

Research Summary

Mandatory work focused interviews (WFIs) for lone parents claiming Income Support (IS) were introduced nationally in April 2001, to encourage participation in New Deal for Lone Parents (NDLP) and to increase the number of lone parents in work, in order to contribute towards reducing child poverty.

As part of the evaluation programme for NDLP, the Department for Work and Pensions (DWP) undertook to evaluate the role played by mandatory WFIs and by the review meetings which customers remaining on benefit subsequently attend. Insite Research and Consulting was commissioned to integrate findings from the various strands of the evaluation into a single report on the first 18 months of operation of WFIs for lone parents.

Key findings

- The combined evaluation evidence indicates that mandatory lone parent WFIs and reviews have substantially fulfilled their aims, particularly in terms of entries to NDLP.
 - WFIs have had a large net impact on NDLP caseload starts. Review meetings are making a significant contribution to this increase.
 - 23% of all survey respondents entered work following a WFI and jobs were well sustained. 62% of jobs were part time and 38% were full time.
 - WFIs have also had a small but positive net impact on exit rates from IS, especially for stock claimants and those with older children.
 - WFIs and review meetings successfully motivate many lone parents, helping to overcome barriers created by lack of self confidence.
 - No direct measure was obtainable for net impact on the numbers of lone parents entering work. Nevertheless, monthly job entries from NDLP have risen since April 2001.
 - Starts into part time work of under 16 hours per week were not captured by the evaluation methodology but may constitute an important aspect of the overall impact of WFIs.
 - Particularly difficult barriers for lone parents to overcome were: added care responsibilities; health problems or disabilities; literacy and numeracy problems; and problems arising from not having English as a first language.
 - Lone parents for whom English was not their first language were among those least likely to enter work following a WFI, and language problems persisted to annual reviews.
 - Lone parents with health problems or disabilities were most likely to have negative views of WFIs.
 - A specific problem of childcare affected many lone parents with children aged 12 to 15, caused by a combination of lack of out of school provision, parents' unwillingness to leave children alone in the home, and children's unwillingness to be child-minded.
 - PAs perceive their workload and the pressures on their time to have increased, partly as a result of changes in management structures. This was reported to be affecting the treatment of caseloaded customers and to be leading to an increased concentration on the job-ready at the expense of lone parents needing longer term or more intense support.
 - Findings highlight the need to ensure that sufficient resources are devoted to helping all lone parents, especially those who are not actively seeking work.
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Executive Summary

This report integrates findings from the evaluation of the first 18 months of mandatory lone parent work focused interviews (WFIs) and review meetings, and explores some possible implications of the findings for future policy development. It brings together evidence from internal Department for Work and Pensions (DWP) statistical analysis with evidence from published reports on the quantitative survey of customers, qualitative customer interviews, case studies of delivery and impact analysis of administrative data.

The aims of lone parent WFIs

The main aims of the mandatory lone parent WFI initiative are: to move lone parents on benefits closer to the labour market; to increase the numbers entering New Deal for Lone Parents (NDLP); to reduce the numbers of lone parents on Income Support (IS); and to increase the number of lone parents in work.

Engagement & follow-up contact (reviews)

Advisers have successfully engaged the majority of lone parents in the WFI process despite their diverse nature and characteristics. Administrative difficulties caused by failure to attend (FTA) have largely been addressed. Potential sanctions for FTA appear to be working.

Personal Advisers (PAs) have been successful at overcoming initial fears and creating trust and a rapport with customers at initial WFIs, and in securing a genuine work-focus in the great majority of cases.

Many lone parents report being strongly motivated by WFIs and have overcome a lack of self-confidence to go on and enter employment.

PAs see it as essential that lone parent WFIs should be part of an on-going process of contact with customers. Early in the initiative it was identified as good practice for PAs to be proactive in securing additional voluntary contact following programmed meetings. However, the momentum behind efforts to make such extra contact was largely lost after 18 months of operation. The main reason was cited as a lack of available PA time due to increased pressure of work.

There was wide recognition among PAs of the importance of review meetings. A 12 month interval was seen as broadly appropriate for stock claimants, and a 6 month interval as appropriate for new and repeat claimants (whose circumstances tend to change more quickly). Customers confirmed this view of 6 month reviews. Many found them more useful than their initial WFI. In some areas additional contact was being made with selected customers at 2-3 months after an initial WFI. Where this was not the practice, it was felt that the six month review point – while not ideal for all customers – was not too late and could still be effective.

Many lone parents reported feeling more relaxed and therefore more engaged at their review meeting, having already met the PA and knowing what to expect. For their part, PAs liked the opportunity that six month reviews presented for introducing new elements into the meeting, especially in relation to the additional support for which lone parents were by then eligible.

Addressing barriers to employment

The great majority of lone parents, even if faced with immediate difficulties, expressed the wish to work at some time in the future. The most difficult barriers to overcome were: having additional caring responsibilities (for example a child with behavioural difficulties); personal health problems or disabilities; literacy and numeracy problems; and problems arising from not having English as a first language. Of these, personal health problems or disabilities perceived to affect the type or extent of work possible, affected the largest proportion of customers. Lone parents who reported having this barrier were more likely than others to have negative responses towards aspects of the WFI process.

Lone parents for whom English was not their first language were among those least likely to enter work following a WFI, and language problems persisted to annual reviews. However, the job entry rate of lone parents from non-white ethnic groups but for whom English *was* their first language, was not significantly lower than average. This suggests that, on the evidence available, not having English as a first language is a more important factor in the lower proportions entering work than is being from a non-white ethnic group *per se*.

Childcare generally posed the greatest problem for lone parents with very young children and those with several children of different ages. However, a specific problem also affected many with children aged 12 to 15, caused by a combination of lack of out of school provision, the children's unwillingness to be child-minded,

and parents' lack of trust in leaving them alone in the home.

Evidence indicates that many lone parents do enter employment *despite* facing barriers, but that specific attention to overcoming certain difficulties (such as language problems and health issues) is frequently lacking. The area where PAs were able to make the most impact was in overcoming fears among customers that they would be worse off in work and that the process of leaving benefits would be highly risky. In work benefit calculations (IWBCs) are a key tool available for addressing such fears which were a key barrier especially for longer term claimants. IWBCs were carried out in 30% of WFIs but practice was variable. In some areas they were only used in relation to actual job vacancies; in other areas they were used more speculatively to explore customer barriers and needs. In some areas IWBCs were being carried out with *all* six month review customers. There appears to be a case for more comprehensive application of IWBCs.

Outcomes & impacts

WFIs have significantly increased entry to NDLP. Average caseload starts rose from 8,000 to over 10,000 per month after WFIs were introduced in April 2001. There has been an average *net* monthly increase in caseload starts for new/repeat customers of around 15 percentage points compared to before the initiative. Review meetings are making a significant contribution to this increase: there is currently an 18% conversion rate from annual reviews and a 19% conversion rate from six month reviews.

WFIs have also had a small but positive net impact on exit rates from IS, especially for stock claimants and those with older children. The main impact on exit rates for new/repeat claimants was within the first month of an initial WFI. The main impact for stock claimants was much later, at nine months, reflecting both some initial administrative problems and possibly also the longer time required to prepare and support longer term claimants into jobs.

No direct measure was available of the net impact of WFIs on the numbers of lone parents entering work. Nevertheless job entries per month from NDLP have risen since April 2001. Starts into part time work of under 16 hours per week were not captured by the evaluation methodology but qualitative evidence suggests they may constitute an important aspect of the overall impact of WFIs for lone parents.

23% of all survey respondents entered work following a WFI. Although the great majority of jobs taken were in basic and unskilled occupational areas, jobs were well-sustained over the following year, with little evidence of cycling into and out of unemployment. 62% of jobs were part time (12% under 16 hours) and 38% were full time. 22% of those entering work did so within one month of a WFI, the majority being new/repeat claimants.

53% of those entering work took six months or longer to do so. This was the predominant pattern for stock claimants.

Management & delivery

PAs perceive their workload and the pressures on their time to have increased since the start of the initiative. One factor in this is the growing move towards management of lone parent PAs at office level. This is seen to have increased the likelihood that Advisers will from time to time be required to help out in other ('non specialist') areas of work such as new claims. PAs see their time being squeezed to the extent that they cannot deal as effectively as they would like with their caseloaded customers. They further feel that this pressure, along with the need to reach job outcomes targets, has led to an increasing concentration on the job-ready at the expense of lone parents needing longer term or more intense support and help overcoming barriers.

This perception, along with the results from impact analysis, highlights a need to ensure that sufficient resources are devoted to helping all lone parents, especially those who are not actively seeking work.