

# BETTER QUALITY JOBS

## Introduction

Unemployment is falling but does employment pay? Latest figures show that the majority of children living in poverty belong to a household where at least one adult works. The outcry over zero-hour contracts and a demand for a living wage still make the headlines. Payday loan companies are booming. Unemployment must keep falling, but so must poverty - for this we need more and better jobs for those most marginalised from the labour market.

To address unemployment and worklessness, the current government has developed strategies to support job creation in the private sector and made significant changes to the welfare system. The aim is to move people off benefit payments and into work. The government has also launched the Work Programme which works with employers and unemployed people to match labour supply to demand. The numbers of people who are unemployed and claiming Jobseekers allowance are now declining significantly as the UK economy shows signs of recovery.

However, some localities and groups are still experiencing very high levels of worklessness. There are also significant concerns about the quality of the jobs that have been created. The Work Programme's success rates for those with multiple barriers to employment are extremely low and the programme's structure makes it difficult to draw on local level expertise and creativity in addressing worklessness. It is possible that the Work Programme, as presently devised, will not be able to

provide the tailored approach needed to reduce worklessness among the hardest to help cohorts of the population.

The Government's welfare reform seeks to make work pay by moving more people into paid employment. Whilst important, this much critiqued reform is not proven in terms of moving the workless from benefits and into work. This CLEES 10 puts the quality of employment under the spotlight and suggests ten important ways of creating more and better jobs for people who need them most.

## 10 ways to better quality jobs

At CLEES, we passionately believe that cross sector working is essential for creating solutions to problems. Low quality work affects all areas of social and economic life. The following ten ways to better quality jobs identify opportunities for cross-sector working, using local level partnerships to develop new ways of creating jobs and supporting people into them. These are only a number of possible holistic approaches to improving the quality of employment. They all reflect the need to address barriers to work and to build a sustainable economy which provides quality employment for all.

### 1. Enterprise which works for people and the economy.

The number of social enterprises is growing rapidly. Social enterprises often actively employ people who are disadvantaged in the labour market. 39% of social enterprises work in the 20% most deprived communities in the UK, compared to 13% of businesses. Supporting the growth

of social enterprises could therefore address worklessness in the most disadvantaged areas, contribute to economic growth and generate other social benefits from the activities of the social enterprises.

## **2. Coercing public sector suppliers to invest in employees**

Enabling progression within the workplace is important for job satisfaction and to motivate people to stay in work and avoid a 'no-pay, low-pay' cycle. One way employers can be encouraged to invest in their employees is through local authority procurement contracts. Local authorities can place clauses in procurement contracts which require contractors to have employee training strategies and to recruit employees from deprived neighbourhoods. This enables suppliers to better understand the local labour market and to demonstrate to the local authority that they are creating social value.

## **3. Healthier work and a healthier workforce**

The transition of public health responsibilities back to local government has created new opportunities for local authorities to improve the health of the local workforce and make local jobs healthier. Local authorities now have more power to work with the medical system and business sector to develop coordinated strategies for improving and protecting the health of the local workforce. Working across agencies to improve the health of those in and out of work will bring important economic as well as social benefits.

## **4. Housing providers as employment providers**

Housing providers, as frontline organisations, have direct contact with many people who need specialist support to help them into employment. Housing providers can and do work with an extensive range of organisations to co-deliver employment support projects and offer employment to their tenants. With severe cuts to public funding, it is critical that housing providers take an ever greater social role in tackling unemployment and poor quality work.

## **5. Teaching workplace skills in and out of the classroom**

It is paramount that the education system equips young people with the necessary skills to be successful in the workplace. Studio schools, introduced in 2010, teach the national curriculum as well as vocational and entrepreneurial skills, which are taught through practical projects and work placements. The schools work in partnership with local businesses and employers to ensure pupils gain the skills which employers need. This includes developing skills and behaviour needed for the workplace, such as punctuality, good communication, reliability and taking responsibility.

## **6. Soft skills are essential**

Employers frequently bemoan the difficulty they have in recruiting people who have the right attitude to work and the necessary interpersonal skills. Initiatives to make young people work-ready are very important - these need to focus on building self-confidence. Providing mentors to young people who are NEET or at risk of becoming NEET is important, especially if these young people lack a social network which can support them into finding and obtaining work. Mentors or youth groups can provide help with

C.V. development, interview practice, and application writing but most importantly they can provide encouragement and one-to-one support to motivate a young person into improving their life chances.

## **7. Inspiring career ambition**

It is vital that people who are seeking work understand their career options. Initiatives to raise aspirations are often focused on young people but these are also important for people of different ethnicities, lone parents, and people with a chronic illness or disability who, as a result of welfare reform, are now searching for employment. Interventions are necessary which encourage people from different social groups to consider the breadth of possible employment and career options available to them. This requires local authorities to work with local businesses, to identify employment opportunities and ensure that the related education and skills courses are promoted to the local population.

## **8. Transporting, not just moving, people into work**

Transport is a key barrier to work for people on a low-income due to cost and inefficiency. Local authorities can work to create cheaper transport options for these groups. For example, in Manchester a low-cost bus route has been created which links areas of high unemployment in north Manchester to work opportunities in the city centre. A lack of self-confidence can also prevent people from travelling to work. Projects which work to overcome this are very valuable, for example one project funded by a housing provider involves project workers accompanying young people on the bus to a potential place of work

to encourage them to consider employment opportunities further afield.

## **9. Stimulating jobs in the service sector**

The service sector is a growing sector with potential to recruit employees with a range of skills. In Belgium, a service voucher scheme has been running for many years, which aims to transfer certain household services from the informal sector into the formal economy and boost demand for these services. The vouchers are sold to individuals at a subsidised cost who use the vouchers to buy the services of recognised companies for domestic help. Introducing a customer subsidy encourages demand for domestic services which creates new jobs in this sector.

## **10. Digital literacy must increase**

Digital technology is another growth sector. Digital skills are increasingly important for all people searching for employment, in employment or developing a business. Digital technology offers many opportunities for business development and growth, such as selling and advertising through the online marketplace and social media. For businesses to take advantage of this, they require employees with up-to-date skills in ICT. Community-based training organisations can offer training and support in ICT skills which enable businesses as well as individuals to access the work and growth opportunities which digital technology offers.



# The CLEES 10

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## The CLEES perspective

For CLEES, reducing unemployment is about creating quality employment not just moving people into the formal economy. Creating more and better jobs is crucial, not just for economic growth but for building stronger communities, improving health and well-being and raising living standards. Improving the quality of work will not happen automatically as the economy recovers. For this reason, we call for initiatives which aim to reduce unemployment through a holistic approach, understanding the different barriers to work which marginalised groups face and the need to create worthwhile employment, not just jobs. Critical to this is the provision of tailored and bespoke support which draws upon the leadership role and spending power of local government and the experience and skills sets of local brokers across the public, commercial and social economies.

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