

FINDING THE WAY:  
employability and the  
prevention and  
alleviation of  
homelessness

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A research report for **shen**



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# FINDING THE WAY

## employability and the prevention and alleviation of homelessness

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# FINDING THE WAY

employability and the prevention and alleviation of homelessness

## 1. Purpose of this report

- 1.1 This report has been undertaken by SHEN as part of its task of identifying and promoting “what works” in providing people at risk of homelessness with skills for sustainable employment. It reviews the way in which employability services are being developed for and delivered to people facing homelessness, and places this in the context of employability policy in Scotland and across the UK.
- 1.2 The report reflects policy and practice developed in 2006/7, including the delivery of employability initiatives in local authority homelessness strategies. These were reported to the Scottish Executive by April 2006 in line with the recommendations of the Homelessness Task Force (HTF) Final Report (Scottish Executive, 2002).
- 1.3 It should be noted that policy is moving rapidly in this field, especially in welfare reform and the development of the skills agenda. Consequently, readers must be aware that policy details may change. However, the broad issues dealt with in this report remain relevant to the role of employability in the prevention and alleviation of homelessness.
- 1.4 This report is intended to update SHEN members, local authorities, other statutory organisations and their partners on the emerging policy in the field of employability. It will also inform practice and support the delivery of policy in homelessness and economic strategies.

## 2. Employability – the Scottish dimension

### 2.1 Employability at the local level

- 2.1.1 Local authorities in Scotland are increasingly identifying employability as an important element in the prevention and alleviation of homelessness. However, their role in employability needs to be understood in the wider context of both Scottish and UK wide employment and welfare policies.
- 2.1.2 At the Scottish level, local authorities have certain responsibilities for generic employability provision under the Workforce Plus Employability Framework (Scottish Executive 2006) and the transfer of New Futures Fund Initiatives (NFFI) to Community Planning Partnerships. However, these provisions and programmes are managed in a range of ways across Scotland.

- 2.1.3 Local authorities within the Closing the Opportunity Gap (CtOG) target A areas are the main focus of the Workforce Plus provision. These areas are obliged to adopt the framework structure of National and Local Employment Partnerships. Local authorities outside these areas are encouraged to adopt similar approaches to employability.
- 2.1.4 At a local level, the framework proposes Local Employment Partnerships of key agencies which are responsible for funding “effective employability services”. These partnerships are centred around the key funders: local authorities, Jobcentre Plus districts, Communities Scotland local offices, local enterprise companies and NHS boards. Other agencies, such as further education colleges and the prison services may also be in the partnership. There is representation of the voluntary sector through the Scottish Council for Voluntary Organisations in some areas.
- 2.1.5 Local authorities which adopt the structures of the employability framework are well-placed to provide holistic employability opportunities through partnership working at a local level. Homeless people should benefit from the proposals within the framework as Workforce Plus highlights their employability needs.
- 2.1.6 However, for this approach to be effective for people at risk of homelessness, action has to be taken to make the link between homelessness strategies and other employability initiatives and programmes at the local level. This includes policies which are targeted at economic development rather than individual employability.
- 2.1.7 It should be noted that the importance of this link was not reflected in the HTF recommendations, as these were drafted in 2002, before most of the policy framework on employability was in place.

## **2.2 Homelessness and employability**

- 2.2.1 The NFFI (Scottish Enterprise, 2002) had a significant impact on people at risk of homelessness and at a distance from the labour market. This holistic programme provided employability training at a level which reflected the needs of clients who were not ready for mainstream training such as New Deal. Clients could address multiple challenges, including homelessness, alongside employability needs and aspirations. It was transferred to Community Planning Partnerships (CPPs) in March 2006, in accordance with HTF recommendation 54.
- 2.2.2 Workforce Plus observes that greater provision at this level is necessary if those at a distance from the labour market are to make progress. However, by “mainstreaming” this type of provision through the CPPs, the specialist element which supported those at risk of homelessness may have been diluted or even lost.

- 2.2.3 This highlights one of the main strategic issues in employability and homelessness. There is a tension between the provision of specialist services for people at risk of homelessness, and their access to generic, mainstream services. On the one hand, specialist services can use their experience to develop and support service users towards the labour market whilst knowing and understanding the barriers which this client group faces. On the other hand, access to generic employability services means that any stigma attached to homelessness is avoided, and the client's needs can be met through long-term, more permanently funded services.
- 2.2.4 HTF recommendation 50 seeks to engage these mainstream services, and SHEN has found that both Jobcentre Plus and Careers Scotland are in principle prepared to develop their services to provide better access for our client group. However, SHEN is of the opinion that generic services alone cannot provide a holistic employability service to our client group, especially at the start of the "employability pathway" (see paragraph 9.5), where hard outcomes are difficult to identify.
- 2.2.5 Consequently, an appropriate mix of specialist and adaptable generic services is vital in supporting people at risk of homelessness find their way towards the labour market. However, for this approach to succeed, both generic and homelessness services need to be aware of each other's role and be able to undertake partnership working. This may mean that capacity building is needed in both types of service.

### **2.3 The Scottish context for employability**

- 2.3.1 The wider Scottish policy context also has an impact on the ways in which employability can become a sustainable route out of homelessness. For instance, regeneration policy, as expressed in "People and Place" (Scottish Executive March 2006), and local Regeneration Outcome Agreements (ROAs), can have significant effects on the job market in an area.
- 2.3.2 However, we have been unable to find evidence that the Community Regeneration Fund (CRF) has been of benefit to people at risk of homelessness. This programme is due to end in 2008, and will be replaced by Single Outcome Agreements. It will be important to monitor whether people at risk of homelessness can access adequate services under the new provision which replaces ROAs, particularly as some of the services and funding currently accessible to people at risk of homelessness are included in the Single Outcome Agreements.
- 2.3.3 Economic development policies, such as "Smart Successful Scotland" and the programmes funded by Scottish Enterprise and Highlands and Islands Enterprise, were also designed to impact on both national and local labour markets. However, since the transfer of Scottish

Enterprise's NFFI projects to CPPs, their programmes have offered very little support to people at a distance from the labour market. Initiatives from Scottish Enterprise, such as Training for Work, only provide opportunities for relatively well-qualified candidates.

- 2.3.4 Therefore, SHEN hopes that the changes implicit in the "Skills for Scotland" strategy (Scottish Government, 2007) will offer more support to those at a distance from the labour market. We also welcome the proposed framework for "Solidarity and Cohesion Golden Rules" in the Government Economic Strategy discussion document (Scottish Government, Jan. 2008). We believe that developing the employability provisions of homelessness strategies will also support the economic Purpose outlined in this paper.
- 2.3.4 Careers Scotland has recognised the need for specialist advice to people facing multiple disadvantages in entering the labour market. It is working closely with homelessness services in some areas, and SHEN has trained careers advisors. Local Economic Development agencies are also showing increasing interest in supporting people at risk of homelessness.
- 2.3.5 Education, training and lifelong learning policy and programmes also have a significant impact on the opportunities available for people at risk of homelessness. Homelessness agencies have developed both formal (SCSH, June 2007) and informal training. A wide range of links to further and higher education has been found, which offer effective training opportunities to people at risk of homelessness.
- 2.3.6 However there are benefits barriers to taking up formal training which have adverse effects. For example, benefits can be lost due to the 16 hour rule, and people who take up training or apprenticeships before obtaining a tenancy can lose eligibility for grants for furniture when they move into permanent accommodation.

### **3. Employability – the wider picture**

#### **3.1 Welfare reform in the UK**

- 3.1.1 UK-wide policies in welfare reform, as well as European programmes and strategies, also have an impact on our client group. Recent developments of more flexible employability and employment provision are to be understood in the context of the Welfare Reform Act (2007), the Green Paper *In work, better off: next steps to full employment* (DWP, July 2007) and the response *Ready for Work: full employment in our generation* (DWP, Dec. 2007)

- 3.1.2 This emerging policy is clearly intended to move those at the greatest distance from the labour market into work, and consequently will have an impact on many people at risk of homelessness. The Welfare Reform Act 2007 is designed both to establish a right to work and encourage a responsibility to get off benefits, led by the general principle that “work is the best form of welfare”. It is closely tied to the UK government policy of achieving 80% employment, and a range of other UK-level policies and reports on welfare reform and skills development.
- 3.1.3 SHEN cautiously welcomes many aspects of this emerging policy. We agree that our client group is entitled to share in the wealth created by a high level of employment in the economy. In principle this policy offers individual, appropriate, support to disadvantaged clients as they journey towards the labour market. We believe this is essential to finding sustainable employment. We also welcome the recognition of the important role that the voluntary sector can play in supporting people at a distance from the labour market towards sustainable jobs. However, we have several reservations about the way in which this policy will be implemented, and the outcomes it will produce.
- 3.1.4 Firstly, there seems to be a strong emphasis on sanctions if clients fail to take appropriate action to find work. Fear of sanctions is not an effective motivation for finding a sustainable position in the labour market. Short-term, insecure employment may become the solution for those at risk of benefits sanctions, and the financial insecurity which follows may reinforce a pattern of repeat homelessness. If local economic conditions cannot supply stable, long-term jobs, employment is unlikely to become a sustainable route out of homelessness. Consequently, the threat of sanctions may further damage vulnerable people who have experienced homelessness by forcing them into insecure jobs rather than finding sustainable work.
- 3.1.5 Secondly, the emphasis on hard outcomes over relatively short timescales is inappropriate for people at a distance from the labour market. These people need appropriate interventions and timescales to develop employability skills, underpinned by the development of soft skills. The time scales proposed in “In work, better off” may encourage some people who are homeless but “job ready” to make an early entry to the labour market. However, they may also place undue pressure on more vulnerable clients, forcing them into jobs before they have overcome the challenges which led to homelessness or acquired appropriate skills. Repeated homelessness, rather than sustainable labour market entry, is likely to be the outcome of the timescales proposed in the 2007 welfare reform.
- 3.1.6 Lastly, we are concerned that a policy which moves towards 80% labour market participation means that the 20% remaining workless may be further stigmatised and excluded. SHEN entirely concurs with

the “welfare to work” principle that disadvantaged members of society should share in the wealth of a relatively full employment market. However, there is a risk that the workless 20% may find an increasing gap in the opportunities and benefits available to them. Whilst better access to appropriate employment services is to be encouraged and supported, adequate and accessible benefits are also vital to resolving homelessness for many people.

- 3.1.7 SHEN therefore seeks to enable all people at risk of homelessness to take full advantage of the benefits of labour market participation. However, we also wish to ensure that welfare benefits offer sufficient security to people who are too vulnerable to work to stabilize their lives without being forced into a vulnerable position in the job market. Therefore, increased flexibility both in employment programmes and benefits should be seen as key to making employability a sustainable route out of homelessness.

### **3.2 The role of the Department of Work and Pensions (DWP) and Jobcentre Plus**

- 3.2.1 The role of Jobcentre Plus is pivotal in providing employment services, as HTF recommendations 50-54 recognise. Therefore effective access to these services is essential. SHEN has welcomed the recent focus of Jobcentre Plus initiatives on providing services for those at a distance from the labour market, including people at risk of homelessness. We are working to identify ways in which Jobcentre Plus services can be more responsive to the needs of our client group.

- 3.2.2 However, it should be noted that “homelessness” is not currently a specific DWP target for employment support. This means that Jobcentre Plus offers few specialist services to homeless clients. SHEN hopes that the consultation on chaotic lifestyles which will follow the publication of *Ready for Work: full employment in our generation* (DWP, December 2007) will enable Jobcentre Plus to tailor employability interventions for people at risk of homelessness.

- 3.2.3 A range of DWP/Jobcentre Plus initiatives appropriate for people at risk of homelessness were introduced prior to the Welfare Reform Act (2007). For instance, the Progress 2 Work programme is designed to move clients with histories of substance abuse towards work, and Progress 2 Work/Linkup provides services in a limited number of locations in Scotland for people who have experienced homelessness. Some initiatives report a relatively low take-up, and more work needs to be done to develop these schemes in partnership with homelessness agencies.

- 3.2.4 Pathways to Work is another DWP/Jobcentre Plus initiative designed to support Incapacity Benefit (IB) claimants return to the labour market. It puts in place CMPs (condition management programmes) and

additional back-to-work payments. The programme is being rolled out across Scotland in 2007, and should be available in all areas early in 2008. Participation in this programme may be closely linked to the Employment Support Allowance (ESA), the new benefit introduced by the Welfare Reform Act (2007) to replace incapacity benefit (IB).

- 3.2.5 The DWP has also initiated Employ Ability (June 2007), a campaign to support people with disabilities into work, which could have some impact on people at risk of homelessness. It might also provide a model which could be developed for improving the link between homeless people seeking work and employers. However, Employ Ability will be piloted in England, and so these provisions will not affect Scotland until the scheme is rolled out in 2008.
- 3.2.6 The DWP's Cities Strategy has already taken effect in Scotland as it did not need the primary legislation of the Welfare Reform Act. This initiative addresses worklessness in disadvantaged communities and, like Workforce Plus, supports employability through a partnership of local agencies. Dundee, Edinburgh and Glasgow are all "pathfinders" in this initiative, which recognises that local flexibility is needed to deliver significant increases in employment levels, and so has considerable potential to resolve some of the labour market barriers for those at risk of homelessness.
- 3.2.7 SHEN understands that all three Scottish pathfinders requested flexibility in welfare benefits as part of the solution to the benefits barrier to job-market entry. However, current indications are that the DWP is unlikely to agree this flexibility. Therefore the full potential of Cities Strategies to promote job market entry for people at risk of homelessness is unlikely to be realised.
- 3.2.8 However, there are other initiatives which which address these issues. Working Future has already been piloted in London. This project supported people in temporary accommodation while they undertook training, enabling them to address employment issues at the same time as resolving their homelessness problems. We are also pleased to see that the DWP is considering reforming the 16-hour rule for people in supported accommodation (DIUS and DWP, 2007).

### **3.3 Skills policy frameworks**

- 3.3.1 Policy on skills and training also frames employability measures. The Leitch Review of Skills (Leitch, 2006), considered how the UK can maintain and improve its competitiveness in the global economy through better training and skills. The findings of this review are echoed in the Futureskills Scotland's "The Scottish Labour Market 2006". These proposals are being taken forward by the UK government in a statement (DIUS, July 2007), and in the "Skills for Scotland" strategy (Scottish Government, 2007).

- 3.3.2 The Leitch Review recognises that poor skills levels have an impact on individual life-chances and the national economy. It paints a gloomy picture for the low-skilled, who will be excluded from prosperity unless they increase their skills levels to meet the demands of the job market.
- 3.3.3 People at risk of homelessness are often amongst the very low-skilled. So access to a wide range of training opportunities from basic skills to relatively high-level skills will be needed for employment to be a realistic and sustainable route out of disadvantage. SHEN welcomes the range of opportunities being developed for a “Smarter Scotland” (Scottish Government, 2007), and hopes that these proposals can be flexible enough to engage meet the aspirations of homeless people.
- 3.3.4 However, we must reiterate that at present the benefits system acts as a disincentive to training for those at risk of homelessness. SHEN members have reported instances where homeless people are running up debts by entering formal training and education. They are hampered by the loss of benefits associated with the 16-hour rule; the reduction of Housing Benefit coupled with high support costs which are charged as rent in hostel-style accommodation; and the loss of grants for furniture and household items. These disincentives often result in people being unable to take up employment, apprenticeships or training, as they would be considerably worse off by doing so.
- 3.3.5 SHEN therefore welcomes the proposal in *Ready for Work: full employment in our generation* (DWP, Dec. 2007) to allow benefits claimants to undertake up to eight weeks training without the disincentives of the 16-hour rule. However, the limited types of training available under this concession are unlikely to result in the poorest-skilled claimants gaining qualifications which will lead to a secure position in the labour market.
- 3.3.6 Further flexibility is needed in the benefits system for all homeless people to be better off in a job and to find sustainable employment. So we will encourage the government to take forward the proposal to allow young people in supported accommodation to follow full-time education and training courses. This is outlined in “Opportunity, Employment and Progression” (DIUS and DWP, 2007).
- 3.3.7 Although this flexibility will help people at risk of homelessness overcome benefits barriers, to be effective it must be linked to appropriate and adequate training and support. Evidence from Workforce Plus shows that support in the early stages of the employment pathways, and in-work support, play significant roles making work a sustainable solution to challenges such as homelessness. Training which produces soft outcomes, especially in the early stages of the pathway, is an important element in this provision.

## **4. Employability and homelessness strategies in the context of the labour market**

### **4.1 Linking homelessness strategies to the labour market**

- 4.1.1 This range of new legislation and programmes coming from both the UK and Scottish levels shows that there are many opportunities for developing employability as a sustainable route out of homelessness. Effective employability provisions will also play an important role in the prevention of homelessness, helping local authorities to achieve their aim of 50% reduction in non-priority assessments by 2009.
- 4.1.2 However, we cannot assume that the employability needs of people at risk of homelessness will automatically be recognised under these new provisions. Strong links need to be built up between homelessness strategies and Local Employment Partnerships. The employability needs of the homelessness client group must be clearly identified and translated into effective local provision. At the same time, work also needs to be done to ensure that the local labour market can provide real, sustainable jobs for this client group.
- 4.1.3 An understanding of general employment and welfare policy as outlined above is important to the development of effective employability measures for those at risk of homelessness. However, these measures emphasize the supply side of the labour market. For employability to provide a real solution to the problems of disadvantage and poverty there needs to be a matching response from the demand side of the labour market in terms of job creation and availability.

### **4.2 The demand side of the labour market**

- 4.2.1 The outcomes of employability programmes are partially dependent on the wider context of economic development, labour market conditions, regeneration strategies and transport links within each local authority area. So appropriate methods of engaging with employers and economic development services at a local level need to be developed. Homelessness strategies should recognise the role of employability as a route out of homelessness in ways which reflect the disparate economic geography of Scotland, as well as the individual circumstances of those facing homelessness.
- 4.2.2 The needs of local employers should be brought into the employability process and matched with the aspirations of potential workers. This requires a sound knowledge of both local labour markets and the realistic ambitions of homeless people. Useful work has been undertaken in Glasgow (GHN, 2006) on the employment aspirations of homeless people, showing that they are compatible with the local labour market and projected employment growth areas in the city.

- 4.2.3 SHEN's experience indicates that work needs to be done to encourage employers to recognise the advantages of engaging with a range of potential workers who are at a distance from the job market. Firstly they need to overcome prejudices about people facing challenges such as the risk of homelessness. Secondly, employers have to feel confident that they will acquire effective and reliable workers. Lastly, they need to know what support and incentives they will be offered to engage with this group.
- 4.2.4 Employing people at a distance from the labour market is not necessarily the preferred short-term option for employers. As "*Skills for Scotland*" (Scottish Government 2007) acknowledges, in the current labour market migrant labour and student workers are competing with people at risk of homelessness for entry-level jobs. However, this is not a long-term solution to labour market shortages. As the Government Economic Strategy (GES) discussion (Scottish Government, Jan. 2008) recognises, an inclusive employment policy will have a significant impact on social and economic cohesion and solidarity in Scotland.
- 4.2.4 So, work needs to be done to persuade employers that there is a "business case" for long-term investment in people facing multiple disadvantage. Training people at a distance from the labour market may provide a more secure supply of workers to meet the demands of a labour market moving towards full employment, as well as link to the policy of "British jobs for British workers" (DIUS, 2007) and the GES.

### **4.3 Linking the demand side to the policy framework**

- 4.3.1 Workforce Plus (Scottish Executive, 2006) recognises many of these issues. It emphasizes the role that public sector employers can play in developing recruitment methods which will offer effective opportunities to people with low skills and little work experience. It also recommends the use of a lead agency or brokerage service to ensure a consistent and reliable service for both employers and the client group.
- 4.3.2 In order to promote the interests of their client group, homelessness strategies should link into the labour supply side, using Local Employment Partnerships where available. This will ensure that their clients get access to the new services emerging under the provisions of Workforce Plus and the welfare reform programmes, including the "Jobs Pledge" of large scale employers (DWP, July 2007). We hope that this will also be taken forward in the GES discussion.
- 4.3.3 Homelessness strategies, in partnership with employability service providers, should identify opportunities for work experience and employment, and also ensure that adequate in-work support is offered to both employers and employees to make work a positive and sustainable experience for people at risk of homelessness.

## **5. What do we know about employment and homelessness?**

- 5.1 There is extensive evidence from SHEN members, much of which was submitted to the Scottish Executive's workstreams for Workforce Plus, which indicates the type of employability provision which works for people at risk of homelessness. The principles which should underpin this provision have been outlined elsewhere (Wooley and McNaughton, 2005; Scottish Executive, June 2006). Further details of appropriate training can be found in "Rewards for Learning " (SCSH, June 2007) and information and case studies from SHEN members published in newsletters and reports (see [www.shen-scotland.org](http://www.shen-scotland.org))
- 5.2 However, despite generally-agreed standards for employability measures, very little is actually known about the employability, employment history or aspirations of individuals at risk of homelessness in Scotland. Glasgow Homelessness Network has reported on research in Glasgow (GHN, 2006), where information was gathered from a wide range of service users. This indicated that despite a high level of interest in finding a job, very few homeless clients were actually in work.
- 5.3 These findings are echoed in reports from (Off the Streets and Into Work in London (OSW, 2006). They found that only 6% of homeless people interviewed were working, although 42% had worked for at least a year within the last three years. OSW indicate that employment levels amongst homeless people have declined over recent years. They suggest that this is due to the reduction in and greater control of casual labour. There is no reason to think that the patterns of employment and service user aspirations reported in Glasgow and London should be dissimilar in other urban areas in Scotland.
- 5.4 However, in May 2007 two rural areas in Scotland (Aberdeenshire and Angus) have reported to SHEN that about 30% of people becoming homeless in their areas are employed. This is not necessarily comparable to the GHN and OSW findings, and may be linked to the insecure, seasonal nature of rural employment. However, it does indicate that the patterns of employability may differ between rural and urban areas in Scotland.
- 5.5 To measure the effectiveness of employability as a route out of homelessness, there is clearly a need for better information about the employability of homeless people, and their progression towards the labour market. However, this would require all local authorities to record employability information, and to share it with service providers and funding authorities.

- 5.6 At present, some local authorities record this information at the shared assessment stage, but there is still considerable concern about how this information can be used. The HL1 form, which provides homelessness records across Scotland, does not provide for the recording of employment or benefits information. Nor can Jobcentre Plus identify people at risk of homelessness from their records.
- 5.7 Consequently, quantitative measures linking employment to the resolution of homelessness cannot be provided at present. This means that no tools are available to measure either the need for employability provision for homeless people, or the success of such measures in providing a sustainable route out of homelessness.

## **6. Employability and homelessness – progress in Scotland**

- 6.1 The Housing (Scotland) Act 2001 requires local authorities to prepare strategies for the prevention and alleviation of homelessness. The role of employability in providing a sustainable route out of homelessness is recognised in recommendations 50-54 of the final report of the HTF (Scottish Executive 2002).
- 6.2 As part of this research and in its on-going role to improve employment opportunities and promote employability for people facing homelessness, SHEN has considered the response to these recommendations in the homelessness strategies of all Local authorities in Scotland up to April 2006. Details of this research were reported to the Scottish Executive in 2006.
- 6.3 SHEN's findings show employability projects within homelessness strategies and wider employability policies are being developed, and highlight examples of good practice across Scotland. On the basis of these findings, and in the general context of employability policy in Scotland, this report proposes routes which local authorities can follow in order to establish employability as part of their strategy for the prevention and alleviation of homelessness.
- 6.4 SHEN recognises that in the initial implementation of the Housing (Scotland) Act 2001, employability measures had a relatively low priority within homelessness strategies. Local authorities, often rightly, saw other aspects of their strategies as more central to their homelessness work at that stage. In addition, some local authorities interpreted the HTF recommendations as implying that responsibility for employability rested with other agencies, especially the DWP and Jobcentre Plus.
- 6.5 However, in more recent homelessness strategies, employability is emerging as part of the process of alleviation and prevention of homelessness. Local authorities recognise that people may avoid

repeat homelessness if they can find good training and suitable job opportunities during resettlement. SHEN is committed to the idea that employment can be a sustainable route out of homelessness, and we are encouraged to find that homelessness strategies are increasingly supporting this view.

## **7. Aims and objectives of employability in homelessness strategies**

- 7.1 The range of individual and structural issues already discussed are, to a certain extent, reflected in the homelessness strategies submitted to the Scottish Executive by April 2006. For some local authorities, employability strategy is a matter of offering skills and opportunities to those facing homelessness on an individual basis, to equip them for the existing local labour market.
- 7.2 However, for others, employability is more than an issue of individual development. If employability is to be an effective route out of homelessness, then it has to be part of the resolution of more general economic problems of the area. It is therefore a matter of economic as well as individual development, so the employability response in their homelessness strategy is found in the links they have made with wider labour market initiatives and service providers.
- 7.3 Most local authorities perceive employability as part of their prevention and alleviation of homelessness strategy. However, the policy context may be linked to strategies outside homelessness, such as Glasgow City Council's Equal Access to Employment Strategy and Edinburgh's Capital City Partnership. In these cases, employability provision for those facing homelessness reflects the "mainstream" employability strategy of the area.
- 7.4 This has the advantage of recognising that homelessness is just one of a range of issues which put people at a disadvantage in the job market, and therefore avoiding any stigma attached to the use of homelessness services. At the same time it provides a seamless progression for those moving closer to the labour market.
- 7.5 However, SHEN is of the opinion that some specialist employability services are also necessary for people experiencing homeless and at a distance from the labour market, especially at the start of their journey towards the labour market. This enables people to address homelessness issues alongside employability, which offers a more coherent route out of homelessness and towards the job market.

- 7.5 As the NFFI (Scottish Enterprise, 2002) has shown, good practice requires a wide range of provision for employability. The type of provision needed by the most vulnerable people at risk of homelessness is unlikely to be provided by mainstream services such as New Deal. So we recommend that this need is recognised in Local Employment Partnerships, the welfare reform programme, and reflected in the employability measures of local authorities' homelessness strategies.

## **8. Local authorities' responses to employability within their homelessness strategies**

- 8.1 There are three main types of policy response to employability issues in homelessness strategies reported to the Scottish Executive by April 2006. These range from:
- putting in place a full employability service supported by partnerships between homelessness and employment agencies.
  - acknowledging, but not effectively implementing, the HTF recommendations
  - virtually ignoring the role of employability either as a cause or part of the solution to homelessness
- 8.2 Some Local authorities have established good practice in their homelessness strategies, understanding that employability issues can be part of the cause of homelessness, and that employment can provide a route out of homelessness. The major Scottish cities - Aberdeen, Edinburgh and Glasgow - all provide good examples of how employability can be part of the response to homelessness. However, there are also good examples in more rural areas such as Aberdeenshire and Angus. A good mix of engagement with partnerships and identification of projects which are available for those facing homelessness characterises this group. Their strategy:
- clearly identifies a role for employability in the solution to homelessness,
  - creates an action plan which identifies specialist services for those facing homelessness
  - supports partnerships between specialist services and generalist employability agencies to provide a full range of services appropriate to the needs of individual clients.
  - shows evidence that the plan is resourced and active

8.3 The following examples of good practice can also be recommended as effective ways of making employment a practical route out of homelessness:

- Engagement with employers, recognising that they need support to participate in developing sustainable employment opportunities
- Recognition of the employment implications of resettlement, such as the use of allocations policy to support employment and proposals to adjust rents in temporary accommodation to alleviate the problems of loss of benefit on entering a job.
- The recognition that linking those at risk of homelessness to appropriate social networks can support employability and job opportunities.

8.4 Most local authorities recognise a role for employability in the prevention and alleviation of homelessness, but have only made a partially effective response in their Homelessness Strategy. A combination of three types of responses characterises their employability measures.

- The recognition that employment opportunities and local economic development are structural causes of homelessness. In some authorities this links homelessness measures to regeneration and local employment policies.
- The provision of and support for employability projects is clearly located within the prevention and alleviation of homelessness strategy, and may be part of the local authority's inclusion policy.
- This is often linked to building partnerships and supporting joint projects with other statutory and voluntary sector agencies. However, the provision is often focused on limited groups, especially 16-24 age group, and/or reflects generic provision such as New Deal, rather than specific provision to meet the needs of those at risk of homelessness.

8.5 Only a few Local authorities across Scotland fail to recognise the issue of employability in homelessness. Even there, it may reflect a failure to report employability provision rather than a complete absence of provision in that area. Nevertheless, local authorities need to be aware that employability is an aspect of homelessness policy which should be included in their strategy. Within this category there are three types of responses:

- Local authorities which do not acknowledge the potential role of employability as a route out of homelessness, or include employability in the action plans for their homelessness strategy
- Local authorities which accept that employability is part of homelessness strategy, but place responsibility for this with other agencies. In some authorities this seems to be due to a lack of awareness of projects in the area, as SHEN's own research shows that there is provision which is not mentioned in the homelessness strategy. However, there is concern that some local authorities do not recognise the role employability can play in the resolution of homelessness, and consequently may not be giving adequate support to projects or promoting the interests of this client group in mainstream employability projects.
- A more common type of response recognises that employability should be part of a range of preventative strategies, but the local authority has not progressed this. Partnerships may be planned, and employability projects proposed in their action plan, but a good range of employability provision is not yet reported in these local authorities' homelessness strategies.

## **9. The employability process**

- 9.1 For many people at risk of homelessness, moving towards employment is part of a process which takes several years. In the early stages, they need to develop employability skills alongside basic lifeskills, for housing and employment outcomes to be sustainable. Consequently, a wide range of projects linked to both life skills and employment for those facing homelessness can be part of the employability process.
- 9.2 This is recognised in some homelessness strategies, including the "Employment Pathways" approach established in Glasgow, and the employability training specifically aimed at those facing homelessness in North Lanarkshire. Workforce Plus outlines four stages in the employability process; however, recognition needs to be given to the time it takes to work through this process, and the importance of initiating it as early as possible.
- 9.3 Not all people facing homelessness need the full range of services, so they should have flexible access to services which respond to their needs and support progression towards work.
- 9.4 Each activity in the progression should have a measurable outcome that can be achieved by clients, and clearly understood as part of skills development for employability. "Soft" outcomes are appropriate in early

stages, but as a client progresses through the process, hard outcomes can be expected. This may include the acquisition of formal qualifications, work experience or participation in intermediate labour market schemes.

9.5 The following stages, based on the Glasgow “Pathways” approach, outline the process of moving clients towards the job market

Stage 1: Positive activity: Engaging clients in activities which:

- Develop routines and reliability
- Develop communication skills
- Build confidence
- Offer training for anger management and assertiveness

Stage 2: Employability and life skills training, including:

- Basic literacy and numeracy
- Further communication skills (including telephone and basic ICT skills)
- Time management skills
- Decision-making skills to support personal choices
- Addressing personal barriers to work (health, childcare, substance abuse etc.)

Stage 3: Preparing for work:

- Careers Advice
- Job search skills
- Vocational training
- Work experience
- Voluntary work
- Intermediate labour market participation
- Understanding the personal financial implications of work (benefits, tax credits etc)

Stage 4: In work support

- Support for employee with job requirements (e.g. clothing, tools, travel to work etc.)
- Helping employee adjust to personal barriers where necessary
- Negotiating with employers to gain their confidence and overcome prejudices
- Advising and supporting employer to put in place in-work support
- Supporting employee to sustain and progress in work
- Helping employee develop financial management skills

## Stage 5: Long-term support

- Encouraging employee and employer to develop skills through appropriate training
- Job retention and progression
- Supporting employee in addressing changing financial circumstances (loss of benefits, changes in tax credits, taxation etc).
- Addressing long-term solutions to personal barriers

## **10. Designing and providing appropriate employability services for people at risk of homelessness.**

- 10.1 Services which meet the employability needs of people at risk of homelessness should be provided in partnership with the wider local and national employability providers. Existing services should be identified and assessed through a mapping exercise, and the gaps in provision noted.
- 10.2 Although some services may be provided by homelessness service providers, some may be available from other sources, especially those needed by clients closer to the labour market. The Local Employment Partnership and/or local economic development services and Community Planning Partnerships should be engaged in identifying these services.
- 10.3 Competent providers are needed, but not necessarily from within homelessness services, as long as the provider understands the needs of homeless people. However, training may be needed to raise awareness of the needs of people at risk of homelessness.
- 10.4 Individual service users need support in accessing suitable services at all stages in the process. The “key worker” approach is the best way of providing support for people at risk of homelessness. The continuity offered by this approach is invaluable in achieving both hard and soft outcomes for vulnerable clients, despite the challenge of ensuring that the same worker stays with the client throughout the employment pathway and into in-work support.
- 10.5 It should also be recognised that the journey towards the labour market may not be straightforward. Services need to allow for clients who fail to progress at certain stages, whilst also giving positive support and encouragement to move forwards. More work needs to be done to develop a rationale for measurement of progress, especially at the early stages where “soft” outcomes are to be expected, progress may be slow, and clients may even appear to be regressing.

## **11. Recommendations: what homelessness strategies should include**

- 11.1 Homelessness strategies need to be drawn up in the light of the full range of employability and homelessness policies discussed in this report. At the minimum, local authorities should acknowledge that resolving employability issues can prevent and alleviate homelessness. Employability should be recognised and recorded in their homelessness assessment procedures, as this enables the impact of employability on homelessness to be evaluated.
- 11.2 However, it is clear that homelessness strategies alone cannot provide the range of services needed to address all aspects of employability for people at risk of homelessness. Therefore an appropriate mix of specialist and generic services needs to be identified. Links between these services need to be formally defined to ensure a coherent provision of employability services for people at risk of homelessness at the local level.
- 11.3 Local authorities with Local Employment Partnerships have a clear structure within which they can integrate employability provision for people at risk of homelessness. Homelessness strategies should indicate how the impact of these services on each other will be evaluated.
- 11.4 For other local authorities, working in partnership with agencies specialised in employability issues, such as Careers Scotland and Jobcentre Plus, as well as their economic development service, is the way forward. However, we regard this as a minimalist approach, in that it provides a generic employability strategy, but may not be well-adapted to the needs of those facing homelessness.
- 11.5 A wider partnership between local authorities, homelessness agencies, education and training providers and employability agencies is needed to provide an adequate service. In-work support for both clients and employers is also essential for work to be sustained, and a specialised “brokerage” service is an effective way of working alongside local employers.
- 11.6 Providers for the services outlined in 9.5 above need to be identified in homelessness strategies. Funding sources, including provision for capacity building within services, should be outlined in the Homelessness Action Plan. Some local authorities have approached this through a mapping exercise to identify local provision. This finds ways to move towards the labour market through both specialist and generic services,

- 11.7 Continuity of support through each point on the employability pathway ensures that progression is made and appropriate support is given. The “key worker” approach is strongly recommended as an effective method of supporting people at risk of homelessness find their way towards the job market.
- 11.8 It is not sufficient to provide employability services just for younger people (16-24). Adequate provision is necessary for older people and local authorities should ensure that their needs are recognised and reflected in their homelessness strategies. However, it has to be acknowledged that this is more difficult to fund from existing employability resources, especially for those at the greatest distance from the job market for whom New Deal 25+ schemes are unsuitable.
- 11.9 Local authorities are increasingly taking steps to ensure that employability is part of their strategy for the prevention and alleviation of homelessness. Homelessness strategies need to go on to consider how employability provisions for individuals link into their housing resettlement, the development of their social networks, and their aspirations.
- 11.10 Many of the local provisions which impact on homelessness and employability, including local regeneration plans, now come under the single outcome agreements of the Concordat with local government (Scottish Government Nov. 2007). Consequently, homelessness strategies should indicate how the impact of broader policies and provisions on homelessness will be monitored and evaluated.

## **12. Other recommendations:**

### **12.1 Employability services**

- 12.1.1 Local authorities and Jobcentre Plus have key roles in developing a coherent employability process for those at a distance from the job market. Generic employability providers also need to recognise the needs and aspirations of homeless people within their own plans and strategies. Awareness training and capacity building may be needed to alert generic providers to the needs of homeless people, and we recommend that better links be built between homelessness and employability services.
- 12.1.2 Employability services have to be flexible enough to adapt to the specific needs and challenges facing those at risk of homelessness. The expertise of the voluntary sector in this field should be recognised.

- 12.1.3 Flexibility across geographical boundaries, as well as an awareness of the relationship between housing resettlement and access to training opportunities and the labour market, should be built into the employability provisions not only of homelessness strategies, but also housing, training provision and welfare reform. This would prevent people dropping out of programmes which rely on residence in a specific location, such as a Jobcentre Plus Action Area, on resettlement.
- 12.1.4 In addition, the DWP should make people at risk of homelessness a specific target for Jobcentre Plus service. This would enable them to receive enhanced services while homeless, and continue to receive support on resettlement which should reduce their risk of repeat homelessness.
- 12.1.5 A partnership approach to employability provision is most likely to provide a good range of flexible services. However, for the outcomes to be identified, and services to be effectively evaluated, better recording and client assessment systems are needed. Single shared assessments should be considered, although it is recognised that the sharing of information between agencies will be problematic.
- 12.1.6 The value of specialist services also needs to be recognised, especially at the pre-New Deal level. Evidence and learning from the NFFI needs to be actively incorporated into employability services across Scotland.
- 12.1.7 However, employability is not just an individual challenge. Structural issues also play a part in employment becoming an effective route out of homelessness, and this should be addressed in both homelessness strategies, Economic Development Forums and Community Planning Partnerships.
- 12.1.8 At same time, local authorities and other statutory organisations need to be aware of their own role as a local employer, providing job opportunities in the public sector, and ensuring that training is available which responds to local employers needs.

## **12.2 Welfare reform recommendations**

- 12.2.1 This report is written at a time when welfare provision is being actively considered by the UK government. Consequently, many of the reforms we recommend are already under consideration and likely to be dealt with at a policy level during 2008. Nevertheless, we would like to emphasize the importance of these reforms to making employment a sustainable route out of homelessness.

12.2.2 Many of SHEN's recommendations on welfare reform have been published elsewhere (SCSH, 2007). In summary we consider that welfare reform can help to make employability a route out of homelessness in the following ways:

- The benefits system should encourage and support vulnerable claimants to find a way into the in job market
- Early interventions to tackle employability issues should be encouraged
- Participation in employability training should not be linked to benefits sanctions
- Homelessness should be a specific target for employment services, enabling Jobcentre Plus to support local policies for the prevention and alleviation of homelessness.
- Benefits should be secure and adequate to support those unable to find employment.
- "Make work pay" – people should never become worse-off financially by taking a job
- Benefits rules which act as disincentives to taking up training (e.g. the 16 hour rule) should be reformed
- Soft outcomes on the "employment pathway" should be recognised
- Timescales for finding a job should be realistic, recognising the challenges faced by people at risk of homelessness.

### **12.3 Recommendations for homelessness policy in Scotland**

As this report highlights, making employability a sustainable route out of homelessness cannot be the responsibility of homelessness strategies alone. However, there have been substantial developments in policy and practice since the HTF recommendations were introduced in 2002. We therefore recommend that any revisions to homelessness policy incorporate the following recommendations on employability:

- Homelessness strategies should clearly identify how they plan to make employability part of their strategy for the prevention and alleviation of homelessness.
- This should include effective methods for identifying the current and previous employment of homelessness applicants, and outlining their employability needs.

- Homelessness strategies should show how they can support people at risk of homelessness find their way through the employment pathway and into work.
- Action plans should identify how specialist interventions for people at risk of homelessness will be established and funded. This should include provision for the 25+ age group as well as younger clients.
- Homelessness strategies should encourage partnership working between homelessness agencies, employment services, including Jobcentre Plus and Careers Scotland, and local education and training providers.
- Homelessness strategies should show how their approach links into the Workforce Plus and Skills for Scotland approach at local level.
- Homelessness strategies should show how the interests of people at risk of homelessness will be represented to Local Employment Partnerships and CPPs.
- All key workers and other advisers should incorporate advice on employability into their work with people at risk of homelessness
- Homelessness strategies should encourage exchange of knowledge and awareness raising between homelessness services agencies and employment agencies and providers.

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## The Scottish Homelessness and Employability Network

**shen** was set up in 2003/4 to bring together and collaborate with the wide range of stakeholders in the employability process for people at risk of homelessness. This involves the identification and sharing of models of good practice; influencing policy, funding and legislation; and ensuring that the employability model can be a sustainable and effective route out of homelessness. **shen** is hosted by the Scottish Council for Single Homeless, funded by membership subscriptions and through grants from the Scottish Government.

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