

Research report

Jobseekers Regime and Flexible New Deal Evaluation: Stage 2 and Stage 3 Customer Surveys

by Lorna Adams, Katie Oldfield, Sarah Fish,
Catherine Riley and Edward Isherwood

Department for Work and Pensions

Research Report No 694

Jobseekers Regime and Flexible New Deal Evaluation: Stage 2 and Stage 3 Customer Surveys

Lorna Adams, Katie Oldfield, Sarah Fish, Catherine Riley and Edward Isherwood

A report of research carried out by IFF Research Ltd on behalf of the Department for Work and Pensions

© Crown copyright 2010.

You may re-use this information (not including logos) free of charge in any format or medium, under the terms of the Open Government Licence.

To view this licence, visit <http://www.nationalarchives.gov.uk/doc/open-government-licence/> or write to the Information Policy Team, The National Archives, Kew, London TW9 4DU, or e-mail: psi@nationalarchives.gsi.gov.uk.

This document/publication is also available on our website at:
<http://research.dwp.gov.uk/asd/asd5/rrs-index.asp>

Any enquiries regarding this document/publication should be sent to us at:
Department for Work and Pensions, Commercial Support and Knowledge Management Team,
Work and Welfare Central Analysis Division, 3rd Floor, Caxton House, Tothill Street, London SW1H 9NA

First Published 2010.

ISBN 978 1 84712 843 0

Views expressed in this report are not necessarily those of the Department for Work and Pensions or any other Government Department.

Contents

Acknowledgements.....	xi
The Authors.....	xii
Abbreviations	xiii
Summary	1
1 Introduction	5
1.1 Policy context and background	5
1.2 The policy initiatives.....	6
1.2.1 <i>The Jobseekers Regime and Flexible New Deal</i>	6
1.2.2 <i>The New Deal for Young People</i>	10
1.2.3 <i>Additional services during the recession</i>	10
1.2.4 <i>Support for the newly unemployed</i>	10
1.2.5 <i>The Six Month Offer</i>	11
1.3 The evaluation design	11
1.3.1 <i>Research scope</i>	12
1.4 Methodology.....	12
1.5 Statistical significance and confidence intervals.....	14
1.5.1 <i>Confidence intervals</i>	14
1.6 Reporting conventions	15
1.7 Report structure	15
2 Customer experiences: Nature of JRFND Stage 2 support	17
2.1 Take up of support.....	17
2.2 Variation in support taken up by customer type	21
2.3 Usefulness of support taken up.....	22
2.4 Summary.....	25
3 Customer experiences: Nature of JRFND Stage 3 support	27
3.1 Take up of support.....	27
3.2 Variation in support taken up by customer type	31
3.3 Usefulness of support taken up.....	35

3.4	Adviser contact	38
3.5	Mandatory activities	41
3.6	Fast-trackers	45
3.7	Summary.....	48
4	Customer experiences: Overall views of support	49
4.1	Introduction.....	49
4.2	Overall satisfaction.....	49
4.3	How support experienced during recent claim compares with previous experiences.....	50
4.4	Jobcentre Plus support.....	52
4.5	Evidence of tailoring to customer needs or pressure to undertake unsuitable activities.....	54
4.6	Summary.....	57
5	Outcomes: Claim status.....	59
5.1	Moving off Jobseeker's Allowance	59
5.1.1	Overview.....	59
5.1.2	Stage 2/comparison group	60
5.1.3	Stage 3/comparison group.....	61
5.2	Fast-trackers	63
5.3	Length of claim	64
5.3.1	Stage 2/comparison group	64
5.3.2	Stage 3/comparison group	65
5.3.3	Customer groups ending claims sooner.....	66
5.4	Claim status summary	66
6	Outcomes: Entering paid work	69
6.1	Introduction.....	69
6.2	Entering paid work after ending claim.....	69
6.2.1	Overview.....	69
6.2.2	Stage 2/comparison group	70
6.2.3	Stage 3/comparison group	71
6.2.4	Stages 2 and 3 – sub-group differences.....	71

6.2.5	<i>Stages 2 and 3 – Lone parents</i>	75
6.2.6	<i>Fast-trackers</i>	76
6.3	Types of paid work	76
6.3.1	<i>Overview</i>	76
6.3.2	<i>Stage 2/comparison</i>	77
6.3.3	<i>Stage 3/comparison</i>	78
6.4	Remaining in paid work (not returning to Jobseeker's Allowance)	79
6.4.1	<i>Overview</i>	79
6.4.2	<i>Stage 2/comparison</i>	80
6.4.3	<i>Stage 3/comparison</i>	80
6.5	Leaving paid work or returning to Jobseeker's Allowance claiming	80
6.5.1	<i>Overview</i>	80
6.5.2	<i>Stage 2/comparison</i>	81
6.5.3	<i>Stage 3/comparison</i>	81
6.6	Summary.....	81
6.6.1	<i>Stage 2</i>	81
6.6.2	<i>Stage 3</i>	82
7	Outcomes: Destinations other than paid employment.....	83
7.1	Destinations other than paid employment	83
7.1.1	<i>Stage 2/comparison</i>	83
7.1.2	<i>Stage 3/comparison</i>	84
7.1.3	<i>Fast-trackers</i>	85
7.2	Summary.....	86
7.2.1	<i>Stage 2/comparison group</i>	86
7.2.2	<i>Stage 3/comparison group</i>	86
8	Outcomes: Nature of employment	87
8.1	Introduction.....	87
8.2	Hours work and contract type	88
8.2.1	<i>Overview</i>	88
8.2.2	<i>Stage 2/comparison group</i>	90
8.2.3	<i>Stage 3/comparison group</i>	91

8.3	Industry sector	92
8.3.1	<i>Whether found work in the private, public or voluntary sector.....</i>	<i>92</i>
8.3.2	<i>Detailed Industry Sector – Stage 2/comparison group.....</i>	<i>93</i>
8.3.3	<i>Detailed Industry Sector – Stage 3/comparison group.....</i>	<i>94</i>
8.4	Occupation.....	95
8.4.1	<i>Stage 2/comparison group.....</i>	<i>95</i>
8.4.2	<i>Stage 3/comparison group.....</i>	<i>97</i>
8.5	Salary.....	98
8.5.1	<i>Overview.....</i>	<i>98</i>
8.5.2	<i>Stage 2/comparison group.....</i>	<i>98</i>
8.5.3	<i>Stage 3/comparison.....</i>	<i>100</i>
8.6	Fast-trackers	102
8.7	Summary.....	102
9	Outcomes: Views of employment	103
9.1	Introduction.....	103
9.2	Time spent in employment before ending or returning to Jobseeker's Allowance claim.....	103
9.3	Reasons for leaving work or returning to Jobseeker's Allowance claiming	104
9.3.1	<i>Stage 2/comparison group.....</i>	<i>104</i>
9.3.2	<i>Stage 3/comparison group.....</i>	<i>105</i>
9.4	Suitability of work outcome	107
9.4.1	<i>Stage 2/comparison group.....</i>	<i>107</i>
9.4.2	<i>Stage 3/comparison group.....</i>	<i>109</i>
9.5	Promotion prospects and training opportunities.....	110
9.5.1	<i>Stage 2/comparison group.....</i>	<i>110</i>
9.5.2	<i>Stage 3/comparison group.....</i>	<i>113</i>
9.6	Fast-trackers	114
9.7	Summary.....	114
10	Conclusions.....	115
10.1	A comparison of JRFND Stage 2 and JSA customers (three to six months of claim)	116

10.2	A comparison of younger customers experiencing JRFND Stage 3 and NDYP (typically six to 12 months of claim)	117
10.3	A comparison of customers aged 25-59 experiencing JRFND Stage 3 and regular JSA signing (typically six to 12 months of claim)	117
10.4	Overall JRFND Stage 3 and Phase 2 regime comparison	118
Appendix A	Additional analysis of customers aged 50+	119
Appendix B	Sampling, fieldwork outcomes and weighting.....	143
Appendix C	Profile of customers in study	147

List of tables

Table 1.1	Stage 2 – Achieved interviews by phase and age at start of claim according to DWP records.....	13
Table 1.2	Stage 3 – Achieved interviews by phase and age at start of claim according to DWP records.....	13
Table 1.3	Confidence intervals	14
Table 2.1	Classification of support activities.....	17
Table 3.1	Classification of support activities.....	28
Table 3.2	Proportion experiencing support, by age.....	32
Table 3.3	Fast-trackers by week of claim	46
Table 3.4	Demographic profile of fast-trackers.....	47
Table 8.1	Average annual salaries by Phase and Stage.....	98
Table 8.2	Average annual salaries of customers in work (Stage 2).....	100
Table 9.1	Proportion of customers by phase training towards a formal qualification – Stage 2	111
Table 9.2	Proportion of customers by Phase who deemed their job at the time of interview to offer opportunities for promotion/increasing responsibilities – Stage 2	112
Table 9.3	Proportion of customers by Phase who thought their employer (at the time of interview) would not offer training that would help them secure promotion or more responsibilities – Stage 2	113
Table A.1	Proportion taking up each support type by age – Stage 2.....	120
Table A.2	Proportion taking up each support type by age – Stage 3.....	122
Table A.3	Proportion of customers finding each support type taken up useful ('very useful' or 'quite useful') – Stage 2.....	124
Table A.4	Unweighted and weighted base sizes for usefulness of support ratings – Stage 2	125

Table A.5	Proportion of customers finding each support type taken up useful – Stage 3.....	126
Table A.6	Unweighted and weighted base sizes for usefulness of support ratings – Stage 3	127
Table A.7	Number of face-to-face adviser meetings – Stage 3.....	128
Table A.8	Demographic profile of fast-trackers 50+ Stage 3	129
Table A.9	Agreement with: Felt under pressure to take part in activities not suited to their needs and circumstances – Stage 2	130
Table A.10	Extent to which agree: Felt under pressure to take part in activities not suited to their needs and circumstances – Stage 3	131
Table A.11	Current activity – Stage 2	132
Table A.12	Current activity – Stage 3	134
Table A.13	Proportion of customers by phase training towards a formal qualification – Stage 2	135
Table A.14	Whether current job offers opportunities for promotion or substantially increasing responsibilities – Stage 2	136
Table A.15	Proportion of customers by phase training towards a formal qualification – Stage 3	137
Table A.16	Whether current job offers opportunities for promotion or substantially increasing responsibilities – Stage 3	138
Table A.17	Sector which working in – Stage 2	138
Table A.18	Salary – Stage 2.....	139
Table A.19	Sector which working in – Stage 3	140
Table A.20	Salary – Stage 3.....	141
Table B.1	Stage 2 – Fieldwork outcomes.....	144
Table B.2	Stage 3 – Fieldwork outcomes.....	145
Table B.3	Achieved interviews by phase and age at start of claim according to DWP records.....	145
Table B.4	Achieved interviews by phase and age at start of claim according to DWP records.....	145
Table C.1	Stage 2 – Weighted customer profile within phase	148
Table C.2	Stage 3 – Weighted customer profile within phase	150
Table C.3	Jobcentre Plus districts in Phase 1 and Phase 2 of JRFND.....	152

List of figures

Figure 1.1	Diagrammatic representation of JRFND	8
Figure 2.1	‘Job search advice’ offered and taken up by Phase (I)	19

Figure 2.2	Support offered and taken up by Phase (II)	21
Figure 2.3	Customer views on usefulness of support (I)	23
Figure 2.4	Customer views on usefulness of support (II)	24
Figure 3.1	Support offered and taken up by Phase (I)	28
Figure 3.2	Support offered and taken up by Phase (II)	30
Figure 3.3	Support offered and taken up by Phase (III)	31
Figure 3.4	Customer views on usefulness of support (I)	35
Figure 3.5	Customer views on usefulness of support (II)	36
Figure 3.6	Customer views on usefulness of support (III)	37
Figure 3.7	Number of face-to-face meetings	39
Figure 3.8	Adviser contact (II)	41
Figure 3.9	Mandatory activities (I)	43
Figure 3.10	Mandatory activities (II)	44
Figure 4.1	Overall satisfaction with Jobcentre Plus support	49
Figure 4.2	How Jobcentre Plus support received during this claim compares to support received during previous JSA claims	51
Figure 4.3	Jobcentre Plus support association with various skills and attributes – Stage 2	52
Figure 4.4	Jobcentre Plus support association with various skills and attributes – Stage 3	53
Figure 4.5	Whether customer agreed that support offered was appropriate	55
Figure 4.6	Whether customer felt under pressure to take part in activities not suited to their needs and circumstances	56
Figure 5.1	Whether had ended JSA claim by time of interview	60
Figure 5.2	Stage 2 – Length of JSA claim (weeks from NJI book date)	65
Figure 5.3	Stage 3 – Length of JSA claim (weeks from NJI book date)	66
Figure 6.1	Whether ended original claim and entered paid work	70
Figure 6.2	Stage 2 – Likelihood to enter paid work by sub-group	72
Figure 6.3	Stage 3 – Likelihood to enter paid work by sub-group (customers aged 18-24)	73
Figure 6.4	Stage 3 – Likelihood to enter paid work by sub-group (customers aged 25+)	74
Figure 6.5	Types of paid work entered	77
Figure 6.6	Whether entered paid work and/or returned to JSA claiming	79
Figure 7.1	All destinations – Stage 2 customers	83
Figure 7.2	All destinations – Stage 3 customers	85

Figure 8.1	Number of hours worked per week	89
Figure 8.2	Contract type of all those who have worked for an employer	90
Figure 8.3	The main or most recent sector of customers who have entered work – Stage 2	93
Figure 8.4	The main or most recent sector of customers who have entered work – Stage 3	95
Figure 8.5	The main or most recent occupations of customers who have entered work – Stage 2	96
Figure 8.6	The main or most recent occupations of customers who have entered work – Stage 3	97
Figure 8.7	Annual salaries of those who have entered work – Stage 2	99
Figure 8.8	Annual salaries of those who have entered work – Stage 3	101
Figure 9.1	Length of employment.....	104
Figure 9.2	Main reasons for customers leaving their job – Stage 2	105
Figure 9.3	Reasons for customers leaving their job – Stage 3	106
Figure 9.4	Whether main or most recent work entered was a good match for customers’ skills and interests.....	107
Figure 9.5	Reasons for taking up ‘unsuitable’ work – Stage 2 customers	108
Figure 9.6	Reasons for taking up ‘unsuitable’ work – Stage 3 customers	110

Acknowledgements

This research was commissioned by the Department for Work and Pensions (DWP).

The authors would like to thank all customers who participated in the research. Liz Cole and Matthew Garlick are the DWP project management team for the evaluation and have been integral to the research design and conduct and we thank them for their guidance. We also thank Sirinnuj Redden of the DWP for her work on the survey sampling.

At Policy Studies Institute (PSI), we would like to thank Genevieve Knight for her guidance on the structure and content of the report.

The Authors

Lorna Adams, Board Director, leads IFF's Employment and Benefits sector team. She was the project director responsible for all elements of the study. She specialises in public policy research and has managed a number of evaluations and research projects relating to labour market issues and welfare to work policy. She joined IFF 11 years ago and in that time has worked extensively for a wide range of public sector organisations and Government departments, in particular DWP, GEO, EHRC/EOC, HMRC, HM Treasury, OFT, FSA and the LSC (as was).

Katie Oldfield, Director, co-directed this study and was involved in all aspects of its delivery. She primarily works on large-scale quantitative and qualitative studies on issues around employment, skills and welfare. She also has an interest in researching the impact of employment and skills initiatives and programmes on disadvantaged groups as well as employment practices in relation to equality and diversity issues. She has been at IFF over six years after joining from TNS Social in 2004.

Sarah Fish was the Senior Project Manager on the study and worked at IFF between 2007 and 2010. She worked on a number of studies exploring welfare to work policy including several large-scale surveys tracking the destinations of people leaving benefit.

Catherine Riley, Project Manager, was involved in the day to day management of the study. She is interested in welfare research and is involved with a number of quantitative and qualitative studies exploring the experiences and outcomes of benefit claimants.

Edward Isherwood was the Research Executive on this study. Edward joined IFF's graduate training programme in 2009 after completing an MSc in Research Methods and Statistics at the University of Bristol.

Abbreviations

6MO	Six Month Offer
ADF	Adviser Discretion Fund
BtWS	Back to Work Session
CAT	Customer Assessment Tool
CPCS	Construction Plant Competence Scheme
CSCS	Construction Skills Certification Scheme
DIUS	Department for Innovation, Universities and Skills
DWP	Department for Work and Pensions
ESA	Employment and Support Allowance
ESF	European Social Fund
FJF	Future Jobs Fund
FJR _s	Fortnightly Jobsearch Reviews
FND	Flexible New Deal
HB	Housing Benefit
IB	Incapacity Benefit
IS	Income Support
JRFND	Jobseekers Regime and Flexible New Deal
JSA	Jobseeker's Allowance
JSAg	Jobseekers Agreement
LPO	Lone Parent Obligations
MFA	More Frequent Attendance
ND25+	New Deal 25 Plus
ND50+	New Deal 50 Plus
NDYP	New Deal for Young People
NEET	Not in Employment Education or Training
NJI	New Jobseeker Interview

PSA	Public Service Agreement
PSI	Policy Studies Institute
SEC	Self-Employment Credit
SPA	State Pension age
SNU	Support for Newly Unemployed
TR	Targeted Review
WTC	Working Tax Credit
YPG	Young Person’s Guarantee

Summary

This report presents findings from part of the evaluation of the Jobseekers Regime and Flexible New Deal (JRFND), introduced from April 2009 to reform the existing Jobseeker's Allowance (JSA) regime, and the New Deals for those on JSA. The JRFND comprises four stages in total. This report is based on two customer surveys which explored experiences during JRFND Stages 2 (13 to 26 weeks) and 3 (26 to 52 weeks).

JRFND was introduced nationally in two phases. In April 2009, Phase 1 commenced in a set of Jobcentre Plus districts in England, Scotland and Wales.¹ Phase 2 was implemented in the remaining districts in April 2010. This programme of roll-out has allowed comparisons to be drawn between the experiences of customers undergoing JRFND and those experiencing comparable parts of the old regime at the same time in Phase 2 areas.

The surveys informing this report were conducted among 3,000 customers starting:

- JRFND Stage 2 in Phase 1 areas and a comparison group of 3,000 customers reaching the point of their 13-week interview in Phase 2 areas (**the Stage 2 survey**);
- JRFND Stage 3 in Phase 1 areas and a comparison group of 3,000 customers reaching the point of their 26 week restart interview in Phase 2 areas (**the Stage 3 survey**).

Findings: customer experience

After three months on JSA customers entered Stage 2 of the JRFND regime. As with the previous regime at this point, Stage 2 began with an initial meeting during which job search activity was reviewed and customers were expected to extend their job search in terms of travel to work distances, working hours and the occupations they were willing to consider. The types of support available were generally the same as those available under the former JSA regime.

All JRFND Stage 2 customers should have been required to attend six weekly signing sessions after three months on JSA.² There were indications that JRFND Stage 2 is having a positive impact in terms of the extent of job search activity offered to and undertaken by customers:

- Reported participation rates in several types of 'job search activity' (the Initial Stage 2 Review, advice on places to look for vacancies and short courses on CVs, job applications or interview skills) were higher in JRFND Phase 1 areas than in Phase 2 areas under the old regime.
- Phase 1 customers were also markedly more likely to have experienced a move to weekly signing than those in Phase 2. However, almost half of Phase 1 customers had not experienced weekly signing indicating that it was not being enforced fully.
- Although participation levels were comparable with Phase 2 areas, customers in Phase 1 areas were more likely to recall being offered a number of 'other support activities' (including advice on benefits and credits, access to the Adviser Discretion Fund (ADF)), basic skills courses and work trials. This indicates that advisers were making customers more aware of the range of support on offer under JRFND.

¹ See Table C.3 for the list of Jobcentre Plus districts in Phase 1 and Phase 2 of JRFND.

² Weekly signing after three months on JSA was also a feature of the former regime.

Some customers reported having a Back to Work Session (BtWS) during Stage 2.³ Usefulness ratings for the BtWS were relatively high compared with other types of mandatory job search activity (such as the Initial Stage 2 Review/13-week interview or weekly signing) which is positive since this was a new aspect of support that customers experience under JRFND.

JRFND Stage 3 ran from weeks 26 to 52 of a claim. It began with the Initial Stage 3 Review, an interview lasting approximately 30 minutes. Customers were caseloaded and should have received, on average, three and a half hours of advisory support (including the initial meeting) throughout the six month period. Customers were required to engage in up to three mandatory, work-focused activities, additional to what is required for receipt of JSA. The initial meeting was also the entry point for customers fast-tracked from earlier stages. Job search reviews were mainly fortnightly, but at some point within Stage 3, the intention was that customers would be required to attend weekly for a period of six weeks.

At the same point in a claim under the former regime, those aged 18-24 would access the New Deal for Young People (NDYP) while those aged 25 or over would continue with regular JSA signing (they would only become eligible for entry to the New Deal after 18 months of claiming).

There were positive indications that JRFND Stage 3 was being delivered as intended:

- There was evidence of greater numbers of customers experiencing weekly signing, drawing up an action plan and being referred to a careers adviser in JRFND areas than in areas where the old regime was still in place.
- The survey found evidence of higher levels of contact with advisers in JRFND areas⁴. Under JRFND, customers were also more likely to always, or almost always, see the same adviser at those meetings.

There was also some evidence to suggest that advisers were starting to make use of the option to make activities mandatory under JRFND Stage 3. At an overall level there was little difference between Stage 3 and the former regime in the extent to which customers state that they were made aware that participation in any activity that they were offered was mandatory. However, once the impact of the NDYP is removed and only customers aged 25 or over are considered, then the proportion reporting being told that an activity was mandatory is higher in JRFND areas.

Overall, customers who experienced JRFND were more positive about their experiences of Jobcentre Plus than their counterparts experiencing the former regime. They were more likely to report:

- satisfaction with the overall support received at both Stage 2 (three to six months) and Stage 3 (six to 12 months);
- an increased awareness of ways to look for job vacancies at both Stage 2 and Stage 3;
- an increased level of confidence at Stage 3;
- an increased awareness of the types of work that they could do at Stage 3.

³ The BtWS should be delivered between weeks six to nine of a claim (i.e. during JRFND Stage 1) but as a response to the recession and increased customer volumes Jobcentre Plus offices were able to deliver it later, sometimes during Stage 2 and combined with a group Initial Stage 2 Review.

⁴ This is despite adviser support being mandatory across both Phase 1 and Phase 2 areas as part of the Six Month Offer (6MO) (an issue that might have been expected to cloud any differences in adviser support between Phase 1 and Phase 2 districts).

Findings: customer outcomes

The **Stage 2 survey** shows that similar proportions of customers in each Phase had:

- claimed continuously until the point of interview (around two-thirds);
- ended claims and not returned to claiming JSA (just over a quarter);
- ended claims but then started claiming again by the time of the interview (around a tenth).

At this stage of claiming (three to six months), in both Phase 1 and Phase 2 areas those who are typically thought 'easier to help' were more likely to have ended their JSA claims. Claim lengths of those leaving JSA between the 13th and 26th week were comparable between JRFND and the former regime.

Overall, JRFND Phase 1 customers were equally likely to have entered paid work at any point as Phase 2 customers. However, JRFND Phase 1 customers were more likely than Phase 2 to have then left that work and returned to claiming JSA by the time of the interview.

At JRFND Stage 2, there was very little difference in the nature of any employment entered (in terms of contract type, hours, sector and job role) by customers ending their claims in Phase 1 areas with the work entered by customers ending claims in Phase 2 areas. In terms of salary, customers who had entered paid work in JRFND Stage 2 (Phase 1) reported earning a lower annual mean salary than their Phase 2 counterparts (as was the case at the Stage 1 survey). There are likely to be regional economic differences influencing salary levels but this may also indicate that under JRFND customers were more likely to take up lower paid work.

Overall, there was no indication that the JRFND Stage 2 regime was having a marked influence on customers' decisions to end their claims, with customers as likely to end claims but not enter paid work in Phase 2 as in Phase 1.

Stage 3 survey findings show that at the time of the research, JRFND Stage 3 customers were:

- more likely to have had a continuous claim (58% compared with 51% in Phase 2 areas);
- less likely to have ended claims and remained not claiming JSA (34% compared with 40% in Phase 2 areas);
- equally likely to have 'recycled' back on to JSA after temporarily ending their claim during this period (around one in ten in both phases).

However, underneath this overall picture was notable variation by customer age. Customers aged 18-24 in Phase 2 were far more likely to have ended claims than customers of the same age in Phase 1, but customers aged 25 or over were as likely to have ended claims in Stage 3 JRFND (Phase 1) as in Phase 2 areas (with main track 25+ customers being more likely to end claims in Phase 1). These findings are a reflection of the difference in regime for the under 25s at this stage of claiming (i.e. access to NDYP in Phase 2 areas).

At an overall level, in Phase 2 areas, customers were more likely to have both entered paid work and also to have ended their JSA claim but not entered work than their counterparts in Phase 1 areas.

The difference in the proportion entering paid work is again largely driven by age with customers aged 18-24 showing the greatest differences. Older customers were equally likely to have entered paid work, or to remain in paid work in either Phase. Hence, once the effect of NDYP is removed, it would appear that JRFND is equally as successful in supporting customers to end their claim either to enter work or for other reasons. This is in the context of the JRFND Phase 1 areas having a history

of higher long-term unemployment than is the case in Phase 2 areas and also the Phase 1 group containing a high proportion of fast-trackers who have been identified as being further from the labour market.

Compared with the findings from the Stage 2 survey, there was more variation by Phase in the nature of employment secured. Phase 1 customers were more likely to enter lower skilled elementary occupations than their Phase 2 counterparts; this was particularly the case for younger customers aged 18-24.

Despite the fact that Phase 1 customers reported earning a lower annual mean salary in the Stage 2 survey, by Stage 3 the difference in average salaries between Phases was not statistically significant. Underneath this overall picture is variation by age, with younger claimants in Phase 1 areas earning less than their counterparts in Phase 2 areas (who were also more likely to have entered work *per se*).

More customers in Phase 2 areas than in Phase 1 areas ended their JSA claim but did not enter paid work at any point. As with the difference in the proportion entering work, this is largely driven by a difference among customers aged 18-24. The fact that young people in Phase 2 areas were more likely to have ended their claim, not entered paid work at any point but not (yet) returned to claiming JSA than those in Phase 1 areas could indicate a greater deterrent effect from the escalating conditionality that they experience under NDYP that is not replicated under JRFND Stage 3 as it was delivered at the time of the research.

1 Introduction

This report presents findings from part of the evaluation of the Jobseekers Regime and Flexible New Deal (JRFND), introduced from April 2009 to reform the existing Jobseeker's Allowance (JSA) regime, and the New Deals for those on JSA.

JRFND was rolled out in two phases, the first from April 2009 and the second from April 2010. The Jobseekers Regime is delivered by Jobcentre Plus and the Flexible New Deal (FND) by external providers. Further details of the reforms are set out in the Command Paper *Ready for Work: Full-time employment in our generation* (December 2007).

In response to the recession, some additional support services for jobseekers were also rolled out across Great Britain in April 2009 with a planned limited duration: the Support for the Newly Unemployed (SNU) and the Six Month Offer (6MO). In JRFND Phase 1 districts, these new services were introduced concurrently with the JRFND. Most of the new services are delivered by external providers, but customers access these services via referral from a Jobcentre Plus adviser.

The Department for Work and Pensions (DWP's) has commissioned a research consortium, led by the Policy Studies Institute (PSI), to conduct a comprehensive evaluation of these new services.⁵ This report presents survey evidence from customers on their experiences of the Phase 1 JRFND Stages 2 and 3 compared with the same points in a claim under the former regime in Phase 2 areas (generally, weeks 13-26 for Stage 2 comparisons and weeks 26-52 for Stage 3 comparisons).

In this chapter we set out the policies underpinning the reforms, provide an overview of the various initiatives under study and outline the research methods used.

1.1 Policy context and background

The implementation of JRFND was integral to developments in the former Labour Government's welfare reform and skills agenda, and included reforms for lone parents, people with a life limiting health condition or disability and older workers. The key principles of the JSA reform agenda were:

- a stronger framework of rights and responsibilities; increasing obligations on customers progressively throughout a JSA claim while giving customers the support they need to gain (and progress in) work;
- maximising innovation in all sectors, contracting on the basis of what works, leading to more and better outcomes; and
- helping jobseekers find jobs that offer opportunities for progression – to ensure all customers who need help to develop their skills have access to relevant pre-employment training.

In July 2007, DWP published the papers, *In work, better off: Next steps to full employment*, and *Ready for Work: full employment in our generation*. These papers described how this phase of welfare reform sought to achieve full employment – equivalent to an employment rate of eighty per cent. It also undertook to redesign the JSA regime and New Deal to help end long-term unemployment and the cycle of repeated returns to unemployment and benefits that some people experience.

⁵ The evaluation consortium consists of the PSI, IFF Research, PriceWaterhouseCoopers Social, MDRC New York, Professor David Greenberg of University of Maryland Baltimore County and Professor Jeff Smith of the University of Michigan.

In *In work better off: Next steps to full employment* the Labour Government announced that from November 2008 lone parents with a youngest child aged 12 or over would no longer be entitled to receive Income Support (IS) solely on the grounds of being a lone parent, and by 2010 the age of the youngest child would be reduced to seven, in the Lone Parent Obligations (LPO). Eligible lone parents with older children could then claim JSA. It also outlined plans for the new Employment and Support Allowance (ESA) from October 2008, which replaced Incapacity Benefit (IB) and IS paid on incapacity grounds for most new and repeat customers. As part of the implementation, the intention was that a new Work Capability Assessment (WCA) would be applied to new and, over time, existing customers, this resulting in an increase in JSA customers with mild to moderate health conditions with related barriers to work. In addition the paper described how, between April 2010 and 2020, the State Pension age (SPA) would gradually equalise for men and women. As this happens, people aged 60 to 64 who are out of work would increasingly remain on, or make a claim to, JSA, therefore, being subject to the JRFND. It is estimated that one million older people would have needed to be in work if the Labour Government were to achieve its aim of an eighty per cent employment rate.

The Command Paper, *Opportunity, Employment and Progression: making skills work*, published in November 2007, outlined how DWP and the then Department for Innovation, Universities and Skills (DIUS) would work together (in England) to ensure that ever increasing numbers of people would be able to gain the training and support they need to move from benefits to work and then have access to the ongoing training they need to progress in work (DWP and DIUS, 2007).

The Labour Government also set out proposals in *Work Skills* (DIUS and DWP, 2008), which built on existing employment and skills commitments, to place a greater focus on the role of individuals and employers. It also reinforced the need to develop a skills system, shaped by employers, which put individuals in charge of their learning.

On 21 July 2008, DWP also published the Green Paper, *No one written off: reforming welfare to reward responsibility* (DWP, 2008a), which set out some next steps for welfare reform, including changes to the working age benefits, namely the creation of Employment and Support Allowance (ESA) to replace incapacity benefits and require more people to claim JSA.

The DWP White Paper, *Raising expectations and increasing support: Reforming welfare for the future* (DWP, 2008c) outlined the Labour Government's vision for a personalised welfare state. It proposed increasing adviser flexibility and escalating sanctions for non-compliance with the regime. This included making the sanctions regime clearer, piloting escalating sanctions, and introducing Work for Your Benefit for everyone who has been on JSA for two years. It also indicated the intention to implement recommendations from the Gregg review (DWP, 2008b). Subsequently, in January 2009, a discussion paper with proposals for implementing the work-related activity regime for the 'progression to work' group were published in *Realising potential: developing personalised conditionality and support* (DWP, 2009). The new approach, applying the concepts of personalised conditionality, increased adviser flexibility and mandatory work-related activities, involves a substantial shift in expectations for both the service providers and customers of labour market programmes.

1.2 The policy initiatives

1.2.1 The Jobseekers Regime and Flexible New Deal

The JRFND had the aims of increasing the support offered to those out of work and increasing the obligations of jobseekers. The Jobseekers Regime replaced the former JSA regime; the FND combined the New Deal 25 Plus (ND25+), the New Deal for Young People (NDYP), Employment Zones, New Deal 50 Plus, (ND50+) the New Deal for Musicians and Self-Employment provision.

JRFND was introduced across Great Britain in two phases. In April 2009, Phase 1 commenced in a set of Jobcentre Plus districts in England, Scotland and Wales.⁶ Phase 2 began in the remaining Jobcentre Plus districts in April 2010. Jobcentre Plus remained at the centre of the system, managing the enhanced regime and working in partnership with providers who delivered the FND.

A number of considerations were taken into account in the division of Jobcentre Plus districts into Phase 1 and Phase 2 areas including:

- incorporating into Phase 1 as many areas with higher percentages of JSA customers claiming for 52 weeks or more as possible so as to target those areas with greatest need first;
- ensuring that each phase included at least one large urban contract package area served by a single prime FND provider⁷;
- placing some of the areas with more complex provision structures into Phase 2 areas to allow time for issues surrounding the delivery of the FND in these locations to be addressed;
- incorporating most of the Jobcentre Plus led Pathways to Work areas (most of which were IB hotspots) into Phase 2; and
- accommodating other departmental initiatives.

Ultimately, some of these practical considerations in the allocation of districts to Phase 1 or Phase 2 areas may impact on the comparability of the JSA caseloads between the two Phases.

The JRFND programme comprises four stages based on length of claim:

- Stage 1: 0 to 13 weeks;
- Stage 2: 13 to 26 weeks;
- Stage 3: 26 to 52 weeks;
- Stage 4: after 52 weeks – entry to the FND.

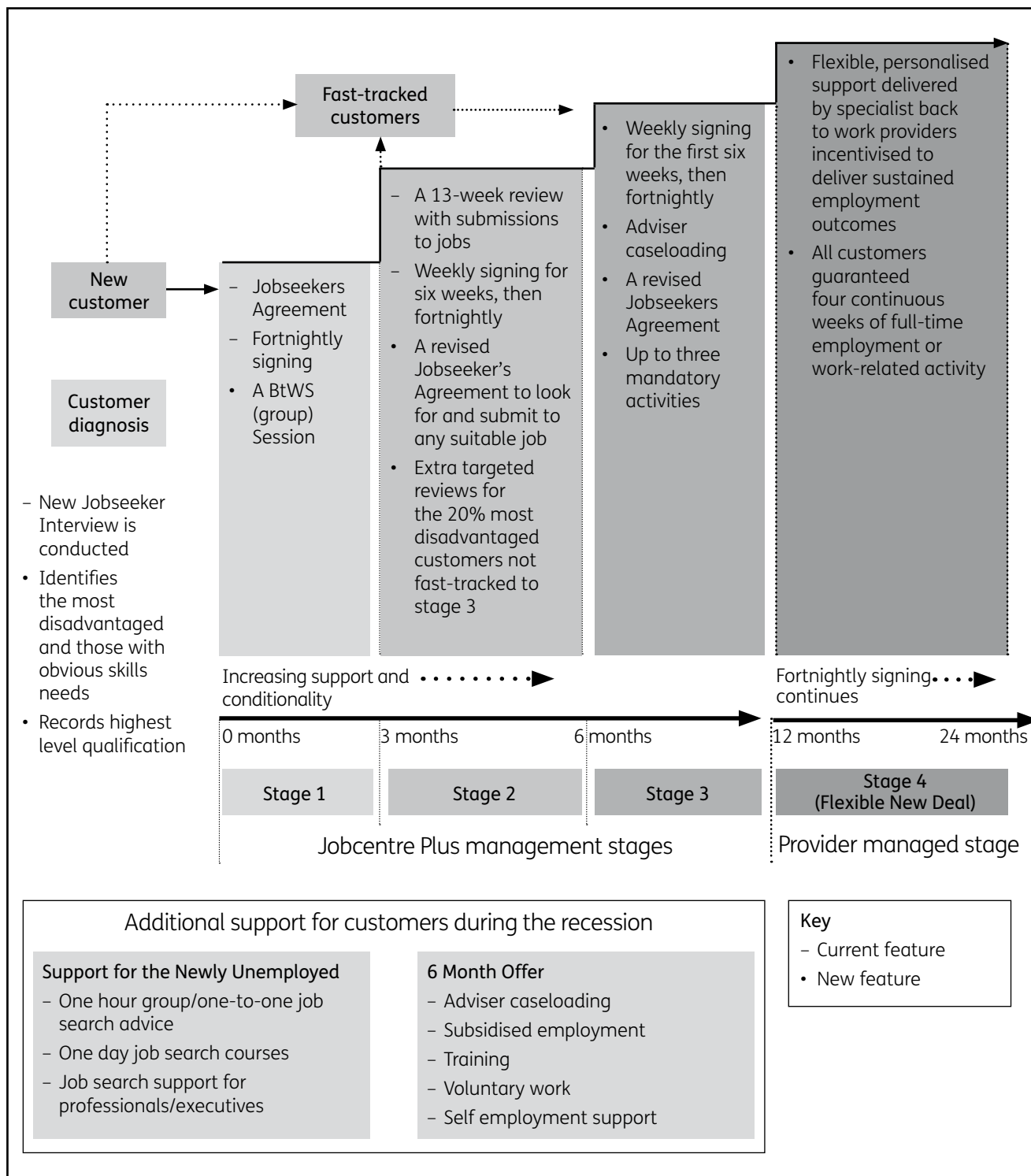
The first three stages were delivered by Jobcentre Plus, and last up to 12 months. If a person was still claiming JSA after 12 months, they were then referred to a FND provider for further work preparation support.

The four stages are summarised in Figure 1.1 and described in more detail below.

⁶ Twenty-eight districts were assigned to Phase 1 and 20 districts to Phase 2. See Table C.3 for the list of Jobcentre Plus districts in Phase 1 and Phase 2 of JRFND.

⁷ The majority of contract package areas are served by two competing prime FND providers to test whether competition drives improved quality and value for money. A monopoly supplier arrangement in selected areas provides the comparison.

Figure 1.1 Diagrammatic representation of JRFND



Stage 1 – Day one to 13 weeks

At the start of a claim, customers are required to attend a New Jobseeker Interview (NJI) with a Jobcentre Plus adviser. As under the former JSA regime, during the meeting the customer are required to sign a Jobseekers Agreement containing agreed job goals and job search activities. They also receive an overview of what is expected of them at later stages in their claim. The adviser assesses basic skills needs and refers the customer to Basic Skills training, if appropriate. For the

remainder of Stage 1, the customer is required to engage in self-directed job search, which is monitored by Jobcentre Plus through mandatory Fortnightly Jobsearch Reviews (FJR). There is an additional new requirement for the customer to attend a Back to Work Session (BtWS), at six to nine weeks⁸ into a claim, with failure to attend resulting in a benefit sanction⁹.

Some customers are fast-tracked to join Stage 3 of the regime from day one of their claim. It is mandatory for advisers to fast-track young people (aged 18 years) who have been 'Not in Employment, Education or Training' (NEET) for at least six months, and longer-term unemployed people (who have previously claimed JSA for 22 out of the last 24 months). Advisers may also offer fast-tracking to other jobseekers who they feel are more disadvantaged in the labour market and may benefit from additional support.

Stage 2 – 13 to 26 weeks

If a customer is still claiming JSA after three months they attend a second meeting with a Jobcentre Plus adviser (lasting between 20 and 30 minutes) in which the Jobseekers Agreement (JSAg) is reviewed and additional training needs assessed. From this point on, if they have not done so already, customers are expected to extend their job search in terms of travel to work distance, working hours and the occupations considered. There is more intensive monitoring of job search activity during this period through the requirement to attend weekly review meetings for a six week period¹⁰. Subsequently, FJR continue as normal for the remainder of Stage 2.

From October 2009, advisers started delivering two additional 'Targeted Reviews' (TRs) during Stage 2 to provide extra support for the most disadvantaged customers. Customers selected for TRs are those who are those the adviser deems likely to benefit from additional support but for whom immediate entry to Stage 3 is unnecessary. This is on the basis that they have been unemployed for 12 out of 24 months, or because the adviser decides that they require additional support due to additional barriers to work. It was anticipated in the design that approximately 20% of customers in Stage 2 would receive TRs¹¹. Customers who attend a TR should also have an in-depth skills screening and subsequent referral to skills support, where appropriate.

Stage 3 – 26 to 52 weeks

After six months of claiming JSA, customers are obliged to engage more regularly with a Jobcentre Plus adviser and take part in job related activities. At the Initial Stage 3 Review, the customer should agree an action plan, which outlines the activities they should undertake in order to find or move closer to work. Activities may include attending job preparation or pre-employment training, work trials or volunteering. Up to three of these activities may be mandatory, with failure to comply resulting in a benefit sanction. As in Stage 2, customers are required to attend weekly job search

⁸ As part of the response to the recession flexibility was introduced allowing districts to deliver the BtWS between weeks 11 and 13 if they wished.

⁹ If the customer fails to attend the session they will be offered the opportunity to attend it on two further occasions. Each failure to attend carries a further one week sanction.

¹⁰ Mandatory weekly signing for all from week 13 is not a new requirement and was also in place in Phase 2 areas, but there is evidence to suggest that it was not applied consistently in the former JSA regime.

¹¹ Guidance suggests that offers of TRs might remain below the 20% of Stage 2 customers point for some time, and that it may be necessary to manage numbers by only selecting those customers from the initial group based on the 12 out of 12 months criterion who will benefit the most from the additional help by the use of the 'Customer Assessment Tool (CAT)'.

review meetings for a period of six weeks, after which FJR continue as normal. The intention is that they should see a personal adviser at regular intervals throughout Stage 3. An average of 3.5 hours of advisory support is available per customer during Stage 3, which advisers schedule flexibly according to customer needs and circumstances – some receiving more and others less. Customers who do not receive an in-depth skills screening (with subsequent referral to skill support if appropriate) at Stage 2 should have had this at Stage 3.

Stage 4 – Flexible New Deal (52 to 104 weeks)

Customers in Phase 1 areas who do not find work by the end of Stage 3 are referred to the FND, which is delivered by external providers. The FND consists of a flexible package of work preparation and job search support. The design is that customers agree an action plan of mandatory activities, which should include a minimum of four continuous weeks of full-time paid employment or work-related activity. All activity in the action plan is enforceable and can result in benefit sanctions by Jobcentre Plus for non-compliance. Throughout the FND, customers are required to attend Jobcentre Plus on a fortnightly basis to sign a declaration detailing that they are available for employment and are actively seeking work.

FND providers typically support each customer for up to 12 months. Customers who complete FND with finding work that lasts for more than six months return to Jobcentre Plus for further support.

1.2.2 The New Deal for Young People

In Phase 2 areas where JRFND had not been rolled out, young people were referred to the NDYP at around the same time that their counterparts in Phase 1 areas were starting JRFND Stage 3. In Phase 2 areas, customers aged 25 and over continued with regular JSA signing.

NDYP was a programme of assistance for 18-24 year olds who have been unemployed for six months or more. Its aim was to increase employability and help young jobseekers find lasting work. NDYP began with the 'Gateway', during which jobseekers met with a personal adviser on a weekly basis to help them find a job. The Gateway lasted up to four months, though jobseekers were expected to find work or enter one of the following New Deal Options before four months has passed:

- Employment Option, offering subsidised employment.
- Full-time Education and Training Option.
- Voluntary Sector Option.
- Environment Task Force Option.

1.2.3 Additional services during the recession

In response to the recession, some additional support services for jobseekers were also rolled out across Great Britain (i.e. across **both** Phase 1 and Phase 2 areas) in April 2009 with a planned limited duration. In Phase 1 districts, these new services were introduced concurrently with the JRFND. Most of the new services were delivered by external providers, but customers accessed these services via referral from a Jobcentre Plus adviser.

1.2.4 Support for the newly unemployed

SNU offered supplementary job preparation and job search services from day one of a claim. The package of support was designed for people who have recently become unemployed and had little experience of modern job search tools such as Jobcentre Plus job points, recruitment agencies

and internet recruitment. Specialist help was also available for professionals/executives who have recently left employment.

1.2.5 The Six Month Offer

Extra advisory support from a Jobcentre Plus personal adviser was made available to customers after a claim of 26 weeks. This extra advisory support was **mandatory** nationally for all customers reaching their six month point of claim. This extra advisory support acted as a gateway to the 6MO. In Phase 2 areas, the completion of an action plan could form part of this extra advisory support element but this was not mandatory.¹²

There were then four **voluntary** strands to the 6MO:

- The **recruitment subsidy** was a payment to employers for recruiting customers who had been claiming (JSA) for at least six months.¹³
- Customers who are interested in **self-employment** could receive information, advice and practical support on becoming self-employed from specialist providers. Customers moving into self-employment could also receive a Self-Employment Credit (SEC) worth £50 per week for the first 16 weeks of trading.
- Customers with an interest in **volunteering** to develop their work skills were directed to a Third Sector broker who would find them a suitable volunteering placement, matched to the individual's job-related interests and skills.
- The **Work Focused Training** strand offered training to JSA customers who would benefit from up-skilling or re-skilling in order to re-enter the local job market.

1.3 The evaluation design

The overall aim of this evaluation is to test the extent to which JRFND leads to additional employment outcomes for individuals and the cost effectiveness with which this is done.

The overall evaluation programme will consist of:

- 1 A process study, which combines qualitative and quantitative evidence on JRFND to inform the impact analyses. There are:
 - a Early Implementation Site visits: gathering qualitative data from multiple stakeholders, primarily through longitudinal site visits to Jobcentre Plus offices, but also through ongoing phone calls and interviews to monitor progress;
 - b depth customer studies: gathering qualitative data on groups of customers following different trajectories through the programme;

¹² In JRFND, extra adviser support was a design feature of the Stage 3 Supported Job Search element, which was rolled out in Phase 1 areas in April 2009. As JRFND did not roll out in Phase Two areas until 2010, interim arrangements were in place to deliver similar advisory support (NDYP still provided some support). These largely mirrored the supported job search requirement of JRFND, with the exception that customers did not have to undertake mandatory work related activity and complete an action plan. This means that this aspect of JRFND effectively started earlier than was planned in the original JRFND design.

¹³ The job must be for at least 16 hours per week and be expected to last at least 26 weeks.

- c A provider study with operational research with specialist providers delivering FND;
 - d customer surveys: gathering quantitative process study data alongside impact data on outcomes;
- 2 Quantitative impact analyses;
 - 3 Cost-benefit analyses;
 - 4 Syntheses of evidence;
 - 5 Some limited general equilibrium research.

To account for the recession measures of 6MO and SNU within the JRFND evaluation, there are dedicated expansions of the qualitative research as part of the process study, additional survey work of all the 6MO strands and additional impact study work of the 6MO strands.

The evaluation research for JRFND is being delivered by a consortium of research organisations led by the PSI, with PSI conducting the majority of the qualitative work, impacts, cost-benefit analyses and the limited general equilibrium analyses, with IFF Research conducting customer survey research, and PriceWaterhouseCoopers Social doing provider qualitative fieldwork.

The evaluation research will be reporting with publications until 2012.

1.3.1 Research scope

This particular report focuses on the findings from element d) – the customer surveys which both form part of the process study and provide quantitative data for the impact analyses. The surveys analysed here are those that focus on customer experiences of Stage 2 (from 13 up to 26 weeks) and Stage 3 (from 26 to 52 weeks) of JRFND in Phase 1 areas and compare these experiences to those of customers at similar points in their claim in Phase 2 areas¹⁴. This report reflects information gathered up to March 2010.

The experiences of those undergoing JRFND Stage 1 are covered in an earlier report while the experiences of those participating in the FND will be covered in a subsequent report.

1.4 Methodology

Customers were eligible for the Stage 2/comparison survey if they had entered Stage 2 of JRFND (or reached their 13th week of continuous JSA claiming in Phase 2 areas) between the weeks commencing 28 September and 26 October 2009. Stage 3 customers were eligible if they had entered Stage 3 of JRFND (or reached their 26th week of continuous JSA claiming or been fast-tracked to entry to the NDYP) between the weeks commencing 24 August 2009 and 28 September 2009. The survey sample was drawn from the population of all eligible customers using a stratified sampling approach (stratified by phase and age), with customers randomly selected within each stratum. An opt-out exercise was undertaken prior to the survey fieldwork commencing. The full sampling strategy is detailed in the technical appendix.

For both the Stage 2 and Stage 3 surveys, a small number of pilot interviews were conducted before the main survey fieldwork to test the questionnaire structure and to ensure that respondents fully understood the nature of the questions being asked.

¹⁴ See Table C.3 for the list of Jobcentre Plus districts in Phase 1 and Phase 2 of JRFND.

Telephone interviews were conducted from the IFF on-site Computer Assisted Telephone Interviewing (CATI) centre in central London. The Stage 2 survey took place between 5 and 24 January 2010 and the Stage 3 survey between 1 and 21 February 2010.

Customers were eligible for interview irrespective of whether they were still claiming JSA at the time of the interview or had ended their claim. Interviews were conducted in the evening and weekend, as well as during normal working hours, to ensure those who may have entered work were able to participate.

For the Stage 2 survey a total of 6,002 interviews were achieved (3,003 with Phase 1 customers and 2,999 with Phase 2 customers) as detailed in Table 1.1. The overall response rate was 81% (completed interviews as a percentage of completed interviews plus refusals).

For Stage 3 a total of 6,006 interviews were achieved (3,003 with Phase 1 customers and 3,003 with Phase 2 customers) as detailed in Table 1.2. The overall response rate was 80%. Details of fieldwork outcomes can be found in the Technical Appendix 1.

Table 1.1 Stage 2 – Achieved interviews by phase and age at start of claim according to DWP records

Stage 2	Phase 1	Phase 2	All
Under 25	1,001	1,000	2,001
25-49	1,000	1,000	2,000
50 or over	1,002	999	2,001
All	3,003	2,999	6,002

Table 1.2 Stage 3 – Achieved interviews by phase and age at start of claim according to DWP records

Stage 3	Phase 1	Phase 2	All
Under 25	1,000	1,002	2,002
25-49	1,001	1,000	2,001
50 or over	1,002	1,001	2,003
All	3,003	3,003	6,006

A breakdown of those interviewed by phase based on demographics reported during the interview is also in Technical Appendix II. Alongside this is shown the overall profile by age, gender, ethnicity and disability of all those who started claims in the same weeks as the sample used for this survey, based on population counts provided by the DWP.

Quotas on phase and age were set to ensure robust findings at the sub group level, and to ensure that a sufficient number of interviews were conducted with each key customer group to enable a minimum of 400 follow-up interviews with each age group within phase in a year's time.

Data have been weighted to ensure findings are representative of the population of customers in each Stage and Phase. Further details can be found in the Technical Appendices I and II.

1.5 Statistical significance and confidence intervals

All findings presented in this report are based on weighted data. Unweighted bases (the number of responses from which findings are derived) are displayed where appropriate as an indication of the robustness of results.

Unless explicitly stated otherwise, **all differences between phase described in this report are statistically significant at the 95% confidence level**. That is to say, there is a 95% probability that the difference reported is real and not the result of sampling error.

1.5.1 Confidence intervals

Table 1.3 illustrates the confidence intervals for a range of findings (percentages) at overall phase level based on a sample size of 3,000. These confidence intervals take into account the design effects¹⁵ of the survey sampling and weighting. So, if the report states that 30% of customers had entered paid work in Phase 1, there is a 95% probability that the ‘real’ proportion lies between 28.2% and 31.8%.

Table 1.3 Confidence intervals

Finding (%)	Confidence interval at 95% level, sample of 3,000 (+/-)
5	0.9
10	1.2
15	1.4
20	1.5
25	1.7
30	1.8
35	1.9
40	2.0
45	2.0
50	2.0
55	2.0
60	2.0
65	1.9
70	1.8
75	1.7
80	1.5
85	1.4
90	1.2
95	0.9

¹⁵ An average design factor of 1.1 has been applied to the confidence intervals and is used throughout the report when testing for significance differences in both Stage 2 and Stage 3 survey data. The average design factor assumes equality of variance.

Please note that findings based on customer sub-groups (for example, different age groups within phase) will be based on smaller sample sizes and will, therefore, have larger confidence intervals. Again, only sub-group differences that are statistically significant are presented in this report apart from where explicitly stated otherwise.

1.6 Reporting conventions

The following conventions are observed throughout this report:

- All references to ‘Stage 2 customers’ refer specifically to those customers who entered Stage 2 of JRFND between week commencing 28 September 2009 and week commencing 26 October 2009. The week that a claim was started for this group of customers spans from week commencing 6 July 2009 to week commencing 26 October 2009.
- All references to ‘Stage 3 customers’ refer specifically to those customers who entered Stage 3 of JRFND between 24 August 2009 and 28 September 2009. The week that a claim was started for this group of customers spans from week commencing 23 February 2009 up to 21 September 2009.
- ‘Phase 1’ refers to Jobcentre Plus districts where the JRFND programme was rolled out in April 2009. All references to ‘Phase 2’ areas refer to Jobcentre Plus districts where the existing JSA regime was in place until April 2010. Phase has been determined via the Jobcentre Plus district on the customer database base supplied by the DWP.
- With the exception of age, all demographic characteristics are based on information provided by customers during the survey interview and not on the demographic information provided on the original sample supplied by the DWP (an analysis of inconsistencies between survey information and that supplied on the database is detailed in the technical appendix).
- ‘PSA16’ refers to the Public Service Agreement (PSA) which formed part of the set of 198 national indicators for English local authorities. The agreement was implemented in April 2008, and focused on people falling into any of the following four groups at risk of social exclusion:
 - Care leavers at age 19.
 - Offenders under probation supervision.
 - Adults receiving secondary mental health services.
 - Adults with learning disabilities known to councils.

As part of the drive to reduce central targets, the PSA16 target is not continuing in its current form. However, the new government remains keen to ensure that vulnerable people have access to employment and settled accommodation.

1.7 Report structure

Following this introduction outlining the survey background, methodology and reporting conventions, the following three chapters focus on findings relating to customer experience of Stage 2 and Stage 3 of JRFND. The first of these covers the nature of the support offered to customers and customer views on the usefulness of this support for Stage 2 compared to similar claim periods in Phase 2 areas. The next chapter then provides the same information for those customers at Stage 3 (again compared to similar claim periods in Phase 2 areas). The following chapter presents overall views on the service received from Jobcentre Plus during both Stage 2 and Stage 3.

Following this, in Chapters 6 to 10, outcomes are presented, looking initially at the proportions of customers remaining on JSA then examining the destinations of those who ended their claims and whether they entered (and remained in) paid employment. This is followed by chapters on the nature of any employment entered and customer views on the appropriateness of the role they took.

Throughout the report the experiences, views and outcomes of Phase 1 customers are compared with those of Phase 2 customers to identify any statistically significant differences. The conclusions chapter then reviews key findings from each chapter.

Finally, Technical Appendices I and II detail the sampling, fieldwork outcomes, weighting and the profile of customers in the study.

2 Customer experiences: Nature of JRFND Stage 2 support

This chapter describes the support that customers received during Jobseekers Regime and Flexible New Deal (JRFND) Stage 2, and compares this with the support offered to customers undergoing regular signing in the second three months of their claim in Phase 2 areas. It also explores whether the support offered varied by customer type. Finally, it discusses customer perceptions of the usefulness of the different types of support received in helping them find work or move closer to work.

2.1 Take up of support

Customers were asked whether they recalled being offered, and whether they subsequently took up, a range of different types of support that are available during the second three months of a Jobseeker's Allowance (JSA) claim.

For presentational purposes, we have grouped these into 'job search advice' and 'other support activities' as shown in Table 2.1.

Table 2.1 Classification of support activities

Job search advice	Other support activities
Initial Stage 2 Review/13-week interview	Advice on entitlement to benefits or credits once in work
Access to advice or support on places to look for job vacancies	A referral to a careers adviser
Back to Work Session (BtWS)¹	Advice on improving writing, maths or English language skills
One or two longer more focused adviser interviews	Advice for professionals or executives (offered under the Support for Newly Unemployed (SNU) programme)
Move to weekly signing	A work trial (for disadvantaged groups)
Short course on CVs, job applications or interview skills	Money to help cover costs of finding work (the Adviser Discretion Fund (ADF))

¹ The BtWS is designed to be part of JRFND Stage 1 support and held at six to nine weeks of a claim). However, in response to the recession and increased customer volumes Jobcentres were able to delay the timing of the BtWS to 11-13 weeks of the claim and sometimes in combination with the Initial Stage 2 Review.

The majority of these types of support (both 'job search advice' and 'other support activities' are available to customers under both JRFND and the former regime. The BtWS is available only under JRFND and hence offered to customers in Phase 1 areas only.

The BtWS is a group meeting or presentation usually led by Jobcentre Plus staff which emphasises customer obligations for receipt of JSA and delivers advice and information about finding work. Claimants are mandated to attend a BtWS between six and nine weeks of their claim¹⁶. However, some flexibility on the timing of this session was offered to Jobcentres as part of the recessionary measures and as such some districts were delivering it later (in some cases at the same time as the Initial Stage 2 Review).

Under JRFND Stage 2, advisers can offer two Targeted Reviews (TRs) for customers felt to be furthest from the labour market. TRs are offered to disadvantaged customers and intended to provide additional support for these customers to move them closer to work. Typically, they consist of one or two 20 minute interviews with an adviser (in addition to the Initial Stage 2 Review). It is anticipated that TRs should be delivered to about 20% of the next most disadvantaged customers (i.e. those who are 12/24 months unemployed and/or those who have more complex barriers to employment but were not fast-tracked to Stage 3 at an earlier point in their claim). In part, experience of these TRs will be captured under the definition of ‘one or two longer more focused adviser interviews’¹⁷ listed above. However, it seems likely that customers also included other interviews with their Jobcentre Plus adviser in this category.

Under the revised Jobseekers Regime customers were mandated to attend six weekly signing sessions after 13 weeks of claiming JSA. This was also a mandatory feature of the former JSA regime, although there is some suggestion that this was not widely enforced.

As illustrated in Figure 2.1, Phase 1 customers were more likely both to recall being offered and to take up all forms of support offering job search advice than their counterparts in Phase 2.

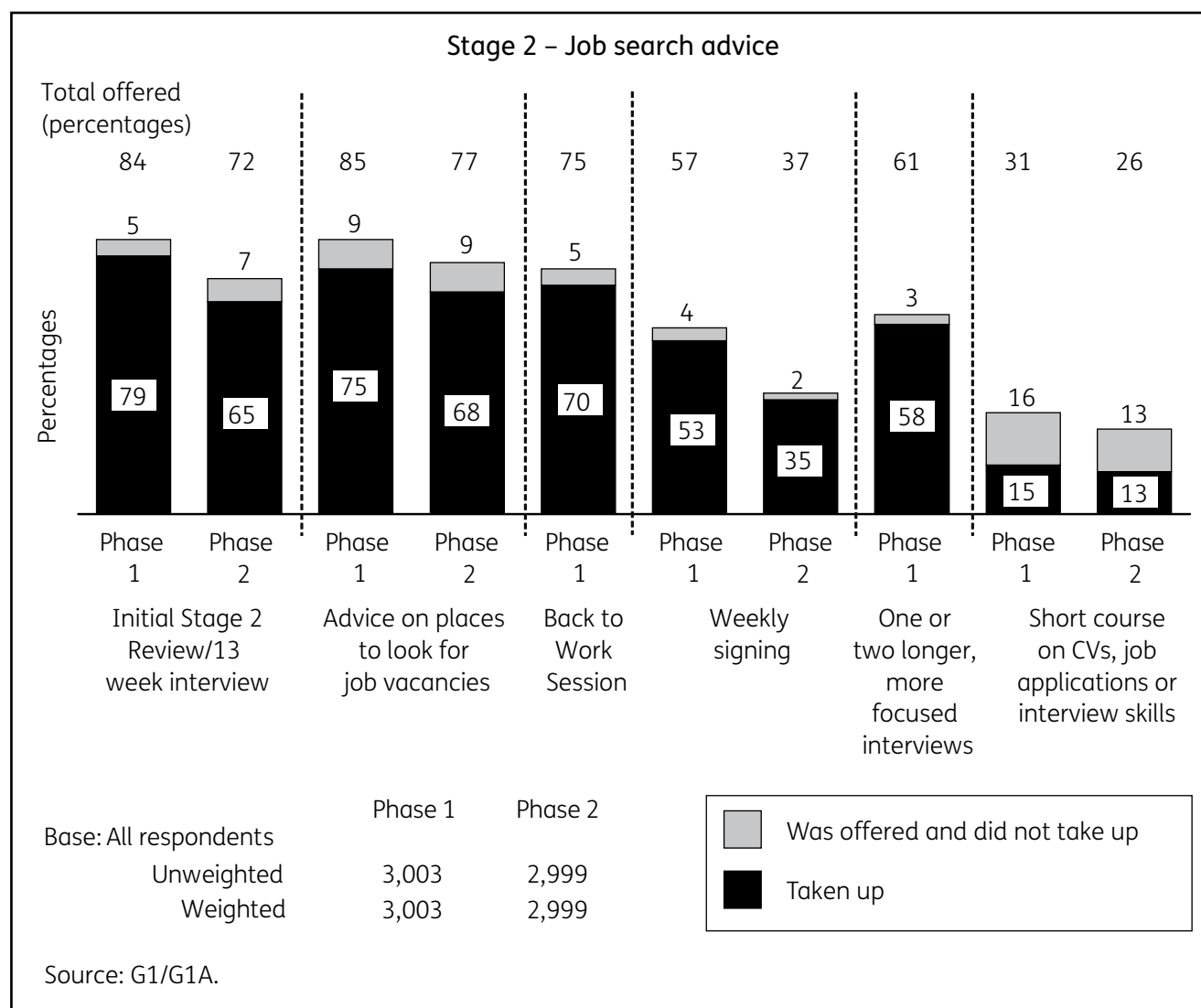
Most customers recall receiving an Initial Stage 2 Review/13-week interview and access to advice and support about where to look for job vacancies. However, in both cases, the proportions of customers who recall receiving these types of support were higher in Phase 1 areas:

- An Initial Stage 2 Review was recalled up by 79% of Phase 1 customers compared with 65% recalling a 13-week interview in Phase 2 areas¹⁸.
- Advice or support on places to look for job vacancies was recalled by 75% of Phase 1 customers and 68% in Phase 2.

¹⁶ Experiences and views on the BtWS were also covered in the JRFND Stage 1 customer survey and findings are presented in DWP Research Report No. 624: *Jobseekers regime and Flexible New Deal, six month offer and support for the newly unemployed evaluations: an early process study*.

¹⁷ The full text that was read out during the interview was ‘One or two longer interviews with a Jobcentre adviser – **not** including the 13-week interview – aimed at identifying any additional support you might need’.

¹⁸ The proportion of customers recalling this interview is quite low in the context that the survey cohort should have all attended this interview to qualify for inclusion in the sample. It should be noted that customer ability to accurately distinguish between different types of interview attended – which are often similar in content from a customer perspective – is sometimes fallible. If it is possible to link survey data to Jobcentre Plus administrative data is available it will be possible to cross-reference survey data against recorded ‘starts’ for each type of interview and support type which will possibly give a more accurate measure of the support experienced.

Figure 2.1 ‘Job search advice’ offered and taken up by Phase (I)

A similarly high proportion of customers experiencing JRFND recalled participating in a BtWS (75% of Phase 1 customers stated that they were offered this and 69% that they attended).

Over half of customers in Phase 1 areas stated that they received one or two longer interviews with an adviser at some point during Stage 2 (58%). As mentioned earlier, not all of these will be TRs delivered to the hardest to help customers. It is difficult to determine the proportion of customers who attended TRs through the survey due to difficulties with customer recall of this support given its similarity to other forms of support involving adviser contact. However, the sample provided for the survey by the Department for Work and Pensions (DWP) contained a marker to show customers who had had TRs **booked**. Using this variable shows that just 3% of Phase 1 customers had a TR booked. Those customers within Phase 1 JRFND areas who were more likely to have had a TR booked include:

- Younger customers (4% of 18-24s and 3% of 25-49 year olds compared to 1% of those aged 50+).
- Customers qualified to below Level 2¹⁹ (5%).
- Customers in paid work at the time of interview (5%).

¹⁹ Qualification levels are contained within the National Qualifications Framework and the Qualifications and Credit Framework. Examples of Level 2 qualifications are five GCSE grades A-C*, NVQs at Level 2, BTEC First Diplomas, OCR Nationals and Certificates and Key Skills level 2.

Half of Phase 1 customers stated that they experienced a move to weekly signing for a period of around six weeks. This is a core feature of JRFND Stage 2 support (as was the case in the former regime where the policy intention was that all customers were expected to sign weekly after claiming for 13 weeks) and the fact that it was not experienced by more customers may reflect difficulties in finding the necessary resources to deliver this. However, the proportion that moved to weekly signing is considerably higher in JRFND Phase 1 areas compared with customers at a similar point in their claim in Phase 2 areas (53% and 35% respectively) which implies that this element of the new regime was starting to be incorporated to a greater extent than was the case under the old regime.

A comparatively small minority participated in a short course on CVs, job applications or interview skills during Stage 2, and was only taken up by around half of those who were offered it. The difference in take up levels between Phase 1 and Phase 2 for this type of job search support was small.

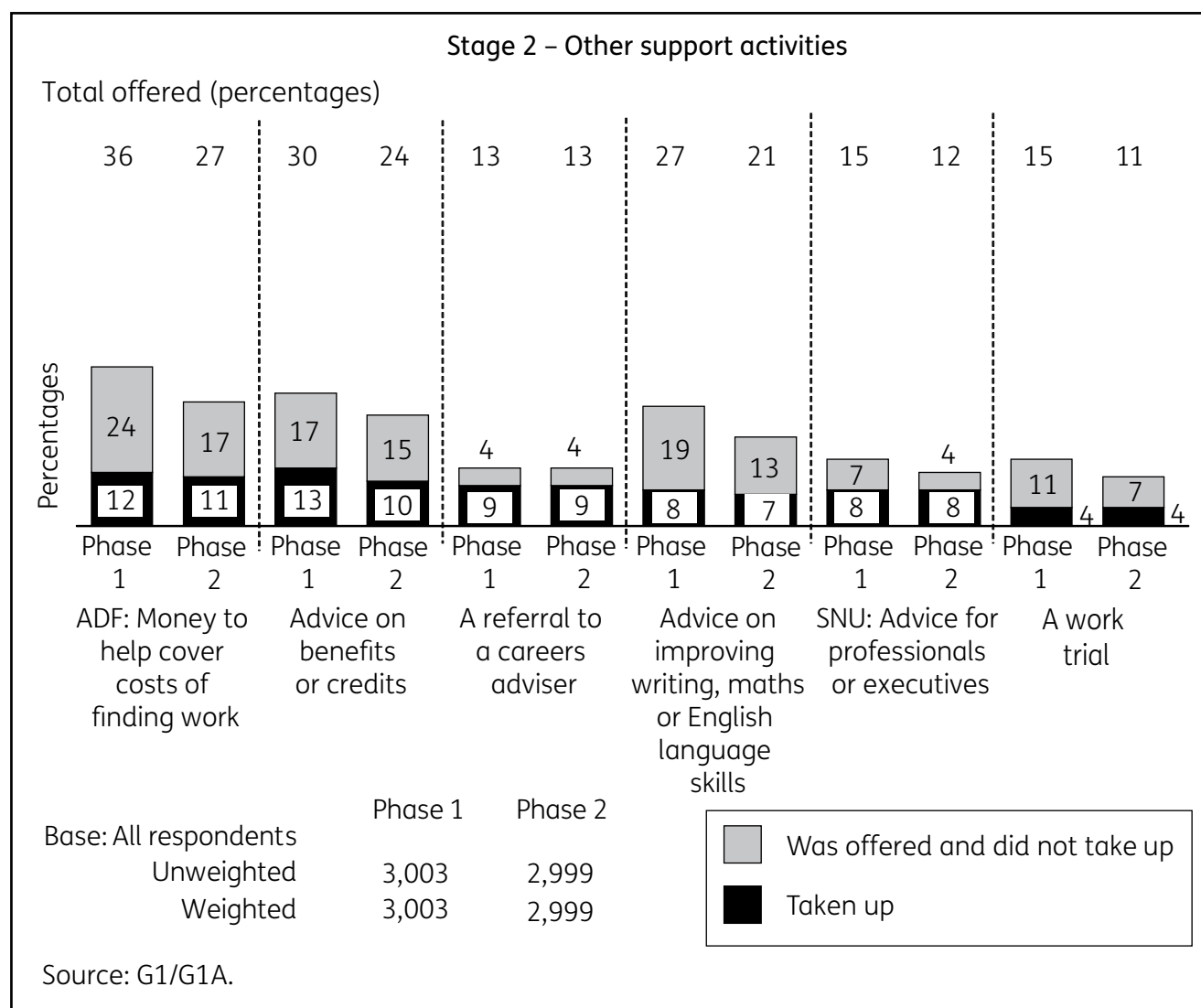
All other support activities (i.e. those not categorised under the umbrella of job search advice activities) were offered to fewer than half of customers as demonstrated in Figure 2.2 and were taken up by a much smaller proportion of those offered than was the case for job search activities. Given that these activities are voluntary, lower customer take up would be expected.

Among these types of support, the most commonly taken up was advice on benefits or credits, which was taken up by slightly more Phase 1 than Phase 2 customers (13% and 10% respectively).

For all other types of support, the levels of take up were almost identical across Phase 1 and Phase 2. However, customers in Phase 1 were more likely to recall being **offered** a number of these types of support than those in Phase 2 – most notably in the case of support from the ADF which provides access to money to help cover the costs of finding work and advice on core skills (literacy, numeracy or English language). This does perhaps indicate that Jobcentre advisers in JRFND areas are doing more to make customers aware of the range of support that is available to them than is the case in Phase 2 areas.

This difference between Phase 1 and Phase 2 in terms of support offered is observed across most customer groups²⁰. This suggests that advisers in Phase 1 areas are increasing awareness of the support available ‘across the board’ rather than focusing on specific customer subgroups.

²⁰ The exception is lone parents who are more likely to be offered these support types than average in Phase 2 areas, meaning the levels offered are comparable with those for lone parents in Phase 1 areas.

Figure 2.2 Support offered and taken up by Phase (II)

It is also the case that Phase 1 customers were more likely to recall being offered a referral to SNU for professionals and executives than their counterparts in Phase 2 although again take up levels were comparable (8% in both Phase 1 and Phase 2 areas).

Around one in 14 customers in both Phases (7% for each Phase) reported being offered some other type of learning or training course (i.e. not any of those already mentioned). Customers described a wide range of courses as being offered but the most common (each mentioned by 1% of customers in each Phase) were: training or support for setting up a business, various construction training courses (including training to attain skills cards such as Construction Skills Certification Skills (CSCS) or a Construction Plant Competence Scheme (CPCS) card; training towards driving licenses such as HGV, plant, or Fork-Lift; IT courses; health and safety and first aid training (including food and hygiene).

2.2 Variation in support taken up by customer type

As shown earlier, customers in JRFND Stage 2 were more likely than their counterparts in Phase 2 areas to recall having received most types of 'job search advice'. On the whole, the differentials seen at overall level were replicated for most sub-groups of customers; there is the same level of

difference evident when looking at take-up rates among particular types of customers as at the overall level. This indicates that Phase 1 customers were generally more likely to take up the various types of job search advice.

Similarly, for 'other support activities' the very slight increase in take up levels for advice on benefits and credits evident in Phase 1 areas over Phase 2 areas was replicated across most sub-groups of customer while there was no difference among most sub-groups between phases for all other types of support in this category.

In addition to the differences **between** subgroups outlined above, across both phases, levels of take up of advice on where to look for job vacancies **decreased** with age (82% of 18-24 year old Phase 1 customers compared with 73% of 25-49 year olds and 66% of those aged 50 or over).

In Phase 1 areas, there were also some variations in the take up of the BtWS (which is only available under JRFND) by subgroup. Those more likely to participate were:

- younger (72% of claimants aged 18-24 compared with 69% of those aged 25-49 and 65% of customers aged 50 or over);
- white British (71% compared with 66% of those from other ethnic backgrounds).

There was little variation in likelihood to have experienced one or two longer adviser interviews in Phase 1 areas by demographic characteristics. However, those slightly more likely to experience these interviews were:

- those whose partner claims JSA or other out of work benefits (63% compared with 57% of those who do not have a partner also claiming JSA);
- those with no qualifications (62% compared with a Phase 1 average of 58%);
- those who were still claiming JSA at the point of interview (60% compared with 50% of those who had ended their claim).

These are all groups that are most likely to contain customers furthest from the labour market and hence this provides some indication that additional, longer adviser interviews are being targeted at these customers (even if not all longer interviews reported are in fact TRs).

2.3 Usefulness of support taken up

This section explores customer perceptions of the usefulness of each of the different types of support that were taken up. Where customers recalled taking up a particular form of support they were asked how useful they found it on a 4-point semantic scale ('very useful', 'quite useful', 'not very useful' or 'not at all useful').

Figures 2.3 and 2.4 illustrate the relative usefulness of each form of support reported. Figure 2.3 shows customer views on the usefulness of job search activities while Figure 2.4 illustrates the relative usefulness of other types of support. On each figure, the support types are ordered from left to right according to participation rates.

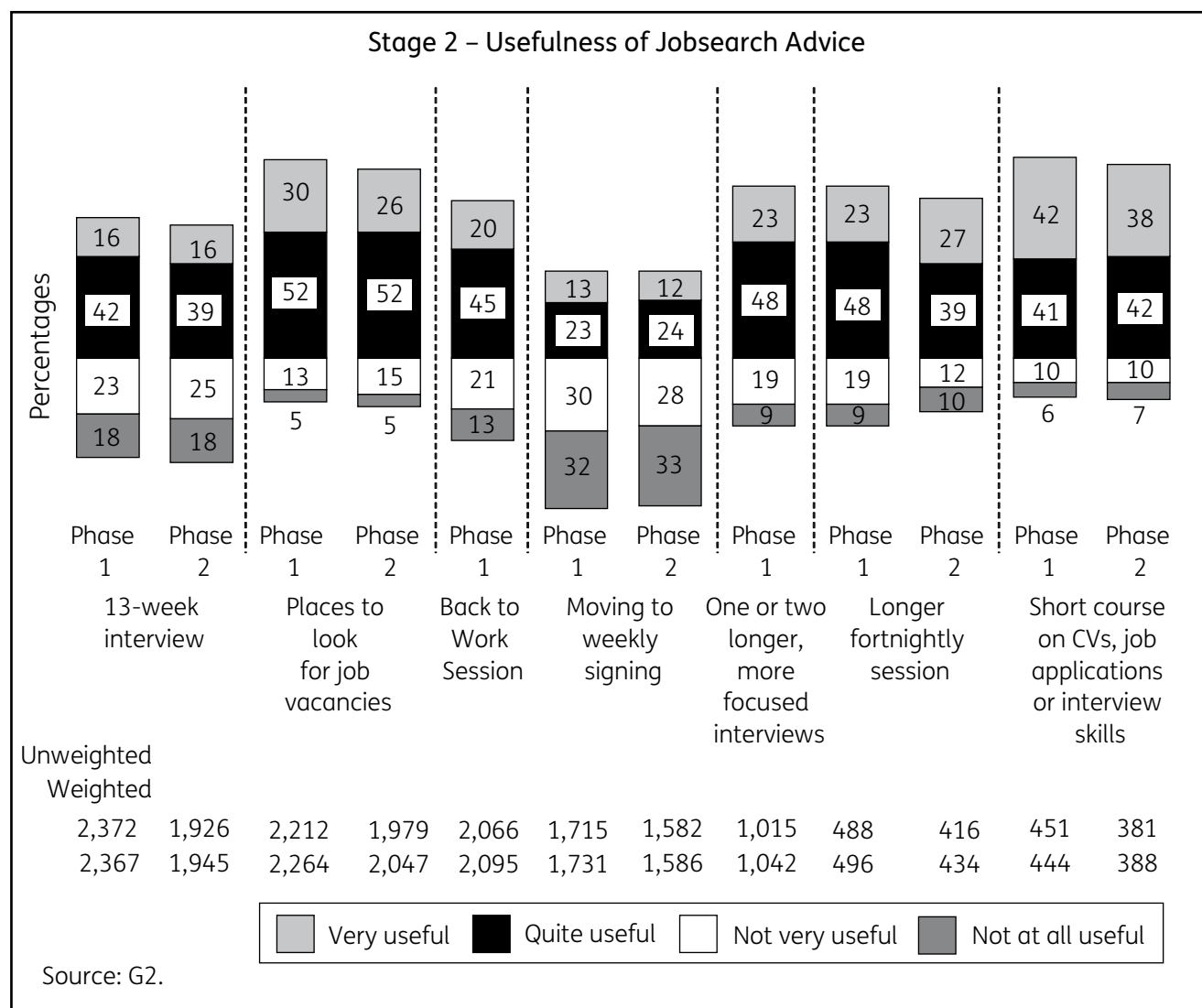
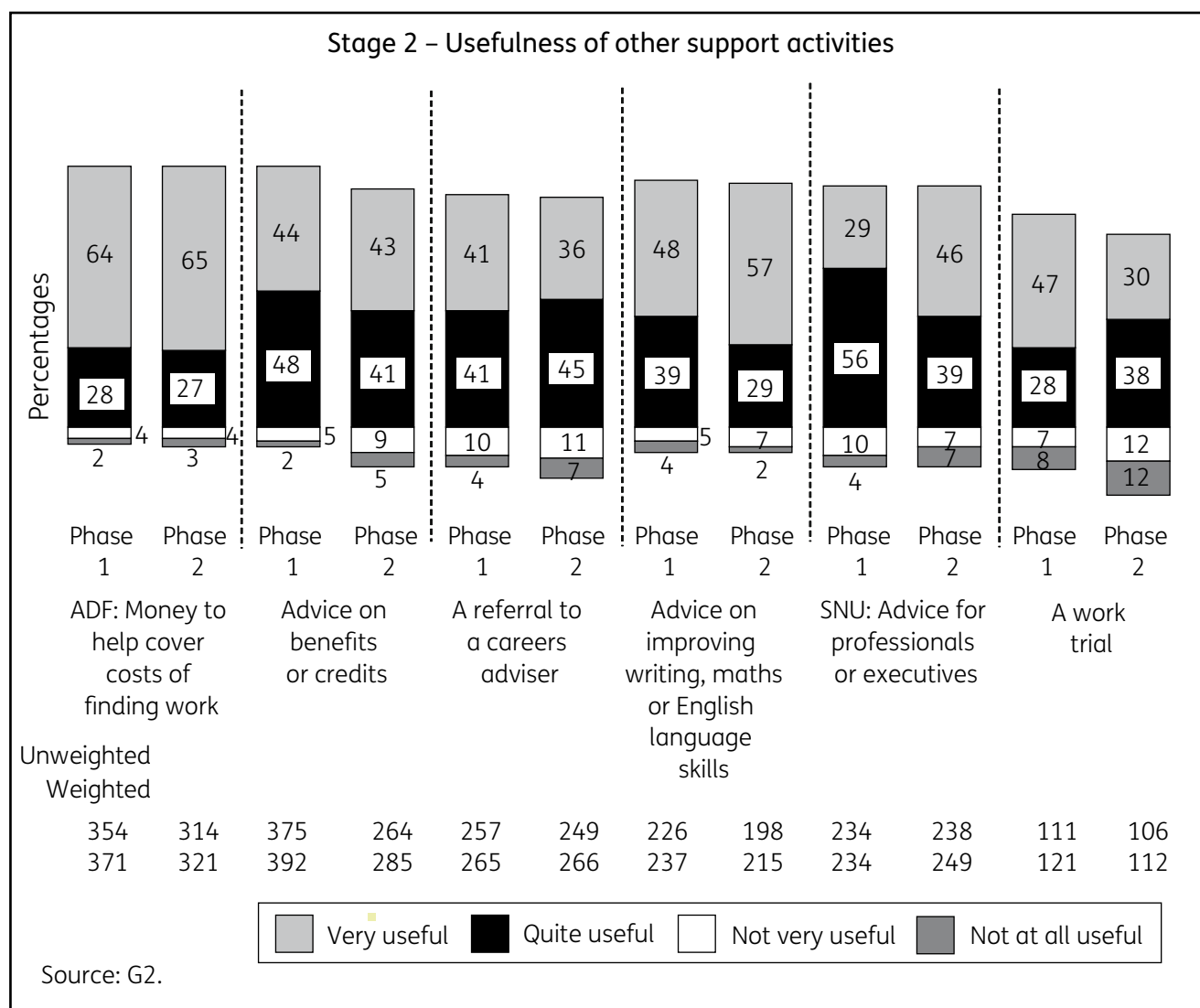
Figure 2.3 Customer views on usefulness of support (I)

Figure 2.4 Customer views on usefulness of support (II)

Overall, most types of support taken up in the second three months of claiming were rated as very or quite useful by the majority of customers who participated. The only form of support that a majority of participating customers rated as not very or not at all useful was a move to weekly signing. This is perhaps to be expected since this is an activity that customers will have been mandated to rather than one they had some choice over whether to participate in.

Of the activities categorised as ‘job search advice’, those seen as most useful were the short courses on CVs, job applications and interview skills (42% of participants rated the courses as very useful in Phase 1 and 38% in Phase 2). The ‘other support activities’ which generally had much lower take-up levels than ‘job search advice’ activities, tended to receive higher usefulness ratings. The highest ratings were given for support from the ADF and basic skills courses.

Usefulness ratings for the BtWS were relatively high in the context of it being a mandatory requirement. That is, usefulness ratings were higher than those given for other mandatory support elements at this stage of claiming such as the Initial Stage 2 Interview/13 week review and weekly signing. This is encouraging as the Back to Work Session (BtWS) is a core aspect of new JRFND support. The BtWS is intended to be delivered at weeks six to nine of a claim (i.e. as part of Stage 1 support) but flexibilities granted in response to the recession and increased customer volumes meant that it was sometimes delivered up to week 13 (and, therefore, alongside Stage 2 support) at the time the research was conducted.

Phase 1 customers were more likely than those in Phase 2 areas to rate advice they had received about places to look for job vacancies 'very useful' (30% compared with 26%). Although other differences between Phase 1 and Phase 2 areas are not statistically significant at the 95% level, there is some suggestion that slightly greater proportions of customers also reported the Initial Stage 2 Review and a short course on CVs, job applications or interviews skills to be useful compared with equivalent support received in Phase 2. This means that as well as advisers in Phase 1 areas encouraging greater proportions of customers to participate in job search activities, those that participated were also more likely on balance to find these activities useful.

Differences in usefulness ratings given by Phase 1 and Phase 2 customers were also observed for 'other support activities' (see Figure 2.4). Despite the fact that there were no differences in participation levels between customers in the two phases, customers in Phase 1 areas were more likely to find referrals to a careers adviser very useful (41% compared with 36% in Phase 2 areas) and to find work trials very useful (47% compared with 30% in Phase 2 areas). Conversely, customers in Phase 2 areas were more likely to find SNU support aimed at professionals and executives to be very useful (29% compared with 46% in Phase 2 areas).

2.4 Summary

During JRFND Stage 2 customers were expected to attend fortnightly signing meetings where job search activity is monitored and expected to extend their job search in terms of travel to work, working hours, and the occupations they are willing to consider.

Findings suggest that participation rates in most types of 'job search activity' (such as taking up advice on places to look for job vacancies, recall of the Initial Stage 2 Review/13-week interview and short courses on CV writing, job application and interview skills) were higher in Phase 1 areas than in Phase 2 areas.

Phase 1 customers were also markedly more likely to have experienced a move to weekly signing than those in Phase 2 areas indicating that this aspect of support (which was also mandatory for all customers after 13 weeks of claiming under the former regime) is starting to be implemented as intended.

Along with higher participation levels in Phase 1, participants' views on the usefulness of the job search activities accessed were also generally slightly higher in Phase 1.

Although customers in Phase 1 areas are more likely to recall being offered a number of 'other support activities' (including advice on benefits and credits, access to the ADF, basic skills courses and work trials), participation levels are comparable with Phase 2 areas. This indicates that even though advisers were making customers more aware of the range of support on offer, participation in these types of activities was unaffected.

3 Customer experiences: Nature of JRFND Stage 3 support

This chapter describes the support provided normally after six months (but earlier for disadvantaged customers) and compares this with the support offered to customers undergoing regular signing in the comparable period of their claim in Phase 2 areas. Similarly to the previous chapter, it also explores whether the support offered varies by customer type and customer perception of the usefulness of the different types of support offered in helping them find work or move closer to work. Finally, this chapter discusses the nature of adviser contact and the extent to which participation in support activities was viewed as mandatory.

3.1 Take up of support

Customers were asked about a range of different types of support that were available to those entering Jobseekers Regime and Flexible New Deal (JRFND) Stage 3 or from the six month point of a claim in Phase 2 areas.

The key aspect of JRFND Stage 3 that distinguished it from the former regime of Jobseeker's Allowance (JSA) signing for those aged 25 and over was the caseloading approach taken to interviews with Jobcentre Plus advisers which is discussed in more detail later in this chapter (caseloading formed an integral part of the New Deal for Young People (NDYP) regime that those aged 18-24 would previously have experienced at this point in their claim). In addition, it was intended that customers would experience a six-week period of weekly signing during Stage 3 (this is in addition to adviser flexibility to insist on More Frequent Attendance (MFA) throughout an individual's claim which existed under both JRFND and the former regime). JRFND also placed greater emphasis on the agreement of an action plan at this point in a claim and allowed advisers to make up to three work-related activities mandatory.

Under the former regime, those aged 18-24 were given access to the NDYP after they have been claiming for six months (while customers aged 25 and over would not normally be able to access the New Deal until 18 months into their claim). Hence those interviewed in Phase 2 areas included those who had entered NDYP. The Phase 2 cohort also contained a very small number of older customers who had entered New Deal 25 Plus (ND25+) early. Under JRFND, all customers generally accessed the Flexible New Deal (FND) after they have been claiming continuously for 12 months.

In response to increasing numbers of JSA claimants during the recession, the Six Month Offer (6MO) was made available across both Phase 1 and Phase 2 areas. This was a voluntary programme of support offering those who have been unemployed for six months or more access to four strands of support; a recruitment subsidy, a training strand, a volunteering strand and a self-employment strand. In addition to these voluntary options, the 6MO also incorporated a mandatory element of additional adviser support.

The 6MO Recruitment Subsidy strand was delivered slightly differently in Phase 1 and Phase 2 areas. In Phase 2 areas, it was generally not offered to customers aged 18-24 as advisers had the option of referring these customers to the New Deal Subsidised Employment Option instead.

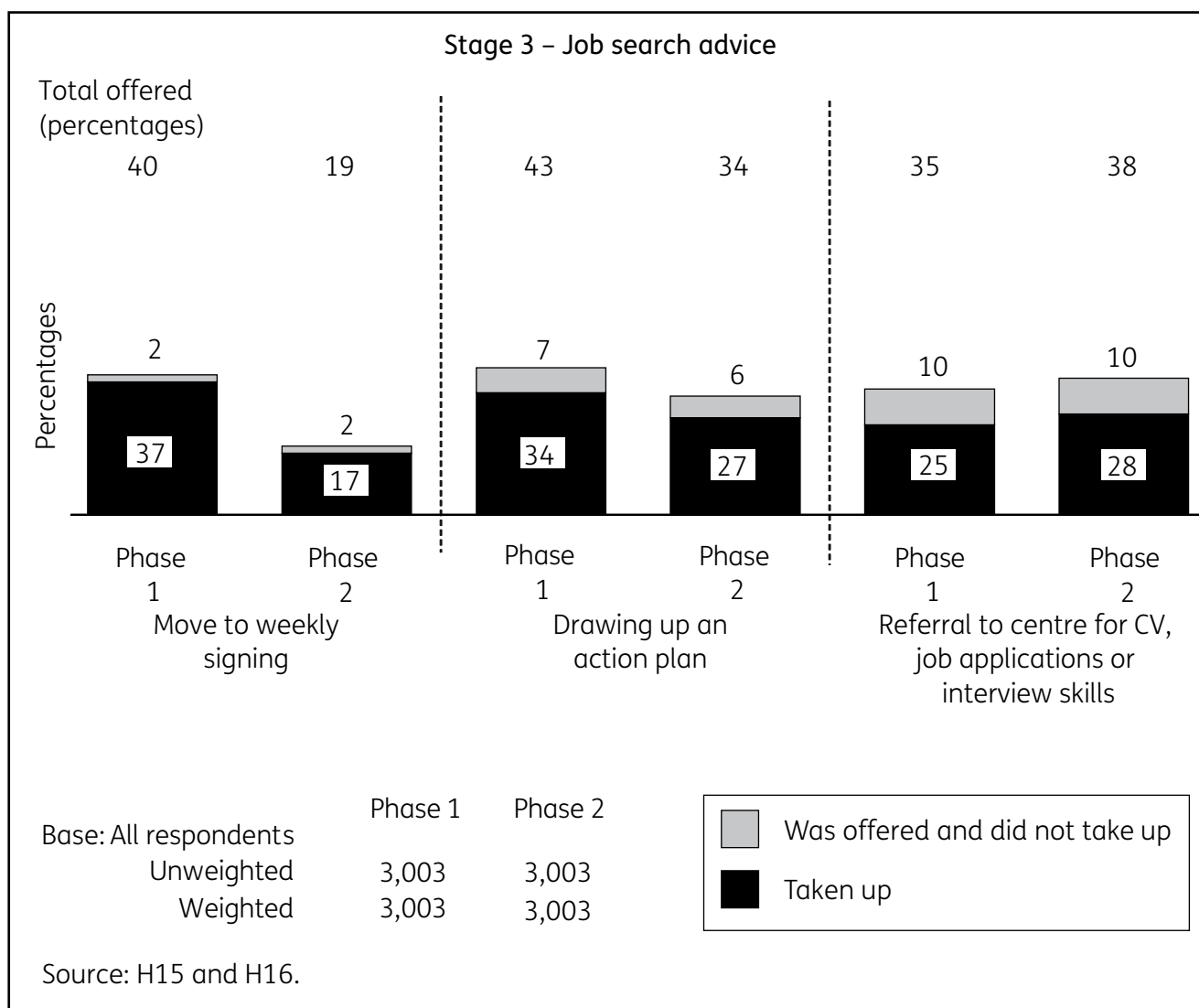
For presentational purposes, the support activities that customers were asked about have been grouped into three categories – job search advice, 6MO/New Deal provision and other types of support (that are available at adviser discretion throughout a claim). The activities in each category are shown in Table 3.1.

Table 3.1 Classification of support activities

Job search advice	6MO/New Deal provision	Other support activities
Move to weekly signing Drawing up an action plan Referral to centre for CV, job applications or interview skills	6MO Strands: • Recruitment subsidy • Training course • Volunteering placement • Advice or support on self-employment Gateway to Work New Deal	Advice on entitlement to benefits or credits once in work A referral to a careers adviser Advice or course on improving writing, maths or English language skills A work trial Money to help cover costs of finding work (Adviser Discretion Fund (ADF))

Figures 3.1, 3.2 and 3.3 show the proportions of customers recalling being offered and taking up these forms of support.

Figure 3.1 Support offered and taken up by Phase (I)



As illustrated in Figure 3.1, Phase 1 customers were again much more likely to recall a move to weekly signing – two-fifths of customers recalled this compared to only 17% of those in Phase 2 areas. JRFND Stage 3 customers in Phase 1 areas were considerably less likely to recall weekly signing than was the case under JRFND Stage 2 (Chapter 3). This may be a result of resourcing difficulties as a function of the additional adviser support as part of the 6MO that is also required at this point in claims. Those experiencing weekly signing in Phase 2 areas are likely to be reporting experience of adviser-enforced MFA.

JRFND Stage 3 customers were also more likely to recall drawing up an action plan than their counterparts in Phase 2 areas although the difference is less marked than for weekly signing (a third did so in Phase 1 areas compared to just over a quarter in Phase 2 areas). Given the emphasis that was placed on this aspect of JRFND Stage 3 support it is perhaps surprising that a greater difference between the two Phases is not observed. There are a range of possible explanations for this: it could be because pressure on resources meant action planning was not taking place to the extent intended in Phase 1 areas; or because a proportion of customers who drew up an action plan were not able to remember doing so which may suggest it was not sufficiently distinct from other interviews or support activities they had engaged in; or because the difference between the two areas may have been clouded by the fact that action planning in this way was a recommended element of the 6MO (although it was not mandatory). The difference is not evident across all age groups – those aged 18-24 were equally as likely to recall action planning in both areas (36% in Phase 1 and 35% in Phase 2 compared with 33% of those aged 25+ in Phase 1 and 23% of those aged 25+ in Phase 2 areas).

Customers in Phase 2 areas were slightly but significantly more likely to take up a referral to a centre where they attended a short course on CVs, job applications or interview skills.

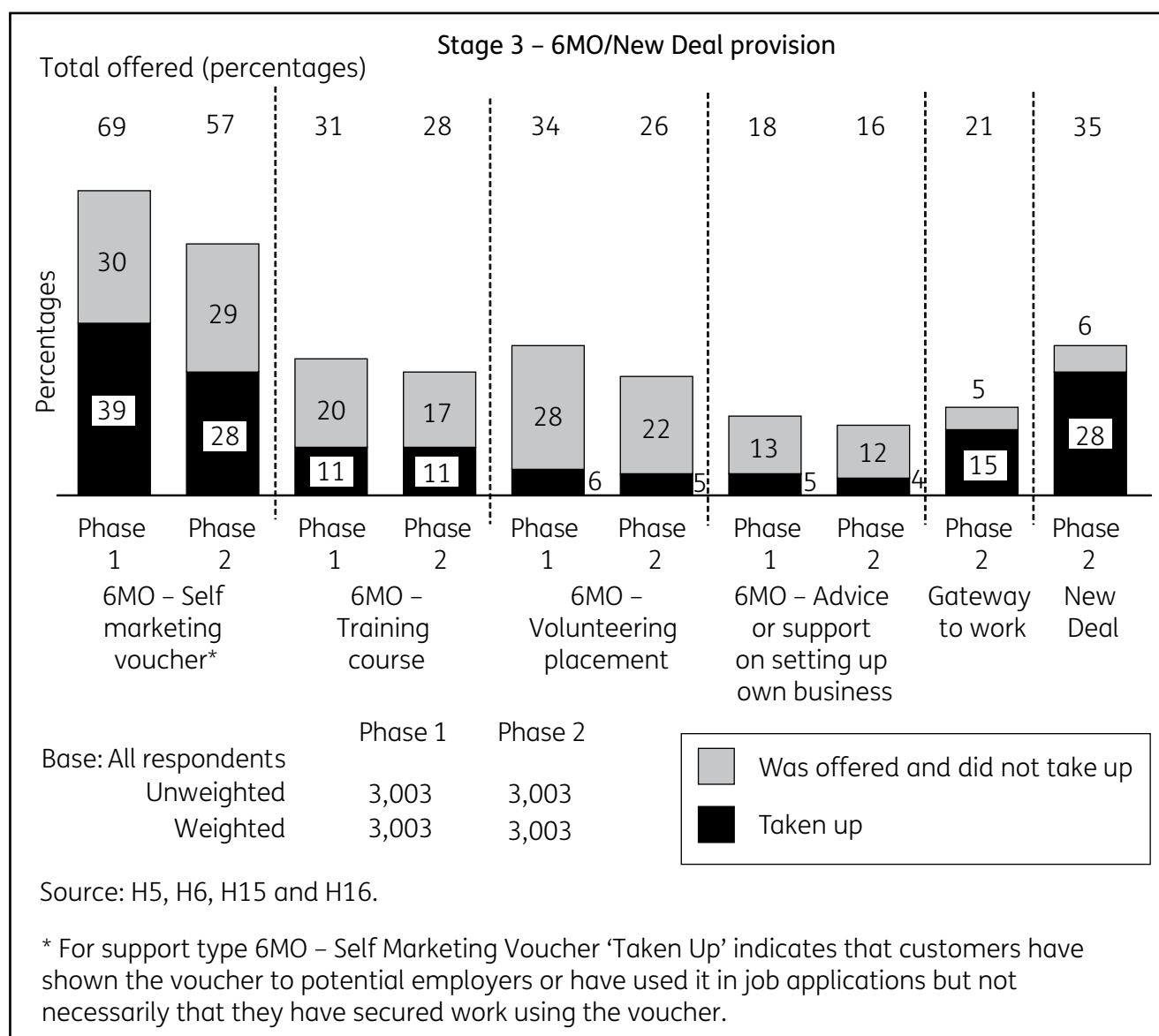
As Figure 3.2 shows, despite the fact that the strands of the Six Month Offer are available across England and Wales, there were some differences in both the extent to which customers recalled being offered access to the strands and also in the level of take up between Phase 1 and Phase 2 areas. Significantly more Phase 1 than Phase 2 customers used the self-marketing voucher (39% and 28% respectively). In both phases, the voucher was used (i.e. shown to potential employers/mentioned in job applications) by around half of those who recalled being offered it but it was much more likely to be offered to customers in Phase 1 areas. In part this reflects the fact that customers aged 18-24 in Phase 2 areas were generally referred to the New Deal Employment Subsidy option rather than the 6MO Recruitment Subsidy (if their adviser felt that this route was appropriate). However, those aged 25-49 were also less likely to use the self-marketing voucher in Phase 2 areas than in Phase 1.

Levels of take up for the other 6MO support types (a training course, a volunteering placement, and advice or support on setting up own business) were relatively even across phases, though all of these support types were offered to a larger proportion of Stage 3 JRFND customers than to customers at a comparable point in their claim in Phase 2 areas.

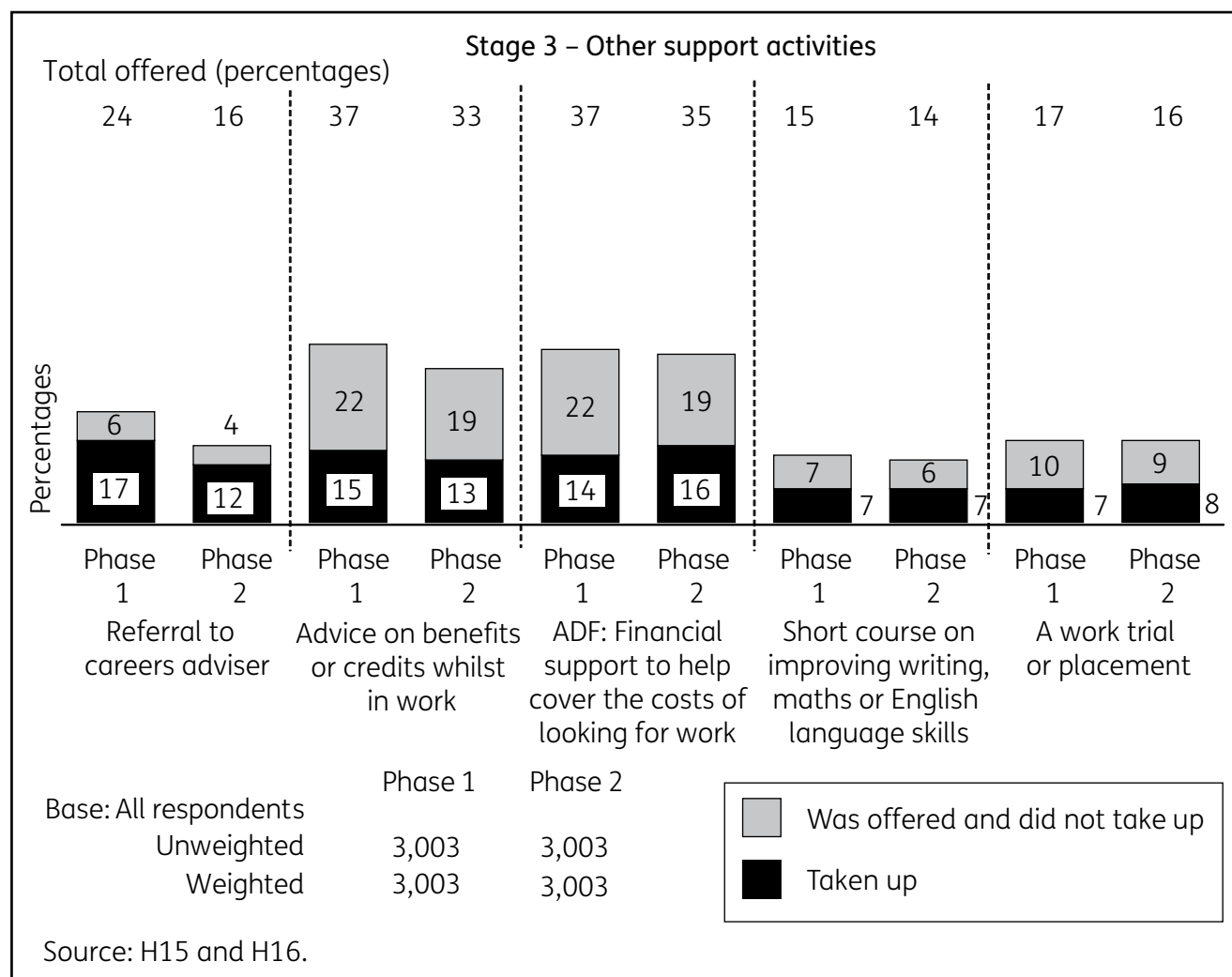
Across both phases, those who had drawn up an action plan with an adviser were more likely to have been offered at least one of the 6MO strands (90% of those with an action plan in Phase 1 were offered at least one of the strands compared with 79% of those who did not have an action plan. Equivalent findings for Phase 2 are 82% and 71% respectively). Phase 1 customers were more likely to have been offered at least one of the strands than their Phase 2 counterparts irrespective of whether or not they also had an action plan. This link between action planning and the offer of the 6MO voluntary strands is likely to be explained by the fact that adviser caseloading and action planning was intended to be the main vehicle for offering the 6MO in both phases.

The percentages in Figure 3.2 are based on all customers. However, within Phase 2 areas, access to both Gateway to Work courses and the New Deal are available only to those aged 18-24 at this point in their claim. The numbers shown in the figure equate to 44% of young people recalling participation in a Gateway to Work course and 63% of young people recalling participation in NDYP. Only 9% of those aged 25-49 and 5% of those aged 50+ stated that they entered the New Deal during this period of their claim (only those that were fast-tracked to ND25+ up to and including 30 weeks of claiming were included in the cohort for this study).

Figure 3.2 Support offered and taken up by Phase (II)



Of the other types of support activities, all were offered to fewer than half of customers (see Figure 3.3). Take up levels were broadly similar among Phase 1 and Phase 2 customers for all types of support except referrals to careers advisers that were more likely to be experienced in Phase 1 areas (17% compared to 12% in Phase 2 areas). This may reflect the fact that all Integrated Employment and Skills pilots (which aim to draw closer links between Jobcentre Plus services and skills/career development services) were operating in Phase 1 areas.

Figure 3.3 Support offered and taken up by Phase (III)

3.2 Variation in support taken up by customer type

This section considers whether certain types of customer are more likely to take up particular types of support six months or more into their claim (and how, if at all, this varies by phase).

For several types of support where there were differences in take-up levels between Phase 1 and Phase 2, the differences observed at overall levels were reflected among most sub-groups of customers indicating that customers were generally more or less likely to take up these forms of support in each phase across all sub-groups. In this section, we discuss areas where the pattern for particular sub-groups departs from the overall trend.

Largely as a result of the fact that in Phase 2 areas, customers aged 18-24 experience quite different support (the NDYP) than those aged over 25, some of the most notable sub-group differences in take-up of support activities between Phases were by age (see Table 3.2).

Table 3.2 Proportion experiencing support, by age

	Aged 18-24		Aged 25-49		Aged 50+	
	Phase 1 (JRFND) %	Phase 2 %	Phase 1 (JRFND) %	Phase 2 %	Phase 1 (JRFND) %	Phase 2 %
Job search advice						
Move to weekly signing	41	24*	39	13*	27	11*
Drawing up an action plan	36	35	35	24*	29	20*
Referral to a centre for CV, job applications or interview skills	26	42*	26	21*	20	17
6MO/New Deal provision						
6MO – self-marketing voucher	41	21*	42	34*	30	29
6MO – training course	11	12	11	11	8	9
6MO – volunteering placement	6	6	5	4	5	4
6MO – self-employment support	3	2	5	5	6	4
Gateway to Work	-	42	-	-	-	-
New Deal	-	63	-	9	-	5
Other support activities						
Referral to careers adviser	18	15	17	10*	15	10*
Advice on benefits or credits	13	12	17	15	16	12*
ADF	14	22*	15	13	11	10
Basic skills course	8	9	8	7	6	4
Work trial or placement	10	13*	5	4	3	3
<i>Base: All customers</i>						
Weighted	1,239	1,116	1,228	1,319	536	568
Unweighted	1,000	1,002	1,001	1,000	1,002	1,001

* Indicates a significant difference between phases.

In terms of drawing up an **action plan** with an adviser, there were no differences in participation rates for those aged 18-24 (36% in both Phase 1 and 35% in Phase 2) while there was a difference of 11 percentage points for those aged 25-49 (35% in Phase 1 and 24% in Phase 2) and nine percentage points for those aged 50+ (29% in Phase 1 and 20% in Phase 2). This reflects the fact that more emphasis is placed on action planning under NDYP in Phase 2 areas than under normal JSA signing for those aged 25 or over.

Other types of support that those aged 18-24 were markedly more likely to receive in Phase 2 areas (under NDYP) than those aged 25+ which in turn impacts on the level of difference observed between Phase 1 and Phase 2 areas at an overall level include:

- Referrals to a centre delivering **courses on CVs, job applications or interview skills** (although the difference at overall level was quite small, young people aged 18-24 were markedly more likely to receive this support in Phase 2 areas (42% compared with 26% in Phase 1 areas)).
- **Work trials** (again there was no difference in participation rates between phases at an overall level but those aged 18-24 were more likely to experience work trials in Phase 2 areas than Phase 1 areas (13% compared with 10%)).

- Support from the **ADF** (overall Phase 2 customers were slightly more likely to recall receipt of funds while those in Phase 1 areas were more likely to recall being offered this at Stage 2. The difference is largely accounted for by the 18-24 age group (22% received support from the ADF at this point of their claim compared with 14% in Phase 1 areas)) and is likely to be a result of this age group being referred to NDYP at this stage of the claim and receiving ADF support during the NDYP Gateway.
- **Referrals to careers advisers** (there was very little difference between phases in the likelihood for this to have been experienced by 18-24 year olds although at an overall level Phase 1 customers were more likely to have received this than their Phase 2 counterparts. This may reflect the fact mentioned earlier that all Integrated Employment and Skills pilot areas were part of the Phase 1 area).

The opposite effect was observed with use of the 6MO **self-marketing voucher** with potential employers. The difference in level of use between phases was again particularly marked for younger customers but with Phase 1 customers more likely to have used this support (41% of Phase 1 customers aged 18-24 compared with 21% in Phase 2 areas). This reflects the fact that these customers were more likely to be referred to the New Deal Employment Subsidy Option than to the Recruitment Subsidy if their adviser felt this route was appropriate. The difference in use of the 6MO self-marketing voucher between phases for customers aged 50 or over was particularly small (30% of Phase 1 customers and 29% of those in Phase 2 areas).

Aside from the differences outlined above, across both phases, the likelihood to take up several forms of support **decreased significantly with age**. This is true for:

- drawing up an action plan;
- a work trial or placement arranged by the Jobcentre;
- a move to weekly signing.

Aside from differences by age, there were a few types of support where the pattern of uptake for particular groups differed between phases making the overall differences by phase more or less marked. These included:

- **Greater levels of action planning for those with children and PSA16 customers under JRFND.** In terms of drawing up an **action plan** with an adviser, the difference between Phases was more marked for those with children (33% of those with a child under 16 experienced this support in Phase 1 areas compared with 23% in Phase 2 areas) although the difference for lone parents was more in line with the average. Larger than average differences were also observed for those facing PSA 16 barriers (42% of those in Phase 1 areas compared with 32% in Phase 2 areas).²¹
- **Lower levels of referrals to Programme Centres under JRFND for PSA 16 customers and rent-free customers.** With referrals to a centre delivering courses on CVs, job applications or interview skills, although the difference at overall level was quite small, those facing PSA 16 barriers (36% in Phase 2 compared with 27% in Phase 1²²) and those living rent free (35% in Phase 2 compared with 27% in Phase 1) were more likely to experience this support.

²¹ This finding is statistically significant at the 93% confidence level.

²² This finding is statistically significant at the 91% confidence level.

- **Higher use of the self-marketing voucher among women and two-claimant households under JRFND.** The difference in the proportion of customers who had mentioned a **self-marketing voucher** to potential employers was particularly marked for women (37% of Phase 1 customers compared with 19% of Phase 2 customers and for those with a partner claiming JSA or other benefit (49% of Phase 1 customers compared with 30% of Phase 2 customers). The difference was also much smaller than average for those suffering from a long-term illness or disability, those facing PSA16 barriers and for lone parents.
- **Higher use of the ADF for lone parents.** Overall, customers in Phase 2 areas were very slightly more likely to recall receipt of support from the Adviser Discretion Fund but there was a much more marked difference for lone parents (15% compared with 7% in Phase 1 areas²³).
- **Higher levels of referrals for careers advice among those with fewer financial commitments under JRFND.** In terms of referrals to careers advisers, differences that were more marked than average were evident among those owning their property outright (17% of Phase 1 customers compared with 6% of Phase 2 customers), those living rent free (20% of Phase 1 customers compared with 14% of Phase 2 customers) and those whose rent was covered by Housing Benefit (21% of Phase 1 customers and 13% of Phase 2 customers).

Customers who faced PSA16 barriers under JRFND were significantly more likely to take up the offer of drawing up an action plan than those customers under JRFND who did not face any PSA16 barriers.

However, some patterns in the support taken-up by customers facing PSA16 barriers were either exclusive to, or more marked in, Phase 2 areas. Looking just within Phase 2, PSA16 customers (those who have recently left care or prison; are in contact with secondary mental health services; or have moderate to severe learning disabilities) were significantly more likely than Phase 2 customers as a whole to have been offered and taken up:

- a short course on maths, writing or English language skills (12% of Phase 2 customers that face PSA16 barriers compared to 7% of those that do not);
- referral to a centre where they attended sessions or a short course on CVs, job applications, or interview skills (36% compared to 28%).

There was some variation in support offered by customer type that appears to have emerged in Phase 1 areas that was not observed in Phase 2 areas²⁴. Firstly, there was some indication of differentiation by claim history in Phase 1 areas, with customers who had claimed before being slightly but significantly more likely than those on their first claim to take up:

- a work trial or placement arranged by the jobcentre (7% of JRFND customers who had claimed previously compared to 7% of JRFND customers who had not);
- financial support to help cover the costs of looking for work (15% compared to 12%);
- advice on benefits or credits available while in work (16% compared to 13%);
- referral to a careers adviser (19% compared to 14%);
- referral to a centre to attend a short course on CVs, job applications or interview skills (28% compared to 21%).

²³ This finding is statistically significant at the 90% confidence level.

²⁴ Note that this differentiation is not a reflection of differences in the proportion of repeat claimants in the two areas (26% of Phase 1 customers had no prior claims compared with 28% of Phase 2 customers).

The fact that repeat customers were more likely to be referred to support in Phase 1 areas (while there is less or no distinction between referrals in Phase 2 areas) implies greater targeting of repeat customers under JRFND as is intended.

3.3 Usefulness of support taken up

This section explores customer perceptions of the usefulness of each of the different types of support that were taken up. As discussed in the previous chapter, where a customer could recall taking up a particular form of support they were asked how useful they found it on a 4-point semantic scale ('very useful', 'quite useful', 'not very useful', 'not at all useful').

Figures 3.4, 3.5 and 3.6 illustrate the usefulness ratings given to each form of support. Figure 3.4 below shows customer views on the usefulness of those forms of support classified as job search advice activities, while Figures 3.5 and 3.6 present usefulness ratings of other support types.

Figure 3.4 Customer views on usefulness of support (I)

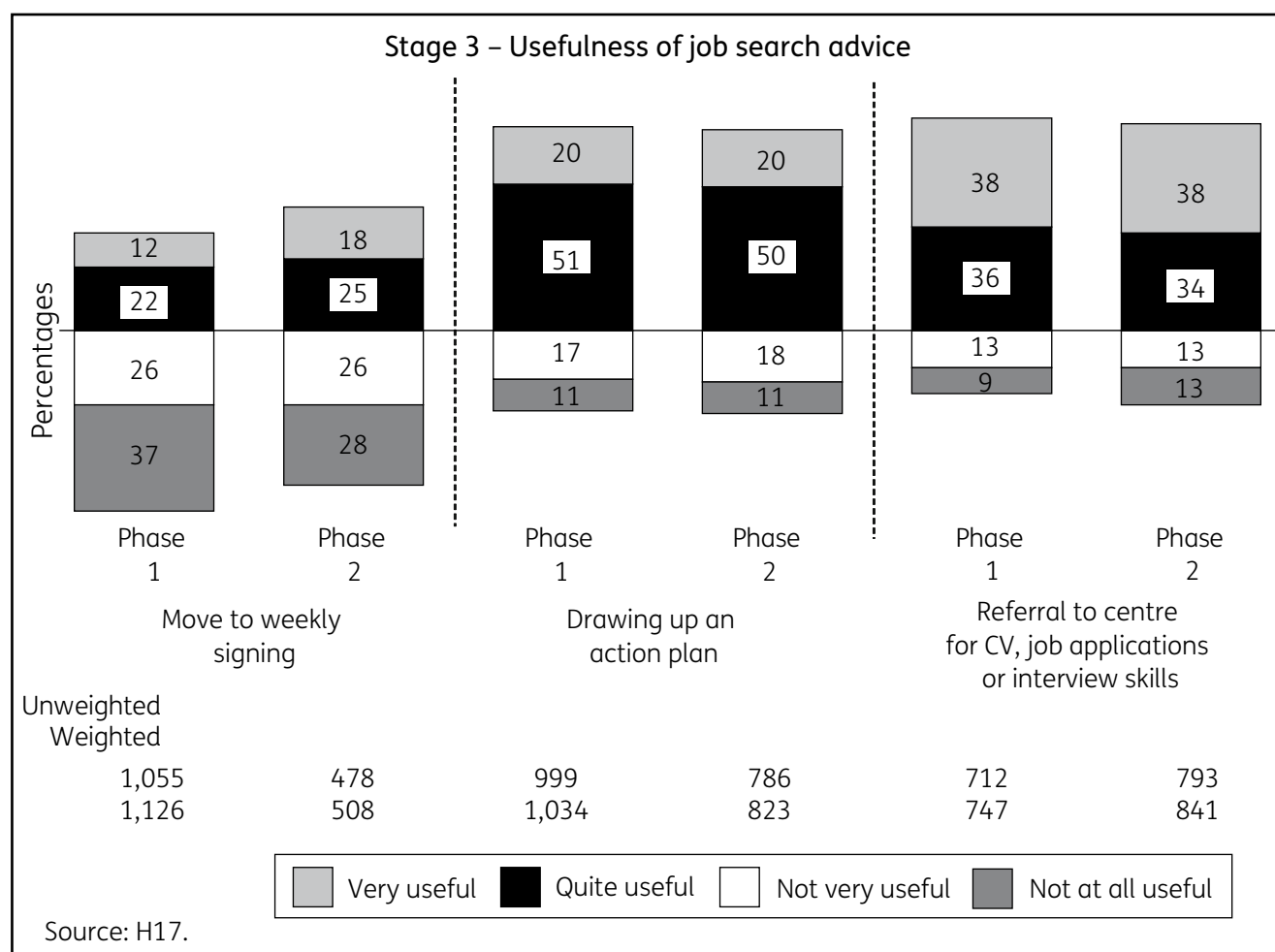


Figure 3.5 Customer views on usefulness of support (II)

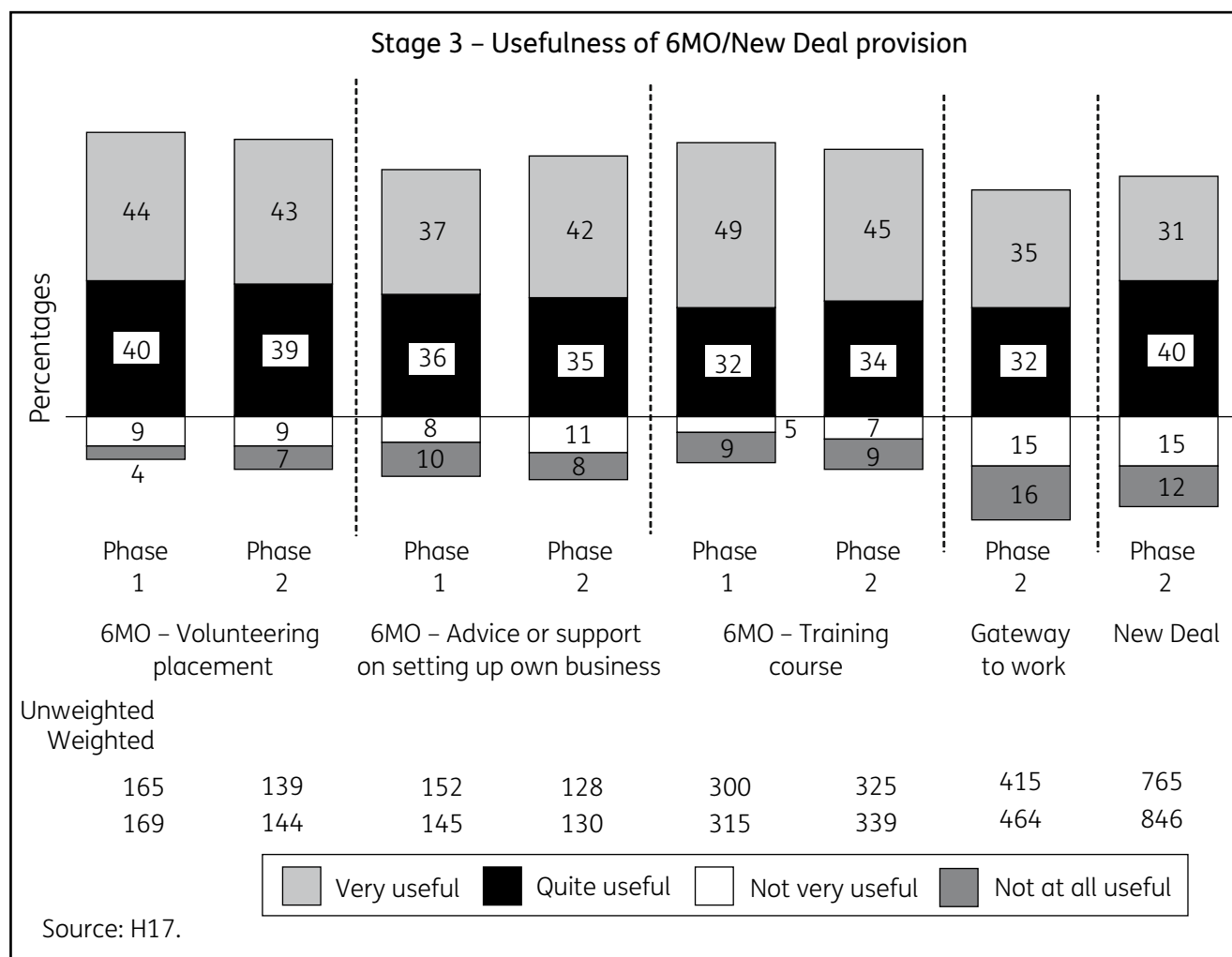
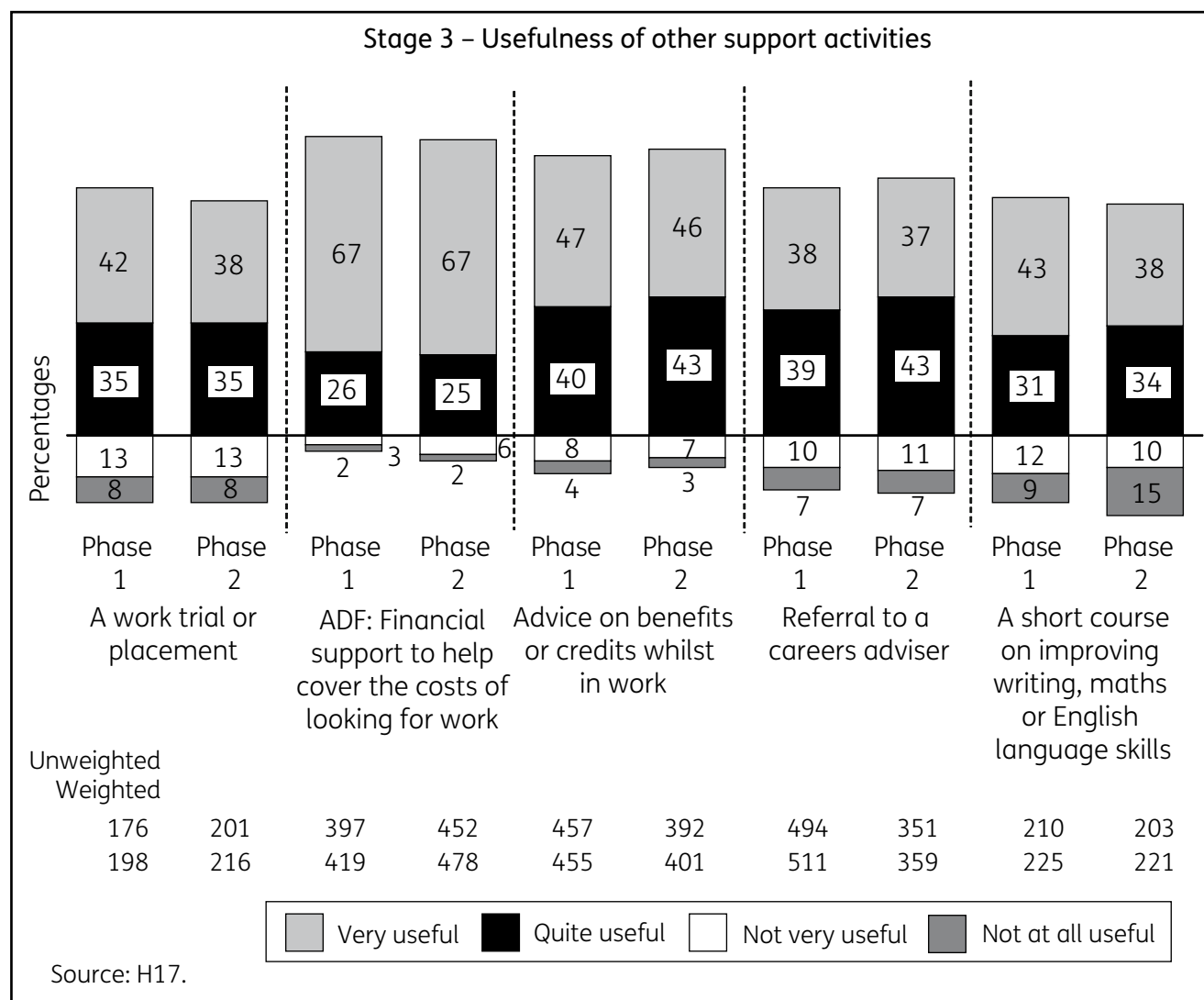


Figure 3.6 Customer views on usefulness of support (III)

Overall, most types of support taken up by customers within the JRFND Stage 3/Phase 2 comparison period were rated as very or quite useful by the majority of customers that had experienced that support. As was the case when looking at the support offered under JRFND Stage 2/Phase 2 comparison period, the only form of support that was reported as not very or not at all useful by a majority of customers (65% Phase 1; 56% Phase 2) was a move to weekly signing. As noted before, it seems likely that this reflects the fact that most customers attending weekly signing will have been mandated to do so while other activities will only have been made mandatory for some. On the whole, differences in perceived usefulness of each form of support by phase were minimal.

In keeping with the findings discussed in the previous chapter, the highest usefulness ratings were given for support from the ADF which was rated as very or quite useful by 94% of JRFND customers (and a similar proportion, 92%, in Phase 2 areas) and for advice on what benefits customers might be entitled to once in work with just fewer than nine in ten customers reporting that this form of support was useful in both phases (86% in Phase 1 and 89% in Phase 2). In both cases, these ratings were similarly high for most customer types but the perceived usefulness of the ADF was particularly marked for customers who were lone parents of children under 16, with 100% of JRFND Stage 3 and 100% of their Phase 2 counterparts rating it as very useful.

In both phases, the lowest usefulness ratings were given for a move to weekly signing.

For the most part, the differences between phases in the usefulness ratings given to different types of support were small.

For a few types of support, the usefulness ratings given were slightly higher in Phase 2 areas compared with Phase 1 areas:

- **Weekly signing:** A move to weekly signing was felt to be useful by 43% of Phase 2 customers compared with only 34% of Phase 1 customers.
- **Referral to a careers adviser:** This was felt to be useful by 80% of those in Phase 2 areas compared to 77% in Phase 1 areas).

As shown earlier in this chapter, the proportion of customers who experienced weekly signing was considerably higher in Phase 1 areas (37% compared to 17% in Phase 2 areas) and the proportion receiving a referral to a careers adviser was slightly higher (17% Phase 1 compared to 12% Phase 2). The findings indicate that the extension of this support to a wider proportion of the customer base has resulted in a lower overall perception of usefulness.

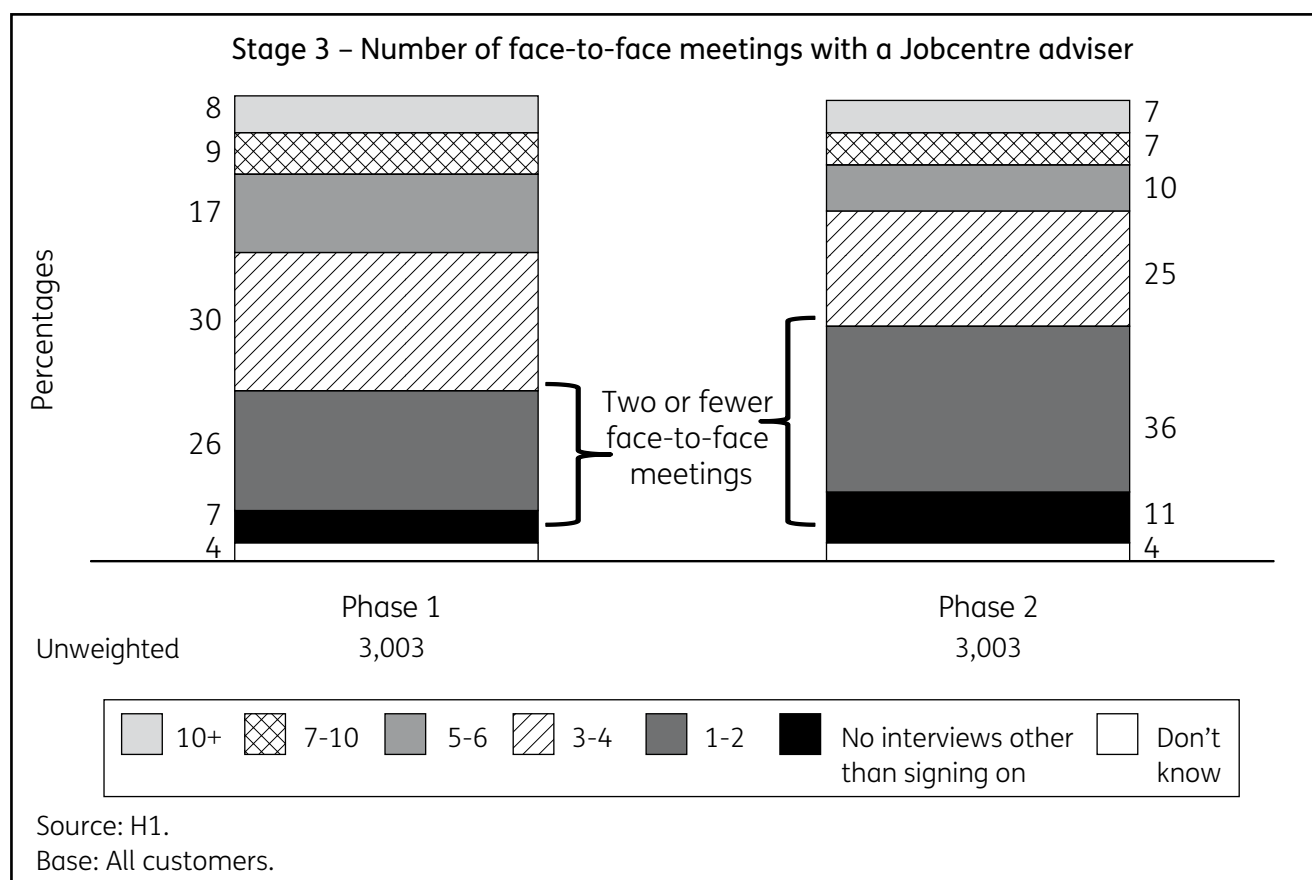
Customers in Phase 1 areas were also more likely to recall drawing up an action plan but for this form of support the usefulness ratings given by customers in both Phase 1 and Phase 2 areas are comparable.

The majority of customers in Phase 2 that had been offered referral to a New Deal programme within the second six-month period of their claim tended to find it useful (71%). However, around a quarter of customers referred to a New Deal programme found this type of activity either 'not very' or 'not at all' useful (15% and 12% respectively). Additionally, the majority of Phase 2 customers who participated in the Gateway to Work found it either quite or very useful (67%). The slightly lower usefulness scores for these elements of the former regime (compared to the 6MO options for example) are likely to reflect that they are mandatory.

3.4 Adviser contact

Since the caseloading of customers forms an important part of the JRFND Stage 3 support, customers were asked about the number of interviews that they had with Jobcentre advisers, whether that contact was always (or frequently) with the same adviser, and also whether they had any other form of contact with a Jobcentre adviser – for example, telephone conversations, email exchanges, or text messages.

Figure 3.7 shows the number of face-to-face meetings that customers recalled with Jobcentre advisers over the second six months of their claim (i.e. Stage 3 JRFND in Phase 1 areas and the comparable period in Phase 2 areas).

Figure 3.7 Number of face-to-face meetings

As the figure demonstrates, customers in Phase 1 areas generally recalled a higher number of face-to-face meetings with advisers than customers in Phase 2 areas indicating that JRFND Stage 3 is delivering the higher level of customer contact at this point that was intended. It is encouraging that this is evident despite the fact that the extra adviser support introduced across both phases as part of the 6MO will 'cloud' differences between JRFND and the former regime to a certain degree.

Customers in Phase 1 areas were significantly less likely than Phase 2 customers to have had only 1-2 face-to-face meetings with an adviser (26% compared with 36% of Phase 2 customers). A third (33%) of Phase 1 customers had experienced at least five interviews over this period compared with 24% of Phase 2 customers.

Focusing just on those who were still claiming at the point of interview and with one continual claim since starting JRFND Stage 3/the comparable point in Phase 2 areas, i.e. those who experienced a full six months of Jobcentre Plus support, shows an even greater distinction between Phases. Of those with one continual claim, 32% had had only one or two interviews with their adviser in Phase 2 areas compared with 17% in Phase 1 areas. Conversely, 44% of these customers had had five or more interviews in Phase 1 areas compared with 30% in Phase 2 areas.

Within both phases, there is considerable variation in the number of interviews received by age with those in the youngest age group most likely to receive more interviews. In Phase 1 areas, 36% of those aged 18-24 received five or more adviser interviews, compared with 26% of those aged 50+. The corresponding figures for Phase 2 were 29% of those aged 18-24, 23% of those aged 25-49 and 18% of those aged 50+. The finding that young people in Phase 2 areas were less likely than their counterparts in Phase 1 areas to receiving five or more adviser interviews is at odds with

what might be expected given that the NDYP Gateway is designed to involve weekly meetings. It would seem that Phase 1 support for young people is not necessarily less intensive purely in terms of adviser contact than Phase 2 NDYP provision.

Within Phase 2, there is a considerable difference in the number of interviews received by those facing PSA16 barriers compared with those who do not (34% of those with PSA16 barriers received five or more adviser interviews compared with 23% of those without these barriers). In Phase 1 areas, there is no difference in the proportion receiving five or more interviews between those with and without PSA16 barriers (33% of both groups received this level of contact). This perhaps indicates that there is a greater focus of support on those with PSA16 barriers in Phase 2 areas while under JRFND all customers receive a level of support that is more in line with that previously only available to more disadvantaged customers.

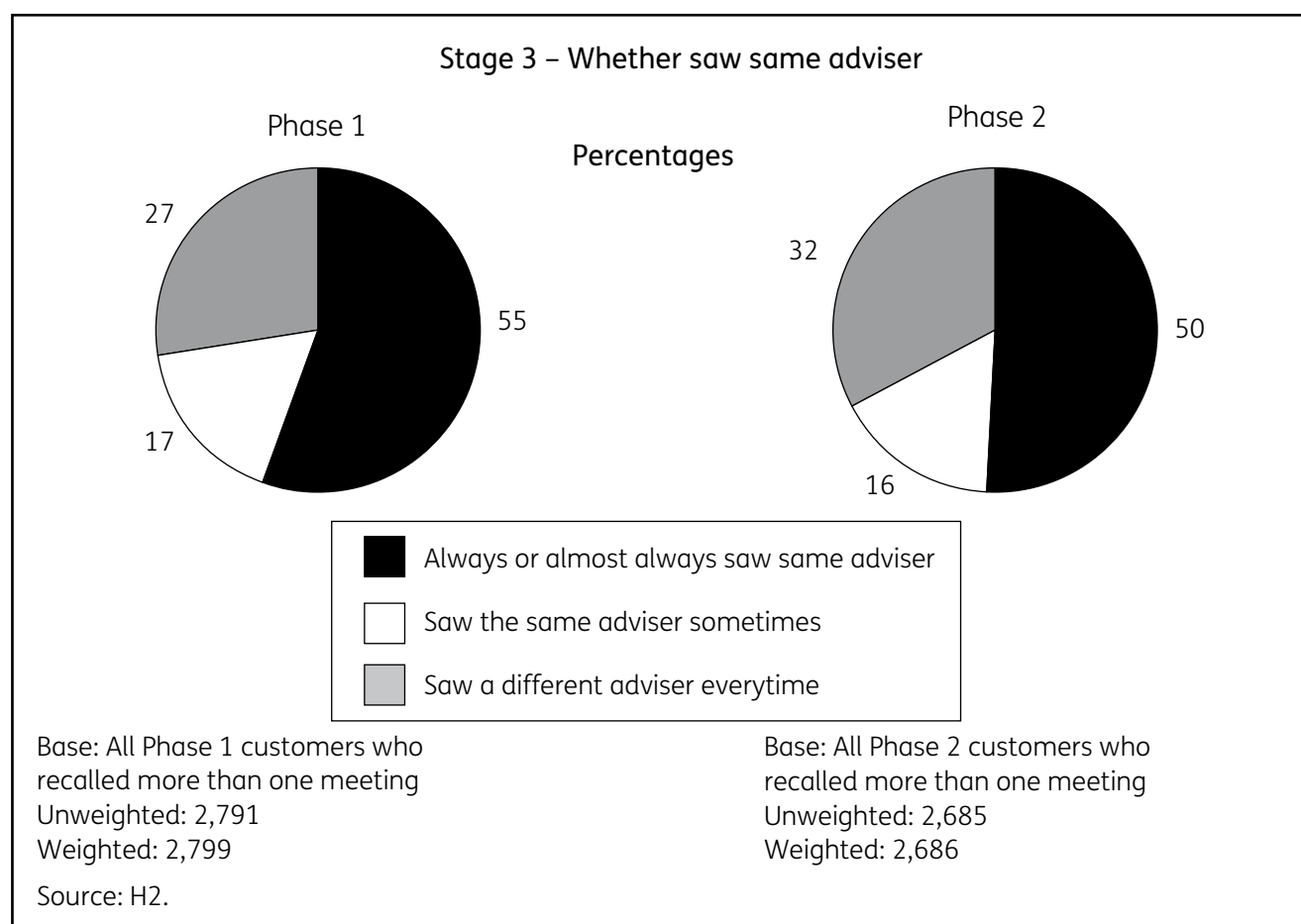
Those who called drawing up an action plan with an adviser were significantly more likely to receive five or more adviser interviews in both Phases (43% of those who took part in action planning in Phase 1 had five or more interviews compared with 28% of those who did not draw up an action plan; equivalent figures for Phase 2 are 34% and 20% respectively).

Figure 3.8 shows the proportion of customers who recalled more than one meeting with a Jobcentre Plus adviser over the course of the second six months of their claim and who saw the same adviser on each occasion.

Phase 1 customers were significantly more likely than their counterparts in Phase 2 areas to always, or almost always, see the same adviser (55% compared to 50%) and consequently were significantly less likely to see a different adviser every time (32% Phase 2 compared to 27% Phase 1). It is encouraging to note that this is the case despite the fact that Phase 1 customers on average received a greater number of adviser interviews. This would seem to indicate that the caseloading approach envisaged as core to JRFND Stage 3 is starting to be implemented although it remains the case that even in Phase 1, a quarter of customers stated that they saw a different adviser on each occasion. This analysis looks simply at the number of interviews and the adviser seen – it does not make any assessment of the quality of adviser contact which is obviously integral to ensuring that caseloading works well.

Although there were no significant differences by age in the likelihood of seeing the same adviser on each occasion in Phase 1 areas, in Phase 2 areas customers aged 18-24 were more likely than older customers to report always or almost always seeing the same adviser. In fact the proportion of 18-24 year olds reporting seeing the same adviser on each occasion was higher in Phase 2 areas than Phase 1 areas (63% and 56% respectively). This is likely to reflect the fact that NDYP already includes an element of caseloading for 18-24 year olds.

In Phase 2 areas, lone parents were particularly likely to see a different adviser on each occasion (42% reported this was the case compared to 32% of Phase 2 customers on average). This difference was not evident in Phase 1 areas (25% reported seeing a different adviser on each occasion compared with 27% on average).

Figure 3.8 Adviser contact (II)

Around a third of customers had telephone, email or text correspondence with their adviser in addition to face-to-face meetings. There was no difference between Phases in the likelihood for this to have taken place (29% Phase 1, 28% Phase 2). In both phases younger customers were slightly more likely to have had this form of contact (32% of 18-24 year old customers in Phase 1 and 34% of 18-24 year old customers in Phase 2 areas). In Phase 1 areas, customers facing PSA16 barriers were more likely to have had this contact (35%) than Phase 1 customers as a whole but this trend was not evident in Phase 2 areas.

3.5 Mandatory activities

Customers were also asked whether they were told by a Jobcentre adviser that not taking part in any of the additional support activities they were offered could lead to a risk of benefit sanctions. Under Stage 3 JRFND, advisers can make up to three activities mandatory (although obviously advisers will not always need to state that this is the case when suggesting participation in support activities).

Overall 87% of Phase 1 customers and 85% of Phase 2 customers recalled being offered some form of additional support to help them find work (beyond normal JSA signing) during JRFND Stage 3/ the second six months of their claim in Phase 2 areas. In both Phases just over a third of customers (36% of Phase 1 customers and 38% of Phase 2 customers) stated that they were told that they would be at risk of losing their benefit if they did not take up the support activities offered.

These overall figures were driven by some marked differences by age group. Among those aged 18-24, 58% stated that they had been told that an activity was mandatory in Phase 2 areas compared with 37% in Phase 1 areas. This reflects the fact that participation in the elements of NDYP (the Gateway to work, one of the options and the follow-through period) were mandatory while this was not always the case for those aged 25 or over undergoing regular JSA signing in Phase 2 areas.

Among the older age groups, Phase 1 customers were more likely to have been told that activities were mandatory (42% of those aged 25-49 compared with 35% in Phase 2 areas; 36% of those aged 50+ compared with 30% in Phase 2 areas). This is evidence of greater communication of mandation under JRFND in comparison with regular JSA signing under the former regime (if not in comparison to NDYP).

Reflecting this age split, those living rent free (who are more likely to be younger) were particularly likely to state that they were told activities were mandatory in Phase 2 areas (52% compared with 41% in Phase 1 areas).

Figures 3.9 and 3.10 show the proportion of customers who took up a particular support type (i.e. the figures in Section 3.1) and the proportion of customers who thought that support type was mandatory. The figures in the boxes above each column show the proportion of all those participating in each activity who thought that participation was mandatory. Note that the 6MO strands are not shown because the 6MO is a voluntary programme of support. Note also that it was only possible from the survey data to report the proportion of customers that perceived each form of support to be mandatory, and it was not possible to cross-analyse these findings with Jobcentre Plus records of which activities were actually mandated (advisers could make up to three job-related activities mandatory at Stage 3). However, some forms of support would have always been mandatory:

- in Phase 1 areas weekly signing was mandatory at some point during Stage 3;
- in Phase 1 areas action planning was mandatory after six months;
- in Phase 2 areas Gateway to Work is mandatory;
- in Phase 2 areas New Deal is mandatory for young people.

Figure 3.9 Mandatory activities (I)

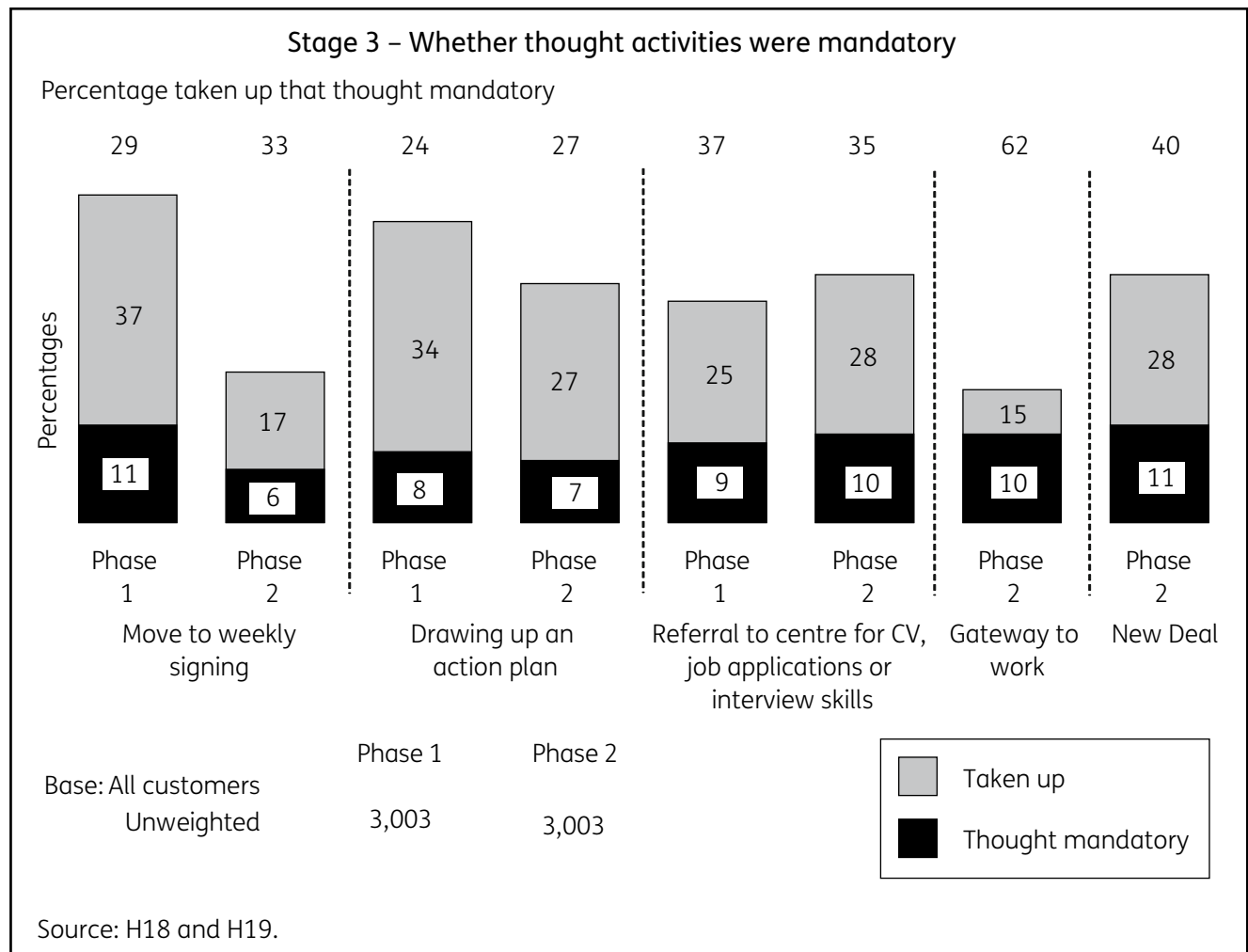
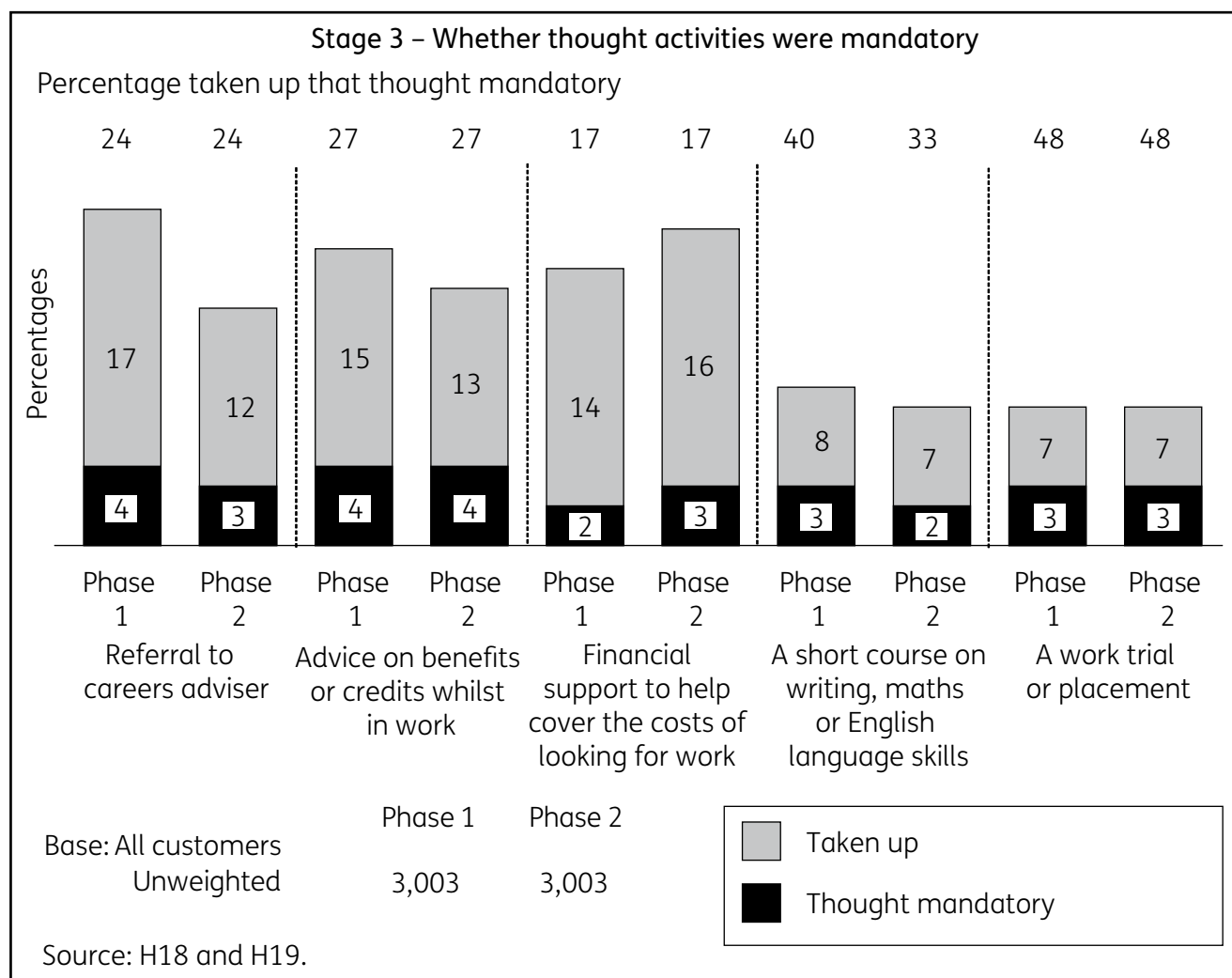


Figure 3.10 Mandatory activities (II)

As the figures demonstrate, it is only a very small proportion of all customers who believed that their participation in each individual form of support activity was mandatory. The highest levels of perceived mandation were seen for participation in the New Deal²⁵ (11% of all customers in Phase 2 areas believed that this was mandatory – equating to 30% of all 18-24s in Phase 2 areas and 40% of all those who participated). Within Phase 1 areas, customers were most likely to believe that a move to weekly signing was mandatory (although it was only 11% of customers who perceived this to be the case equivalent to three in ten of those who recalled signing on a weekly basis).

²⁵ As part of NDYP younger customers were initially mandated to the NDYP Gateway which involves (at least) weekly interviews. After four weeks all people still claiming would be referred to the Gateway to Work course which is also mandatory and involves a minimum of 30 hours attendance over one week. Following this participation is one of four Options is mandatory for all those still participating in NDYP.

A move to weekly signing is the only support activity which was more likely to be perceived as mandatory by Phase 1 customers than Phase 2 customers²⁶. (11% of all customers in Phase 1 believed this was mandatory compared with 6% in Phase 2.) In both phases this equated to a similar proportion of all those who recalled weekly signing (29% in Phase 1 and 33% in Phase 2). For all other support activities, customers were no more likely to view participation as mandatory in Phase 1 compared to Phase 2 areas.

These findings indicate that even though advisers have more scope to make participation in support activities mandatory under JRFND, there is little evidence here to suggest that they are communicating this to customers (except in the case of weekly signing). This may mean that advisers do not feel that they need to explicitly say that activities are mandatory in order to encourage customers to participate in support that they feel is needed (and for some support types higher levels of participation are seen without higher proportions viewing participation as mandatory). However, it may also mean that advisers were not yet taking advantage of the flexibility to make participation mandatory where customers were not keen to participate. Findings from the qualitative research conducted earlier in this evaluation programme indicated that advisers were finding it difficult to strike a balance between a culture of both more personalised support and increasing conditionality under JRFND.

3.6 Fast-trackers

Under both JRFND and the former regime it is possible for individuals to be granted early access to the support only usually made available after a claim of six months duration. In this section we discuss the nature of those ‘fast-tracked’ to this support.

Under the former regime, young people can gain voluntary access to the NDYP Gateway from day one of their claim. Fast-tracking is mandatory for those who have had a period of six months or more Not in Education, Employment or Training (NEET). Under JRFND all these individuals can also be fast-tracked to Stage 3.

In addition, under JRFND it is mandatory for all customers (regardless of age) who have been unemployed for 22 of the previous 24 months to be fast-tracked to Stage 3.

Table 3.3 shows the proportion of customers entering JRFND Stage 3 in Phase 1 areas who were fast-tracked and the proportion of customers fast-tracked to the New Deal in Phase 2 areas. The marker on the sample supplied by the Department for Work and Pensions (DWP) indicating whether or not a customer was fast-tracked has been used for this analysis (rather than data collected during interview).

²⁶ In Phase 2 areas, customers experiencing mandatory weekly signing are likely to be those referred for More Frequent Attendance meetings. These will also have been taking place for some customers in Phase 1 areas but all customers should have experienced a six-week period of weekly signing in addition.

Table 3.3 Fast-trackers by week of claim

	Phase 1 %	Phase 2 %
Fast-tracked customers	28	10
<i>Base: All Fast-trackers</i>		
<i>Weighted</i>	831	290
<i>Unweighted</i>	753	259
Week of claim entered Stage 3/New Deal		
0-10 weeks	65	65
11-20 weeks	20	22
21-25 weeks	16	12
26+ weeks	-	1
<i>Base: All customers</i>		
<i>Weighted</i>	3,003	3,003
<i>Unweighted</i>	3,003	3,003

The fact that a greater proportion of customers were fast-tracked under JRFND Phase 1 indicates that the widened eligibility criteria for fast-tracking are being used. Over a quarter of Stage 3 customers in Phase 1 areas were fast-tracked compared with 10% of Phase 2 customers.

The lower half of Table 3.4 shows that the point in their claim at which fast-tracked customers were fast-tracked is comparable between phases with just under two-thirds of customers fast-tracked to JRFND Stage 3/NDYP in the first ten weeks of their claim.

Within JRFND Phase 1 areas, those who were fast-tracked were generally older than those fast-tracked in Phase 2 areas although in both areas younger customers were more likely to be fast-tracked than older customers within the same Phase (55% of fast-trackers were aged 18-24 in Phase 1 areas compared with 71% of those in Phase 2 areas). In part this reflects the fact that under the former regime, some fast-tracking of older customers took place 12 months into their claim (rather than at six months).

Other than this, although the overall proportion of fast-trackers was considerably higher under JRFND, the fast-tracker profile was broadly comparable across Phase 1 and Phase 2 areas with the exception that in Phase 2 areas a higher proportion of fast-trackers experienced PSA16 barriers (11% compared with 7% of Phase 1 fast-trackers).

Looking specifically at Phase 1 areas, fast-trackers were more likely than those who were not fast-tracked to experience PSA16 barriers and to have had a previous JSA claim. They were less likely than non fast-trackers to have a qualification above Level 4. Those from ethnic minorities were no more likely to be fast-tracked than white British customers in Phase 1 areas (although they were slightly more likely to be fast-tracked in Phase 2 areas).

Table 3.4 Demographic profile of fast-trackers

	Fast-trackers Phase 1 %	Non-fast-trackers Phase 1 %	Fast-trackers Phase 2 %	Non-fast-trackers Phase 2 %
Gender				
Male	75	76	73	74
Female	25	24	27	26
Age				
18-24	55*^	36	71	34
25-49	36*^	43	25	46
50+	9*^	21	4	21
Ethnicity				
White British	84	86	81	78
Minority ethnic	15	14	17	21
Disability status				
Health condition/disability	18	17	17	15
No health condition/disability	81	83	83	85
PSA16 status				
PSA16	7*^	5	11	5
Not PSA16	92*	94	89	94
Qualification level				
No qualifications	29	31	26	27
Below Level 2	23	19	22	17
Level 2-3	39	36	39	37
Level 4-5	8*	13	11	18
Level 2 and above	47	49	50	55
Unknown level	1	1	2	2
Claim history				
Previously claimed	71*	55	73	53
Not previously claimed	29*	45	27	47
<i>Base weighted</i>	831	2,172	290	2,713
<i>Unweighted</i>	753	2,250	259	2,744

* Indicates significant differences between fast-trackers and non-fast-trackers within Phase 1.

^ Indicates significant differences between fast-trackers by phase (i.e. fast-trackers in P1 compared to fast-trackers in P2).

Those fast-tracked to JRFND Stage 3, were more likely to participate in a number of support activities than those who were not fast-tracked. These included:

- Drawing up an action plan (40% of fast-trackers compared with 32% who were not fast-tracked).
- Referral to a centre for CVs, job applications or interview skills (36% compared with 20% who were not fast-tracked).

- A work trial (12% of fast-trackers compared to 4% of those not fast-tracked).
- Support from the ADF (17% compared to 13% who were not fast-tracked).
- Referral to a careers adviser (23% compared to 15% who were not fast-tracked).
- A basic skills course (11% compared with 6% who were not fast-tracked).
- A volunteering placement under the 6MO (9% compared with 4% who were not fast-tracked).

In both Phases 1 and 2, fast-trackers were more likely to recall being told that participation in a type of additional support was mandatory (48% of Phase 1 fast-trackers compared to 38% who were not fast-tracked; 55% of Phase 2 fast-trackers compared to 44% who were not fast-tracked).

3.7 Summary

There is evidence of greater numbers of customers experiencing weekly signing under JRFND Stage 3 than under the former regime and also in engagement with drawing up an action plan and being referred to a careers adviser.

Generally speaking, there is little difference in the perceived usefulness of different types of support even where take-up is higher under JRFND. Weekly signing is the activity least likely to be viewed as useful by customers and the greater proportion of customers participating under JRFND results in a lower usefulness rating for this as a form of support than is the case in Phase 2 areas. However, it is often the deterrent effect of weekly signing that is likely to produce results rather than its 'usefulness' to customers.

The Stage 3 survey found evidence of higher levels of contact with advisers under JRFND despite the fact that additional adviser support is mandatory across both Phase 1 and Phase 2 areas as part of the 6MO. Under JRFND, customers were also more likely to always, or almost always, see the same adviser at those meetings. This provides evidence that 'case-loading' is starting to take place under JRFND Stage 3 as envisaged.

At an overall level between the phases there is little difference in the extent to which customers state that they were made aware that participation in any activity that they were offered was mandatory. However, once the impact of the NDYP is removed and only customers aged 25 or over are considered, then the proportion reporting being told that an activity was mandatory is higher in Phase 1 areas under JRFND. Findings indicate that advisers are starting to make use of their ability to make participation mandatory but that there is scope for greater use to be made.

4 Customer experiences: Overall views of support

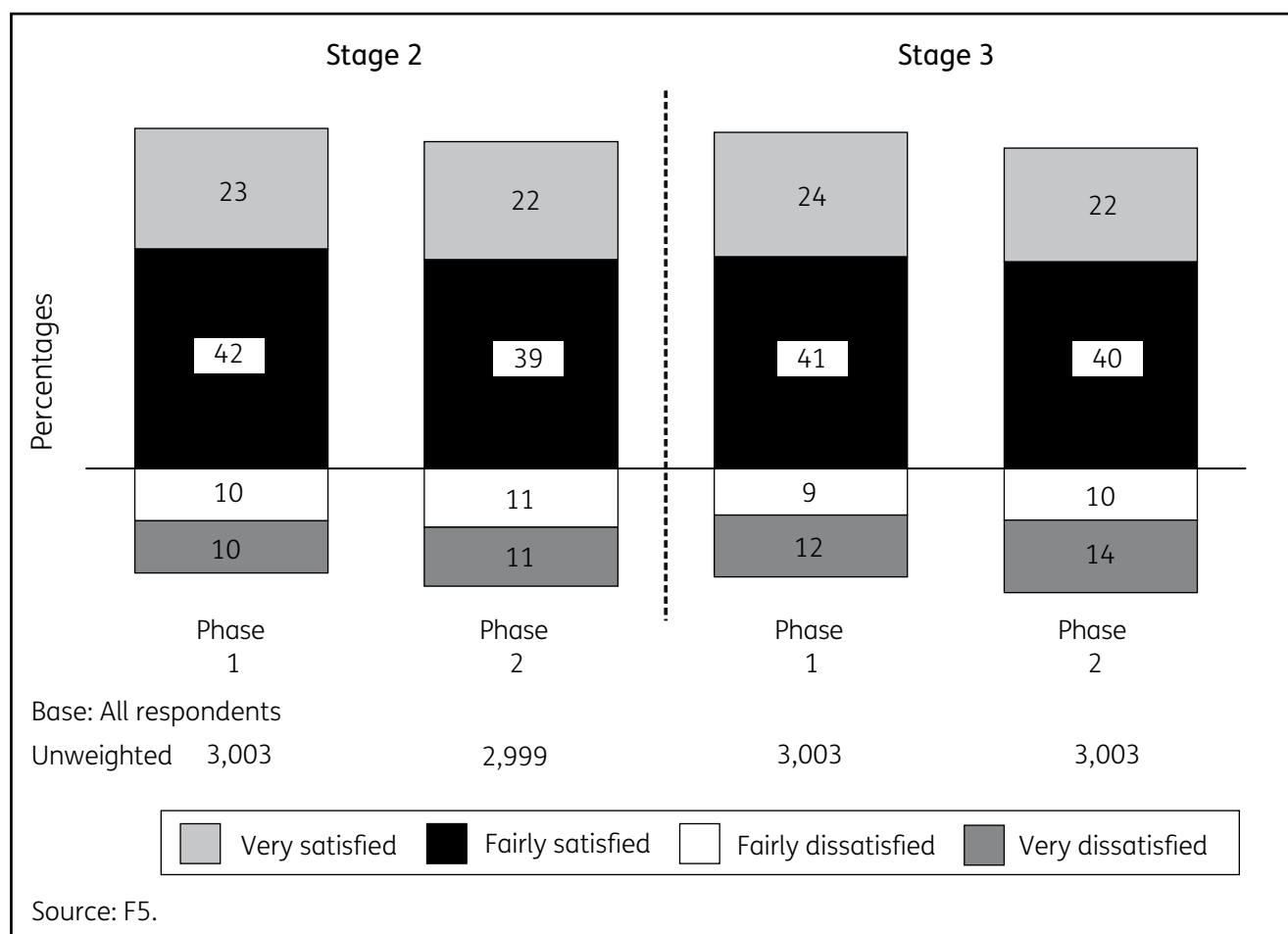
4.1 Introduction

From this point onwards, the chapters of this report deal with findings from both the Stage 2 and Stage 3 surveys together. This chapter focuses on customers' overall views of the support they received from Jobcentre Plus during Stage 2 and Stage 3 Jobseekers Regime and Flexible New Deal (JRFND) and the equivalent periods of their claims in Phase 2 areas and discusses how appropriate they considered this support to be. The extent of positive association of this support with 'soft' outcomes such as improved confidence, motivation and job search skills is also explored.

4.2 Overall satisfaction

Figure 4.1 shows overall customer satisfaction with Jobcentre Plus support by Phase for JRFND Stages 2 and 3 and comparable customers in Phase 2 areas. Customers were asked to comment on their satisfaction with the support over each stage (equivalent period of their claim) rather than across their claim as a whole).

Figure 4.1 Overall satisfaction with Jobcentre Plus support



At an overall level, there was little difference in customer satisfaction levels between phase for either Stage 2 or Stage 3 and their comparison periods with the majority of customers satisfied with the support that they received. However, at both stages, customers in Phase 1 areas were slightly more likely to report being either very or fairly satisfied (for Stage 2/comparison period 65% of customers were either satisfied or very satisfied in Phase 1 compared with 61% in Phase 2; among Stage 3/comparison period customers 65% were satisfied or very satisfied in Phase 1 compared with 62% in Phase 2).

Among Stage 3/comparison period customers, those who had taken up one of the Six Month Offer (6MO) strands were slightly more likely to be satisfied in Phase 1 than in Phase 2 (72% and 68% respectively).

In terms of demographics, satisfaction with the service provided by the Jobcentre Plus in JRFND Phase 1 areas was higher among:

- younger customers (72% Stage 2, 73% Stage 3); and
- customers with no qualifications (68% Stage 2, 69%²⁷ Stage 3).

4.3 How support experienced during recent claim compares with previous experiences

Customers who had claimed Jobseeker's Allowance (JSA) before were asked how the recent support received from Jobcentre Plus compared with the support received previously. Figure 4.2 presents the proportions of customers stating that the support had improved, as well as the proportion stating that it had got worse.

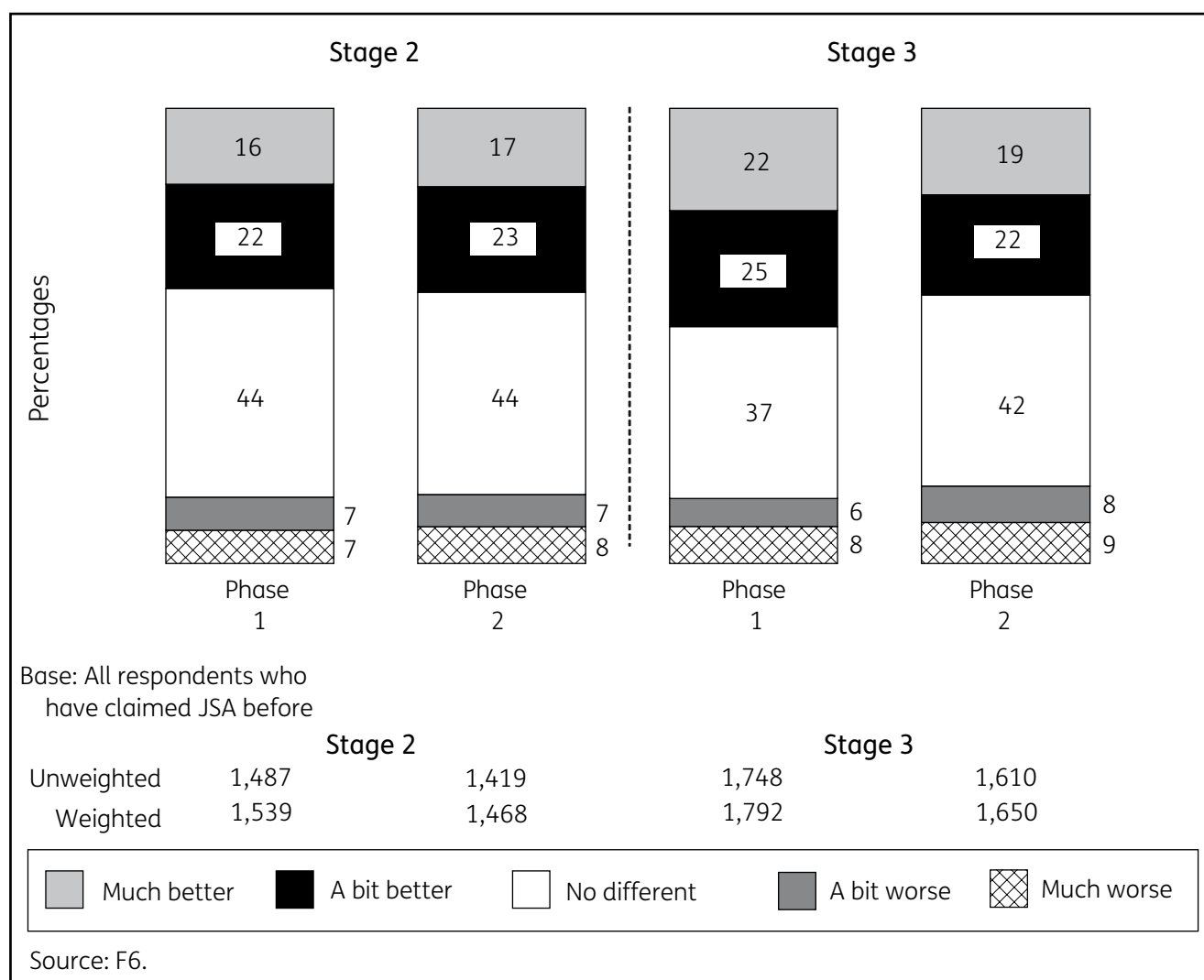
At Stage 2/comparison period, nearly two in five customers in both Phases who had claimed before (39% in each Phase) felt that the support was better (either 'a bit' or 'much better') than that received before. Correspondingly, the same proportion of Phase 1 and Phase 2 customers felt that the support had not changed at all (44% for both Phases).

There were few differences at the sub-group level between phases for satisfaction with Stage 2/comparison period. The only group who were significantly more likely to report an improved service compared with that they experienced previously were those who were living rent free (45% Phase 1, 37% Phase 2).

However, at Stage 3/comparison period a significantly higher proportion of Phase 1 customers thought that the support received had improved (47% for Phase 1 and 40% for Phase 2). Correspondingly, a significantly higher proportion of Phase 2 customers felt that the support received had been no different (42% for Phase 2 compared with 37% for Phase 1) and that support received had got worse (17% for Phase 2 compared with 14% for Phase 1).

²⁷ This finding is statistically significant at the 93% confidence level.

Figure 4.2 How Jobcentre Plus support received during this claim compares to support received during previous JSA claims



At Stage 3/comparison period, those more likely to report an improvement in service levels under JRFND in Phase 1 areas compared with the former regime in Phase 2 areas included:

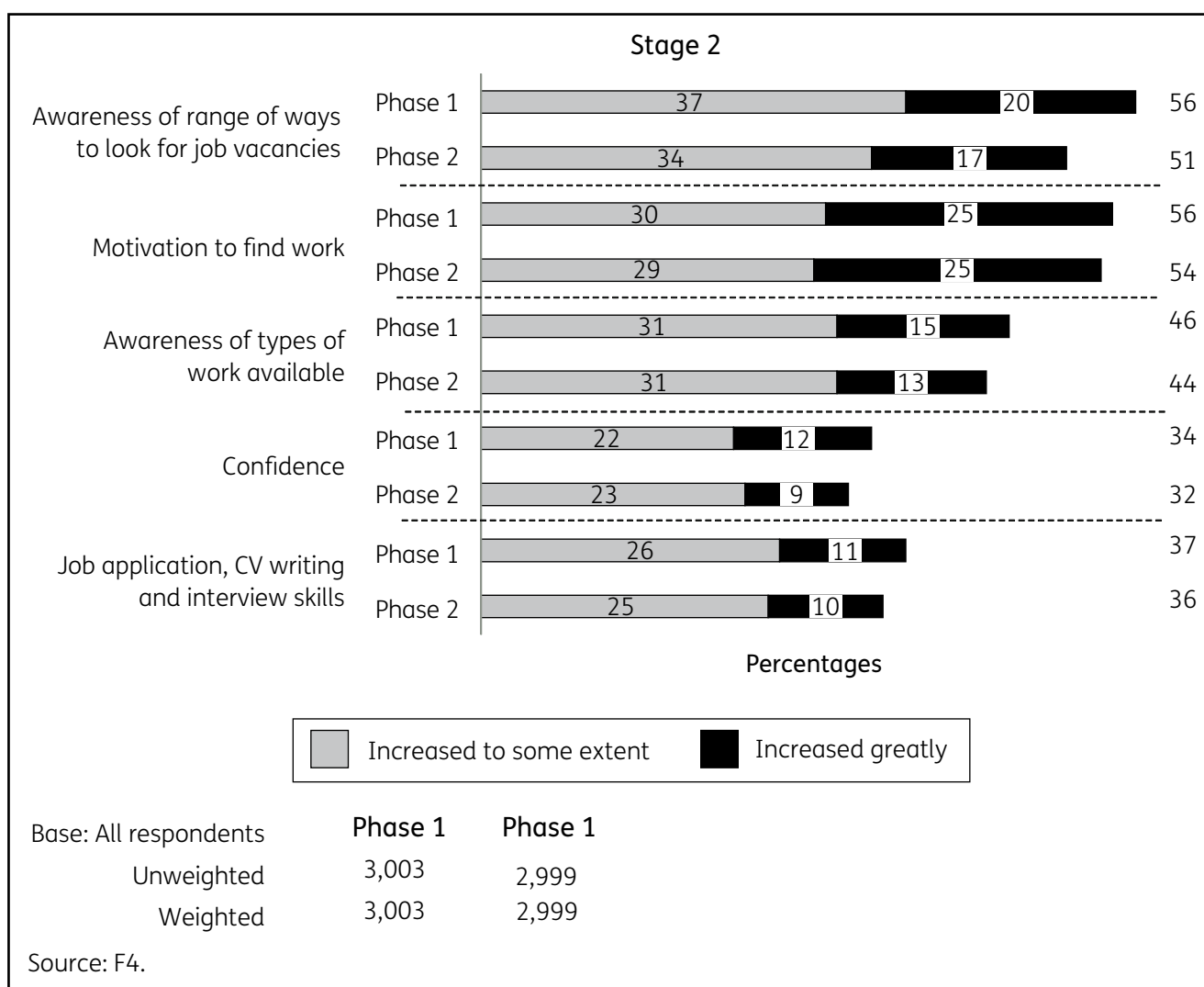
- Younger customers (55% of those aged 18-24 in Phase 1 areas reported a better service compared with 46% in Phase 2 areas; the corresponding figures for those aged 25-49 were 43% in Phase 1 and 36% in Phase 2. There was no difference between phases for customers aged over 50-39% in Phase 1 and 38% in Phase 2).
- Customers facing one or more of the PSA16 barriers (49% of those in Phase 1 areas reported a better service compared with 34% in Phase 2 areas).

This suggests that the changes to support offered as part of Stage 3 JRFND in Phase 1 areas is being better received in comparison to historical claims than that available after six months of normal JSA signing in Phase 2 areas among those who may face some barriers to entering work in terms of childcare or time out of the labour market.

4.4 Jobcentre Plus support

At both stages, around half of customers in each phase had claimed JSA prior to the claim they were interviewed about (Stage 2: Phase 1 51%, Phase 2 49%; Stage 3: Phase 1 60%, Phase 2 55%). These customers were asked how the support they had received from Jobcentre Plus over Stage 2/comparison period and Stage 3/comparison period had affected their skills, confidence and attitude towards finding work. Figure 4.3 shows the proportion saying each skill or attribute had increased greatly or increased to some extent as a result of the support received in Stage 2/comparison period, while Figure 4.4 shows the same information for Stage 3/comparison period.

Figure 4.3 Jobcentre Plus support association with various skills and attributes – Stage 2



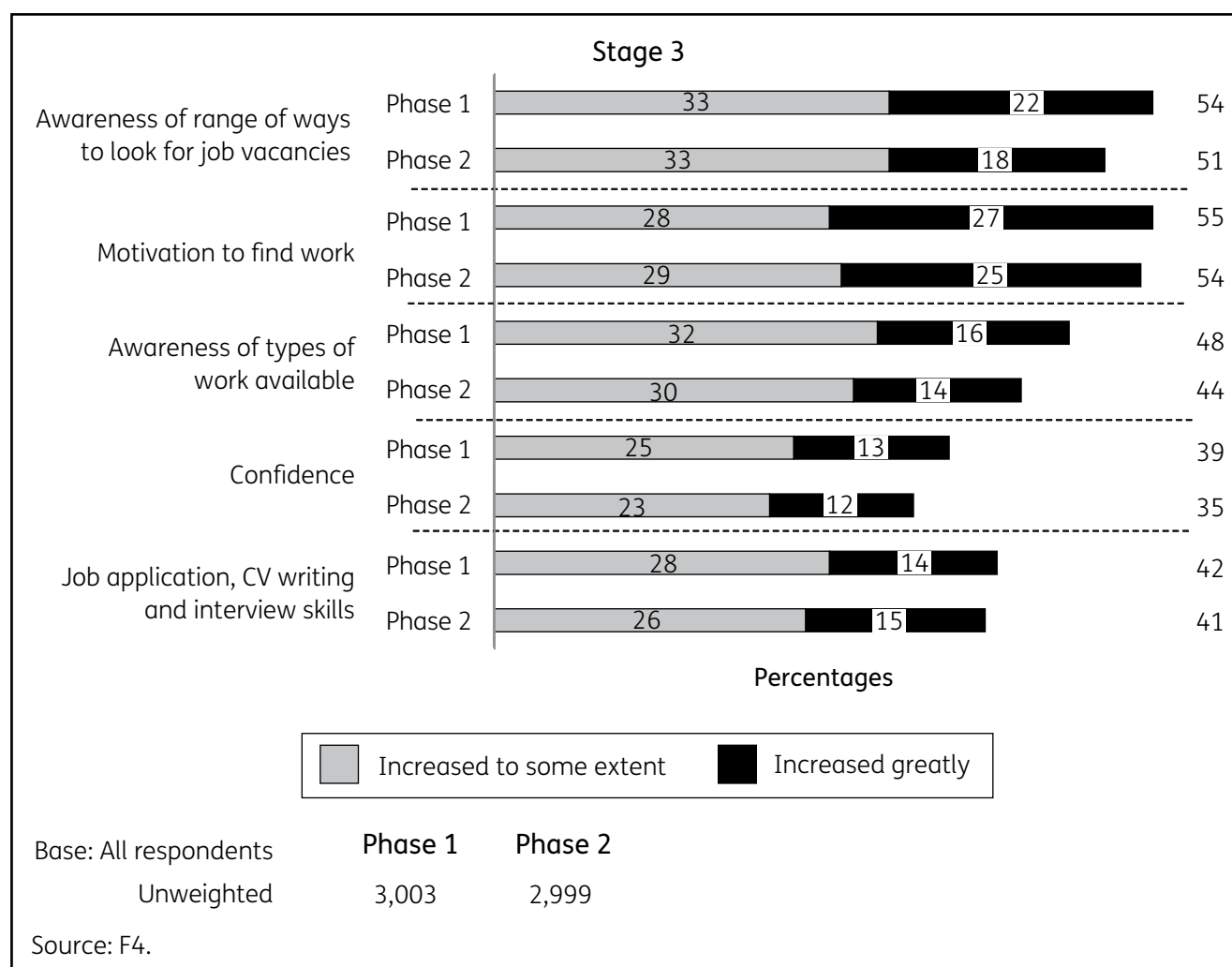
After experiencing Stage 2 JRFND/the second three months of JSA signing in Phase 2 areas, around half of customers reported an increase in awareness of ways to look for vacancies, motivation to find work and awareness of the types of work available. Around a third reported an increase in confidence while just over a third report stated that they had increased their job application, CV writing and interview skills. For the most part, the increases were the same between phases although those participating in Stage 2 JRFND were more likely to report an increase in awareness of

the ways in which to look for job vacancies (56% compared with 51% of their counterparts in Phase 2 areas). This provides some indication that the increased emphasis on focused job search under JRFND is proving effective in raising customer awareness of job search skills/channels.

There were only a few significant differences by sub-group between Phase 1 and Phase 2 areas in terms of increases in skills, confidence or motivation as a result of support offered at Stage 2 JRFND/ the second three months of the former regime that did not simply replicate the overall pattern. However, these differences were that:

- women in Phase 1 areas were significantly more likely to report increases in levels of motivation to find work than their counterparts in Phase 2 (60% and 54% respectively);
- customers who had not previously claimed JSA were slightly, but significantly more likely to report increased motivation to find work (59% Phase 1, 56% Phase 2).²⁸

Figure 4.4 Jobcentre Plus support association with various skills and attributes – Stage 3



²⁸ This finding is statistically significant at the 94% confidence level and not at the 95% confidence level used as standard throughout this report.

The proportions of customers reporting increases in skills, motivation and confidence after participating in Stage 3 JRFND/the second six months of the former regime in Phase 2 areas were comparable with those found for Stage 2/comparison period (see Figure 4.4). However, the proportions of customers (in both Phase 1 and Phase 2 areas) reporting an increase in confidence was slightly higher as was the proportion reporting an increase in job application, CV writing and interview skills.

Again the differences between phases were slight but Phase 1 customers were more likely to report an awareness of the range of ways in which to look for job vacancies (54% compared with 51% in Phase 2 areas), awareness of the types of work available (48% compared with 44% in Phase 2 areas) and confidence (39% compared with 35% in Phase 2 areas). Again, this provides positive indications that increased efforts to support customers in widening their job search under JRFND is proving effective.

4.5 Evidence of tailoring to customer needs or pressure to undertake unsuitable activities

Providing a flexible, responsive service that is reactive to the needs of customers is a core part of JRFND support, and customers were asked to rate the extent to which they agreed the support they received from Jobcentre Plus was well tailored to their needs and circumstances. Customers were also asked whether they felt they had been put under any pressure to take part in any activities they felt were not suited to them. Figure 4.5 illustrates the proportion agreeing and disagreeing with each of these statements for both the Stage 2/comparison and Stage 3/comparison customers.

Overall, a majority of Phase 1 and Phase 2 customers agreed that the support that had been offered to them matched their personal needs and circumstances for Stage 2/comparison and Stage 3/comparison. At both stages, approximately three in ten customers in both phases disagreed (Stage 2 – 27% Phase 1, 30% Phase 2; Stage 3 – 28% Phase 1, 33% Phase 2).

At both Stages significantly more Phase 1 than Phase 2 customers agreed that support was offered which matched their personal needs and circumstances (Stage 2 – 62% Phase 1, 58% Phase 2; Stage 3 – 62% and 56% respectively).

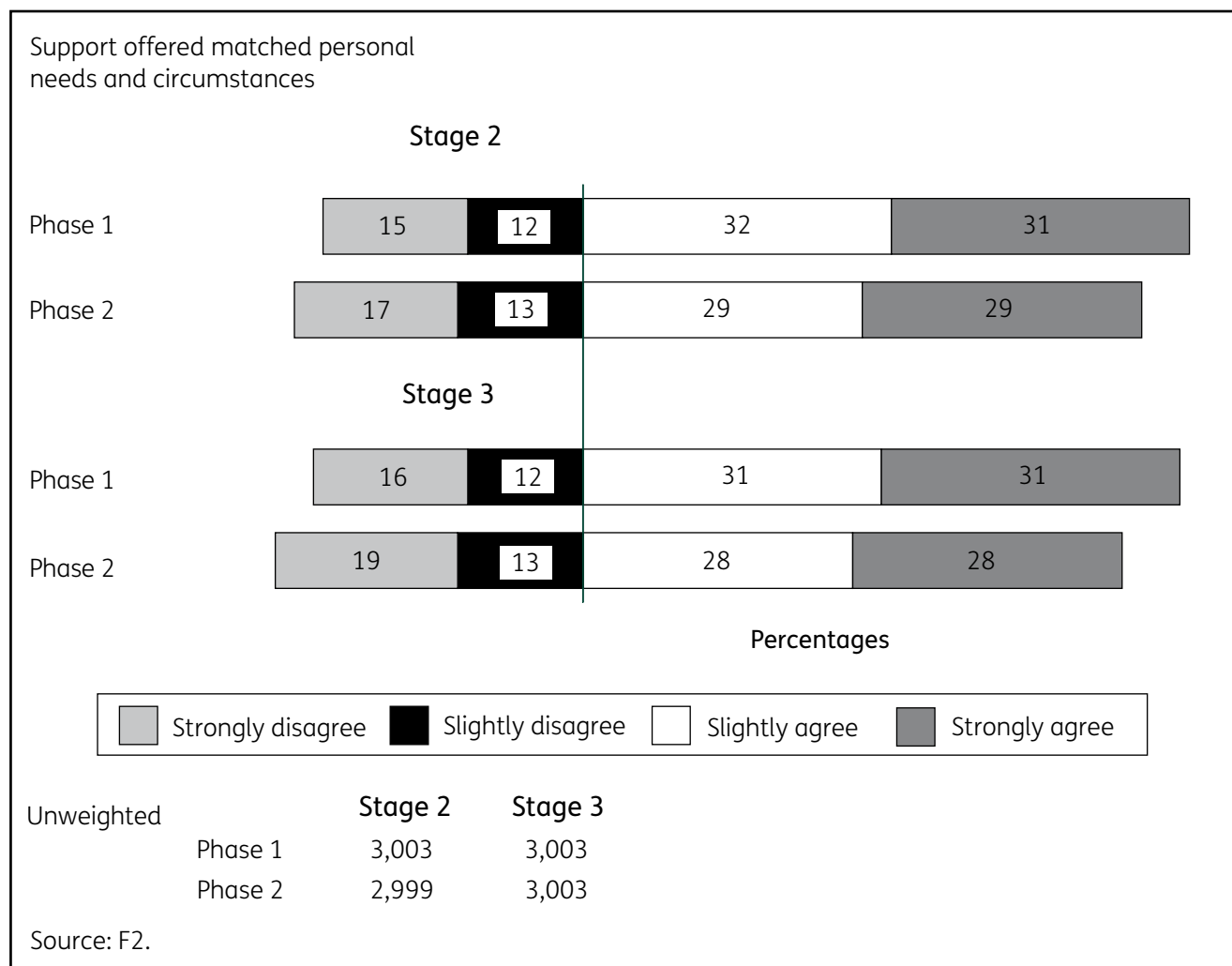
Phase 1 JRFND Stage 2 customers were more likely than their counterparts in Phase 2 to feel that the support offered matched their needs if they were in the under 25 age group (70% compared to 66%).²⁹

At Stage 3 Phase 1 customers suffering from a long-term illness or disability were more likely to agree that support was appropriate than in Phase 2 (59% compared to 53%).³⁰

Other than these differences, there were no notable differences by sub-group in perceived tailoring of support.

²⁹ This finding is statistically significant at the 94% confidence level.

³⁰ This finding is statistically significant at the 93% confidence level.

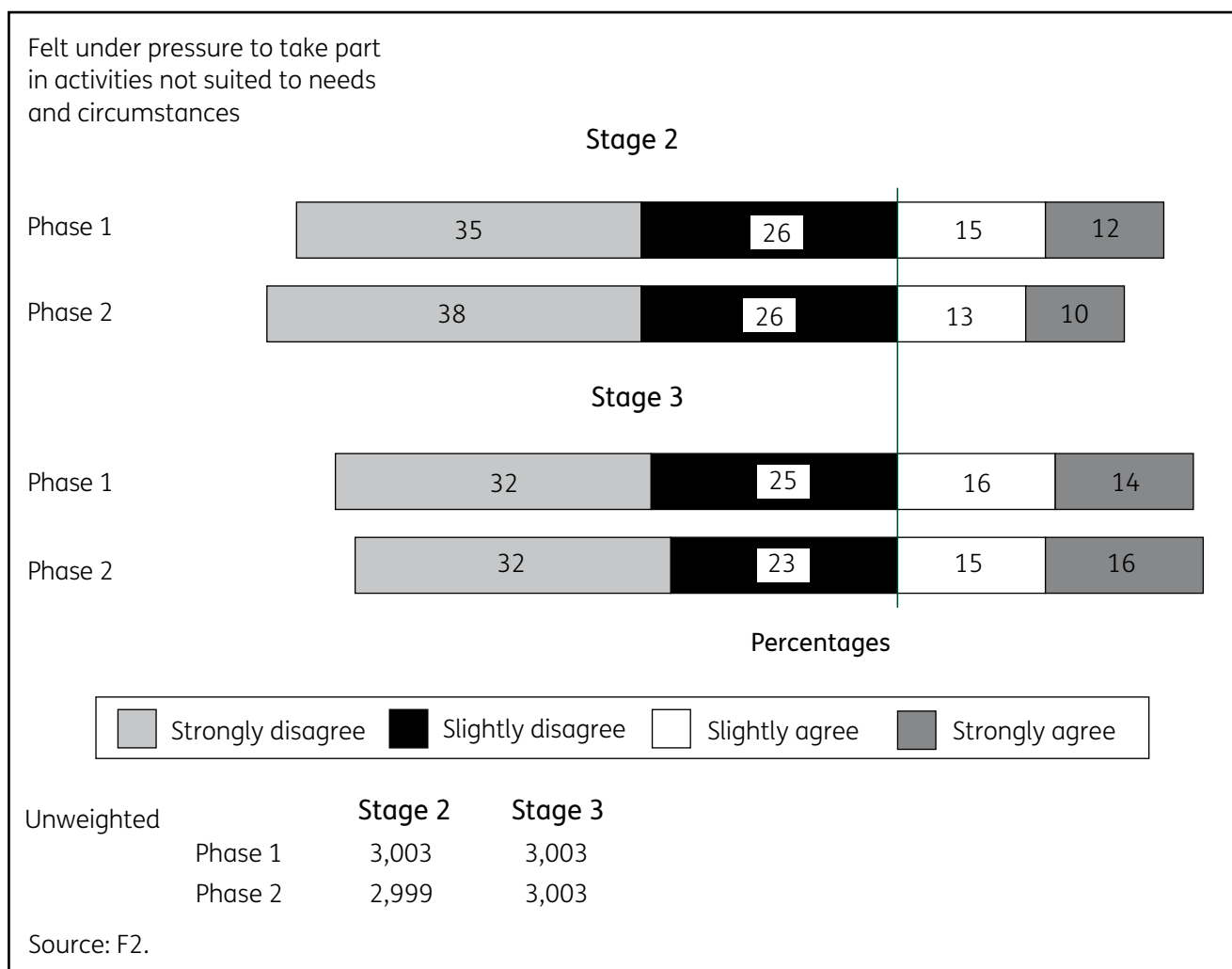
Figure 4.5 Whether customer agreed that support offered was appropriate

Customers were also asked about the extent to which they felt under pressure to take part in activities not suited to their specific needs and circumstances (see Figure 4.6).

The majority of customers at Stage 2/comparison period and Stage 3/comparison period disagreed that they felt under pressure to take part in any unsuitable activities although slightly fewer did so at Stage 3/comparison period than did so at Stage 2/comparison period. The slight increase in the proportion considering that they were under pressure to take part in unsuitable activities reflects increasing jobseeker obligations as a claim progresses under both regimes.

Customers participating in Stage 2 JRFND were slightly more likely to agree that they felt under pressure to take part in activities not suited to their needs and circumstances than their counterparts in Phase 2 areas (27% of those in Phase 1 areas compared with 23% in Phase 2 areas). Sub-groups who were particularly more likely to feel that they were under pressure to participate in unsuitable activities in Phase 1 areas compared to Phase 2 areas included:

- parents or guardians of children under 16 (31% agreed in Phase 1 areas compared with 25% in Phase 2 areas);
- women (27% Phase 1 compared to 22% Phase 2);
- in either the younger or older age groups (24% of 18-24 year olds in Phase 1 areas compared to 20% in Phase 2 areas and 26% of the over 50 age group in Phase 1 areas compared to 21% in Phase 2 areas).

Figure 4.6 Whether customer felt under pressure to take part in activities not suited to their needs and circumstances

The difference in customers reporting being under pressure to participate in unsuitable activities observed at Stage 2/comparison was not evident at Stage 3/comparison with customers in both phases equally as likely to report that this was the case.

However, despite the lack of difference at an overall level, there were differences by age group between Phases among Stage 3/comparison group customers. Among those aged 18-24, 29% agreed that they were under pressure to participate in unsuitable activities in Phase 1 areas compared with 40% in Phase 2 areas. Among older customers, those in Phase 1 areas were slightly more likely to agree that this was the case than those in Phase 2 areas (25-49 year olds: 32% in Phase 1 and 27% in Phase 2; 50+; 28% in Phase 1 and 25% in Phase 2)³¹. This would seem to indicate that customers experiencing New Deal for Young People (NDYP) are more likely to feel this pressure than those experiencing JRFND while the mandatory aspects of JRFND Stage 3 mean that customers undergoing JRFND are more likely to feel under pressure than those experiencing regular JSA signing under the former regime.

Among Stage 3/comparison group customers, lone parents in Phase 1 areas were significantly more likely to agree that they felt under pressure than lone parents in Phase 2 areas (38% compared to 24%).

³¹ This finding is statistically significant at the 89% confidence level.

4.6 Summary

Overall, customers who experienced JRFND were more positive about their experiences of Jobcentre Plus than their counterparts in Phase 2 areas. They were significantly more likely to report:

- a higher level of overall satisfaction with the support received at both Stage 2 and Stage 3 than customers experiencing the comparative periods of their claims in Phase 2 areas;
- an increased awareness of ways to look for job vacancies at both Stage 2 and Stage 3;
- an increased level of confidence at Stage 3 (compared with those experiencing the second six months of their claim in Phase 2 areas);
- an increased awareness of the types of work that they could do at Stage 3.

However, at Stage 2, Phase 1 customers were also more likely than Phase 2 customers at the same point in their claim to say they felt under pressure to take part in activities they did not feel were suited to their needs and circumstances. The proportions feeling this was the case at Stage 3/the comparison point were broadly comparable between the two phases.

5 Outcomes: Claim status

This chapter explores customers' claim status and length to see if customers receiving Jobseekers Regime and Flexible New Deal (JRFND) support in Phase 1 areas were more or less likely to have ended their Jobseeker's Allowance (JSA) claims than those in Phase 2 comparison areas³². This chapter also covers – for both the **Stage 2/comparison group** and **Stage 3/comparison group** – whether customers in JRFND Phase 1 were more or less likely to have remained off JSA or to have returned to claiming by the time of interview ('JSA recyclers'). Differences within JRFND Phase 1 are also explored to ascertain whether certain types of customers were more likely to end their claims during JRFND Stages 2 and 3 than others.

5.1 Moving off Jobseeker's Allowance

5.1.1 Overview

Figure 5.1 shows the overall proportion of customers in both the **Stage 2/comparison group** (left hand side of the figure) and the **Stage 3/comparison group** (right hand side of the figure) that had ended their JSA claim as well as whether or not these customers had returned to claiming JSA by the time of the research fieldwork.

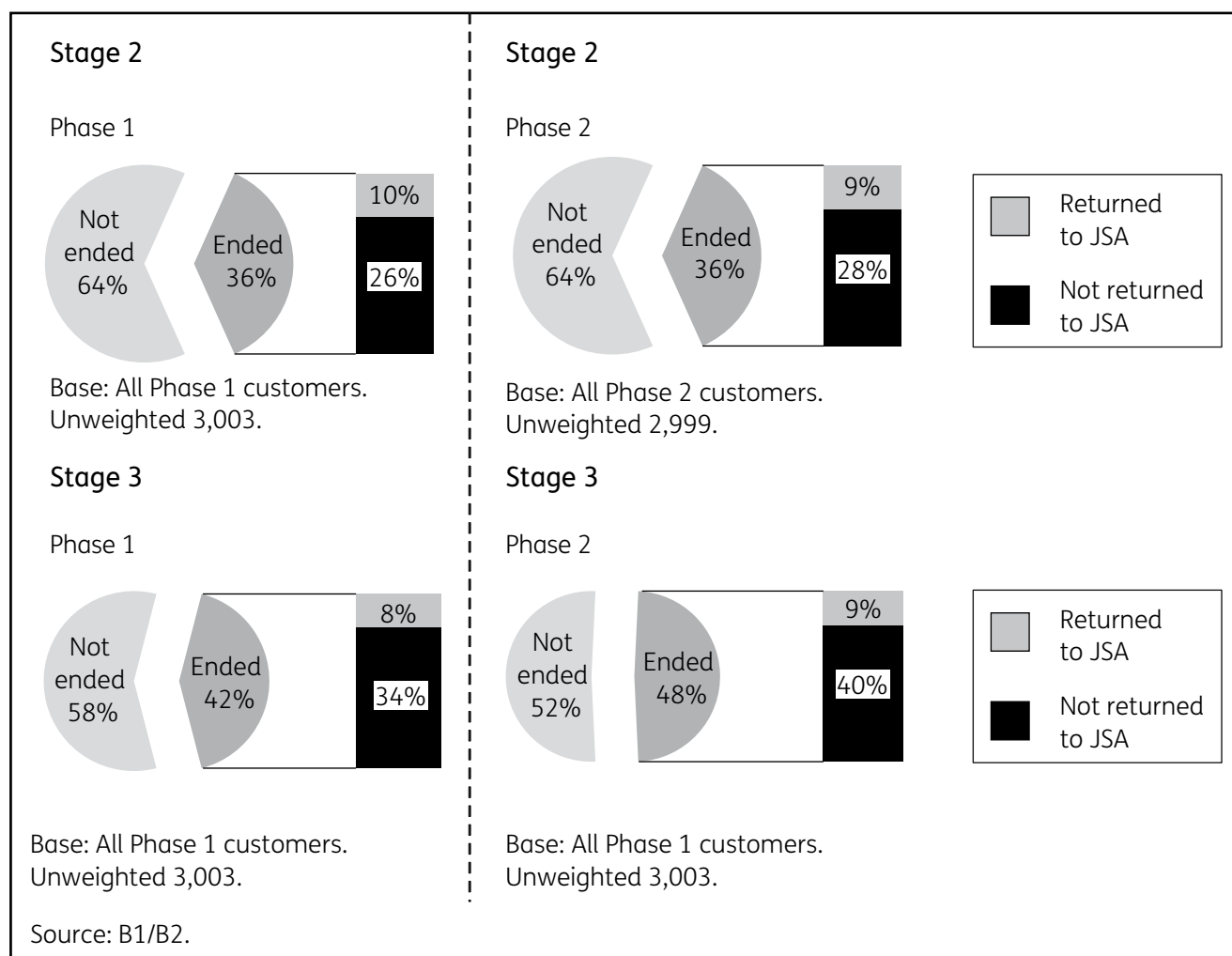
At an overall level there was no evidence that JRFND Stage 2 support was any better (or worse) in helping customers end their claims than the support received during three to six months of regular JSA signing.³³

However, as shown in Figure 5.1, more differences emerge when JRFND Stage 3 support is compared with the equivalent support in Phase 2, with Phase 2 customers being more likely to have ended their claims and not returned to JSA than those in Phase 1.

This section now moves on to consider the Stage 2/comparison group and Stage 3/comparison group separately.

³² This analysis is based on a comparison of the survey findings in Phase 1 areas compared with those in Phase 2. The forthcoming impact analyses will control for any differences between the areas which are not accounted for here.

³³ Customers in both phases were less likely to have ended claims during Stage 2/comparison than in the Stage 1/comparison study. This is as expected given that most claims are ended with the first three months. The Stage 1/comparison study found that 45% of Phase 1 and 43% of Phase 2 customers had ended claims by the time of the research fieldwork – not a significant difference between phases.

Figure 5.1 Whether had ended JSA claim by time of interview

5.1.2 Stage 2/comparison group

Just over a third (36%) of customers in both Phases had ended their claims, leaving just under two-thirds of customers (64%) in both Phase 1 and Phase 2 areas that had claimed JSA continuously for around six months at the time the research fieldwork was conducted.

Those ending their claim in Phase 1 were just as likely to be leaving for a short time and then returning as those in Phase 2. Around one in ten across both phases (10% Phase 1, 9% Phase 2) had ended the claim at some point after their Initial Stage 2 Review/13-week interview but were claiming JSA again at the time of the fieldwork (conducted around three months after the Initial Stage 2 Review/13-week interview), with 1% in both Phases also having ended this second claim and started a third claim. The temporary destinations for these customers are covered in the following chapter.

Overall, just over a quarter of customers in both Phase 1 and Phase 2 areas were not claiming JSA when interviewed (26% and 28% respectively, not a significant difference). The current activities of these customers are discussed in Chapter 7.

As described in Chapter 3, the differences in support between JRFND Stage 2 and regular JSA signing between three and six months are not huge and hence the fact that there is no difference in likelihood to have ended their claim under the two regimes is perhaps to be expected. For most customers the most notable difference will be a reviewed emphasis on weekly signing and possibly a

Back to Work Session (BtWS) (ideally conducted during Stage 1 but sometimes incorporated with the 13 week review session³⁴). A few customers may also experience Targeted Reviews (TRs).³⁵

There was very little divergence from the overall picture of when sub-groups were considered. As might be expected, there were a number of customer types within the Phase 1 JRFND areas who were more likely to have ended their claims than was the case in those areas overall, but these differences were also present in Phase 2 areas. Customers more likely to end claims were those who are typically considered closer to the labour market and include those; who have qualifications at Level 4 or above, without children under 16, who have not previously claimed JSA, or whose partner does not claim JSA.

As seen in the Stage 1 research, those aged 50 or over were also more likely to have ended claims in Phase 1 than other customers, although by Stage 2 this is also the case in Phase 2 comparison areas.

There were a number of demographic groups in Phase 1 who were less likely to have ended their claims **and to have remained not claiming by the time of the fieldwork** than their counterparts in Phase 2. They include those:

- facing a PSA16 barrier (12% in Phase 1, 21% in Phase 2)³⁶;
- aged 25 or under (24% had ended their claim and had remained not claiming in Phase 1 compared to 29% in Phase 2).

It seems that the Phase 2 regime at this stage of claiming may be more successful in helping these customers to end claims and enter longer term destinations, or these differences could reflect that Phase 1 support is not necessarily targeting these particular customer groups at Stage 2.

The only customer group more likely to have ended claims and not returned to JSA claiming in Phase 1 than in Phase 2 areas were those who own their own property outright (44% in Phase 1, 33% in Phase 2). This is perhaps evidence of JRFND having a deterrent effect on those who are arguably more financially secure and discouraging them from continuing to claim JSA.

5.1.3 Stage 3/comparison group

As highlighted above, the picture is more varied for the Stage 3/comparison group (i.e. those who have been claiming for six months consecutively or who have been fast-tracked to Stage 3 or New Deal provision). Taken as a whole, customers in Phase 1 were significantly less likely to have ended claims than customers in Phase 2 (42% had done so compared to 48%). However, it is the 15 percentage point difference between those aged under 25³⁷ which drives the overall difference (42% of under 25s ended claims in Phase 1, 59% in Phase 2). This is likely to be explained by claimants under 25 being involved in NDYP after six to nine months of claiming in Phase 2 areas, while in Phase 1 young people continue with the standard Stage 3 support until entering the Flexible New Deal (FND) after 12 months of claiming.

³⁴ This incorporation of the BtWS with the Initial Stage 2 Review was a temporary measure introduced in 2009 to help Jobcentre Plus cope with increased customer volumes during the recession.

³⁵ Department for Work and Pensions (DWP) data suggests take-up of TRs is 3% in October 2009 rising to 10% by January 2010 for this cohort whereas survey data as reported in Chapter 3 suggests a much higher take-up of 58%. It was originally intended that 20% of the hardest to help Stage 2 customers would attend TRs.

³⁶ This finding is statistically significant at the 93% confidence level.

³⁷ The impact of this difference on the overall figures is reduced as 18-24 year old claimants only make up less than two-fifths (37% Phase 1, 39% Phase 2) of the overall customer base.

Older customers were equally as likely to have ended their claim under both regimes (40% of the cohort aged 25-49 did so in both Phase 1 and Phase 2 areas; 48% of those aged 50+ did so in Phase 1 compared to 47% in Phase 2 areas).

In both phases, older customers (aged 50 or over) that had ended their claims and remained not claiming by the time of the interview were more likely than those who were still claiming to own their own house outright or to be paying back a mortgage on their own property (in Phase 1 63% of all 50+ customers that were not claiming were in this position compared with 43% of all Phase 2 50+ customers who were still claiming; the pattern is similar but slightly more marked in Phase 2 areas with 66% of older customers no longer claiming owning their own home compared with 42% of older claimants). It is possible that this is evidence of a deterrent effect of the regime, although if so it is also evident under the former regime.

Just over two in five (41%) older customers who were not claiming in Phase 1 were qualified to Level 2 or above, a proportion that is comparable to that among the 50+ customers that were still claiming in JRFND Phase 1 areas (39%). This is a different pattern to that seen in Phase 2 areas, however, where those aged 50+ who had flowed off benefit had a different qualification profile to those who had remained claiming: half (50%) of those no longer claiming had Level 2 or above qualifications compared with 41% of the older claimant population in Phase 2 (i.e. the non-claimant 50+ population was skewed towards the higher qualified in these areas). This means that the JRFND regime does not appear to have a differential effect on 50+ off-flows by qualification level, whereas there is some evidence of this in the former regime.

Other customer sub-groups more likely to have ended claims in Phase 2 than in Phase 1 areas were groups typically dominated by younger customers (living rent free, with a qualification below Level 2).

Continuing a pattern observed earlier for Stage 2/comparison period (and also in the Stage 1 survey), Phase 2 support appears to be more successful in helping PSA16 customers end claims (47% had in Phase 2 compared with 33% in Phase 1).

The only group significantly more likely to have ended claims in JRFND Stage 3 (Phase 1) than in Phase 2 comparison areas were lone parents. Almost half had ended their claim in Phase 1 (47%) compared with less than a third in Phase 2 (31%). While this is partially linked to the findings by age described above (lone parents are more likely to be aged 25+ and we have seen this age group are just as likely if not more likely to end their claims in Phase 1 areas at this stage of claiming), this finding is not entirely explained by age and it would seem that JRFND Stage 3 support has a positive effect in terms of moving lone parents off JSA.

In summary, it is likely that New Deal for Young People (NDYP) provision (available in Phase 2 but not in Phase 1) is causing Phase 2 customers overall to be more likely to end claims than 18-24 year olds participating in JRFND Stage 3 in Phase 1 areas. There are, however, groups of Phase 1 customers who are significantly more likely, or at least equally likely to have ended claims as their equivalents in Phase 2. The indication is that for those customers 25 years old or over, Stage 3 support under JRFND is as successful in terms of moving customers off JSA as that offered in months six to 12 of the regular JSA signing regime still operating in Phase 2³⁸.

The 'additional' customers in Phase 2 areas who had ended their claim had largely remained not claiming at the time of interview (around six months after reaching the six month point of their

³⁸ In Phase 2 areas, most customers aged 25+ will not enter New Deal 25 Plus (ND25+) until 18 months of consecutive claiming (unless they are fast-tracked). Forthcoming customer surveys will compare the experiences of these customers with those aged 25+ in Phase 1 areas who enter the FND after just a year of claiming.

claim). Hence at an overall level, the proportion of Phase 2 customers who had ended their claim **and remained off JSA** was higher in Phase 2 areas than in Phase 1 areas (40% in Phase 2 had done so compared to 34% in Phase 1). Again, this difference largely reflects differences among the 18-24 age group. Nearly half (47%) of these young claimants had ended claims and not returned to JSA in Phase 2 compared to just under a third (31%) in Phase 1 while the proportion having done so was the same in both phases for older claimants (35% of those aged 25-49 in both Phases; (42% of those aged 50+ Phase 1 and 41% Phase 2).

The difference observed in the proportion of lone parents who had ended claims is also reflected in the proportion who had remained off the JSA by the point of interview (41% in Phase 1 areas compared to 27% in Phase 2 areas).

Customers in each phase were equally likely to have 'recycled' back on to JSA, with 8% in Phase 1 and 9% in Phase 2 having ended their claims at some point after entering Stage 3/ the comparison point but reporting a return to JSA by the time of the research around six months after this interview. Reflecting the fact that a larger proportion of customers ended their claim in Phase 2 areas, the proportion of those ending their claim who become JSA recyclers is actually lower in Phase 2 areas than under JRFND.

Looking just among 'main track' customers (i.e. excluding all fast-trackers from the analysis and looking just at those who flowed on to Stage 3 support after six months consecutive claiming) at an overall level the proportion of customers who left JSA and remained off JSA by the time of the interview was broadly comparable between phases (37% of main track customers in Phase 1 compared with 39% in Phase 2). When this is broken down further by age group, main track customers aged 25 or over were more likely to have ended claims and remained not claiming in Phase 1 than in Phase 2 (39% compared with 35%). This suggests that at Stage 3 the JRFND regime is more effective than the former regime at moving main track customers aged 25 or over off benefit.

The opposite is true for younger main track customers, where almost half (46%) had ended claims and remained not claiming in Phase 2 areas (where mandatory NDYP participation is in place at this stage of the claim) compared with a third (33%) of main track JRFND Phase 1 customers flowing on to Stage 3 support after six months claiming.

5.2 Fast-trackers

Customers that had been fast-tracked to JRFND Stage 3 were significantly less likely to have ended their claims than 'main-track' customers who entered Stage 3 on or around the 26th week of their claim; just over a quarter (27%) of fast-trackers had ended their claim at the time of the research and remained not claiming compared with approaching two-fifths (37%) of main-track customers who had reached Stage 3. This finding is not surprising given that fast-tracked customers were typically those further from the labour market and in need of more intensive support to move them back into work.

In Phase 2 areas, those customers deemed in most need are offered early entry to a New Deal programme. Comparing these customers with those fast-tracked to JRFND Stage 3 in Phase 1 areas shows a significantly higher proportion of customers leaving JSA (and remaining off JSA the time of the research) after being fast-tracked to New Deal (47%) than among those fast-tracked to JRFND Stage 3 (27%). In fact, in contrast to the pattern observed in JRFND Phase 1 areas, those fast-tracked in Phase 2 areas were actually more likely to have ended their claims and remained off JSA than main-track Phase 2 customers who had reached at least six months consecutive claiming (39%).

This difference between fast-trackers by phase is likely to be explained by the majority of those fast-tracked in Phase 2 areas accessing NDYP support which is intended to be more intensive than JRFND Stage 3 support and therefore, comparing customers fast-tracked to NDYP with those fast-tracked to JRFND Stage 3 is not a clear 'like-for-like' comparison. The eligibility criteria for fast-tracking to each type of support are also slightly different³⁹. Removing younger customers from the analysis allows us to look at the claim status at the time of the research of those customers aged 25 or over who were fast-tracked to JRFND Stage 3 support. Among these customers it remains the case that those fast-tracked in Phase 2 areas were more likely to have ended their claims and remained not claiming (40% had do so) than those fast-tracked to JRFND Stage 3 in Phase 1 areas (25% had ended their claims and remained off JSA by the time of the research).

5.3 Length of claim

This chapter has so far described the proportions of JRFND Stage 2 and Stage 3 customers ending their JSA claim and compared these with the proportions of customers ending their claim in Phase 2 comparison areas. This section of the chapter considers the total length of the claim by phase, irrespective of whether or not it had ended at the time the research was conducted.

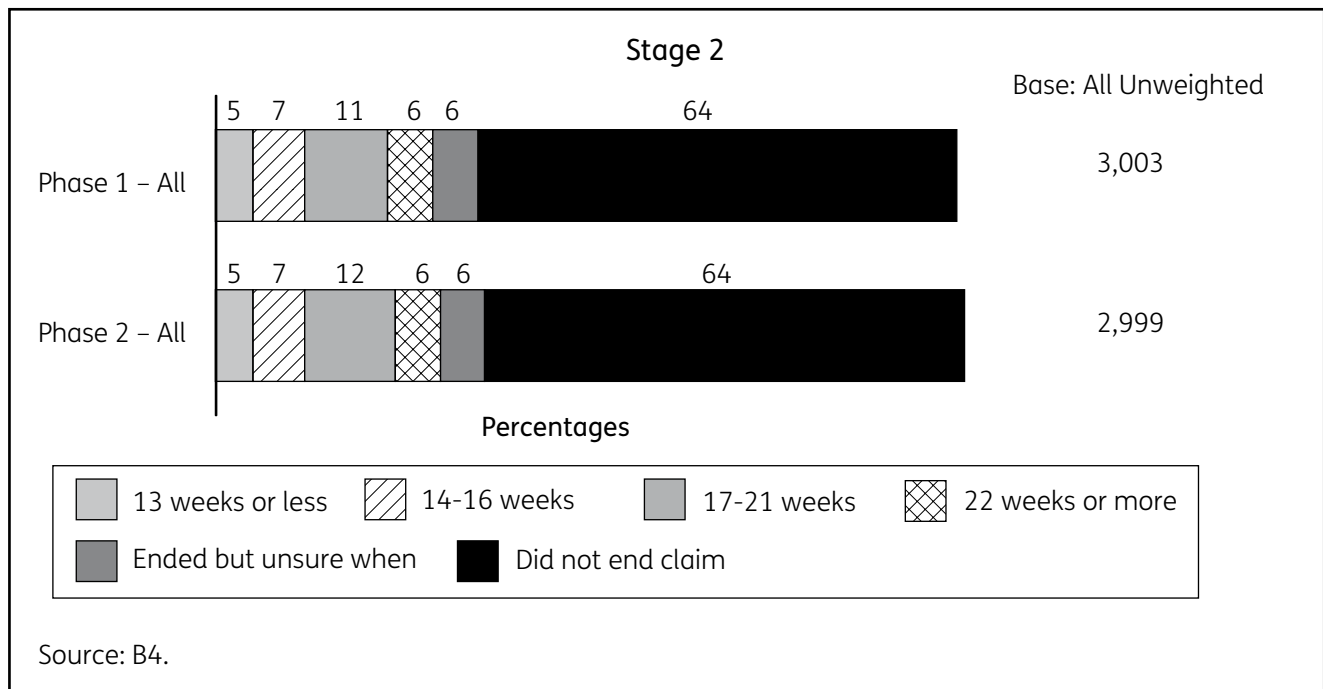
5.3.1 Stage 2/comparison group

Figure 5.2 illustrates length of claim at the time of the interview for all Stage 2/comparison period customers.

The pattern in terms of points at which customers end their claim was the same for both JRFND Stage 2 customers and their counterparts in Phase 2 areas. One in 20 (5%) of all customers in both Phases ended their claim in the 13th week (or earlier) since their New Jobseeker Interview (NJI) book date – presumably just days after the Initial Stage 2 Review or 13-week interview. In both phases a further 7% of customers in both Phases ended their claims in the few weeks after their Initial Stage 2 Review/13-week interview (in weeks 14 to 16 of their claim). 11% in Phase 1 and 12% in Phase 2 moved off in weeks 17 to 21 with the remaining 6% in each phase ending them 22 weeks or more after their NJI book date. None of these differences across phase are statistically significant.

These similar patterns in claim lengths would mean that equal proportions of customers from both Phases would be likely to have been exposed to support from Jobcentre Plus offered later in this Stage.

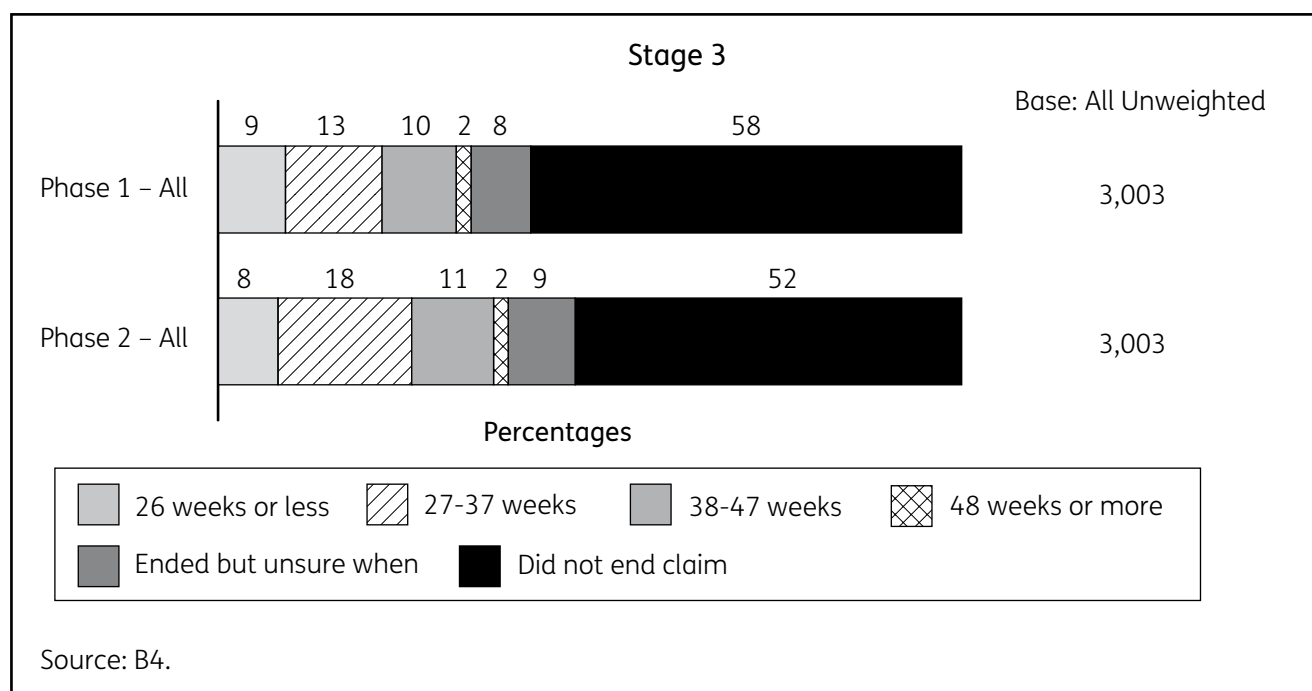
³⁹ A full analysis of the effectiveness of fast-tracking customers to JRFND Stage 3 will be conducted as part of the forthcoming impact analyses where it will be possible to construct more tightly defined comparison groups for fast-tracked customers based on DWP administrative data relating to employment and benefit history.

Figure 5.2 Stage 2 – Length of JSA claim (weeks from NJI book date)

5.3.2 Stage 3/comparison group

However, there were marked differences in claim length between Phases among customers who entered JRFND Stage 3/the comparison point of claiming in Phase 2 areas (as shown in Figure 5.3). Although similar proportions moved off JSA within 26 weeks (9% Phase 1, 8% Phase 2) more Phase 2 customers ended claims between weeks 27 to 37 of their claims than Phase 1 customers (18% Phase 2, 13% Phase 1). Hence most of the difference in the proportion of customers ending claims between Phase 1 and Phase 2 areas is accounted for by customers leaving relatively early in this claim period, i.e. at around the seven to eight month point of their claim.

As mentioned earlier, the difference in the proportion of customers ending claims in Phase 1 areas compared with Phase 2 areas is accounted for by a greater proportion of 18-24 year olds leaving JSA under the old regime than under JRFND. This analysis shows that most of this difference is accounted for by young people leaving JSA in the early stages of NDYP (20% of those aged 18-24 ended their claim between weeks 27 and 37 of their claim compared with 10% in Phase 1 areas while there was no difference in the pattern of claim lengths among older customers).

Figure 5.3 Stage 3 – Length of JSA claim (weeks from NJI book date)

5.3.3 Customer groups ending claims sooner

Some customers who may be ‘harder to help’ were more likely to report ending claims sooner (i.e. between 13 and 26 weeks) in **JRFND Stage 2** (Phase 1) than in Phase 2 comparison areas, including those who:

- have a health problem, illness or disability (5% Phase 1, 2% Phase 2);
- are lone parents (5% Phase 1, 1% Phase 2);
- face one or more PSA16 barriers (4% Phase 1, less than 1% Phase 2).⁴⁰

This could perhaps indicate that specific support for these groups is more targeted around the time of the Initial Stage 2 Review in Phase 1 than it is around the 13-week interview in Phase 2. This may indicate the effectiveness of TRs (although only a very small proportion of customers had received these).

However, at **JRFND Stage 3** (Phase 1) those with health problems, illness or disabilities, who are lone parents or who face PSA16 barriers in Phase 1 were no more likely to have ended claims sooner than their Phase 2 counterparts.

5.4 Claim status summary

The Stage 2 survey shows that similar proportions of customers in each phase had:

- claimed continuously until the point of interview (around two-thirds);
- ended claims and not returned to JSA claiming (just over a quarter);
- ended claims but then started claiming again by the time of the interview (around a tenth).

⁴⁰ This finding is statistically significant at the 92% confidence level.

At this stage of claiming (three to six months), in both Phase 1 and Phase 2 areas those who are typically thought 'easier to help' were more likely to have ended their JSA claims. Claim lengths of those leaving JSA during this time were comparable across phases.

These findings tie in with there being relatively little difference between the old JSA regime and JRFND during three to six months of claiming, with the focus being on directed but largely self-managed job search.

Stage 3 survey findings show that Phase 2 customers were more likely, overall, to have ended claims and remained not claiming at the point of interview. However, customers were equally likely to have 'recycled' and returned to JSA in either phase.

Underneath this overall picture is significant variation by customer age. Customers under 25 in Phase 2 are far more likely to have ended claims than customers of the same age in Phase 1, but customers aged 25 or over were as likely to have ended claims in Stage 3 JRFND (Phase 1) as in Phase 2 areas. These findings are a reflection of the difference in regime for the under 25s at this stage of claiming (NDYP is available in Phase 2 for those young people who have been claiming for six months while in Phase 1 young people continue to receive the same support as other customers).

Looking just among 'main track' customers the picture is more positive for the JRFND regime: at an overall level the proportion of main track customers who left JSA and remained off JSA by the time of the interview was broadly comparable between phases (despite the 'NDYP effect' for younger customers). Furthermore, main track customers aged 25 or over were more likely to have ended claims and remained not claiming in Phase 1 than in Phase 2. This suggests that at Stage 3 the JRFND regime is more effective than the former regime at moving main track customers aged 25 or over off benefit.

6 Outcomes: Entering paid work

6.1 Introduction

As discussed in the previous chapter, in Jobseekers Regime and Flexible New Deal (JRFND) Stage 2 just over a third of customers had ended their 'original' claim⁴¹ for JSA and in JRFND Stage 3 around two-fifths had done so. In this chapter we discuss these customers in relation to entering paid work. For each stage we compare the likelihood of entering paid work of Phase 1 customers with the comparison group of customers in Phase 2 areas. Destinations after ending a claim other than paid work are discussed in Chapter 7.

6.2 Entering paid work after ending claim

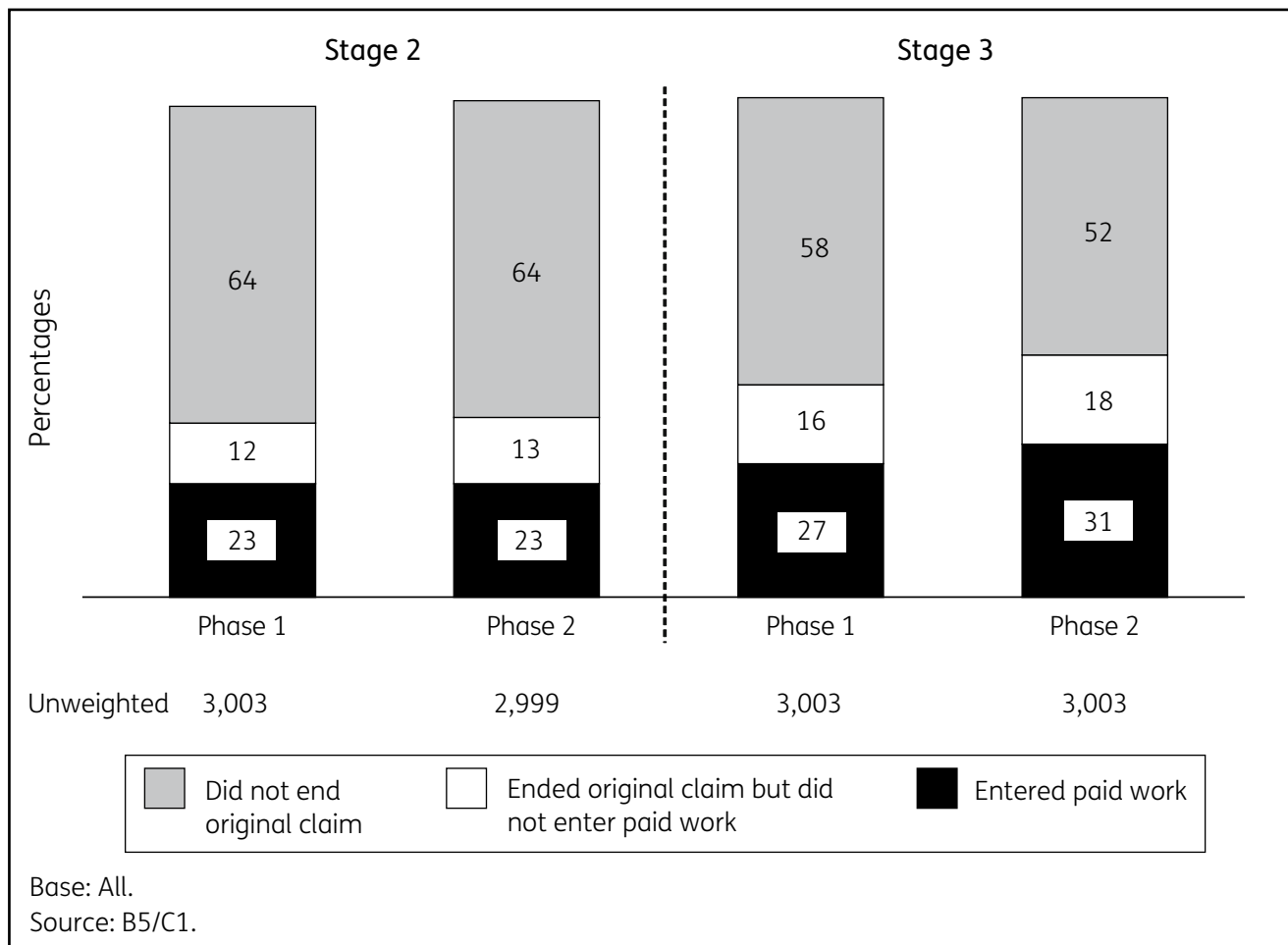
6.2.1 Overview

Figure 6.1 illustrates whether customers:

- had entered paid work after ending the original claim;
- had ended the original claim but had not entered paid work at any point; or
- were still claiming and had done so continuously since starting the original claim.

Results are shown for Phase 1 and Phase 2 areas for both the Stage 2 and Stage 3 surveys.

⁴¹ Original' Jobseeker's Allowance (JSA) claim refers to the claim during which the customer entered Stage 2 in October 2009, or entered Stage 3 during September 2009. Customers may have had claims prior to the specific claims being discussed.

Figure 6.1 Whether ended original claim and entered paid work

6.2.2 Stage 2/comparison group

Customers in JRFND Stage 2 were as likely to enter paid work upon leaving JSA as their counterparts in Phase 2 areas where the old JSA regime was still in place, with just under a quarter doing so (23% in both phases).

By comparison, the Stage 1 customer survey found that Phase 1 customers were a little more likely to have entered paid work than those in Phase 2 areas (30% had done so compared with 27% – a small but statistically significant difference).

Looking just among the ‘recyclers’ – those who had returned to JSA claiming after ending their original claim (who accounted for about one in ten customers in both phases) – Phase 1 recyclers were more likely to have entered paid work at some point compared with Phase 2 recyclers (51% had done so compared with 41%)⁴². Thus, there is some indication that Phase 1 customers were slightly more likely to have entered shorter-term work.

⁴² This finding is statistically significant at the 94% confidence level.

6.2.3 Stage 3/comparison group

However, the Stage 3 survey shows that at an overall level customers in JRFND Stage 3 were less likely to end their claims and enter paid work than those in Phase 2 who had reached a comparable stage of claiming. As the previous chapter discussed, customers in Phase 2 areas were generally more likely to end claims and Figure 6.1 shows that this increase in those ending their claims is accounted for both by an increase in the proportion of customers entering paid work (31% in Phase 2 areas compared with 27% in Phase 1 areas) and a small increase in the proportion ending their claim without entering paid work.

As with the likelihood to end claims per se, there are notable differences in the likelihood to have entered paid work by age. Although those under 25 are more likely to have entered paid work in Phase 2 areas (with 37% having done so compared with 27% in Phase 1) there is no difference by phase in the likelihood of those aged 25 to 49 (28% in both phases) or 50 plus (24% Phase 1, 25% Phase 2) entering paid work. This would seem to indicate that the effect of New Deal for Young People (NDYP) in supporting 18-24 year olds into work outcomes is not replicated by JRFND Stage 3.

Looking just among main track customers, the difference between phases in the proportion of customers entering paid work is reduced, with broadly comparable proportions of customers entering paid work at some point after ending their claims (29% Phase 1, 30% Phase 2). Again, there is variation by age group underneath this finding:

- main track younger customers were more likely to enter paid work at some point in Phase 2 than in Phase 1 (37% Phase 2, 30% Phase 1);
- customers aged 25+ who had been claiming for six months and can be considered 'main track' were as likely to enter paid work in Phase 1 (JRFND Stage 3) as in Phase 2 (regular signing under former regime) – 28% Phase 1, 27% Phase 2.

6.2.4 Stages 2 and 3 – sub-group differences

The section above discusses the difference in the likelihood to have entered paid work by age but there were also differences observed by other customer characteristics. The figures show the proportions of customers entering paid work by key sub-groups. Figure 6.2 shows the proportions entering paid work during JRFND Stage 2/comparison period across a range of key customer groups. Figures 6.3 and 6.4 shows the same analysis for JRFND Stage 3/comparison period splitting customers into those aged 18-24 and 25+ to enable sub-group differences that are not explained by the overall differences in likelihood to enter paid work between these two age groups to be explored.

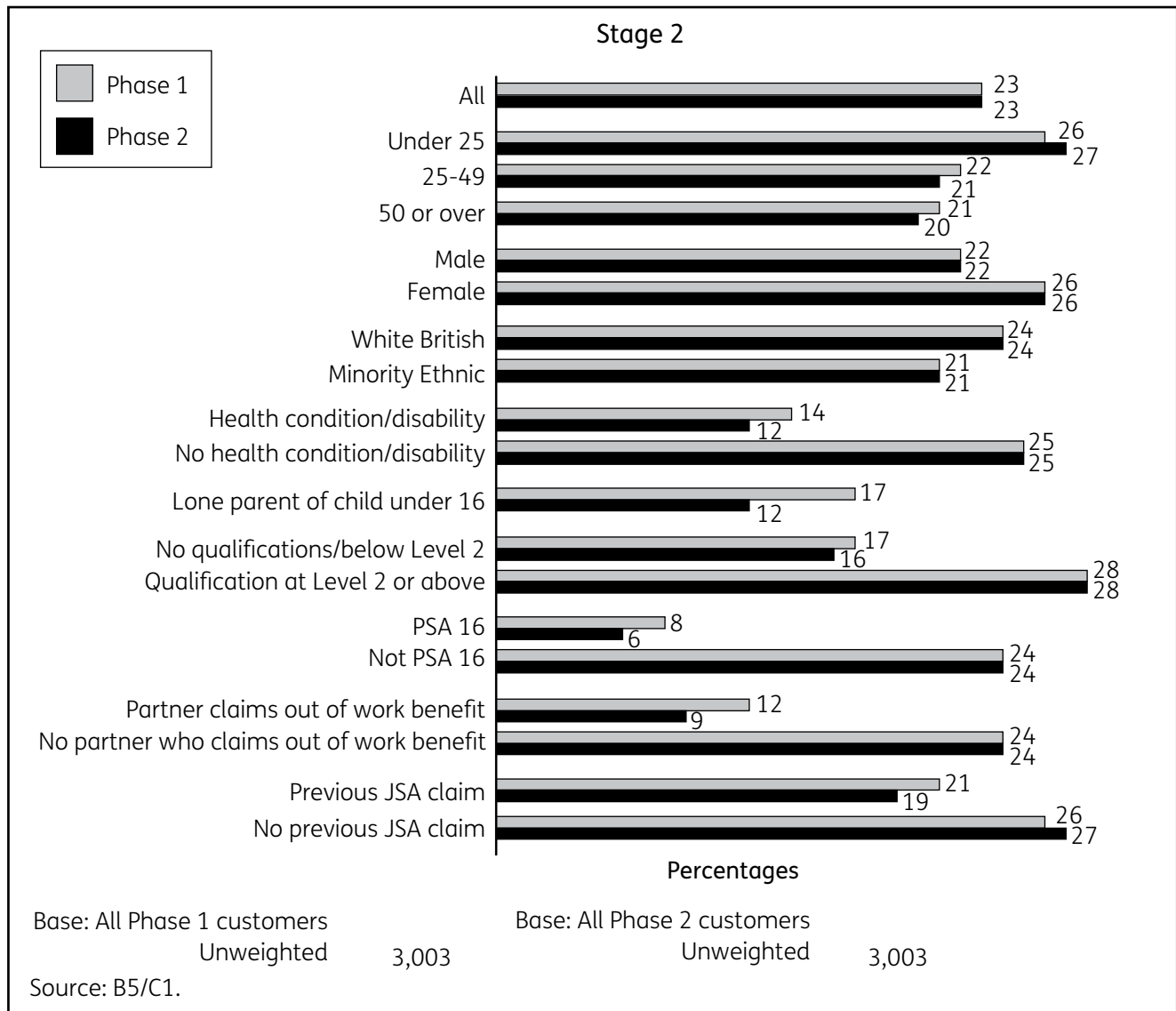
Figure 6.2 Stage 2 – Likelihood to enter paid work by sub-group

Figure 6.3 Stage 3 – Likelihood to enter paid work by sub-group (customers aged 18-24)

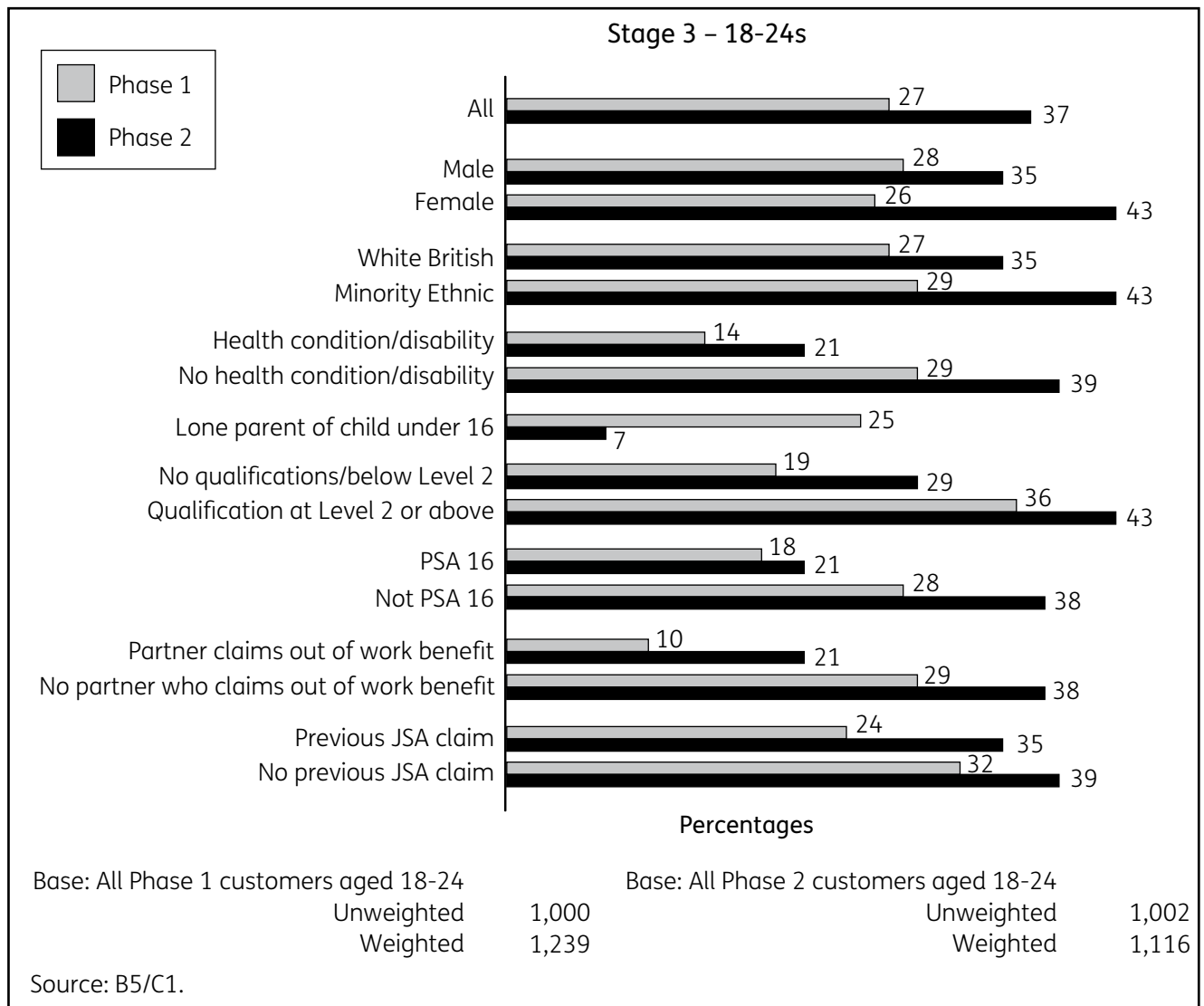
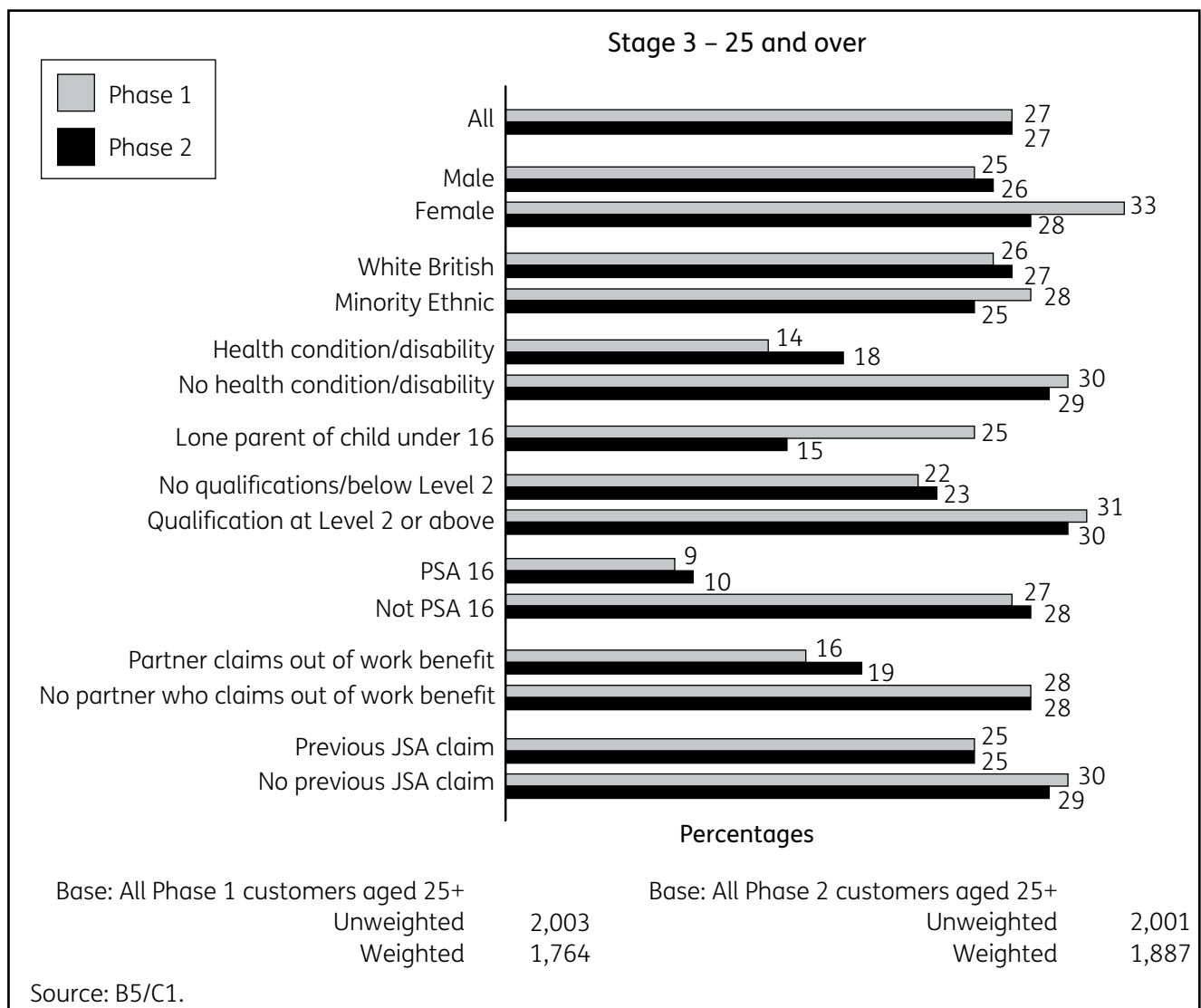


Figure 6.4 Stage 3 – Likelihood to enter paid work by sub-group (customers aged 25+)

As would be expected some groups of customers in Phase 1 who may be considered harder to help were less likely to have entered paid work than Phase 1 customers as a whole. This is the same across both the Stage 2 and Stage 3 survey findings,⁴³ and included those who:

- face one or more PSA16 barriers;
- have a partner who claims out of work benefits;
- have a health problem, illness or disability;
- have low level (below Level 2) or no qualifications;
- have claimed JSA previously.⁴⁴

⁴³ This also reflects the findings at Stage 1, where customers who faced PSA16 barriers, those who had a partner claiming an out of work benefit, those who had a health condition or disability and those who held no qualifications or low level qualifications as well as those aged under 25 were less likely to have entered work than average.

⁴⁴ The Stage 2 finding is statistically significant at the 89% confidence level.

Those who have their rent fully covered by Housing Benefit (HB) were also far less likely to have entered paid work. This could reflect that these customers were under less immediate financial pressure than those who had to pay rent, or possibly that they were less willing to take up short-term work and disrupt payments.

Although all these customer types were significantly less likely than Phase 1 customers as a whole to have entered work, this pattern by customer group was also evident in Phase 2 areas.⁴⁵

As noted in the Stage 1 survey report, it is not unexpected that during JRFND Stage 2 these customer groups were no more likely to enter paid work than their 'harder to help' counterparts in Phase 2, given that the focus of Stage 2 JRFND is on self-managed job search rather than the provision of intensive support⁴⁶. Chapter 3 noted that certain forms of support were more likely to be offered to some of these harder to help groups during Stage 2 in Phase 1 areas, however, it seems that this additional support had not necessarily translated into increased employment outcomes within the first six months of claiming.

By JRFND Stage 3, those who faced PSA16 barriers were equally likely to have entered paid work in both phases (14% in Phase 1, 16% in Phase 2). This is particularly notable as younger customers were significantly **more** likely to have a PSA16 barrier. In Phase 1 35% of PSA16 customers had been fast-tracked to extra support, while in Phase 2 only 17% of these customers seem to have been fast-tracked. As the Phase 1 PSA16 customers were as likely to enter work as Phase 2 PSA16 customers (despite the latter receiving NDYP support) the support available in Stage 3 JRFND is as effective in helping these customers move off JSA.

6.2.5 Stages 2 and 3 – Lone parents

The Stage 1 survey found that in Phase 2 areas (where the old JSA regime was still in place) lone parents were significantly less likely to have entered paid work and ended their JSA claim than customers as a whole. However, a different pattern emerged in JRFND Stage 1 (Phase 1 areas) with lone parents being as likely as other customers to end their claim and enter paid work within the first three months of claiming⁴⁷. This suggested that the JRFND regime was particularly successful in securing employment outcomes for lone parents and seemed to be overcoming barriers to employment for this customer group during the first three months of claiming.

This pattern emerged again clearly at the Stage 3 survey, where lone parents participating in JRFND Stage 3 were only slightly (and not significantly) less likely to have left JSA and entered paid work at some point than JRFND Stage 3 customers as a whole (25% of lone parents had entered work compared with 27% of all JRFND Stage 3 customers). By contrast, lone parents in Phase 2 areas were half as likely as customers generally to enter paid work after claiming for six consecutive months (or having their initial New Deal interview if fast-tracked). Just 14% had done so compared with almost a third (31%) of all Phase 2 customers in the Stage 3 survey. This difference in outcomes for lone parents is evident among customers aged 18-24 and those aged 25 or over. Among younger customers, 25% of lone parents in Phase 1 areas had entered paid work compared with

⁴⁵ Except for the Stage 3 finding for those who had claimed JSA previously this is not statistically significant.

⁴⁶ It should be noted that under the JRFND regime customers in need of more intensive support can be fast-tracked to Stage 3 provision upon starting a claim. Customers who have been fast-tracked to Stage 3 have been included in the Stage 3 findings within this report.

⁴⁷ Twenty-8% of lone parents in Phase 1 entered paid work compared to 30% of all Phase 1 customers. 18% of Phase 2 lone parents had entered paid work compared to 27% of all Phase 2 customers.

7% of their counterparts in Phase 2 areas (despite the fact that at an overall level more younger customers had entered paid work in Phase 2 areas than in Phase 1 areas).

However, at Stage 2 lone parents in JRFND areas **were** significantly less likely to have entered paid work compared to all Phase 1 customers (17% of lone parents had entered paid work compared with 23% of all Phase 1 customers).⁴⁸

It would appear that all stages of JRFND – but particularly Stage 1 and Stage 3 – are successful in securing paid employment outcomes for lone parents to the extent that they are just as likely as other customers to leave JSA and enter work. This is not true in Phase 2 comparison areas where at all points in the first year of claiming lone parents were less likely to enter paid work. It is not clear from the analyses conducted to date the reasons for apparent success of JRFND with this customer group, but it is an important finding in the context of Lone Parent Obligations and the increasing policy intent to move lone parents towards work.

6.2.6 Fast-trackers

Reflecting the fact that customers fast-tracked to JRFND Stage 3 were less likely to have ended their claims than main-track customers reaching this stage, they were also less likely to have entered paid work (22% compared with 29% of main-track customers reaching Stage 3). They were also less likely than Phase 2 fast-trackers to have entered paid work (33% of all customers fast-tracked to Phase 2 support had entered paid work at some point after ending their claim).

6.3 Types of paid work

6.3.1 Overview

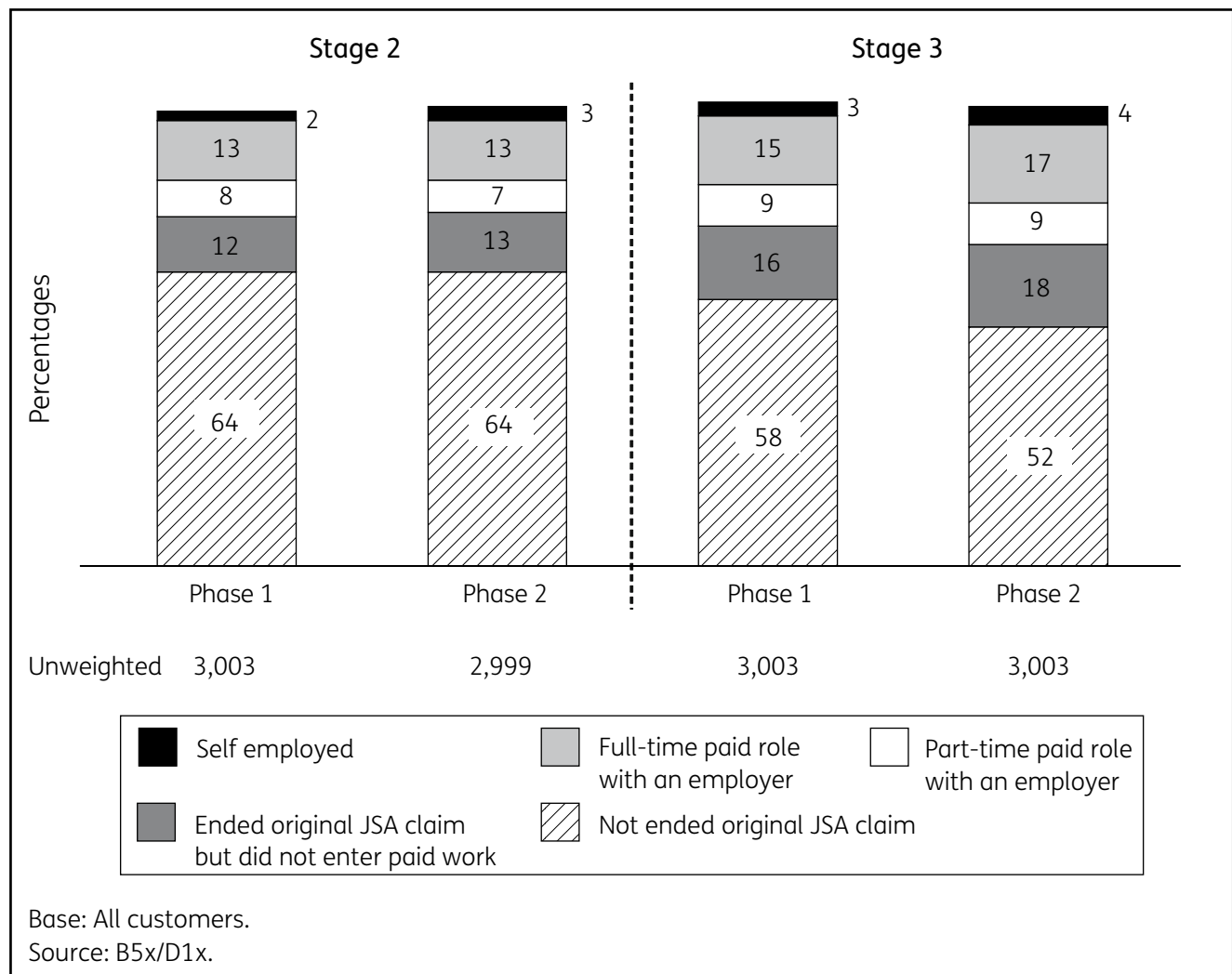
Figure 6.5 breaks the customers entering paid work down into: those who entered a full-time paid role with an employer; those who worked part-time with an employer; and those who entered self-employment⁴⁹. For completeness Figure 6.5 also shows the proportions who were still claiming and had done so continuously since starting their original claim and those who ended their original JSA claim but who had not entered paid work at any point.

As in Stage 1, the most common form of work entered by both Stage 2 and Stage 3 customers was full-time work with an employer. There were no notable differences by phase (at either stage) in the type of work entered where a customer had entered any paid work.

We saw earlier in the chapter that at Stage 3/comparison point, Phase 2 customers were more likely than Phase 1 customers to have entered any paid work; Figure 6.5 shows that they were also slightly, albeit significantly, more likely to have entered full-time paid work.

⁴⁸ This finding is statistically significant at the 91% confidence level.

⁴⁹ If the customer had taken up more than one form of paid work they were asked to identify their ‘main’ (if currently working) or most recent (if returned to claiming JSA or no longer currently working) job to enable later questions about their work to focus on one role.

Figure 6.5 Types of paid work entered

6.3.2 Stage 2/comparison

As in Stage 1, similar proportions in Phase 1 and Phase 2 had entered full-time paid work with an employer (13% in each Phase)⁵⁰. Customers were also equally likely to enter part-time work in both phases (8% in Phase 1, 7% in Phase 2) and self-employment (2% in Phase 1, 3% in Phase 2).

Those who had entered full-time, paid work with an employer at some point were significantly less likely to have remained off JSA in Phase 1 than in Phase 2 (79% and 84% respectively)⁵¹. This may point towards Phase 2 support being more successful at guiding customers into more appropriate or sustainable work (the nature of any employment gained is explored in detail in Chapter 10). Alternatively, this might simply be a reflection of the different labour markets operating within the two areas.

⁵⁰ At Stage 1 higher numbers had entered full-time paid work in both Phases (20% Phase 1, 18% Phase 2), with Phase 1 customers more likely to have entered full-time work than Phase 2 customers.

⁵¹ This finding is statistically significant at the 93% confidence level.

Looking among customer sub-groups, those aged 50 or over were more likely to have entered part-time work in Phase 2 than in Phase 1 (5% Phase 1, 8% Phase 2). By comparison, those with children under 16 were more likely to have found work in Phase 1 areas (8% Phase 1, 2% Phase 2).

Some customers reported having entered multiple forms of paid work concurrently. Most frequently this involved customers reporting self-employment or freelancing in combination with working full-time for an employer (11% of those whose main or most recent role was self-employment or freelancing had been working concurrently for an employer full-time in Phase 1, 13% had done so in Phase 2 and an additional 9% in each phase had worked **part-time** as well as being self-employed)⁵².

Those whose main or most recent type of work was part-time with an employer were more likely to have also worked full-time at some point since ending their claim in Phase 1 (5% had done so in Phase 1 compared to 1% in Phase 2). This perhaps reflects the finding in Chapter 6 that Phase 1 customers were less likely to have entered sustainable work, there it was noticeable that Phase 1 customers were ending employment and returning to JSA claiming while here they are perhaps ending full-time employment and moving into part-time. This could reflect Phase 1 customers being more willing to take up any work rather than waiting for an ideal role.

6.3.4 Stage 3/comparison

As in all other Stages the most common form of paid work entered in Stage 3/comparison period was full-time with an employer (17% Phase 2, 15% Phase 1). One in ten (9% in both phases) had taken up part-time work with an employer, so Phase 1 customers were as likely as Phase 2 to have entered this form of work. Self-employment had been taken up by 3% in Phase 1, and 4% in Phase 2 – a small but significant difference between phases.

As detailed previously, those aged 18-24 account for most of difference in work outcomes between phases. A fifth (20%) of younger customers in Phase 2 areas entered full-time paid work compared with around one in seven (15%) in Phase 1. Customers aged 25-49 and 50 or over were as likely to have entered full-time paid work in each Phase (25-49: 17% Phase 1, 16% Phase 2 and 50 or over: 11% in both phases).

Lone parents were nearly twice as likely to have entered full-time paid work in Phase 1 areas as in Phase 2 (25%, 14%), although due to small base sizes this is not a statistically significant difference.

As described above in relation to Stage 2, some customers had taken up more than one job at a time, or were combining a role with an employer with self-employment. Again the most common combination was those whose main or most recent form of work was self-employment also having entered full-time paid work with an employer, this was significantly more likely among the self-employed in Phase 2, with 10% having done so compared with just 3% in Phase 1.

The nature of work in terms of pay, hours, contract, sector and occupation is examined in Chapter 9.

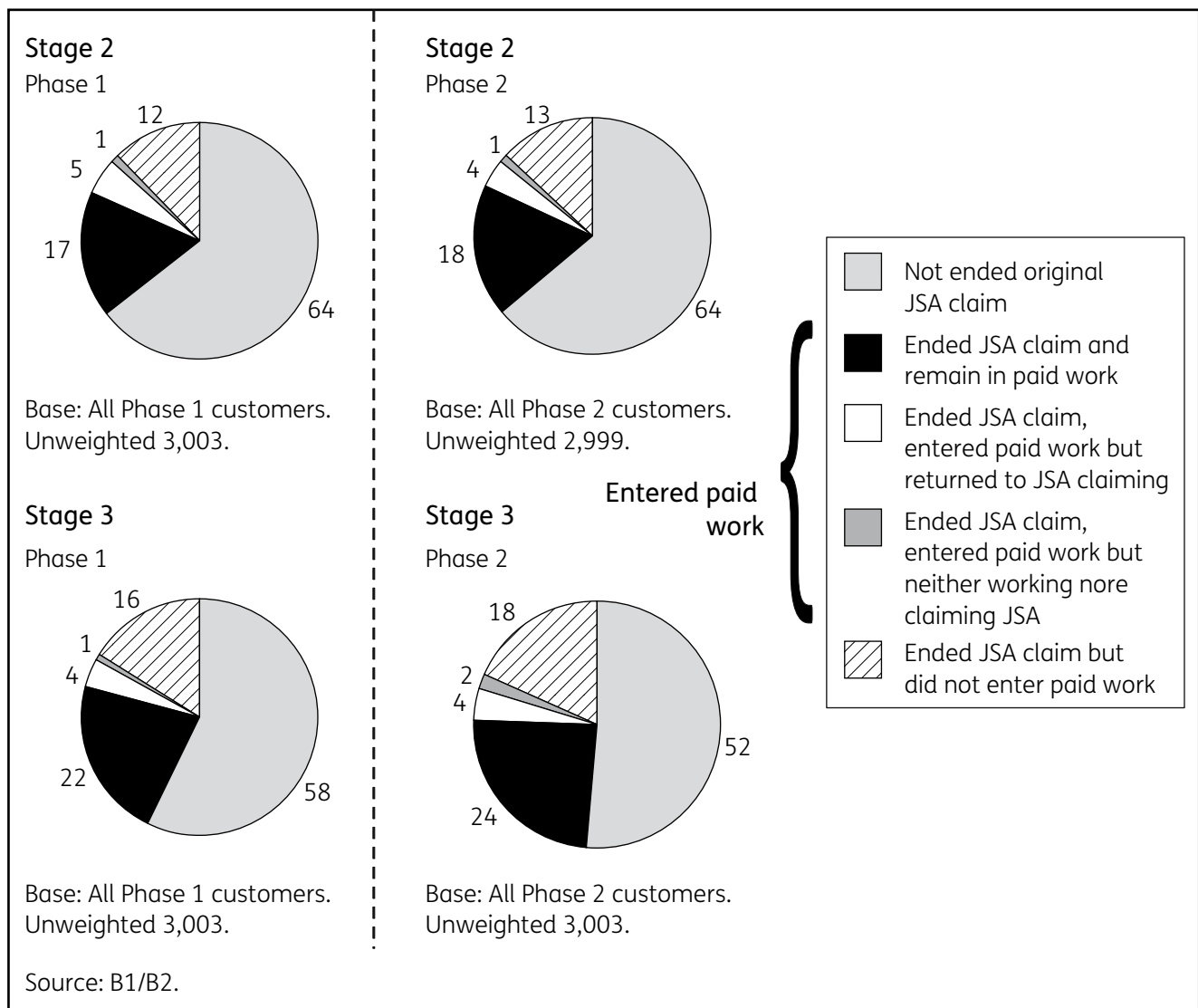
⁵² In some cases this may have been those actually freelancing or contracted to a company reporting both outcomes even though it was only one role.

6.4 Remaining in paid work (not returning to Jobseeker's Allowance)

6.4.1 Overview

Figure 6.6 shows employment and claim status at the time of the interview. This section focuses on those customers who ended their JSA claim, had entered paid work and who were still working and who had not returned to JSA claiming at the time of the interview. These customers are represented by the light grey segment in Figure 6.6.

Figure 6.6 Whether entered paid work and/or returned to JSA claiming



Around a fifth of customers in both the Stage 2 and Stage 3 surveys had remained in paid work and were not claiming at the time the research fieldwork was conducted (which took place at what would have been the end of each Stage if the customer had still been claiming). In all cases, the majority of those who ended their claim to enter paid work were still in paid work at the time of interview.

6.4.2 Stage 2/comparison

As shown in Figure 6.6 the proportion of customers who ended their JSA claim, had not returned to JSA claiming and were working at the time of the interview was consistent across phase – just under a fifth in each (17% in Phase 1 and 18% in Phase 2).

Around one in ten (10% in Phase 1 and 11% in Phase 2) were working full-time (30 hours or more per week) for an employer as their main job at the time of interview (around three months after they had had their Initial Stage 2 interview/13 week review). 6% in each phase remained in part-time work, and 2% in each phase in self-employment.

Overall customers who reached three months of consecutive claiming in both phases were equally likely to have subsequently ended their claims, entered paid work and remain in it at the time of interview. However, younger customers (under 25) were more likely to remain in paid work in Phase 2 comparison areas than they were in JRFND Phase 1 areas (17% remained in paid work in Phase 1 compared to 21% in Phase 2).

6.4.3 Stage 3/comparison

At the time of the interview (around 12 months after the claim start date for those following a ‘typical journey’, or around six months after entering Stage 3/equivalent for fast-trackers) 22% of JRFND Stage 3 customers in Phase 1 remained off JSA and in work, compared with 24% of customers in Phase 2 areas.

Again, when broken down by age, only the 18-24s were significantly more likely to be in paid work at the point of interview in Phase 2 areas (21% in Phase 1, 27% in Phase 2). Older customers were as likely to remain in paid work in Phase 1 as in Phase 2 (24-49 year olds: 23% Phase 1, 23% Phase 2, the 50 plus: 20% in Phase 1 and 21% in Phase 2).

Looking only at main track customers shows a similar picture to that observed among the entire survey cohort: 23% of all those in JRFND Phase 1 areas were in paid work at the time of the research compared with 24% in Phase 2 areas. The slightly better outcomes for Phase 2 customers overall is again being driven by young main track customers in Phase 2 who would have experienced NDYP support under the former regime (28% were in work compared with 22% in Phase 1). Main track customers aged 25+ in JRFND Phase 1 areas were just as likely to be in paid work as their counterparts in Phase 2 (24% compared with 22% – this difference of 2 percentage points is not statistically significant).

6.5 Leaving paid work or returning to Jobseeker’s Allowance claiming

6.5.1 Overview

This section considers those customers who had entered paid work at some point after ending their original claim, but who were no longer in paid work at the time they were interviewed for the research. They are also shown in Figure 6.6.

Relatively small proportions of customers in both the Stage 2 and Stage 3 survey were in this situation: the majority of those who had entered paid work had remained in paid work. The proportion of customers that were no longer in paid work at the time of the interview was consistent across phase.

6.5.2 Stage 2/comparison

At the time of the Stage 2 survey, only small proportions of customers in either phase had returned to JSA claiming after being in paid work (5% in Phase 1 and 4% in Phase 2)⁵³. Even smaller numbers were no longer in paid work nor had returned to claiming JSA (a further 1% in each phase).

Overall, 6% in Phase 1 and 5% in Phase 2 had ended claims and entered work but by the time of interview had either returned to JSA or were no longer in work. The profile of these customers was different to those who remained in paid work and featured higher proportions of men, under 25s and those with lower qualifications. This pattern was the same across both phases.

However, there were some significant differences among Phase 1 customers not observable among Phase 2 customers. Those aged 25-49 accounted for half of those who had remained in work (49%) but two-fifths (41%) of those who had entered work but since left or returned to JSA. Similarly, those who remained in work were twice as likely as those who had left or returned to JSA to have a degree level qualification (40% compared to 20%). These patterns were not replicated in Phase 2 areas.

However, as observed at Stage 1, those in Phase 2 areas **who had worked at some point since ending the JSA claim but who were not working at the time of the interview** were significantly more likely to be repeat claimants than those customers still in paid work at the time of the interview (52% had claimed JSA before compared with 39% of those who were still in work). This difference was not observed in Phase 1 areas.

6.5.3 Stage 3/comparison

Again low numbers of customers (4% in each Phase) had returned to JSA claiming after entering paid work by the time of the Stage 3 survey interview (which took place around six months after the Initial Stage 3/26 Week Restart/Initial New Deal interview). Even fewer were no longer in paid work but had not returned to JSA claiming either (1% in Phase 1, 2% in Phase 2) – although a small difference this is statistically significant.

In total, around one in 20 (5% Phase 1, 6% Phase 2) had ended claims and entered paid work but by the time of interview had either returned to JSA or were no longer in paid work.

Significantly fewer customers in work at the time of interview in Phase 2 areas had previously claimed JSA than customers who were no longer in paid work and had not returned to JSA claiming (50% and 59%). This was unique to Phase 2 areas meaning that those with a claiming background in Phase 1 areas were no more or less likely to have remained in work at the time of interview in JRFND areas.

6.6 Summary

6.6.1 Stage 2

Overall, JRFND Stage 2 customers were equally likely as Phase 2 customers to have entered paid work. Phase 1 customers appear to have been more likely to have taken up shorter-term work as they were more likely than Phase 2 customers to have entered paid work but then returned to JSA (or to be no longer working or claiming JSA).

No particular customer groups were more likely to have entered work in Phase 1 than in Phase 2

⁵³ Some in this group may actually have continued in paid work earning below the threshold.

and in both phases those further from the labour market were less likely to have entered work than customers generally.

6.6.2 Stage 3

Overall, customers in Phase 1 areas experiencing JRFND Stage 3 were less likely to have entered paid work than those in Phase 2 areas. However, this difference seems to be largely driven by age with most of the difference being observed among 18-24 year olds. Customers aged 25+ were equally likely to have entered paid work, or to have remained in paid work in either Phase (this is the case for both customers overall and when just looking among main track customers). This is a relatively positive finding for JRFND among these customers given that Phase 1 areas generally had a history of higher employment than Phase 2 areas.

7 Outcomes: Destinations other than paid employment

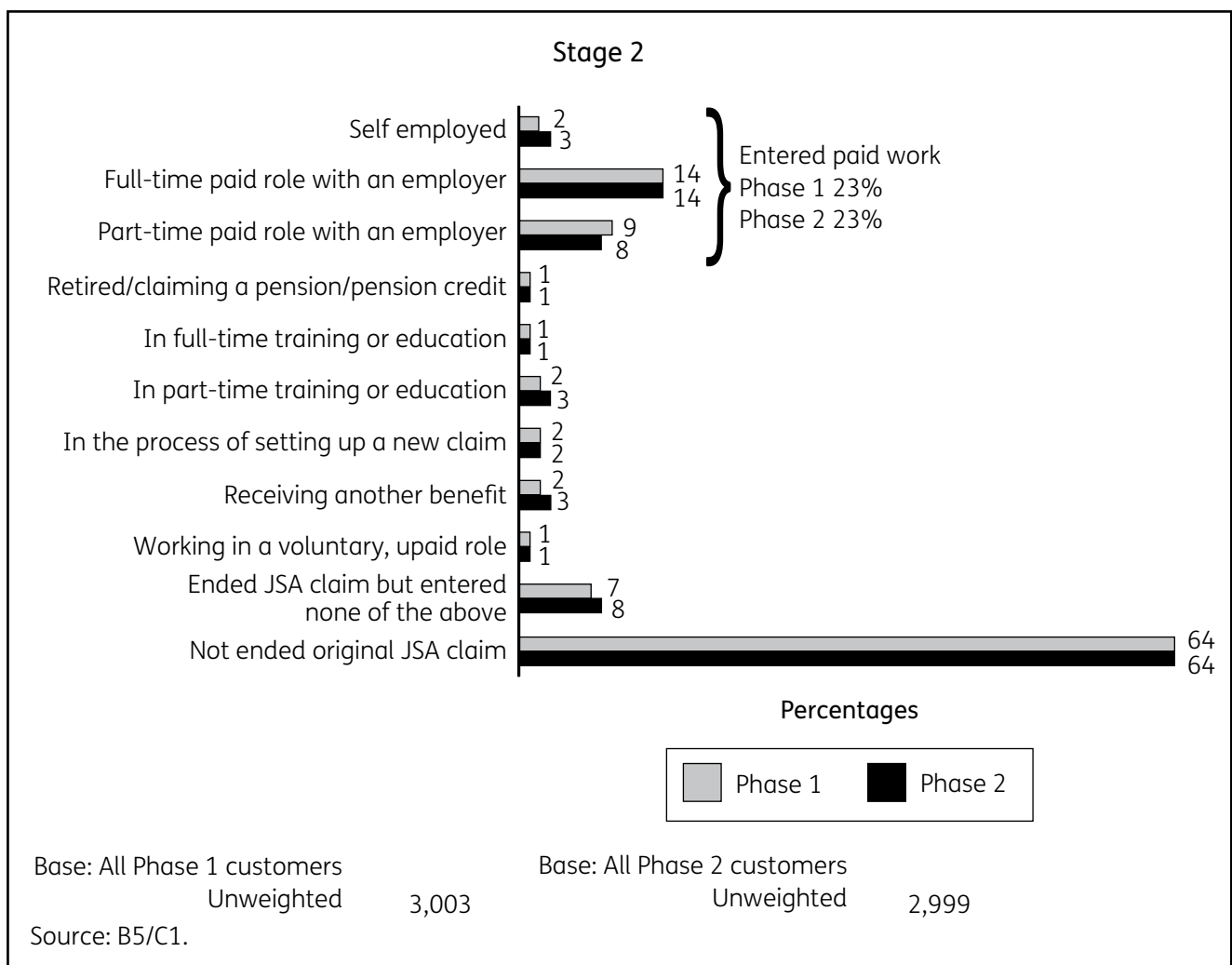
This chapter discusses the destinations (aside from paid employment) of customers who ended the Jobseeker's Allowance (JSA) claim but who did not enter paid work. We explore the likelihood of entering non-paid work destinations, looking at those entering education or training, retiring, taking up voluntary unpaid work or ending claims for other reasons.

7.1 Destinations other than paid employment

7.1.1 Stage 2/comparison

The same proportion of customers in each phase (12% of Phase 1 customers and 13% of Phase 2 customers) ended their JSA claim but did not enter paid work at any point. Figure 7.1 details destinations other than paid work.

Figure 7.1 All destinations – Stage 2 customers



There were some groups within Phase 1 areas who were more likely to end their claim without entering paid work than Phase 1 customers overall. This included those who:

- owned their property outright (28% compared to 12% of all customers in Phase 1);
- were aged 50 or over (20%);
- had a longer-term illness, health problem or disability (21%).

These customers may well be more financially secure than other customers and have chosen to end their claim without moving into work, and those aged 50 or over may well have moved onto Pension Credit or retired. Those with health problems were far more likely than other customers to have moved onto another benefit for the out of work as discussed below. These patterns are also found among Phase 2 customers so the indications are that Jobseekers Regime and Flexible New Deal (JRFND) Stage 2 is not generating changes to behaviour.

In Phase 2, those with PSA16 barriers were also more likely to have ended claims but not entered work (24% had done so), but in Phase 1 they were no more likely to have done so than other customers – this could indicate their needs are being met more effectively (and some may have been fast-tracked so Phase 2 could contain more customers with barriers than Phase 1).⁵⁴

Small proportions of customers reported receiving another benefit instead of JSA (2% Phase 1, 3% Phase 2) and similar proportions were in the process of setting up a new JSA claim (2% Phase 1, 2% Phase 2).

Very small proportions of customers (1% in each phase) had: entered full-time training or education at some point after ending claims; retired or started claiming a pension; or had found work in an unpaid role. Ending claims and starting part-time training or education was slightly more common though still involved small proportions of customers overall (2% Phase 1, 3% Phase 2).

This left 7% in Phase 1 and 8% in Phase 2 who had ended their claim at some point but had not entered paid work, unpaid work, training or retirement, nor had they started claiming another benefit or pension. This equates to around three in five (58% Phase 1, 62% Phase 2) of all those who ended their claims without entering paid work.

7.1.2 Stage 3/comparison

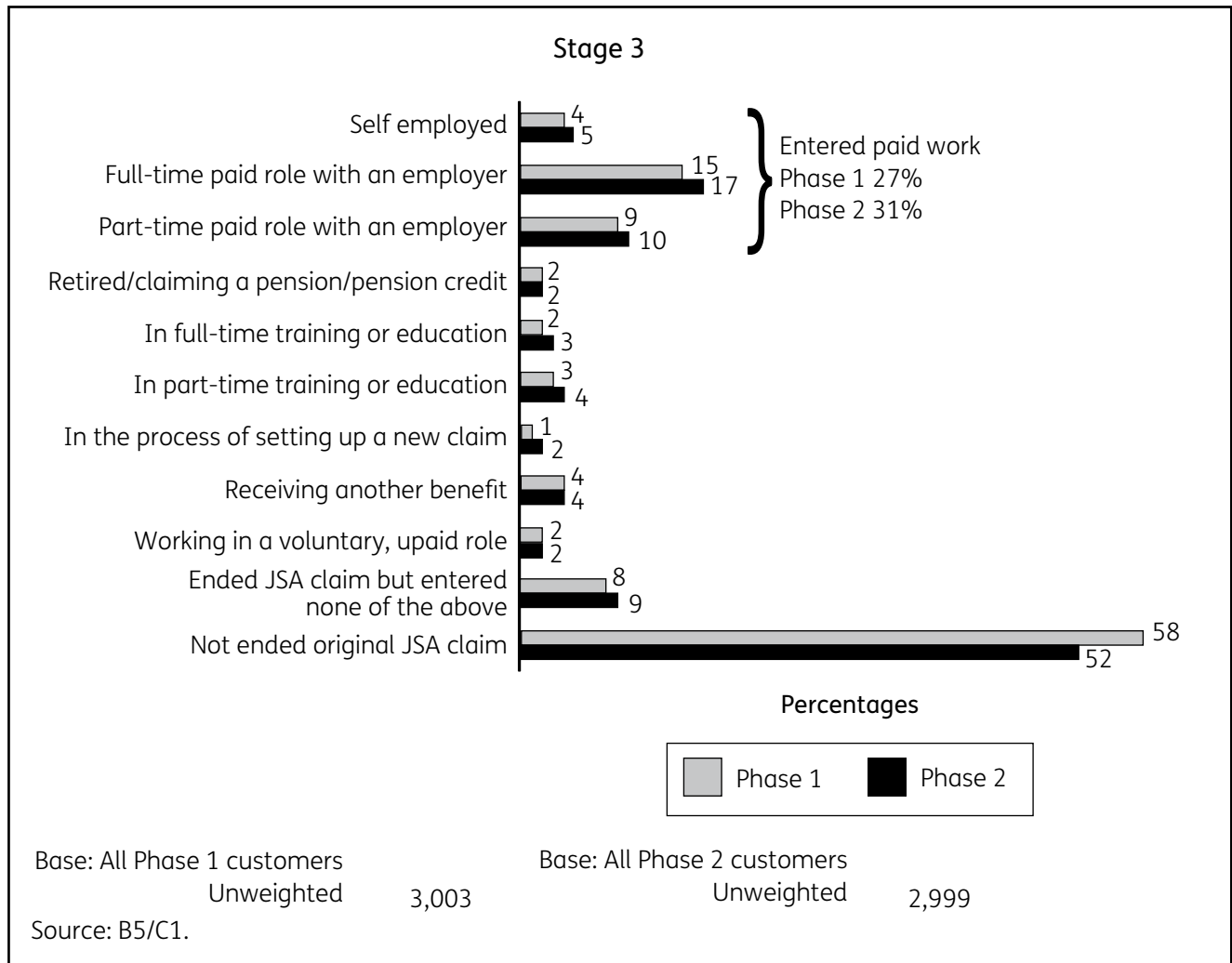
Slightly more customers in Phase 2 ended their JSA claim but did not enter paid work at any point (18% did so compared to 16% in Phase 1). 18-24 year olds in Phase 2 experiencing New Deal for Young People (NDYP) were particularly likely to have done this – 22% compared to only 15% of those under 25 in Phase 1.

The difference in the proportion ending claims but not entering paid work between phases is also particularly marked for those with children under five, in Phase 1 areas only 16% of these customers had ended claims but not entered paid work while in Phase 2 this rises to 23% – as 18-24s are no more likely than other customers to have children under five this seems to indicate these customers were being supported better in Phase 1 areas. Those who face PSA16 barriers were also significantly more likely to have ended claims but not entered paid work in Phase 2 areas (31%) than in Phase 1 areas (20%) – this could be driven by the proportion of these customers in Phase 2 areas aged 18-24 but also reflects the same finding at Stages 1 and 2 so could indicate fast-tracking to Stage 3 support is preventing these customers ending claims without having paid work to go to.

⁵⁴ This was also a finding at Stage 1 where only 13% of those with PSA16 barriers had ended claims but not entered work compared to 19% in Phase 2.

Figure 7.2 shows the destinations of all customers. Similar proportions in each phase (4%) had left JSA but were receiving another benefit instead – indicating that customers in Phase 1 are as likely to be signposted to other out of work benefits as customers in Phase 2. Similar proportions had left JSA to enter full-time training (2% Phase 1, 3% Phase 2) and voluntary or unpaid work (2% both phases).

Figure 7.2 All destinations – Stage 3 customers



Looking just among those that left JSA but did not enter paid work, half of these customers in both phases did not report going into any of the listed destinations (i.e. training, retirement, claiming another benefit or voluntary work). This equates to 8% of all Phase 1 customers and 9% of all Phase 2 customers.

7.1.3 Fast-trackers

As discussed in the previous chapter, customers who were fast-tracked to JRFND Stage 3 were less likely to have entered paid work than those who reached Stage 3 after following a typical customer journey. They were no more or less likely to leave their claims for other destinations such as unpaid work, training or moving on to another benefit.

Customers who were fast-tracked to a New Deal programme in Phase 2 areas were significantly more likely to have ended their claims to enter full-time training (6%) or have moved on to a different out of work benefit (9%) than those fast-tracked to JRFND Stage 3 (2% and 4% respectively). These findings are driven by younger customers (i.e. those fast-tracked to NDYP in Phase 2 areas).

7.2 Summary

7.2.1 Stage 2/comparison group

Around one in seven customers in each phase had ended their JSA claim but had not entered paid work at any point. Among these customers in each phase, just under a sixth had entered training or education. Other destinations (taking up voluntary work, moving on to another benefit, retiring or claiming a pension or returning to JSA claiming) were mentioned by very small proportions of customers and there were no significant differences by phase.

Overall, there was no indication that the JRFND Stage 2 regime is having a marked influence on customers' decisions to end their claims, with customers as likely to end claims but not enter paid work in Phase 2 as in Phase 1.

7.2.2 Stage 3/comparison group

Slightly more customers in Phase 2 areas than in Phase 1 ended their JSA claim but did not enter paid work at any point (18% of Phase 2 customers and 16% of Phase 1 customers). This difference is largely caused by an increase in 18-24 year old customers ended claims without entering paid work in Phase 2 areas.

Phase 2 customers were very slightly more likely to be observed in most 'non-work' destinations than their counterparts in Phase 1 areas (including training, setting up a new claim and neither working nor claiming).

8 Outcomes: Nature of employment

8.1 Introduction

This chapter focuses just on customers who had entered work (either paid or unpaid) at some point since ending their original Jobseeker's Allowance (JSA) claim as well as those customers who had entered work while claiming JSA (but worked fewer than 16 hours per week).

It discusses the nature of the work entered in terms of the:

- type of contract held and hours worked;
- industry sector and broad occupational role; and
- pay received for the work (including whether any tax credits were received).

It explores whether the nature of the work done by customers that remained in employment and were working at the interview differs from the type of work done by those customers who had returned to JSA claiming by the time of the interview⁵⁵.

The nature of any employment undertaken is useful to explore in the context of **Jobseekers Regime and Flexible New Deal (JRFND) Stage 2** requiring customers to review their Jobseekers Agreement (JSAg) and to widen their job search particularly in terms of the distance required to travel, working hours and occupations types. The intention was that this more directed job-search was monitored closely by Jobcentre Plus advisers and that customers were reminded of the conditions of claiming JSA should they not wish to widen their job search in this manner. This chapter and the next (customer views on the nature of employment entered) will explore what types of employment the JRFND Stage 2 customers achieved compared with customers experiencing the regular JSA signing regime that was still in place in Phase 2 comparison areas. These comparisons may reflect differing opportunities in the local labour markets.

It should also be borne in mind that customers reaching **JRFND Stage 3** (whether this is after claiming for six months or after being fast-tracked) or equivalent support in Phase 2 areas may have been linked up with a specific paid or unpaid employment opportunity as **part** of the back to work programme they were involved in. This may have included:

- Phase 2 customers aged 18-24 entering New Deal for Young People (NDYP) after six months claiming (and can also be fast-tracked for early entry to the programme) and as part of NDYP may enter employment, voluntary work or work on an Environment Task Force during the Options stage of the NDYP programme (typically accessed a few months into programme after the initial Gateway stage has been completed).

⁵⁵ Where customers had more than one paid job since ending their JSA claim or had more than one job at the time of interview and they were asked about their main (if currently working in more than one role) or most recent role. These findings, therefore, do not take into account any other employment that customers may have had since ending their original claim.

- At the time of the research, the Stage 3/comparison survey cohort would have had voluntary access to the Future Jobs Fund (FJF)⁵⁶ which was rolled out across the country from October 2009 (when the Stage 3/comparison cohort would have been in the first month or so of Stage 3 support. Voluntary access to the full Young Person's Guarantee (YPG)⁵⁷ was rolled out from January 2010 when the cohort would have been in the final month of Stage 3 and just about to start FND if they had still been claiming, meaning it is reasonably unlikely that they would get referred to YPG. Mandatory participation in FJF or YPG was not introduced until April 2010 and so does not affect the survey cohort. Take up of FJF and YPG is, therefore, likely to be low among the survey cohort who was undergoing Stage 3/equivalent support. However, some customers may have accessed employment through these programmes which in turn may influence the nature of the particular job role, contract, sector or pay. It is not possible through the surveys to clearly identify customers who benefitted from FJF or YPG provision but this may be possible in later reports with the Department for Work and Pensions (DWP) administrative data.

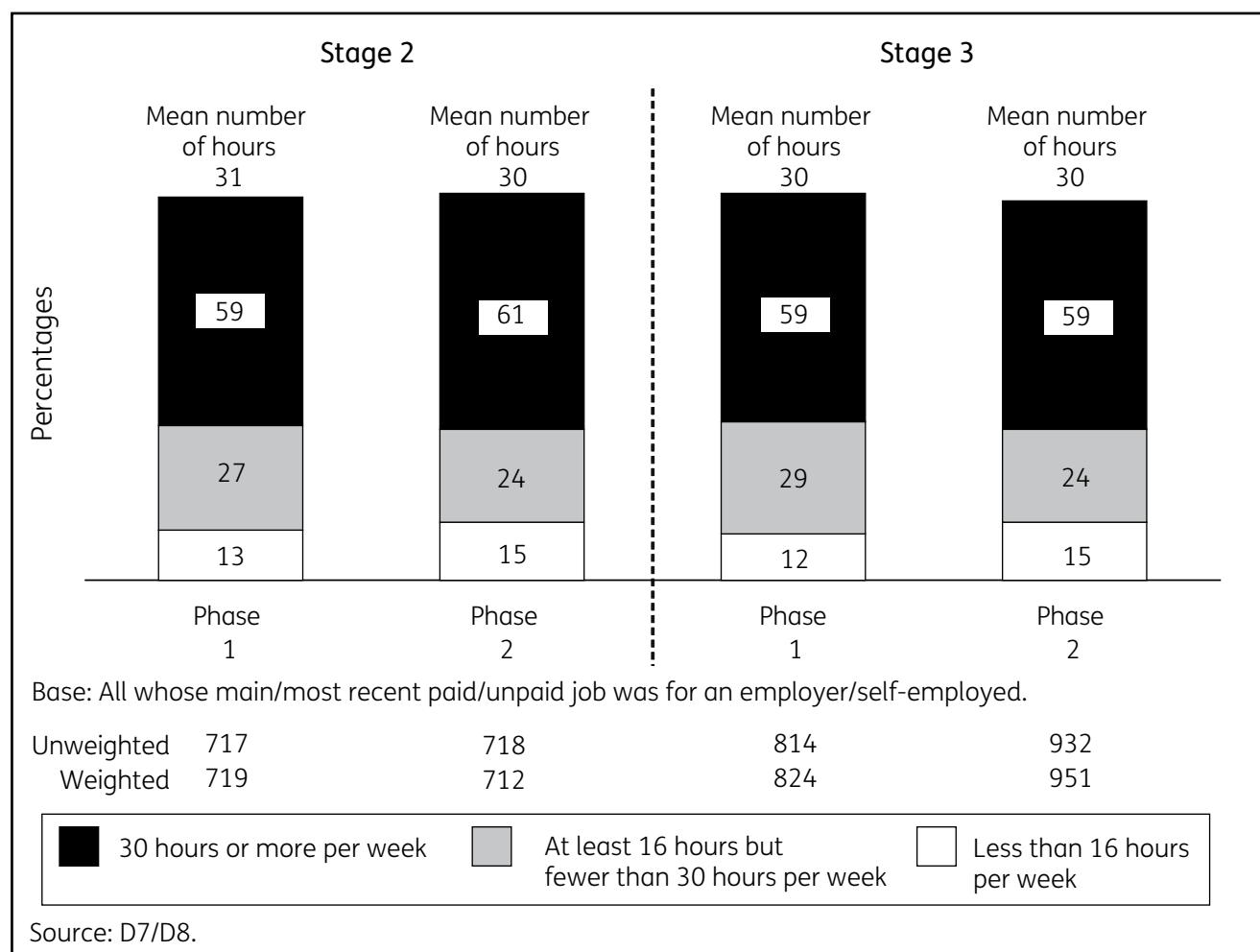
8.2 Hours work and contract type

8.2.1 Overview

Figure 8.1 shows the numbers of hours worked by customers (either paid or unpaid) in their main or most recent job role.

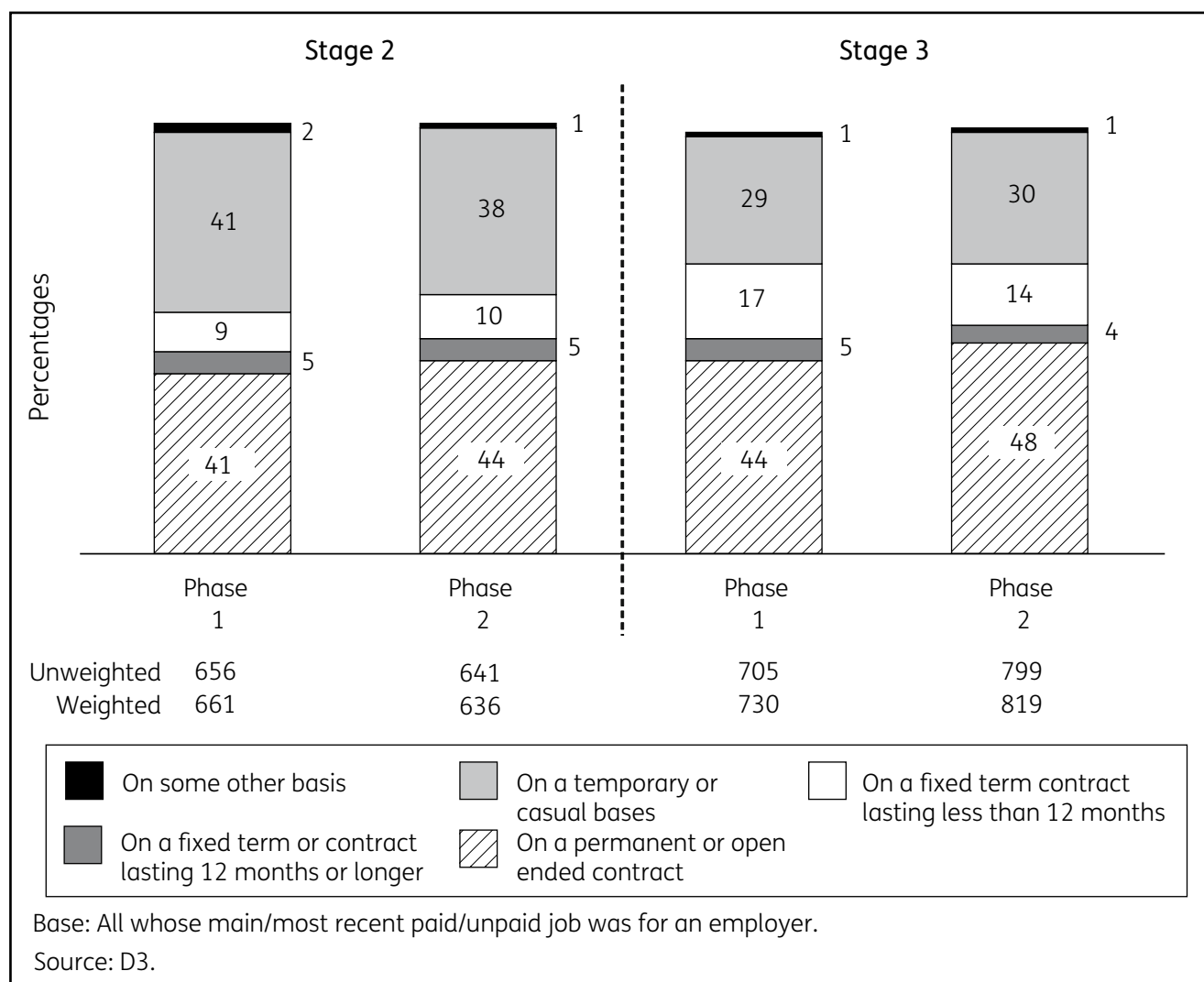
⁵⁶ The FJF sought to create 170,000 jobs overall, with 50,000 of the jobs in unemployment hotspots. From early 2010, all customers aged 18-24 who had been looking for work for around a year were offered a job, work experience or training lasting at least six months.

⁵⁷ The YPG formed part of the wider Backing Young Britain campaign and was a scheme whereby personal advisers worked with 18-24 year olds who had been claiming JSA for six months to develop a personalised action plan aimed at getting them back into work. As well as the opportunity to apply for jobs created through the FJF, young people were also offered: support to apply for an existing job in a key employment sector; work focused training; a place on a Community Task Force; help with self employment; internships for graduates and non-graduates.

Figure 8.1 Number of hours worked per week

Across both the Stage 2 and Stage 3 surveys customers who entered work typically worked 30 hours or more a week, with little difference observed by phase.

Looking at contract type (see Figure 8.2) both JRFND Stage 2 and JRFND Stage 3 customers entering work were slightly, but not significantly, less likely than their counterparts in Phase 2 to enter permanent employment. Correspondingly, shorter fixed term contracts or temporary/casual working was slightly more common in JRFND Phase 1 areas for customers ending their claims at both Stage 2 and Stage 3.

Figure 8.2 Contract type of all those who have worked for an employer

The contract type and hours worked for customers entering employment from both the Stage 2/ comparison and Stage 3/comparison cohorts are discussed below in turn.

8.2.2 Stage 2/comparison group

As reported in Chapter 7, around a quarter of customers who had been claiming JSA for three to six months entered paid work (23% in both phases). The most common form of work entered was full-time paid work (13% of all customers in both phases), with customers in both Phases being equally as likely to have entered part-time work (8% in Phase 1 and 7% in Phase 2) and self-employment (2% in Phase 1 and 3% in Phase 2).

In line with this, customers who had entered work after claiming for three to six months most commonly worked 30 hours or more per week (59% of those doing any work in Phase 1 and 61% in Phase 2).

The average number of hours worked per week by customers was similar across Phase (31 hours per week⁵⁸ in Phase 1 and 30 hours in Phase 2).

⁵⁸ Average number of hours worked have been rounded to the nearest whole hour.

A difference was observed by gender: women in JRFND Phase 1 areas were significantly less likely to have worked 30 hours or more per week than their Phase 2 equivalents (39% of all those working at all in Phase 1 compared 49% in Phase 2).

Customers in Phase 1 areas who were qualified to higher levels were significantly less likely to have worked part-time. Specifically, customers entering work in JRFND Phase 1 areas qualified to degree level were significantly less likely to have worked fewer than 16 hours per week compared to their Phase 2 equivalents (11% in Phase 1 and 18% in Phase 2).

As Figure 8.2 demonstrates, customers in JRFND Stage 2 who had entered either paid or unpaid work with an employer after three to six months of claiming were equally likely to be employed on either a permanent/open ended basis (41%) or a temporary/casual basis (41%). These are similar proportions as those observed in Phase 2 areas (44% and 38% respectively).

The proportion of customers employed on a temporary or casual basis has increased since the Stage 1/comparison survey⁵⁹, and this is likely to be explained to a large degree by fieldwork timings. Interviewing for the Stage 2/comparison survey was completed in the first three weeks of January 2010, at a time when customers would have been more likely to have been employed on short-term seasonal Christmas and sales work. However, this figure is high compared with the proportion of all employees nationally that were employed on a temporary contract during a similar period (6% of all employees⁶⁰).

Certain customer groups in JRFND Phase 1 were significantly less likely to be employed on a permanent or open-ended contract than their counterparts in Phase 2 areas, including:

- customers qualified to below Level 2 (31% in Phase 1 compared with 49% in Phase 2);
- customers who had not claimed JSA previously (41% in Phase 1, 49% in Phase 2).

Unsurprisingly, the ‘recyclers’, i.e. those customers who had been in work after ending their original claim, but had returned to JSA claiming by the time of interview were most commonly employed on a temporary or casual basis (72% Phase 1 customers and 78% Phase 2 customers – this difference by phase is not statistically significant).

Around a quarter of JRFND Stage 2 customers who entered paid work with an employer after three to six months of claiming had gained their employment through an agency (26% – an identical proportion as in Phase 2 areas). In the main, these customers who gained their employment using an agency were also paid by the agency (76% in Phase 1 and 72% in Phase 2).

8.2.3 Stage 3/comparison group

As covered in Chapter 6, fewer JRFND Stage 3 customers had ended claims and entered paid work than their Phase 2 equivalents (27% Phase 1 and 31% Phase 2). Across both phases the most common type of work entered was full-time employment, although slightly (but significantly) fewer Phase 1 customers entered this form of work than in Phase 2 (15% of all Phase 1 customers compared with 17% in Phase 2).

⁵⁹ Where 48% of Phase 1 customers in work and 47% of Phase 2 customers were employed on a permanent or open ended contract and just 34% in Phase 1/33% in Phase 2 on a temporary or casual basis.

⁶⁰ Source: Labour Force Survey Dec-Feb 2010.

Reflecting this, those Stage 3/comparison customers who had entered work commonly worked 30 hours or more per week (59% in Phase 1 and 60% in Phase 2) and averaged a 30 hour week in both phases.

As seen at Stage 2, customers in Phase 1 areas qualified to degree level or above were significantly less likely to have worked fewer than 16 hours per week than their Phase 2 counterparts. By Stage 3, this pattern broadened to include customers qualified to Level 2 or above, with these higher qualified customers in JRFND Phase 1 areas being significantly less likely to work fewer than 16 hours per week than those in Phase 2 (11% in Phase 1 and 16% in Phase 2).

JRFND Stage 3 customers who had entered paid or unpaid work with an employer were most commonly employed on a permanent or open ended contract (44% in Phase 1 areas, 48% Phase 2).

Where they had entered work, JRFND Stage 3/comparison customers were significantly more likely to be employed on a fixed term contract lasting 12 months or less (17% in Phase 1 and 14% in Phase 2) compared with JRFND Stage 2/comparison customers (9% in Phase 1 and 10% in Phase 2).

This may, at least in part, be due to a number of 18-24 year olds participating in the FJF nationally⁶¹ or NDYP in Phase 2 areas. However, when those aged 25 or over are excluded from the analysis the proportion of customers in work employed on fixed term contracts lasting 12 months or less rises to 24% in Phase 1 areas and 17% in Phase 2 areas).

As observed at Stage 2, JRFND Stage 3 'recyclers' in Phase 1 were no more or less likely to have been employed on a certain contract type than their Phase 2 equivalents. Again, these customers were most commonly employed on a temporary or casual basis (65% Phase 1 customers and 71% Phase 2 customers).

Just over a fifth of JRFND Stage 3 customers who were working gained their employment via an agency (22% in Phase 1, 23% in Phase 2).

8.3 Industry sector

This section looks at the broad sector that customers found work in (i.e. whether private, public or voluntary sector) before exploring the more detailed industry sector the employer belongs to.

8.3.1 Whether found work in the private, public or voluntary sector

At JRFND Stage 2, the majority of customers who left JSA after three to six months and had found work had entered the private sector, with significantly more Phase 1 customers having done so than their Phase 2 counterparts (78% in Phase 1 and 72% in Phase 2). A small proportion of customers worked for government funded organisations (15% in Phase 1 and 18% in Phase 2). Smaller proportions worked for a charity or voluntary organisation, with Phase 1 customers significantly less likely to have entered this sector than their Phase 2 counterparts (2% in Phase 1 and 4% in Phase 2).

However, by JRFND Stage 3 this trend of Phase 1 customers being more likely to enter the private sector is reversed, with customers in JRFND Stage 3 (Phase 1) areas being significantly less likely to have entered the private sector in comparison with their Phase 2 equivalents (69% in Phase 1 and 74% in Phase 2).

Around one in six customers who entered work after experiencing JRFND Stage 3 entered the public sector (17% in Phase 1 compared with 15% in Phase 2) and again, a smaller number still worked for

⁶¹ The FJF may also have been accessed by those aged 25 and over in deprived areas.

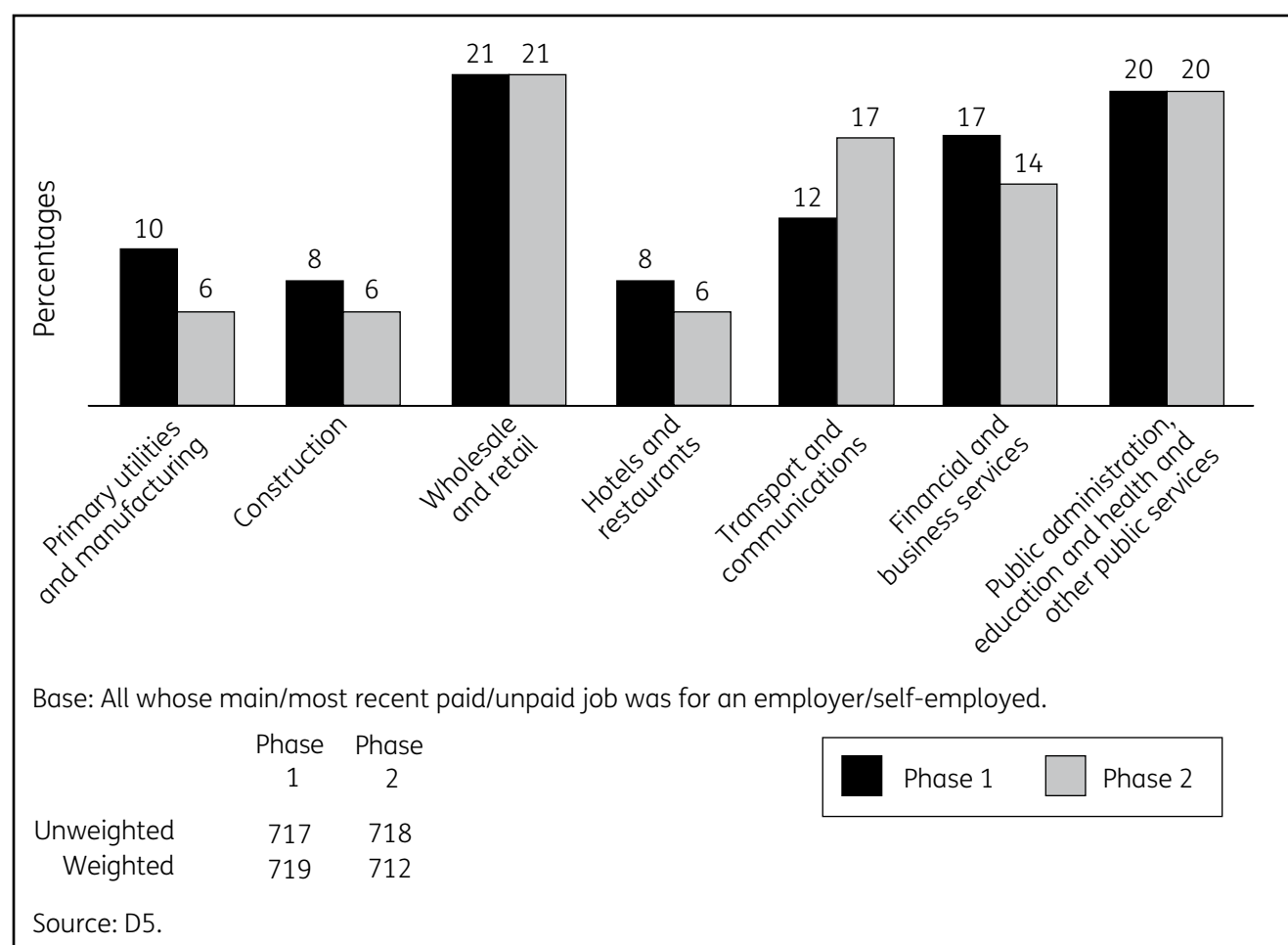
a charity or voluntary organisation (7% in Phase 1 and 5% in Phase 2). The increase in customers entering work for voluntary organisations relative to Stage 2 is notable and may be a result of customers in both phases being referred to voluntary sector roles as part of NDYP or Six Month Offer (6MO) provision.

In particular, at JRFND Stage 3 customers aged 18-24 in Phase 1 areas were significantly less likely to have entered the private sector than customers of the same age in Phase 2 areas (63% in Phase 1 and 72% in Phase 2).

8.3.2 Detailed Industry Sector – Stage 2/comparison group

Figure 8.3 illustrates the industry sector that customers entered after ending their JSA claim in JRFND Stage 2 or between three and six months consecutive claiming in Phase 2 areas.

Figure 8.3 The main or most recent sector of customers who have entered work – Stage 2



Across both phases, customers were most likely to have ended their claim to work in the wholesale and retail sector (21% in both phases), or the public administration, education and health and other public services (20% in both phases). Given the fact that Stage 2 survey fieldwork was conducted in January 2010, some of this entry into the wholesale and retail sector probably reflects the take up of temporary seasonal work during the Christmas and sales period.

Customers across both Phases were less likely to enter either the construction industry (8% in Phase 1 and 6% in Phase 2) or the hospitality sector (8% in Phase 1 and 6% in Phase 2).

The distribution of customers by industry entered was broadly comparable across both phases.

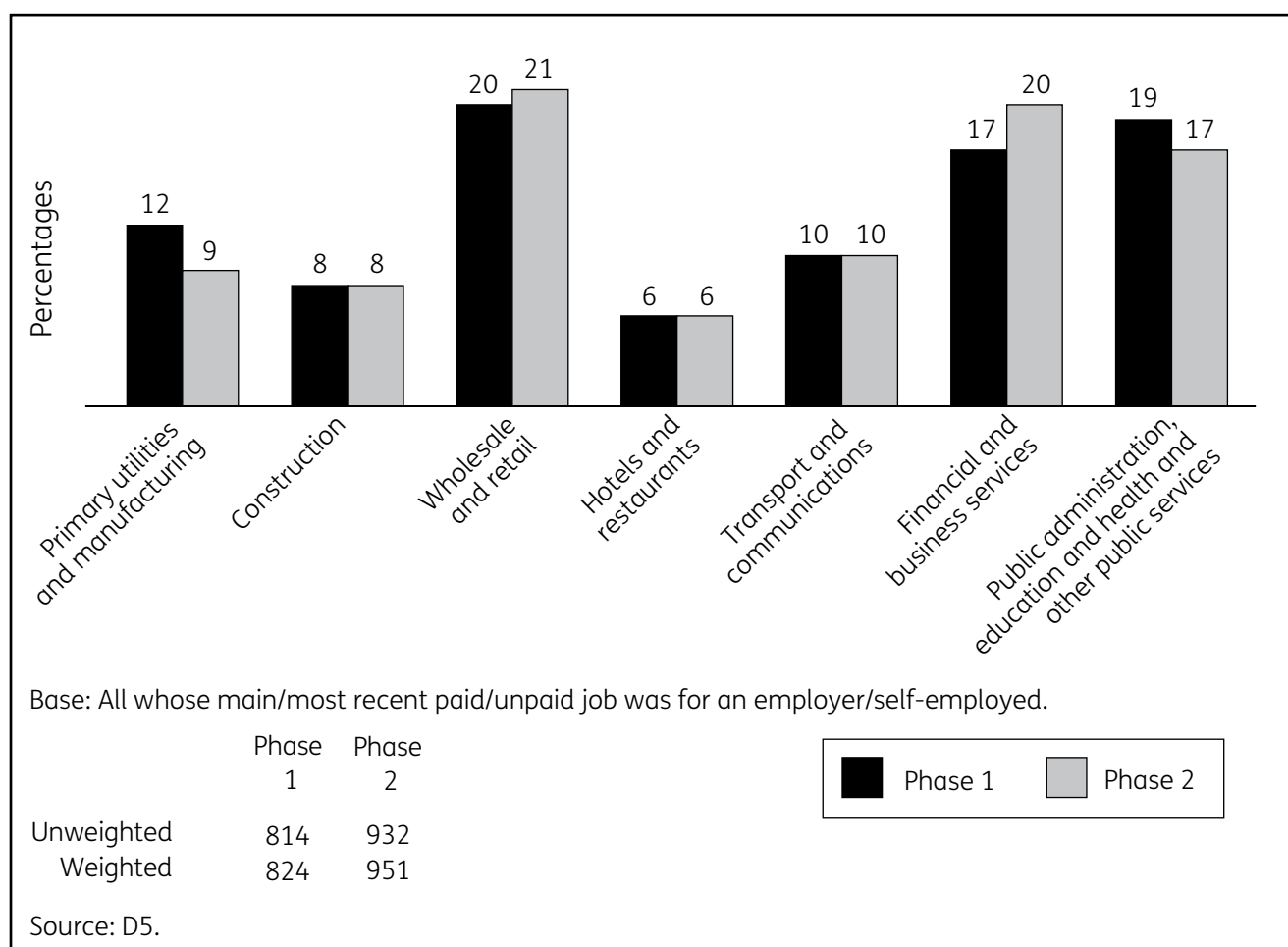
Around a quarter of ‘recyclers’ (those who entered work after claiming JSA, but have since returned to JSA) entered the wholesale and retail sector (24% in Phase 1 and 23% in Phase 2). Again, it is likely that seasonal fluctuations in employment patterns and the need for short-term staff over the Christmas period go some way to explaining this finding.

8.3.3 Detailed Industry Sector – Stage 3/comparison group

The breakdown of the industry sector entered for those JRFND Stage 3 customers who ended their claims and entered work is shown in Figure 8.4 below, which also shows the corresponding figures for Phase 2 comparison areas.

In line with the Stage 2 survey findings, customers across both phases who had entered work at some point during JRFND Stage 3 or equivalent support most commonly entered the wholesale and retail sector (20% Phase 1 and 21% Phase 2) and public administration, education and health services (19% in Phase 1 and 17% in Phase 2). However, unlike those entering work in Stage 2, they were equally as likely to have entered the financial and business services sector (17% in Phase 1 and 20% in Phase 2).

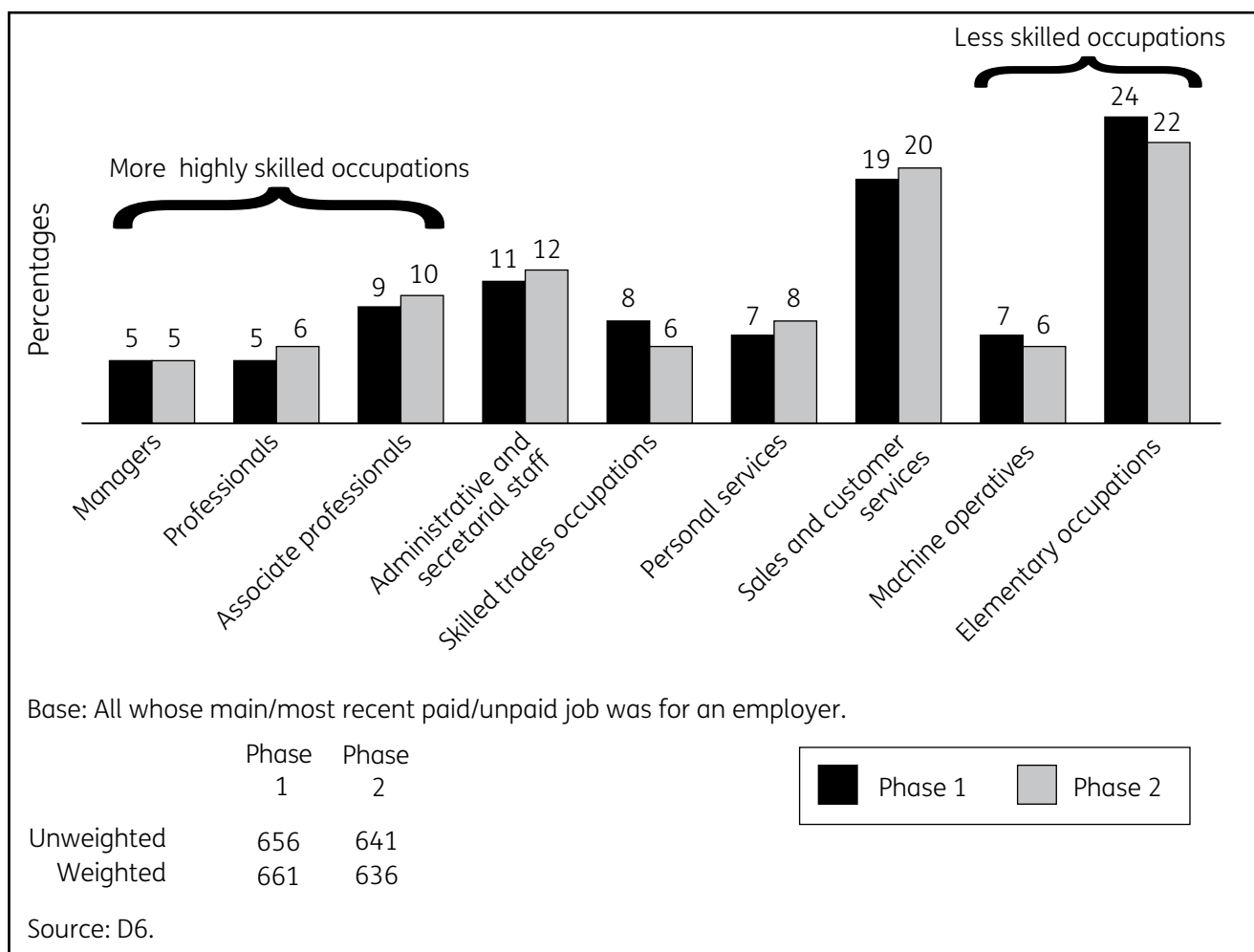
As seen at Stage 2, the occupational distribution did not vary significantly by phase. Also in line with Stage 2 findings, around a third of Stage 3 ‘recyclers’ entered the wholesale and retail sector (36% in Phase 1 and 31% in Phase 2); typically a fluid sector with a high staff turnover rate.

Figure 8.4 The main or most recent sector of customers who have entered work – Stage 3

8.4 Occupation

8.4.1 Stage 2/comparison group

Figure 8.5 shows the broad occupational role undertaken by customers who entered work after claiming for three to six months.

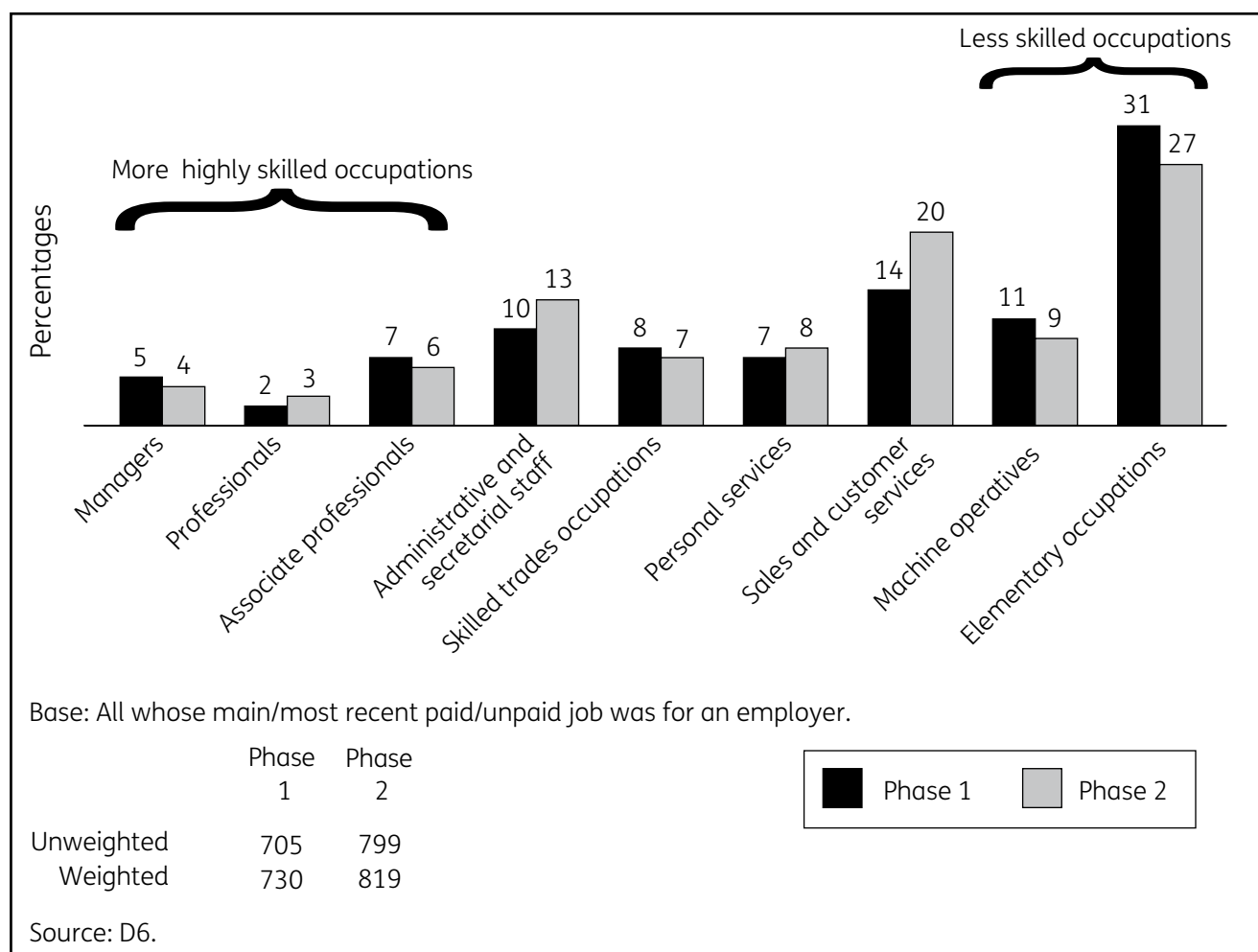
Figure 8.5 The main or most recent occupations of customers who have entered work – Stage 2

As seen at the Stage 1 survey, customers who had been claiming for three to six months in both phases were most likely to have entered elementary occupations such as labourers, bar staff and postal workers (24% in Phase 1 and 22% in Phase 2). A further fifth of customers in both phases (19% Phase 1 and 20% in Phase 2) went into sales and customer services roles, again reflecting the time of year that the Stage 2 customer survey fieldwork was carried out. The occupational profile of customers entering work at this point varied little by phase.

The JSA 'recyclers' most commonly entered lower skilled elementary occupations and were particularly likely to do so in Phase 1 areas (43% in Phase 1 and 28% in Phase 2). This suggests that where customers leave JSA to take up work and then return to claiming within a short period, they were particularly likely to take up a lower skilled role in Phase 1 areas than in Phase 2 areas. This may be evidence of the message of increased conditionality in JRFND areas encouraging customers to move into short-term, lower paid roles rather than remaining on JSA. However, it could also reflect differing labour markets between Phase 1 and Phase 2 areas on aggregate.

8.4.2 Stage 3/comparison group

Figure 8.6 The main or most recent occupations of customers who have entered work – Stage 3



JRFND Stage 3/comparison customers in both phases also most frequently entered elementary occupations (31% in Phase 1 and 27% in Phase 2).

As observed as Stage 2, Stage 3 'recyclers' were particularly likely to have entered elementary occupations (46% in Phase 1 and 40% in Phase 2).

Younger customers aged under 25 that entered work after experiencing some JRFND Stage 3 support were significantly more likely than their Phase 2 counterparts to have taken up a low-skilled, typically low-paid elementary role such as labouring or bar work (39% in Phase 1 and 20% in Phase 2).

Therefore, JRFND Stage 3 customers aged under 25 who entered work were more likely to enter lower skilled and typically lower paid occupations than those customers of the same age in Phase 2. This is further evidence that the 'old' JSA regime that was still in place in Phase 2 areas (which typically involves younger claimants entering NDYP after six months claiming) is more successful at helping young claimants. The JRFND Stage 3 survey found that younger claimants were both less likely to go into work per se than their Phase 2 counterparts, and where they had gone into work it was more likely to be in lower skilled roles.

8.5 Salary

Customers were asked how much they were paid on an annual, monthly, weekly, daily or hourly basis. Where enough information was provided an estimated annual salary⁶² was calculated for each customer.

8.5.1 Overview

Table 8.1 shows the mean average salary for all customers entering work in JRFND Stage 2 and Stage 3, and the average salaries of those entering work in Phase 2 areas after the same period of claiming as a comparison.

JRFND Stage 2 customers who had entered paid work after a claim period of three to six months reported earning a significantly lower annual mean salary than their Phase 2 counterparts. However, by Stage 3 the difference in average salaries between phases was not significant.

Table 8.1 Average annual salaries by Phase and Stage

	Phase 1 (JRFND)	Phase 2	
	Average salary (rounded to the nearest £50)		
Stage 2 survey	£12,600	£13,650	*
Stage 3 survey	£11,750	£12,350	
<i>Base unweighted/weighted</i>			
Stage 2	698/702	697/692	
Stage 3	791/805	898/917	

* Indicates a significant difference between phases.

A derived annual salary was calculated for 86% of those customers who had entered paid work.

8.5.2 Stage 2/comparison group

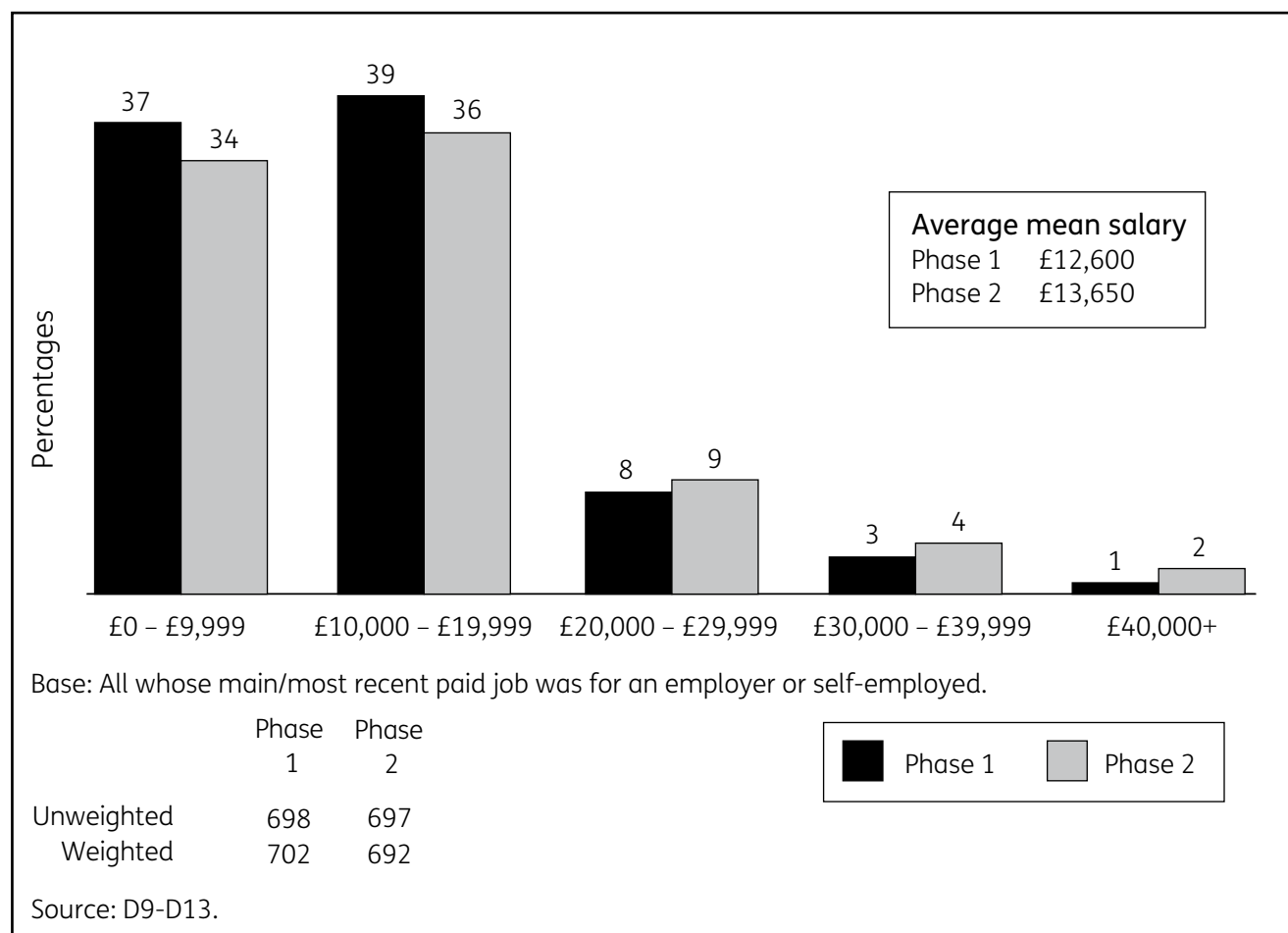
The salaries of those entering work after ending a JSA claim of three to six months of claiming are shown in Figure 8.7, which compares the salaries of those in Phase 1 with those in Phase 2.

As was found in Stage 1, customers in Phase 1 areas who had entered paid work at some point since ending their original claim continued to report earning a significantly lower average annual wage than customers who had entered paid work in Phase 2 (£12,600 in Phase 1 and £13,650 in Phase 2). Indeed, Phase 1 customers reported earning on average, £1,050 less than their Phase 2 counterparts per year. However, the difference in the average annual wage of customers between the two phases had decreased from that reported in the Stage 1 survey.⁶³

This decrease in the **difference** between Phase 1 and Phase 2 salaries is due to Phase 2 salaries decreasing more steeply than Phase 1 salaries between the Stage 1 and Stage 2 surveys.

⁶² Please note all annual salaries calculated in this section have been rounded to the nearest £50.

⁶³ A difference of £2,400 between Phase 1 and Phase 2 average annual salaries was reported in the Stage 1 survey.

Figure 8.7 Annual salaries of those who have entered work - Stage 2

The fact that salaries have decreased across both phases by Stage 2 is not unexpected. Customers who were most work-ready and thus better positioned to enter higher paid jobs were more likely to have left JSA during the first three months of the claim (i.e. during Stage 1). For a given job supply, all other things remaining equal, Stage 2 customers – longer-term claimants than Stage 1 – would be by definition less work-ready and face more barriers to employment, and therefore, are more likely to enter lower paid jobs when they do leave JSA.

Table 8.2 summarises the customer groups in Phase 2 areas earning a significantly higher average annual wage than their Phase 1 counterparts.

Table 8.2 Average annual salaries of customers in work (Stage 2)

	Phase 1	Base Unweighted/ weighted	Phase 2	Base Unweighted/ weighted	
	£		£		
Demographic group					
White British	12,400	626/600	14,150	582/540	*
Minority ethnic	13,350	69/100	11,900	111/148	
Qualification level					
No qualifications	9,850	139/123	12,300	115/107	*
Qualified to below Level 2	12,250	85/85	12,400	79/72	
Qualified at Level 2 or 3	11,050	238/250	13,300	251/255	*
Qualified to Level 4 or 5	15,600	232/241	15,050	245/251	
Employment status					
In full-time work for an employer	15,750	392/403	17,100	396/394	*
In part-time work for an employer	6,950	245/241	6,700	224/221	
Self-employed	15,100	61/58	19,400	77/77	

* Indicates a significant difference between phases.

As discussed in Chapter 6, customers in Phase 1 areas were equally as likely as Phase 2 customers to have entered full-time work so it is not this that is work determining the difference between the two mean annual salaries. This is confirmed by looking at the average annual salaries of just those who are in full-time work (see Table 8.2); Phase 2 customers working full-time for an employer earn a significantly higher average salary (£17,100) than those in Phase 1 working in full-time jobs (£15,750).

However, given that the majority of London and South East is in Phase 2 areas (see Appendix C for a full list of Jobcentre Plus districts by Phase) it is possible that a 'London effect' (as discussed in detail in the Stage 1 survey report), is driving up the salaries of customers in Phase 2 areas.

The majority of customers did not receive any Working Tax Credits (WTCs) to supplement their income (86% in Phase 1 and 87% in Phase 2). Although some customer sub-groups were significantly more likely to have received WTCs in JRFND Stage 2 (Phase 1) than they were in Phase 2 comparison areas:

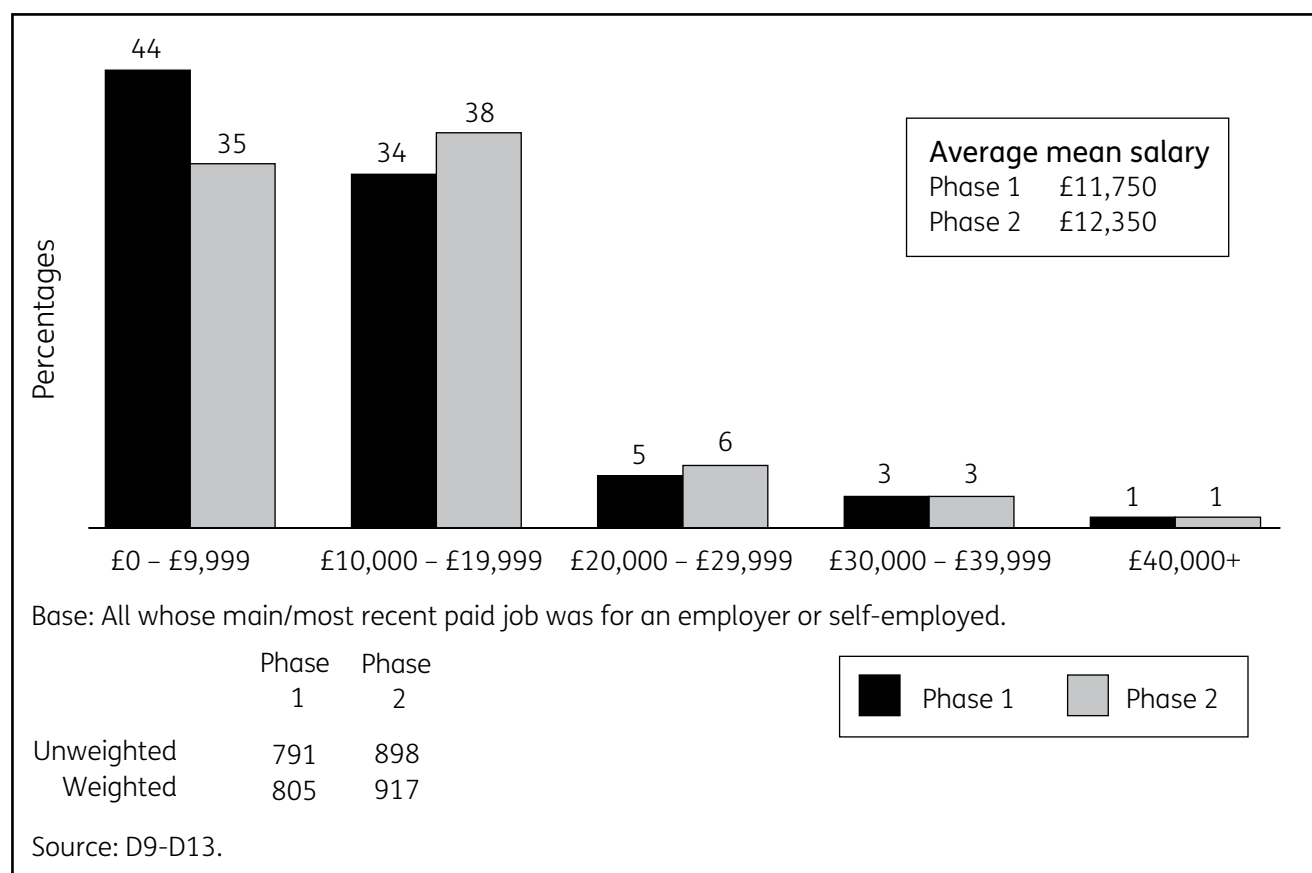
- customers who had qualifications below Level 2 (19% and 5%);
- customers who had returned to claiming by the time of interview (10% and 2%).

Only a very small handful of customers received a Job Grant⁶⁴ (2% in both phases).

8.5.3 Stage 3/comparison

Figure 8.8 shows the annual salary of those JRFND Stage 3/comparison customers who entered paid employment at some point after their Initial Stage 3/26 week Restart/Initial New Deal interview.

⁶⁴ The Job Grant is a one off tax free payment made to claimants who take up full-time work which is guaranteed for at least five weeks. To be eligible for the Job Grant, customers must have been claiming JSA (or other benefit types) for at least 26 weeks.

Figure 8.8 Annual salaries of those who have entered work – Stage 3

Customers in Phase 1 areas earned £11,750 on average, and Phase 2 customers reported earning an annual wage of £12,350, a difference of £600 which is not statistically significant.

However, some customer groups within Phase 1 did report earning a significantly lower mean average annual salary than their Phase 2 counterparts, most notably the 18-24 year olds (£9,150 in Phase 1 and £9,950 in Phase 2). So, as well as 18-24 year olds in Phase 2 areas being likely to move into work (as discussed earlier in the report), the work these younger claimants are moving into was also slightly (but significantly) better paid than the work their JRFND Phase 1 counterparts are entering.

In line with this, Phase 1 customers were significantly more likely to have been paid less than £10,000 per year (44% in Phase 1, 35% in Phase 2). As discussed in Chapter 7, customers who entered work in JRFND Stage 3 were significantly less likely to have entered full-time work with an employer than their Phase 2 equivalents (27% in Phase 1 and 31% in Phase 2). However, this does not solely explain the differences observed in the proportions of customers on low annual salaries. Looking just among those customers who worked full-time for an employer, Phase 1 customers were still significantly more likely to be earning within the lowest annual salary band of less than £10,000 annually (22% in Phase 1 and 16%) in Phase 2.

Phase 1 customers not in full-time work (i.e. those who were self-employed or in part-time work) were also significantly more likely to have fallen in the lowest annual salary band (71% in Phase 1 and 58% in Phase 2). This means that Phase 1 customers were significantly more likely to be working in a role that pays less than £10,000 a year irrespective of employment type, and that the smaller proportion of Phase 1 customers in full-time work in comparison to Phase 2 does not account for the likelihood of Phase 1 customers earning this lower wage.

Almost a fifth of customers who left JSA and entered work at some point after having their Initial Stage 3/26 week Restart/Initial New Deal interview received a Job Grant (18% in both Phases), reflecting the fact that once customers had hit six months of continual claiming they began to meet the eligibility criteria for receiving this payment.

However, the majority of these longer-term claimants did not receive any kind of in-work benefit or tax credits (68% in Phase 1 and 70% in Phase 2). As discussed above, the JSA 'recyclers' or customers with low or no qualification levels had been more likely to receive WTCs on entering work after leaving JRFND Stage 2 rather than Phase 2 comparison areas, but no variation by customer sub-group across Phase was observed at JRFND Stage 3.

8.6 Fast-trackers

Where customers had left JSA and found work after being fast-tracked to JRFND Stage 3, this work was significantly more likely to be short term work than main-track customers who found work after at least six months claiming in Phase 1 areas (24% of all work entered by Stage 3 fast-trackers was on a fixed contract lasting less than 12 months compared with 12% of main-track Phase 1 customers). They were also more likely to enter work in the wholesale and retail sectors (25% compared with 18%), enter low skilled elementary occupations (39% compared with 29%) and were correspondingly paid less on average than main-track customers that had entered work (an average annual salary of £10,100 compared with £12,240).

The fact that fast-tracked customers were typically lower skilled, lower paid roles is driving differences observed in the nature of employment entered at an overall level, as JRFND Phase 1 areas contain a higher proportion of fast-tracked customers than in Phase 2 areas (28% compared with 10%).

The nature of employment entered by JRFND Stage 3 fast-trackers broadly matched that entered by those customers who entered work after being fast-tracked to a New Deal programme in Phase 2 areas, with the exception that JRFND Stage 3 fast-trackers were more likely to fall into the lowest wage band despite working similar hours on average (55% earned less than £10,000 a year compared with 41% of Phase 2 fast-trackers)⁶⁵.

8.7 Summary

At JRFND Stage 2, there is very little difference in the nature of any employment entered (in terms of contract type, hours, sector and job role) by customers ending their claims in Phase 1 with the work entered by customers leaving JSA in Phase 2.

More variation by phase emerges at the Stage 3 survey, and Phase 1 customers were more likely to enter lower skilled elementary occupations than their Phase 2 counterparts; this was particularly the case for younger customers aged 18-24.

In terms of salary, customers who had entered paid work in JRFND Stage 2 (Phase 1) reported earning a significantly lower annual mean salary than their Phase 2 counterparts (as was the case at the Stage 1 survey). However, by Stage 3 the difference in average salaries at an overall level between phases was not significant. Underneath this overall picture is variation by age, with younger claimants in Phase 1 areas earning less than their counterparts in Phase 2 areas (who were also more likely to have entered work per se).

⁶⁵ This finding is statistically significant at the 94% confidence level.

9 Outcomes: Views of employment

9.1 Introduction

This chapter focuses only on those customers who had entered either paid or unpaid work at some point, irrespective of whether they were still working at the time the research was conducted. It considers customers' views of the employment gained in terms of its appropriateness and sustainability. As in previous chapters, the experiences of those finding work after entering Jobseekers Regime and Flexible New Deal (JRFND) Stage 2 and Stage 3 are discussed and are compared with those customers who found work in Phase 2 comparison areas. More specifically, it explores:

- 1 The duration of the role for those who were no longer working at the time of the research, and the reasons for leaving the role.
- 2 Views on the appropriateness of the position that they took.
- 3 Customers' perceptions of promotion prospects and opportunities for training and development.

While it is possible that customers had worked in more than one job role since ending their Jobseeker's Allowance (JSA) claim, the analysis presented in this chapter is based only on the main job held at the time of the interview (as determined by the customer) or their most recent job.

9.2 Time spent in employment before ending or returning to Jobseeker's Allowance claim

Customers who were not working at the time of the interview but had worked at some point since ending their claim were asked how long this role had lasted for.

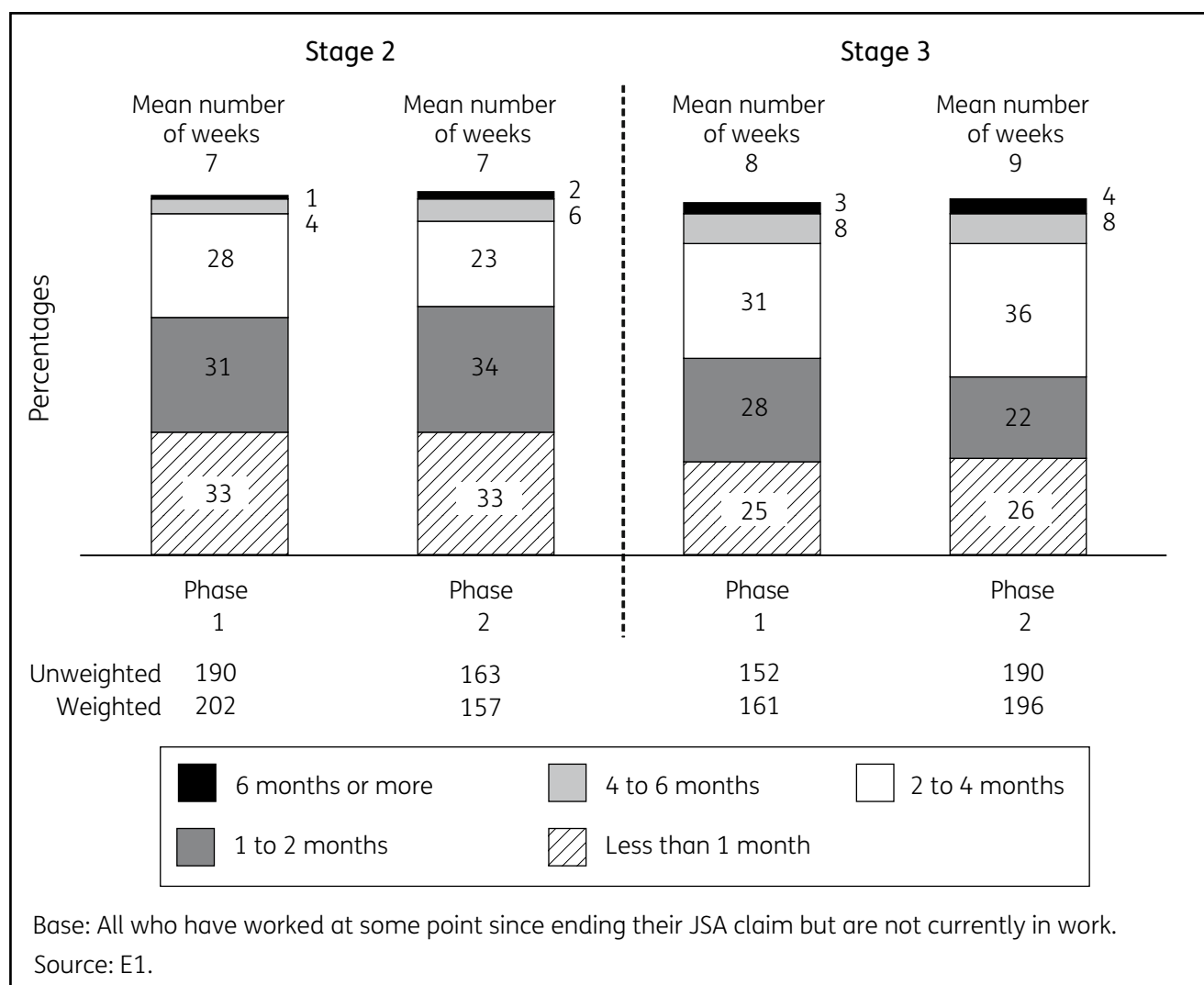
Figure 9.1 shows how long customers were in employment in JRFND Stage 2/comparison and JRFND Stage 3/comparison areas. Overall, there was very little difference in length of time in role (where the customers had left the role) between JRFND (Phase 1) and comparison areas.

Before ending the period of employment, JRFND Stage 2 customers had been employed for an average of seven weeks.

Where JRFND Stage 3 customers had found work but had then left the role by the time of the interview, they were typically employed for a little longer than Stage 2 customers - an average of eight weeks. Customers entering work in Phase 2 comparison areas worked an average of nine weeks before leaving employment; the difference between phases is not statistically significant.

Around half of all Stage 3 customers no longer in work had stayed in the role for up to two months (52% in Phase 1 and 48% in Phase 2). Around a third (31% Phase 1 and 36% Phase 2) had worked for two to four months before the role had ended.

However, a third of all customers (33% in both phases) finding work in JRFND Stage 2 and a quarter (25% Phase 1, 26% Phase 2) in JRFND Stage 3 had only worked for less than a month before leaving the role.

Figure 9.1 Length of employment

9.3 Reasons for leaving work or returning to Jobseeker's Allowance claiming

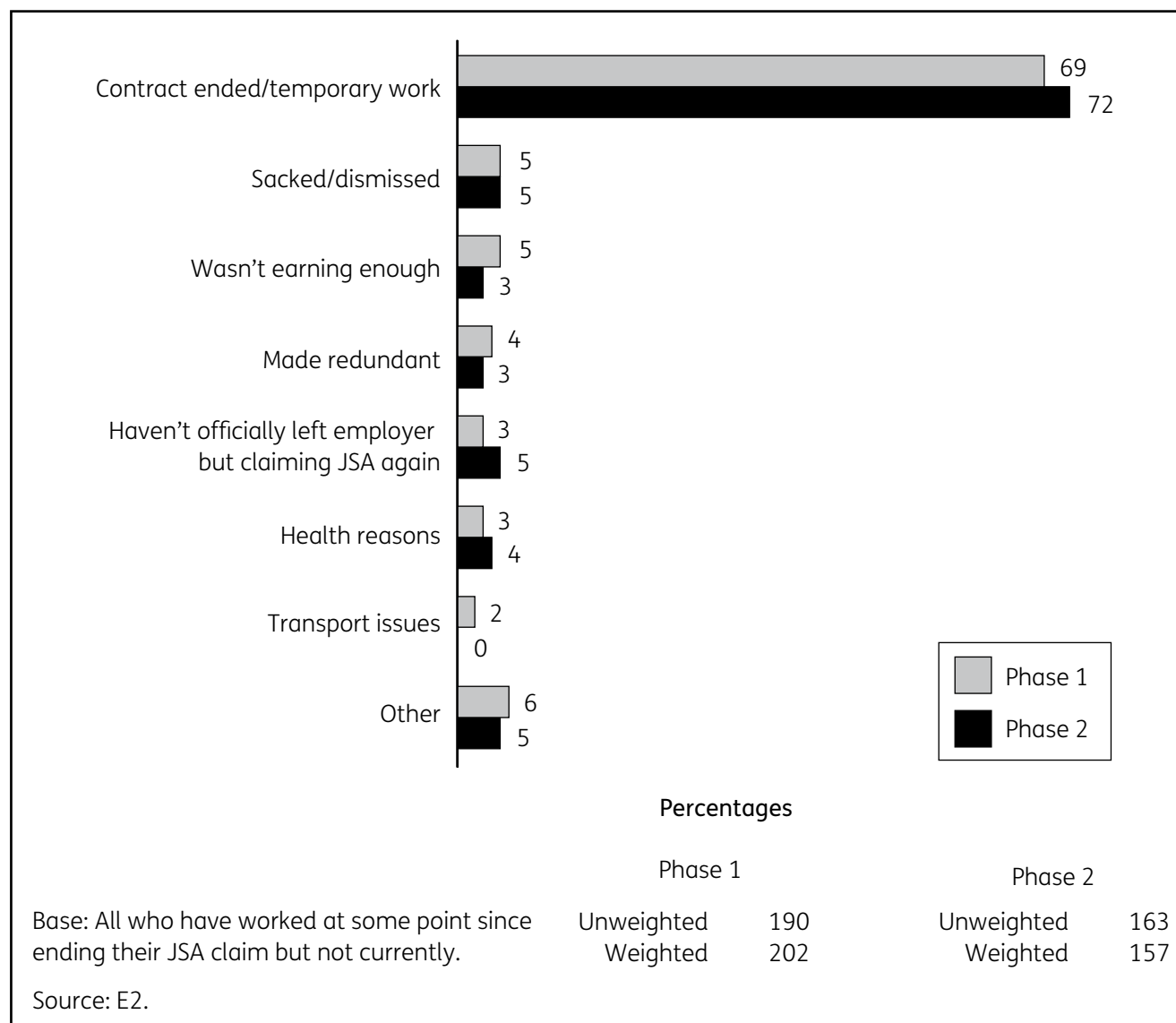
9.3.1 Stage 2/comparison group

Figure 9.2 illustrates the main reasons given by customers for leaving their employment.⁶⁶

The most common reason for Stage 2 customers leaving the employment they had gained since ending their JSA claim was the contract ending (69% in Phase 1 and 72% in Phase 2). The increase in the number of customers giving this as a main reason from the Stage 1/comparison survey⁶⁷ may reflect seasonal changes in employment patterns and that many jobs taken up by customers in both phases were temporary jobs lasting across the Christmas and sales period.

⁶⁶ Please note codes that returned less than 1% for either phase are not included in Figure 9.2.

⁶⁷ 57% of customers in Phase 1 and 56% of customers in Phase 2 cited the contract ending as a reason for leaving their employment at the Stage 1 comparison survey.

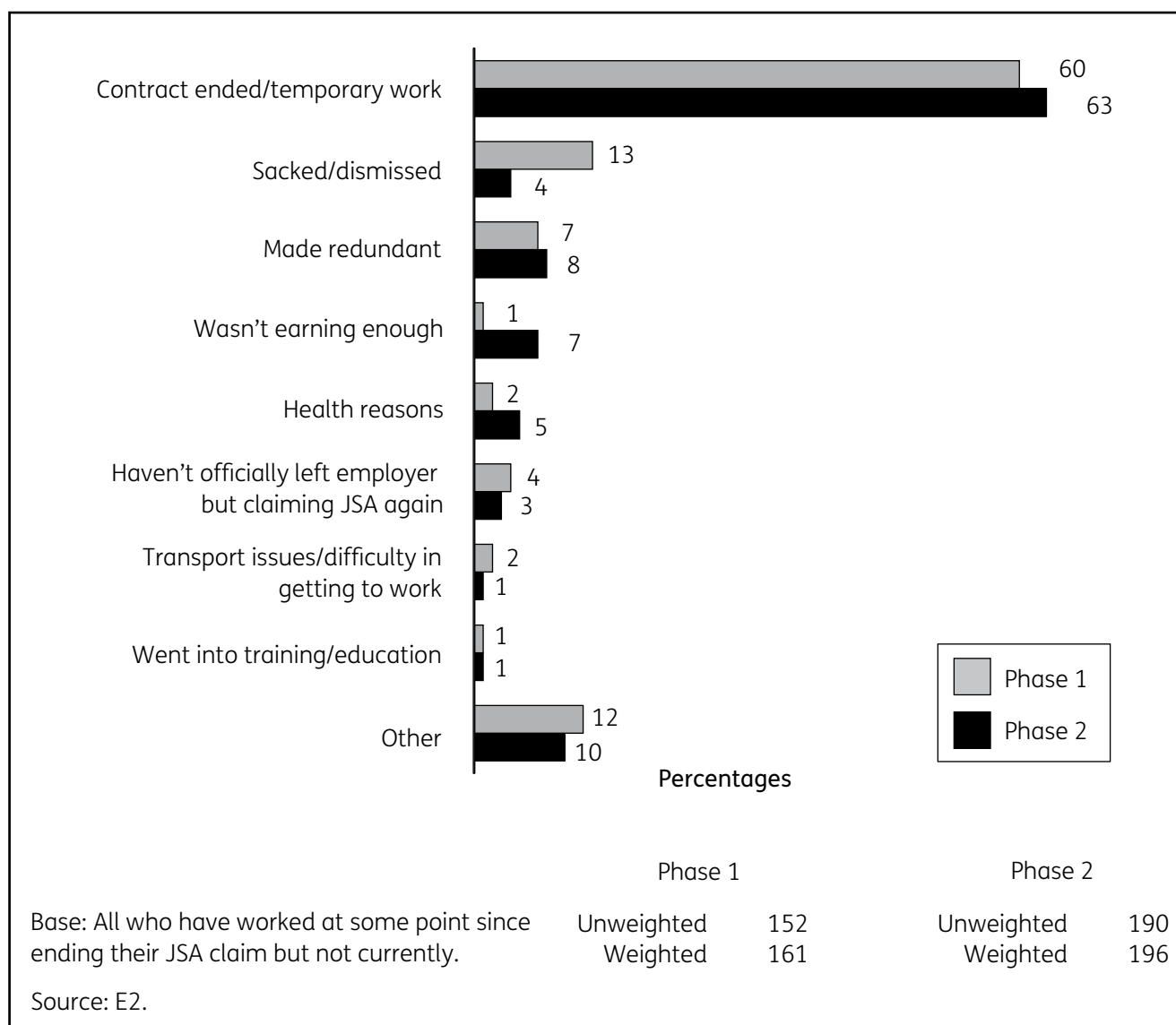
Figure 9.2 Main reasons for customers leaving their job – Stage 2

Other reasons for customers leaving their employment included: being sacked or dismissed (5% in both phases) or because they were not earning enough (5% in Phase 1 and 3% in Phase 2), with no significant differences by phase.

Some customers had returned to claiming JSA but had continued to work fewer than 16 hours a week (3% in Phase 1 and 5% in Phase 2), with no significant difference by phase.

9.3.2 Stage 3/comparison group

Figure 9.3 illustrates the main reasons given by JRFND Stage 3 customers for leaving their employment.

Figure 9.3 Reasons for customers leaving their job – Stage 3

As was the case for JRFND Stage 2 customers who had left employment by the time of the research, by far the most common reason for Stage 3 customers leaving the employment they had gained since ending their JSA claim was the contract ending (60% in Phase 1 and 63% in Phase 2).

Linked to this, around half (45% Phase 1, 52% Phase 2) of customers that had been employed on temporary or casual contracts were no longer in work. By comparison, just one in 12 (8% Phase 1, 7% Phase 2) of those who had been employed on a permanent or open-ended contract reported having left employment by the time of the research.

However, Stage 3 customers were more likely than Stage 2 customers to mention other reasons for the employment ending, such as being dismissed (13% in Phase 1 and 4% in Phase 2) and being made redundant (7% in Phase 1 and 8% in Phase 2). In fact, JRFND Stage 3 customers were significantly more likely to have cited being sacked or dismissed as a reason for leaving their employment than those leaving work in Phase 2 comparison areas. This may suggest that customers in JRFND Phase 1 may be more likely to agree to take jobs which may be unsuitable for them and from which they are more likely to be dismissed⁶⁸.

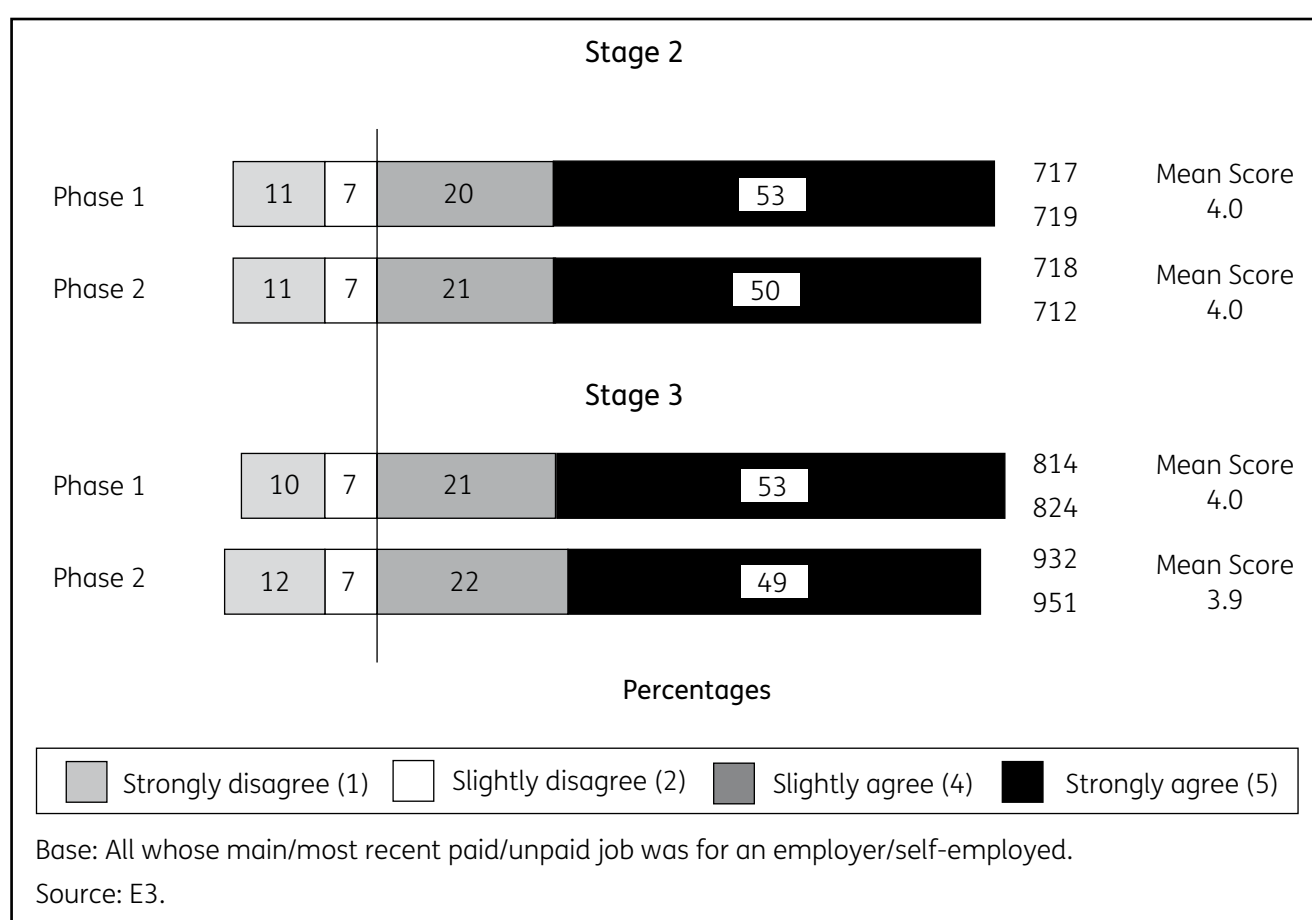
⁶⁸ The conditions of receiving JSA mean that those who go on to claim need not to have left their previous employment voluntarily and this fact may affect responses to this line of questioning.

However, it should be borne in mind that JRFND areas contain larger populations of the long term unemployed than Phase 2 areas. These customers may find it harder to adjust to a working environment which may also explain the higher proportions of dismissals in JRFND areas.

9.4 Suitability of work outcome

Customers who had entered work after leaving JRFND Stage 2 and JRFND Stage 3 (irrespective of whether they were still employed at the time of the research) were asked whether they considered the employment to be well suited to their skills and interests. Results are shown in Figure 9.4. Percentages do not total to 100% as those who neither agreed nor disagreed, or were unable to answer the question, have been removed.

Figure 9.4 Whether main or most recent work entered was a good match for customers' skills and interests



Overall, at both Stage 2 and Stage 3 of claiming, the majority of customers who had entered work agreed that the role was well suited to their skills and interests, with no significant variation by phase.

9.4.1 Stage 2/comparison group

Identical proportions of JRFND Stage 2 (Phase 1) and Phase 2 comparison customers felt that the job was a good match for their skills and interests (72% in both phases).

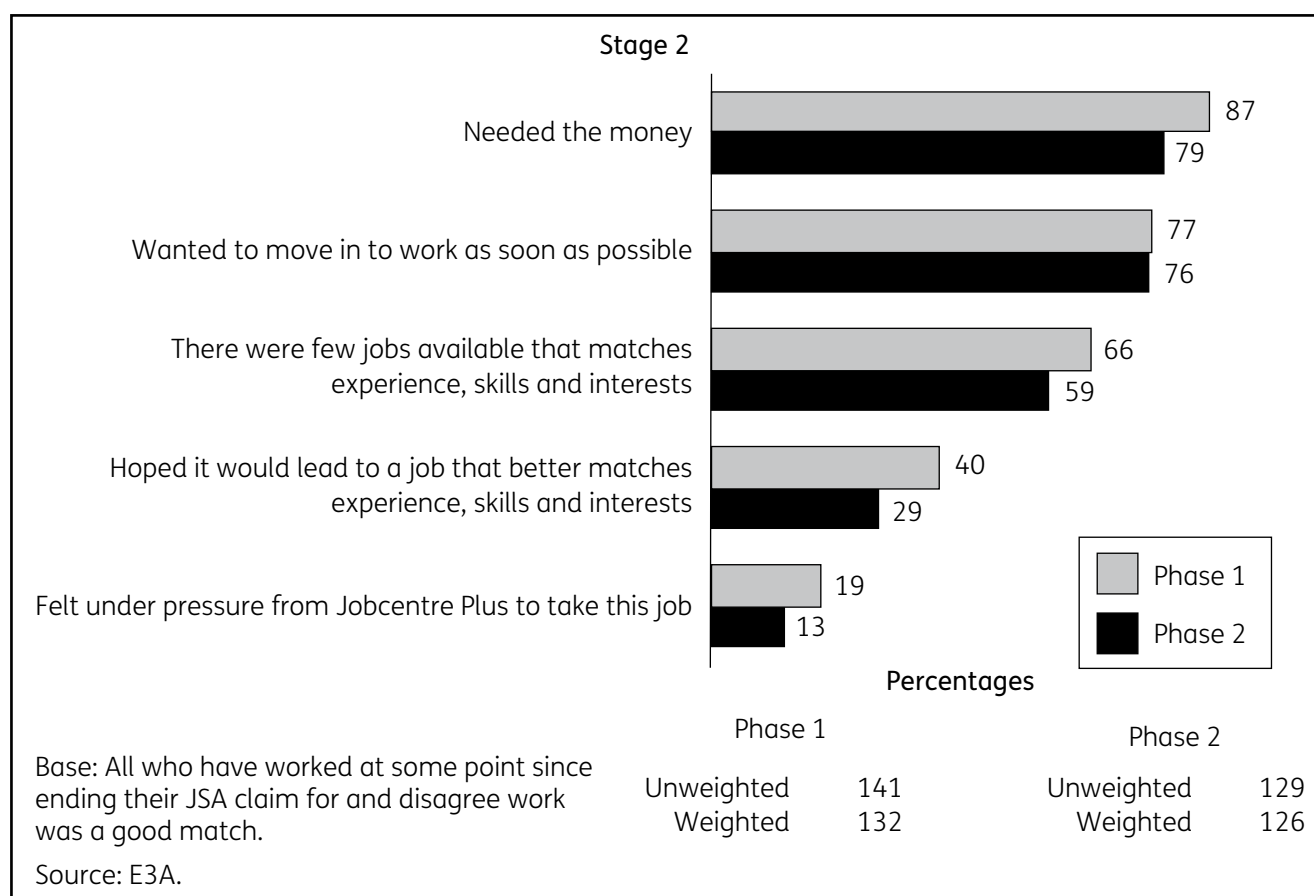
However, when those customers that had left employment by the time of the research were excluded from the analysis, customers in JRFND Phase 1 areas who were still employed were significantly more likely to strongly agree than those still in work in Phase 2 that the job was a good match for their skills and interests (57% in Phase 1 and 50% in Phase 2).

In contrast to the finding at the Stage 1/comparison survey⁶⁹, in the Stage 2 survey, customers with no qualifications in Phase 1 areas were significantly less likely to agree their work was suitable than those with no qualifications in Phase 2 areas (67% in Phase 1 and 79% in Phase 2)⁷⁰. This may suggest that further support is needed for these harder to help groups in JRFND Phase 1 areas to ensure that they enter a suitable work outcome.

Customers who disagreed that the work was well suited to their skills and interests were asked why they had taken up this work (see Figure 9.5). Customers in both phases most commonly cited needing the money as reason for taking up this 'unsuitable' work (mentioned by 87% of Phase 1 customers and 79% of Phase 2 customers – this difference by phase is not significant). Over three-quarters mentioned that they wanted to move into work as soon as possible (77% in Phase 1 and 76% in Phase 2).

A slightly higher, but not significantly higher, number of JRFND customers reported feeling under pressure to take the job (19% in Phase 1 and 13% in Phase 2).

Figure 9.5 Reasons for taking up 'unsuitable' work – Stage 2 customers



⁶⁹ Disagreement that the work was well suited among customers with no qualifications significantly lower in Phase 1 than Phase 2 areas (9% in Phase 1 and 16% in Phase 2).

⁷⁰ This finding is statistically significant at the 93% confidence level.

9.4.2 Stage 3/comparison group

As in Stage 2, approaching three-quarters of Stage 3 customers agreed that the work they entered was well matched to their skills and interests (74% in Phase 1 and 71% in Phase 2). This difference of three percentage points between phase is not statistically significant.

At Stage 3, a number of customer groups within JRFND Phase 1 were significantly more likely than their counterparts in Phase 2 to agree that their work was well matched to their skills and interests. These were customer groups who might be considered ‘easier to help’:

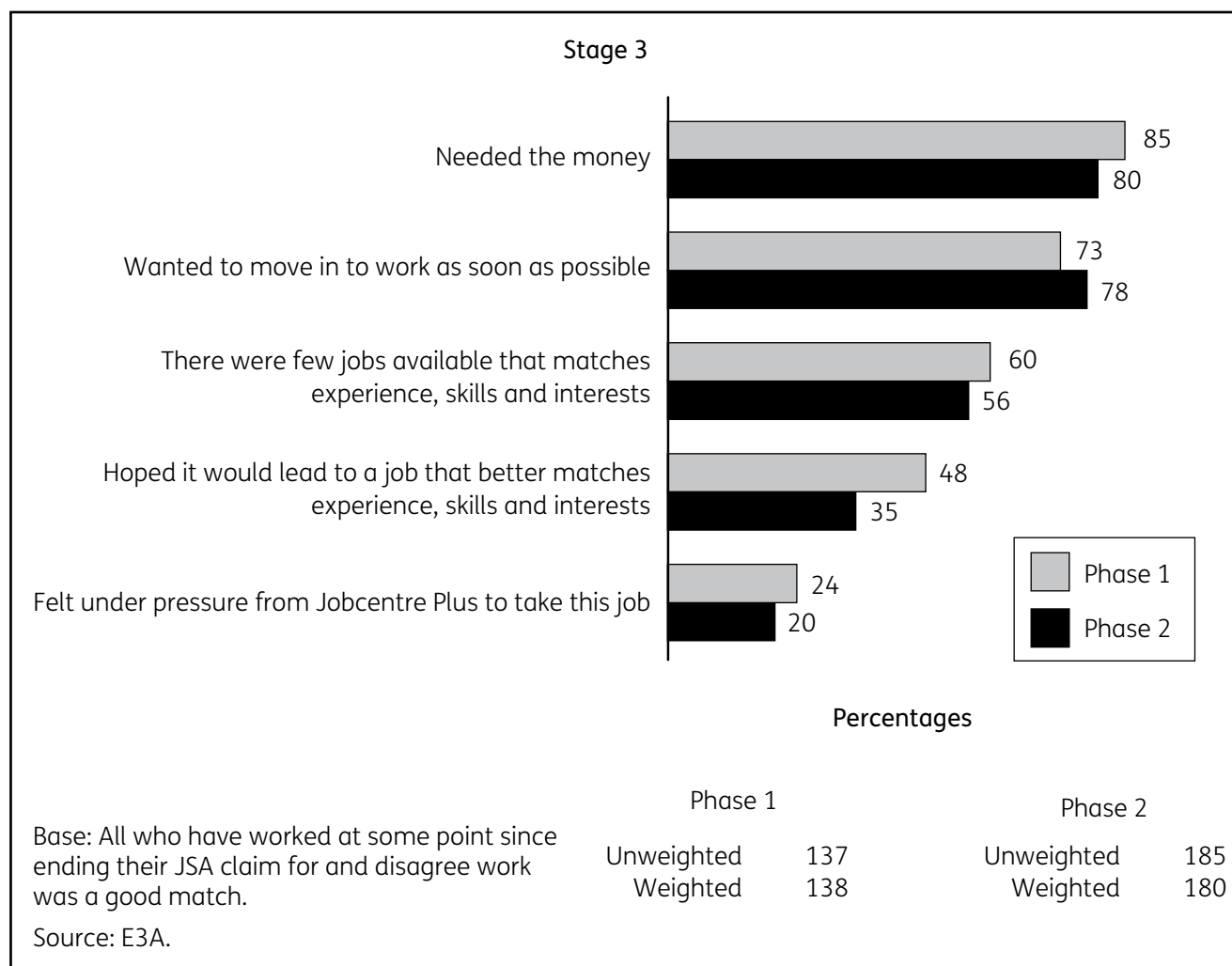
- customers with no children under the age of 16 (75% in Phase 1 and 70% in Phase 2);
- customers qualified to degree level or higher (78% and 65%);
- customers with no previous claim history (77% and 69%).

However, older customers (aged 50+) in Phase 1 areas were also significantly more likely to have agreed that their work was a good match (77% in Phase 1 and 66% in Phase 2). Thus, it would seem that JRFND is successful in helping some customer groups into work that they consider well suited to their skills and interests. However, this is not evident across the board and as discussed above some customer groups – notably those with no qualifications – are less likely to consider the work suitable than their counterparts in Phase 2 areas.

Reasons for taking up ‘unsuitable’ work at Stage 3 are similar to those cited at Stage 2, and were most commonly:

- needing the money (85% in Phase 1 and 80% in Phase 2);
- wanting to move into work as soon as possible (73% in Phase 1 and 78% in Phase 2);
- there being few jobs available that matched experience, skills or interests (60% in Phase 1 and 56% in Phase 2).

However, some differences between JRFND Phase 1 and Phase 2 comparison customers were observed at this stage: customers in Phase 1 were significantly more likely to say that they hoped this ‘unsuitable’ work would lead to a job that better matches their skills and interests (48% in Phase 1 and 35% in Phase 2). This may be a reflection of escalating conditionality being communicated in Phase 1, where customers were either more willing or simply under greater obligation to get into work with a view to moving onto something better with time, rather than remaining on JSA while waiting for a more suitable job to come up. Reasons given by customers for taking up work they did not consider well suited to their skills and interests are shown in Figure 9.6.

Figure 9.6 Reasons for taking up ‘unsuitable’ work – Stage 3 customers

9.5 Promotion prospects and training opportunities

Customers whose main or most recent job was paid work with an employer were asked if they had undertaken any training in the time that they had been employed. Findings for those customers finding work in JRFND Stage 2 are discussed, before moving on to customers finding work in JRFND Stage 3.

9.5.1 Stage 2/comparison group

Around two-fifths of Stage 2 customers had undertaken some kind of training (37% in Phase 1 and 38% in Phase 2). Most commonly, customers attended training courses at their workplace (28% in both phases) and a smaller number attended training courses off-site (10% in both phases).

Customers aged under 25 years were significantly less likely to have undertaken some in-work training than customers of the same age in Phase 2 (34% in Phase 1 and 43% in Phase 2).⁷¹

Customers in JRFND Phase 1 areas who had undertaken some kind of training while with their employers were significantly more likely to have trained towards a formal, recognised qualification than Phase 2 customers (17% in Phase 1 and 10% in Phase 2). This finding is being driven by

⁷¹ This finding is statistically significant at the 94% confidence level.

women, white British and the youngest and oldest customer groups, and is not linked to previous qualification level.

So, while customers in JRFND Phase 1 areas are no more likely to enter work with any training than those in Phase 2 areas (and in fact less likely if they are under 25), they are more likely to enter work which offers training towards a formal qualification. This may be evidence of JRFND back to work support linking more effectively with post-employment training through programmes such as Train to Gain and Apprenticeships, as intended by the Integrated Employment and Skills agenda.

Table 9.1 Proportion of customers by phase training towards a formal qualification – Stage 2

	Phase 1	Base Unweighted/ weighted	Phase 2	Base Unweighted/ weighted	
	%		%		
Proportion of customers undertaking training while with employer designed to lead to a formal qualification					
Demographic group					
Women	20	102/97	7	100/93	*
Men	15	138/140	13	148/141	
Age					
Customers aged 18-24	19	88/97	9	111/112	*
Customers aged 25-49	14	78/110	14	58/88	
Customers aged 50+	19	74/30	8	79/33	*
Ethnicity					
White British	19	218/204	10*	208/183	*
Minority ethnic	4	20/30	11	38/49	

*Indicates a significant difference between phases.

Significantly more JRFND Phase 1 customers were trained to entry level than customers in Phase 2 who had undertaken some kind of training while with their employer (26% in Phase 1 and 1% in Phase 2). This may link to the earlier finding that Phase 1 customers were significantly more likely to enter the primary, utilities and manufacturing sector where perhaps training relates to sector specific, industry standard requirements such as entry level Health and Safety courses.

Customers were also trained to both Level 2 (21% in Phase 1 and 16% in Phase 2), and Level 3 (13% in Phase 1 and 21% in Phase 2). These are the Levels that Apprenticeships and Advanced Apprenticeships are at (though it is not possible to say from this research whether this training was towards an Apprenticeship).

In most cases this training was delivered by the customers' employer (81% in Phase 1 and 78% in Phase 2). Less commonly the training was delivered by a private training company (12% in both phases) or a further education college (2% Phase 1 and 4% in Phase 2) with no significant differences observed across phase or by customer group.

A slight majority of JRFND Stage 2 customers in either paid or unpaid work at the time of interview believed that their role offered opportunities for promotion or for substantially increasing their responsibilities (59% in both phases). Underneath this overall finding of consistency across phase is a significant variation by age; those aged 25-49 in Phase 1 areas were significantly more likely believe this than their counterparts in Phase 2, whereas those aged 18-24 were significantly less likely to believe that the role offered them opportunities for promotion than those in Phase 2 areas.

Table 9.2 Proportion of customers by Phase who deemed their job at the time of interview to offer opportunities for promotion/increasing responsibilities – Stage 2

	Phase 1	Base Unweighted/ weighted	Phase 2	Base Unweighted/ weighted	
	%		%		
Proportion of customers who considered their job at the time of interview to offer opportunities for promotion/increasing responsibilities					
Age					
Customers aged 18-24	59	165/185	75	201/203	*
Customers aged 25-49	63	156/221	50	151/131	*
Customers aged 50+	43	156/64	43	145/62	

*Indicates a significant difference between phases.

Those in part-time work in Phase 1 areas were significantly less likely to think that the job offered opportunities for promotion and increased responsibilities than those in part-time work at the time of interview in Phase 2 (40% in Phase 1 and 52% in Phase 2).

At an overall level significantly more customers in Phase 1 believed their employer would not offer training that would help them secure promotion or more responsibilities in the future (38% in Phase 1 and 29% in Phase 2). In line with the findings outlined above, this is being driven by customers with low or no qualifications, younger customers and male customers (figures are shown in Table 9.3).

Table 9.3 Proportion of customers by Phase who thought their employer (at the time of interview) would not offer training that would help them secure promotion or more responsibilities – Stage 2

Proportion of customers did not think that their employer would not offer training to help gain promotion/increased responsibilities					
	Phase 1	Base Unweighted/ weighted	Phase 2	Base Unweighted/ weighted	
	%		%		
Gender					
Men	41	299/304	30	305/311	*
Women	31	178/166	29	192/186	
Age					
Customers aged 18-24	36	165/185	23	201/203	*
Customers aged 25-49	38	156/221	31	151/231	
Customers aged 50+	43	156/64	42	145/62	
Qualification level					
No qualifications	40	93/80	20	74/70	*
Qualified to below Level 2	45	47/46	37	48/43	
Qualified to Level 2 or 3	37	157/160	25	189/192	*
Qualified to Level 4 or 5	35	177/181	34	184/189	

*Indicates a significant difference between phase.

9.5.2 Stage 3/comparison group

Around two-fifths of customers who had entered paid work with an employer some point after entering Stage 3 had undertaken some kind of in-work training (40% in Phase 1 and 41% in Phase 2).

As found in the Stage 2 survey, most commonly these customers attended training courses at their workplace (28% in Phase 1 and 31% in Phase 2), and a smaller number attended training courses off-site (13% in Phase 1 and 11% in Phase 2).

Around one in five received training that was designed to lead to a formal recognised qualification (18% in Phase 1 and 20% in Phase 2) – notably there was no difference by phase in likelihood to have trained towards a formal qualification once in work whereas this had been the case for customers leaving JSA and entering work at JRFND Stage 2. This is due to higher training towards qualifications in Phase 2 between the two surveys.

Again, most customers reported being trained by their employer (73% in Phase 1 and 72% in Phase 2) with a smaller proportion trained by either a private training company (15% in Phase 1 and 14% in Phase 2) or a Further Education college (5% in Phase 1 and 7% in Phase 2).

Around three-fifths of customers thought their role would offer opportunities for promotion or for substantially increasing their responsibilities (60% in both phases). Continuing a pattern observed at Stage 2 of those with no qualifications being less likely to consider their role suitable or sustainable, at Stage 3 those with no qualifications in JRFND areas were more likely (although not significantly) than their counterparts in Phase 2 areas to state that their role offered no opportunities for promotion (48% in Phase 1 and 37% in Phase 2).

At an overall level, similar proportions of customers in JRFND Phase 1 and Phase 2 areas in work at the time of interview thought that their employer would offer them training that would help them secure promotion or more responsibilities (61% in both phases). However, again it was customers with no qualifications in JRFND areas who were significantly less likely to think that their employer would offer training to help gain promotion or increased responsibilities.⁷²

9.6 Fast-trackers

Fast-trackers to JRFND Stage 3 who had found work were no more or less likely than either JRFND main-track customers or fast-trackers to a New Deal programme in Phase 2 areas to agree that the work was a good match for their skills and interests. Nor were they any more or less likely to have received in-work training or to believe that the job would offer opportunities for progression in the future.

9.7 Summary

Where customers had entered short-term work that had ended by the time of the interview, this work lasted for a similar length of time in both JRFND Phase 1 and Phase 2 comparison areas. Reasons for leaving the employment were also broadly consistent across phases and are on the whole due to short-term contracts ending.

There is some suggestion that customers with no qualifications are more likely to end up in unsuitable roles or roles with no training or prospect of training in Phase 1 areas than in Phase 2 areas. This pattern was evident among customers leaving JSA at both JRFND Stage 2 and Stage 3.

⁷² This finding is statistically significant at the 93% confidence level.

However, JRFND support does appear to be more successful in helping some customer groups into suitable or sustainable work. At Stage 2 those who were still in work at the time of the interview were more likely to strongly agree that the job was a good match for their skills and interests in JRFND Phase 1 areas than those still in work in Phase 2 areas. By Stage 3, those customers who might be considered 'easier to help' or who face fewer barriers to work (as they have no children, higher qualification levels and had not claimed JSA previously) were significantly more likely to feel they had entered suitable work in JRFND Phase 1 areas than customers with the same background or circumstances in Phase 2 areas.

At Stage 2, younger customers (aged 18-24) were more likely to have received in-work training⁷³ or to believe that their role offered opportunities for progression in Phase 2 areas than in JRFND Phase 1 areas. The opposite is true for those aged 25-49 who were more positive about their roles in Phase 1.

At Stage 2, customers in work in JRFND Phase 1 areas were more likely to have undertaken post-employment training designed to lead to a formal qualification than those working in Phase 2 areas⁷⁴ (this is even true for younger customers despite being less likely to have received training overall).

At Stage 3 this had evened out across phases.

⁷³ This finding is statistically significant at the 94% confidence level.

⁷⁴ This finding is statistically significant at the 94% confidence level.

10 Conclusions

The main objective of the Jobseekers Regime and Flexible New Deal (JRFND) customer surveys is to compare the experiences and outcomes of Jobcentre Plus customers who received JRFND Stage 2 and JRFND Stage 3 support with customers undergoing a comparable stage of claiming in Phase 2 comparison areas where the old Jobseeker's Allowance (JSA) regime was still in place.

While the level and nature of the support on offer during JRFND Stage 2 ('directed job search') is reasonably similar to that provided under the old JSA regime in Phase 2 areas during months three to six of a claim, the programme diverges more substantially from the old regime at Stage 3 ('supported job search'). All customers enter Stage 3 of JRFND after six months claiming (though fast-tracking to this stage also occurs), before being referred to the Flexible New Deal (FND) upon completing Stage 3, i.e. typically after a year of continuous claiming. However, in Phase 2 comparison areas where the former JSA regime was still in place, younger customers (18-24 years old) were referred to the New Deal for Young People (NDYP) after six months of claiming, while customers aged 25 or over typically continued with regular signing and were not referred to the New Deal until 18 months of continuous claiming.

Thus, in considering the overall effect of JRFND support, the research compares the experiences and outcomes of both:

- younger customers receiving JRFND Stage 3 support with younger customers in Phase 2 areas participating in NDYP;
- customers aged 25 or over receiving JRFND Stage 3 support with customers aged 25 or over in Phase 2 areas experiencing regular signing under the old regime.

It should be noted that the intended differences between the support available at JRFND Stage 3 and that available under the old regime in Phase 2 areas were diluted to some extent by the national roll-out of the Six Month Offer (6MO) (introduced in response to the recession) in April 2009 coincident with JRFND. The 6MO involved extra advisory support alongside four voluntary strands of activity (a recruitment subsidy, self-employment support, a volunteering placement or work-focused training) and was available to all customers reaching the six month point of their claim across both JRFND Phase 1 and Phase 2 comparison areas.

Further to this, while there is some evidence to suggest that JRFND is being delivered largely as intended (such as increased use of weekly signing, adviser caseloading and mandated activities – see Sections 3.1, 4.1, 4.4 and 4.5) and that customer experiences of support in Phase 1 areas differs from that of customers in Phase 2 areas in ways that are aligned with the policy and programme intention, the research also suggests that there is some way to go before all customers in Phase 1 treatment areas are receiving the full programme. That is to say, it is still early days and while support such as Targeted Reviews (TRs), mandatory weekly signing and mandatory job search activities are taking place, there is some evidence from take-up levels that these are not fully established at this stage (11 months after the start of JRFND). This, and the 'dilution' effect of the 6MO, should be borne in mind when comparing the views and outcomes of customers in Phase 1 areas with those in Phase 2 areas.

10.1 A comparison of JRFND Stage 2 and JSA customers (three to six months of claim)

There were relatively few observable differences between the experiences, views and outcomes of customers in JRFND Stage 2 programmes areas (Phase 1) with those customers undergoing regular JSA signing in Phase 2 areas.

This is particularly true in terms of outcomes, with JRFND Stage 2 customers being no more (or less) likely than those in Phase 2 areas who had hit the three month point of their claim to have: ended their claims (36% in both phases – see Section 6.2); to have entered paid work at any point (23% in both phases – Section 7.2); or to have left JSA only to have ‘recycled’ back on to JSA by the time of the research (10% Phase 1, 9% Phase 2 – Section 6.2).

The only customers more likely to have ended claims and not returned to claiming JSA during JRFND Stage 2 than in three to six months of regular JSA signing in Phase 2 areas were those who own their own property (see Section 6.2). This may indicate that the JRFND programme is more effective in moving those customers who are more financially secure off benefits at this relatively early stage of claiming.

However, in terms of experiences and views of the support received during three to six months of the claim, some small but significant differences were observed with JRFND Stage 2 customers being more likely than their Phase 2 counterparts to:

- participate in a range of support activities aimed at providing job search advice (see Section 3.1);
- report an increased awareness of the ways in which to look for job vacancies (see Section 5.4);
- agree that the support offered matched their personal needs and circumstances (see Section 5.5) – this difference was most marked for younger customers; and
- also agree that they felt under pressure to take part in unsuitable activities – most marked for those with children or older customers aged 50+.

There is some suggestion that this increased participation in job search activity and tailoring of support to individual needs (particularly in the case of younger customers) may be translating into more suitable employment outcomes. While JRFND Stage 2 customers were no more likely to gain work per se than their Phase 2 counterparts, where they had found work and were still employed at the time of the interview they were more likely to strongly agree that the work was a good match for their skills and interests (see Section 10.4). However, that is not to say that JRFND Stage 2 customers secured higher paid or more sustainable employment; on the contrary, they earned less on average (see Section 9.5) and – if under 25 – were less likely to have secured a job with post-employment training opportunities (see Section 10.5).

It is relevant here that certain Jobcentre Plus districts were assigned to Phase 1 on the basis that they had historically experienced higher levels of long-term unemployment. As such, JRFND had a more difficult starting point and arguably needed to ‘work harder’ to get its customer base into work than was the case for the old regime in Phase 2 areas. These findings indicate that it is managing to achieve a comparable level of employment outcome with the former regime through offering higher levels of support activities and guiding customers (particular lower skilled or younger customers) into any work.

10.2 A comparison of younger customers experiencing JRFND Stage 3 and NDYP (typically six to 12 months of claim)

NDYP provision appears more effective than JRFND Stage 3 support in moving younger customers off benefit and into work. Younger customers referred to NDYP after six months of claiming in Phase 2 areas (or those who had been fast-tracked to this provision) were more likely to have ended their claims and started paid work than those who entered JRFND Stage 3 support (or who were fast-tracked to Stage 3) in Phase 1 areas. Where they had entered work this work was also typically better paid (see Section 9.5), higher skilled (see Section 9.4) and offered better prospects and training opportunities (see Section 10.5). In summary:

- Almost three in five (59%) young customers had ended their claims after starting NDYP in Phase 2 areas compared with just over two in five (43%) JRFND Stage 3 customers (see Section 6.2).
- Of these, similar proportions in both phases had returned to claiming by the time of the research meaning that overall nearly half (47%) of all NDYP customers remained off JSA compared with less than a third (32%) of all younger customers in Stage 3.
- Correspondingly, NDYP customers were more likely to have entered work at any point compared with Stage 3 younger customers (37% compared with 28%).

It is notable, however, that the difference in the proportion of customers entering paid work after leaving JSA (nine percentage points) was smaller than the difference in customers ending their claims generally (16 percentage points). This means that as well as more customers leaving NDYP and entering work, there were more who were also leaving JSA despite not having secured a job. This may indicate that NDYP was more effective in both deterring young people from claiming benefit as well as supporting them into employment.

10.3 A comparison of customers aged 25-59 experiencing JRFND Stage 3 and regular JSA signing (typically six to 12 months of claim)

Customers aged 25 or over represent around three-fifths of the JSA customer population hitting six months unemployed (around two-fifths are 25-49 and a fifth are 50-59). JRFND Stage 3 support is (at least) as effective in moving customers aged 25 or over off JSA as the former JSA regime.

Overall, these customers were just as likely (and in the case of main track customers more likely) to have moved off and stayed off JSA in JRFND Phase 1 (see Section 6.2) and similarly are equally likely in either phase to have entered paid work at any point (see Section 7.2). There is also some suggestion that the jobs they entered were more sustainable than those entered by customers aged 25-59 leaving JSA in Phase 2 areas in terms of opportunities for progression (see Section 10.5) and, in the case of customers aged 50 or over, being well matched to their skills and interests (see Section 10.4).

As noted above, Phase 1 (JRFND) areas are more likely to have a history of long-term unemployment than Phase 2 comparison areas which means it is difficult to assess the extent to which the JRFND programme may actually be more effective than the former regime for customers aged 25 or over (on the basis that it achieves comparable outcomes from a potentially more difficult starting point). However, there is evidence to suggest that it is more effective for main track customers of this age group at least.

10.4 Overall JRFND Stage 3 and Phase 2 regime comparison

At an overall level, the positive outcomes among younger customers referred to NDYP provision are driving up the overall claim status and employment outcomes for Phase 2 customers generally: two-fifths (40%) in Phase 2 had left JSA and remained off JSA by the time of the research compared with just over a third (34%) in JRFND Phase 1 areas.

However, this is largely as expected at this stage; it is unsurprising that those Phase 2 customers referred to New Deal provision after just six months would report more positive outcomes given that this support is more intensive than that delivered under JRFND Stage 3. The overall comparison between the JRFND programme and the former regime in comparison areas will be incomplete until later customer surveys compare the experiences of those referred to the FND in Phase 1 areas with customers in Phase 2 areas undertaking either regular signing or an old New Deal programme. The next customer survey⁷⁵ will enable comparisons to be drawn between customers aged 25 and over (the majority of the customer base) who are participating in the FND after a year of claiming with those aged 25 or over who continue with regular signing in Phase 2 areas. It is at this stage that the full effect of referring all customers to FND after one year can be measured.

⁷⁵ Fieldwork for the initial FND/comparison survey will be conducted in December 2010 with findings to be published in Spring 2011.

Appendix A

Additional analysis of customers aged 50+

This appendix contains detailed analysis of the Stage 2 and Stage 3 Jobseekers Regime and Flexible New Deal (JRFND) customer surveys focusing just on those customers aged 50 or over. For the purposes of analysis customers have been divided into three age bands: 50-54, 55-59, and 60-64. Findings are presented for each of these three groups except where noted (the two upper age bands have been grouped together for certain question areas due to base sizes being too small for meaningful statistical analysis to be carried out).

Figures in the 'All 50+' columns in Tables A.1 - A.20 are taken from customer age according to the sample supplied by the Department for Work and Pensions (DWP), while the figures used for detailed age breakdown (i.e. 50-54, 55-59, 60-64) are taken from the age given by customers during the survey (as this level of detail was not available on the sample)⁷⁶.

The analysis presented in this appendix covers:

- Support taken up at JRFND Stage 2 and Stage 3 and customer views on the usefulness of the support (see Tables A.1 – A.6).
- Number of face-to-face advisers meetings recalled (see Table A.7).
- The demographic profile of older fast-trackers to JRFND Stage 3 (see Table A.8).
- Whether customers felt under pressure to take part in activities they felt were unsuitable (see Tables A.9 – A.10).
- Activity currently engaged in (see Tables A.11 – A.12).
- Whether training undertaken and possibilities for promotion or increased responsibilities in current job (see Tables A.13 – A.16).
- Outcomes of JRFND, salary and sector in which currently working (see Tables A.17 – A.20).

⁷⁶ There are small discrepancies between these sets of figures but largely they match each other. Customer age according to the sample database provided is used throughout the main report hence is used here for the 'all 50+ analysis' for consistency.

Take up by customer age – Stage 2

Table A.1 Proportion taking up each support type by age – Stage 2

	All 50+		Phase 1 (JRFND)			Phase 2		
	Phase 1 %	Phase 2 %	50-54 %	55-59 %	60-64 %	50-54 %	55-59 %	60-64 %
Job search advice								
Initial Stage 2 Review/13-week interview	79 <i>b</i>	62	77	80	80	62	65 <i>h</i>	54
Advice on places to look for job vacancies	66 <i>b</i>	56	66	68	64	56	59	49
Back to Work Session (BtWS)	65 <i>b</i>	–	65	65	65	–	–	–
Move to weekly signing	50 <i>b</i>	30	49	50	52	32	29	29
One or two longer or more focused interviews	56 <i>b</i>	–	57	57	51	–	–	–
A short course on CV, job applications or interview skills	16	13	14	19	12	13	13	8
Other support activities								
Adviser Discretion Fund (ADF): Money to help cover the costs of finding work	10	9	11	8	6	11	8	5
Advice on benefits or credits	11	8	10	12	8	8 <i>h</i>	8 <i>h</i>	2
Referral to careers adviser	7	6	8	7	6	8 <i>g</i>	4	4
Advice on improving writing, maths, or English language skills	7	6	7	6	6	6	6	3
Support for Newly Unemployed (SNU): advice for professionals or executives	9	8	9	7	11	9	7	14 <i>g</i>
Work trial or placement	2	2	3	1	3	4 <i>g</i>	1	2
<i>Base: all customers</i>	<i>(a)</i>	<i>(b)</i>	<i>(c)</i>	<i>(d)</i>	<i>(e)</i>	<i>(f)</i>	<i>(g)</i>	<i>(h)</i>
<i>Weighted</i>	414	428	199	167	46	209	170	43
<i>Unweighted</i>	1,002	999	476	400	113	484	397	101

Note: Significant differences are represented by letters which indicate a difference between two groups.

Under both JRFND and the previous regime, customers aged 50+ were less likely than average to experience most support options than younger customers during JRFND Stage 2 or the corresponding point of their claim in Phase 2 areas.

In Phase 1 JRFND areas, the differences were most marked for advice on places to look for job vacancies (75% overall compared to 66% of 50+), a back to work session (70% overall and 65% of 50+) and a move to weekly signing (53% overall and 50% of 50+).

In Phase 2 areas, the difference was also apparent for advice on places to look for vacancies (68% overall compared to 56% of 50+) and for a move to weekly signing (30% overall and 35% of 50+).

Generally, the differences in levels of take-up between 50+ customers in JRFND Phase 1 areas and 50+ customers in Phase 2 areas reflect those observed across the customer group as a whole (with levels of take-up of most 'job search activities' higher under JRFND).

Table A.1 (Stage 2 support taken up by age) shows that there was not huge variation in levels of take-up by ageband within the 50+ age bracket. However, there was more variation in take up of 'other support activities' by detailed age group under the former regime in Phase 2 areas than in JRFND Phase 1 areas: those customers aged 50-54 and 55-59 in Phase 2 areas were more likely to take up advice on what benefits they might be entitled to once in work when compared to those aged 60-64 (8% compared to 2% respectively); furthermore those aged 50-54 were more likely than those aged 55-59 to take up a referral to a careers adviser or a work trial. Those aged 60-64 were more likely to take up advice specifically for professionals or executives but were less likely than other older customers to receive money to help cover the costs associated with work.

Most of these same general trends were apparent in JRFND Phase 1 areas but the differences involved were smaller and not statistically significant.

Take up by customer age – Stage 3

Table A.2 Proportion taking up each support type by age – Stage 3

	All 50+		Phase 1 (JRFND)			Phase 2		
	Phase 1 %	Phase 2 %	50-54 %	55-59 %	60-64 %	50-54 %	55-59 %	60-64 %
Job search advice								
Move to weekly signing	27 <i>b</i>	11	29	26	22	10	11	11
Drawing up an action plan	29 <i>b</i>	20	34 <i>d e</i>	27 <i>e</i>	15	20	22 <i>h</i>	12
Referral to a centre for CV, job applications or interview skills	20	17	23 <i>e</i>	19 <i>e</i>	9	18	17	11
Support available from six months of claiming								
Six Month Offer (6MO) – self-marketing voucher	30	29	33	34	10	28	32	15
6MO – training course	8	9	10 <i>e</i>	8 <i>e</i>	1	11 <i>g h</i>	7	3
6MO – volunteering placement	5	4	6	6	1	4	4	2
6MO – self-employment support	2	1	2	3	–	1	1	1
Gateway to Work	–	–	–	–	–	–	–	–
New Deal	–	5	–	–	–	4 <i>h</i>	7 <i>f h</i>	–
Other support activities								
Referral to careers adviser	15 <i>b</i>	10	17 <i>e</i>	15 <i>e</i>	5	12 <i>h</i>	9	3
Advice on benefits or credits	16 <i>b</i>	12	17 <i>e</i>	17 <i>e</i>	9	12	13	6
ADF	10	10	13 <i>e</i>	10	4	12 <i>h</i>	9	4
Basic skills course	6	4	8 <i>e</i>	5	1	4	5	1
Work trial or placement	3	3	4	3	1	4	2	2
Base: all customers	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
Weighted	536	568	269	223	50	290	225	55
Unweighted	1,002	1,001	487	422	94	502	397	96

Note: Significant differences are represented by letters which indicate a difference between two groups.

The pattern was similar for the experience of 50+ customers under JRFND Stage 3 and the equivalent point of their claim in Phase 2 areas with take up of support generally lower for 50+ customers.

In Phase 1 areas, customers aged 50+ were less likely to take up all except one of the support options than average (the exception was advice on benefits and credits that those aged 50+ were equally as likely to receive as younger customers). The differences were most marked for uptake of the 6MO self-marketing voucher (39% overall and 30% of 50+) and a move to weekly signing (37% overall and 27% of 50+).

In Phase 2 areas, 50+ customers were again less likely to take up most forms of support. The differences were largest for support related to job search advice including drawing up an action plan (27% overall and 20% of 50+), referrals to centres for CV, job application or interview skills (28% overall and 17% of 50+) and weekly signing (17% overall and 11% of 50+).

The differences in levels of take-up among 50+ customers **between** Phase 1 and Phase 2 areas were quite large for the three types of 'job search advice' but these reflect those observed across customers as a whole.

Table A.2 shows the proportions of older customers taking up each form of support available in JRFND Stage 3/Phase 2 equivalent by age-band. This analysis shows that under both regimes, customers aged 60-64 were less likely to take up several forms of support available than their counterparts in the 50-54 and 55-59 age groups.

The main differences to note are:

- In JRFND Phase 1 areas, the likelihood to have drawn up an action plan decreased with age within the 50+ age group (50-54 34%, 55-59 27%, 60-64 15%). The oldest customers (60-64) were also much less likely to have drawn up an action plan than younger 50+ customers in Phase 2 areas although there was no difference between those aged 50-54 and those aged 55-59.
- Similarly, likelihood to take up referral to a centre for CV, job applications or interview skills decreased significantly by customer age group in JRFND Phase 1 areas. In Phase 2 areas, those aged 60-64 were much less likely to have taken-up this support but there was no difference between those aged 50-54 and those aged 55-59.
- There were no statistically significant differences in either phase in exposure to weekly signing (although this does decrease slightly with age in Phase 1 areas).
- Take up of 6MO options generally decreased with age (in both phases) with most notable differences observed for take up of the 6MO Training Option.

Usefulness of support types taken up by customer type – Stage 2

Table A.3 Proportion of customers finding each support type taken up useful ('very useful' or 'quite useful') – Stage 2

	All 50+		Phase 1 (JRFND)		Phase 2	
	Phase 1 %	Phase 2 %	50-54 %	55+ %	50-54 %	55+ %
Job search advice						
Initial Stage 2 Review/13-week interview	58	50	60	57	53	48
Advice on places to look for job vacancies	77	75	76	78	77	74
BtWS	62	–	62	63	–	–
Move to weekly signing	24	25	26	22	26	25
One or two longer or more focused interviews	65	–	65	66	–	–
A short course on CV, job applications or interview skills	79	86	86	75	84	87
Other support activities						
ADF: Money to help cover the costs of finding work	90	90	95	86	91	89
Advice on benefits or credits	82	83	87	77	83	85
Referral to careers adviser	80	80	84	79	79	81
Advice on improving writing, maths, or English language skills	88	83	88	88	83	82
SNU: advice for professionals or executives	77	81	75	79	80	83

Base: All customers taking up each form of support. Base sizes for each form of support and customer age group are shown in Table A.4.

Note: “*” is used where base sizes are less than 25. Findings in italics are where base sizes are 25-49 and should be treated as indicative only. Usefulness findings for a work trial are not shown at all due to low overall base sizes for older customers taking up this form of support.

Overall, the majority of support types were viewed as useful by a slightly lower proportion of 50+ customers than average. In line with findings at an overall level, the form of support viewed as useful by the lowest proportion of customers was a move to weekly signing (36% overall compared to 24% of 50+ in Phase 1 and 36% overall compared to 25% of 50+ in Phase 2).

Within the 50+ age bracket, older customers were less likely to find some support types useful. This difference was particularly notable for short courses on CVs, job applications and interviews in Phase 1 areas.

Table A.4 Unweighted and weighted base sizes for usefulness of support ratings – Stage 2

	All 50+		Phase 1 (JRFND)		Phase 2	
	Phase 1 %	Phase 2 %	50-54 %	55+ %	50-54 %	55+ %
Initial Stage 2 Review/13-week interview						
Weighted	327	266	154	171	130	135
Unweighted	791	620	368	411	299	344
Advice on places to look for job vacancies						
Weighted	273	239	132	143	116	121
Unweighted	660	558	314	342	267	282
BtWS						
Weighted	268	n/a	129	138	n/a	n/a
Unweighted	645	n/a	306	332	n/a	n/a
Move to weekly signing						
Weighted	207	129	98	107	68	61
Unweighted	501	300	234	260	153	143
One or two longer or more focused interviews						
Weighted	234	n/a	114	118	n/a	n/a
Unweighted	559	n/a	270	280	n/a	n/a
A short course on CV, job applications or interview skills						
Weighted	65	55	29	37	27	27
Unweighted	157	126	68	88	63	61
ADF: Money to help cover the costs of finding work						
Weighted	40	39	23	16	24	15
Unweighted	94	93	54	36	38	38
Advice on benefits or credits						
Weighted	44	33	21	23	18	15
Unweighted	104	76	49	54	41	35
Referral to careers adviser						
Weighted	30	26	18	14	16	9
Unweighted	73	60	40	33	38	21
Advice on improving writing, maths, or English language skills						
Weighted	28	24	13	13	13	12
Unweighted	65	54	31	31	27	26
SNU: advice for professionals or executives						
Weighted	36	36	19	17	18	17
Unweighted	83	84	45	38	42	40
Work trial or placement						
Weighted	10	10	6	4	8	3
Unweighted	24	24	15	9	18	6

Usefulness of support types taken up by customer type – Stage 3

Table A.5 Proportion of customers finding each support type taken up useful – Stage 3

	All 50+		Phase 1 (JRFND)		Phase 2	
	Phase 1 %	Phase 2 %	50-54 %	55+ %	50-54 %	55+ %
Job search advice						
Move to weekly signing	24	33	27	21	28	37
Drawing up an action plan	62	67	62	62	64	71
Referral to a centre for CV, job applications or interview skills	74	75	78	70	80	70
Support available from six months of claiming						
6MO – training course	87	83	82	91	80	78
6MO – volunteering placement	73	57	78	*	*	*
6MO – self-employment support	77	64	72	82	66	*
New Deal	n/a	71	n/a	n/a	*	71
Other support activities						
Referral to careers adviser	71	71	75	66	73	64
Advice on benefits or credits	86	82	90	83	80	83
ADF	91	93	91	91	94	93
Basic skills course	82	73	84	*	*	*
Work trial or placement	75	62	*	*	*	*

Base: All customers taking up each form of support. Base sizes for each form of support and customer age group are shown in Table A.6.

Note: '*' is used where base sizes are less than 25. Findings in italics are where base sizes are 25-49 and should be treated as indicative only. Usefulness findings for a work trial are not shown at all due to low overall base sizes for older customers taking up this form of support.

As with Stage 2 findings, 50+ customers tended to be slightly less likely to view most support types as useful than average. The exceptions to this were the 6MO training course that 50+ customers were more likely than average to consider useful in both phases (81% overall compared to 87% of 50+ in JRFND Phase 1 and 79% overall compared to 83% of 50+ in Phase 2) and a basic skills courses in Phase 1 areas only (74% overall and 82% of 50+).

In both phases, customers aged 55 and over were less likely than those aged 50-54 to consider referrals to centres for CVs, applications and interview skills, referrals to careers advisers and advice on benefits and credits to be useful.

Table A.6 Unweighted and weighted base sizes for usefulness of support ratings – Stage 3

	All 50+		Phase 1 (JRFND)		Phase 2	
	Phase 1 %	Phase 2 %	50-54 %	55+ %	50-54 %	55+ %
Move to weekly signing						
Weighted	143	61	79	68	30	31
Unweighted	264	107	138	128	52	54
Drawing up an action plan						
Weighted	155	112	92	69	58	55
Unweighted	288	198	163	129	100	98
Referral to a centre for CV, job applications or interview skills						
Weighted	108	98	63	48	54	46
Unweighted	199	171	112	89	91	80
6MO – training course						
Weighted	45	49	27	18	32	16
Unweighted	83	86	49	33	55	28
6MO – volunteering placement skills						
Weighted	28	21	15	13	11	8
Unweighted	52	37	28	23	20	15
6MO – self-employment support						
Weighted	34	29	17	19	16	10
Unweighted	63	50	29	34	26	17
Gateway to Work						
Weighted	n/a	n/a	n/a	n/a	n/a	n/a
Unweighted	n/a	n/a	n/a	n/a	n/a	n/a
New Deal						
Weighted	n/a	30	n/a	n/a	11	16
Unweighted	n/a	52	n/a	n/a	20	28
Referral to careers adviser						
Weighted	80	57	44	37	35	22
Unweighted	148	100	81	68	61	39
Advice on benefits or credits						
Weighted	86	70	45	42	34	33
Unweighted	160	122	82	78	60	58
ADF						
Weighted	57	58	34	24	35	23
Unweighted	104	101	60	45	59	41
Basic skills course						
Weighted	30	23	20	11	12	11
Unweighted	57	41	36	20	21	19
Work trial or placement						
Weighted	17	18	10	8	12	7
Unweighted	32	32	18	15	21	12

Face-to-face adviser meetings

Table A.7 Number of face-to-face adviser meetings – Stage 3

	All 50+		Phase 1 (JRFND)			Phase 2		
	Phase 1 %	Phase 2 %	50-54 %	55-59 %	60-64 %	50-54 %	55-59 %	60-64 %
1-2	30	45 <i>a</i>	27	31	44 <i>c d</i>	43	46	50
3-4	34 <i>b</i>	23	34	35	30	25	21	26
5-6	14 <i>b</i>	8	17 <i>e</i>	14 <i>e</i>	2	9	8	3
7-10	6	5	6	7	3	6	6	1
More than 10	6	5	8 <i>e</i>	5	2	5	5	2
Cannot remember any interviews other than signing on	7	11 <i>a</i>	5	8	16 <i>c d</i>	10	12	14
Don't know	2	3	3	2	3	3	3	3
<i>Base: all customers</i>	<i>(a)</i>	<i>(b)</i>	<i>(c)</i>	<i>(d)</i>	<i>(e)</i>	<i>(f)</i>	<i>(g)</i>	<i>(h)</i>
<i>Weighted</i>	536	568	269	223	50	290	225	55
<i>Unweighted</i>	1,002	1,001	487	422	94	502	397	96

Note: Significant differences are represented by letters which indicate a difference between two groups.

As per the findings at an overall level, the findings for customers aged 50+ indicate that those customers in Phase 1 were more likely to receive a higher number of face-to-face adviser meetings in Stage 3/the equivalent point of their claim than those in Phase 2 areas. However, in both phases, those aged over 50 tended to receive fewer meetings than their younger counterparts. Under JRFND Phase 1, an average of 34% of customers received five or more meetings compared with 26% of 50+ customers. In Phase 2 areas, an average of 24% of customers received five or more meetings compared with 18% of 50+ customers.

Among JRFND Phase 1 customers over 50 the number of face-to-face adviser interviews decreased with age: significantly more customers aged 50-54 had five or more interviews with an adviser when compared to those aged 60-64. Correspondingly, Phase 1 customers aged 60-64 were significantly more likely to have had just one to two face-to-face meetings with an adviser when compared to both the 55-59 and 50-54 age groups (44%, 31% and 27% respectively).

This pattern of older customers having fewer face-to-face meetings than those in younger age bands is more marked in Phase 1 areas than in Phase 2 areas where the former regime was still in place (differences between detailed age groups in Phase 2 areas are not statistically significant).

Demographic profile of fast-trackers to JRFND Stage 3

Fast-trackers accounted for 28% of those entering Stage 3 in JRFND Phase 1 areas. Fast-tracking was less common among customers aged 50+ with only 14% of 50+ customers entering Stage 3 being fast-trackers.

Table A.8 shows the demographic profile of older customers that were fast-tracked to JRFND Stage 3. Note that a profile of older fast-trackers in Phase 2 areas (i.e. those referred for early entry to New Deal 25 Plus (ND25+)) is not shown due to low base sizes⁷⁷.

There were few differences in the profiles of 50+ fast-trackers by detailed age group, although those aged 55-64 who were fast-tracked to JRFND Stage 3 support were significantly more likely to be white British than the 50-54 year old fast-trackers.

Table A.8 Demographic profile of fast-trackers 50+ Stage 3

	Phase 1 (JRFND)		
	All 50+ %	50-54 %	55+ %
Gender			
Male	79	79	79
Female	21	21	21
Ethnicity			
White British	81	75	88
Minority ethnic	11	15	7
Disability status			
Health condition/disability	40	33	48
No health condition/disability	60	67	52
PSA16 status			
PSA16	6	4	7
Not PSA16	94	96	93
Qualification level			
No qualifications/below level 2	58	61	61
Level 2-3	25	27	24
Level 4-5	16	15	16
Level 2 and above	42	41	42
Claim history			
Previously claimed	77	77	77
Not previously claimed	23	23	22
<i>Base: all fast-trackers</i>			
<i>Weighted</i>	77	41	36
<i>Unweighted</i>	143	75	67

⁷⁷ Just 19 (unweighted) customers aged 50+ who were marked as fast-trackers on the sample database took part in the survey

Whether felt under pressure – Stage 2

Table A.9 Agreement with: Felt under pressure to take part in activities not suited to their needs and circumstances – Stage 2

	All 50+		Phase 1 (JRFND)			Phase 2		
	Phase 1	Phase 2	50-54	55-59	60-64	50-54	55-59	60-64
	%	%	%	%	%	%	%	%
Strongly agree	13	10	16 d	11	15	9	11	6
Slightly agree	12	12	11	15	11	12	12	11
Neither agree nor disagree	9	10	7	11	10	11	9	11
Slightly disagree	27	23	26	26	31	23	24	21
Strongly disagree	37	43	39	35	32	43	42	47
Don't know	2	3	2	2	2	2	2	5
Summary: agree	26	22	26	26	26	21	23	17
Summary: disagree	63	66	64	61	63	66	66	67
<i>Base: all customers</i>								
<i>Weighted</i>	414	428	199	167	46	209	170	43
<i>Unweighted</i>	1,002	999	476	400	113	484	397	101

Note: Significant differences are represented by letters which indicate a difference between two groups.

In line with the findings at an overall level, the majority of customers aged over 50 in both Stage 2 and Stage 3 disagreed that they felt under pressure to take part in activities not suited to their needs and circumstances.

At Stage 2/the equivalent point in their claim, customers aged 50+ in JRFND Phase 2 areas were slightly more likely to disagree than customers on average. (There was no difference in JRFND Phase 1 areas).

On the whole, there was no variation in responses to this question by age-band within the 50+ age bracket. The only difference observed was that Phase 1 customers aged 50-54 were significantly more likely than those aged 55-59 to state that they 'strongly agreed' that they felt under pressure to take part in unsuitable activities.

Whether under pressure – Stage 3

Table A.10 **Extent to which agree: Felt under pressure to take part in activities not suited to their needs and circumstances – Stage 3**

	All 50+		Phase 1 (JRFND)			Phase 2		
	Phase 1	Phase 2	50-54	55-59	60-64	50-54	55-59	60-64
	%	%	%	%	%	%	%	%
Strongly agree	15	13	17	14	9	15	14	8
Slightly agree	13	12	14	12	13	12	12	9
Neither agree nor disagree	8	10	9	7	13 d	11	8	10
Slightly disagree	25	24	24	25	28	24	25	25
Strongly disagree	36	39	34	39	33	37	39	46
Don't know	3	2	3	3	5	2	2	1
Summary: agree	28	25	31	26	21	27	25	18
Summary: disagree	61	63	58	65 c	61	61	64	71
<i>Base: all customers</i>	<i>(a)</i>	<i>(b)</i>	<i>(c)</i>	<i>(d)</i>	<i>(e)</i>	<i>(f)</i>	<i>(g)</i>	<i>(h)</i>
<i>Weighted</i>	<i>536</i>	<i>568</i>	<i>269</i>	<i>223</i>	<i>50</i>	<i>209</i>	<i>225</i>	<i>55</i>
<i>Unweighted</i>	<i>1,002</i>	<i>1,001</i>	<i>487</i>	<i>422</i>	<i>94</i>	<i>502</i>	<i>397</i>	<i>96</i>

Note: Significant differences are represented by letters which indicate a difference between two groups.

As at Stage 2, the majority of customers at Stage 3/the equivalent point of their claim disagreed that they felt under pressure to take part in unsuitable activities.

Within both phases, the proportion of 50+ customers disagreeing that they felt under pressure was slightly higher than at an overall level (57% at an overall level and 61% of those 50+ in Phase 1 areas and 55% at an overall level and 63% of 50+ in Phase 2 areas).

Also within both phases, the likelihood to agree that they felt under pressure to take part in activities not suited to their needs and circumstances decreased with age within the 50+ age bracket so that those aged 60-64 were least likely to agree that they felt under pressure.

Outcomes – Stage 2

Table A.11 Current activity – Stage 2

	All 50+		Phase 1 (JRFND)			Phase 2		
	Phase 1 %	Phase 2 %	50-54 %	55-59 %	60-64 %	50-54 %	55-59 %	60-64 %
Currently claiming JSA	67	67	71 <i>e</i>	66 <i>e</i>	53	71 <i>h</i>	67	52
Self-employed	2	3	2	2	3	2	2	2
Working full-time for an employer – 30 hours or more per week	10	11	11	9	6	13	9	7
Working part-time for an employer – less than 30 hours per week	6	4	5	6	5	4	4	5
Retired and/or claiming a pension/pension credit	6	6	4	6	12 <i>c d</i>	2	6	19 <i>f g</i>
In full-time training or education – 16 hours or more per week	*–	–	–	–	–	–	–	–
In part-time training or education – 16 hours or more per week	2	1	2	1	1	1	1	1
In the process of setting up a new claim for JSA	2	2	2	3	1	2	2	3
Receiving, or in the process of claiming for another benefit for people who are not working	4	4	3	4	8 <i>c</i>	3	4	4
Working for an employer in a voluntary, unpaid role or internship	1	1	1	2	2	1	1	1
None of the above	7	7	5	7	12 <i>c</i>	5	7	13 <i>f</i>
Summary: in paid work	17	16	18	16	13	17	15	14
Summary: in training/education	2	1	3	1	1	1	1	1
<i>Base: all customers</i>	<i>(a)</i>	<i>(b)</i>	<i>(c)</i>	<i>(d)</i>	<i>(e)</i>	<i>(f)</i>	<i>(g)</i>	<i>(h)</i>
<i>Weighted</i>	414	428	199	167	46	209	170	43
<i>Unweighted</i>	1,002	999	476	400	113	484	397	101

Note: Significant differences are represented by letters which indicate a difference between two groups.

Around one-third of Stage 2 Phase 1 customers aged 50+ had ended their claims for JSA with around two-thirds (67%) of those aged 50+ still claiming at the time of the Stage 2 customer survey, these findings are in line with those at an overall level.

Within both phases, there is an indication that the proportion remaining on JSA decreased with age (50-54 71%, 55-59 66%, 60-64 53% in Phase 1 areas; 50-54 71%, 55-59 67%, 60-64 52% in Phase 2 areas) – however, these differences are not statistically significant.

Unsurprisingly, the oldest customers in both phases (aged 60-64) were more likely to be retired and/or claiming Pension Credit than those in younger age groups (Phase 1 12% of 60-64 compared to 6% of 55-59 and 4% of 50-54; Phase 2 19% of 60-64, 6% of 55-59 and 2% of 50-54).

Those customers aged 60-64 in Phase 1 were significantly more likely to be receiving, or in the process of claiming for another benefit for people who are not working (60-64 8%, 55-59 4%, 50-54 3%). This trend was not observed in Phase 2 areas.

Across all 50+ age bands and both Phase 1 and Phase 2 areas there were no customers who had moved into full-time training or education. This is in contrast to younger age groups (under 25 and 25-49) where a small proportion of customers were in full-time training or education. Small proportions of customers who are 50+ had, however, moved into part-time training or education.

Outcomes – Stage 3

Table A.12 Current activity – Stage 3

	All 50+		Phase 1 (JRFND)			Phase 2		
	Phase 1 %	Phase 2 %	50-54 %	55-59 %	60-64 %	50-54 %	55-59 %	60-64 %
Currently claiming JSA	58	59	65 <i>d e</i>	56 <i>e</i>	26	63 <i>h</i>	63 <i>h</i>	21
Self-employed	6	5	5	7	3	5	3	13 <i>f g</i>
Working full-time for an employer – 30 hours or more per week	9	10	13 <i>d</i>	6	6	11	10	7
Working part-time for an employer – less than 30 hours per week	7	7	6	7	7	8	5	12 <i>f</i>
Retired and/or claiming a pension/pension credit	9	9	3	11	28 <i>c d</i>	4	8 <i>f</i>	35 <i>f g</i>
In full-time training or education – 16 hours or more per week	*-	*-	*-	-	-	*-	*-	2
In part-time training or education – 16 hours or more per week	1	2	2	*-	2	2	3	4
In the process of setting up a new claim for JSA	1	2	1	1	-	1	*-	1
Receiving, or in the process of claiming for another benefit for people who are not working	5	3	5	6	1	2	4	4
Working for an employer in a voluntary, unpaid role or internship	1	1	*-	2	1	1	1	4 <i>g</i>
None of the above	10	8	5	11 <i>c</i>	28 <i>c d</i>	8	8	17 <i>f g</i>
Summary: in paid work	20	21	23	18	17	24 <i>g</i>	16	28 <i>g</i>
Summary: in training/ education	1	3 <i>a</i>	2	-	2	2	3	6
<i>Base: all customers</i>	<i>(a)</i>	<i>(b)</i>	<i>(c)</i>	<i>(d)</i>	<i>(e)</i>	<i>(f)</i>	<i>(g)</i>	<i>(h)</i>
<i>Weighted</i>	536	568	269	223	50	290	225	55
<i>Unweighted</i>	1,002	1,001	487	422	94	502	397	96

Note: Significant differences are represented by letters which indicate a difference between two groups.

In comparison to findings at an overall level (which showed that Phase 1 customers were less likely than Phase 2 customers to have ended claims), among those customers aged 50+ there was no difference between phase as to whether customers had ended their claim for JSA.

Within the 50+ age group, Phase 1 customers in the 50-54 age group were more likely than other age groups to be in paid work (50-54 23%, 55-59 18%, 60-64 17%). However, in Phase 2 areas this trend is reversed with those customers aged 60-64 being more likely (although not statistically significantly so) than other age groups to be in paid work (50-54 24%, 55-59 16%, 60-64 28%). This is being driven by those aged 60-64 in Phase 2 areas being more likely to be self-employed, and – compared with those aged 50-54 – being more likely to be in part-time work.

Again those aged 60+ across both phases were significantly more likely than other age groups to be retired and/or claiming Pension Credit.

As observed at Stage 2/the equivalent, customers over 50 were unlikely to be in full-time training or education (Phase 1 50-54 1%; Phase 2 50-54 1%, 55-59 1%, 60-64 2%). Again, customers were slightly more likely to be in part-time training or education than full-time training or education (Phase 1 50-54 2%, 60-64 2%; Phase 2 50-54 2%, 55-59 3%, 60-64 4%).

Formal qualification – Stage 2

Table A.13 Proportion of customers by phase training towards a formal qualification – Stage 2

	All 50+		Phase 1 (JRFND)		Phase 2	
	Phase 1 %	Phase 2 %	50-54 %	55+ %	50-54 %	55+ %
Yes – a formal recognised qualification	4	6	5	2	5	8
Yes – part or a unit of a recognised qualification	2	3	4	-	5	2
Undertook training but did not lead to either full/part of a recognised qualification (or don't know)	29	33	28	29	35	31
Did not undertake any training with employer	65	57	64	69	56	60
<i>Base: all customers whose main/most recent job is with an employer</i>						
<i>Weighted</i>	95	112	57	41	63	49
<i>Unweighted</i>	182	197	105	79	111	86

Note: No significant differences.

Those customers who had entered work were asked whether they had received any training in their job. The majority of Stage 2/equivalent customers in both phases and age groups had not undertaken any form of training in their main or most recent job (Phase 1 50-54 64%, 55+ 69%; Phase 2 50-54 56%, 55+ 60%).

At an overall level, 10% of customers in each phase had received training leading to a formal qualification. In Phase 1, customers aged 50+ were slightly less likely to receive training of this type

than average (6%) while in Phase 2 areas, 50+ customers in work were no more or less likely to receive training than the customer group as a whole. Within Phase 1, customers aged 50-54 were more likely than those aged 55+ to receive training to a formal qualification while in Phase 2 areas there was no discernable difference by age.

Around a quarter of Stage 2 Phase 1 customers in both over 50 age groups (50-54 28%, 55+ 27%) had undertaken training that did not lead to either a full recognised qualification, or part of one. A slightly higher proportion of customers in Phase 2 areas had undertaken this type of training (50-54 35%, 55+ 31%).

Table A.14 Whether current job offers opportunities for promotion or substantially increasing responsibilities – Stage 2

	All 50+		Phase 1 (JRFND)		Phase 2	
	Phase 1 %	Phase 2 %	50-54 %	55+ %	50-54 %	55+ %
Yes	43	43	45	39	54 <i>f</i>	30
No	50	51	51	49	39	64 <i>e</i>
Don't know	8	6	4	12	6	6
<i>Base: all customers working for an employer in either a paid or unpaid role</i>	<i>(a)</i>	<i>(b)</i>	<i>(c)</i>	<i>(d)</i>	<i>(e)</i>	<i>(f)</i>
<i>Weighted</i>	64	62	32	31	33	28
<i>Unweighted</i>	156	145	78	75	79	65

Note: Significant differences are represented by letters which indicate a difference between two groups.

Of those who had entered work, a lower proportion customers aged 50+ believed that their job offered opportunities for promotion or increased responsibility than on average (59% at an overall level and 43% of those aged 50+).

Across both phases, those aged 55+ and in work were less likely to agree that their job offered opportunities for promotion or increased responsibilities than those aged 50-54. The differences are only statistically significant in Phase 2 areas where the difference is between 54% of customers aged 50-54 considering their job to offer opportunities for progression compared to only 30% of those aged 55 or over.

Formal qualification – Stage 3

Table A.15 Proportion of customers by phase training towards a formal qualification – Stage 3

	All 50+		Phase 1 (JRFND)		Phase 2	
	Phase 1 %	Phase 2 %	50-54 %	55+ %	50-54 %	55+ %
Yes – a formal recognised qualification	4	6	5	2	5	8
Yes – part or a unit of a recognised qualification	2	3	4	–	5	2
Undertook training but did not lead to either full/part of a recognised qualification (or don't know)	29	33	28	28	35	31
Did not undertake any training with employer	65	57	64	69	56	60
<i>Base: all customers whose main/most recent job is with an employer</i>						
<i>Weighted</i>	95	112	57	41	63	49
<i>Unweighted</i>	182	197	105	79	111	86

Note: No significant differences.

As at Stage 2/equivalent, at Stage 3/equivalent the majority of customers who had entered work had not undertaken any form of training in their main or most recent job. Customers aged 50+ were less likely to have received any form of training than average (in JRFND Phase 1 areas, 40% of customers overall had not received training compared with 65% of those aged 50+; in Phase 2 areas, 41% of customers had not received training on average compared with 57% of those aged 50+).

Again as at Stage 2/equivalent, 50+ customers in JRFND Phase 1 areas were slightly less likely to have received training leading to a formal qualification than average (11% overall compared with 6% of 50+). Again this difference was not evident in Phase 2 areas.

At Stage 3/equivalent point of claim there were no significant differences by ageband within the 50+ customer group in the proportion training towards a formal qualification. However, although not statistically significant differences, the indication in both phases is that those aged 55 or over were less likely to have received any form of training.

Table A.16 Whether current job offers opportunities for promotion or substantially increasing responsibilities – Stage 3

	All 50+		Phase 1 (JRFND)		Phase 2	
	Phase 1 %	Phase 2 %	50-54 %	55+ %	50-54 %	55+ %
Yes	40	36	43	33	40	32
No	55	57	52	62	52	62
Don't know	5	7	4	5	8	6
<i>Base: all customers working for an employer in either a paid or unpaid role</i>						
Weighted	85	97	49	38	58	40
Unweighted	162	171	90	74	101	70

Note: No significant differences.

As at Stage 2/equivalent, Stage 3/equivalent customers aged 50+ in work were less likely than average to think that their job offered opportunities for promotion or increased responsibilities (in JRFND Phase 1 areas 60% overall and 40% of 50+; in Phase 2 areas 60% overall and 36% of 50+).

Again those aged 55 or over were less likely than those aged 50-54 to feel that their job offered opportunities for progression (although these differences are not statistically significant).

Outcomes and destination – Stage 2

Table A.17 Sector which working in – Stage 2

	All 50+		Phase 1 (JRFND)		Phase 2	
	Phase 1 %	Phase 2 %	50-54 %	55+ %	50-54 %	55+ %
Primary, utilities and manufacturing	12	12	12	12	13	11
Construction	10	8	6	15	7	10
Wholesale and retail	11	15	9	12	15	14
Hotels and restaurants	2	2	4	1	3	1
Transport and communications	13	15	13	14	15	16
Financial and business services	18	18	18	17	20	15
Public administration, education, health and other service activities	29	22	31	27	19	25
Don't know	5	8	7	4	7	8
<i>Base: all customers whose main or most recent paid/unpaid role was working for an employer/self-employed</i>						
Weighted	91	91	44	45	46	44
Unweighted	222	213	109	109	109	102

Note: No significant differences.

The sectoral profile of work destinations for 50+ customers ending their claim during Stage 2/the equivalent period is slightly different to that seen at an overall level.

Customers aged 50+ were less likely to have entered wholesale and retail jobs (21% overall in both phases compared to 11% of 50+ in Phase 1 and 15% of 50+ in Phase 2). In Phase 1 areas, they were more likely than average to have entered public admin, education, health or other service activities jobs (20% overall and 29% of 50+). In Phase 2 areas, there was no one sector that 50+ customers were notably more likely to enter work although their employment destinations were slightly more likely to be in the primary and finance/business services sectors.

Table A.18 Salary – Stage 2

	All 50+		Phase 1 (JRFND)		Phase 2	
	Phase 1 %	Phase 2 %	50-54 %	55+ %	50-54 %	55+ %
£0 – £9,999	27	19	28	25	17	21
£10,000 – £19,999	33	40	35	31	37	43
£20,000 – £29,999	13	9	14	11	10	8
£30,000 – £39,999	5	6	3	8	9	3
£40,000+	3	6	5	2	6	7
Unable to calculate salary	4	4	4	4	4	4
Don't know	*	1	–	3	2	–
Refused	12	15	11	16	15	13
Annual mean salary*	£15,550	£17,950	£16,100	£15,250	£19,150	£16,900
<i>Base: all customers whose main/most recent role was paid work with an employer/self-employed</i>						
Weighted	87	88	43	43	45	42
Unweighted	215	216	106	105	106	98

*Annual mean salary rounded to the nearest £50.

Note: No significant differences.

On average, the salaries earned by those aged 50+ are higher than average (£15,550 in JRFND Phase 1 areas compared to an overall average of £12,600 and £17,950 in Phase 2 areas compared to an overall average of £13,650).

The difference in average salaries between Phase 1 and Phase 2 customers observed at an overall level is reflected in the salaries of those aged 50+ with those in Phase 2 areas earning slightly more on average than their counterparts in Phase 1.

The earnings of those aged 55+ are slightly lower on average than those aged 50-54 (more noticeably so in Phase 2 areas than in Phase 1 areas).

Outcomes and destination – Stage 3

Table A.19 Sector which working in – Stage 3

	All 50+		Phase 1 (JRFND)		Phase 2	
	Phase 1 %	Phase 2 %	50-54 %	55+ %	50-54 %	55+ %
Primary, utilities and manufacturing	11	10	13	11	10	10
Construction	12	10	9	14	11	11
Wholesale and retail	17	15	17	15	14	16
Hotels and restaurants	3	5	3	3	6	3
Transport and communications	9	9	9	8	9	9
Financial and business services	20	19	19	21	18	18
Public administration, education, health and other service activities	18	21	17	12	23	19
Don't know	11	11	13	9	9	14
<i>Base: all customers whose main or most recent paid/unpaid role was working for an employer/self-employed</i>						
Weighted	132	149	73	62	86	65
Unweighted	251	263	133	119	149	115

Note: No significant differences.

As was noted at Stage 2/equivalent, the employment destinations of those aged 50+ were less likely than average to be in the wholesale and retail sector (20% overall and 17% of 50+ in JRFND Phase 1 areas and 21% overall and 15% of 50+ in JRFND Phase 2 areas).

There were no notable differences in the sector profile of employment destinations between those aged 50-54 and those aged 55+ in either phase.

Table A.20 Salary – Stage 3

	All 50+		Phase 1 (JRFND)		Phase 2	
	Phase 1 %	Phase 2 %	50-54 %	55+ %	50-54 %	55+ %
£0 – £9,999	34	32	29	40	31	33
£10,000 – £19,999	30	32	35	26	28	35
£20,000 – £29,999	9	8	12	5	12	5
£30,000 – £39,999	7	3	6	8	2	4
£40,000+	3	4	3	2	4	3
Unable to calculate salary	4	5	1	8	5	4
Don't know	*	*	-	1	-	1
Refused	12	16	14	11	17	14
Annual mean salary*	£14,600	£13,750	£15,700	£13,200	£14,100	£13,350
<i>Base: all customers whose main/most recent role was paid work with an employer/self-employed</i>						
Weighted	127	142	71	57	81	63
Unweighted	240	250	131	110	140	111

*Annual mean salary rounded to the nearest £50.

Note: No significant differences.

Again as noted for Stage 2/equivalent, the annual mean salaries of customers aged 50+ were higher than average (in JRFND Phase 1 areas £11,750 at overall level compared to £14,600 of customers aged 50+ and in Phase 2 areas £12,350 at overall level and £13,750 in Phase 2 areas).

In both phases, average salaries of those aged 55+ were slightly lower than those aged 50-54.

Appendix B

Sampling, fieldwork outcomes and weighting

Sampling

Stage 2

The Department for Work and Pensions (DWP) drew customer records from those in Phase 1 districts who entered Stage 2 (i.e. had been claiming for more than three months) between weeks commencing 28 September and 26 October 2009, and an equal number of records of those customers who entered Stage 2 during the same period in Phase 2. The selection of Phase 1 records was based on data from the meetings database, and Phase 2 on data from the benefits database, both administered by Jobcentre Plus. The timing of data delivery dictated data sources.

Sixty thousand records meeting these criteria were drawn in total, 10,000 records per age band (under 25, 25-49, 50 and over) were drawn at random within each phase – and contact details were appended to as many records as possible. This resulted in 52,649 customer records being supplied by the DWP. Around 6% of records supplied were excluded from the sampling frame as it would not have been possible to contact them (no valid telephone numbers), leaving 49,465 usable records.

To ensure the risk of interviewing customers who had moved on to Stage 3 (i.e. had been claiming for more than six months) was minimised the sampling window was also narrowed to just those customers who had entered Stage 3 in week commencing 28 September to 26 October. This left 34,863 customers, a ratio of around 6:1 for quota targets in each phase/age cell shown in Table B.1. This drawn sample was then checked to ensure it was distributed evenly across Phase and then again, evenly within phase by the three age-bands detailed above. Finally, the profile in terms of gender, ethnicity, health/disability status, and district was compared to that of the customer population within each phase to ensure it was an accurate reflection.

Stage 3

For Stage 3, DWP drew customer records from those who entered Stage 3 between weeks commencing 24 August and 28 September 2009. The selection of Phase 1 and 2 data was consistent with that outlined for Stage 2.

Sixty-one thousand one-hundred and fourteen customer records were supplied by the DWP for Stage 3, with around 7% of records supplied being excluded (due to lack of valid postal address or telephone number), leaving 57,083 usable records.

As previously, the risk of interviewing customers who had moved on from Stage 3 (i.e. had been claiming for more than 12 months) was minimised by narrowing the sampling window to just those that had entered Stage 3 in weeks commencing 24 August to 28 September 2009. This left 36,706 customers, a ratio of around 6:1 for quota targets in each Phase/age cell shown in Table B.2. This drawn sample was then checked in the same way as outlined for Stage 2.

Opt out and fieldwork outcomes

Stage 2

All 34,863 customers drawn by IFF were given the opportunity to opt-out of the study prior to being contacted by telephone. Letters were sent out which gave a dedicated phone number at IFF that they could call if they did not wish to be contacted further. Overall, 2% of those drawn in each phase informed us they did not want to participate following their receipt of the opt out letter.

The remaining 34,108 were, therefore, available to be approached during the fieldwork. Table B.1 shows the final fieldwork outcomes for those with definite outcomes. It excludes those left with no specific outcome (e.g. those called but not answered, those who asked to be called another time or who were not contacted because phase/age quotas were filled).

Unreachable sample includes those with invalid or out of date telephone numbers, those who would not be available before the end of the fieldwork, had moved abroad, were in prison, or were deceased. The 'unable to participate' category includes customers who were unable to take part in the survey due to health or language reasons. The refused category shows customers who did not want to participate or quit during the interview. The overall response rate was 81% (completes as a percentage of completes plus refusals).

Table B.1 Stage 2 – Fieldwork outcomes

	All those called with a definite outcome %
Unreachable	25
Unable to participate	1
Refused	14
Screened out	2
Completes	58
<i>Base: All records with definite outcome</i>	<i>10,341</i>

Before commencing an interview customers were asked to confirm that they had started a claim for Jobseeker's Allowance (JSA) within a specified date range (weeks commencing 6 July to 26 October). 2% of those who began an interview were screened out at this stage as they disagreed with the details held by the Jobcentre Plus (they either reported that they had never received JSA at all, or that they had started claiming JSA at some point but not within the specified timeframe, or that they had started a claim for a different benefit, not JSA in the specified timeframe).

Stage 3

For Stage 3, 36,706 customers were given the opportunity to opt-out of the study, and overall 3% of those drawn in each phase chose to opt-out. Therefore, the remaining 35,700 were approached during the fieldwork. Table B.2 shows the final fieldwork outcomes for those Stage 3 customers with definite outcomes, the overall response rate was 81%.

Table B.2 Stage 3 – Fieldwork outcomes

	All those called with a definite outcome %
Unreachable	26
Unable to participate	1
Refused	14
Screened out	1
Completes	57
<i>Base: All records with definite outcome</i>	<i>10,481</i>

Again customers were asked to confirm that they had started a claim for JSA within a specified date range (week commencing 23 February up to week commencing 28 September 2009). For Stage 3 this resulted in 1% of those who began an interview screening out at this stage.

Completed interviews

Stage 2

Six thousand and two interviews were conducted, split evenly across each phase/age cell as detailed in Table B.3.

Table B.3 Achieved interviews by phase and age at start of claim according to DWP records

	Phase 1	Phase 2	All
Under 25	1,001	1,000	2,001
25-49	1,000	1,000	2,000
50 or over	1,002	999	2,001
All	3,003	2,999	6,002

Stage 3

Six thousand and six interviews were conducted, split evenly across each phase/age cell as detailed in Table B.4.

Table B.4 Achieved interviews by phase and age at start of claim according to DWP records

	Phase 1	Phase 2	All
Under 25	1,000	1,002	2,002
25-49	1,001	1,000	2,001
50 or over	1,002	1,001	2,003
All	3,003	3,003	6,006

Permission to link data and be contacted for longitudinal survey

Stage 2

Ninety-6% of customers interviewed agreed IFF could re-contact them in a year's time for the longitudinal study. The vast majority of customers interviewed (96%) were also happy to have their records linked to administrative records held by the DWP.

Stage 3

For Stage 3, 97% of customers agreed to be re-contacted by IFF in a year's time for the longitudinal study. Again, the vast majority of customers interviewed (96%) were happy to have their records linked to administrative records held by the DWP.

Weighting

There were two stages to the weighting process for both the Stage 2 and the Stage 3 survey. The 50+ age group were over sampled to ensure sufficient sample will be available in each phase for the longitudinal element, so initially a design weight was applied to correct for this and align the age profile with the age profile of the population in each phase.

Secondly non-response rates for customer types within each Phase were analysed resulting in a response weight being applied to correct for response bias by ethnicity. Gender and health/disability status were also checked but no weighting was required as the achieved sample closely matched the population on these variables. The weighted profile of customers in each phase is presented in Appendix C.

Appendix C

Profile of customers in study

The first two columns of Tables C.1 and C.2 shows the profile of those interviewed for Stage 2 and Stage 3 within Phase 1 and Phase 2, based on demographics reported by customers rather than on information supplied by the Department for Work and Pensions (DWP) on the sample (as the data available from DWP administrative records was not always complete).

This data has been weighted to align the profile of those within each phase to the overall population within the phase as discussed above. Profiles are broadly similar between Phase 1 and Phase 2. The only notable differences are a higher percentage of customers from a white British ethnic background in Phase 1 compared to Phase 2 (Stage 2 – 83% compared with 75% respectively; Stage 3 – 85% and 78%) and a higher proportion of customers in Phase 2 holding Level 4 or 5 qualifications compared to Phase 1 (Stage 2 – 27% and 23% respectively; Stage 3 – 17% and 12%).

Throughout the report findings have been analysed by these sub-groups within each phase, and significant differences reported where relevant with both Phase 1 and Phase 2.

As customer profile is based on that reported by customers during the questionnaire, there are some small differences when compared to the demographics supplied by the DWP on the sample.

The third column of Tables C.1 and C.2 shows the population figures provided by the DWP for all those starting claims in the specified timeframe as the sample used for this study. The population is broken down by:

- age;
- gender;
- ethnicity; and
- disability.

Numbers provided were rounded by the DWP. Following the weighting there are no significant differences between the overall profile of those interviewed and the profile of the entire population starting claims in those weeks in terms of:

- gender;
- age;
- ethnicity; or
- disability.

Table C.1 Stage 2 – Weighted customer profile within phase

	Phase 1 Customers – reported %	Phase 2 Customers – reported %	All – DWP population figures %
Age			
Under 25	38	34	36
25-49	48	51	50
50+	14	14	14
Gender			
Male	71	69	70
Female	29	31	30
Ethnicity			
White British	83	75	77
White Irish	1	1	1
White other	2	4	2
Mixed white and black Caribbean	1	1	1
Mixed white and black African	*	*	*
Mixed white and Asian	1	1	*
Other mixed background	*	1	*
Black or black British Caribbean	2	3	3
Black or black British African	2	3	3
Black or black British other	*	*	1
Asian or Asian British Indian	2	3	2
Asian or Asian British Pakistani	2	3	2
Asian or Asian British Bangladeshi	1	1	1
Asian or Asian British other	1	1	1
Chinese	*	*	*
Other ethnic background	1	2	2
Number of Jobseeker's Allowance claims in last three years (excluding claim started in specified Stage 2 timeframe)			
No previous claims	26	28	n/a
One previous claim	46	43	n/a
Two previous claims	13	14	n/a
Three or more previous claims	7	6	
Whether living with partner who claims JSA or other out of work benefit			
Partner claims out of work benefit	7	7	n/a
Partner does not claim out of work benefit/ no partner	93	93	n/a

Continued

Table C.1 Continued

	Phase 1 Customers – reported %	Phase 2 Customers – reported %	All – DWP population figures %
Whether currently suffering from long-term illness/disability			
Suffering from long-term illness or disability	12	13	12
Not suffering from long-term illness or disability	87	87	88
PSA16 barriers to claiming			
Recently left prison, on probation, or community service	3	2	n/a
In contact with secondary mental health services	2	2	n/a
Moderate to severe learning difficulties	1	1	n/a
No PSA16 barriers	94	95	n/a
Housing situation			
Own property outright	4	5	n/a
Paying mortgage	16	17	n/a
Live rent free	34	33	n/a
Rent	27	26	n/a
Rent covered by Housing Benefit (HB)	14	15	n/a
Qualifications			
No qualifications	26	24	n/a
Highest qualification – Below Level 2	14	13	n/a
Highest qualification – Level 2 or 3	36	35	n/a
Highest qualification – Level 4 or 5	23	27	n/a
Unknown level	1	1	n/a
Parental status			
No children under 16	73	75	n/a
Parent or guardian of child under 16	27	24	n/a
Parent or guardian of child under five	12	11	n/a
Lone parent of child under 16	7	5	n/a
<i>Base: *all respondents in study (weighted)</i>	3,003*	2,999*	^124,850
<i>^all customers to have reached 13 weeks on JSA within the survey cohort</i>			

Table C.2 Stage 3 – Weighted customer profile within phase

	Phase 1 Customers – reported %	Phase 2 Customers – reported %	All – DWP population figures %
Age			
Under 25	37	39	39
25-49	36	41	42
50+	17	18	18
Gender			
Male	76	74	75
Female	24	26	25
Ethnicity			
White British	85	78	78
White Irish	1	1	*
White other	1	2	2
Mixed white and black Caribbean	1	1	1
Mixed white and black African	*	*	*
Mixed white and Asian	1	*	*
Other mixed background	*	1	*
Black or black British Caribbean	2	4	2
Black or black British African	2	3	2
Black or black British Other	*	1	1
Asian or Asian British Indian	2	2	2
Asian or Asian British Pakistani	2	3	2
Asian or Asian British Bangladeshi	1	1	1
Asian or Asian British other	1	1	1
Chinese	*	*	*
Other ethnic background	*	1	1
Number of JSA claims in last three years (excluding claim started in specified Stage 3 timeframe)			
No previous claims	30	29	n/a
One previous claim	38	41	n/a
Two previous claims	14	13	n/a
Three or more previous claims	6	5	
Whether living with partner who claims JSA or other out of work benefit			
Partner claims out of work benefit	10	8	n/a
Partner does not claim out of work benefit/ no partner	90	92	n/a

Continued

Table C.2 Continued

	Phase 1 Customers – reported %	Phase 2 Customers – reported %	All – DWP population figures %
Whether currently suffering from long-term illness/disability			
Suffering from long-term illness or disability	17	15	15
Not suffering from long-term illness or disability	83	85	85
PSA16 barriers to claiming			
Recently left prison, on probation, or community service	3	3	n/a
In contact with secondary mental health services	2	2	n/a
Moderate to severe learning difficulties	1	2	n/a
No PSA16 barriers	94	94	n/a
Housing situation			
Own property outright	5	5	n/a
Paying mortgage	13	15	n/a
Live rent free	32	32	n/a
Rent	30	29	n/a
Rent covered by HB	15	14	n/a
Qualifications			
No qualifications	30	27	n/a
Highest qualification – Below Level 2	20	17	n/a
Highest qualification – Level 2 or 3	37	37	n/a
Highest qualification – Level 4 or 5	12	17	n/a
Unknown level	1	2	n/a
Parental status			
No children under 16	76	77	n/a
Parent or guardian of child under 16	24	23	n/a
Parent or guardian of child under 5	14	11	n/a
Lone parent of child under 16	3	3	n/a
<i>Base: *all respondents in study (weighted)</i>	3,003*	3,003*	^89,810
<i>^all customers to have reached 26 weeks on JSA within the survey cohort</i>			

Table C.3 Jobcentre Plus districts in Phase 1 and Phase 2 of JRFND

Phase One	Phase Two
Ayrshire, Dumfries, Galloway and Inverclyde	Essex
Edinburgh, Lothian and Borders	Hampshire
Lanarkshire and Dumbarton	North and North East London
Tees Valley	City and East London
North and East Yorkshire and The Humber	South London
Greater Manchester East and West	West London
Greater Manchester Central	South Tyne and Wear Valley
Derbyshire	Cumbria
South Yorkshire	Cheshire and Warrington
South East Wales	Lancashire
North and Mid Wales	West of England
Coventry and Warwickshire	West Yorkshire
Staffordshire	Forth Valley, Fife and Tayside
The Marches	Glasgow
Leicestershire and Northamptonshire	Highlands, Islands, Clyde Coast and Grampian
Nottinghamshire	Greater Merseyside
Lincolnshire and Rutland	Bedfordshire and Hertfordshire
Suffolk and Cambridgeshire	Liverpool and Wirral
Norfolk	Northumbria
Birmingham and Solihull	Berks, Bucks and Oxfordshire
Black Country	Gloucestershire and Wiltshire
South West Wales	Somerset and Dorset
South Wales Valleys	
Central London	
Lambeth, Southwark and Wandsworth	
Kent	
Surrey and Sussex	
Cornwall and Devon	

This research presents findings from two national surveys of Jobseeker's Allowance customers which explored experiences of Stages 2 (13 to 26 weeks) and 3 (26 to 52 weeks) of the revised Jobseekers Regime, implemented in Phase 1 Jobcentre Plus districts from April 2009. Phase 2 was implemented in the remaining districts in April 2010.

This programme of roll-out has allowed comparisons to be drawn between the experiences of customers undergoing the revised Jobseekers Regime and those experiencing comparable parts of the former regime at the same time in Phase 2 areas.

This is the second in a series of evaluation reports aiming to establish the extent to which the Jobseekers Regime and Flexible New Deal lead to additional customer employment outcomes.

If you would like to know more about DWP research, please contact:
Paul Noakes, Commercial Support and Knowledge Management Team,
3rd Floor, Caxton House, Tothill Street, London SW1H 9NA.
<http://research.dwp.gov.uk/asd/asd5/rrs-index.asp>

DWP Department for
Work and Pensions

Published by the
Department for Work and Pensions
October 2010
www.dwp.gov.uk
Research report no. 694
ISBN 978-1-84712-843-0