then play them into the imagination of these contracts, rather than start with bidding for a contract and then trying to interpret how that can be delivered on the ground.

Q399 **Chair:** Is there something different about Restart that enables you to bid as a prime, or is it just that the circumstances are different? What has encouraged you to do that?

Mat Ilic: It is just the collective experience of working on these programmes over time and building up that knowledge ourselves, and then recognising what some of the pre-qualification criteria are. These



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are some of the biggest barriers in more charities operating in this space that some of the prequalification questions ask, "What is your profit margin? How big is your balance sheet? What is your cash flow?" Without coming to some kind of partnership with a private sector company or having parent company guarantees or something along those lines, it is practically impossible to compete at this level. I am really pleased that we have got this far and I hope that we can play a meaningful role.

Q400 Chair: Thank you. Elizabeth, a final word from you. Do you think we are going to see a similar set of organisations delivering Restart as were involved in the Work Programme or do you think, like Catch22, we are going to see some different? What is your expectation?

Elizabeth Taylor: My expectation is based on some of those conversations that ERSA has been having with commissioners at the DWP. We have the new framework, the new commercial agreement. We have more organisations on it than we had on the previous framework. There is going to be the three-tier level. For the England and Wales commissioning of Restart, we have the potential for 14 organisations to pick up contracts. I believe there will be 12 contracts, but if there is some modelling, which I expect there will be, around caps and how many contracts people can hold, we will see new market entrants. I think that is healthy and relevant and what we need going forward. When we start seeing what is commissioned through tier 2, and in future in tier 3 with the shared prosperity fund and the flexible support fund at a more local level, I think we will see a bigger, more vibrant marketplace, and that is what we need. We need to build back now.

Chair: Thank you all very much. You have given us a very interesting set of answers and responses that are going to be very useful to us in our work. Let me wish all of you well. We have this huge national challenge ahead of us and we all want you to succeed and everyone else involved to succeed, for the benefit of all of us. Thank you very much for joining us this morning and all the best wishes for Christmas and for the future.