Employment Strategies in Newham and Hull NDCs

Research Report 62

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Those wishing to know more about the evaluation should consult the evaluation’s web site in the first instance:
http://ndcevaluation.adc.shu.ac.uk/ndcevaluation/home.asp

Sheffield Hallam University
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Executive Summary

The purpose of this study is to investigate the approach adopted in NDCs to the development of their strategies for addressing worklessness and assessing the effectiveness of these strategies. It builds on previous research reported in Sanderson and Green (2004). More specifically the aims were:

- To analyse the rationale of, and assumptions (‘theory of change’) behind the NDCs’ strategies to address worklessness
- To analyse the approach adopted by the NDC Partnerships in designing and implementing these strategies
- To assess the way in which the strategies and their component initiatives relate to other strategies and provision at local, district and sub-regional levels
- To investigate the range of employment interventions introduced (and planned) by the partnerships
- To investigate changes made to strategies over time and the reasons for such changes
- To assess the impact of the strategies and their overall effectiveness in addressing problems of worklessness in the NDCs

The case studies on which this report is based draw on a variety of data and information sources. These included NDC Delivery Plans and other documentation on employment strategies, qualitative discussions with NDC staff and Board members; staff, beneficiaries and employers involved with projects; representatives of mainstream agencies and other ABIs; existing labour market statistics; and documentary information and evidence about district, sub-regional and regional-level employment issues and activities.

In the present study, two NDC case studies - (1) West Ham and Plaistow and (2) Hull Preston Road - provide examples of approaches taken by NDC partnerships to address worklessness in differing labour market contexts.

The two NDCs exhibit differences in terms of socio-economic conditions:

- West Ham and Plaistow has an ethnically mixed population whereas Hull has a predominantly white population
- The population of West Ham and Plaistow is better qualified than that of Hull, with a higher proportion in managerial/professional/associate professional occupations
- Hull has a higher proportion of people with work-limiting long-term illness

The labour market context of the two NDCs also differs significantly.

- West Ham and Plaistow is situated in the relatively buoyant sub-regional labour market of East London. Although recent employment growth in Newham LBC has been below the London average, especially in the service sector, there is significant planned growth in the Stratford, Docklands and wider Thames Gateway area
- The Hull economy is relatively sluggish with low levels of growth and relatively low levels of productivity and earnings. There are no other major employment centres within easy reach
These differences are reflected in their employment strategies.

- West Ham and Plaistow is placing an emphasis on a strongly ‘supply-side’ approach, focusing on action to address residents’ problems and remove barriers allowing them to capitalise on the employment opportunities available to them in the wider labour market.

- Hull Preston Road has adopted a more balanced approach, with a stronger emphasis on creating new job opportunities and promoting business start up, as well as addressing ‘supply-side’ issues.

Nevertheless, there are some similarities in the local policy context in terms of strategies developed by the respective local authorities.

- Both Hull and Newham councils have developed employment strategies with a similar focus - connecting people to available jobs - although, again reflecting the local economic context, Hull’s Employment Strategy places a stronger long-term emphasis on generating new jobs whereas Newham’s Access to Jobs Strategy has a stronger supply-side emphasis, leaving job creation to wider sub-regional strategies.

- It is notable that in both local authorities’ strategies there has been learning from the experience of the NDCs in providing a local area or neighbourhood focus for action, providing good evidence of how NDCs can influence mainstream provision.

Both NDCs provide examples of how processes of strategy formation and development must accommodate a wide range of influencing factors - the needs and aspirations of the local community; the expertise and interest of local agencies; and evidence of the circumstances and problems of the NDC area, the characteristics of the labour market context and experiences of addressing worklessness elsewhere. An understanding of all these factors is important but it is not an easy matter to tease out their relative impact on strategy formation. The evidence from these NDC case studies supports the view that what is important is the capacity to blend together local knowledge, evidence and the interests of various stakeholders into informed judgements about what is appropriate for the locality. Moreover, both NDCs illustrate the importance of a capacity to review the ongoing relevance of the strategy and to adapt in response to changing circumstances.

As indicated above, it is evident that the employment strategies of the NDCs do reflect an understanding of the problems and needs of the NDC area and the constraints and opportunities offered by the local labour market and policy contexts.

- In Hull Preston Road there is a strong emphasis on developing skills and raising aspirations, especially amongst young people; the ILM scheme was designed to address the needs of more disadvantaged, longer-term unemployed; support for business start-up and development reflected concerns about low levels of business formation and job opportunities; and the credit union was designed to address problems of lack of access to credit and high levels of indebtedness.

- In West Ham and Plaistow the key elements of the strategy similarly reflect the needs and problems of the locality and the nature of the local labour market and policy contexts.

Again, a key element is the degree to which the NDCs’ strategies are designed to be consistent with the wider strategies of the local authorities.

This raises the broader issue of the important of developing good links and relationships with key agencies responsible for mainstream services.

- The benefits of good relations with the local authority are illustrated by the way in both NDCs have influenced the local authorities’ strategies and therefore affected the future...
development of mainstream services to achieve a stronger focus on neighbourhoods and localities and hence provide a policy context that is more supportive for the long-term sustainability of NDC initiatives.

- Both NDCs have established good working relationships with Jobcentre Plus which are also crucial in a context where Jobcentre Plus is being required to develop more flexible working at the local level. The benefits can be seen in West Ham and Plaistow where Jobcentre Plus is closely involved in discussions about the options for the long-term sustainability of the ELITE project in the context of the local authority’s strategy.

On the other hand, there have been some difficulties in developing relationship with agencies that have a wider spatial remit, such as the LSC and RDA and with employers. These difficulties are mirrored to some degree across the NDC programme and can be seen as inherent in the nature of NDCs as neighbourhood based organisations. West Ham and Plaistow is looking to work jointly with other NDCs to develop better links but again, an important route for such links should be through the local authority and Jobcentre Plus. For example, these agencies have teams with responsibilities for identifying new employment developments and working with employers to assess the potential for tailored recruitment initiatives. In Hull there has been more success in developing productive relationships with sub-regional and regional agencies.

The experience of both NDCs with their job brokerage and ILM schemes reinforces lessons that have emerged from previous research on such initiatives:

- Premises that are accessible in terms of both location and in providing a welcoming, non-intimidating environment
- Effective outreach provision which needs to be embedded within the local community, taking into account issues of ethnicity and culture
- An holistic, client-centred approach, providing a package of personal support tailored to the individual needs of people who may experience a number of barriers to employment
- The provision of continuous support on the personal adviser model to ensure progression of individuals through various forms of support and on-going support after they have secured employment to ensure sustainability of employment
- The importance of developing appropriate employment-related skills, preferably linked to specific vacancies in order to increase the probability of a positive outcome
- Strong linkages with local employers in order to develop a good understanding of their needs and expectations and secure vacancies and opportunities for work placements; and handling relations with employers in a professional manner
- The development of effective partnership working with a range of agencies, especially Jobcentre Plus, in order to maximise the impact of available resources and provision
- The need for effective management and administration, good quality staff and the development of robust systems for monitoring the progress of clients

A final lesson emerging from this study concerns the importance of evaluation and review. The experience of West Ham and Plaistow illustrates the benefits of adopting a systematic approach, with all their major projects required to undertake an independent evaluation to assess their effectiveness, especially in meeting the needs of the most disadvantaged, to identify potential for improvement, and to assess options for long-term sustainability and potential mainstreaming. The benefits of this emphasis on evaluation are illustrated by the evaluation of ELITE which has resulted in a number of changes and has contributed to the process of identifying options for its long-term sustainability. Likewise in Hull, there has been a readiness to review the progress of projects and to make adjustments accordingly.
The available evidence to date on outcomes and impact is inconclusive. In both NDCs most of the employment projects are meeting their targets and there are some indications from Household Survey and benefits data that levels of unemployment are falling, although it is not possible at this stage to attribute this to the actions of the NDCs. However, an area of concern relates to people with work-limiting health problems, the numbers of whom do not appear to be changing much; this may indicate a need for NDCs to focus more attention on this group. Overall, the evidence to date confirms that reducing worklessness is a long-term task and it is likely to take several years for the effects to be discernible.

In summary, key policy implications that can be drawn from this study are as follows:

- Ensure a good understanding of nature of the worklessness problem in terms of different groups and their needs and circumstances and of the local/sub-regional economy and labour market; undertake continuous monitoring and analysis of changes
- Develop a balanced strategy that is appropriate to local needs and context, based upon available evidence, needs and views of local residents and expertise of local agencies
- Develop good relationships and partnership working with key agencies/CVS/employers; ensure that the NDC adds value to mainstream services, influences these services to achieve sustainable change and to identify potential for long-term sustainability of NDC initiatives
- Work with employers to influence recruitment, improve job retention and encourage workforce development
- Ensure interventions are effective in helping most disadvantaged groups in NDC area; develop a systematic approach to evaluation and review to assess effectiveness, provide the basis for adaptation to changing circumstances and contribute to long-term sustainability
- Develop an ‘holistic’ approach to support for individuals founded upon community-based outreach to gain the trust of ‘hard-to-reach’ groups, and individually-tailored packages of help to meet all needs and provide coherent pathways to sustainable employment
- Ensure sufficient attention is given to helping people with work-limiting health problems
- Maximise employment for local people from NDC projects/investments
1. Introduction

This report is the second in a series on NDC employment strategies; it builds on previous research reported in Sanderson and Green (2004). Various other strands of work in the Worklessness Theme have looked at NDCs’ progress with job brokerage schemes (Walton, et. al., 2003a, 2003b, Hanson, 2005), Intermediate Labour Market (ILM) projects (Darlow, 2004; Bickerstaffe and Devins, 2004), basic skills provision (Hanson, 2003; Halliday and Hanson, 2004) and work to promote enterprise (Wells, et. al., 2003; Devins, et. al., 2004). The purpose of the work strand on employment strategies has been to take a broader view of the overall approach to addressing worklessness adopted by NDCs within their broader local labour market and policy contexts. A particular issue of interest in this work concerns the relative effectiveness of supply-side and demand-side approaches to addressing the problem of worklessness at the neighbourhood level given the debate about the potential for creating new jobs through action at this level.

Specifically, the purpose of this study is to analyse the approach adopted in two NDCs to the development of their strategies for addressing worklessness and assessing the effectiveness of these strategies. The two NDCs studied in this report are West Ham and Plaistow in the London Borough of Newham and Hull Preston Road. They are located in differing labour market contexts, with differing degrees of emphasis on supply-side and demand-side approaches. They are both Round One NDCs and, having been in operation for some four to five years, it was expected that there would be some evidence on their effectiveness and impact.

The two NDCs have differing socio-economic profiles as shown by Table 1 (see over)

- both have relatively high proportions of children under 16 years of age but West Ham and Plaistow has a significantly higher proportion under 35 and a smaller proportion over 60
- West Ham and Plaistow has an ethnically mixed population (53% non-white) whereas Hull Preston Road has a predominantly (99%) white population
- West Ham and Plaistow has a higher proportion of single person households but the two NDCs have similar proportions of lone parent households
- the population of West Ham and Plaistow is better qualified than that of Hull Preston Road, with 34% having no qualifications (compared with 58% in Hull)
- the occupational profile of those in work is significantly different; in West Ham and Plaistow 34% are in managerial/professional/associate professional occupations and 17% in elementary occupations whereas in Hull these proportions are almost reversed (15% managerial/professional/associate professional occupations and 28% in elementary)
- Hull Preston Road has a higher proportion of people with work-limiting long-term illness - 16% compared with 12% in West Ham and Plaistow

The labour market context of the two NDCs also differs significantly. West Ham and Plaistow is situated in the relatively buoyant sub-regional labour market of East London. Although recent employment growth in Newham LBC has been below the London average, especially in the service sector, there is significant planned growth in the Stratford, Docklands and wider Thames Gateway area. On the other hand, the Hull economy is relatively sluggish with low levels of growth and relatively low levels of productivity and earnings.
The purpose and objectives of this study are as follows:

- to analyse the rationale of, and assumptions (‘theory of change’) behind the NDCs’ strategies to address worklessness
- to analyse the approach adopted by the NDC Partnerships in designing and implementing these strategies
- to assess the way in which the strategies and their component initiatives relate to other strategies and provision at local, district and sub-regional levels
- to investigate the range of employment interventions introduced (and planned) by the partnerships
- to investigate changes made to strategies over time and the reasons for such changes
- to assess the impact of the strategies and their overall effectiveness in addressing problems of worklessness in the NDCs

Table 1: 2001 Census Data

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Source: Census 2001
Notes:
1. Lone parent household with dependent child(ren)
2. % people aged 0-59 with limiting long-term illness
3. % people aged 16-74
4. % people aged 16-74 in employment; includes Associate Professional
The case studies on which this report is based draw on a variety of data and information sources, including:

- NDC Delivery Plans and other quantitative evidence about the basis of the NDC’s employment strategy
- Qualitative discussions with six NDC staff and Board members focusing on strategy development and the design and content of the current Delivery Plan
- Qualitative discussions with six-eight staff, beneficiaries and employers involved with projects
- Qualitative discussions with between five and six representatives of mainstream agencies and other ABIs; existing labour market statistics and evidence from local research and evaluation
- Existing documentary information and evidence about district, sub-regional and regional-level employment issues and activities
- Discussions with the national and local NDC evaluation team contacts for the case study partnerships

This report presents the findings of research in the two NDC case studies. It discusses each case study NDC in turn. In each case a brief description of the area and its key problems is followed by a discussion of the labour market and policy context, a description of the approach to strategy development and an outline of the vision and key employment outcomes. A discussion of the rationale for the employment programme is then followed by an outline of the main initiatives and projects in this programme. Issues around partnership working and relationships to mainstream provision are then discussed, followed by a summary of some key issues and lessons identified. The final section of the report presents a brief discussion of key policy implications.
2. West Ham and Plaistow

2.1. The NDC area and its problems

The West Ham and Plaistow NDC area is located along the western boundary of the London Borough of Newham in East London, bordered by Stratford to the north and Canning Town and the Royal Docks to the south. The NDC area covers parts of two wards, West Ham and Plaistow, both of which are in the top five% of the most deprived wards nationally in terms of the Index of Multiple Deprivation (West Ham is ranked 334 and Plaistow 231 out of 8,414 wards). It is primarily a residential area, fragmented into three linked neighbourhoods with a predominance of public housing, primarily local authority multi-storey flats in the Brooks/Plaistow area to the north, mixed local authority, RSL and owner-occupied housing in the central Woodlands area, and primarily RSL-owned property in the North Canning Town/Eastlea area to the south. Some 40% of all housing is local authority owned and a further 15% is rented from housing associations or registered social landlords. Nearly a third of properties (30%) are owner-occupied and 15% are privately rented.

Key features of the demographic composition of the NDC area are the age structure and ethnic diversity. Table 1 provides key data from the 2001 Census and shows the relatively young age structure, with 61% of the NDCs population under 35 compared with 56% across all NDCs and 45% nationally. 2001 Census data also indicate that in West Ham and Plaistow wards, around a third of residents were born outside the UK compared with 9% nationally. Nearly half (47%) of the population of the NDC area comprises white ethnic groups and there is a substantial black and minority ethnic (BME) population - 30% black or black British and 14% Asian or Asian British. The area has a relatively high proportion of lone parents with dependent children - 18% compared with an NDC average of 14% and a national average of 7% (see Table 1). Data is not available for the NDC or at ward level, but the London Borough of Newham has a large number of asylum seekers, many of whom would be expected to reside in the NDC area (GLE, 2004).

In relation to worklessness, the following issues were identified in the NDC’s Delivery Plan:

- high proportion of economically inactive heads of households
- relatively high levels of unemployment and long-term unemployment
- high levels of benefit dependency
- relatively low incomes for those in employment
- low educational achievement, qualifications and skills base
- lack of facilities for training within the area
- few local employment opportunities
- lack of childcare

Data from the 2001 Census and the 2002 MORI Household Survey (Annex 1) confirm the relatively high levels of inactivity, unemployment and benefit dependency although in aggregate terms these are not worse than the average for all NDCs and are better than some other NDCs such as Hull. Thus, the problems faced by West Ham and Plaistow need to be seen in the London context and also in the context of the substantial ethnic diversity of the population. Thus, a relatively high proportion of the population do not have English as their first language and specific issues arise from the relatively high proportion of lone parents and the low levels of educational achievement and qualifications amongst certain sections of the population. In the 2002 Household
Survey, the main perceived obstacle to achieving employment was lack of skills and qualifications.

Consultations with the local community undertaken as part of the process of developing the Delivery Plan indicated aspirations for improved educational provision, skills development, better access to employment opportunities, increased childcare provision and better financial support for those taking up work or training.

2.2. The labour market and policy context

Labour market context

The local labour market context provides opportunities to address these problems and issues. Overall, there was a growth in employment in the London Borough of Newham between 1998 and 2002 of 2.9%, although this was less than the Greater London average of 4.2% (Annual Business Inquiry). This aggregate picture masks differential change across sectors - growth in construction, distribution hotels and restaurants, and public and other services but declines in manufacturing and financial services. The net result of these changes has been a faster growth in female employment (3.7% 1998-2002) than in male employment (1.9%); indeed, the number of full-time male jobs declined by 1.7%. The largest employment sectors in Newham (retail and health and social work) have relatively high proportions of female employment.

Growth in the wider London economy has remained consistently above that of the UK for most of the past 15 years. New high technology sectors are gaining prominence over traditional manufacturing industries and total employment over the next decade is expected to grow by some 155,000. The Thames Gateway area (largely contiguous with the London East Learning and Skills Council) is the largest development corridor in the capital and provides nearly a third of London’s jobs. Substantial employment growth is forecast over the next few years in hotels and restaurants and financial services and business services offsetting declines in manufacturing and transport and communications (Thames Gateway London Partnership, 2000).

These changes will increase demand for labour in particular in professional, associate professional and technical, personal and protective service and sales occupations with a premium on higher level and customer service skills. Increasingly, employers are looking for positive attitude and motivation, relevant work experience, literacy and numeracy skills and, in many occupations, IT skills. Significant proportions of employers are reporting recruitment difficulties due to lack of appropriate skills and about a quarter of employers see skills as a constraint on growth (Thames Gateway London Partnership, 2000).

While total unemployment in the Thames Gateway area has fallen significantly in recent years, local rates of unemployment remain above the London average, and high rates of unemployment particularly affect young people and members of BME groups. In Newham the rate of unemployment in 2002 (12% on ILO definition) was significantly higher than the London average (7%). Moreover, there are significant inequalities in the incidence of unemployment between different groups and areas within Newham. Thus, a Household Panel Survey in Newham in 2003 found an unemployment rate of 13% amongst black Africans aged 25-55, 9% amongst black Caribbean and 8% amongst Bangladeshis, compared with 2% of white British in the same age group. Claimant count data for November 2003 showed a variation between wards of four to 14%.

Moreover, levels of economic inactivity in Newham are relatively high with 41% of the working age population inactive compared with the London average of 25% in 2003 (Labour Force Survey). Indeed, Newham has the highest economic inactivity rate in
Rates of inactivity are especially high amongst young people (50% amongst 20-24 age group compared with 32% in Greater London), women and people of Pakistani and Bangladeshi origin. Women whose first language is not English have the highest inactivity rates (51% in the 2003 Newham Household Panel Survey) and, indeed, the most important reason for inactivity is caring for home and family especially in wards with a high Asian population. Another important reason is permanent sickness or disability, especially in wards close to the former Docklands.

The level of qualifications and skills in the London East area is significantly lower than the London average and especially low amongst the unemployed and economically inactive. Thus, one third of the latter have no qualifications. Levels of school attainment and qualifications in Newham are even lower, with 34% of those aged 16-74 having no qualifications (compared with the London average of 24% - 2001 Census). Levels of qualification are lower amongst white groups than many BME groups, especially black African and Caribbean. Research by Roberts (1999) in Newham found that lack of the right training, qualifications and work experience were perceived by young people as the most significant barriers to employment.

Policy Context

The strategic policy context is provided by the Economic Strategy of the Thames Gateway London Partnership (TGLP) which is a member of the Thames Gateway Strategic Partnership (TGSP) together with Government Departments, Regional Development Agencies (RDAs) and other sub-regional partnerships. The TGSP is facilitating an integrated approach to the regeneration of the Thames Gateway. In this context, the London Development Agency’s (LDA) economic strategy prioritises the Thames Gateway as a regeneration corridor well placed to provide substantial employment opportunities for the deprived communities of inner east London (TGLP, 2001).

The TGLP Economic Strategy has provided the framework for several successful bids for regeneration resources from SRB and EU sources and for the extension of Objective 2 status in the area. The strategy identifies a number of development areas including the Stratford-Leaside Arc of Opportunity, the Royal Docks and Canary Wharf-Isle of Dogs, which are close to the NDC area. These areas have significant development opportunities for financial and business services, technology and R&D industries and retailing and leisure and the strategy identifies actions required around site preparation, transport infrastructure and local labour and training schemes. Key priorities are seen as the improvement of educational attainment, skill levels and quality and responsiveness of training provision to enable residents in the Gateway to compete successfully for the new jobs (TGLP, 2001, chapter 7).

In addressing these priorities, the lead agency is the London East LSC which has produced a Strategic Plan which expresses a commitment to work in partnership with TGLP. The LSC Strategic Plan is intended to contribute to national objectives and targets and ensure that learning provision fully meets local needs. The key priorities of the plan are raising achievement and skills of young people and adults, meeting the skill needs of employers in key growth industries and areas in the London East economy, and stimulate community renewal and inclusion with due attention to the needs of the most deprived areas.

The London Borough of Newham has led the production of an Access to Jobs Strategy through an Access to Jobs Partnership comprising key organisations in education and training in Newham and including the London East LSC and Jobcentre Plus. The Partnership has sought to achieve co-ordination of policies and funding and to maximise the use of existing mainstream resources, supplemented by additional
funding from SRB and EU sources. As part of the Neighbourhood Renewal LSP structure, the Access to Jobs Partnership has merged with the network of Newham business support providers to form the Economy and Regeneration Local Action Partnership Board to achieve greater clarity of service provision for accessing jobs and business support provision.

The Access to Jobs Strategy seeks to capitalise on the employment opportunities which will be provided by developments in the Thames Gateway development areas by identifying and responding to employers’ recruitment needs, ensuring residents have the skills needed to get jobs, ensuring the provision of effective job guidance and placement services, providing help to people in low skilled and low paid jobs to improve their skills, and encouraging participation in training and employment services by the most disadvantaged groups. A review of the Access to Jobs Strategy has recently been undertaken, producing a stronger focus on the most disadvantaged groups and areas and a more holistic view of the problem of worklessness, the range of barriers faced and of the action needed at neighbourhood level. A key element of this process of strategy review has been the development of stronger partnership working between the borough and Jobcentre Plus.

2.3. The approach to strategy development

The Newham Access to Jobs Strategy provided the context for the NDC’s employment strategy which has been developed to be consistent with Access to Jobs and a vehicle for its implementation at neighbourhood level. However, the development of the NDC strategy was very much focused on the local level involving the community and key stakeholders in “…one of the most intensive community involvement programmes ever undertaken in Newham” (Delivery Plan, p.1). Therefore, the process of developing the NDC programme has been more ‘bottom-up’ but in the context of a strategic policy framework.

The West Ham and Plaistow NDC Board comprises 26 members of whom 15 are community representatives, three local councillors from Newham LBC, two representatives from local housing associations, and single representatives of the Police, Primary Care Trust, Jobcentre Plus and the local business community. The Board has strong representation of members of ethnic minority groups and women but none from the LSC or community and voluntary sector. A representative from the Youth Forum has been co-opted onto the Board to ensure a voice for young people.

Proposals in relation to worklessness and employment have been developed through the Economy Theme Group. This development process was founded upon an extensive community consultation and involvement exercise which, together with the analysis of baseline data, provided a profile of existing conditions and problems and of people’s aspirations. Examples of methods used for community consultation and involvement have included the following:

- ‘Street Talk’, whereby local residents and workers knocked on every door in the area and interviewed nearly 900 residents and identified people prepared to become involved
- local workers from all the main front-line services contacted residents to consolidate their interest and involve them in the NDC
- a Community Panel was formed comprising a core of 16 local residents plus representatives of local businesses and, by invitation, ward councillors and has played a key role in developing proposals in partnership with the key agencies
three Neighbourhood Teams were set up to engage local people and feed their ideas through to the Community Panel; as part of this process a number of Street Panels provided more local involvement and feedback.

- the Architectural Foundation was commissioned by the Community Panel to use a range of innovative methods (for example, modelling, design festivals, fun days, young people’s workshops) to develop scenarios.

Research has also been undertaken amongst local residents to obtain a representative picture of local conditions and to help define problems and issues. A Household Survey and Housing Needs Survey were undertaken to inform development of the Delivery Plan, and these surveys included comparative data from a borough-wide sample. The former survey was repeated in early 2001 in a survey commissioned from MORI. The earlier surveys contributed to the baseline data that was used in the delivery planning exercise and relatively little reliance had to be placed in 1991 Census data. Other data was obtained from administrative sources including Housing Benefits, educational attainment and school leaver destinations. From these sources it was possible to compile a comprehensive, up-to-date set of baseline data including comparative data for the district on many variables. Such comparative data helped in the analysis of problems and issues faced by the NDC area. The NDC has subsequently made extensive use of the 2002 MORI Household Survey to refine and develop its understanding of the worklessness problem.

In developing the strategy, an assessment was made of existing mainstream services, initiatives and the potential of the NDC area. In relation to employment, it was considered that there was a need to augment existing provision of Jobcentre Plus by widening the availability of job information, providing high quality counselling and support, work experience and training, and supporting those in work through advice, support, training and help identifying new career routes. Other key gaps included a lack of childcare provision and local facilities for learning and training, especially for those who may need ‘non-conventional’ settings. There were also no banks or cash machines in the area and a ‘thriving alternative economy’.

In terms of opportunities, considerable emphasis was placed on the potential offered by the major planned developments in East London, including new public transport infrastructure providing direct access to Stratford, the Docklands, the City and beyond to the West End, all major sources of potential job opportunities for NDC residents.

### 2.4. The vision and key outcomes

The vision statement developed by the Partnership was as follows:

> “The establishment of a strong and enterprising community that has the capacity to meet the challenges of the present and choose its future. Central to this will be a cultural change in aspirations, confidence and aptitude to develop and deliver solutions that become a way of life for future generations. All stake-holders and service providers will work together to address deficiencies and deliver in a way that is tailored to local need and challenges old working practices.

> At the end of the ten-year period, the community will be at the heart of an area with a strong identity, civic pride and with the magnetism to attract and retain aspiring residents. West Ham and Plaistow will take its place as one of Newham’s neighbourhoods that is seen as being exceptional as opposed to a place that is the focus of social stigma and acute deprivation. The area will have good quality locally managed housing, good community facilities, an attractive environment, excellent
schools and services and the ability to access economic opportunities as they arise” (Delivery Plan, p.2)

In relation to the Economy theme, three key outcomes and associated milestones were agreed. These were distilled from an initially larger number through a process heavily focused on the views and aspirations of local residents:

- reduce overall unemployment to the London average by the end of the scheme’s lifetime:
  - reduce unemployment differential by 20% in year 3, 40% in year 6 and 100% by year 10
- increase employers’ confidence in the recruitment of NDC residents
  - increase confidence by a factor of 10% in year 3, 20% in year 6 and 30% in year 10
- increase the level of savings to £200+ by 40% at the end of the scheme’s lifetime
  - increase savings relative to current baseline 5% by year 3, 20% by year 6 and 40% by year 10

However, these outcomes have been reviewed and revised (as required by the Government Office for London) with a view to enhancing measurability and accountability. The main revised outcomes relating to employment and skills are as follows:

- reduce the claimant count unemployment rate to the Inner London average by the end of the scheme’s lifetime:
  - reduce differential by 40% by year 6
- reduce the percentage of working age residents with no qualifications from 41% (2001 Household Survey) to 30% by year 6 and 20% by the end of the scheme’s lifetime
- reduce the percentage of residents with no savings from 56% (2001 Household Survey) to 40% by year 6 and 30% by the end of the scheme’s lifetime
- reduce the percentage of unemployed residents who identify both the lack of childcare and their inability to pay for it as a barrier to them accessing employment from 15% (original baseline) to 12% by year 6 and 5% by the end of the scheme’s lifetime
- increase the percentage of residents accessing lifelong learning to 10% by year 6 and 20% by the end of the scheme’s lifetime

2.5. The rationale for the employment programme

The development of a programme of interventions for the Economy Theme was undertaken in the context of a broader approach that explicitly sought to integrate the various elements and ensure ‘joined-up’ working so that initiatives across the theme areas reinforced each other in the achievement of all outcomes. The emphasis was on developing long-term solutions to achieve sustainable change, breaking the ‘cycle of deprivation’, developing the capacity of the community to participate directly in the formulation and delivery of initiatives, and ensuring flexibility to changing circumstances. The initiatives developed in the Economy Theme, therefore, are intended not just to tackle immediate unemployment issues but also more broadly to raise career aspirations, access employment opportunities that exist outside the NDC area and increase income in the NDC area.
Another key element of the broader strategy with important implications for the Economy Theme is the commitment to develop ‘neighbourhood management’ of services through new forms of delivery that involve local people. Forms of social enterprise are seen as central to this initiative, which will provide local people with opportunities to secure jobs and work experience.

Initiatives in the Economy Theme are seen as crucial to the achievement of the Partnership’s vision. A number of key priorities were identified:

- reduce unemployment: targeting socially excluded groups and long-term unemployed
- improve entry to employment: raising abilities, aptitude and skill levels to enable confidence to access work
- improve access to employment: removing barriers such as lack of childcare facilities to provide choice and options to take up employment
- raising household income levels: developing good quality employment opportunities
- reducing benefit dependency: dealing with the barriers that hinder access to employment

Overall, the approach in the Economy Theme is heavily oriented towards a ‘supply-side’ orientation - on equipping people to be able to gain access to jobs that exist or are created in the local labour market. There is less concern with creating jobs in the local area, although the social enterprise element, linked to neighbourhood management, does seek to maximise employment opportunities from NDC initiatives and new solutions to local service delivery. This strategy was adopted on the basis of a reasoned assessment and appraisal of options in relation to the problems and opportunities of the area and the wider economic context. The rationale is well summarised in the Delivery Plan (p.29-30):

“In the case of the economy theme this has had to take into account that the area is a place where people live rather than being a centre of commercial activities, with little land available for development. Therefore, an approach, which had as its main focus the generation of major local employers was rejected as not feasible. As a result the key priority selected has been to develop the area’s relationship with major job markets and the new transport infrastructure. On this basis the partnership has assessed that the best option is to focus on equipping and supporting local people to access job markets through a range of targeted interventions.

The development of enterprise based initiatives that focus on the development of small businesses was largely rejected due to relatively low impact and poor value for money. These interventions were assessed as too costly and subject to an unacceptably high failure rate. Support is already available through... (Business Link)...and the private sector and we will seek to maximise the impact of these initiatives in the NDC area.”

Another key element of the rationale behind the approach adopted was the perception that in order to ‘break the cycle of decline’ in the area, early large-scale intervention was required through revenue-funded projects to address the problems faced by the most disadvantaged groups. Moreover, it was considered that existing mainstream services failed to address the needs of these groups adequately because they are restricted in their capacity to provide the intensive personalised help required to address the often complex range of problems that such people face. Therefore, the key focus for the
NDC is to supplement and add value to mainstream provision so as to provide customised, intensive help, sustained if necessary over a long period of time, which can address the complexity of people’s circumstances and problems and help them achieve sustainable employment.

2.6. The key employment initiatives

The Economy Theme comprises four main initiatives, which reflect the above rationale:

• job brokerage and advice services
• training and skills development
• childcare and pre-school provision
• social enterprise and the Resident Service Organisation

Job brokerage and advice services

The NDC’s ‘flagship’ project is ELITE (East London into Training and Employment), a job brokerage scheme that has been formally in operation since March 2001. It was developed through partnership working between the NDC, Jobcentre Plus and Newham LBC to provide an integrated employment, training and advice service targeted on disadvantaged residents who experience multiple barriers to employment. These partners form a steering group that oversees the project. ELITE provides intensive, personalised assistance through Personal Advisors who undertake needs assessment and arrange for clients’ needs to be met through, for example, advice and guidance, training, employment preparation, job search and applications, support for childcare and benefits advice. Clients are caseloaded and receive continuous, progressive help which is intended to continue after they obtain work in order to promote skills development and progression to better paid employment. The project also has a contract with North Canning Sure Start to deliver services to parents in the Sure Start area.

During its first year, the project was contracted out to a private sector provider, Reed in Partnership, the local Employment Zone provider. This was seen as providing the opportunity for the NDC to test the method for delivery. However, it was decided not to continue this arrangement beyond March 2002 and to bring the management and delivery of the project ‘in-house’. The NDC Board considered that the contracting-out arrangement did not give them sufficient control over the strategic direction of the project and did not promote local ownership. Thus, it proved difficult to link the project sufficiently with the other elements of the NDC programme in order to maximise ‘synergy’ benefits in addressing the needs of the most disadvantaged groups.

ELITE is now based at The Hub, a new Community Resource Centre in the Canning Town area (the first of three planned for the NDC area). The Hub also includes an internet café, a pharmacy, a nursery (providing day care for children aged under six as part of the Childcare Strategy - see below), a community hall, a Children’s Society Refugee and Homeless Team and offices of the Community Mental Health Team and is facilities-managed by the Resident Service Organisation (RSO) as a social enterprise. Indeed, a particular benefit of the new in-house arrangement is seen as the potential to link ELITE with the RSO (see below). ELITE also operates weekly ‘outreach surgeries’ at three community bases in the south, central and northern parts of the area.

ELITE seeks to build on and add value to existing provision and avoid duplication by close working with key partners. Jobcentre Plus second two members of staff to ELITE to provide advice and signposting to New Deals, access to Jobcentre Plus vacancies and advice on benefits. The project has built up a network of links with agencies for
referral of clients, for example, for ESOL, childcare support, training and work placement and advice on business start-up

A recent evaluation of ELITE (GLE, 2004) drew positive conclusions about its effectiveness. Although it failed to achieve its job outcome targets in the first two years it was on target in the current year (2004-05). However, the project has under achieved on targets for supporting people into customised training and supporting new business start-ups, raising questions about the effectiveness of links with employers and agencies to support business start-ups. The project attracts a high proportion of clients from BME groups (over 70%) but has experienced some difficulty attracting people whose first language is not English, Asian women (especially married), young people and people with disabilities. Clients indicated that they valued the personalised and friendly service, especially advice on benefits and help with job search and training that was tailored to their individual needs.

Arising from this evaluation, it is possible to identify four areas for attention:

- the need to ensure that the target disadvantaged groups are being reached by the project, especially people with health and disability problems, people whose first language is not English (the number of whom is increasing due to migration from Eastern Europe), and Asian women. This implies greater attention to outreach work and developing links with other relevant agencies for referrals and with community groups
- the need to ensure that a range of effective support is available to address the problems and meet the needs of those suffering multiple disadvantages requiring the extension and strengthening of links with relevant agencies for referral of clients
- the need to strengthen links with employers and employers’ organisations, with agencies responsible for inward investment (Newham LBC and London Development Agency) and with Jobcentre Plus Employer Teams for the purpose of identifying new employment opportunities and developing customised training and employment initiatives to secure jobs for NDC residents
- the need to ensure consistent application of tailored, individually-focussed support for clients throughout the process involving regular follow-up and monitoring of progress, especially when they are referred to other agencies and after they achieve employment

The NDC has also developed an outreach advice service provided by Community Links which provides advice on welfare benefits, housing, money and debt and immigration. Advice surgeries are provided at a number of outreach venues including the NDC offices in London Road, the Cranberry Lane Community Centre and the Brooks Road respite unit and also at GP surgeries and the Star lane Medical Centre.

Training and skills development

A key element of ELITE is to ensure people access the training that they need in order to secure appropriate employment. The baseline research indicated a problem of low qualifications and skills in the area and a lack of interest and motivation to participate in learning and training. One aspect of the problem is a lack of appropriate learning and training provision within or close to the area and a wide dislike of training in traditional ‘large scale’ settings such as FE colleges. Therefore, although ELITE can access training through linkages with the Newham Access to Jobs Strategy and Partnership, it was considered that the NDC needed to provide additional training opportunities that were accessible locally and that would encourage people onto the ‘first rung’ of learning.
IT-based training constitutes an important element in the strategy and there are two main initiatives. First, a *Computers for Adults* programme was introduced on a pilot basis at Portway primary school to provide very basic introductory courses. The success of this pilot resulted in an extension of the project to two additional local schools and Newham Community Education also now supplements provision with a range of free introductory and more advanced courses.

Second, the *Computer Gym* project provided a converted lorry equipped with an IT training facility which visited three locations around the NDC area, each for one day per week, to provide free basic training. Take-up was high and to follow this up the Move IT project was launched in Summer 2004 (jointly with Newham Community Education Service) providing a mobile IT and multimedia resource from a refurbished mobile library. Move IT provides free training based at a different location across the NDC area on each weekday. Courses are provided at beginner, intermediate and advanced levels in computing, on Internet skills, web design and multimedia course such as music and video production. An advantage of both this project and the Computers for Adult project is that it facilitates access to people who can then be signposted to other forms of assistance, for example through ELITE.

Other training initiatives are linked to NDC projects that provide opportunities for local residents to improve their qualifications and skills and obtain employment. The capital refurbishment of the Brooks housing estate has provided the opportunity to develop a *Construction Labour Initiative* which will provide training and work experience in construction for local residents with the aim of leading to sustainable employment in the construction industry. This model is likely to be extended to other NDC-financed construction projects, such as the Community Resource Centres (CRCs), and to the development of the Resident Service Organisation (RSO) through which local people will be trained to undertake a range of local service provision (e.g. facilities management of the CRCs and home safety and security improvement).

Training is also being developed for *childcare workers* as part of the Childcare Strategy (see next section). A training programme for *Community Interpreting* has been developed, providing training for bi-lingual residents of the NDC area and bi-lingual clients of the Newham Homeless Persons Unit who are interested in using their skills in the field of interpreting and translation. The course, developed jointly with the Newham Language Shop and Making Training Work, provides accredited training in community interpreting with placements and post-course support to help find employment as an interpreter. Finally, the NDC are working with the *Discover Volunteers* programme, which provides training in conjunction with volunteering activity in children’s storytelling, leading to formal qualifications.

**Childcare and pre-school provision**

A lack of suitable and affordable childcare provision was identified in the baseline analysis as a significant barrier to employment faced by many NDC residents. Thus, the NDC’s baseline data indicated that 15% of unemployed residents identified lack of affordable childcare as a barrier to accessing employment and a Skills Audit in 2003 found that just under half of unemployed residents cited childcare as the main obstacle to finding work and over a third stated that childcare prevented them from undertaking further training (NDC, 2004). The NDC’s analysis has indicated that there is a lack of day care provision in the NDC area, that available childcare is prohibitively expensive for low income families and that demand for childcare is likely to increase in the future with increases in the number of women in the workforce and in the number of lone parents with young children (NDC, 2004).
The NDC has drawn up a Childcare Strategy the main objective of which is to develop an integrated childcare infrastructure to meet the needs of families with children and support the development of parents’ skills and work experiences so they can move from benefits into employment. The central element of the strategy is the development of a Children’s Centre as a social enterprise providing a range of integrated children’s services. The main component of the Children’s Centre will be high quality nursery and childminder day care focused on the three new Community Resource Centres (CRCs). The Hub was opened in Summer 2004 (and houses ELITE - see above) and the nursery is due to open early in 2005; the Woodlands Centre will open in Summer 2005; while a third centre is planned in North Plaistow. Within each centre there will be full day-care provision for pre-school aged children of NDC residents supported by access to foundation stage education, parenting support, welfare advice, job brokerage and child and family health services.

In addition to nursery day care provision, the resource centre nurseries will have childminder networks offering day care for children of all ages. The Children’s Centre will also develop pre- and after-school provision in conjunction with local schools. Training in childcare for NDC residents is being provided through the Newham Training and Education Centre (NEWTEC) and employment for trained and qualified residents will be brokered through ELITE working in partnership with Jobcentre Plus to ensure that local residents benefit from the new job opportunities provided in nurseries and the childminder network.

Resident Service Organisation (RSO)

Neighbourhood management (NM) is seen as central to the NDC’s strategy to achieve long-term sustainable improvement in the area which requires radical changes in service delivery and the development of NM has gained impetus from the establishment by Newham LBC of the Public Realm Department to deliver NM across the borough, a move that was influenced by the work of the NDC. The NDCs consultations with local people identified services most in need of improvement and most likely to benefit from local delivery and, on this basis, community safety, housing management and street cleaning were identified as priorities for the development of models for neighbourhood management.

Service User groups (SUGs) have now been established in five NDC sub-areas with the purpose of identifying issues and priorities around neighbourhood issues such as environment, housing and community safety and to take the process of neighbourhood management forward. The NDC is considering adopting the Project Pathfinder from Barton Hill NDC in Bristol which provides an integrated service for waste collection, street cleansing, grounds maintenance, household bulky collections, and recycling services at a neighbourhood level. It is also providing an integrated housing service on the Brooks Estate.

As a key initiative in the NM agenda, the Big Eastern Resident Service Organisation (RSO) has been established as a community-led social enterprise delivering local services and employing local people. It provides a key vehicle for providing employment for local people in the delivery of NDC projects and local services and promoting local accountability. The RSO works closely with ELITE such that training and employment in the RSO can be an option for people following initial guidance and advice. The Big Eastern currently has two key areas of provision. First, the Handy Van, operating since January 2004, provides free safety and security improvements for elderly NDC residents; second, the RSO will provide a facilities management service for the Community Resource Centres, the first of which - The Hub - was opened in Summer 2004.
2.7. Partnership working and relationship to mainstream provision

The NDC has secured involvement from Newham LBC, Jobcentre Plus and local business in the Board and Economy theme group and it is evident that these partners have played an important role in the development and implementation of the employment strategy. There has been less involvement at the strategic level from the Learning and Skills Council and Connexions but these agencies are working with the NDC through ELITE. The NDC has experienced problems engaging the London Development Agency (LDA) due to the latter’s wide sphere of responsibilities; this is consistent with the picture in many other NDCs in relation to regional development agencies.

This reflects an issue concerning effective engagement of agencies operating at wider spatial scales than NDCs firstly in terms of reconciling NDCs’ needs with broader priorities and, secondly, due to problems of resourcing arrangements for liaison with potentially many local initiatives. It has also been evident in the NDC’s relationship with Jobcentre Plus in that West Ham and Plaistow has been one of three NDCs (the others being Hackney and Tower Hamlets) falling within the remit of one Jobcentre Plus Contact Team. This has meant that the Contact Team manager has not been able to attend all relevant meetings at all three NDCs and it is acknowledged that this has hindered developments for example, in realising the full potential of ELITE.

However, moves are being made to address this issue. Thus, Jobcentre Plus is reorganising Contact Teams at borough level so each NDC will forthwith have a dedicated Jobcentre Plus contact with increased capacity to attend meetings and support the NDC. Also, West Ham and Plaistow NDC is planning to co-ordinate their efforts with three other NDCs to improve capacity to engage effectively with sub-regional and regional bodies such as the Primary Care Trust and LDA. Problems have also been experienced securing effective engagement with employers in the wider labour market for similar reasons of scale of operation. To date the NDC has mainly worked through intermediaries but is now considering employing a Business Broker to develop links with employers.

The Annual Report on West Ham and Plaistow for 2004-05 undertaken for the National Evaluation concluded (para 6.1-6.2) that:

“The NDC has worked hard to develop good working relations with local agencies and the feedback from agencies was that they feel that a good level of trust has been built up with the NDC which assists partnership working…Overall agencies thought that their working with the NDC had increased through joint planning and implementation of projects and also in how their agency was making changes to its own strategy and ways of working in the light of the NDCs activities.”

This reflects the efforts being made by the NDC on mainstreaming, with a conscious shift of emphasis now that key strategic projects have been established towards ensuring their long-term sustainability. A notable element in the strategy is a requirement that all projects are subject to local evaluation to assess their effectiveness, learn lessons from implementation and provide the basis for discussions with mainstream providers about long-term continuation. The main elements of the NDCs mainstreaming strategy are:

• strengthening of links with the Local Strategic Partnership (LSP) and borough-wide Neighbourhood Renewal structures to ensure that the NDC area and projects are incorporated into future policy development
• the negotiation of Service Level Agreements (SLAs) with mainstream agencies; for example ELITE has developed an SLA with Jobcentre Plus which includes investigating options such as bidding for Jobcentre Plus contract and alternative sources of funding

• support for and development of social enterprises, for example as indicated by the Resource Centres, the Childcare Strategy and the development of the Resident Service Organisation

• active development of neighbourhood management

The latter initiative represents a very important element of the strategy and the NDCs work on the potential of the RSO model has influenced Newham LBC to make a significant move to develop neighbourhood management (NM) through its new Public Realm Department. The NDC has established Service User Groups (SUGs) in five sub-areas to provide a forum for residents to express their concerns and suggestions and moves are being made to develop integrated environmental and housing services for particular areas (e.g. the Brooks Estate) and, as indicated above, to investigate the potential of the Barton Hill NDC model. This approach to NM has the potential to provide significant employment for local residents in the delivery of these local services, especially through the RSO social enterprise model.

2.8. Outcomes and impact

As a Round One NDC Partnership, West Ham and Plaistow NDC is now in its fifth year of operation, thus approximately half way through the designated lifetime. As indicated above, the NDC has recently shifted the focus away from developing and implementing new projects towards evaluating its key projects to assess how effectively they are operating, seeking to learn lessons to improve their effectiveness and to begin to investigate option for long-term sustainability. The NDCs ‘flagship’ project, ELITE, has recently undergone such an evaluation (GLE, 2004) which attempted to make an assessment of its contribution to impact on worklessness. However, it is still difficult with available data to draw definitive conclusions on the impact of the NDCs employment strategy on the worklessness problem.

Table 2 presents data from the 2002 and 2004 Household Surveys and shows an increase in the proportion of people of working age in employment from 55% to 59%, a decrease in unemployed from 12% to 9% and a decrease in long-term sickness/disability from 10% to 7%. Given that the aggregate picture on these variables changed little across all NDC areas, these are promising data although caution must be used in interpreting data due to sampling error in the survey and the changes say nothing about the effects attributable to the NDC.

Table 2: 2002-04 Household Survey Data

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</tr>
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</table>

Source: MORI NDC Household Surveys, 2002 and 2004

Notes:
% of people of working age
% of all working age households
% of all respondents
Table 3 presents data on changes in the number of claimants of key benefits over the period 1999 to 2003. It can be seen that the number of workless people declined by 12.3% between 1999 and 2001, a somewhat larger decline than in Newham LBC and London and a significant contrast with the comparator area where worklessness increased. Between 2001-03 the slight increase in worklessness in the NDC compares with significantly higher increases in Newham LBC, London and the comparator area. This pattern applies both to the numbers unemployed and with work-limiting illness.

Table 3: Change in worklessness, unemployment and work-limiting illness 1999-2003 in West Ham and Plaistow

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<tr>
<td></td>
<td>W Ham &amp; Plaistow</td>
<td>Comparator Area</td>
<td>Newham LBC</td>
<td>London</td>
</tr>
<tr>
<td>Workless</td>
<td>-12.3</td>
<td>1.7</td>
<td>-10.3</td>
<td>-8.7</td>
</tr>
<tr>
<td>Unemployed</td>
<td>-29.2</td>
<td>-20.5</td>
<td>-28.7</td>
<td>-26.1</td>
</tr>
<tr>
<td>Work-limiting illness</td>
<td>1.5</td>
<td>23.8</td>
<td>6.8</td>
<td>6.0</td>
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<td>W Ham &amp; Plaistow</td>
<td>Comparator Area</td>
<td>Newham LBC</td>
<td>London</td>
</tr>
<tr>
<td>Workless</td>
<td>0.8</td>
<td>6.3</td>
<td>2.7</td>
<td>7.2</td>
</tr>
<tr>
<td>Unemployed</td>
<td>2.6</td>
<td>12.8</td>
<td>5.7</td>
<td>12.4</td>
</tr>
<tr>
<td>Work-limiting illness</td>
<td>-0.2</td>
<td>2.1</td>
<td>0.8</td>
<td>4.1</td>
</tr>
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</table>


These changes at the aggregate NDC level in both Household Survey and benefit claimant data provide a possible indication of a positive impact of the NDC on levels of worklessness in the area.

As regards benefit data, Table 4 provides a more detailed breakdown of transitions between benefit states but there is no conclusive evidence from these data in relation to movements off benefits. However, what is highlighted by these data is the high level of movement out of the NDC area (12% of claimants between 1999 and 2001 and 16.5% between 2001 and 2003), although levels of out-moving are somewhat lower than in the comparator area. Nevertheless, this indicates the relatively high level of ‘population churn’ in the NDC area and raises two issues in relation to the analysis of worklessness. First, it indicates the potential for benefits to the area from helping people into work to ‘leak’ out of the area if those getting jobs move away and are replaced by people who are workless. Second, it links to the problem faced by the NDC area of a high proportion of people whose first language is not English. As Table 2 indicates, the proportion of people in this category has increased from 29% in 2002 to 38% in 2004 and this is consistent with the view reported by the NDC that the number of migrants from Eastern Europe has increased significantly. This represents a real challenge for the NDC in addressing the needs of these people but also indicates the potential for a high degree of population turnover in the area which may hinder the NDCs attempts to establish more stable communities.
Table 4: Changes in benefit status 1999-2003 in West Ham and Plaistow

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<td>W Ham &amp;</td>
<td>Comparator</td>
<td>London</td>
<td>England</td>
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<tr>
<td></td>
<td>Plaistow</td>
<td>Area</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stay on JSA</td>
<td>11.2</td>
<td>13.1</td>
<td>14.3</td>
<td>11.5</td>
</tr>
<tr>
<td>Leave JSA</td>
<td>25.0</td>
<td>26.1</td>
<td>25.6</td>
<td>20.5</td>
</tr>
<tr>
<td>Move JSA/IB/SDA</td>
<td>3.4</td>
<td>3.2</td>
<td>3.9</td>
<td>3.6</td>
</tr>
<tr>
<td>Stay on IB/SDA</td>
<td>37.5</td>
<td>30.8</td>
<td>39.9</td>
<td>48.1</td>
</tr>
<tr>
<td>Leave IB/SDA</td>
<td>6.2</td>
<td>5.4</td>
<td>6.8</td>
<td>7.6</td>
</tr>
<tr>
<td>Move IB/SDA-JSA</td>
<td>0.8</td>
<td>1.2</td>
<td>1.1</td>
<td>1.2</td>
</tr>
<tr>
<td>Leave the area</td>
<td>12.0</td>
<td>15.0</td>
<td>2.8</td>
<td>0.9</td>
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</table>

Sources:

The evaluation of ELITE by GLE (2004) found that it had under-achieved against its target of securing sustainable employment for 50 clients in 2002-03 and 2003-04 but was likely to over-achieve in 2004-05. It was found that ELITE was succeeding in targeting ‘hard-to-help’ groups (with some exceptions such as Asian women and people with disabilities) and that a high proportion of clients were from BME groups. It was estimated that ELITE was likely to have made a significant contribution to the reduction of unemployment between 2001 and 2003, having supported nearly 40% of those who secured employment. It was also estimated that ELITE would make a significant contribution to achievement of the NDCs future targets to reduce the claimant count and the proportion of residents with no qualifications if it achieved its own targets.

However, the evaluation raised the question of the appropriateness of the claimant count target given the scale of the broader problem of worklessness, especially the number of people with work-limiting illness or disability (whom ELITE has not been very successful in reaching). The data in Tables 2 and 3 indicate how little change there has been since 1999 in the numbers in this group and this is now recognised by the NDC as an area requiring greater attention by ELITE. This reflects the stronger emphasis that is being given in national policies and initiatives to helping Incapacity Benefit claimants return to work.

### 2.9. Key issues and lessons

Although West Ham and Plaistow has few jobs within the area, it is situated close to areas of major employment growth in the London labour market and to zones earmarked for substantial regeneration in the Thames Gateway Partnership Strategy. Public transport links are generally good, providing potential access to a wide range of job opportunities in the London labour market, even in the West End. This resulted in the NDC adopting an ‘outward-looking’ approach to maximise the potential for connecting its residents to these job opportunities. Given the nature of the problems and barriers faced by local residents within this broader labour market context, it was logical to focus on a ‘supply-side’ approach, with intensive action to address these problems and remove the barriers equipping people to capitalise on the employment opportunities available to them in the wider labour market.

This ‘outward-looking’ approach was also encouraged by the strong links between the NDC and Newham LBC which facilitated the development of the NDC strategy in the context of the Access to Jobs Strategy and Partnership, which in turn sits within the
Thames Gateway Economic Strategy. This promoted a strong awareness of the wider labour market and policy context and an approach to strategy development which seeks to make full use of the opportunities in this broader context. However, it is not clear that the NDC has realised the potential for links with employers in this wider labour market in order to gain access for residents to available job opportunities. It is indeed difficult for a neighbourhood-based initiative such as an NDC to establish working relationships with organisations that have a wider sub-regional or regional remit, as is illustrated by the problems experienced by the NDC with the London Development Agency (LDA), the LSC and even, to some degree, with Jobcentre Plus. However, it would appear that there is scope for the NDC to establish stronger links with those sections of the local authority and Jobcentre Plus which are working with employers sub-regionally on recruitment initiatives, for example initiatives in the Docklands.

A further issue raised by the strong supply-side orientation of the NDC’s strategy concerns the potential role of support for self-employment and business start-up. Notwithstanding the logical focus on promoting access to available jobs in the wider labour market, there is nevertheless a potential role for action to help people start up new businesses locally. This addressed to some degree in, for example, the vision for social enterprise development and the potential offered by the Childcare Strategy in relation to childminding. Moreover, ELITE has had targets for supporting and developing new businesses but has failed to achieve them and the recent evaluation recommended that these targets should be removed and that the project should establish referral links with agencies specialising in business support. There is indeed support available through such organisations as Business Link and the Prince’s Trust but the NDC will need to ensure that effective provision can be accessed locally by people wishing to pursue this option and that they receive on-going support and contact, ideally through ELITE, and are not just left to ‘fend for themselves’.

Although the main elements of the strategy have not changed over time, there have been some modifications indicating adaptability to changing circumstances. Thus, the childcare provision has become a more substantial component of the strategy in response to the developing policy agenda and availability of funding; ELITE was brought in house and re-focused on people facing the greatest disadvantages and barriers to employment in response to concerns about its effectiveness; recognition of the growing Eastern European migrant population in the area has required the development of plans to meet their special needs. A key factor in the capacity to adapt is the emphasis that is placed by the NDC on evaluation, with all major projects required to undertake an independent evaluation to assess their effectiveness and potential for improvement, and to assess options for long-term sustainability and potential mainstreaming. The benefits of this emphasis on evaluation are illustrated by the evaluation of ELITE undertaken by GLE (2004).

Over time the NDC has also changed its key outcome measures and targets with reference to considerations of ‘relevance to the strategy’ and measurability, in order to improve monitoring and evaluation data. It is understood that latter consideration was emphasised by the Government Office with a concern for enhancing accountability for progress in achieving outcomes. There is often a tension between relevance and measurability in performance measurement systems and the problem is illustrated by the use of claimant count unemployment as one of the new targets. This can be seen to some degree as contradicting the recent increasing recognition that the key problem for the area is one of worklessness (including registered and non-registered unemployment and inactivity due to work-limiting illness) rather than the number of JSA claimants. This issue has been acknowledged and the number of Incapacity Benefit claimants is being monitored but it does illustrate the need to ensure the appropriateness of key outcome measures.
The NDC is giving a lot of attention to ensuring inter-linking across themes in order to ensure that local residents secure the maximum training and employment opportunities from NDC investment. A good example is the Construction Training Initiative on the Brooks Estate which provides training and work experience in the project to renovate housing on the estate. More generally, the social enterprise model and specifically the Resident Service Organisation provides wider opportunities for employment of local people in the provision of local services such as estate management and the management of the resource centres. There appears to be considerable value in the Carousel Meetings organised by the NDC to bring managers and staff from the various themes together to identify and discuss opportunities for cross-theme linkages.

It is clear that the NDC has worked hard to develop good working relations with local agencies and there appears to be a high level of trust on the part of most agencies. A key relationship in for employment is Jobcentre Plus and they have been represented on the NDC Board and employment theme group from the outset and are partners in the ELITE project. However, the strategic level of involvement of Jobcentre Plus has been limited because the Contact Team Manager has had to deal with three NDCs. This arrangement has now been changed and Newham LBC now has its own Contact Team, providing more time to support the NDC. Another key problem area has been the difficulty establishing relations with the London Development Agency; this is being addressed through collaboration with other NDCs. Developing effective working relations with these agencies is crucial for the employment strategy to gain access to job opportunities in the wider sub-regional labour market, as discussed above.

The effectiveness of ELITE is central to the success of the broader employment strategy and the recent evaluation provides a broadly positive picture. Some of the lessons to be drawn are similar to those from previous research on job brokerage schemes. It is widely seen as a trusted intermediary, in contrast to the suspicion with which Jobcentre Plus is regarded by some customers. An important factor in this is the provision of what is regarded as impartial advice and help in relation to benefits. A key factor in its effectiveness is the provision of friendly, individually-tailored help and support which adopts an holistic approach to the range of problems faced by individual clients, with on-going support from a personal advisor which continues once the client secures a job. Based upon the recent evaluation, a number of areas for attention can be identified:

- the need to ensure that the target disadvantaged groups are being reached by the project, especially people with health and disability problems, people whose first language is not English (the number of whom is increasing due to migration from Eastern Europe), and Asian women. This implies greater attention to outreach work and developing links with other relevant agencies for referrals and with community groups
- the need to ensure that a range of effective support is available to address the problems and meet the needs of those suffering multiple disadvantages requiring the extension and strengthening of links with relevant agencies for referral of clients
- the need to strengthen links with employers and employers’ organisations, with agencies responsible for inward investment (Newham LBC and London Development Agency) and with Jobcentre Plus Employer Teams for the purpose of identifying new employment opportunities and developing customised training and employment initiatives to secure jobs for NDC residents
- the need to ensure consistent application of tailored, individually-focussed support for clients throughout the process involving regular follow-up and monitoring of progress, especially when they are referred to other agencies and after they achieve employment
A key challenge faced by the NDC over the next few years concerns the need to ensure the sustainability of key projects and initiatives into the long term beyond the end of the NDC programme and also the sustainability of improvements to the quality of life of local people and to the area that are achieved by the NDC. In relation to employment, the achievement of sustainability in employment outcomes for the NDC area and residents presents challenges. First, it requires that local residents who do secure jobs both retain employment over the longer term and, ideally, progress within the labour to better and higher paid work. This can be difficult in a context where many ‘entry-level jobs’ are poorly paid and may not have good in-work training and progression opportunities. This presents a challenge to projects such as ELITE in seeking to support people after they have obtained work to ensure they retain the job and, where possible, support progression. Second, it requires that local residents who secure jobs do not move out of the area (to be replaced by others who are workless). This presents a challenge to the NDC to improve the overall attractiveness of the area as a place to live (in terms of housing and environmental conditions, crime levels etc).

As regards the sustainability of key projects, it is notable that the NDC is now placing considerable emphasis on this, requiring that all revenue projects undergo an examination by 2007 of their potential for continuing in the long term either through mainstreaming, neighbourhood management or individual fundraising. For example, in relation to the ELITE project a number of options are being considered including contracting for delivery with Jobcentre Plus, developing a commercial job-placing service and securing funding from sources such as ESF, the LDA and the Prince’s Trust. The position of Newham LBC will be an important factor given that the Access for Jobs Strategy involves developing a neighbourhood-based approach across the borough based upon packages of funding. Indeed, the development of Neighbourhood Management across the borough will be an important factor in the future sustainability of the social enterprise model in West Ham and Plaistow, for example, the degree to which budgets and decision making are devolved to neighbourhood level and the extent to which local services can be provided through social enterprises employing local people.
3. **Hull Preston Road NDC**

3.1. **The NDC area and its problems**

The Preston Road NDC (PRNDC) area lies three miles to the east of Hull City centre. It is divided into four segments by a dual carriageway and a waterway. The area is overwhelmingly residential, characterised by pre-war low density housing, more than two-thirds of which was recorded by the 2001 Census as being in the social rented sector. Prior to the start of the NDC there were very few commercial or other facilities in the area, although there were two primary schools, an estate office, an old community centre, a Methodist church and a single GP surgery on the edge of the area.

The 2001 Census indicates that the area is home just under 6100 people in approximately 2500 households. When first built, houses in the area were much sought after. Over time, the area became run-down: there was a feeling amongst some “that the area had suffered from underinvestment by the council. Services were felt to have been neglected and allowed to deteriorate, particularly housing, which was believed to be poorly maintained and unmodernised”. However, there is evidence that the poor image of the area is changing: the 2004 MORI Household Survey showed that overall residents in the PRNDC area were generally more satisfied with the area than in other NDC areas; only 25% wanted to move out of their home (38% in all other NDC areas) and 82% were fairly/very satisfied with the area (67% in all other NDC areas). People are now coming back to the area because they want to, and in January 2005 it was reported that there were 170 people on a waiting list for three-bedroomed houses. Amongst existing residents, ties of extended families tend to retain people in the area.

According to the 2001 Census 99% of the population of the PRNDC area is White, compared with 98% across Hull as a whole. The proportion of lone parent households within the Hull NDC area is over 17%, compared with around 10% in Hull and 7% across England and Wales. The population profile of the PRNDC area is somewhat younger than the Hull average.

In relation to worklessness the key issue is:

- **high levels of unemployment and non-employment, especially amongst youths**: the PRNDC area experiences the highest rate of unemployment amongst 16-24 year olds of all the NDC partnerships. It was reported in interviews conducted that many youths in the PRNDC area lack career aims, aspirations, basic IT skills, ‘people’ skills, knowledge of how to fill in an application form and interview skills.

Important related issues are:

- **high levels of benefit dependency**: around two-thirds of those in the 2004 MORI household survey receive income from benefits, and just under a third from a job; hence, those who are unemployed, on state benefit or in the lowest grade jobs make up the largest social group within the Hull NDC
- **poverty**: identified as a “real issue”, with debts with 170% interest rates recorded in the PRNDC area. Moreover, the lack of a bank account can act as a barrier to employment
- **relatively high levels of limiting long-term illness**: 16% of PRNDC residents of working age are recorded by the 2001 Census as suffering limiting long-term illness, compared with 12% in Hull and 10% across England and Wales
- **poor qualifications and skills**: according to the 2001 Census 58% of 16-74 year olds in the PRNDC area have no formal qualifications (the second highest
proportion in any of the NDC Partnerships), compared with 41% in Hull and 29% for England and Wales (29.1%), while in the 2004 MORI household survey 47% of those of working age reported that they had no qualifications

- **culture of worklessness**: several interviewees referred to worklessness as being “bred in the bones” such that with inter-generational unemployment/non-employment an anti-work culture had become embedded in the PRNDC area. Worklessness was reported as being so endemic in some families that to get a job was to be the “black sheep” of the family. One employer contended that it was as if (some) NDC residents lived in “a little bubble” removed from understanding of the world of work and work etiquette, reporting that it was difficult to cope with people who had “no work ethic”

- **localised outlooks**: Hull is divided by a river into east and west Hull, and historically there has been a tendency not to travel from one side to the other. Several interviewees referred to a reluctance to travel: “All folks want an employer at the end of the street. If they have to get two buses it's the end of the world”. In the 2004 MORI focus groups there was a general feeling that local job opportunities were very limited, with most confirming that they were reluctant to work outside the Preston Road area: “I'd like a job, but only on Preston Road.” Coupled with a localised outlook are

- **perceptions of area discrimination**: One interviewee reported that there is a belief that there is a first sift on job applicants in the HU9 3 and HU9 5 postcode areas, and the retort from a focus group participant that “If you say you’re from Preston Road they just look down on you” endorses this. However, the general view from those interviewed in the evaluation was that area discrimination is mainly in “local people’s heads”, and not necessarily in the heads of employers

### 3.2. The labour market and policy context

**Labour market context**

The Hull economy may be characterised as “sluggish”. This is despite the fact that the city has the advantages of a Port and a large and broadly based economy and a relatively high GVA. However, the picture of macro-economic performance is not all rosy: a ‘State of the City’ audit by Local Futures (2004, 9) concluded: “Hull has a large economy, sitting in the first quartile as measured by its share of national GVA and total national employment. The city also boasts a relatively high GVA growth rate, again positioning Hull in the first quartile. However, levels of economic productivity are below average... and employment and earnings growth rates are low”. Hence, the Hull economy is under-performing on a range of indicators:

- **unemployment is persistently high**: no ward in the city has unemployment levels below the national average (City Vision, 2001)
- **low employment rate**: The employment rate is lower than sub-regional, regional and national averages
- **poor educational attainment and high levels of basic skills needs**
- Hull ranks 380th out if 408 British local authorities on Local Futures’ composite skills and qualifications score
- almost one third of Hull’s population are ranked as having poor numeracy and literacy - 31% of people in the 2004 MORI household survey cited skills/training as a barrier to work
- Hull has the highest level of educational deprivation in England
- **business start-ups and growth are low**: there is little tradition of self-employment
- **manufacturing** (especially traditional manufacturing, light engineering, fabrication and food production/processing industries - the latter, along with the dock industries, contribute to a tradition of ‘casualisation’ in the local labour market) and **public sector employment** dominate the employment structure: two major employers are the local authority and the health authority

- just under a fifth of employment in the Hull economy is in **knowledge-driven employment**, which is low when benchmarked nationally. The local telephone company (Kingston Communication) is a pioneer of broadband and interactive television and the University of Hull has a Science Park with some world-class departments, but there is little high technology industry, and graduate retention is a key issue

- **average gross weekly earnings** are lower than the sub-regional, regional and national average: one interviewee described as a “minimum wage plus £2 economy” - therefore limited incentive to move off benefits; (this is a challenge for the employment projects). There is a tradition of ‘casualisation’, linked to food processing industries

The picture emerging is one of a low wage, low cost, low skill economy. Hull ranks 11th and 15th worst of 354 local authorities in England in terms of degrees of income and employment deprivation. A Cityvision (2001) *Challenges for the Future* report summed up the situation as follows: “…the City’s economy is still relatively weak, and lags behind the regional economy... The rate of new business registration is low, and there have been few major inward investments. Improvements in educational attainment and crime rates are taking place, but slowly.” In 2004 Local Futures attributed the “weak labour market score for Hull as being due to economic instability, with not enough new jobs generated in the service sector to replace jobs lost in primary and manufacturing sectors. There is also the issue of re-skilling and up-skilling the local workforce…” (page 15).

Hull may be characterised as a city that is slowly haemorrhaging: the population has been declining since the mid 20th century. The resident population of Hull is estimated to have declined by 8% between 1991 and 2002 (Local Futures, 2004). Population decline has been attributed to several factors including a lack of variety of housing types, school performance and deteriorating environments. Several interviewees reported that the aspirations of many of those living in Hull is to live in the neighbouring East Riding - which is seen as offering better schools, services and quality of life. With some people ‘voting with their feet’, some fears were expressed of Hull becoming a ‘sink city’ if the spiral of decline and underachievement was not reversed. The fact that Hull is ‘tightly bounded’ (i.e. the boundaries of the city are drawn close to the edge of the built-up area) and that the East Riding is functionally part of the Hull labour market has implications for interpreting labour market (and other) indicators for Hull.

Interviewees reported a recent upturn in the local labour market, with a decrease in unemployment and an increase in vacancies. It was noted that skill shortages were evident for electricians, bricklayers and plasterers, and for several other construction skills. In the NDC area there may be some evidence for this upturn in the reduction in the percentage of MORI household survey respondents citing ‘no jobs available’ as a barrier to work from 14% in 2002 to 7% in 2004, but there was an increase in ‘no suitable jobs available’ from 13% in 2002 to 21% in 2004. However, in the broader context of national economic growth, it is salient to note that: “The City of Hull sticks out as one of the few areas where recent good national performance has not made much difference locally” (Cityvision, 2004, 4).
Policy context

The local labour market context provides significant policy challenges for national, regional, sub-regional and local institutions. At national level the Government aims to provide a stable macro-economic base for investment decisions. It is also concerned with enhancing the factors of productivity: skills, investment, innovation, enterprise and competitiveness. At regional level, in Yorkshire & the Humber the Regional Economic Strategy is concerned with growing the region’s businesses, achieving higher birth and survival rates, attracting and retaining more investment, improving education, learning and skills, targeting key issues through community based regeneration programmes, and obtaining the best from the region’s physical and environmental assets. At local level, Hull is designated an Assisted Area, enabling access to DTI funded Regional Selective Assistance and Enterprise Grants, and is also an Objective 2 area. Additionally, the city has been successful in attracting funding for a wide range of regeneration projects, including the National Lottery, Health Action Zone, Education Action Zone, Sure Start and Housing Market Renewal Pathfinder, as well as NDC. The Hull Community Strategy published in 2002 aims to rejuvenate the local economy, building on assets such as the port and information technology, to ensure that everyone in Hull has a chance to obtain work and benefit from its future growth.

Whereas most English cities have a strategy for economic development or regeneration, Hull is distinctive in having an Employment Strategy and associated 5-year Action Plan. The Employment Strategy links the key thrusts of European, national and regional strategies and policies in order to meet the needs and opportunities of the local economy. Within the overarching vision of the Economic Regeneration Strategy ‘Growing and Connecting Hull’ as “a confident dynamic and inclusive City where people want to live, learn, visit and invest”, the focus of the Employment Strategy is to ensure a dynamic and inclusive labour market based on higher order skills, lifelong learning and a range of quality jobs; as well as creating strong communities by increasing economic activities, celebrating diversity and promoting economic integration.

Specifically, the purpose of the Employment Strategy and Plan is to connect people to jobs. While economic development and regeneration strategies aim to speed up job creation, and learning and skills strategies may help get people ready for jobs, the Employment Strategy and Plan bring under one umbrella all of the organisations at sub-regional level (including the Humber Forum) and initiatives that connect people to jobs. The short-term focus of the strategy is on prospecting for all available and coming-up jobs, establishing the aspirations of young people and employers, working in partnerships to adapt structures and systems that connect people to jobs, and increasing and improving training and employment practices. Over, the medium-term the focus is on attacking barriers affecting people by introducing new pilot approaches, building confidence and self-belief amongst people and in the city, and shaping national, regional, sub-regional and local employment (and related) programmes. The long-term goal is to move ‘up market’ to knowledge-based sustainable jobs. Progress with the Action Plans is monitored and reviewed annually.

The Employment Strategy is supported by five Area-based Employment Plans (the East Hull Plan in the case of PRNDC) and a Youth Enterprise Strategy. PRNDC is one of the partners in the East Hull Employment Action Plan, and a key aim is to ensure that East Hull as a whole can benefit “from the ‘good practice’ currently operating in the area led by Preston Road NDC and PROBE.” The vision is to link the communities of the area to the opportunities that are developed in the local and sub-regional economy, in order that they can benefit from new employment opportunities brought into the city and surrounding areas.
Key features of current policy initiatives are to enhance the employment potential of people in the area. This involves creating training and employment opportunities; creating the infrastructure required to stimulate and co-ordinate economic activity, linking residents into employment opportunities in the local area (including by supporting and encouraging community/social enterprises and community groups in East Hull to employ local people) and beyond, and creating financial literacy amongst residents by supporting Credit Unions operating in the area. Hence, the emphasis is on ‘workforce skills’ (including tackling barriers to engagement for advice, guidance, training, job search) and not just qualifications, and on ‘progression in work’.

3.3. Approach to strategy development

At the outset it is important to point out that PRNDC is a direct delivery organisation. In this important respect it is different from most NDCs which are commissioning and contracting bodies.\(^1\)

The PRNDC approach to strategy development has been influenced greatly by outside pressures, which were especially influential during the PRNDC’s early, formative period. For example, it was felt that the PRNDC could not afford the luxury of a ‘honeymoon period’ and that it should look to hit the ground running, and make things happen which were not only easily quantifiable (for example, the numbers of unemployed helped) but also visual (in terms of improvements in the environment: Community Stewards are now employed to provide a range of services to the residents of Preston Road in order help develop a safer more confident community). On top of this, the pressure to spend quickly the money made available, in order to justify the expenditure laid out for the NDC, translated into a strategy development that, on many levels, had to learn to run before it could walk. Significantly though, many of the staff and stakeholders associated with the NDC are local people, and it was this ‘inside knowledge’ that proved invaluable in helping to identify (correctly) many of the core problems and issues particular to the estate in the first instance, and lay the foundations for future success.

Wherever possible, strategy development has gone hand-in-hand with the availability of accurate empirical data, as well as being informed by experiences elsewhere. For example, plans for the Intermediate Labour Market (ILM) project drew on the findings of Social Exclusion Unit Policy Action Team Reports on Jobs and Skills, and on experiences of ILMs in Glasgow and Liverpool, as well as on issues raised in community consultation. A solid foundation of baseline empirical research is available (and commissioned, as necessary, to fill gaps). This has focussed on a variety of subjects, ranging from local business surveys to problems relating to youth unemployment. From the very beginning the PRNDC, has in place a strategy which not only meets but surpasses the criteria laid before it.

From the earliest days, the PRNDC has been active in strategy development and implementation of projects. In terms of Strategy Development the PRNDC has benefited from the enthusiasm and commitment of staff. Thus, it can be argued that the NDC staff themselves hold the key to understanding how the Strategy has been and will be developed. The emphasis is firmly placed on ensuring that ‘human’ qualities come to the fore. For example, the staff members themselves draw on a wide range of resources, from personal experiences to their ability to be flexible, innovative and responsive according to the exact demands of the known customer and/ or employer.\(^2\)

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1. Indeed, it was contended setting up PRNDC as a direct delivery organisation was a key factor in the success of PRNDC’s activities.
2. Indeed, there is some frustration about structural barriers imposed by the benefits system and on the refusal by Government to implement the freedoms and flexibilities that NDCs desired at the outset in order to pilot changes and adjustments in this key policy area.
The legacy of this is that, far from being inflexible, or dogmatic, the Strategy is very much a ‘live document’ where the path being taken is informed by the path that has been taken, and is highly receptive to the things that have been seen along the way, with project staff and managers playing a key role.

The need to ensure that all resources at the NDCs disposal are focused effectively is all the more urgent now with the PRNDC facing increasing financial constraints, and with it pursuing the overwhelming desire to put in place a lasting legacy on the estate before its lifespan naturally concludes. Crucially though, the PRNDC has always had a focus very much on the future. For example, the investment in an Evaluation and Strategy project has helped ensure that the delivery, sustainability and strategic focus of the PRNDC is as effective as it possibly could be. With respect to attracting further income, a Community Funding Resource has also been established to assist (i) PRNDC as a company (ii) individual projects and (iii) community/ voluntary groups in the Preston Road area, to access additional and alternative funding streams and to develop the funding expertise of these groups to ensure some level of sustainability post 2010.3

3.4. The vision and key outcomes

“A vision of Preston Road Estate would be of a crime-free estate, with a friendly community. The whole area would be cleaned up, with shops and health services... being centralised so they are accessible for all. There would be better educational facilities for young and old. Crèches, after-school and holiday clubs would be available at affordable prices so people on low incomes could all go. Small units should be available at low or subsidised rents giving new businesses the chance to get up and running, employing local people, as well as training available for those wanting it. Open areas for kids to play football and better playgrounds for younger children, preferably with a warden. Everyone would want to live here!” (Vision Statement, 2004)

The Vision Statement of the PRNDC “Preston Road: a place where everyone would want to live” continues to fully inform the decision-making framework, and plays a central role in shaping the principal strategies and policies which have been implemented. Importantly, at all times the emphasis from the NDC is toward empowering the individual, to ensure that the majority of their needs, wants, desires and aspirations can be achieved within their own local community.

To achieve the Vision, the NDC put in place six primary themes, namely:

- **community Safety**: looks to provide a high visibility, confidence-building presence that results in a well-kept reassuring environment
- **children and young people**: looks to consolidate links with the Council’s Youth Service, improve youth facilities on the estate, work with a targeted group of “at risk” young people, and run a “Youth Bus” which will deliver advice and support sessions to young people
- **community and wealth**: looks to combat unemployment, to raise employment and self-employment rates on the estate and by doing so, address some of the wealth issues that surround the estate
- **neighbourhood Management**: looks to focus on improving local housing, buildings, the environment and community safety

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3 In the context of this strategy of using partners’ funding to deliver services, attracting external deliverers and ending mainstream funding to ensure maximum benefit for residents, NDC funding is used increasingly to fill gaps in provision for individuals or to add value.
• **learning**: to develop a community where learning is valued and residents are able to achieve their aspirations through a diverse range of quality, local learning provision. Also looks to work in partnership with schools, the LEA and the Zone, and Hull College, to develop and deliver a sustainable forward strategy

• **health**: to encourage residents to see good health as personal responsibility, to provide information and support to encourage healthier life styles, and to provide better, more accessible health care services

In 2004 these themes were reformulated as:

- Community Safety
- Education (0-16) and Learning (16+)
- Employment and Wealth
- Neighbourhood management (housing and environment)
- Community services and facilities
- Health

Each theme naturally integrates at some level with one or more of the other themes: none are mutually exclusive, and it is this joined up thinking which filters through much of what the PRNDC does. However, there is a strong message in place, reinforced by the NDC, that successfully addressing the problematical nature of employment in Preston Road, holds the key to promoting all of the many positive, virtuous, and sustainable cycles that are embedded within the Vision in its widest context.

In the case of the Employment, the main strategic objective was to bring the level of registered unemployment down from almost double the city average to below the city average within 5 years and to maintain the percentage of PRNDC unemployed below the city average by the end of Year 10. (Other related targets were associated with alleviating poverty by increasing gross incomes and earnings, and by combating financial exclusion by encouraging residents to participate in the local Credit Union, or to have a Bank or Post Office account). In the Year 5 Delivery Plan the employment-related key strategic objectives have been reformulated as:

• keeping unemployment at least at city-wide levels
• to try and reduce unemployment below city-wide levels
• to identify those furthest from the labour market and identify a way forward for them
• to enable local residents to gain priority access to mainstream services
• to aim for the national average of 30 people per year, per 10 thousand population, to have entered self-employment

### 3.5. The rationale for the employment programme

There were several key issues highlighted by PRNDC that became the stand-out 'needs' which the employment programme must address. These included the need to:

• concentrate extra resources to tackle the workless environment of young people, and to use employment as the central means of linking them into constructive socio-economic cycles

• overcome a multitude of barriers to work faced by both short and long-term unemployed individuals. A selection of these barriers included both real constraints, whether financial, institutional (benefits), lack of bank accounts, human capital (poor skills, lack of relevant qualifications, poor work ethic, poor
aspirations), or transport issues, and imagined constraints, which ranged from fear of losing certain benefits, to discrimination from potential employers (gender or age bias, and/or postcode discrimination)

- develop new sources of employment by working closely with the current needs of employers in situ, and increasing the skills-base of the residents. It is hoped that this will lead to further businesses moving to the area, attracted in part by the availability of an appropriately skilled workforce.

It is clear that activity is oriented overwhelmingly towards the ‘supply-side’, with an emphasis on enhancing the skills base of the PRNDC area. The key watchwords for delivering the employment programme were ‘innovation’, ‘responsiveness’, ‘flexibility’, ‘creativity’ and ‘sustainability’. In many ways one of the many strengths of the employment strategy, as with general strategy development process discussed earlier, is that it functions very much as a ‘live document’, and has the ability of responding quickly and effectively to a wide range of (unpredictable) circumstances and environments that presented themselves.

3.6. The key employment initiatives

PRDNC adopts a focused, integrated and holistic approach to addressing the question of employment. The key initiatives relating to this field are principally undertaken by means of adopting a two-pronged approach; one focused on supporting the needs, wants and demands of the (potential) resident workforce, the other focused on delivering the needs, wants and demands of the (potential) employers. Both are seen as crucial to creating the success of the other, and have led to several key areas where the PRNDC has sought to influence. These are summarised below:

<table>
<thead>
<tr>
<th>Main Aims Initiative</th>
<th>Initiative</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supporting business entrepreneurship</td>
<td>BSDP</td>
</tr>
<tr>
<td>Supporting residents into work/skills development</td>
<td>ILMs</td>
</tr>
<tr>
<td>Jobshop</td>
<td>PROBE</td>
</tr>
<tr>
<td>Access to credit</td>
<td>HERCU</td>
</tr>
<tr>
<td>Hard to reach groups: those not in education, employment or training</td>
<td>NEET</td>
</tr>
</tbody>
</table>

Supporting residents into work/skills development

The overall successes of the PRNDC are synonymous with the twin ideals of long-term prosperity and heightened well-being of the people who live in the PRNDC area. And it is employment, in the broad sense of the word, which has been given the central role to ensure this vision is made a reality. To achieve this employment focused goal however has necessitated an explicit and dramatic emphasis on skills development, in the hope of equipping the individual with the ‘right’ set of skills for both current and future demands of work. The chronic absence of appropriate skills in the resident workforce has been a constant thorn in the PRNDC community’s side, and cannot be underestimated. Worryingly, problems ranged right across the spectrum, from the more specialised, mechanised and advanced skills; for example the human capital skills to interact constructively with others, the ability to read and write, and so on. The hope of the PRNDC is that by building a comprehensive skills base, this will also impact on the wider social and emotional barriers related to an individual’s capital both within employment but also in daily life. In this way, to furnish a sense of belief, or confidence that employment is achievable will go a long way in overcoming the negative environment which has viewed ‘work’ as something that happens to other people.
Thus unsurprisingly, the PRNDC has sought to focus heavily on raising the skills base by encouraging the individual to participate in a (wide) range of training courses, suitable to (a) pushing back their existing skills boundaries (b) giving them the opportunity to try and learn new skills - for example, through the Construction Training Centre, funded by Hull City Council and Hull College. But fundamentally, the link between skills development and ‘schooling’ has been fragmented. Many of the individuals, especially the younger ones, felt that school had nothing to teach them - and would not have dreamt about ‘going back to school’. So the promotion of the highly prized IT skills was taken literally into residents homes. By 2004 just under half (1,056 out of 2,480 total households) of PRNDC households had had a PC installed. This was also used by the PRNDC to promote on-line, news about training opportunities and jobs vacancies, thus allowing PRNDC to retain a central, on-going, place within the household. Importantly, a thorough IT support and web design service has also been put into place.

Ultimately, it is the successful promotion of skills, sensitive to the needs of the current and future labour market, which will help achieve the quest for sustainability. This rationale for supporting residents into employment and skills development is that if individuals are able to apply their skills within formal employment, they will also gain confidence and self-esteem, and provide role models for the wider community.

**Intermediate Labour Market initiatives (ILMs)**

ILM schemes have been instrumental in the PRNDC’s hope to transform the life experiences of its workless, low skilled population base. An ILM is a scheme whereby jobs are created in or by the public sector specifically for long-term unemployed or people who have been absent from the labour market for sometime. In early 2001 an ILM programme was launched to provide job opportunities and specific vocational training for local people in the PRNDC area. In keeping with all the other employment projects its philosophy was simple: never to send anyone away without some help or assistance. The eligibility for full support was residency on the PRNDC area. NDC funding to the tune of £1.04m was allocated for the project with a target of providing ninety opportunities for local residents. This was supplemented by a further £526,000 from an ESF bid in December 2004. Yet, in just two and a half years, over 550 residents had registered, and sought advice and help via the ILM project, with 410 clients being helped into employment (with the majority undergoing some form of training and personal development).

A considerable factor in this achievement was the broader, complementary employment programme offered by the ILMs, more specifically the provision of a job-brokering and support-into-employment service, which happened after September 2001 and was given the appellation Preston Road Works! The Preston Road Works! Employment Project explicitly seeks to form partnerships with local training providers. It is hoped that this will enable the project to link residents of the Preston Road Estate to training and employment opportunities found within the wider Hull area.

The nature of the assistance provided ranged enormously, from simple signposting all the way through to a full 12 month (plus) ILM programme offering ongoing support. The project itself was typified by close working relationships with other NDC projects to provide both practical help to clients and to provide work placements an employment opportunities. Important to note as well was the fact that the ILM element of Preston Road Works! Did not generally work with employers who only paid Basic Minimum Wage. The only exception to this was if it was in the client’s interest to do so.

Despite this success, the ILM Project was not renewed in its existing form due to increasing financial limitations (principally due to the reduction in external funding)
which has forced the hand of the PRNDC to re-prioritise its spending accordingly. The ILM project spent 88% of available ESF funding and overspent its NDC funding by about £50,000. Its total cost for the two-and-a-half year of its operating life was about £1.55m. The emphasis now has moved towards use of partners’ funding, wherever possible.

Subsequent analysis of the work of the ILM has indicated that the key factor of its success and effectiveness to the beneficiaries was not the training, work experience or salary as much as the support provided by the staff. In fact one of the fundamental lessons arising from the ILM experience is the need for project staff to think and operate creatively and be flexible with each beneficiary, in order to achieve the best possible outcomes.

**Supporting business - Business Support & Development Programme (BSDP)**

The PRNDC has an on-going record of encouraging and supporting entrepreneurship from within the PRNDC boundaries, as well as looking to train individuals to the needs of business in the widest sense of the word. The BSDP project sought to engage local businesses and more importantly develop business support provision in the area to ensure creation/growth of local firms and consequently create new job opportunities. It was much needed, given the generally poor statistics attributed to new businesses in the area. For example, only 46% of Humberside’s businesses survive after four years. Its primary activities and purposes were identified as follows:

- to provide a liaison between local businesses and high quality business support
- to increase and support entrepreneurial activity on the estate
- to support residents wishing to enter self-employment
- to formalise the relationship between residents and the Business Friends of Preston Road
- to support the commitment given by Business Friends of Preston Road
- to increase the survival rate of all enterprise on the estate, self-employment, start ups, social/community enterprise
- to complement and add value to existing business support and development services

Again seeking to develop new, or consolidate existing links yet further, the BSDP incorporated eight partners, including PROBE, Yorkshire Enterprise, Business Friends of Preston Road and Sirius (Community Economic Development Company). These Partners were used individually and collectively to help bring in support for entrepreneurial (individual residents or groups) activity on the estate. As well as being an important provider of information, the Business Development Project also offers financial assistance, having developed a loan scheme with the Local Credit Union HERCU (Hull East of the River Credit Union).

During the first 24 months of the project 158 people have contacted the service to access information and advice and thirty-three people have made a successful transition into the world of self-employment and business creation. This has resulted in twenty-two new businesses starting up within the Kingston upon Hull and surrounding areas. Four of those businesses are now in a position to start recruiting additional staff, hence providing further employment opportunities within the area. The business themselves include, amongst others, hairdressing, computer sales and repairs, painting and decorating, electrician, window cleaner, double glazing fitter, building maintenance and motor vehicle repair.
Similarly, various training providers have been established by the PRNDC which offer a wide selection of training and personal development programmes. Again the presence of service delivery providers who can offer support for the clients has been a key feature of this project. These include:

- Hull College - Horticulture NVQ level I and II, PAI and PA6 Training
- Hull Business Training - included CLAIT, Business Technology, Business Administration, Accounts, Text Processing and Various Medical Transcriptions
- City Centre Training - identifies barriers such as dealing with literacy and numeracy.

Other related initiatives include both the PROBE Jobshop and Hull East of the River Credit Union (HERCU). The Jobshop provides a range of services for the client. This includes giving simple advice, helping with CV preparations, providing the very latest Jobcentre vacancies and access to information on relevant courses suitable for the local resident. It works extremely closely with the ILMs, and has been involved with the NDC from the very beginning.

Access to credit and ‘bad debts’ have been among the key barriers faced by residents of the NDC. HERCU aims to address these monetary problems in a way which is non-exploitative and supportive of the financial needs and environment that the client finds themselves in. The response has been encouraging, with 1386 clients being helped since the project launched in July 2002. Between 1 April 2003 and 31 January 2005, 153 adults joined, as well as 118 juniors. By February 2005 there were 741 clients currently working with the project, of which 236 were under 18 years of age. Delighted by this response, HERCU have already expanded their operations, and have recruited additional staff to develop both financial literacy projects in schools and to develop new links with businesses.

**NEET (Not in Education, Employment or Training)**

Finally, though the ILM project managed to engage with a considerable number of 16–19 year olds clients, it failed to make much impact in terms of reducing the figures of unemployment for this sub-population (which stands at about 30%). It is clear from the experiences of the ILM project, and others, that the question of youth unemployment considers further embedded barriers (including parenthood, and the influence of parents and extended family) many which require their own tailor-made strategies and techniques, if the client group is to be successfully engaged and positive results achieved.

To tackle NEET issues, the emphasis is on identifying the number of young people who would have just left school and become eligible for the jobs market but who are currently not in education, employment or training, and thus focuses attention on the most potentially vulnerable/excluded of the youth population.
Other initiatives

The NDC also has in place other complementary initiatives that related to the multi-dimensional local barriers surrounding worklessness of which the six of the most relevant are illustrated here. 4

- the building of a *Horticultural Training Centre*, which is a purpose-built facility that aims to provide horticulture and related skills development to East Hull residents
- the appearance of a *New Solution Centre*. This will provide a single point of contact and information for residents, regarding PRNDC projects and activities and aims to provide direct access to a number of PRNDC customer facing projects i.e. a Cyber Café, Wire-IT/HERCU collection points
- the provision of a *Community Learning (Transitional) Project*. This project aims to engage adult learners, providing information and advice related to learning, supporting learners whilst they are engaged and helping them to progress onto further learning
- the ‘*Fat Cats & Flabby Imps*’ project, which enables local people to effectively manage their finances and to overcome problems with debt by accessing a number of financial activities
- the addition of an ‘*All Inclusive Community Health Council*’ which intends to produce further strategy/employment policies and to progress the removal of barriers that prevent equal access to opportunities for all
- the *East Hull Community Transport initiative*, which seeks to create a sustainable Community Enterprise to meet the local transport needs of residents of the target PACT areas. It has been designed to create employment and provide pathways to employment whilst helping to overcome problems of exclusion and isolation for particularly vulnerable groups within the target areas

3.7. Partnership working and relationship to mainstream provision

In general, the PRNDC has positive relationships with key organisations and organisations concerned with mainstream service provision. While there are formal partnership arrangements with the Council and city-wide initiatives, “informal network” links are cited by PRNDC staff as being of crucial importance in effective partnership working.

There are particularly good relations with Jobcentre Plus, with full commitment of senior staff to the principles of NDC area-based regeneration, including through Board representation and secondment of staff to PRNDC. Jobcentre Plus has located one of their outreach teams in the PRNDC area as part of their Action Team for Jobs, in what is regarded as a “*win, win*” arrangement for both Jobcentre Plus and the PRNDC. The Pensions and Benefits section of DWP have sited a peripatetic team of Benefits advisors in the NDC area.

PRNDC employment initiatives have strong links to PROBE - a network of community-centred Jobshops operating in the PRNDC area (and beyond). PROBE is also a partner in the East Hull Employment Plan. PRNDC staff working on employment projects have also work hard to secure engagement from local employers, particularly in relation to the ILM project.

PRNDC has also worked in partnership with Hull College. The College and East Hull PACT funded the building of a £1million Horticultural Training Centre in the PRNDC

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4 It should be noted that this list is not exhaustive.
area in 2004. During 2005 education, training, employment, environmental and health initiatives based at the Centre will commence. Such activity is indicative of a greater cross-theme working within PRNDC with the maturation of the Partnership, and an appreciation that Employment Theme initiatives underpin work on other Themes. In particular, projects on youth unemployment cross-cut with the work of the Youth Team and with Community Safety and with Education work in schools. There are also close links between employment and anti-poverty initiatives.

More generally, the PRNDC area serves as a useful ‘test bed’ for innovative initiatives - some of which the City Council would like to see ‘rolled out’ to other parts of the city. This ‘roll out’ is facilitated by the fact that PRNDC is a lead partner in the East Hull Employment Plan and the over-arching Hull Employment Plan. It is recognised by the Council that there can be lessons drawn regarding not only specific projects and initiatives, but also relating to structure and partnership working. Yorkshire Forward also regards the PRNDC initiatives as possible pilots for initiatives elsewhere in the Humber sub-region.

Just as cross-theme working within the PRNDC Partnership has increased, so a greater appreciation of the need for strategic planning in the broader city-wide context has come to be appreciated with the passage of time. It is recognised that the there is a need to go beyond PRNDC boundaries, so that the PRNDC area is not isolated as a "silk-lined ghetto", but rather is embedded into the wider context and has a sustainable future after the ten years of NDC money. Hence, there is a strategic objective of integration with the East Hull Employment Strategy and East Hull Employment Action Plan. The existing plan is for the NDC to cease direct funding of Employment Projects by January 2007, with the PRNDC area provision being provided by East Hull-wide activities and projects. As part of this strategy there are plans to develop a joint funding strategy with PROBE.

3.8. Outcomes and impact

As a Round One NDC Partnership, PRNDC is now in its fifth year of operation, and so halfway through its designated lifetime. The projects associated with addressing worklessness have significantly exceeded their targets. There has been a high level of activity and interest from local residents, such that, at times, it has been difficult to cope with the demand for services. The projects have received favourable evaluation reports and are perceived as being successful and innovative. Yet it is too early to draw definitive conclusions about the long-term impact of the NDC’s employment strategy on worklessness in the PRNDC area.

Table 5 presents data from the 2002 and 2004 MORI Household Surveys on the economic position of people in the PRNDC area. According to these data (which are subject to sampling error, and so should be treated with caution), the percentage of people in employment rose from 41% to 42%. The proportion who defined themselves as unemployed decreased from 16% in 2002 to 14% in 2004, while the share of long-term sick/disabled amongst the working age population fell from 16% to 15%. There was a reduction from 51% to 45% in the share of all working age households with no-one working. This signals that some progress is being made in combating entrenched levels of worklessness in the area. Nevertheless, problems of worklessness remain more severe than the ‘all NDCs’ average.
Table 5: 2002-04 Household Survey Data

<table>
<thead>
<tr>
<th></th>
<th>Hull NDC 2002</th>
<th>Hull NDC 2004</th>
<th>All NDCs 2002</th>
<th>All NDCs 2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>In paid work¹</td>
<td>41</td>
<td>42</td>
<td>51</td>
<td>52</td>
</tr>
<tr>
<td>Self employed¹</td>
<td>2</td>
<td>2</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>Unemployed¹</td>
<td>16</td>
<td>14</td>
<td>11</td>
<td>10</td>
</tr>
<tr>
<td>Long-term sick/disabled¹</td>
<td>16</td>
<td>15</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>No-one working in household²</td>
<td>51</td>
<td>45</td>
<td>41</td>
<td>40</td>
</tr>
<tr>
<td>No qualifications³</td>
<td>54</td>
<td>47</td>
<td>33</td>
<td>32</td>
</tr>
<tr>
<td>English not first language³</td>
<td>*</td>
<td>*</td>
<td>16</td>
<td>18</td>
</tr>
</tbody>
</table>

Source: MORI NDC Household Surveys, 2002 and 2004

Notes:
% of people of working age
% of all working age households
% of all respondents

Table 6 presents data on changes in the numbers of claimants of key benefits over the period from 1999 to 2003. While at 6.5%, the reduction in the numbers workless was lower than across Hull as a whole (7.1%) between 1999 and 2001, in the subsequent sub-period (2001 to 2003) a decline of 9.9% was in excess of the Hull average (3.5%), but somewhat smaller than the decline in the comparator area. Reductions in unemployed claimants have been more pronounced in the PRNDC area than across Hull as a whole. By contrast with an 11% increase in the numbers on work-limiting illness benefits in the PRNDC area between 1999 and 2001, there was a small reduction in the subsequent sub-period, contrasting with continuing increase in Hull, and an even larger reduction in the comparator area. Hence, reductions in numbers claiming key benefits in the PRNDC area have been relatively greater than across Hull as a whole.

Table 6: Change in worklessness, unemployment and work-limiting illness 1999-2003 in Hull Preston Road

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>PRNDC Hull</td>
<td>Comparator Area</td>
</tr>
<tr>
<td>Workless</td>
<td>-6.5</td>
<td>-0.7</td>
</tr>
<tr>
<td>Unemployed</td>
<td>-21.8</td>
<td>-13.9</td>
</tr>
<tr>
<td>Work-limiting illness</td>
<td>11.0</td>
<td>12.6</td>
</tr>
</tbody>
</table>


Table 7 provides a more detailed breakdown of transitions between benefit states. This suggests that the numbers staying on JSA in the PRNDC area remain quite high relative to the comparator area. The percentages staying on IB/SDA are higher, and again are in excess of the comparator area, although markedly lower than regionally or nationally. Fewer claimants are recorded as leaving the PRNDC area than the comparator area. However, (as indicated in 3.9 below) it is possible that people leaving the area are replaced by workless persons entering the PRNDC area.
Table 7: Changes in benefit status in Hull Preston Road 1999-2003

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Stay on JSA</td>
<td>18.4</td>
<td>13.9</td>
<td>12.7</td>
<td>11.5</td>
<td>13.9</td>
<td>11.4</td>
<td>9.4</td>
<td>8.9</td>
</tr>
<tr>
<td>Leave JSA</td>
<td>20.7</td>
<td>22.4</td>
<td>20.9</td>
<td>20.5</td>
<td>21.9</td>
<td>23.1</td>
<td>18.8</td>
<td>17.2</td>
</tr>
<tr>
<td>Move JSA-IB/SDA</td>
<td>5.2</td>
<td>2.3</td>
<td>3.8</td>
<td>3.6</td>
<td>3.4</td>
<td>2.4</td>
<td>3.5</td>
<td>3.3</td>
</tr>
<tr>
<td>Stay on IB/SDA</td>
<td>28.3</td>
<td>27.5</td>
<td>45.1</td>
<td>48.1</td>
<td>33.9</td>
<td>30.4</td>
<td>52.2</td>
<td>55.3</td>
</tr>
<tr>
<td>Leave IB/SDA</td>
<td>6.4</td>
<td>6.9</td>
<td>7.4</td>
<td>7.6</td>
<td>8.9</td>
<td>8.8</td>
<td>9.2</td>
<td>9.6</td>
</tr>
<tr>
<td>Move IB/SDA-JSA</td>
<td>0.8</td>
<td>1.4</td>
<td>1.4</td>
<td>1.2</td>
<td>2.5</td>
<td>0.9</td>
<td>1.3</td>
<td>1.3</td>
</tr>
<tr>
<td>Leave the area</td>
<td>16.2</td>
<td>22.7</td>
<td>2.0</td>
<td>0.9</td>
<td>12.5</td>
<td>20.6</td>
<td>2.0</td>
<td>0.9</td>
</tr>
</tbody>
</table>

Sources:

Information presented in the PRNDC Year 5 Delivery Plan indicates that at the start of the PRNDC programme registered unemployment in the PRNDC area was 19.3%, compared with 10% across Hull. By Year 5, the registered unemployed comprised 15.9% of economically active residents, compared with 5.5% across the City of Hull. This indicates that despite the impressive outputs of PRNDC initiatives, a good deal of work remains to be done in order to reach outcome targets.

Concerned about a smaller impact than desired of PRNDC activities on the unemployment rate, PRNDC has undertaken some further work on unemployment (see Table 8). Instead of relying on the claimant count, the figures presented make use of an ILO-based estimate as the numerator in the unemployment rate calculation, and the economically active from the 2001 Census of Population as the denominator. These figures show that city-wide unemployment is falling, and that the percentage point reduction in the unemployment rate in the PRNDC area is greater than that experienced across Hull over the period from 1999 to 2004.⁵

Table 8: ILO-based unemployment rate estimates, Hull Preston Road 1999-2004

<table>
<thead>
<tr>
<th>Date (Oct)</th>
<th>PRNDC area</th>
<th>Hull</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>ILO-unemp.</td>
<td>ILO-unemp.</td>
</tr>
<tr>
<td>1999</td>
<td>855</td>
<td>21.7</td>
</tr>
<tr>
<td>2000</td>
<td>743</td>
<td>18.9</td>
</tr>
<tr>
<td>2001</td>
<td>649</td>
<td>16.5</td>
</tr>
<tr>
<td>2002</td>
<td>607</td>
<td>15.4</td>
</tr>
<tr>
<td>2003</td>
<td>627</td>
<td>15.9</td>
</tr>
<tr>
<td>2004</td>
<td>556</td>
<td>14.1</td>
</tr>
</tbody>
</table>

Notes: *a reduction in the unemployment rate is expressed as a positive value
The ILO-based estimates of numbers of unemployed were provided by Nomis. The economically active from the 2001 Census is used as the denominator for the unemployment rate calculations, (with the estimates for the HU9 3 and HU9 5 postcode sectors making up the PRNDC area being provided via Sheffield Hallam University).
Source: via PRNDC (internal research).

⁵ Although over the last two years for which data are available the reduction on the 'percentage change' measure in the PRNDC area is slightly less favourable than the city-wide figure.
The overall messages from the analyses presented here are that there have been reductions in unemployed and other benefit claimants in the PRNDC area. Detailed tracking of individuals participating in PRNDC initiatives and of changes in their claimant status is not undertaken, but on the basis of numbers of outputs from PRNDC initiatives, it seems logical to assume that they have played some role in claimant reductions here, especially as changes in numbers of benefit claimants have not been as favourable across Hull as a whole. Nevertheless, worklessness in the PRNDC area remains entrenched.

3.9. Key issues and lessons learned

Introduction

The Social Exclusion Unit (2004) report on Jobs and Enterprise in Deprived Areas suggests that concentrations of worklessness happen for different reasons in different places. However, the report identifies three main explanations: first, changes in the nature and location of jobs; secondly, the impact of housing market ‘sorting’; and thirdly, area effects. The validity of these three as explanations for worklessness in the PRNDC context are considered in turn below, before turning to focus on attention on key issues and lessons learned from the PRNDC experience for tackling worklessness in deprived areas, and challenges remaining.

Explaining worklessness in the PRNDC area

- **changes in the nature and location of jobs**: In PRNDC this explanation appears to have some validity: although there are jobs on the docks there are far fewer jobs than formerly, and although manufacturing employment remains more important in Hull than nationally, there has been a shift in the sectoral composition of jobs towards services. While it is generally agreed that the informal economy is not strong in the area, and so offers few opportunities to make formal work less attractive, the low wage and relatively casualised economy that characterises the area, and especially the types of jobs that are most likely to be taken by those with few/no qualifications, does not necessarily offer a great incentive to enter work (even taking account of in-work benefits) by comparison with the greater ‘certainty’ of income associated with benefits

- **the housing market ‘sorts’ the most disadvantaged people together**: In PRNDC this explanation of workless also appears to have some validity. When the estate was first built it was sought after, but over time it became less popular. As highlighted in 3.1, with the advent of PRNDC and the associated investment in the area, there is now a waiting list for some property types. However, in a national context, house prices in Hull remain relatively low, and moving from social renting to owner-occupation is more of a viable proposition than in many other parts of England, coupled with an established aspiration for many Hull residents to move to the East Riding (as outlined in 3.2). Hence, there remains a tendency for the housing market to ‘sort’ disadvantaged people together in the PRNDC area, and given the impact of the NDC improvements, it could be argued that the advantages for disadvantaged people of residing in the area have been enhanced

- **area effects**: The SEU (2004) report contends that once people live in an area with many people out of work, their chances of finding work can be reduced simply because of where they live. This can arise because of:

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- ‘place effects’ arising from characteristics of a place such as its location, poor infrastructure, lack of transport, competition for limited job/training opportunities or variation in the quality of local services, and
- ‘people effects’ - relating to the damaging effect of living with many other workless people, for example, limited information about jobs and area-based discrimination by some employers

By comparison with many other estates in Hull, there is no particular reason why the PRNDC area suffers (any/much) more severely from ‘place effects’, but the area effect explanation due to ‘people effects’ would appear to have some validity.

Hence, worklessness in the PRNDC area would appear to be attributable to several different causes.

Issues and lessons

On the basis of the evidence from outputs and outcomes, and assessment of information gathered in interviews with the NDC staff team, project workers, beneficiaries, employers and stakeholders, a number of key issues and lessons for tackling worklessness in disadvantaged areas emerge:

• the need for a ‘person-centred approach’ - looking at ‘the individual in context’: The PRNDC philosophy for employment projects is ‘people-centred’. This extends from ‘dealing with whoever walks through the door’ to close matching of non-employed individuals with specific opportunities for employment (perhaps an ILM job in the first instance) in particular workplaces. It was contended that in order to enhance success, it is necessary to look at the attributes of the individual and the household/ environment/ culture within which the individual is situated, since it is this that determines the nature of unemployment - i.e. “unemployment works in units of one” and while there are “degrees of commonality” between individuals, the wider circumstances in which an individual finds himself/herself means that exact circumstances/barriers to work are not the same. Given this philosophy, the ‘watchwords’ of PRNDC policy formulation and delivery are ‘(real) flexibility’, ‘responsiveness’ and ‘innovation’

• the need for ‘continued personal support’: The PRNDC staff felt that many of the individuals needed continued support as they moved through training and into placements and employment. Indeed, they prided themselves on seeing people through “from start to finish”: It was contended by project workers/managers that “expensive personal support is what really matters for ‘hard to help’ clients” and so cheapening programmes to make them more ‘cost effective’ may lead to poorer results and poorer value for money

• understanding employer needs: Employment project workers at PRNDC attributed successes in placing individuals in (ILM) employment to the extension of the ‘person-centred approach’ from the individual trainee/worker to the employer. Knowing an employer’s requirements as well as an individual customer’s characteristics was considered to be essential to successful ‘matching’

• the need to create a non-threatening environment where taking steps to get (and later sustain) employment is a realistic idea: Several interviewees contended that those who were ‘easiest to help’ came forward first. With the passage of time, PRNDC is dealing with those individuals who are ‘harder to help’. Many in this latter category are quite far from being job ready, lacking ‘soft’ employability skills, basic skills, job-specific skills and indeed, in some cases, any real knowledge of the world of work. Several hard fought steps are likely to be necessary to move these individuals towards employment, perhaps tackling basic skills first, then
moving into an intermediate labour market situation before entering a sustainable job. For such individuals, an informal, non-threatening and familiar environment was considered most inviting. Indeed, this is why Jobcentre Plus adopted a policy of outreach workers in the PRNDC area and why community-centred Jobshops (where there are no benefit sanctions) were felt to be successful

- **perceptions matter** - there are “barriers to work in people’s heads” as well as “real barriers”: In PRNDC the ‘real barriers’ to employment/training faced by individuals include lack of skills, financial barriers (such as course fees, travel costs, lack of bank accounts and the uncertainty of moving off benefits), health issues and caring responsibilities. These ‘real barriers’ are often compounded by ‘perceptual barriers’ associated with a lack of knowledge of job availability, unrealistic expectations of the world of work, and fears of losing benefits based on incomplete or outdated information. Together the ‘real’ and ‘perceptual’ barriers may mean that trying to get work is “all too hard” - hence the need for continuing and flexible person-centred support and encouragement towards sustainable employment

- **the importance of networks**: The PRNDC experience points to the importance of ‘networks’ - including:
  - the ‘word of mouth’ networks (that can be ‘positive’ or ‘negative’) that have been a key means of recruiting people to programmes; and
  - the utilisation of personal and employer networks by Employment Project and other PRNDC staff to expand the beneficiary base

- **good staff, a supportive environment, collective responsibility and the importance of trust**: PRNDC has been fortunate to have dynamic, dedicated and experienced staff (several of whom were from the local area and had personal experience of redundancy/unemployment) engaged in initiatives concerned with tackling worklessness/promoting employment. Within the prevailing ethos of collective responsibility, staff members are encouraged to look for innovative solutions to problems. The importance of extending ‘trust’ to partners to deliver elements of wider programmes, and to be understanding and supportive of their own organisational policies/concerns (for example, recent cut-backs in DWP staffing) was also considered to be essential to good partnership working

- **the state of labour demand matters**: If there are few jobs in a local area, getting unemployed people into jobs is going to be difficult. Many PRNDC residents have attributes that place them towards the back of the ‘queue for jobs’. The recent improvement in the state of the labour market in Hull (albeit if the local economy remains relatively sluggish by national standards) is recognised as having made it easier to achieve positive outcomes: because there are fewer people in the ‘queue for jobs’, those towards the back of the queue may be more likely to be considered than was the case formerly. While “ten years ago it would have been ten times harder” it is hoped that the projects and NDC programme in place to combat worklessness will have lasting impacts - even if local economic conditions deteriorate

- **the case for boking at non work-related ‘engagement’**: The PRNDC experience suggests that in localised areas where there are entrenched high levels of worklessness and some of the non-employed are some distance from being job ready, there may be scope for ‘engagement’ of those who are ‘harder to help’ outside formal employment in community-based projects. Voluntary work activities for people who want to participate have potential to achieve wider community benefits and may have unexpected job outcomes

- **the need for patience**: It is likely to take time to for attitudes and aspirations to change
Challenges remaining

While the outputs from PRNDC projects to tackle worklessness are impressive, and in many cases project targets have been exceeded, these have not necessarily been translated into ‘outcomes’ (as outlined in section 3.8) to the extent that NDC staff would desire. Theoretically, there are several possible reasons for this ‘conundrum of the figures’:

- people participating in PRNDC initiatives do not appear on any registers\(^7\) (i.e. people ‘get by’ not on benefits - such as young people living at home)
- benefit take-up is increasing
- project beneficiaries are moving out of the area
- non-working claimants are moving into the area\(^8\)

In order to understand what is happening, some ‘tracking’ of project beneficiaries is likely to be worthwhile, to provide insights into:

- transitions between economic positions and benefit statuses
- geographical mobility

In order to reduce poverty and enhance sustainability of employment, getting people into work is a first step. In a low wage, low skill economy, such as Hull, skills development remains a big - perhaps the biggest - challenge.

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\(^7\) The fact that the PRNDC policy is to help all who come through the door is of relevance here.
\(^8\) If the in-migration specified here is occurring in tandem with the out-migration referred to above, the PRNDC area is fulfilling the role of a ‘staging post’ as economically more successful residents ‘move on up’.
4. Discussion and Policy Implications

The two NDC case studies - West Ham and Plaistow and Hull Preston Road - provide examples of approaches taken by NDC partnerships to address worklessness in differing labour market contexts. The two NDCs exhibit differences in terms of socio-economic conditions: West Ham and Plaistow has an ethnically mixed population whereas Hull has a predominantly white population; the population of West Ham and Plaistow is better qualified than that of Hull, with a higher proportion in managerial/professional/associate professional occupations; Hull has a higher proportion of people with work-limiting long-term illness. The labour market context of the two NDCs also differs significantly. West Ham and Plaistow is situated in the relatively buoyant sub-regional labour market of East London. Although recent employment growth in Newham LBC has been below the London average, especially in the service sector, there is significant planned growth in the Stratford, Docklands and wider Thames Gateway area. On the other hand, the Hull economy is relatively sluggish with low levels of growth and relatively low levels of productivity and earnings.

These differences are reflected in their employment strategies. West Ham and Plaistow is placing an emphasis on a strongly ‘supply-side’ approach, focusing on action to address residents’ problems and remove barriers allowing them to capitalise on the employment opportunities available to them in the wider labour market, while Hull Preston Road has adopted a more balanced approach, with a stronger emphasis on creating new job opportunities and promoting business start up.

Nevertheless, there are some similarities in the local policy context in terms of strategies developed by the respective local authorities. Thus, both Hull and Newham councils have developed employment strategies with a similar focus - connecting people to available jobs - although, again reflecting the local economic context, Hull’s Employment Strategy places a stronger long-term emphasis on generating new jobs whereas Newham’s Access to Jobs Strategy has a stronger supply-side emphasis, leaving job creation to wider sub-regional strategies. It is notable that in both local authorities’ strategies there has been learning from the experience of the NDCs in providing a local area or neighbourhood focus for action, providing good evidence of how NDCs can influence mainstream provision.

Both NDCs provide examples of how processes of strategy formation and development must accommodate a wide range of influencing factors - the needs and aspirations of the local community; the expertise and interest of local agencies; and evidence of the circumstances and problems of the NDC area, the characteristics of the labour market context and experiences of addressing worklessness elsewhere. An understanding of all these factors is important but it is not an easy matter to tease out their relative impact on strategy formation. The evidence from these NDC case studies supports the view that what is important is the capacity to blend together local knowledge, evidence and the interests of various stakeholders into informed judgements about what is appropriate for the locality. Moreover, both NDCs illustrate the importance of a capacity to review the ongoing relevance of the strategy and to adapt in response changing circumstances.

As indicated above, it is evident that the employment strategies of the NDCs do reflect an understanding of the problems and needs of the NDC area and the constraints and opportunities offered by the local labour market and policy contexts. Thus, in Hull Preston Road there is a strong emphasis on developing skills and raising aspirations, especially amongst young people; the ILM scheme was designed to address the needs of more disadvantaged, longer-term unemployed; support for business start-up and development reflected concerns about low levels of business formation and job opportunities; and the credit union was designed to address problems of lack of access
to credit and high levels of indebtedness. In West Ham and Plaistow the key elements of the strategy similarly reflect the needs and problems of the locality and the nature of the local labour market and policy contexts. Again, a key element is the degree to which the NDCs’ strategies are designed to be consistent with the wider strategies of the local authorities.

This raises the broader issue of the important of developing good links and relationships with key agencies responsible for mainstream services. The benefits of good relations with the local authority are illustrated by the way in both NDCs have influenced the local authorities’ strategies and therefore affected the future development of mainstream services to achieve a stronger focus on neighbourhoods and localities and hence provide a policy context that is more supportive for the long-term sustainability of NDC initiatives. Both NDCs have established good working relationships with Jobcentre Plus which are also crucial in a context where Jobcentre Plus is being required to develop more flexible working at the local level. The benefits can be seen in West Ham and Plaistow where Jobcentre Plus is closely involved in discussions about the options for the long-term sustainability of the ELITE project in the context of the local authority's strategy.

On the other hand, there have been difficulties in developing relationships with agencies that have a wider spatial remit, notably the LSC and RDA and with employers. These difficulties are mirrored to some degree across the NDC programme and can be seen as inherent in the nature of NDCs as neighbourhood based organisations. West Ham and Plaistow is looking to work jointly with other NDCs to develop better links but again, an important route for such links should be through the local authority and Jobcentre Plus. For example, these agencies have teams with responsibilities for identifying new employment developments and working with employers to assess the potential for tailored recruitment initiatives.

The experience of both NDCs with their job brokerage and ILM schemes reinforces lessons that have emerged from previous research on such initiatives (Darlow, 2004; Bickerstaffe and Devins, 2004; Walton, et. al. 2003a, 2003b):

- premises that are accessible in terms of both location and in providing a welcoming, non-intimidating environment
- effective outreach provision which needs to be embedded within the local community, taking into account issues of ethnicity and culture
- an holistic, client-centred approach, providing a package of personal support tailored to the individual needs of people who may experience a number of barriers to employment
- the provision of continuous support on the personal adviser model to ensure progression of individuals through various forms of support and on-going support after they have secured employment to ensure sustainability of employment
- the importance of developing appropriate employment-related skills, preferably linked to specific vacancies in order to increase the probability of a positive outcome
- strong linkages with local employers in order to develop a good understanding of their needs and expectations and secure vacancies and opportunities for work placements; and handling relations with employers in a professional manner
- the development of effective partnership working with a range of agencies, especially Jobcentre Plus, in order to maximise the impact of available resources and provision
- the need for effective management and administration, good quality staff and the development of robust systems for monitoring the progress of clients
A final lesson emerging from this study concerns the importance of evaluation and review. The experience of West Ham and Plaistow illustrates the benefits of adopting a systematic approach, with all their major projects required to undertake an independent evaluation to assess their effectiveness, especially in meeting the needs of the most disadvantaged, to identify potential for improvement, and to assess options for long-term sustainability and potential mainstreaming. The benefits of this emphasis on evaluation are illustrated by the evaluation of ELITE which has resulted in a number of changes and has contributed to the process of identifying options for its long-term sustainability.

The available evidence to date on outcomes and impact is inconclusive. In both NDCs most of the employment projects are meeting their targets and there are some indications from Household Survey and benefits data that levels of unemployment are falling, although it is not possible at this stage to attribute this to the actions of the NDCs. However, an area of concern relates to people with work-limiting health problems, the numbers of whom do not appear to be changing much; this may indicate a need for NDCs to focus more attention on this group. Overall, the evidence to date confirms that reducing worklessness is a long-term task and it is likely to take several years for the effects to be discernible.

In summary, key policy implications that can be drawn from this study are as follows:

- ensure a good understanding of nature of the worklessness problem in terms of different groups and their needs and circumstances and of the local/sub-regional economy and labour market; undertake continuous monitoring and analysis of changes
- develop a balanced strategy that is appropriate to local needs and context, based upon available evidence, needs and views of local residents and expertise of local agencies
- ensure full potential is realised for developing support for self-employment and new business start-up, working in partnership with relevant agencies
- develop good relationships and partnership working with key agencies, voluntary and community sector and employers; ensure that the NDC adds value to mainstream services, influences these services to achieve sustainable change and to identify potential for long-term sustainability of NDC initiatives
- ensure appropriate links and relations are developed with agencies with broader sub-regional remit, especially LSCs and RDAs
- work with employers to influence recruitment, improve job retention and encourage workforce development
- ensure interventions are effective in helping most disadvantaged groups in NDC area; develop a systematic approach to evaluation and review to assess effectiveness, provide the basis for adaptation to changing circumstances and contribute to long-term sustainability
- develop an ‘holistic’ approach to support for individuals founded upon community-based outreach to gain the trust of ‘hard-to-reach’ groups, and individually-tailored packages of help to meet all needs and provide coherent pathways to sustainable employment
- maximise employment for local people from NDC projects/investments
Annex 1: Sources and References

(a) West Ham and Plaistow


West Ham and Plaistow NDC (2001) ELITE Project Appraisal.


West Ham and Plaistow NDC (2005) Introduction to the Projects Aimed at key Economy and ICT Outcomes.

West Ham and Plaistow NDC (undated) New Deal for Communities: West Ham and Plaistow Delivery Plan 2000-2010.

(b) Hull Preston Road


PRNDC (2005) Year 5 Delivery Plan 2004/05.


(c) Other references


