What works for whom?

A review of evidence and meta-analysis for the Department for Work and Pensions

Chris Hasluck and Anne E. Green

A report of research carried out by the Warwick Institute for Employment Research on behalf of the Department for Work and Pensions
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Acknowledgements

A great many people have contributed to this review of evidence. More than 60 colleagues in a variety of organisations were canvassed for their opinion of ‘what works’ and thanks must be given to all who took the time and trouble to send comments and conclusions based on their experience of delivering programmes or of evaluating them.

Particular thanks must be given to all who attended a Workshop in February 2006 to consider the early findings of the review and to comment on the draft findings. Representatives of the Department for Work and Pensions (DWP) at the Workshop were Carol Beattie, Jenny Crook, David Drew, Paul Mooney, Timothy Conway, Laura Payne, Tim Willis, David Johnson, Del Jenkins, Rebecca Hutten, Mark Langdon and Kris Chapman. Others attending the Workshop were Andy Thomas and Rita Griffiths (Insite Research and Consulting), Jon Hales (National Centre for Social Research), Nigel Meager Institute of Employment Studies), Rebecca Riley (National Institute for Economic and Social Research), Professor Bruce Stafford (Nottingham Policy Centre, Nottingham University) and David Wilkinson, (Policy Studies Institute).

Finally, Mark Langdon acted as project manager on behalf of DWP and his support and encouragement, together with his interest in the ‘big questions’, is very gratefully acknowledged. Amanda Kerry at IER provided support for the e-mail survey of key informants and organised the Workshop. Her assistance is gratefully acknowledged.
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## Abbreviations and acronyms

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<td>ADF</td>
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<td>AIP</td>
<td>Advisory Interview Process</td>
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<td>BET</td>
<td>Basic Employability Training</td>
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<td>BoND</td>
<td>Building on New Deal</td>
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<td>CMP</td>
<td>Condition Management Programme</td>
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<td>Core Performance Measure</td>
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<td>LSP</td>
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<td>MAP</td>
<td>Mandatory Action Plan</td>
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<td>NDLTU</td>
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<td>NDPA</td>
<td>New Deal Personal Adviser</td>
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<td>NDPU</td>
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<td>NDYP</td>
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<td>ND25plus</td>
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<td>NJG</td>
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<td>NMW</td>
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<td>SJFT</td>
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<td>State Pension age</td>
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<td>Unit of Delivery</td>
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Summary

Background
The Department for Work and Pensions (DWP) has been considering a more decentralised approach to the delivery of interventions for customers. The central objective of such a decentralised approach would be to devolve greater powers to Jobcentre Plus Districts Managers and Personal Advisers (PAs) so that they could decide the appropriate type of provision needed to suit their customers and the local labour market.

Under a devolved approach to service delivery, District Managers would have a high degree of discretion over provision made available to their local area and would be guided by a ‘menu of provision’ including such options as in-work support, specialist help for people with disabilities or the most disadvantaged customers, wage subsidies and employability skills. PAs would be empowered to choose relevant elements from that menu in order to meet the needs of their particular customers. Under such a system, receipt of services would not be dependent on the type of benefit claimed but would reflect individual customer needs. There would be fewer rules on eligibility, programme mix and length, with more flexibility, variation and local innovation.

Aim of the review
It is a prerequisite of a devolved system of service delivery that District Managers and PAs have an awareness of the effectiveness of different types of provision. The aim of this review was to identify, from the current stock of DWP evaluation evidence, which interventions have worked most effectively for key customer groups.

For the purpose of this review, key customer groups were defined as:
• young people (New Deal for Young People (NDYP) customers);
• long term unemployed adults (New Deal 25plus (ND25plus) customers);
• older benefit claimants;
Summary

• lone parents (New Deal for Lone Parents (NDLP) customers);
• partners of benefit claimants;
• disabled people and people with health conditions (New Deal for Disabled People (NDDP) customers);
• ethnic minorities;
• the most disadvantaged.

Method

The review collated and synthesised evidence drawn from both published and in-house research from DWP and Jobcentre Plus. In addition, evidence was collected from members of research teams involved in the evaluation of DWP and Jobcentre Plus programmes by means of an e-mail survey. A Workshop was held at which researchers and DWP and Jobcentre Plus staff met to consider the evidence gathered and identify any gaps in the review process.

The review was conducted in three stages:
• a ‘mapping’ of DWP provision by customer group;
• a detailed review of evidence relating to each customer group;
• the identification of key findings and key messages.

Some assessment issues

Apart from the sheer volume of evidence to be assessed, the review identified a number of issues that made identification of ‘what works’ problematic. These issues included the nature of provision (its heterogeneity, the complementary nature of much provision and its constantly changing form), the nature of customers (their differing circumstances and needs as well as differing attitudes and motivation) and the nature of the evidence base itself (different coverage of provision, the issue of multiple provision, different accounts of the same provision and the lack of controlled studies).

Key findings

The review assessed the evidence of ‘what works’ for each of the key customer groups. The findings for each group are presented in a separate chapter of the Review. A number of key findings emerged, some generic and some specific to particular customer groups. These are set out below.
Diversity

The evidence reveals just how diverse is the population of customers for whom provision is made. Customers are diverse in terms of personal characteristics, household circumstances, their neighbourhood context, the barriers to employment they face and their attitudes and motivation. In many instances the customer groups are simply too all embracing to be useful as a guide to provision.

Customers often face several inter-related factors that make it difficult for them to take up employment. For most customer groups the evidence points to the need for a holistic approach rather than a one-dimensional approach to provision. Identifying needs and the associated provision on the basis of a broad customer grouping based on one or a few customer characteristics militates against this kind of holistic approach, and may result in inappropriate provision for some individuals.

The nature of programmes and their delivery

Evaluation shows that most customers greatly valued the support they had received. However, attitudes to Jobcentre Plus and satisfaction with its services can differ systematically across customer groups, with the factors leading to customer satisfaction being different for different customer groups. It is clear that different customer groups not only look for different things from a programme but also value what they receive in different ways.

Eligibility for most programmes is on the basis of some combination of personal characteristics (such as age), type of benefit and duration of benefit claim. Targeting provision in this way assumes that the membership of customer groups remains fairly static. In fact, the evidence indicates considerable fluidity amongst customer groups as people’s circumstances change. Changes in benefits, changes in household circumstances or even ageing can affect eligibility and bring about a change in the provision on offer.

The timing of interventions is likely to have an impact on ‘what works’. The ‘ideal timing’ is likely to be context dependent, reflecting the heterogeneity of customers. This is a dimension in which PAs can play an important role in bringing about the best possible ‘timing’ of interviews, information provision, etc., for each individual.

There is little robust evidence that the nature of the provider of services, be it Jobcentre Plus, a private sector provider or some other organisation, has a systematic impact on effectiveness. What does appear to be important is the quality, enthusiasm, motivation and commitment of the staff providing the service.

The role of the Personal Adviser

One of the strongest conclusions to be drawn from evaluation evidence is the perception that PAs are critical to the success or otherwise of interventions. This is not just a technical matter of how well a service is delivered but also a matter of how well the PA is able to engender a desire to seek and accept employment amongst customers and to build on the initial engagement by providing support and
encouragement of an appropriate type. The evidence suggests that the greater the flexibility given to PAs, the better they are able to fulfil their role and to meet the specific needs of the individual customer. Where customers feel coerced into participation in provision that does not meet their needs, motivation and engagement can quickly be undermined.

For all the very positive evidence about the role played by PAs, there is also a substantial body of evidence that their behaviour, decisions and morale is often driven by considerations of Jobcentre Plus performance targets, in some cases to the detriment of the individual customer. Targets and performance-related payment structures have an important role in influencing the motivation of PAs and the way that they work, and, in turn, in shaping ‘what works for whom’.

**Motivation and engagement**

There is a considerable volume of evaluation evidence – and probably a consensus amongst all concerned – that the motivation of the individual customer is a key factor in the effectiveness of any form of provision. DWP programmes where participants are volunteers tend to exhibit significant impacts while mandatory programmes produce mixed results (good for those who want such provision but less so for those who feel coerced into it). It has to be acknowledged that there may be some people within each customer group for whom no provision is likely to be successful. A key to effective provision would appear to be for Jobcentre Plus and providers to engage effectively with customers and for customers to ‘buy in’ to any provision to which they are referred.

**The importance of job search activity**

The central role of job search activity in Jobcentre Plus interventions must be stressed. The great majority of customers leave benefit without having participated in any of the major Jobcentre Plus interventions. Even within programmes, a great deal of the advice and guidance provided to customers is aimed at motivating and improving job search activity. Despite this, little evaluation evidence is available about the ways in which different customer groups conduct job search activity, the effectiveness of different job search methods and of the various forms of support provided for job search by PAs and others. This represents a significant gap in knowledge.

**Working with employers**

Several interventions require active engagement with employers. Despite this, several evaluations suggest that Jobcentre staff are reluctant to engage with employers. Employers may also be reluctant to engage with Jobcentre Plus. Either way, this will limit the number of opportunities for customers to participate in work-related provision or may simply render such provision less effective. Employment Zone (EZ) providers have separated the Adviser role for customers from that of dedicated staff whose role is to engage employers and generate work placements and job vacancies with apparent success.
Employers control access to jobs and their attitudes and recruitment practices have an important bearing on the effectiveness of provision. Some forms of provision (notably the Employment Option on NDYP and Work Trials) appear effective at breaking down barriers to employment by exposing employers to Jobcentre Plus customers with a view to changing employer attitudes.

The state of the labour market and the nature of jobs available

In recent years, the UK labour market has offered a relatively favourable context for policy interventions for disadvantaged groups. It is not certain that ‘what works’ now (or in the recent past) will necessarily work in a future, less favourable labour market context where fewer jobs are available. Moreover, the profile of customers is likely to alter as the state of the labour market changes, leading to a different prioritisation of customer ‘groups’.

Customers are located in specific labour market and community contexts. While the needs of individuals may be quite specific, the demands made by employers in a local labour market may also be quite specific, reflecting factors such as the size and industrial structure of businesses and the pattern of local demand. Matching these two requirements requires PAs to understand both workless people and their communities, on the other hand, and local employment patterns and business on the other.

Jobcentre Plus targets emphasise ‘quantity’ of job outcomes and not their ‘quality’. Yet the ‘quality of jobs’ may be the very issue that influences the willingness of some customers to enter work and to stay in, or retain, a job. In this context, employer attitudes and especially discrimination (on the basis of age, gender, ethnic group or disability) can also impact on the perceptions of customers and the opportunities open to them.

The local institutional and policy context

Partnership working has become an important theme in policy formulation, delivery and implementation in recent years. Jobcentre Plus already works in partnership many other public sector, voluntary and private sector organisations. In the context of a devolved service delivery system, however, partners may need to develop new ways of working together. Some organisations and some staff are likely to adapt to new work cultures more easily than others and, the evidence suggests, such adaptation is more likely to succeed where a provider already has an established network of partners and contacts.
1 What works for whom?

1.1 Background to the review

Over the course of 2003/04 the Department for Work and Pensions (DWP) undertook a review of the programmes it delivered to unemployed and inactive benefit claimants. The result of this Review of Employment Programmes (REP) was a set of wide-ranging recommendations on the future direction of interventions provided by DWP to non-employed people. The focus of these recommendations was a more decentralised approach to the delivery of a centralised intervention system and such an approach was set out in ‘Building on New Deal’ (BoND)\(^1\). The BoND strategy outlined several key considerations:

- the need for greater empowerment of local staff to increase responsiveness to employers’ recruitment needs;
- the need to better cater for disadvantaged customers;
- the need to further improve Government’s ability to meet its Public Service Agreement targets;
- the need to facilitate joint working with other public and community services;
- the desire to provide better value for money from contracting and procurement processes.

Central to the thinking behind BoND was the need to devolve greater powers to District Managers and Personal Advisers (PAs) in the Jobcentre Plus network. District Managers would decide the appropriate range and the type of provision needed to suit their customers and local labour market. They would have a degree of discretion over what services to make available, guided by a generic ‘menu of provision’ from which they would choose that which is most appropriate for their local job market.

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The menu would include options such as in-work support, specialist help for people with health conditions or disabilities, specialist support for the most disadvantaged, wage subsidies and employability skills. PAs would be empowered to choose those elements of the local menu that best met the individual’s need. Under such a system there would be fewer rules on eligibility, programme mix and length, with more flexibility, variation and local innovation.

The BoND delivery model has yet to be fully developed or piloted and it remains to be seen what impact such a decentralised and flexible service delivery system would have. Nonetheless, if such a system were to be introduced it would require a high level of understanding on the part of District Managers and PAs of the effectiveness of different provision for customers in different situations. What ‘works’ for some customers might not work for others and if PAs are to have the flexibility to match provision to customers then they need an appreciation of ‘what works for whom’.

1.2 Purpose and method of the review

The aim of this review was to identify, from the current stock of DWP research and evaluation evidence, which interventions have worked (in terms of positive outcomes such as entry to sustained employment) and, in particular, which types of intervention work most effectively for which customer groups. For the purposes of this review, key customer groups were defined as follows:

• young people (New Deal for Young People (NDYP) customers);
• long term unemployed adults (New Deal 25plus (ND25plus) customers);
• older benefit claimants;
• one parents (New Deal for Lone Parents (NDLP) customers);
• partners of benefit claimants;
• disabled people and people with health conditions (New Deal for Disabled People (NDDP) customers);
• ethnic minorities;
• the most disadvantaged.

The central task of the review was to collate and synthesise the evidence relating to different types of interventions and their effectiveness in helping different groups of benefit claimants to attain positive outcomes. The review embraced both published literature, principally DWP and Jobcentre Plus Research Series (and reports from their predecessors, the Department of Education and Employment and the Employment Service) and unpublished work conducted in-house within DWP and Jobcentre Plus. In addition, evidence was collected from members of research teams.
involved in the evaluation of DWP and Jobcentre Plus programmes by means of an e-mail survey. The survey was designed to capture the reflections and broad conclusions of researchers who had often been involved in the evaluation of a number of different programmes. Such cross-cutting and generic conclusions were unlikely to have been published in the DWP Research Series, where the emphasis has been on reporting the findings of individual programme evaluations.

The review was conducted in a number of stages.

1.2.1 Stage 1: Mapping the evidence

The central task of Stage 1 of the review consisted of a mapping exercise in which published evidence relating to as many DWP/Jobcentre Plus programmes (including pilots and trails) as was practical was collected. A total of 654 documents were provided on CD-ROM and DVD by DWP from their publications archive, with more published during the course of the review. These reports included:

- DWP and Jobcentre Plus Research Reports;
- DWP and Jobcentre Plus In-house Reports;
- DWP and Jobcentre Plus Working Papers.

These documents were then sifted to identify evidence relating to key customer groups and a map of the evidence against the key customer groups of interest was produced. Where reports were in PDF format, those that appeared most relevant were searched using the ‘search’ function in Adobe Acrobat using key words and phrases.

The aim of the mapping exercise was to produce an initial ‘provision by customer group’ matrix, in which each cell of the matrix contained information about the existence or otherwise of evidence relating to ‘what works’. While the principle of using such a matrix was adhered to, such a matrix would be unwieldy in practice and for presentational purposes the mapping was presented as a series of standard proforma setting out the evidence for each customer group against each type of provision and aspect of delivery. In effect each proforma represents a column of the evidence matrix.

Interventions and provision for customers can take many different forms. To assist in the mapping exercise, DWP provision was taken to consist of the 13 items on the BoND menu that will be available for PAs to recommend to customers. Some further grouping of provision was undertaken in order to reduce the number of separate categories to report on. Seven types of provision were distinguished. In addition, three aspects of delivery thought likely to affect effectiveness were also distinguished, plus a fourth catch-all ‘other’ category. These were as follows:
• type of provision:
  – advice and guidance;
  – work placements;
  – acquisition of skills;
  – self-employment;
  – specialist support;
  – in-work support;
  – other.

• aspects of delivery:
  – timing of provision;
  – nature of participation;
  – nature of provider;
  – other.

The evidence mapping exercise was intended to provide an indication of the existence of evaluation evidence relating interventions and customer groups to outcomes. It is important to recognise that the aim of the mapping exercise was not to assess or to synthesise the evidence but merely to point to its existence. In this way the mapping also identified gaps in the published evidence that would be addressed at the second stage of the review.

1.2.2 Stage 2: Assessing the evidence

Stage 2 of the review built on the results from Stage 1. First it re-examined the evidence identified at Stage 1 and provided an assessment of the key findings. Most evaluation evidence is focused on the programme and its delivery rather than on the characteristics of those who participated. Consequently, a major task for this stage of the review was to take the evidence of the impact of interventions (where available) and reassemble it in a manner that is focused on the key customer groups of interest. The review sought to identify the types of intervention that worked best for each of the specified customer groups. Particular attention was given to whether a particular type of intervention was a necessary or sufficient intervention for a successful outcome and the conditions under which an intervention worked and when it did not.

In addition to a search of published evidence, information was sought from key informants who have been involved in the evaluation of DWP/Jobcentre Plus programmes. The purpose of this ‘survey’ was to obtain their views (and any relevant unpublished evidence) relating to the effectiveness of interventions for different customer groups. This survey was undertaken in the belief that where researchers have been involved in the evaluation of a number of programmes, it is likely they will
have evidence, and formed expert opinion, that cuts across any single intervention. Key informants were surveyed by means of e-mail. Each key informant was sent a summary of the project and its aims together with a list of key questions and a proforma on which comments and opinion could be recorded.

Key informants were, initially, non-government researchers who had undertaken a significant volume of evaluation of DWP programmes and provision. The list of key informants was subsequently expanded to include DWP staff with experience of evaluation of their programmes.

1.2.3 Stage 3: Drawing out the lessons and key messages

The third and final stage of the review involved the presentation of the findings of the review to a Workshop attended by key informants. The Workshop formed part of the review process and is not just an opportunity to present final conclusions. The purpose of the Workshop was to allow an exchange of ideas between the Institute for Employment Research (IER) research team, key evaluation researchers and policy-makers and operational managers within DWP and Jobcentre Plus that could be incorporated in the Final Report. In this way the robustness of the findings could be tested, along with a dialogue about the most appropriate and practical forms of response to the key messages to emerge from the evidence review.

1.3 Structure and content of the report

The review commences by considering, in Chapter 2, some generic issues that arise when considering ‘what works’. Chapters 3 to 10 set out the evidence relating to (respectively), young people, long-term unemployed adults, lone parents, partners of benefit claimants, people with disabilities and health conditions, ethnic minorities and, finally, people facing multiple disadvantages in the labour market. Chapter 11 concludes the review by highlighting some of the key messages to have emerged.

Finally, it is important to acknowledge that the evidence base is dynamic and expanding. This review is based on material published up to the end of March 2006, supplemented by reference to pre-publication copies of selected reports that were specifically brought to the researchers’ attention. Further evidence will continue to emerge and such evidence should be placed alongside that presented in this report.
2 What works: some issues when assessing the evidence

2.1 Introduction

The basic aim of the review was to identify the types of interventions that are most effective for key Department for Work and Pensions (DWP) customer groups. Given the considerable volume of evaluation research that has taken place since 1997 this might appear at first sight to be a straightforward task, daunting only in terms of the sheer volume of evidence to be accessed and assessed. In fact, the task proved more difficult and complex than it first appeared, as became apparent during the review process. There are several reasons for this. These include:

- the nature of provision or interventions;
- the nature of customers;
- the nature of the evidence.

In many respects these issues are connected and even inter-dependent. Each issue is briefly considered below.

2.2 The nature of provision

2.2.1 The heterogeneity of provision

Interventions designed to help DWP customers to move from benefit to work take many different forms. It is conventional and convenient to categorise such provision into types, such as advice, guidance, work placement, vocational training, basic skills training and so forth. While it is useful to use such simplifying classifications such as these, it is important to recognise that there can be a considerable degree of variety even within each category. These differences relate to the content, or
activities, involved, the timing of provision and who is eligible to participate (and the terms on which they do so).

To take one example, advice and guidance delivered through an interview with a Personal Adviser (PA) is a widely used form of support across almost all customer groups. Such interviews can, however, differ greatly in terms of content. There is a significant difference between an interview which seeks to establish a relationship between a PA and their customer, an interview that seeks to provide some specific form of support (for instance to build confidence or to demonstrate that ‘work pays’ by means of an In-Work-Benefit Calculation (IWBC)) and an interview that aims to facilitate access to some other form of provision (such as training or specialist help). Where several interviews are held over a period of time, the content may change dramatically. The timing of delivery of an advice and guidance interview will, thus, interact with interview content.

Issues of timing also arise where eligibility for a programme requires benefit to have been claimed for some period of time. If an advice and guidance interview arises at the point of a new or repeat claim, a PA may legitimately have different expectations of what can be dealt with as compared to an interview, say, after claiming Jobseeker’s Allowance (JSA) for 18 months. The needs of claimants at these two points are likely to be quite different and this will be reflected in the advice and guidance delivered.

Finally, eligibility for most DWP provision is characterised by a number of key eligibility criteria, such as benefit type, benefit claim duration, age and so forth. In addition, participation in provision may be mandatory or voluntary. Thus, the characteristics of participants receiving advice and guidance in, say, a New Deal 25plus (ND25plus) Gateway interview will be significantly different from the characteristics of participants in a New Deal for Lone Parents (NDLP) Work Focused Interview (WFI). The former customers are required to be actively seeking work while the latter are not. The former will contain some extremely hard to help customers who are unwilling participants, while the latter tends to contain the most willing and job-ready volunteers for the programme. Attempting to compare advice and guidance delivered to the former with that delivered to the latter is not comparing like with like.

Similar points can be made in respect of training, work experience and other provision. The category of training subsumes a range of provision differing by level, content (general or vocational), mode and length of study and whether the training leads to a qualification or not. Work experience placements differ according to the type of employer and sector, the type of work involved and, perhaps crucially, the length of the placement and the terms of employment.

The key point to emphasise is that when assessing the evidence relating to any particular type of provision, it is important to be cognisant of the context in which that provision is delivered. What works in some contexts may not work in others, even with the same customer group.
2.2.2 Packaging provision

It is rare to find provision for any one customer group taking a single form. Usually, provision is available in a package containing several different ‘ingredients’. These packages are labelled as programmes. The New Deal for Disabled People (NDDP) pilot Innovative Schemes, for instance, is a package comprising both work placement and personal adviser service elements. In general, it is difficult to imagine one ingredient working without other ingredients being present to complement it. Interviews with PAs will be more effective if there is other provision to which a customer can be referred should they need something beyond advice and guidance. In these circumstances it is extremely difficult to isolate the impact of any one measure as each type of provision may be relatively ineffectual on its own but effective when used in the right combination. The ‘right’ combination of ingredients is likely to vary between individuals, such that it is difficult to know what the ‘active ingredients’ are.

2.2.3 The changing nature of programmes

The issue of the mix of provision is reinforced by the diversity of schemes and programmes – even for the same customer group. Moreover, even within a programme, the mix of provision available often changes during the lifetime of the programme (generally the range of provision increases). There has also been a tendency for an emphasis on ‘innovation’ with the introduction of new initiatives, sometimes with little evidence on how they were building on the experience of existing programmes.²

2.3 The nature of customers

2.3.1 Heterogeneity

DWP provision is differentiated according to key customer characteristics. Programmes are targeted on specific groups such as young people, ethnic minorities, lone parents, those with health conditions and disabilities, etc. Yet these groups are very heterogeneous, as exemplified by different qualification and work experience profiles of lone parents and the nature and severity of problems faced by those with health conditions and disabilities. This heterogeneity may mean that ‘what works’ for one individual within a group may be different from ‘what works’ for another. It is likely that there is a tendency towards increased heterogeneity amongst some sub-groups. For instance, the ethnic minority population is becoming more diverse over time and even within individual ethnic minority groups there are likely to be differences in experience.

Heterogeneity within customer groups has important implications for the assessment of what works on a programme. In the (unlikely) event that a programme provided a completely uniform service across all customers in a programme, then the observed effects of the programme would represent an average effect since the provision would work better for some than others. In the (more likely) event that provision is tailored (by PAs) to meet the specific needs of individuals, then every customer has received a different treatment and it becomes difficult, if not impossible, to know exactly what was provided, to assess what was effective and to generalise from that evidence.

2.3.2 Motivation

Individuals within a specific customer group often vary in terms of their motivation to participate in a programme or enter work. Evidence from the Working Neighbourhoods Pilot\(^3\) suggests that when classification systems are based on dimensions such as degree of proactivity/reactivity (which captures ‘motivation’), alongside work-readiness and time taken to overcome barriers to work, it is possible to focus more on meeting specific customer needs. It is evident from almost all evaluation research that ‘motivation matters’. Hence ‘what works’ will depend, in part, on the motivation of the individual\(^4\) – irrespective of the specific customer group of which they are a member. Moreover, the use of classification systems, such as that outlined above, emphasises ‘heterogeneity’ within customer groups and is also linked to ‘timing’ of interventions.

2.4 The nature of the evidence base

The evidence base covered in this review embraces quantitative, qualitative, cross-sectional and longitudinal studies. The task of identifying ‘what works for whom’ is complicated by several factors. These include:

- Individuals within sub-groups of interest may be subject to multiple interventions. Such individuals may find it difficult to distinguish one intervention/programme from another, and even if they can do so, it may be difficult to attribute progress to one particular type of provision as opposed to another.
- Not all intervention types are covered to the same extent in the evidence base.
- Perceptions of benefits at individual level may vary between individuals, and between individuals, providers and employers.


• The vast majority of studies are uncontrolled.\textsuperscript{5} Lack of a control group means that there is a lack of firm evidence on the extent to which programme outcomes may be attributed to involvement of individuals within a particular programme.

The key message of this section is, therefore, that the nature of the evidence base impacts on results of effectiveness.\textsuperscript{6}

\textsuperscript{5} An exception if the Job Rehabilitation and Retention Pilot, which used a randomised control trial methodology.

3 Young people

3.1 Context

New Deal for Young People (NDYP) was introduced in response to the high and worsening relative incidence of long-term unemployment amongst young people during the early 1990s. Reducing longer-term unemployment amongst young people was a key election pledge given by the incoming Labour Government of 1997. The NDYP programme was the main instrument through which this government target was to be achieved. A target was set of helping 250,000 18 to 24 year olds off benefit and into work and this milestone was passed in September 2000. By February 2006 a total of 1,054,000 young people had started on NDYP.

3.1.1 New Deal for Young People

NDYP was introduced in 12 Pathfinder areas in January 1998 and rolled out nationally in April of that year. The programme is mandatory for all young people (aged 18 to 24 years) who have claimed Jobseeker’s Allowance (JSA) for 26 weeks or more. A number of disadvantaged groups can be referred by a Personal Adviser (PA) and enter NDYP before 26 weeks. Early entrant groups include:

- ex-offenders;
- ex-HM Forces;
- homeless people;
- people with drug addition;
- people who have been in residential care;
- people with language, literacy or numeracy problems;
- lone parents, people with disabilities and carers who are claiming JSA.

NDYP consists of three stages, although participants may leave the programme (for employment, another benefit or some other destination off benefit) before completing all three stages. The three stages are:
• The Gateway;
• Options;
• Follow Through.

The Gateway consists of a period of intensive advice and guidance and help with job search. The Gateway period was designed to last for 16 weeks. In fact, there is some variation in the time spent on Gateway with some customers progressing to Options before that time while others remain on Gateway longer than 16 weeks. Early evaluation of NDYP raised concerns about the large number of participants who remained on Gateway (Bryson, Knight and White, 2000)7 and steps were taken to sharpen up the Gateway process and speed up progression to Options. Within the Gateway a range of provision is available including:

• job search advice and supported job search;
• careers advice;
• short training course (in basic skills or to help motivation and confidence);
• specialist support for the disadvantaged and hard to help;
• advice on self-employment.

Participants are expected to remain available for work during the Gateway period and to take employment if a suitable job is offered. If the young person remains unemployed after Gateway they are offered the opportunity to participate in one of four options. These options are:

• subsidised employment;
• full-time education and training;
• the Environment Taskforce (ETF); and
• the Voluntary Sector (VS) option.

The Employment Option offers to help participants into a job by offering a subsidy to employers of £60 per week for 26 weeks where the job offers more than 30 hours of employment per week and £40 per week for part-time jobs. This option includes the equivalent of one day per week of training, for which the employer receives a grant of £750. Included within the Employment Option is provision for self-employment.

The Full-time Education and Training (FTET) Option entitles participants to up to 52 weeks of training designed to lead to a qualification (at National Vocational Qualification (NVQ) level 2 or equivalent). The ETF offers work placements and short

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training vocational courses where appropriate. Placements can last for up to 26 weeks and are intended to enhance the employability of participants. The VS Option is similar to the ETF Option with participants placed in a job with a voluntary sector employer for up to 26 weeks.

The third stage of NDYP consists of Follow-through. If participants have not obtained a job after completing their option, they receive intensive help with job search together with any other appropriate advice and guidance. Follow-through may last for up to 16 weeks. After a further ten weeks of claiming JSA, the participant will re-enter NDYP at the Gateway if they have not entered employment.

3.1.2 Changes to New Deal for Young People

As the longest running national New Deal programme, it is unsurprising that NDYP has experienced a number of changes over its life. In January 2000 a number of measures were introduced to help young people who faced particular difficulties in finding and retaining a job. These measures included tests to help those lacking basic literacy and numeracy, compulsory lessons in how to present themselves to employers and provision of additional support in the form of job coaches. In June 2000, a more intensive Gateway was introduced (applying lessons from Intensive Gateway trailblazers) designed to speed up the Gateway process. A full-time course addressing job search and soft skills was introduced together with more intensive help with job search by PAs. In 2004, greater flexibility was introduced into NDYP. This took the form of relaxing the minimum time that could be spent on the ETF and VS options while allowing movement between options so that participants might undertake a mix of ETF, VS and FTET activities. The intention of this change was to allow PAs to target the mix of provision in a way that better matched the needs of individual customers. Further reform of NDYP was signalled in Building on New Deal: local solutions meeting individual needs published by DWP in June 2004.

3.1.3 Evaluation of New Deal for Young People

Before considering the evidence relating to specific provision within NDYP, it should be noted that NDYP is probably the most comprehensively evaluated of all New Deal programmes, and possibly the most comprehensive of all programmes in the UK. From the launch of the NDYP Pathfinders in 1998 a comprehensive programme of evaluation was undertaken. A wide range of methods focusing on different aspects of NDYP were used, with the emphasis changing as the programme progressed. Early evaluation was largely qualitative and focused on participants at Gateway, Options and Follow Through stages and case studies of delivery. Later evaluation provided quantitative evidence from surveys of participants and employers providing subsidised employment. The final stages of the evaluation consisted of a comprehensive macroeconomic evaluation of the impact of NDYP and its net cost to the Exchequer. This evaluation evidence has been summarised in a number of
synthesis reports (see, for instance, Hasluck, 2000a; Hasluck, 2000b). The NDYP evaluation programme has, therefore, provided a substantial body of evidence regarding delivery and impact. The main weakness of this evidence is that it relates mainly to the first four years of delivery. Since that time, evaluation of NDYP has been much more limited and has tended to focus changes at the margin such as innovations and the effects of increased flexibility in delivery.

3.1.4 Extension of Employment Zones to young people

When Employment Zones (EZs) were introduced in 2000 their target customer group was long-term unemployed adults (see Chapter 9 for further discussion of EZs). In 2003, EZs were extended to include young unemployed people (18-24) who would otherwise return to NDYP. Participation for this group was mandatory.

3.2 Type of provision

3.2.1 Advice and guidance

The provision of various forms of advice and guidance is absolutely central to the NDYP design. Indeed, for the majority of participants, unless they are seriously disadvantaged, this type of support (together with short courses) represents their experience of NDYP since more than half leave the programme from the Gateway stage. Qualitative evidence from NDYP has shown that many young people entered the programme with little idea of what they wanted to do in terms of employment and even less about how to achieve any ambitions they might have.

The NDYP Gateway offers a mixture of different types of advice and guidance, ranging from help with job search and careers advice to short courses designed to improve motivation, build confidence or address basic skills weaknesses. The PA has been identified as playing a critical role, both in the identification of need and in responding to such needs. A good relationship between customer and PA, both in terms of mutual respect and continuity, appears important to the success of the advisory activities in Gateway. Moreover, the better able is the PA to match provision to the individual needs of the customer, the better the result both in terms of customer satisfaction and outcomes. This is most likely where PA caseloads are

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small, bureaucracy and formality is minimised, customer PA contact is maintained and benefit sanctions are used as a last resort.\textsuperscript{11}

Interviews with NDYP participants have demonstrated the wide range of activities that have been carried out during customer interviews with PAs\textsuperscript{12}. Activities during interviews included explanation of purpose and operation of NDYP, assessment of customer needs and aspirations, preparation of an Action Plan, help with job search and development of job search skills, careers advice and guidance, advice and help with personal issues (such as homelessness or drug dependency) or financial problems (including entitlement to benefits and debt counselling) as well as general encouragement and support.

Qualitative research with individuals on the national Gateway\textsuperscript{13} suggested that activities were grouped according to four main strategies, each reflecting different customer needs and forms of PA guidance. The four strategies were:

- primarily job search, with limited preparation for Options;
- intensive activity of other kinds with little preparation for Options;
- preparation for Options following a period of job search;
- early placement on Options with little other activity preceding.

The significance of these different strategies is the different emphasis given by each to job search. Many young people reported that the Gateway has intensified their job search activity, mainly attributable to the support from PAs leading to new job search techniques and improved motivation and self-confidence. Others had intensified their job search in order to avoid the necessity to join an option or to avoid benefit sanctions\textsuperscript{14}. Those young people who were not induced to intensify their job search activity tended to be those who knew (or thought they knew) exactly how to find the job they wanted, or else were those who felt there was no prospect of finding a job\textsuperscript{15}.


Early evaluation indicated that some customers remained on the Gateway far longer than envisaged. For instance, nine per cent of the January 1998 cohort remained in the Gateway after nine months and four per cent were still there after 12 months. A number of factors have been shown to be associated with ‘ overstays’ on Gateway. Examples include interruption of the Gateway process by illness or acceptance of a job that did not last or repeated failure to attend interviews. The first National Survey of participants suggested that the mean time between entry to NDYP and commencing Gateway activities was as long, on average, as six weeks\textsuperscript{16}. In other instances some individuals ‘ overstayed’ on Gateway because they were simply waiting for an Option place to become available (particularly in regard to the FTET).

There have been several attempts to intensify the Gateway process. There was a ‘re-orientation’ of NDYP in November 1998 when greater emphasis was given to placing customers into unsubsidised jobs at the Gateway stage. This re-orientation had an impact on increasing the rate at which customers left Gateway\textsuperscript{17} but appeared to impact most on those who had been in Gateway for relatively short periods while the small group of ‘Gateway overstayers’ seemed largely unaffected\textsuperscript{18}. In 1999, the New Deal Task Force recommended an intensification of activities on the Gateway to provide pace and purpose to this stage of the programme\textsuperscript{19}. In light of this, a number of changes to NDYP operations were put in place. The Client Progress Kit, an instrument for consistent and structured assessment and caseload management, was introduced, intensive counselling was introduced for all customers who reached four months on Gateway, and Intensive Gateway Trailblazers (IGT) were launched in 12 areas to test ways of increasing the effectiveness of the Gateway. The core elements of the IGTs consisted of increased contact with a PA and a mandatory course (of between one and five weeks length) starting after the first month on Gateway\textsuperscript{20}.

Evaluation of IGTs indicated that they provided a more intensive experience than would have been the case on a normal Gateway\textsuperscript{21}. The amount of assessment of


\textsuperscript{17} Atkinson, J. (1999), \textit{The New Deal for Young Unemployed People: A Summary of Progress}, ESR13, Employment Service, March.


\textsuperscript{19} New Deal Task Force (1999), \textit{Meeting the Needs of Disadvantaged Young People: A Report by the New Deal Task Force Working Group}, November.


customer’s needs increased sharply in all IGTs and several, but not all, IGTs increased the frequency and length of key interviews with customers. Despite the widespread use of assessments on IGTs, there was little evidence that early identification of customer’s needs was attained better on the IGTs than on a normal Gateway. This appeared to be because many PAs were reluctant to fully probe into customer’s personal circumstances and because customers did not always fully reveal relevant information about themselves.\(^\text{22}\)

The mandatory course was the central innovation contained in IGTs. All mandatory courses delivered a core programme of help with CV and interview preparation, communication skills and team building. Employers contributed to the course by providing inputs, usually in the form of short sessions on what employers expected of employees or a guide to recruitment and job interviews. Employers also facilitated visits to workplaces to see first hand the world of work.

In general, customers appeared to perceive practical help with CVs and interviews as most useful (although this depended greatly on the work readiness of the customer with the most job ready feeling that such help was unnecessary). Customers often failed to recognise any merit in team building and the confidence building elements of their course, while employers felt that courses should be full-time to help customers get into a work routine\(^\text{23}\).

The lessons learnt from the IGT pilots have now been integrated into the national NDYP Gateway.

### 3.2.2 Work placements

Work placements of various types are available through NDYP. Work Trials (short work experience placements of up to 15 working days) can be accessed at the discretion of the Jobcentre Plus District Manager. There has been little evaluation of Work Trials and none that relates specifically to young people (who are not the principal target of Work Trials). Consequently, evidence concerning work placements on NDYP relates to the three work related options: subsidised employment, placement with the Environment taskforce and placement with a voluntary sector organisation (there is provision for ‘work tasters’ for those on FTET but there is little evidence about this type of work placement).

Evidence relating to the Employment Option has been derived from both individuals and employers. This evidence has shown that young people entering the Employment Option were keen to have the opportunity of work experience and optimistic about the effect of such work experience on their future employability. The Employment


Option was commonly seen as providing ‘a proper job’ and the Option was particularly attractive to those with a strong desire to work and who had failed to obtain an unsubsidised job from the Gateway.

A survey of employers providing subsidised employment places was conducted between September 1999 and January 2000 (covering 1,773 establishments and 3,348 NDYP recruits). The key finding of this survey was that over 60 per cent of NDYP recruits had been retained at the end of the subsidy period and just over half (51 per cent) remained with their NDYP employer after nine months. Despite this evidently positive finding, concerns remain concerning the Employment Option. These concerns include the low level of pay in many work placements, the lack of active job search amongst many young people while in a subsidised job, and the impact of the training requirement of NDYP on employers’ participation in the programme.

The VS Option involves placement in work with a voluntary sector organisation and shares much the same rationale as the Employment Option, namely to improve employability through a combination of work placement and training. Evaluation evidence indicates that it has taken some time to get the VS option working satisfactorily. Early on, VS providers appeared to see the option in terms of community benefit, whereas the Employment Service saw the purpose as being to enhance employability through work experience and training. There was also evidence of reluctance amongst participants – especially those with few skills or qualifications - to enter the Option in the first place, although the Option appeared more attractive to those with higher qualifications (such as graduates). There was a tendency amongst all participants to view the activities involved in the Option as low skilled and repetitive and the quality of training provision was widely criticised.

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The ETF Option has similar aims to the VS Option plus an additional aim of seeking to contribute to the improvement of the local, regional or global environment. Young people entering the ETF Option can expect up to 30 hours of work per week, the equivalent of one day of training per week and support with continuing job search. The Option has been led by a variety of providers including training providers, local authorities, intermediate labour market organisations and major environmental and conservation groups.

Evidence from individuals suggests that many participants regarded the ETF Option as temporary and transitional. High levels of job search were evident especially amongst those who were unwilling referrals to the Option. The evidence also showed that entrants to the Option contained an above average number of mandatory referrals and young males with no qualifications. These findings raised concerns that the ETF Option might have become the ‘option of last resort’ to which difficult to place customers were referred. Nonetheless, for young people who aspired to a career in conservation or certain sections of the leisure industry, the ETF Option appeared to have provided a real route to an improvement in the individuals’ future job prospects, providing appropriate experience, relevant skills and useful contacts.

Whatever their individual merits, the outcomes from NDYP options differ greatly. In the second quantitative survey of participants, those who had been on the Employment option were more likely to have left NDYP after 18 months than participants in other options. Those who had been on the Employment Option were also more likely to have been in employment than those on other options. When participants assessed the value of NDYP and options, their assessments reflected quite closely the pattern of outcomes experienced. Individuals were more likely to rate the programme as very useful or fairly useful if they had participated in the Employment Option. A striking 23 per cent of those who had been on the ETF Option rated the programme as not at all useful.

Overall, successful work placements appear to have had the effect of moving young people forward towards enhanced employability irrespective of whether a job was established.

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obtained at the end of the option placement. This had been achieved by refining the career goals of participants and equipping them with the necessary qualifications, skills and work experience to achieve those goals. Moreover, successful option placements were those that changed attitudes, motivation and increased confidence. A successful option placement appears most likely where customers were fully prepared for their placement at the Gateway stage.

In 2002, a number of pilots were introduced that were designed to test a more flexible approach to the options stage by allowing periods of training, work experience and subsidised employment to be combined into a package tailored to the needs of the individual customer. This approach is discussed in Section 3.3.

From 2002 to 2004 a pilot programme called StepUP offered subsidised job placements to NDYP customers who remained out of work six months after completing their NDYP Option (as an alternative to repeating NDYP for a second time). Such placements lasted for 50 weeks, paid at least the National Minimum Wage (NMW) and were for 33 hours per week (in order to allow time for job search in the normal working day). Despite having a significant and positive impact on job entry for older, New Deal 25 Plus (ND25plus) customers (who were also eligible for StepUP) the final evaluation of StepUP concluded that the placements actually had a small negative impact on job entry for the 18-24 year age group. This result may have arisen because there was insufficient encouragement of job search during the placements and the view of some young people that their placement offered a 50 week period of secure employment was insufficiently challenged by Advisers and Support Workers. As a result, participation in a StepUP placement may actually have delayed, or ‘locked in’ customers who otherwise would have found an unsubsidised job.

### 3.2.3 Acquisition of skills

Many young people on NDYP (but not all) have poor basic skills or lack relevant vocational or occupational skills or qualifications. Alongside such skill deficiencies, many have little or no work experience. O’Connor et al. (2001) have shown that those who enter NDYP are a quite diverse group and included young people with significant personal problems, some who had been engaged in long-term job search (for a variety of reasons such as half-hearted job search, very specific and overly ambitious occupational job plans, or lack of confidence), those who had dropped out of full-time education and those who had just completed full-time education. In

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many cases these categories were overlapping\textsuperscript{35}. NDYP participants without work experience generally welcomed the opportunity to gain such experience while on the programme, but required other issues, such as lack of skills or lack of confidence and self-esteem to be addressed at the same time.

A second group of young people on NDYP are the qualified and experienced participants. As large a proportion as 20 per cent (Bryson et al., 2000) had remained in full-time education beyond 19 years of age and 19 per cent had qualifications at or above NVQ level 2\textsuperscript{36}. This group is also diverse. Some have qualifications but no work experience. Others have work experience but no qualification, while yet others have both experience and qualifications. The needs of these groups of participants are somewhat different, although there are some common elements. Often, despite having qualifications, these customers often lack basic skills and confidence. While those without qualifications clearly need to obtain qualifications, even those with qualifications may need to re-appraise their relevance to the job market. Both Bryson et al. (2000) and O’Connor et al. (2001) note that qualified and experienced NDYP participants were less tolerant of low-waged employment and this posed a barrier to obtaining employment.

Skills can be acquired on NDYP in a number of different ways. First, participants with basic skills deficiencies can be addressed through short courses while on Gateway. Young people who are particularly disadvantaged may be required to undertake courses. Second, it is a requirement of NDYP that those recruited to subsidised employment receive training (for which the employer receives an additional subsidy). The employer survey found that virtually all (98 per cent) recruits received on-the-job training (Hales et al., 2000)\textsuperscript{37}. Around three-fifths of recruits also had some form of off-the-job training although this tended to be where the job was with a large employer. Where training was at a college or training centre, it most often occupied one day per week. At the time of the survey, around 66 per cent were training for an NVQ level 2 qualification, although in 25 per cent of cases, courses were not leading to any specific qualification.

The FTET Option was intended to address longer-term barriers to employment arising from a lack of qualifications. FTET was designed to train people without qualifications up to S/NVQ level 2 or equivalent, as well as customers identified during Gateway as needing re-training because their qualifications were inadequate or obsolete. In the past FTET has offered opportunities for up to 12 months training.


towards a recognised qualification together with support for job search. FTET also offers opportunities for work experience.

Research with participants found that the majority in FTET had chosen the option (82 per cent according to evidence from quantitative survey of individuals\(^{38}\)) and had very positive views about the option. Participants felt that FTET would provide them with the qualification needed to pursue their chosen career or job goal. Young people without clear career aspirations also valued FTET as a ‘breathing space’ in which to clarify their career direction while obtaining qualifications. However, some people on FTET were reluctant participants, having failed to secure a subsidised employment opportunity or having been referred to the Option by their New Deal Personal Adviser (NDPA). In these cases less positive views about FTET were evident\(^{39}\). Only half of participants in FTET had been actively seeking a job while on the Option but many had obtained some work experience while on the Option through some form of work experience placement or shorter ‘work tasters’.

Although measures of satisfaction amongst individuals who have entered FTET have generally been very positive in regard to the level of training and its impact on skills, gaps in provision have been identified in a number of studies of NDYP. These included a lack of provision (where a young person wished to train for a qualification but could not find a provider in their area), too low a level of training (where the customer wished to train at a level above S/NVQ 2), and poor support for special needs. Where qualifications take more than 12 months to complete, it may not be possible to gain such qualifications within NDYP.

In 2002 a number of pilots were introduced that were designed to test a more flexible approach to the options stage by allowing periods of training, work experience and subsidised employment to be combined into a package tailored to the needs of the individual customer. This approach is discussed in Section 8.3.

### 3.2.4 Self-employment

No evidence has been located relating to self-employment support on NDYP. There is some evidence relating to business start up support for young people delivered through the Prince’s Trust (Meager, Bates and Cowling, 2003)\(^{40}\).

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3.2.5 Specialist support
A range of specialist support is available for NDYP participants, in particular referral to a Disability Employment Adviser.

3.2.6 In-work support
In-work support appears especially important for young people since they often lack ‘job skills’ and have little experience of the world of work. Many young people have work histories that are characterised by ‘churning’, that is, by repeated short spells in and out of work. This is particularly true of those with poor basic skills or lacking qualifications. Churning can also result from a lack of awareness of appropriate behaviour or unrealistic expectations. In-work support would offer the prospect of preventing such churning and helping young people to remain in a job after leaving benefits.

Despite the obvious potential benefits of reducing job churning, there is no evidence that NDYP PAs routinely provide such in-work support for young people entering jobs from NDYP (although they undoubtedly do so in some individual cases). In-work support was provided in the StepUP pilot during a period of subsidised employment although the evidence is that StepUP produced no impact on young people. In-work support (or Aftercare) is also provided by EZs for up to 13 weeks in the case of ‘NDYP returnees’ (young unemployed people who have been through NDYP without obtaining employment and would otherwise repeat that programme) who are obliged to join EZs. This support is available for 13 weeks once the young person has entered employment and consists of moral support, advice, financial support and help in negotiations with employers where it is necessary to prevent a customer from dropping out of a job. Evidence from the evaluation of EZs suggests that young people particularly benefit from such in-work support.

3.3 Aspects of delivery

3.3.1 Nature and timing of provision
The pace at which young people progress through NDYP has been steadily increased over the life of the programme. The IGTs piloted a more intensive form of Gateway that was eventually rolled out nationally. As indicated in Section 8.2, there is some evidence that the intensified Gateway speeded up the process but there is little to indicate that the match between provision and the needs of the customer or the

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earlier access to provision had any measurable effect on job outcomes. Similarly, the aim of the Tailored Pathways pilots was to help NDYP customers to progress through the options into sustained employment more quickly. Evaluation of the Tailored Pathways pilots found that this aim was achieved for some customers, but not all. Those who benefited most from the increased flexibility of the Tailored Pathways were young people closest to the job market and who required only a short period of work experience or training. Young people who entered subsidised employment after a period of work experience or training and those who lacked basic skills were, in fact, taking longer to progress through the options stage. Evidence from PAs indicated that young people with severe or multiple disadvantage benefited least from the new flexibilities.

### 3.3.2 Nature of provider

NDYP was designed to be delivered through local partnerships in 144 Units of Delivery (UoD). Each unit of delivery falls into one of four broad models of delivery:

- Joint Venture Partnerships (JVP) where a number of partners (including the local Employment Service (ES)) contract with ES to deliver New Deal;

- consortia in which ES contracts with a lead organisation which then sub-contracts with individual partners;

- private sector delivery where ES contracts with private sector organisations who lead delivery;

- independent contracts where ES, in effect, is the lead contractor and sub-contracts individually with service providers.

Evidence from the New Deal Pathfinder areas\(^{43}\) and the early operation of the national NDYP programme\(^{44}\) concluded that the ways in which partnerships were implemented at local level was extremely varied, being shaped by previous local partnership arrangements, local administrative networks and local labour market conditions. This wide diversity of local delivery arrangements has meant that it has been difficult to associate ‘best practice’ and effectiveness with any particular delivery model. Early NDYP case studies suggested that there was no evidence that NDYP partnerships had acquired resources from hitherto untapped sources but they had broadened the range of provision on offer by building up networks of providers and employers (thus answering early criticism from evaluation of the NDYP Pathfinders)\(^{45}\).

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Evidence in the form of early NDYP Core Performance Measures (CPM) also proved ambiguous. While there were large differences in the achievement of early outcomes and effectiveness across units of delivery, it was often the case that areas that scored highly on one measure performed less well on others. This was probably because many factors are associated with NDYP performance (including the size of the UoD and the nature of, and conditions in, the local labour market) and not just the model of delivery. A set of case studies in 2000 specifically designed to evaluate NDYP delivery in the ten Private Sector Led (PSL) units of delivery concluded that PSL were effective at delivering NDYP with learning providers, seeing them as responsive and effective. Delivery of NDYP through PSLs does appear to have involved more than simply better or more flexible management of provision. The case studies found that customers tended to remain on Gateway for a longer time than in other areas and were less likely to be referred to an option. Where customers were referred to an Option they were less likely to be referred to subsidised Employment Option and more likely to be referred to the VS Option. This difference was probably a reflection of the greater emphasis given to job entry in PSLs as well as a related concern with minimising the cost of delivering the programme. Analysis of CPM for the ten PSL areas suggested that seven out of the ten PSL units of delivery had achieved better rates of entry into unsubsidised jobs than other units of delivery in similar labour markets. The cost of achieving such higher job placement rates appeared higher than other units’ types of delivery model, although PSLs argue that differences in the way in which such costs were calculated make such comparisons unreliable and potentially misleading.

It should be noted that much has changed since the launch of NDYP and there has been little or no further evaluation of different delivery models. The case for PSLs or any other specific model of delivery therefore remains uncertain.

3.4 What works for young people?

Answering the question ‘what works’ for young people is not straightforward. It is clear that individual young people who have participated in NDYP have been very varied in their circumstances and needs. Moreover, provision on NDYP is multi-faceted and explicitly seeks to tailor provision to the needs of individual customers. This means that different groups of young people have very different experiences of the programme. While there has been a substantial amount of evaluation of NDYP it is doubtful if any of that evaluation ever contemplated being able to isolate the impact and effectiveness of a single type of ‘treatment’ or provision. Rather, provision on NDYP is more akin to a set of ingredients that can be mixed together in

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46 NDYP Core Performance Measures are no longer used by DWP.

various combinations to provide the support that customers need. The outcomes are not only difficult to separate but may also be complementary (that is, the combination is greater than the sum of the part).

Despite the difficulties of identifying the impacts of NDYP it must be noted that very large numbers of young people have participated in the programme. By February 2006, a total of 1,054,000 young people had started on the NDYP programme. Given this mass participation, even quite small (and, therefore, difficult to measure) impacts on individuals will add up to a substantial effect, although whether the value of such an impact outweighs the cost of resources used is difficult to say. Recent estimates of the proportion of NDYP participants leaving for employment using tax data are around 46 per cent (somewhat higher than earlier estimates based solely on the monitoring of first destinations when many exits were recorded as ‘unknown’).

Some evidence of NDYP effectiveness comes from macroeconomic studies. Since the introduction of NDYP in 1998, not only have the numbers of long-term unemployed 18-24 year olds fallen but the rate of decrease has been around three times that of unemployment as a whole. Analysis of NDYP monitoring data has shown that the speed with which participants left NDYP – and left for jobs – increased with successive cohorts of entrants throughout 1998-1999\(^{48}\). Initial macroeconomic analysis based on the Pathfinders found that NDYP had produced positive effects on the rate at which participants had left unemployment. A second macroeconomic study, the potential impact of NDYP, was narrowed down still further\(^{49}\). The assessment concluded that the impact of the programme was likely to be in the order of a fall of around 30,000 in the number of long-term unemployed young people compared to the situation in the absence of NDYP (a fall of around 40 per cent)\(^{50}\). Further analysis (for the period up to March 2000) concluded that the main impact of NDYP had been to speed up the rate at which young people left unemployment with a little over 200,000 young people leaving unemployment earlier than they would have in the absence of NDYP. Within this total, some 60,000 more young people were estimated to have moved into jobs (including subsidised jobs) than would have been the case without the programme.


\(^{50}\) Anderton, B., Riley, R. and Young, G. (1999). *An illustration of the Possible Macroeconomic Effects of the New Deal for Young Unemployed People*, ESR33, Employment Service, December.
Looking at the impact on individuals, data from the New Deal Evaluation database suggests that different groups of young people have different pattern of exits from NDYP. Young men are more likely to leave NDYP for unsubsidised jobs than women, as were white participants (compared with ethnic minority participants). Female participants, particularly white and younger women, are more likely to leave NDYP for an inactive benefit, mainly Income Support (IS) (particularly where they have become a parent). In general, young men appear to benefit most from NDYP to a greater extent than young women.

Participants with a disability had the lowest proportion of exits to unsubsidised jobs of any customer group. NDYP participants with qualifications (at NVQ level 2 or above) were much more likely to leave NDYP for a job than those without qualifications or low level qualifications. The proportion of those leaving to other known destinations (apart from jobs) was relatively low and fairly uniform across customer groups. Only those without qualifications appear more likely than others to exit via this route. This is to be expected since the other known destination category consists primarily of other ES provision and training and full-time education courses.

Differential impacts on different groups of NDYP participants are consistent with the findings of the first national survey of NDYP participants. That survey found that participants from the most disadvantaged groups, especially those with multiple disadvantage, were the least likely to say that NDYP had helped increase their employability and the least likely to agree that the programme had improved their prospects of getting a good job. The second national survey of participants also looked at the outcomes for NDYP participants. The analysis concluded that participants with multiple disadvantage gained benefit from the programme in terms of enhancements in their employability (skills, qualifications, work experience and so on) but this was not always translated into employment entry and a job. The analysis pointed to the greatest impact for the disadvantaged coming through the FTET Option. The analysis also suggested that participants who were members of ethnic minority groups generally had a less favourable experience of the programme. They had a substantially lower likelihood of entering employment than white participants, once other characteristics were taken into account.


4 Long-term unemployed adults

4.1 Context

Long-term unemployed adults represent a diverse and often intractable group of Jobcentre Plus customers. Some have been claiming Jobseeker’s Allowance (JSA) for many years and face significant, and often multiple, barriers to entering employment. Both case study and survey evidence has indicated that long-term, adult jobseekers commonly face barriers such as:

- lack of basic skills;
- benefit reliance/financial difficulties;
- drug dependency;
- a history of offending;
- poor confidence and low aspirations;
- lack of motivation;
- transport difficulties.


Early evidence from qualitative studies of New Deal for the Long Term Unemployed (NDLTU) participants suggested that participants displayed different levels of motivation\(^{54}\). Some participants had high motivation. Individuals in this group were very keen to find work whatever the barriers they faced. Some were not even concerned about the type of work so long as they obtained some form of job. Others were identified as having ‘latent’ motivation. This group had low or suppressed motivation as the result of their experience of long-term unemployment but had the capacity to be re-motivated with support. This group often felt that they faced insurmountable barriers to employment. A third group was the conditionally motivated. They were motivated to obtain work but only one area or type of work. Finally some participants lacked any motivation to find work at the time of entering NDLTU.

The experience of long-term unemployment, with frequent rejection of job applications, can take its toll on jobseekers. Many feel isolated and cut off, especially from the world of work. The result is often a lack of structure to life and a decrease in self-esteem and self-confidence. Some adult JSA claimants seem to have become used to a way of life out of work and living on state benefits, while some even find virtue in this situation. Despite this attempt to come to terms with unemployment, repeated rejections and little prospect of employment other than in low wage and poor quality jobs tended to sap motivation and reduce job search.

Many of the very long-term, unemployed adults have had previous experience of Employment Service (ES)/Jobcentre Plus programmes and some had been on more than one. NDLTU participants interviewed in the early case studies had often attended Jobclubs, while most had experience of some form of training programme such as Youth Training, Employment Training or similar. While experience of other programmes and attitudes towards them was inevitably mixed, in general there was a fairly high level of disaffection with such government programmes. Criticisms related to the lack of any impact on the jobseekers subsequent ‘employability’ and chance of a job and a perception that such programmes were patronising. The mandatory nature of some programmes which forced jobseekers’ to attend irrespective of the relevance of the programme to their needs was also critically received. Such views inevitably colour the expectations of and attitudes towards participation in current provision.

Beyond the main frontline services provided to such customers, the principal provision for long-term unemployed adults in the New Deal 25 Plus (ND25plus) programme. Older adults (aged 50 or above) may volunteer to leave ND25plus and enter New Deal 50 Plus (ND50+) instead (see Chapter 7). In addition, in a number of areas where there have been concentrations of adult, long-term unemployed, Employment Zones (EZ) have replaced ND25plus.

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4.1.1 New Deal 25 Plus

ND25plus was launched as a national programme at the end of June 1998 and provided a common form of provision for long-term, unemployed adults across the whole country\(^{55}\). ND25plus was designed to provide long-term, unemployed people (defined as claiming JSA for 24 months or more) aged 25 and over with practical help and opportunities to equip them to re-enter and retain employment. It was intended to achieve two aims. First, to give long-term, unemployed people an opportunity to assess their situation with the help of a Personal Adviser (PA) and to enable a speedy return to sustainable work and, second, to help equip long-term, unemployed people with the skills they require to compete for future jobs, including work skills and experience, qualifications, improved motivation and self-confidence and job search skills. In addition to the national programme, 28 pilots were launched in November 1998 to test the effectiveness of a range of different approaches to achieving the aims of ND25plus.

When introduced in 1998, ND25plus consisted of a mandatory first stage called the Advisory Interview Process (AIP). This was intended to provide advice and guidance, support for intensified job search and, if necessary, preparation for later stages of the programme. Participation after AIP was, however, voluntary. Participants who wished to do so could enter Opportunities (subsidised employment or Full-time Education and Training (FTET)) and, if still without a job at the end of Opportunities would receive Follow-Through. A summary of the results of early evaluation of ND25plus can be found in Hasluck (2000)\(^{56}\).

The introduction of the national ND25plus programme in June 1998 was, in part, a response to concerns at that time that the massive commitment to introduce the New Deal for Young People (NDYP) might overshadow the need to provide similar support for long-term, unemployed adults. With the benefit of hindsight it is probably true to say that the first ND25plus variant was conceived in haste and lacked the thrust (as well as the resources) of NDYP. Evaluation of the early ND25plus highlighted many shortcomings. Few customers progressed to take up specific ND25plus Opportunities nor did many progress to Follow-through. Most participants left ND25plus after the mandatory AIP stage and the majority simply returned to job seeking on JSA. Although high quality and individually tailored advice, guidance and support had been provided, the evidence suggested that the AIP lasted too long, lacked intensity and pace and, since most customers were not expected to move to Opportunities, lacked purpose other than to secure a job placement. For some participants, ND25plus was a helpful intervention with positive outcomes but for others the experience was less productive and even unsatisfactory. Some ES staff regarded ND25plus as adding little to existing provision for long-term unemployed adults and not fully meeting the needs of this customer group.

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\(^{55}\) When launched in 1998 the programme was called New Deal for Long-term Unemployed Adults. This unwieldy name was later changed to New Deal 25plus.

Following a comprehensive evaluation of ND25plus, a series of enhancements were made to the programme in April 2000. These changes focused on the AIP (now renamed the ‘Gateway’) and were intended to improve the range of help on offer and intensify the process with an increased emphasis on supported job search and placement in unsubsidised jobs. Specifically, the enhancements took the form of additional and more regular interviews with PAs, a renewed emphasis on customer responsibilities and additional case conferences to facilitate meaningful Action Plans, improved assessment and diagnosis of basic skills needs and barriers to employment, the introduction of specialist careers guidance and mentoring services, additional specialist and other externally contracted provision aimed at meeting the needs of the most disadvantaged customers, making Jobseeker’s Grant available to ND25plus participants. In order to inject pace and purpose into the Gateway, a review of progress at three months was introduced to ensure that all options for employment and the enhancement of employability were being actively pursued.

Subsequent evaluation of the ‘enhanced’ ND25plus concluded that while the April 2000 enhancements introduced some positive changes, their overall effect was relatively slight. The changes were often perceived to be adjustments to the existing provision rather than a major redesign of the programme. Moreover, the delivery of the April 2000 changes was not always as planned and this was often ascribed by ES staff to the fact that the type of person entering ND25plus had changed, with a greater proportion of the caseload consisting of participants who were particularly difficult to help into employment. The evaluation concluded that if the core of hard to help individuals were to (re)enter work, more radical steps would be needed.

From April 2001, a substantially changed ND25plus programme has operated. Key elements of this reformed programme were the extension of mandatory participation beyond the Gateway to include a new Intensive Activity Period (IAP) as well as improvements to the Gateway and Follow-through. The employment subsidy on offer was now to be available at all stages of the programme, as was an Adviser Discretion Fund (ADF). Eligibility for ND25plus was widened to accept participants who had been claiming JSA for 18 months as opposed to 24 months previously. Five categories of early entrant were identified who could enter ND25plus from day one of their JSA claim. All adults with 18 months or more unemployment within a 21 month period are mandated to attend the initial advisory Gateway period. The remainder of the programme is mandatory for those aged 25-49, but is voluntary for those aged 50 or over. Eligibility for ND25plus was reduced from 24 months to 18 months.

An initial Gateway period of up to four months is required of all participants, involving a series of weekly interviews between the customer and a New Deal

Personal Adviser (NDPA), and focused on getting people into work. The early stage of the Gateway involves assessment and diagnosis, with particular attention on basic skill needs. Jobseekers can be referred to a range of measures and support aimed at moving people into work. Towards the end of the Gateway, PAs focus on planning individually tailored programmes of help for those who need the support of an IAP.

The IAP is designed to give people the skills and experience needed to obtain employment by offering tailored, full-time, intensive provision. Such provision includes Basic Employability Training (BET), work placements, work-focused training and help with motivation and ‘soft’ skills. The customer is expected to receive 13 weeks of help, although this can be extended up to 26 weeks. During the IAP a New Deal allowance is available to participants.

Those who return to JSA after the IAP enter a period of Follow-through aimed at moving them into employment. This involves a series of weekly interviews over a six week period, involving intensive job search and access to Gateway-type provision. Where necessary, Follow-through can be extended for up to 13 weeks (26 weeks in total) and customers are able to access a range of more intensive provision.

By February 2006 a total of 622,000 people had started on ND25plus, of whom around 30 per cent entered employment from the programme. The re-engineering of the programme in 2001 appears to have been associated with doubling of the job entry rate. However, around a third of ND25plus participants return to the programme for a repeat spell. While repeat spells can create problems, such as poor motivation or cynicism about the purpose of the programme, job entry rates from ‘returners’ on a second spell appears to be almost double that of the first spell on ND25plus.

4.1.2 Employment Zones

EZs are areas of long-standing, high unemployment rates that have been given the flexibility to use existing funding to help long-term, unemployed adults to return to work. When launched in 2000, those eligible for EZ provision were people aged 25 or above who had been claiming JSA for 12 months (in eight EZs) and 18 months (in seven EZs). Latterly, those eligible must have been claiming JSA for 18 months out of the last 21 months. From 2002, eligibility for EZs was extended to include mandatory participation for NDYP ‘returnees’ and voluntary participation for lone parents.

EZs are operated by private sector organisations under contract to the Department for Work and Pensions (DWP). EZs have the ability to pool existing funds for training, Jobcentre Plus support and the equivalent of benefit in order to provide a pool of resources to fund flexible provision. Contractors receive substantial performance related payments for achieving successful outcomes. Participants are guaranteed an income equivalent to their net weekly benefit so long as they remain unemployed. EZ contracts have been awarded up to 2009.
Participants work with a PA through three stages of the EZ process. Stage 1 can last for up to four weeks and involves the development of an Action Plan. The Action Plan involves detailed job search plans and can be supported by help with the cost of travel, work clothes and so forth. Training is not normally considered unless it is linked to a specific job. Stage 2 involves intensive job search activities based around the Action Plan. This stage can last for up to 26 weeks. Stage 3 begins once a participant has entered a job. Participants can receive in-work support for up to 13 weeks. Mandatory participants who do not find a job at the end of Stage 2 leave EZs and return to their Jobcentre but they may volunteer to continue to receive help from the EZ for a further 22 weeks if they so wish.

4.2 Type of provision

4.2.1 Advice and guidance

The ND25plus Gateway period lasts for a maximum of four months. During this time PAs meet customers on a weekly basis. Activities during the Gateway include screening for basic skills needs and provision of support for job search and other needs. Where a customer is a substantial distance from job readiness or faces particular disadvantages, there is provision to PA case conferencing.

Case studies of the post-2001 ND25plus found that there was considerable variation in the way in which the national ND25plus model was implemented at the local level. Local variations related to the length of the Gateway, the management of the Gateway and the type of provision made available.

Typically, customers entering ND25plus are introduced to the programme and their obligations at their first interview with their PA. This initial meeting usually also discusses the customer’s unemployment, work and learning history. Subsequent interviews tend to be more variable with interviews tailored to the needs of the customer. These interviews also consider job search activity. The majority of customers are subsequently referred to a Gateway to Work course, usually lasting around two weeks. Use of such courses has been found to vary across Jobcentre Plus Districts with some routinely referring while others use such provision in a more limited manner. Gateway to Work courses are often delivered jointly with provision for NDYP.

Jobcentre Plus staff are generally positive about Gateway to Work provision, feeling it tests customer motivation, helps identify appropriate IAP provision and improves job search skills58. There was also a view amongst staff that Gateway to Work provision


courses were most appropriate for younger customers and, perhaps, the more job-ready. Some areas had developed Gateway to Work courses specifically for the ‘hard to help’ customer group. These courses placed an emphasis on attendance, time-keeping and other work related discipline.

Apart from Gateway to Work, a range of other provision is available, including mentoring, counselling on drug and alcohol issues, financial advice, careers guidance and work tasters. The evidence from case studies and qualitative surveys was that such provision was used only infrequently, largely due to its specialist nature or lack of local provision.

The various reforms of ND25plus appear to have achieved their aim of quickening of the pace at which customers pass through the advisory phase. Both Hasluck (2002) and Wilkinson (2003) note that successive cohorts of ND25plus customers took less time to pass through the AIP/Gateway period\(^59\). Nonetheless, while generally regarded as a great improvement on its predecessors, some aspects of ND25plus have been identified as requiring improvement. These include separate Gateway to Work provision for ND25plus customers (who, many staff felt, had rather different needs from customers on NDYP) and more advanced Gateway to Work courses for more experience or skilled customers.

On EZs, advice and guidance is provided in both Stage 1 and Stage 2. In Stage 1, the PA and customer work together to develop an Action Plan which is then implemented in Stage 2. Evaluation of EZs suggests that the four weeks available for Stage 1 is only adequate time to engage with customers and develop an Action Plan if everything goes smoothly. Where customers are hard to help, or contact with a PA is intermittent for some reason, the time on Stage 1 is insufficient\(^60\). In Stage 2, PAs work with customers to provide support for job search and job entry. Much of this support is designed to get customers to re-appraise their circumstances and give them the confidence to enter or re-enter work. Various tools have been developed to help PAs and these include motivational training, career assessment and development and customer-led researching of job opportunities. One key finding from evaluation of EZ providers is that a type of support that worked with one type

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of customer did not necessarily work with others and it was important to tailor the type of support to the particular needs of each customer\(^{61}\).

Further advice and guidance is available at the Follow-through stage of both ND25plus and EZs. Follow-through has been available on ND25plus throughout and initially took the form of additional interviews with PAs for participants who left ND25plus and returned within 13 weeks. Molloy and Ritchie (2000) found that the range of needs at the Follow-through stage were varied and PAs had little in the way of support to offer beyond weekly interviews\(^{62}\). Atkinson et al. (2000) also found Follow-through on NDLTU Pilots to be insufficient to help customers who were often the very hardest to help\(^{63}\). The widening of provision available at Follow-through in 2001 was widely regarded by staff as a major improvement to provision. Follow-through now consists of a six week period of intensive job matching and weekly interviews with a PA. It also offers a range of provision similar to that in the Gateway. For those requiring additional support, Follow-through can be extended for up to 13 weeks to allow the customer access to further provision similar to that available in the IAP (although there is some evidence that such provision is rarely used\(^{64}\)).

The benefit of Follow-Through is seen by staff mainly in terms of capitalising on the increased employability of customers brought about by activities on the Gateway and the IAP. They also see Follow-Through as a means to intensifying job search activity that may have diminished while the customer was on the IAP. Nonetheless, many PAs feel that if customers had been through the Gateway and the IAP without obtaining a job, their employment prospects at Follow-Through were slim.

### 4.2.2 Work placements

Adults (aged 25 plus) who have been unemployed for six months or more are eligible for a Work Trial. Work Trials offer up to 15 working days work experience with an employer in a real job. During any period of Work Trial the customer continues to


receive benefit but can be paid travel expenses. Work Trials represent an inexpensive, small scale intervention intended to address any work experience ‘gap’ in the CV of customers. Unfortunately, little information is available about Work Trials (mainly because Jobcentre Plus management information appears not to record such provision) and there is correspondingly little evaluation of its impact. In the only major examination of Work Trials, White, Lissenburgh and Bryson (1996) found that participation in a Work Trial increased the chances of employment by 35-40 per cent (a remarkably high impact compared with other interventions)\(^{65}\). However, the evaluation also noted the small scale of the intervention, just 20,000 Work Trial placements in 1994/96 and, currently, less than 2,000 Work Trials per annum are recorded by Jobcentre Plus.

Work placements are also available to customers on ND25plus. Work experience placements form an important part of the IAP period and many PAs believe that experience of work is the most useful way of helping a customer into a position of being job ready\(^{66}\). Such work experience placements appear best-suited to customers who did not have a clear view of the occupational area in which they wished to work and for whom sectoral training might be too inflexible or inappropriate.

Subsidised employment has been available since the launch of the first NDLTU programme in 1998 but was only available as an opportunity after the customer had completed the AIP or Gateway stage. After April 2001 subsidised employment was made available at any time on the programme. This gave PAs additional flexibility when seeking to place a customer in a job with an employer. Under the programme, employers recruiting eligible people can claim £75 per week for 26 weeks for jobs offering 30 or more hours per week. Jobs offering between 16-29 hours per week can claim a subsidy of £50 per week. A part-time job may be eligible for a full subsidy where the jobseeker’s hours of work are limited by disability. If a participant takes up a subsidised employment placement, they leave JSA and receive a wage at least equal to the subsidy payment.

Good work placements were valued by participants. This was especially so for older jobseekers who had been out of work for a long time and who had become extremely pessimistic about their prospects of ever returning to work. The benefits accruing to participants from a job placement included the re-establishment of work routines, making contacts in the workplace and increased self-esteem as well as the direct financial benefit of a wage. Evidence from a national survey of employers providing subsidised employment places was conducted between September 1999


and January 2000. That survey, the only one of its kind in relation to New Deal, found that a substantial proportion of customers placed in subsidised employment were retained at the end of the subsidy period and continued to be employed for significant periods thereafter\(^\text{67}\).

More recent evaluation highlighted a concern amongst staff that the increased emphasis on work experience placements in ND25plus would exhaust the supply of suitable job placements for customers\(^\text{68}\). A reluctance of some PAs to market the programme to employers may have contributed to this problem and better relationships with employers might help avert such a problem. A related concern was that a growing proportion of work placements were not regarded as being in the ‘real labour market’, but were seen as ‘soft placements’ with the training providers themselves or with non-market organisations such as the voluntary sector. The extent to which this is a real concern depends very much on what customers gained from their placement.

One feature of ND25plus is that there are a significant number of customers who complete a spell on the programme and later become eligible for the programme a second (or even a third) time. To address this problematic group of customers, the StepUP programme was launched in April 2002 with 20 pilots operating by December 2002. These pilots ran for two years and ended in 2004. StepUP was targeted on NDYP and ND25plus customers who remained on JSA six months after completing the New Deal. Under StepUP, customers were placed into a job with an employer who was paid a wage subsidy for 50 weeks. The subsidised job was of 33 hours per week to allow time for job search within the normal working week. Participants in StepUP tended to have low employability and many faced significant barriers to obtaining work. Despite this, the work placements under StepUP were associated with significant benefits in terms of job entry for customers over 30 years of age and small benefits for the 25-29 year age group\(^\text{69}\). It is notable that the greatest impact of such placements was on customers with low objective employability, low subjective employability combined with multiple disadvantage. The StepUP pilots reinforce the view that work placements can be an effective route into employment even for the most hard to help customers. This effectiveness appears to be associated with the joint provision of a work placement in conjunction


with time for job support and significant in-work support during the placement to ensure both the retention of the customer and that job search is undertaken.

### 4.2.3 Acquisition of skills

Long-term, unemployed adults tend to have few formal qualifications. Early qualitative evidence relating to NDLTU found that three-quarters of participants interviewed had left continuous full-time education at or before the age of 16 without any qualifications and just over half had no qualifications at the time they were interviewed⁷⁰. Many customers had ‘dropped out’ of an educational course in the past for a variety of reasons, with illness being a commonly mentioned reason. Customers interviewed in case studies of NDLTU pilots frequently gave considerable weight to their lack of qualifications, both as the explanation of their unemployment and as a necessary route back to a job⁷¹.

The IAP of ND25plus is intended to address some of the skill deficiencies of customers and provide them with the skills required to obtain employment. The IAP is mandatory for customers aged 25-49 who have not found a job during the Gateway and voluntary for customers aged 50 plus. Customers undertake an individual programme from a range of provision including:

- BET;
- self-employment support;
- Education and Training Opportunities (ETO);
- combination of work experience placements;
- work-focused training;
- help with motivation and soft skills.

Normally the IAP lasts for a minimum of 13 weeks but can be extended up to 26 weeks, with the exception of ETO which lasts 52 weeks. Work Based Learning for Adults (WBLA) was available to ND25plus participants up until 2001 when it was removed from the menu of choices. It was claimed that WBLA was not flexible enough for the new tailored approach of ND25plus⁷².

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Some fundamental concerns about IAP have been highlighted by evaluation. In particular, Jobcentre Plus staff felt that 13 weeks was only sufficient to achieve a positive result with customers who were work-ready and well-motivated. For customers who were not work-ready or had negative attitudes to the programme and to work, such a spell of activities was likely to be insufficient. Where customers lacked adequate basic skills, they could undertake BET for a 26-week period. Many PAs felt that even 26 weeks might be insufficient in the case of those customers with severe basic skill needs. BET is an important element of IAP provision and is designed to help those who lack adequate basic skills. However, many PAs felt that where a customer’s basic skills are adequate, a period of work experience was more useful in order to obtain a job than training.

PAs were also concerned that there was insufficient provision for ND25plus customers. There is some evidence that providers are reluctant to offer courses for ND25plus customers, both because of concerns about the motivation of such customers and the small number of referrals that made provision uneconomic (Wilson, 2002; Winterbotham, Adams and Kuechel, 2002).

Compared with ND25plus, provision on EZs places much less emphasis on training for skills with much greater emphasis on work experience and entry to work.

4.2.4 Self-employment

While self-employment support is available to customers on ND25plus during the IAP, there appears to be little or no evaluation evidence relating to this provision.

4.2.5 Specialist support

Specialist support is available to ND25plus customers during the Gateway period. People with disabilities may be referred to support such as a Disability Employment Adviser.

4.2.6 In-work support

There appears to be little routine provision for in-work support of customers of ND25plus. The exception can be found in the StepUP pilots which placed those customers who became eligible for ND25plus on a second or subsequent occasion into a subsidised job. Support for customers during the StepUP placement took the form of support from a Jobcentre Plus PA, a Support Worker from the Managing Agent (delivering jobs to StepUP) and a workplace buddy. The evaluation of StepUP concluded that the role of the independent Support Worker was critical in maximising retention within StepUP jobs (and Support Workers were positively regarded by customers). The evaluation also noted, however, that the in-work support provided insufficiently encouraged job search amongst StepUP participants and the intervention would have been more effective if it had done so.

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In-work support has also been a feature designed into the EZ programme, where Stage 3 consists of in-work support (referred to by many EZs as ‘aftercare’) of customers who have entered employment. EZ providers will receive a substantial output related payment only if the customer remains in sustained employment (that is, for 13 or more weeks). Aftercare from EZs mainly consists of ‘out of working hours’ contact and in-work financial support. Although the first line of in-work support is the EZ adviser (who offers continuity of support for the customer, some EZs have created aftercare consultants to offer dedicated in-work support during evenings and weekends while other EZs have operated free telephone helplines.

In-work support provided by EZs appears most effective during the first few weeks of employment when the majority of problems are likely to arise. In some cases, EZ advisers have been able to prevent customers from dropping out of employment by negotiating with an employer on their behalf. Where problems of a financial nature crop up, the flexibility of EZ provision means that financial support is available even after a customer has commenced work (this is not the case with the ADF that can meet costs that arise in the transition to employment). While aftercare is normally limited to the first 13 weeks in employment, some EZs have been conducting experiments with in-work support beyond the 13 week point. This may be appropriate where a customer has to move through an unattractive job (or jobs) before being able to secure a desirable or secure job.

4.2.7 Other

When ND25plus was reformed in 2001, customers also became eligible for financial support through the ADF. This fund provided a discretionary fund from which PAs could purchase items for the purpose of helping customers make the transition from unemployment to employment. Case studies of ND25plus found that ADF had been used for two main purposes. These were, first, to prepare and support interviews (for instance, help with the purchase of appropriate clothing) and, second, to get customers into work and sustain them over some initial period (for instance meeting travel or subsistence costs where the employee must work a week in hand)\(^\text{74}\). The case studies identified a wide range of examples of ADF purchases ranging from driving lessons and driving tests and purchase of bus passes to purchase of an alarm clock and essential work tools. The ADF appears to have been extremely popular with PAs who felt empowered and better able to help customers obtain jobs. ADF had also been a useful tool in improving PA-customer relationships since it provided PAs with something additional to give to customers.

4.3 Aspects of delivery

4.3.1 Timing of provision

Unlike a lot of provision for other customer groups, there has been a considerable amount of variation in when long-term, unemployed adults become eligible for provision. Eligibility for ND25plus has varied throughout the life of the programme. Initially, adult JSA claimants were eligible after 24 months. This was later reduced to 18 months. NDLTU pilots allowed eligibility at either 18 months or 12 months. In addition, there has been provision for early entry for some specific customer groups throughout. EZs also offer variation in timing with customers in some EZ areas becoming eligible after 18 months while in other areas eligibility is at 12 months. This ‘experimental’ variation provides scope for assessing the impact of timing on the effectiveness of provision.

Evidence from ND25plus is that earlier entry was associated with faster exits and job entry. Successive intensifications of ND25plus and the lowering of the eligibility criterion have been associated with improvements in the exit rate. It is, however, difficult to separate the impact of earlier delivery and changes to provision since these two factors are likely to be associated. Customers on pilots were more likely to have left ND25plus and more likely to have entered a job than comparable customers on the national programme (Wilkinson, 2003). Early entry was also associated with better outcomes while customers with long JSA claims were less likely to go into employment75. Some weak evidence was provided by Hales et al. (2003) that customers in 12 month EZs had a greater chance of being in work than those in 18 month EZs but the results were not conclusive76.

4.3.2 Nature of provider

ND25plus has been delivered by ES/Jobcentre Plus in partnership with local training providers and similar organisations. There is little organisational variation to assess. The more significant comparison is between ND25plus and EZs since the latter are private contractors.

Hirst et al. (2002) provided evidence from case studies of EZs that they had been successful in meeting the needs of long-term, unemployed adults, especially those who were ‘harder to help’ and for whom traditional measures had been ineffective77.

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More recent evaluations of EZ delivery have consistently found that most customers preferred the more informal and friendly atmosphere of EZs (contrasting EZ offices favourably with Jobcentres) and liked the intensive and more individual support received\textsuperscript{78}. These subjective views support earlier findings that EZs have performed much better than ND25plus. Hales et al. (2003) found that EZs had significantly increased the chances of participants gaining work compared to what would have been the case if ND25plus had been the programme operating in those areas\textsuperscript{79}. In the light of this evidence it is difficult to escape the conclusion that intensive support for job search, combined with financial incentives for the organisation providing that support, has proved more effective than the very ‘broad brush’ approach, with a heavy emphasis on training, found on ND25plus.

4.4 What works for adult jobseekers?

In many ways, ND25plus exemplifies the problem of evaluating the impact of individual components of provision within a major intervention targeted at a large and diverse customer group. The programme exhibits frequent change and provides a wide range of provision jointly to customers. When launched, ND25plus mainly offered an advisory service designed to (re)motivate and support adult jobseekers who had been out of the job market for a long time. While additional opportunities (in the form of subsidised employment and FTET) were available, few customers actually took up these opportunities (which were voluntary) and most returned to job seeking on JSA. The history of ND25plus thereafter, has seen a succession of additions to provision designed to expand the range available and to compel customers to engage with that provision (by making IAP mandatory). Steps to speed up and intensify the whole ND25plus process together with changes in eligibility criteria have further complicated matters. While there is a sizable body of evidence relating to ND25plus in its various forms, evidence about the delivery and outcomes of the programme mainly relates to the pre-2001 version of ND25plus and to the immediate impact of the 2001 reforms on delivery. What little evaluation after this has largely focused on minor changes and innovations and provides little information about mainstream ND25plus.


Based on the evaluation of early versions of ND25plus, it would appear that advice alone is not sufficient to get many long-term, unemployed adults back into employment. Only when mandatory activities including work experience and training were introduced is there any evidence of a significant impact on job entry. This strongly implies that it is ‘bundles’ of provision that work for this customer group and that provision is complementary. Unfortunately there is little evidence of which bundles of provision work best together and for which individual customers.

There is some evidence from internal DWP analysis that women benefit less than men from ND25plus evidence with the odds of a woman leaving ND25plus for a job being around seven per cent less than those of a man although the gender disparity is much smaller than is evident amongst young people claiming JSA.

By definition, ND25plus participants are mainly customers who have been claiming JSA for at least 18 months. The length of time without employment is a factor that compounds any other barriers faced by ND25plus customers. An important aspect of provision for this customer group is, therefore, re-motivation and support in rebuilding confidence. The role of PAs is, again, crucial to this process and the ability of Advisers to engage with customers and provide the right support at the right time is important. PAs often report, however, that their interventions are made too late to be effective. Support with intensive job search needs to be provided soon after the individual starts their JSA claim. Leaving customers until they have completed 18 months of JSA claim can mean that Advisers are trying to rectify attitudes and lack of motivation set in place much earlier in the customer’s spell of worklessness.

Evaluation of ND25plus found that the job entry rates of early entrants to ND25plus exceed those of other customers despite the fact that early entry is conditional upon being at a disadvantage in the labour market. This suggests, or is not inconsistent with the view, that the sooner an intervention can be made the more effective it is likely to be. Equally, it has to be acknowledged that some customers are poorly motivated and have little intention of obtaining work and no amount of effort on the part of PAs will overcome such negative attitudes. This is particularly evident where customers have repeated the same provision on a number of occasions.

There is tantalising evidence from a single evaluation study of Work Trials. In the only significant study of this provision, the estimated impact in terms of improving the chances of entering employment were greatly increased. Bearing in mind the relatively short length of the job placement and the fact that the customer remains on benefit during the placement, Work Trials would appear to offer an extremely inexpensive and efficient way of helping customers into employment. In view of this, the low participation in Work Trials seems both inexplicable and disappointing. Nonetheless, a note of caution is needed here. To draw conclusions from a single, and now somewhat dated (relating to 1994/95), study would be unwise. It should, perhaps, become a priority for Jobcentre Plus to establish whether Work Trials remain as effective and, if so, what could be done to increase their take up.
Perhaps the most compelling evidence of effectiveness relates to EZs. While care should be taken not to rely on the small number of studies currently available, the evidence to date points to EZs being more effective than ND25plus in terms of obtaining entry to employment (and customer satisfaction). This appears to have been achieved by a single-minded pursuit of jobs for EZ customers (rather than training and similar activities), supported. Taken together with the evidence from Work Trials, the evaluation of EZs suggests that what works best for long-term, unemployed adults is exposure to a job.
5 Older people

5.1 Context

Until a hundred years ago most people continued in employment until death. Gradually throughout the 20th Century, pensions were introduced as a means of supporting people after they left employment, and a system of contributory State Pensions with State Pension ages was established.\(^{80}\) From the 1970s and into the 1990s there was a trend towards early exit from work of substantial groups of (male) workers prior to State Pension age (SPA), commensurate with older workers fulfilling a ‘buffer’ role: in which they were amongst the foremost candidates for labour shedding in a slack labour market; (over the same period the number of older women participating in the labour market has increased). As the labour market tightened in the early 1990s, the pattern of early withdrawal from the labour market went into reverse and, by 2005, the employment rate of men aged between 50 years and SPA was higher than at any point since the mid-1980s. Hence, labour market context matters for the experience of older people.

Looking ahead, demographic changes – notably the ageing of the population (including the imminent retirement of the ‘baby boom’ generation), increasing longevity and declining fertility – have important implications for the future shape of the workforce.\(^{81}\) From an economic and social policy perspective, alongside sound macroeconomic policy and relatively favourable economic conditions, equalisation of SPA, a focus on reform of Incapacity Benefit (IB), a continuation of active labour market policies and the introduction of anti-age-discrimination legislation in 2006\(^{82}\)

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\(^{82}\) The Employment Equality (Age) Regulations 2006 will make many employment practices relating to age unlawful unless they can be objectively justified. Policies and practices relating to pay and benefits, retirement, recruitment, promotion and redundancy are of relevance here – see Metcalf, H. and Meadows, P. (2006) *Survey of employers’ policies, practices and preferences relating to age*, Department for Work and Pensions Research Report 325.
provide a positive context for a further increase in employment rates amongst older people and also highlight the need to consider employers’ views about engaging older people. However, the numerical expansion of the older working age group, the sheer volume of people aged between 50 and SPA and attitudes supporting earlier retirement (amongst some sub-groups) pose significant challenges to increasing the employment rate of people aged over 50 years and narrowing the gap between this group and the aggregate employment rate.\(^\text{83}\)

A mix of financial (dis)incentives, employer barriers and socio-demographic variables influence older people’s decisions about whether to remain at work, including: marital status (and partner’s economic status if part of a couple\(^\text{84}\)), gender, socio-economic status, housing characteristics, financial resources, and type of employment.\(^\text{85}\) Some of these factors are also relevant to understanding what prevents people from returning to work. It is also salient to note that decisions about work and retirement are located in social networks within which personal ties are embedded\(^\text{86}\) – i.e. local, social norms matter.

Barriers to work for older people may be either age-related (such as outdated skills, poor health, caring responsibilities [for parents, a partner or grandchildren,\(^\text{87}\) etc.] or independent of age (financial barriers, lack of suitable jobs in the local area, etc.). Moreover, some older people face multiple disadvantages, and the effects of these are cumulative.\(^\text{88}\) There are important overlaps between health conditions\(^\text{89}\) (especially in the case of men), lack of qualifications and caring responsibilities (more prevalent


\(^\text{84}\) In couple households there needs to be a household focus, since often both partners need to be convinced about the merits of a return to work.


\(^\text{86}\) The role of particular network members (partners, friends, work colleagues and employers) in decision-making has been identified as a gap in knowledge by Phillipson, C. and Smith, A. (2005), *Extending working life: A review of the research literature*, Department for Work and Pensions Research Report 299.

\(^\text{87}\) In the case of caring for grandchildren, there may be a tension between promoting higher employment rates amongst older people and also amongst younger people, since the caring role of a grandparent may enable a child’s parent to take up and sustain employment.


for women than for men) amongst older people. Hence, older people form a heterogeneous group. However, this heterogeneity is not solely a function of factors other than age (including former occupation, previous employment experience, etc.); there are also important variations by age. In general, those at the younger end of the age spectrum (in their 50s) have stronger expectations of work than those in their 60s, who are becoming more attuned to retirement and may be already psychologically retired. Hence, attitudes to work may be expected to vary by age within this customer group.

Older people are the target of both a specific programme and can participate in general programmes targeted at a wider range of non-employed claimants/benefit recipients. These include:

- the foremost specific programme is the New Deal 50 plus (ND50+), which provides a combination of advice, help with job search and financial support to assist non-employed over 50s back into work; and also

- general programmes – including the other New Deal initiatives (notably the New Deal 25 plus (ND25plus)) and Jobcentre Plus programmes.

ND50+ started in October 1999 in nine pathfinder areas, and was rolled out nationally in April 2000. Individuals aged 50 or over and who have claimed Income Support (IS), Jobseeker’s Allowance (JSA), IB, Severe Disablement Allowance (SDA) or State Pension Credit for at least six months are eligible to participate in ND50+. The programme is voluntary: individuals joining the programme incur no loss of benefits, and they can leave the programme at any time. A key feature of the programme is New Deal Personal Adviser (NDPA) services, embracing assistance

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92 The ‘over 50s’ are a key group in ND25plus. In some instances a distinction is made between those aged 25-49 years and those aged 50 years and over in reporting outputs and outcomes. Given that there is a positive association between disability and age, the over 50s are group is well represented amongst New Deal for Disabled People (NDDP) customers. Conversely, the over 50s are not so well represented on New Deal for Lone Parents (NDLP).

93 Generally, Jobcentre Plus programmes are not specific to older people. However, Programme Centres do have some modules designed specifically for ND50+ participants.

94 Both customers and staff appreciated the voluntary character of the ND50+ programme, which was conducive to high levels of commitment from customers and staff alike.
with an action plan to help get a job, help with job-search and applications for suitable jobs, organising possible training opportunities in order to improve skills and providing support and reassurance throughout the programme. ND50+ participants have access to Jobcentre Plus's full range of mainstream programmes at the discretion of their NDPA. A second key feature of ND50+ when it was established was a weekly tax-free Employment Credit (EC) paid directly to the individual for up to a year for those with an income of less than £15,000 per year. In April 2003, the EC was replaced by the 50 plus return to work element of the Working Tax Credit (WTC). A third key feature of ND50+ is the Training Grant. Initially set at £750, the Training Grant was available for expenditure on job-related training for a period of one year to all those who found work through ND50+. In July 2002 the amount of the Training Grant was raised to £1,500 and the period covered was increased from one to two years. Other initiatives targeted specifically at the over 50s include the New Deal 25+ Intensive Activity pilots for people aged 50-59 years which is testing the effect of making entry into an Intensive Activity Period (IAP) at the end of a four month Gateway period after being in receipt of JSA for 18 months mandatory. These pilots were launched in 2004. Evaluation is ongoing but a national roll-out of mandatory IAP for the 50+ customer group was announced in the Welfare Reform Green Paper in January 2006. Also, in 2004, the over 50s outreach pilots were set up in seven Jobcentre Plus districts; these were designed to extend information and back-to-work help and local job and volunteering opportunities to help improve prospects of older jobless people.

ND50+ has been subject to evaluation, although much of the evaluation evidence is of a qualitative nature and is now somewhat dated. Compared to other New Deal programmes, performance data for ND50+ is limited and a full economic evaluation of its effectiveness in increasing employment amongst older people has

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95 It is salient to note that no capital test was applied.

96 The amount of EC was £40 for those working 16-30 hours per week and £60 for those working more than 30 hours per week.

97 £1,200 for training relevant to the job and £300 for wider career-related training.

98 The Department for Work and Pensions Welfare Reform Green Paper A new deal for welfare: Empowering people to work published in January 2006 set out plans for increasing the involvement of information, advice and guidance services in promoting the 50+ In Work Training Grant and supporting older people taking it up.


100 Evaluation is ongoing.
not been undertaken.\textsuperscript{101} Moreover, ND50+ is relatively small scale compared with other programmes,\textsuperscript{102} and a comprehensive review published in 2003\textsuperscript{103} indicated that there were few firm conclusions about ‘what works’ for inactive customers, as the focus of effort had been on active customers. However, a survey of over 500 participants in ND50+ conducted in 2001 revealed that the majority of customers had found the programme helpful.\textsuperscript{104} It is estimated that between April 2000 (when introduced) and December 2004 ND50+ had supported over 150,000 individuals in their return to work. Furthermore, job outcomes from the ND50+ programme tend to be sustained, with around three-quarters of those entering full-time work continuing to be in full-time work after six months, although work outcomes were rather less likely to be sustained for those entering part-time jobs.\textsuperscript{105}

In respect of raising the employment rate for people aged 50 and over it is salient to note that some of the non-employed are self-sufficient in financial terms and fall outside the ambit of the labour market programmes outlined above. For older people the desire to work is of key importance, as are the attitudes of employers regarding employing older people.

5.2 Type of provision

5.2.1 Advice and guidance

As highlighted above, advice and guidance is a central element of the ND50+ programme. However, individual participation in the programme can be quite varied\textsuperscript{106} – with individuals having different mixes of job search preparation/job reorientation/assisted job search, etc. – so complicating the identification of ‘what works’.

The typical model involves a person taking up offers of advice and guidance (known as ‘joining the caseload’), but they are not obliged to do so. Early evaluation

\textsuperscript{101} National Audit Office (2004) \textit{Tackling the Barriers to Employment for Older People}.

\textsuperscript{102} In this regard, the symbolic importance of ND50+ has been emphasised – see Disney, R. and Hawkes, D. (2003) ‘Why has employment recently risen among older workers in Britain?’ in Dickens, R., Gregg, P. and Wadsworth, J. (eds.) \textit{The Labour Market under New Labour: The State of Working Britain II}. Palgrave.


\textsuperscript{104} Thirty-three per cent of customers surveyed thought that ND50+ had been ‘helpful’ and 33 per cent said it had been ‘quite helpful’.


evidence from NDPAs indicates that many felt that customers received significant and useful help which did much to offset loss of self-confidence,\textsuperscript{107} to reorient them in the labour market, and to help them overcome employer age discrimination. Since many customers had not taken up the caseloading offer to receive advice and guidance from a personal adviser, the resources provided had generally been sufficient to deliver a high quality programme for those that did take up the offer.\textsuperscript{108} The crucial positive feature of caseloading (from the perspective of ND50+ participants) was to establish a new psychological basis for the customer-adviser relationship, with the adviser clearly recognised to be personally committed to the customer, unambiguously on their side, understanding of the problems that they faced in their search for work, and in a sustained relationship.\textsuperscript{109} Despite the value placed on caseloading both by NDPAs and ND50+ participants,\textsuperscript{110} surveys identified no statistical correlation between caseloading and the likelihood of securing employment; (although this is likely to be explained by the fact that the most job-ready did not enter caseloading).\textsuperscript{111} The value placed by older people on Personal Adviser (PA) support is also evident from the ONE evaluation, with high proportions of older customers in the ONE evaluation indicating that they were treated ‘well’ or ‘very well’. The matching of expectations and experience of personal support is also important: lower levels of support than anticipated could be counterproductive, leading to decreased motivation. Also on the theme of matching, personal advisers of a similar age to customers can help to remove some of the barriers to work and secure rapport.\textsuperscript{112}

It is also salient to note what help is not provided by NDPAs, but which individuals might have benefited from – albeit that this was not within the remit of the programme. From the evidence on ND50+ it is clear that few customers used the programme as a springboard for progression in work, and the absence of help from NDPAs regarding inter- or intra-employer moves and advice about training may be a factor here.\textsuperscript{113}

\textsuperscript{107} The ND50+ programme increased confidence in finding a job, even amongst those who had not found work.


\textsuperscript{109} Informal contact once a customer had found work or when caseloading had ended was also greatly appreciated.

\textsuperscript{110} More than half of those caseloaded said that they could not have managed without it or that it was very helpful.


Overall, there is evidence that personalised advice and support is effective for older people,\textsuperscript{114} with customers appreciating seeing the same NDPA regularly.

5.2.2 Work placements

There is evidence that Work Trials are particularly important for older customers, because such placements offer an opportunity to those who might not be considered by employers using conventional recruitment methods.\textsuperscript{115} They are of particular value for those people who have been out of work for some time and for those who are moving into work in occupations and sectors dissimilar from their previous work experience. Shorter trials of 3-5 days are preferred.\textsuperscript{116}

5.2.3 Acquisition of skills

A recent review of the research literature suggests that an understanding of ‘what works’ in training older people is lacking,\textsuperscript{117} although some pointers are available from the literature.\textsuperscript{118} There is evidence that lack of skills is a barrier to employment entry and retention for many older people, although some training can be too basic for older people with a wealth of experience,\textsuperscript{119} so suggesting a need for targeting training to individual (and employer) needs. Some older people will need to update their skills in order to compete successfully for employment in occupations and industries in which they have worked formerly, while others are likely to need to reorient their job search to new occupations and industries. However, there is evidence that attitudinal barriers may mean that some older people are reluctant to engage in learning (especially basic skills) – on the basis that they are too old to engage in learning and/or they do not need skills training because they have extensive work experience.\textsuperscript{120} Such ‘over-confidence’ amongst some older people


\textsuperscript{115} Perhaps favouring younger people.


\textsuperscript{118} For example, see: Newton, B., Hurstfield, J., Miller, L., Akroyd, K. and Gifford, J. (2005), Training participation by age amongst unemployed and inactive people, Department for Work and Pensions Research Report 291.


\textsuperscript{120} Winterbotham, M., Adams, L. and Kuechel, A. (2002), Evaluation of the Work Based Learning for Adults Programme since April 2001: Qualitative Interviews with ES Staff, Providers and Employers, Report for DWP.
contrasts with ‘under-confidence’ amongst others in their ability to learn.\textsuperscript{121} Research commissioned from the Third Age Network on Information, Advice and Guidance for Older Age Groups\textsuperscript{122} showed that many older people faced difficulties in finding support agencies with staff who have the experience and expertise to assist them. However, the research revealed that older people felt that they would benefit from accessible, personally relevant and detailed information to support career choice, expert advice and continuity in support, alongside affordable training opportunities relevant to the needs of the local labour market and opportunities for work trials, work sampling and work experience. Older workers may have distinctive training needs.\textsuperscript{123} It is possible that there are changes in ways of working and learning which relate directly to age, but it is more likely that these reflect cohort effects or the fact that the approaching end of employment influences attitudes and motivations for further training (which in turn may be reinforced by experiences in the workplace – where longstanding employees may be given least chance to learn new skills).\textsuperscript{124}

Evidence from an evaluation of Work-Based Learning for Adults (WBLA) indicates that the majority of older trainees were pleased with provision. WBLA had a positive impact on soft skills (especially confidence building and motivation), work related skills (e.g. team working and communication) and hard skills (e.g. job search skills and IT).\textsuperscript{125} The results of an evaluation of WBLA for JSA claimants who participated in WBLA during the period January to April 2002 indicate that both short job-focused training (SJFT) and longer occupational training (LOT) have a more positive impact on employment participation. In general, SJFT accelerated entry into work, and while for most customers the impact was short-lived, for those aged 50 years and over the effect appeared to be more sustained. LOT also had a significant impact


\textsuperscript{123} McNair, S., Flynn, M., Owen, L., Humphreys, C. and Woodfield, L. (2005), \textit{Changing work in later life: a study of jobs transitions}, Centre for Research into the Older Workforce, University of Surrey.


on employment participation for older people, but whereas for all customers it increased the chances of working full-time, it did not necessarily encourage older people to work longer.126

In terms of training delivery, there is mixed evidence on the benefits of age-specific training. Some older people feel more comfortable with their peers and welcome the opportunity to spend more time on issues affecting older jobseekers. IT training is especially suited to delivery specifically tailored to older people. Mixed age training may be beneficial in terms of developing a flexible attitude and broadening perceptions of younger and older customers. Programme Centres also emerge as an effective way of delivering training to those aged over 50. Many liked the social contact and company they got from attending the Centre.127 (QPID, 2001b)

In general, training available through ND50+ has been less successful, although amongst those ND50+ participants moving into employment those with prospects for advancement in their job were most positive about training and continuing working. However, take up of the ND50+ Training Grant has been low, despite high levels of awareness. Amongst the reasons cited by ND50+ participants for this are that they are too old too train, they are too old to see much return on training and that they have the necessary skills for the job (a factor reflecting the relatively low level of employment taken by the majority of ND50+ customers). A further reason cited for low take up of the Training Grant is that customers had no experience of buying training for themselves, little knowledge of what training they needed, of what the money might buy, or where would be a good place to get it. It relied too heavily on the customer to be proactive, at a time when individuals’ key concerns were with entering and settling into work. A further reason cited was that the Training Grant was detached from employer centred training; (although three-quarters of respondents in a follow-up study of 60 ND50+ customers who had stayed in work once their EC had expired claimed to have received no training from their employer).128 However, the Training Grant was of value to the self-employed: they saw its relevance and had been able to attend local courses in administration and marketing. Likewise, the Training Grant had been valuable in some cases in small firms where it had been possible to integrate it with employer spend on training.129 But, in general, a ‘training first and job second’ approach is preferred by older customers.130


Looking ahead, older people will be eligible for a national programme – Train to Gain – for supporting training in the workplace announced in March 2006.\(^{131}\) This programme builds on the experience of the Employer Training Pilots (ETPs), where evaluation evidence revealed that older learners were more likely than younger ones to successfully complete ETP courses.\(^{132}\)

### 5.2.4 Self-employment

There is a positive association between age and self-employment. With more knowledge and experience on which to draw than many younger people finding themselves out of work, self-employment may be a more viable option for some older people (than for their younger counterparts) – especially for those requiring extra flexibility. Those ND50+ customers who opted for self-employment were more likely than average to have used the Training Grant (as outlined above) and were disproportionately represented amongst those ND50+ customers who ‘thrived’ after the expiry of EC. Customers reported finding in-work support useful in building up their business during the first year.\(^{133}\)

### 5.2.5 Specialist support

As outlined above, there is a positive association between age and poor health/disability. Specialist support for disabled people and those with health conditions is covered separately.

### 5.2.6 In-work support

The key form of in-work support available for the over 50s initially was the ND50+ EC, now replaced by the 50 plus return to work element of WTC. The advantage of the EC was that it was simple and highly visible. By contrast, the 50 plus return to work element of WTC is more complex: payment is made in arrears by an adjustment to pay packets (i.e. it is administered through the employer) and based on household not individual income. Data on the tax credit is not available, but anecdotal evidence from Jobcentre Plus staff and third parties suggests this change has had a detrimental effect on participation in the programme.\(^{134}\) A possible inference is that older people are reluctant to claim benefits to which they are entitled if this compromises their privacy. However, evidence from other research on Jobcentre Plus staff and customers’ experiences of the new tax credits revealed a mixed

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\(^{134}\) National Audit Office (2004) *Tackling the Barriers to Employment of Older People.*
picture.\textsuperscript{135} Jobcentre Plus staff reported that whether new tax credits were discussed with customers depended on their views of customers’ job-readiness, their confidence in discussing new tax credits and the length of time available for interview. ND50+ customers generally recalled discussion of new tax credits, but whether they played a role in their decisions to work depended on factors such as closeness to the labour market, the extent and quality of discussion with advisers about the tax credits and whether a better off calculation demonstrated that employment was worthwhile financially. There was some evidence that older customers who had previous experience of EC felt that the new tax credit regime provided less of an incentive to return to take work and advisers were aware that it was more difficult to persuade such customers that work was a viable option.

Earlier evaluation evidence suggests that EC was important in facilitating and encouraging, but not decisive, in the return to work; just under half would have accepted their job without EC. What the EC (and 50 plus return to work element of WTC) does is make a lower wage more attractive/acceptable to recipients. There is evidence that EC was most effective in areas of low wages and low living costs – suggesting that in such areas it addressed a ‘benefits trap’. From the outset, the EC was regarded by NDPAs as the ‘key feature’ of the ND50+ programme\textsuperscript{136} – and a major draw of customers to the programme, as well as an incentive to take work.\textsuperscript{137} Evidence suggests that job retention of EC claimants in the year following the end of entitlement was high, with a survival rate of about two-thirds by the end of the second year.\textsuperscript{138} High job retention rates compared with other Jobcentre Plus customers/New Deal customers has been attributed to the voluntary nature of ND50+ and the consequent attraction of those with a dislike of being on benefits and a strong commitment to working for a living.\textsuperscript{139} The strong commitment to working and dislike of reliance on benefits is exemplified by the fact that an assessment of the longer-term outcomes of ND50+ revealed that only a minority of EC recipients had replaced a substantial amount of EC after a year. Coping strategies in the face of reduced income included ‘surviving’ by cutting back on household spending and increasing hours of work. However, for some such a strategy was not


possible due to constraints of inability to increase working hours, low wages and lack of other sources of support, and they found themselves ‘drowning’.  

5.2.7 Other

There is evidence from the evaluation of the Adviser Discretion Fund (ADF) that usage with ND50+ customers (and those on inactive benefits) is relatively low. PAs indicated that older people display most reluctance/sensitivity about accepting the support available. Hence, ADF is considered by PAs as less important in moving older customers into or towards jobs than for some other customer groups.

5.3 Aspects of delivery

5.3.1 Timing of provision

According to the National Audit Office, many older people would benefit from earlier access to services than is currently available. In general, the longer individuals remain out of work, the more their confidence, skills and motivation declines — especially in the case of older people who tend to face more problems/barriers to labour market entry than their younger counterparts. This claim concerning ‘early intervention’ is endorsed by evidence from ND50+ that customers who had not previously had one-to-one support (because they had not been out of work long enough to qualify for such support under ND25+) appreciated the offer of one-to-one counselling more than those who had previously qualified under other programmes as a result of longer benefit durations.

Analyses of labour market transitions between four labour market states among the over 50s also highlight the importance of timing. Evidence of both ‘state dependence’ (i.e. the probability of being in a given state is longer for individuals already observed in that state than for anyone else) and ‘duration dependence’ (i.e. the likelihood of making a transition from a state declines the longer the individual stays in the starting state) implies that there is the potential for any individual to

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145 (1) employment, (2) unemployment, (3) type 1 inactivity [inactive but with some desire to work], and (4) type 2 inactivity [inactive and with no desire to work].
become trapped in inactivity, and, ideally, policy should intervene as soon as the individual experiences a period of non-employment.\textsuperscript{146}

Under ND50+ advice and guidance does not continue once a person has moved into work, and it has been suggested that in order to facilitate progression – either through increasing take up of training and/or facilitation of moves in employment – a subsequent input of advice may be helpful.\textsuperscript{147}

\textbf{5.3.2 Nature of participation}

Conventionally, interventions specifically targeted at older people have been \textit{voluntary}, although some more general programmes have been mandatory. ND50+ is a voluntary programme. This has had implications for the types of customers coming forward and for the character of the programme. NDPAs greatly valued the voluntary nature of the programme for the ease of building productive relationships with customers, and also the non-driven character of progression through the programme such that they did not have to ‘push’ customers in directions that they thought would be unhelpful.\textsuperscript{148}

\textbf{5.3.3 Nature of provider}

As outlined above, the personal relationship between NDPAs and ND50+ participants was highly valued by both. The important role of the NDPA as an ‘intermediary’ is also evident: the capacity of the NDPA to offer a portfolio of support seemed to enhance awareness of, and participation in, other forms of support which had been available previously available through Jobcentres.\textsuperscript{149} This highlights the important role played by the personal adviser in signposting and brokering access to other services.

There is evidence that older people have less success in moving into jobs than younger people. However, the ‘gap’ in success in moving into jobs between those aged 50 years and over and those aged 25-49 years is narrower in Employment Zones (EZs) than for ND25+. This suggests that EZs have more success at helping older customers than ND25+, with the greater flexibility available in EZs perhaps being an especially important factor in helping older people.\textsuperscript{150}


5.4 What works for older customers?

The importance of attitude emerges strongly from the evaluation evidence. The success of ND50+ (the programme focused specifically on older people) has been attributed to the voluntary nature of the scheme and the commitment to work of participants (i.e. those coming forward tended to be those most committed to working and who most dislike being on benefits). Survey evidence suggests that those who had not found ND50+ helpful, had approached the programme with less than average confidence in themselves and the programme, had been less likely than average to enter the caseload\(^{151}\) (or to value it when they did), were more reluctant than average to reduce their reservation wage, and were much less likely than average to find work.\(^{152}\)

It is clear that older people form a heterogeneous group, with individuals having different motivations and barriers to work. Overall, ND50+ customers have been drawn disproportionately from ‘easier’ cases:\(^{153}\) from the younger end of the eligible age range (i.e. 50-54 years) – where problems of age discrimination and expectations about impending retirement reduce hopes of returning to work, from JSA recipients (rather than claimants of inactive benefits) without extended periods of employment and from those with who are not fussy about the work that they take. By contrast, amongst those who are inactive with no desire to work there is much greater stability – especially amongst those close to SPA.\(^{154}\) This suggests that it is important to have a range of interventions – including different types of training – in order to meet the needs of everyone.

In general, advice and guidance is effective for older people. Personalised support is also valued. In-work financial incentives have facilitated entry into work, but there is evidence that the manner in which such payments are made has implications for take up rates, with simplicity and payments directly to the individual favoured by customers.

The quality of employment is an important (but often overlooked) factor. Evidence suggests that many of the jobs taken by customers aged 50 years and over are of poor quality and there is little evidence of advancement.\(^{155}\) The impact of supply-side

\(^{151}\) i.e. to take advantage of the range of advice and guidance services on offer.

\(^{152}\) Atkinson, J. (2001), *Evaluation of New Deal 50plus: Research with Individuals (Wave 2)*, ESR92.


measures may be limited in the absence of general measures to improve the quality of work and open up possibilities for advancement in work. Indeed, a substantial minority of EC recipients felt demeaned by low wages and relatively unskilled work, but felt that being in work was better than being on benefits. A similar issue relates to work with employers and their attitudes to older people, in order to overcome the ‘age penalty’ experienced (or perceived) by older people. With the advent of legislation to address age discrimination in October 2006 this issue has risen up the policy agenda and ‘Age Positive’ and ‘Be Ready’ campaigns designed to promote the business benefits of age diversity to employers and provide guidance on adopting non-ageist employment practices and on the retention of older workers are underway.

It should also be noted that much age discrimination stems from individual attitudes: a recent survey has shown that 21 per cent of individuals believed that some jobs in their establishment were more suitable for some ages than others – see Metcalf, H. and Meadows, P. (2006) Survey of employers’ policies, practices and preferences relating to age, Department for Work and Pensions Research Report 325.
6 Lone parents

6.1 Context

6.1.1 The lone parent customer group

Lone parents claiming benefits are a key customer group of the Department for Work and Pensions (DWP). The Government has set a target to raise the proportion of lone parents in work to 70 per cent by 2010. Like other customer groups, lone parents are a disparate group. While the employment rate amongst all lone parents is an important public service agreement target, DWP programmes and provision are mainly targeted on lone parents claiming benefits, principally Income Support (IS). Even within this target group there is a considerable diversity of circumstances, including those who have never had a permanent partner and those who are separated, divorced or widowed, as well as differences in the number and ages of children. Around ten per cent of lone parents are lone fathers.

Lone parents claiming IS are both a distinct and fluid group of customers. Many lone parents cycle in and out of paid work. While the rate at which lone parents enter employment has converged with that of other groups in the labour force, the rate at which they leave employment – although falling in recent years – remains high by comparison with other parents and single people. Lone parents are twice as likely as others to leave employment\(^{157}\). At the same time, many lone parents remain on benefits for prolonged periods. Marsh and Vegeris (2004) found that around a third (36 per cent) of lone parents remained on IS throughout the decade covered by their longitudinal survey (1991-2001)\(^{158}\). In addition, the status of lone parents can

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change. Marsh and Vegeris (2004) found that over a ten-year period around a third (34 per cent) of lone parents had a new partner while a further 17 per cent had tried a new partner but had returned to lone parenthood.

The factors associated with persistent IS claims are as varied as the circumstances of lone parents. To some extent, decisions about childcare and work reflect personal attitudes and preferences. Nonetheless, those with persistent IS claims tend to be those lone parents with young children and/or large numbers of children (three or more), older lone parents, those with no or low levels of qualifications, those with reported health conditions and those living in social housing. A significantly greater proportion of lone parents claiming IS have health conditions than is reported by the general population. Entry to work, in contrast, tends to be associated with younger lone parents, those with higher qualifications and those who are owner-occupiers of housing and is made more likely if the lone parent improves their educational attainments, finds and keeps a new partner or succeeds in obtaining child support payments.

Because many lone parents have long periods out of work while claiming IS, they often see their needs – in terms of getting back into work – as being help with building confidence and updating or obtaining new skills. Many also feel they need help with job search and job matching and, in view of their circumstances, information about available childcare. Where lone parents have moved from benefits into employment they have been found to continue to need support in terms of help finding more suitable, less physical or less stressful jobs or help finding an employer who better understood the need to take time off work for childcare or health reasons.


6.1.2 Current DWP provision for lone parents

The principal programmes or interventions targeted on lone parents are mandatory Lone Parent Work Focused Interviews (LPWFI) and voluntary participation in New Deal for Lone Parents (NDLP). In the case of LPWFI and NDLP the interventions are specifically targeted on lone parent benefit claimants. Other policy interventions are aimed at benefit claimants in general (or some sub-group of claimants) but contain specific provision for lone parents. In contrast to such targeted provision, there is also provision that only indirectly impacts on lone parents claiming benefits. For instance, there is provision aimed at some (or all) benefit claimants, some of whom will, incidentally, also be lone parents (for instance some young Jobseeker’s Allowance (JSA) claimants on New Deal for Young People (NDYP) are lone parents). Similarly, provision targeting parents or parent households will also benefit lone parents even though they were not the specific target of such a policy.

Policies that directly impact on lone parents include:

- the introduction of the voluntary NDLP;
- the introduction of mandatory LPWFI;
- the introduction of a mentoring service to provide support and advice to lone parents seeking to enter work;
- Lone Parent Benefit Run-on;
- extension of Work Based Learning for Adults (WBLA) to 18 – 24 year old lone parents;
- eligibility for Employment Zones (EZs) extended to lone parents;
- extension of Adviser Discretion Fund (ADF) for lone parents on IS for six months or more.

Policies that indirectly impact on lone parents include:

- other New Deal programmes (e.g. if a lone parent is claiming JSA rather than IS);
- changes to in-work benefits, with the change from Family Credit to Working Families’ Tax Credit (WFTC), which includes a Childcare Tax Credit (CTC), and now to Working Tax Credit (WTC);
- establishment of the National Childcare Strategy and a drive to improve childcare provision;
- Childcare Partnership Managers to be established in every Jobcentre Plus district from April 2003, to improve access to information about local childcare provision;
- payments of Housing Benefit and Mortgage Interest Run-on in order to help the financial transition into paid employment from benefit.
6.1.3 Lone Parent Work Focused Interview

The LPWFI was introduced in April 2001 and is intended to encourage as many lone parents as possible to take up paid work, and to participate in the NDLP if that helps achieve that objective. In April 2001, it became mandatory for all lone parents to attend an LPWFI. Lone parents with new or repeat claims were to attend their first meeting with a Personal Adviser (PA) at the start of their IS claim, and then on an annual basis as long as they were in receipt of IS. Other lone parents were invited to attend their first LPWFI at specific times depending on the age of their youngest child. Subsequent to April 2001, the system of mandatory LPWFI was extended to other groups of lone parent IS claimants (depending on the age of the youngest child) until by April 2004 all lone parents claiming IS were required to attend a mandatory LPWFI.

LPWFIs take the form of an appointed meeting with a PA who can use the meeting to provide awareness about the opportunities and support available to lone parents. Although the aim of the mandatory LPWFI is to encourage the lone parent to seek work and to support their job search process with the intention of improving their chances of moving into a paid job, the LPWFI also has the aim of encouraging participation in NDLP (although participation in NDLP remains voluntary). Non-attendance at an LPWFI can lead to benefit sanctions being applied. Where non-attendance at an LPWFI occurred, this was mainly the consequence of either problems with receiving or in understanding the invitation or because the lone parent felt that such a requirement was inappropriate to their circumstances because they had health conditions or young children to look after (Joyce and Whiting, 2006)164.

In addition to the extension to coverage, review meetings were introduced as a follow up to each LPWFI. After a first LPWFI, a review meeting takes place if the lone parent has remained on IS. Annual reviews started in May 2002, followed by the introduction of six month reviews later that year (October) with subsequent annual reviews thereafter. Thus, any lone parent making a new or repeat claim for IS is required to attend an LPWFI followed by a review meeting after six months, and then again six months after that and annually thereafter. LPWFIs are now quarterly for lone parents with a youngest child aged 14 or above and where the youngest child is 12 or above and the parent lives in an Extended Schools Childcare (ESC) area.

From October 2004 it became compulsory for Advisers to complete a Mandatory Action Plan (MAP) during all LPWFIs and to discuss and update the MAP at subsequent LPWFIs. Since October 2005, MAPs have to be agreed and signed by the lone parent. MAPs are used to collect information about the circumstances of the lone parent and to agree any commitments to steps to prepare for work in the future.

6.1.4 New Deal for Lone Parents

NDLP was launched in eight areas as a prototype in July and August 1997 and ‘rolled out’ nationally for lone parents making new and repeat claims for IS in April 1998. The programme was extended to all lone parents on IS in October 1998. NDLP is a voluntary programme, and all lone parents on IS whose youngest child is under 16 are eligible to join. Although eligible lone parents are routinely invited to join NDLP, any eligible lone parent can join the programme by contacting a PA.

After an initial LPWFI, lone parents who participate in NDLP work with their PA to develop an individual action plan. Interviews with a PA are the key delivery mechanism for NDLP. The PA develops an individually tailored package of advice and support designed to facilitate a move into employment. Advisers provide an integrated service covering job search, help finding childcare, advice on benefits and help with claiming benefits. Participating lone parents are eligible from the outset for the full range of programmes for the unemployed administered by Jobcentre Plus. PAs can also help participating lone parents to be fast tracked for help with in-work benefits and tax credits. PAs on NDLP perform a wide range of functions, including:

- supporting the job search of customers who are job ready;
- helping lone parents to identify their skills and develop confidence;
- identifying and providing access to education and training opportunities;
- improving awareness of benefits;
- providing practical support and information on finding childcare;
- providing ‘better off’ calculations and assisting with benefit claims;
- liaising with employers and other agencies offering in-work support.

Support for lone parents extends beyond the benefit claim period into the early weeks of employment. PAs are able to use the ADF to provide funding that helps overcome barriers arising at the transition from benefit to work as well as providing continuing in-work support after the lone parent has started work.

Provision within NDLP has been continuously improved and augmented. Such improvements include the introduction of basic skills screening at the initial NDLP interview, the introduction of a self-employment option, an increase in the training allowance for lone parents undertaking work-related training on NDLP, from £10 to £15 per week and financial help for lone parents entering part-time work of less than 16 hours per week after NDLP participation in the form of childcare payments for the first twelve months of work (Childcare Subsidy) and an increase in the earnings disregard from £15 to £20 per week. In April 2005 Childcare Assist was introduced that provided financial assistance with the cost of formal childcare costs for up to one week prior to the lone parent starting work.
In addition to these improvements to the mainstream programme, there have been a number of innovative schemes and pilots focused on lone parent benefit claimants. Since October 2004 several pilot initiatives have been introduced designed to facilitate the transition to, and retention of, employment by means of financial support or help with childcare. These pilots are being conducted in a number of areas and include:

- **the Work Search Premium (WSP)** which pays £20 extra per week to lone parents who have been claiming IS for 12 months or more are on NDLP and are actively searching for a job. WSP requires lone parents to attend fortnightly meetings with their PA and to complete and follow an action plan of job search activities designed to obtain a full-time job of 16 hours or more;

- **In-work Credit (IWC)** offers £40 per week for the first 12 months in a new job to lone parents who have been claiming IS or JSA for at least 12 months, have participated in NDLP, are starting work of 16 hours per week or more and who expect to be employed for at least five weeks;

- **In-Work Emergency Fund (IWEF)** provides financial help to lone parents during the first 60 days of employment, provided they are working at least 16 hours per week and have participated in NDLP or continuously claiming benefits for 26 weeks or more;

- ESC offers secure and affordable childcare (in partnership with Sure Start);

- In selected pilot areas, lone parents have been able to access **National Vocational Qualification (NVQ) level 3 training in childcare** (and one other occupation exhibiting a local skill shortage).

In addition to these single initiatives, the DWP has introduced New Deal plus for Lone Parents in April 2005. This pilot brings together a range of support to help lone parents overcome barriers to work. This includes ongoing support from a PA, financial support, childcare help and training opportunities. New Deal plus for Lone Parents aims to increase the number of lone parents finding and remaining in work by raising NDLP participation and outcome rates.

### 6.2 Type of provision

#### 6.2.1 Advice and guidance

Advice and guidance lies at the heart of provision for lone parents, with interviews with a PA being the principal form of delivery. This is the case by definition for LPWFI while interviews with a PA are central to delivery of NDLP. As the name implies, LPWFI is provision for lone parents that is delivered entirely in the form of an interview with content that mainly consists of advice and guidance. Mandatory PA meetings for lone parents on IS were introduced in April 2001, initially for those making new or repeat claims but subsequently extended over time to all lone parents. Early evaluation of such compulsory interviews from the ONE pilots
suggested that they were ineffective in reducing benefit dependency (Kirby and Riley, 2003; Kirby and Riley, 2004). In contrast, later evaluation of the mandatory LPWFI found that around a quarter of lone parents receiving an interview with a PA believed that their LPWFI interview had an impact on them applying for a job and around one in five felt that the interview had actually helped them get a job. The ONE pilot may not have been a good indicator of the impact of mandatory interviews since it was one of the first initiatives of this type for inactive benefit claimants. It is therefore possible that the intervention itself was not as effective as later forms of interview while the relatively short time scale of ONE may have been insufficient for changes in attitudes to work and benefits to become apparent.

Opinion from customers may be indicative of a positive impact but is not particularly robust evidence. More robust evidence relating to the introduction of mandatory PA meetings (in 2001) and the subsequent extension of such interviews in April 2002 to lone parents with younger children (where the youngest child is three or above) is provided by Knight and White (2003) and Knight and Lissenburgh (2005). Both evaluations examined only exits from IS and not entry to employment because of the limitations of the data. Knight and White found that mandatory PA meetings were associated with a small increase in the exit from IS rate for some lone parents (notably those with older children) but substantially raised the rate of entry to NDLP. Knight and Lissenburgh, however, found no statistically significant impact from the extension of eligibility for such mandatory LPWFI on the rate of exit from IS of lone parents who made new and repeat claims for IS, although a small increase in exits (around one percentage point six months after the extension and around two percentage points after 12 months).

The evidence relating to LPWFIs appears to indicate that an interview with a PA in itself is unlikely to have a significant and widespread impact on entry to employment by lone parents. The crucial aspect of LPWFI is that the advice and guidance offered to customers may provide encouragement and facilitate access to additional forms of support. Indeed, a principal aim of LPWFI is to encourage participation in NDLP through which such additional support may become available. It is possible that


LPWFI review meetings at six months would have a greater impact than the first mandatory interview as review meetings tend to be more ‘work focused’ than the initial meeting but PAs observe that frequent review meetings after six months yield diminishing returns (Thomas and Jones, 2003\textsuperscript{168}). Where lone parents enter employment following an LPWFI it is not clear that such employment is better than might otherwise have been attained. In this regard, Coleman et al., 2003\textsuperscript{169} are only able to conclude that mandatory interviews were ‘not detrimental’ to the prospect of lone parents obtaining sustainable jobs.

Evidence suggests that the advice and guidance provided by NDLP is highly effective for those lone parents who enter NDLP (although such advice and guidance is often backed up by other support). Evaluation of NDLP indicates that the impact of the programme has been to raise the proportion of lone parents entering work (of 16 hours or more) by 24 points, roughly doubling the exit rate for participants, with similarly large impacts on exits from IS (Evans, et al., 2003\textsuperscript{170}). This impact is associated with evidence relating to increased awareness of benefits and understanding of tax credits. Nonetheless, the evidence also indicates that participants who were fathers, teenage or older lone parents and those with ill-health or disability all had below average employment outcomes. It is also important to bear in mind that only around ten per cent of lone parents claiming IS participate in NDLP and this ten per cent tends to be lone parents who are closest to being, or are already, job-ready. NDLP participants tend to be lone parents who have worked in the past 12 months, who express a wish to work in the next six months, who believe they would be financially better off in work and who are willing to work at the National Minimum Wage. Lone parents with three or more children, a very young child or a health problem or disability are less likely to participate.

A key aspect of advice and guidance delivered through PAs is that the impact depends very much on the motivation and job readiness of the customer and the time and form of support provided by the PA. Qualitative evidence relating to the early operation of LPWFI indicated that there was a risk that PAs concentrated on the most job-ready to the detriment of the harder to help\textsuperscript{171}. Further light is shed on this


issue by evidence relating to EZs. In 2003 eligibility for participation in EZs was extended to include lone parents (previously being restricted to Jobseekers with a claim for JSA of 18 months or more). A number of EZs introduced tailored packages to support lone parents while at least one EZ appointed dedicated lone parent advisers. The results have been mixed\(^{172}\). Some EZs reported that lone parents had low rates of employment entry and lacked motivation. These tended to be areas where the lone parents referred to EZs (by Jobcentre Plus) were those whom NDLP was unable to help because they were not job ready or needed expensive training or specialist help. Other EZs reported that lone parents were amongst the customers with the highest rates of job entry. Where this was the case, those lone parents appear to have benefited from the (perceived) friendliness, informality, flexibility and accessibility of EZ provision. Lone parents in EZs reported that the support provided was more holistic and addressed a broad range of issues and barriers. It is interesting to set this against the finding that many Jobcentre Plus PAs felt that EZs were delivering nothing different from the support that they were able to provide lone parents. While this appears true of the content of the advice and guidance supplied, the context and delivery of such support in EZs appears significantly different.

\section*{6.2.2 \hspace{1em} Work placements}

There is no explicit provision for work placements in programmes for lone parents (there is no ‘Employment Option’ similar to NDYP, for instance). Participants on NDLP may be eligible for a Work Trial that offers up to 15 working days placement in a job in order to gain work experience. The limited evaluation evidence relating to Work Trials suggests that they can be very effective in helping customers to enter employment\(^{173}\). It is, however, unlikely that many lone parents have taken up this provision (the recorded take up of Work Trials amongst all customers is generally very low – currently less than 2,000 per annum) and there has been no explicit consideration of Work Trials in regard to lone parents.

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6.2.3 Acquisition of skills

Lone parents on NDLP receive advice and guidance relating to training and the improvement of their skills. Around 45 per cent reported discussing training opportunities with their PA and in 27 per cent of cases the PA had helped to find some form of training for the customer. Training accessed through NDLP is only offered at NVQ Level 2. Around a third of lone parents entering some form of training were referred to WBLA (Training for Work in Scotland) while a further third entered some form of Further Education course (Evans et al., 2003). Lone parents entering WBLA are able to access Short Job-Focused Training (SJFT), Longer Occupational Training (LOT), Basic Employability Training (BET) and Self-Employment provision (SEP). Almost two-thirds of lone parents entering WBLA have entered LOT with a further quarter entering SJFT. Relatively few entered BET and hardly any entered SEP.

While many lone parents lack up-to-date skills, evidence from analysis of participation in NDLP indicates that lone parents with low educational attainment are less likely than others to participate in NDLP. Some of these non-participants feel that NDLP cannot help them with their training needs, particularly when they have a specific career in mind or if the training required is at a level above NVQ Level 2. Few participants in NDLP are reported to have entered the programme with the primary purpose of undertaking training (Hamblin, 2000; GHK, 2001). Lessof et al. (2003) concluded that NDLP had no impact on the rate at which lone parents entered training.

The evidence relating to participation on NDLP and the barriers to employment faced by lone parents raises a concern about whether any training received by lone parents is necessary and appropriate or simply expedient (demonstrating that something is being done). It is notable that even amongst lone parents who participated in WBLA only a minority considered their lack of skill or experience to be a barrier to employment. Even here it was a lack of experience rather than poor basic skills or lack of qualifications that was the most frequently cited barrier to employment. Lone parents on WBLA were much more likely to cite barriers such as lack of childcare or an unwillingness to leave children than a skill or qualification related barrier (Anderson and Pires, 2003).


GHK (2001), New Deal for Lone Parents: Case Studies on Delivery, Employment Service Research Report No ESR 85, Sheffield.

Most evaluations of the impact of NDLP have considered the overall effect of participation rather than the effectiveness of the individual elements of provision. Nonetheless, Evans et al. (2003) concluded that participation in education and training from NDLP was associated with a lower probability of subsequently finding employment. It should be noted that this finding was derived from analysis of administrative data and may have been affected by unobserved characteristics of those referred (compared to lone parents who were not). This would be particularly the case if referral to training was a response to perceived poor employability. In the case of lone parents on WBLA, while most (more than 80 per cent) said they found their training ‘useful’ only around a third (35 per cent) said that it had helped them get a job. Training appears slightly more likely to have assisted a lone parent to obtain a job if they were of White ethnic origin, and had no health problem or disability. Most said that the main benefit of their training was that it had increased their self-confidence.

From October 2004, lone parents on NDLP in a small number of pilot areas (‘Work Works’ areas) were eligible to access training provision at NVQ level 3. Such training was restricted to training in childcare and one other sector where there was an identified skill shortage (with local discretion to select the second occupation). Early evaluation of the pilot (Thomas and Jones, 2006) suggests that there is a customer demand for such training and unfilled vacancies awaiting such customers on completing their training. Some lone parents were reported as securing permanent employment even before completing their training. Nonetheless, it was also reported that most pilots found it difficult to obtain providers for such training and, as a consequence, the number of such training opportunities for lone parents was severely restricted. This may simply represent a ‘teething problem’ that will be overcome in time as more providers make training available. The initial conclusion of the qualitative evaluation is, however, that such training has had a very positive impact on entry to work.

6.2.4 Self-employment

Few lone parents appear to consider self-employment as a means of entering work. Only 11 per cent of NDLP participants reported any discussion of self-employment in the interview with a PA and only five per cent reported that their PAs had provided any assistance intended to help them into self-employment (Evans et al., 2003).


Where lone parents entered some form of training under the auspices of NDLP only six per cent of such training was self-employment related (including the 26 week Test Trading period). There is no known evidence relating to the effectiveness of training for self-employment.

6.2.5 Specialist support

An outreach service was offered to lone parents (and partners of benefit claimants) on a trial basis from April 2002. The aim of the outreach service was to engage with lone parents who were some distance from the labour market (and NDLP) and living in spatially defined ‘isolated communities’. External providers were contracted to deliver the outreach service, the purpose of which was to increase take up of NDLP amongst lone parents living in isolated communities.

Evaluation of the outreach service indicated that the service did not engage large numbers of the target customers. Contracts were issued to 148 outreach projects that collectively aimed to refer around 20,000 customers to New Deal provision over the two years of the trial. In the event, participation amounted to just five per cent of the contracted number of customers and a quarter of providers had delivered no referrals at all (Hirst et al., 2003\textsuperscript{180}). Where lone parents were engaged by the outreach service, they were typically those who required ‘independent’ (i.e. not from the Government or Jobcentre) information and reassurance and were ready to move quickly into NDLP. Providers reported that they were unable to address other forms of barriers to employment, particularly in the case of lone parents who faced multiple barriers relating to childcare, transport and finances. Since such barriers could be expected to be the norm amongst the outreach target population, it is hardly surprising that there was a failure to engage with most. The lesson of the outreach trial is that advice and guidance is not sufficient to help lone parents into work unless other barriers are absent.

6.2.5 In-work support

Lone parents on NDLP who are due to start employment attend an interview to discuss any concerns and complete applications for in-work benefits and benefit run-ons and are normally contacted by their PA shortly after commencing the job (GHK, 2001\textsuperscript{181}). Lessof et al. (2003) found that over a quarter of lone parents were contacted by a PA after starting work (usually but not always) by telephone.


\textsuperscript{181} GHK (2001), \textit{New Deal for Lone Parents: Case Studies on Delivery}, Employment Service Research Report No ESR 85, Sheffield.
There is little robust evidence relating to the effectiveness of such in-work support for lone parents. A recent pilot of the IWEF suggested that small scale financial support to help meet the cost of emergencies and overcome barriers to remaining in work during the first 60 days of employment could play a crucial role in sustaining lone parents during the early weeks of employment (Thomas and Jones, 2006). The IWEF offers financial support up to a maximum of £300. Early experience of IWEF suggested that the fund had typically been spent on travel expenses and childcare costs. Lone parents had often encountered financial difficulty in the early weeks of employment because of delays in payment of Tax Credits. Generally Advisers welcomed the opportunity to provide such financial support but reported that take up of IWEF had been hampered by uncertainty as to what expenses were eligible (and what constituted a financial emergency) and many felt that greater flexibility or discretion would be of benefit since it was difficult to anticipate all situations in which such support would be needed.

Strictly speaking, Childcare Assist (introduced nationally for NDLP participants in 2005) is not in-work support since it provides for the costs of formal childcare in the week prior to starting work (rather than in work). Early evaluation of Childcare Assist suggests that take-up has been very low. This could be explained by the time when the evaluation was conducted (less than three months from its introduction and immediately prior to the school summer holidays). Nevertheless, Advisers were sceptical about the benefit of the initiative and many felt it did not meet the needs of the typical lone parent. It was suggested that the initiative would be more popular and beneficial if it were to meet childcare costs in the first week of employment rather than the week preceding.

In-work support (or Aftercare) is also available to lone parents where they volunteer to participate in an EZ. Such in-work support consists of contact with advisers, provision of telephone helplines and financial support in some cases. Evidence from evaluation of EZs indicates that such in-work support is particularly important and necessary for lone parents.

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6.2.7 Other

The ADF can play a role in removing financial barriers to work especially for benefit claimants moving into part-time, low-paid work and for people with large debts. ADF allows PAs to award up to £300 to resolve constraints on employment and searching for work. Evaluation of ADF in relation to lone parents indicates that it has been used imaginatively and effectively. The majority of awards were work clothing, travel passes and help with childcare. Where the full £300 was awarded it usually comprised several small awards to address a number of separate issues. In the case of lone parents with more than one child who had to pay ‘up front’ childcare costs, most of the value of the award was taken up by childcare costs leaving little money to address other barriers. Although it was possible for PAs to make a business case for an award above £300 this appears to happen infrequently. ADF thus appears to work best for lone parents who face small, often single, financial barriers to entry to work. ADF is less likely to be able to adequately address the needs of lone parents facing multiple barriers or substantial childcare costs (ECOTEC, 2003).

6.3 Aspects of delivery

6.3.1 Timing of provision

Lone parents vary considerably in the extent to which they wish to enter paid work. Evidence from evaluation points to many lone parents considering employment as very much a long-term goal, although others are both job ready and keen to enter work as soon as possible. Although all lone parents claiming benefit are required to attend LPWF, PAs report that early interviews with lone parents tend to be less about employment related issues and more about coping with the stressful circumstances that have led to making a claim for IS. Only later, at six month or subsequent reviews have PAs found it appropriate to focus more on work options and the provision required to support a move from welfare to work.

The main form of provision to which lone parents can be referred from LPWF is NDLP. Since participation in NDLP is voluntary, lone parents can enter NDLP at a
variety of times, if at all. In fact, only a minority of lone parents enter NDLP (although the take up rate has increased steadily to around ten per cent). Some lone parents enter NDLP very quickly after first claiming IS, while others may only do so after several years. Moreover, there is no set pattern of participation in NDLP and some lone parents may have long gaps between interviews with their PA, while others engage in a more intensive pattern of interaction with their PA. This suggests that the timing of provision is in the hands of lone parents themselves to a considerable degree. Whether they are in a position to make well-informed decisions about that timing is an unanswered question. In the case of EZs, some EZ areas opted for a policy actively seeking to engage with lone parents via pre-employment support, confidence building courses and outreach work intended to deliver job ready customers to the EZ\textsuperscript{189}. In practice these EZs appear to have encountered a much larger proportion of lone parents who were not job ready (and thus harder to help and who had less favourable outcome) than other EZs that (in effect) ignored lone parents as a customer group until they chose to self-refer. This suggests that efforts to speed up entry to provision may be counter-productive if lone parents are encouraged to engage prematurely with provision.

6.3.2 Nature of provision

The range of provision available to lone parents has increased over time, although the scale of some forms of support is still limited (for instance money available under ADF is very limited both in terms of what it can be used for and the absolute sum may be insufficient to meet costs such as childcare or some course fees). Satisfaction surveys amongst lone parents all find that NDLP provision and PAs are rated highly. Motivated and committed PAs appear critical to the effectiveness of provision. Nonetheless, it is notable that when lone parents became eligible for EZs many lone parents reported their experience as being much better than that in the Jobcentre, both in terms of the venues in which meetings with PAs take place, the general approach of PAs and the flexibility and usefulness of provision they were able to access. Lone parents on EZs reported a preference for being separate from JSA customers and receiving support dedicated to lone parents, such as specialist lone parent PAs\textsuperscript{190}. Evaluation of the single provider EZs indicated that EZs were no better or worse than NDLP in providing support for well motivated, job-ready lone parents but were much better at supporting lone parents who faced multiple barriers to


work. EZs appear to offer a more intensive and holistic approach that is particularly appropriate in those instances\textsuperscript{191}.

6.4 What works for lone parents?

Provision for lone parents relies heavily upon interventions that provide support in the form of advice and guidance. Such guidance has predominantly been directed at encouraging entry (or re-entry) to work by bolstering confidence and demonstrating that work pays. While other forms of support exist for lone parents, it is modest in scale and appears to work by reinforcing or supporting behaviour engendered through the advisory process. A key to assisting lone parents into work is engagement. Participation in NDLP is voluntary and if lone parents are to benefit from its support and provision it is essential that they come to recognise the potential benefits from working and the support provided by NDLP. The introduction of the LPWFI would appear to be a critical element in the pattern of intervention. Provided that it is conducted in a sympathetic manner, the compulsory nature of LPWFI can help raise awareness of the possibilities of employment in customers who may have previously discounted such a possibility and set in train a process which, with support of NDLP, will lead to an entry to paid work. LPWFI appears from the evidence to have raised the take up of NDLP.

Increasing the take up of NDLP is important since the evidence relating to the employment impact of NDLP is impressive. Once participating in NDLP, the probability of a lone parent entering work is roughly doubled. This impact has been associated in much of the evaluation of NDLP with the flexibility and customised nature of the programme. Advisers believe that it is the overall package received by participants rather than the individual elements of provision that is most important in achieving this success. Nonetheless, it must be noted that most NDLP participants remain the most motivated towards entry to work and many are close to job ready. Whether such provision would be so effective for the other 90 per cent of lone parents on IS is difficult to establish from the evidence.

Partners of benefit claimants

7.1 Context

Policy targeted on the partners of benefit claimants has been driven by concern at the emergence of a significant number of workless households in the UK. By 1997 the proportion of households containing no working adult had reached almost 20 per cent. While a large element of this increase was attributable to a growth in the number of single adult households (both with, and without, children), the substantial remainder was often seen as the result of a polarisation of work amongst households (Gregg and Wadsworth, 2003). Thus, if one person in a couple household was claiming benefit, the odds were greatly increased that their partner was also not working.

Dorsett (2001) found that the characteristics of members of workless couples were very similar and concluded that these couples represented a hard-to-reach group sharing similar issues relating to entry to work. More significantly, a later study of labour market transitions amongst workless couples indicated that exits from worklessness were more common in the early stages of the spell, emphasising the need for early interventions to help workless individuals into work and indicating the entrenched nature of long-term worklessness (Bonjour and Dorsett, 2002). As


might be expected, the majority of partners are women living with a male partner (currently around 80 per cent) and this has implications for the specific issues faced by individuals and the form of intervention most appropriate to meeting their needs. Since 1997, a range of policies and initiatives have been introduced, intended to encourage people in workless households to seek employment and some of these interventions have been targeted on partners of benefit claimants. Evidence relating to partners was recently reviewed by Hasluck and Green (2005)\textsuperscript{195}.

Despite the fact that partners of benefit claimants have been identified as a group disadvantaged group, it is important to acknowledge that partners form a very diverse group facing a variety of different work-related issues. While they may face barriers that are typical of many other non-employed people, such as low skills and lack of qualifications or poor health, partners, especially female partners, can also face cultural and social barriers to entering work or have caring responsibilities within the household. Indeed, it is likely to be the characteristics of the household, rather than the individuals within it, that determine the kind of work-related issues faced by partners.

7.1.1 Work Focused Interviews for Partners

Since April 2004 partners of benefit claimants have been required to attend a Work Focused Interview for Partners (WFIP) if the claimant has been continuously entitled to a specified benefit for at least 26 weeks and an increase in benefit is payable for the partner at that time. The benefits covered by WFIP are:

- Jobseeker’s Allowance (JSA) (income based);
- Income Support (IS);
- Incapacity Benefit (IB); and
- Severe Disablement Allowance (SDA).

Failure by the partner to attend a WFIP may result in a reduction in benefit.

The aim of WFIP is to encourage partners to take steps towards labour market participation. Interviews concentrate upon job potential and provide partners with access to a wide range of support, advice and information on in-work benefits and services. Interviews discuss potential jobs or increases in hours (if the partner is already in work), ways to develop skills and identify any barriers to work. Although mandatory, partners are only required to attend one interview and any action thereafter is on a voluntary basis. WFIP represents an extension of a process of ‘tightening up’ first seen in respect of non-JSA benefit claimants (such as lone parents) and simply extend the principle of a compulsory first interview to partners. The most likely positive outcome of a WFIP is expected to be a referral to New Deal for Partners (NDP).

7.1.2 New Deal for Partners

The New Deal for the Partners of the Unemployed (NDPU) was introduced in April 1999 and targeted the dependent partners of people claiming JSA. The programme was renamed the NDP in 2001 when eligibility for the programme was extended to cover the partners of non-JSA benefit recipients (IS, IB, Invalid Care Allowance (ICA) and SDA). NDP was enhanced in April 2004 to align provision more closely with New Deal for Lone Parents (NDLP). Although NDP remained voluntary, at the same time mandatory WFIP interviews were introduced for partners of certain benefit claimants with the objective of increasing the take up of NDP196.

NDP is targeted at the dependent partners of benefit claimants rather than the claimant themselves. NDP is a voluntary programme aimed at partners in couples claiming a non-JSA benefit, together with partners of JSA claimants who are not required to make a joint claim (that is, NDP excludes younger JSA couples without dependent children). The programme begins with an appointment to attend a mandatory Work Focused Interview (WFI) with an Adviser at the six month point of their partner’s benefit claim. At this interview the partner will be invited to join the voluntary NDP programme. Partners can also self-refer to the NDP programme without the mandatory WFI.

Advisers on NDP provide a range of information and advice including ‘better off calculations’ designed to highlight situations in which partners would see a financial benefit from entry to work. Advisers will provide further interviews as deemed appropriate. During these interviews Advisers can refer partners to a range of mainstream Jobcentre Plus services, including Job Matching, Programme Centres for job search help, Work Trials, Travel to Interview Scheme and the Job Introduction Scheme. Partners with disabilities can access a number of specialist services via their Adviser. Some financial support for childcare while training, and towards travel costs to interviews, is also available. Since July 2001, Advisers can also access the Adviser Discretion Fund (ADF) that provides flexible and sometimes innovative forms of financial support to assist customers enter employment. NDP customers can also be referred to Work Based Learning for Adults (WBLA). Participants on NDP who undertake training will be paid a Training Premium (currently £15.00 per week) as well as being entitled to claim travel and childcare costs associated with participation.

As with most voluntary programmes, take up of the programme has been low and participants biased towards partners who are already highly motivated, have positive views about work and are most work ready (Thomas and Saunders, 2002)197. Non-JSA customers appeared more cautious about NDP than JSA customers,

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196 Joint Claims for JSA was introduced in 2001 for younger partners of JSA claimants without dependent children. Each partner in the couple is required to meet the labour market conditionality for receipt of JSA. As these partners are claimants, they are not eligible for NDP.

not least because the use of terms such as ‘Work Focused Interview’ raised fears of being pushed into work (Sirett et al., 2002). NDP was significantly enhanced in April 2004 with the introduction of mandatory WFIP (see below) and a widening of the support available to lone parents. After the initial WFIP, partners participating in NDP receive help from their PA regarding job search and may be able to access training or find suitable childcare. Participants may also be able to access mainstream Jobcentre Plus provision including (depending upon eligibility) New Deal for Disabled People (NDDP), Access to Work, WORKSTEP, New Deal 50 plus (ND50+), New Deal for Young People (NDYP) or New Deal 25 Plus (ND25plus).

7.1.3 Joint claims

Legislation was introduced in March 2001 to change the rules relating to JSA for some couples. Previously, a claimant and their dependent partner received an increased level of JSA but only one (the claimant) was required to satisfy JSA rules on job search and availability for work. Under the revised legislation both members of the couple were now required to seek and be available for work. The new Joint Claims procedure applied to couples without dependent children and who were aged 18 or more and where one or more partner was age 25 or less. Eligibility was later extended (in March 2002) to include couples where one or both partners were aged 45 or less. The effect of the introduction of Joint Claims was to make available the full range of employment services and support to both partners. The aim was to bring the partners of the unemployed closer to the labour market and to encourage entry to work. No such requirement was made of couples with dependent children (who would be eligible for NDP if they wished to participate).

7.2 Type of provision

7.2.1 Advice and guidance

WFIP, by definition, consists of advice and guidance from a Personal Adviser (PA) regarding job search and possible options in terms of access to training. While there is much more to NDP, advice and guidance from a PA remains a central element of the programme. The provision of appropriate advice and guidance can pose a challenge for Advisers since the circumstances of partners are so varied. Advisers have to work with a customer group that often lacks work experience and lacks self-confidence but may also face other barriers to work arising from health conditions and caring responsibilities. Partners often face multiple barriers to entering and retaining employment.

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199 Born on or before 28 October 1957.
Recent evaluation of WFIP reported that many PAs were unfamiliar with the kind of issues that needed to be addressed in regard to partners\textsuperscript{200}. In particular, PAs were not used to dealing with the interdependence of partners’ decisions about work (which were often jointly determined in the light of their effect on benefits and on household divisions of labour). Some PAs also indicated that they found it easier to advise the partners of JSA claimants rather than the partners of other claimants, since the former were closer in character to the customers they were used to dealing with. To some extent such difficulties can be rectified through experience and training, but they highlight the diverse and heterogeneous nature of the customer group.

Partners may be accompanied at their interview and many WFIP interviews are conducted jointly with the partners and the main claimant. In some instances joint interviews appear not to have been conducted because such a possibility has been overlooked or was misunderstood. Joint interviews appear crucial in addressing the situations of some couples where joint decisions regarding work were required. Despite this, many women partners reported that issues relating to the couple as a whole were left untouched in WFIP interviews (Bewley, Dorsett and Thomas, 2005), perhaps because PAs were better able to deal with issues affecting the individual than in dealing with issues that affect both partners at the household level (such as benefit disincentives).

Another issue revealed by evaluation of WFIP was that reductions in time available for interviews had meant that some key elements, critically the In-Work-Benefit Calculation (IWBC), had been omitted and were usually only conducted if the partner entered NDP. Since participation in NDP is voluntary, many partners did not work through an IWBC with their PA, despite the fact that such calculations have been found to be efficacious in many evaluations. Correspondingly, many participants in NDP reported that their main purpose in participating was to work through an IWBC.

Evaluation of NDP has indicated widespread support amongst participating partners for the help it provides in seeking work. Participants have identified the following as most helpful (in no particular order):

- IWBC;
- information about Tax Credits;
- self-employment training and support;
- other training;
- support from the ADF;

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- Job Grants;
- confidence building;
- job search help;
- CV preparation.

Participation in NDP has been low, however, and it is evident that participants are predominantly those partners who are job ready. This group, together with partners wanting to build self-confidence or gain skills and qualifications appear most positive about the help provided by NDP while partners with caring responsibilities or young children and those seeking part-time work were much less positive about NDP.

There is little evidence that a single mandatory interview – the WFIP – is able to achieve any measurable increase in the rate of job entry by partners. There is stronger evidence, albeit qualitative in nature, that the additional support provided by NDP has resulted in increased positive outcomes (such as entry to full-time or part-time jobs or entry to a training place) as well as measures of progress towards job readiness and job entry (such as increased confidence, accelerated work-focused plans and improved job search). Key factors contributing to a successful job outcome for the partner have been found to include (Thomas and Griffiths, 2005)\textsuperscript{201}:

- having the full and active support from the claimant;
- holding a joint interview with both claimant and partner;
- being able to build on prior discussion and planning about employment options and implications;
- good discussion of work options within couples; and
- obtaining a favourable and timely result from an IWBC.

Keeping the claimant informed and part of the process appeared to be particularly important (by telephone, for instance, if the claimant had not attended a joint interview with their partner).

### 7.2.2 Work placements

NDP and other initiatives for partners do not make specific provision for work placements for partners, although partners may be eligible for a Work Trial (a job placement of up to 15 working days). No information is available on the extent to which partners participate in Work Trials and no evaluation evidence of effectiveness of this type of intervention for this customer group.

7.2.3 Acquisition of skills

Partners of benefit claimants tend to be a very diverse group in terms of their educational attainment and work experience. The great majority of participants on NDP have worked at some time in their past, although this may have been several years previously. A minority have not worked at all and these tended to be partners with very young children and babies, those with basic skills needs or learning difficulties (Thomas and Griffiths, 2005). The Joint Claims customer group also tend to lack qualifications. Women were more likely to lack qualifications and previous work experience than men. Ethnic minority couples were most likely to have no qualifications at all, and also lacked literacy or numeracy skills (Bonjour, Dorsett and Knight, 2001: Bewley and Dorsett, 2004)\(^\text{2}\). Bewley and Dorsett (2004) also noted that men were more likely than women to be referred to training or education places despite being more likely to hold qualifications in the first place.

Partners are eligible for a range of support relating to training accessed via WFIP or NDP. PAs delivering WFIP have reported a high level of demand for courses amongst partners who were beginning to consider the possibility of changing their situation. Partners who express an interest in training opportunities often see this as a way of testing their ability to spend time away from home. Unfortunately, as Thomas and Griffiths (2005) note, much of the available provision through Jobcentre Plus providers is offered on a conventional 30 hours per week and 26 week long course and this is often unsuitable in the circumstances of many or most partners. While there was a demand for short, non-vocational courses that could be undertaken on a part-time basis and fitted around caring and childcare responsibilities, such training was not supported within Jobcentre Plus provision. This type of course provision was available outside of Jobcentre Plus providers (often from community or voluntary organisations) and PAs could advise partners of such training provision but could not effectively monitor or support partners during such training.

7.2.4 Self-employment

Evaluation of WFIP has highlighted the importance of self-employment support for some partners. Self-employment may provide an ideal way by which a partner can combine caring or child care responsibilities with earning an income. Self-employment often allowed working from home and this was particularly appropriate where care needs were unpredictable or sporadic in nature. While there are advantages to many different customer groups, those who appeared best able to benefit from self-employment were partners with above average levels of education and qualifications

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and recent work experience. Thomas and Griffiths (2005) found that where interviews were conducted jointly then self-employment options tended to be explored more fully than where interviews were conducted individually, especially if the impetus for self-employment came from the claimant rather than the partner\textsuperscript{203}.

There is little or no evidence relating to the sustainability of self-employment accessed via NDP. Self-employment appears to have been an important reason for participating in NDP for many partners and at the time of the most recent evaluation many partners and claimants were test trading. It remains to be seen whether such success can be sustained\textsuperscript{204}.

7.2.5 Specialist support

An outreach service was trialled in 2002 (combined with such provision for lone parents). This service proved remarkable ineffective and very few partners were engaged as a result (Hirst et al., 2003\textsuperscript{205}).

7.2.6 In-work support

No evidence has so far been located relating to in-work support specifically for partners.

7.3 Aspects of delivery

7.3.1 Eligibility and timing of provision

The introduction of the Joint Claims requirements on partners was not so much the introduction of a programme of provision but a change in the obligations placed upon partners and claimants. There is both quantitative and qualitative evaluation evidence that Joint Claims enhanced the prospects of participating couples entering work. Bonjour, Dorsett, Knight and Lissenburg (2002) found that Joint Claims had encouraged additional exits from JSA, particularly through the influence on female partners. Bell (2002) also noted an acceleration of employment prospects amongst Joint Claimants and confirmed that the impact of Joint Claims was greatest amongst previously dependent partners (the great majority of whom were women). Bewley


and Dorsett (2004) found that a quarter of couples in the age range 27-35 (and a fifth of those aged 36-45) had at least one partner working more than 30 hours in the week of the survey interview. While the majority of customers were seeking to work more than 30 hours per week, men were more likely than women to realise that aim.

Reviewing all of the Joint Claims evidence, Bewley, Dorsett and Thomas (2005) concluded that Joint Claims increased slightly the chances of exiting JSA. This impact varied considerably across the customer group. Newly eligible couples were more likely to exit JSA than couples already eligible for Joint Claims when the procedure was introduced. The latter group had a longer spell of unemployment than the former group and could thus be expected to have been harder to help. The impact on exits from JSA also appeared to be concentrated amongst the most motivated and job ready customers while little effect was noted amongst the majority of ‘ambivalent’ couples. Job entry prospects may even have diminished amongst the least well motivated customers with negative attitudes to the Joint Claims procedure. Finally, older couples who became eligible for Joint Claims in 2002 were more likely to enter work than the younger couples at whom the initiative was originally aimed. Older couples with more established relationships appeared more inclined to operate as a couple when it came to decisions about labour market participation and job search activities (Bewley, Dorsett and Thomas, 2005).

7.4 What works for partners of benefit claimants?

The introduction of programmes for partners appears to have been greeted with mixed feelings by claimants and their partners. Some resent the obligations placed on partners while others regard it as an opportunity for the household to receive support. There is some evidence of increased entry to jobs by partners and, in some instances, by the claimant as well. Interviews providing advice and guidance seemed to work best when held jointly with the claimant and partner. While this was always the intention, such joint interviews do not seem to have been held in a number of instances, although their importance is now recognised. Self-employment appears to have been an option that was particularly suited to the needs of partners with childcare or other caring responsibilities and support for this would appear to have been productive. Training was a relevant and useful option for many partners but available training was too often offered on a traditional full-time basis that was difficult to combine with household responsibilities.

The effectiveness of provision for partners appears to have been moderated by a number of factors. First, many of the issues facing partners required a holistic approach to dealing with the needs of the household. Partners face a number of different, but often associated barriers to employment, including health issues and caring responsibilities. The extent to which this was appreciated by PAs and their ability to address these larger issues had an important bearing on outcomes. Related to this, outcomes for partners were also critically dependent upon the degree to which the claimant supported the efforts of their partner to improve their employability.
and enter employment. Several factors impinge upon such support from the claimant, including their attitude to the employment of their partner. Here cultural and religious factors have an important role to play with support for the employment of some ethnic minority partners being problematic. The effectiveness of provision for partners is thus more effective where it is supporting the efforts made by partners themselves to move closer to the job market and less effective where such motivation is absent.
8 Disabled people and people with health conditions

8.1 Context

At the outset it is salient to note that disabled people and people with disabilities form a complex and diverse group. Considerable attention has been devoted to estimating and defining disability but no single measure of disability has emerged. The Department for Works and Pensions’ (DWP’s) Public Service Agreement on employment and disability, which provides a commitment to increase the participation rates of disabled people compared with those of non-disabled people, defines people as disabled if they have a disability consistent with the Disability Discrimination Act (DDA).

Relationships between ill-health and worklessness are complex; not only is disability likely to be a source of labour market disadvantage, but there are also signs that economic disadvantage is a source of disability, although the evidence is mixed and a causal link is yet to be proved beyond doubt. Moreover, disability is often associated with other disadvantages such as low level skills, age and lack of


207 A long-term health problem (or problems) that substantially limits a person’s ability to carry out normal day-to-day activities.
transport. Hence, not all ‘disabled people’ are in the same labour market position.\textsuperscript{208} The content and mix of interventions designed to assist people with disabilities and health conditions into employment reflect this complexity and this has led to a tendency for programmes to combine service elements – so contributing to the difficulty of isolating ‘what works for whom?’

Disabled people and people with health conditions are the target of several different programmes. These include:

- specific programmes – such as the New Deal for Disabled People (NDDP), which aims to help those moving onto Incapacity Benefit (IB) and disabled people wanting to move into employment;
- specialist disability programmes – such as Access to Work (mainly helping people in work), WORKSTEP (offering a range of support mechanisms to disabled people and their employers) and the activities of Remploy (in creating independence for disabled people through work); and also
- general programmes – including the other New Deal initiatives.\textsuperscript{209}

NDDP \textbf{pilots} were set up in 1998 and consisted of two main strands: first, 12 Personal Adviser (PA) Pilots; and secondly, 24 Innovative Schemes. NDDP was \textbf{extended nationally} in 2001 as a voluntary programme, with a wide and broadly defined target population, delivered to customers through Job Broker organisations. It aimed to support and test innovative ways of helping people on incapacity benefits move into sustained employment, with delivery of services via a range of public, private and voluntary sector organisations known as ‘job brokers’. Services delivered differ between job brokers,\textsuperscript{210} but often include general careers guidance and

\textsuperscript{208} Analyses of the Health and Disability Survey attached to the Family Resources Survey in 1996/7 shows that the overall proportion of disabled people who had a job was 29 per cent, compared with 76 per cent for non-disabled people. Taking account of some unfavourable demographic and economic characteristics the average employment rate of disabled people would be 69 per cent. This suggests that the average employment disadvantage associated with impairment was 40 percentage points. This gives an impression of the overall scale of the challenge in moving people with disabilities towards employment. For more detail see Berthoud, R. (2006), \textit{The employment rates of disabled people}, Department for Work and Pensions Research Report 298.

\textsuperscript{209} The impact on disabled participants has not always been built into research designs of such initiatives and in some cases numbers of disabled people participating are small. However, with the exception of younger people with mental health conditions, what works for participants as a whole appears to work equally well for disabled people – see Thornton, P. (2003), \textit{What works and looking ahead: UK policies and practices facilitating employment of disabled people}, DWP, London.

\textsuperscript{210} However, at an individual level the facility of ‘choice’ of Job Broker has not really worked.
direction, provision of access to voluntary work or work placements, soft skills training, job search support, help with applying for jobs, financial help and support and confidence building (i.e. services identified in several of the categories in Section 8.2). Despite the fact that job brokers offer no ‘set menu’ of services, job brokers adopted three main approaches to working with NDDP customers: helping them gain skills and confidence, equipping customers to find more work for themselves, and finding jobs for their customers. Only a small proportion provided in-work support.211 Despite the variations in provision between Job Brokers, links with Jobcentre Plus are crucial.

The range of measures provided by job brokers, sometimes in a multi-element ‘package’ format, together with differences between job brokers in the range of services provided, means that it is difficult to ascertain which elements work most effectively for whom. Furthermore, job brokers can access various Jobcentre Plus services to supplement their own provision. Views from users about the value of job broker services are mixed – highlighting the importance of individuals’ attitudes, circumstances and orientations towards work. While there is evidence from multivariate analyses on which sub-groups of NDDP registrants have an increased likelihood of having entered work,212 it is not known what kind of support was most effective for each. Moreover, the lack of a randomly selected control group means a lack of firm evidence on the extent to which those who found work did so because of their NDDP involvement. Overall, nearly half of NDDP registrants entered paid work in the year after registration; 18 per cent felt that they would not have done so without NDDP (rising to 26 per cent for those with no qualifications), or would have


started work later (11 per cent).\textsuperscript{213} A non-experimental assessment of the net impact of NDDP, not published at the time of writing, which matched NDDP participants to a comparator group and looked at outcomes, suggests that NDDP has had a significant positive impact, both on numbers leaving benefit and on numbers going into (and staying in) work.

Over time there has been increased emphasis on increasing the number of incapacity benefit recipients who move towards and into paid work. This runs counter to the growth of disability as an economic identity – i.e. the acceptance of ‘I am disabled’ as an appropriate economic role by the disabled person, their family and friends and perhaps the broader public community (including employers, doctors and benefit administrators);\textsuperscript{214} so highlighting the importance of promoting attitudinal and cultural change alongside more specific initiatives to help people with disabilities into work. It can be noted here that there has also been a shift from voluntary to mandatory participation, as exemplified by Pathways to Work pilots, which are intended to re-focus customers on the prospects of returning to work through the combination of a series of Work Focused Interviews (WFIs) and various associated services and incentives, including easier access to existing programmes, a work-focused condition-management programme and a return to work credit.

8.2 Type of provision

8.2.1 Advice and guidance

Evidence suggests that customers appreciated the highly individualised approach of the NDDP PA pilots, helping them to set goals and make progress towards them.\textsuperscript{215} Over a two-year period, 11 per cent of participants and seven per cent of non-participants had an employment outcome, and participants entered employment at a quicker rate than non-participants. Qualitative research with customers, job brokers and Jobcentre Plus staff in the national extension of NDDP, suggests that


while job brokers had often been instrumental in raising customer confidence and motivation through working on a one-to-one basis and encouraging involvement in other activities, customers’ experiences of vocational advice from job brokers was mixed.\textsuperscript{216} Strong relationships with a core adviser and maintenance of contact by advisers emerge as being particularly important in customers’ longer-term progress.\textsuperscript{217}

Evidence from the evaluation of the ONE advisory service suggests that the provision of a range of services, including a better-off calculation, advice about in-work benefits, advice about finding work and advice about health issues did not increase the odds of being in work.\textsuperscript{218} However, the nature of provision emerges as important here, with basic model and private/voluntary sector approaches recording positive differences in employment rates.

In the IB Reform pilots, PAs placed a good deal of emphasis on developing a personal relationship with a customer, as a foundation for subsequent guidance through options available. Qualitative evidence suggests that PAs ‘add value’ for a wide range of customers: from well-motivated voluntary customers, to customers who are a long way from work, who benefit from an empathetic, interested PA, tailored WfIs and, where relevant and appropriate, fitting referrals.\textsuperscript{219} Hence, PAs play a central and crucial role in co-ordinating and providing continuity of support.

Overall, advice and guidance support emerges as a positive intervention.


8.2.2 Work placements

The NDDP Innovative Schemes pilots encompassed training and work placement elements – with different pilots adopting different mixes. The evidence\textsuperscript{220} suggests that key factors in success were:

- establishing a smooth and comprehensive pathway from an individual’s entry to the scheme to employment; and

- targeting opportunities in the labour market where there were skills gaps or labour shortages (i.e. specifically focusing on types of employment where job opportunities were likely to be available).

This latter issue of achieving greatest impact by targeting employers with high staff turnovers or regular vacancies is endorsed by evidence from the national roll out of NDDP on the relationship between job brokers and employers and on outcomes of NDDP involvement.\textsuperscript{221} The evidence suggests that what employers want is a suitable candidate for the job, rather than to recruit a person with a disability/health problem. Employers reported that they appreciate practical assistance from job brokers around the time of job entry, and that recruitment assistance and pre-selection is especially helpful. However, the evidence suggests that job brokers tend to concentrate their attention at the level of the individual customer (rather than the employer). Overall, employers show low awareness of job brokers, but in cases when employers were aware of job brokers, the impact tended to be positive and beneficial, and the level of satisfaction with the service was high, suggesting an unmet demand by employers for job broker services.\textsuperscript{222}

Another option for NDDP registrants is to take up voluntary work. Evidence from a cohort study of NDDP registrants showed that nine per cent started voluntary work in five months following registration and 12 per cent did so thereafter.

The Permitted Work Rules (PWR), introduced in April 2003, allow claimants of incapacity benefits to work up to 16 hours per week and earn a set amount each week, but for a maximum of 52 weeks, or to work any number of hours, without time limit, for earnings of up to £20 per week. Evidence suggests that for disabled people and people with health conditions there are benefits from the experience of working.\textsuperscript{223} These include knowledge that they can cope in work, increases in self-


confidence and motivation, a greater sense of independence and a gain in skills (including communication and team-working skills). A quarter of respondents in a longitudinal study of participants gaining experience of work under PWR had moved off incapacity benefits and into full-time work, while a third were in work under PWR. The evidence shows that the likelihood of making such a move off benefits and into work is greatest for individuals with shorter benefit durations and those living with a partner who is in work. By contrast, movements out of work were often linked to worsening health conditions or the temporary nature of employment.

One element of the ‘Choices’ package introduced in the IB Reforms pilot in 2003 was a Return to Work Credit (RTWC) in Pathways areas – offering a £40 supplement to earnings for a maximum of 52 weeks. Evidence from a longitudinal panel of customers suggests that the financial support works for people considering work, but it does not appear to be an incentive for people not already considering work. It was helpful in enabling some people to work shorter hours than normally in order to suit their condition. Moreover, some people who received RTWC and tax credits felt much better off financially than when claiming IB. Those claimants who did not feel financially better off in work reported instances of issues such as delays in payment of RTWC, refusal of an application of Working Tax Credit (WTC), reduction of WTC by recovery of overpayments and reactivation of debt recovery from earnings; so highlighting the importance of the wider circumstances in which individuals found themselves and the fact that financial difficulties can arise quickly if processes do not go smoothly. Financial circumstances and benefit situations surrounding return to work may be very complex.

8.2.3 Acquisition of skills

Training (along with work placements) is a key element of the job broker service for those customers requiring longer-term support. One-third of registrants in a cohort survey of NDDP registrants started some form of education or training – most commonly vocational/work skills development courses.

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224 The RTWC available in Pathways areas is not exclusive to NDDP participants.


It is difficult to separate out the separate impact of interventions concerned with acquisition of skills, from those concerned with advice and guidance and work placements. In part, skills acquisition is likely to occur once an individual enters employment.

### 8.2.4 Self-employment

Self-employment is an option for some disabled people – especially for those requiring extra flexibility. Of NDDP registrants entering paid work in the year after registration, nine per cent became self-employed.\(^{228}\)

### 8.2.5 Specialist support

The Access to Work programme (which is separate from and independent of NDDP) helps disabled people with the costs of support workers, travel to work, alterations to workplace premises and aids and equipment; (the mix and extent of support varies between individuals). The evaluation evidence\(^ {229}\) indicates that 35 per cent of users felt that it was highly unlikely that they would be in their job without Access to Work, while 28 per cent rated it highly likely. At individual level, support worker provision can be essential in enabling people to take up a job and in sustaining employment. Alterations to workplace premises emerged as being of particular significance to respondents who developed health conditions which put their job at risk. There is particularly strong evaluation evidence that travel to work provision may be essential in taking up a job and very important in sustaining employment – given that alternatives were rarely feasible for the individual. Overall, at programme level, the deadweight element in the travel to work element of Access to Work is low, while that for aids and equipment appears rather high. However, at individual level particular types of specialist support may vary in importance according to the nature of the disability/health problem.

Pathways to Work IIB reforms introduced in October 2003 involved piloting a ‘package’ of measures (collectively known as the ‘Choices’ package) in seven areas.\(^ {230}\) One element of this was a new Condition Management Programme


\(^{230}\) Coverage was extended to 14 districts in phases from October 2006, with plans for coverage of a third of the UK by October 2006.
providing advice and information about a range of health conditions from health professionals. Along with other elements of the ‘Choices’ package, the CMP helped some people. People participating in the CMP had either one-to-one sessions with professionals such as physiotherapists, or group sessions not geared to any specific health condition. Feedback from users suggested that one-to-one sessions were appreciated particularly. CMP practitioners reported little customer resistance to what was being offered, although findings from a longitudinal panel suggest that agreement to take part in services was not always based on knowledge or expectations of what would happen and could come after pressure to show themselves willing, and despite having some reservations. Findings from a longitudinal panel suggest that some people may need external support and encouragement to keep attending the CMP, so raising resources and skills issues for Jobcentre Plus.

CMP practitioners reported a full spectrum of progress, but improved confidence, self-esteem, physical appearance and stamina were noted as immediately observable effects of participation. CMP practitioners tended to have in mind different outcome measures for individual participants – such as reduced need for medication, increased functioning and improved quality of life, so indicating the need for individual tailoring of provision, and that job entry was not a realistic immediate goal for some participants. Overall, CMP practitioners reported high levels of job satisfaction and commitment to the service, with longer appointment times and continuity of care allowing them to address deep-seated issues and problems.

Amongst the randomised trial of interventions included in the Job Retention and Rehabilitation Pilot (JRRP), which was operational for two years in selected areas from 2003, were help with health services and a combined intervention involving both health and workplace services. Early findings from the JRRP

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231 Developed jointly between Jobcentre Plus and local National Health Service providers.

232 Including Jobcentre Plus services plus a series of mandatory WFIs and a new ‘Return to Work Credit’ financial incentive.


236 The pilot was developed to test interventions which might decrease the length of sickness absence and increase job retention for people off work sick for six-26 weeks.

237 Another group received non health-related workplace help.
suggested that speedier access to treatment services has enabled quicker return to work for some employees – although there were concerns about the disruption and productivity costs to employers stemming from a lack of control over the process.\textsuperscript{238} Moreover, health treatments were seen to be relatively costly, so constraining what could be offered.\textsuperscript{239} More recent evidence\textsuperscript{240} indicates that overall, the JRRP interventions had no significant impact on the group of people recruited into the trial across key return-to-work measures. Similar rates of return to work were observed in the intervention groups as in the control group. However, there were some minor impacts, both positive and negative, on certain sub-groups: specifically, improved return-to-work rates for those off work because of an injury, and lower return-to-work rates for those with mental health problems. One possible reason for the overall lack of impact is that being randomised into a JRRP intervention group may have introduced a degree of passivity for participants. There is some evidence to suggest that those in the control group tended to take responsibility for their own return to work, while those randomised into an intervention group tended to relinquish responsibility to the providers, possibly as a result of poor communication channels with providers. The intensity of contact between providers and participants was in some cases low, with participants sometimes reluctant to contact providers. Furthermore, GPs and employers provided key routes into JRRP but would need to be more engaged to encourage a greater range of people to participate. Service providers also faced barriers from GPs and employers that reduced the probability of their being able to achieve a successful return to work for those participants they did work with.

A key related issue pertaining to disability/health conditions and support is the importance of the relationship between the individual customer and the local health care provider. In the evaluation of the Working Neighbourhoods pilot,\textsuperscript{241} the role of local health care providers is identified as key in providing routes into and out of health-related worklessness. It is also clear that underlying health conditions and

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changes therein, have an important role in determining work outcomes. The difficulty of individuals’ predicting correctly future changes in health conditions highlights the need for flexibility in interventions.242

8.2.6 In-work support

At the individual level access to post-recruitment support may be an important element in easing the transition to work. NDDP job brokers provide an intermediary point of contact for individuals and employers, and are valued as a ‘safe’ person with whom an individual can discuss concerns or problems.243 There are benefits of continued contact between the customer and job broker during the period around job entry and, in retrospect, some customers feel they could have benefited from in-work support.244 There is evidence that job brokers providing a more proactive in-work service achieved higher sustainability rates.245

For those individuals for whom disability poses the most severe and complex problems to finding and keeping a job, the supported employment programme WORKSTEP (which is independent and separate from NDDP) aims to provide employment for people who otherwise would not be able to get and keep work, and for those for whom it is an appropriate goal, to move into mainstream work without support from the programme.246 At an individual level, the outcomes can be of an economic, career development, social and personal development nature, with individuals placing particular emphasis on the latter. Users’ perspectives suggest that an ideal package of support involves taking a holistic approach to their needs, tailoring support to meet individual needs, asking the disabled person what they want to achieve and their involvement in deciding how much support they want.247


246 In general, disabled people liked the idea of a ‘safety net’ to fall back on, and so may not be sure that progression into unsupported work is a good idea for them.

Support is likely to involve pre-employment support in job search techniques, as well as customised training,\textsuperscript{248} in-work support to provide encouragement and constructive feedback about work done, having someone to ‘fight one’s corner’ when issues arise and to discuss problems as they arise. Sometimes such help is provided to individuals by household and family members.

For successful and sustained employment, in-work support needs to be matched by a conducive and unthreatening workplace environment: users feel that workplaces would ideally be characterised by supportive and understanding employers and colleagues, allowances made for physical needs, stability (i.e. low staff turnover) and granting of acceptance and respect for their contribution.

**8.2.7 Other**

The Adviser Discretion Fund (ADF) can play a role in removing final barriers to work,\textsuperscript{249} especially for IB claimants moving into part-time, low-paid work and for people with large debts.\textsuperscript{250} Overall, however, the evaluation evidence on ADF shows that Jobseeker’s Allowance (JSA) customers more frequently secured job outcomes compared with those on inactive benefits.\textsuperscript{251}

**8.3 Aspects of delivery**

**8.3.1 Timing of provision**

Timing of provision is important. Providing support at an appropriate pace and intensity was identified in an evaluation of the evidence on job broker services as being particularly important in customers’ longer-term progress.\textsuperscript{252} Evidence from the IB Reforms pilot highlights the need to give the right information at the right time (and without pressure) and to re-introduce information at appropriate times — rather at the first WFI only. Here it is salient to note that what may be the appropriate time

\textsuperscript{248} Emphasised by WORKSTEP providers as being of particular importance.

\textsuperscript{249} Overall, the majority of awards are made for work and/or interview clothing, equipment and tools, and travel-to-work – see ECOTEC (2004), Evaluation of the Adviser Discretion Fund (ADF), A Final Report to the Department for Work and Pensions.


\textsuperscript{251} ECOTEC (2004), Evaluation of the Adviser Discretion Fund (ADF), A Final Report to the Department for Work and Pensions.

for one person, need not necessarily be the appropriate time for another. The fact that there is a series of WFIs is also important: individuals with complex problems may build up confidence and trust over time in a manner which would not be possible in a single interview.

### 8.3.2 Nature of participation

Conventionally, interventions for disabled people and people with health conditions have been voluntary. NDDP is a voluntary programme. In practice, this means that as a self-selecting group NDDP participants are closer to the labour market than members of the eligible population as a whole. As outlined in ‘1’, there has been some limited move towards mandatory participation. Evidence from a qualitative study of the experience of mandatory interviews as part of the IB Reforms suggests that the principle of attending interviews as a condition of benefit receipt is accepted by most respondents.\(^{253}\) The extension of Pathways to Work provision to existing customers had a mixed reception from both customers and advisers.\(^{254}\)

### 8.3.3 Nature of provider

Job broker organisations delivering NDDP include voluntary and not-for-profit agencies, private sector companies and public sector organisations. However, no single model of delivery is associated with effectiveness. Rather, strong organisational support, strong management, use of management information to chase progress, close team-working and strong team support, and an outward-facing approach, characterised by proactive marketing, good links with, and awareness of, other services are important features of the job broker service in ‘what works’.\(^{255}\)

Jobcentre Plus staff play a ‘signposting’ role to job brokers, and job brokers utilise Jobcentre Plus services (although to varied extents), such as Work Preparation, Work Based Learning for Adults (WBLA), WORKSTEP, the ADF, better-off calculations and job search support.\(^{256}\) While research shows that job broker staff felt that the service provision available to disabled people had been enhanced by the more flexible and


individually tailored nature of job broking, there was little evidence of further new service development being stimulated by job broker organisations themselves.\textsuperscript{257} This suggests some overlap in the nature of services between job brokers and other providers. There is some evidence that pooling of job brokers and Jobcentre Plus staff expertise can help.\textsuperscript{258} It is also clear that there is little enthusiasm for delivery of services by phone. There is evidence from ONE that delivery of advisory services via a call centre was less successful than either a ‘basic’ model or a ‘private/voluntary sector’ approach.\textsuperscript{259}

8.4 What works for people with disabilities and health conditions?

There is a distinction between ‘what works’ at programme level and ‘what works’ for specific individuals. A focus on the former (concentrating on measuring service inputs against potential population level outcomes), can result in outcomes for individuals being overlooked. Arguably, there is a case for taking account of both – especially in the context of a sub-group such as the disabled and those with health conditions. In section ‘1’ it was noted that this is a heterogeneous sub-group facing a range of issues in entering and retaining work, and so ‘what works’ for customers is very varied, because of their varied circumstances and needs. In this context, it is salient to note that findings from a longitudinal panel of customers in the Incapacity Benefit Reforms pilot is that ‘specificity’ (i.e. an individual focus and personal support) and continuity in smoothing transitions is regarded by customers as particularly valuable.\textsuperscript{260} From a provider perspective, qualitative research with CMP


practitioners in Pathways to Work highlighted the importance of additional time available for customers and of the opportunity to tailor services to meet customer needs; (it was also worthy of note in this context that there were concerns that any in the future less generous levels of funding, would be detrimental).\(^{261}\) Likewise, an in-depth study of job broker service delivery highlights the ‘fit’ between customers’ needs and services as crucial in moving towards work:

> ‘Ultimately what works lies in the ability of Job Broker services to identify the needs of customers, for them to be matched with an appropriate Job Broker service and with the right levels of support, and to maintain effective relations and communications with customers.’\(^{262}\)

The second synthesis report from NDDP also highlights the importance of regular adviser-initiated contacts with customers\(^{263}\) – with the adviser fulfilling a co-ordinating role in devising an appropriate package of support for the individual concerned.

Across a number of programmes, the importance of beliefs, attitudes and intentions as important factors in determining ‘what works’ emerges.\(^{264}\) Those most motivated to return to work are likely to be more successful (holding other factors constant). For instance, the biggest differences in helping participants on incapacity benefits to return to work were recorded amongst those who were most motivated to make such a return. In contrast, financial incentives (as paid at the time the evidence relates to) and other interventions have less impact on those who are not ready or willing to consider receiving help or support to overcome barriers and move towards work.\(^{265}\)

In relation to entry into work, there are issues concerning the type of work entered and the profile of employers recruiting disabled people and those with health conditions subject to the interventions discussed above. It is salient to note that


employers were often cautious about employing NDDP customers. Employers’ perceptions and attitudes matter for the employment prospects of people with disabilities and health conditions. Evidence from the JRRP highlights some reluctance on the part of employers to participate in the programme. Larger employers and those in the public and voluntary sector are most likely to engage disabled people. Moreover, vacancies to which disabled people are recruited tend to be restricted to positions requiring low level skills.

It is important to note that people with disabilities are not a static group: their perceptions of barriers and bridges to work, and their relationship to the labour market changes over time. This emphasises the need for responsiveness and flexibility in meeting individual customer needs. However, for some people with disabilities, policy interventions alone might be insufficient in moving towards or entering work; rather, an underlying improvement in health may be the key change in moving towards work, while deterioration in health can make entry to work less likely or lead to a premature exit from the labour market, so highlighting that trajectories of health and perceptions of health are crucial.

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269 Some individuals from a longitudinal panel of clients involved in the IB Reforms pilot supported the underlying principles of the Pathways Pilot, but did not feel able to take advantage of the help offered to them at the time – see Corden, A. and Nice, K. (2006), *Incapacity Benefit Reforms Pilot: Findings from the second cohort in a longitudinal panel of clients*, Report prepared for DWP.

9 Ethnic minorities

9.1 Context

Individuals from ethnic minorities present a complex picture of access to paid employment, with labour market experiences being shaped by a range of factors, reflecting multiple identities and barriers to paid work. Overall, there is evidence that ethnic minorities face disadvantage in the labour market, but it is also the case that there is considerable and increasing heterogeneity in experience within and between different ethnic minority groups. Secondary data analyses drawing on pooled quarterly Labour Force Survey data and the Samples of Anonymised Records from the 2001 Census indicate that a number of ethnic groups, notably Pakistani, Bangladeshi, Black Caribbean and Black African men continue to experience higher unemployment rates, greater concentrations in routine and semi-routine work and lower hourly earnings than do members of the comparison groups of British and other whites. The situation of Pakistani and Bangladeshi groups is a particular cause for concern, since high proportions of these groups are unemployed and inactive. There are also differences between first and subsequent generations and by gender – as exemplified by a shift in attitudes towards greater acceptance of Bangladeshi women working outside the home, and between geographical


272 For some ethnic groups, there may also be important differences by gender.


locations. Analyses of 1991 and 2001 Census data suggest that for men disadvantage is greater for ethnic minorities born in the UK than for those born overseas, whereas ethnic minority women born in the UK do better in the labour market than their overseas-born counterparts.\textsuperscript{275} However, from the information in evaluation studies it is not always possible to distinguish between individual ethnic minority groups, or between first and subsequent generations.

For current purposes, it can be noted that some ethnic minority groups are disproportionately represented amongst ‘the most disadvantaged’ customer group (who face multiple disadvantages\textsuperscript{276}) and that they are also over-represented in disadvantaged areas—albeit often inner city areas close to job concentrations. Some individuals from ethnic minority groups face a multitude and complexity of barriers to work, relating to personal characteristics, households (exemplified by large numbers of children to care for in the case of many Pakistani and Bangladeshi women), human capital, area-based factors and employer attitudes.\textsuperscript{277} In general, each additional ‘disadvantage’ has an additive effect on prospects of gaining employment, but in some cases additional ‘disadvantages’ result in more pronounced problems.\textsuperscript{278} Also, it is clear that some sub-groups of the ethnic minority jobless have specific needs. One such group is Pakistani and Bangladeshi women, for whom issues influencing labour market participation decisions include (lack of) fluency in English, (lack of) qualifications, the primacy of family life, religious and cultural values and household income (which impacts on employment decisions). Younger (and second and subsequent) generation Pakistani and Bangladeshi women may face some of the same issues and pressures, albeit often to a lesser degree, and may be concerned with ‘negotiating identities’.\textsuperscript{279}


\textsuperscript{276} Indeed, membership of an ethnic minority group is often used as a ‘marker’ of disadvantage.


\textsuperscript{278} For example, analyses of Labour Force Survey data show that older Pakistani and Bangladeshi people face greater disadvantage than the simple additive effects of disadvantages posed by ‘ethnic group’ and ‘age’ – see Berthoud, R. (2003) \textit{Multiple Disadvantage in Employment}, Joseph Rowntree Foundation, York.

The labour market disadvantage experienced by ethnic minorities is the result of a complex interaction of supply- and demand-side factors. Analyses show that disadvantages faced – especially by black African, black Caribbean, Pakistani and Bangladeshi people – remain after controlling for individual characteristics such as age, education and foreign birth. The fact that unemployment propensities and occupational attainment cannot be explained fully by differences in human capital points to the existence of ‘ethnic penalties’, which have been persistent over three decades. For the ethnic minority groups most severely effected (i.e. Pakistanis and Bangladeshis) these ethnic penalties are apparent over and above structural and individual disadvantages in the labour market.

While ethnic penalties calculated from statistical models should not be equated directly with discrimination, there is considerable emphasis from the Home Office Citizenship Survey 2003 and from field experiments that unequal treatment on grounds of race or colour is likely to be a major factor underlying the pattern of ethnic penalties. Religious discrimination has also been identified alongside race as possibly having an impact on the success of ethnic minority groups in the labour market, but whether it is leading to double discrimination for some groups is not clear. Evidence from a recent employer survey has suggested that some employers have real concerns about employing Pakistanis and Bangladeshis; partly


285 Particularly in the case of Muslims.


because they could not accommodate their religious needs, but also partly because they were concerned that they would not fit in with other workers.²⁸⁸ Interviews conducted with people of Pakistani and Bangladeshi origin have revealed that even though they could not prove it, respondents had strong perceptions of employer discrimination, which they believed was a barrier to their getting jobs.²⁸⁹ Evidence from British Social Attitudes Surveys over the period from 1983 to 2003 shows that self-reported prejudice on the part of white men and women displays a modest long-term decline, although considerable year-to-year fluctuations are evident.²⁹⁰

Ethnic minorities are eligible to participate in the full range of New Deal programmes, although evidence from a study of Pakistanis and Bangladeshis suggests that they tend to avoid New Deal (because it is not considered credible as providing real jobs) by going into employment, even though some of the jobs entered are not sustainable. The extent to which disaggregations by ethnic group are available from evaluation evidence depends on numbers of participants/individuals covered in surveys/other evaluation instruments; hence available evidence is somewhat ‘patchy’. Often, however, there is some information on the differential experience of white customers and those from ethnic minorities in New Deal programmes – with those from ethnic minorities often clustered in those parts of programmes (e.g. concerned with training) that do not involve employment.²⁹¹ Where evidence is available on experience of participation on programmes, there can be important variations between ethnic minority groups, as well as between ethnic minority groups in aggregate and white people. Here it is salient to note that the composition of ethnic minorities participating in New Deal programmes may have also changed over time. For example, the proportion of New Deal 25 plus (ND25plus) participants from ethnic minorities increased from roughly ten per cent when the programme began to 14 per cent by the end of 2001, while over the same period the proportion of ethnic minority participants from the black Caribbean group has declined from 30 per cent to 20 per cent of the total, while the proportion from the diverse mixed/


other group has increased from 25 per cent to over 30 per cent of the total.\textsuperscript{292} Moreover, where differences in experience and/or outcomes are apparent between white people and ethnic minorities, these may not be attributable to ethnicity: other individual characteristics (which may be differentially distributed by ethnicity) may be more important.

Improving the labour market prospects of jobseekers from ethnic minorities is high on the policy agenda. Building employability through mainstream programmes on training and skills, through English for Speakers of Other Languages (ESOL) and through New Deal for Skills provides one element of the sought for improvement, while another element is associated with connecting people to work. Concerns about the persistent gap between the overall employment rate and that for ethnic minority groups and about the effectiveness of mainstream services for ethnic minorities in the face of the Government’s Green Paper on Full Employment prompted the development of Ethnic Minority Outreach (EMO) services. Other key developments include a Jobcentre Plus Race Equality Scheme,\textsuperscript{293} a Faith in the Communities Toolkit,\textsuperscript{294} monitoring of parity of outcomes across Jobcentre Plus services and mainstream programmes, an additional job entry points scheme,\textsuperscript{295} and the Ethnic Minorities Flexible Fund to support jobless people from ethnic minority groups who need help in making the transition to employment,\textsuperscript{296} and so narrow the gap between the overall employment rate and that of ethnic minorities. Across Whitehall, the Ethnic Minority Employment Task Force (established in 2003 and bringing together the Department for Work and Pensions (DWP), Department for Trade and Industry, Department for Education and Skills, Home Office and the Office of the Deputy Prime Minister – together with representatives from the Commission for Racial Equality, the Trades Union Congress, and the Confederation of British Industry), is the key mechanism for implementing an ethnic minority strategy to build employability, improving the connection of people to work and promoting equal opportunities in the workplace. The fact that ethnic minorities will account for increasingly large proportions of the working age population also provides a clear business case for raising their participation and employment rates.


\textsuperscript{293} The Race Relations (Amendment) Act 2000 places a general duty on Jobcentre Plus to have due regard to the need to eliminate unlawful racial discrimination, promoting equality of opportunity and promoting good relations between persons of different racial groups.

\textsuperscript{294} Providing information on the cultural traits of a range of ethnic and religious communities.

\textsuperscript{295} Awarding additional job entry points to people in specified wards with a high proportion of people from ethnic minority groups.

\textsuperscript{296} The underlying ethos is that one size does not fit all; rather, action on ethnic minority employment needs to be sensitive to local needs.
EMO was implemented using a community-level, multi-stakeholder approach, involving projects and providers working with participants and employers, local Jobcentres and other agencies, through different aspects (or combinations of) three main approaches: outreach based provision (approach 1), employer focused provision – sometimes involved subsidised work placements (approach 2) and positive action training (approach 3). Important new evidence on ‘what works’ has emerged from the evaluation of EMO. The importance of outreach and flexible approaches is also reinforced by the establishment of an ethnic minorities flexible fund for Jobcentre Plus districts with large ethnic minority populations and high levels of worklessness to draw on in order to provide innovative solutions to helping people from ethnic minorities into work, and interest in evaluating and implementing good practice from Action Teams for Jobs EMO and Employment Zones (EZs).

In thinking about the position of ethnic minorities in the labour market and especially the persistence of ethnic penalties, it is of fundamental importance to consider the demand side of the labour market. DWP and partners are placing a stronger emphasis than formerly on equal opportunities issues, diversity management and the role of employers in narrowing the employment gap between people from ethnic minorities and the rest of the population. Specialist Employment Advisers are working with community groups and with employers to develop ways of ensuring that recruitment practices reach a diverse range of potential employees, so enhancing Jobcentre Plus’ capacity to tackle employer discrimination and improve their performance in placing people from ethnic minorities into work. Fair Cities Pilots in Birmingham, Bradford and Brent are employer-led initiatives to improve job entries for ethnic minorities. They are structured around the concept of a deal between employers and the local employment and skills systems in which jobs are offered in return for qualified candidates. Since public authorities have a legal duty to promote race equality in carrying out their functions, emphasis is being placed on the role of public procurement in race equality.297 Although larger organisations and those in the public sector are more likely to have formal equal opportunities policies in place, this does not necessarily mean that they have the best record on diversity issues. Rather, employers’ concerns and practices with regard to equal opportunities and diversity issues vary, and very formal recruitment processes might make certain employers unattractive to staff from ethnic minority groups. Moreover, some organisations may discriminate against ethnic minorities as an unintended consequence of policies to improve organisational performance.298

297 Evidence from the USA, Canada and the Netherlands on Developing Positive Action Policies indicates that government procurement/contract compliance measures can be used as a means of increasing employment rates of ethnic minorities and are also a useful vehicle for promoting a wider cultural shift amongst employers.

9.2 Type of provision

9.2.1 Advice and guidance

Advice and guidance services are a central element of New Deal programmes, hence, the quality of communication between advisers and customers is crucial.\(^{299}\) One-to-one support of New Deal advisers is highly valued – especially by young people.\(^{300}\) The evidence on the benefits (or otherwise) of ethnic matching (i.e. matching of individuals by ethnic/cultural background) is not clear,\(^{301}\) except for those with EMO needs – where such matching of the outreach worker and the customer is important.

Advice and guidance services have an important role to play in raising awareness of labour market and training opportunities for some individuals\(^{302}\) who may face family and community pressures which serve to direct them to a subset of labour market opportunities/stereotypical careers. For younger people especially, it may be important to link advice and guidance to labour market familiarisation to heighten awareness of local opportunities. Some individuals from ethnic minority groups, may need help in developing networks, building confidence in less familiar settings, etc.\(^{303}\) In such instances, having specialist advisers from the same community can help break down barriers to using Jobcentre Plus and other services.\(^{304}\) However,

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\(^{301}\) For example, evidence from mentoring and post-employment support pilots introduced under the New Deal Next Phase (NDNP) showed that providers were ambiguous about the value of ethnic matching in peer mentoring, and moreover there was a problem in recruiting mentors from ethnic minority groups (see ECOTEC [2004] *Mentoring and post-employment support*, WAE211.

\(^{302}\) Especially some groups of (younger) women.


there can be advantages in working across ethnic minority boundaries. What is feasible, what is appropriate and ‘what works’ in terms of ethnic/community matching of advisers and customers is likely to vary between individuals.

Overall, there is evidence that personalised advice and support is especially effective for those customers from ethnic minorities facing the greatest barriers to work. Moreover, it should be noted that research on satisfaction with Jobcentre Plus suggests that customers from ethnic minorities place greater emphasis on personal contact and friendliness of staff than white customers, suggesting that one-to-one interactions are of particular importance for customers from ethnic minorities – albeit they are pivotal in facilitating labour market transitions for all customers. Moreover, lack of personalised support fuels customers’ sense of alienation and so dissatisfaction with the more general package of service provision.

9.2.2 Work placements

Evidence from the evaluation of ND25plus suggests that fewer ethnic minority (Intensive Activity Period (IAP)) entrants (11 per cent) went into subsidised employment than white entrants (26 per cent). Of the ethnic minority groups, Indians were mostly likely to enter subsidised employment (19 per cent) followed by Bangladeshis (16 per cent), but very few black Africans (ten per cent) did so. There was no difference between ethnic minorities and white groups in the percentage going into work experience placements, and relatively little difference between ethnic minority groups.

There is evidence from EMO that diversity training workshops with employers and provision of consultancy services have proved very effective. These are sometimes coupled with positive action work placements for customers, and have been used especially with people from a Pakistani background who are job ready.

9.2.3 Acquisition of skills

Secondary data analysis shows that qualifications are highly associated with positive employment outcomes. Second generation ethnic minority populations have much improved qualification levels compared to the first generation. Indian and Chinese populations have better outcomes than other ethnic minority populations on

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average, but remain disadvantaged (i.e. suffer ethnic penalties) compared with people with the same qualifications and other individual characteristics.\textsuperscript{308}

Lack of fluency in English is a particular issue for some (but by no means all) ethnic minority groups\textsuperscript{309}—particularly some recent immigrants.\textsuperscript{310} Research has consistently shown that fluency in English is a factor explaining immigrants’ labour market success, and lack of competence in English accentuates other problems faced in accessing work. Literacy and numeracy in English is a prerequisite for most jobs, including many unskilled occupations in the service sector that require communication skills. Lack of English is not only a problem amongst a subset of less well educated people from ethnic minorities, but also for those highly educated in their first language. This suggests that language needs vary and that individually tailored high quality services, placing an emphasis on work-related language skills, are likely to be necessary. It has been suggested that outreach services can fill an important gap here.\textsuperscript{311}

Evidence from the evaluation of ND25 plus suggests that IAP entrants from ethnic minorities are more likely than their white counterparts to enter training\textsuperscript{312} and particularly basic skills courses and Basic Employability Training (BET) courses: a reflection of the fact that they are more likely to have literacy problems to address. This may reflect an absolute shortage of (relevant) provision (i.e. with a focus on job relevant vocabulary) for those individuals with ESOL needs, and a consequent referral of customers by advisers to basic skills courses by default. There have been marked differences in take-up of training courses between different ethnic minority groups. Over 30 per cent of Bangladeshis undertook basic skills or BET courses, compared with 24 per cent of Pakistanis, 20 per cent of mixed/other groups and seven per cent of those of black Caribbean origin. Black groups were slightly more


\textsuperscript{309} Especially foreign-born ethnic minorities – see Leslie, D. and Lindley, J. (2001) \textit{The impact of language ability on employment and earnings of Britain’s ethnic communities}, Economica 68, 587-606.

\textsuperscript{310} It should be noted that some immigrants are not from ethnic minority groups.


\textsuperscript{312} As noted in Hasluck, C. (2002), \textit{The re-engineered New Deal 25 plus: a summary of recent evaluation evidence}, WAЕ138, a greater concentration of ethnic minority customers in education and training and a lower immediate job exit rate could be offset by a higher rate of entry to sustained jobs in the longer-term.
likely to take part in Work Based Learning for Adults (WBLA) or IAP training compared with other ethnic minority groups. Indian and Pakistani groups were less likely to enter full-time education and training than other ethnic minority groups. Despite these differences, patterns of exit destinations are similar for ethnic minorities and for white people.\textsuperscript{313}

For some sub-groups, any organised training provision may need to be culturally sensitive in terms of timing and mixed gender groups (e.g. women only classes encourage participation in training for those who wish to observe traditional religious/cultural rules regarding female seclusion).\textsuperscript{314}

\subsection*{9.2.4 Self-employment}

In the population as a whole, people from ethnic minorities are more likely to be self-employed than their white counterparts; (although there are marked differences between ethnic minority groups, with those of Asian origin being more likely to be self-employed than those from black groups). However, analyses from New Deal for Young People (NDYP), ND25plus and New Deal for 50plus (ND50+) suggests that those from ethnic minority groups are less likely to take up the self-employment option than white customers. In ND25plus the Indian group show similar rates of entry to self-employment to the white group, but other groups were less likely to enter self-employment. In ND50+, 6.7 per cent of ethnic minority participants entered self-employment, compared with 9.5 per cent of white participants.\textsuperscript{315}

\subsection*{9.2.5 Specialist support}

It is salient to note that ethnic minorities are younger on average than the population as a whole, and there is a positive association between age and disability.\textsuperscript{316} Specialist support for disabled people and those with health conditions is covered separately.

\subsection*{9.2.6 In-work support}

There is relatively little evidence on in-work support for ethnic minorities. With regard to in-work financial incentives, however, it is salient to note that people from ethnic minorities are disproportionately concentrated in high cost areas (notably London), where the value of such incentives is lower than in lower cost of living areas.

\begin{footnotesize}
\begin{enumerate}
\item However, there is a marked increase in numbers of older people in some of the ethnic minority groups with a longer history of settlement (e.g. Black Caribbeans).
\end{enumerate}
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9.2.7 Other

Evidence from EMO highlighted that many customers assisted had multiple barriers to work. EMO providers have highlighted that additional funding is needed to meet the needs of those furthest from the labour market and address the barriers they face—such as reimbursement of travel costs, provision of free childcare for mothers with young children and payment of financial incentives for attendance at training. Those with multiple problems have remained at a considerable disadvantage. It has been suggested that the Ethnic Minorities Flexible Fund—which enables Jobcentre Plus district managers to create local solutions to tackling ethnic minority unemployment to decide how to spend resources and devolve some delivery to private sector organisations that have links with ethnic minorities—helps in this respect.317

9.3 Aspects of delivery

9.3.1 Timing of provision

Ethnic minority customers may be disproportionately likely to qualify for early entry to programmes on the basis of language difficulties or other needs. There is no particular reason to doubt that generic conclusions concerning the importance of timing of interventions apply differently to ethnic minorities than to other sub-groups.

9.3.2 Nature of participation

Whether participation is mandatory or voluntary depends on the specific New Deal programme in question. What is clear from EMO outreach evaluation is that not all customers were willing to engage with Jobcentre Plus, or were making full use of the services on offer. In this context, outreach services play an important role in increasing the quality of participation, as well as in the quantity of participation.

9.3.3 Nature of provider

Customers from ethnic minority groups are more likely than white people to visit Jobcentre Plus to search for or enquire about vacancies and/or to attend a discussion with an adviser. Although ethnic minority customers report very mixed experiences318 of using Jobcentre Plus319 and although negative and positive experiences cut across


318 This suggests considerable inconsistencies in the level of service received by customers across districts and offices.

ethnic groups, it is a matter of concern that overall the ‘service quality gap’ (i.e. the difference between expressed importance and perceived quality of service) is generally greater for customers from ethnic minority groups (especially black Caribbeans, Bangladeshis and people of mixed race) than for white customers and that there is a lack of customer awareness of discrimination procedures. Aspirations and expectations of service are important here, and these are shaped by qualifications and previous educational and labour market experiences, which are in turn fashioned through ethnicity – suggesting an indirect relationship of satisfaction to ethnicity. Staff attitudes emerge as a particular source of complaint, suggesting that the ‘human factor’ is a particularly important issue in relation to improving the experience of many Jobcentre Plus customers from ethnic minority groups.

Evidence from EMO suggests that customers feel that such projects are more supportive of their needs – indeed, they are designed to be so. EMO has had a positive impact on engaging and increasing awareness of employment and training opportunities and take-up of mainstream services by under-represented groups, and on helping customers from ethnic minorities to move closer to the labour market.

Since ethnic minority groups are disproportionately concentrated in more disadvantaged areas, they form a key target population in some areas covered by EZs and Action Teams for Jobs. Outreach services (separate from mainstream Jobcentre services) based in target communities are a key feature of the Action Team approach, and are generally favoured by customers: 64 per cent of customers in an evaluation of Action Teams for Jobs agreed or strongly agreed that they would rather access the Action Team service in their neighbourhood than travel to the Jobcentre. The same evaluation indicated that overall 30 per cent of customers were from ethnic minority groups, but the proportions varied from 25 per cent in Action Teams led by the Employment Service (ES) (now Jobcentre Plus) to 45 per cent in those led by EZs – reflecting differences in the geographical distribution of the ethnic minority population. Three-quarters of Action Team customers securing

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320 This reflects a combination of relatively high importance and relatively low perceived performance.


323 Helping overcome negative perceptions of Jobcentre Plus is a key issue here.

324 The Action Teams led by Employment Zones are disproportionately concentrated in London.
employment were white and overall 43 per cent of white customers secured work – a higher proportion than the equivalent figure for any other ethnic group. However, for the EZ-led teams, the proportion of Pakistani (47 per cent), Bangladeshi (41 per cent) and ‘black other’ (39 per cent) customers entering employment was higher than the proportion of white customers (37 per cent). However, it should be noted that EZ-led teams often specifically targeted members of certain ethnic minority groups, and so these differential outcomes may reflect the impact of targeting/concentrating resources on particular groups.

9.3.4 Other

Evidence from EMO highlights the importance of local relationships. In practice, relationships between EMO providers and Jobcentre Plus offices were variable, but providers benefit from working with local organisations in gaining access to local communities whom it might otherwise have taken longer to reach, with EMO services being delivered through a range of community and other voluntary sector organisations embedded in local communities.

For ethnic minority groups with no/limited English, outreach workers with community language skills (for example, Somali, Arabic, Punjabi) are an important component in success. Evidence suggests that this is particularly the case with South Asian women. In order to engage participants use of innovative technology (such as SMS texts, Internet, TV, etc.) as well as more traditional outreach techniques (via local markets, job fairs, etc.) may be important in engaging participants. Overall, EMO has a major impact in increasing ethnic minorities’ awareness of employment and training opportunities.

Ethnic minority communities and refugees have been a target group for ‘innovative’ provision under European Social Fund Objective 3 projects. Such projects tend to be small scale, and as yet, the longer-term impacts and sustainability of such initiatives remains unproven. However, a core of activity around the creative industries with an entrepreneurship focus has been identified as producing impressive results in terms of individual outcomes.

One sub-group of customers who appear not to be well-served by current mainstream provision are the more highly qualified with overseas qualifications and work experience. There are reports of ‘numerous examples’ of customers who felt that they were not being supported in utilising this experience and fulfilling their aspirations, but rather were being pushed into very low paid work.\(^{329}\)

9.4 What works for people from ethnic minorities?

Ethnic minorities are becoming increasingly heterogeneous and face diverse labour market experiences. There is continuing concern that ethnic minorities tend to be less well-served by skills policies than the population in general and that ‘service quality gaps’ in service provision are generally higher for ethnic minority customers than for white people. In order to counter labour market disadvantage, there has been a trend towards increasing emphasis on the use of outreach and flexible approaches to engage with ethnic minority communities and to increase the take up of services for which they are eligible. It is notable that, in general, ethnic minority customers place particular importance on aspects of human interaction and the friendliness of staff with whom they come into contact. As noted above, some people from ethnic minorities are unwilling to register with Jobcentres and take up for some other schemes (e.g. the Travel to Interview scheme) is relatively low.\(^{330}\) Targeting of services on specific ethnic minority communities – often through outreach – has had some success.

Work with employers is an important element in a portfolio of policies to enhance employment rates of people from ethnic minorities, since discrimination is an additional problem some ethnic minority customers face in addition to barriers shared in common with other customers. There are indications that diversity training has been well-received by employers and that work placements have had some success with ‘job ready’ applicants. However, unlawful discrimination remains, and it has been suggested that because of advice and support gaps within Jobcentre Plus opportunities to tackle such discrimination are being missed.\(^{331}\) Currently, the reality is that for many people from ethnic minorities, ethnic minority businesses may be the best source of employment. However, there is also a role for training jobseekers to


\(^{330}\) Only ten per cent of applications were from ethnic minorities – see Johnson et al. (2001) *Evaluation of Travel to Interview Scheme (TIS) Pilots*, ESR93.

enable them to become more familiar with the hidden assumptions of current interview practice and more skilled at presenting themselves to employers to best effect.

From the outset of New Deal programmes, there has been evidence that customers from ethnic minorities enter different opportunities through New Deal than white participants. Nevertheless, often there is little difference in the percentage of ethnic minorities and white people entering employment eventually. Perhaps this suggests that there should not be undue concern about different profiles of participation in New Deal options between customers from ethnic minority groups and their White counterparts. Moreover, it could be speculated that increasing emphasis on work with employers may lead to greater take up of employment options amongst ethnic minority groups.

Although language is not an issue specific to individuals from ethnic minorities, it is salient to note that high-quality, work-relevant English language training is very important in enabling individuals to access work and to acquire human capital. Language is also an important issue in delivery of services and has been identified as an area in which improvements need to be made. For instance, overall there is a lack of Jobcentre Plus advisers who speak ethnic minority languages. In order to communicate with customers requiring services in a language other than English and where an adviser with the requisite language skills is not available, some advisers use Language Line services – with some finding this satisfactory and others finding it difficult to use, and others rely on informal interpreting support from customers’ family and friends – sometimes in contexts that gave cause for concern.332

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10 The most disadvantaged

10.1 Context

‘The most disadvantaged’ is a diverse group with no clear identity. It overlaps with other customer groups, particularly people with disabilities and health related problems. Generally, it would be taken to comprise those with the most severe or multiple barriers to work, including people with serious drug or alcohol dependency, persistent/ex-offenders,333 homeless people, people with basic skill needs, people with learning difficulties, and speakers of English as a second language, refugees and people with mental health conditions.334 It also includes people suffering from multiple disadvantage (i.e. combinations of lack of skills/disability/lone parent/ethnic minority/aged over 50 years, etc.335), who are often referred to as the ‘hardest to help’. As such it is suspected that most of the most disadvantaged group are covered by the pre 2006 range of Department for Work and Pensions (DWP) Public Service Agreement (PSA) targets through multiple coverage.

In general, the most disadvantaged are eligible to attend New Deal programmes on the criteria of age, household status, health, etc. – but often qualify for ‘early entry’. There is little evidence that much provision is available to help customers with the most deep-seated barriers to employment (such as mental health and drug and

333 This sub-group faces a range of problems including (in some instances) lack of skills and education, housing problems, mental health issues, drug group misuse and discrimination by employers.

334 It is notable that some if these disadvantages (e.g. drug and alcohol dependency) are not covered by key secondary data sources such as the Labour Force Survey/Annual Population Survey.

335 With the number of barriers reflecting distance of the individual to the labour market – see Berthoud, R. (2003), *Multiple disadvantage in employment: a quantitative analysis*, Joseph Rowntree Foundation, York.
However, there are some more specific programmes designed for particular sub-groups of the most disadvantaged, but these are not always available everywhere.

One such example of a specific programme is **Progress2Work** which aims to provide specialist help to those whose misuse of drugs hinders their ability to find a job. In the case of Progress2Work, individuals referred to the programme are allocated an employment support worker who firsts provides an initial assessment of their employment and drug related history, and other factors which will impact on their prospects of keeping and finding work, an individually tailored action plan which will move them towards work, preparatory help that they might require before starting an employment measure and help to access specialist agencies to ensure that other issues which might act as a barrier to employment are addressed appropriately. The employment worker provides support throughout to enable the individual customer to complete his/her action plan. A related pilot programme is Progress2Work LinkUP which provides employment related service support for people facing significant labour market disadvantage due to an offending background, homelessness or alcohol misuse. The most disadvantaged are also a key customer group (albeit a diverse one) for some other specific local projects providing training and employment-related advice part funded under the European Social Fund (ESF).

The ‘most disadvantaged’ group of customers is widely recognised in evaluations (albeit it may not be consistently defined across studies) but there is only limited information that specifically addresses the types of provision that work best for each type of customer. Often this is because the information on individual customer characteristics and performance is not collected at project level – although the introduction of a new Performance and Resources Agreement (PRA) points system for 2006/2007 encompassing an incentivised marker on Labour Market System (LMS) for people without accommodation, ex-offenders and drug and/or alcohol misuse should lead to better management information data. Moreover the nature of interventions may vary considerably from one individual to another, and this,

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337 Often operating only in some Jobcentre Districts and/or on a pilot basis. (This chapter does not cover a detailed review of all specific programmes.)

338 e.g. issues of debt, housing, health, etc.


combined with the complexities of local delivery, means that identifying ‘what works’ is challenging.

10.2 Type of provision

10.2.1 Advice and guidance

Initiatives to help the most disadvantaged emphasise the need for support, advice, guidance and motivational/confidence-building assistance. Evidence from Employment Zones (EZs) suggests, and qualitative evaluation of New Deal Programmes highlights, that for the most disadvantaged, individually tailored support is a key element in moving forward. Customers appreciated the one-to-one support from a Personal Adviser (PA). An identification of good practice from ESF projects also highlighted the importance of personal contacts and staff with empathy and good communication skills able to build trust with customers, coupled with a clear sense of purpose and a goal-oriented approach in working with each individual – often through the use of action plans as living documents. Likewise, in the case of New Deal for Young People (NDYP), the ability of a PA to support a young person through other vulnerabilities (e.g. homelessness, offending, etc.) in their lives that might be hindering their progress/engagement in work and training activities was greatly appreciated. Continuity in support in (re)building self-esteem and mapping out options related to the young person’s goals was crucial.

However, for people with multiple disadvantages, living in communities with high levels of worklessness advice and guidance are not enough on their own. It is necessary to impact on the individual and social networks of the individuals concerned.


10.2.2 Work placements

Work placements and work experience can be valuable in helping overcome concerns that customers may have about leaving behind previous benefits/lifestyles. For young people, evidence from the NDYP suggests that work placements can play an important role in boosting confidence of those facing multiple disadvantages, as well as (in some cases) providing employment opportunities. Young people who have been unemployed for six months may, at the discretion of their Jobcentre Plus District manager, be able to participate in a Work Trial (and those who are at particular disadvantage may be able to do so without waiting six months). A Work Trial offers up to 15 working days of work experience in a real job while remaining on benefit (although travel expenses will be paid). In the only significant study of Work Trials, White, Lissenburgh and Bryson (1996) found them to be remarkably effective in increasing the chances of entry to employment, although this evidence does not specifically relate to seriously disadvantaged customers. Lakey, Barnes and Parry (2001), however, found that young people with multiple disadvantages were enthusiastic about Work Trials (although less so where the trial had not led to a job offer at the end of the placement).

There is evidence that work placements/experience is valuable for some people as part of English for Speakers of Other Languages (ESOL) provision, provided it is not introduced too early, both in terms of English language ability and also in the context of overall ESOL provision. Likewise, some ESF projects emphasise good links with employers in order to find work placements.

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10.2.3 Acquisition of skills

Some of the most disadvantaged have extremely low levels of qualifications. At face value, this would appear to be a barrier to employment, and undoubtedly it limits opportunities.

Some sub-groups amongst the most disadvantaged have a need for basic skills training. Indeed, evidence from Work Based Learning for Adults (WBLA) indicates that those on Basic Employability Training (BET) were least job ready. Although there is evidence that BET increases employability by improving basic skills, IT skills, vocational skills (to a minor degree) and economic activity, customers may not necessarily move as far as employment.

Yet it is possible for those with very poor skills to move into employment before enhancing their skills. In the case of StepUP it has been possible for individuals to enter employment, without any training being required as part of StepUP. The interim evaluation concluded that the lack of a requirement for formal training was correct – although positive encouragement for training in basic and key skills at an appropriate point should be welcomed. The taking up of a job (albeit with support) may be sufficient to improve confidence and soft skills.

Evidence from ESF projects suggests that some facets of delivery of training are critical. For inactive beneficiaries, a preference for training in community settings emerged because these were generally seen as less intimidating. Group dynamics and atmosphere were identified as being important determinants of beneficiaries’ experience of ESF courses, and could support course completion. A focus on learning, rather than formal training which has the stigma of ‘back to school’ where many originally failed, has also been identified as a feature of good practice in ESF projects.

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351 This reflects the fact that there remain significant numbers of jobs that do not require formal qualifications.


A distinctive (albeit diverse) sub-group of the most disadvantaged is those with English language needs. For this group, work-focused English is central in enhancing employability.\(^{355}\)

### 10.2.4 Self-employment

For many sub-groups of the most disadvantaged, self-employment is not a realistic option – at least in the short-term. However, it is an attractive option for some refugees – many of whom bring with them higher level qualifications and experience from their home countries, which may not be recognised by UK employers.

### 10.2.5 Specialist support

Sheltered or supported employment (perhaps embracing work in intermediate labour markets) may be appropriate for some groups who may never be successful in the open labour market.

Support for those with disabilities and health conditions is covered in the relevant section.

### 10.2.6 In-work support

Some of the most disadvantaged are eligible for StepUP – which aims to help disadvantaged jobseekers\(^{356}\) by providing them with a guaranteed job for up to a year. Interim evaluation evidence shows that StepUP has successfully targeted those at most distance from the labour market, providing labour market discipline and positive motivation,\(^{357}\) and appears to be most successful with those aged over 25.\(^{358}\)

The quality of the job match between the individual and the employer seems to be a key to success.

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\(^{356}\) StepUP is aimed at individuals who have been through either the NDYP or New Deal 25 Plus (ND25plus) at least once and are still claiming Jobseeker’s Allowance (JSA) six months after making a new claim to JSA following attendance on a New Deal Option or Intensive Activity Period (IAP).

\(^{357}\) Only 16 per cent of customers had dropped out of a StepUP job and left the programme.

Good (long-term) relationships with employers also emerge as important from evidence on ESF projects focusing on multiply disadvantaged groups. Support to employers to help them understand the strengths and weaknesses of different disadvantaged groups and the value of on-the-job mentoring or buddying have been identified as facets of good practice. \(^{359}\)

**10.2.7 Other**

**Outreach** approaches are important in trying to connect with those individuals who would not normally come into contact with Jobcentre Plus. A particular feature of the value of outreach is that it enables engagement on more familiar territory. Awareness-raising to generate word of mouth referrals has also been identified as valuable. \(^{360}\)

**10.3 Aspects of delivery**

**10.3.1 Timing of provision**

Specialist services (such as Progress2Work) – often provided by outside agencies – can help the most disadvantaged with particular problems to deal with issues such as drug/alcohol/homelessness, etc. It is salient to note here that in an individual’s Action Plan assistance into work is sometimes not the most important ‘first step’ – for instance, addressing mental health conditions, housing problems, etc, may take precedence. \(^{361}\) This highlights that the sequencing of provision to enhance employability, vis-à-vis tackling other issues, is crucial. The appropriate sequencing pattern will vary from one individual to another. Moreover, it also raises the broader question of whether employment is an appropriate and feasible goal for all individuals facing multiple/severe disadvantage. Rather, it may be the case that stable and successful benefit claiming may represent a significant positive advance. It takes time to help the most disadvantaged. The fact that the most disadvantaged often qualify for early entry into programmes is indicative of this. However, the timescales of programmes may not be conducive for achieving positive outcomes for at least some of the most disadvantaged. A synthesis across various pilots concluded

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that no matter how customised and flexible support is, it may be insufficient to help the most disadvantaged within a 6-12 month period. There is evidence that EZs struggled with the very hardest-to-help customers, and most EZ staff felt that more support over a lengthier period was required. The issue of time was also highlighted in evaluations of Action Teams for Jobs, which emphasised that initiatives to meet the needs of ‘harder to help’ customers need time to become established before their effectiveness is evaluated and that outreach, which is very important for delivery of provision to the most disadvantaged, takes time to ‘bed-in’.

10.3.2 Nature of participation

The most disadvantaged are amongst the least likely to volunteer for support/programme participation. Outreach approaches have gone some way to engaging with people who would not otherwise come into contact with mainstream services.

10.3.3 Nature of provider

To deal with the most disadvantaged (e.g. people with drug/alcohol dependencies) advisers may require more professional training or stronger links with supporting specialist agencies. A study identifying good practice in ESF projects highlights the need for in-depth knowledge of the local organisational infrastructure and good networking links. Practical inter-organisational referral arrangements are likely to be necessary to ensure that customers do not ‘drop out’. A review of Action Teams for Jobs has also highlighted the importance of good relationships with local partners, including Local Strategic Partnerships (LSPs).


On the issue of whether ‘flexibility’ or a different approach is necessary to deal with the most disadvantaged, the evidence is not conclusive. Some providers wanted more time than commonly allowed to deal with the most disadvantaged. Others felt that the most disadvantaged might require extended time with an employer, not a provider.

EZs – where advisers and customers can meet on a daily basis if necessary – have been able to help very long-term unemployed customers where traditional measures have failed. A key to helping the most disadvantaged is the capacity to invoke multiple forms of help in a flexible way appropriate to the circumstances and needs of individuals.368

Action Teams for Jobs, although targeting all people out of work in an area, were intended to concentrate on those furthest away from the labour market facing particular barriers to employment. However, in practice, the lack of funding for ‘distance travelled’ by individual customers and Jobcentre Plus decisions (at District level) regarding prioritisation of resources mean that there may be little incentive to help those with multiple barriers closer to employment vis-à-vis working with easier-to-help customers.369 In general, Action Teams offer a more informal approach than Jobcentre Plus services at locations away from Jobcentre Plus premises, sometimes via outreach services. Action Teams have proved effective at creating links between employers and jobseekers: employers had a more positive response about recruitment from Action Teams than from Jobcentres.370

Outreach – often in partnership with other local organisations and in community settings or at the premises of other providers – is helpful for reaching the customer base.

10.4 What works for the most disadvantaged?

There is considerable evidence that the most disadvantaged are hardest to help into employment. Despite the trend for greater flexibility and innovative approaches in helping the non-employed into work, the evaluations of the various New Deals, EZs and Action Teams for Jobs have found that they have been less effective in helping those customers facing the greatest disadvantage/most severe barriers to employment.371 As noted in a synthesis of the evidence on flexible delivery:


‘(it reaches) the limits of its capacity and effectiveness in respect of the hardest to help’.372 Homeless people, people with drug and alcohol problems and persistent offenders are felt to be particularly hard to help because of their propensity towards chaotic lifestyles, which reduce the amount of contact that personal advisers are able to provide. Indeed, for some individuals, introduction and maintenance of greater stability into their lives – albeit in association with the claiming of benefits rather than participation in employment – may represent considerable progress.

A synthesis of evidence on flexible delivery concludes that the most disadvantaged can be helped into work if support is sufficiently tailored to their needs and circumstances. A review of Action Teams for Jobs has highlighted the importance of flexibility in responding to the needs of customers: of being able to deliver a tailored and client-centred approach with no set limit of financial support.373 Similarly, a study of ‘inactive’ beneficiaries of ESF projects found that there was more success where individually tailored support and guidance was offered, rather than from a ‘one size fits all’ approach.374 Good practice in engaging with, recruiting and retaining the most disadvantaged customers on projects and programmes can undermine overall programme/project performance by focusing on such customers.375 The evidence relating to the most disadvantaged376 suggests that the circumstances and context of engagement between adviser and customer, is as (if not more) important than the specificities of types of provision.

As with other groups, for the most disadvantaged, an individual’s attitude and motivation is important. Evidence from the Single Provider EZ extension suggested that repeat customers, many of whom had multiple and deeply entrenched barriers, could be helped if they genuinely wanted to return to work and were prepared to be flexible. Those individuals with deeply entrenched barriers and without positive attitudes were among the hardest to help.377 Likewise in a study of inactive


376 And indeed for many other groups – the contribution of Rita Griffiths and Andrew Thomas is acknowledged here.

beneficiaries of ESF projects a study was made between individuals on the basis of four distinct work orientations: those for whom work was a priority, those for whom work was an option at some point, those for whom work was not an option and those for whom work was not a consideration. The study found a positive effect of ESF on work orientation, although movement may not be straight into work, but rather into further training or voluntary work.\textsuperscript{378}

Helping the most disadvantaged is resource intensive—usually requiring individually-tailored support over a prolonged period. Individuals may make considerable progress without reaching employment. Indeed, there is a question as to whether employment is a realistic goal\textsuperscript{379} for some of the most disadvantaged individuals. Even with considerable help, some of the most disadvantaged individuals are likely to remain towards the back of the queue for available employment. This raises important questions of where and on whom finite resources should be concentrated and about appropriate metrics for measuring ‘what works’.


\textsuperscript{379} As opposed to, say, a more stable pattern of benefit claiming.
11 Conclusions and key messages

11.1 The review of evidence: some caveats

This review has considered a wide range of evaluation evidence relating to Department for Work and Pensions (DWP) provision for a number of different customer groups. Some of the difficulties in doing so were noted at the start of this report. On completion of the review, two further limitations need to be borne in mind. The first relates to the evidence base and the second to the notion of effectiveness.

The evidence base covered in this review embraces quantitative, qualitative, cross-sectional and longitudinal studies. The task of identifying ‘what works for whom’ has been complicated by the following:

- Individuals within sub-groups of interest may be subject to multiple interventions. Such individuals may find it difficult to distinguish one intervention/programme from another, and even if they can do so, it may be difficult to attribute progress to one particular type of provision as opposed to another.

- Not all intervention types are covered to the same extent in the evidence base.

- Evidence relating to interventions relates only to those customers who were exposed to such interventions. Some customer groups have never, for instance, been eligible for subsidised employment or full-time education or training. The extent to which it is appropriate to extrapolate the evidence from those customers who have experienced one type of provision to other customers who have not is not clear.

- Perceptions of benefits at the individual level may vary between individuals, and between individuals, providers and employers.

- The vast majority of studies are uncontrolled. Lack of a control group means that there is a lack of firm evidence on the extent to which programme outcomes may be attributed to the involvement of individuals within a particular programme.
The key message here is that the nature of the evidence base impacts on the results of any assessment of effectiveness.

Second, almost all of the evidence and the discussion contained in this report relates to effectiveness rather than cost effectiveness. The former relates to the relationship between an intervention with a DWP customer group and the outcome or, in some cases, the impact, of the intervention. The latter relates to the relationship between the cost of an intervention and the outcome or impact achieved. It is clear from this review that some types of provision are more effective than others, while in other cases some aspects of delivery have an effect on the outcomes of provision. What is almost entirely missing from the evidence base is evidence relating to the relative cost effectiveness of provision.

Some forms of provision are likely to be very low cost, indeed they may be provided along with mainstream services at a marginal cost that is so low as to be negligible. Advice is a case in point. Personal Advisers (PAs) will provide advice throughout their contact with customers. As this can be done during routine meetings at a Jobcentre the cost will be low. However, to provide such advice and guidance in the most effective way – in relaxed surroundings, to establish a rapport with the customer, to be available to the customer when needed, to hold additional meetings with customers as needed – will be more expensive even if it is more effective. The cost of achieving results needs to be balanced against the results achieved. A second example relates to work placements. All of the evidence relating to subsidised employment placements suggests that they are a very effective means of getting customers, ultimately, into unsubsidised jobs. Job entry rates or retention rates at the end of a period of subsidised employment tend to be relatively high. Such provision is, nonetheless, costly in comparison to other provision. There is the direct cost of the wage subsidy to consider, plus the cost of setting up placements and providing support during the placement. A recent example is provided by the StepUP pilot. The average cost of placing participants in a job under StepUP was over £9,500 when Jobcentre Plus costs were added to the direct costs of the placement. Since the evaluation of StepUP found that the pilot had no impact on the job entry of young people, the provision was both not effective and not cost effective. In the case of older customers, StepUP was more effective (produced a positive impact) but was it cost effective? It may have been in the case of adults aged over 30 years of age where there was a large increase in job outcomes but the picture was less clear for those aged 25-29 years where there was only a small positive improvement in job outcomes to offset against the substantial cost of achieving the improvement.

The key conclusion here is that evaluation of DWP provision has largely focused on effectiveness but rarely on cost effectiveness. While DWP has indicated that such cost effectiveness studies have been conducted within the Department, little of this evidence has been in the public domain (or available to this review).

With these caveats in mind, the remainder of this chapter presents some key findings distilled from the evidence relating to provision for DWP customer groups.
11.2 Key findings

A number of key findings have emerged, some generic and some specific to particular customer groups. These key findings relate to:

- the diversity of customers;
- the nature of programmes and their delivery;
- the role of the PA;
- motivation and engagement;
- the importance of job search activity;
- working with employers;
- the state of the labour market, the nature of jobs and employer attitudes;
- the local institutional and policy context of interventions.

These key findings are developed below.

11.2.1 Diversity

First, the evidence reveals just how diverse is the population of benefit claimants for whom provision is made. They are diverse in terms of their personal characteristics, their household circumstances, their neighbourhood and wider local and sub-regional context, the barriers to employment they face and their attitudes and motivation. In many instances the customer groups are simply too all embracing to be useful as a guide to provision. It is necessary to ‘drill down’ much further within each customer group in order to begin to ascertain what their needs are and how well existing provision meets those needs. Often, evaluation of programmes has failed to focus on specific customer groups in sufficient detail and has concentrated (for understandable reasons) on overall measures of impact, effectiveness and cost.

Another aspect of diversity is that customers often face several inter-related factors that make it difficult for them to make the transition from welfare to work (even if they do not fall into the category of those suffering from multiple disadvantage). The issues facing many individuals come in clusters rather than one at a time. In general, any issue for the benefit claimant has to be seen in the context of their household as a whole and the situation of other members within it. For most customer groups the evidence points to the need for a holistic approach rather than a one dimensional approach to provision. In many respects the Building on New Deal (BoND) model of delivery should facilitate such an individualistic or tailored approach. The concern is that such an approach requires a considerable degree of differentiation of individuals by PAs. Identifying needs and the associated provision on the basis of a broad customer grouping based on one or a few customer characteristics militates against this kind of holistic approach, and may result in inappropriate provision for some individuals.
Indeed, the various dimensions of diversity highlighted in the discussion above raise the question of whether it is helpful to think in terms of ‘groups’ at all, since it is ‘individuals’ (rather than ‘groups’) who face problems.

11.2.2 The nature of programmes and their delivery

The way that Jobcentre Plus delivers its provision to customer groups is very important. One of the striking findings of early evaluations of the first New Deal programmes was the extent to which customers felt that New Deal was different from what had preceded it. PAs offered continuity of contact, a sense of trying to meet the customers needs and offers of support that were welcomed by customers. To a considerable extent this perception has continued with evaluations showing that customers greatly valued the support they had received. Nonetheless, some customers did not share this satisfaction with provision, in particular some poorly motivated individuals with poor prospects of employment (who tended to feel coerced into participating in provision). For some customers this negative attitude towards Jobcentre Plus and its programmes has been reinforced by the experience of passing through programmes on two or three occasions.

It is important to recognise that attitudes to Jobcentre Plus and satisfaction with its services may differ systematically across customer groups, with the factors leading to customer satisfaction being different for different customer groups. Ethnic minority customers appear to place more weight on face-to-face contact and the nature of the inter-personal communication with Jobcentre Plus staff than white customers. In contrast, other customer groups (such as well-qualified young people) seem to place more weight on the ability of provision to give them access to the specific occupation that they wish to enter while others are much more interested in the extent to which provision entails financial support. It is thus likely that different customer groups not only look for different things from a programme but also value what they receive in different ways.

As noted in Chapter 2, programmes often have several different ‘ingredients’. The ‘mix’ of ingredients delivered is likely to vary between individuals, such that it is difficult to know what the ‘active ingredients’ are. The extent to which programmes are delivered as specified (i.e. in accordance with guidance/instructions) is not always clear, and there are often changes in delivery over time. These aspects of delivery create difficulties for assessing the effectiveness of individual types of provision and are reinforced by a third factor: the wide variety and proliferation of interventions – even for the same customer group. There has been a general emphasis on ‘innovation’ with the introduction of new initiatives, sometimes with little evidence on how they were building on the experience of, and retaining good practice from, existing programmes.

Eligibility for most programmes is on the basis of some combination of personal characteristics (such as age), type of benefit and duration of benefit claim. Targeting provision in this way assumes that the membership of customer groups remains fairly constant. In fact, there can be considerable fluidity amongst customer groups
as people’s circumstances change. Changes in benefits, household circumstances or even age can affect eligibility and bring about a change in provision on offer. For instance, many lone parents (re-)partner and become ineligible for New Deal for Lone Parents (NDLP) only to become lone parents again at a later date when their new relationship is not sustained. Such changes in eligibility, and hence in provision, can affect the time at which customers are exposed to various types of provision. Customer decisions to participate in voluntary programmes are likely to be influenced by changes in the configuration of circumstances and information over time.

Whether interventions/different elements of programmes are introduced to customers at the time when individuals are most receptive to them is likely to have an impact on ‘what works for whom?’. The fact that there is considerable heterogeneity within sub-groups means that it is difficult to determine in absolute terms when the ‘ideal’ time for an intervention might be, since that ‘ideal timing’ will be context dependent. This is an area in which PAs can play an important role in bringing about the best possible ‘timing’ of interviews, information provision, etc., for each individual. One example of when provision may be required at a particular time is when the customer first enters employment. In-work support could play an important role at a particularly vulnerable time for customers, yet there is only limited provision of this type and, consequently, limited evidence of its effectiveness.

There is little robust evidence that the nature of the provider of services, be it Jobcentre Plus, a private sector provider or some other organisation, has a systematic impact on effectiveness. What does appear to be important is the quality, enthusiasm, motivation and commitment of the staff providing the service. While there is evidence that some pilot initiatives have performed well with private sector providers (for instance, Employment Zones (EZs)) much of this difference may be attributable to the greater awareness of staff that their performance is being monitored and evaluated. Indeed pilot programmes generally perform better than their mainstream counterparts. This reflects the enthusiasm of Jobcentre Plus staff to try new approaches or be part of a new work culture and that customers are often responsive to something new. Even within mainstream programmes, differences in performance between Jobcentre Offices are commonly noted in evaluations and this strongly suggests that managerial effectiveness and differing local practice have more to do with differences in effectiveness than the status of the providing organisation.

11.2.3 The role of the Personal Adviser

There is a consensus in the evaluation evidence that PAs are critical to the success or otherwise of interventions. The capabilities and attitudes of PAs and the techniques they use have an important bearing on the effectiveness of interventions. This is not just a technical matter of how well a service is delivered but it is also a matter of how well the PA is able to engender a desire amongst customers to seek, and accept, employment and to build on the initial engagement by providing support and encouragement of an appropriate type. The evidence suggests that the greater the
flexibility given to PAs, the better they are able to fulfil their role and to meet the specific needs of the individual customer. Where customers feel coerced into participation in provision or feel that they are being directed towards provision that does not meet their needs, motivation and engagement can quickly be undermined.

For all the very positive evidence about the role played by PAs, there is also a substantial body of evidence that the behaviour, decisions and morale of PAs is often driven by considerations of Jobcentre Plus performance targets and other funding mechanisms, in some cases to the detriment of the individual customer. In a world of constrained resources and where there is a requirement to meet specific sets of performance targets, PAs may choose to devote resources and effort to some customer groups (where there are rewards in terms of targets) rather than others. Since the targets are set up in terms of customer groups rather than individuals (and individuals within customer groups are very diverse), PAs sometimes report that they are in a situation where they are providing support to a job ready member of a high priority group rather than to a more needy member of a low priority group. There is also the risk that PAs will ‘cherry pick’ customers who are easy to help to the disadvantage of customers who face greater or multiple barriers – especially if funding fails to take account of ‘distance travelled’. In part, this might reflect the fact that some groups (e.g. lone parents) are easier to help than others (e.g. people with disabilities). This raises a more general issue about the groups and individuals on whom finite resources should be targeted. Hence, targets and performance-related payment structures have an important role in influencing the motivation of PAs, the way that they work and, in turn, in shaping ‘what works for whom’.

11.2.4 Motivation and engagement

There is a considerable volume of evaluation evidence – and probably a consensus amongst all concerned – that the motivation of the individual is a key factor in the effectiveness of any form of provision. Where customers are keen to work with PAs, prepared to take advice and guidance and willing to do whatever is necessary to overcome their barriers to employment, they will usually succeed in obtaining paid work. Where they feel coerced into taking provision, where they feel such provision is inappropriate, where they feel that the cost to them of overcoming barriers is greater than the benefits of entering employment, their chances of moving from benefit into employment are much less.

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380 The replacement of Job Entry Targets by Job Outcome Targets (JOT), recently piloted in seven Jobcentre Plus Districts, could reduce the risk of ‘cherry picking’ since under JOT there is less incentive for Advisers to ‘treat’ job-ready customers even if the customer is a member of a priority customer group allowing them to concentrate support on customers who really need help (see Johnson, S. and Nunn, A. (2006), Evaluation of the Job Outcome Target Pilots: synthesis report, Department for Work and Pensions Research Report 320, Corporate Document services).
DWP programmes where participants are volunteers tend to exhibit significant impacts on those involved while mandatory programmes produce a mixed result (good for those who want such provision but less so for those who feel coerced into it). This suggests several things. First, there may be some customers within each group for whom no provision is likely to be successful. Second, the manner in which provision is delivered may be as important as the content of such provision. Friendly staff, welcoming accommodation and a sense of shared purpose are not just desirable, rather cosmetic aspects of provision but may be essential elements in the effectiveness or otherwise of provision – albeit that in the context of service provision constraints it may not be possible to provide a service in line with some customers’ expectations. A key to effective provision would appear to be for Jobcentre Plus and providers to engage effectively with customers and for customers to ‘buy in’ to any provision to which they are referred.

11.2.5 The importance of job search activity

It is important not to overlook or understate the central role played by job search activity in Jobcentre Plus interventions. The great majority of customers leave benefit without having participated in any of the major Jobcentre Plus interventions. For instance, around half of all Jobseeker’s Allowance (JSA) claimants leave JSA within three months, long before they become eligible for provision other than mainstream services. Similarly, around half of all exits to employment from New Deal for Young People (NDYP) take place during the Gateway period. A great deal of the advice and guidance provided to customers is aimed at motivating and improving job search activity. Despite this, little evaluation evidence is available about the ways in which different customer groups conduct job search activity, the effectiveness of different job search methods and of the various forms of support provided for job search by PAs and others. Most evaluations focus on advice and guidance as an activity (with job search subsumed within it) or focus on the more explicit forms of provision (such as training, Basic Employability Training (BET), work placements, careers guidance and so forth). There is a significant gap in knowledge of when and how customers engage in job search (with or without Jobcentre Plus interventions), the effectiveness of different job search methods and how these might differ for different customer groups and, lastly, the effectiveness of different forms of intervention designed to promote job search activity.

11.2.6 Working with employers

Several interventions require active engagement with employers (for instance, the delivery of New Deal for Disabled People (NDDP) through Job Brokers, the strand on ‘employer focused provision’ within Ethnic Minority Outreach, provision of work experience placements on New Deal for 25 Plus (ND25plus), and subsidised employment option on NDYP). The engagement of employers thus plays an important role in ‘what works for whom?’ Despite this, the evidence of many evaluations suggests that Jobcentre staff are, for a variety of reasons, reluctant to engage with employers. This reluctance may limit the number of opportunities for
customers to participate in work-related provision or may simply render such provision less effective. EZ providers appear to have learned this lesson and have separated the role of Adviser for customers from that of staff who have a role dedicated to engaging employers and generating work placements and job vacancies (with apparent success).

Whatever the efforts of Jobcentre Plus, customers will only be able to access employment if employers choose to hire them. Employers control access to jobs and their recruitment practices have an important bearing on the effectiveness of provision. Negative attitudes towards unemployed people or people who have been out of work for a long period, stereotyping of particular customer groups and discrimination and prejudice (on the basis of age, ethnic group, etc.) all have the potential to limit access to jobs for some customer groups. Some forms of provision (notably the Employment Option on NDYP) are intended to break down such barriers by encouraging employers to take on Jobcentre Plus customers with a financial incentive in the hope that exposure of employers to such customers will bring about a change in attitudes. There is some evidence from the evaluation of NDYP that the period of subsidised employment had that effect. Public procurement has also been identified as an important means of helping some groups (e.g. ethnic minorities, local residents, etc.) into work.

11.2.7 The state of the labour market, the nature of jobs available and employer attitudes

Some issues are rarely discussed in evaluations, or if they are, they tend to receive little emphasis. One of these issues is the demand-side of the job market. A number of points are relevant here.

First, over recent years the UK labour market has offered a relatively favourable context for the success of labour market interventions for disadvantaged groups. It is not a foregone conclusion that ‘what works’ now (or in the recent past) will necessarily work in a less favourable labour market context where fewer jobs are available. Moreover, it is likely that the profile of customers will change as the state of the labour market changes, resulting in a need to re-prioritise customer groups.

Second, interventions take place amongst customers who are located in a specific labour market and community context. While the needs of individuals may be quite specific, the demands made by employers in a local labour market may also be quite specific, reflecting a range of factors such as the size and industrial structure of businesses and the pattern of local demand. Matching these two requirements requires an understanding of both workless people and their communities, on the one hand, and local employment patterns and business on the other.

Characterised by a relatively ‘tight’ labour market in most parts of the UK, such that employers may be increasingly willing to look beyond the sub-groups that they have conventionally focused upon in recruitment.
Finally, the emphasis on the ‘quantity’ of employment outcomes (as emphasised by measures such as ‘job entries’) can mean that the nature or ‘quality’ of the jobs entered by customers is overlooked. Yet the ‘quality of jobs’ may be the very issue that influences the willingness of some customers to enter work and to stay in, or retain, a job. In this context, employer attitudes and especially discrimination (on the basis of age, gender, ethnic group or disability) can also impact on the perceptions of customers and the opportunities open to them.

### 11.2.8 The local institutional and policy context

Programmes and initiatives operate in a changing institutional environment. ‘Partnership working’ has become an important theme in policy formulation, delivery and implementation in recent years, which in turn is likely to have shaped the attitudes not only of service providers, but also of employers and individuals. In the context of a more devolved system of service delivery, it should be noted that several interventions already involve partnership working between Jobcentre Plus, other public sector, voluntary and private sector organisations and a devolved system will call for partners to work in new ways. It is likely that some organisations and some staff will adapt to new work cultures more easily than others do. Providers’ awareness of other provision available in the local area, their willingness and ability to ‘signpost’ customers to other provision/services and the effectiveness of such ‘signposting’ may all have an impact on ‘what works for whom’. Evidence suggests that a providers’ experience of working in a particular local area – where they have established networks and contacts – is likely to have an impact on their success. Moreover, given the history of policy interventions and the spatially uneven nature of programmes, in some local areas there may be greater experience on which to build, with concomitant implications for ‘what works for whom?’. Over time changes in organisational frameworks and targets may impact on delivery.

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382 In some local areas there is a relatively long history of policy intervention – across ‘worklessness’ and other themes (e.g. education, health, etc.). Likewise, some interventions to combat worklessness have been piloted in selected areas before bring ‘rolled out’ nationally, while other interventions remain area-specific (e.g. EZs). This means that the local institutional and policy context is variable across areas.

383 Developed relationships may pre-date New Deal/other DWP interventions.