

Supporting the progression of low-income workers in Scotland

Adapting proven approaches for the Edinburgh context

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Contents

Executive Summary	3
Introduction	
Data analysis	
Evidence review	
Existing provision in Edinburgh	24
Experiences of employment and progression among low-income workers	26
Pilot design – early insights	29
Considerations for the co-design phase	32
Appendix A: Evidence review methodology	36
Appendix B. Summary of programme models	37

Executive Summary

Funded by Robertson Trust, Learning and Work Institute, in partnership with Edinburgh College is testing a new approach to supporting in-work progression in Scotland. The project aims to support individuals in Edinburgh most at risk of in-work poverty to access better paid, more secure and sustainable work,

Too many people in Scotland experience in-work poverty and progression out of inwork poverty is difficult for individuals to achieve. This is still the case in Edinburgh despite higher than average incomes than the rest of Scotland.

The causes of in-work poverty are multi-faceted and solutions to tackle progression at work must look beyond low pay and beyond individual action. This project is therefore situated in the broader context of fair work as outlined in Scotland's Fair Work Framework.

Methodology

The project has two phases:

- An initial feasibility study to assess the adaptability of successful evidence-based in-work progression programmes in the Scottish context. This included an evidence review, mapping exercise, data analysis, and interviews and focus groups with stakeholders, low- income workers, employers, providers, and community organisations.
- A co-design phase which brings together low income workers, employers, and providers to design a pilot in-work progression programme for Edinburgh.

An advisory group of government, academic and sector representatives provide expert insights and advice on in-work progression throughout the project.

This report presents findings from the initial feasibility study and considerations for the co-design phase.

Key learnings

Evidence review and mapping

- The evidence review identified three models of support for in-work progression including WorkAdvance, trialled in the US, that produced successful outcomes for participants, highlighting some key elements of the support that made a difference. There was less robust evidence on what works specifically for those already inwork demonstrating the need to build the evidence base, and with implications for the co-design process.
- Advance is the only existing training and employment support programme in Edinburgh with a specific focus on in-work progression. Other programmes are more typically focused on supporting people to find or re-enter work.

Qualitative research

- Low-income workers had limited awareness of services to support them to progress at work, or to move into a new job and identified multiple barriers.
- Employers we spoke to focused mainly on the provision of training to upskill staff to support progression, although concerns were raised about upskilling staff who may then leave for another job.
- Low-income workers as well as wider stakeholders highlighted the importance of clear messaging in marketing a successful programme. Wider stakeholders recognised that engaging employers with an in-work progression programme could be challenging.
- There was broad agreement on some of the key elements of a programme. It should be free to access, with strong links to employers to ensure job opportunities at the end of the programme. The support offer should include sector specific career guidance as well as technical training that is endorsed by employers. Differences in preference for the format and intensity of progression support highlighted the need for a flexible, person-centred approach.

Considerations for the co-design phase

Sectoral focus

Our review of the evidence highlighted that a sector specific approach to in-work progression was associated with more positive outcomes. Having considered a number of sectors we have selected health and social care. Improved progression opportunities in this sector are likely to have a significant impact on reducing poverty.

Defining our target population

Our programme will target people already in low-income work because this is where more evidence is needed and where there is greater need within Edinburgh. To have the greatest impact, our programme needs to focus on removing systemic barriers and supporting people to develop the skills they need to progress into their desired job.

Reaching and recruiting low income workers

Our research with low income workers suggested a limited awareness of the possibility of receiving support to find a better paid job compared to support to find a job when unemployed. Many people faced multiple barriers to progressing with their careers which may also prevent them from receiving support to progress. A critical step for our co-design phase is therefore how to design a programme that is easy to access and meets people where they are.

Engaging employers

Our research suggests that engaging employers with in-work progression programmes could be challenging. A focus for our co-design sessions will therefore be on designing a programme that supports individuals to find better paid work while

attracting buy in from a range of employers to support with work experience placements and job opportunities. Developing appropriate messaging for different types of employers will be critical due to the broad range of employers working in health and social care.

Designing the support offer

While Work Advance provides an evidence based framework for the design of our new programme, we need to further interrogate how this can be delivered in the specific context of Edinburgh and for a specific in-work population. Wider considerations include how to ensure the flexibilities needed by low income workers balance with the practicalities of delivering a cost effective programme and building understanding of the training needed to ensure employment success while not creating too great a time commitment for participants.

Measuring impact

A recurring theme through our initial research has the been the importance of the wider dimensions of fair work rather than just focusing on pay. It is evident that the design and testing of any new intervention to support people on low pay to progress at work should reflect all the different dimensions of Scotland and Edinburgh's Fair Work Framework and Charter. This will be a key consideration as we develop the metrics to evaluate our programme.

Introduction

Funded by the Robertson Trust, Learning and Work Institute, in partnership with Edinburgh College, is undertaking research to test a new approach to supporting inwork progression in Scotland.

Background

The overarching context for this project is that too many people in Scotland experience in-work poverty and that progression out of in-work poverty is difficult for individuals to achieve. Research by the Joseph Rowntree Foundation (JRF) found that just over 10% of workers in Scotland are on persistent low pay. This means that they have been paid below the Real Living Wage for at least four of the last five years. Very few people on low pay are able to sustainably move out of low pay with only 1 in 20 moving to pay above the Real Living Wage in the same 5-year period.¹ While Edinburgh is an affluent city with higher average incomes than the rest of Scotland, in work poverty is still persistent with 65% of all children in poverty living in a family where adults are in paid employment.² This limited opportunity for progression combined with high housing costs and limited social security, means that despite increases to the minimum wage in-work poverty still persists.

However, in-work poverty is not just an issue of low pay. People may be at risk of poverty through a lack of guaranteed hours, a lack of flexibility to coordinate work and caring responsibilities, or a lack of support to manage a health condition. Progression at work is therefore a much wider issue than progression from low pay. Indeed, the Resolution Foundation argue that recent increases to the minimum wage mean that policy attention should now turn to improving employment rights rather than addressing low pay.³

It is therefore important to situate this project in the wider context of fair work in Scotland and Edinburgh. Scotland's Fair Work Convention outlines five key features of fair work, shown in Figure 1 and identifies the opportunity to progress as a crucial dimension of fair work.⁴

¹ Chris Birt, Carla Cebula, Jack Evans, Deborah Hay, and Annie McKenzie (Joseph Rowntree Foundation), Poverty in Scotland 2023, 2023.

² Edinburgh Poverty Commission, A Just Capital, 2020

³ Nye Cominetti, and Charlie McCurdy (Resolution Foundation) Low Pay Britain 2025, 2025

⁴ Fair Work Convention, Fair Work Framework, 2016.

Figure 1. Dimensions of fair work

Effective voice: For individuals, the opportunity to have an effective voice is crucially important. Having a say at work is consistent with the broader suite of rights available to citizens in democratic societies.

Opportunity: It is a reasonable aspiration to want work that is fair – and for fair work to be available to everyone. Fair opportunity allows people to access and progress in work and employment and is a crucial dimension of fair work.

Security: Security of income can contribute to greater individual and family stability and promote more effective financial planning, including investment in pensions.

Fulfilment: Fulfilment can also arise from positive and supportive workplace relationships that promote a sense of belonging and this overlaps strongly with respect as a dimension of fair work.

Respect: Respect at work enhances individual health, safety, and wellbeing. Dignified treatment can protect workers from workplace-related illness and injury and create an environment free from bullying and harassment.

Source: adapted from The Fair Work Framework

Similarly, the upcoming Edinburgh Fair Work Charter will measure local employers' commitment to fair work by rating them across four categories: respect and effective voice (e.g. trade union recognition), security (both in pay and hours), opportunity (e.g. access to training and development opportunities and attracting a diverse workforce), and fulfilment (e.g. flexible working).

Our research is grounded in the understanding that in-work progression programmes cannot work in isolation; the onus should not be on individuals to progress themselves into fairer work, rather fair work is a right for all. Nevertheless, addressing the systemic barriers that individuals face in finding better jobs remains a critical and under evidenced elements of fair work agendas.

Project aims

Our aim is to support lasting positive change for individuals most at risk and suffering the consequences of in-work poverty by enabling them to access better paid, more secure and sustainable work.

The project has two key phases, 1) feasibility study and 2) co-design.

Phase 1: Feasibility study (February – August 2025). The first phase aims to assess the adaptability of successful evidence-based in-work progression programmes in the Scottish context, including WorkAdvance, a US model which has been highlighted as an effective programme in L&W evidence reviews for other research.

Phase 2: Co-design (September – February 2026). Drawing on findings from the feasibility phase, the second phase of the project will focus on the adaptations

required in the Scottish/Edinburgh context and how to address local challenges and opportunities. L&W will lead on the co-design of an intervention to support in-work progression for low-income workers, working closely with Edinburgh College, the Expert Advisory Group, and key stakeholders, including low income workers. The output of this phase will be a detailed project plan for a pilot project in Edinburgh, including programme design, resource requirements, implementation steps, risks and mitigations, and evaluation metrics.

This report presents findings from activities in the feasibility phase of the project and outlines considerations for the co-design phase.

Methods

The feasibility study used a mixed methods approach combining the collection of both quantitative and qualitative data. Key activities completed in this phase include:

Desk-based research. The project team conducted a rapid evidence review of existing evidence on in-work progression programmes to ensure the research is drawing on the most up-to-date evidence, considering national and comparable international settings, to assess the adaptability of successful programmes to Scotland and specifically, to Edinburgh.

To structure the evidence review a protocol was developed outlining the overarching aims of the project, the inclusion criteria, search methods, and approach to the review.⁵ The first step was to identify which in-work progression models should be considered for further investigation before developing an in-depth understanding of up to three models which had produced successful outcomes for participants.

The in-depth review focused on the context in which each programme was developed/delivered, key features of each programme model, what made programmes successful and any evidence about what did not work, and the outcomes/impacts of each programme for participants with a particular focus on those who were already working when they entered the programme.

Scoping calls. Alongside the evidence review, scoping calls were conducted with representatives from thirteen key stakeholder organisations to share plans for the research; seek feedback on potential models to test in Edinburgh, including Work Advance; explore their involvement as partners in the research; and to help identify additional stakeholders to approach to take part in the research. These included national and local government, skills and employment bodies, business organisations, public and VCSE (voluntary, community and social enterprise) education and training providers and wider VCSE organisations providing employment support.

Expert Advisory Group. Drawing on learning from the scoping calls, we have brought together an advisory group of six government, academic and sector representatives to

⁵ More detail on the protocol and process for the Evidence Review is shown at Appendix A.

provide expert insights on support for in-work progression. The advisory group will meet three times to provide support and advice throughout the project. At an initial meeting in June 2025 the group provided feedback on project plans and findings from the evidence review, input to the mapping of existing in-work progression programmes in Edinburgh, and perspectives on potential target sectors for testing a new approach to supporting in-work progression.

Quantitative data analysis of secondary data to better understand the labour market in Scotland, and in Edinburgh in particular. Sources used for the analysis include Scottish Census 2022; Annual Population Survey, Industry Statistics Database made up of the Inter Departmental Business Register (IDBR), Annual Business Survey (ABS) and the Business Register and Employment Survey (BRES), Employer Skills Survey 2022; and the Skills Imperative 2035 research programme.

There are some limitations to the data analysis. Although more recent published data is available from the 2024 Employer Skills Survey, this does not include a local level breakdown. As a result, we have based our analysis on the 2020 and 2022 surveys as these provide data at both national and Edinburgh level.

Initial analysis of Annual Population Survey data shows a different picture of labour market trends in Scotland and Edinburgh, compared to census data. However, there are known challenges with APS data as this is drawn from the Labour Force Survey which has seen a steep drop off in response rates in recent years, particularly post pandemic. The resulting smaller sample size means that any discrepancy with other data sources should be treated with caution. Findings for this report are drawn from the census as the larger sample size means that the data is more likely to be accurate. However, as the census does not include time series data, the analysis does not explore labour market trends over time.

Mapping existing provision. Building on the desk-based research, a mapping exercise was undertaken to identify existing in-work employment support and training in Edinburgh, both to provide the basis for exploring the transferability of core components of successful programmes such as WorkAdvance, to Scotland/Edinburgh, and to ensure that the co-designed pilot project complements rather than duplicates existing interventions.

Qualitative fieldwork. Interviews and focus groups were undertaken to better understand the needs and perspectives of low-income workers, alongside wider stakeholders, to inform the co-design phase. These included:

 Interviews with 12 low-income workers⁶, living in Edinburgh, including individuals working both full-time and part-time, both self-employed and employed on either

⁶ For the purposes of the research, low income is defined as being paid under the Real Living Wage of £12.60 an hour or £22,932 a year if working full time. For those on part-time hours, those earning less than £22,932 a year who want to work more hours but are restricted by the hours offered by their

permanent, temporary, or casual contracts, and across different sectors. These included, transport, leisure, retail/retail pharmacy, the voluntary and community sector, hospitality, finance, and education. Interviews explored individual's career goals and ambitions, barriers to progression, awareness, and experiences of support to help progression at work, and views on what good in-work support should look like.

Focus groups and interviews with stakeholders including two community organisations, three providers, and six employers from a range of sectors (health and social care, leisure, construction, and business administration). These explored views on the challenges and barriers that people face in progressing at work, the provision offered to support in-work progression, and how this could be improved.

Employer or by other barriers were considered to be low-income workers, even if their hourly wage was above £12.60.

Data analysis

In both Scotland and Edinburgh three quarters (73%) of working-age people (16-64) are in work. Of those who don't have a job, 3% are unemployed, and looking for work, and the remaining 24% are not currently working or looking for work (known as being economically inactive).

Demographic characteristics

Scotland's workforce is diverse and people with certain characteristics are more likely to be employed than others. Women in Scotland are less likely to be working than men and those who do work are more likely to be on low pay. The gap in employment rates between men and women is particularly pronounced in Edinburgh where 83% of men are in work but only 75% of women are.⁷ Analysis by the Centre for Local Economic Strategies (CLES) found that women in Edinburgh earn 14% less than their male counterparts and that this wage gap is bigger than in Scotland as a whole (11%).⁸ Similarly, JRF found that 72% of workers on persistent low pay in Scotland are women.⁹

Employment rates in Scotland are highest among people aged 25 to 59 years old (see Figure 2). With some older people retiring and some younger people participating in education before their careers begin, this is not unexpected. With four major universities and a variety of other further and higher education institutions, it is also unsurprising that there are more students in Edinburgh (42%) than in Scotland as a whole (28%).

⁷ These employment rates differ from those discussed in the previous paragraph as they come from the Annual Population Survey October 2023-September 2024 rather than the Scottish Census 2022.

⁸ Centre for Local Economic Strategy, In-Work Progression Analysis (slides), unpublished.

⁹ Chris Birt, Carla Cebula, Jack Evans, Deborah Hay, and Annie McKenzie (Joseph Rowntree Foundation), Poverty in Scotland 2023, 2023.

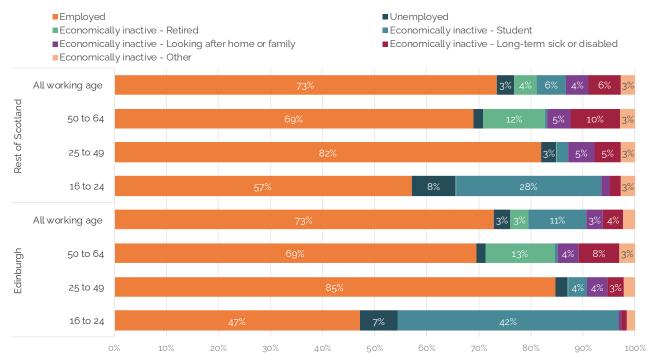


Figure 2. Economic activity rates, by age, 2022

Source: Scottish Census 2022. Data labels for values of 2% or lower are omitted.

Education and qualifications

Edinburgh is a highly qualified city. Figure 3 shows that half of working-age people in Edinburgh have a degree (53%) compared to a third of working-age people in Scotland (33%). At the other end of the spectrum, a smaller proportion have no qualifications (6%) than in Scotland (11%). This suggests that, in Edinburgh, qualifications are likely to play a more significant role in being a competitive candidate in the job market.

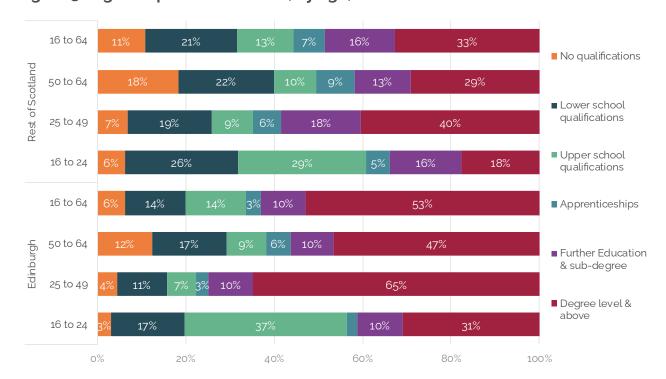


Figure 3. Highest qualification level, by age, 2022

Source: Scottish Census 2022. Data labels for values of 2% or lower are omitted.

Sector

The sector employing the highest proportion of people in Edinburgh and the rest of Scotland is health and social work (13% and 15% respectively). In Edinburgh, this is followed by education (10%), accommodation and food (9%) and professional scientific and technical activities (9%). Some sectors are over-represented in Edinburgh when compared to Scotland as a whole; a higher proportion of people are employed in education, hospitality, professional scientific and technical activities, finance and insurance, and information and communication than in the rest of Scotland. Smaller proportions of people work in manufacturing, construction, retail, and agriculture, mining, utilities, and transport than in the rest of Scotland.

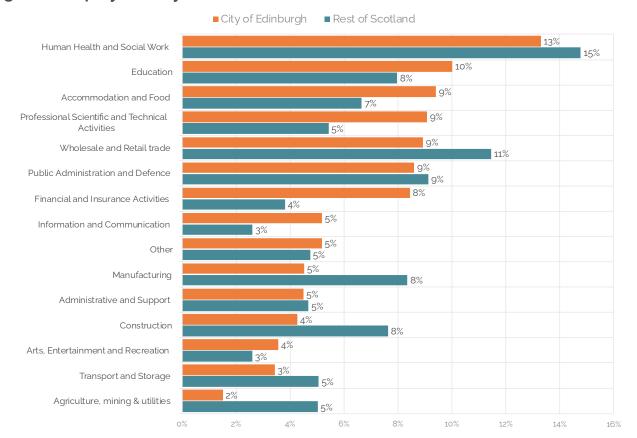


Figure 4. Employment by sector, 2022

Source: Scottish Census 2022

Looking to the future, health and social work is predicted to remain the highest-employing sector in Scotland and see the biggest growth. In 2035, 61,000 more people are predicted to work in the sector than in 2025, with a growth of 1.3% each year. This growth is predicted across a range of roles within the sector such as care as well as professional and associate professional roles within health. Other sectors predicted to grow in the next decade are arts and entertainment (1.2% each year) and information technology (0.9%). However, even with this growth these sectors are predicted to employ about one fifth of the number of people as health and social work in 2035.

Occupation

People in Scotland are employed in a range of different occupations. Figure 5 shows that Edinburgh has a higher proportion of people working in senior or professional occupations than in the rest of Scotland. This is particularly pronounced for professional occupations, which make up 28% of workers in Edinburgh and 18% in the rest of Scotland.

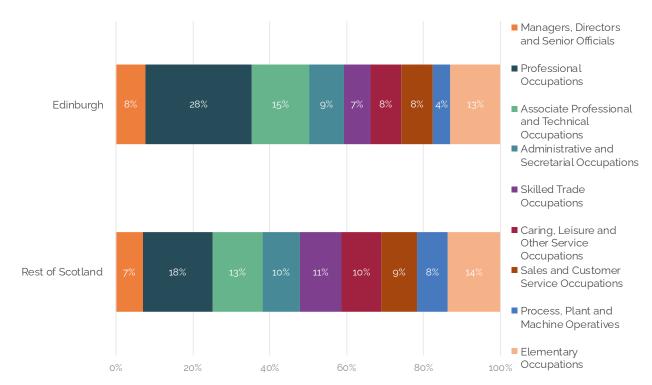


Figure 5. Employment by occupation, working age, 2022

Source: Scottish Census 2022

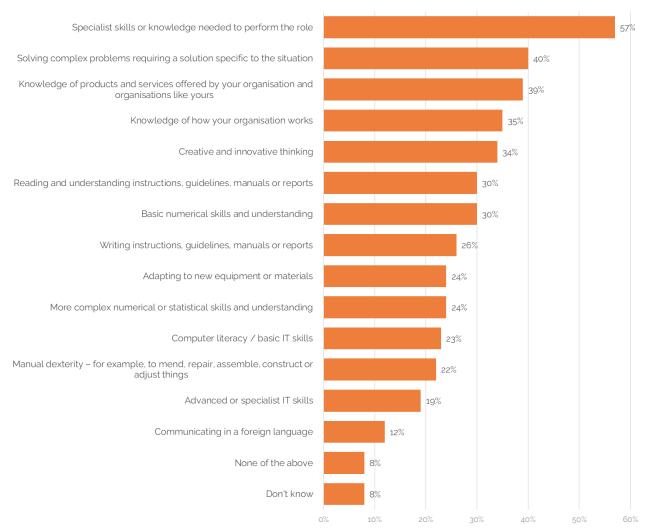
Skills shortages, vacancies, and recruitment¹⁰

The number of vacancies that are due to skills shortages in Scotland are increasing. In 2020, 21% of all vacancies in Scotland and 22% in Edinburgh were being advertised because employers felt they lacked the skills they needed among their staff. This increased to 30% in Scotland and 37% in Edinburgh in 2022. In 2022, Scottish employers with skills gap vacancies reported that the skills they found hardest to obtain were specialist skills or knowledge needed for a role (57%), complex problem solving (40%), and knowledge of products and services (39%). It is of note that nearly 1 in 3 felt they struggled to recruit staff with basic reading comprehension or numeracy (both 30%).

1

¹⁰ This section is based on data from the 2020 and 2022 Employer Skills Survey due to data for Edinburgh not yet being available for 2024. This means that findings should be treated with some caution as the labour market across the UK was significantly impacted by the pandemic, and therefore this analysis may not be reflective of up to date trends.

Figure 6. Technical and practical skills employers find it difficult to obtain from applicants, Scotland 2022



Source: Employer Skills Survey 2022

Skills shortages in Edinburgh are not evenly spread across occupations. Figure 7. shows that in 2022, the biggest skills gaps were found in employees working in skilled trades (13%), sales and customer services (6%), and elementary occupations (6%). However, the percentage of employers who felt they had a skills gap among managers and professionals at least doubled from 2020 to 2022.

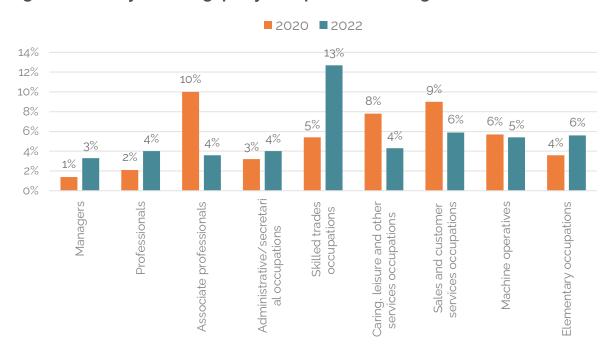


Figure 7. Density of skills gaps by occupation, Edinburgh and the Lothians

Source: Employer Skills Survey 2022

Skills shortages can be addressed in a number of ways, including upskilling existing staff, hiring new staff or contracting work out to those with the required skills, or training potential candidates to upskill them into a role. Some employers might also change workflows or processes to adapt to skills shortages or scale back their operations to remove the need to fill a skills gap. Advances in AI and automation can both cause and help address skills gaps. As was already shown, more employers in Edinburgh are recruiting to fill a skills gap than in Scotland. In addition to this, employers in Edinburgh are providing training to existing staff at higher rates than the rest of Scotland (68% vs. 57%). Employers in Scotland are also providing work placement opportunities for potential staff. In Scotland, 1 in 10 offer a work trial for potential new recruits and 1 in 20 offer internships (either paid or unpaid). This suggests that across Edinburgh and Scotland, some employers are already engaging with all the ways in which they can fill skills gaps in their workforce.

Employers in Scotland look for a range of skills when they recruit new staff. The most important were meta-skills (problem solving, critical thinking, communication, creativity, and leadership) and having relevant work experience. This highlights the

¹¹ See McKinsey, The economic case for reskilling in the UK: How employers can thrive by boosting workers' skills, 2020, <u>The economic case for reskilling in the UK: How employers can thrive by boosting workers' skills | McKinsey</u> on the benefits of reskilling employees, and PWC. (2024). <u>Artificial Intelligence</u> (AI) exposed sectors see a fivefold increase in the rate of productivity growth, with UK employers willing to pay 14% wage premium for jobs that require AI skills. on AI and automation.

¹² This data is not available at the Edinburgh level.

importance of both upskilling and gaining experience when supporting career change or progression.

Evidence review

The evidence review focused on three existing models of support for in-work progression: WorkAdvance, Year Up, and Employment Retention and Advancement (ERA). These programmes were selected because they demonstrated the greatest impact on earnings for those who took part. WorkAdvance and Year Up are both sector-specific programmes trialled in the US which provided technical training and wraparound support for participants. Both used an intensive screening process to select candidates who were motivated to participate. ERA was trialled in the US and then the UK and did not have a specific sectoral focus. The support provided differed across pilot sites in the US, but in the UK ERA predominantly provided pre- and post-employment services and financial incentives for participants who engaged in work or training. More information about the programmes can be found in Appendix B.

Outcomes/impacts of programmes

High level programme outcomes

Year Up is the programme which delivered the most consistent and sustained impacts for participants. By the end of the seven year follow-up period, participants earned on average \$1895 more per quarter than the control – a difference of 28%. This was virtually the same difference as at the 5-year mark when participants earned \$1957 more than the control, suggesting that earnings impacts remained stable over time. There was no difference in employment rates between participants and the control group, but the types of jobs and job quality were better among participants. Survey analyses showed that participants were more likely to be in a full-time job, worked in Year Up target occupations at a higher rate, and received better job benefits. The programme was cost effective, with a net benefit of \$33,884 by the seventh year, representing a \$2.46 return per dollar spent.¹³

For WorkAdvance, the picture is more mixed, with results varying substantially between sites. The Per Scholas site produced the best outcomes for participants; participants earned, on average, 14% more than the control seven years after participating. There were no statistically significant effects on average earnings at the other three sites. However, Per Scholas, St. Nicks Alliance, and Towards Employment increased the proportion of participants who earned \$40,000 or more in Year 7, suggesting that most sites did have a positive impact on generating high-earners, even if they did not increase average earnings. None of the WorkAdvance sites increased the employment rate by a statistically significant amount in Year 7. The programme had an overall benefit when evaluated for cost-effectiveness for all four sites.¹⁴

¹³ David Fein and Samuel Dastrup, <u>Benefits that Last: Long-Term Impact and Cost-Benefit Findings for Year Up</u>, 2022.

¹⁴ Henry Kanengiser and Kelsey Schaberg (MDRC), <u>Employment and Earnings Effects of the WorkAdvance Demonstration After Seven Years</u>, 2022.

ERA in both the UK and US was less successful at generating outcomes for participants than WorkAdvance and Year Up. Only three of the 12 US ERA programme produced positive economic outcomes for participants. Over five years, ERA in the UK had no lasting overall effects for lone parents in the New Deal for Lone Parents and Working Tax Credit target groups. UK ERA produced substantial positive results for long-term unemployed men in the New Deal 25 Plus (ND25+) target group, who are traditionally the most difficult-to-help group apart from people who are receiving out-of-work disability benefits. However, both the US and UK ERA programmes were found to be cost effective with the ratio of cost-effectiveness ranging from \$1.38 to \$3.53 for each dollar invested by government depending on the site for the US. The UK example was most cost effective for the long-term unemployed and less effective for unemployed lone parents and those working while receiving tax credits.¹⁵

In-work progression outcomes

Across all programmes included in the evidence review, impacts were strongest for those who were unemployed when they entered the programme. We discuss the implications of this for our design process in the following section.

Evaluation of the WorkAdvance programme after seven years included pooled subgroup analysis (looking at all sites together), one of which looked at participants' employment status as they entered the programme. Participants were grouped into those who were currently employed (or had been unemployed for less than one month), short-term unemployed (one to six months), and long-term unemployed (seven months or more). Participants who were employed when they joined the programme did not experience earnings growth that was statistically significantly different from the control. The earnings effects for the short- and long-term unemployed groups were both statistically significant and positive, with the short-term unemployed seeing the biggest earnings impact (\$3.206 higher average earnings than the control).

The seven year follow up evaluation of Year Up also looked at impacts based on the number of hours participants expected to work in the next few months when they entered the programme.¹⁷ These were grouped into participants who were expected to work fewer than 10 hours a week (unemployed), 10-29 hours a week (part-time), and 30 or more hours per week (full-time). There was no statistically significant impact on earnings for the full-time employed group at baseline. However, the part-time employed group saw an increase in average earnings of \$1,885 per quarter, and the

¹⁵ Richard Hendra et al. (MDRC), <u>Breaking the Low-Pay, No-Pay Cycle Final Evidence from the UK Employment Retention and Advancement (ERA) Demonstration</u>, **2011**.

Learning and Work Institute, Evidence review: What works to support progression from low pay, 2019.

¹⁶ Henry Kanengiser and Kelsey Schaberg (MDRC), <u>Employment and Earnings Effects of the WorkAdvance Demonstration After Seven Years</u>, 2022.

¹⁷ David Fein and Samuel Dastrup, <u>Benefits that Last: Long-Term Impact and Cost-Benefit Findings for Year Up</u>, 2022.

unemployed group saw an increase of \$2,288 per quarter, both of which are statistically significant.

The final evaluation report for UK ERA found that the only target group who had sustained earnings impacts four years after participation were the longer-term unemployed job seekers who were aged 25+.18 The group of lone parents who were in work and claiming working tax credits had no sustained earnings impacts, despite seeing short term earnings impacts when the programme was running. The costbenefit analysis revealed little net economic gain to participants, and it estimated a net loss to the Government's budget. ERA for this group proved not to be a good economic investment. However, learnings from the ERA programme were used to develop the WorkAdvance model which improves on the limitations of this earlier programme.

What made programmes successful?

There is very little robust evidence on the mechanisms that make programmes successful. However, a few features of the WorkAdvance and Year Up models are highlighted as being key to generating outcomes for participants:

- Providers having prior experience of delivering similar programmes. The WorkAdvance site run by Per Scholas was the most successful and this can be, in part, attributed to its existing strong relationships with local employers and understanding of the local labour market.¹⁹ Per Scholas also had experience of delivering similar sector-focused programmes and was therefore quick to implement the model and did so with high fidelity. By contrast, sites where delivery partners were new to the geographic context or to delivering sector-focused programmes took longer to implement the full model and to establish good links with local employers. ²⁰ Year Up's success can also be partially attributed to provision being delivered with high fidelity to the model.²¹
- Intensive screening of programme applicants. Both WorkAdvance and Year Up took a very rigorous approach to screening potential participants to assess their basic skills and motivation to complete the programme meaning only people who demonstrated a strong likelihood of succeeding were allowed to participate. One in

¹⁸ Richard Hendra et al. (MDRC), <u>Breaking the Low-Pay, No-Pay Cycle Final Evidence from the UK Employment Retention and Advancement (ERA) Demonstration</u>, 2011.

¹⁹ Abdul Latif Jameel (Poverty Action Lab), <u>Sectoral employment programs as a path to quality jobs:</u> <u>lessons from randomized evaluations</u>, 2022.

²⁰ Henry Kanengiser and Kelsey Schaberg (MDRC), <u>Employment and Earnings Effects of the WorkAdvance Demonstration After Seven Years</u>, 2022.

²¹ David Fein and Samuel Dastrup, <u>Benefits that Last: Long-Term Impact and Cost-Benefit Findings for Year Up</u>, 2022.

five applicants to WorkAdvance and 16% of Year Up applicants were accepted onto the programmes.²²

- Provision of post-employment coaching. Part of the success of WorkAdvance can be attributed to the provision of support once participants moved into work to help them advance in their careers. This support helped people advance in their careers by addressing life issues and identifying next-step job opportunities and skills training to progress up the career ladder.²³
- Placement of participants in high-quality jobs in high-paying sectors. A study of Year Up found that 77% of the increased earnings participants saw three years after participation can be attributed to the quality of the job placement.²⁴
- Involvement of employers. The costs of Year Up are partially covered by employers during the internship phase which means employers are actively invested in the success of participants and encourages them to provide support to interns during their placement. Forty per cent of interns go on to gain permanent employment with the employer who hosted their internship, and many of the employers involved are Fortune 500 companies.²⁵

More widely, the sectoral employment programmes are successful because they:

- Bolster human capital by giving participants occupational skills and career readiness training to equip them for work.
- Overcome social barriers to employment including employer discrimination and limited professional networks.
- Help participants' awareness of where demand exists in the labour market and aligns skills with labour market needs.
- Get participants into the right type of job i.e. higher-wage jobs in higher-earning industries.²⁶

In addition, the results of Year Up are consistent with matching theory: the programme was successful because it matched already capable workers with high-quality jobs.

²² Henry Kanengiser and Kelsey Schaberg (MDRC), <u>Employment and Earnings Effects of the WorkAdvance Demonstration After Seven Years</u>, 2022.

²³ Henry Kanengiser and Kelsey Schaberg (MDRC), <u>Employment and Earnings Effects of the WorkAdvance Demonstration After Seven Years</u>, 2022.

²⁴ Namrata Narain and Kadeem Noray, <u>Whose Bridge to Opportunity and Why? Unpacking the Impacts of Sectoral Job Training</u>, 2023.

²⁵ Namrata Narain and Kadeem Noray, <u>Whose Bridge to Opportunity and Why? Unpacking the Impacts</u> of Sectoral Job Training, 2023.

²⁶ Abdul Latif Jameel (Poverty Action Lab), <u>Sectoral employment programs as a path to quality jobs:</u> <u>lessons from randomized evaluations</u>, 2022.

This is in opposition to the theory that the programme's success is due to increasing participants occupational skills through training.²⁷

There is also learning from the aspects of programmes that worked less well:

- Placement-first models. The WorkAdvance Madison Strategies Group and Towards Employment sites initially implemented a model where some participants were placed into work immediately and received other aspects of support while already working. This model was phased out because evidence showed that participants were entering low-wage jobs and not gaining the skills they needed to advance.
- Mismatch between training and labour market demand. One of the reasons why US ERA did not lead to long-term earnings gains may be because training was not well-aligned to local labour market opportunities or because there was insufficient complementary support to help individuals make a switch to a better paying role following training completion.²⁸

²⁷ Namrata Narain and Kadeem Noray, <u>Whose Bridge to Opportunity and Why? Unpacking the Impacts of Sectoral Job Training</u>, 2023.

²⁸ Learning and Work Institute, <u>Evidence review: What works to support progression from low pay</u>, 2019.

Existing provision in Edinburgh

The mapping exercise identified one existing training and employment support programme in Edinburgh which has a specific focus on in-work progression. Advance, delivered by lead partner Enable Scotland, in partnership with Action Group and Forth Sector supports people to progress within their role and upskill, to move into a new job or to retain employment. This could include someone on a low income looking for better paid work, someone looking for alternative work that fits better with their circumstances or someone at risk of losing their job.

Previously operating as Fuse Advance²⁹, which worked exclusively with the retail and hospitality sector, and in St James Quarter, Advance is in its first year as a programme offering city wide support to anyone who is in-work. The programme aims to work with 180 people a year. Support is non-time limited and primarily in-person although can also be online. The service is community based and offers flexibility in terms of location and timing of delivery, including out of hours. In addition to supporting individuals to achieve progression outcomes such as a new job, the service has wider targets to support people in-work to take steps on their progression journey, for example through further engagement with education, training, or volunteering. Advance also creates and delivers training designed to meet the needs of clients wanting to progress at work e.g. leadership and resilience training.

Building on the relationships developed with employers in the retail and hospitality sector, Advance works closely with employers across sectors to help ensure that the programme reflects their needs, as well as offering advice, education, and training on different areas e.g. accessibility, to upskill employers. Where a client is a risk of losing their job, programme staff may also act as a mediator between the employer and the individual.

Alongside progression support, the programme also offers an income maximisation service providing welfare rights advice to ensure that clients are accessing all benefits they are entitled to while in-work.

While Advance has been successful in engaging both participants and employers, stakeholder feedback and the secondary data analysis indicates a level of unmet need for progression support in the city and suggests there may be value in focusing the test design on harder to reach individuals.

Aside from Advance, other training and employment support programmes in Edinburgh are more typically focused on supporting people to find or re-enter work, however they might offer elements of support for in-work progression as part of a broader support offer. This includes a number of programmes supporting specific groups to overcome barriers to finding, sustaining and progressing in employment, for example people with a disability or long-term health condition, women returning to

24

²⁹ Fuse Advance is now delivered by Capital City Partnership.

work or looking for career change, and minoritised ethnic communities, as well as services focused on supporting existing workers in specific sectors, for example hospitality, construction, and health and social care.

The types of in-work support offered by these programmes include for example inwork job coaching and mentoring, skills training, or access to funding for training to build skills and maintain or gain new qualifications.

Awareness of existing in-work support provision

There was limited awareness among the low-income workers in Edinburgh we spoke to about services to support them to progress at work, or to move into a new job with better progression opportunities.

One worker was familiar with support for women to return or progress at work after a career break, offered by the Making Work programme. Although they hadn't accessed this support personally, they perceived this to be a useful programme to support someone in their position, thinking about their next career step, to understand their skills set and how to 'sell' this to employers

"I'm now into my 40s, and I go my word, who am I? What am I? And it's trying to now focus on what that is. And although I've got a job, is it the job forever?" (Low income -worker)

Another worker had good awareness of employability services as they worked in a related role, but not specifically about support available for progression.

There was also some awareness of online support such as career coaching websites and online courses through which individuals can gain certification or badges to help to demonstrate their professional development, although views on the value of this type of support were mixed One worker, for example, suggested that they are not highly regarded by employers.

"I do find, you know, not actually being that useful is, again, especially for someone in my position where I've got a degree, I've got a lot of work experience, you know, I don't need these little badges that don't really mean anything to a lot of employers. You know, I would want something kind of concrete to ...propel you know, and to ...you know, be able to kind of deliver into particular positions." (Low-income worker)

None of the low-income workers we spoke to had accessed in-work employment support programmes. One worker assumed that they were ineligible or not a priority for support as they already had a job. Another worker said they have the skills to find the information they need to progress at work and apply for jobs, independently, and so were not seeking this kind of support.

Experiences of employment and progression among low-income workers

Low-income work in Edinburgh

Many low paid jobs do not provide the working conditions required to be considered fair work. Most low-income workers in Edinburgh that we spoke to said that they feel their work was underpaid. This was often coupled with an intense or physically demanding workload that was not reflected in the salary. Some were limited in the hours their employer offers them, don't have control over when they work, or work inconsistent hours leading to uncertainty about pay. Having to work evening or weekends also made some workers feel they lack work-life balance. Some also felt that they do not have good job security and are not valued by management or the business more widely. For those who work at desk-based jobs, some said they do not have the flexibility to work from home as much as they would like.

Low-income workers also reflected on what they like about their current jobs. Some told us that they like working in a people facing role or enjoy working with their colleagues. Despite being paid less than the Real Living Wage, some said that their current work was better paid than previous work or that they had a good hourly rate.³⁰ Some also said that their job allows them a certain amount of flexibility, either through being able to pick their shifts or to negotiate a part-time contract, which supports with childcare, study, and a social life. Workers who worked close to where they live said they value having a short commute.

Despite this balance between positives and negatives, most of the low-income workers did not see their current role as aspirational. When asked to reflect on their ideal job, workers responded in one of three ways; some had a passion, such as being an author or footballer, but they didn't feel was a viable career. Others had clear long-term career goals and said their ideal job and long-term plan was achieving that goal. Those who did not have a passion or goal for their career reflected on the conditions they would like their ideal job to have, such as job security and good pay. No one we spoke to felt that their current job was their ideal job.

Challenges and barriers to progression

Low-income workers stay in work that is not fully meeting their needs for a number of reasons, both personal and related to their employer. Responsibilities outside of work, like caring for children or elderly parents, health barriers, a longer commute time, concerns about losing benefits (particularly Carer's Allowance which has a strict earning threshold),³¹ all stand in the way of low-income workers pursuing career progression. Employers also felt that some workers lack experience in the workplace

³⁰ In these cases, workers were restricted by the hours they were offered by their employer or by other barriers to work.

³¹ To be eligible for Carer's Allowance a claimant cannot earn more than £196 per week.

and understanding of the expected level of professionalism needed to progress into a higher paying role with more responsibility.

Time, interest, or motivation to pursue a new job or undertake training to support career development were also barriers to career progression for some low-income workers. Some were near to retirement and others simply felt comfortable in their job. Employers and workers alike highlighted that finding time for learning and development or to search for a new job alongside a busy workload and personal commitments can be hard. One low-income worker said:

"I feel as if I'm trying to juggle so many things just now. I think I've become complacent at work. And you know, as much as it's easy to say, like, I really want to find something else and move on and do something else. When you are so busy, the weeks turn into months, and you know, you're still there, still doing the same thing" (Lowincome worker)

Some barriers to progression are employer related. Many low-income workers said that their employer does not offer progression opportunities. Employers similarly said that they can struggle to provide roles for their employees to progress into, particularly if they have high retention and are not growing as a business, which impacts on employee motivation to engage with personal development. However, some were also fearful of upskilling staff who may then leave to take another job.

"You know, we will have that issue where we will put somebody from facilities through a technical apprenticeship, and they'll go off to the private sector because they'll offer more money than us." (Employer)

Low-income workers said that, in some cases, they did not feel the pay increase to progress into a more senior position adequately reflected the increase in responsibility. Those who gained qualifications or work experience overseas also often struggle to build and progress in a career in Scotland because of a lack of recognition of non-UK experience.

Employer engagement in progression

Some employers provide support for their employees to progress in their career. Among the low-income workers we spoke to some felt well supported, some were provided support that came with conditions (e.g. having to pay back the cost of training if they left within a certain time period), and some had received no support for career progression. Support from employers included goal setting and development conversations, funded training, pay increases, opportunities to take on more responsibility (although not always accompanied by increased pay), and support to get qualifications by allowing part-time work. The employers we spoke to focused mainly on the provision of training to upskill staff to support progression. This was coupled with support for people to access careers with them through apprenticeships and

early career programmes. Beyond this, some employers said they aim to foster a culture of learning and development with some providing protected time for this. Some also provide mental health and wellbeing support and find that this helps employees feel valued and therefore supports retention.

However, some low-income workers did not feel the support offered by their employer was adequate. Some said that they felt that training focused on skills for their current role or to meet legal requirements rather than to support development and progression towards a higher paying role. Another worker who was on a zero-hour contract said that they received less support for their progression than full-time employees. Some did not see the value of development conversations when there was a lack of available roles to move into or felt that support was unstructured and tokenistic.

Pilot design - early insights

This section sets out early insights from the research into the design of an in-work progression pilot programme. Insights are based on interviews with low-income workers and engagement with stakeholders.

Overall programme design

Stakeholders highlighted the range of support already available in Edinburgh particularly for people out of work. With the Advance programme already offering support for in-work progression in the city, it was also important that any new provision did not duplicate this offer. Part of this will be making sure there is sufficient demand among low-income workers for support with career progression and that the programme is able to reach those who are eligible.

Beyond this, stakeholders highlighted the importance of communication about the programme's aims, eligibility, and outcomes. Some low-income workers also noted the importance of clear eligibility criteria when marketing the programme and one noted that they feel the success of this kind of support is down to employer buy-in and willingness to support employees to progress. Beyond this, there was no consensus among the low-income workers we spoke to about the best way to promote a new programme, with a large range of online and in-person engagement methods discussed. One stakeholder suggested that a focus on those who were semi-attached to the labour market, for example those on zero hour contracts or employed through the gig economy would be more likely to attract interest from potential participants.

Low-income workers were clear that support offered through the programme would need to be free to access. Some said they were already worried about potentially missing out on earnings if they took time off work to access support or training and therefore any further financial barriers would deter them from accessing support. Some low-income workers said they would only be interested in support that they perceived as being high value to them, such as training that would usually be costly being offered for free. One low-income worker said they felt that support needs to be better than what they can access for free online.

Strong links with employers to ensure job opportunities were available at the end of the pilot were also seen as essential to pilot design. Some of the stakeholders interviewed identified that engaging employers with an in work progression programme was potentially challenging. They cautioned that not all employers were receptive to the value of supporting staff development, and that some would be concerned about losing staff to competitors.

Design features

Low-income workers indicated a number of different features they would like to see in a programme to support in-work progression.

Content of support and who should provide it

When asked what support would be most useful to support them to progress in their careers, low-income workers discussed features of traditional employment support, training, and the need to understand the reality of working in a new role or sector. Employment support included careers information, advice, and guidance to help understand how existing skills and experience could transfer to a new job and practical support with writing a CV and preparing for interviews. In some cases, there was a preference for employment support to be provided by those with sector-specific knowledge:

"...being able to speak with someone I think you know, like, a mentor or a specialist in the field that would have the patience to be able to discuss and to understand your particular situation and what your goals are, and just lay out all the options." (Low-income worker)

Careers advice tailored to stage of life and career was also important. For example, at the early career stage, guidance on how to build networks e.g. using LinkedIn, was identified as helpful to support ongoing progression. Conversely, an older worker was looking for something different to retraining for a new career, to support them to progress at work.

In general, those we spoke to did not want their employer to provide this support. External providers were seen as best placed to provide objective, unbiased support but there was no consensus on which type of external provider should deliver support.

"...so, I think there would be some benefit from having someone outside of work who's able to do that, because then they're not looking at it from the organisation's perspective. They're just looking at it from your perspective and from trying to support you." (Low-income worker)

Low-income workers felt that their current employers would be best placed to provide support with internal progression, but most said they would not want to talk to their employer about progression into a different company or industry. Some workers said that more frequent 1-1 meetings and recognition of good work from their employer would be helpful to encourage and support their progression. However, in the case of moving to a new industry, low-income workers felt it would be useful for employers to provide advice on getting into the industry, insight into the realities of working in their sector, and work experience.

Low-income workers also indicated interest in training. Technical training that is targeted and recognised by a potential employer was seen as particularly beneficial. In general, soft skills training was seen as less important as low-income workers felt that soft skills are more easily acquired through experience than technical skills.

"I'd love to do more training. It just needs to be valuable and targeted. And as I say, there's too many places that copy paste, you know, the same content and call it a day." (Low-income worker)

Format of delivery

Preferences for the format of delivery among low-income workers also differed from person to person, highlighting the need for a flexible, person-centred approach. There was a mix of preference for online and in-person support, but in general, low-income workers said they wanted to talk to someone and for provision to be structured rather than self-guided. The frequency or intensity of support low-income workers would like to engage in also differed from person to person. Many of the low-income workers we spoke to worked part-time or shift work and therefore had availability during the traditional working week. However, some would only be able to access support if it was offered in the evenings, further indicating the need for delivery to be as flexible as possible to meet the diverse needs of participants. This would help address one of the main barriers to accessing support raised by low-income workers: having enough time and being able to fit it in around their busy schedules.

Considerations for the co-design phase

Our research so far has confirmed that there is more to learn about how best to support low-income workers progress to better jobs. Stakeholders identified that a better understanding of how to support people to progress in work was an under developed element in Scotland and Edinburgh's implementation of the Fair Work agenda. Equally, there are significant numbers of people in Edinburgh experiencing in-work poverty, and limited support available for them in contrast to the support on offer for people out of work. It is evident that the development and implementation of a new in-work progression programme in Edinburgh will come with very real challenges but that meeting these challenges could help to drive progress towards fairer work and a reduction in poverty for Scotland.

We set out below the considerations from the research that will inform our co-design phase. Our conversations with stakeholders, employers and low income workers have been invaluable in developing our understanding of what a successful in work progression programme could look like in Edinburgh. We look forward to continuing to work in partnership to apply the learnings from our initial research to the co-design of a programme based on the strongest international evidence.

Sectoral focus

Our review of the evidence highlighted that a sector specific approach to in-work progression was associated with more positive outcomes and that the choice of sector was also critical to the success of a programme. Our data analysis and scoping calls identified tourism, finance and health and social care as potential sectors to consider with key considerations being the availability of jobs paid above the Real Living Wage and the expertise of our delivery partner.

Our decision to choose health and social care was informed by several factors. It is the sector employing the highest proportion of people in Edinburgh and the sector predicted to have the biggest growth. It is also salient due to ongoing recruitment challenges and wider policy development in particular the introduction of sectoral bargaining. Furthermore, the Joseph Rowntree Foundation identify health and social work as one of the five industries that play a key role in maintaining in-work poverty in Scotland. This is not because all roles within the industry are low-paid – in fact, the risk of being on low pay in the sector is about average for the Scottish economy but rather a reflection of the number of people employed by the sector in receipt of low pay (particularly women).³² Health and Social Care also scores poorly on some measures of job quality particularly in relation to physical and emotional burn out.³³ In this way there may be greater potential impact than a programme focused on a sector such as finance which typically scores more highly on measures of job quality,

³² Chris Birt, Carla Cebula, Jack Evans, Deborah Hay, Annie McKenzie (Joseph Rowntree Foundation), Poverty in Scotland 2023 2023

³³ Wilson T, Sharma M, Gifford J (Institute for employment studies) <u>Exploring the interactions between</u> <u>job quality, industries and health</u>, 2024

Our previous evaluation of an in work progression programme in the care sector in Glasgow identified that it could be a challenging sector due to constraints around funding and staff capacity as well as its highly regulated training and pathways.³⁴ However, we feel these challenges are outweighed by the significant impact that improved progression opportunities in this sector could have on reducing poverty. While we have made the decision to focus on health and social care, further consideration is needed at co-design stage to identify what roles, occupations, pathways, qualifications, and employer types should be the focus of the programme.

The decision to focus on health and social care also has implications for wider roll out of a pilot programme. It is a sector heavily shaped by public policy and with regulated progression pathways so "what works" for this sector may not be replicable across the UK labour market. This means further testing in other places and other sectors would be a necessary next step in any wider roll out.

Defining our target population

Our evidence review identified that the salary impacts for in work progression were not as sustained for people who were already working when they joined the programme in contrast to the impact on unemployed people. However, we took the decision to focus on people who were already in-work because this is where more evidence is needed and where there is greater need within Edinburgh in terms of available support.

From the in-work progression programmes that we reviewed Year Up has the most sustained long term impact on salary, However, the evidence also suggested that this was due at least in part to the intensive screening process that meant already capable workers were matched with high quality jobs rather than supported to develop. It is important to recognise that many people in Edinburgh are highly skilled and supporting this group to find higher paying jobs could in itself be valuable. However, to have the greatest impact, our programme needs to focus on removing systemic barriers and developing individuals' skills, behaviours, and experience so they can progress into their desired job.

There is also a relationship between the sectoral focus and the target population which we will need to consider at design stage. Different sectors offer different kinds of work and flexibilities around that work. A lone parent, for example, is likely to need different flexibilities to someone with a health condition that limits their mobility. People will also have different preferences, for example one stakeholder suggested that health and social care was likely to be a less attractive option for some gig economy workers who were more focused on entrepreneurship.

Reaching and recruiting low income workers

Our research with low income workers suggested a limited awareness of the possibility of receiving support to find a better paid job in contrast to much wider awareness of

³⁴ Learning and Work Institute (Glasgow City Council) Glasgow In-Work Progression Pilot, (2019)

support to find a job when unemployed. Many people faced multiple barriers to progressing with their careers which may also prevent them from receiving support to progress. Stakeholders also highlighted that a sector-specific programmes risks excluding people who could benefit from in-work progression support, but do not wish to work in the target sector as well as those who do not know what sector they want to work in.

A critical step for our co-design phase is therefore how to design a programme that is easy to access and meets people where they are. This could include identifying the life stages and circumstances where people are likely to consider in-work progression and then identifying appropriate partners to work with as well as identifying what messaging is likely to appeal to our target population.

Our decisions around recruiting and screening participants also have implications for wider roll out. Challenges in recruiting "ideal" candidates can often prevent employment programmes from expanding or reaching targets as their target audience is too narrow for real world circumstances. We will therefore need to balance decisions around screening for success with decisions around effective scale up.³⁵

Engaging employers

Our research suggests that engaging employers with in-work progression programmes could be challenging. Stakeholders highlighted the difficulties in persuading some employers to invest in progression and employers highlighted the very real challenges they experienced in supporting with staff development and progression. The model successfully implemented in Year Up where employers made significant financial contributions to the cost of the programme therefore seems unlikely to succeed in our context. Conversely a programme where employers are supported to upskill their existing staff is unlikely to lead to systems change as it risks duplicating the investment that employers make or should be making in their own workforces.

A focus for our co-design sessions will therefore be on designing a programme that supports individuals to find better paid work while attracting buy in from a range of employers to support with work experience placements and job opportunities. Developing appropriate messaging for different types of employers will be critical due to the broad range of employers working in health and social care.

Designing the support offer

Our research suggests that following the structure of Work Advance provides an evidence based framework for the design of our new programme. This includes four stages: sector focused pre-employment services, occupational skills training, job development and placement in targeted occupations, and post-employment support.

However, we need to further interrogate how this can be delivered in the specific context of Edinburgh and for a specific in-work population. The evidence that models such as Work Advance are more effective for people out of work means that we need

³⁵ Learning and Work Institute (Step Up) <u>Step Up: Trialling new approaches to supporting low-paid workers to progress in their careers</u> (2019)

to adapt the model so that it meets the needs of our population. There are also wider considerations including how to ensure the flexibilities needed by low income workers balance with the practicalities of delivering a cost effective programme. Another key question will be building specific understanding of the training needed to ensure employment success while not creating too great a time commitment for participants. There are also elements that we know will be harder to implement successfully, in particular the provision of post-employment support. Insights from the co-design phase will be critical to informing how we can ensure that participants fully benefit from this stage of the support offer.

Finally, it is important to note that the positive outcomes for Work Advance were strongly associated with the skills and experience of delivery partners. Ensuring that we have the right delivery team and wider partners in place to implement our support offer will be another critical stage in the process.

Measuring impact

A recurring theme through our initial research has the been the importance of the wider dimensions of fair work rather than just focusing on pay. It is evident that the design and testing of any new intervention to support people on low pay to progress at work should reflect all the different dimensions of Scotland and Edinburgh's Fair Work Framework and Charter. This will be a key consideration as we develop the metrics to evaluate our programme to ensure that we capture participants' qualitative perceptions, for example, how fulfilled they feel at work as well as quantitative evidence on measures such as pay, working hours, and job security. These metrics could be drawn from the Fair Work Framework to situate the programme within the wider context.

Appendix A: Evidence review methodology

To guide the evidence, review process a protocol was developed which outlined the overarching aims of the project, the inclusion criteria, search methods, and approach to the review. The goal was to first identify which in-work progression models should be considered for further investigation before developing an in-depth understanding of up to three models which had produced successful outcomes for participants.

The inclusion criteria for evidence were:

- a focus on existing evidence on successful in-work progression programmes within the national context, and other comparable settings internationally.
- a longitudinal impact evaluation design (e.g. a randomised controlled trial or quasi experimental methods).
- evidence since 2020, where available.

From the scoping stage, WorkAdvance, Sector-Focused Career Centres, and Employment Retention and Advancement (ERA) were identified as models which had been rigorously evaluated, produced positive outcomes, and were likely to be transferable to the Edinburgh context.

Using Google and Google Scholar search engines and electronic database, JSTOR, further searches were undertaken into these three programmes, using the names of each programme as keywords. Results were initially limited to publications from the last five years and then extended to all results if this did not uncover recent publications. Due to a lack of available published evidence, the Sector-Focused Career Centres programme was dropped from the review and replaced with Year Up, which was regularly referenced in literature on sector-based employment programmes and showed promising results.

A total of 38 sources were identified through the search. These were then sifted based on relevance of content and year of publication and nine were selected for in-depth analysis. Fewer sources looking at ERA were included because of a lack of recent evidence on the programme.

The in-depth review focused on the context in which each programme was developed and delivered; key features of each programme model; what made programmes successful and any evidence about what did not work; and the outcomes/impacts of each programme for participants, with a particular focus on those who were already working when they entered the programme.

Appendix B: Summary of programme models

	WorkAdvance	Year Up	Employment Retention and Advancement (ERA)
Date	2011-2013	2000-present	UK 2003-2007 US 1998-2011
Target population/ eligibility criteria	Adults who were unemployed or earning low wages (less than \$15 per hour), with family incomes below 200 percent of the federal poverty level. There was an intensive screening process of program applicants before enrolment for motivation and readiness to participate.	Young adults (18-24) with a high school diploma but who are disconnected from work and school, or at risk of disconnection, and are motivated to do well in the program. Screening process for applicants including formal application (CV and 2 page essay describing interest in the programme), drugs screen and background check, learning assessment where reading, writing, and analytical skills are assessed, and interviews to success.	ERA in the UK targeted lone parents (who were either unemployed and entering the New Deal for Lone Parents welfare-to-work programme or working part time between 16-29 hours and receiving working tax credits) and longer-term unemployed job seekers (mostly men) who were aged 25+, claiming Jobseekers Allowance, and mandated to join the New Deal 25 Plus welfare-to-work programme. US ERA target group differed across different locations – the project was more exploratory to find what works rather than testing a fully formed programme. However, most participants were current or former welfare recipients and other low-wage workers, most of whom were women and lone parents. Almost all the programs targeted current or former recipients of Temporary Assistance for Needy Families (TANF), the cash welfare program that mainly serves single mothers and their children, but the program models were extremely diverse.
Location	WorkAdvance was delivered in the US in New York City,	Operated in 9 cities around the US for the period of the evaluation but now	UK ERA operated in 6 districts located in Scotland, Wales, the East Midlands, London, North East, and North West.

	Ohio, and Oklahoma. Providers were: Madison Strategies Group (Tulsa, OK) Towards Employment (Cleveland, OH) Per Scholas (New York City) St. Nicks Alliance (New York City)	operates more widely. Cities as part of the evaluation were: Atlanta Boston Chicago Dallas/Fort Worth New York Providence San Francisco Bay Area Seattle Washington, D.C.	 A total of 16 ERA models were implemented in eight states: California (two different sites) Los Angeles (two projects) and Riverside (two projects) Illinois Minnesota New York (two different sites) Ohio Oregon (four different sites) in Eugene, Medford, Portland, and Salem. South Carolina Texas (three different sites) in Corpus Christi, Fort Worth, and Houston.
Sectoral focus	Information Technology (IT) (Per Scholas), Environmental Remediation (St Nick's Alliance), transportation and manufacturing (Madison), health care and manufacturing (Towards Employment).	IT, financial operations, sales and customer support, business operations, and software development and support.	No sectoral focus.
Overview of provision	There are four core elements to the WorkAdvance model: Sector-focused preemployment services. Each participant receives an orientation customized to the targeted sector, meets with a career coach to assess the participant's	Full-time, one year programme where first six months is skills training in a relevant sector and second six months is an internship. Three main features of Year Up: 1. Technical skills training in selected occupations,	US ERA project was highly diverse and decentralised in design. The programmes – generally supported by existing public funding, not special demonstration grants – reflected state and local choices regarding target populations, goals, ways of providing services, and staffing. UK ERA included: Pre- and post- employment services (ERA specialised support advisor, coaching for in-work progression and rapid re-employment services, access to Emergency

- interest in the sector and to create an individual career plan, and receives job-readiness preparation (in soft skills, CV writing, etc.) tailored to the sector.
- Occupational skills training. Short-term, sector-specific skills training is offered free of charge, accompanied by an industry-recognised training credential or certification. The length of this differed between providers from 2-32 weeks.
- Job development and placement in targeted occupations. Program staff members capitalise on new and existing relationships with employers in the targeted industry to place participants in appropriate occupations, match them with jobs that suit their skills, and help them identify future advancement

- business communication (written and spoken English); and professional skills (behaviours for success at work).
- 2. Wrap-around support services during both phases, applying a "high expectations, high support" philosophy. Key strategies include behaviour contracts (specifying expected professional behaviours), financial stipends, social support from staff and peers organised as learning communities, staff advisors and social workers, and outside mentors.
 - Programme uses a system of 'infractions' where participants are penalised through a reduction in their stipend if they behave unprofessionally, and can be removed from

- Discretion Fund payments of up to £300 to help participants stay employed e.g. through supporting with car repairs or short term childcare).
- Financial incentives (retention bonus of up to 6 payments of £400 for participants working 30+ hours a week, training payment of £8 for every hour of training up to £1000 for those who engage in training while working).

US ERA programmes were diverse but can be broadly categorised into:

- primarily concerned with advancement: Riverside which tested alternative strategies for promoting training and education; and Illinois which used a combination of services to promote advancement;
- primarily concerned with hard-to-employ workers: Minnesota which used in-depth intensive case management; Portland which used intensive and teambased case management; New York PRIDE which targeted clients with physical and mental disabilities by channelling them into vocational rehabilitation or work based education; New York Substance Abuse which used intensive case management;
- projects with mixed goals: Los Angeles Enhanced Job Club used a step-down method starting high but over time concentrated on lower paying jobs; Los Angeles Reach for Success, a comprehensive program of services designed to address both retention and advancement; Ohio which was an employer based program offering retention services in the work place

opportunities in the industry.

• Postemployment services. Coaching is provided to participants for up to two years after random assignment to promote job retention and career advancement, assist with reemployment, and address issues that may arise with employers.³⁶

- the programme if they commit enough infractions.
- 3. Strong connections to employment with six month internships at local employers (often Fortune 500), and intensive post-program employment services.

and technical assistance to managers of low-wage workers; Medford and Eugene which focused on formerly employed welfare recipients who experienced unstable employment; Salem which was a job search/career planning/education and training program; South Carolina which targeted former welfare clients with intensive case management designed to help retention and advancement problems; Texas which offered individualised team based case management and monthly stipends to those who participate in an employment plan.³⁷

³⁶ MDRC, WorkAdvance (website).

³⁷ US Government, Office of the Administration for Children and Families, Employment Retention and Advancement Project (ERA) (website).