

Chapter 2 Connecting People to Work

The DWP leads on the strategy to help people move into the labour market. As the Strategy Unit report recognised, DWP cannot do this alone; DfES leads the work to drive up achievement and provide a good educational base and DTI, Home Office, CBI, CRE and TUC are working to create an open and equal work place where employers and employees alike treat people equally. The ethnic minority employment strategy aims to ensure that ethnic minority people get the help and support they need to get and keep jobs.

Progress and Success

The majority of DWP's connecting people to work Strategy Unit recommendations were put in place in the first year. This has enabled DWP to build and develop its strategy and continue to refine their programmes to offer effective help to ethnic minority people.

DWP has a Public Service Agreement (PSA) target to narrow the employment gap¹ between people from ethnic minority backgrounds and the rest of the population. Figures over the year to spring 2005 show that there has been a 1.3% point decrease in this gap since the spring 2002 PSA baseline; which is equivalent to 50,000 more ethnic minority people in jobs. This is a promising trend but it is too early to say what factors are driving this improvement; is it simply that the strong economy is providing more opportunities or are we finally beginning to tackle the labour market disadvantage faced by ethnic minority people of working age?

Policies to connect people to work, led by DWP and delivered by Jobcentre Plus and its partners, operate at a number of levels. Mainstream programmes such as the New Deals extend employment opportunities for the most disadvantaged, disengaged groups and include a specific element to engage participants from ethnic minorities. Jobcentre Plus is focusing resources and effort in areas of high unemployment and high ethnic minority concentrations and is targeting activities at ethnic minority customers.

The New Deals

Since 1998 over 144,000 ethnic minority people have found work through the New Deals. We continue to look at ways of improving performance within the New Deal.

Targeting resources

Jobcentre Plus targets resources on areas of the country with high ethnic minority populations and high worklessness – areas where people need most help. This targeting has become more sophisticated over the life of the Task Force with the use of Census 2001 data to identify relevant areas from 2004-05 and additional performance rewards for helping those who are not working or claiming benefit due to come on stream in April 2006.

¹ See annex A for details of the employment gap

For those who do not use 'mainstream' Jobcentre Plus services or do not know how to go about looking for work **Ethnic Minority Outreach** (EMO), run by private and voluntary sector organisations with close links to the communities they serve, offer help. Between April 2003 and October 2005 EMO helped 6,680 people into jobs. The evaluation of EMO pointed to its effectiveness in engaging groups, such as Indian and Pakistani women, who are known to make little use of Jobcentre Plus Services. The perception that the service is different from Jobcentre Plus is important to many clients, as is the tailored community-based delivery.

To ensure that local issues can be addressed successfully in Jobcentre Plus Districts with high ethnic minority populations and high worklessness, the **Ethnic Minority Flexible Fund** (EMFF). £8 million is available to managers over 2 years to April 2006 to fund projects or provide one-off assistance to help people into work. Over 400 people have found jobs through EMFF projects.²

Partners of low-income earners claiming Working Tax Credits may have no formal contact with Government services and often lack the informal social networks, knowledge and confidence needed to find jobs. In October 2005 **Work Search Premium** pilots started to help people help themselves into work by giving them support through the New Deal for Partners and money to fund their job-search.

For some people, moving area to get a job is a daunting prospect as it involves moving family and home. To help open up opportunities Jobcentre Plus and the ODPM have been developing ways to increase mobility through linking job vacancies with information about the availability of social housing in the locality. This should be of particular help to people from ethnic minorities who wish to move to get work but are not sure how to find out about housing in the new area.

The housing and mobility service³, **MoveUK**, is a web-based service that will provide nationwide information on housing and jobs. It is a joint service offered by ODPM and Jobcentre Plus with direct links to Jobcentre Plus "job points" or vacancy database. MoveUK will help social landlords and their tenants and applicants to find new homes through providing:

- web-based information about the availability of housing and job vacancies; and
- web access to information on vacancies in social housing.

MoveUK is to be launched early in 2006.

- For hard-pressed ethnic minority families failure to find suitable childcare can be barrier to work and keep families in poverty. The Government's childcare strategy is in place but there was initially little evidence available to assess its effectiveness. DfES are building up the evidence base through analysing the take-up of places data currently available and developing new data sets. Evidence is patchy so far. However, we know that Bangladeshi/Pakistani families are amongst the groups least likely to know about the childcare in their area and to be using childcare for a range of reasons reflecting circumstances (low maternal employment, low levels lone parenthood) and preferences (preference for parental childcare).

For some people from ethnic minority backgrounds self employment offers a real opportunity to succeed. The Small Business Service (SBS) has negotiated with **Regional Development Agencies** (RDA) to collect data on Business Link's ethnic minority business customer base

² From April 2004-September 2005

³ This is referred to as HEMS in the STRATEGY UNIT report, now known as MoveUK.

quarterly through the Business Link Operator (BLO) customer satisfaction survey. This will ensure that would-be entrepreneurs from the ethnic minority communities are benefiting equally from the services offered by the BLOs.

Over the last seven or eight years a significant amount of money had been devolved to local communities by ODPM and DTI. They are now working together to set up a framework to ensure that the **Local Enterprise Growth Initiatives** (LEGI) evaluation measures the impact on ethnic minority groups of government funds aimed at supporting economic growth and businesses in deprived neighborhoods. The University of Hull has completed work to scope the research which shows whether the money has reached ethnic minority people and, if not, will enable policy makers to revisit their targeting strategies.

Building the evidence base

To provide a secure evidence base for policy development, DWP are leading a number of research projects. To ensure a wide circulation of the results from these projects the reports will be posted on the EMETF website⁴. Much of this work will be of value to other policy makers, academics and social commentators. Brief details of current research are listed below:

Ethnic Minorities and Geography: analysis of the experiences of ethnic minority groups in the labour market, using 2001 Census data. This work has identified areas of particular interest including the extent to which geographical and local neighbourhood factors impact on economic activity of ethnic groups. Some emerging findings from the project are:

- The disadvantages faced by most ethnic minority populations persist when educational attainment, health and other individual characteristics are taken into account;
- Ethnic minority men born in Britain are falling behind in the labour market despite improved qualifications; and
- Inequality between ethnic groups is maintained irrespective of the ethnic composition of the locality and this inequality is larger than is the differences between types of area.

The analysis of neighbourhood extremes will help develop policies relating to 'race and place', the extent to which problems are specific to different ethnic groups as opposed to the places in which people live. The report is to be published in spring 2006.

Barriers to Employment for Pakistanis and Bangladeshis: this project explored the barriers to employment faced by Pakistanis and Bangladeshis in Britain. Initial findings show that Pakistani and Bangladeshi women were often keen to enter the labour market but feel they need to build up qualifications. Childcare is also a major barrier to entering or re-entering the labour market but the most significant barrier is a lack of human and social capital. This includes lack of skills and qualifications (including English language) and also significant is a general lack of self-confidence. In addition many people lack the necessary knowledge and contact networks. The report argues that more help could be given to economically inactive women seeking work. Culturally sensitive childcare should be provided and English as a Second Language (ESOL) needs met more effectively. The most positive aspect of the research findings is the genuine desire of all members of these communities (and particularly women) to make progress and find work. The report is scheduled to be published in spring 2006.

⁴ www.emetaskforce.gov.uk

Perceptions of Jobcentre Plus: research undertaken by the Policy Studies Institute aimed at understanding how Jobcentre Plus was viewed by its ethnic minority customers and which programmes they found most useful. The results will be published in January 2006.

Jobcentre Plus and Ethnic Parity: a research project to quantify the extent to which the ethnicity of a Jobcentre Plus customer influences their probability of gaining employment after taking into account other factors that are outside of the control of Jobcentre Plus. The research will be completed in summer 2006.