

Barriers to employment

Vulnerable CAB clients are struggling to overcome the barriers that stand between them and employment

The UK Government has set a target of increasing the employment rate from 75% to 80%. Citizens Advice Scotland (CAS) supports the focus on improving the employment chances of marginalised groups such as lone parents.

However, case evidence from Citizens Advice Bureaux (CAB) across Scotland shows that clients face a range of barriers which can make it hard for them to move into or sustain employment, including:

- Being only marginally better off or even worse off in work
- Financial instability caused by unpredictable income streams
- Difficulties obtaining suitable jobs
- A lack of flexible, affordable childcare

In 2005/06, bureaux across Scotland handled 47,388 issues relating to employment and 41,875 issues relating to the key working age benefits.

Level of income

While in many cases work offers a route out of poverty, for some clients, it merely means a transition from out-of-work poverty to in-work poverty.

- Some CAB clients are in low quality jobs that pay poorly. Sometimes they know they are being paid less than the national minimum wage, but are scared they will lose their jobs if they complain
- Moving off benefits means losing entitlement to free prescriptions, free school meals and the social fund, and housing benefit/council tax benefit are withdrawn very steeply above a certain income level
- There are additional outgoings related to working, including travel and the cost of eating outside the home
- Debt repayments can increase steeply on taking up a job

|| *A North of Scotland CAB reports of a lone parent client with two sons. Her younger son had emotional and behavioural difficulties and was in receipt of disability living allowance. He attended a local academy, but was frequently suspended because of his disruptive behaviour. The client was unable to find a childminder to look after him.*

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The Scottish Association of Citizens Advice Bureaux - Citizens Advice Scotland
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Financial instability

As well as the level of income, financial stability is a key issue.

- Income from employment can be unpredictable, for instance if the hours worked vary
- Many jobs are short-term or insecure, causing people to see-saw between benefits and work
- Instability of income is exacerbated by problems with welfare policies (eg recovery of tax credit overpayments) and welfare delivery (eg administrative delays in benefit processing)
- Consequently, a low but stable income on benefits can be considered preferable to a higher but more uncertain income from taking up employment

Difficulties accessing suitable employment

Problems arise from employer discrimination and the availability of good-quality, stable jobs.

- CAB clients from marginalised groups – such as older people or people with disabilities – experience workplace discrimination, which can make it hard to find or sustain employment
- Unscrupulous employers are often not complying with their statutory obligations with regard to wages, contracts and holidays. In 2006/07, half of all employment issues brought to bureaux related to terms and conditions of employment
- Some households struggle to access flexible employment making it hard – particularly for lone parents - to combine working with aspects of family life, such as school holidays

Childcare

A lack of flexible, affordable and appropriate childcare presents a real barrier to moving into employment.

- This is of particular concern in the context of current welfare reform proposals to move certain groups of lone parents from income support to jobseekers allowance
- Clients with sick or disabled children report that the specialist provision they need is simply not available or is prohibitively expensive

CAS calls for:

- The UK Government to create a 'fair employment commission' to help vulnerable employees secure their rights at work and better enable them to take up and sustain employment¹
- The UK Government to increase pressure on employers to tackle discrimination in the labour market
- The Scottish Government to ensure access is extended to high quality, affordable and flexible childcare services which match children's needs and parents' working patterns
- The DWP to provide evidence that suitable childcare is in place in Scotland before ongoing welfare reforms move groups of lone parents from income support to jobseekers allowance
- The DWP to remove the barriers inherent in the structure and delivery of benefits to making work pay, such as the steep withdrawal rate of housing benefit

¹ Rooting out the rogues: Why vulnerable workers and good employers need a 'fair employment commission', Citizens Advice England & Wales and Citizens Advice Scotland, December 2007

Case evidence

|| *An East of Scotland CAB reports of a lone parent client who had recently started working. Some months previously she had attended a paid three day training course for a different job. Although she never worked for that company again, the break in her income support claim meant she was not entitled to the 'four week benefit run-on' for housing or council tax benefits. The 'run-on' is four weeks' benefit received at the same rate as prior to working. Consequently, she had accrued two weeks of rent arrears and council tax arrears as she could not afford to pay these and childcare costs whilst waiting for her first pay cheque.*

|| *A West of Scotland CAB reports of a client who had been employed in a high street shop. His boss asked him to do overtime but only provided 50 minutes notice. He refused because he had to get home to look after his children - his wife was working that evening and they could not change the arrangement at such short notice. The client was then sacked for refusing to do overtime. He had been informed at interview that he might have to do overtime, but was assured of ample notice.*