

Department for Work and Pensions

Research Report No 388

Evaluation of the Intensive Activity Period 50plus Pilots

**John Atkinson, Jo Casebourne, Sara Davis, Sara Dewson, Jonny Gifford
and Siobhan Tuohy**

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

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The views and conclusions presented in this report are those of the research team, and do not necessarily represent those of DWP or Jobcentre Plus.

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Glossary of terms

- New Deal 25plus (ND25plus)** is the Government's principal welfare-to-work programme for long-term unemployed adults. It is mandatory for people aged 25 or over who have been claiming Jobseeker's Allowance for 18 of the previous 21 months. It comprises three elements, discussed below.
- Gateway** is the first element of ND25plus, and lasts for up to 16 weeks. It provides assessment, weekly meetings with a Personal Adviser, individualised advice, support and guidance, help in finding work and/or help with difficulties that might inhibit a return to employment. It is mandatory for all programme entrants.
- Intensive Activity Period (IAP)** is the second element of ND25plus, and provides additional help for those who have not found work from the Gateway. It consists of a set of tailored activities to meet individual needs, usually comprising some mixture of employability training, jobsearch help, work experience and/or skill training. It lasts for 13 weeks and is mandatory, except for those aged 50 or over, for whom it is voluntary.
- Follow Through** is the third element of ND25plus, and provides up to 13 weeks of additional support for those who have not found work after taking part in the IAP.

New Deal 50plus

is a voluntary programme focused on people aged over 50, who have been in receipt of benefit, usually Jobseeker's Allowance or Incapacity Benefit, for six months or more. It provides help and support in finding work through a Personal Adviser, a Working Tax Credit once secure employment has been found, and a Training Grant.

Incapacity Benefit (IB)

is paid to people who are incapable of work due to an illness or disability and who are aged between 16 and 65 (or 60 for women). About 600,000 people flow onto IB each year. Take up increases with age.

IB Reform Pilots

have been established in seven Jobcentre Plus areas from late 2003/early 2004 with the intention of helping more people receiving IB to return to work. They involve improved and earlier access to Work Focused Interviews, earlier Personal Capability Assessments, more specialist advice and guidance, and improved financial incentives to return to work.

Random assignment

is a procedure for dividing up a group of people (in this case those eligible for the IAP50plus pilot) into two groups, such that one (the Action Group) actually enters the pilot, while the other, (the Control Group) does not. The procedure is wholly random, and ensures that in every respect the Action and Control Groups are identical ... save in their participation in the pilot. Subsequent differences in observed outcomes may therefore safely be ascribed to the pilot.

Summary

This research provides qualitative evidence towards the evaluation of the Intensive Activity Period 50plus (IAP50plus) Pilots, which trialled the benefits of making participation in the Intensive Activity Period mandatory for New Deal25plus (ND25plus) participants aged between 50 and 59. The research focused on four of the 14 pilot sites, and was principally based on face-to-face interviews involving 75 Staff, 23 Providers and 182 Participants, in two waves, in spring 2005 and winter 2005/06.

The research confirmed that the pilots were delivered without undue difficulty largely because, with quite small numbers of customers involved, they represented only a fairly modest extension of existing practice, required no significant change in the organisation or provision, and drew on an experienced cadre of New Deal Personal Advisers (NDPAs) and IAP providers.

The customer cohort was a very varied one, particularly in respect of their previous labour market experiences, their human capital, and their financial and domestic circumstances. As a result, their motivation to work, and to a lesser extent, their 'need' to do so, varied considerably.

Despite this, staff and providers held that existing provision was sufficient to meet their needs from the programme, and that in any case, the relatively small numbers involved were not a sufficient base for any new procedures or provision.

There was little or no opposition from the cohort to their being mandated, although outright optimism was restricted to a small number who sought significant vocational retraining, and saw IAP as a means to this end.

Gateway experiences were generally positive with the combination of good relationships between NDPA and customer, and jobsearch support and guidance, leading to a flow of successful job outcomes from the Gateway among the more motivated customers and in the more buoyant labour markets. While some NDPAs felt that the prospect of forthcoming participation in IAP provided some impetus to this flow, this view was not reported by customers.

A number of customers, those with least 'need' to work and reasonable domestic/financial circumstances, dropped out of the programme altogether rather than join the IAP. So did a few for whom daily participation was likely to be difficult. Others tried, with varying degrees of success, to move to other benefits, but here this seemed to be triggered as much by changing circumstance and health, as by the requirement to take part in IAP. Otherwise the cohort joined IAP without obvious demur, but for the most part with no great expectation either, although some felt that it would mark a change from the boring and isolated experience of unemployment, and others that it would provide them with necessary marketable skills.

IAP provision was dominated by work experience, which many of the cohort felt they did not really need (in view of their generally extended prior labour market experience). Many would have preferred a work placement, where direct contact with a possible recruiter might have been important in overcoming employer ageism, but these were extremely rare. Skill training was less common than work experience, but was generally well received, particularly among those with least qualifications, for whom the relatively modest skill gains nevertheless marked a significant marginal improvement in their human capital. By contrast, others with more human capital to start with, were often disappointed at what they viewed as the relatively small skill/qualification gains on offer. Basic Employability Training and Self Employment Preparation were taken up by small numbers.

All these activities (except self-employment) were combined with ongoing jobsearch support, and the combination produced a flow of positive job outcomes from IAP. These seemed to be most prevalent where IAP skill and qualification gains had made a noticeable positive difference to the job prospects of the recipient, ie among the least well qualified. Ongoing jobsearch training appears to have broadened this flow somewhat, but otherwise, outflows to employment were uncommon, both from IAP itself and from the follow through.

Ongoing motivational and attitudinal gains appear to be determined largely by job outcomes; where these were sought, and had not been secured, customer motivation and self-belief appear to have suffered.

1 Introduction

In 2002, the Government published the Pensions Green Paper setting out new proposals for simplifying the pensions taxation system, encouraging pension saving, providing incentives for people to stay in the workforce for longer, improving the security of pension fund assets and maintaining state support for pensioners.

In addition to setting out proposals designed to help older people save for, and prosper in, retirement, it also sets out proposals for a new package of more intensive back-to-work help for people aged over 50, including:

- relaunching New Deal 50plus;
- work with private and voluntary organisations to extend information about back-to-work help to jobless people aged 50 and over;
- running a pilot study to trial mandating people aged 50 to 59 into the Intensive Activity Period (IAP) of the New Deal 25plus (ND25plus) programme.

It is this last proposal which forms the main background to the research, which we report here.

The policy background to this pilot is discussed at the beginning of Chapter 3, but it might be useful simply to note here that the ND25plus programme is focused on jobseekers aged between 25 and 59. Individuals are mandated to join the programme if they have been unemployed and claiming Jobseeker's Allowance (JSA) for 18 of the previous 21 months. All entrants receive the first element of the programme, the Gateway, which concentrates mainly on assessment, individual support and guidance and jobsearch. The second element, the IAP, provides more help, but also requires more active participation from customers. It is mandatory for those who are not successful in finding work during the Gateway period except for those aged 50 or over, who may volunteer, but are not compelled, to take part in it. In effect, the pilots are simply extending the requirement to take part in the IAP to an older cohort of long-term unemployed individuals who have previously not been required to do so.

1.1 Aims and objectives of the research

The overall aim of the pilots is to collect robust evidence on the impact and cost-effectiveness of making IAP mandatory for New Deal entrants aged 50 to 59. There are two strands to this work:

- A quantitative evaluation, drawing on secondary, administrative data across all 12 pilot sites, and conducted by staff at the Policy Studies Institute, is undertaking an impact assessment.
- A complementary qualitative evaluation, based on case study research in four pilot areas, conducted by staff at the Institute for Employment Studies, and looking in more depth at the process of delivery and outcomes in terms of customers, providers and Jobcentre Plus staff. It has the broad aim of understanding how the effects identified in the impact assessment have been achieved.

This report presents the results from this second, qualitative element of the evaluation. The research on which it is based is discussed in detail below, but for the moment we can summarise it as:

- drawing on face-to-face interviews with **staff** delivering the pilots, **customers** for whom the IAP had become compulsory, and **provider organisations** delivering IAP to these, and other, customers;
- focusing on four pilot areas: Essex, Hampshire, Leicestershire, and Derbyshire; and
- undertaking two waves of fieldwork:
 - the first during April and May 2005, at which time the pilots in three of the areas had been running for a year; and
 - the second between November 2005 and March 2006, at which time the pilots had been running for around 18 months.

1.2 Summary of key findings

The key findings from the research may be summarised as follows:

1.2.1 Organisational context (Chapter 3)

- Despite different labour market conditions and different organisational and operational arrangements between the four areas reviewed, the pilots appear to have been successfully delivered in all four with few or no implementation difficulties. The experiences of delivering the pilots, and the outcomes observed, do not seem to have differed significantly, both between Jobcentre Plus-led and private sector-led (PSL) areas, and between Incapacity Benefit (IB) Pilot and non-IB Pilot areas.

- For the most part, the pilots have been seen and treated as a fairly modest extension of existing practice, and neither the number of customers involved, nor their particular characteristics, have caused any significant change in the organisation or provision, at any stage, of New Deal participation.
- The pilots have not significantly added to the workload of individual Personal Advisers (PAs) or other staff, and additional training has been restricted to the random assignment process, whereby eligible New Deal customers have been randomly assigned to an Action Group (for whom the IAP was now mandatory) and a Control Group (for whom it was not).
- The key change to the PA process has been to explain the pilots and administer the random assignment tool during the first Gateway interview. This has not been problematic, although there is some concern that customers have to take in a lot of information at this interview which may lead to poor recall at a later date.
- Customers assigned to the Action Group were largely reported to accept this without significant demur; those to the Control Group, generally with some relief.

1.2.2 Delivery mechanisms (Chapter 4)

- Pilot co-ordinators at Jobcentre Plus District level reported that the pilot had caused minimal disruption to normal New Deal practices.
- Whilst some pilots operated a private sector-led (PSL) model and others did not, all areas confirmed that the pilot did not require additional resourcing.
- The central monitoring and assessment of the programme meant that managers and staff locally have had only modest monitoring or review roles, little objective data about the customers going through the pilots, and little local autonomy in the delivery of provision to the new customers.
- In the main, the advisers working on the pilot had been working on New Deal for some time and had considerable advisory experience.
- Advisers were confident in their knowledge of this customer group and did not feel they required specialist skills or training to deal with 50plus customers.
- The major change reported by advisers and providers since the introduction of the pilot was the cutbacks in provision that had occurred as a result of budgetary constraints within Jobcentre Plus. The impact of the cutback in the amount of Adviser Discretionary Fund (ADF) available was also mentioned by some staff as a constraint on Gateway provision, as was a general contraction of vocational training opportunities under IAP.
- On the whole, the random assignment procedures appear to be working well:
 - The only problematic instances have occurred when advisers have been unable to get through on the telephone to the assignment officer in Sheffield.

- We observed some misallocation at one site, but this had been corrected prior to the research.
- There is little evidence of any serious resistance from customers selected for the Action Group. There were, however, a few instances of resentment about 'different treatment', allied to a more widespread scepticism about the value of taking part in IAP.
- Staff reported no obvious influence of the IB Reform Pilots on the older customer cohort involved in the Intensive Activity Period 50plus (IAP50plus) pilot. Two reasons were offered for this. On the one hand, IB customers entering the New Deal as a result of a PCA in the IB Reform areas were not referred to the random assignment procedure, and so were not faced with a mandatory IAP, although they could volunteer for it (we did not find any who had done so). On the other hand, the number of Action Group customers dropping out of the New Deal rather than entering IAP and seeking to claim IB, had been relatively small, and so any reduction in this flow as a result of the IB Pilots had not been evident to the staff.¹

1.2.3 Customer characteristics (Chapter 5)

- The New Deal customers who entered the Action Group demonstrated considerable diversity, particularly in respect of their:
 - previous labour market experience;
 - financial and domestic circumstances;
 - motivation to work, sometimes at all, but more often in the kind of jobs they might now realistically expect to get.
- In terms of labour market history, seven main customer groups emerged from this research. Whilst some customers fell into more than one of these groups, the majority of customers could be defined as primarily belonging to one of the following key groups:
 - **professional/managerial downshifters**: typically redundant from a reasonably senior job, unable to secure re-entry at a comparable level, and faced with the need to reorient around a less (sometimes much less) attractive job;
 - **shock redundants**: people with long and stable job histories and with little experience of moving from job to job, unexpectedly thrown into unemployment with few or no jobsearch skills to help them get back into work;
 - **career erratics**: people with plenty of past experience of shifting between different jobs (sometimes voluntarily, sometimes enforced), but no longer able to compete effectively with younger jobseekers;

¹ Evidence from the quantitative evaluation suggests that this outflow from the New Deal was somewhat lower among the Action Group than it was among the Control in the IB Reform Pilot areas.

- **previous IB claimants:** people with significant health or disabilities which had interrupted or constrained their employment in the past, and were often felt to continue to do so;
- **late returners:** people for whom care responsibilities had enforced a very long gap in their work records which they were now trying to overcome in later life;
- **profound barriers:** people with additional employment barriers, such as criminal records, alcohol/drug abuse, etc.;
- **demand-deficient jobseekers:** people in employment 'black-spots' with few job openings and many, younger, competitors for them.
- The current financial and domestic circumstances of customers whom we interviewed were extremely varied. At one end of the spectrum there were those living alone who were wholly reliant on income from benefits, and at the other those with a working spouse and several alternative sources of income, signing on for National Insurance (NI) Credits only. There were three main financial and domestic characteristics that seemed to separate this age group from ND25plus participants as a whole:
 - for some, there may be no pressing financial need to find work;
 - for some, there may be domestic (usually caring) circumstances that mean that they were not fully available for work;
 - for others, finding and retaining work in later life was an important bulwark against poverty in retirement.
- Common factors which cut broadly across the cohort, however, included:
 - lack of confidence and self-esteem, often found in long-term unemployed groups of any age;
 - obsolete and/or uncertificated skills, often irrelevant to their new labour market circumstances;
 - widespread perceived disadvantage in the face of endemic employer ageism (whilst some PAs thought that employers did discriminate on the grounds of (older) age, there was no hard evidence to support such a view); and
 - age-related employment barriers, particularly ill health and caring responsibilities.
- Motivation, and having realistic aspirations, were widely regarded by staff as the two most important factors in determining outcomes on New Deal for this cohort. Staff faced a difficult challenge in dealing with this because:
 - motivation was often low amongst particular groups, and advisers employed a number of tactics to increase motivation amongst customers to try and improve confidence and self-esteem;
 - expectations were often unrealistic, being informed by previous labour market experiences which were either no longer relevant or no longer attainable. Thus, staff often had to try to bring down customers' aspirations to a more realistic level, while still boosting their self-esteem and motivation.

- A lack of transport was seen by staff and customers alike as a major barrier to work, and having a car was seen by advisers as a major indicator of which customers would be successful in getting a job. Transport was a problem for customers in terms of the time it took to travel to jobs, the cost of travel, the restricted times of day served by public transport, no public transport to some jobs, and bad public transport links.
- Other barriers to work faced by customers included housing issues (selling homes, not wanting to leave their home in the day due to fear of crime and housing benefit traps) and having a criminal record. Racism, English as a Second or Other Language (ESOL) needs and alcohol problems were also barriers faced by a few customers.
- While PAs generally recognised these ways in which this age group was both internally diverse and externally distinctive from other, younger New Deal customers, they nevertheless typically thought that 50plus customers faced similar barriers to employment as younger customers, and that the existing provision under the programme was appropriate to meeting their needs.

1.2.4 Gateway (Chapter 6)

- Although Gateway provision differed slightly between the four areas reviewed, and was somewhat customised to meet individuals' different needs, we observed no across-the-board modifications or changes in Gateway provision for Action Group entrants as their typical needs were not perceived to be different from those of other customers, and they had in any case been joining the Gateway before the pilot was introduced.
- Broadly speaking, our customer respondents were fairly positive, if not always enthusiastic, about the Gateway. They did genuinely appreciate 'somebody taking an interest', and the one-to-one relationships with the advisers were usually strong and respectful.
- Positive responses to Gateway provision were associated with:
 - those facing the least problems in returning to work (either objective ones, or in terms of their motivation, or both) had often found the Gateway provision of jobsearch support job-broking assistance, and personal advice and guidance extremely helpful;
 - a good relationship with 'their' New Deal Personal Adviser (NDPA) was a driver of positive experiences. Many reported that staff being available 'as and when' they needed them was a key benefit;
 - although provision varied from place to place, other positive experiences related strongly to training opportunities from the Gateway, particularly some of the generic provision, eg IT skills training, updating CVs, as well as the more vocational opportunities, such as driver training and support for test fees, etc.;
 - the social aspects of the Gateway were also seen as positive, both the mixing with other unemployed people and the contact with PAs who offered support.

- Negative experiences in the Gateway were associated with:
 - a perceived lack of customisation or appropriateness: some customers were dissatisfied that the Gateway did not provide sufficiently tailored provision, either specific to over 50s in general, or suitable to themselves in particular (this was most widespread among those previously in professional/managerial occupations);
 - other customers were concerned that the Gateway was not able to offer them the support they needed, so despite good 'personal' relationships with the PA, the Gateway itself was viewed negatively, offering either inappropriate or inadequate provision or both. The kinds of help these customers wanted included access to specialised and/or more substantial vocational training;
 - customers who had had multiple experiences of the New Deal (or other employment programmes) were critical that little had changed since their last experience;
 - it was also felt that staff could not help and support customers where there were simply few jobs in the local labour market. Many mentioned a need for greater emphasis to be placed on employer liaison to overcome ageism and the existence of only low-paid jobs;
 - some customers were deeply offended about being compelled to take a basic skills assessment;
 - some customers were averse to having to mix with younger age groups, who, it was perceived, did not take participation seriously;
 - some customers who were satisfied with their overall Gateway experience, suggested it would have been helpful if they could have accessed the programme earlier in their spell of unemployment, and others wished to continue to access the Gateway support beyond the current entitlement.
- Staff generally felt that although job entries from the Gateway among the 50plus age group were believed to be few, and much less common than among younger New Deal 25plus customers, nevertheless the Gateway was believed to have a positive impact on 'soft' outcomes for customers, and many customers agreed that their time in the Gateway had led to an improvement in their motivation and self-confidence.

1.2.5 IAP (Chapter 7)

- At the point of entry to IAP:
 - detailed awareness and understanding of the IAP phase was quite patchy amongst the Action Group, despite the fact that advisers almost universally said that they went to great lengths to explain the IAP to customers throughout their time in the Gateway; and
 - in the main, customers had a fairly negative perception of the IAP prior to starting this element of the New Deal.

- In part, this seemed to be because IAP was (correctly) perceived to be a noticeable step-change in activity for Action Group customers. Some customers declined to enter the IAP and signed off just before the starting point, most obviously:
 - if their JSA income was not particularly vital for them (because they had other income and/or were only signing for their NI Credits);
 - because they had caring or health constraints; and/or, less frequently
 - because participation in the IAP demanded too much travelling time/was too difficult logistically.
- Staff respondents thought that mandatory referral to IAP might encourage some Gateway participants to take work which they would otherwise have refused, but they felt that this was uncommon and that it might in any case give rise to subsequent retention problems.
- Although Action Group customers generally perceived the IAP negatively before participation, their perceptions during and after taking part clustered into three, somewhat more positive groupings:
 - some welcomed the activity as a change from the boredom and social isolation that were part and parcel of being unemployed;
 - some thought the IAP had resulted in updated skills and work experience; and
 - others participated because they had to, and without much/any confidence that it would lead to a desirable outcome.
- In much the same way as with Gateway provision, IAP providers and Jobcentre Plus staff did not believe that the needs of an older IAP entry cohort were sufficiently different to require any additional or special kinds of provision within IAP. Moreover, they argued that the relatively low number of 50plus entrants going through the IAP would not support the cost of providing it.
- Although there was evidence of one-to-one customer assessment and personalised planning in the Gateway, the content of IAP provision fell mainly into four clusters:
 - 1** Work experience was the most common IAP activity and usually included work for four days a week with a fifth day spent on jobsearch. Many work experience opportunities were with voluntary and community organisations rather than with private or public sector employers (who were more likely to be able to offer longer-term vacancies). Work experience was more popular with customers who wanted a change of scene. Other customers complained about the lack of real job opportunities associated with work experience, or indeed the dearth of real opportunities to improve their skills.

- 2** Skill training was initially very popular with those who sought to improve their employment prospects through skill acquisition. However, the degree to which training improved skill portfolios was felt to be quite modest in practice, and the range of provision was felt to be somewhat restricted. Consequently, this element of provision was generally most well-regarded by those who had the least qualifications or skills in the first place, and for whom the training which IAP did provide might, therefore, represent a significant marginal improvement in their human capital. These packages also included one day a week jobsearch.
 - 3** Basic employability training (BET) was the main form of IAP provision for customers with basic skills needs and/or attitudinal concerns. BET provision usually included an element of work experience (usually in the third sector) and one day of jobsearch. Staff saw this type of IAP provision as crucial but customers were often unwilling to concede that they needed it.
 - 4** Self-employment preparation was taken up by fewer customers in the IAP but it was felt to be of particular value for ex-professionals and those with marketable skills. Feedback from customers, staff and providers on this type of provision was very positive, although the fairly narrow customer cohort to whom it might successfully be offered was widely recognised.
- There was scant evidence of employer-based work placements, and none of the use of employment subsidies, or of the Education and Training option among this older cohort.
 - Providers reported very few job outcomes for older people who had taken part in IAP.

1.2.6 After IAP (Chapter 8)

- Staff reported even fewer positive job-outcomes among older workers in general, and Action Group customers in particular, during the follow-through stage. Customers who had not found a job by the time they completed IAP most often took the view that neither the IAP provision nor the subsequent follow-through was sufficient enough to transform their labour market circumstances significantly.
- Follow-through provision consisted primarily of one-to-one meetings and intense jobsearch with advisers. There was a general feeling that if customers got to follow-through without securing employment, they were unlikely to do so at this very last stage of the programme.
- Staff and customers felt that more quality (IAP) provision was required to bring about job outcomes. In their view, there remains an unmet need for high levels of vocational training, and or quality work placements, to allow more customers, both old and ND25plus customers in general, to regain something closer to their former employment trajectory.

1.2.7 Cross-cutting issues (Chapter 9)

A number of different issues are drawn out in this chapter, which do not readily fit elsewhere in the report:

- **Sanctions:** Staff reported that they rarely had to use sanctions with the 50 plus customer group. A few customers interviewed as part of this research had been sanctioned, and some 'downshiffters' were appealing against sanctioning at the time of the interview as they felt IAP had nothing to offer them and that they should not have to take part.
- **Age-mixing:** Receiving support in groups with younger people was quite often reported by our customer interviewees as something they did not care for very much, but rarely as something which had significantly constrained, undermined or voided any of the activities in which they had taken part, or prevented them from taking part in such activities.
- **Job types:** When customers did get jobs whilst taking part in New Deal, these jobs tended to be low-skilled and low-paid. They were, in addition, often short-term, either because they were temporary or casual, or because customers did not stay in them long.
- **Overall views of New Deal process:** Among the Action Group these tended to be positive only when a job had been secured through the programme. Otherwise, customers tended to take a reasonably benign view of the New Deal, recognised their responsibility to take part in it, but felt that it (ie both Gateway and IAP) was not an adequate mechanism for overcoming the kinds of problem which they faced in the labour market, ie employer ageism, competition from younger age groups, and enforced occupational downshifting.

2 Research methodology

This chapter describes the methodology adopted for the research. It looks in turn at:

- selection of areas;
- fieldwork design;
- initial scoping interviews;
- procedures for undertaking the main fieldwork;
- representativeness of the customer sample.

2.1 Selection of areas

The Intensive Activity Period 50plus (IAP50plus) pilots are being implemented in 14 areas, and our aim has been to ground the research in locations which provided a sufficient variety of both labour market conditions and policy environment. The most important consideration in terms of policy background is the overlap between these pilots, and the Incapacity Benefit Reform (IBR) pilots. A further key consideration has been to secure areas in which a sufficient number of older people would be eligible for the Intensive Activity Period (IAP).

Table 2.1 shows the areas where the IAP50plus pilots are being implemented, and their status vis-à-vis the IBR pilots.

Table 2.1 IAP50plus pilot areas

IBR pilot areas	Non-IBR pilot areas
Bridgend	Buckinghamshire and Oxfordshire
East Lancashire	Calderdale and Kirklees
Essex	Coventry and Warwickshire
Somerset	Hampshire
Derbyshire	Leicester
Gateshead and South Tyneside	Shropshire
Renfrewshire, Inverclyde, Argyll and Bute	Suffolk

Source: DWP.

Table 2.2 shows the choice of areas eventually agreed with the Department for Work and Pensions (DWP), and some of the criteria against which the selection was made.

Table 2.2 Initial recommendation of areas

Area	PSL	IBR	Popln. density	Unempl.	Start date	IAP Action Group total	Intake per average month	IAP entrants per average month
Essex	50/50	IBR	Medium	Low	Apr-04	378	16	5
Leicestershire	PSL		High	Medium	Apr-04	356	15	5
Derbyshire	JCP	IBR	Medium	High	Jan-05	355	15	5
Hampshire	JCP		High	Low	Apr-04	236	10	3

Source: DWP & PSI data; IES extracts.

The selection takes into account the following criteria:

- **Scale:** the four are selected from the top six areas in descending order of size (estimated customer intake to IAP Action Group).
- **IBR Pilot:** the sample is split evenly between IBR and non-IBR areas.
- **Area characteristics:** the selection includes two each of high and medium population density, and two low unemployment areas, one medium and one high.
- **Private sector-led (PSL) status:** New Deal delivery in one area (Leicestershire) is wholly private sector led, and in another (Essex) the area is split between PSL and Jobcentre Plus.
- **Start date:** the selection includes one late starting area (Derbyshire) and although this is somewhat disadvantageous in terms of customer sample availability, it may be useful in considering delivery issues.
- **Exclusions:** we have excluded Calderdale and Kirklees because it is a BOND Pilot area.

The only obvious problems with this selection are that:

- both Wales and Scotland are excluded, but both pilots there are very small scale and seem unlikely to warrant inclusion as a result;
- there is no wholly rural area included. It may be, however, that there is sufficient variation within some of these large areas to allow some reflection on spatial issues within the confines of the recommended areas. Thus, for example, large parts of North Essex are rural, and the Hampshire area includes the Isle of Wight.

2.2 Fieldwork design

The initial design for the research proposed three successive phases of fieldwork. Each of these would be undertaken mainly through face-to-face interview and would focus on:

- New Deal 50plus customers who were assigned an Action Group, and so who would be obliged to take part in the IAP if they did not find work from the Gateway;
- the staff, whether Jobcentre Plus or PSL, who were delivering the pilot in the four areas; and
- providers who were delivering elements of the IAP.

The fieldwork was originally conceived to be in three waves, which would:

- focus successively on customers:
 - in the Gateway: Wave 1
 - in IAP: Wave 2
 - after IAP: Wave 3
- build up insight progressively with both staff and providers.

The first wave of qualitative interviews and analysis was completed in June 2005, with the delivery of an interim report (IES, CN 6422). This work was discussed at a subsequent meeting of the Steering Group (August 2005), with an agreement to review the planned subsequent stages of the research to incorporate both substantive and procedural lessons learned during the first wave.

The key change here was to combine Waves 2 and 3 into a single and final wave of fieldwork, which again would focus on all three groups. The main reason for the re-design was that the numbers of customers entering the Action Group was not sufficient to support the volume of customer interviewing that was intended. Thus, in order to secure the necessary volume of Action Group customers in Wave 1, it did not prove possible to limit the interviews just to Gateway participants (there were simply not enough of them), and so Wave 1 dealt with customers at all stages of the New Deal, and so did the newly revised, and final, Wave 2.

2.3 Initial scoping interviews

A series of interviews were carried out with key staff and stakeholders in the four areas in order to:

- confirm that the areas were reasonably non-problematic from their point of view;
- secure background details on the organisation and delivery of the pilots locally;

- identify key respondents whom we would need to interview during the substantive phases of the work; and
- make logistical arrangements for the substantive phases of the work, eg identifying the major jobcentre and other locations involved, etc.

2.4 Main fieldwork

As discussed above, the main fieldwork comprised two waves of face-to-face interviews with:

- staff delivering the pilots;
- Action Group customers;
- providers delivering IAP options.

Table 2.3 shows the number of interviews achieved in each of the four areas, and with each of the three groups of respondent.

Table 2.3 Interviews in each wave and area

Area	Staff	Participants	Providers	Total
Wave 1				
Essex	14	28	5	47
Hants	12	24	2	38
Leicester	10	34	3	47
Derby	6	9	2	17
Total	42	95	12	149
Wave 2				
Essex	9	27	3	38
Hants	9	22	3	34
Leicester	8	19	3	30
Derby	7	19	2	28
Total	33	87	11	131
Grand total	75	182	23	280

Source: IES.

The interviews were conducted using open-ended discussion guides which were developed and discussed with DWP, trialled during the first few substantive interviews and subsequently (slightly) revised.

All the interviews were recorded (unless the respondent declined), and transcribed for later analysis, using Computer Assisted Qualitative Data Analysis.

The interviews were supplemented by such local data and management information (MI) which we were able to access locally. In practice, however, there turned out to be very little such data readily available.

2.4.1 Staff and provider interviews

The staff interviews took place in several different locations across the four areas, principally in jobcentres, but also in PSL offices and other locations. In this way we tried to secure reasonable coverage of labour market variations within each area. The kinds of people whom we sought to interview were quite varied, and included:

- Jobcentre Plus District Managers;
- Business Managers;
- New Deal Team Managers;
- New Deal Team Leaders;
- Personal Advisers (PAs) and other staff (including any who specialised in the 50plus age group).

Our approach here was essentially to begin with recommendations from our initial round of visits and then to 'snowball', conducting further interviews as recommended on site.

A similar approach was taken with IAP providers, again trying to interview a range of staff with different responsibilities, but here a more important split was between:

- IAP contract holders: ie organisations who organised the delivery of IAP; and
- option providers: ie organisations who delivered components of provision within IAP.

2.4.2 Sampling procedures for customer interviews: Wave 1

If our approach to sampling staff and providers was fairly pragmatic and inclusive, we used a more systematic approach to sampling customers, but here again pragmatism intruded.

Our initial approach was to base the sample on all the Action Group entrants during a four-month period. In effect, we would undertake a census of all 50plus IAP Group Gateway entrants during this period. This would have had two advantages:

- it would eradicate the need for primary sampling and ensure, prima facie, that the sample would be representative.
- it would group all the interviewees at a common point in their progression through the New Deal, and so provide for the second and third waves of fieldwork to focus on the IAP and the follow-through phases respectively, thus providing a longitudinal perspective on the Wave 1 interviewees.

This initial round of interviews would, therefore, have concentrated primarily on entrants to, and people in, the Gateway, plus of course those who had already left for jobs, or something else. However, as noted above, it soon became clear that even in the larger areas, which we had chosen, the number of individuals actually entering the Action Group in a four-month period was too few to provide a sufficient volume of interviewees for Wave 1, still less for Waves 2 and 3.

It was, therefore, necessary to extend the selection period somewhat, in order to secure the sample sizes required. The extended periods were:

- **Essex:** six months – entrants from August, September, October, November, and December 2004, and January 2005, to provide an estimated sample of 68.
- **Leicester:** six months – entrants from August, September, October, November, and December 2004, and January 2005, to provide an estimated sample of 59.
- **Hampshire:** four months – entrants from October, November, and December 2004, and January 2005, to provide an estimated sample of 42.
- **Derbyshire:** four months – entrants from January, February, March and April 2005, to provide an estimated sample of 30.

While this 'census' approach to initial sampling was helpful in avoiding obvious sampling bias at the outset, and providing us with a reasonably representative base sample, it meant that this sample included people at all stages of progression through the New Deal.

2.4.3 Sampling procedures for customer interviews: Wave 2

As the first wave of interviews had provided a good cross-section of Action Group entrants, the sampling strategy for the second, and now final, wave was based on more purposive sampling of key groups of beneficiaries, as suggested by Wave 1, either because they are important groups for policy-development purposes, or because Wave 1 findings suggest that they are, to some extent, archetypes, and representative of some important clusters with fairly common characteristics and dynamics. The groups on whom we proposed to focus were:

- **IAP entrants and completers:** Our original intention was to focus all of Wave 2 on this group. It, therefore, made sense to focus on them where we could, while also adding a longitudinal perspective to at least part of the achieved sample from Wave 1.
- **Previous claimants/recipients of IB:** We interviewed few of these during Wave 1, and using a more purposive sampling strategy at Wave 2 tries to identify and interview more.
- **Professional/managerial 'downshiffters':** A key (and problematic) sub-group emerging from the Wave 1 interviews comprised older people made redundant from a relatively senior position in the occupational hierarchy, but quite unable to re-enter employment at a comparable level.
- **Late-in-life shock redundants:** Similarly, and partly overlapping, another key cluster are older, long-service ex-employees, with no familiarity at all with the demands of job-finding.
- **Older people with profound barriers to (re-)employment:** Including health problems, substance abuse, chaotic lifestyles, etc.

- **‘Career-erratics’**: People who have oscillated between bouts of employment and unemployment, and who have always managed (if sometimes with difficulty) to find work, but who are now further constrained by advancing age and deteriorating competitiveness in the labour market.
- **Women (late) returners**: Older women, with extended breaks from employment, facing problems of low/no/obsolete skills and little familiarity with the labour market.
- **IAP volunteers**: We have found very few of these in Wave 1, but it seemed sensible to try to identify and interview more, to get a different perspective on IAP provision.
- **Demand-deficient jobseekers**: Some of the sites covered had very few vacancies for any jobseekers, and the older jobseekers in them are particularly badly placed to win them competitively.

2.5 Contact procedures for customer interviews

We used the same procedures for both waves, approaching our target sample by post approximately three weeks before the fieldwork was scheduled to begin in their area. These letters:

- were agreed by the DWP steering group;
- were intended to establish our bona fides as professional researchers;
- clearly set out both the purpose of the research, and what it would entail from them;
- made it clear that participation would be voluntary, but would also entail an incentive payment;
- informed them of when the interviewing would take place in their area;
- provided them with a means of opting out if they do not want to take part;
- provided a telephone contact if they required more details, or if they want to sign up for the research immediately;
- told them what happens next.

2.5.1 Opt-out arrangements: customers

It is important to provide those who do not want to take part with a simple means of doing so. Our preferred means of achieving this was a reply-paid card to be included with the contact letter. This enabled recipients to signal one of three things:

- they do not want to take part and we should not contact them again; or
- they want to take part, and here (..... fill in) is a telephone number on which we may contact them to arrange the interview; or
- they want to take part, but have no access to a telephone.

A considerable number of potential interviewees took the opportunity to opt out of the work in the first wave: 32 in Essex, 14 in Hampshire, 38 in Leicestershire and three in Derby. This amounts to an overall opt-out rate of nearly 26 per cent. In the Wave 2 work, drop-out decreased to 16 per cent of the client group, with eight in Essex, 11 in Hampshire, 16 in Leicester and 12 in Derby. These numbers include drop-outs from the longitudinal aspect of the work as well as the new entrants who were contacted for the second wave.

2.6 Action or Control Group?

This research was intended to focus only on the Action Group. However, due to a clerical error in selection, in two areas, the Wave 1 sample provided by DWP included significant numbers of individuals from the Control Group. In one case, this was noted before the contact procedure was initiated, and the sample was redrawn. However, in the second case, the inclusion was not apparent, and was not discovered until the fieldwork interviews began.

It did not seem sensible to us to bring the interviewing to a halt at this point as there were interviewers in the field and customers with booked interviews expecting to see them. Therefore, we simply went ahead and conducted the interviews. The result is that in Leicestershire, 22 of the 34 customers interviewed were in fact from the Control Group, and only ten from the Action Group. For two of them we were unable to ascertain which group they were in.

It is important to note that this was entirely due to a clerical error in drawing the sample for our use, rather than to any misallocation or misrecording of the status of individuals.

Quite clearly, if there is some systematic error in either allocation or coding of individuals, the results of the quantitative research will be undermined, and we recommend that DWP assures itself about this.

For our part, since the Action and Control Groups are randomly assigned, our Control Group interviews were still useful about their general situation in, and perspectives on, the labour market, although less so regarding their participation in the New Deal.

The sample for the Wave 2 concentrated on Action Group customers, although it included a small number of IAP volunteer entrants from the Control Group. These IAP volunteers were targeted in the same manner as the Action Group in the process of setting up the interviews by telephone; however, none volunteered for the research. Consequently, the whole of the Wave 2 research was comprised of Action Group customers.

2.7 Representativeness of the customer sample

The research reported here is qualitative, and is not designed or intended to provide quantitatively accurate information. Nevertheless, if it is to provide a reliable framework for understanding the perspectives and behaviours of older New Deal customers, then we need to ensure that all the important dimensions of variation within the cohort who are taking part in the pilots are represented in our sample.

Full details of the key characteristics of the customer sample are provided in the Appendix, which compares these characteristics for the customer participants in both waves of research with those for the Action Group as a whole across all 14 pilot areas.

This detailed analysis confirms that we were broadly successful in securing a reasonable spread of interviewees from the Action Group. It is worth noting here that:

- men were strongly represented in both our sample and the Action Group as a whole (some 74 per cent of the entire Action Group were males);
- there were relatively few people from ethnic minority groups in either the sample or the Action Group as a whole (approximately nine per cent in the latter);
- qualification levels were very diverse among both the Action Group and the sample, with concentrations at both ends of the spectrum (ie among the Action Group just over half had no qualification and some 17 per cent had a higher education qualification of some kind).

3 The policy, labour market and organisational context

In this chapter, we look at the background to the pilots, focusing in turn on the objectives sought by introducing mandatory Intensive Activity Period (IAP) for New Deal customers aged 50 to 59, on the labour market circumstances in each of the four pilot areas, and on the somewhat different operational context between some of the different pilot areas.

3.1 Policy objectives

In 2002, the Government published the Pensions Green Paper (*Simplicity, security and choice: working and saving for retirement*) setting out new proposals for simplifying the pensions taxation system, encouraging pension saving, providing incentives for people to stay in the workforce for longer, improving the security of pension fund assets and maintaining state support for pensioners.

In addition to setting out proposals designed to help older people save for, and prosper in, retirement, it also sets out proposals for a new package of more intensive back-to-work help for people aged over 50, including:

- relaunching New Deal 50plus;
- work with private and voluntary organisations to extend information about back to work help to jobless people aged 50 and over;
- running a pilot study to trial mandating people aged 50 to 59 into the IAP of the New Deal 25plus (ND25plus) programme.

Underlying these proposals was a growing concern that many people were under-providing for their retirement. The changing age profile of the UK population means that the proportion of the population over 50 is steadily rising, and life expectancy has also increased so that people are living longer past the retirement age and need

to be able to support themselves financially in retirement. By the year 2020, it is forecast that one in three people will be aged 50 and over.

A key influence on people's retirement circumstances is the extent to which participation in paid work continues in later life. At the time of the Green Paper, however, around 30 per cent of people aged between 50 and the State Pension Age (SPA) were not economically active (ie not in work and not actively seeking work).

3.2 Policy instruments: The New Deal 25plus

The ND25plus programme is focused on jobseekers aged between 25 and 59. Individuals are mandated to join the programme if they have been unemployed and claiming Jobseeker's Allowance (JSA) for 18 of the previous 21 months. In some cases, participants may join the programme earlier, and others, for example, people receiving Pension Credit, may also volunteer to join.

The programme consists of three, tiered, stages, which aim to encourage jobseekers to improve their jobsearch efforts, while providing them with the necessary skills, opportunities and motivation.

- After an initial interview, participants on ND25plus enter the **Gateway**. This usually lasts up to 16 weeks. During this time, individuals are provided with intensive assistance in their jobsearch process.
- Those not successful in finding employment in the Gateway period, start the **IAP**. A variety of assistance is offered under the IAP including: basic skills support, work-focused training, work experience, work placements, jobsearch skills and other support. It typically lasts at least 13 weeks and, if necessary, can be extended to 26 weeks, or 52 weeks for participants on the full-time education and training option. Participants on IAP receive a training allowance, equivalent to their JSA amount plus a top-up.
- The third stage the **Follow-Through** period. During this period, those who have still to find work are provided with further assistance in finding regular employment. The Follow-Through can last up to six months. If still unsuccessful in finding employment, customers may start a second IAP period.

Currently, IAP is mandatory for ND25plus participants aged 25 to 49 at the start of the Gateway but voluntary for customers older than 50 at the beginning of the Gateway.

Of the new package of more intensive back-to-work help for people aged over 50, it is this pilot mandating people aged 50 to 59 into the IAP of the ND25plus that is the subject of this research. Long-term unemployed jobseekers (those who have been claiming JSA for 18 months) aged 25 to 49 are required to participate in the New Deal IAP because it offers extensive help back into work. Before the introduction of the Mandatory IAP Pilot for 50 to 59 year olds, customers aged 50 to 59 could volunteer to take up this extra help, but it was not mandatory.

3.3 The pilots

The pilots have been running since 5 April 2004 in 11 Jobcentre Plus areas, and since 10 January 2005, in an additional three Jobcentre Plus areas. They are designed to run continuously for two years, ending in April 2006 and in December 2006 respectively for the three remaining areas.

In addition to the IAP pilots, some of the areas are also piloting other policy enhancements.

- The most important example is the Incapacity Benefit Reform (IBR) Pilots. In IB pilot areas, IB recipients attend Work Focused Interviews and may start ND25plus subsequently, including an IAP stage. Since IB recipients are also more likely to belong to older age groups than JSA claimants, many new customers aged 50 to 59 will start IAP in areas with both pilots. This might affect the IAP options available to other customers.
- The reason for delaying the pilots in three areas is that these areas have been pilot sites for the Employment Retention and Advancement (ERA) demonstration project, and it was decided that the ERA pilots should have ended prior to implementation of the IAP pilots.

The Jobcentre Plus areas in which the pilots are running, are shown in Table 3.1, and were chosen to include all seven IBR pilot areas. The four areas chosen for the present research are also shown in the table. Their selection is discussed in Chapter 2, but was essentially devised to provide a reasonable number of eligible flow customers aged 50 to 59, a spread of geographical locations, different delivery contexts of ND25plus as a whole, and different circumstances relating to the IB Pilots.

An important factor underlying the scale and location of the pilots was the need to have a substantial number of participants covered by the new arrangements. It should be borne in mind that as the quantitative element of the evaluation was based on a random assignment design, only half of any eligible group would in practice be taking part in the new arrangements. Analysis of JSA claimant data for these areas showed some 3,000 individuals aged 50 to 59 passing the threshold of 18 months continuous JSA receipt in the year before the pilots, and it was expected that about 6,000 customers would participate in the pilots over the period of two years, of who some 3,000 would enter the 'Action Group' (and so be eligible for mandatory IAP entry), while the other 3,000 would comprise the 'Control Group' (who would not be).

Table 3.1 Mandatory IAP pilot areas

IAP 25plus Pilots Jobcentre Plus area	IB pilot	ERA pilot	Qualitative evaluation
Pilots starting 5 April 2004			
Buckinghamshire & Oxfordshire			
Calderdale & Kirklees			
Suffolk			
Hampshire			*
Leicester			*
Shropshire			
Coventry & Warwickshire			
Bridgend, Rhondda, Cynon & Taff	*		
East Lancashire	*		
Essex	*		*
Somerset	*		
Pilots starting 10 January 2005			
Renfrewshire, Iverclyde, Argyll & Bute	*	*	
Gateshead & South Tyneside	*	*	
Derbyshire	*	*	*

Source: DWP.

In practice, the number of participants has been much smaller than expected. The prediction of customers until the end of the pilot currently remains far below the number originally expected, at something less than 4,100 by the end of the pilots. In some areas – for example, Calderdale and Kirklees, Gateshead and South Tyneside and Shropshire – there are fewer participants than expected. However, this does not fully explain the lower-than-expected flow, and it is uncertain whether the unexpected drop in the size of the customer group arises from a declining customer group in these areas, or whether some eligible customers have not been submitted for inclusion in the pilot.

3.4 Labour market contexts

As discussed in the previous chapter, the fieldwork on which this report is based was conducted in two waves; initially, during April and May 2005, at which time the pilots in three of the areas had been running for a year, and subsequently between November 2005 and February 2006, when they had been running for 18 months (and for a year in the late-starting area, Derbyshire).

The number of older people who had been eligible for the pilots was relatively small, and this can be seen in Table 3.2, which shows that the number of entrants by October 2005, when the second wave of research was initiated, stood at just 1,352 individuals.

Table 3.2 Individual New Deal customers eligible for the pilot in the four selected areas – October 2005

	Total Frequency	Pilot as a whole %	Action Group Frequency	Pilot as a whole %	Control Group Frequency	Pilot as a whole %
Essex	429	15	222	15	207	15
Hampshire	346	12	172	12	174	13
Leicester	423	15	216	15	207	15
Derbyshire	154	5	79	5	75	5
Total	1,352	47	689	47	663	48

Source: DWP

Of course, because of the nature of the evaluation, fully half of these had not been assigned to the pilots, but had instead been randomly allocated to the Control Group. Thus, the effective sample of individuals who became likely to be mandated to IAP in these four areas was less than 700. However, this constituted almost half of the Action Group across the pilot as a whole.

Thus, although the number of customers entering the Action Group, and becoming eligible for mandatory entry to IAP, was relatively small, it nevertheless met our selection criterion of accounting for a significant proportion of the whole pilot in just four areas. In addition, however, the selection of the areas for study was intended to provide a variety of labour market settings. Here, we briefly note the key points of the economy and labour markets in each of them.

3.4.1 Essex

Essex is the largest of the East of England's six counties, accounting for about a quarter of the region's population, at a little over 1.6 million. It is characterised by its diversity of geography, local economy and demographics, with concentrations of population in the largely urban south and a dispersed population in the predominant rural north. This is reflected most sharply in variations in employment rates and patterns across the county. For the most part the labour market is buoyant; thus, amongst working age people, the Essex employment rate was 78.2 per cent in 2003 – slightly higher than the regional rate but considerably higher than the rate across Britain as a whole. However, this varied from 70.9 per cent in Tendring and 74.1 per cent in Basildon, to 81.7 per cent in Brentwood and 82.5 per cent in Maldon.

In the southern part of Essex, around the Thames Gateway, are to be found the most severe structural problems of industrial change. This riverside strip hosted many of the declining industries, such as power generation, docks and gas works, that were land extensive and left behind a residue of derelict land and redundant workers. These have been exacerbated as a consequence of long-running structural change in the London economy and have in turn resulted in the area suffering high levels of unemployment, and exhibiting other characteristics of deprivation and need.

Compared with the rest of the South East, the Thames Gateway has a higher proportion of employment in production sectors, has had a worse growth rate and a lower proportion of employment in high-tech sectors. On labour market indicators, it has a higher rate of unemployment, lower economic activity rates and lower rates of workforce qualifications.

This diversity was apparent when comparing the perspectives of Jobcentre Plus (and PSL) staff between the different offices in the area. Broadly speaking, the further south and north-east one went, the less buoyant the local labour markets became. Conversely, in the west of the county (around Brentwood and the M25) and along the A12 spine (Chelmsford) there were high levels of prosperity and extremely tight labour markets. Although by the second wave of fieldwork, in late 2005, there was some evidence of a slackening of labour demand, particularly in these tighter labour markets, this should be seen in the context of relatively strong labour markets in general, with some more isolated pockets of sustained high unemployment.

Essex has a diverse economic base. Key manufacturing industries are electronics, chemicals, paper and printing. Transport, warehousing and communications activities are strong in the west around the M25, while there is a strong financial services sector in and around Chelmsford. The northern part of the county has a more agricultural and tourist-based economy. Tourism is also an important feature along the coast.

Essex has a relatively weak skills base. The area traditionally lacks a learning culture, with low levels of participation in learning and educational achievement amongst both young people and adults. As a result, around half of adults in Essex either have no qualifications or are only qualified to Level 1. There are also widespread skills shortages and gaps in Essex, many of which are to be found in key sectors of the economy.

3.4.2 Hampshire

The population of Hampshire stood at 1,240,800 in 2001, representing an increase of 5.3 per cent on 1991 compared to an overall increase of 2.6 per cent in England and Wales over the same time period. The county economic activity rate of 83.7 per cent is relatively high compared to the South East region (82.1 per cent) and Great Britain (78.2). Conversely, the county had a comparatively lower unemployment rate (3.1 per cent) than the South East (3.9 per cent) and Great Britain (five per cent) in 2003/04.

The Hampshire area is varied, incorporating the ports of Portsmouth and Southampton, the more isolated rural areas to the north and west of Southampton, including the New Forest which relies on tourism as its main industry, and the commuter belt in the northern parts of the county itself. Many residents in the Hampshire area commute to London, eg from Winchester, Aldershot, Basingstoke and Farnborough. There are pockets of inner-city deprivation in Southampton and Portsmouth, where the economy was formerly heavily reliant on traditional

manufacturing industries and port-related activities. Both these areas now have significant refugee populations. The Isle of Wight is also part of the pilot area with a labour market characterised by low-skilled, seasonal work. Transport is an issue on the island and the mainland, particularly in isolated rural areas.

Employment in the South East region is largely service-sector based, with less than 18 per cent of all jobs located in the production industries. Almost one-half of all employment is found in banking, finance and insurance (22.9 per cent), and the public administration, education and health sectors (22.3 per cent). A further quarter of all employment in the region is in the distribution, hotel and restaurant sector (25.7 per cent).

3.4.3 Leicestershire

Leicestershire has a population of 899,100.² The 2001 census shows that 15 per cent of the county's population is from ethnic minorities (36 per cent in Leicester, and five per cent in the unitary authority of Leicestershire county).

Leicestershire was traditionally a textile and engineering county. It is centrally located with a strong communications network, with 80 per cent of the UK population being reachable in under four hours by road. Leicestershire now has a diverse economy, which is generally robust and prosperous, and its economy has tended to perform somewhat better than others in the UK during downturns in the economic cycle. Three-quarters of employees in Leicestershire work in the service sector, with a quarter employed in manufacturing, construction and primary industries. Average hourly earnings in Leicestershire are £10.58, and 31 per cent of the population have no qualifications (39 per cent in Leicester, and 28 per cent in the unitary authority of Leicestershire county).

The economic activity rate for the Leicestershire area in 2003 was 81 per cent, higher than the regional and national rate. Unemployment in Leicestershire is 2.6 per cent – 1.5 per cent in the unitary authority of Leicestershire county, and five per cent in the city of Leicester. In the unitary authority of Leicester city, the employment rate is only 63 per cent, with an 11 per cent unemployment rate and a 29 per cent inactivity rate.

The City of Leicester is locked into a low-wage, low-value economy, over-reliant on a manufacturing base, which is in itself over-reliant upon the declining sector of clothing and textiles – 11 per cent of its labour force in 2002.³ Overall, the city is over-reliant on industrial sectors that are contracting, and these have not been replaced with a corresponding increase in employment in growth sectors, such as business services. Employment growth has occurred in occupations such as call centres, customer service and retail.

² Data on population, earnings, employment and unemployment rates are from Leicester Shire Intelligence (LSI), www.lerp.co.uk.

³ Leicester Economic Regeneration Partnership (2004) Leicester Local Employment Strategy 2004-2007; www.leicesterworks.co.uk.

Loughborough has seen large-scale redundancies, as companies where generations of families worked have closed down. There are currently jobs in the service sector, such as office work and retail, as well as some factory-based jobs. Having students in the labour market means extra competition for jobs.

Coalville has suffered from very large job losses in mining and manufacturing. Jobs in Coalville are now scarce and are mainly low-paid retail or part-time cleaning, or agency work, all of which are often shift-based. The other option for those out of work is to travel to warehouse and distribution centres that are between five and ten miles away, and do not have adequate public transport links. Transport links to Leicester are also very bad (an hour bus journey and irregular buses).

Hinckley has seen its traditional industries of hosiery, textiles and shoes decline, and there is now a lack of jobs in Hinckley itself. Whilst Hinckley is accessible by train from Leicester, bus services are not good and people are reluctant to pay for the cost of travel.

When asked to describe their local labour market, staff, providers and customers all commented on the decline of traditional industries in Leicestershire, in which many of the 50plus customer group will have been employed in the past. The decline of the hosiery and shoe industries, manufacturing, engineering, and factory work in general, were mentioned by staff, customers and providers alike. New jobs in Leicestershire which have replaced these traditional industries are often ones which require new skills. For example:

'Years ago, there were more unskilled jobs than now. To be in a warehouse now you have to know about stock control, picking orders and systems, IT, answering the 'phone, appearance.'

(Leicestershire, provider)

There was also a general feeling that there was lots of competition for jobs, although this was particularly the view amongst customers. Customers cited examples of applying for jobs where there had been 94 enquiries for one office job, or where they had had an interview for a furniture company where the company was seeing 30 people that day and were interviewing for all of that week. Where there was strong competition for jobs, customers felt that employers were looking for younger people, or for people with experience – issues that are explored in more depth later, in Chapter 4. Customers also stated that many of the jobs that were available were too low paid, or were agency jobs that were not permanent or full-time. There was a view amongst some customers that immigration had also led to increased competition for jobs.

The view of staff was that there were plenty of jobs available, but that they were different kinds of jobs from the ones 50plus customers often had experience of. They also cited reluctance amongst the 50plus group to travel to reach available jobs, or to take agency jobs, eg in factories, as they needed regular income for their family responsibilities and mortgages.

3.4.4 Derbyshire

Derbyshire has a population of 976,200 (and a working-age population of 597,000) which constitutes just over one-fifth of the East Midlands region's overall population. The area is largely rural (the Peak District) and contains the main urban cities, and the towns of Derby, Buxton and Chesterfield.

The working age⁴ employment rate for the county stood at 77.5 per cent in 2003, compared with 75.3 per cent for the East Midlands region and 74.1 per cent in the UK. The unemployment rate for the same time period was 4.6 per cent in Derbyshire and the East Midlands region, and 4.9 per cent in the UK.

The East Midlands region has a much greater reliance on production activities than other regions in the country. Compared to the UK, relatively more people in the East Midlands are employed in the metals, minerals and chemicals, engineering, other manufacturing and construction sectors. A total of 29.3 per cent are employed in these specific sectors in the region, compared to 21.9 per cent for the UK as a whole. Employment activity in all production sectors is particularly pronounced in Derbyshire, with almost 40 per cent of people employed in these industries, compared to 32 per cent in the East Midlands region. The manufacture of transport equipment has been particularly important in the Derbyshire area, accounting for just over six per cent of total employment.

Conversely, employment in the East Midlands is relatively lower in service sector activities, and particularly in private services. Most notably, employment in the financial and business services sectors account for just 14.9 per cent of employment in the East Midlands, compared to 20.5 per cent in the UK. Levels of employment in the public services are also slightly lower in the East Midlands than the average for the UK. Moreover, employment in these sectors is even lower in the Derbyshire area.

Employment growth in the East Midlands region is forecast to average 0.3 per cent per annum between 2004-09 before dipping slightly to 0.2 per cent per annum for the period 2009-14. Significant employment growth is expected in six sectors in the East Midlands region: business services and other services, education, communications, hotels and catering, and transport. Modest employment growth is also expected in other manufacturing sectors, metals, and rubber and plastics. In the region, levels of employment are expected to fall in the engineering, retailing, construction, textiles and clothing sectors. Slowest employment growth is forecast for the north west of the region, which incorporates Derbyshire. Private service-sector job creation is expected to be more limited in the Derbyshire area, with significant job creation forecast for only the business services, other services, and communications sectors. Employment losses in Derbyshire are forecast in the important manufacturing sectors of transport equipment, minerals and textiles and clothing. Active labour market policy in the Derbyshire area needs to take these likely changes to the employment base into account. Local policy actors suggest the need

⁴ Defined as aged 16-59 (for women) and 16-64 (for men).

to provide a stimulus for demand and retraining of those at risk from continued economic restructuring.

3.5 Operational contexts

Just as these areas were selected to provide a high level of variety in the labour market contexts, so too they provide different operational contexts, most especially so in respect of the organisational responsibility for delivering the ND25plus (in one and a half of the areas, there was a private sector lead), and the implementation of other pilots, notably the IBR Pilot, in Essex and Derbyshire.

3.5.1 Private sector-led areas

Leicestershire

New Deal in Leicestershire is private-sector led. Pelcombe Training Ltd used to deliver ND25plus in Leicestershire, until Fern Training and Development won the contract in 2002.

Fern was established in 1991 and specialises in the training and support of unemployed and disadvantaged people. The company's head office is in Derby and it has offices in 13 locations across the country, delivering 30 different programmes including New Deal, and employing over 300 staff.

In Leicestershire, Jobcentre Plus advisers do the initial interview with 50plus customers and do the random assignment element of the IAP 50plus Pilot; the customer is then referred to Fern who deliver the Gateway and IAP. Fern are paid start fees and job entry fees. Fern then have sub-contractors who provide elements of IAP. These sub-contractors are managed by Fern. Fern delivers the Gateway itself, and has a support service for those who need specific help with housing/financial issues etc. For the IAP, most customers are referred to work experience, after seeing Fern's placement officer to talk about their options. Work experience placements are mainly with charitable organisations: for example, furniture recycling and baby gear refurbishment. Ross Walk Training are part of Fern and deliver Work-Based Learning for Adults (WBLA) and Entry to Employment (E2E), as well as soft and hard skills training for New Deal customers.

Essex

The Essex District used to be two separate districts, and although it is now amalgamated, there remain some important differences in how ND25plus is being implemented.

- In the north of the county (roughly north of the A12) there is a private sector-led arrangement, with much of the programme being delivered by SEETEC; while in the south, the programme is wholly delivered by Jobcentre Plus.
- Both parts of the region, however, are also piloting the IB pilots.

There are four offices in the north and eight in the south.

North Essex

The north accounts for about 40 per cent of New Deal activity across the county, and there are four Jobcentres: in Chelmsford, Colchester, Clacton and Braintree. The private sector lead is SEETEC, and they have delivered the entire programme in the north since 1998. In practice, Jobcentre Plus shares some of the Gateway responsibilities with them. They both provide a Personal Adviser (PA) to the Gateway client and the client usually sees both. Jobcentre Plus does enrolment, administration, etc., and is also responsible for discipline and sanctions, plus the administrative aspects of the random assignment. SEETEC advisers, who are also based in the jobcentres, concentrate more on assessment, advice, personal support, jobsearch and broking.

SEETEC also provide the IAP, although they also sub-contract aspects of provision to more specialist support, eg self-employment advice, work experience, etc.

3.5.2 Jobcentre Plus-led areas

South Essex

As noted above, in the southern half of Essex, the New Deal is delivered by Jobcentre Plus. There are eight Jobcentres in the south: Southend, Basildon, Grays, Harlow, Loughton, Canvey Island, Rayleigh and Brentwood. Here, Jobcentre Plus delivers an integrated Gateway, which usually lasts for no more than 12 weeks. This involves the standard weekly caseload interviews, supplemented by work tasters and access to IT training, basic skills training, etc. There is additional provision of counselling for special problems, such as debt, mental health, drugs, alcohol dependency, etc. Some of this can continue during IAP.

IAP is delivered through separate sub-contracts with a number of providers. One of the most important here is SEETEC, who are the PSL contractor for the whole programme in the north of the region.

Derbyshire

The New Deal Gateway is delivered wholly by Jobcentre Plus in Derbyshire. All customers see a Jobcentre Plus NDPA during the Gateway period and are then referred to an IAP sub-contracted provider for the IAP phase.

IAP provision is broadly split into two categories: for customers with basic skills needs there is Basic Employability Training (BET) which runs for 26 weeks. For all other customers, there is usually a period of work experience organised again by a sub-contracted provider. This provision runs for 13 weeks and would normally incorporate help with jobsearch, preparing CVs, etc. Many work placements in the Derbyshire area are within the voluntary and charity sectors. No specialist provision has been introduced for the 50plus age group; indeed, IAP provision remains the same as before the introduction of the pilot.

IAP provision in Derbyshire is procured at the District Office level and is much pared down compared to previous years. There is no funding for external (additional) provision in the Gateway period at all and the choice of IAP providers is also very limited.

Customers going through the IAP, who do not secure a job and who return to JSA, will come back to a Jobcentre Plus NDPA for follow-through.

Hampshire

The New Deal in Hampshire is also led by Jobcentre Plus and operates on a similar model to Derbyshire. Customers see Jobcentre Plus NDPAs during the Gateway and follow-through phases of the ND25plus programme and are referred to external providers for the IAP phase.

In the first year of the IAP pilot, there was much more externally-funded provision available during the Gateway period in Hampshire. This incorporated an intensive week-long course to identify job goals, boost confidence and motivation, provide information on other provision and the IAP, and to give in-work benefits advice, etc. Customers with multiple barriers to work could also be referred to a Job Mentor during the Gateway period, who assisted with and/or referred people on to other agencies to help with, for example, drug and alcohol problems, housing issues etc. Gateway customers were also encouraged to use the (sub-contracted) Programme Centre to assist with their jobsearch. Budgetary cuts have subsequently reduced this provision to very basic Gateway services (mainly NDPAs), although the additional services were reputedly very effective and beneficial.

IAP provision in the county consists mainly of a 26-week long BET course for customers with basic skills needs. Alternatively, customers may be referred to another provider for a 13-week work placement. This provision incorporates jobsearch activities, team building activities, identifying job goal sessions, and also confidence boosting and motivational sessions.

Once more, IAP provision is procured by District Office, in consultation with local office staff. No specialist IAP provision is being funded for the over-50 customer group.

3.5.3 Incapacity Benefit Reform pilots in Essex and Derbyshire

The 'Pathways to Work' Green Paper (November 2002) set out proposals to test a range of measures to help more people on IB realise their aspirations of a return to work. Many of these measures are currently being implemented as pilots in seven Jobcentre Plus areas from October 2003, or in some cases, April 2004. Two of these are Essex and Derbyshire.

The key changes which these pilots have introduced are:

- mandatory and frequent Work Focused Interviews for IB recipients;
- an early Personal Capability Assessment (PCA) and Capability Report to clarify what work, if any, the recipient might do;

- improved integration, with relevant JSA New Deals for IB clients having to move to JSA because their condition does not meet PCA threshold for IB entitlement.

Previous experience with a mandatory IAP for New Deal customers aged 50 and over showed that it produced increased flows into employment, but also a flow into inactivity, as individuals moved off JSA and, in some cases, started to claim IB or a related benefit.

Thus, in terms of the inter-relationship between the two pilots, our staff respondents were anticipating two kinds of effect to develop.

Effect on New Deal inflows

On the one hand, New Deal staff were expecting to receive an increased volume of referrals from IB claimants and/or recipients whose PCA had judged them capable of work, and whose spell since they last worked made them eligible for the New Deal. They further expected that a substantial proportion of them would be in the older age ranges, and some of them would be 50 or more and so potentially fall within the ambit of the IAP50plus Pilot.

However, in order to avoid complexity and contamination of the two evaluations, the random assignment process is not being applied to this group, although they do have voluntary access to the IAP. Thus, although some of the staff interviewed had some experience of dealing with these clients at the Gateway stage, they did not figure among our customer interviewees.

The numbers involved here were extremely small, and furthermore they were spread across several advisers, with the result that any one of them was only likely to have dealt with one such case, or at most two. It may, therefore, be premature to come to any conclusions about this group, but two common themes in these interviews were that:

- such incomers from IB frequently took a considerable time before they would accept the result of their PCA, and come to regard themselves as capable of some kind of work. They were, therefore, extremely cautious about the kind of work that might be suitable, and the kind of working environment (eg travel, hours, etc.) with which they felt able to cope;
- New Deal advisers felt themselves rather awkwardly placed in dealing with these customers' remaining concerns about their health, because they were relatively inexperienced in dealing with this client group, and lacked professional medical competence.

Thus, it seemed likely that such customers might well be favoured by a relatively long Gateway regime, designed to get them to accept and internalise their working capacity. Work experience, designed to confirm that they could cope, was sometimes mentioned as a useful adjunct to such a development.

Effect on New Deal outflows

The new regime facing existing New Deal customers who were seeking to travel in the opposite direction (ie to leave the New Deal and sign on for IB) was also expected to become more difficult for those without a genuine and incapacitating condition, because of the earlier PCA entailed in claiming IB, and because of the enhanced work-focus of the IB regime itself. However, advisers also felt that the arrangements whereby individuals who tried and failed to make this move would find themselves at exactly the same stage of New Deal as they left from, would also prove to be an effective constraint on such moves, ie in effect, it would reduce the scope for individuals who simply wanted to delay and spin things out.

In June 2005, we found that:

'It seems to be very early days yet in deciding whether or not the IBR Pilot is having this constraining effect on moves off JSA/ND, and more particularly for our purposes, moves off ND designed to avoid taking part in IAP.'

This situation had not changed significantly for the second wave of interviews, although here we made a deliberate effort to identify possible interviewees who had moved between JSA and IB. Our staff respondents, even in early 2006, had still dealt with relatively few cases, and although there had been a very small number of customer respondents who had tried to make this move, they did seem to be connected with genuine changes in people's circumstances. For example, one man had been undergoing HGV training under IAP, when a medical test uncovered a potentially serious heart condition, which caused him to be withdrawn from the training on safety grounds. Another case involved a woman whose mother's health had deteriorated significantly, causing her to drop out of IAP and claim Carers' Allowance.

Our staff respondents felt that although some customers were always prone to 'work the system', and tended to know the rules to help them do so, most customers did neither; and in particular, they took a long time to understand and come to terms with quite complex changes in eligibility rules and regulations. They therefore felt that it would take a considerable time for any kind of 'demonstration' effect to develop; that is to say, few Action Group customers had signed off, or were likely to sign off, JSA and be bounced back by the new IB regulations. Consequently, it was likely to take much longer for awareness to build up among the customer group.

3.5.4 Pilot implementation

While there have been differences both within and between the four areas in the ways in which the programme itself has been delivered, these have tended to be variations on a theme, rather than substantively different procedures and processes. There appear to have been two important reasons behind this consistency:

- budgeting for the pilots; and
- modest local discretion in implementing the pilots.

The budgets for the IAP50plus Pilots were consolidated within the overall New Deal budgets in the areas concerned, and do not appear to have been explicitly ring-fenced. Thus, while any additional IAP places produced by the pilots would have been funded, there does not seem to have been any additional resource for extra advisers or any specialist provision for the pilot, whether delivered by Jobcentre Plus or PSL. So distant was this funding from the staff delivering the pilots that we were repeatedly told by them that there were no extra funds or budgets to support the pilots, and that both the random assignment element and Gateway provision for those Action Group customers who were mandated to it, had been resourced out of the existing budgets. Perhaps as a result, and bearing in mind the relatively modest customer numbers involved, the pilots have been widely perceived locally as no more than simple 'add-ons' to existing procedures and processes. At the same time, as will be discussed later, virtually none of the staff interviewed thought that older ND25plus customers really needed anything beyond the standard range of support which the programme offered. It is not clear quite which of these (no evident funding for anything extra/different and staff confidence in the appropriateness of the existing offer) was the dominant factor, but their combination had undoubtedly worked to ensure that the procedures and provision experienced by Action Group entrants to IAP was much the same from place to place, and did not vary greatly on account of their age vis-a-vis younger customers.

It is important to note at this stage that the requirement to fund the pilots in this way had not caused any resourcing problems, as the level of customers going through had been low (and anyway lower than expected), so it has not significantly added to the workload of individual PAs or other staff.

The design of the pilot has not allowed either for significant discretion or managerial inputs at area level. Although there are nominated Pilot Managers in all the areas, their role has been relatively modest, and has centred mainly on rolling out the random assignment procedures and providing management information (MI) for central review. This lack of discretion at local level is clearly an important contributor to the reliability of the evaluation, since there can be a reasonable assurance that there will be relatively little variety in arrangements from one area to the next. Although an intention at the design level does not necessarily translate into an achievement at the implementation level, in this case, it seems to have done so. There has been little intention or means of achieving any autonomy at site level, and in practice, despite the organisational and labour market differences which we have discussed already, there has been considerable consistency between the four areas covered here so far as implementation of the pilot's procedures and provisions are concerned.

Personal Advisers have received some training about the random assignment, which is the only new process the pilot has introduced. As the desktop tool for random assignment did not work, advisers have been telephoning the Pilot Team in Sheffield to implement the random assignment of eligible individuals. On the whole this seems to have worked well, although there are a few instances when advisers had

been unable to get through to someone in Sheffield, when those in Sheffield have been busy (random assignment is discussed in more detail in Chapter 4). The training about random assignment in Essex was described as useful as it had also covered how to tackle objections that customers might have to taking part, as well as an overview of the pilot.

Other than random assignment, advisers have simply dealt with 50plus customers as before, except that they are discussing IAP with 50plus customers as part of the Gateway, and (slightly) more 50plus customers will be going on to do IAP. In the main, there is a perceived need for additional training for advisers to administer the pilot. However, some advisers said it would have been good to have had training on how to market the 50 plus age group to employers; others wanted more help in how to encourage older customers and motivate them to want to work; and still others emphasised the importance of advisers understanding the Working Tax Credit to use as an incentive and to make 50plus customers aware of the financial benefits of part-time work.

In summary, the pilot was successfully rolled out with few implementation difficulties, and this has translated subsequently into a relatively stress-free delivery using largely tried and tested procedures implemented by experienced staff. By exception, there have been some administrative weaknesses when customers passed from one organisation to another. For example, in Leicestershire, it was not always clear to advisers at the PSL contractor whether a customer had been assigned to the action or Control Group when they were referred from Jobcentre Plus. In these cases, advisers were telephoning Jobcentre Plus staff to check. Similarly, in Essex, there were concerns that data arising from individual assessments was not fully passed on to different providers as customers moved through the programme but this is not something unique to the pilots, and is often found where worries about data protection requirements overlay delivery through different providers. However, these were seen as minor difficulties only. It should be noted that because managers locally have received little data about the customers going through the pilot, they have not had as much insight about delivery as might be expected in a programme which gave them more local responsibility and autonomy.

How the pilot has been implemented at a district and local level, the experience of advisers and providers in implementing the pilot, and random assignment, are discussed more fully in Chapter 4.

4 Delivery mechanisms

This chapter looks at how the Intensive Activity Period 50plus (IAP50plus) pilots have been implemented and organised. It looks firstly at how the pilots were introduced at a district level and then how they were organised at the level of the local office. The chapter explores the background and skills of Personal Advisers (PAs) and providers, and establishes the impact of the IAP50plus pilots on their working practices. The chapter also considers the use of the random assignment tool and views on the random assignment process.

4.1 Jobcentre and private sector-led organisation

4.1.1 Implementation at district level

In each pilot area, a co-ordinator was nominated at Jobcentre Plus district level to introduce and implement the IAP50plus pilot in local offices. Interviews were carried out with these co-ordinators early on in the research process, and in some cases again in the second wave of the research, to examine how the pilot was received and organised within each area. Interviews were also conducted with private sector-led (PSL) managers about their experience of pilot implementation, in Essex and Leicestershire.

In every case, there appears to have been minimal disruption to normal New Deal practices. The pilot has essentially been 'no big deal'. One co-ordinator said that the pilot was not high profile; it had resulted in 'not even a ripple'. In some areas, co-ordinators were told that their area was taking part in the pilot and no explanation for their selection was particularly forthcoming from the national level, although in others, the district had positively sought to take part. This has not been at all problematic – clearly, districts are used to implementing new programmes and this was just another one to bring on stream.

District co-ordinators tended to give presentations to the Jobcentre Plus district management team and/or hold training sessions with local office PA Managers at which they went through the main elements of the pilot, namely:

- the random assignment tool;
- the allocation of customers into the control or action groups; and
- the mandatory IAP for Action Group customers and subsequent follow-through.

In Leicestershire and north Essex, meetings were also held with the PSL managers in order to explain the key elements of the pilot, and to discuss with them the implications of the changes.

Whilst some procedural training was given at district level, primarily on the use of the random assignment tool, in most cases the co-ordinators' role was to raise awareness of the pilot in the district and provide marketing materials or newsletters for other staff to notify them of the new procedures. It was then the responsibility of local office PA Managers or PSL managers to determine the implementation process within their own offices.

4.1.2 Implementation at local level

As we have seen in Chapter 3, two of the areas (Derbyshire and Hampshire) deliver the New Deal wholly through Jobcentre Plus (Delivery Model 1). In Leicestershire, all New Deals are delivered by a private sector lead company (Delivery Model 2), whilst in Essex, New Deal delivery is a hybrid of the two (Delivery Model 3): in the northern part of the county, the New Deal is delivered by a PSL company and in the south by Jobcentre Plus.

Although these three models operate in somewhat different ways, all areas confirmed that the introduction of the pilot did not require any additional resourcing, either in terms of additional PAs for the Gateway, nor additional Gateway or IAP provision for the customer group. The main rationale for this decision was that the numbers likely to be coming through to the IAP stage, even with mandation, were too low to make a noticeable difference to 'demand'. An additional rationale was that customers aged 50 and over were seen as little different from younger customers on the New Deal 25plus, with similar barriers to work (with the exception of the additional barriers of age and employer ageism). Several interviewees commented that the needs and labour market barriers of a 55 year old were very similar to those of a 45 year old customer who would have ordinarily gone through the IAP. It was, therefore, reported that provision did not to be specially developed or tailored for this age group, and any additional customers mandated to take part in IAP could, therefore, continue to use provision developed for the 25plus age group as a whole.

Staff working with the 50plus age group (in Jobcentre Plus offices, PSL offices or provider sites) had not received any specialist training to help them with this group of customers. Again, there was a widespread assumption in the pilot sites that existing PA and provider skills and expertise would cope adequately. As discussed in Section 4.2, many advisers working on the pilot had experience with working with customers from a range of age groups, and it was not seen as necessary to have staff

on the pilot who had specialised with working with 50plus customers before, nor was it seen as necessary to have specialist training in working with the older customer group.

4.1.3 Monitoring the pilots

District co-ordinators have had little further contact with colleagues in the field with regard to the IAP50plus pilots. Once they had hosted the initial 'training' and awareness raising events, they stepped back to allow local offices to implement the pilot. Our interviews with district staff found that few were engaging in any real sense with local offices about pilot performance, and there was no systematic local monitoring of performance against targets or profile, although districts were collating key management information (MI). Again, this approach appears to relate to the fact that the pilot is not high profile, is low volume and does not make any demands on additional (and scarce) resources. From a district point of view, it is clear that they have largely adopted a hands-off role. Some co-ordinators were quite content with this ('one less job for me to do'). However, in other areas, particularly those with a PSL contractor, district coordinators have retained a more 'hands-on' role, and discussed monitoring data with the contractor during regular meetings to discuss the broader performance of New Deal contracts.

4.1.4 Exchange of information and expertise

Within districts, there is little, if any, evidence of local offices systematically sharing good practice with specific regard to the 50plus customer group, or indeed the pilot per se. Having said this, most Jobcentre Plus PA Managers, and in some cases PAs themselves, get together regularly across districts for more general meetings (eg keep-in-touch meetings or KITs) which provide a forum for exchanging intelligence, good practice and general feedback, eg on provider performance, etc. Although no examples were forthcoming about the pilot customer group, there is a mechanism, at least in Jobcentre Plus areas, to share this type of information as and when the need/opportunity arises.

In a similar vein, there appears to have been no exchange of expertise or good practice across areas or districts about the IAP50plus pilot since implementation. Once more, this is most likely because of the low visibility and low impact of the pilot more generally, and the fact that staff perceive no real change to their practices. With the exception of a (relative) few customers going through to the IAP stage, nothing has changed in terms of (Gateway) delivery or organisation in any of the pilot areas.

4.2 The advisers

During the research, a number of PAs and Team Leaders and their PSL counterparts were interviewed. In this section we report on the background of these advisers, their knowledge of the IAP50plus client group, and determine whether there were any specific changes in their working practices as a result of the pilot.

4.2.1 Background

In the main, PAs and their equivalents in PSL organisations had been working on the New Deal for a fair period of time. With the exception of a small handful of PAs who had been in post for less than two years, the remainder of staff interviewed were fairly evenly split between those with two to five years of advisory experience, and those with five or more years. Many had had long careers in Jobcentre Plus and its predecessor organisations (the Benefits Agency and Employment Service), whilst there had also been movement for some advisers between PSL/provider organisations and Jobcentre Plus.

Many PAs had worked in the Department for many years, with some working their way up through Jobcentre Plus from more administrative or junior posts (such as New Deal receptionists) and subsequently being promoted to PA level, whilst others had come from different backgrounds within the Department, both outside jobcentres (such as benefit claims and fraud) and inside jobcentres (such as restart interviewers). A few had been externally recruited, normally from jobs with a customer focus, eg the banking sector. Essentially, the PA stock was an experienced one, with a lengthy history of working with the customer group and the New Deal generally (some of whom had worked on New Deal programmes since their beginning in 1997/98). Almost all advisers had been working on the ND25plus for two or more years, and many had experience of the New Deal 18-24, New Deal 50plus, New Deal for Lone Parents or New Deal for Disabled People.

4.2.2 Knowledge of customer group

PA confidence of working with an older customer group was generally high. In the main, advisers and team leaders (and their PSL counterparts) thought that older customers faced similar barriers to employment as younger customers. Some did think that age discrimination was a possibility, although few had any hard evidence of employers behaving in this way. This was in distinct contrast with the views of customers, who generally felt that such discrimination was widespread, as discussed in Chapter 5. Advisers generally seemed confident in their knowledge and experience of working with the 50plus customer group but did not consider that they required any specialist skills or training to help them to deal with this group over any other, with the exception of having a good understanding of the Working Tax Credit to explain the financial incentives available to 50plus customers to move into work. Few had large amounts of experience of working with 50plus customers; although in a few cases staff had worked on New Deal 50plus, most had dealt with small numbers of 50plus customers as part of ND25plus.

A few advisers commented on the importance of having some advisory staff working with this age group who were themselves aged 50plus, so that customers are better able to relate to them and their experiences, and so that Jobcentre Plus and its contractors can show that they 'practice what they preach'. For example:

'Quite a few are 50pluses and I feel I can level with them because [I'm] the same age group, [I'm] often older than a lot of them.'

Interviewer: *'DO YOU THINK THAT HELPS? THAT IT'S IMPORTANT TO THEM?'*

'Yes, because when they sit there putting all the barriers up and I say, "sorry, excuse me, I was made redundant at 55, I learnt to drive, I changed my career and have been here five years now, very successfully, so there's nothing you can't do." I'm nearly 61, I'm still doing NVQs, I've just passed NVQs, I'm still studying, it's not a barrier, there's no such thing as a barrier.'

(Leicestershire, staff)

'The 50plus say "I can't get a job because I'm over 50", having an adviser over 50 as well does sometimes take the sting out of it.'

(Hampshire, staff)

One adviser, although aged under 50 himself, felt that his experience of having been through ND25plus as a customer was useful in relating to ND25plus customers:

'It's something that I use all the time. In some ways, it gives me licence to say things to them that maybe I would otherwise not be able to say, and I quite often use my experience as an example. Obviously, I point out that I can only speak for myself, I can't speak for anybody else but for me; certainly, it was the placement that was the important part of the process.'

(Leicestershire, staff)

4.2.3 Changes to practice

In keeping with the findings above, there was no evidence of any significant changes to PA practices in any of the pilot sites following the introduction of the pilot. In terms of internal local office organisation, PAs continued to work on the New Deal under normal delivery and caseloading arrangements and we observed no examples where particular PAs had begun to specialise in the over 50s customer group as a result of the pilot. Perhaps not surprisingly, given the change was specific to the IAP phase of the New Deal, local office Gateway organisation continued 'as normal'.

The only real difference to the way in which staff worked with 50plus customers is during the initial Gateway interview to explain the existence of the pilot and how people are allocated to the Action Group, ie the random assignment, and then to go through the random assignment process itself. Advisers have always offered 50plus customers the option of taking part in the IAP and now they just have to explain the compulsion element of the pilot.

Advisers were also working with customers who are in the Action Group to determine the best option for them in the IAP and to decide on the correct time or stage at which to enter it. In reality, as discussed in Chapter 7, the options for customers were fairly limited in all of the areas we have visited. In many ways, the choice comes down to whether customers require help with basic skills, in which

case Basic Employability Training (BET) was usually the most appropriate option, or if there were no basic skills needs, they were usually offered an alternative work experience placement. Vocational training is an option for some 50plus customers although the numbers seem to be very small. Essentially, there are two or three 'different' options in the IAP and a similar number of providers delivering these options. Thus, the additional workload for PAs, with regard to determining the best option for individual customers, has been minimal. In some areas, placement advisers did this work with the customer to find suitable work experience or a work placement for them in the IAP stage.

Once customers have moved into the IAP, and PAs have completed the necessary paperwork, in most cases they do not see them again until they come back to the follow-through stage, ie if they have not secured employment or left the register for other reasons, for example to claim other benefits, etc. In some cases, advisers would visit their customers at IAP providers' locations, whilst in other cases this responsibility was given to another member of staff who was not necessarily the customer's Gateway adviser. Where customers do continue to follow-through, in some areas they see the same adviser as they saw on Gateway, whereas in other areas, such as Leicestershire, the process is more segmented. One adviser commented that this division of phases on ND25plus amongst different staff members in Leicestershire seemed less than ideal as, being a PSL area, this meant that a customer going through the whole process could end up dealing with five different people. This would include the Jobcentre Plus adviser who conducts the first interview and explains the random assignment process, and, at the contractor, the Gateway adviser, placement adviser, staff visiting the provider, and a follow-through adviser.

4.3 Providers and provision

4.3.1 Provider organisations

As part of the research, a number of providers were interviewed who provided Gateway or IAP provision for ND25plus, either for Jobcentre Plus, or for PSL contractors in Leicestershire and Essex. These providers were mainly voluntary sector organisations, although Business Link and a few private-sector providers were also interviewed. As well as providing elements of Gateway and/or IAP for ND25plus, most of these providers often also provided options for New Deal 18-24, as well as Entry to Employment (E2E) and Work-Based Learning for Adults (WBLA). As part of their business, some providers also provided Youth Apprenticeships, Gateway to Employment, and ran provision funded through European Social Fund, New Deal for Communities and Connexions.

These providers provide a number of services for ND25plus. The main one of these was organising or providing work experience or work placements. These included work experience in computer recycling, administration, forestry, painting and decorating, brick-laying, and in catalogue return shops. Some providers also provided training including HGV driving, fork-lift truck driving, European Computer

Driving License (ECDL), Skills for Life, health and safety awareness, and equality and diversity awareness. Others provided jobsearch, help with self-employment, and motivational training, whilst most providers were able to refer customers to other organisations for more specialist help to tackle barriers such as drugs and alcohol. More detail about the provision in the Gateway and IAP, and views on this provision, are discussed in Chapters 6 and 7.

4.3.2 Changes in provision

Provision in the IAP does not appear to have changed at all as a result of the 50plus pilot. No areas/District Offices have reported that they have contracted for any specialist or new provision because of the pilot, ie to meet any specific needs of the client group or in order to deal with greater volumes of 50plus customers coming through. Once more, it appears to have been 'business as usual', with IAP referrals going to existing providers who are funded under normal contractual arrangements, ie mainly on-programme funding models with provider contracts of one to three years' duration.

Providers themselves have not reported any special treatment for the 50plus group as a result of the pilot either. In fact, one provider was not even aware that there was a pilot taking place. Most providers said that they had experience of working with the 50plus customer group, and none believed they presented any specific issues or problems that required separate attention. Moreover, Action Group customers were taking part in the IAP with other ND25plus customers across a broad range of ages, which was considered by providers to be perfectly normal and appropriate. The volume of 50plus referrals onto the IAP was very low and providers reported no problems meeting any additional demand.

The major change reported by providers and staff since the start of the IAP 50plus pilot has been the cutbacks in provision due to budgetary constraints within Jobcentre Plus. In Derbyshire, provision had been reduced sharply in April 2005, so that the only available options for customers on the IAP were BET and work experience. A range of provision that used to be available had now been cut, including programme centres and basic competency training that used to be offered as part of Gateway, as well as mentoring and motivational support. Provision was described as having been 'pared to the bone'. One staff member described the situation:

'We haven't got as much provision because the budget has been tight. It is becoming quite frustrating and difficult to be able to move people on at the moment.'

(Derbyshire, staff)

In Essex, funding cuts meant that there was no jobsearch provision to refer customers to, and some staff felt that there was a lack of training and/or that the training they could offer was not always appropriate. For example:

'We've had a lot of cut-backs recently. We used to have more training options; we haven't got them now for computer skills or basic skills'.

(Essex, staff)

In Hampshire, the Gateway to Work course was no longer available, and they had also had to stop the three-day in-depth assessment which had had very positive feedback from customers in the past. They were also no longer able to fund 'Jobs Mate' a one-to-one service to help customers overcome barriers to work, such as alcohol problems, a resource that had been seen as really addressing customer needs and enabling them to get more out of the New Deal process.

One issue mentioned by staff, relating to cutbacks in provision, was the reduction of the Adviser Discretionary Fund (ADF) from £300 to £100 per eligible customer. This was cited as having an impact in helping someone become self-employed as part of IAP. In Derbyshire, the limits on ADF meant that one staff member was sending customers to a charity they had personal links with for financial help. This issue was also brought up in Essex:

'Also, we've had monetary cut backs. Whereas we had the £300 ADF money which could help somebody start up, public liability insurance, equipment, we've only got £100 now which doesn't go anywhere. It's hard to encourage somebody to go self employed. If you've been out of work 18 months you haven't normally got any spare money and we haven't got the funds to say "don't worry, we can help with this". They've cut back in that area.'

(Essex, staff)

4.4 Random assignment

4.4.1 Administering the random assignment tool

When the IAP50plus pilot was first introduced, it was anticipated that advisers would be administering the random assignment tool locally, during the first Gateway interview, using a computer-based system. This did not prove possible and so advisers now have to telephone the national office in Sheffield during this first interview to go through the random assignment process. Most advisers have not found this arrangement too problematic as the information required for the random assignment tool has usually been discussed as part of the Gateway interview, eg qualifications, last job held, etc. However, one adviser said that the random assignment process 'wound up' some customers who did not see why they needed to be asked so many questions, some of which they felt were sensitive, and that some customers needed convincing that their selection had not been dependent on the answers they gave to questions, and had, in fact, been random.

Advisers described staff at national office as efficient and helpful, and many reported having had no problems getting through by telephone. Having said this, a number of advisers had sometimes found it difficult to get through to staff in Sheffield to go through the random assignment process, and had to leave messages

or call back at a later time to do so. Whilst some did not see this as problematic, and reported that their calls were returned straight away, others felt that it was not satisfactory for customers not to be told which group they were in during the interview, after the process had just been explained to them. In these cases, staff had to do the random assignment with national office after the customer interview, and had to wait until their next appointment with the customer to tell them the outcome. For example:

'It's usually an answer machine and you've got the person in front of you and you don't know where to go with your interview. You need to know which group they're going to fall in.'

(Derbyshire, staff)

Some advisers also thought that the time it takes to make the call to Sheffield cuts into valuable interview time, impacting on the time they have with the customer to do jobsearch and to sell Tax Credits as an incentive to move into work. It was also felt that customers had quite a lot of information to take on board during this first interview and that explaining the random assignment tool, its purpose and consequences, in addition to explaining the ND25plus more generally, was often (and understandably) confusing to customers. Advisers reported the need to reassure customers that the assignment is actually random, and said that customers do not understand why they should go through it when others 'don't have to'. For example:

'Before you 'phone them [national office] you have to explain to them [the customer] and I find it a difficult thing to explain, that it's a pilot, the computer is going to select or not select them. Either I lose them completely and they look at me blankly, or else they start getting agitated. Most of the ones I've done don't have to enter the IAP. No one has screamed and shouted; I find it's awkward to explain; they feel they're being picked on.'

(Essex, staff)

There was some confusion amongst advisers about the random assignment process, with some staff not understanding why more than 50 per cent of 50plus customers on their personal caseload had been allocated to the Action Group.

4.4.2 Customer reactions to random assignment

Most advisers reported that customers were often so overloaded with information at the initial interview that many were not unduly concerned about the random assignment or, indeed, any subsequent allocation to the Action Group. The reaction of those who were assigned to the Control Group tended to be one of relief and feeling that they had been 'the lucky ones'. For example:

'There's quite a look of relief on some people's faces when they're in the Control Group.'

(Hampshire, staff)

'They'll say "I don't have to do the placement, I can just go home", and they seem to think that's great – they have the money so they don't have to do the placement. A lot of the time, we do tend to find that people are hostile to the idea of doing the work placement.'

(Leicestershire, staff)

However, advisers reported that those assigned to the Action Group were not that bothered about it, and that there had been fewer complaints than staff had expected. Anticipated difficulties, such as friction caused by customers who have to do IAP being in the same New Deal induction as those who did not have to do IAP, had not transpired. It was suggested that being mandated to do IAP became more of a problem when Action Group customers reached the end of the Gateway and had to move on to IAP. This initial lack of negative reaction to being assigned to the Action Group is shown below:

'The customer doesn't mind. I have not had one who minded – they just take it as part of the process; they just accept it.'

(Hampshire, staff)

When customers were also asked their view of random assignment, there was a lack of widespread negative feeling about it, although some felt that if they had to do IAP, everyone should have to. A few felt strongly that they should not have to do the IAP and that it should be targeted to those it was most likely to help – for example, those without health problems. The process was often described as a lottery, and being in the Action Group was seen by customers as being 'one of the unlucky ones'.

However, as before the pilot, small numbers of 50plus customers were volunteering to take part in IAP, despite having been assigned to the Control Group.

4.4.3 Staff views of random assignment

In broad terms, staff believed that IAP provision was helpful to New Deal customers who had not been successful from the Gateway. They tended, therefore, to support the idea that older people should benefit from IAP in much the same way as other customers did. As we have seen, they also felt that IAP provision was quite suitable for, and likely to be helpful towards, the older customers. Consequently, most of our staff interviewees thought that older customers ought not to be excused IAP, unless there were extenuating circumstances (eg being within weeks of retirement, or in very poor health, etc.).

Partly as a result of this, and notwithstanding the fact that staff both recognised why the random assignment exercise was necessary and were confident that it was indeed being implemented fairly (ie randomly), there was a view amongst some staff that any arrangements that allowed eligible customers not to go through IAP was unfair, or even discriminatory. In effect, they felt that if any customers should be required to take part in IAP, then they all should be. They felt that it was hard to justify to Action Group customers that they had to take part in IAP whilst others did not.

Some advisers suggested that some of their Action Group customers were not suitable to take part in IAP due to health problems and reported that they had hoped that they would be assigned to the Control Group. Other advisers described how it was embarrassing telling ex-professionals that they would have to take part in IAP when the adviser felt that the customer would get nothing out of it.

Staff were not all prepared to use their discretion about submitting individuals to the random assignment process, although some had done so when they felt that individuals were simply not at all suitable IAP material, usually on grounds of health or age.

5 Characteristics of the customer group

One of the main aims of this research has been to ascertain how far, and in what ways, the circumstances, characteristics, and motivations of this group of customers might differ from other groups of New Deal 25plus (ND25plus) customers. This is an important practical consideration because it is precisely the way in which this customer group shares some important characteristics with each other, and not with younger customers, that both differentiates them, and explains a great deal about the ways in which they respond to the New Deal in general, and the mandatory Intensive Activity Period (IAP) in particular.

It is worth drawing particular attention to these specific and differentiating characteristics because, as we have mentioned already, and as we will discuss in more detail in subsequent chapters on the Gateway and the IAP, our staff interviews indicated a fairly uniform belief that the existing Gateway, and more especially, IAP provision, was quite appropriate for this older cohort; ie by implication that their needs from the programme were not significantly different from those of any other customer age group. Nor did we find any evidence to suggest that provision had been changed in any way to reflect the possibly different needs of this older cohort.

In identifying and discussing these key characteristics, we are aware that our interviews were largely conducted with IAP Action Group customers. However, as the selection of these customers was entirely random, it is safe to assume that these typical characteristics are shared also by the Control Group, and would, therefore, be strongly reflected in the entire 50plus cohort who are presently joining the New Deal.

We have clustered our discussion of these characteristics into eight areas, shown below, and this chapter discusses them in turn:

- labour market history;
- skills, experience and expectations;
- age and employer ageism;

- current domestic and financial circumstances;
- motivation and aspiration;
- health;
- transport and travel to work;
- other barriers to work.

5.1 Labour market history

All our respondents came with some, usually a great deal, of accrued labour market experience, which had a strong influence on them, both in objective terms and also subjectively, in terms of their knowledge of the labour market, their expectations of the labour market, and their assessments of their place in it. As their age suggests, the majority of the 50plus customer group were not new to the labour market (unlike some younger 25plus customers who may have never worked) and most had had extended periods of paid employment in the past, however erratic. Many had been on New Deal two or three times since its introduction in June 1998 (then known as the New Deal for Long-term Unemployed People and different in design to the current ND25plus).

Our interviews, both directly with customers, and with the staff working with them, suggested a number of 'clusters' of customer characteristics which were quite marked among the sample, which seemed also to influence the ways in which they regarded and related to the New Deal, and which were mainly based on their past labour market experiences. We have grouped these key defining features of the past labour market experience of customers into a typology of key customer groups, which is discussed below.

5.1.1 Key customer groups

Seven main customer groups emerged from this research. Whilst some customers fell into more than one of these groups, the majority of customers could be defined as primarily belonging to one of the following key groups:

- **Professional/managerial 'downshiffters'**: A key (and problematic) sub-group comprising older people who had either been made redundant from a relatively senior managerial/professional position in the occupational hierarchy, or, in a few cases, had chosen to leave their position, but who were unable to re-enter employment at a comparable level.
- **'Shock redundants'**: A group made up of older people made redundant, often but not exclusively, from non-managerial/professional positions, and often in declining industries. It includes those who have suffered multiple redundancies as company after company closed in an industry that now no longer exists, as well as those made redundant for the first time late in life who are unfamiliar with job-searching skills.

- **‘Career-erratics’**: People who have varied and somewhat broken employment records, often oscillating between bouts of employment and unemployment, and who have always managed (if sometimes with difficulty) to find work, but are now further constrained by advancing age and deteriorating competitiveness in the labour market.
- **Previous Incapacity Benefit (IB) claimants**: These are individuals who have had serious health problems and have been on IB in the past, before moving onto Jobseeker’s Allowance (JSA) because they have been certified fit to work, or have chosen to look for work. It includes some with continuing health problems.
- **‘Late returners’**: This group is made up mainly of older women with extended breaks from employment due to childcare or caring responsibilities, facing problems of low/no/obsolete skills and little familiarity with the current labour market.
- **‘Profound barriers’**: This includes customers with particular barriers to work, other than the more generic ones described above. It includes those with current health problems, substance abuse issues, criminal records, and those who have been recently homeless or who have chaotic lifestyles. It also includes those who have almost no work history at all.
- **‘Deficient demand’ jobseekers**: Some of the sites covered in this research (for example, the Isle of Wight in Hampshire and Coalville in Leicestershire) have had very few vacancies for any jobseekers, and the older jobseekers in them are particularly badly placed to win them competitively. This exacerbates the other labour market barriers respondents have. This group overlaps particularly with the ‘career erratics’ and ‘shock redundant’ groups.

Throughout the rest of this report, customers are most often discussed together as a group where there are no obvious differences in their experiences of New Deal by their labour market history sub-group. However, where obvious differences in experiences of New Deal do exist, for example, in the case of ‘downshifTERS’ versus other groups of customers, these have been drawn out.

The labour market history of each of these groups is discussed in turn below.

5.1.2 Professional/managerial ‘downshifTERS’

Professional/managerial ‘downshifTERS’ were one of the three largest groups of customers, and were characterised by very long and continuous professional/managerial careers in one industry, in some cases with the same company. These careers, of, in most cases, 30 years or more, were in the following industries:

- banking;
- accountancy;
- insurance;
- IT;

- engineering;
- electronics;
- textiles.

These individuals had a wealth of experience and had left high-level positions, often with extensive responsibilities in large (in many cases multinational) companies. Some downshifters had had long periods of working abroad in senior management positions in Europe, the USA, Africa and the Middle East, leading to long gaps in their National Insurance (NI) Contributions.

The careers of downshifters ended in the vast majority of cases, through redundancy. After being made redundant some briefly got other work, and were then either made redundant again, were on temporary contracts, or chose to leave these jobs. Some had set up their own businesses after being made redundant which had not become sustainable. A few customers in this group had not been made redundant. In some cases they had run their own businesses which had eventually gone out of business leaving them out of work, whilst in others they had left their long-term job because they wanted a career change, or because they had returned to the UK after a period working abroad and had not been able to get another job.

Most downshifters had been unemployed for two or three years when interviewed, usually for the first time in their career.

5.1.3 'Shock redundants'

Shock redundants were again one of the three largest groups of customers, and were those made redundant from non-managerial/professional positions, often after long careers in declining industries. Customers in this group had often moved companies in the course of their working life, but the majority had stayed within the same industry. Few had had previous periods of unemployment, or had been unemployed previously only between being made redundant and finding another job within the same industry. Most had been unemployed for two or three years when interviewed, since being made redundant.

A group of shock redundants had worked all of their lives in declining industries, some suffering multiple redundancies as company after company closed. These industries included:

- manufacturing;
- engineering;
- hosiery;
- tailoring;
- mining;
- printing;

- textiles;
- wood carving;
- pressing.

Other shock redundants had been made redundant after working many years in the same occupation in non-declining industries. These included customers who had worked as bus drivers, gardeners, secretaries, labourers, upholsterers, and packers; as well as those who had worked in probation hostels, at electrical and telephone companies, and in one case as an entertainer. Shock redundants had, in common with downshifters, long and continuous work histories, and the difficulty of finding another job now that they were older and now that their former area of work was no longer open to them.

5.1.4 'Career erratics'

Career erratics were also one of the three largest groups of customers, and were characterised by having varied and broken employment records, often oscillating between bouts of employment and unemployment. Their jobs had often been temporary (sometimes found through agencies), casual or seasonal in nature. Where jobs were not temporary or casual, they had ended when these customers were dismissed, were made redundant, or left of their own accord; sometimes due to health problems, and sometimes as they did not like the job they were doing and wanted a change. The majority of these customers had had (sometimes multiple) periods of unemployment in the past when they were between jobs.

Career erratics had careers that were characterised by an 'on and off' nature, with movement from one job into unemployment, and then into another job often unrelated to what they had done before. Some of these individuals had been employed in an extremely varied range of jobs. For example, in one case a customer's work history included: the air force, warehouse work, working at a holiday camp, on a farm, in factories, for a car rental agency, at a petrol station, at a home for the elderly as a handyman, in a garage and at a recycling point. This variety of jobs was not unusual amongst this group, and whilst many had many years of work experience it was not continuous and was made up of a large number of jobs that lasted for a few years each.

Their most recent duration of unemployment was much more varied than within other groups, with some having been out of work when interviewed for only a year or two, whilst others had been out of the labour market for much longer. In the past these customers had always managed (if sometimes with difficulty) to find work, but were now further constrained by advancing age and deteriorating competitiveness in the labour market, especially given the usually unskilled and patchy nature of their previous work experience. What would have been a fairly normal short-term period out of work for these customers in the past was now proving more problematic; one customer commented that in the past '*something has always turned up*', but this was proving not to be the case now he was older.

5.1.5 Previous Incapacity Benefit claimants

The group of previous IB claimants was a much smaller group compared to the downshifters, shock redundants and career erratics. This group had had to give up employment in the past due to health problems and had gone onto IB. They had been employed in a range of sectors before claiming IB, including: security, cleaning, engineering, insurance, hospitality, labouring, building, warehousing, driving, IT and the police force. The health problems that had led to them claiming IB included cancer, a brain tumour, epilepsy, musculoskeletal problems (including slipped discs, neck and shoulder problems), and, in one case, depression. Durations on IB varied from one year, four or five years, to ten, or in a few cases, 20 years. These customers came off IB in most cases because a medical examination had certified them fit for work, often after they had recovered from operations or when conditions such as epilepsy or cancer had not recurred. In a few cases, customers had decided to move onto JSA themselves as they wanted to work.

It should be noted that customers in other groups also had health problems either when interviewed or in the past, and in a few cases stated that they had decided not to claim IB because they wanted to stay in work. Those customers who had claimed IB during or after periods of homelessness are discussed in Section 5.1.7.

5.1.6 'Late returners'

Late returners were also a relatively small group of customers and were characterised by having had extended breaks from employment due to childcare or caring responsibilities. For some of this group, they had stopped work after getting married or after having children, whilst others had extended periods out of the labour market to care for a spouse or parent, often for between five and ten years, and in a few cases for more than ten years. Some of those with childcare responsibilities had returned to the labour market after their children had grown up, only to have to leave it again after a few years due to caring responsibilities.

After caring or childcare responsibilities had ended, this group had either moved directly onto JSA or had initially returned to the labour market for two or three years working in jobs such as cleaning, packing and in a laundry. They had subsequently left these jobs because they had been made redundant, or due to health problems that meant they were not comfortable working full-time. The majority of late returners had been on JSA for around two years when interviewed.

5.1.7 'Profound barriers'

Customers defined as having 'profound barriers' had particular barriers to work other than the more generic issues described previously, and were, again, a relatively small group of customers. Most of them had extensive work histories before a specific issue had led to them giving up work, although one customer in this group had not worked at all for 30 years.

Some of these customers had had to give up work because of health problems, although they had not gone on to claim IB. These individuals had usually only been out of work for a couple of years, and had left jobs such as fork-lift truck drivers, coach drivers, medical secretaries and council workers due to a range of health problems including slipped discs, Irritable Bowel Syndrome and depression. In a few cases customers in the profound barriers group were not fluent in English or lacked basic skills such as being able to write. Although they had worked in the past despite these issues, they were now finding it difficult to find work since their own businesses had gone bust or since they had given up a previous job due to health issues.

Some customers in the profound barriers group had been in prison or had been recently homeless and their durations outside the labour market tended, therefore, to be longer than the couple of years out of work experienced by those with health problems, a lack of basic skills or with English as a Second or Other Language (ESOL)-needs. Those recently out of prison were often living in probation or bail hostels, and some had committed offences that meant that they could not go back to their former occupation (see Section 5.8 for further details). Finding stable accommodation was an issue for these customers in addition to finding work. This also applied to those who had been homeless until fairly recently. In these cases, redundancy, family breakdown and death of close family members had led to homelessness for customers who had previously had long and continuous work histories. These customers had then, in some cases, claimed IB either during or immediately after being homeless, before moving onto JSA when deemed ready for work.

5.1.8 'Deficient demand' jobseekers

This group of customers is made up of those living in areas with very few vacancies for any jobseekers, who also tended to have either patchy work histories or had been made redundant. Those with patchy work histories had, in some cases, been out of work for a long time (ten years or more) and had been on the New Deal a number of times since 1998. They had done a variety of jobs which were usually unskilled, were often manual, and were sometimes temporary, and had also had periods of unemployment between jobs. Living in areas with a lack of jobs meant that they found it harder now they were older to compete against younger workers for these types of unskilled jobs.

Those who had been made redundant had been made redundant from declining industries such as manufacturing, engineering and hosiery, as well as from occupations such as lorry driver and building. Most had been on JSA for five years or less, whilst others had longer durations of unemployment lasting six or seven years, or in one case over ten years. Finding another job after being made redundant was particularly hard for these customers living in areas with a lack of demand.

5.2 Skills, experience and expectations

As might be expected from the different types of clients, the educational/skill levels of customers were extremely varied. Our discussions with staff about the broad characteristics of this customer group often focused on their view that a significant number of customers, particularly those who had been out of work 'off and on' for a long spell, had little or no formal educational/vocational qualifications, with many having specific basic skills needs. Notwithstanding the many exceptions, this generally low level of skill was often reported by our staff interviewees to be a defining characteristic of the group as a whole, predetermining the broad kinds of jobs they were likely to be looking for (and still more so, successful in), indicating the general levels of pay that they might be looking for, and influencing the kinds of training that might be relevant for them.

The monitoring data collected for the random assignment process shows that while there is considerable truth in this generalisation, it is by no means the whole truth, and the client group is in fact much more diverse in this respect than is the entry cohort to the ND25plus in general. These data show that, among customers starting Gateway up to the end of August 2005, more than half (51 per cent) reported not having any formal qualification. Some 11 per cent report having an NVQ at Level 1 or equivalent. Another 21 per cent have GCSEs or an equivalent qualification. Nine per cent of participants passed 'A' levels while 17 per cent hold higher education qualifications. These data generally cut against the received wisdom that older people are generally less well qualified than their younger counterparts.

There are a number of possible explanations for this higher-than-average qualifications quotient among this older cohort of long-term unemployed people, among them employer ageism (in both severance and recruitment practices), the impact of declining health on employment, the increasing obsolescence of skills with age, the likelihood of some informal/subjective early retirement among older individuals, etc; but it was not the purpose of this research to look into them.

The random assignment tool also collected information about the skill level of most recent employment before individuals embarked on their current JSA claim. This shows that only a minority of customers (albeit a large one) used to work in manual occupations (40 per cent). About a third had previously worked as semi-skilled or skilled blue collar workers and eight per cent in office jobs. There is also a high share of former professionals or managers among them, with fully one in five falling into this category.

For the most part, the staff we interviewed took the view that the employability of this customer group was rather lower than their level of qualifications and prior experience suggested, and they gave four main reasons for this:

- **Deterioration:** In common with all age groups, the lengthy and on-going experience of long-term unemployment was held to make skills and experience a somewhat depreciating asset, as potential employers were believed to place more reliance on recent work experience.

- **Obsolescence:** Similarly, it was felt that many of the qualifications of this group had been gained so long ago that they were increasingly irrelevant, and were no longer the valid currency that employers expected. It has to be said that this view was frequently confirmed by many of the customer respondents, who frequently reported a lack of familiarity with, in particular, IT and computing-related skills.

'I never thought I was going to be like that and I don't seem to know an awful lot. I've only done clerical work which wasn't involving computers and that frightens the life out of me. I feel I'm out of the workforce and nearly everything is computers now.'

(Female, 57)

- **Downshifting:** To the extent that many of these individuals had not been able to find work in the more skilled/white-collar occupations which they had previously worked in, they were faced with a need to consider less skilled work for which their previous qualifications were irrelevant and where more generic skills (reliability, honesty, working well with other people, etc.) were more in demand than either formal qualifications or prior experience of something else.
- **Non-recognition by employers:** Several customer respondents clearly felt that they had both the skills and the learning attributes that they felt employers needed, but that employers did not recognise this sufficiently as they were not always expressed in exactly the form (usually formally and recently accredited) that employers were familiar with.

'When I worked for IBM I used to learn a new system every six months. I worked in a manufacturing plant, and I worked in an engineering department, and I used to go round the world and pick up a new system every six months, bring it back to Havant, install it and then I'd be responsible for low level maintenance of it for however long it was in. Then I'd do something else. Learning new systems was never a problem...I went for a job at Portsmouth City Council. It was quite good and I really fancied it but my downfall was they asked me some questions about Outlook - what's Outlook? I had a vague idea and that's their mail server system and that was probably the one thing in the interview that let me down. I didn't get the job.'

(Male, 55)

As a result of different combinations of these factors, many customers from more professional/technical and skilled or semi-skilled manual backgrounds, although technically more highly skilled/qualified, had experienced difficulties in finding work because their once 'sought after' skills were now obsolete and in need of updating. Staff also felt that it was difficult to place these clients as many of them had unrealistic job and wage expectations and were not prepared to consider other lower-skilled/lower-paid jobs.

In those cases where the customers simply did not have any (or the appropriate) skills, staff often reported that this was a more serious barrier for somebody towards the end of their working life than it would have been for someone significantly

younger, as most employers would not be willing to support and train an older worker when they could get a younger employee with the right skills and qualifications. In addition, customers who had come from declining 'traditional' industries where they had worked most of their lives, now found that they have to consider a fairly substantial investment of time, effort and/or money in retraining/reskilling in order to find work.

5.2.1 Retraining

Although most customers either needed to gain or update their skills, many were not greatly interested in doing so. Reasons for their reluctance to retrain included:

- the perception that they were now 'too old' to learn anything new:

'I'm too old to start training – it would be better for the government to spend their money on younger ages groups.'

(Female, 58);

- the fact that they did not have 'long to go' to retirement, and so the enhanced income stream from any new skills would be too truncated to form a reasonable payback for their efforts;
- the unrealistic expectation that they would be able to find work similar to their previous occupation and therefore did not need to retrain, or conversely;
- the fear that even with retraining, employer discrimination against older people would still inhibit their return to work; and
- the belief that the training on offer was too limited and irrelevant – especially when the training related to low-skilled jobs.

These points were sometimes uncritically echoed by one or two members of staff who felt that there was 'no real value' in sending customers close to retirement age on a training course, as they are just biding their time until retirement.

More frequently though, staff members often took the view that the level of training they could offer customers through IAP was simply too limited, especially for those with intermediate and higher level skills, to allow them to regain much of their former skill or earnings level. This perspective was more widely encountered during the Wave 2 interviewing, when the funding of IAP training in Jobcentre Plus-led areas had been significantly reduced. As one adviser put it:

'If we had more funding, I know obviously it is all down to cost, but I think if it's a 13 week provision they can spend about £150 on the customer and £300 for six months roughly. That doesn't get you very far and especially with the over 50s a lot of them are ex-managers and they'll go and find themselves a Microsoft course that they can get certified, but it'll cost like £1,000. If they could do that they probably would get back into quite a good job, but, because there's no funding at all, they can't do it. And £300 they can go and do a ten hour a week course at .. college and get a little qualification like an NVQ which is obviously only going to help a little.'

At the other end of the spectrum, there was a minority of customers who had basic skill needs in literacy and numeracy. For them, recognition was often a problem. As another adviser put it:

'Trying to sell someone basic skills when they're over 50 is difficult "I've managed all these years with my reading not being that good, you can't do it now". A lot of them computer wise don't necessarily want to do computer training, they can't see the relevance to the jobs they're looking for...I'm interviewing 50plus people now who can't read or write and they're having to do literacy and numeracy tests which is daunting to them: they're over 50 and they're thinking...you've got us telling them we have to make a phone call, if it comes back you're going to have to do this training, work placement. It frightens them.'

5.2.2 Jobsearch skills

Some clients had poor jobsearch skills and lacked access to resources such as the internet and newspapers. More widespread, though, was a lack of familiarity with current conventions in recruitment advertising, in selection procedures, in self-presentation, and the whole gamut of procedures and processes which have to be successfully negotiated in order to find work. Although there was great variety, it is quite clear that many of this customer group had extremely outdated ideas about how to look for, find and secure work. In part, this may have simply been a reflection of their age (ie their expectations and ideas about norms had been formed in an earlier time). For some, it was clearly a reflection of the fact that they had not looked for a job in the previous 20 years (either because they held on to one job all that time, or because they were not active in the labour market perhaps because of caring responsibilities). For others, their ongoing unemployment was simply a consequence of their fairly poor jobsearch skills, and nobody up to this point had taken the time to help them much.

5.3 Age and ageism

By definition, all this cohort have reached 50. The cohort, therefore, reflects many of the intrinsic consequences of ageing, in terms of health, for example. But they also frequently reported some extrinsic consequences of age, most vehemently the supposed impact of employer ageism on their chances in the labour market. We discuss these separately.

5.3.1 Age

Although our sample of customer interviewees was somewhat more concentrated among the middle of the age range than among the Action Group as a whole, we nevertheless had sufficient interviews across the age range to inform the research, except that there were fewer aged 59 than we would have wished. An analysis of the random assignment monitoring data also confirms this pattern, with around ten per cent in each year age band, but only six per cent aged 59. The main reason for

this seems to be the reluctance of staff to mandate the very oldest eligible customers into the random assignment procedure, because in some cases they would be 60 before they had even completed the programme. Beyond this, there were no reports of any particular groups whom staff were less, or more, disposed to send into the random assignment procedure.

Staff interviews frequently reported a definite link between proximity to retirement age and motivation to find work. This was confirmed in a number of customer interviews, during which older clients (those closer to retirement age) reported that they felt they were now 'too old' to find work or retrain and were generally less motivated than the younger age groups.

'I feel very nervous, too old. I have one year to go to retire. I feel old compared with people who go to work. They all seem young. I'm worrying about getting a job and selling the house, it's too much. Maybe that is what is pulling me down. If I could concentrate on one thing. Trying to sell a house is a big thing and trying to find somewhere when the time comes. If you sell the house you have to get out. I'm doing everything. Maybe I'm doing too much. I was fine going to work when my partner was alive and I loved my job and now I feel I couldn't go back there.'

(Female, 59)

This customer group often cited health problems or employer ageism as the reason for their lack of motivation. However, many staff members thought that some customers are biding their time before they become eligible for their state pension, and as such, do not really want to enter the labour market, and most particularly so if this entailed taking a job which they felt to be demeaning or beneath them.

'Because, as I say, it's some of the ones which is close back into retirement – But having said that, they've got to play the game. A lot of them, if they're manual workers, may need some IT skills for their own personal use, if nothing else. So those sort of courses - yeah, they go quite nicely. Having said, a lot of them are reluctant to do something like that because they just think, "well, this – okay, next couple of years" – you know?'

(Adviser, Hampshire)

Related to age, a significant number of customers reported having some kind of disability or health problem. These ranged from heart problems (especially recent heart attacks) to diabetes and mental health problems. Most customers reported that these had some kind of impact on their ability to find suitable employment, especially those who were in manual occupations who can no longer do the heavy lifting/physical side of the job.

Age had also influenced their domestic and family circumstances in ways that were often common across the group, eg children off their hands, onset of parental-care worries, mortgages ended or coming to an end, and so on. These are discussed separately below.

5.3.2 Ageism

It is important to distinguish here between customer and staff reports. They are not fundamentally different, but they vary in perceived intensity.

Customer views

Employer ageism was generally felt to be widespread and by far the greatest barrier to finding employment. Virtually all of the customers we spoke to said they had experienced it, although they could very rarely give any concrete examples. All stages of the application process were felt to be tainted with implicit ageism, although it was felt that employers would not openly admit it.

'They don't actually come out and say it, but I know that they think I'm too old for the job.'

(Male, 54)

However, this was not always viewed so negatively by the customers concerned:

'I think age comes into it as well. One firm were quite frank. This job delivering double glazing units was a heavy job and at your time of life I don't think it will be suitable. I didn't class that as discriminatory I thought that was being very upfront and he was quite right, it wouldn't have been suitable for me.'

(Male, 59)

Most customers could give one or two reasons as to why employers were less likely to take on older workers:

- Some customers felt that employers might feel threatened and uncomfortable employing an older, and perhaps more experienced, person beneath them.
- Others, especially those from more manual backgrounds, felt that employers would automatically dismiss taking them on because they assumed that they would be unable to deal with physically demanding work.
- Many also felt that employers assumed that they would get more 'work time' (ie number of years) out of a younger employee than they would an older employee.

Some customers felt that ageism was more prevalent in certain sectors such as the building trade and the more professional trades (finance, IT). Indeed, two or three older female customers who were looking for work (or who had worked) in the cleaning industry reported that they had not personally encountered any age discrimination, although they felt that it did exist.

Generally, most customers felt that employers' views on older workers were 'wrong' and 'unfounded', although a small minority, those who had had experience of employing people themselves, believed these views were understandable:

'I'm a realist...I've been on the other side of the fence. I realise that if you work for a large company and you get a load of CVs or application forms and you have to reduce the pile, you have to reject people on some grounds, and I think that if you're over a certain age then you're out.'

(Male, 52)

Staff views

Jobcentre Plus staff felt that ageism might be one factor why this group of customers could not find work, especially for the much older client. They generally reported that if customers were only one or two years away from State Pension Age, the likelihood of finding an employer who would hire them would be small if not non-existent. However, they felt that there were other factors that were equally important, such as attitude, skills and health issues, etc. Many staff members mentioned that customers sometimes cited ageism in order to ignore these other, more fundamental, reasons for their continued unemployment.

In addition, most staff members could give examples of at least one or two local employers who would be willing to take on older workers (such as B&Q, Ikea, etc.). However, they also admitted that that did limit the employment choices this customer group has. As one New Deal Personal Adviser (NDPA) put it:

'Some employers are sympathetic towards older age groups, but not every 50plus client wants to work for B&Q.'

Staff interviews also confirmed that however real or properly calibrated were customers' views about the incidence of ageism, it was something which reached broadly across the cohort and had a serious and sometimes quite profound impact on motivation, self-confidence, and commitment to look for work.

5.4 Current financial/domestic circumstances

The random assignment monitoring data show that some 28 per cent of Action Group entrants were married or living with a partner; the rest were living alone (single, divorced or widowed). Among the former, about one in ten had a partner who was working.

The current financial and domestic circumstances of customers whom we interviewed were extremely varied. At one end of the spectrum there were those living alone who were wholly reliant on income from benefits, through to those with a working spouse and several alternative sources of income, signing on for NI credits only. The main financial and domestic characteristics that seemed to separate this age group from ND25plus participants as a whole were two-fold:

- Firstly, there may be no pressing financial need to find work because they may:
 - have a partial pension or occupational pension that they are already receiving;
 - have savings, or a lump sum received as part of a redundancy package;

- have a working spouse;
 - be signing on for NI Credits only;
 - have ended or be coming to the end of financial responsibility for children;
 - have paid off a mortgage;
 - be close to retirement age and will soon be in receipt of state and/or private pension.
- Secondly, there may be domestic circumstances that mean the customer is not fully available for work because they may have:
 - caring responsibilities for elderly relatives, such as parents, or may be caring for a sick or disabled spouse;
 - health concerns that may or may not be linked to age (these are discussed separately below).

However, in some other cases, it was clearly appreciated by customer respondents that they were coming to the end of their working lives with perhaps few financial resources, modest or no savings, and relatively poor anticipated pension incomes. For them, continuity of employment in later life was seen as an important shield against poverty in old age. It must be said though that for many of them, their present lack of employment had significantly shrunk the protection that such a shield might have afforded them.

5.5 Motivation and aspirations

Partly as a consequence of their different financial and domestic circumstances, and partly in view of different assessments of their prospects in the labour market based on their past experiences, motivation to find employment was also varied amongst customers. We discuss these differences here in terms of the 'clusters' of customers described above, but first we set out the way in which staff typically experienced and reported these customers' motivation and aspirations.

5.5.1 The views of staff

Being motivated, and having realistic aspirations, were widely regarded by staff as key factors in determining outcomes on New Deal. One member of staff remarked that you could tell at the first New Deal interview who is motivated and will succeed, although it was, of course, possible to work with those who were demotivated to build their motivation. Staff felt that motivation could be negatively affected when customers repeatedly got no response from employers having applied for jobs, when they were not much financially better off in work due to their personal circumstances, and when they had mental health issues.

There were a number of groups who staff felt were particularly likely to have low levels of motivation. These included those:

- already doing undeclared work;
- who had been unemployed for a long time;
- without private pensions who were not motivated by wanting to top-up their pensions;
- close to retirement age;
- claiming NI credits only;
- who had been on New Deal before and had been unsuccessful;
- who felt that they were already retired and had developed a lifestyle that meant that they were busy despite being out of work, often including doing a lot of voluntary work and/or having an active social life.

Staff commented that professional/managerial downshifters were more motivated than other groups and often helped to motivate others, whilst there was a small hardcore of individuals who did not want to work and who could not change their attitude no matter what help and encouragement are provided.

Advisers employed a number of tactics to increase motivation amongst customers. They described needing to work with customers to try and get their confidence and self-esteem back and to develop a belief in themselves, as many have the attitude that *'no-one's going to employ me'*. They also described the need to *'break them out of their comfort zone'* and deal with a range of practical issues from the personal hygiene of customers, to making them understand the value of having a CV, and getting them to think about the transferable skills they have. Advisers used the Working Tax Credit (WTC) to motivate customers to make them realise that part-time work is an option, as well as encouraging them to get back to work to increase their income so that they could afford to go on holiday or get a car. Advisers felt that for some customers taking part in IAP was motivating as it enabled customers to develop a routine and to meet new people.

As well as building up motivation, at the same time staff had to deal with the unrealistic aspirations that customers had in terms of the type of work they wanted, and had to try to bring down customers' aspirations to a more realistic level. Staff felt that some customers were too ambitious in their understanding of what their abilities were, and advisers then had to give them a 'reality check', guide them in a different direction and manage their expectations. Some customers needed a focus when thinking about what types of work they wanted. One member of staff commented that it was customers who say they will do anything who then struggle to find work, and sometimes they need more intensive careers advice.

Customers often put demands on the type of jobs they would be willing to accept. Advisers found a reluctance amongst customers to use agencies as they wanted permanent work, found that some customers did not want shift work, that customers could be unrealistic about the wages they could expect to earn (particularly

if they had been high earners in the past), and that they did not always want to take the types of jobs available in the local labour market, such as retail, care work and cleaning. Professional/managerial downshifters and shock redundants often only wanted to work in their former industry and did not want to re-train. For example:

'You do spend a lot of time with professionals trying to get them to be realistic.'

(Staff, Essex)

5.5.2 Professional/managerial downshifters

There were two main groups of professional/managerial downshifters in terms of motivation. The first group were extremely well motivated, wanted to work and to be doing something due to their previous busy and active lives. They were engaged in active jobsearch, had applied for lots of jobs and were positive about their chances of finding work, feeling that they were bound to get back into their former career eventually. For example:

'You just keep knocking on doors and one is bound to open.'

(Customer, 56)

A second group had lost their motivation and enthusiasm as they had made a lot of effort to find work and felt that they had got nowhere and that there were no jobs out there that could use their skills and experience. Some of this group also lacked financial motivation to work as they often had other sources of income due to long careers in relatively highly paid work and some were signing on for NI Credits only. Others found they had got used to being out of work and led a fulfilling life despite not working. For example:

'The longer I was out of work the more I got to like it.'

(Customer, 55)

'The longer you're unemployed the more things you find to do. I'm in a group that meets every other Monday and walk up streams, have a chat. I teach rugby at a rugby club, I referee rugby, I help out at two local schools in the sports department and I don't want to stop doing that. Nobody advertises part-time jobs, you may get job share, the sort of ones that come up is where the incumbent has become pregnant. Job share would suit me.'

(Customer, 54)

Professional/managerial downshifters had often had long, relatively senior management or technical careers and upon finding themselves out of work, found it problematic to replicate this. There was not always willingness to lower their expectations in order to find work, although as the duration of unemployment increased there was some lowering of expectations. Many downshifters were looking for jobs that they would find interesting and whilst some wanted to start their own businesses, the majority wanted jobs in their former occupations and were

still aiming for relatively high salaries (that to them were still significantly lower than what they were earning before), for example, £400 per week. In a few cases though, downshifters were happy to take a big salary cut and work in jobs with less responsibility:

'I'm happy to do a mundane job. I found no-one was listening to me in job interviews. I don't want to be a manager anymore.'

(Customer, 57)

5.5.3 Shock redundants

The majority of shock redundants wanted to work, wanting to get out of the house as they did not like being at home having often worked all their life until being made redundant. Some felt that they New Deal, or IAP in particular had motivated them, giving them what they described as a 'kick up the backside' and broadening their horizons. These customers were not giving up despite being unsuccessful so far. However, some of this group had become disheartened and described their future as bleak. For example:

'After so long you tend to be less motivated. You can pick up vibes and you know when you're wasting your time. When you first come out you expect to get every job you go for. The longer you're off, it's not so.'

(Customer, 53)

'When you get to my age we're washed up. There are jobs out there but they're mainly for younger people. Unless you have a job where you've got the experience in that job I don't think people are willing to take you on.'

(Customer, 56)

'I would like to have a job, but I can't see it happening.'

(Customer, 58)

Others were not looking for work seriously as they were trying to get their own business off the ground, saw themselves as semi-retired with only a few years to go before retirement, or were enjoying doing voluntary work or pursuing other interests and were not that interested in working.

Shock redundants suggested a range of occupations that they would happily get a job in, not all related to the work they had done before. Their main requirements of work were that it was challenging or that they would enjoy it, whilst some restricted their jobsearch according to the times they wanted to work, because they wanted to earn at least £200-250 per week, or because they wanted to work outside. Some of this group were restricting their jobsearch to the industries they had been made redundant from:

'I'm too old to train. I'm 58 next week. By the time I finish training I'll be retiring. I don't feel I want to learn something else, I've done upholstery since I left school. I'm good at my job but I don't know anything else I'd want to do.'

(Customer, 57)

5.5.4 Career erratics

Most career erratics said that they wanted to work, both because they needed the money and for their self-esteem. Some were actively job searching or had enjoyed the IAP placement and wanted to continue doing it as voluntary work, whilst others had become demotivated and admitted that they were not actively looking for work when interviewed. Career erratics were less fussy about the kind of job they would do than downshifters or shock redundants. When asked about their job aspirations, they cited a much more varied range of jobs they wanted to do, reflecting their varied work histories where they had often done lots of different types of jobs in the course of their working lives. The jobs they were aspiring to were more realistic than the previous two groups' aspirations, and included working as caretakers, as security guards, drivers, gardeners and in office jobs. Customers in this group often said that they wanted to wait until the right job came along, and did not want agency work and often wanted to work part-time. Their pay expectations were more modest than the previous two groups, with customers saying that they wanted to find a job that paid £5.50, £6, or £7 per hour.

5.5.5 Previous IB claimants

More than any of the groups of customers discussed so far, previous recipients of IB more commonly said that they did not want to work or did not see work as a major priority. Again, some had only a year to go until retirement, whilst others had become disillusioned after failing to find a job and others said that if something interesting came up they would do it, but that they did not need to work to feel fulfilled. For example:

'I know I've got a year to go to retire, but what is the point?'

(Customer, 59)

'I am not genuinely looking. I wouldn't take a job.'

(Customer, 57)

These attitudes were amongst the more entrenched that advisers had to challenge. However, this was not universally the case, and one customer described themselves as desperate for work and said that they did not feel they were leading a normal life due to being on benefits, whilst others were willing to work and were engaged in active jobsearch. The appropriateness of the job on offer in relation to the jobseeker's health and physical condition was often also mentioned here. Many of these customers had requirements of a job, such as it not being too physically demanding, being not too pressurised, or being part-time. A few felt that they could

not work at all due to their health, and one customer said that they felt that they were being pushed into jobs that were unsuitable for them due to their health problems.

5.5.6 Late returners

There was a mix of motivation levels amongst the late returners group. Some wanted to work and were actively jobsearching, saying they had lots of energy and did not see themselves as retired and were bored at home. These customers had not given up hope of finding work, whilst other late returners had given up after trying and failing to find work. Motivation was low amongst those about to retire and one customer said that the only reason to get a job was so that she did not have to take part in the New Deal. Late returners usually wanted to work part-time, said that they were happy to work at any wage, and were looking for jobs in admin, retail, childcare, and as cleaners.

5.5.7 Profound barriers

Perhaps somewhat surprisingly given the barriers they faced, there was strong motivation to work amongst customers in this group, with the overwhelming majority saying that they wanted to work. However, some of those with caring responsibilities said that they found it hard enough looking after the person they cared for and would not be able to work as well, others did not feel ready to work as a close relative had recently died, and others felt that they could not work due to their health problems. Again, there were a few customers who did not have long to go until retirement and were not bothered about working, and a few who did not prioritise work as they had other things to occupy them. When asked about their job aspirations, customers with profound barriers cited a range of jobs they were hoping to move into, and as with previous claimants of IB, some of this group were looking for jobs that were not too physically demanding.

5.5.8 Demand deficient jobseekers

It was common for demand deficient jobseekers to say that they wanted to work, both for the money and to get out of the house. Although most had applied for lots of jobs, they had often struggled to find one because of the high levels of competition from younger jobseekers for the few jobs that were available in the area. This group wanted to work until retirement as they often had no private pensions, but were not optimistic about their prospects of finding work. They cited a diverse range of jobs that they aspired to, mostly unskilled and manual, and often wanted full-time work as they needed the money, and did not expect to find well-paid work.

5.6 Health

Health and health concerns were an important consideration for many of the customers interviewed for this research, and this is confirmed by the random assignment monitoring data, which shows that some 43 per cent of Action Group entrants were recognised by the Department for Work and Pensions (DWP) as having some kind of disability or health condition which restricted their availability for work in some way.

This issue was also recognised by advisers as having an important influence on:

- some customers' work experiences throughout their working lives; and
- many customers' work experience or prospects in later life.

In the first case, where individuals had some kind of long-established health-related constraint that had restricted either the kind of jobs they could do or the intensity with which they were able to do them, the work history that they had experienced prior to joining the New Deal had often been greatly affected for the worse by their condition. For example, one individual interviewed suffered from epilepsy.

'It has been a problem. I was in a job and I was told I had a fit, the second one I had in this company. I had to drive but I couldn't. The first time I had a fit that was alright, I burned the back of my hand. Then the second time although I had the fit at home, I had to be off work for about three months. They sacked me whilst I was still off convalescing that was 1976... Sometimes I've been sacked. Although I'm a steady worker, I can never be 'Speedy Gonzalez' doing things that should have been done by yesterday. They don't want plodders most of the time. If they had a job where you could go through it at your own speed and not be constantly rushed or hurried, that's what gets me all the time.'

(Male, 56)

This interruption of working life by health-related job loss (sometimes enforced, sometimes voluntary) and the narrowing of job choice to take account of their health was a common theme among customers, and had often had a very profound effect on their working lives. It was not uncommonly cited as one of the main reasons for their being long-term unemployed.

In the second, and rather more common case, it was the deterioration of health in later life that had undermined what might have been a relatively stable working life to that point. The onset or intensification of a health problem had caused difficulties for many of the customers interviewed.

'Because I've got heart trouble...as soon as you mention that, a lot of employers don't want to know. It's easy for me to go on the sick. I will not go on the sick. The doctors have said I am capable of working, but I'll have to get the employers to contact him so he can contact them...I did go on another place and it's like when you fill the form in for the job, they sent the form, I filled it in and at the end they ask what was the reason for leaving the job. I had to write what problem I had. They looked at the form and said sorry, we can't take a chance because you have a health problem....I don't even get the job I'm willing to do.'

(Male, 56)

Physical health problems often meant that customers, particularly those who had previously been employed in work of a physical nature, could no longer work in the same occupation.

'I have just found out from the doctors that I have high blood pressure and a heart condition and the doctor said that I could be walking down the street and have a heart attack at any time or a stroke. That is limiting the sort of jobs I can do now...For a security guard I used to run after people, chase them down, we used to be on the floor fighting and everything, can't do it now.'

(Male, 57)

This need to move into work of an entirely different nature seemed to have two distinct effects: Firstly, it meant that any previous work experience, qualifications and skills were now much less relevant to the (different) job now being sought, and in consequence, a significant drop in pay was frequently the result. Secondly, the enforced shift was also often associated with the undermining of motivation, as customers were faced with the prospect of a job they might find demeaning. In some cases, all of these considerations merged into one, as with the following customer.

'I don't drive. I can't drive. I don't know anything about computers. I've got a bad back and I'm getting on for 51, I don't think anyone's interested...I just think about my health. Other than menial work, I don't want to stack shelves if I've got a bad back. I'm not being snobbish but it's not my cup of tea.'

(Male, 50)

In addition to restricting the kind of work sought, health worries also meant that some customers felt they could only now realistically work part time, which limited both their job opportunities and financial motivation to work even further.

Finally, several of the advisers interviewed, in addition to broadly supporting the points made above about the objective influence of poor or deteriorating health conditions on older New Deal customers, also made the point that, in some cases, the subjective views of the individual were also strongly modified by the ways in which their health condition had been dealt with. As one adviser put it:

'They go for their health tests, the whole work test thing and the doctors tend to find that maybe they are not capable of a full range of things but they are capable of some work and then they have a mandatory referral to New Deal. But, they are already thinking "but the doctor said I'm unwell, I've got a name for my condition, I've got medication, I've got regular hospital appointments...". You know in their mind someone has said they are unwell and they could prove that and now I've made them go and have an examination by a doctor who also said "yes I'm unwell but I'm able to work" sometimes with restrictions and now you've got this mandatory referral...you want them to do that, that doesn't quite add up.'

If health concerns were serious enough to call in a more specialist disability adviser, then this was done, but for the most part, they were not. In these circumstances, customers expressed (or often implied) that their health was not up to the demands of certain jobs, evidence from doctors was usually unhelpful, and advisers did not often have the training to assess the problem and act decisively. In some cases, it seems, they were unwilling to tackle borderline cases, with evidently aged and somewhat infirm customers.

In addition to the wide range of physical illness and poor health which customers often demonstrated, there was also significant evidence of mental health problems, particularly depression, which was often exacerbated by a long period of unemployment. These kinds of problem were felt by advisers to have negative implications, not only for the individual's likelihood of successfully getting and holding down a job, but also of their effective participation in the New Deal or IAP in particular. As one put it:

'I've got one who is on the Action Group. He is doing a small amount of part-time work but he has a lot of personal issues. He's on medication and seeing a counsellor, I'm not sure how the IAP would help him at the moment, but he's going to have to go on it unless the doctor signs him off.'

This was an area in which our staff respondents, particularly personal advisers, felt least able to tackle. They all had plenty of experience in dealing with more tangible barriers to re-employment, but often reported that this was an area in which they felt rather exposed.

5.7 Transport and travel to work

A lack of transport was seen by staff and customers alike as a major barrier to work, and having a car was seen by advisers as a major indicator of which customers would be successful in getting a job. Some groups were particularly likely to see transport as a major barrier. It was the biggest barrier to gaining work for those living in rural areas served badly by public transport and without access to a car. It was also a major barrier for those with health problems, with some customers being no longer able to drive because of health problems such as epilepsy and angina attacks, or not being able to drive in the dark which was a problem in winter. The final group who particularly mentioned travel as a barrier, were former professionals who did not

want to relocate to stay in their former industry because of family ties. One such customer did not want to move from Hampshire to Burnley for a job offer after living in Hampshire for 35 years, other customers did not want to commute to London from Essex anymore, and others felt that, in hindsight, it had been a mistake to turn down jobs because they required relocating when they were now unable to find work.

Transport was a problem for customers in a number of ways:

- **the time it took to travel** to available jobs, eg one customer lived seven miles from Coalville which took an hour on the bus to get to;
- **the cost of travel**, particularly when travelling to low paid jobs meant some customers wanted to work locally;
- **the restricted times of day** served by public transport, eg customers could not work late as there was no public transport to get home, some villages had no buses after 6.30pm and no Sunday or Bank Holiday service, some areas had a first bus at 7am when available jobs some distance away started at 7.30am;
- **no public transport to some jobs**, eg warehouse jobs stating '*must have transport due to location*', horticultural jobs in nurseries in rural areas with no bus routes, no bus routes to industrial estates
- **bad public transport links**, eg no cross-Essex rail-link, bad links between places on the Isle of Wight;
- some customers relied on **cycling**, but this became difficult in winter and some found distance, hills and fumes made it increasingly difficult for them to get about this way.

These problems with transport were illustrated by a number of customers:

'Due to my circumstances, the fact that I live in a small village with only one bus per day, no transport, it's getting on for three miles to the nearest bus stop. They have a bus a day which leaves at 7.25am and comes back at 6pm at night. That's the only bus.'

(Customer, 58)

'You wouldn't believe how many jobs I've lost because I haven't got a driving licence, because they need you to travel.'

(Customer, 54)

'My biggest problem is I don't drive; if I could, I'd get a job tomorrow.'

(Customer, 55)

Travel was also a barrier to taking part in New Deal and getting to Gateway courses and IAP placements. In some cases a lack of transport links meant getting to courses and placements was very hard, and other customers found it difficult paying for travel from rural areas up-front before being able to claim it back.

5.8 Other barriers to work

The two biggest barriers not already mentioned in this chapter were housing issues, and having a criminal record. A few respondents mentioned housing issues as a barrier to moving into work. One was selling their house at the time of the interview and was prioritising that over looking for work, another was afraid to be out at work all day leaving their house empty for fear it would be broken into, and a third customer felt that they had to find a permanent job to feel secure in ending their claim to Housing Benefit.

A number of customers mentioned their criminal record as a barrier to employment. Two of these had committed sexual offences which prevented them being able to work with children or vulnerable adults. In general, respondents with criminal records did not like disclosing details of their records on application forms as they were concerned about who would read it, and normally disclosed having a record on application forms, but stated that they would discuss the details of their record at interview. They felt that disclosing their criminal record would put employers off from interviewing or employing them.

There were a number of additional barriers only mentioned by one or two respondents. One mentioned race discrimination as a barrier to finding work, another openly admitted that their alcohol problem made it hard to get a job, a few respondents had young dependent children they looked after, one had ESOL, and one mentioned not having the right social contacts to get a job.

5.9 Diverse customer characteristics

This chapter has discussed, in some detail, the most salient characteristics of this group of customers, but before passing on to discuss their experiences in both the Gateway and IAP, it is worth reflecting briefly on this diversity, both within the cohort and between this and younger cohorts, in the light of their participation in the New Deal.

Their previous labour market experience has usually been extensive. They are not newcomers to work, but they have often experienced a 'shock' exit from employment, making them often newcomers to unemployment and to jobsearch.

In some cases, they have enjoyed relatively long job tenures, which have boosted their earnings through internal promotions and increments beyond those they can now aspire to externally. Many are, therefore, faced with the need to 'trade down' if they are to find work.

In other cases, they have had erratic careers, but have usually managed to find new jobs without extended spells of unemployment. Advancing age has given them a new set of disadvantages, ranging from their own health to the ageism of potential employers, and so now they cannot so readily get back into work.

Finally, their financial and domestic circumstances are extremely varied. At one extreme, they include a cohort with some alternative income, from pension or a working spouse, who have substantial private assets (pension again, savings or housing) and reducing outgoings (children grown up, mortgages paid off, etc.). They may be signing on only for their NI Credits. At the other, there is evidence of real poverty, with job records too broken or poorly paid to have accumulated any savings, and with a real reliance on benefit income.

As a result of these variations in circumstance, there is also evidence of extreme variety in their motivation to work at all. Some do not strictly need to; most do need to, but often their motivation is conditional. On the one hand, the professionals faced with the need to downshift may be unwilling to embrace the loss of self-esteem which taking a lower paid job might entail. On the other, those with least human capital were not convinced that they would be sufficiently better off working to make it worthwhile. Between these two extremes lies the bulk of the sample, who genuinely want and need to work, but who face some significant obstacles and constraints in doing so, which again, often distinguish them from younger New Deal customers.

6 In the Gateway

This chapter explores experiences of the New Deal Gateway. It looks first at the Gateway provision model and at how this has been implemented in the four different areas. It then goes on to look at the different perceptions and experiences of the Gateway reported by advisers and customers. It concludes by reviewing the outcomes observed from the Gateway.

6.1 Provision model

New Deal 25 plus begins with a Gateway period of up to 16 weeks, where provision and support are tailored to individual needs by a New Deal Personal Adviser (NDPA). During this time customers have access to a range of services and opportunities to help them find suitable employment. The main types of support provided during this period include:

- an initial phase of intensive help to find jobs;
- weekly meetings with an NDPA;
- independent careers advice and guidance;
- support and help with communication skills, jobsearch, interview techniques and confidence building;
- help with other issues including homelessness, drug dependency and debt;
- help with basic skills where necessary – for example, literacy, numeracy, IT skills etc.;
- financial help to find work, eg daily travel cards to attend job interviews, work clothing and tools to enter employment.

The following sections outline how the Gateway worked in practice in each of our four case study areas.

6.1.1 Hampshire

At the first interview with an adviser, random assignment is carried out and the New Deal provision, including Intensive Activity Period (IAP), is first explained to the customer. There is a one-hour basic skills assessment. At the time of the Wave 1 interviews, customers took part in a 'Gateway to Work' two-week induction programme after the initial interview as a kick-start and to help with jobsearch. However, this was no longer available at the time of the Wave 2 interviews.

There is then a mandatory 'Choices' programme at the Programme Centre which covers motivation, confidence, information about IAP and in-work benefits. Customers are encouraged to spend one week at the Programme centre during Gateway (the maximum allowed is six weeks) for intensive jobsearch, to identify skills and abilities, soft skills building, personal action planning, some vocational/job skills training available, CVs, interview practice, and one-to-one support.

At the start of the pilot, clients with multiple barriers could be referred to the provider 'Olympian' for one-to-one mentoring ('Job Mate') and help with issues such as alcohol abuse which was seen as useful in targeting these very specific customer needs. However, this was also cut back during the pilot. There is also a lot of provision funded through other mechanisms that clients can be referred to, eg European Social Fund (ESF) provision for refugees.

Customers have weekly meetings with their adviser where they do jobsearch and have in-work benefit calculations for up to 16 weeks on Gateway. They are encouraged to think about IAP at the eight week stage, and are referred to IAP at ten to 12 weeks.

Changes to provision during the pilot are outlined in further detail in Section 4.3.2.

6.1.2 Leicestershire

In Leicestershire, the customer has an initial interview with an adviser in the jobcentre who performs the random assignment, tells them about IAP and then refers them to Fern Training who provide New Deal 25plus (ND25plus) in the county. Customers then have a basic skills test, and an independent assessment by a training provider if they fail the basic skills test.

Customers take part in an induction session which is attended by a Business Development Executive to help customers discuss work aspirations, current skills and qualifications. They then take part in intensive jobsearch and can be referred to specific training programmes if they have a 'focused and realistic' career/work path in mind. They also have a support service for those who need specific help with housing/financial issues, etc. At around the 13 week point, advisers will discuss IAP options and customers will see a placement adviser to discuss IAP.

6.1.3 Derbyshire

The extent of provision during the Gateway in Derbyshire is dependent upon individuals' circumstances. For instance, those who sign on purely for National Insurance (NI) Credits, or those who are working part-time, may attend jobsearch once a fortnight. Jobseekers claiming full Jobseeker's Allowance (JSA), those who are highly motivated or those experiencing greater or multiple barriers, attend jobsearch weekly. However, as with other areas, customers have an initial meeting with advisers and as part of this, random assignment takes place.

At the time of our Wave 1 research, Gateway provision in the area appeared to have been cut significantly. Previously, provision had included jobsearch, help with CV preparation and letter writing, and skills assessments, although in-work benefits calculations were not offered. Since the cuts, the focus of provision had narrowed to focus almost exclusively on jobsearch, with few other options available. One NDPA reported that they can no longer offer help, even with CV preparation. This situation had not changed by the time of our second wave of interviews.

6.1.4 Essex

In both parts of Essex, provision and processes are similar to those described above. Following an initial interview, and the random assignment with an NDPA, the customer goes on to an extended period of personal support and guidance. This is with a Personal Adviser (PA), although in the private sector-led (PSL) north of the county, customers also spend some time with a Jobcentre Plus adviser (the PSL adviser delivering the substantive content of the Gateway provision, the Jobcentre Plus staff dealing with administrative aspects). Typically, the Gateway focuses on the crystallisation of job goals, the identification of any serious barriers, and the implementation of assisted jobsearch and job-broking activity. For this customer group, the main aim of the Gateway in Essex is to help customers think more realistically about the jobs available in the local labour market and to provide support to enable them to be effective in their jobsearch.

Again, in both the PSL and Jobcentre Plus areas of Essex, there is a wish to move clients through Gateway more quickly than in other areas. In part, this is a reflection of a reasonably buoyant labour market, but it also serves to allow those that face greater or multiple barriers to move into the IAP more quickly. Consequently, most of the training that is available during Gateway tends to be jobsearch-oriented or generic, eg basic skills, IT, and soft skills development, including customer service skills.

Between the two waves of interviewing, there had been some cutbacks in provision in South Essex, particularly to the Adviser Discretionary Fund (ADF), which had affected Gateway customers, and they are discussed in further detail in Section 4.3.2 (changes to provision).

6.2 Perceptions and experiences

6.2.1 NDPAs

In terms of provision, on the whole, most advisers did not feel that specialist provision was necessary for the older customer group. However, in discussion, some areas were identified where slightly different or more nuanced provision might benefit the cohort and where possible, advisers tried to be flexible within the provision that was available. For example, older customers might benefit from peer group provision rather than mixed age groups in induction training for Gateway. Others felt that older people needed more intensive help as they are less aware of modern recruitment processes, eg the need for CV and speculative letters rather than just knocking on employers' doors for a job. It was also felt that provision needed to be more tailored to different types of customers (regardless of age). For example, some advisers felt that provision was not comprehensive enough for professional, highly skilled people, and that there was a need to bring back some of the features of Executive Job Club.

'...I think there is a need to be providing something different for the more professional customer because they are a group who need a different approach, something more than the basic provision we provide.'

(Hampshire, staff)

In practice, however, the relatively small number of the 50plus age cohort made it quite impossible to organise separate/different provision, and although individual advisers certainly 'mixed and matched' Gateway portfolios to suit perceived needs, this was always on an individual basis rather than to suit group needs.

'Sometimes structure's fine. Originally when we had a lot of provision the first thing we'd do is the skills assessment, then perhaps send them to get a CV updated, then perhaps down to the programme centre. So you could see a structure that you're doing with a client. But you don't have to follow it every time. There's certain good cause for doing that but everyone is individual so won't need the same kind of things. You can pick and mix so yes, I think that the adviser should have quite a lot of discretion but there should be a formal process they need to follow.'

(Derbyshire, staff)

Staff generally reported that the older age groups participated in Gateway activities and procedures with far less trouble and with more enthusiasm than the younger age groups.

'We have a two day course called Launch Pad which helps motivate clients to look for work. It has letter writing, application forms, interview techniques, workshop role plays. The 50plus clients enjoy that, it gets them motivated. You get more positive feedback from the 50plus than any other group on that.'

(Leicestershire, staff)

At the same time, they did not always feel that their participation was wholeheartedly positive, and there was a certain amount of passive resistance and 'foot-dragging' from some. For this reason, sanctions were not much used on the older customers. When they had been used, it was mainly due to non-attendance, and this was often ascribed to older customers thinking that their Gateway activities were not worthwhile, or to a reluctance to mix with younger customers. For the most part, though, advisers felt that many older customers appreciated the help and someone taking an interest in their situation. They sometimes went on to add that they should be offered one-to-one support when they first sign on, rather than having to wait 18 months before receiving it.

6.2.2 Customers

Broadly speaking, most customers were fairly positive, if not always enthusiastic, about the Gateway. They did genuinely appreciate 'somebody taking an interest', and the one-to-one relationships with advisers were usually strong and respectful. This appreciation was much enhanced among three groups of customer:

- those who most keenly wanted to get back to work;
- those who had been trying to find work and had more or less come to the conclusion that they were not going about it the right way;
- those who felt most isolated and depressed by the experience of ongoing unemployment.

However, they had somewhat differing views about different components and aspects of the Gateway, and these are addressed separately below.

Jobsearch

There was a varied appraisal of jobsearch help. Those with more intermittent employment records and care-break returners were generally most positive about, and arguably more in need of, professional help with jobsearch. In some cases, they seemed literally to have little or no idea of what to do themselves. They appeared to be particularly positive about:

- access to a number of known vacancies via the Labour Market System (LMS), and some help in making the initial contact with the employer;
- being helped to improve their presentation through CV preparation, coaching with letters, etc.;
- access to free stationery, newspapers, telephone and stamps

'I was able to apply for jobs without worrying about the cost of the 'phone and the computers.'

(Leicestershire, customer).

Those with professional/managerial backgrounds were often reasonably well equipped to use their own personal contacts and home computers to look for work. Indeed, there was a common feeling from this group, that they could easily have read the papers or used the Internet at home, and that coming in for jobsearch was pointless and a waste of their time.

'You were given the choice of browsing the papers, the freebies, there were no 'proper' papers, and apart from 'The Sun', there were no daily papers just local weeklies. The alternative was to use the internet, but you could spend half an hour trying to connect whereas I have Broadband at home...I could do far more in an hour at home than I ever achieved here (provider premises).'

(Essex, customer)

This was exacerbated by two main factors:

- In some cases they felt they knew 'their own sector' far better than did their adviser. Their advisers tended to take the view that this might or might not be true, but was largely irrelevant as they were not going to get back into 'their sector', and needed to re-focus their job aims more realistically.
- This group felt that they had little or nothing in common with the other people doing jobsearch (some of whom had basic skills or language issues) and did not need team-building exercises or help with interview skills. This group would have liked an Executive Job Club.

Between these two extremes, customers described a range of things that they found helpful about jobsearch:

- doing jobsearch with their adviser and considering alternative work;
- getting help with CVs (especially as they did not need them in the past to apply for jobs);
- learning about computers;
- free stationery, newspapers, telephone and stamps;
- help with letter writing and filling in application forms;
- time to get it done, with help if and when needed;
- getting them out of the house.

Customers also described a range of negative experiences with jobsearch:

- the lack of privacy at Jobcentre Plus

'There's no privacy. It's terrible how you have to sit at a desk and everybody around you can hear everything. If you're talking about money or phoning employers you should have a bit of privacy.'

(Leicestershire, customer)

- the classroom environment at provider premises

'I walked out of the premises a couple of times. Although they [the provider] weren't strict I felt they were treating people like school kids.'

(Hampshire, customer)

'It reminded me of my first day at secondary school when the headmistress came along, sat everyone down and told them what was expected of them. We're not kids at school.'

(Derbyshire, customer);

- not having enough computers for everyone to use

'I had to depend on a computer being free, which was often not the case, or at least you had to wait half an hour, or even an hour on one occasion.'

(Leicestershire, customer);

- not helped to use the computer.

Being mixed with younger people in jobsearch

Many older customers confirmed that they did not like being mixed with young New Deal customers in jobsearch and would like to have been in a group with other older people. They sometimes found younger customers rude and arrogant, disruptive and liable to mess around and not take it seriously, and generally not engaged fully with the Gateway process. Older customers reported that because of this they were sometimes unable to concentrate on the 'task at hand'. There was also a feeling amongst older customers that younger customers could not relate to their experiences as other customers over 50 would. This led to some feeling isolated in the Gateway and not mixing with others in the group.

However, this sentiment was far from universal. Other customers were happy to mix with younger customers, enjoyed the social interaction and suggested that it would be boring if they were all the same age.

Vocational training

As we have suggested in the previous chapter, several of our older respondents had recognised that their skills, certificates, etc. were obsolete and needed renewing. Still others recognised that to get back to a job with a decent income would require them to have substantial retraining. These respondents were generally dissatisfied with the kind of training which was available during or from the Gateway, because it did not address their often substantial and vocational requirements. They tended to look forward to something more satisfactory under IAP.

Gateway training provision was felt by some to be too general and it would be more helpful if training was tailored to the individual. Some customers we spoke to said that they did not need the help that was available (eg with basic skills or jobsearch)

but that their advisers were not able to give them the help that they did need, as they were constrained by what was on offer. The following quote from an ex-professional customer illustrates this point:

'Every time I try to go on a (non-Jobcentre Plus) course something has stopped me. I've tried three times to go onto a particular course but they say they've run out of money and they can only send me on the ones that cost nothing. I do not need that type of course.'

(Essex, customer)

Other customers were offered motivational courses or forklift truck driving courses that they did not need or had done before, and felt that the money spent on sending them on courses that they did not need, could be better spent on courses that would help them. Again, there was a feeling amongst former professionals that the provision on offer was not suitable for them.

'What they were offering just wasn't appropriate...the ability to use 'phones and computers, doing a CV. I've got a better computer with Broadband at home and I'm used to writing technical proposals and articles; I don't need to go on a training course to learn how to write a CV or to learn how to 'team build'.'

(Hampshire, customer)

Below are some examples of training requested by customers that was turned down by the Jobcentre/PSL provider (usually on the grounds of funding):

- SAGE course (cost £2,500);
- training to update electronics certification;
- TIG welding course;
- computer courses;
- touch typing course;
- access course;
- course on writing CVs;
- software engineering course (it is a growing industry in the area);
- driving lessons;
- certification to work on building sites.

However, some customers, particularly those with the least existing skills or qualifications, those with more intermittent employment records and care-break returners, were generally more positive about the training they had received, in particular, the IT training and motivation courses.

Customer perceptions of staff delivering Gateway

Views and opinions on staff varied between customers but could be put into three main categories: those whose experiences were, in the main, positive; those whose relationship with the NDPA was positive but who had felt provision was in some way inadequate; and those who felt their experience with PAs was poor.

Positive experiences of staff on the Gateway

The interviews indicated that many customers had high regard for the support they received from staff. Many stated that meeting with the same PA throughout Gateway was valuable since it negated the need to re-explain their circumstances at each meeting with the PA, and helped to develop a relationship through which tailored support could evolve.

'The main advantage is that I see the same person all the time. It's much better, you've got continuity.'

(Hampshire, customer)

This continuous support developed feelings that PAs were 'on the customers' side' and many customers noted the helpfulness and motivational outcomes of meetings. A number of customers also reported that they felt they were treated with respect by their PAs.

'As time has gone on my adviser's own personal enthusiasm has won over the day. He has been invaluable...I always feel as though he is actually listening to me, which makes a change.'

(Essex, customer)

Some customers, particularly those who had outdated qualifications or lacked skills, also mentioned that their NDPA had encouraged them to consider a broader range of jobs and most welcomed this advice. They felt that their adviser had picked up on skills they themselves had not seen as relevant. One customer, who had previously worked in a factory workshop, commented:

'My adviser has given me other ideas to think about. Shop work, I've never thought of that before, I've always worked in factories and never really thought about shop work, it has given me food for thought...something else I can think about.'

(Derbyshire, customer)

A comment from a customer who had undertaken New Deal more than once identified improvement in the customer-PA relationship when compared to earlier New Deal experiences.

Experience with staff good but provision inadequate

These customers identified that while their relationship with their New Deal adviser was good, there were limitations to what PAs could do, which reduced the value of the meetings. These limitations were not generally specified but can be summarised as 'not really able to offer anything useful'.

Others identified the role PA meetings could have for other customers than themselves. From this perspective, meetings were likely to help improve motivation. However, as their own motivation was already high, these customers felt PAs offered no additional value.

Negative experiences of staff on the Gateway

Customers in this group felt that their NDPA did not listen to them nor appreciated their circumstances, eg travel limitations, work histories and current work aspirations. For instance, a customer who had previously been a manager now wanted a less pressurised job but felt their PA failed to take this on board. Other customers reported that PAs were inclined to 'force' them to consider employment in occupations for which they had little motivation, interest or which their health or personal circumstances would not allow. Within this, some customers noted that they felt PAs had not treated them with respect.

'I think they can be disrespectful and pushy. My husband has health problems and I tried to explain that because of that I can only do a certain type of part-time work. They [their adviser] said that I had to do full-time work, they wouldn't listen to me.'

(Leicestershire, customer)

Other negative experiences related to how staff behaved, and to staff expectations of customer behaviour. These included a dislike, when in a group situation, of staff collectively referring to the group as 'guys' or staff treating customers like school children. An example was of a customer being reprimanded for reading something other than the job section of the newspapers provided.

Other problems identified included inconsistent advice from staff, and an adviser not keeping three out of five customer appointments. In addition, customers who had not been able to undertake the, generally, more vocational training they thought they needed, tended to be more critical of their experience with staff.

Customers sometimes felt aggrieved that staff did not seem to consider they had tried to help themselves, perhaps linking to feelings of a lack of respect in the relationship. Others felt there was a greater focus on supporting young people, to the detriment of older customers – particularly around computer usage.

Some customers felt that their advisers were too young and inexperienced to help them with their particular issues and needs. They felt they should have access to an adviser of a similar age, someone who could relate to their experiences and circumstances:

'Most of the advisers are young, they don't have great experience, never been unemployed themselves and it's difficult for them to understand what you need. It would probably help if there were older advisers who had done 25 years of working like I have.'

(Leicestershire, customer)

'They're all young. They don't seem to have any idea what it would be like trying to find work when you're older.'

(Essex, customer)

Basic skills

Many customers, especially, but not exclusively, the professional/technical grouping, felt 'insulted' about having to do the compulsory literacy test. They generally felt there must be a better way of making such assessments than by making everybody do it.

'They asked me to take a literacy test and said if you don't pass it you'll have to go on a literacy course. It was done in a humiliating way...I could not believe the way I was treated.'

(Essex, customer)

'The whole process isn't individually tailored, it's uniform. I had to do a basic skills test – that was insulting.'

(Essex, customer)

Those customers who did receive basic skills support having 'failed' the basic skills test, had not always been satisfied with their experiences. One customer was sent to a provider to enhance her maths skills. She went for the initial interview and felt that they were treating her like she was stupid or was a child. She did not like the classroom setting so told her adviser she was not going to do it.

'It was entirely a waste of time for me. They were treating me like a child.'

(Leicestershire, client)

Another customer did the basic skills test and felt humiliated by the process. She had previously notified her adviser that she had severe literacy and numeracy problems and therefore, would not be able to complete the test. However, she was forced to take the test and felt humiliated in front of the other group members and under pressure to explain the origin of her basic skills issues. This touched on some very traumatic experiences and led to her being referred to counselling.

Another customer was helped with literacy but found it boring and was treated like a child. The trainer said she might be dyslexic but did not provide her with any further support or access to other services. Another customer had their adviser suggest a basic skills refresher course but it did not materialise.

Compulsion

Although it did not commonly lead to action or protest, some older customers were not happy with the mandatory nature of the Gateway. The reasons given for this most prominently included the feeling that as the provision did not meet their needs, it therefore offered nothing of value, and should not be enforced.

Amongst these comments, customers discussed the relative weighting of priority between different age groups, considering that young people who had not worked, or not extensively, should be under greater pressure than their older counterparts, many of whom had had lengthy work histories.

In contrast to this, several customers during the interviews noted that they had no problems with ideas of compulsion, suggesting that anyone claiming state benefits should be prepared to get involved in community service (or by implication, government programmes) as a condition to the receipt of those benefits.

Sanctions

There were some, but not many, instances of sanctioning amongst the customers we spoke to. One professional customer no longer wanted to go to the local college to look at the newspapers and the Internet when he could do that at home, and did not like the classroom environment. A sanction was applied and he has appealed against the decision to stop his NI Contributions (he was only signing on for NI Credits). He was currently waiting for the outcome of the appeal. One other customer was one month into a three-month sanction and seemed unsure why he had been sanctioned. There was a feeling amongst some customers that they should not be threatened with benefit cuts if they do not attend Gateway, and should not be punished or hassled to take part, particularly if they felt they had always 'done everything by the book'.

Multiple New Deal experiences

Customers who had experienced the New Deal more than once tended to feel there was little value in undertaking the programme a second or third time since nothing had changed in the provision or process. There was a tendency to feel that having experienced the jobsearch and CV preparation methodologies before, the current New Deal could offer nothing to build on this. One customer noted that she felt the experience had become easier than in the past, as advisers now tended to act on behalf of jobseekers rather than support them to undertake tasks themselves.

Overall views of the Gateway experience

Customers were generally polarised in their view of their experiences of the Gateway overall. Generally speaking, those who had found work from it tended to be more positive about it, and vice versa, but this was not universally the case, and nor was it the only distinction observed. The factors that underpin these contrasts are discussed in the next sections.

Positive perceptions

Those who had found the experience positive reported benefits including help navigating the wider set of benefits to help them in the transition to work, eg money for work clothes and the travel funds, free stationery and telephone access available during the Gateway. Some customers seemed surprised by how helpful the experience had been for them in understanding labour market opportunities and the skills they had to offer employers. Others reported that PAs had helped them to grow in confidence in their capabilities, or had provided the 'kickstart' out of self-perceived jobsearch complacency. Motivational outcomes such as these were fairly common.

A good relationship with the NDPA was a driver of positive experiences and customers valued the help with application forms, finding vacancies and broadening of their work aspirations. Many reported that staff being available 'as and when' they needed them was a key benefit; as was having the same PA throughout the process.

Other positive experiences related strongly to training opportunities, with customers valuing, for example, some of the generic provision, eg IT skills training, updating CVs as well as the more vocational opportunities, eg driver training and test. The social aspects of the Gateway were also seen as positive, both the mixing with other unemployed people and the contact with PAs who offered support. There was a suggestion of frustration amongst some of the customers that their access to Gateway provision had come to an end, indicating that benefits must have been gained from it.

Negative perceptions

Customers' dissatisfaction with New Deal centered around the fact that they did not receive specially tailored provision, ie specific to over 50s or suitable for professionals. It was felt the Gateway should focus more on individual needs, and that the one-size-fits-all approach does not work with mixed ability groups. Customers who had had multiple experiences of the New Deal (or other employment programmes) were critical that little had changed since their last experience. This was felt to reduce the support available to them, since they had experienced much of it before. A number of customers felt that provision was better suited to young people rather than their age group, as this quote from an ex-professional customer highlights:

'It's not tailored to my needs. For some, maybe those who are younger and less experienced, it is probably good, but for others like me who want something slightly specialist, it's difficult.'

(Hampshire, customer)

Other customers identified that an outcome of these generalised, rather than specialised, approaches was that staff were not able to offer them the support they needed, so despite good relationships with the PA, the New Deal itself was viewed negatively. The kinds of help these customers wanted included access to specialised and vocational training.

It was also felt that staff could not help and support customers where there were few jobs in the local labour market. In addition, the Gateway itself was not felt to lead to work by customers. Many customers mentioned a need for greater emphasis to be placed on employer liaison to overcome ageism and the existence of only low-paid jobs.

Others were angry about the mandatory entry to the Gateway particularly when they did not feel it was adapted to their needs. To some extent, the mandating of provision was seen as a punishment for unemployment rather than a support to (re) employment.

There was evidence to suggest that some customers had not understood how the Gateway might have helped them and this led to a negative concept of their experience, eg they did not always identify that, despite finding work during the Gateway, it had contributed in any way. It may, thus, be hard to assess whether, from the customers' perspective, the Gateway had provided either a greater work focus, jobsearch abilities or motivation.

Suggested improvements

Customers identified ways in which the New Deal Gateway experience could be improved. Ideas included a less bureaucratic process that would allow customers to feel they were treated with greater trust, and matching older PAs with older customers as they would have a better understanding of their issues, circumstances and needs.

Some customers who were satisfied with their overall Gateway experience, suggested it would have been helpful if they could have accessed the programme earlier in their spell of unemployment. Others wished to continue to access the Gateway support beyond the current entitlement.

As we have noted above, customers wanted specialised provision, eg for the over 50s or professionals; and greater emphasis to be placed on employer liaison to overcome ageism.

6.3 Outcomes

Most NDPAs felt that the Gateway had had a positive impact on 'soft' outcomes for customers, and many customers (especially those with more intermittent employment records and career-break returners) agreed that their time in the Gateway had led to an improvement in their motivation and self-confidence. Some customers also mentioned that an outcome from the Gateway had been a much improved CV and an increased knowledge of IT, which to some was very useful.

However, job entries from the Gateway among the 50plus age group appeared to be few and much less common than among younger New Deal 25plus customers. After 18 months of being unemployed, advisers generally felt that many 'older' customers needed their (often multiple) barriers addressed before they can get a job. There was also a perception from staff that it was 'sometimes' harder to find jobs for

older customers because of their age, especially in areas with a 'weak' local employment market.

Some of our 50plus customers had successfully moved into work from Gateway, but not many. Motivated, professional customers, and those easier to help who find intensive jobsearch and PA support sufficient, had been most successful at the Gateway stage.

Where customers did find jobs during Gateway, in some cases they attributed that to the programme and their adviser, and in other cases felt that they would have found work anyway without Gateway. In Essex, there were two examples among our interviewees of customers signing-off during Gateway to become self-employed. Others customers had left JSA for work after having had an in-work benefit calculation and realising they would be better off working part-time than signing on. Advisers felt that the 50plus element of the Working Tax Credit had been a major factor in many of their customers starting part-time work (at least 16 hours per week).

'The Working Tax Credit is definitely a big motivator. A lot of 50plus customers end up taking part-time work because they find out they can get the tax credits to bump up their wages.'

(Derbyshire, staff)

There is evidence that some customers sign off JSA during the Gateway, before starting IAP, but without moving into work. This happened primarily:

- after having a pensions forecast;
- if they are signing for NI Credits only;
- if they have health problems and decide to apply for Incapacity Benefit (IB).

There were some indications that although the training aspects of IAP were positively anticipated by some, the prospects of intensive activity of any kind were not always welcomed. Thus, it would seem the prospect of a mandatory IAP had some influence on the Gateway drop-out rate, but this is discussed further in the next chapter.

7 In the Intensive Activity Period

In this chapter, the Intensive Activity Period (IAP) itself is considered. The chapter focuses firstly on the transition into IAP and the knowledge and perceptions associated with this phase. Following this, the chapter turns to look at the provision available, and the views and experiences of IAP are discussed. Finally, the chapter concludes with an overview of the outcomes from IAP.

7.1 The transition to IAP: changing gear

7.1.1 Knowledge of the transition

Programme participants should be aware of IAP from the time of their first New Deal interview, when the three stages of the programme are explained to them and advisers stressed that they went to great lengths to explain what the IAP may entail as soon as customers entered the Gateway. Further, our adviser interviews showed that customers progressing through the Gateway were periodically reminded of the potential transfer to IAP:

'If [customers] weren't mandatory they would be told at their initial interview that the IAP section was voluntary... If they were mandatory they would be told again at their initial interview that it is mandatory and reminded throughout the Gateway period. The non-mandatory would be reminded this is something you can do but it's up to you whether you choose to do it or not.'

(Leicestershire, staff)

This continual reminder of the IAP is often linked to an informal assessment the adviser is making of the likelihood of the customer successfully finding work in the Gateway and the barriers which may be linked to this. Therefore, the adviser may begin to discuss with the customer the types of activity they could pursue in the IAP to improve their chances of finding work:

'I'll go through the basics with them and I'll say, "I won't go through too much because it will get confusing; all you need to worry about is three stages: you're going to see me for 16 weeks, after that you'll go onto another stage where you do a work placement or training. Go away, read this, come back to me in two weeks and we'll talk about what you want to do and what direction you want to go in [during the] IAP." If someone says "I want to work in an office, I've never done it before, I've got no typing skills" I say "okay, we can look at training for you".'

(Essex, staff)

However some of the advisers expressed doubts as to whether or not all the information customers received, especially in the first New Deal interview, was understood or recalled fully:

'I think you tell them so much stuff that...they don't really take it all in.'

(Hampshire, staff)

'People quite often come in to jobsearch – they have different folders for different stages so it's important for us to know what they're on – and we'll say to them, "Can you tell me what stage you're on?" and generally they just say, "I'm on New Deal".'

(Leicestershire, staff)

Some providers thought that the IAP was not discussed thoroughly enough during the Gateway and felt that customers often did not know (or could not recall) what to expect when they got to the IAP. Findings from the customer interviews supported this view as a fair number reported that they had not been fully informed of what was involved in the IAP, with a few saying they had never heard of it before. In addition, and although this may be an issue of nomenclature, many customers, whilst aware that there was training or a work placement on the horizon, did not recognise this stage as being the IAP, per se. A few customers also reported that they had not been told about IAP but...

'I've read about it. I was told I was going on this Gateway thing. "We'll see you in a fortnight's time, here's a leaflet." No one has physically told me about [IAP], but I haven't asked.'

(Hampshire, customer)

This lack of awareness, understanding or poor recall may also be linked to the customer typology discussed in Chapter 4. Interestingly, those customers who were noted to be 'downshifters' seemed to be more aware of what the IAP entailed. They appeared to be more likely to say that they had received information on the IAP from their advisers or they had sought/discovered the information for themselves than other customer groups.

7.1.2 Perceptions of the transition

The interviews with staff, providers and customers sought to establish their perceptions of, and attitudes towards, the IAP for the 50plus age group, in terms of its relevance and utility. The findings from the staff interviews highlighted mixed views on this element of the New Deal 25plus (ND25plus). Whilst most advisers thought that participation in the IAP was appropriate for the older age group, they also felt it was a part of the programme that had to be 'sold' to customers. Staff felt that customers, as a rule, were not happy about going on to the IAP and did not see how it was relevant to them; they were generally not keen on it. The perception of having to 'sell' the IAP to customers over the age of 50 was also echoed by providers. Whilst advisers and staff were having to promote the advantages of IAP participation to customers, there was also some evidence that some advisers had used the approaching IAP phase as a way to encourage customers to find work in the Gateway:

'I know the IAP is there for people who are very unmotivated and don't go to jobsearch more than once a week, I tend to shorten the Gateway substantially and I say "if you're not bringing in jobsearch evidence or going along and taking that additional help, then I bring the period forward".'

(Essex, staff)

'I tell them right from the word go "there's training and if you don't want to go on it you need to find a job and sign off". Sometimes that motivates them a bit quicker to take a job they wouldn't normally do but it doesn't mean they would hate the job, it means they would broaden their horizons a bit quicker.'

(Essex, staff)

Customers tended to perceive the IAP differentially. A few customers reported that they were, or had been, very keen to participate in the IAP as they felt it was a useful way to update their work experience and fill in gaps on their CVs and, in some instances, a way to upgrade their skills. For example, some customers stated that:

'It's a good idea. When people look at your CV and see gaps it's the gaps that count against you.'

(Hampshire, customer)

'It's experience and gets you back into that way and hopefully you get a good reference out of it.'

(Leicestershire, customer)

However, a larger number customers had negative perceptions of the IAP, which they reported either before they entered the IAP phase, ie during the first phase of fieldwork, or on reflection, that is, when asked to recall how they had felt prior to starting the IAP. There were concerns that the provision offered was not suitable and some customers felt that due to their age there was no point in retraining. There were also a few customers who viewed the IAP as 'slave labour' because they were

not being paid a wage for it, only receiving their benefit. Some of these views are given below:

'It contravenes my human rights to force me to work without a wage and forces me to go somewhere I don't want to go because the options are so poor. Being forced to do what they call work, it's not work, work is something you do voluntarily for a wage. There is no wage, you're working for benefit, that's degrading and humiliating and goes against my basic human rights. I'm not happy about it at all.'

(Derbyshire, customer)

'I don't see the point in spending my time retraining to go off in some other direction when I would be better spending my time doing something where I'm more likely to get a job and earn a decent salary.'

(Hampshire, customer)

'I can't see the point of wasting the money and time retraining someone who is 58 years old when it would be better spent training youngsters.'

(Essex, customer)

'I don't feel any of these things will help me get a job at my age.'

(Hampshire, customer)

Several staff and advisers thought that there was a lot of fear and nervousness amongst the customer group concerning the IAP. They felt that many customers were not keen to participate in the IAP as they were afraid of what it entailed; the IAP went beyond their comfort zone and represented a very real step change in terms of the time required to participate, the level of social interaction involved, travelling to new places, and establishing new routines. Many advisers believed that fear may have fuelled customers' negative perceptions of the IAP even though, arguably, these customers had the most to gain from participation in the IAP, particularly with regard to improvements in soft skills and outcomes.

There was a smaller number of customers who were fairly indifferent to the anticipated change of gear the IAP represented. They were unsure whether or not it would help them to find work but as it was part of the programme, and in order to keep their benefits, they would 'give it a go'.

'They said either warehousing or fork lift truck driving – I thought okay if I have to do it and if it keeps my benefits going then I'll do it.'

(Derbyshire, customer)

'Whatever they ask me to do I've gone and done. I've never refused anything'.

(Hampshire, customer)

The consequences of these perceptions and the anticipated change of gear they were linked to depended, in part, on whether or not the customer believed that the upcoming activities would be helpful to them or not (and this in turn depended on both the quality of provision and their adviser's skill in identifying it and 'selling' it to the customer). As shown previously, there certainly were some individuals whom we interviewed who had identified some kind of support or activity which they hoped IAP would provide, and positively looked forward to making a start on it. Indeed, in one or two cases, customers had volunteered to take part in the IAP so they could access this provision. However, these positive perceptions were not widespread, thus explaining the reported dismay of some Action Group entrants when they were randomly assigned to it, and the occasionally reported relief of some of the Control Group when they were not.

7.1.3 Declining a change of gear

Not all customers moved from the Gateway into the IAP phase and from the customer and staff interviews, it appears that a not insignificant minority of Action Group participants who failed to find work during the Gateway either declined to enter the IAP, or would certainly have done so if they had seen any viable way of avoiding it. The quotes below illustrate this point:

'[Customers] don't sign off until they absolutely have to. They might have their pre-entry and then disappear, or a lot of them know that they have a 16-week Gateway so they hang on and hang on and hang on; then they just disappear.'

(Hampshire, staff)

'We're honest and tell them as soon as we can. Also if they've got to do it they sign off earlier.'

(Essex, staff)

'If they start sending me on silly jobs I'll just sign off.'

(Essex, customer)

'There were a couple of people over 50 who refused to do it and nothing has happened; they are still getting their dole money. I would have liked to have known how they got out of it.'

(Leicestershire, customer)

The quantitative research will give a more detailed analysis of movement from the Gateway into various destinations. However, early results also seem to suggest that there is a relatively high drop-out rate amongst Action Group customers just prior to, or at the start of, the IAP.

National Insurance only claimants

The most obvious cluster of customers dropping out of the New Deal prior to IAP, or at the very start of the IAP, was a group of Gateway participants who had been claiming in order to keep their National Insurance (NI) contribution credits up to date. This group usually had some combination of private pensions and/or savings and/or a spouse's income which reduced both their eligibility for Jobseeker's Allowance (JSA) payments and their reliance on a benefit-based income stream. For this group, the additional effort, and for some the even more marked irrelevance of an upcoming participation in IAP had altered that balance, and they typically signed off as their Gateway period drew to a close, or shortly after the IAP had started:

'One of the reasons they took me off New Deal was because it was going to become compulsory for me to do a placement. It wasn't appropriate for me. I only have to sign until next April. The next tax year is the year of my 60th birthday so I don't have to sign after the 5 April, so I've only got eight more visits here.'

(Hampshire, customer)

'I said to the adviser "I'm not prepared to do it. I don't need training, I've got skills". She said "you have no option". I said "fine"... She said "you'll lose your benefits". But I'm getting nothing. All I'm getting is my national insurance which I can afford to pay myself and if this is it I will.'

Having said this, one or two customers who were interviewed and who were signing for credits only, had decided to go ahead with participation in IAP; this was largely a financial decision which involved weighing up whether the hassle of taking part in the IAP was worth the financial subsidy to their NI record. At best they saw participation in IAP as *'unlikely to do any harm'*, and very occasionally as *'might be interesting'*:

'I was wary of being sent on some retraining programme. I didn't see there was anything I could be retrained for that I would want to do so when the suggestion came up of being on the New Deal 25plus and I would have to do a 13, 26 or 52 week programme, I was reluctant to do that and I looked for an alternative. It was to pay my own stamp. I said I wanted to consider that. My wife was on holiday on her own and I said I wanted to discuss it with her when she got back. The adviser said I could continue signing on for two more periods without being placed on the New Deal 25plus. I discussed it with my wife, decided that it couldn't do any harm to have the assessment and see what they came up with.'

(Essex, customer)

It appears from the qualitative evidence that NI credit-only customers were more likely than other customers to drop out of the New Deal because of the requirement placed on them to take part in IAP, but it also seems clear that they were not dropping out into any kind of formal paid employment. For the most part, they were either formalising their retirement or continuing with jobsearch under their own steam.

Caring/health constraints

A second, smaller, and rather more diffuse group that sometimes, but not always, dropped out of the New Deal rather than enter IAP were those whose personal or domestic circumstances were not readily compatible with the anticipated demands of IAP participation. Personal health and the requirement to care for a partner or family member were the two most prominent factors cited here. It is likely that such constraints may also have precluded job entry, but for the present we note that it is the intensified effort of IAP participation which appeared to be the cause of drop-out at this point. The quotes below illustrate the constraints some customers had:

'I have one [customer] who looks after her grandchildren and she told me she wouldn't be able to go to training. I said "well you're claiming as a single person and you can't use that as an excuse, you're not available for work if you're saying things like that, you have to go and you will go full time".'

(Hampshire, staff)

'My wife needs so much care and attention. I was trying to get DLA at the time so I didn't do a lot of training...plus it was inconvenient because I had to go to Colchester for three months.'

(Essex, customer)

Customers in this situation often tried to move to Incapacity Benefit (IB), or in some cases Carer's Allowance, rather than continue onto the IAP, although there was no hard evidence to suggest they had succeeded in doing so.

Rural signings

During the very first round of interviews, we identified a third, very small, group of people who had dropped out of the programme when faced with joining the IAP and they were those in relatively remote rural areas, who had often previously been signing for their JSA by post. This group was mentioned by one member of staff in one of the pilot areas:

'Yes. Across the board it's not uncommon for people who have been signing in this way to get to New Deal when they have to do training and they sign off.'

(Essex, staff)

The 'effort contrast' between Gateway and IAP participation was more marked for this group of customers. While 'rural' customers were likely to have been taking part in the Gateway at their nearest jobcentre, it was more likely that their IAP provision would have been at a different (and possibly inconvenient) location and would have required almost daily attendance. It is not possible for us to verify exactly how difficult/time-consuming/unreliable their travel-to-work-experience would have been. Further, this was not a reason for signing off mentioned widely by customers. Nonetheless, for those reliant on public transport from and to their rural locations, IAP is likely to have presented an even greater effort than for other customers, which may have tipped the scale in favour of signing off JSA.

7.1.4 Changing gear

Action Group customers who had been unsuccessful in finding acceptable work in the Gateway, and who did not drop out from it, had made (or would make) a change of gear in one of two directions: They could take a (marginal) job rather than enter the IAP, or they could start the IAP itself, which was the route most commonly taken.

Taking a marginal job: We have seen that there is some, albeit slight, evidence that the 'threat' of the imminent IAP was, in some cases, a catalyst for customers to find employment in the Gateway. Indeed, some advisers mentioned that they had used the IAP in such a way as to effect an early move off benefits and into work. In a few cases, the requirement to take part in IAP appears to have persuaded some Action Group customers to take up the sort of employment from the Gateway, or immediately as they entered the IAP, which they would otherwise have sought less strongly or turned down. This effect was noted by some advisers – they generally felt that such an avoidance effect would add to the factors encouraging some Gateway participants to take work.

Having said this, many advisers felt that customers finding work at this stage were doing so because of personal motivation and a (possibly more realistic) willingness to accept the kind of work that was attainable locally. Also, only a couple of customer respondents indicated that they were likely to take work in order to avoid the IAP, even though, as we have seen, a large number of them were aware, to some degree, of the IAP and were not enthusiastic about it.

Importantly, a counter consideration raised by some advisers, was that the provision on the IAP could help customers improve their chances of finding a job for the long term. This was often the key 'selling' point advisers made when discussing the IAP with customers in the Gateway:

'My opinion is that everybody who goes on it is going to gain whether they would like to admit it or not. I mean we get people who want to do it, they'll be those who know they've got to do it and they'll get on grudgingly, but what it does do is put them in a far better position whether it's updating current skills, getting to know people or just networking in general.'

(Leicestershire, staff)

Therefore, some advisers felt it was in the best interests of customers to enter the IAP phase of the New Deal rather than taking a marginal job to avoid it. Further, there is an issue that if a decision to take a job had actually turned on avoiding having to spend 13 weeks undertaking IAP, then this did not constitute much in the way of commitment to the job in question.

Thus, it seems that mandatory participation in IAP might incline some borderline 50plus Gateway participants to take a job which they otherwise would not have, and that at least some of the drop out towards the end of the Gateway, or just prior to starting IAP, could have positive effects on job entry rates. However, only a couple of customers said that their decision to take up employment had been much

affected by this consideration. Similarly, the majority of advisers were much more positive about the way that participation in IAP would help the job-getting chances of their 50plus caseload than they were about any deterrent job entry at the margin. In the main, they wanted the marginal Gateway customer to go forward into IAP rather than being prompted prematurely towards a sub-optimal job.

Moving on into IAP

Although many customers had negative views about the IAP beforehand, most of those who actually entered the IAP accepted it fairly well. This may, of course, have been because they had gradually become used to the idea, and also as a result of their adviser's influence; almost all our adviser respondents said that they took the 'selling' of IAP as a worthwhile and constructive activity very seriously.

Bearing in mind the general antipathy of customers to the IAP mentioned earlier, there were three main clusters of customer attitudes on entering the IAP: Two groups were, in general, fairly positive about the step change to the IAP. However, there was also a third which was generally indifferent, and at worst resigned to IAP, rather than very negative about it. When it came down to it, most customers seemed willing to accept IAP on its own terms, and in the hope that it might prove to be a means of improving their circumstances. In large part, the negative attitudes towards IAP had been overcome by the time this element of the New Deal had arrived.

The two positive groups shared attitudes that centred on:

- **Change is as good as a rest:** a notable perspective on IAP among some entrants was that it was '*something different*', a '*change of scene*', etc. These customers' perspectives on IAP seemed to turn more on it being a change from the norm, perhaps a break from the isolation, or maybe a change from '*having too much time on (their) hands*'. This group tended to suspend judgement on whether IAP might do them any good, and help them to find work. Some took the line that it was simply something they had to do if they were to remain eligible for their benefits (or NI contributions, in one or two cases), and so they might as well get on with it; others felt that it might just be helpful; while still others took the view that they might enjoy it.
- **It'll enhance my CV:** a somewhat smaller group felt that the IAP would give them access to 'real' training opportunities and work experience opportunities. These individuals wanted to acquire some 'real' skills, and return to the labour market at an acceptable level (of pay, status, job interest, self-esteem, etc.). They were also attracted to IAP as a chance of gaining some work experience which could help 'fill the gaps' which may exist in their career history.

Among the third, less positive, group, the dominating attitude towards IAP participation appeared to be:

- **Because we have to:** This group would go and take part in the IAP because it was mandatory, but perhaps only to the minimum required level. This passive participation was noted by one of the providers:

'Forty per cent really do get engaged and 60 per cent go through the motions.'

(Leicestershire, provider)

This third group of customers did not expect to get much, if anything, out of IAP, and by and large, felt that attending for 30 hours a week was as much as they were willing to contribute. They had typically not taken much interest in any dialogue with their adviser about what they should best do in IAP, but had simply agreed to participate ... because they had to. It may be that the combination of 18 months unemployment, plus the experience of failing to find work, even with the personal assistance of an experienced adviser, and with more help and encouragement than they had received previously, had combined to reduce their active engagement to a minimum. They may have become disillusioned with the whole process. It might be the case that for younger people, this lack of engagement would have taken a sharper, more negative, aspect; whereas for this group, it produced passive compliance.

7.2 Provision

Across all four areas, and in both Jobcentre Plus-led and private sector-led (PSL) programmes, IAP provision for 50plus entrants was essentially the same as for any group of entrants. There had been no moves to change provision in any way to take into account any special or different needs or expectations of the new 50plus intake cohort. The main reason given for this lack of change was that there was no need: providers and most staff were fairly consistent in their views that this cohort of older people had no distinctive special needs for IAP provision, and consequently, whatever provision already existed under IAP would, by definition, be suitable for them.

'The 50plus are no different from the under 25s. They may not want to hawk furniture around but then some 50plus people do. You get 25 year olds who don't want to do anything physical.'

(Leicestershire, staff)

'To be honest we treat everybody the same. There is no difference. Obviously as you've got the individual sat next to you and they've got individual barriers then we try to work through them but as a group everybody is treated the same.'

(Hampshire, provider)

Perhaps an additional reason for no special provision for the over-50s cohort, although not explicitly mentioned, was a pragmatic one. The numbers of older entrants to IAP were so low, the flow so weak, and their eligibility for IAP so recent, that providers may not have seen the need to make any changes to what was on offer.

In short, no new or different IAP provision had been, or was planned to be, made available to Action Group entrants. Nor was any effort made to cluster the older entrants into particular groups who would go through one or other module together. Rather, they were simply mixed into the general entry cohort along with everybody else.

7.2.1 Entry and assessment

Most entrants to the IAP seemed to have up to two weeks of introduction, assessment and action-planning. This was intended to highlight what entrants could expect from the IAP, and to make clear what would be expected of them in return. Subsequently, and building on the assessments and any preparation for IAP which had already gone on before they left the Gateway, they progressed to the development of a personalised action plan.

7.2.2 The IAP menu

It is perhaps worth setting out the full menu of provision which is intended to be available under IAP. Our interviews with providers, staff and customers suggested that there was a good deal of clustering, and that some options were almost universally taken, while others were extremely rare. These common paths through IAP will be discussed below, but for the moment the whole range includes:

- **motivation, soft skill development:** a range of provision to address the specific needs of participants;
- **jobsearch skills, facilities, mentoring:** continued access to jobsearch support, facilities, resources, etc.
- **work experience:** often within the voluntary, community or environmental sectors. These are said to be appropriate for those who need experience of work but are not ready to take up a work placement with an employer. They typically involve a greater degree of input and supervision than provided in work placements;
- **work-focused training:** job focused training or longer occupational training. This is usually short and closely linked to identified needs in the local labour market, or with specific employers. May include on-the-job elements of training through work placements, etc.;
- **self employment:** advice and guidance designed to help people start their own businesses, to understand and make use of business development agencies, and to undertake a period of test trading for up to 26 weeks;
- **Basic Employability Training (BET):** a package of provision lasting up to 26 weeks, designed to address the barriers faced by participants who find it particularly difficult to find jobs and are in real danger of being permanently detached from the labour market;

- **help for those with basic skills deficiencies:** includes help with other serious basic employability problems;
- **subsidised employment:** employers are paid a subsidy to employ New Deal participants for up to 26 weeks;
- **Education and Training Opportunities (ETO):** the opportunity to study, for up to 52 weeks, for a recognised qualification.

From the qualitative research conducted it seems that there were general patterns of participation in IAP. Older people in general, and 50plus Action Group entrants in particular, were tending to cluster around a number of basic packages, each drawing on one of the main elements above and combining it with bits of the others as necessary. These packages are discussed in turn and are grouped under the headings work experience, training and jobsearch provision.

7.2.3 Work experience

Work experience was the most common IAP experience for the 50plus group. Advisers reported that providers had difficulty finding suitable work placements with employers, and therefore, most of the activity that centred on introducing IAP customers to the disciplines of the workplace came via work experience, rather than work placements. The key difference seems to be that the former is more concerned with developing generic workplace skills (timekeeping, commitment, reliability, adherence to procedures, etc.), and is not explicitly linked to a possible vacancy with the same employer at the end of the time.

Typically it would involve:

- three to four days a week work experience;
- one day a week jobsearch.

In some cases, the work experience was coupled with some vocational training such as studying for a City and Guilds course in horticulture or the chance to gain a chainsaw certificate; whereas in other instances, more generic training was offered, such as IT skills. However, in the majority of cases, work experience coupled with jobsearch alone was the package offered to customers.

The most common organisations offering work experience were third sector, voluntary agencies and public sector employers. Thus, for several of our respondents, the reality of work experience was that of working part time in a charity shop or with an environmental project of some kind. However, there were also a few examples of work experience being offered by the private sector in areas such as retail, administration and construction.

Providers and New Deal staff themselves were often very positive about the advantages of undertaking work experience. Work experience was said to re-introduce people fairly gently to the demands of the workplace, improve confidence, and give them some experience of working in a semi-commercial

environment. Indirectly, work experience in the IAP has provided evidence of constructive activity to pad out a CV:

'We try to get them into at least a 25 hour a week placement, to get them used to getting out of bed in the mornings and stuff. It is designed to do that now.'

(Essex, provider)

'Placements are really helpful and if I was 18 months unemployed I would happily do one. It gets you back into a routine...It's valuable, especially if it's something you want to do; if you want to change career you need to have some experience. From it you can maybe network as well...You can put it on your CV, it closes a gap.'

(Essex, staff)

'The whole idea behind it is to help you get into work mode.'

(Leicestershire, staff)

However, there was also concern amongst a smaller number of staff about the quality of work experience opportunities. They felt work experience was only beneficial if it was relevant to the labour market, and importantly to customers' backgrounds, skills and job requirements, and that sometimes this was not the case. There were also concerns that there were no real job prospects at the end of the work experience:

'Unfortunately a lot of the placements by the providers are in places that won't give jobs. I mean, for example, if you want to work in retail and you've lost your confidence, they will probably place you in a charity shop okay, but there are no job prospects there, it gives you experiences, it gives you a reference but you won't have a job at the end of it.'

(Hampshire, staff)

'I think the benefits of it are huge if you can get the right placement. What tends to happen sometimes is that they will go in a placement somewhere that isn't relevant to the kind of work they're looking for so that, when they come to apply for the job, they've been doing something for the last few months that isn't relevant experience.'

(Leicestershire, staff)

Customer views about work experience were very mixed. A number of individuals were weakly positive about the experience, feeling it had been a break from the routine, and a few individuals had positively enjoyed the whole thing.

'Work experience is the one thing that would benefit anybody irrespective. You're there doing it and you're showing you can do it. Whatever the job is, work experience must be the best thing.'

(Essex, customer)

'I'm learning a job. Behind the scenes, what goes on. I'm doing most of the daily tasks that the other library assistants do other than manning the desk. I've become familiar with the tasks, superficially. It ought to count for anything I apply for in the future.'

(Essex, customer)

'The three months I spent there were the happiest months in the last 20 years of my life. I had a purpose.'

(Leicestershire, customer)

However, about half of the customers interviewed who had undertaken a period of work experience reported resentment at *'having to work for my dole money'* and at worst had found the experience a waste of time and thoroughly demeaning. These customers often felt they were working for free and generally, they believed that such work experience did not lead to a 'proper' vacancy, and they were dismissive of any likely CV effect. These points are illustrated below:

'The other aspect of New Deal that stopped working for me is that we have to do a placement. I was sent to the Money Shop which is funded by the Council and the placement was going to be a junior office level position. I've been a manager for 26 years, I've trained people under me to work in an office, how is that going to benefit me?'

(Leicestershire, customer)

'Some firms have been known to take people on for a few weeks just to get them cheap and they haven't really got a job for them. I wouldn't mind if I felt they could offer me a job at the end of it.'

(Essex, customer)

'They should give you a proper wage, at least the minimum wage or the wage that everyone else is getting paid for doing the same job in the same place.'

(Derbyshire, customer)

There was also fairly widespread negative views about the type of work experience provided. A number of customers thought that work experience in the voluntary sector was not going to help them to progress in the areas of work they were interested in, or there were no 'real' jobs at the end.

'She kept wanting to send me to a charity shop. I didn't want to go because it wasn't something that would benefit me.'

(Leicestershire, customer)

'Everybody on the course, they were all going into various charity shops doing the voluntary work...you're not going to get a job at a charity shop unless it's management.'

(Derbyshire, customer)

It was evident that some work experience may often be used by providers as a 'filler'; as a stand-in for the more job-related, commercial job-placements they find it difficult to secure with 'real' employers. For example, there were instances of customers acquiring a forklift truck licence and then having to work in a charity shop as work experience whilst a work placement, utilising this skill, would probably have been more beneficial:

'Sometimes with the [provider] they go for warehouse fork lifts, but then you find customers in charity shops because they can't get the placements in the warehouses.'

(Hampshire, staff)

It seems using these work experiences as a 'filler' may have some validity for customers who have never/not recently been exposed to, or acquired the disciplines of, the workplace, such as 'late returners'. However, this rationale loses much credibility when applied to others in this older age group.

7.2.4 Training

There were three main training packages which customers tended to cluster around. These were: skill training, basic employability training and self-employment training and guidance. These are each outlined in the following sub-sections.

Skill training

The majority of customers who undertook some form of training as part of their IAP did so to update their skill set in either vocational or IT training. These were often the same people noted previously as interested in IAP as a means of updating their CV. Providers and advisers typically looked at both people's preferences and competences before allocating them to the skill training package, and at the kinds of skills in demand locally to determine the content of the training. Providers and staff all felt that there were close financial constraints on both the volume of IAP entrants who could/would go down this route, and on the depth of training which would be provided, in terms of the level or indeed whether a qualification would be achieved at all. Most, however, thought that this type of provision would provide a motivated and reasonably adept participant with a marketable skill, and some experience of deploying it in a work-like environment.

Typically, this type of IAP provision would involve:

- two days a week off-the-job vocational training;
- two days a week work experience; and
- one day a week jobsearch.

The content of the vocational training varied but often included HGV/LGV training as well as forklift truck driving, horticulture and plumbing. Another type of skill training the 50plus group tended to cluster around was IT training. This often

included studying for the CLAIT, ECDL, Pitman or in some cases, SAGE training. This training was sometimes given as the main element, or in other cases grafted on in shorter modules simply to give participants some insight into these aspects of jobs. The level of training was usually modest, and rarely higher than NVQ2. The skill training packages were usually linked with an element of work experience with an employer, or voluntary or community organisation.

Some customers were critical of the low level of training offered and the cost issues which precluded study for more advanced levels:

'I have a wide experience of different accounting systems and these are the least favoured. They didn't go far enough. They needed to spend about £300 a day to go onto the advanced levels.'

(Essex, customer)

'If people want computer courses we can only go to a certain level... Some do want more. When you say training people think, especially in the IT industry that I can put them on a course that costs thousands of pounds.'

(Essex, staff)

There was also some concern, although only mentioned by a few customers, about whether the training was directly linked to 'real' jobs:

'They don't provide proper training, they provide IT; no older person is going to get even a chance to get into anything to do with that.'

(Essex, customer)

'I don't think [the courses help you get work]. If the government wants to save money, leave the courses out and just keep going, applying for jobs, looking in papers, at least you seem to be doing something.'

(Hampshire, customer)

Clearly, the one day a week jobsearch was designed to offset the latter problem. The former problem, however, was less easy to address; some respondents knew exactly the kind of course or training provision they felt they needed, but were unable to pursue it through IAP because of cost constraints.

Nonetheless, a relatively high proportion of customers were pleased with the training they had received and felt it would either directly help them find employment or at least had improved their confidence. Some examples of this are below:

'They paid for my driving licence. Now that's increased my potential I do hope to have a physical licence I can show to people. Car, van and lorry.'

(Derbyshire, customer)

'I did benefit from the ECDL it was useful and I got a certificate.'

(Essex, customer)

'I went on a computer course. I've only been at this place 15 weeks but I can work a computer.'

(Derbyshire, customer)

Consequently, certain aspects of skill training did result in job outcomes, especially when they were linked with the needs of the labour market, for example HGV/LGV training. However, for other completers, jobs of a suitable status or pay had often not been found.

Basic Employability Training

The BET package was often mentioned by staff and providers as an IAP option; however, there was a relatively low number of customers who mentioned it specifically. This option was used for individuals for whom a serious barrier to employment had been identified. This was often a problem of skills/aptitudes (often poor basic skills) and perhaps language difficulties, but in some cases it was attitudinal.

Typically, BET would involve:

- two days a week classroom training;
- two days a week work experience;
- one day a week jobsearch.

Staff and providers agreed strongly on the rationale for this type of provision; some individuals still lacked the minimum set of attitudinal aptitudes or workplace skills to be at all employable. BET providers were able to address these shortcomings, and felt that combining the classroom element of the training with (not too demanding) periods of work experience, kept customers reasonably interested and motivated.

However, it seems that customers were, on occasion, less positive about this type of training than were providers and staff. They sometimes felt that they had been wrongly assessed, and that there was nothing seriously wrong with either their attitude, basic or workplace skills. This did not always prevent them from taking the training which was on offer, but they clearly found difficulty in accepting that they had such deficiencies in the first place; or some felt it was maybe too late to learn these skills anyway:

'[This is] not really training. It's learning to read and write again. I can read but it's writing. It's too late for me, it's a waste of time.'

(Essex, customer)

'It's pride as well. You get to 45-50, you're not going to go round telling people you can't read or write at that age, because you're expected to be able to, and it's just an accepted status that you can read or write.'

(Leicestershire, provider)

It also seems that customers who undertook this training package (or who knew that they had undertaken this type of training) were less positive about this type of training due to the providers' tendency to deliver it to mixed groups, with the result that older people's participation was sometimes undermined by what they saw as poor behaviour on the part of younger class members:

'There were full rooms of people for them to manage...I could never stand being in a crowded room. From 25-55, I was one of the oldest.'

(Derbyshire, customer)

Such problems were not at all uncommon in this cluster of activities, and were recognised by some of the providers, whereas other providers thought age mixing was beneficial for all age groups. Nonetheless, the logistics of delivery and the small numbers of 50plus entrants often precluded any separation into age streams.

Self-employment training

Another IAP option centred on self-employment preparation. Here, the numbers among Action Group participants were quite small, but it is interesting to note that they came primarily from the 'downshifter' and/or 'shock redundant' customer groups. There seem to be two routes into this option: either the Gateway Personal Adviser had forwarded the individual on quickly from the Gateway, having agreed that this was what they really wanted to do, rather than look for paid work; or, the individual had not found paid work during the Gateway, and had decided to try something else, namely self-employment.

Provision was extremely varied, turning as it did on the diverse needs of individuals and the different forms of support, which were usually bought in from specialist business start-up consultants. As stated above, it seems that this option has been the most appropriate for the 'downshifter' and/or 'shock redundant' type of New Deal entrant, who was unwilling to drop down the labour market to take a paid job, but might perhaps have some of the personal skills and attributes to trade successfully on their own account.

Customer views, although relatively few in number, are largely positive about the training they have received to enable them to start up and run their own business.

'[The training was] a lot more useful than I thought it was going to be at the start. It fairly soon developed into something that was very useful. I probably could not have got the business idea off the ground without that help, not as successfully anyway. I did get some financial help as well. The trade show that was important for me to go to, he got me the tickets to get to that trade show.'

(Essex, customer)

7.2.5 Jobsearch provision

For all the packages on the IAP mentioned above, with the exception of self-employment, one day a week jobsearch was mandatory. Jobsearch provision consisted of a wide variety of assistance which could enable customers to find work. This included direct help such as working with customers to put together, or update a CV, filling in application forms and helping customers to find job vacancies. Other sources of jobsearch help included providing resources, such as computers, stamps and envelopes, needed to apply for and find jobs.

There was concern amongst a couple of providers that some customers did not take the jobsearch element of the IAP seriously:

'Now [customers] are supposed to go down from here between 12pm and 1pm to do three hours jobsearch...A lot of them don't bother. They get a shock at the end of the term because they can be made to do those hours.'

(Leicestershire, provider)

'They're supposed to go down to [provider] on a Friday, or a Monday, whichever their day is, and do two hours of jobsearch. Most don't go. Most see it as a day off.'

(Leicestershire, provider)

A number of customers were negative about having to attend jobsearch, perhaps explaining why some may have failed to attend:

'On the fifth day, it's six hours of jobsearch, which is huge.'

(Essex, customer)

'Once you've looked through the papers, you're sitting around all day and I felt it was a total waste of time. I'd rather have a situation where I have to go somewhere daily provided it's constructive.'

(Essex, customer)

'You don't need three hours to look through the papers.'

(Leicestershire, customer)

Whilst some customers were negative about it, others were keen to attend jobsearch as part of their IAP, or could see how it could benefit others. The positive aspects of jobsearch mentioned included the opportunity it provided to use a computer and the chance to produce a CV:

'They wrote me a CV in a different form. I'd always been taught to try and keep a CV to one page; they wrote one that was a lot prettier and ran to two pages. In some instances that CV is the better one.'

(Hampshire, customer)

'The staff are very helpful...they're teaching me things I knew 40 years ago – how to present yourself.'

(Hampshire, customer)

7.2.6 Views on IAP provision

On reflection, views of IAP provision were fairly evenly mixed amongst customers and staff. In common with earlier findings, those customers with negative perceptions primarily had two reasons for this; one was that they felt IAP was 'slave labour' and the second was there were no real job prospects at the end of it. The latter reason was especially highlighted by staff as was concern that provision was inadequate:

'Unfortunately, a lot of the placements by the providers are in places that won't give jobs.'

(Hampshire, staff)

'I am not opposed to the idea of the over 50s doing an IAP at all. I think if the provision was good it is fantastic...As I said, I am not opposed to it, we've just got a massive provision issue.'

(Derbyshire, staff)

Nonetheless, many customers, providers and staff were positive about the IAP for two main reasons:

- the soft outcomes from IAP, such as improved motivation and confidence, and
- the enhancement of CVs, including added training and/or qualifications, as well as recent work experience, possibly in a different vocational area enabling customers to branch out into different, perhaps more accessible, spheres of employment.

However, although views of the provision were evenly mixed, there was an overall view amongst staff and customers that IAP provision needed to be more tailored to individual needs, which was not always the case. Obviously, self-employment training was tailored very closely to customers' needs and business plans. However, in most cases, the provision that customers were offered turned on what was available in the area and what was affordable. For some customers with high barriers to employment, such as long absence from the labour market, this general provision may have been enough, but for others, especially 'downshifter', it was not:

'They should look at everyone as an individual.'

(Derbyshire, customer)

A number of staff mentioned their desire to be able to tailor IAP provision more closely to the needs of the customer, either in terms of what they could offer, for example, the qualifications, training, or work experience, or by fast-tracking some customers onto the New Deal/IAP much earlier. Although the former issue is possibly

linked to the negative perception of inadequate IAP provision mentioned earlier, the latter is connected to the view that IAP provision is beneficial and therefore, some customers should access it as soon as possible:

'Provided the provision's there... They could reverse it. Make the 25plus come in at six months or a year.'

(Derbyshire, staff)

7.3 IAP outcomes

In this section, we move on to discuss outcomes from the IAP. Interestingly, providers and staff differed slightly from customers in their perceptions of job outcomes from IAP. Providers and staff indicated that there were some positive job outcomes from IAP; however, the numbers were fairly low:

'There are those who get jobs, but equally I think it's just as many that come straight back to me – at the moment.'

(Hampshire, staff)

Where job outcomes were highlighted by staff and providers, they were often the result of the customer receiving vocational-based training:

'One of the guys that I've got up on that board... he came on a forklift course, now he was over 50. He took a forklift course with us and came and shook my hand a couple of months ago when I saw him down the road; he's now managing the place that he went on work placement to, six months later – he's managing it.'

(Hampshire, provider)

'One guy retook his HGV, by coming onto New Deal, and was working immediately.'

(Essex, staff)

In comparison, customers were much more pessimistic about perceived job outcomes, and very few of those who had finished the IAP stated they had gained a job as a result of it. The majority of customers who had completed the IAP had not gained paid employment and many others were negative about the likelihood that their work experience would lead directly to a job outcome:

'When an employer looks at your CV they're not going to be impressed with three months working in a place that's irrelevant; they will want a few years' experience in a relevant position.'

(Derbyshire, customer)

'As far as gaining work, I don't think it's helped me at all.'

(Leicestershire, customer)

Providers and staff, whilst feeling there were positive, albeit modest, job outcomes as a result of IAP, also felt that the work experience itself often did not directly link to these jobs, which was an issue for job outcomes:

'I think it's a shame, 'cause a lot of people ask in my work placement, "am I likely to be taken on afterwards?" and you have to be honest and say "well no they won't necessarily have job vacancies. You are just there to get experience".'

(Hampshire, staff)

'In our experience, once we get them on the programme we haven't had a huge success in moving them onto employment.'

(Derbyshire, provider)

Staff and providers also felt that customer attitudes to IAP often affected the likelihood of their gaining employment following it. Several provider interviews suggested that some IAP customers were simply going through the motions of participation because they had no option. In their view, such people either did not want a job at all, or did not want the sort of job they might reasonably be expected to get. They felt that these individuals, who were just along for the ride, could reasonably easily fend off the whole intervention, and consequently, whether an individual succeeded or not at the IAP stage was largely determined by their motivation and circumstances.

There was an IAP 'Catch 22' which affected the extent of job outcomes from IAP. On the one hand, an extended period with personal help and guidance in the Gateway had already removed from the entry cohort many of the individuals who were genuinely motivated, and whose circumstances were not too detrimental to finding work. On the other hand, although IAP marked a significant change of pace for participants, it did not, in practice, bring a sufficiently large budget for skill training to greatly transform an individual's circumstances in the labour market, and nor did the experience of work experience radically transform their employability.

There was also an issue in some cases that IAP resulted in, not paid employment, but volunteering. Whilst this may be beneficial as it enhances customers' CVs and improves their employability in prospective employers' eyes, it may also, as indicated by staff, preclude customers from seeking paid employment and therefore, they continue on benefits:

'We do get quite a few clients who do continue to do voluntary work with organisations, which in itself can cause a problem because rather than giving up benefit they'll stay on benefit. [They say] "but I am doing this for work" and you reach the point where you say "well yes, you are doing that but you still need to be in different work to get out of the system".'

(Leicestershire, staff)

Nonetheless, the majority of staff, providers and customers were united in the view that the IAP had other positive soft outcomes for participants such as improving their motivation and confidence. It also enhanced customers' CVs and provided some IT training, which, to some, was useful:

'I think the training is good because it gets people used to getting up and being somewhere and even if it doesn't lead to a job they have a reference from the provider or employer they've been on placement with. It gives them experience.'

(Derbyshire, staff)

'They go away with some experience and knowledge and a CV that can be developed, and employers can see that the person is not sat at home; they've dedicated themselves to something, that's the important bit.'

(Derbyshire, provider)

'It worked out well with this placement. Whilst I don't have the job I want at the moment, I've taken a step towards that.'

(Essex, customer)

Essentially, it would seem that for 50plus IAP entrants there were some positive job outcomes; however, these were very small in number. There were positive outcomes in terms of enhancing a CV or increasing motivation, but staff felt that these positive effects often decreased over time if a customer failed to find employment. Thus, at most, all that might reasonably be expected of IAP was that it would marginally improve job entry rates, whilst perhaps improving motivation in the short term and moving some harder-to-help individuals closer to employment, if not into it.

7.4 IAP – compulsion

Customers were primarily negative about the compulsory element of IAP; however, there were some who were positive about it and a few individuals who were fairly indifferent. Those who were indifferent about being mandated onto IAP usually just saw it as another part of the New Deal process and something they had to comply with to maintain their benefits.

There were two distinctive groups amongst customers who were opposed to being mandated onto IAP. These were:

- **Customers who felt the provision was inadequate:** This relatively large group felt the provision was either not there, they did not like what was offered, or what was available was not relevant to their needs. Some customers stated that work experience provided by IAP was not going to help them as they were already aware of what working life entailed. They felt they did not need work experience, which was often in the voluntary sector without the chance of a 'real' job at the end, to enhance their CV or learn what a working environment is like. Others were against working without a wage – a complaint mentioned earlier about IAP provision. For these customers, the IAP represented 'slave labour' and was more about the government 'fiddling the figures'.

'This compulsory thing, I don't think it's very good. He was talking about putting me in work experience. I've got work experience.'

(Essex, customer)

'They shouldn't force you to do a job for someone else and they're not paying you. It's slave labour.'

(Essex, customer)

- **Customers who were against the concept of compulsion:** A smaller number of customers mentioned the concept of compulsion as negative. This group perceived 'forcing' people to do things as 'not right'. Quite often, these customers were also annoyed at it being compulsory for their age group, as they had been working for years and they felt it was more applicable for the younger unemployed.

'They ought to concentrate more on the younger people and leave the older people alone to sort themselves out. Give them help if they need it. I don't think they ought to make them.'

(Derbyshire, customer)

'It's like blackmail.'

(Essex, customer)

'There's such an element of coercion. If within that Gateway of three months you don't find any work then you're going to be on the forced labour programme for three months... there's this idea that you're the next thing to a criminal if you're unemployed, hence the forced labour. I hated it, it made me angry and depressed.'

(Derbyshire, customer)

A small proportion of customers were positive about compulsion. As stated earlier, these views regarding compulsion were often linked with perceptions of IAP provision. A number of customers were either 'happy' it was compulsory because

they had enjoyed their experience or mentioned that being mandated onto IAP was a good idea as long as the provision is sufficient.

'It's a good idea for motivation...it breaks the monotony and gives you an idea of what you want to get back into.'

(Essex, customer)

'Not a bad idea in itself provided the training you get is relevant and not just from a list.'

(Essex, customer)

This positive perception of compulsion was echoed by staff. Although a minority of staff were not keen on compulsion because they felt IAP should be an option for this age group, the vast majority of staff supported compulsion. Many felt that what applied to the younger unemployed should also be applicable for the 50plus age group as they were also receiving benefits. Also, as before, perceptions of compulsion were associated with provision. Either staff were pleased with the provision provided and therefore, believed every 50plus entrant should move into it, or, stated that once IAP provision improved and was more varied, it should be compulsory for all entrants.

'It's alright making it mandatory but it has to be decent.'

(Essex, staff)

'I think if the provision was a lot better and there was a lot more choice, then I think it would be okay to be mandatory. What we've got at the moment, I don't feel that it's as it should be.'

(Essex, staff)

'I think it should be mandatory across the board.'

(Leicestershire, staff)

'I always encourage 50plus to go on to do IAP. It breaks them out of their daily routine, it gives them something new to focus on and encourages self-confidence and self-esteem, and they go away with new qualifications which helps them to be motivated.'

(Leicestershire, staff)

Another issue which emerged from the staff interviews concerned adviser discretion. A small number of advisers felt that IAP may not be the best option for all customers and they believed that they should be able to decide whether or not a customer progresses into it. Quite often, this group felt adviser discretion was needed as the provision was not adequate; therefore, if provision improved to provide viable

options for groups such as 'downshiffters', then they may support it as a compulsory element of the process. However, others were concerned with customers who had part-time jobs and would have to give them up to undertake the IAP, or NI claimants whom they felt should be separated from the rest.

'The biggest thing I wanted to get over is this mandatory IAP for the over 50s. I would prefer it to be discretionary.'

(Essex, staff)

'Credits only is a different case; they do have a different outlook, you can't sanction them. It seems pointless spending a lot of time pushing them into things. You could go through the Gateway, offer them the jobs that are coming up, then if they want to they could opt to go on the second stage, purely for the credits only.'

(Derbyshire, staff)

It seems that the key to making the IAP successful and ensuring compulsion is supported by most is to offer provision that is relevant to the needs of the local labour market, is adequate, tailored and well resourced, and has some real chance of a positive job outcome at the end of it. The evidence from the qualitative interviews has highlighted that this has not been the experience for many customers or staff, resulting in the very mixed views and messages coming from the study.

8 After the Intensive Activity Period

This chapter considers what happens at the end of the Intensive Activity Period (IAP) phase of the New Deal, when customers come to the follow-through stage. It also looks at the job outcomes of customers who have completed the IAP – that is, who are either on the follow-through stage or have finished the New Deal completely.

Evidence for the chapter is taken from interviews with New Deal customers, staff and providers. Of the 161 interviews conducted with customers, 12 were with customers in the follow-through to the IAP and 28 had finished the New Deal. Of those who had finished the New Deal, 27 were not working at the time of interview and one was working voluntarily, while continuing to look for paid employment.

8.1 IAP follow-through

This section looks at the follow-through stage of the New Deal 25plus (ND25plus), focusing on the provision available and how respondents experienced and viewed it. The follow-through stage occurs when a customer has gone through both the Gateway and the IAP and has not found work. The principle is that, *'because their confidence should be boosted by then, hopefully at the end of this period something should have happened'* (NDPA, Hampshire).

'[In the follow through], we're saying, "we've given you new skills, you've had a chance to look for a job on your own, we've given you training, an opportunity to get a reference. So what remains now for a job? Intensive jobsearch and applications".'

(Senior adviser, Leicestershire)

8.1.1 Follow-through provision

Length of follow-through stage and frequency of meetings

The programme for the follow-through phase was most commonly based around customers having six meetings with their Personal Advisers (PAs). Follow-through is generally compulsory, although some staff noted that this could be made voluntary for customers if appropriate.

'It can be mandatory but usually we do it on a voluntary basis because a person has already been through 13 weeks or 26 weeks of training and don't usually need to go for intensive jobsearch.'

(NDPA, Hampshire)

'[Whether it is mandatory or optional] is down to the discretion of the adviser. If I felt one of my customers wasn't making that much of an effort or they needed a lot of help, then I'd send them to the mandatory [programme]. If their CV was good, they were doing good jobsearch, I'd send them to the voluntary one.'

(NDPA, Hampshire)

Meetings could be held weekly or fortnightly, but in some areas, customers were given the opportunity to meet their PA weekly for 13 weeks, and some customers were given the opportunity to extend the follow-through stage to 15 or 16 weeks.

'[We see them] weekly where possible. Minimum six interviews, maximum 13. I found recently that some of them who have been hard to match to things want to stay after the six weeks.'

(NDPA, Derby)

'Generally we try and keep them weekly because we like to keep them into the habit of coming and having a jobsearch every week.'

(NDPA, Hampshire)

'[How long customers spend on the follow-through is determined] by the adviser: whether you think they're going to benefit from being on it longer, the subsidies they offer, the discretionary fund.'

(NDPA, Hampshire)

Support for job searching was sometimes given by New Deal providers, either instead of or in conjunction with adviser meetings. In one of the pilot areas, follow-through provision could also include a one-week intensive job searching programme.

'Some of them do two hours, twice a week, some of them have to do the full week's induction, and some of them have to do a day, so it depends...on why they are coming back.'

(Provider, Hampshire)

Provision detail

Existing guidance indicates that it should also be possible for customers in the follow-through stage to access further provision, similar to that available during the IAP, if they continue to require it.

There was some variation between the pilot areas in what follow-through provision was available. In Hampshire, advisers had referred customers in the follow-through stage to a programme centre to complete their CV and undertake intensive job searching. Customers had also been referred back to a Gateway provider who went over what had been achieved during the IAP, in order to maintain momentum and help them engage in intensive job searching. However, the provision was not entirely uniform and emphasis was given to tailoring it to individual customers' situations.

'They go in twice a week for a two-hour jobsearch session...If they're mandatory, they do [a one-week course] first and in that they do CV, jobsearch, how to speak to employers on the 'phone, spec letters, interview techniques – everything that's involved in looking for work.'

(NDPA, Hampshire)

'[Whether we send customers to the programme centre] depends what they've been doing. Sometimes it's a bit silly, if they've just done several weeks [there] to say, "Right, so you're going back to [the provider] again." I think it depends on what training they've been doing and what sort of results they come out with.'

(NDPA, Hampshire)

Follow-through provision in the other pilot areas centred on customers seeing an adviser regularly for vacancy matching. A typical view amongst advisers was that the follow-through stage was *'an intensive Gateway at the end of your training or work placement'*.

'My first review on follow-through is usually about how they got on at the placement, "did you get any qualifications on your placement, did you enjoy it, even, do you think it's made you more employable?" It's all about that, and redoing their CV to include what they've done on their placement, as well.'

(NDPA, Leicestershire)

'Weekly appointments with jobsearch using new skills they've gained while they're on work placement or training, whatever they've been doing.'

(NDPA, Essex)

Looking at the pilot areas overall, it seems that if Gateway provision is largely concerned with one-to-one meetings with an adviser, this is also likely to be the main activity during the follow-through phase. On the other hand, if the Gateway stage draws on other provision in addition to adviser meetings, it is more likely that advisers will also draw on this type of support during follow-through.

8.1.2 Perceptions and experiences

General views of the follow-through

The majority of customers who were about to start, were on, or had been on, the follow-through, either showed confusion about what it involved, or opined that there was no clear programme. Frequently, customers who had experienced follow-through initially stated that, on finishing their training or work placement, they had simply started signing on again: they recalled receiving support for their jobsearch only when prompted.

'Sign on every Wednesday, waiting to sign on again. I don't know what happens [after the IAP]. Someone said there's a follow-through; I don't know.'

(Customer, Leicestershire)

'I don't know [what stage I am on]. I finished New Deal on 14 January and I was told to put in a new claim and I find I'm still New Deal.'

(Customer, Essex)

'[After the IAP], it just finishes. You have another interview with your personal adviser here, you see her for another once or twice. I saw her once and she realised there was no point, so then I went back to signing on as normal.'

(Customer, Derby)

'[Back] to the same old rigmarole...I saw [my PA] a couple of more times than I was passed back to the general staff.'

(Customer, Derby)

It is clear that for many customers, the follow-through stage did not present anything sufficiently new or different to mark it out as a stage of the New Deal in its own right. Further, it seems that a lack of understanding of the purpose of the follow-through is one reason why customers do not benefit from it as much as might be hoped. One PA, who described the follow-through provision as 'quite bad', went on to explain:

'It depends on the customers – some love it and others hate it. It's all down to how motivated you are. Some just sit and don't do anything and wait to be told what to do. Others will use the time effectively, so it depends how much they want to put into it.'

(NDPA, Hampshire)

The principle of the follow-through, as described above, suggests that if customers fail to 'take the bull by the horns' and assume a more proactive role in finding employment, passively going through the motions as required, this stage of the programme has not been successful.

Unfortunately, it was rare for customers to describe their time on the follow-through as useful and constructive, and far more common that they felt disillusioned with it. For example, one customer said, *'I felt as though I was back at the starting block'*. With this in mind, some staff thought that the follow-through was not structured to be sufficiently motivating for the majority of customers. Follow-through may in danger of becoming synonymous with 'fizzle-out'.

'To be brutally honest, what I think about follow-through is that it's a complete and utter waste of time. You book clients into Jobsearch once a week but you only see them every two weeks and that's quite a long time. If they don't attend, or fail to attend an appointment, and then you rebook them for two weeks, sometimes a month can go by and you won't have seen them because they've failed to attend one, you've not necessarily got the space in your diary to see them – usually because you're constantly getting people referred – and you lose track a bit. I just don't think follow-through works. I don't think it's giving the clients any sort of value for anything because it's less intensive, they have to use their own initiative more and, if they're that fed up because they've got through to the end, I don't really think they're going to be motivated and looking in the paper every week...I think we need to see them just as much as we do in Gateway...When they come back here, I think it needs to be more focused.'

(NDPA, Leicestershire)

Expectations and motivation

There were mixed perceptions among staff of the likelihood of clients coming on to the follow-through stage of the New Deal. Asked how she felt when customers returned to the follow-through after the IAP, one New Deal Personal Adviser (NDPA) said, *'You kind of expect it'*; on the other hand, several staff noted that they did not receive many customers at this stage.

'I don't see that many [on the follow-through], which would suggest they've gone into work or given up the option and disappeared.'

(NDPA, Essex)

However, staff were more consistent in their opinions on the effectiveness of the follow-through: in most cases, staff did not perceive it to be particularly useful or successful at helping customers find employment. Part of the reason for this was that staff often had low expectations for the type of customer who came on to the follow-through. It was thought that a lot of customers on the follow-through were particularly hard to help, as they faced multiple barriers to employment that would be difficult to overcome.

'The problem is, by the time you get to follow-through, if they haven't got a job by then, it's fairly unlikely they will...It's two-and-a-half years in total since they started claiming.'

(NDPA, Hampshire)

'To be honest – with the 25plus ones as well – once they've finished their IAP, they haven't got a job by the end of their 26 weeks; you don't really expect they'll get a job on follow-through anyway, so I don't think it's majorly different between the two age groups.'

(NDPA, Hampshire)

'I think, with [staff], there's a certain amount of "Oh my goodness, they've come back on follow-through."...I don't think advisers like having follow-through clients because their attitude is, "Oh, follow-through!" Perhaps the attitude from my point of view is, "Oh, you're not going to get a job".'

(NDPA, Leicestershire)

Several staff reported that some customers had similarly low expectations of finding work. For example:

'I think the motivation has been lost slightly because [they feel], "look, I've been through Gateway, I've been through [IAP], I've ended up here, I am unemployable, you can't get me work".'

(NDPA, Leicestershire)

'They're not very happy about doing [the follow-through], because they feel they've done 13 weeks here and they go back and pick up a newspaper and they'll sit and look at things they're not capable of getting. We try and help as much as we can whilst they're with us for 13 weeks. If we can find employment for them during that time, we push that.'

(Provider, Leicestershire)

This was confirmed by the pessimism shared by a number of customers. For example, one customer said:

'You go down there for a couple of months, two or three days a week just to apply for more jobs – if you can apply for the same ones again...I was a bit negative, really. I've applied for them all and got turned down from them all. Time to change and have a look elsewhere.'

(Customer, Hampshire)

Staff revealed different reactions to the low expectations of customers on the follow-through. Some persevered with the official system, despite having low hopes. Other staff, on the other hand, emphasised that they used the system flexibly, taking into account individual clients' situations. The most common ways this would be manifested were making the follow-through voluntary, less intensive or shorter (see Section 8.1.1).

'Some people have been through the system time and again; they've been through the IAP, you bring them back on to follow-through and although you're going through jobsearch with them you know they're not going to move any further forward than they are at the moment. We tend to drop them off our caseloads. We are targeted on job entries. If we feel we're not going to get very far with them, then they will be released from New Deal maybe a bit earlier than they would normally...[But if we feel the IAP has made a big difference to them and we think we have a chance with them, we] really go for intensive jobsearch.'

(NDPA, Derby)

While a more flexible and realistic approach was generally thought to be appropriate, one adviser warned that care must be taken, as negative attitudes displayed by staff were detrimental to customers' motivation.

'We've got a Business Development Department and if you ever tried to tell them anything about a follow-through client, they don't really want to know. The funding doesn't seem to be so relevant because they're on follow-through: do we really want to spend our money on someone who's not going to get a job? I might not be popular saying it, but this is the way I see it, there's that kind of attitude...I think if [clients] are getting that from us, they won't bother, will they?'

(NDPA, Leicestershire)

Resources

A few customers commented positively about the provision they received on the follow-through, focusing on access to practical resources and advice and mentoring. For example, one customer who had finished the New Deal and was doing the follow-through voluntarily said:

'It does help with letters and telephone...[and] you've got people in that room who will give advice on what to say in your letter.'

(Customer, Leicestershire)

However, other interviewees mentioned a lack of resources in the follow-through stage, some further noting that the amount of provision had declined significantly. Customers largely wanted more one-to-one support and training in the follow-through stage. For example, a customer from Essex expressed frustration at the fact that he could not be funded to finish off the ECDL course that, for administrative and practical reasons, he had not been able to complete on the IAP. He explained that initially, he had been told that he would be able to finish the two remaining parts during the follow-through; but then he was told that the European funding scheme that would have been used for this was no longer accessible.

One adviser from Derby expressed regret at not being able to offer more extensive support on the follow-through stage.

'The problem we have with the skills coach is that everybody is eligible...so they book up...So we are doing the best with what we have got...it is unbelievably frustrating at the moment. It really is because I think people think, "Fantastic! We are coming on to New Deal", because they have heard of New Deal as it was in the past, [when you could] get access to all sorts [of training and help]. And then they come in and we have sort of gone well, you know it's case loading, subsidy, intermediaries if they are appropriate but voluntary work is something that I am starting to look at more.'

(NDPA, Derby)

8.2 Post-IAP outcomes

This section looks at the job outcomes of New Deal customers who had completed the IAP, customers' job aspirations and interviewees' perceptions of customers' situations. It draws on interviews with customers on the follow-through stage and those who had finished or dropped out of the New Deal, as well as New Deal staff and providers.

Job outcomes

As discussed in the previous section, the expectations for customers in the follow-through were almost invariably very low: most interviewees expressed the view that follow-through customers were relatively unlikely to find employment. These expectations were borne out by the evidence obtained from the interviews on job outcomes. Advisers typically reported that 'very few' of their clients had found work on the follow-through. Whilst the customers that we interviewed were generally appreciative of the help they had received from their advisers, none had found work during follow-through. One customer commented, *'I don't really know what more they could do to help'*.

'I don't get that many who actually get there, complete it and have an end result from it.'

(NDPA, Essex)

'Less than one to two per cent of follow-through clients get into work, which is nothing, really...Since I've been here – eight months or so – I've got two follow-through clients that are in work, and I've seen a lot more than that. I haven't got anyone who's been 50plus on follow-through into work.'

(NDPA, Leicestershire)

'If people come onto follow-through it means they haven't tried to get a job in-between, and it's very rare that a follow-through client will get a job. Most job outcome activity tends to be in the first 13 weeks of Gateway.'

(NDPA, Leicestershire)

'One or two [find employment on the follow-through]. It's carrying on the good work they've done on their training course.'

(NDPA, Hampshire)

Advisers were less clear about job outcomes after the follow-through period, as they tended to lose track of their clients when they finished the New Deal.

'I haven't known any of my customers to get a job from being on [the follow-through], but you don't necessarily hear because you finish with them, then they go. They go to central or wherever they originally came from and [we] wouldn't know if they got a job three months down the line, unless [we] kept track.'

(NDPA, Hampshire)

Twenty-eight interviews were conducted with customers who had finished the New Deal programme (this does not include those who left the New Deal prematurely). One of these customers was continuing to work voluntarily at the same charity where he did his IAP work placement, but none were in paid employment.

'They're finding me jobs to apply for but having no success or replies. A week ago I sent out; they asked them to send me an application form as a cleaner and I haven't had any reply or a form.'

(Customer, Hampshire)

Job prospects

Many customers who had finished the IAP felt that as a result of it, in one way or another – by building self confidence, getting back into a routine of work or developing skills – they had become more employable. However, in line with the lack of job outcomes, the majority of customers were pessimistic about their chances of finding work, due to factors that were beyond their control. One customer was a case in point, simultaneously holding both these views. On the one hand, he said:

'I'm used to being back with people again, which is helpful. The fact that I have a driving licence means I can apply for more jobs...[and] I now have a recent reference available if I need it.'

(Customer, Derby)

However, he also thought that the labour market in his area was such that these improvements would not be likely to help him secure a job. He explained:

'It seems to have hit a downturn in driving jobs going...[I don't feel any more confident about getting work] – that's because of the job market out there. When I came in on Monday I went through the machine point – I've never seen so few jobs...It's got to the point now where if you punch in local jobs you're looking at...things for Kettering and all over the place. One must assume that the actual work available in the Derby area is minimal.'

(Customer, Derby)

Another customer suspected that he fell victim to employer ageism, although he accepted that it was difficult to prove.

'[I have obtained job interviews], mostly when I've been on the 'phone and not mentioned age. As soon as you get there – I usually get dressed up, the interviews seem to go all right – it's always, "We've got a few more to see".'

(Customer, Leicestershire)

There were also feelings of despondency and resignation among some customers, because they were aware that, in spite of any New Deal activity they undertook, the longer they were out of work, the more difficult it became to find employment.

'Someone said, "You've been out of work a long time." I said, "It's not my fault – I go for jobs and they say no".'

(Customer, Hampshire)

Finally, some customers who had finished the IAP felt that they were being pushed into jobs that were not suited to them. For example, one customer, who was looking for work specifically as a basic skills teacher and had gained experience helping other customers on the IAP with basic skills and compiling CVs, described her situation thus:

'I have a 13-week review coming up and they're trying to make people broaden their options, look for work they don't want to do. They're going to be trying to force people into jobs they don't want and they're not suitable for... How is someone going to perform in that work situation when they don't want to be there, they don't like the work? Who's going to employ somebody like that?'

(Customer, Derby)

9 Cross-cutting issues

In this final substantive chapter, we briefly report on four issues which have recurred throughout the research, and to which we have in part been alluding in earlier chapters, but which have not found an appropriate 'home' in any of them. There are four of them:

- sanctions;
- age mixing within the New Deal;
- the types of jobs customers gained;
- customers' overall views of the pilot.

9.1 Sanctions

Both staff and customers were asked about the use of sanctions in the New Deal process. In general, staff felt that sanctions were a useful tool to make people participate, but found that they rarely had to use sanctions with the 50plus age group. This older age group were described as being more reliable and more inclined to do what they are told to do than younger 25plus customers, who were in turn more reliable than those aged 18 to 24. A common view was that 50plus customers did not want to get sanctioned and have to start a new claim:

'They don't want to have to muck around filling in forms and having to get a new claim sorted out at the jobcentre.'

(Leicestershire, staff)

Staff described having used sanctions in a small number of cases with 50plus customers who did not want to look for work, had not applied to jobs after agreeing to do so, or had not attended appointments without reason. There was agreement amongst staff that those claiming for National Insurance (NI) Credits only were more likely to sign off benefits altogether, and less likely to either participate in Intensive Activity Period (IAP), or to refuse to participate and be sanctioned.

A small number of customers interviewed had had sanctions applied to them, whilst others described being 'threatened' with sanctions if they did not apply for a job that they felt was unsuitable for them. One previous Incapacity Benefit (IB) claimant had been sanctioned because they had not applied for a job they felt that they could not do because of their health problem. Another customer, in the 'deficient demand' group had been sanctioned for three months after saying that they would only apply for jobs that gave them enough to live on. A customer in the 'late returner' group had been sanctioned for not attending IAP when to do so would have meant leaving the person they cared for housebound.

Three 'downshifters', two of whom were claiming for NI credits only, had been sanctioned and were all appealing at the time of their interview. Two had chosen not to attend IAP because they felt it did not offer them anything, whilst the other did not know why they had been sanctioned. One said that he was appealing on principle, rather than for the money; as the former vice-president of a large company he felt IAP offered him nothing. Three customers from the 'erratic career' group had been sanctioned for not applying for jobs or for not turning up for interviews, jobs they felt were not suitable and that were, therefore, pointless applying for.

9.2 Age mixing

We have already noted above that many customer respondents in this research saw their particular age group as having quite distinct problems in getting (back) into work, and consequently potentially different needs for help and support within the New Deal. Our provider and staff respondents generally agreed with the former, but rejected the latter, taking instead the view that this cohort's needs were not so very different from those of middle-aged people, and that the programme had a good deal of scope for individual customisation built-in. Furthermore, as volumes of older workers were relatively small, they did not often provide a sufficient numerical basis for separate, cost-efficient provision.

The consequence for this older cohort, therefore, was a fair amount of mixing with younger people, both with advisers who were often younger than themselves, and with other customers from younger age groups. Broadly speaking, this was quite often reported by our customer interviewees as something they did not care for very much, but rarely as something which had significantly constrained, undermined or voided any of the activities in which they had taken part, or prevented them from taking part in such activities.

The incidence and impact of this age mixing difficulty was somewhat more pronounced when the age difference was itself most pronounced. Two circumstances which exemplify this were:

- When older customers were taught in groups with very young people, perhaps on ND18-24, they sometimes complained about the relevance of content to such disparate groups and/or about the behaviour of the younger people. They rarely had any comparable complaints about working with younger, but middle-aged people.
- When the Personal Adviser (PA) was themselves quite young. In most offices, PAs worked on New Deal 25plus (ND25plus) through a 'cab-rank' system, allocating staff to customers with a view mainly to keeping caseload volumes balanced, rather than matching them against other criteria. If other criteria were used, they were mainly related to particular constraints on the part of the client, often severe behavioural problems, drug/alcohol abuse, or disability, calling for more specialist expertise on the part of the PA. Age was almost never one of these criteria within the ND25plus caseload, although the ND50plus caseload was sometimes allocated to older PAs.

In the latter case, it should be said that there were several instances where the older customer had initially felt that their adviser was too young to have either the necessary knowledge about the labour market or sufficient rapport with them, and yet were obliged to revise this assessment over the course of their involvement with that adviser.

It seems safest to regard these concerns about age mixing, on the one hand, as at worst frictional, but rarely substantial, and never terminal, and on the other as the consequence of the age structure of the ND25plus cohort, which does not provide a sufficiently large volume of clients at any one time or place to readily facilitate stratification by age.

9.3 The types of jobs customers gained

When customers interviewed as part of this research did get jobs whilst taking part in the ND25plus process, these jobs tended to be low-skilled and low-paid, regardless of the labour market history of customers and the typology they fitted best into (eg downshifters, later returners, etc.). These jobs were, in addition, often short-term, either because they were temporary or casual jobs, or because customers did not stay in them long and soon returned to claiming benefits.

The jobs gained by customers fell mainly into six categories: A number found manual work, including as a labourer at a coal merchants, in a scaffolding firm and on a production line. Another group of customers found work as cleaners, in offices, private houses and in industrial cleaning. Others found kitchen or restaurant work, including working in kitchens at charities, care homes, or in Indian restaurants and fish and chip shops. A fourth group moved into retail jobs, in supermarkets and small

retailers. A fifth group of customers moved into a wide range of low-paid, low-skilled jobs including, for example, taxi driving, delivering leaflets and care assistants.

The last group of customers had moved into more specialised jobs. In a couple of cases, customers had found temporary or casual work in their previous area of expertise as an intellectual property practitioner and in the computer industry. The others had moved into more specialised jobs in new areas of work than those they had done before, including as a landscape gardener, a platform assistant at a railway station, and as an adviser at a New Deal provider.

Thus, for the most part, the jobs which were being taken up were overwhelmingly of a low-skill, low status, low-pay variety. Beyond this, there were a few cases of individuals moving into somewhat higher level jobs, but no evidence of any of those from the more professional/managerial and skilled end of this cohort's spectrum regaining their momentum or previous status in the labour market.

9.4 Overall views among customers

Customers' overall views about the New Deal were mainly conditioned by whether or not it had resulted in their finding a job, and more particularly, the sort of job they wanted. While several were unwilling to concede that the programme had helped them to find such a job, and others being somewhat disappointed in the sort of job they had secured, these respondents were generally the least critical and the most ready to agree that taking part in the New Deal had been useful and worthwhile. Having said that, most of the customers who had found work had done so from the Gateway, and so had not needed to go on to IAP. Those finding work from or after IAP were perhaps less ready to claim that the programme had played no part in their success.

Regarding the IAP in particular, we have already noted a shift in customers' views which became more apparent to us when the second wave of research allowed us to talk with more people who had completed it. In general terms, they approached IAP with some trepidation. This was somewhat modified for some either because the activities which they undertook were an interesting break from a fairly bleak and dull period of inactivity, or because they got access to some form of training and skill acquisition (albeit at a rather low level). Any subsequent success in finding work boosted this positive view of IAP even more, but as we have noted, this was uncommon.

Nevertheless, there remained a significant proportion who took part in IAP dutifully, in the full awareness that at best it was not the kind of activity that was likely to provide them with sort of new lease of (employment) life that they sought, and at worst was demeaning and humiliating. For the most part, this group found that they were right; IAP did not help them to find a job, and certainly not the kind which they felt they deserved, even if they might no longer realistically aspire to it. These customers' views were much more negative, but were not often highly critical.

For example, when asked what their experience had been with staff at Jobcentre Plus, contractors and providers, most customers described staff as being nice, friendly, helpful, polite, and supportive. They tended to regard the New Deal as a legitimate effort to help unemployed people to find work, and for the most part, that it was right to expect them to make an effort to comply. When it frequently did not result in a job for them, their usual response was to blame the intense, ubiquitous nature of employer ageism, and the 'fact' that the programme had not been flexible enough to help them overcome the more difficult re-entry task which they faced as a result.

However, a group of customers had had negative experiences with staff and described them as unsympathetic, only interested in sanctioning them, or as not having a good knowledge of the system. One customer had had an extremely negative experience and described feeling under pressure and felt that she was being bullied by staff. Some customers had had negative experiences with contractors or providers delivering Gateway and IAP and said they had been treated 'like naughty children', giving examples of having talks on personal appearance or being told off for once being 20 minutes late due to a family emergency.

Some Action Group customers also mentioned the lack of knowledge of advisers, particularly when a specialised job was desired. They sometimes felt that the focus was on getting them into any job rather than a job that was suitable or sustainable. There also seems to have been issues around customers not receiving in-work benefits calculations or sufficiently understanding the 52-week linking rule which meant they would not take a chance on a job without being fully aware of the situation if they did take up a low-paid job.

A number of suggestions were given by customers to improve the New Deal experience. A few commented that it would be helpful if Jobcentre Plus had access to more specialised job vacancies, others remarked that some jobs on the Labour Market System (LMS) system were no longer available, and others that facilities at provider or contractor organisations could be better, for example, by having more computers or telephones in jobsearch. A few customers commented that it would be better to have the help provided through New Deal offered earlier, rather than having to be 18 months unemployed before being able to access it.

10 Conclusions

In this chapter we address a number of questions which the Department for Work and Pensions (DWP) raised at the outset of the research, and provide summary responses to them.

How far, and in what ways, do the circumstances, characteristics, and motivations of this group of customers differ from other groups of ND25plus customers?

We have not included any other groups of customer in the research, but it is evident that this group do have some defining characteristics, which have significantly influenced the ways in which they have taken part in the programme, and the outcomes observed from it.

Most obviously:

- Their previous labour market experience has usually been extensive. They are not newcomers to work, but they have often experienced a 'shock' exit from employment, often making them newcomers to unemployment and to jobsearch.
- Many are faced with the need to 'trade down' if they are to find work. In some cases, they have enjoyed relatively long job tenures, which have boosted their earnings through internal promotions and increments beyond those they can now aspire to externally. In other cases, they have had erratic careers, but have usually managed to find new jobs without extended spells of unemployment. Advancing age has given them a new set of disadvantages, ranging from their own health to the ageism of potential employers, and so now they cannot so readily get back into work.
- Their financial and domestic circumstances are extremely varied. At one extreme, they include a cohort with some alternative income, from pension or a working spouse, who have substantial private assets (pension again, savings or housing) and reducing outgoings (children grown up, mortgages paid off, etc.). They may be signing on only for their National Insurance (NI) Credits. At the other, there is evidence of real poverty, with job records too broken or poorly paid to have accumulated any savings, and with a real reliance on benefit income.

- As a result of these variations in circumstance, there is also evidence of extreme variety in their motivation to work at all. Some do not strictly need to; Most do need to, but often their motivation is conditional. On the one hand, the professionals faced with the need to downshift may be unwilling to embrace the loss of self-esteem which taking a lower paid job might entail. On the other, those with least human capital were not convinced that they would be sufficiently better off working to make it worthwhile. Between these two extremes lies the bulk of the sample, who genuinely want and need to work, but who face some significant obstacles and constraints to doing so, which again, often distinguish them from younger New Deal customers.
- Common factors which cut broadly across the cohort, however, included:
 - lack of confidence and self-esteem often found in long-term unemployed groups of any age;
 - obsolete and/or uncertificated skills, often irrelevant to their new labour market circumstances;
 - widespread perceived disadvantage in the face of endemic employer ageism; and
 - age-related employment barriers, particularly ill health and caring responsibilities.

Allied to this, do they have different needs for support and assistance under ND25plus?

There are clear differences of opinion between the customers themselves on the one hand, and staff and provider respondents on the other, with the customers often taking the view that they face such distinctive and severe problems that they require different kinds or levels of support than do their younger counterparts on ND25plus, and staff conceding the former, but denying that they constitute sufficiently distinct needs as to require separate or different provision.

Obviously in the light of the above, some of their needs might be considered generic (eg lack of jobsearch skills, low/no self confidence, etc.). Others are shared with other groups of ND25plus participants, but may be more widespread/severe among this group (need to crystallise and commit to new, realistic job aims, low/obsolete vocational skills, poor basic skills, etc.). Still others, if not unique to this group, are particularly prevalent here, most notably, declining health, exposure to employer ageism, etc.).

What, in practice, do they typically receive under the different elements of the programme?

While there is significant personalisation (ie a package of support and activity is put together to take account of individual needs and preferences), there is no evidence of the overall structure of provision being adapted to take into account the special needs of this cohort.

For the most part, our staff and Provider respondents held that this was not necessary (ie that the programme could meet such special, collective needs), and anyway was not practical (because of the small number of participants in these age groups relative to the eligible population as a whole).

Thus, in the Gateway, and leaving aside the random assignment process, provision is the same as that offered to any entrant:

- the support of a Personal Adviser (PA);
- access to a range of jobsearch and job-broking support;
- assessment and identification of any particular barriers to employment (basic skills, motivation, deficiencies in generic workplace skills, debt counselling, substance abuse, etc.);
- preparation for Intensive Activity Period (IAP), if employment not found.

IAP provision is described below.

How, and how far, does this support require customisation to take into account any different needs/circumstances of this group?

As above, our staff and provider respondents generally felt that the system of individual customisation provided sufficient flexibility to cover 50plus participants' needs effectively. There were two important areas, however, where clients felt it did not, as follows:

- Those customers who had recognised the need for some kind of vocational training to improve both their chances of getting a job and the likelihood of it being a good one, tended to have some resentment for the amount of time (and effort) they had to spend in the Gateway, looking for jobs that either they did not want or could not (yet) get. They would far rather have gone directly into IAP.
- Those customers who had lost a 'good' job, and wanted to get back to a comparable level of earnings and/or status through skill acquisition in IAP tended to find that the level of training which they could secure was not sufficient to provide this.

In addition, there were a number of smaller areas in which the programme had not been as flexible as customers would have liked to meet their needs. The only two which were widely mentioned, however, were the:

- requirement to undergo a compulsory basic skills test, without reference to existing qualifications or jobs previously held; and
- need to take part in mixed age tuition groups, which did not always suit some older participants.

How, and how effectively, is this delivered?

Delivery is discussed at length in the report. Apart from the requirements of the random assignment procedures, there has been little or no staff training, little provision for any local monitoring of performance, and little evidence of any collective learning of lessons about delivery. Furthermore, as a result of this modest level of local autonomy, there was very little sense of 'learning-by-doing' in this pilot, and we observed virtually no differences in the delivery between the two waves of research. In these respects the pilots are quite different from more orthodox trials, but may, as a result, form a more stable basis for the evaluation through random assignment.

Despite these constraints, so far as we have been able to ascertain, the programme has been delivered effectively, and we came across little or no evidence of customer or staff dissatisfaction with the efficiency of the programme. The key reason for this is that it entails little more than the application of a tried and tested set of procedures to a small and relatively compliant new customer cohort. Where these procedures were working well, so did the pilot; where there were some local budgetary or other problems (eg initially in Derbyshire) these knocked on to the pilot as well. This might be regarded as both a strength and a weakness of the pilot approach, since as well as building on an established model, it has also precluded the development of any special provisions designed primarily for this age group.

We observed surprisingly little divergence between the Jobcentre Plus and the private sector-led (PSL) areas in this overall pattern; they may have organised some minor aspects of provision differently, but these did not seem to have an obvious knock-on effect on their relative effectiveness.

What are the main destinations for customers from the Gateway? How far, and in what ways, does Gateway-related support influence the relative take-up of such destinations?

This question will be answered definitively by the quantitative research. Nevertheless, quite clearly, in all four areas, the 'work first' character of provision is emphasised by the high degree of focus on assisted jobsearch and related activities during the Gateway period.

However, it is clear that two factors seem to be most important in determining the volume of job-entry outflows from the Gateway; the buoyancy of the local labour market, and the motivation of the individual jobseeker. To be sure, both can be helped along by programme inputs; ie the individual can be helped to understand and to access (and to some extent be prepared for) attainable local vacancies, and the jobseeker can be encouraged by their adviser and enlightened about their real income potential in new jobs. Nevertheless, we would expect that the underlying factors would be more important in determining outcomes from the Gateway.

To what extent, and in what ways, does the prospect of IAP support influence these early outcomes?

The research suggests that the prospect of IAP has four effects on these early outcomes:

- There is a significant outflow immediately before the IAP among those who are signing mainly for NI Credits.
- There may be a (smaller?) outflow, again into inactivity, among some rural customers who are unwilling to travel to participate in IAP.
- There may be a small increase in the job entry rate as a means of avoiding IAP, but staff felt that such jobs would not be sustained.
- There was little evidence of any major outflow into other benefits. Where this was observed, there was usually an independent rationale, eg caring responsibilities become more pronounced, health condition worsened, etc.

Moving on to the effects of the IAP itself, rather than just the prospect of mandatory participation, we found that:

- there does seem to be a continuing positive outflow from (ie during and immediately after) participation in IAP. To some extent this seems to result from the continuing emphasis placed on ongoing jobsearch activities and support for at least one day a week by most IAP providers (except the self-employment oriented ones);
- in addition, some customers had gained modest qualifications through IAP, which they had not enjoyed before, which were often attuned towards either the customer's preferences or known demand in the local labour market, and which do seem to have genuinely improved their employability. The resultant outflows into employment seem to have been largely restricted to those with few/no qualifications or skills previously, and so had made a big relative difference to their human capital;
- while some customers reported that lengthy periods of work experience had been a welcome change from idleness and boredom, few viewed their work experience as leading directly to work or significantly enhanced employability, although some reported increased self-belief and motivation.

How is IAP 'sold' to these customers? How do they perceive it, and how do they regard the prospect?

IAP is sold early (ie advisers try to have it on the agenda quite soon during the Gateway, not least as a means of clarifying what the customer might want to do) and quite positively. However, there is evidence to suggest that clients remain fairly unclear about what IAP will actually be like until quite late in the day, when discussions focus more closely on their Action Plan.

An initial conclusion is that the predominant view is one of resignation with guarded optimism. That is to say, the customers accept that they must do it, or otherwise lose benefit. Where they could afford to, some were prepared to do so in the face of what they regarded as a significant increase in attendance and effort. Most however hope that it will be helpful and produce a good outcome, but on the whole are quite sceptical. Others regard it as an enjoyable change. Still others regard it as the most important part of the programme, where appropriate vocational skills can be acquired.

What elements of IAP are taken up by these customers? How effectively are they advised and guided towards them? and to what extent is provision changed to take account of them?

Under IAP, we observed a rather narrower range of provision than ought formally to be available, but again this was the case, too, for other groups, and included:

- work experience was the most common, and frequently entailed working for four days a week (plus a fifth day of jobsearch), but not with an employer who was likely to offer longer-term vacancies (prototypically these would be charity shops or environmental projects);
- skill training packages, in vocational clusters for which there was local labour market demand, but rarely offering major enhancements to human capital. These packages also included one day a week jobsearch;
- Basic Employability Training (BET), directed at particular individual's shortcoming(s), most often basic skills and/or behavioural concerns, was also mixed with work experience and jobsearch;
- self-employment preparation was less common, but was felt to be of particular value for ex-professionals and those with marketable skills.

We found little evidence of employer-based work placements, and none of the use of employment subsidies or of the education and training option among this older cohort.

How beneficial are the different elements of IAP for these customers?

Broadly speaking, the vocational training elements seem to have been reasonably well targeted to individuals who positively sought this kind of activity. As already suggested, where such provision marked a significant gain in individuals' skill portfolios, this seems to have enhanced both their employability and the likelihood of their job entry. Such previously qualification-free customers in this option seemed to be the most content with provision and outcomes. However for others, who perhaps had more ambitious hopes for this training, the offer was regarded as disappointing, offering a negligible increase in their skills/qualifications and an irrelevance to their CVs. This latter outcome was somewhat more marked in the second round of the research when widespread cuts in IAP budgets and expenditure were beginning to make their presence felt on provision.

Those opting for self-employment preparation were also more content with both process and result than the average. However, here, most of the individuals taking up the option were doing so because they could not get (back to) the kind of job they really wanted. Thus, self-employment became a viable, if not their central, option. The actual content of provision, ie what to be self-employed as, seems to have been extremely well thought through.

Although enjoyed as an end in itself by some who took part in it, work experience was widely perceived rather poorly, because it was not linked to real vacancies, and not always appropriate for people with long histories of employment and extensive experience of work in their past. Nor was it well thought of as an indirect route to a job, ie via an improved CV.

Attitudes to BET were extremely varied. A handful of respondents felt that it was beginning to address some of their most profound problems, but more were still intent on denying that they needed this kind of help.

What are the main destinations for customers from IAP?

The quantitative research will show this. However, our impression is that there are small but positive job outflows from IAP, particularly from the vocational training option and from the self-employment preparation. This seems to continue during the follow-through phase, but again the volume seems to be quite low.

However, most IAP entrants seem to return to Jobseeker's Allowance (JSA) and to continue looking for work through the follow-through element.

What are the main effects on (these) customers' motivation, orientations towards work, and general well-being of participation in IAP?

This seems to follow directly from their outcomes. Where jobs had been gained from, or quickly after, IAP (or in work related to IAP training) then the individual concerned was usually very positive about things. So, too, were some of those who had gone through the work experience element (mainly) because it was a change of routine.

However, it is hard to escape the conclusion that where participation had not led to a job, it produced a significant sense of let-down among those who genuinely wanted one, and a corresponding sense of 'let off' among those who did not.

What have been the main difficulties/obstacles involved in delivering IAP to this customer group?

There seem to have been remarkably few difficulties reported by IAP providers or by PAs. This does not mean that there had been no examples of dissatisfaction, but rather, that they are not endemic.

Small volumes of additional participants have meant that there has been little realistic opportunity to redesign any aspect of provision around this group's particular and unique needs. Thus for example, few providers had good contacts with employers who were known to favour older recruits, with whom they might have established work placements.

What have been the positive learning points in delivering it? and to what extent are these confirmed by customers' experiences/perceptions?

Positive learning points in delivering IAP to this cohort include the:

- need for sound assessment of IAP entrants' real needs and preferences;
- difficulty of simultaneously building older customers' motivation while requiring them to look at more downmarket vacancies than they have traditionally sought or occupied;
- importance of vocational training to update and accredit older people's skills;
- need for high levels of vocational training to allow entrants to regain something closer to their former employment trajectory;
- apparently rather modest job entry results flowing from work experience under IAP. The character of such activity seems to have little credibility with either an older job-seeking participant (who may well have enjoyed almost a lifetime of real employment) or a potential recruiter;
- potential dysfunction of mixing age cohorts in common provision when the age differences are very great.

Appendix

Key characteristics of the customer sample

During the process of identifying, contacting and interviewing customers, we took due recognition of their known characteristics to ensure, as far as possible, that we covered a reasonable range of individuals without significant bias or exclusion. In particular, we have been able to use base lining information on entrant characteristics to:

- check that the participants in our four areas are indeed demographically representative of the customer group in all 14;
- confirm that there is no selection bias, as all those who were identified were contacted;
- check the scale and character of any response bias, by contrasting the characteristics of those who agreed to be interviewed with those contacted.

Clearly, in view of the relatively small numbers available to us for interview, it has not been possible to carry sample verification and adjustment very far, but it has at least been possible to ensure a reasonable coverage of the most important variables in this respect.

The tables here review the representativeness of the achieved sample, and all conform to the same template, as follows:

- the first column sets out the characteristics of the entire population, Action and Control, in all 14 areas in January 2005, when we began to draw our samples;
- the second column sets out the characteristics of the sample frame, Action Group, only in the four target areas. The date varies from area to area, as discussed above; and
- the third column sets out the characteristics of the achieved sample, Action Group, only in the four target areas.

Information is reported for the research in Waves 1 and 2. The population data relates to the time at which the sample was drawn. The second wave of the research involved interviews with new entrants, combined with follow-up interviews with Wave 1 respondents. The overall number of interviews in the two waves was much the same; however, in Wave 2, around one-third of these were follow-ups. Thus, when we report the achieved sample in Wave 2, the actual number of claimants involved is around 25 fewer than in Wave 1. We include in the tables, the characteristics of the respondents who were interviewed in both phases, whom we have termed the combined group. Twenty-eight of these interviews were undertaken; a relatively small number to report with any certainty an analysis of their characteristics. Further, certain typologies of claimants, later reported, were targeted for this aspect of the research, to enable a more detailed analysis of these groups. For these reasons we have not presented an analysis for this group.

A.1 Gender

The eligible population by gender, shown in Table A.1, is heavily weighted towards men (75 per cent at the time of the second wave research). Of those in the first wave sample frame, ie random assignments to our pilot areas, men formed 72 per cent. Of those who elected to participate in the research at this stage, 82 per cent were men, representing a skew of ten per cent when compared to the sample frame.

In the second wave, the proportion of men in the sample frame was again slightly under their proportion in the population; however, in the achieved sample, the gender balance matches that of the population.

Table A.1 Gender

Gender	Population All 14 areas		Research sample frame (four areas)		Achieved sample	
	N	%	N	%	N	%
Wave 1						
Male	1,142	74	217	72	78	82
Female	399	26	86	28	17	18
Total	1,541	100	303	100	95	100
Wave 2						
Male	2,605	75	182	74	44	75
Female	886	25	64	26	15	25
Total	3,491	100	246	100	59	100
Combined						
Male					24	86
Female					4	14
Total					28	100

Source: DWP, PSI, IES Data.

A.2 Age

Table A.2 shows the spread of claimants' ages. Within the Wave 1 population, just over half were aged between 50 and 54 (51 per cent); 48 per cent were aged between 55 and 69, while just one in 100 were aged over 60 (none were aged over 64). However, at Wave 2, the 50 to 54 year age band increased to 53 per cent, while the proportion of those aged 55 to 59 declined to 46 per cent. As in the first wave, only one claimant in 100 was aged between 60 and 64. In Wave 2 there were, in addition, a very small number of claimants both just below the age of 50 and above the age of 65 (likely to be volunteers for the programme).

The research sample frame in Wave 1 was skewed in favour of the mid-age group, with 57 per cent of the Action Group in these areas aged between 55 and 59. There were also more significant numbers from the older age group, ie close to one in ten. The achieved sample in Wave 1 was also skewed in favour of these older age groups (62 per cent, compared to 48 per cent of the population aged 55 to 59).

Although still present, the skew towards the mid-age group reduced in Wave 2 to four per cent above the population. There remained an over-representation of older claimants by ten per cent on their population proportion, but a reduced under-representation of the 50 to 54 age group, which at Wave 2 was 14 per cent higher than the population. The achieved sample, similar to that of Wave 1, was skewed towards the older age groups. However, the participation of the 60 to 64 age group has increased by six per cent when compared to Wave 1.

Table A.2 Age

Age	Population All 14 areas		Research sample frame (four areas)		Achieved sample	
	N	%	N	%	N	%
Wave 1						
50-54	790	51	104	34	30	32
55-59	742	48	173	57	59	62
60-64	9	1	26	9	6	6
Total	1,541	100	303	100	95	100
Wave 2						
Under 50	2	0				
50-54	1,865	53	97	39	21	36
55-59	1,605	46	123	50	31	53
60-64	18	1	26	11	7	12
65 and over	1	0	–	–	–	–
Total	3,491	100	246	100	59	*
Combined						
50-54	11	39				
55-59	17	61				
Total	28	100				

Note: *Does not sum to 100 per cent due to rounding.

Source: DWP, PSI, IES Data.

A.3 Ethnic origin

People of White ethnic backgrounds comprise 88 per cent of the eligible population for the evaluation (see Table A.3). Their representation in Wave 1 was three per cent less in the sample frame, but they formed 92 per cent of the achieved sample. In Wave 2, the proportion in the sample frame matched that of the population. However, in the achieved sample, their representation had increased on the skew seen in Wave 1, to 94 per cent.

At Waves 1 and 2, Asian or Asian British people formed seven per cent of the population but in Wave 1, 11 per cent of random assignment claimants in the four geographic areas. By Wave 2, this over-representation has reduced to just one per cent higher than the population. Of those participating in the research at Wave 1, six per cent were Asian or Asian British, closely matching the population for the pilots. However, by Wave 2, their representation decreased to two per cent lower than in the population.

Table A.3 Ethnic origin

Ethnic origin	Population All 14 areas		Research sample frame (four areas)		Achieved sample	
	N	%	N	%	N	%
Wave 1						
White – British, Irish and other	1,367	88	258	85	87	92
Asian or Asian British	115	7	34	11	6	6
Black or Black British	19	1	3	1	1	1
Chinese or other ethnic group	10	1	5	2	0	0
Mixed	4	0	0	0	0	0
Prefer not to say	26	2	3	1	1	1
Total	1,541	100	303	100	95	100
Wave 2						
White – British, and Irish	3,104	88	217	88	55	94
Asian or Asian British	260	7	20	8	3	5
Black or Black British	53	2	6	2	1	2
Chinese or other ethnic group	20	1	2	1	0	0
Mixed	0	0	1	0	0	0
Prefer not to say	48	1	0	0	0	0
Total	3,491	*	246	*	59	*
Combined						
White – British					25	89
Asian or Asian British					1	4
Black or Black British					1	4
Chinese or other ethnic group					0	0
Mixed					0	0
Prefer not to say					1	4
Total					28	*

Note: *Does not sum to 100 per cent due to rounding.

Source: DWP, PSI, IES Data

The population shows very small numbers of Black or Black British individuals, although between Waves 1 and 2 their representation has increased by one per cent, and this proportion was the same in the sample frame for both waves of the research. Their proportion in the achieved sample for both waves was also representative of the population as a whole.

People from Chinese or other ethnic groups, and from mixed ethnic background, form a small part of the eligible population, although actual numbers of individuals from these ethnic groups have increased by 16 in Wave 2. In Wave 2, those from mixed backgrounds were not present in the sample frame and in the second wave, just one individual was mixed race; thus unsurprisingly, they were also not present in the achieved sample. In addition, the small number of Chinese and other ethnic backgrounds in the sample frame for both waves did not volunteer to participate in the evaluation.

In Wave 1, two per cent of people in the population preferred not to denote their ethnic background. This group had a one per cent representation in the sample frame and this was matched in the achieved sample. However, their proportion in the population for Wave 2 had reduced to one per cent, and this group was not present in the sample frame.

A.4 Highest qualification

Within the eligible population just over half do not have any qualifications (52 per cent in the second wave – see Table A.4). This group are slightly under-represented in the sample frame (47 per cent) in the first wave; however, they are over-represented in the second wave (57 per cent). More notably, in the first wave, people without qualifications were under-represented in the achieved sample (40 per cent), although by the second wave, there was a slight (four per cent) weighting in their favour in the achieved sample when compared to the population.

Around one in ten of the population have a Level 1 qualification but people with these qualifications had greater, and close to equal, representation in the sample frame and the achieved sample for the first wave of this evaluation. This changed in the second wave, where in both the sample frame and the achieved sample, the proportion of those with Level 1 qualifications broadly matched that of the population.

In the first wave, 12 per cent of people held GCSEs or equivalent qualifications in both the population and the sample frame; however, there were three per cent more of this group in the achieved sample. By the second wave, the proportion in the population had dropped by one per cent; however, in the sample frame this increased by one per cent (when compared to Wave 1). In the second wave achieved sample, the proportion of people with GCSEs or equivalent was just one per cent higher than in the population.

In the first wave sample frame, a slightly higher proportion have 'A' levels or equivalent qualifications, and this proportion increases by two per cent in the achieved sample. The proportion of people with 'A' levels or equivalent in the second wave sample frame is three per cent lower than in the population for this stage; this rate reduces again (to just three per cent) in the achieved sample for this wave.

Table A.4 Highest qualification

Highest qualification	Population All 14 areas		Research sample frame (four areas)		Achieved sample	
	N	%	N	%	N	%
Wave 1						
None	786	51	144	47	38	40
NVQ Level 1 or equivalent	171	11	49	16	14	15
GCSEs or equivalent	188	12	37	12	14	15
'A' levels or equivalent	143	9	29	10	11	12
Higher education	253	16	44	15	18	19
Total	1,541	*	303	100	95	*
Wave 2						
None	1,807	52	139	57	33	56
NVQ Level 1 or equivalent	389	11	28	11	6	10
GCSEs or equivalent	395	11	32	13	7	12
'A' levels or equivalent	295	8	13	5	2	3
Higher education	605	17	34	14	11	19
Total	3,491	89	246	100	59	100
Combined						
None					12	43
NVQ Level 1 or equivalent					3	11
GCSEs or equivalent					4	14
'A' levels or equivalent					2	7
Higher education					7	25
Total					28	100

Note: *Does not sum to 100 per cent due to rounding.

Source: DWP, PSI, IES Data.

People with qualifications gained through higher education form just around 15 per cent of the population and the sample frame in the first wave. Their representation is 19 per cent in the achieved sample, ie three per cent higher than in the population. By the second wave, the numbers holding these qualifications in the population has increased by one per cent to 17 per cent, although their representation in the sample is reduced by one per cent when compared to Wave 1. In the achieved samples, the numbers with these qualifications is commensurate with their proportion in the Wave 1 achieved sample, and around four per cent higher than their rate in the population.

A.5 Most recent occupation

Amongst the first wave of claimants entering the IAP, one in four people in the eligible population had most recently worked in manual occupations (Table A.5).

Table A.5 Most recent occupation

Most recent occupation	Population All 14 areas		Research sample frame (four areas)		Achieved sample	
	N	%	N	%	N	%
Wave 1						
Manual	594	39	112	37	30	32
Semi-skilled	258	17	49	16	11	12
Skilled	235	15	53	18	17	18
Office	131	9	31	10	9	10
Professional	166	11	30	10	15	16
Managerial	157	10	28	9	13	14
Total	1,541	*	303	100	95	*
Wave 2						
Manual	1,460	42	120	49	32	54
Semi-skilled	517	15	27	11	3	5
Skilled	564	16	41	17	7	12
Office	273	8	24	10	5	9
Professional	345	10	20	8	8	14
Managerial	332	10	14	6	4	7
Total	3,491	*	246	*	59	100
Combined						
Manual					9	32
Semi-skilled					3	11
Skilled					5	18
Office					2	7
Professional					3	11
Managerial					6	21
Total					28	100

Note: *Does not sum to 100 per cent due to rounding.

Source: DWP, PSI, IES Data.

Slightly fewer of this group were represented in the sample frame and fewer again in the achieved sample (37 per cent compared to 32 per cent). By the second wave this pattern reversed: the representation of people who had worked in manual jobs in the population had increased by three per cent; however, within the sample frame their numbers were close to half (49 per cent), and higher again in the achieved sample (54 per cent).

The numbers of people whose most recent occupation had been semi-skilled were broadly similar in the population and the sample frame at Wave 1 (17 per cent and 16 per cent respectively) but their representation was around four per cent less in the achieved sample. There were two per cent fewer of this group in the population for Wave 2, and their proportion decreased by four per cent in the sample frame for this part of the evaluation. However, the decrease in the achieved sample was more significant, where their representation was just five per cent.

Those who had worked in skilled jobs formed 15 and 16 per cent, respectively, of the populations in the first and second waves. In Wave 1 the sample frame was slightly weighted in their favour (by three per cent); however, by Wave 2 this weighting had reduced to one per cent. The achieved sample for this group in Wave 1 matched the proportion seen in the sample frame; however, by Wave 2, there were five per cent of this group represented than in the relevant sample frame.

Office workers formed, broadly, ten per cent of the population, sample frame and achieved sample in Wave 1. In the sample frame and achieved sample for Wave 2, this remains much the case; however, within the population there has been a small reduction in the representation of this group.

Around ten per cent of the population in both waves of the research have previously held professional or managerial posts. In the sample frame for Wave 1, this proportion was largely matched; however, by the second wave, the numbers of people who described their occupation as professional reduced by two per cent, and those who had worked in managerial roles reduced by three per cent. In both waves, their representation was stronger in the achieved sample, although reduced on their rate in the first wave population. In the second wave achieved sample, the professional group has most increased its representation (by six per cent when compared to the sample frame), although this is still two per cent lower than the representation of this group in the achieved sample for the first wave.

A.6 Part-time work

The large majority (92 and 93 per cent in Waves 1 and 2 respectively) of people in the population are not working part time and this is reflected in the sample frame (see Table A.6). The achieved sample in Wave 1 matched this proportion; however, by Wave 2 the representation of this group had increased by three per cent.

The number of people working less than five hours a week was broadly constant across the population and sample groups (around one per cent) in both waves of the research.

Between three and four per cent of people in the population and sample frame, in both the first and second waves, work between five and ten hours a week. This group is slightly under-represented in the achieved samples (between one and two per cent).

People working between ten and 16 hours per week form three per cent of the eligible population in both waves and a slightly larger proportion of people in the sample frame (four per cent) for Wave 1, although their proportion in the Wave 2 sample frame reduced to two per cent. In the achieved sample for the first wave, five per cent of claimants worked these hours, but their proportion reduced by two per cent in the second wave.

Table A.6 Part-time work

Part-time work	Population All 14 areas		Research sample frame (four areas)		Achieved sample	
	N	%	N	%	N	%
Wave 1						
Do not work	1,419	92	280	92	88	93
Work for less than five hours per week	21	1	1	0	1	1
Work between five and ten hours per week	56	4	10	3	1	1
Work between ten and 16 hours per week	45	3	12	4	5	5
Total	1,541	100	303	100	95	100
Wave 2						
Do not work	3,232	93	229	93	56	95
Work for less than five hours per week	45	1	2	1	0	0
Work between five and ten hours per week	115	3	9	4	1	2
Work between ten and 16 hours per week	99	3	6	2	2	3
Total	3,491	100	246	100	59	100
Combined						
Do not work					26	93
Work for less than five hours per week					1	4
Work between five and ten hours per week					0	0
Work between ten and 16 hours per week					1	4
Total					28	*

Note: * Does not sum to 100 per cent due to rounding.

Source: DWP, PSI, IES Data.

A.7 Possession of a driving licence

The number of people who can drive is fairly balanced within the eligible populations for the evaluation, with slightly more people possessing a driving licence (52 and 51 per cent, respectively in each wave – see Table A.7). In Wave 1, their representation is slightly greater in the sample frame, at 54 per cent, but the achieved sample is more sharply skewed in their favour (63 per cent). There were six per cent fewer claimants who could drive in the sample frame for Wave 2 when compared to the first wave sample frame. However, in the achieved sample their representation is again higher, at 54 per cent, but still around ten per cent fewer than in the achieved sample in Wave 1.

Table A.7 Possession of a driving licence

Driving licence	Population All 14 areas		Research sample frame (four areas)		Achieved sample	
	N	%	N	%	N	%
Wave 1						
No	734	48	140	46	35	37
Yes	807	52	163	54	60	63
Total	1,541	100	303	100	95	100
Wave 2						
No	1,715	49	129	52	27	46
Yes	1,776	51	117	48	32	54
Total	3,491	100	246	100	59	100
Combined						
No					11	39
Yes					17	61
Total					28	100

Source: DWP, PSI, IES Data

A.8 Access to a car

Just under one-third of the eligible populations for both waves have access to a car (see Table A.8), although in the second wave there was a one per cent decrease on the rate seen in the first wave.

Table A.8 Access to a car

Access to car	Population All 14 areas		Research sample frame (four areas)		Achieved sample	
	N	%	N	%	N	%
Wave 1						
No	1,072	70	217	72	56	59
Yes	469	30	86	28	39	41
Total	1,541	100	303	100	95	100
Wave 2						
No	2,412	69	180	73	43	73
Yes	1,079	31	66	27	16	27
Total	3,491	100	246	100	59	100
Combined						
No	17	61				
Yes	11	39				
Total	28	100				

Source: DWP, PSI, IES Data.

This proportion is largely reflected in the sample frames (in Wave 1 it is two per cent above population, and in Wave 2, four per cent higher, although this remains constant in the achieved sample); however, this group has a stronger presence in the achieved sample for Wave 1, at nearer to four in ten.

A.9 Housing

Around one-third of the eligible population have their own house, with a small majority (three and four per cent respectively in Waves 1 and 2) of these owning their home outright (see Table A.9). Home owners form a larger proportion of the sample frame in Wave 1 (37 per cent) and this difference reflects a greater number of those who are paying a mortgage. Both home-owning groups in Wave 1 were more strongly represented in the achieved sample, at close to one-quarter (23 per cent respectively). In the second wave sample frame, the numbers owning their homes outright is much the same as in the populations. However, there are four per cent fewer home-owners with mortgages than in the population, and compared to the Wave 1 sample frame, eight per cent fewer. This group increases its representation in the Wave 2 achieved sample (14 per cent) while those with mortgages form one-fifth of the achieved sample.

Tenants form just over half of the eligible population: six in ten of these were council tenants renting housing from the council. In the sample frame for Wave 1, the number of tenants was broadly similar; however, those in privately rented accommodation formed a slightly larger proportion (24 per cent). In the achieved sample for this wave, tenants formed 48 per cent, with 27 per cent in council housing and 21 per cent renting from private landlords. In the second wave sample frame there was a higher proportion of council tenants (35 per cent), although private tenant representation was broadly commensurate with the population data. This rate of representation remained the same for this group in the achieved sample for Wave 2, although the proportion of council tenants decreased by four per cent on that in the sample frame.

The representation of people living in social accommodation was relatively constant throughout the population and samples for the evaluation (around three per cent).

Broadly, one in ten people in the eligible population have 'other' housing arrangements. There were fewer of this group in the sample frame for Wave 1 (six per cent) and fewer again in the achieved sample (three per cent). For the second wave of research, their representation in the sample frame increased by three per cent to largely match the population, and although fewer were in the achieved sample for Wave 2 than in the sample frame (seven per cent), this increased on their representation in the Wave 1 interviews.

Table A.9 Housing

Tenure	Population All 14 areas		Research sample frame (four areas)		Achieved sample	
	N	%	N	%	N	%
Wave 1						
Owner occupier – mortgage	236	15	58	19	22	23
Owner occupier – own outright	278	18	54	18	22	23
Council tenant	471	31	87	29	26	27
Private tenant	337	22	73	24	20	21
Social accommodation	48	3	12	4	2	2
Other	171	11	19	6	3	3
Total	1,541	100	303	100	95	*
Wave 2						
Owner occupier – mortgage	511	15	27	11	8	14
Owner occupier – own outright	660	19	44	18	12	20
Council tenant	1,105	32	85	35	18	31
Private tenant	755	22	62	25	15	25
Social accommodation	114	3	6	2	2	3
Other	346	10	22	9	4	7
Total	3,491	*	246	100	59	100
Combined						
Owner occupier – mortgage					5	18
Owner occupier – own outright					7	25
Council tenant					10	36
Private tenant					6	21
Total					28	100

Note: * Does not sum to 100 per cent due to rounding.

Source: DWP, PSI, IES Data.

A.10 Marital status

The large majority, around four in ten, of the eligible population was single (Table A.10). Three in ten (29 and 30 per cent in Waves 1 and 2 respectively) were divorced or separated, or widowed, and a similar number were currently married or living with a partner.

The sample frame in Wave 1 had slightly fewer single people (37 per cent), while in Wave 2 their proportion had increased to 44 per cent; however, in both waves, there are broadly similar numbers of divorced, separated, and widowed people. There were more married people in the sample frame in Wave 1 than in the population (32 per cent compared to 26 per cent), but slightly fewer people living together. In the Wave 2 sample frame, the number of married people had dropped to just under one-quarter (25 per cent); while the numbers of people living together matched their proportion population.

The achieved sample in Wave 1 had fewer single people (28 per cent) but more people who are married (40 per cent) and living together (four per cent). In Wave 2, single people formed close to half of the achieved sample (48 per cent), although the participation of married people dropped to just under one-quarter (24 per cent).

In Wave 1, the numbers of divorcees increased on the population and sample frame by three per cent. By Wave 2, their representation had declined to 15 per cent.

Table A.10 Marital status

Marital status	Population All 14 areas		Research sample frame (four areas)		Achieved sample	
	N	%	N	%	N	%
Wave 1						
Single	654	42	111	37	27	28
Married	396	26	96	32	38	40
Divorced	319	21	64	21	23	24
Separated	84	5	19	6	2	2
Living together	40	3	4	1	4	4
Widowed	44	3	9	3	1	1
Prefer not to say	4	0	0	0	0	0
Total	1,541	100	303	100	95	*
Wave 2						
Single	1,445	41	108	44	28	48
Married	899	26	57	23	14	24
Divorced	757	22	51	21	9	15
Separated	180	5	10	4	1	2
Living together	97	3	7	3	3	5
Widowed	103	3	12	5	4	7
Prefer not to say	10	0	1	0	0	0
Total	3,491	100	246	100	59	*
Combined						
Single					9	32
Married					11	39
Divorced					5	18
Separated					1	4
Living together					1	4
Widowed					1	4
Total					28	*

Note: * Does not sum to 100 per cent due to rounding.

Source: DWP, PSI, IES Data.

Conversely, in Wave 1 people who had been widowed formed just one per cent in the achieved sample, slightly below their number in the sample frame; however, in the achieved sample for Wave 2 their inclusion rate is seven per cent, although the actual number of widowed people is four. In both waves of the research, the numbers of people who had separated from their partners was three per cent below their representation in the population.

A.11 Whether partners are working

People whose partners worked full time (over 30 hours per week) formed six per cent of the eligible population (see Table A.11), but in Wave 1 their representation was stronger in both the sample frame and the achieved sample (nine per cent and eight per cent respectively). However, by Wave 2 their proportion in the achieved sample largely matched the sample frame and population.

Those with partners working between 16 and 30 hours a week formed, broadly, two per cent of the population and sample frame in both waves. While their representation increased to five per cent of the achieved sample in Wave 1, this modulated in Wave 2 to match the population.

However, the representation of people with partners working less than 16 hours per week was broadly constant within the population and sample groups in both waves, as was the proportion of people with partners who are unemployed and seeking work (two to three per cent), people with partners who fall into the 'other' category (one to two per cent) and those who prefer not to say (one per cent in Wave 1, although all respondents in Wave 2 declared their partners working status thus, there were none from this group).

Two per cent of the eligible population with partners had partners who were retired and this was reflected in the sample frame for both waves. In the achieved sample for Wave 1, the proportion is slightly higher, at four per cent; however, by Wave 2, there were none in the achieved sample.

People whose partners were unemployed but not seeking work formed 12 per cent of the population, and in the Wave 1 and two sample frames, 14 and 11 per cent respectively. Their representation in the achieved sample for Wave 1 was stronger, at 19 per cent; however, this reduced in Wave 2 to 14 per cent.

Table A.11 Whether partners are working

Partner's work	Population All 14 areas		Research sample frame (four areas)		Achieved sample	
	N	%	N	%	N	%
Wave 1						
No partner	1,100	71	201	66	53	56
Retired	27	2	5	2	4	4
Working over 30 hours per week	86	6	26	9	8	8
Working between 16 and 30 hours per week	36	2	10	3	5	5
Working less than 16 hours per week	28	2	6	2	2	2
Unemployed – seeking work	47	3	7	2	3	3
Unemployed – not seeking work	179	12	42	14	18	19
Other	25	2	2	1	1	1
Prefer not to say	13	1	4	1	1	1
Total	1,541	*	303	100	95	*
Wave 2						
No partner	2,487	71	181	74	42	71
Retired	57	2	6	2	0	0
Working over 30 hours per week	211	6	11	5	3	5
Working between 16 and 30 hours per week	94	3	7	3	2	3
Working less than 16 hours per week	57	2	5	2	2	3
Unemployed – seeking work	94	3	3	1	1	2
Unemployed – not seeking work	413	12	27	11	8	14
Other	55	2	4	2	1	2
Prefer not to say	23	1	2	1	0	0
Total	3,491	*	246	*	59	100

Continued

Table A.11 Continued

Partner's work	Achieved sample	
	N	%
Combined		
No partner	16	57
Retired	2	7
Working over 30 hours per week	5	18
Working between 16 and 30 hours per week	2	7
Unemployed – not seeking work	3	11
Total	28	100

Note: *Does not sum to 100 per cent due to rounding.

Source: DWP, PSI, IES Data.

A.12 Pension arrangements

Three-quarters of the eligible population did not have a private pension. Their proportion in the sample frame in both waves was slightly greater, ie eight in ten people. In Wave 1, however, this dropped to seven in ten in the achieved sample (Table A.12), although the numbers involved in Wave 2 increased to 83 per cent.

Table A.12 Pension arrangements

Pension	Population All 14 areas		Research sample frame (four areas)		Achieved sample	
	N	%	N	%	N	%
Wave 1						
No	1159	75	239	79	66	70
Yes	382	25	64	21	29	30
Total	1,541	100	303	100	95	100
Wave 2						
No	2614	75	198	81	49	83
Yes	877	25	48	20	10	17
Total	3491	100	246	*	59	100
Combined						
No					19	68
Yes					9	32
Total					28	100

Note: * Does not sum to 100 per cent due to rounding.

Source: DWP, PSI, IES Data.

A.13 Summary of key differences

It is evident from the tables that in broad terms, there is a reasonable comparability between the population of Intensive Activity Period 50plus (IAP50plus) pilot eligibles, those selected for the Action Group in the four areas reviewed and those agreeing to take part in the research. Moreover, the achieved sample has provided us with a good spread of the different characteristics likely to influence how people relate to the pilots, and what they get out of it.

At the same time, it is evident that the response pattern has introduced some bias, which the sample size was not big enough to allow us to offset – ie we were obliged to interview virtually everybody who said that they would.

We noted in our interim report of Wave 1, that a key bias seemed to be to emphasise the number of middle-class respondents in the achieved interviews. We based this conclusion on the higher numbers of individuals when compared to the population with higher qualifications; whose previous work had been skilled, professional or managerial; who could drive and had access to a car; who owned their home; and who had pensions. Beyond this, there were fewer consistent biases, and two remain the case in Wave 2:

- ethnic minorities were somewhat under-represented among the respondents;
- men were somewhat over-represented; and
- the achieved was skewed towards older people in the age cohort, ie aged 55 and over.

The current analysis presents some evidence that the emphasis on the middle-class group has lessened in Wave 2. While the bias remains, in part due to the reduced numbers of new entrant interviews in Wave 2, its effect has been reduced, although not by any means eradicated.

Between Waves 1 and 2, there has been little change in the following factors:

- Overall, people with degrees or higher education qualifications form a larger proportion of the achieved sample, when compared to the population and sample frame.
- Overall, people living in their own homes, whether they are paying a mortgage or not, had greater representation in the achieved sample when compared to the sample frame and population.
- Around ten per cent of the population in both waves of the research have previously held professional or managerial posts. In both waves, their representation was stronger in the achieved sample, although in the second wave their rate reduced from 32 to 21 per cent.

However, the second wave data suggests a reduction of the middle-class bias in these respects. In the first wave:

- people with no qualifications were considerably less likely to have participated in the evaluation (at a rate 11 per cent lower than their representation in the population). By the second wave, their representation in the achieved sample is 16 per cent higher than in the first wave; however, this represents an increase of less than five per cent on their representation in the population. In the second wave, slightly fewer people with NVQ Level 1, GCSEs or equivalent participated in the research than in Wave 1. More notably, the representation of people with 'A' levels in the second wave is particularly low when compared with Wave 1;
- people with private pensions were more likely to elect to participate in the evaluation (30 per cent). This group formed one-quarter of the population but only one-fifth of the sample frame. Their proportion in the population and sample frame remained constant in the second wave; however, their representation in the achieved sample fell to 17 per cent;
- there was an under-representation of manual workers in the sample frame and this was emphasised in the achieved population (32 per cent). This pattern did not hold in Wave 2, where manual workers formed close to half (49 per cent) of those in the sample frame and over half of those interviewed (54 per cent).

There was a greater number of people with driving licences in the achieved sample, when compared to both the sample frame and population; there was also an over-representation of people with access to a car. By Wave 2, this effect had been modulated and while the representation of drivers and those with access to a car remained emphasised, it was much closer to the proportions in the population.

