Flexible New Deal evaluation: Customer survey and qualitative research findings

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This report presents process study findings from the evaluation of the Flexible New Deal (FND), introduced in 28 Jobcentre Plus districts in October 2009. The programme was delivered by prime providers and their delivery partners and was the first provision implemented under the Department for Work and Pensions Commissioning Strategy. Following a minimum prescription ‘black box’ approach, providers were granted the freedom to design a personalised package of employability and job search support. As a minimum, providers were required to meet with each customer every fortnight and arrange at least four continuous weeks of full-time Mandatory Work-Related Activity (MWRA) for each customer.

The evaluation studied staff and customer experiences of the FND from 2 to 15 months after FND implementation. Research consisted of qualitative interviews with customers (n=44) and provider staff (n=71) and a survey (n=6,009) contrasting customer experiences in FND areas (Phase 1) with customers in comparison areas (Phase 2). These comparisons do not constitute an impact assessment.

1 The FND was discontinued when the Work Programme was launched in June 2011.

2 In comparison areas, the nature of support differed by age group. Customers aged 18-24 would have started a second cycle of New Deal for Young People if they were still claiming Jobseeker’s Allowance (JSA) at the end of the study period. Customers aged 25+ would have experienced six further months of regular JSA signing followed by the first six months of the New Deal 25 Plus.
placement, were viewed as useful by just over half of customers. Help with CV writing, job applications and interview skills were rated as the most helpful. Customers who had experienced a MWRA were positive about it when it was a work placement which used their skills and/or gave them experience in a new field. Those assigned to what they considered to be inappropriate placements gained little or nothing from the experience.

Support and conditionality over time

The provision of intensive advisory support was a major strength of the programme. Relative to the comparison areas, FND customers attended more face-to-face meetings with an adviser, they were more likely to see the same adviser on an ongoing basis and to have additional adviser contact via telephone, text and/or email communication. Yet estimates of the number of face-to-face meetings customers had with an adviser suggest that FND contact fell short of the contractual requirement to meet fortnightly. Among those who completed a full 12 months of FND, just under half reported at least 20 face-to-face meetings. Insights from the customer qualitative interviews suggest that high customer volumes and staff turnover may have contributed to this.

Adviser continuity was viewed by staff as essential for developing a relationship of trust and client rapport. But it was not possible to maintain this relationship within the staged FND delivery model where the customer journey was segmented and customers changed advisers at set points in the programme.

FND staff said they used various strategies to maintain customer momentum through the programme. These included increased conditionality around job goals and the number of job applications submitted, as well as greater access to employability and soft skills support. Survey results revealed that the four-week MWRA was most closely associated with mandation. At an overall level, however, FND customers were no more or less likely to have experienced mandation than their counterparts in comparison areas.

Sanctioning

Missed adviser meetings were reported by FND provider staff as the most common reason for instigating a referral for a benefit sanction. Advisers used their discretion before ‘raising a doubt’, taking into account customers’ personal circumstances and previous behaviour. Administrative paperwork and the delay between raising a doubt and the sanctioning of benefit were issues identified by staff.

Staff reported that many customers’ initial reactions were negative but acknowledged that, in some cases, sanctions prompted customers to comply with the regime and increase their job search activity. Among the customers in the qualitative study, there was evidence that the financial impact of the sanction had prompted some to change their behaviour to comply with the regime. However, benefit sanctions could also have a negative effect on the adviser-customer relationship and result in disengagement from the job-seeking process. Longer-term JSA claimants were considered less likely to change their behaviour following a sanction.

Customer destinations

FND customers aged 18-24 were less likely to be in employment and more likely to be claiming JSA at the end of the survey period, compared to their counterparts in comparison areas. But there were no area differences in employment rates for young people with low or no qualifications and for those with

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3 It should be noted that under the terms of the FND contract, face-to-face fortnightly meaningful contact did not necessarily have to involve a meeting with an adviser but could also include short job-focused training, events/activities to improve job search skills or a period of work experience. Customer contact figures are, therefore, likely to be an underestimate.

4 Area comparisons should be treated with caution pending more robust impact analyses due in 2012.
a long-term illness or disability. It was more common for younger people to leave FND for short-term work before returning to JSA (‘JSA recyclers’) than for customers aged 25 or over. Young people who were re-claiming JSA tended to have a shorter spell in work in FND areas in contrast to comparison areas.

Customers aged 25 or over were equally likely to be in paid work in FND areas as in comparison areas. While FND customers were slightly more likely to be claiming JSA at the time of the survey, higher proportions were claiming other out-of-work benefits (or in the process of setting up a new JSA claim) in comparison areas. Claim rates for out-of-work benefits were, therefore, broadly even for customers aged 25 or over across the two areas.

Those who entered employment

The survey found some differences between FND and comparison areas regarding the nature of work – there were variations by age group in terms of self-employment, full- and part-time work, employment sectors and types of contract. But there were no significant differences by type of occupation or level of earnings. The majority of customers felt that their job was a good match for their experience, skills and interests with the exception of those qualified to degree level who were less likely to be satisfied.

Just over half of those who left FND for employment reported they had some form of in-work contact with their provider. The majority considered the amount of contact to be about right and a quarter of workers reported that the in-work support had some influence on work retention. FND staff acknowledged that not all customers wanted to remain in contact with their FND provider which can help to explain why more did not experience in-work support. Accounts of workers in the qualitative study provide examples where the contact was unwelcome and instances where in-work contact had been expected but did not occur. This suggests that more direct communication with customers may be necessary to identify the preferred level and intensity of in-work support.

Overall views

Overall, FND customers were slightly more positive about their experiences with employment services than those in comparison areas. They were also more likely to report an improvement across the majority of soft skill areas associated with looking for work, such as confidence, motivation and awareness of employment options. Views on FND provision did vary according to customer type – while customers qualified to Level 4 or 5 were more sceptical of the influence of the FND support, those qualified to below Level 2 and younger customers were more positive. This finding also reflected in the qualitative sample where it was felt that FND services were more suited to younger people, those with less job search experience and those seeking lower-skilled jobs.

Staff identified numerous strengths with their FND provision, praising their capacity to deliver an employment service characterised by personal, one-to-one customer attention that was delivered by a highly skilled team. Staff identified weaknesses in their operations relating to heavy caseloads, administrative burden, an inability to help customers who needed specialist support, and problems with the sanctioning process.

Policy implications

Several conclusions, relevant to the design of future employment programmes, can be drawn from the evaluation findings:

- A minimum prescription (‘black box’) approach to contracting employment services does not necessarily equate to more innovation and a wider choice or variety of services.
- DWP should monitor a ‘black box’ system to ensure it retains an understanding of what does and does not contribute to employment outcomes. Monitoring will also help ensure minimum standards are upheld and provide feedback on how fairly distributed services are to those with greater labour market disadvantage.
• The nature of any ongoing relationship between providers and customers who have entered work needs to be agreed in advance on a case-by-case basis. Less intrusive systems for confirming employment status should also be developed.

• An intensive period of work-related activity, particularly work experience, can be valuable and useful for jobseekers. However, it may not be practical or beneficial to enforce this for all customers, especially if the placement does not relate to their skills or provide experience in a new field.

• Where the prime provider’s delivery model segments the customer journey so that the customer sees new advisers and/or different organisations on a regular basis, the potential impact on customer-adviser relations should be carefully considered. Continuity of advisory support can improve the customer experience.