



# Labour market policy to support people and businesses

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# Overview



Overview of Labour Market Policy

Labour Market Policy for People (Supply)

Labour Market Policy for Businesses  
(Demand)

Labour Market Policy for all

# (Active) Labour Market Policy

Intervention in the labour market to help the unemployed find work.

Focused primarily on:

1. Public Employment Services and employment support.
2. Training and Apprenticeships.
3. Employment subsidies or work trials (short-term to overcome lack of work history or gap in work history).

# Stakeholders in Labour Market Policy

<b>NATIONAL</b>	Government Departments		UK Commission for Employment and Skills
<b>REGIONAL</b>	Regional Development Agencies	Government Offices	Regional Improvement and Efficiency Partnerships
<b>SUB-REGIONAL</b>	City Strategy Pathfinder	Multi-Area Agreements	Employment and Skills Boards
<b>LOCAL</b>	Local Authorities	Local Strategic Partnerships	Jobcentre Plus offices and employment service providers

# Labour Market Policy in the UK

- Making work pay (National Minimum Wage, Tax Credits, in-work credit)
- Benefit simplification (introduction of employment and support allowance, lone parents moved onto jobseekers allowance)
- Increasing conditionality (for those on health related benefits and lone parents) and increasing support (Pathways to Work)
- Increased role for private and voluntary sector in supporting the long term unemployed and those furthest from the labour market.
- Greater involvement of (large) employers in driving broader employment agenda and linking to public employment service (Creation of UK Commission on Employment and Skills, Local Employer Partnerships)

# Labour Market Policy for People



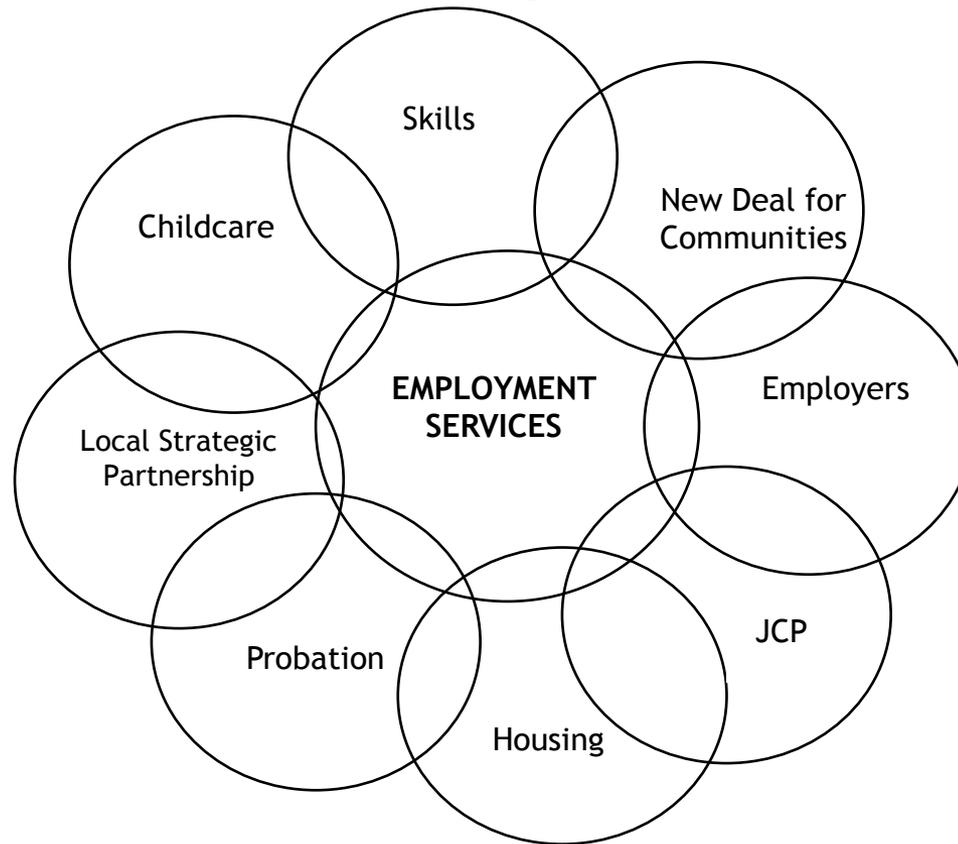
## Step 1: Assessment

- Understanding who the unemployed and inactive are within a locality.
- Understanding the services that the unemployed and inactive are accessing (including transport, childcare etc.)
- Understanding the local employment opportunities.
- Understanding the current and future skills needs of employers.
- Understanding the training provision that is available.
- Understanding how these are all linked and through what partnerships.
- Understanding their fears and motivations.

From Houghton Review of Tackling Worklessness and the Role of Local Authorities February 2009.

# Case study: Southwark (London)

## Southwark partnerships



# Step 2: Set objectives/priorities



- Based on assessment.
- Prioritisation could, for example, be based on areas where services are weakest, or where people are most poor, or where skills needs are greatest.
- Focus on employability or broader skills needs?
- Mainstream or segmented programme - is the programme available to all or will it target specific groups? How will the criteria be applied?
- How will people be recruited to the programme - through the PES or through outreach...

# Segmenting programmes/clients

- Data quality is important e.g. on benefit type, sophisticated characteristics e.g. BA or Australia, or priority groups.
- Since 2006, delivered a programme for long-term unemployed in Conseil General des Hauts-de-Seine.
- CGHdS Department of Employment and Vocational Training Council wanted to implement a diagnosis service to better understand where, who and what to prioritise. 3,500 clients over 18 months.
- The diagnostic phase assesses distance from the labour market and then tailors approach to them either a referral to social service or training to improve employability.

# Outreach through Children's Centres



## Broadwater Farm Children's Centre, Haringey, London

- Lone parent attendance at mandatory Jobcentre Plus Interviews was <5% due to distance from the locality and poor facilities (e.g. no lift for prams in the office).
- The Council and JCP worked together to move interviews to the local Children's Centre, situated at the heart of the community.
- WorkDirections outreach advisors attend the WFIs to offer additional advice on employment support options.
- Attendance at mandatory WFIs is now nearly 100%
- This approach has been extended to four more Children's Centres in the area.

# Outreach Suburbs of Hope

- Suburbs in four regions - 10500 young people over 4 years.
- August 2008 Contract Award
- Targets young people who are not claiming benefit into employment, training or self-employment.
- Driven by Central Government as a response to riots.
- Service delivered in communities.
- Young people paid a financial incentive to engage with the programme.
- Local steering committee identifies precise location of premises and localises the programme to the local labour market.

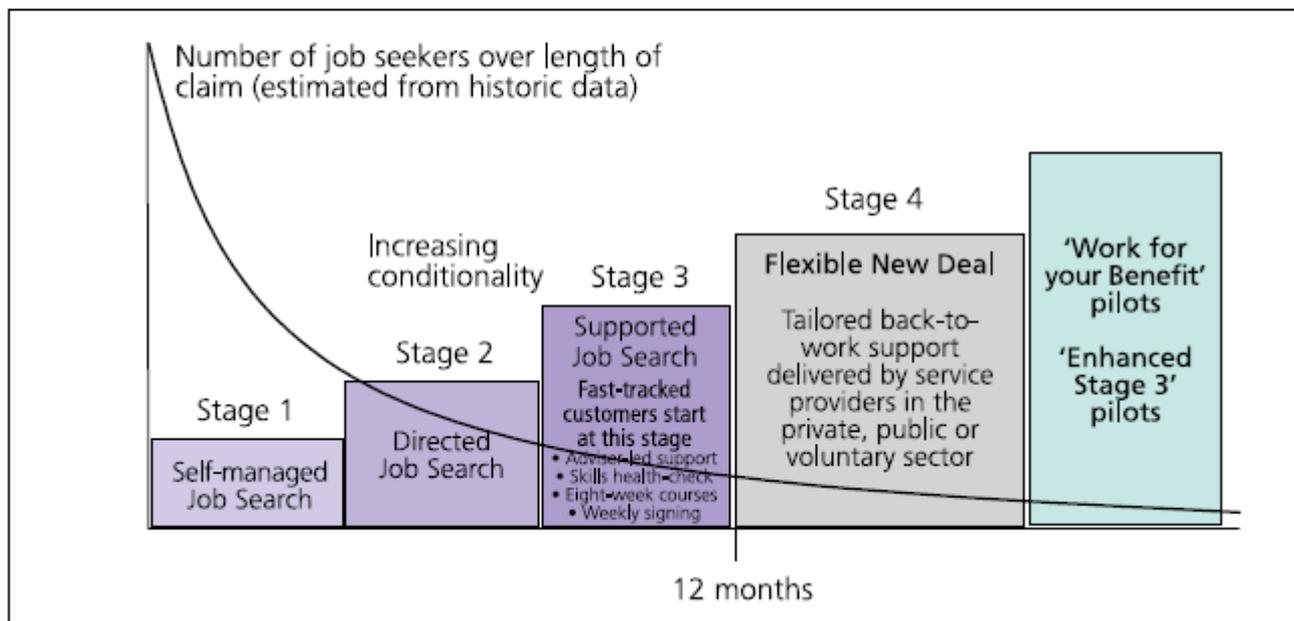
# Step 3: Design support

- Distance from the labour market - self help with light touch support or intensive personalised support. ?Personalised, flexible individual support with strong relationship with a dedicated advisor.
- Advisor needs to have understanding of issues covered in the assessment (e.g. employers needs, services available, motivations and fears of clients).
- Focus on sustainable employment outcomes rather than processes.
- Advisors with experience of working with particular groups or with specialist skills (e.g. lone parent advisors, health specialists who work with employment advisors).
- Balance work and skills for long-term outcomes.

# Designing Support



Figure 6.1: The Jobseeker's Allowance regime and the Work for Your Benefit programme pilot



# Addressing constraints to work



# Potential components of support

- Group activities e.g. work etiquette, managing problems at work, skills training, sleep and routine.
- Intensive activity periods e.g. multiple applications, speculative letters.
- Access to jobsearch facilities e.g. telephones, postage, internet, fax machines.
- Support for travel, mobile phones, suits for interviews or specialist clothing.
- Support for transition e.g. rent, childcare.
- Work trials or work experience.
- Signposting to services to tackle constraints e.g. housing and debt problems.

# Personal Advisor support

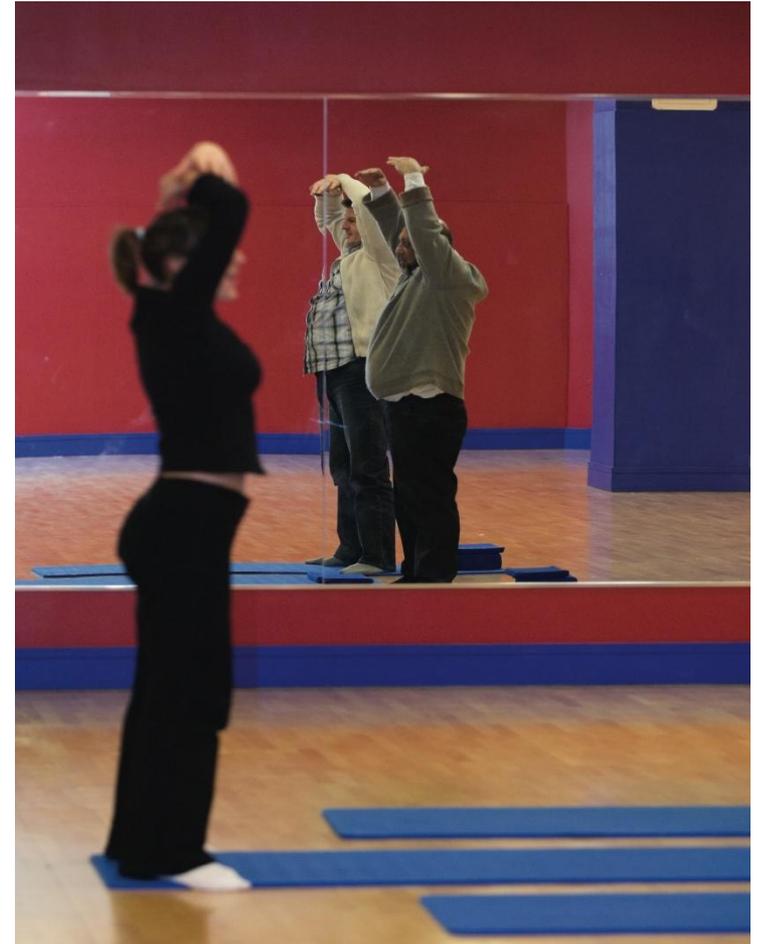


# Self help Job Station



# Group activities

- Exercise/ circuit training
- Confidence building
- Fear of failure
- Positive outlooks
- Dealing with negative comments & situations
- Assertiveness
- Sleep & Routine
- Motivational strategies
- Exercise & Mental well-being
- Managing your mood
- Health Benefits of work
- Walking group
- Pilates class
- Yoga class
- Stress, Anxiety & Relaxation
- Positivity in action
- Expert Patient Program (NHS)
- Coping with pain
- Coping strategies
- Healthy Eating



# Supporting social inclusion

- Working English in Tower Hamlets (employability and language approach)
- Basic and conversational English 12.5 hours of classes.
- Focus on learning behaviours, focus on attendance and notice of absence.
- Introduction to citizenship e.g. tour of Houses of Parliament, tour of their city.
- Not bound by national curriculum guidelines can better tailor to learners - need to support cultural sensitivity.
- Explores the process of finding work over an extended period and tackles other constraints to work e.g. health, debt, housing..

# Expert Patient Initiative

- East London - High levels of health related benefit claimants.
- Expert patient initiative trains people with health conditions to talk to others about how to better manage their condition. Its a process of empowerment and involves clients/patients taking back control.
- In East London former WD clients are Expert Patients who work with groups with cardiovascular disease and diabetes but deliver this in Bengali as well as in English.

# Step 4: Implementation: Principles



- Focus on ensuring complementary and coordinated services to enhance people's experience and also deliver value for money particularly in current environment.
- Focus on sustainable employment outcomes not processes and inputs.
- Ensure sharing of information and transparency of roles and responsibilities for all involved in the system.

# Implementing in Partnership



- Pathways to Work works with clients with health problems or disabilities.
- Strong relationship with the National Health Service and its local agencies.
- Referral relationships for example to psychological support.
- Provide venue for NHS outreach e.g. Expert Patient Programme.

# Step 5: Monitor, Evaluate, Learn



- What is the forum for monitoring?
- Which stakeholders are involved?
- Who makes decisions to adapt or change the support available?
- What research can be undertaken?

# Labour Market Policy for Businesses



Key Point:

**Integration of Supply and Demand is a challenge!**

Current response on the supply side to link up:

- Employer routeways
- Pre-interview screening and preparation
- In-work support
- Local Employment Partnerships (LEPs)
- Role of Recruitment Agencies
- Monitoring labour market

# Business demands in the recession



- Job retention - cut taxes, simplify regulation, promote part-time work through tax exemptions, simplify and promote apprenticeships (UK Federation of Small Business 5 point plan)
- Importance of addressing skills gaps during the recession - criticism of existing skills provision to meet their needs (Confederation of British Industry April 2009)

# Employer Routeways

- Tailored training with disadvantaged clients for ringfenced jobs.
- Beneficial to employers in current climate but some employers have expressed interest in addressing diversity in their workforce and we have provided support and training for staff in that area.
- Training and preparation can include accredited training e.g. security qualification, horticulture, care.
- Even for clients that are unsuccessful the process can enhance their employability.

# Women like Us



- London-based social enterprise.
- Engage with workless parents through the community - 'recruiting parents at the schoolgates'
- Provide employability services but also consultancy to business about improving their ability to employ parents by for example providing support for job design and advice on flexible working.
- They specifically target high-level jobs and will not place people in jobs that pay below the London Living Wage.

# Bringing supply and demand together



- Proposal for local areas to undertake worklessness assessments and develop integrated employment and skills plans.
- Employers taking a lead through UK Commission for Employment and Skills and on local Economic Prosperity Boards.
- Merging (last week!) of the Department for Innovation, Universities and Skills and the Department for Business, Enterprise and Regulatory Reform.
- Forecasting skills needs key challenge and addressing challenge of low-skilled in the UK.
- Improving support for self employment.

# Bringing supply and demand together

- Local Area Guarantees e.g. Tower Hamlets guarantees residents will be better off in work, Haringey guarantees people the support they need to get into work, Southwark local authority provides childcare support.
- Work Trials popular with small business who are concerned about bureaucracy of apprenticeships - potential for greater expansions.
- Greater coordination between Business Link (employer hub) and JobCentre Plus (Public Employment Service)
- Focus of employment services on largest employers needs to shift - but challenge of relationship management and transaction costs - explore the potential of local chambers of commerce.



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