

Original citation:

Green, Anne E., 1958-, Sissons, Paul, Broughton, Kevin, De Hoyos, Maria, Warhurst, Chris and Barnes, Sally-Anne, 1975- (2015) How cities can connect people in poverty with jobs. Joseph Rowntree Foundation.

Permanent WRAP url:

<http://wrap.warwick.ac.uk/68305>

Copyright and reuse:

The Warwick Research Archive Portal (WRAP) makes this work by researchers of the University of Warwick available open access under the following conditions. Copyright © and all moral rights to the version of the paper presented here belong to the individual author(s) and/or other copyright owners. To the extent reasonable and practicable the material made available in WRAP has been checked for eligibility before being made available.

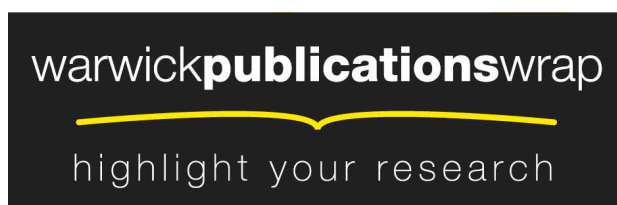
Copies of full items can be used for personal research or study, educational, or not-for-profit purposes without prior permission or charge. Provided that the authors, title and full bibliographic details are credited, a hyperlink and/or URL is given for the original metadata page and the content is not changed in any way.

Publisher statement:

All rights reserved. Reproduction of this report by photocopying or electronic means for non-commercial purposes is permitted. Otherwise, no part of this report may be reproduced, adapted, stored in a retrieval system or transmitted by any means, electronic, mechanical, photocopying, or otherwise without the prior written permission of the Joseph Rowntree Foundation.

A note on versions:

The version presented in WRAP is the published version or, version of record, and may be cited as it appears here. For more information, please contact the WRAP Team at: publications@warwick.ac.uk



<http://wrap.warwick.ac.uk/>



How cities can connect people in poverty with jobs

by Anne Green, Paul Sissons, Kevin Broughton
and Maria de Hoyos with Chris Warhurst and Sally-Anne Barnes

This report assesses UK and international evidence on local approaches linking people in poverty to jobs. Themes examined include information, advice and guidance; training and skills; employer engagement; financial services; and support services/enablers.

How cities can connect people in poverty with jobs

Anne Green, Paul Sissons, Kevin Broughton and Maria de Hoyos with Chris Warhurst and Sally-Anne Barnes

How can city stakeholders connect people in poverty with jobs? Poverty is an issue for people both in and out of work. This report reviews UK and international evidence on local approaches to linking people who are out of work to jobs and those in work to better jobs. As cities gain more powers and strategic discretion to address local issues it is important to build on existing evidence of 'what works' in connecting people in poverty with jobs.

The report shows:

- there is more evidence on pre-employment and employment entry than on staying in work and in-work progression;
- there is less evidence at city level than nationally;
- at the pre-employment stage holistic support packages encompassing advice and guidance, mentoring, and employer-designed training are valuable;
- for employment entry workplace-based training and help with transport and childcare can help;
- the quality of initial job entry is important for staying in work;
- there is scope for stimulating opportunities for in-work progression with employers in growth sectors or with recruitment and retention problems.

Contents

Executive summary	1
1 Introduction	4
2 Framework and evidence base	8
3 Pre-employment	15
4 Employment entry	22
5 Staying in work	35
6 In-work progression	40
7 Learning from thematic case studies	48
8 Conclusions	58
Notes	69
References	71
<i>Appendix 1: Thematic case studies of local approaches to 'linking jobs and poverty'</i>	82
<i>Appendix 2: Methodological details</i>	133
Acknowledgements	137
About the authors	137
List of tables	
1 What works in connecting people in poverty to employment and to better jobs? Initiative map	11
2 Summary of learning from thematic case studies	60
3 Assessing and contributing to the evidence base for policy purposes	62
4 Potential actions for policy-makers at city level	64
A2.1 Key <i>words</i> for academic literature search	134
A2.2 Academic databases searched	134
A2.3 Topic categories of academic literature search	134
A2.4 Grey literature organisations searched	135
List of figures	
1 A continuum of devolution of initiatives	6

2	Stages in the pathway to employment	8
3	Framework elements	13
4	Overview of the quantity and quality of evidence	14
A1.1	Indicative stakeholder map of Leeds City	123
A1.2	A continuum of devolution of initiatives	124
A2.1	Approach to review	133

Executive summary

Poverty remains a major issue in the UK for those out of work; it is also a problem which affects an increasing number of individuals who are in work. Connecting people to jobs has a role to play in reducing poverty. This research aims to evaluate UK and international evidence to help identify local approaches which can help link poor households to (better) jobs to enable them to move out of poverty. However a complication here is that employment policy tends to be targeted at individuals, while poverty is measured at the household scale.

This research used a number of methods starting with desk-based reviews and assessment of the evidence from the academic and grey literature on local approaches to connecting people out of work to jobs and those in work to better jobs. These reviews were supplemented with a call for further evidence, expert interviews to reflect on the evidence base and explore promising approaches and innovative practices, and thematic case studies exploring particular themes in more detail.

To organise and present the evidence a *framework* was developed around four stages in a stylised *pathway to employment*.

- pre-employment
- employment entry
- staying in work
- in-work progression.

The report is further structured around key themes pertinent to linking jobs and poverty: information, advice and guidance (IAG); training and skills; employer engagement; financial services; and support services/enablers. It should be noted that some policy interventions span more than one stage in the pathway to employment and/or more than one theme.

An assessment of the available evidence reveals that:

- there is more evidence on pre-employment and on employment entry than on staying in work and on in-work progression – this reflects (at least in part) the relative balance of public funding devoted to policy interventions at different stages of the pathway to employment;
- there is more and better quality evidence about ‘what works’ at the national than at the local level;
- at local level the robustness of the evidence tends to be variable and often low;
- there are particular gaps in the evidence base on direct measures of poverty and on value for money of particular policy interventions.

At the pre-employment stage individuals move towards becoming job ready. Case study evidence highlights the importance of IAG and of mentoring – including from human resources professionals. Training and skills development programmes are important too. Some individuals need basic skills training

in order to access employment. Pre-employment training that mirrors the actual workplace and focuses on particular sector-/job-specific skills (designed with employer input) can be particularly valuable. Provision of 'better-off-calculations' (showing an individual how much better off they will be in work than out of work) makes sense intuitively, although here is little evidence on their value. Sanctions on benefit claimants raise exits from benefits and entries to employment, but evidence suggests they are not positive in terms of subsequent earnings and job quality indicators. Holistic and integrated policy packages are particularly relevant at the pre-employment stage where individuals may face multiple barriers to employment.

At the employment entry stage individuals are job ready. IAG and access to (local) labour market information can be helpful in supporting job entry, but increasingly individuals have to rely on self-service online provision. Work experience and workplace-based training can help facilitate employment entry, and good quality apprenticeships provide an important means for young people to enter employment and subsequently progress as they 'learn and earn'. Since employers are gatekeepers to employment they can play a key role in improving access to, or ring-fencing, particular jobs for disadvantaged groups, through providing guaranteed interviews, and in revising recruitment and selection procedures. Procurement policies can play an important role here too.

Some individuals need support – especially at the employment entry stage and in the early weeks of employment – with transport, and also with childcare. There has been some success in policies providing financial incentives to individuals on job entry. Although there have been concerns about low levels of take-up, financial subsidies to employers to mitigate the risk of taking on long-term unemployed people can facilitate job entry for targeted sub-groups.

There has been rather less attention on policies to help people stay in work and consequently the evidence base is thinner. Importantly, staying in work may mean staying with the same employer or moving between employers; consequently, IAG is an important element of in-work support. Holistic packages of support can be particularly effective for work retention, but this makes it harder to isolate individual activities in order to evaluate their effectiveness. The evidence suggests that the quality of the initial job entry – in terms of 'fit' to the individual, skills match, suitable hours and location – is important for work retention. There is little evidence on the role of training on staying in work. Financial incentives via in-work benefits paid through the national benefits system can be an important driver of employment entry and retention, but their impact tends to fade if individuals subsequently enter a cycle of moving back and forth (churning) between unemployment and low-paid employment.

The evidence base is least advanced on in-work progression, but there is growing policy interest here. In-work progression can be measured in monetary (e.g. improvements in hourly wages or hours worked) and non-monetary terms (e.g. a more stable job), and may involve movement in internal or external labour markets. There is some evidence from the US on career ladder and career pathway programmes which highlights the value of connecting training to particular (often growing) sectors/clusters; transferable skills are also helpful in facilitating in-work progression (particularly with other employers/in other sectors). In turn, this points to the underpinning role played by IAG and the importance of considering qualifications types and their labour market value in decisions about learning as part of the design and implementation of local skills strategies. Trades unions, in conjunction with employers, can play a role in stimulating opportunities for in-work progression and making them more transparent, especially in large workplaces. Employer engagement tends to be easier where in-work progression initiatives can address a specific business need, such as recruitment and retention problems.

The thematic case studies developed in the report identify a number of key findings relating to both access to employment and access to better jobs for individuals. In relation to employment entry, the first case study assesses the extent to which local policies have been targeted at households in poverty. It finds that targeting of local policies is most often indirect in nature, for example using area deprivation measures. Such an approach can dilute the extent to which interventions are effectively needs based. The importance of targeting specific needs for in-depth support is also found in the review of careers, advice and guidance interventions. The role of employer behaviour in recruitment and selection and local approaches to engendering change is also considered in detail. Influencing these issues can require significant time and resources but can be supported through the provision of financial and non-financial

incentives to employers (including a range of measures such as wage subsidies, recruitment management and tailored skills provision). The use of (financial) incentives is also shown to be one mechanism of encouraging growth in apprenticeship numbers. Another important mechanism is the agreement of apprenticeship provisions as part of the planning permission for major developments. In a different policy domain, but one with important links to employment and skills, there is scope for specific local initiatives to enhance awareness of local transport services and to help make public transport more affordable for individuals entering employment, as well as longer term development work to ensure better integration of employment sites and transport infrastructure.

The use of different forms of policy levers, including procurement, is discussed in the review of living wages. Other factors associated with the growth of the living wage include the social responsibility agenda around such payment, and the role of public sector organisations in 'leading by doing'. The growth in the interest of policy-makers around in-work progression is also examined. Although examples of practice in the UK are sparse a number of trials have been developed, while evidence from the US suggests a sector focus can be helpful in designing programmes targeted at career development.

The final case study examines the landscape of actors pertinent to anti-poverty policy in Leeds. It highlights the broad range of policy domains and associated stakeholders which influence outcomes for individuals and families in poverty.

An overall assessment of the evidence indicates that while UK policy-making is by some standards quite centralised, new opportunities are opening up (while others already exist) in a number of core domains such as skills and employment policy. A checklist of actions for consideration by policy-makers is presented, distinguishing those that can be taken by cities already (with no greater powers and limited additional resources) from those likely to need greater resources, greater strategic discretion and/or greater local powers. The challenge for local policy-makers, under current and future configurations of powers, is to maximise use of available levers to tackle poverty and link activity across policy domains to develop coherent anti-poverty strategies.

1 Introduction

Background

Poverty remains a major issue in the UK. Rates of poverty among those out of work are very high, standing at 47 per cent for workless households of working-age (DWP, 2013). In-work poverty is also a growing problem, with 60 per cent of all working-age households in poverty containing at least one person in employment. Furthermore, recent modelling work has highlighted that changes to tax and benefits, as well as ongoing changes in labour market structure, are likely to see rates of (relative) poverty increase in the coming years (Brewer *et al.*, 2012). Poverty tends to be more highly concentrated in particular types of cities and places, yet relatively little is known about which approaches might work best in different types of local circumstances (Lee *et al.*, 2014). This makes assessing the potential for different local approaches to contribute to poverty reduction an important research area.

Past research has demonstrated the importance of employment as a route out of poverty (Smith and Middleton, 2007; Browne and Paull, 2010). However analysis also demonstrates the significance of job quality in encouraging sustainable exits from poverty (Stewart, 2007; Tomlinson and Walker, 2010). The links between employment entry and poverty reduction, and the broader relationship between employment and poverty, are therefore not straightforward (Ray *et al.*, 2014).

Much of the research on the links between employment and poverty focus on policies targeted at the national level (see Ray *et al.*, 2014). For example, there is a relatively comprehensive evidence base drawn from developed countries about national-level policies which encourage job entries among those out of work (reviews include Greenberg *et al.*, 2005; Kluve, 2005; De Koning, 2007; Card *et al.*, 2010). The evidence on which local approaches may be particularly effective at addressing poverty is less conclusive, and there is a particular lack of detailed information on the efficacy of specific local initiatives.

Aims of the research

This evidence review seeks to provide national and local policy-makers with a source which can be used in policy development. Of course, some of the policy domains which are reviewed have a stronger evidence base than others, and in some areas the evidence base is very sparse. Moreover, owing to use of different definitions and measures, evidence on some initiatives is not comparable with that for others. In the future the embedding of robust evaluation within local policy approaches will be an important component in strengthening the evidence base on what works to link jobs and poverty in cities.

The main aim of this research is to evaluate the UK and international evidence to help to identify effective local level approaches which can help link poor households to jobs which enable them to move out of poverty. Underpinning this aim are the following *research questions*:

- What are the most efficient and effective local level approaches to connecting people out of work to jobs?
- What are the most efficient and effective local level approaches to connecting people in work to better jobs (with the term 'better jobs' being used to indicate jobs which may lift people out of poverty via higher earnings and/or offer potential for advancement to higher wage/ salary levels)?¹
- What does this evidence mean for related policy in the UK and the roles of different actors at a local level?

One factor which makes any analysis of linking employment and poverty somewhat difficult is that employment policy and employment opportunities are targeted at, or accrue to, individuals, while poverty is typically framed and measured at the household level. The household level is important because the characteristics of households play a role in influencing the likelihood of experiencing poverty. As such there is very little evidence, particularly local evidence, which directly links employment outcomes for

individuals to poverty reduction among households. Therefore it is necessary to focus largely on the impacts of policies on individuals and make inferences on the potential poverty effects of these indirect measures.

Throughout this report the primary focus is on poverty among individuals and households of working age (i.e. those who are in age groups likely to seek employment) given the central concern here with linking poverty and jobs. This is not to suggest that poverty among children and retired people is not an important issue; however the tools that might be used to address it – benefits policy and policies associated with extending work lives – are not the main focus of this report.

Methodology

The research involved five stages:

- desk-based evidence review of local approaches to connecting people out of work to jobs;
- desk-based evidence review of local approaches to connecting people to better jobs;
- call for evidence to supplement and fill gaps in the desk-based evidence review;
- expert interviews exploring the sub-national, national and international evidence in more detail and examining the potential for developing promising approaches in the UK context;
- in-depth thematic case studies – eight case studies exploring particular thematic/local approaches – to add richness and depth to the evidence review.

The five stages were designed to be cumulative in nature in terms of generating an evidence base, interpreting it and testing the implications of this. A wide-ranging review of the existing literature was done, drawing on both academic and grey literature sources. This identified a number of areas of potential good practice supported by robust evaluation, but also identified many gaps in the evidence base. Some of these gaps were filled in part by subsequent phases of the project (call for evidence – stage 3, expert interviews – stage 4, and thematic case studies – stage 5).

For further details of each stage see Appendix 2: Methodological details.

Given that the focus of this report is on cities, the interest is on approaches which can be initiated and delivered at a sub-national level. Types of approaches can be considered along a continuum of levels of autonomy and degree of local control (Atkinson, 2010): from ‘1’ most centralised to ‘7’ most localised (see Figure 1). Levels 2–7 are within scope of this review; albeit levels 5–7 are of particular interest. In some cases national evidence is included either to frame sections of discussion or because it may provide some pointers for local policy making. And of course national levers – such as the tax and benefits system, and the National Minimum Wage – are of crucial importance in understanding links between jobs and poverty, but they are not the main focus of attention here.

Figure 1: A continuum of devolution of initiatives



Source: Atkinson, 2010

To facilitate the evidence review process at Stages 1 and 2, and to help ensure greater consistency of reviews across the research team, a pro forma was developed to record information from the key studies reviewed. This included assessment across several dimensions of interest for each piece of evidence. These included an assessment of the strength of evidence using a version of the Maryland scale which ranks evaluations according to the scientific rigour of the methods employed. The definition adopted is set-out in Box 1.

Box 1: The Maryland Scale

Level and description

- 1 Observed correlation between an intervention and outcomes at a single point in time. A study that only measured the impact of the service using a questionnaire at the end of the intervention would fall into this level.
- 2 Temporal sequence between the intervention and the outcome clearly observed; or the presence of a comparison group that cannot be demonstrated to be comparable. A study that measured the outcomes of people who used a service before it was set up and after it finished would fit into this level.
- 3 A comparison between two or more comparable units of analysis, one with and one without the intervention. A matched area design using two locations in the UK would fit into this category if the individuals in the research and the areas themselves were comparable.
- 4 Comparison between multiple units with and without the intervention, controlling for other factors or using comparison units that evidence only minor differences. A method such as propensity score matching, that used statistical techniques to ensure that the programme and comparison groups were similar, would fall into this category.
- 5 Random assignment and analysis of comparable units to intervention and control groups. A well conducted randomised controlled trial (RCT) fits into this category.

At levels 3–5 in particular, the standard of evidence is high. It should be noted that the Maryland score was *not* used as a screening device for inclusion/exclusion from the review. Rather the score on the Maryland Scale provided some indication of the robustness of a particular piece of evidence.

A number of factors in addition to robustness of findings were important considerations for assessing the evidence. These included the scale of impact and costs, potential transferability (where initiatives were non-UK), impact on different groups, and how well targeted the intervention is on poverty.

Structure of the report

The report is structured around a stylised or idealised journey into employment for individuals outside the labour market. This means capturing interventions and initiatives which work with individuals at the pre-employment stage, engaging them and supporting them to increase their employability; those that work at the job search and job entry stages; those that seek to improve employment retention; and, those that seek to support advancement. Further details on this framework are provided in Chapter 2. The remainder of this report is structured as follows:

- chapter 2 provides a framework for analysis;
- chapter 3 evaluates the evidence on approaches to pre-employment;
- chapter 4 evaluates the evidence of programmes and initiatives supporting work entry;
- chapter 5 focuses on the evidence relating to initiatives supporting in-work retention;
- chapter 6 assesses the evidence for initiatives supporting in-work progression;
- chapter 7 presents learning from thematic case studies (the thematic case studies are in Appendix 1);
- chapter 8 presents conclusions, and identifies potential actions for policy-makers at city level to address poverty locally by linking people to jobs and facilitating employment retention and in-work progression.

2 Framework and evidence base

Introduction

There is no single correct way for organising and presenting the evidence reviewed on initiatives of relevance to linking jobs and poverty in cities.

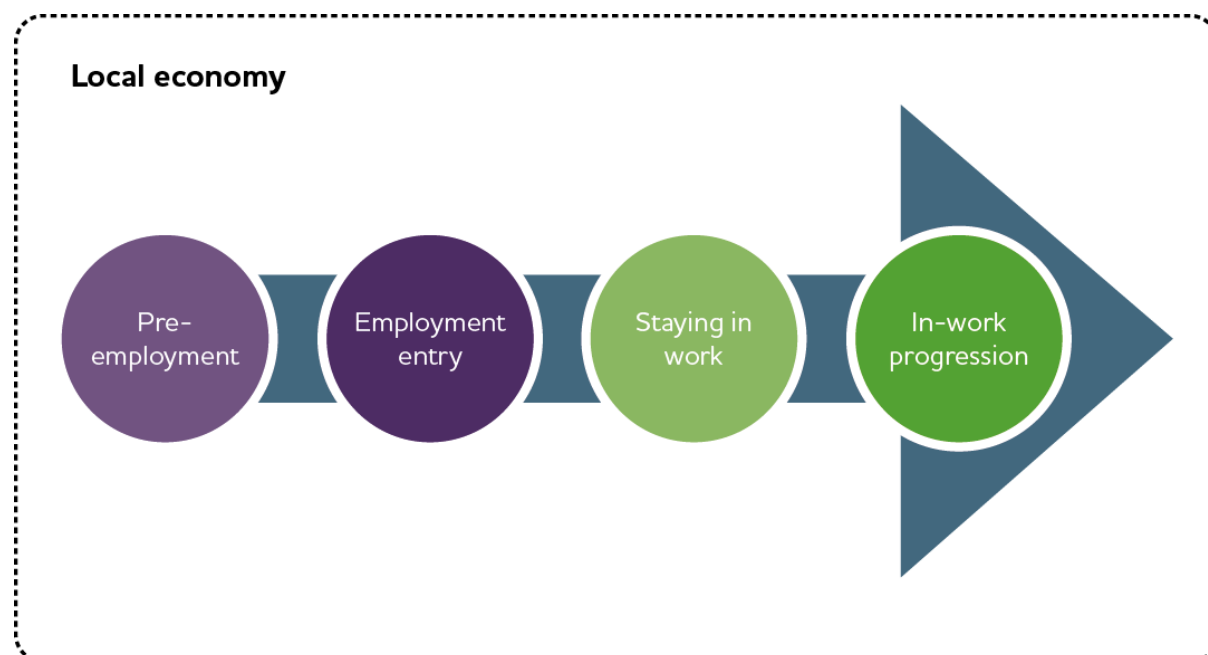
The approach taken was to develop a schema which combines:

- Stages in a '*pathway to employment*' (see Figure 2):²
 - *pre-employment* – which is about individuals moving towards being work-ready
 - *employment entry* – when individuals are job-ready and move into employment
 - *staying in work* – with either the same employer, or another employer
 - *in-work progression* – in the internal labour market or the external labour market;
- and

- Key *themes* of initiatives pertinent to linking jobs and poverty:
- information, advice and guidance
- training and skills
- employer engagement
- financial incentives
- support services/enablers.

The framework is presented in Table 1.

Figure 2: Stages in the pathway to employment



It should be noted that various features of demand and other key features of the local labour market context, such as:

- the sectoral and occupational structure of employment;
- the size structure of establishments;
- business models of key employers (i.e. whether they are 'low cost', 'high value', etc.)
- institutional thickness;
- the prevailing unemployment rate;
- national and sub-national policies – relating to sectors (as in the case of the Industrial Strategy ³), strategic/key sectors, welfare reform, etc.

can all impinge on opportunities for, and barriers to, moving along the pathway to employment. Hence, in Figure 2 the pathway to employment is set in the context of local economic conditions; (and the hatched line here indicates that local labour market conditions are influenced by drivers influencing labour demand at national and supra-national levels). Similarly, as one of the notes relating to Figure 3 indicates, the framework sits within the context of the local economy. Some local economies offer more favourable conditions for linking people in poverty to employment and better jobs than others.

While the evidence review could be organised giving primacy to either the 'pathway to employment' dimension or the 'thematic' dimension, in this instance the former has been selected, with Chapters 3–6 taking each of the four stages in the pathway to employment in turn. However, within each chapter the evidence relating to each theme is considered in turn. It should be noted also that some policy interventions span several stages of the pathway; for example, from pre-employment training to in-work support to enable people to sustain, and progress in, employment. It should also be noted that at any particular stage in the pathway individuals may make progress in the short-term albeit within a single stage without moving to the next stage. For example, at the pre-employment stage an individual might move from a position of some distance from employment to one of being much closer to employment. Hence, it is important to acknowledge the importance of measurement of 'distance travelled' as well as outcomes such as 'employment entry'.

Research to quantify the costs and benefits of tackling poverty shows that the impacts of reducing worklessness and low pay will differ in detail between cities as a result of different patterns of wages, different patterns of full-time and part-time working, and different housing costs (Bivand and Simmonds, 2014). Nevertheless, it is clear that as individuals move along the employment pathway there are positive impacts on individual incomes, and there are also fiscal benefits for government spending (albeit often accruing nationally rather than locally) and the economy (in terms of additional economic output).

Content of the framework

Within each *thematic area* of the framework presented in Table 1 there is a hierarchy with first the *approach* (i.e. the *aims* of policy interventions) and secondly the main *types of interventions* identified. (Note that the lists of 'types of interventions' are not exhaustive, although they do cover the main types uncovered in the evidence review.)

To illustrate this hierarchy, taking skills and training as a thematic area, the approach at the pre-employment stage is pre-employment training to develop employability, and types of interventions include basic skills courses, early intervention initiatives while young people are in compulsory education, employer-focused pre-employment training, sector academies, volunteering and intermediate labour markets. By contrast, still considering the skills and training theme, at the in-work progression stage, the approach is one of vocational and non-vocational skills development, and types of interventions include higher-level training (which may be firm-specific or non firm-specific), broadening of skills, and lifelong learning – including workplace learning.

Of course this framework simplifies the complexity of the real world situation. The distinctions between stages and themes are less stark in practice than in theory. Nevertheless it is contended that this framework is valuable for organising the evidence.

It is essential to note that the *local economy* sits around this framework. Hence opportunities and challenges for connecting people to (better) jobs will vary between local areas.

Figure 4 presents in diagrammatic form contextual factors impinging on the types of initiatives selected. The numbers and types of issues addressed by initiatives are likely to be shaped by the population and labour market characteristics of a city. The initiatives make use of different policy levers, have different designs and involve different actors and may (or may not) be targeted on poor individuals/ households/ areas. This evidence review is concerned with analysis/evaluation of the effectiveness and efficiency of these initiatives.

Strength of the evidence and effectiveness of the interventions

The quantity and quality of evidence uncovered generally diminishes from left to right of the framework – i.e. there is more evidence on pre-employment and employment entry than on staying in work and in-work progression as depicted in Figure 5. In part this reflects the fact that the importance of public relative to private funding to support interventions is greater at pre-employment and employment entry stages and then declines to be very limited around in-work progression. The *effectiveness* of interventions is covered in reporting in the following four chapters.

Table 1: What works in connecting people in poverty to employment and to better jobs? Initiative map

PRE-EMPLOYMENT ¹	EMPLOYMENT ENTRY ²	STAYING IN WORK ³	IN-WORK PROGRESSION ⁴
INFORMATION, ADVICE AND GUIDANCE			
Becoming work-ready: <ul style="list-style-type: none"> • access to services • personal development advice • careers advice • finance and budgeting • caseworker model. 	Job search and application support: <ul style="list-style-type: none"> • provision and access to LMI • Job search • job match • recruitment channels • caseworker model. 	In-work support: <ul style="list-style-type: none"> • caseworker model. 	Careers information and/or advice: <ul style="list-style-type: none"> • work-focused appraisal • LMI: better job opportunities (ILM and ELM – including non-local) • skills transferability.
TRAINING AND SKILLS			
Pre-employment (employability): basic skills <ul style="list-style-type: none"> • early intervention – including secondary level VET • pre-employment training • volunteering • intermediate labour markets • sector academies. 	Vocational skills: <ul style="list-style-type: none"> • Intermediate labour markets • induction • job-specific training (firm-specific) • occupational certification • sector-specific training • apprenticeships. 	Vocational and non-vocational skills development: <ul style="list-style-type: none"> • job-specific training (firm-specific and not firm-specific) • workplace learning • apprenticeships. 	Vocational and non-vocational skills development: <ul style="list-style-type: none"> • higher level training (firm-specific and not firm-specific) • apprenticeships • broadening of skills • lifelong learning/workplace learning.
EMPLOYER (ENGAGEMENT)			
Provision of opportunities: <ul style="list-style-type: none"> • work tasters/placements • work experience • on-site training. 	Provision of opportunities: procurement <ul style="list-style-type: none"> • ringfenced jobs • guaranteed interviews/ jobs • training design and demand identification • flexibility and work design. 	In-work support: <ul style="list-style-type: none"> • external 'key worker' • mentoring • in-work review • flexibility and work design. 	Support to progress: <ul style="list-style-type: none"> • in-work review of opportunities • career ladders • career pathways • flexibility and work design.
FINANCIAL INCENTIVES			
Push and pull mechanisms: <ul style="list-style-type: none"> • benefit take-up • better-off calculations • stipends/training allowances • conditionality and sanctions. 	Increasing earnings: <ul style="list-style-type: none"> • National Minimum Wage • wage top-ups • Living wages • wage subsidies (employers). 	Increasing earnings: <ul style="list-style-type: none"> • National Minimum Wage • wage top-ups • Living wages. 	Increasing earnings: <ul style="list-style-type: none"> • career ladders to better-paid jobs.

SUPPORT SERVICES/ENABLERS			
Access to ICT Childcare/care provision Transport availability and cost Health services Community resources Housing services	Access to ICT Childcare/care provision Transport availability and cost Health services Community resources Housing services	Access to ICT Childcare/care provision Transport availability and cost Health services Community resources Housing services	Access to ICT Childcare/care provision Transport availability and cost Health services Community resources Housing services

Key: 1: Pre-employment – moving towards being work-ready; 2: Job ready and moving into work; 3: Most likely is with same employer, but need not necessarily be so; 4: Internal labour market (ILM) and external labour market (ELM).

Notes:

FOCUS – The focus of the diagram is on approaches. The hierarchy is: Thematic (broad area) → Approach (category of type/aims) → Intervention/ groups of interventions.

SUPPORT SERVICES/ENABLERS – the same enablers are identified in each column, but some of these enablers are likely to be particularly pertinent on the left of the diagram, and less important towards the right hand side.

FUNDING – from public to private the emphasis shifts from left to right of diagram (i.e. publicly funded support predominates at pre-employment and employment-entry training stages and then declines to be very limited around in-work progression).

QUANTITY AND QUALITY OF EVIDENCE – generally diminishes (from left to right).

LOCAL ECONOMY – the framework sits within the context of the local economy. Some local economies offer more favourable conditions for linking people in poverty to employment and better jobs than others.

Figure 3: Framework elements

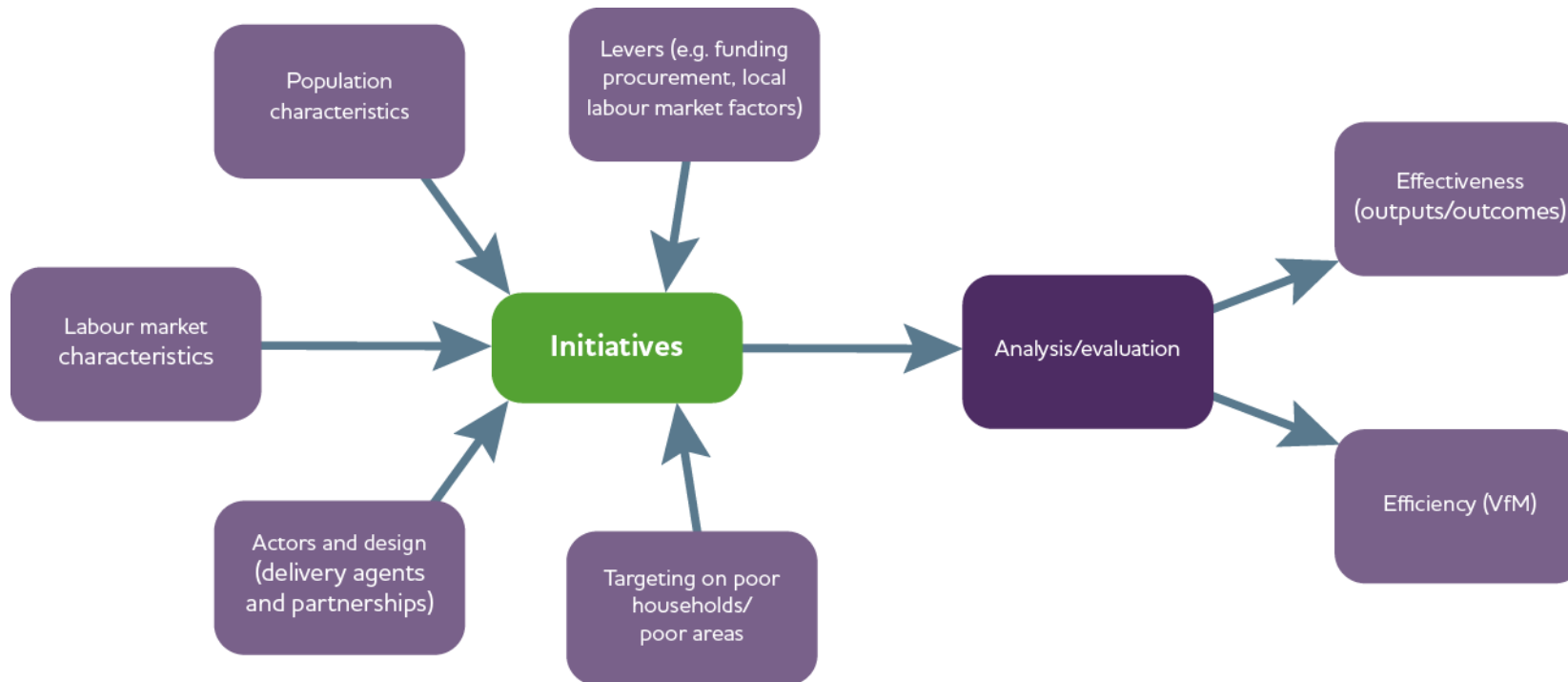
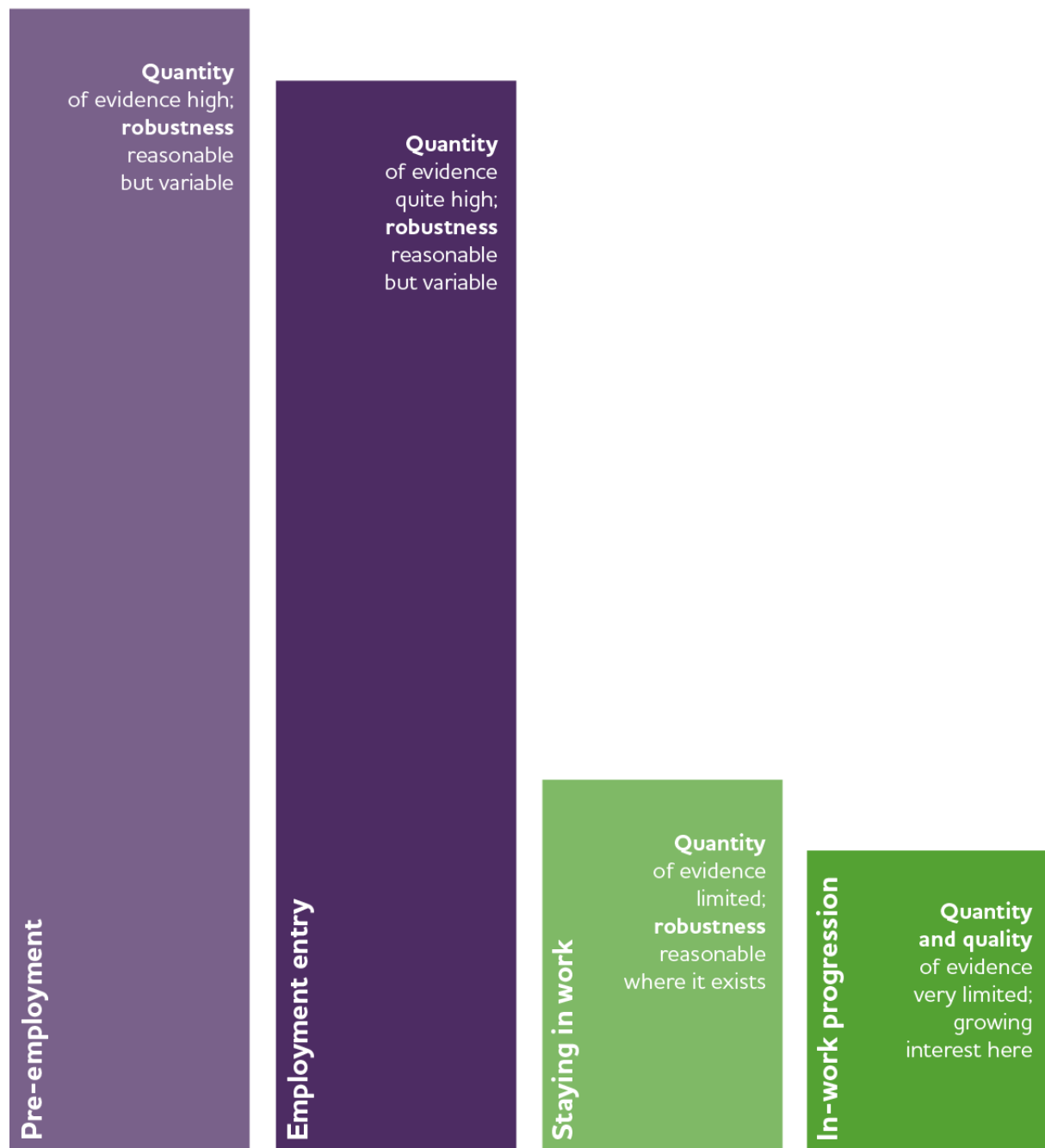


Figure 4: Overview of the quantity and quality of evidence



Note: This figure provides a schematic overview of the relative quantity of evidence at different stages and comments on its robustness.

3 Pre-employment

Introduction

The pre-employment stage refers to the period where individuals work towards becoming job ready. This may involve local outreach and engagement activities in the first instance, together with a needs assessment, and usually involves training and skills development, combined with information, advice and guidance and other support services. Employer engagement can be important at this stage as it helps to align the skills and knowledge of individuals to labour market needs. Policies taking a household approach to addressing poverty and worklessness are also relevant here (see Thematic Case Study 1 in Appendix 1 for insights from evidence on household approaches).

Developing basic skills is likely to be an important element for those with some way to go before they are ready to enter employment. Governments typically provide financial support for these types of programmes (which can also be within compulsory education) and employer engagement is seen as valuable (although it may not be present). More specialised skills can also be developed at this stage through vocational education programmes. Both basic and more specialised skills are meant to help participants enter the labour market, if not immediately, then in the short- to medium-term future. Information, advice and guidance services, whether in school or as part of other interventions such as those supporting the long-term unemployed, can help individuals access resources to further develop their skills and they also provide support in relation to navigating the labour market. Transitional jobs programmes (including for specific groups who face particular challenges in accessing employment (e.g. ex-offenders) and intermediate labour markets can also operate at pre-employment and employment entry stages.

Training and skills development was the most frequently covered topic in the evidence reviewed in relation to the pre-employment stage, but other issues are relevant and therefore also discussed alongside this broad topic. In general, the quality of the evidence is variable and not always robust.

Information, advice and guidance

Support in the form of information, advice and guidance provides useful assistance to individuals who are not yet employment ready. It also includes information on eligibility for benefits (both out-of-work and in-work benefits) – since benefit take-up can help individuals/ households to move out of poverty. This includes career guidance for young people in schools but other approaches are also supportive at this stage. In relation to the former, career guidance in schools has a role in helping young people make education and training choices that can have a positive impact on their future occupation. Since September 2012, schools in England are ‘legally responsible for securing access to independent and impartial careers guidance for all pupils in years 9–11’ (DfE, 2012) (see Thematic Case Study 3 in Appendix 2). In addition to this, there are resources for helping young people access information about and get into apprenticeships. The National Apprenticeship Service makes available resources to support teachers, careers advisers or anyone in the role of offering information, advice and guidance to young people considering doing an apprenticeship.

For individuals outside the school system who feel they cannot navigate the traditional recruitment process (due to lack of experience or other circumstances such as being long-term unemployed) information, advice and guidance can provide useful support. Some evidence of this is provided by a pilot scheme in a department responsible for social care of an unidentified city council in northern England which aimed to support long-term unemployed individuals. The ‘Learning to be job ready’ (L2BJR) scheme aimed to provide six months’ quality training and work experience to equip participants with the skills, knowledge and confidence to improve their chance of becoming employed at the end of the period. Sixteen participants were chosen from a list of 70 applicants. Selected candidates were seen as unlikely to apply for jobs given their lack of confidence in navigating the (public sector) labour market and therefore the role of the project can be seen as that of providing guidance. At the end of the project, half

of the participants successfully applied for and got jobs with the council department; all except one of the others joined the registry for temporary workers to cover care roles across the council. Although relevant, it is noted that the results of this small pilot project were reported as a case study and no comparator group was used. However, this example highlights the relevance of support in the form of information, advice and guidance at the pre-employment stage.

Other sources highlight the barriers preventing the long-term unemployed from securing employment in improving/buoyant labour markets, which also include lack of access to job market information and the fact that employer recruitment channels often do not come to their attention (Campbell *et al.*, 1998). Addressing this particular barrier requires a strong commitment and understanding of the needs and situation of long-term unemployed individuals. Information, advice and guidance can then be provided as a source of support leading to employment entry at a later stage.

Human resources (HR) professionals have a role to play here. One example of how this can be done is the Steps Ahead Mentoring Scheme, run by the Chartered Institute of Personnel Development (CIPD) with support from NESTA and the Cabinet Office via the Centre for Social Action Innovation Fund. Jobcentre Plus advisers can refer young people aged 18–24 who are struggling to get jobs to a CIPD mentor who will spend one hour per week with them over a six-week period in a one-to-one mentoring session to try and help build their confidence and help them find work. At the time of writing, 73 per cent of those who had completed the programme go on to find work or work experience.⁴

Training and skills development

Training and development interventions are relevant at the pre-employment stage. Government training programmes and vocational education implemented locally (including employer-focused training) can have an impact on individual future employment outcomes and prospects by providing the skills and experience needed to access and perform a job. This section reviews some initiatives.

An example of a programme addressing basic skills is the Washington State's Integrated Basic Education and Skills Training Programme (I-BEST) in the US. I-BEST is a programme of occupational courses which include basis skills content, with students receiving college-level credits for their 'occupational coursework'. The goal is to improve progression into and through a 'high demand field' of employment including health services, computer technology, and automotive technology. I-BEST was established by Washington State Board for Community and Technical Colleges (SBCTC). It provides additional support for students and is supposed to be part of a career pathway, i.e. qualifications are linked to where progression opportunities are likely to be in occupations where there is demand.

Ziedenberg *et al.* (2010) assessed the outcomes for students enrolled in I-BEST in 2006–7 and 2007–8 using multiple methods used to provide robust findings (OLS and logistic regression, propensity score matching and difference-in-differences). Their comparison group for regressions consisted of individuals who took an occupational course (non I-BEST) during the study period (i.e. a group with similar motivations for skill acquisition). Their dataset covered all basic skills students (collected by SBCTC) and included a total of 89,062 cases; excluding those with previous college education, the sample was 77,147 and of these 1,390 with I-BEST students.

The study indicated a positive impact on all education measures (except rate of drop-out). I-BEST students were 7.5 percentage points more likely to earn a certificate within three years and around 10 percentage points more likely to earn some college credits (relative to basic skills in non I-BEST colleges). However, the differences on employment variables were not significant. The authors suggest this may reflect the impact of economic recession on employment probabilities more widely. Thus the study does not provide evidence to link improved basic skills to better labour market outcomes although it does show that the programme had a positive impact.

Concerning other related projects, there is evidence indicating that government-organised training for the unemployed can have a positive employment effect. Fitzenberger *et al.* (2008) evaluated three specific types of further vocational education programmes in Germany which were considered most

suitable for the unemployed and did not involve on-the-job training. The authors evaluated the effect of training on employment chances of unemployed individuals using data from individuals who became unemployed in the years 1986/87 and 1993/94 in (the former) West Germany. Individuals considered for the study were those whose data showed participation in one of three German further vocational training programmes before entering employment from a period of unemployment, and who were aged 25 to 55.

The programmes evaluated were:

- *Practice firms (PF)*: These programmes involved simulated firms that allowed participants to perform everyday working activities. Successful completion did not lead to a certification. The median duration was 5–6 months.
- *Provision of specific professional skills and techniques (SPST)*: These programmes involved classroom training and/or practical work experience to prepare individuals for a job. Successful completion of the programme led to a certificate recognising skills acquired. The median duration was 4–6 months.
- *Retraining (RT)*: These programmes involved the provision of 'new and comprehensive vocational training according to the regulation of the German apprenticeship system' (Fitzenberger *et al.*, 2008, pp. 329). This route led to widely accepted certificates in occupations with high demand in the labour market. The median duration was 12–16 months.

The evaluation showed that for a short period after starting on a programme there was a negative lock-in effect (i.e. because participants were training they were not moving into employment); however, in the medium- and long-term the effect on the employment rate was significantly positive. They also found that SPST and PF outperformed RT (in comparisons of the three treatments) and based on this proposed that the best initiatives are not necessarily those focusing on offering more formal qualifications. Overall, SPST (by far the largest programme) showed the best results, consistently during the two periods.

Based on the results, the authors suggest that their evidence is in contrasts with studies that advocate 'a strong on-the-job component for public sector sponsored training to show positive employment effects'. (Fitzenberger *et al.*, 2008, pp. 345); for instance, the What Works Centre for Local Economic Growth (2014) highlighted in a review of employment training that on-the-job training mirroring actual jobs outperformed classroom-based learning. Previous evidence from Fitzenberger *et al.* (2007) focusing on the German SPST programme, also provides a more positive picture of the effects of government sponsored training compared with other studies using survey data.

The studies above provide robust evidence of the impact of training interventions. From the evaluations, however, it is difficult to extract a clear idea of how the programmes work or details in relation to their planning and implementation. Further information about the initiatives in question would need to be made available to find out whether and how they could be replicated in a UK context.

Training and skills development at the pre-employment level often have a particular focus on *young people*. Besides training and skills development which can take place within formal schooling, there are initiatives aimed at supporting young people at risk of underachieving or becoming early school leavers. These initiatives aim to provide alternative services to encourage these young people to acquire the skills and qualifications required to improve their chances of entering the labour market at a later stage. There is increasing policy emphasis on such early intervention. Some relevant initiatives in this respect are discussed in this section.

To support young people at risk of exclusion, initiatives adopt a holistic approach which allows them to offer integrated services. A project providing such support is the Building the Future Together (BTFT) project in Wales (Hartwell and Allies, 2013). This £15 million project was partly funded by the European Social Fund (Priority 1) and delivered by the Rhondda Cynon Taff (RCT) Council in partnership with Coleg Morgannwg. The project was launched in 2009 to improve the education, employment and life outcomes of young people aged 11–19 and at risk of underachieving. The programme's central management team was seen as successful in co-ordinating recruits and the support they received from a range of actors including youth coaches, keyworkers and other providers. An evaluation of this project indicated that the

project overachieved in four out of its five performance indicators: number of participants recruited; number of participants gaining qualifications; number of participants entering further learning and number of participants entering employment. There was a reported positive impact on soft skills and confidence, and families and teaching staff reported having benefitted from a family member or student taking part in the programme. The evaluation also showed a positive impact beyond its performance indicators and participating students.

Other initiatives relating to supporting young people at risk of exclusion are the career academies (Kemple, 2008) which have been operating for more than 30 years in the US, largely in urban areas. These initiatives seek to keep students in high school and encourage successful transitions to post-secondary education or employment. Career academies typically cover 150–200 students in grades 9 and 10 through to 12. Key features of career academies include: their curriculum is organised around a career theme; they combine academic and technical learning; learning takes place in small learning communities; and work-based learning opportunities are provided through partnerships with local employers.

Using a randomised control trial (RCT), Kemple (2008) provides evidence of the outcomes of career academies over a period of eight years following young people's scheduled graduation date from high school. Given that applicants to the programme outstrip supply, it was possible to use a random assignment to treatment and control groups. The evaluation was based on nine sites, in or near a large urban school district (with higher rates of Hispanic and African-American students, higher drop-out, higher local unemployment and higher proportion of low-income families than national averages). The evaluation showed a strong positive impact on earnings for the treatment group (11 per cent or US\$2,088 more per year compared to the non-academy group). However, there was little impact on educational outcomes.

Another prevailing approach to linking young people at risk of exclusion to the labour market, be it in the short-, medium- or longer term, is the development of sports programmes. Spaaj *et al.* (2013) describe two initiatives using sports-based programmes as a way to address worklessness and social exclusion among young people: one in Rotterdam (the Sport Steward Programme – SSP) and one in Stoke-on-Trent (the NEET (not in employment education or training) Stoke Challenge – NSC). Both programmes combine educational work with sports activities to help workless youth develop new skills and improve their employability and were based on a partnership approach.

SSP was initially funded through the European Regional Development Fund and the colleges, and then by the Department of Social Affairs of the Municipality of Rotterdam. It is a four-month programme aimed at creating an educational platform where workless youth obtain knowledge of and experience within the profession of sport steward, as well as more general communication, computer and job search skills. NSC is funded by contributions from partner agencies and the Football Foundation. It delivers sports-based activities and personal development education workshops over two days a week for 10 weeks to participants aged between 16 and 24. The education sessions focus on CV writing, team work, problem-based learning, interview techniques and developing social skills. The programme also seeks to equip participants with a range of predominantly sports-based qualifications including coaching awards.

No information is presented on outcomes for participants but it is claimed that: 'the use of sports activities in helping workless young people to improve their skills can enable them to compete for jobs more effectively' (Spaaj *et al.*, 2013, pp. 1616). The report suggests how sport can be integrated in more general training/employability programmes while also providing sports-based qualifications for participants. It shows the value of sport as a medium for engaging some young people. It also suggests that an individualistic focus is insufficient for improving employability and highlights underlying nature of demand as crucial in the success of employability programmes. This highlights the importance of the local economic context. Other studies, however, are more sceptical of the evidence to support this. Skinner *et al.* (2008) indicate that there is little direct evidence that sport contributes to social capital via enabling social inclusion or community development, but agree that sport is an 'excellent hook' to engage people experiencing disadvantage, providing a supportive environment to help individuals' social development and learning and connecting them to other programmes. The authors argue that the evidence is mainly anecdotal but that new tools are trying to capture evidence/data (pp. 270–271).

A common concern of employers about young people more generally is the lack of work readiness of young people. In Scotland this is being addressed through the employer-led development of a Certificate of Work Readiness,⁵ providing 190 hours of work experience for a young person. This initiative allows employers to see young people in a work setting (and so might act as a '190 hour interview' for a young person), while providing the young person with workplace experience and an employer reference which is likely to be helpful in future job search.

Employer engagement

Employer engagement involves a commitment from employers to support local jobseekers to get jobs in existing and new businesses. This can take place at the pre-employment phase, for example when new businesses or developments are being planned. Among other benefits, employer engagement serves to highlight the training and skills development and support services that will be needed so that individuals in the local area can access the new jobs. It can also help influence change in employer recruitment practice to open up more opportunities to disadvantaged groups.

McKinstry (2003) provides an example of how the £12 million Days Inn Hotel development in Sandy Row (a deprived area in south Belfast, Northern Ireland) liaised with the local community forum to enhance the employment prospects of local jobseekers. The general approach was to establish a local employability working group which would ideally act as a single contact point with the employer. Activities at the pre-employment phase included joint scheduling of potential recruitment exercises; developing capacity-building programmes; encouraging employers to review recruitment requirements and methods; and inviting employers to visit local communities to promote job opportunities. The collaboration between the Sandy Row Community Forum and the Days Inn Hotel led to more than 200 requests of information from residents in the community and to considerable uptake of programmes aimed at helping jobseekers prepare for interviews and employment. A total of 21 members of the Sandy Row community found work with the hotel and of these 13 were still in post five months later.

In a separate report, McKinstry (2004) presents evidence of another related intervention. The Belfast Gasworks Employment Matching Services (GEMS) was a pilot initiative launched in 2002 aimed at helping local jobseekers access around 12,000 new jobs created as a result of regeneration work in the Gasworks/Laganside area. This initiative had as its mission to provide career mentoring, training and support services for unemployed people from areas of social need in south and east Belfast. Employer engagement was an important element at the pre-employment phase and involved creating links between businesses locating in the site and the local community (this initiative is also discussed in Chapter 5).

According to McGregor *et al.* (1999), area regeneration initiatives provide a suitable context for working with employers to maximise local job gains from local schemes. In Glasgow, for example, Drumchapel Opportunities worked with businesses in the new Great Western Retail & Leisure Park maximising employment of locals (around a third of the vacancies were filled locally). This initiative illustrates how local regeneration partnerships can facilitate more effective employer involvement by reducing the number of organisations involved, simplifying the process of approaching employers for help, building up the capacity of smaller businesses to participate, and facilitating staff exchanges between initiatives and employers. As this and other initiatives (McKinstry, 2003; 2004) suggest, engagement with employers needs to begin from the pre-employment phase so that job opportunities can be matched with local residents more effectively.

At the pre-employment stage employer engagement can also give access to useful information regarding the support that needs to be provided to improve employment opportunities (e.g. for local residents). This support may take the form of information, training and skills development, or support services.

Finance

Provision of 'better off calculations' to people on out-of-work benefits has been a component of various programmes. The idea is to show the financial position of an individual in work rather than on benefit.

There is a lack of robust evidence on the value of providing such calculations, separately from the impact of broader policy initiatives. Nevertheless, one of the motivations for training and skills development at the pre-employment stage is clearly the prospect of financial gains.

Sanctions – which are set out according to national criteria but which are implemented locally – can also provide financial incentives to move into work. National level reform of out-of-work benefit systems in the UK (and elsewhere) has sought to promote employment through work-related conditionality, backed by financial sanctions (with Universal Credit conditionality will be extended to claimants in work). In a review of the impact of sanctions linked to employment-related conditionality, Griggs and Evans (2010) conclude that in the short-term sanctions in unemployment benefit systems raise unemployment benefit exits and job entry, but generally have unfavourable effects on longer-term outcomes – as measured by employment-related indicators such as earnings over time and job quality, but also debt, hardship and physical and mental health (Finn *et al.*, 2008; Manchester CAB Services, 2013). Hence, despite short-term positive outcomes, the longer-term impact on poverty may be negative. Evidence also suggests that those who are most vulnerable to sanctions are also the most disadvantaged (Scottish Government, 2013). The evidence suggests that an improved sanctions regime needs to be focused on clear communication, and fairness and flexibility (Scottish Government, 2013).

Support services/enablers

Although there is a particular emphasis in some of the literature on the position of young people at the pre-employment stage (particularly apparent in the wake of high levels of youth unemployment in the Great Recession of 2008–09), the need for support services or enablers to help prepare individuals for accessing the labour market in the short- or medium-term future is much broader. Individuals from specific groups such as the homeless, the long-term unemployed, those with caring responsibilities or the low-skilled may benefit from specific local initiatives aimed at helping them develop skills, attitudes and resources needed to enter the labour market. As with other initiatives, such support needs to be integral and address the range of needs that individuals disengaged from the world of work may face.

The Transitional Spaces (TSP) project implemented in the UK provides an example of an intervention aimed at helping long-term unemployed homeless individuals prepare for employment (Centre for Economic & Social Inclusion, 2010). The project was created in 2006 and aimed to tackle the problem where hostels for the single homeless were increasingly becoming long-term housing providers rather than transitional spaces. TSP developed a coaching model aimed both at employment and housing solutions, with employment being tackled first. The logic was that hostel residents who were able to hold down a job would also be more acceptable tenants to private landlords. Further funding was also received to provide the same coaching intervention to hostel residents who were already in work, with the aim of supporting them to remain in work and to progress in their careers. This consisted of securing opportunities for progression at work, and accessing education and professional training to improve employability and managing disputes at work.

TSP was evaluated as being very successful in helping workless single homeless people start work. It compared very well with Jobcentre Plus programmes aimed at the general population of unemployed individuals, rather than with those programmes aimed at the most deprived. According to figures provided by the report, the job starts for homeless people typically run at a low level unless specialist support is offered; however, the job start rate for TSP of 28 per cent is four times the 7 per cent background job start rate and it is three times the 9 per cent job start rate (Centre for Economic & Social Inclusion, 2010).

Another example of a policy intervention starting with pre-employment support but extending to cover post employment support is the Employment Boot Camp, launched by Family Mosaic (a housing provider in London and the south east) and targeted at the medium- to long-term unemployed. The intensive pre-employment course is designed to challenge unemployed participants to rethink their lifestyle, identify and address personal barriers, change their attitude and feel positive about the future. The emphasis is on a personal approach that supports individual development. A pre-course interview is used to select individuals who demonstrate a commitment to change. Individual coaching is combined with group sessions, with the latter designed to facilitate peer-to-peer learning and prepare participants for

the working environment. Over a six-week period participants attend sessions focusing on interview and interpersonal skills, creating and maintaining self-confidence, fitness and health, nutrition and well-being and financial management. From April 2012 to June 2014 850 participants had entered employment. In the period from October 2012 to February 2014, the average salary of participants who got employment was £18,000, compared with the London living wage of £16,450.⁶

At the pre-employment stage, most support services focus on providing training and skills development opportunities. Still, as the examples above indicate, this can also be offered within a package which considers the wider needs of the long-term unemployed and of specific populations who might be further away from the labour market. Other types and sources of support can also be provided which might be more relevant at the employment entry stage or for individuals who are already in work. These are covered in chapters 4, 5 and 6.

Observations and overview

This chapter has reviewed initiatives relating to supporting individuals at the pre-employment stage. Training and skills development is particularly relevant at this phase but information, advice and guidance, employer engagement, finance, and support services/enablers have a role to play as well. Moreover, the evidence suggests it is important that these areas are integrated as much as possible to address not only the skills needs of individuals but also other needs or barriers that they may face.

Information, advice and guidance includes guidance and support provided at school to help young people make education/training and career choices that will have a positive impact on their future, but its relevance goes beyond this. This type of support is also needed by individuals who are detached from the labour market and who need to access training as well as other sources of help before they can be job ready. Understanding the needs of people in this situation is crucial for providing adequate support.

Training and skills development initiatives include government-sponsored training programmes, vocational education and training, and combinations of these. There are some examples of robust evaluations of training interventions at this stage which suggest that programmes addressing basic education needs can support progression to further levels of education. Another relevant finding is that government-sponsored training can have a positive effect even if it does not involve a strong job-related component. However, employment-related (notably sector-specific) pre-employment training simulating real workplaces is beneficial.

Initiatives aimed at supporting young people at risk of exclusion emphasise the need to adopt innovative approaches that take an all-inclusive approach, both in terms of the actors involved and the resources used. This is relevant not only to training and skills development initiatives but also to the range of support services that are offered for individuals who are not yet at the employment entry level, whether because of their age or because of their specific situation.

Initiatives discussed under employment engagement illustrate how a holistic and inclusive approach can have a positive impact on linking jobs to local people in deprived areas. The examples provided show how local community groups can work together with future or current local employers to improve the chances of local residents accessing jobs within their areas. Activities in this respect involve information, advice and guidance; training and skills development; actively encouraging and facilitating employer engagement; and establishing mechanisms for making continuous support services available.

Better-off calculations can provide information on likely financial benefits of work. Evidence suggests that sanctions may raise exits from benefits but tend not to have positive outcomes in terms of subsequent earnings and job quality.

4 Employment entry

Introduction

At the employment entry stage individuals may be assumed to be job ready (although some may be more confident/ have greater work experience to draw on than others) and are moving into work. This may be a stressful time for individuals as they seek to cope with changes to their daily routines and adapt to a new work environment, especially if they have not been in paid employment for some time.

Employment entry interventions may, and often do, form part of a broader 'pathway' of support for individuals who have been non-employed, rather than being the subject of discrete initiatives; indeed, how well (or otherwise) individuals cope with employment entry may, in part, be a function of the efficacy of interventions at the pre-employment stage. Likewise, the effectiveness of employment entry interventions in the longer term as part of a pathway towards in-work progression is likely to relate to how well labour supply and demand are aligned, how skills are obtained and recognised, how businesses are engaged, and access to and making use of a wide range of linked services to help individuals navigate and advance in the labour market (Garmise, 2009; OECD, 2014). Nevertheless, the focus here is on specific issues and interventions pertaining to employment entry, even though they may be part of a broader policy initiative or suite of programmes which together constitute an element in a broader economic development strategy rather than standalone interventions.

The literature search uncovered a relatively wide range of evidence on employment entry interventions, but the quality of the evidence was variable and robust studies are not available for many interventions. In particular many local level evaluations of employment programmes provide some evidence on gross impacts (for example job outcomes) but not on net impacts.

Information, advice and guidance

Various specific issues relating to information, advice and guidance (IAG) are of relevance to employment entry. These include provision of, and access to, labour market information (LMI) and careers intelligence, and information on job search, vacancies and recruitment channels, and matching of skills and attributes to particular jobs.

Individuals may access LMI and associated intelligence from a number of different sources, including social networks, intermediaries (such as career guidance services, personal advisers, public employment services) and, increasingly, internet-based services (see Thematic Case Study 3).

Historically, social networks have been a key source of information on employment opportunities and use of informal methods remains important for job search. Job search methods have traditionally been divided into formal and informal methods, with the former including the services of employment agencies or answering advertisements published in the print media or on the internet, and the latter including use of personal contacts (Green *et al.*, 2011). Given that there is no obligation for employers to advertise all vacancies openly and publicly there are longstanding concerns that unemployed jobseekers are disproportionately disadvantaged by the way in which information circulating through social networks is biased socio-economically and geographically towards network members with similar experiences (Granovetter, 1974; Niles and Hanson, 2003), so curtailing awareness of the full range of available opportunities. This concern is especially relevant in slack labour market conditions when employers might resort more to informal recruitment methods (Green *et al.*, 2013), especially for low-skilled jobs. The evidence on use of employment channels suggests that there is a role for initiatives to enhance awareness and knowledge of a range of different recruitment channels, and where to look for particular kinds of job roles.

Qualitative research on social networks in three case study areas in England (McCabe *et al.*, 2013) reveals that while there may be some advantages for supportive bonding networks around coping with the status

quo for individuals in poverty, moving out of poverty is likely to require more influential/mainstream bridging and linking networks. Afridi (2011, pp. 13) suggests that there is: *'...little evidence to suggest poverty can be solved by participation in social networks'*, as they currently exist. From a policy perspective this suggests a need for resources to be invested in support organisations to help develop bridging and linking networks, as one element of opening up opportunities for people in poverty.

In the case of large developments providing new jobs locally, specific organisations might be set up to provide support and job brokering and job matching services. For example, in the context of regeneration of the Gasworks/Laganside area of Belfast, in 2002 the Belfast Gasworks Employment Matching Service (GEMS) was a pilot initiative set up specifically to 'provide a high-quality, impartial, 1–1 information, advice and guidance service which enhances the employability and supports the career, education and personal development choices of long-term unemployed people' (McKinstry, 2004, pp. 15). By April 2004 348 jobseekers had been helped to find work and 347 had started training activities.

However, it is not always feasible to set up specific local organisations to provide IAG and associated services. Moreover, in England especially, there have been significant recent changes in the institutional structures for careers advice and guidance (see Thematic Case Study 3 in Appendix 1). Given the increasing emphasis on development and use of the internet in LMI and other information provision, job search, recruitment and screening, the need to promote digital fluency and awareness of LMI and careers intelligence sources is urgent; to move into employment (and to stay in work) individuals increasingly need to be able to 'self-serve'. With increased use of the internet (analyses of Labour Force Survey data reveal that four-fifths of all jobseekers – and higher proportions of young jobseekers and the most highly qualified – made use of the internet in 2009), so concerns have arisen about the 'digital divide' – i.e. the gap between those with access to the internet and information and communications technologies to look for job opportunities and to pursue them, and those with little or no access. The digital divide is itself dynamic and complex, encompassing digital divides shaped by exclusion (i.e. on the basis of socio-economic and educational inequalities) and those shaped by choice (i.e. those individuals that have access to the Internet but choose not to use it (Green *et al.*, 2012). Different interventions are required for the 'unaware', the 'unready', the 'uninterested' and the 'unable' (Adam *et al.*, 2011) to facilitate use of the internet for accessing LMI, for searching and applying for jobs, and for engaging with other services.

One example of the types of information service being developed is 'My World of Work' from Skills Development Scotland⁷, the national careers service website for Scotland offering online information and resources for individuals in Scotland looking for work and/or developing their careers. It includes applications for assessing individuals' strengths, writing CVs, advice on interview techniques and a job search facility. The National Careers Service website provides some similar information for England.⁸ Another example is the Liverpool City Region Labour Market Information Service⁹ set up by the Employment and Skills Board and funded by the Skills Funding Agency's City Skills Fund. It combines research, data and analysis with sector based consultations with local businesses and skills providers to help articulate the needs of the demand-side of the economy to help inform education and training providers. While statistics may be collected on use of such services, it is difficult to make a direct attribution of getting a job employment to their use.

While use of the services outlined above is discretionary, active labour market programmes (ALMPs) usually involve one or more supply-side measures – often including job search and training and/or work placements, sometimes alongside benefits sanctions for non-compliance. Yet evidence from ALMPs highlights that irrespective of support services the local labour demand context plays an important role in determining programme success (McVicar and Podivinsky, 2010). In relation to policy, this suggests that ALMPs may need to be coupled with additional demand-side measures in areas of high unemployment.

The types of jobs available locally for participants in ALMPs to move into have implications for the length of time they can stay in work and for prospects for in-work progression. For example, a study by Evans (2007) of Ontario Works, one of the most developed workfare systems in Canada which required lone mothers with young children to participate in work-related activities as a condition of eligibility for social assistance, found that the jobs typically taken by the lone mothers were associated with low pay and high turnover.

An important related issue here in relation to prospects for employment entry is the geographical extent of job search areas. Empirical evidence suggests that some individuals have localised outlooks and confine themselves to a smaller set of local job opportunities than are available to them (Green and White, 2007; White and Green, 2011). This suggests that information and advice on broadening spatial horizons might help facilitate employment entry.

Training and skills development

Training and skills development is a key feature of pre-employment interventions and can have implications for employment entry. Qualitative evidence from the Skills Conditionality Pilot which mandated training to randomly assigned out-of-work benefit claimants in a subset of Jobcentre Plus districts in England found that mandated training was broadly effective, but that for some individuals the requirement to train disrupted, and left less time for, their own jobseeking strategies, suggesting (but not proving) that they moved into employment more slowly (Rolfe, 2012). The pilot also raised concerns about poor quality training, a lack of preferred training, not getting opportunities for occupational skills development and instead receiving repeated employability training. This highlights important issues regarding *content and quality of training*.

Case study evidence suggests that intermediate labour market initiatives, providing training alongside work experience at the pre-employment stage, can be useful in facilitating successful entry to employment. Intelligence from expert interviews underlines that employer engagement and understanding employers' needs is central to the success of such initiatives. An evaluation of a series of not-for-profit businesses that delivered programmes of employment training to long-term unemployed people via physical improvements to housing and the environment in disadvantaged areas showed that the model of a one-year training programme for trainee workers (involving an eight-week induction followed by a 44-week contract paid at the going rate while receiving on-site and off-site training experience) was relatively successful in generating employment entries relative to a comparable government Training for Work scheme; 67 per cent of participants found a job at some time after leaving and 46 per cent were in a job six months after leaving (McGregor *et al.*, 1999). This suggests that *training in work* is important.

With some similar characteristics, evidence from an initiative in Victoria (Australia) which makes use of commercial cleaning contracts for combining targeted local training and paid work experience for jobseekers, also highlights the importance of training in a work context (Ziguras and Kleidon, 2005). In this instance the Adult Multicultural Education Service and the Brotherhood of St Laurence developed a joint cleaning enterprise in 2003 undertaking commercial cleaning contracts. Most participants were very long-term unemployed and were given a 12-month employment contract as trainees, working up to 15 hours per week. The employment contract provided for on-the-job training and completion of a nationally recognised qualification (in cleaning), with a social support officer in a case management role. The 12-month contract was divided into two phases, with the emphasis in the first six months being on developing general and specific work skills and support to stay in work, while in the second six months the emphasis was on support in moving to another job. The evaluation was very small-scale but suggested positive results around job entry. Although cleaning roles tend to be low paid, they are relatively ubiquitous entry-level roles, and the model of providing employment training and social support is transferable to other sectors and local areas.

Reinforcing the theme of the value of workplace-based training and experience in successful employment entry evidence from Australia (Polidano and Tabasso, 2013) and from the OECD more generally suggests that vocational education and training (VET) courses with a short-term structured workplace learning component are associated with better employment transitions from education to work than those without. Polidano and Tabasso's (2013) analysis suggests that taking a classroom-based VET course with workplace learning is associated with individuals earning an extra \$AU 25–33 per week, so reducing the risk of poverty. At city level this suggests that there is a need for local employers to provide opportunities for short-term workplace learning. While there may be some advantages for employers in such provision there are also costs; hence there may be a need for financial inducements (or other incentives) to engage employers.

The use of public funding, alignment with national policies (such as the promotion of apprenticeships in the UK), and a commitment to achieve social as well as economic objectives, appears to be important for implementing successful training initiatives. *Apprenticeships* are about 'earning and learning' and given the priority afforded to them in current policy they are worthy of further attention here (see also Thematic Case Study 5 in Appendix 1).¹⁰ Typically associated with young people, apprenticeships cover other age groups also; (the Richard Review of Apprenticeships (2012) has recommended that apprenticeships should be targeted at people new to a job (most likely young people) requiring substantial training). An apprenticeship can take between one and four years to complete, depending on the industry. A key benefit of doing an apprenticeship is learning on the job and gaining qualifications which will improve the person's employment prospects.

Apprenticeships are national schemes which can be adapted to integrate the efforts of local actors and institutions (such as employers, employment support services, colleges, and other training providers); indeed, to be successful it is necessary to establish strong partnerships and to ensure a strong commitment from employers. Fuller and Rizvi (2012) describe an apprenticeship scheme developed by the Southampton Skills Development Zone (SSDZ) which aimed to address local skills and employment needs. This was an innovative attempt by four public sector employers to work with partners to create new training and employment opportunities for local unemployed 18 to 25-year-olds. The apprenticeship process was conceived as a partnership activity involving Jobcentre Plus (JCP), employers, a training provider and a college. Participants were selected by JCP advisors and were provided with the opportunity to access pre-employment training, taster days with employers, careers events, and support throughout the recruitment process. The authors conducted an evaluation of the scheme and reported that apprentices were very positive. The participants had all been unemployed for at least six months and were very keen to get jobs with training and qualifications attached to them. The apprentices perceived that their CVs had been significantly improved by the scheme, and that it would improve their chances in the labour market. They felt that they had gained self-confidence and self-esteem and had improved their inter-personal skills. A total of 47 apprentices started the apprenticeship scheme. Overall, 34 gained employment, mostly with their apprenticeship employer, and 36 successfully completed their apprenticeship framework. There was no comparator group against which to assess these outcomes and the scale of this example can only suggest the positive impact of locally designed apprenticeship schemes. Importantly, however, it highlights the relevance of partners working together to support apprentices.

There are examples of apprenticeships schemes from other countries that provide evidence of the strengths and weaknesses of such a training system. An example from Ireland (O'Connor, 2006) suggests that a strong partnership between the different actors involved (trade unions, business representatives, the Irish Construction Industry Federation and Irish government departments) can have positive effects on outcomes such as completion rates. This example, providing moderately strong evidence, also highlights the importance of implementing robust methods for measuring training quality. From a Dutch perspective, Onstenk and Blokhuis (2007) suggest that apprenticeship schemes should develop connective relationships between workplace learning and learning in schools. They also suggest that quality criteria for work-based learning places should measure the extent to which they are enriching and how successfully they integrate learning. This points to the importance of creating networks involving different actors and institutions and of implementing evaluation measures.

Evidence from the large-scale UK Employer Skills Survey 2013 shows that most employers (66 per cent of those surveyed) provided training over the previous year (Winterbotham *et al.*, 2014). However, there are variations by establishment size (with larger establishments being more likely to provide training), by sector and by occupation. The evidence suggests that job-specific, health and safety and induction training is relatively widespread, but by no means universal. It is likely that such training relates to undertaking a job role satisfactorily, rather than being associated with workforce development more generally that may be linked with moves (further) out of poverty. Survey evidence also suggests that legislative and regulatory requirements are one key driver of further training once in employment.

Education and job training for low earners is likely to be most successful when providing workers with certification that employers value (and when training matches private sector demand) (Holzer and Martinson, 2005). This suggests that initiatives to promote sector-based training and/or occupational certification are likely to have an important role to play. Similarly, a review of local and state level

employment and workforce development initiatives in the USA, examination of career pathway models (articulating knowledge, skills, and competencies which connect education with work in an occupation) and cluster skill development models (where groups of companies, along with education providers including universities have evolved into an ecosystem of interdependence in a region), highlighted many similar features (Hamilton, 2012). These included meaningful employer engagement, flexible programme design and provision of 'wraparound services' such as care and transport. However, the importance of balancing individual and employer needs is also emphasised, since employers tend to have a relatively narrow view of the skills individuals require. There is a need to balance this narrow view with a broader long-term view of occupational options and to focus also on transferable skills.

Employer engagement

The evidence presented on training and skills development highlights the important role of employer engagement in facilitating employment entry (including to better quality jobs). Reviewing the development of career pathway initiatives across several US states, Perry Stephens (2009) suggests that employer engagement is fundamental, although it may range from formal to casual or opportunistic in nature.

A key issue at local level is which players are best placed to work on the employer engagement agenda (whether at pre-employment, employment entry, in-work support or at in-work progression stages). In the USA community colleges are key players in the training, skills, employer engagement and workforce development agendas. They are established players and are respected by employers, and often play a leading role in partnerships to engage city employers in a co-ordinated way, rather than being approached by a range of different suppliers of training and associated services (Fitzgerald, 2004). (While many further education colleges in the UK are active in this agenda, they tend not to be as respected and established in playing such a key role as community colleges in the US are). In a study focusing on 13 community colleges in North Carolina delivering a programme called BioWork (a 128-hour certificated course providing training for entry-level posts in pharmaceutical and bioprocessing manufacturing), Lowe *et al.* (2011) found a positive association between the strength of workforce intermediary activities and job offers. This highlights the importance of the brokerage role in engaging employers to negotiate local hiring and employee referral arrangements, identifying their specific skills needs and building relationships between jobseekers and HR managers.

So at employment entry employer engagement is important when ringfencing jobs and/or stipulating guaranteed interviews for specific candidates. Procurement policies may play a role here. These topics are discussed in this section. As indicated below, identifying demands for labour and skills, and designing training packages accordingly, are also important topics for employer engagement.

Ringfencing of jobs for local people, as part of a broader training and support package (as discussed in Chapter 3), is one clear way of connecting people in poverty to jobs, and facilitating movement through pre-employment and employment entry stages of the pathway. Clearly, this is easier in circumstances of new local developments involving major employers creating relatively large numbers of new jobs. An example of such an initiative is the Alloa Initiative: a local, partnership-based employability training and job guarantee scheme developed in partnership with major retailer Tesco, in preparation for opening a new store (as part of Tesco's national Regeneration Partnership Programme) (McQuaid *et al.*, 2005). Key players were Tesco (as the employer), Jobcentre Plus, the local authority, the local enterprise company and a private sector organisation which co-ordinated the initiative's activities. Funding was from New Deal and Training for Work budgets. The Alloa Initiative involved an integrated package including an eight-week pre-employment Employability Training Course (ETC), which included development of skills relevant to retail, work placements at other stores, and childcare support and public transport subsidies to facilitate take-up. Importantly for employment entry there was a 'job guarantee': all of those who completed the initiative's eight week training programme were guaranteed jobs at the store, with positions, pay and working hours agreed between the company and trainees before the course started. The aim of providing a job guarantee was to offer an incentive to programme participants to attend and complete the training course. Also to aid access to jobs, standard selection procedures were changed, with supportive interviews and a flexible discussion-based approach rather than competency-based assessment. The new store created 278 jobs, of which 184 were filled by local residents, of whom 109

were disadvantaged jobseekers who had taken part in the initiative). 13 weeks after taking up their positions at the store, 102 of the 109 trainees remained in post: a retention rate of 94 per cent, compared with only 78 per cent of those gaining work through the New Deal 25 Plus in Scotland; at 26 weeks the retention rate was 87 per cent.

The Alloa Initiative shows how it is possible to engage with employers, especially at new developments, to amend recruitment practices and secure access to jobs attached to employability training programmes. Another example of an initiative in the retail sector is the Work Highcross project in Leicester, involving the redevelopment and extension of a major shopping centre opening in 2008, resulting in over 2,000 (estimated) new jobs. Work Highcross (a partnership comprising the developer, the local authority, Jobcentre Plus and the Learning and Skills Council) sought to meet the recruitment and training needs of retail and hospitality sector employers and to provide the local community with access to new employment opportunities, by developing a 'retail routeway' from engagement to pre-employment support to provide job placement and further support (Green *et al.*, 2011). 22 per cent of individuals who completed the training moved into work at Highcross. A key selling point of the initiative to employers was 'brand fit' (i.e. that any candidates would fully understand the importance of the brand of their potential employer and have complementary personal attributes).

Large capital projects and regeneration initiatives in particular local areas are among the most obvious ways of engaging employers in initiatives to facilitate entry to employment for jobseekers through targeted employment and training opportunities, often in public contracts. Gateshead Council with partners Jobcentre Plus, Gateshead College and employers used targeted training and recruitment in association with major capital regeneration schemes, including jobs created from the development of Gateshead Quayside, to foster socio-economic inclusion for local low-waged and unemployed people from the most deprived areas. Employers were provided with a tailor-made recruitment and training programme, which met their employment needs and had wider social and community benefits. The Quays to Employment programme consisted of intensive employability and motivational training combined with a guaranteed job interview on successful completion of a specifically tailored package to meet the employer's needs. From this programme 69 local residents were moved into jobs and 160 local residents gained accredited qualifications. Because the programme was targeted at the hard-to-reach there was a need for dedicated workers to hand-hold clients throughout the programme (Jobling, 2007). A review of Quays to Employment and other related initiatives suggests that what was attractive for employers was the 'end-to-end' approach of a total recruitment package – from advertising, sifting applications, pre-employment training, arranging interviews, customised training and in-work mentoring of clients. For the clients the programme was less threatening than a normal recruitment process.

Similarly, an end-to-end approach was applied in Northern Ireland starting in 2003 when a new local employer (the Days Hotel, Belfast) worked with the local Sandy Row Community Forum, the South Belfast Partnership Board, the Belfast Gasworks Employment Matching Service (GEMS) and the South Belfast Employment Office of the Department for Employment and Learning to enhance access to new jobs for local jobseekers (McKinstry, 2003) (as outlined in Chapter 3). At the recruitment phase community visits and open days were held at which information and advice was given on shift patterns, wages, tax credits and personal/community development. For those individuals who were recruited further specific advice was provided alongside capacity-building courses involving work-based skills and confidence building, to help with retention and promotion.

As mentioned above, in Southampton the Southampton Skills Development Zone (SSDZ), comprising local employers, Jobcentre Plus and education and training providers who came together to address local skills and employment needs, implemented an apprenticeship scheme for local unemployed 18 to 25-year-olds. A qualitative evaluation (Fuller *et al.*, 2013) suggested that the willingness of the employers to recruit and employ 'non-standard' applicants into real jobs was crucial. Without this commitment, the young people would have been unlikely to be considered for posts by the line managers and HR staff and, therefore, would not have benefited from the experience of an apprenticeship.

In England there is established use of Planning Obligations and Agreements to make strong and formal links between new developments and the provision of employment opportunities for local residents. Macfarlane with Community Consultants (2000) cites the example of the London Borough of Greenwich

systematically using Planning Obligations and Agreements in this way. This study notes that by 1999, 17 key agreements had been negotiated, bringing in £1.7 million of funds for training and recruitment activity, which in turn was used to attract further funding. At this time 2,100 local people and 200 local businesses had obtained training, and 1,500 local people and 118 local businesses had obtained jobs/contracts. Research by Shared Intelligence (2011) suggests that Greenwich Local Labour and Business (GLLaB) is seen by construction employers as having a strong customer focus, working *with* contractors and actively managing supply chains. Willingness to come on site and meet businesses and referred clients is highlighted as a key feature of GLLaB's operation.

Case studies on maximising procurement and training through public procurement (Macfarlane, 2014) illustrate the scale of what can be achieved in large cities; (there may be smaller scale opportunities in other cities). For example, in Glasgow the Glasgow Housing Association has included recruitment and training targets in its construction tenders. Through 35 contracts, 1,158 apprentices and trainees have obtained nearly 60,000 weeks of employment (approximately 11 per cent of the total labour used), with residents of the city's most deprived areas taking on 48 per cent of these opportunities. In the case of Birmingham, jobs and skills requirements were stipulated in the £193 million Library of Birmingham contract, resulting in 306 jobs for Birmingham residents, including 82 apprenticeships, priority area residents taking up 54 per cent of these opportunities. Birmingham City Council has gone on to implement a mandatory procurement policy for jobs and skills applying to all procurements above thresholds, with Birmingham Employment Access Team supporting the process, and all contractors having to work via this team, which communicates opportunities to Birmingham residents (including in target communities and areas).

Key features of such initiatives in relation to the recruitment process are first, that *recruitment and selection processes are made more transparent* to would-be jobseekers, and second, that *traditional recruitment and selection protocols may be revised* to make them more accessible to individuals and sub-groups who are disadvantaged in the labour market. This is necessary in many instances to counteract existing recruitment and selection practices. (See Thematic Case Study 2 in Appendix 1 for a review of employer behaviour in recruitment and selection.)

In terms of the process of hiring, the 'textbook model' of recruitment and selection indicates that organisations should first define the job to be filled, then attract applicants, then manage the application process and then make the appointment (Bryson *et al.*, 2012). The focus of research tends to be weighted to the methods and criteria used by employers in their decisions to hire. Recruitment methods can be formal (e.g. through advertising in job centres), or informal e.g. by word of mouth. Likewise selection procedures can be formal (e.g. with psychometric testing), or informal (e.g. by recommendation). The criteria for hire depend on the requirements of the job. In this textbook model the emphasis within recruitment and selection is on getting right the person – job fit. This model also states that decisions to hire any applicant should be based on meritocracy, objectivity and rigour, with a thorough search for the most qualified person regardless of background. Indeed, some large organisations use web-based recruitment methods and then evaluate applications and select candidates for interview using software programmes on the basis of key words and phrases that appear in applicants' written statements (Millar, 2012). Many other organisations, particularly small ones, lack these resources and expertise, and in practice may opt for the convenience of what works and, stereotyping applicants, hire workers who offer 'cultural fit' (with the organisational culture and brand/image (Warhurst *et al.*, 2015)), so reproducing 'more of the same' types of workers. This operates to disadvantage candidates with other characteristics/from other sub-groups. An emphasis on social and informal criteria in employers' selection behaviour may particularly disadvantage the long-term unemployed and those with limited work experience.

The robustness of the evidence on recruitment and selection tends not to be strong, but case study research with employers, young jobseekers, Jobcentre Plus advisers, careers advisers and training providers shows that there is a real mismatch between employers' expectations of young people (who often have limited work experience) and young people's understanding of what is expected of them (Rudiger, 2013). This highlights the importance of facilitating understanding of different perspectives and adapting practice to bridge the gap. There is a role here for local intermediaries and for organisations such as the Chartered Institute of Personnel and Development (CIPD) to enhance awareness and

promote adaptability in practices, so that more employers are willing to recruit 'non-standard' applicants into real jobs. This might involve adjusting recruitment and selection criteria – as in the case of Nestlé plc which has redesigned some jobs and recruited young people to them, and has moved from a competency-based approach in selection of young people to one in which they can demonstrate their potential in scenario-based situations (Rudiger, 2013).

Clearly, simple acceptance of employers' recruitment and selection practices uncritically filters out some potential recruits (Fletcher, 2004). Engaging with employers about recruitment and promotion practices was one element of the Fair Cities Pilots, an experimental programme which ran from 2004 to 2008 in Bradford, Birmingham and Brent, designed to help disadvantaged ethnic minority residents to gain steady work and new careers (Atkinson *et al.*, 2008). Typically, the Fair Cities Pilots' interventions focused on securing the commitment of specific large employers to consider pilot beneficiaries for employment in specific, relatively high-quality jobs, and then designing pre-employment training to match beneficiaries to the demands of the jobs in question, and to the requirements of the employer's selection practices and hiring criteria. These 'pipelines' were custom built to reflect specific job requirements. However, only 40 per cent of people completing the training were hired and the evaluation of the pilots concluded that the relatively small number and restricted type of employers which the pilots engaged, together with the relatively small number of vacancies they offered, and the relatively high cost and low pace with which pipelines were built to fill them, cast doubt on the potential of the approach to operate at a larger scale. There was a clear trade-off between the cost of training and the attractiveness of potential recruits: high hiring rates tended to be associated with longer pipelines, often with a higher vocational training element, which significantly increased the attractiveness of the beneficiaries to the employer, but also raised the cost of provision.

More recently there has been a general shift towards a greater *sectoral focus* in training and employment policies, with the employer as the primary customer, rather than the traditional dual role of employers and jobseekers as customers (see Schrock, 2013 in the case of the US). The development of sector and local skills strategies in the context of economic growth in Australia (see Martinez-Fernandez, 2009, in the case of Queensland) and the Employer Ownership of Skills (EOS) agenda in the UK (UK Commission for Employment and Skills, 2011), which emphasises the need to encourage the best employers to work with employees, trades unions, colleges and training providers to take full responsibility for workforce development in their industry and so drive up the quality and use of skills, may be seen as part of a similar trend (see Thematic Case Study 5 in Appendix1). In essence, EOS is about investment in individuals' skills development as a key component of business growth, in alignment with industry requirements and local economic need. Drawing on the experience of two sector workforce centres in Chicago – ManufacturingWorks (MW) and ServiceWorks (SW) – which sought to work only with employers who offered career opportunities to a 'self-sufficiency wage', Schrock (2013) suggests that the employer focus of the initiatives provided a clear incentive to cream the best jobseekers. MW and SW provided a range of services including consultancy, recruitment and skill gap analysis. While in the case of MW there was some success in using recruitment, assessment and workforce development systems to shape labour market dynamics, in practice SW activity was focused on bringing in low-skill workers to fill entry-level positions. This evidence suggests that there are likely to be some important sectoral variations in the way that sector-led workforce development schemes operate, with implications for whether, and how well, that can connect people in poverty to jobs which can lift them out of poverty and which provide opportunities for in-work progression.

Finance

The most direct financial incentives at the stage of employment entry include mechanisms for increasing earnings for new employees (typically through wage top-ups or living wages paid to the individual – which may be discretionary or mandatory) or through wage subsidies to employers. More indirectly, tax breaks applying in particular areas might stimulate employment more generally, and increased demand might lead to increased employment rates.

Over the last two decades in the UK *in-work support through tax credits* has become increasingly important relative to wages in overall income sources for families on low incomes (Hirsch and Valadez, 2014). The growth of in-work support for low-earning families was intended to help improve the stability

of their incomes, so making work worthwhile even on relatively low incomes. Conversely, the growth of zero-hours contracts¹¹ is associated with earnings insecurity and so instability in income (CIPD, 2013; Pennycook *et al.*, 2013).

An assessment of 42 welfare-to-work programmes running in the UK in 1997, which sought to establish which were most effective in terms of value for money, participation and how many participants found jobs concluded that the two most effective schemes provided financial incentives to the individual on job entry (Gardiner, 1997). The first of these schemes was Jobmatch – which provided a cash benefit for those taking part-time work. 28 per cent of participants found work that otherwise would not have done so and the resulting gross cost of getting an extra person into work was in the range £3,000 to £6,000 per year. The second scheme was Jobfinder's Grant – which involved payment of a cash lump sum to long-term unemployed people taking employment. The additional impact for this scheme was 8 per cent, and fell within the lowest gross unit cost bracket identified in the review. However, scheme participants who were in poverty before take-up would not necessarily have moved out of poverty when in work. An alternative approach to wage top-ups through tax credits and/or payments on employment entry is payment of *living wages* to raise the wage floor above the national minimum. There is a lack of robust evidence specifically on how the existence of a living wage influences employment entry, although evidence from Los Angeles indicates that it is starting wages for the lowest wage occupations that increase most quickly at living wage firms (Fairris, 2005). However, from Los Angeles there is also evidence that following the introduction of the living wage there was a change in employers' hiring patterns; with labour–labour substitution arising as workers with somewhat different characteristics and greater productivity were employed (Fairris and Fernandez Bujanda, 2008). A review of evidence from cities in the USA, where typically living wages may be invoked as a requirement of contracts with, or business assistance from, the city in question, suggests that living wages tend to result in reduced employment among the least skilled workers, while raising wages for those who remain in employment, with the net effect being a modest reduction in urban poverty (Neumark *et al.*, 2012).

Rather than provide financial incentives to individuals, another potential means of connecting individuals to jobs is to provide *subsidies to employers*. The rationale underlying wage subsidies to employers is that they help to mitigate employers' risk in taking on people who would not normally have been shortlisted for posts, generally owing to their lack of relevant experience.

A review undertaken in the late 1990s in the UK registered concern about low levels of employer take-up of wage subsidy schemes designed to encourage hiring of long-term unemployed people (Gardiner, 1997). The author also cites evidence from Australia suggesting that employers do not react to incentives as positively as unemployed individuals do. However, evidence from the Future Jobs Fund (FJF), introduced in Great Britain in 2009 by the Department of Work and Pensions, through which national organisations and local and sector partnerships were invited to create subsidised additional jobs in areas with high levels of worklessness primarily for unemployed young people, provides a more positive picture; (it should be noted that most of the jobs created were in the public sector and the third sector, rather than the private sector). The basic components of the FJF were for a maximum of £6,500 government contribution (per job), a job of at least six months duration which was 'additional' (i.e. it would not have existed in the absence of FJF), in which the individual worked at least 25 hours a week for payment of at least the minimum wage. FJF had placed 105,211 people in temporary employment by March 2011 (when the scheme ended). It has been estimated that FJF had a net cost to the Exchequer of approximately £3,100 per participant and created net benefits of approximately £4,000 for each participant, £6,850 per participant for employers, and approximately £7,750 per participant to society (DWP, 2012). Assuming impacts are sustained at the same level over time it was estimated that the intervention reduced the number of days participants spent receiving welfare support by 25 days and increased the number of days participants spent in unsubsidised employment by 39 days. In an independent evaluation of FJF Fishwick *et al.* (2011) note that both participants and employers generally considered the six-month period of employment was long enough to raise employability and suggests that even a short period in a subsidised job can provide a gateway into the open labour market for many participants. Importantly, FJF was viewed as clearly distinct from work experience or unpaid placements: it did not have the stigma associated with 'being on a scheme' (i.e. it was a 'real job with real pay') which created positive attitudes towards the job and towards other employees.

For cities the experience of FJF suggests that there is scope for building on employer commitment to helping unemployed and young people and to work with employers and local partners to fund temporary waged job initiatives/ introduce wage subsidies to stimulate depressed labour markets and create growth (Fishwick, 2011). Some City Deals (agreements between government and a city that give the city extra powers) are working in this way to encourage recruitment of particular sub-groups/residents from specific areas, but (as yet) there is a relative lack of evaluation evidence on their success.

Support services/enablers

Support services have a role to play at all stages of the pathway from pre-employment to in-work progression. At employment entry their specific role is to *ease the immediate transition into paid work*. It is at this stage that operational flexibility in mainstream services (such as the Department for Work and Pensions Flexible Support Fund) and in local programmes can play an important role. This is illustrated by the example of the Beneficiary Support Fund (BSF) operated by the South West Wales Spatial Plan Economic Inactivity Partnership which was awarded £2,773, 965 from the Deprived Areas Fund (DAF) to be spent on projects 'to assist persons to select, train for, obtain and retain employment' between 1 April 2009 and 31 March 2011. The BSF enabled approved projects to apply for small amounts of discretionary funding to support individual beneficiaries back into work. The Swansea Bay DAF evaluation (Oldbell3, 2011) concluded that the BSF was based on a sound concept and made a material difference for many beneficiaries in being able to access work (or pre-employment activities relating to accessing work). Items funded included Construction Industry Training Board passports – enabling beneficiaries to work on building sites, work uniforms, forklift operating licences, safety certificates and food hygiene certificates. Feedback from projects suggested the BSF played a vital role in solving very practical issues that often made a material difference to a beneficiary's chances of securing a job.

Although support services and enablers operate across a range of policy domains, *transport-related interventions*, addressing issues of transport availability and cost, are especially important at the employment entry stage; (see Thematic Case Study 4 Appendix1, for more details on transport initiatives to link people to jobs). In relation to transport, much of the policy emphasis at city level has been on bus services, which are key for lower socio-economic groups (SEGs) (Mackie *et al.*, 2012). Bus use for the journey to work is highest for SEGs based in manual/other occupations, for part-time workers and for those living in deprived areas. 34 per cent of commuters with no car available use the bus as their usual means of travel to work.

Inadequate public transport is one reason why individuals may not take up employment. An internet survey of more than 2,000 bus users (500 in each of Brighton, Nottingham, the Medway Towns and West Yorkshire) revealed that 214 people (19 per cent) of workers in the sample had turned down a job due to the quality of the bus service at some point in time, and 91 (8 per cent) have turned down a job in the last year (Mackie *et al.*, 2012). Focusing on those who normally or reasonably often use the bus to commute to work, 11 per cent of them (66 from 584) had turned down an offer of employment in the last year (these differences were statistically significant at the 5 per cent level).

With regard to travel, *transport affordability* is the first priority for most people who are transitioning from welfare into work; lack of knowledge about the public transport system is a secondary concern and tends to be a revealed rather than stated problem. At local level Neighbourhood Travel Teams (NTTs), with a local knowledge of disadvantaged neighbourhoods and the location of jobs, can play an important role in helping address these problems through information provision on transport services, personal travel advice, personal journey plans (including how to get from A to B and when, where and how to access services), provision of free travel passes where necessary, travel buddying (the travel officer accompanies the client on their first journey to give them extra confidence and support), feedback to transport operators on transport gaps, service demands, etc. In Merseyside, NTTs were established in 2006 within each of the five Merseyside local authorities as one element of the Let's Get Moving initiative (Lucas, 2011). The NTTs provided one-to-one travel solutions to for residents to community settings such as local job centres, libraries, adult learning centres and children's' centres. Reflecting the fact that the biggest barrier to job uptake for those moving from out-of-work benefits into employment was finding the money to pay for travelling to work in the first month of their employment, NTT officers reported a ratio of 3:1 between requests for travel passes and journey plans, although in many cases they

felt that it was important to issue both. In a second phase from April 2009 to December 2010 the project served 13,701 clients, from a budget allocation of £1.5 million. This equates to a delivery cost per person £109, compared with the cost of covering the cost of an individual's basic Jobseeker's Allowance over the same time period of £224, so producing an overall cost saving of almost 2:1. More than 70 per cent of the people who benefited from the scheme were still in employment three months later, so raising the ratio to approximately 5:1. However, not all of these financial savings can be attributed to the actions of the NTT programme, since partners in other domains (e.g. training) will have delivered support services that facilitated employment entry. What is clear, however, is that long-term commitment and large-scale funding is important to the success of schemes like NTTs; the capacity of NTTs was undermined by having to adapt to new criteria associated with new funding streams.

The WorkWise initiative in the West Midlands (MVA, 2014) has a similar generic mission to increase the use of public transport to help unemployed people find, start and stay in work; get them into sustainable travel habits; support the local economy by ensuring access to employment sites; and to support the integration of the transport system with the needs of Job Centres. Evaluation evidence highlights some similar issues to those revealed in Merseyside. A specific local initiative is Connecting Communities to Jobs, which has operated from the Chelmsley Wood Jobcentre Plus office since January 2011 under the WorkWise brand name. It serves the deprived wards of Fordbridge and Kingshurst, Smiths Wood, and Chelmsley Wood, where rates of unemployment and Incapacity Benefit receipt are over twice the national average. The scheme is funded by Centro (the West Midlands passenger transport executive), the European Regional Development Fund's (ERDF), and the Sustainable Urban Development (SUD) fund and supported by Solihull Metropolitan Borough Council and Jobcentre Plus. In a client feedback survey, 49 per cent of respondents who had moved into employment indicated that they would not have been able to accept the job without the assistance of WorkWise; the main reason cited for this was that they did not have the money to pay for public transport to get to work. Analysis of the costs of supporting WorkWise clients by providing a monthly travel pass to access employment opportunities compared with the savings in costs of providing Jobseeker's Allowance over the same period showed net cost savings of around £180–£230 per client, depending on their age and ticket type used. These calculations suggest that WorkWise has helped make cost savings to the public purse of around £172,000 over the period from 2011 to 2013. As in the case of the Merseyside NTTs, these calculations do not take into account help to facilitate the transition into employment in other policy domains. The evaluation highlighted the importance of the local partnership approach in the operation of the WorkWise scheme, and again highlighted problems for provision of such services when short-term funding is discontinued.

For *childcare* evidence suggests that support is important at all stages, but particularly at 'transition points'. The Working for Families (WFF) initiative in Scotland found that a lack of capacity and gaps in provision (over evenings and weekends, etc) posed common problems for accessing childcare and taking up work (McQuaid *et al.*, 2009). The experience of WFF suggested that solely focusing on information/support with childcare was not sufficient to help disadvantaged parents into employment; rather a more holistic approach was necessary linking childcare and employability support, using a keyworker approach. This highlights the importance of support services working together and the value of a personalised caseworker model to help achieve this. Research by Yeandle *et al.* (2002) on the extent of family-friendly employment policies in Sheffield and Canterbury showed a dominant reliance on other family members for care provision, while employers had few links with local care service providers. The authors suggested that national/ local government support is needed to develop employer-community initiatives and to improve channels of communication between employers and care providers.

People with *disabilities or health problems* need greater support at the pre-employment stage, the employment stage and when in work than individuals without such issues. Some of these issues are addressed by mainstream programmes. At the local level there have been some interventions to connect people to jobs. For example, in Sunderland, a small scale pilot People into Employment project was established in 2000 to support people with disabilities and (former) carers into work. The project involved mobilising, matching, mediating and supporting clients and employers, with support provided by a project development officer. 44 disabled people and 15 carers got jobs (the respective targets were 40 and 20), while 21 went on voluntary work placements, 15 enrolled on training courses, 3 undertook work preparation and 14 were referred to other agencies. The evaluation suggested that the cost per job compared favourably with the New Deal for Disabled People operating at the same time (Arksey, 2003),

although it is unclear whether the cost comparisons made are directly comparable. In relation to employment entry, success factors identified included tailored job search actions, accompanying clients to job interviews, good job matching and ongoing practical/emotional support to clients and employers. Research from Canada has endorsed the importance of such individualised support, and also emphasised the importance of employer commitment to success in placing people with disabilities in employment (Freeze *et al.*, 1999), while research from Australia highlights the role of transitional labour markets as a framework for getting disabled people into the open labour market (Macali, 2006). However, the transferability of specific interventions from outside the UK or from earlier time periods to contemporary circumstances in UK cities is likely to be limited by the benefits regime and organisation of health services and their integration with other support services.

Observations and overview

For employment entry *access to, and use of, the internet* is becoming more important. However, the evidence review revealed a lack of up-to-date assessment of initiatives to support such access and use. The evidence also suggests that informal recruitment remains prevalent (especially for less skilled jobs), and so access to support organisations which can aid such networking remains crucial, although such organisations are vulnerable in the face of spending cuts.

At the pre-employment stage and for employment entry it is clear that while supply-side interventions are important – including *targeted training for specific occupations and sectors*, ideally with a *workplace-based component* and combined (at least in some cases) with individualised support – they are not enough. Feedback loops are necessary to ensure that knowledge of the changing employer demand is used to inform supply-side interventions (Hirst, 2011). The level of *local demand* is important too.

Employer engagement is increasingly important given the direction of national policy, including sector-focused skills policies and the emphasis on the key role that employers need to play in workforce development. At the employment entry stage a *willingness to adapt standard recruitment and selection practices*, in order that ‘non-standard’ applicants are considered, is crucial. Evidence suggests that *ringfencing of some jobs* (including through *procurement policies*) and *guaranteed interviews*, with tailored feedback for unsuccessful applicants, are useful mechanisms here. This tends to be easiest to implement in the case of large capital projects. At city level there are benefits in *developing institutional capacity*, through *job brokerage* and associated support services, to engage employers. The evidence suggests that direct employment, rather than use of temporary/agency employment, is of greatest value to the individuals concerned.

Evidence suggests that *financial incentives of in-work support* can be helpful in stimulating employment entry, but such interventions can be difficult to implement at local level. Mandatory *living wages* may play less of a role in stimulating employment entry in aggregate, since evidence suggests that they may result in less employment overall, while raising wages for those in work. The experience of the Future Jobs Fund suggests that there is scope, via *wage subsidies*, for building on the commitment of some employers to provide ‘real’ jobs, in which individuals can gain work experience and improve their employability.

At employment entry individuals may face *specific challenges that need to be addressed relatively quickly*. This may require funding to be set aside to deal with these *contingencies* and require speed and *flexibility* in use of such funding. The evidence suggests that there is value in local (and national) interventions in setting aside some funding to be used in this way.

Although support across a range of policy domains has a role to play, one particular domain where intervention by local partners on employment entry can play an important role is in relation to *transport subsidies (free travelcards or similar)* on moving from non-employment to employment. Transport affordability and access is a key issue for people in poverty at this transition stage, and although on its own such support is unlikely to be a sole factor in connecting people to jobs, it can aid the transition by removing concerns in this particular domain.

While the specific focus here has been on employment entry, what is clear is that many of the interventions reviewed are, and should be seen, as part of an *integrated model* resting on *local*

partnership working. For example, the Southampton Skills Zone apprenticeship scheme was conceived as comprising both the pre-employment training and recruitment process and the one-year apprenticeship (i.e. a work-based training and employment contract) as an integrated model – and in terms of transferability (e.g. from public sector to private sector employers) could be promoted as such (Fuller and Rizvi, 2012). There is evidence that a mix of services (pre-employment, employment entry and post-employment) might be more effective than interventions provided separately (Holzer and Martinson, 2005).

The latter point highlights the importance of '*joining up*' – between stages on the pathway to employment, between policy domains, within and between local areas, and between the local and the national scale. There is a need for coherence in institutional/administrative boundaries and structures if integration processes are to have maximum potential. This underscores the benefits of more stability in institutional frameworks than has been the norm in the UK.

Much of the evidence reviewed in this chapter relates to local interventions based on *short-term challenge funding* used in a targeted manner, in ways that indirectly (rather than directly) impact on poverty. There is less evidence (at least from the UK) on the use of place-based mechanisms by local authorities and other agencies. A review on Addressing Poverty through Local Governance highlights these place-based mechanisms as having potential to address poverty, but that they are underused (Breeze *et al.*, 2013).

5 Staying in work

Introduction

Much attention has focused on getting people *into* employment. Relatively less has been placed on *keeping* people in that employment – retention. Retention can refer to either job retention – staying in the same job or with the same employer, or work retention – with consistency of employment but with job changes. Employee retention is now being recognised as an important measure of effectiveness for employment and poverty initiatives, for the following reasons:

- Precarious employment and patchy employment records are a major risk to people securing long-term employment opportunities; these can reduce the likelihood of future employment and/or employee retention, resulting in greater likelihood of poverty (Arksey, 2003).
- Particular groups in society are more vulnerable to precarious employment experiences and face greater likelihood than others of not being retained in employment. Examples include carers, disabled persons, lone parents, Black and minority ethnic groups, migrants, people with substance misuse or addiction issues, those with low educational qualifications and/or with a history of low wage employment (McQuaid *et al.*, 2009; Arksey, 2003; Metsch *et al.*, 1999).
- Employee retention is recognised as a more meaningful outcome or impact indicator compared with *obtaining employment only*, as it is reflective of the *sustainability* of the position or role, rather than a snapshot of the outcome at a particular point in time which may change, even within a short period.
- The value for money and savings to the Exchequer increase and accumulate the longer that people *stay in work* (e.g. improved tax take and reductions in benefit spending for government, depending on the wages which workers are paid and how long they remain in employment) (Gardiner, 1997; Bivand and Simmonds, 2014).

Employment retention services are commonly part of a *broad*er package of support which primarily focuses on getting people *into* work, but also *keeping* them in that work. Retention support can involve monitoring, IAG, and/or training programmes. Employment retention is also recognised as a central aim of the Work Programme (with financial payment structures for providers being designed to reflect this).

Despite improved *recognition* of employment retention the evidence base of initiatives supportive of retention is lagging. The *quantity* of available evidence is relatively low for employment retention in that few studies *specifically* examine employment retention alone or as a major focus of the research, compared with the pre-employment and entry elements. There is some variation in *quantity* of evidence, depending on the nature of the intervention – for example, training and skills development is somewhat better represented in the literature compared with financial incentives for employees.

The *strength* of evidence around retention is also relatively weak across the literature – most studies are weak in their methodology (using the Maryland Scale) and a greater share of the literature is grey rather than academic. Again, the strength of the evidence varies depending on the theme, but it remains relatively weak overall. Moreover, ‘staying in work’ *as an outcome*, has only recently begun to be *used* as an indicator of effectiveness in employment interventions. The majority of projects in the last 15 years focused outcomes only on *obtaining* employment, but not on retaining or staying in employment (though sometimes this was implicit where ‘drop-out’ rates were identified).

Information, advice and guidance

Information, advice and guidance (IAG) is an instrument that is predominantly associated with supporting individuals *into* work, rather than helping people to *stay* in work. The role of IAG in employment retention can, however, be part of a package of in-work support. Though not significantly quantified, there is some evidence that IAG (as part of a broader suite of in-work support) can have a positive impact on

employment retention for disadvantaged and/or vulnerable individuals, such as: employees who are disabled, carers (Arksey, 2003), ethnic minorities, lone parents or people experiencing substance misuse (Metsch *et al.*, 1999). Holzer and Martinson (2005) look at approaches to improving job retention and advancement for low income working adults in the US, via case management from labour market 'intermediaries'. They conclude that the impact of IAG *can* improve the access of low earners to higher wage employers over time.

Arksey (2003) used qualitative methods to study factors influencing unemployment and employment retention for certain groups that are vulnerable to poverty – disabled people and their carers – using a project in Sunderland called People into Employment (or PIE). The study illustrated how appropriate and timely IAG from intermediaries appeared to mitigate the risks that threaten the capacity of vulnerable employees to remain in a job, whether the threat is the result of internal (work-based) or external (circumstance-based) challenges. The importance of access to enabling support services was noted as a key factor in such support (see Support services/enablers below). Metsch *et al.* (1999) studied the impact of 'out of work' and 'in work' support for mothers experiencing addiction and/or substance misuse in Miami, USA. IAG was provided to help mothers to stay in work but, similar to Arksey's findings, IAG was more effective when it was offered with *broader support services* to overcome barriers to employment – in this case accessible and affordable childcare and dealing with the consequences of criminal activities. Meadows (2008) suggests that a well-informed assessment of people's needs is an *essential* foundation to an effective response, given the complexity of individual needs, particularly the more vulnerable and/or those in poverty.

Lee and Cassell (2008) suggest that IAG on 'flexicurity' (where employees have basic, flexible and portable skills which can be taken around different parts of the economy to enhance employment security), is limited and that this may be a factor in poor take-up by employees and employers alike.

IAG provision in the arena of employment retention might also be viewed as a vehicle as much as an instrument – for example, IAG *as part of* a lifelong or community-based learning (CBL) programme. McTier and McGregor (2011) suggest that IAG within CBL can have an impact on in-work support, but it is only one element in a number of support interventions. The impact of IAG is not quantified in their study, and further evidence is needed.

According to Meadows (2008), *getting into work* and *staying in work* are both a *local* affair – most people look for work in a limited geographical area – the lower the wage and socio-economic status of the job, the more local it usually is. Meadows thus suggests that IAG policies and interventions need to recognise 'the local', while encouraging jobseekers to move beyond their immediate locale to other job opportunities within geographical reach.

The role of job search and job matching support is also likely to be critical to patterns of retention. Not all job/workplace placements are of (equal) value. Evidence from Detroit's Work First programme designed to provide short-term intensive job placement services, in which candidates were assigned to a 'direct hire' job or a 'temporary help' job (akin to short-term agency employment), showed that placements into direct-hire jobs significantly improved subsequent earnings and employment outcomes (Autor and Houseman, 2010). Over a seven-quarter follow-up period, direct-hire placements induced by contractor assignments raised participants' payroll earnings by US\$493 per quarter (approximately a 50 per cent increase over the baseline for this low-skill population) and increased the probability of employment per quarter by 15 percentage points (about a 33 per cent increase over baseline). These effects are highly statistically significant and are economically large. By contrast the evidence suggested that temporary-help placements did not improve, and may even harm, subsequent employment and earnings outcomes in the following one to two years; even though these individuals received a boost to their short-term earnings, this was offset by less frequent employment and more welfare claims over the subsequent period. These findings run counter to much of the literature using non-experimental methods and it is not clear whether they would be replicated in a UK context, but they highlight the importance of the quality of job entry for subsequent employment and moves out of poverty. Other research from an experiment on the use of the temporary staffing industry in selected US cities to place the long-term unemployed in jobs suggests that the outcomes are 'prosaic, marginal and small' (Doussard and Theodore, 2006). The authors attribute this to the fact that the temporary staffing industry has a focus on filling

existing job orders for individual employers, and that this might be at odds with the longer term economic development strategic goal of remedying high rates of structural employment.

Training and skills development

Training and development can often be essential if workers are to *remain* in an organisation's employment – training-based interventions are thus part of a programme of skills, accreditation, professional/vocational standards and/or compliance. There is relatively little evidence about the role of training in retention. Training once in the workplace does not tend to be a major element of public policy approaches towards retention (though there are a number which are associated with progression, as described in the following chapter, which would also support retention). At this stage training is more likely to be employer funded and there is very little evidence on these internal processes or their results.

A range of training and skills development initiatives utilise *lifelong learning* and/or *community-based learning* (CBL) models as their approach. Sharma and Monteiro (2010) explore the potential of one lifelong learning model delivered in New Zealand, as a more sustainable and holistic approach to developing individuals for the longer term – particularly for knowledge-based or tertiary sectors. They identify four types of lifelong learning which provide a potential framework that might enhance employment retention (and progression). The strength of the evidence is not highly robust, and it is acknowledged that while this model may bring longer term benefits for individuals, how far broader and diverse skills can be used by employers is questionable, particularly given the short-termism of many employers' demands. A study by McTier and McGregor (2011) suggests that if CBL is to be effective (including for retention) then robust performance measurement mechanisms need to be put in place to demonstrate its value. Holzer and Martinson (2005) examine the US approach to improving job retention and advancement for low-income working adults through skill development strategies implemented via local community college programmes. Such schemes aimed to improve retention (and progression) via increasing basic skills levels and human capital more broadly. From their analysis, Holzer and Martinson show that training and education for low income earners is most successful when it offers participants 'certification' which employers value, and for which there is real private sector employer demand. Indeed, according to the evidence, 'privately' provided training (that is, employer-led) is more popular with participants and more likely to result in better outcomes for all parties.

Employer engagement

In relation to retention, employer engagement involves initiatives which pro-actively and directly engage employers in order to retain employees. These are often led by government agencies or the public sector in partnership with private employers, but are sometimes undertaken solely by employers themselves. In terms of quantity, the evidence base is low, and in terms of strength it is relatively weak, with grey literature predominant.

Employer engagement appears critical to the success of employment retention initiatives, according to the available literature. The level of commitment from employers can make or break the success of those interventions where employment retention is a key aim. Committed employer engagement is also claimed by Lee and Cassell (2008) to be a crucial element in the effectiveness of workplace-based training schemes and their impact on employment retention. However, unless employers' development needs are met by such initiatives, employer commitment may not be forthcoming. This often highlights the variations in interests between different stakeholders in partnership approaches.

Meadows (2008) finds that the most successful support provision or interventions are based on, and engaged with, local employers' needs. According to Meadows, interventions (including those involving retention) *must* involve employer engagement to be successful, ideally as part of a well-established partnership. Mechanisms such as development agreements in the US (Fitzgerald, 2004) or planning agreements in the UK (Macfarlane with Community Consultants, 2000) can also help with the *retention* of employees of large employers in a particular locality, as part of broader recruitment, retention or workforce development programmes. Such agreements almost always involve public subsidy for companies to stay or to alter their behaviour or policies to benefit local workers, with an agreement of conditions attached to the financial incentive. As part of this, Fitzgerald (2004) highlights the importance

of ‘workforce intermediaries’ in such processes (using examples in Chicago and Seattle, US), to ensure that agreements are implemented for the benefit of the local workforce.

Finance

Within the realms of employee retention, finance is primarily concerned with ‘in-work’ financial support (or financial incentives), which help with retaining employees in their jobs. These policies tend to be designed and administrated nationally. The international evidence generally shows that in-work financial support administered through the benefits system and targeted at low-income households (e.g., tax credits) tends to reduce poverty and also has a positive incentive effect on entering and retaining employment (for an overview see Ray *et al.*, 2014).

Evidence from the USA suggests that federal Earned Income Tax Credit (which provides 40 per cent earnings subsidy to low-income working parents up to \$10,000) has succeeded in raising employment levels among low-income mothers (see Eissa and Liebman, 1996; Meyer and Rosenbaum, 2001). Focusing solely on financial incentives for entering and retaining work, robust evidence from the Self-sufficiency project – a voluntary project targeting lone parents in two Canadian provinces giving 5,000 long-term (i.e. over twelve months) welfare recipients a limit of twelve months from entering the project to find full-time employment in order to qualify for receipt of a subsidy which would roughly double their pre-tax earnings over the subsequent three-year period – revealed that the financial incentive had a large positive impact on work entry (and on subsequent retention) (Zabel *et al.*, 2010).

In the UK the piloting of the Employment Retention and Advancement (ERA) scheme in selected local areas provides some robust learning on financial incentives in relation to retention (Hendra *et al.*, 2011). The UK ERA programme drew heavily on the experiences of designing and delivering ERA in the US (in particular the Texas model). The design of ERA provided a mixture of support (job coaching, support to access services and guidance) and financial incentives to those moving into employment to encourage more sustainable outcomes and progression. ERA was targeted at two groups – lone parents (on New Deal for Lone Parents and those working part-time and receiving Working Tax Credit) and the long-term unemployed (on New Deal 25 Plus). The financial incentives consisted of a retention bonus and a training bonus.

Holzer and Martinson (2005) explored local and regional US approaches to improving job retention for low-income workers. Financial incentives and support were claimed to generate more steady employment for low earners. However, findings suggested that *permanent* or *ongoing* income subsidies were required if schemes were to ensure that participants retained their employment (and/or progressed), as the positive impact of subsidies on work fades over time for those who were often unemployed.

Support services/enablers

Support services have the potential to play an important role in ensuring that barriers and challenges do not put employees *at risk of falling out of employment*. The quantity of the available evidence for this theme is somewhat stronger than other themes, though the strength of the evidence is still relatively low.

Meadows (2008) identifies the effectiveness of *holistic* support interventions in the UK which aim to address housing, health, childcare and substance use issues, as well as the needs of the labour market. Broad-based approaches were thus found to be more effective than those which address work issues in isolation. Additionally, Meadows suggests that transport is often ignored as an enabler, but is important for people’s ability to get *and to keep* jobs (see Case Study 4 in Appendix 1). Mackereth (2007) also raised the importance of a number of broader support mechanisms so that vulnerable lone parents may obtain and/or *retain* employment. Examples of support for lone parents include mental health and self-esteem building, as well as accessible and low-cost childcare for lone parents to access support around work. Gardiner (1997), among others, identified the high cost of childcare as a major issue which had implications not just for getting into employment, but for being able to *remain* in employment.

Arksey's (2003) study of the People into Employment initiative, for disabled people and their carers, found that as the length of informal care undertaken by carers increases, the likelihood of being in paid work decreases. Arksey concluded that 'extended in-work support' – for carers and disabled employees (and their employers) – was crucial for keeping such individuals in employment. A project development officer was the main delivery mechanism in this case.

Metsch *et al.* (1999), exploring low-income parents with substance misuse issues in Miami, USA, suggest that enablers of employment retention are often resources that may already be within the grasp of individuals. Examples of such resources include: a supportive family; close relationships with friends; a job resume; a high school education; training in job interview skills; completion of a substance misuse intervention programme; not using drugs after leaving a programme; and not using drugs for over 30 days. Such resources reduce the likelihood of the risk of becoming unemployed or not being able to stay in work. Nevertheless, Metsch *et al.* highlight the importance of the *comprehensive* nature of drug treatment as a factor in programme effectiveness, so broader support services are again considered crucial. As is well-recognised, however, being in employment is in no way a guarantee of moving out of poverty – according to Metsch *et al.* (1999), 60 per cent of those clients in the US programme who were employed were also in poverty, according to official measures.

Holzer and Martinson's (2005) US study found that wraparound support services were also considered to be more effective for keeping people in work, compared with support services provided in isolation. For example, case management, job search and education and training were claimed to be the most effective approaches when provided as part of a broader support package. Thus, programmes that offer a strategic mix of support (training, financial incentives, access to employers, IAG) appear to work well.

Finally, Scotland's Working for Families Fund – which was delivered via local partnerships across many local authority areas – also helped to keep people *in* employment by providing *broader* support services during particular crises for workers, such as temporary changes in childcare needs (McQuaid *et al.*, 2009). Broader data from the study suggested that 89 per cent of clients were still in employment 12 months after support was provided.

Observations and overview

Employment retention has been recognised as a central goal of employment policy. This is reflected in the payment model of the Work Programme. There is, however, only limited evidence on the effectiveness of interventions' impact on employment retention (within wider employability packages or as a separate initiative). Existing studies are often primarily focused on broader contextual matters and reviews of stakeholders' views on the wider potential of initiatives, rather than the overall impact of initiatives themselves. There is little robust evidence to suggest what comprises the balance between, or optimal approaches to, information, training/skills development, employer engagement, finance or broader enablers on employment retention. This was recognised by Gardiner back in 1997 and such issues still remain concerning the strength of the evidence base.

The evidence base that does exist suggests a number of lessons. Again holistic programmes of support are found to be more effective, but this makes it harder to isolate activities in order to evaluate their effectiveness. The initial process of job search and job matching is also important for retention, with research (from the US) providing a suggestion that holding out for a permanent job rather than entering a temporary one may be a better strategy to promote employment retention. Meadows' (2008) findings contextualise this further, by suggesting that retention (and progression) commonly depends on *individuals being in the right job, with suitable hours, skills and location*. A fairly well-established evidence base also shows that financial incentives can be an important driver of employment retention, although these policies tend to be designed and delivered nationally.

6 In-work progression

Introduction

In this chapter the focus is on approaches to help those in employment move into better opportunities. This is an area of growing policy interest (see also Thematic Case Study 7 in Appendix 1, for further information on supporting in-work progression). A number of recent publications have focused on the limited mobility of low-wage earners, the lack of innovation and financial incentives to engender more progression through the Work Programme, and the potential for policy action to improve mobility (Hurrell, 2013; Devins *et al.*, 2014; Garaud and Oakley, 2013; Wilson *et al.*, 2013; Kumar *et al.*, 2014). In-work progression also becomes more important in the context of Universal Credit, which will introduce an element of in-work conditionality for those who are in work but on low hours and/or wages; the government issued a *Call for Ideas* in 2013 and plans to pilot approaches aimed at increasing earning progression (DWP, 2013).

There are a number of ways in which progression in work can be defined, including both monetary and non-monetary measures (which include improved confidence, skill acquisition, moving from a temporary to a permanent contract, etc) (see Wilson *et al.*, 2013). Here the focus is primarily on approaches which seek to increase individuals' earnings through either improvements to hourly wages or through increases in hours worked.¹² The focus is on individual outcomes as there is a dearth of evidence which links in-work progression directly to household poverty outcomes.

Policies which aim to increase progression may either seek to match workers initially to occupations or sectors which tend to offer better opportunities for earnings growth, or they may provide some form of in-work support for workers to earn more. In-work support may help low-paid workers to increase their earnings in two ways. It can support career progression through internal labour markets, where workers are able to get promotion opportunities or pay increases within their current employer. Broadening of individuals' skills sets so that they have a wider range of functional skills and so can take on additional tasks associated with higher pay rates may be one way of doing this (for example cleaners in the facilities management sector performing maintenance roles alongside cleaning). Or it may be orientated towards supporting workers to access better employment opportunities with a different employer or a second job with a shared skills set but complementary hours (through the external labour market). An example of this is customer service roles in the retail and hospitality sectors. This is an important distinction which has implications for policy design. A range of factors relating to employer characteristics will influence the extent to which internal progression is likely, and where prospects are poor remaining with the same employer may simply lock a worker into low wages, making moving jobs a better strategy (Hamilton and Scrivener, 2012; Pavlopoulos and Fourage, 2006). More generally, the opportunities for progression for individual workers will also be influenced by the strength and characteristics of the local labour market. Different characteristics of local labour markets, such as the occupational and sector employment structure, as well as the balance between supply and demand for labour, are likely to be important influences. Recent evidence demonstrates some inter-regional differences in moving out of low pay, with higher transition rates observed in London (Kumar *et al.*, 2014; D'Arcy and Hurrell, 2014; Savage, 2011).

Individual workers also have different orientations towards progression in work. Many have to balance work commitments with family responsibilities, and while some moving from worklessness into employment express clear motivations to progress this is not universally the case. For some advancement is a long- rather than short-term aspiration; for others it is perhaps not a priority at all, and steady employment rather than progression is the main aim (Hoggart *et al.*, 2006). For those who do want to progress, however, a number of barriers are problematic. This includes personal circumstances and characteristics (for example age and caring responsibilities), access to training, the characteristics and practices of their employer in limiting opportunities in internal labour markets (including the importance of sector, firm size and human resource management practices), and the opportunities and constraints of the wider local labour market which impact on the ability to move jobs to improve pay (Hoggart *et al.*, 2006; Devins *et al.*, 2014; Metcalf and Dhudwar, 2010).

Overall, there is a striking lack of robust evidence on the potential of in-work support approaches to facilitate progression for low-paid workers. This reflects the fact that once people are in work they are generally much less of a concern for employment policy interventions. Policy has, for good reasons, focused largely on the transition into work. There is therefore relatively little innovation in practice or evaluation evidence on which to draw. In the UK what evidence is available is almost exclusively from the national rather than city or local level. There is some, though still limited, evidence on programmes which integrate support to enter work with opportunities to progress – career ladder or career pathway programmes. These programmes, which are largely developed in the US, are focused on internal labour markets but tend to target an approach which moves individuals into work and then to progress as part of the same programme. There are a number of different models which have been adopted and they vary somewhat in the extent to which they rely mostly on matching workers to good opportunities initially (which should help earnings progression over the longer-term), and the extent to which they provide elements of in-work support to help workers to progress. As these programmes often focus on an employment journey, it is unproven whether elements of learning from these approaches are applicable to potential approaches which could target those already in low-wage work (as opposed to those moving from unemployment into work).

Information, advice and guidance

There is little evidence on the role of local information or advice and guidance services on supporting in-work progression. The impact of the availability and access to information on progression outcomes is difficult to measure, and the evaluation of advice and guidance services has typically focused on its role in supporting individuals into work, rather than on progression once in employment. This reflects the greater intensity of individual support which is targeted at those seeking to enter the labour market, and the larger public subsidy directed towards this (and hence the need to evaluate).

As is detailed in Chapter 4, online careers information and self-service for individuals is the increasing orientation of policy approaches in the UK. While there is evidence on internet use among jobseekers we were unable to find comparable evidence about the use of online LMI among those in work to manage their careers or access additional opportunities. A number of promising web applications have been developed (as detailed above), but the profile of the users of these services is unknown, and the drivers and barriers to use among those in low-paid work has not been a focus of study.

At the national level, a previous study of the provision of Information, Advice and Guidance (IAG) in the UK found that more in-depth advice and guidance was associated with some increase in the likelihood of individuals moving employers. An increase in individuals changing the type of work they do was also found, as well as an increase in working at a higher occupational level among those accessing more in-depth services (Pollard *et al.*, 2007).¹³ However the study found no evidence of a positive wage effect for those receiving more in-depth services.

Other recent work has focused on the concept of ‘career adaptability’¹⁴ and the role this could play in increasing individuals’ resilience and career progression (Bimrose *et al.*, 2011). One of the policy implications reported by this qualitative study of workers in the UK and Norway is that workers in disadvantaged positions in the labour market, including in low-skilled employment, can benefit from high-quality careers advice to ‘build their own career narratives for enhanced learning and development’ (pp. 64). However the most appropriate tools through which to do this are not entirely clear, in particular the role which online versus face-to-face support can effectively play.

There are several more local-level studies from the US of approaches to supporting workers which include some form of advice and guidance as part of their overall approach (or ‘mixed strategy’) to improving labour market outcomes (for example Fitzgerald, 2004; Holzer and Martinson, 2005). The supportive role in these programmes includes careers advice as well as support with accessing services, for example childcare. However, in each case the independent impact of this advice and guidance is not assessed as part of overall programme evaluation. Broadly, however, the authors of these studies make a case for the importance of advice and guidance services, and their roles in facilitating access to additional services, as a factor underpinning labour market participation and progress as part of a mixed approach.

Training and skills development

The evidence base on in-work training and progression is more limited than that which focuses on the role of training in moving people into employment. Again, there are very few local or city-level studies. In general, the balance of funding changes once people enter work and typically employer-funded training becomes a more important element, whereas public subsidy tends to be focused around pre-employment training (which is more widely evaluated). A wider limitation to the evidence base on the impact of training that is also of relevance here is that often initiatives are not followed up over a sufficiently long term to make an accurate assessment of their impact (King and Heinrich., 2011).

There are a number of policies through which government can attempt to increase employer investment in skills for those in work. These include strategies to 'compel enterprises' through national or regional/local levies and/or industry licensing and occupational certification; they also include strategies to 'encourage enterprises' through influencing quality of provision available and co-funding (Billett and Smith, 2003). Influencing the equity of access to training may also be an aim of public policy as some groups of workers (for example lower skilled or part-time employees) tend to be more excluded from access to training opportunities (Billett and Smith, 2003).¹⁵

In the UK there are a number of national studies on the links between learning and training and progression in work. Dorsett *et al.* (2010) study the returns to lifelong learning for men using data from the British Household Panel Survey (BHPS). They estimate that lifelong learning is associated with higher earnings for learners. The returns are small for those who do not upgrade qualifications, but larger for those who do upgrade, and with the effect being particularly marked for those with the lowest (or no) qualifications initially. Overall, the research demonstrates the need to consider the qualification type and labour market value in decisions about learning. This finding has resonance for local skills policy-making.

Cheung and McKay (2010) also use data from the BHPS to address the effect of training on hourly wages using a number of econometric methods. Their fixed-effects regression estimates suggest that training has a small and statistically insignificant effect for men, and a small (1.8 per cent) but statistically significant effect for women. The effects become somewhat stronger (and statistically significant) if the training was employer funded. Additional modelling in the paper also suggests that (for men) the effect of training on wages appears to become stronger over time.

There is also some evidence on the impact of delivery of in-work opportunities for training and learning which are provided through Unionlearn. The Union Learning Fund was established in 1998 and since 2006 has been administered by Unionlearn (the Trades Union Congress learning organisation). £121 million in funding has been delivered across rounds 1 to 11 of the programme and this supports a range of learning activity in the workplace. Evaluation of the Union Learning Fund finds it has supported more than 600,000 learning opportunities, and signed more than 1,500 learning agreements with employers (with four out of ten employers making a direct contribution to funding) (Stuart *et al.*, 2010). The evaluation of the fund also finds that it has been successful in engaging learners from under-represented groups (Stuart *et al.*, 2010). Intelligence from expert interviews suggested that among workers there has been a shift since the recession towards wanting job-specific and accredited learning, as opposed to more general learning, and also that learning tends to be most effective when targeted at a specific need in the workplace. There is not, however, robust evidence on the employment or progression impacts of this learning (reflecting a lack of evaluation activity). However, case study evidence indicates that in the case of large employers (with clear internal labour markets) progression opportunities can be fostered through such learning initiatives (Warhurst *et al.*, 2007).

In the US there has been a focus in a number of programme areas on more closely integrating training and skills development for individuals with the needs of particular local employers or sectors, and to use these linkages to strengthen opportunities for in-work advancement (Maguire *et al.*, 2010; Martinson, 2007). This has also informed some elements of UK approaches, such as sector-based work academies, though with less emphasis on worker progression. In the case of a number of the US programmes the aim is to link those out of work into what are considered to be 'good jobs'. These are jobs that tend to pay comparatively high wages but also which are more likely to offer a career path. These approaches therefore rest more on this initial match to a good employer or sector than to directed in-work support

to engender earnings progression over the longer term. Other programmes provide more in the way of in-work support.

Hamilton (2012), drawing on case study work across a number of US states, describes the establishment of 'career pathways' and 'clusters' which relate to skills development. Career pathways are designed to 'connect education with work in an occupation' as a way of increasing skills and competencies (pp. 9). Clusters relate to industry sectors and skills gaps within regions. While these approaches primarily focus on skill acquisition in order to enter work, they also attempt to target better quality jobs which may offer subsequent opportunities for wage growth and progression. A key element of these approaches is that of strong employer engagement, and the establishment of effective local or state-wide partnership working structures which include employers, training providers (typically community colleges), local and regional boards and government. A second important element identified by Hamilton (2012) is the need for wraparound services which support individuals to retain and advance in work, including childcare and transport availability and affordability, and career counselling.

A series of sector-based workforce development programmes in the US provides evidence of the value of a sector-based approach in which non-profit-led sector focused training programmes and promotion of connections with relevant employers can increase the earnings of disadvantaged populations (Maguire *et al.*, 2010). In Milwaukee the Wisconsin Regional Training Partnership (an employer–union partnership focused on healthcare, manufacturing and construction) provided short-term job-specific training and guided individuals to jobs in those sectors, while in Boston a community-based organisation focused on medical and office skills provided a five-and-a-half month occupation-specific training programme and guided participants to employment opportunities. In the Bronx, New York, a social venture (Per Scholas) provided participants with skills to obtain industry certification via internships and work experience. Across these three programmes participants earned about \$4,500 (18 per cent) more than a control group over the course of study, and 29 per cent more in the second year; they were more likely to find employment and work consistently; more likely to work in jobs that paid higher wages (around 14 per cent higher in first year and 55 per cent higher in the second year); and were 50 to 60 per cent more likely to work in jobs that offered benefits by the end of the second year. Young adults, African Americans, Latinos, immigrants and those with criminal records and young adults benefited disproportionately. Key features of the success of these programmes which are important for policy design of similar initiatives were organisational capacity to listen to, reflect and adapt to the needs of local employers with whom there were strong links – so facilitating understanding of target occupations and technical skills required, and connections to jobs. Importantly, recruitment, screening and intake processes meant there was a good match between participants and their target occupations (i.e. there was an emphasis on fit). This was further supported by individualised support (e.g. related to childcare and transport) when in training and on the job. Many of these features are also emphasised by reviews of sector training initiatives with a strong employer focus (e.g. Martinson, 2007).

There is tension within the need for greater employer engagement in training programmes in terms of the forms of skills which are supported or provided. This tension relates to the balance between providing the skills which individual employers need, while also integrating broader skills content to provide skills or certification which are portable (or transferable) and enable workers to reap the benefits of these in different contexts and with different employers (Hamilton, 2012). This is important because the main drivers for employer investment in skills (which is more significant at this stage) are internal and relate to a business need or business case (Billett and Smith., 2003). A small study of union learning representatives in the UK and New Zealand echoes this tension, finding limited support from employers for union learning schemes; where there is support employers favoured individuals learning for current jobs rather than more broadly (Lee and Cassell, 2008).¹⁶ Hamilton (2012, pp. 25) cites the example of the Oregon state pathways model which focuses on individuals rather than narrowly on employer-based goals (though there is clearly overlap between the two). This includes a focus on certification and credentials in in-demand occupations with the aim of equipping individuals with a broad set of foundational skills to take advantage of existing job opportunities and to increase their resilience to labour market change.

More generally, past research has found a pattern of polarisation in access to work-related training, with access to training limited for lower-skilled workers (Lindsay *et al.*, 2013). Evidence from the 2013 Employer Skills Survey demonstrates that access to off-job training tends to be lower for some

comparatively lower-wage sectors (hotels and restaurants, retail and wholesale). These wider inequalities in access to training are important considerations for policy over and above those associated with specific programme interventions.

Martinson (2007) reviews the evidence from the US on local and regional employer-focused strategies towards training and identifies three distinct areas where the employer-focused approach can be beneficial – incumbent worker training, sector training, and career ladder programmes. The author suggests that a number of good practice lessons can be taken from (often high quality) evaluations of each of these policy areas, these are:

- Incumbent workers – the need for paid release for training; skills learned need to be portable to enable career mobility; basic skills improvements allow workers to benefit from further technical skills provision; provision should be targeted at jobs which are likely to offer opportunities for progression; funds should be set aside for low-wage workers within wider programmes focused on incumbent workers.
- Sectoral training programmes – provision is linked to specific jobs and with ‘high levels of employer involvement’ to stimulate innovation; working with industry to make changes to hiring, training and promotion practices to open up opportunities to particular groups; provision or links to support services (e.g., childcare, financial help) and careers advice for individuals.
- Career ladders – a ‘road map’ describing jobs in key industries and demonstrating the connection between education and training programmes at a range of levels; a modular curriculum which allows flexibility and breaks as circumstances change; provision or access to support services.

There are also other examples from the US of sector-based approaches which target low-paid jobs. WIN A STEP UP, a workforce development programme for nursing assistants in nursing homes, used training as part of wider package (Morgan and Konrad., 2008). The programme, which operated in North Carolina, aimed to improve care standards and increase the career prospects for care workers while also reducing staff turnover. Part of the approach was to provide additional skills to workers through on-site training, compensation for educational modules, and supervisory skills training. The qualitative evaluation of the project identifies this form of delivery as a promising approach to a low-wage sector which strengthens linkages between training and progression; however it does not provide robust evidence of wage increases.

Duke *et al.* (2006) review the *Massachusetts Extended Care Career Ladder Initiative (ECCLI)*, another project aimed at improving the quality of care in nursing homes. One of the ways to do this was by improving the prospects for care workers with the aim of reducing turnover. The career ladders developed focused on lower wage jobs and linking individuals to advancement prospects, for example from food service to certified nursing assistants. The programme also extended further up the career ladder to licensed practice nursing roles. There is no robust impact assessment associated with the programme, although qualitative evaluation suggests that wage gains to individuals were very small at some sites (Washko *et al.*, 2007). A similar approach to developing a career ladder in healthcare was part of the *Jobs with a Future Partnership* programme based in Wisconsin, which created a training programme in phlebotomy to allow entry-level workers to move up to more highly skilled (and highly paid) positions (Center on Wisconsin Strategy, 2005). An important driver for employer participation in this programme is a shortage of suitably trained workers in these higher-level positions.

Employer engagement

There are several studies from the US of employer engagement around developing career pathways and ladders for those moving into employment. However there is very little evidence about how employers might be engaged to support progression among those on low pay and already in work, and/or on any support they might need in ‘backfilling’ roles vacated by workers who progress. What is self-evident, however, is that it is important to understand variations in sector skills structures and in organisations’ business models (e.g. some organisations have broad pyramid structures which make progression less meaningful) which afford different opportunities for progression in different sectors and different

companies. In some sectors and occupations characterised by low pay (e.g. social care) higher levels of funding and a reassessment of current contracting models may be required (Philpott, 2014).

As described in the previous section there are a number of examples of US programmes which use the leverage of skills shortages or high turnover experienced by employers to develop employment programmes which seek to develop career paths (Morgan and Konrad, 2008; Duke *et al.*, 2006; Center on Wisconsin Strategy, 2005). While several of these have not been robustly evaluated there is some evidence on employer engagement from programmes which have been evaluated in greater detail. Overall the programmes reviewed by Maguire *et al.* (2010) find robust evidence of benefits to programme participants in employment outcomes, wages and accessing jobs with benefits. All these programmes have some elements of support towards in-work progress and all rely heavily on strong employer engagement in a number of different sectors. For WRTP the focus is on manufacturing construction and healthcare; for JVS-Boston it is clerical and medical office occupations; and for Per Scholas information technology. In the case of WRTP in-programme provision supports the advancement to pursue Certified Nursing Assistant and Certified Medical Assistant certificates. In Per Scholas participants study for the A+ Certificate which is used by many large IT companies. In the case of each programme their effective engagement with employers and their detailed knowledge of the sectors in which they operate is assessed to have been important in delivering positive results and gearing provision and job matching processes effectively.

Martinson's (2007) review of US local and regional initiatives also identifies the importance in employer engagement of targeting good quality jobs, so that public funding for provision is orientated to worker entry into jobs which offer decent levels of pay and opportunities for progression. In some cases programmes target jobs at above a specific pay threshold.

Finance

The returns to individuals from progression are realised through higher pay from their employer. There is therefore less of a role for public financial incentives than at other stages of the pathway into work. However earlier programmes of financial incentives may have longer-term impacts. The impact evaluation of the UK ERA assessed the effect of ERA on a number of outcomes for up to five years after random assignment (Hendra *et al.*, 2011). The evaluation found that there was no long-term effect on earnings or on long-term advancement activities, for example seeking progression with their current employer or looking for an alternative job, for the New Deal for Lone Parents group (there was a statistically significant effect in year 1 but this faded by year 2). By contrast, for New Deal 25 Plus, ERA did have a longer-term impact on earnings for the long-term unemployed which persisted for the five years studied after random assignment, although the impacts were relatively modest. These findings suggest that for some groups short-term financial incentives may have longer-term effects on earnings growth.

More generally the evidence is fairly mixed on the impact of in-work financial incentives over the longer term (see Ray *et al.*, 2014). The effects of such programmes often fade over time although there are examples (including the UK ERA project) where this has not been the case (Hamilton and Scrivener, 2012).

Financial incentives can also be considered in relation to progression and service providers. While the Work Programme contracting arrangement has provider payments linked to job sustainability, there is no financial incentive for providers to support progression. Addressing this funding mechanism and linking some outcome payments to earnings progression would encourage providers to support their clients to sustain *and* progress. This would be a relatively straightforward change which could open up greater innovation in service delivery around supporting progression to grow the practice and evidence base. Similarly, case study work argues for greater employer engagement to provide opportunities for local residents through the use of planning agreements (Macfarlane, 2000). Such an approach could also extend beyond existing practice around local skills and jobs approaches to include elements of progression activities.

Support services/enablers

There is little evidence on the success or otherwise of approaches or initiatives which provide wider services to enable those in work to progress. Many of the same issues apply in relation to progression as to retention (covered in the previous chapter). Issues which are more specific to progression include services which affect the ability to work additional hours (for example childcare and transport availability) and those that impact on the ability to find and access employment at alternative locations. However again there is generally a lack of an evidence base on what type of initiatives or approaches might make a difference here.

One area where there is some evidence of difficulties is around access to transport. Access to transportation routed to employment sites should help individuals to have potential access to a wider pool of jobs to advance their careers (see Thematic Case Study 4 in Appendix 1). In particular, bus use tends to be higher among those working in lower skilled and lower wage jobs (Mackie *et al.*, 2012). An internet survey covering 2,000 respondents recently suggested that transport limitations were inhibiting effective job matching and progression outcomes. The survey finds that more than half of frequent bus users report that a better bus service would help them access a better job.

Observations and overview

There are a number of ways of assessing progression in-work. There is also a consideration about the timeframes across which progression is viewed. Evidence suggests that not all of those moving into employment aspire to progress, at least in the short term, and that job retention/ steady employment is their immediate goal. Similarly the impact of some interventions, for example types of training, may only be realised over the longer term and this is typically poorly measured.

Overall, the evidence base of approaches to support progression of low-paid workers is very limited. In particular there is a paucity of robust evidence on regional, city-level or local approaches. Where this evidence does exist the more robust studies tend to come from the US and also tend to focus on progression outcomes as part of a wider programme focused on linking individuals into the labour market and supporting retention and progression. As such it is uncertain how applicable some of the findings may be to supporting workers already in low-paid jobs.

There is little evidence on local or city approaches to information, advice and guidance. National level studies in the UK which have focused on short-term effects have not found a wage gain associated with more in-depth advice services, however a number of US studies highlight the importance of factors such as careers advice and help to access supportive services (such as childcare) as being an important element of a mixed strategy to improving labour market outcomes.

There is some evidence of positive wage effects associated with training programmes. However research also identifies a central tension in in-work skills and training approaches. Where local policies are able to support in-work skills and training it is important that they are not too narrowly focused on job-specific skills and that they also provide individuals with skills which are transferable and can continue to benefit them in other jobs.

There are a number of US studies of training for workers in low-paid employment (although not all are robustly evaluated). These studies highlight a number of requirements of good quality programmes, including paid release for training, improving access to training opportunities for low-paid workers, and the provision of transferable skills. There are also a number of examples of programmes where employer skills gaps, or high turnover, have driven employer engagement with programmes which offer career pathways or progression opportunities for low-paid workers.

The importance of employer engagement for programmes which seek to improve progression for individuals supported into work is highlighted in a number of research articles. There is, however, much less evidence for how to engage employers where this progression is not part of a clearly defined, structured and transparent pathway from job entry to stability to progression. Employer engagement around the progression of those already in work is likely to be subject to greater challenges.

Overall, the evidence base on how policy approaches might increase progression from low-wage work is relatively weak, with major evidence gaps existing around how individuals might be best supported towards progression through both internal and external labour markets. This suggests the need to develop and test new approaches towards progression in different local and sector contexts and to robustly evaluate their effects on earnings.

7 Learning from thematic case studies

Introduction

In this section the key findings from eight thematic case studies are presented. The aim of these is twofold. First, they are used to provide a more in-depth treatment of individual initiatives than that provided in the previous chapters. Second, they are also used to introduce further and new evidence on emerging policy and practice on the theme of focus. This is appropriate because in a number of these thematic areas, for example around in-work progression, policy innovation is at a relatively early stage. The thematic case studies (see Appendix 1) focus on the following:

1. Local approaches to targeting households in poverty.
2. Employer behaviour in recruitment and selection.
3. Careers information, advice and guidance.
4. Transport initiatives to link people to jobs.
5. Apprenticeships and employer ownership of skills.
6. Living wages and living wage campaigns.
7. Supporting in-work progression.
8. Anti-poverty policy domains – the example of Leeds.

The full details of the thematic case studies are provided in Appendix 1. In this chapter the thematic approaches are grouped as being broadly those that support entry to employment (studies 1–4) and those that support improvements to in-work experiences (through either supporting better wages or increased opportunities for progression) (studies 5–7), although some themes overlap both groups.

Approaches supporting entry to employment

A number of the thematic case studies were primarily focused on facilitating entry to employment for those out of work. This includes: targeting those outside the labour market and in poverty for support; approaches to addressing the challenges that disadvantaged groups face at the recruitment and selection stages for jobs; careers advice given to those looking for work; and transport initiatives which seek to improve access to jobs.

The first case study addressed the issue of how approaches could be developed aimed at targeting households in poverty. The evidence base on this issue is very limited indeed, with targeting mechanisms of employment policies normally functioning through either targeting on the basis of benefit receipt or by using area-based measures (such as deprivation). In particular a major evidence gap is found around targeting those who are in-work *and* in poverty.

Several initiatives were reviewed which are targeted at disadvantaged families. An area-based example is that of the Family Employment Initiative which provides support to families in disadvantaged former coalmining communities. This initiative has been commended for its value for money and outcomes – 8,000 residents were supported and nearly a third were supported into jobs, resulting in social benefits and savings to the Exchequer. A keyworker outreach approach involving holistic and intensive support to the whole family was highlighted as crucial to success. Another family-targeted initiative is the Troubled Families pilots being developed across several English cities where budgets, information and knowledge is pooled at local level. Local authorities and other agencies have been able to change their priority criteria so that the most complex and/or resource-intensive family support cases can be dealt with first. Other

pilots have offered limited budgets so that families themselves can decide what support to 'buy', as part of their support agreement.

A number of initiatives were examined which are targeted at groups with a high vulnerability to poverty (for example, second earners in low-earner households, lone parents, certain tenants in housing associations). The School Gates Employment Support initiative involved an area-based *and* group-based targeting approach. Its 25 pilots targeted some of the poorest schools in England and focused on low-income parents and lone parents at the 'school gates'. Jobcentre Plus Advisors and local authority officers aimed to support parents into the labour market by working with trusted school staff. Support involved confidence-building, basic skills, providing 'better-off calculations', benefits information, and job search services. Another employability programme that targets lone parents specifically is delivered in Lambeth by ARISE. Lone parents from ethnic minority groups are well represented in this initiative, which aims to move participants towards the labour market through creative motivational sessions. Finally, housing associations also have significant numbers of households at risk of poverty. Viridian Housing's initiative is an innovative example of targeting whereby key data is collected on tenants and then explored using segmentation analysis (a marketing approach) to identify groups of customers with specific needs. Findings identified a prevalence of 'hidden' worklessness in some areas, which Viridian was able to respond to with targeted support and information from Jobcentre Plus on benefits and vacancies.

The *challenge for cities* is how to efficiently and effectively target households in poverty. Most initiatives focus on individuals, but poverty is measured in relation to households. Area-based initiatives targeting disadvantaged neighbourhoods are not necessarily efficient at reaching those in poverty. Thus, the levers currently available to local stakeholders are not sufficiently focused or 'sharp' enough to reach only those who need support the most. Targeting can stray from households in poverty due to pragmatism and politics, diluting the targeted approach. Given the examples above, targeting appears to have potential if local actors are given more flexibility on funding, prioritisation and delivery at the local level. Case studies have shown that central and local actors can work collaboratively and flexibly to 'bend' existing delivery or develop new solutions.

An important determinant of the ability of those out of work to access jobs is employer behaviour in recruitment and selection. While the textbook model of recruitment and selection is of a process of objective, rigorous and meritocratic matching of individuals to jobs (Scholarios, 2009), the reality is that time and resource pressures, and a tendency to follow previous experience, can mean the process becomes more reliant on a perceived 'cultural fit' which can disadvantage particular groups in the labour market (Bryson *et al.*, 2012). Furthermore, where informal methods of recruitment are used this can also disadvantage jobseekers who may have more limited networks on in-work contacts (Dutton *et al.*, 2005). These factors make the role of employer behaviour in recruitment and selection an important determinant of the ability of those in poverty to access job opportunities. It is therefore critical that there is policy engagement here.

A number of initiatives can be identified which have focused on these issues in a range of different ways. One set of practices operate to incentivise employers to recruit from disadvantaged groups using subsidies. A second type of initiative uses different types of incentives, for example provision of training (especially pre-employment training) and/or acting as a point of recruitment support. These types of initiatives may work to challenge and change employer practices as part of this 'deal'.

A number of examples of the use of wage subsidies to encourage employer recruitment from disadvantaged groups can be seen in the UK (most recently focused on young people through the Youth Contract). The StepUp Pilot is one such example. StepUp was a DWP-funded pilot which ran between 2002 and 2004 which targeted those remaining unemployed after completion of their New Deal period. The pilot provided a wage subsidy and primarily engaged private sector SMEs. The programme's evaluation found the wage subsidy to be a core driver of employer participation (Bivand *et al.*, 2006) and also noted positive outcomes for some groups of employees (particularly 30 to 49-year-olds).

Employment initiatives can also combine the wage subsidy incentive with other 'softer' incentives for employer participation. This approach was taken by the Local Employer Partnerships which were run by the DWP between 2007 and 2010. The partnerships were initially targeted at disadvantaged groups

although this focus shifted during the recession as access was opened out. The programme was a means of strengthening employer engagement and involved a free recruitment package for employers, potentially including the following services: 'advertising vacancies, matching and screening candidates, sifting applications and arranging interviews' (Bellis *et al.*, 2011; pp. 12). The programme also aligned pre-employment training (PET) to employer needs. Later in the programme a recruitment subsidy was introduced to financially incentivise employers to recruit jobseekers. The evaluation of local employer partnerships noted that, through closer employer engagement, the programme had 'provided a way for Jobcentre Plus staff to challenge employers' recruitment practices and encourage them to refine their processes and/or applicant criteria/person specification, thus opening doors for disadvantaged jobseekers to apply for vacancies' (Bellis *et al.*, 2011; pp. 17), however how widespread such changes were in practice is not evidenced.

Evidence from SkillWorks in Boston in the US also highlights the importance of close employer engagement in influencing recruitment and selection processes. SkillsWorks targeted specific sectors (hotels, healthcare and auto industry) and developed relationships with individual employers around recruitment needs. One innovation of the programme was that career coaches and education instructors from delivery partners were embedded within employer workplaces to better understand their needs and develop tailored recruitment solutions (Scott, 2007).

The evidence provides a number of lessons for cities formulating policy in this area. It highlights the need to develop effective models for employer engagement as well as demonstrating the important role of incentives, either direct financial incentives (wage subsidies) or other 'softer' incentives such as provision of tailored training programmes or support with recruitment processes. There is a particular need for a long-term and targeted approach if employers are to be influenced to change their recruitment and selection practices. Ongoing engagement between labour market intermediaries and employers also helps the former to keep abreast of changing sector and occupational needs.

Either delivered on its own, or through being integrated in other initiatives, careers information, advice and guidance can help support disadvantaged groups into the labour market (Evans and Rallings, 2013; Gibbons and Foster, 2014; OECD, 2010; Symonds, Schwartz and Ferguson, 2011). The landscape around careers provision has changed significantly in recent years in the UK, and policy approaches also vary across the devolved nations. Generally however, service provision has shifted from face-to-face towards a greater predominance of online delivery (UK Commission for Employment and Skills, 2011), there has also been a decline in local careers support (Filmer-Sankey and McCrone, 2012; Langley *et al.*, 2014).

There are a number of different models and orientations of careers information, advice and guidance and often support is integrated with wider programmes addressing barriers to work. Such wider programmes can be designed around a personal development pathway to employment. An example of this is the work of the Leeds Learning Partnership which has more than 20 years' experience working with disadvantaged groups. In this case advice and guidance interventions are delivered in the context of wider support around employability needs, opportunities for skills development and work experience, family based support and English for Speakers of Other Languages (ESOL) provision. This delivery model is based on local partnership working with local schools and employers, Jobcentre Plus, Leeds City Council, the NHS Trust and National Careers Service Prime Contractors among others. Across the individual programmes, a potentially wide range of services are offered. The model highlights the importance of integrating these strands of support and the potentially supportive element of careers information, advice and guidance when linked to other employment support for those in disadvantaged groups.

Anchor institutions can also play a role in facilitating access to careers information, advice and guidance locally. An example of this comes from the Salford Royal NHS Foundation Trust's GATEway programme. The trust works in partnership with Jobcentre Plus to provide careers guidance and advice on training and also links to employment and volunteering opportunities for local residents. While the initiative is relatively small-scale in terms of employment outcomes it illustrates the potential role of anchor institutions in delivery of such services. It also highlights the role which large employers can play in facilitating sector-focused programmes with provision geared towards supporting access to opportunities in the health and social care sectors.

Local third sector organisations can also be an important source of careers information, advice and guidance, again linking this to other support services focused on employment and skills. Such organisations are often well embedded in local partnership structures and may also support better engagement of hard-to-reach groups. Examples of organisations in this role include Wise Owls (in London), a not-for-profit providing employment and support services including a programme targeted at those made redundant. While the Women Like Us organisation (also in London) provides careers advice for low-income women with a particular focus on opening up access to good-quality flexible employment opportunities.

There is evidence to suggest that locally delivered face-to-face careers advice can help to facilitate entries to employment, often in combination with other support. However the evidence also suggests that such services are increasingly under financial pressures. The lessons for cities highlighted by the studies reviewed demonstrate the importance of local partnership working and of embedding careers advice with other elements of support (for example pre-employment training, help with CV, access to learning provision).

The availability of, and access to, affordable transport is clearly an important factor supporting the ability of the unemployed to enter and retain employment (Social Exclusion Unit, 2003). In particular non-car owners in low-income households may face significant problems of access, particularly if they live in peripheral locations, where public transport may be limited and costs high (Social Exclusion Unit, 2003). In recognition of these challenges a range of transport initiatives have been developed to support better access to jobs for those out of work. However it is also important to note that the current context is challenging for such initiatives, as cuts to public spending have reduced resources at the same time as increased unemployment and falling real wages have increased need. There are also the beginnings of change around where policy responsibility and resources lie for transport access, with City Deals and Growth Deals expanding the responsibilities of some cities.

Transport initiatives can be focused on either tackling individual barriers or on structural issues. An example of addressing individual barriers is through encouraging use of low-cost modes of travel. The Choose Freedom initiative in north Liverpool supports access to sustainable employment for residents through addressing transport barriers. The promotion of active travel initiatives (walking and cycling) and use of public transport are supported by a number of support measures including cycle training, travel advice and journey planning; 'cycling buddies' and 'walking pals'; and loan of bikes and cycle maintenance classes. The initiative builds on the previous Workwise Wheels programme which supported a high level of employment retention among beneficiaries. Another initiative targeted at individual barriers is the Workwise scheme operating in the West Midlands. Centro (the West Midlands public transport executive) has run a number of Workwise projects over the past decade (funded through a range of sources). Typically such initiatives offer help with journey planning as well as free or reduced transport fares for jobseekers and those moving into employment (Green, 2010).

The issue of improving the suitability of bus routing and timetabling to better service areas of employment is a structural issue for transport planning. Examples where issues have been resolved include addressing the recruitment and retention issues faced by large employers using shift patterns in Haydock Industrial Estate in St Helens on Merseyside because of insufficient public transport. Analysis of transport needs highlights the optimum timing of services to meet employer shift needs. On the basis of this a new service was launched (funded by the Local Enterprise Growth Initiative). The growth in passenger numbers meant the service could be run on a more commercial basis (pteg, 2013). Other 'softer' mechanisms such as support with journey planning have also been used. A similar approach to the relocation of a new distribution centre for ASOS in South Yorkshire also required additional bus capacity and better timing. The work of the passenger transport executive and bus operators saw bus use increase almost eightfold. Additional structural issues may exist around the fragmentation of services and the cost implications of journeys with several legs. In Nottingham, the city council has encouraged a strategy of promoting inter-ticketing between operators and modes. It has also introduced a Nottingham Citycard offering access to multiple services and has developed schemes for discounted travel for jobseekers.

Transport is a core factor in the ability of individuals to access employment opportunities, with bus services being disproportionately important for disadvantaged households. The physical routing of

transport, its cost, and the ability of individuals to interpret information relating to journey planning are also important factors which local policy can seek to address. The planning system plays an important role and public transport access needs to be designed in to new employment sites and in some circumstances should be adapted to meet the needs of existing sites. Co-ordination is also critical in ensuring access to the right places and at the right times; this requires inter-agency working as well as the co-ordination of transport initiatives with other areas of policy. Cost also remains an issue but there are well-established schemes which seek to either encourage very low-cost options (walking and cycling) or provide reduced cost or free transport for jobseekers.

Approaches supporting improving in-work experiences

Several of the case studies are concerned with improving the outcomes for those in employment. This includes looking at programmes focused on the role of apprenticeships in fostering employment entry and career progression once in employment through apprenticeships and the Employer Ownership of Skills scheme; improving the pay of low-waged jobs through encouraging the payment of a living wage; and programmes targeting employers and in-work progression.

Apprenticeships are viewed as a central mechanism by national government to facilitate the entry of individuals (notably young people) into employment which offers prospects for skills acquisition and career progression. Apprenticeships also occupy a prominent position in many local economic development plans, such as Local Enterprise Partnerships' Strategic Economic Plans as well as in a number of City Deals. Apprenticeship policy has undergone significant shifts in the past few years and is also a devolved issue (for a full overview see Thematic Case Study 5). Recent changes in apprenticeship policy have also aligned policy towards the Employer Ownership of Skills (EOS) agenda emphasising the key role that employers need to play in workforce development, with apprenticeship funding to be routed directly through employers.

Locally developed programmes to maximise apprenticeship opportunities, particularly for young people, have been established in many parts of the country in recent years, in part stimulated by renewed debates about youth unemployment during the economic recession and its aftermath. The Essex Apprenticeship Programme is an example of apprenticeships being viewed as a mechanism to improve social outcomes by targeting young people who were NEET (not in employment, education or training) or were viewed as being at risk of becoming NEET. The programme receives funding through the European Social Fund (ESF) and is primarily focused on the engineering and manufacturing sectors. The county council established an Apprenticeship Training Agency which directly employed apprentices for a year, with apprentices experiencing work with a number of different employers over this time (with their wages supported by the ESF monies). The project had successful outcomes and outperformed targets and was extended in duration and expanded to cover other sectors.

While direct subsidies are one mechanism for increasing local apprentice numbers, other levers of public policy can also be used. There are good examples of cities making use of Section 106 and public procurement more broadly to boost apprenticeships. Section 106 provisions are essentially requests for contributions (either financial or in-kind) agreed as part of planning agreements; these can include contributions in the employment and skills arenas. Southampton City Council has developed a bespoke approach to Section 106 Employment and Skills Plans and in March 2014 it was reported that 32 plans had created 150 new apprenticeships (Local Government Association, 2014). Birmingham City Council has worked to secure apprenticeships as part of local construction projects – for example the Library of Birmingham – where 82 apprenticeships were established (Macfarlane, 2014).

New models of stimulating employer engagement with apprenticeships are also developing at city level. For example, the Nottingham City Deal has secured additional funding for apprenticeships and has established an apprenticeship hub to stimulate greater employer demand and to raise awareness of apprenticeship opportunities among young people. The programme includes financial incentives (an apprenticeship grant) to participating employers (limited to those with less than 1,000 employees), with grants worth between £1,000–£2,300, depending on the level of the apprenticeship and its location (grants are higher in Nottingham's 'Creative Quarter'). By February 2014, 500 young people in the city were on an apprenticeship grant.

Greater Manchester has similarly established an apprenticeship hub as part of its City Deal. The hub is also focused on stimulating employer demand and encouraging young people into apprenticeships. Phase one of the programme has focused on Greater Manchester's local authorities working with their schools on awareness-raising and providing careers information and advice on apprenticeships. The target for the programme is to increase the number of 16 to 24-year-olds entering apprenticeships by 10 per cent a year to 2017/18.

Apprenticeships have become an increasingly important focus for policy-makers at the national and city level, with new models being developed to increase both the supply of potential apprentices and the demand from employers. Many of the new models are in their early stages so success is difficult to gauge; however there seems to be an emerging sense that city and city region-level activities around apprenticeships are a good 'geographical fit' and that more targeted employer engagement activities can be supported at city level.

There has been growing interest, both popular and political, about the potential role which living wage campaigns might play in increasing wages for individuals with low earnings. There is no robust evidence on the potential impact that a statutory or voluntary living wage would have on poverty in the UK. Some studies offer evidence on specific sectors in particular areas (such as cleaning workers in London). Evidence on the *minimum* wage suggests increases are not well targeted at poor households (see Ray *et al.*, 2014), but there are few studies on a living wage and US studies suggest living wage ordinances offer only very modest reductions in poverty.

In the UK, a national voluntary living wage campaign and employer accreditation scheme is led by the Living Wage Foundation, part of the Citizens UK community movement, which has developed over the past decade in response to rising living costs, particularly in major cities. Other living wage campaigns include the TUC's Fair Pay campaign, UNISON's work, student union campaigns and some public sector organisations (see below). As a central focus, the Living Wage Foundation now champions over 900 living wage employers, including Barclays and Nestlé, but the prevalence of the living wage in the UK is patchy and far from equally distributed. Outside London the living wage has less presence and smaller employers and private sectors employers are relatively under-represented.

Public sector organisations, particularly some local authorities, have a number of levers which can encourage and promote a living wage. Most directly, some local authorities and NHS organisations are leading by doing and have agreed policies to become living wage employers – examples include Birmingham and Glasgow city councils. Such organisations have often started with their directly employed workforce but rapidly rolled the policy out to agency staff and subsidiary organisation staff. Another lever being used by local authorities in particular is that of procurement agreements. Some councils are now encouraging major contractors to sign up to service level agreements stating that the contractor will pay a living wage. Larger local authorities and larger contractors are already negotiating such agreements, for example in Birmingham. Specifically, low pay in the social care sector has resulted in Islington Council recommending that the vast majority of its social care providers sign up to a living wage in contractual agreements. Finally, some local authorities operate financial assistance programmes whereby attractive loans, subsidies or grants are offered to businesses to generate local economic growth. New York City is using its training subsidy programme to strongly encourage client companies to pay a living wage as part of its assistance agreement.

Cities are appropriate sites for living wage campaigns, given their high costs of living which impact disproportionately on those in poverty. Large public sector organisations have a number of levers at their disposal to champion the living wage and influence major employers – often 'leading by doing'. However, effective living wage campaigns at city level are usually those that are well-connected nationally, have broad local consensus, and are driven by an ethos of 'positive choice', rather than top-down imposition. Large employers are likely to engage first, but it is important to ensure that living wage employers are as representative as possible of the employers in that local economy. Communicating the business case for a living wage more effectively is a sensible starting point, given there is some evidence that a living wage could result in some displacement of jobs (Holzer, 2008; Clain, 2008), even if the majority of low-paid workers are likely to benefit (Riley, 2013).

While the focus on apprenticeship provision at the city level has tended to focus on young people entering and progressing in the labour market, lack of career progression for adults in low pay also remains an issue and there is an emerging policy agenda in the UK which is focused on progression in the labour market. Some policies aimed at progression target career development either within a specific employer (the internal labour market) or sector, while others may target individual progression by moving jobs (away from employers offering poor prospects for progression).

In the US there is some robust evidence around the impact of sector targeted policy on progression outcomes. Maguire *et al.*'s (2010) evaluation of three sector-based workforce development programmes suggests that models of sector targeting can be developed with provision designed to open up more opportunities to enter 'good jobs' with better opportunities for progression. There are also examples in particular sectors of developing integrated approaches to training, certification and moving up a career ladder (Morgan and Konrad, 2008; Duke *et al.*, 2006; Center on Wisconsin Strategy, 2005). Often issues of employer skills shortages and/or high employee turnover have been found to be drivers of employer engagement.

The most recent iteration of this sector-based approach is the WorkAdvance model. WorkAdvance is targeted at low-income adults using both a measure of wages (earning less than \$15 an hour) and family income (less than twice the federal poverty line). The programme is targeted at supporting individuals to jobs in 'high demand' fields which offer better job quality and opportunities for career advancement. The sectors vary by programme area but include information technology, transport, manufacturing, healthcare and environmental services (Tessler, 2013). The programme is operating in locations in New York City, Tulsa (Oklahoma), and Cleveland and Youngstown (Ohio). Important elements of the delivery model include a pre-employment focus on screening to match participants to employer needs, sector-focused pre-employment training, occupational skills training, and sector specific job development and placement. The programme provides in-work support around post-employment retention and an advancement service including career coaching, and contact with employers to assess performance and potential for additional skills to progress in employment.

In the UK there are a number of new or recent programmes which are focused on improving progression. These developments have been driven by new policy developments and opportunities such as the activity accompanying the introduction of Universal Credit, the agreement of City Deals and the funding orientated to the Employment Ownership of Skills scheme. A number of specific examples can be identified, although as they are at a very early stage it is unknown how effective they will be.

As part of its City Deal, Plymouth and the South West Peninsula became the first area to trial a City Deal initiative explicitly focused on progression. The progression strand of the City Deal is part of a wider package focused on labour market experiences for young people (18 to 24-year-olds). The programme will use an existing Work Programme provider for the area and use a caseworker-led approach to support progression through career development, information and advice, and skills activity. The financial mechanism for the programme links provider payment in part to outcomes and the programme and will be evaluated in partnership with the Department for Work and Pensions and the Cabinet Office.

The introduction of Universal Credit has also stimulated pilot activity in the area of in-work progression although much of this appears to be relatively light touch to date. It includes internal pilots being run within Jobcentre Plus as well as pilots which have commissioned external providers. One of these external trials is in part focused on influencing employer behaviour. Under this approach the Women Like Us organisation has used a targeted approach towards recruiting participants with information sent directly to families who will be affected by benefits changes and providing 1:1 support to 100 low-earners with the target of increasing earnings of 40 of these. However the project also targets employers with the aim of 'stimulating quality part-time jobs' by providing evidence and advice on flexible job design.

The evidence-base on policy supporting progression in work is relatively weak, in particular around supporting those already in the labour market. For policy-makers one issue to consider is the balance between programmes which target individual employers or sectors or those which seek to increase progression by encouraging workers to move jobs. Where individual employers or sectors have been targeted, the approach and evidence base in the US has focused on high demand sectors which tend to

offer quality jobs with opportunities for progression. Such approaches operate a dual customer orientation serving both employers and programme participants. Drivers of employer engagement in different types of progression programmes have been found to include skills shortage or high turnover vacancies.

City powers and anti-poverty policy – a Leeds case study

The eighth thematic case study is focused on the powers and levers residing at a city level in relation to developing anti-poverty policy, using Leeds to investigate this.¹⁷ The focus is primarily on the Leeds City Council district (i.e. the city of Leeds itself). However increasingly wider units of spatial governance are also important in influencing practice in the city. In particular the Leeds City Region area has been a core focus of recent policy innovations such as those associated with the City Deal. A Combined Authority now also operates in the area. As such the case study also references policies with a wider focus than just the city of Leeds.

There are potentially a large number of policy domains that are important to anti-poverty policy. Obvious ones include employment and skills as well as wider policies orientated to supporting jobs growth (for example economic development and business support). But a series of policy domains which encompass wider enablers will be important as well, including health, housing and transport. Exploring powers in each of these in turn is beyond the scope of the case study so the focus is on a number of core policy areas – employment services, skills provision, careers advice, and business support and economic development.

By international standards there is relatively little devolution of powers to UK cities. However, in the past few years some additional opportunities have opened for cities to request additional powers and resources around a number of policy domains, through negotiated settlements with central government in the form of City Deals and subsequently Growth Deals.

For employment services, a core policy domain, the ability to influence policy at city level is relatively weak, with policy determined nationally by the Department for Work and Pensions and administered by Jobcentre Plus (with limited discretion at district level). The Work Programme model should in theory allow for greater local tailoring of services; in practice however harder-to-help groups have consistently performed poorly under the Work Programme.

While core employment services tend to be primarily nationally determined there is some local determination in discrete areas. The Leeds City Deal has a focus on youth unemployment. In addition, Leeds is one of the areas running a Big Lottery funded Talent Match programme focused on youth unemployment.

In skills there is also evidence of some greater influence in specific areas being made locally (although relatively limited in scale). The Leeds City Region LEP was successful in bidding for an Employer Ownership of Skills Pilot (see Thematic Study 5, Appendix 1). The pilot involves the creation of a £15 million Skills Fund to support the training needs of local SMEs. The city region LEP is also taking on a growing influence around skills policy including through the Growth Deal. In common with other LEPs, responsibility for strategic direction of spending of European funds will extend this role.

Careers advice is delivered in Leeds under the regional contract of the National Careers Service. Leeds has also retained the Connexions service and the City Council operates a network of Jobshops which offer advice to the unemployed. There is some concern about the efficacy of local partnership working between employment services and careers services locally (Ofsted, 2013).

The replacement of regional development agencies (RDAs) with LEPs had implications for local growth, with a number of policy domains being recentralised, including policy areas associated with inward investment, innovation and SME development (Bentley *et al.*, 2010; Hildreth and Bailey, 2012). Changes in the policy landscape also resulted in the Business Link Advisory Service (a network of regional advisors) being abolished in November 2011.¹⁸ Instead there is now a national helpline and web pages.

Beyond what remains of the national provision, LEPs were given responsibility for local business support by central government. The Leeds Growth Deal contains a number of policy commitments targeted at economic development and business support. This includes extending the Business Growth Hub programme to provide grants to firms with growth potential and to developing a model for more effectively co-ordinating business support which joins up national, local and public and private provision (Leeds City Region Enterprise Partnership, 2014). Some progress has been made, with an online business support directory tool developed by the LEP¹⁹ as well as an online business support 'portal' provided by the city council.²⁰

One final strand of work in the city which aims to co-ordinate policy domains to reduce poverty is the More Jobs, Better Jobs partnership between the city council, city region and the Joseph Rowntree Foundation. The partnership develops and uses research insights to support policy development within city region around poverty reduction through labour market change.

Overall local areas clearly only have partial influence on core levers of an anti-poverty policy. The challenge for them is to use those powers they do have most effectively *and* also to join these up to create a consistent local anti-poverty strategy.

Observations and overview

The thematic case studies presented in this chapter have examined evidence and presented examples of local approaches around a number of policy domains which influence either access to employment or experiences once in employment for individuals.

Targeting households in poverty

The first case study focused on the role of initiatives targeting households in poverty, and several examples have been identified which focus on the household unit. However the extent to which they are effectively targeted on income poverty is largely unproven. Often proxy measures for vulnerability to poverty are relied on, such as living in a deprived area, and these are imperfect. Yet clearly the ability to effectively locate and engage households in poverty is a core requirement of supporting their better employment outcomes. In this regard the development of new methods of targeting which use information on individual and household circumstances (such as those held by organisations like housing associations and local authorities) may offer potential to develop sharper methods of targeting. The examples cited also highlight a further issue pertaining to targeting relating to the potential danger of the temptation by delivery agencies to dilute or widen a programmes focus to maximise numbers and throughput, rather than retain a central focus on need.

Entry into employment

Several of the case studies developed in this chapter focus primarily on entry into employment. Employer behaviour in the process of recruitment and selection is an important determinant of the ability of those out of work to access jobs (and of those in employment to access different jobs). Different types of initiatives have been identified which seek to influence employer recruitment and selection behaviour to open up job opportunities for those in poverty. These initiatives tend to rely on some form of incentive to employers (either financial or non-financial) and often on strong employer engagement. Wage subsidies can work to encourage employers to recruit from specific disadvantaged groups (such as the StepUp example which supported the long-term unemployed). Other measures which use softer incentives, such as help with recruitment, funding and/or tailored skills provision for employers, can also provide ways to increase employer engagement and open up vacancies and opportunities. The evidence suggests that such initiatives can be successful but they can require significant resources to work with employers and understand their needs.

Careers information, advice and guidance

Careers, information, advice and guidance can also help support employment entry. The local examples reviewed here demonstrate the potentially quite broad range of local stakeholders who can have a remit

around this area, including contracted careers guidance provision as well as local authorities, anchor institutions and non-profits. The case study also demonstrates the potential value in developing specific strands of targeted support for particular groups who might have more entrenched barriers or complex needs to address to support entry into work. The evidence also suggests that face-to-face advice may be particularly important in facilitating moves into work.

Availability, affordability and access to transport

A further factor which has been targeted by local initiatives aiming at linking people to jobs has been issues relating to availability, affordability and access to transport. Such initiatives have focused on either individual barriers or structural issues. Some individual barriers have been addressed through initiatives supporting the no- or low-cost transport methods of walking and cycling. Help with travel planning across different modes of transport has also been made available as part of the initiatives reviewed. Cost has also been targeted through reduced fares for jobseekers. In addition the local examples show how issues of transport to key employment sites have been addressed through initial subsidies to support new bus routes.

Supporting better individual experiences in work

Other case studies were less focused on employment entry and more on initiatives aimed at supporting better individual experiences once in work. Apprenticeships are viewed by national government as a central mechanism to help people move into jobs with careers. There are also many and growing examples of local initiatives to increase apprenticeship numbers, with a particular focus on young people and linking to concerns about youth unemployment. These local initiatives have developed using a number of different funding mechanisms including European funding (ESF), the agreement of apprenticeships provisions as part of Section 106 agreements around major developments, and negotiating additional funding for apprenticeship programmes through City Deals.

The living wage

There has also been growing interest in the role that a living wage might play in improving earnings locally. Most directly a number of local authorities are leading by doing and have moved to pay the living wage to their staff. The use of procurement in encouraging companies to pay the living wage is also an area which is developing (with Islington Council trailblazing). There is also a strong living wage movement nationally, although it appears to be having greater success in London than elsewhere.

Progression

Policy interest in progression has increased at both national and local level, driven in part by changes in the benefits system. The case study evidence on local progression approaches in the UK is very sparse because it is such a new area for policy interest. However a number of new programmes are being developed and rolled out, several of which are linked to the Universal Credit pilots. There are also examples of new models of policy in the US aimed at progression. This includes the sector focused WorkAdvance programme which is targeted at low-income adults and which trains and matches them to jobs with opportunities for career development in high demand fields.

Effective co-ordination across policy domains at city level

Developing effective anti-poverty policies requires effective co-ordination across a number of policy domains and cities only have partial control over these domains (Lee *et al.*, 2014). This is increasing as policy levers are devolved. Pertinent examples include the agreement of City Deals and Growth Deals. The final case study examines the issue of city powers and anti-poverty policy drawing on the example of Leeds. It finds that while decentralisation in core policy domains remains limited, (new) opportunities do exist around a number of areas for locally designed anti-poverty policy, including greater influence over skills policy.

Conclusions

Introduction

The evidence review has drawn on the academic and the grey literature, as well as some evidence submitted in response to a call for evidence and information and intelligence from expert Interviews. A summary of key findings organised according to the four stages in the pathway to employment, key points from the thematic case studies, reflections on the quantity and quality of the evidence and their implications for local policy-makers are presented below. A key focus in this chapter is on learning points from the review for policy-makers at city level (see *Conclusions for policy development at city level*). Here the main emphasis is on the levers available to policy-makers at local and city regional levels and the extent of their autonomy to act now and in the future to link people to jobs and to help them to progress once in employment.

Summary of key findings

Pre-employment

At the pre-employment stage individuals move towards becoming job ready. The evidence highlights the importance of good quality IAG for jobseekers, perhaps supplemented by mentoring, to inform their training and skills development activities and to direct their job search activities. Some individuals need basic skills training to access employment. Pre-employment training that mirrors the actual workplace and focuses on particular sector-/job-specific skills (designed with employer input) can be particularly valuable here. Provision of 'better-off-calculations' showing the likely financial consequences of moving into employment, makes sense intuitively, although there is little evidence on their value. Sanctions on benefit claimants raise exits from benefits and entries to employment, but evidence suggests they are not positive in terms of subsequent earnings and job quality. Holistic and integrated policy packages, encompassing employment, skills and other policy domains, are particularly relevant at the pre-employment stage where individuals may face multiple barriers to employment.

Employment entry

At the employment entry stage individuals are job ready. IAG and access to (local) labour market information can be helpful in supporting job entry, but increasingly individuals have to rely on self-service online provision. Work experience and workplace-based training can help facilitate employment entry by enhancing individual's self-confidence and providing them with specific job-relevant skills. Good-quality apprenticeships provide an important means for young people to enter employment and subsequently progress as they 'learn and earn'. Since employers are gatekeepers to employment they can play a key role in improving access to, or ringfencing, particular jobs for disadvantaged groups, through providing guaranteed interviews, and in ensuring that recruitment and selection procedures are transparent and do not unduly disadvantage jobseekers with no or limited (recent) employment experience. Procurement policies can play an important role here too in linking local people to jobs in the local labour market. There has been some success in policies providing financial incentives to individuals on job entry. Although there have been concerns about low levels of take-up, financial subsidies to employers to mitigate the risk of taking on long-term unemployed people can facilitate job entry for targeted sub-groups. Some individuals need support – especially at the employment entry stage and in the early weeks of employment – with transport, and also with childcare, to help them with the extra costs and change of routine associated with employment entry.

Staying in work

Less attention has been devoted to policies to help people stay in work than policies concerned with pre-employment and employment entry. Staying in work may mean staying with the same employer or moving between employers; consequently, IAG is an important element of in-work support. Holistic

packages of support can be particularly effective for work retention, but this makes it harder to isolate individual activities to evaluate their effectiveness. The evidence suggests that the quality of the initial job entry – in terms of ‘fit’ to the individual, skills match, suitable hours and location – is important for work retention, suggesting that there is some merit in helping individuals to get the ‘right job’, as opposed to ‘any job’. There is little evidence on the role of training on staying in work. Financial incentives via in-work benefits paid through the national benefits system can be an important driver of employment entry and retention, but their impact tends to diminish if individuals subsequently enter a cycle of churning between unemployment and low-paid employment.

In-work progression

The evidence base is least advanced on in-work progression, but there is growing policy interest here. In-work progression can be measured in monetary (e.g. improvements in hourly wages or hours worked) and non-monetary terms (e.g. a more stable job); and individuals are likely to be concerned about both. In-work progression may involve movement in internal or external labour markets. Some evidence from the US on career ladder and career pathway programmes highlights the value of connecting training to particular (often growing) sectors/clusters; transferable skills are also helpful in facilitating in-work progression (particularly with other employers/in other sectors). In turn, this points to the underpinning role played by IAG and the importance of considering qualifications types and their labour market value in decisions about learning as part of the design and implementation of local skills strategies. Trades unions, in conjunction with employers, can play a role in stimulating opportunities for in-work progression, making them more transparent and encouraging their take-up, especially in large workplaces. Employer engagement tends to be easier where in-work progression initiatives can address a specific business need – for example, recruitment and retention problems.

Summary of key points from the thematic case studies

The thematic case studies provide more detailed analyses on particular topics emerging as important in the evidence review. Table 2 summarises the key messages from the thematic case studies examined in chapter 7, including examples of relevant associated policy initiatives implemented at a city level.

Table 2: Summary of learning from thematic case studies

Theme	Key messages
Local approaches to targeting households in poverty	<ul style="list-style-type: none"> • Effective targeting of households in poverty is vital to support better employment outcomes, but proxies for incomes are currently relied upon to do this and can be inaccurate. • New methods of targeting are being developed which could help counter this issue.
Employer behaviour in recruitment and selection	<ul style="list-style-type: none"> • Employer behaviour in recruitment and selection impacts on the ability of people out of work to access jobs. • Both financial and non-financial incentives have been offered to encourage employers to adapt these processes to provide more opportunities for people in poverty.
Careers, information, advice and guidance	<ul style="list-style-type: none"> • Targeted support for groups with complex needs or barriers to enter employment can be effective in improving employment outcomes. Stakeholders include contracted careers guidance providers, local authorities, anchor institutions and non-profit organisations.
Transport initiatives to link people to jobs	<ul style="list-style-type: none"> • Individual barriers have been addressed through low-cost transport initiatives (encouraging walking or cycling), route planning guidance and reduced fares for jobseekers. • Issues of transport availability can be addressed in some circumstances, for example through subsidies to support new bus routes to meet employment needs.
Apprenticeships and employer ownership of skills	<ul style="list-style-type: none"> • Apprenticeships are one route of helping people to learn, earn and progress in employment. • Local initiatives to increase numbers of apprenticeships through different funding mechanisms have included use of European funding, Section 106 agreements and City Deals.
The living wage	<ul style="list-style-type: none"> • Some local authorities are leading by paying the living wage to staff. Importantly, the use of procurement in encouraging companies to pay the living wage is developing.
Supporting in-work progression	<ul style="list-style-type: none"> • The evidence base on progression is sparse but new programmes are being developed, some linked to Universal Credit pilots. • US examples are useful e.g. the WorkAdvance programme trains low-income individuals for career development in high demand fields.
Effective co-ordination across policy domains at city level	<ul style="list-style-type: none"> • Developing effective policy requires co-ordination across a number of different policy domains. • While decentralisation in core policy domains related to tackling poverty remains relatively limited, some new policy levers are becoming available to cities/local actors to support linking jobs and poverty. This includes, for example, through City Deals Growth Deals, and Employer Ownership of Skills pilots.

Reflections on the evidence base and implications for policy-makers at city level

Where evidence is focused by stage on the pathway to employment

The evidence base on linking jobs and poverty at city level is uneven: there is more evidence for pre-employment and employment entry initiatives than for sustaining employment and in-work progression. This is partly a function of the profile of public funding, which is concentrated on facilitating movement into employment, rather than moves within employment.

In the UK there has been little emphasis on direct public sector involvement on issues concerning job design and in-work progression, although business support initiatives can have an indirect impact on prospects for progression in work. In part this is likely to reflect UK policy-makers' reticence to be seen to intervene in the 'black-box' of the workplace (for example see Keep, 2013). However recent policy changes, particularly those associated with the introduction of Universal Credit, but also activity around employment ownership of skills and devolution of new powers to cities through City Deals, are opening up new avenues to develop interventions targeted at progression.

Where evidence is focused by geographical scale and locus of control of intervention

There is more evidence for national level initiatives implemented at the local level, than on specifically local initiatives. It is likely that this reflects: (a) the (increasing) importance of challenge funding for local policy interventions in the UK; (b) the fact that where local interventions are evaluated evidence might not be publicly available; and (c) that analysis/evaluations of local level interventions are more limited than those of national interventions. Also, while there are some syntheses of interventions relating to tackling worklessness (e.g. Campbell and Meadows, 2002; Sanderson, 2006; Hasluck and Green, 2007; Meadows, 2008; Beatty *et al.*, 2009) and presentations of opportunities for innovation (at a range of geographical scales (Casebourne and Coleman, 2012), there is a relative paucity of detailed evaluations of specific city-level policy interventions.

Quality of, and gaps in, evidence

In general, the quality of evidence that does exist tends to be rather low. This was the conclusion from evidence reviews from the What Works Centre for Local Economic Growth,²¹ although the standards of evidence set were relatively high. For this research the focus is on the sub-national rather than the national scale, and the quality of evidence tends to be lower at sub-national than at national level – reflecting lower levels of resources for analysis and evaluation (financial and otherwise) at sub-national than at national level.

Implications

These findings on the nature of the evidence base, and specifically on its quantity and quality, have implications for how it might be best used by policy-makers at city level. Table 3 sets out how policy-makers might use available evidence for policy formulation, refining the focus of policy and for evaluation.

Table 3: Assessing and contributing to the evidence base for policy purposes

Issue and purpose	Use of evidence for refining policy
Learning from existing evidence – for policy formulation	Make use of syntheses/assessments of existing evidence (at national and local scales) for generic learning points regarding interventions related to those being considered for implementation locally.
	Where there is some awareness of seemingly relevant interventions from other local areas make contact to see if any specific reports (perhaps unpublished)/informal learning (including on what does not work as well as on what works) is available.
	Draw on local labour market information and local intelligence to inform local policies and to tailor them to the local economic, institutional and socio-demographic context.
Stage on pathway to employment – reflecting policy focus	Consider shifting the focus of policy more towards sustaining and progressing in employment – making use of opportunities for partnership learning in new policy initiatives/programmes (e.g. employer ownership of skills, learning to inform Universal Credit, etc).
	Related to the above, consider shifting the focus of policy more towards the demand-side of the labour market (perhaps with a sectoral/occupational focus) and understanding employers' actions and engaging with them – to inform supply- and demand-side policy interventions.
Contributing to the evidence base – policy evaluation/ assessment	Ensuring assessment/evaluation is built in from the outset in local interventions to link people to employment.
	Inculcating a sharing and learning philosophy among those involved in developing and implementing policy interventions, to enhance learning from experience and build in such learning to subsequent policy interventions.

Conclusions for policy development at city level

This section sets out some potential actions emerging from the evidence review for policy makers at city level. Table 4 sums up the evidence presented in the review and presents a checklist of suggested actions against which policy-makers can map current activities and identify gaps that might usefully addressed. Of course the specific challenges faced by particular cities differ depending on:

- local employment profiles – by sector, occupation and pay;
- labour supply characteristics – including by age, gender, ethnicity, qualifications, skills, etc;
- the level of demand in the local economy – as indicated by prevailing (un)employment and (in)activity rates;
- major ongoing/ planned investments impacting on the local economy.

It is also the case that differential devolution and the outcomes of bilateral negotiations between cities (at sub-national level) and the centre (at national level) mean that there are differences between cities in the powers and resources to underpin local actions to address poverty by linking people to (better) jobs. So while the potential actions in Table 4 are generic in nature and so are likely to be pertinent for most cities, there will be inter-city variations in their relevance, and the powers and resources available to implement them.

In Table 4 a distinction is made between:

- local actions which can be implemented now (i.e. without greater local autonomy or new mechanisms at city level and with limited additional resources) – including locally initiated activity and local partnership working, managing/ building/implementing local capacity within the context of existing national initiatives, and using some of the local operational discretion available within nationally provided services/initiatives (panel A); and
- local actions linked to the possibility of further devolution of power and resources, often requiring strategic discretion than is currently available (panel B).

It should be noted that some cities will be taking some of these actions already. In some cases the main scope may be for maximising/increasing the range of existing actions (such as expanding the number of living wage employers, greater use of procurement to provide opportunities for employment and training).

It is also clear that cities do not have all the powers needed to tackle poverty locally. There are also other important policies at national level (not included in Table 4) – such as the welfare system, the tax and benefits regime, the National Minimum Wage – which are critical drivers of poverty alleviation and outcomes and which set the broader frame within which local policies operate. However this research has identified a range of policy levers and mechanisms which cities can use, shape or influence to help achieve better poverty outcomes – as outlined in Table 4. These levers include influencing functions (such as design of local industrial strategy and business support) as well as more direct actions (such as through procurement and directing funding to particular activities). The recent evolution of policy towards cities also suggests that additional powers may become available in the future to strengthen local policy-makers' role and ability to act on poverty. The challenge for local policy-makers is to maximise the use of the available levers to tackle poverty and to link these areas of activity to develop coherent local anti-poverty strategies.

Table 4: Potential actions for policy-makers at city level

A. Local actions that can be implemented now

Issue/evidence	Possible local actions	Relevant stages in the pathway to employment
Joining up of services and support. Facilitating individual entry, retention and progression in work can require access to a number of different services. This can be supported by: Informal partnership working and information sharing between local partners – facilitating signposting of individuals to services. Co-location of services can help raise service deliverers' awareness of local provision in different policy domains; foster collaboration and co-ordination of provision; and help service users physically access services.	<ul style="list-style-type: none"> • Provision of opportunities for key local partners to come together – within and outside formal structures. • Promote co-location of key services and holistic/ wraparound service provision (e.g. to enter and stay in work) – to foster holistic provision for the service user. 	<ul style="list-style-type: none"> • All stages • Pre-employment Employment entry Staying in work
The use of the internet in job searching, application and employer screening processes can create a barrier to employment entry (and progression) for those who do not have access or experience of use of IT.	<ul style="list-style-type: none"> • Provision of access to, and support with, forms of electronic applications is an important component of addressing barriers to work for some. Policy-makers should be sensitive to gaps both in this provision and in support for those not receiving formal back-to-work support. 	<ul style="list-style-type: none"> • Pre-employment (Also relevant for staying in work)
Quality of staff matters in delivery of advice and services; new policy attention towards progression will also necessitate different forms of working and different/updated advisor skills sets.	<ul style="list-style-type: none"> • Investing in staff training and promotion of nationally recognised qualifications/service delivery 'kitemarks' – with benefits for service delivery and staff employability. • Ensuring service delivery is able to meet the needs of individuals in work to support their progression will require greater flexibility in models of support. 	<ul style="list-style-type: none"> • Pre-employment Employment entry • Staying in work In-work progression
Opening up training/apprenticeship/employment opportunities for local residents. This is a broad area where evidence suggests local policy-makers can play an important role, perhaps particularly around large new developments, but also in relation to procurement and through the public sector's own recruitment strategies.	<ul style="list-style-type: none"> • Use of Section 106 agreements to maximise positive labour market outcomes of large developments – for example apprenticeships, local hire agreements, adaptations to recruitment and selection. • Procurement policies with clauses to help local residents access opportunities (this can include ringfenced jobs and guaranteed interviews with feedback). 	<ul style="list-style-type: none"> • Employment entry • Pre-employment Employment entry

	<ul style="list-style-type: none"> • 'Leading by doing' with the public sector demonstrating a commitment to good practice through provision of apprenticeships, design of recruitment and selection process, and policies towards employees development and progression. 	<ul style="list-style-type: none"> • Employment entry
Inculcating and extending good practice in recruitment, selection and in-work progression. Policy-makers alongside local business-led groups, perhaps particularly significantly LEPs, can disseminate good practice which aims to address discrimination in recruitment and selection and encourage employers to think about progression policies for employees.	<ul style="list-style-type: none"> • Develop strategies to influence and secure a commitment to demonstrating good practice in recruitment, selection and in-work progression policies among local employers – including asking employees if they want to progress and making clear what they need to do in order to progress. 	<ul style="list-style-type: none"> • Employment entry In-work progression
Raising the wage floor can help move people in employment out of poverty.	<ul style="list-style-type: none"> • Develop and expand the promotion of living wage payment locally, proactively influence the payment of living wages through procurement and 'leading by doing'. 	<ul style="list-style-type: none"> • Employment entry Staying in work
National level funding/expertise may add value at local level and help build local capacity and capability, as well as providing local influence at national level.	<ul style="list-style-type: none"> • Consider strategically whether there is likely to be value locally in using national-level funding opportunities (e.g. Employer Ownership of Skills scheme, opportunities to engage in nationally-co-ordinated local pilot programmes/initiatives etc) – to derive access to funding for local activity and professional expertise (e.g. in evaluation). 	<ul style="list-style-type: none"> • All stages
Evidence suggests that there can be value in adopting a sector focus in local employment initiatives.	<ul style="list-style-type: none"> • Take advantage of initiatives related to industrial strategy at national level. • Ensure that local employment and skills policies support existing key sectors/local industrial strategy at city region level (i.e. strategic sectors identified by LEPs in England and governments in the devolved nations). • Extend the sector focus of local strategies (as applicable) to consider mechanisms for improving outcomes in 'high-employment' as well as 'high-value added' sectors (given that the former may be less well represented in local industrial strategy currently). 	<ul style="list-style-type: none"> • All stages – but especially in-work progression • All stages • In-work progression

Apprenticeships are being promoted at national level. Evidence suggests that they have value in addressing employers' current and future skills needs (so helping the local economy) and in providing opportunities for 'learning while earning' for individuals (especially young people)	<ul style="list-style-type: none"> Move with the grain of national policy, but making full use of potential possibilities for local design elements and involvement of local employers (and their suppliers, as appropriate). 	<ul style="list-style-type: none"> Employment entry In-work progression
Labour market intermediaries/advisers benefit from a solid foundation of 'core LMI', while jobseekers and people in employment seeking to progress in the labour market benefit from careers intelligence.	<ul style="list-style-type: none"> Encourage use of national and local 'core LMI' by labour market intermediaries/careers advisers etc and promote available online careers intelligence among jobseekers and signpost to helplines/support services. 	<ul style="list-style-type: none"> All stages – but especially pre-employment
Some national organisations with local branches (e.g. the Chartered Institute for Personnel and Development) from time to time have national initiatives offering expertise to local residents/businesses.	<ul style="list-style-type: none"> Make use of national initiatives offering local expertise on a pro-bono basis (e.g. HR professionals providing mentoring of jobseekers). 	<ul style="list-style-type: none"> All stages – especially pre-employment
Value of additional resources at key transition points in the employment pathway.	<ul style="list-style-type: none"> Promotion of use of flexible funding (e.g. for work-related clothing, travel costs) to help with transitions associated with employment entry/job mobility etc. 	<ul style="list-style-type: none"> Employment entry Staying in work (by changing employer)
Value of the ability to tailor and develop 'add-ons' to core employment programmes and provision, to reflect local labour market opportunities and to meet specific local population needs.	<ul style="list-style-type: none"> Work with core employment service providers (public and private) to ensure provision effectively meets local needs. Develop proposals for locally developed complementary provision to support specific needs which may be based on some additional devolution of funding or realigning of existing funding. 	<ul style="list-style-type: none"> All stages – especially pre-employment and employment entry

B. Local actions linked to the possibility of further devolution of power and resources

Issue/evidence	Possible local actions	Relevant stages in the pathway to employment
Employment and skills initiatives often involve several partners working together across different policy domains. Opportunities to align/pool funds might be limited – because of different organisational objectives, different	<ul style="list-style-type: none"> Promote formal partnership structures and networks which provide for local partners to come together and work collaboratively. In locally-commissioned activity endeavour to remove barriers to greater alignment/pooling of funding streams, and 	<ul style="list-style-type: none"> All stages Pre-employment Employment entry

reporting requirements involving different funding streams etc.	streamline reporting requirements.	
The nature of skills development matters. Training provision should be designed in a way which meets the needs of both work entry and sustainability. Training with a strong 'on the job' component is generally found to be beneficial. However to facilitate individual resilience and support progression such training needs also to help develop skills and competencies which are transferable.	<ul style="list-style-type: none"> • Work with employers (see below) to ensure training is relevant but ensure that programmes are not too narrowly designed on employer-specific skills but rather also facilitate portability of skills and labour mobility. 	<ul style="list-style-type: none"> • All stages – especially pre-employment
Good quality training programmes can help to support better progression outcomes for low-paid workers, but there is relatively limited local activity in this area.	<ul style="list-style-type: none"> • Use sector and employer engagement opportunities (employment growth in particular sectors/occupations, skills shortages, turnover etc) and links to employers in key sectors identified in local industrial strategies) to develop training programmes which focus on employee progression. These may be targeted at sectors offering comparatively good progression opportunities for employees locally. 	<ul style="list-style-type: none"> • In-work progression
Employers have a key role in connecting people to jobs and in providing opportunities for in-work progression.	<ul style="list-style-type: none"> • Work with employers on design of pre-employment training courses – so that local unemployed residents have required attributes and skills to meet employers' requirements. • Work with employers on expanding/effectively targeting work placement opportunities. • Focus on understanding current and likely future labour and skills needs of local businesses – and engage employers in design of apprenticeships and training programmes to meet business needs. 	<ul style="list-style-type: none"> • Pre-employment • Pre-employment • All stages
An indirect way of linking people to jobs is to invest in leadership and management support and HR support.	<ul style="list-style-type: none"> • Consider investing in business support – especially for SMEs, so enabling smarter investment in training/apprenticeships in a 'whole company' approach, also embracing non-employment and skills-related support. 	<ul style="list-style-type: none"> • Employment entry • In-work progression
Targeted use of wage subsidies can encourage employers to consider taking on potential recruits they might otherwise overlook. But the use of wage subsidies carries an upfront cost and their	<ul style="list-style-type: none"> • Where specific local issues are identified wage subsidies are one way of influencing the distribution of employment gains. An example which might be developed is the use of Growth Deals (and similar initiatives) to link specific economic 	<ul style="list-style-type: none"> • Employment entry

application only makes sense in particular circumstances.	<ul style="list-style-type: none"> development initiatives (e.g. to regenerate particular areas of cities, to develop particular sectors of local strategic importance) to wage subsidies to encourage employers to recruit people with pre-specified characteristics (e.g. claiming out of work benefits, living in particular areas) to jobs with a reasonable chance of sustainability beyond the short term. 	
To ease travel-to-work challenges it makes sense to consider the existing transport network/access to public transport when developing new employment sites.	<ul style="list-style-type: none"> • Ensure that issues of physical accessibility are a key consideration in developing new employment sites. • Provide free/subsidised travel for those entering employment. • Provide travel planning advice and advice/support for low-/no-cost methods of local travel (walking and cycling). • Invest in integrated ticketing to make journeys involving change in transport mode/changes in transport provider easier. 	<ul style="list-style-type: none"> • Employment entry • Staying in work • Employment entry • Employment entry • Staying in work • Employment entry • Staying in work
Raising the wage floor can help move people in employment out of poverty.	<ul style="list-style-type: none"> • Develop and expand the promotion of living wage payment locally, proactively influence the payment of living wages through procurement and 'leading by doing'. 	<ul style="list-style-type: none"> • Staying in work
Evidence suggests some individuals require specific (individualised) and often face-to-face forms of IAG – particularly to support employment entry.	<ul style="list-style-type: none"> • Maintaining a level of face-to-face information, advice and guidance for those in need of extra support. • Evidence suggests some individuals require specific and often face-to-face forms of IAG to support employment entry. Developing, targeting and maintaining such support locally is therefore an important consideration. 	<ul style="list-style-type: none"> • Pre-employment • Employment entry

Notes

- 1 To some extent what constitutes a 'better job' is a subjective rather than an objective consideration, since individuals may place different weights on pecuniary and non-pecuniary aspects of jobs, with latter considerations including security, personal fulfilment, utilisation of skills, sociability, 'fit' with non-employment aspects of life, etc. However, given the central focus here on poverty, the financial aspect is taken as paramount here in the definition of a 'better job'.
- 2 Skills Development Scotland has a similar staged 'employability pipeline' but with five stages: (1) Referral, engagement and assessment; (2) Needs assessment and barrier removal; (3) Vocational activity; (4) Employer engagement and job matching; (5) In-work support and after care (see www.employabilityinscotland.com/employability-pipeline/the-employability-pipeline/) (accessed 28 June 2014).
- 3 See www.gov.uk/government/collections/industrial-strategy-government-and-industry-in-partnership (accessed 8 January 2015).
- 4 See www.cipd.co.uk/publicpolicy/mentoring-steps-ahead-initiative.aspx
- 5 See www.skillsdevelopmentscotland.co.uk/our-services/certificate-of-work-readiness/
- 6 See www.familymosaic.co.uk/userfiles/Documents/Research_Reports/Family_Mosaic_Employment_Boat_Camp.pdf
- 7 See www.myworldofwork.co.uk/ (accessed 26 June 2014); see also case study 11 in <http://www.researchonline.org.uk/sds/search/download.do?ref=B27682> (accessed 8 January 2015) for details of associated initiatives in the development of 'core LMI' to support the work of Skills Development Scotland and partner organisations.
- 8 See <https://nationalcareersservice.direct.gov.uk/Pages/Home.aspx> (accessed 28 June 2014)
- 9 See www.lcrskillsforgrowth.org.uk/?page_id=804 (accessed 26 June 2014).
- 10 As shown in the framework in Table 1, apprenticeships are also of relevance for 'staying in work' and 'in-work progression', but since they are commonly associated with young people entering the labour market they are considered here.
- 11 Defined by the CIPD (2013:3) as 'an agreement between two parties that one may be asked to perform work for another but there is no minimum set contracted hours. The contract will provide what pay the individual will get if he or she does work and will deal with circumstances in which work may be offered and possibly turned down'.
- 12 In practice the evaluation literature is not always able to determine whether changes to hours or to hourly wages is driving patterns because of the reliance on administrative data which provides total earnings only (see Hendra *et al.*, 2010).
- 13 This study used a survey of learners, with those receiving information only as the control group and those receiving more in-depth support as the treatment group, and with control and treatment group members matched using Propensity Score Matching (PSM).
- 14 An analogous concept is 'career management skills', for example see www.skillsdevelopmentscotland.co.uk/media/752669/career_management_skills_framework_scotland.pdf.

- 15 There is also some international qualitative evidence which suggests that those with health conditions may suffer from a lack of suitable training opportunities and weak linkages between training opportunities and other support required to access these (Freeze *et al.*, 1999 study of Canada).
- 16 A small-scale qualitative study in Canada identifies a number of factors which are supportive of literacy programmes within the workplace in a number of territories, these include buy-in/support from management, resource availability (both human resources and financial), the presence of a learning culture within an organisation, community partnerships for delivery, buy-in from employees, and the availability of government funding (Plett, 2007).
- 17 As described in Chapter 1 the focus of this report is primarily on those of working age (i.e. those likely to be in employment or seeking employment), and so the focus here is on factors relating to employment outcomes. This is a narrower definition than that used by JRF in its anti-poverty strategy which covers all ages (see www.jrf.org.uk/topic/anti-poverty).
- 18 See for example: <http://newstartmag.co.uk/features/learning-from-the-story-of-business-link/>
- 19 See: <http://business.leedscityregion.gov.uk/support/>
- 20 See: www.leeds.gov.uk/Business/Pages/Support-and-advice.aspx
- 21 For example, <http://whatworksgrowth.org/wp-content/uploads/2014/04/Employment-Training-Full-Report.pdf>.

References

- Adam, D., Campbell, V., de Hoyos, M., Green, A.E. and Thomas, A. (2011) 'Increasing digital channel use amongst digitally excluded Jobcentre Plus claimants', DWP Research Report 776. Available at: www.gov.uk/government/uploads/system/uploads/attachment_data/file/214559/rrep776.pdf (accessed on 2 March 2015)
- Adams, S. and Neumark D. (2005) 'Living wage effects: new and improved evidence', *Economic Development Quarterly*, Vol. 19, No.1, pp. 80–102
- Afridi, A. (2011) Social networks: their role in addressing poverty. York: JRF
- Arksey, H. (2003). 'People into employment: supporting people with disabilities and carers into work', *Health and Social Care in the Community*, Vol. 11, No.3, pp. 283– 292
- Arup and Volterra Consulting (2010) Economic structure of Sheffield City Region and issues for transport. Report for the South Yorkshire Passenger Transport Executive. London: Arup and Volterra Consulting
- Atkinson, I. (2010) 'Governance structures and the devolved delivery of employment outcomes', DWP Research Report 678. London: DWP
- Atkinson, J., Dewson, S., Fern, H., Page, R., Pillai, R. and Tackey, N. D. (2008) 'Evaluation of the Fair Cities Pilots 2007', Department for Work and Pensions Research Report 495. Available at: <http://webarchive.nationalarchives.gov.uk/20130314010347/http://research.dwp.gov.uk/asd/asd5/rports2007-2008/rrep495.pdf> (accessed on 2 March 2015)
- Autor, D. and Houseman, S.W.E. (2010) 'Do temporary-help jobs improve labor market outcomes for low-skilled workers? Evidence from WorkFirst', *American Economic Journal: Applied Economics*, Vol. 2, No. 3, pp. 96–128
- Beatty, C., Crisp, R., Foden M., Lawless, P. and Wilson, I. (2009) Understanding and tackling worklessness: evidence from the New Deal for Communities. London: Department for Communities and Local Government
- Bellis, A., Sigala, M. and Dewson, S. (2011) 'Employer engagement and Jobcentre Plus', Research Report 742. Available at: www.gov.uk/government/uploads/system/uploads/attachment_data/file/214516/rrep742.pdf (accessed on 2 March 2015)
- Bentley, G., Bailey, D. and Shutt, J. (2010) 'From RDAs to LEPs: a new localism? Case examples of West Midlands and Yorkshire', *Local Economy*, Vol. 25, No.7, pp. 535– 557
- Big Lottery Fund (2012) Fulfilling lives, supporting young people into work: talent match programme guide, England. London: BLF
- Billett, S. and Smith, A. (2003). 'Compliance, engagement and commitment: increasing employer expenditure in training', *Journal of Vocational Education and Training*, Vol. 55, No.3, pp. 281– 299
- Bimrose, J., Barnes S-A. and Hughes, D. (2008) Adult career progression and advancement: a five year study of the effectiveness of guidance. Coventry: Institute for Employment Research, University of Warwick
- Bimrose, J., Brown, A., Barnes, S. and Hughes, D. (2011) 'The role of career adaptability in skills supply', Evidence Report 35. Wath upon Dearne: UK Commission for Employment and Skills
- Bimrose, J., Brown, A., Behle, H., Barnes, S-A., Hughes, D., Andrews, D., Davies, E. and Wiseman, J. (2014). 'Understanding the link between employers and schools and the role of the National Careers Service', BIS Research Paper 206. London: Department for Business, Innovation and Skills
- Bivand P., Brooke B., Jenkins S. and Simmonds D. (2006) 'Evaluation of StepUp pilot: final report', Research Report No.337. London: DWP
- Bivand, P. and Simmonds, D. (2014) The benefits of tackling worklessness and low pay. York: JRF
- Breeze, J., Cummings, C., Jackson, M., McInroy, N. and Nolan, A. (2013) Addressing poverty through local governance. York: JRF
- Brewer, M., Dickerson, A., Gambin, L., Green, A., Joyce, R. And Wilson R. (2012) Poverty and inequality in 2020: impact of changes in the structure of employment. York: JRF

- Browne, J. and Paull, G. (2010) 'Parents' work entry, progression and retention, and child poverty', Department for Work and Pensions Research Report 626. London: DWP
- Bryson, J., James, S. and Keep E. (2012) 'Recruitment and selection' in Bach, S. and Edwards, M. (eds) Managing human resources: human resource management in transition. London: Wiley
- Bynner, J. (2011) 'Youth transitions and apprenticeships: a broader view of skill' in Dolphin T. and Lanning T. (eds) Rethinking apprenticeships, pp. 17– 28. London: IPPR
- Cambridge Policy Consultants (2014) Evaluation of Greater Manchester apprenticeship hub: phase 1 careers education, information, advice and guidance. Available at: http://neweconomymanchester.com/stories/1845-gm_apprenticeship_hub (accessed on 2 March 2015)
- Campbell, M. and Meadows, P. (2002) What works locally? Key lessons on local employment policies. York: JRF
- Campbell, M., Sanderson, I. and Walton, F. (1998) Local responses to long-term unemployment. York: JRF
- Card, D., Kluve, J. and Weber, A. (2010) Active labor market policy evaluations: a meta analysis. Cambridge, MA: National Bureau of Economic Research
- Casebourne, J. and Coleman, N. (2012) Making it work: tackling worklessness through innovation. London: NESTA
- Center on Wisconsin Strategy (2005) Skilled workers, strong economy: preparing for jobs with a future in South Central Wisconsin. Madison, WI: Center on Wisconsin Strategy
- Centre for Economic & Social Inclusion (2010) Report of the cost-benefit evaluation of the Transitional Spaces Project. Available at: www.cesi.org.uk/publications/report-cost-benefit-evaluation-transitional-spaces-project (accessed on 2 March 2015)
- Cheung, S. and McKay, S. (2010) Training and progression in the labour market DWP Research Report 680. London: DWP
- CIPD (2013) Zero-hours contracts: myth and reality. London: CIPD
- CIPD (2014) The match factor: good practice in apprenticeship recruitment. London: CIPD
- Clain, S.H. (2008) 'How living wage legislation affects US poverty rates', Journal of Labor Research, Vol. 29, No.3, pp. 205–18
- Clarke, A., Morris, S., Udagawa, C. and Williams, P. (2014) The role of housing organisations in reducing poverty: a review of strategic and business plans. York: JRF
- Clayton, N., Smith, R. and Tochtermann L. (2011) Access all areas: linking people to jobs. London: Centre for Cities
- de Hoyos, M., Green, A., Barnes, S-A., Behle, H., Baldauf, B. and Owen, D. (2013) Literature review on employability, inclusion and ICT. Report 2: ICT and employability. JRC Technical Reports. Brussels: Institute for Prospective Technological Studies, European Commission
- de Koning, J. (ed) (2007) The evaluation of active labour market policies: measures, public-private partnerships and benchmarking. Cheltenham: Edward Elgar
- DEL and DE (2009) Preparing to succeed: careers education, information, advice and guidance. Belfast: Northern Ireland Assembly
- D'Arcy, C. and Hurrell, A. (2014) Escape plan: understanding who progresses from low pay and who gets stuck. London: Resolution Foundation
- Devins, D., Bickerstaffe, T., Mitchell, B. and Halliday S. (2014) Improving progression in low-paid, low-skilled retail, catering and care jobs. York: JRF
- Department for Education (2012) Securing independent careers guidance: a practical guide for schools. London: Department for Education. Available at: <http://media.education.gov.uk/assets/files/pdf/s/securing%20independent%20careers%20guidance%20a%20practical%20guide%20for%20schools.pdf> (accessed on 2 March 2015)
- Dolphin, T. (2014) Remember the young ones: improving career opportunities for Britain's young people. London: IPPR
- Dorsett, R., Lui, S. and Weale, M. (2010) Economic benefits of lifelong learning. Available at: www.llakes.org/wp-content/uploads/2010/08/DorsettLuiWealeComplete.pdf (accessed on 2 March 2015)

- Doussard, M. and Theodore, N. (2006) 'The temporary staffing industry and workforce development: assessing a system of local experiments', *Local Economy*, Vol. 21, No.3, pp. 264–278
- Duke, A.E., Martinson, K. and Strawn, J. (2006) *Wishing up: how government can partner with business to increase skills and advance low-wage workers*. Washington, DC: Center for Law and Social Policy
- Dutton, E., Warhurst, C., Nickson, D. and Lockyer, C. (2005) 'Lone parents, the New Deal and the opportunities and barriers to retail employment', *Policy Studies*, Vol. 26, No.1, pp. 85–101
- DWP (2012) *Impacts and costs and benefits of the Future Jobs Fund*. London: DWP. Available at: www.gov.uk/government/uploads/system/uploads/attachment_data/file/223120/impacts_costs_benefits_fjf.pdf (accessed on 2 March 2015)
- DWP (2013) *Extending labour market interventions to in-work claimants – call for ideas*. Available at: www.gov.uk/government/uploads/system/uploads/attachment_data/file/221421/extending-labour-market-interventions.pdf (accessed on 2 March 2015)
- Eissa, N. and Liebman, J.B. (1996) 'Labor supply response to the Earned Income Tax Credit', NBER Working Paper No. 5158. Cambridge, MA: NBER
- Ekosgen Consulting (2011) *Final evaluation of the Family Employment Initiative: a report to the Coalfields Regeneration Trust (final report)*. Glasgow: Ekosgen
- EPPI-Centre (2002) *Guidelines for extracting data and quality assessing primary studies in education research (version 0.9.7)*. London: EPPI-Centre, Social Science Research Unit
- Evans, J. and Rallings, J. (2013) *Helping the inbetweeners: ensuring careers advice improves the options for all young people*. Ilford: Barnardo's
- Evans, P. M. (2007) '(Not) taking account of precarious employment: workfare policies and lone mothers in Ontario and the UK', *Social Policy & Administration*, Vol. 41, No.1, pp. 29–49
- Fairris, D. (2005) 'The impact of living wages on employers: a control group analysis of the Los Angeles ordinance', *Industrial Relations*, Vol. 44, No. 1, pp. 84–105
- Fairris, D., and Fernandez Bujanda, L. (2008) 'The dissipation of minimum wage gains for workers through labor-labor substitution: evidence from the Los Angeles Living Wage Ordinance', *Southern Economic Journal*, Vol. 75, No.2, pp. 473–496
- Filmer-Sankey, C., and McCrone, T. (2012) *Hidden talents: examples of transition of careers guidance from local authorities to schools*. LGA Research Report. Slough: NFER. Available at: www.nfer.ac.uk/publications/LGCG01/LGCG01.pdf (accessed on 2 March 2015)
- Finn, D., Mason, D., Rahim, N. and Casebourne, J. (2008) *Delivering benefits, tax credits and employment services. Problems for disadvantaged users and potential solutions*. York: JRF
- Fishwick, T., Lane, P. and Gardiner, L. (2011) *Future Jobs Fund: an independent national evaluation*. London: Centre for Economic and Social Inclusion
- Fitzenberger, B., and Speckesser, S. (2007) 'Employment effects of the provision of specific professional skills and techniques in Germany', *Empirical Economics*, Vol. 32, No.2–3, pp. 529–573
- Fitzenberger, B., Osikominu, A. and Volter, R. (2008) 'Get training or wait? Long-run employment effects of training programs for the unemployed in West Germany', *Annales d'Economie et de Statistique*, No. 91–92, pp. 321–355
- Fitzgerald, J. (2004). 'Moving the workforce intermediary agenda forward', *Economic development quarterly*, Vol. 18, No.1, pp. 3–9
- Fletcher, D. (2004) 'Demand-led programmes: challenging labour-market inequalities or reinforcing them?', *Environment and Planning C: Government and Policy*, Vol. 22, No.1, pp. 115–128
- Foster, C., Whysall, P. and Harris, L. (2007) 'Female career progression in retailing', *International Journal of Retail & Distribution Management*, Vol. 35, No.12, pp. 975–981
- Freeze, R., Kueneman, R., Frankel, S., Mahon, M. and Nielsen T. (1999) 'Passages to employment', *International Journal of Practical Approaches to Disability*, Vol. 23, No.3, pp. 3–13

- Fuller, A. and Rizvi, S. (2012). The Southampton Skills Development Zone apprenticeship: research report. Southampton: LLAKES ESRC Research Centre, University of Southampton
- Fuller, A., Rizvi, S. and Unwin, L. (2013) 'Apprenticeships and regeneration: the civic struggle to achieve social and economic goals', *British Journal of Educational Studies*, Vol. 61, No.1, pp. 63–78
- Gambin, L. (2012) 'Review of apprenticeship research: a summary of research published since 2010', Report prepared for the National Apprenticeship Service and BIS. Coventry: IER, University of Warwick. Available at: www.apprenticeships.org.uk/About-Us/~media/Documents/IER-Apprenticeships-Literature-Review-final-July-2012.ashx (accessed on 2 March 2015)
- Garaud, P. and Oakley, M. (2013) *Slow progress: improving progression in the UK labour market*. London: Policy Exchange
- Gardiner, K. (1997) *Bridges from benefit to work: a review*. York: JRF
- Gardiner, L. and Simmonds, D. (2012) *Housing providers' approaches to tackling worklessness*. London: Centre for Economic and Social Inclusion (CESI) for HACT
- Garmise, S. (2009) 'Building a workforce development system as an economic development strategy: lessons from US programs', *Local Economy*, Vol. 24, No.3, pp. 211–223
- Gibbons, D. and Foster, S. (2014) *Advice, support and poverty: evidence review*. London: Centre for Economic and Social Inclusion. Available at: www.cesi.org.uk/sites/default/files/publications/Advice%20support%20and%20poverty%20report%20DG%20final%20July%202014%20%282%29_0.pdf (accessed on 2 March 2015)
- Giloth, R. (2009) *Lessons for a new context: workforce development in an era of economic challenge*. Available at: www.frbsf.org/community-development/files/Giloth_Robert.pdf (accessed on 2 March 2015)
- Granovetter, M. (1974) *Getting a job: a study of contacts and careers*. Chicago, IL: University of Chicago Press
- Green, A. (2010) *Social impacts and social equity issues in transport workshop series. Workshop 1 report: employment, education and training perspectives*. Available from: www.tsu.ox.ac.uk/research/uktrcse/UKTRC-workshop_report1.pdf (accessed on 2 March 2015)
- Green, A.E., de Hoyos, M., Li, Y. and Owen, D. (2011) 'Job search study: literature review and analysis of the Labour Force Survey, DWP Research Report 726. Available at: www.gov.uk/government/uploads/system/uploads/attachment_data/file/264917/rrep726.pdf (accessed on 2 March 2015)
- Green, A. E., Li, Y., Owen, D. and de Hoyos, M. (2012) 'Inequalities in use of the internet for job search: similarities and contrasts by economic status in Great Britain', *Environment and Planning A*, Vol. 44, No.10, pp. 2344–2358
- Green, A., de Hoyos, M., Barnes, S-A., Owen, D., Baldauf, B. and Behle, H. (2013) *Literature review on employability, inclusion and ICT, Report 1: The concept of employability, with a specific focus on young people, older workers and migrants*. Available at: <http://ipts.jrc.ec.europa.eu/publications/pub.cfm?id=6059> (accessed on 2 March 2015)
- Green, A. E. and White, R.J. (2007) *Attachment to place: social networks, mobility and prospects of young people*. York: JRF
- Greenberg, D., Cebulla, A. and Bouchet, S. (2005) *Report on a meta-analysis of welfare-to-work programs*. Institute for Research on Poverty Discussion Paper no. 1312–05. Available at: www.irp.wisc.edu/publications/dps/pdfs/dp131205 (accessed on 2 March 2015)
- Griggs, J. and Evans, M. (2010) *Sanctions within conditional benefit systems: a review of evidence*. York: JRF
- Grimshaw, D., Beynon, H., Rubery, J., and Ward, K. (2002) 'The restructuring of career paths in large service sector organizations: 'delaying', upskilling and polarisation', *The Sociological Review*, Vol. 50, No.1, pp. 89–115
- Hamilton, V. (2012) *Career pathway and cluster skill development: promising models from the United States*. OECD Local Economic and Employment Development (LEED) Working Papers. Paris: OECD Publishing
- Hamilton, G. and Scrivener, S. (2012) 'Increasing employment stability and earnings for low-wage workers: lessons from the Employment Retention and Advancement (ERA) Project', OPRE Report 2012–19. Washington, DC: Office of Planning, Research and Evaluation, Administration for Children and Families, US Department of Health and Human Services
- Hamilton, V. (2012) *Career pathway and cluster skill development: promising models from the United States*. OECD Local Economic and Employment Development (LEED) Working Papers. Paris: OECD Publishing

- Hartwell, S. and Allies, O. (2013) Final evaluation of Building the Future Together. Aberaeron: Wavehill. Available at: <http://wales.gov.uk/docs/wefo/publications/131125buildingthefuturetogetherfinalen.pdf>. (accessed on 6 June 2014)
- Hasluck, C. and Green, A.E. (2007) 'What works for whom? A review of evidence and meta-analysis', DWP Research Report 407. London: DWP
- Hayman, A. (2012) 'Local government and growth', in Ward, M. and Hardy, S. (eds) Changing gears. Is localism the new regionalism? London: The Smith Institute/Regional Studies Association
- Hearne, L. (2005) 'Opening a door', evaluating the benefits of guidance for the adult client: a report. Waterford: REGSA, WIT
- Hendra, R., Ray, K., Vegeris, S., Hevenstone, D. and Hudson, M. (2011) 'Employment retention and advancement (ERA) demonstration: delivery, take-up, and outcomes of in-work training support for lone parents', DWP Research Report 727. Available at: www.gov.uk/government/uploads/system/uploads/attachment_data/file/214501/rrep727.pdf (accessed on 2 March 2015)
- Higton, J., Tu, T., Emmett, R. and Colahan, M. (2013) 'Apprenticeship evaluation: learners', BIS research paper 124. London: BIS
- Hildreth, P. and Bailey, D. (2012) 'The economics behind the move to LEPs', in Ward, M. and Hardy, S. (eds) Changing gears. Is localism the new regionalism? London: The Smith Institute/Regional Studies Association
- Hirsch, D. and Valadez, L. (2014) Wages, Taxes and the changing role of the state in helping working families make ends meet. York: JRF
- Hirst, A. (2011) Active labour market programmes. Glasgow: Skills Development Scotland. Available at: www.skillsdevelopmentscotland.co.uk/media/117378/Skills%20in%20Focus%20-%20Active%20Labour%20Market%20Programmes%20-%20Andy%20Hirst_final.pdf (accessed on 2 March 2015)
- HM Treasury/ DCLG (2010) Total place: a whole area approach to public services. Available at: http://webarchive.nationalarchives.gov.uk/20130129110402/http://www.hm-treasury.gov.uk/d/total_place_report.pdf (accessed on 2 March 2015)
- Hogarth, T., Adams, L., Gambin, L., Garnett, E. and Winterbothan, M. (2014) 'Employer routed funding: employer responses to funding reform', BIS Research Paper 161. London: BIS
- Hogarth, T., Gambin, L. and Hasluck, C. (2012) 'Apprenticeships in England: what next?', Journal of Vocational Education and Training, Vol. 64, No.1, pp. 41–55
- Hoggart, L. Campbell-Barr, V. Ray, K. and Vegeris, S. (2006) 'Staying in work and moving up: evidence from the UK employment retention and advancement (ERA)', DWP Research Report 381. London: DWP
- Holzer, H.J. (2008) Living wage laws: how much do (can) they matter? Discussion Paper for Brookings Institution Metropolitan Policy Programme. Washington: Georgetown University
- Holzer, H. and Martinson, K. (2005) 'Can we improve job retention and advancement among low-income working parents?' National Poverty Center Working Paper Series #05-2005. Available at: www.irp.wisc.edu/publications/focus/pdfs/foc242f.pdf (accessed on 2 March 2015)
- Hooley, T., Devins D., Watts A.G., Hutchinson J., Marriott, J. and Walton, F. (2012) Tackling unemployment, supporting business and developing careers. London: UK Commission for Employment and Skills
- Howat, C. and Zaidi, A. (2010) The use of LMI in online career direction and learning. London: GHK
- Hughes, D., Bosley, S., Bowes, L. and Bysshe, S. (2002) The economic benefits of guidance. Derby: International Centre for Guidance Studies, University of Derby
- Hurrell, A. (2013) Starting out or getting stuck? An analysis of who gets trapped in low paid work—and who escapes. London: Resolution Foundation
- Hutchinson, J., Rolfe, H., Moore, N., Bysshe, S. and Bentley, K. (2011) All things being equal? Equality and diversity in careers education, information, advice and guidance. Manchester: Equality and Human Rights Commission. Available at: www.equalityhumanrights.com/publication/research-report-71-all-things-being-equal-equality-and-diversity-careers-education-information (accessed on 2 March 2015)
- Jensen, N. and Wills, J. (2013) The prevalence and impact of the Living Wage in the UK: survey of organisations accredited by the Living Wage Foundation. London: QMUL

- Jobling, A. (2007) 'From coal mines to culture – utilising economic regeneration to maximise economic inclusion', *Local Economy*, Vol. 22, No. 2, pp. 195–200.
- Johnson, D. and Mackie, P. (2014) Buses and the economy II – Task 4 report: bus use amongst the unemployed. Institute for Transport Studies, University of Leeds. Available at: www.greenerjourneys.com/wp-content/uploads/2014/07/task4_final.pdf (accessed on 2 March 2015)
- Johnson, D., Mackie, P. and Shires, J. (2014) Buses and the economy II: main report. Institute for Transport Studies, University of Leeds. Available at: www.greenerjourneys.com/wp-content/uploads/2014/07/Buses_and_the_Economy_II_main_report_july.pdf (accessed on 2 March 2015)
- Keep, E. (2013) Opening the 'black box' – the increasing importance of a public policy focus on what happens in the workplace. Glasgow: Skills Development Scotland
- Keep, E. and James, S. (2010) 'Recruitment and selection – the great neglected topic', SKOPE Research Paper no.88. Oxford: ESRC Centre SKOPE, Universities of Oxford and Cardiff
- Kemple, J (2008) Career academies: long-term impacts on labor market outcomes, educational attainment, and transitions to adulthood. New York: MDRC. Available at: www.mdrc.org/sites/default/files/full_50.pdf (accessed on 27 June 2014)
- Kilby, K. and Smith, N. (2012) Accessibility planning policy: evaluation and future directions. Loughborough: Atkins and CRSP. Available at: www.gov.uk/government/uploads/system/uploads/attachment_data/file/3190/accessibility-planning-evaluation-report.pdf (accessed on 27 June 2014)
- King C. and Heinrich C. (2011) 'How effective are workforce development programs? Implications for U.S. workforce policies', paper for the Association of Public Policy Analysis and Management Fall Research Conference
- Kluve, J. (2005) Study on the effectiveness of ALMPs. Essen: European Commission, DG Employment, Social Affairs and Equal Opportunities
- Kumar, A., Rotik, M. and Ussher, K. (2014) 'Pay progression: understanding the barriers for the lowest paid', CIPD Policy Report. London: John Lewis Partnership and CIPD in association with Tooley Street Associates
- Langley, E., Hooley, T. and Bertuchi, D. (2014) A career postcode lottery? Local authority provision of youth and career support following the 2011 Education Act. Derby: International Centre for Guidance Studies. Available at: <http://derby.openrepository.com/derby/bitstream/10545/311423/1/postcode%20lottery.pdf> (accessed on 2 March 2015)
- Lee, B. and Cassell, C. (2008). 'Learning representative initiatives in the UK and New Zealand: a means to flexicurity', *The Journal of Interdisciplinary Economics*, Vol. 19, No. 4, pp. 341–361
- Lee, N., Sissons, P., Hughes, C., Green, A., Atfield, G., Adam, D. and Rodriguez-Pose, A. (2014) Cities, growth and poverty: a review of the evidence. York: JRF
- Leeds City Region Enterprise Partnership (2012) Unlocking our economic potential: a Leeds City Region deal. Leeds: LCREP
- Leeds City Region Enterprise Partnership (2014) Leeds City Region growth deal. Leeds: LCREP
- Lindsay, C., Canduela, J. and Raeside, R. (2013) 'Polarization in access to work-related training in Britain', *Economic and Industrial Democracy*, Vol. 34, No.2, pp. 205–225
- Local Government Association (2014) 'Local Government Association (LGA) briefing: increasing the number and quality of apprenticeships for 16 to 18 year olds'. London: LGA
- Lowe, N., Goldstein, H. and Donegan, M. (2011) 'Patchwork intermediation: challenges and opportunities for regionally coordinated workforce development', *Economic Development Quarterly*, Vol. 25, No.2, pp. 158–171
- Lucas, K. (2011) Merseytravel neighbourhood travel teams evaluation report. Oxford: Transport Studies Unit, University of Oxford. Available at: www.tsu.ox.ac.uk/research/merseytravel/NTT-evaluation-final-report110905.pdf (accessed on 2 March 2015)
- Macali, L. (2006) 'Contemporary disability employment policy in australia: how can it best support transitions from welfare to work?', *Australian Bulletin of Labour*, Vol. 32, No.3, pp. 227–239
- Macfarlane, R. (2014) Tackling poverty through public procurement. York: JRF.
- Macfarlane, R. with Community Consultants Ltd (2000) Local jobs from local development: the use of Planning Agreements to target training and employment outcomes. York: JRF

- Mackereth, K. (2007). 'Kids and Us – a project for lone parent families', *Community Practitioner*, Vol. 80, No. 6, pp. 26–28
- Mackie, P., Laird, J. and Johnson, D. (2012) *Buses and economic growth: main report*. Leeds: Institute for Transport Studies
Available at: www.its.leeds.ac.uk/fileadmin/user_upload/News (accessed on 2 March 2015)
- Maguire, S., Freely, J., Clymer, C., Conway, M. and Schwartz, D. (2010) *Tuning in to local labor markets: findings from the sectoral employment impact study*. Philadelphia, PA: Public/Private Ventures. Available at: www2.oaklandnet.com/oakca1/groups/ceda/documents/report/dowd021455.pdf (accessed on 4 April 2014)
- Manchester CAB Services (2013) *Punishing poverty? A review of benefit sanctions and their impacts on clients and claimants*. Manchester: Citizens Advice Bureau
- Marangozov, R. and Dewson, S. (2011) *Study of the School Gates Employment Support Initiative*. DWP research summary 747. London: DWP
- Martinez-Fernandez, C. (2009) 'Addressing skills shortfalls in Mackay, Australia', in Froy, F. Giguère S. and Hofer A. (eds) *Designing local skills strategies*. Paris: OECD Publishing, pp. 175–217
- Martinson, K. (2007) *Building skills and promoting job advancement: the promise of employer-focused strategies*. Available at: www.urban.org/UploadedPDF/411535_building_skills.pdf (accessed on 4 April 2014)
- Mayhew, K and Keep, E. (2014) *Industrial strategy and the future of skills policy: the high road to sustainable growth*. London: CIPD
- McCabe S., Gilchrist A., Afridi A. and Kyprianou P. (2013) *Making the links: poverty, ethnicity and social networks*. York: JRF.
- McCaig, C., Hogarth, T., Gambin, L. and Clague, L. (2014) 'Technical apprenticeships: research into the need for and capacity to deliver STEM related apprenticeship provision in England', *BIS Research Paper 171*. London: BIS
- McCormack, A. and Scholarios, D. (2009) 'Recruitment', in Redman, T. and Wilkinson, A. (eds) *Contemporary human resource management*. London: Prentice Hall, 3rd edition
- McGregor, A., Glass, A., Richmond, K., Ferguson, Z., and Higgins, K. (1999) *Employer involvement in area regeneration*. York: JRF/Policy Press
- McKinstry, D. (2003) *A case study in successful employability*. Available at: http://darrenmckinstry.com/dmc/pubs/reports/days_hotel_report_131103_d6.pdf. (accessed on 3 June 2014)
- McKinstry, D. (2004) 'The impact of Gasworks Employment Matching Services (GEMS)', *Labour Market Bulletin 18*. Available at: www.delni.gov.uk/lmb2004-16.pdf. (accessed on 2 June 2014)
- McQuaid, R.W., Bond, S. and Fuertes, V. (2009) 'Evaluation of the Working for Families Fund (2004–2008)', report to the Scottish Government. Available at: www.scotland.gov.uk/Resource/Doc/269769/0080320.pdf (accessed on 3 June 2014)
- McQuaid, R., Lindsay, C. and Greig, M. (2005) 'Job guarantees, employability training and partnerships in the retail sector', *Local Economy*, Vol. 20, No.1, pp. 67–78
- McTier, A. and McGregor, A. (2011). 'Integrating employment and skills: the role of community-based learning', *Policy Studies*, Vol. 32, No. 1, pp. 73–90
- McVicar, D. and Podivinsky, J.M. (2010) '[Are active labour market programmes least effective where they are most needed? The case of the British New Deal for Young People](#)', *Melbourne Institute Working Paper Series* wp2010n16. Melbourne: The University of Melbourne
- Meadows, P. (2008) *Local initiatives to help workless people find and keep paid work*. York: JRF
- Metcalf, H. and Dhudwar, A. (2010) *Employer's role in the low-pay/no-pay cycle*. York: JRF
- Metsch, L.R., McCoy, C.B., Miller, M., McAnany, H. and Pereyra, M. (1999) 'Moving substance-abusing women from welfare to work', *Journal of Public Health Policy*, Vol. 20, No.1, pp. 36–55
- Meyer, B.D. and Rosenbaum, D.T. (2001) *Welfare, the Earned Income Tax Credit and the labor supply of single mothers*. NBER Working Paper. Cambridge MA: National Bureau of Economic Research
- Millar, M. (2012) 'Need a job? Learn to impress the robots', *BBC News online*, 4 September. Available at: www.bbc.co.uk/news/business-19440255 (accessed on 3 June 2014)

- Morgan, J. and Konrad, T. (2008) 'A mixed-method evaluation of a workforce development intervention for nursing assistants in nursing homes: the case of WIN A STEP UP', *The Gerontologist*, Vol. 48, No.1, pp. 71–9
- MVA Consultancy (2014) *WorkWise in the West Midlands*. Birmingham: MVA Consultancy
- MVA Consultancy (2010) *Evaluating performance: evaluation of WorkWise Birmingham*. Birmingham: MVA Consultancy
- National Audit Office (2013) *Programmes to help families face multiple challenges*, HC878. London: The Stationery Office
- National Audit Office (2012) *Adult apprenticeships*. London: The Stationery Office
- National Careers Council (2013) *An aspirational nation: creating a culture change in careers provision*. London: National Careers Council. Available at: www.gov.uk/government/uploads/system/uploads/attachment_data/file/205147/bis-13-919-national-careers-council-report-an-aspirational-nation-creating-a-culture-change-in-careers-provision.pdf (accessed on 3 June 2014)
- National Careers Council (2014) *Taking action: achieving a culture change in careers provision*. London: National Careers Council. Available at: https://whitehall-admin.production.alpha.gov.co.uk/government/uploads/system/uploads/attachment_data/file/352599/Taking-action-achieving-a-culture-change-in-careers-provision.pdf (accessed on 3 March 2015)
- Nelson, J. and O'Donnell, L. (2012) *Approaches to supporting young people not in education, employment or training – a review*. Slough: National Foundation for Educational Research
- Neumark, D., Thomson, M. and Koyle, L. (2012) 'The effects of living wage laws on low-wage workers and low-income families: what do we know now?' *IZA Journal of Labor Policy*, Vol. 1, No. 11, pp. 1–34
- Newton, B., Hurstfield, J., Miller, L., Page, R. and Akroyd, K. (2005) 'What employers look for when recruiting the unemployed and inactive: skills, characteristics and qualifications', Research Report no.295. London: DWP
- Nickson, D., Warhurst, C. and Dutton, E. (2005) 'The importance of attitude and appearance in the service encounter in retail and hospitality', *Managing Service Quality*, Vol. 15, No. 2, pp. 195–208
- Nickson, D., Warhurst, C., Commander, J., Hurrell, S. and Cullen, A-M. (2012) 'Soft skills and employability: evidence from UK retail', *Economic and Industrial Democracy*, Vol. 33, No.1, pp. 56–84
- Niles, S. and Hanson, S. (2003) 'The geographies of online job search: preliminary findings from Worcester, MA', *Environment and Planning A*, Vol. 35, pp. 1223–1243
- O'Connor, L. (2006). 'Meeting the skills needs of a buoyant economy: apprenticeship – the Irish experience', *Journal of Vocational Education & Training*, Vol. 58, No.1, pp. 31–46
- OECD (2014) *Job creation and local economic development*. Paris: OECD Publishing
- OECD (2010) *Off to a good start? Jobs for youth*. Paris: OECD Publishing
- OECD (2004) *Careers guidance and public policy: bridging the gap*. Paris: OECD Publishing. Available at: www.oecd.org/dataoecd/33/45/34050171.pdf (accessed on 3 June 2014)
- Ofsted (2013) *Going in the right direction? Careers guidance in schools from September 2012*. Manchester: Ofsted
- Oldbell3 (2011) 'Swansea Bay – Waterfront and Western Valleys Spatial Plan Deprived Area Fund evaluation', unpublished report to Swansea Council for Voluntary Services
- ONS (2014) 'Internet access quarterly update, Q1 2014 (statistical bulletin)', Newport: Office for National Statistics. Available at: www.ons.gov.uk/ons/dcp171778362910.pdf (accessed on 3 October 2014)
- Onstenk J. and Blokhuis, F. (2007) 'Apprenticeship in the Netherlands: connecting school- and work-based learning', *Education and Training*, Vol. 49, No. 6, pp. 489–499
- Pavlopoulos, D. and Fouarge, D. (2006) 'Escaping the low pay trap: do labour market entrants stand a chance?' MRPA Paper 226, University Library of Munich. Munich: Germany
- Pearson (2014) *What makes good careers guidance?* Available at: http://uk.pearson.com/content/dam/ped/pei/uk/pearson-uk/Documents/careers-guidance/Careers_guidance_sheet_final.pdf (accessed on 3 March 2015)

- Pennycook, M., Cory, G. and Alakeson, V. (2013) *A matter of time: the rise of zero-hours contracts*. London: Resolution Foundation
- Perdrix, S., Stauffer, S., Masdonati, J., Massoudi, K. and Rossier, J. (2012) 'Effectiveness of career counseling: a one-year follow-up', *Journal of Vocational Behavior*, Vol. 80, No.2, pp. 565–578
- Perry Stephens, R. (2009) 'Charting a path: an exploration of the statewide career pathway efforts in Arkansas, Kentucky, Oregon, Washington and Wisconsin'. Seattle Jobs Initiative. Available at: www.workingpoorfamilies.org/pdfs/Career_Pathways_Report.pdf (accessed on 3 March 2015)
- Philpott, J. (2014) *Rewarding work for low-paid workers*. York: JRF
- Pittam, G., Boyce, M., Secker, J., Lockett, H. and Samele, C. (2010) 'Employment advice in primary care: a realistic evaluation,' *Health and Social Care in the Community*, Vol. 18, No.6, pp. 598–606
- Plett, L. (2007). *Literacy programs in the workplace: how to increase employer support*. Ontario, Canada: Canadian Council on Social Development
- Plymouth and the South West Peninsula City Deal (2014) Available at: www.gov.uk/government/uploads/system/uploads/attachment_data/file/271936/Plymouth_City_Deal_Document_and_Implementation_Plans.pdf (accessed on 3 March 2015)
- Polidano, C. and Tabasso, D. (2013) *Making it real: the benefits of workplace learning in upper-secondary VET courses*. Melbourne Institute Working Paper Series 31/13. Melbourne: The University of Melbourne
- Pollard, E. Tyers, C. Tuohy, S. and Cowling, M. (2007) 'Assessing the net added value of adult advice and guidance', DfE Research Report RR825A. London: DfE
- pteg (2014) *Making the connections: the cross-sector benefits of supporting bus services*. Leeds: pteg. Available at: www.pteg.net/system/files/general-docs/10210%20Pteg%20Benefits%20of%20the%20bus%20web%20FINAL.pdf (accessed on 3 October 2014)
- pteg (2013) *The case for the urban bus: the economic and social value of bus networks in the metropolitan areas*. Leeds: pteg. Available at: www.pteg.net/system/files/general-docs/pteg%20Case%20for%20bus%20report%20FINAL.pdf (accessed on 3 June 2014)
- pteg (2010) *Transport and social inclusion: have we made the connections in our cities?* Leeds: pteg. Available at: <http://pteg.net/system/files/ptegTransportandSocialInclusionreportMay10.pdf> (accessed on 3 June 2014)
- Ray, K., Sissons, P., Jones, K. and Vegeris, S. (2014) *Employment, pay and poverty: evidence and policy review*. York: JRF/Work Foundation
- Reed, H. and Portes, J. (2014) *Understanding the parental employment scenarios necessary to meet the 2020 Child Poverty Targets*. London: Social Mobility & Child Poverty Commission /Landman Economics/NIESR
- Richard, D. (2012) *The Richard Review of Apprenticeships*. Available at: www.gov.uk/government/uploads/system/uploads/attachment_data/file/34708/richard-review-full.pdf (accessed on 3 June 2014)
- Riley, R. (2013) *Modelling demand for low-skilled/low-paid labour: exploring the employment trade-offs of a living wage*. London: NIESR
- Rivas Perez, M.F. (2013) *The dynamics of access: a study of social inclusion, job opportunities, travel mobilities and development in the Gateshead MetroCentre*. PhD Thesis, University of Leeds
- Rolfe, H. (2012) 'Requiring the long-term unemployed to train: is benefit conditionality effective?', *National Institute Economic Review*, Vol. 219, R65–R76
- Rudiger, K. (2013) *Employers are from Mars, young people are from Venus: addressing the young people/jobs mismatch*. London: CIPD. Available at: www.cipd.co.uk/binaries/6198%20%20Young%20people%20from%20Mars%20WEB.pdf (accessed on 3 June 2014)
- Sanderson, I. (2006) *Worklessness in deprived neighbourhoods: a review of evidence*. London: Neighbourhood Renewal Unit, Department for Communities and Local Government
- Savage, L. (2011) *Snakes and ladders*. London: Resolution Foundation

- Scholarios, D. (2009) 'Selection' in Redman, T. and Wilkinson, A. (eds) Contemporary human resource management. London and Sydney: FT/Prentice Hall
- Schrock, G. (2013) 'Reworking workforce development: Chicago's sectoral workforce centers', *Economic Development Quarterly*, Vol. 27, No.3, pp. 163–178
- Scott, G. (2007) Working toward reinvention: SkillWorks at three. Boston, MA: SkillWorks
- Scottish Government (2013) The potential impacts of benefit sanctions on individuals and households. Available at: www.scotland.gov.uk/Resource/0044/00440885.pdf (accessed on 3 June 2014)
- Scottish Government (2011) Career information, advice and guidance in Scotland. A framework for service redesign and improvement (2011). Edinburgh: The Scottish Government
- Shared Intelligence (2014) Fragmented funding. London: Shared Intelligence
- Shared Intelligence (2011) East and South East CSP – final evaluation report. Available at: <http://static.squarespace.com/static/50b4ab77e4b0214dc1f631e9/t/510938eae4b04beb3ec3e780/1359558890108/East-and-South-East-London-CSP-Evaluation-Final-Report.pdf> (accessed on 4 July 2014)
- Sharma, R. and Monteiro, S. (2010) 'Creative and imaginative scholarship: lifelong learning for an unpredictable future', *International Journal of Learning*, Vol. 17, No. 4, pp. 103–112
- Sissons, P. and Jones, K. (2014) How can local skills strategies help low earners? York: JRF
- Skinner, J., Zakus, D.H. and Cowell, J. (2008). 'Development through sport: building social capital in disadvantaged communities', *Sport Management Review*, Vol. 11, No. 3, pp. 253–275
- Smith, N. and Middleton, S. (2007) A review of poverty dynamics research in the UK. York: JRF
- Social Exclusion Unit (2003) Making the connections: final report on transport and social exclusion. London: Social Exclusion Unit
- Spaaij, R., Magee, J. and Jeanes, R. (2013) 'Urban youth, worklessness and sport: a comparison of sports-based employability programmes in Rotterdam and Stoke-on-Trent', *Urban Studies*, Vol. 50, No.8, pp. 1608–1624
- Steedman, H. (2010) 'The state of apprenticeships in 2010: international comparisons'. London: Centre for Economic Performance, LSE
- Stewart, M. (2007) 'The interrelated dynamics of unemployment and low-wage employment', *Journal of Applied Economics*, Vol. 22, No 3, pp 511–531
- Stott, J. and Campbell, M. (2014) Connecting growth and poverty reduction: more jobs, better jobs in Leeds City Region. York: JRF
- Stuart, M., Cutter, J., Cook, H. and Winterton, J. (2010). Evaluation of the Union Learning Fund rounds 8 to 11 and Unionlearn: final report. Leeds: CERIC, Leeds University Business School, University of Leeds
- Symonds, W.C., Schwartz, R.B. and Ferguson, R. (2011) Pathways to prosperity: meeting the challenge of preparing young Americans for the 21st Century. Harvard: Harvard Graduate School of Education. Available at: http://dash.harvard.edu/bitstream/handle/1/4740480/Pathways_to_Prosperty_Feb2011-1.pdf?sequence=1 (accessed on 4 July 2014)
- Tessler, B. (2013) 'WorkAdvance: testing a new approach to increase employment advancement for low-skilled adults', MDRC Policy Brief. New York: MDRC
- Tomlinson, M. and Walker, R. (2010) Recurrent poverty: the impact of family and labour market changes. York: JRF
- UK Commission for Employment and Skills (2011) Employer ownership of skills. Wath upon Dearne: UK Commission for Employment and Skills. Available at: www.gov.uk/government/uploads/system/uploads/attachment_data/file/306691/employer-ownership-of-skills-vision-report-final2.pdf (accessed on 4 July 2014)
- UK Commission for Employment and Skills (2011) Helping individuals succeed: transforming career guidance. Wath upon Dearne: UK Commission for Employment and Skills

- Vogler-Ludwig, K., Giernalczyk, H., Stock, L. and Hogarth, T. (2012) International approaches to the development of intermediate level skills and apprenticeships: synthesis report. Evidence Report 42. Wath upon Dearne: UK Commission for Employment and Skills
- Walton, F., Sanderson, I., Botterill, K. and Halliday, S. (2003) 'New Deal for Communities national evaluation: job brokerage: early findings', Research Report No. 2. Sheffield: Sheffield Hallam University. Available at: <http://extra.shu.ac.uk/ndc/downloads/reports/RR2.pdf> (accessed on 4 July 2014)
- Warhurst, C., Findlay, P. and Thompson, P. (2007) 'Organising to learn/learning to organise: three case studies of union-led workplace learning', Research Paper 4. London: TUC
- Warhurst, C., Tilly, C. and Gatta, M. (2015) 'A new social construction skill' in Warhurst C., Mayhew K., Finegold D. and Buchanan J. (eds) Oxford handbook of skills and training. Oxford: Oxford University Press
- Washko, M., Gottlieb, A., Wilson, K., Henineman, J., Stone, R. and Caro, F. (2007) Extended care career ladder initiative (ECCLI) qualitative evaluation project: final report. Boston: Commonwealth Corporation
- Welsh Assembly Government (2010) Future ambitions: developing careers services in Wales. Caerphilly: Welsh Assembly Government. Available at: <http://wales.gov.uk/docs/caecd/research/101115-future-ambitions-developing-careers-services-en.pdf> (accessed on 4 July 2014)
- Westat (2014) Evaluation of the NYC business solutions customized training program. Rockville, Maryland: Westat
- What Works Centre for Local Economic Growth (2014) Available at: <http://whatworksgrowth.org/policy-area/employment-training/#U7bec19wa70> (accessed on 4 July 2014)
- White, R.J. and Green, A.E. (2011) 'Opening up or closing down opportunities? The role of social networks and attachment to place in informing young people's attitudes and access to training and employment', Urban Studies, Vol. 48, No.1, pp. 41–60
- Wills, J. and Linneker, B. (2012) The costs and benefits of the London living wage. London: QMUL/Trust for London
- Wilson, T., Gardiner, L. and Krasnowski, K. (2013) Work in progress: low pay and progression in London and the UK. London: CESI
- Winterbotham, M., Vivian, D., Shury, J. and Davies, B. (2014) The UK Commission's employer skills survey 2013: UK results. Evidence Report 81. Wath upon Dearne: UK Commission for Employment and Skills. Available at: www.gov.uk/government/uploads/system/uploads/attachment_data/file/303494/evidence-report-81-ukces-employer-skills-survey-13-full-report.pdf (accessed on 4 October 2014)
- Wolf, A. (2011) Review of vocational education – the Wolf Report. London: Department for Education
- Yeandle, S., Wigfield, A., Crompton, R. and Dennett, J. (2002) Employed carers and family-friendly employment policies. York: JRF
- Zabel, J., Schwartz, S. and Donald, S. (2010) 'The impact of the self-sufficiency project on the employment behaviour of former welfare recipients', The Canadian Journal of Economics/Revue canadienne d'Economie, Vol. 43, No.3, pp. 882–918
- Ziedenberg, M., Cho, S-W. and Jenkins, D. (2010) 'Washington State's integrated basic education and skills training program (I-BEST): new evidence of effectiveness' CCRC Working Paper No. 20. New York: Columbia University, Community College Research Center. Available at: www.postsecondaryresearch.org/conference/PDF/NCPR_Panel3_Zeidenberg%20Cho%20Jenkins.pdf (accessed on 4 October 2014)
- Ziguras, S. and Kleidon, J. (2005) 'Innovative community responses in overcoming barriers to employment, Brotherhood of St Laurence', prepared for the Department of Victorian Communities, June 2005. Victoria, Australia: Brotherhood of St Laurence

Appendix 1: thematic case studies of local approaches to linking jobs and poverty

The thematic case studies below offer detailed insights to complement those selected themes highlighted in the body of the report (but may be read independently of it).

Seven of the case studies focus on specific themes:

- 9. Local approaches to targeting households in poverty
- 10. Employer behaviour in recruitment and selection
- 11. Careers information, advice and guidance
- 12. Transport initiatives to link people to jobs
- 13. Apprenticeships and employer ownership of skills
- 14. Living wages and living wage campaigns
- 15. Supporting in-work progression

These follow a common structure, with an introduction setting out the importance of and context for the theme, a brief assessment of the evidence base, case study insights into locally implemented initiatives and their delivery, identification of good practice points emerging and a review of associated lessons for cities.

An eighth case study focuses on the local institutional and policy context in Leeds:

- 16. Anti-poverty policy domains – the example of Leeds

Thematic study 1: Local approaches to targeting households in poverty

Introduction

It is generally assumed that the core focus of anti-poverty policy should be on employment creation. However, less thought is given to who gets the jobs created, and this distribution of gains is central to whether employment growth and poverty reduction move together (for a review of the evidence on this see Ray *et al.*, 2014). Thus, targeting interventions effectively at households in poverty is likely to be important, although insufficient (Reed and Portes, 2014). This situation is further complicated by the fact that employment outcomes are measured with reference to *individuals*, while poverty outcomes relate to *households*. As such, relatively few interventions or approaches have been directly targeted at households in poverty.

This thematic case study focuses on those interventions that aim to (explicitly or implicitly) target households most likely to be in poverty. Within an employment support context, a range of locally designed or delivered approaches to targeting households in poverty (directly or indirectly) are discussed, along with their strengths and limitations.

Evidence base

The evidence base regarding local approaches to targeting households in poverty (within an employment support context) is relatively limited within the UK and elsewhere. This reflects the fact that typically interventions which seek to influence employment outcomes are targeted at individuals; while poverty is measured at the household level (anti-poverty goals are also often ancillary to the central aim of employment policy – that of reducing benefit receipts and increasing employment). Therefore the majority of initiatives which have (implicit) anti-poverty goals only target households in poverty indirectly rather than directly. Moreover, there is very limited evidence on the effectiveness of initiatives that target households experiencing in-work poverty, which has been far less of a policy focus than worklessness. This means there is an important evidence gap about what good practice looks like for effectively targeting households in poverty.

In the UK, direct poverty measures are rarely, if ever, designed into the outputs and outcomes indicators of employment support initiatives. These initiatives normally target and measure employment outcomes (job entries), and sometimes intermediate outcomes (such as qualification attainments) and other measures of 'distance travelled'. Few such initiatives measure indicators of poverty such as the 60 per cent income threshold, levels of earnings, hourly rates or pay progression.

Where initiatives are indirectly linked to anti-poverty goals they are largely targeted on the basis of either characteristic based or area based approaches. Various characteristics which can be associated with poverty are used – most prominently benefit receipt, as well as people experiencing mental health, disability or addiction, and also lone parents and/or young people, for example. Where areas are targeted this typically involves neighbourhoods or wards which have disadvantage characteristics, often measured using scores from the Indices of Multiple Deprivation (IMD).

Where research on employment initiatives elsewhere has measured poverty, it suggests that employment entry alone may not have a significant impact on poverty levels of participants. Evidence from a US study of the Employment Retention and Advancement (ERA) programme (which informed a similar model in the UK) suggests that even when targeting by initiatives is more focused and efficient, the impact of employment on poverty can be relatively limited, as the employment obtained did not pay participants enough to move them beyond the poverty threshold (Hendra *et al.*, 2011) (although poverty measures/thresholds differ between the US and the UK, the findings still hold).

The current evidence base in the UK is therefore incomplete and this is also reflected in the diversity of local approaches to methods of targeting or engaging potential beneficiaries. While there is limited

evaluation evidence specific to targeting UK households in poverty, a number of local innovative approaches do exist which target households. A selection of these approaches is discussed below.

Innovative approaches

The following five case studies provide details of innovative or promising approaches to targeting households in poverty at the local level, within the UK context. Case studies have been selected to signify the breadth of levers being used and the contexts in which such initiatives are being delivered.

The first case study *targets families* – the Family Employment Initiative, commissioned by the Coalfields Regeneration Trust, delivers in a number of areas in England. The second case study also targets families, but in particular those that the government deems to be ‘troubled families’. This national pilot has significant local flexibility – Greater Manchester provides an example of emerging innovative practice. The third example – the School Gates Employment Support Initiative – *targets groups with a high vulnerability to poverty* – in this case, single or no earner households. The fourth initiative also targets groups with high vulnerability to poverty – ARISE Development Limited provides support specifically to lone parents in the London Borough of Camden. The final case study illustrates an innovative targeting model delivered by the *housing association* Viridian Housing, which *targets worklessness* by identifying specific needs and offering tailored support.

Case study 1: Family Employment Initiative

The Family Employment Initiative (FEI), managed and delivered by the Coalfields Regeneration Trust (CRT), is a relatively extensive example of a family-targeted initiative, operating in a number of areas in England that have suffered from the closure of local coalmines.¹ The initiative takes into account both individual and household circumstances as well as employment barriers. Set up in 2008, CRT invested £2.6 million over three years into the FEI, leveraging a further £2.3 million of public and private funds (a total of £4.9 million). Employment advisor teams supported families across six sites in four areas (East Midlands, Featherstone, Knutton and Cumbria). Additional funding came from the Department for Communities and Local Government (DCLG) which temporarily extended the FEI’s lifetime and scope (Ekosgen Consulting, 2011), but further funding tranches from DCLG (totalling £52 million) have now been allocated to CRT for coalfield areas to provide funding until 2015.² As part of this investment, the FEI programme is continuing in England and the CRT is working with partners to bid for European Social Fund (ESF) monies up to 2020, to develop a FEI programme in Wales.³

A number of strengths were identified by the programme evaluation (Ekosgen Consulting, 2011). During the period under evaluation (2008–2011), the FEI programme (*as a whole*) engaged 8,000 residents, of which 2,421 were assisted into employment (i.e. 1 person employed for every 3.3 engaged). Evaluation evidence identified the FEI as good value for money – at a cost of around £1,813 per client supported. The FEI used a community-based outreach model centred on the development of trust between locally-embedded advisors and clients. The initiative had a strong local reputation and brand, offering an innovative, holistic ‘whole family’ approach to addressing employment barriers. The initiative maintained strong partner collaborations, extending its geographical reach over time.

A number of external challenges faced the FEI. Some projects were intended to be part of a broader package of locally provided support from a wide range of providers, but public funding cuts and the wider climate curtailed such plans. Changes in the broader qualifications framework also temporarily disrupted targets agreed with match-funders.

There are some limitations to the FEI’s approach, primarily around targeting. First, the initiative is guided by an *area-based* approach – support is available to *all* families within the various disadvantaged areas identified. It is therefore not clear exactly what the relationship between targeting and poverty was. Second, the FEI began delivering in the 2008 recession, resulting in a decision by FEIs to change the ‘targeting’ rationale. The initiative switched focus from those households furthest from the labour market to helping those who were job ready but who had lost their jobs due to the recession. The initiative did, however, ‘switch back’ as the economy recovered but it is clear that the long-term unemployed were moved down in priority temporarily.

Case study 2: The Troubled Families Programme pilot, Greater Manchester

A very recent example of initiatives targeting families is that of the Troubled Families Pilots⁴, which are discrete local responses to a national policy and funding stream established in 2011 (via the Troubled Families Unit). The aim of the initiative is to (a) address the needs of the most troubled families with 'complex' needs, and (b) concurrently reduce the 'high' public funding costs of supporting such families. Most pilots involve a keyworker approach as the main client-facing delivery mechanism; behind the scenes, a range of stakeholders work as a single team (under new collaborative agreements), co-ordinating cases and support. Examples of pilots include Greater Manchester, Sheffield, Lewisham, Westminster, Birmingham, Swindon, Blackburn and Darwen, Barnet and Lincolnshire.

Troubled families pilots are considered to be innovative for a number of reasons. First, they use a 'community budget' or 'whole place' funding model – essentially the pooling of previously ringfenced monies for specific agencies or departments, making a new shared fund for joint working between a range of support organisations. Second, the pilots are allowed local flexibility to prioritise who they support first, using their own local measures, rather than existing nationally determined mechanisms or standardised measures. Examples might include prioritising the most 'costly' families or specific measures of 'complex' needs. Third, some pilots use a 'personalisation' approach to family support (e.g. Lewisham and Lincolnshire). A 'family budget' is provided to each identified 'troubled' family. Commonly, the aim or assumption of this approach is to annually reduce the family budget as outcomes improve and needs are reduced, due to more appropriate support. Finally, some pilots (e.g. Sheffield) are using existing resources, not *new* money, to maximise the use of keyworker approaches to working positively with families, co-ordinating such support.

Greater Manchester's Troubled Families Programme, part of Greater Manchester's (GM) Whole Place Pilot, is a pilot that aims to 'scale up' small-scale examples of pilot successes. All districts within the GM area have some *common* characteristics for their complex families support model – an integrated multi-agency approach; a focus on individuals *and* the family; and use of evidence-based interventions. However, concurrently districts in GM are also piloting their own *different* elements to complex family support provision, to experiment with particular approaches in order to see what works where. Within the GM programme, the *City of Manchester's Troubled Families* Pilot is considered an example of innovative practice. As part of an evaluation, a new way of working with 240 'complex' families in Wythenshawe and Gorton/Longsight areas is being compared with the 'business as usual' (control) approach to supporting another 240 families. Benefits of the pilot identified from the evaluation included the ability to prioritise locally regarding which families should be supported first – the local team determined the measures or families who needed support the most. Also, improved co-ordination resulted in more appropriate timing or 'sequencing' of support – previously clashes or inappropriate sequencing of support appointments had taken place. A cost-benefit analysis of the City of Manchester pilot, compared with their 'business as usual' model, identified potential gains. For example, £0.7 million of future costs to partners will be avoided over the first two years (a return of 44p in every £1 invested). Potential savings to public services are estimated at £224 million (£110 million being 'cashable' savings), as support becomes more effective and dependency on public services is reduced. Scaling up and rolling out various pilots is expected and involves re-investing savings made in the pilots, and 1,000 families across north Manchester will be targeted.

The National Audit Office undertook a review of both the DCLG's Troubled Families pilots and the DWP's Families with Multiple Problems programme (National Audit Office, 2013). The review found that the performance of the Troubled Families pilots was better than the DWP programme, though it was too early to assess value for money. However, the review also found that national level data was poor which risked poor targeting towards families most in need, and the payments-by-results system was not incentivising all councils to invest all available funding in services. The review recommended improving the national evidence base for families with multiple issues and also improving the sharing of knowledge, learning and good practice between government departments and between programmes.

Case study 3: The School Gates Employment Support Initiative

A range of groups are recognised to have higher rates of poverty than others. These include: single earner households, lone parents, Black and/or minority ethnic groups, women and people with disabilities. One innovative approach to targeting potential 'second earners' in low-income earner households is that of the School Gates Employment Support Initiative⁵, established by the DWP in April 2010. Originally two-year pilots, but reduced to 18 months due to resource cuts, funding was provided to 25 pilot areas which had the highest levels of deprivation in the UK. Examples of cities engaged include: Birmingham, Glasgow, Liverpool, Manchester, Nottingham, Hull and some London boroughs.

The pilots investigated different delivery models around the in-work child poverty agenda, by supporting the non-working parent in two-parent households, who might not have engaged with traditional employment services. The pilots also supported lone parents. The intention was to provide parents with the opportunity to explore volunteering, employment, education or self-employment. All pilots had a Jobcentre Plus 'parent advisor' who aimed to ensure that those parents engaging with the project were accessing all the benefits they were entitled to, as well as offering employment advice and working out 'better-off calculations'.

An evaluation of the School Gates initiative (Marangozov & Dewson, 2011) consulted key stakeholders and parents engaged in some of the pilots. The study found that greater collaboration and partnership working between schools, Jobcentre Plus (JCP) and council employment officers improved the ability of services to support parents from low incomes towards work, as well as enabling some parents to claim benefits they were not aware of. The evaluation also found that participating schools provided a site for advisers to engage with parents currently not in the employment system. Moreover, the flexibility of the outreach approach was considered good practice in that it offered a personalised and tailored service for parents. Further good practice identified regarding the context and pace of the School Gates scheme was a major strength for parents – school environments were contexts in which parents felt more comfortable and the steady pace of moving towards work better reflected parents' needs, according to the study. As part of this, advisors co-ordinated multi-agency responses and help via local networks to provide flexible, parent-focused employability support.

Finally, the evaluation identified key learning points from the School Gates initiative. It found that targeting the most deprived schools was vital but would only be effective if the school or school head was committed to the scheme and to partnership working; buy-in from all partners more broadly was also crucial. Regarding this, schools needed to have the staff capacity to engage in the initiative to provide a conduit between the advisors and parents, in order to have the best chance of developing relationships of trusts.

Case study 4: ARISE Development Limited, London Borough of Camden

ARISE Development Limited is a social enterprise that works with families and children to support the needs of local communities in the London Borough of Camden. This initiative originated in 2006 from the ARISE Partnership – a multi-agency group then led by Camden Council as part of its broader commitment to reducing child poverty.

ARISE has a number of projects which focus on particular needs – one of these exclusively supports unemployed lone parents as an intervention to reduce child poverty in the borough. A Lone Parent Working Partnership served as a focus under the main ARISE Partnership to drive this forward in its early years. Specifically, a key element of the initiative was a pilot involving the delivery of motivational workshops to unemployed lone parents. The work involved supporting lone parents *towards* employment, via routes such as support services, training and directly entering the labour market. Organisations involved in the collaboration included the council's employability team, the Jobcentre Plus, local children's centres and other voluntary organisations. A range of existing organisations worked collaboratively to engage groups of lone parents at various stages of job readiness. Motivational programmes engaged around 80 participants (over 70 per cent of clients were from BME communities).

The work of ARISE is highlighted due to its remit being driven by the need to reduce poverty (specifically child poverty). The focus on families – in particular lone parent families and lone parent families from BME backgrounds – results in attention being directed towards those groups that are at higher risk of experiencing poverty. From this more targeted approach, interventions around issues such as employability have been developed.

Case study 5: Housing associations targeting worklessness, Viridian Housing

Many of the larger housing associations across the UK are engaged in a range of support provision for their tenants and their wider neighbourhoods, including support around jobs and poverty (see, for example, Clarke *et al.*, 2014). One innovative scheme has been developed by Viridian Housing and has been evaluated (Gardiner and Simmonds, 2012). Viridian Housing manages a total of 16,000 homes across various locations including London, the south east, Birmingham, Northampton and West Sussex.

Viridian undertook research on its profile of clients using segmentation analysis. In the context of social housing, segmentation analysis involves dividing the 'market' into specific and different subsets of demand or need, with the aim of responding to such needs more effectively. Local data was then also compared to national profiles of housing association client data to identify particular local variations and needs. Viridian commissioned a consultancy to collect and analyse data. This included data on benefits claimed, economic status, diversity, age, and disability status. The consultancy analysed the data by segmenting it into key data 'lenses', including: a demographic lens to identify the life stage of tenants (for forward planning); an engagement lens to identify levels and types of communication; and a financial lens to highlight rent status.⁶

Analysing the data resulted in findings which helped Viridian to target employment and employability support to particular groups. For example, the analysis identified the prevalence of 'hidden' worklessness in particular groups, such as lone parents and lone households. Significant numbers of unemployed residents were not claiming the Jobseeker's Allowance they were entitled to, and thus were not receiving support from JCP. Viridian used this information to raise awareness of JCP's support available to tenants, including recent benefits changes. The outcomes of such investigations and analyses were considered a success by Viridian as they now had a far better picture of specific tenants' needs which they were able to meet with more appropriate support services (Gardiner and Simmonds, 2012).

Good practice

The range of case study approaches above offers pointers for, and examples of, good practice with regard to targeting households in poverty:

- Strategically, local procurement organisations (e.g. councils) should ensure that addressing and targeting poverty is central to spending policies (Breeze *et al.*, 2013).
- Collaboration, partnership working, cross-referral mechanisms and better co-ordination are consistently identified as success factors in targeting households in poverty.
- Relaxation of centralised rules and regulations can enable a more appropriate, better-informed targeting of those in most need by local support organisations. Increased flexibility or bending of centralised rules and regulations enables increased opportunities for pooling of resources (funding, staff, data, information, processes) which provides an improved evidence base and intelligence for more effective targeting.
- Approaches to targeting households in poverty are more likely to be effective when:
 - interventions retain their target focus, rather than widening their remit or becoming broad-brush (e.g. certain area-based initiatives);
 - more holistic poverty measures, rather than employment measures, are used to identify need and monitor the outcomes of interventions;
 - engagement of clients is informed by their own and their household's vulnerability to poverty (e.g. particular groups or household compositions);

- sufficient flexibility and time to tailor support to broader household circumstances is enabled (rather than prescribed fixed solutions).
- Consensus among stakeholders about who is being targeted is vital to preventing any dilution of focus.

Lessons for cities

The key challenge for cities is how to efficiently and effectively target households in poverty. Local initiatives targeting disadvantaged neighbourhoods are not necessarily efficient at reaching those in poverty. Perhaps most importantly, there is the ongoing mismatch between initiatives that focus on individuals, while poverty is measured in relation to whole households. Such issues present big challenges to local organisations in cities aiming to be effective at targeting poverty – the levers currently available to local stakeholders are not sufficiently developed, focused or sharp enough to reach only those who need support the most. Moreover, targeting can stray from households in poverty due to pragmatism. This can dilute the effectiveness of initiatives in reducing poverty.

The case studies above offer pointers towards the most effective direction to travel, if poverty is to be addressed more effectively. Relaxation of (central government) regulations on funding, prioritisation and delivery can result in innovation locally. Examples above highlight where both the central *and* local levels can collaborate to benefit all parties, by ‘bending’ existing delivery or developing new solutions. There are also examples where mainstream providers are working flexibly with local support organisations to deliver more appropriate support. The case studies also provide evidence of how new uses of data can help to identify and target households with particular needs.

Thematic study 2: Employer behaviour in recruitment and selection

Introduction

Although often considered together, recruitment and selection are different functions and involve different processes. Recruitment refers to the identification and attraction of potential employees. Selection refers to the assessment of prospective employees against criteria for appointment. Employers' behaviour in recruitment and selection matters as it impacts on the hiring of out-of-work people and on those in employment seeking to change jobs. There is an expectation in the 'textbook model' of recruitment and selection that the methods and criteria used are driven by objectivity, meritocracy and rigour (Scholarios, 2009), executed by 'scientist practitioners' (Bryson *et al.*, 2012).

Certainly recruitment and selection are critical functions for employers. Filtering the wrong people out of jobs is trickier and costlier than sorting the right people into jobs in the first place. Employers therefore want to get it right. Yet recruitment and selection are something of a Cinderella function within human resource management generally, both in terms of practice and research (Keep and James, 2010). In reality many organisations simply focus on filling a vacancy. Informality often pervades both recruitment and selection. As a consequence, organisational best practice and organisations' espoused practice vie with actual practice in organisations. Objectivity, meritocracy and rigour can quickly fall away, compounding the disadvantage of already disadvantaged applicants. Employers' methods and criteria for recruitment and selection therefore matter.

This case study first outlines employer behaviour in recruitment and selection before presenting examples of innovative approaches to recruitment and selection for disadvantaged groups.

Evidence base

Many factors influence employer behaviour in recruitment and selection, including the economic cycle, the state of the labour market, legal regulations and the type of firm. The first will indicate if a firm is likely to be hiring, the second who is available for hire, the third prescribes who can be hired and the fourth who it is desirable to hire (McCormack and Scholarios, 2009).

The 'textbook model' of recruitment and selection tells organisations to first define the job to be filled, then attract applicants, then manage the application process and then make the appointment (Bryson *et al.*, 2012). Recruitment methods can be formal or informal, with the emphasis within recruitment and selection on getting the 'person-job fit' right. However in practice operational managers might opt for the convenience of hiring workers who offer 'cultural fit' on the basis they are perceived to be less likely to disrupt existing social relations and production. Such recruitment and selection practices by unit managers and supervisors can run counter to wider company policy to encourage a more diverse workforce.

There is thus 'what ought to be done' and there is 'what is done' by employers when hiring workers. What employers actually do is often more a social than a scientific process, often hiring workers who align with the organisational culture (Bryson *et al.*, 2012). In this counter-model, it is a 'person-organisation fit' rather than a 'person-job fit' that drives employers' decision-making. It is not the best person as sorted by merit, objectivity and rigour but the most appropriate person given resource constraints and what already exists in the organisation. It is a model that can negatively impact on employment opportunities for disadvantaged groups.

This counter model of behaviour exists particularly among the type of employers offering the entry-level jobs in industries typically targeted as appropriate for the long-term unemployed and economically inactive – retail, hospitality, call centres, care work and manufacturing. These employers use a mixture of formal and informal recruitment methods, as highlighted in a survey of Glasgow retail and hospitality employers focused on entry-level sales and waiting jobs. In terms of formal methods, these employers place adverts in job centres and the press (Nickson *et al.*, 2005). The use of websites for these jobs was

less prevalent (but may have risen as advertising has migrated to the web and away from the press, see de Hoyos *et al.*, 2013). Employers' informality can create challenges for those out of work. These challenges can include weaker networks of contacts in employment and less confidence in making direct enquires to employers (Dutton *et al.*, 2005).

Even when highly formalised recruitment and selection methods are used that align with the science model (such as use of the internet and software programmes), they can still work against disadvantaged groups. In this case, with the 'digital divide', these groups have less home-based internet access to be able to identify and apply for these jobs.

In terms of criteria used to make selections, it is again the social rather than the scientific that prevails. In the Glasgow study, employers stressed the importance of applicants' attitude (as a proxy for personality) and appearance. These factors were rated more highly even than work experience. Almost no employers cited qualifications as important. This finding is not confined to Glasgow but was confirmed among retail employers in Manchester (Nickson *et al.*, 2012). Reviewing a range of academic literature Newton *et al.* (2005) found these criteria to be common among UK employers recruiting the unemployed and economically inactive. With the exception of employers in manufacturing, little importance was attached to technical skills – which employers felt could be taught if needed. Likewise qualifications were not deemed to be important except where there was a legislative need, for example care work and security. Instead employers' focus was on 'soft skills'. These soft skills comprise attitudes to work and learning, and appearance in general along with gestures and mannerisms. They also include confidence and motivation.

These personal attributes and characteristics were once simply ascribed to personality but are now informally defined as skills by employers. Reliance on soft skills compounds employers' opportunities for stereotyping, raising the issue of bias and discriminatory behaviour as employers use cultural capital clues to ascertain the quality and level of applicants' social skills, perceiving the 'working class' to have soft skill deficits (Warhurst *et al.*, 2015).

Innovative approaches

The first and second case studies focus on ways of encouraging employers to recruit candidates disadvantaged in the labour market. The first considers the use of wage subsidies, while the second is concerned with use of pre-employment training and a 'recruitment subsidy' (i.e. free support with recruitment and selection). The third example considers a longer term workforce development approach, which can impact on employers' recruitment and selection behaviour.

Case study 1: The StepUp pilot

One approach which aims to improve the recruitment and selection prospects of disadvantaged clients is that of (publicly funded) wage subsidies to employers, to incentivise them to recruit people who are disadvantaged or vulnerable to poverty. The DWP-funded StepUp pilot was a response to the large numbers of clients who remained unemployed after six months, despite completion of the New Deal welfare-to-work programme. StepUp delivered in 20 areas between 2002 and 2004; pilots provided a guaranteed job and up to 50 weeks of support for eligible clients.

Employers (primarily private sector SMEs) received a wage subsidy of at least the minimum wage or more for the 50 weeks, plus a fee. Jobs were 33 hours a week to allow clients time for job search. Support for clients came from a Jobcentre Plus personal advisor, an independent support worker and a workplace buddy. Half of the support period focused on StepUp job retention, the other half on progression (job search).

An evaluation of the StepUp pilot (Bivand *et al.*, 2006) assessed around 2,000 clients and interviewed 60 employers and 75 stakeholders. Participants often lacked recent work experience, had low or no qualifications and a quarter of those aged 25–49 were disabled. Compared with control groups, the evaluation found that job outcomes were most positive for 30 to 49-year-olds, but 18 to 24-year-olds did less well or even experienced negative outcomes. Participants over 25 and from disadvantaged

backgrounds had positive outcomes; the most disadvantaged clients had a 35.8 per cent improvement in obtaining a job later.

Overall, though participation in StepUp axiomatically increased participants' objective employability (employment history, education level etc), the evaluation found that it was improved self-efficacy (levels of confidence, attitudes to work etc) that better explained participants' job outcomes: 'Participants were often able to address barriers that they previously believed had prevented them from gaining employment' (Bivand *et al.*, 2006, pp.5). Employers were also very positive towards StepUp, but admitted that the major motivating factor was the wage subsidy; many admitted that without it they would not have engaged. The subsidy enabled employers (especially SMEs) to have workers they needed but could not afford to pay or train, due to tight margins: 'The main reason was first of all because there was subsidized labour' (Bivand *et al.*, 2006, p.88). Thus, given appropriate incentives, employers' recruitment and selection behaviour may be influenced towards disadvantaged groups.

Case study 2: Local employment partnerships

Local employment partnerships were introduced by the DWP in 2007 (ending in 2010) to increase the propensity of employers to recruit disadvantaged people into work. Local employment partnerships involved an agreement between employers and Jobcentre Plus (JCP). Employers agreed to improve access to their vacancies for disadvantaged JCP clients (for example, by offering guaranteed job interviews, reviewing their application procedures and offering work trials and placements).

Concurrently, JCP would improve their understanding of employers' requirements, and would take steps to support people to better meet the needs of such employers (for example, via customised pre-employment training). Partnership arrangements also included a recruitment package which involved JCP undertaking recruitment and selection activities for employers (advertising vacancies, matching and screening candidates, sifting applications and arranging interviews). The initiative also involved pre-employment training, some of which was specifically tailored to particular sectors, such as NHS trusts around health and safety, food hygiene and manual handling, and retailers needing people with customer service skills. In response to the recession, in 2009 a 'recruitment subsidy' (of up to £1,000) was offered to employers as an additional incentive. However, at the same time, the target client group was also broadened, which diluted the focus on the most disadvantaged (see below).

An evaluation was undertaken for DWP (Bellis *et al.*, 2011) to assess the scheme's effectiveness. It found that the recruitment subsidy was a major driver for some employers to engage with JCP. Also, some SMEs especially experienced benefits from the recruitment package due to their capacity constraints, while large employers saw mass recruitment assistance as a way to reduce costs (Bellis *et al.*, 2011). However, take-up of the recruitment package was lower than expected, as it did not necessarily guarantee the best candidates according to employers. When successful, the recruitment package was viewed as a bonus at best. Thus the recruitment package was *not* viewed as a key driver to recruitment as it did not have a significant influence on employers' existing recruitment strategies. Some employers did not take up the offer as the paperwork was too burdensome compared with potential gains. However, some courses included work placements and these were particularly well-received, often leading to employment for some JCP customers.

Lessons from the local employment partnerships primarily involve the strength of the incentive provided and how this impacts on different employers. While some employers benefited greatly from JCP's offer of a free recruitment package and recruitment subsidy, others found the administration too burdensome. While the evaluation suggested that the JCP initiative *may* have influenced employers' recruitment practices, there is little evidence to suggest this. Indeed, a continued reliance on internal recruitment processes was reported by some employers, with the JCP offer viewed as supplementary rather than core. Lessons also include those around targeting. Partnerships were originally set up to focus on the disadvantaged, and aimed at large retail employers. But in response to the recession it was agreed in 2009 that all newly unemployed people became eligible, and a wide range of sectors and employers were engaged. This diluted the targeting and focus on the most disadvantaged and long-term unemployed JCP customers, which reduced the impact on those at highest risk of poverty.

Case study 3: Encouraging ‘system change’ in workforce development –partnership working with employers and employees – SkillWorks, Boston, USA

SkillWorks started in 2003, originally as a five-year initiative to improve the ‘workforce development system’ for low-income adults (unemployed and employed) and employers in Boston in the US. Initial funding came from charitable foundations (Annie E. Casey, Rockefeller, and Ford) and a SkillWorks funders group (15 foundations and public bodies). Over five years, \$14 million of funding was committed – half of this funded the development of Workforce Partnerships. Workforce Partnerships play a key brokerage role as labour market intermediaries between employer and low-skilled workers, aiming to help develop career opportunities linked to education and training, for low-income adults.

The hotel, healthcare and auto industries were targeted as they offered accessible low-skilled jobs, and were experiencing recruitment and retention problems. Engaged employers agreed to commit to building career and wage pathways for entry-level workers. Workforce Partnerships developed long-term relationships with employers by attending departmental meetings, consulting HR staff and securing senior staff buy-in. Partnerships embedded career coaches and basic education instructors into workplaces to acclimatise their activities to employers’ needs. Employers were encouraged to focus on low-skill workers by (for example) offering paid release time for training, supporting their work–life balance, and being supported to provide better training. Collaborations were also developed with community-based organisations and education institutions to develop customised courses and workplace delivery. Concurrently, partnerships also developed long-term relationships with participants, providing them with multiple support services over a number of years.

Evaluation evidence (Scott, 2007) suggests that this longer term approach to collaboration can systemically change employer behaviour in recruitment, selection *and* in progression. In its first three years SkillWorks helped 400 unemployed low-income adults get jobs in target industries; participants in pre-employment schemes to increase their wages in their new jobs, compared with their old jobs; 1,700 employees receive education, coaching and support; and 250 employees gain a promotion. Soft outcomes included: improved morale, better retention, greater input at staff meetings, and improved communications between workers and supervisors.

SkillWorks’ experience suggests employers *and* workers need to be supported over longer periods for successful new workforce development systems to be embedded – the development of low-skilled workers is not something that can be achieved quickly. With such commitments, partnerships *can* influence employer practices concerning entry-level workers. Sustaining the partnerships themselves has been challenging, as has embedding workforce development reforms within employer systems. Nevertheless, after the first three years of delivery SkillWorks became a national model, rolled out across other US cities and states.

Good practice

- The evidence base on recruitment and selection along with the case study approaches offer pointers for good practice in influencing employer behaviour in recruitment and selection. This includes the use of both financial and non-financial incentives to encourage employers to recruit from disadvantaged groups and to challenge established recruitment and selection practices.
- Strong and ongoing relationships between labour market intermediaries and employers are valuable in enhancing mutual understanding, and in enhancing the ‘fit’ of recruits and of pre-employment training to employers’ requirements. Good local labour market knowledge is also an asset here.
- Wage subsidies can encourage recruitment of disadvantaged jobseekers and of candidates who might not have been considered previously but – depending on the local labour market and sector context – the impact on employers’ recruitment and selection behaviour may be shortlived.

Lesson for cities

The key lesson in understanding employer behaviour in recruitment and selection is that, despite best practice based on a scientific approach driven by objectivity, meritocracy and rigour, many employers opt for a more social approach that is also often informal. This practice cannot only usurp prescribed organisational best practice but also counter espoused practice by organisations. Convenience, ease of use and cost are all factors that tend to be underplayed in the textbook model.

While there is a positive association between formal qualifications and employment, the evidence suggests that soft skills and organisational and job role fit play a crucial role in jobseekers' success. This highlights the importance of building relationships with employers and understanding their business and workforce needs as a route into influencing recruitment and selection decisions. Rather than rely on a version of employability built on qualifications as claimed by adherents of human capital theory, it would be better to regard employability through the lens of a revised employability framework encompassing factors related to individuals, labour market intermediaries and employers within the context of labour market and wider economic factors (Green *et al.*, 2013; Nickson *et al.*, 2012).

Thematic study 3: Careers information, advice and guidance

Introduction

This thematic case study provides evidence on careers information, advice and guidance (IAG) and its importance in helping and connecting out-of-work individuals into education, training and/or employment, and to remain and progress in work, and adds to the evidence base by exploring practice and initiatives at the local level. Careers information, advice and guidance is defined as: ‘... services and activities intended to assist individuals, of any age and at any point throughout their lives, to make educational, training and occupational choices and to manage their careers’ (OECD, 2004, pp.19). Guidance can be delivered through a range of media and in a variety of contexts. Careers provision is essential for those in poverty, lacking social and cultural capital, and those most disadvantaged (e.g. Evans and Rallings, 2013; Gibbons and Foster, 2014; OECD, 2010; Symonds *et al.*, 2011). For those in poverty, the longer term impact of advice on careers can not only be increased human and social capital, but also ‘greater social mobility and [a] pathway out of poverty’ (Gibbons and Foster, 2014, pp. 47).

An important practical distinction is between core labour market information (LMI) which is the bedrock labour market and employment information that practitioners/advisers need so that they are knowledgeable about labour market opportunities, and careers intelligence which encompasses information that is often more qualitative in nature (compared with core LMI) and includes details about employment practice (i.e. job roles/profiles, recruitment requirements, progression routes) (Howat and Zaidi, 2010). The emphasis in this thematic study is on the latter.

As a result of the changing economic and political contexts, careers IAG services in the UK have evolved over the last few years, but the importance of effective careers provision in supporting the economy and raising individual aspirations remains important. Careers provision across the devolved nations differs and even in England, especially for young people, there are considerable variations in provision (see National Careers Council, 2014).

Across the UK, the method in which careers provision such as job information, vacancies and career tools to help with applications, CVs and interview skills, is delivered has shifted away from face-to-face services to being delivered more online. Online careers provision is believed to increase and widen access to services, as well as facilitating access to services at a time and place convenient to the user (UK Commission for Employment and Skills, 2011). However, disadvantaged groups in greatest need are more reliant on local publicly available services and may have no or limited access to the internet to take advantage of online careers provision. They may also have limited IT skills and knowledge. The latest data from ONS (2014) suggests that the number of adults (those aged 16 years and over) who have never used the internet is falling, but that 6.4 million adults across the UK (13 per cent of population) have never used the internet. This suggests that there is a significant proportion of the UK population that are excluded from this service.

Alongside this move to more online services, there has been a decline in local careers support resulting from changes in government policy (see Filmer-Sankey and McCrone, 2012; Langley *et al.*, 2014). Recent research has shown that youth and careers support provided by local authorities has significantly reduced along with universal services (Langley *et al.*, 2014). It has been argued that providing careers development opportunities and in-work progression are key components to successful local interventions (Meadows, 2008; Walton *et al.*, 2003).

In England, the National Careers Service, launched in April 2012, jointly managed by the Department for Business, Innovation and Skills and the Department for Education (with additional support from the Department for Work and Pensions and the Ministry of Justice) offers an all-age service. Prime contractors deliver careers support within the community. This is designed to meet the needs of adults and young people by delivering online, telephone and face-to-face services.⁷ However, face-to-face services are currently only available to adults (19 years or over) and only those within targeted groups (decided at a national and local level by providers in partnership with, for example, employers and LEPs)

identified as requiring additional support can receive additional face-to-face sessions. National priority groups include those without basic skills (without a Level 2 or Level 3 qualification), people facing redundancy or newly redundant, those distant from the labour market or on out-of-work benefits, people with learning or other disabilities, offenders in custody and in the community under the supervision of probation services and ex-offenders. In October 2014, the National Careers Service in England expanded its offer to schools and colleges. In England, the responsibility for young people's face-to-face services primarily resides with schools, colleges and local authorities. The 2011 Education Act created a duty for schools to provide independent, impartial careers guidance from September 2012 for those up to 16 years of age. Dolphin (2014) has described careers education and guidance provision in England as 'neglected'. However, research on employer engagement with schools found significant activity that benefited young people and enhanced careers provision and work-related education in schools (Bimrose *et al.*, 2014).

In Scotland in 2011, the Scottish Government restated its commitment to provide an all-age universal careers information, advice and guidance service to be delivered through Skills Development Scotland (Scottish Government, 2011). The My World of Work website, launched in 2011, delivers a service based around consumer needs, which enables greater levels of self-help by individuals seeking information, advice and guidance on careers, skills and learning. For young people, Scotland has adopted a career management skills approach in schools, aimed at giving young people the skills and information to make informed careers decisions. More generally, services are delivered face-to-face, via local offices and telephone, as well as online.

In Wales, a review of careers education, information, advice and guidance, education business links and placement services was done in 2010 as part of the *Skills that work for Wales strategy* (Welsh Assembly Government, 2010). Following this, Career Choices Dewis Gyrfa Ltd. Was set up in 2013 as a subsidiary of the Welsh Government to deliver an all-age independent careers information, advice and guidance service under the trading name Careers Wales. Services are delivered face-to-face, by telephone and online.

In Northern Ireland, a review of policies around careers education and support services, as part of the upskilling agenda, was undertaken in 2009 (DEL and DE, 2009). The Careers Service in Northern Ireland provides careers information, advice and guidance, which is delivered face-to-face, by telephone and online.

In summary, recent policy developments and changes in careers support services in England, Scotland, Wales and Northern Ireland highlight the growing emphasis on providing an all-age careers service through a variety of delivery methods.

Evidence base

There is significant evidence, predominantly from evaluation of national initiatives, that the provision of high-quality, impartial careers information, advice and guidance for young people and adults is key to supporting transitions into education, training and employment (see for example Bimrose *et al.*, 2008; Hearne, 2005; Hooley *et al.*, 2012; Hughes *et al.*, 2002; Nelson and O'Donnell, 2012; Perdrix *et al.*, 2012). It can also help in encouraging and supporting those disengaged from the labour market and those in transition to engage in education and learning activities, and those in work to progress. For instance, Pittam *et al.* (2010) reported that careers interventions were helpful to people with mental health conditions to stay in work. Careers guidance and strategies to communicate with employers were found to be most useful. Although research suggests that people receive information on careers advice from friends and family, those from disadvantaged backgrounds are less likely to receive such help.

It is evident that providing access to high-quality careers information, advice and guidance is essential in supporting individuals throughout their life to navigate the labour market and the available opportunities, as well as helping them progress in work. Overall, there is a reported need to improve careers provision across England especially for young people (National Careers Council, 2013). Changes with the National Careers Service expanding its provision to schools and colleges will address some gaps in the provision, but it is too early to determine the impact for individuals.

Innovative approaches

The following four case studies detail innovative approaches to careers information, advice and guidance delivery at a local level in the UK. These initiatives have been selected as representative of how, at a local level, careers provision can be linked to improving individual economic and social circumstances. The initiatives illustrate how work experience and placements, employability training, skills development and personal development can be supported and enhanced with the delivery of careers services.

First, the Leeds Learning Partnership provides a good example of careers support being provided as part of the community and regeneration programmes. Second, the GATEway programme, run by Salford Royal NHS Foundation Trust, is an interesting example of how an organisation can support its local community providing careers services. The third and fourth initiatives, Wise Owls and Women Like Us, have been included to demonstrate how targeted local initiatives providing careers support can expand to a national level.

Case study 1: Leeds Learning Partnership community and regeneration programmes

Leeds Learning Partnership is a charity with more than 20 years' experience providing a range of training and support for children, young people and adults, particularly in areas of high deprivation. Funding sources include money for government initiatives, International Personal Finance and the Neighbourhood Learning in Deprived Communities Fund. The charity has gained a number of quality standards and accreditation including the Matrix Standard. The main focus of the work is around: employability, employment and training; literacy, language and numeracy; community engagement; and volunteering; and social responsibility. The charity works to provide:

- individual guidance and employability sessions for pre- and post-16 learners;
- opportunities for work placements; volunteering, skills development, training, work experience and support to employment;
- support for families to raise aspirations and develop transferable skills;
- ESOL courses in the local community;
- partnerships to improve the destinations of their clients.

The aim of the delivery programmes is to 'support personal development [and] the journey to employment and community regeneration' and is targeted at disadvantaged groups. The training programmes and support services are delivered through partnership working. The charity partners with local schools and employers, Jobcentre Plus, Leeds City Council, the NHS trust, National Careers Service Prime Contractors and many other organisations. At the time of writing programmes include:

- *Targeted support.* Delivered with Leeds City College, aimed at work-ready young people (18–24 years). It provides participants, who are referred from Jobcentre Plus and have gone through the suitability assessment, with opportunities to get work experience and vocational training to gain paid employment. The eight-week scheme is a combination of work placement and training at the college to gain qualifications in employability skills, customer service and business communication. Participants also receive careers support with their job search during and after the programme.
- *2 <Way> Street.* targets 16 to 25-year-olds in east Leeds, to improve skills, confidence and employability via local volunteering. Young people receive training and careers support to help with CV building, job search and applications, as well as one-to-one personal development support to help with their next transition.
- *ESOL for women.* This programme is aimed at women who are non-British/UK citizens to help them gain an ESOL Skills for Life speaking and listening qualification. Careers information, advice and guidance is also provided.

- *Community learning:* Through this funding a range of free courses are available for local residents in ESOL, employability and preparation for work, budgeting and money management, confidence and self-esteem building, plus basic computer skills. The courses are available to those aged 19 years and older who are unemployed or working less than 16 hours a week and have settled in the UK.
- *REAL + ETC:* This programme offers 16 to 19-year-olds the opportunity to get essential pre-employment help and support alongside confidence building, goal setting, teambuilding and transferable skills. Upon completion, learners are offered a nationally-recognised certificate, a free bus pass and up to 12 weeks training to enhance opportunities to find work or further training, to improve their life chances.
- *Just the job:* Offers individualised opportunities for young people leaving school (Year 11) to find employment. Young people gain up-to-date skills and training to support their transition from school to work. They are provided with: training for life, social and employability skills; a work placement; support to gain further qualifications and/or training; access to a one-to-one support worker; and opportunities to start apprenticeships and employment progression.

Overall, the programmes and support provided by learning partnerships have good success rates. On their youth programmes in 2011, 47 per cent of clients entered employment and 70 per cent achieved an entry or Level 1 qualification.

Case study 2: Salford Royal NHS Foundation Trust GATEway programme

Working in partnership with Jobcentre Plus, Salford Royal NHS Foundation Trust provides careers guidance and advice on training, employment and volunteer opportunities to local residents. Salford Royal has a history of supporting the local community – the current GATEway programme started in 2003. Opportunities with careers support include:

- *Supported traineeship:* Students with learning disabilities/difficulties are offered three work experience placements for an academic year within an employment-based course. The aim is to support the development of employability skills and prepare students for paid work. Throughout the course, a job coach provides additional support.
- *Single ticket:* Targeted at unemployed over 18s to support access to employment opportunities in health and social care. Over a year, individuals can experience four work placements with different NHS hospitals and social care providers. The scheme aims to develop skills, competencies and confidence to handle work and life issues.
- *Kids without connections:* The programme provides unemployed young people aged 16 to 24 the opportunity to gain work experience of four to eight weeks in a range of local businesses in Salford and Eccles.
- *The Prince's Trust and the Greater Manchester Fire and Rescue Service:* Aimed at vulnerable and disadvantaged groups, this collaborative partnership provides practical and financial support to young people. The programme enables young people to take part in work, education or training, matched to personal needs and career aspirations.
- *RECLAIM:* A leadership and mentoring project based in Greater Manchester, which provides work experience, mock interviews and employability training for young people.

The Salford Royal NHS Trust also offers a range of other initiatives, such as projects to improve health and education links within careers events and to provide work experience and volunteering placements to help young homeless people make the transition into accommodation and employment. The trust states that it will continue to be a socially responsible organisation and support the local community. In 2013/14, the GATEway programme reported that 130 people from socially disadvantaged or key employment priority groups had moved into employment.

Case study 3: Wise Owls, London

Wise Owls is a not-for-profit organisation providing employment and support services for those over 50 in London. In 1999, the organisation received funding to help older people in the London Borough of Hackney get back into meaningful work. The organisation has grown with further funding from the Trust for London, Skills Funding Agency, European Regional Development Fund, Leonardo Da Vinci programme and the Department for Work and Pensions' Skills Support for Redundancy programme. It currently provides services across London, but also offers a national service and is engaged in lobbying across Europe. The organisation has achieved the Matrix Standard.

Through a national helpline and website, employment support, advice and job matching is provided to support older workers back into employment. Local organisations are also able to offer more localised services. The *Wise Owls Lifelong Learning Centre* provides training for vocational qualifications, offers businesses a free training needs analysis, and advice and guidance on creating and updating a CV, writing applications and developing interpersonal and interview skills to individuals.

In addition to these services, the *Redundancy to Re-Employment project* is aimed at those who have been made redundant or unemployed in the past six months, or are about to be made redundant. Funding through this project ensures that individuals are offered advice and guidance to review their strengths and weaknesses, past employment, interests and future work interests, which leads to a customised employment and training programme. Part of this training includes employability training to ensure skills and abilities are up-to-date. Experienced professionals are available to help with vacancy and job matching, a CV review, support with interview and application techniques, as well as help with understanding transferable skills. Specialist and vocational training and qualifications are also available.

Case study 4: Women Like Us, London

Women Like Us is a social business set up in 2005 to help women with a family return to work in roles that fit with their professional skills and personal needs. By 2013 around 30,000 people had registered with the organisation. Although London-based offering face-to-face training and careers support service, Women Like Us also has an online presence offering free online advice packs, online forums and video case studies. A telephone service provides careers support with job applications and vacancy searches. Workshops are available across London to provide training on building confidence, improving CVs and interview skills. Funding and support is from JPMorgan Chase Foundation, the Big Lottery Fund and the Cabinet Office in Giving Fund (managed by NESTA).

Careers support is provided by qualified career coaches helping women understand what work they want and how to find vacancies, regain confidence and demonstrate their skills. Free careers support for women in low-income households is funded by Camden Council, Catalyst Gateway, Cripplegate Foundation, Henry Smith Charity, L&Q, London Community Foundation, United St Saviour's Charity, Trust for London and the Walcot Foundation.

Women Like Us was recently funded to pilot careers advancement advice by the government, targeting parents and carers from deprived areas in south London. It offered in-depth guidance, particularly on managing work and family life. The programme worked with approximately 500 parents and carers of which 65 per cent wanted advice on managing work and family life and only 15 per cent wanted advice on a course.

Good practice

From the evidence and the illustrative local innovative approaches to careers information, advice and guidance, the following good practice can be drawn.

- Face-to-face careers information, advice and guidance that is tailored and personalised to individual needs is most effective. Those who are disadvantaged in the labour market may have multiple and complex needs, which requires specialist and targeted support. Careers support at a local level is vital especially in disadvantaged communities where it will have a significant impact.

- Local provision needs to think broader than the local population demographics and consider context, such as what local opportunities are available in terms of training, employment, skill demands and transport links.
- Careers support needs to be delivered throughout an individual's life, as individual needs and circumstances change. Positive outcomes are achieved by delivering multiple interventions.
- Careers IAG provided alongside learning, employability training and/or skills development is more meaningful. However, for those in poverty a range of issues, such as finances, caring commitments, health issues and local transport, can influence (and constrain) career choices and pathways.
- Learning and understanding the local labour market needs to be relevant and meaningful to individuals. Pre-employment training schemes are effective at increasing self-awareness and improving understanding of available labour market opportunities.
- Partnership working (between education and learning institutions, careers professionals and employers) is key to effective local provision.

Lessons for cities

At the local level, careers support is varied and can include: careers advice and guidance; help with CV, applications and job interviews; awareness raising in terms of understanding what employers are looking for, local labour market opportunities and where to look for vacancies; plus understanding transferable skills. Local providers of careers support that are targeted at disadvantaged groups are funded by a range of sources, such as local government, the EU and charitable donations. Funding from government is limited. These providers are involved in delivering careers support alongside a range of other advice and support services. Careers support is embedded within pre-employment, employability and learning provision. For the individual engaged in this learning, the careers support is both useful and meaningful. To deliver these services, local providers work in partnership with employers, local learning providers and specialist support services for those with more complex or specialist needs.

Sustainable funding is a major challenge to delivering careers support targeted at those in poverty or those who are most disadvantaged. Targeted support is complex and costly.

Careers support for young people who are in education and those about to transition to work is mixed. In some areas, there is a lack of adequate provision in terms of high quality impartial careers guidance. However, there are many initiatives specifically aimed at helping young people at risk of not being in education, employment or training. These initiatives are providing opportunities to gain work experience through placements and internships. Careers support is intrinsically embedded within these programmes. There is much evidence that careers education and guidance is most effective when embedded in the curriculum and delivered at an early age (Hutchinson *et al.*, 2011; Pearson, 2014). For the long-term unemployed, initiatives need to cover building confidence, updating skills and knowledge of the labour market and improving individual employability.

For those in employment seeking to sustain employment and/or progress in employment, there is a range of support online and provision at a national level. This suggests a self-service model with the assumption that perhaps the responsibility for in-work progression is the responsibility of the individual and/or employer. No local initiatives supporting individuals to progress in work were found, but they may simply be too small to promote and advertise. Educational institutions are providing careers information, advice and guidance, alongside a range of private sector organisations. However, opportunity structures need to be widened to help those in work to progress, raise aspirations, and increase occupational mobility and participation in lifelong learning. It should be recognised that providing a range of opportunities for individuals to increase their employability and engage in learning may not result in individuals taking up those opportunities. In addition to opportunity structures, a range of factors can influence an individual in their decisions, such as motivations, preferences and financial constraints.

Thematic study 4: Transport initiatives to link people to jobs

Introduction

Self-evidently transport initiatives play an important role in linking people to jobs in *physical* terms, so helping to overcome mismatches between where people live and the location of the jobs they seek. They are also important in *economic* and *social* terms in enabling employers to find workers for jobs – so helping to drive growth in local economies, and opening up opportunities for employment, education and training, and helping to foster social inclusion and social mobility. Transport initiatives may also have links to the *environmental* agenda (encouraging shifts to more sustainable travel modes) and the *health* agenda (via initiatives encouraging cycling and walking). The emphasis here is on the role that transport initiatives play in physical, economic and social terms.

In England the Social Exclusion Unit's *Making the Connections: Transport and Social Exclusion* report (Social Exclusion Unit, 2003) was very influential in highlighting transport as a significant contributing factor in the exclusion of many low-income groups. The report identified lack of transport as a significant barrier to the take-up of employment for some jobseekers and also linked it with low participation in, and drop-outs from, post-compulsory education and training. The study found that car availability within households was an important determining factor in accessing jobs and services⁸, with non-car owners in low-income households facing the greatest problems of access, especially those living in isolated and/or deprived housing estates (in a city context). It is this group, along with young people and women, who are most dependent on public transport.

When resources are constrained, the 'local' becomes more 'localised'.⁹ To successfully connect individuals who are most disadvantaged with jobs (and other opportunities) transport needs to be:

- *available* – taking people *where* they need or want to go, when they want to go (i.e. there are spatial and temporal dimensions);
- *affordable* – in terms of price of travel;
- *accessible* – designed (physically) so that it can be used without unreasonable difficulty;
- *acceptable* – in terms of comfort, safety and convenience (pteg, 2010).

The emphasis here is on availability and affordability.

Following the publication of the *Making the Connections* report the Department for Transport (DfT) introduced a new approach to *accessibility planning policy* to help promote social inclusion by tackling accessibility planning problems experienced by the most disadvantaged in society and asked local authorities to include accessibility strategies in their local transport plans. The Local Transport Act in 2008 afforded passenger transport executives and integrated transport authorities¹⁰ 'well-being powers' to act in ways contributing to the well-being of areas they serve, and subsequently additional duties were introduced requiring them to tackle socio-economic inequality.

The economic, institutional and policy context for transport initiatives to link people to jobs has since changed further. Following the economic crisis, cutbacks in public spending have reduced resources available for transport and improving accessibility initiatives¹¹, while an increase in unemployment and reductions in real wages have increased the level of need. Arguably, localism policy and City Deals offer opportunities in the transport and accessibility planning domains, since transport initiatives to link people to jobs are mainly about facilitating tailored solutions to local needs. Hence, the relative prioritisation and mix of policies is likely to differ by local area (see Box A1.1). For example, in the Sheffield City Region, the Sheffield-Rotherham corridor where there is a concentration of economic activity might benefit from improved connectivity and integration of transport modes (Type 2 in Box A1.1), whereas in the Barnsley-Doncaster corridor (Type 4 in Box A1.1) improving access to existing transport services, ensuring new

development is in accessible locations and enhancing information about travel options may be the appropriate focus of policies (Arup and Volterra Consulting, 2010).

Box A1.1: Role of transport initiatives in different types of cities/city regions

	Low	Spatial mismatch	High
Economic performance	<p><i>1. Less dispersed, stronger economic areas</i> Primary role of transport is to support further economic growth. In the context of rising congestion ensuring residents can access affordable, reliable transport is important.</p>	<p><i>2. Dispersed, stronger economic areas</i> Primary role of transport is about linking people to existing centres of employment – by improving connectivity of existing transport services and addressing gaps in provision.</p>	
	<p><i>3. Less dispersed, weaker economic areas</i> Primary role of transport is to widen individuals' spatial horizons, helping residents to consider and access jobs further afield.</p>	<p><i>4. Less dispersed, weaker economic areas</i> Role of transport is to enable further economic growth, help link residents to existing concentrations of employment, and widen residents' travel horizons.</p>	

Source: Adapted from Clayton *et al.* (2011).

Evidence base

The bulk of the evidence base on transport initiatives to link people to jobs is to be found in the grey literature. The Department for Transport has been influential in setting the agenda and in commissioning research (e.g. Mackie *et al.*, 2012; Johnson and Mackie, 2014; Johnson *et al.*, 2014), while the Passenger Transport Executive Group (pteg), which represents the metropolitan passenger transport executives (PTEs) in Great Britain, is a key source of commentary on policy issues and information on local initiatives.

Much of the evidence focuses on *transport by bus* and on metropolitan areas (see pteg, 2013; 2014); there is much less evidence on freestanding cities. People in urban areas who are currently unemployed and seeking work rely heavily on the bus for access to employment, especially if they are young, female, have no car available and/or have lower skills (Johnson *et al.*, 2014), and so such a focus is appropriate here.

The evidence base has been generated using quantitative and qualitative methods. Analyses of the changing location of employment (using large spatially-referenced data sets) have tended to reveal that whereas higher skilled jobs have become more geographically concentrated in city centres which tend to be better served by public transport, lower skilled jobs have become more dispersed and less well served by public transport (Clayton *et al.*, 2011). Another analysis has also indicated important variations between cities (Arup and Volterra Consulting, 2010).¹² Typically, administrative records and/or surveys of initiative participants are used to monitor and assess take-up, experience and outcomes of specific interventions. Qualitative research methods have been used to gain insights into spatial and temporal processes – at individual and household level – influencing the relationship between transport and exclusion from employment and services (Rivas Perez, 2013).

Current evaluations of initiatives (within and outside the transport sector) often fail to capture the non-transport benefits of the wide value of schemes to public policy goals (Lucas *et al.*, 2006). There is recognition that more evidence is required about what initiatives work, and especially for information on the impact and monetary value of initiatives (often lacking in evaluations) in order that business cases for local policy interventions can be developed.

Innovative approaches

Four types of approaches for linking people to jobs are considered here. The degree of innovation involved varies; indeed, innovation tends to be incremental rather than radical. The first two case studies are primarily concerned with tackling individual barriers (including through personalising solutions) whereas the second two are more focused on tackling structural issues although there are overlaps between them. Other approaches which tend to have a greater take-up in rural areas, but which may have some applicability to urban areas are not explicitly reported here (e.g. Wheels to Work initiatives

which address providing means for private transport (such as cars and scooters) when no suitable public transport is available).

Case study 1: Broadening horizons through promotion of cycling and active travel initiatives

Cycling is one of the cheapest and most sustainable ways to make local journeys. Work advisers at Jobcentre Plus can use the Flexible Support Fund to provide support directly to jobseekers, including provision of in-work travel costs, which could mean purchase of a bicycle.

In North Liverpool, *Choose Freedom* is an initiative to increase opportunities for sustainable access to employment for residents of Everton, Kirkdale, Speke and Garston through the promotion of active travel initiatives involving walking, cycling and use of public transport. It involves a variety of activities (not all directly related to linking individuals to jobs) including cycle training, giving travel advice to local residents, personalised journey planning for new job starters, loan of bikes, cycle maintenance classes, cycling buddies and walking pals to accompany individuals on unfamiliar journeys until they have built up their confidence (see also the discussion on neighbourhood travel teams in Chapter 4 Employment entry). The emphasis is very much on opening up local opportunities and facilitating local connections. Choose Freedom is delivered with funding from the Local Sustainable Transport Fund by Bikeright (a company with social enterprise aims and a commitment to broaden the viability of active travel).

This initiative follows on from an earlier one – WorkWise Wheels – co-ordinated by Merseytravel with European (Objective 1) funding for a programme called Let's Get Moving, which gave 400 bikes to people in areas with limited public transport, helping them to secure jobs and remain in employment at locations previously out of reach. Three months after receiving a bike, 85 per cent of recipients were still in employment.

Case study 2: WorkWise initiatives

WorkWise initiatives seek to increase use of public transport and provide travel assistance to unemployed individuals in deprived areas to help them overcome transport barriers to job interviews and employment opportunities. Centro (the West Midlands passenger transport executive) has run a number of WorkWise projects across the metropolitan West Midlands over more than a decade (using a variety of different sources of funding, initially including European funding, the Single Regeneration Budget and the Working Neighbourhoods Fund). WorkWise initiatives may be regarded as relatively tried and tested; innovation has tended to be incremental, as initiatives have been adjusted as new sources of funding have come on stream. Over 14,000 jobseekers across the West Midlands have been helped back to work by WorkWise initiatives. One such local initiative is Connecting Communities to Jobs in north Solihull outlined in Chapter 4 Employment entry.

Typically, WorkWise schemes offer support including personalised journey planning, free travel to job interviews and free travel for the first month in a new job for Jobseeker's Allowance claimants and other specific population sub-groups from pre-specified neighbourhoods (Green, 2010). Generally, they involve partnership working, with Jobcentre Plus and community employment agencies particularly prominent. Schemes broadly similar to the West Midlands WorkWise programme are provided in other areas of the UK (WorkWise in Greater Manchester and in Merseyside, Travel for Work in West Yorkshire and Travel to work in Tyne and Wear), primarily by other PTEs. These provide similar assistance to jobseekers, such as personalised travel planning and free travel passes, although some also provide additional services beyond this core package, including cycle and moped loans, and demand-responsive transport (DRT) which links individuals to jobs which are not well served by public transport (the limited availability of DRT services tends to limit their use for regular access to employment).

Surveys of partners and beneficiaries of WorkWise schemes tend to show that they are supportive of such schemes, indicating that they help employment entry and retention. Economic analyses are generally positive: in Birmingham the cost of supporting a jobseeker through WorkWise compared with Jobseeker's Allowance was estimated to be £790 (MVA Consultancy, 2010), while in the case of

Woodhouse Park Workwise (in Manchester) savings to the Treasury of helping nearly 1,000 local residents into work were estimated as being approximately £500,000.

Case study 3: New bus services to link to jobs – assisting workers and businesses

One key issue for access to work is that public transport services might not serve major jobs locations at times when workers need to get there and back. This can contribute to recruitment and retention difficulties for employers.

These issues faced several large employers engaging shift workers on the Haydock Industrial Estate in St Helens, Merseyside: there was no direct bus service and businesses faced recruitment and retention difficulties. St Helens Chamber of Commerce, local businesses, the local authority and Merseytravel (the local PTE) worked together to gather and analyse evidence, including residences of workers, to estimate the numbers of workers who could potentially use a dedicated bus service and (in conjunction with the bus service provider Arriva North West) analyse the times at which services were needed (i.e. to coincide with shift patterns). The analysis showed that services were needed to arrive at the industrial estate seven days a week for shift start times of 06.00, 14.00 and 22.00. With Local Enterprise Growth Initiative funding a new bus service (the 920) was launched in 2007. There was significant growth in passenger numbers in the first few months and since 2010 Arriva North West has operated the 920 service commercially (with a contribution from Merseytravel).¹³ Working in association with neighbourhood travel teams, Merseytravel has produced public transport guides – including coloured maps of bus routes, service times and connections to other transport modes – to key industrial and employment sites on Merseyside – including Haydock Industrial Estate.¹⁴

Similarly, when relocating to a new distribution centre, ASOS in South Yorkshire sought to recruit young jobseekers for semi-skilled roles from the local area. In early 2011 it was found that 75 per cent of job candidates did not drive and in the absence of suitable public transport (infrequent services etc) many were unable to apply for and accept jobs. The PTE worked with local bus operators to enhance and adjust timings of bus services serving the site and in the space of four months bus patronage expanded nearly eightfold.

Case study 4: Integrated ticketing and smartcards

Integrated ticketing is well developed in London where Oyster cards (plastic smartcards) holding pay as you go credit may be used to travel on bus, Tube, tram and rail services. Outside London, public transport systems are less dense, although there has been some growth in tram services in some cities. Bus deregulation has led to competition between bus operators, and journeys involving multiple operators can be difficult and expensive, so posing barriers to accessing jobs.

In *Nottingham* the city council has adopted a strategy of encouraging modal shift through high levels of investment in public transport, and a workplace parking levy. Public transport ticketing strategies focus on promoting inter-ticketing between operators and modes (e.g. bus, tram and rail) in order to maximise accessibility, network potential and overall use of public transport. There is also a Link Bus network to workplaces. Stimulated by funding from the DfT and the Local Sustainable Transport Fund, the city council has introduced the Nottingham Citycard, offering enhanced access to multiple services. It provides discounted travel on public transport, access to libraries, discounts on leisure activities at city council venues, and special offers from local businesses. There is discounted travel for jobseekers (who have been unemployed for 13 weeks or more) via a Jobseekers Citycard; applications may be made via local Jobcentre Plus.

The city council regularly makes bids for funding for transport initiatives and a recent successful Local Sustainable Transport Fund bid is providing resources for neighbourhood-based co-ordinators providing specialist services, including personalised journey planning and cycle training for local jobseekers via a community hub approach. Under the auspices of the Nottingham City Deal the city is set to become a test-bed for network management and using

both transport- and non-transport related incentives to encourage targeted individuals and groups into sustainable employment.¹⁵

Good practice

The case study evidence presented indicates that:

- Initiatives that help individuals make better use of the existing transport infrastructure and public transport services can be effective in linking people to jobs.
- Integration of services and transport modes is important in maximising use of existing public transport and in maximising accessibility of, and affordability of travelling to, employment locations. It is also important to ensure that clear information on how to reach key employment locations using different transport modes is disseminated widely (to jobseekers, workers, advisers and employers).
- Partnership working – across transport and other policy domains – is important in connecting people to jobs, since transport is only one of a number of barriers to employment for many individuals disadvantaged in the labour market.
- There is merit in involving employers in devising transport based solutions to enhance connections to jobs, so that the spatial and temporal specificities of their needs and those of (potential) workers are taken into account for maximum advantage.
- To address structural, as opposed to individual, issues in linking individuals to jobs there is a need for a long-term strategic approach on a functional economic area basis – involving transport and other policy domains, which in practice often needs to be implemented through a mix of short-term funds.

Lessons for cities

Transport is all about *co-ordination* – in time, across space, between transport providers. By its very nature, the connecting role of transport calls for inter-agency and cross-domain working. Transport initiatives need to work alongside initiatives in other policy domains.

The *planning system* plays an important role in determining access to employment, particularly for those without cars. Attention needs to be paid to accessibility and links with existing transport routes and services in the co-ordination of land use and transport policy, particularly when determining the development of new employment sites. Public transport needs to be integrated into new sites from the outset. In some instances there may be a need to make employment site more accessible to non-car and active modes of travel such as cycling and walking.

Transport solutions alone will not be enough to link individuals to jobs (Clayton *et al.*, 2011). Economic factors such as local economic demand and the skills profile of jobs matter too. So does support for childcare, since childcare places additional constraints on mobility (Rivas Perez, 2013). Yet *transport initiatives are 'enablers' and an important part of the policy mix* in linking people to jobs.

As well as having '*direct*' impacts on accessibility, affordability, etc, and so helping to link individuals to jobs, many initiatives have '*indirect*' impacts on wider aspects of users' personal and social well-being and community development, such that their absence would have a detrimental impact on quality of life and well-being (Kilby and Smith, 2012). These indirect impacts, as well as the direct economic impacts, are important to cities, and need to be factored into cost-benefit calculations.

Short-term approaches to funding tend to undermine the social inclusion goals of transport services and this does not appear to be acknowledged or addressed sufficiently by policy-makers. Yet there is scope for joining together the economic growth and social inclusion agendas in *longer term programmes* which seek to tackle *structural issues* of where jobs are located under the auspices of City Deals which can give cities additional flexibilities to address specific local challenges.

Thematic study 5: Apprenticeships and Employer Ownership of Skills

Introduction

In the UK skills and training are devolved policy areas. This thematic case study focuses on developments in England, but in all parts of the UK in recent years there has been increased emphasis on apprenticeships in national and local debates on employment, skills and economic growth, in recognition of their role in raising skills levels and the contribution that they can make to productivity and economic competitiveness. Apprenticeships have been heralded as a way of addressing skills needs of local employers and of tackling unemployment (especially among young people). In England most local enterprise partnerships' strategic economic plans give prominence to the role of apprenticeships in the local skills system.

Apprenticeships are paid jobs that incorporate on-the-job and off-the-job training. In England the National Apprenticeship Service (NAS) has responsibility for promoting apprenticeships to employers and learners, for supporting employers through the process of recruiting and training an apprentice, and for maintaining a national online apprenticeship vacancies system. Apprenticeship frameworks can be studied at different qualification levels: Intermediate Apprenticeships (Level 2), Advanced Apprenticeships (Level 3) and Higher Apprenticeships (Level 4). There are nearly 200 different apprenticeship frameworks available in 13 broad subject areas. Funding and policy for apprenticeships varies according to the age of the apprentice. Policy for apprentices aged 16 to 18 years is the responsibility of the Department for Education (DfE) and public funding is available for 100 per cent of training costs. The Department for Business, Innovation and Skills (BIS) takes responsibility for policy for apprentices over the age of 19 and public funding (via the Skills Funding Agency) is available for 50 per cent of training costs if the apprentice is aged 19 to 24 years and *up to* 50 per cent of training costs for those aged over 25. Employers can also fund apprenticeships themselves without any support from government.

There has been considerable debate in recent years about the performance of the apprenticeship system. Particular concerns have been raised about the heterogeneity of apprenticeships (Hogarth *et al.*, 2012) and that too many lack quality and relevance. A National Audit Office report on adult apprenticeships (2012) highlighted that 68 per cent of apprenticeship starts between 2006/7 and 2010/11 were accounted for by people aged over 25; that 84 per cent of the expansion in apprenticeships occurred in ten apprenticeship occupations; that drop-out rates were much higher than for higher education; and that around a fifth of apprenticeships lasted less than six months. There have also been ongoing concerns about the relatively small share of employers participating in apprenticeships, despite relatively high levels of awareness (Gambin, 2012).

In a drive to increase the quality of apprenticeships, from 2012 the minimum length for apprenticeships has been 12 months (although some apprentices aged 19 years and older may be able to finish an apprenticeship in six months if they can demonstrate prior attainment of relevant qualifications). This is in keeping with evidence of a positive association between length of apprenticeship and increases in pay and progression (Higton *et al.*, 2013). Additional resources have been made available for higher apprenticeships. To encourage take-up of apprenticeships an apprenticeship grant for employers of 16 to 24-year-olds was operational between February 2012 and December 2014 paying £1,500 to small businesses to take on a young apprentice if they had never hired an apprentice before (the expectation is that the apprentice will move into sustained employment). Apprenticeship training agencies (ATAs) are organisations which directly employ apprentices. ATAs thus deal with additional administration associated with hiring and employment of apprentices and are also intended to enhance the ease by which employers can engage apprentices.

In Autumn 2013 it was announced that in future apprenticeship funding will be routed directly to employers. There is an ambition that from 2017/18 all apprenticeship starts will be on new apprenticeship standards and assessments designed by employers; Trailblazers (groups of employers) are coming together to do this.¹⁶ These developments attune with the Employer Ownership of Skills (EOS) agenda developed by the UK Commission for Employment and Skills (2011). In essence, EOS challenges

employers, government, trades unions and training providers to invest in talent as a key component of business growth, seeking to align investment in people with industry requirements and local economic need. Hence, rather than the traditional model of training providers obtaining funding directly from the Skills Funding Agency (SFA) in accordance with delivery targets set out in their business plans, EOS involves employer-led partnerships – between employers, employees, trades unions and training providers – designing skills solutions adapted to their business needs. Two rounds of employer ownership pilots¹⁷ are trying and testing this approach, and many involve some element of apprenticeship-type training. Since most employers have become accustomed to a model in which they pay nothing or relatively little to a training provider, there is likely to be resistance among some employers (and especially SMEs) about funding being routed through them, in part because of concerns over the amount of administration involved and regarding the complexity of a new system (Hogarth *et al.*, 2014).¹⁸ One possible solution is for larger employers to become quasi-group training providers for their industries locally by taking on apprentices from other local companies (McCaig *et al.*, 2014).

Evidence base

There is a growing evidence base on apprenticeships at national level, including surveys of employers and learners and studies of returns to apprenticeship training (Gambin, 2012). The evidence base at local level is far more limited, and tends to focus on relatively small case studies. There has been a considerable increase in activity regarding apprenticeships at city and city region level in recent years, but there is a general lack of evaluation and impact assessment of such activity to date. Likewise, although there are employer ownership pilots and they are subject to evaluation, the evidence base is limited.

There has been substantial interest (especially at national level) in international evidence on apprenticeships (Steedman, 2010; Vogler-Ludwig *et al.*, 2012). Here, Germany, with a dual system of apprenticeship training combining practical training in the workplace with theoretical training at vocational schools, is often heralded as the gold standard. In the Netherlands there is predominantly school-based training at full-time vocational schools and work-based apprenticeship training in companies. Important differences in political, cultural and institutional contexts mean that international experience cannot be transplanted directly to the UK. The degree of social partnership involved in the apprenticeship system is markedly less in the UK than in countries such as Germany and the Netherlands (Vogler-Ludwig *et al.*, 2012), and Bynner (2011) has identified the importance of social partnerships in local areas as a key learning point from continental approaches to vocational education and training. Greater stability in qualification systems and institutional structures than in England has also been identified as important in helping information, advice and guidance organisations to navigate employers and learners through the system (Wolf, 2011).

Innovative approaches

Five case studies illustrate some of the approaches, lessons and challenges faced in promoting apprenticeships and EOS. The first case study of the Essex Apprenticeship Programme illustrates how a local authority successfully took a lead in promoting apprentices using European funding, but has faced subsequent challenges of dealing with a range of disjointed centralised funding streams as the programme has been expanded. Second, the use of Section 106 Agreements and public procurement more generally to secure apprenticeships is illustrated in the context of Southampton and Birmingham. The third case study shows how in Nottingham the Nottingham Apprenticeship Grant is being used to link local residents to apprenticeship opportunities, and in particular to new businesses in growth sectors in specified areas of the city (in accordance with local growth ambitions). Fourth, learning is presented on what works in relation to raising the profile of apprenticeships in careers education, information, advice and guidance from an early evaluation of the activities of the Greater Manchester Apprenticeship Hub. The fifth case study introduces a recently launched competition looking specifically at progression pathways in low-paid sectors.

Case study 1: Essex Apprenticeship Programme

In 2009 Essex County Council used £900,000 from the European Social Fund (ESF) to establish the Essex Apprenticeship Programme, to address a decline in apprenticeships in Essex. On the supply side the project sought to target young people Not in Education, Training or Employment (NEET) or at risk of

becoming NEET, while on the demand side the primary target was the engineering and manufacturing sector.

The county council established an ATA and employed apprentices directly for one year (using ESF monies to pay their wages) to reduce costs for employers. Apprentices were rotated around several employers, providing them with a range of experience in different workplaces and enabling employers to observe them with a view to subsequent direct recruitment. Partners in the project included public and third sector bodies, NAS, the Federation of Small Businesses, sector skills councils and industry training boards. The project outperformed on all initial targets: it engaged 60 businesses, delivered 155 apprenticeship places, 135 individuals attained Level 2 apprenticeships, 100 individuals progressed into full-time employment and 30 progressed into further training. On the basis of positive local performance the project secured further funding to deliver 175 additional vocational opportunities to NEETs.

Subsequently the project was further extended and mainstreamed to other sectors. This wider programme drew on £5 million of public funds, matched by £5 million private sector funds. In 2012 it was calculated that the programme had supported 1,800 apprenticeships through a 50 per cent apprenticeship wage subsidy. The wider Essex apprenticeship programme is calculated to deliver a return on investment of £15.17 per £1 of public investment.¹⁹

As it has been extended, the Essex Apprenticeship Programme has drawn on a wider range of funding, including the Coastal Communities Fund and funding from the Engineering Construction Industry Training Board. While this has increased the quantity of funding, it has also led to greater complexity of administration because targets and key performance indicators vary between funding pots (for example, some require that an apprentice enters full-time employment, while others require only that the apprenticeship is completed and a qualification gained), as do criteria (in relation to eligible age groups and company sizes, sectors and places²⁰) and evaluation requirements. A clear audit trail is needed for each funding stream making management complex; a single devolved pot of funding would simplify management and administration of the programme and arguably make it more effective (Shared Intelligence, 2014).

Case study 2: Securing apprenticeships through Section 106 Agreements in Southampton and Birmingham

As part of their planning function, local authorities have used Section 106 of the Town and Country Planning Act 1990 to request contributions, either financial or in-kind, through planning obligations directly related to a development. Section 106 Agreements can include contributions to benefit the local labour market, by raising skills levels and enabling local people to compete for jobs generated. Apprenticeships can be included as a specific measure within an employment and skills plan, negotiated with a developer and main contractor.

Many local authorities have used Section 106 Agreements, and public procurement more generally, to generate apprenticeship opportunities, which may be targeted at particular sub-groups of residents in particular areas. In Southampton the city council has developed a bespoke approach to Section 106 employment and skills plans (ESPs). In March 2014 it was reported that 32 plans had created 150 new apprenticeships (500 supported jobs for unemployed people, work placements and employer curriculum activities in schools and colleges had also been generated through ESPs). In Birmingham the city council's employment access team has played a key role in securing apprenticeships (and other work experience and related opportunities) on major construction projects, including the Library of Birmingham, where there were 82 apprenticeships (Macfarlane, 2014).

Case study 3: Nottingham Apprenticeship Hub and Nottingham Apprenticeship Grant

In Nottingham the City Deal has provided additional funding for apprenticeships, with the aim of providing apprenticeship opportunities (supported by the SFA) for Nottingham City residents aged 16 to 24 and supporting local businesses to take on apprentices at intermediate and advanced levels. An *apprenticeship hub* has been established to help stimulate employer demand, raise awareness about opportunities for

apprenticeships among young people and their parents (through information, advice, guidance, roadshows and vacancies), and to help ensure that the provider base meets the needs of local employers.

There are financial incentives to stimulate employer take-up of apprenticeships. Any organisation within the Nottingham City boundary or within easy travelling distance of it which employs less than 1,000 employees can qualify for the Nottingham Apprenticeship Grant which is worth between £1,000 and £2,300, depending on circumstances. In an effort to promote sustainable jobs, there must be the potential for a sustainable job after the apprenticeship has been achieved, to qualify for the grant. A grant of £1,000 is available for a Level 2 Apprenticeship and of £1,300 for a Level 3 apprenticeship, payable 13 weeks after the start of the apprenticeship (before the grant is paid, confirmation is sought from the apprenticeship training provider that the young person is attending work and training regularly). Employers based in the Creative Quarter²¹ (which is the flagship Nottingham City Deal project and the focus for Nottingham's Growth Plan) can receive an additional £500 and those which have been trading for less than two years receive an additional £500. Hence a new business located in the Creative Quarter employing a Level 3 apprenticeship can receive £2,300 in Nottingham Apprenticeship Grant. The Nottingham Apprenticeship Grant is administered by Nottingham City Council's Apprenticeship Hub. By February 2014, there were 500 young people on the Nottingham Apprenticeship Grant.

Case study 4: Greater Manchester Apprenticeship Hub – careers education, information, advice and guidance

Greater Manchester (GM) has also established an apprenticeship hub as part of its City Deal programme, with objectives to:

- maximise employer take-up of apprenticeships across key sectors – including through delivery of collaborative activities to stimulate demand for apprenticeships;
- improve the preparation for, and recruitment of, young people into apprenticeships – with a particular focus on delivering better information, advice and guidance;
- establish an apprenticeship offer in GM which includes frameworks and levels which are likely to employ young people and meet the needs of the GM economy – through development of market intelligence to influence provider activity.

In May 2014 a target was set to increase the number of 16 to 24-year-old apprenticeship starts by 10 per cent a year until 2017/18.

Here the focus is on evaluation results from the Phase 1 Careers Education, Information, Advice and Guidance (CEIAG) project, which comes under the second objective of the apprenticeship hub (Cambridge Policy Consultants, 2014). Each local authority in GM received an initial grant of £24,100 to deliver projects between April and June 2013 with the aim of contributing collectively to GM targets of: (1) engagement in project activity by at least 50 schools and sixth form colleges (at least five per local authority area); (2) at least 3,000 new registrations by young people aged 15 to 18 years on NAS's apprenticeship vacancies (AV) website (as a milestone towards the 2013/14 target of 6,000 registrations across GM; at least 300 per local authority area – this was exceeded in nine out of ten local authority areas). The local authorities were required to develop work aligned to programmes in a number of areas, including structured interventions in Years 10 and 11 and in Years 12 and 13 to support young people's post-16 and post-18 applications, leading to an apprenticeship as a 'first choice' post-16 or post-18 destination.

The local authorities employed a range of different strategies to engage schools. The majority of approaches were successful in increasing the number of registrations on the AV website. One that proved particularly effective in getting into schools was an 'offer to schools' in Bury from a senior director with the offer of £1,000 to every school, which could be used to buy support from a menu of activities, one of which had to be apprenticeship IAG. An apprenticeship bus (going to schools in Salford for one hour apprenticeship information sessions with Year 10 students) was also popular. The evaluation revealed that raising young people's awareness of apprenticeships was not such a big issue as challenging

perceptions on the career pathways apprenticeships offer, particularly around Higher Apprenticeships. One example of an initiative demonstrating that apprenticeships can offer decent progression routes for young people with a wide range of career aspirations was the Sharp Futures project in Manchester which provided young people in Years 9 to 13 with a full day of experience in the creative and digital sector. This covered an overview of the sector, information on employment and apprenticeship opportunities, and experience in product design, motion capture and website design. In Bury attendance of apprenticeship ambassadors at events, able to talk about their firsthand experience, also proved useful. The most successful approaches in engaging young people involved bringing the support to the young person's school/college, rather than encouraging them to go to an external location. There was evidence that the local authorities benefited from a partnership approach to delivery – including collaboration on projects and sharing materials (e.g. information packs for schools).

Case study 5: Progression pathways in hospitality and retail

A new innovative approach to testing what works in linking people to better jobs is a competition launched in October 2014²², by the UK Commission for Employment and Skills, in partnership with the Department for Work and Pensions. This competition invited employer-led proposals (from firms or groups of companies) to develop progression pathways in the retail and hospitality industries in initiatives lasting 12 to 18 months (hence this development is pertinent to Thematic Study 7 also). A maximum government grant of £250,000 is available per project alongside investment from employers. The idea is to test or pilot new/alternative ways of improving the earnings and progression of low-paid workers through changes to business practices that will have a positive direct impact on employers (e.g. through enhanced productivity or lower staff turnover). The explicit emphasis here on progression marks this initiative out from the case studies above, which focus more on engagement and only indirectly on progression.

Good practice

The case study evidence presented suggests a number of good practice lessons that can be used to promote and enhance take-up of quality apprenticeships:

- Approaches involving going out to young people to promote awareness and take-up of apprenticeships tend to be more effective than expecting young people to go to external events. Opportunities to talk to people with recent or current practical experience of apprenticeship (e.g. apprenticeship ambassadors) are valuable too. A good practice approach would involve 'key influencers' (i.e. schools and parents) and would focus on long-term benefits of apprenticeships and so promote quality schemes (CIPD, 2014).
- Establishing an apprenticeship hub is an effective way of bringing together information and expertise on apprenticeships for young people, parents and employers.
- Likewise, working in partnership to produce a co-ordinated offer and so minimise the burden on employers (e.g. via ATAs and group training associations) can be helpful.
- Building in apprenticeship requirements to Section 106 and other procurement policies is an effective way of stimulating local apprenticeships (and other employment/work experience) opportunities which can be targeted to particular sub-groups and areas.
- Apprenticeship funding can be used to support locally-determined funding priorities – e.g. to support local growth sectors in specific locations. There is further scope for city/city region partnerships, led by employers and enabled by local authorities/LEPs, to work to do this, and to use apprenticeship funding to raise the quality of apprenticeships.

Lessons for cities

Apprenticeships provide a valuable means for linking local labour supply and demand for mutual advantage. Cities and city regions are appropriate sites for implementing apprenticeship policies linked to target sectors; City Deals and Combined Authorities provide new funding opportunities and mechanisms for local stakeholders to take action. Since hiring young people is becoming an increasingly popular way

for employers to build their workforce from the bottom up (CIPD, 2014), and apprenticeships are an effective way of doing this, the time is ripe for such activity. Local stakeholders can add impetus by championing apprenticeships in their own organisations.

There is however a widespread belief amongst employers, and especially SMEs, that apprenticeships are confusing and time-consuming. This suggests that activities promoting awareness and take-up of apprenticeships by employers need to focus on building the business case for apprenticeships, including what they can do for an organisation's skills base and future talent potential.

At a time of ongoing change in apprenticeship policy and funding arrangements, it is important that information, advice and guidance for young people (and those who influence them) makes progression routes clear (including from apprenticeships to other routes and training options), so that the emphasis is on 'careers' rather than 'jobs'. While good-quality labour market information and intelligence is important, many young people would benefit from face-to-face advice – including on strategies to tailor applications to particular industries, employers and jobs, rather than being directed solely to a website (CIPD, 2014). Cities and city regions can play a role in helping to bring together and share resources to facilitate provision of such locally relevant information, advice and guidance.

Thematic study 6: Living wages and living wage campaigns

Introduction

While there is a long history of the living wage concept in the UK, developing from the thinking of industrial reformers and early trade unions around the late 1800s and early 1900s, it is only really in recent years that a co-ordinated campaign has developed. This began in the early 2000s when the London Living Wage Campaign was established, in response to rising inequality, low wages and high costs of living in larger cities, particularly the capital.²³ The living wage campaign was originally 'bottom-up', led by a broader community organising movement, London Citizens. This movement has grown into Citizens UK, with branches in Birmingham, Milton Keynes, Leeds, Nottingham, Wales and elsewhere, which has been influential in national living wage campaigning.

The rationale behind the living wage remains that of a minimum level of earnings that workers need to have a reasonable standard of living. While the roots of the movement view the living wage as a tenet of social justice, more recently campaigning has also emphasised the business and economic arguments for a living wage, including the reputational benefits and demonstration of social responsibility for accredited firms and, more recently, the fact that paying a living wage may result in higher productivity and better product quality.

An accredited voluntary living wage programme has been established by the Living Wage Foundation (LWF), an organisation established in 2011 and backed by a number of principal partners from the private and third sectors (Aviva, KPMG, Trust for London, QMUL, Nationwide, Save the Children, Linklaters, JRF, Resolution Foundation and Nestlé). The LWF was the result of a decade of growth of living wage campaigns which spread across the UK. Originating in the capital, the success of London Citizens' Living Wage Campaign prompted the Greater London Authority to establish the Living Wage Unit in 2005, to calculate a London Living Wage. In 2008, the Trust for London began sowing the seeds of the LWF by providing grant funding of £1million to develop an accreditation programme. Attention on areas outside London followed. A UK-wide Minimum Income Standard was independently calculated by the Centre for Research in Social Policy (CRSP) at Loughborough University. The development of LWF resulted in the co-ordination of the various campaigns and calculations. It agreed the 'London' (GLA) and 'outside London' (CRSP) living wage calculations as the accepted measures of the living wage in the UK. The latest living wage calculations (for 12 months from 3 November 2014) are £7.85 for outside London and £9.15 for London. These rates are considerably higher than the National Minimum Wage.

While the living wage in the UK is a voluntary mechanism, there are examples of statutory living wage programmes operating within areas in a number of states in the US (called living wage ordinances). These programmes are targeted at specific employers, such as those seeking financial assistance or contracts from local authorities, or they apply to local authority employees. Some findings from these programmes are examined in this case study.

In the UK there is broad cross-party support for the principle of the living wage, although less consensus on whether and how coverage of the living wage can be extended. A recent move to make all public sector contracts pay the living wage in Scotland was defeated by MSPs as recently as May 2014. This failed motion was one of a range of proposals in the Procurement Reform (Scotland) Bill, which received Royal Assent in its final form on 17 June 2014.²⁴

Evidence base

There is no robust evidence on the potential impact a wider voluntary or statutory living wage would have on poverty in the UK. Although the evidence base on the minimum wage suggests increases are not particularly well targeted at poor households, there are no similar studies for the living wage (for a review of the minimum wage literature, see Ray *et al.*, 2014). One area where there is some modelling is on the possible employment effects of introducing a statutory living wage. A paper published by the National Institute for Economic and Social Research (NIESR) modelled the potential impact that a statutory living

wage in the UK would have on demand for low-skilled labour. The findings estimate that a living wage could reduce private sector demand by 160,000 employees but that the impact on young low-skilled workers could be considerably larger (around 300,000). On the other hand the study also suggested that the living wage would improve the wages of a very large number of workers (around 4 million employees) by an average of 15 per cent (Riley, 2013).

A number of cities in the US have living wage laws or ordinances requiring specific employers to pay a living wage. The majority of ordinances only apply to employers which have sought financial assistance from local government (loans, grants, subsidies) or are contractors or subcontractors for local government (through procurement). Some local ordinances also require local government itself to pay a living wage to its employees. The first living wage ordinance was introduced in Baltimore in 1994 and since then the numbers of ordinances has gradually increased in localities across a number of states (Adams and Neumark, 2005). Studies of the impact of ordinances on assisted employers and contractor/subcontractors suggest mixed results. Ordinances have increased wage levels of low-paid employees slightly, though there may be reduced employment or hours for some due to higher costs (Holzer, 2008; Clain, 2008), while one study claims that the positive effects of a living wage on the lowest paid dissipate over time as employers substitute labour towards more highly skilled workers (Fairris and Fernandez Bujanda, 2008). The overall wider impact of ordinances tends to be modest due to the specific and narrow 'reach' of employer coverage. Studies of ordinances involving local government employees being paid the living wage are somewhat more positive, with the lowest-paid workers seeing an increase in earnings – again, though, with potential employment losses for some workers (Adams and Neumark, 2005; Neumark *et al.*, 2012). In terms of the impact of living wage ordinances on *poverty*, findings appear to remain unclear, although Neumark *et al.* (2012) suggest that business assistance living wage ordinances can result in modest reductions in urban poverty.

Overall, the evidence from the US suggests there have been both winners and losers in the lowest-paid occupation groups resulting from living wage ordinance programmes. The simulations of potential statutory UK living wage programmes are also suggestive of this. Living wage programmes do appear to benefit the lowest-paid occupations the most (Adams and Neumark, 2005) – however, this is not necessarily the same as targeting those in poverty (Neumark *et al.*, 2012).

There is little robust empirical evidence on the impact of the voluntary living wage programme in the UK, though a handful of studies exist which attempt to identify the impact in specific cities and within specific sectors/employers, for example cleaning businesses in London. Wills and Linneker (2012) suggest that the voluntary living wage programme can result in a significant increase in earnings for eligible low-wage employees, primarily those not claiming benefits, without major cost implications to the majority of larger employers.

There is also evidence from one small-scale study to suggest that a living wage might improve employees' mental health.

Innovative approaches

The following five case studies explore innovative approaches to implementing a living wage programme at the local level. The case studies have been selected to represent the diverse range of contexts in which living wage initiatives can function, along with the variety of actors involved and mechanisms used.

The first case study looks at the national voluntary living wage campaign in the UK and how it has been developed and rolled out. The second case study illustrates the development of living wage programmes by public sector employers in the UK. This is followed by a review of how public procurement policies and practices are used to broaden out the implementation of a living wage. Similarly, the fourth case study explores how public assistance to small businesses can also be used to encourage payment of a living wage, drawing on the example of New York City in the US. The final case study explores why particular large employers in the UK have living wage initiatives.

Case study 1: National voluntary living wage campaign in the UK

In the UK, a range of organisations aim to raise awareness, lobby and/or campaign for a living wage. Examples include third sector organisations, trade union movements, fairness commissions and some public agencies such as local authorities. The UK-wide Living Wage Foundation is the most commonly cited voluntary living wage programme in the UK which is monitored, regulated and accredited. The first formal living wage rate for London was calculated in 2003 by the Greater London Assembly (GLA); the first formal living wage rate for the UK outside of London was calculated in 2011 by CRSP. The London Citizens movement is part of Citizens UK – a network of 350 independent community organisations working as a broader alliance within area-based ‘chapters’. Examples of chapters include city-based movements in Birmingham, Milton Keynes, Leeds, Nottingham and four chapters in London; across Wales and Scotland more broadly sponsoring committees are being developed, based in Cardiff and Glasgow.

As a Citizens UK initiative, the Living Wage Foundation continues to develop and expand its accreditation programme. However, despite accrediting over 900 living wage employers, the existence of the living wage in the UK is patchy and far from equally distributed. In particular, smaller employers and private sectors employers are under-represented as accredited living wage employers compared with the make-up of the national economy; while 50 per cent of accredited employers are based in London (Jensen and Wills, 2013).

Citizens UK has recently launched a drive for a living wage in the social care sector, as part of broader a campaign involving a ‘charter of good practice for care providers and commissioners’.²⁵ In this way, Citizens UK is targeting broader areas of societal concern, using the living wage as one factor among others, such as proper training, care by the same individuals and a minimum standard of 30 minutes for all home care visits.

Trade unions also pro-actively campaign for a living wage. For example, the TUC has established the Fair Pay Fortnight campaign to raise awareness and generate support. Examples of specific targeting of sectors include UNISON’s targeting of social care, schools and higher education.²⁶

Case study 2: Public sector employers and the living wage

A number of UK public sector employers now pay a living wage including local authorities, NHS trusts, Transport for London, and quangos as well as organisations such as housing associations and museum trusts. Birmingham City Council is the largest local authority in the UK and has rapidly rolled out a living wage policy since June 2012. At that time the newly Labour-controlled council agreed to pay a living wage to more than 2,500 eligible in-house staff at an additional cost of £1.33 million. The council’s total budget in 2012 was £3.5 billion, though it continues to make significant spending cuts. Eligible employees received, on average, a 16 per cent increase in their wages. In April 2014, the council extended the scheme to cover its 950 agency staff. From October 2014, Birmingham City Council was the first local authority to pay a living wage to externally contracted care sector workers. The council cited existing research which claimed that a living wage improved attendance, motivation, loyalty recruitment and retention of workers.²⁷

In March 2009, Glasgow City Council was the first local authority in Scotland to pay a living wage to its employees and employees of partner organisations (arm’s-length external organisations or companies owned by the council). The living wage increase of April 2014 has resulted in 5,000 members of staff from the council and its arms length external organisations receiving a wage uplift. The council has also pledged to promote the living wage through its procurement policy with contractors and employers supplying the council (described subsequently). Glasgow’s own living wage campaign states that, across the city, there are 130 employers paying the living wage to 49,000 employees.

Case study 3: Public procurement and the living wage

A number of local authorities (and other public agencies) in the UK (and following the US) have developed procurement contracts which recommend that contractors should pay a living wage to their employees. One UK example is the procurement initiative being championed by Islington Council.²⁸ In 2011 it

became a living wage employer and was the joint first council to be accredited by the Living Wage Foundation in 2012. It then extended its living wage policy into its procurement framework, requesting that contractors, subcontractors and other partnership organisations sign new procurement agreements requiring them to pay a living wage to their employees. Around 98 per cent of Islington Council's eligible procured contracts are now living wage compliant, including domiciliary care workers, a sector strongly associated with low pay. Islington Council is also one of the first to engage in Citizens UK Social Care Campaign, agreeing to pay a living wage to all directly-employed and almost all contracted social care staff in this low-pay sector. The council also champions the living wage across the borough. Other councils are also starting to develop a procurement agenda around the living wage. Birmingham City Council aims to encourage payment of the living wage to organisations contracted to deliver required services, via its Business Charter for Social Responsibility.²⁹ By February 2014, 17 contractors were signed up to paying the living wage. An additional 35 contractors were in the application process at that time. Many of these are larger firms with substantial contracts but there has been criticism from other businesses that it is pricing small businesses out of the council contract market.³⁰ Glasgow City Council owns a number of arm's length external organisations (ALEOs) which have a 'procurement' contract with the council to deliver certain services. These have signed up to the living wage, but it is claimed the city council cannot enforce payment of the living wage in procurement contracts – only encourage it – given current legislation.³¹

Case study 4: Large employers and the living wage

Large employers are often the most prominent in living wage campaigns. Barclays Bank PLC began paying a living wage to the contracted cleaners at its headquarters in Canary Wharf in February 2004, following pressure from TELCO (the original East London chapter of Citizens UK). It later agreed to pay the living wage to all of its 1,000 London-based contracted cleaners in July 2007. In 2013, Barclays became accredited to pay the national living wage across the UK as a whole.³² Barclays reports that paying a living wage makes commercial sense in that it results in a better quality and more reliable service from staff who feel valued and are more committed. Barclays also wants to demonstrate its 'purpose and values' by 'acting responsibly as a business' and making a 'positive contribution to society'.

Another larger employer is Nestlé (and its 'group companies'), which is believed to be the first major food manufacturer in the UK to commit to paying a living wage to its permanent workforce, made an announcement in June 2014.³³ Nestlé plans to expand paying the living wage to contract and agency staff (about 10 per cent of permanent workforce size) by December 2017. It also plans to extend the living wage to graduate, intern and school leaver programmes.

Good practice

The evidence to this point suggests a number of good practice lessons regarding living wages:

- Voluntary living wage campaigns appear most successful when they are well-connected and co-ordinated nationally as part of a broader alliance or network that is committed and works in partnership.
- Living wage campaigns that promote and evidence the economic as well as the social benefits are likely to have additional traction with employers, e.g. *reductions* in turnover, absenteeism, overtime, and training needs (Wills and Linneker, 2012).
- A phased programme of accreditation offers employers more time and choice to engage and consider the implications of the living wage before fully committing.
- Good practice in procurement and assistance agreements (incorporating living wage stipulations) involves: ensuring that legal legitimacy is clear; developing frameworks that do not disproportionately affect smaller contractors; and may specifically target sectors where low pay is most prevalent.
- Good practice regarding large employers and the living wage tends to centre on promoting corporate social responsibility and the benefits of such policies on employees and their communities.

Lessons for cities

Cities may be the most appropriate locations for living wage campaigns. One important driver of this is the costs of living in successful cities, which impact disproportionately on those in poverty. A number of city councils in the UK (and the US) are already influencing, promoting and even requiring a living wage from their contractors, as well as championing the living wage themselves through their own employment policies. Effective campaigns at city level are those that are also connected with other campaigns and programmes nationally. While some of the largest employers (private and public) appear to play key roles in promoting living wage programmes, it is important to also target smaller employers. One way of doing this is to establish the business case more forcefully.

Local 'compulsory' living wage programmes also appear to gain momentum if they are embedded in a committed anchor organisation (often the local authority). Such organisations appear to be most effective when leading by doing – whether through their own pay and employment policies and/or via their procurement and assistance agreements. Anchor organisations also take on the responsibility of being living wage champions which influence other employers. Limitations of 'compulsory' living wage programmes might involve the negative impacts of increased costs – particularly to the smaller employers – which may trigger adjustments such as reduced employee hours (displacement), redundancies or even firm relocation (Holzer, 2008; Clain, 2008). At the same time, other evidence suggests that the gains of implementing a living wage would accrue to a large number of the lowest paid workers (Riley, 2013).

Thematic study 7: Supporting in-work progression

Introduction

Employment policies which have an (implicit or explicit) anti-poverty aim have typically focused almost exclusively on employment entry as their key outcome. More recently, in response to increasing concerns about the low-wage/no-wage cycle as well as the incidence of in-work poverty, policy-makers have begun to place greater emphasis on supporting individuals to progress once in employment. This focus on in-work progression is an emergent policy area, and the evidence base is relatively limited. However there is some evidence from progression approaches in the US and there are a number of examples of new practices or approaches being developed in this area in the UK.

In-work progression for individuals is dependent on a number of factors; these include personal characteristics, access to training, the nature and practices of internal labour markets, and the opportunities and constraints of the wider local labour market (Hoggart *et al.*, 2006; Devins *et al.*, 2014; Metcalf and Dhudwar, 2010; Foster *et al.*, 2007). There is also evidence which identifies that internal labour markets in some sectors have been 'delayed', creating larger 'gaps' between low-level posts and the next band of positions (Grimshaw *et al.*, 2002).

Progression in the labour market can work through either a focus on internal labour markets, career ladders within employers, or through external labour markets (i.e. moving jobs) to secure better wages or terms and conditions. This second group of approaches can be valuable in helping individuals to move out of jobs with poor prospects for progression (and should also be an important element of city policy-making). It is also worth noting that individuals themselves will have different orientations towards in-work progression and while for some it will be a priority, for others it will be less so, at least in the short-term (Hoggart *et al.*, 2006).

A central element of targeting policy at progression, at least in internal or sectoral labour markets, is working with employers. There are a number of different iterations of these types of approaches; some link structured upskilling to progression opportunities, others rely more on initial matching of individuals into jobs which tend to offer stronger internal labour markets or better opportunities for progression. An important element of the approaches focused on internal or sector labour markets is that they rely on close engagement with employers. Understanding the drivers of employer engagement and being able to maximise this is therefore an important component influencing the extent to which such programmes can be developed and subsequently scaled-up.

Evidence base

The evidence base on employers working with public policy to develop approaches to in-work progression is relatively small. There is of course a broader literature focused on internal labour markets and progression more widely, one focus of which has been the declining opportunities for progression in some sectors. However, there are a number of examples of programmes where partnerships between employers and areas of public policy (principally workforce development in the US) appear to have generated positive results.

An increasingly widely cited evidence source is the Maguire *et al.* (2010) study from the US which provides evidence from sector-based workforce development programmes. This evaluation studied three sector-focused training programmes delivered in different parts of the country which aimed to effectively match disadvantaged groups into relatively good job opportunities which would provide prospects for them to progress. The examples reviewed all involved large non-profit providers establishing or extending relationships with employers in their targeted sectors. They involved a mixture of skills and training provision combined with access to other services needed by individuals (such as access to childcare). The sectors selected were those which would offer opportunities of 'good jobs' to participants. Using advanced evaluation techniques the study found robust positive employment and earnings outcomes for participants.

There is also other evidence from the US on development of approaches which integrate structured skills provision with advancement opportunities in work. There are a number of examples of these in the health and care sectors where training and certification are required to move up the career ladder (see Morgan and Konrad, 2008; Duke *et al.*, 2006; Center on Wisconsin Strategy, 2005). These examples also highlight the role which sector regulation can have on influencing internal labour market structures and training processes. Central to the development of these types of approaches is using skills shortage or high turnover vacancies among employers to secure employer buy-in for the development of employer-focused programmes.

Innovative approaches

The issue of in-work progression has become increasingly apparent in the British policy context over the last few years. While the evidence base on initiatives is limited there are a number of examples of programmes which have been developed, and are currently being tested, which are focused on progression among low earners. One factor which is beginning to open up opportunities for the development of these approaches is the selected devolution of certain powers to cities, for example through the negotiated City Deals and Growth Deals. A second important driver is changes in the benefits system with the introduction of Universal Credit. Universal Credit introduces an element of in-work conditionality for those in employment but with very low earnings. Designing policy to encourage earnings growth among this group requires greater knowledge of what works in this area and a number of pilot approaches have been developed to begin to build an evidence base. In this section we provide an overview of these new approaches and what is known about how they work. As described this is very much an emergent policy area and effective evaluation and appraisal of the approaches over the short and longer term will be needed to assess their effectiveness.

A number of examples of new policy and practices in the UK are described in this section, including City Deals and Universal Credit pilots. First, however, a model of sector-based targeting in the US is presented – the WorkAdvance model. Another programme of relevance is the Employer Ownership of Skills (EOS) pilots. These pilots are co-investment in workforce skills between the government (administered by UKCES) and private enterprises. A range of different approaches are being funded under EOS, however one emphasis is on developing industrial partnerships to establish clearer career pathways (UK Commission for Employment and Skills, 2011). The EOS approach is not covered in detail here but is described in Thematic Study 5.

Case study 1: Sector targeted approaches – the WorkAdvance model

While approaches focused on progression are very much an emergent area for policy in the UK there is somewhat more evidence on approaches from the US. In particular there has been a focus on sector-based approaches. Under this model workforce development organisations and intermediaries are orientated to a ‘dual customer’ of employers and jobseekers/low-wage workers (Gilothe, 2009). One important lesson of these is using the hook of skills shortage or high turnover vacancies as a method of working with employers on progression activities. This is also indicative of the importance of the wider patterns of cyclical growth or decline in the economy more widely as well as change within particular sectors.

A current example which builds on the learning from previous programmes is the WorkAdvance model (operating in the US). WorkAdvance is a model which is targeted at low-income adults (those unemployed or earning under \$15 an hour and whose family income is less than twice the federal poverty line) and seeks to support them to enter ‘quality jobs, in high demand fields’ which provide opportunities for progression (Tessler, 2013). The scheme is targeted at a number of sectors (depending on the geography of delivery, with each provider targeting one or two sectors), including – information technology, transport, manufacturing, healthcare, and environmental services. The model was developed by the New York Center for Economic Opportunity (CEO) and MDRC (a social research organisation). MDRC is also evaluating the programme. The programme is operating in four locations – New York City, Tulsa (Oklahoma), Cleveland, and Youngstown (Ohio). The underlying characteristics of the WorkAdvance model are:

- Intensive screening of applicants – to ensure participants' ability to undertake and complete the training and meet the needs of employers, as well as to try and limit programme deadweight by not taking on candidates likely to find good opportunities in the absence of the programme.³⁴
- Sector-focused pre-employment services³⁵ – providing established pre-employment services, for example support with the application and interview process, but adapted to be focused on a specific sector.
- Sector-specific occupational skills training – aligned to specific employer and local labour market needs.
- Sector-specific job development and placement – with access to placements opened up by strong links between providers and employers.
- Post-employment retention and advancement services – including provision for ongoing career coaching, continuing contact with employers to assess performance, and access to additional skills opportunities needed to progress in work.

Case study 2: City Deals – the Plymouth City Deal

As part of the City Deal for Plymouth and the South West Peninsula, the area has agreed 'the largest wage progression project in the country' (Plymouth and the South West Peninsula City Deal prospectus, 2014, pp. 2)³⁶. The wage progression element of the City Deal is part of a broader approach targeted at improving employment outcomes for young people. The project seeks to 'boost the earnings of 750 18 to 24-year-olds' (p4). The project has received £750,000 in funding and is developed jointly with the Department for Work and Pensions (DWP) and the Cabinet Office. National government involvement is considered to be a major impetus for moving such projects forward. The approach works with an existing Work Programme provider to 'test a range of approaches to help young people to progress in their careers and increase their earnings' (p11). The prospectus identifies that this will involve a caseworker-led approach which could include: access to specific skill development activities; personalised career plan; targeted IAG linked to career aspirations; and re-employment activity (p11). The service provider will be paid 50 per cent of funding upfront with the remaining 50 per cent linked to project performance. The project will also be evaluated with the DWP and Cabinet Office.

Individual participation will be on a voluntary basis. It is likely that the mechanisms used to improve progression will be a combination of supporting individuals to progress with their current employer and supporting individuals to move jobs in order to increase their wages. In-work support will involve aspects such as supporting access to training and improving skills.

Case study 3: Universal Credit pilots

As part of the introduction of Universal Credit, which will introduce some element of in-work conditionality for low-earners, the DWP is running 11 in-work progression trials. There is relatively little information available at present on these approaches and their emergent successes and challenges. A DWP document on Jobcentre Plus-led early trials provides some details on two of the trials³⁷. In north London a model of in-work advisory support – 'including practical advice and signposting and financial help to meet specific work-related needs' for a period of six months has been trialled (p3). The expectation was that the trial would support around 1,500 individuals on a voluntary basis. In-work support is provided monthly by phone, email and online. In east London the trial uses of the Slivers of Time website which matches an individual's availability for work (even for as little as two hours) to employer needs.

An additional pilot that has been commissioned focused on good-quality part-time work and run by the Women Like Us organisation. It operates in parts of south London and clients are voluntary. The pilot is targeted at low earners already working part-time. It runs until June 2015 and consists of 1:1 support for 100 low earners (with the target that 40 increase their earnings). It works with employers aimed at 'stimulating quality part-time jobs', for example through advice on flexible job design and the benefits of this; learning is shared with JCP.

The rationale for the project is that the lack of 'quality' part-time jobs presents one of the main barriers to moving beyond low-paid work. The employer engagement element of the project works with employers and presents a business case for the design of flexible work options. Supporting individuals in work has implications for the way that advisors deliver services. With communication less likely to be face-to-face, and also having to fit it around working patterns, in-work support is also likely to require a different advisor skillset to working with those who are out of work.

Case study 4: IMPRESS project

Another example which includes post-employment support is Project IMPRESS in Wiltshire.³⁸ This project, which is funded through the Interreg IVA Channel programme (France-England), includes a package of post-employment support aimed at improving employment outcomes. The project uses an in-work support role (employment support workers) to provide advice, guidance and service referral to those entering employment (face-to-face or by phone or email). The focus is on newly employed individuals who have been out of work for six months or more (broadly defined – i.e. not just the claimant unemployed). The project's targets are to provide 'direct support to 275 clients; 50 clients are to be supported in their training and skills development, and 13 clients are to achieve career advancement' as well as to engage with employers around recruitment and retention. The project ran until March 2015.

Case study 5: Public assistance to small businesses, training and wage outcomes

New York City's Center for Economic Opportunity has developed a programme encouraging SME employers to increase the wages of low-paid employees (earning \$15 an hour or less) using the lever of financial assistance to pay for employee training programmes. An independent evaluation (Westat, 2014) found that this public-private sector collaborative approach to helping low-wage workers progress supports employees to improve their wages. Comparing employees in the scheme with a control group, the evaluation found that participating employees experienced a (statistically significant) nine per cent wage increase (\$3,286 per year). The evaluation also found that lower paid participating employees (paid \$15 an hour or less) gained 11 per cent increases in wages (\$2,621 more per year) compared with wage levels before the training. The evaluation also commended the initiative for its individual and tailored support to employees' needs.

Good practice

There are a number of good practice lessons that can be identified from across the evidence and emerging practice examples. In particular, policy-makers seeking to design interventions targeted at employers or sectors need to identify and use a suitable 'carrot' for employer engagement. This could relate to broader social aims or be focused on business needs, for example the issue of skills shortages or high turnover job vacancies. For the individuals being supported there is a good deal of evidence which highlights the importance of holistic and wraparound support, for example dealing with issues such as childcare. One of the clear lessons from US experiences is the need for broadbase support for jobseekers in addition to the primary employment and skills support including, for example, access to services and financial support (such as tax credits) (Gilothe, 2009; Hamilton, 2012).

There is a real evidence gap about how to support those already in low-paid work, as most of the evidence comes from programmes which support individuals *into* employment (and then progression). Those developing such policies face clear difficulties around engagement of employers or employees. They also face considerable challenges in influencing employment practices in large parts of the low-wage labour market. There is also little evidence on the role which financial incentives might play in developing programmes (for example the introduction of some element of payment linked to progression).

Lessons for cities

Opportunities for progression from low-paid work are becoming more of a focus for policy-makers and there are some evidenced examples as well as some emerging examples of practice in this area. There are

a number of factors for cities to consider in developing these types of policies. One is how much to focus on individuals and how much on employers. Some approaches can focus almost exclusively on supporting individuals (for example through IAG or skills interventions). These approaches, which aim to support workers in low pay to move jobs, will probably be an important component of an overall local approach to increase wage progression opportunities. Some of the new approaches being developed in the UK will have a focus either partially or exclusively on using job mobility for progression. Others approaches can have a dual-customer approach focusing on both employers and employees.

In addition the point at which initiatives seek to engage with individuals is an important consideration. Many initiatives are focused on those entering the labour market and seek to support a pathway into work and then progression. There is less evidence around improving outcomes for those already in the labour market.

In relation to progression programmes focused on internal or sector labour markets, there is evidence (particularly from the US) of workforce development strategies around increasing opportunities for progression, either through matching workers into sectors with good opportunities or through approaches shaping progression for individuals (for example linking training provision to advancement opportunities). The evidence base shows that for those initiatives seeking to engage with employers, the issues of skill shortages and high turnover vacancies are ways to do this.

Thematic case study 8: Anti-poverty policy domains – the example of Leeds

Introduction

Approaches to addressing poverty – those that link people into the labour market and those that seek to encourage progression – often rely on a number of different actors to develop and support delivery models. The way these actors are integrated and work together affects whether initiatives work in practice. Moreover, these actors can be national, regional or local. Most importantly, partners tend to have different core goals, and so need to coalesce around a common objective. In addition it is often reported that the complexity of funding arrangements and data sharing can also create barriers to effective joint working (HM Treasury/DCLG, 2010).

This case study considers the local actors involved in broadly defined anti-poverty strategies at city level and the relationships between them. The focus here is primarily on the Leeds City Council district (i.e. the city of Leeds itself). However increasingly organisations covering larger areas are also important in influencing practice in the city. The Leeds City Region covers the local authority district of Leeds as well as Kirklees, Bradford, Calderdale, Wakefield, Craven, Harrogate, Selby, York, North Yorkshire and Barnsley. The city region area has been a core focus of recent policy innovations such as those associated with the City Deal. A Combined Authority also now operates in the area. Therefore the case study here also references policies with a wider focus than just the city of Leeds itself. Because the list of organisations with a stake in addressing poverty is broad and covers a wide range of thematic areas, some simplifications inevitably need to be made and coverage is not exhaustive; rather it is illustrative of the situation in English cities around a number of core domains (some devolution of powers to devolved administrations means that the situation described here is not directly representative of the situation in Scotland, Wales or Northern Ireland). The situation regarding the level of devolution of funding and delivery of the domains described remains a live and evolving policy area. The agreement in October 2014 of a mayoral model for Manchester, and the enhanced devolution of powers across a number of policy areas, is the most advanced example of this outside London.

The range of policies and interests which are important for an overarching aim of reducing poverty through linking those out of work to jobs (and linking those in employment to better jobs), is potentially very large. Most obviously it will include core employment services (delivered by Jobcentre Plus and private providers) and skills interventions (delivered by a range of organisations including colleges and private sector providers). But it will also include players whose core focus is in other domains such as health, housing, transport, advice services and business support. Critically it also includes local employers. Such services and interventions can be considered as core and wider enablers of 'linking jobs and poverty'.

An indicative stakeholder map of organisations in Leeds City involved in delivering in areas of intervention of relevance to linking jobs and poverty is described in Figure A1.1. The diagram depicts stakeholders which might be considered as core in relation to linking individuals to better employment opportunities. These include employment service providers which influence access to jobs; careers advice and guidance providers which can help support individuals to make positive labour market decisions; skills providers; Leeds City Council through the work of the citizens and communities directorate, planning, and economic development; the Leeds City Region LEP (which has a wider geographical focus than the City of Leeds itself but is an increasingly important actor locally); and, critically local employers as gatekeepers to employment entry and progression opportunities. A number of wider stakeholders are also identified which includes those involved in delivering health and health support services which can help address health barriers to work or progression, as well as stakeholders involved in local transport and housing provision.

The central concern of the diagram is the pathway to employment ('linking individuals to employment opportunities and better jobs') which is in the centre. The surrounding (purple) circles represent the main types of intervention determined previously in the report and described in Table 1. The context for action within these areas of intervention is framed by the local labour market conditions (the pink hatched line).

This boundary is itself 'fuzzy' as people commute in and out of the city, commuting patterns change over time, and differ by job characteristics (ONS, 2014). The core stakeholders are identified in the purple squares, while selected wider stakeholders are presented to the left hand-side of the hatched blue line. The links from individual stakeholders to the different areas of intervention are not mapped but in all cases the stakeholders have some role around more than one area of intervention, highlighting the importance for co-ordination.

It should be noted that this figure is intended to be illustrative rather than comprehensive. Its aim is to highlight the range of stakeholders that have some influence on the different areas of intervention identified in the report and the ways in which these are connected.

In the past few years some additional opportunities have opened up to cities to request additional powers and resources around a number of policy domains, through negotiated settlements with central government in the form of City Deals and subsequently Growth Deals. In addition to this local enterprise partnerships (LEPs) are playing a larger role in steering strategic direction in a number of relevant areas. They will also have strategic direction over the spending of European Social Fund (ESF) monies. This change begins to draw LEPs towards policies which have more explicit social as well as economic aims (Sissons and Jones, 2014).

The Leeds City Region is also the site of a new partnership between the city council, city region and the Joseph Rowntree Foundation –the *More jobs, better Jobs* partnership. The core aim of this partnership is to develop policy to increase both the quantity and quality of jobs in the city region, and to ensure that the benefits of employment growth are inclusive. Modelled estimates demonstrate the significant local and national benefits which would accrue from improving employment outcomes for local residents (Stott and Campbell, 2014).

Local actors in anti-poverty initiatives

Cities only have partial control over the policies needed to develop anti-poverty initiatives (Lee *et al.*, 2014). Indeed, the most powerful levers, which relate to tax and benefits, reside with national government (Ray *et al.*, 2014). Relevant policy domains, for example employment and skills, have national policies that are locally delivered, as well as policies which are locally controlled and designed (depending on funding streams). This continuum is described in the main report and reproduced below in Figure A1.2, which shows how initiatives can range from centralised development and delivery through those which are centrally designed but delivered locally, to those which have greater local ownership in design and those that are genuinely locally designed and administered.

The focus here is describing this configuration of powers in a number of different policy domains which influence 'linking jobs and poverty'. The coverage is necessarily selective and the focus is on a number of thematic issues that are most directly linked to an employment-led anti-poverty policy. The domains selected are employment services, skills provision, careers advice, and business support and economic development.

Figure A1.1: Indicative stakeholder map of Leeds City

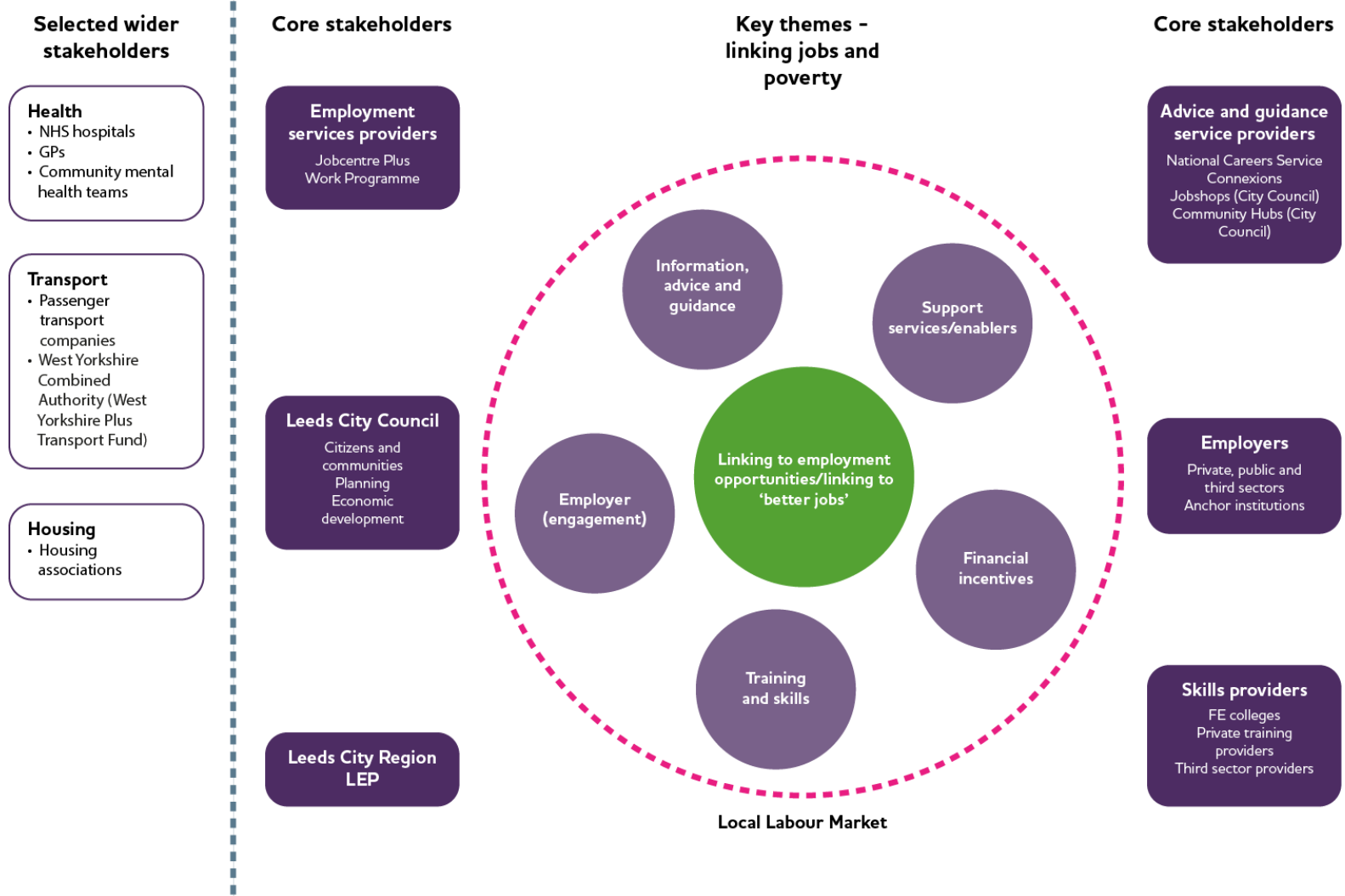


Figure A1.2: A continuum of devolution of initiatives



Source: Atkinson, 2010

Policy domains and anti-poverty policy in Leeds

The situation in Leeds with reference to each of the selected policy domains is discussed in turn, focusing on the current (i.e. autumn 2014) stakeholder map of provision and the level of local control and input to each of these.

Employment services

Effectively functioning employment services are an important influence on the extent to which individuals are matched to suitable jobs. Employment services generally in Britain are highly centralised with key dimensions such as an overarching approach ('work first'), a sanctions regime and frameworks for a 'claimant journey' determined by the Department for Work and Pensions (DWP). At service level, the core employment service for those who are short-term unemployed is provided by Jobcentre Plus (JCP). For the most part this is a relatively standardised service (with some operational flexibilities) which is unlikely to differ significantly across areas. At the local level, implementation of national policies is overseen by district-level offices (West Yorkshire in the case of Leeds) and carried out by local offices (eight within Leeds). Of course, the JCP-contracted and external provision to which JCP offices may refer claimants will vary somewhat across offices. As such JCP delivery itself can be characterised as having very limited devolution.

Typically, on reaching one year of uninterrupted unemployment, the claimant is transferred to a Work Programme provider (although the point of transfer is different for younger jobseekers and can be different for those with health conditions or pronounced barriers to work). The broad parameters of the Work Programme, in particular the payments model, are set nationally. However there is greater potential for local discretion afforded by the so-called 'black-box' delivery approach which is aimed at enabling providers to effectively tailor support to individual need. In practice the evidence suggests that the model has been less effective in supporting groups who are harder to help, in part reflecting the

national payment by results policy. Each Work Programme contract package area (CPA) is served by two prime providers. In Leeds the CPA is West Yorkshire and the prime providers are currently Ingeus Deloitte and Interserve Working Futures. Underneath these prime providers sits a series of subcontracting relationships which may also include public and third sector providers.

In general the core of employment services at city level are can be characterised as being towards the top of the devolution continuum described in Figure A1.2, as the key decisions around the core focus are made nationally; there is some operational flexibility, but very limited strategic flexibility.

While core employment services are subject to relatively limited local devolution there are other examples of employment initiatives which are more locally designed. The prime examples of these in Leeds both relate to policies focused on young people. As part of its City Deal, Leeds developed a strand involving a 'guarantee to the young'. This allocated a local budget towards youth employment provision, established apprenticeship hubs and developed an academy. The Deal also includes some devolution of responsibilities through local commissioning of the DWP Youth Contract for 16 to 17-year-olds. This is part of the City Region's aspiration to become 'NEET-free' (Leeds City Region Enterprise Partnership, 2012).

Another initiative targeted at young people (18 to 24 years old) is Talent Match (Big Lottery Fund, 2012). Begun in 2012 and funded by the Big Lottery to the tune of £108 million nationally over five years, the Talent Match programme targets young people who have been NEET for over a year and thus considered furthest from the jobs market. Delivering in youth unemployment hotspots across England, 21 local partnerships have been established to improve job opportunities for young people. Local partnerships, generally led by voluntary and community sector organisations, and stakeholders including local authorities, employers, third sector representatives and service delivery agencies, are led by local charities engaged in the employability arena. Each local partnership has been required to co-produce their local provision with local unemployed young people (i.e. Talent Match beneficiaries). In general, Talent Match is delivered using a keyworker approach involving intensive coaching and mentoring on a one-to-one basis (or via group sessions) for two hours a week per client. Individuals supported can receive assistance for up to 12 months. Examples of activities to get young people into (or closer to) work include regular job searches, job matching, help with writing a CV, interview preparation, and confidence building. Specific provision is also available for young people from Black, Asian and minority ethnic communities. Leeds City Region Talent Match is expected to receive £6.9 million over five years and is managed by a local partnership which focuses on youth unemployment hotspots across the five West Yorkshire local authority districts of the city region (Leeds, Bradford, Calderdale, Kirklees and Wakefield). The project aims to assist 2,300 long-term unemployed young people via a keyworker approach.

Skills development

Skills development can play an important role in linking those out of work to employment opportunities, and can also play a role in advancement once in work. Skills policy in the UK has undergone a number of shifts in the past three decades, a period which Mayhew and Keep (2014) characterise as one of 'serial reform'. More recently there have been emerging movements towards some devolution of skills funding and responsibilities to employers (through mechanisms such as the Employer Ownership of Skills pilots – see Thematic Case Study 5) and to selected local areas (for example via City Deals). Much of this activity is at a relatively small scale at the time of writing, and the tangibility and control of resources varies, although it is clear that there is a growing position among many stakeholders that greater devolution in skills funding is desirable.

The Leeds City Region LEP was successful in bidding for funding through the Employer Ownership of Skills pilot. The orientation of this bid was to provide funding to establish a £15 million skills fund to support the training needs of local SMEs. Access to training will be facilitated by a skills hub which will source training for SMEs and support such access.

The Leeds City Region LEP is playing an increasingly important role in influencing the direction of skills funding. The City Deal establishes a stronger leadership role for the LEP around skills, including better dialogue with colleges around meeting local employer needs. The City Deal also includes provision for developing apprenticeships locally (Leeds City Region Enterprise Partnership, 2012). The recently agreed 'growth deal' also extends local influence on some skills activity. This includes establishing a stronger

involvement of the LEP in relation to the procurement of learning and training provision for skills development and to ensure it meets local need, as well as investing in a Skills Capital Investment Programme for FE colleges and training providers with a focus on engineering and manufacturing. In terms of institutional infrastructure, an umbrella body, the Leeds City Region Skills Network, has been set up to co-ordinate dissemination of information on skills provision and provide a contact point for employers. Future developments in the area of skills will include LEPs taking responsibility for the strategic direction of spending of European funds locally, in particular the forthcoming European Social Fund programme monies.

In relation to the continuum of powers from national to local level it is clear that while skills policy has been relatively centralised, there are emerging new opportunities for local areas to have greater influence and control over funding streams. Examples can be seen in Leeds via the Employer Ownership of Skills Pilot, the programmes aimed at young people including apprenticeships and skills support agreed in the City Deal, and the LEPs strategic role in influencing skills provision and European funding.

Careers advice

The core careers advice service for most adults and young people across England is now delivered by the National Careers Service (NCS) (see Thematic Case Study 3), established in April 2012.³⁹ The adult careers service was previously known as Next Step; for young people it was the Connexions service. NCS offers online, email, text and telephone support to adults and young people (aged 13 to 19 and up to 25 for young people with learning difficulties and/or disabilities). Confidential and impartial information, advice and guidance are provided on issues around learning, training and work opportunities. However, face-to-face support is only offered to those aged 19 and over (18 and over if a JCP customer). Locally, the National Careers Service in Leeds is part of the NCS contract for the Yorkshire and Humber region. This is delivered by prime contractor Careers Yorkshire and Humber Limited until at least 2017. Collaborative working between the local NCS and JCP has been raised as a concern in a recent OFSTED report which highlighted that JCP advisers needed to be made more aware of what local NCS advisers can offer to their clients.⁴⁰

Since the creation of the NCS, local authorities themselves are not required to provide universal careers services at the local level, which points towards a high level of centralisation of core career advice services. In Leeds Igen delivers 'Connexions targeted support' to young people who are NEET (and school pupils who are identified as at risk of being NEET). The same company also co-ordinates intensive vocational support for small groups of young people in Leeds (and West Yorkshire) via the REAL+ West Yorkshire Programme, funded by the European Social Fund and the national Skills Funding Agency.

Leeds City Council also has a network of Jobshops across the city, offering support and advice to a broad range of people who are unemployed, or in work and looking for other opportunities. The citizens and communities directorate within the council also seeks to integrate wider advice services for local residents. Leeds City Council also has its own careers website, Leeds Pathways, for young people giving advice on career options post-Year 11, since national changes to raise the participation age took place in September 2012. In connection with this, a national duty was introduced at the same time requiring all schools to offer careers advice to pupils in Years 9–11. Recent changes will also require the NCS to collaborate with schools on careers advice.

Finally, the Leeds Growth Deal includes a commitment from national government to 'ensure' that local employer priorities help inform those providers delivering the NCS in the Leeds City Region (Leeds City Region Enterprise Partnership, 2014).

Business support and economic development

As described previously, jobs growth in terms of both quantity and quality frames the opportunities for actions focused on linking individuals to better jobs. Although the demand side has not been the primary focus of this report it is worth describing briefly the policy context around business support and economic development in Leeds.

One critique of the introduction of LEPs was that while they are designed to localise some powers and influence, a parallel process saw other regional level powers and responsibilities transferred to national

level. This included the recentralisation of some economic development functions previously performed by regional development agencies (RDAs). It also includes some policy areas associated with inward investment, innovation and SME development (Bentley *et al.*, 2010; Hildreth and Bailey, 2012). Closure of the RDAs has also been accompanied by overall reductions in resources for local economic development (Hayman, 2012).

Business Link, as an example, was the former nationwide organisation for business support. Changes in the policy landscape resulted in closure of the Business Link Advisory Service (a network of regional advisors) in November 2011. The service now only hosts a national helpline and various web pages within the new GOV.UK website. Beyond what remains of the national provision, LEPs were given responsibility by central government for 'local' business support.

The City Deal sets out the case for a more strategic approach to investment in the Leeds City Region and the creation of a Leeds City Region Investment Fund (Leeds City Region Enterprise Partnership, 2012). The Growth Deal also contains a number of policy commitments targeted at economic development and business support. This includes extending the Business Growth Hub programme to provide grants to firms with growth potential, to foster enterprise zones, and to develop a model for more effectively co-ordinating business support which joins up national, local and public and private provision (Leeds City Region Enterprise Partnership, 2014). Some progress has been made, with an online business support directory tool developed by the LEP as well as an online business support 'portal' provided by the city council.

More broadly a number of key sectors for growth locally are identified for the city region in the Local Enterprise Partnership's Strategic Economic Plan (2014). The six sectors identified are:

- financial and professional services;
- health and life sciences;
- innovative manufacturing;
- creative and digital;
- food and drink;
- low carbon and environmental.

The mechanisms for supporting development of these sectors (which include some of the measures detailed previously) are based around four strands:

- supporting growing business – including through the Business Growth Hub, Business Growth Programme, start-up support for SMEs, investing in capital infrastructure, and providing resources to attract inward investment and boost exports;
- developing a skilled workforce – through capital investment, a skills hub and fund, apprenticeship hub, and initiatives to promote enterprise;
- energy and resource use – through developing energy infrastructure, SME support programmes, and supporting energy efficiency improvement measures;
- improving infrastructure – including investment in transport, housing and commercial development.

Integrating policy domains and strategic co-ordination

The ability to effectively link together different areas of provision is an important factor in supporting individuals to enter work and to progress, particularly where more pronounced or complex barriers are faced. Within Leeds City Council the relatively recently established citizens and communities directorate plays a central role in both attempting to develop, improve and better link access to services at delivery level; as well as working at the strategic level to inculcate a whole system approach to tackling poverty locally.

The work of the directorate is focused around four strands:

- providing accessible and integrated services;
- addressing financial hardship;
- helping individuals enter employment;
- being responsive to the needs of local communities.

The focus of the employment support activities includes providing access to training and employment advice, and using community hubs to deliver advice, guidance and skills programmes (with a particular focus on those furthest from the labour market). This role also incorporates seeking to develop ways of best using the council's role as a large employer, large procurer and key influencer locally to improve access to employment opportunities for disadvantaged groups.

Lessons for cities

UK cities such as Leeds do not control many levers which can influence employment-led anti-poverty outcomes. Some policy domains are more able to be influenced locally than others, but the picture is largely one of central control and complexity on the ground.

When looking across the policy domains described here most of the dominant activity is strongly shaped by national policy which relatively limited local discretion (i.e., below level three on the continuum described in Figure A1.2). However there are pockets of activity in each area where there is greater local ownership and ability to shape provision (for example through parts of the City Deal). This at least provides a testbed to make a case for where future areas of activity might be usefully developed.

Many employment service functions in UK cities are predominantly centrally designed, with some local flexibility – but, at least to date, this flexibility has tended to be mainly operational, rather than strategic. The Work Programme has demonstrated that even where there is greater local discretion in principle, funding regimes maintain a critical role in shaping the extent to which this is developed in practice (such as the poor impact on harder-to-help clients who are more vulnerable to poverty, as a result of the payments system in which the Work Programme operates). As a response, local partnerships and agencies attempted to create new, distinct provision (at greater cost and at greater risk of duplication of national services) in order to meet specific local needs. A similar story can be told for careers advice services (nationally prescribed in the main), resulting in further local resources being invested in supplementary provision to meet specific local need.

Within the skills arena, emerging forms of local control are being developed over a number of important local domains. Local areas now have greater influence over a number of policy levers and funding streams around skills via the work of their LEPs, negotiating City Deals and/or Growth Deals with central government. Specific initiatives (Employer Ownership of Skills pilots, young people and apprenticeships schemes) and more control over (for example) ESF monies, are gradually providing local partnerships and agencies with opportunities to test models of delivery and explore their effectiveness. These negotiated settlements are a model of 'collaborative bending' of national policy and funding towards local needs, which is more efficient in terms of resources and in terms of minimising duplication and effort. A similar story can be reported for the area of business support and economic development. However, LEPs have had to reinvent the wheel of the one stop shop for *local* business support since the abolition of the nationally recognised Business Link brand. Moreover, this has taken place against the backdrop of local devolution *and* centralisation of business support, since the abolition of the RDAs. Nevertheless, the examples outlined above highlight that there are clear advantages locally in working collaboratively across policy domains, when such joint working is enabled.

In addition it should be noted that all the approaches described here often develop locally in relative isolation. The right mix of different approaches will vary across labour market areas, but critically important is that discrete programmatic interventions are effectively linked, are reinforcing and form part of a co-ordinated local anti-poverty policy.

Finally, local employers also clearly remain critical, and the ability to bend public policy levers to influence employer behaviour to encourage job entries, progression and better jobs is likely to be a critical element of any success.

Notes

- 1 For more information see: www.coalfields-regen.org.uk/what-we-do/support-people-into-work/family-employment-initiative-3/ and www.coalfields-regen.org.uk/wp-content/uploads/2014/06/Case-studies.pdf
- 2 See: www.gov.uk/government/news/cash-injection-to-support-coalfield-communities-into-the-future--2
- 3 See: www.coalfields-regen.org.uk/where-we-work/england/ and <http://www.coalfields-regen.org.uk/where-we-work/wales/>
- 4 See www.local.gov.uk/web/guest/community-budgets/-/journal_content/56/10180/3691988/ARTICLE
- 5 See www.gov.uk/government/uploads/system/uploads/attachment_data/file/197104/747summ.pdf and www.gov.uk/government/uploads/system/uploads/attachment_data/file/214521/rrep747.pdf and <http://democracy.merthyr.gov.uk/mgConvert2PDF.aspx?ID=7666>
- 6 See: www.dataalytics.co.uk/blog/?p=1
- 7 The scope and responsibilities for the National Careers Service in England was set out in: Department for Business, Innovation & Skills (2012) National Careers Service: The right advice at the right time. New challenges, new chances: Further education and skills system reform plan. London: Department for Business, Innovation & Skills.
- 8 The vast majority of employment-related trips are made by car, and the car supports evolving geographies of employment. Those without cars are constrained where and when they can travel for employment and a driving licence might be regarded as a wider mobility resource.
- 9 When in work, individuals in poverty tend to work locally, as this is the area they can reasonably reach within the time window they have for travelling to work.
- 10 These are passenger transport authorities responsible for setting out transport policy and transport expenditure plans in the largest metropolitan authorities outside London. London has Transport for London which implements the Mayor of London's transport strategy and manages transport services across the capital.
- 11 A general preference from government for capital funding (for large infrastructure projects) rather than revenue funding (which bus services rely on) is an important factor here (pteg, 2014).
- 12 For example, the distribution of jobs in the Sheffield City Region is more dispersed, with fewer jobs in central urban areas, relative to the Leeds City Region and the Manchester City Region.
- 13 See www.greenerjourneys.com/wp-content/uploads/2012/09/Five-Point-Plan-for-Growth-FINAL-PDF.pdf and www.pteg.net/system/files/general-docs/10210%20Pteg%20Benefits%20of%20the%20bus%20web%20FINAL.pdf for this and other similar examples of new bus service to major employment sites.
- 14 See www.letstravelwise.org/files/1957422223_3356%20WW_Haydock_v8.pdf
- 15 Results of an independent evaluation are intended to inform government, LEP and Cities policy.
- 16 See www.gov.uk/government/uploads/system/uploads/attachment_data/file/366063/bis-14-p194b-Guidance-for-developers-of-apprenticeship-standards-and-related-assessment-plans.pdf
- 17 See www.gov.uk/government/publications/employer-ownership-of-skills-pilot

- 18 In written evidence to the House of Commons Education Committee Inquiry into Apprenticeships and Traineeships for 16 to 19-year-olds the Federation of Small Businesses raised concerns that the businesses might be put off from engaging with apprenticeships because of increasing financial burdens of a reformed system, while in written evidence to the same Inquiry Nestlé noted that funding changes make it difficult for all businesses to plan and budget; (see <http://data.parliament.uk/writtenevidence/committeeevidence.svc/evidencedocument/education-committee/apprenticeships-and-traineeships-for-16-to-19-year-olds/written/13358.pdf>).
- 19 See www.local.gov.uk/c/document_library/get_file?uuid=7aa1ad4f-7e7a-4de6-a4b8-393d51c21895&groupId=10180
- 20 The Coastal Communities Fund could only be spent in five districts and had to be allocated to certain sectors.
- 21 The Creative Quarter has a concentration of incubators and clusters of technology-based companies in Nottingham's growth sectors, and is a centre for independent retailers and creative companies.
- 22 See www.gov.uk/government/uploads/system/uploads/attachment_data/file/363798/14.10.14_UKFP_Comp_3_Brief_V6.pdf
- 23 See: www.citizensuk.org/campaigns/livingwage/; www.theguardian.com/society/2011/may/01/living-wage-campaign-10-years and livingwagecommission.org.uk/wp-content/uploads/2014/06/Work-that-pays_The-Final-Report-of-The-Living-Wage-Commission_w-3.pdf
- 24 See www.bbc.co.uk/news/uk-scotland-scotland-politics-27386503 and www.scottish.parliament.uk/parliamentarybusiness/Bills/68170.aspx
- 25 See www.livingwage.org.uk/sites/default/files/CareCharter.pdf
- 26 See www.unison.org.uk/our-campaigns/unison-campaigns/a-living-wage/home/ and www.unison.org.uk/our-campaigns/unison-campaigns/a-living-wage/success-stories/
- 27 See www.bbc.co.uk/news/uk-england-birmingham-18392068
- 28 See www.islington.gov.uk/about/fairness-commission/putting-fairness-practice/what-we-are-doing/london-living-wage/islington-llw-campaign/Pages/default.aspx?extra=14
- 29 See www.birmingham.gov.uk/cs/Satellite?c=Page&childpagename=Corporate-Procurement-Services%2FPageLayout&cid=1223429308337&pagename=BCC%2FCommon%2FWrapper%2FInlineWrapper
- 30 See www.cypnow.co.uk/cyp/news/1143882/birmingham-providers-forced-pay-living-wage-retain-childcare-funding
- 31 See www.scotsman.com/news/living-wage-s-time-has-come-but-where-will-it-go-1-3390123
- 32 See www.barclays.com/news/2013/11/barclays-supports-national-living-wage-week.html
- 33 See www.nestle.co.uk/media/pressreleases/nestle-living-wage
- 34 Operating a selective model of this sort of course has implications for the ability of some potential participants to access support (Fletcher, 2004).
- 35 A similar model in the UK is the sector-based work academies, see: www.gov.uk/government/publications/sector-based-work-academies-employer-guide

- 36 At the time of the research the wage progression project was contracting for the delivery partner.
- 37 See www.gov.uk/government/publications/developing-in-work-support-for-people-claiming-universal-credit
- 38 See www.projectimpress.eu/ and www.workwiltshire.co.uk/help/project-impress/
- 39 Provision differs among devolved administrations: for Wales see: www.careerswales.com/en/; for Scotland see: www.skillsdevelopmentscotland.co.uk/; for Northern Ireland see: www.nidirect.gov.uk/index/information-and-services/education-and-learning/careers.htm
- 40 See www.ofsted.gov.uk/inspection-reports/find-inspection-report/provider/ELS/58868

Appendix 2: methodological details

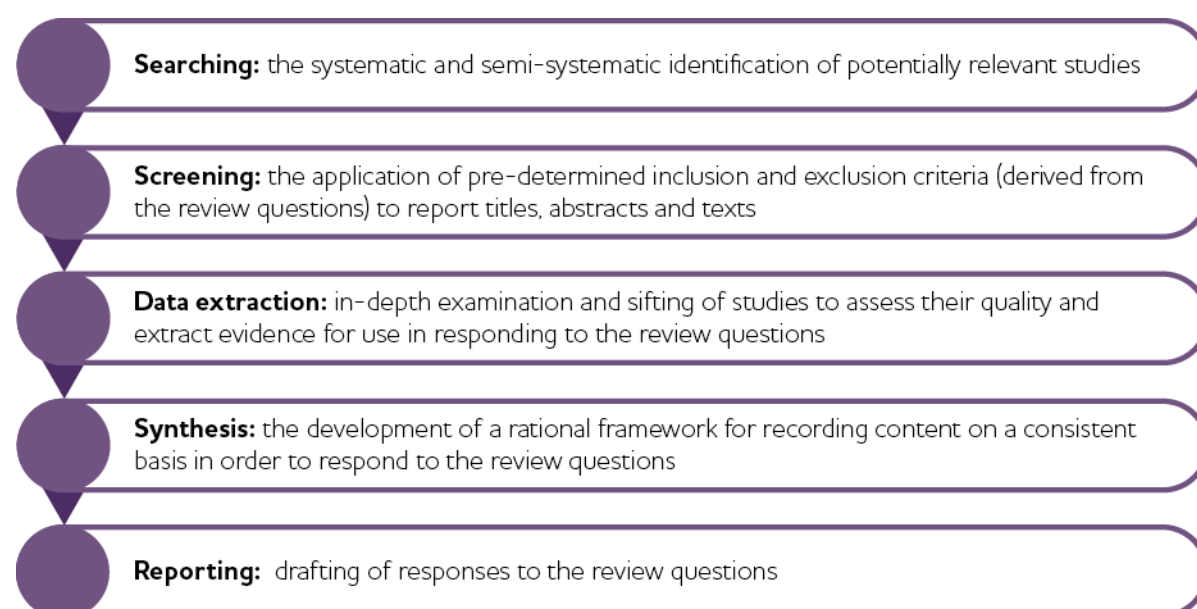
The methodology for this research involved five stages, outlined below.

Stages 1 and 2: Desk-based evidence review of local approaches to connecting (1) people out of work to jobs, (2) people to better jobs.

Searching and screening

The approach adopted to searching, screening and review followed the principles of a systematic review. It was based on an adapted version of EPPI-Centre (2002), involving searching, screening, data extraction, synthesis and reporting (see Figure A2.1).

Figure A2.1: Approach to review



Academic literature search

The initial phase of searching was focused on the available academic literature. A matrix of combinations of search terms was used to generate a list of potentially suitable articles. The key words which were used for the academic literature search are provided in Table A2.1. These terms were agreed after some testing of different combinations of terms. The key elements of each row reflect: the need to gather evidence which was relevant to poverty outcomes (direct or indirect) – row 1; that the article was focused on some form of intervention, strategy or programme – row 2; and, that the focus was sub-national – row 3. These key words were used consistently as far as possible, although there were some restrictions posed by several of the databases which meant some refinements had to be made.

The search was restricted to the abstract, and further search criteria were used to restrict the search to:

- *temporal coverage:* 1997–2014;
- *spatial coverage:* UK, Europe, Australasia, North America.

A range of relevant academic databases were searched using these terms. Details of these are provided in Table A2.2.

Table A2.1: Key words for academic literature search

poverty OR income OR employ* OR unemploy* OR work* OR inclusion OR 'job quality' OR wage* OR earnings OR jobs OR regeneration
AND
strategy OR intervention OR policy OR initiative OR campaign OR evaluation OR pilot OR assessment OR program* OR project OR partnership OR model
AND
local* OR city OR region OR urban OR neighbourhood OR 'deprived area' OR community* OR town or place

Table A2.2: Academic databases searched

ABI/Inform
Applied Social Science Index and Abstracts
Business Source Premier (in Ebsco)
DOAJ Economics
EconLit (in Ebsco)
Emerald
Google Scholar
Index to Theses
International Bibliography of the Social Sciences
JSTOR
OECD i-Library
Scopus
Social Science Citation Index
Sociological Abstracts

The results from each database were subject to an initial title scan to eliminate any material which was obviously not relevant. The list was then exported to Endnote, a referencing application, and duplicate cases removed. The pooled search results were then screened on the basis of abstract content. This screening process resulted in *67 articles* being identified for in-depth review in the first instance.

The next stage was a more in-depth examination of the studies identified in the screening process to assess their quality and extract evidence for use in responding to the review questions. On the basis of topic coverage, the academic articles identified were categorised into nine categories (Table A2.3). As Table A2.3 demonstrates, the largest body of evidence was found around interventions relating to skills and training.

Table A2.3: Topic categories of academic literature search

Topic category	Number of academic articles
Access to/use of services	4
Area regeneration	5
Employability	6
Employers and employer focused	9
Health conditions focus	8
Information, advice and guidance	1
Job search and matching	4
Skills and training	24
Transport	2
Access to/use of services	4

Grey literature search

There is no comparable database for searching the grey literature such as those used for the academic literature search. A different approach was therefore adopted which focused searching on a range of relevant research and policy organisations. These organisations included government departments, international policy and research institutions, thinktanks, university departments, consultancies and third sector organisations. The organisations which were searched during this phase of the research are listed in Table A2.4. In each case the organisations' publications were sifted on the basis of title, and where available abstract, and articles were shortlisted for full review. A total of 70 articles from the grey literature search were selected for review. (Subsequently a few further articles were identified through the call for evidence (Stage 3) and expert interviews (Stage 4) and were reviewed).

Table A2.4: Grey literature organisations searched

Source	Country
Brookings Institute	USA
Brotherhood of St Laurence	Australia
Canadian Council on Social Development	Canada
CEDEFOP	EU
Centre for Cities	UK
Centre for Local Economic Strategies (CLES)	UK
Centre for Poverty Research (University of Kentucky)	USA
Centre for Study of Urban Policy (University of California)	USA
CESI - Inclusion	UK
Demos	UK
Economic Policy Institute	UK
Eurofound	EU
European Trade Union Institute	EU
ILO	International
Institute for Research on Poverty (University of Wisconsin-Madison)	USA
Ippr	UK
Joseph Rowntree Foundation	UK
LARIA	UK
Local Government Association	UK
Local Government Information Unit (LGIU)	UK
Melbourne Institute of Applied Economic and Social Research	Australia
National Institute of Economic and Social Research (NIESR)	UK
National Poverty Center (University of Michigan)	USA
NESTA	UK
New Economics Foundation (NEF)	UK
Policy Exchange	UK
Policy Studies Institute (PSI)	UK
RAND	Europe
Rocket Science	UK
Russell Sage Foundation	USA
Smith Institute	UK
Social Market Foundation (SMF)	UK
The Work Foundation	UK
Townsend Centre for International Poverty Research	UK
Upjohn Institute	USA
Young Foundation	UK
UK government	
Cities Policy Unit	England
DWP	GB
BIS	England
DCLG	England

Subsequently the research team undertook some additional searches which, rather than focusing on organisations, used combinations of key words to source further grey literature. Hence the research proceeded in a cumulative fashion.

Evidence pro forma

Information from key studies was recorded in an evidence pro forma.

Stage 3: Call for evidence

In order to generate additional literature which may have not been retrieved through the academic and grey literature searches a call for evidence was issued, to access smaller scale or unpublished evaluations.

The call for evidence was circulated to the research team's networks and to some research lists and organisations undertaking research. This approach yielded some useful evidence.

Stage 4: Expert interviews

Seventeen expert interviews were undertaken with individuals with knowledge of the various approaches assessed as part of the evidence review.

These interviews had several functions. They were used to help further understand the context and implications of key examples of policies reviewed during desk research and arising from the call for evidence, as well as with identifying new developments and initiatives – some of which fed into the deep dive thematic case studies (see Stage 5 below). This helped with interpreting the evidence, with considering the importance of the (national and local) context in which the intervention/s took place and what this means for the potential of transferability, and to identify new policy initiatives. The interviews focused on:

- current evidence base;
- good practice in policy;
- packages of interventions;
- policy levers, resources and actors (a forward looking view).

Stage 5: In-depth thematic case studies

Following stages 1–4, eight thematic case studies were undertaken to explore particular themes and specific examples in greater detail. Selection of these case studies was informed by key issues emerging from the evidence review. The case studies focused on:

- local approaches to targeting households in poverty;
- employer behaviour in recruitment and selection;
- careers information, advice and guidance;
- transport initiatives to link people to jobs;
- apprenticeships and employer ownership of skills;
- living wages and living wage campaigns;
- supporting in-work progression;
- city powers and anti-poverty policy – the example of Leeds.

The case studies are presented in Appendix 1. Each case study sets out the importance of and context for the theme in question, a brief assessment of the evidence base, case study insights into locally implemented initiatives and their delivery, identification of good practice points emerging and a review of associated lessons for cities.

Acknowledgements

The research team acknowledges the contributions of Duncan Adam and Sally Wright to the completion of selected pro formas and all the individuals who participated in expert interviews and who responded to the call for evidence. Thanks are also due to members of the Project Advisory Group, led by Josh Stott and Mike Campbell.

About the authors

Professor Anne Green is at the Institute for Employment Research, University of Warwick. Her research spans spatial dimensions of economic and socio-demographic change, local and regional labour market issues, and migration and commuting. Her current research focuses on local skills strategies, disadvantaged young people and the labour market, employment and social inclusion and local economic development policy.

Dr Paul Sissons is a Senior Research Fellow in the Centre for Business in Society at Coventry University. His research interests include labour market disadvantage, low-wage work and local and regional economic development. His recent work has examined wage inequality in British cities, the links between economic growth and poverty reduction, and changing approaches to skills policy.

Kevin Broughton is a Research Fellow at the Centre for Business in Society at Coventry University. He has established expertise in research on disadvantaged neighbourhoods and communities, urban regeneration and economic geography. His current research focuses on the organisational development of small voluntary and community organisations in the UK, and their role in addressing disadvantage.

Dr Maria de Hoyos was a Research Fellow at the Institute for Employment Research, University of Warwick. Her research interests included education and training, crowdfunding and employment, and job search. She had a track record in working with employers. She is currently pursuing interests in mathematics education and teaching.

Professor Chris Warhurst is at the Institute for Employment Research, University of Warwick. His research interests are centred on labour market and labour process developments and he has undertaken case study work on aesthetic labour focusing on specific sectors. His current research focuses on job quality, innovation and employment.

Dr Sally-Anne Barnes is a Senior Research Fellow at the Institute for Employment Research, University of Warwick. Her research encompasses crowdsourcing, IT based innovations and applications, and career transitions and career decision-making. She has continuing interests in the use of qualitative research methodologies.

Duncan Adam and Sally Wright contributed to the research at the review stage.

The Joseph Rowntree Foundation has supported this project as part of its programme of research and innovative development projects, which it hopes will be of value to policy makers, practitioners and service users. The facts presented and views expressed in this report are, however, those of the author[s] and not necessarily those of JRF.

A pdf version of this publication is available from the JRF website (www.jrf.org.uk). Further copies of this report, or any other JRF publication, can be obtained from the JRF website (www.jrf.org.uk/publications) or by emailing publications@jrf.org.uk

A CIP catalogue record for this report is available from the British Library.

All rights reserved. Reproduction of this report by photocopying or electronic means for non-commercial purposes is permitted. Otherwise, no part of this report may be reproduced, adapted, stored in a retrieval system or transmitted by any means, electronic, mechanical, photocopying, or otherwise without the prior written permission of the Joseph Rowntree Foundation.

© The University of Warwick 2015

First published June 2015 by the Joseph Rowntree Foundation

PDF ISBN 978 1 90958 694 9

Cover image: © Creative Services, Leeds City Council

Joseph Rowntree Foundation

The Homestead

40 Water End

York YO30 6WP

www.jrf.org.uk



Inspiring Social Change

www.jrf.org.uk