

Case Study 1: Sheffield's Construction JOBMatch Programme

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1. Context

National context

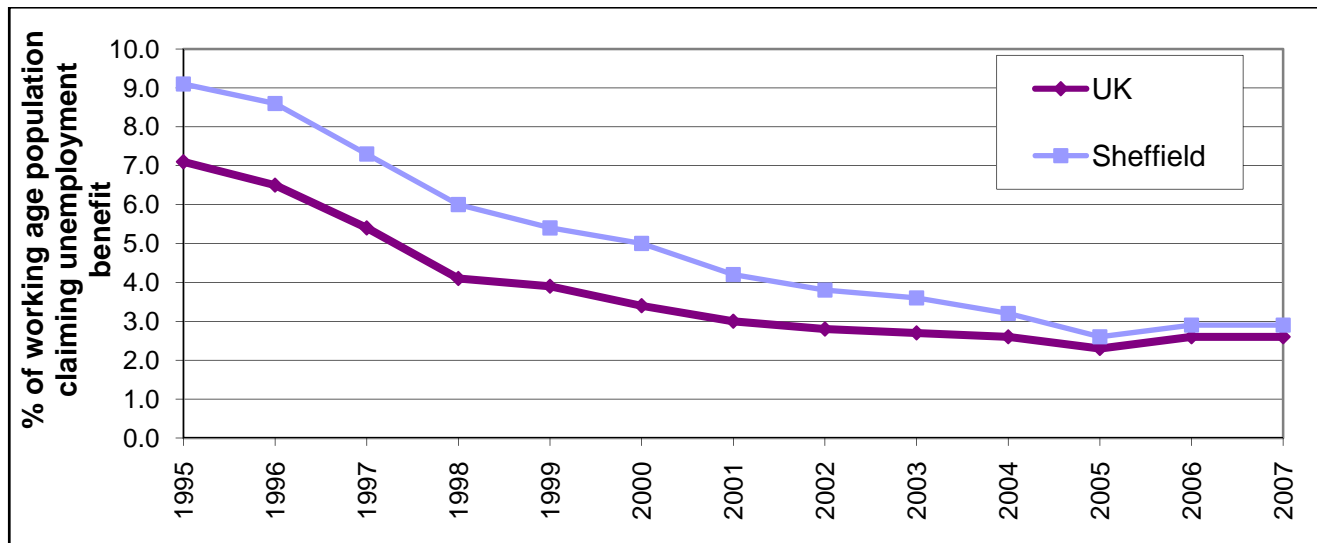
- The British economy has been performing well for the last decade, but there is an annual productivity gap of £30 billion between the English average and that of the industrial North (ONS, cited in Northern Way, 2007).
- A recent government review has stated that the UK's skills base remains "mediocre by international standards", with seven million adults lacking functional numeracy skills and five million lacking functional literacy skills (HMT 2006).
- The demise of vocational training and apprenticeships in favour of academic qualifications has resulted in "a serious lack of people with skills in the general trades" (Humphries, 2006, p 36).

City context

- Sheffield is a city of around 520,000 people in the Yorkshire and Humber region of the North of England (ONS, 2005).
- The city's economy was heavily reliant on the steel and coal industries, whose workforces declined dramatically during the 1980s. Unemployment in the city reached 15.5% in 1984 (Sheffield City Council, 1993).
- The proportion of working-age people claiming unemployment benefit is now converging with the UK average (see Fig. 1), but there remain stark socio-spatial inequalities within the city (see Fig. 2).
- In 1999 Sheffield was the 14th poorest local authority¹ as ranked by the national government's index of multiple deprivation (Walker, 2006). Thirty percent of Sheffield's households live in the 10% of the UK's most deprived electoral wards. Over 27% of these households receive income support from the government (Sheffield City Council, 2004, p 14). Labour market inactivity rates in the city were 4% higher than the national average in 2006 (see Fig. 3), representing over one quarter of the working age population.
- Sheffield City Council has made reducing the inequalities between its wealthy and deprived neighbourhoods one of its key priorities, and published a 'Closing the Gap' strategy to target this issue in 2004 (Sheffield City Council, 2004).

¹ The local authority is the lowest tier of the administrative hierarchy in England. Local services (eg. education, housing) are administered at local authority level by an elected governing body known as a council. There are four types of local council in England: County Councils and District Councils in non-metropolitan areas, and Metropolitan Borough Councils and City Councils in metropolitan areas. (London has a separate system of Borough City Councils).

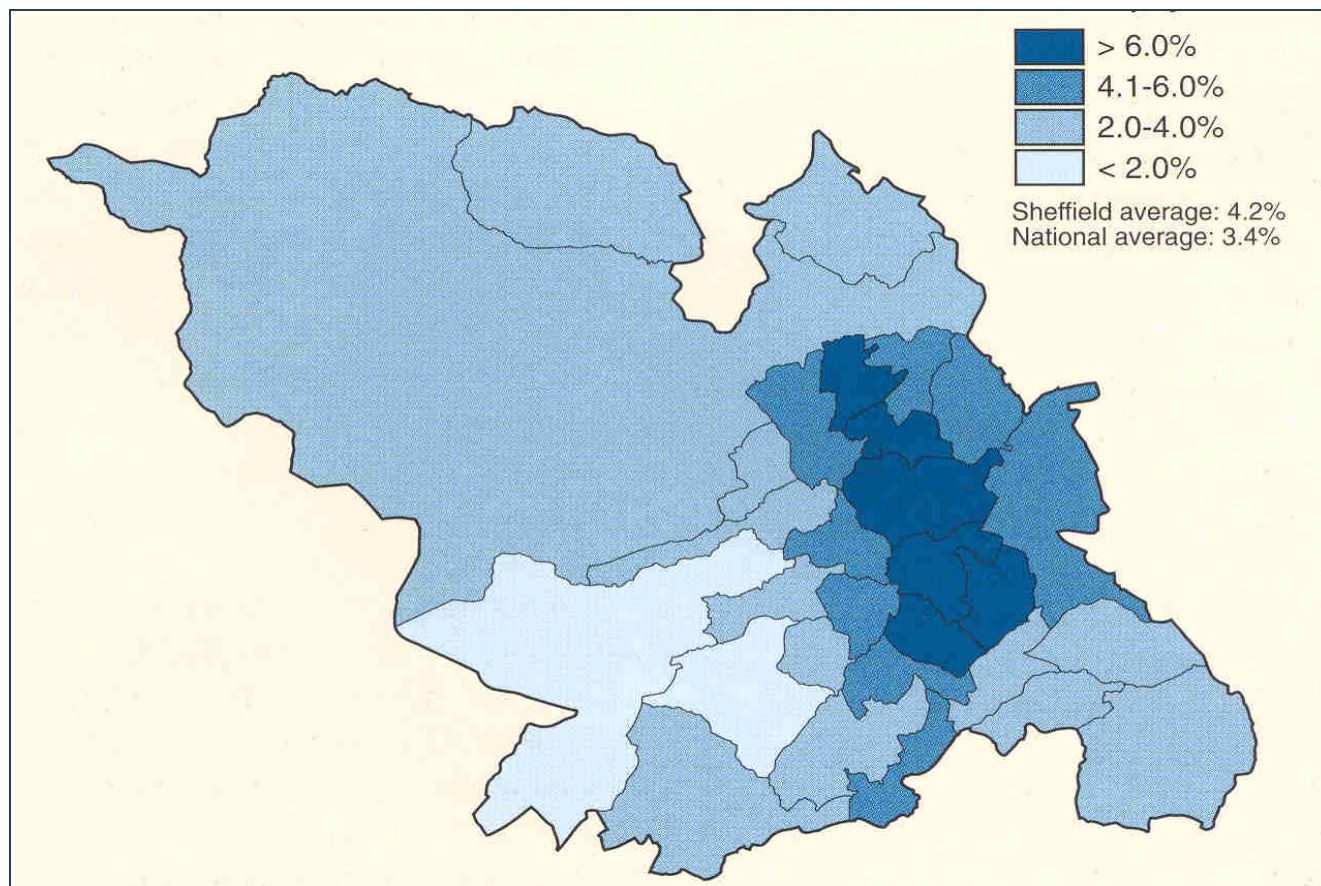
Figure 1: Proportion of working-age population claiming unemployment-related benefits



Sources: NOMIS claimant count; Sheffield City Council

Note: Proportions for 2006 onwards are calculated using the 2005 resident working age population figure.

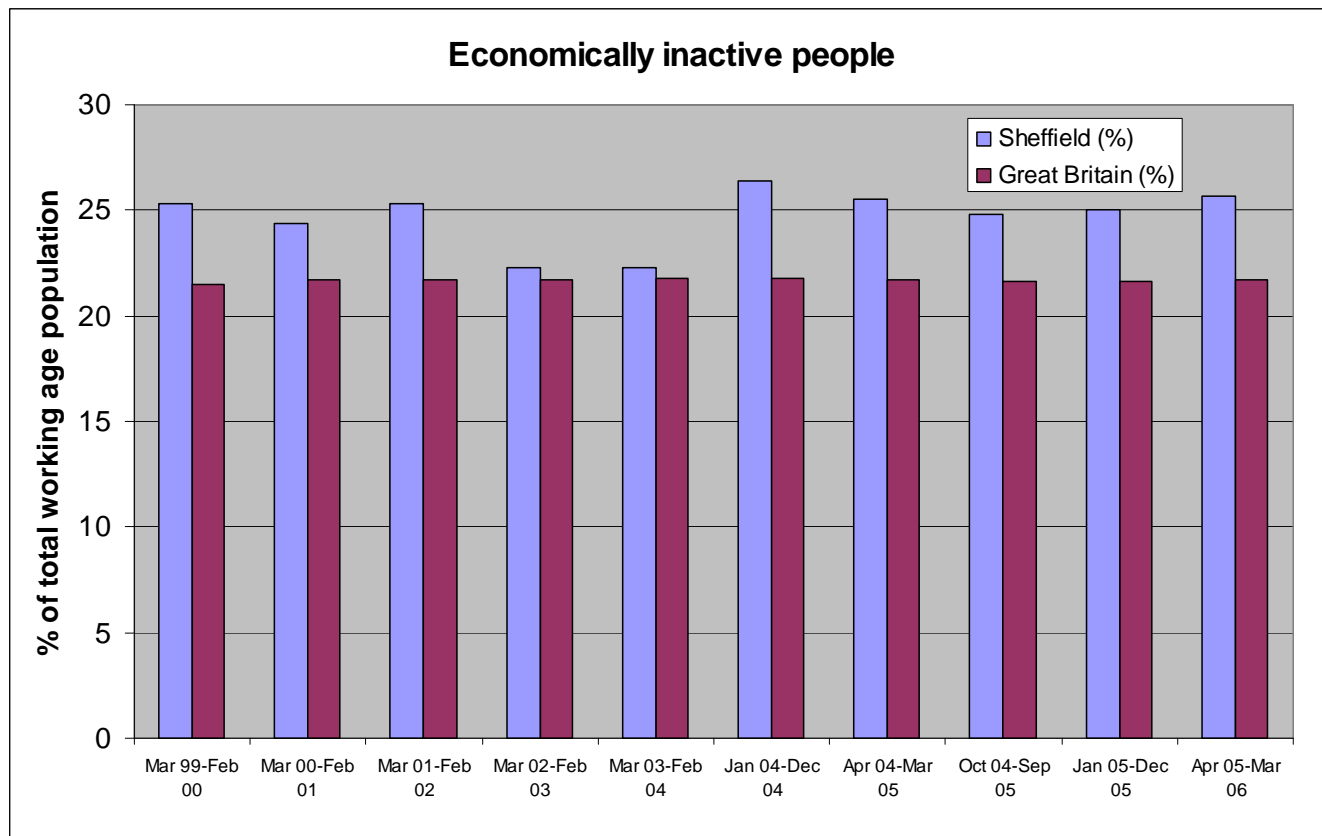
Figure 2: Unemployment figures, by ward – Sheffield compared to the UK average, 2000



Sources: ONS, 2000; Watts, 2004

Note: uses 2000 census data; map shows Sheffield's local authority boundary.

Figure 3: Economic inactivity in Sheffield and GB, 2000-2006



Source: ONS annual population survey

Note: People classed as inactive are those who are neither in employment nor unemployed. This group includes, for example, all those who were looking after a home or retired.

2. Rationale: How the programme evolved

Instigation by Council’s Chief Executive

- Sheffield City Council has a declared commitment to underpinning economic development with social inclusion measures.²
- In 2000, a period of significant infrastructural investment (more than £3.5 billion over the following decade) was beginning in Sheffield. Several major infrastructure projects had already been announced,³ and more were pending.

² This dual focus is stressed, for example, in Sheffield’s 2006 Local Enterprise Growth Initiative bid, which states: “our cities strategies identifies the big ambitions we believe will turn Sheffield’s revival into key transformation. Two of these key ambitions are: 1) to develop an economy that matches those of the best cities in Europe in its competitiveness; 2) to ensure that every neighbourhood in the city is a successful neighbourhood. We see increasing enterprise in the more deprived areas of the city as a vital bridge between these ambitions” (DCLG, 2006).

³ These projects include the Heart of the City city-centre renewal scheme, Building Schools for the Future, Housing Market Renewal and Decent Homes (see footnote 4 for details on latter two programmes). Sheffield Homes, the local authority’s Arms’ Length Management

- Meanwhile, the British construction industry's workforce was shrinking, due to a lack of new recruits and aging of the existing workforce. There was a clear demand for new trainees.
- In the light of these three factors, the Chief Executive of Sheffield City Council issued a challenge to the Council's Employment Unit: to ensure that this public investment would create jobs for the local population, with a particular focus on hard-to-reach individuals (Jolley, 2006).

The Employment Unit develops the programme

- The Employment Unit spent the next five years developing and piloting innovative employment projects in response to this challenge (Jolley, 2006).
- The most significant of these was the Construction Development Partnership which ran from 2001 to 2004, jointly funded by the European Union's EQUAL programme and Sheffield City Council. This project worked with construction companies, local communities and training providers to explore and pilot innovative ways of engaging with and training individuals.
- The lessons learned from this project and others fed into the development of Construction JOBMatch, a two-year employment and training programme targeting the long-term unemployed and 'hard-to-reach' individuals.
- This report will focus on Phase One of the Construction JOBMatch programme, based in Sheffield, which involved 109 trainees and ran from April 2005 to Summer 2007.

3. Aim

- To provide sustainable employment in the construction industry for the long-term unemployed⁴ and individuals from hard-to-reach communities.

Organisation for its social housing (see footnote 7), is managing the largest Decent Homes programme in England, delivering £669 million of Government-funded improvements to over 40,000 council homes by 2010 (Sheffield City Council, 2006). Kier Sheffield LLP, Lovell Partnerships Ltd, Connaught plc, Keepmoat plc, the Mears Group and Connaught Property Services Ltd are the 5 construction companies contracted by Sheffield City Council to deliver the Decent Homes upgrades for Sheffield Homes.

⁴ The long-term unemployed are defined as those of working age who have not worked in the last 12 months.

4. Means: How the programme is financed

- Phase One of the Construction JOBMatch programme (109 trainees, April 2005 – Summer 2007), was financed in the following way:

Programme	Managing body	Contribution	% of total
Decent Homes and Housing Market Renewal programmes	Sheffield Homes and Transform South Yorkshire	£672,000	24%
Objective 1	European Union	£84,000	30%
Private sector [for delivery of Decent Homes and HMR]	Construction companies	£1.3 million	46%
TOTAL		£2.8 million	100%

Source: Colin Kearney at Sheffield City Council.

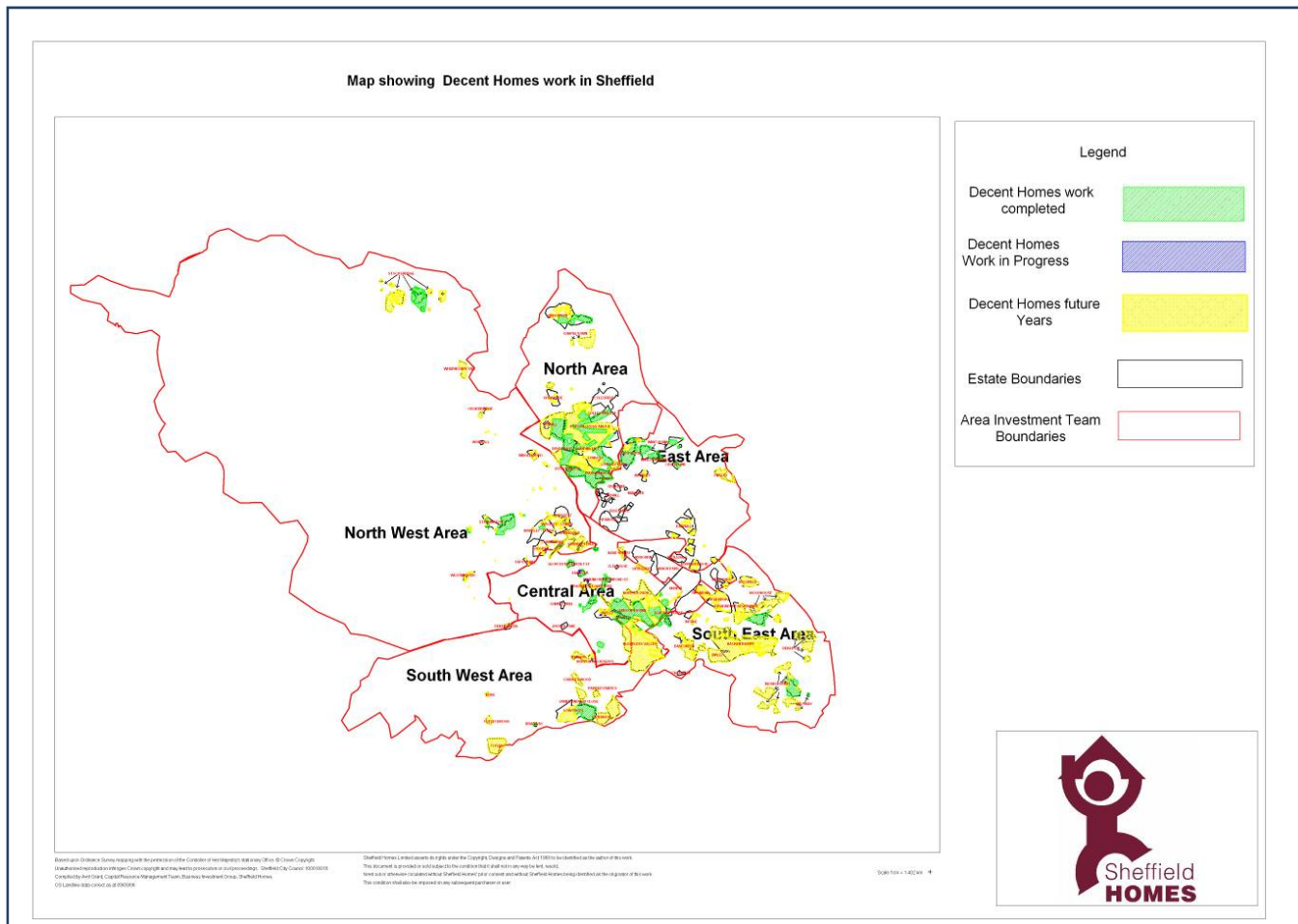
Note: Figures are approximate.

- The Council's Employment Unit used its own resources to fund the period during which the programme was conceived.
- The initial funding for implementing the programme came from the national Housing Market Renewal and Decent Homes housing investment programmes.⁵
- Once this basic funding was secured, additional EU Objective 1 match funding became available.

⁵ Both the Housing Market Renewal and the Decent Homes programmes are central government initiatives to improve housing in the UK. The Housing Market Renewal (HMR) programme aims to revive housing markets in nine areas of low demand in the North of England and the Midlands, covering a total of one million homes (about 100,000 per area). The HMR programme involves a public investment of over £2.2 billion between 2002-2011 (see <http://www.communities.gov.uk/housing/housingsupply/housingmarketrenewal/>).

The Decent Homes programme has set a quality standard for all council housing which must be reached by 2010. Sheffield City Council has contracted with five construction companies (including Kier LLP) to deliver this programme of upgrades to 40,000 homes (Sheffield City Council, 2006).

Figure 4: Map showing Decent Homes programme activity across Sheffield



Source: Sheffield Homes, 2007

5. Target beneficiaries

- The programme targeted residents in traditionally hard-to-reach groups:
 - long-term unemployed;
 - ethnic minorities;
 - women; and
 - people who face specific barriers to employment, such as a criminal record or a disability that prevents them entering the industry without assistance.

(Source: EC, 2003)

6. Challenges and responses

Box 1 sets out the main challenges which the Construction JOBMatch programme addresses, based on the problems faced by its target groups, and the responses it has developed.

Box 1: Challenges and responses

Challenge	Response
<p>To raise employment levels:</p> <ul style="list-style-type: none"> a) among hard-to-reach groups; and b) in Sheffield's most disadvantaged neighbourhoods. 	<p>Decision to invert the traditional employment programme model, making it demand-led (acknowledging the requirements of employers and prospective employees), rather than supplier-led (adhering to the centrally-planned requirements of mainstream public funding bodies and training providers).</p> <p>Formation of a Construction Development Partnership (2001-04),⁶ to develop and pilot innovative engagement and training practices for hard-to-reach groups by working with construction firms, local communities and training providers.</p>
<p>Reluctance of mainstream bodies that fund employment programmes (Learning and Skills Council, Jobcentre Plus) to fund innovative non-traditional approaches to employment programmes.</p> <p>"Despite prolonged discussions with JobCentre Plus and the Learning and Skills Council, we were unable to secure any mainstream funding from them. Although they were supportive of the concept ... they felt unable to introduce the flexibility required into their funding and provision." (Colin Kearney interview, 8/2/07)</p> <p>Traditional employment programmes are delivered through accredited training providers to meet centrally-defined targets, and tend to focus on the 16-19 age-group. Other factors making such programmes ill-suited to hard-to-reach individuals include the lack of outreach or access support (eg. no basic skills training is offered for those who do not speak English or are not familiar with IT).</p>	<p>Decision to seek out alternative funding mechanisms.</p> <p>Partnership work with the public sector organisations responsible for delivering large capital investment programmes (the Housing Market Renewal and Decent Homes housing investment programmes).</p> <p>Creation of contracts with key performance indicators that commit construction companies to reserving a specific number of newly created jobs for Construction JOBMatch trainees.⁷</p> <p>The launch, in 2005, of Phase One of the Construction JOBMatch programme.</p> <p>Sheffield's Decent Homes programme is being delivered through the Sheffield Homes ALMO⁸ that manages the city's social housing. It is the largest Decent Homes programme in England, delivering £669 million of Government-funded improvements to over 40,000 council homes by 2010 (Sheffield City Council, 2006) (see Fig. 4).</p>

⁶ This project was match-funded by Sheffield City Council and the European Social Fund through its EQUAL programme, and evolved into an international partnership project (EC, 2002).

⁷ Construction JOBMatch pays the trainees' wages for the first year; the construction company pays them for the second (Sheffield First for Investment, 2006).

⁸ An ALMO is an Arms' Length Management Organisation, a non-profit organisation set up by a local authority to manage all or part of its social housing stock (which is still owned by the local authority).

To engage with groups who are:

- a) hard-to-reach, and
- b) would not normally consider working in construction.

These include women, ethnic minorities and the long-term unemployed.

1. Tailoring the programme to suit the needs of these individuals as well as those of employers. The creation of a two-year supported employment programme with on-the-job training resulted in a nationally-recognised NVQ Level 2 qualification and targeted specifically non-traditional trainees. Experience from previous projects run by the Employment Unit in these communities showed that many individuals had taken part in numerous government training schemes which had failed to lead to employment. They are thus highly suspicious of such schemes. Construction JOBMatch's guarantee of a job is vital in winning their trust.
2. Accessing the hardest-to-reach:
 - Publicising the scheme through trusted brokering agencies based in the local community
 - Ensuring the recruitment process minimised paperwork and maximised personal contact through interviews and workshops. Again, experience showed that individuals in these communities often lack basic skills and are put off by traditional bureaucratic and impersonal recruitment processes, preferring personal contact and face-to-face interviews.
3. Support from the outset. Language barriers and lack of basic skills were often preventing these individuals from accessing the labour market. Construction JOBMatch provides:
 - Basic skills training, eg. courses in English / IT / driving, according to need.

Pastoral support, eg. a coordinator providing a link between the trainee, the employer and the training provider, who formulates an individual learning plan for each trainee

7. Outcomes

- 109 trainees took part in Phase One, which ran from April 2005 to Summer 2007.
- 80% of the original intake (87 trainees), remained on the programme after one year. The average retention rate for similar programmes targeting hard-to-reach individuals is normally much lower.
- Of these 87 trainees, the situation as of 1st January 2007 is:
 - 100% of them have achieved their Construction Skills Certification Scheme card, the basic requirement for a job in the industry.
 - 25 have already gained NVQ Level 2 within the first year of the programme (all were forecast to take the full two years to achieve this). 80% are on track to achieving the qualification.
 - 8% are women, compared to an average of 1% in construction nationally
 - 30% are from black and minority ethnic communities, as opposed to an average of 5.4% in construction nationally
 - Over 50% come from the city's most deprived areas
 - Over 60% are aged 25 or over(Source: Colin Kearney, Sheffield City Council)
- The Construction JOBMatch programme was the focus of the Council's award-winning bid for Beacon Status⁹ (see Sheffield City Council, 2005).

Expansion: Construction JOBMatch South Yorkshire

- As a sign of its continuing success, in October 2006 the Sheffield Construction JOBMatch programme was rolled out across three other local authorities in the sub-region and renamed Construction JOBMatch South Yorkshire.¹⁰ It is now a £14 million programme to recruit 500 adults to be trained in the construction industry (Sheffield City Council, 2005, p 12).
- The 500 recruits, 250 in Sheffield and 125 each in Rotherham and Doncaster, will spend two years in full employment with a construction company, working towards at least an NVQ Level 2 qualification in a trade such as plumbing, plastering, joinery and roofing. Many will be employed by the construction partners of Sheffield Homes and its equivalents in Rotherham and Doncaster (Sheffield First for Investment, 2006).

⁹ Beacon Status is a recognition of excellence for learning providers that deliver outstanding teaching and learning in the further education sector. It is awarded to providers funded by the Learning and Skills Council and inspected by the UK's Office for Standards in Education (OFSTED) or the Adult Learning Inspectorate (ALI). See <http://www.beaconstatus.org/>.

¹⁰ Text of the Council's decision, taken in April 2006: "NATURE OF DECISION: That approval be given to (a) redesignate the Sheffield Construction JOBMatch programme as a South Yorkshire sub-regional programme and for Sheffield City Council (managing agent) to enter into a contract with Rotherham, Barnsley and Doncaster to deliver the outcomes prescribed by Objective 1 (i.e. deliver a further 400 training places up to NVQ level 2); (b) for Sheffield City Council via the Decent Homes element within the neighbourhoods programme to underwrite the match funding shortfall of £850,000 as an assumed delivery cost, whilst further efforts are made to explore additional contributions via new partners including Sanctuary to bridge the funding gap; and (c) for separate grant agreements to be entered into with Doncaster Build, Barnsley Community Build and the Academy of Construction Trades with regard to the delivery of construction JOBMatch in the wider South Yorkshire region" (Sheffield City Council, 2006b).

8. Key success factors

- Support and drive for the initiative from the Council's Chief Executive. This support, for example, enabled the Employment Unit's manager to use the Unit's own resources to gap-fund the implementation of Construction JOBMatch, when no mainstream funding had been agreed.
- Having a dedicated Employment Unit within the Council, which acts as the unique broker and delivery body for Construction JOBMatch. The programme benefited from the Employment Unit's experience in managing previous employment programmes and its strong partnership relationships with deliverers of the local publicly-funded investment schemes, which have provided the procurement leverage for the programme.¹¹

The Employment Unit's recognition that employment programmes needed to be demand-led (acknowledging the requirements of employers and prospective employees), rather than supplier-led (adhering to the centrally-planned requirements of mainstream public funding bodies and training providers) was crucial in ensuring progress.

- The Construction Development Partnership programme¹², which worked with employers, local communities and training providers, yielded some key lessons for engaging with and designing programmes for the long-term unemployed. The following factors were acknowledged as critical:
 - engaging with the community and publicising the programme through trusted community-based brokering agencies;
 - a non-threatening yet painstaking recruitment process that involved:
 - minimal filling in of forms; and
 - several panel interviews and two ½-day workshop sessions, adjudicated by experts from the construction industry;
 - being able to offer trainees a genuine job from the outset, in addition to a guarantee of an industry-accredited qualification within the two years; and
 - intensive trainee support, both pastoral (eg. mentoring) and in terms of basic skills (extra courses provided where necessary, in IT and English for example, sustained throughout the two year programme).
- Sheffield City Council's employment and skills strategy audited and identified the city's hard-to-reach communities and their skills needs. Construction JOBMatch delivers on the strategy's targets. This has helped the programme win funding arguments with Objective 1, Housing Market Renewal and other public funding programmes which have inclusion as a requirement.

¹¹ These partnership relationships include the Employment Unit's internal relationships with Council colleagues, the Sheffield One city-centre regeneration agency, local ALMO Sheffield Homes and the Council's partnership with the developer Kier Sheffield LLP.

¹² Run by the Employment Unit between 2001 and 2004, match-funded by the European Social Fund and Sheffield City Council.

9. Concluding thoughts on skills and Construction JOBMatch

Sheffield's industrial economy was highly dependent on steel and related manufacturing until its economic crisis in the 1980s. In 1961, almost 70% of male workers in the city worked in manual professions (ONS census). Most children left school as soon as possible to take the well paid manual jobs. By 1970, a larger proportion of Sheffield's population had no education beyond the age of 15 than any other major English city (Hampton, 1970, pp 25-6). Since the 1980s however, most of these low-skilled manufacturing jobs have disappeared. Many of Sheffield's manual workers remain unemployed, and in 2005 the proportion of Sheffield's working-age population with no qualifications in 2005 stood at 15.4%, above the national average of 14.3% (ONS annual population survey). In addition, a growing population of asylum seekers has arrived in Sheffield since the 1980s and many lack the basic skills (eg. language and IT skills) necessary to access new jobs.

Construction JOBMatch not only provides basic skills training where necessary, but equips all trainees with NVQ2 level construction skills (a requirement for finding sustainable employment in the industry) as part of its supported employment programme.

Annex

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Interviewees

Jed Turner	Partnerships and Contracts Manager	Sheffield City Council
Colin Kearney	Development Manager	Sheffield City Council, Employment Unit
Daniel Maher	Senior Business Development Manager	Kier Sheffield LLP