

# Step Up

Trialling new approaches supporting low-paid workers to progress their careers

Hannah Murphy, Lauren Bennett, Hazel Klenk,  
Kathryn Ray and Connor Stevens

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## Learning and Work Institute

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## Summary

This report presents the findings from the evaluation of *Step Up*, a pilot, designed and commissioned by Trust for London and the Walcot Foundation, in partnership with Learning and Work Institute, which aimed to test and learn from new approaches to supporting earnings progression among low paid Londoners.

The programme was launched in October 2015, with the first year focused on testing and developing delivery models and the second year implementing these. The initiative has since been extended for an additional year. This report covers findings from the first two years of delivery (October 2015 to September 2017).

Step Up was delivered by six voluntary sector organisations, each of which designed a distinct support model and/or targeted a specific group of low-paid workers:

- The Creative Society - *Supporting young people working in the creative & cultural sectors*
- High Trees Community Development Trust - *Supporting the local community, in particular lone parents and people aged over 50*
- Indoamerican Refugee and Migrant Organisation (IRMO) - *Supporting Latin American workers, focusing on those working in cleaning*
- The Springboard Charity - *Supporting workers in the restaurant and hospitality sector<sup>1</sup>*
- Thames Reach - *Working in partnership with Clean Slate to pilot digital engagement with low-paid workers*
- Women Like Us (part of the Timewise Foundation) - *Supporting parents to progress in work, through enabling access to better paid part-time and flexible jobs*

To be eligible for Step Up, individuals needed to be in stable work (defined as working a minimum of 14 hours a week for at least the last 12 months) and low income (defined as an average hourly wage below the London Living Wage - £9.15 per hour at the start of the programme). It was also intended that at least half of the programme beneficiaries would be Lambeth residents.<sup>2</sup>

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<sup>1</sup> This project only delivered for 18 months.

<sup>2</sup> Step Up is part funded by the Walcot Foundation, which aims to break cycles of financial deprivation for people living in Lambeth.

The pilot offered support to help participants to improve their earnings, with each provider delivering a distinctive delivery model. In all projects, a specialist adviser or coach provided tailored, one-to-one support to participants – which included setting goals and developing action plans, identifying challenges and support needs, help with looking for additional or better work, practical support and onward referral to wider services and partners, for example for training and skills development. Other support activities delivered by providers included peer mentoring, group support sessions, and jobs brokerage.

A key feature was support packages targeted to a particular group, such as flexible jobs brokerage for working parents (Timewise), a construction course delivered in Spanish for low paid Latin American workers (IRMO), and networking events with industry specialists for young people in the creative sector (Creative Society).

Learning and Work Institute provided learning and evaluation support to Step Up. Evaluation methods included:

- Quarterly analysis of MI, assessing participant characteristics, support delivered and outcomes achieved.
- A survey of Step-Up participants, focusing on support received and soft outcomes.
- Qualitative interviews with Step Up provider staff, volunteers, delivery partners, wider stakeholders, employers and Step-Up participants, selected to capture a range of characteristics and types of outcomes achieved.
- An impact assessment and cost-benefit analysis to ascertain if Step Up had an impact beyond what would have happened with 'business as usual', and to see if the benefits produced a positive return on investment.

As this was a pilot, an emphasis was placed on learning from the initiative for future programme design, commissioning, delivery and evaluation.

### Recruiting participants

Recruitment of participants onto Step Up was a key challenge, with all providers finding the amount of time and resource needed to establish effective referral and recruitment routes considerable. Recruiting for in-work progression support was especially time-intensive, due to limited awareness and understanding of this type of support on the part of both partner agencies and potential participants as well as time constraints faced by participants in work. In general, low-paid workers, were less easily identifiable than people out of work, and targeting could be seen as potentially stigmatizing.

The most effective recruitment mechanisms were via trusted networks – either through partner organisations, from within the provider’s own services or through informal word-of-mouth signposting. The vast majority of participants (83%) were recruited this way. Consequently those providers who were more strongly embedded in their local community and well-networked with other local organisations were able to do this most effectively.

While it was assumed that providers would be able to recruit from reconnecting with participants that they (or other partners) had placed into work, this was challenging in practice, and affected by the previous relationship between the participant and the partner, the quality and quantity of in-work contact, the quality of participant records and the mobility of individuals.

Jobcentre Plus (JCP) is likely to form an important referral source for in-work progression programmes in the future, since this support can potentially help Universal Credit (UC) claimants with in-work conditionality requirements. However, JCP played a relatively limited role in Step Up, with only eight people in total recruited this way over the course of two years. This was mainly due to Step Up starting prior to UC Full Service rolling out in the area. However JCP managers felt that referrals were also limited by a lack of appetite for progression among claimants (for whom in-work conditionality and progression were new concepts), as well as the eligibility criteria (of 12 months in stable work), which excluded people newly starting work or cycling between work and benefits.

The pilot found that effective messaging of Step Up, and tailoring this to participants, partners and employers, was crucial. The approaches to messaging that worked most effectively for recruiting low paid workers were:

- Avoiding jargon - the term ‘progression’ could be too complex; messages that focused on ‘*earning more*’, or improved ‘*quality of life*’ or ‘*work-life balance*’ worked well;
- focusing on participants’ starting situation and what they desired to change;
- focusing on clear, tangible outcomes and a clear pathway and timescale to achieve them;
- providing clarity about eligibility and presenting the support offer as specialist and tailored to the individual, rather than generic;
- a person-centred approach and introducing the Step Up message gradually;
- being clear about eligibility criteria; and
- supporting the message through providing testimonies from past participants.

## Step Up participants

In total, 540 participants registered with Step Up over the first two years of delivery. As anticipated, participants' circumstances and characteristics varied across the providers, reflecting the different delivery models and target groups:

- Around two thirds of Step Up participants were women and a third men;
- The average age across all participants was 40 years.
- The vast majority were from black and minority ethnic groups, predominantly 'Black African/ Caribbean/ British/ Other, comprising two fifths of total participants, and Latin American (one quarter).
- Around two fifths had dependent children and a third were lone parents.
- The range of qualifications varied significantly from degree level to entry level or no qualifications (8%). Two fifths of participants were educated overseas, including a fifth to degree level. A third of participants in total had degrees (including those gained overseas), indicating a key issue with under-utilisation of talent in the labour market.

Compared to the population of low-paid workers in London, Step Up participants were more likely to be female, from an ethnic minority and to be highly qualified (to degree level). This reflects the specific focus and target groups of the six providers and the locations where delivery took place<sup>3</sup>, but may also reflect a particular attitude or appetite for progression within these groups.

Prior to Step Up, two fifths of participants had been in continuous work for 12-18 months, while a third had worked consistently for three years or more. The main sectors represented were cleaning, hospitality and retail, which together accounted for three fifths of participants, with almost half employed in large businesses (of 200+ employees). Almost a third of participants either did not have a contract or were employed on a 'temporary' or zero hours contract, and almost three quarters worked part-time (less than 30 hours a week). Two fifths of participants earned below £200 per week.

Participants had a range of goals on joining the programme - higher wages (92%), improved job satisfaction (88%), improved work-life balance (79%), improved contractual terms (76%) and a career change (77%). They also faced a range of barriers that limited their ability to improve their earnings:

- a lack of understanding of what was required in order to progress or find better jobs, both generally or in desired sectors or occupations, which limited their ability to set and achieve goals;

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<sup>3</sup> Primarily in Inner London, with over half of participants resident in Lambeth.



- a lack of relevant qualifications and skills and/ or specific needs around English language ability, which limited their ability to secure jobs at a higher level and made applications more challenging;
- a lack of relevant work experience to enable progression to better paid or better quality work;
- a lack of time to dedicate to their development, accessing learning opportunities, or applying for jobs;
- childcare responsibilities and / or a lack of available or secure 'family friendly' employment options;
- challenges around confidence and motivation to take steps to progress, particularly as in-work participants faced a 'riskier' transition than unemployed participants. This could be exacerbated by poor mental health (often undiagnosed), which further affected people's confidence and motivation to pursue progression opportunities.

### Delivering in-work progression support

Those delivering and participating in Step Up identified the key features that contributed most strongly to achieving outcomes as:

- **A personalised and flexible approach**, based on individual need rather than following a prescribed process, guided by an in-depth initial assessment of needs and aspirations, and support that was tailored in its intensity and sequencing.
- **One to one adviser support**, which developed participants' employability skills and improved their confidence and motivation. Employment related support such as CV improvement and interview preparation was a significant element of delivery, which was contrary to the expectations of providers about the support needs of working participants. However support that focused on participants' wider circumstances, not just employability, was welcomed.
- **Coaching and mentoring** was also crucial to develop participants' motivation and confidence, which were important in sustaining engagement in the programme and enabling participants to take steps to improving their employment situation. This was particularly important for higher need participants, those with lower levels of self-confidence or those with a limited support network.
- **Breaking down longer-term goals into smaller tasks** to be achieved within a shorter timeframe, and conveying realistic timescales, was an important tool

to sustain participants' engagement, in the face of competing priorities, by recognising progress made towards an overall goal.

Projects reported that the resource intensity of support delivery was higher than expected because:

- The need for one-to-one support was greater than anticipated, particularly with respect to employability support
- advisers had to work more flexibly due to time limitations for working participants, and group support was challenging to deliver
- Participants had individualised goals and aspirations, which required a more personally tailored approach.

On average, participants received 11.2 hours of support in total, and an average of one hour a month of one-to-one support.

One of the providers tested an online registration process. However it was found necessary to offer an alternative to this process, or to provide support to participants with a low level of digital skills, and, used in isolation, this process did not provide the full assessment of need required for tailoring support. Similarly, peer mentoring was found to be very valuable but used in isolation was not sufficient for supporting those with complex needs.

The adviser role in an in-work progression pilot requires **a wide-ranging skillset** to support the range of individual needs and aspirations. Advisers need to be adept at:

- identifying client needs
- building rapport and trust
- coaching and challenging participants
- delivering – or accessing - tailored careers guidance attuned to local labour market, and effective jobs brokerage
- networking and building knowledge of training provision and wider services
- providing a range of employability support.

The key differences between delivering in-work progression and out-of-work support are highlighted in Box S.1.

### Box S.1: Distinctive elements of in-work progression support delivery

- *Recruitment is challenging and time-intensive*, due to limited awareness and understanding of this type of support on the part of both partner agencies and potential participants, and because low-paid workers are less easily identifiable than people out of work, and targeting could be seen as potentially stigmatizing.
- *It can take a lengthy period to achieve outcomes* (an average of 5.3 months on Step Up). As people in work have less time and are more risk adverse, they will be more selective and so it takes time to find the right next step for them.
- *Advisers or coaches supporting in-work progression need to have a range of skills* – including being adept at encouraging/supporting individuals to make the next step, and mapping out potential career paths across potentially diverse target sectors.
- *Support delivery is resource-intensive* due to the need to provide flexible or out of hours services, which increases costs, and the difficulties in delivering group-based provision. One-to-one support is likely to be required, and best delivered face to face; with digital support alone unlikely to be effective.
- *Individuals still need support in basic employability skills* (e.g. CVs, interview skills, applications, job hunting etc) even though they are in work, particularly for accessing higher-paid or better quality jobs.

Partnerships were critical to support delivery and a range of effective partnerships were developed to support the programme, including with skills and training providers, specialist support providers (e.g. to help participants with housing, debt or benefits) and intermediary organisations with links to employers (including recruiters who specialised in particular sectors). However, effective partnership working was also constrained by three main factors:

- advisers' time to develop partnerships;
- the flexibility of wider provision to support working people; and
- the specific eligibility rules (and suitability) of existing provision.

### Support gaps

The main support gaps and challenges identified included:

- Limitations in wider support, particularly training and skills provision that was free or low cost and could be accessed flexibly to fit with participants' working schedules, particularly for those working irregular shifts. Participants with ESOL needs also faced barriers to accessing provision delivered in English.
- Gaps in the provision of wider support for working participants, such as mental health support, which commonly had long waiting lists, and affordable childcare provision. This could prohibit some participants from accessing and sustaining Step Up support.

Other additional provision that could have been beneficial included:

- support converting overseas qualifications;
- self-employment advice;
- greater work experience opportunities in desired sectors;
- more specialist jobs brokerage focused on London Living Wage or better quality jobs;
- additional financial guidance on the impact of any work changes on benefit receipt.

Additional ongoing support to ensure the sustainability of outcomes would also have been helpful. For example, some participants required further support with the practicalities of moving into a different role, including advice about the financial impact of changing work role. This was particularly significant given the level of risk in the transition into a new role, which, if not properly managed, could result in participants leaving the labour market.

### Engaging employers

Step Up projects were predominantly client-facing and did not test the scope for intervening more systematically with employers to improve workplace practices, the quality of work and staff pay. However employers were engaged in several ways, including to place participants in jobs, to source training or mentoring opportunities, and working with employers to improve the accessibility of progression pathways.

Key learning included:

- Being able to offer employers a **free recruitment service**, and high-quality candidates that had been screened and prepared for the application process, that were in employment and had recent experience of the workplace was a key selling point.

- Ensuring that involvement was not a burden on the employer, by having **simple processes** in place and **responding to queries** when they arose was important.
- Given the wide range (and cross-sectoral focus) of participant aspirations, and resource intensity of employer engagement, **it could be more efficient to work with recruitment agencies**, particularly agencies that embraced the Living Wage philosophy when recruiting.
- **Making use of existing employer contacts to enhance the support offer**, e.g. employer-delivered employability workshops, or networking events with industry specialists, added value to the support offer thus enhancing engagement and outcomes.
- For **engaging employers as partners in progression initiatives** employers needed to be receptive to upskilling their staff, to have progression routes within the organisation, to be receptive to using external support to help their employees to progress, and to trust the source of the support – often developed through prior relationships. Thus any support offer needed to communicate clearly how they would benefit from the programme, for example through improved loyalty and reduced staff turnover. However it was also important that the support offer was seen as aligning with existing mechanisms and structures for staff development and progression, and was presented as **a tailored business solution, rather than a pre-established support offer**.

Enabling factors that made internal progression pathways more likely in a business included:

- A **commitment to paying the living wage in the charity sector**;
- **Being a family business with a desire to ‘give people a chance’**;
- **Being a large employer**, with regular vacancies and lots of opportunities for staff to move up within a particular department or to other positions within the organisation;
- **Expanding or restructuring within the business**, which could create different types of roles and opportunities.

### Outcomes and impact

One third of people taking part in Step Up (179 individuals) saw their employment improve, either by taking on a new or additional job, getting promotion in their current job, improving their contract or terms and conditions or improving their working hours. On average, it took participants 5.3 months to achieve their first outcome.

The median increase in hourly wage, among those achieving an outcome, was 15%, highest for those who secured a promotion. The median increase in weekly earnings was 42%, highest for those who took an additional job.

- **17% of Step Up participants increased their hourly wage by more than 10%;**
- **14% of participants increased their hourly wage to the level of the London Living Wage or above;** and
- **15% of participants increased their weekly earnings to above the equivalent of the London Living Wage for 36 hours a week** (or 16 hours a week if a lone parent).

Step Up participants also improved the security of their employment: a fifth of participants who started the programme on either a zero hours, temporary contract or no contract moved onto a permanent contract by the end of the programme.

Participants rarely viewed 'progression' solely in terms of financial gain. Progression could encompass a range of factors, such as distance to work, more suitable hours, opportunities for training and progression and job stability, as well as earnings, and people balanced these elements differently. For example, some participants saw improved earnings alongside other positive impacts, such as financial independence and better health and wellbeing. Others opted to take jobs with lower weekly earnings in order to achieve a better work-life balance.

Participants who did not obtain an employment outcome reported a range of soft outcomes, including:

- Improved confidence and motivation;
- personal development;
- employability skills;
- professional skills, qualifications and experience;
- career management skills; and
- labour market knowledge and awareness of employee rights.

They could put them in good stead for improving their earnings in the future.

### Impact and return on investment

To assess the additional impact of Step Up against 'business as usual', participants' weekly earnings change was compared with a matched comparison group from the Labour Force Survey over a 12 month period. This analysis showed that Step Up participants improved their earnings, on average, £1.01 more per week than the comparison group. However, this was not statistically significant. Thus the analysis

does *not* show a significant difference in earnings over and above what would have happened without the programme.

In order to inform future commissioning, a Cost-Benefit Analysis (CBA) was conducted to show what level of additional impact would need to be observed for a financial return on investment to be achieved. This showed that each participant would need to improve their weekly earnings by £4.66 more than a comparison group, on average, in order to achieve a positive return. This could be achieved by IWP support reaching a larger number of people and/or increasing the earnings of those engaged by a greater extent.

In future initiatives, this might be achieved through economies of scale, with a smaller number of providers and larger caseloads, but there are trade-offs involved, as this could sacrifice the specialist and tailored support that was widely seen as central to both engagement and outcomes in Step Up. Ensuring that referral and wider support partnerships are in place from the outset, so that advisers are able to focus their time and resource on the delivery of support, could also reap additional benefits.

It is also important to keep in mind that the CBA is based only on one measure of progression (weekly earnings improvement over a 12 month period), and there may also be a trade-off between short-term earnings gain and longer-term sustainable career progression. The assessment of Step Up's impact will be repeated after the third year of delivery.

## Recommendations for future in-work progression support

### 1. Invest in tailored, personalised and adviser-led support

- The key, critical success factor in Step Up has been the quality and specialism of one-to-one support. Future commissioning for in-work progression support should invest in this type of personalised and tailored one-to-one coaching support.

### 2. Focus on increasing awareness, promoting availability of support, and co-ordinating efforts to identify, engage and enrol participants

- There is a need to increase awareness of the availability of in-work progression support and put in place referral partnerships from the start, so that programmes reach their full complement more quickly and can focus their time and resource on the delivery of support and achieving outcomes.



- This would mean developing recruitment channels at the outset through working with Councils, housing associations, residents' groups, employer representatives and any services that come into contact with adults in low-paid work.
- Future commissioning should ensure that there is a range of provision available to support those in low pay in different circumstances – both those cycling and those 'stuck' in low pay to prevent the 'void' in support between into work support and in-work progression programmes.
- There is scope to build on the partnership developed with Jobcentre Plus, to enable the referral of low earning benefit claimants into additional support. This will require Jobcentre Plus and providers to work closely together in recruitment and in coordinating support to ensure that it is complementary.
- The enhanced focus on recruitment needs to be supported by the development of clear messages about the aims and benefits of in-work progression support, with messages tailored for participants, employers and stakeholders.

### **3. Ensure that wider support services are mapped, understood, available, engaged and tailored to the needs of low-income workers**

- It would be beneficial in the future for programme commissioners, stakeholders and delivery partners to work together early on to map and engage support services and plug potential gaps in delivery in terms of both accessibility and cost for low-paid workers. This is likely to include:
  - job brokerage support relevant for progression
  - skills provision
  - English language support and support for re-validating overseas qualifications
  - affordable childcare
  - mental health provision
- It is essential that support provision can access clear and accurate advice on the implications of any change in circumstances for benefit and housing payments, which is made more challenging under Universal Credit both due to its rules and transitional protections.

### **4. Explore ways to build on adviser-led models with more employer-facing support**



- In future, there would be value in exploring the scope to align the individual-level approaches tested by Step Up with wider employer-level approaches, delivered through business-to-business support or business advisory services.
- There could be real benefits from the public and voluntary sectors within London working together to share practice and to better align individual and employer-facing approaches, through harnessing the expertise of those best placed to deliver each type of approach.

## **5. Use a basket of success measures for future provision**

- The findings suggest that the ‘basket’ of outcome measures used in Step Up contributed positively to the development of projects focusing on quality outcomes. This should be borne in mind when setting outcome targets for future programmes.
- There is also a need for further trialling and testing of the effects of different combinations of outcome measures and provider payment models for future commissioning to aid understanding of which approaches can best contribute to the achievement of additional outcomes and provide value for money.

## **6. Support efforts to understand, share and promote good practice in commissioning, delivery and evaluation**

- In-work progression support is still a new area with limited evidence of what works and few existing networks for practitioners or commissioners wanting support and advice. It is critically important to support efforts to raise awareness of the issue and to share existing practice and evidence.
- This should include further testing of different approaches to commissioning and delivering provision, in order to improve understanding of best practice in in-work progression support and which approaches can best contribute to the achievement of outcomes.
- Sharing expertise and developing understanding on evaluation methods and data collection requirements for assessing impact and value for money is also vital, given the limited ability to demonstrate robust additional impact from in-work progression programmes to date.

# 1.Introduction

## Background to Step-Up

Step Up is a programme funded by Trust for London and the Walcot Foundation, launched in September 2015, that aims to test new approaches to help low-paid workers increase their earnings and progress into better jobs.

The problem of low pay in London is a longstanding one and has been growing in recent years. Figures in London's Poverty Profile show that 21% of all London resident employees were in low-paid work in 2017<sup>4</sup>, up from 14% in 2010. Low pay is a major contributor to poverty in the capital, and the number of people in working families in poverty in London has risen dramatically over the last 10 years.

Research published by Trust for London in 2013 on low pay and progression in London<sup>5</sup> found that large numbers of people had been 'stuck' in low pay for a year or more –14% of Londoners and 17% of people across the UK as a whole - while a further 1.2 million people nationally were at risk of cycling between work and low pay. More recent research<sup>6</sup> on longer term trends also shows that many people remain stuck in low pay for long periods. Of all those low-paid in 2006, just one in six (17 per cent) had escaped low pay by 2016<sup>7</sup>, while one in four (25 per cent) remained stuck in low pay throughout the entire period and just under half (48 per cent) moved onto higher wages at some point but did not sustain that progress.

The 2013 research also found that while a wide range of employment support was offered by different providers, this was rarely designed to support job retention or progression. It recommended that national and local commissioners should develop new models of support that combine support to find work, stay in work and progress in work, and that rigorous testing of new approaches to improving retention and progression should be undertaken.

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<sup>4</sup> Defined as jobs that paid below the London Living Wage.

<sup>5</sup> Centre for Economic and Social Inclusion (CESI) (2013) [\*Work in Progress; Low pay and progression in London and the UK\*](#).

<sup>6</sup> Resolution Foundation (2017) [\*The Great escape: Low pay and progression in the UK's labour market\*](#). Social Mobility Commission

<sup>7</sup> Defined as those who earned above the low pay threshold in each of the final three years of the decade, suggesting they had made a sustained move onto higher wages. In this research, low pay is defined as below two thirds of median hourly pay.

As a result, the Step Up programme, developed by Trust for London and the Walcot Foundation, in collaboration with the Centre for Economic and Social Inclusion<sup>8</sup>, was conceived, to enable support organisations in London to trial new approaches and to learn what works (and what doesn't) in helping low-paid workers to progress their earnings.

### The Step Up initiative

Organisations were invited to bid for grants, worth up to £80,000 over two years, to test new approaches that help low-paid workers to increase their earnings and progress into better jobs. The target beneficiaries of the programme were individuals:

- on a low-income - defined as an average hourly wage below the London Living Wage (£9.15 per hour at the start of the programme), and
- with a stable work history - defined as working a minimum of 14 hours a week for at least the last 12 months.

It was also intended that at least half of the overall programme beneficiaries would be Lambeth residents.<sup>9</sup>

The key outcomes that providers were expected to deliver included higher hourly wages and weekly earnings as well as improved employment conditions and job responsibilities. The programme outcomes are shown in Box 1.1.

It was also intended that the programme would be collaborative, with organisations sharing learning with each other as their projects progressed, and that the effectiveness of the interventions would be assessed. Therefore, providers were expected to attend and participate in training and briefings, a programme steering group and peer support networks, and to participate in an independent evaluation conducted by the Learning and Work Institute.

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<sup>8</sup> CESI and NIACE merged in 2016 to become the Learning and Work Institute.

<sup>9</sup> Step Up is part funded by the Walcot Foundation, which aims to break cycles of financial deprivation for people living in Lambeth.

### Box 1.1: Step Up programme outcomes

#### 1) Primary outcomes: higher hourly wages and weekly earnings

- Individuals increase their hourly rate by more than 10% (equivalent to the average annual growth rate in earnings for low-paid Londoners).
- Individuals increase their weekly earnings (36 hours a week at the London Living Wage or above; or 16 hours if a lone parent).
- Individuals increase their hourly rate to the London Living Wage or above.

#### 2) Secondary outcomes: improved conditions, responsibility and skills

- Individuals have improved contracts (e.g. moved from a zero hour contract or temporary contract to a permanent one).
- Individuals have improved responsibility or job description.

### Step Up partners

Step Up has been delivered by six voluntary sector organisations, each of which has designed a distinct support model and/or targeted a specific group of low-paid workers, drawing on their prior experiences of delivering support and meeting the needs of particular groups. The six partners are:

- The Creative Society - *Supporting young people working in the creative and cultural sectors*
- High Trees Community Development Trust - *Supporting the local community, in particular lone parents and people aged over 50*
- Indoamerican Refugee and Migrant Organisation (IRMO) - *Supporting Latin American workers, focusing on those working in cleaning*
- The Springboard Charity<sup>10</sup> - *Supporting workers in the restaurant and hospitality sector*
- Thames Reach - *Working in partnership with Clean Slate to pilot digital engagement with low-paid workers*

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<sup>10</sup> Springboard only delivered 18 months of Step Up support. In the report we have drawn upon the learning from Springboard's delivery, where relevant, but have not included Springboard data in the presentation of results, since the shorter timescale for delivery makes their results non-comparable.

- Women Like Us (part of the Timewise Foundation) - *Supporting parents to progress in work, through enabling access to better-paid part-time and flexible jobs*

## The evaluation

The evaluation of Step Up had two distinct phases:

### Year 1: Test and Learn

The first year of Step Up (Oct 2015 – Sep 2016) comprised a ‘test and learn’ phase, with providers trying different approaches, learning from what worked and, at the end of the first year, reviewing their delivery models and making any changes required. During this phase, learning and evaluation activities included:

- Developing and refining a shared management information (MI) system for providers to record participant characteristics, activities and outcomes, and providing training and support on using the system;
- Carrying out quarterly analysis of MI to inform the programme management group and the providers of ongoing progress made in recruitment, delivery and outcomes;
- Conducting Theory of Change workshops with each provider at the beginning and end of the first year, to understand delivery models and their underlying assumptions in detail. These were intended to help providers fine tune their delivery models to ensure that they would achieve the desired outcomes, and to help the evaluation team to understand the variations in delivery across the providers.
- Presenting ongoing findings and learning to the management group, providers and wider stakeholders at quarterly steering group meetings.

### Year 2: Evaluation

The second year of Step-Up (Oct 2016 – Sep 2017) comprised the main evaluation period, which used both quantitative and qualitative data to understand programme effectiveness. Methods included:

- Ongoing quarterly analysis of MI, assessing participant characteristics, support delivered and outcomes achieved.
- A survey of Step-Up participants, focusing on support received and soft outcomes, to complement the MI.
- Qualitative interviews with:
  - Step Up provider staff, volunteers and key delivery partners (x 19)
  - Wider delivery partners and stakeholders (x 8)

- Employers who had employed Step-Up participants or otherwise engaged with the programme (x 6)
- Step-Up participants, selected to capture a range of characteristics and types of outcomes achieved (x 36)

The findings in this report are based principally on i) the management information data collected by providers, which supply a representative picture of participant characteristics, activities undertaken and outcomes; and ii) the qualitative interviews, which provide insight into the range and diversity of staff and participant experiences and views of the programme and help to explain how outcomes were achieved.

The online survey of Step Up participants achieved 102 responses, which represents a 19% response rate. This is relatively high for an online survey of this type, nonetheless because we cannot be confident that the survey sample is representative of the full population of Step Up participants, we have used the survey data primarily as illustrative, using it to explore relationships within the data, rather than to provide a representative picture of Step Up participants' experiences.

## Structure of the report

The remainder of the report is structured as follows:

- Chapter 2 discusses provider experiences in recruiting and engaging low-paid workers;
- Chapter 3 describes the participants that took part in Step-Up and their barriers to progression at the outset of the programme;
- Chapter 4 describes the support delivered by Step-Up providers and identifies what was considered to be most effective for the different target groups;
- Chapter 5 describes the outcomes that were achieved by participants on the programme – including the extent to which the primary and secondary programme outcomes were achieved, participants' perspectives on the outcomes achieved, and the factors that enabled or prevented the achievement of outcomes;
- Chapter 6 presents the results of our impact assessment, which estimates the *additional* value of the programme over and above what would have been achieved in its absence, and a cost-benefit analysis, which compares programme value to what it cost to deliver in order to assess value for money.
- Chapter 7 concludes and presents recommendations for future programme delivery and commissioning.

## 2. Recruitment and Engagement of low-paid workers

Recruiting employed participants into an in-work progression programme presents new challenges for providers and can require different approaches than engaging people who are out of work. This is partly because providers in the voluntary sector do not generally have extensive contacts with people in low-paid work to build on, and because there is limited good practice to draw on in recruitment, because there has been limited funding of this type of work to date.

This type of support is also new to potential participants so there is limited awareness of its availability, which means that potential participants are not necessarily looking for it, are not expecting to be eligible for it or for it to be available for free, and are not under any external pressure to engage with it.<sup>11</sup> The concept of 'in-work progression support' and what that might entail is also an unknown for most people. Moreover, people in work have distinct barriers to accessing support, most commonly limited time and availability due to work and other commitments. They may therefore require support that is open outside of working hours, which is not always available in the voluntary sector.

For all of these reasons, providers needed to be more proactive in their recruitment for Step Up, developing new strategies for engaging with low-paid workers rather than using existing channels, and needed to think carefully about messaging. This chapter looks at the numbers of low-paid workers recruited onto the programme over the two years and the recruitment methods used by providers to attract participants, focusing on the methods which providers found most and least successful and on the lessons learned about successful messaging and engagement.

### Step Up registrations

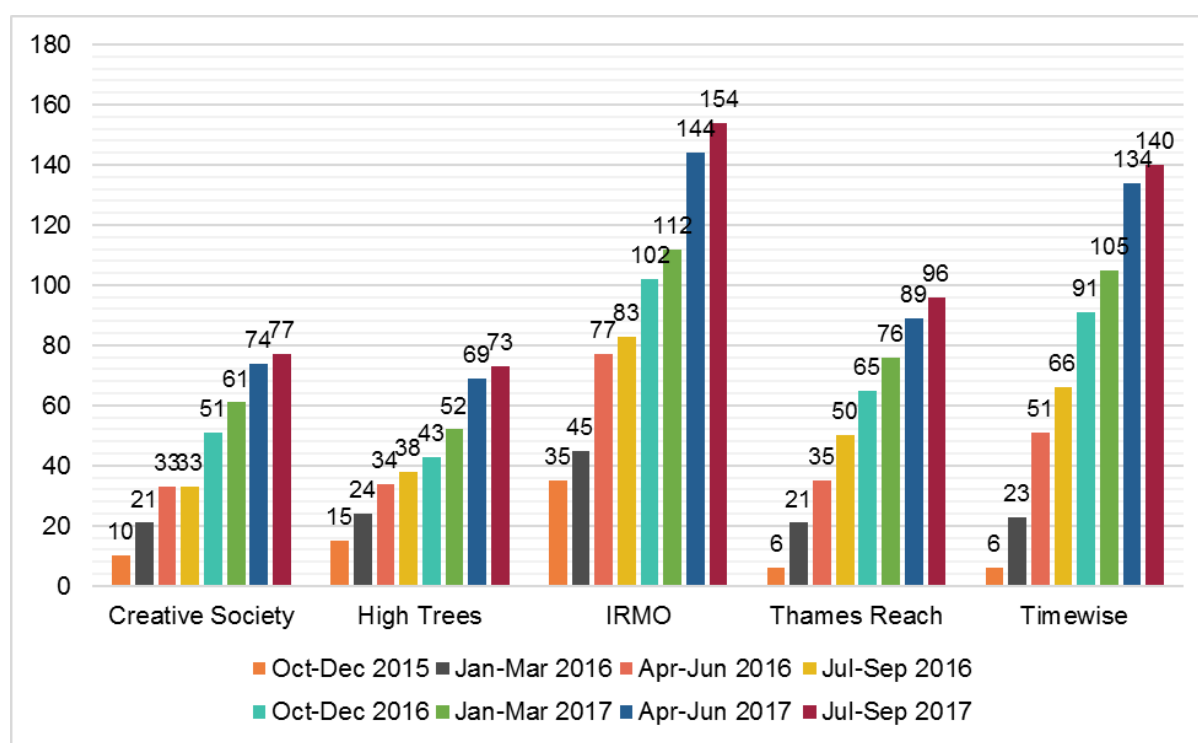
Figure 2.1 shows the cumulative registrations onto the Step Up programme by provider, for each quarter, from October-December 2015 through to July-September 2017. As can be seen, recruitment onto the programme continued steadily throughout the two-year period, with total registrations numbering 540 by the end of September 2017.

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<sup>11</sup> Though this may change as Universal Credit in-work conditionality rolls out.



**Figure 2.1: Cumulative registrations of Step Up providers (October 2015 - September 2017)**



## Recruitment channels

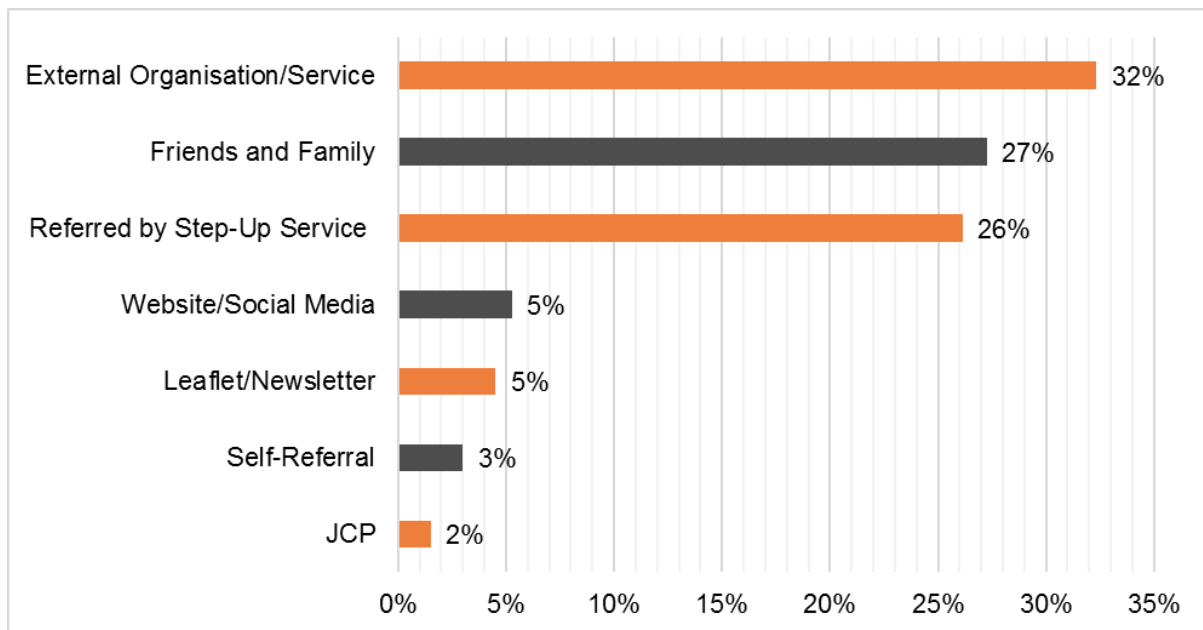
Figure 2.2 shows the referral source for those participants recruited. It shows clearly that the three most common means of recruiting Step Up participants were:

- via referrals or signposting from external organisations or services - accounting for a third of all participants recruited (32%);
- informal signposting from friends and family - accounting for a quarter of participants recruited (27%).
- internal referrals from within the provider, i.e. among participants (or former participants) using other services offered by the organisation – accounting for a further quarter of participants (26%); and

Together, 85% of participants were recruited to Step Up in one of these three ways, while just 5% of participants joined the programme through seeing marketing materials (an advert, leaflet or newsletter) without having an initial connection through some kind of network. This highlights the central importance of engaging potential participants via trusted intermediaries – be these external organisations, internal services or existing programme participants.



**Figure 2.2: Referral source of Step Up participants**



### Internal recruitment

#### Recruiting previous participants

Several of the providers were able to effectively recruit on to Step Up from a pool of participants that they had supported into employment through other programmes. Providers could re-engage with these participants to offer additional support to help them progress in work, following a year of employment. This was generally an effective recruitment method as the participant was already aware of the provider and had a relationship with them. However, it was dependent on the quality of contact details, and providers faced difficulties when people had moved away or changed contact details.

One provider overcame these challenges through using Facebook to locate and communicate with previous programme participants, and continued to use Facebook to effectively communicate with them throughout the support. The use of social media to recruit participants was well received by their client group of young people, and was also used effectively by several other providers as the programme progressed.

#### Using a wider service offer/ 'no wrong doors' approach

Providers were also able to recruit into Step Up from existing participants of other services they offered. This was particularly effective where providers had other provision that was well-known and well-regarded among referral partners – for

example adult learning (High Trees), information, advice and guidance services (Thames Reach) or ESOL provision (IRMO). Potential participants referred into these other services could then be triaged as appropriate into the Step Up programme.

Timewise referred to this triaging as having a “no wrong doors” policy, which ensured that anyone in contact with the organisation would be informed about Step Up if it was relevant:

*‘You ask the question, “How many hours do you work? Do you work part time? Oh, you might be eligible,” so you have that in your mind.’ (Step Up provider)*

This approach also meant that participants could continue to be supported through a range of other provision within the organisation if their circumstances changed or other needs became more immediate.

Recruiting previous participants and cross-referring eligible participants from other in-house services worked well due to the positive relationship and trust that had been built up with the participant. Knowing the service provider staff well from having engaged previously gave participants confidence in the quality of the service and encouraged engagement.

### Recruiting via informal networks

Providers were also able to make use of informal networks within a community for further recruitment. Positive recommendations from friends and family could confer the trust in the organisation to other potential participants. This was reflected in the accounts of participants recruited this way who emphasised that receiving the information from a trusted source (friend or family) reassured them that the support would be suitable for them.

This approach to recruitment worked particularly well for organisations that were embedded in communities with strong social networks, such as IRMO, which operates in the Latin American community in South London:

*‘When they cross the door and they say, “I’m here because I want to do the construction course,” or “the health and social care course,” they just say, “because someone told me.” It’s how the community works... We don’t need to use other means because people just hear about us and they come a lot. It was so natural that we get people.’ (Step Up provider)*

This approach was also particularly useful for Creative Society in recruiting young people in the creative sector:

*'Most of our referrals now have come by word of mouth from people who are already on the scheme...that has been fantastically effective because you're working with people who don't necessarily trust this sort of scheme, they've been on a few of these kind of things before, they're quite cynical, quite dispirited and very sceptical at the beginning of what we can deliver.'* (Step Up provider)

In the second year of the programme, providers also sought to proactively increase referrals through harnessing word of mouth recruitment, and extended this through using social media. For example:

- Thames Reach were considering incentivising word of mouth referrals through giving vouchers to participants who successfully recruited others;
- Timewise were using Parent Ambassadors who had secured outcomes to tell their friends/family in similar situations about the service;
- The Creative Society was utilising their network of creative contacts to share information about Step Up on Facebook.

## External recruitment

### Recruiting through partner organisations, networks and forums

Providers who were already involved in community networks, forums and umbrella organisations were often able to secure referrals to Step Up by engaging with relevant partner organisations. Building links with these organisations could ensure that the people recruited were those which would benefit most from Step Up.

Examples include:

- Timewise, who worked with charities supporting women's skills development and schools, who could provide leaflets and direct text marketing of the Step Up offer to parents; and
- Thames Reach, who worked closely with several providers supporting those at high risk of homelessness.

Some providers were also able to recruit participants through utilizing partners' premises for outreach. This worked well when these premises were well used by the target group. For example, a Creative Society adviser based herself in a local youth centre, while other providers conducted outreach sessions in children's centres, libraries and community centres.

Similarly, during the second year of the programme, providers cross-referred to other Step Up providers if potential participants had a specific need best met by one of the

other providers. This worked best for providers that had a more specific remit, e.g. Timewise, who focused on supporting parents to access more flexible jobs, rather than providers with more generalist support models. It was also less effective for organisations such as IRMO, since potential participants generally required Spanish-speaking support for initial engagement.

### Recruiting through into work programmes

Many of the providers had also established good connections with organisations offering support to help people *into* employment, marketing the Step Up programme as a natural follow-on for individuals from the existing support. This was particularly successful when partners were able to refer to the provider which would be the best 'fit' for the individual. For example, one service referred young people on to Creative Society following apprenticeships in arts-based organisations.

However, providers reported that partners often found it more difficult than expected to reconnect with participants who had been placed into work. This was affected by the previous relationship between the participant and the partner, the quality and quantity of in-work contact, the quality of participant records and the mobility of individuals. Pressure on staff time in partner organisations and staff turnover and restructuring processes often presented difficulties and hindered providers in accessing information on people who had been placed into work previously.

### Recruiting through Jobcentre Plus

Jobcentre Plus was anticipated to be an important referral source for Step Up, since the programme could potentially support UC claimants with in-work conditionality requirements. However, only 8 people in total were recruited in to Step Up from Jobcentre Plus over the course of two years<sup>12</sup>.

Of the providers, Thames Reach made the most concerted effort to engage with Jobcentre Plus for referrals, and reported seeing a greater number of referrals during Year 2, after working on developing the relationship, and as the number of working UC claimants rose.<sup>13</sup> They reported that it took time to develop the relationship and to ensure that the message about Step Up reached frontline work coaches in order to prompt referrals.

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<sup>12</sup> Given that JCP did not make direct referrals but rather *signposted* to external partner organisations, it is possible that other participants categorised as 'self-referrals' may have heard about the programme from Jobcentre Plus.

<sup>13</sup> UC Full Service was rolled out in most of Southwark in October 2016 – one year into Step-Up - but is not being rolled out in Lambeth until Dec 2017 – Feb 2018. Under Full Service, all new claimants are registered on UC, while under Live Service, only single workless claimants are registered. Hence the number of working claimants rises as UC Full Service rolls out.

The Jobcentre Plus Partnerships Manager perceived Step Up to be a valuable service for working UC claimants and felt that the aims of Step Up were aligned with those of JCP under UC:

*"I liked the fact that they (Step Up) were supporting people to progress and aim to earn up to the London living wage, which is what we're all trying to support in terms of people earning more.... I like the fact that it's supporting our agenda, in terms of we are now engaging with people - probably 30 per cent of the people that we see in the Universal Credit Full Service are in work but claiming that equivalent of Housing Benefit or Tax Credit or Working Tax Credit." (Stakeholder)*

The low level of referrals from JCP was attributed by the Partnerships Manager to Step Up starting prior to UC rollout, and to a limited appetite for progression among many claimants, for whom in-work conditionality and progression are new concepts. It was also reported that the eligibility requirement for Step-Up of a stable work history (defined as being in work for at least the last 12 months) excluded a large number of potential participants, who were subject to in-work conditionality under UC but had an erratic work history, with periods in and out of work. The view of the Partnerships Manager was that the eligibility criteria should be reduced to 3 months in stable work, which would align with other in-work support programmes, such as that delivered by Prospects<sup>14</sup>.

Another Step Up provider that engaged extensively with Jobcentre Plus during Year One of the programme was Creative Society. While some referrals were generated as a result of the adviser recruiting directly from the JCP office, a conflict was experienced between the participants' conditionality requirements (because they were in low hours work) and the voluntary ethos of the Step Up programme.

### Recruitment through employers

One way to reach people in low-paid work could be to access them through their employer. Of the providers, only Springboard tried this as their primary engagement approach. They found that it could work effectively with employers with whom they already had an established relationship. However, their experience of engaging new businesses in Step Up, was that managers tended to be reluctant to publicise the programme to their employees, either feeling that the programme duplicated their own in-house procedures for staff development, or fearing that they could lose their staff as a result of participation.

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<sup>14</sup> Part of the London ESF-funded Career Progression programme.

This suggested that successful employer engagement would require the employers to be receptive to upskilling their staff, to have progression routes within the organisation, and to be receptive to using external support to help their employees to progress.

## Advertising

As noted, most participants on Step Up were recruited through existing support services, either within the provider organisation or externally. It was much more difficult for providers to locate low-paid workers not currently or recently in touch with support services. These workers were unlikely to proactively search for in-work progression support because they were unaware of its existence. This was a particular issue for some target groups, such as self-employed or freelance workers. One of the ways that Creative Society approached this challenge was to advertise on arts-based job sites, which they found to be effective in reaching people not already engaged in other services.

To reach a wider cohort of potential participants, Step Up providers worked with Lambeth Council to send out letters to households in receipt of partial housing benefit informing them of the Step Up initiative. However despite two mail-outs, only 9 participants in total were recruited to the programme this way. This may have been related to wider issues around the quality of communication between the local authority and residents in the borough, or may also have been due to difficulties articulating a clear message about Step Up, given the diversity of delivery models and target groups across the programme. Indeed, IRMO had some success by using a more targeted approach, that identified Spanish or Portuguese speakers directly, and sent recruitment letters in the appropriate language.

All Step Up providers also developed promotional materials and leaflets, which were displayed in a variety of settings such as partner organisations, in public places, such as local schools, cafes, and housing services, and within their own premises. However, only around 5% of total participants were recruited this way. One provider with a strong local presence also used leaflet drops and door knocking among local residents to increase awareness of their services.

## Key recruitment challenges

**Resourcing:** Processes of building relationships with partners, establishing referral mechanisms and ensuring that the message about Step Up got through to frontline staff in contact with potential participants, all took provider time and resource, and some providers struggled to find time to pursue this effectively, alongside support delivery. Some providers found it most effective to do this in a sequenced way,

focusing on intensive outreach and engagement initially and then delivery of support subsequently.

**Conveying the eligibility criteria:** Part of the resource-intensiveness was due to time spent ensuring that partners understood the eligibility criteria for the programme. It was felt that because support for people in work was relatively novel, there was a need for more frequent communication with providers:

*'It doesn't matter how many times we tell them that we are only supporting those who are in work, they still refer clients who are not in work...'* (Step Up provider)

**Identifying low-paid workers:** Providers also reported that some partners faced difficulty identifying and communicating with low-paid workers, since they were less easily identifiable than people out of work, and targeting could be seen as potentially stigmatizing, as one Step Up provider working with schools explained:

*'... there's real nuances there about not only the messaging, but about whether or not people want to be labelled as being in a low paid job...'* (Step Up provider)

## The messaging of Step Up support

In addition to locating eligible participants, conveying the Step Up message effectively was another key challenge for the programme. Providers found that it could be quite difficult to get this across to participants, due to a lack of familiarity with the concept of in-work progression support for people already in work.

The approaches to messaging that providers felt worked most effectively were:

- avoiding jargon and focusing on participants' starting situation and what they desired to change;
- focusing on clear, tangible outcomes and a clear pathway and timescale to achieve them;
- emphasising the personalised and targeted nature of support;
- a person-centred approach and introducing the Step Up message gradually;
- being clear about eligibility criteria; and
- supporting the message through providing testimonies from past participants.

## Avoiding jargon; focus on desire for change

Providers found that communicating the idea of the programme through the term 'progression' could be too complex and not meaningful for respondents. Instead, they developed simpler terminology and messaging which focused on their target group's current situation and/or their desired outcomes, for example:



*‘Keep it really simple: “Do you feel you’re stuck in a rut?” “Do you want to progress?” “Do you want to earn more?” The things that are really going to hit home with people.’ (Step Up provider)*

This worked well where a provider was working with a specific target group and knew their needs and barriers well. For example, Springboard working with young people in hospitality were careful not to refer to ‘career’ but rather to ‘*improving your job*’, recognising that young people are not necessarily focused on developing a career in the sector. For IRMO, the messaging was “*Change your job, your career, your sector*”, which tapped into the idea of people feeling dissatisfied or stuck in their current job, and related to their offer of sector-specific training.

This could be more difficult to achieve where providers were working with a broader range of participant groups. These providers found that messages focused on ‘*earning more*’, or improved ‘*quality of life*’ or ‘*work-life balance*’ worked well. One provider also explicitly made the link between improvements in earnings and in-work conditionality requirements under Universal Credit in their marketing of the programme. Likewise, participants reported being attracted by offers of ‘*a better job*’, improved pay, job satisfaction or a job in their desired sector.

### **Focus on tangible outcomes, clear pathways and timescales**

Some providers concentrated on selling a tangible outcome, such as a qualification or job change, in order to sell the programme:

*‘if you’re asking somebody to commit time with you, they need to know what they’re getting out of it and, if that’s not clear, then that’s where you’re going to struggle.’ (Step Up provider)*

For example, Timewise found it was most effective to focus their advertising on the jobs that were on offer (i.e. the outcome) rather than the support provided. They based their leaflet design on an outcome-based message, by showing a pin board with various job opportunities and salaries. This depicted the end result of the support (a better job) and communicated that one aspect of their support offer is their jobs brokerage. Seeing good quality, flexible jobs advertised on their online jobs board also stimulated recruitment, since it enabled potential participants to see how they might achieve their goals:

*‘people in work don’t have the time, but you find that they will make the time for this, if there is a live job that has an employer attached to it.’ (Step Up provider)*



IRMO were also able to present both a tangible outcome and a clearly defined pathway to achieving this for their construction provision. The pathway comprised course preparation, the CSCS card exam, and consequently a qualification to work in construction. This aided engagement by providing a clear offer to participants, which also addressed their key barriers.

Other types of provision, however, were less easy to market this way because the pathway, timescales and end goals were less tangible. Providers also thought it was important to convey realistic timescales for achieving outcomes to participants, to avoid disengagement due to unrealistic expectations.

### Personalised and targeted support offer

It was also important that the offer of support was tailored to the individual, rather than a generic listing of support options. Providers often chose to highlight the provision of one-to-one coaching with an adviser to emphasise the personalised nature of the support offer.

Participants said that they were motivated to engage if they perceived that the support was specifically for people like themselves. For example, for Timewise participants it was often important that the support was for mothers and/or focused on family friendly jobs:

*‘At that point in my life I wanted to get back into work and the job centre had no options, ... and I saw it (Step Up) as - single mums, they’re out there helping them ... they were trying to find jobs for mums that were child-friendly hours and child-friendly establishments, that was what appealed to me.’ (Step Up participant)*

IRMO participants valued that support was tailored to the Spanish speaking community, and Creative Society participants were attracted to support aimed at young people wanting to pursue careers in the creative sector:

*‘I was really drawn to it, there was a chance for me to go and kind of say, “This is my situation and let’s kind of move forward with an understanding of my specific situation”’ (Step Up participant)*

In other cases, participants were attracted by support that offered a chance to move up within their role, or to change sectors.

Similarly, if participants felt that particular elements of the support offer were appropriate to their circumstances or needs, this stimulated engagement. This varied by participant and provider and could include elements such as careers guidance, financial support for training / upskilling, CV writing support, and building

networks or work experience in a particular sector. This also varied over time for individuals, and participants emphasised that they were more likely to engage if the message about Step Up came at the right time for them.

### Person-centred and gradual engagement

For participants who lacked confidence in their ability to progress and were therefore less likely to proactively respond to the Step Up message, High Trees used a person-centred outreach approach. Advisers aimed to convey a positive, friendly and welcoming approach, and to build sufficient rapport with potential participants that they could identify their needs and set out how the support could benefit to them, thus building their confidence to try it out:

*‘If you give off a certain amount of confidence and also encouragement for people to sign up, then they believe in you that you will support them as much as you can, and in terms of how they want to be supported, I think that has been part of our success.’ (Step Up provider)*

The wider support offer (IAG, adult learning) delivered by this provider was also helpful in their engagement as people who were initially unreceptive to the Step Up message could be offered support for other more tangible needs, such as IT skills or confidence, and then engaged in thinking about career progression at a later stage in their journey. This also worked well if potential participants had competing time pressures and initially wanted a shorter-term focus on one issue they perceived to be a barrier. An initial focus on improving an unsatisfying circumstance, e.g. by changing jobs, could then be extended to a longer-term focus on career progression when the participant felt more comfortable with the adviser and provider.

### Clarity about eligibility

Providers found that providing clarity about eligibility for the support in any advertising was important, as working people who are time poor and not expecting to be offered support would be unlikely to respond to an advert unless they were sure they were eligible. Likewise, participants also reported being encouraged to engage as a result of meeting eligibility criteria.

### Testimonials

Several providers incorporated case studies and personal testimonies from participants who had successfully completed the programme and achieved a good outcome into their subsequent recruitment materials.

### Summary

Recruitment increased steadily over the course of Step Up, with 540 people registered in total over the two years. The vast majority (83%) were recruited

through trusted networks – either from partner organisations, from within the provider’s own services or through informal word-of-mouth signposting. Consequently those providers who were more strongly embedded in the local community and well-networked with other local organisations were able to do this most effectively. Referral links required strong relationships and ‘cold’ outreach into unfamiliar territory was far less effective, at least initially.

All providers found the amount of time and resource needed to establish effective referral and recruitment routes was considerable and often struggled to find time to pursue this alongside support delivery. Recruiting for in-work progression support was felt to be especially time-intensive, due to limited awareness and understanding of this type of support on the part of potential participants and partner agencies and time constraints faced by participants in work.

Jobcentre Plus may form an important referral source for in-work progression programmes in the future, but had limited impact on Step Up recruitment, mainly due to Step Up starting prior to UC Full Service rolling out in the area. The eligibility criteria of 12 months in stable work also excluded a number of potential JCP referrals.

The messaging of Step Up support was another key challenge, due to a lack of familiarity with the concept of in-work progression support. The approaches to messaging that providers felt worked most effectively were:

- avoiding jargon and focusing on participants’ starting situation and what they desired to change;
- focusing on clear, tangible outcomes and a clear pathway and timescale to achieve them;
- emphasising the personalised and targeted nature of support;
- a person-centred approach and introducing the Step Up message gradually;
- being clear about eligibility criteria; and
- supporting the message through providing testimonies from past participants.

### 3. Step Up participants' characteristics, needs and barriers

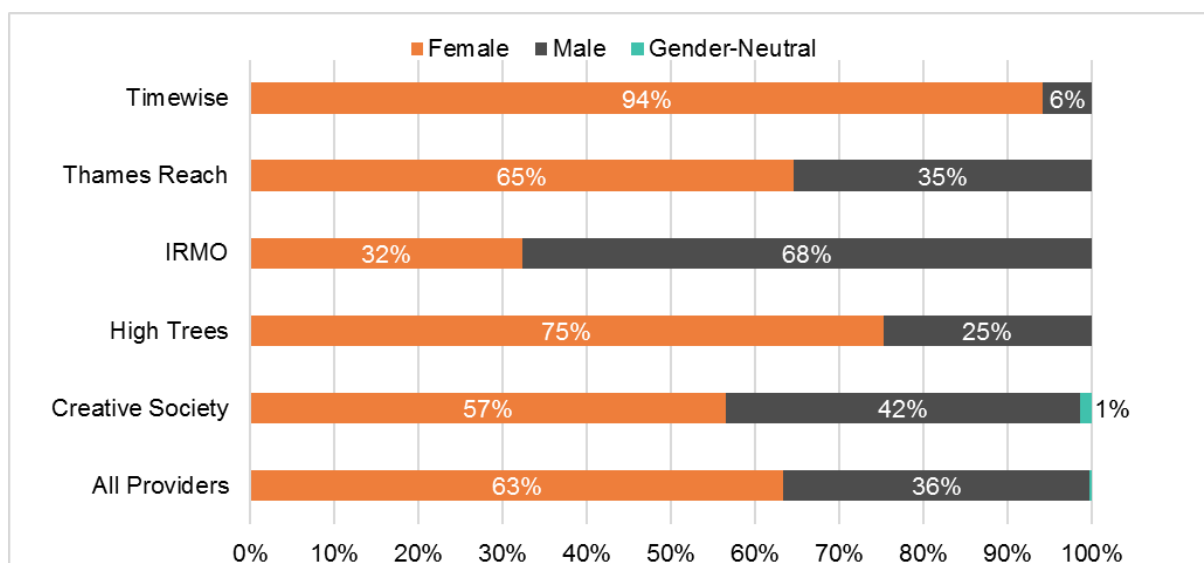
This chapter discusses the characteristics of participants who joined the Step Up programme and compares this to the characteristics of all low-paid workers in London. It then explores the barriers reported by those who joined the programme.

#### Demographic characteristics of Step Up participants

##### Gender

Overall, around two thirds of Step Up participants were women and a third men, but this varied by provider (see Figure 3.1). IRMO was the only provider to have a larger proportion of male participants (68%), reflecting the focus of their provision on the construction sector. Creative Society participants were around three fifths female, Thames Reach two thirds female and High Trees around three quarters female. Timewise participants were almost all (94%) female, reflecting their focus on provision for working parents.

**Figure 3.1: Breakdown of Step Up participants' gender, by provider**



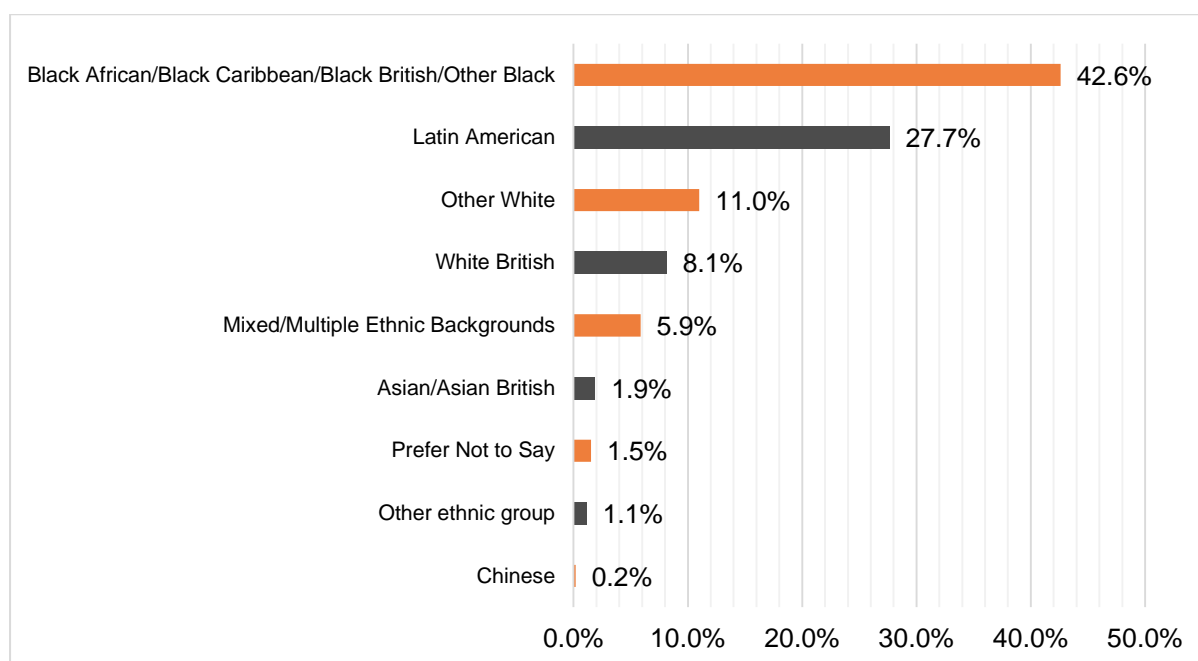
##### Age

The average age of Step Up participants was 40. This was similar for all providers except for Creative Society, whose average age was 25, reflecting their target group of young people.

## Ethnic group

The vast majority of Step Up participants were from black and minority ethnic groups, with just 8% identifying as White British (see Figure 3.2). The largest ethnic group was 'Black African/Black Caribbean/Black British/Other Black', comprising two fifths of total participants, followed by Latin American (27%) (reflecting IRMO's client group), and then 'Other White' (11%).

**Figure 3.2: Breakdown of Step Up participants' ethnicity**

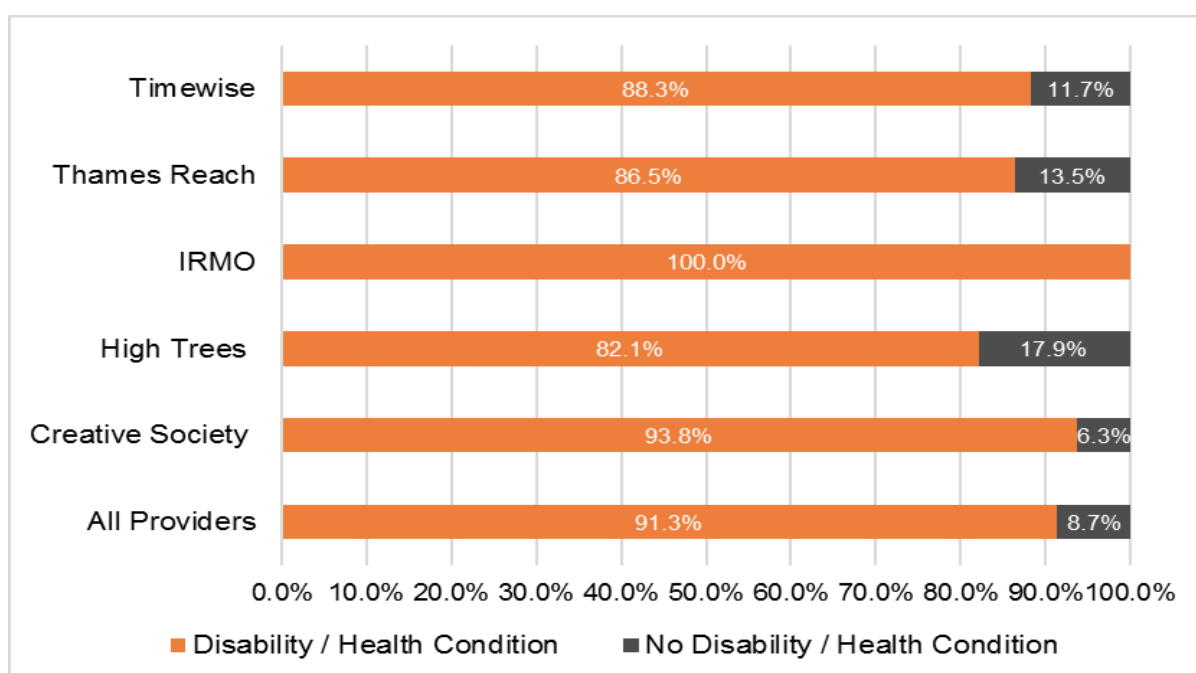


Providers did not record whether participants were born overseas, however whether English was their second (or additional) language was recorded. In total, three-fifths of Step Up participants (60%) reported that English was an additional language.

## Disability

Approximately 9% of Step Up participants reported having a disability when they joined the programme. This varied across providers, ranging from 0% (IRMO) to 18% (High Trees) (Figure 3.3). Providers spoke of the difficulties of obtaining such sensitive information when participants entered the programme, hence it is possible that the actual figure of disabled participants is higher. Some providers also reported mental health issues as common amongst their participants.

**Figure 3.3: Breakdown of Step Up participants' disability or health condition status, by provider**



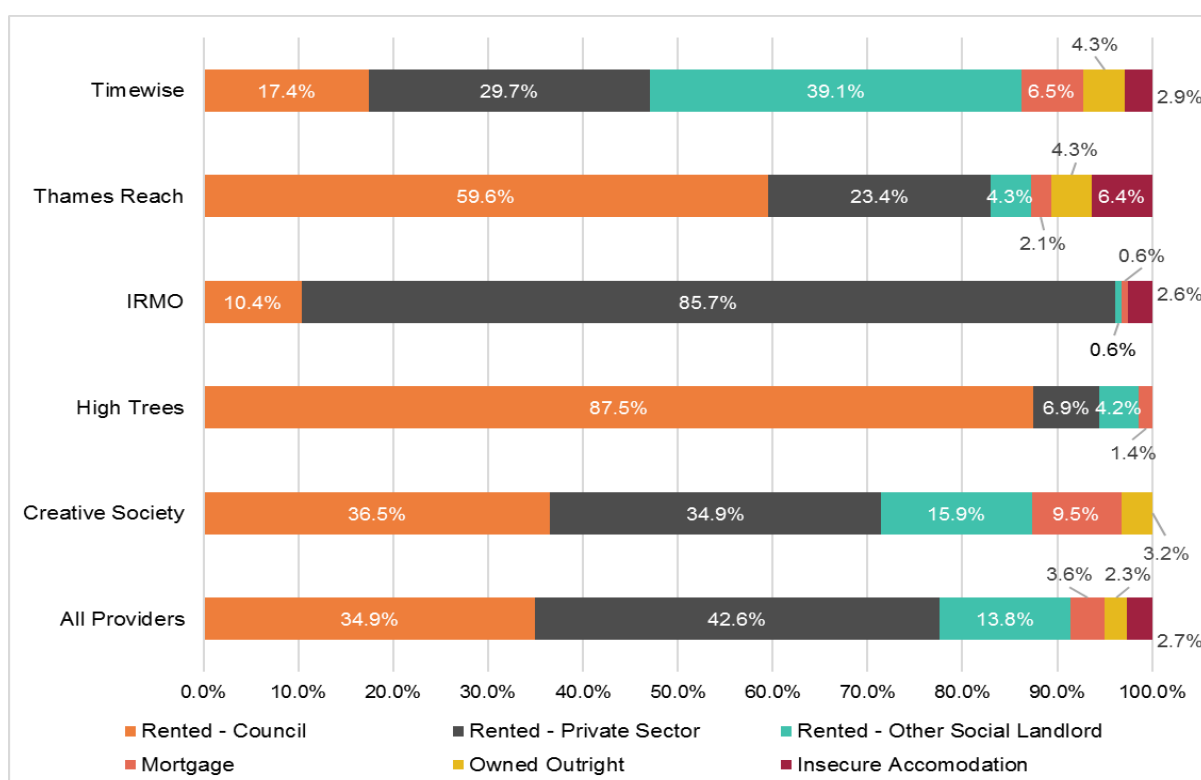
### Housing tenure

The majority of Step Up participants were renting their home from a private landlord (43%) or from the Council (35%). Again this varied by provider (Figure 3.4). The vast majority of High Trees participants (88%), for example, were renting from the Council, while a similarly high proportion of IRMO participants (86%) were renting privately. Around two thirds of Thames Reach participants were renting from the Council and around a third of Creative Society participants. Timewise was distinct in having a lower proportion of Council renters (17%) and a higher proportion renting from another type of social landlord (39%). Just 7% of participants were in owner occupation, while a small proportion (3%) were in insecure accommodation (temporary/ emergency, squatting or homeless). Most of the latter were from Thames Reach.

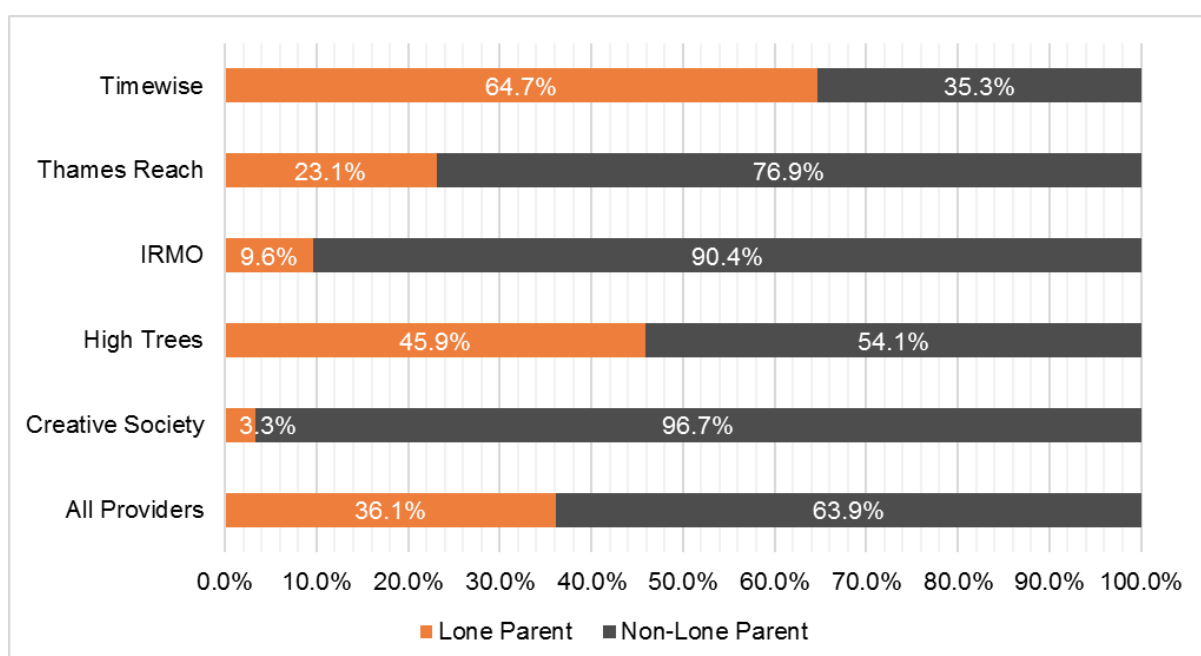
### Family circumstances

Around two thirds (65%) of Step Up participants had dependent children living with them (Figure 3.5). Timewise had the largest proportion of participants with dependent children, reflecting the nature of their provision, while Creative Society and Thames Reach had the lowest. This might be partly explained by the age distribution amongst providers – Creative Society had the youngest average age and Thames Reach had the oldest.

**Figure 3.4: Breakdown of Step Up participants' housing tenure, by provider**



**Figure 3.5: Breakdown of Step Up participants' family circumstances, by provider**



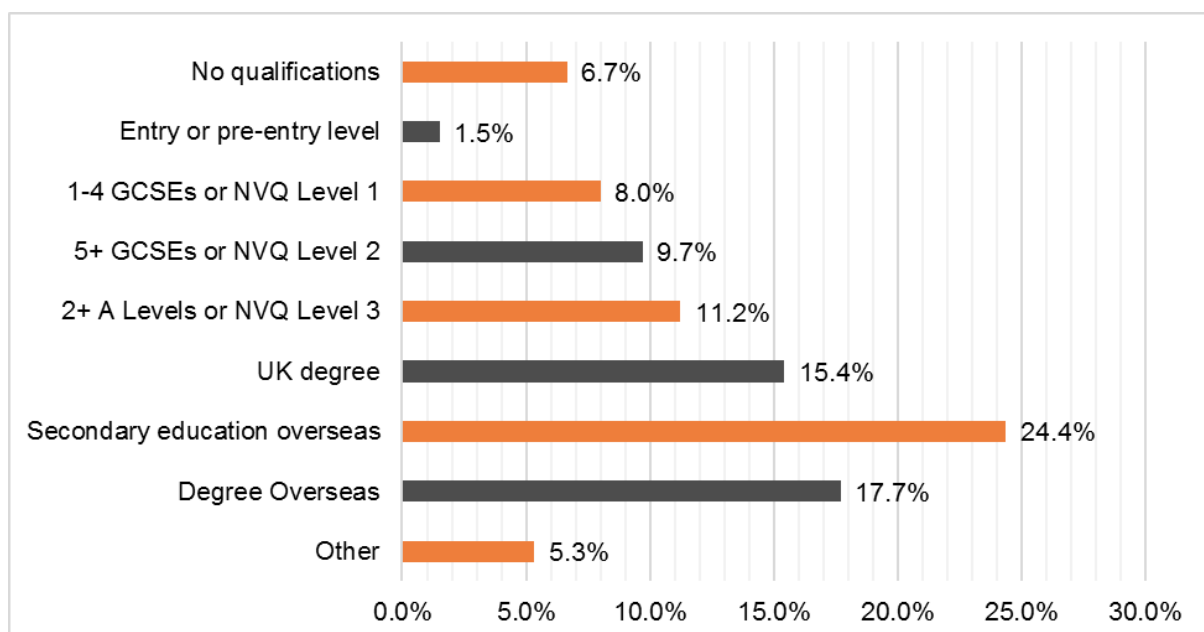
Over one-third of Step-Up participants were lone parents<sup>15</sup> – again with variation across providers. Around two-thirds of Timewise, almost half of High Trees and around one-quarter of Thames Reach participants were lone parents, compared to less than 10% of IRMO and Creative Society’s participants.

### Qualification level

Participants joining Step Up had a wide range of qualifications (see Figure 3.6), ranging from 15% who had a UK degree, to 9% who had Level 1 or entry level qualifications, and 7% with no qualifications. A large proportion - two fifths of total participants (41%) - had an overseas qualification, either at degree level (17%) or at secondary education level (24%).

By provider, there were also noticeable differences. For example, almost half (46%) of Creative Society participants held a UK degree, compared to just 1.9% of IRMO participants, while two thirds (64%) of IRMO participants’ highest education level was ‘secondary education overseas’, compared to just 4% of Timewise participants. Again, this reflects the target groups of each of the providers.

**Figure 3.6: Breakdown of Step Up participants’ highest educational attainment**



<sup>15</sup> Lone parent is defined as an individual not living with their partner, with at least one dependent child in the household.



## Comparing Step Up participants to the socio-demographic profile of low-paid workers in London

Table 3.1 compares the Step Up participants to all low-paid Londoners on key characteristics, using data from London's Poverty Profile<sup>16</sup>. This shows that the socio-demographic profile of Step-Up participants differs from that of the low paid population of London<sup>17</sup> in a few significant ways:

- Firstly, on **gender**, it is notable that the proportion of female participants in the Step-Up cohort is 9 percentage points higher than the proportion found amongst low-paid workers of London.

**Table 3.1: Comparison of Step Up participants and Low Paid London Workers**

Demographic Group		Proportion of Step Up Participants	Proportion of Low Paid London Workers*
Gender	Female	64%	55%
	Male	36%	45%
Ethnicity	Black African, Caribbean, British or Other Black	42%	15%
	Latin American	27%	-
	Other Ethnic Group	1%	13%
	Mixed/Multiple Ethnic Groups	6%	3%
	Other White	11%	19%
	White British	8%	34%
Qualification Profile	No or Unknown Qualifications	7%	9%
	Degree or Equivalent (either UK or overseas)	32%	27%

\*This column uses data from the London Poverty Profile report by Trust for London (2017).

- Secondly, with respect to **ethnicity**, the Step-Up cohort is over-represented in terms of Black African, Black Caribbean, Black British and Other Black participants – 42% compared to 15% of all low paid London workers – and under-represented in terms of White British participants – 8% of Step Up participants, compared to 34% of all low paid London workers. ONS does not record Latin American as an ethnic category in the Labour Force Survey and

<sup>16</sup> Tinson, A., Ayrton, C., Barker, K., Born, T. and Long, O. (2017) *London's Poverty Profile* Trust for London <https://www.trustforlondon.org.uk/publications/londons-poverty-profile-2017/>

<sup>17</sup> It should be noted that the London Poverty Profile data is all workers in low pay at a single point in time, whereas a criterion for admission on to the Step-Up programme is being in low pay for at least one year.

so it is difficult to provide a direct comparison for this group. These individuals could fall into either the 'Other Ethnic Group' or 'Other White' categories in the LFS. However, given that 27% of Step Up participants were Latin American, it is highly likely that this is a far greater proportion than found amongst low paid London workers.

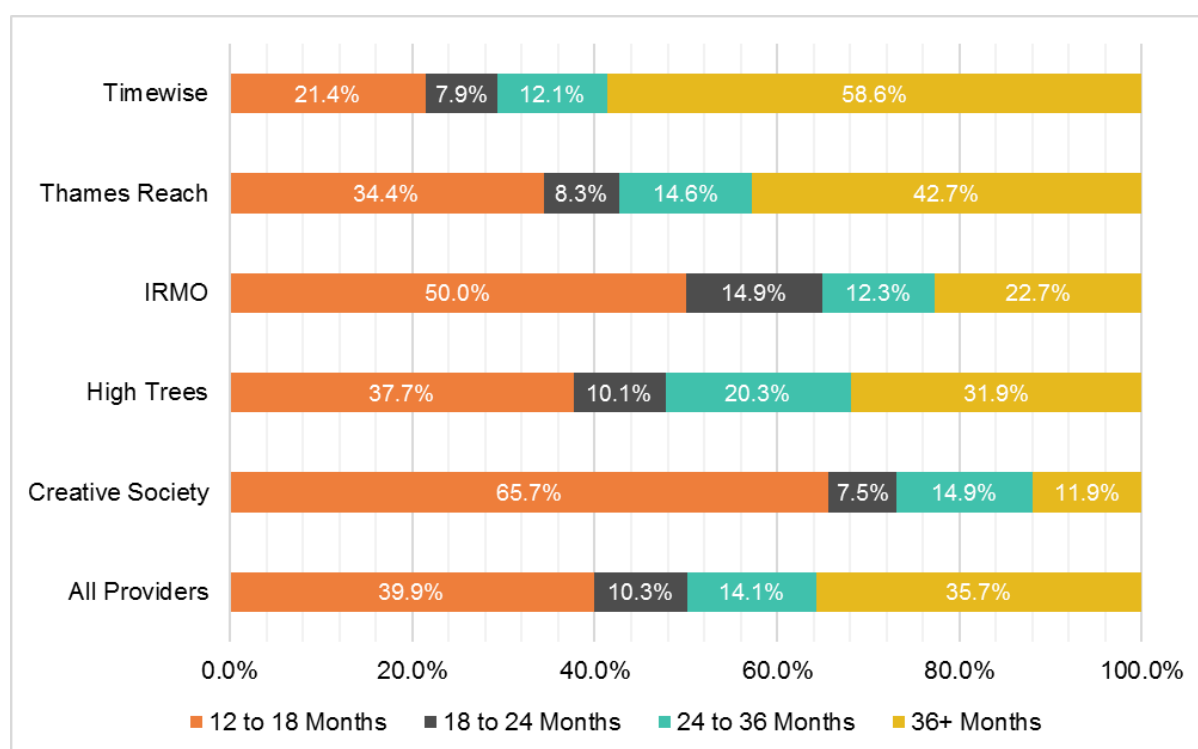
- Finally, on **qualification level**, the population of Step Up is more highly qualified in comparison to the wider population of low paid London residents. 6.7% of Step Up participants had no (or unknown) qualifications at programme outset, while those with no or unknown qualifications make up 9% of low paid Londoners. In addition, 32% of the Step-Up cohort were educated to degree level or equivalent (including degrees obtained overseas), compared to 27% of low paid Londoners.

There are various reasons for these differences. Primarily it relates to the target groups of the specific provider organisations delivering Step Up, for example Timewise supporting working parents, IRMO supporting Latin American cleaners, and Creative Society which targets the creative sector and has an over-representation of young graduates. Secondly, Step Up is primarily delivered in the Inner London Borough of Lambeth (comprising just over half of all participants), where there is a greater concentration of Black African/ Caribbean/ British groups. Moreover, certain ethnic groups may be over-represented in the specific neighbourhoods where Step Up providers are located or within the user profiles of particular organisations. Finally, it is also possible that the over-representation of certain groups in Step Up reflects a particular attitude or appetite for progression within these groups.

### **Step Up participants' employment situation at the point of engagement**

Participants needed to have been in work for 12 months to be eligible for Step Up. However there was a lot of variation across providers in the length of time participants had been continuously employed (see Figure 3.7). Overall, two fifths (40%) had been employed for between 12 and 18 months, while a further third (36%) had been employed for three years or more. Timewise and Thames Reach participants had more commonly spent longer in continuous employment prior to joining the programme (59% and 43% respectively had been in employment for 3 years +), whilst Creative Society and IRMO participants had been in continuous employment for less time (12% and 23% respectively). This is likely due to the young age group of Creative Society participants and because IRMO participants had often held jobs outside of the UK previously.

**Figure 3.7: Length of time in continuous employment upon joining Step Up, by provider**



The vast majority of Step Up participants (86%) had just one job on joining the programme. However, holding multiple jobs was more common among Creative Society participants, almost a third of whom (31%) had more than one job.

As Figure 3.8 shows, participants worked in a range of sectors, but by far the three largest were cleaning (27%), hospitality (17%) and retail (15%). The large proportion of cleaners partly reflects IRMO's delivery model, which targeted Latin Americans 'stuck' in cleaning who wanted to move into a different sector.

A majority of participants (63%) had a permanent contract, but a sizeable minority (30%) were on a temporary contract (see Figure 3.9). Permanent contracts were most common amongst Thames Reach and Timewise participants (73% and 82% respectively), whilst 48% of Creative Society and 38% of High Trees participants were on temporary contracts. Two fifths of IRMO participants were unaware of their contractual status, which reflects more limited awareness of labour rights among this group.

Figure 3.8: Length of time in continuous employment upon joining Step Up, by provider

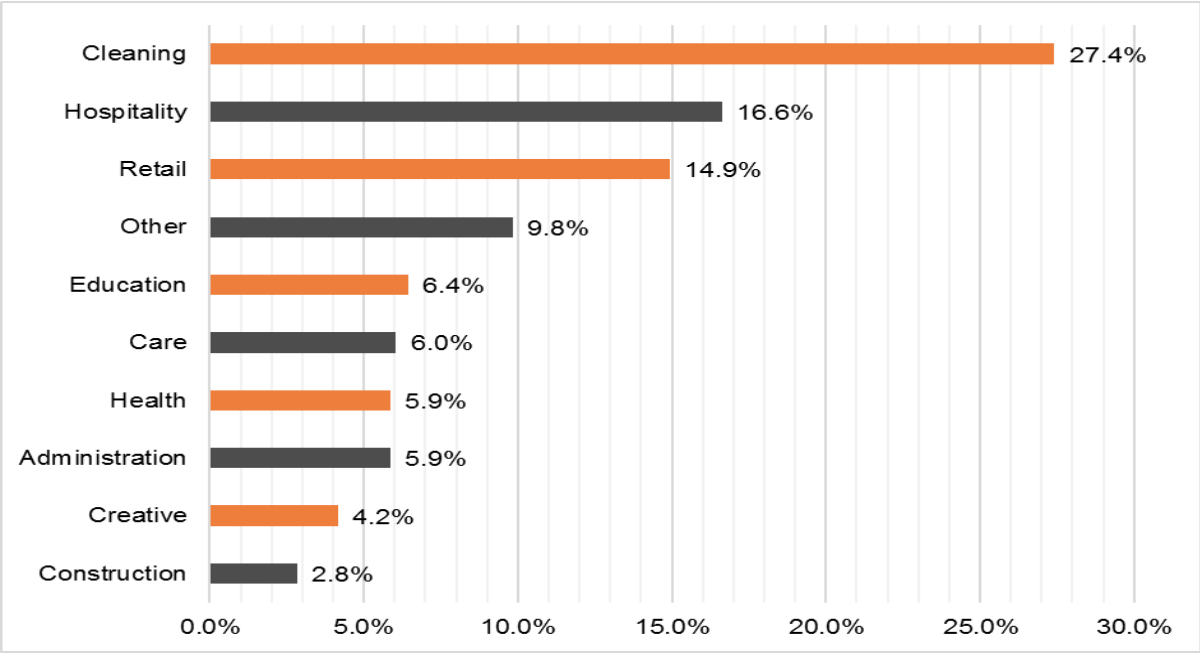
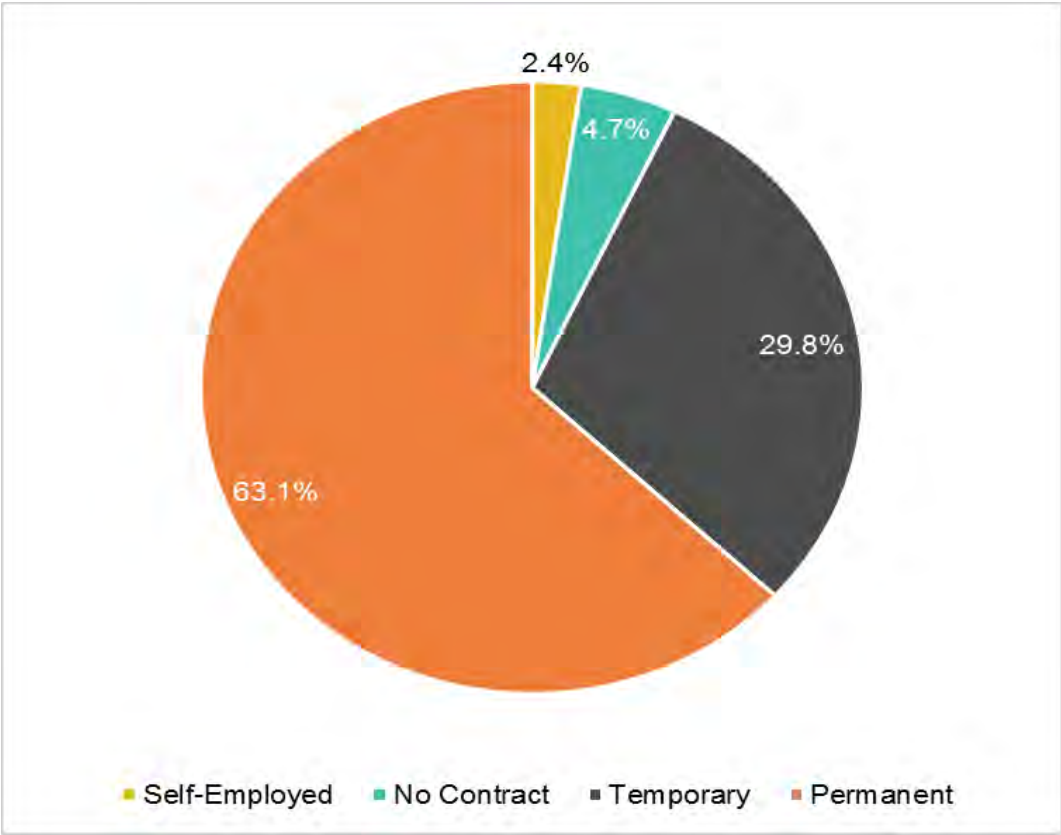


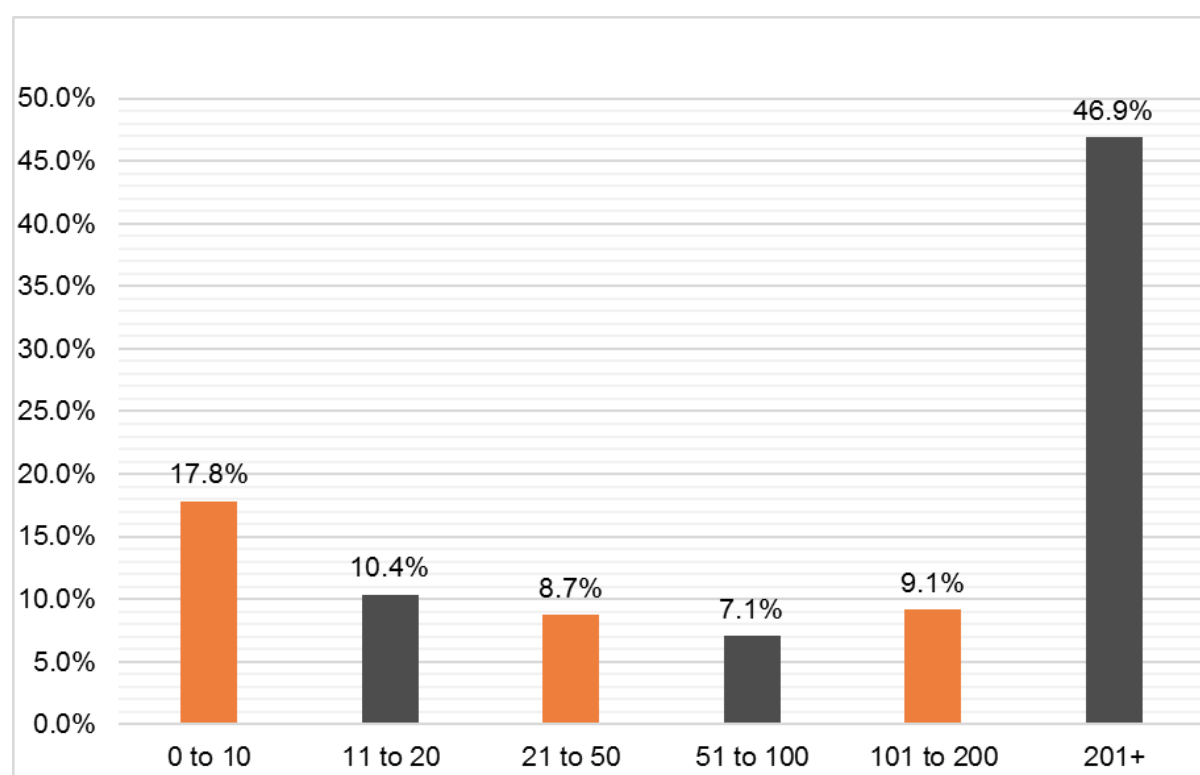
Figure 3.9: Employment contract of Step Up participants (main job)



A small number (5%) of participants reported being in informal employment at the time of registration, although this was much higher among Creative Society participants, 17% of whom were in informal employment, reflecting the nature of the creative sector.<sup>18</sup>

As Figure 3.10 shows, the majority of participants (47%) were employed in a large business (200+ employees), while 18% were employed in micro businesses (up to 10 employees), 19% were employed in small businesses (11-50 employees) and 16% were employed in medium enterprises (51-200 employees).

**Figure 3.10: Size of employer of Step Up participants (main job)**

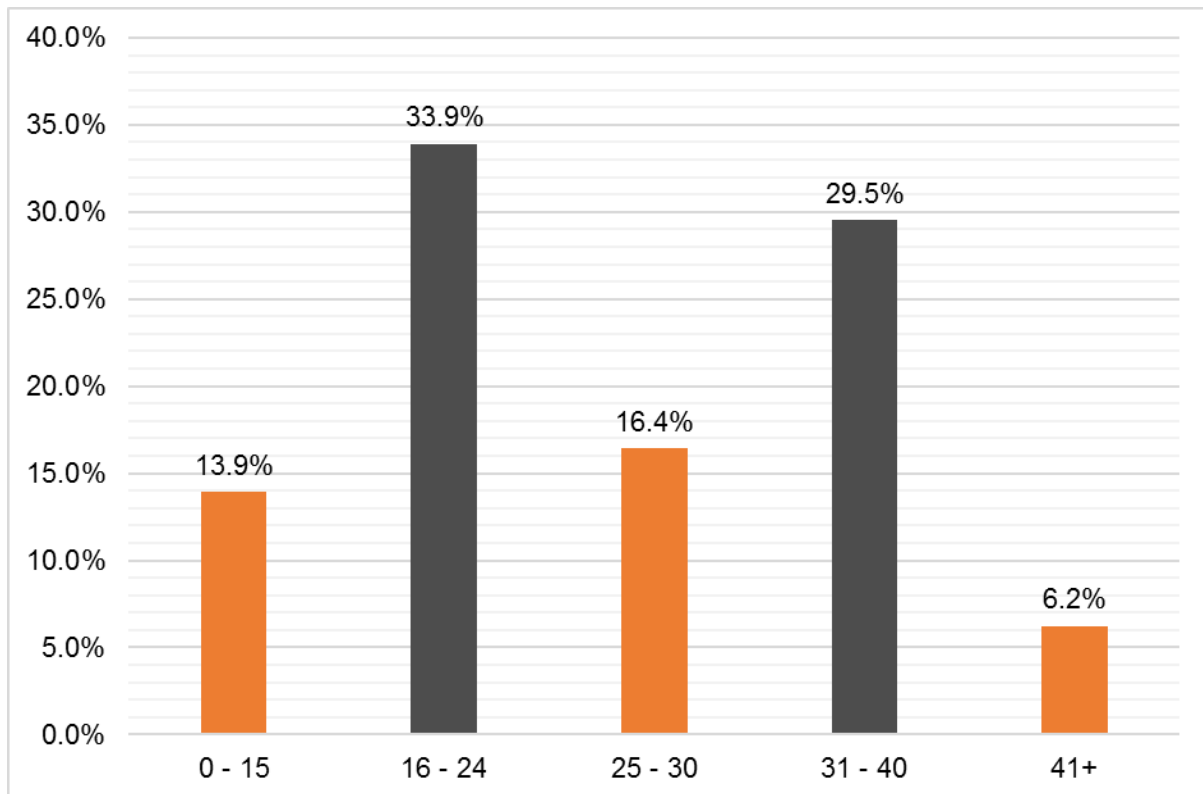


There was variation in hours worked (Figure 3.11). 86% worked at least 16 hours, but only 36% worked more than 30 hours. 6% worked very long (41+) hours every week.<sup>19</sup>

**Figure 3.11: Average total hours worked per week**

<sup>18</sup> It should also be noted that this figure could be potentially higher, as IRMO staff recognised this as a significant issue amongst their participants, yet only 1% of IRMO participants reported being in informal employment – perhaps because they were not aware of this.

<sup>19</sup> 10% of participants did not have valid information on hours worked, often as a result of being employed at two or more jobs and having insufficient data with which to identify the total number of hours worked.



A large proportion (40%) of Step Up participants earned within £1 of the National Minimum Wage (NMW) (set at £6.70 when Step Up began): between £6.50 and £7.50 an hour, while around a quarter of participants (24%) earned between £7.50 and £8.50 an hour, 15% earned between £8.50 and £9.50 an hour, and 17% earned more than £9.50 an hour – above the level of the London Living Wage for the vast majority of the programme<sup>20</sup>, (see Figure 3.12). while a small proportion, just under 5%, reported earnings below £6.50 (i.e. below the level of the NMW)<sup>21</sup>. The average gross hourly wage among all participants was £8.29.

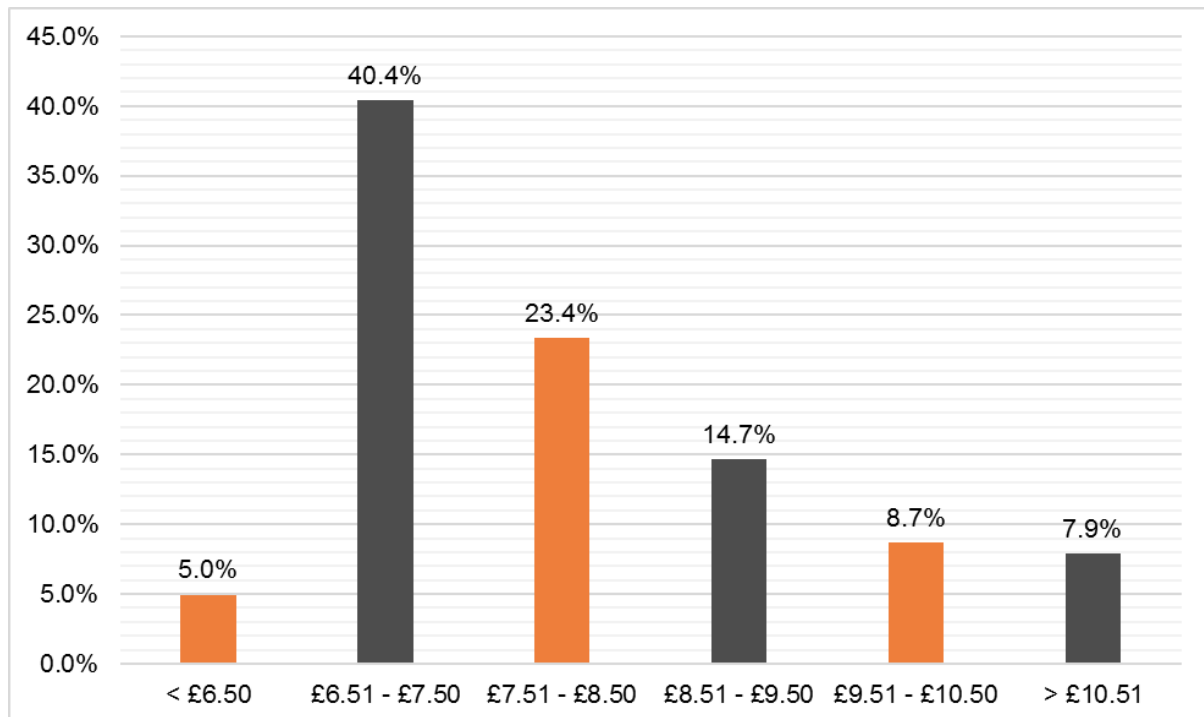
Average gross weekly earnings were low for Step Up participants reflecting the predominance of part-time work (see Figure 3.13). Just under a half (49%) earned less than £200 per week and just 19% earned more than £300 per week. By way of illustration, the weekly earnings target for the programme of 36 hours x the LLW

<sup>20</sup> This is above the level of the London Living Wage for the majority of programme delivery. (The LLW stood at £9.15 when Step Up started, rising to £9.40 in Nov 2015 and £9.75 in Nov 2016). This may have meant that participants were ineligible for Step Up according to this criterion. Two thirds of these individuals were working less than 30 hours per week and so had weekly earnings below the target earnings threshold.

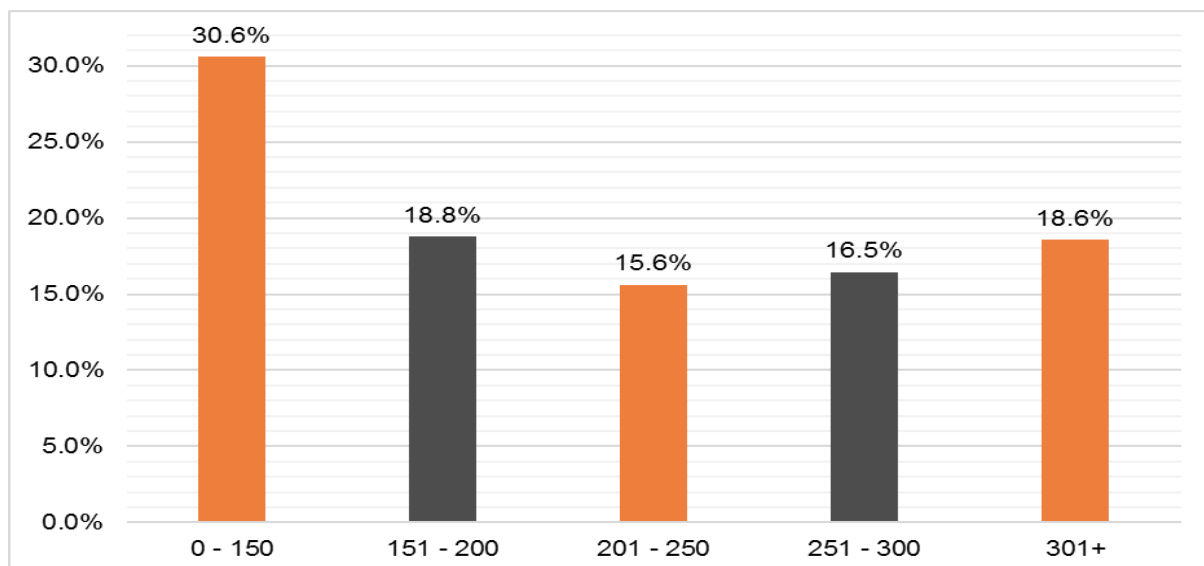
<sup>21</sup> 6% of participants did not have valid hourly wage data available.

would equate to earnings of £338 per week.<sup>22</sup> The average gross weekly earnings across all participants (for whom earnings data is available) was £221.63.

**Figure 3.12: Average gross hourly wage (main job)**



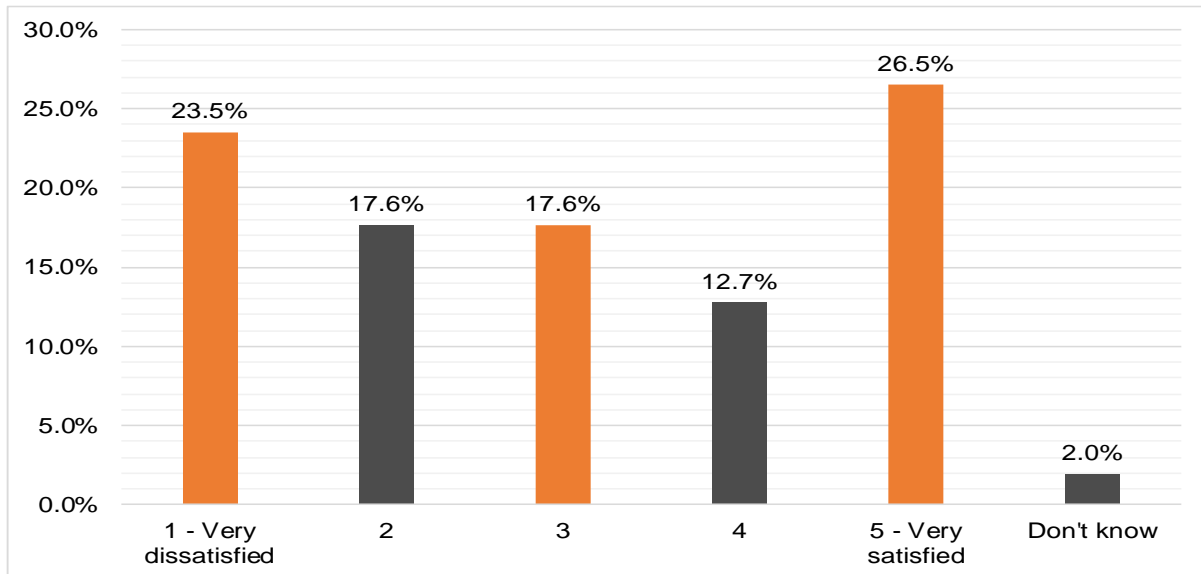
**Figure 3.13: Average total gross weekly earnings**



<sup>22</sup> Using the LLW of £9.40 announced in Nov 2015. The target for lone parents, however, who made up a third of participants, was £16 hours x LLW, which was just £150 per week.



Figure 3.14 shows participants' satisfaction with their work situation when joining the programme, as reported by respondents to the Step Up survey. This shows a wide range of feelings about work, with around a quarter of participants being very dissatisfied (24%) with their work situation upon joining, but a further quarter (26%) reportedly being very satisfied with their situation.



**Figure 3.14: Level of satisfaction in work situation when joining Step Up**

Source: Step Up survey

Participant interviews highlighted several factors that influenced job satisfaction, including:

- **Hours and shift patterns**, for example, participants who had regular work liked this about their job, and many who had early/late shifts complained about often feeling tired. Being able to fit shifts around childcare was also an important factor in job satisfaction.
- **The location and travel involved**. Many participants complained about the length of their commute, whilst those who worked near to their home saw this as a benefit of their job.
- **The nature of the role**. Some interviewees liked that their job was challenging and therefore rewarding, whilst others liked the fact their job was not too challenging. Negative aspects of participants' jobs included that they were seen as 'robotic' or that they were very physically demanding.

- Whether the role and responsibilities **linked to an individual's previous experience and area of interest**. Many participants desired a job in an area that they had expertise in, or which they were passionate about, which often contrasted to their current roles:

*"cleaning isn't my real interest...I'm really anxious to get started back working in construction."* (Step Up participant)

- Whether there were **opportunities for progression**. Participants who felt there was room for progression expressed this as a reason for satisfaction with their role.
- Being in a **low paid role**, which had negative effects on participants' self-esteem and motivation:

*"The fact that this job is low paid that somehow lowers my self-esteem, so I have to keep on thinking about how I think, so I keep my spirits up, but the reality is I have to get out of it."* (Step Up participant)

### Participant barriers to progression

Step Up participants had a range of barriers that prevented them from progressing at work or earning more, and in some cases, from accessing support. Although there were many similarities across participants, there were also some differences according to individual circumstances and characteristics. The key barriers included:

- limited relevant work experience or skills, or not being aware of their transferable skill set;
- limited knowledge of the labour market, desired sector or progression pathways;
- limited suitable employment opportunities, available provision or support networks;
- limited ability in searching for jobs and making good job applications; and
- 'softer' barriers such as low-self-esteem or a lack of confidence, motivation or resilience to try and progress their career.

#### Limited or no relevant work experience

Step Up participants were often 'stuck' in low paid, unsuitable roles that did not match their interests and skills. They lacked relevant work experience, which made it challenging to gain employment in their desired sector. This concern was commonly expressed amongst Creative Society participants, most likely due to their younger age, and among Timewise participants because they had often experienced periods out of work due to maternity leave and childcare commitments.

### **Lack of relevant qualifications and skills**

Participants also identified a lack of qualifications or low functional skill levels (e.g. in English, maths and IT) as preventing them from progressing in work:

*'Most of the jobs I've applied for always say, "We want English, IT and maths," and I'm thinking it's the maths that is actually holding me back a little bit' (Step Up participant)*

Limited IT skills also made applying for jobs online difficult for participants, which was a significant barrier considering employers' reliance on online recruitment.

These skills barriers were compounded by other factors. For example, participants in full-time work described how they had limited time to improve their skills; some said they had failed exams because they did not have time to study whilst working at the same time. Those who lacked IT skills often had no access to computers or the internet at home, and as the provider computers were only available during office hours, this further limited their ability to try and upskill.

There were also many participants who had obtained qualifications abroad, which were not formally recognised in the UK, or that had to be translated. Although IRMO had experience of addressing this issue, for example by signposting to organisations that could help with translating certificates or qualifications into documents recognised by UK employers, for some, this process was time consuming and confusing. In one instance, a technical test in English had to be taken to validate a participant's electrician licence.

### **English language ability**

Limited English language ability and a need for ESOL provision was also common, particularly amongst IRMO participants, who saw this as a significant barrier preventing their progression. Many felt able to converse in basic English, but in order to secure better employment (a higher income or more responsibility), more advanced English was necessary, which they lacked confidence in. One participant turned down a good job due to their lack of confidence to communicate in English:

*'I need to practice my English every day because I have a lot of mistakes... For example, you give me a book or something like that, I can read, I can understand, but the problem is when I'm speaking. ... when I have an interview they say, I understand, you understand me... but sometimes I don't know whether I'm talking in present, past, future, I confuse everything at the same time, so that's not good. I don't feel okay.'* (Step Up participant)

Another participant with need for ESOL provision also spoke of the shortage of ESOL support in their local area, which made it more difficult to address this issue. They also explained that it was difficult to complete online tests for jobs, because they required extra support to do this in the time given.

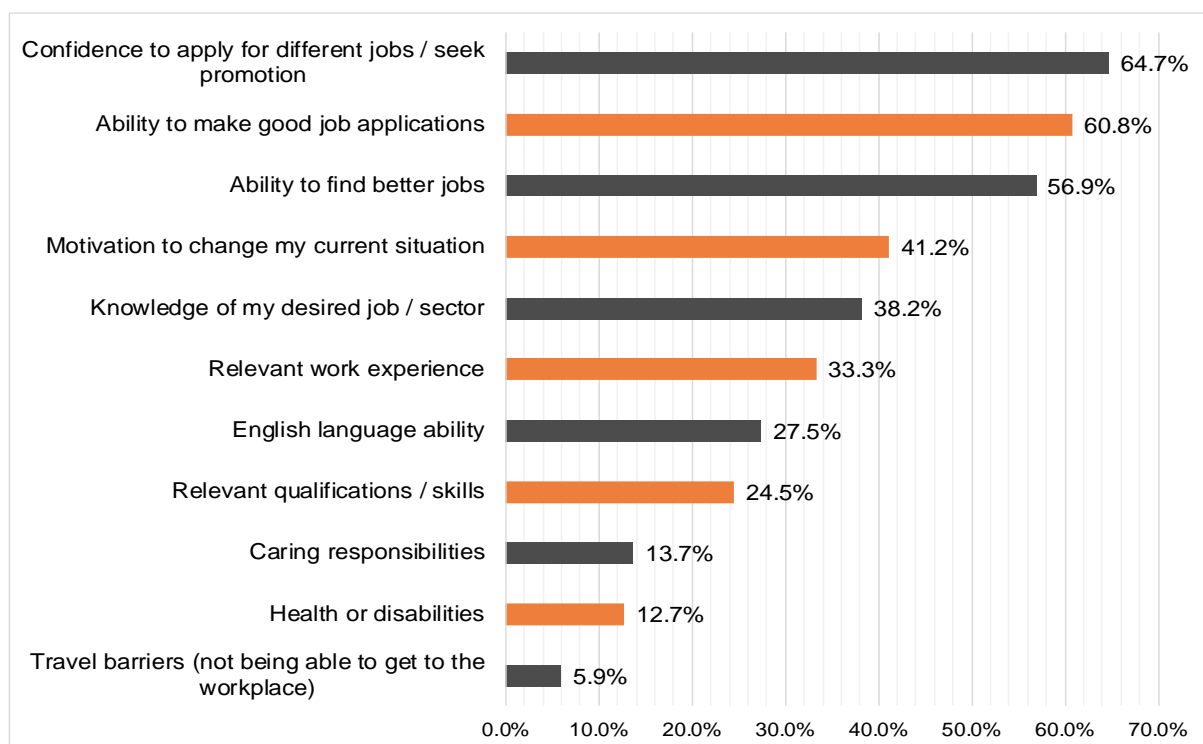
IRMO staff interviews also highlighted that participants' opportunities to improve their English were reduced by their employment situation, as they often worked alongside other individuals with limited English, conversing in their first language.

### **Low confidence and motivation**

Low confidence was also reported, which linked to participants' lack of relevant work experience, qualifications and skills:

*'If you're out of work for any longer than, you know, two years, you start to lose that confidence that you're able to work again or that you will have the relevant skillset or your skills are not up to date. So your confidence really does get knocked to try and get back into work.'* (Step Up participant)

As shown in Figure 3.15, the most frequently reported barrier to progression amongst participants who completed the survey was a lack of confidence to apply for a different job or seek progression with their current employer.



**Figure 3.15: Participant barriers to progression**

This issue was exacerbated by participants' limited access to learning resources and lack of time to job search and apply for roles, due to being in employment (sometimes in several jobs) and to other responsibilities:

*'Working too much, unsocial hours...they fall asleep or they have lunch [in] the lesson because after the lesson they have to go to other jobs... they're so tired they don't want to think. It's difficult to fight against that.'* (Step Up provider)

Consequently, some participants reported a lack of motivation to look for jobs and complete application forms.

According to provider staff, another factor affecting motivation amongst foreign nationals was that their current employment was better than what they had experienced in their home countries, hence they lacked motivation to progress:

*'A lot of these people have emigrated from Latin America to the UK with the idea in mind that their pay is better, and no matter what they're doing, their job will be better than whatever it would be in Latin America... [so they are] not feeling the need to actually step themselves up the ladder of employment.'* (Step Up provider)

## Childcare responsibilities

Another factor that further limited participants' time, or ability to find suitable roles, was childcare responsibilities. For participants who had a lack of familial support, the high cost of childcare could sometimes prevent them from working additional hours or taking on more responsibility, and therefore progressing. The limited employment opportunities available within school hours was a particular challenge for parents who did not want to, or who felt they could not afford to, use formal childcare outside of school hours:

*'I think the main barrier is childcare because as I said, my daughter's only seven and I don't really want to have to be getting a childminder or childcare in for me to do that, while I'm at work. It doesn't make financial sense for me. Yes, I think that's the main barrier really, when she is older then I'll feel a lot more at ease, she still has needs which as a parent I have to be there for her.'* (Step Up participant)

While finding quality part-time work was a core element of Timewise's delivery model, other providers also found that supporting participants seeking better-paid part-time work was a key challenge. Providers also noted that for some participants, having a job that fitted around caring responsibilities and wider circumstances, meant that increasing their wage was less of a priority:

*'They are choosing things like being closer to home over higher wages, so that was completely unexpected for us so we are having to think about how we work with that.'* (Step Up provider)

## Lack of available or secure employment options

Some participants felt that there was a lack of good quality or suitable jobs available that they could apply for, sometimes exacerbated by caring responsibilities that placed geographical limits on their job search. Another issue highlighted by provider staff was the predominance of insecure employment (e.g. zero-hour contracts). For some individuals, not being able to find a relevant role to apply for was reported to be the main obstacle preventing them from progressing.

Several Creative Society participants felt that their main barrier was related to the nature of available work in the creative sector. Many explained that it was hard to find permanent, secure and well-paid work. Reasons given for this included a general lack of opportunities in the sector, limited funding for long-term projects which has resulted in a prevalence of temporary contracts, and needing a strong network to secure better work, which many participants lacked.

Again, this reflected survey findings, where just over half of respondents reported an inability to find better jobs as a significant barrier to making progress in employment.

### **Limited direction and a lack of understanding of their desired sector or the labour market more generally**

Some participants explained that they lacked direction or did not have an idea of a future career plan that they could aspire to and work towards. For example, interviewees spoke of not knowing how to take the next step into their desired sector, having limited knowledge of available positions and being unsure of where to look or how to apply for relevant jobs. This was also reflected in the survey, where around three fifths of respondents said that the ability to make good job applications was a barrier to career progression.

For some, this was heightened by linguistic and cultural barriers. For example, one participant said that it was difficult to adjust to the job search and application process in the UK, which was very different to their home country. An IRMO staff interview echoed this, explaining that the job application process here, e.g. the need for formal cover letters, was a significant barrier to those with limited English.

Other barriers to in-work progression discussed by participants in interviews included:

- the participants' **age**, which it was felt made them less attractive to employers;
- **learning difficulties**, such as dyslexia, which often made applying for jobs challenging;
- **physical and/or mental health needs**, which impacted on participants' ability to work;
- **previous negative experiences** in work or of support, which affected participants' motivation and confidence;
- participants being **unclear about which factors were preventing them from progressing**, which affected how they could prepare for a job in their desired sector, and
- **the wider labour market context and Brexit**, as participants from EU countries were unsure of how this would impact on their future plans to stay and work in London.

Overall, participants experienced numerous barriers to progression that were often difficult to overcome because of their work commitments and caring responsibilities. Unlike unemployed individuals, they did not have the time or flexibility to commit to upskilling or applying for different roles:



*'The people that we're dealing with, they're already in employment and especially if it's full-time employment, they don't have the time or the resources to actually even make the steps to move into a different field or a different job...and they can't see that way of going forward, because the work consumes so much of their time.'* (Step Up provider)

Due to this range of barriers, some providers commented that participants were less 'job-ready' than they expected, highlighting the need for intensive and bespoke support to enable in-work participants to look for and successfully apply for better jobs:

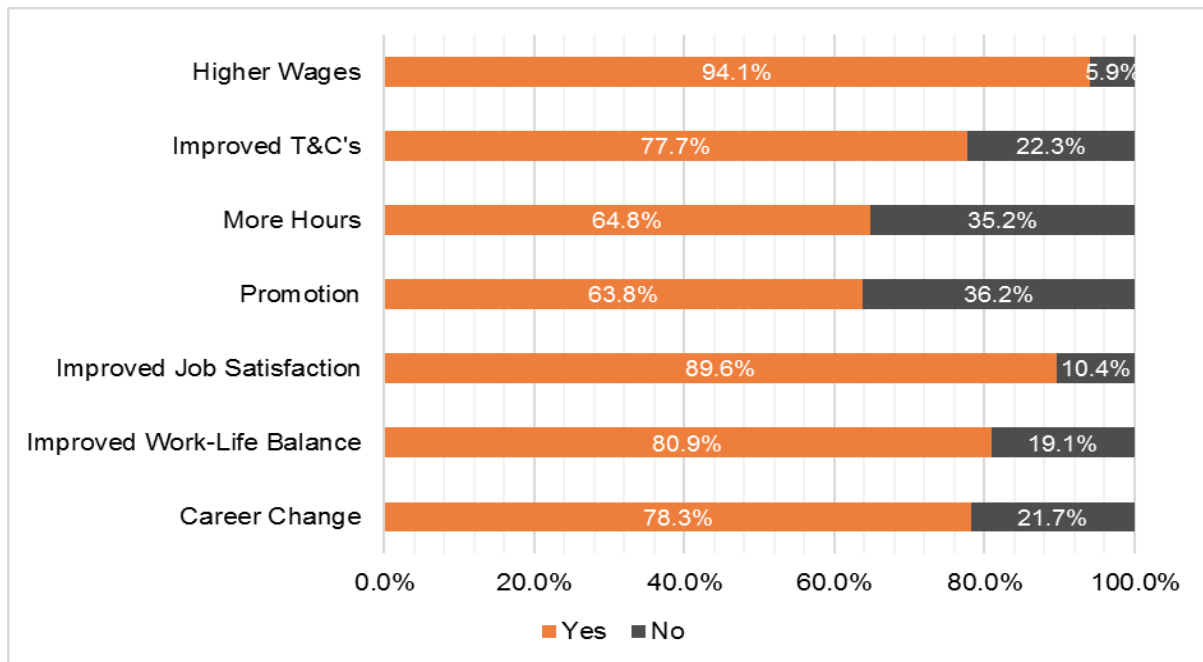
*'We envisaged that we would have quite a job-ready audience, but actually we have got people who are in jobs who don't really know how to look for their next job.'* (Step Up provider)

Another important issue raised by provider staff was that individuals in work have more to lose by taking up a new role. A role with more responsibility or better pay could result in changes to their work-life balance, or be more stressful or more inconvenient and could result in a reduction or end to in-work benefits. The financial implications of upskilling and/or progressing were particularly important, considering that participants were often struggling to make ends meet or 'just about getting by'. These factors impacted on participants' willingness and motivation to progress.

### **Participant priorities**

Figure 3.16 shows the goals that participants hoped to achieve over the course of Step Up, identified when they joined the programme. The most common goals were higher wages (94%), improved job satisfaction (90%), improved work-life balance (81%), improved contractual terms (78%) and a career change (78%). Working additional hours and gaining a promotion were desired by smaller numbers of participants, but still by over three fifths in each case.

**Figure 3.16: Participant priorities at point of joining Step Up**



Participants interviewed reported a range of priorities based on their current situation. Reflecting the management information, many discussed their desire to earn more money. Reasons for this included increasing their income to better cover their outgoings, to enable them to pay for skills courses or to attain greater financial stability to improve their quality of life.

For some people, increasing their earnings was their main priority, whilst for others job satisfaction, and doing a job that they were interested in and good at was more important:

*"The most important thing is to be in a job that I like and am good at, that makes me feel good, and money is secondary to that."* (Step Up participant)

Some participants had strong career aspirations and knew the sectors or companies that they wanted to work in, whilst others were unsure. There was also variation in the types of employment participants prioritised. For example, for some participants it was important to have secure, regular work. Others spoke of the significance of having opportunities to progress or to increase their responsibilities and to do something that challenged them:

*"When I find that a job is, yes, better than what I'm getting now and more challenging, more room for manoeuvre."* (Step Up participant)

Some spoke of wanting a better employment contract or conditions, for example by working with employers such as the NHS or civil service, and some felt that gaining flexible work or a job that fits around caring responsibilities was their main priority:

*"I am looking for a school job or housekeeper job, something that I... not it is a good job, but I have an objective, you know. I know in these kind of jobs I can take my daughter to school, pick her up from school."* (Step Up participant)

Other participant priorities included:

- gaining the right skills and qualifications to achieve their employment aspirations;
- improving their English skills;
- improving their living conditions, for example by resolving renting issues and living in a nicer property; and
- making sure that their children had a good quality of life and education.

## Summary

Step Up participants, overall, were more likely to be women (around two thirds), to be in their 30s or 40s and to be from a black or minority ethnic group – typically Black African/ Black Caribbean/ Black British or Latin American. Around one in 12 had a disability. Two fifths had dependent children and a third were lone parents. Predominantly participants lived in either Council housing or private rented accommodation. Participants varied in qualification level, ranging from degree level (15%) to entry level or no qualifications (8%). Two fifths were educated overseas.

Work histories varied, with two fifths having been in continuous work for 12-18 months prior to Step Up, and a third having working consistently for three years or more. Predominant sectors were cleaning, hospitality and retail, together accounting for three fifths of participants, and the largest group of participants (two fifths) were paid within £1 of the NMW (6.50-7.50 an hour) - although 1 in 6 participants had higher wages of above £9.50 per hour. Around half of participants had permanent contracts with guaranteed hours, while almost a third had various forms of less secure contracts (temporary, zero hours or no contract). Working hours varied, with over two fifths working between 16 and 30 hours and a third working over 30 hours. Weekly earnings were low, with two fifths of people earning below £200 per week.

Characteristics and circumstances of participants also varied across the Step Up providers, reflecting their different delivery models and target groups. For example:

- **Creative Society** participants were younger, were less likely to have children, had spent a shorter period in continuous employment and were more likely to be informally employed.

- **High Trees** participants were more likely to be female, to be lone parents and to be living in Council housing (88%). There were also larger numbers of participants with a disability (16%).
- **IRMO** participants were more likely to be men (two thirds), were much more likely to be renting privately, comprised fewer lone parents and had spent on average less time in work (in the UK).
- **Thames Reach** participants were less likely to have dependent children, had spent longer in employment, were more likely to be living in Council housing and were more likely to be in insecure accommodation (albeit there were only a very few participants in this situation).
- Finally, **Timewise** participants were almost exclusively female, the vast majority had children and a larger proportion were lone parents. They were less likely to live in Council housing, but more likely to be renting from a social landlord and had on average spent longer in employment.

The diverse characteristics and circumstances of Step Up participants influenced their range of support needs and employment priorities. For example, participants with caring responsibilities were often more concerned about finding part-time or flexible, local work. In addition, some participants desired a role that was better suited to their interests and skills, whilst others prioritised a higher wage or better contract.

Participants faced numerous barriers to achieving progression outcomes, including:

- limited or no relevant work experience, which made it more difficult to gain employment in their desired sector;
- a lack of relevant qualifications, low skills and/or ESOL needs, which prevented progression and made applications more challenging;
- childcare responsibilities and/or a lack of available or secure employment options to progress into, which made it harder to find suitable roles; and
- limited direction and/or a lack of understanding of their desired sector or the labour market more generally, which meant that they did not have a goal to aspire to and work towards.

These barriers could be exacerbated by limited access to learning resources and a lack of time to apply for jobs and upskill. This range of barriers also resulted in participants often reporting low confidence and motivation. Overall, some providers found participants to be less job-ready than they had originally envisaged and requiring more intensive support.

## 4. Activities and support delivered

### Introduction

This chapter explores the support delivered by Step Up, drawing together insights from staff, stakeholders and participants about:

- what was delivered and how effective it was,
- challenges in delivering support, and
- key differences between *in work* and *into work* employment support.

It also examines the role of partnership working in Step Up and methods of sustaining participant engagement.

The Step-Up providers offered a range of activities to support working participants to progress in employment. As outlined in Chapter 1, each provider adopted a different support model to meet their participants' needs:

- **The Creative Society** supported young people to access better roles in the creative sector through the provision of one to one coaching and mentoring support, networking events and key partnerships with industry contacts.
- **IRMO** supported low-paid workers in the Latin American community through two strands of activity: a construction course delivered in Spanish followed by one to one support with job search; and a peer mentoring strand which delivered coaching support for participants who wished to move into a different sector.
- **Timewise** supported working parents to access better-paid flexible job opportunities through one to one adviser support, access to employability workshops, employer engagement and a jobs brokerage website.
- **High Trees** supported a wide range of low paid workers in their community through one to one adviser support and the development of partnerships to meet their needs.
- **Thames Reach** also supported a wide range of low paid workers through one to one adviser support, peer mentoring and the development of partnerships. They also partnered with Clean Slate to trial digital methods to engage with participants.
- **Springboard**<sup>23</sup> supported low paid workers to access better paid opportunities in the hospitality industry through delivering sector-specific

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<sup>23</sup> Springboard only delivered this programme of support for 18 months.

training to a group of employees from one large hotel chain. The support was primarily designed to enable individuals to progress within their existing organisation.

Despite different delivery models, there was a set of core activities that were common across providers. These included:

- **Action planning and goal setting** to structure the support offer and review participant's progress;
- **One-to-one coaching support** - focused on careers guidance, soft skills development and employability support; and
- **Referrals** to partners, other in-house provision or external organisations to support participants with additional needs.

These activities were delivered by all providers. Other types of support common to a number of providers included:

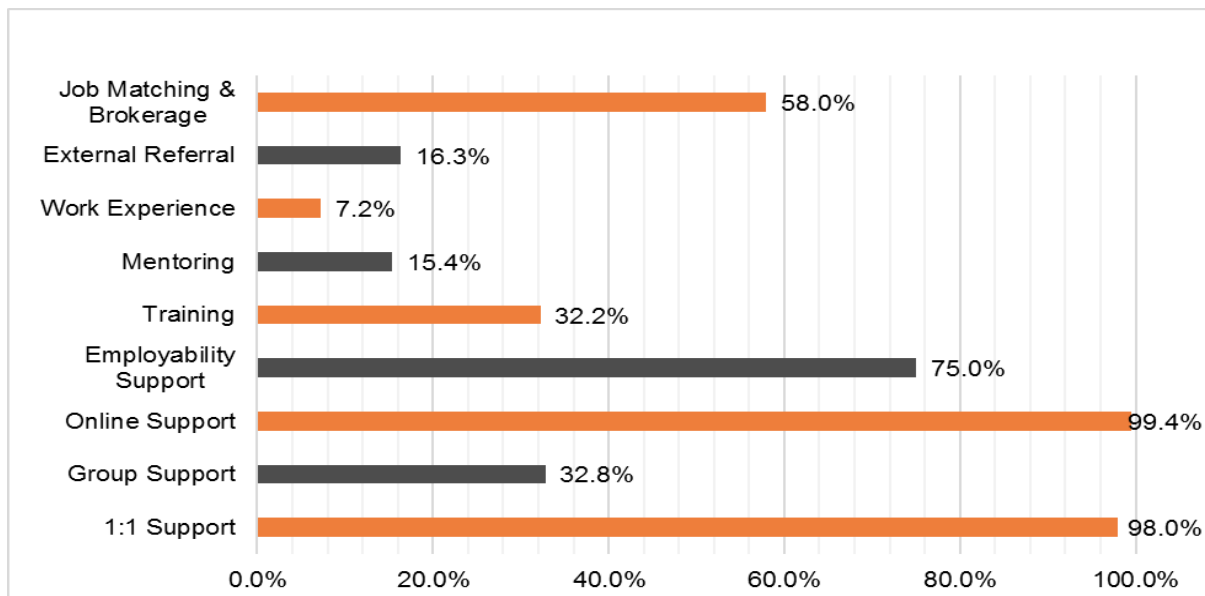
- **Peer mentoring or peer support;**
- **Group sessions** such as training sessions, workshops and networking events; and
- **Job brokerage** i.e. directly matching participants' skills to prospective jobs.

The most common types of support accessed by Step Up participants were one to one adviser support and online support, which were accessed by almost all participants on the programme (see Figure 4.1). Around three quarters of participants (75%) also received employability support (such as a CV review, job search and application support and interview preparation), while job matching and/or job brokerage, where a provider actively sought job opportunities for participants, was provided to around three fifths (58%) of Step Up participants. Group support and training were less common, each accessed by around a third of participants overall. Around 15% of participants received mentoring support<sup>24</sup>, while work experience was the least common, provided to 7% of participants. Around one in six (16%) of Step Up participants accessed an external referral to an additional support service.

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<sup>24</sup> This is defined as ongoing support that takes place between a person with experience in a certain area e.g. life or career (peer or professional) and a participant with interest in that area (the peer mentee). Mentoring (additional to that reported here) may also have taken place within the context of one-to-one coaching support by the adviser.

**Figure 4.1: Proportion of participants taking part in each activity type**



**Figure 4.2: Breakdown of activities delivered, by provider**

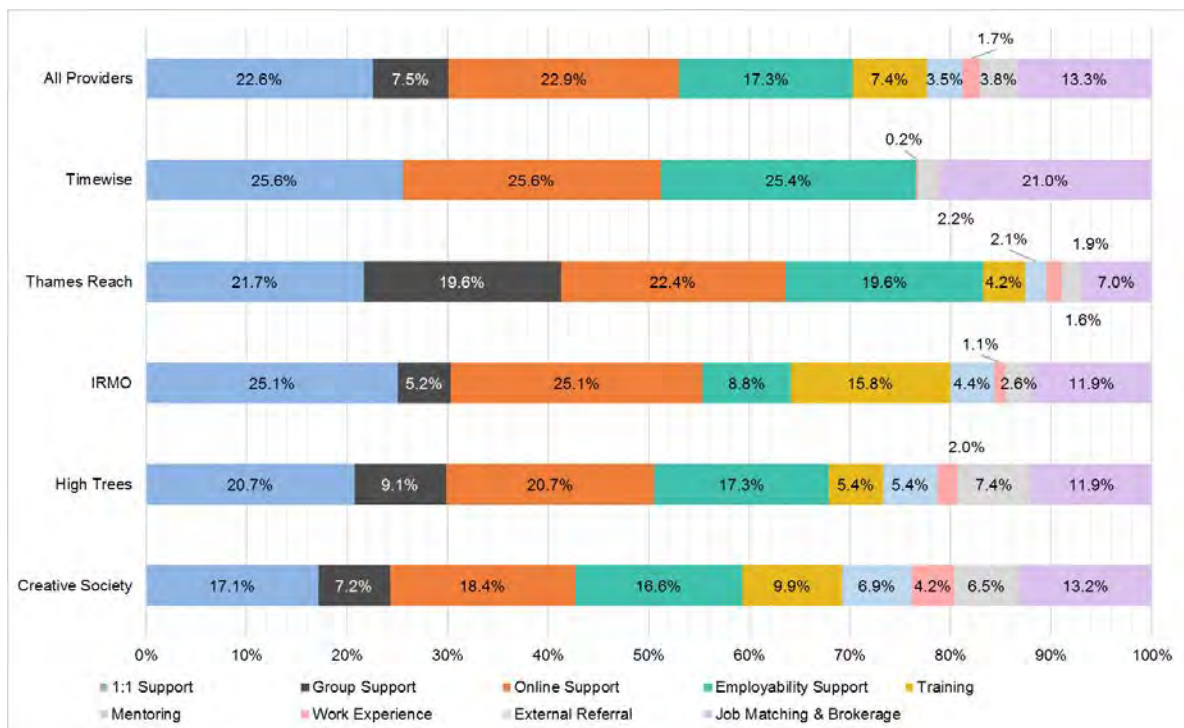


Figure 4.2 shows the breakdown of the types of support delivered by each provider. The combination of support options delivered by the providers is fairly uniform, albeit with a few noticeable differences. Thames Reach provided the largest proportion of 'group support' activity, with around a fifth of all their activity consisting of group-



based support. IRMO had a higher proportion of training activity than other providers, due to their core offer of construction training, but had a smaller emphasis on employability support (9% of total activity). The latter was most prevalent for Timewise at a quarter of all their activity. Over a fifth (21%) of Timewise support activity was also spent in job matching and brokerage, reflecting their specialist employer engagement and jobs site.

In terms of support intensity, Step Up participants received an average of 11.2 hours of support each. This varied somewhat across providers; for example Timewise participants received an average of 6.6 hours of support activity, while IRMO participants received an average of 14.8 hours – reflecting the predominance of group training sessions within their support model.

## Types of support provided



Most providers utilised a delivery model based on the above three steps: action planning; addressing barriers; and connecting participants with jobs.

### Action planning

Action plans were used in order to:

- Structure and sequence the support offered to ensure it met individual needs, and to establish the intensity of support required;
- Set goals – both long and short-term - for participants to achieve.

Action plans were developed from the information captured at the first appointment, which commonly took the form of an in-depth discussion about the participant's prior experience, current needs and future aspirations. This information, along with their availability and barriers to progression, were used to shape the intensity and type of support provided. Action plans were co-designed between the participant and adviser to ensure that the support was relevant and manageable given each individual's circumstances and time constraints. Action plans were therefore a helpful tool for providers to identify the intensity of support needed, which support offers

would benefit the participant, and to sequence support effectively. It also enabled providers to contact participants at suitable times and using suitable methods.

Action plans often included identifying both long term goals, as well as smaller tasks to be achieved within a shorter timeframe. This was designed to encourage participants to take ownership of their progress between appointments. Providers also used action plans to tailor the participant journey and set new tasks and targets in response to changing participant circumstances. Setting and accomplishing tasks was an important tool to sustain participants' engagement with Step Up by recognising progress made towards an overall goal.

#### **Box 4.1: Online registration**

Thames Reach partnered with Clean Slate to test an online registration process. This included questions about participant's current situation and their individual aims, which was followed up with a one to one conversation with an adviser. On registering, participants joined a member's network that included a jobs board, which was regularly updated, and event notifications. The design of this was amended over time based on participant feedback, as it was intended to be an accessible and useful resource for low paid workers.

#### **Key learning:**

- The amount of monitoring data required (for the Step Up evaluation) was difficult to attain through an online platform, which conflicted with the intention to make the registration process accessible. A streamlined approach was important to incentivise completion; therefore, the form was divided into three parts (basic information, profile builder and aspiration) that could be completed separately.
- It was necessary to offer an alternative to this process, or to provide support to participants with a low level of digital skills. Approximately 75 - 80% of Thames Reach participants required support to complete the registration process effectively, which proved to be time intensive for staff.
- A digital registration process used in isolation may not provide a full assessment of need as some barriers are more suitable to discuss in person. Mental health was felt to be a particularly sensitive subject area which was best explored through conversation, once trust is established.
- The member's online jobs board worked well when combined with a text to encourage members to apply for new vacancies. 50% of participants who

clicked through to the jobs board completed applications.

### Adviser support

One to one adviser support was a core offer across all Step Up providers. Providers adopted a flexible approach which was designed to accommodate participants' working patterns and other responsibilities. They also used a variety of methods to communicate with participants, alongside face to face appointments, including Facebook, email, text or phone e.g. for job alerts, employability events or booking one session appointments.

Across all providers, 98% of participants attended one to one support sessions at least once. Table 3.2 provides some indication of the intensity of the support delivered. Of those who attended at least once, the average number of one-to-one sessions attended was 4.3, while the average length of appointments ranged from 0.8 to 1.3 hours. The average hours of support per month (assuming support was spread evenly across the duration of engagement) was 1.0 hours, ranging from 0.5 hours to 1.7 hours across providers.

**Table 3.2 Intensity of one-to-one support on Step Up**

	Average number of one-to-one appointments	Average length of 1:1 appointment (hours)	Average hours of support per month*
Creative Society	6.1	1.2	0.8
High Trees	3.2	1.3	1.7
IRMO	3.7	1.25	1.3
Thames Reach	4.2	1.25	0.7
Timewise	4.8	0.8	0.5
<b>All providers</b>	<b>4.3</b>	<b>1.25</b>	<b>1.0</b>

\* Assumes support is spread evenly across the duration of engagement

The one to one support delivered by advisers focused on soft skills and personal development needs, with three main elements:

- **Careers guidance** to help participants recognise their strengths and transferable skills and identify suitable progression routes;
- **Employability support** such as help with job search, interview preparation and CV support;
- **Coaching** to provide encouragement and soft skills building to increase participants' motivation and confidence.

Other information and advice delivered included help with benefits, advice about employment contracts, and support with wider needs such as digital skills.

### Careers guidance

Careers guidance included helping participants to identify which jobs they were suited for, and supporting them to access these opportunities by suggesting relevant qualifications, potential voluntary positions or sharing sector-specific insights to help them access or advance in their chosen sector.

This was conducted by advisers reviewing participants' previous experiences, interests and skills and exploring potential options together to provide insight into the types of roles available. This was essential for participants who were unsure about potential future job roles as this helped them identify suitable pathways which provided a goal to aim towards.

Advisers also sometimes had to manage participants' expectations of what jobs they could feasibly move in to, as participants could lack the essential skills and capabilities required, especially if cross-sector moves were sought:

*"They might think automatically that if they move jobs, they would get a higher salary or the same salary, but it doesn't work like that because they don't always have the right skills for the job they want...and the fact that they're in work doesn't even give them time to train...I have to try and convince them without discouraging them. I have to be really careful."* (Step Up provider)

### Employability support

Much of the core one-to-one support delivered by Step-Up providers comprised employability support. Examples included helping with CVs, cover letters and job applications, interview practice and techniques, supporting job searches and signposting to suitable job opportunities. Although some providers initially envisaged this would be a small aspect of support, it was found to be of central importance to participants. IRMO, for example, introduced an employability support offer in response to participants' need for job search support following completion of their construction course:

*"People have needed really bespoke support, looking at their CV, looking at what they do when they actually apply, how they write an application... saying 'have you thought about this?' It's just having that person there taking them through the journey."* (Step Up provider)

This type of support was also time intensive. In many cases, providers used specialist job sites or partnership links to find suitable vacancies and then helped

participants to apply. Adviser support during the job search, application and interview process was crucial in order to secure progression outcomes for participants.

It was less common for advisers to support participants with progression within their existing role or organisation, although this was a core element of Springboard's support model, where they worked with a large hospitality employer to support their workers to progress. Support focused on building resilience, helping participants to resolve problems in the workplace and to overcome fears associated with communicating needs and aspirations to their employer.

### Coaching and mentoring

Coaching was an essential part of the in work progression support offer. Participants had to be sufficiently confident in their ability to reach their goals and sufficiently motivated to take the necessary steps to reach them, despite time pressures and competing responsibilities and commitments. Support with building confidence, aspiration and motivation were particularly important for higher need participants, those with lower levels of self-confidence or those with a limited support network:

*“To invest time in training, one to one mentoring and job hunting sessions, and to apply for jobs that might be more money but fewer hours, or move sector where they're not quite sure how they'll find it, it is a risk, and not everybody's willing to take that risk. So a lot of it is about building confidence and building strong relationships with the participants to encourage them that this is a positive thing to do.”* (Step Up provider)

*“That's the biggest learner. It's not necessarily an employment support programme...It's someone that can actually get that person into gear, get them thinking differently, get them motivated, identify where there might be gaps”* (Step Up provider)

### Peer support

Some providers supplemented adviser support with peer support or peer mentoring. Peer mentors tended to undertake similar duties to advisers, such as researching roles and requirements, delivering employability support and giving individually tailored advice. There were challenges to developing peer support, such as sourcing appropriate mentors and arranging suitable times for peers to meet. However, many providers sought to build in a peer support element in order to provide participants with a role model. Peer mentoring was also helpful to sustain participants' motivation, since it involved a relationship with somebody with first-hand knowledge of the participant's situation:

*“We’ve sort of experienced it first-hand, and [we’re] able to relay our experiences to other clients, [to] know that, as long as you’re proactive and continue, then you will get that set goal.” (Step Up provider)*

Unpaid peer mentors felt that the role was sufficiently flexible to fit around other duties, such as employment or studies and in some cases provided an opportunity to progress into support roles themselves. Peer mentors were motivated by the prospect of ‘giving back’, either to an organisation which had supported them previously, or to their local community.

#### **Box 4.2: Peer support in Step Up**

Examples of peer support in the Step Up programme included:

**IRMO’s mentoring strand**, which provided access to one to one coaching and support for participants who already had a good level of English and wanted to move into a new sector. Mentors had one mentee who they met every 2-3 weeks. Mentors talked to their mentee in English, which also provided an opportunity for the mentee to increase their confidence in spoken English.

**Thames Reach’s peer mentors** performed a paid role on the programme, employed for 8 hours per week supporting Step Up participants with employability advice (CVs, cover letters and job search), keeping in touch with participants, and signposting to relevant training or voluntary opportunities.

**Springboard** arranged peer support between individuals in the same organisation working across nearby sites. Each mentor had 2 days of training on Step Up. Peer mentors were matched based on location and job responsibilities or experiences and continued the support through phone calls, texts or meetings to manage specific workplace situations.

#### **Key learning:**

- Peer mentor support was highly valued when the mentor had faced similar circumstances and could offer first hand insight into challenges, such as adjusting to UK work culture or sector-specific knowledge.
- Participants gained soft outcomes from peer mentor support, such as increased confidence and motivation which sustained their engagement.
- Peer support worked well for participants who didn’t need intensive support, but valued a ‘check in’ with an encouraging supporter to review progress.

- Peer mentor support alone was insufficient for some participants with high support needs. Participants with mental health needs in particular required more intensive and professional support.

### Group-based support

Group-based support was difficult for providers to organise as it was challenging to find times when participants were all available. Therefore most providers focused primarily on one to one support and organised group workshops or events periodically, or signposted clients to workshops or courses they were delivering for other programmes (typically for unemployed people), such as job search clubs and workshops. However, where it was possible to bring participants together there were several benefits for participants, such as the ability to share learning, socialise, network and motivate one another. Delivering support in groups also reduced the time pressure on provider staff.

#### Box 4.3: Group based support in Step Up

Examples of group-based support included:

**IRMO** arranged training sessions for their construction course on Saturday afternoons. These sessions enabled participants to share learning and support one another, developing into an ongoing support network.

**The Creative Society's** evening networking events enabled young creative people to meet, support one another and work together, as well as build useful links with people already established in the creative industries.

**Springboard** delivered group workshops to participants working for the same employer. They secured the employer's permission to hold these during working hours. The workshops covered customer service, confidence and motivation, teamwork and communication and leadership. Content was also tailored to the participants' needs identified from one to one sessions.

#### Key learning:

- Group support delivery worked well when participants could reflect on common work experiences and share information and best practice, offering valuable insight from first-hand experience.
- Participants gained personal development outcomes like improved confidence and motivation from interacting with others in a similar situation,



learning from one another's experiences and developing a peer support network.

- It was challenging to organise group workshops for working participants. Providers sought to address this through securing the employer's consent to deliver to staff during working hours or delivering groups during evenings and weekends.
- Group sessions had to account for individual needs. Ensuring that content was relevant to all was a key challenge, but vital to sustaining engagement.

### Use of in-house services

Step-Up participants could often access wider support offers delivered by the Step-Up providers, such as courses, employability workshops and support for wider needs. For example, some providers referred clients to in-house courses, such as Thames Reach's ICT courses, High Trees adult education courses or IRMO's 'English for Work' provision. However, these offers were sometimes inaccessible to working participants as they were usually delivered during the working day.

Some providers were also able to offer voluntary work within their organisation for participants to expand their skillset and gain relevant work experience in a sector or role of interest. For example a number of participants interested in administrative roles took up opportunities to volunteer at provider offices on the reception desk. Volunteering could also provide additional benefits such as increased confidence, support networks, motivation and language skills.

### Partnerships

Providers also engaged with a range of external partner organisations to assist in the delivery of Step Up, both utilising previous relationships and establishing new ones to meet the needs of working participants. Establishing partnerships effectively was enabled by:

- Strong previous working relationships, where providers and partners had a clear understanding of one another's roles.
- The positive reputation of the provider organisation when developing new partnerships.
- An increasing awareness among partners of the (previously unmet) need to support low paid residents, which meant that potential partners were more receptive to the value of the Step Up programme.

Partnerships were developed to support individuals with a wide range of needs, including training and skills development, employability and wider issues.

### Training and skills development:

In addition to making use of in-house training provision, providers also sought out and referred Step-Up participants to external training provision, such as evening courses at local colleges and online learning. IRMO supported their clients to access training through part-funding relevant courses and arranging discounts for participants with advanced level ESOL providers. Other providers sourced training on an individual basis due to the wide range of participants' goals.

There were several difficulties finding appropriate course provision for participants and navigating the education and skills landscape could be time consuming work for advisers. Advisers reported researching whether a participant was eligible for any grants available, negotiating special rates with providers or delivering training in-house. One provider initially spent time delivering one to one training for participants themselves, but this became too resource intensive to sustain:

*"It's just one little thing off that job description that you can't do and that stops them ...they just need to put on Excel and Microsoft Word and really basic computer skills so rather than sending them on courses I've been doing some additional support work with them on those basic skills."* (Step Up provider)

### Employability

A wide range of partnerships were utilised to improve participants' employability skills. These freed up time for provider staff and provided added value to the provider's support offer. Examples included:

- **IRMO** made use of a Spanish-speaking National Careers Service adviser, who was available twice a week to provide individual support to participants with their CV, careers advice and job search;
- **Thames Reach** arranged for KPMG to deliver interview workshops and review participant CVs, and for Prospectus (a recruitment consultancy) to run workshops for participants interested in administration;
- **High Trees** established links with a volunteering centre to source relevant opportunities for their participants to access work experience;
- **Timewise** referred participants to Smart Works to access grants for interview clothing; and

- **The Creative Society** used their industry links to arrange meetings between participants and professionals who had succeeded in the creative sector:

### Meeting wider needs

Providers also used a range of partnerships, as well as in-house provision, to support with addressing participants' wider needs. Examples included use of mental health support, housing support, welfare/ benefit advice organisations and financial services. This wider, 'wraparound' support was an important element of the Step-Up offer, especially for some participants with multiple support needs:

*"They need all this help altogether. They need to be trained for construction, to get a card as soon as possible to get a better job. At the same time, they need to finance a better place to live, but they cannot pay because they get pay so low...then benefits, and managing money, because the little money you have, you're not managing well, and your contract, you need to know your rights. Then there's all this empowerment, because, as migrants, they're saying, 'I'm fine,' because this is better than where they used to be." (Step Up provider)*

### Job brokerage

Another key role for partnerships was to broker job opportunities for Step-Up participants, which providers approached in different ways.

#### Box 4.4: Job brokerage intermediaries in Step Up

**High Trees** received job opportunities from Lambeth Working and established a partnership with SR Employment for jobs brokerage. However their job brokerage partner highlighted the limitations of their service for Step Up participants, since it was typically used for unemployed participants and focused primarily on retail, hospitality and catering. This had limitations for meeting the wide range of participants' goals on Step-Up.

**Thames Reach** worked with recruitment organisations to make the business case for their participants to employers. One recruitment agency also delivered group advice sessions on job searching and career progression for Step-Up participants, before meeting them individually to provide tailored careers advice.

#### Key learning:

- Job brokerage partnerships had the potential to increase efficiency by reducing the time advisers spent on supporting individual applications.
- Intermediary job brokerage services developed to support unemployed

participants into work tended to have links with entry level jobs in low paid sectors, which weren't always suited to Step Up participant's aspirations. Recruiters with sector specialisations were a useful alternative.

## Challenges in partnership development

Step Up participants required support with a wide range of needs to meet their progression goals and providers faced several challenges in identifying and maintaining appropriate partnerships. These included:

- **Participant access:** working participants could not always access the support they needed due to their working hours, or were not able to access free provision due to their working status. Stakeholders similarly reported that rules around some of their funded provision meant that it was available to unemployed residents only. Participants with significant ESOL needs faced barriers to access outside provision delivered in English. Therefore a large number IRMO participants were reliant on IRMO's in-house support.
- **Provision designed for people out-of-work:** much local provision was oriented to out-of-work residents, particularly job brokerage support, which was often not equipped to broker access to the wide range of sectors that Step-Up participants required.
- **Limited resource:** providers emphasised the need for regular and sustained communication for partnerships to work effectively. This was a challenge for providers who worked with a broad range of partners and had limited resource to focus on maintaining these relationships alongside support delivery.
- **Precarious funding:** smaller projects with contract-based funding could lose their funding and cease to be able to provide support to Step-Up participants.

## Gaps in provision

There were also gaps in provision which made it difficult to address all of the needs of Step-Up participants. Key gaps identified included:

- **Mental health support:** All of the providers highlighted poor mental health among some of their participants. Often, participants had not had an official diagnosis, or even officially disclosed their condition to the provider, but were significantly affected by poor mental health which affected their confidence and motivation to pursue progression opportunities. Providers struggled to support some of these participants and felt that specialised support was needed to prevent them from dropping out of the labour market altogether.

External support for mild to moderate mental health conditions, such as depression and anxiety, commonly had long waiting lists.

- **Affordable childcare:** This was highlighted by some providers and participants as a support gap. Those with childcare responsibilities and limited support networks faced barriers to accessing courses or other Step-Up support offers. IRMO highlighted that childcare difficulties could prevent access to their sessions and considered offering childcare to improve access to their provision for women, but faced barriers of space and funds to implement this sustainably.
- **Skills support:** Several providers experienced difficulties sourcing low priced or free skills support for working clients. Literacy presented a key barrier for some participants, who had limited confidence in their written English and felt they would struggle to perform well in written tasks in interviews and employment, but literacy courses were difficult to source:

*“With literacy we’re having to signpost them to colleges...sometimes with the situation with their employment, they usually have to pay, so that’s a bit of a setback....we have quite a few courses which are free to unemployed and working people, and it’s everything but literacy.”* (Step Up provider)

Access to accredited courses, which could lead to enhanced career prospects, was also sometimes restricted due to participants’ working hours, with limited availability of weekend or evening courses.

### Internal partnerships within Step-Up

In addition to support delivery, the Step Up programme included a programme of regular partnership meetings and steering groups to ensure that the providers were able to learn from their delivery and share their learning with each other.

Providers valued this focus on learning throughout Step-Up delivery and the ability to change their delivery in response to emerging findings:

*“It’s been really liberating doing the pilot project because the learning has been really encouraged, and talking frankly about the challenges has also been really encouraged...it’s about how you’ll change it and improve it for the future.”* (Step Up provider)

Regular adviser meetings across the providers were seen as particularly useful for providing a space to freely discuss day to day challenges and potential solutions, and plan shared events, such as recruitment drives.

The main limitation to the internal support networks within Step-Up identified by providers was that some of the challenges were specific to their particular client group or support model and this limited the extent to which they could share solutions and contacts:

*“We’re all providing quite different services so maybe it was difficult to really share practical learning and experience.”* (Step Up provider)

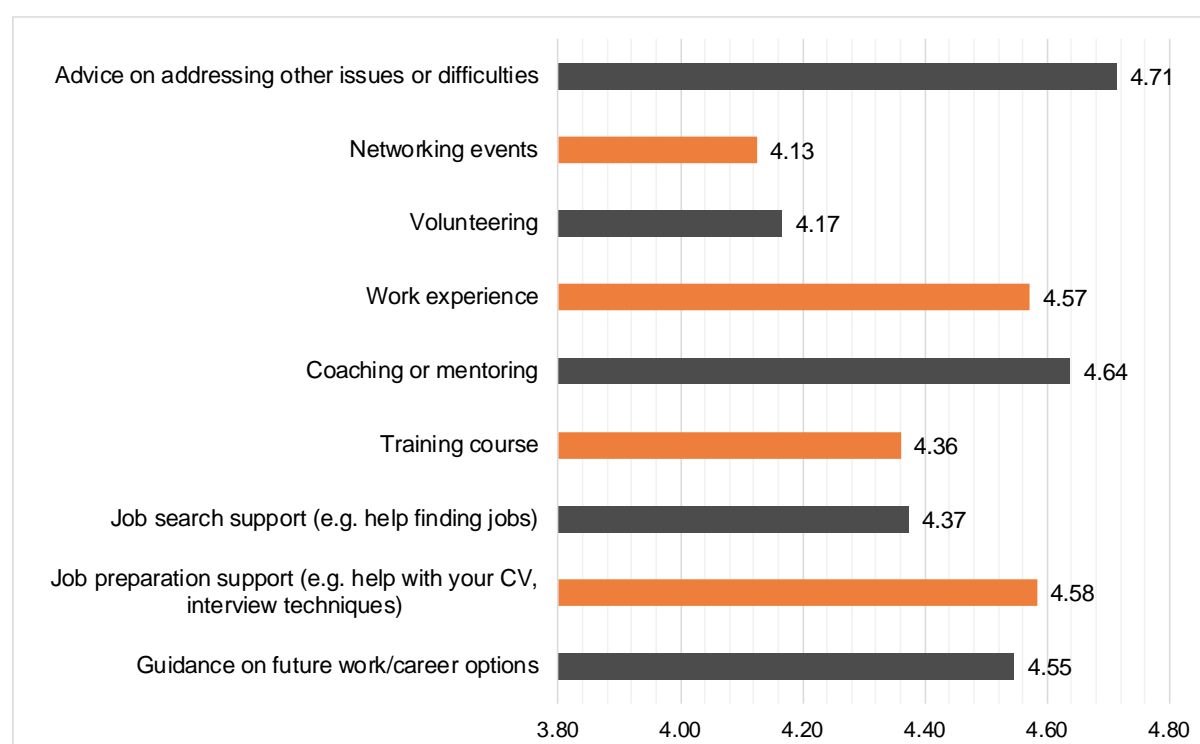
### Participant views of Step-Up support

In the Step-Up participant survey, overall satisfaction with support received from Step Up was high, with 63% ‘very satisfied’ and 31% ‘quite satisfied’ and only 3% saying they were ‘quite’ or ‘very dissatisfied’. Survey respondents were also asked to rate the helpfulness of different types of support. As can be seen in Figure 4.3, survey respondents found all support activities that were delivered useful, with an average rating above 4, on a five-point scale, for all forms of support. Coaching or mentoring, job preparation support, careers guidance, work experience, and support with ‘other’ issues or difficulties were rated the most highly. Networking events and volunteering received slightly lower average ratings.

Further discussions in interviews revealed a number of key elements that participants valued in Step-Up support:

- Comprehensive initial appointments and action planning which provided advisers with a full understanding of their needs;
- Flexibly delivered support, tailored to their individual needs;
- Practical employability support where needed;
- Empathetic and non-judgemental advisers; and
- Beneficial and relevant links which added value to participating in Step Up.

**Figure 4.3: Average helpfulness of each type of support (out of 5)**



### Providers who took steps to understand needs

Participants who were most satisfied with Step Up support felt that their adviser had fully understood their needs and the support had been tailored to address these needs. This process began with the initial appointment, where participants welcomed an informal but in-depth discussion, focused on their employment history, current needs, strengths and weaknesses and future ambitions. This was felt to be best captured through conversation, rather than form filling, which felt more prescriptive, and challenging for participants with ESOL or literacy needs:

*“She got to know me and that’s what important ... if you know the person, you know what they require....she definitely connected with me and knew exactly what I wanted.”* (Step Up participant)

### Flexibility in support

Flexibility was a key aspect of support that participants valued highly, particularly in terms of communications with their provider and the sequencing of support. They liked having the option of a range of contact methods, particularly those who couldn’t attend frequent face to face appointments due to work commitments or other responsibilities. This included offering email and phone contact, and the option of meeting in public places near a participant’s home or work.

In some cases, participants felt that the communication from their provider was not structured enough to meet their needs and would have preferred advisers to be more proactive in contacting them. Conversely, other participants wanted more ad-hoc support that they could request when they needed it, for example in response to an upcoming interview or change in work schedule. Providers therefore need to find out from participants what approach to communication is required and structure the support accordingly.

### Support tailored to needs

Participants valued receiving support which was based on their need, rather than following a prescribed process. The personalised nature of the support was most important for participants, whereas the intensity of support needed was variable. Some participants with lower needs felt that frequent adviser contact was unnecessary, but valued individually-responsive support based on an understanding of their needs.

Many participants also felt that the specific offers of the Step-Up providers were a key strength of the support, particularly when this was tailored to specific populations or target groups. For example:



- **Timewise** support focused on brokering flexible job roles which suited participants with childcare responsibilities;
- **The Creative Society** provided advice on how to freelance effectively, including information on rights, negotiation and marketing, and had a strong emphasis on networking to make progress in the creative sector;
- **IRMO's** construction course was tailored to support Spanish speakers to successfully pass the CSCS exam, with the course delivered in Spanish and key resources supplied in English.

### Employability advice and guidance

Although participants had been in work for at least 12 months prior to joining Step Up, access to careers guidance and practical support with interviews, CVs, applications and job search was highly valued by participants. For example, individually-relevant advice about what employers look for in a candidate; the appropriate structure and content for cover letters; and jobs that would best suit a participant's skillset, experience and interests were all highlighted as valuable areas of support that participants had not been able to access previously. Professional input was also highly valued to help them tailor CVs and applications to demonstrate transferable skills for moving in to new sectors.

*"I've been to other guidance coaches but they haven't been as thorough in terms of looking through your CV in so much detail, looking at your personal statement in so much detail, and providing workshops in group sessions looking at how to put together your CV."* (Step Up participant)

Gaining practical support with the job search process, applications and interview preparation was particularly valued where participants had previously been unsuccessful. Several participants commented on their experience of job search being demoralising and valued a second (professional) opinion which boosted their confidence by providing fresh insight and ideas. Provision of feedback from interview preparation and securing employer feedback from interviews also helped participants to build on weaknesses, rectify mistakes, learn appropriate conduct and build confidence for the next interview.

### Empathetic and non-judgmental advisers

Participants valued one to one support from empathetic and professional advisers, and commonly reported that their adviser was the most integral aspect of Step Up. It was particularly important for participants to feel that their adviser understood their individual needs and circumstances, which was enabled by a trusting relationship, where they felt able to share their issues, concerns and aspirations:

*“She was lovely, really, really nice and calm... she made me feel like I shouldn’t worry, it takes time for everybody to make changes in their lives, but with us we can help you. She made me feel at ease because I was quite nervous because I didn’t know what to expect but, she just gave me the time to talk and say how I felt, what I wanted, what I didn’t want and she was really good.”* (Step Up participant)

Participants felt that it was important for their adviser to be non-judgemental and supportive. Participants who had low confidence due to barriers such as family responsibilities or ESOL needs felt that their adviser understood their difficulties, and their empathetic approach motivated them to progress with the support:

*“She knows what you’re talking about because sometimes I feel like she’s been in that situation before... It seems that way to me, she’s worked herself up for her job and she’s bettered herself and I think, because she might have been here, she knows what questions to ask.”* (Step Up participant)

Proactive communication was also highlighted as an important aspect of the support, as participants felt that this showed that their adviser was invested in their development and progression:

*“She [adviser] has rung me to say, ‘How are you?’ just to check on how I’m going, job searching and whether the interview went well, she’d always make time to see if things have been progressing well.”* (Step Up participant)

Similarly, participants valued it when advisers cared about their wider circumstances, and offered access to holistic or wraparound support, not just focusing on employability. This made participants feel less isolated when their wider circumstances were difficult and encouraged them to maintain engagement with Step Up:

*“She [adviser] was just good to talk to because I was feeling a bit low at the time. She’ll [adviser] help me with mental health issues, work issues, confidence issues, yes, and everything else. I think she’s gone above her job description as well.”* (Step Up participant)

### **Links with employers and sector specialists**

Lastly, participants were very positive about support which included links with employers, for example, the Creative Society providing opportunities to meet creative industry specialists and Timewise’s job brokerage. This was perceived to be support which advantaged Step Up participants over other applicants:

*“They would, in a way, ensure that you’ve got first refusal over other people that might apply for the position, that would have seen it maybe in a job advert or so on. I think you see the positions available first before they actually went out.” (Step Up participant)*

*“It has given me a massive amount of confidence in what I could possibly achieve, and they’ve also provided me with one-off work and put me in contact with people where I have been able to get small freelancing jobs.” (Step Up participant)*

## Support gaps

Many of the Step-Up participants felt there were no gaps in the support they received from Step-Up. They were appreciative of the existing offer and weren’t aware of other kinds of support which could help them progress in work.

From the survey, the most frequent suggestions for improvements were:

- Additional one to one support,
- Improved access to sector-specific training, and
- Increased links with employers.

Other limitations discussed in interviews were:

- Limited access to some support offers due to clashes with working schedules;
- Requiring more intensive or better tailored support from their advisers;
- Further support with the practicalities of moving into a different role;
- Continued support following an employment outcome;
- Gaps in external provision suited to working people.

## Additional adviser contact

Participants who expressed a need for more intensive adviser support generally wanted more proactive communication from their adviser, and in some cases, longer appointments to discuss their needs and progress. If advisers failed to make proactive contact, participants sometimes felt unsupported.

Some participants also felt that advisers had limited time to support them, particularly when their adviser worked part time hours. The ability to book regular and timely appointments was important for participants to sustain their motivation:

*“[My adviser] is probably one of the most understanding people that I’ve ever met in my life and is really, really fantastic... [but] there’s just not enough people ...it’s quite difficult if you want to make an appointment, and the earliest one that you can get is maybe three weeks away. Being able to book*

*regular meetings definitely gives you so much more momentum.” (Step Up participant)*

Adviser oversight and support was also important when arranging volunteering opportunities for participants. Volunteering had to be high quality, structured and monitored to be useful for participants. One participant who had accessed a volunteering opportunity reported feeling less confident following the placement, due to insufficient training and support in the role.

### **Tailored support and specialist provision**

In some cases, participants also felt that the support could have been better related to their individual aspirations or needs. For example, some participants wanted more in-depth careers guidance, more tailored job alerts, access to specific course provision or more advice on changing sectors.

Participants also identified more specialist support, such as skills provision, self-employment advice and links with employers that might have led more directly to a tangible progression outcome. For example, limited basic skills, such as literacy and ESOL, was a key barrier for some. One participant with ESOL needs commented that the most relevant provision for them would be access to conversation clubs to practice their English but that this was not available. Others thought that accredited skills provision would have been most useful for reaching their goals:

*“I'd like a course that is the English equivalent of my metal work specialisation, and then have the support to do that, and then on that course that is where you make contact and meet people who can help you get into work and give you information about it.” (Step Up participant)*

Some participants wanted more employer links within Step Up, or support and training about self-employment. Suggested improvements included more jobs brokerage, which matched their skills to prospective jobs, or more opportunities to hear from employers to discover what attributes and skills were sought for particular roles. Underlying these concerns was a desire for support which could lead clearly and directly to outcomes, facilitated by employer links.

### **Practical support prior to and following an employment outcome**

Some participants who had changed their job hadn't received benefit calculations in advance and felt unprepared for the financial impact of changing work. These participants felt that it was important to receive upfront information to plan for this.

Some participants felt that there was a need for a more proactive support offer for those who had achieved an employment outcome. All providers were able to offer

ongoing support to participants who achieved progression outcomes to ensure a smooth transition. However, in many cases this support was light touch rather than structured, for example being kept on mailing lists or an 'open door' offer to receive more support if required. Some participants encountered difficulties in their new roles and would have benefitted from a clear, proactive offer of support to resolve issues if they arose. Some participants felt that once they had exceeded the earnings eligibility for Step Up, they were no longer eligible for support. Of the 179 participants to achieve an employment related outcome on Step Up, 55 (around a third) disengaged from the programme after their outcome.<sup>25</sup>

## Key lessons from Step-Up delivery

**Level and intensity of support:** The level of one to one support needed by participants was often higher than expected. Some providers had only accounted for light touch support, such as signposting to job sites and courses, but found that low paid workers could share many of the same needs and challenges as unemployed participants, such as job search skills, digital literacy and precarious circumstances, which were best supported through one to one intervention:

*"There was this idea...that we could put this information out there for good quality jobs and that people would be able to apply off their own back and wouldn't require big interventions, and the reality is that interventions are very important."* (Step Up provider)

**Personally tailored support:** Employed participants required more personally tailored support than unemployed service users, due to two main factors:

- **Availability**, which meant that some providers had to change their usual mode of delivery with increased outreach provision and out of hours support. Availability could also limit the options for external referrals.
- **Individualised goals**: while the outcome in unemployment programmes would be to enable a participant to enter employment, in work progression support had to deliver a personally meaningful 'better job'.

These factors meant that the support needed to be tailored to meet the individual's goals, rather than delivered as 'one size fits all', or in large groups.

In addition, in-work participants were felt to face a riskier transition than unemployed participants - if the progression outcome fell through or wasn't suitable they could fall out of the labour market altogether. The support had to focus on providing a job

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<sup>25</sup> This only counts participants who proactively got in touch to exit the support, so may underestimate the full extent of disengagement after an outcome.

which was a 'good fit' for the individual by addressing each individual's barriers. Therefore, support such as coaching and soft skills development were very important.

**Resourcing:** The requirement for a higher level of one to one, tailored support imposed a larger burden on staff than expected, and resourcing was an issue for some providers. Advisers had several roles alongside the delivery of one to one support, including outreach with participants, employers and referral partners, and collecting monitoring data for the evaluation. Resourcing difficulties were sometimes apparent with respect to partnership development and employer engagement. Some providers were keen to engage employers, but had limited time to develop these partnerships as their caseload took up most of their time.

It was suggested that it could have been useful to identify strategic partners prior to delivery commencing, which would have reduced the time needed to develop partnerships during delivery and could have addressed some of the difficulties around participants' access to wider support:

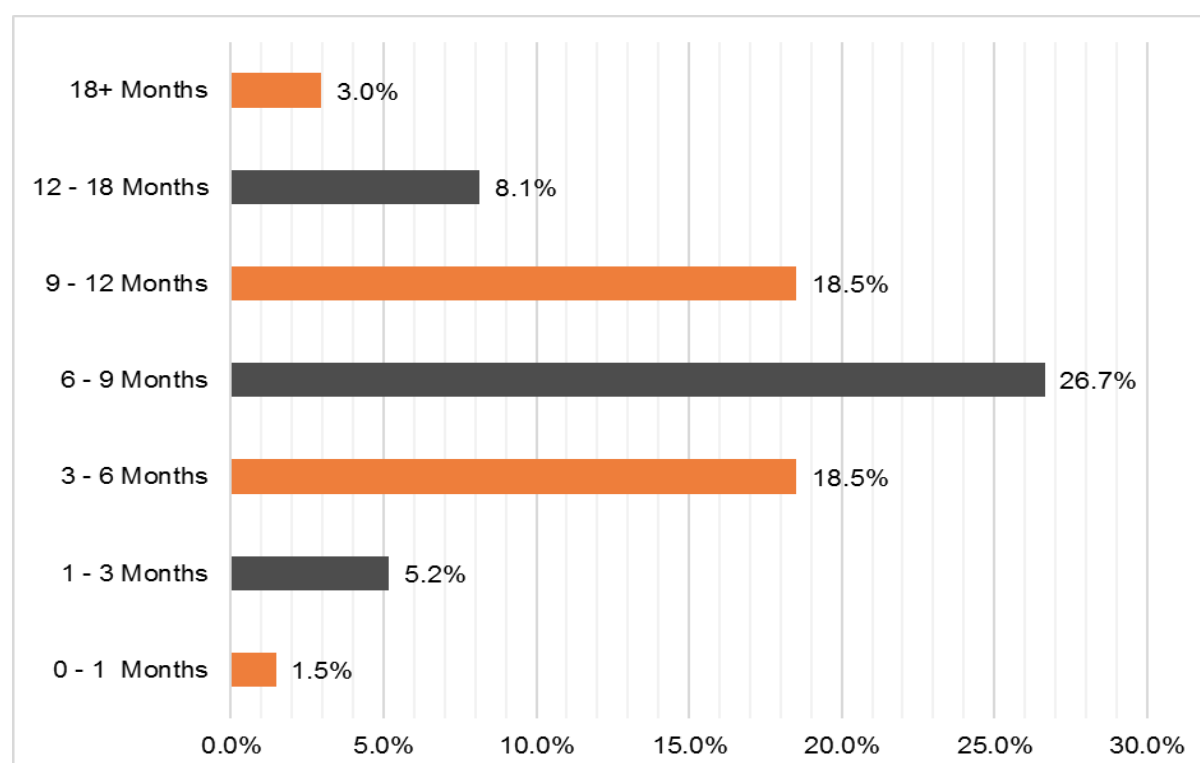
*"A greater strategic sort of network in Lambeth would have probably helped, because it has taken quite a while to build that up."* (Step Up provider)

**Sustaining engagement:** A key challenge faced by providers supporting working participants. Participants with other priorities or challenges outside of work, such as caring responsibilities, housing issues, financial difficulties or health issues faced greater difficulties with sustaining their engagement. Providers reported that participants often disengaged and later re-engaged when it was the 'right time' for them. They were only able to commit to the support when their circumstances became more stable. Participants with changing work schedules and flexible contracts were also more limited in their ability to plan ahead or schedule time to access support. Investing in personal development could become a lower priority for workers in precarious situations:

*"It's not that people aren't motivated or interested but a lot of the people we work with have a huge amount of demands on their time, and because they're living in quite precarious situations, if they're offered work at the last minute then that is normally prioritised over training."* (Step Up provider)

Management information shows that 135 participants (around a quarter of the total registered) were reported as having disengaged from the programme prior to achieving an outcome. Figure 4.4 shows that the largest share of these people (26.7%) disengaged after 6-9 months. Only 7% disengaged before 3 months, while 11% disengaged after a year or more of support.

**Figure 4.4: Length of time until disengagement for participants disengaging with no employment outcome (n=110)**



Reasons for disengagement were recorded for around two thirds of these participants. The main reason for disengaging from the programme was having limited time to participate (31%), followed by a change in circumstances (27%). A quarter of participants (26%) disengaged because they were no longer interested in the programme, whilst 14% disengaged because of health or personal issues.

### Engagement strategies

Providers adopted a range of strategies to sustain participants' engagement in Step Up. The approaches that providers felt worked most effectively were:

- Maintaining an 'open door' approach and a wide referral network;
- Providing flexible and regular contact through a range of channels;
- Building rapport and a trusted adviser/participant relationship;
- Focusing on progress made through regular review of action plans; and
- Formalising agreements to attend and engage.



## Open door approach

Providers felt that engagement had to occur at the right time for individuals in light of their wider circumstances. Providers addressed this by providing alternative support initially for participants to address wider issues, while maintaining an open channel of communication and an 'open door' so that participants could re-engage at a later stage:

*"It could be that they don't want any contact for one month or two months, not that they're leaving the programme, it's just because they're not in the right state of mind for that period of time."* (Step Up provider)

## Flexible and regular contact

Proactive and flexible communication was important to sustain participant engagement. This included regular contact to check in with participants and follow up on issues, offering to meet participants at different locations and providing phone and email support.

Providers kept in contact with those they hadn't seen in a while through a range of methods, including emails, texts and phone calls, to inform them of upcoming opportunities or activities. Step Up's strong brand and identity was felt to be important in this, as it made email communication more distinctive. Some providers made use of peer mentors to contact participants who weren't engaging to establish whether they were in need of support:

*"Regular contact is the key for engagement. We have this text alert once a week to remind people to check the job website, we have an email bulletin [so] I am able to monitor who is engaging and who isn't, and I can go back to people who I think have dropped off the radar. And that is where our peer advisors have been really useful, just being able to go back to people and check in and see, maybe because they haven't contacted us doesn't mean that they don't need the support, it hasn't been a priority, and get them reengaged."* (Step Up provider)

## Building trusted relationships

Communication with participants was both underpinned by, and reinforced, a trusting relationship with the adviser. Providers emphasised the importance of advisers being able to build rapport with participants, motivate them and know their situations personally in order to sustain engagement:

*"Something that has been really positive has been individuals knowing that they have one singular contact, who is familiar and who contacts them to*

*support them through the whole process, and make sure that they come to activities when they can, and they know what's going on.” (Step Up provider)*

### Individually relevant, outcome-focused support

While participants could engage with Step-Up as a result of general dissatisfaction with their current circumstances, this alone did not necessarily sustain their engagement. Providers had to establish a goal, or vision of how their life would change, and the steps needed to achieve this. This was usually through the action planning process which identified individually relevant goals. Without a structured action plan, or tangible measures of progress which were reviewed and affirmed, it could be difficult for participants to sustain their motivation to engage.

Some providers reported that participants expected to be placed into a better job sooner than was possible. Therefore, while a focus on the end result was important, it was also necessary to recognise progress in other ways, for example, by breaking down the goal into smaller tasks to be completed. These small steps had to be individually relevant, as participants had less patience for support they regarded as generic. It was also important to emphasise the progress made to avoid participants who hadn't achieved hard outcomes becoming disheartened:

*“Clients come to me...expecting me to have the job ready, but because you are not an agency, the difficult part for me is to educate them and make them understand that we are trying to make them progress by giving them skills that they can use for life. It's not just a job... Some of them get discouraged...they just don't want to do the journey.” (Step Up provider)*

### Formalising agreements to attend and engage

One provider, IRMO, trialled an agreement with participants around the level of engagement with the support. This was implemented alongside a flexible support offer, to introduce boundaries and ensure that providers could make best use of their time. They also added a contract for participants to sign before they undertook mentoring, which stated that if participants disengaged without making contact they would lose their mentor, and set a requirement for mentees and mentors to meet at their offices, in order to keep them engaged and attached to Step Up. They also added a small, returnable deposit for attendees of the construction course.

### Summary

Step Up providers offered a range of activities to support working participants to progress in employment. The main types of support provided were:

- Action planning and goal setting;

- One to one support; and
- Referrals to partner organisations.

Other support activities common to a number of providers included:

- Peer mentoring or peer support;
- Group sessions; and
- Jobs brokerage.

Providers also developed support offers specifically targeted to their participant group, such as flexible jobs brokerage for working parents, a construction course delivered in Spanish for low paid workers in the Latin American community, and networking events for young people seeking to progress in the creative sector.

Support was usually structured according to an individualised action plan, co-developed by participants with their adviser. The action plan shaped the type and intensity of support delivered according to participants' experiences, needs, aspirations and availability.

Almost all (98%) of Step Up participants accessed one to one adviser support, which was highly valued because it was personally-tailored. Advisers worked with participants to set goals, map the steps needed to achieve these goals and provide practical employability-focused support with job search, applications and interviews. Advisers also coached and encouraged participants to increase their confidence and motivation, and sustain their engagement with Step Up. Participants particularly valued:

- a personalised approach which accounted for their individual needs,
- high quality employability advice and guidance; and
- empathetic, non-judgemental advisers.

Support was delivered flexibly to fit around participants' work schedules and other responsibilities. Advisers remained in contact with participants by phone, email and online messaging such as Facebook and WhatsApp between appointments to review progress and provide encouragement.

However, the flexible nature of the support was time-intensive for advisers and was a particular challenge for part time staff. Group support and peer mentoring eased the time burden on advisers but was challenging to organise and deliver to time-limited working participants.

Providers also built support networks to assist with delivery, including partnerships with skills and training providers, and other support organisations to meet participants' employability and wider needs.

The primary challenge for partnership working was finding support services that were able to deliver support at times suitable for working participants, because many services were primarily targeted at unemployed people and were only able to deliver during the working day. Moreover, some services were unsuitable due to their focus, for example, some job brokerage organisations had narrow areas of specialism and were not able to supply vacancies that met the aspirations of Step Up participants. Providers therefore had to develop new partnerships, such as working with recruiters who specialised in finding London Living Wage jobs. Developing partnerships also took up considerable adviser resource that could have been spent on direct delivery.

All providers identified key support gaps in addressing working participants' wider needs, particularly around mental health provision, affordable childcare and skills and training provision, which affected some participants' ability to engage successfully with Step Up.

Participants also identified some limitations to the support available on Step Up, including:

- Limited access to some support offers due to working schedules;
- Requiring more intensive or better tailored support from their advisers;
- Further support with the practicalities of moving into a different role;
- Continued support from their provider following an employment outcome;
- Gaps in external provision, particularly access to sector-specific training, work experience opportunities and self-employment support;
- Limited links with employers which slowed their progress to achieving outcomes.

Providers found that the level and intensity of support required from Step Up participants was often higher than originally anticipated, as participants in low paid work shared many of the same support needs as unemployed participants. The support delivered also had to be personally tailored to each individual, due to the restrictions on participants' time and their individual progression goals. These factors meant that the resourcing requirement was higher than providers originally envisaged. It was also more difficult to sustain participant engagement in Step Up, particularly for higher need participants or those with changing work schedules and flexible contracts.

The key strategies providers used to sustain engagement were:

- maintaining an 'open door' approach;
- flexible and regular contact with participants;
- building rapport through coaching support which encouraged participants to focus on their progress and distance travelled; and
- formalising requirements for attendance and engagement with the support.

## 5. Engaging employers in Step-Up

In order to support Step Up participants to progress, it was important that providers sought to engage employers with the programme. As such, the evaluation has sought to learn lessons about how to effectively market progression services to employers and engage with them to open up opportunities for low-paid workers seeking better jobs.

In recognition of participants' varied skills, experiences and aspirations across the programme, providers aimed to engage a range of employers of different sizes and across sectors. The approaches to employer engagement also varied, and included:

- working directly with employers to influence progression opportunities;
- seeking better-paid job vacancies for clients;
- working with recruitment agencies; and
- engaging employers to aid with the provision of employability support.

More detail on each of these approaches, and their associated strengths and weaknesses, is discussed in the chapter.

### Working directly with employers to influence progression opportunities

Most of the Step Up providers focused their delivery model on supporting individual workers, rather than aiming to influence employer progression practices directly. However two of the Step-Up providers had a well-established model of employer engagement and incorporated this into their Step-Up delivery.

The first of these was the Timewise Foundation, who engaged with employers as part of a wider in-work progression initiative in Lambeth, funded by the Walcot Foundation, Lambeth Council and other partners. This involved working with anchor institutions, such as Lambeth Council and housing associations, to spread the message about the benefits of quality part-time and flexible working throughout these organisations and more widely through their supply chains. To promote culture change throughout the organisation, this approach entailed targeted engagement with senior managers. This was supported by the wider communications work of the provider to raise awareness of the benefits of a flexible workforce.

In addition, as part of Step Up, Timewise also established a relationship with an NHS Foundation Trust to deliver progression support to the Trust's employees. The support was delivered during working hours, and focused on the Trust's recruitment

mechanisms and progression pathways, to enable employees to make better use of the internal progression routes that were available to them within the Trust.

The second provider was Springboard, who had well-established relationships with employers in the hospitality sector, and worked with one of these employers to recruit low-paid workers and deliver support, again aimed at enabling participants to progress internally through the business's career pathways or within the wider hospitality sector. Managers selected candidates that had the potential to progress within the organisation, and enabled them to attend a programme of support, during work time, delivered by Springboard.

The employers' rationale for engaging in this support included a perceived alignment between Step Up and their business ethos, and a desire to improve staff retention through enabling progression opportunities.

### Lessons learnt

In engaging with employers to influence progression practices, providers found that it was important to communicate clearly how they would benefit from the programme. Ways of doing this included focusing on employee retention and reduced staff turnover, which could in turn reduce recruitment and training costs, and emphasising improved loyalty amongst staff as a result of accessing a 'better job' and/or training opportunities:

*"If you're speaking to businesses you need to make it quite clear what's in it for them... so a big thing that we've tried to sell to them is reduction of staff turnover...that is quite a big thing for employers because it does cost lot of money to lose staff and re-recruit." (Step Up provider)*

A key enabler for this type of activity was having a well-established relationship with individual employers, for example through previously working in partnership with them in placing candidates into work. This meant that trust had already been built in the providers' activities, which facilitated engagement.

Key challenges in engaging and working with new businesses on progression practices included convincing employers that it would not result in a loss of staff (if they upskilled and found better opportunities elsewhere) and identifying the right person to engage with in a large organisation, so that the message could be filtered down through the organisation and embedded.

### Reasons for non-engagement

The reasons more employers did not engage with Step Up in this way included that they already had their own in-house progression processes in place, or because they were concerned that it would increase staff turnover, as participating employees may



acquire new skills and move on (especially if there were limited progression opportunities in-house).

Employers also cited limitations to their internal progression pathways, which could inhibit their engagement with Step-Up – since they felt that they did not have sufficient opportunities to offer participants. Reported barriers to creating progression pathways for employers included:

- **Financial barriers to paying the living wage**, particularly for smaller businesses and start-ups;
- **Limited staff turnover**, which meant that there were not always higher positions for staff to move into;
- **The hours of some more senior roles**, which made them unsuitable for staff with caring responsibilities (for example a perceived incompatibility between supervisory roles and part-time hours).

In addition, employers identified barriers for individuals in taking up opportunities that were available, including:

- **Financial disincentives for workers to progress due to the interaction of earnings with the benefit system**, for example staff wanting to limit their hours to retain eligibility for tax credits;
- **Limited employee awareness of their transferable skills**, which meant that they lacked awareness of their ability to progress, and a **lack of confidence** amongst staff to move outside of 'their comfort zone'.

Enabling factors that made internal progression pathways more likely in a business included:

- **A commitment to paying the living wage in the charity sector.**
- **Being a family business with a desire to 'give people a chance'.**
- **Being a large employer**, with regular vacancies and lots of opportunities for staff to move up within a particular department or to other positions within the organisation.
- **Expanding or restructuring within the business**, which could create different types of roles and opportunities.

An example of the latter was one cleaning company who were currently expanding the commercial cleaning arm of their organisation, which they saw as an opportunity to create additional supervisory roles which could provide progression opportunities for existing staff:

*"We're looking to develop the commercial side of our business...there will be opportunities that come up for workers that show great ability in the*

*commercial sector, in more supervisor roles. I do have my eye on a few people that I would like to put into those kind of roles when they come up."*  
(Step Up employer)

### Seeking better-paid job vacancies for clients

Step Up providers that did not have such well-established employer engagement in-house focused their efforts instead on identifying good job opportunities for participants and enabling them to take up those opportunities, rather than working directly with employers to affect progression routes. These providers identified relevant job opportunities in different ways:

- building on **established or previous relationships** and contacts;
- **targeting living wage employers**, for example through using the Living Wage Foundation's employer map;
- engaging with employers at **networking events, and at meetings or steering groups** for their wider work; and
- targeting employers that had vacancies relevant to participants' job goals and skill sets **and 'reverse marketing' Step Up participants.**<sup>26</sup>

If an employer expressed an interest in the Step Up programme, providers sent them more information by email, and followed up with a phone call or face to face meeting. Once engaged, further contact with employers took place as participants were put forward for vacancies. Providers tracked the outcomes of the recruitment process and requested feedback from the employer on the application and interview where possible.

Other ways providers identified relevant opportunities for participants included:

**Thames Reach**, who purchased an online job-search tool that sweeps adverts and agencies for relevant opportunities, which was used as a means of identifying London Living Wage vacancies for participants. Combined with job vacancies received directly from partner organisations, these were posted on their online jobs board, which members had exclusive access to.

**Creative Society**, who worked with young people to enable them to access the informal jobs market in the creative sector through supporting them to network more effectively, for example through using tools like LinkedIn and attending events, in order to increase their self-confidence so that they felt comfortable approaching employers and arts organisations directly for opportunities.

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<sup>26</sup> This involved establishing the participant as the right person for the job before negotiating with the employer on flexible or part-hours.

**Creative Society** also encouraged employers to meet participants and offer informal support if their applications were unsuccessful. One employee who received employer feedback this way was subsequently hired for a two-month placement by the employer when a more appropriate position arose.

**High Trees** engaged in outreach activity with small local businesses, giving them information about Step Up so that they could advertise the programme among customers and staff. This also enabled them to identify local job opportunities with these employers.

### Lessons learnt

For initial engagement with Step Up providers, face-to-face contact was appreciated by employers:

*"I liked them coming in...if someone emailed me and put a good case forward, saying that they could help with recruitment and then came to see me, then I'd engage with that."* (Step Up employer)

Timewise Foundation's 'reverse marketing' strategy was found to work well because they were able to put forward high quality candidates, which then encouraged employers to make the roles available on a part-time, job-share or flexible basis, in order to get the right person for the job:

*"What people need to see is the wealth of the candidates that we have, in order to kind of make the change."* (Step Up provider)

Similarly, an employer working with a different provider also suggested that rather than waiting to approach employers once vacancies arose, Step Up providers should make more proactive contact, since this could lead to roles being tailored to meet participants' needs:

*"If I'd known about them before, then perhaps I would have been able to tailor something towards the programme."* (Step Up employer)

To raise awareness of the programme among employers more widely, providers felt that having events to advertise the programme, with relevant case studies to show how it has worked for individuals in practice, could be helpful. Approaching employers and sectors with a clear recruitment need (such as construction or social care) was also identified as a fruitful strategy.

### Employer experiences of Step-Up participants

Providers reported that employers were attracted to Step Up because of the emphasis that was placed on screening and preparing candidates for specific roles,

and this was reflected in the employer research. Employers reported largely positive views of Step-Up participants who were put forward for vacancies. Participants were described as experienced and employable, and were thought to be well-prepared for the interview process, which saved employers' time and gave them more confidence in the individuals put forward:

*"Their experience that they come with is vast so they are strong candidates, they are employable and that is the great thing about the candidates that are being put forward... they are well prepared [for interviews]." (Step Up employer)*

*"I think that's something that's instilled in them by the support workers, that when they come to us their attitude is really good, in as much as, you know, very positive, very excited to get the right work, etc...." (Step Up employer)*

Putting forward high-quality candidates for opportunities was important because this made employers more willing to consider future candidates or to approach the provider proactively when vacancies arose. Hence, employers recommended that emphasising the business benefits of the service, and candidates' career-readiness, would help to engage additional employers.

Reasons given by employers for Step-Up candidates not being hired included limitations on the suitability of the roles available, or an insufficient match between the candidate and the role. In one case, an employer hired a Step-Up candidate, but subsequently let them go due to poor attitude and timekeeping. This did not change their overall view of the programme, but they suggested that going forward providers should focus on participants' attitude during the screening process, so that unsuitable individuals would not be put forward. It also highlights how further in-work support might help to prevent such issues arising.

### Employer rationale for engaging in Step Up

Among the employers interviewed, the Step Up programme appealed because it fitted with their Corporate Social Responsibility (CSR) objectives, as well as providing them with an opportunity to find good quality staff:

*"From our point of view it was a fantastic and productive way of getting even closer to our clients, but also really giving something back to them as well, so that's definitely where the partnership really grew." (Step Up employer)*

Another employer commented that Step Up fitted with their organisation's aims and objectives to support the local community, as well as providing another recruitment channel:

*“I am interested and I really want to be supportive of the local community...I’m always looking for good workers though. I’m happy to work where it’s felt that a candidate may be found.” (Step Up employer)*

Offering a free service also made Step Up attractive to employers, as many recruitment services are commission-based, which makes them less affordable, particularly for smaller employers. The reputation of the provider organisation could also help in employer engagement:

*“Some SMEs had heard of us as an organisation that was seeking to drive change in the jobs market. Some of them just got really taken in by the candidates and by the fact that there’s a free recruitment service ...and that people were screened...” (Step Up provider)*

Once engaged, key factors in the success of the relationship between employers and providers included having clear expectations from the outset, so that employers knew what to expect from service, and having simple processes, so that involvement was not complex or a burden on employers. Employers also favoured regular communication and prompt responses to any queries:

*“The interactions have been really good, always professional and prompt in responses as well, and always offering if there is anything that they can do to help and offering their services and their assistance. So, it is supportive I would say...” (Step Up employer)*

A suggestion for improvement from employers was to keep them informed about the Step Up programme and the providers’ wider activities, rather than just making contact when putting candidates forward for vacancies, as there was a general interest in this.

### **Working with recruitment agencies**

Another way in which providers sourced job opportunities for participants was through engaging with recruitment agencies. For example, Thames Reach found that targeting individual employers and maintaining relationships with them could not meet their clients’ broad range of needs and they therefore found it more effective to work with recruitment agencies who could place participants into appropriate roles. This saved provider time and resource that could instead be spent on support:

*“There are too many areas... too many sectors to cover. Once we realised that we were much better working with these agencies, that would be a lot more effective in actually placing our clients in employment... that actually*

*meant that we are spending less and less effort and time in trying to develop those areas.” (Step Up provider)*

One of the agencies that they partnered with focused on recruiting for the non-profit sector, where there was a greater commitment to the Living Wage, and the agency embraced this philosophy when recruiting.

In contrast, another provider that worked with a jobs brokerage service found that this did not effectively meet the range of ambitions of Step Up participants, because the agency, which focused primarily on the retail and hospitality sector, were only able to offer jobs that were low-skilled and entry level.

Overall, it was felt that greater partnership working among the third sector and recruitment organisations, to share employer contacts and knowledge, would benefit the programme.

### **Engaging employers to aid with the provision of employability support**

Some of the Step Up providers also engaged with employers to provide employability support for Step Up participants. For example, Thames Reach engaged directly with large employers and recruitment agencies that they had established relationships with, in order to provide member benefits, such as training events and application support linked to specific sectors or job roles:

*“We have had support from corporates in offering interview and CV reviews and help and that kind of thing around those areas.... I think the quality of that has been excellent.” (Step Up provider)*

Creative Society were also able to offer informal mentoring support from individuals working in the creative industry, matching mentors to mentees based on participants' career aspirations. This provided Step Up participants with a valuable opportunity to gain insight from someone with experience in their desired field:

*“The meetings that they’re having with the industry specialists... they’re like gold dust. Having half an hour with somebody who’s got 20 years of experience in your specialist fields, is just so helpful.” (Step Up provider)*

### **Summary**

Several approaches to employer engagement have been implemented by providers to date, this included working directly with employers to influence progression opportunities, engaging employers to identify job opportunities, working with employers who could offer training or mentoring opportunities to Step Up

participants, and engaging recruitment and intermediary organisations for support with identifying job opportunities. One provider did not engage with employers.

It was interesting to note that, when seeking job opportunities, providers did not tend to approach employers with Step-Up as an in-work progression service per se, but rather simply as a service placing people in jobs. Hence, the good practice identified around employer engagement is largely undistinctive from into work programmes. The added value that providers could highlight about Step Up was that participants were in employment and had recent experience of the workplace and knowledge of acceptable behaviours.

Factors that were significant in the success of employer engagement on the Step Up programme included:

- Providers **established relationships** with employers and recruitment agencies, which helped to get buy-in for internal progression strategies and enabled providers to offer participants training and mentoring opportunities.
- Being able to offer employers a **free recruitment service**, and high-quality candidates that had been screened and prepared for the application process.
- Ensuring that involvement in the programme was not a burden on the employer, by having **simple processes** in place and **responding to queries** when they arose.



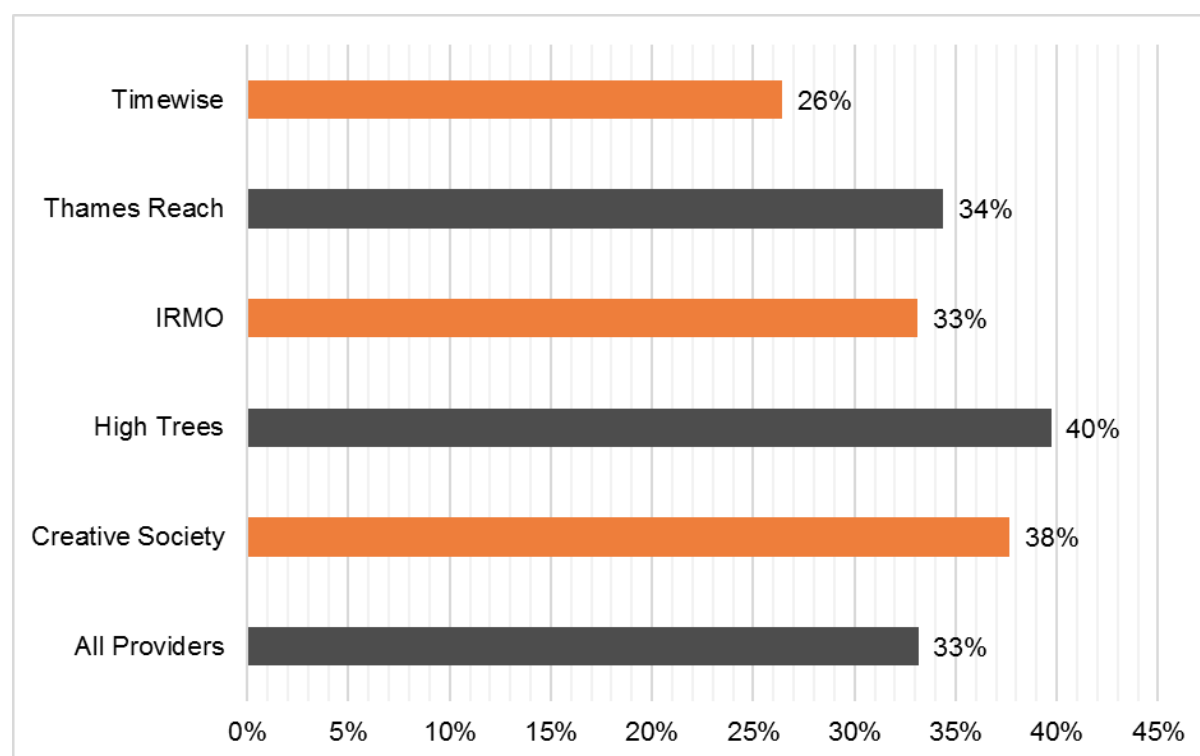
## 6. Step Up Outcomes

This chapter investigates the outcomes from the Step Up programme. It examines qualifications gained, employment-related outcomes and earnings outcomes achieved up to the end of Quarter 3, 2017 (covering 24 months of Step Up delivery), focusing in particular on the programme targets of an increase in hourly wage and in weekly earnings.

### Employment Related Outcomes

Figure 6.1 shows the proportion of participants that had achieved at least one employment related outcome<sup>27</sup> by Q3 2017, by provider. Across all providers, 179 participants achieved such an outcome, which is a third (33%) of all participants registered on the programme.

**Figure 6.1: Proportion of participants achieving an employment-related outcome, by provider**

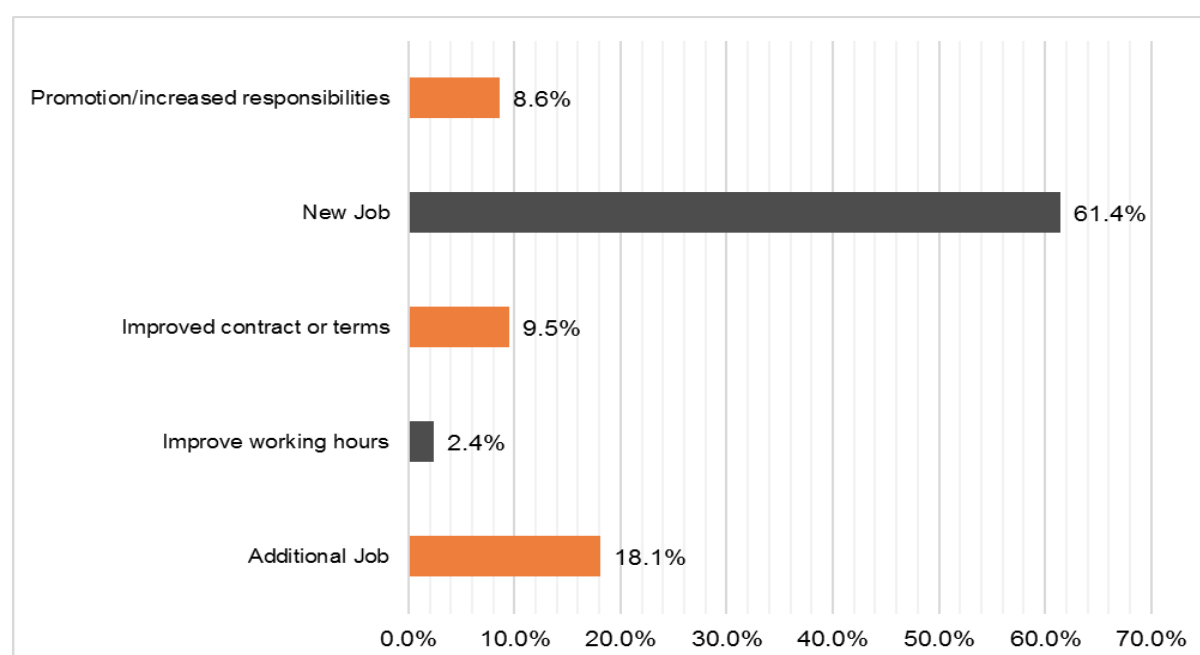


Source: Step Up all provider MI

<sup>27</sup> Employment-related outcomes are defined as a new or additional job, improved working hours, improved contract or terms of employment, or a promotion/increased responsibility.

Figure 6.2 shows the range of different types of employment related outcomes achieved by Step Up participants. In total, 210 outcomes were achieved (including multiple outcomes for the same participant) across all providers. Taking a new job was by far the most common type of outcome, accounting for three fifths (61%) of all employment-related outcomes. Taking an additional job accounted for around a fifth of total outcomes (18%), while getting an improved contact or terms and conditions and getting a promotion or increased responsibilities accounted for just less than 10% each. Just 2% of total outcomes included changes to working hours within an existing job.

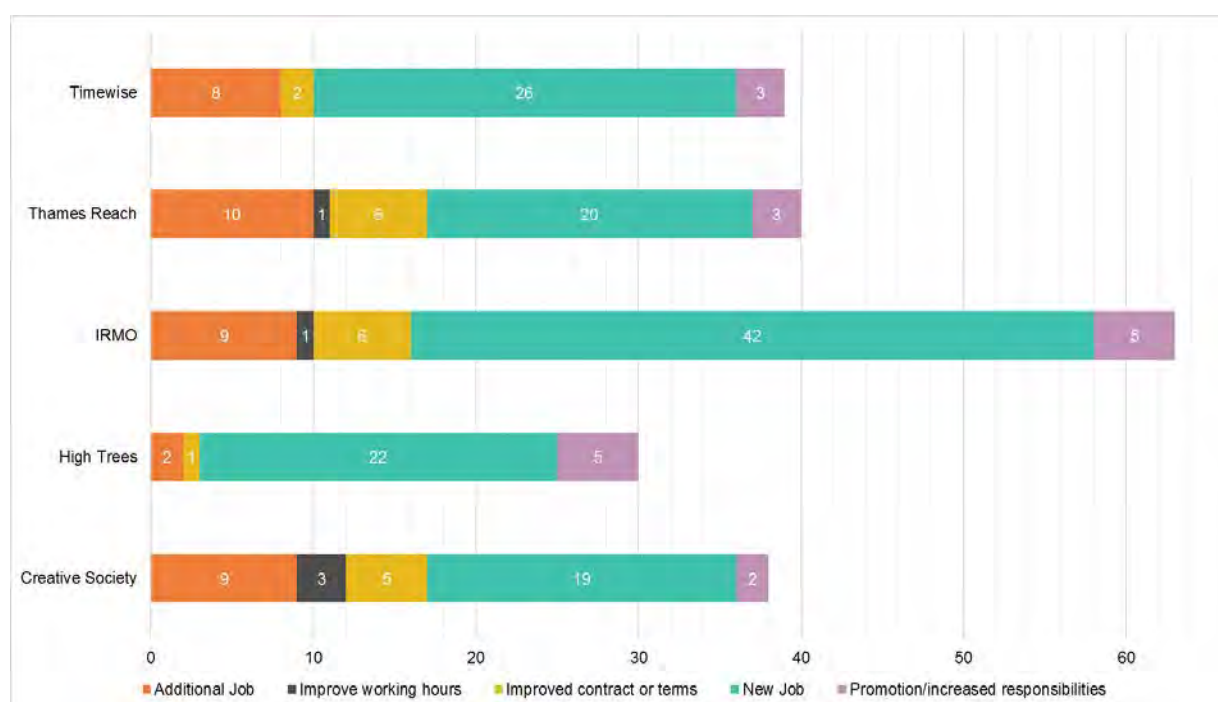
**Figure 6.2: Breakdown of employment-related outcomes achieved**



The range of outcomes achieved across the five providers is shown in Figure 6.3. The broad pattern of outcomes is similar across providers, but Thames Reach, IRMO and Creative Society were more likely than other providers to achieve improvements to contracts or terms and conditions, while High Trees participants' were less likely to take on an additional job.

It is difficult to examine outcomes achieved by participant characteristics because each of the Step Up providers delivered a distinct support model, often targeting a particular participant group. Therefore it is difficult to disentangle whether it is the participant characteristics or the type of support delivered driving the outcomes. However in order to shed some light on this, exploratory analysis was conducted looking at employment outcomes by participant characteristics for the two providers that catered for a wide range of participant groups: High Trees and Thames Reach.

**Figure 6.3: Breakdown of outcome achieved, by provider**



Source: Step Up all provider MI

This analysis is reported in Annex 1. It shows that participants with lower qualifications (up to level 2) or overseas qualifications were more likely than those higher qualified to achieve an employment outcome. This may be because participants with higher qualifications (who also had higher starting wages) would need to earn correspondingly more to improve their position and therefore had increased (earnings or other) requirements of a new job that made them harder to obtain.

Percentage increase in hourly wage was 15.4%<sup>28</sup>. The median pre- and post-outcome hourly wage was £7.50 and £9.40 respectively, whilst the median change in hourly wage was £1.25<sup>29</sup>.

As shown in Table 6.1, the largest median percentage change in hourly wage resulted from a promotion or increased responsibilities – which led to a median percentage change of 20% and a median increase of £1.50. An additional job led to a median percentage change in hourly wage of 15.9%; a new job led to a median

<sup>28</sup> The median percentage change in hourly wage is the median percentage change of each pre- and post-outcome hourly wage measure – this differs to the percentage change in the median value.

<sup>29</sup> The median change in hourly wage is the median change of each pre- and post-outcome hourly wage measure – this differs to the change in the median value.

## Earnings outcomes

### Impact on Hourly Wage

Of the 173 employment related outcomes<sup>30</sup> which could lead to an increase in hourly pay (with pre- and post-outcome hourly wage data available<sup>31</sup>), the median<sup>32</sup> percentage change in hourly wage of 15.7%; while improving one's terms and conditions resulted in the smallest median percentage change of 14.2%. (Figure A1.2, Annex 1, shows the mean percentage change in hourly wage by outcome type).

**Table 6.1: Change in median hourly wage by outcome type**

Outcome Type	Median pre-outcome hourly wage	Median post-outcome hourly wage	Median change in hourly wage	Median percentage change in hourly wage
<b>All outcomes (n=173)</b>	<b>£7.50</b>	<b>£9.40</b>	<b>£1.25</b>	<b>15.4%</b>
Promotion / increased responsibilities (n=15)	£7.50	£9.40	£1.50	20.0%
Additional job (n=30)	£7.75	£9.40	£1.09	15.9%
New job (n=110)	£7.50	£9.40	£1.25	15.7%
Improved contract or terms (n=18)	£7.50	£9.40	£1.24	14.2%

Source: Step Up all provider MI

<sup>30</sup> In cases where participants achieved multiple outcomes, participants hourly wage at the point of starting the programme has been used, in order to assess the overall change achieved while on Step Up.

<sup>31</sup> Data for original hourly wage and hourly wage at the most recent outcome was available for 173 participants, or 84% of the total number of outcomes which could lead to an increase in hourly wage.

<sup>32</sup> The median - the data value at which 50% of the data values are above it, and 50% of the data values are below it - has been used because the distribution of hourly wage and earnings is typically skewed by higher earners which can influence the mean value. By taking the middle value, the median is not influenced by outlying values at the upper end of the scale, making it more representative of typical earnings.

## Impact on Weekly Earnings

Of the 160 employment-related outcomes<sup>33</sup> which could lead to a change in weekly earnings (with pre- and post-outcome weekly earnings data available<sup>34</sup>), the median percentage increase was 41.9%<sup>35</sup>. The median pre- and post-outcome weekly earnings were £200.00 and £285.43 respectively, whilst the median change in weekly earnings was £78.60<sup>36</sup>.

**Table 6.2: Change in median total gross weekly earnings by outcome type**

Outcome Type	Median pre-outcome weekly earnings	Median post-outcome weekly earnings	Median change in weekly earnings	Median percentage change in weekly earnings
<b>All outcomes (n=160)</b>	<b>£200.00</b>	<b>£285.43</b>	<b>£78.60</b>	<b>41.9%</b>
Additional job (n=27)	£150.00	£274.00	£110.18	74.3%
New job (n=102)	£200.00	£287.50	£69.94	41.0%
Promotion / increased responsibilities (n=15)	£259.00	£312.00	£72.00	22.4%
Improved contract or terms (n=14)	£183.50	£281.93	£35.62	17.7%
Improved working hours (n=2)	£259.00	£312.00	-£2.50	96.4%

Source: Step Up all provider MI

Table 6.2 shows this by outcome type. As can be seen, participants who took an additional job saw by far the largest improvements in weekly earnings, with a median percentage change of 74.3% and a median increase of £110.18. A new job led to a median percentage change of 41.0%; a promotion or increased responsibilities resulted in a median percentage change of 22.4%; while an improvement in contract

<sup>33</sup> In cases where participants achieved multiple outcomes, participants weekly earnings at the point of starting the programme has been used, in order to assess the overall change achieved while on Step Up.

<sup>34</sup> Data for original weekly earnings and weekly earnings at the most recent outcome was available for 160 participants, or 76% of the total number of outcomes which could lead to an increase in weekly earnings.

<sup>35</sup> The median percentage change in weekly earnings is the median percentage change of each pre- and post-outcome weekly earnings measure – this differs to the percentage change in the median value.

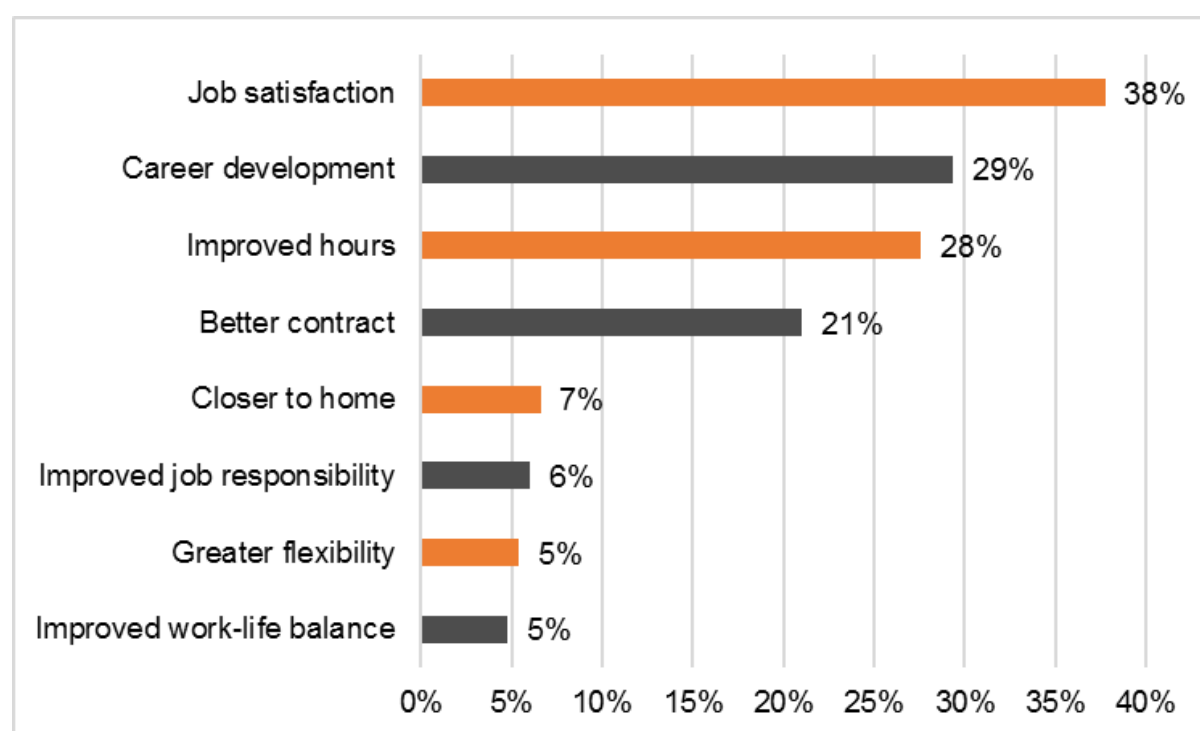
<sup>36</sup> The median change in weekly earnings is the median change of each pre- and post-outcome weekly earnings measure – this differs to the change in the median value.

or terms resulted in the smallest median percentage change of 17.7%. (Figure A1.3, Annex 1, shows the mean percentage change in weekly earnings by outcome type.)

### Additional Impacts from employment outcomes

In addition to the increases in hourly wage and earnings, participants also experienced additional benefits arising from their employment related outcomes (Figure 6.4). Participants who obtained new or additional jobs recorded reasons why their new position was better than their previous or original job. The three most common reasons given were that the change resulted in improved job satisfaction (cited by 38% of individuals who got a new or additional job), constituted career development (29%) or that it improved their working hours (28%). 21% said their new or additional job meant they were in a better contract. Smaller numbers cited the new job being closer to home (7%), having improved job responsibility (6%), having greater flexibility (5%) or having an improved work-life balance (5%).

**Figure 6.4: Breakdown of non-financial benefits for participants who obtained a new or additional job**



## Step Up Programme Targets

This section details participant outcomes in relation to the key programme outcomes<sup>37</sup>:

- an increase in hourly wage by 10%,
- earning at least the London Living Wage (LLW),
- earning at or above the weekly earnings target<sup>38</sup>, and
- movement from a temporary or zero hours contract to a permanent one.

In total, across all providers, of the 175 participants to achieve an outcome that could have directly led to an increase in hourly wage, around half (51%) increased their hourly wage by 10% or more. This represents 17% of total Step Up participants.

Of the 175 individuals to achieve an outcome that could have directly led to an increase in hourly wage, just over two fifths (43%) achieved an hourly wage of at least the London Living Wage. This represents 14% of total Step Up participants.

Of the 179 individuals to achieve an outcome that could have led to an hourly wage increase, 45% increased their earnings to at least the level of the weekly earnings target or higher. This represents 15% of total Step Up participants.

The weekly earnings target is lower for lone parents (16 hours x LLW rather than 36) to take account of caring responsibilities limiting weekly working hours. Breaking the results down by lone parent status shows that lone parents were much more likely to achieve the weekly earnings target. Over three quarters (84%) of lone parents achieved the weekly earnings target, compared to 39% of non-lone parents (see Figure A1.7, Annex 1.)

### Improved Employment Contract

Finally, in terms of employment contracts, Figure 6.5 shows the proportion of individuals to move from no contract, a zero hours contract or a temporary contract on to a permanent contract. Of the 65 individuals who started the programme this way and achieved an employment outcome, just under a half (32) moved on to a permanent contract. This represents 20% of all those participants who started out on a zero hours, temporary contract or no contract.

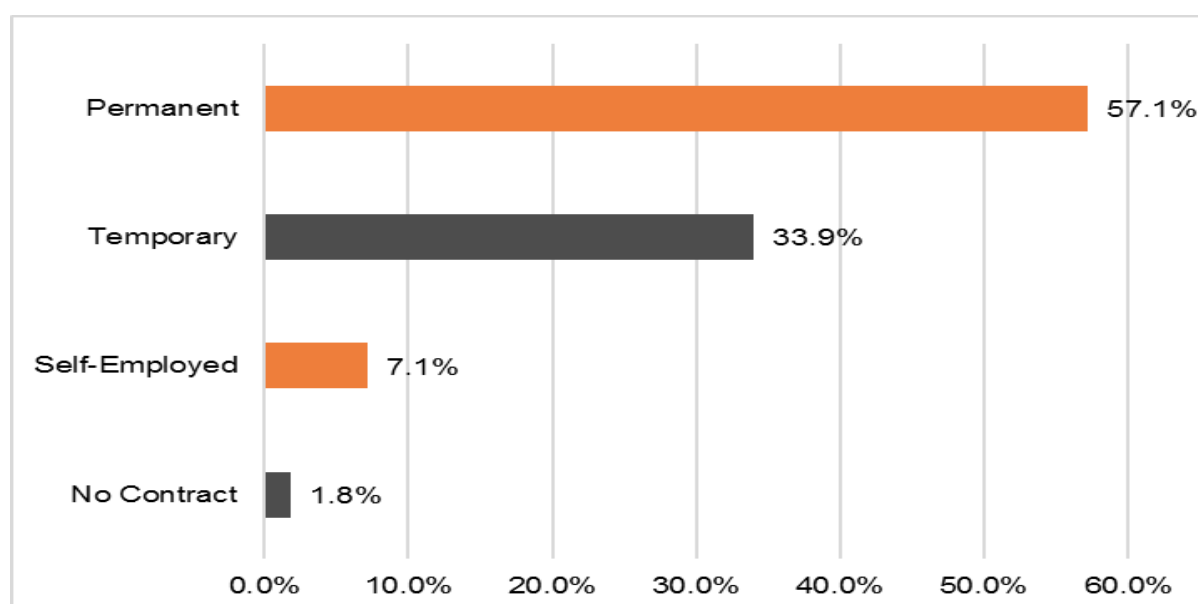
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<sup>37</sup> A full breakdown of these outcomes by provider is available in Figures A1.3 – A1.6, Annex 1.

<sup>38</sup> The weekly earnings target is 16 hours x LLW for lone parents and 36 hours x LLW for other participants. The calculation is also complicated by the increase in LLW rates over the course of Step Up. We have made the calculation using the LLW rate in place at the time the outcome was achieved.



**Figure 6.5: New contract type for participants who previously had a temporary or zero hour contract and obtained an employment-related outcome**



Source: Step Up all provider MI

### Length of time taken to achieve outcomes

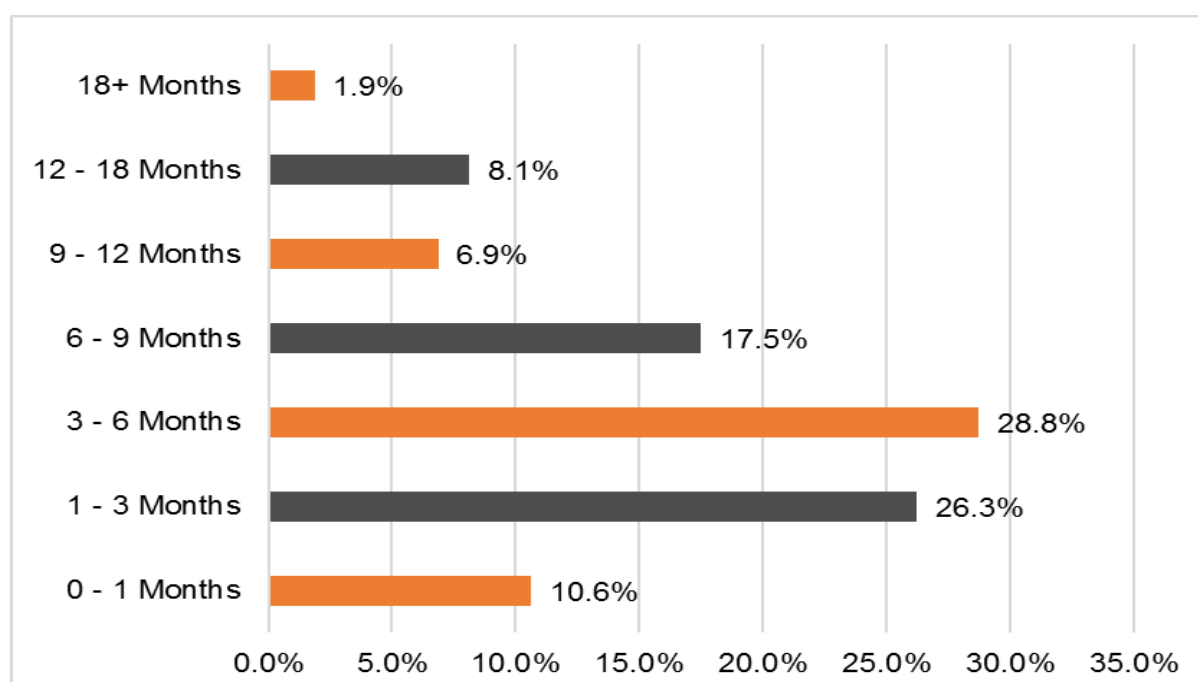
Figure 6.6 shows the length of time taken by participants to achieve their first outcome. Around two thirds (66%) achieved an outcome within six months of joining the programme, most commonly between 3 and 6 months into the programme (29%) or between 1 and 3 months (26%). Just under one quarter (24%) did not achieve an outcome until 6-12 months after starting on the programme and 10% took longer than 12 months. The average time taken to achieve a first outcome was 5.3 months. (See Figure A1.8 for a break down of time to outcomes by provider.)

Figure 6.7 shows the time taken to achieve an outcome for the different outcome types. This shows that gaining a promotion or increased responsibilities took longer on average (6.8 months) than taking new or additional jobs (5.4 months each).

The timings were similar for earnings outcomes:

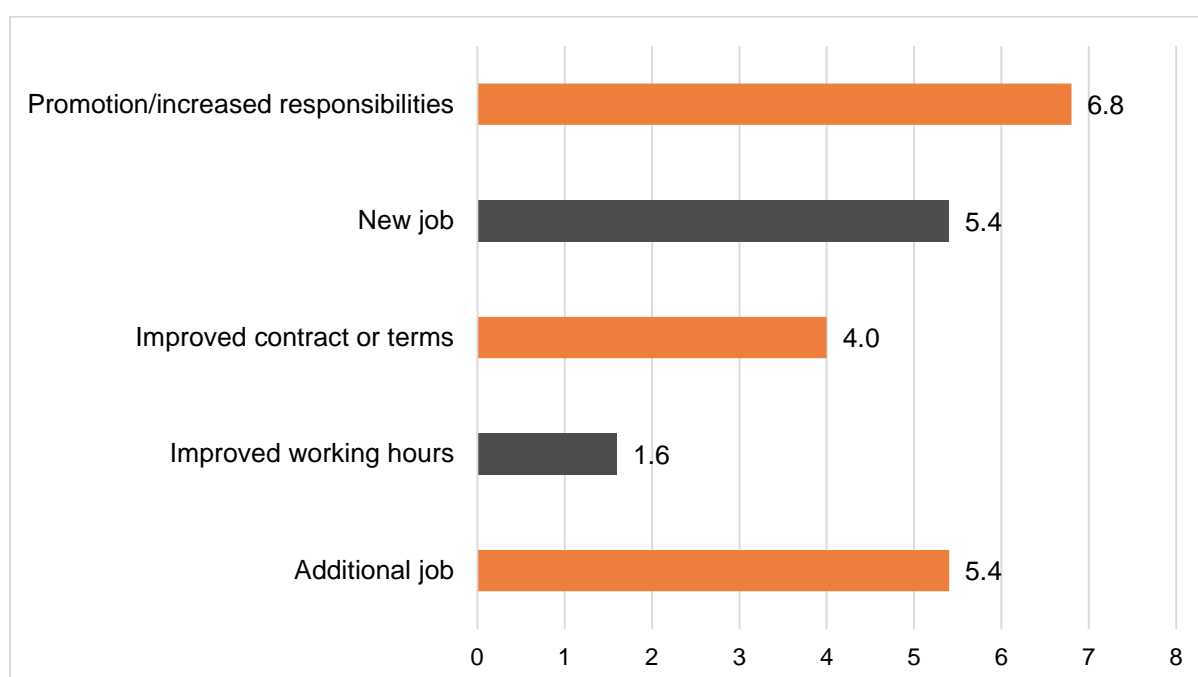
- The average length of time taken by participants to achieve the LLW with their first employment related outcome was 5.6 months.
- The average length of time taken to increase their hourly wage by at least 10% with their first employment related outcome was 6 months.
- The average length of time taken for participants to reach their weekly earnings with their first employment related outcome was 5.7 months.

**Figure 6.6: Length of time taken to achieve first outcome**



Source: Step Up all provider MI

**Figure 6.7: Average number of months taken to achieve first employment-related outcome**



Source: Step Up all provider MI

## New Qualifications

Across all providers, there were 64 participants who achieved a new qualification while on Step Up, accounting for 12% of all participants registered on the programme (see Annex A1.9, Annex 1).

## Summary

A third (33%) of all Step Up participants had achieved an employment related outcome by Q3, 2017. Gaining employment in a new job was the most common type of outcome achieved, accounting for 61% of all employment related outcomes.

The median percentage increase in hourly wage for individuals achieving an employment-related outcome was 15.4% and median change in hourly wage was £1.25, while the median percentage increase and median change in weekly earnings for these individuals was 41.9% and £78.60 respectively.

Further, around a fifth (20%) of participants who started the programme on either a zero hours, temporary contract or no contract had moved onto a permanent contract by Q3, 2017, and 12 per cent of participants gained a new qualification while on the programme.

In terms of the three primary earnings targets for the programme:

- 17% of participants achieved an increase in their hourly wage of 10% or more;
- 14% of participants achieved an hourly wage of at least the level of the London Living Wage (LLW); and
- 15% of participants achieved the weekly earnings target (36 hours x LLW – or 16 hours if a lone parent).

The average time taken to achieve the first employment related outcome among participants was 5.3 months. Around three fifths of those who achieved an outcome did so within the first 6 months of being on the programme, while a further fifth did so between 6 and 12 months of joining the programme.

## 7. Participant experiences of outcomes

This chapter further explores the range of outcomes experienced by Step Up participants, including how they felt about the outcomes they achieved and what difference it made to their circumstances, the extent to which they perceive the impact to be attributable to Step Up, and which areas of support enabled the outcomes, as well as a consideration of wider or external enabling and inhibiting factors that influenced participants' outcomes.

The chapter discusses: positive outcomes with an earnings increase; positive outcomes without an earnings increase; soft outcomes; and negative or no outcomes, in turn

### Positive outcomes with an earnings increase

#### Impact of earnings increases

As shown in the last chapter, Step Up participants achieved higher earnings either by securing a new role in which they earned more, achieving a pay rise in their existing role, or securing more working hours thus increasing their earnings.

Those who gained higher earnings reported a range of positive impacts including being able to support their families, having greater financial autonomy and not being as reliant on welfare support. For those in receipt of in-work benefits, their entitlement could decrease as a result of increasing their earnings, so that on balance their overall income had not changed. However in interviews participants reported that their greater financial autonomy, especially in terms of housing costs, was very important to them:

*"Yes, I am [earning more now]... but I was getting tax credit then...but I'd rather be paying my own rent so that feels good. I'm standing on my own two feet. I feel a lot more independent." (Step Up participant)*

Others reported that securing positive earnings outcomes had bettered their overall health, happiness and wellbeing:

*"My general health and wellbeing has certainly improved I think...Now that I'm actually in the job I think that all those aspects have really, really improved, I'm certainly sleeping a lot better." (Step Up participant)*

#### Defining 'better' circumstances

Some of those who increased their earnings were employees earning a regular salary and so identifying higher earnings was relatively straightforward and tangible.

However, for some Creative Society participants, identifying an increase in earnings and quantifying this was problematic, given the nature of the creative sector in which freelance work is prevalent, meaning that earnings could vary significantly month to month. Therefore, as one participant suggested, more regular work and more regular, sustained monthly earnings may be a better way of defining earnings improvements than changes in weekly take-home pay:

*"Am I in a better position payment wise, than I was before I went to uni? Probably not. Actually probably, I don't know, it was always, it always fluctuated, some months I'd make 1000, sometimes I'd make 100 quid. I've got more general slots [more regular work], so I have more retainer work now."* (Step Up participant)

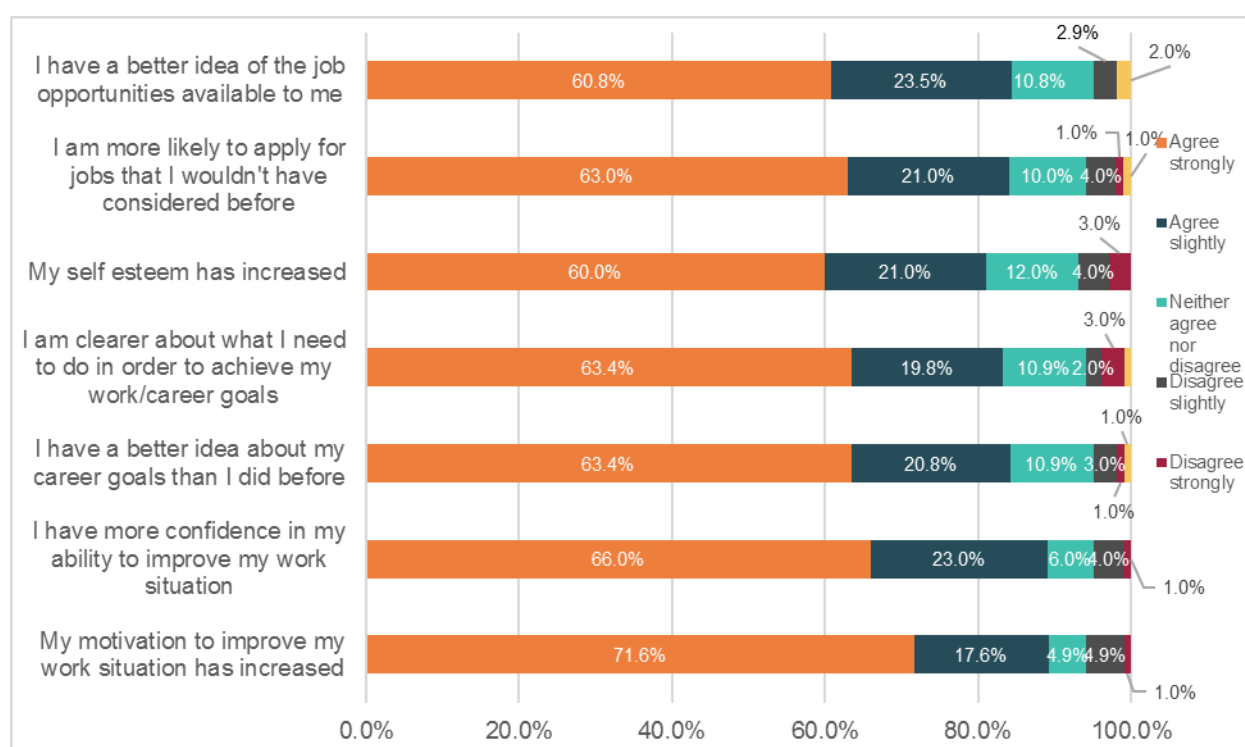
Other participants had secured higher earnings yet emphasised that this was just one of many factors that contributed to their perception of 'better' circumstances. Some placed equal importance on the fact that they had gained a job that matched their skillset and qualification level:

*"Not only did my finances, you know, change, also comfortable, got a role that I love, got a role that's really... it's what I studied."* (Step Up participant)

Conversely, some participants reported that their earnings increase did not necessarily lead to what they perceived to be 'better' circumstances. For example, some had improved their earnings but this had compromised their job satisfaction. One participant secured a new full-time role with a higher wage, but had low job satisfaction because they didn't feel there was much focus on training or progression within the organisation. Securing higher earnings had also reduced their welfare support entitlement meaning that on balance they were worse off financially, plus they felt that the longer commute to work was compromising their work-life balance. These experiences indicate that multiple components, not just a higher wage or higher earnings, contributed to individuals' judgements of whether there had been an overall improvement in their circumstances.

The Step Up survey examined change in work satisfaction for different kinds of outcomes. Figure 7.1 illustrates that most of the changes in work situation achieved by participants resulted in improved satisfaction – with around two thirds of people who improved their contract, got promoted, took on an additional job or started a new job reporting that their satisfaction had improved a lot. The only exception to this was participants who had decreased their hours, only a third of whom felt their work satisfaction to have increased a lot.

**Figure 7.1: Change in Work Satisfaction by Change in Work Situation**



Those interviewed who achieved an earnings increase often attributed their progression to the support received from Step Up. Participants noted the following types of support as key factors in their progression:

- One-to-one support sessions with their adviser;
- Support with employment-related activities;
- Job brokerage;
- Attending interviews which provided 'real life' practice.

This is reflected in the survey data which clearly shows that many considered Step Up to have played a significant role in achieving change. Case Study 1 (Annex 2) provides an illustration of how the different forms of Step Up support helped one participant to achieve their outcome.

Those participants who achieved positive outcomes but did not attribute their progression to support received through Step Up tended to have had more limited contact with their advisers and less engagement with the support.

## Positive outcomes without an earnings increase

Some participants felt that they had secured positive outcomes from Step Up and improved their work circumstances but had not achieved an earnings increase. One of the most common outcomes for these participants was gaining greater job satisfaction. For example, some participants secured roles which paid less, yet were in their desired sector, with opportunities to build on their educational background, existing skills and experience. For example, one participant whose earnings had decreased reported that their job satisfaction had improved as they were pursuing their career goals as an artist, which gave them a sense of freedom and purpose which gave meaning to their life.

Others had achieved a better work-life balance by securing a role with more sociable working hours, even though they earned less. For example, one participant had recently secured a new role which they found very rewarding and fulfilling even though it was low paid and part-time. The role was within school hours and within walking distance from their house, so it was also suitable and convenient given their childcare responsibilities. There were also training and progression opportunities in the role, which attracted them to it. Overall, this gave them higher job satisfaction and a good work-life balance, despite earning less.

Another reported improvement for some participants was securing roles that provided greater financial stability and security. This was particularly relevant for working parents moving in to a new role that allowed them to support their family. For example, one participant moved from a zero-hour contract to a job with a regular monthly income. Although they were earning less, their regular income meant that their welfare entitlement was also consistent every month. This allowed them to budget to cover living costs for their family, which was a primary concern for them.

Another benefit was securing better working conditions, including either more working hours, working more convenient working hours, or having improved working relationships with colleagues in their existing role. Case study 2 (Annex 2) provides an example of this.

For these participants, it was often the employability support received from their advisers, for example guidance on writing CVs and application forms, as well as skills provision (e.g. in IT), that was felt to have made the difference to attaining their new roles.



## Soft Outcomes

In interviews, participants who had not achieved employment or earnings outcomes nonetheless were able to cite soft outcomes that they had achieved as a result of Step Up. These included:

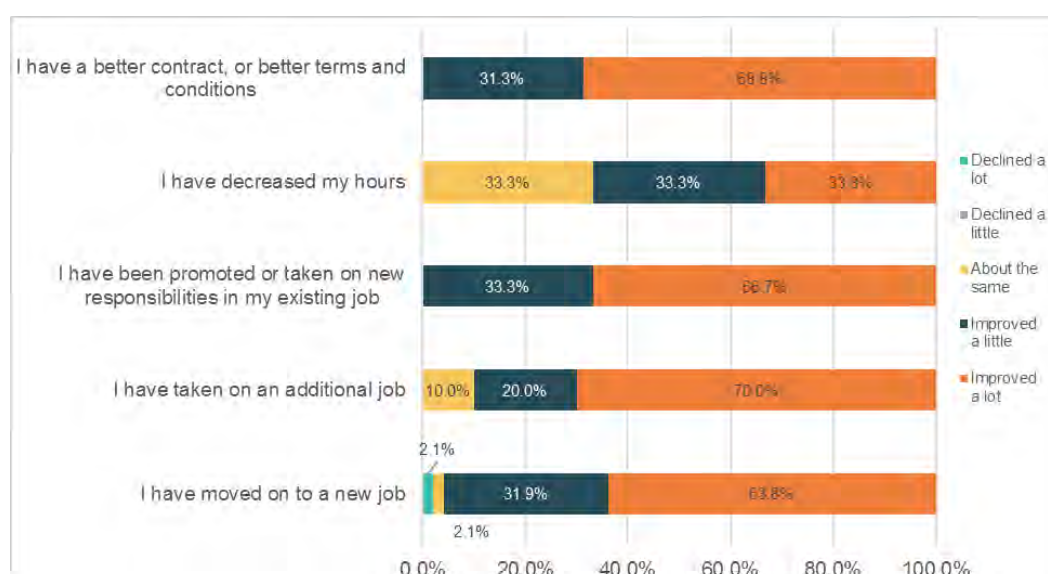
- Personal development;
- Employability skills;
- Professional skills, qualifications and experience;
- Career management;
- Labour market knowledge and awareness of employee rights.

### Personal Development

Many participants, irrespective of whether they achieved earnings outcomes, reported that their confidence was boosted through engagement with Step Up, because of the support received, the outcomes achieved, or both. Participants and delivery staff alike emphasised the important role that confidence played in bettering opportunities or perceived ability to better opportunities. Many staff members felt that higher confidence was the key underlying factor to securing 'hard' outcomes:

*"Part of [participants] being able to make progress is about feeling motivated, having that confidence and feeling that they have a person to speak to...who's actually looking out for them and their career progression and development. That enables them to go away and be proactive in their job applications."*  
(Step Up provider)

**Figure 7.2: Soft Outcomes**



This finding is reflected in Figure 7.2, which shows that of those participants who completed the survey, the two most common soft outcomes were improved motivation (72%) and improved confidence (66%) to improve their work circumstances. Additionally, 60% strongly agreed that their self-esteem increased.

For many participants, higher confidence levels meant that they felt better prepared for their desired future career, or were more able to take proactive steps towards bettering their opportunities, such as searching for relevant opportunities, applying for positions or attending an interview:

*"I decided to apply for the job because she [my adviser] helped me to feel more confident with myself, like if I don't get the job at least I can know about the interviews, I can get more experience about how to do it ...I don't have to be afraid and that I just need to do it"* (Step Up participant)

For some participants who had experienced difficulties related to their employment circumstances in the past, such as feeling undervalued by their employers or experiencing periods out of work due to childcare responsibilities, confidence was a key outcome and a key factor in feeling able to pursue and achieve in-work progression. The latter circumstance was particularly prevalent for Timewise participants, given their time out of the labour market prior to engagement with Step Up:

*"They really did bring my confidence up and made me feel like I could do it. So that's definitely key, I think, for any mother who's trying to get back to work, they need that confidence that positive support and that is actually what they did, if I'm honest."* (Step Up participant)

For others, their confidence grew as a result of securing an employment outcome:

*"I'm someone who was working in a retail environment, and from retail just going straight to a professional environment, just made me... the understanding that the sky's actually my limit! I can achieve whatever I want to achieve and it's really boosted my confidence, really boosted my confidence!"* (Step Up participant)

Participants often attributed their increased confidence and motivation to:

- The close and trusting relationship they forged with their Step Up adviser; and
- The welcoming, relaxed and friendly atmosphere which the wider provider team created.

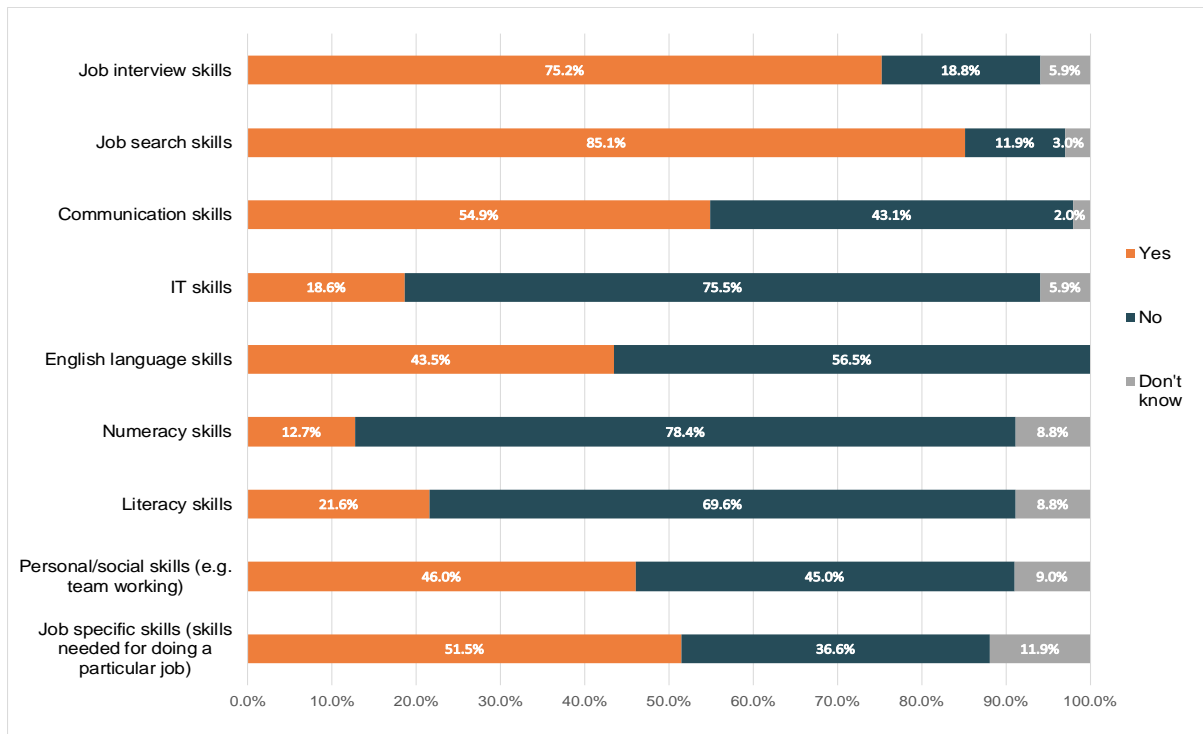
It is clear that increased confidence is a key outcome for Step Up participants. In turn, participants reported that it had a clear impact on their progression towards their career objectives, as it prompted them to take steps to achieve outcomes and enhanced their perceptions of their ability to progress.

### Employment related skills

Many participants reported that they had gained knowledge and experience in employment related and employability activities, which they felt had helped them move closer to their career goals. In turn, this also helped to improve participants' motivation and confidence, thus these outcomes were mutually reinforcing.

As Figure 7.3 shows, out of those who completed the survey, the majority reported gaining skills in employability. The largest proportion (85%) said they had improved their job search skills, closely followed by improving job interview skills (75%). In qualitative interviews, participants reported that their ability to search for jobs online had improved, as well as their knowledge of where and how to source reputable opportunities. Many also reported that receiving support with interview performance and technique, either in a group or one-to-one situation, improved their interview skills. Likewise, delivery staff highlighted good interview technique as a key factor in securing positive outcomes for participants. One participant reported learning the STAR method with their adviser, which they directly attributed to their later success at interview. Overall, participants who received this type of employability support felt that it gave them more confidence at interview so that they performed better.

### Figure 7.3: Skills Gained



Attending CV writing workshops held by their provider, or working closely with their adviser on their CV, also enabled participants to improve the format and content of their CV, and to tailor it to their desired sector. Delivery staff agreed that an up-to-date, well presented CV could be a key factor in enabling participants to secure positive outcomes:

*"Just basic changes on CVs can make such a difference, and we have so many clients that have come back and said they're actually now getting responses from employers, due to the changes in the CVs...Because that's what gets you in through the door really, isn't it?...that just makes such a big difference."* (Step Up provider)

This type of support was particularly important for participants with ESOL needs, some of whom had not previously had a CV in English and so lacked knowledge on the style and content of CVs in the UK:

*"Previously I only had a Spanish one, not an English one...I like the fact that the CVs here are really direct and to the point, whereas in Spain it's a lot more, like they use flowery language...the format is totally different."* (Step Up participant)

## Professional skills, qualifications and experience

As discussed in Chapter 4, many Step Up participants lacked either basic or professional skills, qualifications and/or experience. Some were able to improve their skills and gain qualifications and/or experience from Step Up that they felt furthered their chances of securing work in a more relevant sector. For example, some participants felt that their IT skills had improved, which enabled them to work in a more specialised role or to complete online job applications more easily and more independently.

Others with ESOL needs felt that their literacy and language skills had improved, which in turn increased their confidence to conduct job searches or attend interviews. For many IRMO participants, completing the construction course, which was conducted in English, and conversing with their adviser in English, fostered their desire to increase their linguistic proficiency. Some also enrolled on further English courses which they felt further improved their skills and confidence to converse in English. See Case Study 3 (Annex 2) for an example of this.

In addition, participants who passed the construction course delivered by IRMO gained a recognised license, which was identified both as a positive outcome in itself and as a means of moving them closer to securing better working conditions and circumstances. The course also enabled many participants' confidence and motivation to grow. Some who successfully completed the course did not subsequently achieve an employment outcome, however, which in some cases was due to limited English ability.

For Creative Society participants, improving their networking skills through opportunities to attend internal and external networking events was considered a very valuable outcome, given the nature of the creative sector and the importance of building a network of contacts. (See Case Study 4, Annex 2, for an example of this.)

## Career management

As explored in chapter 4, at the outset of the programme, many participants lacked direction with their career plans. Developing an action plan helped participants to be clearer in their career aspirations and in which steps to take to reach their goals. This is reflected in the survey data (see above) which shows that two thirds of participants felt clearer about what they needed to do to achieve their career goals, and a similar number reported having a better idea about their career goals.

In some instances, participants felt that having a clearer direction and taking proactive steps contributed to their wellbeing:

*"Being able to sort out my schedule better or just sitting down and having the time to plan a couple of weeks ahead what I would like to be doing a couple of weeks ahead, the motivation to apply for other things...Self-confidence, public speaking, all of those things I think kind of contribute to... just higher wellbeing."* (Step Up participant)

For others, using an action plan to break down progression outcomes into a series of smaller steps, enabled them to secure higher earnings. In addition to the development of action plans, a better sense of direction and clarity in relation to career objectives was partly enabled by the provider offices' friendly and welcoming atmosphere, which allowed participants to feel relaxed and encouraged. In many cases this was compared to the unfavourable atmosphere encountered in other employment support settings.

### Labour market awareness

Participants reported improved awareness and knowledge of labour market issues as another valued outcome from Step Up, including increased understanding of employee rights, how to read and negotiate terms of employment, where and how to access reputable courses that would enhance skills, and bureaucratic and cultural processes in the labour market. This enhanced knowledge was particularly beneficial for Creative Society participants who, given the prevalence of freelance work within the sector, are required to negotiate the terms and conditions of their contracts. They reported that this enabled them to feel more empowered in these processes:

*"I'm more comfortable with contracting money conversations...I know what my fees should be now, because that was - you're young and you get massively exploited on your fees, and the other thing is just knowing when you're being undercut or knowing when someone's undercut you."* (Step Up participant)

For other participants who were born outside the UK, a beneficial outcome was their increased knowledge of the cultural and bureaucratic processes in the labour market. IRMO delivery staff recognised this as a barrier, and reported working with participants to build their awareness of employment-related behaviour and processes in the UK. For example, participants learned about recruitment processes, where to source suitable vacancies, where and how to translate and validate qualifications gained in their home country into English, or increased their knowledge about legal issues in the workplace:

*"I have gained a lot of knowledge about UK legislation, about how important safety is here, that you can't work without a license."* (Step Up participant)

As detailed in Case study 2, in one instance a better understanding of employment culture in the UK led a participant to negotiate better working conditions and feel more confident in their interactions with colleagues and customers.

Overall, increased knowledge of the UK labour market and the processes within it provided these participants with the confidence to carry out employment related activities independently and confidently, which for many, was a step closer to their ultimate career goal.

In addition to elements of the Step Up providers' support offer, other factors that facilitated the achievement of soft outcomes were participant's personal circumstances. For example, some participants noted that a lack of childcare responsibilities, or not having the economic responsibility of supporting a family enabled them to put more energy into their own progression. Furthermore, some felt that working part-time enabled them to spend more time accessing provision which supported their progression than if they worked full-time.

### Negative outcomes

Some participants who were interviewed did not achieve any outcomes and felt that they had made limited progress during their engagement with Step Up.

In explaining this, provider staff noted that in-work progression can be a slow process, requiring multiple elements to combine to see results. They also felt that the *process* of progression could be as important as tangible outcomes:

*"It's a much slower process, and that doesn't mean that it's not a really important process to go through, but certainly in terms of achieving tangible outcomes, it's quite difficult to find not only a job that the individual is interested in, but better paid and better hours and better on paper than what they're currently doing, as well as a job that is suited to their level of English and their experience and skills."* (Step Up provider)

While some participants felt positive about this more limited progression, others felt discouraged because they had not achieved a tangible outcome. In interviews, participants who felt discouraged had often been engaged with Step Up for several months and felt that their progress had stagnated:

*"I've been with them [Step Up] since June of last year, so, it's been over a year, I've not had one interview through anything that I've done with them. Do you know? Any job that I've applied for, nothing... I'm not really seeing any outcome from it yet."* (Step Up participant)



Provider staff felt that demotivation was often a consequence of unrealistic expectations. Participants who lost hope easily tended to have anticipated a smoother, easier progression journey.

For some participants, seemingly positive changes had been made since their engagement with Step Up, but they did not perceive their circumstances to have improved. For example, one participant secured a new position, but their job satisfaction decreased, leaving this participant feeling that they had experienced a negative outcome. As suggested earlier, this indicates that a myriad of factors contribute to perceptions of 'improved circumstances'.

Where participants did not feel they had progressed they commonly attributed this to:

- Irregular, infrequent, inconsistent or unfocused engagement with the programme and/or contact with their adviser;
- Inhibiting external factors;
- A lack of skills, ability, qualifications or experience

Some participants who had not secured positive outcomes at the time of interviews recognised that they were on a progression journey and had future career aspirations that they were still striving to achieve. For example, some wanted to move into a different sector, secure a job with better pay or become self-employed. The latter aspiration was reported by several IRMO participants suggesting that more support in this area would be beneficial.

Often these aspirations were seen as long-term goals and most participants saw their progression as incremental, with shorter-term goals, including gaining sector-specific qualifications or experience, improving their English ability, or even having the internet installed at home, needing to be achieved before progressing further. These participants tended to feel that they still needed support from Step Up to help them work towards these objectives.

Delivery staff suggested a few ways in which more successful outcomes could have been achieved on Step Up:

- More opportunities for positive employer engagement and job brokerage;
- Longer and more frequent contact with participants;
- Adopting an 'ambassador approach', whereby participants who had achieved outcomes could coach new participants to build motivation and give personalised expert advice;
- Establishing a more robust outcomes recording process between participant and adviser.

## Summary

Step Up participants experienced a range of outcomes from taking part in Step Up. This included earnings outcomes, as intended by the programme, but could also include other positive outcomes that did not result in an earnings increase, in addition to a range of soft outcomes.

The following elements of Step Up support were identified as key factors in securing earnings outcomes:

- One-to-one support from advisers;
- Employment related (employability) support;
- Job brokerage;
- Gaining 'real life' interview practice.

Earnings and other outcomes did not always go hand-in-hand. While some of those who increased their earnings saw a variety of other benefits, such as financial independence and improved health and wellbeing, others did not feel that their circumstances had improved, for example because their job satisfaction or work-life balance had been compromised.

Conversely, some participants whose earnings had remained the same or decreased nonetheless felt that their circumstances had changed for the better, for example due to increased job satisfaction, better work-life balance or better working conditions.

Important contributing factors to job satisfaction were:

- distance to work;
- opportunities for progression and training within the role;
- the extent to which the role built on prior qualifications, skills and experiences.

For working parents, securing work that paid a regular (but not necessarily higher) monthly income was a valued outcome as it meant that they could budget living costs more easily. Working parents also placed importance on gaining more convenient and flexible working hours.

Participants achieved a range of soft outcomes from Step Up. These included:

- personal development;
- employability skills;
- professional skills, qualifications and experience;
- career management;
- labour market knowledge;
- awareness of employee rights.

Increased confidence was a significant outcome for many participants and in turn this contributed to securing earnings outcomes, as it enabled participants to feel better able to take up opportunities that arose. Increased confidence was a particularly important enabler for those who had experienced difficulties with their employment circumstances in the past or had had periods out of work due to childcare responsibilities. Many participants attributed their increased confidence to forging a close, trusting relationship with their adviser.

Other significant soft outcomes from the programme were improved interview skills and better formatted CVs. The latter was particularly valued by participants from abroad who had never had an English CV before and lacked cultural knowledge on how to format a CV that would appeal to UK employers.

Finally, some participants felt limited progress had been made on Step Up because their employment circumstances had remained the same. This discouraged and demotivated some participants, especially those who had been engaged for a long period of time. Participants attributed a lack of progression to:

- irregular, infrequent, inconsistent or unfocused engagement with the programme and/or contact with their adviser;
- inhibiting external/wider factors;
- a lack of skills, ability, qualifications or experience.

## 8. The Impact of Step Up

In this chapter we provide an estimate of the additional impact of Step Up on participants' earnings, over and above what they would have experienced if the programme had not been delivered. To do this, it is necessary to estimate whether their earnings would have changed without the support provided. This is achieved through using a matched comparison group from the Labour Force Survey, to explore what happened to the earnings of a similar group of people over a 12-month period.

### Generating a matched comparison group

The Labour Force Survey (LFS) is a regular survey carried out by the Office for National Statistics, which interviews survey respondents each quarter. Each responding household is interviewed five times, which means that the fifth interview is approximately one year after the first interview. At the first and fifth interview, respondents are asked about their earnings (as well as questions about other aspects of their economic activity).

In order to obtain sufficient candidates for matching (on characteristics) to Step-Up participants, we downloaded the latest twelve Labour Force Survey five-quarter longitudinal datasets for the UK as a whole from the UK Data Service.<sup>39</sup> The latest interviews in these twelve datasets cover the period from the third quarter of 2014 to the second quarter of 2017 (while the initial interviews were one year previous to this, i.e. 3<sup>rd</sup> quarter 2013 to 2<sup>nd</sup> quarter 2016).

We selected only those respondents in the LFS with an hourly pay rate less than or equal to £9.75 per hour at their first interview (which was the highest London Living Wage for the period covered).<sup>40</sup> We further filtered candidates for matching to those who had been employed at their first interview for one year or more.<sup>41</sup> These filters left us with 7,126 potential comparison cases in the LFS samples.

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<sup>39</sup> It was not possible to restrict the comparison sample to London only due to smaller sample sizes. Restricting to London would have meant either not so good matching on participant characteristics or using many more datasets.

<sup>40</sup> By definition, this also filtered out all respondents who were not employees when first interviewed, as the survey does not ask about self-employed earnings. We also filtered out cases where the hourly rate quoted was below £2.50 per hour (well below the lowest National Minimum Wage over the period covered) as the few cases are likely to have been errors.

<sup>41</sup> Note that the LFS definition of the length of employment is those employed in their *current* job, while in Step-Up it is continuous employment in *any* job, so this introduces a small difference between the matched sample and Step-Up participants.

The next stage was to find those people in the LFS samples who most closely resembled the 258 Step Up participants for whom we had earnings data at both the programme start and at the end point (Q3 2017). To do this, we used a statistical matching technique called ‘nearest neighbour matching’ to select those that were closest to Step-Up participants on the basis of a set of characteristics that included:

- age
- gender
- disability status
- ethnicity
- qualification level
- hours worked when first observed, and
- gross weekly pay when first observed.

## Comparing earnings change for the Step-Up and matched comparison groups

Figure 8.1 shows a simple comparison of how Step Up participants compared to the matched group in terms of changes in their earnings. As can be seen, over half of both groups (55% in the case of Step Up participants and 62% in the case of the LFS comparison group) saw an increase in their earnings over the observation period, while just over a quarter (28 and 30% respectively) saw a decrease.

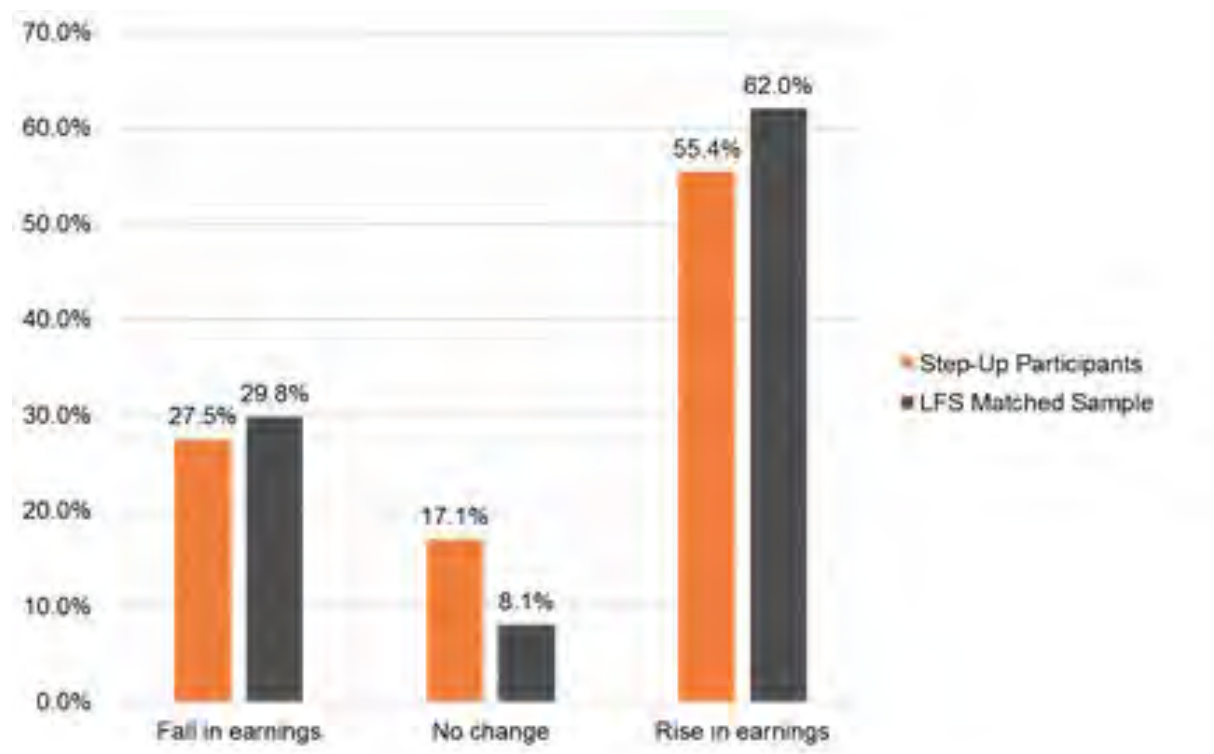
Comparing the two groups, the matched comparison group was slightly more likely than Step Up participants to increase their earnings but also slightly more likely to decrease their earnings, and less likely than Step Up participants to remain at the same level of earnings. In fact, just 8% of the matched group remained at the same earnings level over a one-year period.

Table 8.1 compares the percentage change in earnings for the two samples. This shows that the matched comparison group had a slightly higher average increase in weekly earnings compared to the Step Up participants. When broken down in more detail (Figure 8.2), showing the range of earnings changes, it appears that this was the result of larger numbers of the LFS group achieving smaller increases (of up to 50%), rather than more sizeable increases compared to the Step Up participants.

	Step-up participants	LFS Matched Sample
Mean	37.3%	39.3%
Median	4.0%	5.3%

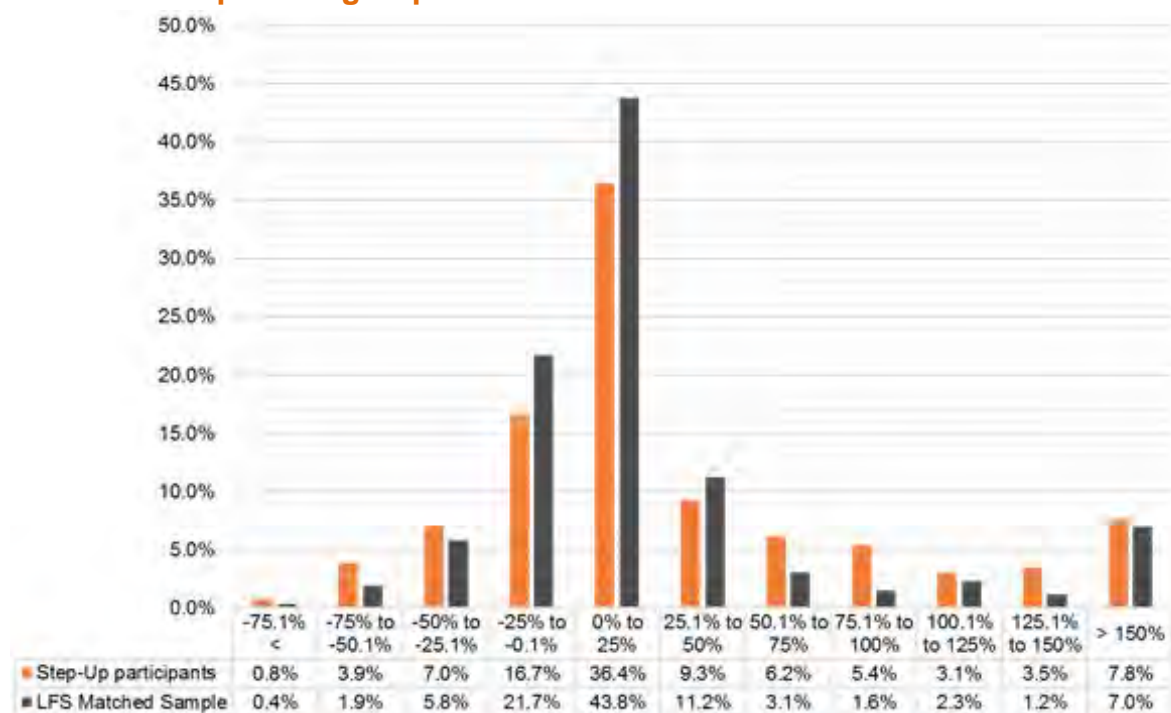
**Table 8.1: Average percentage change in weekly earnings**

**Figure 8.1: Change in earnings for Step-Up participants and matched comparison group**



**Figure 8.2: Percentage change in weekly earnings for Step-Up participants and**

## matched comparison group



## Caveats to the matching process

One of the main drawbacks to this matching process is that the LFS sample covers respondents with a 12-month gap between interviews, while the Step-Up participants had earnings information observed at a variety of times. For three quarters of Step Up participants, the gap between measures was less than a year and for the other quarter it was more than a year. This means that for the LFS group, all those who were paid or affected by the National Minimum Wage would have been paid a National Minimum Wage increase during their year of observation.<sup>42</sup> This means that the comparison group should all have received (at least) one annual increase in pay rates. However for Step Up participants, three quarters of whom did not have a complete year between observations, it was not guaranteed that an increase in the legal minimum wage would have been observed.

Table 8.2 shows the effect of the length of observation period on changes in earnings for Step Up participants<sup>43</sup>. It shows clearly that those who had an observation window of 12 months or more had a higher median<sup>44</sup> rate of earnings

<sup>42</sup> Moreover, because the datasets used included a number of years, which included the year of the introduction of the National Living Wage for those 25 and over, then some of the comparison group would have been affected by this larger increase.

<sup>43</sup> Pre- and post-measurement weekly earnings data was available for 286 participants.

<sup>44</sup> The median (the data value at which 50% of the data values are above it, and 50% of the data values are below it) has been used because the distribution of earnings is typically skewed by higher



growth than those with a smaller window. For those with an observation period of more than 12 months, the median increase in weekly earnings was 7.2%, compared to 4.0% for those with an observation window of between 3 and 12 months and 0% for those with a window of less than 3 months.

In order to minimise the effect of this issue, while including as many Step-Up participants as possible (to allow for statistically significant effects to be observed), we excluded from the impact assessment those Step Up participants with less than three months (91 days) between the first and last earnings observation. This reduced the number of Step-Up participants with full enough information to match to the LFS sample to 204 in total.

Other caveats to note regarding the matching process concern the categorisation of the characteristics used for matching – see Box 8.1 for details.

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earners which can influence the mean value. By taking the middle value, the median is not influenced by outlying values at the upper end of the scale, making it more representative of typical earnings.

**Table 8.2: Median weekly earnings change for Step Up participants by duration of observation period**

	Number of participants	Median change in weekly earnings (£) <sup>45</sup>	Median start weekly earnings	Median percentage change in weekly earnings (%) <sup>46</sup>
0 - 3 months	57	£0.00	£220.00	0.0%
3 – 12 months	154	£6.00	£200.00	4.0%
12+ months	71	£15.00	£216.00	7.2%

### Box 8.1: Defining characteristics used for matching

- **Disability** was simplified to yes/no. In the Labour Force Survey, disability by the Equalities Act definition was used, while in Step-Up, self-reported 'disability or health condition' was used.
- **Ethnicity** was simplified to seven levels. This means that 'Black' is collapsed into one category and 'Other White' includes the Latin American Step-Up participants, as well as LFS respondents in a range of groups that includes a large proportion of low-paid EU nationals.
- Within **qualifications**, overseas degrees are included (along with UK degrees) within the 'NVQ 4 and over' category, while overseas qualifications below degree level are mostly included within 'other qualifications'.

### Regression analysis showing the impact of Step-Up

Despite the matching process, there remained some differences between the Step Up participants and the matched comparison group. For example, the matched comparison group have an average working week of 26.3 hours compared to Step-Up's 26.5 hours, and a starting weekly pay of £228.10 compared to Step-Up's £220.30. Therefore, we opted to undertake a multivariate regression analysis, in order to tease out the impact of Step-Up, given the remaining differences between the matched comparison group and Step-Up participants.

<sup>45</sup> The median change in weekly earnings is the median change of each pre- and post-outcome weekly earnings measure – this differs to the change in the median value.

<sup>46</sup> The median percentage change in weekly earnings is the median percentage change of each pre- and post-outcome weekly earnings measure – this differs to the percentage change in the median value.

We undertook three separate regression analyses to identify the impact of Step-Up on:

- The percentage increase in weekly earnings
- The monetary increase in weekly earnings
- The level of weekly earnings at the end of the observation period.

In this analysis we included all the matching variables, to control for any residual differences that were not picked up in the matching exercise.

Table 8.3 shows a comparison of the values for the Step Up and the comparison group on each of these three measures. It shows that the Step Up group outperformed the comparison group in terms of percentage change in pay and on the monetary change in pay, although the pay at the final observation is slightly higher for the comparison group.

**Table 8.3: Values for Step Up and comparison group on three earnings change measures**

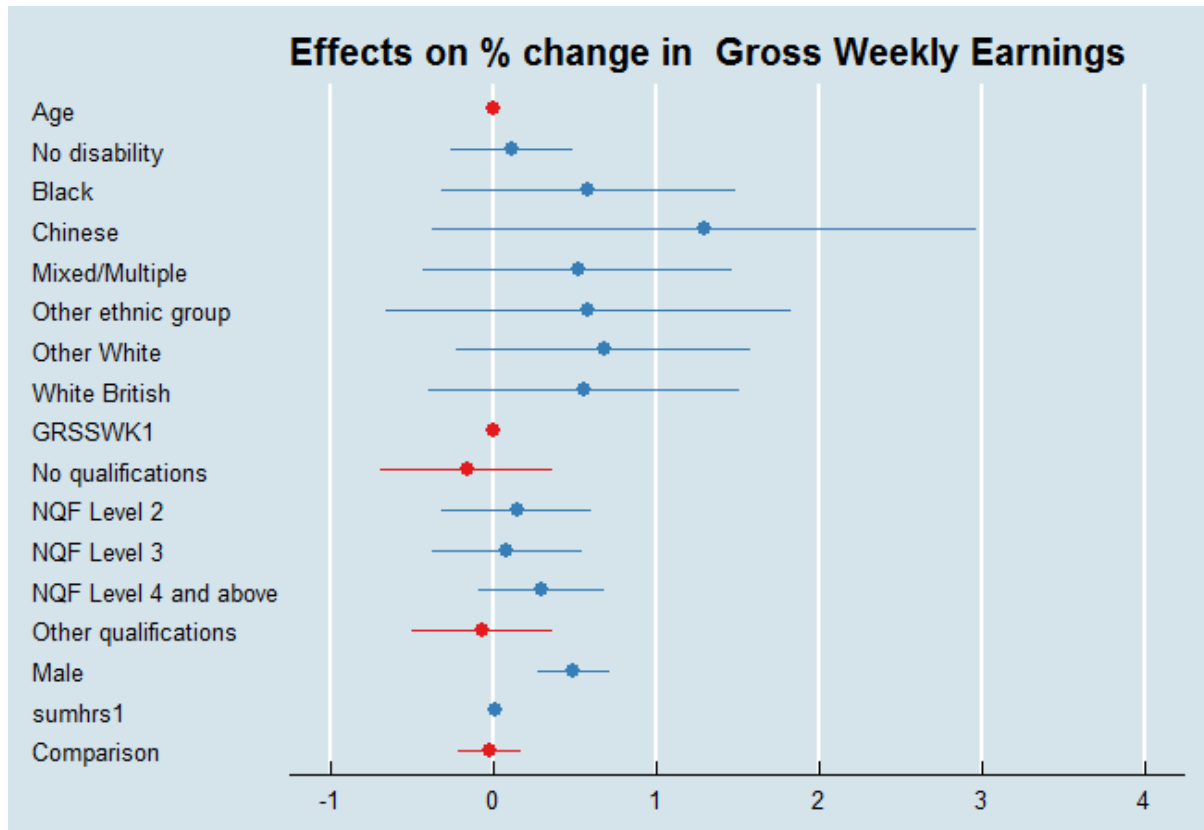
	Comparison group	Step Up
<b><u>Percentage change in pay</u></b>		
mean	36%	39%
median	34%	44%
<b><u>Change in pay between first and final observation</u></b>		
mean	£45.36	£46.37
median	£40.13	£53.19
<b><u>Pay at final observation</u></b>		
mean	£273.44	£270.97
median	£266.70	£259.16

The results of the regression analysis are shown in Figures 8.3 to 8.5. The analysis shows that the LFS comparison group had a small negative difference relative to the treatment (Step Up) group. This is shown at the bottom of each chart (in red). This means that the comparison group performed slightly less well on earnings growth than the Step Up group, controlling for all other factors. However in each case, the difference between the two groups is not significantly different from zero. **Therefore we are not able to show a significant positive impact of Step Up on participants' earnings progression, compared to what would have happened in its absence.**

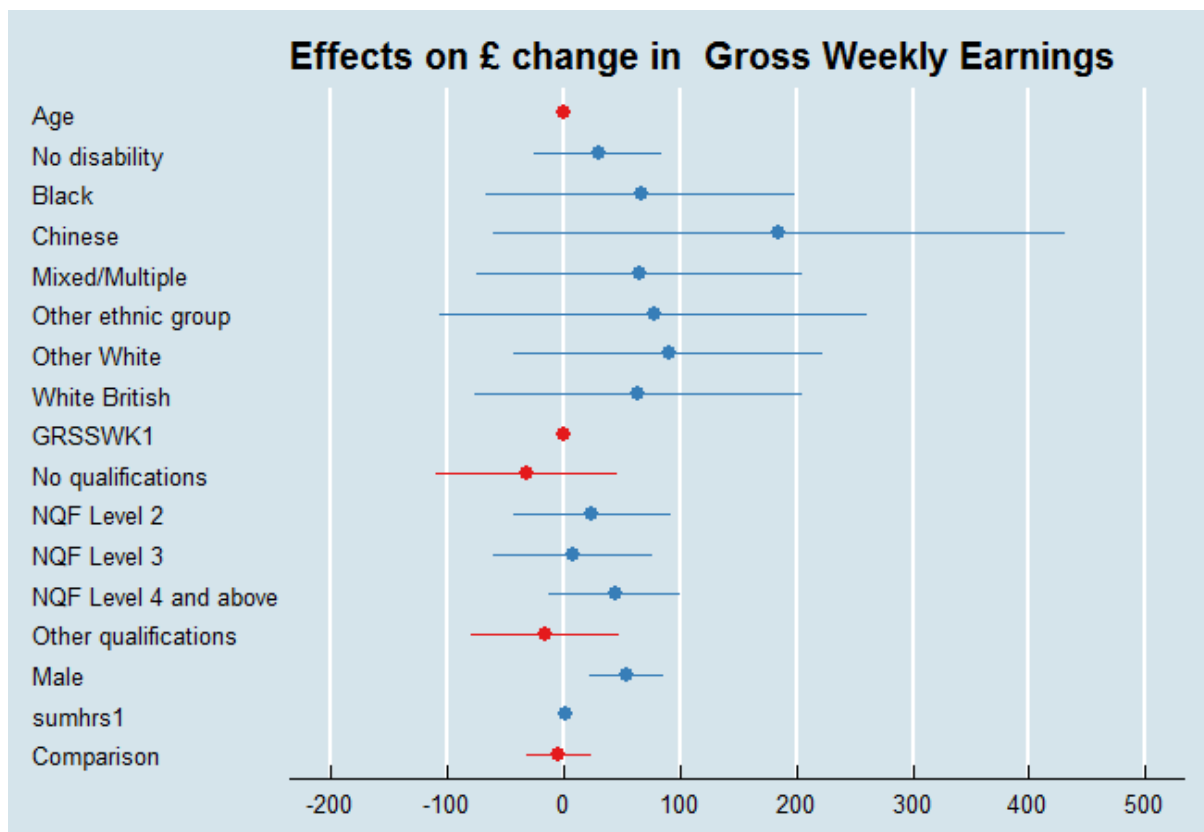
The rest of the rows in each chart show the effect of each of the factors included in the matching on the outcome measures. Each of the factors is shown relative to an

arbitrary 'base' category (alphabetically the first one). The only factor that shows statistical significance (i.e. has a confidence level not including zero) is that men were more likely to secure positive outcomes than women.

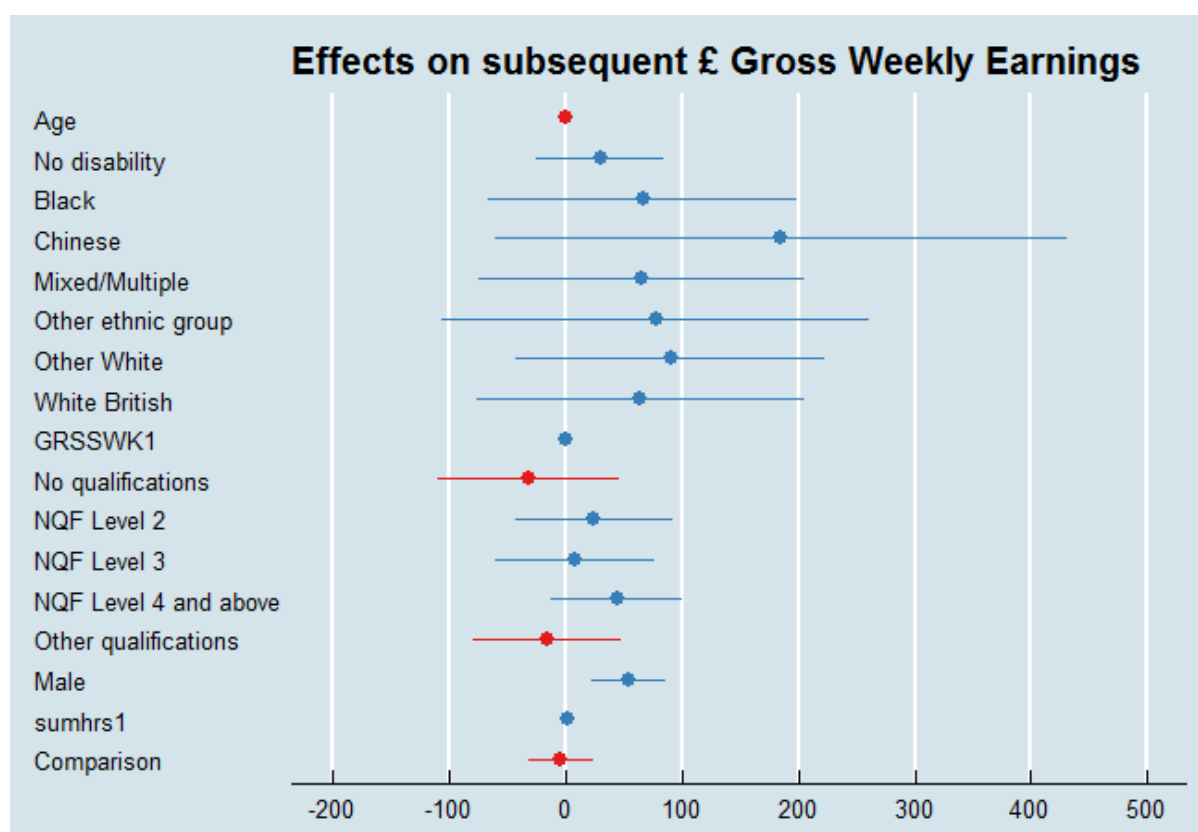
**Figure 8.3: Effects on percentage change in gross weekly earnings**



**Figure 8.4: Effects on £ change in gross weekly earnings**



**Figure 8.5: Effects on £ gross weekly earnings at end of observation period**



## Cost Benefit Analysis

Cost Benefit Analysis (CBA) is an approach to help understand the value for money of public service programmes and initiatives. The two key inputs into the CBA model are programme costs and benefits (or outcomes). *The outcomes used should be those that are additional to what would have been achieved in the programme's absence.* We are not able to do this for Step Up since a significant positive impact has not been observed. However, in order to inform future commissioning, and as part of the learning from this project, we have conducted a CBA to show what level of additional impact would need to be observed in a programme such as Step Up for a financial return on investment to be achieved.<sup>47</sup>

We begin by examining the costs of Step Up and calculate the costs per outcome for each of the five providers. We then conduct a cost-benefit analysis using the gross outcomes observed for the programme. This shows what the return on investment would have been if all outcomes had been additional (i.e. none would have been

<sup>47</sup> The Cost Benefit analysis is based on a model designed by Manchester New Economy.

observed if the programme had not run). We then calculate what level of additionality would need to be achieved for a given return on investment.

### Step Up costs

The overall cost of Step Up has been taken as the total value of the grants given to each of the delivery partner on the programme. This amounts to £399,000.<sup>48</sup> Tables 8.4 to 8.6 show, respectively, the total expenditure for the programme per delivery partner; the outcomes achieved by each delivery partner; and the cost for each of these outcomes.<sup>49</sup>

**Table 8.4: Total expenditure**

	Year 1 spend	Year 2 budget or spend	Total
Creative Society	£42,995	£40,996	£83,991
High Trees	£39,976	£40,025	£80,001
IRMO	£35,262	£43,562	£78,823
Thames Reach	£36,097	£40,402	£76,498
Timewise	£36,788	£43,053	£79,841
<b>Total participants</b>	<b>£191,118</b>	<b>£208,037</b>	<b>£399,154</b>

**Table 8.5: Employment progressions**

	Employment progressions					
	New Job	Improved contract or terms	Additional Job	Improve working hours	Promotion/ increased responsibilities	Total
Creative Society	19	5	9	3	2	38
High Trees	22	0	2	1	5	30
IRMO	42	6	9	1	5	63
Thames Reach	20	6	10	1	3	40
Timewise	26	0	8	2	3	39
<b>Total participants</b>	<b>129</b>	<b>17</b>	<b>38</b>	<b>8</b>	<b>18</b>	<b>210</b>

<sup>48</sup> Costs (and benefits) for Springboard have been excluded as they only delivered Step Up for 18 months of the programme.

<sup>49</sup> For this calculation, we have included all employment outcomes that could have resulted in an earnings increase, regardless of whether an earnings increase was achieved in practice.



**Table 8.6: Cost per outcome**

	Cost per progression					Total
	New Job	Improved contract or terms	Additional Job	Improve working hours	Promotion/ increased responsibilities	
Creative Society	£4,421	£16,798	£9,332	£27,997	£41,995	<b>£2,210</b>
High Trees	£3,636		£40,000	£80,001	£16,000	<b>£2,667</b>
IRMO	£1,877	£13,137	£8,758	£78,823	£15,765	<b>£1,251</b>
Thames Reach	£3,825	£12,750	£7,650	£76,498	£25,499	<b>£1,912</b>
Timewise	£3,071		£9,980	£39,921	£26,614	<b>£2,047</b>
<b>Total participants</b>	<b>£3,094</b>	<b>£23,480</b>	<b>£10,504</b>	<b>£49,894</b>	<b>£22,175</b>	<b>£1,901</b>

As can be seen, the cost per outcome for the programme as a whole was £1,901. This varied across providers from £2,667 (High Trees) to £1,251 (IRMO). Given that each organisation received the same grant, the differences across providers simply reflect their different outcome rates.

### Step Up benefits

The following is a list of the benefits included in the CBA. For each benefit we have listed the assumptions made to identify the impacted population.

#### Reduced Housing Benefit and Working Tax Credit payments

Calculations for reduced Housing Benefit (HB) are based on Step Up management information regarding changes in earnings. We have estimated an annual figure for HB savings using the pre and post programme weekly earning figures for those that indicated that they were receiving Housing Benefit at the outset. The total savings are distributed over financial years based on the claim date. The total increase in earnings for those on Housing Benefit amounted to £141,000. On the basis that every £1 change in wages means a 65p increase or decrease in HB (Source: DWP benefit calculators), **we estimate the overall HB savings from Step Up as £92,000.**<sup>50</sup>

For Working Tax Credit (WTC), we calculated the difference in salaries pre and post programme for each participant who indicated they were receiving WTC at the outset. We then applied the rule that the maximum tax credits award (£1,960 per

<sup>50</sup> It should be noted that these saving calculations are based on changes in an individual's salary, when in reality Housing Benefit payments are based on household income. However as we do not have a reliable measure of total household income, we have to assume other household circumstances remain static.

year) is reduced by 41p for every £1 of income above the £6,420 WTC threshold. **Overall, this amounted to a WTC saving of £42,000.**<sup>51</sup>

## Salary increases

There are two types of benefits arising from a salary increase: fiscal and economic.

Fiscal benefits are based on those earning more than the minimum income tax threshold resulting in **additional income tax and national insurance payments** flowing to the Exchequer. Our calculations show that for Step Up, this would have amounted to:

- **Additional income tax = £39,000**
- **Additional national insurance contributions = £34,000**

The economic benefits include the economic value of any salary increase to the individual concerned. **For Step Up, annual salary increases amounted to £650,000**, which are distributed over the two years of the programme according to outcome dates.

## Wellbeing benefits

As well as measuring the economic and fiscal benefits created by the programme, the CBA model also has the capacity to measure and value the social benefits created, such as the benefits deriving from improvements in wellbeing. The list of social outcomes used for this CBA is shown in Table 8.6. The values applied for each of the social outcomes are drawn from the Manchester New Economy Model.

To calculate the wellbeing benefits of Step Up, we have applied the wellbeing values from the model to all those individuals that achieved an earnings progression and indicated that they had a mental health issue at the beginning of the programme. For Step Up, this amounted to 16 individuals.

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<sup>51</sup> The actual WTC amount received by individuals is based on the basic amount plus any extra payments (known as 'elements') on top of this based on the individual's circumstances. This includes, for example, a premium for working over 30 hours a week and for a disability. However, with the additional elements applied, the overall WTC savings are still the same because the additional elements apply to both the starting salary and final salary.

**Table 8.6: Wellbeing benefits**

Outcome Type	Outcomes / Benefits	Description
Improved wellbeing of individuals	Increased confidence / self-esteem	Drawn from the national accounts of well-being model (where it is described as resilience and self-esteem)
	Reduced isolation	Drawn from the national accounts of well-being model (where it is described as supportive relationships)
	Positive functioning	Drawn from the national accounts of well-being model. This includes features such as autonomy and meaning and purpose
	Emotional well-being	Drawn from the national accounts of well-being model

We have taken a conservative approach to the CBA and excluded a range of other potential benefits of the programme. These are described in Box 8.2.

**Box 8.2: Potential benefits not included in the model**

Family, community and child impacts. There is some research that shows that an improvement in the financial situation of a parent has a positive impact on their child's wellbeing, their performance at school and a reduction in truancy.

Indirect tax revenues: the income boost that occurs from increased wages results in higher household spending and therefore higher indirect tax revenues, for example, in the form of VAT receipts.

Longer-term impacts: our values are calculated for the programme period (two years). However, impacts on salaries, reduced Housing Benefit payments and the associated impact on the individuals' wellbeing can last a lifetime, especially in relation to a child's performance at school and the ongoing benefits when they reach adulthood.

Mental health: There is an economic value based on the reduced health cost of interventions such as prescribed drugs, in-patient care, GP costs, other NHS services, supported accommodation and social services costs.

Reductions in housing evictions and statutory homelessness: many clients rent privately or from the Local Authority, therefore, there could be some savings associated with reductions in housing evictions and statutory homelessness. The figures based on research conducted by Shelter<sup>52</sup> show there are potential savings

<sup>52</sup> Research Briefing: Immediate costs to government of loss of home, Shelter, 2012.

for not having to write off arrears at the point of an eviction, costs of repairing and re-letting the property, administrative and legal costs and temporary accommodation. Savings associated with homelessness include the reduced costs of accommodation, administration and legal advice.

Upskilling: there is evidence of the future economic benefit of ‘upskilling’ based on the percentage uplift in wages as identified by BIS53 from reaching certain qualification levels which could be applied to those who achieved a qualification but did not get a wage progression during the programme.

## CBA results

Table 8.7 brings the programme costs and benefits of Step Up together. It is important to bear in mind that this uses gross outcomes (i.e. assuming that all outcomes achieved were additional).

There are a number of different net present values in the table. For the financial case, the key metric is the **net present budget impact** which considers the fiscal costs of delivering the project and the resultant cashable fiscal benefits. This is calculated by taking away the net present cashable fiscal benefits from the net present fiscal costs. The **financial return on investment** is calculated by dividing the present value of the budgetary savings by the upfront budgetary cost of the intervention.

A ratio of 0.52 shows that, for fiscal benefits alone, the costs of the programme outweigh the fiscal benefits. This is not surprising for an in-work programme as participants are not claiming out of work benefits – which is usually the main component of Exchequer savings.<sup>54</sup>

The economic case takes a broader view of the benefits of a project or programme with the goal of identifying programmes that maximise the total net present value to society, including the economic and social benefits. The **net present public value for Step Up**, which is the difference between the overall benefits to society and the overall costs to society, shows a positive return of £581K. This results in an overall public value return on investment of 2.48.

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<sup>53</sup> Further education: comparing labour market economic benefits from qualifications gained, December 2014

<sup>54</sup> Note that Housing Benefit savings, Working Tax Credit savings and tax returns from increased earnings do not contribute to the final Return on Investment figures as these are transfer payments to the Government, hence a ratio of zero.

This means that if all Step Up outcomes achieved were additional, for every £1 spent there would be a return on investment of £2.48.

**Table 8.7: Cost benefit results for the Step Up programme (gross outcomes)**

<b>Total discounted costs</b>	<b>£391,873</b>
Savings in Housing Benefit	£91,878
Savings in Working Tax Credits	£42,225
Additional Income Tax	£39,180
Additional NI contributions	£33,891
Total Fiscal benefits	<b>£207,174</b>
<b>Total Fiscal benefits (discounted)</b>	<b>£204,025</b>
Net Present Budget Impact (fiscal)	£187,848
Overall Financial Return on Investment	0.52
Earnings value to the individual (present value)	£649,826
Wellbeing value	£340,306
Total Economic and Social benefits	£990,132
<b>Total Economic and Social benefits (discounted)</b>	<b>£972,985</b>
Net Present Public Value (economic and social)	£581,112
Public Value Return on Investment	2.48

### **What level of impact from Step Up would be needed for costs to be covered?**

We estimate that for the Public Value Return on Investment to equal 1.0 (i.e. for costs to be equal to benefits), 40.3% of the benefits of Step Up would need to be additional benefits that would not have occurred without the Step Up programme. This is the point at which the *additional* discounted benefits would equal the level of the discounted costs (£391,873).

This break-even point on Public Value Return on Investment equates to a net increase in earnings of £485 over the two years on average for each participant, or £4.66 per participant per week – over and above the growth in earnings for the comparison group. As set out earlier in the chapter, in reality the estimated net increase in earnings for Step Up participants was on average £1.01.

## 9. Conclusions and recommendations

Step Up aimed to test and learn from new approaches to supporting earnings progression among low paid Londoners. As this was a pilot, an emphasis was placed on learning from the initiative for future programme design, commissioning, delivery and evaluation.

The evaluation has found that more than 500 low paid Londoners have been supported through Step Up over its first two years. One third of these people have seen their employment improve after taking part – defined as taking on more or better work, increasing their earnings or improving their hours. One in six participants increased their hourly wage by more than 10 per cent and one in seven increased their weekly earnings to above the equivalent of the London Living Wage for 36 hours a week (or 16 hours a week if a lone parent). Step Up participants also reported a range of softer impacts from taking part, including on their job satisfaction, financial circumstances, skills, confidence and wellbeing.

Despite this range of positive benefits, our assessment of the additional impact of Step Up on participants' earnings does *not* show a significant difference in earnings over and above what would have happened without the programme. Step Up participants saw earnings improvements that were slightly higher, on average, than a matched comparison group but this did not achieve statistical significance. There are some limitations to the analysis, which means that the result should be treated with some caution. Nonetheless, it suggests that while Step Up had a clearly transformative impact for many individuals that took part, it did not impact on a sufficient number to produce a positive return on investment in terms of programme costs.

Our analysis showed that each participant would need to improve their weekly earnings by £4.66 more than a comparison group, on average, in order to achieve a positive return. Achieving this would have required the support to have reached a larger number of people with the same impact and the same costs, and/ or to have increased the earnings of those engaged by a greater extent at the same cost.

In future initiatives, there may be greater scope to achieve this through increased economies of scale, for example working with a smaller number of providers and larger caseloads. However there are clearly trade-offs involved in scaling-up support, as a key finding from the evaluation was around the effectiveness of specialist and tailored support. Additional benefits might also be achieved through applying the positive learning on what has worked within Step Up, for example by

ensuring that referral and wider support partnerships are in place from the outset, so that advisers are able to focus their time and resource on the delivery of support.

It is also important to keep in mind that the impact assessment and Cost-Benefit Analysis is based only on one measure of progression (weekly earnings improvement over a 12 month period), and there may also be a trade-off between short-term earnings gain and longer-term sustainable career progression. The assessment of Step Up's impact will be repeated after the third year of delivery.

Below we consider the strengths and weaknesses of the Step Up programme and consider what changes need to be put in place going forward to have a more transformative impact on the lives of low-paid Londoners.

### Step Up strengths and challenges

The effectiveness of the Step Up model was built on delivering personalised, tailored and one-to-one support to participants. Both staff and participants viewed this as central to achieving positive employment outcomes. Effective adviser support comprised three elements:

- **A flexible approach** – tailored to the specific aspirations, capabilities and needs of individual participants. Although most participants aspired to higher earnings, multiple other factors contributed to what participants saw as 'improved' circumstances – most notably, improved work-life balance and job satisfaction. By understanding this, and tailoring support, advisers could increase engagement in (and the benefits of) participation, and reduce the risks of unsustainable or counter-productive outcomes.
- **Co-ordination of wider support and opportunities** – to address wider career goals, meet additional support needs or overcome specific barriers to work. This could include, for example, access to training; advice on income, housing or childcare; English language support; and peer or group support.
- **Effective support to prepare for, find and take up new work.** Three fifths of positive outcomes were achieved through changing jobs. Despite being in work, many participants lacked the understanding, confidence and skills to find better work. So effective support included help with understanding the local labour market; job search strategies; building confidence and motivation; and help with applying for jobs (CV and application writing, interview practice and technique).

Resourcing this support was often more intensive than providers had anticipated. Therefore developing effective local partnerships (or building on established relationships) were seen as key – both in delivering a tailored offer and in enabling



staff to focus their time and support. Partnerships were also key in enabling participants to access specialist support, and brought wider added value to the project – for example through peer mentoring or specialist industry contacts.

However, there were challenges in accessing wider services – in particular skills support and employer brokerage services – for three main reasons.

- First, support services were (and remain) under significant funding pressure – affecting for example access to basic skills support, English language training and wider supports like specialist employer brokerage or support with financial planning.
- Secondly, and in part to manage these funding pressures, some provision had restricted eligibility for those in work – even if they were in low paid or insecure work. This was most notable in access to skills training.
- Thirdly, even where provision existed, it was generally more targeted to those out of work and so often not set up to be responsive to the time pressures on those in work; or not suitable in its focus (e.g. targeting entry-level, low paid and insecure employment).

Recruitment and engagement of participants was a key challenge throughout the programme. People in low-paid work tend to be time poor, and are less likely to be in touch with statutory services and so aware of the availability of in-work support. The message of in-work progression was also relatively novel. The role of Step Up advisers was seen as key in encouraging low paid Londoners to engage. Staff that could explain and ‘sell’ the benefits of participation, understood potential participants’ needs, and were seen as approachable and understanding, could both motivate participants to take part and encourage them to maintain engagement.

Local partnerships and networks played some role in encouraging participation, but this could be built on in future programmes and support. In particular, despite strong relationships and engagement with Jobcentre Plus, this led to relatively few referrals into Step Up. This should improve once Universal Credit is fully rolled out, and with increased awareness among Jobcentre Plus work coaches. There is scope too to further learn from and build on wider local partnership efforts, including with landlords and local services.

Finally, a key element of Step Up was to test the use of earnings-related outcome measures in employment programmes. The programme used three different measures around hourly earnings, weekly earnings and the Living Wage. This appeared to work well – with around one in five participants achieving at least one

earnings outcome, and the range of measures driving a broader focus on quality employment rather than a single measure of income.

## Recommendations for the future of in-work progression support

Supporting those in low paid or insecure work to progress in work has been growing in importance in recent years and although there is still relatively limited support available for those in low pay, there is a range of provision being developed or tested – including provision commissioned by local Councils, the Greater London Authority, Department for Work and Pensions and Trust for London. A key objective of Step Up has been to explore and understand ‘what works’, so that this could inform the delivery of future support. So to that end, we make recommendations in six main areas, set out below.

### 1. Invest in tailored, personalised and adviser-led support

The key, critical success factor in Step Up has been the quality and specialism of one-to-one support. As set out above, this has been tailored to participants’ needs, and has been characterised by flexible delivery (particularly with regard to participants’ availability, time commitments, personal goals and needs); co-ordination with partners; and delivery of specialist employment and employability support. Future commissioning for in-work progression support should invest in this type of personalised and tailored one-to-one coaching support. The Step Up experience provides some benchmarks as to the nature, intensity and duration of support likely to be required and the skills required of advisers. This is detailed in Box 9.1, below.

#### Box 9.1: In-work progression support requirements

- Compared to into-work support, in-work progression support has a **greater requirement for personally tailored and flexible provision**, firstly because participants have more limited availability due to their work and other commitments; secondly because their goals and requirements are more individualised; and thirdly because they face a riskier transition than unemployed participants.
- A key learning point for Step Up providers was the **extent of one-to-one adviser support required**. On average, participants received 11.2 hours of support in total, and an average of 1 hour a month of one-to-one support. Future commissioning should take this into account.
- The requirement for a higher level of one-to-one, tailored support and the need to be flexible in delivery, has implications for staff resource. In future commissioning, it may be useful to build on the personalised and tailored

approach used in Step Up to **test approaches to needs assessment and triage** for in-work progression support. This could assist in the effective allocation of resource to those who are most likely to gain additional benefit from the support and enable more effective use of partners to support more complex needs.

- Providers of in-work progression support also need to ensure that they have strategies for **sustaining participants' engagement**, which is a particular challenge for in-work progression support, where participants' other priorities and challenges can de-rail engagement. As with into-work support, maintaining a clear, **proactive offer of ongoing support following the achievement of outcomes** is also important. Participants may be unprepared for the financial impact of changing their work circumstances or encounter difficulties in their new role, thus ongoing support is needed to ensure that any improvements are sustained.
- From Step Up's experience, the **critical elements of one-to-one support** required for in-work progression programmes include:
  - **Careers guidance** to help participants recognise their strengths and transferable skills and identify suitable progression routes;
  - **Employability support** such as help with job search, interview preparation and CV support; and
  - **Coaching**, to provide encouragement and soft skills building to increase participants' motivation and confidence to take steps towards progression.
- The adviser role in an in-work progression pilot requires **a wide-ranging skillset** to support the range of individual needs and aspirations. Advisers need to be adept at:
  - identifying client needs
  - building rapport and trust
  - coaching and challenging participants
  - delivering – or accessing - tailored careers guidance attuned to local labour market, and effective jobs brokerage
  - networking and building knowledge of training provision and wider services
  - providing a range of employability support.

## 2. Focus on increasing awareness, promoting availability of support, and co-ordinating efforts to identify, engage and enrol participants

Promoting the take-up of Step Up has been challenging throughout the programme. Over the two years, partnerships have become more embedded and there have been increased efforts to co-ordinate activity to promote the service and source referrals. Learning from this, in the future there is a need to increase awareness among a range of organisations of the issue of in-work poverty and the availability of in-work progression support, as well as putting in place referral partnerships from the start, so that programmes reach their full complement more quickly and are able to focus their time and resource on the delivery of support and achieving outcomes. This could lead to significant additional benefits from provision.

This would mean **developing recruitment channels at the outset** through working with Councils, housing associations, residents' groups, employer representatives and any services that come into contact with adults in low-paid work. The specific eligibility criteria used for Step Up (twelve months in low paid work) made it more difficult to recruit from some partner organisations, especially those supporting people into work, who often did not maintain in-work contact for this length of time. One lesson to draw from this for future commissioning is to try to ensure that there is a range of provision available to support those in low pay in different circumstances – both those recently entered work or cycling between work and benefits, as well as those 'stuck' in low pay for longer periods. This would aim to prevent the 'void' in support between into work support and in-work progression programmes such as Step Up.

Most importantly for future recruitment, **there is scope to build on the strong strategic partnerships developed with Jobcentre Plus**, to translate these into operational partnerships that enable the referral of low earning benefit claimants into additional support. This should become easier as Universal Credit beds down, but will require Jobcentre Plus to give providers access to work coaches so that services can be properly explained and promoted, and ensuring that opportunities are listed on Jobcentre Plus systems.

Referrals from Jobcentre Plus will also raise challenges that have not occurred in the context of the voluntary Step-Up projects, such as **the effect of conditionality upon participant engagement and activity levels**. Experience from a range of other programmes that recruit through Jobcentre Plus suggests a need for ongoing and proactive communications between work coaches and external support providers to ensure that the support delivered is complementary rather than conflicting, and that the respective partners delivering support have a shared understanding of outcomes

from that support. This would be facilitated through the development of consistent outcome measures for in-work progression support.

For future support, the enhanced focus on recruitment needs to be supported by **the development of clear messages** about the aims and benefits of in-work progression support, with messages tailored for participants, employers and stakeholders. Communicating the target groups and eligibility criteria clearly and consistently to recruitment partners, and developing easy-to-understand messages and materials that can be used by front-line practitioners to engage participants, is key.

- For **recruiting individuals**, messages that avoid jargon; focus on the desire for change; present clear, tangible outcomes and a clear pathway and timescale to achieve them; and emphasise the personalised and specialist nature of support, have all been found to be effective.
- For **engaging employers**, the support offer needs to be tailored to their needs and align with existing mechanisms and structures for staff development and progression. The offer has to be presented as a tailored business solution for them rather than a pre-established support offer.

### 3. Ensure that wider support services are mapped, understood, available, engaged and tailored to the needs of low-income workers

As noted above, there were particular challenges in making use of wider support services for Step Up participants – due to their availability, eligibility rules, cost, relevance or flexibility. Impacts would likely have been greater had there been more availability of appropriate additional support, in particular around:

- job brokerage support relevant for progression (e.g. targeting London Living Wage jobs)
- skills provision (free or low cost provision and delivered on a flexible basis outside of working hours)
- English language support and support around re-validating overseas qualifications
- Affordable childcare
- mental health provision

Projects had to invest considerable efforts in mapping, sourcing and working with partners in order to find additional support options for participants, often with mixed success. It would be beneficial in other projects for programme commissioners, stakeholders and delivery partners to work together early on to map and engage

support services – and where possible, plug potential gaps in delivery – in terms of both accessibility and cost for low-paid workers.

One particular future need is likely to be around Universal Credit, which was beginning to have an impact during Step Up. It is essential that advisers can offer clear and accurate advice on the implications of any change in circumstances for benefit and housing payments, which is made more challenging under Universal Credit both due to its rules and transitional protections. So in the years to come, providing financial advice and guidance around the interaction of earnings progression with welfare and benefits – either by advisers themselves or through sourcing additional provision – is likely to be key.

#### **4. Explore ways to build on adviser-led models with more employer-facing support**

Step Up projects were predominantly focused on delivering one-to-one support to participants, and only in one or two cases also provided workplace- or employer-facing support. This was intentional, as the projects aimed primarily to equip individuals in particular target groups to take steps to improve their employment prospects and earnings, rather than to attempt to alter progression practices within businesses or sectors.

The Step-Up initiative did not therefore test the scope for intervening more systematically with employers to improve workplace practices, the quality of work and staff pay. Where this support exists currently, it is typically delivered through business-to-business support (for example, membership bodies and consultancy), and to a lesser extent through Council or London-wide business advisory services. In future, there would be value in exploring the scope to align the individual-level approaches tested by Step Up with these wider employer-level approaches.

As demonstrated by the experiences on Step Up, employer engagement on in-work progression is challenging and providers delivering effective coaching support to individuals are not necessarily the best equipped to deliver this. There were examples in Step Up of providers engaging effectively with employers on in-work progression, usually where they already had an established relationship and employer trust in the provider offer had been built. Thus pre-existing relationships with employers, combined with a tailored offer aligned to the specific needs of individual employers, is likely to be the most effective.

This suggests that within London, there could be real benefits from the public and voluntary sectors working together to share practice and to better align individual and employer-facing approaches, through harnessing the expertise of those best placed to deliver each type of approach.

## **5. Use a basket of success measures for future provision**

The findings suggest that the 'basket' of outcome measures used in Step Up contributed positively to the development of projects focusing on quality outcomes rather than simply hitting a specific earnings- or hours-related target. This should be borne in mind when setting outcome targets for future programmes.

There is also a need for further trialling and testing of the effects of different combinations of outcome measures and provider payment models for future commissioning to aid understanding of which approaches can best contribute to the achievement of additional outcomes and provide value for money.

## **6. Support efforts to understand, share and promote good practice**

In-work progression support is still a new area, where there is limited evidence of what works and few existing networks to go to for practitioners or commissioners wanting support and advice. For current and future providers, and for commissioners, it is critically important to support efforts to raise awareness of the issue; to share existing practice and the support available; to generate good practice ideas, materials, case studies and evidence; and to invest in understanding and sharing 'what works'.

This should include further testing of different approaches to commissioning and delivering provision, in order to improve understanding of best practice in in-work progression support and which approaches can best contribute to the achievement of outcomes. Sharing expertise and developing understanding on evaluation methods and data collection requirements for assessing impact and value for money is also vital, given the limited ability to demonstrate robust additional impact from in-work progression programmes to date.



## Annex 1: Additional outcomes data

### Employment-related outcomes by participant characteristics

Figure A1.1 shows the rate of employment-related outcomes for participants of different qualification levels and ages, respectively. This is shown for two of the providers (High Trees and Thames Reach) only, because these providers targeted a wide range of participant groups.<sup>55</sup> The proportion of each category that achieved an employment related outcome is shown in the third row ('Actual Proportion') and compared against the proportion we would expect to find if the achievement of outcomes was equally distributed across categories.

Figure A1.1 shows that those with a lower level of qualification (up to level 2) or an overseas qualification at the programme outset achieved slightly more outcomes than we would have expected, while those with higher levels of qualification (level 3 or level 5 (UK degree) achieved slightly fewer outcomes than we would have expected. A possible explanation for this could lie in the types of jobs that these two groups of people were currently in and were hoping to move in to. It may be that those with higher level qualifications began in jobs that were higher wage to begin with, relative to those with lower level qualifications. (This is confirmed in the bottom row of the table.) This would result in a greater threshold required for any potential new or additional job to constitute a 'better job' for them, which could translate into fewer outcomes for those with higher qualifications.

A comparison of outcomes by other characteristics (for these two providers) did not show any consistent pattern.

**Figure A1.1: Employment-related outcomes by qualification level**

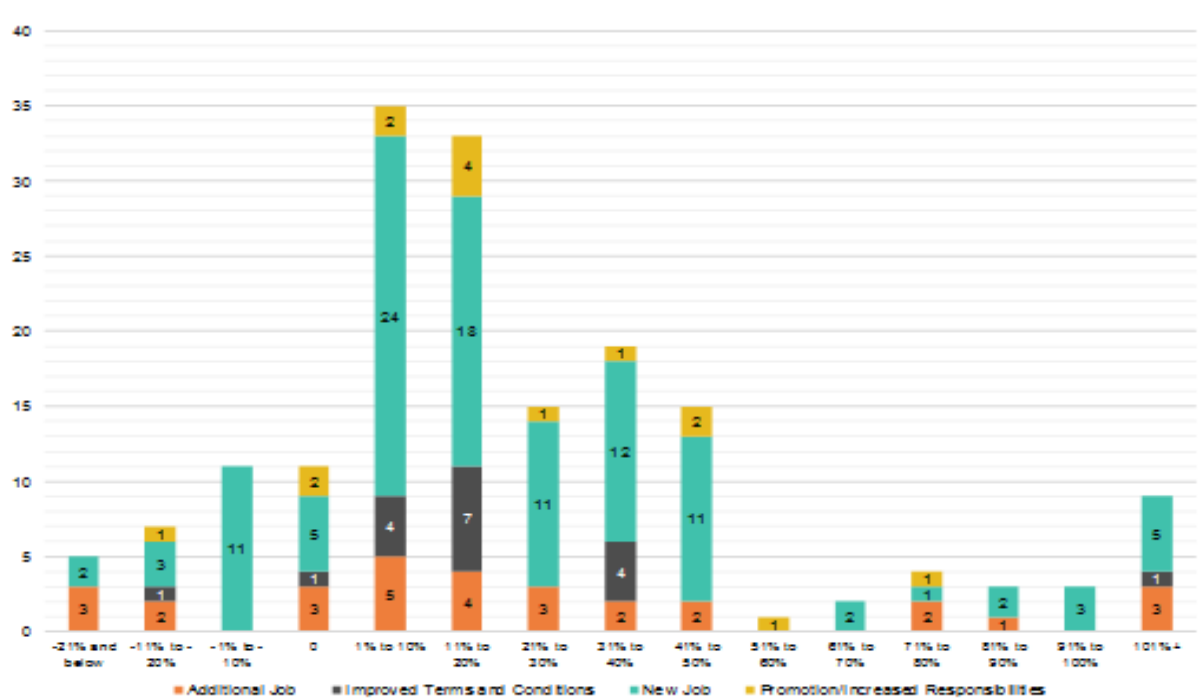
	No Qualifications (N=15)	Up to Level 2 (N=44)	Level 3 (N=24)	Level 5 (N=19)	Overseas (N=50)	Other (N=16)
What we would expect (if outcomes were distributed equally)	8.9%	26.2%	14.3%	11.3%	29.8%	9.5%
Actual Proportion	11.3%	29.0%	12.9%	4.8%	32.3%	9.7%
Difference	2.4%	2.8%	-1.4%	-6.5%	2.5%	0.2%
Starting Hourly Wage	£7.71	£7.97	£8.44	£8.96	£7.85	£8.65

<sup>55</sup> Other providers targeted distinct participant groups and also had different delivery models making relationships between outcomes and participant characteristics difficult to draw out.

## Earnings outcomes

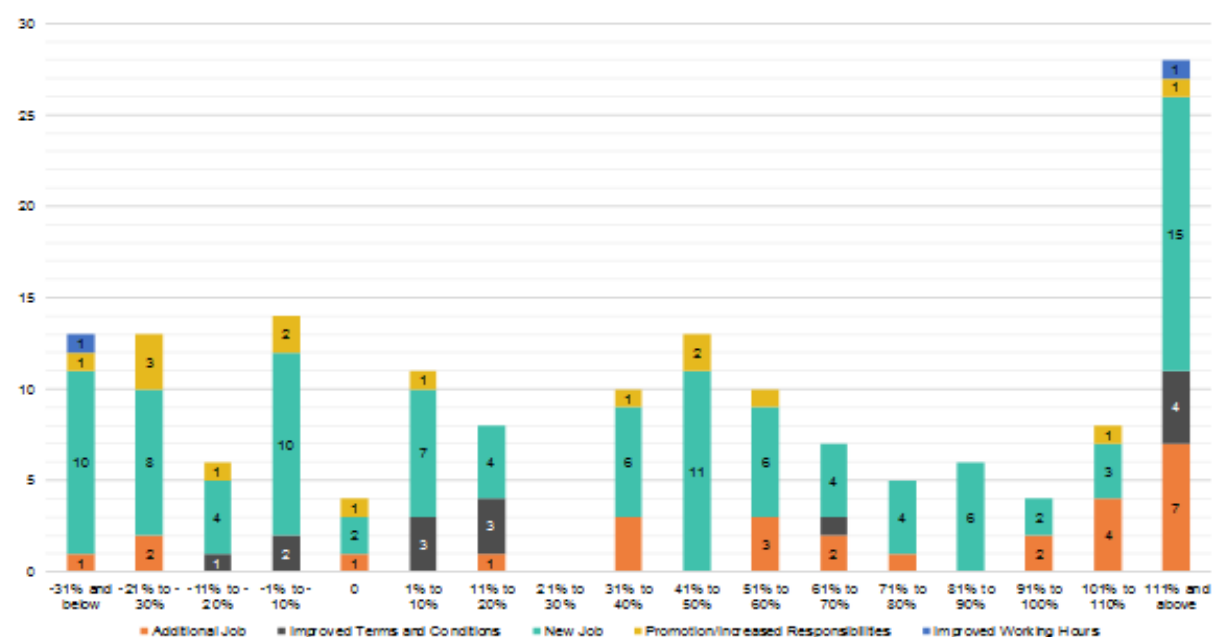
Figures A1.2 and A1.3 show the percentage change in hourly wage and weekly earnings experienced by participants who achieved different types of outcomes. The most common outcome for hourly wage was an increase of between 1 and 20%, although a sizeable proportion achieved an increase of between 20 and 50%. Very few achieved more than this. The picture for weekly earnings looks a little different, with greater dispersion across the distribution. The most common change in weekly earnings (including 17 individuals or 11% of those who changed their earnings) was an increase of 150% or more.

**Figure A1.2: Percentage Change in Hourly Wage by employment outcome type**



Source: Step Up all provider MI

**Figure A1.3: Percentage Change in Weekly Earnings by employment outcome type**



## Programme targets

**Figure A1.4: Proportion of caseload achieving Step Up programme targets by provider**

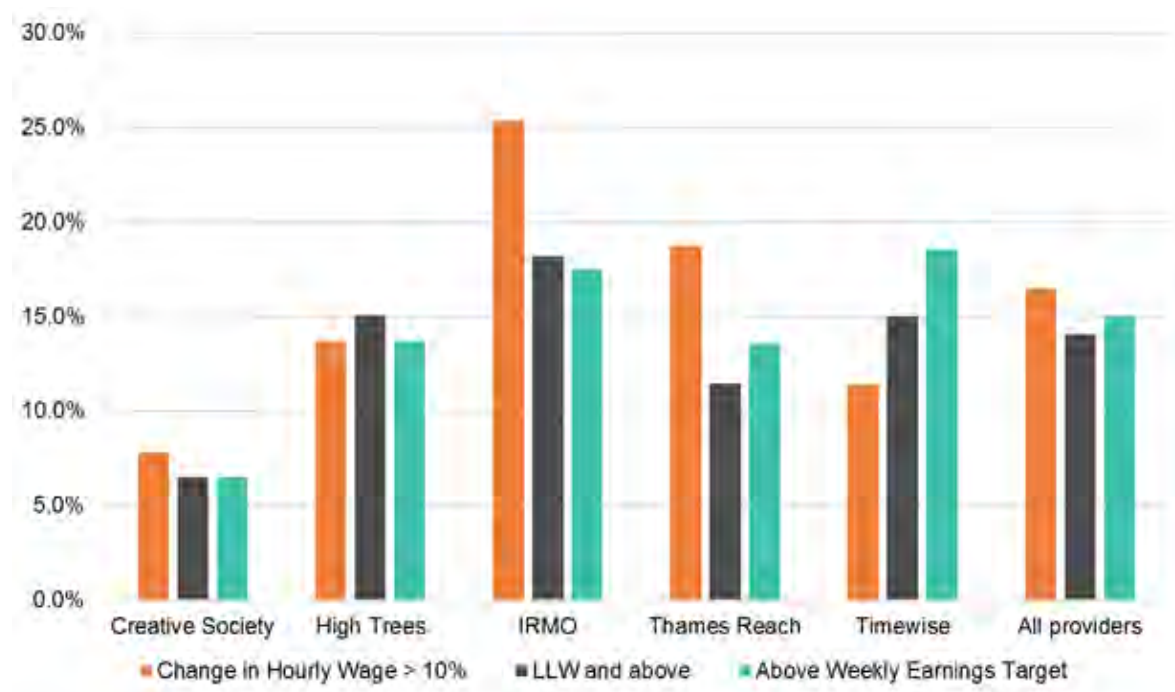


Figure A1.4 shows the proportion of participants to achieve each of the three main Step Up targets a) an increase in their hourly wage of at least 10%, b) an increase to the level of the London Living Wage, and c) achievement of the weekly earnings target, by provider.

These figures show that of the providers, IRMO's participants were more likely to achieve an increase in their hourly wage of at least 10% and a hourly wage of London Living Wage or higher, while Timewise's participants were most likely to achieve the weekly earnings target. Creative Society participants were least likely to achieve all three outcomes. Timewise participants were also disproportionately likely to achieve the LLW outcome, though not the hourly wage increase of at least 10%.

This variation across providers could in part be explained by the differences in participants' hourly wages across providers on starting the program. For example, the average starting wage of IRMO participants (for whom hourly wage data is available and who went on to achieve an employment related outcome) was £7.84<sup>56</sup>, whereas Timewise participants had an average starting hourly wage of £8.89<sup>57</sup>, the highest starting hourly wage of all providers. Timewise participants may therefore have been less able to achieve the 10% increase.

Additional factors also seem to be at play too. Timewise participants, who started out on the highest average hourly wage understandably emerged as the most likely to reach the LLW target, having the shortest 'distance' to travel. Conversely, Thames Reach were the provider with the lowest average starting hourly wage at £7.51 and emerged with a lower proportion of participants achieving the LLW, relative to other providers. However, IRMO participants had the second lowest average starting hourly wage, yet were just one percentage point away from being the provider with the greatest proportion of participants with an employment related outcome earning the LLW.

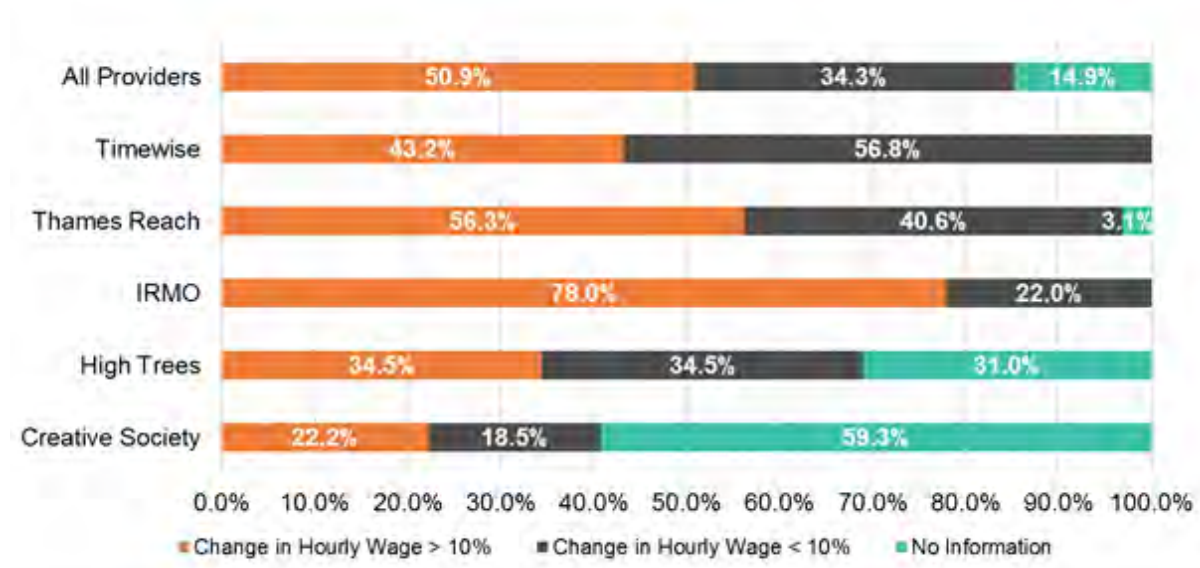
Creative Society participants were least likely to achieve any of the three targeted outcomes, which is likely to be partly due to the type of outcomes sought and achieved by young people in the creative sector. As discussed in Chapter 7, the earnings outcomes were felt to be less relevant to this group of participants. However the outcome rate is also affected by a high level of missing earnings data for this provider (see Figures A1.5, A1.6 and A1.7, below, which show missing data).

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<sup>56</sup> IRMO participants, regardless of whether they achieved an outcome had an average hourly wage at programme outset of £7.72.

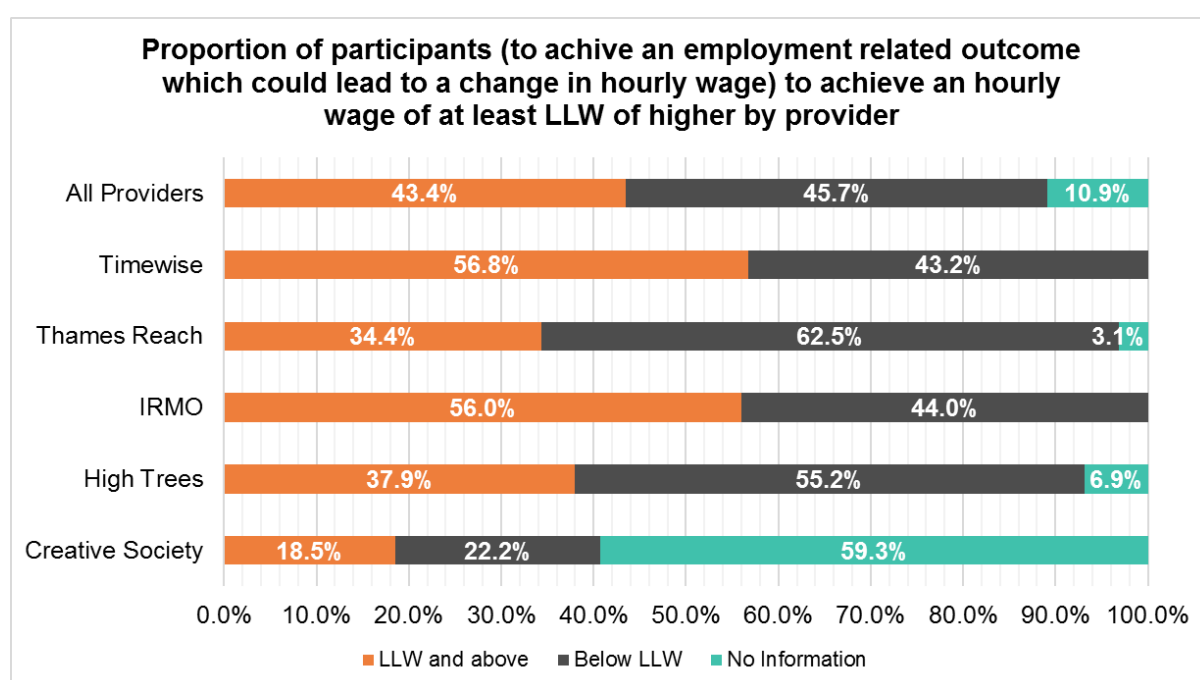
<sup>57</sup> Timewise participants, regardless of whether they achieved an outcome had an average hourly wage at programme outset of £9.33.

**Figure A1.5: Proportion achieving a 10% Hourly Wage Increase by provider**



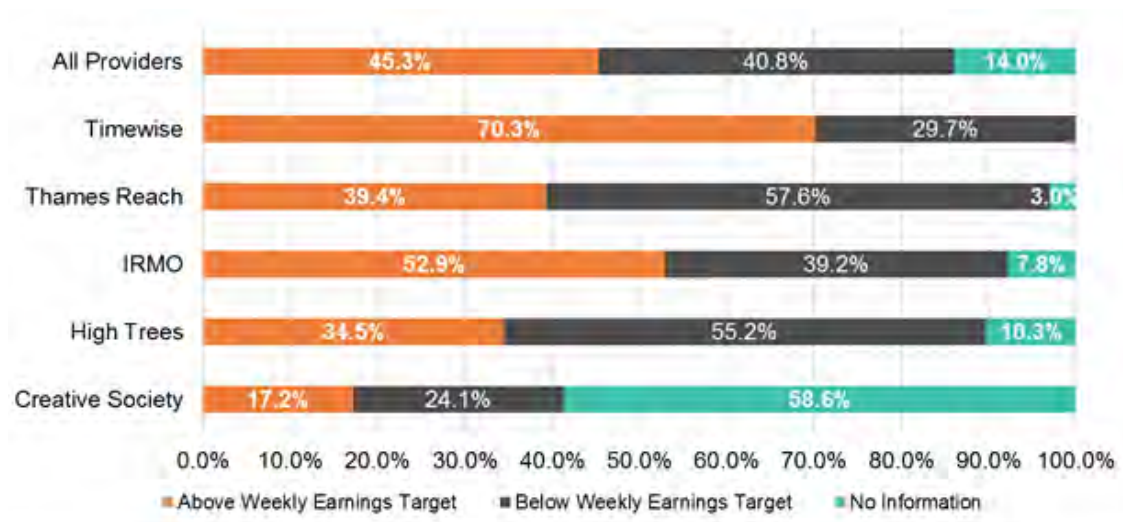
Source: Step Up all provider MI. Base: participants who achieved an employment outcome that could lead to an increase in hourly wage

**Figure A1.6: Proportion achieving the London Living Wage by provider**



Source: Step Up all provider MI. Base: participants who achieved an employment outcome that could lead to an increase in hourly wage.

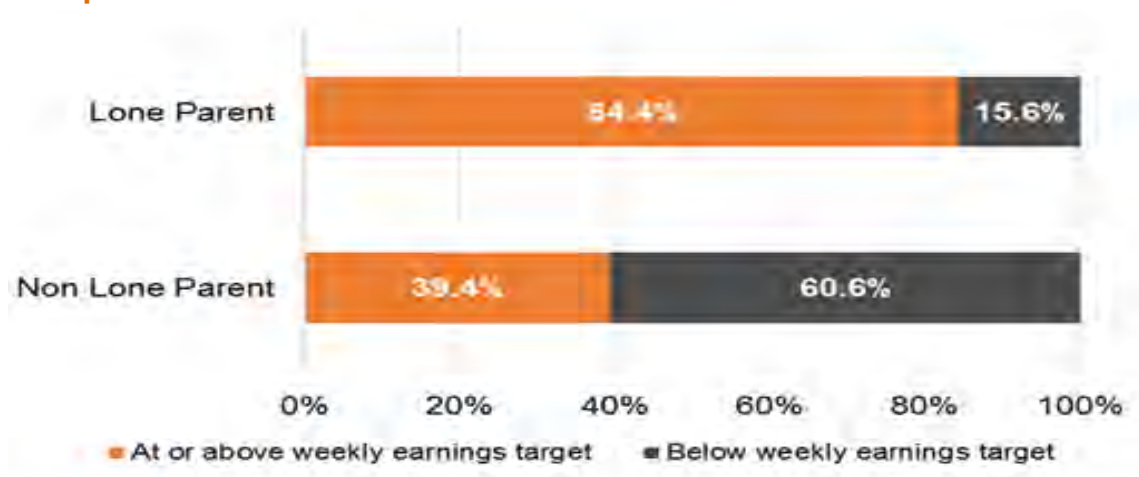
**Figure A1.7: Proportion achieving the weekly earnings target by provider**



Source: Step Up all provider MI. Base: participants who achieved an employment outcome that could lead to an increase in weekly earnings

Figure A1.8 below shows the proportion of participants who achieved the weekly earnings target by lone parent status<sup>58</sup>. For non-lone parents, 40% of those who achieved an outcome achieved the weekly earnings target, while over double this proportion (84%) of lone parents did so.

**Figure A1.8: Proportion of participants achieving the weekly earnings target by lone parent status**



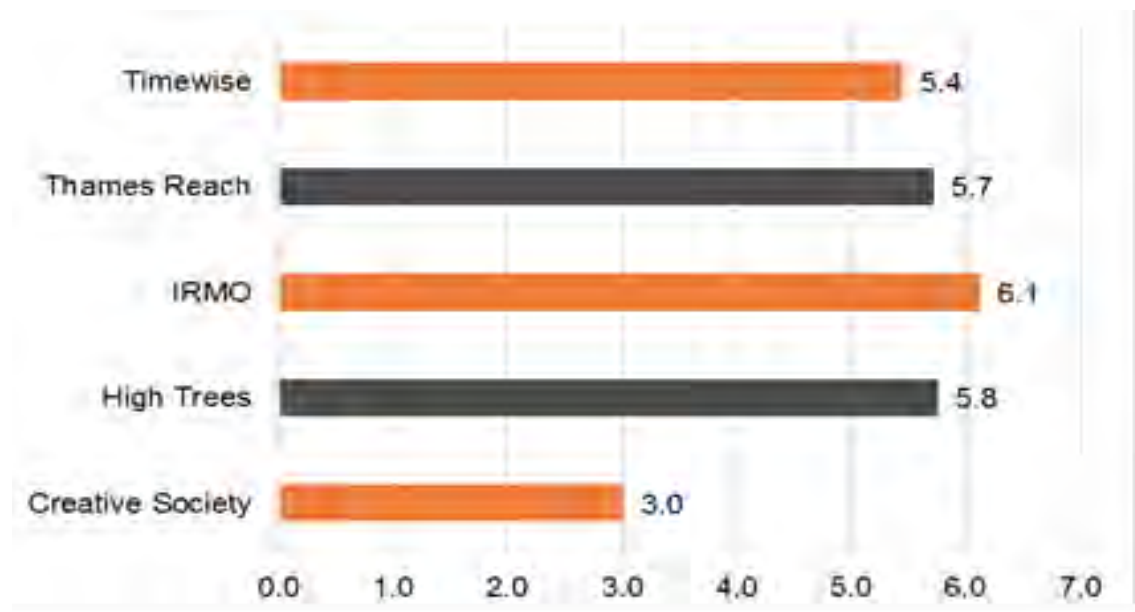
Source: Step Up all provider MI. Base: participants who achieved an employment outcome that could lead to an increase in weekly earnings.

<sup>58</sup> Lone parent status has been defined as an individual with at least one, cohabiting, dependent child who does not live their partner.



## Time to employment outcomes

Figure A1.9: Average time to outcome: provider breakdown



Source: Step Up all provider MI

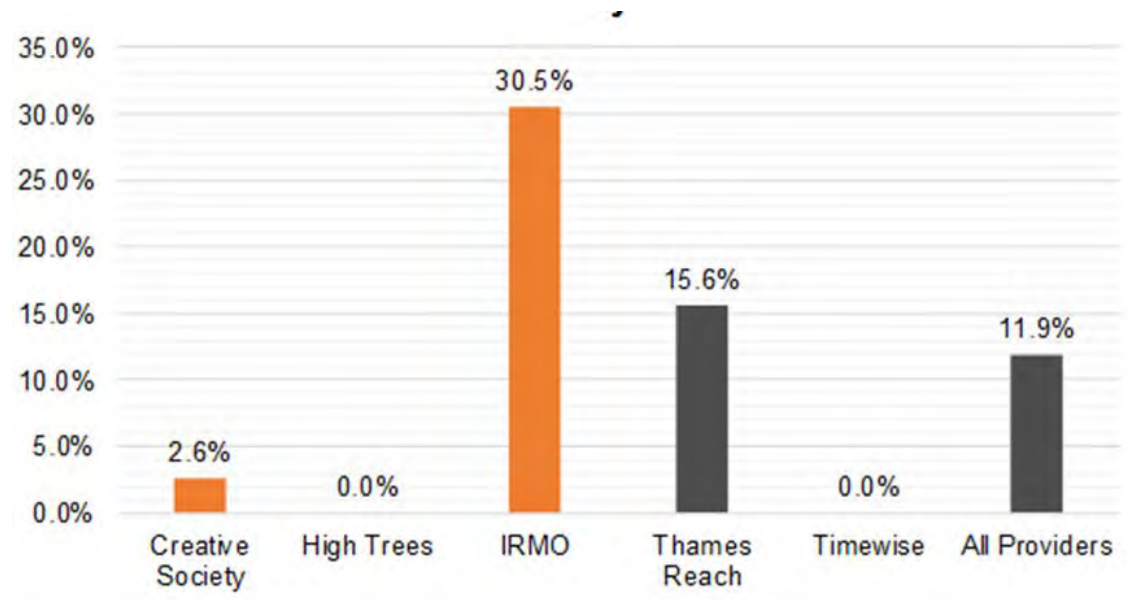
Figure A1.9 displays the average number of months taken by participants to achieve their first employment related outcome, for each provider. This shows that Creative Society participants tended to achieve outcomes more quickly than other providers although as shown earlier these participants were less likely to achieve the earnings outcome targets.

## Other outcomes

Figure A1.10 shows the proportion of participants who achieved a new qualification, by provider. As can be seen, the largest proportions were in IRMO, at 31% – reflecting their delivery model which focused on gaining a qualification in the construction sector - and Thames Reach at 16%.



**Figure A1.10: New Qualifications achieved by provider**



## Annex 2: Case Studies

### Case Study 1: Positive Outcomes (Timewise)

When she engaged with Step Up, this participant was working as a part-time administrator, earning £16,000 pro rata. She identified her main barrier to progression as childcare responsibilities, since both her children were disabled and had to attend regular doctor's appointments. The Timewise support offer which was tailored to the needs of single working parents really attracted this participant to the programme.

She highlighted the benefit of the initial assessment, which sought to understand her needs and aspirations in-depth, and tailored subsequent support accordingly. Given her lack of confidence and perceived lack of ability to perform at interview, she found group and one-to-one interview training particularly beneficial. She was able to directly apply what she learned in this training to a job interview, where she was successful:

*"[the most useful element of the support], it was training at interviews and it was absolutely brilliant, if I'm honest and I actually took it away with me, and it was a lot like, you know, my interview."*

She secured a permanent, full-time contract as an office manager earning £28,000 a year. She enjoys the job, as she is gaining relevant experience in a fast-paced environment with a team of supportive colleagues. Most importantly for this participant, there is also employer flexibility and understanding around childcare responsibilities among her colleagues. This is particularly important given her children's health needs. She also enjoys a good work-life balance which is important for her as a mother:

*"in this job, from what I've heard, you can work from home and they're very flexible because the CEO and directors have children of their own. So they're very understanding that appointments are going to crop up and you need some time off."*

She now feels financially more able to afford childcare rather than having to rely on informal family childcare, as this can be difficult to negotiate.

Her outcome has had significant beneficial impacts, including financial autonomy, increased confidence, skills development and importantly an increased sense of

identity independent of being a mother.

She now has a solid 5-year plan to increase her earnings annually as well as securing a more senior role. She also plans to buy her own home. Earning more is a key priority, as she wants to invest in her children's future and teach them that financial independence, rather than being in receipt of benefits, is beneficial:

*"In regards to money, it's more for my children's future than it is for my own."*

She attributes her progression to support received from Step Up, and is doubtful she would have achieved this outcome without the support. In particular, the personalised, face to face support from her adviser boosted her confidence, as well as providing her with practical guidance and advice on employability which enabled her to feel less daunted when searching for roles:

*"I wouldn't be here, I'm not going to lie, I didn't know where to look for work, I just didn't know, I was stuck in a rut where I was on benefits and that was it and I honestly didn't know where to look...so I think without Women Like Us, I could possibly be working in Sainsbury's or still signing on, if I'm honest. I was stuck and they kind of pulled me out, so yes, I wouldn't, I wouldn't be here."*

### **Case Study 2: Improved circumstances without an earnings outcome (Springboard)**

This participant did not achieve an earnings outcome as a result of Step Up but had managed to improve their work circumstances in a variety of ways, which they saw as a beneficial impact of their involvement.

Before engaging with Step Up, the participant faced challenges communicating with their colleagues and employer, and managing challenging working relationships effectively. The participant put this down to limitations in their English language ability, which affected their confidence, and a lack of cultural awareness of appropriate and expected workplace behaviour and communication. Through support from the adviser, they were able to develop confidence, and better team work and communication skills. This enabled them to forge better relationships with colleagues and to have a conversation with the employer to negotiate suitable working hours. This was important for the participant who had sole responsibility

for a school-aged daughter:

*"She helped me to feel more confident, more of a person in my job, and because I am working long, long time, sometimes we think we know everything and we've got some kind of attitudes and reactions, and this programme helped me to remember it, so she said the job is not just work, it is communication between colleagues and various reactions between customers and staff, but yes, it helped me to feel more confident that I can say."*

Her adviser also did a better-off calculation, which made her realise that changing roles in the sector would not have benefited her financial situation as much as staying in her existing role and negotiating progression opportunities there:

*"she showed me the jobs in catering, I saw the companies, most of the companies ask for £7.20 in this time I think yes, some £8.40, so... and the problem is the same, I needed to do nights, or the weekends, so there's no point... she [adviser] said, "Okay, why don't you talk with the manager, show her your ideas, talk with her, give her your ideas, explain your problems, yes"*

Her main objective is now to progress further in her current position. In order to do this, she suggests that in-work training opportunities would be most beneficial. She would also benefit from further external support from Step Up.

### Case Study 3: Soft Outcomes (IRMO)

For this participant, despite not seeing progression in their employment circumstances, the support accessed through Step Up was felt to be beneficial for accruing a range of soft outcomes. Importantly, this participant felt that many of these outcomes increased their opportunities for securing in-work progression in the future:

*"If I wanted to work for a construction company or something I've got a good start with the programme...it's opened a lot of doors."*

This participant felt that developing their skills prior to being able to achieve in-work progression was essential. Therefore, they prioritised maintaining their current role - which provided them with fixed hours outside of office opening times – and were consequently able to access support during the day.

As a native Spanish speaker, the participant felt that their main barrier to progression was a lack of confidence and ability in spoken English. Although they did not access English courses directly through Step Up, their adviser signposted them to a course that they attended daily. Moreover, the face to face engagement with their adviser gave them invaluable exposure to English conversation skills and boosted their confidence due to their adviser's motivating and encouraging approach.

The most useful element of the support for this participant was the construction course. Several factors contributed to this: the relevant and interesting content with a specific focus on language needs, the comprehensive resources for self-study, and the location at IRMO offices, which were not only fully equipped with learning facilities such as computers, but also acted as a central meeting place for the whole group to discuss ideas, which provided peer support and fostered productive study sessions:

*"I had access to all the facilities here, and there was a CD that came with the materials, that if you didn't have your own computer you were able to come to IRMO and use the computers here...coming here meant that you just could learn from each other. So people would have experience from Spain, or the other country they'd come from, about these materials and construction already, so they were actually learning from each other as well."*

Passing the CSCS exam and gaining a qualification secured the participant a tangible outcome. In turn, this resulted in a wider range of soft outcomes, including

higher morale and feeling more prepared for and able to progress in the future:

*"It's helped a lot. Even though I haven't got a different job yet I feel like I can definitely work in a better job and it's really helped with my morale. I feel much more prepared, less insecure and can see that it will give me the opportunity to get more work, not necessarily even here but perhaps in another country as well."*

#### **Case Study 4: Soft Outcomes (Creative Society)**

This participant has dreamed of securing a career in radio production since graduating from their BA two years ago. However, her reality had been short-term, unpaid internships, supplemented by hospitality roles to cover their living costs. At the point of engagement, the participant was lacking motivation and direction and felt isolated due to limited opportunities to break into their desired sector. Working in an irrelevant sector had also taken its toll on her mental health and overall wellbeing.

The participant was very pleased with the initial meeting, as the adviser was able to gain an in-depth understanding of their needs, and proposed a collaborative progression journey tailored to meet those needs. The collaborative approach and the personally tailored support meant that the participant felt they had agency over decisions:

*"It was very much kind of on my terms as to what I wanted to get from it and I thought that was really, really good, and they kind of said, "These are the things that we can do, this is what we think may suit you best, if we try and work on these things, like, listening to what you've said, this is what we think might work really well on our one to one sessions, what do you think and how do you want to go forward with it?... It was a really nice collaborative approach to how we were going to move forward."*

One of the most beneficial aspects of the support for this participant included being provided with networking opportunities. For example, their adviser set up a meeting with a BBC radio journalist, which provided a good networking opportunity, and supported them to secure public speaking experience. Talking to people with experience in the sector provided her with greater clarity about her needs and goals and how to take steps to achieve them, as well as enabling her to make more valuable use of her time:

*"Being able to clarify to myself what I want and provide myself with*

*targets... which has been really good for personal development, and having someone understand my situation and kind of say, "Oh yes, that is quite difficult," because I think in a lot of creative industries you're told that you just have to go through, like, a lot of pain before it pays off... and maybe that isn't... like, you're worth more than that. I think it's given me a sense of value in terms of my time and what my time is worth."*

Moreover, the one-to-one support from her adviser was invaluable in boosting her confidence and motivation, and enabling her to see a progression route:

*"It kick-started me feeling positive about what I was doing when I'd actually got to a point where I felt like I couldn't go anywhere else with it...Helped me sort out in my mind what I was doing and how I could work my way out of doing a zero hours job and that it was possible."*

Overall, the unique support that this participant was offered, which was tailored to their needs, has given them exposure to employment-related experiences and a boost their confidence and wellbeing:

*"It has given me a massive amount of confidence in what I could possibly achieve, and they've also provided me with one-off work and put me in contact with people where I have been able to get small freelancing jobs, like speaking on panels."*

With support from Step Up, this participant has now broken down their ultimate goal of securing a career in radio production into smaller, more manageable objectives which are recorded in an action plan so that she and her adviser can continue to ensure a positive journey.