

Contents

Foreword by Jeremy Anderson, NEP Chair	2
Introduction	4
Practical Design Principles	8
Institutional Lessons	14
Conclusions	21
Annex I: Panel Members	22
Annex II: Summary of Panel and Employer Coalition Operating Procedures	24
Annex III: NEP Demonstration Projects	26
Appendix IV: NEP and New Deal Task Force Publications	27

Foreword by Jeremy Anderson, NEP Chair

- 1 I hope that most people reading this, the last, NEP publication will share the NEP's vision – that getting people into jobs – the right jobs – is life changing:
 - It is not just good for the economy
 - It is not just necessary to meet employers' needs for people and skills
 - It is the best way to change people's lives.
- 2 During the last 10 years, the most moving times on the Panel have been when we have heard of people who had given up hope, but whose lives have been transformed by getting into a job.
- 3 The Panel has been a unique body – heavily influenced by employers; working with government but not afraid to challenge; seeking out international best practice; focused on joining up the system to deliver better outcomes.
- 4 This document seeks to encapsulate the key strands of what we learned, both what went well and what was tried but found to be ineffective. It also summarises the fruits of our focused thinking and practical action.
- 5 Our hope is that the document will be a practical tool to help others operating in this ambitious arena learn from our experiences. It is intended to appeal to anyone who seeks to create a high-performance, demand-driven, welfare-to-work system.
- 6 In 10 years the Panel has covered a lot of ground:
 - The employment issues facing different groups of disadvantaged people – New Deal, lone parents, people with disabilities, ethnic minorities – people close to the job market and people far away from the jobs market;
 - The need to join up the employment and skills systems in our recommendations on “Welfare to Workforce Development;”
 - The Jobcentre Plus journey – using the business experience of Panel members to help advise on the roll-out of Jobcentre Plus and on how to assess the performance of the system;
 - And through our Employer Coalitions, and initiatives such as Ambition and Fair Cities, we have tried to document the power of joining up the system at the local level.
- 7 Whilst I trust that all these contributions have been valuable, I think two contributions have been unique:
 - First, we have sought to bring employers and their needs into the heart of the system. It has been a struggle but I hope that the concept of two customers – the individual and the employer – is now firmly embedded. Ten years ago the phrase “demand-led” was unknown in the UK. Now everyone acknowledges the importance of engaging with the employer.

- Second, we have demonstrated that nothing is more powerful to motivate those out of the job market than a “deal” – if they go through a skills programme customised to meet an employer’s needs, they stand a good chance of gaining a worthwhile job at the end of it.
- 8 It is a simple concept, but powerful – that the best way to help disadvantaged people succeed in work is to understand and meet the needs of employers.
 - 9 I am delighted that the NEP’s Employer Coalitions (one in ten British workers work for an organisation represented by the NEP’s Employer Coalitions) are continuing under the new banner of Working Ventures UK. As the rest of the Panel bows out, and hands over responsibility to the UK Commission for Employment and Skills, our desire is to see the journey continue towards high-performance, joined-up delivery, focused on the local employment market. The vision may be agreed, but the battle of culture and delivery is far from complete.
 - 10 First: joining up employment and skills. Neither employers nor individuals care about boundaries between agencies. They want a single package of support that selects the right candidates, prepares them for the job, helps with health conditions and caring responsibilities, and offers training in work. We need to hide the wiring. Each agency needs to play its part in an integrated process, and be judged on the final outcomes.
 - 11 Second: local responsibility. Each local labour market has unique challenges and opportunities. We need an accountability framework, but it must be flexible enough to enable local networks of agencies, employers and providers to do what is right for their local circumstances.
 - 12 Third: high performance. We need to grow the ability and aspiration of providers, with good rewards for the effective ones.
 - 13 Last, and most importantly: employers. The Panel has helped put them on the policy agenda. This employer focus must become a pervasive reality for the entire workforce development system. The system must value its two customers equally: the individual, and the employer. And of the two customers, only one has a statutory obligation to come into the shop; the employer can go elsewhere.
 - 14 I hope that those reading this document will find its insights into the unique operating framework of the NEP stimulating, practical and repeatable.

Jeremy Anderson CBE
Head of Financial Services KPMG LLP

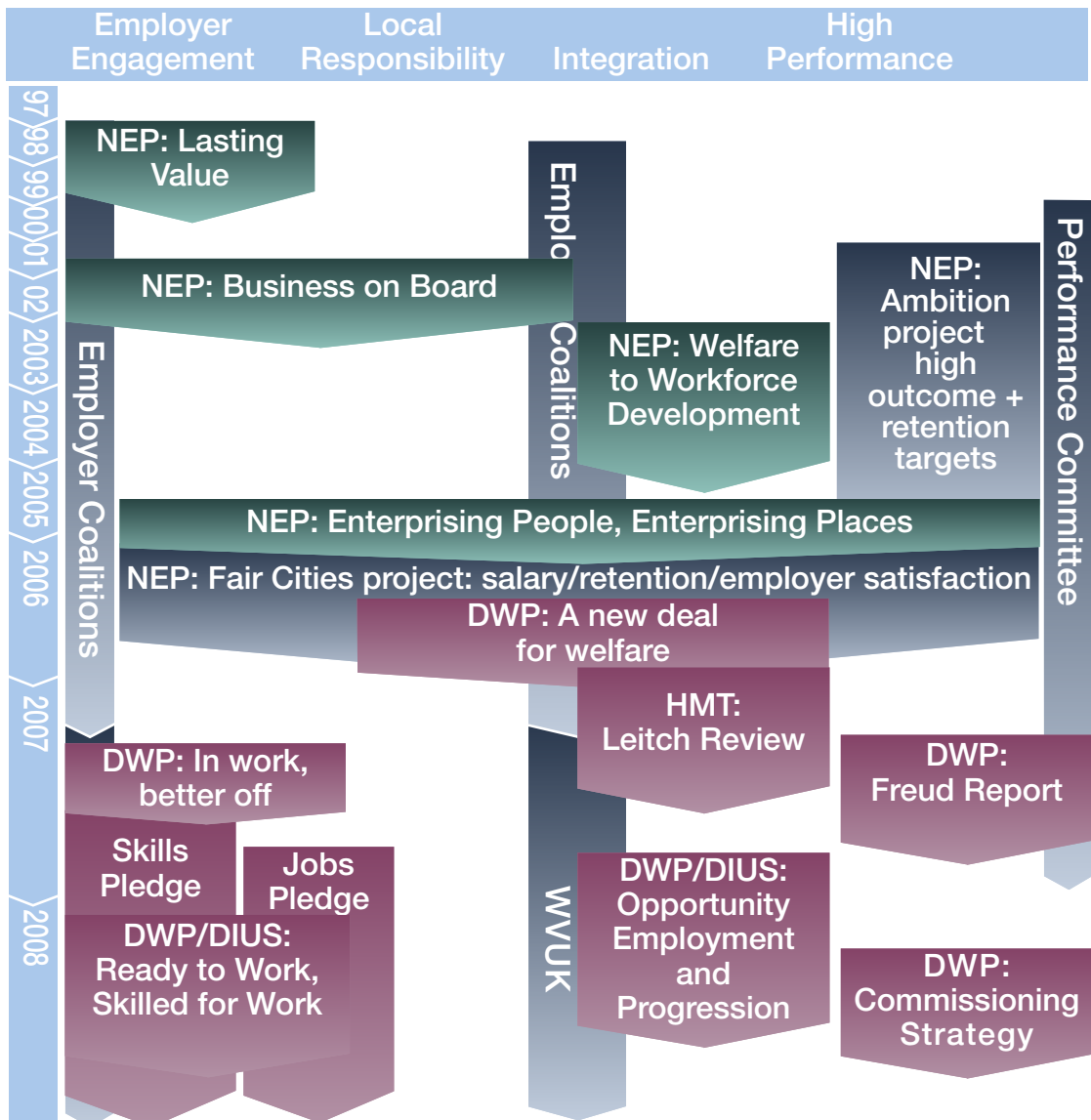
Introduction

- 15 For ten years, the National Employment Panel has been the employer voice in the welfare-to-work system. It has held the system to account and it has developed some distinctive approaches to making it work better.
- 16 This document is for people who want to understand what the Panel's experience has to offer them. It should be of value to:
 - Ministers and senior civil servants in the four nations of the UK;
 - members of the UK Commission for Employment and Skills;
 - leaders in delivery organisations;
 - policy makers in countries outside the UK; and
 - beyond the employment and skills system, political leaders who want to refresh the public sector with a constructive challenge from influential outsiders.
- 17 The NEP's experience has two things to offer:
 - practical design principles for employment and skills systems, which it derives from long experience and research; and
 - a unique structure and *modus operandi* that let it have an important impact on the employment and skills system.
- 18 The two main chapters cover these points. This Introduction summarises as background:
 - the Panel's history;
 - how it was organised; and
 - what it did – to show the foundations on which its conclusions rest.

History

- 19 The NEP started life in 1997 as the New Deal Task Force. Its remit was to involve employers in the Government's new programme aimed at getting a quarter of a million young people into work. In essence, it ensured that the New Deal was a deal from which both employers and individuals gained. With the initial target met, Government expanded the Panel's remit, asking it to provide advice and challenge on labour market issues across government. In short, it became the employer voice in the welfare-to-work system.
- 20 To ground this work in practice, and to make itself more broadly representative of employer opinion, the Panel established a network of Employer Coalitions: city-level boards of business people working with the system to improve it, and to recruit staff from it. The 1,200 organisations with which the Coalitions have links employ one GB worker in ten. In 2006 the NEP set up a not-profit company, Working Ventures UK, to take over this work. Coalitions continue, as part of WVUK, to work with, shape and challenge local employment and skills services.

- 21 For a decade, the Panel has advanced a consistent set of distinctive ideas and practices. In recent years, these ideas have become more mainstream, as the chart below illustrates. The Panel's output of demonstration projects and reports (detailed in Annexes III and IV) has contributed to the development of policy across a wide front.
- 22 In 2004, Gordon Brown, then Chancellor of the Exchequer, asked the Panel's Chair, Lord Leitch, to review the UK's skills needs. He published his review in 2006, and recommended setting up the UK Commission for Employment and Skills. In 2008, the NEP merged with the Sector Skills Development Agency to create the new UK Commission.



Organisation

23 The Panel had at any time around twenty members. Most came from the senior ranks of business, but they also included leaders in the public and third sectors. All are listed in Annex I. The Panel met ten times a year and also worked through committees, including:

- ‘Task and finish groups’ formed to do specific pieces of work;
- a Performance Committee, providing a challenge function to DWP and Jobcentre Plus; and
- an Executive Committee.

The Panel’s operating processes are summarised in Annex II.

24 The Panel had three chairs:

- Sir Peter Davis, 1997 – 2000
- Lord Leitch, 2000 – 2007
- Jeremy Anderson CBE, 2007 – 2008

25 The New Deal Task Force started with a staff of six. The Panel’s secretariat grew or shrank as the need changed, averaging around thirty, with small Coalition teams outside London. Staff included civil servants and people from the private and voluntary sectors. There were four main units organised around the Panel’s priorities:

- employer engagement (including the Coalitions):
 - testing and informing policy development; and
 - working with employers towards practical goals;
- policy and development: contributing to changing how government worked at the strategic level;
- performance: analysing and challenging the employment and skills system; and
- central secretariat: supporting the whole organisation,

In 2006, Coalitions and development functions transferred to WVUK, which continues to carry them out.

Work

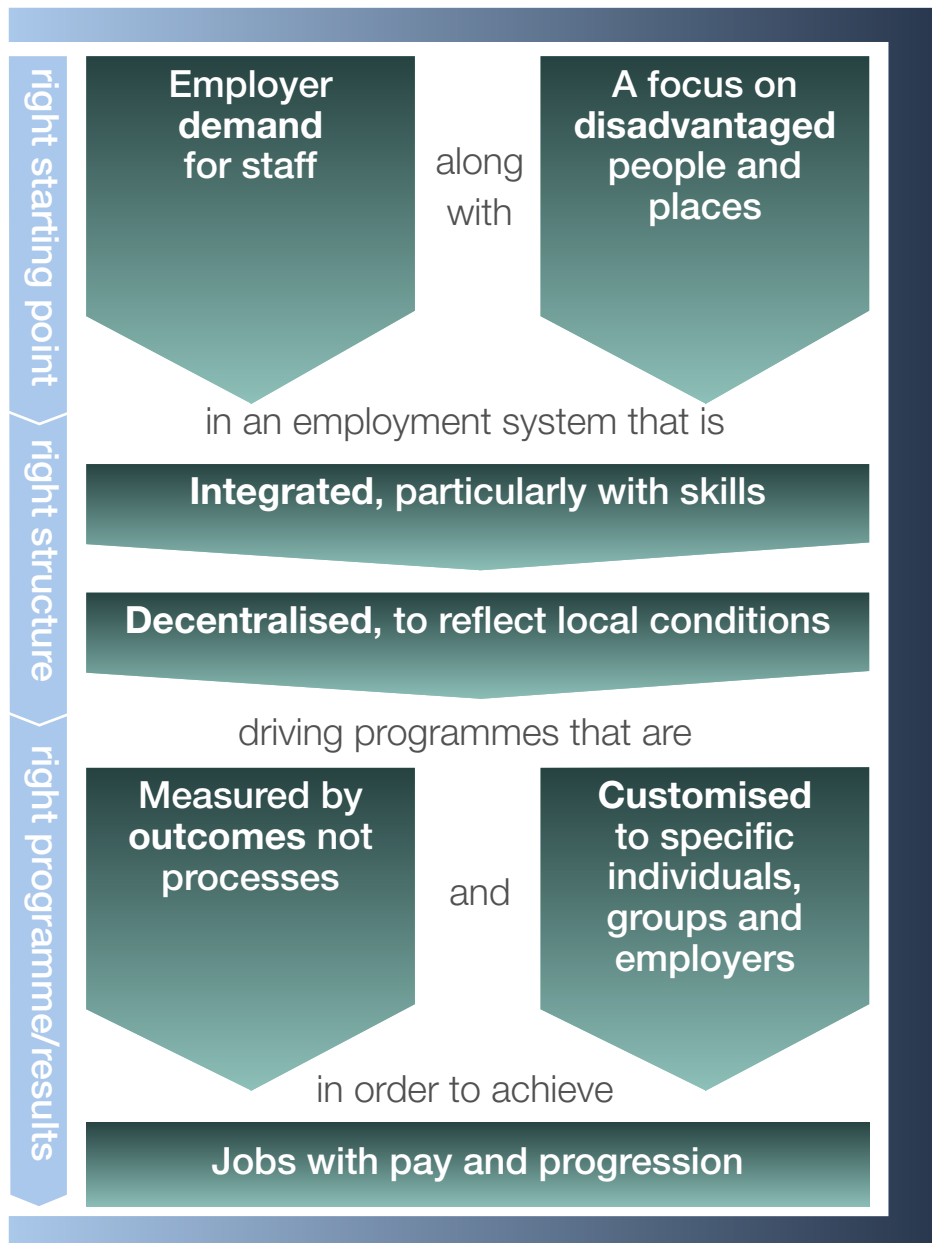
- 26 The Panel's work was in three areas: policy, challenge, and delivery.
- 27 Its programme of research and policy development responded to the changing needs of government. It produced a dozen reports over its life which led thought in the field and contributed to important policy changes. These reports were commissioned by Ministers or focused on areas known to be of interest to senior Ministers.
- 28 The NEP carried out its performance challenge function through the Performance Committee. This group, and its staff team, provided an authoritative private sector challenge function to the welfare-to-work system, reviewing how organisations in the system set and met targets.
- 29 Through Employer Coalitions and related projects, the Panel also produced results on the ground. These innovative programmes also trialled approaches that provided an instructive complement to mainstream delivery.

Legacy

- 30 Over ten years, the Panel did practical work on the ground that got people into sustained employment; it helped to improve the functioning of the system; and it influenced policy. City Strategy, Local Employment Partnerships and, indeed, the UK Commission itself, all owe parts of their origins to the Panel's work. Besides these outcomes, the Panel also leaves as a legacy:
 - principles for designing and operating welfare-to-work programmes, based on action research and practice; and
 - a distinctive political and institutional experience of bringing outsiders into government and equipping them to make a difference.

Practical Design Principles

31 This diagram summarises the Panel's design principles:

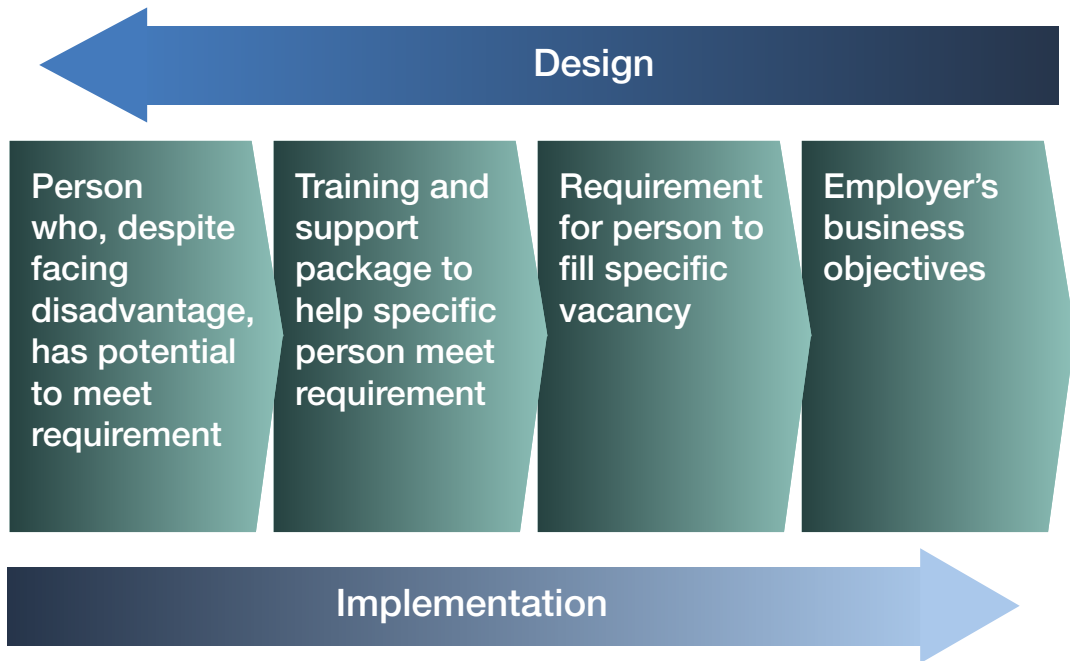


32 These principles are as relevant to detailed design of a local programme as they are to the strategy of the whole system. They are mutually re-enforcing and work best when adopted as a package. However, given limited resources, the degree of customisation should, of course, depend on the degree of disadvantage and the number and quality of jobs available.

Employer demand

- 33 Demand-driven programmes are better at:
- **motivation** – long term joblessness saps energy and hope, but the prospect of a real job at a specific company can re-ignite enthusiasm;
 - **vacancies** – opening up jobs offering pay and progression;
 - **matching** – the employer is best placed to know what qualities a candidate needs to succeed;
 - **participation** – employer contact during the training period reduces programme drop-outs;
 - **performance** – treating the employer as a customer enforces a sterner discipline on the provider than simply getting candidates through a training programme; and
 - **challenge** – meeting the employer's needs earns the right to ask them to change their selection processes to help disadvantaged people compete on even terms.
- 34 Making demand-driven programmes succeed means treating the employer as a customer. The policy framework has to be one in which delivery is characterised by:
- **commitment** – providers investing time in the programme and culture change necessary for good relationships with employers; and
 - **capability.**
- 35 Capability is key. The test of meeting both individual and employer needs makes demand-driven programmes inherently more challenging to run. They need to be fast, flexible and reliable. And they entail commercial risks, because demand is not static. The starting point is research to identify jobs:
- in a field where there are staff and skill shortages;
 - within the capabilities of the client group; and
 - which offer long term progression.
- 36 The next step is to identify top employers in the sector, meet their executives, find out what they need, and develop a business case. This will include:
- cost-effectiveness;
 - access to a diverse pool of untapped talent;
 - retention.

The business case, if it convinces the employer, will also capture the employer's detailed requirements. Programme design then proceeds "from right to left":



- 37 Designing this way pays off twice. It opens up good jobs, improving outcomes for the individual, who gets a better chance at a better life. And it ensures the employer comes back for more.
- 38 Running programmes of this sort involves:
- close relationship with the employer's HR staff;
 - strong management information to check results; and
 - openness to feedback (positive and negative) and a readiness to fix problems.

It is much easier to run a demand-led programme with a large company which can dedicate specialist HR staff time and get economies of scale. Working with small companies is labour-intensive and the merits of a consortium approach are so far unproven.

- 39 An effective way to run a demand-led strategy is through a "labour market intermediary" – a body that operates between employers and the local employment and skills system. An intermediary makes participation easy for employers by doing the arduous work of articulating their needs and ensuring the system meets them. Intermediaries can also support organisational development and capacity-building for providers to help them meet the challenges of demand-led delivery. The intermediary needs to be "bi-lingual" with staff from commercial backgrounds *and* staff with experience of the public system.

Employer leadership

- 40 Individual demand-driven programmes can work under the guidance of the public sector. But where possible the state should also equip employers to develop and lead the strategy within which the programmes sit, and empower them to hold the system to account. Employers can best offer this strategic leadership through boards at city or regional level.
- 41 This way of working creates a stronger relationship between employers and the employment and skills system, making it easier to run the kind of demand-led programmes we describe above. But it also has several systemic advantages, including:
- the ability to plan services around labour demand;
 - access to strategic and operational know-how;
 - the authority to challenge poor performance; and
 - influence with the wider business community.
- 42 To get these advantages, the state has to give the employer real control. Paying lip-service to employer needs will not get the right people round the table. Employer boards should have a business majority but need to include key players from the public system.
- 43 In setting up the board:
- appoint the right Chair, to set the standard for membership and articulate an exciting vision;
 - recruit Chief Executives as members, who can influence their peers and who will have the imagination and the power as members to do something different;
 - recruit members with the commitment, determination and passion to stick with the issues and achieve sustainable results;
 - start with large companies, who have more jobs as well as the expertise and people to participate; and
 - get the geography right: the board should cover a cohesive area containing both jobs and people.
- 44 In operating the board:
- establish a small highly experienced full time staff;
 - ensure a business focus – boards with CSR objectives often lose the uncompromising commercial approach that is a prerequisite for driving up performance; and
 - maintain members' interest by asking them to take on work with important outcomes.

Disadvantage

- 45 Services should target those facing labour market disadvantage. Many people can get work without help. Scarce resources should focus on those lacking motivation and skills, or facing other serious barriers. This often means targeting deprived areas.
- 46 Equality goals are important for two reasons:
- if not made explicit they may get squeezed out; but
 - properly understood they support good targeting:
 - those suffering inequality are often those for whom labour market interventions are most cost-effective;
 - those out of work because of discrimination represent an under-utilised source of capable employees.

Employer leadership is a powerful way to articulate the business case for equality.

Integration

- 47 Employment and skills services must work seamlessly together to ensure that individuals not only get but progress in work, and to avoid baffling the employer. This may mean merging organisations. Often, though, all agencies need do is present a common front. Businesses deal with consortia, so long as each consortium speaks with one voice and offers a coherent service.
- 48 Again, employer leadership can help pull the different parties together. The employer can stand above territoriality and insist on a rational division of labour.

Decentralisation

- 49 Many labour market problems are local, depending on the make-up of the local community and the jobs available, the quality of education, transport links, housing, health and social services. Many solutions are also local. Responding to these conditions means de-centralising employment and skills. Employer boards can play a useful role here, both by contributing to good governance, and by helping local public bodies balance the prescriptive tendency of Government.

Outcomes

- 50 The employment and skills system should aim at achieving outcomes rather than completing processes. It should set out what it wants – sustained employment with skills development – and then pay providers according to how well they achieve these results.

51 In practice, this should involve:

- contract incentives that reflect the objectives and values of the programme;
- sophisticated IT, including “real time” client tracking to measure performance over a short enough cycle (weeks not years) to drive change;
- active contract management and capability development;
- capturing retention and advancement data as well as job outcomes.

Customisation

52 Services for disadvantaged people should be customised to the needs of the individual. Content and duration of training should depend on an individual’s starting point, aptitude, motivation and career aspiration. It should be work-based wherever possible. People start from different places: one-size-fits-all programmes waste time or don’t do enough.

53 In practice, customisation to the individual often means providing training in basic and soft skills. Wherever possible, all support, including ESOL and basic skills, should be occupation specific. The continuity offered by a case manager is critical to getting people into work who face acute labour market disadvantages.

54 Programmes should also be customised to the needs of the individual business. It is not enough simply to understand and meet the demand for skills. The programme has to be delivered in a way that fits a particular culture and way of working. For example, a business with a centralised HR function needs a different approach from one that devolves recruitment to separate business units, or from an SME where the MD is the *de facto* HR Director.

Pay and Progression

55 Job quality and number of job entries are important. A job that pays badly and goes nowhere will be a short term job, leading back to unemployment. Working with employers to find jobs people can get and which offer pay and promotion, is central to a long term solution to the problem of long term joblessness.

Institutional Lessons

An unusual organisation

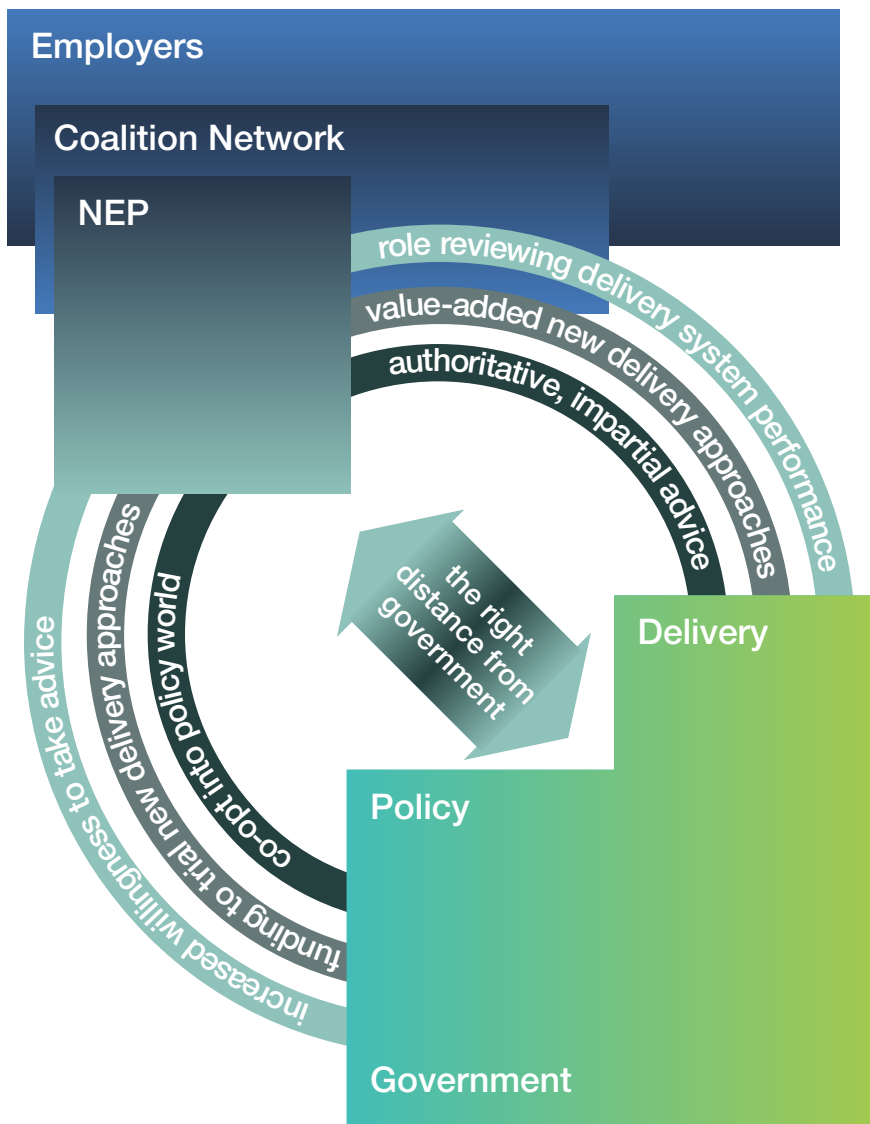
- 56 Ten years ago the phrase “demand-led” was unknown in the welfare-to-work system. Today everyone in the UK employment and skills system agrees that it is important to meet the needs of employers. Not all understand or act on this fact, but most believe it to be true. The Panel led this change in ideas.
- 57 The Panel has influenced many significant aspects of UK employment and skills strategy in the last ten years. The author of the Leitch Review was the chair of the Panel. Local Employment Partnerships put “a deal with the employer” centre stage. DWP’s City Strategy drew on recommendations in *Enterprising People, Enterprising Places*¹ for integrating services at the city level. *Welfare to Workforce Development*² was the first document to lay out the importance of an integrated employment and skills system with shared Jobcentre Plus and LSC targets. Government is now articulating this central idea in successive White Papers.
- 58 Yet the Panel was a small body with a modest staff team. It worked hard to punch above its weight; to have influence beyond its resources; to maintain its integrity but also to make the compromises necessary to have influence in the real world. It aimed to be both critic and friend, to both challenge and collaborate. This ‘NEP model’ is one which may be of interest more widely than the UK employment and skills sphere – it may serve as a model for involving outsiders in quite a wide range of government activities.

¹ NEP 2005

² NEP Skills Advisory Board 2004

The NEP model

59 The essence of the NEP model was that it positioned itself the right distance from government.



It was far enough away to view the system as a whole and ask challenging questions; close enough in that its recommendations made sense. It was an independent voice, and a permanent feature in the landscape. It brought thoughtful, vocal and influential customers of the system inside government and enabled them to change things.

60 This institutional model was unusual in three respects:

- it co-opted customers into policy development;
- it gave the private sector a role in holding government to account; and
- it funded customers of Government to trial new approaches to service delivery.

Co-opting the customer

61 Government often tracks customer feedback. It often conducts customer satisfaction surveys. It very seldom co-opts customers as part of the policy-making process. But the NEP was, in essence, a group of customers (employers) of a major public service (welfare-to-work) co-opted by Government, to challenge and advise on priorities and approaches.

62 This is a relationship that calls for some courage from Government. There must be a risk that a specific customer group may not share its broad collective aims. But if the individuals involved are people of commitment and integrity, the relationship can (as it did in the Panel's case) be a productive one.

63 The Panel worked with Government in two ways:

- Government commissioned the Panel to review particular topics: often areas where little progress had been made or where many different bodies share ownership but nobody owns the problem; and
- the Panel also reserved the right to look into areas it thought important, without a Government invitation.

64 One key to success was a balance between being:

- outside the system and so able to ask (and answer) awkward questions; and
- inside the system so that recommendations became part of the mainstream.

The Panel did not always keep this balance – it is indeed sometimes impossible. But attempting to draw it is essential to doing something both different and useful.

65 Another important factor in making the relationship between the Panel and Government work was an early decision to maintain a low public profile. Its approach was to operate behind the scenes – influencing and challenging but saving confrontation for rare occasions.

Private Sector holding to account

66 It is also unusual for Government to encourage authoritative criticism from outsiders. But the Panel's Performance Committee, over almost a decade:

- advised on Government measures and Jobcentre Plus targets;
- brought a commercial perspective to incentive structures and measurement of outcomes;
- reviewed contracting and how funds were spent; and
- undertook reviews of how agencies operated.

The Performance Committee had a largely free hand to decide what aspects of delivery to assess – though it did also take on projects at the request of Government.

67 Carrying out the Performance Committee role successfully over the long term called for an investment in relationships. Agencies did not always welcome the outsider's view. Some found it threatening; some were right to find it at least daunting. The Panel worked hard to win over the individuals involved and to gain their active co-operation.

68 This role in assessing delivery on the ground was important to the Panel's wider work. The challenge role helped make the Panel more than a think tank, and pre-disposed Government to view its more general contributions to policy with interest.

Customers as service designers

69 Government usually does its own R&D. It may sub-contract pieces of research to third parties. But it seldom funds its customers to design and test alternative ways to run parts of its business. In the case of the NEP, however, Government funded a group of customers to design and test new ways of working – to use its funds as 'risk capital'. It allowed outsiders to experiment, and to take risks, in a way that might have been hard for the public sector. The results of these projects were mixed but their lessons helped to inform and improve the mainstream system.

Getting the organisation right

- 70 Earning and keeping the right for outsiders to play this kind of role is quite a subtle challenge for any organisation. The Panel put considerable effort into trying to get this right. It involved a continual balancing act to remain the right distance from government. Success depended on many factors, but four stand out:
- recruiting the right membership;
 - investing time in employer knowledge and engagement;
 - building strong relationships across government and beyond; and
 - developing a staff team capable of getting the best from this unusual set of resources.

Membership

- 71 The Panel recruited Chief Executives rather than HR Directors. This populated the Panel with independent-minded strategic thinkers who understood the whole of their business. Moreover, it gave the Panel enough weight to speak peer-to-peer with Ministers.
- 72 Two thirds of Panel members were senior and influential business leaders. The remainder were public sector, Trade Union, and voluntary sector leaders of similar stature. While appointments were overseen by the Commissioner for Public Appointments, the Chair worked with the staff to “mine” for talent, in and beyond the business world. They sought and found people who combined enthusiasm for the Panel’s work with intelligence and influence.
- 73 No substitutes were allowed to represent Panel members at meetings. Nor did the Panel pay attendance allowances. This was not just because it wanted to attract people with a passion for the subject matter. It was because the business leaders the Panel needed were already earning enough to make any government-sanctioned payment unnecessary. The Panel could not buy the people it needed. But it got them all the same: by offering a chance to do something interesting and important.
- 74 Throughout its history, the Panel has always preferred to have an empty chair at the table, rather than dilute its membership. In practice, holding this line ensured a steady stream of willing candidates. The Panel succeeded by being a body the right people wanted to join.

Time

- 75 The Welfare-to-Work system is not the employer's day job. The very people whose input is most valuable are the people who have least time to spare. Moreover it is vital to invest in their knowledge of the system so that their distinctive insights can be effective. To bring a busy person from outside the system to the point where his or her contribution reaches its full potential, takes in the order of eighteen months. Relationships between employers and people within the public system, which make this contribution effective, may take even longer to build.
- 76 It is much more cost effective to preserve and develop this capacity where it exists, than to build it from scratch. A case in point is Working Ventures UK, which has invested a great deal of time in building the interest and expertise of the employers it works with. This level of employer engagement is not something that can be turned off and on at will.

Relationships

- 77 Good relationships with policy makers and operational staff were essential. Without them the Panel could not have made useful recommendations, far less seen them implemented.
- 78 Many of these relationships were built in. The Panel reported to the Chancellor of the Exchequer and the Secretary of State for Work and Pensions. The Chair of the Panel met often with Secretaries of State. Chairs of working groups, particularly the Performance Committee, had frequent Ministerial contact.
- 79 The Director General of DWP's Work, Welfare and Equality Group, and the Chief Executive of Jobcentre Plus were *ex officio* Panel members. Coalitions include local and regional leaders in Jobcentre Plus, Regional Development Agencies, Learning and Skills Councils and Government Offices.
- 80 The personality of the Chair was important in turning these formal links into relationships of mutual trust and understanding. This in turn led Ministers to task the Panel with significant pieces of policy development, and kept Panel members committed to the work.

Staff

- 81 To bring these pieces together called for an unusual staff team. The NEP's secretariat was a mixture of civil servants from related departments and agencies, and secondees from outside government. This special mix of perspectives allowed it to give distinctive and value-added advice. The Panel recruited staff who could communicate across the private, public and voluntary sectors. And it sought individuals with the credibility to work with senior leaders in business and beyond.
- 82 Civil servants sometimes found it challenging to develop and promote a Panel view that might be contrary to a Departmental position. Most found engagement with business and political leaders a rewarding part of their careers. Private sector secondees found it equally challenging to understand the distinctive culture in which they were working. Again, most found this a valuable experience.
- 83 All staff needed a high tolerance of ambiguity. They had to work in a shifting policy landscape. And they had to interpret this landscape for employers without presenting them with pre-packaged answers.
- 84 Again, the key was to get a staff team that was the right distance from the state. Insiders to understand the system: outsiders to promote change. As with every other aspect of what made the Panel a success this called for a dynamic balancing act.

Conclusions

85 The NEP's distinctive legacy consists of:

- practical design principles for employment and skills systems and programmes; and
- a unique institutional structure through which governments can bring outsiders into the public system to challenge and reform it.

86 The design principles are that services should be:

- driven by employer demand for labour and skills;
- employer-led where possible;
- concentrated on the most disadvantaged rather than those easiest to help;
- integrated, to improve quality and efficiency;
- decentralised, to reflect local conditions;
- held accountable for producing outcomes, not for operating processes;
- customised to the needs of individuals; and
- aimed at producing not just jobs, but also good pay and prospects.

87 The unique structure was one that may be of interest beyond the UK's employment and skills system. It involved:

- co-opting customers into policy development;
- letting outsiders hold government to account; and
- funding customers to trial new delivery approaches.

88 It depended on getting the right:

- members – senior, unpaid, influential;
- time – to build employer engagement;
- relationships – at all levels of government; and
- staff – a mix of public and private expertise.

The key was to be the right distance from government.

Annex I: Panel Members 1997 – 2007³

- Lord Victor Adebawale, Chief Executive, Centrepont, 1997 – 2007
- Sonita Alleyne OBE, Chief Executive, Somethin' Else Group, 2001 – 2005
- Jeremy Anderson CBE, Chief Executive, ATOS KPMG Consulting , 2002 – 2007
- Lis Astall, Managing Director, Accenture UK, 2005 – 2007
- Jonathan Austin, Managing Director, Best Companies Plc, 2003 – 2007
- Sir John Baker, Chairman, National Power Plc, 1997 – 2001
- Chris Banks CBE, Managing Director, Coca Cola Great Britain, 2002 – 2007
- Mike Beasley CBE, Managing Director, Jaguar, 2002 – 2007
- Catherine Bell, Deputy Secretary, Department for Employment and Learning, Northern Ireland, 2006 – 2007
- Rodney Bickerstaffe, General Secretary, UNISON, 1997 – 2000
- Lord Karan Bilimoria, Chief Executive and Founder, Cobra Beer Ltd, 1999 – 2007
- Marge Carey MBE, President, Union of Shop, Distributive and Allied Workers, 2000 – 2003
- John Clare CBE, Group Chief Executive, DSG International plc, 2001 – 2007
- Keith Clarke, Chief Executive, Skanska Plc, 2003 – 2007
- Mike Clasper, Chief Executive, BAA plc, 2005 – 2007
- Dame Hilary Cropper, Chief Executive, Xansa, 2000 – 2004
- Sir Peter Davis, Group Chief Executive, Prudential Plc, 1997 – 2001
- Sir Ron DeWitt, Chief Executive, North West London Strategic Health Authority, 1997 – 2004
- Jeannie Drake, Deputy General Secretary, Communication Workers Union, 2002 – 2004
- John Edmonds, General Secretary, Union of General Workers, 2000 – 2002
- Helen Edwards CBE, Chief Executive, National Association for the Care and Resettlement of Offenders, 1997 – 2004
- Amelia Fawcett CBE, Managing Director, Morgan Stanley, 1999 – 2004
- David Fillingham, Chief Executive, Bolton Hospitals NHS Trust, 2005 – 2007
- Tom Flood CBE, Chief Executive, British Trust for Conservation Volunteers, 1999 – 2001
- Phil Friend OBE, Partner, Churchill and Friend, 2004 – 2007
- Sir Roy Gardner, Chief Executive, Centrica plc, 2001 – 2007

³ Organisation and title at time of appointment

- Sam Gemmell, Chief Executive, Creative Media Matrix Ltd, 2001 – 2003
- Kate Green OBE, Director, National Council for One Parent Families, 2001 – 2007
- Sir John Harman, Leader, Kirklees Metropolitan Council, 1997 – 2000
- Lord Haskins, Chairman, Northern Foods, 1997-2001
- Dr Binna Kandola OBE, Senior Partner, Pearn Kandola, 2004 – 2007
- Sir Bob Kerlake , Chief Executive, Sheffield City Council, 2005 – 2007
- Lord Sandy Leitch, Chief Executive, Zurich Financial Services (UKISA) Ltd, 2000 – 2007
- Paul Loveluck CBE, Chief Executive, Countryside Council for Wales, 1997 – 2003
- Ruth Marks MBE, Chief Executive, Chwarae Teg, 2004 – 2007
- Sir Bert Massie, Director, Royal Association for Disability and Rehabilitation, 1997 – 2000
- Ian McAllister CBE, Chairman, Ford UK, 1997 – 2001
- William McGinnis OBE , Chairman, Sperrin Metal Products Ltd, 1997 – 2006
- Sir David Michels, Chief Executive, The Hilton Group, 2005 – 2006
- John Milligan CBE, Non Executive member, Petroleum Geo-Services and Chair of the Scottish Welfare to Work Advisory Task Force, 2001 – 2005
- Lord Bill Morris, General Secretary, Transport and General Workers Union, 1997 – 1999
- Frances O’Grady, Deputy General Secretary, Trade Union Congress (TUC), 2004 – 2007
- Gordon Pell, Chief Executive, Retail Markets, Royal Bank of Scotland, 2004 – 2007
- Dr John Roberts CBE, Chief Executive, The Post Office, 1997 – 2000
- Sir Ian Robinson, Chief Executive, Scottish Power, 1997 – 2001
- Sir Tom Shebbeare, Director, The Prince’s Trust, 1997 – 2001
- John Spanswick CBE, Chief Executive, Bovis Lend Lease Europe, 2001 – 2003
- Cay Stratton CBE, Director, National Employment Panel, 1997 – 2007
- Sir George Sweeney, Principal, Knowsley Community College, 1999 – 2003
- Mark Thompson, Director General, BBC, 2003 – 2007
- Jeremy Walker, Chief Executive, North Yorkshire County Council, 2002 – 2005

Annex II: Summary of Panel and Employer Coalition Operating Procedures

National Employment Panel	Employer Coalitions
Chair	
Nationally recognised in business community – CEO or chair of major firm	Regional, well recognised business leader – usually CEO of large firm
Criteria: strategic, committed, articulate, effective chair, politically astute	Criteria: local credibility, effective chair and operator – good ambassador
Appointed by Chancellor and Secretary of State	Appointed by NEP chair
Membership	
Two thirds CEOs of multi-nationals, nationals and leading SMEs. One third public, trade union, community leaders. 1 Coalition Chair	CEOs, MDs or HR Directors of area firms or national outlets
Appointed as individuals not representatives of sectors	Appointed as individuals but reflecting local sectors
Criteria: high credibility in sector, keen interest, effective communicator	Criteria: credibility and influence in area, keen interest
Two year appointment, renewable	Two year appointment, renewable
Recommended by chair, appointed by Secretary of State	Identified and appointed by local chair
No attendance allowance but expenses reimbursed	No attendance allowance but expenses reimbursed
Limit number to approximately 20	Limit number to approximately 20
Director General, DWP Policy and CE of Jobcentre Plus attend as ex-officio members	Jobcentre Plus, Learning and Skills Council and Regional Development Agency Directors/District Managers as ex-officio members

National Employment Panel	Employer Coalitions
Meetings	
Ten per annum	Monthly or bi-monthly
Regular day and time for 2.5 hours	Regular day and time depending on local norms
Annual strategic planning meeting (residential)	One annual business planning meeting
Themed agendas with clear objectives and decisions required	Agendas focus on Coalition activity and performance
Agendas combine NEP work with external speakers – including front line staff	Agendas include external speakers (national and local)
Short, sharp papers using consistent format and sent one week in advance	Short, sharp papers on key issues and progress reports sent one week in advance
Dedicated secretariat support to chair and members	Dedicated secretariat support to chair and members

Annex III: NEP Demonstration Projects

Ambition

Five sector based initiatives to test demand-led strategies for increasing better jobs and higher retention rates for disadvantaged people in Coalition and non-Coalition areas. The sectors were: IT, retail, health, construction and energy.

Chair: Dame Hilary Cropper, Executive Chair, Xansa

Discovery Weeks

Intensive orientation programmes in six Coalition cities to encourage lone parents back to work. One week sessions provided career exploration with local employers, mentoring and work experience, access to local health, housing, childcare, finance, training and education services.

Chair: Ben Verwaayen, Chief Executive, BT

Able to Work

Programme in all Coalition areas providing sector 'pipelines' to help ill and disabled people back to work and to increase the capacity of Jobcentre Plus and providers to engage employers in hiring this target group.

Chair, Mark Thompson, Chief Executive BBC

Realising Potential

Events in 10 non-Coalition areas to create a step change in the 'disability confidence' of 330 Jobcentre Plus staff and 600 employers, and to open up new job opportunities for disabled people and people with ill health.

Chair: Phil Friend, Director Churchill, Minty & Friend

Fair Cities

Pilot programme to increase ethnic minority employment and retention through employer leadership and demand-led programmes. Three sites in Brent, Birmingham and Bradford were governed by employer boards.

Chair: John Clare, Chief Executive, DSGi

Regeneration

Pilot with 10 local authorities to increase construction-related jobs for disadvantaged jobseekers by creating an end-to-end process of property development, planning, procurement, client recruitment and support

Chair: Mike Beasley, Chair, CBI West Midlands

Business Commission on Race Equality in the Workplace

Five city initiatives to develop goals and action plans for closing the ethnic minority employment gap through employer leadership, sector reviews, use of public procurement, advice and guidance.

Chair: Gordon Pell, Executive Chair, Retail Markets, Royal Bank of Scotland

Exit to Work

Pilot in six Coalition areas to increase employer engagement in demand-led training and employment of offenders – both within prison and on release. Job Developers provide employers with pre and post placement support to reduce perceived risk in hiring.

Appendix IV: NEP and New Deal Task Force Publications

1998

Lasting Value: recommendations for increasing retention within New Deal.

Chair: Stephanie Monk, HR Director, Granada

Meeting the Needs of Disadvantaged Young People.

Chair: Lord Victor Adebawale, Chief Executive, Turning Point

1999

Going Public: Opening up New Deal Opportunities in the Public Sector.

Chair: Sir John Harman, Leader of Kirklees Metropolitan Council

2000

Improving the Employment Prospects of Low Income Jobseekers: The Role of Labour Market Intermediaries

Jobs for the Future and Demos, sponsored by the New Deal Task Force and the Rockefeller Foundation

2001

Business On Board: Increasing Employer Engagement in the New Deal.

Chair: Sir Michael Rake, Chairman, KPMG International

2003

Work Works: National Employment Panel's Steering Group on Lone Parents.

Chair: Ben Verwaayen, Chief Executive, BT

Welfare to Workforce Development (Joining the employment and skills systems)

Chair: Chris Banks, Chief Executive, Big Thoughts

Small employers, Big opportunities: Advice on meeting the needs of SMEs

Chair: Lord Karan Bilimoria, Chief Executive, Cobra Beer

2004

Able to Work: Report of the National Employment Panel's Working Group on Disabled Jobseekers

Chair: Mark Thompson, Director General, BBC

A New Deal for All: Report of Panel's Working Group on 25plus

Chair: Lord Victor Adebawale, Chief Executive, Turning Point

Fair Cities: Employer-led Efforts that Produce Results for Ethnic Minorities

Jobs for the Future, sponsored by the National Employment Panel

2005

Enterprising People Enterprising Places

Chair: Jeremy Anderson, Head of Financial Services, KPMG

Ambition Stocktake

Chair: Dame Hilary Cropper, Chief Executive, Xansa

2007

Using Public Procurement to Increase Job Outcomes for Ethnic Minorities

Chair: Dr Binna Kandola, Senior Partner, Binna Kandola

60/76: The Business Commission on Race Equality in the Workplace

Chair: Gordon Pell, Chief Executive, Retail Markets, Royal Bank of Scotland

2008

Able to Work: Realising Potential. Lessons for Practitioners and Policy Makers

Chair: Phil Friend, Partner and Director, Minty & Friend

Fair Cities: Lessons for Practitioners and Policy Makers

Chair: John Clare, Chair, Jobcentre Plus

Leading Change, Changing Lives: Ten years as the employer voice in welfare-to-work

Chair: Jeremy Anderson, Head of Financial Services KPMG LLP



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