Unlocking the potential of the BME population

Northwest Regional Development Agency
Final Report
May 2010

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Contents

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Approved by:	Heather Wells
Position:	Associate Director
Date:	May 2010

Executive summary

The Northwest is becoming more diverse and its Black Minority Ethnic (BME) population is growing quickly. In addition, the BME population cannot be viewed as homogenous as the challenges within and between BME groups vary starkly. Understanding these patterns will be imperative when considering the needs of BME groups in the region and the ways in which the public sector can best support them. Moreover, increasing the employment rate among BME people could be instrumental in delivering the region's economic aspirations, such as closing the gap between GVA per head in the region compared with England as a whole.

In light of this agenda, and the opportunity to feed evidence into the ongoing discussions on the Regional Strategy (RS2010) and the Regional Skills Strategy, this study seeks to examine the reasons why we are continuing to see the employment education and business trends that exist in the labour market characteristics of the BME population.

This report seeks to provide recommendations as to where the NWDA should best focus their attention in terms of priorities and actions and brings together the wide range of quantitative and qualitative information gathered during the course of the research. It is structured around the client journey focusing on three broad areas of concern and the elements of the client journey within them:

Young people

- Promisingly, GCSE results in the Northwest show signs of clear improvement in educational attainment across the board for BME groups, although attainment rates are still low in certain groups.

- Specific BME groups remain under-skilled when compared to the total population; this may change over time as higher-achieving young people move into the labour market, but is unclear whether concentrations of underachievement may persist.

- Another promising trend is the increasing participation in Higher Education (HE), but there is still a tendency for those who do engage to select traditional courses and there is lower take up of alternative routes such as apprenticeships. Cultural factors and families' aspirations play a large part in explaining this.

- BME graduates also have a higher propensity to be unemployed six months after graduation – this could in part be due to women in particular having families at a young age, but it is likely that prejudice and inequalities (both actual and perceived) play a part in this.

- A great deal of work has been done both at a national and local level to address the barriers and challenges faced by young people and the primary role for the NWDA may lie in signposting and championing existing activity rather than developing new schemes.

- One area in which the NWDA could focus specific attention is in boosting participation of young people in key sectors for the region (biomedical, digital and creative, and energy and environmental), which will deliver both social and economic outcomes.

Participation in employment

- It is well documented that the BME population in the Northwest is under-employed in comparison to the total population, but perhaps what is more interesting is that the employment gap is widening within and between BME groups within this population.

- The quantitative evidence points to strong employment and earning potential in certain groups including the Indian and Chinese and some Black African groups as well as third and fourth generation migrants who have been brought up in the country.

- A more worrying trend however is that other groups, namely the Pakistani and Bangladeshi groups, and in particular women and first generation migrants' experience much lower employment prospects and earning potential and this has remained low.

- A range of barriers can explain these differences, not least perceived or actual inequalities and stereotyping which affect all BME groups to a greater or lesser extent and can mean that people from a BME background are less likely to get an interview/progress to leadership roles.

- Geographical disadvantage plays a large part in explaining the differences as many of those experiencing the greatest challenges are located in economically deprived areas which can further limit their opportunities. There are also specific challenges for BME women and first generation migrants.

- There is already a wide range of mainstream provision to support participation in employment as well as specialist BME support at a local and national level. The role of the NWDA as with the BME young people's initiatives would appear best placed in terms of signposting the great work that is already taking place and supporting the advocacy role of networks such as Ethnic Minority Business Forum (EMBF), One North West and the BME Advisory Group.

- Given that a number of the issues, particularly around economic deprivation are non-BME specific, there is also a need to ensure that BME groups are fully engaged with wider worklessness and regeneration activities.

- Finally where the issues are specific to BME groups, for example around perceived and actual inequalities, the NWDA can set a leading example in terms of their recruitment policies and in work progression as well as closely monitoring outcomes of these practices.

BME business

- The BME population demonstrates an entrepreneurial flair and rates of BME business start up are relatively high.

- This is particularly the case for men and for Pakistani, Indian and Bangladeshi groups as well as Black African and Caribbean groups particularly in the Northwest.

- There is however potential to develop this much further both in terms of attracting more BME business to the region including encouraging female entrepreneurs and in supporting BME businesses over the longer term as survival rates tend to be lower.

- For many it is evident that there are a range of barriers which limit the sustainability of their businesses. The most important were highlighted as access to finance, inequalities and stereotyping and limited networking opportunities as a result of higher levels of 'bonding social capital' that can limit BME businesses.

- Other factors include a lack of tailored business support and a tendency for BME businesses to provide less training and development opportunities for their employees which can in turn limit the longer term growth of the business.

- There is a wide range of mainstream activities helping to deliver the region's Enterprise Strategy and support businesses in the region. However there is evidence that more needs to be done to promote these services and to enhance engagement

- Given the NWDA's remit to promote enterprise, there is scope for the Agency to take direct action here not only to enhance take up and longer term progression of BME business but also

to enhance non-BME businesses' understanding of both the BME community and opportunities that there are for partnership working.

It is clear from this study that there is much work already underway at the national, regional, local and school/workplace level. And in many instances there are signs that this is addressing the challenges faced by BME groups, with improving educational achievement and rising rates of participation in the labour market.

As we move into a period of fiscal austerity it is more important than ever to assess where the greatest pinch-points lie and where the public sector, and more specifically the NWDA, can add the greatest value. As the NWDA works to develop the first Integrated Regional Strategy for the Northwest, there are a number of key issues of relevance to the Agency:

- Addressing broader issues such as deprivation and the quality of schooling will benefit BME groups

- But it is essential that economic ambitions for the Northwest benefit the BME population

- A key challenge is to promote better access to, and tailoring of, the support that already exists

- In some policy areas, the NWDA's primary role lies in promoting coordination, collaboration and innovation in service delivery

- In other areas – particularly in supporting BME businesses – the NWDA may have a more active role to play

Clearly, there is much untapped potential that lies within the Northwest's BME population. Capitalising on this opportunity must remain a key priority for regional policymakers, and must feature strongly within the forthcoming RS2010 in order to close the output gap that exists in the region, driving enterprise, equality of opportunity, and sustainable economic growth in the Northwest.

Introduction

The Northwest is becoming increasingly diverse, with considerable growth in the Black Minority Ethnic (BME) population over the past decade

The Northwest is becoming more diverse and its Black and Minority Ethnic (BME) population is growing quickly. While in 1999 the region's BME population was less than 4 per cent of the total, this figure has now increased considerably. In 2009, the Northwest had a BME population of nearly 570,000 people, meaning people from a BME background now account for over 8 per cent of the region's population.

It should be recognised that this growth has not been homogenous across all minority groups, for example, the Pakistani population has grown most in absolute terms, by over 100,000 people. Similarly the Black African population has increased by over 50,000.

**Figure I.1: Absolute growth of the BME population, split by ethnicity, from 1999 and 2009**
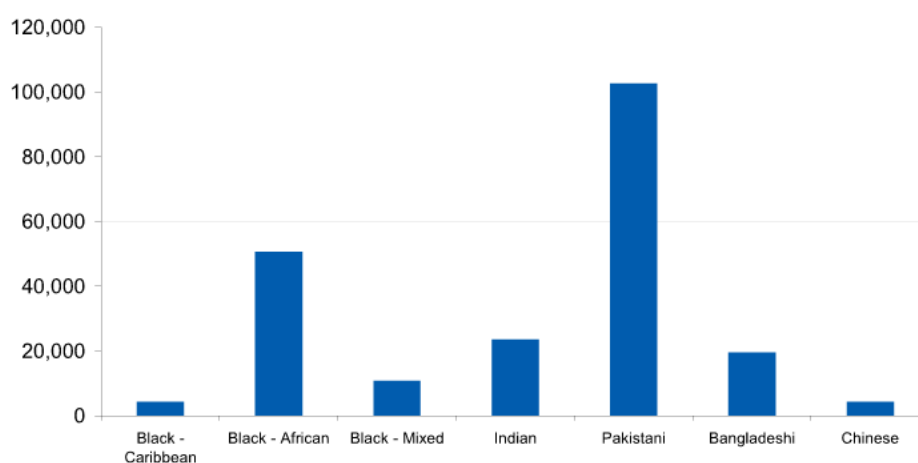
Source: LFS Q3 1999 and LFS Q3 2009

There is also considerable spatial variation, again highlighting the diversity present within the BME population. There is a clear pattern for people from a BME background to locate in urban areas and the specific urban areas chosen will often reflect previous settlement patterns, with people moving to be near their families and friends. This is not to say, however, that the BME population are not also located in the rural parts of the region, and there is certainly evidence to support this, albeit in much smaller numbers than in the urban locales. For example there is a new and emerging Nepalese community in Cumbria, although difficult to capture via official data sources such as the Annual Population Survey (APS) micro survey data, this group has actively participated in the Cumbria consultation event held by One North West to discuss and respond to Part One of the Regional Strategy (RS2010).[1]

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[1] One North West (2010) One North West Response to the Regional Strategy (RS2010). Part One: High Level Strategic Framework Consultation

We have used Mosaic Origins to show which local authorities have a particularly high number of people from different BME groups as a percentage of total population. Mosaic Origins uses peoples' given names and family names to attribute them to an ethnic or religious background. From this we can see that Bangladeshi people are more likely to live in the east of the region, with areas like Oldham, Rochdale and Burnley having particularly high concentrations. Although a larger group, which therefore has greater presence throughout the Northwest, Pakistani people are also more likely to live in the east of the region, with concentrated populations in areas like Manchester, Rochdale and Pendle.

Figure I.2: The locations of Bangladeshi and Pakistani people by LAD
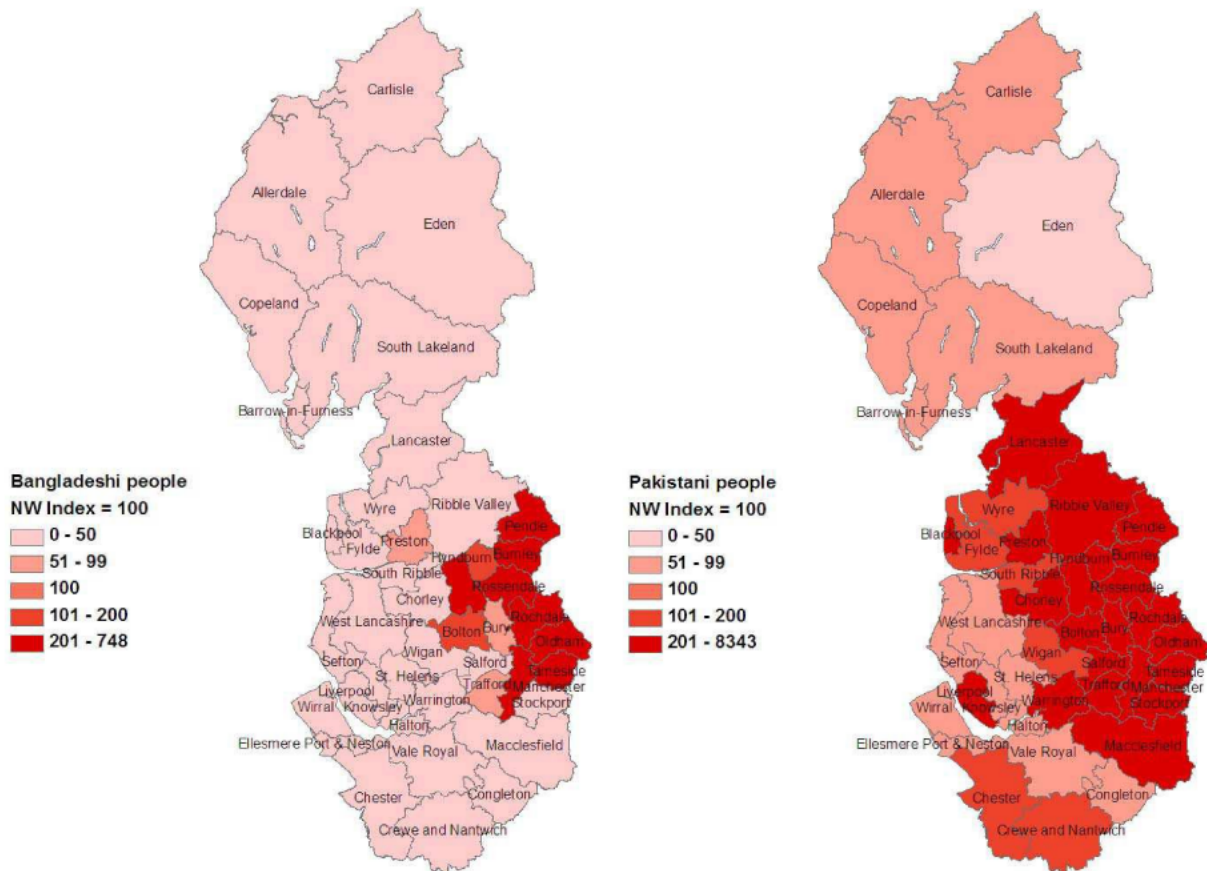
Source: Experian Mosaic Origins

Hindu and Sikh people (this can be used as a proxy for the Indian population, as Mosaic Origins is based on people's names, which in this case usually have religious origins) and Chinese people are a little more dispersed, although both groups are primarily based in urban areas and the highest concentration of Chinese people is in Manchester. Large numbers of both groups are also located in Preston, which has the highest concentration of Indian people of any local authority in the region – a likely legacy of in-migration to work in manufacturing businesses in the area since the 1950s.

**Figure I.3 The locations of Hindu & Sikh; and Chinese people by LAD**
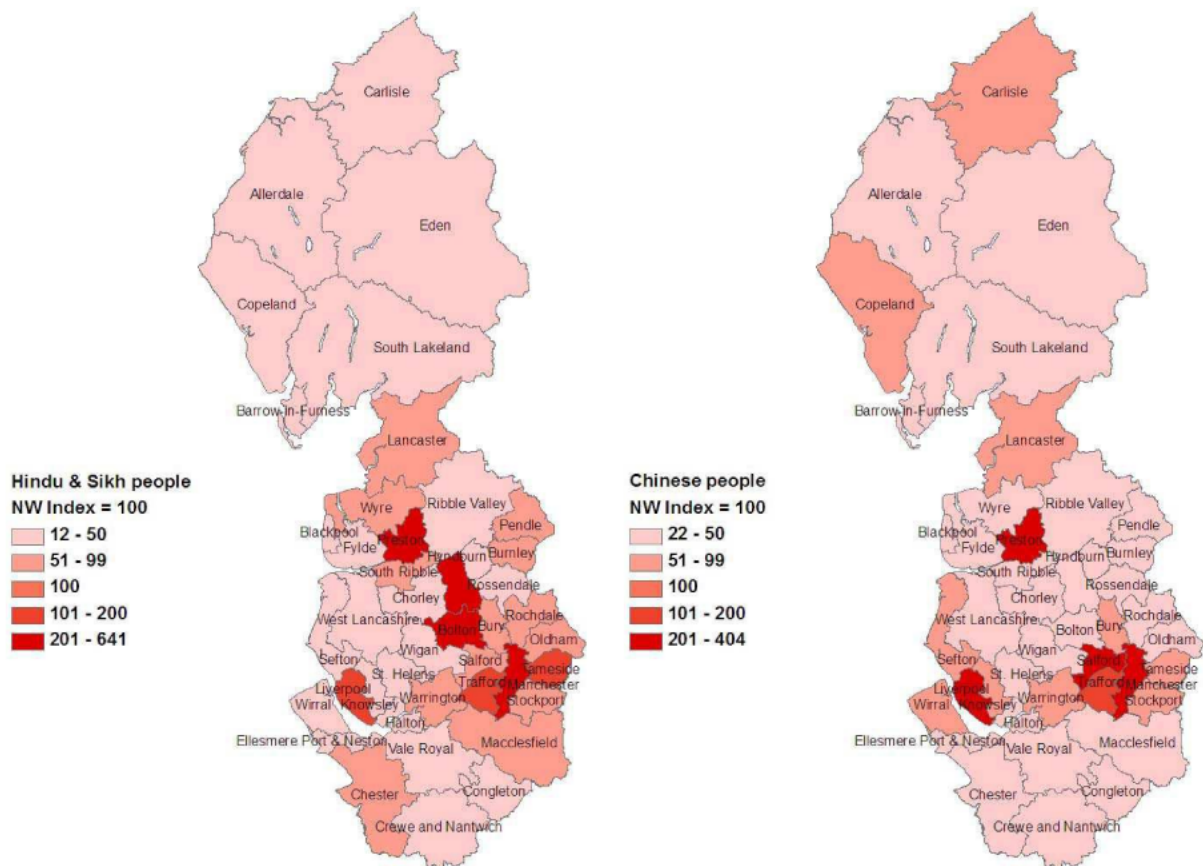
Source: Mosaic Origins

Black African people are not very dispersed across the region, in fact there is a tendency for Black African people to live in the most urban, and often most deprived areas, within cities such as Manchester, Salford and Liverpool. Due to a small population size it has not been possible to map the geographical locations of Black Caribbean people – they do however appear more likely to live in deprived urban areas.

Figure I.4: The locations of Black African people by LAD
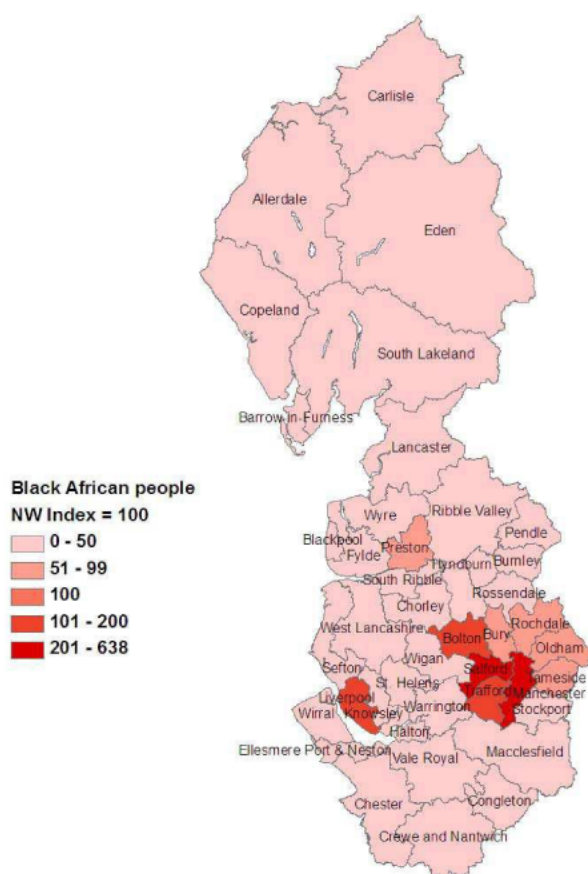
Source: Mosaic Origins

The patterns of cultural diversity within the Northwest is complex and rapidly changing, and understanding these patterns will be imperative when considering the needs of BME groups in the region and the ways in which the public sector can best support ethnic minority groups.

Action is needed to address the barriers faced by the BME population

Access to skills and employment for all members of society is necessary; not only because employment is empowering for individuals, and a key component of economic equity, but also because high employment rates are crucial for sustainable economic growth. In the Northwest, increasing the employment rate – in particular among Black and Minority Ethnic (BME) people whose employment rates are lower – could be instrumental in closing the gap between GVA per head in the region compared with England as a whole. For example, Experian estimates that increasing participation rates and earnings of the BME population to the levels seen elsewhere in England could add £5.8bn to the Northwest economy by 2032.[2]

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[2] Experian (2008) Demography, Migration & Diversity in the Northwest

There are significant differences in the employment rates of different ethnic groups. While the employment rate for the Northwest region from April 2008 to March 2009 was 71 per cent, the overall employment rate for ethnic minorities was just 53 per cent and for females in an ethnic minority the employment rate was as low as 42 per cent.[3] This represents significant under-employment among people in ethnic minorities compared with the population as a whole.

The picture is, however, far more complex than this and the extent of under-employment and the level of qualifications attained vary starkly by ethnic group. Economic inactivity gives an indication of the proportion of people in a group who are disengaged from the labour market (neither in employment nor looking for employment). While, at 22 per cent this figure is lowest among White people, people from Indian or Black or Black British backgrounds are significantly less likely to be economically inactive than those of a Pakistani or Bangladeshi background.[4]

This study

In light of this agenda, and the opportunity to feed evidence into the ongoing discussions on RS2010 and the Regional Skills Strategy, this study seeks to examine the reasons why we are continuing to see the trends that exist in the labour market characteristics of the BME population (both within and between BME groups).

Moreover, this report seeks to provide recommendations, both short and medium term, as to where the NWDA should best focus their attention in terms of priorities and actions. There is clear recognition of the tough economic climate and the need for the NWDA and partners to take a sophisticated approach which will add the most value but in a cost effective manner. The report feeds into NWDA's Equality and Economic Inclusion agenda, and in particular, research underway to understand how the NWDA can maximise the potential of under-utilised groups across the Northwest.

This report brings together a wide range of quantitative data from both official and Experian's propriety data sources, including the latest APS data and Experian's Mosaic Origins data. It also incorporates qualitative techniques including telephone consultations with stakeholders, a stakeholder workshop, and focus groups with BME entrepreneurs engaged in the BME Ambassador programme and BME students studying at Manchester University.
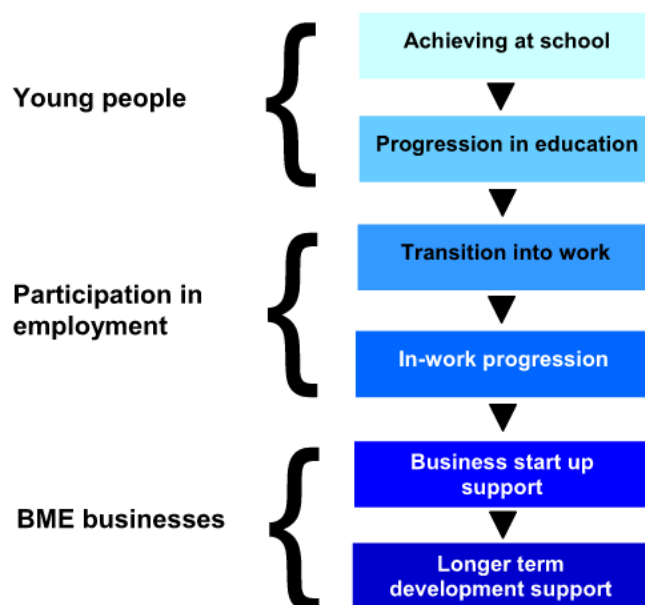
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[3] APS (2009)
[4] APS (2009)

The report is structured around the client journey focusing on three broad areas of concern and the elements of the client journey within them. These have been identified in our data analysis and wider research and are **Young people**; **Participation in employment**; and **BME businesses**:

Figure I.5: The customer journey

For each element of the client journey, the following sections are considered:

1. **Overview** – Outlining the key issues for policymakers.

2. **What evidence exists of this?** – Providing detailed quantitative and qualitative evidence to support these issues.

3. **What are the barriers?** – Identifying the reasons why we are seeing these trends and issues.

4. **What is the current policy response?** – Outlining what exists in terms of policy response – programmes and initiatives to address this particular issue.

5. **How can we enhance the policy response?** – Recommendations for action to enhance and compliment the work already being undertaken to address the barriers.

The report concludes with a final chapter that pulls out the key messages for policymakers in the Northwest.

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1   Young people

Key Messages

- Promisingly, GCSE results in the Northwest show signs of clear improvement in educational attainment across the board for BME groups, although attainment rates are still low in certain groups.

- Specific BME groups remain under-skilled when compared to the total population; this may change over time as higher-achieving young people move into the labour market, but is unclear whether concentrations of underachievement may persist.

- Another promising trend is the increasing participation in Higher Education (HE), but there is still a tendency for those who do engage to select traditional courses and there is lower take up of alternative routes such as apprenticeships. Cultural factors and families' aspirations play a large part in explaining this.

- BME graduates also have a higher propensity to be unemployed six months after graduation; this could in part be due to women in particular having families at a young age, but it is likely that prejudice and inequalities (both actual and perceived) play a part in this.

- A great deal of work has been done both at a national and local level to address the barriers and challenges faced by young people and the primary role for the NWDA may lie in signposting and championing existing activity rather than developing new schemes.

- One area in which the NWDA could focus specific attention is in boosting participation of young people in key sectors for the region (biomedical, digital and creative, energy and environmental), which will deliver positive social and economic outcomes.

1.1   Overview

The young people of today will form the workforce of tomorrow and their skills and educational attainment is critical to ensuring that they can play an active role in the labour market. This report highlights the central role which skills attainment can play in explaining the employment gap between BME groups and the total population; in order to mitigate against this the young people of today and of the future must be encouraged to achieve as highly as they can.

Young People from a BME background are increasingly attaining strong GCSE results and going on to study in higher education institutes. Particularly those who are third and fourth generation migrants are very much assimilated into the UK and are in many cases outperforming their White counterparts. This is very promising for these groups, but there remain individuals within the BME population who are not achieving as highly and a number who are not successful in converting their educational attainment into varied and/or strong career prospects. In order for the BME population to fully contribute their real value to the regional economy these issues need to be addressed.

This section then looks at the key issues for young people (up to age 19), as they pass through the education system, through to their choice of career. It assesses the factors affecting their attainment and choice and then looks at the current policy response to address the issues faced, alongside an

assessment of the gaps which remain and recommendations for filling these gaps. It follows the 'client journey' outlined below.

Figure 1.1: Structure of interventions for Young BME population

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┌─────────────────────────────┐
│     Achieving at school     │
└─────────────────────────────┘
              ▼
┌─────────────────────────────┐
│   Progression in education  │
└─────────────────────────────┘
              ▼
┌─────────────────────────────┐
│     Transition into work    │
└─────────────────────────────┘
              ▼
┌─────────────────────────────┐
│     In-work progression     │
└─────────────────────────────┘
              ▼
┌─────────────────────────────┐
│      Business start up      │
│           support           │
└─────────────────────────────┘
              ▼
┌─────────────────────────────┐
│        Longer term          │
│    development support       │
└─────────────────────────────┘
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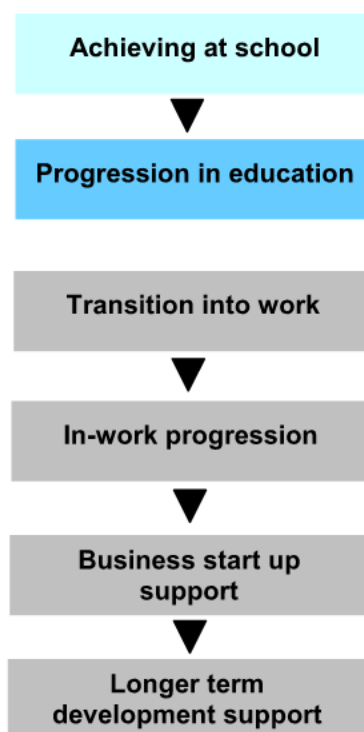
1.2   Achieving at school

1.2.1   What evidence exists of this?

The BME population are performing increasingly well at GCSE, but some groups still have low attainment rates

The first measure of educational attainment that directly affects later employment outcomes is GCSE, but there are substantial variations in attainment levels of different BME groups. Attainment of 5 GCSEs A*-C including English and Mathematics, the preferred government measure, is generally much higher among young people from groups where the first generation were well qualified, for example Indians (64.1 per cent) or Chinese (69.7 per cent).[5] In contrast, the proportion of pupils who get five or more GCSEs is much lower among Black Caribbean (36.0), White and Black Caribbean (40.0), Black African/White and Black African (50.2 per cent), Pakistani (41.7) and Bangladeshi (46.1) pupils.[6]

However, national evidence shows that the performance of some BME groups with lower than average GCSE results (e.g. Pakistani or Bangladeshi) is actually better when you take into account other factors such as socio-economic background and English spoken in the home.[7] Their attainment also improves significantly while at school. When all factors are taken into account, it is poor (eligible for Free School

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[5] CO (2003) Ethnic Minorities and the Labour Market
[6] DCSF SFR 34 GCSE Attainment by Pupil Characteristics, in England 2008/09
[7] Briggs, A. Burgess, S. and Wilson, D. (2009) Passing through school: the evolution of attainment of England's ethnic minorities report for the National Equalities Panel

Meals), White or mixed White Caribbean boys who perform worst, followed by Black Caribbean boys.[8] However, boys with some Caribbean heritage have seen considerable improvement in recent years.[9] For this group, there are also a number of other factors which explain lower performance, such as more often being labelled as special needs.[10] Broadly speaking, being from a BME group is arguably a driver of better performance and poverty is the more important issue.[11] Pupils with Caribbean heritage, mainly boys, might need dedicated support and programmes, but the needs of other low achieving BME groups may be better served by broader policies targeted at raising aspirations and achievement, while ensuring this support is sensitive to their specific needs.

Stakeholders engaged in this research echo these findings. They were keen to stress that for current generations, schooling is not a major issue, or at least achievement isn't. The reality is that, even for those BME groups who start off with poorer achievement prior to or early on at secondary school, most see considerable improvements in results in the last few years of education. By age 19, the only BME groups who are less likely to have achieved a Level 3 qualification than White-British learners (46.6 per cent), are White & Black Caribbean (39.6), Caribbean (43.5) and Other Black (44.1 per cent), with a similar picture evident at Level 2.[12]

However, a comparatively high proportion of teachers are White, and this might mean there are a lack of role models in school

Looking at the ethnicity of school teachers, the Northwest (2.6 per cent BME) has the third lowest proportion of BME teachers of any region in England (6.0 per cent). The short fall is primarily a result of three under-represented groups:[13] Indian; Black Caribbean; and Black African.

BME teachers are primarily located in six districts, with broad but not exact correlations between the location of populations and teachers from certain BME groups (see appendix A, figure A1):

- **Blackburn:** 5.8 per cent BME, almost all Indian (3.2 per cent) and Pakistani (2.6 per cent).
- **Oldham:** 4.9 per cent BME, mainly Pakistani (2.3 per cent) and Bangladeshi (1.3 per cent).
- **Manchester:** 4.6 per cent BME, mainly Pakistani (3.0 per cent).
- **Warrington:** 4.5 per cent BME, mainly any other ethnic group (4.5 per cent).
- **Bolton:** 4.0 per cent BME, mainly Indian (2.5 per cent).
- **Rochdale:** 3.4 per cent BME, mainly Pakistani (2.2 per cent).

Although Trafford does not have a high number of BME teachers, it is the only district with a number of Black Caribbean teachers (0.6 per cent).

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[8] The worst performance at school is actually for Travellers of Irish or Romany heritage, however they have not been considered within the scope of this report and most authors caution against use of statistics for this group as a result of small sample sizes.
[9] DCSF (2009) Breaking the Link Between Disadvantage and Low Attainment: EVERYONE'S BUSINESS (sic)
[10] Briggs, A. Burgess, S. and Wilson, D. (2006) The Dynamics of School Attainment of England's Ethnic Minorities
[11] Briggs, A.…ibid…
[12] The Data Service/DCSF SFR 06 2010
[13] Relative to the working age population, not school population. In 2009 BME groups made up 12 per cent of secondary school pupils in the North West and 15 per cent of primary school pupils (DCSF SR08 2009).

1.2.2 What are the barriers?

There is a strong propensity for people from a BME background to be located in economically deprived areas, but there are also more complex barriers

In the Northwest, trends for the younger BME population – in particular those groups that are underperforming at GCSE like Bangladeshi/Caribbean – can in large part be explained by deprivation. At both a national and regional level the BME population has a higher propensity to be located in the most deprived areas, which has a knock on effect on their educational performance. This is particularly an issue for certain ethnic groups, most notably Black and Black British and those of mixed ethnic origins; in these groups around half or more are likely to be located in the bottom 20 per cent of deprived areas.

Figure 1.2: Location of BME population by Index of Multiple Deprivation
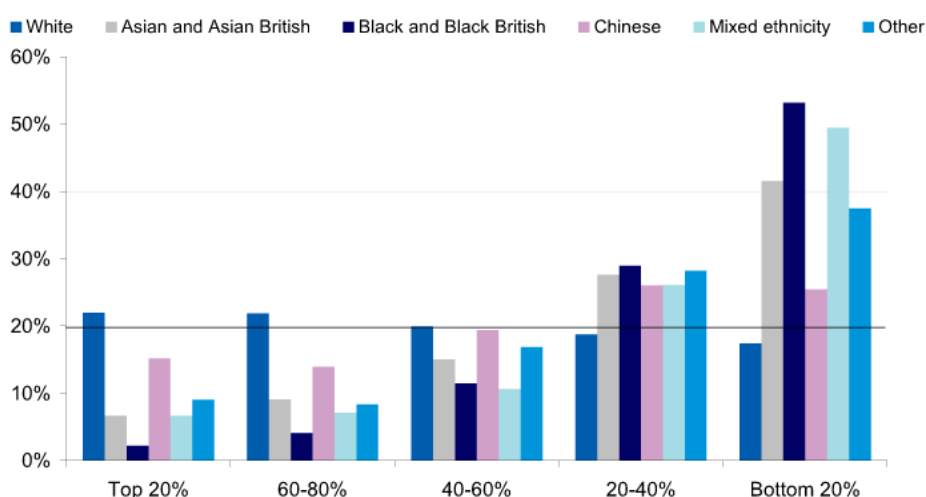
Source: Home Office Citizenship Survey, 2007

In the Northwest – as with the UK – there is a clear link between those areas which have a high concentration of the BME population and those classed as deprived according to the Index of Multiple Deprivation (2007). These trends are even more apparent at an Lower Super Output Areas (LSOA) level. Experian's Mosaic Origins data has been used to demonstrate that, of the LSOAs where at least half the population belongs to ethnic minority groups, nearly 70 per cent are in the top 10 per cent most deprived LSOAs in the country.[14] Research evidence has clearly shown that socio-economic factors are heavily associated with attainment, and this partly explains why some BME groups are in turn more likely to under-achieve.[15]

Although poverty is a common issue for several BME groups, each group also faces distinct barriers, interacting with poverty in complex ways. For young black boys, for example, there has been a long term concern about peer pressure and a culture of anti-learning, a lack of role models, teacher expectations, institutional racism and parent-school relationships.[16] For other groups, there are different issues, e.g. lack of English spoken at home by Bengali parents, and community expectations about

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[14] Experian Mosaic Origins (2008) and CLG, Index of Multiple Deprivation (2007)
[15] See Briggs, A. Burgess, S. and Wilson, D. (2009) Passing through school: the evolution of attainment of England's ethnic minorities report for the National Equalities Panel or also DCSF (2009) One year on: attainment gaps for disadvantaged children continue to narrow
[16] National Union of Teachers (2007) Born to be Great: A Charter on Promoting the Achievement of Black Caribbean Boys

young women's aims in life.[17] These factors are not experienced consistently even within BME groups, and depend on complex inter-relationships between the authorities, economic factors, relationships within schools and with parents/carers and community and family issues. Schools with similar intakes and identical support available can easily achieve very different results, and the bulk of national policy is now focused on flexible targeting of problems in low attaining schools rather than programmes that target one particular group or issue. There are, however, also a number of geographically-based schemes where projects to address specific issues are being delivered by the third sector and local authorities with much success.

1.2.3 What is the current policy response?

There is a mix of national and local schemes to help BME pupils if they are disadvantaged

As evidenced earlier, in the Northwest young people from BME groups are generally achieving well at school, given their contexts, but attainment rates are still low in certain communities. To this end there are a variety of projects running in the region, generally via the voluntary sector or at the local authority level. At the national level there is also a more general drive by teachers and the Department for Children Schools and Families (DCSF) to 'break the link' between poverty and school attainment.

The attempt to break the link between disadvantage and poor attainment is being driven through the National Challenge programme. Drawing on the results of earlier pilots[18] £400 million has been made available until 2011.[19] Funding is granted to schools where less than 30 per cent of pupils achieve 5 A*-C GCSEs inc. English and Mathematics, to develop bespoke strategies to raise attainment. In 2007 a total of 112 of 462 secondary schools in the North West (24 per cent) were identified for support, out of 638 nationally (21 per cent of all schools).[20] Dedicated advisers work with a head teacher to formulate bespoke solutions, ranging from in-school training, right through to school partnering or formation of academies, so the programme may encompass, but is not specifically focused on, ethnicity.

There are other national initiatives to target child poverty and low attainment, through more indirect means. The School Gates Employment Support initiative, which aims to provide enterprise and employment support to parents via schools in deprived areas, has been running in Manchester, Liverpool and Knowsley.[21]

However, it is acknowledged that schools that aren't 'failing' do not get support, but may well have many disadvantaged students (including students from low-attaining BME groups).[22] Many of these schools have better overall results than other schools, but the achievement of poor pupils is not that different to those in more deprived/worse performing schools, so they miss out on support.

Not all policy initiatives target poorly performing schools and there are a wide variety of smaller projects addressing issues across local areas rather than just at a school level. Some target issues around the 'quality' of the school experience, like quiet space to do homework, lack of access to IT or extra-curricular activities. These projects are delivered by voluntary and community sector organisations such as the Council for Voluntary Service who access various streams of funding and rely on volunteer labour. Many operate at a very low level, can only access grants due to their small size and it is unclear how widely spread they are and where there are possible gaps in provision. An example of one such scheme is Scaitcliffe Community Centre.

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[17] Aston, J. *et al* (2007) Pakistani and Bangladeshi women's attitudes to work and family
[18] Many of the pilots were centred in London and/or through the Extra Mile raising aspirations programme.
[19] See http://www.dcsf.gov.uk/nationalchallenge/
[20] DCSF (2008) National Challenge schools by local authority
[21] http://www.schoolgates.org.uk/
[22] DCSF (2009) Breaking the Link Between Disadvantage and Low Attainment: EVERYONE'S BUSINESS (sic)

Case Study: Scaitcliffe Community Centre

Scaitcliffe Community Centre is located in Accrington and provides a mixture of learning activities, information and guidance (IAG) and social interventions to reduce crime and disorder. They run projects in collaboration with a variety of schools, colleges and Mosques in Accrington and Rossendale. They have a development co-ordinator who works with local learning partners to develop these activities, which include:

- **Homework Club:** for 10 to 16 year olds with qualified tutors and IT facilities.
- **Community Education Club:** where parents and their children (7 to 11) develop IT skills together.
- **Child Improvement Programme:** to help pupils manage the primary-secondary transition.
- **Mentoring by volunteers:** for disaffected and disadvantaged 13 to 19 year olds, supported by a staff member form Connexions.
- **Ethnic Minority Achievement Advice:** providing advice and materials for schools and colleges who have pupils with ESL needs.

They also run a wide variety of projects targeted at adults, including education, training and employment advice.

The Community Centre has a broader role, acting as a capacity building hub for local BME voluntary and community groups and related organisations like Hyndburn Cultural Association. This element is funded under a project entitled the Hyndburn Black and Minority Ethnic Grant.

Source: www.scaitcliffecc.com

Additional support is also on hand for new arrivals to the region

For 'underachieving' BME groups and young people who have just arrived in the country, generally termed 'International New Arrivals', there are also services provided on a school or local authority basis, with advice and funding primarily provided by DCSF through the Ethnic Minority Achievement Grant (EMAG).

Nationwide, a total of £197.6 million EMAG funding was allocated for 2009/10, with local authority allocations shared out based on the number of bilingual pupils and pupils from under-achieving ethnic groups in an area.[23] This funding stream is fairly large and has been running in some form since 1966, and in the largest, most diverse authorities like Manchester the amount totals nearly £5 million.[24] At a school level, funding can be over £150,000 in large, very diverse secondary schools.[25] The vast majority of funds are devolved to the school level, with some local authority level co-ordination.

Looking at examples of how this money has been used in the Northwest, Manchester has been active in developing support services for new arrivals, and together with Birmingham and Leeds Local Education Authorities (LEAs) developed the online resource EMA Online.[26] Generally the money is used to fund mentors and support worker roles, but one concern around EMAG is that it has primarily benefited new arrivals, rather than other BME groups at risk of underachieving, but as it has been

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[23] Defined as all Black groups, Mixed Black/White, Pakistani, Bengali and Gypsy, Roma or Traveller heritage.
[24] Manchester City Council, Report for Resolution, 13th February 2008, *Education Services: Devolution of an Additional Proportion of Education Services Budget to Schools for 2008/2009 Financial Year*
[25] Ofsted (2004) *Managing the Ethnic Minority Achievement Grant: Good practice in secondary schools*
[26] http://www.emaonline.org.uk/ema/

shown newer programmes are addressing this space.[27] Mainstream funding is also weighted towards schools/areas with large numbers of pupils from low-achieving BME groups or who have English as an additional language.[28]

Case Study: EMA Online

Most local authorities, especially those in diverse areas, have specialist teams who help deliver Ethnic Minority Achievement Grant (EMAG) services and support staff employed directly in schools like teachers and bi-lingual teaching assistants. These are generally referred to as Ethnic Minority Achievement Services, and provide support to schools who can use their EMAG money to hire their own staff and buy in specific support services for them from the central authority team.

Manchester local authority, in partnership with Birmingham and Leeds and with support from DfES (now DCSF), launched the online resource EMA Online (http://www.emaonline.org.uk/ema/) in 2003. The website offers a wide variety of services, including:

- News
- Links to events
- Professional development resources
- Classroom resources
- Black achievement resources
- Links to translation service providers (only 1 listed)
- Links to support service providers
- A media library.

These resources are designed to support schools across the country in delivering EMAG services.

Source: http://www.emaonline.org.uk/ema/

There are programmes to tackle aspirations of young BME groups

There are projects that tackle self esteem and confidence issues among young people from a BME background, and may target those who are disengaged from education but the focus is generally on an area rather than a specific BME group. Providers of this type of support include Scaitcliffe Community Centre or Hyndburn Cultural Association (see above) and typically work with schools, community organisations and Connexions if the young person is nearing or at the end of compulsory schooling. These services are quite widespread, but rely on a mixture of the support funded through the mainstream education system, local authorities youth/Connexions service as young people near school leaving age, and a mixed body of voluntary and community work funded through grants. It is rare for projects in this space to specifically target a BME group per se, but they may well have a geographical focus of a deprived area with a large BME population. The national Reach programme is also an example of a targeted programme to raise aspirations and attainment for black boys.

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[27] Tikly, L. Osler, A. Hill, J. 'The ethnic minority achievement grant: a critical analysis' *Journal of Education Policy* Vol. 20, No. 3 (2005) pp. 283-312.
[28] http://www.multiverse.ac.uk/viewarticle2.aspx?contentId=291

Case Study: Manchester, Support for Progress

Support for Progress in Manchester runs a variety of group therapy projects that help young people manage personal issues, problems with bullying, the transition from primary to secondary schools and related issues. They have a particular focus on young black men, who are seen as particularly vulnerable, but projects are not limited to particular client groups, for example they run a NEET (young people Not in Employment, Education or Training) programme for all that has a distinct focus on personal wellbeing.[29] Mentoring schemes help disadvantaged or disaffected 13-16 year olds through in-school support, self-development and engagement in activities outside of school.

- For older boys (16-18 year olds) the focus is on softer skills and personal development, such as communication, life skills, anger management and interpersonal skills.

- They also train up members of the community in counselling skills.

The organisation developed out of a self help group set up by Black parents concerned about issues within the work, school, community and the family. This has developed to the point where they are now funded by Home Office funding, Connecting Communities Plus.

Source: www.support4progress.com

Case Study: Whitefield Youth Association

The Whitefield Youth Association primarily targets the Not in Education Employment or Training (NEET) groups and those who have been referred by the police and other agencies for anti-social behaviour. It provides support for 11-25 year olds.

Support includes diversionary activities and a non-pressured environment to engage with these hard to reach groups e.g. activities such as football and boxing. From there, a relationship is developed with the client and additional services and signposting to further support can be provided.

The Whitefield Youth Association does also provide some skills support, such as a personal development programme with Burnley Council which enables the young people to obtain sports qualifications.

In 2007-8 the scheme supported 75 people directly and 120 indirectly, in 2008-9 this figure rose to 100 and 150 respectively. Most recently in 2009-2010 to date 100 people have been supported directly and 120 indirectly.

The association is already planning further development to expand its service. In light of the difficult financial climate it has set up a social enterprise in the form of a community gym in order to fund the ongoing work of the scheme. This will charge a fee for the use of the gym equipment. Not only will this provide a base for the scheme to operate but it should also ensure a sustainable income. The first of three phases in the development of the gym opened this month.

In addition the Whitefield Youth Association is also looking to further support graduates in the local area as evidence suggests that there are limited opportunities for them. As part of this they have partnered with the International Mary Foundation which can provide graduates in Burnley and Pendle with the opportunity to undertake work experience in other countries, they already have links with a school in Namibia which they are developing further.

Source: Interview 30.03.10

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[29] http://www.support4progress.com/s4p-services/future-neet-courses

There are also schemes in place at national and at a regional level to recruit more BME teachers

One potential issue holding back learners is a lack of BME teachers, both as sources of advice, and as role models. The recruitment of more BME teachers is a growing national priority and efforts so far seem to be successful. It is worth noting that the recruitment of BME teachers is about having a workforce that reflects society, to the benefit of all pupils, not just as a source of support and role models for BME pupils. Policy interventions can largely be split into efforts to address the recruitment and retention of trainees, where there is considerable attention, and the more limited work on 'in-role' development of BME teachers.

On a national level the TDA is active on recruitment and retention of BME trainee teachers, with a target of 12 per cent of new trainees achieved in 2008/09. To support this ambition the Recruitment and Retention Challenge Scheme offers funding of £1 Million a year to help Initial Teacher Training (ITT) providers to recruit more trainees from BME groups and support their success. This can cover marketing, addressing recruitment practices, race awareness training for staff, application workshops, mentoring in schools and other related activities.[30]

In the Northwest there has been a variety of action on the ground, and for example, in February 2010 a regional conference took place to discuss the issues around recruitment of BME trainee teachers. Universities and other providers of teacher training are active in these fields across Merseyside, Manchester Metropolitan University's Centre for Urban Education and nearby areas like Keele. Awareness raising and recruitment drive campaigns are an increasing focus of these organisations.

Case Study: Black and Minority Recruitment and Retention Conference, Merseyside Black and Minority Ethnic Steering Group

The 'Black and Minority Recruitment and Retention Conference' was run by the Merseyside Black and Minority Ethnic Steering Group (MBMESG), a collaboration between Liverpool Hope University, Liverpool John Moores University, Edge Hill University, The University of Chester and The Merseyside and Cheshire Graduate Teacher Programme Consortium, with representatives from community groups.

The conference itself primarily reviewed work already going on and barriers that exist, covering topics on:

- Recruiting refugees

- Identifying barriers to recruitment

- The work of the MBMESG

- Engagement and Retention

- The Role of Higher Education Institutions

However the MBMESG has also been active in working in communities in Merseyside to raise aspirations around teaching.

Source: http://www.hope.ac.uk/education-news/bme-conference.html

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There is less evidence of within-role programmes for career development of teachers or teaching assistants. This may be because these sorts of schemes aren't visible outside of the institutions where they take place. However, a number of organisations work in this space on a national level and have been active in highlighting the kind of work they are doing with local authorities and schools (more

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[30] http://www.tda.gov.uk/partners/recruiting/diversesociety/bmetargetandfundingscheme.aspx

details are presented in the recommendations section). A national network for BME teachers, Achieve, has been set up by the General Teaching Council for England.[31]

The range of actions that can be undertaken in this space is limited, because financial incentives are not really possible at the local or regional level. Teaching salaries are fixed at a national level, with working conditions and all wage bargaining determined centrally with the large unions, limiting the primary levers that can be used in workforce planning.[32]

1.2.4   How can we enhance the policy response?

Young People are of key concern as they will form the future workers of tomorrow. Our analysis of the trends and barriers for the young BME cohort is largely positive and demonstrates that increasingly the challenges for young BME people relate more to their levels of economic deprivation rather than their racial background with the possible exception of Black Caribbean boys.

This evidence, coupled with the wide variety of successful schemes delivered at both a national and local level to tackle the barriers facing young people of BME background suggests that the role of the NWDA need not be extensive in this area. Rather, the NWDA in its role as a strategic influencer should focus its attention on signposting existing initiatives and on championing the valuable work of the third sector and local and national organisations.

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[31] http://www.gtce.org.uk/networks/achieve/
[32] Wolf, A. (2010) *More Than we bargained for: The social and economic costs of national wage bargaining*

Action	Description	Delivered by
Signposting existing activities	The NWDA is in a strong position to champion and highlight the excellent work that is taking place in the region at a local and sub-regional level. This can be done via media channels as well as a marketing campaign using the NWDA's existing communications network. There is also potential for the agency to promote lessons learned from work in other areas such as the Shaathi Mentoring Project in the London Borough of Tower Hamlets (See appendix B).	NWDA/local media channels
Maximising the third sector to target specific communities	There is real potential to develop third sector initiatives to target particular local areas including those identified as highly segregated e.g. Blackburn as well as specific groups e.g. Pakistani and Bangladeshi population and for these to link in closely to the work undertaken by mainstream agencies. One North West highlights that the most effective approach to tackling the specific issues in BME communities is through positive engagement with close partnership working between BME third sector organisations and mainstream agencies/local service providers.[33]	Third Sector Organisations. Support/local authorities/Young People's Learning Agency
Promote BME teacher recruitment	There is scope to further develop a regional approach to BME teacher recruitment with further development of for example recruitment events and other marketing material. These events provide an excellent forum for multiple agencies to interact, including universities and potential employers. They could also bring in relevant third sector organisations providing support to BME teachers such as *Integrity Coaching and Development* widening the scope of the event to existing teachers and assisting them to move into leadership roles (see appendix B). The role of the NWDA would be as a strategic influencer – promoting the events and sharing good practice, a likely key element of the forthcoming Regional Skills Strategy. As well as taking on a scrutiny role in terms of monitoring progress on recruiting BME teachers and highlighting the geographical areas to target.	HEI institutions/ Third sector organisations/ NWDA

[33] One North West (2010) One North West Response to the Regional Strategy (RS 2010). Part One: High Level Strategic Framework Consultation

1.3   Progression in education

1.3.1 What evidence exists of this?

The evidence around GCSE attainment is largely positive and although there is evidently work to be done to tackle the issues faced by those that are underperforming, the BME population as a whole has shown strong improvement. Starker differences appear to develop as BME students progress in education. This next section looks at some of the greater disparities that begin to emerge between the BME and White British majority, in terms of under-representation in work based learning, as well as higher education (HE) choices and the career opportunities at the end of them.

Some BME groups are under-represented on Apprenticeships and this could disadvantage them in terms of accessing career opportunities

In terms of work-based learning, almost all BME groups are clearly under-represented on Apprenticeships when compared with other forms of learning, especially on Advanced Apprenticeships. In 2008/09 the most under-represented groups were: Indian, Pakistani, Other Asian, all Black groups and Chinese groups. There are however a couple of exceptions, with Bangladeshi and Mixed White-Black Caribbean learners proportionally represented. This under-representation suggests that BME groups are not taking full advantage of the work-based learning that is on offer which may explain some of the under-employment witnessed in the BME population.

Figure 1.3: Participation in Apprenticeships, by ethnicity, 2007/08 to 2008/09

	2007/08		2008/09	
	Advanced Apprenticeship	Apprenticeship	Advanced Apprenticeship	Apprenticeship
Asian Or Asian British – Bangladeshi	0.4%	1.2%	0.7%	1.0%
Asian Or Asian British – Indian	0.4%	0.4%	0.4%	0.5%
Asian Or Asian British – Pakistani	0.6%	1.0%	0.7%	0.9%
Asian Or Asian British - Any Other Asian Background	0.1%	0.2%	0.2%	0.2%
Black Or Black British – African	0.2%	0.2%	0.2%	0.2%
Black Or Black British – Caribbean	0.1%	0.2%	0.2%	0.2%
Black Or Black British - Any Other Black Background	0.1%	0.1%	0.1%	0.1%
Chinese	0.1%	0.1%	0.1%	0.1%
Mixed - White And Asian	0.1%	0.2%	0.2%	0.2%
Mixed - White And Black African	0.1%	0.2%	0.1%	0.1%
Mixed - White And Black Caribbean	0.4%	0.4%	0.4%	0.4%
Mixed - Any Other Mixed Background	0.2%	0.2%	0.2%	0.3%
White – British	96.1%	94.1%	95.2%	93.6%
White – Irish	0.2%	0.2%	0.2%	0.2%
White - Any Other White Background	0.4%	0.8%	0.5%	0.9%
Any Other	0.2%	0.2%	0.2%	0.3%
Not Known/Not Provided	0.4%	0.4%	0.5%	0.7%
Total	**25,400**	**40,300**	**27,800**	**40,700**

Source: ILR WBL 2007/08, ILR ER 2008/09

Disparities between BME groups become larger within Higher Education (HE). There is high participation but many have lower attainment rates and less study at top universities

In the last five years the number of BME students in the Northwest has gone up overall, but this has only occurred in certain BME groups. In total, the number of graduates from BME groups was 13.7 per cent in 2007/08, up from 10.7 per cent in 2003/04. The proportion of students who are White has remained broadly static (+0.4 per cent, not shown on graph) suggesting many of these gains have come from the unknown category. However, even if the make up of the student population is stable, we also need to consider change in the number of potential entrants.

Looking at absolute participation of Northwest students certain BME groups have been growing rapidly as a proportion of all students and this chimes with the national evidence.[34] Bangladeshi and Caribbean student numbers are up significantly from a low base (+44 and +19 per cent respectively), but the number of Black African students has nearly doubled (+93 per cent). As a proportion of all students (figure 1.3) Black African students are up from 0.9 per cent of all students in 2003/04 to 1.9

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[34] Machin, S., Murphy, R. and Soobedar, Z. (2009) Differences in labour market gains from higher education participation, report for the National Equalities Panel

per cent in 2007/08, while the number of other/mixed students has risen rapidly too. Pakistani and Bangladeshi students have also grown as a proportion of all students, and both of these figures fit with national patterns.[35]

Figure 1.4: Ethnicity of Northwest domiciled students participating in HE, 2003/04 to 2007/08[36]
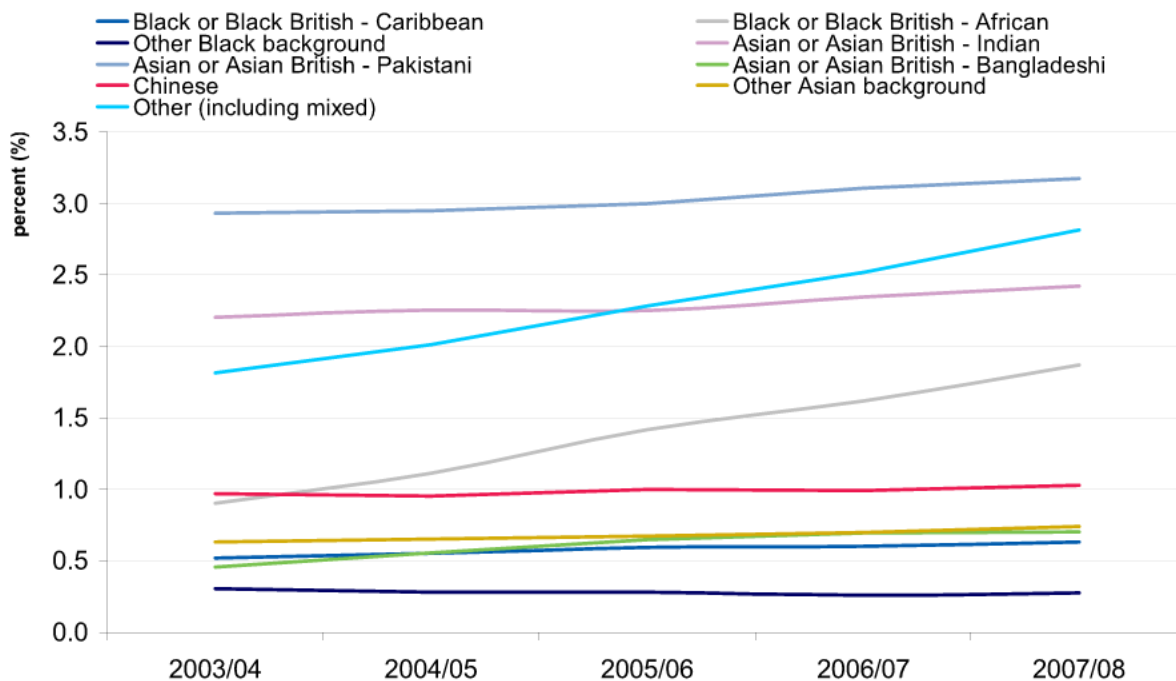
Source: HESA 2003/04 - 2007/08

When taking into account the demographics and cohort sizes of these groups:[37]

- Caribbean, mixed/other and Bangladeshi students may have seen a considerable upsurge in HE participation rates, as the cohort sizes have not been growing or not as rapidly;

- Traditionally successful groups (namely Indians and Chinese) have seen stable participation numbers, but the populations are ageing so participation rates may be going up;

- The size of Pakistani cohorts, and student numbers, has been largely flat, suggesting little has changed for this group.

- The cohort size for Black African people (those reaching 18 at each age of the census) is considerably smaller than the number of Black African students participating in HE in the Northwest. This is not mirrored by any other ethnic minority group and suggests there has either been rapid inward migration, or that students are moving to the Northwest shortly before they begin studying. We believe this would merit further, bespoke research to understand the pattern of Black African participation in HE in the Northwest.

Although participation figures are positive and continuing to rise, concerns have been expressed about the universities BME students attend and courses they do.[38] The core issue that affects later labour

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[35]ibid
[36] This graph shows the change in percentage of students from the Northwest from different BME groups, as a percentage of all students domiciled in the region before they began studying, between 2003/04, and 2007/08.
[37] We do not have access to detailed cohort data for this project, and building models of this process is complex as a result of migration, delayed entry an attainment rates, but broad comparison of the age structure of the population at census 2001 and GCSE cohorts each year can provide a rough estimate of trends.
[38] Aim Higher (2006) A Review of Black and Minority Ethnic Participation in Higher Education

market outcomes is actually the kind of university attended, and the type of qualification studied (rather than the subject of study).[39] The latest research suggests that nationally, Black, Pakistani and Bangladeshi pupils are 12 per cent less likely to attend a Russell Group university, and Indian pupils are 5.5 per cent less likely.[40] In total just 8 per cent of Black pupils attend Russell Group universities, compared to 24 per cent for White pupils. Indeed, the groups who are currently successful, like Indian or Chinese students, enter via the traditional A-level route and go to better rated universities. In contrast, other BME groups are more likely to get vocational qualifications from FE colleges, and go into Post-92 universities and study at a sub-degree level.[41]

Qualitative evidence certainly suggests that BME students in the Northwest are more likely to attend local universities, rather than travelling to the best university they could. Overall, the Northwest is a magnet for BME students, rather than an exporter. The one noticeable present trend is that there has been a slight decrease in the proportion of students in the Northwest who are Pakistani, but the number of Pakistani people in the Northwest who are studying is stable, suggesting they are increasingly likely to travel outside the region to study. There were 5,802 Pakistani students domiciled in the Northwest in 2007/08, but only 4,789 studying in Northwest universities.[42]

At a national level attainment rates are lower for BME groups than their White peers. Black, Pakistani and Bangladeshi students are the least likely to attain a first or upper second, and even Indian pupils are considerably less likely to get higher grades than White students. This has been estimated as being anything up to 17 per cent for Black students, and 16 per cent for Indian females.[43] There is considerable evidence to suggest that there is an attainment issue at university for BME students, and it seems to be more or less universal across BME groups.

Of those BME students that are successful, they are increasingly entering well paid industries, often professions, although their career choices remain fairly traditional

The industries that students go into vary noticeably, depending on ethnicity. HESA data shows that across the Northwest BME students as a whole have consistently been over-represented in certain industries, namely banking and insurance, communications and business services.[44] Looking at specific BME groups there are also other distinct destinations in addition to the industries listed above:

- Bangladeshi – Other Manufacturing; Retailing;
- Indian – Wholesale; Gas, Electricity & Water; Other Manufacturing; Health; Retailing;
- Pakistani – Retailing;
- African – Chemicals; Health;
- Caribbean – Food, Drink & Tobacco; Public Admin & Defence; and,
- Chinese – Textiles & Clothing; Chemicals; Gas, Electricity & Water; Wholesaling; Hotels & Catering

Some of these choices conform to fairly well known trends within groups, such as retailing, health, manufacturing and textiles. For example there are many doctors in the Northwest who are of Indian or African origin. This is reflective of the course choices that BME students make with popular choices

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[39] ibid
[40] Machin, S., Murphy, R. and Soobedar, Z. (2009) Differences in labour market gains from higher education participation, report for the National Equalities Panel
[41] Aim Higher ibid
[42] HESA 2007/08
[43] Machin, s. *et al* ibid
[44] Over-represented is defined as a higher proportion of an ethnic group entering an industry than the White majority, for at least four out of the last five years.

being business and administrative studies; law; medicine/dentistry (apart form Black groups); and, mathematical and computer studies (except Black Caribbean and other/mixed).

It is also noticeable that chemistry is a popular option, and is a large sector in the Northwest with many sizeable employers on the Mersey estuary/M62 corridor. Graduates from all groups aside from Bangladeshis are getting into the better paid business service/finance type roles, but there is also a tendency towards more traditional industries which may reinforce existing trends.

In contrast, the industries that BME graduates as a whole are under-represented in are: agriculture, forestry & fishing; public admin & defence; education; transport; hotels & catering; construction; and the more technical forms of manufacturing/engineering (aside from chemicals) (clearly though within different BME groups this pattern will be different). Qualitatively there is also evidence that BME students are also under-represented in some priority sectors for the region such as the green sector/digital media & creative sector and biomedical sector – this certainly warrants further attention.

It is also noticeable that the BME groups who have historically had worse labour market outcomes are the least likely of BME groups to access the really high paid industries like banking or medicine, which may slow down any 'catch up'.

The tendency to choose traditional occupations is not a major concern in and of itself. In fact it is more important that the expectations of all are raised, in order to gain a good qualification regardless of the subject; this is clearly linked to stronger opportunities in the labour market. Nonetheless, with a number of (high value) sectors being identified as priority growth areas for the Northwest (for example high-tech manufacturing, or environmental technologies and services) it is essential that minority groups benefit equally from the opportunities created, and hence they will need to access the sorts of careers advice and networks that help them understand what is needed to get on in that industry.

As a result of their career choices BME graduates actually have higher earning potential than White graduates

Although not specifically in the Northwest, BME graduates across the UK actually earn more – a trend which should be acknowledged in the Regional Skills Strategy. Three and a half years after graduation, Indian males are found to earn 4 per cent more than their White counterparts, and Black males/Pakistani/Bangladeshi females are found to earn 5 per cent more, when controlling for all possible factors (socio-economic background, university studied at, grades and subjects studied).[45] If these are not taken into account, and only socio-economic and personal characteristics are controlled for, no BME group earns less than White graduates, and Indian males earn 15 per cent more. The assumption that flows from this is that the average figures are pushed up by the high likelihood that BME graduates pick topics that lead into the professions and higher future earnings.

Nonetheless there is a higher propensity for BME graduates to be unemployed six months after graduation

National Analysis has shown that graduates from all BME groups are more likely to be unemployed six months after graduation than White graduates.[46] These figures hold true even after various background

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[45] Machin, S., Murphy, R. and Soobedar, Z. (2009) Differences in labour market gains from higher education participation, report for the National Equalities Panel
[46] Machin, S., Murphy, R. and Soobedar, Z. (2009) Differences in labour market gains from higher education participation, report for the National Equalities Panel

characteristics are accounted for, however, statistical modelling suggests that these gaps even out after three years, with only Black students more likely to be unemployed (-4.9 per cent), while Indian students are slightly more likely to be employed (+2.8 per cent).[47]

This is also true of the Northwest. Over the five years between 2003/04 and 2007/08 an average[48] of almost one fifth (21 per cent) of White graduates were unemployed six months after they finished their course (see figure 1.5). In contrast as many as one third or more of many BME groups are unemployed, even those who have higher average attainment levels at school like Chinese (38 per cent) or Indian (29 per cent) students. Caribbean students are generally the least likely to be unemployed (24 per cent). Given these figures, it seems fair to assume that the issues that apply at a national level for BME graduates apply equally in the Northwest.

Figure 1.5: Graduate unemployment 6 months after completion of course, UK, 2003/04 to 2007/08

	Asian or Asian British - Bangladeshi	Asian or Asian British - Indian	Asian or Asian British - Pakistani	Black or Black British - African	Black or Black British - Caribbean	Chinese	Non-UK	Other	Other Asian background	Other Black background	White
Average rate 2003/04 to 2007/08	34%	29%	36%	34%	24%	38%	38%	30%	36%	30%	21%

Source: HESA 2003/04 to 2007/2008

1.3.2 What are the barriers?

Closeness of family ties and other cultural factors play a key influencing role in an individual's choice of education and career

Reluctance to opt for work-based learning, the choice of university and career options post-university can be explained by complex cultural and social barriers facing the young BME population. These vary to a lesser or greater extent dependent on BME group. They relate to family links/religious affiliations and cultural practices which lend themselves to staying close to home and interacting with other like minded individuals.

Students who attended the BME focus group at Manchester University highlighted family and background as a strong influencer in their course and career decisions. One attendee stated that she would have preferred to do journalism or history but her family were keen for her to do a course which would lead to a job in the professional services and this was the route that she had opted for. Another attendee was heavily influenced by his father's 'entrepreneurial spirit' and this has encouraged him to take a course that could lead to this as a career option.

The same appears to hold true for Apprenticeships, again with qualitative evidence from consultees suggesting that work-based learning simply hasn't the same kudos as study in higher education and

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[47] ibid
[48] Graduate destination data is very 'spiky', fluctuating a lot year to year, hence the use of 5 year averages

this perception can dissuade students from selecting it as a direct career route. While family aspirations may limit career choices to an extent, these limitations may also actually push a young person to achieve higher career prospects for example as lawyers, doctors and bankers.

Family commitments may limit certain groups' opportunities for study altogether

Choice of location in which to study can be heavily influenced by family commitments and cultural norms for some BME groups. This in particular relates to women from BME groups who as a result of both circumstances (often located in economically deprived areas) and cultural norms (with the female designated as the main carer for the family) prioritise looking after their family over their career prospects.

Pakistani and Bangladeshi women value education very highly regardless of age, education, migrational background or generation.[49] However, some feel that their communities did not support their educational aspirations, and language skills also acted as a barrier to engagement. For these women, lack of access/ability to afford childcare and transport issues can mean that they do not continue into HE; they choose a course or educational institution close to home to balance family needs; or that they move into employment which doesn't match their education profile in order to ensure that they can adequately care for their families.

Even for those BME women who have graduated from university and have mapped out a career path, juggling children and family commitments can remain a struggle. This is clearly also the case for White women, but cultural factors do appear to play a greater role, with BME women still seen as the main carer for children in the family. One attendee at the BME focus group at Manchester University stated that

'Many Asian women prefer to get married early and spend two years in marriage and then start careers.'

This 'career break' could then impact on their ability to get a job, with employers potentially viewing a 'gap' in the CV in a negative way.

Prejudice and inequality, both perceived and actual, remain within education and employment

The unemployment figures for recent graduates can in large part be explained by continuing inequality within the labour market and there are concerns from BME students that their ethnicity may impact upon their ability to get a job. This is related to both perceived and actual inequalities.

To illustrate this point, a recent report focussed on young Black Caribbean, Pakistani and Bangladeshi women and provided clear examples of a mismatch in terms of employer perceptions and the perceptions of the women themselves at interview:

- BME women felt that they were likely to feel as confident as White girls at age 16 and that they were ambitious. In contrast a quarter of employers felt that these women lack confidence at interview and that they lacked ambition.

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[49]DWP (2007) Pakistani and Bangladeshi women's attitudes to work and family

- Half of Black Caribbean and two thirds of Pakistani and Bangladeshi women at 16 felt that they would have to rule out some jobs as a result of their sex, ethnicity and faith. Employers on the other hand stated that they welcomed everyone.[50]

Prejudice and inequalities should not be used to explain all the difference though and we have already highlighted that there are a range of other complex factors, including geographic location, limiting opportunities. The strong cultural and family ties highlighted above can also mean that a BME graduate has more limited knowledge of pathways to employment relying largely on family and community connections which may not be the most appropriate. The use of informal channels and networks is often invaluable in securing that first job and the options available to do this may be more limited for many BME graduates.

1.3.3 What is the current policy response?

A key concern for the young people within the BME population is not their ability to achieve, but that they may not convert their educational achievements into employment opportunities be it due to cultural and family influences and responsibilities, or perceived or actual inequalities. In order to address these challenges, the interventions in the Northwest focus on improving the range of information, advice and guidance given, changing aspirations or providing opportunities that will help with future careers.

Steps are being taken to improve local advice and guidance available to local communities

Limited intelligence on career opportunities including work-based learning information is clearly an issue for young BME people and this has been recognised both nationally and locally. Since April 2008 local authorities have been responsible for all local information and guidance (IAG) delivery, working in consortia with their schools and colleges to develop their offer and receiving free support from consultants retained by DCSF. The 2009 strategy for young people's IAG *Quality, Choice and Aspiration: A strategy for young people's information, advice and guidance* set out a statutory requirement for schools to deliver impartial careers advice. Each pupil will also have a named staff member they can turn to for advice. Applications for the fourth round of the Youth Sector Development Fund has also been set aside specifically for IAG, and 25 organisations are expected to share £10 million when the results are announced in the next month.[51]

Connexions already provide IAG, however there have been concerns that the quality of advice and number of people using them for advice is not always high enough, with great variability between different local authorities.[52] This is a general issue with advice from all sources, and so the latest strategy has focused on improving advice from all angles, but there is no specific expansion of Connexions' remit. Local authorities are by and large free to choose how they structure their local youth service provision. To this end the work that is taking place is primarily dependant on local authorities' decision on where they deploy their resources, but Manchester, for example, has been active in developing careers advice training for non-Connexions staff.

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[50] IEOS (2006) Moving on up
[51] http://ysdf.ecotec.com/index.asp?pID=1
[52] DCSF (2009) *Quality, Choice and Aspiration A strategy for young people's information, advice and guidance*

Case Study: IAG for all 14-19 staff, Manchester

In Manchester and Tameside the 14-19 partnership and their Connexions provider, Better Choices, are running a programme of careers advice training for all partners.

The training course lasts a day, is accredited by the National Open College Network (NOCN) and is available to all members of staff from local schools, agencies and partner organisations.

It provides participants with advice on how to provide effective careers advice and to ensure that the Connexions centres are tapped into more effectively.

There is no specific BME focus to this work at present, but sessions have been run to provide advice to parents. So far the course has been highly popular, and highlighted as a best practice example by DCSF, so further resources are having to be provided for more trainers. The work is supported by the Specialist Schools and Academies Trust (SSAT).

Source: DCSF (2009) Manchester 14-19 IAG case study http://www.dcsf.gov.uk/14-19/cs_reports/case_study_iag_manchester.pdf

Raising participation at HE institutions

Policy interventions targeting young people from a BME background tend to focus upon raising participation at the HE institutions and the evidence outlined above certainly suggests that these schemes have had a positive result with rising HE participation rates.

Prior to university, there are various initiatives in place to increase BME participation at university, primarily run through the Aim Higher programme. Aim Higher organisations themselves run many activities, but these are general activities rather than BME specific events. Universities can also undertake activities in partnership with Aim Higher, and steer their strategy, or can set up schemes on their own.

HE providers that wish to charge higher tuition fees are required to sign an access agreement with the Office For Fair Access (OFFA), and many of these cover BME students. The Access Agreements must detail how the university will ensure certain groups aren't unfairly disadvantaged by the higher fees. The activity undertaken varies by institution, for example in Liverpool the main focus is on employment outcomes of BME students through employer mentoring,[53] while Accrington and Rossendale College are targeting increased admissions of students from BME groups.[54] Activities can be very diverse, for example Lancaster University has student ambassadors to recruit BME students from their old schools in distant locations[55] whereas for example Manchester University runs an annual Ethnic Diversity Fair. The vast majority of institutions (HE and FE delivering undergraduate provision) in the Northwest are covered by an agreement, so any action by the NWDA should seek to complement the wide variety of work taking place.

Diversifying course uptake among BME students in the Northwest

There are also other programmes to encourage young people to pursue non-traditional options, an issue identified from the trends analysis above. Some of these projects are information based: The Your Future, Your Choice conferences, run by the Ahmed Iqbal Ullah Education Trust, gives BME year

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[53] OFFA (2009) *The University of Liverpool Updated Access Agreement – 2009/10 - 2010/11*
[54] OFFA (2008) *Accrington And Rossendale College Higher Education Access Agreement To Run From 2009-2010*
[55] http://domino.lancs.ac.uk/Info/lunews.nsf/I/C331C6253A44D9A480257386003285B7

10 students in the Greater Manchester area the chance to meet graduates and employers, and to get information about career opportunities and earning outcomes for BME graduates.[56]

The national Reach programme, supported by DWP, seeks to raise the ambitions of young Black men. There are organisational elements to the programme, but the primary activity is to make these young men much more aware of successful Black men, in the hope that it will inspire young people to challenge their own assumptions and views on what they can achieve. This can be through marketing, workshops, presentations and similar events. There have been a couple of similar projects run by Aim Higher organisations in the Northwest.

Case Study: REACHing High, Liverpool

The REACHing High is a developmental programme that encouraged Black boys into higher education through activity work. In 2008 it took a group of 13 boys from St Margaret's, Childwall and Calderstones Schools, and supported and mentored them through the process of launching their own culture magazine for local young people.

They began initially with photography lessons before moving on in the second year to develop tuition in media and publishing skills, like research, marketing, technical skills and business management/finance. Aside from the skills learnt, the intended outcomes were development of goals, self-confidence for HE, identification of positive role models, general critical skills, and development of family and community support.

Source: http://www.ahgtm.ac.uk/reachinghigh

The Wai Yin Chinese Women's Society in Manchester is another example of this type of support. It runs a youth project that helps Chinese 13 to 25 year olds by providing IAG, emotional support to develop self-confidence and esteem and help with care responsibilities when they come in to conflict with their parents over their future career choice.[57] But in general, there doesn't appear to be a wide range of this sort of provision, and certainly none that supports people into specific options like apprenticeships or certain subjects at university, unlike, for example, the programmes to encourage women into Science, Technology, Engineering and Mathematics (STEM) subjects.

Research has been carried out on the reasons why BME students from the Northwest are less likely to take up Science, Engineering and Technology courses (SET),[58] but it is not evident that this has led to interventions. There may be projects run by individual departments, for example Manchester Universities Humanities faculty aims to attract more mature BME learners, but this doesn't appear to be operating on a wider scale.

Post HE IAG and experience

In terms of addressing some of the issues around getting on the career ladder, much of the support tends to be sector specific, often with a distinct positive action angle e.g. support to increase the numbers of BME applicants to the Civil Service Fast Stream.

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[56] http://www.racearchive.org.uk/projects/Projects%2009/Your_future_your_choice09.html

[57] http://www.waiyin.org.uk/projects/youth/

[58] Booth, KM, Takruri-Rizk, H, Welamedage, L and Mansi, K 2008, 'The participation of Black and minority ethnic graduates in science, engineering and technology occupations in the Northwest of England' , in: *The Fourth Education in a Changing Environment Conference Book 2007* , Informing Science Press, Santa Rosa, California, USA, pp. 331-352

On a national level there are a wide variety of websites specifically targeting BME graduates, including the Diversity Milk Round, Ethnic Britain, Black Britain, Asian jobsite and the government's official website Black and Asian Grad.

A prime example for the region relates to the digital and media sector. The NWDA supports a number of schemes via North West Vision and Media, who work on behalf of the digital and creative industries in the Northwest to grow a world-class digital and creative economy within the region, and this includes placement programmes to encourage participation in the sector.

Case Study: Media Foundation placement scheme (MFPS).

Northwest Vision and Media delivers a regional programme of training activities which are designed to help target groups, such as BMEs and women who may find it difficult to access employment in the creative and cultural industry sector (CCI).

The Media Foundation Placement Scheme currently works in partnership with ITV, BBC, LIME Pictures and Activedio alongside North West Vision and Media.

It is a positive, action training initiative which seeks to address issues of cultural diversity and the under-representation of Black, Asian and Minority Ethnic individuals in the media industry within the North West Region.

MFPS provides talented individuals from the North West the opportunity to gain skills, experience and networks to kick-start a career in Media and Broadcasting.

Eligible applicants must be from a BME background, over the age of 18, from the Northwest, a UK resident or have the right to work or train in the UK and be interested in gaining hands-on work experience in the media and broadcasting Industry.

Source: http://www.northwestvision.co.uk/page/mfps

A number of schemes also provide opportunities for BME graduates to get relevant work experience on a national level, but these are often focused on very high profile roles in the accountancy, finance, law or the civil service. Internships are very important for securing graduate employment in these sectors, but work experience is generally useful in all sectors. There is little evidence to suggest there are bespoke schemes on offer in the Northwest and there might be scope for development of a Northwest specific scheme.

Sometimes, the barriers to a particular career are at the employer end, for example a lack of understanding of how different methods of recruitment favour different groups. On a national level Business in the Community are active in promoting positive action by employers recruiting graduates. There does not appear to be much activity of this sort taking place in the Northwest.

1.3.4 How can we enhance the policy response?

With regards to 'progression in education' the evidence highlighted, particularly around traditional sector preferences, and the lack of uptake in the key sectors for the region, such as energy and environmental sector, does warrant closer attention by the NWDA, particularly given the fact that, to date, the Information Advice and Guidance support and Careers advice does not appear to be tailored towards BME young people.

The key focus for the NWDA here is in terms of actively developing participation in key sectors for the region (biomedical, digital and creative, and energy and environmental). In a similar vein to the activities delivered by Northwest Vision and Media. There need to be tailored programmes combining HEI institutions and private sector organisations to inspire young people from BME backgrounds to consider a wider array of career opportunities and to take advantage of exciting development in the region's economy.

Action	Description	Delivered by
Developing IAG provision	IAG provision is best delivered at a local level and there is great potential to build on the success of Manchester's *IAG for all 14-19 staff* scheme – which provides training to teachers and other relevant individuals through the Connexions service to ensure that they can deliver support onsite at their school or college. It has already been highlighted as best practice by the DCSF and this appears to be a real area in which Connexions could develop its remit and links to schools and colleges. Building in more engagement with parents will be vital in this process as they have been evidenced to play an important role in career choice. This was also highlighted at the BME Conference on 24th March 2010.[59]	Local authorities/ Connexions
Work closely with existing programmes to support HE/FE participation	There could be a role for the NWDA in partnering closely with the HEIs and Aim Higher partnerships already in place, where infrastructure, funding and detailed local knowledge already exist. The role of the NWDA would be as a strategic influencer – raising awareness of the existing work to young people across the region, and in particular to target groups such as the Pakistani population that have shown little increase in participation.	NWDA/HEIs/ Third Sector Organisations
Develop participation in key sectors for the region	There is scope for NWDA to develop young BME people's participation in key sectors for the region in which they are under-represented (bio-medical, digital and creative and energy and environmental technologies). This would be via sector specialist bodies such as Northwest Vision and Media and this could be delivered at a regional level with local level input from HEIs and schools. This will also help to deliver the Regional Skills Strategy. There may also be potential for the NWDA to link up directly with employers in the key sectors providing them with incentives/publicity in return for their involvement in providing BME focussed internship/work experience schemes. Close scrutiny and monitoring of outcomes by NWDA would be essential in order to ensure that progress was made.	NWDA led with involvement from HEIs and Schools

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[59] http://www.nweo.org.uk/Workforce/Workforce+Gateway/Events/

2 Participation in employment

Key messages

- It is well documented that the BME population in the Northwest is under-employed in comparison to the total population, but perhaps what is more interesting is that the employment gap is widening within and between BME groups within this population.

- The quantitative evidence points to strong employment and earning potential in certain groups including the Indian and Chinese and some Black African groups as well as third and fourth generation migrants who have been brought up in the UK.

- A more worrying trend however is that other groups, namely the Pakistani and Bangladeshi groups, and in particular women and first generation migrants experience much lower employment prospects and earning potential and this has remained low.

- A range of barriers can explain these differences, not least perceived or actual inequalities and stereotyping which affect all BME groups to a greater or lesser extent and can mean that people from a BME background are less likely to get an interview/progress to leadership roles.

- Geographical disadvantage plays a large part in explaining the differences as many of those experiencing the greatest challenges are located in economically deprived areas which can further limit their opportunities.

- There is already a wide range of mainstream provision to support participation in employment as well as specialist BME support at a local and national level. The role of the NWDA as with the BME Young people's initiatives would appear best placed in terms of signposting the great work that is already taking place and supporting the advocacy role of networks such as Ethnic Minority Business Forum (EMBF) and the BME Advisory Group.

- Given that a number of the issues, particularly around economic deprivation are non-BME specific, there is also a need to ensure that BME groups are fully engaged with wider worklessness and regeneration activities.

- Finally where the issues are specific to BME groups, for example around perceived and actual inequalities the NWDA can set a leading example in terms of their recruitment policies and in work progression as well as closely monitoring outcomes of these practices.

2.1 Overview

Evidence suggests that the gap between employment rates and earnings within the BME population in the Northwest is significant and that some BME groups are disproportionately affected. Not only are people from a BME background less able to secure a job, they are also less likely to progress in it and this has profound social and economic impacts for the region. Experian's earlier research for the NWDA estimated that increasing participation rates and earnings of the BME population to the levels seen elsewhere in England could add £5.8bn to the Northwest economy by 2032.[60] Not only is this

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[60] Experian (2008) Demography, Migration & Diversity in the Northwest

evidently a significant economic benefit for the Northwest, but for individuals it would provide many benefits in terms of improved quality of life and engagement with the wider community.

This section then looks at the key issues for the BME population both in transitioning into work at any age, as well as in-work progression. It assesses evidence on participation as well as further developing the industry sector in section one. It also looks at earnings and progression into managerial and senior positions. The barriers which relate to each trend are examined alongside the current policy response and recommendations for filling the gaps. It follows the 'client journey' outlined below.

Figure 2.1: Structure of interventions for participation in employment
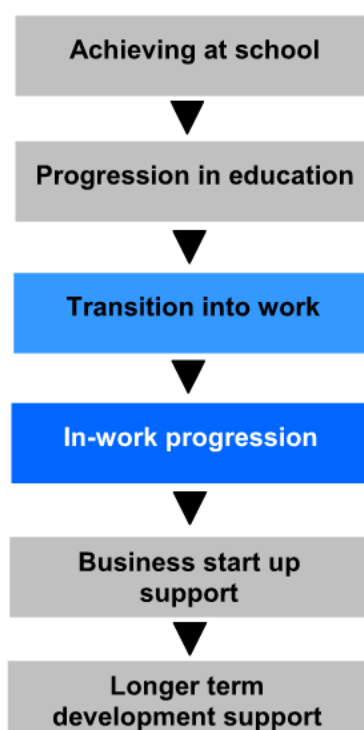
2.2 Transition into work

2.2.1 What evidence exists of this?

Participation rates are lower for the BME population as a whole

Perhaps the most striking difference between the BME population and the White British population is in employment rates. In the 1996/97 period all male BME groups, with the exception of Indian men, had an employment rate at least 10 percentage points below that of the White population. Although this gap has decreased for most groups, gaps still remain persistent,[61] for example, in the Northwest in 2008 the difference between White and BME men's employment rates was 6 percentage points.[62] The effects of the recession have been to exacerbate this further.

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[61] EHRC (2008) Equality group inequalities in education, employment and earnings
[62] LFS Q3 2008

Figure 2.2: The percentage point gap in employment rates between total BME population and the White population in the Northwest in 2006 and 2008
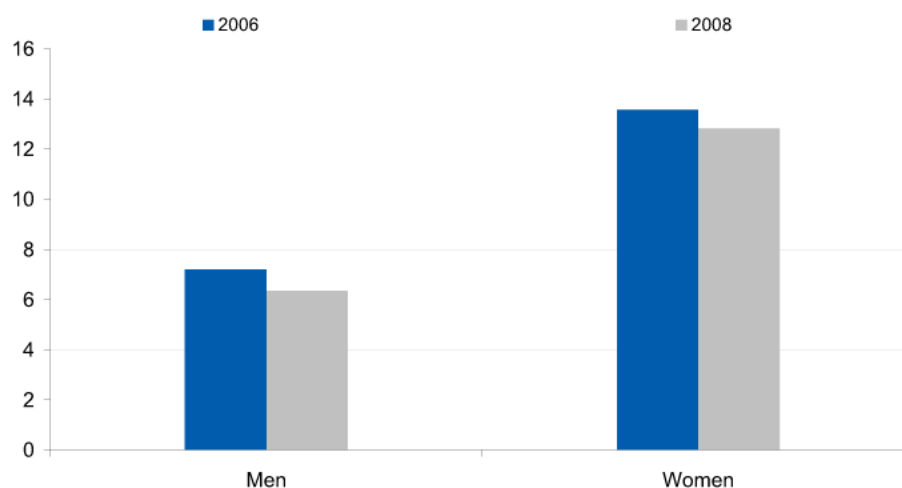
Source: LFS Q3: 2006, 2008

Lower employment rates are accompanied by higher unemployment and inactivity rates. In the Northwest the unemployment rate for those classified as an 'Ethnic Minority' is 14 per cent, approximately double the unemployment rate for White people. These trends are mirrored across the rest of the UK, though unemployment rates for all are higher in the Northwest.[63] At a UK level, this employment gap costs approximately £8.6 billion annually.[64] Not only is high unemployment a significant problem, but there is also evidence of high economic inactivity rates (which show those who are neither in, nor looking for, employment – i.e. those disengaged from the labour market). All male BME groups have higher inactivity rates than White men.[65] For women, employment rates are lower across the board, however all female BME groups have higher inactivity rates than White women.[66]

In light of the recession, these issues have been exacerbated. The recession has pushed up numbers of job seekers in all groups across the Northwest. Numbers of ethnic minority claimants have actually increased less than numbers of White claimants; however, unemployment rates remain significantly higher among ethnic minority groups.

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[63] APS 2008/09
[64] NAO (2008) Increasing employment rates for ethnic minorities
[65] DWP (2006) Ethnic penalties in the labour market: employers and discrimination
[66] EHRC (2008) Equality group inequalities in education, employment and earnings

Figure 2.3: Claimant count numbers (indexed to January 2008) for White people and Ethnic Minority people
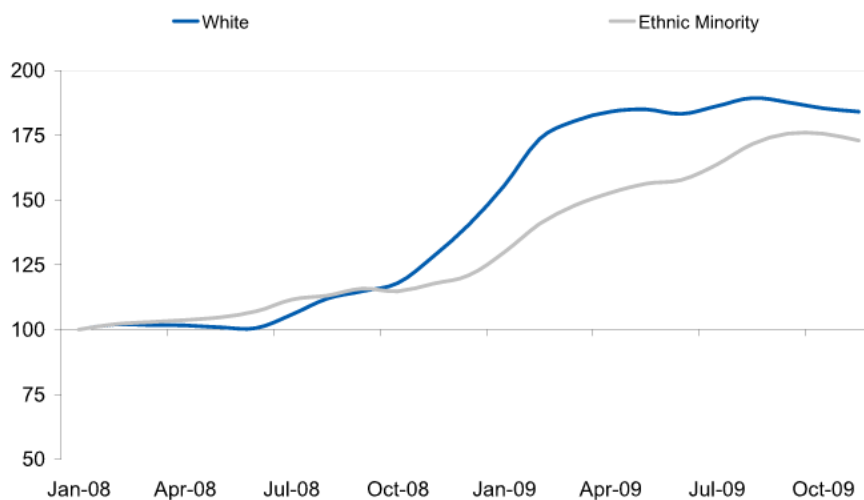
Source: ONS, 2010

Numbers of economically inactive people have also risen. Between 2007 and 2009 the numbers of economically inactive White people in the Northwest rose only slightly, however the total number of inactive people from BME backgrounds rose by 10 per cent.

However the participation rates are best examined within and between BME groups as there is stark variation

The trends for the BME population as whole provide a high level understanding of the challenges faced but it is only when we break these down to the individual BME groups, genders, and generation of migrants that we can truly understand the differences.

Those groups that performed successfully in school and further education (outlined in section one) also perform better than their counterparts from other ethnic backgrounds. Indian and Chinese groups in particular are "often out-performing White people in schools and the labour market"[67] and they fare better in the UK labour market than most other ethnic minority groups; this is particularly noticeable among Indian people, whose average employment rate from 2006 to 2009, at 67 per cent, was higher than that for any other group.

Those of a mixed ethnic background have an employment rate of 56 per cent. In contrast all Black groups also have lower employment rates than their White counterparts with men outperforming women.

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[67] Cabinet Office (2003) Ethnic minorities and the labour market

Figure 2.4: Employment rates (%) by ethnicity in 2004/05
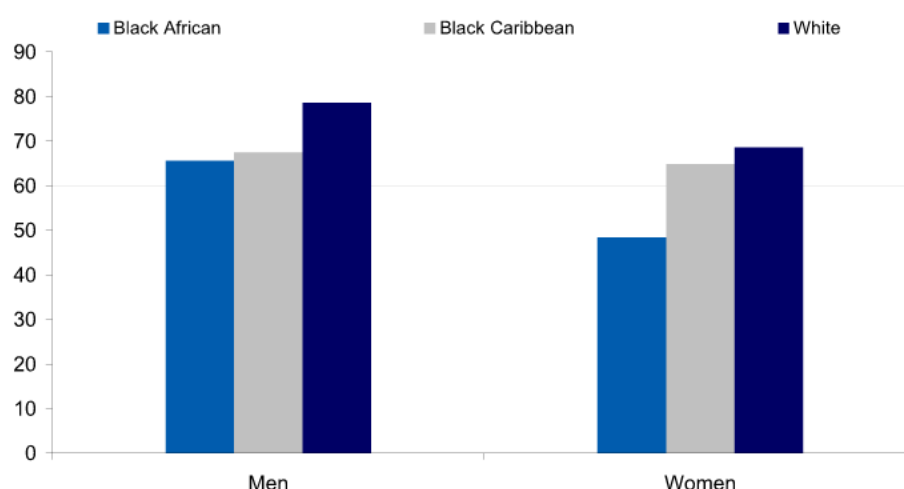
Source: General Household Survey, 2004/5 and LFS,2004/5

Pakistani and Bangladeshi people also underperform; in fact they are among the most disadvantaged in the labour market. Pakistani and Bangladeshi people experience "significantly higher unemployment than the White population."[68] A cabinet office report suggested that across the UK if the employment rates of Pakistani people matched those of their Indian counterparts, this would lead to an increase of approximately 96,000 additional people in work.[69]

The unemployment and inactivity trends further compound the distinctions between BME groups. Claimant count rates have risen most among those from a Mixed ethnic background, and least among Chinese people. This is perhaps surprising given that the sectors in which Chinese people tend to be employed are more vulnerable in the recession (engineering), however, Chinese people also tend to be highly qualified (for example 53 per cent of Chinese people have degrees compared with only 25 per cent of those from a Mixed ethnic background[70]). Thus high skills levels may protect against job cuts as employers will be unwilling to lose their most skilled workers.

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[68] Cabinet Office (2003) Ethnic minorities and the labour market
[69] Ibid
[70] Home Office Citizenship Survey (2007)

Figure 2.5: Claimant count numbers (indexed to January 2008) by ethnicity[71]
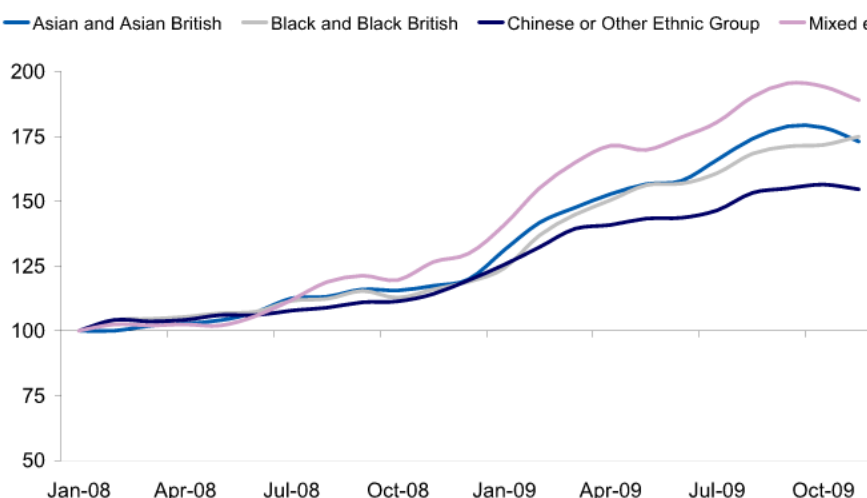
Source: ONS, 2010

Inactivity trends confirm those BME groups that are furthest from the labour market namely the Asian or Asian British and Black or Black British groups. Among Asian and Asian British people, there was a rise of some 24 per cent, approximately 17,700 people. A similarly large rise of 19 per cent among Black and Black British groups also occurred, accounting for around 3,500 new economically inactive people.

Figure 2.6: Change in economic inactivity rates between 2007 and 2009
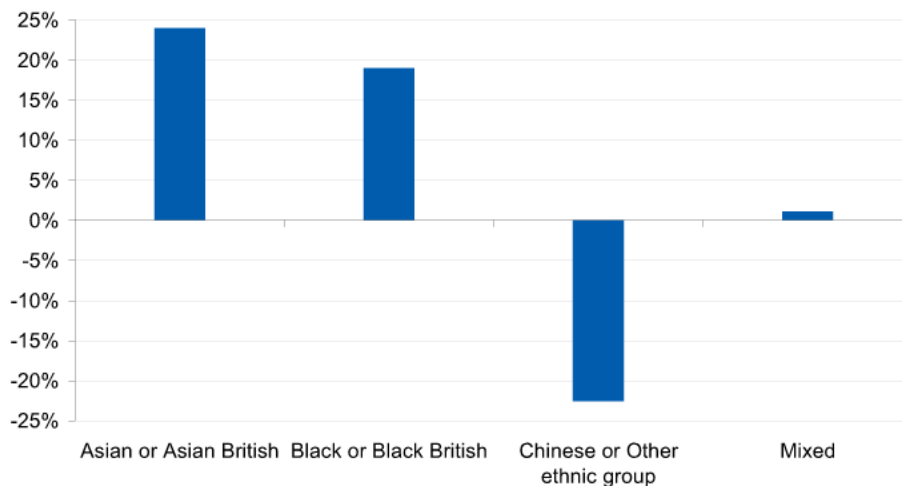
Source: LFS Q3 2007 and LFS Q3 2009

Interestingly, rates of economic inactivity actually fell for Chinese people and those from other ethnic groups over this period, this may be because Chinese people have moved from inactivity to training programmes, or become job seekers again but this may be an area that warrants further attention.

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[71] The ethnic breakdown available for claimant count data is limited to the groups used in this graph

Attention must also be paid to the BME gender gap

Evidence above has already pointed to the fact that women are disproportionately under-represented in the labour market. Even for those BME groups that are characterised as having high participation rates, such as the Chinese and Indian populations, women from these groups fare worse in terms of participation in employment compared with their White counterparts.

Black Caribbean women have the highest employment rate for any female BME group, as well as the highest participation rate of any female group.[72] In contrast, Black African women have a considerably lower employment rate.

The lowest employment rate for women is for Pakistani and Bangladeshi women, with only 28 per cent in employment this is the lowest employment rate of any group.[73] The employment rate for Pakistani/Bangladeshi men was also among the lowest for male groups in 2007, at 57 per cent,[74] but since then their employment rate has risen, such that the only group with consistently higher employment rates is Indian men.[75] This may be a sign of progress, but whether this has been eroded by the recession remains to be seen.

And there are clear generational differences in terms of participation in labour market

Gaps in employment rates are somewhat lower between second generation BME population than first generation migrants.[76] In the Northwest the employment rate for UK-born (second- or third- generation BME population) was 55 per cent in 2008/09, 3 percentage points higher than the employment rate for first-generation BME population.[77] Indeed research by the Centre for Economic Performance found that compared with France and Germany "the UK appears to be the least hospitable for the first-generation, but offers the most opportunities for the second."[78]

Sectorally there is a tendency for BME groups to conform to traditional sector choices

Following on from the somewhat traditional career choices made by BME graduates noted in section one, we can see that there is a tendency for BME groups to be over-represented in particular well-known sectors. Experian's Ethnic Diversity Index[79] suggests that there is a particular over-representation of the BME population employed in distribution, hotels and catering; transport and communications and to a lesser degree other manufacturing. The BME population is less likely than the total population to be employed in agriculture, forestry and fishing and construction, clearly though this does vary quite significantly between minority groups.

The Ethnic Diversity Index also suggests that the BME population is slightly under represented in other (mainly public) services than the population as a whole which does not necessarily seem to agree with the popular belief that the BME population are most likely to be employed in the public sector. However clearly caution must be taken in interpreting the figures, as when we examine the detail some 31 per cent of the BME population work in other (mainly public) services. This figure is just shy of the total population – 37 per cent is employed in the sector.

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[72] Cabinet Office (2003) Ethnic minorities and the labour market
[73] APS 2006 – 2009 eight quarter average
[74] APS Q3 2007
[75] APS 2006 – 2009 eight quarter average
[76] Cabinet Office (2003) Ethnic minorities and the labour market
[77] APS Apr 2008-Mar 2009
[78] CEP (2009) The economic situation of first- and second-generation immigrants in France, Germany and the United Kingdom (Discussion paper No. 951)
[79] Experian's Ethnic Diversity Index assesses to what extent the BME population is over or under-represented in each industry compared with the total population

Figure 2.7: Northwest ethnic diversity index: shows the relative likelihood of the total BME population to be engaged in a certain industry compared with the total population
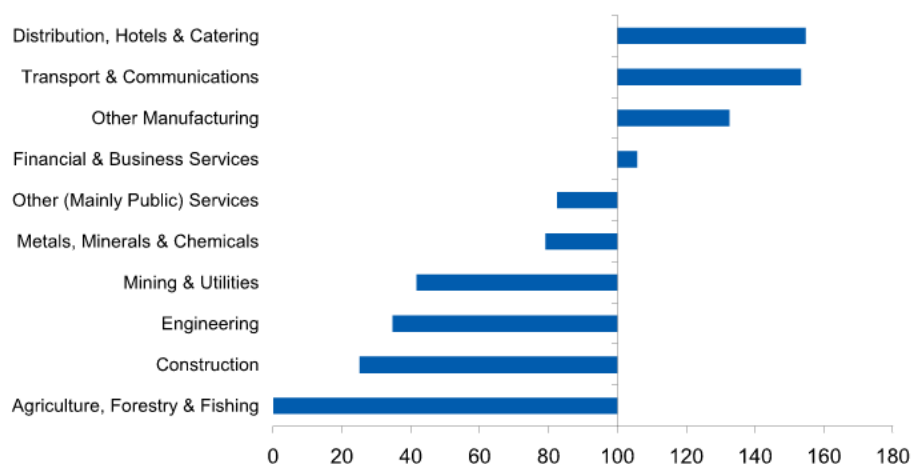
Source: LFS, Q3 2009

Looking at particular ethnic groups within the BME population reveals great variation. The Asian and Asian British[80] groups' employment patterns do fit fairly closely with the general trends for the BME population. This is partly explained by the fact that this is the largest minority group in the region. In particular this group is more likely to be employed in the transport and communications sector than the total population. This is a result of longer term trends for Asian migrants to locate in urban areas with a high demand for (often unskilled or semi-skilled) labour in sectors such as transport and also manufacturing[81] which is another area where Asian and Asian British people are over-represented.

Asian and Asian British people are considerably less likely than their other BME counterparts to work in other (mainly public) services, with only 25 per cent working in this sector, however, this is still a large number of people – as has already been discussed.

Black and Black British people are over represented in financial and business services, with over 8,000 Black and Black British people employed in this sector in 2009. Black and Black British people are also more likely than the total population to be employed in the public sector. This will in part be explained by the longstanding tradition of Black Caribbean women working in the NHS.[82]

The Northwest's Chinese population is most likely to be employed in distribution, hotels and catering: 47 per cent of Chinese people work in this sector. This is not surprising given the tendency for Chinese people to operate businesses in this sector and, in so doing, employ co-ethnic workers. However, the employment patterns also show that Chinese people are also over represented in higher valued added sectors, like engineering and financial and business services. This reflects the higher levels of qualifications achieved by this group.

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[80] For analysis of the ethnic diversity index, broad ethnic minority classifications have used, this ensures that the data are more robust, however, may mask some differences within these classifications. For clarity the following groupings have been used: Asian and Asian British, Black and Black British, Chinese, Mixed ethnicity, and Other ethnic groups.
[81] Cabinet Office (2003) Ethnic minorities and the labour market
[82] EHRC (2008) Equality group inequalities in education, employment and earnings

And this does to some extent make the BME population vulnerable to the impacts of migrant workers but evidence suggests that this is not extensive

Economic migration, in particular from the Accession Eight (A8) countries,[83] is likely to be a continued feature of the Northwest's labour market. As migrants often take lower-skilled jobs there is a concern that this could impact on those already most disadvantaged in the labour market.

Migrants to the Northwest from the A8 countries are, indeed, most likely to be employed in some of the same industries as people from ethnic minorities (for example the largest number of economic migrants from the A8 are employed in distribution, hotels and catering), which may suggest that they could impact to some degree on BME workers. However, compared with the average worker they are more likely to be employed in other manufacturing or metals, minerals and chemicals in which all BME groups are underrepresented, suggesting that the labour market impact upon the UK's ethnic minorities may be limited in extent.

In addition to this the impact of migrant workers on the BME population may be even lower than predicted as new migrants often also create new markets and this is exemplified in the number of A8 migrants setting up niche businesses to cater for people with a similar cultural background.

Figure 2.8 Northwest employment index: people from the A8 countries
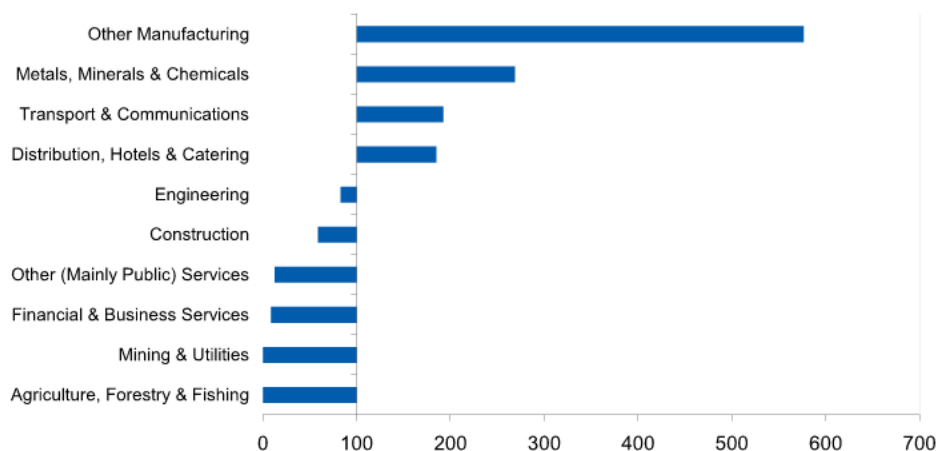
Source: LFS Q3 2007

Black and Black British people are not only likely to be badly hit by the recession, but also could be least likely to benefit from predicted job growth

Using the Northwest Regional Forecasting Model and the existing sector preferences of the BME population we are able to see how employment by industry is set to change in the future. This also gives us an indication of the vulnerability of certain groups' employment in the wake of the recession. Following a recession, recovery in the labour market tends to lag that in the economy as ultimately employers do not hire or fire immediately following fluctuations in economic activity. In fact the Northwest Regional Forecasting Model suggests that employment will continue to fall until 2011.

Because of this, it is important to understand how the recession will impact on the BME population compared with the rest of the population. Between pre-recession highs in 2007 and 2011 over 136,000 jobs are predicted to be shed in the Northwest; based on the proportions of those from a BME

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[83] Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia and Slovenia

background currently employed in the Northwest's industries this will mean nearly 5.6 per cent of job losses are likely to hit the BME population.

The Chinese and Black and Black British groups are most exposed to the industry-specific effects of the recession. This is because engineering and finance and business services have been the worst hit sectors. Groups who are less focused in sectors vulnerable since the recession are those with concentrations of employment in transport and communications (including those of mixed ethnicity, and Asian and Asian British people) and those groups less likely to work in engineering or finance and business (such as 'other ethnic groups' and Asian and Asian British people).

Looking beyond the recession, employment for the BME population should grow more strongly than for the population as a whole.[84] Between 2010 and 2016 the biggest growth in jobs will be in the transport and communications sector, where 45,000 new jobs are forecast. This is positive for the BME population, who are currently over represented in this sector. Similarly, distribution, hotels and catering is also set to grow significantly, and those from a BME background are over represented here too. Asian and Asian British groups are most likely to benefit from potential jobs growth while Black and Black British people are least likely to benefit – this suggests that latter group may require specific targeted support.

Figure 2.9: Job growth if the proportions employed by industry remain the same

	Total new jobs	% growth
Black or Black British	740	3.0%
Other ethnic group	827	3.1%
Chinese	318	3.5%
White	106,643	3.6%
Mixed ethnicity	513	4.5%
Asian or Asian British	5,585	5.6%
Total BME	7,983	4.7%
Total	114616	3.7%
Source: Experian 2010 and LFS Q3 09		

2.2.2 What are the barriers?

Skills barriers are the largest direct contributors to poor rates of employment among BME groups

A report undertaken by Experian for the NWDA '*Demography, Migration and Diversity*' highlighted skills as the largest barrier to employment for BME groups. This report highlighted that of the 17.9 per cent gap in employment for BME groups, some 15.4 per cent was attributable to skills and the remaining 2.5 per cent was attributable to other factors.[85,86]

This holds true for all BME groups and explains why Indian and Chinese groups with high educational attainment go on to perform well in the labour market and achieve high levels of participation. It is also particularly relevant for women, with the disadvantage in terms of employment rates significantly smaller among those with higher skills. For example, among Pakistani/Bangladeshi women with low

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[84] This is based on the assumption that levels of employment by sector remain the same.
[85] Data from LFS 2006 Q3 to 2007 Q2
[86] Experian (2008) Demography, Migration & Diversity in the Northwest

qualifications there is an 82 per cent gap in employment rates compared with similarly qualified White women however, for highly qualified women this gap falls to 17 per cent.[87]

Geographical barriers explain a large part of the employment gap, but not all of it

Obviously there is a range of factors which lead to lower skills attainment including geographical barriers. We have already evidenced that for younger people, living in a deprived LAD will impact negatively upon the educational outcomes and this is equally true in terms of labour market participation for people from all backgrounds. It can in many cases lead to a cycle of ill-health with individuals unable to work due to disability and is therefore unsurprising that people from BME backgrounds are performing worst when they are over-represented in Northwest's most deprived LADs.

Indeed qualitative evidence from the stakeholder workshop suggested that being located in these areas can engender a spiral of decline with the development of a benefit culture in BME groups. This is equally witnessed in the White population located in economically deprived areas whereby they become dependent on benefits after either they themselves, or previous generations, are unable to secure work and this then passes down through subsequent generations with individuals growing up expecting to claim benefits rather than work.

Inactivity among the BME population is strongly linked to residence in a deprived area, as people from a BME background living in non-deprived areas are less likely than their White counterparts to be inactive, whereas in deprived areas, inactivity rates among the BME population are high. There is a similar pattern for employment and unemployment rates.

Figure 2.10 The difference between BME and White employment, unemployment and inactivity rates
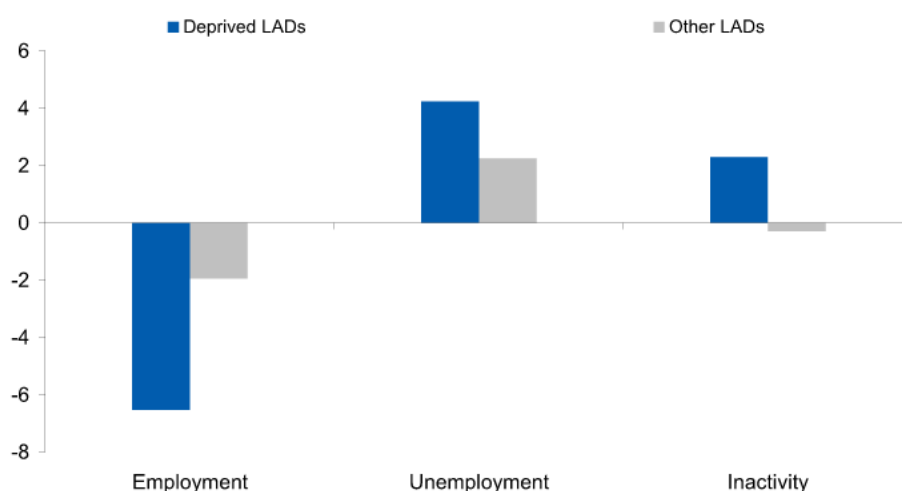
Source: APS Microsurvey 2008/09

Evidence of this is found in Preston and Stockport both of which are not characterised by economic deprivation and here the combined employment rate for these areas for people from a BME background is 61 per cent,[88] higher than the rate for White people in those areas.

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[87] EHRC (2008) Equality group inequalities in education, employment and earnings
[88] APS Microsurvey 2008/09

Geography also explains some of the difference between BME groups in terms of participation rates as Black and Black British and Pakistani and Bangladeshi groups are more likely to be located in these economically deprived areas and thus experience lower participation rates than other BME groups. This also plays out between different LADs so for example the high participation rates highlighted in Preston relate not only to it not being as economically deprived as other areas, but also to the fact that Preston has the highest concentration of Indian people of any local authority in the region, and the Indian population as evidenced earlier has some of the highest participation rates.

The extent to which a community is segregated from the wider population also plays a large role

However in addition to geography, the employment gap appears to also be explained by the degree of segregation of the BME community. Two prime examples are Blackburn and Bolton which are both characterised by considerable levels of economic deprivation. In these LADs the employment rate for people from a BME background is only 44 per cent,[89] compared with the total employment rate for these LADs, which is 55 per cent. This is a significant disparity. Similarly, inactivity rates for people from a BME background in these LADs are high, at 48 per cent, compared with a total of 42 per cent of people for the total population in Blackburn and Bolton.[90]

In contrast, in Salford and Tameside both also characterised by high levels of economic deprivation, the employment rate for the BME population is much higher at 55 per cent,[91] this is only slightly higher than the employment rate for the population as a whole. Similarly, the inactivity rate is lower than that for the general population.

The extent to which the BME community is segregated appears to play an added role in determining lower employment rates. According to a report on social capital, the BME population are likely to have less 'bridging social capital' and conversely more likely to have 'bonding social capital'. Bridging social capital refers to that which gives members of a given social group networks that link them to wider society and lower bridging social capital among BME groups may lead to reduced success in developing their business as their networks will be limited to their local community and ethnic group. Bonding social capital then refers to the links within homogenous groups. 'Geographical segregation' – the clustering of distinct communities in specific locations – may increase isolation, reduce social bridging capital, and reduce access to certain facilities including public transport. The more isolated a community, both geographically and attitudinally, the more likely this is to reduce their business and employment opportunities. This is because they have fewer networking opportunities with the wider population.

This is particularly pronounced in Blackburn, which, according to Experian's Mosaic Origins data is one of the most segregated BME communities in the country.[92] Indeed Blackburn has 11 Lower Super Output Areas (LSOAs) where more than half of the population belongs to an ethnic minority, and Bolton has seven. On the whole these 'geographically segregated' populations are Pakistani communities, but concentrated Indian (Hindu) communities are also evident.

Salford and Tameside on the other hand are both characterised by lower levels of segregation. In Salford the highest proportion of people from a BME background in any LSOA is 15 per cent.[93] Clearly

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[89] Due to small sample sizes, the employment rates have been combined; this allows for more robust analysis and ensures the data are non-disclosive.
[90] APS Microsurvey 2008/09
[91] Ibid
[92] Mosaic Origins (2008)
[93] Ibid

the extent to which a community is integrated with the wider community plays an important role in determining its employment outcomes.

Qualitative evidence from consultations suggests that this is equally true in the rural areas e.g. parts of rural Cumbria where albeit there are smaller concentrations of BME groups, they are equally segregated from the rest of the community and this can impact on their participation rates in much the same way as in urban areas. More limited transport connections can also further exacerbate this situation.

Perceived or actual inequalities and stereotyping also explain a part of the employment gap

Aside from area-based and educational factors it is evident that there are other cultural factors at play which impact on the participation rates of the BME population as a whole, and more acutely for particular groups. Ability to make the transition into work can be impacted by perceived or actual inequalities and stereotyping.

Despite legislation making racial discrimination illegal (first set up in the 1965 Race Relations Act and its subsequent revisions), inequalities remain in the labour market today both perceived and actual and they affect all BME groups to a greater or lesser extent. Although not overtly there is, as one consultee aptly stated, signs of 'cherry picking' in which businesses tend to self select candidates who are more like themselves and this disadvantages those of BME origins. Indeed a CV-testing experiment by the DWP in which a number of CVs were sent to employers with similar information but from people with names of different origins and the level of racial discrimination was found to be high across all ethnic groups.[94] This was echoed in a consultation in which one consultee gave the example of a friend who used her 'Christian-sounding' middle name to apply for jobs.

The existence of 'screening discrimination' has been further acknowledged in an article within *The Journal of Political Economy.* This article highlights that people tend to hire others of their own type even when they have no innate preference for similar people and even when they (correctly) believe that the distribution of quality among people of their own background is no different from the distribution of quality among other backgrounds. The reason they do this is linked to the concept that people are better able to distinguish between high and low-character individuals more accurately within their own group than with other groups. There are other factors such as use of language and fluency which can further lead employers to judge an individual negatively.[95] This suggests that encouraging employers to undertake for example work trials or apprenticeships in order to judge candidates solely on the strength of their work can help to mitigate 'screening discrimination.'

Further penalties for women and first generation migrants are explained by a complex range of factors

Section one has already highlighted some of the arguably greater inequalities which women experience in applying for jobs. The IEOS study demonstrates that there remain stereotypes around certain groups and this can impact upon whether they are successful or not in securing employment.[96] Women may also find it hard to secure employment as many need to be close to home and work flexibly to care for their children due to existing cultural norms.

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[94] DWP (2009) A test for racial discrimination in recruitment in British cities
[95] Cornell, B. & Welch, I (June 1996) *Culture, Information, and Screening Discrimination,* The Journal of Political Economy Volume 104, Issue 3.
[96] IEOS (2006) Moving on up

Alongside specific barriers for women of BME background, there are also barriers related to first generation migrants. Among other factors, knowledge of the English language has certainly played a key part in this, with fewer first generation BME groups able to speak English in comparison to later generations. In addition they may have foreign qualifications which are not recognised in the UK and therefore despite being highly skilled they cannot convert this into appropriate employment opportunities, instead taking more manual/low skilled work.

For those first generation migrants who have lived in the county for a significant period of time there may also be new challenges around shifting employment opportunities and their inability to adapt. Many of the older first generation migrants came over to the UK to work in the manufacturing and textiles industries and as these sectors have declined, they have found it difficult to adapt leading to high levels of inactivity as they simply disengaged from the labour market altogether.

In some respects these challenges are diminishing with subsequent generations likely to be more integrated, but this does vary on BME group concerned and clearly there remain challenges for new arrivals to the country.

2.2.3   What is the current policy response?

There is a wide range of mainstream service support to help individuals from all backgrounds to develop their skills profile and help them to get back into work

To address the issues of participation rates and worklessness for people from all backgrounds there is a wide range of support available via mainstream services although as discussed this is not all accessible to BME groups. Jobcentre Plus is the key agency tasked with getting people back into work and providing them with the necessary skills to do so and they are supported by NWDA in the delivery of schemes such as 'Flexible New Deal,' 'Future Jobs Fund' and 'Pathways to Work.' Worklessness initiatives are also delivered across the region through the Working Neighbourhoods Fund – this national fund focuses on tackling worklessness in the most deprived areas and is delivered at a local authority level.

'Flexible New Deal' addresses the employment and skills challenges faced by BME groups and the wider population; it has developed from the existing New Deal and is delivered by Jobcentre Plus. This is designed to support people back into work, making them active job seekers and is done via a tailored service which looks at individuals' employment and skills needs as well as requirements from employers. The service provides advice and guidance on employment opportunities these can very often be drawn from a much larger sphere of knowledge than may be available to an individual particularly if they are located in a relatively segregated community. It also provides skills support to individuals that will address some of the gaps identified in skills levels of the BME population and with a view to sustained long term employment for individuals.[97]

A key element of the Flexible New Deal scheme is the partnership working which it encourages between the public, private and third sector. Part of this engagement is through the use of Local Employment Partnerships in which businesses have joined up with government to offer employment opportunities to disadvantaged job seekers. The idea is that this is of mutual benefit to both the employer, who is able to access people that they may not otherwise have been able to and for the individual it offers an opportunity to get back into work and progress.[98]

To date the New Deal scheme has been incredibly successful and according to the DWP over the last 10 years has helped more than 1.8 million people into work, however evidence from the stakeholder consultation process in this study suggests that BME groups may not be accessing or making the most of the support available.

Source: http://www.dwp.gov.uk/supplying-dwp/what-we-buy/welfare-to-work-services/flexible-new-deal/ and http://www.jobcentreplus.gov.uk/JCP/Employers/lep/ Last accessed 30/03/10

Future Jobs Fund was developed following the Budget in 2009 and it has been set up to specifically address the shorter term challenges of the recession by providing employment opportunities in the public sector across the country including in the Northwest. As evidenced earlier, the effects of the recession have been acutely felt by certain BME groups namely mixed ethnic and Black and Black British groups so this scheme is particularly relevant for these individuals. Such has been the success of the Future Jobs Fund that in the Budget in 2010 it has been extended for an additional year to 2012 with over £1 billion pot of funding. The Fund aims to create 200,000 additional jobs in the public sector, primarily aimed at 18-24 year olds from all backgrounds who have been out of work for nearly a year as part of the Young Persons Guarantee; however it does also apply to individuals over this age from unemployment hotspots. The scheme is in operation in the Northwest – in Greater Manchester for example up to £52 million has been awarded to create up to 8,000 jobs across the city-region over the next two years.[99]

'Pathways to Work' is designed to address the issue of a benefit culture raised earlier which affects all groups and to promote increased participation in the labour market. It provides a joined up service combining health, employment and financial support. A key part of this process is a Work Capability Assessment in which the individual is assessed to determine whether they can work and what practical support they need to enable them to do so. Those that are deemed capable of work are then provided

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[97] http://www.dwp.gov.uk/supplying-dwp/what-we-buy/welfare-to-work-services/flexible-new-deal/
[98] http://www.jobcentreplus.gov.uk/JCP/Employers/lep/
[99] http://www.gmcvo.org.uk/?q=node/1527

with a support package, including work-focused interviews, health programmes in connection with the NHS to support them back into work as well as a financial incentive to move off Incapacity Benefit and into employment with A Return to Work Credit, where customers who start work can qualify for a weekly payment of £40 a week for up to 52 weeks if they earn £15,000 or less a year, (before tax and other deductions) and they meet certain other conditions.[100]

Initial national assessments have demonstrated how successful the scheme is, of the 193,800 people who made a claim for Employment and Support Allowance (ESA) between October 2008 and February 2009, 36 per cent were found fit for work and not eligible for ESA. Eleven per cent were found eligible for ESA with work related activity (such as regular advisor interviews) to help them prepare to return to work in the future and some 38 per cent stopped claiming benefit before the assessment on them was completed. Only 5 per cent were identified as the most severely ill or disabled and they will not be expected to undertake any work related activity and will be offered voluntary help to manage their condition.[101]

There is also some support on hand to assist with career and sector choices

To address the issue of traditional sector choice and the challenges faced by some from BME backgrounds in adapting the new industries and employment opportunities there is a mainstream careers advice on offer for all groups. The Careers Advice Service (formerly the learndirect Careers Advice) provides a free, impartial and confidential service provided over the phone and on the web for adults seeking information and advice on courses and careers. It offers support in finding courses, careers information from learning advisors. The service is available online and over the phone in a variety of languages including Urdu and Punjabi. For those wishing to engage face to face there is also nextstep, which is a free, friendly careers advice service for anyone aged 20 or over. This offers careers advice and a wide range of information on learning and work.[102]

Support for entry into the priority sectors for the region is also evident. This feeds into RES Action 27 to deliver the skills required by priority sectors.[103] The NWDA supports National Skills Academies, which are employer-led training centres that aim to deliver the specific skills that employers in specialist sectors need. This includes the Nuclear Academy whose aim is to create, develop and promote world class skills and career pathways to support a sustainable future for the UK nuclear industry.[104]

It is evident that despite the plethora of mainstream schemes available, BME groups, particularly the hardest to reach, are not taking full advantage of these services and more needs to be done to address this issue. Indeed evidence from the consultation process by One North West, the regional BME network, in which some 155 people participated in the review of the RS2010 suggests that BME groups may not be making the most use of mainstream schemes. The consultation process highlighted that mainstream service providers in general are perceived to have a widespread lack of cultural understanding of the BME communities, institutional racism and a failure to invest the length of time and intensive nature of support that is necessary to engage with BME client groups.[105] The Ethnic Minority Business Forum in their NorthwestAction Plan 2009-10 are taking steps to address this through engagement with mainstream providers. For example a Jobcentre Plus representative is to

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[100] http:dwp.gov.uk
[101] DWP (13 October 2009) New figures show thousands stopped from getting trapped on sickness benefit [Online] Available at: http://www.dwp.gov.uk/newsroom/press-releases/2009/october-2009/dwp043-09-131009.shtml
[102] Directgov, Careers Advice Service [Online] Available at: http://careersadvice.direct.gov.uk/
[103] Northwest Regional Economic Strategy 2006
[104] http://www.nuclear.nsacademy.co.uk/
[105] One North West (2010) One North West Response to the Regional Strategy (RS2010). Part One: High Level Strategic Framework Consultation

become a member of BME advisory committees and strategy groups (EMBF and BME Advisory Group); this should ensure that they are plugged into the specific issues faced by BME groups.[106]

Recognising the barriers to some in engaging with mainstream provision, there are also specific BME schemes which address particular low participation hotspots and communities

In recognition that there are distinct challenges faced by BME groups in accessing the mainstream provision and additional penalties in terms of location, cultural issues and skills gaps as evidenced earlier the Northwest runs a number of specific BME schemes which aim to address particularly low participation hotspots and communities.

These schemes are largely run by third sector organisations and play a key role in reaching members' BME communities, helping them to reach their potential whether through direct support or referral to other services, and specific skills support is provided tailored to the needs of BME individuals. The main challenges for these services is in continuing to provide a good service in light of the inevitable public sector spending cuts which are likely to impact on their funding and support. AWAZ in Cumbria is an example of a scheme that has been set up to specifically address some of the challenges of isolated rural BME communities.

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[106] Ethnic Minority Business Forum (2009) EMBF NW Action Plan 2009-10

Case study: AWAZ, Cumbria

In rural Cumbria, AWAZ has been working to provide support to BME groups, including migrant workers, Travellers, and the resident, settled BME population. AWAZ was founded in 2007 and receives funding primarily from Service Level Agreements with the local authorities, and lottery funds. AWAZ is active in two ways: as a 'critical friend' to public services, and in 'capacity building' in the BME community.

First, AWAZ works with a large number of public sector organisations, including district councils, NHS trusts, the police, and National Parks, as well as housing associations, to help them meet their equality duties. For example, AWAZ will survey their equality and diversity action plans and provide feedback to allow them to meet the needs of BME populations more effectively.

Giving a voice to the geographically dispersed BME communities is seen by the organisation as crucial. AWAZ worked with local authorities to alert them to the existence of a Travellers' site in Barrow-In-Furness, which, because it had not been registered, was not receiving provision of any services. Similarly, AWAZ collects reports of racist abuse and discrimination against BME groups in rural areas. Due to their isolation and often their work in the hospitality and agriculture industries, many of those who receive abuse do not feel able to report it. AWAZ can therefore provide support and help pass information onto relevant authorities so that appropriate action can be taken.

As well as working in partnership with public sector organisations, AWAZ works to provide a network to help improve the life chances of BME people. Along with three partner organisations AWAZ is providing support to third sector organisations promoting equality, not just for BME groups but for those who might be discriminated against due to disability or sexuality.

AWAZ also acts as a hub for advice for the BME population. It provides some direct support, e.g. employability work like CV writing, job applications, and job interview skills. AWAZ also provides help and support to partners and children of migrant workers, who are not always eligible for support from public programmes, to get into employment or training. By working with local businesses work placements have been organised, and help in finding ways of funding training identified. Where help cannot be provided directly, AWAZ will refer people to organisations that will provide them with more specialised support.

AWAZ report that limited funding means that there is sometimes a lack of continuity in its work. While AWAZ has been working closely with the families of migrant workers, they have been unable to provide as much support to migrant workers themselves as they had wanted, especially those who have lost their jobs due to the recession. AWAZ had hoped to run some training workshops with this group, but this has proven impossible.

Source: Telephone interview conducted on 08/02/2010

http://www.awazcumbria.org

Rather than being area-based, other programmes are targeted at supporting particular groups which, as evidenced earlier, are particularly vulnerable to low employment rates. One such scheme is the DWP Partners of Ethnic Minorities Outreach (POEM) programme. This is a national scheme which has targeted 430 wards across the country, including areas of Manchester. It supports Pakistani,

Bangladeshi and Somali people of working age who are disengaged from the labour market; they comprise up to 60 per cent of clients. The interventions typically cover skills assessment, job search help (including CV writing), work experience, aftercare and signposting to specialist support and training, primarily delivered on a one to one basis.[107]

In order to tackle the 'benefit culture' evidenced earlier there are specific BME-focused schemes to address issues around mental health a key reason for claiming incapacity benefit in the region and indeed in the UK. An example of this is the SEVA mental health project.

Case study: SEVA Mental Health Community Development Workers
The SEVA Team is an initiative operating in Manchester and is targeted towards African and African Caribbean communities. The Team was formed as a partnership between Wai Yin Chinese Women Society, the Pakistani Resource Centre and the African and Caribbean Mental Health Service and currently there are seven Community Development Workers. The main aim of the SEVA team is to assist minority ethnic communities in developing services for those suffering from mental health problems at a community based level. It acts as a link between communities and local government as well as other statutory and voluntary bodies. SEVA is also involved in evaluating and monitoring existing Mental Health Services and in helping to raise public awareness on mental health issues relevant to these communities.
Source: http://www.waiyin.org.uk/projects/seva/

Dedicated support is also provided to women and first generation migrants

To address the specific barriers which BME women face to participation in employment including perceived and actual inequalities, skills gaps and cultural and family ties there are a plethora of schemes. At a sub-regional and local level examples include the: Lancashire Wide Network for Minority Ethnic Women (LWNMEW) and The Wai Yin Chinese Women Society in Manchester.[108] The most successful schemes have invested significant time to develop community and outreach networks so that they are fully engaged with the target group and they provide support to address employment barriers, courses to tackle the skills gaps as well as language and childcare provision which facilitate the transition into employment. Clearly though this is a time and cost intensive process and therefore provision does not cover the whole of the region.

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[107] Aston, A. *et al* (2009) *Evaluation of Partners Outreach for Ethnic Minorities (POEM): Final report* DWP research report No. 598
[108] http://www.waiyin.org.uk/projects/adulted/

Case study: Lancashire Wide Network for Minority Ethnic Women (LWNMEW)

The Lancashire Wide Network for Minority Ethnic Women (LWNMEW) works with and for women from minority ethnic communities in Lancashire to enable them to identify and access economic and social opportunities. Initially set up through work carried out by Lancashire County Council, LWNMEW has now been in operation since 1999 and is funded from different sources. While much of its work has an employment and skills focus, the LWNMEW's strength and capacity for innovation lies in its broad and flexible remit: seeking to promote a coherent and effective approach in addressing the needs of minority ethnic women as defined by BME women themselves.

Through establishing effective links at a grassroots community level and with key local stakeholders and providers, the LWNMEW has been able to reach and engage women from BME communities and facilitate their personal development, wider social integration and participation in mainstream provision.

To reach the target group the LWNMEW utilises a variety of channels and approaches, including tapping into existing networks (e.g. visiting community groups) and targeting posters and leaflets at organisations, such as schools and doctors surgeries, which are used by many BME women.

The effective engagement of those reached appears to stem from two key features of the operation: The outreach work communicates that the service is led by the client's needs; and LWNMEW staff , including outreach workers, are BME women themselves who come from a similar background to many of the client group.

The experiences and aspirations of users of the service vary widely. Many are returners to work after a period spent out of work and looking after children. Some have never worked (at least in the UK). Perceived lack of opportunity, language and cultural barriers, lack of confidence and lack of qualifications all contribute to a widespread lack of aspiration.

Once an individual is engaged, the Network works to widen aspirations through meeting needs in a "stepped" approach. Support tends to begin with soft skills, particularly around confidence building, and improving language skills (if necessary), followed by accredited learning and/or voluntary work, then assistance with job search. LWNMEW also support women in work to fulfil their career development aspirations through leadership and higher level training.

Letting people develop at their own pace while offering consistent availability, support and encouragement from the staff team has been found to be vital in retaining engagement and seeing advancement. Aspirations and self-belief have also been promoted through 'celebration events', in which BME women from within the community (and often supported by the LWNMEW) who have achieved in a variety of fields, share their experiences. A key means of supporting the development of role models such as these has been the Leadership courses provided in partnership with Lancashire County Council, which have strengthened women's leadership roles within the family and the community. Meanwhile wider political engagement and empowerment of BME women was promoted through a series of free workshops and events delivered in partnership with the Fawcett Society.

Source: Telephone interview conducted 08/02/2010

http://www.lwnmew.org.uk/aims_objectives.html

http://www.lwnmew.org.uk/news.html

The language issues experienced by first generation migrants in particular are tackled through ESOL provision. This provision delivers English Language tuition, but it is extremely complex as it has to address a multitude of clients from those who have no English language skills, through to those that already have a grasp of language and grammar structures and can learn an additional language relatively quickly.

This provision is fairly comprehensive with entry level through to Level 3 qualifications provided and there are more than a hundred organisations delivering formal or informal ESOL in the region, including colleges, private companies and also many smaller charities or community groups who provide these services for very specific small areas and/or groups. Sure Start centres generally also run English language courses in areas where one might expect high demand, for example Sure Starts in Brierfield & Walverden (Pendle), Hyndburn (Accrington) or St Clement's in Manchester.

Some of the issues around this type of support are related to the diversity of applicants on the courses, with such mixed ability it can be difficult for teachers to ensure that individuals get the attention that they need. They also relate to the challenges faced by women in accessing the courses. These related to the timings of the courses which need to be provided during school hours, to enable them to complete them while children are at school, and also for younger children that there is a crèche facility – the Sure Start ESOL provision in particular addresses this latter point. With only the ESOL teacher signposting follow on services there also may be a gap in terms of IAG.

With regards to addressing the issue of recognition of foreign qualifications – support appears to be largely sector specific and driven by employer demand. For some sectors such as the health sector there are clear routes to convert existing qualifications. Doctors wishing to work in the UK must be registered with the General Medical Council (GMC) to practice medicine and in order to achieve this they must undertake the Professional and Linguistic Assessments Board (PLAB) test which demonstrates that they have the necessary skills and knowledge to practice medicine in the UK.[109] However where there is less demand for specific skills and workers the process for converting qualifications is not clear. As the candidate is likely to have language as an additional barrier it can be very difficult in the first instance navigating even the most appropriate information source.

There are also specific schemes to tackle inequalities and stereotyping faced by BME groups

Tackling the persistent perceived and actual inequalities and stereotyping which many people from a BME background continue to face is high on the national agenda. The Equality Bill received Royal Assent on the 8th of April 2010 and formally became The Equality Act 2010; it is intended that the main provisions in the act will come into force in October 2010.[110] This is welcomed by the majority including the Equality and Human Rights Commission who stated that it represents "*a once-in-a-generation chance to rationalise and strengthen Britain's equality legislation, providing a firm foundation for a fairer society in which everybody has the chance to fulfil their potential".*[111]

The Bill should make equality laws clearer and will place a duty on organisations to examine their processes, finding ways of delivering for everyone, regardless of race, gender, disability, age, religion or belief, sexual orientation or gender identity.

At a local level, there are area-based schemes such as Cheshire, Halton and Warrington Race & Equality Centre (CHAWREC) which specifically address the inequalities and stereotyping faced by

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[109] General Medical Council [Online] Available at: http://www.gmc-uk.org]
[110] Equality Bill [Online] Available at: http://www.equalities.gov.uk/equality_bill.aspx]
[111] http://www.equalityhumanrights.com/legislative-framework/equality-bill/summary-of-our-response/

BME groups in the region. CHARWEC provides representation for people who have suffered illegal discrimination as well signposting additional services.

Case study: Cheshire, Halton and Warrington Race & Equality Centre (CHAWREC).

CHAWREC is a charity funded by the Equality and Human Rights Commission. It has a number of functions, including providing free legal advice and representation for people who have suffered illegal discrimination and free advice about immigration and citizenship. Furthermore, community development workers provide 'capacity building' support to other third sector organisations working with the BME population, including help with applying for charitable status, training members of staff, finding sources of funding, and developing a sustainable business plan.

As well as providing services directly to individuals and organisations within the BME community, CHAWREC represents the BME community and provides services to other public, private and voluntary sector organisations to help them design and execute best practice policies which promote equality. This includes providing training for staff in these organisations, as well as acting in a consultancy role.

Building and supporting local third sector organisations for BME groups will ensure their representation in society, and help improve opportunities for BME people to become active members of the labour market.

Source: http://www.chawrec.org.uk

2.2.4 How can we enhance the policy response?

The evidence in this section suggests that not all of the gap in employment can be explained by BME specific issues. In fact a great deal of the challenge relates to economic deprivation. As such there is a role for NWDA in ensuring that the BME population is truly engaged in the worklessness and regeneration initiatives that are underway in the region.

Where the challenges are specific to BME groups – namely perceived and actual inequalities – there is a role for the NWDA to lead the way in its recruitment and monitoring process ensuring that its workforce is truly representative of the regional population.

Action	Description	Delivered by
Signposting existing activities to enhance participation	There are a number of excellent schemes and initiatives taking place at both a national and local level and there is a role for NWDA as a strategic influencer, via its own public relations services and through media organisations such as BBC to promote success stories and champion the region. Other signposting activities which provide specific support to individuals within BME communities include for first generation migrants raising awareness of pathways to work and conversion of foreign qualifications; this would be most effective at the point of engagement such as though the ESOL course.	NWDA/Media Organisations/ Local providers and Third Sector Organisations
Setting a leading example as an employer	The NWDA has a real opportunity to set an example in terms of its recruitment and retention activities, and equality and diversity programmes supported by strategic bodies such as the Ethnic Minority Business Advisory Group. Close monitoring of its progress can also be used to encourage the private sector to mimic this scheme and to ensure that the NWDA are delivering on their promise.	NWDA/Ethnic Minority Business Advisory Group
Enhancing support for isolated communities	Local area support is essential to tackle some of the challenges faced by BME groups and this needs to be focused upon those areas identified as hotspots e.g. Blackburn with Darwen. There is a need to ensure the BME groups fully included within wider worklessness and regeneration initiatives that have already been set out for the region. Again the role of third sector organisations as outreach to the local community will be vital.	Third Sector Organisations in partnership with local authorities

2.3   In work progression

2.3.1 What evidence exists of this?

Individuals from a BME background tend to experience a 'glass ceiling' with earning potential limited compared to the total population

Not only are many individuals from BME backgrounds less likely to participate in the labour market but they are also less likely to progress and achieve high earning potential. All men from BME groups, with the exception of Indian men, earned significantly less than White men in 2004/05.[112] The picture is considerably more mixed for women, with White women on the whole earning more than BME women, but the reverse is true for some groups.

A large part of this trend is certainly related to the types of occupations that BME groups are engaging in as many are employed in lower skilled employment, but this does not explain all the differences. In fact there has been a slight increase at a national and regional level in the number of BME groups

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[112] EHRC (2008) Equality group inequalities in education, employment and earnings

holding professional and managerial jobs.[113] In the Northwest the proportion of the BME population in the salariat (professional, administrative and managerial jobs) rose from 18 per cent in 1999 to 34 per cent in 2009 which should suggest that the trend is declining.[114] However, despite this shift toward professional and managerial jobs we are still not seeing a representative sample of individuals from a BME background moving into the most senior levels of management and professions and this suggests that there are other issues at play here, including inequalities and skills issues.

There are stark differences in earnings and potential for progression between groups

Again within BME groups there are stark differences. Indian and Chinese people tend to have high earnings relative to other ethnic groups, including White people. In 1996/97 Indian and Chinese men earned more than all other groups except White men and by 2004/05 Indian men were out-earning White men. Chinese and Indian women earned more than White women in both periods.[115]

Figure 2.11: Average weekly earnings (£) by ethnicity in 2004/05
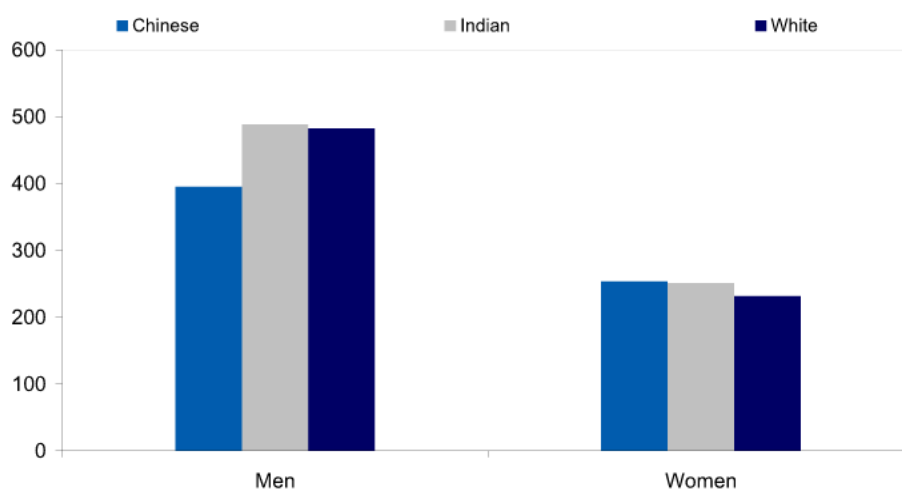
Source: General Household Survey, 2004/5 and LFS,2004/5

As well as generally having higher earnings, high proportions of Chinese and Indian people, particularly men, work in professional and managerial jobs. Consequently it is also the case, at a UK level, that Indian and Chinese people are over represented in the salariat.[116] Indian men are strongly over represented in higher status jobs with one in twenty working in the medical profession – almost 10 times the national average.[117]

While Chinese people are over represented in professional, administrative and managerial jobs it is also true that they often work in niche economic sectors with co-ethnic workers, these kinds of jobs can have lower regulations and earnings than with mainstream employers[118], which may explain the disparity between Chinese men's earnings and those for Indian and White men.

Likewise Black and Black British men, despite many having strong qualifications, do not appear able to convert these into career opportunities and they are disproportionately under-represented in senior management positions.

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[113] Cabinet Office (2003) Ethnic minorities and the labour market
[114] LFS Q3 2006 and LFS Q3 2009
[115] EHRC (2008) Equality group inequalities in education, employment and earnings
[116] Ibid
[117] Cabinet Office (2003) Ethnic minorities and the labour market
[118] EHRC (2008) Equality group inequalities in education, employment and earnings

Pakistani and Bangladeshi people are the most disadvantaged in the labour market. Pakistani and Bangladeshi people experience "significantly lower earnings than White people."[119] Gross weekly earnings for Pakistani and Bangladeshi men were only 64 per cent of those for White men in 2004/05.[120]

Figure 2.12: Average weekly earnings (£) by ethnicity in 2004/05
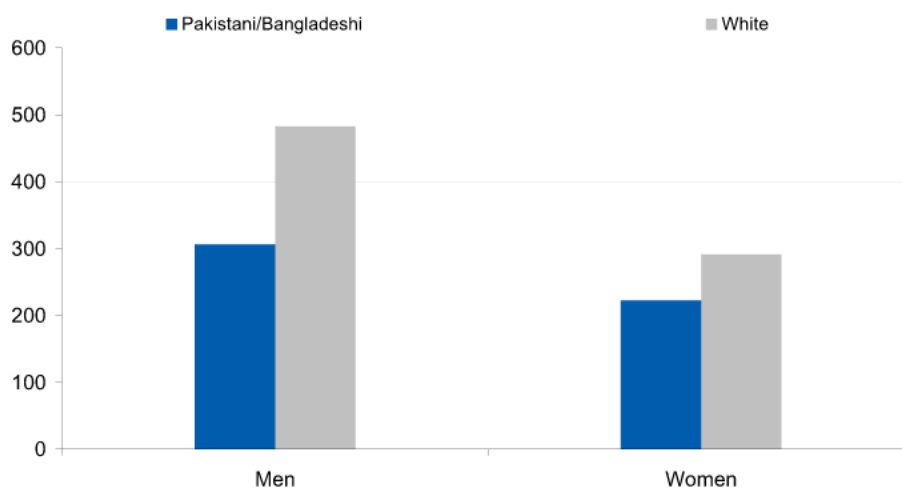
Source: General Household Survey, 2004/5 and LFS,2004/5

Lower earnings for the Pakistani and Bangladeshi men are in part, likely to be a result of the fact that they are over represented in working class jobs (skilled manual workers, foremen and manual supervisors, and semi and unskilled manual workers including agricultural labourers)[121] with, for example, 61 per cent of Bangladeshi men in the Northwest working in semi routine and routine jobs.[122] Men in these groups also often work in jobs with little opportunities for career progression, for example, 12 per cent of Pakistani men work as taxi drivers and chauffeurs compared with only 1 per cent of White men, and 52 per cent of Bangladeshi men work in the restaurant industry compared also with only 1 per cent of White men.

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[119] Cabinet Office (2003) Ethnic minorities and the labour market
[120] EHRC (2008) Equality group inequalities in education, employment and earnings
[121] LFS Q3 2009
[122] DWP (2006) Ethnic penalties in the labour market: employers and discrimination

Figure 2.13: Presence in working class jobs (%) by ethnicity in the Northwest in 2009
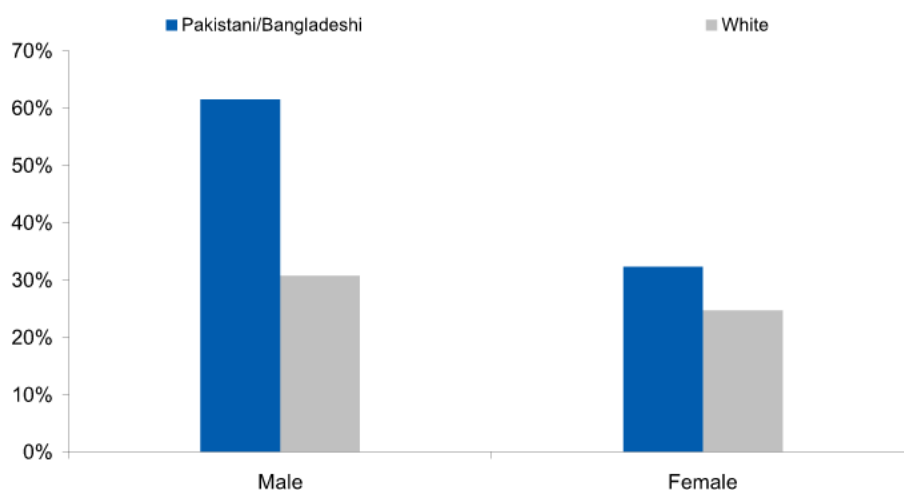
Source: LFS Q3 2009

BME women in particular are much less likely to progress in the workplace

Alongside the differences between BME groups there also appear to be additional difficulties faced by BME women. It is well evidenced that there are fewer women from all backgrounds in more senior positions both in public and private sector and this is reflected in their earning potential, but there appears to be an additional difficulty for BME women.

While BME women are as likely as White women to be members of the salariat, a far smaller proportion of BME women make it to the top level 'managerial and senior official level roles' and tend to be concentrated at the 'associate professional' and 'technical' level. This suggests that while women from some BME backgrounds can access salaried employment, they are missing out on jobs at the highest level.

Figure 2.14: Employment by occupation of women in the salariat, by ethnicity
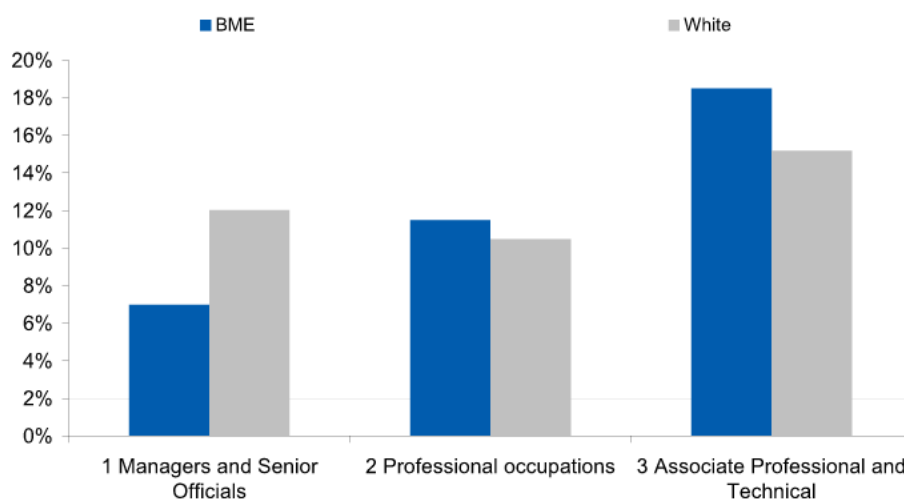
Source: APS 2008/09

Interestingly Black Caribbean women earn on average nearly £50 a week more than White women and earn approximately as much as Indian women. This is not surprising, given Black Caribbean women's

high presence in professional, administrative and managerial jobs and increased propensity to work longer hours, often attributed to historical recruitment by the NHS of Black Caribbean nurses.[123]

Pakistani and Bangladeshi women are the most disadvantaged and this is reflected in their gross weekly earnings which in 2006 were only 76 per cent of the earnings for White women: the lowest earnings of any group. As with Pakistani and Bangladeshi men, women from these groups are also considerably more likely than average to be engaged in working in skilled and unskilled manual jobs,[124] with Bangladeshi women the most likely of any group to do routine or semi-routine work.[125]

2.3.2 What are the barriers?

Both perceived and actual inequalities and stereotyping can prevent BME groups from progressing in employment

We have already evidenced the perceived and actual inequalities that exist both within education and in transitioning into employment. However evidence suggests that even on successful entry into employment these inequalities can persist and prevent individuals from a BME background from progressing in their career through to senior positions.

The Home Office Citizenship Survey (HOCS) suggests that all ethnic groups felt they were treated unfairly due to race at work, and this perception can prevent them from progressing. Black and Black British men and men with mixed ethnicity are most likely to perceive discrimination. In fact HOCS data shows that 66 per cent of Black Caribbean men have experienced unfair treatment due to race – the highest for any BME group. This is certainly backed up by the trend analysis earlier which suggested that the often high educational achievement of Black African people is not always translated into appropriate employment progression.

Figure 2.15: Experience of unfair treatment at work due to race by broad ethnic group
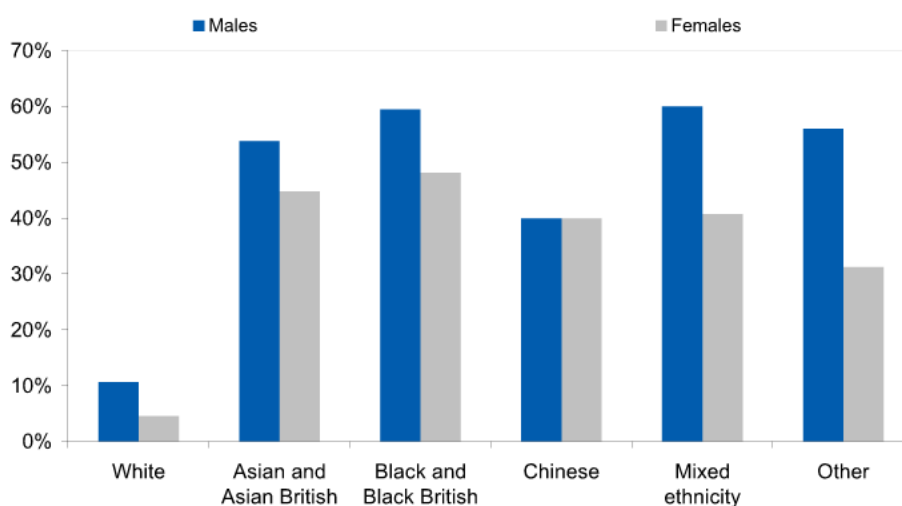
Source: Home Office Citizenship Survey, 2007

As discussed with respect to BME women earlier in this section there appears to remain stereotypes around certain groups and their behaviour which can impact upon how they are perceived in the labour market. This is certainly carried through as they progress in employment. Qualitative evidence from the consultations suggests that many BME women whether through their own apprehension or as a result

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[123] EHRC (2008) Equality group inequalities in education, employment and earnings
[124] Ibid
[125] DWP (2006) Ethnic penalties in the labour market: employers and discrimination

of discrimination in the workplace do not feel as confident in moving into more senior positions – clearly though there are other factors at play here including skills and family responsibilities.

Skills barriers can prevent many individuals from a BME background from progressing in employment

We have already highlighted that skills barriers can prevent BME groups from entering into employment but they can also hold individuals back in terms of progression as they simply do not have the skills to enable them to progress to the next level.

This is particularly acute within BME businesses who on the whole tend not to recognise formal career development paths. A recent report for the LSC, assessed perceptions of workplace skills and training with 500 BME owned businesses and 100 White/Irish businesses across the Northwest. It highlighted a lack of consideration for training and Continued Professional Development (CPD) and found that many BME businesses felt that 'bringing in new employees was cheaper than developing staff' and the majority of BME businesses did not identify CPD as a business priority.[126]

Women in particular face an additional challenge in terms of family and cultural ties

We have already discussed the additional challenges which women face regarding family and cultural ties with respect to educational attainment and transition into work, and this issue holds true for those who do secure a position in many cases preventing them from progressing up the career ladder. It is well evidenced that women, irrespective of background, feel that they face greater barriers in the workplace. Official data from ONS demonstrates the evident gender pay gap (as measured by the median hourly pay excluding overtime) which stands at 12.2 per cent between men and women in full-time employment in 2009. Promisingly this has narrowed between 2008 and 2009 and is down from 12.6 per cent in 2008[127] but clearly still exists. Undoubtedly issues around having children and the need to balance work and home responsibilities play a part in explaining this difference and these factors are not unique to BME women.

However, these barriers do appear to be particularly acute for BME women who are still regarded in many homes as the main carer for the children and in particular for those in deprived communities as they may not have access to childcare or transport. This can mean that not only are women less able to work too far from home, hence limiting their employment opportunities, but also that their hours are also limited and this can prevent them from taking on more demanding senior positions which may require them to be full time/more flexible with regards to the employer with working arrangements.

Indeed the stark earnings gaps between Pakistani/Bangladeshi women and White women can be explained by the tendency for these women in particular to choose jobs for which they are over-qualified in order to be able to balance the demands of work and family. This suggests that there is a shortage of suitable, flexible employment. Indeed, the fact that Pakistani and Bangladeshi women are more inclined to work in the public and voluntary sectors is reflective of the fact that they are seen as more flexible and friendly working environments than the private sector.[128] Jobs which are involved with supporting women, families or their community as well as those which give the opportunity to work with children, were viewed as rewarding and Pakistani and Bangladeshi women often work in these areas.[129]

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[126] LSC (2009) *Understanding the impact of ethnicity on perceptions of workplace skills and training in the North West of England*
[127] Data from the Annual Survey of Hours and Earnings (ASHE) 2009
[128] DWP (2007) Pakistani and Bangladeshi women's attitudes to work and family
[129] DWP (2007) Pakistani and Bangladeshi women's attitudes to work and family

2.3.3 What is the current policy response?

There is some evidence of support with career development but much more could be done in this area

In order to address the challenges around career progression for the BME population there are a number of schemes in operation. At a national level the Network for Black Professionals has been particularly successful in raising awareness of the challenges faced by individuals from a BME background in progressing in work and in directly support career progression through the Black Leadership Initiative (BLI).

Case Study: Network for Black Professionals (NBP)
The Network for Black Professionals was originally set up in 1998 as the Network for Black Managers. Its purpose was to address the under-representation of Black staff in the Further Education (FE) sector, particularly the small numbers of managers, senior staff and principals. This remit has now been expanded and in November 2006, took responsibility for the management of the Black Leadership Initiative (BLI), which has pioneered the development of a progressive approach to the career development of BME staff working in the learning and skills sector through mentoring, work shadowing and secondments.
The aim of the NBP is to raise awareness of race equality issues in the learning and skills sector and it seeks, through its activities, to develop and support measures that raise the numbers of Black staff at all levels in the sector, and positively influence the experience of all learners. Over 100 colleges and other bodies in the learning and skills sector are currently affiliated with NBP and there is an individual membership of over 800 black and minority ethnic tutors and managers working in the sector. The NBP is open to all across the country however there is also a northern regional team and specific activities have taken place in the Northwest. For example the 2009 Fusion Awards were held at Blackburn Rovers Football Club last year. These awards were designed to recognise the work of those individuals whose community activities contributed to community cohesion, as well as high educational and business achievers in Blackburn with Darwen and the Northwest as a whole.
Source: http://www.nbp.org.uk

At a regional level, NHS North West has made progress in supporting individuals from a BME background into senior positions. Three senior management internships have been made available for BME middle management positions, working on specific 18 month projects with senior staff while also undertaking a structured training and learning programme.

Mainstream support is available to aid in work progression including Apprenticeships, Train to Gain and the Skills Pledge

Mainstream support is pretty comprehensive in this area providing a wide range of schemes including 'Train to Gain,' Apprenticeships and the Skills Pledge.

The Skills Pledge is a voluntary public commitment made by an organisation to invest in the skills of its workforce. It is open to organisations of all sizes, from all sectors, with a workforce in England in the private, public and voluntary sectors. Essentially it is a promise that the employer will work to realise

the potential of all their employees by developing their basic skills and working towards relevant, valuable qualifications. By making the Skills Pledge employers commit to train their workforce to at least Level 2 – the equivalent of five good GCSEs, grades A–C. Not only does the skills pledge provide excellent benefits for employees in terms of providing them with nationally recognised qualifications, but also for the employer additional services are offered. Business support advisors will review the company's skills needs and source funding to help cover the cost of training.[130]

Train to Gain brokers help deliver the Skills Pledge, they are part of the government's Solutions for Business and acts as a skills brokerage service providing the training required by businesses from a basic level through to professional and management.

Apprenticeships can be used as a means to train the workforce and provide an opportunity for anyone over 16 to gain job-specific skills. Alongside work experience, apprentices are provided with training to work towards nationally recognised qualifications.

As evidenced above despite the presence of these mainstream schemes it appears that in particular BME businesses are not accessing or taking advantage of them; more work certainly needs to be done to promote them.[131]

Specific support for women is also available alongside career development although there are issues around whether women are accessing it

We have already evidenced the need for childcare support and recognition of flexible working opportunities in order to enable women to progress in employment but it is clear that some women are still not benefiting.

Increasing uptake of childcare provision is high on the agenda so this issue has clearly been recognised. At a national level *The Children's Plan: Building Brighter Futures* (DCSF, 2007) recognises this as a particularly acute issue for some BME groups. The objective of increasing take up of childcare and early years provision among low income families and BME groups is being targeted through pilots in 12 local authorities, including Manchester and Blackburn with Darwen in the Northwest. Some target BME and low income families through increasing and improving the range of information provided to families, while others have an additional target of increasing take up of three to four years provision by BME families (or even two). Each area is doing something slightly different, but all get funding for a part time outreach worker.[132] There have been a number of strands to the work in each authority, for example attempting to diversify the childcare workforce or focusing on increasing take up of the working tax credit to encourage parents into training and employment. This is an excellent scheme but funding is due to end within the next couple of months.

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[130] http://inourhands.lsc.gov.uk/employers-what.html
[131] LSC (2009) *Understanding the impact of ethnicity on perceptions of workplace skills and training in the North West of England*
[132] Oppenheim, C. and Hill, R. (2008) *Increasing the take-up of formal childcare among Black and Ethnic Minority Families* interim report to DCSF

Case Study: Manchester: increasing BME participation in Childcare

In Manchester the focus of the BME childcare pilot has been on improving the cultural awareness of staff and reducing Somali families' distrust of formal childcare systems.[133]

Distrust is being tackled through: running group advice sessions which also cover employment and training options two by the end of 2009); dedicated marketing; liaison with other Somali outreach workers (e.g. NHS); and, building links into the community.

The primary challenge for the project has been building links into communities and recruiting participants, while they have also lost their Somali outreach worker. A lack of links to the community has hampered efforts, and requires significant resource to overcome.

Source: www.dcsf.gov.uk

Case Study: Blackburn with Darwen: increasing BME participation in Childcare

In Blackburn with Darwen the focus has been on Indian/Pakistani heritage and Gypsy/Roma/Irish Traveller families, with a particular focus on working with employers to get their help in engaging BME families. The aim is to link to broader work "to engage families in education, employment and training opportunities and to offer targeted support and guidance around benefits and entitlements." By increasing access to childcare in tandem with training advice both objectives can be addressed. Activities of the project include:

- hiring peer mentors to act as advisers;
- a publicity campaign using community radio and printed materials;
- exploring the possibility of Mosques and Islamic schools registering as formal childcare providers; and,
- working with employers to support BME people in overcoming their barriers to accessing childcare/accessing employment and training.

There have been difficulties in getting projects off the ground quickly, due to the limited resource, but moves are being made to embed the project beyond its funding.

Source: www.dcsf.gov.uk

Allowing employees to request flexible working is a legal requirement, particularly if they have caring or parental responsibilities. The Northwest Flexible Working Group, along with large employers such as BT, act as advocates for flexible employment in the region.

Some employers have positively championed this type of working, however more needs to be done to ensure that it is encouraged and developed across the region. For example, at an event in Manchester for BT the company outlined how they saved millions in costs and secured productivity increases having introduced flexible working more than 20 years ago. BT also records impressive retention rates with more than 99 per cent of women returning to work after maternity leave and can boast a contribution to the environment as BT's flexible workers have saved the equivalent of 1,800 years of commuting through working from home. It is in view of these, and other, benefits that they delivered a powerful presentation encouraging the audience to seriously consider adopting flexible working. An Exhibitor Zone profiled products and services on offer that facilitate efficient flexible working such as IT support, home office friendly printers and data protection.[134]

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[133] www.dcsf.gov.uk
[134] BT calls on Northwest to adopt flexible working (2007) Available online [http://www.nwda.co.uk/news--events/press-releases/200701/bt-calls-on-northwest-to-adopt.aspx] Accessed 11 March 2010

2.3.4 How can we enhance the policy response

In terms of 'progression in employment' again much great work is already underway. Although not unique to BME, it is evident that BME women experience greater issues around childcare and there may be scope to extend this further but it will be vital that this is delivered at a local level and within the communities which require it most. Flexibility in work is also an issue which is not exclusive to the BME population – strategically this sits best at a national level and is likely to be delivered by agencies such as Jobcentre Plus.

The real scope for NWDA here is in supporting and developing in work progression which is particularly acute for BME groups and especially to the most senior levels of management. Again there is a role for the NWDA to act as a leading employer in promoting targeted leadership and management mentoring schemes which encourage individuals from BME backgrounds to take on more senior positions.

Action	Description	Delivered by
Enhancing targeted childcare support in the region	The BME Childcare pilots in Blackburn with Darwen and Manchester are due to end within the next few months. These schemes have been particularly valuable in engaging hard to reach Somali women. If funding can be made available by local authorities then the continuation of these schemes could be secured and potentially expanded to other areas – including rural communities and groups.	DCSF/Local Authorities
Developing targeted leadership and management mentoring schemes	There is a role for NWDA in acting as a leading employer in developing targeted mentoring schemes which focus specifically on encouraging identified individuals from BME backgrounds to move in to senior levels of management. An example of a successful scheme in operation is in Yorkshire and Humber where to date 22 women of Muslim faith have been assigned senior level mentors to assist them in their development through to high level positions (See Appendix B). This scheme is already being considered for roll out on a national level, and there is certainly scope for NWDA to get involved in promoting a similar regional based initiative which links in with this. This issue has also been advocated in One North West's response to RS2010 to enable BME workers to progress to leadership positions and aligns with recommendations from the North West Women and Work Taskforce study currently being conducted by Infrastruct which advocates a regional women's leadership training programme.	NWDA in potential partnership with other RDAs including Yorkshire and Humber
Promoting flexible working	The Northwest Flexible Working Group acts as an important advocate of flexible working practices and its role could be expanded to work with local councils, encouraging them to become best practice employers and to promote flexible working to businesses, through business support services and other service providers. This also aligns with the Women and Work Taskforce who have highlighted the need for a cultural change in working practices with the provision of a flexible working environment that is fair for men and women.	NFWG/ business support services such as Business Link Northwest/ Jobcentre Plus

3 BME businesses

Key Messages

- The BME population demonstrates an entrepreneurial flair and rates of BME business start up are relatively high.

- This is particularly the case for men and for Pakistani, Indian and Bangladeshi groups as well as Black African and Caribbean groups in the Northwest.

- There is however potential to develop this much further both in terms of attracting more BME business to the region including encouraging female entrepreneurs and in supporting BME businesses over the longer term as survival rates tend to be lower.

- For many it is evident that there are a range of barriers which limit sustainability of their businesses. The most important were highlighted as access to finance, inequalities and stereotyping and limited networking opportunities as a result of higher levels of bonding social capital that can limit BME businesses.

- Other factors include a lack of tailored business support and a tendency for BME businesses to provide less training and development opportunities for their employees which can in turn limit the longer term growth of the business.

- This section has identified a wide range of mainstream activities many to deliver the Region's Enterprise Strategy which are in place to support businesses in the region but there is evidence that more needs to be done to promote these services and to enhance engagement.

- Given the NWDA's remit to promote enterprise, there is scope for the Agency to take direct action here not only to enhance take up and longer term progression of BME business but also to enhance non-BME businesses understanding of both the BME community and opportunities that there are for partnership working.

3.1 Overview

There is untapped business potential within the BME population which the region can capitalise on. Not only do individuals from a BME background tend to exhibit strong entrepreneurial flair, but they also tend to run highly profitable operations making a strong contribution to the regional economy. In addition they offer opportunities for partnership and joint working with non-BME businesses particularly in terms of the development of routes to international markets.

Despite this many suffer business failure over the longer term and not all groups, particularly women, are fully represented. Tackling some of these issues could significantly boost the BME business base and in turn the regional economy.

This section then looks at the key issues for BME businesses both for those setting up and for the long term progression of these businesses. It assesses the factors affecting their start up and progression and then looks at the current policy response to address the issues faced, alongside an assessment of the gaps which remain and recommendations for filling these gaps.

Figure 3.1: Structure of interventions for BME Business

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┌─────────────────────────────┐
│      Achieving at school      │
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                ▼
┌─────────────────────────────┐
│    Progression in education   │
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                ▼
┌─────────────────────────────┐
│      Transition into work     │
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┌─────────────────────────────┐
│      In-work progression      │
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                ▼
┌─────────────────────────────┐
│       Business start up       │
│           support             │
└─────────────────────────────┘
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│         Longer term           │
│     development support       │
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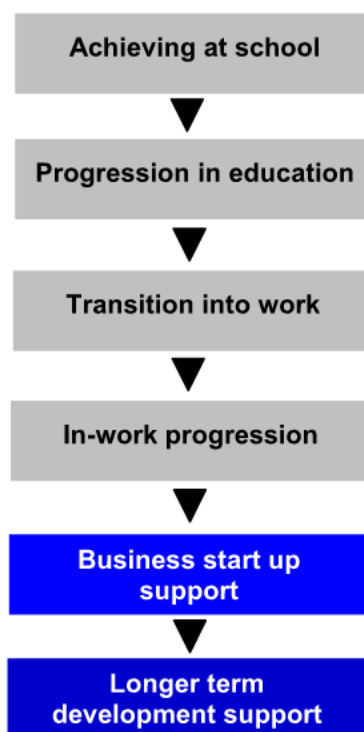
3.2   Business start-up support

3.2.1   What evidence exists of this?

There is evidence of an entrepreneurial spirit in the BME population which could be further developed

BME businesses contribute significantly to the regional economy; a recent report by the NWDA *Wealth Bringers* highlights that they contribute around £1.7 billion to the regional economy.[135] Given the relative size of the BME business base their contribution is actually higher than would be expected and there is real scope for them to contribute to lessons learned for the region as a whole; across the Northwest the numbers of High Growth Businesses are relatively low at 4-7 per cent.[136]

The majority of BME businesses do tend to be small and while many focus on more traditional niche economic sectors there is evidence to indicate that BME businesses are increasingly involved in financial and professional sectors. This shift into industries such as real estate, renting and business activities will increase the capacity of BME businesses and add value to the Northwest's economy.[137]

Tracking the actual numbers of BME businesses can be difficult as there is limited evidence both at a regional and UK level. This is particularly the case in quantitative terms and as such, self employment has been used as a proxy for business ownership. In order to build a more detailed picture this evidence has been supplemented with qualitative evidence from entrepreneurs and stakeholders working in the region.

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[135] NWDA (2005) Sustainability Northwest Wealth Bringers Report
[136] Winning Pitch (2010) NWDA High Growth Observatory: Phase 2 Update
[137] URS (2008) A baseline of BME enterprise in the Northwest

Self employment rates for the BME population in the Northwest are comparable with those for the region as a whole and evidence suggests that they may be growing faster than the White British population.[138] BME groups also tend to have high rates of early stage entrepreneurial activity (TEA), with 7 per cent of all businesses in the Northwest being BME-owned.[139]

Evidence from stakeholder consultations suggests there is real potential to boost the number of start ups, to further enhance the regional economy. Attendees at the BME Entrepreneurs' focus group suggested that many are still choosing London and other destinations outside of the region to locate their business and this suggests that there could be an opportunity to attract more BME businesses given the right conditions and arrangements for them to locate.

This is particularly the case in younger cohorts of the BME population

This entrepreneurial spirit is also noticeable among young people from BME backgrounds. Of people aged 18-24, those from BME backgrounds are both more likely to be owner/managers of their own businesses (6 per cent compared with 4 per cent of White people).[140] As well as this, they were considerably more likely to be considering setting up their own business in the next three years, with 16 per cent of BME young people considering this, compared with only 9 per cent of young White people. The evidence from the GEM survey does however suggest that there may be potential to increase business ownership among young BME groups, as they were twice as likely as White people to be unsure as to whether they wanted to set up their own businesses; tapping into this opportunity could yield real economic benefits. [141]

Between BME groups there is significant variation in terms of start up rates

Indian, Pakistani and Bangladeshi men in particular all have higher self employment rates than White men. Self employment among these groups has some significant cultural pull factors. One consultee suggested that Bangladeshi men were encouraged to set up their own businesses as a way to work flexibly so work didn't overtake their lives. Qualitative evidence suggests that there is a tendency for Indian, Pakistani and Bangladeshi groups to own businesses in the retail and food sectors although over time this may be changing as younger generations adapt to online mediums and can branch out into new sectors.

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[138] NWDA (2005) Sustainability Northwest Wealth Bringers Report
[139] URS (2008) A baseline of BME enterprise in the Northwest
[140] GEM (2008)
[141] Ibid

Figure 3.2: Self-employment rates by ethnicity and gender
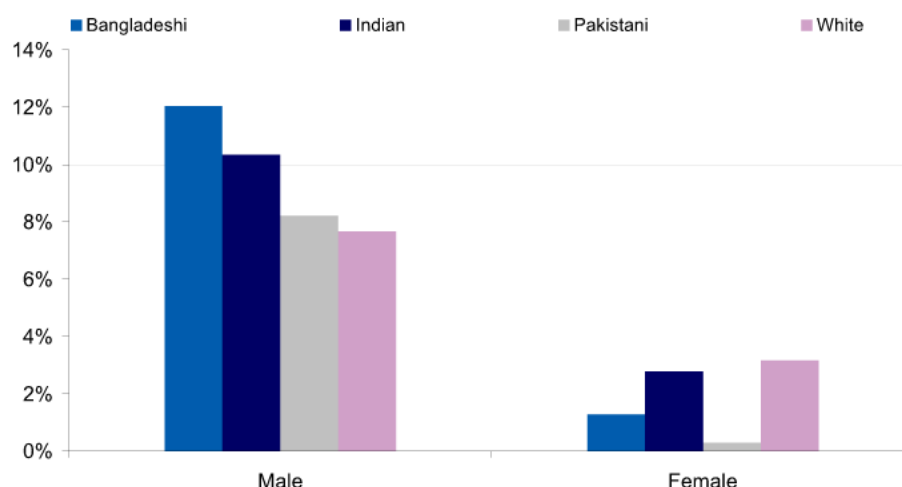
Source: LFS, Q3 2009

In the UK as a whole "Black people's self employment rates have consistently been lower than all other ethnic minority groups".[142] However, this is not the case in the Northwest. Black and Black British people in the Northwest are considerably more likely to be self employed than in the rest of the UK (the total self employment rate for Black and Black British people in the UK is 3.2 per cent, whereas it is 4.3 per cent in the Northwest). Qualitative evidence suggests that Black African groups tend to have a more diverse range of businesses than other BME groups with a relatively higher number of creative and media businesses – again though this may be changing with subsequent generations.

In the Northwest Chinese people appear to have relatively low self employment rates, though this is not the case nationally. This may be due to the fact that Chinese people in the Northwest are able to find better jobs: for example, while only 2 per cent of Chinese people in the UK work in engineering this figure is 4 per cent in the Northwest. Chinese people in the Northwest are also more likely to be employed in finance and business services.[143]

Finally, there are, on the whole, very low self employment rates among people of mixed ethnic backgrounds. With the exception of White and Black Caribbean men and Other Mixed men, there were no recorded self employed people in the data. It must be noted however, that this may not indicate a trend so much as a small data sample as there are relatively low numbers of people from mixed ethnic backgrounds in the Northwest. Despite this, the aggregated self employment rate for people from a mixed ethnic background is only 1.9 per cent in the Northwest – lower than the average for the region and lower than the rate for people from a mixed ethnic background in the UK as a whole.

BME Women tend to have relatively low start up rates compared with their male counterparts

There is considerable variation between BME men and women: the self employment rate for BME males is, at 8.4 per cent, higher than that for White males (7.7 per cent). The opposite is true for BME females, who have a very low self employment rate of just 1.2 per cent (for White women the figure is 3.2%).[144]

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[142] Cabinet Office (2003) Ethnic minorities in the labour market
[143] LFS Q3 2009
[144] Labour Force Survey (Q3 2009)

High male self employment rates are in part due to a positive enterprise culture, and a lower fear of failure reported among BME business people.[145] However, as much as positive cultural "pull" factors exist, there may also be negative "push" factors such as experience or anticipation of discrimination which encourage BME groups to set up their own businesses.[146] Essentially it is possible that high rates of self employment may be in response to difficulties experienced by the BME population in finding work as employees.[147]

Figure 3.3: Self employment rates in the Northwest
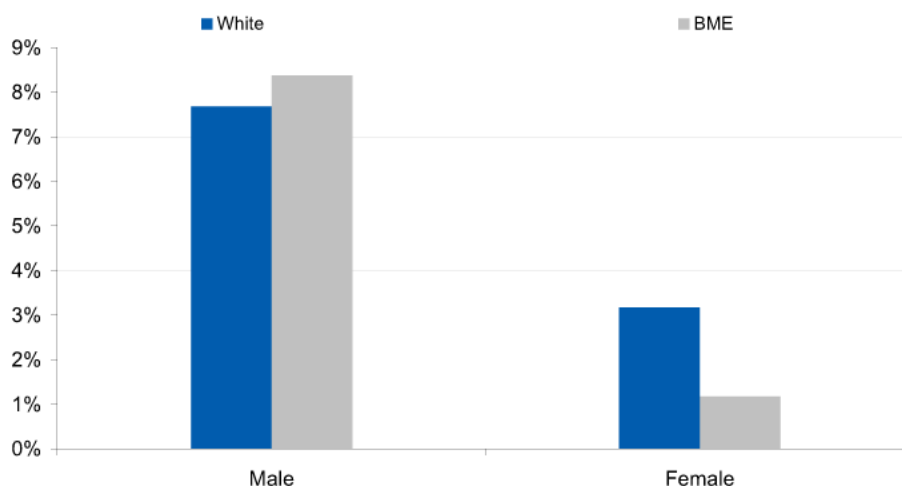
Source: LFS, Q3 2009

Indian, Pakistani and Bangladeshi women all have lower rates of self employment than White women. This is most notable among Pakistani women, who have a self employment rate of just 0.3 per cent.

Black Caribbean women in contrast to their male counterparts also have very low self employment rates and this may be explained by positive labour market experiences particularly in the health sector. Black African women, however, actually have the highest self employment rate for women, and this may be explained by their lower employment rates, which leads them to turn to self employment as an alternative.

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[145] URS (2008) A baseline of BME enterprise in the Northwest
[146] Cabinet Office (2003) Ethnic minorities and the labour market
[147] EHRC (2008) Equality group inequalities in education, employment and earnings

Figure 3.4: Self employment rates by ethnicity and gender
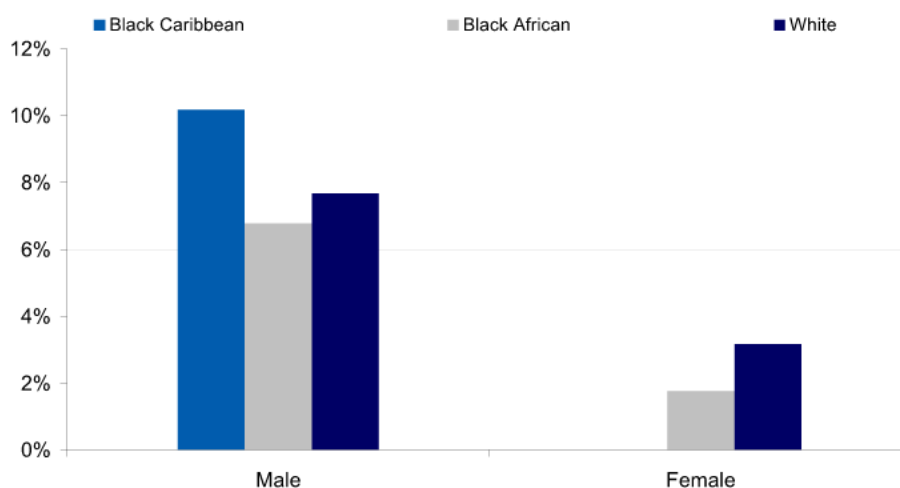
Source: LFS, Q3 2009

3.2.2 What are the barriers?

Access to finance is one the most critical challenges facing BME businesses

Access to finance is one of the most critical barriers to BME business start up. Indeed the attendees at the BME Entrepreneurs' focus group placed access to finance as one of the top barriers preventing them from setting up a business and this was alongside perceived or actual inequalities and stereotyping.

The methods by which an entrepreneur can get access to finance include:

- Banks

- Friends and family

- Grants and Public Finance

- Investments

For BME entrepreneurs the first option is often the most difficult. There was general agreement at the BME Entrepreneurs focus group that obtaining bank finance can be an extremely difficult task. This is certainly echoed in a recent report for Advantage West Midlands by the Minority Ethnic Enterprise Centre of Expertise (MEECOE). This briefing quoted a report carried out by Stuart Fraser on access to finance. It stated that Black African firms were more than four times as likely as White firms to be denied a loan outright, Black Caribbean firms 3.5 times as likely, Bangladeshi firms 2.5 times as likely, and Pakistani firms 1.5 times as likely. Indian firms had a slightly lower loan denial rate than White firms. This had led to high levels of fear of rejection with the result being fewer BME applicants.[148]

The second method, via friends and family, can be instant and often provide an easy start up route for a BME entrepreneur. It is often the preferred route given the strong family ties within BME communities, but it is likely to be a finite resource and may not offer a longer term financing plan if the business does not take off instantly.

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[148] Fraser, S (2009) *Is there Ethnic Discrimination in the UK Market for Small Business Credit?* International Small Business Journal 2009

Grants and public finance also offer a route to obtaining capital to start up and maintain a business, but one attendee at the BME Entrepreneurs' focus group stated that again they can experience inequalities and difficulties in accessing this source of funding. In large part this may be because they do not have a clear understanding of the process or regulations. There is also a reluctance to choose more difficult routes to access funding if family members can provide the ready capital quickly and easily.

The final source, investment, is something which BME entrepreneurs tend not to consider enough. Qualitative evidence suggests that Black African groups in particular are increasingly looking to this as an option. This includes investment finance from a business angel or venture capitalist but take up may not be as strong in other BME groups.

Stereotyping, confidence and fear of failure can dissuade BME businesses from starting up

Perceived and actual inequalities and stereotyping is another key barrier for BME businesses. This has a huge impact on their ability to access finance as discussed above. The fear of rejection and failure also dissuades many people from BME backgrounds from engaging in the first place.

One of the attendees at the BME focus group certainly concurred with this view. He stated that a friend of his had aimed for a long time to set up his own business and despite assistance from himself as to how to go about it, the fear and risk involved with starting up had continually put him off.

Other attendees concurred with the issues around confidence required to set up a business and this was seen as particularly difficult for women with lack of role models highlighted as a major concern. This may explain why BME women have particularly low levels of self employment.

Lack of understanding of regulations and procedures can deter many BME groups starting up their businesses

There is also a perception that regulations and procedures around starting up a business are somewhat impenetrable and this can dissuade individuals from a BME background from commencing the process.

Qualitative evidence from the BME Entrepreneurs focus group suggests this particularly if there are few examples of successful businesses in the area, individuals may find it hard to find a suitable person within their network to consult with on the regulation and procedure and many are not as willing to approach mainstream services for this support.

3.2.3 What is the current policy response?

There is recognition of the importance of supporting groups including BME population to become more enterprising

There is clear buy in at a regional level to support the issue of BME enterprise. The Northwest Enterprise Strategy recognises the challenges faced by BME groups and has developed an action plan. Its vision of a more prosperous Northwest is laid out in three core themes: enterprising people, enterprising businesses and enterprising places and there are direct actions relevant to BME groups within each category. Awareness raising initiatives are promoted to stimulate interest in enterprise (Enterprise UK are leading on these initiatives); business start-up among people in under-performing groups and areas is encouraged (this has been actioned through the ISUS scheme below). The Strategy also promotes the stimulation of high growth and high added value start ups (actioned through the NWDA High Business Growth Observatory). Finally within enterprising places one of the key

actions is around developing infrastructure and exploiting enterprise opportunities in local areas including regeneration areas, this is to ensure that business support is joined up and provided across the region (this is being actioned at a grass roots level through work with Sub-Regional partnerships and local authorities).[149]

Awareness raising initiatives are a key element of the Northwest's strategy

As highlighted above a key strategic focus is on awareness raising. The purpose of this is to tap into the pool of entrepreneurial talent which we have evidenced above and to support BME groups (alongside other minority groups), and especially BME women and BME young people to dispel their fear of failure and provide support with the barriers that they may face.

At a national level the newly formed Ethnic Minority Business Advocacy Network (EMBAN) will, among other things, be looking at the ways in which to use strong role models within the business community in order to encourage BME entrepreneurship.

Enterprise UK are key players in providing 'awareness raising' support. They were founded in 2004 by the British Chamber of Commerce, the Confederation of British Industry, the Institute of Directors and the Federation of Small Businesses and are funded mostly by the Department for Business, Innovation & Skills. They have been undertaking a great deal of work particularly with young people including their original campaign Make Your Mark which encouraged enterprising activity among 14 – 30 year olds. This campaign was so successful that it prompted them to expand their reach to people of all ages and backgrounds.

Enterprise UK are heavily involved in addressing the issue of a lack of role models particularly for the BME population. They will be delivering the Regional Enterprise Ambassador Programme. This is only in its infancy (launched in March this year) but it has grown out of the successful individual ambassador programmes such as the BME Ambassador Programme and with a broader remit covering all groups it will be aiming to enhance business aspirations across the board.

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[149] NWDA (June 2008) Northwest Enterprise Strategy

Case study: Regional Enterprise Ambassador Programme

The Regional Enterprise Ambassador Programme was launched in March 2010 and will be the largest regional aAmbassador programme in England. It is an overarching programme for all providing positive role models and encouraging individuals to set up their own businesses. The programme requires only limited NWDA funding and is being delivered by Enterprise UK in partnership with the NWDA enterprise team and by bringing together a wide range of support previously delivered separately e.g. for BME, 50+ and young people this programme hopes to have a greater influence.

The launch event highlighted the excellent work of ambassadors who have been inspiring youngsters, women, BME communities and the 50+ groups and acting as positive role models by providing case studies to EUK who have profiled them in the media through the NWDA enterprise awareness project.

One element of the new Regional Enterprise Ambassadors Programme is the BME Ambassador Programme and this was set up in July 2009 to promote entrepreneurial talent in the region's black and minority ethnic communities and to encourage BME members to set up their own businesses across a number of areas. This scheme has been extremely successful both for the BME Ambassadors and recipients of the support.

For the BME Ambassadors, the scheme provides a brand name and a networking opportunity with the chance to link up with like-minded individuals who are keen to support the BME business agenda.

For young people in particular, the scheme is great at raising awareness and providing BME role models in business. The BME Ambassadors are assigned to a particular area and will visit schools and colleges within that area to talk about their experiences as well as in some cases providing practical exercises and workshop to provide a real taster of setting up your own business.

Now with the new Regional Enterprise Ambassador Programme there is more scope to expand the scheme and build on the success stories of the original programmes.

Source: http://www.enterpriseuk.org/ and telephone interview 01/04/10

The Northwest Ethnic Minority Business Forum (EMBF) also raises the awareness of BME groups at a regional level. It acts as a regional advisory group with the remit of promoting the BME Enterprise Agenda. It supports BMEs develop skills, confidence, support and opportunities to make an equal contribution to economic prosperity in the Northwest. A Strategy Action Plan has been set out to support the national and the Northwest enterprise initiatives over the next three years. It focuses on improving awareness of BME specific business support and access to finance, co-ordinates mentoring and networking opportunities to develop management skills and establishes greater procurement opportunities to increase business reach in the region. The EMBF showcase BME business talent at the annual Ethnic Minority Business Awards this again is an excellent opportunity to highlight some of the innovative BME businesses that exist within the region.

High growth businesses are being actively developed in the region

A further strand of NWDA support for enterprise is in terms of supporting High Growth Businesses. BME businesses in many cases can already be defined as high growth businesses but there is certainly potential to develop these types of businesses further and for the lessons learned from BME businesses to be transferred to the wider business community. The NWDA High Growth Business Observatory has set an ambition to develop the number of high growth businesses in the area from the relatively low number of 4-7 per cent through to 10 per cent and with an individual target on businesses themselves to grow by 20 per cent per annum with a view to becoming multi-million pound businesses.

The scheme is delivered by Winning Pitch and not only offers support and coaching for individual businesses with regards to leadership and management and to support them in identifying the barriers to high growth, but it is also undertaking research to further develop the high business growth offering in the region. This research, which is due to complete shortly is covering insight from individuals, business as well as interventions and infrastructure.[150]

To date the BME business community has been involved in the Observatory initiative in particular the EMBF was involved in the design stage, but further involvement and uptake has been fairly limited. In a bid from the NWDA to enhance this involvement they have invited the EMBF as a stakeholder on the project board and it is hoped that this will facilitate engagement with the BME community. The contractor, Winning Pitch has also appointed a number of coaches from BME backgrounds to reach out to the community.

Mainstream support is available to all businesses wishing to start up

To address some of the challenges which all businesses face with regards to start-up including access to finance and advice on guidance and regulation there are mainstream business support services both nationally run schemes as well as the regional Business Link and not-for-profit companies such as Enterprise 4 All.

The general business support services provided for the region offer information for those starting up a business with dedicated information for minority groups including – women, BME and over 50s. The support service currently delivered through Business Link Northwest provides advice and guidance on business structures and regulations to help individuals navigate their way through the process of setting up and advice on funding and managing the money required to support the business.

A good deal of work has been done to support BME businesses through these mechanisms, however stakeholders have highlighted that there are some engagement issues around this particular support service and the Ethnic minority Business Forum is looking to address these through a range of actions including monitoring Business Link Northwest users and developing cultural awareness and equality and diversity activities for business advisors.

Additional programmes funded by the NWDA include the Intensive Start-Up Support (ISUS) Programme which draws upon a dedicated source of funding to support start up in the region.

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[150] Winning Pitch (2010) NWDA High Growth Observatory: Phase 2 Update

Case study: The Intensive Start-Up Support (ISUS) Programme

The Intensive Start-Up Support (ISUS) programme is funded by the NWDA and the European Regional Development Fund. It is part of the Solutions for Business portfolio of business support services and includes a free business support service with a combination of start-up advice, coaching support, networking opportunities and workshops.

The precursor to this scheme was the Business Start Up and Survivability Programme and the ISUS scheme has been developed as a result of its success. The findings of an evaluation of this scheme have been used to determine the design of the new ISUS programme which is now being delivered in the region.

The original programme was targeted at BME, women and disabled and has supported 4,278 starts, including 545 BME. The key conclusion from the report was the need to develop a robust engagement strategy that could engage with all groups and this has now been reflected in the new ISUS programme where every ISUS provider must complete an engagement plan of how they are going to engage with particular groups outlined in their contracts.

Evidence must be provided to show that the engagement plan is being delivered and includes all social inclusion groups including BME groups. This could include sharing of good working practice and knowledge transfer session and provides an excellent mechanism for ensuring that providers do adhere to the targets that they have set.

Source: www.nwda.co.uk and Ekos Ltd (August 2008) Business Start Up and Survivability Programme Interim Evaluation

Not-for-profit organisations such as Enterprise 4 all provide innovative approaches to support this agenda. Enterprise for all is able to build on its strong community networks in particular with the BME population to directly engage with hard to reach groups and its business model of taking services to the target group and partnership working has become a standard.

Case study: Enterprise 4 all

Enterprise4all is based in Blackburn Lancashire but delivers right across the Northwest region. Originally its focus was upon the BME population but this has been expanded to all groups.

They have supported over 1,400 business start ups and have just under 4,000 Asian Business Federation members – this includes members from all backgrounds who are keen to keep abreast of the BME business community.

The scheme has been successful due to the type of approach that has been adopted, this is one of pro-active engagement – taking services to target groups rather than encouraging them to come and access the services. Multiple entry points are offered such that if an individual is able to set up a business then they are taken through that route. Indeed the conversion rate for Enterprise4all is one in three individuals who use the services set up a businesses. For the two who do not follow this route additional services are offered.

Another key approach that Enterprise4all has taken is to develop partnerships with public and private stakeholders in the region. They deliver the leadership and management training elements of the ISUS scheme outlined above for the NWDA, and also work with sector specialists such as Food North West. Furthermore they have begun engaging with the private sector e.g. Virgin Media via a Young People's enterprise programme. Enterprise4all have recognised that with the Corporate Social Responsibilities of private organisations growing there is a real opportunity to further develop these types of relationships

Further areas for development include ensuring that they are truly supporting employment progression and business progression post set-up.

Source: Ilyas Munshi CEO Enterprise4all, NWEO Conference 24/03/10

Dedicated facilities such as the University of Manchester Incubator Company (UMIC) which bring together like-minded individuals and provide support and office space for new businesses are also extremely valuable in encouraging business start up in the region. One attendee of the BME Entrepreneurs' focus group stated that UMIC has played a major role in encouraging him to locate in the region to set up his business; a clear example of its success.

Case study: University of Manchester Incubator Company (UMIC)

University of Manchester Incubator Company (UMIC) is the UK's leading centre for high quality incubation facilities and business support services.

It provides a wide range of services:
- Office space for new businesses
- Business mentoring and business incubation services with specific support for start-ups, Incubator tenants and business opportunities
- Access for start-ups and SMEs to UMIC's vast array or contacts and resources.
- Conferencing facilities

It is also the Knowledge Provider for The University of Manchester in the NWDA Innovation Voucher Scheme. This scheme provides vouchers of £3,000 and £7,000 to growing businesses and social enterprises. It was set up to encourage and make it easier for more people to engage with the knowledge base.

Source: http://www.umic.co.uk/

Partnership working is being fostered between local, sub-regional and regional agencies to further enhance BME business support

A number of activities are being undertaken to foster partnership working between agencies including a recent conference on the Ethnic Minority Employment Challenge in North West England: 24 March 2010. This conference brought together almost 100 people from local authorities, local partnerships and wider stakeholders to help develop strategies to improve sustained job outcomes for workless people in BME communities and to promote equal opportunities. The event was organised by the Government Office for the North West (GONW), Department for Work and Pensions (DWP), Jobcentre Plus (JCP), North West Employers (NWE) and North West Improvement and Efficiency Partnership (NWIEP) and explored issues and considered ways of improving job outcomes and shared good practice.[151]

3.2.4 How can we enhance the policy response?

It is evident that at a mainstream level there are a wide range of initiatives, however clearly BME groups are not accessing these schemes and maximising their potential.

There is more scope for the NWDA within the enterprise remit, and this feeds into the enterprise strategy agenda. The NWDA can act as a signposter and support engagement in mainstream schemes, as well as the newly developed Regional Enterprise Ambassador Programme. Given their role as the key funding source for Business Link Northwest they can also influence the recruitment practices and monitoring of BME uptake of business support services to better develop and enhance their use by BME groups.

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[151] http://www.nweo.org.uk/Workforce/Workforce+Gateway/Events/

Action	Description	Delivered by
Raise awareness of business support	There is a role for the NWDA in linking up with Ethnic Minority Strategic Bodies and third sectors organisations to promote engagement with mainstream support and this aligns with the Regional Enterprise Strategy Actions. Not least with respect to the High Growth Business Observatory in which there is a real opportunity for BME businesses to play a leading role and example for other businesses given their relatively high growth. This also includes the promotion of the schemes providing positive role models - Regional Enterprise Ambassador Programme and through Enterprise UK with the amalgamation of the role model programme there is real scope to develop this initiative further in its support of BME groups.	NWDA /EMBF
Enhance uptake of business support	The NWDA as a funder of its current business support services – Business Link Northwest has an opportunity to influence the recruitment practices within this organisation and to ensure that business advisors are fully reflective of the regional population. There is also a need for closer scrutiny and monitoring of outcomes for the BME population as this will enable NWDA to identify the specific issues and areas in terms of engagement and provision. This could build on the successful model within the ISUS programme which requires evidence from ISUS providers to justify that they have delivered their engagement plans. There is also potential to develop Business Support ambassadors. This was raised as a suggestion at the stakeholder workshop and could involve individuals who have had a very positive experience with the service, going out to speak with their communities, friends and relatives to champion the type of support that is available. The relationship would be two-way as the ambassador would have the opportunity to put forward suggestions from a BME perspective to further improve the service. The EMBF Northwest Action Plan concurs with a number of these points particularly around raising cultural awareness within Business support organisations.	NWDA/ Business support organisations

3.3   Longer-term business support

3.3.1 What evidence exists of this?

Despite relatively high levels of start up there appear to be issues around the sustainability of BME businesses

The previous section on BME businesses evidenced the strong levels of BME business start-up, albeit that there was further room to grow, however a worrying trend is the low levels of Established Business Ownership (EBO) among BME groups than they are for the general population, meaning there are reasons to be concerned about the survivability of BME businesses.[152]

Figure 3.5: Early stage entrepreneurial activity and established business ownership by broad ethnic group
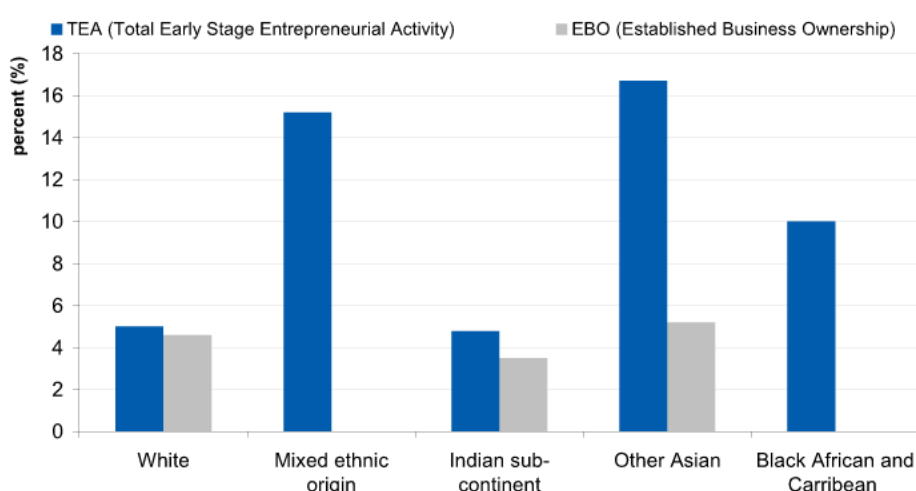
Source: GEM, 2007

This is particularly acute for certain BME groups

Established Business Ownership (EBO) in the Indian Sub-Continent group is the most closely aligned to the White population with relatively similar levels of Total Early Stage Entrepreneurial Activity (TEA) and EBO.

However this group appears to be the exception. The Other Asian group[153] is the next most successful with some mature businesses evident but there are relatively limited in comparison to their high level of start ups. For both the mixed ethnic origin and black African and Caribbean population, the GEM data suggests that there are negligible levels of mature businesses

3.3.2 What are the barriers?

Limited networks as a result of lower levels of bridging social capital can limit BME businesses' long term growth potential

For those businesses that do successfully start-up, it is evident that there are a number of barriers that may prevent them from progressing. We have already evidenced earlier in the report the fact that BME

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[152] URS (2008) A baseline of BME enterprise in the Northwest
[153] Other Asian – includes Pakistani, Bangladeshi groups

communities can be characterised by lower levels of 'bridging social capital' and this is in large part due to the nature of the communities which tend to be more isolated, both geographically and attitudinally. This can prove very limiting in terms of growing a business, particularly if it is based in the community as there is less scope to develop a large client base.

Lack of tailored ongoing support and interaction with mainstream provision can also limit longer term growth

Furthermore there is a tendency for BME businesses to opt for family and local community support rather than approach mainstream start up provision and as a BME business progresses the same appears to continue.

Lack of tailored on-going business support was raised at the BME Stakeholder Workshop and the BME Entrepreneurs focus group as an important barrier. It was also referred to in the MEECOE briefing and this is particularly focused around financial advice; not only is this important in terms of start up, but also in supporting businesses over the longer term. Indeed a number of attendees at the BME focus group voiced lack of support in preparing business plans (both the initial plan and subsequent plans) as they develop their business and that this can then let them down when approaching banks and financial institutions for finance. Procurement processes, particularly for the public sector, were also viewed by those who are not closely involved or have had prior experience of these processes as particularly complex.

Likewise, there were felt to be barriers around engaging with mainstream organisations that support the development of inward investment and international trade programmes, with individuals opting to draw on their existing connections either within the UK or potentially to their country of origin.

Lack of consideration given to employer training can also impact on the long term sustainability of a BME business

Finally, as evidenced earlier, a recent report for the LSC highlighted that BME businesses do not place a great deal of weight on Continued Professional Development. This may further explain why BME businesses do not survive over the longer term as they do not have a clear progression route and training programme in place to support employees. It could again be related to a lack of knowledge of business support as the LSC report states that 39 per cent of BME businesses had not heard of Apprenticeships, Train to Gain, or the Skills Pledge – again this suggests a lack of awareness as highlighted above.[154]

3.3.3 What is the current policy response?

Mainstream provision does offer support for BME groups and inroads are being made into breaking down the engagement barriers to these schemes

We have already highlighted the array of support on offer and delivered at a variety of levels to support BME business start up and this is also extended to more mature businesses to help them develop. Business Link North West currently acts as the main signposting service for those wishing to grow their own business, providing strategies for growth and methods for growing internationally. As with the start up support they provide face to face support and work with businesses to expand their profiles.

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[154] LSC (2009) *Understanding the impact of ethnicity on perceptions of workplace skills and training in the North West of England*

We have already highlighted the steps that are being made to encourage BME groups to enhance their uptake of these services.

With regards to specific elements of longer term support, including for export and inward investment, there are a range of services, including regional and local chambers of commerce and Institute of Directors (IOD). Qualitative evidence suggests that the latter embraces diversity however it is not as clear other organisations have the same level of engagement – more work needs to be done to investigate the extent of this support for BME groups.

The Northwest International Business Forum has also taken steps to ensure that the BME community is engaged, with a representative from the Ethnic Minority Business Forum sitting on the forum. BME businesses are also involved in a number of foreign investment initiatives in the region; these activities are supporting the delivery of the Internationalisation Strategy and Action Plan for England's Northwest.[155]

Finally the procurement processes for the 2012 Olympic Games have a strong equality and diversity element within them. A number of Northwest businesses have been successfully awarded contracts through CompeteFor which acts as a brokerage service, matching buyers with potential suppliers and this offers the potential to become a standard for wider public sector procurement.

Networks have been developing across the region to support BME businesses to develop

In order to address the issue of limited networks within the BME community there are a number of support networks and opportunities available to BME groups in a range of areas, for instance: the "Cultural Diversity Network"[156] is a unique online directory of Black, Asian and other ethnic minority TV freelancers and staff; "Asians in the Media"[157] provide a magazine highlighting employment opportunities; and "Redhotcurry"[158] and "Clickwalla"[159] offer business news and features for the UK Asian community to support employment and networks. "Colourful" is also part of a broader network that provides news and financial information for people from ethnic minority communities and it also runs the Black Enterprise Awards.[160]

An attendee at the BME Entrepreneurs focus group pointed to a peer to peer network that he himself has developed with like-minded individuals. This operates out of UMIC with lunch time and evening sessions to discuss and brainstorm business ideas and challenges. This could undoubtedly be developed further to support a whole host of like minded individuals.

3.3.4 How can we enhance the policy response?

As evidenced in 'business start up' it is within enterprise that there may be a stronger role for the NWDA to play. In particular although there has been engagement with BME groups within the internationalisation strategy there could be potential to develop this further with more formalised programmes to support partnership working between BME and non BME businesses in terms of international activities.

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[155] NWDA (2008) An Internationalisation Strategy and Action Plan for England's Northwest
[156] http://www.culturaldiversitynetwork.co.uk/index.php
[157] http://www.asiansinmedia.org/
[158] http://www.redhotcurry.com/business/index.htm
[159] http://www.abdirectory.com/index.php?file=powersearch
[160] http://www.blackenterprise.co.uk/successful-black-enterprises/

There is also a role for the NWDA in providing up-to-date intelligence to businesses across the region on the BME community to enable the full potential of this market to be tapped as well as leading the way in making procurement processes more accessible to all groups.

Action	Description	Delivered by
BME businesses to enhance the region's international connections	BME businesses in many cases have strong links to their homeland and there is potential to build upon these links to further enhance the regions international connections with partnership working between BME and non-BME businesses. This feeds directly into the Internationalisation Strategy and Action Plan for England's Northwest	EMBF/NWDA
Provide regional intelligence on BME population	There is a role for the NWDA in partnership with business support organisations to provide up-to-date intelligence on the BME population within the region to Northwest businesses. This will ensure that they are fully maximising the advantages of this growing market.	NWDA/ Business support organisations
Enhance accessibility of public sector procurement	There is a clear role for the NWDA in ensuring that public sector procurement is more accessible particularly to BME groups.

A part of this may be in monitoring the number of BME businesses that are taking up procurement opportunities – assessing the gaps and in looking at how to fill these gaps.

A number of attendees at the BME Entrepreneurs focus group voiced concern that regulations and procurement procedures in the public sector put them off applying. There is a need to ensure that these procedures are made much more accessible and the process is demystified. | NWDA |
| **Enhancing access to training for employees in BME businesses** | There is a need to ensure that BME businesses are made aware of the variety of training schemes that are on offer including Apprenticeships and Train to Gain. The Skills Funding Agency (SFA) has a role here to ensure that training advice and information is delivered appropriately to these businesses. This includes providing success stories to demonstrate the value that they can add to a business.

As part of this process there is then a need for the SFA to identify and work with BME businesses to encourage them to offer Apprenticeships. Clearly there will be set up implications, but the benefits of these schemes must be clearly highlighted.

There is also a role for the NWDA in terms of signposting these activities and for business support organisations such as Business Link Northwest again to promote them to BME businesses. | SFA/NWDA/ Business Support Organisations such as Business Link Northwest |

4   Conclusion

This report has sought to provide an in-depth study into the labour market characteristics of the BME population in the Northwest. In doing so it has followed BME groups through the 'customer journey' – from education to employment, business start-up and growth – to identify the key trends and issues, and the barriers that lie behind them. It has also sought to bring out the stark differences within and between BME groups and thus the different issues which each face.

It is clear from this study that there is much work already underway at the national, regional, local and school/workplace level. And in many instances there are signs that this is addressing the challenges faced by BME groups, with improving educational achievement and rising rates of participation in the labour market.

But the economic downturn has to some degree created additional challenges, both in continuing the progress made in the face of challenging labour market conditions; and by putting strain on the public purse. Indeed, as we move into a period of fiscal austerity it is more important than ever to assess where the greatest pinch-points lie and where the public sector, and more specifically the NWDA, can add the greatest value; as well as where continued investment and support is most effective. This report has provided a great deal of detail on where the 'big issues' lie and where there is scope to further enhance the policy response. As the NWDA works to develop the first Integrated Regional Strategy for the Northwest, this report highlights a number of key issues of relevance:

Addressing broader issues such as deprivation and the quality of schooling will benefit BME groups

In particular, this study has highlighted that some of the barriers faced by BME groups are not related to their ethnicity. Much of the underachievement that exists in education, for example, is explained by the concentration of BME groups within deprived parts of the Northwest and when we allow for this minority ethnic groups are actually performing better than their counterparts. Their location within these areas is also a contributing factor to their under-employment in the Northwest labour market.

Clearly therefore the work of the Agency to promote sustainable economic growth and well-being across the Northwest, and particularly schemes to promote regeneration of the region's most deprived areas (improving the quality of the school experience being part of this) will benefit BME groups disproportionately given their concentration in these areas.

But it is essential that economic ambitions for the Northwest benefit the BME population

Supply side policies, targeted at the needs of BME groups, must go hand in hand with action to stimulate the demand side of the economy. Moreover, it will be essential that the Agency and its partners assess the implications of growth ambitions articulated in the forthcoming Regional Strategy for BME groups – a key area of focus of the Equality Impact Assessment (EIA) of part one of the Regional Strategy (RS2010).

Particular BME groups are, for example, under-represented in some of the sectors that are forecast to drive economic growth in the region in the future. Challenging the cultural factors that cement traditional career routes, over those in emerging and growing parts of the economy through high-quality IAG, tailored to the needs of BME groups will be essential in ensuring that the benefits of economic growth are realised by all. Equipping BME groups with the skills needed by employers in the future will deliver both social and economic outcomes, and must be a key concern for the Regional Skills Strategy.

A key challenge is to promote better access to, and tailoring of, the support that already exists

Many of the issues identified throughout this research are associated with the difficulty of BME groups in accessing the support available to them.

This is in part a consequence of the degree to which this support meets their specific needs. Some of the issues faced by BME groups are not dissimilar to those faced by the wider population and there exists a plethora of programmes and projects – driven nationally through DCSF and DWP in particular, but also locally – that could, if tailored correctly, support the needs of ethnic minority groups in an efficient and cost-effective manner. Lack of access is also in part a consequence of a lack of awareness; and the ways in which such programmes are promoted and communicated by public sector partners.

The NWDA will play a key role in supporting networks such as EMBF and One North West, along with the BME Advisory Group, who act as advocates, helping to promote an understanding of the specific needs of BME groups; tailor provision to the specific needs of the population; and build awareness of what is available among the BME population. This is important work that must continue.

In some policy areas, the NWDA's primary role lies in promoting coordination, collaboration & innovation in service delivery

In a number of policy areas, particularly related to education and employability – there is much work underway at the national, local and grassroots level (in local communities; schools; workplaces etc). Issues around employability largely fall within the sphere on DWP and Jobcentre Plus; along with locally delivered initiatives. Similarly HE participation is being addressed through national programmes such as Aim Higher and by specific Higher Education Institutions (HEIs).

In these cases, an important role for regional policymakers lies in influencing, promoting coordination, collaboration and the sharing of best practice, particularly innovative schemes being delivered by the third sector and social enterprises with much success within the region including activities by Enterprise4all to engage with the private sector.

In other areas – particularly in supporting BME businesses – the NWDA may have a more active role to play

While there is increasing recognition of the largely untapped entrepreneurial talent that exists within BME groups, ethnic minority businesses face a number of challenges both in terms of start-up and survival. While there exists a wide array of business support packages, both publicly funded through Business Link and private sector advice and training provision, there is scope for this to better understand and reflect the specific needs, challenges and opportunities of BME businesses.

The recently launched Ethnic Minority Business Advocacy Network (EMBAN) and regional networks such as EMBF must work together with support providers to help tailor provision and provide business ambassadors in order to encourage BME entrepreneurship, survival and growth. The NWDA, as commissioner of business support services, also has a role to play in driving engagement and positive outcomes with minority businesses.

Finally, the NWDA can also add value by exploiting its own position as an employer and a buyer. The NWDA must continue to set a leading example as an equal opportunities employer. Moreover, the Agency and other public sector partners are not only among the largest employers in the region, but also have considerable influence as a major buyer of goods and services from local businesses. As

such, there is scope to better use this position to encourage best practice in equal opportunities among its suppliers, and to consider the ways in which to ease access to public sector procurement opportunities for BME businesses.

Maximising the benefits of BME groups by boosting participation and enterprise will yield sizeable economic dividends

Clearly, there is much untapped potential that lies within the Northwest's BME population. Capitalising upon this opportunity must remain a key priority for regional policy-makers, and must feature strongly within the forthcoming RS2010 and Regional Skills Strategy, in order to close the output gap that exists in the region, driving enterprise, equality of opportunity, and sustainable economic growth in the Northwest.

Appendix A

Technical notes

Experian™

ONS
Labour Force Survey (LFS)
The Labour Force Survey (LFS) is a quarterly sample survey of households living at private addresses in Great Britain. The sample in Great Britain covers 60,000 households every quarter, resulting in a quarterly publication of LFS estimates. Sample includes all people over 16.
Claimant count
Claimant count data are produced monthly by the ONS, based on the numbers of people claiming Job Seekers' Allowance. Claimant count is one of two measures of unemployment, which tends to be lower than the International Labour Organisation (ILO) number, as measured in the LFS. This is because the LFS unemployment measure includes all of those out of work, who are looking for, and able to start, working; and not just those claiming benefits. While the LFS measure is the preferred measure of unemployment, claimant count is published more frequently, and tends to be more reliable at local level geographies.
General Household Survey
The General Household Survey (GHS) is a multi-purpose continuous survey carried out by the Social Survey Division of the Office for National Statistics (ONS) which collects information on a range of topics from people living in private households in Great Britain. Fieldwork for the GHS is conducted on a financial year basis, with interviewing taking place continuously throughout the year. A sample of approximately 13,000 addresses is selected each year from the Postcode Address File. All adults aged 16 and over are interviewed in each responding household.
Annual Population Survey (APS) and APS Microsurvey
The APS was introduced in 2004 and combines results from the Labour Force Survey (LFS) and the English, Welsh and Scottish LFS boosts (the LFS is a quarterly sample survey of households living at private addresses in Great Britain. The sample in Great Britain covers 60,000 households every quarter, resulting in a quarterly publication of LFS estimates). APS datasets are produced quarterly with each dataset containing 12 months of data.

For this research the following APS dataset was used:
SN6311 - Annual Population Survey, April 2008 - March 2009 |

Experian

Employment projections

Employment projections have been developed using LFS data to understand the current profile of the workforce. This has then been applied to Experian's Regional Forecasts within the North West Regional Forecasting Model.

Mosaic Origins

Mosaic Origins classifies people according to the part of the world their forebears are most likely to have originated. It is available in aggregated form and at person level. For this project Mosaic Origins data at Lower Super Output Area (LSOA) was used.

Mosaic Origins is developed using a sophisticated analysis of surnames and their country of origin using genealogy and geographical analysis in association with leading authorities in this field. Over 1.7 million family names and over 600,000 personal names have been examined to identify the Mosaic Origins type to which it is most likely to belong. This evaluation makes use of a number of criteria including:

• Mosaic Origins codes of the surnames held by bearers of each personal name, and vice-versa.
• Geographical concentration of the name both within and between countries.
• Mosaic geodemographic codes in which the name is mostly found.
• Appearance of diagnostic letter sequences (e.g. van at the start of a family name indicating Dutch origin).

Home Office (HO)/Communities and Local Government (CLG)

Citizenship Survey

The Citizenship Survey (CS) is a household survey of adults (aged 16 and over) in England and Wales. Since 2001, the Citizenship Survey (formerly known as the Home Office Citizenship Survey, or HOCS) has been commissioned every two years. Approximately 10,000 adults in England and Wales (plus an additional boost sample of 5,000 adults from minority ethnic groups) are asked questions covering a wide range of issues, including race equality, faith, feelings about their community, volunteering and participation.

Higher Education Statistics Authority

The Higher Education Statistics Agency (HESA) collects a variety of data sets related to students in the individual Student Record. The participation data covers all higher educations students in approved institutions in the UK, and it is a statutory duty that institutions provide the data. The Destinations of Leavers from Higher Education (DLHE) Survey is completed by or on behalf of the institutions themselves, and follows up with students at 6 months and 3 years. Response rate targets vary form 80 per cent of UK domiciled full time students, down to 50 per cent of international students.

Individualised Learner Record

WBL (work based learning) and ER (employer record)

The ILR is collected on behalf of the LSC/SFA/YPLA by the data authority, and covers all post-16 learning not carried out in School 6th forms or HE institutions. This includes FE colleges, private, charitable and other learning providers. It is primarily a funding and management performance dataset, however it is collected in a format that is usable by researchers. The Employer Responsive ILR (ILR ER) covers all learning that is done with or for employers, such as Apprenticeships, Train to Gain and employer funded training that takes place at a provider. Up until 2007/08 it was known as the Work Based Learning ILR (ILR WBL). Equivalent data for School 6th forms is captured through the Pupil Level Annual School Census (PLASC, PLAMS element).

Global Entrepreneurship Monitor (GEM)

GEM is the largest single study of entrepreneurial activity in the world. Total Entrepreneurial Activity (TEA) provides an indication of early stage entrepreneurial activity and Established Business Ownership (EBO) provides an indication of the businesses survival. A booster survey of GEM data was commissioned by the NWDA.

Appendix B

Additional data

Figure B1: per cent of teachers (with records), by Ethnicity, January 2009

	White - British	White - Irish	Any other White background	White and Black Caribbean	White and Black African	White and Asian	Any other mixed background	Indian	Pakistani	Bangladeshi	Any other Asian background	Black Caribbean	Black - African	Any other Black background	Chinese	Any other ethnic group
ENGLAND	**88.7**	**1.4**	**3.9**	**0.2**	**0.1**	**0.2**	**0.4**	**1.4**	**0.7**	**0.2**	**0.4**	**0.9**	**0.6**	**0.2**	**0.1**	**0.5**
NORTH WEST	**94.9**	**1.4**	**1.2**	**0.1**	**0.1**	**0.1**	**0.2**	**0.5**	**0.6**	**0.1**	**0.1**	**0.1**	**0.1**	**0.1**	**0.1**	**0.4**
Cumbria	97.5	0.6	1.2	-	0.0	-	0.0	-	-	0.0	0.0	0.0	-	0.0	-	-
Cheshire	97.1	0.7	0.9	-	-	-	-	-	-	-	-	-	-	-	-	-
Halton	97.7	1.0	-	-	0.0	-	-	0.0	0.0	-	-	-	0.0	-	-	0.0
Warrington	93.2	0.6	0.8	-	-	-	-	-	0.0	0.0	-	-	0.0	0.0	-	4.5
Bolton	93.6	1.0	0.8	-	0.0	0.0	0.0	2.5	0.7	-	-	-	-	0.0	-	0.8
Bury	93.0	2.7	1.6	-	-	0.0	-	-	1.6	0.0	-	-	-	-	-	0.0
Manchester	86.2	3.6	2.4	-	-	-	-	1.0	3.0	-	-	-	-	0.6	-	-
Oldham	91.0	1.4	1.7	-	-	-	0.0	0.6	2.3	1.3	0.7	-	-	0.0	-	-
Rochdale	92.4	1.7	0.9	-	-	-	-	0.6	2.2	-	0.6	-	-	-	-	-
Salford	92.4	2.1	3.6	-	-	-	-	-	-	0.0	-	-	-	-	-	-
Stockport	97.1	1.0	0.5	-	0.0	-	-	-	-	-	-	-	-	0.0	-	-
Tameside	93.2	1.9	1.5	-	0.0	-	-	0.7	0.5	-	-	-	-	-	-	0.0
Trafford	95.3	1.1	0.8	-	-	-	-	-	-	-	-	0.6	-	-	-	0.0
Wigan	97.2	1.2	-	-	0.0	-	-	-	-	-	0.0	-	-	-	-	-
Lancashire	98.0	-	-	-	-	-	-	-	-	-	-	-	0.0	-	-	-
Blackburn	84.1	0.6	8.6	0.0	0.0	-	-	3.2	2.6	-	-	-	-	0.0	0.0	0.0
Blackpool	97.2	0.7	0.6	-	0.0	0.0	0.0	-	0.0	0.0	-	-	-	0.0	0.0	0.6
Knowsley	96.8	1.6	0.6	-	-	0.0	-	-	0.0	0.0	0.0	-	0.0	-	-	-
Liverpool	92.1	4.4	1.5	-	-	-	-	-	-	0.0	-	-	-	-	-	-
St Helens	96.6	1.2	0.7	-	-	-	-	-	-	0.0	-	-	0.0	0.0	-	-
Sefton	96.5	1.4	0.9	-	-	-	-	-	-	0.0	0.0	-	-	-	-	-
Wirral	96.5	1.4	1.0	0.0	0.0	0.0	0.6	0.0	-	0.0	-	0.0	0.0	-	-	0.0

Source: DCSF SFR23/2009 (2009)

Figure B2: Participation in post-16 school based learning, by ethnicity, 2007/08 to 2008/09

	2007/08		2008/09		% of w.age population 2007
	No.	%	No.	%	
Asian Or Asian British - Bangladeshi	600	0.3%	700	0.4%	0.5%
Asian Or Asian British - Indian	2,200	1.2%	1,800	1.0%	1.5%
Asian Or Asian British - Pakistani	3,700	2.1%	3,500	1.9%	2.1%
Asian Or Asian British - Any Other Asian Background	1,100	0.6%	1,100	0.6%	0.4%
Black Or Black British - African	1,100	0.6%	1,100	0.6%	0.6%
Black Or Black British - Caribbean	100	0.1%	100	0.1%	0.4%
Black Or Black British - Any Other Black Background	500	0.3%	400	0.2%	0.1%
Chinese	1,400	0.8%	1,500	0.8%	1.1%
Mixed - White And Asian	700	0.4%	600	0.4%	0.4%
Mixed - White And Black African	300	0.2%	200	0.1%	0.2%
Mixed - White And Black Caribbean	400	0.2%	400	0.2%	0.4%
Mixed - Any Other Mixed Background	1,200	0.7%	1,000	0.5%	0.3%
White - British	153,500	86.8%	158,800	86.6%	89.4%
White - Irish	400	0.2%	500	0.3%	1.0%
White - Any Other White Background	3,100	1.8%	3,600	2.0%	1.7%
Any Other	1,000	0.6%	1,000	0.6%	*
Not Known/Not Provided	2,300	1.3%	2,000	1.1%	*
	176,800		183,300		

Source: PLAMS 2007/08 2008/09

Figure B3: Participation in all FE and work based learning, by ethnicity, 2007/08 to 2008/09

	2007/08		2008/09		% of w. age population 2007
	No.	%	No.	%	
Asian Or Asian British - Bangladeshi	4,800	0.8%	5,700	0.9%	0.5%
Asian Or Asian British - Indian	7,200	1.2%	7,800	1.2%	1.5%
Asian Or Asian British - Pakistani	16,900	2.9%	18,400	2.9%	2.1%
Asian Or Asian British - Any Other Asian Background	3,600	0.6%	4,400	0.7%	0.4%
Black Or Black British - African	8,200	1.4%	9,000	1.4%	0.6%
Black Or Black British - Caribbean	3,400	0.6%	3,500	0.6%	0.4%
Black Or Black British - Any Other Black Background	1,800	0.3%	2,000	0.3%	0.1%
Chinese	2,700	0.5%	2,600	0.4%	1.1%
Mixed - White And Asian	1,700	0.3%	2,000	0.3%	0.4%
Mixed - White And Black African	1,700	0.3%	1,900	0.3%	0.2%
Mixed - White And Black Caribbean	3,100	0.5%	3,400	0.5%	0.4%
Mixed - Any Other Mixed Background	1,900	0.3%	2,100	0.3%	0.3%
White - British	491,600	83.9%	534,200	83.8%	89.4%
White - Irish	3,000	0.5%	3,300	0.5%	1.0%
White - Any Other White Background	15,300	2.6%	17,000	2.7%	1.7%
Any Other	6,500	1.1%	7,100	1.1%	*
Not Known/Not Provided	12,600	2.1%	13,400	2.1%	*
Total	**585,900**		**637,700**		

Source: ILR WBL 2007/08, F05 2007/08, ER 2008/09, LR 2008/09, ONS (2010) Experimental Population Estimates by Ethnic Group for 2007

Figure B4: Age profile of FE and WBL participants, 2008/09

	Up to 18 years old	19 to 24	25+ years old	Total
Asian Or Asian British - Bangladeshi	32%	18%	51%	5,700
Asian Or Asian British - Indian	30%	17%	53%	7,800
Asian Or Asian British - Pakistani	34%	20%	46%	18,400
Asian Or Asian British - Any Other Asian Background	20%	15%	65%	4,400
Black Or Black British - African	19%	15%	66%	9,000
Black Or Black British - Caribbean	26%	16%	58%	3,500
Black Or Black British - Any Other Black Background	22%	18%	60%	2,000
Chinese	24%	15%	61%	2,600
Mixed - White And Asian	40%	20%	40%	2,000
Mixed - White And Black African	29%	18%	53%	1,900
Mixed - White And Black Caribbean	48%	22%	29%	3,400
Mixed - Any Other Mixed Background	36%	21%	43%	2,100
White - British	31%	18%	51%	534,200
White - Irish	14%	11%	74%	3,300
White - Any Other White Background	9%	22%	69%	17,000
Any Other	16%	17%	67%	7,100
Not Known/Not Provided	20%	14%	65%	13,400
Total	30%	18%	52%	637,700

Source: ILR ER 2008/09, LR 2008/09

Figure B5: Course type of post-16 school based learning, by Ethnicity, 2007/08 to 2008/09

	GCE / AS / A2 Level	BTEC	GCSE	NVQ	Diploma	VRQ (Vocationally Related Qualifications)	Other
Asian Or Asian British - Bangladeshi	88%	3%	4%	0%	0%	1%	1%
Asian Or Asian British - Indian	94%	1%	1%	0%	0%	1%	1%
Asian Or Asian British - Pakistani	91%	2%	4%	0%	0%	2%	1%
Any Other Asian Background	87%	2%	4%	0%	0%	1%	2%
Black Or Black British - African	68%	6%	8%	1%	0%	5%	10%
Black Or Black British - Caribbean	88%	1%	2%	0%	1%	4%	1%
Black Or Black British - Any Other Black Background	80%	5%	3%	1%	0%	4%	3%
Chinese	91%	1%	3%	0%	0%	1%	1%
Mixed - White and Asian	89%	2%	1%	0%	0%	2%	1%
Mixed - White and Black African	88%	3%	3%	0%	0%	4%	0%
Mixed - White and Black Caribbean	85%	4%	2%	0%	1%	1%	2%
Mixed - Any Other Mixed Background	89%	3%	2%	0%	1%	2%	1%
White - British	87%	4%	2%	0%	1%	2%	1%
White - Irish	88%	1%	0%	0%	2%	1%	0%
White - Any Other White Background	88%	4%	2%	0%	0%	1%	1%
Total	86%	4%	2%	0%	1%	2%	2%

Source: PLAMS 2007/08 2008/09

Fig B6 Participation in Apprenticeships, by ethnicity, 2007/08 to 2008/09

	2007/08		2008/09	
	Advanced Apprenticeship	Apprenticeship	Advanced Apprenticeship	Apprenticeship
Asian Or Asian British - Bangladeshi	0.4%	1.2%	0.7%	1.0%
Asian Or Asian British - Indian	0.4%	0.4%	0.4%	0.5%
Asian Or Asian British - Pakistani	0.6%	1.0%	0.7%	0.9%
Asian Or Asian British - Any Other Asian Background	0.1%	0.2%	0.2%	0.2%
Black Or Black British - African	0.2%	0.2%	0.2%	0.2%
Black Or Black British - Caribbean	0.1%	0.2%	0.2%	0.2%
Black Or Black British - Any Other Black Background	0.1%	0.1%	0.1%	0.1%
Chinese	0.1%	0.1%	0.1%	0.1%
Mixed - White And Asian	0.1%	0.2%	0.2%	0.2%
Mixed - White And Black African	0.1%	0.2%	0.1%	0.1%
Mixed - White And Black Caribbean	0.4%	0.4%	0.4%	0.4%
Mixed - Any Other Mixed Background	0.2%	0.2%	0.2%	0.3%
White - British	96.1%	94.1%	95.2%	93.6%
White - Irish	0.2%	0.2%	0.2%	0.2%
White - Any Other White Background	0.4%	0.8%	0.5%	0.9%
Any Other	0.2%	0.2%	0.2%	0.3%
Not Known/Not Provided	0.4%	0.4%	0.5%	0.7%
Total	**25,400**	**40,300**	**27,800**	**40,700**

Source: ILR WBL 2007/08, ILR ER 2008/09

Figure B7: Participation in the 10 most commonly studied subjects in school based post-16 learning, by Ethnicity, 2007/08 to 2008/09

	General Studies	Maths	Business Studies / Economics	Biology	Psychology	ICT	Chemistry	History	English Literature	English Language
White - British	11%	8%	6%	5%	5%	4%	4%	4%	4%	4%
White - Irish	11%	8%	5%	6%	2%	2%	5%	7%	6%	3%
White - Any Other White Background	10%	10%	5%	5%	3%	4%	5%	5%	5%	2%
Asian Or Asian British - Bangladeshi	7%	10%	9%	7%	6%	4%	8%	1%	4%	3%
Asian Or Asian British - Indian	12%	13%	9%	12%	5%	6%	11%	2%	1%	2%
Asian Or Asian British - Pakistani	9%	11%	7%	10%	6%	4%	10%	1%	2%	2%
Asian Or Asian British - Any Other Asian Background	8%	14%	6%	12%	4%	4%	10%	2%	2%	2%
Black Or Black British - African	6%	11%	9%	7%	3%	4%	6%	2%	2%	2%
Black Or Black British - Caribbean	10%	10%	5%	7%	8%	1%	7%	4%	2%	6%
Black Or Black British - Any Other Black Background	7%	8%	6%	7%	3%	5%	6%	2%	4%	3%
Chinese	12%	19%	7%	7%	2%	5%	9%	2%	2%	2%
Mixed - White And Asian	10%	10%	5%	8%	4%	3%	8%	3%	4%	4%
Mixed - White And Black African	11%	8%	7%	9%	5%	2%	5%	3%	4%	3%
Mixed - White And Black Caribbean	9%	9%	4%	7%	5%	5%	6%	3%	5%	3%
Mixed - Any Other Mixed Background	13%	9%	8%	7%	3%	3%	6%	4%	4%	3%
Total	10%	8%	6%	5%	4%	4%	4%	4%	4%	3%

Source: PLAMS 2007/08 2008/09

Figure B8: FE and work based learning Tier 1 sector subject area, by Ethnicity, 2008/09

	Health, Public Services And Care	Science And Mathematics	Agriculture, Horticulture And Animal Care	Engineering And Manufacturing Technologies	Construction, Planning And The Built Environment	Information And Communication Technology	Retail And Commercial Enterprise	Leisure, Travel And Tourism	Arts, Media And Publishing	History, Philosophy And Theology	Social Sciences	Languages, Literature And Culture	Education And Training	Preparation For Life And Work	Business, Administration And Law	Total
Asian Or Asian British - Bangladeshi	1%	1%	0%	0%	0%	1%	1%	0%	1%	1%	1%	1%	0%	2%	1%	1%
Asian Or Asian British - Indian	1%	3%	0%	1%	0%	2%	1%	1%	1%	1%	3%	1%	2%	2%	1%	1%
Asian Or Asian British - Pakistani	2%	7%	1%	2%	1%	3%	1%	2%	3%	2%	6%	3%	3%	5%	3%	3%
Asian Or Asian British - Any Other Asian	1%	1%	0%	0%	0%	1%	0%	0%	0%	0%	0%	1%	0%	1%	0%	1%
Black Or Black British - African	2%	2%	0%	1%	0%	2%	1%	1%	1%	2%	1%	1%	1%	2%	1%	1%
Black Or Black British - Caribbean	1%	0%	0%	0%	0%	1%	1%	1%	1%	1%	1%	0%	0%	1%	0%	1%
Black Or Black British - Any Other Black	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%	0%	0%
Chinese	0%	1%	0%	0%	0%	0%	0%	0%	1%	0%	1%	1%	0%	1%	0%	0%
Mixed - White And Asian	0%	1%	0%	0%	0%	0%	0%	0%	0%	1%	1%	0%	0%	0%	0%	0%
Mixed – White And Black African	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Mixed - White And Black Caribbean	0%	1%	0%	0%	0%	0%	0%	1%	1%	1%	1%	1%	0%	1%	0%	1%
Mixed - Any Other Mixed Background	0%	0%	0%	0%	0%	0%	0%	0%	1%	1%	0%	0%	0%	0%	0%	0%
White - British	85%	79%	92%	88%	93%	83%	87%	85%	85%	85%	82%	82%	88%	74%	88%	84%
White - Irish	1%	0%	1%	0%	1%	1%	0%	0%	1%	1%	0%	1%	1%	0%	0%	1%
White - Any Other White Background	2%	1%	1%	2%	2%	2%	3%	1%	2%	1%	1%	3%	2%	5%	2%	3%
Any Other	1%	1%	0%	1%	0%	1%	1%	0%	1%	1%	1%	1%	1%	2%	1%	1%

Figure B9: Students from the North West Subject of HE study, broad JACS, by Ethnicity, 2008/09

	Black or Black British - Caribbean	Black or Black British - African	Other Black background	Asian or Asian British - Indian	Asian or Asian British - Pakistani	Asian or Asian British - Bangladeshi	Chinese	Other Asian background	Other (including mixed)	White	Total
Medicine and Dentistry	1%	3%	2%	13%	6%	5%	7%	10%	5%	2%	3%
Subjects allied to Medicine	14%	23%	15%	18%	13%	10%	10%	21%	12%	15%	15%
Biological Sciences	7%	5%	7%	6%	8%	7%	6%	7%	8%	7%	7%
Veterinary Sciences, Agriculture and related subjects	0%	0%	1%	0%	0%	0%	1%	0%	0%	1%	1%
Physical Sciences	2%	3%	2%	3%	3%	4%	5%	3%	3%	4%	4%
Mathematical and Computer Sciences	5%	7%	7%	8%	9%	10%	11%	10%	5%	5%	5%
Engineering	3%	7%	4%	3%	4%	2%	6%	7%	4%	4%	4%
Technologies	2%	1%	1%	1%	1%	1%	2%	1%	1%	1%	1%
Architecture, Building and Planning	3%	2%	2%	3%	3%	3%	4%	2%	2%	3%	3%
Social studies	16%	13%	14%	7%	9%	10%	5%	5%	9%	9%	9%
Law	5%	4%	5%	6%	10%	8%	3%	4%	5%	3%	3%
Business and Administrative studies	16%	18%	20%	16%	18%	21%	22%	13%	12%	10%	11%
Mass Communications and Documentation	3%	1%	2%	1%	1%	1%	1%	1%	3%	2%	2%
Linguistics, Classics and related subjects	1%	1%	2%	2%	2%	2%	1%	1%	4%	3%	3%
European Languages, Literature and related subjects	2%	1%	3%	1%	0%	0%	1%	1%	3%	2%	2%
Eastern, Asiatic, African, American and Australasian Languages, Literature and related subjects	0%	0%	1%	0%	1%	0%	1%	1%	1%	0%	0%
Historical and Philosophical studies	1%	1%	2%	1%	2%	2%	1%	1%	4%	4%	4%
Creative Arts and Design	7%	2%	4%	3%	2%	4%	6%	3%	8%	7%	6%
Education	8%	4%	6%	7%	6%	7%	3%	6%	7%	11%	10%
Other	4%	2%	4%	3%	2%	1%	2%	3%	3%	5%	5%

Source: HESA 2008/09

Appendix C

Best practice case studies

Experian™

Young People - Achieving at School

The Shaathi Mentoring Project in the London Borough of Tower Hamlets provides a successful example of a BME mentoring scheme. The service was established by the Brick Lane Youth Development Association (BLYDA) in order to provide role models to Bengali youths aged between 8 and 18. Tower Hamlets is one of the most deprived boroughs in England and over half the population are from BME groups, with a third of these from Bangladeshi families. The Shaathi project (Shaathi means friend in Bengali) recruits older people from the community to act as mentors, with each mentor working with up to three young people. The mentors are matched with young people brought into the scheme through networks the BLYDA has built, for example with schools, Youth Offending Teams, Pupil Referral Units, social services, the police and parents. This means that those young people who have behavioural problems or who have offended for the first time can gain support. Moreover, this support comes from people from the same community and ethnic group as them who have knowledge and experience of living in similar circumstances, and this means that support and advice is practical and relevant.

Mentor and 'mentee' meet once a week, and attendance and engagement with the programme are encouraged through group outings, such as skating or bowling. Because the mentors are not directly working with schools, the police, or other official bodies, they present a friendly, non-threatening person with whom a 'mentee' can discuss real concerns they have but might feel unable to raise with other people.

The Shaathi project acquired the Approved Provider Standard (APS) in 2006 and Investing in Volunteers (IIV) status in 2008.

Mentors are also used to inspire aspiration and supply information for a certain area, of which existing role models do not have experience. For example, children of parents who have not gone to university are less likely to go to university themselves, compared to children of parents who have, and so mentors can provide role models to show young people that higher education is within their grasp if they work hard.

In Leeds, for example, BME undergraduate or postgraduate students from the local universities work in local schools and colleges in the most socially and economically deprived areas of Leeds to provide strong role models for BME school children. The aim of this project is to improve the grades of the student and, ultimately, to encourage them to stay in education after they turn 16 and to go to university. Mentors are paid £50 a day and spend a day each week in the school where they work with up to twelve students. As well as help with school work, mentors provide more personal support, such as confidence building. An evaluation in 2003/04 found that 83% of Year 11 mentored BME students met or overachieved their Fischer Family Trust GCSE points target.

These kinds of projects can provide important sources of support for young people, and if they are formulated and led by local communities they are likely to be more culturally sensitive and relevant to young people. Through early and personalised intervention, young people who might be in danger of becoming NEET can be saved from falling away from the labour market.

Case Study: Organisations developing BME staff

Integrity Coaching and Development have been active in calling for more career support for BME staff, and offer coaching services for BME staff to move up into leadership by ensuring they get informal mentoring, take on the right kind of roles and planning effectively for the future. This support is tailored for either career starters or people already in middle management/executive roles. They also work with local authorities to help them understand the barriers BME teachers may face.

For school governors similar work is being undertaken by a charity called School Governors' One-Stop Shop. They offer support for people who aspire to such roles, so that they can take the opportunities when they are available.

Chynoweth, C. (2008) 'Diversity in School Leadership' accessed at
http://www.naht.org.uk/welcome/resources/library/features/diversity-in-leadership/

Young People – Transition to HE/Work

Case Study: Increasing BME employment in certain sectors

The Black Lawyers Directory has sponsored a 9 month course called Legal Launch Pad, which is designed to get BME students pupillages and training contracts, because of concerns that while there are many trainees comparatively few get from there into the legal profession as a result of a lack of background knowledge and careers advice. This would evidently be an area where the NWDA could add value, by looking into whether the course can be offered in the Northwest, and evaluating how effective the course is.

An interesting example in London is the Black Training & Enterprise Group who are running a project called Apprenticeships for Me which works with providers and employers to boost the number of ethnic minority apprentices.

Source: http://www.onlinebld.com/index.html

Participation in Employment – In work progression

The Get Connected Programme operates in Yorkshire and Humber and aims to raise the voice and representation of Muslim women in the region.

It is a strategic mentoring scheme which supports identified Muslim women to move into senior positions in private, public and voluntary sectors.

To date the scheme has 22 applicants who have been drawn largely from west and south Yorkshire and they have been paired up with 22 mentors in a range of senior positions both men and women and BME and non-BME backgrounds.

The women receive 3 days of customised leadership training and from there they are introduced to their mentors who they meet on a regular basis. A needs led development package is put in place to facilitate this process and to ensure that both the mentee and the mentor gain the most from it.

The scheme is currently being funded by CLG and RIEP and it is being considered for national roll out such has been its success. It has been seen as a good example of innovation by the third sector and the programme looks set to meet its targets – these include that within the first 2 years 3-5 women will reach senior leadership positions.

There is real scope for a scheme of this nature to operate within the Northwest and there may be opportunities to partner with Yorkshire and Humber to do this.

Source: Telephone interview 01/04/10

Appendix D

About us

Experian™

Experian

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Combining its unique information tools and deep understanding of individuals, markets and economies, Experian partners with organisations around the world to establish and strengthen customer relationships and provide their businesses with competitive advantage.

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Our capabilities include:

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We provide policymakers with accurate information on economic performance and the behaviour of citizens and their demand for services now and in the future.

Understand citizens and businesses
We provide a detailed understanding of customers and their needs, to optimise the delivery of services and improve social outcomes.

Operational efficiency

Optimise communication
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Maximise service delivery
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