



Tackling Worklessness in NDC areas – a policy and practice update

Some lessons from the New Deal for Communities Programme



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Executive summary

1. This paper draws out lessons from four New Deal for Communities (NDC) programmes' efforts to tackle worklessness. It provides a summary of the progress made in each area, examples of the problems they faced and the projects they used to address them. It also provides a guide to some of the issues policy makers need to bear in mind when developing neighbourhood-level interventions to tackle worklessness.

How were problems identified?

2. Case studies identified problems and issues using a number of methods:
 - data analysis
 - building on partners' established understanding
 - identifying gaps in provision/unmet demand
 - process mapping to see where improvements could be made
 - working with local employers to identify their needs
 - working with the local community to inform and develop responsive services.

What were the problems?

3. The areas faced a number of challenges, including:
 - the loss of traditional jobs, eg in manufacturing, and resultant skills mismatches
 - low paid jobs not meeting expectations and/or a benefits trap – sometimes compounded by participation in the informal economy
 - small firms finding it hard to invest time in recruiting and developing those who have been out of work for a long time
 - caring responsibilities and the costs of childcare
 - health and drug dependency issues
 - employment of ex-offenders
 - access to and the costs of transport
 - access to and costs of clothes and equipment related to work
 - low aspirations and narrow horizons limiting residents' search for job opportunities

- population turnover, setting new challenges
- coordination with other regeneration initiatives.

How were problems addressed?

4. Problems were addressed using locally tailored solutions, developed in consultation with local residents, providers and employers, including:
 - welfare and financial advice
 - employment brokerage, focusing on well paid employment to incentivise people to work
 - subsidised training and support to purchase equipment and materials necessary for some jobs
 - community transport to major employment locations to make the case for official bus routes from the NDC area to areas of employment
 - targeting major employers, such as the NHS, and developing local courses to support new arrivals to gain the locally recognised skills employers require.

What role did partnership working play in tackling worklessness?

5. The case studies show that partnership working is an essential element of success, but that at different times and in different places some partners are not able to engage with neighbourhood level interventions to tackle worklessness. Furthermore, new initiatives, backed by resources and the power to commission activity can cause resentment among established providers as they feel threatened by the changes – this may be a necessary part of the process, as their failure to respond to local needs could have been a contributing factor to the area's problems.
6. The involvement of local business is also important – both at a project level, as major employers are a crucial part of offering a route out of worklessness, and at the programme level, as business interests can inform project development and delivery.
7. The case studies also indicate that over time the NDCs have come to work more closely with local authorities. This is in part due to the need to ensure some projects are picked up by mainstream providers once the NDC programme ends. It is also due to prioritisation of worklessness and the neighbourhood agenda at the national level. The City Strategies and the Local Area Agreement (LAA) process also appear to offer the opportunity to link neighbourhood arrangements to wider efforts to tackle worklessness.

What are the key lessons from the case studies?

8. The case studies illustrate the need for:
 - clear and consistent advice from central government at the outset of a programme with expectations of the programme and mainstream agencies spelled out at the start
 - resources to “incentivise” partners and to enable local discretionary spending to meet local/personal needs
 - the need for local partner capacity and commitment to working together to tackle worklessness – including building worklessness targets into the LAA, bending mainstream resources into areas suffering from worklessness and working with local communities at the neighbourhood level
 - a local presence to deliver the services
 - services delivered by local people with the necessary language skills and understanding of local client groups’ needs
 - strong links to local employers, in particular large employers, such as major retail chains and the NHS
 - visible early wins – often related to the provision of employment space in target areas
 - operational flexibility to provide financial support to individuals to support them entering work, eg support to overcome cashflow problems associated with waiting for wages to be paid
 - the provision of in-work support to enable people to sustain employment
 - strategies to ensure that that community engages with strategic interventions, such as employment initiatives, which address issues beyond their immediate neighbourhood
 - reviews of progress to allow changes and adjustments to programmes and projects.

What are the issues for policy makers?

9. There are a number of lessons for policy makers developing policies to tackle worklessness at the neighbourhood level, including:
 - the need for clear guidance at the start of a programme, which includes a statement of the government’s expectations of mainstream providers, as well as of the programme
 - the ability to commission projects locally is important in order to ensure there are local solutions to local problems and to maintain local capacity to support employment initiatives – there are fears that changes to commissioning and procurement practices could jeopardise local flexibility

- discretion to respond to local and personal circumstances is important, and is often not available through mainstream programmes
- the importance of business engagement – at the local level – to change employers' perceptions of an area and its workforce and enable job brokerage
- the importance of involving local people in the design, commissioning and delivery of projects and services – but the difficulty of engaging residents in the employment agenda, as opposed to housing and/or environmental and community safety issues, which are more visible and often of more immediate local concern
- the need to understand the pace of change at the local level, in particular population churn and new arrivals with needs, such as English courses and conversion courses to ensure their skills and qualifications can be recognised
- the provision of English for speakers of other languages (ESOL) is increasingly important in areas receiving new arrivals from abroad
- the need to link worklessness interventions to wider regeneration initiatives, as they affect the timing of opportunities etc. and affect the ability of an area to retain those who find work and raise their income levels
- the need for a single point of contact to manage the support to clients from a range of agencies, including health, housing, benefits etc. as well as advice, guidance, training, work experience, job brokerage and in-work support
- tackling low aspirations, promoting entrepreneurialism, addressing the challenges of limiting illnesses and finding employment for ex offenders appear to be particularly difficult issues to address at the neighbourhood level.

1. Introduction

- 1.1 This paper provides guidance to those seeking to develop policies to tackle worklessness. It draws on the experience of the New Deal for Communities programme, by looking at four case study areas. It is a companion piece to *Tackling worklessness at the neighbourhood level: a review of the work of the New Deal for Communities programme*.

Purpose

- 1.2 The paper's purpose is to establish the lessons for future policy from NDCs' efforts to tackle worklessness. It does this by:
- setting out the assumptions that underpin the research
 - 'showing' and 'telling' the reader what NDCs did
 - outlining the impact the interventions had
 - identifying critical success factors
 - highlighting issues of concern for the future

Method

- 1.3 This section sets out the assumptions that underpinned the research, the questions to be addressed and the approach adopted to answer the questions.
- 1.4 Since this report was completed, the administrative data used in this chapter has been revised, largely as a result of changes in the methodology used for estimating populations and recording job seeker's allowance/income support (JSA/IS) claimants. We endeavour to use the most up-to-date information, but these changes were made too late on to feed into the report, it should therefore be noted that there may be some discrepancies with data currently available.

Assumptions

- 1.5 The research was conducted on the basis that interventions to tackle worklessness can seek to:
- stimulate the demand for workers eg by creating jobs through business start ups, supporting the growth of existing businesses and/or encouraging and enabling inward investment etc.
 - tackle discriminatory practices

- improve the functioning of the supply side of the labour market eg by improving the employability of the workless, overcome the barriers to work that some individuals face, provide better information about job opportunities, improve transport to enable access to work etc.

1.6 The potential problems were expected to include:

- the loss of traditional jobs, eg in manufacturing, and resultant skills mismatches
- low paid jobs not meeting expectations and/or a benefits trap – sometimes compounded by participation in the informal economy
- small firms finding it hard to invest time in recruiting and developing those who have been out of work for a long time
- caring responsibilities and the costs of childcare
- health and drug dependency issues
- employment of ex-offenders
- access to and the costs of transport
- low aspirations and narrow horizons limiting residents' search for job opportunities.

1.7 The research was conducted in the knowledge that:

- in most instances NDC areas are not of a sufficient size to provide enough jobs for local people, as they often lack the space and infrastructure to support significant employment activity and can be residential in nature
- local job creation efforts are often subject to 'leakage' (ie people from outside the area benefit from the interventions), and quite often result in displacement of activity that would have occurred elsewhere.

1.8 Thus, while stimulating the local/neighbourhood economy may be part of the employment strategy, it was anticipated that the learning would focus on:

- supply side interventions
- access to work issues
- work with employers
- work outside their immediate area to link local people to wider training and employment opportunities.

Research questions

1.9 The research questions sought to explore how the case study NDCs:

- identified local problems and solutions
- worked with partners, such as the local authority and the local strategic partnership

- worked with local people, employers and agencies to deliver effective local interventions
 - established new ways of working and new governance and management arrangements
 - developed business plans and succession strategies
 - measured their success
 - understood the factors critical to success and the barriers to success
 - addressed diversity issues.
- 1.10 The research aimed to identify the types of interventions NDCs developed and to what effect; in doing this it sought to understand the wider socio-economic and institutional context in which the NDCs operated.

Approach

- 1.11 The research was informed by a short literature review, which looked at good practice in local employment initiatives. Its main focus was on four case studies:
- Shoreditch in Hackney (London)
 - Kensington in Liverpool (North West)
 - Hyson Green in Nottingham (East Midlands)
 - Greet Green in Sandwell (West Midlands)
- 1.12 The case studies were selected on the basis of evidence of progress in tackling worklessness; the relative importance of the employment and enterprise agenda in the overall programme; and the existence of learning that may be applicable elsewhere.
- 1.13 The research consisted of a review of local documentation, such as the delivery plan and project information, and interviews and/or focus groups with local staff, partners and beneficiaries.

Structure

- 1.14 The paper has a further seven sections:
- **section 2: The case study areas** – provides a brief introduction to the areas and the progress made.
 - **section 3: What were the problems and how were they addressed?** – introduces the issues that the different areas faced and interventions and projects that have tackled them.
 - **section 4: What role did partnership working play?** – highlights the main learning points associated with NDCs' relationships with 'partner' bodies.

- **section 5: What are the critical success factors?** – summarises the necessary conditions for the success of local initiatives to tackle worklessness.
- **section 6: What are the current concerns of NDCs?** – lists the case study areas' concerns for their work in the future.
- **section 7: What are the issues policy makers need to consider when making policy for the future?** – looks at the mainstream and local issues that policy needs to address if it is to successfully apply the lessons of the NDCs.
- **section 8: Conclusions** – draws out the paper's main points.

2. The case study areas

2.1 This section provides a brief introduction to the case study areas and the progress they made in tackling worklessness.

Key data across the four case-study areas

2.2 The populations of the four case study areas range from over 20,000 in Shoreditch (Hackney) to just under 9,000 in Radford and Hyson Green (Nottingham). Of the four areas, Kensington (Liverpool), witnessed the most dramatic population change over the 1999–2005 period with a decline of around 8 per cent, in total some 980 people. This is related to the Housing Market Renewal programme, which operates in the area. Two of the four areas (Shoreditch and Radford and Hyson Green) saw an increase in the resident population over this period (table 2-1).¹

	Population in 2005	Pop change 1999–05	% pop change 1999–05	% aged 16–59 in 2005
Hackney	20,750	970	4.9	66.3
Liverpool	11,000	–980	–8.2	67.1
Nottingham	8,930	415	4.9	80.3
Sandwell	11,785	–105	–0.9	56.1
All NDCs	382,395	15	0.0	61.1

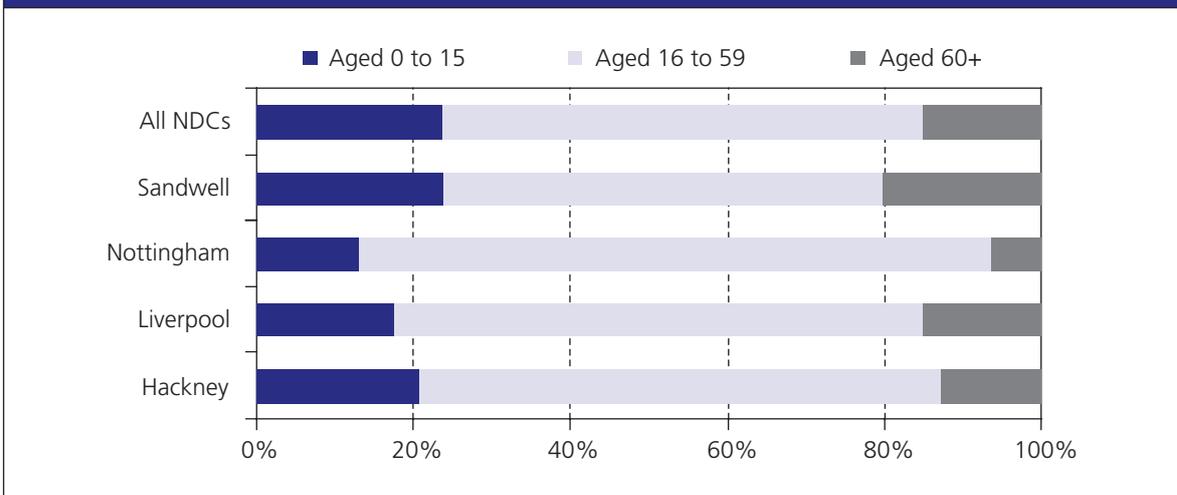
Source: SDRC

2.3 The four case study areas have significant disparities in their age structure. In Radford and Hyson Green some 80 per cent of the population are aged 16–59 compared to just 56 per cent in Greets Green (table 2-1).

2.4 In 2005, in three of the four case study areas, worklessness remained higher than the local authority, regional and comparators (figure 2-2). This difference was most marked in Kensington, with its worklessness rate 10.3 percentage points above the rate in the wider local authority. By contrast, the NDC in Shoreditch had a worklessness rate just 1.6 percentage points above that for Hackney. However, worklessness remains considerably higher than the regional level across all four of the case study areas.

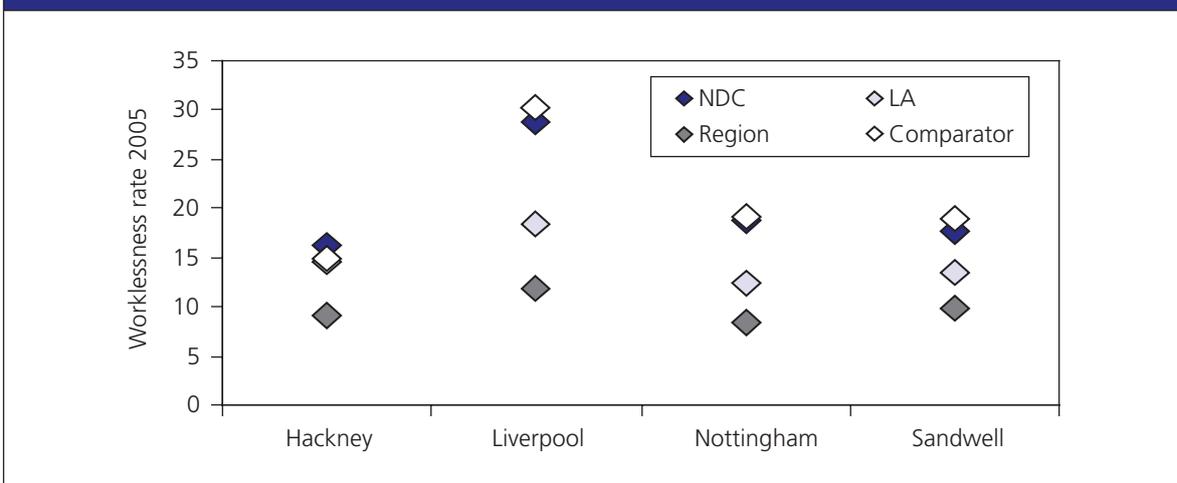
¹ It is important to note that the data presented in this report may change, as a result of the Office for National Statistics recently revising its neighbourhood level population estimates for year 2001 to 2004. Revised data for NDC areas will be used in all future analysis and reports for the national evaluation.

Figure 2-1: The age structure of the four NDC partnership



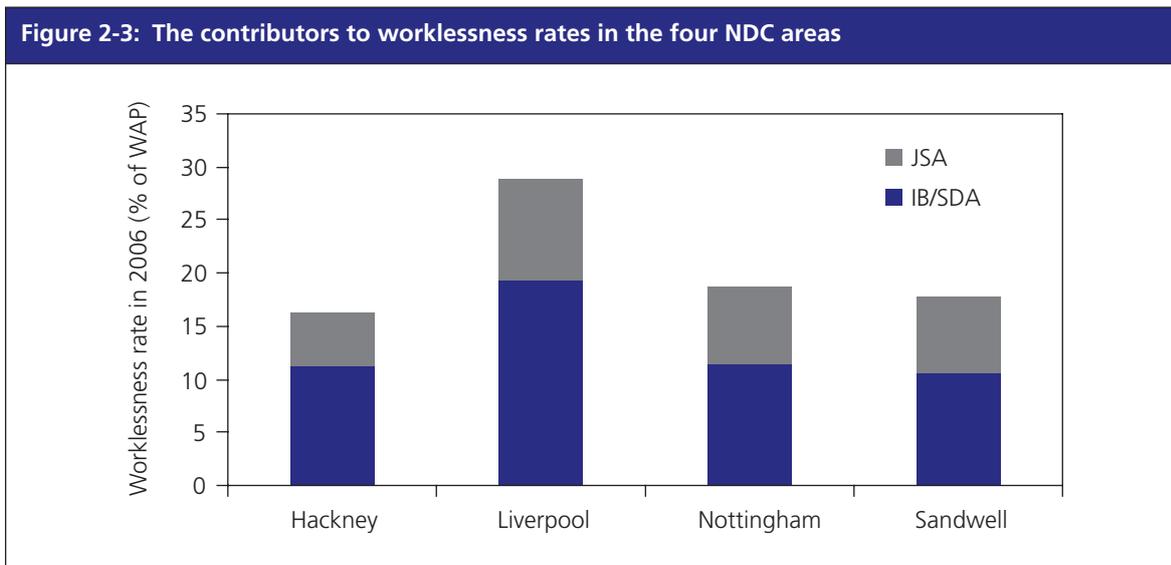
Source: SDRC

Figure 2-2: Worklessness rate in 2005 (work limiting illness + unemployment)



Source: SDRC

2.5 Worklessness is defined (here) as those of working age in the area with an illness limiting the ability to work claiming incapacity benefit/severe disability allowance (IB/SDA) and those who are unemployed and claiming job seeker’s allowance. Across the four case-study areas the high worklessness rate is made up primarily of IB/SDA claimants rather than those on JSA: in Shoreditch illness accounted for 69 per cent of the worklessness in the area compared to 60 per cent in Greets Green (figure 2-3).



Source: SDRC

2.6 Table 2-2 shows that in Kensington and Shoreditch illness is the primary contributor to the gap – Shoreditch actually has a lower unemployment rate than the local authority average. However, in Radford and Greets Green, the two factors are broadly equally responsible for the overall worklessness rate.

Table 2-2: The percentage point gap between NDC and local authority worklessness rates by illness and unemployment

	Illness 2005	Unemployment 2005	Total 2005
Hackney	2	-0.4	1.6
Liverpool	6	4.3	10.3
Nottingham	2.9	3.5	6.4
Sandwell	2.1	2.2	4.3

Source: SDRC

2.7 A higher rate of worklessness is to be expected in NDC areas, a measure of success is the extent to which the NDC areas have closed the gap with their local authorities; however, worklessness fell in all the case study areas (figure 2-4). Greets Green and Radford and Hyson Green reduced worklessness by around twice as much as the local authority, indicating some closing of the gap. Kensington and Shoreditch reduced their worklessness rate in line with the wider local authority area. It is likely that it is easier to reduce worklessness due to unemployment than ill health.

2.8 The dynamics of the relative contributions to the reductions in worklessness should also be noted. Table 2-3 shows that all the NDCs saw a reduction in unemployment that exceeded that for the local authority area. While table 2-4 shows that, outside the Liverpool NDC, the NDC areas experienced an increase in the rates of work limiting illness.

Figure 2-4: Change in Worklessness rates 1999 to 2005

Source: SDRC

Table 2-3: Change in unemployment rate 1999 to 2005

	NDC	Comparator	LA	Region
Hackney	-3.6	-4.5	-3.2	-1.3
Liverpool	-4	-2.9	-2.5	-1.5
Nottingham	-5.1	-3.8	-2.4	-1
Sandwell	-2.4	-3.7	-1.5	-1
Aggregate	-3.2	-3.3		
National	-1.1			

Source: SDRC

Table 2-4: Change in work limiting illness rates 1999 to 2005

	NDC	Comparator	LA	Region
Hackney	1	1.1	0.7	0.3
Liverpool	-0.6	-0.7	-2	-0.6
Nottingham	0.5	0	0	-0.2
Sandwell	0.7	1.5	0.6	0.2
Aggregate	0.7	0.3		
National	0			

Source: SDRC

2.9 In terms of the way people got jobs, the Ipsos MORI household survey showed a number of routes, with social networks and open competition via job adverts figuring highly (table 2-5).

Table 2-5: Percentage of respondents answering the question: “Through which of the following did you get your last/present job?”

	Hackney	Liverpool	Nottingham	Sandwell	All NDCs
Someone who worked there	19	26	18	27	24
Replying to a job advertisement	24	13	24	20	23
Direct application	14	15	12	20	17
Jobcentre/Jobmarket or Training & Employment Agency Office	11	20	14	13	10
Private employment agency or business	10	4	14	6	6
Through family/friend	5	7	2	1	3
Self-employed	0	1	1	2	2
Local scheme or project		1	5	1	1
Government training scheme eg New Deal	2	2	1	1	1
Careers Office	2	1	1	2	1
Approached/ head-hunted	1	0	0	0	1
Jobclub	0	0	0	0	1
In some other way	7	10	8	3	8
Don't know	5		3	3	2
Not stated	3	3	3	4	3

Source: Ipsos MORI Household Survey

2.10 The sorts of jobs that people in the NDC areas get are also very different (table 2-6). This reflects not only the different industrial structure of the areas, but an element of gentrification in some of the NDC areas with new, employed residents moving to the area.

Table 2-6: Breakdown of employment by occupational classification, 2006

	Hackney	Liverpool	Nottingham	Sandwell	All NDCs	Comparator	National
Managerial and professional occupations	41	19	20	19	24	31	42
Administrative, secretarial and skilled trades	17	31	18	22	21	21	21
Personal services and sales	16	19	19	18	20	19	17
Elementary, process & machine operatives	20	29	41	36	31	28	19
Insufficiently described	7	2	3	5	3	2	NA

Source: NDC Ipsos MORI Household Survey; National Labour Force Survey Quarter 2 (April–June) 2006

Summary

- 2.11 This section has provided a short introduction to the four case study areas and their achievements with regard to tackling worklessness. It has shown variation in the scale of the problem in NDCs, the different factors that make up their worklessness figures, and the progress made in reducing worklessness relative to their local authority districts. It has shown all areas have reduced worklessness, but those areas with a high proportion of workless due to ill-health have found it harder to close the gap with the local authority average than those areas where ill-health is no more significant than unemployment in making up the workless population. It has also shown that 'traditional routes to work', such as word of mouth and adverts, are dominant in the areas. Gentrification and industrial structure have impacted on the nature of the changes that the areas have achieved.

3. What were the problems and how were they addressed?

3.1 This section looks at how the NDCs identified problems, the problems that were faced and how they were addressed. It concludes by looking at the lessons learned.

How were the problems identified?

3.2 The NDCs adopted a number of different approaches to identifying the problems, these are summarised in table 3-1.

Table 3-1 How did NDCs identify local priorities?	
Approach to problem identification	
1.	Data analysis – breaking down household survey information, population and beneficiary data in order to build a better understanding of the area’s and the client groups’ needs – this sometimes took time, while the pressure was for quick wins
2.	Build on partners’ established understanding of priority groups and how they are to be served, as well as developing local interventions – although this eased partnership working it ran the risk of reinforcing any errors and leaving out excluded groups
3.	Identify gaps in provision , and develop innovative projects to test new approaches to filling them – this approach required an understanding of problems and existing provision, it also required an understanding of the services that mainstream partners should have been providing, in order to make sure NDC resources were not used to pay for services that should have been available anyway
4.	Process mapping so that partners ‘walk through’ potential interventions in order to ensure they have addressed particular problems in the right way – this involved strong partnership working and a commitment to innovation
5.	Working with local employers to identify their needs , so as to meet their concerns eg Kensington in Liverpool has two business people on its Board, and works with local employers such as Asda and Tesco, and a local security firm to identify their needs and ensure local people can benefit from opportunities.
6.	Working with local community groups to respond to local needs eg Kensington in Liverpool worked with local people to develop a project to engage marginalised groups and help raise their incomes

Source: SQW

3.3 The case studies showed that working with other agencies is an essential part of building an understanding of the problems in an area and the gaps in current provision. However, the case study areas also had to deal with changing circumstances and in some instances adopt new priorities. For example, in Shoreditch the emphasis switched from focusing on the registered unemployed to addressing the needs of the workless, in part in response to national policy priorities and due to relatively low levels of registered unemployed in the NDC area. While in Greets Green, in response to national policy priorities, the emphasis moved to addressing skills shortages and the lifelong learning agenda (box A). This illustrates the need for regular reviews and analysis of the evidence, so that changes are

understood and can be dealt with effectively. Furthermore, and of relevance to the development of the Working Neighbourhoods agenda, all the areas found that problems and solutions were often inter-related, so housing or crime related initiatives impacted on employment activities and vice versa.

Box A: Changing priorities in Greets Green

Initially the approach identified in the original delivery plan was to focus on creating quality, long term opportunities for young people and tackling the lack of jobs by encouraging enterprise in the area, hoping that this would bring more employment opportunities. Another focus was to target the black and minority ethnic communities (mainly Indian, Pakistani, Afro-Caribbean) where evidence demonstrated that the issues that affected the area as a whole were magnified. There was originally not enough focus on achieving outcomes. All outcomes focused on reducing unemployment, reducing the number of in-work means tested benefit claimants and increasing household incomes. It became clear later on in the programme that the initial approach had done little to impact on these outcomes as the focus had been heavily weighted towards providing more intensive packages of support to a smaller number of individuals rather than tackling the issue of deeply entrenched worklessness amongst the broader community. And so:

- During year 7 (2006) a significant shift began towards achieving outcomes. The theme was evaluated independently, which included a desktop evaluation of each project. At the beginning of year 8 (2007) the theme was reviewed and significantly overhauled. Some projects were not offered further funding (if they could not demonstrate delivery of outputs) and remaining projects were revised. This process was extremely rigorous and was aimed at better prioritisation of activities to support key tangible outcomes.
- In addition to this, and in acknowledgment of the potential impact of addressing skills shortages on increasing the levels of employability and hence reducing worklessness, the theme was merged with the NDCs Lifelong Learning theme to form a new 'Jobs and Skills' theme. The Lifelong Learning programme had been successful in achieving marked results against school focused targets but further attention was required if the NDC was to deliver on its targets focused on adult education.

What were the problems?

- 3.4 All the areas suffered from relatively high levels of worklessness and low household income. For example, in 2001–02, 71 per cent of residents in the Nottingham NDC had experienced unemployment lasting over 6 months and one-quarter of households lived on less than £100 a week. They also suffered from low levels of enterprise, although this was often seen as less of a priority than getting people into paid employment. Some areas also had specific issues to address. For example, Shoreditch has an ethnically diverse population that is relatively young and mobile, and which is spread out over

27 different housing estates, located in four electoral wards. This posed particular challenges, such as understanding changing needs and making contact with new arrivals; however, given its location close to the City and central London, lack of jobs was not an issue (box E provides an illustration of how Shoreditch responded to some of the issues). While Greets Green had particularly high youth unemployment and high levels of unemployment in its black and minority ethnic communities.

- 3.5 Table 3-2 summarises some of the main issues in the case study NDCs. The references in brackets indicate the project summaries that show some of the ways in which the areas tackled the issues.

Table 3-2: Summary of the problems faced by the case study NDCs	
Problems	
1.	Low incomes limiting aspirations and quality of life and limiting the attractiveness of the area as a place to do business (boxes B and C)
2.	Youth unemployment (box C)
3.	Black and minority ethnic unemployment (boxes C and D)
4.	Low paid jobs limiting the extent to which work pays (boxes B and C)
5.	Low skills/inappropriate skills and lack of job readiness limiting residents' attractiveness to employers (box D)
6.	Lack of English speaking skills limiting both access to jobs and progression in the labour market to the actual level of skills of new arrivals (box E)
7.	Low aspirations reinforced by family and community (box B)
8.	Caring responsibilities and the cost of childcare (box F)
9.	Access to and the cost of transport for those in work (boxes F and G)
10.	Access to and costs of work clothes and tools etc. (box F)
11.	Ex-offenders finding it hard to access mainstream provision and legitimate work
12.	Low levels of entrepreneurship
13.	Health limiting factors
14.	High turnover of population – feeding a 'get on and get out' culture
15.	Non-employment related issues limiting availability/willingness to work , such as housing market renewal interventions moving people out of the area, and planning processes limiting an area's attractiveness to new comers and businesses and fear of crime.

Source: SQW

How were the problems addressed?

- 3.6 The 'added value' of NDCs' activity on worklessness comes from local knowledge and community engagement informing local action. NDCs provided the space and the mechanism to bring together residents, businesses/employers and service providers to develop and deliver projects to tackle worklessness.
- 3.7 The NDCs in the case study areas faced different problems and different organisational and service arrangements, therefore, their activities differed.

In most cases, the NDC had a theme group, which involved residents, providers and partners. Boards – again involving residents and partners – provided a forum to enable the coordination of activity among mainstream agencies and approved funding for projects.

- 3.8 At the strategic level, some local authorities and local strategic partnerships had employment initiatives underway at the time NDCs were launched; in these cases it was important for the NDC to establish close working relationships with mainstream partners and the initiatives that they were operating. For example, Kensington NDC in Liverpool sought to ‘bend’ the services of the Jobs Education and Training Teams into the area – it provided extra resources to secure this, but ensured a long term commitment to the area as a result. In other case studies, the local authority was not well organised and/or worklessness was not a top priority. In these circumstances the NDC had to forge its own approach and strategic links have developed over time, as the authorities have enhanced their capacity to engage with the NDC and/or as worklessness has become more of a priority.
- 3.9 In some cases the issue was not directly related to employment interventions but access to employment. This was the case in Shoreditch NDC, where a key strategic partner was Transport for London. Transport for London held the long term solution to the problem of access to employment sites. (The next section looks in more detail at the role of partners and partnership working).
- 3.10 All of the NDCs developed projects to address local concerns – examples are set out in the boxes below. These projects illustrate how local action can tackle worklessness in practical ways. They are the product of local knowledge backed by additional discretionary resources, applied using community governance and partnership arrangements.
- 3.11 The issues where NDCs have found it difficult to make progress are: tackling worklessness due to ill health; low levels of entrepreneurial activity – although social enterprises have been supported by the NDCs; low aspirations; and rapid turnover of population. These are all cross cutting issues involving agencies beyond those engaged in providing advice, training, job brokerage and in-work support. Thus, even NDCs (which have wide social as well as economic aims) have found it hard to tackle some of the harder cross cutting issues. This should act as a note of caution for the development of neighbourhood based employment interventions.

Box B: *The HEAT Team (Health, Energy and Advice Team) – Kensington NDC – local personalised interventions to assist the socially excluded*

What was the problem?

The project's focus is on supporting and engaging residents who have traditionally fallen through the net in relation to poverty reduction services.

HEAT's target audience is the most socially excluded members of the community including older people, people with disabilities, lone parents, refugees and asylum seekers and more recently migrant workers from the A8 and A2 countries.

What did it do?

The NDC worked with Jobcentre Plus and more recently with the Citizens Advice Bureau to ensure staff give accurate advice on welfare issues.

HEAT is based in the NDC area and is a local advice agency. HEAT is currently leading on the delivery of five projects: Winter Survival Project; Kensington Community Assistance Programme; Kensington Advice Training and Employment Project; Kensington Family Support Group and Kensington Domestic Violence service.

The overarching goal that links all five HEAT projects is to improve the well being and quality of life of local residents through the provision of assistance to vulnerable households. HEAT does this by providing a range of integrated and accessible welfare advice and support services, which enable the service user to access an integrated package of assistance and ensures access to and improved delivery of existing mainstream services.

HEAT staff, have been recruited locally (11 over the past two years), and recruits have been trained to become specialists in reaching out to and working with people within the target groups. In particular, the team has provided an effective home visiting and outreach service, which reaches many people in Kensington that were previously 'off the radar' of mainstream service providers.

An example of the approach is one woman who had been unemployed for 16 years prior to being taken on by the HEAT team as an Advice Skills Trainee. After 12 months of training she obtained an NVQ Level 3 qualification and became an Outreach Worker with the project. She has subsequently gone on to secure a good job with Knowsley Council.

In addition to team members developing their skills and finding well-paid employment opportunities, the team has provided valuable advice to many vulnerable residents, including helping residents to keep warm and secure and to access benefits that they are entitled to receive.

Key lessons

- By using local people, many of the traditional access to services barriers have been overcome.
- The local people providing the service benefit as well as the clients who receive advice.
- The HEAT team members that have gone on to well-paid jobs act as positive role models for the local community.
- However, personalised interventions (particularly with the long-term unemployed cohort) are time consuming, costly and difficult.

Box C: *At Work* – Shoreditch NDC – tackling low pay as well as unemployment

What was the problem?

Some residents were in work but receiving relatively low pay.

What did it do?

At Work ran with NDC money from 2002 to 2005. It is delivered by a firm called **Talent!** It offers residents permanent job opportunities that pay above the minimum wage – residents that are some way from being job ready are referred to other local projects to access appropriate support.

The project is located in shopfront premises on Hoxton High Street. The premises have private meeting spaces, open access PCs and a training room. The service is open from 10am – 6pm Monday to Friday.

Staff within the *At Work* team work through ‘Candidate Consultants’ and ‘Account Managers’. Candidate Consultants provide front-line advice and support to clients. They are a single point of contact for job seekers. They conduct initial interviews, assess job search needs, provide one-to-one coaching and match candidates with vacancies, and then refer candidates to Account Managers. The Candidate Consultant will also work with Jobcentre Plus and other local providers to promote vacancies and stimulate referrals. The Account Managers market the service directly to local employers. They provide tailored recruitment solutions to meet the needs of individual employers, eg supporting large retailers with recruitment of staff to cover the Christmas period. They take candidate referrals and make arrangements for job interviews, then seek post-interview feedback.

The service is promoted in a number of ways:

- Window displays – job adverts are regularly updated and rotated so that people can see that new vacancies are coming in
- Word of mouth – the majority of people register as a result of a recommendation from a friend
- Mailshots and residents newsletters – they use direct mailshots to let people know about vacancies and provide a freephone number for people to enquire about them
- Jobcentre Plus – makes referrals to the service
- Work with outreach providers – community organisations promote the service and advertise vacancies.

Once in work the employees are offered continued support with regular ‘phone calls to check all is going well. This has meant that if a problem occurs the *At Work* team can address it and keep the person in work. Employers are also contacted for feedback and to check that they are happy with the service they have received.

The project has placed 600 people into work, 60 per cent of whom stayed in work for over 13 weeks.

In 2005 the NDC could no longer afford to fund the project (it cost £800,000 between 2002 and 2005) and the Board sought to get the service ‘mainstreamed’. The local Jobcentre Plus District Manager supported the project and wanted it to be mainstreamed through Jobcentre Plus funding. However, the procurement rules did not

allow this. The NDC made local mainstream service providers aware of the situation and the local authority, which viewed the project as a success, awarded Neighbourhood Renewal Fund (NRF) funding to continue delivery. However, the service is now targeted at narrower client group: young people not in employment, education or training.

The project has recently been invited to apply for City Strategy Funding, and is also planning to apply for European Social Fund (ESF) co-financing monies through the Local Development Agency (LDA).

Key lessons

- It worked because it provided a tailored-service for both job seekers and employers
- It broke down employers' negative perceptions of particular groups, eg young men, by bringing them to the area, showing them around the housing estates, getting them to meet local people.
- *At Work* maintained employers' trust, as it only referred clients who were suitable for the vacancy. Sometimes this meant that although the employer might have wanted a choice of 3–4 candidates, only one was fielded, as only one met the required standard.
- *At Work* helped manage employers' expectations of candidates' abilities and worked with them to be more culturally aware, so that able interviewees were not rejected unfairly.
- *At Work* built a reputation for professionalism with clients – enforcing appointment times etc.
- Candidates continue to receive support even when they have moved into work, helping them sustain employment.
- Payment to the provider was based on outputs: a flat fee for every job entry (80 per cent of the payment) and 20 per cent once there was evidence of a sustained job outcome (13 weeks plus).
- Output-based payments made it difficult to set a budget because the cost of the project was dependent on how successful *At Work* were at getting people into jobs.
- Jobcentre Plus's procurement arrangements meant this project could not be mainstreamed by the service.
- The local authority and local strategic partnership agreed Neighbourhood Renewal Funding to enable the project to continue, but it had to change its target group.
- The variations in funding streams and procurement rules mean that it is sometimes hard for partners to support the continuation of a successful project.

Box D: Construction Apprenticeship Scheme – Radford & Hyson Green NDC – local training to take up local jobs

What was the problem?

Local people lacked skills to take up local construction jobs.

What did it do?

A social enterprise, NECTA, delivered the programme. It has a background in construction and environmental training. The NDC's Employability Team was also involved in marketing the project and assisting in the recruitment of trainees. In addition, the trainees were provided with additional funding support, travel costs, protective clothing and tools through the Resident Support into Work programme.

The trainees were recruited, and attended an initial two week induction period, where they had tasters in the three disciplines (Bricklaying, Groundwork, Joinery). After the two weeks, they were employed by NECTA and placed at a NECTA site or with one of the many construction firms that NECTA had links with.

The trainees attended the NECTA base for further training, and one target outcome was the achievement of a Construction Skills Certification Scheme (CSCS) card, without which they would not be able to access any sites. The main target was to start them on a relevant NVQ Level 2, which they would work for once they had gained more permanent employment.

On site, the trainees received direct tuition. The tutor/assessor would visit them and assess their work – mostly the trainees would return to NECTA base for training, or attend local colleges.

It achieved the following outcomes for £284,000 over 12 months.

- 13 local people going into employment
- 790 training weeks provided
- 13 people trained entering work
- 57 unemployed people into jobs.

Key lessons

- There was demand for an alternative construction training route, outside of the local colleges.
- The initial concentration on ensuring that New Deal Subsidised employment was acquired led to issues over possible indirect discrimination – in that some of the black and minority ethnic target groups (young Asians and young Caribbeans) did not claim benefits, and therefore did not access New Deal. Meetings were held with all main funding partners, and a more balanced recruitment emerged.
- A need for funding for apprenticeships for people over the age of 25, who are seeking a new career – there is little funding otherwise, and this tends to be based on the absence of a level 2 qualification.

Box E: *Spa health social care and employment project – Shoreditch NDC – linking residents to job opportunities*

What was the problem?

Although there were a number of initiatives in the Shoreditch area providing advice and guidance on employment, there was not enough information provided to people seeking employment in health related jobs. At the same time the health and social care sector was having difficulty recruiting enough people to fill vacant posts

What did it do?

The NDC worked with a range of groups including:

- Community organisations who could help in engaging potential candidates
- Training providers to deliver training activity
- Recruitment agencies to source vacancies.

The project bridges the gap between local community groups and potential employers in the NHS. It also makes local health and social care vacancies accessible to local communities. It helps people who show an interest in health related jobs. It does this through step-by-step coaching with application forms and interview techniques.

The project also provides a wide range of training opportunities for people that are new to the country. By working with colleges, the project has enabled people with overseas qualifications to make use of re-training programmes, accredited courses and adaptation courses.

In the first year the project achieved the following outputs:

- 26 people placed into employment in the health sector
- 19 people registered an interest in health related training programmes
- 11 people registered in voluntary work.

The project has also been successful in reaching some of the hardest to reach communities and works with residents from African, Vietnamese, Chinese, Turkish, Kurdish, Cypriot, Somali, Bengali, Portuguese, Pakistani, Cameroonian, Senegalese and Jamaican origins.

Key lessons

The factors contributing to the success of the project have included:

- Providing a professional coaching service and continuous support
- Effective, accessible and approachable tailor-made programme
- Sensitivity to and understanding of individual needs.

Word of mouth was particularly effective in getting new people registered with the project and this was supported by outreach work.

The project has benefitted from seeking and responding to feedback. Feedback from year 1 highlighted a series of barriers unemployed new arrivals faced in accessing work in the health and social care sector:

- Lack of affordable or free ESOL and basic skills provision
- Difficulty in converting qualifications for overseas health professionals
- Lack of training provision for the 'technical' English used within the health sector
- Lack of information on short term health and social care related training courses.

As a result of feedback a number of additional support opportunities have been put into place for candidates:

- Opportunities for membership of the Health and Social Care Forum which provides access to vacancies first hand and a chance to network with HR managers
- Membership of the East London Education Forum – a training organisation providing IT, ESOL and basic skills training
- Routes for accessing constructive feedback from employers after every interview
- Opportunities to attend local jobs fairs to talk with HR manager about employment opportunities and potential work placements.

Box F: Targeted Upskill Grants and Resident Support into Work Grants – Radford & Hyson Green NDC – financial assistance to support training and employment

What was the problem?

Clients seeking to take training courses sometimes lacked the financial resources to participate and clients with offers of work sometimes lacked the financial resources to purchase the necessary equipment or travel passes, and/or deal with short term cashflow problems.

What did it do?

These two projects were marketed and part funded by a range of partners including, the local authority, Jobcentre Plus, the Learning and Skills Council (LSC), the Probation Service, and the Princes Trust.

Clients attended an initial Information, Advice and Guidance session, where needs were identified and potential sources of funding sought.

For those entering work, grants of between £200 and £600 were made to cover costs.

For those seeking training, support was given to help them acquire “barrier” qualifications, such as CSCS cards, Security Industry Authority (SIA) licences, food hygiene certificates, taxi licences etc. This support topped up support by Jobcentre plus, whose advisers’ discretionary budgets were around £50.

Over two years and at a cost of £186,000 the Upskill grants delivered 790 training weeks. The breakdown was as follows:

- 89 people received training
- 85 people trained entered work
- 62 of the people were in receipt of inactivity benefits
- 15 people had disabilities
- 27 beneficiaries were female.

Over three years and at a cost of £21,000 the Resident Support into Work Grants helped 72 men into work.

Key lessons

- Financial support is sometimes required to enable people to take up training and job opportunities.
- Current levels of discretionary budgets available to advisers are not sufficient to cover the costs involved.
- Speed is of the essence with some of these transactions and reliance on cheques slows the process up.
- The practice was ‘mainstreamed’ using NRF to fund the Making the Connections Programme, which operates across Nottingham.

Box G: *The Shoreditch Hoppa* – tackling transport barriers to work

What was the problem?

Residents wanted to make employment opportunities more accessible, both locally and across London. Existing bus services tended to go in and out of central London (North to South), rather than East to West which meant that some large employers such as Homerton Hospital were not easily accessible. Furthermore, bus fares were cheaper than tube fares meaning that buses were more accessible to those on low incomes. In addition, the market traders supported the bus project as it was a means of bringing people from outside the area to Hoxton market in Shoreditch, encouraging new people to come into the area to shop.

What did it do?

Hackney Community Transport ran the service from 2001 to 2003. The bus helped Shoreditch residents to get across the local area and to link up with facilities such as the four local hospitals, banks and tube. It has reduced transport as a barrier to accessing employment opportunities with major employers in Shoreditch and the surrounding area. There are over 3,000 people accessing the bus service each week. Furthermore, the traders at Hoxton Market have reported an increase in the number of people visiting the market as an alternative to markets in Islington.

In 2003 Transport for London agreed to take the service on as part of the main bus network. The route is now being used by even greater numbers and is a permanent fixture. The steady rise in numbers has led to Transport for London making it a 'high frequency' service, increasing the number of buses per hour from 4 to 5 from September 2007.

Key lessons

- Local people made it a priority, and as a result the NDC drove it forward despite protracted negotiations with Transport for London.
- Supporting people into work is not just a 'worklessness theme' – sometimes there are practical barriers to employment such as transport. Worklessness cannot be viewed as a theme in isolation.
- New and improved transport links can bring new people into the area to use local services, eg the market and local shops – which in turn can lead to more money being spent locally and improving the sustainability of local enterprises.
- It is possible to demonstrate a demand for a bus service and get it mainstreamed quickly (under 18 months).

- 3.12 This section has outlined some of the salient problems the case study areas faced when trying to tackle worklessness. It has also illustrated the types of activity the NDCs supported in order to address the problems.
- 3.13 In terms of future strategies for tackling worklessness, the case studies show
 - a. that ill-health was not necessarily targeted as a priority, relative to youth and/or black and minority ethnic unemployment (even when it accounted for a large proportion of the workless population; and
 - b. except in Liverpool, the scale of those not working due to a limiting illness actually got worse.
- 3.14 The next section explores in more detail the role of partnership working in reducing worklessness in deprived neighbourhoods. This is followed by a review of the success factors and barriers to success that the NDCs reported.

4. What role did partnership working play in tackling worklessness?

4.1 This section looks at the role of partnership working in successfully tackling worklessness. It identifies some of the main partners and highlights the issues the case study areas raised with regard to working with them (table 4-1). It closes with a summary of lesson learned.

Table 4-1: Partners involved in NDC programmes and issues related to working with them

Partner	Issues
Local strategic partnerships	<ul style="list-style-type: none"> • In order for relations with the Local Strategic Partnership (LSP) to be effective, NDCs required the LSP to be functioning well. This was not always the case, eg Nottingham, so relationships have had to be developed over time, as the LSPs have improved. • In some case, NDCs are aligning their activity with the priorities set out in Local Area Agreements (LAA) (agreed between the LSP and central government). This is part of succession planning. And in some cases, NDCs are represented on Local Strategic Partnerships/theme groups and/or work directly with the relevant lead officers responsible for employment and worklessness. • In some cases the learning from the NDC approach is also being shared with the LSP. However, there is work to be done to clarify the role of area and neighbourhood working in relation to LSPs and LAAs, including the definition of boundaries and the governance arrangements to be used in future.
Local authorities	<ul style="list-style-type: none"> • NDCs are reliant on the capacity of the local authority to engage with their agenda. In some cases, the local authority struggled to engage effectively with the NDC as it concentrated on its own agenda, eg Hackney. Over time, and as the end of the programme approaches, NDCs have worked more closely with local authorities to agree how to mainstream projects and develop wider succession planning. In some case, councillors sit on the Board providing a direct link to the political process – however the role of party politics and local rivalry does not always mean member involvement aids the NDC efforts. • Some local authorities resented NDCs being able to commission ‘alternative providers’, and this produced tensions in the programme’s initial stages. However, as the worklessness agenda grows in importance nationally, local authorities are reviewing their approaches to tackling it, and this has given NDCs an opportunity to work with and influence them, eg Nottingham and the introduction of the Nottingham Works programme. • The City Strategy initiative has provided NDCs with useful information and an opportunity to influence local activity, as local authorities and partners review their neighbourhood renewal floor target action plans, eg in Sandwell. It also provides a formal link to regional and sub-regional working. • Where a local authority has prioritised worklessness issues, eg Liverpool, the NDC has been able to develop a positive relationship and ‘bend’ initiatives into the area, eg the Jobs, Education and Training Teams, which includes a UK Online Centre.

Table 4-1: Partners involved in NDC programmes and issues related to working with them

Partner	Issues
<i>Learning and Skills Council</i>	<ul style="list-style-type: none"> • LSCs have often not engaged directly with the NDCs, in part this due to resourcing constraints faced by regional and sub regional bodies with a number of local regeneration initiatives in their area. The weak link may have retarded links to wider labour market interventions. Where links between the NDC and the LSC have been made it is via LSP or sub regional groups that the NDC and the LSC both attend, eg Sandwell’s work on the City Strategy. • In one of the case studies, Kensington, Liverpool, the LSC is represented on the Board.
<i>Connexions</i>	<ul style="list-style-type: none"> • Work with Connexions was not generally found to be strong – even though working with children to raise aspirations is often seen as part of a long term approach to tackling worklessness in deprived communities. As local authorities take over responsibility for 14–19 year olds, this may be an area that can become more effectively integrated in interventions to tackle worklessness.
<i>Jobcentre Plus</i>	<ul style="list-style-type: none"> • Jobcentre Plus has often engaged positively and effectively with the NDCs – providing premises, seconding staff, signposting clients, and issuing contracts for provision of services etc. In some instances, eg Greets Green it has also helped to review projects, in order to see how they could be improved. • NDCs have also been able to supplement Jobcentre Plus’ offer by using their own discretionary schemes. • Relationships have been strong where there is a physical presence, such as an office in the NDC area. • Jobcentre Plus has access to useful data and has worked with partners to make the most of it; however, there is still room to improve data sharing.
<i>Local colleges</i>	<ul style="list-style-type: none"> • Relations with local colleges have not always been strong and courses have not always reflected the needs of local employers. Relations have sometimes been strained as NDCs have brought in alternative providers in order to better meet the needs of their residents and/or employers. There is a balance to be struck between positive partnership working and ensuring a diversity of provision in order to meet local needs. • Local colleges can be vital providers of ESOL training. • Where local colleges meet local needs, relations can be positive, eg Kensington, Liverpool.
<i>Local community and voluntary sector</i>	<ul style="list-style-type: none"> • Some NDCs, as they set up charities or community interest companies, see themselves as part of the community and voluntary sector (CVS). • The NDCs have worked with the local CVS to build capacity in the community to engage in work, assert rights and lobby for improved services. Some, such as Shoreditch, have worked with others to promote community enterprise, eg Acorn House, eco restaurant with 10 trainee places a year. • In some areas, the CVS has seen itself as a beneficiary rather than partner (with community chest grants etc. supporting their activity). • With regard to tackling worklessness, some NDCs have worked with CVS groups to enhance their activities, so that they can lead to vocational training and/or employment. This lesson may need to be applied in other neighbourhood interventions to tackle worklessness. • In all cases, parts of the CVS has provided essential awareness raising, signposting and referral services to NDC projects, as well as providing direct services to the community.

Table 4-1: Partners involved in NDC programmes and issues related to working with them

Partner	Issues
Local businesses	<ul style="list-style-type: none"> • However, with regard to employment and training initiatives there are fears that changes to procurement for Pathways to Work (DWP) will cut out small local suppliers. • The CVS has also provided support in tackling low income and debt issues, eg in Liverpool with credit union work, as well as providing benefits advice. • All NDCs see working with local business as important for tackling worklessness, eg Kensington has business representation on its Board, Shoreditch works with local businesses to encourage trading between local firms, and most engaged business as clients through job brokerage schemes. • Work with large employers – in private and public sectors – has proven particularly important in providing advice on employers' needs and credible job opportunities to local people. • In Kensington, the NDC team has worked hard to build links with local employers by understanding their barriers to growth, recruitment issues and importantly, to encourage them to recruit from local job fair events.
Local community	<ul style="list-style-type: none"> • The NDC approach ensures local community representatives are involved in developing the programme, designing and/or appraising projects and evaluating and reviewing performance. This provides vital local knowledge to those delivering the project, it also ensures that initiatives are discussed and advertised informally in the community. • In some instances, eg Greets Green, it has proved harder to engage the community on issues of employment than on other parts of the NDC programme. This is probably because employment issues are less tangible and affect a relatively smaller proportion of the population than housing, environment and community safety issues. Thus, some work may be required in order to engage the community in the governance and delivery of standalone worklessness initiatives that do not engage with the other issues of local concern. • In addition, some of the most successful NDC supported projects have been led by the community, eg the HEAT (Health, Energy and Advice) Team, which comprises local residents from Kensington.
Other regeneration initiatives/partnerships	<ul style="list-style-type: none"> • Where there are a number of regeneration initiatives in an area, eg Kensington, the NDC has had to establish effective partnership arrangements, in order to ensure the coordination of activity, identification of opportunities and sharing of resources and capacity. The need to build positive relations with other regeneration initiatives may become increasingly important for Working Neighbourhoods initiatives.

Source: SQW

Lessons

- 4.2 The case studies show that partnership working is an essential element of success, but that at different times and in different places some partners are not able to engage with neighbourhood level interventions to tackle worklessness. Furthermore, new initiatives, backed by resources and the power to commission activity can cause resentment among established providers as they feel threatened by the changes – this may be a necessary part of the process, as their failure to respond to local needs could have been a contributing factor to the area's problems.

- 4.3 The involvement of local business is also important – both at a project level, as major employers are a crucial part of offering a route out of worklessness, and at the programme level, as business interests can inform project development and delivery.
- 4.4 The case studies also indicate that over time the NDCs have come to work more closely with local authorities. This is in part due to the need to ensure some projects are picked up by mainstream providers once the NDC programme ends. It is also due to prioritisation of worklessness and the neighbourhood agenda at the national level. The City Strategies and the LAA process both appear to offer the opportunity to link neighbourhood arrangements to wider efforts to tackle worklessness.

5. What are the critical success factors and barriers to success?

- 5.1 The case study NDCs carried out a range of programme and project related work to help reduce worklessness in the areas. In the course of the fieldwork, a number of barriers and success factors were highlighted (table 5-1).

Table 5-1: Success factors and barriers to successful neighbourhood interventions to tackle worklessness

Barriers	Success factors
<p><i>Strategic and programme level barriers</i></p> <ul style="list-style-type: none"> • Lack of advice from central government on targets and performance management meant not all projects were appropriate. This could have been avoided if the guidance had been issued upfront • Working with mainstream agencies and funders can be difficult, as they have lots of constraints which makes it difficult to work with them on local projects • Lack of capacity and/or commitment among mainstream providers to partnership working with the NDC limits strategic impact • Competition among agencies for funding, clients and outputs can limit the level of partnership working • The establishment of a new body with its own resources can leave established organisations feeling threatened – this is a barrier that NDCs had to recognise and address if they were to use local capacity efficiently • Lack of engagement from some mainstream agencies, eg Learning and Skills Council (LSC) and Connexions, which means the interventions are not always coordinated effectively • The large number of funding sources is overly complex and not joined-up, making coordination of effort unduly difficult; furthermore, continuous changes in the programmes and approaches to regeneration can undermine established projects and partnerships • Some agencies appear to find it hard to know how they can engage with the programme given their own targets and programmes • Without other initiatives to make the area more attractive as a place to live, those who get on often move out, and population churn means that engagement activity is always required • Delays to the wider physical regeneration in an area, adversely affects delivery of the NDC programme 	<p><i>Strategic and programme level success factors</i></p> <ul style="list-style-type: none"> • A commitment to partnership working across agencies, a commitment to improve multi-agency working and a willingness to share knowledge and expertise • Linking activity to LAA outcomes has provided a clearer sense of a collective approach • Effective linkages with established initiatives, to ‘bend’ them into the area, and to ensure limited resources are used to best effect • Reviewing the priorities of the worklessness strategy part way through the programme, in order to enable lessons to be learned and projects to be continued, ended, adapted or new ones to be commissioned • Engagement of local people in the design and delivery of the programme and/or projects • Ability to respond quickly to changing circumstances – given the degree of local discretion • The ability to identify gaps in mainstream provision and commission projects to fill them, including extensions of Sure Start activity • The existence of significant resources to the NDC brought partners to the table • The availability of resources to make strategic acquisitions of local assets for community use and of local assets that will deliver an income stream to fund activity once the NDC programme is over • Visible and demonstrable early wins – often physical projects related to employment use, such as business centres or workspace • The ability to use the programme to draw out the linkages between projects – so that employment consequences and opportunities are identified in a way that enables effective planning and coordination

Table 5-1: Success factors and barriers to successful neighbourhood interventions to tackle worklessness

Barriers	Success factors
<p>Project level barriers</p> <ul style="list-style-type: none"> • Long term success depends on raising aspirations – this requires work across the generations and involves more than employment projects • As physical regeneration occurs, rents for business units rise, limiting start-up options and potentially pushing out local business – without premises it is difficult for an NDC to intervene • Short-term/annual contracts make it difficult to plan services, partner the voluntary sector, and they increase pressure to chase funding, particularly as the programme reaches latter stages – this also leaves local providers subject to avoidable levels of risk • Some mainstream agencies have tried to access NDC resources to deliver mainstream activity for which they have a statutory responsibility to deliver themselves, but this is hard to prove at a project level • The lack of guidance on how best to strike the right balance between achieving contracted targets and quality outcomes for local people • It can be difficult to get community support across a number of neighbourhoods in an NDC area for certain projects – these tend to be the more strategic projects and those related to employment where wider linkages have to be made 	<p>Project level success factors</p> <ul style="list-style-type: none"> • A local shopfront to provide easy access to services • An experienced team with language and cultural skills and understanding of the diversity of the area • A secondee from Jobcentre Plus to provide necessary links • Contracts from Jobcentre Plus to local providers, enabling the maintenance of local capacity and coordination • Creative approaches to tackling barriers to employment, eg a new bus route that links with major local employers • Training and then employing local people in visible roles, such as advisers, to ensure services are sensitive to local needs, increase take up of a service and provides role models for others • Developing the evidence base to ensure projects are mainstreamed • Ability to respond quickly to changing circumstances • Use of financial incentives to support those entering training and/or employment, eg clothing for work, childcare vouchers etc. • Strong links to local employers, eg NHS to provide real time information on skill needs and to develop employers' cultural awareness of the local population • The provision of in-work support, to enable people sustain employment

Source: SQW

Lessons

5.2 The case studies illustrate the need for:

- clear and consistent advice from central government at the outset of a programme with expectations of the programme and mainstream agencies spelled out at the start
- resources to 'incentivise' partners and to enable local discretionary spending to meet local/personal needs
- the need for local partner capacity and commitment to working together to tackle worklessness – including building worklessness targets into the LAA, bending mainstream resources into areas suffering from worklessness and working with local communities at the neighbourhood level
- a local presence to deliver the services

- services delivered by local people with the necessary language skills and understanding of local client groups' needs
- strong links to local employers, in particular large employers, such as major retail chains and the NHS
- visible early wins – often related to the provision of employment space in target areas
- operational flexibility to provide financial support to individuals to support them entering work, eg support to overcome cashflow problems associated with waiting for wages to be paid
- the provision of in-work support to enable people to sustain employment
- strategies to ensure that that community engages with strategic interventions, such as employment initiatives, that address issues beyond their immediate neighbourhood
- reviews of progress to allow changes and adjustments to programmes and projects

5.3 The case studies also show the need for worklessness initiatives to understand and manage the complexity of the local situation – with changing demographics, the demands of employers and other regeneration initiatives often overwhelming the impact of projects and programmes. This requires monitoring of data and management information to spot new trends, as well as regular and frequent community engagement to gather qualitative information.

6. What are the current concerns of NDCs?

6.1 During fieldwork, NDCs were asked to outline their current concerns. This was done in order to gauge their progress and to flag up potential issues that policy makers may need to address. A summary of the responses is set out below. The implications of these concerns are reviewed in section 8: Conclusions.

Table 6-1: NDCs current concerns broken down by category

Type of concern	Specific concern
<i>Partner related</i>	<ul style="list-style-type: none"> • Mainstream agencies are not necessarily geared up to respond to specific local requirements except where they already have offices and facilities, eg Greets Green has a Jobcentre Plus office within its boundaries. • Accelerating progress on associated developments, which are holding up progress, eg in Liverpool, where the Housing Market Renewal programme is dictating the pace of change in the NDC area. • Support the implementation of the City Strategies and city-region strategies.
<i>NDC related</i>	<ul style="list-style-type: none"> • Succession planning, some NDCs, such as Shoreditch, are focusing on lifelong learning and skills for the future, once NDC funding ceases. • Providing a legacy eg by securing an asset base and selling services to provide an income stream that will finance local employment initiatives is a priority for some NDCs. • Planning for the future by identifying interventions that: <ul style="list-style-type: none"> – are time-limited and can come to an end with no further action – are time-limited and can come to an end but require evaluation and learning to be shared with partners – can be mainstreamed as they are successful and relevant – might be continued via income from NDC assets or services • Close working with mainstream providers to ensure lessons are shared, strategic influence is achieved and significant projects are mainstreamed. • There is a move away from NDCs giving grants towards commissioning and contracting. The contracts need to be reviewed in order to test projects' sustainability.
<i>Local issues/problems to be addressed</i>	<ul style="list-style-type: none"> • A minority of the community is involved in criminal activity and it is hard to change their behaviour, as they don't see how legitimate work could offer them the same returns as criminal activity. They also pose a particular problem, as they act as role models for some young people. • Working with ex-offenders to steer them in to employment is important. • There is a lack of effective careers service provision in school – it is not always clear what is happening and who is responsible for it.

Source: SQW

7. What are the issues policy makers need to consider when making policy for the future?

7.1 As part of the fieldwork, NDCs were asked to highlight the issues they felt that policy makers needed to consider when developing policies to tackle worklessness in the future. A summary of the responses is set out in table 7-1. The implications of these issues are addressed in section 8: Conclusions.

Table 7-1: Issues for policy makers

Who is it an issue for?	Specific issue
Issues for government	<ul style="list-style-type: none"> • A comprehensive approach to addressing worklessness requires a partnership approach that combines the strategic approaches of statutory agencies with the local knowledge and flexibility of third sector agencies and area based initiatives. It also needs to engage with the range of barriers to entering the labour market that people face, including transport, security of house while out at work, security of journey to and from work etc. • Government guidance should be clear, it should come at the start of a programme and it should set out the responsibilities of mainstream agencies, as well as the expectations placed on a new programme. • Make sure initiatives involve local people as much as possible, in order to foster trust and credibility and to garner local knowledge. • Policy makers should continue to push for mainstreaming of local initiatives, so that agencies learn from area based initiatives. However, some of the learning indicates the need for contracting to be devolved to the local level, which some partners find hard to accommodate. • Sometimes agencies are forced (through targets) to compete for clients, rather than working in collaboration. Departmental targets need to give mainstream agencies enough space to be able to tailor their offer and to re-direct resources to those areas that need them most. • The inflexibility of mainstream funding can make it difficult for agencies to engage and make decisions quickly, while the learning from NDCs shows the need to support their ability to respond to needs quickly eg emergency funding in between the end of benefits and the start of wages. Either the mainstream needs more discretion or local programmes need to be supported to enable flexibility. • Policy makers need to understand the speed of change, for example the scale of immigration from the EU accession states has brought new challenges, not least employers' preference for migrants over existing residents. They also need to understand the impact of population churn, eg with new groups of workless coming into the area, including ex-offenders, as people leave the area, which means 'the worklessness problem' does not go away. • ESOL provision is vitally important, as a poor command of English is a major barrier to employment; however, funding for ESOL seems to be restricted. • More funding should be put into addressing worklessness with school aged children, as it may be easier to intervene and change the aspirations of children than adults.

Table 7-1: Issues for policy makers

Who is it an issue for?	Specific issue
<i>Issues for local providers and partners</i>	<ul style="list-style-type: none"> • Worklessness is not the only issue that needs to be addressed in an area, there needs to be a broad programme of support to meet local needs, if an area is to benefit from interventions to tackle worklessness. • Priorities need to be established early on in the process, they need to be based on clear evidence, not just the collective policies of existing agencies; and they need to be reviewed periodically in order to take account of changed circumstances. • Where there are local regeneration programmes, such as NDCs and Housing Market Renewal, partners should make efforts to maximise the training and employment opportunities available to local people by looking across the programme to identify potential employment opportunities, for example in construction, transport, environment and health. • Make sure local agencies work closely with employers, as they need to be 'on board' if sufficient employment opportunities are to be available.
<i>Delivery issues</i>	<ul style="list-style-type: none"> • At the level of the individual, worklessness cannot be tackled in isolation because being out of work is often just one piece of the jigsaw and a package of support services might be needed in order to enable someone to find and sustain employment, eg help with English language skills, childcare, support with mental health or drug and alcohol issues. • One agency may not be able to provide all the necessary interventions, but one agency should co-ordinate them for a client.

Source: SQW

8. Conclusions

What were the problems?

- 8.1 The areas faced high levels of worklessness (made up of those registered unemployed and those with limiting illnesses) and low pay. All the areas saw a reduction in worklessness; however, the areas with higher proportions of workless people with limiting illnesses made less progress in reducing worklessness.
- 8.2 In all cases, NDCs had to address multiple issues in the area and provide integrated services for individuals that faced a range of barriers to taking up training or work, not all of which were related to vocational skills or previous work experience, eg English speaking skills for new arrivals, drug and alcohol dependency issues and caring responsibilities.

What worked in tackling worklessness?

- 8.3 The NDCs took steps to address worklessness at the strategic and partnership level and at the project level. At the strategic level NDCs worked with local authorities, Jobcentre Plus and other agencies to ensure mainstream initiatives worked effectively in their areas. They analysed data to identify unmet needs and developed projects that dealt with particular issues, enhanced existing provision or demonstrated how mainstream services should be altered, in order to meet local needs more effectively.
- 8.4 In some instances, where local provision did not meet local needs, NDCs brought in alternative providers. They were able to do this as they had the resources and the authority to engage providers. This sometimes caused tensions with local partners, but provided the necessary extra activity in the area.

What factors contributed to the success of interventions?

- 8.5 A number of factors contributed to programme and project success. A commitment to partnership working from the key agencies was an essential ingredient, as was their capacity to engage at the neighbourhood level. In practical terms, in addition to identifying local issues, developing tailored local projects and enhancing mainstream services, NDCs provided local access, through shopfronts, and employed local people who understood the client groups and the area. They also worked with local businesses to understand their needs, eg barriers to growth, skill requirements etc. and to develop their understanding of the area and the potential workforce. And

they worked with local residents to design, deliver and monitor projects. This enabled projects and services to respond to local concerns.

What are the issues for the future?

Succession planning

- 8.6 The case studies highlight a number of issues that the NDCs have to address in the future. They are concerned with the delivery of their overall succession plans – which may involve establishing charities or community interest companies, the ownership and management of assets and the development of services for sale. They are also concerned with identifying which projects will close down, which will continue (and how they will be funded and managed in future), and how to capture and share the learning from the projects.
- 8.7 In a number of instances in the case studies it is not clear how projects (as opposed to practices and experience) will be continued by mainstream services. Local Area Agreements, City Strategies and the Working Neighbourhoods Fund are affecting NDCs' planning for the future. However, without their own resources it is not clear how NDCs will resource participation in future initiatives. Furthermore, as they have been broad ranging programmes it is not clear how engagement can be continued on the basis of a narrower employment agenda; nor how the (overhead) costs of engagement can be split across a broad range of issues.
- 8.8 Clarity is needed on governance and commissioning arrangements for the Working Neighbourhoods Fund:
- how will local commissioning, that sustains local capacity, fit with the procurement rules of mainstream agencies?
 - will established local arrangements, such as NDCs, be allowed to commission services/continue funding for local projects using the Working Neighbourhoods Fund, and if so, how will they be prioritised?

What are the lessons for policy makers?

- 8.9 There are a number of lessons for policy makers developing policies to tackle worklessness at the neighbourhood level, including:
- the need for clear guidance at the start of a programme, which includes a statement of the government's expectations of mainstream providers, as well as of the programme
 - the ability to commission projects locally is important in order to ensure there are local solutions to local problems and to maintain local capacity to support employment initiatives – there are fears that changes to commissioning and procurement practices could jeopardise local flexibility

- discretion to respond to local and personal circumstances is important, and is often not available through mainstream programmes
- the importance of business engagement – at the local level – to change employers' perceptions of an area and its workforce and enable job brokerage
- the importance of involving local people in the design, commissioning and delivery of projects and services – but the difficulty of engaging residents in the employment agenda, as opposed to housing and/or environmental and community safety issues, which are more visible and often of more immediate local concern
- the need to understand the pace of change at the local level, in particular population churn and new arrivals with needs, such as English courses and conversion courses to ensure their skills and qualifications can be recognised
- the need to link worklessness interventions to wider regeneration initiatives, as they affect the timing of opportunities etc. and affect the ability of an area to retain those who find work and raise their income levels
- the need for a single point of contact to manage the support to clients from a range of agencies, including health, housing, benefits etc. as well as advice, guidance, training, work experience, job brokerage and in-work support
- tackling low aspirations, promoting entrepreneurialism, addressing the challenges of limiting illnesses and finding employment for ex offenders appear to be particularly difficult issues to address at the neighbourhood level.

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