Local initiatives to help workless people find and keep paid work

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What’s the issue?

With concentrations of people disadvantaged in the labour market, disadvantaged areas tend to have high rates of worklessness. But both the kinds of work available and the kinds of people without work vary between areas.

Solutions need to be local, reflecting the kind of jobs people are likely to be able to get, and the individuals living in the area and their individual problems.

Ways forward

The available evidence points to some lessons for policy and practice, particularly within the Government’s new Working Neighbourhoods Fund:

• Good assessment of individual needs, including those of long-term sick and disabled people, is essential.
• Those closest to the labour market benefit most from immediate placement. Those who would find it difficult to cope in the workplace immediately benefit from some initial training, but this is much more expensive and delays the start of employment.
• The most successful provision is based on and engaged with the needs of local employers.
• Retention and progression depend on the individual being in the right job, with suitable hours, skills and location.

• Transport issues are often ignored, but are important in people’s ability to get and keep jobs.
• Holistic interventions, which address housing, health, childcare and substance use issues as well as labour market needs, are more effective than those which address work in isolation.
• Partnership working is key to delivering a sufficiently wide range of support.
• Many people who could benefit from help need active encouragement to engage with the help and support available.

What are the challenges?

• Skills and organisational infrastructures vary from place to place. In some areas, capacity will need to be developed before effective delivery can take place.
• Partnership working is challenging: it takes time and resources, and may slow down delivery.
• People from black and minority ethnic groups and recent migrants face both the disadvantages of deprived areas and additional barriers. But minority communities are also becoming increasingly diverse in their labour market experience.
• Most workless people would be better-off in work, but are often unaware of the financial support available and are deterred by the complexities and financial risks of the system.

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Pamela Meadows, drawing on a wide range of research by JRF and others.
The case for change

Disadvantaged areas tend to have high rates of worklessness, but the nature of the jobs available to people in these areas, and the composition of the workless population, vary between areas – therefore local solutions are needed.

The evidence shows that:

- The main issues (identified by the Joseph Rowntree Foundation’s Work and Opportunity research programme) are:
  - bridges into work and barriers to entry;
  - the distribution of work between different groups in the population;
  - the need for evidence from real initiatives to improve local job prospects;
  - employers’ policies and behaviour.

- One common issue was the importance of local labour markets and local delivery systems. Most people in Britain look for work within a limited geographical area.

- Work-related mobility is largely confined to those with higher skill levels for whom there is a national labour market. Nationally, those in elementary and personal service occupations have the lowest median travel to work distance (less than three kilometres) while those in professional occupations have the highest (around seven kilometres).

- Distances are generally higher in London for all groups, but particularly for those with higher-level skills. Travel distances tend to be lower in the inner parts of cities, which is often where workless people with low skill levels are concentrated (Green and Owen 2006; Green and White 2007).

- What constitutes the local labour market varies by skill level, but most people’s jobs, even at intermediate and higher skill levels, are within five kilometres of their homes. Interventions to help workless people into work need to recognise this (DCLG 2006).
Possible ways forward

This study draws on the evidence on interventions to help workless people into paid employment and pulls out key messages for the Working Neighbourhoods Fund (WNF), which is intended to support councils and communities in getting people in the most deprived areas of England back to work.

The evidence is derived from JRF’s Work and Opportunity and Area Regeneration programmes previously described in What Works Locally? (Campbell and Meadows 2001) and updated in the light of more recent research and evaluation evidence, including the evidence derived from the JRF Neighbourhood programme (Taylor et al 2007).

The evidence related to local interventions is only derived from the UK. Although there is a great deal of international evidence available on the impact of interventions to tackle worklessness (Meadows 2006), the focus of this review on the importance of place means that international evidence may not reflect the particular circumstances of communities in Britain.

The review is based around six key themes:

• delivery capacity and institutions;
• partnership working;
• engagement and access;
• meeting individual needs;
• retention and progression;
• the role of employers.

Traditionally there has been a separation between interventions aimed at helping disadvantaged people and interventions aimed at helping disadvantaged places. More recently there has been a recognition that places may be disadvantaged because they contain concentrations of disadvantaged individuals, and that interventions to deal with both the consequences of the concentration and meeting the needs of individuals need to work more closely together (Taylor et al 2007; North et al 2007). It is in recognition of the evidence supporting more localised approaches that the Department for Work and Pensions has recently changed the emphasis of national welfare to work programmes in the direction of greater local flexibility (DWP 2007, 2006).

Worklessness lies at the root of area deprivation (Forrest and Kearns 1999; McGregor et al 2003; Griggs et al 2008; Hasluck and Green 2007; Sanderson 2006; North et al 2007). This is the principle underlying the Working Neighbourhoods Fund (DCLG 2007a). This review therefore includes evidence derived from research and evaluation studies where the main focus is on individuals as well as those where the main focus is on places. The unifying issue is that of worklessness: both unemployment as traditionally measured – that is based on those who are actively seeking work – and other forms of worklessness, including people who are not working through sickness or disability and lone parenthood.

One important relationship between place and worklessness lies in the fact that disadvantaged areas may lack some of the social and economic infrastructure that supports people in work. The most important of these are education (particularly further and adult provision, but also the quality of the schools attended by the young people living in the area), public transport and childcare. With regard to transport, an issue commonly raised is the pattern of bus routes, which increasingly operate on a hub and spoke pattern, which means that even where transport is available, people have to change buses in the town centre in order to get to work (DCLG 2006; Griggs et al 2008; Atkinson and Williams 2003; Sanderson 2006; Green and White 2007).

More recent research into the geographical pattern of worklessness has reinforced the conclusions that areas differ. Each area has different economic and social circumstances. Successful projects are both developed and delivered at a local level. What works in one area might not work in another with different labour market circumstances and different population characteristics. The overriding need is for projects to be firmly rooted in the circumstances of their localities. Local data, knowledge and experience are important in meeting local needs. The evidence suggests that bottom-up approaches rooted in the community encourage commitment and generate clearer understanding of the needs of potential programme participants and local employers. Multi-agency partnership working appears to be more effective where it is based on established relationships, which are more likely to be found at a local level (Sanderson 2006; Campbell et al 1998; DTLGR 2001; DCLG 2006; Hasluck and Green 2007; Atkinson et al 2007; Ritchie et al 2005; North et al 2007; Taylor et al 2007).
The earlier review (Meadows and Campbell 2001) found that people living in deprived communities often feel that too many initiatives are being directed to them, for them or at them. Many communities had been subject to a number of initiatives since the launch of the Urban Programme in the late 1960s. This issue remains live. The Department for Communities and Local Government, reflecting in 2008 on the lessons to be learned from the New Deal for Communities (NDC), recognised that:

“These areas have been subject to a range of previous government interventions; there can be little doubt that there is a widespread perception that such initiatives have generally proved of limited value; whether justified or not, there is a strong sense of resentment towards the ‘council’ based on its apparent failure to deliver services or to reverse the engines of decline; ... and there is an almost universal view that most previous regeneration initiatives within NDC areas have failed”.

(DCLG 2008: p6)

Evaluation studies consistently show that a sense of ownership and influence by the local community is consistently associated with more successful projects. A positive sense of ownership is likely to encourage more people to take part in the project and to generate greater enthusiasm and commitment among participants. The importance of word of mouth as a recruitment method means that the reputation of a project can make or break it, and that reputation is likely to be affected by the relationship between the project and the local community (Meadows and Campbell 2001; North et al 2007).

Delivery capacity and institutions

A key driver of the move towards more localised service delivery is the recognition that the needs of individuals served by national programmes vary. The drive towards greater localisation of programme delivery is in part based on a desire to move delivery decisions closer to the individual, based on the evidence that provision which is more closely tailored to individual needs is more likely to succeed (Hasluck and Green 2007; Hirst et al 2005; North et al 2007).

Activities that aim to help workless people find and keep paid work come in a variety of forms, with a number of possible sponsors, with different roles and interests. In a typical area, the local authority, Jobcentre Plus, the Regional Development Agency, Business Link, further education colleges, voluntary and private sector providers of employment and training support, and housing associations may have an interest at either a local strategy level or in respect of particular policies or programmes. In Scotland, Wales and Northern Ireland the devolved administrations have central roles to play (Campbell et al 1998; Fletcher et al 1998; Green and Owen 2006; 1998; Hall and Mawson 1999; McGregor et al 1997; Russell 1998; Simons 1998; Taner et al 1997; DCLG 2006; Housing Corporation 2007; North et al 2007). More generally, the evidence does not suggest that the record of different types of organisation (whether voluntary, statutory, or private, national or local) differs markedly. What does matter is an understanding of both client needs and employer needs.

The move towards more localised approaches needs to take account of the fact that areas differ in their capacity to deliver effective interventions, in terms of the skills of those directly involved in delivery, in terms of the experience and capacity within local communities to take part in the range of activities involved in partnership working, and in the relationships between collaborating organisations and with local employers (Taylor et al 2007; Campbell et al 1998; Fletcher et al 1998; Hall and Mawson 1999; McGregor et al 1997; Robinson et al 1998; Russell 1998; Sanderson et al 1999; Simons 1998; McGregor et al 2003; Regional Co-ordination Unit 2002; Audit Commission 2003; DCLG 2006, 2008; Hasluck and Green 2007).

Research has suggested that successful delivery of interventions to help workless people involves:

- staff, particularly personal advisers, with empathy and good communication skills;
- a clear sense of purpose;
- active outreach to engage those who are hardest to reach;
- avoiding fragmentation of provision, which can cause confusion among clients;
- an environment where clients feel comfortable;
- good networking and relationships between different agencies;
- good links with local employers and a willingness to provide them with services and support.


In addition to personal adviser skills, management skills (and increasingly partnership skills) are vital to the effective delivery of labour market interventions (Campbell et al 1998; Fletcher et al 1998; Priority Estates Project 1997; Russell 1998; DTLGR 2001; Sutton et al 2004; Taylor et al 2007; North et al 2007).

It is also important to recognise that effective community engagement may require the development and enhancement of the capacity of the community and local organisations to take part in partnership working and provide effective representation (Taylor et al 2007; DCLG 2008; Judge et al 1999).
Some examples of good practice in partnership working

North et al’s review of case studies of partnership working found:

“Brent in 2 Work has also deliberately encouraged an open and co-operative culture between partners. With regard to major agencies, there are strong working relationships with the principal partners – London Borough of Brent, Jobcentre Plus, College of North West London and the London Development Agency – that have developed over time and generated a degree of trust. Importantly, these organisations were involved in the original strategy formulation, which has ensured a degree of genuine partnership commitment.

CPR Works provides an example of the way an organisation can add value to and complement the work of an existing partnership, in this case the Local Strategic Partnership, West Cornwall Together (WCT). WCT sees CPR Works as offering an extra level of focus and support in the most deprived neighbourhoods, providing a more in-depth and flexible approach to engaging with individual workless people than that of mainstream agencies. Joint working between WCT and CPR Works has also been made easier by the co-location of the two organisations in the same building.”


The Audit Commission’s review of inspection evidence related to economic regeneration activities by councils, including employment promotion, concluded in the case of Hartlepool:

“Inspectors assessed the service as excellent. Users are very satisfied with the service they receive – unemployment levels have reduced and investment in the area has increased. Inspectors concluded that the service has many positive features, including:

• clear and challenging aims that are shared by residents and stakeholders;
• strong leadership with a consistent and sustained focus on driving down unemployment;
• good partnership working and a pragmatic approach that makes the most of opportunities;
• a business-friendly approach across the Council and a rapid and flexible response from the service, which businesses appreciate; and
• proven schemes for getting local people into jobs, which are well regarded by trainees and employers.”

In the case of Amber Valley the Commission concluded:

“Inspectors felt that the services provided were good for the following reasons:

• The Council is taking an enabling leadership role and is working closely with residents and organisations in the District. There has been a real shift from Council service-led strategies to community-based strategies.
• Clear aims and objectives exist to deliver practical outcomes for the communities in Amber Valley.
• The Council’s customer focus consistently involves and empowers Amber Valley residents and businesses.

... Amber Valley District Council’s approach to economic regeneration is inclusive and imaginative in the way that it involves communities and users. Again, key to successful economic regeneration, Amber Valley District Council has demonstrated strong partnership skills.”

Partnership issues

Few organisations can themselves provide individualised solutions to the wide range of problems workless people have, but by working effectively in partnership with other organisations they can ensure that individual needs are met. Many workless people face multiple barriers to work, including housing problems, poor health, issues related to alcohol or drugs or a history of offending. People from minority ethnic groups may face discrimination and some people will have limited English. Parents have childcare needs. No one organisation can provide solutions to all of these issues, so effective partnership working is essential (Sanderson 2006; Marshall and Macfarlane 2000; Randall and Brown 1999; Lakey et al 2001; Campbell et al 1998; Hirst et al 2005; North et al 2007).

A review of a wide range of evidence related to partnership working, commissioned by the Treasury as part of its strategy to improve productivity in the public sector, concluded that the key features of a successful partnership are:

- a balanced team involving all relevant bodies, and both leadership and innovation skills;
- trust in each other;
- motivation and a common vision;
- conflict resolution mechanisms;
- collaboration;
- clarity of objectives and responsibilities;
- appropriate funding;
- continued sponsorship;
- flexibility.
(HM Treasury 2002).

However, partnership working imposes time and resource costs on participating organisations and individuals. Building relationships and mutual knowledge bases takes time if it is to be done effectively. Taken with the number of formal and informal meetings, there may be disproportionate burdens on small voluntary and community organisations (McGregor et al 2003; Taylor et al 2007). Moreover, partnerships have to change their focus from strategy to delivery, members move on and relationships need to be built anew. This can be something of a “treadmill” (DCLG 2008).

Nevertheless, particularly where initiatives to tackle worklessness have disadvantaged groups as a key part of their potential clientele, successful projects are likely to ensure that their partnership arrangements include organisations or individuals that are both well established in and well respected by local communities. Such organisations will vary from area to area. They may include tenants’ associations, parent-teacher organisations and faith groups, as well as those whose interests more directly relate to the world of work, particularly local employers. In areas of diversity it is important to ensure that all parts of the community are represented, and are encouraged to work together (Taylor et al 2007; Meadows 2006). Housing associations are increasingly willing to be involved in tackling worklessness, and they can be valuable partners as they already have relationships with potential clients and can provide premises for outreach work (Housing Corporation 2007).

It is important that issues of conflicting accountability are resolved and that management structures for joint working are clear. Furthermore, it is not uncommon for there to be multiple partnerships operating within an area, and this can pose resource difficulties for employers, for members of the community and for smaller organisations (Hall and Mawson 1999; DCLG 2007b; North et al 2007). McDonald (2003) found that the South East and Yorkshire and Humber regions each had over 300 partnerships working in their areas.

More generally, there is a limited supply of the skills and resources required to bring together successful partnerships and this needs to be recognised. It is therefore important that all members of partnerships, including people from voluntary and community organisations, have access to training in partnership skills (Taylor et al 2007; McDonald 2003). The Employers’ Organisation for Local Government has identified these skills under four headings:

- Leadership: skills and knowledge for leadership in partnerships;
- Trust: skills and knowledge for cultivating trust in partnerships;
- Learning: skills and knowledge for promoting learning and improvement in partnerships;
- Managing for Performance: skills and knowledge for managing effective partnerships.
(Local Government National Training Organisation (n.d.))
Engagement and outreach

There are two dimensions to engagement and outreach, although they are inter-related. The first relates to engagement with the local community, local organisations and local employers and the second relates to engagement with individual potential programme clients. The first requires an element of neighbourhood delivery and ownership and is often regarded as a prerequisite for the second, but engagement with organisations in a disadvantaged area is not necessarily sufficient to ensure the active engagement of individuals. Social networks play an important part in influencing attitudes towards jobs and training. Understanding that these differ between areas can contribute to the effectiveness of policies and programmes at a local level (Sanderson 2006; Green and White 2007; North et al 2007).

There are also tensions around the most appropriate level for interventions to take place. Although neighbourhood level might maximise community engagement, the involvement of employers and Jobcentre Plus might be more likely if an initiative covers a local authority area, or even part of a region (as the City Partnerships do). The risk to disadvantaged neighbourhoods is that their voices will not be heard within a broader area, where people from neighbourhoods with stronger social capital will be more readily available to represent the wider community. Black and minority ethnic communities may find themselves particularly marginalised in gaining access to decision-making structures. There are also issues around economies of scale: smaller-scale, more localised interventions tend to be more expensive because they are less able to share their overhead costs. Local authorities can, in principle, minimise overheads by including employment and training initiatives as part of their regeneration activities, yet for many authorities this is not a key area of activity (Taylor et al 2007; North et al 2007; Meadows 2006; Campbell and Meadows 2001). It is helpful if these tensions can be recognised and considered explicitly when local interventions are being developed.

Engaging communities

The evidence suggests that working with and through trusted and credible organisations based in the community is one of the more effective ways of promoting employment and enterprise within deprived areas (DCLG 2006).

However, there are difficulties and complexities involved. A recent review of New Deal for Communities projects has identified problems with:

- maintaining the interests of different constituencies;
- conflict between residents and both agencies and local authorities, and also amongst different communities or constituencies;
- territorial conflict and abrasiveness, driven in part by racial tensions;
- some areas lacking community infrastructure and resources.

(DCLG 2008).

These issues are also relevant to the discussions of delivery capacity and institutions and partnership discussed above.

The review recognised that there is a case for arguing that whatever the challenges of community engagement, the alternative approach, not engaging the community, may be worse.

Outreach with individuals

Disadvantaged areas often contain concentrations of people with poor information networks, low self-esteem and negative attitudes towards paid work (Meadows and Campbell 2001; Sanderson 2006; DCLG 2008). Outreach work is an important way of overcoming some of the reluctance to engage with organisations and interventions that might be able to help. It can also help to ensure that the most disadvantaged groups in the population are able to take advantage of the support available. This both advances social equity and helps to minimise deadweight, which occurs when projects and programmes help those who would have been able to help themselves (Sanderson 2006). The evidence suggests that outreach working collaboratively with mainstream provision has the best chance of success (DGLG 2006).
People who can be helped by outreach rather than mainstream provision are:

- those who are reluctant to engage with mainstream provision, particularly Jobcentre Plus;
- those who are unable to travel to mainstream provision because of disability, cost, transport difficulties or childcare;
- those with language difficulties, and recent arrivals who may be unfamiliar with employers’ recruitment practices and the services that are available;
- members of minority ethnic communities who may find it difficult to engage with official bodies and prefer to trust members of their own community;
- those who are reluctant to engage with activities that do not take place in a local (particularly familiar) environment where they feel comfortable;
- those who have particular problems (e.g. a criminal record) which may put them at a disadvantage in dealing with mainstream providers.

Successful outreach can also generate a snowball effect, with newly engaged clients generating word-of-mouth referrals (Hirst et al 2005).

Given the nature of the clientele for outreach work, it is important that the premises used are local, “non-official” and comfortable (Dewson et al 2006; Sanderson 2006; McGivney 2000; Champney et al 2005; Taylor and O’Connor 2005; Griggs et al 2008; Lakey et al 2001; Griffiths et al 2006; North et al 2007; Meadows 2006; Barnes et al 2005; Hasluck and Green 2007; Tackey et al 2006).

Meeting individual needs

There is no single intervention that is likely to be suitable for all workless people. Their individual backgrounds and needs vary. Interventions are more effective if they take into account the starting point of the individual. This requires personalised assessments prior to the start of an intervention, and an appropriately tailored package of help thereafter.

Workless people range from the well qualified with recent work experience to those with poor basic skills, physical or mental health problems, substance usage, homelessness, childcare needs and a history of offending. The most effective interventions are those which address the needs of the individual in an integrated way. Sometimes this will take place within a single organisation, but it can also involve referrals to more specialist support (Hasluck and Green 2007; Hirsch and Millar 2004; Griffiths et al 2006; Walker and Greenberg 2005; Sutton et al 2004; Marshall and Macfarlane 2000; Hirst et al 2006, 2005; Sanderson 2006; O’Connor et al 2001; Meadows 2006).

Recent migrants may face language and cultural barriers and lack understanding as to how employers recruit, even though they may be well qualified. They may also have qualifications which are not recognised in Britain (Green 2005; Hasluck and Green 2007).

Black and minority ethnic communities may also find it difficult to access the social networks which are an important part of finding jobs, and this may be due in part to residential segregation. There may be high levels of trust in networks within the community, but less trust in external networks (Taner et al 1997; Barnes et al 2005; Sanderson 2006; Tackey et al 2006; Dewson et al 2006). Some community members may have language difficulties, but many also face employer discrimination. It is also important to recognise that minority communities are becoming increasingly diverse in their experience in the labour market, both in terms of their qualifications and experience, and in terms of employer attitudes towards them. While being a member of a minority ethnic community may make labour market disadvantage more likely, it is not an automatic indicator of disadvantage (Hasluck and Green 2007; Atkinson et al 2006).

An essential part of successfully tailoring support to individual needs is an initial assessment which establishes what skills, capabilities and experience someone has as well as the gaps that need to be addressed (Hirst et al 2005; Lewis et al 2005; Hasluck and Green 2007; DCLG 2006). A good initial assessment allows advisers to ensure that the kind of work or training provided helps to build on and develop existing capabilities. This has been shown in specialist projects for projects for groups such as ex-offenders and disabled people, as well as in large-scale mainstream provision such as the New Deal for Young People (Barnes et al 1998; Fletcher et al 1998; Russell 1998; O’Connor et al 2001).

The consensus of a wide range of evidence reviewed by Meadows (2006) and Greenberg et al (2005) is that for those who are close to the labour market – who have personal or work-related skills and only minor problems – the most effective form of support is help with job finding, presentation and interview skills. Advice about the availability of financial support in paid work also has a key role to play. Work experience placements (essentially a form of extended interview) can also be valuable. However, for people who are further away from the labour market, particularly those whose personal and work-related skills are such that they would find it difficult to hold down a job if placed
immediately into work, an initial period of training is likely to be appropriate. However, training is relatively expensive compared with job placement help and work experience, and it also postpones the point at which an individual takes up employment. Given that employer-based training generally leads to better outcomes than classroom-based training, the key message for projects is to ensure that participants are equipped to take advantage of on-the-job training with employers. Even if they lack qualifications initially, acquiring qualifications in work generates better returns than acquiring them through college provision.

The evidence suggests that even the most disadvantaged can be helped into work if support is sufficiently tailored to their needs and circumstances. Reviewing a range of research on local schemes involving job brokerage schemes, adult learning and young people with multiple disadvantages, the Department for Communities and Local Government concluded that there were clear advantages in providing holistic, client-centred support including both outreach and inter-agency collaboration (DCLG 2006). Evidence from Action Teams for Jobs (Ecotec 2002); European Social Fund Projects (Hirst et al 2005; Taylor and O’Connor 2005), Employment Zones (Griffiths et al 2007, 2006; Hirst et al 2006; Hales et al 2003) and projects for substance users (Sutton et al 2004) have all highlighted the importance of flexibility in responding to the needs of clients and delivering an individually-focused service.

**Holistic provision**

Holistic provision recognises that people have a range of needs, and that their worklessness may be closely related to their money difficulties, childcare needs, housing problems or drug use. Often addressing their lack of work helps them to tackle these other issues, but also support such as drug counselling or help in finding accommodation can give people the stability they need to sustain the disciplines needed to maintain employment. This provision can be integrated – that is provided within a single organisation – or involve inter-agency collaboration (Sutton et al 2004; Fletcher et al 1998; Robinson et al 1998; Sanderson et al 1999; Simons 1998).

Employment Zones have been more intensively studied than many of the other more individualised interventions. The three key elements they offer clients are:

- **supportive personal advisers** whose only task is to help in finding work. Unlike Jobcentre Plus advisers they do not have other roles or tasks. They have more time to spend getting to know the client and assessing their needs and capabilities. They are not bound by a timetable of regularly scheduled meetings but can vary the number and timing of meetings with clients.

- **adviser discretion over how they spend the resources** available to them. What works well with one client group may not work at all for another, and this is recognised in that there is no standardised package of support.

- **a clear incentive to ensure that the job fits the client**, as additional funding is available for jobs that are retained for a longer period. These are all likely to contribute to the positive perceptions of clients, which in turn are also likely to improve motivation and self-esteem (Hasluck and Green 2007; Griffiths et al 2007, 2006; Hirst et al 2006; Griggs et al 2008).

Many European Social Fund projects are holistic schemes, which aim to help people with a range of problems, such as housing and health problems as well as worklessness. There is some limited evidence in this study that projects which focus on specific core client groups or geographic areas do appear to perform better in engaging, and then helping, their core client groups (Hirst et al 2005). Other projects dealing with disadvantaged young people (Pitcher 2002) or young homeless people (Randall and Brown 1999) support the view that helping young people to develop a work-focused lifestyle, as well as actually finding a job, can help them to tackle some of their other problems.

Specialist projects dealing with particular groups also need to recognise that even though participants have been selected because they are, say, ex-offenders, they may have other disadvantages. For instance, literacy problems are common among offenders. But they may have problems, which may be unrelated to their offending, for example accommodation or health problems, or they may be a member of a minority ethnic group (Meadows 2006; DCLG 2006).

Intermediate labour markets (ILMs) are social enterprise organisations producing socially useful goods and services employing disadvantaged groups facing multiple barriers to work. Their main focus is on getting experience in a real work environment and developing work habits, although they also provide support with job search and some basic training. There is a strong emphasis on helping participants deal with all their problems, not just that are directly relevant to their working lives, and there is a high staff-client ratio. Their outcomes (especially subsequent job retention and earnings) and cost-effectiveness compare favourably with other initiatives for the same target groups, although their costs per client are relatively high compared with provision for some other target groups. The evidence suggests that it is important to focus on the need to prepare to move into the wider labour market and to maintain links with other relevant agencies. However, the focus
on intensive personalised support appears to be helpful for the most disadvantaged groups (Marshall and Macfarlane 2000; DCLG 2006). It is important to guard against the risk that provision which is essentially direct job creation, and which does not have the intensive personal support available in “true” ILMs, might be presented as being intermediate labour market provision in order to secure funding for an organisation’s own objectives. Funders need to scrutinise ILM projects carefully to ensure that they include the full range of services (Meadows 2006).

Measuring outcomes
There is a certain amount of ambiguity over what constitutes good practice. Often it is defined in terms of performance in placing clients into work. It would be more appropriate to define good practice as what works for a client with a specific set of disadvantages. Good project performance arises when the package of support addresses the range of needs of all clients and moves them towards paid employment. The advantage of employment as an outcome is that it is easy to measure, and is determined independently of the provider. However, if projects are to address the needs of the most disadvantaged groups rather than concentrate on those who are closest to the labour market, it is important that funding regimes are not simply based on job outcomes. Otherwise, there is a risk that the focus of the project and the delivery mechanisms will be directed at those easiest to help, and will neglect those with more challenging needs. Conversely, there is a risk that projects that are working effectively to address the needs of the most disadvantaged will appear to perform poorly on job outcomes and may receive less funding (Lewis et al 2005; Hirst et al 2005; Joyce and Pettigrew 2002).

A number of studies have produced suggestions for intermediate indicators of distance travelled (for example Hirst et al 2005 and Dewson et al 2000). Lloyd and O’Sullivan (2003), rather than putting forward a list of specific indicators, suggested a set of principles on which funders and project managers should base their indicators. These were:

- identify barriers to learning/personal development;
- focus on variables that can lead to changes in behaviour;
- have valid measures (perhaps involving scales);
- be reliable – so that similar results can be produced in similar situations;
- include multiple variables and multiple sources of information to get an even balance of indicators;
- be part of a wider evaluation process, building on existing assessments and information and contributing to existing plans;
- be relatively simple and cheap to administer.

Long-term illness and disability
The relationship between labour market disadvantage and long-term illness and disability is complex. Those who are disabled as children or young people frequently have lower educational attainments than otherwise similar non-disabled young people (Ritchie et al 2005). Those who become disabled as adults face limits on their ability to do some types of work, which reduces their job prospects. But there is also a group of people who might have some health problems, but as long as they are in paid work, they have no need or desire to classify themselves as disabled. When they are no longer working, particularly if their job loss was involuntary, this health condition does become a barrier to at least some types of work, and therefore the health problem, either physical or mental, becomes a disability, both practically and legally (Hasluck and Green 2007). Finally there is a subset of this group who have responded to the incentive structure the benefit system has confronted them with, at least in the past. For those whose job prospects are poor, a move from Jobseeker’s Allowance to Incapacity Benefit has both given a higher level of income and provided a means of avoiding the obligation to look for work or take part in related activities. It has provided a valid reason for being workless. This can lead to a geographical concentration of economically inactive people of working age, so that some projects will find that a large proportion of their clients are Incapacity Benefit claimants (Ritchie et al 2005; DCLG 2006; Sanderson 2006).

Berthoud (2006) estimated that the employment penalty associated with disability (after adjusting for qualifications and other demographic characteristics) is around 40 per cent. This outcome reflects the combination of genuine inability to do some jobs, employer discrimination and individual motivation. Interventions to help disabled people need to recognise all three issues.

The impact of mainstream interventions on participants with health problems or impairments has not generally been measured. However, the indications are that what works for participants as a whole appears to work equally well for disabled people, with the exception of young people with mental health problems, for whom generating improved employment outcomes has proved to be a challenge (Hasluck and Green 2007). One explanation for the difficulty might be that these young people have other disadvantages as well (for example poor educational experiences) and it is these other disadvantages that are driving their labour market difficulties.
This evidence of limited success makes the results emerging from the Pathways to Work programme for people on incapacity benefit all the more impressive. The programme comprises:

- a series of mandatory work-focused interviews;
- new specialist teams of trained personal advisers;
- a ‘Choices’ package of interventions to support return to work;
- new work-focused condition management programmes developed jointly with local National Health Service providers;
- a 52-week Return to Work Credit of £40 per week.

The initial evaluation suggests that the package has increased flows out of incapacity benefit by around 8 per cent (Blyth 2006). The programme has been extended nationally since spring 2008.

The qualitative evaluation suggested that long-term sick and disabled people returning to work need a variety of additional support in the workplace. This includes help in coping socially at work, adaptations to the workplace, and help negotiating with employers. The availability of this kind of in-work support under the Pathways scheme seems to have smoothed the transition for both new employees and their employers (Dixon and Warrener 2008).

The Access to Work programme helps disabled people with the costs of support workers, travel to work, alterations to workplace premises and aids and equipment. The evaluation evidence suggests that help with travel to work is the part of the package that most helps people obtain and retain jobs when they would not do so otherwise (Thornton and Corden 2002).

The key messages arising from all the evaluations concerning long-term illness and disability are:

- An individualised approach is essential.
- Participants need help to change their perception of themselves and to shift their focus from what they cannot do to what they can.
- Physical adaptations in the workplace and help with travel arrangements can have a marked impact for those with physical disabilities.
- Personal advisers who have developed expertise in the needs of particular types of client and the requirements of particular employers are more effective for long-term sick and disabled people than generalists are.
- Those who have not worked for a long time need help in adapting to the workplace.
Nevertheless, even where people will be better off in paid work there are practical challenges to be overcome, not least the administrative delays in reassessments and processing payments. It is the risk of being stranded with debts and no cash which often deters people as much as their lack of understanding of the system (Sanderson 2006). Some of the interventions discussed below around financial support to aid retention have a role to play in helping to reduce the risks.

Retention and progression

The Department for Work and Pensions now has job retention and progression at the heart of its policies (DWP 2007). The Department for Innovation, Universities and Skills reiterated its importance in the Government’s response to the Leitch Review of Skills (DIUS 2007). This reflects concerns about the extent to which workless individuals return to claiming out-of-work benefits within a relatively short space of time. More than half the long-term unemployed people who leave Jobseeker’s Allowance for work return within 13 weeks – most quit voluntarily, as opposed to being dismissed or coming to the end of temporary jobs. Most returners say that the job did not suit them (Kellard et al 2002).

People who have come into paid work through a labour market intervention (or a long period on state benefits) often bring with them a range of problems which affect their ability to keep their jobs. Studies in both the US and Britain have found that people subsequently leave their jobs because of problems both inside and outside the workplace. These include childcare or transport difficulties, substance abuse, physical or mental health problems or a history of incarceration. Work-related problems include temporary jobs, unrealistic expectations of what the job involves, disagreements over hours of work and shift patterns, and problems in relationships with colleagues and supervisors (Stafford et al 2007; Lewis et al 2006; Dixon and Warrener 2008; Johnson 2002; Walker and Kellard 2001).
Specific interventions targeted at retention and advancement

Until recently, relatively few interventions have had retention and advancement (as opposed to placement into employment) as their objective.

The Employment Retention and Advancement Demonstration (ERAD) is under way in six Jobcentre Plus districts. The programme offers ongoing support for up to two years from a personal adviser once the client has entered work. Clients may also receive a retention bonus if they remain in work beyond 13 weeks, and they have access to financial help to cover emergencies which might threaten job retention and for training. The evaluation found that lone parents receiving ERAD support earned considerably more than control group parents, mainly because they were much more likely to be working full-time rather than part-time. Although there was no difference in the overall employment rate of the two groups at the 12-month point, lone parents who had received ERAD support had spent a higher proportion of the year in paid work. The impact on the other two client groups (New Deal 25+ clients and employed lone parents receiving Working Tax Credits) was small (Dorsett et al 2007).

The In-Work Support element of Pathways to Work offers support to former Incapacity Benefit claimants returning to work. Funding arrangements differ between areas, and not all offer retention payments. In some cases the funding helps clients over the transition into work only (Dixon and Warrener 2008). It is therefore difficult to draw general conclusions about the impact on retention and progression.

StepUP was a form of work experience placement available to people who became eligible for New Deal 25+ for a second or subsequent time. Support during the placement included a support worker and a workplace mentor. The evaluation of StepUP concluded that the role of the independent support worker was critical in maximising retention within StepUP jobs (Bivand et al 2006).

The kinds of services that support job placements are useful in job retention and advancement (and could in principle be provided by the same organisations). These include training in soft skills and job search techniques and help in developing a work-focused lifestyle (Johnson 2002; Hirst et al 2005; Walker and Kellard 2001; Dixon and Warrener 2008). Such support is particularly important for people who have little or no recent experience of paid work. Some Employment Zones that were concerned about how many people who were placed into work returned to unemployment within 13 weeks have restructured their services to provide greater in-work support (Griffiths et al 2006). The payment structure has also been changed so that a higher proportion of the payment to providers is triggered by job retention rather than initial placement (Griffiths and Durkin 2007).

However, one challenge facing programmes is overcoming the reluctance on the part of people who have moved into work to engage with the help that is available to them. Often they do not see it as relevant to their needs in their new situation, and may regard it as a threat to their new-found sense of independence, even when they are struggling (Dixon and Warrener 2008; Griffiths et al 2006; Hall et al 2005; Johnson 2002; Hay and Breuer 2004; Walker and Kellard 2001). This reinforces the need for staff to be well trained, both in understanding labour market needs and in providing personal support.

Often people moving from benefits to work are unaware of the kind of help and support they can get in terms of childcare or in-work income support. Providing ready access to advice on these issues and help in claiming may increase retention. For those with more complex needs, case managers need to have access to range of more specialist support services, for example to deal with health, housing or substance misuse issues (Walker and Kellard 2001; Dixon and Warrener 2008).

Sometimes an employer will find it difficult to cope with a disadvantaged new employee, but rather than dismiss the employee, would prefer to have access to help and advice in how to deal with things (Hirst et al 2005). However, employees are often reluctant to have other people discussing them with their employer, so it is not clear that engagement of advisers with employers is necessarily helpful (Dixon and Warrener 2008).
Factors known to influence retention and advancement

**Start with the right job**

If someone is placed in a job which is unsuited to their capabilities and personal circumstances they will not remain in it. Either the employer will be dissatisfied with their performance, or the employee will feel unable to continue. Either way, entry into the wrong job risks putting someone in a revolving door between worklessness and short-term spells of working (Lewis et al 2005; Hirst et al 2005).

Employees are more likely to make the effort to keep a job if:

- they find it interesting;
- they get on well with their colleagues;
- it is reasonably well paid;
- it is within their capabilities and makes use of their skills;
- they have realistic expectations;
- the location and hours are convenient;
- the employer is willing to respond flexibly to personal circumstances.


In Britain, providers of Employment Zones services receive large bonuses if participants retain a job for at least 13 weeks (Griffiths et al 2006; Hirst et al 2006). Other programmes offering retention bonuses include Fair Cities pilots (Atkinson et al 2007). These payments are intended to encourage job brokers to find the most suitable job for a client.

**Financial incentives**

Dorsett et al (2007) attribute the impact of the Employment Retention and Advancement Demonstration project on lone parents as being the result of the availability of bonus payments of £400 for each 13 weeks out of 17 when clients were in full-time employment. Clients had a high level of awareness about the availability of the bonus.

The Employment Zones evaluation in Britain also stressed the importance of financial support once in work as a means of aiding job retention, both in terms of generally available support, such as the Working Tax Credit, and in terms of providing direct incentives, such as providing driving lessons or even cash payments for those who stay in their jobs for 13 weeks or more (Griffiths and Durkin 2007; Griffiths et al 2006).

The pilot In-Work Emergency Fund operated by Jobcentre Plus addresses the issue of the need for a financial cushion for emergencies, and qualitative evaluation suggests it has been useful in a small number of cases, particularly where people are paid monthly in arrears. However, personal advisers in the pilot areas were not supposed to promote its availability. They could only offer help from the fund to those who faced a financial bridging problem which risked them returning to Income Support. It was also only supposed to be available for one-off, individual financial emergencies, and not for relatively common problems, such as a delay in receiving tax credit payments or the need to pay for initial travel to work costs (Thomas and Jones 2006).

Generally available measures to improve incomes while in paid employment (such as the Working Tax Credit) have the effect of improving job retention, even though they are generally regarded as anti-poverty measures rather than labour market measures (Blundell 2002; Blundell and Meghir 2001). However, such incentives are likely to be ineffective unless people are aware of their availability and understand what impact a successful claim is likely to have on their income.

**Reliable and affordable childcare**

Childcare problems (availability, flexibility and cost) are one of the most important reasons why parents (more particularly mothers, whether or not they live with a partner) leave their jobs. The evidence suggests that informal childcare is more likely to break down than formal arrangements. However, informal childcare costs considerably less (and is often free). Thus, parents have a strong incentive to use informal arrangements if they are available to them. Moreover, parents tend to place a high level of trust in informal arrangements (Dixon and Warrener 2008; Knight and Thomas 2006; Johnston 2002; Bell et al 2005; Walker and Kellard 2001).
The evidence consistently suggests that interventions with employer-placements and work-based training are more successful in leading to employment. These interventions put participants in contact with employers and help develop more general employability skills, as well as enabling the individuals concerned to demonstrate work experience to potential employers. The outcomes from classroom-based training programmes are better if they include an element of work experience and are focused on the needs of the local labour market (Dench et al 2007; Hirst et al 2005; Steels and England 2004).

Many small and medium-sized organisations find recruitment expensive, and projects can exploit this by offering a job matching service and by ensuring that follow-up support is available to employers who run into difficulties. One possible approach is to offer employers the possibility of free or low-cost trials before they decide whether to take someone on (Hirst et al 2005).

The Fair Cities pilots evaluation found that the key attractions to engagement by employers are:

- to overcome skill shortages;
- the provision of a targeted, employer-specific recruitment solution;
- to ensure the workforce reflects the local population and key customer groups/service users;

## Engagement with employers

Engaging employers is not necessarily straightforward, and they are likely to be resistant to anything that is time consuming and does not have clear outcomes. Essentially, bringing employers in is a form of outreach work: it is intensive and requires high levels of interpersonal skills as well as a good organisation to back it up. They must be involved as early as possible, and the process must be simple and streamlined. It can be useful to make use of existing employer networks and build on existing corporate responsibility activity. The key lesson is that it is better to have strong links with a few genuinely committed employers than weak links with many.

Unless work with clients focuses on the kind of jobs that are likely to be available locally, resources are likely to be wasted and outcomes are likely to be poor. Good relationships with employers not only help with immediate placement into jobs, but also with post-employment support and the potential to influence recruitment practices in the longer term (Sanderson 2006; DCLG 2006; McGregor et al 1997; Sanderson et al 1999). The development of these relationships may require cold calling as well as contacts with employers who are already engaged (Hirst et al 2005).

The closer measures are to the open labour market the more likely they are to be successful. It is not enough to concentrate on the needs of individuals. Unless projects address local labour market circumstances, they will not successfully secure employment for programme participants.

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Opportunities to develop skills while working

We hope to take part in employer-supported training and to engage in independent study are an important way of securing advancement. However, it does need to be recognised that people who are both employed and responsible for families have limited time to undertake developmental training beyond what provided by their employers (Walker and Kellard 2001).

Mentoring and peer support

Difficulties in relationships with colleagues are one of the most common sources of job breakdown (Lewis et al 2005). Workplace mentors can help new employees develop a sense of belonging to their employing organisation, and the mentor can help them to negotiate problems in the workplace, including relationships with colleagues and supervisors. Peer support groups can provide social support and reinforce the transition in lifestyles involved in keeping a job (Johnson 2002; Hirst et al 2005). However, more general mentoring schemes may not be appropriate. Often people are reluctant to be referred to a mentor, and those who are referred may have problems that mentors cannot help with (Hay and Breuer 2004, Sarno et al 2000).

Travel

Difficulties in travelling to work can make a job difficult to sustain, particularly for disabled people and those with health problems. Conversely, help with travel is something that can aid retention (Stafford et al 2007). More generally, travel problems often lead people to give up their jobs, so thought needs to be given to ensuring that jobs entail travel patterns that are sustainable (Stafford et al 2007; Lewis et al 2005; Dixon and Warrener 2008; Johnson 2002; Walker and Kellard 2001).
Projects working with specific disadvantaged client groups have found that they can do more for their clients if they can also provide a service for employers in terms of helping them to find staff. This has been found to be true for substance users (Sutton et al 2004) and people with learning difficulties (Hirst et al 2005; Simons 1998).

Employment Zones have built effective relationships with employers. EZ providers are more attuned to the concerns of employers than Jobcentre Plus is. Many have established specialist employer liaison staff whose job is to build relationships with employers, learn about their recruitment needs and get an inside track on forthcoming vacancies. Such methods enabled providers to source additional job vacancies and to match customers to jobs not otherwise available to them (perhaps because the employer concerned did not normally recruit people from disadvantaged groups), nor generally accessible via Jobcentre Plus. Further vacancies were often identified using advisers’ personal contacts and informal networks of friends and former colleagues. Those working with clients try and prepare them for specific local vacancies. This can take the form of approaching an employer about a particular client or running short work-preparation courses to train clients for entry-level jobs in local areas lacking specific skills (Griffiths et al 2006; Griffiths and Durkin 2007). In this way they help both clients and local employers.

Conclusion

The main conclusion to be drawn from the evidence is the need to build on local knowledge and relationships. The most successful interventions know their clients, know their local employers, and have good relationships with other relevant agencies who can meet the needs they are unable to address directly. Most positive outcomes flow from following these principles.

Not every area will have this knowledge and these relationships in place, and it may be necessary to put resources into developing them. Although this may delay service delivery, without the knowledge base the services will not be very effective. In some areas, trust will be difficult to develop, especially where communities have previously received other interventions.

About the project

This study was commissioned by the Joseph Rowntree Foundation with the aim of informing and influencing practice within the Government’s new Working Neighbourhoods Fund (WNF). Pamela Meadows summarises and updates work carried out earlier for JRF in its Work and Opportunities programme that drew to a close in 2001. That programme pulled together the results of some 25 research projects which, over the previous four years or so, had researched local solutions to the problems of worklessness. JRF believes that many of these messages are still very relevant to the current WNF programme.
References


