Chapter 20
Birmingham: A “Locality Approach” to Combating Worklessness

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20.1 Introduction

The locality approach to worklessness in Birmingham, UK provided a framework for an area and individual-level focus for commissioning employment and skills services. Worklessness is usually defined as the unemployed and the economically inactive combined (ONS 2009). The approach involved a range of local welfare partners. This chapter briefly describes the city context, how the locality approach was organised, how it interacted with beneficiaries and some key context factors that influenced the innovative approach.

Birmingham is located within the West Midlands region of England and is the regional centre for business, retail and leisure. The city is disproportionately affected by worklessness, having many areas with high unemployment and deprivation which has persisted for many years. Birmingham has unemployment rates twice the national average, and in some areas over 50% of the working age population are not employed. The city has the highest rate of youth unemployment in the UK. These entrenched problems of unemployment, a shortage of appropriate jobs and fragmentation of support had all been identified as issues locally.

Birmingham has had a wide range of regeneration and renewal programmes and initiatives over the years targeting both the city centre and neighbourhood areas. When the Working Neighbourhoods Fund (WNF) was allocated to Birmingham by
central government for 2008–2011 to help tackle worklessness and low levels of skills and enterprise, it was recognised that a more strategic approach was needed to the use of resources in tackling long-term unemployment, barriers to employment and other elements of deprivation in the city.

20.2 A Locality Approach to Unemployment

20.2.1 Internal Organisation

Birmingham developed an innovative approach to tackling unemployment for those living in the most deprived areas and with high levels of unemployment (25% or more). The two key innovative features were a model to integrate employment and skills provision at an individual level and contracting of services at a local or ward level (these were electoral districts with an average of around 27,000 residents), the integrated employment and skills (IES) model and the Neighbourhood and Constituency Employment and Skills Plans.

Integrated Employment and Skills (IES)
The IES was the primary means by which activity to tackle worklessness was delivered in the city. Figure 20.1 illustrates the IES model.

Neighbourhood and Constituency Employment and Skills Plans
The decision to use this approach was driven not only by a desire to include local priorities in the programme but also to use lessons from previous initiatives about involving local people in decision-making whilst ensuring that services remained strategically commissioned. As a result, Neighbourhood and Constituency Employment and Skills Plans were drawn up in the first year of the WNF programme. The neighbourhood plans covered seven Birmingham wards that had more than 11

Improved client engagement
- Individual assessment
- Commissioned/tailored programmes matching skills need to job content/skill requirement, addressing barriers to employment and including post-employment support for individual and employer
- Jobs
- Active involvement of employers in programme design
- Detailed scoping of job content/skill requirement
- Improved employer engagement

Fig. 20.1 Integrated employment and skills model. (Source: Birmingham City Council)
priority areas for deprivation within them, and 9 constituencies were the subject of constituency plans (which also captured the needs of smaller clusters of priority areas lying outside key wards). These were put together by local welfare partners, local providers, community groups and local councillors.

The purpose of these plans was to set out key actions and targets for activities to support residents where worklessness was high to access sustainable employment opportunities. The goal was to create a framework to ensure that service delivery was more effective and better focused on the needs of residents. The aim was to achieve the following: analyse the need in local areas and calculate local targets to be achieved; gauge and record the impact of existing provision; identify service gaps and propose additional activity to be commissioned to address service gaps.

The employment and skills provision eventually contracted tended to provide a relatively standard set of options for support, but the local and IES-driven approach to delivery on a city-wide scale, the development of the employment and skills plans approach and the contracting process were innovative. This was a move away from the usual arrangement of a single contract for the whole city to one with tailored contracts to meet the needs of local people. The deliberate targeting of local areas, groups and individuals was a key innovative feature of the approach.

The IES model and the employment and skills plans provided a foundation for a focus at the client level and the provision of targeted action and support that each individual required (whether this was education, skills or employment) no matter what provider they accessed. The approach was designed to ensure that local needs were taken into account and overall contract values set at a level to allow third sector providers to tender for contracts. It also facilitated the development of a number of innovative projects to address unemployment such as the Youth Enterprise and Employment Rehearsal project supporting young people to explore setting up their own businesses (described in Chap. 19) and the job bus run by a third sector organisation, a mobile jobs bus equipped with employment and training experts and technology to provide information on jobs and services.

In terms of responsibilities for the management of the approach, Be Birmingham was responsible for the effective delivery of the WNF and as the Local Strategic Partnership played a key role in bringing partners together to coordinate action on unemployment through focusing on the most deprived neighbourhoods. The Birmingham Economic Development Partnership was the thematic partnership responsible for the management of elements of the fund. Responsibility for the development and approval of projects was delegated to an Employment Sub Group of the partnership, which included the local authority, Jobcentre Plus and Skills Funding Agency representatives. The local authority was the accountable body for the funding, and so processes and governance needed to comply with both Be Birmingham and local authority requirements.

The approach was largely bottom–up in that priorities were identified through the employment and skills plan process, which were then fed into a delivery plan. The Employment Sub Group management team agreed upon the priorities and commissioned projects and activities. An appraisal panel made recommendations on which projects should go ahead for approval and the group approved projects (except for
those over £300,000, which went to Be Birmingham for approval). The thematic partnership made programme-level decisions and received project information. Be Birmingham received updates on performance and a local authority. Cabinet Member approved projects in line with financial regulations.

Forty-three contracts were let to a variety of provider types at ward level through the Neighbourhood and Constituency Employment and Skills Plans process: private sector; third sector organisations and consortium; and social enterprises. Individual projects specifically targeted a range of groups: the disabled, lone parents, the over 50s and those who are not in education employment or training, carers, women and vulnerable clients (alcohol users, offenders). The employment and skills support provided included making contact with clients, skills-assisted planning, mentoring, subsidised work placements, support into business start-ups and social enterprise, and English language and basic skills. There was also support to local businesses to provide job vacancies for local residents. In one constituency, the Skills and Job Match contract provided a range of services to assist people into employment. Clients were provided with support to develop curriculum vitae, get interview experience, to conduct job searches and access voluntary work. In another local area, the Intermediate Labour Market contract enabled good links to be established with local employers including a local medical practice, training centres, local shops and social enterprises (DC Research and Focus 2011).

20.2.2 Interaction with Users

The areas with the highest levels of unemployment are also usually the most deprived, and the aim was that by supporting people into sustained employment in those areas there would be benefits to the localities as a whole. This was a proactive drive to pursue the development of community-led, neighbourhood-specific approaches, actively engaging those individuals most at risk of unemployment and furthest away from the labour market, including the long-term unemployed, ethnic minorities and people with disabilities.

The IES model underpinned the delivery of the unemployment approach and focused on making changes to the way the infrastructure works, including improved partnership working and more joined-up services. The support process included employability skills to overcome personal barriers; skills support linked to existing vacancies; and support to and through sustained employment. The key features of the IES model included:

- Improved local information to effectively target resources to the needs of a particular group or individual
- A wide range of outreach and contact strategies to effectively engage with groups or individuals
- A strong client-focused approach that addressed the needs of specific individuals
- A range of interventions to address the needs of individuals
- Client tracking to support individuals to access employment and post-employment support
• Engaging with employers and providing bespoke training to match priority clients to vacancies
• Continuity to ensure a joined-up approach, assurance to clients and opportunities to build on learning
• Local unemployment champions

The service providers commissioned indicated that having provision available at a local level was essential for engaging with service users. Many people did not want to travel outside of their neighbourhood, and so it was important to have a visible presence in the community and to use organisations that potential users of the service would be familiar with.

20.2.3 Context

IES is a policy that predates the current national Coalition government in the UK, and various models were developed trialled and delivered on a national, regional and local level. The thinking behind it came from the Leitch Review of Skills (Leitch 2006) which emphasised the need to improve the national skills base to facilitate growth in productivity, improve national economic competitiveness and increase individual social mobility. After participating in one of the IES trials, Birmingham decided to continue with and develop the model. There was also an impetus from the previous national Labour administration to build responsive services at a local level to tackle unemployment and improve skills through initiatives such as the WNF.

There were a number of key contextual factors which enabled the development of the locality approach to worklessness in Birmingham. The approach linked into the local political agenda around localism or devolved decision-making which was seen as key to dealing with social problems. As a city, Birmingham was and is highly committed to tackling unemployment, and social inclusion is high on the political agenda. Commissioning at a city level was not seen as suitable for a city as diverse as Birmingham. The IES model was the principal means by which activity to tackle unemployment was informed and sat at the heart of the city strategy (the core strategy to provide a 20-year framework for sustainable growth in Birmingham, with proposals to provide 50,600 new homes and deliver 100,000 new jobs by 2026) and the local area agreement (steps to deliver the city strategy).

The major players in the local welfare system all agreed and signed up to the IES model, including the local authority, Jobcentre Plus and the Skills Funding Agency. It provided a well-understood model against which to commission activity and assess performance. There was a significant amount of political scrutiny mostly related to the wards wanting to have greater independence over spending and to be able to hold providers to account. Political involvement in the process led to some delays (and the slow start resulted in criticism from national government within the local authority and local press) but having the engagement of local councillors also helped to embed and raise the profile of the delivery contracts of the employment and skills plans in their areas (DC Research and Focus 2011).
Stakeholders and service delivery organisations believed that this approach provided local support and got many people into work, training and volunteering opportunities. The approach also supported partnership working which was a characteristic of the local welfare system emphasised by local government. A number of organisational partnerships came together for the first time to deliver contracts, including those of different sizes and different sectors with a range of geographical and target group focus (DC Research and Focus 2011). For example, Prospects (an organisation providing education, employment and training services across the UK), the Jericho Foundation (a Birmingham charity providing support into employment) and Birmingham Enterprise (a local enterprise and employment support organisation) formed a partnership to support people into business start-ups, social enterprises or work and into further education or development of skills in one area of the city.

Many third sector providers came together solely for the purpose of delivering WNF contracts. Private sector providers also felt that their relationships with many community and third sector groups had improved during the delivery phase of the employment and skills plans. It also enabled projects to develop new relationships with employers, which increased opportunities for clients to access available jobs.

The locality approach has had issues of sustainability and currently does not operate in some of the original areas where it was implemented or not in the way originally intended. This was seen primarily as a knock-on effect of the loss of resources for neighbourhood management which supported the process. The contracts with service providers set up through the locality approach were also linked to the Working Neighbourhoods funding which came to an end in 2011. The withdrawal of funding was as a result of cuts in budgets through the Coalition’s Spending Review in 2010 as a response to the financial crisis. This innovative approach did have the potential for significant impact on the local welfare system with its approach to commissioning and delivering services, and there is still support for the approach. There are plans to refresh this strategy under the current council’s localism agenda.

### 20.3 Conclusion

The IES model and local delivery approach arose out of a particular set of circumstances in Birmingham and a willingness to undertake major change; however, elements of this approach could be replicated elsewhere. It enabled an in-depth understanding of issues for local residents where unemployment was high, which provided the opportunity for different provider organisations to work together for the first time and to develop small-scale innovative projects (such as the Youth Employment and Enterprise Rehearsal project described in Chap. 19) and capture learning, useful not only locally but also for the setting up of projects more widely.
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