Race, Ethnicity and Employment: Addressing disparities and supporting communities

A report by ERSA, in partnership with PeoplePlus
Introduction

On the day Theresa May came into power she stood on the steps of No 10 Downing Street and vowed to tackle the injustices in the criminal justice system, education and health.

A few months later, in October 2017, the Prime Minister published the Race Disparity Audit, stating that: “[…] when one person works just as hard as another person - and has got the same ambitions and aspirations - but experiences a worse outcome solely on the grounds of their ethnicity, then this is a problem that I believe we have to confront.”[1]

The Race Disparity Audit is a wide-ranging document, accompanied by a new ethnicity facts and figures website which consolidates data on education, employment, health and criminal justice outcomes for different ethnic groups.

Of particular interest to providers of employability services were the figures highlighting the lower levels of employment experienced by particular ethnic groups, plus the lower pay levels received than many white British workers. These disparities were also clearly compounded by other factors, including age, geography and gender.

Of equal interest to the providers of employability services, was the announcement of 20 local authority hotspots, areas with higher levels of black, Asian and minority ethnic (BAME) unemployment, plus the news that these would be in receipt of particular government attention to help close the employment gap with the non BAME population.

This was augmented, in March 2018, by the release of the Integrated Communities Green Paper, which commits to increasing BAME employment by 20% by 2020.

Clearly, to devise strategies and interventions to deliver on these commitments, it will be necessary to build on the experience and knowledge of the experts – the providers of skills, employability and related services who are embedded in local communities, who know how to engage and support individuals from a wide range of backgrounds towards and into employment.

This report is therefore intended to help this thinking along. It aims to marry information about race, ethnicity and employment, with the experience and knowledge of organisations who, over many years, have provided targeted support to jobseekers and those seeking to move towards the jobs market.

Therefore, this report primarily focuses on disadvantaged individuals as opposed to mainstream groups. To illustrate what can be achieved, the report also showcases a range of case studies - inspiring examples of how individuals, their families and communities can benefit from support to increase economic inactivity.

This agenda is not new. The information contained within the Race Disparity Audit is not a surprise to many. However, the current direction from the top of government presents a welcome opportunity to explore – and more importantly help to tackle – the issues that sit behind the recent publications.

The situation now

Employment, unemployment and inactivity

Although there has been a notable improvement in employment outcomes over the last two decades, there is still a significant employment gap, (11.8 percentage points) between people who identify as white British and other ethnic minority groups living in the UK.

According to the latest figures, around 1 in 10 adults from a black, Pakistani, Bangladeshi or mixed background were unemployed compared with 1 in 25 white British people.\[2\]

However, dig below the surface, and the situation is more mixed. Indeed, there is more of a disparity between different ethnic groups and the white British group, than between those from ethnic minority backgrounds and the white British group.

For example, there is almost double the employment gap between Pakistani/Bangladeshi groups (21.6 percentage points) and the white British group, as between people from ethnic minority backgrounds and the white British group (11.8 percentage points). The rate for those of Indian heritage, on the other hand, is relatively close to the white British cohort, with a gap of only 2.7 percentage points. It is therefore important that, when comparing outcomes in relation to ethnicity, that differences between groups are well understood.

The disparity widens when gender is taken into consideration. The employment rate for men is markedly higher than for women across all ethnic groups. However, in the white British, black, Indian and other Asian groups, the youth employment rate (percentage of 16-24 year olds in work) for women is higher than that of men. The gender employment gap is smallest for the mixed ethnic group and largest for Pakistani/Bangladeshi group, where employment rates for females are less than half of white groups.

In 2016, approximately 8.84 million people of working age were economically inactive. Some groups have higher rates of inactivity than others, and this becomes more pronounced when comparing males and females. For example, the inactivity rate for Pakistani/Bangladeshi women was 59%, which is 33 percentage points higher than the rate for white British women. Within the Indian heritage group, 14% of men are economically inactive, compared to 32% of women.

**Education**

Race disparity also manifests itself in relation to educational outcomes. However, what is clear, is that some ethnic minority groups are doing well in the educational system, but this is still not translating into equality when it comes to employment.

So, for instance, figures suggest that the Bangladeshi group is outperforming the white British group in terms of the percentage of pupils attaining A* - C in English and Maths GCSE. However, when it comes to employment, the rate for this group is significantly lower. Chinese, black African and Indian groups are also more likely to go onto further education than other groups. However, white British people of working age are more likely to be employed, and less likely to be economically inactive than other ethnic groups. Conversely, pupils from Gypsy, Roma, or Irish Traveller backgrounds have the lowest attainment and progress in schools, and only around a third are likely to move into further education, training or employment after the age of 16.

**Pay**

Educational achievement also does not always translate into pay levels. The latest government figures uncover significant salary gaps across different ethnic groups, with the Bangladeshi and Pakistani groups receiving £4.39 per hour less on average than employees of Indian heritage. Black employees earn an average of £11.88 per hour, compared with an average hourly salary of £13.75 for white employees.

The Joseph Rowntree Foundation report, Supporting Ethnic Minority Young People from Education into Work, highlights that 41% of black African graduates, 39% of Bangladeshi graduates and 36% of Pakistani graduates are more likely to be overqualified for their roles, compared with 25% of white graduates.[5] Overqualification can to some extent be explained by barriers in further and higher education. Although the number of people from an ethnic minority background gaining degrees has been rising rapidly, ethnic minorities are less likely to be represented in Russell Group universities.

The over-representation of ethnic minority employees in low-paid sectors also has a role to play in wage inequality. Pakistani and Bangladeshi workers are more likely than workers in other ethnic groups to be concentrated in low-skilled occupations, while one in 10 Indian workers are employed in the highest skilled occupational groups.

Employment outcomes and rates of pay must also be interpreted in relation to gender. Low pay has been linked to unpaid caring responsibilities in the home,[6] a lack of support for progression, the segregation of women into low-paid sectors and the over-representation on men in higher-paid sectors.[8]

A study by the Resolution Foundation found that, even after controlling for personal characteristics such as age, place of birth, occupation and region, significant ‘pay penalties’ remain between different ethnic minorities and the white British population. For example, regardless of characteristics such as age, occupation and qualification, black male graduates are still paid 17% less than white male graduates, and the pay gap between white and Pakistani/Bangladeshi non-graduates is 14%.[6]

**Related outcomes**

Employment outcomes cut across many other factors which are also long acknowledged by employment support providers - it is therefore crucial that education and employment are not seen in isolation. Factors such as housing, poverty, language and education all impact on the employment outcomes and life chances of an individual. For example, some ethnic minority groups are still more likely to live in areas of multiple deprivation. This, in itself, can reduce an individual’s ability to access employment opportunities due to limited vacancies in the local labour market.

The relationship between employment outcomes and economic disadvantage is highlighted throughout the Race Disparity Audit, and further explored in this report.

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1. Practical barriers to employment and support

Although the evidence is clear about the relationship between different groups and educational, employment and pay outcomes, evidence from the employment support sector highlights much good practice in terms of working with individuals and communities, which can go some way to bridging the divide.

This section provides information on the practical barriers to employment which too many people from certain communities experience and highlights the types of support which has been put in place to overcome them.

Employment support providers identified a range of specific and practical factors that disproportionally affect the ethnic minority jobseekers that they support. Problems with documentation and with navigating the benefits system, coupled with a lack of ESOL and basic skills funding, can prevent people from accessing employment related support, while ongoing issues such as migration and housing status can affect retention levels on programmes.

Finance

The Race Disparity Audit highlights that non-white groups face higher rates of poverty, with around one in four children from Asian households living in persistent poverty compared to one in 10 white households. According to employment support providers, many people struggle to pay for courses, and are unable to attend advice sessions due to problems paying for transport.

This leads to an increased take up of temporary, short-term employment. Providers have highlighted that people are likely to drop out of courses, such as IT, Functional Skills and ESOL, when a job opportunity arises, as paid work will always take priority. Opportunities, however, can be poor quality, temporary and low paid, meaning people can be trapped in a cycle of poverty and insecure work.

Housing

Minority ethnic groups are also more likely to rent privately and spend a higher proportion of income on rent than white British households, and also to live in more deprived neighbourhoods. Ethnic minority groups are also over-represented in homelessness statistics. In 2016/17, 33% of local authority homelessness acceptances were of non-white households. Black and Asian households made up over a quarter of homelessness acceptances, with 16% of acceptances from black households and 9% from Asian households.

Many employment support providers help people who are homeless or at risk. Long-term homelessness and rough sleeping can have a detrimental effect on other support needs, such as physical and mental health, and therefore requires a more holistic and intensive approach. Such support, however, is hindered by the fact that many employment support providers are often unable to engage with those who are unable to prove their residency.

A number of the people coming to employment support providers for help also face on-going problems with housing applications and problems with temporary accommodation, which can significantly impact retention on employment support programmes. One provider cited a 50% drop out rate for refugees on their programme due to a lack of progress caused by their customers being moved out of the area. In addition, some people are concerned that moving out of temporary or supported accommodation will impact on benefits, causing further delays and confusion.
Migration/refugee status

The migration and refugee status of an individual can create significant barriers to accessing support and attempting to progress in work. Providers have reported that problems with documentation – which can range from not having ID, proof of address or a bank account – have meant that many people are not eligible for the support they require in the first place. Providers spend a significant amount of time assisting people with Home Office processes, which can be time consuming and unnecessarily bureaucratic.

A lack of understanding of the UK benefits system can be particularly problematic for those who do not speak English as a first language. Providers have reported that many people on their programmes have experienced problems with Universal Credit, which can cause further problems with housing and engaging with other services.

Difficulties navigating the UK benefit system and multiple contact with state agencies only exacerbates feelings of mistrust and confusion, which can impact on engagement with employment support programmes. The best provision is where there is a trusted long-term relationship with an adviser who can understand the unique range of barriers faced by each individual and where employment support is given without fear of benefits being removed.

“We often have to explain to people that we are not from the job centre or local authority, but that we’re a charity. That’s often the only way people will be willing to engage with us.” (Adviser, Paddington Development Trust).

The lack of transfer of international qualifications and lack of knowledge of the UK labour market is also closely related to an individual’s migration status. This creates barriers to work as well as situations where people take up employment opportunities that are below their skills level. According to an OECD evaluation of labour market outcomes of refugees in the EU, 55% of employed refugees in the UK are overqualified for the jobs they occupy, which is more than twice the level of the employed native-born population.[7]

Qualifications from other countries are often not recognised, preventing people from accessing opportunities that match their skills and experience, or from progressing further in work. In addition, those with extensive experience or qualifications from a certain sector may not be entitled to enter work at the same level in the UK, and many will accept lower level positions as a result. For some, the feeling that their experience or qualifications gained from their home country is not valued in the UK can result in a lack of confidence and feelings of discrimination.

PeoplePlus

Mustapha was a refugee and living in supported housing when he first approached PeoplePlus for employment support. English was not his first language and he did not have a network of support at the time.

A PeoplePlus adviser, Helen, worked with Mustapha to establish his barriers then put together a plan of action that would allow her to help build his confidence, taking into account the requirement for suitable employment that would give him the stability that he needed, whilst moving him further towards the job market.

Throughout this process he decided that he wanted to apply for a Security Industry Authority (SIA) badge. Suitable training was sourced and paid for via a local SIA provider in Liverpool, including cost of travel. Helen provided study support using casework materials to ensure Mustapha would pass his exams.

As he was a refugee, Mustapha didn’t have access to the standard routes that would allow him access to the necessary paperwork. Helen supported him with identifying and accessing the relevant paperwork that would allow him to gain the SIA, liaising with DBS, the SIA body, a range of solicitors, as well as a required personal report. The first route would normally be attending the embassy, however because of Mustapha’s background this was not possible so an alternative option was established through carefully working with the responsible bodies.

With this support he successfully started a temporary employment position which has since become permanent. With support from Helen, Mustapha has moved from supported accommodation and into social housing. This whole process took months and has made a real positive impact.

RISE

RISE (Refugees into Sustainable Employment), funded by the European Social Fund and the Big Lottery Fund, is a free employment programme designed specifically for refugees.

Led by Renaisi, the project delivers outreach services through trusted networks in community spaces. The package of support includes one to one support, ESOL, training, volunteering and in-work support. Almost half of the people who have been engaged on the programme so far were homeless; approaches to outreach and support are tailored, with links with housing and health services, childcare providers and women’s support networks. The focus of the project is on sustainable employment and on the strengths and potential of each individual.

Since launching in April 2017, RISE has registered 422 refugees onto the project and supported 81 refugees to find employment. Other outcomes include an increased knowledge in relation to employment in the UK, improved wellbeing and resilience and increased support networks.
The SWEET partnership of six community-based organisations helps women from particular ethnic minorities in West London get a full or part time job, or at least to take the first steps towards getting a job, for example by starting some training or doing a work placement.

One of the opportunities that was offered by the programme was a six week leadership training programme, organised by training charity ELATT for the partnership and delivered in Brent, Ealing and Hillingdon. In Hillingdon the participants were recruited by Belina Grow who also provided a Bengali translator. Participants learned to make speeches, organise events and how to get their points across in meetings. Many of the participants hope to use their new talents in the education sector.

“I learnt a lot from the group and the other women – it is hard starting again in a new country, now I understand better how community projects work”. (Student)

“This is a good example of how community groups in different boroughs can work together to provide imaginative opportunities. There is a huge amount of female talent hidden under the surface in London, particularly in ethnic minority communities, and programmes like SWEET help bring it to the fore and develop it.” (Employment team member)

English language

Amongst some of the individuals receiving support, providers identified language as a barrier to engagement and something that can lead to further isolation. Government figures suggest that only a very small proportion of people in England reported that they could not speak English: 1.3% of the population aged three and over could not speak English well and 0.3% could not speak English at all.

However, English language proficiency remains a barrier in certain areas and within specific communities, impacting on awareness of support that is available as well as access to the labour market.

English for Speakers of Other Languages (ESOL) courses are designed for those whose first language is something other than English. ESOL also provides the opportunity to engage with individuals to explore their aspirations and options to move towards and into work.

Due to cuts in ESOL funding, many providers are delivering language support in house, including conversation classes, ESOL film and book clubs, as well as confidence building language workshops.

For those who have recently arrived in the UK and require additional language support, personalised advice that combines employment support with advice about wider services, such as health and benefit entitlement, is proven to be effective.
While there is recognition in Government of the need to promote English language skills across different communities, to date there is no clear strategy for ESOL delivery in the UK.

The Government’s Integration Strategy contains some welcoming proposals in relation to ESOL provision, particularly the commitment to launch community-based programmes in areas where there are the highest concentrations of people with little or no English. However, the ESOL skills budget halved from £203 million in 2009/10 to £104 million in 2014/15. ESOL provision should reach those in the early stages of learning English as well as those who require job-specific language skills.

Where English language skills are low, access to support and to the labour market is significantly restricted. It is therefore necessary to increase access to ESOL classes to improve labour market success and increase opportunity, as well as ensure learners can remain on relevant courses.
Recommendations

- To meet the needs of people who either have poor or no English language skills, there should be targeted English language provision for recent migrants, a proportion of which should be ring-fenced for community provision, plus provision for those who require employment-specific language classes to fulfil employment opportunities at a more advanced level.

- To address concerns that the Jobcentre Plus environment is not always conducive to enabling trusted relationships, particularly in relation to individuals and communities who have not had a history of engagement in formal public sector settings, there must be investment in employability and skills providers who are both skilled in their jobs and in touch with ethnic minority communities. A good proportion of provision should take place in community settings, allowing for a flexible and informal learning environment.

- As many recent migrants are well qualified and working at below the level they occupied prior to coming to Britain - a missed opportunity in the context of the UK's skills gap - investment must be made in provision focused on enabling the transferability of overseas qualifications to a UK setting.
2. Customer engagement

As outlined, economic inactivity rates are considerably higher for certain ethnic groups and among women. Communities unseen by mainstream support may be less aware of the support available and have limited access to the labour market.

Successful engagement comprises tailored support by organisations that understand the communities around them.

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The barriers outlined above can also make communities feel more isolated and less likely to engage with support.

“Feelings of isolation from the wider community can itself limit motivation to seek support and progress. This is coupled with fear of leaving a perceived safe community.”

(Employment support adviser, voluntary sector organisation).

Many providers deliver tailored support to communities who are ‘hidden’ from Jobcentre Plus support. Providers develop relationships with people where they engage, such as charity support groups, community organisations and housing associations. By embedding support within the community, providers have been able to build trusting relationships with residents and partnerships across local organisations.

Working in the heart of communities

Recognising that environment and community can significantly impact an individual’s access to support and to the labour market means developing locally-based initiatives and creating community partnerships.

This is going to be particularly important given that Universal Credit calculations are based on household earnings. As this rolls out across the country, this will bring the partners of those who are in receipt of Universal Credit, whether out of work or in work, but in a relatively low paid job, into the orbit of Jobcentre Plus – with the expectation being that partners might be expected to take steps to add to the household income. Clearly this will be a different situation to that which existed before.

Some organisations build networks within different communities and build trust through advocates. An advocate network can work well to encourage people to access services through word of mouth via trusted figures and role models. These may involve people such as parents and faith leaders, in order to provide consistency. For example, one provider is piloting a programme to introduce advocates in mosques in order to raise awareness about the type of employment support available in the local area.
QED Foundation realised that these trusted community anchors are ideal venues for supporting families who might have little involvement with mainstream schools. However, their staff often have limited up-to-date information about the issues that can affect young people’s aspirations.

QED Foundation delivered career and training advice and guidance in 34 madrassahs serving disadvantaged communities in West Yorkshire, the East Midlands and the North West.

The programme worked with 400 Muslim students, who were at risk of failing to fulfil their potential at school and not progressing to further education, employment or training. It also engaged their parents, who were ill equipped to offer young people advice about the career options available to them.

In many cases this was the first time families had discussed their children’s futures together. The programme also included 17 seminars introducing successful role models from local communities, who advocated the importance of studying and making informed career choices.

The initiative increased the number of students intending to stay on at school after year 11 by approximately 50% and those wishing to go on to college or further education by nearly 25%.

Twice as many expected to progress to training and apprenticeships, with 96% of parents reporting that their children showed increased self-confidence.

QED Foundation has also organised business-related team exercises for south Asian year 12 students in Bradford led by representatives from leading local employers.

The initiative aimed to address the high unemployment rate among the city’s ethnic minority communities by helping pupils to learn key skills such as teamwork, presentation and job interview techniques and consider the different career options available to them.

Some providers also recognise that families can be key in helping people to engage in programmes of support. In the report, Hidden in Plain Sight: Young Londoners unemployed yet unsupported, London Youth highlights the impact of family influence on a young person’s life choices and identifies family mediation as an important first step towards supporting people into employment.

Building strong relationships with community organisations, community centres and places of worship can help raise awareness of services that are available. Some organisations have referral protocols explaining the objectives of the programmes and contact information.
Many providers use community settings to engage with people. Community-based learning is accessible to everyone, particularly for those who cannot afford transport costs or require more flexibility.

**Case study:**

**Belina GRoW**

Schools and libraries were identified as environments where people can be positively engaged, because of the positive environment and accessibility.

Belina GRoW specialises in supporting people who are long term unemployed and have considerable barriers to employment.

Belina GRoW’s approach motivates people to get ready for work through community based, voluntary programmes with contracts in London West and South supporting BAME women into work:

“We have seen big success in schools – they are a safe and easily accessible environment where people can drop off children and then attend the sessions. In Hillingdon, advisers go to meet people in libraries – they are great public spaces where people feel comfortable.”
Social housing providers also work closely with communities around the UK, providing support on the doorstep for those who are unable to travel.

As they tend to operate in specific areas and are rooted in their communities, they often have an understanding of the local labour market and are able to form relationships with community partners.

**Case study:**

**Clarion (Clarion Futures)**

Clarion tenant, Hayat, is a Somali mother who has seven young children who attend primary school in London Borough of Tower Hamlets. Hayat heard about Clarion’s services through word of mouth in the local Somali community and decided to call the Love London Working team in Eastside.

Hayat had never worked in the UK due to English language difficulties and felt that she did not have the skills and knowledge required to enter the job market.

Hayat received careers and training advice in one of Clarion’s centres. Her Employment Support Officer (ESO) recognised that she required English language training and job specific training to enable her to enter the care sector. She put her forward for the upcoming level 1 Health and Social Care course and advised to register for an ESOL course. Registering for an ESOL class and skills training aimed to help Hayat to perfect her written and spoken English and make her employable.

Whilst waiting for these courses to begin, Hayat was advised by her ESO to continue volunteering at Old Primary School as a class support worker.

Hayat was also referred to an IT class that was running in the centre, which enabled her to search and apply for jobs online, as well as fulfil her requirements by the Jobcentre to regularly enter her job search activity via Universal Jobmatch. Whilst Hayat was trying to grasp the basics of computer literacy she received online application support from her ESO.

Hayat informed her ESO that she would like a local part-time job as she drops her children at school at 8 a.m. and picks them up at 3:30pm every week day. Hayat understood that it could be problematic finding a local job within her borough, but she did not want to apply for jobs in other parts of London as she does not receive any childcare support.

Having achieved the level 1 Health and Social Care course Hayat gained the skills and knowledge required in care and was able to secure two paid jobs.

Hayat is currently looking for a full time position as all her children are in full-time education. Hayat is aware that she will receive ongoing in-work support and access to her ESO at times that suit her needs.

Often, providers employ advisers from different backgrounds who can relate to different individuals’ experiences and seek to ensure that their workforce reflects the diversity of their communities.

This ‘cultural competence’ is important in enabling those delivering provision to more fully understand people being supported and deliver bespoke, tailored help.

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Partnership with Jobcentre Plus

Jobseekers should have access to high quality employment support which recognises the barriers faced by each individual. As illustrated above, much of this already exists within community settings and is delivered by local, specialist providers. There is scope for Jobcentre Plus to establish partnerships with other organisations where relevant to provide additional support where it is needed.

The Flexible Support Fund’s ‘Dynamic Purchasing System’ (DPS) enables local providers to be brought in to provide specialist provision for jobseekers. However, the Flexible Support Fund had a 70% underspend in 2016, and there has been no assessment of the impact of the spend so far. In addition, progress in rolling out the Dynamic Purchasing System over the last year has been very slow. Therefore, vital Government spend which has been set aside for providing tailored support needs to be allocated rather than returning to HM Treasury.

However, while some individuals are engaged with the Jobcentre already, there are many people who are sitting outside the system without any network of support. It is therefore vital that funding goes beyond the Jobcentre to ensure those who are currently under-represented in the labour market are receiving specialist support to help them overcome barriers and to progress in work.

Many specialist employment support programmes, such as those illustrated above, rely on the funding provided by the European Social Fund (ESF). ESF has provided critical support to many of the most disadvantaged and vulnerable members of society often neglected by mainstream public services.

DWP figures show that as of May 2015, there had been over 5.59 million participant starts on the programme, with over 521,000 unemployed or inactive participants helped into work, 262,000 participants supported with basic skills and over 533,000 disadvantaged young people helped to enter employment, education or training.

The UK Shared Prosperity Fund (UKSPF) – the successor to EU structural funds – provides an opportunity to further engage disadvantaged groups, as well as help tackle the UK’s current skills gaps and productivity challenges.

Recommendations

- To help improve engagement with communities who sit outside of mainstream support, programmes must be designed which respect and work with local areas and are flexible enough to ensure tailoring for specific communities. An example is that commissioners should understand the benefit of provision which works with an individual’s families, friends and wider networks. It should also include input from social housing providers, for instance, to ensure integration of support.

- As Universal Credit rolls out across the UK and the partners of people in receipt of Universal Credit come into scope of the Jobcentre Plus conditionality regime, support must be delivered in a culturally sensitive manner, which works with the whole family.

- The successor to the European Social Fund must be of sufficient size and allocated on the basis of need and which is focused on the employability and skills needs of the UK’s diverse communities. It must be designed so that it is able to fund multi-agency and multisectoral community partnerships, fosters innovation and brings in new actors, while being focused on impact on communities.

- Jobcentre Plus’s Flexible Support Fund must be fully spent and evaluated to ensure funding is available to support under-represented groups.
3. Recognising multiple barriers

Providers recognise that some people face multiple barriers to work. Good employment support must be personalised, take into account individual barriers and skills, and tailored accordingly. Providers recognise the importance of building confidence and skills and understanding the individual on a case by case basis.

One adviser noted:

“Moving people into work when they are not ready is not effective and can make things worse. There is a fear factor. Time should be spent naming barriers, raising aspiration and building a relationship.”

A number of providers take an approach whereby the first step is not always employment related and empower people through unexpected routes, such as developing people as health ambassadors within their own communities. Projects that are led by people, where the learner becomes the expert, are often proven to be successful.

Case study: Twist

The Twist Partnership uses innovative methods which include getting participants involved in enterprise activities which build their confidence and self-reliance.

Their initiatives recognise the untapped potential of so-called marginalised individuals, and support people to help others within their own community.

A specialist group of people who have learnt English as a second language run an innovative project for ESOL clients which focuses on their existing skills ahead of their educational needs, believing that lack of confidence can be the main impediment to communication and that finding placements or work speeds up ESOL learners’ ability to speak and write English more effectively than College classes on their own.

This group has set up an influential project in partnership with the NHS to cut diabetes and heart disease in Asian and African communities in the UK and a number of participants have found paid work in the sector.

“Twist’s way of explaining gave us hope that there are areas in which we can be of benefit to ourselves and to others. You can help others to do something. Even if I cannot do it myself, I can help others.”
It is crucial that employment support integrates with other provision, such as health, social services and childcare provision, to facilitate more holistic support suited to an individual’s needs.

Proven successful provision includes dedicated staff who can recognise customer needs, who can ensure they provide flexible support to accommodate any barriers that are faced. Providers have expressed concerns, however, that reductions in funding has meant that maintaining much-needed services has been problematic. Reduced staffing levels then make it even more difficult for them to comply with the eligibility and reporting requirements of many grant programmes. More long-term funding must be made available if this work is to continue at local community level.

Culture

Consideration of different cultural and religious requirements is essential when understanding the variety of aspirations, assets and barriers within different communities. Recognising generational differences is also key. Good employment support delivers bespoke solutions to reflect an individual’s cultural or religious requirements. For example, a provider highlighted that the idea of ‘selling yourself’ is a barrier for some, after a small group of women they were supporting were reluctant to attend interviews. After attending training on interview techniques, the attendees were able to refine interview techniques without feeling the need to ‘boast’.

Case study: PeoplePlus

A Somalian mother with four young children, little confidence speaking English, no work experience history and from an abusive marriage where her finances were closely controlled by her husband, was struggling financially while suffering from anxiety.

Despite this challenging situation she was however eager to find work. PeoplePlus took a number of steps to help her to address her barriers:

- Provided information for the National Domestic Advice Helpline and Victim Support and advised her to see her GP to support with her anxiety.
- Provided Somali language interpretation through a Somali speaking staff member whilst also encouraging her to speak English where possible.
- Conducted appointments in a one to one, private room upon request as she was very shy and found it easier to talk in private.
- Enrolled her onto an ESOL course to improve her English.
- Enrolled her on an Employability and Customer service course to increase her employability skills, self-esteem and confidence.
- Linked her to Money Matters to support her financially, enabling her to better manage her money.
- Used the National Careers Service for career guidance, helping her to create her first CV.

As a result, she became more confident within herself and was able to conduct job searches on her own and received interviews as a result.

She had always been interested in healthy eating and making healthy sushi was her speciality. She used to make sushi for a local community club she used to attend. She started holding group and individual tutorials teaching other Somali woman on how to make their own sushi and became an advocate about healthy living in her community centre.

Following the programme of support from PeoplePlus, she is now a successfully self-employed cook, specialising in sushi and healthy cakes. She has her own tutorial on YouTube and now gets paid for the work that she does. She caters for party functions as well as individual requests. She provides food for a local café and continues to provide sushi making classes.

Recommendations:

- To support opportunities for under-represented groups which reflect the ambitions and strengths of the individual, the Government should build on the good examples of tailored programmes already existing in the employment support sector.

- To reach relevant individuals, the Government needs to ensure that the employment support on offer is bespoke and tailored and delivered flexibly and at the right times through accessible organisations. Provision should also have ‘cultural competence’ to enable a better understanding of the people who are being supported.
4. Skills and Careers

Research has shown that ethnic minority groups are more likely to be stuck in low paid, low skilled and insecure employment with little opportunity for progression.\[10\]

A range of personal and circumstantial factors, such as age, location and whether the person was born in the UK can help to explain this to some extent. Inequalities in terms of access to advice, cultural capital, as well as the over-representation of ethnic minority groups in lower paid sectors and overqualification also play a role in the ethnic minority pay gap.

Apprenticeships

Apprenticeships can offer a clear route into employment and progression. However, ethnic minority groups are under-represented in apprenticeship take up. In 2015/16, non-white groups were disproportionately less likely start an apprenticeship, (10% compared to 15% in the population in England).

In terms of outcomes, the success rate for ethnic minority apprentices on one provider’s apprenticeship programme was similar to or higher than White British jobseekers. For example, the retention rate for black Caribbean apprentices was 80%, compared to 68.5% for White British apprentices. However, the engagement rate of non-white British jobseekers was substantially lower. Many people do not know where to begin or how to get onto a scheme. This is particularly problematic for those with low level English language or without access to the internet. In recognition of this, the National Apprenticeship Service have designed an online resource for parents of current and future apprentices, with detailed guides available in various languages.\[11\] However, more must be done to engage with communities and young people to raise awareness of the advantages of apprenticeships and how they relate to the job market.

Information, Advice and Guidance

Access to social networks, informal training and internships as well as work experience can affect someone’s chances of entering good quality employment. Training and employment opportunities that are advertised via informal routes, such as through social networks, leads to further inequality of access. Good careers advice at an early stage can improve the prospects of school leavers. Providers have fed back, however, that careers advice in schools is variable and there is limited accountability where provision is poor. Some apprenticeship providers who go into schools have reported that sometimes they only see a select group of people, meaning many are still not able to access information and advice around alternative academic routes.

All young people, regardless of background, should have access to good quality careers advice which helps them understand how academic options will impact on future earnings and to explore what skills gaps exist in their area. Better awareness of different routes, including apprenticeships, is likely to better prepare people to make informed decisions about their future careers. Positive role models and advocates in schools, as well as mentors who can advise young people about their career options, is proven to be successful. Although this applies across all ethnicities, family influence to follow certain career paths can be particularly strong amongst some ethnic groups.

Providers have reported that family influence to follow specific pathways, such as university or working for a family business, can restrict labour market opportunities. School leavers, families and community leaders therefore need to be able to find out more about the diversity of further and higher education opportunities available and how they impact on job opportunities.

Quality advice involves advice about progression and about opportunities that match skills. Advisers should support people towards jobs that offer opportunities for progression. Support must also engage with local employers and take the local skills demand and labour market into consideration, both as it stands now and as it will be in the future.

Recommendations

• To close the gap between apprenticeship take up by ethnic minority groups and white groups, the Department for Education must analyse the available data and focus attention and resource on helping both young people and older jobseekers from ethnic minority groups to access apprenticeships.

• To better prepare young people to make informed decisions about their future careers, Government should ensure that all schools are able to access good quality careers advice which links to employers and includes information about successful routes, such as apprenticeships.

• The Careers Strategy is a welcome step towards supporting this aim; however greater clarity is needed about how the needs of different groups will be met and what the consequences are of failure by schools to meet the requirements.


\[11\] https://resources.amazingapprenticeships.com/parents-resources/
Yasin is a mentor for Talent Match Leicestershire, a project that supports 18 - 24 year olds who have been unemployed for over a year. Talent Match is funded by Big Lottery and, in Leicestershire, is led by The Prince’s Trust. Yasin is also the owner of HQ Recording Studio in Leicester, founded so that he could work flexibly alongside providing care for his disabled son. HQ offers free studio space for unemployed young people to explore their creative talents and receive one-to-one mentoring sessions.

Yasin has mentored over 80 young people and has signed songs or projects with eight Talent Match young people.
5. Work, employers and progression

Flexible and part time work

Inactivity rates among women can be linked to unpaid caring responsibilities in the home.

A study by the Fawcett Society found that 27% of Indian women, 30% of Pakistani women and 31% of Bangladeshi women are carrying out unpaid childcare compared to 6% of white British women.[12]

Providers identified that, for some people they are supporting, there is a fear about the suitability of childcare available, whilst, in some cases, it is a cultural taboo. The low take-up of childcare provision among some ethnic minority groups, however, is substantially due to a lack of supply of affordable childcare as well as a lack of awareness of support that is available. The Family and Childcare Trust found that childcare costs have risen at double the rate of inflation, and only 45% of councils in England reported having enough childcare places for parents to access in 2017.[13]

Therefore, finding a flexible job around childcare commitments is a significant barrier to work. The opportunity to work flexibly enables a greater proportion of those with caring responsibilities to both work and progress in work. However, flexible and part time opportunities are not as available as required. School Meal Support is often seen by jobseekers as the only job that is workable around childcare and family commitments.

Women returning to work also face problems in finding employment that matches their skills set and previous experience. While some progress has been made through organisations such as Timewise, to promote opportunities for flexible working, such as job share and flexible working hours, there is still more to be done to facilitate a ‘culture shift’ to making these practical arrangements more accessible and common place.

Where possible, flexible working opportunities should be offered on the first day of employment. Employers, in particular SMEs, need help to increase the amount of job sharing opportunities and flexible working practices. However, part time work opportunities should be met with in-work support and advice around progression. There is also scope to consider how new and existing technologies can facilitate more flexible working either through opportunities to work away from the office environment, exploring how job sharing opportunities can be promoted, and through online platforms and social media.

Self-employment

Self-employment is recognised as a viable route to employment, particularly when delivered by specialist providers who deploy mentors. Providers also know that this is attractive to some ethnic minority groups.

However, Universal Credit (UC) roll out is making this a much less viable route for individuals into employment. Providers have expressed concerns about the Minimum Income Floor (MIF) cliff edge in UC that newly self-employed workers face after 12 months, which means that many will be left without support.[14] ERSA members operating in UC areas are reporting that the cliff edge is already disincentivising self-employment pathways, plus endangering the survival of many new businesses. Further issues exist around the level at which the MIF is currently set (at the national minimum wage) and the Real Time Reporting accounting requirements, which add significant complications that endanger the long-term viability of businesses.

**Case study:**

**Jace**

Jace was born on the Caribbean island of Montserrat and moved to the UK in 2010. He was 19 and without the core qualifications in English, Maths and Science to get the type of work he wanted.

He realised that he wanted to set up his own bike repair business but he lacked the practical work experience and skills he needed to do so. Jace says: “I managed to get some help to start my business plan, but now I need help to take the next step up.

“Talent Match London is about helping the next generation to find out what they’re good at to get the careers and independence they want. It will help young people like me to be supported from education to paid employment and into continued career progression. For me there’s no other programme out there like that.

“I’m involved with Talent Match London because I love working with and helping young people. Eventually I want a part of my future business to help make things easier for young people like me to get on in their careers. I know that if I’d have had this kind of support, things would have been much easier.”

**Employer Culture**

Discrimination remains a real barrier to the workplace for many. Anecdotally, some providers working on the frontline report that they have encountered instances of employer discrimination in recruitment practices. Providers have reported that the fear of discrimination and bias at work can make some people reluctant to take up job opportunities in certain sectors or to travel to different locations. Providers have also identified a lack of diversity within certain workforces, particularly in rural areas.

Inequalities in the labour market do not occur in isolation, and the intersectionality of different characteristics can play a part in employment outcomes, particularly with regard to discrimination and unconscious bias. For example, one provider reported that black African women reported the highest levels of anxiety compared to other groups.

A 2016 Women and Equalities Committee report found that Muslim women suffer high levels of economic disadvantage due to a “triple penalty” of their ethnicity, faith and gender as well as a combination of all three factors. Underlying reasons for this include discrimination and Islamophobia, stereotyping, and a lack of tailored advice around higher education choices.

Name-blind CVs have been explored as a method to avoid unconscious bias in recruitment practices, which is welcomed by providers. However, this addresses the initial stage of recruitment and not the interview stage and people moving into the workplace, which can create a negative work environment and impact on promotion opportunities.

Some organisations work closely with employers to support them to have a more inclusive work environment as well as a more diverse workforce.

Other providers involve local employers in outreach activities to increase awareness of employment opportunities and to bridge the gaps between local communities and employers.

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QED Foundation - Increasing staff diversity at all levels

QED Foundation has trained 800 directors and senior managers of large private and public sector companies on race diversity issues and community engagement.

Participants were supported to draw up individual and departmental action plans to help them develop new ways of recruiting, retaining and rewarding ethnic minority employees. In partnership with Jobcentre Plus, the charity also helped 350 small and medium-sized companies in England and Wales to address underrepresentation of BME groups.

QED Foundation ran a successful campaign in association with the Cabinet Office to encourage candidates from south Asian communities to apply for fast-track civil service jobs. The charity produced a video in English and Urdu presented by actor Saeed Jaffrey OBE and a supporting leaflet featuring six successful role models discussing their careers. These were distributed to professionals and community activists working with young people and their parents.

Launches in Tower Hamlets and Bradford were attended by leading civil servants. Others supported an event in Birmingham for representatives from 150 community organisations and a fourth roadshow in Manchester.

The initiative contributed significantly to the current ethnic minority representation at senior levels.

QED Foundation is currently advising York St John University on policies and practices to build a more diverse workforce and improve access to students from a wider range of backgrounds.

Case study:

Kennedy Scott Metropolitan Police Service Recruitment Project

Shazia Saheb was interested in working for the Metropolitan Police but lacked the confidence to apply.

After seeing a poster about Kennedy Scott’s Metropolitan Police Service Recruitment Project in her local JobCentre, she attended an open day, based in her local community, and gained an overview of job roles and enrolled onto a course, which was part of a five stage recruitment process for Met Police Community Support Officers based in local BAME communities.

Kennedy Scott delivered the pre-employment course, which was designed in partnership with the Met Police. Support included assisting clients through the application process, preparing for the competency based interview, and raising the level of competences in 5 key competency areas. Shazia built good relationships with the rest of the diverse group, who all helped each other towards reaching the Met Police standards. Shazia was able to secure a job as Community Support Officer, part of a team covering Caledonian area of Islington. She enjoys the challenges the job brings, as well as the opportunity to get to know the local community and be a positive role model to children in the area.

As part of the project, there were 1349 job entries from August 2001 to March 2005, 49% of which were from ethnic minority groups. The retention rate is 99.8% and the Met police improved recruitment of BAME individuals and females by 75% as a result.
Similar initiatives could be evaluated and rolled out to encourage employers to improve the diversity of their workforce, as well as to improve jobseeker awareness of local labour market opportunities.

Employers should improve the monitoring of ethnicity of the staff members and adapt recruitment practices where necessary. Employers should also monitor the rate of in-work progression across different ethnicities and types of work, including in part-time positions.

**Low pay and in-work progression**

Ethnic minority groups are more likely to be concentrated in lower paid sectors, as well as in temporary and insecure work. Periods of unemployment during childcare can also affect employment prospects. A Government Equalities Office study found that a history of full-time work is the largest factor affecting wages, whilst part-time work has no impact in relation to wage increase.[17]

Since women from ethnic minority groups are more likely to partake in part-time work after periods of unpaid care, this issue needs to be addressed. In addition, time out of work can significantly increase the likelihood of gaining unsuitable employment. The Institute for Fiscal Studies found that women earn 2% less on average for every year out of paid work; this increases to 4% for more highly qualified women.

Employment support must focus on quality work and progression, rather than simply moving people of benefits. Many specialist providers support people once they are in work and are able to provide advice at an early stage of employment, as they are aware of where difficulties may occur. Providers can continue their work with individuals to not just help them into employment but to enable them to progress in their careers.

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**Case study:**

**Prospects, part of the Shaw Trust Group**

Prospects, part of the Shaw Trust Group, has been delivering a one-year in-work progression programme for 4,500 customers, with the target of progressing 50% of people into better paid work.

Prospects has partnered with housing associations as a referral route for this programme. The nature of the support required means that service delivery is very different to traditional employment support. Especially important is that support has to be delivered flexibly to meet the busy schedules of customers, often in the evenings or on weekends. Other ways of defining progression include access to childcare and sustainment.

**Recommendations**

- To help improve the low take-up of childcare provision among some ethnic minority groups, the Government should continue to focus on ensuring that all parents have access to affordable childcare. In particular, it should consider how to make childcare affordable across high cost localities, such as London.

- Where appropriate, flexible and part time working should be offered from day one of a person starting work. Government should consider how it can further promote the advantages of flexible working to employers; in particular, SMEs should be targeted through marketing and incentive schemes to incorporate flexible working into their current models.

- Government should support employers, of a certain size, to audit their ethnicity profiles and draw up action plans and practical solutions to address underrepresentation of minority groups.

- Government should better reflect the importance of self employment as a route for jobseekers throughout JCP and employment support provision. Government should remove the cliff edge in UC that means that many self-employed workers will find it unviable to run their business after 12 months.

- In-work progression should be delivered through specialist providers as an independent, well-resourced in-work progression service. This should be person-centred and flexible and should encompass the following: the development of personalised action plans, help with financial planning, practical support with childcare and transport, advice on speaking to employers, signposting to appropriate training options, group interactions and job brokerage.

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Synopsis of recommendations

Closing the race disparity gap will require determined and long-term effort from central government and its agencies, local government and its partners, working closely with the business community, employability and skills providers and local community based organisations. To aid these partnership efforts, we believe that the following must also take place.

 Appropriately Targeted Investment

- To meet the needs of people who either have poor or no English language skills, there should be **targeted English language provision for recent migrants**, a proportion of which should be ring-fenced for community provision, plus provision for those who require employment-specific language classes to fulfil employment opportunities at a more advanced level.

- To address concerns that the Jobcentre Plus environment is not always conducive to enabling trusted relationships, particularly in relation to individuals and communities who have not had a history of engagement in formal public sector settings, there must be **investment in employability and skills providers** who are both skilled in their jobs and in touch with ethnic minority communities. A good proportion of provision should take place in **community settings**, allowing for a flexible and informal learning environment.

- As many recent migrants are well qualified and working at below the level they occupied prior to coming to Britain - a missed opportunity in the context of the UK’s skills gap - investment must be made in provision focused on **enabling the transferability of overseas qualifications to a UK setting**.

- The **successor fund to the European Social Fund** must be of sufficient size and be allocated on the basis of need and focused on the employability and skills needs of the UK’s diverse communities. It must be designed so that it is able to fund multi-agency and multisectoral community partnerships, foster innovation and bring in new actors, while being focused on impact on communities.

 Tailored Programme Design

- To help improve engagement with communities who sit outside of mainstream support, **programmes must be designed which respect and work with local areas** and are flexible enough to ensure tailoring for specific communities. An example is that commissioners should understand the benefit of provision which works with an individual’s families, friends and wider networks. It should also include input from social housing providers, for instance, to ensure integration of support.

- Urgent thought must be given to the **implications of partners of people in receipt of Universal Credit** coming into scope of the Jobcentre Plus conditionality regime. Support must be delivered in a culturally sensitive manner, which works with the whole family.

- Future employment support schemes should routinely offer **bespoke tailored support**, delivered flexibly and at the right times through accessible organisations. Funders should make more effort to ensure that providers have the track record and ‘cultural competence’ to understand and support people in the context of their background and culture.

- There must be concerted effort by the Department for Education to **close the gap in the take up of apprenticeships** between white groups and people from ethnic minority groups.

- Support to increase skills, knowledge and thus earnings should be delivered through an **independent, well-resourced ‘in-work’ progression service** rather than being the responsibility of Jobcentre Plus. Ensuring that the service is well respected and able to deliver is essential given the lack of engagement with Jobcentre Plus amongst some communities, plus the need to close the ethnicity earnings gap.

 Government Direct Action

- There must be a greater focus on ensuring that the Jobcentre Plus’s **Flexible Support Fund**, which is traditionally underspent, is fully utilised to ensure funding is available to support under-represented groups, as well as including an assessment of the impact of the current spend.

- To specifically help families in some communities, Government must place more focus on **helping with childcare costs**, alongside work to ensure a greater supply of flexible and part time working options.

- Where appropriate, **flexible and part time working** should be offered from day one of a person starting work. Government should consider how it can further promote the advantages of flexible working to employers; in particular, SMEs should be targeted through marketing and incentive schemes to incorporate flexible working into their current models.

- Government should encourage employers of over a certain size to **audit their ethnicity profiles** and draw up action plans and practical solutions to address under-representation of minority groups wherever appropriate.

- Similarly, the Department for Education must analyse the available data to ensure that **schools’ and colleges’ advice and guidance offers** are of a sufficient standard and delivered appropriately, helping both young people and older jobseekers from ethnic minority groups to access apprenticeships.

- Government should **remove disincentives to self employment** baked into the design of Universal Credit. Self employment is an attractive route for some, but Universal Credit’s design, as it currently stands, means a severe reduction in entitlement for some self employed individuals.
Race Disparity Audit: Summary Findings from the Ethnicity Facts and Figures website


Breach, A., Li, Y. (2017) Gender Pay Gap by Ethnicity in Britain – Briefing, Fawcett Society


OECD Secretariat and the DG Employment, Social Affairs and Inclusion (2016) How are refugees faring on the labour market in Europe? A first evaluation based on the 2014 EU Labour Force Survey ad hoc module, European Commission

Women and Equalities Committee (2016) Employment opportunities for Muslims in the UK, House of Commons


Amazing Apprenticeships: Parents Resources https://resources.amazingapprenticeships.com/parents-resources/


For more information, please contact policy@ersa.org.uk

**Contributing organisations**

Belina GRoW
Clarion Futures
Kennedy Scott
Paddington Development Trust
Prospects, part of the Shaw Trust Group
QED Foundation
Pluss
Renaisi
The Prince’s Trust
The Twist Partnership

Photo credits: QED Foundation and PeoplePlus
Clearly, to devise strategies and interventions to deliver on these commitments, it will be necessary to build on the experience and knowledge of the experts – the providers of skills, employability and related services who are embedded in local communities, who know how to engage and support individuals from a wide range of backgrounds towards and into employment.