

# Stronger together

The benefits of an inclusive labour market



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## Introductory statements

In a competitive global economy the UK's future prosperity is dependent on making the most of the talents of all the people living and working in the country. While we have a good track record of boosting participation rates over recent decades in the UK, the recession has revealed some significant structural problems that need to be addressed. The examples set out in this document show how innovative thinking is already taking place in workplaces around the country, with business and employees coming together to create solutions that work for themselves and for local communities. If we can harness this energy more widely across the economy, we can take large strides towards a more prosperous and stable economy for all.



**Katja Hall**  
chief policy director, CBI

The agreement on inclusive labour markets reminds us of Europe's best instincts. Economic development and social coherence do not have to be alternatives; they can support each other. A Europe of peace and progress is worth our idealism, but idealism alone is not enough. Europe faces long-term economic, demographic and environmental challenges and has to deal with them in the context of the global economic crisis. Our agreement shows that the social partnership of employers and unions is one of Europe's strengths, with the capacity to develop win-win solutions to these problems. This British contribution is a reminder that these solutions may already exist – steps that businesses and trade unions have already taken to address concrete problems. I hope these examples inspire others to strive for advances that combine efficiency and inclusion.



**Frances O'Grady**  
general secretary, TUC

CEEP UK fully supports the principle that we need an inclusive labour market which allows and encourages all people of working age to participate in work and supports individual development. Achieving this type of labour market can be difficult, and requires joint action between employers, stakeholders, public authorities and employees to help overcome obstacles. The case study examples are a small representation of the excellent activities being undertaken by our partner organisations. This jointly produced brochure is a testament to the joint activity undertaken with our TUC and CBI colleagues.



**Janet Beaumont**  
director, CEEP UK

# The framework agreement on inclusive labour markets

A framework agreement, negotiated by European unions and employers' organisations, is one of the ways in which the European Union decides policy. A framework agreement will consider an issue and lay out a set of general principles that are to be implemented at national level either by the 'social partners' (employers and unions) or by a directive from the European Commission.

The agreement was negotiated by BUSINESSEUROPE, CEEP, the ETUC and UEAPME and signed in 2010. The UK affiliates of these European organisations have until 2013 to take the agreement forward and this guide is an important element of our plans for implementation at national level.

The full agreement is available on the web.<sup>1</sup> It has six clauses and two annexes:

- Clause 1 sets out the background to the Agreement, including the negotiations by unions and employers.
- Clause 2 lists the aims of the Agreement. It is designed to help employers, workers and their representatives to understand the benefits of an inclusive labour market. It focuses on access to the labour market and also on retention and progress in employment.
- Clause 3 on the scope of the Agreement says that it covers people who face difficulties entering, returning to or integrating in employment or are at risk of losing their job. It covers individual characteristics, but also factors related to the workplace and broader economic trends.

- Clause 4 sets out some of the obstacles people can face, including the availability of information, recruitment issues, training and skills, attitudes and working conditions.
- Clause 5 lists things that employers and unions can do, such as holding awareness-raising campaigns and disseminating information (like this guide).
- Clause 6 sets up how the Agreement will be implemented, monitored and evaluated.
- Annex 1 lists some of the things the negotiators thought governments and other organisations could do, including the provision training and employment programmes, career advice, supportive welfare, transport, housing and care services and help for businesses.
- Annex 2 lists some other European policies and legislation that are relevant.

The next few pages set out just a few examples of the kind of programmes that employers, trade unions, employees and government are taking part in to promote more inclusive labour markets. We hope they may inspire others to pick up the baton in their workplace.



<sup>1</sup> [http://www.etuc.org/IMG/pdf\\_20100325155413125.pdf](http://www.etuc.org/IMG/pdf_20100325155413125.pdf)

## MITIE Group: the real apprentice

### Helping local young people into work

Back in 2004, strategic outsourcing and energy services company MITIE faced a tough challenge to secure local people for vacancies in east London. Working with a local charity they embarked on a year-long recruitment programme, but struggled to recruit and retain people, due to generational unemployment in the area.

### What did they do?

In response to the lack of sustainable local talent, the company set up a scheme called the Real Apprentice for unemployed young people. This training and nurturing programme was devised on a 'try before you buy basis' and helped MITIE to give local unemployed people a practical opportunity to demonstrate their talents than that afforded by a 20-minute interview.

The first scheme was run in 2005 and has since developed into a full-time, operational training programme. By working in partnership with JobCentre Plus, MITIE has also been able to utilise existing funding so that participants have no additional expenses or costs – really reducing the barriers to participation.

There are a number of key features in every scheme:

- A pre-placement week to prepare the Real Apprentices for the world of work
- A 'buddy scheme' so that staff from participating organisations can help to integrate the Real Apprentices into the workplace
- CV and interview workshop

- A community challenge delivered by the Real Apprentices working with partner organisations
- An employers' day for private and public sector organisations to meet and recruit Real Apprentices following their placement
- A solid appraisal and audit trail to prove performance
- An award ceremony where certificates are presented to the Real Apprentices and a one-off prize of £500 is awarded to the overall winner
- Mental health first aid training to support placement sites in confidently dealing with vulnerabilities among the Real Apprentices
- A Facebook page is set up for each programme to enable the participants to stay in touch with each other and offer support.

### What was the impact?

Of the first programme in 2005, nine out of ten Real Apprentices secured a job. In subsequent years there have been 284 participants of whom 70% have completed the scheme. Nearly 150 of those have gone on to be offered jobs, including 87 with MITIE, enabling the company to meet its initial goals of securing employees from the local area.

In addition, the company has been able to use the scheme to raise its profile and secure multiple awards – including most recently the overall winner of the 2012 Employers Network for Equality & Inclusion Awards.

*'I'm loving it. I look forward to coming to work. Every day I learn something new'*

**Danny Lewis**

Real Apprentice with Mitie Catering Services

*'Before the Real Apprentice, Tom would just lie in bed all day depressed. Now he is confident and looks forward to work every day'*

The mother of a Real Apprentice demonstrates the positive impact on families.



## Marks & Start employability programme

### Knocking down barriers to work

As one of the UK's leading companies, and one of the most trusted and familiar brands, Marks & Spencer recognised some time ago that a diverse and inclusive workforce brings real value, both to the business and society as a whole. It also believes it has a responsibility to harness its reputation as a great place to work to provide opportunities for those that can struggle to find employment. Marks & Start was launched in 2004 as an employability programme that made sure Marks & Spencer connected with those who face barriers to employment.

Marks & Start is an employability programme which helps those facing barriers to work get into employment. The four groups it supports are: young people between the ages of 16-24, those with disabilities and health conditions, the homeless or those at risk of homelessness, and lone parents. Marks & Spencer works with partners to identify people to participate in Marks & Start and has developed strong working relationships with these partners. It works with the Prince's Trust to deliver the programme that focuses on young people.

Marks & Start is part of the company's 'Plan A' which aims to make M&S the world's most sustainable major retailer. This is integral to its business, and everyone at M&S is responsible for the successful delivery of this plan. With Plan A simply part of how it does business, Marks & Start is fully integrated into Marks & Spencer's recruitment and people policies.

There are three distinct parts to each placement. Firstly, the Prince's Trust leads some initial training with the young people. Following this, the young people then spend two weeks in an M&S store or office. Finally, the Prince's Trust will run follow-up training and support sessions to discuss next steps. If appropriate, the young people are then put forward for any available job vacancy.

Since its launch, this scheme has been hugely successful, and has led to over 1,000 young people taking part in the programme, with over 40% of participants going on to find employment. Marks & Start continues to receive accolades, including BiTC's 'Big Tick' award and Personnel Today's award for CSR.

## TUC union audits



### Promoting gender equality

Since 2003, the TUC has published a biennial equality audit to provide a yardstick of equality issues in all union activities. Alternate audits focus on how unions pursue equality issues through collective bargaining and on how union membership, rules and internal structures reflect the diversity of the workforce.

The 2011 audit covered 48 out of the 55 unions affiliated to the TUC, with 97% of the trade union members that the TUC represents. It showed more unions using targeted recruitment campaigns to reach women, black workers, disabled workers, lesbian, gay and bisexual workers and young workers. More unions were monitoring their membership and the make-up of their shop stewards and executives: 48% of unions had targeted women members to recruit shop stewards or branch officers, up from 38% in the 2007 report.

Early results from the next equality audit, focusing on collective bargaining, reveal that half of the respondent unions have policies or guidelines on negotiating for improved pay and employment opportunities for women. At a time when the pressure on wages has been unrelenting, eight unions reported agreement on measures to

tackle low pay that mainly affected women – such as minimum flat-rate increases for people in the lowest grades – and five reported success on improving part-timers' pay and benefits. Nine reported that they had reached agreement with employers for equal pay audits to be carried out.

In the NHS, the Staff Council Equality and Diversity Group (a joint trade union and employers group) has worked with advice from the Equality and Human Rights Commission to produce a pay equality toolkit which was launched in the summer of 2011. It is designed to help NHS organisations undertake equal pay audits, because as the employers' side declares: *"NHS Employers believes that while it is not a stated legal requirement under the Equality Act 2010, NHS organisations would find it very difficult to fully comply with their responsibilities under the Act without undertaking equal pay audits."*

# Project Search and the NHS

## Helping people with learning difficulties into work

The Royal United Hospital Bath NHS Trust and Norfolk and Norwich university hospitals NHS Foundation Trust have both run an innovative internship programme called Project Search to help people with learning difficulties into paid work. Both trusts worked in partnership with an education establishment and a supported employment organisation to enable candidates with learning disabilities to participate in a year-long supported employment internship programme.

## How it was done

In both locations, around ten students aged 18-25 were offered a place on 12-month internship programme at the trust. Some of the students also had physical disabilities. Placements were in a range of business areas including finance, sterile services, pharmacy, portering, post room, oral surgery, library and information services, medical records and orthodontics.

In Norfolk, interns could undertake up to three work placements and a tutor and a job coach who both operated from a classroom in the hospital were provided, along with a personal learning mentor. Mentors were members of staff from departments which provided placements, and managers were asked to put forward a member of staff who could be trained as a mentor, as a development opportunity. To prepare a department to receive an intern (including mentor training) took two months.

## The impact

In Bath, seven of the ten students who completed the programme were offered permanent employment, four of which were positions at the trust. Interns took up roles as a sterile services technician, bank sterile services technician, environment porter and oral surgery assistant. Outside the NHS, four interns gained roles.

In Norwich, out of the cohort of eight students, four gained employment: three with the trust and one in administration. Within the trust, two roles were also in administration and one was in the audio visual department.

The employer organisation and the trust identified some key benefits from participation:

- A saving of £5,500 a year in recruitment costs and £16,000 a year in overtime payments
- A Business in the Community 'big tick' national award for their work in employing people with learning disabilities and other disadvantaged groups
- Norfolk and Norwich university hospitals NHS Foundation Trust won the community impact award in the Eastern Daily Press Business Awards 2010. The judges described the Project Search initiative as 'a ground breaking and innovative programme'
- The trust is saving £6,000 a year in recruitment costs.



# Bury LGBT Employee Group

## Raising awareness of LGBT issues in the community

The Lesbian, Gay, Bisexual and Transgender (LGBT) Employee Group was established in September 2007 and currently has just short of 50 active members who are employees of Bury council. It is also open to staff from Six Town Housing who manage Bury Council's housing stock.

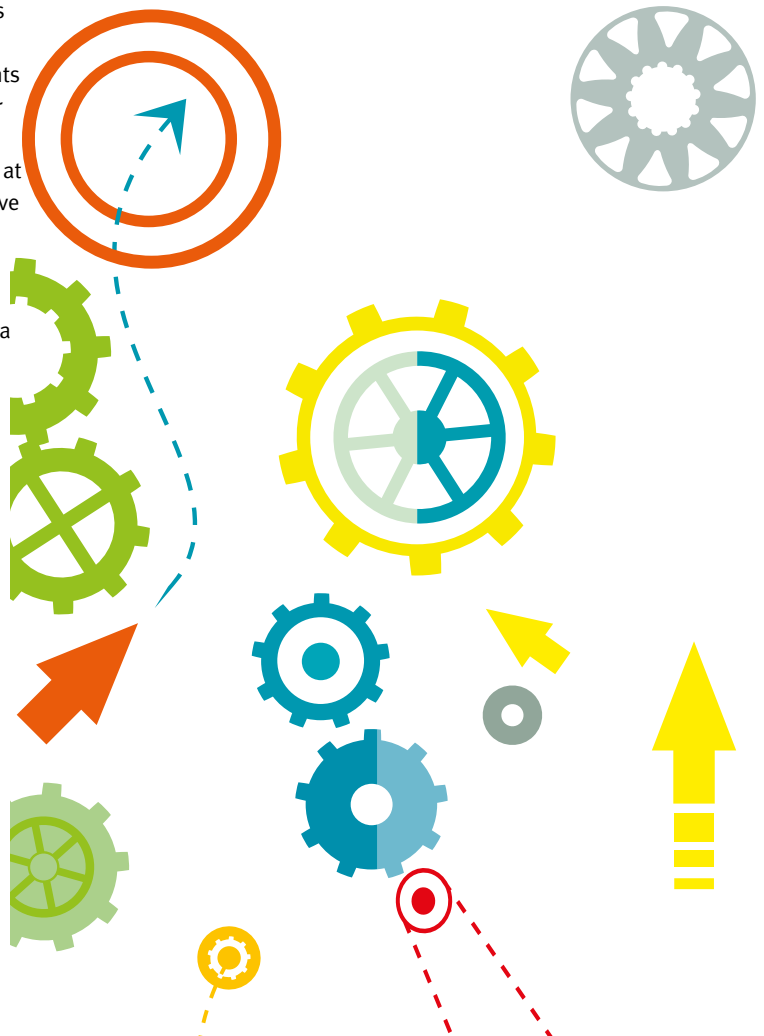
The activities of the group include:

- Providing a support network for staff
- Providing advice and comment on council policies, procedures, working practices and equality impact assessments
- Promoting equality of opportunity by organising events, raising awareness and supporting council services to meet the needs of the local LGBT community.

Since its formation in 2007, the group has carried out numerous pieces of innovative work. Within the council it has worked with employees to raise awareness of LGBT issues and promote events such as the International Day Against Homophobia. In the wider community it has established annual 'Not the only gays in the village' concerts at The Met Theatre in Bury and it has run a stall at Manchester's Gay Pride festival to promote the council's inclusive approach to service delivery. In partnership with the Council's library service, it has established the Bury LGBT Reading Group. It has worked with Bury football club to develop a statement for inclusion in match programmes to help tackle homophobia. It has also rolled out the screening of anti-homophobic films in the borough's schools and has established the first and only LGBT community group in the Bury area.

As a result of the group's work, there is now an improved acceptance and awareness of LGBT issues within the council and local community. This is in part evidenced by the council's performance in the last three Stonewall workplace equality indexes.

- In January 2011, the group was awarded Star Performer status in Stonewall's Workplace Equality Index 2011
- The work of the group has made a significant contribution to Bury council attaining a place in the top 100 employers of Stonewall's WEI for the last three years
- The group was formally recognised on 4 March 2010 by being jointly awarded the Partnership Award at Bury council's annual employee achievement awards
- The group has also been contacted for advice by other councils setting up similar groups.



## Plymouth Primary Care Trust

### Developing staff, integrating communities

Plymouth Primary Care Trust (serving a population of 244,000 and employing around 2,700 staff) developed its services for asylum seekers and refugees, with the help of former healthcare users from this client group. A review of current service delivery identified the following areas that needed to be addressed:

- A workforce that was not culturally diverse
- A lack of service user involvement
- A lack of health promotion groups in languages other than English
- The need to develop cultural competence and awareness training – currently delivered by the team – by involving individuals from a variety of different cultural groups.

Initial meetings with volunteers focused on reviewing and recommending improvements to the current service, from a user perspective. In turn, this would help improve the delivery care to clients. The volunteers recommended the following improvements:

- Developing and delivering staff teaching sessions on cultural differences and the impact that these differences have on health.
- Attending relevant key meetings to represent the service and its clients

This helped promote a more inclusive workforce by:

- Helping to develop a multi cultural workforce that makes a positive contribution to clinical practice
- Meeting current policy requirements on equality and diversity and service user involvement
- Enhancing the team's knowledge
- Increasing understanding of culture and the delivery of a culturally sensitive service
- Identifying the potential for service users to transfer their skills such as coping strategies to others
- Increasing awareness of the impact of culture on healthcare provision and compliance.

### Improvements for clients

- Offering a representative from their own culture that they could talk to for support
- Helping clients to build up confidence/awareness of the UK health care system
- Assisting clients to access hospital appointments
- 'Bridge building' between the client and clinician
- Developing awareness of symptoms and coping strategies
- Identifying gaps in available support groups

The volunteers helped clinicians in clinical sessions which improved both the assessment and treatment process for those refugees and asylum seekers using the service. As a result, more clients asked for volunteers to be present in sessions to help them. The volunteers have also developed the awareness of staff on cultural issues.



# The government response: actions to promote inclusive labour markets

## RECOMMENDATIONS

**Provide support and incentives for people furthest from the labour market to find a job.**

**Provide additional tailor-made measures to prevent or curb long-term unemployment.**

**Improve the quality of activation measures to maximise their efficiency and effectiveness.**

The work programme has been designed to help those in danger of becoming long term unemployed. The programme supports a wide range of participants, and payments to work programme providers are higher for helping participants who are further from the labour market into sustained work.

The Youth Contract builds on existing support to provide young people with more intensive adviser support and work experience.

Universal Credit will provide a new single system of means-tested support for working-age people who are in or out of work. Changes in entitlement, along a simpler system of support that is likely to increase take-up, are anticipated to substantially reduce the level of poverty.

The intention is that any work pays, in particular low-hours work, and by reducing the complexity of the system and removing the distinction between in-work and out-of-work support, Universal Credit will make clear the potential gains to work and reduce the risks associated with moving into employment.

## RECOMMENDATION

**Provide support and incentives for employers to hire people furthest from the labour market.**

**Access to work** provides additional support for individuals whose health or disability affects the way they do their job. It provides individuals and their employers with advice and support with extra costs which may arise because of an individual's needs.

**The Youth Contract** provides employers with wage incentives and apprenticeship incentives to encourage them to recruit young people. Apprenticeships are at the heart of the government's drive to equip people of all ages with the skills employers need.

**Work trials** give those at greatest disadvantage in the labour market the opportunity to demonstrate that they are capable of doing the job they are applying for. Sector-based work academies provide a package of training and work experience to help claimants meet employers' recruitment needs.

## RECOMMENDATION

**Facilitate business creation and development to maximise the potential for job creation in the EU.**

**The New Enterprise Allowance** helps unemployed people who want to start their own business. It is available to people who have been claiming Jobseeker's Allowance for six months or more and provides access to business mentoring and financial support.

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