

Evaluation of Mandatory Work Activity

This report presents findings from research on Mandatory Work Activity (MWA), undertaken by ICF GHK Consulting Ltd and TNS-BMRB on behalf of the Department for Work and Pensions (DWP). The research comprised both qualitative and quantitative elements, and was undertaken between March and August 2012. The qualitative research was led by ICF GHK Consulting Ltd and supplemented by a quantitative survey of c.800 MWA participants carried out by TNS-BMRB.

MWA was introduced in May 2011. The objective behind the design and introduction of MWA is to move claimants closer to the labour market through:

- Providing extra support to a small number of Jobseeker's Allowance claimants who would benefit from a short period of activity that helps them re-engage with the system, refocus their job search and gain valuable work-related disciplines; and
- Demonstrating to claimants that the receipt of benefits for those able to work is conditional on their willingness to search for and take-up employment.

Referral to MWA is at Jobcentre Plus Adviser discretion, often coupled with a 'case conference' approach where referrals are discussed with the Advisory Team Manager. MWA is a work placement of 30 hours a week lasting for four weeks, with placements being sourced by contracted providers and set in voluntary sector organisations or institutions that deliver a community benefit. Claimants referred to MWA who do not comply may be referred for a benefits sanction, with the severity of sanctions increasing with repeated non-compliance.

The study included:

- a review of programme documentation and Management Information;
- qualitative fieldwork with District Offices – featuring face-to-face and telephone interviews with District Managers, MWA district leads and MWA contract managers in five case study districts;
- qualitative fieldwork with Jobcentre Plus offices – featuring interviews with staff in 15 Jobcentres (three per case study district); focus groups in each Jobcentre Office with Jobcentre managers, CSOM's, PETLs and ATMs; and face-to-face interviews with two advisers in each Jobcentre;
- a combination of face-to-face and telephone interviews with ten providers (five prime providers and sub-contractors in each selected district);
- telephone interviews with ten hosts (two per district), 11 short case studies of hosts and their MWA placements, and qualitative interviews with 46 claimants; and
- a telephone survey of 798 claimants who had been referred to MWA and started their placement.

Key findings

The study found that the aims of MWA appeared to be well understood by the Jobcentre Plus staff, providers and hosts, who recognised the potential for this scheme to impact positively on participating claimants. The majority of claimants were also clear about the compulsory elements of the scheme, and reported a range of positive attitudinal and behavioural outcomes as a result of their participation.

However, the research also identified a number of implementation problems. These problems did not indicate a need to reconsider the original design of the policy, but did require significant attention to ensure the smooth delivery of the policy and to maximise the intended impacts on participants. At the time of publication the authors are aware that DWP have undertaken a range of continuous improvement activity to address many of the delivery issues identified.

Understanding of MWA

The majority of the Jobcentre Plus staff, providers and hosts interviewed in the qualitative research had a good understanding of the purpose and intent of MWA. The scheme was described by the interviewees as an opportunity to provide experience of the workplace and associated disciplines to help claimants move closer to the labour market, and as a means of reinforcing ‘rights and responsibilities’ messages, testing conditionality and (re)introducing claimants to the work ethic.

Jobcentre Plus advisers reported introducing MWA to claimants by emphasising the positive aspects and potential benefits of participation (e.g. gaining work experience, updating their CVs and obtaining a recent work reference), while also clearly explaining the mandatory element and the consequences of non-attendance. Two main categories of claimant were identified:

- those for whom there was some element of ‘doubt’ about their commitment to finding work;
- un-motivated or de-motivated claimants – those doing the minimum to remain eligible for JSA, the long-term unemployed and those lacking recent work experience.

Claimants’ understanding of MWA was more varied. Most understood that MWA was a placement where they could gain some work experience, boost their CV and get into a routine; and that participation once referred was compulsory. In the quantitative survey:

- 95 per cent of claimants said the adviser explained that attending the placement was compulsory;

- 95 per cent also recognised that the placement would last four weeks; and
- 77 per cent correctly identified that their benefits would be stopped for a set period if they did not meet the conditions of MWA without good cause.

Many claimants thought they had been referred to MWA because they had been claiming benefits for some time, and most commented that the risk of sanctions played an important role in why they participated in MWA.

The referral process

The Jobcentre Plus Advisers interviewed reported that, from their perspective, referral to MWA was a relatively simple process. Once a referral decision had been made, it was logged via the Jobcentre Plus LMS system¹ and the claimant was told to expect a telephone call or letter from the provider. While staff in some of the districts felt the referral process worked well, others commented that following referral they effectively had no further knowledge about the claimant and their progress. However, DWP advises that providers are not contracted to deliver progress reports while claimants are on placement.

At the time of study the ten day referral-to-placement target² was not being met in three of the case study districts, resulting in a backlog of referrals and, in some cases, negatively influencing the advisers’ view of MWA. A key factor was the flow of referrals and sourcing sufficient placements – some providers were unable to manage the ramping-up of and spikes in referral numbers. Some providers also reported higher than anticipated referral-to-start ratios which had financial implications, and reported that in their view the cost of processing fail to fail-

¹ Details of referrals recorded on LMS were transferred to the Provider Referrals and Payments System (PRaP), to allow progress to be monitored by Jobcentre staff.

² The referral to placement target of ten working days has since been changed to 15 working days.

to-attend (FTA) cases for DMA³ referrals was not sufficiently met in the current ‘payment per start’ contract. In two of the case study districts there was very positive feedback about their provider and sub-contractors. In the three remaining districts regular meetings between the district staff and providers were taking place, with performance improvement plans being developed and implemented.

The majority of the placement hosts interviewed described being satisfied with the claimants referred to them, with some working closely with their provider to assess the appropriateness of claimants referred to them, in some cases including conducting ‘pre-interviews’ with placement candidates. In other cases there were no discussions between hosts and providers – often because a working relationship had already been established and the provider knew which claimants to refer to which placements for the benefit of both parties.

The majority of the claimants interviewed in both the qualitative and quantitative research recognised positive reasons for being referred to MWA, including gaining experience of work, improving their CVs and gaining a reference. The quantitative survey found that around one third of claimants felt they were being referred, at least in part, to put them off claiming JSA. All were clear that attending their placement was mandatory. However, claimants did not always feel the explanation of MWA offered by their advisers at the point of referral was clear. Many wanted more practical information on the nature of their placement and/or the work they would be doing. This is problematic as the details of specific placements are not available at the time of referral.

The majority of surveyed claimants (61 per cent) were positive about being referred to an MWA placement, with younger men (aged 18-24) being particularly positive. Positivity was strongly linked to the clarity of the adviser’s explanation of MWA,

and whether they had highlighted the links between MWA and potential benefits to their job search.

The placement

While most claimants interviewed in both the qualitative and quantitative research had been placed in charity shops, others worked for organisations involved in recycling or conservation, country parks, health and youth centres, and larger charity outlets (with warehouse operations, collections and deliveries, administration and promotion). In some cases training was provided as part of the placement – typically comprising induction, health and safety training and, in one case, the opportunity to work towards an NVQ (for claimants who chose to volunteer after the four week placement).

The Jobcentre Plus staff interviewed had mixed views on the suitability of the placements available in their areas – some felt that the types of placement were irrelevant as the focus was on promoting a work ethic and providing an experience of being in the workplace, while others thought placements would have greatest impact if there were a better fit with the claimants’ work aspirations or local employment opportunities.

In all but one district, subcontractors were responsible for sourcing placement opportunities, which were usually drawn from existing links with hosts developed under previous programmes. In some of the case study districts there had been problems identifying sufficient placements to meet demand. Providers reported a range of factors affecting the supply of placements, including:

- competing demand for places between programmes (e.g. with the probation service);
- the withdrawal of placements from some charities;
- instances where MWA claimants continued as volunteers following their placement – reducing the demand for more MWA placements; and
- limited supply of suitable placements in less urban areas.

³ The Labour Market Decision Making and Appeal (DMA) process is the mechanism by which doubts over compliance can be raised and decisions reached on whether a benefit sanction should be imposed.

Most host organisations interviewed had worked with long-term unemployed individuals previously, and recognised that there could be issues around motivation, attendance, timeliness and behaviour appropriate for the workplace from the claimants referred to them. While these concerns were justified in some cases, the research found that, once they had settled into their role, most claimants engaged with the placement; had positive views on the routine of going to work, learning on the job, and working under supervision; and enjoyed the overall experience. While there were some cases of fail-to-attend and early leavers, the majority of claimants were reported as completing their placements. Some hosts suggested ways of encouraging completion such as the use of induction sessions, ‘buddy systems’ and clear staff rotas. All but two of the 21 hosts interviewed were very positive about MWA, and were continuing to provide placements.

Both the providers and the hosts interviewed suggested that in-placement monitoring practices were variable, as was the frequency of contact between providers, hosts and claimants on placement. There were some instances where providers maintained contact at the start of the placement and then regularly throughout the four weeks; elsewhere this was less prevalent.

For the most part, the claimants who had started or completed their placements described positive experiences of MWA. Almost three-quarters (71 per cent) of those participating in the quantitative survey reported feeling positive overall, and claimants’ views commonly became more positive during their time on placement. Many described enjoying their placement, with a quarter of those completing choosing to volunteer at their host organisation after MWA had finished.

Generally, claimants were satisfied with the workload, quality of supervision, level of responsibility and range of tasks they were given during their placement. Around half (45 per cent) of those surveyed said they had the chance to acquire new skills during their placement – most often customer service skills, using cash registers, handling money, working as part of a team, or wider social skills.

As measured by the claimants’ survey, one in five of those who had started MWA did not complete the full four week placement, with drop outs concentrated in the first week of attendance. It was most common for claimants to have withdrawn from the programme due to illness or injury, although it is unclear whether this was linked to the placement or not. Others had left as the result of an offer of paid work and had ceased claiming JSA.

Impacts from mandation and sanctions, and off-flow

In June 2012, DWP published an early analysis of the impact of MWA on benefit receipt . This analysis found that within the first three months of referral to MWA had reduced the likelihood of receiving benefit compared to a control group of customers who had not be referred to the programme. However, this impact diminished between the three and five month point after referral. The report concluded that the benefit impact over the first 21 weeks equates to referred individuals being off benefit for an average of about four days more than if they had not been referred⁴.

The qualitative research with a small number of claimants who were referred but were yet to start MWA did not capture any individuals who had signed-off rather than taking up the MWA placement, with just two describing considered signing off and deciding not to. While the reasons for this included that signing off was unaffordable (suggesting the potential loss of benefit played a role in their decision to participate), others considered that it was not unreasonable for people ‘to work for their benefits’, and others appreciated the opportunity of a work experience placement, the chance to re-engage with the world of work and to re-fresh their CV/skills. This qualitative finding is in contradiction to the view of the Jobcentre Plus advisers interviewed, who had witnessed an impact of off-flows between referral and start. In addition, quantitative evidence of a small but significant

⁴ http://research.dwp.gov.uk/asd/asd1/adhoc_analysis/index.php?page=adhoc_analysis_2012_q2

off-flow impact is reported within the MWA impact assessment published in June 2012⁵.

The quantitative survey of claimants only included those who had actually started an MWA placement so does not provide a perspective on off-flow prior to start. However, a quarter (24 per cent) had off-flowed between the start of their placement and the time of the survey, around half of whom were in paid work at the time of the survey and had stopped claiming benefits. A small number of claimants had stopped claiming JSA but were now claiming other benefits.

The survey also found that attending MWA may have had a positive impact on claimants' motivation to end their JSA claim, with two thirds reporting that their motivation to end their claim had increased as a result of their experience. While this is the case, there is little evidence from the survey of a link between motivation to come off JSA and actual off-flow.

Despite the importance of the sanctions process to MWA both the qualitative and quantitative research suggested that the application of sanctions for non-completion of MWA was inconsistent, with the quantitative survey finding that just one in five claimants who did not complete their placement were aware of being sanctioned. This was reflected in the views of the Jobcentre Plus staff interviewed across the case study districts, who reported that the sanctioning of claimants not attending or not completing their placements was not being followed through consistently by providers. There was a perception that providers were disinclined to make DMA referrals, partly because of the 'payment per start' structure of the provider contract. As a consequence, some staff felt that the message about the potential loss of benefit was diminished. We are aware that since the research fieldwork DWP have centralised the DMA processing system to address some of these issues, and provided more support to providers in meeting their DMA responsibilities.

All interviewed providers understood that claimants who failed to attend or did not complete their placement should be sanctioned, although most showed some degree of discretion or flexibility. There was some variance in providers' knowledge and understanding of the DMA process, with some getting involved in the detail locally and others referred to centralised specialist teams within their organisation. In the latter case, centralised teams were reported to be familiar with the process and the evidence requirements – drawing on the local delivery staff for additional information as required.

Impacts from participation

The quantitative survey of claimants found that around one in seven were working at the time they were interviewed, and around half of these felt that MWA had helped them find work. In addition, two-thirds (64 per cent) of claimants who were not working at the time of the survey reported feeling more motivated to find work, particularly younger claimants (aged under 25) and those who had claimed benefits for a shorter period of time. There is evidence that MWA may have reinvigorated some claimants' job searches. Most who had applied for jobs since starting MWA had mentioned their experience on their job application or CV. Nearly half (42 per cent) reported sending out more applications than before attending MWA, with a similar proportion (48 per cent) saying they had applied for jobs they would not have previously considered. Furthermore, 75 per cent of claimants who had completed their placement felt that participation in MWA made them more attractive to potential employers, and 62 per cent felt that their chances of finding paid work had increased.

The survey also suggests that MWA had a number of peripheral benefits, including a range of positive 'soft' impacts on those who completed the placement. These included increased confidence (72 per cent of those completing), the ability to work as part of a team (76 per cent), and feeling more positive about work than before their placement (56 per cent). Nine out of ten (89 per cent) also felt they could recognise the benefits of a working routine than before their placement.

⁵ http://statistics.dwp.gov.uk/asd/asd1/adhoc_analysis/2012/early_impacts_mwa.pdf

Views on the potential impact of MWA were more mixed among the claimants in the qualitative research. Some saw the benefit of participation, but others felt it was unlikely to make a difference – they were already pro-actively looking for work at the time and felt MWA could detract from time to jobsearch. Claimants who had been in work previously and older claimants felt MWA was more suited to young people who had not worked before, and did not see how they could benefit from more work experience.

The Jobcentre Plus staff, providers and hosts interviewed also provided insights into the impacts resulting from the MWA placements. Jobcentre Plus staff tended to be complimentary about the potential value of MWA in terms of hard outcomes. Advisers reported improvements in jobsearch activity and commitment to finding work in a number of cases, and both district and Jobcentre Staff were clear that while job entry was not necessarily expected, MWA could be a useful intermediary step towards employment, especially for young people or those with little or no recent work experience.

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You can download the full report free from: <http://research.dwp.gov.uk/asd/asd5/rrs-index.asp>

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