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# ***Intern culture***

***A literature review of internship reports,  
guidelines and toolkits from 2009-2011***

May 2012

Commissioned by

**ARTQUEST**

Authors:

Dr. Sophie Hope, Lecturer, Department of Media and Cultural Studies at Birkbeck, University of London

Joanna Figiel, PhD candidate at Centre for Cultural and Policy Management, City University London



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# Foreword

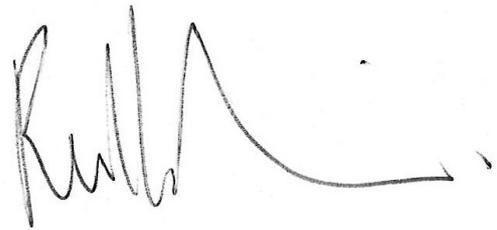
The past few years have seen a rash of reports, policy documents, discussion papers, guidelines and debate around the subject of internships in the visual arts. An organisation looking to offer internships – as well as prospective interns themselves – would be forgiven for finding the legal and social context for their work little clearer now, despite the best intentions of Government, Arts Council England and various think tanks. The publications included in this review suggest various approaches: from those staunchly advocating paid-for or unpaid internships; strict legal guidelines to a laissez faire approach; and even a range of ways to define the concept of ‘work’, important when considering National Minimum Wage (NMW) legislation.

This literature review doesn’t seek to add to the legal debate around what internships are, how they might be structured, or what benefits they bring – instead, we want to open a debate on the moral implications of endorsing and encouraging free labour, often supplied by those who can least afford it, and the wider cultural context within the visual arts of accepting the status quo. It is our view that much-vaunted and well-funded programmes to encourage diversity in the arts can’t succeed without a sea-change in how the arts operate, are valued, and might be accessed by everyone, regardless of their social or cultural background.

**Artquest**, working with University of the Arts London’s **Widening Participation** programme and **Common Practice**, is launching nine new

internships for graduates in 2012. Paid above the London Living Wage, and working on high-quality projects, interns from amongst the lowest socio-economic backgrounds will be supported in making the first steps toward a professional working life. Without this programme, these graduates would face insurmountable obstacles in gaining a toehold on the career ladder. This review and its research will also form an important part of the guidance we give to Common Practice and their interns throughout the programme.

I would like to thank Dr. Sophie Hope at Birkbeck and Joanna Figiel at City University London for their research and work on this review.

A handwritten signature in black ink, appearing to read 'Russell Martin', written over a light grey grid background.

Russell Martin  
Artquest

# About Artquest

**Artquest** was launched in 2001 to encourage critical engagement and provide practical support to visual artists at any stage in their careers. We provide a free to access website comprising over 2,000 pages of advice, information, articles and guides written by artists, for artists, aiming to demystify the art world, provide practical tools for career development, and a critical network of support. Working with over 70 partners in the last ten years, Artquest aims to answer any type of question any artist has, any time.

Artquest is supported by University of the Arts London and Arts Council England.

Forthcoming and recent initiatives include:

- Artelier – a free website for artists around the world to meet, network, exchange studios and collaborate
- Free online legal advice for visual artists based in London
- Ongoing publication of online films demystifying artistic practice
- Guides to art scenes around the world
- Residencies in Berlin, Amsterdam, Madrid and Sydney, as well as in collections in London
- An ongoing low-cost talks programme on the practical elements of artistic practice.

University of the Arts London's (UALs)

**Widening Participation** programme is a strategic objective of the Higher Education Funding Council for England (HEFCE) and aims to address the under-representation in higher education of those from lower-income families, those with disabilities and

those from some ethnic groups. UAL runs summer schools and workshops for young people eligible for the Widening Participation programme to help prepare them for life in Higher Education, guaranteeing those who take part an interview at one of UAL's six colleges: Camberwell College of Arts; Central Saint Martins College of Arts and Design; Chelsea College of Art and Design; London College of Communication; London College of Fashion; and Wimbledon College of Art. UAL also supports Widening Participation students during their time studying through regular contact and assistance from its Progression Managers at each college, helping student retention and development after graduation.

**Common Practice** is an advocacy group working for the recognition and fostering of the small-scale contemporary visual arts sector in London. The group aims to promote the value of the sector and its activities, act as a knowledge base and resource for members and affiliated organisations, and develop a dialogue with other visual art organisations on a local, national and international level. The group's founding members are Afterall, Chisenhale Gallery, Electra, Gasworks, LUX, Matt's Gallery, Mute Publishing, The Showroom and Studio Voltaire – together representing a diverse range of activities including commissioning, production, publishing, research, exhibitions, residencies and artists' studios.

For more information, please visit:

- [www.artquest.org.uk](http://www.artquest.org.uk)
- [www.commonpractice.org.uk](http://www.commonpractice.org.uk)
- [www.arts.ac.uk/wideningparticipation](http://www.arts.ac.uk/wideningparticipation)

# About the authors

**Sophie Hope's** practice based research focuses on the relationships between art and society. She has worked as an independent curator (as one half of the curatorial partnership B+B), a writer and evaluator of public and socially engaged art and is a lecturer in arts management in the Media and Cultural Studies Department at Birkbeck, University of London.

Sophie has developed a number of practical projects through which to research cultural policy, labour conditions and community art histories in the UK. These include a three-year participant-led investigation into socially engaged art ('Critical Friends' 2008-2011) and a large-scale community performance in a Dutch new town ('Het Reservaat' 2007). Her PhD (completed in 2011), entitled: 'Participating in the Wrong Way? Practice Based Research into Cultural Democracy and the Commissioning of Art to Effect Change' explored the limits and possibilities of criticality in the context of an artists' contract.

[www.bbk.ac.uk/culture/](http://www.bbk.ac.uk/culture/)  
[www.sophiehope.org.uk](http://www.sophiehope.org.uk)  
[s.hope@bbk.ac.uk](mailto:s.hope@bbk.ac.uk)

**Joanna Figiel** is a PhD candidate in the Department of Cultural Policy & Management in the School of Arts, City University London. Her research focusses on issues of free labour and internships, as well as precarity and policy, within the creative and cultural sectors.

She completed her MA in the Centre for Cultural Studies, Goldsmiths. Joanna is also a member of the University for Strategic Optimism and the Precarious Workers Brigade.

[universityforstrategicoptimism.wordpress.com](http://universityforstrategicoptimism.wordpress.com)  
[precariousworkersbrigade.tumblr.com](http://precariousworkersbrigade.tumblr.com)  
[joanna.figiel.1@city.ac.uk](mailto:joanna.figiel.1@city.ac.uk)

# List of abbreviations

ACE	Arts Council England
BECTU	Broadcasting, Entertainment, Cinematograph and Theatre Union
BIS	Department of Business, Innovation and Skills
CCS	Creative & Cultural Skills
CIPD	Chartered Institute of Personnel and Development
ECU	Equality Challenge Unit
GLA	Greater London Authority
GPCF	Gateway to the Professions Collaborative Forum
HMRC	Her Majesty's Revenue and Customs
IPPR	Institute for Public Policy Research
LCACE	London Centre for Arts and Cultural Exchange
LLW	London Living Wage
LPC	Low Pay Commission
NCWE	National Council for Work Experience
NIKS	National Internship Kitemark Scheme
NMW	National Minimum Wage
NUJ	National Union of Journalists
NUS	National Union of Students
SMF	Social Market Foundation
SROI	Social Return on Investment
UCU	University College Union

# Introduction

Why have internships become a focus of attention for policymakers, employers and activists over the recent years? The growing list of cultural establishments on an arts graduate's CV is testament to the pro bono hours of work carried out to support the creative industries, identified by the Coalition government as a 'growth sector' in the UK economy.<sup>1</sup> It has become increasingly normalised for graduates, especially in the arts, media and other creative industries, to undertake placements whilst at college and to continue unpaid internships well after graduation. This contested space between education and employment is where graduates take on necessary and sought after practical training, proving their commitment to their chosen career. It is also where employers can exploit the graduate's dedication and willingness to work for low pay or for free.

1. Social Market Foundation (SMF). 2010. *Disconnected: Social mobility and the Creative Industries*. London: SMF. p.15-16.

2. Oakley, K. 2009. 'Art Works' – cultural labour markets: a literature review. London: *Creativity, Culture and Education*. p.60.

3. National Union of Students and University College Union (NUS/UCU). 2011. *Internships: Advice to students unions and UCU members*. London: NUS. p.3.

Some of the reasons for the recent interest in this expandable zone of pre-employment, have been the increasing competition between more graduates (60% increase in creative arts and design graduates in the past decade)<sup>2</sup>; the active encouragement and funding from government for 'the professions' to take on interns in the bid to address the 'skills gap'; attempts to tackle the causes of exclusion of working class and migrant students from the creative industries workforce ('unpaid internships exploit those who can afford to do them, and exclude those who cannot')<sup>3</sup>; and concerns over the lack of enforcement of employment and National Minimum Wage (NMW) law in the UK, which means 'workers' can masquerade as 'interns.'

This review has been commissioned by Artquest and forms part of their research and development into establishing a paid internship programme for 'widening participation' arts graduates with the Common Practice group of arts organisations. This article is therefore concerned with the question of work-based training for arts graduates, specifically in the field of visual arts. The article maps recent literature on internships published in the UK between 2009-2011, focusing

on the aims, audiences and recommendations of a diverse spectrum of reports, guidelines and toolkits that have been published (mainly online) during this period. The overview and analysis of existing definitions and recommendations around internships aims to clarify some of the confusion and highlight some of the contradictions in the existing literature. The article is aimed at both those intending to embark on and currently undertaking an internship, organisations running internship schemes and those working to ensure fair employment practices are taking place.

‘Unleashing Aspiration: The Final Report of the Panel on Fair Access’, published in 2009 by the then Labour government and ‘Surviving internships. A Counter Guide to Free Labour in the Arts’ published in 2011 by the Carrot Workers Collective act as the book ends for this report. These documents represent the beginning and end of the chosen timeline for this study and also the opposite ends of the spectrum of literature on this subject.<sup>4</sup> ‘Unleashing Aspiration’ was a government initiative, while ‘Surviving Internships’ was a ‘grass roots’ collective effort written by, and aimed at, students, graduates and interns, informing them of their rights and warning them, through testimonies and tools, of the perils of exploitative internship scenarios. The selection of literature reviewed here demonstrates a range of positions, advice and proposals from the phasing out of unpaid internships all together<sup>5</sup> to ‘equalising opportunities’ for access to unpaid internships<sup>6</sup>.

This review begins with a brief introduction to the context and background of internships which leads on from Kate Oakley’s ‘Art Works. Cultural labour markets: a literature review’ commissioned by Creativity Culture and Education.<sup>7</sup> While the focus of this article is on internships, it feeds into broader discussions on art and labour, which Oakley’s review does well to cover. The main body of this review consists of a summary of the literature, which is themed around key issues to have emerged from the reading of the texts. These themes provide a narrative to the spectrum of voices, experiences and recommendations expressed in the literature. The summary begins with an overview of the language used in the literature,

4. While this review is based on 23 reports (the mini-reports on each of these can be downloaded as a separate document), there will be other documents that have escaped our attention and we welcome readers’ comments, suggestions and links to other references.

5. Institute for Public Policy Research (IPPR). July 2010. *Why Interns Need a Fair Wage*. London: IPPR.

6. SMF, *op. cit.*

7. Oakley, *op.cit.*

particularly the stress on social mobility in the government documents. This leads onto a review of the economic barriers to the professions and the different recommendations outlined in the report with regards to remuneration and divides the literature into documents that do not insist on paying interns and those that do.

This then leads to a section outlining the ways in which the literature makes the business case for paying interns, for example, by measuring an organisation's increased productivity. The legal case for paying interns is then considered based on the advice and suggestions on the issue of enforcement of employment law. This is followed by the practical concerns expressed over interns being the whistleblowers to trigger legal cases against organisations flouting employment law. The summary goes on to give an overview of the criteria given to measuring the quality of an internship and suggestions for an internship kitemark. The summary ends by problematising an issue inherent to internships in the arts: the expectation of paid, full-time, permanent employment. We conclude with what we term to be the proverbial elephant in the room: the case of charities and volunteer worker status, which sits outside the current National Minimum Wage (NMW) legislation and yet makes up a significant part of internships in the arts.

The appendices to this review include a selection of tools, contracts and checklists from the literature, a list of resources and a selection definitions from the literature of the terms intern/internship, placement, volunteer/volunteering, voluntary worker, worker and work experience. There is also a separate downloadable PDF that includes short reports on each of the documents.

# Background / context

8. Perlin, R. 2001. *Intern Nation*.  
New York: Verso.

In recent years, the term internship was imported to the UK from the US, where it was first used to describe trainee doctors, confined to a single/particular hospital for the duration of their placement.<sup>8</sup> One of the documents referred to in this review is London Centre for Arts and Cultural Exchange's (LCACE, now called The Cultural Capital Exchange) 'Work Placement Toolkit.' Written in 2008, it uses the term work placement to refer to "a period of work in industry which is recognised as a structured period of learning by the respective higher education and host institution of the student".

9. London Centre for Arts and Cultural Exchange (LCACE).  
February 2008. *Work Placement Toolkit*. London: LCACE. p.7.

In the glossary, LCACE quote The National Council of Work Experience (NCWE), which defined (in 2006) an internship as a "phrase that is increasingly used by large companies and refers to a placement within their organisation, usually over 6-12 weeks during the summer holiday".<sup>9</sup> The reference to this 2006 quotation shows that while 'work experience', 'placement' and 'work shadowing' may have been common terms at that time; 'internship' was only just being adopted by larger companies and applied to placements outside of study time. The label 'intern' has since then become ubiquitous and interchangeable with paid or unpaid placements, work experience and even part-time work or short-term contracts. While the word implies an element of work-based training it has become synonymous with obligatory, and often unpaid or expected to be unpaid, work carried out in order to gain entry to a profession. There is no agreed definition, with lengths of internships ranging from 2 weeks to 12 months, often referred to as being full time and based around set tasks (see Appendix C).

10. SMF, *op.cit.*, p.21.

11. NUS/UCU, *op. cit.*, p.6.

Nearly half of the creative workforce report having undertaken an unpaid internship.<sup>10</sup> Some studies suggest internships have been on the increase since the start of the recession.<sup>11</sup> According to one study, there has been an increase in the number of unpaid internships being undertaken in the creative industries with 20% of employers

12. SMF, *op.cit.*, p.24.

13. Low Pay Commission (LPC).  
2011. *National Minimum Wage. Low Pay Commission Report 2011.*  
London: LPC. p.81.

14. *ibid.*, p.82.

15. *ibid.*

16. *ibid.*, and p.98.

17. NUS/UCU, *op.cit.*

18. IPPR, *op.cit.*, p.6-8.

19. Creative & Cultural Skills.  
2009. *The Visual Arts Blueprint: A workforce development plan for the visual arts in the UK.* London: CC Skills. p.33.

20. See, [www.grb.uk.com/graduate-job-search/art-and-design-graduate-jobs](http://www.grb.uk.com/graduate-job-search/art-and-design-graduate-jobs)

21. Chartered Institute of Personnel and Development

planning to hire interns in summer of 2010 compared to 13% in summer of 2009.<sup>12</sup> The Low Pay Commission (LPC) refer to research carried out by the Higher Education Statistics Agency, which found (the latest figures are from 2008/9) that there has been a rise in the small proportion of all graduates undertaking voluntary or unpaid work six months after graduation (increasing from 1.1% to 1.6% from 2007/8).<sup>13</sup> The LPC also quote Intern Anonymous' survey of 235 ex-interns, which found that 82% of internships did not lead to employment with the organisation they interned for, and 83% said their employer did not help them with their search for jobs.<sup>14</sup> Over 40% of interns surveyed were unemployed and 37% had undertaken three or more internships.<sup>15</sup> LPC refer to evidence from NCWE who told the LPC that there is a growing practice of auctioning off prestigious internships and to Interns Anonymous's claim that there are agencies now charging businesses for supplying interns who then pay the intern a nominal wage and take a percentage of the intern's future salary arising from subsequent employment with that business.<sup>16</sup> NUS/UCU also address this relatively new phenomenon of third party agencies that charge companies to find interns.<sup>17</sup>

IPPR suggest that informal systems of unpaid internships tend to be concentrated in sectors that are 'competitive and attractive', that 'wield enormous power', that offer above-average wages and are often associated with higher socio-economic classes such as politics, creative industries, law and media industries.<sup>18</sup> It is worth noting, however, that in 2005, 60% of those employed in the visual arts earned less than the national median of £18,000 per year<sup>19</sup> and the average starting salary for arts graduates is reportedly £14,000 - £17,500 with a typical salary after training ranging from £20,000 - £32,000.<sup>20</sup>

The increase in unpaid internships is synchronous with rising youth unemployment. In 2009, the then Labour government launched the Backing Young Britain campaign, which aimed to bring businesses, public and voluntary sectors together to tackle rising graduate unemployment and prevent young people from becoming a 'lost generation'.<sup>21</sup> There was concern that as demand for unskilled labour reduces, 'employment

(CIPD). December 2009b.  
*Internships that work: A guide for employers.* London: CIPD. p.3.

22. *ibid.*

23. LPC, *op.cit.*, p.81.

24. SMF, *op. cit.*, p.15-16.

25. Wilson, T. 2012. *A Review of Business–University Collaboration.* London: BIS.

26. *Business, Innovation and Skills, Department of.* (BIS). June 2011 b. *Higher Education White Paper: Putting Students at the heart of higher education.* London: BIS. Paragraph 13.

27. *ibid.*

28. NUS/UCU, *op. cit.*

segregation' will increase. The government were interested in increasing the amount of people entering the professions and focused on social mobility as being part of the solution. This involved encouraging businesses to offer more internships to graduates and non-graduates.<sup>22</sup> By 2010, the LPC had been given a remit to include information and recommendations on internships as part of their reporting on the labour market position of young people.<sup>23</sup> This move was also related to the government's focus on the economic growth of professional sectors following the demise of manufacturing industries in the UK. The 'knowledge driven' creative industries have been identified as one of these 'growth sectors' by the Coalition government due to the generation and exploitation of intellectual property, their immunity from price competition and growing overseas demand.<sup>24</sup>

During the final stages of revising this report, the 'Wilson review' was published.<sup>25</sup> The review, written by Professor Sir Tim Wilson, the former vice-chancellor of the University of Hertfordshire, was commissioned as part of the Government's White Paper on Higher Education to "undertake a review into how we make the UK the best place in the world for university-industry collaboration".<sup>26</sup> The report focuses on business-university collaboration and the role universities play in the wider discussion of innovation and knowledge-based economy, as well as student issues such as employability, sandwich courses and internships. One of the recommendations of the report is that: "Ideally, every full-time undergraduate student should have the opportunity to experience a structured, university-approved undergraduate internship during their period of study".<sup>27</sup>

Much of the concern over the rise in internships as a necessary entry point into the professions is that the label of 'intern' often disguises exploitative labour conditions in professional working environments where a level of education is expected. Part of the problem that many of the reports reviewed here identify is the lack of information and education in the sectors as to what the employment law is. According to one report, only 10% of students are aware of the fact that unpaid internships are illegal.<sup>28</sup> The majority of the documents we

discuss here, however, are targeted at employers, rather than employees, informing them about their legal position and in some cases pointing out the existing loopholes in legislation and warning them of the risks of facing employment tribunals and/or prosecution.

The NMW Act was passed in 1998 during the Labour Government and in 2009 a new enforcement regime was introduced through the Employment Act of 2008, which made it an offence for organisations not to comply with NMW legislation. Cases could now be brought to the Crown Court by HM Revenue and Customs (HMRC), the enforcement body, without having to rely on the testimony of vulnerable workers.<sup>29</sup> This change also means that employers who do not pay NMW are now liable to an automatic penalty of £5,000 and compensation for workers who have had to wait for their wages by insisting that arrears are repaid at current rates.<sup>30</sup> The London Living Wage (LLW), introduced in 2005 as an election pledge of the then London Mayor Ken Livingstone, is voluntary and not enforced (it currently stands at £8.30 per hour).

While the terms ‘intern’ and ‘internship’ do not exist in NMW legislation and under the current legislation, unpaid internships can still be advertised, an individual with worker status must be paid full NMW for their age range.<sup>31</sup> There are also some exemptions from the NMW law – among those, students undertaking work placements of up to one year as part of further or higher education course. Internships are more often seen as part of an extended recruitment process whether they are “paid or unpaid, depending upon the employer’s policy about such schemes”.<sup>32</sup>

Volunteers are also exempt from NMW legislation. Volunteers are defined as those who are under no obligation to perform work or carry out instructions: they have no contract or formal arrangement and so can come and go as they please; they have no expectation of and do not receive any reward for the work they do.<sup>33</sup> Voluntary workers are the third category to be exempt. This includes those who are working for charities, voluntary organisations, associated fundraising bodies or

29. BIS. 2010b. *National Minimum Wage Compliance Strategy*. London: BIS. p.4.

30. *ibid.*, p.10.

31. From October 2011, NMW per hour is £6.08 (aged 21 and above; £4.98 (ages 18–20 inclusive) and £3.68 (ages 16–18). LPC, *op. cit.*, p.97.

32. It is worth noting here that the recent Wilson review recommends internships become compulsory for students. We are not sure how this proposal would then relate to the fact that these are also students who are already, or soon will be, paying around £9,000 for a year of university education. Even if undertaken

in the summer holidays (when a lot of students work to save for the academic year) those internships could well be unpaid. Wilson does not engage with other HM Government's reports that suggested the NMW laws should be enforced, and indirectly suggests the government or universities, rather than businesses, should bear some of the costs of the proposed internship schemes. The comment Wilson makes about internships constituting a part of an "extended interview process" is also worth noting. (See also, [www.studentnewspaper.org/news/1579-internships-improve-job-prospects-government-report-recommends](http://www.studentnewspaper.org/news/1579-internships-improve-job-prospects-government-report-recommends)). Wilson, op. cit.

statutory bodies. This latter exemption is to allow volunteers to operate in the voluntary and charitable sectors and receive reimbursement of reasonable expenses without minimum wage liability but at the same time allows other workers in these sectors the right to be paid at least NMW.<sup>34</sup>

33. Gateway to the Professions Collaborative Forum (GPCF). July 2011. Common Best Practice Code for High-Quality Internships. London: Trades Union Congress. p.9.

34. LPC, op. cit., p.97.

# Breakdown of literature

Of the 23 documents we have focused on here, seven are specifically aimed at interns, or recognise interns as a potential audience:

- NUS/UCU's *Internships: Advice to students unions and UCU members*, 2011
- The Arts Group's *Emerging Workers: a fair future for entering the creative industries*, 2010
- Carrot Workers Collective's *Surviving internships: A Counter Guide to Free Labour in the Arts*, 2011
- Intern Aware's *Are you free?*, 2009
- Greater London Arts's *A Fairer London: The 2011 Living Wage in London*, 2011 a;
- Equality Challenge Unit's *Work Placements in the arts and cultural sector: Diversity, equality and access*, 2010
- London Centre for Arts and Cultural Exchange's *Work Placement Toolkit*, 2008

The remaining 16 are targeted at policy-makers, higher education staff and/or employers. It is interesting that of these 23 documents, three have been produced by groups of activists or collectives and all three are aimed at interns themselves.<sup>35</sup>

35. These are the documents by Intern Aware, Carrot Workers Collective and The Arts Group.

36. See, [internsanonymous.co.uk](http://internsanonymous.co.uk); [precariousworkersbrigade.tumblr.com](http://precariousworkersbrigade.tumblr.com) and [graduatefog.co.uk](http://graduatefog.co.uk)

37. See, [www.tuc.org.uk/workplace/tuc-20615-f0.cfm](http://www.tuc.org.uk/workplace/tuc-20615-f0.cfm)

38. See, [arq.st/KFmcry](http://arq.st/KFmcry)

As well as the above groups that have published reports, there are a number of other initiatives and networks that have been focusing on challenging the unpaid internship culture, such as Interns Anonymous, the Precarious Workers Brigade and Graduate Fog.<sup>36</sup> Unions are also beginning to engage with the debate around internships. The TUC has recently partnered up with the NUS to launch a year of campaigning to 'protect interns from abuse', which will feature a 'Rights for Interns' smartphone application<sup>37</sup> and the National Union of Journalists have recently started a 'cash back for interns' campaign.<sup>38</sup>

Of the 23 documents, seven are government reports:

- Greater London Authority's *A Fairer London: The 2011 Living Wage in London*, 2011 a and *Culture and Volunteering*. An

introduction to volunteering across the arts and cultural sector in London, 2011 b

- BIS's *National Minimum Wage Compliance Strategy*, 2010b and their *Policy on HM Revenue & Customs enforcement, prosecutions and naming employers who flout national minimum wage law*, 2011 a
- HM Government's *Unleashing Aspiration: The Government Response to the Final Report of the Panel on Fair Access to the Professions*, 2009 and *Unleashing Aspiration: Final Report of the Panel on Fair Access to the Professions*, 2010
- Arts Council England's *Internships in the arts: A guide for arts organisations*, 2011

Some of these focus on broader policy issues such as the above mentioned 'Unleashing Aspiration: The Final Report of the Panel on Fair Access' and the government's follow-up response. Some are focused on the National Minimum Wage legislation such as the Department for Business Innovation and Skills' (BIS) two reports: 'National Minimum Wage Compliance Strategy' and their 'Policy on HMRC enforcement, prosecutions and naming employers who flout NMW law'. The GLA's 'A Fairer London: The 2011 Living Wage in London' also addresses this issue, as does the The Low Pay Commission's 2011 report, which as an independent statutory non-departmental public body advises the government about the NMW. In this latest report, the LPC suggested the HMRC were not doing enough to enforce the NMW.

We have included four documents that address internships, apprenticeships and placements as part of further or higher education: LCACE's 'Work Placement Toolkit',<sup>39</sup> the University of the Arts's 'Creative Graduate Internship Programme Report',<sup>40</sup> the Equality Challenge Unit's (ECU) 'Work Placements in the arts and cultural sector: Diversity, equality and access'<sup>41</sup> and NUS/UCU's 'Internships: Advice to students unions and UCU members'.<sup>42</sup>

Ten of the 23 documents discussed focus specifically on the creative industries or cross arts sectors.<sup>43</sup> The remainder refer more generally to all employment sectors. Skillset, for example, is the Sector Skills Council for the UK creative

39. London Centre for Arts and Cultural Exchange (LCACE). February 2008.

40. University of the Arts London (UAL). 2011 [Unpublished]

41. Equality Challenge Unit (ECU). 2010

42. NUS/UCU, *op.cit.*

43. These are: *The Arts Group 2010*, *Skillset 2010*, *Creative and Cultural Skills 2011*, *ACE 2011*,

Carrot Workers Collective 2011,  
Equality Challenge Unit 2010,  
Social Market Foundation 2010,  
University of the Arts London  
2011, LCACE 2008 and GLA 2011 b.

44. Carrot Workers Collective.  
2011. See [carrotworkers.wordpress.com](http://carrotworkers.wordpress.com)

45. The Arts Group. 2010. See  
[www.artsgroup.org.uk](http://www.artsgroup.org.uk)

46. GPCF. July 2011. London:  
Trades Union Congress.

47. IPPR, *op. cit.*

48. SMF, *op. cit.*

49. CIPD. September 2009a.  
London: CIPD.

50. CIPD. December 2009b.  
London: CIPD.

51. CIPD. June 2010. London: CIPD.

industries and Creative and Cultural Skills is the Sector Skills Council for craft, cultural heritage, design, literature, music and visual arts. ACE's 'Internships in the arts. A guide for arts organisations' (2011) also focusses on advice for arts organizations, while the GLA has produced a guide to 'Culture and Volunteering'. There are only two 'grass-roots' documents published to date that specifically speak to artists: they are the Carrot Workers Collective's "Surviving internships: A counter guide to free labour in the arts"<sup>44</sup> and the Arts Group's 'Emerging Workers: a fair future for entering the creative industries'.<sup>45</sup>

There have also been a number of reports on internships by think tanks and industry bodies. The Gateway to the Professions Collaborative Forum (GPCF), for example, produced 'Common Best Practice Code for High Quality Internships'<sup>46</sup> and the think-tank IPPR, together with the social enterprise Internocracy, published a briefing paper entitled 'Why Interns Need a Fair Wage'.<sup>47</sup> Another think tank, the Social Market Foundation, wrote 'Disconnected. Social mobility and the creative industries'<sup>48</sup> and The Chartered Institute of Personnel and Development (CIPD) have produced three documents relating to internships: 'The Internship Charter'<sup>49</sup>, 'Internships that Work'<sup>50</sup> and 'Internships: To pay or not to pay?'.<sup>51</sup>



# Summary of key themes

## Social mobility and/or social justice?

52. HM Government, 2009, *op. cit.*

New Labour's commitment to 'social mobility' is demonstrated in 'Unleashing Aspiration: Final Report of the Panel on Fair Access to the Professions'<sup>52</sup>, in which Alan Milburn emphasises the fact that social mobility is based on an individual's own efforts to unleash their 'pent-up' aspirations in order better themselves. An individual's ability to 'unleash their aspiration' and climb the social ladder is apparently not something that can be given to people, nor could it be done through 'just beating poverty'. Indeed, an individual's potential to succeed is presented as the answer to the 'employment segregation' that is occurring as demand for unskilled labour falls and there is a growth in professional, middle class employment. The focus for New Labour in this and the subsequent response from the government's 'Unleashing Aspiration: The Government Response to the Final Report of the Panel on Fair Access to the Professions'<sup>53</sup>, is on trying to get as many people 'with intellect, talent and potential' to get a foot on the ladder and make the ascent into a professional, economically rewarding career.

53. HM Government, 2010, *op. cit.*

54. GPCF, *op. cit.*

These reports and the subsequent 'Common Best Practice Code for High-Quality Internships'<sup>54</sup>, stress the benefits to business of recruiting from as wide a 'talent pool' as possible and that in the context of economic recovery we must 'make sure all available talent is used'. Our future, we are told, depends on not wasting any of that talent<sup>55</sup> and that this is necessary in order to 'drive tomorrow's economy and improve social progress'.<sup>56</sup>

55. HM Government 2010, *op. cit.*, p. 2-3.

56. GPCF, *op. cit.*, p.3.

57. For example, HM Government 2009, *op. cit.*, p.101.

There is a general agreement among most of the authors of the literature that entry to a professional career is becoming increasingly reliant on undertaking an internship, whether paid or unpaid.<sup>57</sup> There is an acknowledgement in both the 2009 and 2010 'Unleashing Aspiration' documents that a barrier to entering the professions is the fact that many internships are unpaid. Those lacking resources, funds or

58. GPCF, *op. cit.*, p.3.

59. IPPR, *op. cit.*, p. 9.

60. *ibid.*, p.7.

61. *ibid.*, p.4.

62. *ibid.*, p.8.

63. ECU, *op. cit.*

64. SMF, *op. cit.*, p. 26.

65. *ibid.*, p. 27.

66. IPPR, *op. cit.*

who are disadvantaged geographically, are unable to take up these internship places resulting in a less diverse workforce. GPCF identify that unpaid internships are preventing some of the 'most disadvantaged individuals' from realising their aspirations<sup>58</sup> and IPPR in their report 'Why Interns Need a Fair Wage' quote the LPC's 2010 report which concludes that "there is systematic abuse of interns, with a growing number of people undertaking 'work'; but excluded from the minimum wage".<sup>59</sup> IPPR argue that while internships are seen as 'career-changing opportunities'<sup>60</sup>, the practice of not paying interns actively excludes young people who are unable to work for free, thus perpetuating inequality and 'dampening opportunities for social mobility'.<sup>61</sup> Furthermore, IPPR argue "unpaid internships play a small part in helping to perpetuate the exclusion of people from certain backgrounds from influential roles and continuing inequalities in power".<sup>62</sup> The ECU in their report 'Work Placements in the arts and cultural sector: Diversity, equality and access' point to challenges that students, especially "disabled students, black and minority ethnic students, and those from disadvantaged socioeconomic backgrounds" experience while trying to access or complete a work placement or an internship.<sup>63</sup> The report addresses the fact that such difficulties may have negative consequences for the arts and cultural sector in general, for example by marginalising potential audience appeal and limiting sector expansion. SMF claim that "evidence suggests that art and design graduates have better employment prospects if they have undergone work experience prior to entering the labour market...generally therefore, young people are making a sound investment doing an unpaid internship".<sup>64</sup> But, they suggest, "credit constraints prevent young people from lower socio-economic groups being able to afford to undertake unpaid internships".<sup>65</sup>

Other barriers to entering the professions alongside the obvious financial ones identified in the reports include the issue that many of the professional industries, such as media, culture and politics (sectors in which unpaid internships are rife) are based on 'informal economies'.<sup>66</sup> The reports point out that those who find themselves outside of these networks will have less chance of entering those professions,

67. SMF, *op. cit.*, p. 29.

68. *ibid.*, p. 13.

69. *ibid.*, p.19.

70. *ibid.*

71. For example, see Skillset, *op. cit.*

72. HM Government 2009, *op. cit.*

73. See, [graduatetalentpool.direct.gov.uk/cms/ShowPage/Home\\_page/plecaaefg](http://graduatetalentpool.direct.gov.uk/cms/ShowPage/Home_page/plecaaefg)

74. IPPR, *op. cit.*, p.6.

as the informal ‘who you know’ recruitment process “put[s] those who lack the right networks at a huge disadvantage”.<sup>67</sup> SMF identify further reasons for poor social representation in the creative industries, such as the fact that entry to the professions is often dependent on having a degree and that there is often poor careers advice.<sup>68</sup> SMF also suggest that unstable and precarious employment patterns in the creative industries make the career less viable for those without a financial safety net.<sup>69</sup> For example, 34% of the creative workforce is either freelance or working on short-term employment contracts and project-based work is commonplace.<sup>70</sup>

To try and tackle this inequity, most of the documents refer to the need for transparency in the recruitment of interns.<sup>71</sup> ‘Unleashing Aspiration’<sup>72</sup> for example, suggests ‘openly advertised positions’ and suggests the government’s Talent Pool Internship Portal<sup>73</sup> (launched in July 2009) is an ideal vehicle for this. IPPR also suggest employers increase the transparency of the recruitment process by making sure all internships are widely advertised and appointed through a formal recruitment process. IPPR also refer to the Graduate Talent Pool, but point out that this resource does not require internships to be paid and that it is left to the employer to check whether they are complying with the NMW legislation.<sup>74</sup>

## **Economic barriers to the professions**

Most of the reports acknowledge the significance of internships as an entry point to the professions, recognise that there is a lack of diversity in the professions – in terms of class, economic background, ethnicity and gender – and that there are certain barriers in place, which prevent the professions from becoming more diverse. While the reports in the main identify economic barriers as a factor, not all of them recommend addressing the problem by paying interns. Indeed, there is a spectrum of suggestions as to how to tackle this issue. Intern Aware’s ‘Are you Free?’ report, for example, concedes that ‘Unleashing Aspiration’ failed to link the need to ensure social mobility through a fair internships scheme with the legal requirements of the National Minimum Wage. The emphasis in the government reports, for example, has been on the individual motivating himself or herself into employment and that those with talent and potential will succeed. These HM Government ‘Unleashing Aspiration’ reports do not insist on employers paying interns the NMW and instead recommend poorer graduates take out loans if they want to enter the professions. The onus here is firmly on the individual to invest (in themselves) and carry the burden of that debt rather than on enforcing the existing NMW law.

There is a focus in the literature produced by government on social mobility. As Mark Crawley, Director of Widening Participation, Progression and the National Arts Learning Network at University of the Arts London, pointed out in conversation, this focus on social mobility rather than social justice is somewhat problematic. A social justice approach would perhaps insist on removing economic barriers by recognising internships as work and enforcing the existing NMW legislation and insisting that employers treat their interns as employees. The ‘National Minimum Wage Compliance Strategy’<sup>75</sup> and ‘Policy on HM Revenue & Customs enforcement, prosecutions and naming employers’<sup>76</sup> reflect the government’s ‘vision’ that ‘everyone who is entitled to the NMW should receive it. The first document outlines how NMW legislation operates following the changes introduced

75. BIS, 2010b, *op. cit.*

76. BIS, 2011a, *op. cit.*

with the Employment Act of 2008, and the priorities and processes of HMRC in terms of tracking compliance, enforcement and prosecutions, and the latter focuses on enforcement measures.

What follows is an overview of the spectrum of opinions and recommendations represented in the reports:

## No insistence on NMW

77. These are: HM Government 2009 and 2010, GLA 2011 b, CIPD 2009a, 2009b and 2010 and SMF 2010.

78. HM Government, 2010, *op cit.*

79. GLA 2011 b, *op. cit.*, p.22.

80. CIPD, 2009b, *op. cit.*

81. CIPD, 2010, *op. cit.*

82. *ibid.*, p.4.

83. IPPR, *op. cit.*, p.10.

Of the reports covered in this review, six do not insist on NMW for interns.<sup>77</sup> These include, as mentioned above, both ‘Unleashing Aspiration’ reports (including the Graduate Talent Pool), which suggest a loan system for interns. While the proposal that interns draw on their existing student loans was rejected by HM Government due to the projected delivery costs that would be involved, the government did voice support for the idea of loans being made available through the Professional and Career Development Loans system and suggested that means-tested micro-loans could be a future possibility.<sup>78</sup> Such argument for loans for interns is synonymous with the notion of social mobility: interns would have to make an investment as individuals, because they, in the long run, would be the main beneficiaries of the internship. Such a loan system would also be reliant on an underlying premise that future (well) paid work would exist in order for the debts to be repaid. Well-paid, permanent employment is not very common in the arts, however, as discussed below.

In their ‘Culture and Volunteering’ guidelines published in 2011, the GLA do not mention internships, but explicitly advise charities to use volunteers to ‘help you achieve your vision’.<sup>79</sup> The CIPD state that while ‘ideally an intern should be paid a salary’ of at least the NMW, the quality of the experience for the intern remains the most important factor’.<sup>80</sup> CIPD suggest work-related expenses should be paid at a minimum.<sup>81</sup> They also point out that if a business has more than one intern at the same time, they should all be offered the same deal. CIPD suggest a ‘training wage’ for interns of the equivalent of the Apprentice NMW (currently £2.60 an hour, and £2.50 at the time of writing of the CIPD report) to ‘offer young people and employers a fair deal, promote social mobility, provide young people with valuable experience and help minimise exploitation in the workplace’.<sup>82</sup> This proposal is rejected by IPPR who suggest the CIPD reports should “contain stronger messages about intern pay” rather than only recommend that employers cover work-related expenses as a minimum.<sup>83</sup> IPPR stress that these CIPD documents do not make it clear

that interns are eligible for NMW if they are doing 'work', regardless of how long they are working for.

SMF focus on 'equalising opportunities' for access to unpaid internships, stating that "the question of fairness around unpaid internships [...] is not one about whether they should be paid or not. Rather, it is about whether the lack of payment restricts opportunities to the better off".<sup>84</sup> While SMF refer to evidence that "unpaid internships could be having a detrimental impact on social mobility in the creative industries" due to 'credit constraints'<sup>85</sup>, they highlight findings from their own survey, which discovered that: "credit constraints in particular are not decisive in preventing most young people from low-socio-economic groups undertaking unpaid internships. The majority, even among those from low income backgrounds, are clearly finding ways to be able to afford to do unpaid work".<sup>86</sup> The poll found that "57% of young people from a low socio-economic group report not being put off from a career that requires unpaid work to get into, compared to 59% of young people from high socio-economic group".<sup>87</sup> The results of this survey perhaps reflect the extent to which there is a perceived need to undertake unpaid internships among this age group, specifically in order to access work within the creative industries (57% perceived it as being important to undertake unpaid work to access the creative industries - *ibid*, p.33). The essay by Stephen Overell (in SMF), for example, cites the survey by Shooting People<sup>88</sup> that found that 81% of its members wanted to see advertisements for unpaid jobs on their website with 86% prepared to work unpaid and 78% objecting to being told they should not work for free.<sup>89</sup> SMF take the results of their survey as evidence that "credit constraints, or indeed any other constraint" are not deterring young people from lower socio-economic groups from participating in unpaid internships.<sup>90</sup> They suggest policymaking should therefore not be fixated solely on trying to address this. SMF use the results of their survey as reason enough not to recommend interns be paid, rather they focus on recommendations to "raise the quality and fairness of unpaid internships".<sup>91</sup> They do, however mention that those from lower socio-economic backgrounds are perhaps not doing internships in the creative industries or

84. SMF, *op. cit.*, p.27.

85. *ibid.*, p.28.

86. According to their survey, 59% said 712 16 to 25 year olds said they would not be put off from pursuing a career if accessing it involved unpaid work, and 28% said they would be. *ibid.*, p.35 and 38.

87. This is based on responses to the question, "To what extent do you agree or disagree with the following statement? Having to do unpaid work in an industry/ sector I was interested in would deter me from pursuing a career in that area". *ibid.*, p.32 and p.36. One could argue this is a leading question that suggests carrying out unpaid work demonstrates determination to pursue a career option.

88. See: [shootingpeople.org/about](http://shootingpeople.org/about)

89. SMF, *op. cit.*, p.81.

90. *ibid.*, p.39.

91. *ibid.*, p.45.

92. *ibid.*, p.40-41.

accessing the 'right types' or 'best' internship opportunities because they lack the social networks and access to "good information available to better-off young people".<sup>92</sup>

93. *LPC, op. cit.*, p.83.

The LPC report on the views of Actaeon Films, who do not support the view that unpaid internships are a barrier to social mobility and have stopped offering internships since the 'recent focus on the minimum wage'.<sup>93</sup> They proposed an exemption from the NMW should be made for internships lasting for up to 160 hours.<sup>94</sup> LPC also mention the British Chamber of Commerce, who propose a new category of 'intern worker' be created, which would not be entitled to NMW in order to encourage more firms to offer internship opportunities. While the LPC included these views in their report, their recommendations were to uphold the NMW and recommend its enforcement.

94. *ibid.*, p.100.

## Pro-NMW

95. These are: LPC 2011, ACE 2011 b, Skillset 2010, IPPR 2010, GPCF 2011, NUS/UCU 2011, The Arts Group 2010, UAL 2011, CWC 2011 and Intern Aware 2009.

96. LPC, *op. cit.*, p.101.

97. They define student internships as being carried out by full-time students who can continue to benefit from university accommodation and student loans. These types of internships can, they suggest, be unpaid, 'even if the individual is a worker' as they are carrying out the work as part of their full-time studies, however, they suggest the student intern is paid a 'basic wage' (they don't say how much, or if this should be NMW), 'in recognition of the value the intern brings to the organisation'. Skillset, *op. cit.*, p.3-4.

98. IPPR, *op. cit.*, p.10.

99. GPCF, *op. cit.*, p.9.

100. UAL, *op. cit.*

101. LPC, *op. cit.*, p.98.

102. CWC, *op. cit.*, p. 24.

Ten of the reports investigated here make specific recommendations that interns, if they fulfil worker status should be paid NMW.<sup>95</sup> LPC recommend stronger action needs to be taken on enforcement accompanied with better understanding of "when a legitimate unpaid work experience opportunity becomes a work placement that should be paid at least the NMW".<sup>96</sup> Similarly, Skillset defines general internships, when they are not part of a course of full-time education, should be categorised as 'work' and therefore employers should pay NMW.<sup>97</sup> ACE also recommends that where the intern fulfills 'worker status' they should be paid the NMW. IPPR argues employers should start from the assumption that internships should be paid.<sup>98</sup> They recommend the government phase out all unpaid internships in publicly funded organisations and that BIS and CIPD should ensure the private sector is fulfilling its legal obligations. GPCF state that internships must comply with current employment legislation and be paid at least the NMW and reimbursed for any necessary work-related expenses, suggesting that employers paying above the NMW are more likely to attract 'high calibre candidates'.<sup>99</sup> UAL, in their Graduate Internship scheme, insist hosts pay the interns at least NMW (although the scheme was not evaluated on its completion).<sup>100</sup>

The LPC calls for better enforcement of NMW and improved guidance 'to ensure existing exceptions were not abused'.<sup>101</sup> Intern Aware is lobbying the government to remove the loopholes that allow companies to pay interns nothing. The CWC guide does not make any concrete policy or legislation recommendations; in regards to the definition of 'workers', they state that even the NMW is too little as it 'discriminates on the basis of age and that even for its top contenders (people over 21) it amounts to between £ 10,000 and 12,000 per year i.e. totally unliveable!'.<sup>102</sup>

In 'Unleashing Aspiration' the government announce that £8 million of public funding will go to support up to 10,000

103. HM Government 2010, *op. cit.*, p.38.

104. Intern Aware, *op. cit.*

105. UAL, *op. cit.*

106. *ibid.*

undergraduates from low-income backgrounds to take up internships by giving them bursaries equivalent to the minimum wage with match funding from employers.<sup>103</sup> This seems to respond to The Arts Group's call for the creation of a fund for sponsoring interns. They suggest funding and bursaries should be made available to employers so that they are able to continue to offer internships that are genuine training and development opportunities. Intern Aware, however, report that while they support the government's internship scheme in the short-term, as a means to allow people from less privileged backgrounds access into the professions, they suggest that the scheme could lead employers to exploit unpaid work of interns at the expense of the state: "The measures that the government suggest work to alleviate current employment problems but remove responsibility from companies to operate on the principle that work should be remunerated."<sup>104</sup> There is also the issue that while there may be some subsidies for organisations to help pay staffing costs of interns, some smaller, charitable organisations are unable to make any financial contribution towards these costs. UAL's internship scheme, for example, contributed £ 100 a week to the employers hosting interns to help with these costs. Before embarking on the programme, however, UAL conducted a survey amongst a sample of creative sector employers and found that 85.9% were interested in offering a 3-6 month placement just over half said they would be able to pay the intern.<sup>105</sup> According to their report, UAL set up 100 internship places. 64 of these were completed or ongoing but 36 were discontinued. Reasons cited for this included the employer not having a PAYE system in place, the employers no longer having funds available, the graduate not being able to complete the entire internship, that the hosts were unable to recruit before the deadline or that they went with another graduate internship scheme where the graduate salary was fully subsidised.<sup>106</sup>

## The business case for paying interns - increasing productivity

107. GLA 2011 a, op. cit., p.31.

108. *ibid.*, p.5.

109. *Creative and Cultural Skills 2011*, op. cit., p.11.

110. CIPD 2009b, p.3.

111. *ibid.*, p.2.

112. IPPR, op. cit., p.13.

Some of the documents refer to the benefits to business of paying interns. Mayor Boris Johnson echoes the words of Guy Stallard, Head of Facilities at KPMG (who have been paying their interns the London Living Wage since 2006)<sup>107</sup>, by suggesting that adopting the LLW “reduces staff turnover and produces a more motivated and productive workforce”.<sup>108</sup> Creative and Cultural Skills’s (2011) report on their Creative Apprenticeships (CA) scheme found that CA’s are cost effective (bearing in mind they are cheaper to hire at only £2.50 an hour), in that they increase productivity and create savings on recruitment and induction costs compared to other entrants. Based on their calculations using Social Return on Investment (SROI) methods, 210 CA’s have created income worth a grand total of £2.4 million for the UK economy.<sup>109</sup> CIPD also identify the business benefits to having a quality internship programme as gaining a motivated member of staff, bringing new skills and perspectives and potentially improving productivity.<sup>110</sup> In a previous survey CIPD found that 63% of employers paid their interns at least the minimum wage with 92% of this group of employers pay above the NMW.<sup>111</sup> This sample, however, focused on bigger, commercial organisations; no arts organisations were included. IPPR make a practical suggestion to help employers cut costs by pooling resources and organising training collectively. They suggest this could be done with sector-specific or regionally based organisations by employing ‘time-share interns’ between larger and smaller private/public organisations.<sup>112</sup>

## The legal case for paying interns - law enforcement

113. CIPD 2009b, *op. cit.*, p.3.

114. BIS 2010b, *op. cit.*, p.6.

115. For example, those by IPPR, The Arts Group and Intern Aware.

116. LPC, *op. cit.*, p.98.

117. *ibid.*

118. As one of the group's representatives commented during the panel session at the NUS/TUC Campaign for Fair Internships Launch on 13 February 2012, the HMRC told Intern Aware it is currently 'aspiring' to enforce the law (authors' notes).

119. CIPD 2010, *op. cit.*

120. LPC, *op. cit.*, p.105.

121. *ibid.*

122. *ibid.*

CIPD identify a 'dilemma': do we 'allow employers not to pay interns and risk scaring off people from less affluent backgrounds, or make employers pay the NMW and risk losing a large number of internship opportunities'?<sup>113</sup> It is interesting that 'Unleashing Aspiration' (2010) suggests the voluntary uptake of a code of practice by employers and yet BIS's 'National Minimum Wage Compliance Strategy' explains that they (through the HMRC) will "continue to prosecute the most serious offenders" who flout NMW legislation.<sup>114</sup>

A number of the documents suggest the NMW law needs (better) enforcing.<sup>115</sup> LPC report that NCWE, Interns Anonymous, National Union of Journalists (NUJ) and the Broadcasting, Entertainment, Cinematograph and Theatre Union (BECTU) agreed that intervention by HMRC should happen as early as at the point of the internship being advertised.<sup>116</sup> Evidence also suggested a lack of satisfaction with HMRC's management of complaints.<sup>117</sup> In their report, Intern Aware point out that LPC's previous attempts to rectify the interns' position were unsuccessful and vow to fight for removal of loopholes and implementation of the NMW law.<sup>118</sup> CIPD call for all unpaid internship positions, which do not pay their proposed 'training wage' (equivalent of Apprenticeship NMW of £2.60 per hour), to be recognised as being in breach of NMW legislation.<sup>119</sup>

LPC made a recommendation in 2009 for the government to implement a 'name and shame' policy, which was put in place in January 2011.<sup>120</sup> The aim of this policy is to expose employers who show a wilful disregard for the NMW in order to "raise the profile of enforcement and to create an effective deterrent".<sup>121</sup> In 2011 BIS published their 'Policy on HM Revenue & Customs enforcement, prosecutions and naming employers who flout national minimum wage law'. So far, however, we have had difficulty in finding any evidence that this 'naming and shaming' has in fact taken place. Indeed, LPC point out that the criteria for naming may have been set too tightly and mean few employers will be caught and named.<sup>122</sup>

## Whistleblowing

Some of the reports point to the difficulty for individuals in coming forward to make complaints about employers. 'Internships: Advice to students unions and UCU members' urges UCU and NUS branches to encourage students to keep records so that registering a complaint about not receiving NMW would be possible, and mentions the successful NUJ and BECTU-backed tribunal cases.<sup>123</sup> IPPR suggest unions share successful cases of employment tribunals for interns. They also point out, however, that interns are unlikely to raise concerns about their employment situation (for example via the HMRC helpline) because they enter the schemes voluntarily, are unclear in the first instance whether and how the NMW applies to them and because they are keen to maintain good relations with their employer.<sup>124</sup> LPC state that while they have received evidence of situations where the terms internship, volunteering and work experience have been used to describe cases that were clearly classified as work, there have been few complaints to HMRC from any interns involved.<sup>125</sup>

Indeed, relying on interns themselves to report abuse is, according to the report, 'futile' as the interns were 'afraid to complain'.<sup>126</sup> It is worth noting here that the HMRC can check compliance across the employers' workforce so that many workers in an organisation can receive arrears as the result of one single complaint.<sup>127</sup> Also, if the 'name and shame' policy is ever put into practice, it is hoped it would enable people to gain access to information that will help them make choices about who they work for or do business with and may also encourage more workers to make claims.<sup>128</sup>

123. NUS/UCU, *op. cit.*, p.12-14.

124. IPPR, *op. cit.*, p.10.

125. LPC, *op. cit.*, p.98 and 99.

126. *ibid.*

127. BIS 2010b, *op. cit.*, p.8.

128. BIS 2011 a, *op. cit.*, p.11.

## Measuring quality?

129. GLA 2011 b, op. cit.

130. ACE 2011 b, op. cit.

131. ECU, op. cit.

132. LCACE, op. cit.

133. CIPD 2009a & 2009b, op. cit.

134. CWC, op. cit., p.33.

Many of the documents include recommendations for quality internships. The GLA provide 'top tips' for organisations setting up a volunteer programme<sup>129</sup>; ACE has a five point checklist showing when to pay an intern<sup>130</sup>; the ECU has an extensive list of recommendations<sup>131</sup>; LCACE's toolkits include guidelines and templates designed to help the Higher Education Institutions, students and host institutions manage placements<sup>132</sup>; CIPD has a voluntary code of practice/charter<sup>133</sup> and the CWC's guide includes a template contract for an ethical internship to be agreed and signed by the employer and employee<sup>134</sup>. The Arts Group suggest that the,

“enforcement of basic standards, and the encouragement of good practice which rewards appropriately (rather than encouraging a spiraling competitive level of self exploitation and poor practice), is the only real way to enable a dynamic job market that is truly accessible and empowering to both emerging and established workers and their employers”.<sup>135</sup>

135. The Arts Group, op. cit., p.14.

The GPCF has six principles for high-quality internships. These six principles echo the majority of the other sets of criteria.

They include:

- preparation (e.g. understanding the rights and responsibilities both of employer and intern and ensuring the employer has the capacity to accommodate and support the intern),
- recruitment (e.g. adverts should specify the expected hours and remuneration offered),
- induction (e.g. outline the structure, objectives and values of the organization to the intern),
- treatment (e.g. provide interns with work that develops their skills and contributes to their professional and learning objectives and consider part-time internships so as to provide opportunities for those who have responsibilities as carers),
- supervision and mentoring (e.g. agree and revise learning objectives with the intern and conduct a formal performance review with the intern) and

136. GPCF, *op. cit.*, pp.10-14.

- certification, references and feedback (e.g. provide a reference letter and opportunity for the intern to feedback to the organisation about the quality of their experience).<sup>136</sup>

CIPD's voluntary code of practice/charter and the Carrot Worker's guide also suggest allowing interns time off to attend job interviews and specifically request employers do not get interns to do menial tasks. CWC also remind us not to forget the need for training: "While this designation [as worker and therefore legally need paying NMW] demands rights for interns as workers, it does very little in requiring internship placements to provide the very learning experience in the name of which internships were developed and by which they are frequently justified".<sup>137</sup>

137. CWC, *op. cit.*, p.24.

138. HM Government 2009 and 2010, *op. cit.*

139. CIPD 2009b, *op. cit.*

140. SMF, *op. cit.*

141. For more information on Internocracy's I.SIP scheme go to: [www.internocracy.org/isip](http://www.internocracy.org/isip)

142. SMF, *op. cit.*, p.44.

143. *ibid.*, p.43.

144. *ibid.*, p.44.

145. IPPR, *op. cit.*

HM Government<sup>138</sup>, CIPD<sup>139</sup> and SMF<sup>140</sup> all suggest the implementation of an independently awarded kitemark for those organisations that demonstrate 'quality internships'. SMF suggest a government backed National Internship Kitemark Scheme (NIKS) based on, for example the 'Internocracy Star Internships Programme'.<sup>141</sup> 'NIKS' would be for organisations offering unpaid internships that demonstrate transparent, fair and open recruitment processes, that are time-limited (to prevent interns from "investing any further time and money in what may turn out to be a fruitless activity"), and involve induction and performance reviews, as well as a guaranteed reference letter or an interview that could lead to employment in the host organisation.<sup>142</sup> This kitemark, they suggest, would provide "more reassurance to young people that unpaid internships are a worthwhile investment".<sup>143</sup> The kitemark would be not obligatory and 'impossible to enforce'.<sup>144</sup> To date, however, no such scheme has been officially set up.

It was also suggested that university careers services should be fully up to speed on internships and the legal status of interns.<sup>145</sup> NUS/UCU also points to the significant role played by universities and colleges and university careers services in advising on and facilitating internships. While some such schemes provide meaningful and accessible opportunities, others are criticised for their complicity in "advertising unpaid

146. NUS/UCU, *op. cit.*, p.14.

opportunities, creating unpaid opportunities internally for graduates, and working with third parties who charge employers to find unpaid interns".<sup>146</sup> Some of the reports also call for more research into the subject of internships to understand the landscape. IPPR, for example, recommend a national intern audit be carried out. They suggest ESRC or European Commission as possible/appropriate funders for this.

## **The carrot: Expectations of paid, full-time, permanent employment**

147. HM Government 2009 and 2010, *op. cit.*

148. CIPD 2010, *op. cit.*, p.2.

149. CWC, *op. cit.*

150. ACE. 2011 c. *Regularly funded organisations: Key data from the 2010/2011 annual submission.* London: ACE. p.13.

151. ACE. 2011 a. *Regularly funded organisations: Key data from the 2009/10 annual submission.* London: ACE. p.82.

There is an assumption in some of the documents that internships are a necessary step into paid, permanent, professional employment.<sup>147</sup> CIPD suggests the argument for not paying or poorly paying interns is based on the fact that the intern will accept lower pay in anticipation of an increase to their earnings and secure employment in the future.<sup>148</sup> That the delayed payment should therefore “outweigh the short-term costs of taking on an unpaid position” is reliant on there being a long-term increase to someone’s earnings. Yet, there is a question regarding to what extent such paid, permanent positions in the Creative Industries and the arts are available. The name of the Carrot Workers Collective comes from the metaphor of the proverbial carrot dangled in front of (emerging) art and cultural workers and graduates, who enter internships on the promise that working for free (or accepting unremunerated work) will eventually lead to them being offered a paid position.<sup>149</sup>

Recent statistics from ACE based on the staff composition of their Regularly Funded Organisations (RFO) show that during 2010-11 there was only a 1% increase in permanent staff, a 3% increase in contractual staff and an 18% increase in volunteers from the previous year’s figures.<sup>150</sup> Respondents reported employing a total of 69,590 staff in 2010/11. However, only 25% (17,682) were permanent staff, and the remaining 75% (51,908) were contractual staff. Of the permanent staff, 58% (10,331) worked full-time while the remaining 42% (7,351) worked part-time. This is in addition to 41,914 volunteers who gave their time to support the work of regularly funded organisations in 2010/11. In the previous year, of all the 147 documented small to medium-sized visual arts RFO’s (receiving under £1 million from ACE), only approximately 15 permanent staff were employed. There were 40 contracted or freelance staff and on average 131 volunteers working across these organisations.<sup>151</sup> Research conducted by Creative & Cultural Skills for the Visual Arts Blueprint found that the visual arts sector employs 37,480 people, of which 46% are freelance. They also

152. Incidentally, while the Visual Arts Blueprint recommends that “internships are fair and offer high quality career development opportunities” and that a cross-sector Code of Practice for internships in the creative industries be implemented and that best practice be shared at all levels they do not mention paying interns. Creative and Cultural Skills. 2009. *The Visual Arts Blueprint: A workforce development plan for the visual arts in the UK*. London: CC Skills. p.14.

153. Creative and Cultural Skills. October 2011. *Creative Apprenticeships: Assessing the return on investment, evaluation and impact*. London: Creative and Cultural Skills. p.4 and 16.

154. *ibid.*, p.16.

155. *ibid.*, p.50.

156. *ibid.*, p.54.

found that 75% of visual arts businesses employ fewer than five people.<sup>152</sup>

In their report on Creative Apprenticeships, Creative and Cultural Skills also report that the creative and cultural industries are predominantly made up of smaller organisations (94% employ ten people or fewer). They found that the cost of employing an apprentice was too high for some of these smaller organisations.<sup>153</sup> There was also an issue for those who did work with CAs in terms of the administrative burden and amount of bureaucracy that the scheme involved.<sup>154</sup> The report points out that there is a culture in much of the sector of taking on unpaid interns, generally educated to higher levels. The survey notes “it is challenging to convince employers why they should recruit an apprentice instead of an [unpaid] intern”.<sup>155</sup> Furthermore, the requirement for apprentices to be in employment “does not sit well in a sector where many employees are self-employed or very small employers”.<sup>156</sup>

## The elephant in the room: charities and volunteer worker status

While many of the documents point to the need for interns to be recognised as workers and for NMW law to be enforced, there is always the caveat that NMW legislation does not cover volunteer workers and therefore it is harder to enforce the law in the case of unpaid interns working for charities, of which there are many in the arts sector. Perhaps one of the most unusual documents to have been published in the last few years is the GLA's 'Culture and Volunteering. An Introduction to volunteering across the arts and cultural sector in London'.<sup>157</sup> Despite the fact that this guide followed 'A Fairer London'<sup>158</sup>, 'Unleashing Aspiration'<sup>159</sup> and BIS' instructions on NMW law enforcement<sup>160</sup>, the publication celebrates the voluntary work in London that keeps many charities afloat. There is no mention of NMW or distinction between the term 'volunteer' and 'volunteer worker' in the document, but most of the cases cited seem to be using the latter, with the directors of organisations saying that they would not be able to operate without the work of volunteers, who take on jobs such as fundraisers, leaflet distributors, events stewards, tour guides, experienced curators and board members.<sup>161</sup>

The category of 'voluntary worker' allows charities, voluntary organisations and associated fundraising bodies of a statutory body to benefit from unpaid labour without flouting NMW legislation. This means those who are able and willing can volunteer their time, skills and expertise, often working 'pro bono' on specific, specialised projects. For those wanting to pursue cultural work as a career rather than hobby, however, the exemption of volunteer workers from NMW legislation means charities are able to take on professional, skilled workers, or those training to become professional (i.e. those expecting to or already relying on this activity as their paid work), without remunerating their workers.<sup>162</sup> This therefore brings us back to the original issue that the workforce remains exclusive and lacking in diversity as it excludes those who cannot afford to work for free. Furthermore, charities

157. GLA 2011 b, op. cit.

158. GLA 2011 a, op. cit.

159. HM Government 2010, op. cit.

160. BIS 2010 and 2011, op. cit.

161. GLA 2011 b, op. cit.

162. Oakley quotes Leadbeater and Miller's definition of 'pro-am's' as enthusiastic amateurs working to professional standards. Oakley, op. cit., p.51.

(including those in the arts) can legally exploit the notion that they are perceived and marketed as a 'good cause' and due to underfunding proudly rely on volunteer workers to carry out their core work, especially now, in the times of austerity and the related idea of 'the big society.'

163. *Intern Aware, op. cit., p. 2.*

164. *IPPR, op. cit., p.11.*

165. *CWC, op. cit., p.23.*

166. *IPPR, op. cit., p.11.*

Intern Aware state that their campaign for minimum wage for interns is not intended to prevent people from offering their services for free at NGOs or charitable organisations as volunteers.<sup>163</sup> IPPR on the other hand, point out that while charities do not have a legal obligation to pay interns, the authors argue that they have a 'social obligation' "to play their part in ensuring valuable employment opportunities are available to young people from different backgrounds".<sup>164</sup> CWC also point out the problem with the 'volunteer worker' status, which means those working for the public sector or charities "have very few rights, including those of learning, training and pay".<sup>165</sup> IPPR point out that a charitable objective, such as reducing inequality or improving opportunities for disadvantaged people, "cannot be squared with employment policies and practices that actively exclude the very people who are supposed to be an organisation's beneficiaries".<sup>166</sup> They suggest charities should lead the way by looking into phasing out unpaid internships.

# Conclusions

This report has reviewed information, statistics and positions on internships that have filled the pages of a select number of reports and toolkits over the past four years. We have looked at some of the underlying motives and concerns over internships as becoming increasingly connected to employment in the arts and creative industries. While some reports focused on improving and equalising the 'gateways' into employment others are more sceptical about the internship as an extended period of pseudo-education that entices work-ready graduates with promises of permanent contracts and access to influential networks. The ideological positions in the reports range from social mobility to social justice, illustrating the moralistic tensions between an individual's responsibility to aspire to self-improvement (with some of the reports suggesting people take out a loan so that they can do unpaid internships) and the systemic changes needed to tackle social inequalities, such as enforcing the NMW. This spectrum of positions is reflected in the fact that only 10 of the 23 reports specifically recommend that interns who fulfil worker status should be paid the NMW. Surprisingly, the previous Labour government was not one of these, preferring instead a loan system for interns. Perhaps not as surprisingly, the Conservative-led GLA guidelines on 'culture and volunteering' celebrate and promote volunteering in London's arts organisations with no mention of the London Living Wage. These positions co-exist alongside parallel reports acclaiming the business case for paying interns in terms of increased productivity and profits and other reports

warning employers of the legal ramifications of flouting employment law.

Despite growing awareness of the extent of illegal employment practices, some of the reports express frustrations over the lack of enforcement by HMRC and that despite a few high profile cases, whistleblowing on employers is proving difficult as interns are afraid to complain. Perhaps one way forward is to enact HMRC's name and shame policy and a variation of a kitemark scheme in order to raise awareness of the different employment practices that do exist in the visual arts. This might encourage interns to make claims and encourage organisations to improve their employment practices. Institutions of further and higher education could share this information with students and develop policies to not advertise illegal internships.

The plethora of so-called internships in the arts seems particularly nonsensical given the lack of permanent employment in these sectors. Whereas traditionally an internship was part of a recruitment drive for a large company (based more on the apprenticeship model), the arts and creative industries are made up predominantly of smaller organisations and a freelance workforce. The growing use of the word and application of internships perhaps continues to hide those more fundamental unresolved issues of elitism, inequality, bad-management, bullying and underfunding in the arts.

While the reports have drawn on data from surveys and national statistics, there is still little research on the numbers of people carrying out internships in the visual arts and the experiences they have had. While the law

is clear on the distinction between worker and volunteer status, the label 'intern' seems at times to provide a convenient smoke screen for hiring cheap or free labour. The charity sector often proudly asserts its reliance on free labour (through the legal voluntary worker status of their employees) as a way of validating the work they do. Businesses are following suit by offering opportunities of unpaid internships to graduates who then demonstrate their gratitude by recommending friends do the same. Free labour props up many visual arts organisations (commercial and non-profit) whilst (supposedly) benefiting interns by training them up for a career in what seems to be a perpetual series of short-term contracts, underpaid 'opportunities' and a precarious working life. Raising awareness of the diversity of practices and positions on these issues will hopefully encourage more of us to recognise our complicity and reconsider our reliance on offering – and accepting – unpaid internships.

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# APPENDIX A:

## Toolkits

This section provides a selection of toolkits, contracts and checklists provided by the literature. For more information refer to the original documents.

### **The Worker Test (UCU/NUS 2011, pp.9-10)**

There are a number of things that can help you determine whether someone should be classified as a worker or whether they are not and are exempt from the NMW.

In most cases it is clear whether an individual is a worker or not but there are borderline cases. In Appendix A we have provided examples of the types of factors a court or tribunal would consider to help them decide whether an individual is a worker. In brief they may ask:

- **Is there a contract?** Either written or oral.
- **Must the work be performed personally?**

To be a worker an individual must be obliged to do the work themselves.

- **Is there mutuality of obligations?**

Mutuality of obligations means an obligation on the “employer” to provide work and an obligation on the individual to accept that work. For example is there any expectation in relation to terminating the job, or taking holiday.

- **Is the individual self-employed under the contract?** An individual who carries on a profession or business undertaking will not be a worker if the body to whom they are providing work or services is their client or customer under the contract, rather than their employer.

## Contract for an Ethical Internship

1. Intern Induction: A detailed induction shall be carried out on the first day of the placement, covering introductions to other staff, office procedures, expected practice in an office environment, health and safety, details of complaint procedures and company confidentiality requirements.

2. Preliminary Assessment and Tasks:

2.1 Assessment of intern’s skills shall determine aim of tasks during employment. Intern is allowed to negotiate the terms of these tasks.

2.2 Intern is to be given a variety of tasks that fully utilize their skills.

2.3 Intern shall not be given repetitive tasks.

3. Assigning Supervisor / Mentor and Inclusion:

3.1 Upon commencement of internship a supervisor or mentor is assigned to the intern, with whom a contract with clear learning objectives and tasks are formulated from the start.

3.2 Intern shall be given the opportunity to shadow supervisor/ mentor and to sit in on meetings, and see how processes work, how decisions are made.

3.3 Intern shall not be excluded from meetings.

4. Expenses: Travel and lunch expenses will always be included when paid wage is not present.

5. Exit Interview:

5.1 An exit interview with mentor and intern where by an assessment of contracted goals set at beginning of internship is discussed. Documentation of this shall be provided to intern.

5.2 Even if the internship in the institution

doesn't lead to a job there, there should be some support for finding a job afterwards.

5.3 Repetitive relocation within same institution of internships is not allowed. Intern must be offered contracted paid position.

5.4 Workplace must limit the number of internships, having clear progression to paid and contracted work.

6. Special Consideration: Consideration should be given to potential interns who cannot afford to work full time for free opening opportunity to workers from all economic backgrounds. (Eg. Limiting work hours during week, limiting length of internships, stipends if the hours required exceed a certain amount.)

7. Acknowledging Contribution and Credit: Projects in which intern contributes labour, acknowledgment by name and recognised contribution shall be given. I accept the terms outlined in this contract for an ethical internship.

Signature of Employee \_\_\_\_\_

Date \_\_\_/\_\_\_/\_\_\_\_\_

Signature of Employer \_\_\_\_\_

Date \_\_\_/\_\_\_/\_\_\_\_\_

## Checklist for Volunteering (Greater London Authority 2011 b, p.56)

### Activity for volunteer programme

- Clearly stated aims, objectives, milestones and evaluation
- Staff buy-in and awareness throughout the organisation
- Clear role for the volunteers
- Allocated resources to support the volunteers
- Recruitment process in place
- Advertising / recruitment events
- Application form
- Job description
- Induction training
- Volunteer handbook
- Volunteer training and support programme
- Process for supporting and supervising volunteers
- For advisory volunteers – planned points of communication and decision making
- Appropriate communication is in place to communicate and feedback to volunteers
- We have thought through how we will show recognition and thank our volunteers
- Evaluation process for the Volunteer programme

# Guidelines for organisations offering Work Placement Schemes (Skillset 2010, pp.7-9)

## Part 2

### Guidelines for organisations offering Work Placement Schemes

The following table indicates the minimum set of standards that should be met in all work placement schemes covered in this document.

<b>Quality Assurance (policies that should be in place)</b>	<b>Volunteering (V)</b>	<b>Work Experience (WE)</b>	<b>Student Internships (SI)</b>	<b>General Internships (GI)</b>	<b>Traineeships (T)</b>	<b>Apprenticeships (A)</b>
Health and safety risk assessment	Y	Y	Y	Y	Y	Y
Insurance cover, including Employer's Liability and Public Liability insurance	Y	Y	Y	Y	Y	Y
Equal opportunities policy	Y	Y	Y	Y	Y	Y
Legal guidance if it is envisaged that the individual will contribute to a piece of work that requires copyright protection	Y	Y	Y	Y	Y	Y
<b>Commitment</b>	<b>V</b>	<b>WE</b>	<b>SI</b>	<b>GI</b>	<b>T</b>	<b>A</b>
The business need should be developed whilst taking in to account the skills that will be developed by the individual		Y	Y	Y	Y	Y
Statement of Agreement		Y	Y			
Contract of Employment				Y	Y	Y
The individual should have clear learning objectives			Y	Y	Y	Y
Fair treatment of the individual should be promoted amongst other staff	Y	Y	Y	Y	Y	Y
<b>Recruitment</b>	<b>V</b>	<b>WE</b>	<b>SI</b>	<b>GI</b>	<b>T</b>	<b>A</b>
Work placement schemes should be openly advertised in order to ensure fair access and improve the quality and accessibility of placements	Y	Y	Y	Y	Y	Y
All schemes should be planned and advertised well in advance to ensure sufficient time for applications from a diverse range of candidates, and to avoid having to fill places at the last minute through word of mouth	Y	Y	Y	Y	Y	Y

Measures to accommodate those with a disability should be in place so as not to exclude any potential candidates	Y	Y	Y	Y	Y	Y
Applications should be considered on an equal basis without regard to race, gender, disability, sexual orientation, religious or non-religious belief and age	Y	Y	Y	Y	Y	Y
A detailed outline of the required skills and the skills that will be developed should be provided, alongside full details of the duration of the placement, working hours, remuneration (if applicable) and the process for claiming expenses		Y	Y	Y	Y	Y
<b>Induction</b>	<b>V</b>	<b>WE</b>	<b>SI</b>	<b>GI</b>	<b>T</b>	<b>A</b>
A detailed induction should be carried out on the first day of the placement, covering, as a minimum, introductions to other staff, office procedures, best practice in an office environment, health and safety, details of what to do if they wish to make a complaint and company confidentiality requirements	Y	Y	Y	Y	Y	Y
<b>Learning, assessment and support</b>	<b>V</b>	<b>WE</b>	<b>SI</b>	<b>GI</b>	<b>T</b>	<b>A</b>
A responsible individual should be assigned as the individuals mentor or trainer and key point of contact throughout the placement	Y	Y	Y	Y	Y	Y
An individual learning plan (ILP) should be agreed between the mentor / trainer and the individual during the first week of the placement			Y	Y	Y	Y
The individual should keep a learning log detailing their experience on the placement, how it is benefitting them and the achievement of goals			Y	Y	Y	Y
Regular progress meetings should take place between the two, and should be logged in a written report			Y	Y	Y	Y
<b>Evaluation, monitoring and review</b>	<b>V</b>	<b>WE</b>	<b>SI</b>	<b>GI</b>	<b>T</b>	<b>I</b>
In the final week of the placement, there should be a comprehensive feedback session with the individual and their mentor / trainer, concluding all aspects covered in the 'Learning, assessment and support' stage of the placement			Y	Y	Y	Y
Where the placement does not culminate in a full-time position within the company, careers guidance should be provided covering routes in to different professions, CV advice, remuneration advice and useful resources		Y	Y	Y	Y	Y
A certification of achievement should be provided to the individual as formal recognition of the work they have carried out			Y	Y	Y	Y

# APPENDIX B:

## List of resources, campaigns and initiatives

Carrot Workers Collective	<a href="http://carrotworkers.wordpress.com">carrotworkers.wordpress.com</a>
Graduate Fog	<a href="http://graduatefog.co.uk">graduatefog.co.uk</a>
Info on calculating the NMW	<a href="http://www.businesslink.gov.uk/bdotg/action/layer?topicId=1081657912">www.businesslink.gov.uk/bdotg/action/layer?topicId=1081657912</a>
Internaware	<a href="http://www.internaware.org">www.internaware.org</a>
Internocracy	<a href="http://www.internocracy.org">www.internocracy.org</a>
Interns Anonymous	<a href="http://internsanonymous.co.uk">internsanonymous.co.uk</a>
London Living Wage	<a href="http://www.london.gov.uk/publication/fairer-london-2011-living-wage-london">www.london.gov.uk/publication/fairer-london-2011-living-wage-london</a>
National Council for Work Experience	<a href="http://www.work-experience.org">www.work-experience.org</a>
Pay and Work Rights Helpline	0800 917 2368
Pay Your Interns	<a href="http://payyourinterns.com/pages/the-letter">payyourinterns.com/pages/the-letter</a>
Position Unpaid	<a href="http://www.position-unpaid.blogspot.com">www.position-unpaid.blogspot.com</a>
Precarious Workers Brigade	<a href="http://precariousworkersbrigade.tumblr.com">precariousworkersbrigade.tumblr.com</a>
Rights for Interns	<a href="http://www.rightsforinterns.org.uk">www.rightsforinterns.org.uk</a>
University of the Arts Creative Opportunities	<a href="http://www.arts.ac.uk/careers/employers/">www.arts.ac.uk/careers/employers/</a>
Up to date info on NMW legislation	<a href="http://www.direct.gov.uk">www.direct.gov.uk</a>

# APPENDIX C:

## Definitions

This appendix lists a selection of definitions from the reports of intern/internship, placement, volunteer/volunteering, voluntary worker, worker and work experience.

### Intern / internship

Over two weeks working at a company where agreed tasks and attendance are set. Over this time the intern is considered to be providing a service to the firm leading to a monetary gain. *Arts Council of England 2011.*

An individual works to gain relevant professional experience before embarking on a career, typical length is approx. 3 months. A 'high quality' internship is usually based on a specific project. Internship is distinguished from other forms of work that are unrelated to the pursuit of a professional career, placements that are part of a course or work shadowing which does not involve carrying out work for an organisation. Internships must comply with current employment legislation and be paid at least the NMW. *Gateway to the Professions Collaborative Forum 2011.*

There is a key distinction between work experience; internships and voluntary work. The idea of an 'internship' is not explicitly covered in the National Minimum Wage Act. It is here understood to mean over two weeks working at a company where agreed tasks and attendance are set. Over this time the intern is considered to be providing a

service to the firm leading to a monetary gain. Legally, interns must be paid if work they are performing would otherwise be done by a paid member of staff. Under the National Minimum Wage Act 1998, any 'worker' must be paid at least the minimum wage.

*Intern Aware 2009.*

There is no absolute definition of an internship but it tends to be used to mean a set period (often around three months) of employment in a junior (often graduate level) role. Some internships are paid in line with, or above the National Minimum Wage, others pay below the NMW (perhaps £100 a week), some reimburse travel and/or lunch expenses – and others pay nothing at all. There is no official or agreed definition of what an internship is, and therefore no definitive data source on the overall number of internships currently operating. However, studies suggest that there has been a growth in unpaid internships since the start of the recession.

*NUS/UCU 2011.*

Internship: A phrase that is increasingly used by large companies and refers to a placement within their organisation, usually over 6-12 weeks during the summer holiday.

*LCACE 2008.*

A placement within an organisation, usually for a six- to 12-week period over a university's summer holiday.

*Equality Challenge Unit 2010.*

Internships tend to last for at least three months and can run to six or 12 months. Sometimes internships can be shorter and some last just a few weeks, although we have found these kinds of internships to be relatively rare.

Interns usually have an agreement to work set hours – so a full-time intern would usually be expected to put in the same hours as a full-time, paid member of staff. Many interns are expected to work full-time.<sup>5</sup>

Interns are usually required to complete specified pieces of work and to work towards set goals or deadlines. They may also have their performance monitored and evaluated.

Interns usually conduct work which would otherwise be done by someone else, probably a paid member of staff, and so make a significant and valuable contribution to an organisation.

*Institute for Public Policy Research 2010.*

## Placement

Unpaid work undertaken by someone in education as a required part of their course, with reasonable expenses paid.

*Arts Council of England 2011.*

Can be a compulsory component to a further or higher education course; a placement is often contractually agreed between the employer, student, college or university.  
*Gateway to the Professions Collaborative Forum 2011.*

...Involving students as part of their further or higher education ‘to try various tasks and develop skills that will make them more attractive to prospective employers’. They should not be relied upon to fulfill roles that are necessary for the organisation and would otherwise be undertaken by a member of staff. They can be unpaid provided the individual is not a worker, in which case NMW would apply. They should be time limited (i.e. not exceed 160 hours) and be carried out either full-time, over a four week period or part-time over three months. Reasonable and pre-agreed expenses should be reimbursed.

*Skillset 2010.*

...post graduation or taken outside of a students’ course. Student placements taken as part of a students’ course are exempt from the National Minimum Wage (NMW), and largely do not require remuneration. However, with the increased emphasis on ‘employability’, there is likely to be an expansion of short work placement schemes as part of individual courses. As a result, we do offer links to resources to help students unions and UCU members lobby their institution to implement best practice in this area.

*NUS/UCU 2011.*

The term ‘work placement’ has multiple meanings and forms. It is therefore important to offer a glossary of terms to explain some subtle differences between various terms which are often used interchangeably with work placement.

A work placement can take various forms including short-term, long-term (e.g. one year) or part-time employment, and could be paid or unpaid. It can be a compulsory,

optional or non-requisite part of a higher education courses.

A number of alternative terms are used to refer to work placements. The National Council of Work Experience (NCWE 2006) provides definitions of alternative terms, revealing their slight differences from work placements:

**Sandwich and industrial placements:** a fixed term period of assessed, paid work that forms part of a university degree. It often lasts for a full year.

**Work-based project:** A specific piece of assessed work for a university course, undertaken at an employer's premises.

**Work Placement:** A period of work experience, which can be paid or unpaid, and is part of a course of study. This can be arranged through the university with an employer or by the student and is for an agreed period of time.

**Internship:** A phrase that is increasingly used by large companies and refers to a placement within their organisation, usually over 6-12 weeks during the summer holiday.  
*LCACE 2008.*

Must be carried out as part of an accredited course Should be paid at least NMW or delivered with a full financial student support package at least equivalent to during study.  
*The Arts Group 2010.*

Work placement experiences can encompass many different types of work-based learning. The National Council of Work Experience highlights the different forms work placement

experiences may take. These include:

- sandwich placement: a fixed period (normally between six months and one year) in the industry as part of a student's degree, often assessed and normally paid – this type of placement has been referred to as the 'gold standard' of work placements
- work-based project: an assessed piece of work for a university course, sometimes undertaken at an employer's premises
- internship: a placement within an organisation, usually for a six- to 12-week period over a university's summer holiday
- work placement: shorter than an internship or sandwich placement (a number of weeks or days); can form a compulsory part of a student's course or be taken up voluntarily, and may be paid or unpaid  
*Equality Exchange Unit 2010.*

## Volunteer / volunteering

No contractual obligations between volunteer and organisation, not entitled to Payment or benefits, not classified as workers.  
*Arts Council of England 2011.*

Those who are under no obligation to perform work or carry out instructions: they have no contract or formal arrangement and so can come and go as they please; they have no expectation of and do not receive any reward for the work they do.  
*Gateway to the Professions Collaborative Forum 2011.*

An activity that involves spending time, unpaid, doing something that aims to benefit the environment or individuals or groups other than (or in addition to) close

relatives. Volunteers must not be bound to any particular shift rota or set number of working hours per week, though these can be suggested if appropriate; their help must remain at all time fully optional activity.

*Skillset 2010.*

The Department of Trade and Industry has clarified the definition of 'volunteers' not entitled to the minimum wage, stating that 'they work for a charity, voluntary organisation, charity shop, school, hospital or similar body; and they receive only reasonable expenses, relevant training and/or subsistence (but not money for subsistence)'. An example cited of voluntary work is 'a member of a charity who helps out from time to time at jumble sales for no pay and under no obligation is not entitled to the national minimum wage'.

*Intern Aware 2009.*

The blurred line between interns/work experience/volunteering needs to be removed. We should acknowledge the ongoing contention around the classification of "voluntary workers", but equally note that legislation in this area should be geared from side of encouraging organizations to enable paid employment wherever possible, not to reward a reliance upon volunteers performing professional duties.

*The Arts Group 2010.*

## **Voluntary worker**

Not entitled to minimum wage; no monetary payments and limited and specified benefits.

*Arts Council of England 2011.*

You will be a voluntary worker if you have an employment contract or contract to perform work or provide services for a charity, voluntary organization, associated fund raising body or statutory body and, under the terms of your employment, you are not entitled to and do not receive either:

- any monetary payments other than for expenses incurred, or likely to be incurred, in the performance of your duties

- Any benefits in kind other than for subsistence or reasonable accommodation.

Voluntary workers are not entitled to the NMW wage. They can only work for charities, voluntary organizations, associated fund raising bodies or statutory bodies.

*NUS/UCU 2011.*

Any type of work undertaken for no payment, usually outside the university course in student's spare time.

*LCACE 2008.*

Voluntary workers can be employed on the same terms as workers with the only difference being that, under the terms of their employment, they are not entitled to any monetary payment except reasonable expenses. If a voluntary worker receives any actual pay for the work they do, they stop being a voluntary worker and must receive at least the minimum wage. This means that interns working in charities and statutory bodies can be employed under the same terms as workers but with no right to the minimum wage or other employment rights. This makes the legal position much clearer for charities and statutory bodies.

*Institute for Public Policy Research 2010.*

## Worker

The definition of a worker is outlined in Section 54 of the NMW Act: In this Act “worker” (except in the phrases “agency worker” and “home worker”) means an individual who has entered into or works under (or, where the employment has ceased, worked under)— (a) a contract of employment; or (b) any other contract, whether express or implied and (if it is express) whether oral or in writing, whereby the individual undertakes to do or perform personally any work or services for another party to the contract whose status is not by virtue of the contract that of a client or customer of any profession or business undertaking carried on by the individual; and any reference to a worker’s contract shall be construed accordingly.

*Intern Aware 2009.*

## Work experience

Aimed at young people at school age (years 10 and 11); short (1-2 weeks).

*Arts Council of England 2011.*

Work experience is a short period of shadowing company employees in order to allow the observer to understand the nature of the company.

*Intern Aware 2009.*

No definition is provided, however this advice for students is given on exception to NMW for work placement students. You may not get the NMW if:

- You do work experience as part of a UK-based higher education course, or further

education course, which qualifies in the legislation.

- Your work experience placement does not exceed one year.

*NUS/UCU 2011.*

The NCWE also lists other forms of work experiences:

**Work Shadowing:** Where a student observes a member of staff working in an organisation, and so gains an understanding of what a particular job entails.

**Shell Step:** Vacation work experience where students undertake a specific project within a small-medium sized business for eight weeks during the summer (see [www.shellstep.org.uk](http://www.shellstep.org.uk)).

*LCACE 2008.*