



Department
for Work &
Pensions



Government
Social Research

Universal Credit (UC) Full Service 12 months plus

**Findings from research with long-term UC claimants on
behalf of the Department for Work and Pensions**

Research report (Volume 1 of 2)

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Ipsos

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The date above is the publication date and therefore does not reflect the date the research was completed

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Research aims and methodology

Research objectives

To assess the longer-term impact of UC Full Service (UCFS) on claimants' attitudes and behaviours in relation to work, with a view to identifying further improvements to UCFS to enhance the employment outcomes for claimants. Specifically:

The longer-term attitudes, behaviours and knowledge of UCFS claimants at least twelve months after their initial claim (including those no longer claiming UC)

The factors shaping these claimants' labour market attitudes and behaviours including the interaction of different types of enablers and constraints

The factors affecting employment progression for claimants who have moved into work including the contribution of different work incentive features of UC and interactions with DWP

Methodology

This report present findings from the survey and qualitative follow-up research. Findings for the segmentation are reported in Volume 2.

- **Online/telephone survey of 5,040 UC claimants who had made a UC claim in August/September 2019**
- Claimants were both in-work and out-of-work. For those in-work, there was no threshold for minimum amount of hours worked to be considered in-work. Those solely self-employed were excluded.
- Fieldwork took place during the 2nd lockdown in England: November to December 2020; c.15-17 months after the initial UC claim date.

- **A segmentation analysis was conducted using a statistical technique known as Latent Class Analysis.**
- This identified groups of claimants, each sharing similar attitudes and behaviours with claimants within their segment but being distinctly different to claimants outside their segment.
- The segmentation analysis resulted in five in-work segments and five out-of-work segments.

- **60 follow-up depth interviews to bring the segments to life**
 - 30 currently in-work
 - 30 currently out-of-work
- Fieldwork took place in March 2021.
- A detailed breakdown of the sample is included in the Appendix.

Glossary

Glossary

Claimant Commitment	To claim Universal Credit claimants must agree to conditions set out in their Claimant Commitment. These conditions are based on the conditionality group the claimant falls under and determine their responsibilities to look for work. Failure to comply with the conditions agreed in the Claimant Commitment can lead to sanctions.
Current UC Claimants	Everyone who was receiving Universal Credit at the time of the survey, who first made a claim in August / September 2019. To note, there is a possibility that some of these individuals may not have <i>continually</i> claimed UC for the entire period of the research.
Former UC Claimants	Everyone who was no longer receiving Universal Credit at the time of the survey, who made a first claim in August / September 2019. To note, there may have been fluctuations in claiming UC over the research period.
Conditionality group	Everyone who receives Universal Credit is placed in a conditionality group based on their circumstances and work capability. The group that a claimant is placed in determines what is expected of them during their claim.
Intensive work search regime	Claimants in this group are either out-of-work or earning below the Administrative Earnings Threshold (£338 a month or £541 for couples). They are expected to take intensive action to find work and must attend regular Work-focused-Interviews with their Work Coach.
Light touch conditionality	Claimants in this group earn above the Administrative Earnings Threshold but less than the conditionality earnings threshold. They are expected to take actions to find more or better paying work and have less frequent contact with their Work Coach.
Working enough	Individual or household earnings over the level at which conditionality applies. Required to inform DWP of changes or circumstances, particularly at risk of earnings decreasing or job loss.
Universal Credit and Full Service	A means-tested benefit for people of working-age who are on a low income. It replaces six existing means-tested benefits: Income Support; Income-based Jobseeker's Allowance; Income-related Employment and Support Allowance; Housing Benefit; Child Tax Credit; and Working Tax Credit. Not all Universal Credit claims are on full service. Currently it is only available in certain areas. The full service requires claimant to have an online account where they can manage their claim. Eventually all UC claims will be on full service.
Work Coaches	Front line Department for Work and Pensions staff based in Jobcentres. Their main role is to support benefit participants into work by challenging, motivating, providing personalised advice and using knowledge of local labour markets.

Composition and characteristics of UC claimants

Understanding the composition and characteristics of UC claimants

- Three-quarters of respondents reported that they were still claiming UC a year and a half after their initial claim. Two-in-five (40%) of these claimants reported they were working, including 15% working full-time.
- Among the one-quarter that were **no longer** claiming UC, 81% said they were in-work including 62% full-time.
- Claimants who have moved off UC were generally more attractive to prospective employers in terms of these characteristics:
 - **They had a more stable work history:** 79% had ‘worked solidly’ with or without breaks vs. 60% of current claimants.
 - **They were more skilled:** 14% worked in managerial or professional occupations compared to 7% of current claimants. They were also more likely to have a permanent contract (68% vs. 58% of current claimants). In contrast, more current claimants were employed in jobs with a zero hour’s contract (21% vs. 13% of former claimants)
 - **They were more qualified:** 28% had a degree or equivalent compared to 16% of current claimants. Linked to this, they were less likely to have no qualifications (7% vs. 14% of current claimants).

In the qualitative research, those who had moved off UC, or who expected to do so soon, had **access to greater resources**, felt **more confident**, and experienced **fewer barriers** to work, than those who expected to continue claiming.

Resources they were able to access included sector knowledge, a professional network, and job-seeking know-how. Due to these resources, they felt **more confident and optimistic** that their skills were suited to available opportunities. They felt they had the **ability** to independently seek training or new opportunities. They also took a **long-term view** of their career and prospects.

“I didn’t need any help with my CV. This might be useful for someone who was out of work for a long time or struggling or have difficulties keeping a job. Someone on a lower income. It was more aimed at them, and less at a professional (like me).”

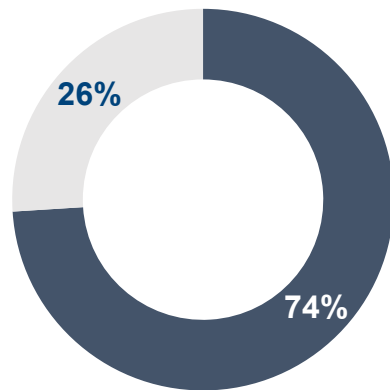
Female, in-work, childcare barrier

Understanding the composition and characteristics of UC claimants

- Those who have **moved off UC** were more likely to be men (56% vs. 46% of current claimants) and to live with a partner (36% vs. 26%). And the partner of those who have moved off UC were more likely to be in-work (72% vs. 46% for current claimants).
- In contrast, those **currently claiming UC** were more likely than former claimants to be female. Almost half (45%) live with dependent children (vs. 23% of former claimants), and three in ten were lone parents (30% vs. 9% of former claimants). Female current claimants were more likely than their male counterparts to be in-work (49% vs. 30%). They were also more likely than men to be on a permanent contract (64% vs. 50%). This suggests that there is potential for them to work full-time but there are barriers preventing them from increasing their hours.
- Those **currently claiming UC** were more likely than former claimants to have a health condition or disability that limits their daily activities (42% vs. 27%) and to have a condition that limits them a lot (20% vs. 11%)
- Among both current claimants and former claimants, disabled respondents were **less likely** to be in work than non-disabled respondents.

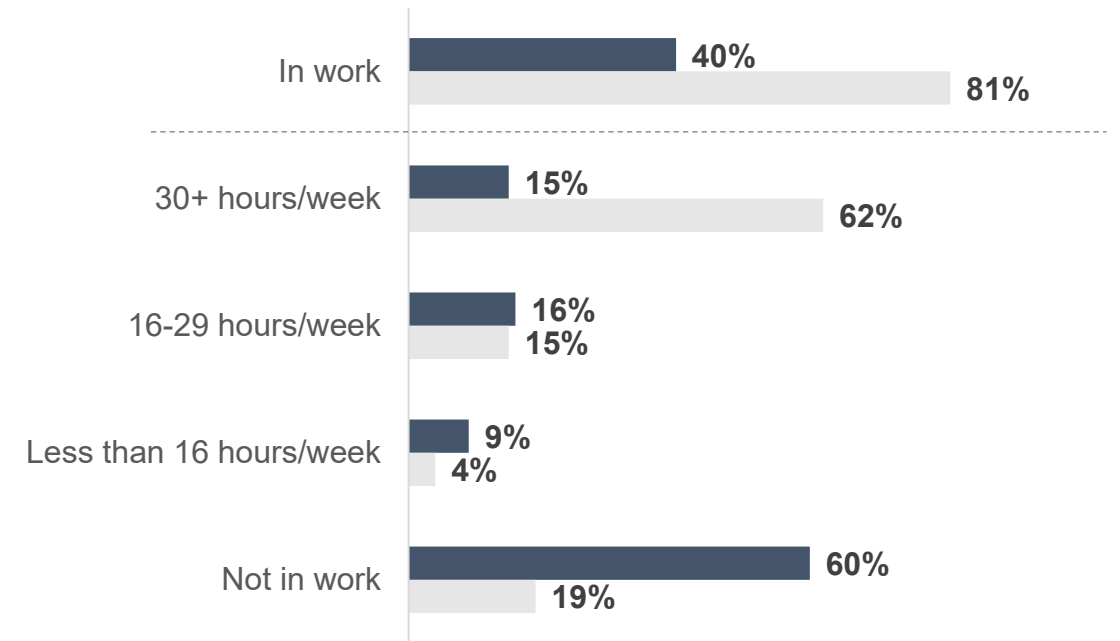
Three-in-four were still claiming UC a year and a half after their initial claim and two-in-five of them were also doing some work

Are you currently receiving Universal Credit payments?



What is your current work status?

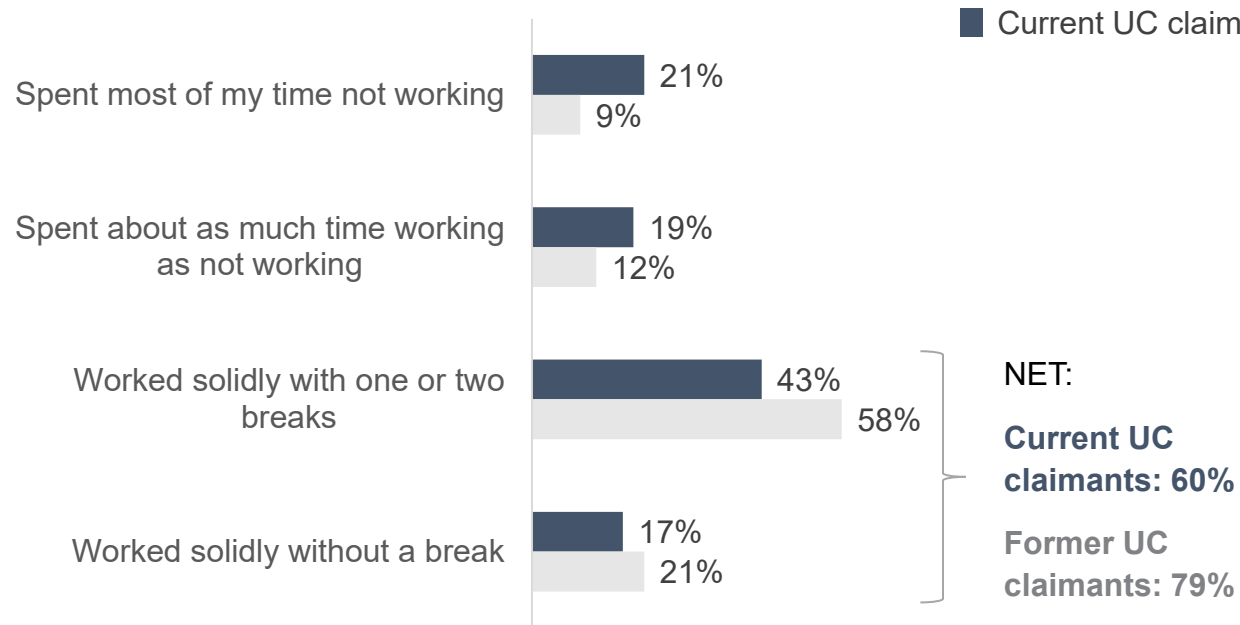
■ Current UC claimants ■ Former UC claimants



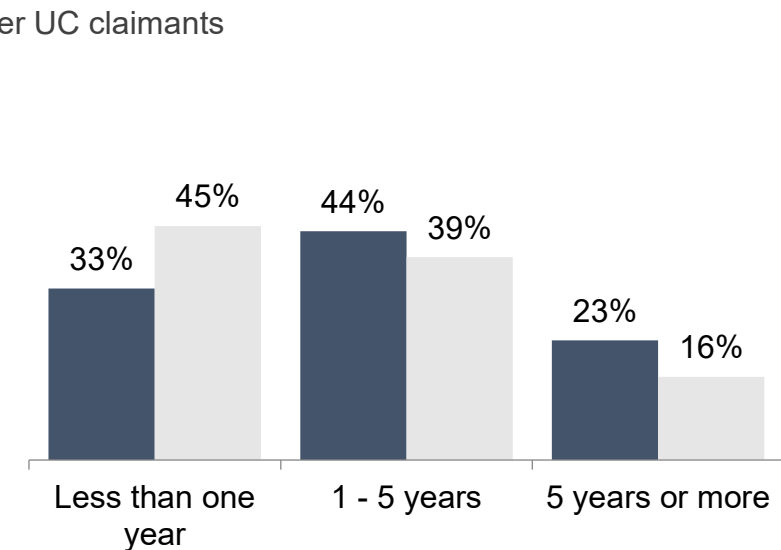
Base: Claiming UC (3750); Not Claiming UC (1290)

Former claimants have a more solid work history but current in-work claimants have been in their job for longer, suggesting barriers or choice factors preventing them from increasing their hours

Which of the following best describes the time you have spent doing paid work since leaving education?



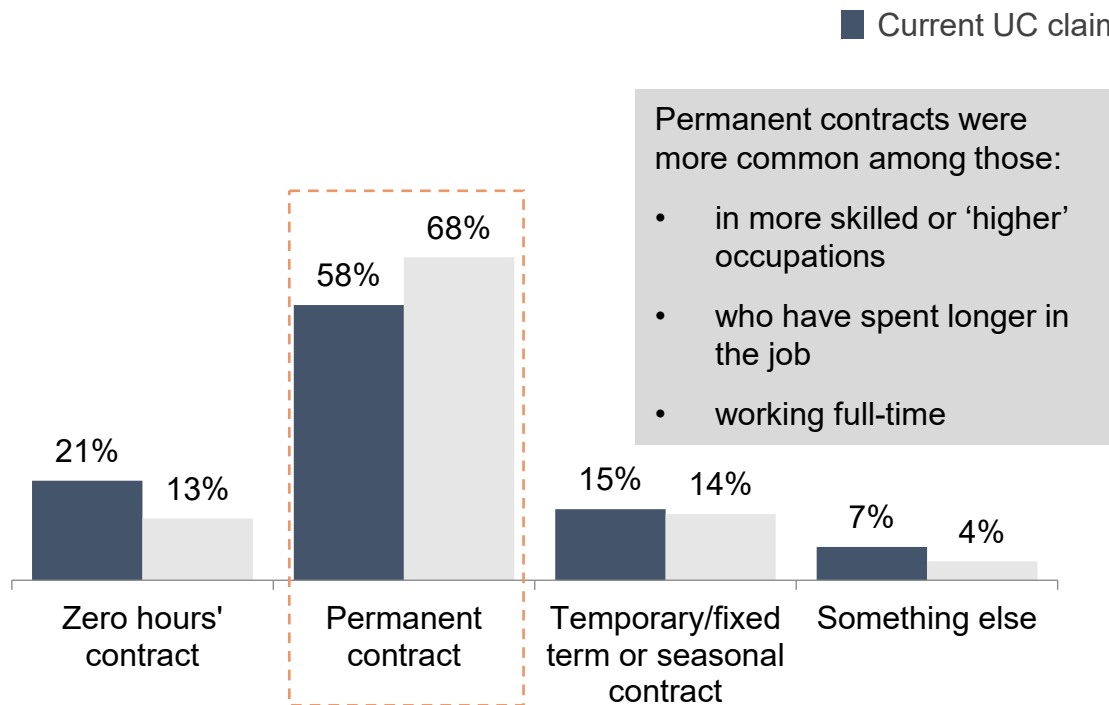
How long have you been doing this job?



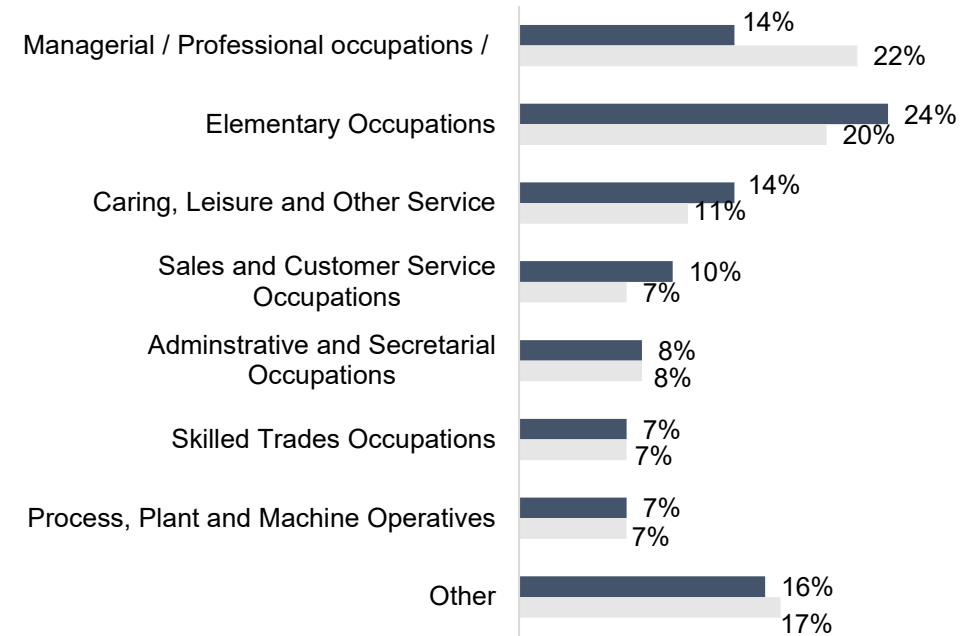
Base: All respondents: Claiming UC (3750), Not Claiming UC (1290); All currently in work: Claiming UC (1761), Not Claiming UC (1050)

Former claimants were more likely to have a permanent contract and to be working in managerial/professional jobs. These features tend to go hand-in-hand

Was this job...?



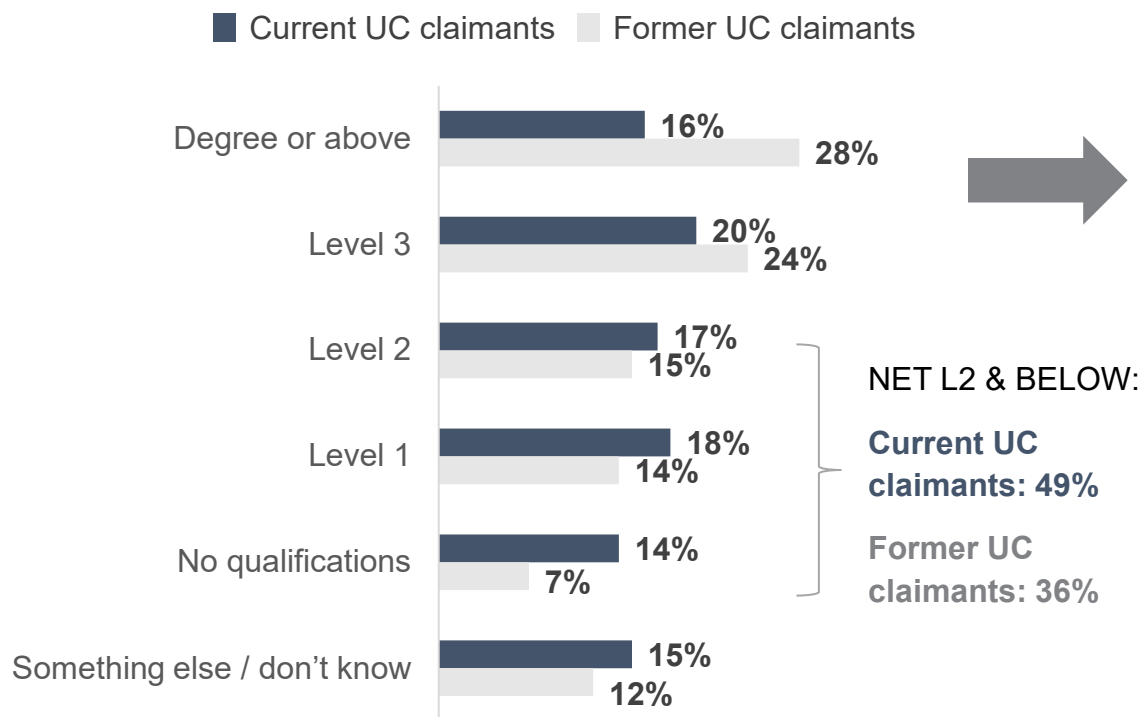
What is your current occupation?



Base: All who have worked in last 2 years: Claiming UC (3176), Not Claiming UC (1234)

Former claimants were more qualified than current claimants, and were therefore more likely to be working in managerial and professional occupations

What is your highest level of qualification?



Those with higher qualifications were more likely to be in-work and to have a more stable work history

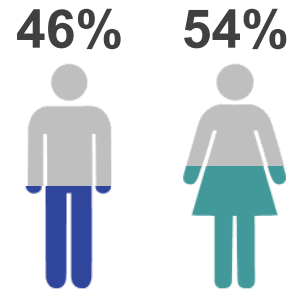
Those with a health condition or disability that limit them a lot were more likely to report not having any qualifications

Base: Claiming (3750); Not Claiming (1290)

There were more female current claimants, and they were more likely to be in-work, though mainly part-time. In contrast, there were more male former claimants

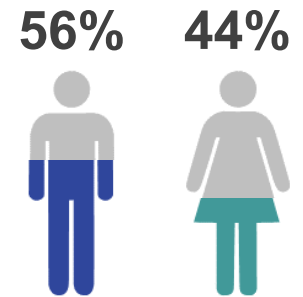
■ Current UC claimants ■ Former UC claimants

54% of current claimants are female



- **Women were more likely than men to be in-work (49% vs. 30%).** They were also more likely than men to be on a permanent contract (64% vs. 50%). This suggests that there is potential for them to work full-time but there are barriers preventing them from increasing their hours
- Among current claimants, men were **more likely** than women to be working full-time (50% vs. 31%)

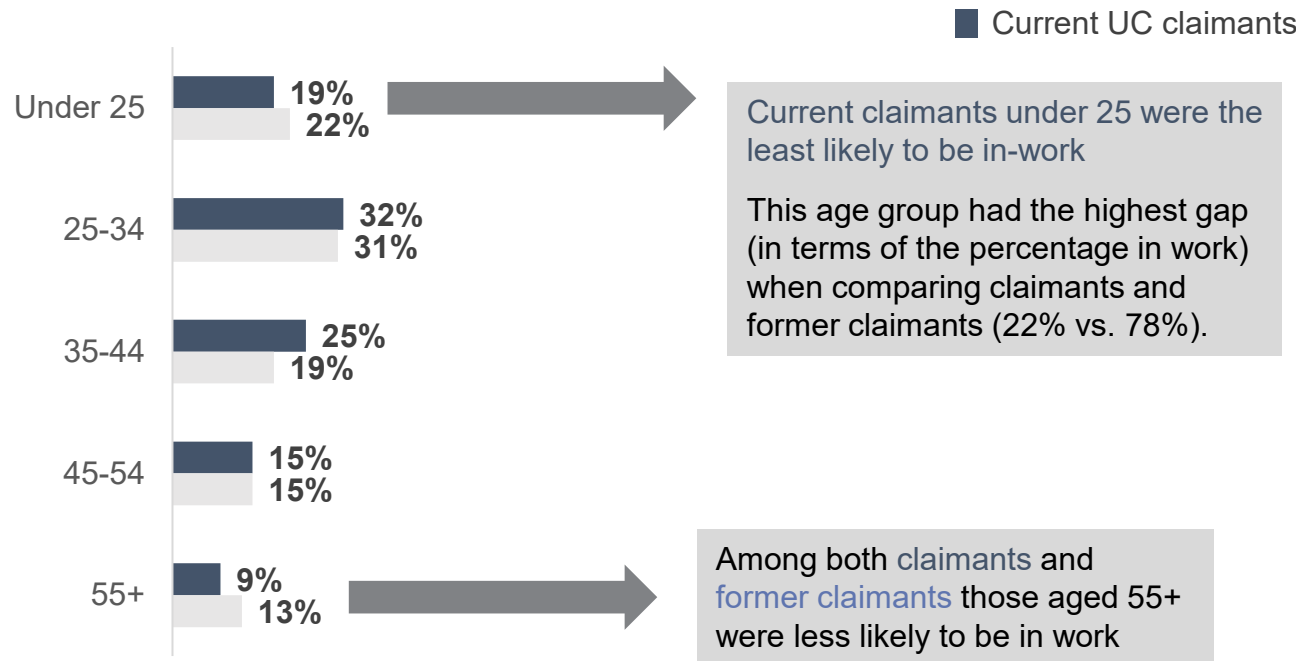
56% of former claimants are male



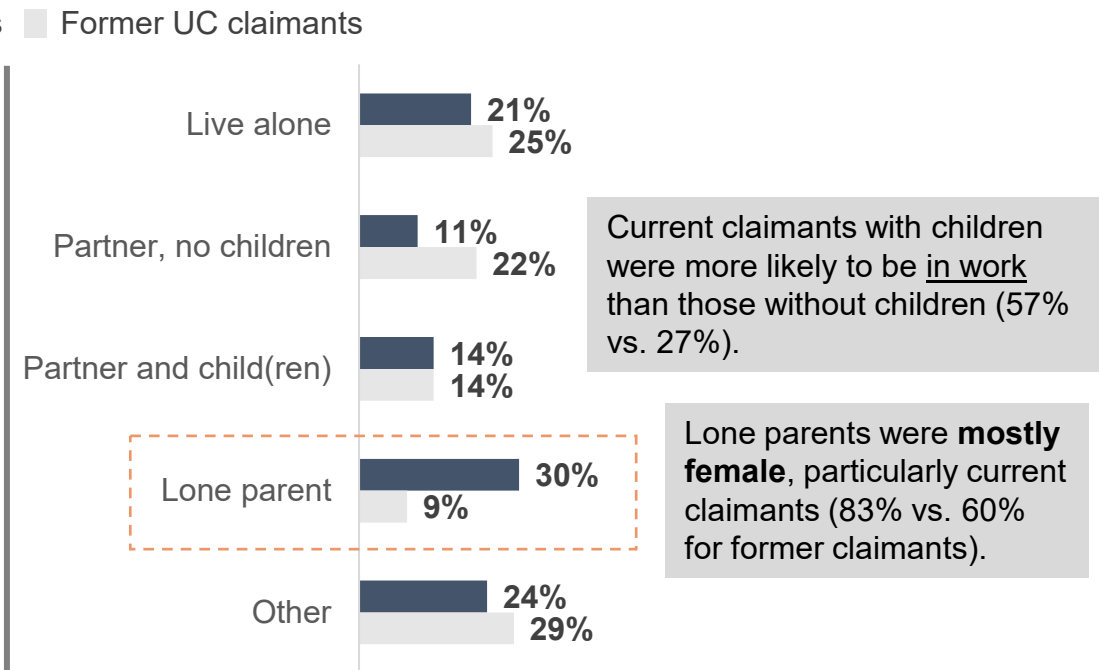
- **Men were more likely than women to be in-work (83% vs. 79%).** They were also **more likely** than women to be working full-time (84% vs. 65%)
- Women were **more likely** than men to be on a permanent contract (72% vs. 66%). Again this suggests that there is potential for women to increase their hours but they have not done this either due to barriers choice or both.

Younger and older claimants were least likely to be in-work, whilst there is a sizeable group of lone parents who find it challenging to increase their hours because of their childcare commitments

What is your age?



Which of these describes your living situation?

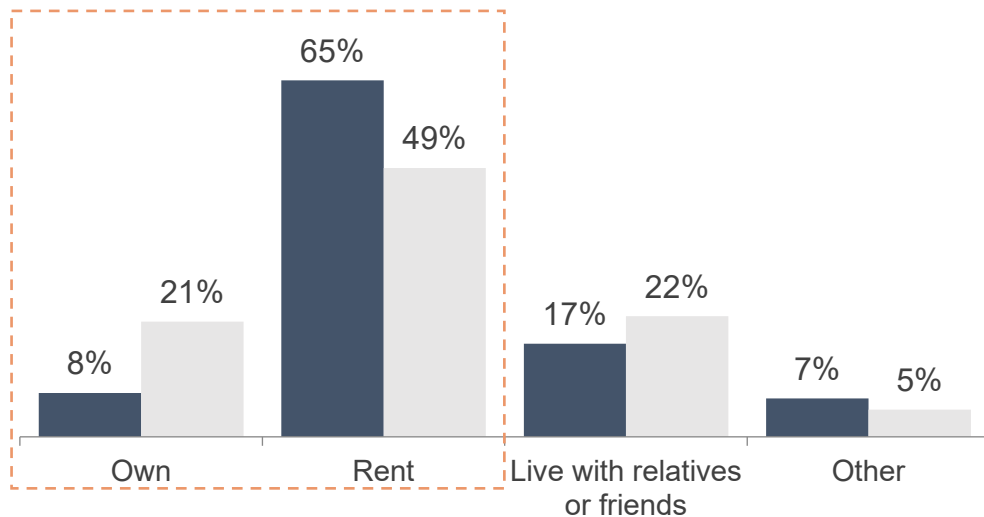


Base: Claiming (3750); Not Claiming (1290)

Current claimants were more likely than former claimants to be renting their home and less likely to own their home. Similar proportions in both groups have caring responsibilities

■ Current UC claimants ■ Former UC claimants

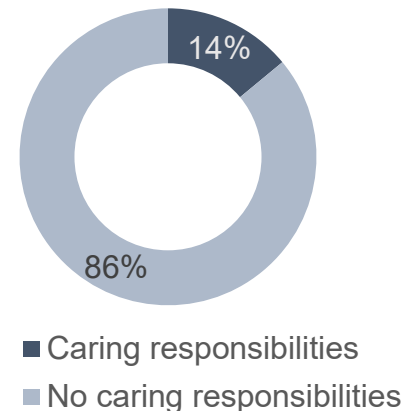
Are you currently living...?



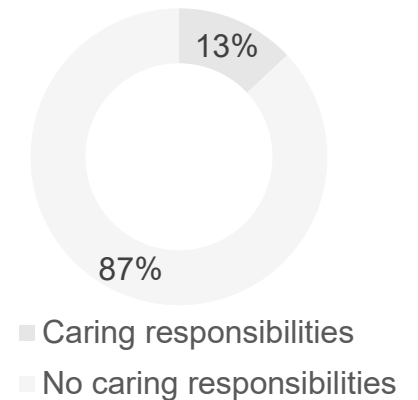
Base: Claiming (3750); Not Claiming (1290)

Do you care for anyone who needs help with everyday life due to illness, disability or old age?

Current UC claimants



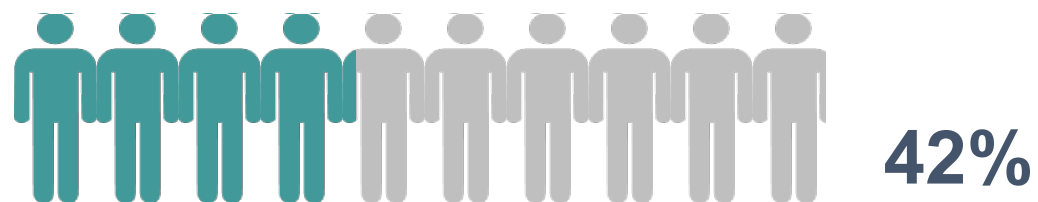
Former UC claimants



Current claimants were twice as likely as former claimants to declare a health condition or disability that limit them a lot

Do you have a health condition or disability that substantially limits your ability to carry out normal day-to-day activities?

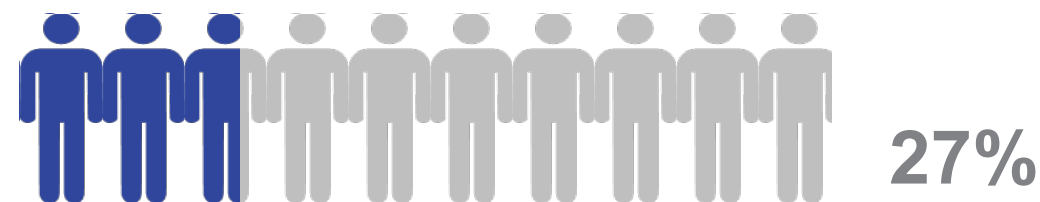
■ Current UC claimants ■ Former UC claimants



of **current UC claimants** had a health condition or disability that substantially limit their ability to carry out normal day-to-day activities



20% of claimants had a condition that limit them a lot



of **former UC claimants** had a health condition or disability that substantially limit their ability to carry out normal day-to-day activities



11% of non-claimants had a condition that limit them a lot

Both **current** and **former claimants** with a health condition or disability were **less likely to be in work**, less likely to work full-time and tend to have spent less of their lives working. This applies particularly to those with a condition that limit them a lot.

Base: Claiming (3750); Not Claiming (1290)

Section summary

- 01.** Claimants who have moved off UC were generally more work-ready than those still claiming in terms of their qualifications, skills and work history. They were also less likely to have additional barriers such as poor health/disability or childcare commitments.

- 02.** Current claimants were more likely than former claimants to be females and nearly half have dependent children. Three-in-ten current claimants were lone parents.

- 03.** Current claimants with children were more likely to be working than those without but the presence of children appears to be a barrier to moving fully off UC, particularly for lone parents.

- 04.** Current claimants aged under-25 or over-55 were least likely to be working. Not working was linked to poor work history, low skills/qualifications and high self-reported health condition or disability.

Attitudes and behaviour towards work

Current and former claimants shared similar general attitudes towards work

- Current and former claimants shared similar general attitudes towards work. General perceptions that there **aren't enough full-time jobs** were shaped by the pandemic. Older male claimants and those in the Intensive Work Search regime were more likely to hold this view, as were claimants working in Sales, Customer Service and unskilled jobs.
- Among former claimants, part-time workers were more likely than average to believe that there aren't enough full-time jobs.
- The priority for those in-work, particularly parents, was to **keep their job rather than to increase their hours**. Increasing hours of work was a particular problem for **lone parents** who were claiming UC; 70% of lone parents who were in-work agreed that it would be difficult to increase their hours – much higher compared to in-work lone parents who were no longer claiming (54%).
- There is a sizeable minority of current and former claimants who work **part-time** who **don't think they have the right skills to move to a better job**. Among **current** claimants, these respondents were more likely to be working in unskilled elementary occupations, with low or no qualifications and have a health condition or disability that limit them a little. Among **former** claimants, those reporting they lacked the right skills tended to be younger (under 25), without children, with low/no qualification and working in unskilled occupations.

The qualitative research highlighted the **additional challenge** presented by the pandemic to those with fewer qualifications, who felt that there was more competition for jobs at this time.

Those who had found themselves out of work after a **long career in a single company or industry** were particularly pessimistic about their ability to find work in the current climate.

Disruption caused by the pandemic, or by personal crises or other pressures, resulted in a **safety mindset** for some. For those with this outlook, it was more important to **avoid challenges** such as taking on more hours or additional responsibility, in order to maintain stability. This mindset was often present for those experiencing **multiple barriers**.

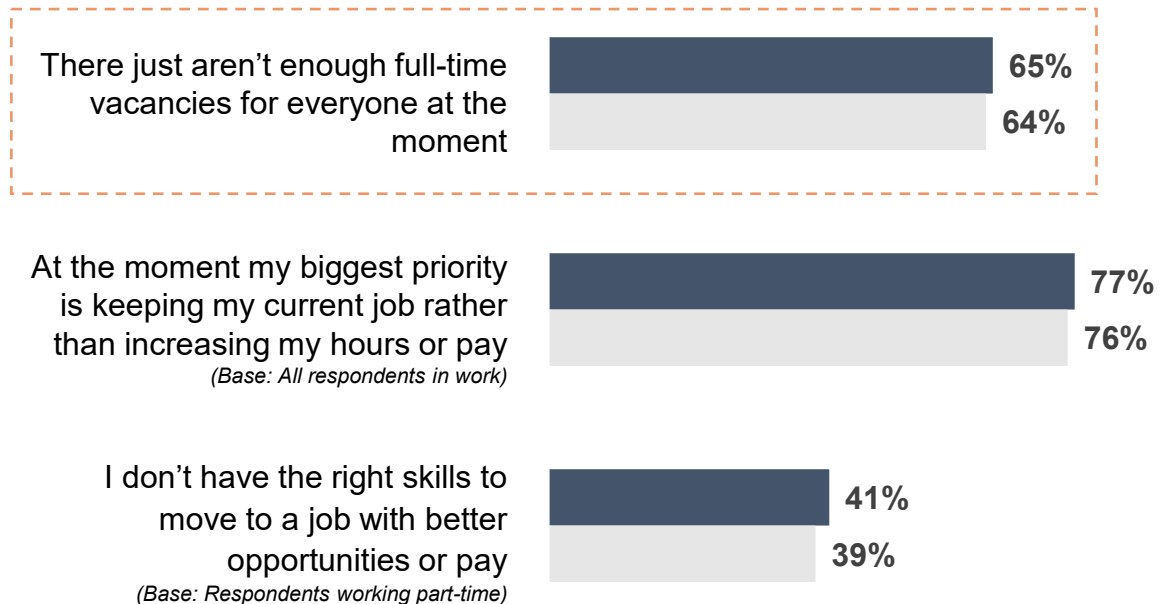
“Who is going to employ a disabled person in a middle of a pandemic when there are so many other people out there who are much more able bodied than I am who are also looking for work?”

Male, out-of-work, multiple barriers

Current and former claimants shared similar general attitudes towards work

And, to what extent do you agree or disagree with these statements?
(% agree)

■ Current UC claimants ■ Former UC claimants



Qualitative research from this and other recent DWP studies suggests that the pandemic has played a key role in shaping perceptions:

- High number of candidates for each job role
- Fewer opportunities available in key sectors

"I just get lost in the sea of CVs. The companies they suggest are usually big corporations where I'll send in my CV and never get anything back."

Male, out-of-work, multiple barriers

Base: All: Claiming UC (3750); Not claiming UC (1290), In work: Claiming UC (1761); Not claiming UC (1050), Working part time: Claiming UC (1107); Not claiming UC (284)

Current UC claimants were more likely than former claimants to experience barriers to work and to say they require support to get or progress in work

- Generally, those who have **moved off UC were more optimistic about their work prospects** than current UC claimants – either in terms of moving into work (37% vs. 25% say this is a realistic goal even without support), or increasing their hours and earnings (30% vs. 12%).
- Claimants who believed they can get work **without** support tended to be men, without children and with higher qualifications, whilst those believing that work was not a realistic goal for them tended to be older claimants, those with a health condition or disability, and those with low/no qualifications.
- **Current UC claimants** were more likely than former claimants to cite various **barriers to work**, especially childcare barriers (31% vs. 14%) and their physical or mental health or a learning difficulty (38% vs. 23%). This can **partly** be explained by the characteristics of the two groups; current claimants were more likely to have children and to have a limiting health condition or disability.
- However, current claimants were still more likely to report the barriers, even when the analysis focuses on particular sub-groups, e.g. childcare barriers were reported by 65% of claimants with children, compared with 51% of former claimants with children. The only exception was age, cited by equal proportions in each group among those aged 55+.
- **Childcare barriers** were most common among claimants in the Working Enough group, while other barriers (physical or mental health or learning difficulty, lack of relevant skills/qualification/experience, and commute to work) were more commonly cited by claimants in the Intensive Work Search regime.

In the qualitative research, barriers were complex and often interlinked. Some had more resources to draw upon to overcome barriers they experienced.

The qualitative research suggests that barriers to work could be **complex and interlinked**. A disability or health condition might be experienced alongside caring responsibilities or mental health conditions. In addition, people faced challenging personal circumstances including bereavement, redundancy, indebtedness, homelessness and addiction.

The experience of **multiple barriers** had led some to a crisis point, and the recovery process could be slow and lead to a **risk averse** mindset and a **short term outlook**, preventing longer-term career planning.

Those with **similar barriers** could feel very differently about their future prospects, depending on their access to support and other resources. Although they sometimes faced similar barriers to those who expected to continue claiming, those who had stopped or expected to stop claiming could often access **greater resources** such as family support, social networks, or a stable home life to help them to overcome barriers and avoid a crisis.

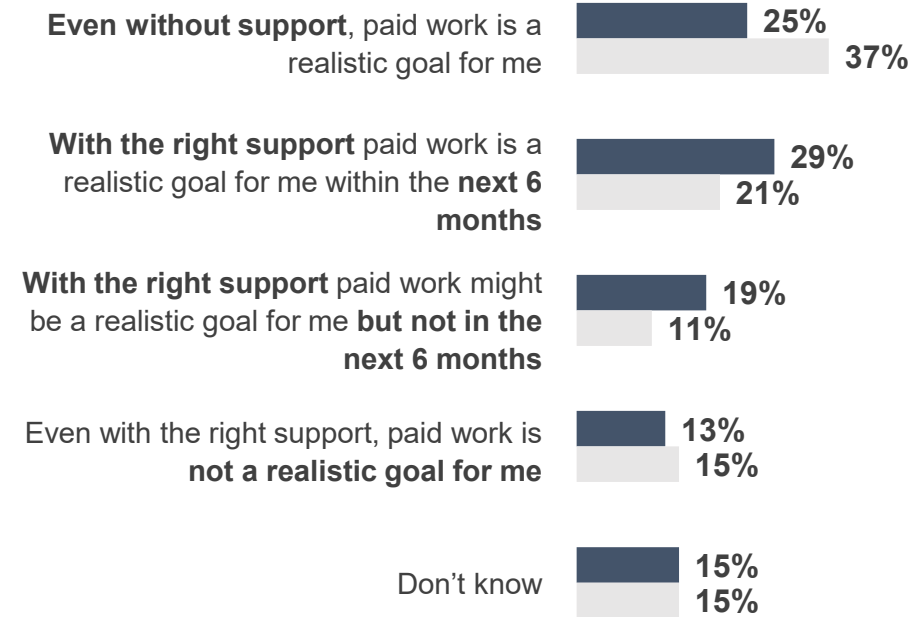
The qualitative research suggested that those with access to support, or with recent experience of the workplace, were more likely to **feel optimistic** about their future career. Those with **experience of working** had more knowledge and understanding of how to access opportunities such as jobs and training, and had more faith in their ability to pursue opportunities. Professional networks also provided a source of career advice.

Current UC claimants were more likely than former claimants to require support to get or progress in work

Regardless of whether you want to work or not, which of the following statements best describes your situation?

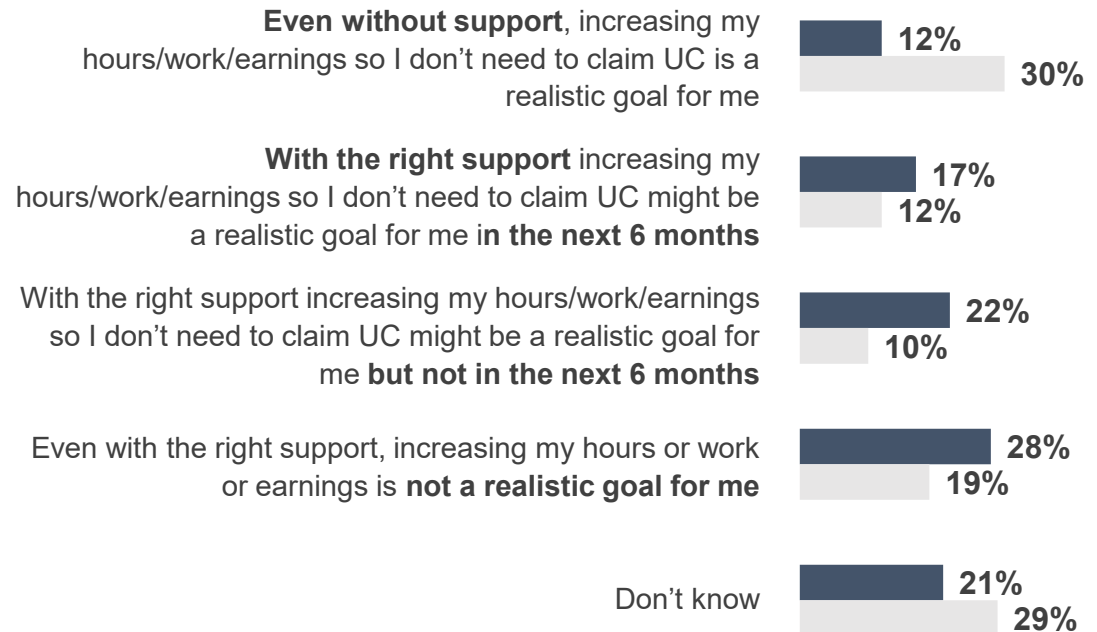
■ Current UC claimants ■ Former UC claimants

All currently **not** working



Regardless of whether you want to increase your earnings or hours of work or not, which of the following statements best describes your situation?

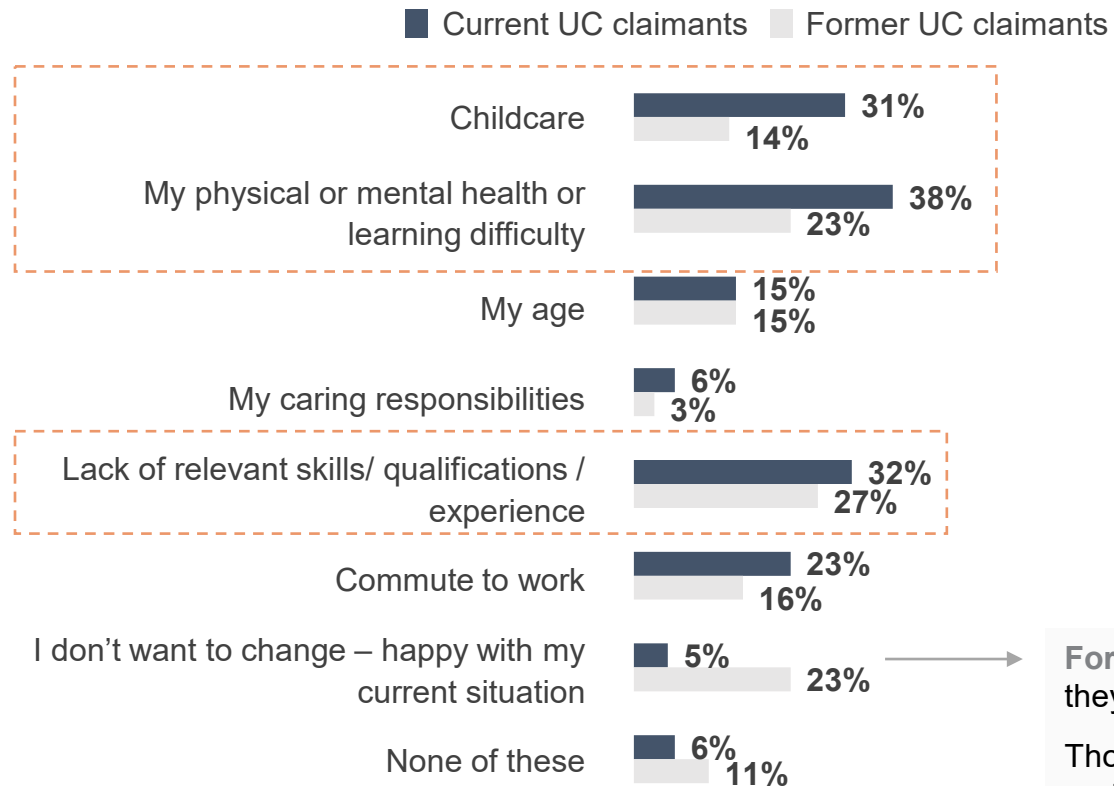
All currently working



Base: All not currently working: Claiming UC (1989); Not claiming UC (240); All currently working: Claiming UC (1761); Not claiming UC (1050);

Current claimants were more likely than former claimants to cite various barriers to work

Which, if any, of the following make it more difficult for you to get work / increase your earnings?



Across all key subgroups, **current claimants were more likely than former claimants to report a range of barriers:**

Barrier	Sub-group	Current UC claimants	Former UC claimants
Childcare	Those with children	65%	51%
Physical or mental health or learning difficulty	Those with a limiting disability/condition	90%	76%
Age	Aged 55+	61%	49%
Caring responsibilities	Care for an adult	40%	21%
Lack of relevant skills/ qualifications / experience	No qualifications	42%	27%

Former UC claimants were more likely than current claimants to say they were happy with their current situation and don't want to change, Those working in **managerial or professional occupations** were also particularly likely to say they were happy with their current situation (50% of former claimants working in these roles).

Base: Claiming (3750); Not Claiming (1290)

In the qualitative research, those who had stopped claiming or expected to stop claiming made use of additional resources to help overcome barriers

Those experiencing similar barriers could feel very differently about their situation, depending on access to support and personal resources:

Family support	Childcare support	Professional network
Flexible & supportive workplace	Supportive partner	Experience of the workplace
Industry knowledge	Job-seeking know-how	Stable finances and accommodation
Proximity to work opportunities	Confidence and agency	Social network

Those with **access to support** felt more positive about their ability to find appropriate work or to improve their prospects in the future. Family, friends, and professional **networks** were sources of practical and emotional support and career advice.

A **stable living situation** including financial stability, safe and secure accommodation, enabled those who had achieved this to have the space to consider longer-term career options rather than focusing on immediate priorities.

Current or recent **experience of the workplace** provided confidence and a template for a future career. This had also helped some to feel that they had a good **knowledge and understanding** of available opportunities and relevant skills. In addition, those with experience of working or training felt more **confident in their own ability** to successfully apply for training and jobs.

Those who found barriers most difficult to overcome had often experienced multiple, overlapping factors preventing them from progressing

Overlapping barriers could result in a short-term focus, and a safety mindset where maintaining stability was the key priority. Disrupted living circumstances could result in a short-term focus on urgent priorities



Those who found it most difficult to anticipate stopping claiming often experienced a **variety of barriers**:

- May have **had less positive recent experience** of work, or negative experiences of finding work unrewarding, or destabilising.
- Often **lacked confidence and knowledge** of available opportunities, and as a result were less aware of their own skills and how they might fit with, or need to be developed in order to meet these opportunities.
- Were more likely to have **serious health and mental health challenges**, and other circumstances such as homelessness and addiction.
- **Fear factor** for some who were struggling with health conditions or mental health, the wrong type of work could be destabilising.

“I don’t know to be honest, there’s probably stuff I can learn and do to make things easier, I’m not sure”

Male, out-of-work, skills related barriers

“[I need help] understanding the value of current skillsets, what needs to be re-tuned to today’s market.”

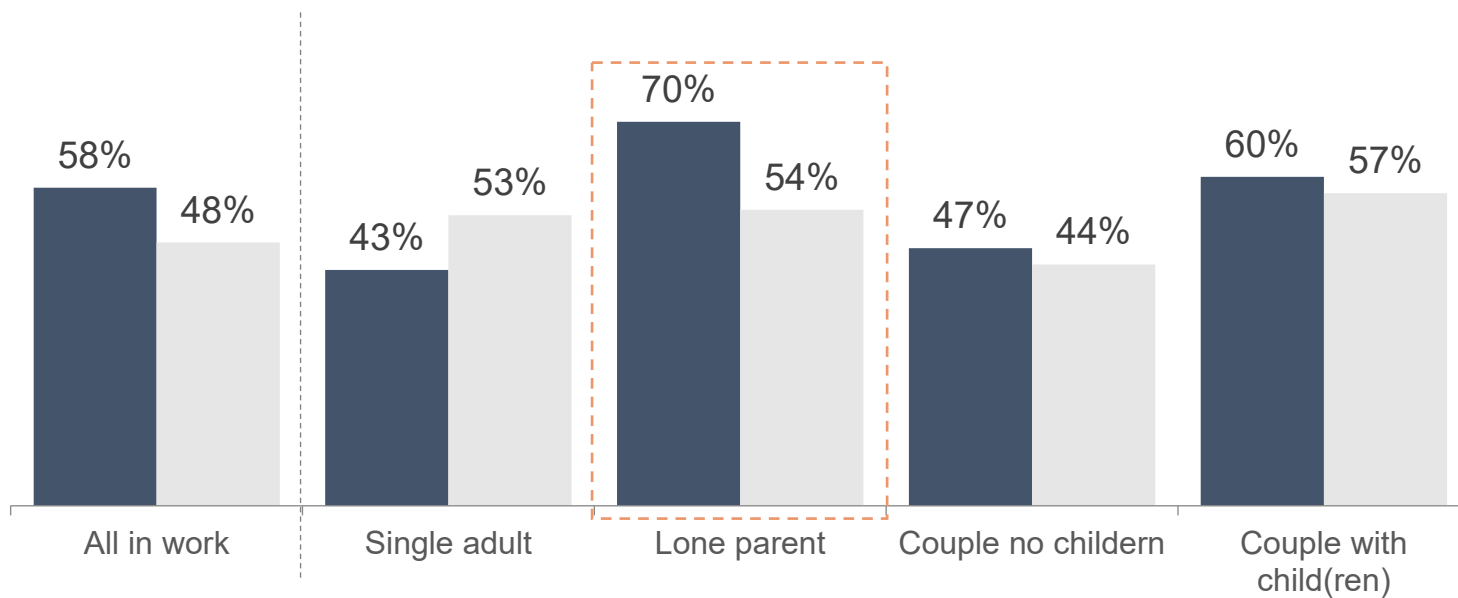
Male, out-of-work, multiple barriers

Increasing hours of work was more difficult for parents especially lone parents who were still claiming UC

And, to what extent do you agree or disagree with these statements?

■ Current UC claimants ■ Former UC claimants

It would be difficult for me to increase my hours of work now, even if I was offered it (% agree)



Among those in-work, **current UC claimants** were more likely than former claimants to **agree** that 'it would be difficult for me to increase my hours of work now, even if I was offered it'.

To some extent, this can be explained by differences in household type. Among current UC claimants, agreement is higher among those with **dependent children** than those without children (67% vs. 43%). The same pattern can be seen among former claimants, although not to the same extent (56% vs. 45%).

Base: All in work: Single adults: Claiming UC (274); Not claiming UC (284); Lone parent: Claiming UC (842); Not claiming UC (123); Couple no children: Claiming UC (171); Not claiming UC (225); Couple with child(ren): Claiming UC (288); Not claiming UC (158)

Lone parents tended to weigh up the benefits of a better job or increased income against the benefits of the status quo

The qualitative research suggested that the **pandemic** presented a particular challenge to parents, who had to combined home-schooling with work and other caring responsibilities.

Lone parents of young children had established a routine to meet their financial needs through working and claiming, whilst caring for their children. They were keen not to disrupt this situation.

Some feared that by earning more they would lose out on UC payments and also on other linked benefits such as Council Tax benefit. In this sense, there was a lack of financial incentive to working additional hours.

They were also keen to avoid missing out on time with their children, particularly during the disruption of the pandemic, especially where they perceived a minimal financial benefit from this.

There was also a disincentive to consider changing career, if their current job allowed them to successfully combine work and caring. This was particularly the case if their current employer showed understanding and flexibility in relation to their childcare responsibilities.

“

Obviously the more you work, the more money you are going to bring home. If I work full time, that would make a significant difference, but that's not realistic. The kids need you, they have to be your first priority.

Female, out-of-work, childcare barrier

“

...Maybe when they go to secondary school, until then, I just need to find something I can do whilst they are at school. Especially while they are young, they are fully dependent on me. The more I work, the more I will be away from them out of the house. I don't want to pay someone to look after them.

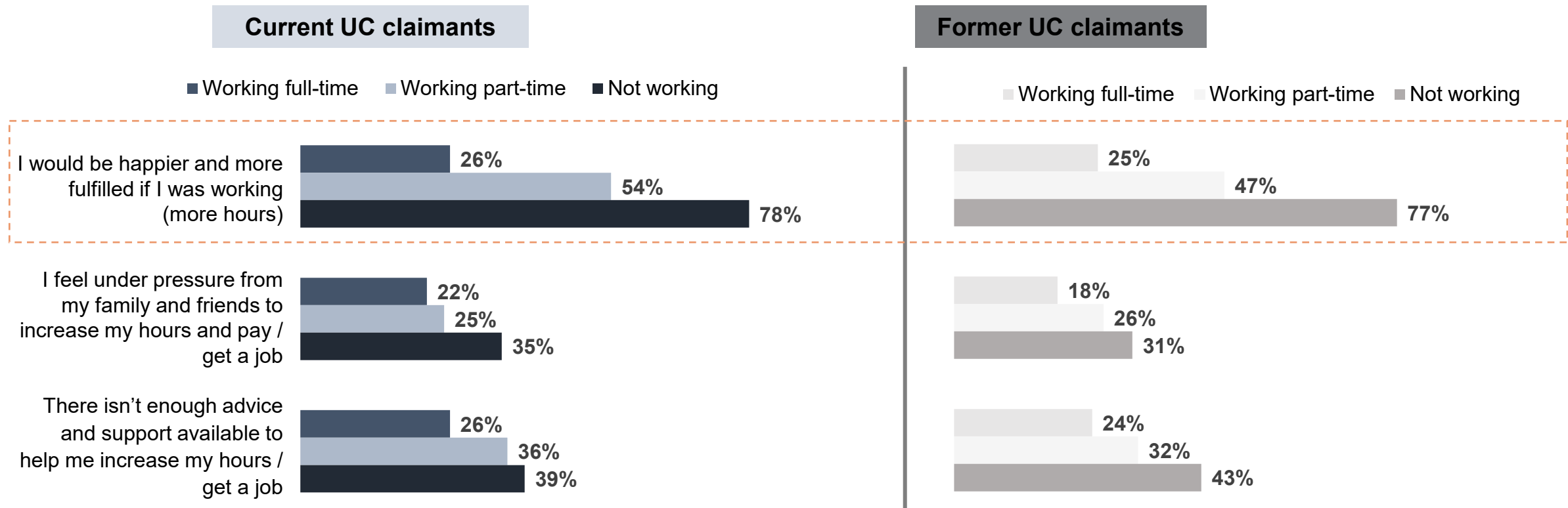
Female, out-of-work, childcare barrier

The majority of those *not* working wanted to work but two-in-five did not think there were enough advice and support

- Three-quarters of those who were **not** in-work agreed that they would be happier and more fulfilled if they were working.
- Those who were **not** in-work were also more likely than those in-work to feel under pressure from family/friends, and to feel that there is not enough support available to them.
- The following groups would be happier working and feel under pressure to find work:
 - Younger, male claimants
 - Black and Minority Ethnic claimants,
 - Those without a solid work history,
 - Those working in unskilled occupations
 - Those in the Intensive Work Search regime.
- Lack of support was also more commonly reported by the above groups, comprising male and Black and Minority Ethnic claimants, and those furthest from the labour market (i.e. with no qualifications, a broken work history and in unskilled jobs).

The majority of those not working wanted to work but two-in-five did not think there were enough advice and support

And, to what extent do you agree or disagree with these statements? (% agree)



Base: Working full time: Claiming UC (654); Not claiming UC (766), Working part time: Claiming UC (1107); Not claiming UC (284), Not working: Claiming UC (1989); Not claiming UC (240)

The qualitative research found that some had struggled to access support during the pandemic, whilst negative perceptions of UC support were a barrier to engaging for others

The following findings support other recent labour market qualitative research undertaken for DWP.

Fear factor amongst legacy claimants:

Some had experienced **overpayment** of benefits in the past, resulting in penalties and deductions. This resulted in a fear of overpaying, and a concern that any interaction with JCP could lead to a **discovery of accidental overclaiming**. The fear of financial loss as a result was enough to **prevent proactive engagement** with JCP.

"I'm worried I will go on some sort of black list if I ask them about working more. They will realise I can work more and force me to stop getting support. I can't afford to not get it!" **Female, in-work, childcare barrier**

Perception that pandemic had made work coach support less accessible:

Those who preferred face-to-face contact with JCP, or to speak directly with an adviser on the phone, found it much **more difficult to access support online**. As phone lines were busy **during the pandemic**, this group had found it hard to access any support at this time.

"I have told them on my journal that I am not working...no response so far... It would be good if they got back to me and gave me some support.. like suggestions or a course to do..... I have just been looking for jobs all by myself.. you can't even visit recruitment agencies" **Male, out of work, skills related barriers**

'Newer' claimants lacked understanding of support offer:

Some of those who were less familiar with the benefits system tended not to expect JCP to be able to provide them with any useful support beyond financial support. Lack of awareness of the support offer meant that they were unaware that JCP could help them to find work. They instead preferred to rely on their own resources for this.

"I don't know what else they could do that would support me. Just the income. Some income is better than no income." **Female, in work, childcare barrier**

Section summary

- 01.** There was a general perception among both current and former claimants that there aren't enough full-time jobs. These views were in large part shaped by the pandemic.

- 02.** Current UC claimants were more likely than former claimants to experience barriers to work and to say they require support to get or progress in work. Former UC claimants were able to access additional resources to help them overcome barriers.

- 03.** Half of out-of-work UC claimants believe they can get work with the *right* support. Reported timeframe to get work was shorter for younger, more educated, and male claimants.

- 04.** One in seven current claimants will require more intensive support to change their mindset as well as to make them more job-ready. These tended to be older claimants, those with a disability/health condition and those without qualifications.

- 05.** The priority for those in-work was to keep their job rather than to increase their hours. In-work progression was seen as “unrealistic” by some parents, particularly lone parents who were weighing up the benefits of a better job against their childcare commitments.

Understanding of UC

Understanding of UC was generally low

- General understanding of the UC incentives offer was low for both current and former UC claimants, with only a fifth correctly identifying at least 4 (out of 5) of the UC work incentive statements as correct. Understanding of potential sanctions was much higher than understanding of UC work incentives.
- **Current UC claimants** expressed a **greater understanding of the work incentives** and conditions of UC than former claimants, such as being able to work for more than 16-hours and still claim UC (56% vs. 43%) and being able to claim up to 85% of childcare costs back through UC (26% vs. 18%). Awareness of the childcare offer was higher among parents reporting childcare barriers but still accounting for less than half of this group (47% were aware). The qualitative interviews highlighted that this lack of awareness may be preventing some parents from working or increasing their hours.
- In general, understanding of the work incentives was higher among those **currently in-work** for both current and former UC claimants.
- Understanding of the UC work incentives tended to be **greater** among **women** and **those with children**, as well as those who were more **highly qualified**. Those with limiting conditions or disabilities tended to have lower awareness. This applied in particular to current UC claimants; there was less variation among those who had moved off UC. This can partly be explained by the work status of the two groups; more highly qualified claimants were more likely to be in-work, whereas those with a limiting condition or disability were less likely.

The qualitative research further supports the quantitative findings that there is a **lack of knowledge and understanding** of work incentives among both current and former claimants.

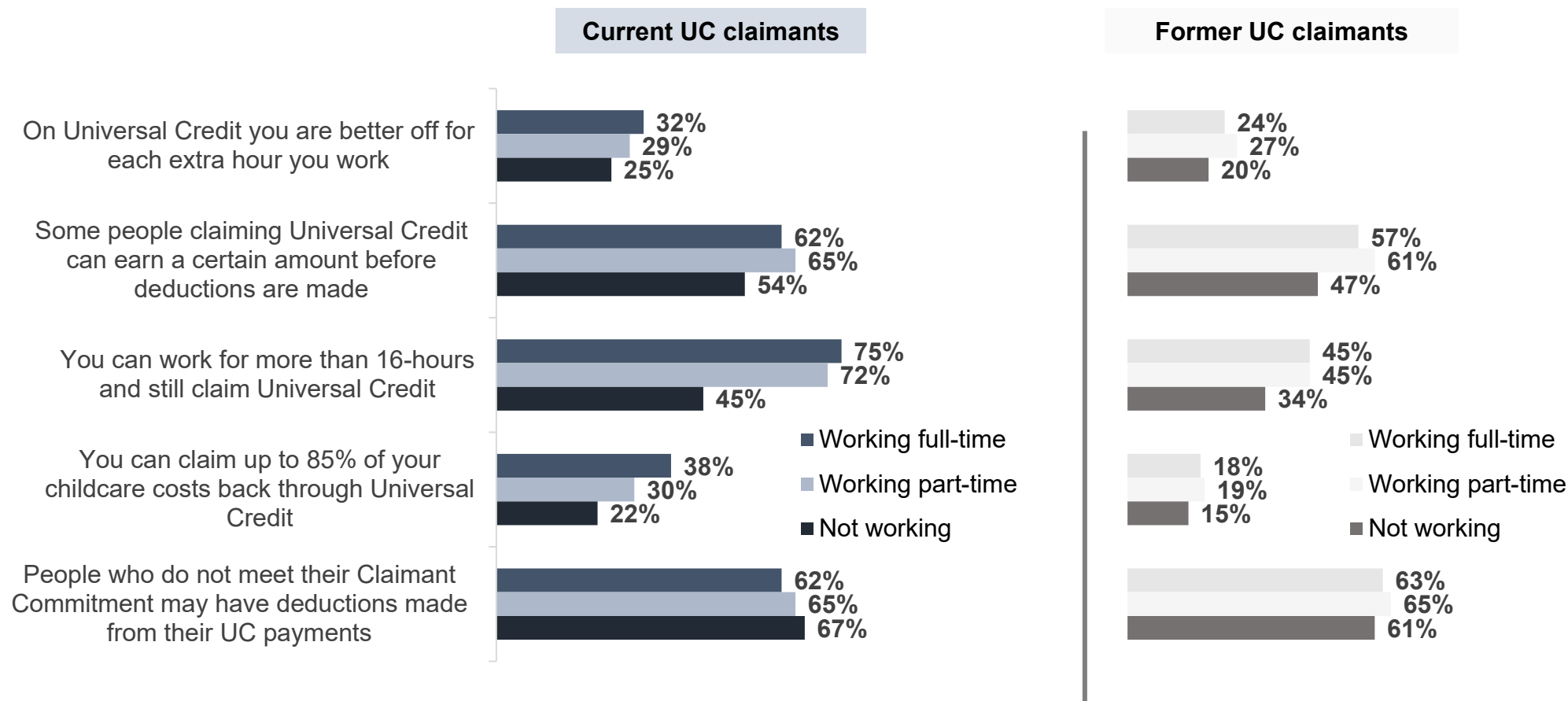
Claimants were either **unaware** of the work incentives, or **found them difficult to understand**. There was an expectation among claimants that someone would explain the work incentives to them, rather than needing to proactively search for the information.

When the support offer was explained, this was **positively received**, and thought potentially beneficial. Work coaches would be an effective way to increase understanding of the work incentives, as advice could be **tailored to individual needs and circumstances**.

These findings supports other recent labour market qualitative findings.

Those not working had lower levels of understanding about UC work incentives

In your experience, are each of the following statements true or false: (% true)



Base: Working full time: Claiming UC (654); Not claiming UC (766), Working part time: Claiming UC (1107); Not claiming UC (284), Not working: Claiming UC (1989); Not claiming UC (240)

Lack of general awareness of the work incentives, and confusion around where to find information, resulted in a low understanding

The qualitative research found that claimants' understanding of the UC work incentives was low. This supports other recent labour market qualitative findings.

Existing knowledge of work incentives:

The qualitative research suggested that there was a **lack of awareness** and **understanding** of all five work incentives. There was an expectation among claimants that if the work incentives were relevant to them, someone would have mentioned this to them rather than claimants needing to proactively discover this information.

There was also a **lack of clarity** among claimants around where they would find information on the work incentives. Those who were more proactive used social media groups as sources of knowledge, as well as finding out information from talking to family and friends.

"Its never something they mentioned to me, the other benefits system you knew you'd get 30 free hours. I think they should tell you about it, they should make it very clear if you have two kids, it's not just age 3 and under, its everyone. Let them know this is what you're entitled to. Make it clear for everyone." **Female, out-of-work, childcare barrier**

Reactions to work incentives:

When the support offers were explained, they were **positively received**, and thought potentially beneficial.

Work coaches would be an effective way to increase understanding of the work incentives, as the majority of claimants had the perception that the work incentives were difficult to understand. Advice could then be **tailored to individual needs and circumstances**, and claimants would have a greater understanding of how the support would be beneficial to them, therefore, **increasing likelihood of uptake**.

Other recent qualitative research on Labour Market Incentives echoed this finding, suggesting that claimants wanted **direct contact with their work coach** to explain the work incentives and how these might apply to an individual **based on their own circumstances**.

Positive reactions to UC support offers in the qualitative research

When the UC support offers were explained in the qualitative research, they were positively received and thought to be potentially beneficial.

Wage Top ups

Those who reacted positively to the wage top up support thought it would be helpful for those moving into work, and for claimants working part-time. Claimants felt the wage top ups would act as a **financial safety net** for those with fluctuating working hours, and those who felt unable to work full-time.

Work Allowance

Those who thought the work allowance offer would be beneficial liked the offer as they felt it was **reassuring** and would **reduce the pressure** of moving back into work for those who have not been working due to health conditions. Claimants felt the additional financial support would encourage and help them move back into work.

Childcare offer

Those who reacted positively to the childcare offer thought the offer would help parents to stay in work who would have struggled financially to pay for childcare.

“It's like a safety net I suppose, like I know if my overtime stops, and I go back down to my 30 hours, or even 20 hours, then I know I can have that top up”

Female, in-work, multiple barriers

“For us this is great because our income goes up and down... so our universal credit payments would go up during the months when my partner doesn't make much”

Female, in-work, couple, childcare barrier

“I think that [work allowance] would definitely be something that will help me to move back into work, as I would be less worried to know that I could earn more before reductions are made”

Female, out-of-work, health related barrier

Those with childcare barriers had greater understanding of UC work incentives than those with other types of barriers

There were variations in understanding of UC work incentives linked to barriers to work:

- Those with childcare barriers tended to have a greater understanding of UC work incentives, while understanding was lower among those with other barriers (e.g. relating to age or health/disability).
- The exception is for knowledge that ‘people who do not meet the requirements of their Claimant Commitment may have deductions made from their UC payments’. Knowledge of this was higher among those with barriers relating to age or health/disability than those with childcare barriers.

	Barrier to work				
% true	Childcare	Physical or mental health or learning difficulty	Age	Lack of relevant skills/ qualifications / experience	Commute to work
On Universal Credit you are better off for each extra hour you work	30%	27%	30%	32%	31%
Some people claiming Universal Credit can earn a certain amount before deductions are made	72%	66%	63%	64%	70%
You can work for more than 16-hours and still claim Universal Credit	76%	57%	55%	56%	56%
You can claim up to 85% of your childcare costs back through Universal Credit	47%	25%	19%	25%	27%
People who do not meet the requirements of their Claimant Commitment may have deductions made from their UC payments	70%	80%	81%	76%	77%
Base: All respondents	(1,297)	(1,388)	(745)	(1,305)	(901)

Section summary

- 01.** General understanding of UC work incentives was low and particularly low compared to claimants' understanding of sanctions under UC.

- 02.** Understanding of UC was greater among those in-work, women and those with children. It was lower among those with limiting health conditions or disabilities.

- 03.** Awareness of the childcare offer was higher among parents reporting childcare barriers but still accounting for less than half of this group. The qualitative interviews highlighted that this lack of awareness may be preventing some parents from working or increasing their hours.

- 04.** The qualitative research suggested low understanding of the work incentives was due a lack of clarity on where to find information on the support offers, and claimants finding them difficult to understand. Work coaches would be an effective way to increase understanding, so advice can be tailored to individual needs and circumstances.

Childcare

Two-thirds of current claimants with children experienced childcare barriers

- Current claimants were more likely than former claimants to have **dependent children** and were much more likely to be **lone parents**. Among those with children, current claimants were less likely to have children aged three or under.
- Current claimants with children were more likely to be **in-work** than those without children (57% vs. 27%). However, those with dependent children showed high agreement that *'it would be difficult for me to increase my hours of work now, even if I was offered it'* compared to those without children. This pattern was seen for both current and former claimants. Increasing hours of work was a particular problem for **lone parents**, especially among those who were currently claiming UC.
- When looking at barriers to work, **childcare barriers** were reported by 65% of current claimants with children, compared with 51% of former claimants with children. Combined with a greater number of (lone) parents in the current claimant group, this suggests that addressing childcare barriers is key to helping more parents become independent of UC.

In the qualitative research, parents tended to have established routines that carefully balanced work, finances and childcare. This could create barriers to increasing working hours and thereby disrupting routines or risking reductions in linked benefits. This was especially the case for lone parents and parents of younger children who preferred to care for children themselves. Other parents did not experience such barriers and preferred to focus on working towards increasing earnings. The perceived high cost of childcare was a key barrier.



My Work Coach only mentioned that [childcare offer] last month.. that has prevented me in the past from working... I would have started work sooner had I known.

Female, in-work, childcare barrier

Two-in-five parents used formal childcare but a significant proportion of them don't use any childcare funding

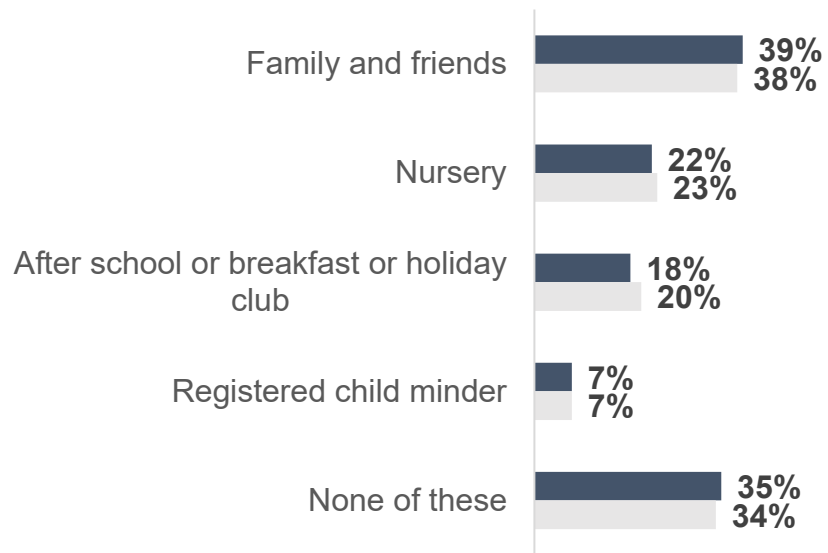
- Current claimants and former claimants were similar in their use of different types of childcare, with both groups most likely to use **family and friends**. Two-in-five parents used formal childcare. Of those who did, former claimants were more likely than current claimants to use tax-free childcare, whereas around a third of current claimants had childcare costs covered fully or partly by UC. Those currently claiming were also more likely to have up to 15 hours of free childcare for children aged two.
- General awareness and understanding of the childcare offer was low among all claimants. Positively, just over half (54%) of current claimants who received financial support for childcare said that it had helped them to **move into work or increase their hours**. This was higher than for those no longer claiming (31%).
 - In particular, two-thirds of those that have childcare costs covered fully or partly by UC said it had helped them, including 39% who say it has helped them a lot.
 - By contrast, those receiving up to 15 hours of free childcare for children aged two were less likely to say it had helped them (40%), compared with other types of financial support.

In the qualitative research, working parents made use of a range of childcare to help them maintain their work routine. This included partners, extended family, after school clubs and formal childcare such as nurseries and childminders.

There was a low awareness and understanding of the childcare offer, with most assuming that if they had not been informed of the childcare offer they wouldn't be eligible. Once informed, parents reacted very positively to the offer, but had questions about whether it would really benefit them in their own specific circumstances. They were keen to be reassured that they would benefit financially in terms both of the percentage covered, and any linked benefits that might be lost. There were concerns about upfront payment of a large amount needed to cover childcare.

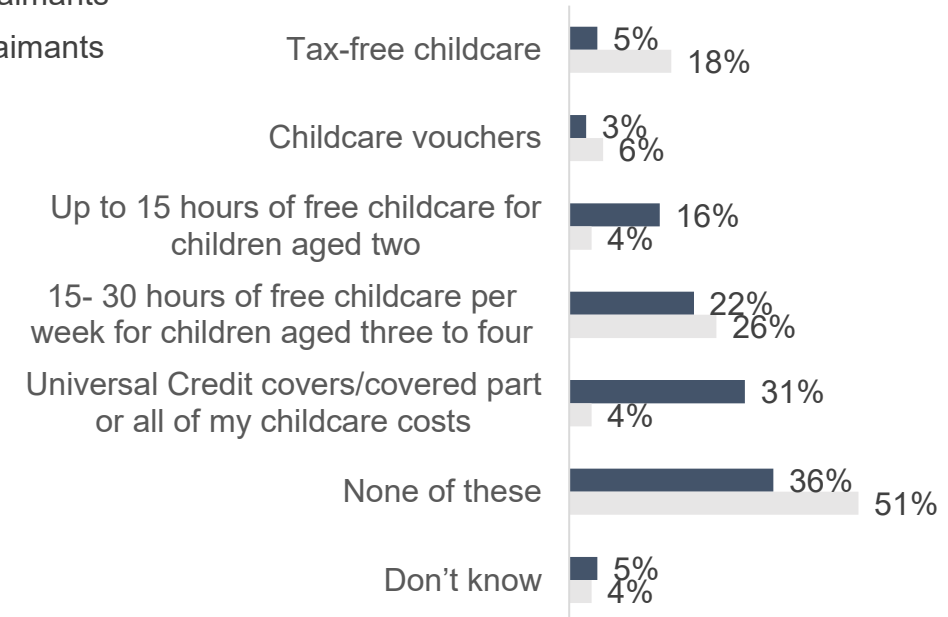
Two-in-five parents used formal childcare but a significant proportion of them don't use any childcare funding

Which, if any, of the following childcare do you use?



■ Current UC claimants
■ Former UC claimants

Do you use any of the following to fund your childcare?



Base: All who have children under the age of 16: Claiming UC (1647); Not Claiming UC (291); All who use formal childcare: Claiming UC (669); Not Claiming UC (128);

The qualitative research found that work responsibilities and childcare routines were finely balanced for working parents

Balancing work, financial priorities, and childcare was a key focus for parents. There was also some uncertainty about the financial benefits of working.

Parents had established working and childcare routines:

Working parents had established routines to enable them to combine work and caring for children. They had often arranged work that would enable them to collect children from school, and also used support from partners and grandparents, and formal childcare such as after school clubs and childminders.

Barriers to using formal childcare:

The prohibitively high cost of formal childcare was seen as a key barrier to using additional childcare. Some, especially lone parents and those with pre-school children, felt that they would prefer not to use childcare in order to work whilst their children were younger, as their children would benefit more from their care. In this sense, taking on more childcare was seen as a compromise that would need to come with clear benefits. Childcare options would need to be considered carefully to fit with work routines and school location.

Uncertainty about the financial benefits of working:

For some parents, there was uncertainty about the financial benefits of working, and an assumption that extra work would result in a loss of linked benefits providing support with housing costs and Council Tax. There was a general lack of clarity for some around what the financial impact might be of increased income, resulting in the fear that benefits would reduce. As formal childcare was seen as very costly, there was a perception for some that using childcare to increase working hours would not be financially beneficial.

This barrier to working additional hours did not apply to all parents, and those who expected to stop claiming tended not to focus on the financial impact of losing benefits. This group did, however, perceive childcare to be very costly and this had prevented them from taking on additional work.

In addition to a lack of awareness, the qualitative research found a lack of understanding of the childcare offer

Existing barriers to taking up childcare mean that the benefits of working additional hours must be clear for parents. Lack of clarity can act as a barrier, leading to the assumption that work will not be financially beneficial.

Awareness of UC childcare offer:

Although there were pockets of awareness of the childcare offer, in general there was a low awareness and understanding. Those who were aware had become aware via their work coach, but in some cases they felt they should have been made aware earlier. A few felt that they would have taken advantage of the childcare offer in order to work more hours, had they been aware of it. Echoing the findings on communication of the other work incentives, parents thought that if the childcare offer had been available to them, someone would have highlighted this to them. The fact that this hadn't been highlighted therefore suggested to them that they would be unlikely to be eligible. There was some confusion with Local Authority early years provision, which parents had usually heard of and assumed that this was the only provision available.

Reactions to childcare offer:

Parents reacted positively to the childcare offer, and were pleased that the offer suggested they would be eligible for a high percentage of childcare costs. However key questions emerged immediately around the precise details of the offer, and whether they would be eligible, based on their specific circumstances. Parents also wondered about the vague wording around the percentage that would be reimbursed, and what percentage of childcare costs they would actually receive. There were concerns about upfront payment, given the uncertainty about the amount they were eligible to receive.

Encouraging take-up:

Parents needed detailed explanation and reassurance about the childcare offer in order to consider disrupting existing benefits and paying large amounts upfront for childcare. This reassurance would be likely to need to come from a Work Coach who could provide an individualised explanation based on their own circumstances.

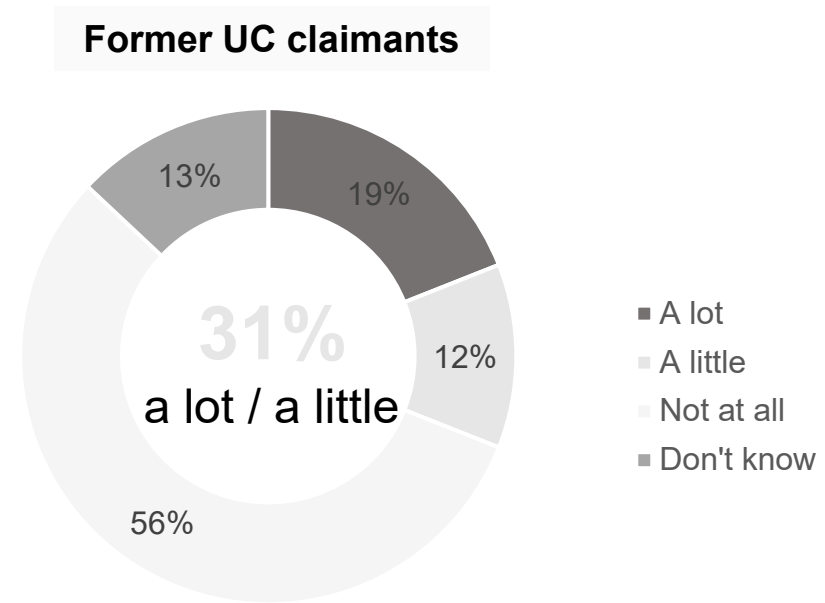
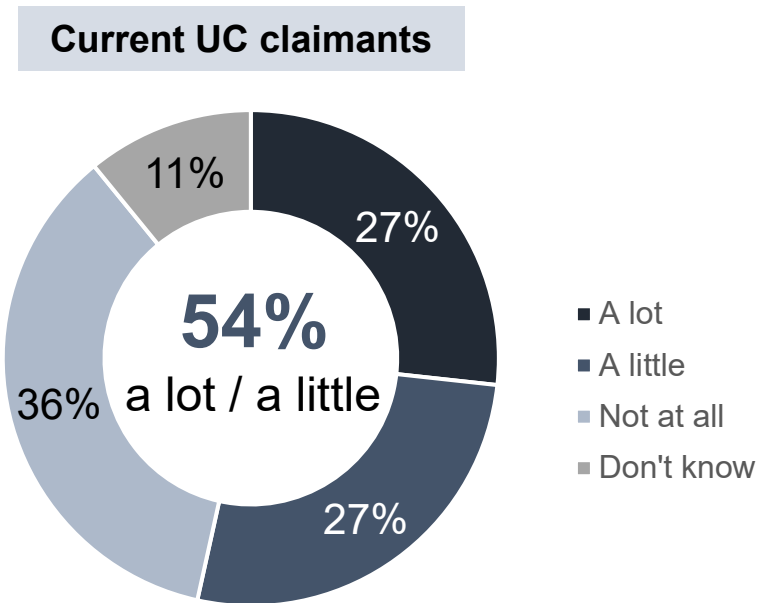
Increasing hours of work was a particular problem for current claimants who were lone parents

- Among those in-work, current UC claimants were more likely than former claimants to agree that *‘it would be difficult for me to increase my hours of work now, even if I was offered it’* (58% vs. 48%).
- To some extent, this can be explained by differences in household type. Among current UC claimants, agreement was higher among those with dependent children than those without children (67% vs. 43%). The same pattern was seen among former UC claimants, although not to the same extent (56% vs. 45%).
- The key difference between current UC claimants and former UC claimants was among lone parents: for those currently claiming, 70% of lone parents agreed that it would be difficult to increase their hours, but this was much lower among former claimants (54%).

	Current UC claimants				Former UC claimants			
% agree	Single adult	Lone parent	Couple no children	Couple with child(ren)	Single adult	Lone parent	Couple no children	Couple with child(ren)
It would be difficult for me to increase my hours of work now, even if I was offered it	43%	70%	47%	60%	53%	54%	44%	57%
Base: All respondents	(274)	(842)	(171)	(288)	(284)	(123)	(225)	(158)

Over half of current claimants in receipt of financial support for childcare said it had helped them to move into work or to increase their hours

Has this financial support helped you to move into work / work more hours?



Base: All who received financial support: Claiming UC (401); Not Claiming UC (60)

Section summary

01. Over half of current claimants with children were in-work; higher compared to current claimants *without* children.

02. Two-thirds of current claimants with children experienced childcare barriers, making it difficult for them to increase their hours of work at this present time. This was a particular issue for current claimants who were lone parents.

03. Two-in-five parents used formal childcare but a significant proportion of them don't use any childcare funding, partly due to low awareness of the UC childcare offer and *how* it could help their own personal situation. The qualitative research highlighted claimants' need for clear and tailored information on how the childcare offer would work for them.

04. However, over half of current claimants who received financial support for childcare said that it had helped them to move into work or increase their hours, suggesting scope to help more parents become independent of UC through tailored information and advice about the UC childcare offer.

Experience of Jobcentre Plus support

Current and former claimants reported similar levels of support from a work coach; differences were linked to conditionality

- There were no clear differences between current claimants and former claimants in terms of the type or level of support they have received from a Jobcentre Plus work coach. Current claimants were slightly more likely to recall receiving some form of support, however, differences were more pronounced in relation to more general characteristics of claimants.
- Claimants in the Intensive Work Search regime were more likely than average to recall receiving support from a Jobcentre Plus work coach. Linked to this, recall of support was highest among younger males, without children, who were not in-work. Claimants in elementary occupations and skilled trades, and those with Level 1 or 2 qualifications were also more likely to recall receiving support.
- In comparison, recall of support from a Jobcentre Plus work coach was lowest among those with children, those with a health condition or disability that limits them a lot, those qualified to degree level and those with no qualifications. Those in the Working Enough group were also less likely to recall receiving support.

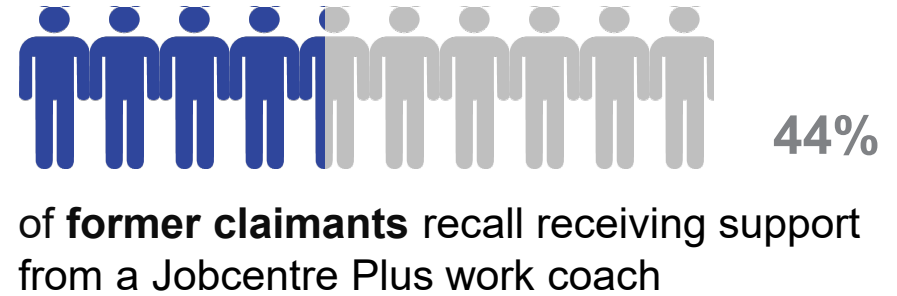
The qualitative research suggested that experiences of work coaches were highly varied.

Positive experiences were amongst those who found their work coach **emotionally supportive** and those with **practical support needs**. The key benefits of the work coach focused on **personal contact**, where the work coach was **supportive** and **empathic**, and **tailored advice** to individual needs based on personal circumstances.

Less positive experiences were amongst those expecting **tailored job search support**, and those with **less contact than they needed**. Some claimants experienced a lack of responsiveness from their work coach, and had difficulty using the online journal. This was a particular barrier for those with physical and mental health conditions, who would benefit from phone or face-to-face contact.

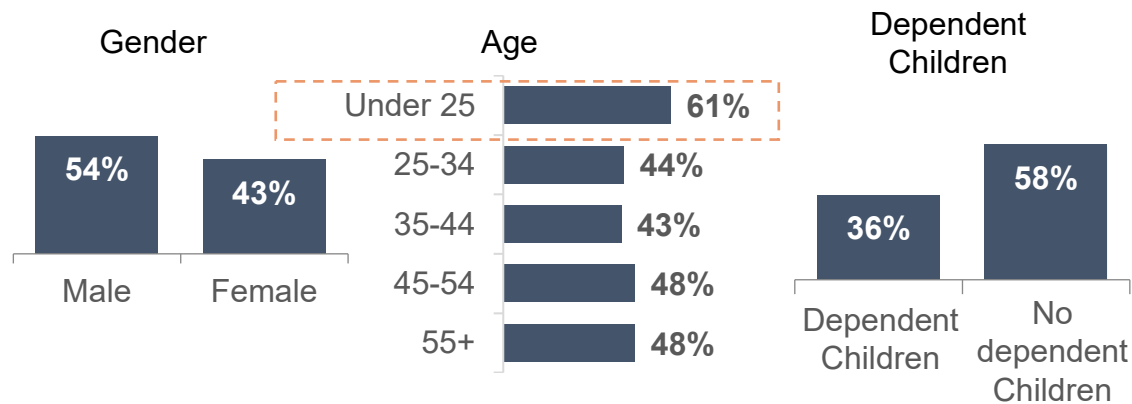
The **level of rapport** between a work coach and the claimant also impacted claimants' experiences, with those who did not build up a relationship with their work coach feeling more negative about the support they received.

Current and former claimants reported similar levels of support from a work coach; differences were linked to conditionality

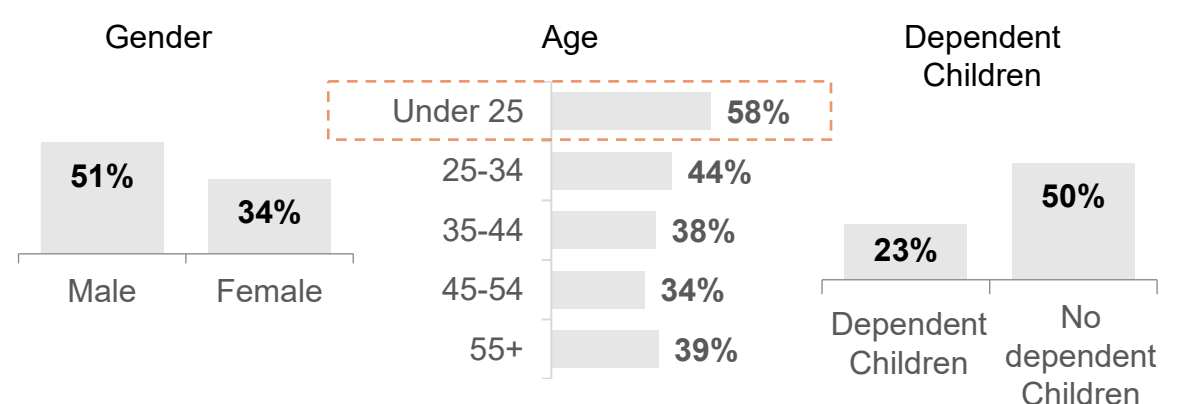


■ Current UC claimants ■ Former UC claimants

% recall receiving support from a Jobcentre Plus work coach:



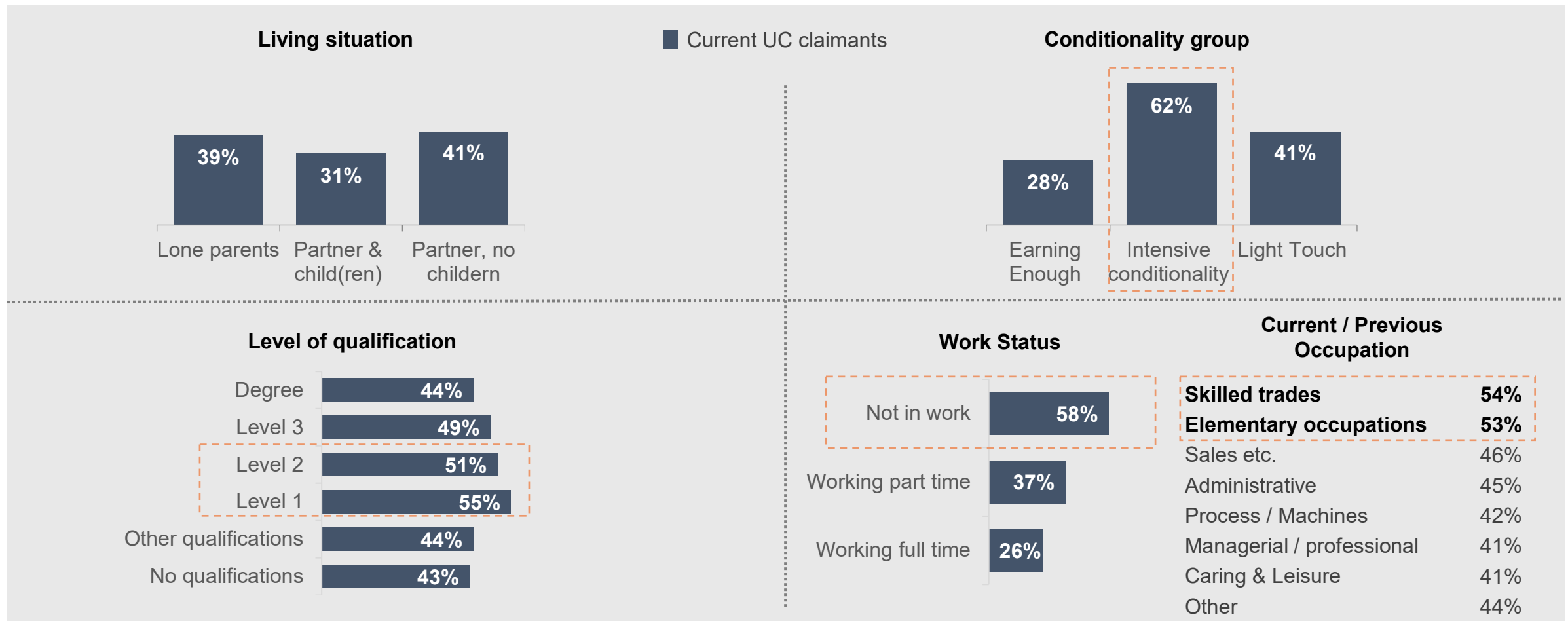
% recall receiving support from a Jobcentre Plus work coach:



Base: Claiming (3750); Not Claiming (1290)

Among current claimants receiving support from a work coach, recall was highest among those not in-work with low qualifications

% recall receiving support from a Jobcentre Plus work coach:



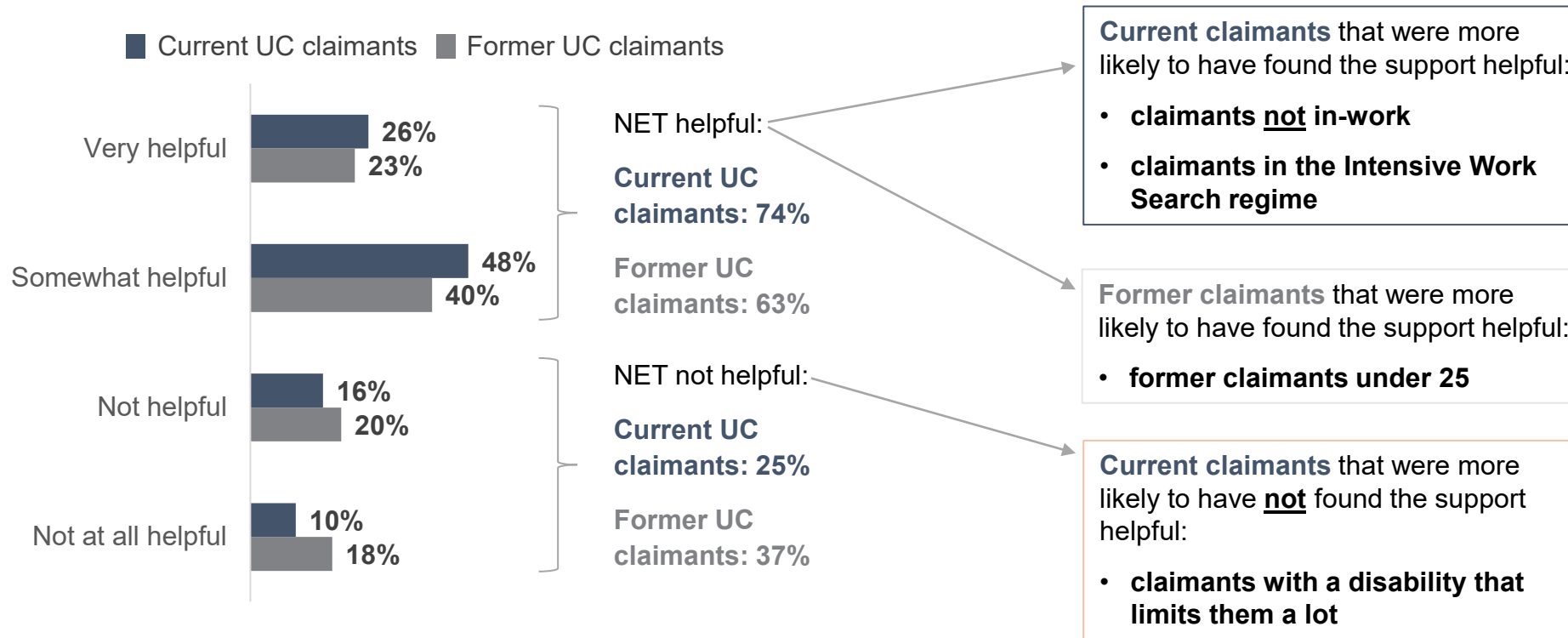
Base: Claiming (3750)

More current claimants found Jobcentre Plus support helpful than former claimants

- Of those who recalled receiving support from Jobcentre Plus, **current claimants** were **more positive** than former claimants about the help they received, with three-quarters reporting they found the interactions helpful (vs. 63% of former claimants). This can **partly** be explained by those currently claiming being more likely to agree that their work coach *gave advice that suited their personal circumstances*, compared to those no longer claiming (69% vs. 64%).
- Among **current** claimants, those **not** in-work were particularly likely to say the interactions were helpful, as were those in the Intensive Work Search regime. Older claimants, and those with no qualifications were more likely to find the interactions **very** helpful. In contrast, current claimants with a **disability** that limits them a lot were particularly likely to say the interactions had been **unhelpful**.
- Among **former** claimants, those **under 25** were particularly likely to say the interactions had been **helpful**.
- Similar proportions of current claimants and former claimants agreed that their work coach helped them to get into work / progress in work. However, former claimants were **more negative** about the impact of Jobcentre support.
- In both groups, views were less positive among those with a limiting condition/disability, women and those with children.
- The comparison between current claimants and former claimants shows the same pattern in relation to use of the UC online journal: similar proportions agreed that it helped them move into work / progress in work but again, former claimants were more likely to disagree.

More current claimants found Jobcentre Plus support helpful than former claimants

And was this Jobcentre Plus Plus interaction useful in helping you to find work / increase your earnings?



Base: All who had interactions with JCP Claiming (1655); Not Claiming (508)

Qualitative research in this and other recent studies highlights perceptual differences between legacy claimants and 'newer' claimants

Qualitative findings echo those from **recent Labour Market Incentives creative testing qualitative research**:

Newer claimants with less experience of benefits

For **newer claimants**, Universal Credit offered them a **financial safety net** that they were relieved and grateful to have access to.

These claimants tended to be **more optimistic** about the range of opportunities open to them for the future, even in the current climate of the pandemic.

Newer claimants were **more positive towards Universal Credit**, being more open to engage with the support offers and the potential personal benefit they would get from them. These claimants were less likely to have had negative experiences of the system.

Legacy claimants

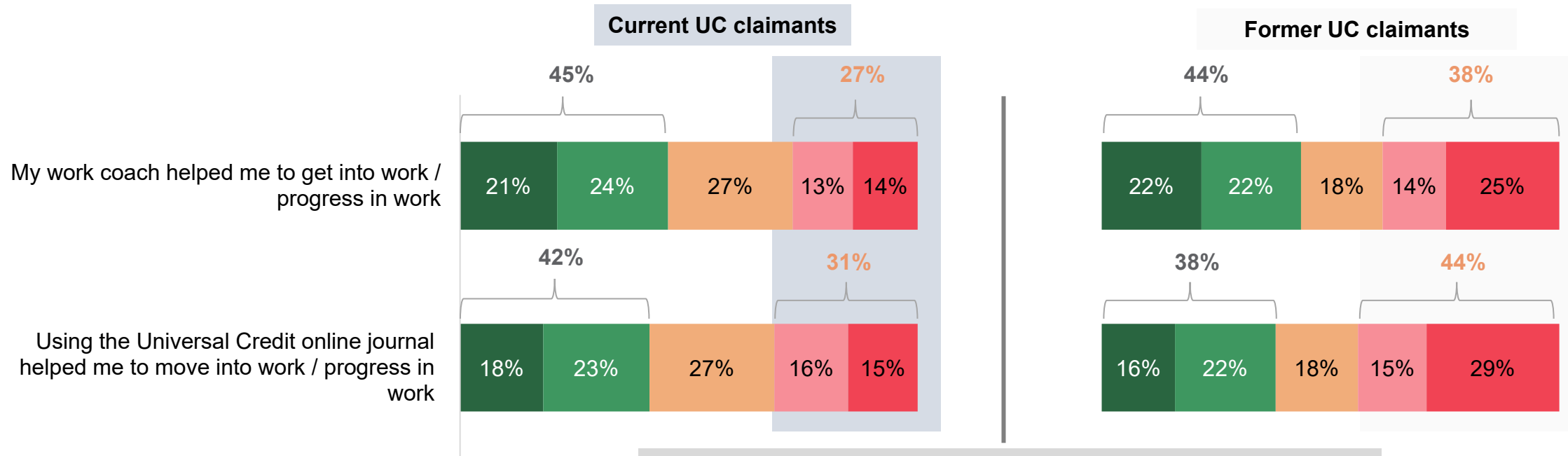
Longer-term claimants who were out of work were more wary of change resulting in losing benefits and had a fear of the potential sacrifices of working.

These claimants were less optimistic about the job market and expected COVID-19 to have a profound impact. They were also pessimistic about the potential for the system to support them into work.

Longer-term claimants were more likely to be **jaded by past experiences** where they had a negative experience of claiming.

Former claimants were more negative about the impact of Jobcentre support compared to current claimants

Thinking about the contact you have had with the Work Coach at the Jobcentre, how much do you agree or disagree that:



In both groups, views were **less positive** among those with a limiting condition/disability, women and those with children

Base: All who had interactions with JCP Claiming (1655); Not Claiming (508)

In the qualitative research, experiences of work coaches were highly varied

Work coach experiences were impacted by the level of rapport between the claimant and the work coach.

Positive experiences were amongst those who found their work coach **emotionally supportive** and those with **practical support needs**.

Those with emotional support needs tended to be claimants who experienced a variety of barriers, often with **serious physical and mental health conditions**, and other circumstances such as homelessness and addiction. These individuals benefited from emotional support in terms of **reassurance and confidence building**, understanding about their situation, as well as sign posting to other support sources.

Those who had practical support on the job market from their work coach were also optimistic about their experiences. Practical support highlighted by claimants included **identifying transferable skills** to help change career, help with attending **training courses** such as on CV writing skills, and sign posting to job fairs. Personal contact from a work coach to understand **individual needs** was key to ensure the practical support was beneficial to the claimant.

Less positive experiences were amongst those expecting a **tailored job search support**, and those with **less contact than they needed**.

For some, there was a **lack of tailored advice**, with resources found too **generic** and **not personalised** to individuals needs.

Some claimants felt there was a **lack of responsiveness** from their work coach, and they had difficulty using the online journal. The pandemic presented a particular challenge for work coach interactions, due to **limited limited phone or face-to-face contact**. This is especially important for those with mental health barriers.

Negative experiences were also reported by claimants who were unable to build up a relationship with a work coach due to seeing **different work coaches**. Some also felt their work coach was just going through the motions / tick boxes, rather than actively supporting them into work or to progress in work.

Positive work coach experiences included provision of practical and emotional support, as well as tailored help and advice

Those who had the most positive experiences of work coaches were those who had a rapport with their work coach and who felt their specific needs and situation were understood:

Example of positive practical work coach support

- Professionally qualified claimant applied for a number of roles in her industry but found herself **overqualified**
- The work coach helped identify **transferable skills** and suggested potential jobs to suit the claimants skillset
- The claimant was also sent on a **CV writing course**
- The support of the work coach resulted in the claimant **successfully changing career**, and moving into full-time work without the need for further UC support.

Key benefit of work coach support:

- **Personal contact with work coach resulted in claimants individual needs, circumstances and ambitions being understood**
- **Work coach was supportive and encouraging**
- **Transferable skills identified to empower claimant to find a new career**

Example of positive emotional work coach support:

- Claimant with **multiple barriers** into work due to numerous mental and physical health conditions, as well as caring responsibilities for family.
- The work coach showed **empathy and understanding** of the claimant's **personal circumstances**
- Practical support was also offered to redo a qualification
- The support of the work coach resulted in the claimant successfully **moving into work**, in a job the claimant finds **rewarding and motivating**.

Key benefit of work coach support:

- **Personal contact with work coach resulted in claimants individual needs, circumstances and ambitions being understood**
- **Work coach was supportive and encouraging**
- **Opportunities to retrain and improve qualifications in sector of interest to claimant**

Varying work coach experiences in the qualitative research

"I had very little actual checking. I think checking in more often, or at all actually, would have been welcome. I think my last experience, with it all being online, has skewed that."

Male, in-work, skills related barrier

"I've had lots of emails from my work coach, sending me job application forms. Someone also rang to go through interview techniques. It's little things like that they offer to help out, them sending me jobs to apply for, that have been useful..."

Male, out-of-work, skills related barrier

"Whenever I need them I can message my work coach and he gets back to me, if I type in my journal he gets back to me within the next couple of days. He's friendly and understands what I need."

Male, out-of-work, skills related barrier

"My work coach was just brilliant.. So supportive and encouraging. She initially helped me find teaching jobs to apply for. Then when I was not getting very far, I felt so disgruntled and she kept encouraging me. We then discussed a change in career, she looked at my transferable skills.....she sent me on CV writing course, which was just brilliant!"

Female, in-work, childcare barrier

"From my experience of DWP, I don't feel they have anything to offer me that would fundamentally alter my outlook, or my position in life. I don't mean that in a derogatory way to the DWP, I just feel that I have explored all the avenues"

Male, in-work, multiple barriers

Seven-in-ten current and former claimants expressed unmet support needs

- Former and current claimants expressed **similar** unmet support needs, with similar proportions of claimants saying that there are types of support that would help them, or would have helped them, to move into work or increase their earnings. For both groups, **younger respondents** and those **not in-work** were more likely to specify two or more types of support needs.
- **Current** claimants were slightly **more** likely than former claimants to say they would like/would have liked support to pursue further or higher education, whilst those who had **left** UC were slightly **more** likely to say they would like/would have liked help with financial management.
- The findings were broadly consistent across sub-groups, with little clear distinction of specific types of support for individual groups. One exception of this was '*access to good/quality/affordable childcare*'. Among current and former claimants with children, around three in ten wanted this support but had not been able to access it. This support need increased among those with **children aged 3 or below**, with 41% of current claimants and 34% of former claimants wanting this support.
- There was also variation in claimants support needs based on claimants' **health condition or disability**. Those with a disability that limits them a lot were more likely to want support to manage a physical or mental health condition, compared to claimants with a disability that limits them a little, or those with no health condition.
- For those who identified caring responsibilities as a barrier to work, support to manage caring responsibilities was mentioned by 41% of current claimants, and 26% of former claimants.
- The proportion that don't want support was higher among those **aged 55+** and those who have **worked solidly** without a break.

Qualitative research highlighted the need for tailored support based on individual circumstances

The qualitative interviews showed claimants support needs were shaped by the **type and extent of barriers** claimants faced, and where claimants were at in their stage of journey into work. Therefore, claimants would benefit from **support that is tailored to their needs**. For example:

- Claimants with a **goal in mind** who lacked skills to support them in their job search need **practical support** to develop skills and help them in applying for jobs.
- Claimants with a **lack of confidence or understanding** of the job market need support to help **identify opportunities** and **transferable skills**, as well as support to help **build confidence**.
- Due to low awareness and understanding of the UC work incentives offer, those with **childcare barriers** into work would benefit from support from their work coach to understand the childcare offer based on their own circumstances. This would enable parents to use this offer effectively and move into work.
- Those with more **complex barriers**, such as mental health conditions, disabilities, and those in difficult situations such as homelessness or addiction, would benefit from **empathy and understanding**, as well as **signposting to other services** for support.

“I want to look at opportunities, as my brain still works, so there is stuff I could still do. But I've been in the same industry for nearly my whole adult working life, and I don't really know how to evaluate what my skillsets are transferable to.”

Male, out-of-work, multiple barriers

“If I'd known [about the childcare offer], I would have taken them back to the childminder, I would have used that...I've never looked into it, nobody has talked to me about it.”

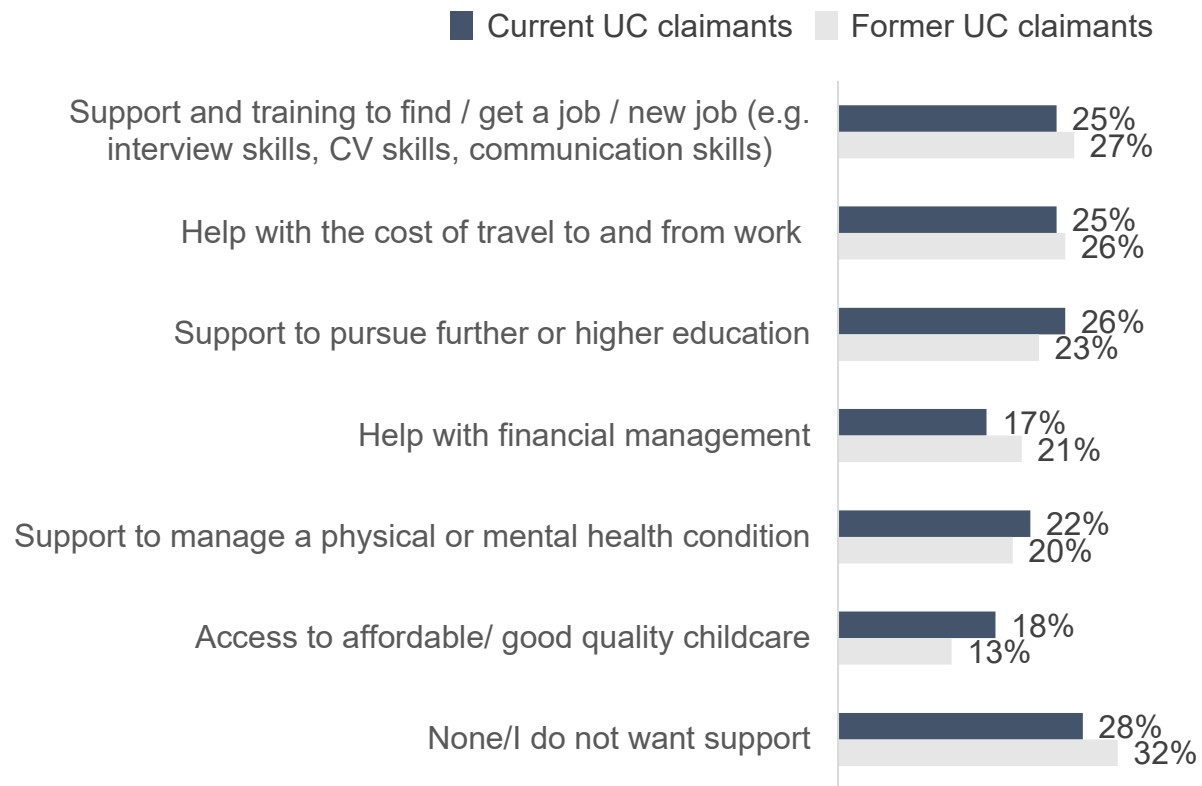
Female, in-work, lone parent, childcare barrier

“Mental health support I suppose, the options to seek help from say a therapist. If that option was there I would definitely take it.”

Female, out-of-work, multiple barriers

Seven-in-ten current and former claimants expressed unmet support needs, with more younger respondents and those not in-work citing multiple support needs

Are there any types of support which would help you to increase your earnings / move into work but you haven't been able to access?



For both current and former claimants, younger respondents and those not in-work were more likely to say they would like to receive support, and to specify two or more types of support

For those who say caring responsibilities are a barrier to work, 41% of current claimants and 26% of former claimants would like 'Support to manage caring responsibilities'

Older respondents and those with a solid work history were more likely to say they don't want support

Base: Claiming (3750); Not Claiming (1290)

Those *not* in-work wanted support from Jobcentre Plus, while those in-work preferred to have support from their employer

- Jobcentre Plus is the preferred source of support for those **not** in-work, while employers are the preference among those who are working.
- Claimants who were **in-work** were most likely to say that they would like to get support from their **employer**, in helping them to increase their hours or earnings. This was particularly the case among former claimants (58% vs. 48% of current claimants).
- Those **not** in-work were most likely to want to get support from **Jobcentre Plus** in helping them to move into work. This was higher among current claimants than former claimants, but was the most frequent response for both groups among those not in-work.
- More than a third of those **not** in-work specify online sources as a preferred type of support (41% among claimants and 37% among former claimants).
- Around a third of current claimants who were **not** in-work say they would like to get support from an employment agency (36%).

Among current claimants, those in the Working Enough group were most likely to prefer support from employers (33%), while those in the Intensive Work Search regime were most likely to prefer support from Jobcentre Plus (54%).

The qualitative interviews provided insights into the support preferences of in-work claimants and those who were not working temporarily. There was **less appetite** for UC support beyond financial support, amongst those who did not expect to be claiming for long.

Those who had **moved off UC, or who expected to do so soon**, were more likely to use **existing sources** such as current and previous employers, employment agencies and online sources. These claimants don't yet see Jobcentre Plus Plus as a source of support into work.

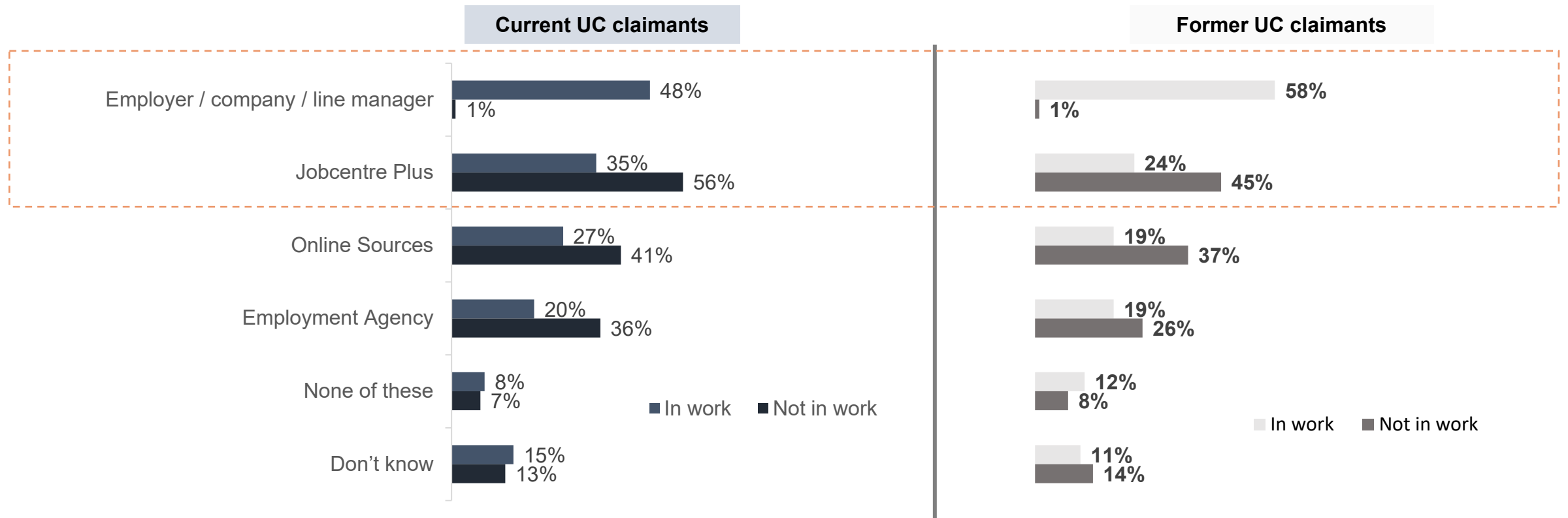
Some amongst this group see themselves as claiming **only for a short period of time** and were therefore less open to the wider support offer.

Others among this group would **prefer not to see themselves as a claimant** and see UC primarily as a financial stop-gap.

These findings also emerged in our recent Labour Market Incentives creative testing qualitative research.

Those *not* in-work wanted support from Jobcentre Plus, while those in-work would prefer support from their employer

Who / where would you like to get support from to help you to increase your hours or earnings/move into work?



Base: All who wanted support; Claiming UC: In work (985), Not in work (1299); Not claiming UC: In work (629), Not in work (154)

Section summary

- 01.** Work coach support is reaching claimants with poor qualifications and skills in the Intensive Work Search regime, who find the support helpful

- 02.** Work coach support was less common among parents in the Working Enough group. This group requires support to progress, but not in the short-term due to childcare commitments.

- 03.** Recall of work coach support was relatively low among people with a disability or health condition. This group is also more likely to see work as an unrealistic goal and to view the support given as unhelpful. Face-to-face or telephone contact with a work coach, rather than online, would greatly benefit this group of claimants.

- 04.** Positive experiences of work coach support was linked to tailored and responsive support that caters to different needs – emotional and practical. A good rapport between the claimant and the work coach was also important for a positive experience.

- 05.** Jobcentre Plus support is best targeted at those out-of-work, whilst those in-work would prefer to receive support from their employer

Reported impact and outcomes

Reported improvements in job preparation skills were highest among young men, those without a health condition/disability, and those in less skilled jobs

- Current claimants and former claimants were **very similar** in their perceptions of how their skills and knowledge had improved since they started claiming UC.
 - Similar proportions of current and former claimants said they know more about how to prepare for an interview; know more about which jobs fit with their skills; and say they have improved their work-related skills.
 - Current claimants were slightly more likely to agree that they are more willing to consider a wider range of jobs and were less likely to disagree that they *'feel more confident talking to my employer about new opportunities'* than former claimants.
- In both groups, respondents were more likely to feel their skills have **improved** if they are **male**, aged **under 25**, **without a limiting condition or disability**, and working/having worked in **less skilled occupations**.
- Among **current** claimants, those in the Intensive Work Search regime were most likely to say they know more about how to prepare for an interview (48%) and that they are willing to consider a wider range of jobs (58%).
- Among **former** claimants, those in the Working Enough group were less likely to report any progress in their skills and knowledge since they made their first claim in August/September 2019. For example, 37% said they had improved work-related skills, compared with 54% of Intensive work search regime Conditionality and 48% of Light Touch.

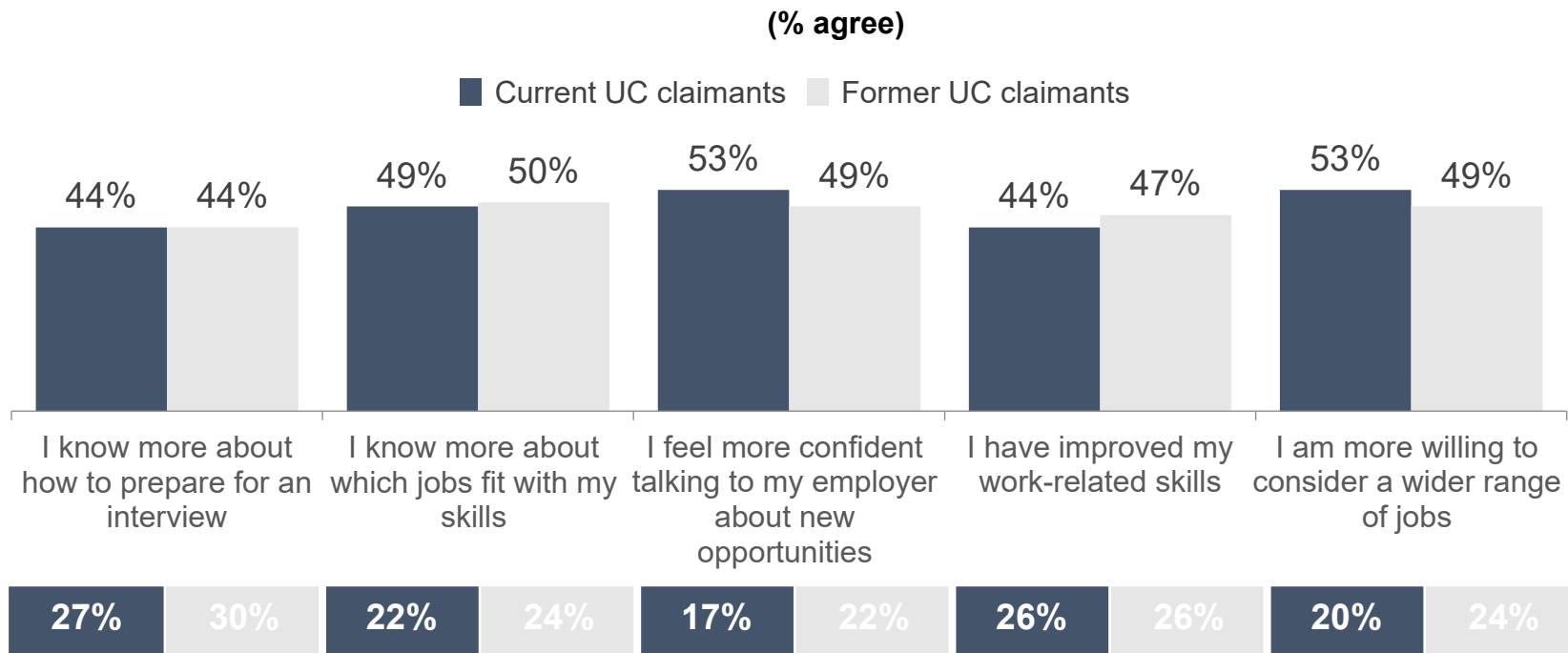
In the qualitative research, those who felt that they had benefitted most from UC were those who felt that support had taken into account their **specific circumstances**, and was appropriately tailored to their own needs.

Individual needs varied considerably, from those who needed intensive support to meet basic needs such as health or housing, to those who did not feel they needed any support over and above the financial support.

From the perspective of claimants and former claimants, the **work coach relationship was key** to ensuring that needs could be effectively understood. Those who felt that they had experienced a good level of understanding from work coaches were more engaged with UC support. Those with the most intensive support needs who had had a positive work coach relationship tended to value this highly. Conversely, those who were least satisfied tended to say that support was hard to access or less inappropriate to their needs.

Reported improvements in job preparation skills were highest among young men, those without a health condition/disability, and those in less skilled jobs

Thinking about how you feel now compared to when you started claiming Universal Credit in [...] how much would you agree or disagree that...



Base: Claiming (3750); Not Claiming (1290)

In both groups, respondents were **more likely** to feel their skills have improved if they are:

- male
- aged under 25
- without a limiting condition or disability
- working/having worked in less skilled occupations

The majority have taken at least one action to get work or progress in-work, with those in the Intensive Work Search regime most likely to have taken action

- Looking at actions taken since claimants first made their claim, the majority had taken a least one action to get work or progress in work, with those not yet working doing more.
 - **Current** claimants were more likely than former claimants to have spoken to their employer about progression (38% vs 30% among those in-work), and to have applied for a job since their UC claim started (56% vs. 49% among those not in-work).
 - Among those **in-work**, current claimants were more likely than former claimants to say they had talked with their employer about training, increasing their hours, promotion or a pay rise, since they started claiming UC.
 - More than half of current claimants who were **not** in-work said they have applied for a job since the start of their UC claim, slightly higher than the proportion of former claimants.
 - More than a third of current claimants who were **not** in-work had attended a job interview since their UC claim started, similar to the proportion for former claimants.
 - Around a quarter of claimants had attended training to improve their qualifications and skills, and this was similar among claimants and former claimants, and those in-work and out-of-work.
- Among both claimants and former claimants, these actions were more prevalent among **younger respondents, men**, those with **higher qualifications**, and those **without** a limiting condition or disability. Those in the **Intensive Work Search regime** were most likely to have taken at least one action (70% among current claimants and 71% among former claimants).

In the qualitative research, claimants who felt that support was appropriate to them, and who had developed a good rapport with their work coach, were more satisfied with UC support

A positive work coach relationship was key to a good engagement with UC support. Work coaches had provided a range of types of valued support.

Work coach
support

Help with finding /pursuing
work opportunities

Help with identifying
opportunities to improve skills

Confidence-building, help
identifying transferable skills

Signposting to support
organisations

UC needs varied considerably. Where some were coping with **major challenges** in their current living circumstances or dealing with serious psychological pressures, others had **fewer** or **more specific** needs.

Those who were able to benefit most from UC support were those who had been able to access the most **appropriate support**, and this tended to have come **via a work coach**. Those who experienced work coaches as **empathetic and understanding** and who felt their work coach recognised their needs, were **more engaged** with UC support. Those who **did not** expect their work coach to understand their needs, or who hadn't been able to **access support** were less engaged.

Those who **did not expect to be claiming for long** and therefore didn't think that they had much to gain from UC beyond financial support, were **less engaged** with support. This echoes other recent DWP qualitative research on labour market incentives.



Profile

Ross lives with his grandmother and since leaving school has worked in hospitality and retail. He was made redundant as a result of the pandemic and began claiming in August 2019.

After first being made redundant Ross was affected by depression and anxiety but has since began an online course studying 3D animation and therapy and is now feeling motivated and ready for work.

*renamed for anonymity

Motivations

Although initially lacking motivation, Ross was referred to the JETS programme by his UC work coach, is taking online studying and undergoing online cognitive behaviour therapy (that was recommended by his JET advisor to improve his anxiety). He applies for jobs that are recommended by his work coach and is motivated to get back into work and to have more independency.

Barriers

Lack of confidence and mental health struggles a barrier in the first instance.

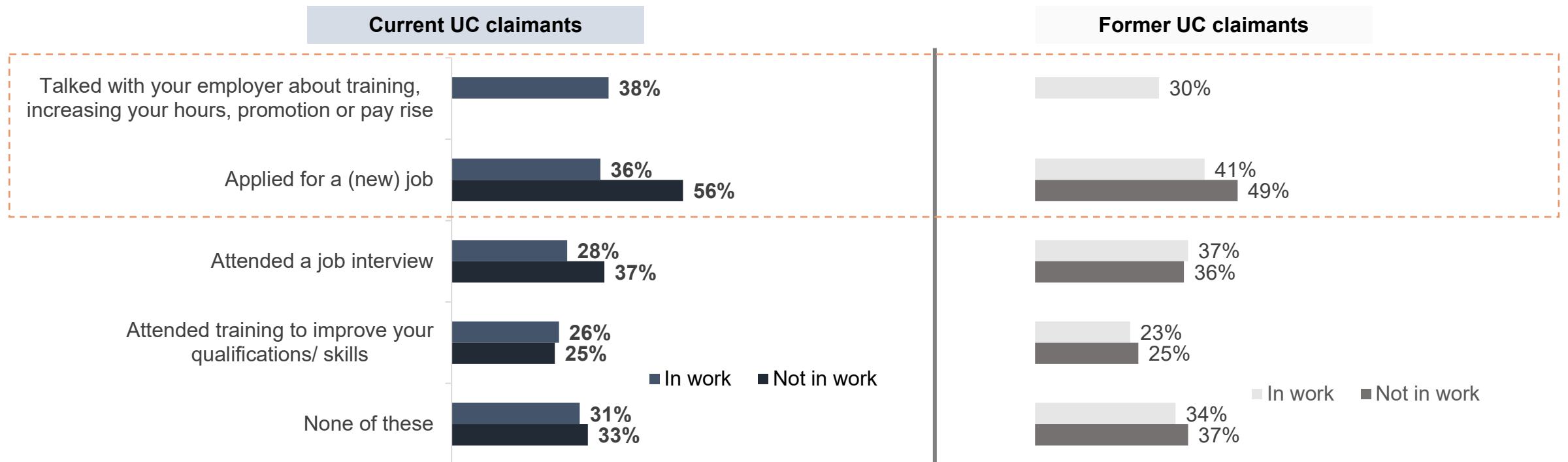
“Both [my UC work coach and JETS adviser] have been really supportive and helpful. With my work coach, I can talk to them about my problems easily, about how my anxiety and depression means I struggle during interviews. My coach helped with finding vacancies and offered to be a middle person for managing his applications.”

Key Takeaway

Positive interactions with work coach and referral to JETS programme resulted in positive outcomes

The majority have taken at least one action to get work or progress in-work with those not yet in-work doing more

Since you first started claiming UC, have you done any of the following ...?



Among both **claimants** and **non-claimants**, these actions were more prevalent among younger respondents, men, those with higher qualifications, and those without a limiting condition or disability.

Base: Claiming UC: Working (985), Not working (1299); Not claiming UC: Working (629), Not working (154)

More former claimants reported in-work progression outcomes than current claimants, particularly those working full-time

- Those who have **moved off UC** were **more likely** than current claimants to **report work progression outcomes**, including finding a new job (55% vs. 32%), increasing their hours (33% vs. 22%) and increasing their pay (30% vs. 21%).
- These work related progressions among former claimants were more likely to be reported among those who had moved into **full-time work**, compared to those who were now working part-time. For example, 57% of those working full-time reported they had found a new job, compared with 46% of those working part-time.
- Related to this, there was also a difference between full-time and part-time workers on reported work progression outcomes among those currently claiming. Over a third (36%) of current claimants in full-time work reported **taking on more responsibility**, compared to 29% of those in part-time work. Additionally, current claimants working full-time were more likely to report an **increase in pay** (27% vs. 18% of part-time workers).
- Among current claimants who had seen their pay increase, around half (48%) had noticed an increase in their overall income.
- Among current claimants, those in the **Working Enough** group were most likely to report at least one outcome (62% vs 53% of Light Touch and 46% of Intensive Work Search regime).



Profile

Daiva is 39 years old and a single parent. She lives in London with her 2 children, ages 11 and 5 years old. She is originally from Lithuania, but has lived in the UK for 16 years.

She initially worked as a cleaner when she came to the UK, then worked in hotels before moving into her current role as a property manager 5 years ago. She works 25 hours a week and uses UC to supplement her income after breaking up with her partner and becoming the sole income earner in her household.

*renamed for anonymity

Motivations

Highly motivated – Daiva increased her working hours from 20 to 25 after a recommendation from her work coach. She hopes to start her own business one day.

Barriers

Balancing work and childcare is a struggle for Davia, particularly so during the pandemic while she has been working from home and home schooling.

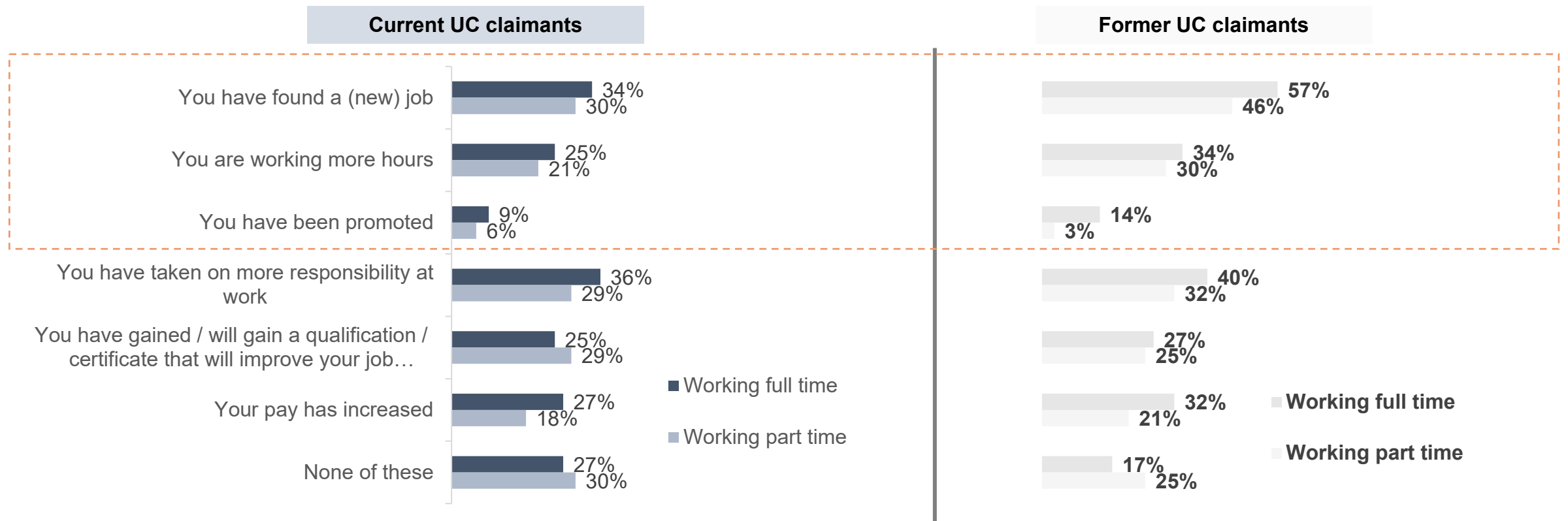
“Money gives you independence. I work for money, I like the stability that money gives you. I came to the UK without speaking any English, now look where I am, worked myself up to property manager.”

Key Takeaway

UC has helped provide stability to Daiva and her family. She is motivated and keen to progress in her career and is taking steps to achieve this. She has not used UC childcare support and didn't know about this.

More former claimants reported in-work progression outcomes than current claimants, particularly those working full-time

And have any of the following happened as a result of the actions you have taken since you started claiming Universal Credit?



Base: All who have taken any action; Claiming UC: Working full time (404), Working part time (714); Not claiming UC: Working full time (470), Working part time (141);

Section summary

- 01.** Job preparation skills have improved most among young men, those without a health condition/disability, and those in less skilled jobs

- 02.** The majority had taken at least one action to get work or progress in work, with those not yet working doing more.

- 03.** Younger, male claimants with higher qualifications, and those without a limiting condition or disability, were more likely to have taken actions to get work or progress in work.

- 04.** Work progression outcomes, such as taking on more responsibility and pay increase, were reported more by current claimants in full-time rather than part-time work.

- 05.** Among current claimants, those in the Working Enough group were more likely to report at least one positive outcome, compared to those in the Light Touch and Intensive Work Search regime.

Conclusions

Conclusions

01. The pandemic has given rise to an array of support needs. Work coaches need to be well equipped to deal with these diverse demands.

02. Work coaches are key to getting claimants into work but those that rely on telephone and face-to-face interactions have found it difficult to get consistent and responsive support during the pandemic.

03. There needs to be greater understanding of UC work incentives and how they relate to individual circumstances, particularly among claimants that are not in-work.

04. In-work progression will require giving more parents meaningful information about the childcare offer and how it can aid their particular circumstance.

05. Older claimants and those with a long-term disability/health condition require special attention, being furthest from the labour market and least likely to find JCP support helpful.

Appendix

Qualitative: Sample - In work

30 x 60 minutes interviews took place between 2nd March and 1st April 2021

	Segment	UC status	Age	Household composition	Type of barriers
In work	1 - Eager	3 Currently claiming	3 18-24	4 Single (no children)	2 Physical or mental health or learning disability
		3 Former claimants	3 25-34	2 Couple (no children)	4 Lack of relevant skills
	2 – Status quo	3 Currently claiming	6 45+	4 Single (no children)	Other/None
		3 Former claimants		2 Couple (no children)	
	3 – Single parents, childcare barrier	4 Currently claiming	3 25-34	6 Single parents	6 Childcare
		2 Former claimants	3- 34-44		
	4 – Couple, childcare barrier	3 Currently claiming	3 25-34	6 Couples with children	6 Childcare
		3 Former claimants	3- 34-44		
	5 – Multiple barriers	3 Currently claiming	2 25-34	4 Single (no children)	3 Physical or mental health or learning disability
		3 Former claimants	2- 34-44	2 Couple (no children)	
		2 45+			

The above segments were derived from the quantitative data analysis based on claimants attitudes and behaviours. For further exploration of the segments, please see the UC FS 12 months plus Segmentation report.

Qualitative: Sample – Out of work

30 x 60 minutes interviews took place between 2nd March and 1st April 2021

	Segment	UC status	Age	Household composition	Type of barriers
Out of work	6 – Capable and active	4 Currently claiming	2 25-34	6 Single (no children)	3 Lack of relevant skills
		2 Former claimants	4- 34-44		3 Age
	7 – Childcare barriers	6 Currently claiming	3 25-34	6 Single parents	6 Childcare
			3- 34-44		
	8 – Health-related barrier	5 Currently claiming	2 25-34	6 Other	4 Physical or mental health or learning disability
			1 Former claimants		
9 – Skills related barrier	6 Currently claiming	4 18-24	6 Couples with children	2 Physical or mental health or learning disability	
		2 25-34			4 Lack of relevant skills
10 – Multiple barriers	6 Currently claiming	2 18-24	4 Single (no children)	3 Physical or mental health or learning disability	
		2 25-34	2 Couple (no children)		3 Lack of relevant skills
		2 45+			

The above segments were derived from the quantitative data analysis based on claimants attitudes and behaviours. For further exploration of the segments, please see the UC FS 12 months plus Segmentation report.