DWP Department for Work and Pensions

Evaluation of the Six Month Offer: A report on quantitative research findings

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This report presents findings from one part of the evaluation of the Six Month Offer (6MO). As part of the 6MO, everyone reaching six-months unemployment received extra advisory help from Jobcentre Plus advisers. In addition, customers were given the opportunity to participate in four voluntary strands of activity:

- 1. Volunteering opportunities to improve employability.
- 2. Access to work-focused training.
- 3. A recruitment subsidy for employers.
- 4. Help to become self-employed.

Profile of strand customers

To understand the types of customers participating in each strand of activity, the profile of customers can be compared to the profile of all customers reaching their sixth consecutive month of claiming. This analysis shows the following variations in the demographic profile of customers. For this analysis, participation in the Recruitment Subsidy Strand is defined as entering work providing employers with a recruitment subsidy.

- Gender: Self-Employment Strand customers were more likely to be male, while Volunteering Strand customers were more likely to be female than those in other strands.
- Age: Probably as a result of those in Jobseekers Regime and Flexible New Deal (JRFND) Phase 2 areas entering New Deal for Young People options at the point of six-months unemployment, those

aged 18-24 were under-represented among customers in all strands. This was particularly noticeable for the Self-Employment Strand and Training Strand (six per cent and 15 per cent are aged 18-24 respectively, compared to 39 per cent of the comparison group at the six-month point of claim). Young customers were more likely to be routed through the Volunteering Strand; one-quarter of those taking up Volunteering as part of the 6MO were aged 18-24 (24 per cent). Although under-represented among recruitment subsidy beneficiaries as a whole, young customers were more likely to be employed through the recruitment subsidy bulk billing route, making up two-fifths of the cases where individuals were placed in this way (40 per cent).

• Ethnicity: Ethnic minority customers were most likely to take up the Volunteering Strand (they comprised 19 per cent of customers, higher than their representation in the six-month customer comparison group – 16 per cent). Lower proportions of ethnic minority customers were accessing the Recruitment Subsidy Strand (making up only nine per cent of this strand), the Training Strand (14 per cent) and the Self-Employment Strand (14 per cent).

Across all four strands, around three-fifths of customers had claimed Jobseeker's Allowance (JSA) on at least one occasion prior to the claim they were making when they reached the six-month claim point. Those taking up the Training and Volunteering Strands were most likely to have claimed before (64 per cent and 62 per cent respectively). The Volunteering Strand customers were most likely to have been claiming continuously for 18 months or more at the time when they took up the strand offer, indicating that this was the option that those further from the job market were most likely to be directed forward.

A higher proportion of Volunteering and Training Strand customers lacked qualifications at Level 2 or above (46 per cent and 53 per cent respectively), compared to the higher skill levels of those taking up the Self-Employment Strand (only around one-third of whom lacked Level 2 qualifications – 35 per cent).

Volunteering

On average, volunteering placements lasted just over three months, took up 12 hours a week and were provided by either a charity or governmentfunded organisation. There was a wide range of placement types, short, full-time placements with private companies at one end of the spectrum and placements requiring just a few hours a week and with no fixed end date at the other.

Customers tended to be satisfied with the process of arranging a placement, with a majority reporting that they had input into the type of placement undertaken, that the placement was suitable and that they found the length of time it took to arrange the placement appropriate.

For many, the volunteering placement was reported to have resulted in increases in skills related to a particular role as well as generic, transferable skills (the latter particularly in the case of younger customers).

Training

As part of the Training Strand, customers undertook a variety of courses, ranging from short courses leading towards a certificate or licence necessary to enter an industry, e.g. a Construction Skills Certification Scheme (CSCS) card or Security Industry Authority (SIA) licence, to longer courses leading to a recognised qualification. On average, courses lasted eight weeks, although for around a quarter the course was completed in under a week.

On the whole, customers felt the course they undertook was suited to their needs. However, for some the range of courses on offer was limited and more could have been done to ensure that available courses related to the types of local jobs.

Around half recalled the course involving an element of employment support and/or direct links with employers. This indicated that the emphasis placed on equipping individuals with skills needed by local employers was not always as strong as the policy intention.

Participation in the Training Strand appeared to have positive effects, with at least three in five customers reporting increases in confidence, motivation to find work and enthusiasm to undertake further learning in future. Similar proportions reported an increase in skills related to a particular type of job.

Recruitment Subsidy

Four-fifths of those who entered work using the recruitment subsidy were those using the self-marketing voucher, with those entering work via the bulk billing route accounting for a fifth of the strand's customers¹.

¹ The vast majority of those entering work using the self-marketing voucher in the sampling period would have done so using the older version of the voucher, before a clearer, re-designed version was rolled out in December 2009.

Subsidy recipients stated they were clear about how to use the voucher. Those who were younger or from an ethnic minority were less likely to state this was the case (and they are under-represented among recruitment subsidy beneficiaries as a whole).

Most subsidy recipients stated they were more likely to mention the self-marketing voucher at interviews rather than earlier in the process (e.g. on CVs/application forms). In some cases they relied on Jobcentre Plus advisers mentioning the subsidy to potential employers.

Jobs were secured across the economy and the occupational hierarchy, although elementary or operative roles accounted for a third of destinations. Roles entered via the bulk billing route were particularly likely to be at this end of the occupational spectrum.

Voucher recipients were more likely to have secured work on a permanent or open-ended contract. Conversely, bulk subsidy recipients were more likely to have been employed on a temporary or casual basis.

Self-employment

The Self-Employment Strand attracted individuals with a wide range of starting points; those with no experience to those who had formerly been and were currently self-employed. Just under a third of customers had previous experience of selfemployment. A quarter stated that, at the point of entry to the strand, they did not have a firm idea of the type of self-employment they would pursue – they simply had a desire to work for themselves.

Beyond the introductory self-employment guides, only small minorities received each of the types of externally-delivered support available. Only 13 per cent attended workshops on specific-elements of self-employment and only seven per cent received one-to-one coaching. These support elements received very positive feedback for their usefulness from users. Overall, one-third received some form of externally delivered support (although in some cases this was simply a helpline). Customers who received some support from Business Link or the equivalent organisations in Scotland/Wales were asked how well they felt that Jobcentre Plus worked with this organisation to support their self-employment plans. Views were mixed on this issue. Half (49 per cent) of claimants who had contact with Business Link or the national equivalent felt that Jobcentre Plus staff worked well or very well with them to support their needs. However, just over two in five (42 per cent) disagreed and felt they did not work well or at all well together.

Seven in ten (71 per cent) of Self-Employment Strand participants had received Self-Employment Credit and a fifth had received one-off payments from the Adviser Discretion Fund (ADF). Payments from the ADF appeared to have been used appropriately to fund materials or services to support selfemployment.

Outcomes of strand customers

This research reports on the outcomes of customers who started on the four strands of the 6MO between April to December 2009. However, it does not report on the employment additionality of the 6MO. Planned further 6MO research, i.e. impact analysis, may be able to deliver information on employment additionality of the four 6MO strands.

At the time of research fieldwork in March 2010, three-quarters (75 per cent) of recruitment subsidy customers were in either full- or parttime employment or self employed. There was an indication that jobs secured using the recruitment subsidy self-marketing voucher had been sustainable, with two-thirds (66 per cent) still working for the same employer at the time of interview (four to ten months since participating in the offer) and only one-fifth of customers in this strand having returned to claiming JSA. For the Self-Employment Strand, three-fifths (57 per cent) of customers were in paid work at the time of interview. Most of these (50 per cent of Self-Employment Strand customers overall) reported being self employed at the time the research was conducted (somewhere between three months and a year after being referred to the strand), rather than working for an employer. This does indicate that the self-employment support (financial and advisory) available through the 6MO is effective in moving individuals into self-employment.

Across the Training and Volunteering Strands, around two-thirds had been claiming JSA continuously up to the point of interview (between three and 12 months after being referred to strand activity). Some of these were still undertaking their training course (nine per cent of Training Strand customers overall) or volunteering placement (30 per cent of Volunteering Strand customers) at the time of interview, and had claimed continuously.

One in 12 customers in each of the Training and Volunteering Strands (eight per cent) had a break from JSA but then returned to claiming. Just under a fifth of customers were in paid work at the time of interview – 19 per cent of Training Strand customers and 16 per cent of Volunteering Strand customers.

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The full report of these research findings is published by the Department for Work and Pensions (ISBN 978 1 84712 854 6. Research Report 699. October 2010).

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

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