The everyday geography of employment progression for families on Universal Credit

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Outline

- Research Context

- Employment Progression
  - Vertical and horizontal concept
  - Policymaker's understanding of progression

- Policy Mismatch – the case of Universal Credit in-work progression (IWP)

- The role of place and relational spatial connections

Research Context

- ESRC funded PhD research
- Early indicative findings based on 15 interviews with national level policymakers and 15 UC families
- PhD focus:
  - Agency in policymaking the role of ideas and policy mismatch
  - The everyday geographies of low-income families

Agency in policy making

- **Policymakers are not neutral** – personal motivations and beliefs influence their actions (Béland and Cox (eds.), 2011, Hill, 2009)
- **Policymaking is a 'meaning-making and claim-making process'** (Lendvai and Bainton, 2012).

- Policymaking best understood studying ideas and institutions together as a dynamic process of dynamic process of policy as translation (Ingold and Monaghan, 2016), but…
- Policy solutions often seen in isolation at either the global level, structural level or individual level – risking leading to….

- **Policy mismatch** – people do not always act across time, space and place as assumed by policymakers

Employment progression

- Traditionally a vertical concept – 'Movement up the ladder' (Andersson, Holzer and Lane, 2005; Bailey, 2016)
  - Improved pay and/or improved conditions
- At the bottom of labour market – "steady job" and "decent work" (Hoggart et. al, 2006; Stuart, 2016).

- For low-income families everyday life is often complex:
  - Importance of local social networks in enabling employment entry and sustainability (Edin and Lein, 1997; Roy, Tubbs and Burton, 2004; Daly and Kelly, 2015)
  - Lone parents family work project (Millar and Ridge, 2013)
  - Household co-ordination points and the infrastructure of everyday life (Jarvis, 2005; Skinner, 2005)
  - Normative values to employment participation and employment progression (Hoggart et. al 2006, Green,)

Universal Credit – overview

- New **single system** of means-tested support for working-age households who are *in or out of work*. All elements assesses in a **single household claim** – removing claim for different benefits from different agencies.

- Replaces six benefits, incl. tax credits and housing benefit

- Underpinned by strict *conditionality* regime. In return for benefit payment have to 'behave responsibly' and fulfil 'welfare contract' (Claimant Commitment)

- Failure to fulfil contract = sanctions

- Estimated to affect 7 mill. households when fully implemented

How Universal Credit differs from the legacy benefit system

- **Main differences**:
  - Digital claim and (increasingly) digital contact with Jobcentre Plus
  - One household claim - one household payment - one bank account
  - Paid in arrears based on household circumstances
  - Within the household: individual requirements (conditionality) based on individual claimant commitment but sanctions will affect whole household payment
  - Includes in-work benefit recipients – incl. changes to 'hours rule'
  - Housing allowance processes by Jobcentre Plus – no LA housing benefit

Major change: *in-work* conditionality (in-work progression)

- Radical policy change - potential to affect 1 million workers
- Comply with earnings threshold – for many a requirement to earn more
- How?
  - Ask for higher pay?
  - Ask current employer for more hours?
  - Get better paid job?
  - Take on additional job(s)?
- Economic context – High average employment rate but…
- Rise in insecure work and ….
- Large differences by place.

Policymakers: understanding of employment progression

- UC policy defines progression as **'increased earnings'** but…

- Policymakers' own progression included horizontal concepts, eg WLB, more interesting jobs, better match between skills and job role, location of job.

- **Job stability not seen as 'progression'**

- Some acknowledgement that own progression not aligned with UC policy offer.

- For some - concern about lack of lifecourse perspective, eg how working several low-paid jobs may result in lack of pension due to NI requirements not counted cumulatively

Policymakers: understanding of employment progression cont.

- 'Whole person' approach commonly seen as ideal but "too difficult".

- Holistic strategic policymaking not seen as achievable because policies too segmented and developed in silos coupled with focus on short term outcomes.

- Personal beliefs 'parked' – concentrating on 'what is most effective to deliver'.

- 'Place' and importance of local labour market absent from policymaker's views.

Policymakers: understanding of work

- Work seen as key to being part of society and "what we are about"
  "work is good for you"

  "every adult of working age should be economically productive"

- Quality of work and 'stacking jobs' not seen as their responsibility

 *"working several jobs may suit individuals – not our role to prescribe"*

- RTI data and CC commitment – assumptions about what is 'productive use of time'

  "if it doesn't pay it doesn't count"

  [Work Coach advise to UC claimant volunteering for to local organisations]
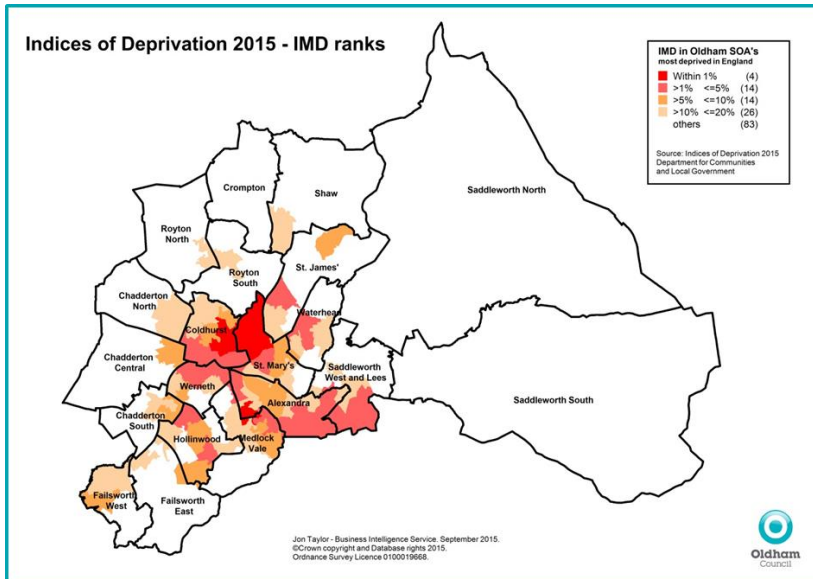
Importance of place - Oldham

- Characterised as 'left behind' and missing out of growth in Greater Manchester (Lupton, Rafferty and Hughes, 2016)
- Well connected to Manchester City centre and Oldham (bus, tram, Motorways)
- On the edge of the Pennines
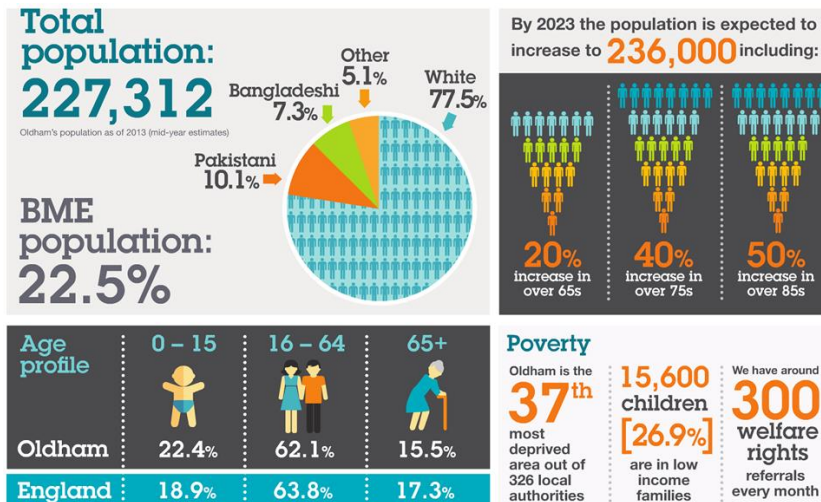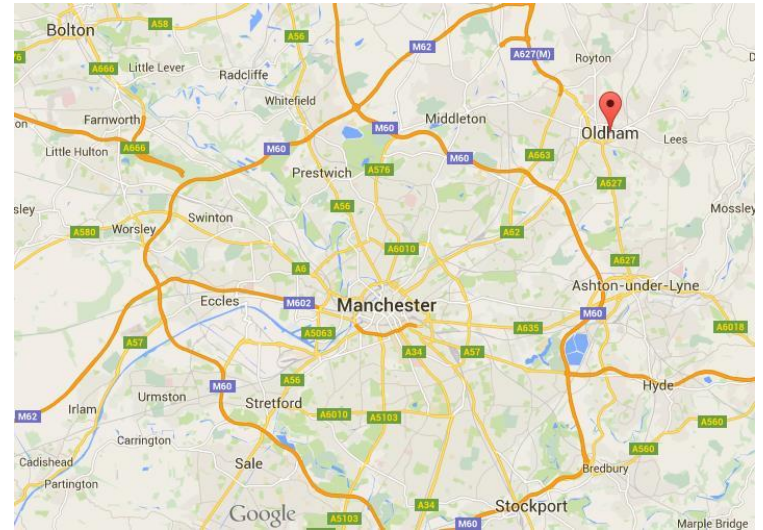
- UC since July 2013

- As of April 2018 there were 5865 UC claimants in Oldham

Hollinwood

- One of Oldham's more deprived wards.
- Median household income is low (£18,633)
- Out-of-work benefits (19.3%) is the third highest in Oldham.
- Employment rate is low (52.9%)
- High proportion of those employed are working part-time

(Oldham Council, 2016)

Unemployment (16-64) – DWP 2015	Hollinwood %	Oldham %	England %
Employment Support Allowance (ESA)	12	8.4	5.9
Lone Parents (claiming Income Support)	3.2	1.7	1.3
Unemployment	3.7	1.7	3.4
Total(incl other at 0.4%)	**19.3**	13.1	**10.9**

Everyday life in Hollinwood - Limeside

- Housing estate of 3-4 bedroom houses
- One secondary school, 3 Primary schools and 1 nursery
- Library, Spar, Pharmacy, GP, health visitor and Housing Association co-located
- 2 social housing association
- 1 field with playground, 1 cemetary and near country park
- Bordering M60 motorway
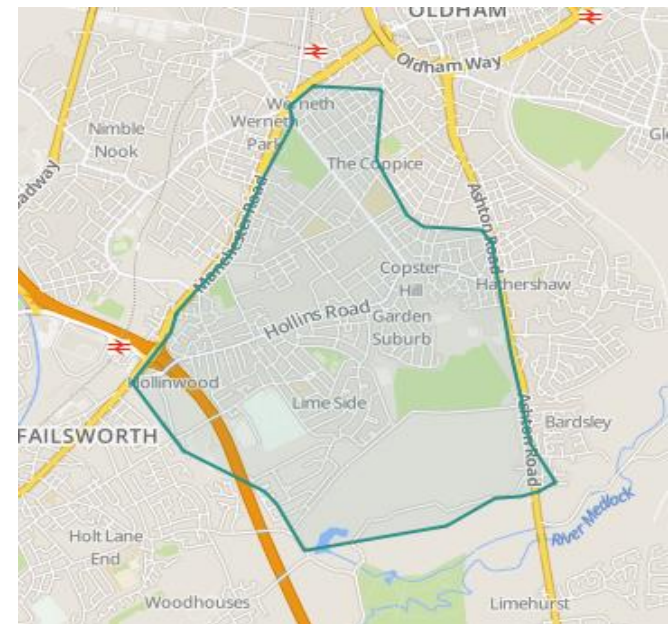
When Doing the right thing isn't enough Alison's story

- Lone Parent, late 20s, two small children
- Worked 21 hours in local office, told to increase hours or leave for another job

- Strong feeling that the Government are punishing mothers trying to do the right thing by both being a 'good parent and a good worker'

"My friends and my mum always say I should be proud of myself for working. But I don't feel it – I don't feel the Government - or the Universal Credit - give you any respect for what we do as single mum's."

- Tax-credits seen as reward for working. UC seen as punishment

"For every extra pound they take 60 pence off you. It basically isn't worth working all these hours"

Suffer little children – wider impacts of UC

- UC seen as separate policy by policymakers but experienced locally as part of wider welfare reform and austerity.

- Linda's story:

  - House move triggered by children growing older and needing more space caused uprooting of social network and loss of job.

  - Compared to tax-credits large financial loss due to reduced UC allowance, benefit cap and two child limit.

  - Worked since leaving school and aspiration to become a nurse but no financial support for training – nor getting a job now

"Don't they understand? It is the children that they are punishing".

Policy mismatch – different 'world views'

"they [Gov] have no idea – it's like living on a different planet."

- UC policy aims to change values and behaviours and is built on assumption about life that bears little resemblance to evidence on what life on low-income can be like (Millar and Bennet, 2016) .

- Local life in Hollinwood is often messy and unpredictable – insecure work and fluctuating earnings, bereavement, ill health and domestic violence is common

"The people who make all these decisions they have a completely different lifestyle. They think about their own life, you know, and they have decided that is the way everyone should function. And if you don't fit into that you have to suffer"

"I would like them [Policymakers] to come and basically spend a day with like normal people. Instead of spending the day with Politicians and MPs and that. And look at how we live - compared to how they live"

Policy mismatch – what is 'work'?

- Understanding of 'work' is aspatial and placeless

- Ignores unpaid work (eg care, volunteering, parenting)

- Ignores horizontal understanding of progression

- Unstable work + advances and debt recovery = unpredictable UC revenue.

What do families want from UC?

- Families would most of all like to be understood and treated as individuals

  "You are just a number to them - but I am not a 15 point box!"

  "[being on UC] is like being in an abusive relationship. You are being told how to act; how to be; how to function; how to live your life"

- Families would like (modest) support and local work
  - Stable (local) work, predictable hours, basic T&C, decent pay
  - (Small) financial support for upfront training or interview cost (DBS check and CSCS card)
  - Childcare available locally

  "It makes you feel bad cause we don't fit into the world of what a family should be"

Thank you

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