

## 1. INTRODUCTION

1.1 The Jobs in the Environment Support Unit (JITESU) was set up in July 2001. Its stated aim was to:

- *work to maximise progression into lasting jobs associated with the Environment Task Force option of the New Deal in Scotland and support the development of pathways into employment in environment related industries.*

1.2 The formation of JITESU was an initiative of the Environment Task Force Working Group in Scotland (ETFWG) in partnership with Forward Scotland. A three-year funding package was secured from BP, which is due to expire at the end of the 2003-04 financial year. JITESU also receives support - including office accommodation - from Forward Scotland.

### THE BRIEF

1.3 In May 2003, Forward Scotland commissioned yellow book to undertake an evaluation of JITESU. The stated aims of the project were to:

- assess the impact of JITESU against its original objectives
- gather views on the impact of the Unit from key partners and the Steering Group
- seek views on where the Unit can improve its performance
- indicate potential areas for development for the period 2004-2006, or
- if necessary, draw up an exit strategy.

### WORK PROGRAMME

1.4 The work programme for the study included three key elements:

- a review of reports and documents relating to JITESU
- 11 telephone interviews with Steering Group members and stakeholders (see Annex for list)
- a presentation to the Steering Group, followed by a facilitated discussion.

1.5 This report summarises our key findings and sets out our conclusions and recommendations for the future.

### REPORT STRUCTURE

1.6 The report is in 5 sections:

- Section 2 sets out the chronology of the Unit
- Section 3 assesses the performance and impact of JITESU
- Section 4 reviews options for future development
- Section 5 summarises our conclusions and recommendations.

## 2. JITESU: CHRONOLOGY AND EVOLUTION

- 2.1 This section of the report outlines the chronology of events in the development of the Unit. The key stages in the formation and evolution of JITESU are summarised in the table below:

Date	Event
April 1998	New Deal Environment Task Force Working Group (ETFWG) formed to promote and monitor the ETF in Scotland
July 2000	Decision to form JITESU following a review of progress by ETFWG
May 2001	Forward Scotland prepare paper outlining the Unit's responsibilities, aims and objectives
July 2001	Unit co-ordinator starts work
Aug 2001	ETF Working Group disbands
Nov 2001	Unit fully staffed
June 2002	Unit's Corporate Plan 2002/3 presented, incorporating new objectives/measurable outcomes
Dec 2002	Web-site launched
Sept 2003	Decision to continue Unit funding to be made
March 2004	Unit's current funding expires.

### MILESTONES

- 2.2 In 1998 the Secretary of State's New Deal ETF Working Group was established in order to promote and monitor the ETF in Scotland. Its responsibilities included advising on:
- development and promotion of the ETF option in Scotland
  - mechanisms for resolving problems and disseminating good practice
  - outcome monitoring arrangements for environment and housing improvements
  - ETF elements quality assurance and evaluation arrangements
  - developing a dialogue with appropriate environmental and housing bodies.
- 2.3 An ETF workshop was held in January 1999 to review progress and identify the next stages of development of the ETF. This workshop was followed by another conference with the lead providers. A number of problems were identified which were considered to be constraining the performance of the Environment Task Force:
- a need for extra support and co-ordination for ETF at the Scottish level
  - the poor image of the ETF, often considered the 'last resort'
  - no evaluation of the environmental outcomes of the ETF
  - a lack of information regarding potential funding packages for projects involving ETF.
- 2.4 Following this progress review, the ETFWG, in a report to the Minister for Lifelong Learning, decided to establish a Unit

- dedicated to continuous improvement in the Option and the provision of support for ETF providers.
- 2.5 The Working Group agreed that the Unit would be best housed within Forward Scotland, a non-profit charitable company whose remit is to promote sustainable development in Scotland through practical projects and influencing policy.
- 2.6 The Unit secured funding for the first three years of its operations from BP.
- 2.7 A Steering Group was formed to oversee the Unit with membership drawn from the following organisations. COSLA and SEN were invited to join the Steering Group but declined:
- local authority lead providers
  - private sector providers
  - the Scottish Executive
  - the Employment Service - now Jobcentre Plus
  - BP, and
  - Forward Scotland.
- 2.8 The stated aim of the Unit was:
- to improve the quality and performance of the New Deal ETF Option in Scotland, by supporting option providers and by improving links with employers in the environmental sector.
- 2.9 The original stated objectives (2000) were to:
- improve networking and the sharing of good practice
  - improve the marketing of the ETF option
  - contribute towards the development of policy
  - increase the availability of funding for the ETF.

## MANAGEMENT AND ACCOUNTABILITY

- 2.10 It was decided that the Unit should not be set up as a separate company, but that it should be attached to Forward Scotland, a key player in the development of the Unit.
- 2.11 Forward Scotland agreed to:
- draft the original project proposal
  - secure funding to set up JITESU
  - house the Unit in its Glasgow offices
  - provide day-to-day management for the Unit, and
  - fulfil the financial reporting requirements of funders.
- 2.12 Unit staff are employed by Forward Scotland on term contracts and are subject to Forward Scotland's terms and conditions, policy and procedures.
- 2.13 The Steering Group was charged with overseeing the activities of the Unit. It meets on a quarterly basis.

- 2.14 Funding was secured from BP to cover the salary of a Unit co-ordinator and associated costs for three years and a full compliment of 3 staff 1 year one. BP made a total commitment of £230,000, payable in three stages: £130,000 in year one, and £50,000 in years 2 and 3.

### **AIMS, OBJECTIVES AND TARGETS: MAY 2001**

- 2.15 The original purpose of JITESU was to provide support and co-ordination for the Environment Task Force option of the New Deal.

- 2.16 In May 2001 (prior to recruiting the co-ordinator) Forward Scotland prepared a paper which set out the aims and objectives in more detail. The aim was to:

- work to maximise progression into lasting jobs associated with the New Deal ETF option in Scotland, and support the development of pathways into employment in environment related industries.

- 2.17 The objectives were to:

- develop pathways to employment by increasing the level of employer engagement, participation and recognition of experience gained through the ETF
- improve the exchange of information and good practise
- communicate about opportunities on the ETF option
- identify and harness opportunities to increase activity in the wider environmental sector
- encourage the development of partnerships to improve local networking
- facilitate exchange between providers at a national level
- encourage the development of innovative activities to strengthen the range of activities undertaken as part of ETF
- establish a National Forum for providers and support the work of local consortia
- explore and consider accreditation issues in relation to the ETF option
- monitor and evaluate Jobs in the Environment and support those who are providing the Option.

- 2.18 In addition to these aims and objectives a number of targets were set, including:

- supporting local consortia and providers
- producing regular reports on job progression outcomes, environmental impact and employer engagement
- exploring a system for accreditation for those opting for the ETF option
- increasing contact with relevant employers and organisations.

- 2.19 In addition to these unquantified activity targets, two measurable outcomes were also adopted, namely to:
- establish and maintain a website to disseminate information and advice, and
  - establish [an unspecified] number of new jobs in environmental initiatives.
- 2.20 In the light of subsequent developments (see below) the key point here is that the original focus of JITESU was firmly on the *supply side*, and specifically on enhancing the attractiveness and perceived value of ETF as route back to work. This approach did not, of course, preclude engagement with employers in the environmental sector, but the emphasis was on improving the operation of ETF rather than stimulating the demand side.

### 2002-03 BUSINESS PLAN

- 2.21 In June 2002, an extended set of objectives and targets was adopted for the 2002-03 business plan.
- 2.22 These new targets reflected BP's influence and their expectations for the Unit. The targets had greater emphasis on quantifiable outcomes than before, including:
- to increase the number of people employed in the renewable and alternative energy sector by 10%
  - to increase the number of people employed in the sustainable waste management sector by 10%
  - to increase the number of unemployed people entering employment in the gas sector by extending pilot projects into another 3 areas
  - establish and maintain a website to disseminate information and advice
  - visit all 29 Lead Providers across Scotland to collect good practice examples
  - make presentations to a variety of audiences informing them of the Unit
  - produce 4 published pieces of work related to the aims of the unit.
- 2.23 Taken at face value, these new targets represent a significant shift of emphasis for JITESU. While the majority can be seen as an extension/clarification of the original remit, the first two targets on the list move into new territory by suggesting that JITESU's success should be measured in part by the growth of two industries in the environment sector. We return to the consequences of this later.

### A CHANGING OPERATING ENVIRONMENT

- 2.24 Over the two years since JITESU was formed the Welfare to Work operating environment has changed significantly. Key developments include:

- the amalgamation of the Employment Service and the Benefits Agency to form Jobcentre Plus; Jobcentre Plus has put the emphasis on 'employment first' - with programmes aiming to place individuals into employment as soon as possible
  - the introduction of business development teams in all District Offices: account managers work to understand the long-term recruitment and skills needs of local employers - information which will feed into the design of more tailored, sectoral provision
  - Tailored Pathways pilots have tested a more flexible approach to New Deal for Young People with the aim of improving job outcomes. Personal advisers devise a tailored programme for individuals including a flexible option period, therefore enabling provision to meet the needs of employers and the local labour market.
- 2.25 It is not entirely certain how Welfare to Work will operate in the future. The Tailored Pathways pilots differ in their approach - some have focused on a limited number of sectors where there is known demand for labour, others have placed the emphasis on tailoring according to individual client need.
- 2.26 Although the ETF will continue to be available in the flexible option period, Jobcentre Plus has stated its intention to make increased use of the employment option in order to attract more clients and employers. This will presumably lead to lower uptake of ETF and possibly its phasing out as a named option.
- 2.27 There are still many uncertainties with regard to the plans for ETF and it is unclear what its status will be following the outcome of the Tailored Pathways pilots.

#### HOW JITESU'S FOCUS HAS SHIFTED

- 2.28 Partly in response to this changing environment - and partly at the Steering Group's direction - JITESU's focus has also shifted.
- 2.29 The diagram summarises a move from:
- JITESU as the facilitator of a network of support linked to the New Deal ETF option, to
  - a wider role in promoting the development of Scotland's green economy.



2.34 However, we have concerns on three grounds:

- first, the shift in emphasis was *premature*: the Unit had very little time to bed into its original (network of support) role before the focus switched elsewhere,
- second because the Unit *does not have sufficient capacity* to sustain such a broad remit: even before recent departures JITESU was very stretched, and the new focus on companies was at the expense of core activities around New Deal, and
- third, it is not clear how JITESU's work with industry will *add value* to that of existing bodies such as Scottish Enterprise.

2.35 Our conclusion is that JITESU has drifted away from its original core purpose. This mission creep appears to result from a number of factors, but the *strategic rationale* for the change of emphasis has never been satisfactorily established.

2.36 The targets relating to employment growth in the renewable energy and waste management sectors are a symptom of this drift. Quite simply, they are wholly inappropriate and unrealistic. JITESU does not have the resources, skills or remit to deliver these outcomes, and we are not aware of any activity designed to do so. Even if the growth targets were achieved, this could not be attributed to JITESU.

### 3. ASSESSMENT: PERFORMANCE AND IMPACT

- 3.1 In Section 2 we described the evolution of the performance framework for JITESU. This section of the report sets out an assessment of the Unit's performance to date against the agreed objectives and targets.
- 3.2 The available management information is somewhat sketchy and anecdotal, but we have assembled the following analysis from a number of sources, including:
- ▶ the document review, including reports to the Steering Group
  - ▶ consultations with key stakeholders
  - ▶ the discussion with the Steering Group.

#### OBJECTIVES AND TARGETS

- 3.3 The first point to be made is that the long list of objectives, performance measures and targets adopted by JITESU over the past 2 years is confusing and full of inconsistencies. For example:
- ▶ the framework does not distinguish between activity and output targets
  - ▶ employment growth targets are unrelated to JITESU's activities/capacity
  - ▶ many of the objectives/targets are confusingly drafted
  - ▶ there is a mix of quantitative and qualitative measures, but some of the former do not have specified targets.
- 3.4 This is an unsatisfactory performance framework, with too many measures, many of which are vague and ill defined. It is therefore not surprising that it has proved very difficult to monitor performance against targets. Some of the initial targets (such as the formation of local provider consortia or of a national forum) have been allowed to lapse; we cannot trace definitions, baseline data or targets for the employer participation measure; similarly, there is no evidence that the 2002 employment growth targets have had any impact on operations.
- 3.5 We suspect that the lack of linkages between stated objectives and the actual activities of the Unit reflects the fact that many of the targets were inappropriate or poorly thought through. In any event it is a recipe for disappointment and frustration if neither the Steering Group nor the team have confidence in the performance framework.
- 3.6 There is no consistent performance monitoring or reporting regime, although the coordinator's reports to the Steering Group provide a useful commentary on progress towards specific milestones, such as events, publications and the website launch. There are also regular reports to the Forward Scotland Management Team and Board, BP and the Energy and Environment sub-group.

### ASSEMBLING THE EVIDENCE

3.7 In the absence of a coherent performance framework, we have constructed the following table which identifies:

- Column A: JITESU activities
- Column B: activity targets
- Column C: outcome measures
- Column D: outcome targets
- The table is derived from the objectives and targets adopted in May 2001 and June 2002 respectively. The latter are shown in italics.

Activities		Outcomes	
(A) Activities	(B) Targets	(C) Outcome measures	(D) Targets
Develop opportunities in the ETF option		Increased employer participation	
Explore ETF accreditation issues			
Encourage innovation in ETF			
Develop pathways to employment via ETF			
<i>Roll-out gas sector pilot initiatives</i>	<i>3 new pilots</i>	<i>Unemployed people get jobs in sector</i>	
Communicate ETF opportunities			
<i>Presentations to target audiences</i>	<i>12</i>		
Promote exchange of good practice			
<i>Visit all lead providers</i>	<i>29</i>		
Launch/maintain website	<i>By June 2002</i>		
Encourage local partnerships		Local consortia formed	
Facilitate exchange between providers		National forum created	
Monitor performance of ETF			
Research environment sector	<i>4 reports</i>		
		<i>Increase employment in renewables sector</i>	<i>+10%</i>
		<i>Increase employment in waste mgt sector</i>	<i>+10%</i>

\* June 2002 measures/targets in italics

3.8 The gaps in this analysis show that JITESU has never had a comprehensive or coherent performance management framework. It has therefore been difficult to answer the following basic questions:

- WHAT will the Unit do?
- what VOLUME of activity will it undertake?
- WHEN will the work be completed?
- what will CHANGE as a result of this activity?
- will we be able to MEASURE the change?
- if so, what TARGETS have we set?

3.9 The result, as expressed in the table, is that:

- some activities do not have volume targets or completion dates
- there is no indication what outcomes are expected from some activities
- where outcomes are identified, most do not have a quantified target/completion date
- employment growth targets were set for 2 sectors, but these do not appear to be connected to any planned activity.

### ACTIVITY TARGETS

3.10 The table shows performance against the activity targets.

Activity target	Performance to date
<i>Roll-out three additional pilot initiatives in the gas sector</i>	Target exceeded: 4 additional pilots launched; JITESU played a significant role in three.
<i>Presentations to 12 key target audiences</i>	Target exceeded: over 20 presentations to a wide range of audiences.
<i>Visits to 29 lead providers</i>	On track to meet target: visits to all providers except Orkney, Shetland and Western Islands; the latter have all been contacted.
<i>Launch website by June 2002</i>	Achieved, but did not meet target date: <i>website on line from July 2002 and formally launched by MSPs in December</i>
<i>Publish 4 reports on the environment sector</i>	On track to exceed target: sector reports published on sustainable waste management and energy sectors, together with report on funding; studies commissioned on nature conservation and travel/transport.

\* June 2002 measures/targets in italics

3.11 This is a very respectable performance, especially in view of the joint effects of mission creep and staff shortages. It confirms the views of consultees that the coordinator has been working very energetically in difficult circumstances, building networks, communicating to partners and developing a knowledge base. The website, though its launch was delayed, is a valuable resource. The website receives more than 2,000 hits per month, and has won an award for excellence from the Golden Web company.

## OUTCOME TARGETS

3.12 As we have seen, JITESU's outcome measures are mostly sketchy, ill defined, unquantified and, in some cases, inappropriate. There is little baseline data and no consistent reporting regime. However, as far as we judge the position, performance against targets is summarised below:

Outcome measure/target	Performance to date
Increased employer participation in ETF/New Deal	No evidence provided on baseline position or subsequent progress.
<i>Unemployed people get jobs in gas sector</i>	No quantitative target, and no direct evidence. However, JITESU did supply details of 180 employment opportunities to Jobcentre Plus in the pilot areas.
Local provider consortia formed	This target was dropped due to uncertainty over the future direction of New Deal.
National forum created	JITESU did not pursue this target, but it did facilitate a successful national conference.
<i>Increase employment in renewables sector by 10%</i>	Research report provided baseline data, but JITESU had no means of influencing employment levels in these sectors, except at the margins.
<i>Increase employment in sustainable waste management sector by 10%</i>	

\* June 2002 measures/targets in italics

3.13 JITESU's outcome measures and targets were generally ill conceived. The first set, dating from May 2001, were agreed by the Steering Group and the coordinator, and do not appear to have influenced the Unit's activities a great deal.

3.14 Given the delays surrounding the launch of JITESU this is not entirely surprising. However, the revised targets adopted in June 2002 have to be considered a lost opportunity.

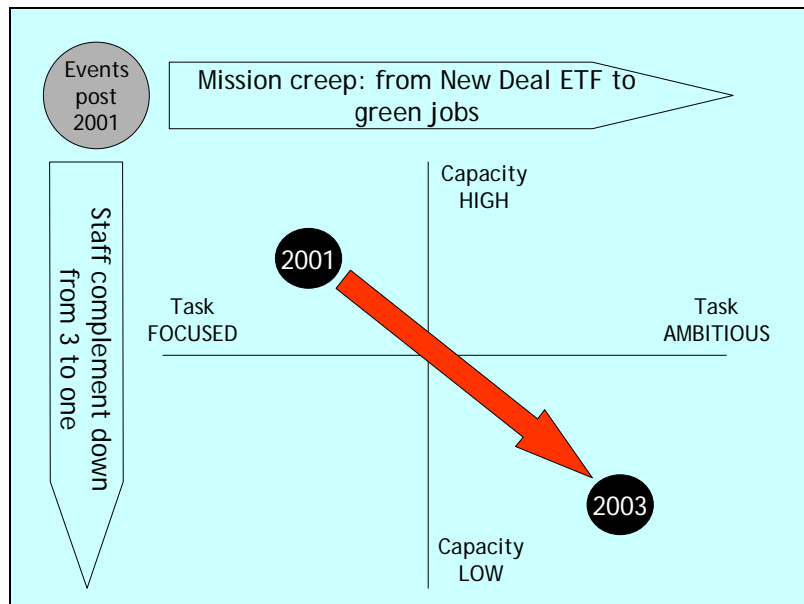
## EVIDENCE FROM THE CONSULTATIONS

3.15 In addition to analysing the available documentation, we gathered information and insights from the consultations. The views of consultees were generally consistent, though not uniform. The key messages can be summarised as follows:

- delays in getting JITESU started and fully staffed were unhelpful, and tended to undermine the original strategic rationale
- the loss of support staff meant that JITESU had become a one-person operation; the energy and commitment of the coordinator were commended, but he is thought to be over-stretched
- the loss of key staff and the fact that the Unit's future is now being considered means that the early momentum is in danger of being lost

- the shift in emphasis from the New Deal agenda to a wider industry development role was noted by everyone: some people welcomed the change, others thought that it blurred the focus of the Unit “almost before it started”
- whatever the rights and wrongs of the new agenda, most of the perceived achievements of the Unit relate to its original New Deal role
- the reported key achievements include:
  - raising awareness of the ETF option among New Deal advisers and employers
  - identifying key issues for policy makers to address
  - improving communications with - and between - providers
  - launching the website.

3.16 Generally, there is a realistic recognition that the Unit’s resources are very modest, and that it cannot be expected to have a major impact on New Deal or the wider environment sector. *For this reason, there is universal agreement that the present situation (an expanding role, but declining resources - see diagram) is not sustainable.*



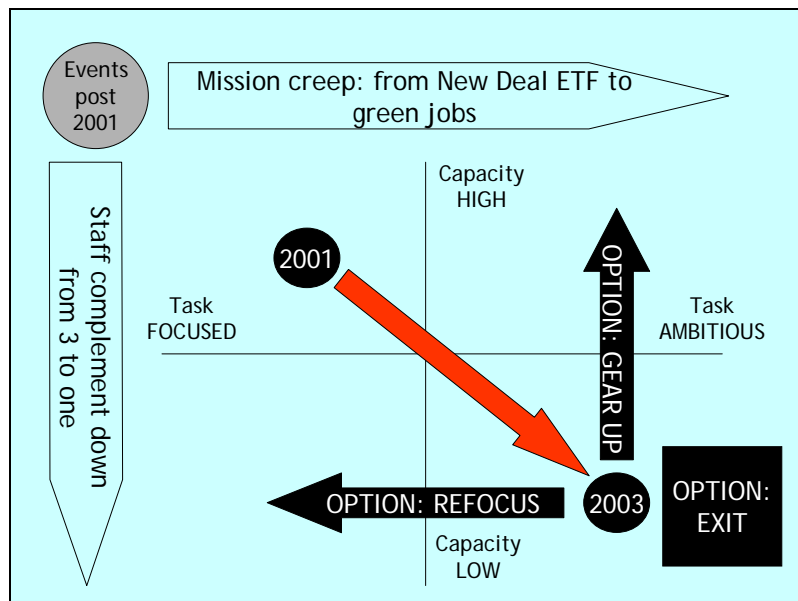
3.17 The Unit should not try to do too much, but should aim to *target its efforts on issues/activities where it can make a positive difference.*

## CONCLUSION

- 3.18 The key messages from this review are that:
- JITESU's performance management framework is confusing and inconsistent
  - there is not a consistent monitoring or reporting regime
  - JITESU has generally performed well in terms of delivering planned activities
  - ...but outcome targets were generally ill conceived: most have either been dropped, or there is no evidence on performance.
- 3.19 Anecdotal evidence - and our own assessment - confirms that JITESU has operated in difficult circumstances resulting from:
- a delayed launch
  - recruitment delays and the subsequent loss of key staff
  - a changing operating environment.
- 3.20 The response should have been to focus JITESU on some key tasks and related outcomes. The evidence suggests that the Unit has made a useful contribution on the core New Deal/ETF agenda which is valued by partners and stakeholders.
- 3.21 However, despite JITESU's limited resources, the Steering Group has encouraged the Unit (in practice, the coordinator) to divert its (his) energies into a much broader industry development agenda, including research and advocacy.
- 3.22 This shift seems to have come about through a combination of conscious decisions and strategic "drift". Whatever the reasons, the present situation is not sustainable and places the coordinator in a near-impossible situation.
- 3.23 In the circumstances, the Unit has probably performed as well as can be expected, but continuing in this way is not an option. We consider the options for change in Section 4.

## 4. DEVELOPMENT OPTIONS

- 4.1 The present situation is not sustainable. JITESU’s nominal aims and objectives are clearly over-ambitious given the Unit’s limited capacity and resources.
- 4.2 At its inception, the Unit had a clear strategic rationale: to promote the New Deal ETF option. Since then a number of factors have combined to produce mission creep, and our consultations have revealed wide differences of understanding among Steering Group members and other stakeholders about the current purpose and priorities of JITESU.
- 4.3 Against this backdrop, there are essentially three options for action:
- Option 1: increase resources (manpower and money) in line with the new, more ambitious agenda
  - Option 2: return to a more focused agenda in line with likely available resources
  - Option 3: wind up the Unit and agree an exit route.



- 4.4 The options appraisal needs to take account of the issue of resources. BP’s funding for JITESU runs out at the end of the 2003-04 financial year, and the company has confirmed that it will not be continuing its sponsorship after this date. It follows that, if JITESU is to continue in some form, it will have to secure funding from the public sector or attract sponsorship from another source.
- 4.5 Following our consultations and also the discussion at the 24 June Steering Group, we have concluded that securing funding would be possible, but that:

- Forward Scotland and the coordinator would need to move quickly to organise a funding plan, and to approach potential supporters
  - Forward Scotland would need to agree to continue to provide its in-kind contribution, including acting as employer for JITESU staff
  - in any event, it would be prudent to assume that funding will not exceed the present level of support.
- 4.6 If these assumptions are agreed, then we have to assume that Option 1 - which would require additional staff - is not a realistic option, and that *the choice for the Steering Group is either:*
- to refocus the Unit on a more clearly defined set of tasks and goals, or
  - to wind up the Unit.

### KEY QUESTIONS

- 4.7 In assessing the options, we have identified 5 key questions:
- is there still work to be done on the Welfare to Work - Green Jobs agenda?
  - if the answer is yes, are other organisations tasked with addressing those issues?
  - if there is a continuing role for JITESU, what should the focus be - and who will pay?
  - should JITESU continue to operate as an arm's length body, or should it be mainstreamed in Forward Scotland?
  - If JITESU is going to be wound up, how can we ensure that its legacy is anchored in other organisations?

### STRATEGIC RATIONALE

- 4.8 It is beyond our present remit to review in detail the many complex and challenging issues relating to the environment industries' labour market. However, based on our desk research and consultations, we think it is reasonable to argue that, among others:
- environmental projects will continue to be an important source of work experience, training and personal development for Welfare to Work clients who are not job ready
  - negative perceptions of this type of activity persist: projects are typically seen as low quality, last resort provision rather than an integral, high quality element of the pathways to work
  - in practice, there is a growing body of experience and good practice (in Scotland, the UK and internationally) where environmental projects have proved a successful vehicle for individuals looking to return to work, as well as valuable tools for community regeneration

- although the primary purpose of the such projects is to enhance the *employability* of individuals, irrespective of the industry sector, recent experience has confirmed that the environment industries are providing a growing number of *entry-level jobs* for New Deal/Welfare to Work clients
  - the nature of employment opportunities in the sector is not well understood, either by individual clients or the agencies that help them, and there has been a failure to link Scottish Executive policy on, for example, renewable energy, the environment and sustainability with prospects for future employment growth
  - the fragmented and emerging nature of the cluster means that environment industries have not always articulated the case clearly, and they have been treated as a low priority compared with other key sectors of the Scottish economy - even though growth prospects are good.
- 4.9 This agenda provides the strategic rationale for an organisation such as JITESU. The key challenges would appear to be:
- ensuring that environmental projects are recognised as making a valuable, high quality contribution to *employability and pathways to work*
  - ensuring that UK and international *best practice* is adopted and embedded by providers in Scotland
  - identifying *entry-level job opportunities* in the sector, and ensuring that they can be accessed through the emerging Welfare to Work model
  - establishing the nature and scale of the *demand for labour* in the sector, and building a robust picture of future prospects
  - effective *advocacy and communications* to raise public awareness of (and positive attitudes to) the sector, and to influence the policy agenda.
- 4.10 In other words, the issues identified at the time JITESU was launched - and others that it has addressed since - have not gone away. However, experience has shown that it is not practicable for JITESU to cover all these issues. If it is to continue, it should focus on a sub-set of them.

#### WHERE WOULD JITESU FIT?

- 4.11 In seeking to identify the most appropriate role for JITESU, the following factors should be taken into account:
- the interests and remit of the Steering Group
  - skills and experience of the JITESU team
  - potential overlap with other bodies.
- 4.12 The views of the Steering Group (and other stakeholders) are not necessarily a particularly helpful guide. Our consultations revealed a wide range of understanding and expectations about the role of JITESU, across the spectrum of issues/challenges set out above.

- 4.13 Generally speaking, the Scottish Executive, Jobcentre Plus and training providers still see JITESU as a vehicle for developing New Deal/Welfare to Work options. The sponsors, BP, and industry bodies are more orientated towards the broader sector development/ advocacy aspects of the agenda.
- 4.14 Our consultations revealed high levels of satisfaction with the work of the coordinator, and a general recognition that a combination of mission creep and the loss of support staff meant that he had been operating in difficult circumstances.
- 4.15 It was recognised that the coordinator had been recruited largely on the basis of his knowledge of New Deal and experience of working with the long-term unemployed. That skills profile was in line with the original stated purpose of the Unit, and the coordinator has since exploited his extensive network among the training community in Scotland.
- 4.16 During his time in post, the coordinator has attended numerous seminars and conferences related to the work of the Unit. He has completed a course of study that resulted in achieving Associate Membership of the Institute of Environmental Management and Assessment (IEMA).
- 4.17 However, the gap in the market for JITESU services continues to be at the New Deal/Welfare to Work end of the spectrum. Despite forthcoming changes in the Welfare to Work model, there will continue to be a need for project-based provision for those who are not job-ready - and a community of providers/practitioners with an interest in improving the service and professional development.
- 4.18 On the other hand, it is not clear how the Unit will add value to the wider environment industries' development agenda. There are already organisations in place, including:
- ▶ Scottish Enterprise, whose Energy Team aims to "help Scottish energy companies develop and commercialise renewable energy sources
  - ▶ other agencies - SNH and SEPA - charged with implementing the Scottish Executive's environmental agenda
  - ▶ a range of industry bodies such as WAMITAB, GWINTO and the Scottish Renewables Forum.

#### FOCUS ON WELFARE TO WORK

- 4.19 We therefore *recommend* that - if JITESU is to continue in some form - it should return to its original focus on New Deal/Welfare to Work pathways. Its mission should be:
- ▶ to promote pathways to work *in* the environment sector, and *through* training and work experience in the sector
- 4.20 In pursuing this mission, JITESU should focus on the first three key challenges identified above:

- ensuring that environmental projects are recognised as making a valuable, high quality contribution to *employability and pathways to work*
  - ensuring that UK and international *best practice* is adopted and embedded by providers in Scotland
  - identifying *entry-level job opportunities* in the sector, and ensuring that they can be accessed through the emerging Welfare to Work model.
- 4.21 We believe that there is prima facie case for extending the life of JITESU, but with a more sharply defined focus on Welfare to Work. However, the acid test of this proposition will be the attitudes of the key stakeholders. In this respect, the views of the following will be critically important:
- Jobcentre Plus
  - training providers and project sponsors
  - the Scottish Executive
  - Forward Scotland.
- 4.22 We *recommend* that, on acceptance of this report and in advance of the September Steering Group meeting, Forward Scotland should (a) take a corporate view on the case for continuing with JITESU (in some form - see below) and (b) take soundings among the other parties to determine:
- whether they agree with the diagnosis
  - if they see a continuing need for JITESU or a successor body to focus on the Welfare to Work agenda
  - whether they would be prepared to make a contribution to running costs.
- 4.23 If the consultation process secures a **positive response**, we *recommend that JITESU should continue for a further two years*, subject to the following conditions:
- an agreed business plan
  - an appropriate performance framework
  - adequate resources and a secure funding regime.
- 4.24 If, on the other hand, stakeholders give the proposition a **negative response**, we *recommend that the Steering Group should agree an exit strategy, leading to closure of the Unit at the end of March 2004*.

## BUSINESS PLAN

- 4.25 We *recommend* that the business plan should cover a 2-year period, starting in April 2004. The plan should be based on:
- the mission set out in para 4.18
  - a work programme to address the three challenges set out in para 4.19

- a fixed 2-year term, with an exit strategy for the final six months

4.26 We *recommend* that the key roles of the Unit should be to:

- to work with Jobcentre Plus and providers to clarify the *role of the environment sector* in Welfare to Work as both (a) a source of employment opportunities, and (b) a vehicle for project-based training and work experience
- to ensure *effective communication* of that role to influence the attitudes and behaviour of employers, Welfare to Work clients, advisers and policy makers
- to facilitate *networking* among key partners and stakeholders
- to promote excellence by researching and disseminating *best practice*
- to carry out *research* on entry-level jobs and opportunities for progression for Welfare to Work clients.

## PERFORMANCE FRAMEWORK

4.27 We *recommend that an appropriate performance framework* should be agreed. The key components of the framework should be:

- a statement of planned *activities*, with volumes and timescales
- identification of *intermediate outputs and impact measures*, directly related to the objectives
- arrangements for *monitoring, evaluation and reporting*.

4.28 The *impact measures* would be:

- numbers of people entering jobs in the environment sector<sup>1</sup> in Scotland via Welfare to Work
- numbers of people finding jobs (or other positive outcomes) following Welfare to Work training/work experience in the environment sector

4.29 Data on these measures should be accessed via Jobcentre Plus. JITESU would need to secure baseline data for both measures, and monitor change at (say) 6-monthly intervals.

4.30 Intermediate *outputs* might include:

- environmental sector *market share* of Scottish Welfare to Work throughput
- *adoption* of best practice models
- *publication* of research findings.

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<sup>1</sup> There is no agreed definition of the environment sector. JITESU should commission research to establish a definition based on Standard Industrial Classification (SIC) and Standard Occupational Classification (SOC) codes.

## RESOURCES AND FUNDING

- 4.31 Taking account of the assumptions set out in para 4.5 above, we *recommend that the clients should make the following budget assumptions.*

Item	Annual budget £
Staff salaries (inc on-costs): Coordinator + assistant (PT)	55,000
Programme budget: Marketing, events, research	45,000
TOTAL	100,000

- 4.32 On this basis, the budget for a 2-year extension of the Unit would be in the order of £200,000. This assumes that Forward Scotland will continue to provide accommodation and some administrative support. A decision to continue with JITESU would be conditional on securing funding, in cash and in kind.
- 4.33 We *recommend* that the Steering Group should seek co-funding from a range of partners, for example:
- Jobcentre Plus
  - Scottish Executive
  - Forward Scotland
  - industry bodies
  - private sector.
- 4.34 We *recommend* that the Steering Group should aim to secure a funding package as soon as possible so that a firm decision to proceed can be made by end September. This deadline will also allow for a properly planned exit strategy to be implemented if funding is not forthcoming.

## ARMS-LENGTH OR MAINSTREAM?

- 4.35 The present management and reporting arrangements are onerous. It is hard to justify a situation in which a single executive is taking directions from - and providing secretariat services to - an 8-person Steering Group. However, this may be more practicable if - as we recommend - a part-time assistant is appointed or seconded to the Unit.
- 4.36 In any event, the likely *benefits* of continuing to operate JITESU as an arms-length body, reporting to the Steering Group include:
- operational independence is valued by providers and employers
  - ability to act an honest broker
  - direct access to key stakeholders and decision makers
  - Steering Group members' influence and networks
  - opportunity to build on prior achievements and reputation

- continuity for the final two years.
- 4.37 The possible disadvantages include:
- lack of power base may result in marginalisation
  - additional bureaucratic burden
  - track record of strategic drift and mission creep.
- 4.38 There is no “right answer” to this question, which requires a balanced judgement. Taking all the factors into consideration - especially the need for continuity - *we recommend that the present arms-length arrangements should continue*. However, the onus will be on the Steering Group to stick to JITESU’s new mandate, and to prevent mission creep.

### EXIT STRATEGY

- 4.39 We have recommended that JITESU should continue for another two years, if funding can be secured. We have also recommended an early decision (by end September) so that a proper exit strategy can be implemented.
- 4.40 *We recommend that the objectives of the exit strategy should be:*
- to ensure a proper succession that maintains and builds upon the achievements of JITESU
  - to set an agenda for future action by partners and stakeholders.
- 4.41 As a matter of prudence, *we recommend that an exit strategy should be prepared now as a contingency measure*. The strategy should include the following action:
- a facilitated workshop for senior representatives of stakeholder organisations to agree 4-5 succession priorities
  - planning and facilitation of a major Welfare to Work conference for the environment sector: to prepare the agenda for future action
  - arrangements to transfer website materials to an appropriate host site
  - publication (in print and on the website) of a final report, including executive summaries of research reports, best practice case studies and other material.

## 5. CONCLUSIONS AND RECOMMENDATIONS

- 5.1 In Section 2 we recorded the history of JITESU, tracking changes in the Unit's aims, objective and targets. We highlighted a shift from the Unit's original focus on the New Deal/Environment Task Force to a broader industry-development agenda. While we acknowledge that this was a decision for the Steering Group, we have concerns about the change of emphasis on the grounds that:
- was premature clarify in relation to 3 concerns part of report (see para 2.34)
  - stretched the Unit beyond its capacity (2.34)
  - did not add clear value to the work of other bodies (2.34)
  - did not have a clear strategic rationale (2.35).
- 5.2 In Section 3 we reviewed the available evidence on performance and the impact of the Unit. The key messages (3.18) were that:
- JITESU's performance management framework is confusing and leads to inconsistencies
  - there is not a consistent monitoring or reporting regime
  - JITESU has generally performed well in terms of delivering planned activities
  - ...but outcome targets were generally ill conceived: some have either been dropped, or there is no evidence on performance.
- 5.3 In the circumstances, the Unit has probably performed as well as can be expected, but continuing in this way is not an option (3.23).
- 5.4 Section 4 reviews some of the options for the future development of JITESU, and sets out our *recommendations* as follows:
- if JITESU continues it should focus on the New Deal/Welfare to Work agenda (4.19)
  - it should focus on three key challenges: employability, best practice, entry-level jobs (4.20)
  - before the September Steering Group meeting, Forward Scotland should take soundings on the case for continuing with JITESU (4.22)
  - subject to a positive response from stakeholders, JITESU should continue for a further two years, to March 2006 (4.23)
  - if there is a negative response, the Unit should close at end March 2004 (4.24)
  - if a decision is made for JITESU to continue, a 2-year business plan should be agreed (4.25)
  - the Unit should focus on five key roles (4.26)
  - a performance framework should be agreed (4.27)
  - the business plan should be based on annual expenditure of c.£100,000 (4.31)

- the Steering Group should seek co-funding from stakeholders and partners (4.33)
- the Steering Group should aim to secure funding by end September (4.34)
- JITESU should continue to operate at arms-length from Forward Scotland under the direction of the Steering Group (4.38)
- if JITESU is to be wound up, the exit strategy should focus on succession issues and setting an agenda for action (4.39)
- an exit strategy should be prepared now as a contingency measure (4.41).

yellow book  
July 2003

## ANNEX 1: LIST OF PEOPLE CONSULTED FOR THE STUDY

Raymond Young	Unit Steering Group Chairman
Ailsa Clark	Argyll and Bute Council
Frazer Scott	Forward Scotland
Grant Leaburn	Fife Council
Joan Kirk	Jobcentre Plus
Lawrence Strong	WAMITAB
Lorraine Phin	Angus Council
Maf Smith	Scottish Renewables Forum
Neil Weir	BP FPS
Peter Beaumont	Scottish Executive Welfare to Work Policy Branch
Rhona Hayton	West Dunbartonshire Council
Robert Philips	Glasgow Employer Coalition

## ANNEX 2: STEERING GROUP MEMBERS

Raymond Young	Chairman
Frazer Scott	Forward Scotland
Grant Leaburn	Fife Council
Joan Kirk	Jobcentre Plus
Kate Smith	Triage Central Ltd
Neil Weir	BP
Peter Beaumont	Scottish Executive
Raymond Johnson	Scottish Executive