

RESEARCH SUMMARY

Background and Method

BMRB Social Research was commissioned by the Department for Work and Pensions to carry out a survey of leavers with unknown destinations from the New Deal for Young People (NDYP) and New Deal 25 plus (ND25 plus). The survey was conducted out in parallel with the 2003 Destinations of Benefit Leavers survey, also carried out by BMRB.

A total of 5,229 interviews were conducted via the telephone (for those with a complete telephone number) or via a face-to-face interview. All interviews were conducted between September 2003 and January 2004.

Key Findings - NDYP

- 89 per cent of respondents confirmed that they had left NDYP, whilst five per cent said that they were still on the programme.
- 46 per cent of leavers left to start or return to work (full or part-time), whilst nine per cent moved onto another benefit and six per cent started or returned to training or education.
- 44 per cent of NDYP leavers who left to move onto another benefit moved onto Income Support (IS), whilst 28 per cent moved onto Jobseeker's Allowance (JSA) and 24 per cent moved onto Incapacity Benefit (IB).
- Over half of those who left NDYP to start or return to training or education were still doing this at the time of interview.
- Of those who left NDYP to start or return to work, 92 per cent became an employee, and 75 per cent were working 30 hours or more per week.
- Around two thirds (65 per cent) of those who left NDYP to start or return to work were still working 16 hours or more at the time of the

interview. Those who weren't working tended to be claiming benefit, usually JSA.

Key Findings – ND25 Plus

- 89 per cent of the ND25 plus group confirmed that they had left the programme, whilst six per cent said they were still on ND25 plus.
- 41 per cent of leavers left to start or return to work (full or part-time), whilst 19 per cent moved onto another benefit, and three per cent started or returned to training or education.
- 46 per cent of those who left to move onto another benefit moved onto IS, whilst 29 per cent moved onto JSA and 23 per cent IB.
- A fifth (19 per cent) of those who left ND25 plus to start or return to training or education were still doing this at the time of interview.
- Of those who left ND25 plus to start or return to work, 19 per cent started self-employed work, while 76 per cent were working 30 hours or more per week.
- Three quarters (75 per cent) of those who left ND25 plus to start or return to work were still working 16 hours or more at the time of the interview. As with the NDYP group, those who weren't working tended to be claiming benefit, usually JSA.

EXECUTIVE SUMMARY

Background and Method

The Department for Work and Pensions (DWP) commissioned BMRB Social Research to conduct a survey of leavers with unknown destinations from the New Deal for Young People (NDYP) and the New Deal 25 plus (ND25 plus). The survey was carried out as part of the DWP's Labour Market Research and Evaluation Partnership.

This research aims to provide data on the destinations of people who have left NDYP or ND25 plus, where destination information is not available. In order to increase the likelihood of contacting respondents, interviews were conducted both via the telephone and face-to-face. Telephone data were collected using CATI (Computer Assisted Telephone Interviewing). Paper questionnaires were filled in by interviewers during face-to-face interviews.

There were three stages of fieldwork:

- telephone interviews – those with a complete telephone number
- 1st issue face-to-face interviews – those without a complete telephone number
- 2nd issue face-to-face interviews – those who were not contacted via telephone, due to incorrect numbers, moved etc.

The sample population comprised all individuals who were recorded as leaving NDYP or ND25 plus with an unknown destination in March, April and May 2003. A total of 5,229 interviews was achieved between September 2003 and January 2004.

Leaving Benefit

A total of 89 per cent of respondents confirmed that they had finished the New Deal activity, as indicated in the administrative database (80 per cent confirmed that they had left in the month

specified). Those on the pre-Gateway stage of NDYP and ND25 plus were less likely than average to say they had finished the New Deal activity (66 per cent and 68 per cent respectively), as were those on NDYP and ND25 plus employment options (67 per cent and 64 per cent respectively). Only five per cent said they were still on the New Deal at the time the sample was drawn; of these, 40 per cent said they had had a temporary break at around the time the sample was drawn.

Destination

In the NDYP group, 46 per cent of those who confirmed they left the programme returned to, or started, work (either full or part-time). The figure for the ND25 plus group was 41 per cent. In the NDYP group, those leaving at the pre-Gateway stage or from the employment option were most likely to have work as their destination. In the ND25 plus group, those receiving help to set up as self-employed and those on subsidised employment were most likely to move into work. More than one in ten overall said they left the New Deal to move onto another benefit for people who are out of work, and this was higher for the ND25 plus group than NDYP (19 per cent compared with nine per cent). Only five per cent of respondents mentioned returning to, or starting, training or education as a reason for leaving the New Deal. Two thirds of all respondents (67 per cent) said they told the Jobcentre where they were going after they finished their New Deal activity. This figure was higher in the ND25 plus group (78 per cent).

Those who moved onto another Benefit

Of those who said they had left the New Deal to move onto another benefit for people out of work (12 per cent of the total sample), 45 per cent had moved onto Income Support (IS), whilst 28 per cent mentioned Jobseeker's Allowance (JSA). Incapacity Benefit was also mentioned by

23 per cent. Three quarters (76 per cent) of those who left the New Deal to move onto another benefit were still receiving this benefit at the time of interview. Of those who were no longer receiving the benefit, 10 per cent had returned to the New Deal, while 19 per cent were working (16 hours or more per week), and 49 per cent were claiming a different benefit, most often JSA.

Those who moved into Education or Training

Of the four per cent of the total sample who said they left the New Deal to return to or start education or training (for 16 hours or more per week), half (48 per cent) were still doing this at the time of interview. Where respondents were no longer in education or training, 19 per cent were now back on the New Deal, 21 per cent were working 16 hours or more per week, while 34 per cent were claiming benefit.

Those who moved into work (16 hours or more per week)

Of those who said they left the New Deal to return to or start work of 16 hours or more per week (40 per cent of the total sample), 89 per cent left to become employees, while 11 per cent became self-employed. In the ND25 plus group, the figure for those who left to become self-employed was higher (19 per cent). Three quarters (75 per cent) worked 30 hours or more per week and 30 per cent earned less than £4.20 per hour. A total of 68 per cent were still working at the time of interview. Of those who were no longer in work, 16 per cent said they were back on the New Deal and 39 per cent said they were claiming benefit, most commonly JSA or IS.