



## ALL PARTY PARLIAMENTARY GROUP ON HOUSING AND SOCIAL MOBILITY

### 2020 INQUIRY INTO SOCIAL HOUSING AND EMPLOYMENT

#### UPDATED QUESTIONNAIRE TEMPLATE AND INTRODUCTION

**The Inquiry will be taking written submissions of evidence from Monday 9<sup>th</sup> March until Tuesday 30<sup>th</sup> June 2020 (deadline extended).**

#### Introduction

The All Party Parliamentary Group (APPG) on Housing and Social Mobility, co-chaired by Peter Aldous MP and Liz Twist MP, is conducting a Parliamentary Inquiry into understanding and seeking actionable proposals to tackle the perceived employment and earnings gaps between working age social tenants and non-social tenants. The Inquiry will run through to September 2020 and will involve the submission of written evidence and selected oral evidence from those who provide written submissions. The APPG is supported by Communities that Work and PlaceShapers and Communities that Work act as registered secretariat, with additional support from the housing sector 'GEM' programme. The research function for the Inquiry is provided by the UK Collaborative Centre for Housing Evidence (CaCHE).

In this overview document, we provide background to the topic of the inquiry, why it is important and lay out the key questions (and sub-questions) we would like evidence submissions to explore. The document also provides a clear timetable and work programme required for the inquiry to achieve its key objectives (**1. how strong is the gap in employment performance between social tenants and other working age people; 2. how is the gap explained and 3. what can be done about it?**).

The Inquiry and its central questions were developed prior to the outbreak of what became a pandemic. Since then, the world has been deeply changed and the economic and public health situation irrevocably impacted by the coronavirus, social distancing measures, and economic shutdown. These issues will affect the choices ahead on how we best engineer an economic and social recovery in the months and years to come. While the five questions that are at the heart of the Inquiry remain relevant and wholly valid, we must accept that each is now to be understood in part through the lens of the multiple dimensions of the shock caused by coronavirus.

In a sense the new and unanticipated massive economic shock inducing an uneven recession is now compounding pre-existing structural factors that create barriers to employment on an ongoing basis. However, it also presents opportunities for how to engineer, support and target recovery. We think this makes the timing and significance of the Inquiry all the more relevant.

#### Background to the Inquiry

There is both long-standing and contemporary evidence that social tenants of working age have worse employment outcomes than non-social tenants (Judge, for the Resolution

Foundation, 2019). While we know that social housing can generate many different forms of beneficial outcomes for those who live in such housing, can we learn what is going on in the labour market and use that knowledge to understand and promote what would work to improve employment outcomes for working age social tenants.

There is a longstanding concern that working age social tenants have weaker employment outcomes than working age people as a whole. Previous studies attributed this to the nature of social housing (e.g. tenure security reduced labour mobility and migration) or to weakened work incentives also linked to the housing benefit system and low rents. Often, the evidence did not clearly support these assertions and many others contrasted essentially supply-side explanations to do with the characteristics of working age social tenants as compared to demand side drivers (e.g. weaker local labour markets) or other institutional factors (or some combination of all three).

A separate background research paper provides further details about what we know about barriers to, and the potential for, employment among working age social tenants.<sup>1</sup> While the contemporary labour market is often characterised as being one where we have both high rates of employment and considerable numbers of new jobs (and opportunities), there is also concern about spatial disparities in those opportunities and worries about precarity and insecure working, in-work poverty and the quality of work. It is in this context that the Inquiry wishes to look more closely at the notion of a social housing employment gap, recognising that this should reflect careful consideration of what is really going on beneath the crude figures.

The employment gap question was recently recast by important work carried out by the Resolution Foundation (Lindsay Judge, 10 April 2019, 'Social Housing: A Working Hypothesis'). Looking at UK working age data from 2014 to 2018, Judge found that only 54% of social renters were in employment (non-social renters stood at 81%) and that more than twice as many social tenants were economically inactive 46% compared to 19%).

Judge goes on to argue, however, that social housing tends to house more disadvantaged groups as well as the cumulative effect of allocations becoming more need-based – this is likely to be reflected in employment outcomes. Consequently, Judge sought to control for many of these supply-side or personal characteristics factors statistically and was able to produce results which suggest considerable reductions in the gap (i.e. the employment gap fell by three fifths from 27% to 11% and the economically inactive rate fell from 21% to 7%).

Judge recognises that this effect may be even stronger if we could better measure the effect of important variation in personal characteristics. Moreover, there are important demand-side and spatial factors i.e. the extent to which social housing is located in generally weaker labour markets (for which they find limited confirmatory evidence). Local effects e.g. housing estates built on urban peripheries and poor transport links may also weaken labour market position significantly. Judge also notes that the location of new market and social housing may also contribute to these employment barriers.

What policy and practice are underway to address the employment gap and how could it be made more effective? What interventions can exert this most leverage and do successful ideas also work at scale and in different contexts?

### Key Lines of Inquiry

The Inquiry will take written evidence submissions from interested parties later in the Spring (see timeline below) with limited oral evidence sessions thereafter (reflecting the constraints imposed by the lockdown and the uncertainties surrounding its unwinding). All Inquiry respondents should consider the questions and pose related sub-questions, to elicit the fullest and fairest answers possible. The APPG Inquiry seeks to provide clear and actionable recommendations on the questions posed. Both sets of evidence-gathering processes will be structured around the following five question topic themes. Below we distinguish between

seeking to measure accurately what the employment gap actually is, understanding the causes of these gaps, and then seeking effective remedies and positive interventions to improve employment rates and the quality of work. In other words, evidence about:

- The rates of employment between working age social tenants and other people of working age
- The quality of work – i.e. employment precarity/instability and lower earnings, including the extent to which those in work have a degree of control over their work and conditions
- Evidence-informed practice and policy to improve outcomes across employment rates and the quality of work and earnings

**The five questions for which we seek evidence about are:**

- 1. What is the relationship between social housing and employment? What factors affect social renters' work chances? What do we know** from specific places, experts and organisations about the employment gap? What are the causes or key drivers and to what extent do these relate to personal characteristics, local markets, the demand-side and other factors that impact on employment chances? Can we combine and synthesise local, UK and international evidence across quantitative and qualitative knowledge, information and expertise – to build as compelling picture?
- 2. To what extent are social housing tenants more likely to be in lower paid and unstable employment than people living in other tenures?** What factors affect social renter's work choices, and what positive interventions can be adopted to support wider work choices? What is the quality of the evidence relating to these questions, both the causes and subsequent interventions? Do we understand why outcomes vary?
- 3. How can the social housing sector be the catalyst for closing the social housing employment and earnings gap?** How do we best deliver support that enables the whole social housing sector to get more tenants and residents into good quality, sustained employment that secures the livelihoods of households in the long term. Can we review and synthesise the types of interventions being carried out by housing providers and other actors or stakeholders working with communities and disadvantaged places? What works, why (and for whom), and can effective intervention be scaled up to work in different contexts?
- 4. What can different tiers of Government do to support the social housing sector and tenants, to reduce the social housing employment and earnings employment gap?** and what positive interventions can be adopted to close the employment gap? What works, why (and for whom) and how do we know (what is the evidence base)? Are effective interventions scalable and transferable across different contexts. We are very keen to hear examples of good practice and successful initiatives, as well as to learn lessons why other interventions were less effective.
- 5. Cross cutting the above four questions, we want to hear about how the voice of residents' lived experience was heard and was engaged with?** To what extent were residents involved in the design, delivery and consumption of initiatives by providers and government agencies? How have policies and practices been accountable to the people they are designed for? What lessons can we learn for future employment innovation that will embed tenants and engage with them fully and effectively?

## Work Programme, Activities and Milestones

The work of the inquiry is primarily organised around the two forms of evidence gathering and is supplemented by an initial background paper from CaCHE. The evidence will be synthesised in the final inquiry report along with the APPG's recommendations. The inquiry will also draw on CaCHE knowledge exchange hubs<sup>2</sup> in all parts of the UK. The oral evidence sessions will expand on specific testimony originally provided in the written submissions.

The Inquiry will deliver three main outputs:

- Review of the evidence and background research carried out by CaCHE (see background paper)
- Synthesis and key messages from the written evidence (Summer 2020)
- A final Inquiry report and recommendations (Autumn 2020).

## Next Steps and getting Involved

Please keep up to date with the Inquiry's work at our website:

[www.communitiesthatwork.co.uk/APPG](http://www.communitiesthatwork.co.uk/APPG)

For direct enquiries about the APPG and the Inquiry, please email:

[information@communitiesthatwork.co.uk](mailto:information@communitiesthatwork.co.uk)

We welcome written evidence to the Inquiry which will be taking submissions from Monday 9<sup>th</sup> March 2020 until **Tuesday 30<sup>th</sup> June 2020**.

Please email your submissions (no more than 6 sides of A4) to

[information@communitiesthatwork.co.uk](mailto:information@communitiesthatwork.co.uk)

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<sup>2</sup> CaCHE has five knowledge exchange hubs (London and the South; Midlands and the North; Wales, Scotland and Northern Ireland), each consisting of around 30 individuals who bring expertise from across the respective regional/devolved housing systems: analytical, policy and practice input from public, private and third sectors.