



**WILCO**

Welfare innovations  
at the local level  
in favour of cohesion

WORK PACKAGE 5

## **SOCIAL INNOVATIONS IN BIRMINGHAM, UNITED KINGDOM**

Nadia Brookes, Jeremy Kendall and Lavinia Mitton (University of Kent)

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## INTRODUCTION

Birmingham is located within the West Midlands region of England and is the regional centre for business, retail and leisure. It is the largest city in the UK outside London and has a population of just over one million inhabitants. Much of Birmingham suffers from high levels of deprivation. The city has had a wide range of regeneration and renewal programmes and initiatives over the years targeting both the city centre and neighbourhood areas. Local government for the city is the metropolitan authority of Birmingham City Council (BCC), the largest local authority in the UK.

One of the key drivers for the innovations described here was the need for access to social and affordable housing. Birmingham's population is increasing and projected to grow by 100,000 residents by 2026, in total 90,000 additional households will be formed. Demand for social housing significantly outstrips supply and there is a large waiting list for social housing of over 30,000 applicants. The average city income is insufficient to buy an average priced home. This is a huge housing challenge, made more pressing with the economic downturn which resulted in a slowing of the housing market, a drop in house building and restricted access to mortgage lending.

The other main driver for innovation was access to jobs, Birmingham has rates twice the national average and in some areas over 50 per cent of the working age population are not in employment. Birmingham has the highest rate of youth unemployment in the UK. Entrenched problems of unemployment, a shortage of appropriate jobs, fragmentation of support and young entrepreneurs not getting enough support were some of the issues identified. Birmingham was perceived as good at job creation but not necessarily for people in those areas where unemployment sat at a higher level. The opportunity for innovation came largely through funding from a central government grant, the Working Neighbourhoods Fund (WNF). The aim of this was to tackle unemployment and low levels of skills and enterprise in the most deprived areas. A total of £114 million was allocated to the city between 2008 and 2011.

There was evidence of social innovation across all sectors in Birmingham, usually with some involvement from the City Council as a source of funding. Innovation was evident in both labour market integration and housing but not visible in the area of childcare. This is due to the fact that child care policy is determined by central government and local responsibilities include ensuring that there is a mixed economy of child care provision across the city, and administering resources for Children's Centres (providing holistic, one-stop-shop services for families with children five years old and under, tailored to the needs of local communities) and for free child care hours for two to four year olds. This does not allow for decentralised solutions to child care issues.

The five innovation examples were chosen according to the following criteria: they were 'new' to the setting in which they were being implemented; they covered one or more of the WILCO policy fields; and involved a variety of local stakeholders.

## 2. WELFARE INNOVATIONS IN THE THREE POLICY FIELDS

The five social innovations presented were chosen on the basis of initial meetings with stakeholders and a desktop review of information available (websites, reports, policy documents). The examples selected had been highlighted as 'innovative' or 'promising' but these are merely examples, there were many more social innovations in existence in

Birmingham at the time of selection. The innovations are introduced by a brief description followed by the themes of: conceptions and ways of addressing users; internal organisation and modes of working; and interaction with the local welfare system. There are four innovations related to labour market policy and one the housing policy field.

## 2.1. A locality approach to unemployment

### 2.1.1. Short description

Birmingham developed an approach to tackling unemployment for those living in the most deprived areas which could be characterised in two ways. Firstly, it was locality driven in that it focused on areas with high levels of unemployment (25 per cent or more) and detailed consultation took place with local welfare partners, local providers, community organisations and local councillors. Through this process the needs of local areas were analysed, existing service provision mapped, gaps in service provision identified and proposals made for additional activity to be commissioned. These Neighbourhood or Constituency Employment and Skills Plans (NESP/CESPs) were then agreed at local constituency or strategic partnership meetings. Local Commissioning Boards oversaw the commissioning activity with the intention of selecting high quality providers and Local Provider Forums developed the capacity of local providers to deliver interventions and supported monitoring activities. Secondly, the approach was characterised by a strong client focus, which addressed the needs of individuals (the Integrated Employment and Skills model or IES). The aim of the model was to offer a continuous service led by individual client need, which recognised that progression was often not a simple or linear process. Using this model services were commissioned strategically to ensure an integrated pathway for clients.

The NESP/CESP contracted provision tended to provide a somewhat standard set of options for employment and skills support, but the locality and IES driven approach to delivery on a city-wide scale, the development of the NESP/CESP approach and the contracting process were innovative. This was a move away from the usual arrangement of a single contract for the whole city to one with tailored contracts to meet the needs of local people. The deliberate targeting of local areas, groups and individuals was a key innovative feature of the approach. The IES model and the NESPs and CESPs provided a foundation for a focus at the client level and the provision of targeted action and support that each individual required (whether this was education, skills or employment) no matter what provider they accessed. The approach was designed to ensure that local needs were taken into account and overall contract values set at a level to allow third sector providers to tender for contracts. It also facilitated the development of a number of innovative projects to address unemployment.

Funding for the unemployment initiative came from the Working Neighbourhoods Fund (WNF) a central government allocation to local authorities to help tackle unemployment and low levels of skills in areas of high deprivation (the Coalition Government phased this out in 2011). This was awarded between 2008 and 2011. The NESPs covered seven Birmingham wards that had more than 11 priority areas for deprivation within them and nine constituencies were the subject of CESPs (which also captured the needs of smaller clusters of priority areas lying outside key wards).

### 2.1.2. Conceptions and ways of addressing users

The areas with the highest levels of unemployment are also usually the most deprived, by supporting people into sustained employment in those areas there should be benefits to the localities as a whole. This was a proactive drive to pursue the development of community-led, neighbourhood specific approaches, actively engaging those individuals

most at risk of unemployment and furthest away from the labour market, including the long-term unemployed, ethnic minorities and people with disabilities. The IES model underpinned the delivery of the unemployment approach and focused on making changes to the way the infrastructure works, including improved partnership working and more joined up services. The support process included: employability skills to overcome personal barriers; skills support linked to existing vacancies; and support to and through sustained employment.

The key features of the IES model included:

- Improved local information to effectively target resources to the needs of a particular group or individual
- A wide range of outreach and contact strategies to effectively engage with groups or individuals
- A strong client-focused approach which addressed the needs of specific individuals
- A range of interventions to address the needs of individuals
- Client tracking to support individuals to access employment and post-employment support
- Engaging with employers and providing bespoke training to match priority clients to vacancies
- Continuity to ensure a joined up approach, assurance to clients and opportunities to build on learning
- Local unemployment champions

NESP/CESP providers indicated that having provision available at a local level was essential for engaging with service users. Many people did not want to travel outside of their neighbourhood and so it was important to have a visible presence in the community and to use organisations potential users of the service would be familiar with.

### *2.1.3. Internal organisation and modes of working*

Forty-three contracts were let to a variety of provider types: private sector; third sector organisations and consortium; and social enterprises. Individual projects specifically targeted a range of groups: the disabled, lone parents, the over 50s, those not in Education Employment or Training (NEET), carers, women, and vulnerable clients (alcohol users, offenders). The employment and skills support provided included: making contact with clients, skills assisted planning, mentoring, subsidised work placements, support into business 'start ups'/social enterprise, and English language and basic skills. There was also support to local businesses to provide job vacancies for local residents.

In terms of responsibilities for the management of the locality approach, Be Birmingham was responsible for the effective delivery of Birmingham's Local Area Agreement and the City's Area Based Grant including the WNF. Be Birmingham, as the Local Strategic Partnership, played a key role in bringing partners together to coordinate action on unemployment through focusing on the most deprived neighbourhoods. The Birmingham Economic Development Partnership (BEDP) was the thematic partnership responsible for the management of elements of the WNF. Responsibility for the development and approval of projects was delegated to the Employment Sub Group (ESG) which included Birmingham City Council (BCC), Job Centre Plus and Skills Funding Agency representatives. BCC was the accountable body for the funding and so processes and governance needed to comply to both Be Birmingham and BCC requirements.

The unemployment approach was largely bottom up in that priorities were identified through the NESPs and CESPs, which were then fed into a delivery plan. The ESG management team agreed the priorities and commissioned projects and activities. An

appraisal panel made recommendations on which projects should go ahead for approval and the ESG approved projects (except for those over £300,000 which went to Be Birmingham for approval). The BEDP made programme level decisions and received project information. Be Birmingham received updates on performance and a BCC Cabinet Member approved projects in line with financial regulations.

#### *2.1.4. Interaction with the local welfare system*

As a city Birmingham was and is highly committed to tackling unemployment, and social inclusion is high on the political agenda. The IES model was the principal means by which activity to tackle unemployment was informed and sat at the heart of the City Strategy (the core strategy to provide a 20 year framework for sustainable growth in Birmingham, with proposals to provide 50,600 new homes and deliver 100,000 new jobs by 2026) and the Local Area Agreement (steps to deliver the City Strategy). The major players in the local welfare system all agreed and signed up to the IES model, including Birmingham City Council, Job Centre Plus and the Skills Funding Agency. It provided a well-understood model against which to commission activity and assess performance. There was a significant amount of political scrutiny mostly related to constituencies wanting to have greater independence over spending and to be able to hold providers to account. Political involvement in the process led to some delays (and the slow start resulted in criticism within the City Council and local press) but having the engagement of local councillors also helped to embed and raise the profile of the NESP/CESP delivery contracts in their areas.

Stakeholders and service delivery organisations believed that this approach provided local support and got many people into work, training and volunteering opportunities. A number of partnerships came together for the first time including those of different sizes and different sectors with a range of geographical and target group focus. One partnership brought together a national provider, a city-wide provider and a third sector local provider each offering different skills and expertise for supporting people into work. Many third sector providers came together solely for the purpose of delivering WNF contracts. Private sector providers also felt that their relationships with many community and third sector groups had improved during the delivery phase of the NESPs/CESPs. It also enabled projects to develop new relationships with employers, which increased opportunities for clients to access available jobs.

The IES model and local delivery approach arose out of a particular set of circumstances in Birmingham and a willingness to undertake major change. It enabled an in-depth understanding of issues for local residents where unemployment was high, provided the opportunity for different provider organisations to work together for the first time and provided an opportunity to develop small-scale innovative projects and capture learning. Key was the agreement of the BEDP partners and their signing up to the IES model. However, with regards embeddedness within the local welfare system, the locality approach currently does not operate in some of the original areas or not in the way originally intended. This was seen primarily as a knock-on effect of the loss of resources for neighbourhood management, which supported the process. There are plans to refresh this approach under the council's localism agenda.

## **2.2. Youth Employment and Enterprise Rehearsal (YEER)**

### *2.2.1. Short description*

In 2010 The Future Melting Pot (TFMP) set up the Youth Employment and Enterprise Rehearsal (YEER) pilot project (for one year) to provide business support to black and minority ethnic individuals who were not in employment, education or training (NEET) with the main aim of participants being able to set up their own enterprises. YEER was designed

to provide business-specific training and assist young people from developing an idea to starting their own business. The project included training, support and access to accredited advisors. The approach could be characterised as intensive, personalised support to stimulate entrepreneurialism.

The project's approach was innovative in that it offered hard-to-reach, excluded young people an alternative to unemployment or ad hoc paid employment. This differed from conventional employment support and the focus on 'getting a job'. It used innovative approaches to communication and retention using the clients preferred method of communication such as Facebook and other social media.

### *2.2.2. Conceptions and ways of addressing users*

TFMP is a community interest company, which was set up in 2009 after identifying a gap in the market for an organisation to support the aims and aspirations of disadvantaged young people. The project provided a structured yet flexible programme of support in a 'safe and welcoming atmosphere'. Young people had to be over 18 years old and on benefits for at least three months. There were a limited number of places and young people had to complete an application form and take part in an interview. Participation therefore required a certain amount of motivation and commitment from the outset. The usual timeframe for young people to be engaged with the project was six months or less.

Participants were offered the chance to: improve personal development; nurture their entrepreneurial 'mind'; start the business they had always wanted to start; create their own work and become their own boss; and make a difference for themselves, their family and their community. An action plan was drawn up with a mentor and participants received support in developing business ideas from initial design to completion. It provided the opportunity to explore the option of self-employment in an environment, which was led by the needs of individuals and where feedback was incorporated into the project. The project developed in response to the different learning paces of individuals and more advanced learners could benefit from a 'fast-track' approach to courses and additional sessions.

### *2.2.3. Internal organisation and modes of working*

TFMP is a community interest company, which is a social enterprise that uses profits and assets for the public good. They operate with a board and have shareholders/members. The philosophy of TFMP is to 'enable and empower young people to achieve their potential through enterprise'. The concept is very much about developing individual ideas and talents, to 'open new gateways to disadvantaged groups who find it hard to engage meaningfully with traditional business networks'.

The YEER project received support through a local Innovation Fund, which provided small grants to test innovative approaches to issues of unemployment. The Innovation Fund was part of the wider Working Neighbourhoods Fund. The mentors and advisers were recruited specifically for the project so that they had existing networks that people could tap into. Partnership development was seen as a large part of the success of YEER and gave participants the opportunity to network effectively from the start.

### *2.2.4. Interaction with the local welfare system*

In Birmingham, young people who are NEETs have been a particular concern over the years and this project helped to address this. It was a small-scale pilot project and so low risk for the local strategic partnership to support, therefore also the potential for impact on the local welfare system limited. The project did shift the focus away from getting people into work to supporting entrepreneurial activities, which had not often been central in policy discussion, and even less so for this particular group which was considered difficult

to engage with. It was an example of the increased involvement of the third sector in delivering services and the application of business practices to areas of social concern.

## 2.3. Lone parent support

### 2.3.1. Short description

The lone parent support project was delivered by Employment Needs Training Agency (ENTA) and partners, and offered an holistic approach to addressing barriers to work for lone parents. Once contacted people were assessed, agreed an action plan and then received on-going support and mentoring from the project team (this continued once they had a job or placement). Training had always been an issue for many lone parents as this was not always child-friendly. The project funded some childcare and travel costs to volunteering and training sessions and clients were able to bring their children into the project (unlike the case for many other statutory agencies) and this helped with issues surrounding childcare. The funding for the project came through the Innovation Fund of the WNF.

### 2.3.2. Conceptions and ways of addressing users

The project offered an holistic approach to addressing barriers to work for lone parents. Project partners developed a range of activities to secure the initial engagement of the target group. All partners had local bases within the target areas and therefore offered local access points for recruitment and delivery. Eligibility was determined by the area someone lived and users had to be unemployed, 19 years old or over and a lone parent. Individuals could self-refer to the project.

After contacting the project, an initial client assessment was undertaken using a range of assessment tools. The assessment led to the completion of an agreed action plan for the individual, which could be tracked by the service user and the responsible officer. The action plans included short, medium and long-term actions. The clients received on-going support and mentoring from the project team and support continued once a job or placement was secured. A benefits advisor was appointed as this was identified as a particular need by ENTA and helped to address people's fears about coming off benefits. The advisor went into all centres, partners and job clubs to advise on getting benefit roll-on and housing benefit. They also advised on debt, as this could be a major barrier for clients getting into work.

The project had a particular impact on people who were long-term unemployed and enabled them to compete for jobs on a more equal footing. Being able to sit with someone and talk through their concerns was a key benefit of the project for many of the service users. The individuals concerned were very vulnerable and the project enabled them to deal with issues at their own pace with staff considered friendly and approachable. Clients were able to bring their children into the project and this helped with issues surrounding childcare.

### 2.3.3. Internal organisation and modes of working

The contract in Erdington was managed and delivered by ENTA, working in partnership with Merlin Venture. The project also involved a consortium of 22 partner organisations with a track record of working with groups who were a long way from employment, training and education. Of these between 10 and 12 were considered to be very active within the project. ENTA was a community interest company that had been working across Birmingham since 1977. It aimed to 'work with the community to improve lives and provide opportunities and empowerment for people living in and around the city'.



The project aimed to engage and support lone parents from Erdington, Stockland Green, Tyburn and Kingstanding wards in Birmingham to access employment. Erdington Constituency also paid for the benefits advisor to offer advice on debt, benefits and housing benefit support. Staff members were trained in information, advice and guidance, which helped them to deal with a range of issues.

#### *2.3.4. Interaction with the local welfare system*

Lone parents were identified as one of the priority groups by the local strategic partnership and individual projects were commissioned specifically to target these groups. Partnership working worked well and the project helped to enhance the organisation's reputation, capacity building and profile with other services but not specifically within local politics or authorities. It was a small-scale, pilot project with time-limited funding and therefore had little opportunity to impact on the wider local welfare system.

## **2.4. Targeted discretionary housing payments (TDHP)**

#### *2.4.1. Short description*

The aim of the TDHP project was to support people from areas of high levels of unemployment and deprivation in Birmingham in the transition from welfare to work. Having managed to overcome hurdles associated with getting a job in the first place, people may be faced with a series of issues, some social and some more practical which need to be addressed to support the sustainability of the employment. Among the most practical difficulties can be those relating to financial matters.

The previous Labour government recognised the difficulties in the transition from benefits to work in a number of benefit changes but many claimants still did not meet the strict eligibility criteria for additional support. The criteria were that individuals must have been claiming certain benefits for 26 weeks continuously and take a job for at least five weeks. Those who met the criteria could receive support for a four-week period. The project provided additional and practical support to people in the transition period for up to 12 weeks to maximise their chance of sustaining their new employment.

#### *2.4.2. Conceptions and ways of addressing users*

The project provided tangible support in the form of payments to ease the costs of transition into work for clients. Eligibility was based on the area that a person resides and qualification for the initial four-week support. People were contacted by the service with information on how to access payment which involved completing a form. The support was in the form of additional Housing and Council Tax benefit payments. In 2011 the average each participant had been paid was over £280 to bridge the gap between coming off benefits and paid employment.

One client explained that the extra assistance received helped towards rent arrears as before becoming unemployed they had fallen behind with paying rent. When they started work, the discretionary housing payment helped towards paying the arrears so that they were not threatened with eviction. Another felt that the financial assistance had helped them remain in work.

#### *2.4.3. Internal organization and modes of working*

The project was run by the City Council's Benefits Service and supported initially through the Working Neighbourhoods Fund (WNF). The project benefited the proposed number of customers but at a lower cost than anticipated, and as such released funds back into the wider WNF Programme. As part of contractual arrangements, the participants remaining in

employment was monitored at the end of each month. The information available at January 2011 indicated that over 91 per cent of customers remained in employment at the first outcome milestone of 13 weeks and over 77 per cent of customers paid through the scheme were still in work at 27 weeks.

An original aim of the project was to develop closer, mutually supportive referral arrangements with other agencies and employment support providers. A great deal of work was done in this area and there was a continued dialogue with a wide range of employment support provider. The team did receive some direct referrals from organisations and individual workers but overall the number of referrals from key organisations such as Job Centre Plus (JCP) was low. Most eligible clients were identified by the Benefits Team trawling their own database. The project managers felt that a longer implementation phase would have made it possible to get more referral agencies on board., **Targeted**

#### *2.4.4. Interaction with the local welfare system*

The project was successful at getting different organisations and departments within Birmingham City Council to work together such as the Benefits Team, Regeneration, Housing and Neighbourhood Offices and helped to show what impact relatively low-cost support can have on job retention. This approach pre-dates the Coalition Government's proposals for welfare reform. Iain Duncan Smith MP (currently Secretary of State for Work and Pensions) visited Birmingham in February 2011 and came to find out more about the TDHP project within the context of welfare reform. In addition, two local authorities contacted the team to find out how the project works. The project was also put forward for two local government awards.

## **2.5. Birmingham Municipal Housing Trust (BMHT)**

### *2.5.1. Short description*

Birmingham City Council devised a way of delivering affordable but high-quality new homes that limited financial risk through the formation of BMHT. Properties on BMHT sites were a mixture of council homes and those for outright sale built on council-owned land. An innovative financial model was developed in consultation with contractors that reduced upfront costs and reduced uncertainty over planning permission. Planning consent for each site was gained and paid for by the council before tenders were invited so potential partners could tender risk-free financially. The houses were then built on council-owned land with an agreed number of properties on each site allocated for social housing. Payment for sale property land was delayed until developers sold their homes and then only on a plot-by-plot basis.

The concept of 'site clusters' was developed where two or more sites could be treated as one within the council's social housing policy. This meant a higher proportion of homes could be offered for sale in some areas maximising cross-subsidy funds to build further council homes. Developers were given the responsibility, within their contracts, for creating local apprenticeships in areas where BMHT sites were situated. Wherever possible, electricity-generating photovoltaic panels or air-source pumps were included as features in the new homes to reduce energy bills and help prevent families falling into fuel poverty. A number of homes were adapted for wheelchair use. By 2011, more than 700 properties were in contract under BMHT and more than 150 of these homes had been allocated to council tenants.

### *2.5.2. Conceptions and ways of addressing users*

The City Council persuaded developers that building new homes in any volume in the current economic climate meant entering into new financial arrangements to minimise risk while providing social housing for the city. The key was to involve developers from the start so potential obstacles could be identified and solutions found at the earliest possible stage.

BMHT homes were allocated to existing secure tenants who had made an application for transfer. There were eight sites across Birmingham at the time of writing. Feedback from council tenants who received new homes through BMHT was good, with objectives to provide green technology to reduce fuel bills, quality design and larger homes for bigger families receiving particular positive comments.

### *2.5.3. Internal organization and modes of working*

BMHT was set up in January 2009 and a dedicated team of council officers assigned to the house-building programme. The team secured more than £16.7 million of Homes and Communities Agency grant under the Local Authority New Build and Public Land Initiative programmes from central government. A multi-disciplinary team of planners, architects and design advisors was established to ensure space and quality standards were prioritised. BMHT worked in partnership with developers.

Developers tended to want to build on sites in ‘more desirable’ areas where homes for outright sale would be more likely to sell. BMHT came up with a way of clustering the more and less popular sites in developers’ contracts so all areas with BMHT developments would have a mix of tenures. Developers also often attempted to maximise profits by building to the minimum size and standards possible. The BMHT team prescribed the size, layout and materials of all homes from the outset to prevent this. It also made sure designs were ‘tenure-blind’ with the same specifications for rent or sale homes. As with housing build standards, the level of green technologies was specified during tender and contract negotiations.

To help improve community cohesion, the BMHT team developed ‘good neighbour agreements’ that established ground rules for positive behaviour among the new neighbourhoods at each site. The council asked each tenant to show that they agreed to abide by the agreements by signing and returning them. Unemployment was addressed by adding a requirement to contracts that developments provide on-site apprenticeships for local young people.

### *2.5.4. Interaction with the local welfare system*

Since new financial freedoms were announced by the Government in 2009, which meant councils could keep rent from the homes they built rather than it being pooled nationally, Birmingham has built, or has plans in place to build, more homes than any other council in the country. The BMHT approach was adopted by the Homes and Communities Agency in its ‘accelerated disposal’ initiative that encouraged local authorities to donate land to developers and recoup costs only when the homes built on it are sold. Interest in how the BMHT mixed-tenure model works has been shown by other local authorities. Developers have also looked to this model as a signpost to the future allowing them to continue in business on a sound financial footing while minimising their upfront and on-going costs. It is felt that BMHT will have a lasting legacy beyond just providing somewhere for people to live. The renewable technologies that feature in BMHT homes will help to reduce carbon emissions as a whole and also help ensure that social housing tenants can avoid fuel poverty and benefit from the associated higher standards of health and well-being.

For the communities surrounding BMHT sites too the new developments should be a boost to the local environment and economy with new homes, jobs and training opportunities. Providing homes in areas in need of regeneration should have a knock-on effect in improving the housing market in general there and help to create neighbourhoods where both tenants and homeowners choose to live in the future. The development work has protected construction companies from having to reduce their workforce in these areas and some new apprenticeships have been created for young people as part of the employers' contracts for BMHT.

## CONCLUSIONS

### *Social service research: Innovations as illustrative examples for a new generation of social services*

These innovation examples are time-specific and came about as a result of particular circumstances in Birmingham and more general problems caused by the current financial climate. However, there were some overall key approaches and instruments adopted by the innovations. In terms of how service users needs were addressed, there was a trend towards investing in capabilities rather than targeting deficits. The labour market innovations in particular focussed on personal development and developing individual ideas and talents.

There were also attempts to bridge the gaps, bringing services closer to the communities they were trying to engage with such as targeting particular neighbourhood areas. The innovations adopted a holistic approach with service offers that connect, the idea being that it was rare for service users to have only one issue to deal with at any one time.

Personalising support was also a key feature, the labour market innovations adopted a strong client-focused approach addressing the needs of specific individuals. There was also an example of providing ad hoc transfers beyond fixed entitlements, TDHP provided a combination of cash with individual support to help with the transition from benefits to work.

Some of the innovations involved innovations in public governance. The locality approach to unemployment for example involved city-wide support, localised decision-making and encouraged the third sector to participate. The BMHT involved a closer relationship between the public and private sector.

There are features that point to the links between the innovations and post-traditional welfare concepts, for example the labour market innovations described here are examples of an enabling welfare state with their focus on individual strengths and the YEER project in integrating economic and social development through stimulating entrepreneurialism, social enterprise and start-ups, is an example of a social investment perspective on public welfare.

### *Researching innovation and change on the local level: The importance of the local context*

The local context is of central importance and local welfare policies in Birmingham had been underpinned by a focus on community cohesion, devolution or localism and social inclusion over the past few years. Politically there was overall consistency of references and values and agreement on social problems. There was a slightly different approach to solutions but social policy was developed through a largely consensus-oriented approach.

Birmingham was viewed as having non-conformity ‘built into its DNA’ and a history of looking at different ways to deal with social issues. Local stakeholders believed there was a tradition of supporting unorthodox ideas. However, there was little opportunity for individuals or smaller organisations to develop innovations without the support of local government who saw themselves as an “enabler, a policy-maker and a funder”.

#### *Researching the role of innovations in local politics and governance*

In terms of impact, all innovations were perceived as successful by local stakeholders. The labour market approach and projects were evaluated as part of a review of the wider funding stream, which included measurement against targets set and the views of those involved were captured. Some of the projects received positive attention from other local areas and from central government or won awards from national bodies.

There is little evidence to suggest that the innovation ideas were adopted from elsewhere, the small-scale projects identified a need (for example YEER conducted focus groups with young people) and designed a service to meet that need. The integrated employment and skills element of the locality approach came out of a national review of skills and Birmingham was one of the trial areas for the model initiated by central government (who then continued with it to underpin the approach to unemployment). The focus on local areas and involving the community had more to do with learning from the implementation of other central government programmes in the city such as the Neighbourhood Renewal Fund than ideas from elsewhere.

Some of the projects were perceived as a success but were still vulnerable once grant funding was withdrawn there was no mainstreaming of services. One of the organisations who delivered one of the projects exists but is no longer funded to deliver the project but another went into administration after 30 years of delivering services in Birmingham. The locality approach to unemployment continues in some areas but not as originally intended due to a reduction in neighbourhood resources. The employment-based projects were intended to be time-limited, pilot projects and were small in scale, which meant the opportunity for scaling up was always going to be limited. In terms of legacy, the projects are part of best practice guidance produced by the local strategic partnership for the design, delivery and learning from new projects. The benefit support and the home-building projects continue but these have local authority involvement in their direct delivery.