

Welfare-to-work providers as State handmaidens or partners?: innovation, opportunity and compliance in the city-region

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Background

In the UK, public policy and services are being contracted to private and voluntary sector providers as part of public sector reform, leading to what has been called the 'competition state' (Jessop, 2002). The shift involves the public sector contracting and, or 'partnering' with, external organisations to provide particular activities, with funding tied, at least in part, to the attainment of pre-specified outcomes. This process creates opportunities for new participants (forms of organisation) to become involved in public policy creation and implementation and raises questions about how such networks of actors and activity are governed as well as about accountability and quality. In the compulsory education sector, for example, increasing numbers of schools and local education authorities are commissioning consultancy firms to advise and help them meet government performance targets (Ball, 2009; 2007). Far less is known, however, about the new inter-connected landscapes of provision that are emerging in relation to training, welfare-to-work, and employment policy, and the relationship this activity has with the State's pursuance of its goals in regard to social cohesion and economic regeneration (and growth).

Research Questions

The paper focuses on the innovative use by an English city council of planning laws and regulations to bind an international retail company, that wished to build a new facility in the city, into a series of social inclusion measures for the unemployed. This involved co-designing a pre-employment training course and recruitment process linked to the ring-fencing of places at the company's 'assessment centre' for individuals attending the course. This focus provides an empirical lens through which to study the extent to which existing theories of the 'privatised State' can fully explain the dynamic and shifting interplay between the State and local actors in the area of welfare-to-work pre-employment training initiatives. Furthermore, the research enables us to shed light on a group of organisations that have become central to the way in which UK governments have, since the early 1980s, sought to put into practice a raft of social policies involving young people and adults moving within and between education, paid employment, and economic inactivity.

Methods

The study adopted a case study approach, drawing on mixed methods of data collection to generate qualitative and quantitative evidence relating to the initiative being studied. Initial interviews were conducted with representatives from the city council who had been involved from the outset in the development of the project, design of the employment and training provision and working with the company. We analysed statistical data on the characteristics (including gender, age, ethnicity, length of unemployment, benefits claimed, neighbourhood) of the applicant population and those that progressed into and through the pre-employment training course and company recruitment process. We were also able to observe and participate in one of the pre-employment (PET) courses and to interview four course participants and to follow their progress through the later stages of the recruitment process. We undertook semi-structured interviews with the stakeholders: trainers; training provider managers; course participants; and representatives from Jobcentre Plus and the company involved.

Frame

The concept of the 'city-region' (see, *inter alia*, Dias and Giordano, 2003; Scott, 2002) provides both a spatial and theoretical framework for the research reported here which is concerned with meso level activity and, in particular, with what Considine (2001) refers to as a new configuration of 'independent sub-systems' constructed to provide and control public services. Etherington and Jones (2009) review the growing literature on what they call the 'new regionalism' and the extent to which city regions provide an appropriate and illuminating 'space' in which to discuss the relationship between the restructuring of the State, economic development, education and training and social inequalities. The specific project, on which this paper draws, is investigating the range of actors involved in these 'sub-systems', the locus of control and power (*vis-à-vis* democratically elected local government institutions, national government, private and 'third' sector provider organisations, and business), and their relationship to the different agendas driving the regeneration of city-regions. These phenomena occur in different guises across Europe and, hence, raise questions of international importance (see, *inter alia*, Esping-Anderson, 1996). The paper also takes an historical perspective in order to understand the origins and evolution of contemporary approaches to welfare-to-work going back to the Poor Laws, the establishment of the Welfare State in the UK post-WW2, and the Thatcher government's opening of the provider market in the early 1980s.

Research findings

Our analysis leads us to argue that we can trace a strengthening over the past 30 or so years of both government and governance with regard to the construction and management of welfare-to-work (and more broadly publicly-funded vocational education and training) policies and provision. Whilst Jessop's concept of 'de-statisation' holds in terms of the way in which the State has devolved responsibility for provision to a quasi-market of public-private partnerships, the State itself has engineered a situation in which the providers have been drawn into a large and expanding government-controlled tent. Over time, the provider community (public, private and voluntary) has come to be almost entirely dependent on staying inside the tent due to the increased opportunities to access funding. In addition, as the range of government-led initiatives has expanded and diversified, so too have the providers adapted and extended their own capabilities in order to capitalize on the permissive social policy climate. They have learned to survive and prosper through becoming expert in accessing funding, in adapting existing services to suit the new ideas of in-coming ministers, and to organize their systems and procedures to ensure targets are met and inspections passed. In turn, the State has an army of compliant and largely silent organizations, kept busy by continued chasing of contracts and meeting audit requirements.