

New Deal for Lone Parents: Second Synthesis Report of the National Evaluation

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Disclaimer

The views in this report are the authors' own and do not necessarily reflect those of the Department for Work and Pensions.

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Abbreviations and Acronyms

BA	Benefits Agency
BAVO	Benefits Agency Visiting Officer
CAB	Citizen's Advice Bureau
CT	Council Tax
Department	refers to the Department for Work and Pensions
DWP	Department for Work and Pensions
DfEE	Department for Education and Employment
ES	Employment Service
FACS	Families and Children Survey
HB	Housing Benefit
ICT	Information and Communication Technology
IF	Innovation Fund
IP	Innovative Pilots
IS	Income Support
IT	Information Technology
IWTG	In-Work Training Grant
JC	Jobcentre
JSA	Job Seeker's Allowance
KI	Key Indicators
LA	Local Authority
NCOPF	National Council for One Parent Families
NDED	New Deal Evaluation Database
NDLP	New Deal for Lone Parents
NDPA	New Deal Personal Adviser
NDYP	New Deal for Young People
NDLTU	New Deal for Long Term Unemployed
Next Step Measures	Enhancements and improvements to New Deals announced in November 1999 pre-budget report
NMW	National Minimum Wage
PA	Personal Adviser
Phase One	Prototype NDLP in eight locations - July 1997 and October 1998
Phase Two	National roll-out of NDLP for new and repeat claimants from April 1998
Phase Three	National programme of NDLP from October 1998
PROLIF	Programme of Research on Low Income Families
PVS	Private/Voluntary sector
QSE	Quarterly Statistical Enquiry
SFR	Statistical First Release
TfW	Training for Work
WBLA	Work Based Learning for Adults
WFTC	Working Families' Tax Credit

Executive Summary

This report reviews and synthesises evaluation evidence produced for the national evaluation of the New Deal for Lone Parents (NDLP). It brings together evidence from published evaluation reports, academic research, internal DWP and Jobcentre Plus analysis, published statistics and some new analysis of the DWP evaluation databases carried out by the authors.

The Aims of NDLP

NDLP is a voluntary programme introduced nationally in October 1998 with the aims of helping and encouraging lone parents to improve their prospects and living standards by taking up or increasing hours of paid work and of improving their job readiness to increase their employment opportunities. The evaluation evidence shows that the programme has fulfilled these aims.

Participation in NDLP

About 317,000 lone parents participated in NDLP between October 1998 and September 2002. As a percentage of lone parents on Income Support (IS), the coverage of NDLP at least doubled over the period, and the programme is now reaching over nine per cent of lone parents claiming IS. Participation has increased particularly for older claimants and short-term claimants. Mandatory Personal Adviser (PA) meetings have significantly increased participation in NDLP.

Explaining participation and non-participation in NDLP is not straightforward, with a complex mixture of reasons for both. Around three quarters of the eligible non-participants had heard of NDLP and only a third had a clear reason for choosing not to participate. The main reasons lone parents gave for not participating included the desire to look after their children, and not wanting help in their search for work. Timing is crucial for participation, and some non-participants may decide to join at a later date.

Those most likely to participate are the highest qualified claimants; those with the shortest claim history; those who have worked in the past year or are currently working; those who want to work in the next six months; and those who believe they will be better off in work and are willing to work for the minimum wage. Those less likely to participate have two or more children; have a child under the age of three; or have health problems or a disability.

The Outcomes and Impacts of NDLP

Overall since October 1998, 51 per cent of all leavers from the programme have left IS and entered work of at least 16 hours per week. Current estimates suggest that participation in NDLP increased exits from benefit to work by 24 percentage points, measured over a period of nine months. In other words, employment chances were roughly doubled for those who took part in the programme.

Similar effects were observed when looking at the exit rate from Income Support; NDLP appears to dramatically increase the rate at which lone parents leave benefit. Taking part in NDLP also significantly increased benefit awareness and understanding of tax credits.

Lone fathers, teenage and older lone parents, those with ill health and disability and ethnic minorities all have below average employment outcomes. This was also the case for lone parents with younger children and those with large families. Previous spells on IS and working under 16 hours on IS are both associated with positive work outcomes, but having a long current spell on IS is associated with worse outcomes. Having repeat spells on NDLP, having short durations on the programme and joining the programme since the year 2000 are all associated with better work outcomes. Multivariate analysis suggests lone parents joining via a PA meeting have poorer outcomes, although these are not significantly below the average.

There are also locational factors that influence work outcomes, which are worse in more deprived wards, across London and also in rural areas. There is a high level of District level variation in NDLP performance that is only partially explained by individual or environmental factors.

Job quality and sustainability of jobs gained from NDLP are generally better than those for non-participants and job satisfaction is higher. Overall jobs gained from NDLP tend to be in low or elementary skilled occupations that reflect the skill profile of participants. There is a substantial level of flows back from work onto IS and around 29 per cent return within 12 months. Evidence suggests there is a broad range of reasons for lone parents leaving work.

There is some evidence of cycling between IS and work and the programme and around seven per cent of participants are on the programme for the third or subsequent occasion.

NDLP is cost-effective and interim analysis suggests an economic gain to society of £4,400 per additional job and a net exchequer saving of just under £1,600 per additional job and a substantial social benefit. These estimates are maintained even with lower assumptions about employment additionality, partly because of the low unit costs of the programme.

Management and Delivery

The range of services available through Personal Advisers (PAs) on NDLP has increased over time. The programme focuses mainly on providing lone parents with practical and specific help with finding work, accessing training, making the transition to work, and maximising in-work incomes.

Lone parents rated NDLP PAs highly. Praise was given for their helpfulness, competence and personal characteristics. The majority of lone parents have a fairly brief engagement with the programme but are generally happy with this level of contact. Views on NDLP tended to depend not only on the service that people

received, but also on the results of the better off calculation, their own circumstances, outcomes and expectations.

The key factors identified in the effectiveness of NDLP include: highly motivated and committed PAs; a high level of PA autonomy and flexibility to tailor services to clients' needs and caseload management skills.

Management of NDLP has changed over time, being devolved to Jobcentre level and integrated with other New Deals although retaining specialist NDLP PAs.

Related Initiatives

NDLP has experimented with piloting a number of innovative schemes, which were very active in preparing clients for more employment-related activities by helping them with the 'first steps' towards working.

PAs found those clients who went on to join NDLP easier to help because of their previous participation in innovative programmes, which had helped them towards job-readiness both practically and attitudinally.

Projects offering transferable skills and vocational training were most appropriate for parents with low educational attainment. Parents were given a high degree of emotional and practical support during courses.

Recruitment, retention and childcare were problematic in some schemes. Lone parents were more likely to complete training if the content of the course was manageable, enjoyable, and held out good job prospects. There is also a need to market courses realistically and manage expectations of participants.

Future Prospects for Lone Parents

NDLP has a significant role to play in helping to meet the government's target of 70 per cent of lone parents being in work by 2010. Current participation rates and profiles suggest that the programme is most helpful for those lone parents with the greatest work readiness and those who are considering work in the near future. It is less effective in engaging with those who need or who would value more intensive support to help them move closer to the labour market. Those lone parents who are looking for higher-level jobs, that may require some specialist training, tend also to be poorly served.

The DWP's strategy for meeting the 70 per cent employment target for lone parents consists of four key elements: increasing the work focus of all interventions; developing childcare that is flexible and meets the needs of lone parents; improving the financial incentives to work; engaging employers and increasing public awareness in relation to all working parents' needs at work. NDLP is thus a key element in a larger package of measures.

The report suggests some future policy developments to improve participation in the NDLP, improve local links and knowledge, and to extend the PAs' 'toolkit' of help they can offer lone parents, meeting the needs of repeat participants, improving employability and employment retention.

1) Lone parenthood and recent UK policy developments

There are estimated to be about 1.75 million lone-parent families in the UK, with about 2.9 million dependent children (Haskey, 2002)¹. This is equivalent to a quarter of all families with children. Lone parenthood has been a visible feature of British family life at least since the 1970s, not least because these families have a much higher than average risk of being, and staying, poor. Successive British governments have struggled with the challenge of how to respond to the growth of lone parenthood: how to help lone parents who wish to work to do so; how to ensure separated parents continue to support and remain in contact with their children; and what type and level of state financial support to provide for lone parents and their children. Since 1997, the government has pursued a vigorous programme of welfare reform, including many provisions both directly and indirectly aimed at lone parents. A number of policy targets and goals have been set, including:

- a target that 70 per cent of lone parents should be employed within ten years;
- a target to eliminate child poverty by 2020, and to halve it by 2010;
- a goal of increasing the supply of childcare in general and to provide child care places for all employed lone parents living in the poorest areas;
- a commitment to reforming child support to make the system simpler and more effective.

New Deal for Lone Parents (NDLP), introduced nationally in 1998, is one of a range of policy initiatives aimed at lone parents. NDLP is a voluntary programme *'which aims to encourage lone parents to improve their prospects and living standards by taking up and increasing paid work, and to improve their job readiness to increase their employment opportunities'* (DWP 2002c) and this report addresses the extent to which these aims have been met. NDLP mainly offers information and advice to lone parents, but also gives access to training and other programmes (see further details below). It is the first time that lone parents in Britain have had access to a dedicated labour market programme. About 317,000 lone parents took part in the programme between October 1998 and September 2002.

NDLP has been subject to extensive evaluation, examining the way in which the programme has been delivered, how lone parents have responded to it, the outcomes for those who have participated, and the impact of the programme on employment rates and exits from Income Support. The aim of this review is to provide a critical synthesis of all the evaluation evidence. This involves:

- updating the previous synthesis reports (Hasluck, 2000; Evans, McKnight and Namazie 2002), in particular to include the recently available quantitative evidence on outcomes and impacts;
- evaluating the overall evidence in order to draw robust conclusions about the performance of NDLP;
- assessing the impact of NDLP in the context of wider policy measures intended to encourage employment among lone parents; and
- discussing the future of policy, particularly to consider what reforms may help to meet the 70 per cent employment target.

¹ Estimates of numbers of lone parent families differ between survey data sources

The previous synthesis report provided an overview of demographic trends, employment patterns, and benefit receipt for lone parents (Evans, McKnight and Namazie 2002, see also Holtermann *et al*, 1999). We do not repeat that level of detail here but instead focus on understanding the context in which NDLP has operated over the past five to six years. This chapter is divided into three main sections. The first summarises the personal and labour market characteristics of lone parents. The second locates NDLP in the context of other policies to help lone parents into work and summarises key changes since 1997. The final section describes how NDLP has been evaluated and the main sources of data used in this review.

1.1 The characteristics of lone parents on Income Support

NDLP is now available to all lone parents who are not employed, or who are working for less than 16 hours per week². The vast majority of these are on Income Support. The postal survey of lone parents on Income Support carried out in 2000 (Lessof *et al*, 2001) highlights some key characteristics of this group:

- They are mostly women (94 per cent), mostly aged 25 to 39 (61 per cent), mostly white (85 per cent), they have one (43 per cent) or two (34 per cent) children, about half have children under school age (47 per cent) and most live in social rented housing (66 per cent).
- Just over half (51 per cent) have neither academic nor technical qualifications and most (60 per cent) do not have a driving licence.
- About one third (36 per cent) had been receiving Income Support for less than two years, 28 per cent for two to five years and 37 per cent for five or more years.
- Most (82 per cent) had had some work experience, and those who had never worked were more likely to be younger, to have no qualifications and to live in social housing.
- About half were engaged in some work-related activity – 23 per cent were looking for work, 13 per cent were studying, 5 per cent were doing voluntary work and 20 per cent were active in other ways.
- When asked about their plans for paid work, 33 per cent said they wanted to work within the next year, 28 per cent within the next three years, and 40 per cent said not within the next three years³. Those with no previous work experience were the most likely to say they do not want to work in the near future. Just over half (56 per cent) said they were interested in training or studying.
- Those wanting to work in the near future were mostly actively looking for work, mainly by looking at job adverts in the newspapers, by asking their friends and relatives, and via Jobcentres. Of those with longer time horizons regarding work, most (over 60 per cent) were not actively job seeking.
- Very few saw no potential barriers to finding and keeping work. The survey asked them about the potential 'barriers' to work that they thought that they faced. Only 7 per cent said there were none, 28 per cent said there were one or two, 30 per cent said there were three or four, and 36 per cent said there were five to ten.

² This has changed since the programme was introduced (see section 1.2 below).

³ Other studies tend to show that about 10-12 per cent say that they never want to work; these are typically older women, with health problem, and little work experience.

- The types of barriers included both personal and labour market factors, as shown in Table 1.1⁴. The most frequently mentioned reasons were to do with children, either not wanting to leave children in care or lack of childcare, but similar proportions also mentioned lack of skills and concerns about being worse off financially. There were also issues of confidence, concern about employer attitudes, and about lack of jobs.
- Those furthest away from work were more likely to report health problems or caring responsibilities, but in general there was no simple relationship between the perceived barriers and closeness to work. It was not the case that those closest to work had fewer barriers, or different types of barriers, and to some extent those closest to work seem to have been more aware of the problems they potentially faced.

Table 1.1 Perceived barriers to work: non-working lone parents

	All	Nearest to work ¹	Furthest from work ²
	%	%	%
Don't want to leave children with anyone else	55	37	60
Lack of suitable childcare in the area	52	55	46
Lacks skills and/or experience	51	31	23
Worse off financially	50	43	51
Low confidence	46	47	43
Employers won't employ me because of childcare responsibilities	46	44	46
Not enough jobs around here	37	48	34
Health problems	23	12	35
Other caring responsibilities	17	10	23
Proportion of sample	100%	13%	40%

1. Wants to work in next 6 months

2. Does not want to work within next 3 years

Source: Lessof *et al*, 2001, table 6.1.1.

There are also some important differences between the existing (stock) and the new (flow) Income Support claimants (Pettigrew *et al*. 2001). The existing claimants are more likely to have health problems or disabilities and to feel they have multiple barriers, including skills and confidence. The new claimants are more likely to be closer to the labour market, with more looking for work and having recent work experience, but they often have young children and are very likely to say that childcare is an important barrier to work.

As noted above, the postal survey of lone parents on Income Support (Lessof *et al* 2001) showed that a third of these parents wanted to work in the next year and over a quarter within the next three years. Other studies fill in some more of the picture (see Millar and Ridge, 2001 for an overview). The first *Family and Children Survey* interviews, carried out in 1999, (Marsh *et al*, 2001), found that about one-third of lone parents reported that they had experienced physical violence in their last year with their partners. Non-employed lone parents reported high levels of financial hardship, with about half having deductions from their benefit to pay for Social Fund loans or utilities bills, and almost two-thirds having debts. Living on a low-income can be very difficult, very time-consuming and can create anxiety and stress - all of which make thinking about work more difficult. This comes out even more strongly from qualitative studies, (for example, Finch, 1999; Lewis *et al* 2000 and Dawson *et al* 2000) with in-depth interviews with lone parents showing that lone parents want to work for financial and other reasons (social contacts, wanting independence, goals of self

⁴ These came from a checklist to which the lone parents responded. Other studies have also found that transport is a problem for some lone parents (it was not on the list here).

actualisation, etc) but also highlighting the number and complexity of the factors that lone parents have to take into account when thinking about work

This is thus a challenging group for labour market policy because many lone parents have serious constraints on work but, on the other hand, it is also a group that has many who are motivated to work. NDLP represents the first time that lone parents have been targeted for, and included in, a national labour market programme. This means that those responsible for designing and implementing NDLP have had to learn a lot about the particular circumstances and needs of this group, and how these relate to local job opportunities and prospects. It also means that lone parents themselves have had to interact with the Benefits Agency and Employment Service (now replaced by Jobcentre Plus) in new and different ways. Many lone parents, for example, have never been in a Jobcentre before.

However, NDLP is not a stand-alone programme, but is part of a wider set of measures intended to increase employment rates among lone parents. In the next section we describe this wider context and summarise key changes since 1997.

1.2. Wider policies and changes since 1997

We start by briefly describing how NDLP itself has evolved since 1997, and then consider related policy developments. We also consider what has happened to lone parents' employment, benefit receipt and poverty since 1997. Text Box 1.1 gives an overview of policy changes relevant to lone parents since 1997.

Text Box 1.1 Main policy changes affecting lone parents since NDLP

1997

Introduction of Child Maintenance Bonus payments on movement into full-time work (16 or more hours a week).

Launch of New Deal for Lone Parents in eight prototype areas.

1998

Lone parent premium in Income Support and One Parent Benefit abolished for lone parents making a new claim.

Childcare disregard increased to £100 where two or more children are eligible (children up to age 12).

New Deal for Lone Parents implemented nationally.

Improved provision for work-related training within NDLP.

Introduction of linking rule to preserve benefit entitlement for breaks of up to twelve weeks.

1999

Family Credit replaced with Working Families' Tax Credit to supplement the income of working parents

Increase in basic level of Income Support.

Introduction of National Minimum Wage.

2000

Target group extended to those with a youngest child aged three or over (formerly aged five and three months or over).

Introduction of compulsory Personal Adviser meetings in three 'pathfinder' areas.

Introduction of In-Work Training Grant pilots for those already in employment (May 2000)

2001

Target set to get 70 per cent of lone parents into work by 2010
 National introduction of compulsory Personal Adviser meetings for new and repeat claimants and stock with youngest child 13-15 years (April 2001).
 Extension of New Deal For Lone Parents to all non-working lone parents and to those working fewer than 16 hours (regardless of whether claiming benefits)
 Extension of Work-Based Learning for Adults to lone parents aged 18-24 (April 2001)
 Basic skills screening introduced at initial NDLP interview (April 2001)
 Adviser Discretion Fund replaces Jobseeker's Grant for lone parents (July 2001)
 Introduction of Jobcentre Plus (from October 2001)
 Self employment option is available for NDLP from Autumn

2002

Outreach to increase participation in voluntary NDP/NDLP
 PA meetings extended further with roll-out to stock clients with youngest child aged 9-12 and new/repeat clients with youngest child aged three and above
 Compulsory six monthly PA review meetings in pathfinder areas and for all new claimants nationally
 Full national roll out of Jobcentre Plus
 12-monthly review meetings for stock claimants introduced

2003

New Child Tax Credit and Working Tax Credits begin.
 Mandatory PA meetings extended to new and repeat lone parent claimants of IS with children under 3 and to existing claimants with youngest children aged 5-8 years.
 Mandatory PA meetings to be extended in 2004 to existing claimants with children under five thus covering all lone parents on IS.
 A new mentoring service across the country tailored specifically for lone parents (2004).
 The development (working closely with employers) of a targeted communications strategy in six metropolitan areas, to supplement existing national and local advertising campaigns;
 Discovery Week pilots in six major metropolitan areas (two in 2003 and the remaining four in 2004) to boost soft skills and knowledge of help available
 Childcare taster pilots from April 2004
 The introduction of a new £20 per week Work Search Premium in 8 pilot areas (October 2004) and new £40 per week In-Work Credit in 12 pilot areas available to lone parents who have been on IS for 12 months or more (October 2004)
 A new flexible fund for debt advisory services (April 2004)
 Lone Parents joining Employment Zones (from October 2003)

Source: Adapted from Lessof *et al* 2003, Ford and Millar, 1998, and Hales *et al.*, 2000b

1.2.1 The development of NDLP

There have been a number of changes to the design and delivery of NDLP since 1997⁵ (details of delivery are given in chapter 3). Three changes are particularly important to highlight:

1. *A wider target group*: NDLP has always been a voluntary programme aimed at all lone parents on IS. While all such lone parents were eligible, the programme originally targeted lone parents who had been receiving Income Support for at least eight weeks and who had a youngest child of over school age. The target group was extended to those with children aged 3 and above from May 2000. Eligibility for the programme was widened in

⁵ See Evans, McKnight and Namazie, 2002 for a detailed summary.

November 2001 to all non-employed lone parents and those working for less than 16 hours per week, regardless of age of children or of receipt of IS.

2. *Additions to the New Deal Personal Adviser 'toolkit'*: Each lone parent who participates in NDLP is allocated to a New Deal PA, who offers information, advice and support. They can also offer specific help with finding jobs, childcare and training. The range of support and services that can be accessed has increased over time, as complementary policies have developed (see section 1.2.2 below). New Deal PAs have been given access to more possible provisions. For example, the 'Adviser Discretion Fund', introduced in 2001, allows them to allocate up to £300 per client to be used to help them find work, and a childcare subsidy and training premium were also introduced in the same year. (See Chapter 3 below for full details of the support New Deal PAs can offer).
3. *Compulsory PA meetings as a new route into NDLP*: At the start of NDLP, the main routes into the programme were through an invitation letter or self-referral that was followed by an initial interview ('*NDLP Initial Interview*'), at which lone parents were told about the programme and invited to participate. Those who elect to do so, then attend one or further interviews with a New Deal Personal Adviser and subsequently may have other contact, for example by dropping in to the Jobcentre ('*NDLP PA Interview*'). Routes into the NDLP Initial Interview included self-referral, referral from other agencies, outreach visits or through a letter inviting them to interview. Since 2001, an additional route to the NDLP Initial Interview has been introduced nationally on a rolling basis, in the form of a mandatory work-focused meeting ('*PA meetings*'). At the time of writing, this is currently required for all new and repeat IS claimants both at the point of their claim and then six months into the claim, twelve months into their claim and yearly thereafter. *Existing* ('stock') claimants with children aged 9 years and over are also required to attend a PA meeting, and this is currently being rolled out to those with children aged between 5 ¼ to 8 years. Stock clients are required to attend annual mandatory review meetings. Eventually all lone parents making a claim for, or receiving, Income Support will be given information about NDLP and an opportunity to participate. See Text Box 2.1 for details of the roll-out of PA meetings.

The different circumstances under which a lone parent participant can now meet with a Personal Adviser lead to a problem of consistent definition – especially for the general reader. Throughout the remainder of the report the following terminology is used to define the status of meetings:

<i>PA meetings:</i>	mandatory meetings with the PA.
<i>NDLP Initial Interview:</i>	voluntary meeting between PA and a prospective NDLP participant
<i>NDLP PA Interview:</i>	voluntary meeting between PA and a participant on NDLP

1.2.2 Other related policy developments

Alongside NDLP, there are other complementary provisions; some targeted just on lone parents and others more widely available, which are also aimed at encouraging and supporting

employment, and at tackling child poverty⁶. Here we consider these under four main headings.

1. Making work pay: These include a range of measures affecting all low-paid workers. The National Minimum Wage, introduced in 1999, has benefited women in particular. There have been reductions in National Insurance Contributions for people on low wages. Measures intended to help with costs associated with moving into work have been introduced. These include 'benefit run-ons', which allow payments of Income Support and Housing Benefits to continue into the first 2 or 4 weeks in work (see Chapter 2 below for a more detailed list).

The introduction of tax credits, to top up wages in work, has been the central element of the 'make work pay' strategy. Working Families' Tax Credit (WFTC) replaced Family Credit in 1999, and is payable to families with children who work 16 or more hours a week and are on low to moderate incomes. It includes a childcare element, which can meet up to 70 per cent of the costs of registered childcare. From April 2003, the 'next generation' of tax credits came into effect, and WFTC was replaced by the Working Tax Credit (which has a similar structure) and by the Child Tax Credit (which replaces the child additions to Income Support/Jobseeker's Allowance, and the Children's Tax Credit).

The number of lone parents receiving WFTC has increased steadily, with about 695,000 families in receipt by August 2002, compared with about 562,000 in August 2000 (Inland Revenue, 2002). About 157,000 lone parents were also receiving the Childcare Tax Credit in 2002. Take-up of WFTC by lone parents is estimated to be about 78 to 84 per cent by caseload and to be 82 to 89 per cent by expenditure (Inland Revenue, 2002a)⁷.

2. Changes to Income Support: The key changes here include substantial increases in the Income Support rates for children. Since 1997, the rate for younger children (aged under 10) has almost doubled in cash terms and the rate for those aged 11 to 15 has risen by about one-third. In real terms, this means that Income Support for families with children has risen substantially – for example by 25 per cent for a lone parent with one child aged under 11 between April 1997 and April 2002. Such higher rates for out of work benefits have had knock on effects on making work pay.

In addition, various measures have been introduced to help lone parents work part-time (under 16 hours) while receiving Income Support, and to prepare for work in other ways. These include the introduction of a Training Premium with £15 per week, £20 per week earnings disregard, and help with childcare costs for first year in employment (less than 16 hours per week).

3. The introduction of Jobcentre Plus: This is being implemented over five years, from August 2001 to 2006. The Jobcentre Plus offices merge the services of the Benefits Agency and Employment Service into one integrated office. Jobcentre Plus is taking forward lessons from the ONE Service pilots and their evaluation.

Separate from the introduction of Jobcentre Plus but preceding and accompanying such changes there has also been a change in the balance of specialist and generic services with a move away from 'ring-fenced' NDLP teams to more generic teams, responsible for

⁶ The NDLP itself is one of a number of New Deal programmes. These include the New Deal for Young People, the New Deal for Long-term Unemployed, the New Deal for Partners, the New Deal for Disabled People, the New Deal 25 Plus and the New Deal for 50 Plus.

⁷ Caseload take-up refers to the proportion of eligible families eligible in receipt, expenditure to the amount of money received as a proportion of the total. Take up rates are higher for lone parents (couples with children have rates of 55-60 per cent by caseload and 61-70 per cent by expenditure).

delivery across all the New Deal programmes, however NDLP PAs have retained a separate and distinct identity.

4. The National Childcare Strategy: This was introduced in 1998 to ensure that there is accessible, affordable and quality childcare for children aged 0 to 14 (and 0-16s for those with disabilities or special needs) in each neighbourhood. It is delivered through Local Authority Early Years Development and Childcare Partnerships. Since 1997, over 600,000 new childcare places have been created benefiting close to 1.1m children, including around 386,000 new out of school places and over 213,000 new pre-school places. Substantial resources are being targeted to expanding childcare in disadvantaged areas and for groups such as lone parents in recognition of the differences in provision at small area level. The Neighbourhood Nurseries Initiative, introduced in 2001, will create up to 45,000 new childcare places in new, state of the art day nursery facilities in disadvantaged areas and will specifically create places for lone parents entering employment⁸. The Government's Spending Review 2002 announced a further substantial expansion of childcare⁹. Additionally, the childcare tax credit element of WFTC and, from April 2003, Working Tax Credit can pay up to 70% of the cost of registered childcare.

1.2.3 Changes in lone parents' employment rates, benefit receipt and poverty

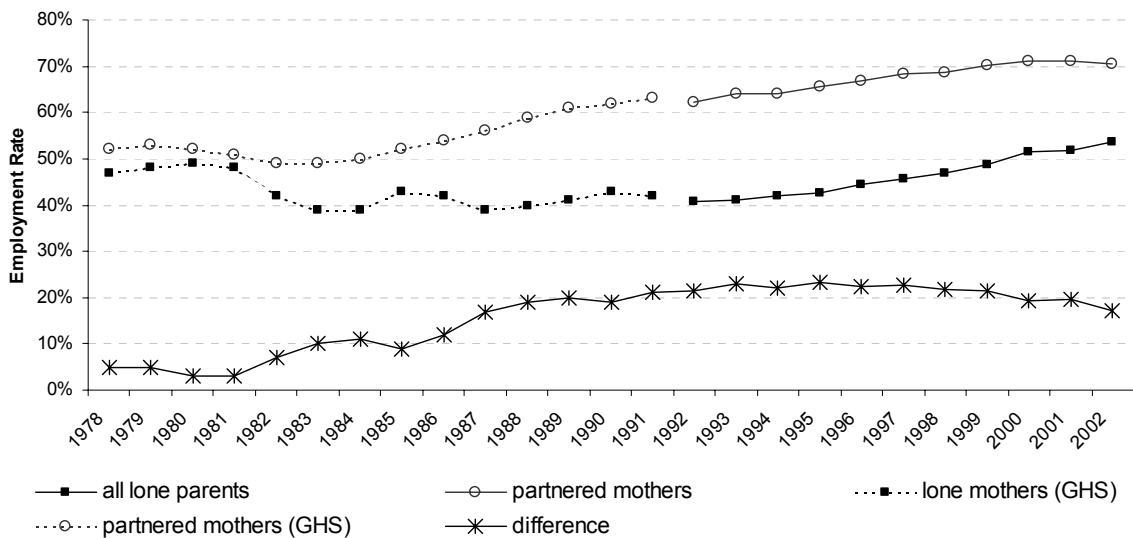
These changes – in employment rates, benefit receipt and poverty - may be, at least in part, consequences of NDLP and other related policies, and we consider this further in the final chapter. However they are also part of the context in which NDLP operates, and in which it has been evaluated, and so we outline the main trends here.

1. Employment rates: Figure 1.1 shows employment rates for lone parents and partnered mothers between 1978 and 2002. In the late 1970s employment rates for lone parents were around five percent below those of partnered mothers and then rose relative to those of partnered mothers until the early 1980s when they began to diverge. While employment rates of partnered mothers fell to below 50 per cent in 1983, they have risen fairly consistently since, reaching over 70 per cent in 2000 before flattening. Lone parents employment rates on the other hand fell to below 40 per cent in the mid 1980s and the fluctuated with the economic cycle but remaining around the 40 to 42 per cent level until the early 1990s. Since 1993, lone parents' employment rates have risen steadily to around 54 per cent in 2002. This means that the difference in percentage point terms between lone parents and coupled mother rates (shown by the starred line in Figure 1.1) reached its greatest point in mid 1990s and has subsequently declined.

When we turn to consider how the lone parent employment rate has grown since the early 1990s, we see that employment rates have improved across lone parents with different ages of children. Table 1.2 shows that employment rates rise with the age of the youngest child but that the largest percentage increases in employment have been for lone parents with younger children. For those with pre-school children under five – rates have risen from almost 22 per cent to over 35 per cent. Lone parents with primary school aged children (aged five to ten) have improved employment rates from around 44 per cent to over 56 per cent. Lone parents with secondary school aged children have increased

⁸ Poor families with children are also targeted by the 'Sure Start' programme, which delivers integrated services to families with pre-school children living in disadvantaged areas. However these services are not primarily aimed at helping parents into work.

⁹ including a more than doubling of childcare expenditure, and the creation of a further 250,000 new places for 400,000 children, by 2006

Figure 1.1 Lone Mothers and Partnered Mothers Employment Rates 1978-2002

Source: DWP analysis of GHS and LFS

Table 1.2 Lone Parent Employment Rate by Age of Youngest Child 1992 to 2002

%	1992	1997	2002
under 5	21.9	29.1	35.2
5 to 10	44.2	48.0	56.4
11 to 15	62.2	60.7	66.2
16 +	67.1	68.2	75.0
all	40.9	45.6	53.6

Source DWP analysis of LFS

employment rates from 62 per cent to 66 per cent and those with children aged greater than sixteen from 67 per cent to 75 per cent.

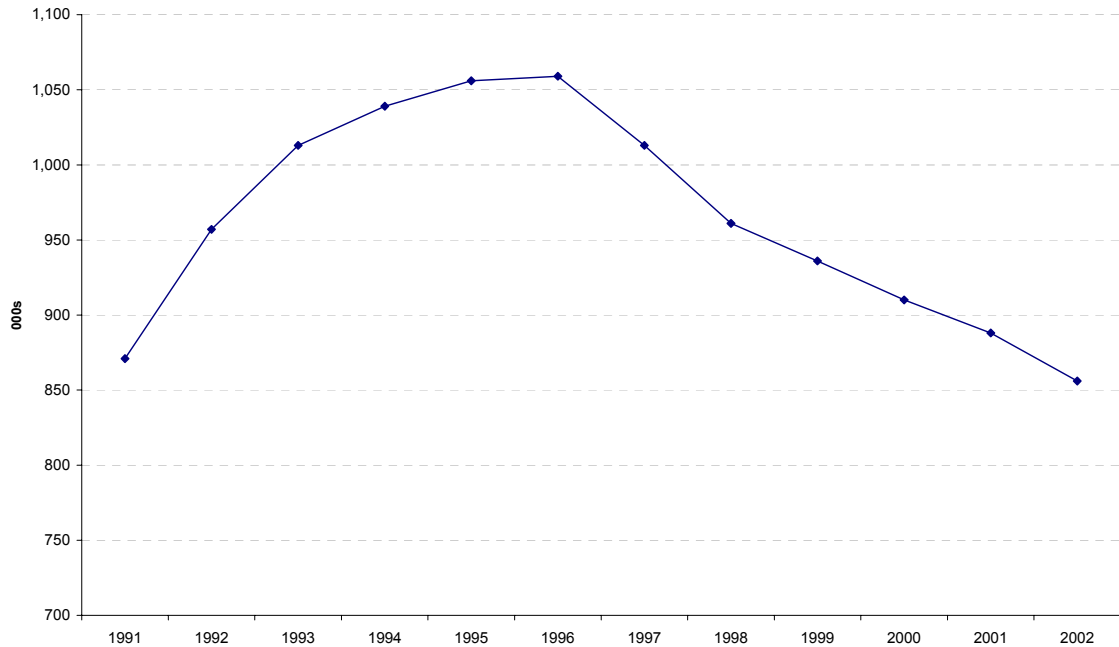
- Receipt of Income Support: The numbers of lone parents claiming means-tested out of work benefits rose consistently over the 1980s. Figure 1.2 shows that this underlying rise in lone parents on IS continued into the early 1990s, reaching over one million. Since 1995 numbers have declined. Over the period of the NDLP programme the number of lone parent claimants has fallen from around one million in 1997 to just over 850,000 in August 2002. This represents a fall of 15 per cent, compared with a general fall in Income Support receipt of 1.3 per cent among all claimants aged under 60 (including lone parents) over the same period.

Inflows into and outflows from IS both vary seasonally, as Figure 1.3 shows. Outflows tend to peak in around December each year, while inflow tends to be a bit higher in the summer than in the winter. In general outflows have been higher than inflows over this period, leading to the overall decline in numbers. The most recent figures do, however, show a slight rise in inflow rates since early 2002.

- Poverty: The number of people living in lone-parent families with incomes below 60 per cent of the median, after housing costs and adjusted for family size has fallen from about

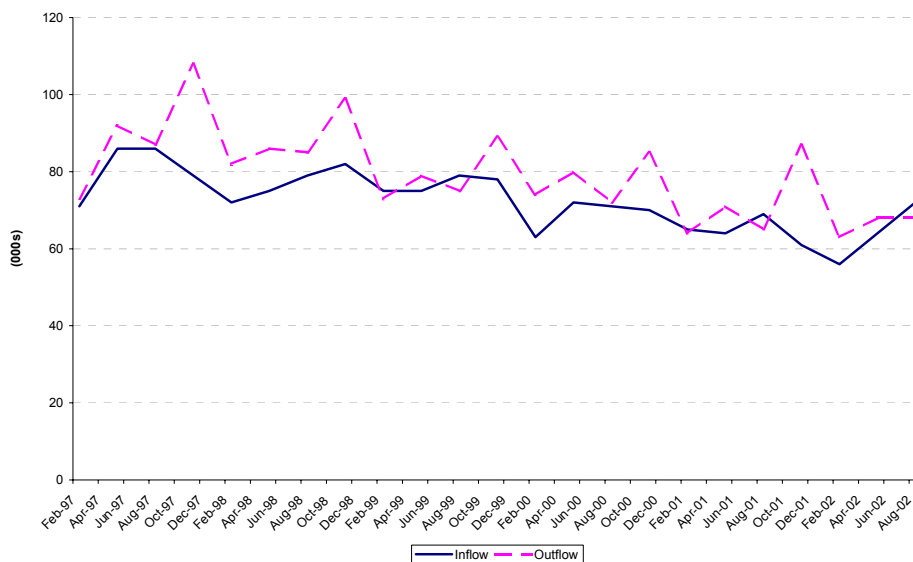
2,850,000 in 1996/7 to about 2,590,000 in 2000/1 (DWP, 2002a). For lone parent families this is equivalent to a fall from 62 per cent to 54 per cent, and means that poverty rates have fallen more for them than for other families with children.

Figure 1.2 Lone parents in receipt of income support, 1991 to 2002



Source: Social Security Statistics 1997 and QSE August 2002

Figure 1.3 Lone parents: inflows and outflows from Income Support, 1997 - 2002



Source: Authors calculation from Income Support QSE August 2002

1.2.4 The wider socio-economic context

In general, the period since 1997 has been a period of employment growth and falling unemployment. As Table 1.3 shows, employment rates have increased for both men and women from 1997 through to 2002, with a slight decline in the employment rate of men from 2001 to 2002. Unemployment rates have fallen for both men and women from 1997 through to 2001 with a slight increase from 2001 to 2002.

Table 1.3 Male and female employment and unemployment rates, working-age people, 1997-2002

	1997	1998	1999	2000	2001	2002
Employment rates	%	%	%	%	%	%
- men	77.6	78.3	78.5	79.2	79.4	79.0
- women	67.4	67.9	68.6	69.1	69.5	69.6
Unemployment rates						
- men	8.3	6.9	6.9	6.3	5.4	5.8
- women	6.1	5.6	5.4	5.2	4.5	4.7

Source: Labour Force Survey various years

Public attitudes in general towards lone parents whether or not lone parents should be employed appear to be fairly consistent over the mid to late 1990s (Jowell *et al*, 2000). In 1995, 23 per cent of the overall population agreed with the statement that 'a single mother with a school-age child has a special duty to go out to work to support her child' and there was no large change by 1998. Conversely, the proportion agreeing that a single mother with a pre-school child has a duty to work remains much lower, around 16 to 17 per cent in both years (Jowell *et al*, 2000). For lone parents with children of school age, there appears to be a slight increase in the number who agree that 'she has a special duty to go out to work to support her child, from 41 per cent in 1995 to 44 per cent in 1998. A slightly larger percentage agree that the lone parents should choose themselves whether to work or stay at home to look after their child- 46 per cent in 1995 and 45 per cent in 1998¹⁰.

Other analysis of attitudes has found some evidence of change over a longer period. Marsh and Perry (2003) examined changing attitudes to lone parenthood and work and conclude that 'the legitimacy of working lone parenthood' is now much more strongly supported. This is true even among non-employed lone parents, the proportion of the non-employed agreeing that 'women have the right to choose to be supported by the state at home with their children, even if they have no husband and partner' fell from 75 per cent in 1991 to 53 per cent in 2001. Nevertheless this still means that over half of non-employed lone parents think that it is right that they should have a choice whether or not to work, and a similar proportion of working lone parents also feel the same, as do many (although slightly fewer) couple families. Nor does a general view that paid work is appropriate necessarily translate into a view that work is right for you as an individual now. Lessof *et al* (2003) report that about 29 percent of their sample of lone parents said they were ready to work within the next 12 months, 22 per cent within the next three years, and 36 per cent did not see work as an option for the next three years. It is difficult to assess how this has changed over time (each study seems to use a slightly different way of approaching the measurement of work-readiness) but it does not seem very different from the picture reported from the time of the prototype NDLP (Hales *et al*, 2000).

¹⁰ Provisional unpublished results for 2002 confirm that these 1995 to 1998 trends in attitudes continue with little change

1.3 Evaluating NDLP

The extensive evaluation programme for NDLP started with an evaluation of the prototype and continued as the national programme was implemented. It has addressed three main areas:

1. Participation - levels of participation and the factors affecting participation. These are important not only as indicators of the success of the programme at reaching the target population, but also in order to understand the observed outcomes. For example, if the only lone parents who choose to participate are a self-selected group of those who are most willing and able to work, this will affect the extent to which we can generalise from the outcomes so far to the wider population of lone parents.
2. Delivery - assessing which parts of the programme/which types of delivery are most effective at achieving the policy goals, in order to identify any gaps and problems in the organisation of the programme.
3. Outcomes and Impacts – these are a mixture of outcomes for individual lone parents, outputs for policy actors, impacts and assessments of programme effectiveness. This is explored more fully in Chapter 5

1.3.1 Data sources

The evaluation has been based on four main sources of data, as summarised in Table 1.4. These include administrative data, case study material, qualitative in-depth interviews, and large-scale survey data. In addition, we have reviewed evidence from non-government initiatives also intended to support lone parents in employment, for example, the provision by voluntary organisations of work-oriented programmes. We have also drawn upon evidence from other relevant studies and research. In general, the review is based on published data but does also include some re-analysis of the New Deal Evaluation Database. We focus upon the evaluation of the national programmes, with reference to results from the evaluation of the prototype where appropriate.

The evaluation strategy thus covered both processes (how did NDLP operate on the ground) and results (the outcomes for lone parents and the wider impacts). The material includes data from a range of sources, both quantitative and qualitative. This provides a very rich body of information for this review. However, in interpreting the findings, it is important to remember that policy and practice has not stood still since 1997. The changes discussed in section 1.2 above have had significant implications for the evaluation, especially in respect of the estimates of the overall impact of the programme over the past five years. The changing policy environment, together with the changing composition of the lone-parent target group, make consistent comparison of evidence over time difficult, and make it difficult to get an accurate picture of the specific contribution of NDLP. This point is discussed further in the final chapter. The National Evaluation has produced many published research reports, many of which are referred to in this report. A full list of these reports is provided in Appendix A.

This report is organised according to the three main research topics discussed above. Chapter Two focuses on *participation* in the programme. Chapter Three examines the national *delivery* of NDLP. Chapter Four considers various innovative and alternative programmes for lone parents. Chapter Five assesses *outcomes and impacts*. Chapter Six summarises and draws lessons for evaluation and policy.

Table 1.4 Evaluation: main official sources of data

Administrative Data	The New Deal Evaluation Database (NDED) includes administrative data for all participants since the national programme started in October 1998 together with IS benefit data. This is the basis for regular statistical reports and includes information on overall participation, the range of activities undertaken, and the first destinations of leavers. Benefit data allows for overall benefit population changes to be measured and for benefit histories to be identified.
Case Studies	Local case studies covering NDLP delivery, both of the main programme and the Innovative Schemes, Innovative Pilots and Innovation Fund supplemented by analysis of management data.
Qualitative studies	In-depth individual and group interviews with specific groups of lone parents (including NDLP participants and non-participants), with Personal Advisers, and with others involved in delivery.
Quantitative survey	A two-stage survey designed to measure the impact of NDLP. The first stage, in 2000, was a postal survey of eligible lone parents claiming IS who had not yet participated in NDLP. The second stage involved face to face interviews with a closely matched sample of NDLP participants and non-participants.

1.4 Summary

- The New Deal for Lone Parents is a voluntary programme that aims to encourage lone parents to improve their prospects and living standards by taking up and increasing paid work, and to improve their job readiness to increase their employment opportunities. Although the majority of lone parents want to work, they are a challenging group for labour market policy. Many have limited employment experience and face various difficulties in getting into, and staying in, paid work
- NDLP is part of a range of policies aimed at helping lone parents into work, with the goal of reaching a 70 per cent employment participation rate by 2010. These include financial support to improve work incentives, the development of childcare provisions, measures to help lone parents train, and measures to improve family friendly working environment and in-work support, job advancement and retention.
- Since NDLP was introduced there have been various changes to the way it operates, in particular there has been an extension of the target group to include all non-working lone parents, additions to the support services available, and the introduction of mandatory work-related interviews as a new route into voluntary participation in the programmes. Jobcentre Plus is gaining experience of working with lone parents – a group they (and the Employment Service before them) previously had little dealings with. There have also been changes to the context in which NDLP operates, with increased employment rates

among lone parents, falling numbers in receipt of Income Support, and falling poverty rates.

- The aim of this review is to provide a critical synthesis of all the evaluation evidence relating to NDLP. This involves updating the previous synthesis reports; evaluating the overall evidence in order to draw robust conclusions about the performance of NDLP; assessing the impact of NDLP in the context of wider policy measures intended to encourage employment among lone parents; and discussing future policy and its relationship to the 70 per cent employment target.
- The evaluation programme for NDLP is based on four main sources of data: administrative data, case study material, qualitative in-depth interviews, and large-scale survey data. It has addressed three main issues: participation (levels of participation and the factors affecting participation); delivery (which parts of the programme/which types of delivery are most effective); and outcomes and impacts (for individual lone parents and the overall additional effect of the programme on employment rates). This report examines each of these topics in turn.

2) Participation in New Deal for Lone Parents

This chapter discusses the main findings concerning participation in NDLP and addresses three key questions: First, how many have participated in NDLP? Second, what explains participation? And third, how has participation changed over time?

The evidence on participation comes from a variety of sources: there are large scale quantitative data sets from administrative records (the New Deal Evaluation Data base or NDED) and from the Quantitative Survey and there is also a large amount of qualitative data from smaller scale surveys and case studies that give rich insights into attitudes and into smaller sub-groups of lone parents with particular characteristics. Each source of evidence has particular strengths and weaknesses in explaining participation and in addressing the main questions stated above.

2.1 Participation levels

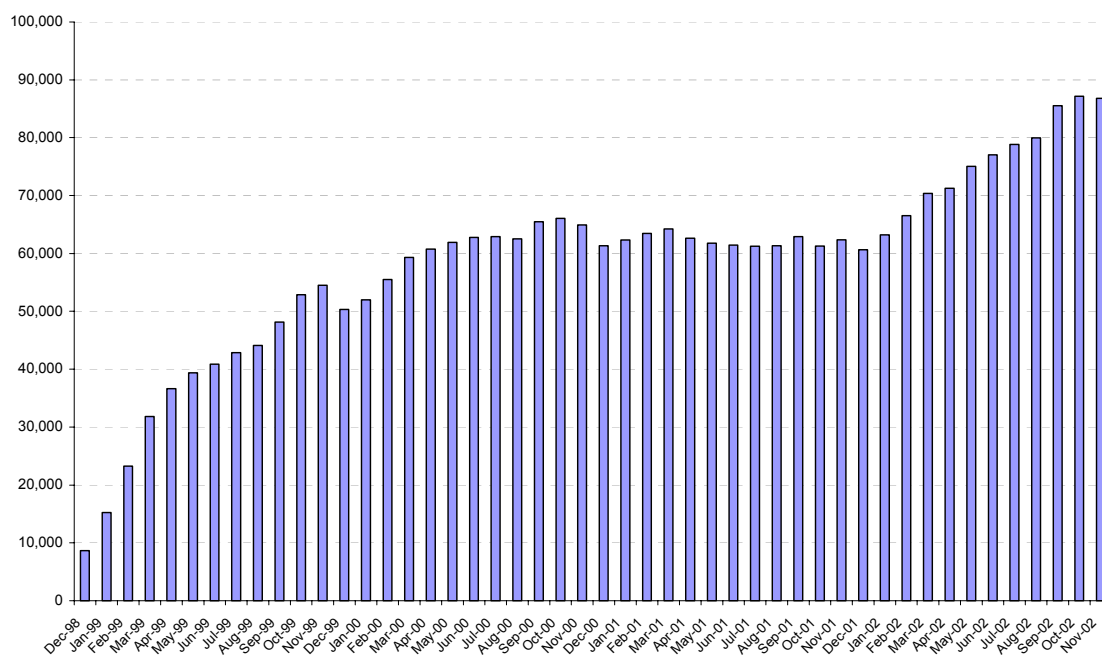
How many lone parents have participated in NDLP? Published administrative data shows 406,000 NDLP starts between October 1998 and September 2002. However, this data represents 'spells' on the programme and some participants have participated in the programme more than once – a finding that we return to later in this chapter. When the number of individual participants is counted, then 317,000 lone parents have participated in total over the same period (DWP 2003).

Consistently counting the number of participants on the programme in order to identify trends and to estimate coverage or take up of NDLP is complex. The number of participants on NDLP at any given month is established by counting the number of caseload joiners plus those who are on the caseload from the previous month (stock), less the number who have left. Figure 2.1 shows monthly totals of those on the programme (joiners plus stock) from December 1998 to November 2002.

Figure 2.1 shows a clear trend of increasing numbers of participants over the life of the programme. Measuring the overall trend in growth in participant numbers however has to take account of several factors. First, any trend has to ignore the early months of the National Programme to discount the period during which NDLP was establishing itself and recruiting staff and participants onto the programme. The time series used for reporting volume results therefore begins at April 1999. Second, 'seasonality' – differences between months in the year, especially in December when recruitment level falls – makes comparison of monthly totals potentially misleading.

Table 2.1 provides a consistent smoothed summary of the growth of participants over time from April 1999 to March 2002 using average monthly participants for each of the three years the programme has been in operation and for which data is available. In the first full year (April 1st 1999 to March 31 2000) average monthly caseload was 40,600 rising to 56,300 the following year and 55,100 in the year April 2001 to March 2002. Growth in average monthly participation over these three financial years is 35.7 per cent – in other words NDLP has raised its participant capacity by over a third between April 1999 and March 2002. Looking across the whole three years, the average is 54,200 NDLP participants on the programme each month. Table 2.1 does not try and capture the very large rise in participation since April 2002, which, with adjustments for seasonality, shows an increase in average monthly participants to over 69,000.

Figure 2.1 The Number Of NDLP Participants - November 1998 to November 2002



Source: Authors’ calculations from NDED.

Table 2.1 Trends in NDLP Volume Caseload Participation: April 1999 to March 2002

	Average Participants per Month
April 1999 to March 2000	40,600
April 2000 to March 2001	56,300
April 2001 to March 2002	55,100
April 1999 to March 2002	54,200

Source: Authors’ calculations from NDED

Note: Numbers rounded to nearest 1000.

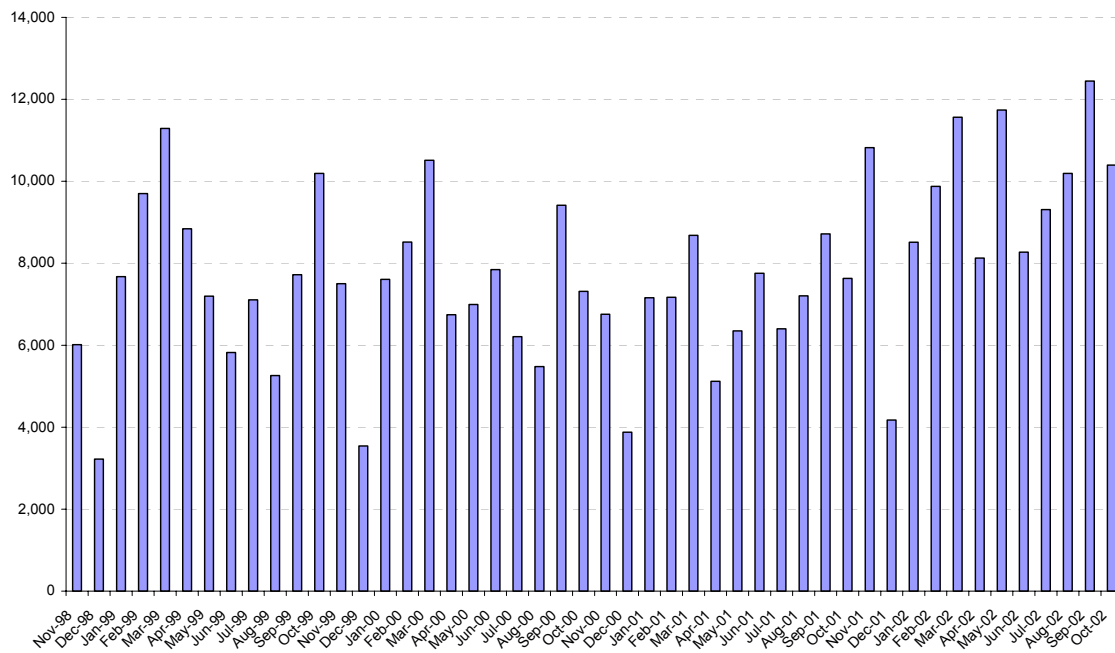
The number of participants on the programme is a product of people leaving, joining and staying on the programme and the data recording procedures used by PAs makes the data on joining the programme more accurate than those leaving – put simply, it is easy to identify when someone joins NDLP but sometimes more difficult to establish when they leave or to enter the fact that they have left. DWP statisticians realised that there was a large overestimation of numbers participating in NDLP. Many of those recorded as being on the programme up to that point had had no contact with their NDLP PA for six months or more and that recording such people as ‘participating’ overestimated stock and cross-sectional counts¹¹. Personal Advisers were asked to check their caseload and amend the markers for those ‘dormant’ participants who had left the programme. In total some 45,000 ‘dormant’ participants were removed from the records in late 2002, and figures for participation back to

¹¹ There is no set pattern of participation, and it is entirely legitimate for a participant to have long gaps between PA interviews. The six-month cut-off is a purely arbitrary one introduced to take account of dormant participation. There will be dormant participants who have been on the programme less than six months and active participants with longer time on the programme.

October 1998 were revised. These revised figures are used throughout this report and this leads to some inconsistencies with figures reported in earlier reports.

Figure 2.2 shows the monthly totals of joiners to NDLP between November 1998 and November 2002. The overall trend in numbers is far less easy to discern because of substantial seasonality, and Table 2.2 gives the average monthly number of joiners for each year between April 1999 and March 2003 in a similar format to Table 2.1 to enable readers to ascertain overall trends in a very seasonally fluctuating picture. Average monthly starts to NDLP were 7,500 in April 1999 to March 2000, fell to 7,000 the following year and then rose significantly to 7,800 from April 2001 to March 2002 – in part due to the introduction of mandatory PA meetings

Figure 2.2 The Number Of Joiners to NDLP November 1998 to November 2002



Source: Authors’ calculations from NDED.

Table 2.2 Trends in Numbers Joining NDLP: April 1999 to March 2002

	Average Joiners per Month
April 1999 to March 2000	7,500
April 2000 to March 2001	7,000
April 2001 to March 2002	7,800
April 1999 to March 2002	7,400

Source: Authors’ calculations from NDED

Note: Numbers rounded to nearest 1000.

Most discussion of leavers from the programme is left to Chapter 5, but headline figures show that monthly average leaving rates were between 11 to 13 per cent over the three years shown in Tables 2.1 and 2.2. These compare with average inflow rates of between 12 to 18 per cent of caseload and thus the overall increase in numbers participating on the programme is due in part to higher numbers joining and remaining on the programme than leaving.

2.2 Programme coverage

Coverage or take up of the programme is an important consideration for policy makers who want to know the rate of recruitment of lone parents onto the programme. What percentage of lone parents participate in NDLP? Estimating a take-up figure or a participation rate is another difficult task because both the target group (the denominator) and the participating populations (the numerator) are subject to changes over time and to uncertainty.

As NDLP target groups and eligibility has changed since 1998 there is no single correct denominator that can be used over time to measure take-up. Discussion in Chapter 1 showed how the target group of lone parents for NDLP has changed from specific groups within the IS lone parent population, to the whole IS lone parent population and more recently to all lone parents working less than 16 hours a week. Underlying such changes there is one consistent measure of base population for NDLP: the number of lone parents on IS¹². We adopt this as a consistent measure over time.

Table 2.3 Coverage of NDLP: February 1999 to May 2002

000s	Lone parents claiming IS 000s	Lone parents on NDLP 000s	Rate of Participation %
Feb 1999	940	23	2
May 1999	936	39	4
Aug 1999	940	44	5
Nov 1999	929	55	6
Feb 2000	919	56	6
May 2000	910	62	7
Aug 2000	909	63	7
Nov 2000	894	65	7
Feb 2001	895	63	7
May 2001	888	62	7
Aug 2001	893	61	7
Nov 2001	867	62	7
Feb 2002	861	67	8
May 2002	856	75	9

Source: Authors' calculations from DWP Income Support QSE & NDED

The problem of accurately defining participant numbers is more difficult. As the previous section describes, there are lone parents recorded as entering the programme and being on NDLP who are in fact not participating actively and who should perhaps be flagged as having left the programme. The adjustment in 2002 has removed many of these cases from the administrative data but there will be those that remain who have not reached the 6-month threshold of having no activity. A further problem is that there is a substantial proportion of participants on NDLP who are no longer receiving IS but who continue on the programme receiving in-work support from the PA. Including such in-work participants involves a significant lagged effect and makes direct comparison with contemporary IS populations problematic.

¹² This denominator will under-estimate coverage against more strictly defined target groups and will not capture accurately recent expansion of the programme to those not claiming IS (estimates of these are very small in any case)

Table 2.3 shows that the coverage of the programme has increased over time - from four per cent in May 1999 to nine per cent by May 2002. Thus coverage is low, but has at least doubled over a period when underlying numbers of lone parents claiming IS were falling. These figures are based on cross-sectional counts of the complete administrative records of NDLP. The Quantitative Survey also estimated a different measure of participation over time for a *panel* of lone parents on IS who were not participating at the beginning of the Survey (August 2000). Results showed that cumulative participation rose over time from between four and six percent after six months to between nine and twelve percent after 15 months (Lessof *et al* 2003 Table 3.1.1.) The underlying monthly growth rate of 0.6 per cent was seen only to dip in December months – echoing seasonal fluctuations in total NDLP participation discussed above.

2.3 Participation and PA meetings

What impact have PA meetings made on NDLP participation? Text Box 2.1 shows the target groups and timetable for the rolling out of compulsory PA meetings. There have been marked changes in NDLP inflow numbers for new and repeat claimants¹³ and for those with youngest children aged over 13 years since compulsory PA meetings were introduced for these groups in April 2001. Evidence of the second of the stock groups to have PA meetings, those with youngest children aged 9 to 12, will be more limited as this began in April 2002 and current data only go to summer of 2002.

Figure 2.3 shows that lone parents joining NDLP have increasingly come through the PA meeting route since April 2001. By the summer of 2002 over a third – between 34 and 38 per cent of those joining NDLP every month had previously had a PA meeting. The overall impact of those who entered the programme after a PA meeting can be estimated by comparing inflows over the financial years either side of introduction of PA meetings. Table 2.4 shows that monthly average inflows and overall numbers of annual inflows grew by seven percent between the two years. Twenty one per cent of NDLP inflows in the year April 01 to March 02 were from lone parents who had previously had a PA meeting.

Text Box 2.1 Roll Out and Timetable for PA meetings

For new and repeat claimants the rollout is as follows:

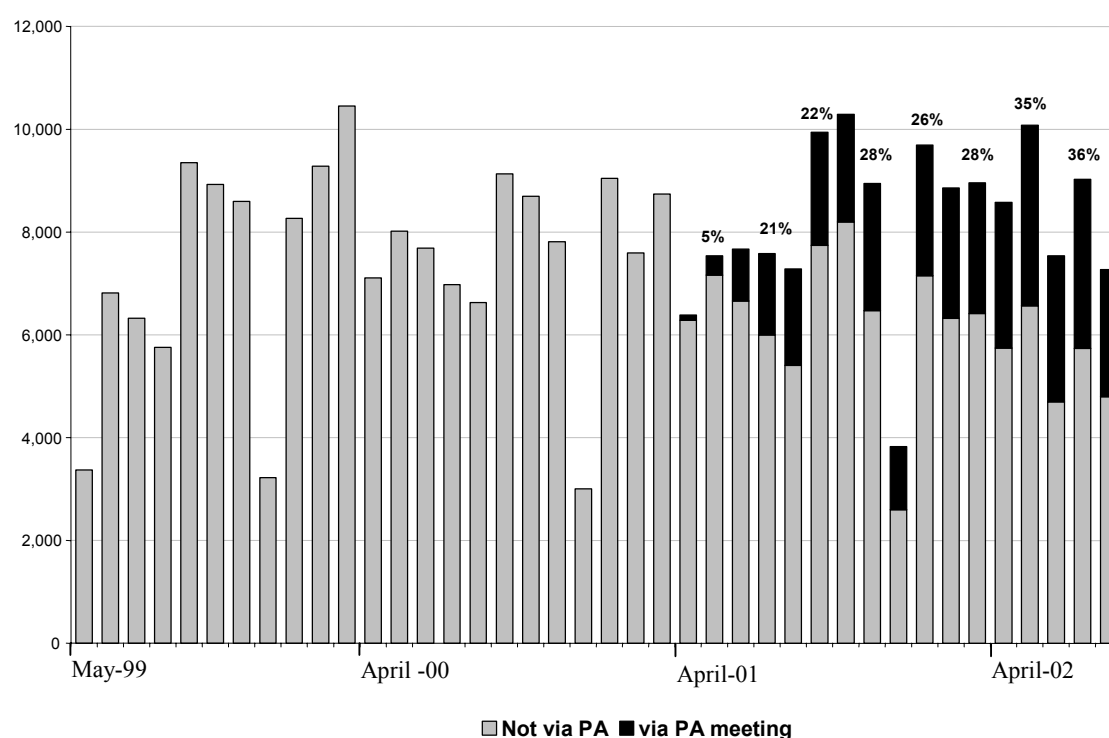
From April 2001	youngest child aged over 5 ¼
From April 2002	youngest child aged 3 – 5 ¼
From April 2003	youngest child aged 0 – 3

Stock cases are being invited on a rolling basis according to age of youngest child as follows:

April 2001 – 2002	youngest child aged 13 and over
April 2002 – 2003	youngest child aged 9 – 12.
April 2003 – 2004	youngest child aged 5 ¼ – 8.
April 2004 onwards	youngest child aged 0 – 5 ¼.

¹³ New and repeat claimants are identified as those with claims for IS of less than 8 weeks duration here.

Figure 2.3 Route of entry onto NDLP



Source: Authors’ calculations from NDED.

Table 2.4 PA meetings and Annual Inflows to NDLP: April 00 to March 02

	Monthly Average	Total Annual	Total Annual via PA	
			Meeting	% via PA Meeting
April 00 to March 01	7,500	90,400		
April 01 to March 02	8,100	97,000	20,500	21.2%
Growth		7.2%		

Source: Authors’ calculations from NDED.

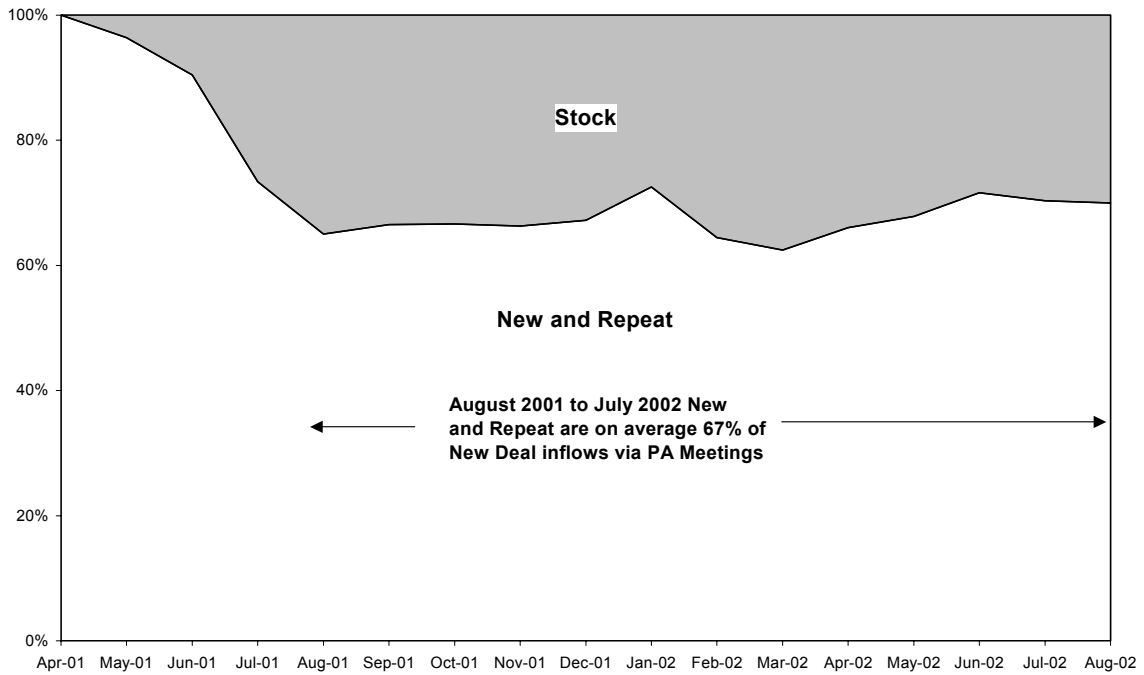
The two main groups receiving PA meetings: New And Repeat Claimants (with children aged over 5 years and 3 months) and Stock Claimants (mostly those with youngest child aged 13 or more from April 2001)¹⁴ have contributed unequally to these inflows. Figure 2.4 shows that New and Repeat Claimants have made up the larger proportion of inflows to NDLP from PA meetings – around 67 per cent on average from August 2001¹⁵

What contribution have these higher rates of inflows from PA meetings had on the total numbers on the NDLP caseload? Figure 2.5 shows the proportion of all participants on NDLP (inflows and caseload) that joined after PA meetings. By August 2002, New and Repeat claimants via PA meetings represented almost 18 per cent of the caseload and Stock claimants via PA meetings almost a further nine per cent– making a total of 26.8 per cent of NDLP participants.

¹⁴ Stock claimants with youngest child aged 9-12 will also figure in totals from May 2002 onwards.

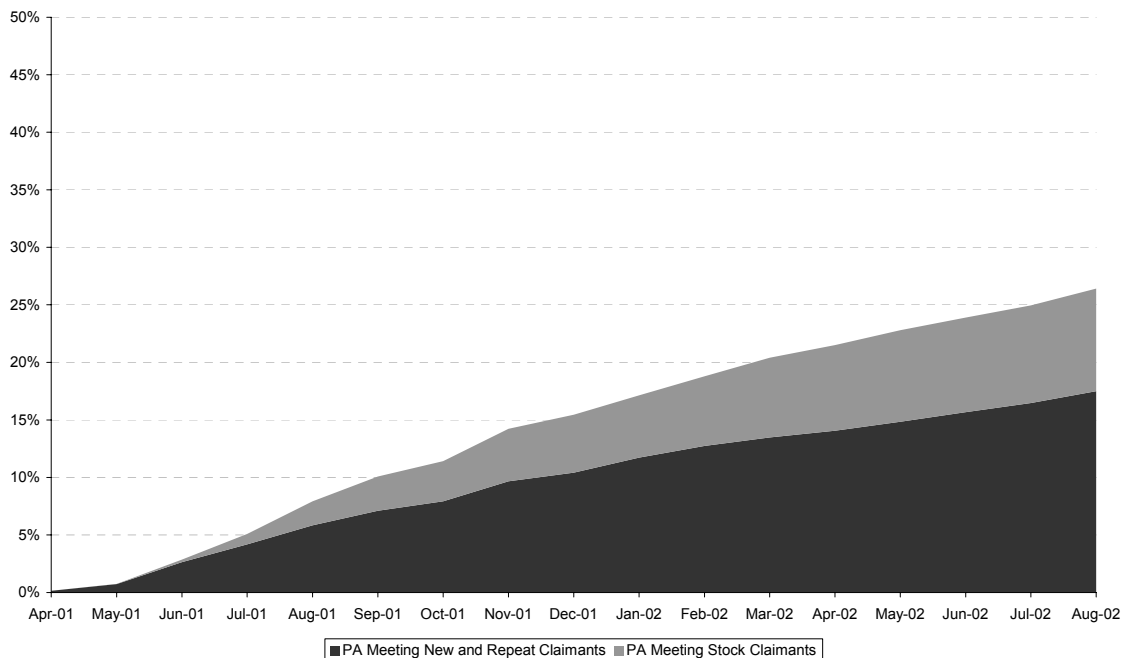
¹⁵ August 2001 is taken as a starting point for comparison to allow the ‘build up’ of stock claimant inflows to occur from rolling programme of PA Meetings.

Figure 2.4 Inflows to NDLP via PA meetings April 2001 to August 2002



Source: Authors' calculations from NDED

Figure 2.5 Proportion of NDLP Caseload that entered via PA Meetings: April 2001 to August 2002



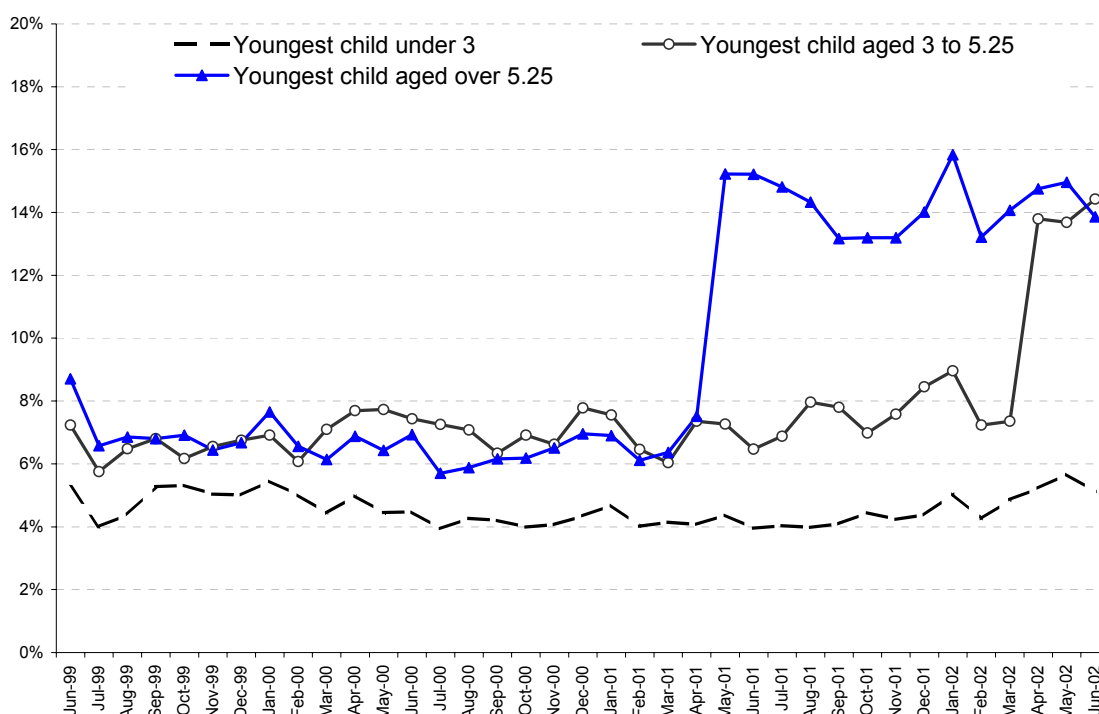
Source: Authors' calculations from NDED

Returning to the previous discussion above of growth in participation in NDLP, it is now possible to quantify how much of such growth is attributable to participation after PA meetings. Taking the period of 12 months between April 2001 and March 2002, overall

caseload grew by around one eighth (12.3 per cent), so that entry via PA meetings accounts for all of overall numerical growth in participation on the programme.

It is also possible to look at the participation rate for the sub-groups of lone parents who have been targeted for PA meetings to date. Figure 2.6 shows the changing take-up rates for new and repeat claimants according to the age of their youngest child. As PA meetings have been rolled-out according to the age of youngest child for new and repeat claimants, Figure 2.6 clearly shows the effect on take up of the programme. The dashed line in Figure 2.6 shows the percentage of new and repeat claimants with a youngest child aged under three who enter NDLP and shows between June 1999 and June 2002 a fairly steady four to six per cent enter the programme. The solid line with triangles shows the percentage that enter the programme with child aged over five and a quarter – one of the first target group for PA meetings with effect from April 2001. For this group we can see a take-up rate of around six to eight per cent up to the start of PA meetings and then a large increase from that point – to between 13 to 16 per cent. This jump in take-up rates can also be observed for the group with youngest child aged three to five and a quarter for the few months since March 2002 – the point at which they also came to have mandatory PA meetings. Between six to nine per cent of these lone parents participated prior to PA meetings and, in the few observations available to date, this appears to have risen to around 14 per cent. Overall, it appears that PA meetings are associated with around a doubling of take-up of NDLP among new and repeat claimants who experience them.

Figure 2.6 Participation in NDLP by New and Repeat Claimants June 1999 to June 2002



Source: DWP analysis of NDED

Table 2.4 shows an aggregate rate of NDLP participation for all new and repeat lone parent claimants of IS but uses a different underlying measure of take up – the percentage of new and repeat claimants with claims of less than three months (13 weeks). Given that PA meetings occur for these claimants at the point of claim or soon after, a 13-week measure probably captures more of the PA meetings’ direct and immediate effect. Overall, using this 13-week

figure gives a higher take-up rate as the denominator – the number of claimants who have less than 13 weeks on IS – is smaller than the six-month figure used in Figure 2.6. The use of these different IS population figures illustrates some of the difficulties of calculating a take-up rate for the programme and the differences in rates of participation that can result.

Table 2.5 shows that participation rates for all new and repeat claimants with less than 13 weeks on IS rose to around 12 per cent by February 2001. Rates of participation and of underlying work-readiness are higher among new and repeat claimants than in the lone parent IS population as a whole as there are fewer claimants with reasons for long dependency on benefits. Since April 2001 the participation rate has climbed to around 23 with around 13 to 14 per cent, or over half coming via the PA meeting route – supporting the evidence of the aggregate effect of PA meetings doubling participation in this group as previously discussed.

Table 2.5 NDLP Participation rates for New and Repeat Claimants (with under 13 weeks duration on Income Support)

	Lone parents on IS 000s	Lone Parents on NDLP 000s	Overall Participation Rate %	Lone Parents joining NDLP via PA meeting 000s	Participation Rate via PA meeting %
May-99	56.6	0.4	1	-	-
Aug-99	60.6	2.4	4	-	-
Nov-99	56.8	4.0	7	-	-
Feb-00	46.4	4.5	10	-	-
May-00	52.3	5.2	10	-	-
Aug-00	54.2	5.6	10	-	-
Nov-00	52.5	5.7	11	-	-
Feb-01	48.1	5.6	12	-	-
May-01	47.4	5.7	12	0.2	-
Aug-01	50.6	7.2	14	2.4	5
Nov-01	42.5	7.7	18	3.8	9
Feb-02	37.5	8.9	24	4.8	13
May-02	45.2	10.5	23	6.1	14

Source: Authors calculations from unpublished QSE extract and NDED.

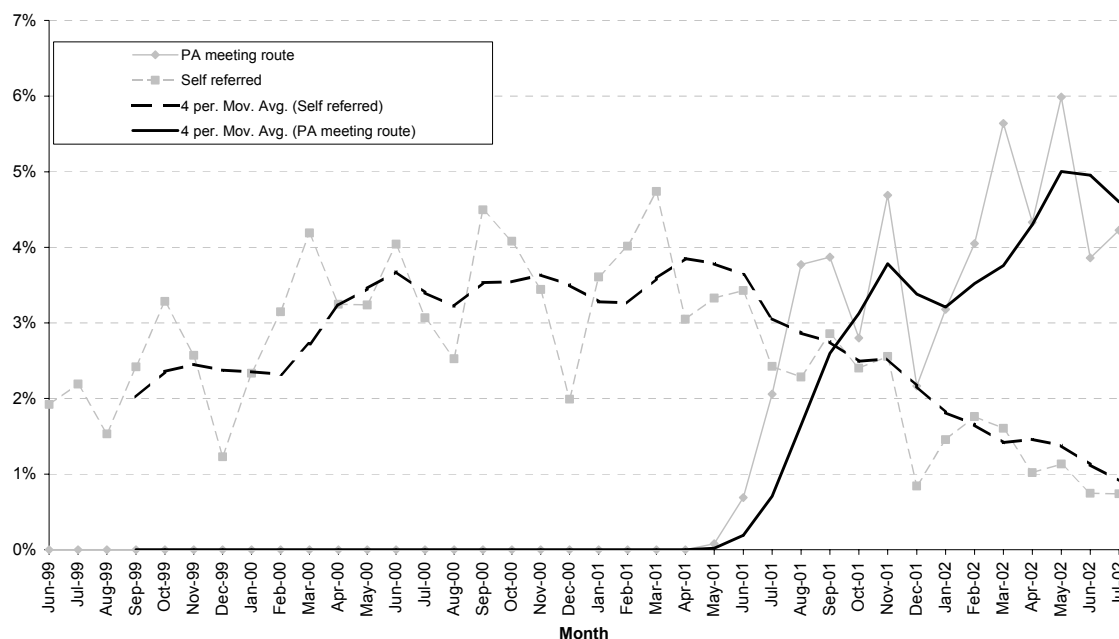
Note: Figures relate to all new and repeat claimants of IS and not just the target groups for PA meetings

When we turn to consider take-up rates of the programme by stock claimants who have gone through PA meetings, the underlying difficulties of measuring participation rates become apparent. First, there is a problem of defining stock claimants and this has been taken as having claimed IS for one year or more. Secondly, the problem of active participation on the programme and defining a good numerator is made more serious because these claimants are those most likely to have been on NDLP for longer periods of time and thus more ‘dormant’ than actively participating. Figure 2.7 thus shows the numbers of *entrants* on to the programme as a proportion of underlying IS populations between June 1999 and July 2002 for stock claimants with children aged 13 and over and shows those who entered via PA meetings separately from April 2001.

Figure 2.7 gives the actual figures for take-up of the programme that are difficult to interpret due to large seasonal and month by month variation, and are therefore shown in light grey lines. Figures are also given for moving averages (4 month) and are shown in darker black lines that smooth out some of the fluctuation in underlying numbers. Participation at the point of joining the programme had increased from around two per cent to four per cent prior

to the introduction of PA meetings in April 2001. From that point, entry rates via PA meetings have risen to over five per cent by around March 2002. This suggests that PA meetings have increased take-up of the programme among stock claimants with youngest children aged 13 and over. Figures for caseloads on the programme for this group were not available at the time of writing.

Figure 2.7 Entry Rates to NDLP for Stock Claimants with Youngest Child aged 13 and over.



Source: DWP analysis of NDED

This early interim evidence of the effects of compulsory PA meetings on take up of NDLP will be explored further in the overall evaluation of PA meetings, but clearly shows the potential for NDLP participation and outcomes to be affected substantially. The characteristics of the two target groups so far experiencing PA meetings shows that they were already more likely to participate than the general population of lone parents on IS. New and repeat claimants contain many short-term claimants and older claimants with children aged 13 are also more likely to be looking to return to work now that children are settled in secondary education. This latter group also contain some of the most disadvantaged lone parents who have often been claiming benefit for long periods.

2.4 Explaining Participation

Understanding NDLP participation depends on an accurate knowledge of out-of-work lone parent populations and their circumstances. Surveys such as FACS and the earlier PROLIF studies of out of work lone parents show that the majority want to work but that many of those who want to return to work are planning to do so in the future rather than immediately. NDLP participation therefore depends in part according to where work lies in lone parents' time horizons. The out of work lone parent population is heterogeneous – there are lone parents who are on benefit primarily because of frictional unemployment and indeed there is a significant group of lone parents who have many repeated short spells on IS in such circumstances (Noble, Smith and Yi Cheiung 1998). Others claim for longer periods linked to time away from work to focus on care for children, ranging from a 'short-term' maternity leave to longer term break from the labour market to cover infancy and perhaps primary school years fitting a more traditional typology of eventual 'women returners' to work.

Others' claims are more focused on establishing financial and emotional security following a break-up from their partner. Such simple distinctions are more complex in reality because there are crossovers in and mixtures of circumstance and because time out of work and on benefit tends to weaken attachment to work and the ability to return to work.

Understanding dynamic changes in the profile of 'types' of lone parents becomes even more complex when it has to be applied to aggregate populations that change in composition and size over time. Thus, explaining participation in a voluntary programme designed to assist lone parents in such a population to move into work is a complex task. The bulk of evaluation evidence has tended to be produced at single points of time and to consider matters in single dimensions and to separate out quantitative and qualitative approaches. This synthesis attempts to bring such evidence together. Additionally, participation is a process that comes from two directions – recruitment actions by the programme and coming forward or responding by participants. These are now taken in turn.

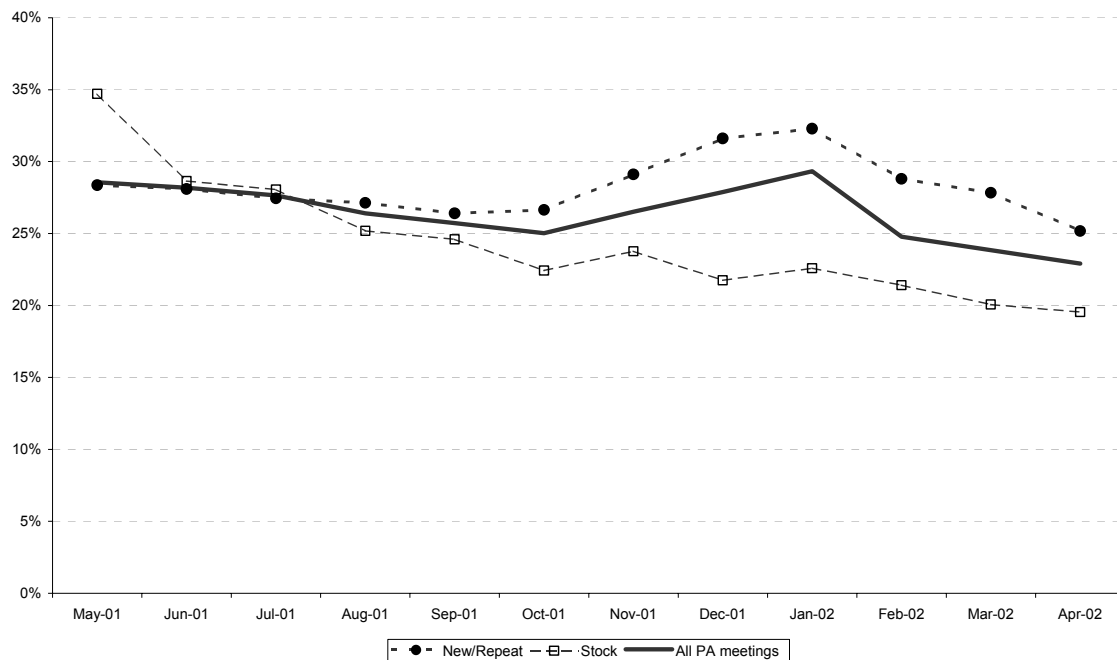
2.4.1 Recruitment to NDLP

Chapter 3 describes the various developments in NDLP recruitment and outreach practice but as we have already seen in early analysis, there have been significant changes in participation since the introduction of compulsory PA meetings. Prior to PA meetings, participation was either due to response to a letter of invitation or by self referral or referral from another agency. NDLP's performance in taking forward that expression of interest or referral was through an Initial Interview. Prior to mandatory PA meetings, the lone parents coming forward to discuss NDLP were a self-selected group – and had already displayed interest in participation. Mandatory PA meetings are very different as they cover everyone in the target group – both those who would have voluntarily come forward in any case and a large heterogeneous group of others that may be work ready or nowhere near considering work and/or participation in NDLP. Currently, while PA meetings are still being rolled out to cover all new flows and stocks of lone parents on IS, there are therefore two channels for recruitment on to the programme. Figure 2.8 shows the trends in proportion of lone parents who subsequently join the programme from PA meetings between May 2001 and April 2002 (effectively, the first year of PA meeting roll out).

Interpretation of Figure 2.8 requires some care. Firstly, some of the decrease over time in the proportion of PA meeting participants is due solely to a lagged effect – those that take longer between the PA meeting and joining the programme will be under-represented in the later dates. Secondly, PA meetings for the 'stock' group – i.e. those with youngest children aged 13 and over were rolled out on the basis that those with oldest children were interviewed first. This means that those with children aged 15 and who were closest to imminent transfer from IS to JSA received PA meetings in the first months of roll-out and influence the higher participation rates for stock claimants in the early months. With these caveats in mind, Figure 2.8 suggests that overall recruitment from PA meetings onto NDLP is around 25 to 30 per cent, with new and repeat claimants having on the whole higher rates of participation from PA meetings than stock claimants. Figure 2.8 also shows that aggregate take up of NDLP from PA meetings (the solid black line) is most influenced by take up of new and repeat claimants – a reflection of the composition of entrants from PA meetings shown previously in Figure 2.4.

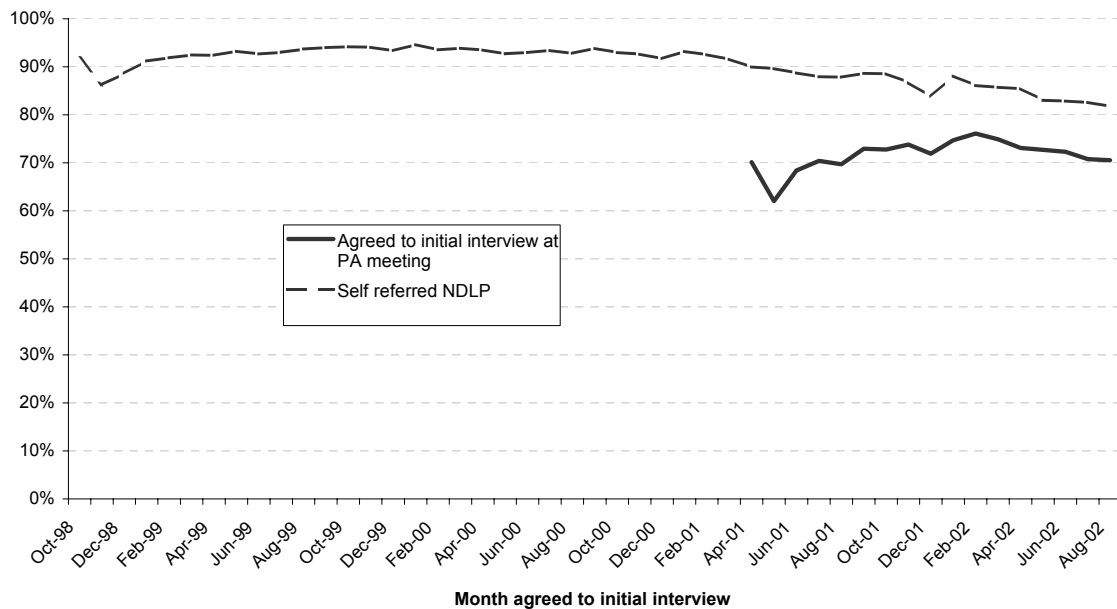
However, PA meetings alone are not a particularly useful measure of recruitment as they cover such a wide profile of lone parents on IS and include those who would never participate or are a long time away from potential participation. What is more indicative of recruitment is the conversion of interest in the programme expressed at a PA meeting into entry onto NDLP. This approach also is more comparable with the 'old style' recruitment onto the programme of those who expressed an interest prior to the introduction of PA Meetings.

Figure 2.8 Proportion IS Lone Parent PA meeting's that resulted in NDLP Participation May 2001 to April 2002.



Source: DWP analysis of NDED

Figure 2.9 Proportion of Attendees of NDLP initial interviews who join NDLP



Source: DWP analysis of NDED

Figure 2.9 shows the proportion of those who agree to have an initial interview that subsequently join the programme and the difference between self-referred and PA meeting referred clients. Over 90 per cent of self-referred lone parents joined NDLP after their initial interview. This appears to have fallen since early 2001 to below 90 per cent and this may be an effect of PA meetings capturing some of those who previously would have come forward entirely voluntarily in any case. Those agreeing to NDLP at their PA meeting have

subsequently lower rates of joining the programme – between 70 to 75 per cent do so. Readers are reminded that the apparent falling proportions joining the programme shown in the most recent months of Figure 2.9 may be due to a lag effect – as previously discussed above with Figure 2.8.

The Department has a performance indicator based on the conversion rates of NDLP initial interviews, but as PA meetings grew as the major source of recruitment to the programme these performance indicators (known as Key Indicator measure 2 or KI2) have become less meaningful. Analysis of the Department's Key Indicator data however shows that accompanying the decline in both recruitment routes (allowing for lag in time before joining the programme after a potential recruitment at a PA meeting or NDLP Initial Interview) is a growing inequality between ES/Jobcentre Plus Regions and Districts. The analysis of these trends is given in full in Appendix B. Headline results are that regional recruitment rates of NDLP Initial Interviews have fallen across all regions and inter-regional differences have risen. In September 2000 the difference between Wales, the best Region, and London, the worst, was 6 per cent, by September 2002 this difference had grown to almost 15 percent. This not only means that overall recruitment success is falling most in the worst regions, but that they are also falling most in London, the region that contains the largest number of Lone Parents. This regional picture is repeated with recruitment via PA meetings. The worst performing regions have fallen most, duplicating the trend seen in NDLP Initial Interviews. At the District level across the 90 ES/Jobcentre Plus Districts, the gaps between the worst and best performers is wider, the worst Districts are falling most and inequality in both recruitment measures is growing. Further discussion of area-based differences is left to Chapters 3 and 5.

2.4.2 Information failure & non-participation

One of the easiest explanations of non-participation to understand relates to ignorance of the programme. In order to voluntarily participate, lone parents must firstly know about the programme and secondly consider themselves eligible and understand that it has something to offer them. A failure to know or to understand the problem as a cause of non-participation can be labelled an 'Information Failure'. The design and implementation of NDLP recruitment and out-reach programmes to minimise information failure are discussed in Chapter 3 but there is clear evidence that a large number of potential participants have not heard of NDLP or understand that 'it is for them'. The Quantitative Survey found that in 2001, 26 per cent of non-participants were not aware of NDLP even when such non-participants were selected from the survey to have similar characteristics to participants (Lessof *et al* 2003). Even those with knowledge of NDLP do not always understand their eligibility for the programme. Sixty five per cent of eligible non-participants considered themselves eligible (Lessof *et al* 2003). However, information failure also explains a small percentage of participation because some participants joining the programme do so wrongly believing the programme to be mandatory, and this has been a constant factor in NDLP participation ever since the Prototypes (see Hales *et al* 2000, Lewis *et al* 2000 and most recently Lessof *et al* 2003).

2.4.3 PA Meetings and NDLP information

All this evidence on information failure predates the introduction of PA meetings, which have made a large overall difference in the provision of good quality information about the programme and solve most information failure for those claiming benefits. However, evidence to date from PA meeting evaluations (Coleman *et al* 2002 & Thomas and Griffiths 2002) suggests several reasons why information problems will continue. First, PA meetings do not always mention or explore NDLP. Around one half directly discuss NDLP, and almost

87 per cent discuss some work related topic but a minority are too short and/or focus on other matters. Additionally PAs do not pursue work related discussions like NDLP with lone parents who have no expressed intention of working in the medium to long term. Second, some claimants have a series of PA meetings that can both increase the likelihood of NDLP awareness and participation but can also stand in place of NDLP participation in some cases. Third, even when participants are on the programme they are not always aware that this is the case. On the other hand, over half of those having further PA meetings thought they were on NDLP. (Thomas and Griffiths 2002 p 56) The apparently fuzzy boundaries between NDLP and PA meetings are more of a problem for those who are trying to develop separate and distinct policy evaluation than for those on the ground or for overall policy intent – if lone parents receive advice and assistance, the heading under which it is given may not be overly important.

2.4.4 Participation decisions

The Quantitative Survey found that only one third (34 per cent) of non-participants had decided against participating or expressed a particular reason for not participating. The majority (66 per cent) expressed no clear set of reasons and this evidence is consistent with previous findings in the Prototype evaluation that examined why lone parents did not respond to invitations (Hales *et al* 2000)¹⁶. Even following their PA meeting, few lone parents viewed the process as a clear –cut choice of participation or not. Generally it was seen as a question of whether or not they felt the need to see their PA again, or were persuaded that it would be useful to do so. Most clients did not, therefore, offer specific reasons for not joining the programme, but described more of a ‘default’ situation in which things were taken no further’ (Thomas and Griffiths 2002 p 56).

There are however also rational and firm decisions not to participate and in most cases these tend to be linked to the perceived inappropriateness of NDLP to present circumstances -for instance because of the primacy of providing child care at home (23 per cent of decisive non-participants in the Quantitative Survey). There are also a small minority of non-participants who want to do things themselves and do not want NDLP’s assistance – often more highly qualified or recently employed. However, future potential participation is clear for many non-participants as there is a wide range of consistent evidence in the NDLP evaluation and in Family and Children Survey and other surveys that emphasises how important timing and prioritisation of parenting are for the majority to consider work. For instance only 20 per cent of non-participants said they had no interest in a future meeting with a PA at some point of time (Lessof *et al* 2003).

This leaves a small minority of non-participants who are found to have set their minds against participation and/or work and who also do not have severe constraints on their ability to work. Earlier qualitative research for NDLP developed typologies that stressed motivational and attitudinal attributes alongside constraints or ‘barriers’ to work (Dawson *et al* 2000 and Lewis *et al* 2000) and clarify such groups for policy concern but results from the Quantitative Survey suggest that such simple typologies based on ‘distance’ from work alone have a weaker association with participation than underlying personal, demographic and economic circumstances.

The decision to participate on the other hand is often but not always linked to motivation to work and work readiness. There are a small group of participants for whom this is particularly true – those that have found a job and join NDLP to obtain some of the help and

¹⁶ This evidence relates to matched samples of participants and non-participants and not to overall population of non-participants.

assistance in transition – better off calculations, income smoothing and transitional assistance for instance.

Currently, there is little evidence that looks at positive decisions to participate. Instead, there is a lot on circumstances of participation – which leaves a gap around some interesting questions about timing, bringing forward timing and participation as ‘preparation’ for work.

The Quantitative Survey also allows multivariate analysis of characteristics associated with participation, which were previously discussed separately – so that the independent effect of say, age, can be assessed separately from the accompanying effects associated with age such as age of children, skill level or duration of claim of Income Support for instance. However, the primary aim of the modelling in the Quantitative Survey was to provide a statistical model to generate propensity scores as part of the matching process, rather than to explore in depth the reasons for participation. As a result, while the results obtained are informative, a more focussed secondary analysis of the data set could potentially yield more insight in the participation decision. At this point in time, therefore, the descriptive analysis given from cross-tabulation from the Quantitative Survey also leaves underlying multivariate reasons for associations unclear. The following description is based mostly on the multivariate model reported in The Quantitative Survey Report (Lessof et al 2003)¹⁷

2.4.5 Demographic characteristics of participants and non-participants

A lot of evidence has accumulated on the characteristics of participants and non-participants over the length of the programme. Such evidence is vitally important to understand questions of programme coverage and targeting as well as specific needs of groups on the programme. The overall evaluation strategy has meant that large-scale representative quantitative data on participants and non-participants has come from the Quantitative Survey in the latter stages of the evaluation. This means that early qualitative and case-study data on sub-groups of lone parents can now be set in better context and discussed.

Understanding the combined effects of demographic characteristics is difficult without a multivariate analysis that can take into account the inter-relationship of age and age of children, gender and work-history and other inter-related factors. Demographic characteristics tend not to be overall good indicators of participation on their own. The QS multivariate model suggests that gender has no significance overall in determining participation, despite lower gross male rates of participation and qualitative evidence that suggested particular problems for male lone parents – often associated with trauma of relationship breakdown or social isolation (Dawson, Dickens and Finer 2000). Age is reported as having no independent causal effect on participation in the multivariate model despite there being statistically significant variance in age between participating and non-participating lone parents and higher proportions of younger claimants (especially the under 25s) and fewer older claimants (45-64) who participate (Lessof *et al* 2003).

The characteristics of children in lone parent families are significant in determining participation in multivariate analysis. The overall number of children significantly affects participation, which is more likely in one-child families and the probability of participation appears to decrease with each additional child. However, the presence of young children, especially babies and infants lowers the probability of participation. Overall, however, the presence of young children under five has less impact, with a higher proportion of participants

¹⁷ The model used to propensity score is not one that can provide robust individual coefficients for particular variables and also refers to excluded groups in dummy variables that would not be used in a theoretically based model of NDLP participation. For this reason we do not report coefficients.

(42 per cent) having one child under five than non-participants (37 per cent) (Lessof *et al* 2003).

Ethnicity appeared to have no impact on participation in the Quantitative Survey's multivariate analysis. This finding is counter-intuitive because other evidence points to considerable heterogeneity in the non-white lone parent population; for instance, black British and Caribbean lone parents have greater or equal propensity to work than white lone parents and because Pakistani and Bangladeshi women in general have low work participation profiles (Modood *et al* 1997). Multivariate analysis may remove the effects of age and skill/education level – which will account for a smaller difference in participation between Pakistani and Bangladeshi and other lone parents, but there remains the question of English language proficiency, which for older Pakistani and Bangladeshi women is a known factor in reducing labour market participation (as well as recently arrived migrants) (Dale, Fieldhouse, Shaheen and Kalra 2002). It is probable that skill level and education measures are proxying for English language proficiency in multivariate analysis. Overall, some of the earlier assumptions from qualitative evidence about 'cultural' barriers to work for Pakistani and Bangladeshi women seem poorly supported by evidence from the Quantitative Survey and from evidence from larger studies of women's labour market participation from these ethnic groups (Dale *et al* 2002). Overall, the crucial points for future analysis are that there are great differences between ethnic minority groups and between generations and cohorts within ethnic minority groups and, that while such differences may be attributable in part to other factors alongside ethnicity, they still result in important differences in the experience of employment and NDLP.

2.4.6 Lone Parents' capabilities, human capital and resources

Ill health and disability are factors that clearly lower probability of participation. Lone parents limited in the amount or type of work they can undertake by a health condition are less likely to participate (Lessof *et al* 2003). Half as many participants (11 per cent) reported having such a limiting condition as non-participants (22 per cent) (*ibid*). Additionally, having caring responsibilities for someone who was ill or disabled¹⁸ made participation less likely.

Qualifications and skills are also important significant factors in participation. Having higher education and 'A' level or GCSE qualifications significantly raised participation compared to those with no-qualifications. The highest qualified lone parents were most likely to participate (Lessof *et al* 2003). There is little direct evidence on the effect of skill level on participation at present, as evidence from the Quantitative Survey that looked at skill levels showed no significant association with participation. This means we currently have no evidence to distinguish between the effect of never-skilled and outdated skilled lone parents – a crucial distinction for women returnees to work. Attending or planning to attend a training or education course tended to have a negative but insignificant effect on participation while a more general measure of interest in education or training was insignificant.

The importance of transferable and 'softer' non-vocational skills to participation was highlighted by the strong link between driving skills (having a full driving licence) and participation (Lessof *et al* 2003). This replicates results from FACS, which showed that lone parents were not only more likely to move into work if they had a driving licence but were also still more likely to do so if they additionally had access to a car (McKay 2002). It is therefore likely that having a full driving licence is also capturing a measure of household resources/hardship that is separately identified in FACS (McKay 2002). The issue of household resources and hardship is also a potentially unobserved factor in the strong

¹⁸additional to those from having children per-se

association between having a telephone and participation that is found in the Quantitative Survey (Lessof *et al* 2003).

The receipt of maintenance/child support has also consistently been found to be strongly associated with lone parents' working and moving into work¹⁹, perhaps, in part, because of its effects on financial gains from work but also because of its link to paternal responsibility and involvement with caring. However, there is no available analysis of how this affects participation at present.

The Quantitative Survey suggests that participation declines significantly as the proportion of the local area's population who were from ethnic minorities identified in the 1991 Census increases, whereas other area descriptors were not significant. This result is difficult to interpret as it is unclear how far local economic factors or other factors are being proxied by the prevalence of ethnic minorities, who tend to live in more deprived urban areas. However, the lone parents' appreciation of local job market demand showed that those who saw no limitation on their work from local job demand as more likely to participate.

2.4.7 Proximity to work & work preferences

The time lone parents have spent away from the labour market is a significant factor in participation, with the highest propensity to participate among those who had worked in the last year (Lessof *et al* 2003). Those with longest durations of claim for IS are least likely to participate. For instance, claimants of five or more years' duration are only 27 per cent of participants but 37 per cent of non-participants. However, duration of claim *in itself* is a weaker explanation of participation than *years since last employment*. Lone parents who have never worked are overall less likely to participate than those who have worked in the last year, taking all other factors into account (Lessof *et al* 2003). The perceived restrictions on work through the desire to remain with children in the home also reduced probability of participation.

Not all participants are out of work and already having part-time employment makes participation more likely. Lone parents' plans for work in the future influence participation. We know that the majority of lone parents want to return to work at some point, and the perception of that future return to work event helps determine participation. Participation decreases the further away hopes of starting work are foreseen (Lessof *et al* 2003). Making an application for a job within the past 4 weeks further influences participation and increases likelihood of participation (*ibid*). Job search activity was found to be positively statistically significant if it had involved a private agency but negatively significant if it had involved informal sources of contacts such as friends and family (Lessof *et al* 2003).

Preferred hours of work are also important factors and those wanting to work less than 15 hours are less likely to participate compared to those preferring 16 to 30 hours or those who are flexible or undecided about working hours. (Lessof *et al* 2003)

2.4.8 Motivation and attitudes

Motivation to receive help and advice in general is significantly associated with participation. Actual use of information and advice services is also reported as significant in the Quantitative Survey but the results are difficult to interpret. Contact with advice services, Citizens' Advice Bureaux, for instance, careers advice, or an advice line, is negatively

¹⁹ see McKay 2002 and the succession of studies in the Programme of Research into Low-income Families – see Millar and Ridge (2001) for an overview.

associated with participation. Also negatively associated is contact with the Benefits Agency or the Jobcentre. However, when contact with a number of different services is taken into account then the likelihood of participation increases strongly and significantly with the number of services used. These results may show a distinction between ‘problem solving’ and ‘support’ services – with negative and positive associations respectively, but as they stand the overall actual influence of contact with other services is difficult to establish clearly.

Those who believed they would be financially better off in work were more likely to participate, confirming the long-standing policy aim of ensuring positive financial incentives to work and the potential usefulness of the ‘better off calculation’ discussed further in Chapter 3. Willingness to work for the minimum wage was also significantly linked to participation.

Attitudinal evidence about the roles of parenthood (nearly always mothering) and employment were also significant. Agreement with a statement that having a job is necessary to feel a full member of society is positively associated with participation as is with agreement on a statement that women with school-aged children should never work full-time – probably partly a reflection of part-time work preferences.

2.4.9 Explaining participation further

The evidence from the Quantitative Survey has certainly clearly established some of the main drivers of participation and clarified earlier univariate and qualitative evidence. It is for instance now more clearly evident that gender has little significant effect on participation in itself – an outstanding issue from the First Synthesis Report (Evans, McKnight and Namazie 2002).

How does this evidence fit alongside existing evidence of the drivers of lone parents’ transitions into work? First of all, while there is a huge overlap between the process of moving from benefit to work and participation in NDLP, they are not identical processes. Many participants in NDLP do not move into work and while most participants are work-ready and join to find work, others participate to gain access to training or other ‘passport’ services through NDLP and others participate more hesitantly, the so called ‘curious’ who saw nothing to lose but who had no clear work motivation (Lewis *et al.* 2000). This heterogeneity in participants means that there is perhaps a necessity to decompose some of the analysis on participation to explore characteristics of those at the margins of participation. At the moment the aggregate picture gained from multivariate analysis of the Quantitative Survey largely supports results that have modelled lone parents transitions to work in FACS and PROLIF and other data sources.

Second, a more general but linked point is that the modelling of participation currently reported from the Quantitative Survey has been undertaken with the primary purpose of producing matched samples for the measurement of programme impact, and not for a theoretically grounded analysis of the drivers of participation itself. This means that factors that are known to influence lone parents’ transitions into work are not reported in the modelling of propensity to participate. The most noticeable of these relate to the dynamics and routes into lone parenthood and the payment of maintenance. Given the strong and significant findings on lone parents’ foreseen timing of return to work and participation in NDLP, it is important to understand how much of this time horizon is linked to family dissolution, relationship breakdown or other dynamic factors in lone parenthood. Qualitative evidence points to strong concerns by lone parents to ‘be there’ for children during times of emotional upheaval and change, and therefore recent separation could be an important unobserved variable. Similarly, receipt of maintenance/child support, as previously mentioned above, is strongly linked to working and transitions to work and may also be unobserved in the current models.

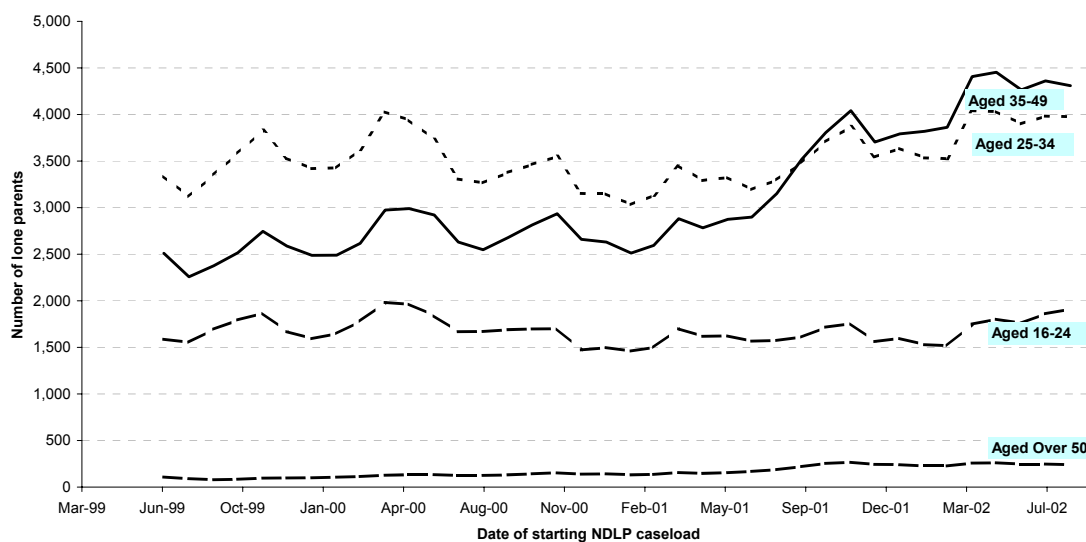
It is likely that further analytical work and further secondary analysis of the Quantitative Survey would yield further worthwhile insights into participation – both to answer particular hypotheses at the aggregate level, for instance by an examination of interaction effects, and also to decompose analysis in order to look at sub-groups, subject to the limitations on sample size.

2.5 Participation trends over time

How has the profile of participants changed over time? The evidence from the Quantitative Survey provides clear evidence at a given point of time but as we have already seen in Figure 2.1 and in earlier discussion that there has been significant growth in NDLP participation since the introduction of the programme²⁰. Has this growth in numbers been accompanied by significant changes in composition?

There has been no noticeable change in the gender of lone parents joining the NDLP caseload but overall participants have got older. In the early stages the greatest inflow to NDLP was from the age group 25-34 years, however by November 2001 the 35-49 year old age group overtook the younger group. In August 2002 40.5 per cent of the inflow to NDLP fell into the 35-49 age group. Figure 2.10 shows the trends for inflows of participations by these age-bands and confirms that the 35-49 age band has risen most in terms of numbers of participants joining the programme, and that this rise has occurred most noticeably from mid 2001 and is linked directly with increased participation via PA meetings. In April 1999 the proportion of the inflow with children aged less than 3 years was 31.2 per cent by August 2002 this had fallen to 21.1 per cent. Conversely the figure for parents with children aged over 13 years grew from 6.9 per cent in April 1999 to 13.4 per cent in August 2002.

Figure 2.10 Age of Lone Parent Joining NDLP March 1999 to July 2002



Source: Authors' calculations from NDED

²⁰ NDED data was used to summarise trends in NDLP participants and are summarised below and compared with data from the Quantitative Survey to check for any discrepancies in the findings.

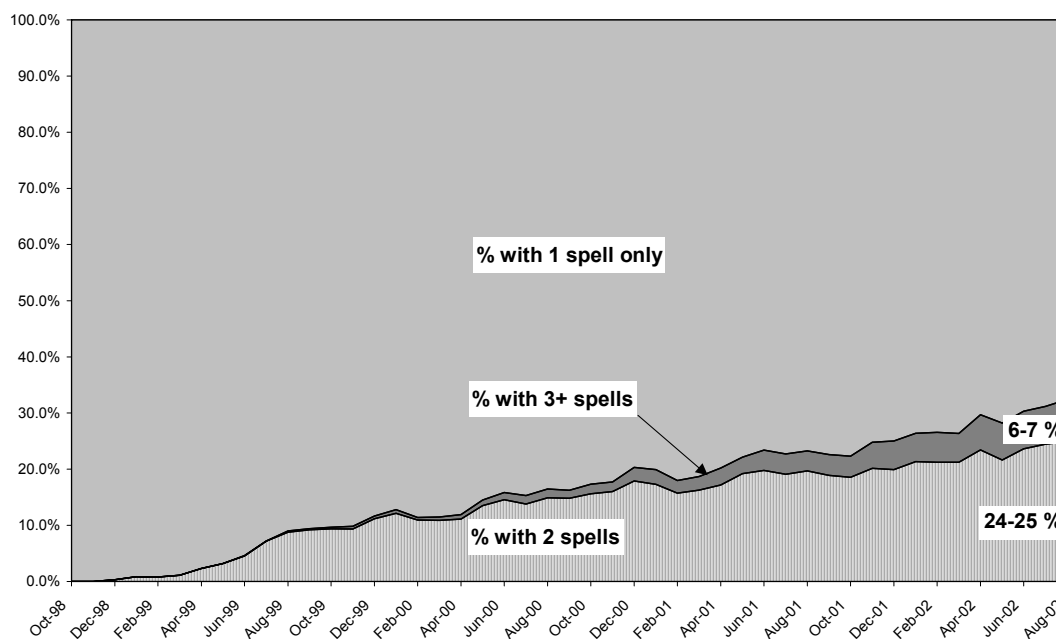
While the age profile has changed there has been no obvious change in family size, which seems fairly constant for lone parents on NDLP, despite the increase in numbers of older participants who would be expected to have smaller families on the whole. There has been an increase in the number of participants with 1 or 2 children and approximately 50 per cent of participant spells are lone parents with 1 child.

Table 2.6 Inflows to NDLP April 2000 to March 2002 by Duration on IS prior to Starting on Programme

	Less than 8 weeks	8 up to 26 weeks	6 up to 12 months	1 up to 2 years	2 up to 3 years	3 up to 5 years	5+ years
% of all new inflows							
April 00-March01	5.9%	12.4%	12.5%	18.3%	11.6%	14.1%	25.3%
April01-March02	11.2%	11.1%	11.3%	15.9%	11.3%	14.1%	25.1%
Numerical growth in entrants	104.7%	-4.2%	-3.1%	-6.6%	4.8%	7.2%	6.3%
Proportion via PA	67.8%	29.8%	11.7%	8.8%	8.5%	9.8%	20.7%

Source: Authors' calculations from NDED.

Figure 2.11 Number of NDLP spells for all NDLP Participants: October 1998-August 2002



Source: Authors' calculations from NDED

Table 2.6 shows the changing composition of inflows to NDLP for two comparison financial years, April 2000 to March 2001 and April 2001 to March 2002. Recent claimants of IS have grown from just under six per cent to over eleven per cent and underlying numbers of new entrants have doubled from this group (growth of 104 per cent). Sixty eight per cent of all these very recent new and repeat claimants of less than eight weeks who join NDLP came through the PA meeting route. PA meetings also contributed 30 per cent of the joiners who had previously been on IS for between eight and twenty-six weeks. PA meetings have also significantly contributed to the fairly stable proportions of NDLP entrants who have been claiming IS for long periods: almost ten per cent of those claiming for three to five years and

almost 21 per cent of those claiming five or more years. Overall numbers joining NDLP from these IS durations grew by seven and six per cent respectively.

The First Synthesis Report reported growing number of repeat participants as the programme continues. Figure 2.11 shows that the trend for repeating spells on the programme began quite early in the programme history - within one year over 10 per cent of participants were in their 2nd or subsequent spell. For instance, in April 2000 12 per cent of participants had had more than a single spell on NDLP – most of whom (11.1 per cent) were having their second spell. One year later, in April 2001, this figure rose to over 20 per cent, with 17 per cent having their second spell. By the summer of 2002 over 30 per cent had more than one spell, with around one quarter having their second spell and around seven per cent having their third or subsequent spell.

These repeated spells on the programme are accompanied by intervening periods in work or on IS. Table 2.7 shows the possible pathways between spells and the percentage of participants that follow each pathway for all participants that have had two or three spells²¹. For participants who have two spells around 36 per cent leave benefit and go into work while almost 54 per cent go back onto IS²². For participants with three spells then the pathways are more complex. Thirty two per cent return to IS between each of their first and second spells on NDLP. The remainder have some experience of work in between spells on the programme: 22 per cent go back onto IS after their first spell before participating again in NDLP and finding work and then rejoining NDLP; a further eight per cent go into work after their first spell on NDLP but then go back onto IS after their second spell on NDLP; finally, a further 19 per cent go into employment after both their first and second spells on NDLP. This preliminary evidence does not try to identify other reasons for leaving and returning to IS such as re-partnering and relationship breakdown, which could be significant contributory factors or factors in their own right.

Table 2.7 Repeat Participants’ NDLP Pathways

		Pathway through NDLP
2 Spells	36%	NDLP ⇒ Employment Off IS⇒ NDLP
	54%	NDLP ⇒ IS not on NDLP ⇒ NDLP
3 Spells	32%	NDLP ⇒ IS not on NDLP⇒ NDLP⇒ IS not on NDLP⇒ NDLP
	19%	NDLP ⇒ Employment Off IS⇒ NDLP⇒ Employment Off IS⇒ NDLP
	22%	NDLP ⇒ IS not on NDLP⇒ NDLP ⇒ Employment Off IS⇒ NDLP
	8%	NDLP ⇒ Employment Off IS⇒ NDLP⇒ IS not on NDLP ⇒ NDLP

Source: Authors’ calculations from NDED.

This ‘cycling’ in and out of the programme has several potential consequences for policy development and further research. For those that cycle between NDLP and benefits, the main

²¹ There are participants with more than three spells on NDLP but detailed analysis is not possible because of the small numbers involved. However, the overall picture for this group is that after spell 1 and 2 the most common route is back onto benefits and after spell 4, 5 and 6 more go into employment (off IS) than back onto benefits.

²² The remaining 10 per cent have unknown or other destinations.

policy concern should be on ensuring that the capacity of participants to work is built up over time. This means that returning to benefit after NDLP should not be seen as a ‘failure’ of the programme or of the participant – especially as the analysis shows that second and subsequent spells of the programme tend to improve work outcomes. Cycling between work and NDLP requires further investigation to assess its drivers. How far is this due to job matching, to changes in circumstances of lone parents, of the characteristics of the job – temporary and seasonal work, for instance, or to wider problems of retention and advancement in the portion of the labour market where lone parents work.

The issue of cycling also raises questions for Chapter Five in the measurement of outcomes and impacts of the programme. Measuring outcomes as transitions into work or back onto benefits at a single point in time understates the outcomes of the programme for those that return to benefit and who later move into work and also overstates them for those that move into work and later return to benefits.

2.6 Summary

- NDLP participation has grown. Overall between 1999 and 2002 programme numbers have grown by 36 per cent. Caseloads built up over late 1998 and 1999 and were stable until 2001 when they rose because of PA meetings. However, a proportion of those recorded as being on the programme will not be actively participating and there is thus some uncertainty about precise participation numbers.
- Measuring take up of the programme is difficult but when a comparison of the number of lone parents on the programme is made to the numbers claiming IS it is clear that participation rates have also grown overall from four per cent in May 1999 to over nine per cent in May 2002.
- PA meetings have increased NDLP participation and over 21 per cent of entrants to NDLP between April 2001 and March 2002 came via PA meetings. The majority of these, around two thirds, are new and repeat claimants. By August 2002, over one quarter of NDLP caseload had joined via PA meetings.
- Recruitment to NDLP has changed with the introduction of PA meetings. 25 to 30 per cent now go on to join NDLP from PA meetings. For those who express an interest in NDLP at PA meetings around 70 per cent subsequently join the programme. The alternative recruitment method, self-referral, leads to fewer coming forward but around 90 per cent joining the programme. There are large differences between regions and Jobcentre Plus Districts in recruitment rates.
- Why do lone parents participate? Knowledge of and correct information about NDLP is important, and one quarter of non-participants were not aware of the programme, while others knew about the programme but wrongly thought they were ineligible. There is little evidence of people actively deciding not to join NDLP and greater evidence for latent interest in the programme and deferral or low prioritisation of further steps to join.
- What characteristics are associated with participation? Evidence from the Quantitative Survey suggests that gender, age and ethnicity are not associated. However, the age and number of children, together with qualifications, skills and perceived proximity to return to work are highly associated. Lone parents who are working less than 16 hours a week already and/or are looking for work – especially for 16 hours or more a week – are also more likely to participate. Current evidence

on attitudes and motivation and their association with participation is currently difficult to interpret, except for financial motives – especially being financially better off from work.

- There are some caveats surrounding the current multivariate explanations of participation that require clarification from further secondary analysis of Quantitative Survey
- The characteristics of NDLP participants have changed over time, with a growth in older participants (reflecting the way PA meetings have been rolled out). While long-term IS claimants make up a quarter of all entrants to the programme, there has also been a growth in the proportion of short-term claimants who join – mostly via PA meetings.
- There is also a growth in the number of participants who are in NDLP for the second or subsequent time, as would be expected as programme longevity increases. By August 2002, just under one third of participants had previously been on NDLP. Over a half of those with their second spell on the programme had had an intervening period on IS while over a third had had an intervening period off benefit in employment. Almost one half of all those with two previous spells on the programme had had one or more intervening period off benefit in employment.

3) Delivering NDLP

This chapter reviews the evidence on the way in which NDLP has been delivered. The work of the programme includes a broad range of activities, including marketing and recruitment, working with local training and other service providers, developing links with employers, and – of course - working with lone parents themselves. This chapter reviews the evidence on how these various elements have worked in the main NDLP programme²³, on how participating lone parents have responded to the programme, and on various management issues– the management structure, training and expenditure. As elsewhere in this report we refer to the compulsory PA meetings where there is evidence on their effect on NDLP. Evaluation of PA meetings themselves is the subject of a separate forthcoming evaluation.

3.1 NDLP: activities

This first section discusses the delivery of NDLP's components, examines how the NDLP PAs work, first in respect of areas such as marketing, recruitment and outreach and then in direct contacts with their lone-parent clients.

3.1.1 Marketing and outreach

NDLP has been marketed both through three national campaigns and locally at the District and /or Jobcentre level. The national campaigns have used national and local TV, radio and press, posters leaflets and also the official invitation letter sent to clients at regular intervals during their IS claim. Locally, the marketing activity during the earlier stages of the programme typically involved the distribution of publicity materials and attending or running outreach events (GHK, 2001). The national campaign has used national and local TV, radio and press, posters and also the official contact letter. About two-thirds (65 per cent) of NDLP participants²⁴ in the Quantitative survey said they had heard of NDLP through the national campaign, and about 13 per cent reported that they had heard about it through local activities (Lessof *et al*, 2003). However, there is also a potential 'secondary effect' of any of the means of publicity, in that it can generate 'word of mouth' channels of information. A small proportion - 16 per cent of New Deal participants - had heard about the programme from a friend or relative, who may have participated themselves, or heard of it from official or unofficial sources. When we compare sources of awareness with matched non-participants the percentages are similar for all but two means of outreach. Non-participants were more likely to remember hearing about NDLP from the official contact letter (35% compared to 26%), and were far less likely to have had a referral from Jobcentre staff (three percent of non-participants compared to 18% of participants). It is likely that lone parents most interested in work (and therefore more likely to see a role for NDLP) were more likely to have visited a Jobcentre.

²³ Chapter 4 looks at non-standard delivery and non-NDLP programmes.

²⁴ The data given here that is derived from Lessof *et al*, (2003) defines participants as those who had an NDLP Initial Interview. This definition differs from that used elsewhere in this report, where participation conveys joining NDLP *after* having the Initial Interview.

3.1.2 Recruitment

In terms of recruitment to the programme, the main route prior to PA meetings was through personal letters from NDLP, inviting lone parents to come to an NDLP Initial Interview. The Initial Interview provides information about the programme, and lone parents then choose whether or not to participate (see below, section 3.1.4.). In the prototype programme, where most possible participants received just one letter, some lone parents felt that further follow up to the letter may have encouraged them to come forward (Hales *et al*, 2000). Some NDLP PAs also thought a more personal letter of introduction would help (GHK, 2001). However, the vast majority (91 per cent) of recipients had a positive reaction to the use and tone of the letter (GHK, 2001), while the client satisfaction survey found that just under half the lone parents for whom the letter was the first point of contact with the programme approved of its friendly tone (Hamblin, 2000a). The invitation letter was routinely followed up with a telephone call (Evans McKnight and Namazie, 2002) but practice since the introduction of PA meetings is not clear.

Other routes into NDLP include self-referrals (approximately two thirds of participants according to the Quantitative survey²⁵) and referrals from other agencies (24 per cent). The latter included 18 per cent came from Jobcentre staff (both frontline and those working on other New Deals) and 5 per cent from BA staff (Lessof *et al* 2003). Case studies show that the percentage of referrals from BA staff could be significantly higher where the NDLP PAs had cultivated good working relations with them (GHK, 2001).

Since April 2001, mandatory Personal Adviser meetings have introduced an additional route into NDLP²⁶. Subsequently mandatory contact with PAs was extended to include compulsory review meetings at 6 months. At these interviews lone parents are invited to join NDLP, though there is no compulsion to do so. Details of the rollout of compulsory PA meetings are given in Text Box 2.2. These compulsory Personal Adviser meetings have increased the diversity of people who are made aware of NDLP, and in terms of numbers have increased participation in NDLP (see Chapter 2)²⁷.

One purpose of these compulsory meetings is to ‘sow a seed’ of basic information about the help and support available from NDLP either now or in future and about the opportunities for, and gains from, employment. It is also aimed at building up trust so that a further meeting can be arranged in which ideas can be progressed. In practice, there seems to be something of a lack of clarity in respect of the difference between compulsory PA meetings, NDLP Initial Interviews and participation in NDLP. Looking at the delivery side, case studies of compulsory PA meetings in five Districts (Thomas and Griffiths 2002) show that in one District the blurring of the distinction between PA Meetings and NDLP arose from making a positive assumption that all clients would choose to opt in. This technique also played down the mandatory / voluntary distinction between PA meetings and NDLP. In other Districts the blurring of functions between these types of meetings was simply the result of poor communication. Across the five Districts, any further meetings after the PA meeting were ‘generally’ recorded as NDLP Interviews. Anecdotal evidence also indicates that where time allows, a PA meeting can turn into an NDLP Initial Interview and may lead to a lone parent signing up to participate and being ‘caseloaded’. Despite the apparent confusion in some

²⁵ This estimate is based on a total of all those participants that reported that they heard of NDLP other than by a letter or through formal referral – total 69%.

²⁶ Mandatory meetings had been piloted for all client groups from April 2000 in ONE areas, and for lone parents specifically from October 2000 in three pathfinder areas.

²⁷ However, the fact that the baseline figure for those attending a PA Meeting has *increased*, means that the *proportions* of those attending an ‘NDLP Initial Interview’ and joining NDLP have *decreased*. See Chapter 2.

instances, the net result is that more lone parents are being involved in discussions with PAs about work.

3.1.3 Collaboration and networking

Another important function of NDLP PAs is to get to know those involved at each stage of NDLP, i.e. potential referrers, agencies providing specialist support that some clients need in order to overcome specific barriers to employment, and potential employers and training/education providers. Formal links are the responsibility of Business Managers or District Managers.

Existing evaluation studies provide only a small body of evidence about this aspect of the work of the NDLP PAs. Evidence from the Innovative Pilots²⁸ shows that better liaison with local and national organisations for lone parents or with large lone-parent client bases could improve awareness of the programme and increase participation. In practice, links between NDLP and other providers were often reliant on relations between particular personnel, which were not necessarily maintained following any changes of staff (Yeandle and Pearson, 2001).

In the mainstream programme LA Housing Authorities were frequently reported by NDLP PAs as being problematic to work with. Some NDLP PAs have made connections with relevant local voluntary sector providers. A minority of NDLP PAs had ensured that NDLP was embedded into existing partnership programmes such as the Early Years Development Partnerships, local economic development agencies, Children's Information Service and Jumpstart (GHK, 2001)²⁹.

Working with employers is central to the aims of Jobcentre Plus, and is the remit of their Employer Services teams. Case studies (GHK 2001) found that NDLP PAs often felt under-qualified to sell NDLP to employers and training providers themselves. Furthermore, some NDLP PAs felt it counter-productive to identify their clients as lone parents on benefit (GHK, 2001). From the employer's perspective, Lewis *et al.*, (2001) confirmed that employers' reactions to the concept of NDLP were mixed. As well as many positive comments on the idea, there were some employers who felt that a programme designed specifically for lone parents had connotations of charity or that it re-enforced a social stigma, or that it was giving unfair favour to lone parents. These mixed reactions indicate that it was a rational response on the part of NDLP PAs not to refer to NDLP in their dealings with employers, since the risks of triggering a negative reaction may outweigh the benefits of triggering a positive reaction.

Lewis *et al.*, (2001) also found that few employers were aware of having had contact with NDLP, and their views on such contact varied according to their experiences and what they felt was appropriate. In the main employers saw the most important function of the NDLP PAs as putting forward the right person for the job. This involved knowledge of the client, management of their expectations and an understanding of the employer's needs. Employers thought that in-work support was valuable, but should be limited to co-ordinating in-work benefit payments and help with personal difficulties, rather than difficulties with the employer³⁰.

²⁸ These are discussed in more detail in the next chapter.

²⁹ In April 2003 Childcare Partnership Managers were put in place to improve the fit of childcare provision to the needs of Jobcentre Plus clients with children (not only lone parents). Their remit is to encourage the creation of additional childcare capacity, and to improve the flow of information between providers, Jobcentre Plus staff, parents and employers. This initiative is starting at the time of writing this report, and so evidence of its delivery is not available here.

³⁰ Innovative Pilots and Innovation Fund projects aimed to increase employers' awareness of and involvement in NDLP (see following chapter).

Overall, the evidence suggests that effective collaboration and networking is dependent on:

- The skills and confidence of the NDLP PAs
- Local training and employment capacity
- The number of relevant local organisations
- Attitudes of employers and other local organisations to the concept of NDLP
- The existence of pre-existing networks.
- The amount of time available for networking and collaborative activities.
- Staff turnover (of both NDLP PAs and staff from other agencies).

3.1.4 NDLP Interviews

This section looks at the content of discussions between lone parents and NDLP PAs, and the practical help given at interviews. The majority of NDLP Initial Interviews take place in the Jobcentre. These interviews last on average an hour to an hour and a half though can be considerably shorter. Some NDLP PAs felt it important to take a ‘softly softly’ approach at Initial Interviews and frequently stated that they take pains to make the client at ease and to find out their key concerns as well as their skills and abilities (GHK, 2001).

The Quantitative survey shows that ten percent of participants thought that participation in NDLP was compulsory. A further five per cent were unsure (Lessof *et al* 2003). Although a direct comparison with a study of the prototype programme (Hales *et al*, 2000) is not possible due to the different wording of the question, there is, however, a strong indication that the proportion of participants who wrongly believe NDLP itself to be compulsory has declined significantly (Lessof *et al*, 2003).

Text box 3.1 summarises the type and range of help that NDLP PAs may be able to offer lone parents. This includes information about, and help with, finding work, accessing training, making the transition to work, and maximising in-work incomes. As noted in Chapter 1, not all of these provisions have been in place for the whole period of NDLP, so the range of support available has increased over time.

Table 3.1 summarises evidence from the quantitative survey concerning the topics covered in New Deal interviews³¹. Early qualitative evaluation indicated that NDLP tended to emphasise general exhortations about finding work, but provided little practical help with identifying job vacancies, helping with job applications or general help and advice on job search, CV, application procedures and interview techniques (Dawson *et al*, 2000). Table 3.2 shows that, in the Quantitative Survey, 64 per cent reported that they discussed whether they wanted a job, and 55 per cent talked about specific steps to look for a job. In addition about half – 45 per cent – received help with looking at current vacancies, 18 per cent received help with job applications and 13 per cent received help with the preparation of a CV. Relatively small proportions received help in setting up job interviews (15 per cent) or preparation for interviews (10 per cent). One in five – 18 per cent – did not recall discussing any of these matters.

Table 3.1 also shows that few (11 per cent) discussed self-employment. Just under half (45 per cent) discussed training and 27 per cent talked about specific courses. Childcare was discussed by 58 per cent, and 35 per cent talked about costs of childcare. The vast majority –

³¹ This is derived from Lessof *et al*, (2003) and covers all interviews. In fact, 45 percent of participants had only one interview, which would have been the NDLP Initial Interview, so this is a fair indication of what was covered at these initial interviews

Text Box 3.1 The New Deal for Lone Parents Personal Advisers ‘toolkit’**1. For those considering or looking for work:³²**

- The ‘*Better-off Calculation*’ – see full description below.
- PAs can complete a *Back to Work Plan / Action Plan* with lone parents, which captures their qualifications, personal qualities, personal goals and any actions that the lone parent or PA agree to carry out.
- A job-search using standard methods and computerised data, the *Labour Market System* and *ES Job Bank*
- Help with the costs of travel and childcare for interviews with NDLP PAs and job interviews
- *The Adviser Discretion Fund* (ADF) of up to £300 per client can be used for necessary steps towards finding work. (Introduced in July 2001)
- Referral to a Disability Employment Adviser (DEA) who can access other work-related resources for lone parents with a disability.

2. For those undertaking work experience, or approved education or training³²:

- Funding for course (only for approved training or education courses).
- £15 per week *Training Premium* for up to a year, for those who take up training while receiving Income Support.
- Access to supported training schemes in pilot areas (Innovative Pilots; Innovation Fund)
- Help with the costs of travel and childcare for training courses.
- Work-training placement or trial period in work without risking loss of benefit (Employment on Trial; Work Trial)
- For those interested in self-employment, a referral to a *Test Trading programme*, offering business advice and administers benefits payable during a trial period of self-employment (from Autumn 2001)

3. For those taking up part-time paid work while receiving Income Support:

- For those entering employment for less than 16 hours a week, an *earnings disregard* of £20 per week (from April 2001).
- Help with registered childcare costs for up to 16 hours per week of work, for a maximum of 12 months duration (from April 2001).

4. For those taking up paid work of over 16 hours per week:

- Help with one-off costs associated with moving into work - up to 2001 from the *Jobfinders Grant*, subsequently from the Adviser Discretion Fund.
- Help to make the transition into work - *Lone Parent Benefit Run-On* continues payment of IS for the first two weeks at work; *Mortgage Interest Run-On* and *Housing Benefit* and *Council Tax Benefit run-ons*. These continue help for lone parents who have claimed IS for six months, for four weeks after they start work. Coverage of IS mortgage payments is assured if the lone parent returned to IS within 12 months. There is also a *Back to Work Bonus* - Earnings over the £20 ‘disregard’ level lead to a direct reduction, pound-for-pound, in benefit entitlement. If a lone parent has been having their benefit reduced in this way and later increases their work above 16 hours (therefore coming off income support) they receive a *Back to Work Bonus* of up to £1,000 calculated on the amount of clawed back earnings. The *Child Maintenance Bonus* works on a similar principle. It is a lump-sum payment of up to £1,000, made to lone parents leaving IS, based on maintenance received while claiming IS.
- Help with applying for in-work benefits and tax credits, including the *Working Families’ Tax Credit* (from April 2003 replaced by *Working Tax Credit* and *Child Tax Credit*), the *Childcare Tax Credit* and housing-related benefits.

³² Approved Training and Education lead up to NVQ2 level only – or on rare occasions to NVQ3 and such courses are time-limited to one year – see discussion below in Section 3.1.6.

85 per cent – received a better-off calculation. This was the single item most commonly discussed (see further below). Almost half - 47 per cent- were given help to complete Working Families Tax Credit forms and 41 per cent received other benefit advice.

Table 3.1 NDLP interviews: contents

	All participants N = 1076
Discussion about work and job search	%
Talked about whether I wanted to start work	64
Talked about steps of looking for a job	55
Talked about looking for volunteer work	7
Help with job applications	
Looked at current job vacancies	45
Help with job applications	18
Help writing a CV	13
Help with job interviews	
Personal adviser set up a job interview	15
Help preparing for job interviews	10
<i>None of the above</i>	18
Self-employment	
Talked about self-employment	11
Help finding self-employment	5
Training	
Talked about training opportunities	45
Help finding training/courses	27
Childcare	
Talked about childcare provision and cost	58
Help paying for/meeting childcare cost	35
Help finding childcare	27
<i>None of the above</i>	18
Financial	
Received/discussed Better-off calculation	85
Talked about managing finances/debt problems	8
Benefits	
Help filling in Working Families Tax Credit forms	47
Help applying for Child Maintenance	13
Help filling in other benefit forms	27
Help resolving other benefit problems	12
Other advice on benefits	41
Referral	
Adviser made an appointment for you at another agency	4
Adviser suggested/advised you to go to another agency	3
Other	
General support/encouragement/confidence building	36
Other things	1
<i>None of the above</i>	9

Note: some respondents indicated more than one response

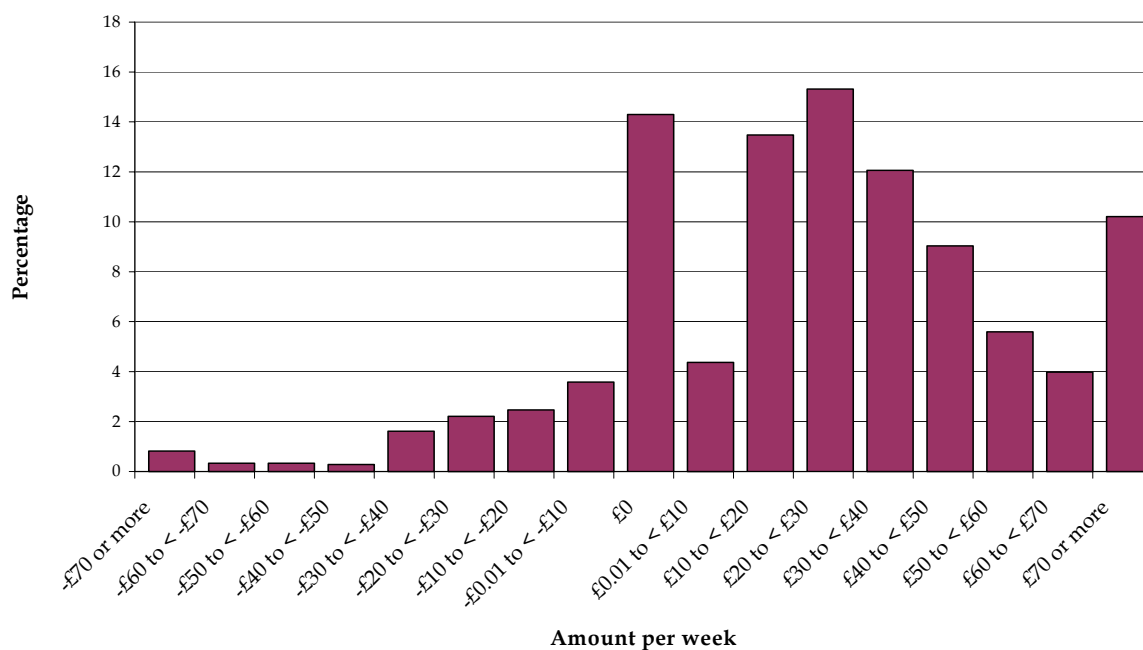
Source Lessof *et al*, 2003, tables 4.3.2, 4.3.1,4.3.4

On the basis of information gathered at the Initial Interview, NDLP PAs can signpost clients to a range of agencies that will assist them in their search for work or training, to childcare providers, or to specialist agencies such as Citizens Advice Bureaux or the Child Support

Agency (GHK, 2001). However, there were very few referrals to other agencies (3 to 4 per cent). Finally, one third (36 per cent) said they received general support, encouragement or advice.

Clearly the better-off calculation is an important feature of NDLP interviews. This is frequently carried out at the NDLP Initial Interview (GHK, 2001) since it helps to set a context for other matters, and contributes to the discussion of whether work is a viable option for a lone parent³³. Among the 85 per cent who received a better-off calculation, 71 per cent found they would be better off, 12 per cent found they would be no better or worse off, and 15 per cent found they would be worse off. Figure 3.1 shows in more detail the results of the better-off calculation. The calculation showed not only that more people would be better off in work than not, but that those who stood to gain did so by a far greater margin than those who stood to lose.

Figure 3.1 Reported results of the ‘Better-off Calculation’



Source: Table 5.3.2.1 in Lessof *et al.*, 2003

3.1.5 Personal Adviser Meetings

Given the potential for confusion between the compulsory PA meetings and the NDLP Initial Interviews and subsequent NDLP interviews, it is worth considering lone parents responses to these compulsory PA meetings at this point (BRMB, ref) both for purposes of context and for later comparison with NDLP PA interviews.

Evaluation of PA meetings (prototype phase) (Pettigrew *et al.*, 2001) found that about three-quarters were aware that the meeting was compulsory. About 65% said they thought it was useful to meet an Adviser at that point, but the new claimants were least likely to agree with this. Some felt they were just making a short claim and that this meeting was unnecessary. Those new claimants who were having problems with their Income Support claims (31 per cent) were usually more concerned with this, than with discussing future work options. The

³³ For discussion of lone parents responses to the result of the calculation see section 3.2.2.

majority – almost three-quarters – said that they found the meeting useful and half said that they got new information from it.

NDLP was discussed at most (90 per cent) of the PA meetings and about 4 in 10 discussed whether they should go onto NDLP. People were confused about the difference between the NDLP and the PA meetings (half of those who had further PA meetings thought these were NDLP interviews) (Pettigrew *et al* 2001). Survey interviews with lone parents showed that some lone parents on NDLP who had attended a compulsory PA meeting were unaware of their status in relation to NDLP (Thomas and Griffiths 2002). Additionally, some non-participation seems to have been because the PAs did not take this further rather than because the clients were not interested, but usually all lone parents who expressed intentions to work would have been presumed to get information about NDLP if it was appropriate. While PA meetings can be very different from NDLP interviews they also can cover much of the same ground and it may be that, for some people, they are substituting for NDLP, especially for those that are very work ready.

3.1.6 Training

As Chapter 1 has shown, lone parents on IS may need or want training. Training was regarded as a means of changing direction, both by those who felt their qualifications and experience were out of date, and by parents who had (or whose children had) health problems that necessitated a change in employment type (Evans, McKnight and Namazie 2002). Anecdotal evidence from NDLP PAs suggests there is a demand for certain higher level training courses, such as nursing and teaching.

Table 3.2 Lone Parents on NDLP – Training Activity Type

Type of training activity	Percentages
WBLA/TfW ¹	34
Further education	30
Private training	16
Jobsearch provision	8
Self employment-related ³⁴	6
Access to Nursing	2
Refresher Course	<1
Work Trial	<1
Other	2
Total (n=16,995)	100

¹ Work-Based Learning for Adults (WBLA) Training for Work (TfW) in Scotland

Source: Adapted NDED Training Premium data to September 2002

NDLP offers financial support for clients in training (see section 3.1.4 previously). Training is currently offered only to NVQ level 2 (with training to level 3 only in exceptional circumstances). The overwhelming majority of cases were referred to existing ES-funded programmes. Private-sector providers, colleges, Adult Education Centres and Community Centres were also used (GHK, 2001). Table 3.2 shows the type of training activity undertaken by NDLP clients. About one-third had taken part in Work-Based Learning for Adults and about 30 per cent in Further Education. Private training accounted for 16 per cent and very few participated in other forms of training.

³⁴ Including 26 week Test Trading period

Where a lone parent wishes to take up training that falls outside the standard eligibility criteria for funding, the case is referred to the Business Manager or district NDLP Manager. The DWP Training Review (DWP 2002d) recommended that participants should access WBLA in the first instance to bring NDLP participants in line with JSA clients and reduce the number of business cases being made for other training. Evaluation of WBLA noted that courses needed to be offered on a more child-friendly timetable. Some lone parents felt the £15 they received to attend a WBLA course would not be enough to cover costs (ECOTEC and BRMB, 2002).

Table 3.3 shows that the most popular courses are in IT and office administration. ‘Other’ types of training undertaken by NDLP clients include catering, passenger carrying vehicle license, gardening and call centre training.

Table 3.3 Lone Parents on NDLP – Course Type

Course type	Percentages
Accounts & Book Keeping	3
Administration/Office	20
Beauty Therapy	5
Childcare	5
Construction trade (inc. fork lift truck)	1
Holistic Therapy/Counselling	2
Information Technology	25
Leisure	1
Retail	2
Teaching/education	2
Basic Skills	9
Other	19
Total (n=16,995)	100

Source: Adapted from DWP internal document based on NDED Training Premium data to September 2002

Evidence from NDLP PAs (GHK 2001) suggests that take-up of training is affected by:

- Client attitudes – many clients felt that they did not need training; some clients were not willing to travel in order to access available training
- Personal Adviser attitudes and knowledge – some NDLP PAs are more proactive than others in suggesting training; some PAs have more knowledge of local training opportunities than others
- Availability and flexibility of training provision
- Availability and flexibility of childcare provision
- Length of funding – only one year of funding is available regardless of the length of the course

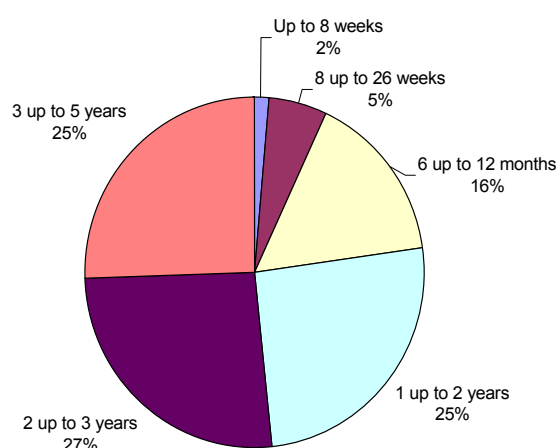
Despite training needs and aspirations of lone parents on IS, NDLP is not seen as a route into training. Qualitative studies for NDLP evaluation have shown that few participants in NDLP had entered the programme in order to undertake training. Furthermore, there is a group of *non-participants* in NDLP who feel that the programme cannot help them with their training requirements (Evans, McKnight and Namazie 2002 p 43³⁵). During the prototype phase of NDLP, lone parents without qualifications were more likely *not* to participate than those with qualifications. Recent evaluation also shows that clients with basic skills needs are slightly less likely to participate. NDLP has placed a greater emphasis on training since the prototype

³⁵ Underlying evaluation evidence comes from GHK, 2001 and Hamblin 2000a

phase. Evidence from the quantitative survey (Lessof *et al.*, 2003) shows that half of those who had (at least) an NDLP Initial Interview discussed training.

Figure 3.2 shows the distribution of total NDLP durations (i.e. participant's time on the programme) for those with recorded starts to education and training. The figures are based on gross participation figures, i.e. not discounted for the recent deletion of dormant cases and shows that 77 per cent of participants entering education and training have durations of over one year; indeed 25 per cent have durations of over 3 years. This evidence points to high levels of dormancy and lack of NDLP PA contact after referral to education and training and also reflects unrecorded outcomes for this group.

Figure 3.2 Education and Training starts by time on NDLP



Source: Authors' calculations from NDED – note data is uncensored for dormancy

Crucially, as Chapters 2 and 5 show more fully, those orientated towards education and training are less likely to participate, NDLP appears to have had *no impact* on rates of movement into training (Lessof *et al.*, 2003), and survey evidence gathered so far on the *outcomes* of training funded by NDLP is an area for future analysis.

3.1.7 Ongoing support

When a lone parent joins NDLP they are put on the caseload of a NDLP PA. Evaluation shows that there is no formalisation of this process. For instance, not all NDLP PAs saw the benefits of recording information from interviews in a uniform way to assist in action planning.

There is no evidence on the optimal size of a Caseload, partly because there are no set intervals between meetings, but NDLP PAs, Business Managers and District Managers tended to feel that a Caseload of 25 to 40 was about right. Half of the NDLP PAs contacted for evaluation purposes did not feel able to supply exact information on the numbers on their Caseload, and many NDLP PAs admitted that they were unsure about how many of their Caseload clients were at any one stage of the programme³⁶. Nor was there any uniformity over when a client leaves the Caseload (GHK, 2001). Some parents who were defined in

³⁶ On hold; in training; looking for work; in work on IS; in work on WFTC; in work off benefit.

administrative data as ‘finishers’, had not absented themselves from the programme, and may have resumed contact at a later date (Dawson *et al*, 2000).

The form and intensity of on-going support varies according to the needs of the client and the attitude and availability of the NDLP PA. Support can be a weekly chat about how things are going, or one-off discussions on particular issues. The content of follow-on interviews typically focuses on job search (with the Adviser searching Labour Market System and local newspapers and contacting prospective employers), training opportunities and help with benefit claims (GHK, 2001).

As reported by parents, around half to three-quarters of NDLP PAs generally followed up on actions they had promised the client. The highest rate of follow-up was on job-related tasks, and the lowest was on getting information on or applying for training (Lessof *et al.*, 2003). According to NDLP PAs, their increased workload following the introduction of mandatory Personal Adviser meetings has made them more reactive to their caseload clients, and less available to clients ‘dropping-in’ to see them (Thomas and Griffiths, 2002).

3.1.8 In-work support

Clients who are due to begin employment are given a lengthy interview to discuss their concerns and fill out paperwork for in-work benefits and benefit run-ons (GHK, 2001). Most NDLP PAs also contact their clients soon after they start their new job (GHK, 2001). The quantitative survey (Lessof *et al.*, 2003) shows that 28 per cent of participants received some contact from their PA after they started work, most commonly by telephone, but in around a third of cases with face-to-face contact.

The Jobfinders Grant (JFG) gave financial support to those moving into work³⁷. Evaluation of NDLP participants’ use of these grants showed that they were used to cover a range of expenses – often four or more items. Expenditure on work related costs was not obligatory and some household bills or normal living costs were also paid with money from the grant. Approximately 75 percent of lone parents spent some of their grant on direct work-related costs but only around 13 percent spent the grant wholly on these costs. Travel (43 percent) and clothes (55 percent) were high on the list of work-related spending alongside childcare (28 percent) – although higher proportions of lone parents with children under five (55 percent) spent some of the grant on childcare. The grant covered spending that would otherwise have been very difficult in around 66 percent of cases and in a further 26 percent of cases such spending would have been fairly difficult without it. While the grant eased transitions into work, it was most often not an essential element of making the change – only 15 percent of lone parents said they would not have taken the job without it. Poor timing of many of the payments was found to be a problem and 40 percent of recipients were found to have received the payment later than they actually needed it (BMRB, 2001).

Adviser Discretion Fund replaced Jobseekers Grant in July 2001 to provide awards to a maximum of £300 that can be used to help resolve issues that are constraining lone parents’ movement into employment. Early evidence has shown that the flexibility of ADF has made it useful in easing the transition to work, addressing barriers such as travel costs in the first few weeks of work, up-front childcare costs, and clothing for interviews. It has sometimes been found to be stretched very thinly when having to address multiple constraints, particularly

³⁷ Replaced by the Advisers’ Discretionary Fund (ADF), which also gives financial support to NDLP participants to help them in their search for work. Evaluation of the ADF is currently underway.

when a lone parent had more than one child. Full evaluation evidence will be available in July 2003.

3.1.9 Effective New Deal for Lone Parents Personal Adviser delivery

The key factors identified in the effectiveness of the NDLP PAs (Evans, McKnight and Namazie 2002) as follows:

- NDLP PAs being recruited from volunteers means that as a group they are highly motivated and committed.
- NDLP PAs have a good deal of autonomy and flexibility, so they can tailor services to clients' needs.
- Caseload management skills of NDLP PAs, including networking, delegation of tasks, appropriate referral/sign posting to specialist agencies have a significant bearing on their effectiveness.

3.2 The attitudes of lone parents to NDLP

Here we focus on how lone parents responded to participation in the programme. It should be noted that participants' attitudes to NDLP delivery in whole or in part were not based solely on the service they received, but were coloured by their own circumstances, expectations and outcomes (Dawson *et al*, 2000; Lessof *et al*, 2003).

3.2.1 Views on NDLP interviews

An evaluation of NDLP based on case studies identified the main attributes of an effective NDLP PA, as identified by participants. The adviser should be: approachable; someone you can relate to; a good listener; supportive (practically and emotionally); caring; interested; non-judgemental; understanding; responsive and have time for people (GHK, 2001).

The largest, most recent and most representative survey of how participants experience NDLP is from the Quantitative Survey. However, readers are reminded that the definition of 'participants' in the survey is based on those who attended the NDLP Initial Interview – rather than just those who subsequently joined the caseload and this differs from the definition used in Chapter 2.

Participants rated NDLP PAs highly. With an open-ended question about what they thought of their adviser(s) 37 per cent felt their NDLP PA was *very* helpful, competent or good. A slightly lower proportion (32 per cent) had a lower, but still strong assessment, saying the PA was helpful, competent or good. Many – 37 per cent again - praised their personal characteristics (friendliness, cheerfulness, understanding etc.). Negative assessments were far less common – 11 per cent thought they were 'not bad', 8 per cent said their adviser was not very good or very helpful (Lessof *et al*, 2003).

Most – 45 per cent of participants - had only one meeting with a Personal Adviser, 23 per cent had two, 15 per cent had three and 16 per cent had four or more (with numbers reducing up the scale). The vast majority saw only one Adviser, and an even greater number said that this was their preferred arrangement. Many – 80 per cent of participants - had some additional contact with a PA, most commonly by both letter and telephone. In general, people felt that the amount of contact they had with their PA was about right (79 per cent), but 18 per cent would have liked more contact, and 2 per cent would have liked less (Lessof *et al*, 2003).

About three in ten (28 per cent) of participants who moved into work had some contact or support from their NDLP PA afterwards. Some – 19 per cent - of those who did not receive any in-work contact said they would have liked it. And 15 per cent of those who had received support felt that the contact had helped them stay in their job. Both groups were asked what form of (additional) support they would have liked. Help with benefits was most frequently mentioned, followed by financial help. More general support ('general advice, encouragement, emotional support) was also called for³⁸ (Lessof *et al*, 2003).

3.2.2 Views on content

Only 15 per cent of participants said they wished that other topics had been covered in their interviews. It was most often the case here that they wanted more of something offered at interviews, i.e. more information or more support. However, a minority said they would have liked to have covered childcare (7 per cent), training (7 per cent) and benefits (4 per cent) in their interviews – issues that would normally be considered standard, and which other evidence indicate are indeed normally covered. The existence of this minority suggests that there is only a small mismatch in some cases between clients' information needs and PA activity.

Reactions to the better-off calculation broadly mirrored the results of the calculation – 72 per cent of those who found out they would be better off in work had a positive reaction and 89 per cent of those who found out they would be worse off in work had a negative reaction. The greater the effect (positive or negative) of work on 'income' the greater the propensity to have a positive or negative reaction. Once the gain per week reached £40 or more, only small proportions had a negative reaction³⁹. Interestingly there are 'anomalous' groups whose reaction contradicted the result of the Calculation. A quarter of those with a 'better-off in work' result had a negative reaction. In some cases this appears to be because the gain was less than expected, and in others because the Calculation was not trusted. There were 12 per cent who received a 'worse-off in work' result and who had a positive reaction to this. Reasons given for this were that the result encouraged them to take up or continue training, and that the result reaffirmed a parent's decision to stay at home (Lessof *et al*, 2003).

Table 3.4 Specific problems with better-off calculation

Problems with better off calculation	Reported problems (n=100) %
Calculation wrong/incorrect/unrealistic	31
Result was disappointing/less than expected/not better off	24
Not given/not offered a better-off calculation	17
Confusing/vague/hard to interpret/hard to understand	16
Calculation did not account for travel/childcare/other factors	9
Don't trust calculation/don't believe it/rubbish	2
Other answer	4

Source: Lessof *et al*, 2003 Table 5.3.3.2

Note: some respondents indicated more than one response

³⁸ Numerical base is only 92.

³⁹ The 2003 budget announced the introduction, from October 2004, of a Worksearch Premium in eight pilot areas. This pays £20 per week to lone parent claimants seeking work, and increases to £40 per week for the first year in work and is a direct response to this finding from the Quantitative Survey.

Respondents were asked whether they had any problems with the services offered by NDLP. While 78 per cent reported no problem, the area most criticised was the Better-off Calculation cited by 9 per cent of respondents. Table 3.4 shows the reasons given for such criticism.

Other problem areas identified were ‘Help finding training’ (6 per cent had a problem with this) ‘Help finding work’ (4 per cent) and ‘in-work support’ (4 per cent). The most common reason given (in around half of each area of help) was that no help, or not enough help had been given (Lessof *et al*, 2003).

Table 3.5 shows the percentage of parents receiving help on a range of topics, and further distinguishes those who did not receive help because they did not need it, and those who simply did not receive the help. It also gives a summary of how they rated the help they received.

Table 3.5 Type of help received by lone parent rating

Type of help received	Whether received help (sum to 100%)			Rating help very or fairly good (%)
	% not receiving help	% not needing help	% receiving help	
‘Deciding whether work is right for you’	2	6	92	82
Looking for/applying for specific jobs	10	33	57	73
Finding/costs of childcare	10	35	55	61
Applying for benefits	6	7	87	79
Finding training	11	34	55	65

Source: based on Lessof *et al*, (2003) Table 5.3.1

Two types of help were less highly rated than the others (though still yielding more positive responses than negative). These were help with childcare and training. These areas are most dependent on external factors, and may well reflect a lack of childcare and training opportunities in the area. There are also some restrictions on the types of training and the amount of childcare the NDLP is able to cover, which may have disappointed those with greater expectations.

Although most lone parents on IS have said that they would like direct work-related assistance, for those who were more ambivalent about work goals, pushing a work focus was found to be counter-productive. These lone parents felt they should be given the opportunity to review their position in a non work-oriented environment (Dawson, Dickens and Finer 2000; Lewis *et al*, 2001).

3.2.3 Perceived effect of participation

Participants who had moved into work or training were asked their views on how NDLP had helped the process. Of those who found jobs, 40 per cent felt that NDLP had helped them to do so (22 per cent saying they would not have got the job without NDLP), while 31 per cent said they received no help. A further 19 per cent said they had already found a job before they joined NDLP. Of those who started training, 32 per cent felt that NDLP had helped them to do so (28 per cent saying they would not have started without NDLP), 38 per cent said they

had not been helped in this by NDLP and a further 25 per cent had already planned the training prior to meeting a PA⁴⁰ (Lessof *et al*, 2003).

It is relevant to note here that however knowledgeable, helpful and competent the Personal Advisers, the effects of participating in NDLP are constrained partly by outside circumstances. For instance, childcare may be a persistent barrier to a successful outcome. About half (52 per cent) of non-working lone parents on IS mentioned lack of affordable childcare as a significant barrier to work (Lessof *et al*, 2001). Advisers often reported that their hands were often tied by the lack of appropriate childcare locally (GHK, 2001). Employers saw a role for NDLP in accessing and funding childcare (Lewis *et al*, 2001). So the perception of the effect of NDLP may be influenced by unrealistic expectations. The management of expectations has been raised as an issue in several evaluation reports.

3.3 Management

We now consider the ways in which NDLP has been managed. There are, however, many gaps in information in this area because the evaluation evidence has not generally addressed the question of how implementation issues – for example caseload size, local district performance and staffing levels, for instance – have affected programme outcomes. Here we look at management structure and at training of NDLP PAs.

3.3.1 Management structures

There have been significant changes to the management structure of NDLP over the years of operation. During the prototype phase the programme was run by the Employment Service in some areas, and by the Benefits Agency in others. Between 1998 and 2001 the Employment Service was responsible for the national programme. In August 2001 ES and BA were merged to form Jobcentre Plus, a business group within the Department for Work and Pensions, which now manages NDLP. This is delivered in existing local offices (former ES and BA offices), and in new integrated Jobcentre Plus offices⁴¹.

There has also been an ongoing development of the division of responsibilities between regional, district and local office levels, aimed at making better use of local knowledge of social and labour market conditions and at more effective management of the NDLP Personal Advisers (GHK, 2001). Regional Offices are now generally responsible for strategic development; the dissemination of good practice; external relations (for example, with the Inland Revenue, Personal Social Services, voluntary sector organisations); and they act as an information conduit between the Department, District and Local Offices. District Offices are usually responsible for human resources, budgets and performance management. At both Regional and District level specialist NDLP teams have tended to become subsumed into generic New Deal teams, which have these responsibilities across all the New Deal programmes. Local offices are where the NDLP PAs are located, and are responsible for the day-to-day delivery of the programme. In addition, District Offices are increasingly devolving responsibility and accountability from themselves to Local Offices.

NDLP has always required close collaboration between ES and BA, with the latter the main referrer to NDLP. But the introduction of compulsory PA meetings has necessitated even

⁴⁰ This data highlights the role that NDLP has in helping lone parents in work and training, and in assisting with other matters outside the immediate work focus.

⁴¹ The Jobcentre Plus rollout started in April 2002, with 17 'Pathfinder' Offices. There are currently many more Jobcentre Plus Offices and the remaining BA and ES offices will be converted to Jobcentre Plus offices over four years to 2006.

closer levels of working (Pettigrew *et al*, 2001). There were some initial difficulties with the introduction of mandatory PA meetings. The situation seems to have improved over time, with Districts making efforts to put in place cross agency recruitment and training, job shadowing and information exchange (Thomas and Griffiths, 2002).

3.3.2 Effective management

The previous synthesis report, (Evans, McKnight and Namazie 2002) identified the following factors relating to effective management:

- Clear lines of command and communication between Regional, District and Jobcentre levels.
- Good co-ordination at District level. This includes centralised administration to handle telephone enquiries and to manage NDLP PAs' diaries. This provides:
 - Economy of scale
 - A degree of co-ordination in times of unplanned absence of NDLP PAs
 - Clients with a point of contact throughout office hours
 - An important central point of contact for peripatetic NDLP PAs
 - Opportunities for effective networking with relevant public, private and voluntary sector bodies
 - A 'subject expert' on NDLP.
- A role for Jobcentre NDLP Adviser Managers as sources of information and problem resolution.

3.4 Financial resources

NDLP had a £37 million budget for normal running costs in 2001-02 and a further budget of £9 million for other expenditure (buying in training, childcare and other elements of provision). Such spending levels are lower than that for the New Deals for unemployed people (£89 million for the New Deal for Young People and £73 million for New Deal for 25 plus in the same year). Chapter 2 has already shown that NDLP has served a growing number of participants, so an important question is how spending on the programme has changed over time to match the increased numbers. Table 3.7 shows NDLP spending for each of the three financial years, 1999-2000, 2000-2001, and 2001-2002⁴². Figures are given in both nominal amounts and then in real public spending terms (deflated by GDP deflator) and also in per-capita real terms to give an idea of real volume spending.

Table 3.6 shows that in real terms NDLP running costs have grown from £28 to £37 million and that such growth has kept pace with growth in participation – with real per-capita spending on the programme⁴³ rising from £236 to £247. However, there appears to have been a large fall in other spending on the programme in 2001-2002, which has fallen from £14 to £9 million in real terms from the previous year and halved overall from £102 to £60 in per capita real terms.

The effects of such changes in resources on the performance of the programme are currently not identified. As noted above, this is part of a wider overall absence of how implementation issues have affected programme outcomes.

⁴² 2001-02 spending is estimated outturn

⁴³ Per capita estimates based on numbers participating are sensitive to the changes in participation numbers due to removal of 'dormant' cases. . Gross participation figures, without removal of dormant cases indicate a 17 per cent fall in Running Costs per capita spending in real terms from £235 to £195.

Table 3.6 Spending on NDLP 1999-2002

NDLP Running Costs			
Financial Year	Nominal £millions	Real £million 2002	Real per capita £ 2002
1999-00	27	28.27	236
2000-01	29	29.69	212
2001-02	37	37.00	247
NDLP Other Current Expenditure			
1999-00	12	12.56	105
2000-01	14	14.33	102
2001-02	9	9.00	60

Source: Authors' calculations from DWP (2002) and HM Treasury's GDP Deflator

3.5 Summary

- The roll-out of compulsory PA meetings has precluded the need for extensive marketing and outreach activity locally and nationally.
- There are a number of factors in the delivery of NDLP that mean that lone parents are not always clear about their status in relation to NDLP. In practice the distinction between a PA meeting, an NDLP Initial Interview and subsequent NDLP interviews can become blurred. There is also a lack of consistency in the process of 'signing off' clients from the caseload. A significant (though apparently shrinking) minority of lone parents believe that NDLP is a compulsory programme.
- There is little evidence on the collaboration and networking activity undertaken by NDLP PAs. Effective collaboration and networking is dependent on: the skills and confidence of the NDLP PAs; local training and employment capacity; the number of relevant local organisations; attitudes of employers and other local organisations to the concept of NDLP; the existence of pre-existing networks; the amount of time available for networking and collaborative activities; staff turnover (of both NDLP PAs and staff from other agencies).
- Lone parents rated the NDLP PAs highly. They were largely satisfied with the amount of contact, and with the type of help they received. The better off calculation remains an important factor in NDLP, demonstrating gains from employment for the vast majority of lone parents. Since the prototype phase NDLP has increased activity in providing practical help with steps towards employment.
- NDLP has placed a greater emphasis on training since the prototype phase, but it is still a 'work first' programme. Lone parents who want to take up education and training are less likely to participate. Although the programme helps individual lone parents to take up training, NDLP appears to have had *no impact* on *rates* of movement into training. Furthermore, no evidence has so far been gathered on the *outcomes* of training funded by NDLP.
- As NDLP has become embedded there has been devolution of management responsibility down to Jobcentre level. This has been accompanied by a shift away

from specialist NDLP teams to generic New Deal teams though the NDLP PAs are still specialists.

- Effective management depends on: clear lines of command and communication between Regional, District and Jobcentre levels; good co-ordination at District level; and a role for Jobcentre NDLP Adviser Managers as sources of information and problem resolution. The improvement in working relations between ES and BA is likely to continue under the Jobcentre Plus model

4) NDLP innovation and alternatives

There have been many ways in which the Department for Work and Pensions have fostered innovations to the delivery of NDLP. This chapter looks at alternative services for lone parents - both innovative schemes piloted as part of the programme, and non-Department schemes that have some relevance to NDLP provision⁴⁴. The focus of the chapter is on describing the innovations and alternative provision and on assessing what has worked and why. Lessons for the future of NDLP activity, in particular in terms of participation, programme content and delivery, are discussed in conclusion.

4.1 Background and aims of the schemes

The number of initiatives and schemes covered in this chapter taken together with their acronyms are potentially confusing. This potential confusion is heightened by the term 'innovative' and 'innovation' being used in the titles of many of the Department-based schemes. This introductory section sets out each initiative with its preferred acronym and gives a summary overview of its background, aims and accompanying evaluation report (where available).

Six *Innovative Schemes* were funded by the DSS in the early days of NDLP. They were all run by voluntary organisations, selected by competitive tender, and were aimed at helping lone parents into work. Evaluation evidence is drawn from Woodfield and Finch (1999).

Innovative Pilots (IPs) began operating between spring 1999 and early 2000. Each had an initial lifetime of 12 months, and some were extended for a further 6 months. The ten IPs aimed to reach lone parents who had not responded to existing NDLP approaches. Outreach was therefore important, and innovative methods were encouraged. The IPs concerned purely outreach and information activities (including Rainbow Roadshows, advice lines, a website and leafleting), and also provided work-related activities that might be of interest to lone parents. Evaluation of the Innovative Pilots comes from Yeandle and Pearson (2001)

The *Benefits Agency Visiting Officer Pilots* (BAVO). In this scheme, lone parents with a youngest child aged 14-15 (and who were therefore about to be moved from IS to JSA) were visited at home and introduced to NDLP. Evidence comes from Hamblin (2000b).

The *Innovation Fund* (IF) was set up to increase participation, support continuous development in NDLP and to increase the number of lone parents moving into sustainable jobs. This was to be done by improving employer engagement; overcoming specific local barriers; and increasing sustainable job outcomes for specific target groups of lone parents leaving NDLP – ethnic minority lone parents, those with disabilities and those in receipt of benefit for five years or more. Twelve projects were selected and ran from March 2001 to April 2002. The Innovation Fund projects typically took a training based approach to getting lone parents into work with a wide range of training aims and activities addressed. Evaluation of the Innovation Fund projects comes from Burniston and Rodger (2003).

⁴⁴ Thanks go to Ceema Namazie, Centre for the Analysis of Social Exclusion at the London School of Economics for her assistance on work on non-DWP initiatives. Evidence from schemes outside the Department for Work and Pensions tends to be based on smaller samples and is less robust. However, where evaluation evidence is stronger it is considered here.

The *Lone Parent Outreach Service* began in April 2002 and is due to run for two years. It aims to strengthen engagement with lone parents living in rural and urban ‘isolated communities’ and act as a referral agent to Jobcentre Plus and promote the benefits of NDLP. Evaluation evidence is not currently available.

The *ONE service* piloted the bringing together of ES, BA and Local Authority services for the Department for Work and Pensions. It aimed to provide an integrated service that was focussed on entering / returning to employment. ONE involved work focused interviews with a PA (the equivalent of compulsory PA meetings) that covered employment prospects and barriers to employment, and offered help with job search, help with benefits etc. Initially the PA interviews were voluntary for all new claimants except those claiming JSA. Subsequently, all claimants in the ONE pilot areas were compelled to attend a mandatory work focused interview. Particularly in its mandatory phase ONE therefore closely resembles NDLP following the introduction of compulsory PA meetings to all lone parents on IS, though ONE is not targeted solely at lone parents⁴⁵.

The *In Work Training Grant (IWTG)* was an NDLP innovation introduced as a pilot. Lone parents with low levels of human capital frequently enter occupations that are precarious, associated with high turnover, and offer little opportunity for progression and in-work training. The IWTG was aimed at moving lone parents off the bottom rung of the job ladder, and increasing the sustainability of their jobs. The grant was available for NDLP participants who started work of 16 hours a week or more. Training plans had to be approved by employers and the ES. The plans had to be submitted within 12 weeks of starting work, and training started up to 12 weeks after that. Evidence on the In Work Training Grant is from Lakey *et al.*, (2002).

The *Single Parent Support Network (SPAN)* is a voluntary organisation in Bristol that provides training and support for lone parents on benefit. As well as career counselling and guidance, workshops and volunteering opportunities, it provides vocational training courses. All services are free and scheduled to be family friendly, and there is an on-site crèche. Evaluation evidence comes from a JRF study (John, Payne and Land 2001), SPAN’s annual report, and other unpublished documentation.

Lone Parents into Employment (LPIE) was a government funded (DfEE) programme run by the National Centre for One Parent Families (NCOPF) between 1994 and 1997. Evidence is drawn from NCOPF material (NCOPF 1994; 1996); the DfEE evaluation report (Elam and Thomas 1997) and unpublished material from the NCOPF archives. The programme aimed to support lone parents into a range of ‘move-on’ activities leading to work. It also aimed to educate agencies in order to enhance employment-related provision for lone parents and to develop effective partnerships. This chapter deals with the mentoring scheme offered as part of the direct work with lone parents. Under the LPIE mentoring scheme mentors were volunteers working in employment, training and advice sectors and other relevant bodies. Mentors were trained at a one-day workshop and provided one hour per fortnight for 3-4 months. They provided help with action planning, CVs, job applications, interview preparation and confidence building (but not counselling).

Intermediate Labour Markets (ILMs) provide temporary paid work and training for harder to serve groups, with the aim of moving people on to unsubsidised permanent positions. The work itself also provides some form of public good. ILMs typically involve work on a project at the going rate; related training towards a recognised qualification; training in core skills; personal support and development; assistance with moving on from ILMs and in subsequent

⁴⁵ An analysis of evaluation evidence on ONE is not undertaken here but existing evidence from Davies *et al* 2001 and Johnson and Fielding 2000 (referred to in Evans *et al*, 2002) is brought forward and considered

work. Evidence on ILMs based on Glasgow Works projects is drawn from Cambridge Policy Consultants (1997) and other evidence comes from an e-mail survey carried out for this report⁴⁶.

4.2 The Activity of schemes

Table 4.1 summarises the different programmes under their different primary aims and functions. The NDLP innovations have been concerned (at least in part) with one or more of the following:

- Increasing participation in NDLP by attracting lone parents who had not previously responded to the standard outreach activities undertaken by the Department for Work and Pensions and by individual PAs.
- Increasing the job-readiness of lone parents by preparing lone parents for more employment-related activities by increasing confidence; and by teaching soft skills and transferable skills.
- Increasing the employability of lone parents by providing vocational training.
- Career guidance and development.
- Work experience.

Non-NDLP provision have been concerned (at least in part) with one or more of the following:

- Increasing the employability of lone parents by providing vocational training.
- Career guidance and development.
- Work experience.

Table 4.1 Innovations and providers

Type of activity	Wider DWP initiatives	Specific NDLP initiatives	Voluntary sector initiatives
Increasing participation in NDLP	BA Visiting Officer Pilots; Lone Parent Outreach Service	Innovative Pilots; Innovation Fund	
Increasing job-readiness	ONE	Innovative Schemes; Innovative Pilots; Innovation Fund	
Increasing employability	ONE	Innovative Schemes; Innovative Pilots; Innovation Fund	SPAN
Career guidance & development		Innovative Schemes; Innovative Pilots; In Work Training Grant	SPAN; LPIE
Work experience		Innovative Schemes; Innovative Pilots; Innovation Fund	Intermediate Labour Markets

⁴⁶ The authors would like to thank the Centre for Economic and Social Inclusion (CESI) for access to their email subscriber lists. An email request for information on non-NDLP-based provision of training and other active labour market services for lone parents was sent to all members of the mailing list.

4.2.1 Increasing Participation in NDLP

In the early stages of the programme, NDLP PAs participated in outreach activities such as distributing publicity materials and running or attending outreach events. As NDLP rolls out provision to all lone parents on benefit it is having to deal increasingly with a 'harder to serve' group, and evidence on how non-standard services can attract and serve this group is particularly salient.

In one of the Innovative Pilot projects, NCOPF ran Rainbow Roadshows attended by NDLP PAs. When run as a stand-alone activity attendance was less than 25 per cent of expectations. On the other hand, Roadshows set up to catch passing trade in shopping centres managed a high level of contact with lone parents, but it proved extremely difficult to engage lone parents in other pilot activities or with NDLP itself. Data from the Birmingham Roadshow shows that *after additional follow up* by NDLP PAs nearly one third of contacts made at the Roadshow progressed to the NDLP caseload.

Innovative Pilot projects did appear to attract lone parents to their own services, who had not previously come forward to NDLP. Some of these parents had negative perceptions of government programmes. Those IP projects with existing networks of clients and relevant agencies found these invaluable in reaching participants. Other important factors in reaching sceptical lone parents were "*going out to lone parents in their own localities, convincing them, from the initial approach, that provision would be tailored to their needs, and delivering it in a way which showed understanding of, and sympathy with, their personal situation*" (p.18 Yeandle and Pearson 2001). An NDLP PA attending other project sessions run by Innovative Pilot providers was an effective outreach activity for NDLP. One-off outreach events tended to make a large number of successful initial contacts. Ongoing programmes of outreach provided longer term multiple contact and support as part of the course and was seen as more effective than a one-off visit for the populations they served, with higher proportion of clients who were not job ready.

Advice lines did not prove to be an effective way of targeting eligible lone parents. The two IP project advice lines were under-used, and only around one third of callers to one of them were eligible for NDLP. In the same vein, publicity in locations where lone parents were likely to be found was far more successful than blanket publicity such as random distribution of leaflets door to door or radio advertising.

Lone parents appreciated the convenience of home visits in the BA Visiting Officer Pilot, and recruitment to NDLP was encouraging (Hamblin 2000b) though the impact was small⁴⁷.

One of the wider objectives of the Innovation Fund was supporting continuous improvement in NDLP by exploring what 'innovative' aspects might be replicated more widely. Innovative recruitment practices and provision appear, on a small scale, to have contributed to the participation of some lone parents who would have been unlikely to have engaged in mainstream NDLP (because of rural location and/or client attitudes to Jobcentre-based provision). The lessons from these approaches can contribute to future mainstream NDLP delivery. However, the lack of formal/standard relationship between projects and Personal Advisers (i.e. no automatic referral to the mainstream programme), the 'stand-alone' character of many projects and a focus on job outcomes means that the direct contribution of the Innovation Fund to increasing participation in mainstream NDLP was limited. There is also no direct evaluation evidence on the impact of Innovation Fund projects on participation in NDLP itself (as distinct from participation in the NDLP IF) due to the size of the projects.

⁴⁷ Written communication from DWP.

A website set up by Gingerbread (another IP project activity) showed high demand for information. Lone parents directly accessing this information were of course limited to those with Internet access, although voluntary organisations and local community groups also accessed the site, and would have been able to cascade information down to other lone parents. There is, however, no evidence on how many of those who received information (directly or indirectly) from the website went on to participate in NDLP.

4.2.2 Helping with work orientation

Innovative projects were very active in preparing clients for more employment-related activities by helping them with the 'first steps'. It was also sometimes evident that clients who had completed more work-oriented programmes were still in need of some help in this area (Yeandle and Pearson, 2001). Virtually all Innovative Pilot projects, five Innovation Fund projects and one of the Innovative Schemes, involved a personal development approach. This meant running workshops and courses which helped lone parents to see the skills that they already had, and also included assertiveness training, confidence-building and motivational exercises. Five of the Innovation Fund projects also helped to develop soft skills like time management, money management, team working, co-operation, communication and personal presentation. NDLP innovative projects took a holistic approach to their clients' needs, and offered a high degree of pastoral support⁴⁸.

There is clearly a role for confidence building in provision for lone parents. Sixty two percent of Innovation Fund participants said that they joined because they wanted to increase their self-confidence, even though this was rarely an explicit component of courses. Specific 'first step' courses are particularly suitable for those furthest from the job market. But even within this group, personal development approaches were not always appropriate, and need to respond to individual, upfront assessments of need (Burniston and Rodger, 2003).

Evaluation of the earlier Innovative Pilots and Innovative Schemes concludes that programmes aiming at helping those furthest from the labour market move towards job-readiness need to be holistic, empowering (working on soft skills, building confidence and broadening horizons) and client-led, affording parents to pick elements of the course (Woodfield and Finch, 1999; Yeandle and Pearson, 2001).

4.2.3 Increasing employability

Most Innovative Pilots and Innovation Fund projects attempted to develop transferable skills. These included IT skills, Health and Safety, First Aid, general office skills and jobsearch. Some Innovative Pilots and Innovative Schemes provided elements of vocational training. These projects were most appropriate for lone parents with low educational levels. Users of Innovative Schemes' vocational training valued the opportunity to select elements of training that suited them, and appreciated being able to study in a relaxed atmosphere and at their own pace.

The objectives of the Innovation Fund were more focussed on sustainable job outcomes than were those of the earlier Innovative Pilots and Innovative Schemes. This is reflected in the fact that the focus of nearly all of them was vocational training. Although they may have had some qualifications, some lone parents were keen to take up training in order to increase their profit margin from work, or to be able to secure more sustainable jobs. Projects offered specific training in childcare, gas central heating installation and maintenance, care work,

⁴⁸ From autumn 2003 the government is introducing a week-long programme of soft-skills development and information for lone parents in areas with high lone parent populations.

call-handling, retail, catering, business administration and IT. Other projects offered more generic training.

Childcare to enable training was an issue for all of the schemes covered here. Childcare was addressed in a number of ways – on-site facilities; ‘outside’ childcare arranged by the projects; support to lone parents in finding and arranging childcare. On-site facilities were convenient for lone parents, and in cases where the site was permanent its administration was straightforward. But where training was being provided these did not always have suitable crèche facilities, and short-term childcare was expensive to run. Programmes offering to organise off-site care faced all the usual barriers in finding suitable provision, and the added problem of finding temporary places. None of the group-based childcare (on- and off-site) could look after sick children. Babies, secondary-school children and those with specific cultural needs were also difficult to accommodate. Lone parents often requested help with informal childcare that was more suitable to the requirements of their children and the short-term participation in the training.

SPAN’s evaluation evidence covers all of their activities and outcome measurements for vocational courses alone are not available. Participants in SPAN were highly motivated and tended to be better qualified than lone parents in general. 96 per cent of participants interviewed for the evaluation had work experience prior to registration with the scheme. They were more likely to be ‘very ready’ or ‘sort of ready’ to start work than lone parents in general. Common career goals were to be nurses, social workers or counsellors. Over all SPAN’s courses, the uptake rate⁴⁹ was 68 per cent, and the completion rate 73 per cent. Longer courses (of 10 or more days) had a higher uptake rate than one-day courses, which appears to reflect the high motivation and aspirations of participants. However, longer courses only attained a 58 per cent completion rate. There is no available evidence to suggest the degree to which this attrition rate reflects particular difficulties faced by parents or lone parents. However, SPAN’s participation profile was very varied with large numbers registered with the centre but not attending any events.

Outcomes from SPAN are difficult to interpret; in part because it was evaluated in its first year of operation with associated staffing and course design issues. Participants scored SPAN much more highly for psychosocial changes (increased self-confidence; increased awareness of self, other and / or the world etc.) than other services but other services were scored higher than SPAN in assisting a move into work or further education. Furthermore, while 29 per cent of respondents said that other services had given them new knowledge or skills, only 4 per cent said the same for SPAN

4.2.4 Career guidance and development

Three of the Innovative Pilots attempted some kind of careers guidance. Only one of these could be deemed successful, due to lack of take-up of the others. Additionally, SPAN participants showed a greater interest, with 45 per cent of lone parents registered using the career counselling service. However, figures for those attending career development courses are much lower. Around a third of SPAN courses concern career development. These courses vary in length from one session to thirty-eight sessions. Over an eighteen-month period just over 3 per cent of lone parents enrolling for SPAN courses enrolled for career development courses. 16 per cent of those enrolling actually started the courses (compared to 68 per cent overall) and 65 per cent of these completed the courses (compared to 73 per cent overall). No explanation for the lack of interest in careers development is offered here.

⁴⁹ Those that started the course as a percentage of those that enrolled

The In Work Training Grant (IWTG) covered the cost of approved training to increase the sustainability of employment for NDLP participants who started work. Take up was fairly low for a number of reasons. PAs did not advise all of their eligible clients about IWTG and raised it often during the final pre-work meeting, when there was a lot of other information to take in. Thus some lone parents did not understand clearly how IWTG could help them, and the full range of training opportunities was not always thought through. Overall, 65 per cent of those eligible declined training, and only 16.5 per cent went on to actually start training.

Taking up training in the first months of work was also problematic for several reasons. Employers were not always willing / able to release employees and did not always complete the paperwork. In some cases this related to a more fundamental conflict of interest between the needs of the employer and the training desires of lone parents. Lone parents reported feeling slightly overwhelmed by the demands (on them and their children) of starting work and at the same time, childcare in the evening (needed for some training) was both expensive and difficult to find. Timing of courses did not always coincide with the six-month deadline. The choice of training was not always optimal because of the limited knowledge of training opportunities, the deadline to complete the Training Plan, and the lack of knowledge about their new job and what training might be useful for it. The strict timetable for submitting the Training Plan and starting training meant that advanced or additional courses were sometimes not eligible to be funded even if resources were left over. Once training had been taken up there were also difficulties in completing it through pressure of time, childcare and money as well as expectations of the course not being met.

Forty eight percent of recipients of the IWTG used the grant to take driving lessons⁵⁰. Driving lessons provided an easy to arrange, non job-specific option likely to have a wide and long-lasting benefit. Previous studies (White *et al*, 1997; Lissenburgh 2000⁵¹) have shown that having a driving licence is associated with increased probability of finding work, and in some jobs is an essential skill. The ability to drive broadened job opportunities and reduced the amount of time spent getting to and from school, childcare and work (Lakey *et al*, 2002). Twelve per cent of recipients of the IWTG used it for IT training. Examples of other areas of training were care work, beauty therapy, book keeping and counselling.

Evaluation of the IWTG found that critical factors were both having a supportive employer and a proactive PA who provided clear information on IWTG to lone parents and their employers, and who liaised with lone parents, employers and training providers. Hard data on the impact of IWTG on employment outcomes is not available but is expected to reflect lone parent's employment situation, their attitudes to promotion and training, and the number and ages of their children and available childcare arrangements. Qualitative data showed that PAs and participant lone parents felt that IWTG had increased their confidence, improved their job satisfaction, enhanced their promotion prospects and broadened the range of jobs they would consider applying for.

4.2.5 Mentoring

Mentoring has been a popular initiative⁵² with organisations trying to serve 'hard to reach' groups, in part because it offers a personal and flexible service. Both these elements make it a difficult intervention to evaluate. Qualitative evidence from participants in mentoring programmes frequently talks of gains felt by individuals that are difficult to quantify. The

⁵⁰ The Quantitative Survey (Lessof *et al* 2003) indicated that 52% of NDLP participants did not have a driving licence.

⁵¹ Cited in Lakey *et al*, 2002

⁵² In the April 2002 budget the Chancellor announced the introduction of a national mentoring service for lone parents. This will be introduced from Summer 2003

flexibility of the approach means that it covers a range of interventions with various approaches, from informal ‘buddying’ to more formal work-focused induction periods and to quasi advocacy. The common strands of mentoring are that it is a one to one service that provides support and encouragement between matched individuals.

The four Innovative Pilot mentoring schemes tended to provide emotional support, practical help on non-work issues, as well as guidance on employment and training. Some lone parents felt they had been poorly matched. A formal mentoring arrangement did not appeal to all lone parents. Some preferred to draw on relationships with key workers in the projects. Although none of the Innovation Fund projects were mentoring projects per se or offered formal mentoring components, many supported participants via an in-house mentoring approach using key workers. This role was important in times of transition to placements and or employment, and appears to have aided retention. Missed appointments were a problem common to all of the mentoring schemes. This arose from the difficulty of finding mutually convenient appointment times against a backdrop of lone parents’ and mentors’ other commitments, childcare needs and travel time.

The Lone Parents Into Employment scheme, run by NCOPF, also considered here was more work-focussed than the Innovative Pilot mentoring schemes. The LPIE model emphasised support that would move the mentee towards taking up work or training. It was based on the identification of goals and barriers and assisting progression towards goals. The LPIE programme operated before NDLP and Mentoring provided under LPIE thus overlaps greatly with what PAs do.

The additionality of LPIE’s mentoring scheme is difficult to assess, since just over a half of those undertaking it were already in work or training and are therefore likely to have already taken a number of steps towards their goals. The percentage of mentees in work 6 months after first contact with LPIE had grown from 32% to 50% and that the rise for those who had not taken up mentoring was smaller (28% to 33%). The impact on taking up education or training was even greater. While 18% of mentees and 28% of non-mentees had been involved in this before the intervention, six months later the percentages were 53% and 51% respectively. So, mentoring in LPIE did appear to be associated with good levels of outcomes for a fairly selective group of lone parents who were already considering or participating in work or training.

Successful mentoring depends upon:

- Appropriate timing of the scheme in relation to the mentee’s progress towards employment
- Establishing an appropriate match between mentee and mentor
- Having a pool of mentors with a suitable range of knowledge and skills
- Referring mentees on for specialist support if necessary

Conclusions from the evaluation of the Innovative Pilots is applicable across mentoring schemes:

Mentoring, clearly, is not for everyone, and while offering worthwhile additional provision to meet the needs of some lone parents, should not be seen as a panacea (p.25 Yeandle and Pearson 2001).

4.2.6 Work experience

Two key employment barriers faced by lone parents are a limited knowledge and negative perceptions of employment opportunities, wages and in-work benefits; and concerns about the transition to work (Lewis *et al*, 2001).

Work experience can be a component in tackling these barriers, and in some instance can lead directly to work with the placement employer. This section considers two forms of work experience – work placements (which are usually of short duration and are often a mandatory or optional element of a training course) and Intermediate Labour Market schemes, for which the work component is more central.

All but one Innovation Fund programme offered work placements. For projects themselves, finding placements was resource intensive. Lone parents also needed preparation for and support during the placement, since there were a mixture of emotional and practical issues, such as childcare and travel. Placements were found to be effective in rebuilding confidence; providing experience of the workplace and its requirements; providing opportunity to consolidate and improve on previous training and adding recent work experience to CVs. The NDLP Innovation Fund evaluation concludes:

Placements are most likely to be valuable to lone parents who already have most of the skills required for entry to work, or who have developed them via earlier stages of the programme, but who still need to build, or rebuild, confidence and to be supported on their journey back into work. Placements help such lone parents to overcome their doubts or misgivings about their ability to find and succeed in work, and support job search activities. They provide a useful bridge between the world of caring for a child at home, and the world of work (Burniston and Rodgers, 2003. p97).

4.2.7 Intermediate Labour Markets

To date data on the participation in Intermediate Labour Markets (ILMs) by lone parents has not been universally available. (For a description of ILMs see 4.1). The largest body of evidence on ILMs in Britain is based largely on projects under the Glasgow Works umbrella. Early evaluations of the mid-1990s showed that lone parents were more likely to drop out of the programme than the core group of participants (Cambridge Policy Consultants, 1997). By 2001 participation of lone parents in Glasgow Works projects had increased from 15 per cent to 19 per cent⁵³, partly as a result of the expansion of projects providing childcare services. More recent evidence shows that participation of lone parents also depends on funding sources. ILMs with significant lone parent participation tend to have elements of European Social Funds or regeneration funds, while those solely funded by New Deal did not have catchment categories that would include large numbers of lone parents.

Identified barriers to lone parent participation in ILMs are:

- Information on ILMs
- Full-time nature of ILMs
- Childcare limitations
- Disjuncture between length of ILM and qualification courses

ILMs place an emphasis on full-time work, which creates a barrier to lone parents participation and successful outcome (Cambridge Policy Consultants 1997). This also causes problems for the ILMs themselves, since under-attendance pushes up the already high unit cost. Access to sustainable childcare also proved difficult. While different projects have their

⁵³ Figure provided by Glasgow Works

own arrangements for funding childcare, affordable formal care was not always available, and informal care arrangements often broke down during the course of the programme.

There are difficulties in attaining qualifications within the time limit of the ILM placement. There have been proposals to extend the placements from one year full-time to two years part-time, in order to redress this problem, and that of the full-time barrier. However, it is not clear how such changes would fit with other assumptions on 'transitional' work experience. Furthermore, such a change could necessitate a greater degree of selection, since choosing participants who are further from the labour market would maximise overall cost-effectiveness.

Overall, evaluation evidence from the small number of available evaluation studies shows that ILMs provide an effective, but high cost intervention for particular groups who have little or no recent work experience. For example, Childcare Works (one of the Glasgow Works programmes) has so far created 63 jobs in childcare and 320 childcare places from the 117 placements created over 3 years.

Tables 4.2 and 4.3 are based on small numbers and conclusions on outcomes are therefore not robust, but they give an indication of outcomes of lone parent participation in ILMs. These figures are for all participants (not just lone parents) and the reader is reminded that participation and completion rates for lone parents are lower than average.

Table 4.2 Destinations of Leavers from Greater Pollock Childcare Works

Destination	N
Into employment of 13 weeks +	29 (76%)
Onto benefits (IS and/or IB)	3
Unknown	5
Pregnancy	1

Source: based on unpublished data released by Childcare Works

Table 4.3 Outcome Results, November 2001 for Access North Ayr ILM Programme 1999/2000

Project	Starters	Completers	Outcome Employment	Outcome F.E.	% Outcome Rating
Cyrcit	10	10	4	1	50
Childcare	4	4	4	0	100
Environmental	10	10	5	0	50
N.A.I.P.	8	8	6	0	75
Traineeship	4	4	4	0	100
	36	36	23	1	67

Source: unpublished data from Access North Ayr

4.3 Lessons and Potential Developments

What lessons can be learnt from the experience of these innovative and alternative services and what conclusions drawn about the potential development of NDLP provision in the future?

4.3.1 Recruitment and Retention in Innovative Projects

Recruitment to time-limited local interventions can be difficult. Many, but not all, Innovation Fund projects faced difficulties in recruiting. In general the reasons for this were:

- Staffing issues
- Timing of intakes
- Fewer referrals from Jobcentre Plus Personal Advisers than expected
- Too much commitment required on the part of lone parents
- Overly tight eligibility criteria

These problems may well have been minimised if more thorough planning had been undertaken, which would have resulted in more realistic expectations. Low uptake can make schemes less cost-effective. Furthermore, in the Innovative Fund schemes funding (linked to participation levels) was reduced, as was the chance of gaining funding bonuses for successful job placements.

PA involvement in recruitment appears also to be crucial where it is appropriate, for instance for the IWTG scheme.

The issue of retention on non-NDLP schemes is also important, but evidence from evaluation projects points to a wider problem of retention in voluntary schemes serving lone parents and other participants. Much of the evidence on retention arises because of reported problems with retention and it is therefore difficult to compare projects with good and poor retention and extract particular factors that lessen retention problems. Overall, 64 per cent of 'non-work' outcomes for Innovation Fund projects were because of drop-out from the programmes. Clients with disabilities, who had been targeted by some projects, were not only difficult to recruit but also to retain. Furthermore, non-disabled participants often had health problems that projects were not designed to accommodate. Anecdotal evidence suggests that health issues were sometimes used to mask other reasons for leaving. Better quality recruitment can also assist in retention through matching individuals' needs and interests. Most Innovation Fund projects did not screen out those with basic skills needs, and these could make completion difficult.

Retention when delivering training courses appears particularly difficult. Attendance and completion rates for vocational and training courses have to be higher if they are to be cost-effective. Lone parents are more likely to complete training if the content of the course is manageable, enjoyable, and holds out good job prospects (Yeandle and Pearson 2001). SPAN's evidence suggests that a degree of variety and flexibility in the intensity of the courses needed to be offered, since participants sometimes found the level of the courses, and the time commitment required extremely demanding (Yeandle and Pearson 2001). Career development courses have particularly poor retention rates in both SPAN and the Innovative Pilots.

4.3.2 NDLP Participation

The Innovative Pilots raised awareness of NDLP, encouraged contact with NDLP and aimed to increase the numbers of those signing up to it. IP projects were particularly good at reaching clients who were some way away from being job ready, and who would not have considered approaching NDLP. Existing organisations with large lone parent profiles were a particularly rich source of clients. Many IP projects brought their clients into direct contact with NDLP by having PAs attend some of their events. Good liaison with NDLP is necessary with a clear understanding between NDLP and IP projects about their respective roles to avoid inappropriate referral (Yeandle and Pearson, 2001).

NDLP PAs found it easier to work with clients who had previously attended IP provision, since they were more work focussed, more motivated and clearer on what they wanted to achieve. There is a potential role for ‘pre-participation’ programmes for those who are unlikely to achieve job outcomes in the short-term.

Outreach workers in two Innovation Fund schemes were regarded as a success. Evidence from the Lone Parents and Partners Outreach Service will be useful in evaluating the effect of outreach on participation but home visits offered by the BA Visiting Officer Scheme were also popular amongst lone parents.

In general, expanding NDLP provision through adoption and incorporation of successful types of intervention could also improve participation by offering more to a wider clientele. However, current evidence of lone parent involvement in other programmes is limited as they are rarely separately identified as participants. Recent European Social Fund sponsored programmes, however, should in future offer opportunities to examine lone parent participation in labour market programmes more widely.

4.3.4 Local labour market focus and Employer Engagement

An important factor for successful job outcomes is the way in which the innovative projects have interacted with and reflected the local employment context. This includes the engagement of employers and the identification of local skills shortages and employment opportunities. Evidence from Innovative Schemes and Innovative Pilots has shown that detailed knowledge of the local labour market was necessary to delivering effective training. The advantages and limitations of various models of employer engagement follow.

In two of the Innovation Fund projects employers contributed to the design of the training element of the programme meaning that there was a good match between course content and employers’ skills needs. It also meant that existing links with employers could be used to offer participants a range of placement or employment provision. One organisation also took pains to contact new employers suggested by lone parents.

The design of IF projects in some instances included a contribution by employers to the functioning of the programme. This meant that employers would offer work taster days, mock interviews or discussions of employer expectations. One element of this model was to provide employer mentoring, but this was not possible to arrange in practice due to the programmes limited resources, the lack of availability of employers willing to take on this role, and a lack of demand from lone parents.

The South Lanarkshire (IF) Project, uniquely, was delivered by a Local Authority owned and managed training provider. The aim of the project was to get lone parents into Council jobs, where there were consistently high job vacancies. Council managers interviewed lone parents for placements in the same way that they would recruit to jobs, which gave lone parents experience in interview methods.

Finally, the GWINTO IF project used a different type of employer engagement model. Since GWINTO demonstrated many of the critical factors for employer engagement and other issues previously covered it is useful to examine these by looking at GWINTO as a case study.

Text Box 4.1 Case Study: Gas and Water Industry National Training Organisation (GWINTO)

The GWINTO project was provided by a national training organisation representing employers in the gas and water industries. Based in North London (an area with high living costs) it provided combined college and employer based training to equip lone parents with the qualifications needed to gain work as gas central heating installers and maintainers.

The recruitment process was highly selective. Extensive marketing produced 650 enquiries. 120 lone parents applied for the course. 88 were invited for assessment. Of the 60 interviewed 17 got onto the course (the target number). Participants had to demonstrate verbal, numerical and practical aptitude. Those who were unsuccessful were given reasons for this and referred to NDLP. The selection needed to be rigorous not only because of the length of course and the skills needed, but also because there was only one intake, and the course structure was 'set' and had no element of 'pick and mix'.

Recruitment was not aimed at particular target groups, but leaflets were distributed in areas with high ethnic minority populations, and publicity stressed equal opportunities policies. The result was that four of the seventeen starters were from ethnic minorities. Seven of the seventeen had been unemployed for five years or more, which may reflect the fact that the expected returns from the training were high.

The programme gave real opportunities for secure, relatively highly paid jobs with flexible working hours. This helped recruitment, retention and job outcome rates.

GWINTO involved employer engagement in the design, development and delivery of the programme. It therefore had expertise in relevant industries, and access to key contacts. GWINTO had previously identified a demand for gas installation and maintenance skills at intermediate level, especially in London. The selection process meant that participants were highly likely to meet these employers' needs.

This was an expensive intervention, costing around £7,125 per job outcome. Childcare costs accounted for nearly 40 per cent of this, since the course was long and childcare costs in London are higher than elsewhere.

Twelve of the seventeen starters got jobs after the course. The remaining five had left early – three for medical reasons. Job outcomes were 32 per cent higher than roughly comparable NDLP provision (though GWINTO participant numbers were small).

In summary, the GWINTO programme was high cost, but effective for a highly selected group of lone parents. Critical to its success was the fact that it operated closely with employers; it addressed a local skills shortage; it offered specialised training to employment level; training and childcare provision were available locally (although GWINTO had to provide some of this itself); and that candidates could be selected from a critical mass of lone parents interested in taking part. Lone parents were attracted by the real chance of gaining high levels of pay arising from specialist skills, job security and flexible working hours. GWINTO provided an excellent referral point for some lone parents in an area of high living costs, but consideration is needed about how widely such a programme could be applicable to lone parents in general.

4.3.3 NDLP and Programme Content

What does the evaluation evidence suggest about adding to NDLP's range of provision? When attempting to answer this question a further issue arises – does the attraction of alternative programmes lie in the very fact that they are not part of NDLP? It appears that better information, perhaps delivered through an outreach worker may lead to greater involvement by lone parents wary of the programme, the hard to reach and those with no or incomplete information. Current NDLP provision is not geared to those who are far from job ready, but an increased and formalised role for mentoring services could change this.

4.3.3.1 Training

Evidence shows that a wide range of courses needs to be offered to reflect the heterogeneity of lone parents; clients needed additional help after the course, such as guidance on what to do next, work on 'soft skills' and work experience. Yeandle and Pearson (2001) concluded that the courses offered should reflect local work opportunities, local employers' flexibility regarding work hours, and wage-rates.

Evidence from the SPAN, Innovative Pilot, Innovation Scheme and Innovation Fund programmes all shows the importance of a supportive approach, and of providing child-care support for participants (though there are problems with childcare that can only be addressed by NDLP by extending financial support to informal childcare).

Several models are replicable, and suited to different profiles of lone parent:

- The personal development and 'soft skills' approach is suited to those furthest from the job market, and those willing to participate in group work, and is often a useful supplement to more specific training.
- Employer hosted training that offers training in a broad range of skills, such as that offered by the South Lanarkshire Council IF project and a good chance of employment is broadly applicable to job ready lone parents.
- Sector-focussed occupational training to meet local skills shortages (which lead to job security and higher pay) produces high returns for a narrow group of lone parents, especially in sectors where working hours are flexible (for example GWINTO).

The level of specialisation and expertise required means that these programmes should be provided by specialist training organisations, though NDLP could buy places on courses or make group bookings. The diversity of lone parents and of the models indicated above suggests that NDLP could use this range of provision to make specific referrals. Appropriate referral would aid recruitment and retention and would work best where NDLP is well 'plugged into' local training networks. Such networking could also help to promote 'lone parent friendly' courses.

One further model is relevant - in-work training chosen by individual lone parents and funded by NDLP. Evaluation of the IWTG shows that there are some adaptations needed to make this effective and widely applicable. There is a need for better information for lone parents and employers, more flexibility in the timetable for receiving the grant, and a formalised role for PAs during the training period.

Qualifications available from courses are also important. The Innovation Fund provided some occupationally specific training (such as childcare), which offered qualifications, but not always at a high-enough level to compete for jobs. This caused disappointment among participants. Some of the earlier Innovative Schemes and Innovative Pilot projects had faced the same experience. The indication is that there is a need for a clear understanding of the training requirements of employers, the management of participants' expectations and accurate marketing of projects. The qualifications gained using the In Work Training Grant were not always well-considered or of a high enough standard to help career progression, perhaps reflecting the difficult balance of engaging employers and satisfying individual preferences and needs for training through a time-limited scheme. There are also problems with getting good qualifications within the time limits of short-term placements (for instance the ILMs).

4.3.3.2 Mentoring

The evidence suggests that mentoring assists some lone parents' move into work. It also appears to help retention in training, job placement and employment by supporting lone parents at sensitive transition stages. The prospect of mentoring may also attract those not currently participating in NDLP but most evidence currently available reflects services that duplicate PA provision.

Mentoring in work (usually for a short time after transition into work) is provided by NDLP PAs and 28 per cent of participants received some contact from their PA after they started work (Lessof *et al*, 2003). A formalised role for PAs could include a mentoring angle for those participants who PAs feel would benefit from it. Mentoring is also possible for those who have left the programme and are still on IS. However there is no currently little evidence either way for a demand for such a service. Mentoring could also expand to deal with non-work oriented support. While this falls outside the remit of mainstream NDLP itself, some PAs provide 'ad hoc' mentoring for clients who appear to require this. However, this type of support is likely to decline with the increased workload arising from PA meetings, and services could usefully be bought in by NDLP for two types of clients, as identified by PAs on a case by case basis – non participants who are not yet job-ready but who could benefit from the general support offered by mentoring schemes such as those used by Innovative Pilots, which helped to increase job-readiness; and participants in NDLP who are job ready but who face some unresolved personal barriers to employment.

4.3.3.3 Work experience

Work placements offered as part of a fairly intensive training package with careful matching of lone parents and employers (such as those provided by Innovation Fund projects) provide a number of benefits to lone parents, and can lead directly to employment. The implication is that such packages are best run by organisations that have the experience of (or capacity for) building up good relations with local employers; and that have a training period in which they can carefully assess lone parents skills and aspirations to provide a good match. This is perhaps best left to organisations outside NDLP, since it requires time and expertise beyond the limits of most NDLP PAs.

Intermediate Labour Market evidence suggests that targeted work experience can be successful, but with several caveats. First, they are expensive and lack a source of consistent funding nationally. Second, they need to reflect local conditions and are best when developed locally. The third major problem is that current models for ILMs do not cater well for part-time work and to do so while still offering quality training without long transition periods

before referral on to unsubsidised work is difficult. Lastly there is the requirement to target such programmes on those who could not enter work without them in order to be cost-effective.

4.4 Summary

- There have been a number of innovative schemes piloted as part of the NDLP. These have been aimed at: increasing participation in NDLP; increasing the job-readiness of lone parents; increasing the (sustainable) employability of lone parents.
- There is clearly a group of potential NDLP participants who are some distance away from being job ready. Innovative projects were very active in preparing clients for more employment-related activities by helping them with the ‘first steps’. This frequently involved a personal development approach. It was also sometimes evident that clients who had completed more work-oriented programmes were still in need of some help in this area.
- Projects offering transferable skills and vocational training have a role in meeting the needs not only of parents with low educational attainment, but also those who want to increase their profit margin from work, or to be able to secure more sustainable jobs.
- Childcare was an issue for all of the innovative programmes and their clients. Childcare shortages (especially for temporary places), facilities, care for sick children, older children and babies were all problematic. Lone parents frequently requested help with informal childcare, which better suited their needs, but terms of funding did not allow this.
- Recruitment to innovative schemes presented difficulties. The main reasons for these were: lack of interest (which applied particularly to career development courses); staffing issues; timing of intakes; lack of referrals; too much commitment required on the part of lone parents; overly tight eligibility criteria. Low uptake in turn affected funding and cost effectiveness.
- Retention difficulties were often linked to poor health or disability, and sometimes due to lack of basic skills amongst participants. Lone parents are more likely to complete training if the content of the course is manageable, enjoyable, and holds out good job prospects.
- An important factor for successful job outcomes is the way in which projects interact with and reflect the local employment context. This includes the engagement of employers and the identification of local skills shortages and employment opportunities.
- Mentoring schemes can provide valuable support to some lone parents in sensitive periods of transition.
- Work placements were found to be effective in rebuilding confidence; providing experience of the workplace and its requirements; providing opportunity to consolidate and improve on previous training; adding work experience to CV.
- The provision of alternative services requires time and expertise beyond the limits of most NDLP PAs. However, they could be usefully bought in, or referrals made, for clients identified by their Advisers.

5) Outcomes, impacts and effectiveness of NDLP

The headline impacts of NDLP produced by the analysis of the Quantitative Survey are impressive and suggest that the programme doubles the employment chances of participants: 50 per cent of participants entering work compared to 26 per cent of non-participants – an additional impact of 24 percentage points. If this headline measure of impact is compared to other impacts from ‘welfare to work’ programme evaluations internationally, it ranks with the highest – for instance the famous US GAIN evaluation of Californian JOBS program had *earnings* impacts of 25 percentage points (Riccio, Friedlander and Freedman 1994). This chapter explores the evidence surrounding this impact and a wide variety of other evidence on the results of the NDLP programme.

Previous chapters have shown NDLP to be a programme that has changed and developed over time. Measuring the effect of the programme consistently is thus difficult, especially if cumulative outcomes are wanted over periods when the programme operated in different environments – for instance before and after the introduction of compulsory PA meetings. The design of the evaluation programme also means that the majority of currently available results, especially those from the Quantitative Survey, specifically set up to capture and measure the outcomes and impacts of the programme, reflect NDLP prior to the introduction of compulsory PA meetings. Indeed, a separate evaluation of PA meetings is being undertaken at the time of writing and this synthesis only attempts to assess evidence so far available on their effect on NDLP participation and outcomes.

The different forms of evidence and their underlying differences in methodologies also make consistent comparison and overview difficult. However, there are distinct concepts that help distinguish various results of the programme that are used to clarify different forms of programme effects. The key definitions we use are as follows.

- **Outputs:** are programme-defined measurables – such as ‘spells’ on the programme, ‘exits’ and performance indicators. These are primarily available from administrative data – the NDED.
- **Outcomes:** are measurable effects of the programme on people or on other institutions – for instance, a lone parent entering employment, the nature of employment obtained and the effects of the programme on the labour market. These outcome measures are available from NDED, but also from the Quantitative Survey and other evaluation evidence.
- **Impacts:** are a measure of the net effect of the programme – the results of NDLP that would not have happened without it being there. These are measured against some form of *counterfactual* position and attempt to quantify a measure of *additionality* (net effect of the programme taking into account the counterfactual). These are available only from analysis that has been set up to measure in these terms – specifically, the matched sample of participants and non-participants from the Quantitative Survey and cost-benefit analysis.

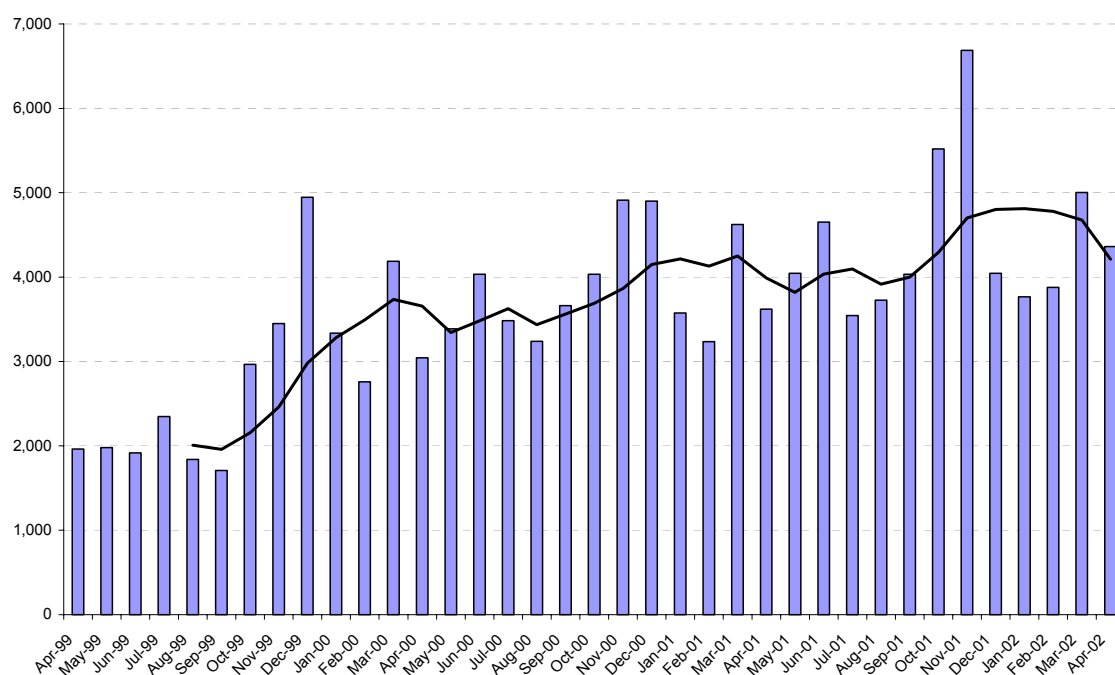
This chapter is primarily interested in outcomes and impacts and is structured to firstly discuss outcomes over time and for different sub-groups of lone parents since NDLP was rolled out nationally in October 1998. Secondly it aims to assess its impacts, and lastly to

discuss the cost-benefits associated with NDLP⁵⁴. Chapter 6 will then discuss how far such outcomes and impacts match original policy expectations and if they will meet revised policy goals.

5.1 Employment Outcomes of NDLP

The primary aim of NDLP is to assist lone parents to leave benefits and enter work. Its main focus is on employment of 16 hours a week or more. This definition of outcome lies behind all discussion of leaving the programme for work in the rest of this chapter – unless other definitions of employment are expressly used. The proportion of participants who are moved into work is thus a crucial outcome for the programme. Between October 1998 and November 2002 160,000 NDLP participants left IS for employment. Overall this is 51 per cent of all leavers from the programme and 40.6 per cent of all participants⁵⁵. The number of NDLP leavers entering employment (16hrs+) has risen over time as participation numbers have risen (see discussion in Chapter 2). Figure 5.1 shows numbers of lone parents leaving the programme and entering employment between April 1999 and April 2002⁵⁶ and also shows a clear upward trend line.

Figure 5.1 Numbers Of NDLP Participants Leaving To Work of More Than 16 Hours A Week



Source: Authors' calculations from NDED

Figure 5.1 shows considerable monthly fluctuations in numbers leaving NDLP and moving into work, with consistent higher December totals indicating a seasonal effect. However, the underlying nominal growth in leavers into employment is also associated with the higher underlying performance in outcomes shown in Table 5.1. Taking the three financial years from April 1999, the percentage of NDLP leavers who went into employment each year rose

⁵⁴ The degree of methodological sophistication required to measure these range of programme effects means that details are contained in appendices given at the end of the report in some instances.

⁵⁵ Authors' calculations from revised NDED database up to November 2002.

⁵⁶ avoiding early months of the programme and more recent months when the problem of dormancy censoring arises – see discussion in Chapter 2

from 47 per cent to 51-52 per cent over the period. Growth in performance mostly occurred between the first two years and growth between the last two years has been negligible. The programme's ability to maintain constant employment outcomes over a period of expanding participation is a real reflection of its success. However, questions about how outcome trends will continue remain. Has an 'outcome plateau' of performance been reached, will outcomes change to reflect changes in composition of participants discussed in Chapter 2 or changes in NDLP implementation such as the introduction of PA meetings? How far are changes in outcomes external to NDLP in terms of labour market supply and demand characteristics?

Table 5.1 Leavers from NDLP into Employment (16hrs+)
Annual Averages April 1999-March 2002

Financial Year	% leaving IS into employment
April 99-March 00	46.6
April 00-March 01	51.7
April 01-March 02	51.2

Source: Authors' calculations from NDED

Evidence from the Quantitative Survey impact assessment suggests that NDLP has a large additional effect on work entry. Table 5.2 shows that the cumulative effect of the programme over nine months was to place over 41 per cent of participants into work of more than 16 hours as compared to 15 per cent of matched non-participants. In other words more than doubling entry into work rates for participants and producing a 26 percentage point additional impact. The majority of the employment effect of the programme occurs in the first months of participation. These results refer to employment of over 16 hours per week and give a higher employment effect for the programme than those figures stated as headline results at the opening of this chapter, which were for all employment – both above and below 16 hours a week.

Table 5.2 NDLP - Cumulative Entry into Work of 16 hours or more per week for participants and matched non-participants

Months since participation date	Matched sample of participants % in work	Matched sample of non-participants % in work	NDLP Additional Entries into Employment %
In same month	14.1	3.8	10.4
1 month	22.4	4.3	18.1
2 months	26.2	5.1	21.1
3 months	28.4	6.5	21.9
4 months	30.5	8.1	22.4
5 months	32.4	8.9	23.5
6 months	34.9	10.4	24.5
7 months	36.4	12.0	24.4
8 months	39.0	13.8	25.2
9 months	41.5	15.1	26.4
	(n=1156)	(n=1171)	

Source: Lessof *et al* 2003 Table 7.3.2.

5.2 Explaining Employment Outcomes

At present there is little published analysis showing the multivariate associations between participants' characteristics and their employment or other outcomes, and no such analysis has yet been undertaken from Quantitative Survey data, which is recommended given its rich data on lone parents' circumstances⁵⁷.

We are able to report on a multivariate analysis of employment outcomes using NDED data that has been performed as a part of a parallel piece of research on small area impacts of Government programmes (Bramley *et al* 2003). However, these results carry a large caveat because administrative data do not collect important information about participants and so there are therefore potentially large and unquantifiable unobserved factors. NDED data can however capture period and cohort effects over the whole duration of the programme and can, as is shown, give some indication of effects on work outcomes of recruitment to NDLP through compulsory PA meetings. A full set of results and the methodology used are shown in Appendix C. Readers are reminded that the results from this multivariate analysis only focus on outcomes and not impacts and no assessment of additionality should be implied.

5.2.1 Demographic characteristics

Previous reports have noted the lower aggregate outcomes from NDLP for lone fathers, and recent figures confirm that only 47.6 per cent of male leavers from NDLP enter employment compared to 53.5 per cent of women (DWP 2003). How far such differential outcomes were due to gender alone has been the subject of conjecture (Evans, McKnight and Namazie 2002) but initial multivariate analysis confirms that lone fathers have a reduced probability of leaving NDLP for work compared to lone mothers. Readers are reminded that there was no corresponding association in participation (see discussion in Chapter 2). Lone fathers' route into lone parenthood is almost invariably through separation and qualitative evidence finds many separations are reported as traumatic and accompanied by giving up work and adjusting with some difficulty to sole parenthood. This means that male gender may be acting as a proxy for aspects of relationship breakdown and entry into lone parenthood. Lone fathers are also more likely to report a health condition or disability than lone mothers and additionally, qualitative studies found problems of social isolation for lone fathers and a less sympathetic attitude by employers (Dawson, Dickens and Finer 2000).

Ethnicity also appears to significantly affect the outcomes of participants, with only 39.6 per cent of non-white participant leavers entering employment compared to 52.5 per cent for white participants (DWP 2003). Multivariate analysis confirms that all non-white ethnic groups have significantly reduced probability of entering employment compared to white participants, and shows that Pakistani, Bangladeshi and Black African participants have the lowest relative probabilities. Demand-side problems of discrimination may explain some of these differences but a combination of cultural reasons and language problems also lead to some of these groups feeling that they cannot benefit fully from the programme. Cultural norms on caring for children may affect outcomes, but are more likely to affect participation. Qualitative evidence has emphasised that some ethnic groups have concerns about their social and community networks, particularly in some South Asian communities where lone parenthood is not well thought of (Dawson, Dickens and Finer 2000). Problems with

⁵⁷ At the time of writing, such analysis is planned in the future and results reported here from multivariate analysis of administrative data only must be treated with caution. This mainly affects discussion of associations on individual level data – under the headings 'Demographic Characteristics' and 'Capabilities, Human Capital and Resources'.

language may also restrict employment and/or reduce opportunities outside of their own communities.

Teenagers make up approximately four per cent of the lone parent population on Income Support (Lessof *et al* 2001). Teenage lone parents have often cut short formal education and training and are also disproportionately from disadvantaged family backgrounds and face social stigma. The period of young adulthood is also a period in which both training and insertion into the labour market are important for lifetime employment trajectories. Qualitative evidence revealed that teenage participants tended to be keen to make progress but had very mixed motivations for working. The desire to make good skill deficits, low levels of qualification and limited work experience often meant that teenagers entered the programme with high expectations and optimism. Isolation and confinement at home often lay behind the motivation to participate in the programme alongside desires to train and work. Teenagers were a group who were more likely to express dissatisfaction with NDLP's portfolio, and with childcare in particular (Dawson, Dickens and Finer 2000). Forty per cent of under 18 year olds leaving NDLP move into work (DWP 2003), significantly below the 52 per cent figures for the 25-34 and 35-49 year old groups. Multivariate analysis confirms that under 18s are less likely to leave and go into work than the 25-34 year old group.

Evidence on older lone parents, especially those aged 50 and over, showed that they often had limited recent experience of the labour market and suffered from low self-esteem. Confidence building was seen as a necessary part of interventions for them (Hamblin 2000a; Hamblin 2000b). Older participants were more likely to be satisfied with NDLP than teenagers and to be complimentary about the programme (Dawson, Dickens and Finer 2000). Overall 47 per cent of leavers aged 50 and over left to go into employment (DWP 2003). This is lower than the overall average of 51 per cent.

The age of participants' children, and particularly the age of the youngest child, also affects outcomes to work. The percentage of leavers going into work rises as the age of youngest child rises – with 48 per cent of participants with youngest child aged less than 2 and 54 per cent of those with youngest children aged 13-15 entering work (DWP 2003). This consistent pattern is confirmed in multivariate analysis, with all groups with children younger than 11 having worse outcomes than those with children of 11 and over. Family size is also important and multivariate analysis suggests that those with two or three children have slightly better outcomes than those with one or four or more children⁵⁸.

5.2.2 Capabilities, Human Capital and Resources

Current understanding of the relationship between NDLP outcomes and non-observable factors such as skills, barriers to work and previous experience is limited as existing analysis relies on administrative data. Further analysis using Quantitative Survey data, especially multivariate analysis, will enable a clearer picture to emerge in the future. This section therefore only provides interim results that will be subject to future revision.

Health and disability constraints on participants affect outcomes. Over one-fifth of lone parents report a health condition or disability (Lessof *et al.* 2001) and only 44.7 per cent of leavers who have a disability identified by NDLP administrative data move into employment (DWP 2003). Multivariate analysis confirms that such leavers are less likely to move into employment than those who do not report a disability. Qualitative research found a wide range of health problems but an underlying emphasis on emotional problems and depression, linked to lone parenthood and unemployment (Dawson, Dickens and Finer 2000). Those who had lost employment due to ill health often decided that they would not return to their

⁵⁸ It is not clear how far child spacing in addition to number of children affects outcomes.

former occupation and would prefer re-training. Ill health and disability restricted jobs available to them and many felt that employers were prejudiced against them, often linked to reported mental health or emotional problems (ibid).

Previous experience of claiming benefits affects work outcomes⁵⁹. Those who have had more than one spell on IS have a higher probability of leaving NDLP for a job than those who have only had one spell on IS. Those who have had two spells do better than those who have had only one spell and those who have had three spells do better than those who have had one or two spells⁶⁰. These results point in general to the programme best helping individuals who claim IS to support themselves during shorter repeated periods – most probably due to frictional unemployment. This would associate repeated spells with better outcomes because those who experience frictional unemployment are quite well attached to the labour market. This, however, is a very provisional conclusion and more analysis of ‘cyclers’ on and off IS is required. This result can be contrasted to the position of those with a long single period of claiming IS prior to entering NDLP, where multivariate analysis shows that those who have been claiming continuously for 5 years or more are less likely to leave into employment. Participants who are working less than 16 hours on entry into NDLP have an increased probability of entering work than those who were not.

5.2.3 NDLP Experience

Multivariate analysis of NDED shows that multiple spells on NDLP give rise in general to higher probability of employment than a single spell.⁶¹ The date of entry into NDLP also appears significant, with those entering before October 1999 having the lowest probabilities of leaving for work. This may be a combination of NDLP implementation – the growing effectiveness of the programme itself as it becomes embedded nationally – and the combined effect of NDLP operating alongside other policy changes – in particular WFTC – introduced in October 1999. This raises the issue of seeing the outcomes of NDLP and its impacts as being part of a combined policy package, a point that is discussed further in the discussion of impacts below. Short durations on the programme are also associated with a higher probability of leaving for work with the highest outcome probabilities for those on the programme for less than 30 days. PA activity, measured by higher LMS activity, is also associated with higher probability of job outcomes. On the other hand referral to education and training is associated with a lower probability of leaving for work but again, this finding may be heavily influenced by unobserved characteristics of participants, especially if such referrals are made in response to perceived problems of employability.

Recruitment via PA meetings appears strongly associated with lower probabilities of leaving for work. This result must be taken with some caution because of the likelihood that unobserved differences in characteristics in participants by recruitment pathway. There is a potential selection effect, with more job-ready lone parents being assisted by PA meetings and not entering the programme – especially in cases where repeated PA meetings may replace programme participation – as described in Chapter 2. If this is the case, then the overall impact of PA meetings and NDLP together may improve work entry but with less of the

⁵⁹ The date of first recorded IS spell also produces significant variation in outcomes in multivariate analysis. This is very hard to interpret, since information for spells starting before mid-99 only exists if the spell continued past mid-99.

⁶⁰ Those who have had four or more spells do significantly better than those who have had one spell but do not do significantly differently from those who have had two or three spells.

⁶¹ Preliminary analysis suggests that the 2nd spell on the programme is more strongly associated with work outcomes than 3rd or subsequent spells but that multiple spells are together more associated with work outcomes than a single spell

outcomes being attributed to NDLP. Further such discussion is left to more general discussion of programme impacts below.

5.2.4 Locational Factors

There are large differences in regional outcomes, with London the worst performing region, only 37.5 per cent of leavers from the programme enter employment in London compared to over 58 per cent in Wales and 56 per cent in Yorkshire and Humberside. Multivariate analysis of administrative data confirms that the region has an independent effect within the set of variables available but this does not preclude unobserved factors such as labour supply and demand-side explanations being responsible for geographic variation. Those in rural areas also seem to have lower probability of leaving the programme and entering work.

Table 5.3 District Level Variation NDLP Employment Outcomes (Key Indicator 1)

	Oct- Dec 00	Jan- Mar 01	Apr- Jun 01	Jul- Sep 01	Oct- Dec 01	Jan- Mar 02	Apr- Jun 02	Jul- Sep 02
District Level								
(n=90)								
%								
Median	51.0	50.2	47.2	56.2	52.9	53.8	50.2	51.0
Minimum	29.0	29.4	28.7	38.4	32.8	33.1	31.8	29.0
Maximum	77.2	73.9	62.3	78.4	73.7	82.2	76.7	77.2
Inequality between Districts	0.178	0.174	0.156	0.142	0.149	0.172	0.177	0.178

Source: Authors' calculations from DWP KI 1 indicators

Note: Inequality measured using the Coefficient of Variation

At the District level, based on District Office areas for Employment Service/Jobcentre Plus, Table 5.3 shows quarterly figures for the proportion of NDLP leavers entering employment between October 2000 and September 2002. Variation in employment outcomes from NDLP is greater at the District level than at the regional level and Table 5.2 shows the lowest District level outcomes are around 30 per cent of leavers moving into employment. Highest District level performance is most commonly between 74 to 80 per cent. Inequality between the 90 Districts has not noticeably increased over time – contrary to the noted increase in recruitment onto NDLP discussed in Chapter 2.

What is driving such District-level differences? Given that NDLP is a national programme with high consistency of content and approach are such differences driven by external environmental factors such as local labour markets, childcare levels, transport, claimant population characteristics and different characteristics of NDLP participants or internal Jobcentre Plus differences such as in management, staff levels, etc? This question has been given some attention within DWP and Jobcentre Plus⁶² and preliminary analysis suggests that strong associations with district level performance were found in female wage rates and population density among other measures. Overall, environmental factors were found to account for around a quarter of all District level variation – with greater levels of explanation in the Districts with the poorest labour markets and highest ethnic minority populations. Such analysis is preliminary, but suggests that there may be accompanying and as yet unmeasured internal drivers of District level differences in addition.

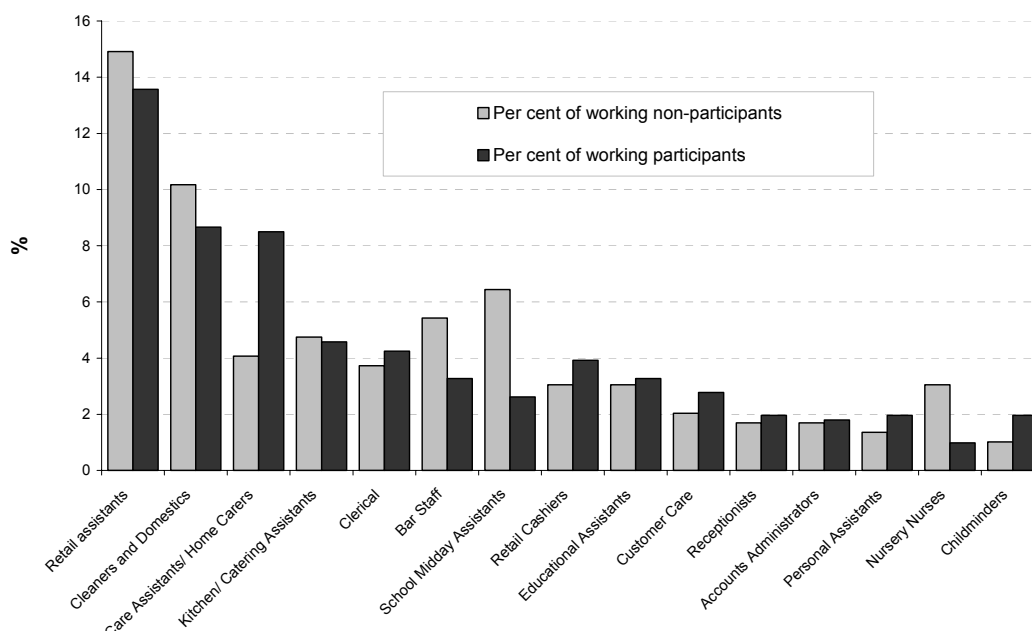
⁶² Unpublished internal analysis of KI1 variation in October 2002

At the smaller area level, the probability of gaining employment from the programme is also associated with ward-level deprivation, as measured by the Index of Multiple Deprivation 2000 (DETR 2000) in England. Participants living in the least deprived 25 per cent of wards have higher probabilities of gaining work, but there is little difference between the worst 10 per cent and the remainder of the worst quartile of wards. These results have to be taken with some caution because labour market factors are likely to happen at the meso-level, between Region and ward, and geographical indicators may also be proxying for a range of potential associated factors at ward level and above. For instance Evans *et al* found Local Authority District level associations with nursery and other pre-school coverage in the differential small area decline of lone parents claiming Income Support between 1995 and 2000 (Evans *et al* 2002)

5.3 Employment Quality & Sustainability

Overall evidence of job quality is fairly limited. The Quantitative Survey explored satisfaction with jobs gained through NDLP and found that 40.4 per cent of NDLP participants were in jobs they described as ‘satisfactory’ at the time they were interviewed, compared with an estimated counterfactual of just 17.8 per cent of working non-participants. Additionally, a smaller proportion of working NDLP participants were looking for another job but this was not statistically significant. This evidence suggests that NDLP is improving subjective assessments of job quality, but care should be taken in generalising such findings beyond the ‘matched samples’ used currently to measure outcomes in the Quantitative Survey to the general populations of NDLP participants and IS populations (see discussion in the impacts section below).

Figure 5.2 Occupations of Employment gained after leaving IS NDLP participants and non-participants.



Source: DWP analysis of Quantitative Survey

Evidence of occupational type and skill levels of jobs is also available from the Quantitative Survey. Figure 5.2 shows the top 15 occupations entered by the Quantitative Survey’s matched participant and non-participant samples.

Skill levels of such jobs are fairly low and where there are apparent differences between NDLP participants and non-participants it is not clear why such differences arise – perhaps from the job information that is held by ES/Jobcentre Plus and/or through informal and formal recruitment methods or through different underlying and unobserved patterns of lone parents' choice.

Figure 5.2 confirms that most employed lone parents work in service sector jobs such as personal services, sales, clerical and secretarial. We also know from FACS that lone parents typically work between 16 to 30 hours per week. This means that many are receiving relatively low wages. FACS data show that in 2001 the median wages for lone parents moving into work and receiving WFTC was just £102 per week (as an hourly rate just slightly above minimum wage level) and about £161 for non-recipients of WFTC. However, when in-work tax credits and other income are added, and the costs of working deducted, the median gain to work for those lone parents who took up work was around £61 per week (McKay, 2003). This financial incentive to enter work alongside assistance and support to do so lies at the heart of NDLP success.

Sustainability is a key question for NDLP job outcomes. The Department's own performance indicators define sustainability at 13 weeks in work without a return to benefits, and on this measure NDLP scores at 85 per cent of its job outcomes (compared, say, to 75 per cent for NDYP)⁶³.

Evidence from matched NDLP and IS statistics since 1999 shows that the cumulative numbers of ex-NDLP participants leaving work and returning to IS, a process termed 'recidivism' in mainstream US literature on welfare to work evaluation, after two and three-quarter years represents 41 per cent of all those who left NDLP for work. Figure 5.3 shows the cumulative totals of returns to IS by working ex-NDLP participants for quarter years from June 1999 to February 2002. Forty one per cent of the longest quarterly cohort of leavers, those who left NDLP between June and August 1999, returned to IS. The underlying measures used in Figure 5.3 are 'exits' and 'entries' and are not linked to individuals, so this is neither a measure of permanent re-entry rates to benefit or of individual level recidivism as a large proportion of entries and exits will be repeated episodes for the same individuals. Figure 5.3 also shows how risk of recidivism is highest in the first six months, with around 18 to 20 per cent of exits from work occurring in this period. Looking across the rows in Figure 5.3 there also appears to be fairly stable risk by duration in work over the two and three-quarter years of the analysis time window. For instance, returns to IS at one year after job start are between 28 and 29 per cent for all cohorts of NDLP leavers. Such evidence confirms more general evidence elsewhere in the benefits and tax-credit systems of significant levels of exits from work for lone parents; for instance, around 13 per cent of all lone parent benefit inflows from October 1999 have been from claimants who previously received WFTC⁶⁴.

How much of this recidivism is because of problems in transition from benefits to work? Lone parents who enter work often report difficulties in managing the transition. There are two elements to this. First there is the transition from one, usually fairly steady and reliable, main source of income out of work (Income Support) to a much more complex income package in work (wages plus in-work tax credits/benefits, and possibly child support). Second there are the additional, and sometimes unexpected, costs of working. There is some evidence that families tend to overestimate these costs but many of those entering work do seem to experience delays in getting in-work support, especially housing benefit, and in meeting work costs (Hales et al, 2000). Those who took up the Jobfinders Grant did find this

⁶³ Data from DWP in-house calculations.

⁶⁴ Data from Cross Benefit Analysis of Working Age statistics (unpublished) supplied by IAD Newcastle.

helpful (BRMB, 2001 and discussion in Chapter 4 previously) and the benefit run-ons have also been perceived positively. But making the transition to work remains an area of concern and uncertainty among non-employed lone parents. Job exit rates for NDLP job leavers are also measured in the Quantitative Survey, but the time window for measurement is much narrower: within 6 months of joining the programme.

Figure 5.3 Cumulative Proportion of NDLP Leavers in Employment who Return to Claim Income Support: June 1999- February 2002

	when started a job											
	Dec-01	Sep-01	Jun-01	Mar-01	Dec-00	Sep-00	Jun-00	Mar-00	Dec-99	Sep-99	Jun-99	
	-Feb02	Nov-01	Aug-01	May-01	Feb-01	Nov-00	Aug-00	May-00	Feb-00	Nov-99	Aug-99	
13 weeks after job start	9%	9%	9%	10%	10%	9%	8%	8%	8%	7%	9%	
26 weeks after job start		18%	18%	20%	19%	19%	18%	18%	20%	18%	18%	
39 weeks after job start			22%	24%	23%	24%	23%	23%	25%	24%	23%	
52 weeks after job start				29%	28%	28%	28%	28%	29%	29%	28%	
65 weeks after job start					30%	30%	30%	31%	32%	32%	30%	
78 weeks after job start						33%	33%	34%	35%	35%	33%	
91 weeks after job start							35%	36%	37%	36%	35%	
104 weeks after job start								38%	39%	39%	37%	
117 weeks after job start									40%	40%	39%	
130 weeks after job start										41%	40%	
143 weeks after job start											41%	

Source: unpublished DWP analysis of NDED and GMS IS statistics.

Table 5.4 shows the cumulative rates between the matched sample of participants and non-participants and suggests that NDLP is not associated with higher rates of job exits. The difference between participant and non-participant job exits is potentially a very interesting and productive area for future research – how far are such differences related to receiving in-work support from NDLP PAs for instance? How far does participation in NDLP provide protective factors against potential job-related problems that affect both participants and non-participants equally or do participants and non-participants enter jobs with different characteristics?

Table 5.4 Cumulative Exits from Work of 16hours or more Matched Participant and Non-Participant Samples from Quantitative Survey

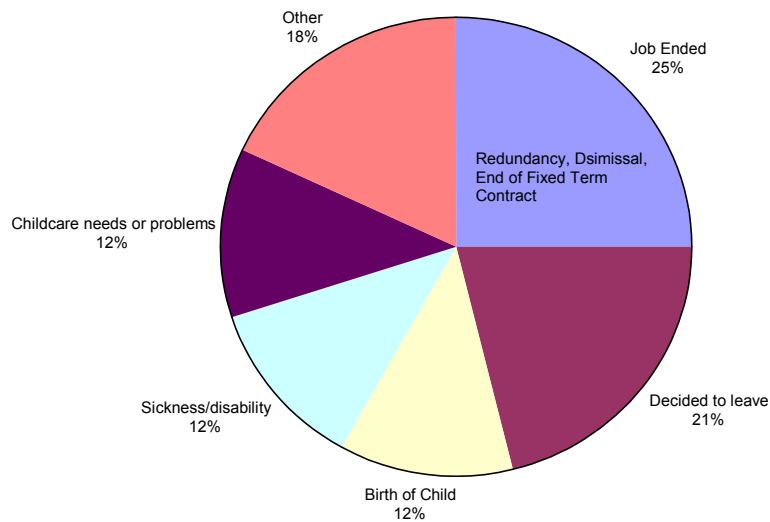
	Cumulative % of Working Participants	Cumulative % Working Non-Participants
Months since joining NDLP*		
Same month	0.5	0.5
1 month	1.8	1.8
2 months	4.2	8.2
3 months	7.2	9.9
4 months	9.2	10.7
5 months	11.3	12.7
6 months	12.3	14.1
	(n=429 weighted to 435)	(n=160 weighted to 147)

Source: Table 7.3.3 Lessof *et al* 2003

Notes*:quasi-participation date obtained for non-participants through paired matching to actual starting date of participant.

Quantitative survey evidence also allows some understanding of reasons for exits from work, but here evidence is from very small samples.

Figure 5.4 Reasons Given by Working Lone Parents for Leaving Job



Source: unpublished DWP analysis of Quantitative Survey.

Note: n=57

Figure 5.4 shows the main reasons lone parents gave for leaving work but the underlying small sample makes it difficult to generalise. It is clear that there is a wide range of reasons for leaving work, but not clear how these may overlap and inter-relate. However, it is clear that a large proportion come from unavoidable job endings and a large proportion also come from situations where some assistance may have helped – for instance sickness and disability, and childcare problems. Further research is needed to understand how far it is job-related characteristics and individual level characteristics that are driving these retention issues. The Employment Retention and Advancement Demonstration Project that will commence in autumn 2003 will provide important evidence in the future.

What is also less clear are the underlying trajectories that accompany overall recidivism levels. What proportion of re-entries to benefits are a one-off ‘blip’ and never repeated, what proportion are long term re-entries and what proportion are ‘cyclers’ with frequent periods in work and on benefits.

5.4 Improvements in Work Orientation and Readiness

Some participants do not leave NDLP and enter work. How has the programme helped them? This section looks at evidence on changes to work readiness, of lowered barriers to work and of changes to motivation that have emerged from evaluations.

The Quantitative Survey expressly set out to identify perceived ‘barriers to work’ of lone parent respondents and is thus able to measure these before and after participation in NDLP. In the matched samples of participants and non-participants, barriers to work were seen to decrease among all participants, falling on average in number from 4.7 to 4.3. Overall, the two types of barrier where NDLP appeared to have most impact were on financial barriers to work, which is presumed not to be a direct NDLP outcome but an associated WFTC outcome, and on childcare barriers (Lessof *et al* 2003). Further evidence relevant to reducing financial barriers to work shows that awareness of in-work and transitional benefits other than WFTC

was raised by NDLP – especially childcare benefits (one element of WFTC) other means-tested benefits such as Housing Benefits, and benefit run-ons.

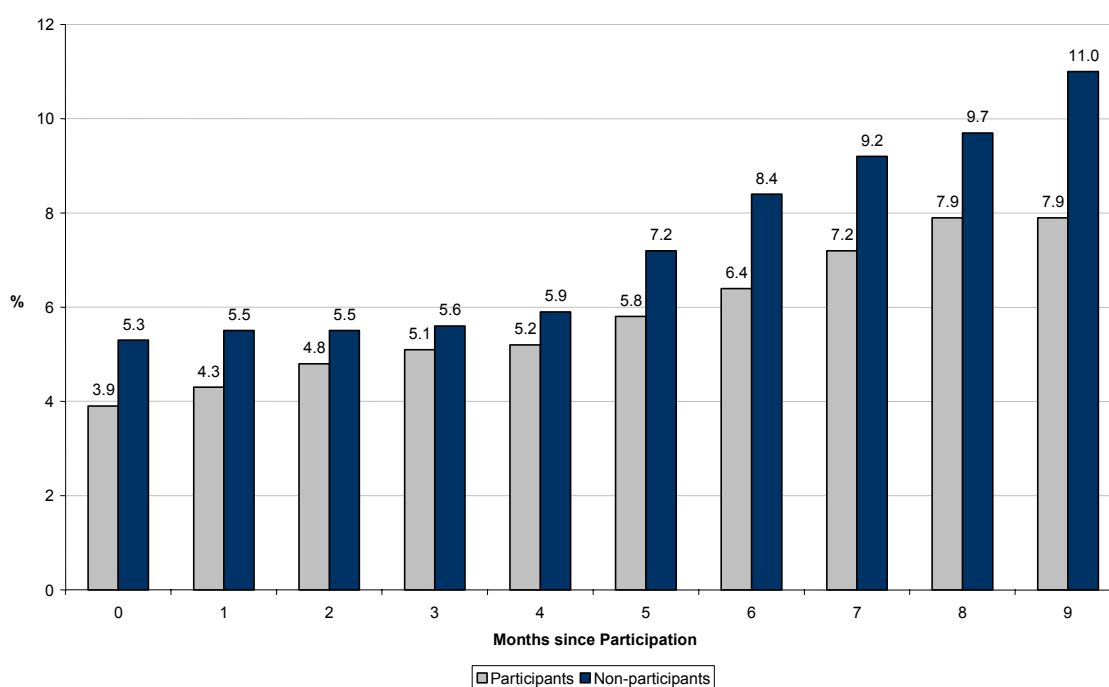
However, when the analysis focused on those who had not moved into employment, the fall was lower from a slightly higher base on average: from 5.1 to 5.0. For this group the only statistically significant reduction in a specific barrier was in childcare, where the mean numbers of barriers fell from 1 to 0.89. Interestingly, the number of financial barriers to work was higher in participating than in non-participating lone parents that did not enter into work, but such differences were not statistically significant (Lessof *et al* 2003).

This is another area of potential importance for future delivery of NDLP that would benefit from further exploration through secondary analysis of Quantitative Survey and other data. A greater understanding of association/causality of changed barriers to work from participation could also explore how far such barriers are cumulative and how they interact. Additionally, evidence of changes in attitudinal and motivational characteristics would provide a clearer idea of how far participation reflects and builds upon work orientation at the time of entry to NDLP.

5.5 Education and Training Outcomes

Evaluation evidence on training and education from NDLP reflects the fact that they have never been a big part of NDLP, either in terms of policy intent or of actual delivery, and therefore they have not been a major topic of evaluation. Evidence tends to be of ‘outputs’ – of the numbers referred and of courses attended – rather than of outcomes in terms of courses successfully completed and qualifications gained. There is a full-scale evaluation of Work Based Learning for Adults (WBLA) that provides information on lone parents’ experiences of the programme and will provide quantitative evidence on outcomes in the future.

Figure 5.5 Entry Rates to Education and Training for NDLP Participants and non-participants



Source: Quantitative Survey (Lessof *et al* 2003) Table 7.5.1

Indeed because NDLP's approach is primarily one of 'work first' rather than improving human capital, and because PAs are generally discouraged from promoting training and education and encouraged to steer lone parents towards work in the first instance, overall volumes of participants entering training and education via NDLP are low. Indeed, evidence from the Quantitative Survey shows that NDLP participants had reduced rates of entry into training when compared to non-participants, but also to reflect different rates of participation in training and education prior to participation. Entry rates into training tend to rise over time, perhaps as a reflection of the recognised need to raise skills or knowledge as job-search activities persist without a move into work. Figure 5.5 shows the different entry rates for participants and non-participants by months elapsed since participation.

Once more there are issues to explore further in secondary analysis of Quantitative Survey data as there appear, on the face of current evidence, to be underlying differences in the propensity to train and to participate in NDLP.

5.6 Impacts

The Quantitative Survey was designed and undertaken in order to identify and measure the impact of NDLP and to do so using the methodology of propensity score matching. The fundamental importance of the task of producing valid impact assessment has therefore dominated the research agenda for the Quantitative Survey so far.

Measuring net impacts for the programme is a methodologically complex task but is essentially based on a simple question, 'What has the programme done that would not have happened in any case?' This extra programme-specific effect is called its 'additionality' in technical and economic literature. Impact assessments therefore try to establish a counterfactual situation that replicates an identical situation but with no programme in place and then measure and compare outcomes for the programme and non-programme situations. Both the Prototype and National evaluations have used complex methods to measure impact in the absence of an experimental design in which specific 'treatment' and 'control' groups were randomly assigned. In the Prototype evaluation the counterfactual was based on comparing those in matched geographical areas to the areas in which NDLP Prototypes were introduced. In this case administrative and survey data could capture entry into work for lone parents across both comparison and programme areas. The impact was calculated by comparing the matched areas and comparison areas holding any observed differences in composition or other factors constant. However, the national NDLP programme was rolled out across the country and there were no longer areas that could be used as a comparison group. This means that a different methodology was used to measure impact. A hypothetical comparison group was constructed using data from a specially commissioned survey – the Quantitative Survey (Lessof *et al* 2002, 2003). These differences in methodology and approach mean that comparison of the measured impacts of the Prototype and National programme are difficult.

5.6.1 Prototype Findings

Overall, the NDLP prototype achieved a 3.3 per cent reduction in IS caseload over an 18 month period. NDLP was found to increase odds of leaving by nine per cent by for more recent claimants (of 12 months and less). The impact of the programme was most clearly established within programme areas through a comparison of early and late entrants to the programme. Over 18 months NDLP prototypes increased the odds of leaving IS by five per cent. New and repeat claimants for IS (flows) were separately assessed and again overall no significant difference was found, except in high unemployment areas where the odds of

leaving IS were raised by 12 per cent. Further analysis was also undertaken to estimate changes to the size of stocks of IS claimants over time and found that NDLP could be attributed to an overall 1.54 per cent decline in stock numbers after 6 months, 2.6 per cent over 12 months and 3.3 per cent over 18 months (McKnight 2000). Separate analysis of survey data also found an overall differential decline in stock between prototype and control areas of 1.4 per cent, which grossed up to the whole IS population produced an estimate around three per cent, confirming the estimated size of impact from administrative data (Elias 2000).

5.6.2 National Evaluation Findings

The methodology and approach of the impact assessment for the national programme differs in several important respects.

- First, it is based solely on survey data (with linked administrative data).
- Second, it assesses impact within a period of 2000 and 2001 and thus does not assess longer-term cumulative impact or impacts either side of this point of time.
- Third, it creates a comparison control group through producing a matched sample of participants and non-participants –using an approach called propensity score matching.

Impacts are calculated primarily using the differences between these matched groups within the sample. Sampling and survey design ensured sufficient numbers to ensure statistical significance⁶⁵. Using a sample means that programme impacts have then to be extrapolated to reflect the whole IS population to give clear measures of gross impacts. There is an underlying danger in this approach of relying solely on differences between the control and treatment sub-groups because headline differences can be taken out of context. In voluntary welfare to work programmes overall participation rates tend to be low. This means that large numeric differences between comparison groups in the sample tend to be much smaller and less impressive when estimates of impact are extrapolated to the overall wider lone parent population. Some of the evidence from evaluation of programmes in the US has unfortunately set a poor record in proper extrapolation to the whole ‘welfare’ population – particularly evidence from pre 1996 evaluations. The NDLP evaluation does not fall into this trap.

At the heart of the impact assessment is the methodology of *propensity score matching*, which is used to construct the matched samples. This is based on logistic estimation of the likelihood to participate in the programme. Matched pairs of participants and non-participants are identified with similar estimated propensity to participate, and these form the matched sample for assessment of differences between participants and non-participants and thus the calculation of programme impact. It is an important and fundamental assumption that matching using the propensity to participate is not trying to capture actual participation. The idea is to create a group who look exactly like participants but who do not participate, and whose non-participation is not linked to the programme itself. The issue of key importance in the robustness of results from such a methodology is its ability to correctly identify a control group that is free from selectivity bias⁶⁶.

⁶⁵ There are some concerns about response bias to the combination of initial postal questionnaire and subsequent face to face interviews

⁶⁶ Selectivity bias is an important problem in measuring the impacts of voluntary employment programmes. The decision to participate is highly associated with likely employment outcomes from

Table 5.5 Exits from Income Support Over Nine Months

Elapsed time since participation date	Matched sample of participants % exits	Matched sample of non-participants % exits	NDLP Additional Exits %
Not on IS	4.4	2.0	2.4
At 1 month	23.3	4.1	19.2
At 2 months	30.0	5.4	24.6
At 3 months	33.4	8.0	25.4
At 4 months	36.4	9.8	26.6
At 5 months	39.1	12.5	26.6
At 6 months	41.2	14.2	27.0
At 7 months	44.0	16.2	27.8
At 8 months	46.4	19.5	26.9
At 9 month point	49.8	21.5	28.3
	(n=1156)	(n=1171)	

Source: Lessof *et al* 2003 Table 7.2.1.

The estimated impact on exit rates⁶⁷ from IS from the matched samples is given in Table 5.5 in cumulative form. Interpretation of these results is made more complex because of the cumulative effects over time of participation. For the matched sample of non-participants, there is no actual participation date and one has to be imputed. The methodology employed uses the participation date of the matched participant to give a ‘quasi participation date’. Table 5.5 shows large differences between the participating and counterfactual groups, with very large differences in the first months. Analysis in the previous section of this chapter has shown that the likelihood of moving into work from the programme is highest in the first 30 days of participation and then in the subsequent two-month period – confirming the overall pattern shown for participants in Table 5.5. Within the first two months of participation the results suggest an additional 25 per cent of exits due to the programme and that over the 9-month period this figure rises to 28 per cent (Lessof *et al* 2003).

These results are very impressive and suggest a very large impact. However, there are several reasons why these impacts need careful contextualisation.

First, there are unmeasured areas of impact not taken into account – for instance of those who entered the programme having found work already. The methodology used in the analysis so far makes it necessary to exclude such participants from original analysis of additionality but it is probably unreasonable to ascribe zero impact to them in a more comprehensive assessment of impact.

Second, the definition of ‘participation’ used in the impact study is one where participation is deemed to occur at the point of having a NDLP Initial Interview. This definition differs from ones used elsewhere in the evaluation and, as we know that there is around a 90 per cent conversion rate from these interviews onto the programme, measuring participation in this way may over or underestimate impact figures. There is no analysis of the characteristics of non-participants at the point of having received the initial interview but a working hypothesis would suggest that they are more likely to reflect either the ‘not-ready’ and those who think the programme

the programme and that those who are most likely to benefit from the programme are those who participate.

⁶⁷ Exits are identified as one-off transitions and no discounting is made for subsequent re-entry.

has little to offer them in addition to their own efforts – the more highly skilled. Such characteristics plus the particular decision they make ‘not to participate’ because of, inter-alia, the knowledge they have gained about the programme, make them likely to influence results at the margins.

Third, the nine-month time window used in the Quantitative Survey analysis (Lessof *et al* 2003) imposes some restrictions on analysis of outcomes that need exploration when assessing overall programme impact. NDLP-type interventions tend to quicken work entry and underlying non-participant populations eventually catch up and reduce some (or all) of the difference in work-entry rates over time. Additionally, nine months is probably not enough time to capture ‘recidivism’ fully – see our previous discussion above and Figure 5.3.

Fourth, while a great deal of reported and unreported analysis has been undertaken to test the sensitivity of the results and to assess the impact of a range of assumptions, there remain a series of alternative comparisons using the same data sources that could provide complimentary impact assessments alongside the ones presently given. These could employ the administrative data and face to face interview data more, use differently configured comparison groups – say all non-participants to participants or altering the censoring involved in the current set of assumptions about matching the samples, and to further test the sensitivity of impacts to some of the assumptions and to response bias at various stages in the surveys.

None of these comments takes away from the complex and detailed work done in the current impact assessment, which represents an original and detailed study of impact assessment and demonstrates the Department’s commitment to obtaining evidence of programme impact in the face of severe methodological difficulties⁶⁸. The current set of results represent a very good base but may need to be explored further in the longer term to allow a full appreciation of programme impact.

Returning to the reported net impact figures on exits from IS then the 24 percentage point additionality impact is based on a comparison only of participants and non-participants, and as we know from Chapter 2, only a small minority of lone parents on IS participate (around six to seven per cent at the time of the Survey). The impact on the overall target group requires this difference to be extrapolated (grossed-up) to establish what effect it has on the population of lone parents claiming IS. The single estimate for this to date (Lessof *et al* 2003) puts forward that the impact is a reduction of one per cent of the total IS lone parent population⁶⁹. It is not really possible to compare this grossed-up impact figure with the Prototype evaluation finding of 1.54 per cent figure after 6 months (Lessof *et al* 2003).

There is a large range of other impacts estimated using the matched samples from the Quantitative Survey using the same methodology and assumptions described above. Table 5.6 summarises these findings to report total cumulative impacts from the published life tables that are statistically significant.⁷⁰

The first area of measured impacts is the impact on entry into work where entry into full time work at the 9-month point of evaluation was for almost 50 per cent of participants but only 26 per cent of matched non-participants – leading to a measure of additionality of over 24 percentage points. A higher additionality figure is obtained by only taking full-time work into

⁶⁸ The DWP have engaged consultants to look at the econometric specification and methods of the evaluation so far and to look at questions of robustness and we are grateful for sight of a draft of their report.

⁶⁹ The measure is taken at the three months participation point over the seven-month survey window.

⁷⁰ 90% level or .1 used as significance threshold.

account, where 42 per cent of participants and 15 per cent of matched non-participants produce an estimate of programme additionality of over 26 percentage points.

Table 5.6 Impacts of NDLP from Quantitative Survey Matched Sample

	Matched sample of participants	Matched sample of non-participants	NDLP Additional
Impact on Entry into Work %			
Full or part-time work at 9 months	49.4	25.2	+24.2%
Full-time work at 9 months	41.5	15.1	+26.4%
Impact on Job Quality/Sustainability %			
Job reported as satisfactory	36.6	17.4	+19.26%
Perceived job stability ⁷¹	32.3	14.5	+17.8%
Job requiring GCSE or higher qualification	10.3	4.4	+5.9%
Impact on out of work job-search %			
Whether looking for work	31.8	23.7	+8.2%
Impact on Barriers to Work			
Number of financial barriers to work– for both those in-work and out of work	1.30	1.39	-0.09
Number of childcare barriers – for both those in-work and out of work (n)	0.776	0.942	-0.166
Number of childcare barriers – for those in work (n)	0.891	1.010	-0.120
Proportion with no barriers %	7.4	3.7	+3.6%
Mean barriers to work (n)	4.3	4.7	-0.3%
Impact on Benefit & Tax Credit Awareness %			
In work Tax Credits – unprompted only	78.3	73.4	+4.8%
Childcare Tax Credits available in work – all ⁷²	52.3	43.5	+9.1%
Means tested benefits available in work - all	68.3	62.5	+5.8%
Transitional benefits available on entry to work-all	58.1	43.5	+14.7%

Source: drawn from Lessof *et al* 2003 Tables 7.3.1, 7.3.4, 7.3.6, 7.4.1, 7.6.1, 7.6.2.

Impacts on job quality and sustainability also suggest a high level of additionality with 40 per cent of participants reporting the job as satisfactory and 18 per cent of matched non-

⁷¹ Expressing an opinion that they would still be in the job one year from date of interview

⁷² An impact was also found on unprompted childcare tax credits

participants – an additionality impact of around 23 percentage points. Job quality measured as underlying qualifications required to perform was higher for participants, 12 per cent, than matched non-participants, five per cent – an additional impact of seven percentage points. Impacts on job sustainability are based on a perceived measure – of respondents believing that they would still be in the particular job in twelve months time. Thirty two per cent of participants agreed with this against 14 per cent of matched non-participants, an additional impact of around 18 percentage points.

Impacts on job search while out of work were lower than employment impacts, with 32 per cent of participants undertaking work search compared to 25 per cent of matched non-participants – an additional impact of seven percentage points.

Impacts on barriers to work were calculated on a numerical basis, based on a cumulative reporting of barriers identified by respondents. The number of childcare barriers fell for participants compared to matched non-participants – mostly notably for those in work. Overall all identified barriers to work fell to 4.3 for participants as against 4.7 for matched non-participants.

NDLP also appeared to have positive impacts on awareness of benefits – but mostly on in-work support. There was a small impact on in-work tax credits, perhaps a reflection of the wider and longer-standing knowledge of such programmes (Family Credit and WFTC) and of publicity. NDLP showed a bigger impact on knowledge of more complicated and more recently introduced areas of benefit entitlement, such as Childcare Tax Credits, other means-tested benefits available in work and on transitional benefits (benefit run-ons etc).

While most participants regard the PAs and the help given by the programme highly, self-reported additionality is low. This measure is based on respondents in work, assessing how far the programme had helped them in entering that job. The question asked respondents to answer which *best* applied to them – that NDLP was an essential factor in getting the job at all, that NDLP helped them find work more quickly than otherwise or that they would have got this or another job in any case without NDLP. Three months after participation 59 per cent of those in work reported that NDLP played no part in finding work or speeding up job entry. This estimate, when compared to overall estimates of additional job entry at three months, means that there is far lower self-reported additionality for job entry than the estimates based on comparison of the matched sample alone. The difference, 14 per cent self-reported additionality as opposed to the comparison 22 per cent, can be explained by underestimation by respondents or overestimation from the propensity score matching or a combination of both.

The timing of the Quantitative Survey impact estimates means that they reflect the programme operating alongside WFTC, which had been made more generous and improved incentives to work in October 1999. Multivariate estimation previously discussed in this chapter suggests that work outcomes from NDLP were at their highest around the period of April to October 2000, a period that roughly coincides with the impact assessment. This means that extrapolating these points in time impacts to the timescale of the programme as a whole – over the whole period since 1998 is not possible or wise, especially since the advent of PA meetings.

5.6.3 Combined Impacts

Current evidence from the NDLP evaluation has understandably focused on the particular evidence from the programme itself. However, other programmes operating alongside NDLP

will also influence its performance and impact and such overlapping outcomes and effects suggest that the size of NDLP impact can be viewed as partly due to other initiatives, WFTC and compulsory PA meetings especially. The Quantitative Survey was undertaken too early to pick up much effect of PA meetings but will pick up the additional effectiveness of NDLP running alongside a more generous WFTC. Cross-benefit analysis shows that over one third of exits from out-of work benefits for lone parents are associated with a WFTC claim, and the role of NDLP in mediating this change in status is a potentially large one. It is strongly recommended that more attention be given to considering joint evaluation matters between the programmes to enable a better understanding of how much each contributes to the overall movement off benefits and into work and how WFTC coverage is different, if at all, for NDLP participants compared to other lone parent claimants.

The evidence from discussion of compulsory PA meetings so far, also points to combined impacts. Indeed, future evaluation of NDLP will be impossible without viewing it as a part of an integrated package of PA meetings and NDLP. Evidence so far from Chapter 2 and earlier in this chapter suggests that higher participation rates but a slightly lower overall likelihood of entering work, compared to those participating not via the PA meeting route, are the main interim overlapping outcomes but do not result in large differences in aggregate programme performance.

5.7 Cost-Benefit Analysis

The cost benefit analysis of the National NDLP programme is being undertaken by DWP and this section draws on initial findings⁷³. To date, such analysis suggests that NDLP has demonstrated a net economic gain to society.

NDLP's costs and benefits have been estimated for the financial year 2000/01 by which time the programme had been running nationally for over 2 years and was relatively stable. Current estimates are limited to directly measurable effects such as earnings and government expenditure and revenue. No estimates have as yet been made of longer term, less tangible benefits and costs that come from say, changes to the health and educational performance of children of lone parents who move into work. The costs of the programme are shown in Table 5.7.

Table 5.7 NDLP Expenditure 2000/01

NDLP Expenditure 2000/01	
ES 'Programme' Costs	16.8m
ES Running Costs	23.2m
Less WFI expenditure	2.5m
DSS/BA/DFEE Costs	3.4m
Total	40.9m

Source: DWP Internal Working Paper: Cost Benefit Analysis of NDLP

The benefits from NDLP have been calculated from the NDLP Quantitative Survey and use a base-line assumption of 55 per cent additionality for all movement into work from the programme for the 12 months of 2000/01 and an average in-work earnings figure of £115 per week (based on WFTC and NDLP data). This means that current estimates of benefits reflect some of the caveats outlined in the previous section. Table 5.7 shows the estimates of net economic benefit due to the additional movement into work less the programme costs.

⁷³ Cost Benefit Analysis of NDLP (DWP Internal Working Paper, forthcoming)

Table 5.8. The economic benefit due to movement into work from NDLP (additional earning less NDLP programme costs).

Duration (months)	9	12	24
Total £million			
Additional Earnings	117	156	312
Net Benefit	76	115	271
Per Job £			
Additional Earnings	4,470	5,970	11,930
Net Benefit	2,910	4,400	10,370

Source: DWP Internal Working Paper: Cost Benefit Analysis of NDLP

Based on this evidence, the cost benefit analysis suggests that the national programme resulted in over 26,000 additional job entries from lone parents who joined NDLP in this period. Taking into account the additional earnings from these jobs and the costs of running the programme, first estimates suggest that NDLP provides a net gain to society of nearly £4,500 per job, and a total net benefit of £115 million.

NDLP national programme in 2000/1 also results in small exchequer savings as shown in Table 5.9 – around 82.5 million pounds in taxes and benefits overall based on the same assumptions as mentioned above, but less the programme costs of 40.3 million leading to a net total exchequer gain of around 42 million.

Table 5.9 Aggregate Exchequer Calculation at 50% additionality and 1 year duration for NDLP in 2000/1

£ million	Out of Work	In Work	Net Change
Benefits, Tax Credits, Tax & NI contributions			
IS	124.7	0.0	124.7
HB	46.8	-7.4	39.4
CTB	10.4	-1.2	9.2
WFTC	0.0	-102.3	-102.3
Tax/NI	0.0	11.3	11.3
Total	181.9	-99.5	82.3
Less Programme Costs			40.9
Total Net Exchequer Gain			41.5

Source: DWP Internal Working Paper: Cost Benefit Analysis of NDLP

These estimates confirm those gained from the Prototype evaluation that NDLP is a cost effective programme, even after allowing for external policy improvements such as WFTC that provide more in work support to lone parents. In addition the unit costs for the National programme are lower when compared to those calculated for the Prototype. This implies that although higher additionality (which may also be a sign of increased efficiency) accounts for much of the fall in cost per job, the cost effectiveness of NDLP has increased in the national programme in comparison to the prototype.

NDLP's low unit costs also reflect the fact that it has been a work-focused programme based on advice and assistance for voluntary participants who wish to move into work. This is in contrast to a programme whose main focus is on provision of training, skills and childcare or as a route into employment for a wider group of participants that include those who are less work ready (for instance under a mandatory version of the scheme). Any change in current

assumptions about participation profile and programme content may alter the cost effectiveness to some extent.

The estimates are robust in the face of sensitivity analysis, so that when assumptions about the additionality and costs of the programme are varied the economic benefits are still positive in the face of large reductions in effectiveness. This suggests that extending NDLP to a wider group of lone parents in future is still likely to generate net benefits, even if the overall additional numbers moved into employment reduced.

5.8 Summary

- Between October 1998 and November 2002 160,000 NDLP participants left IS for employment. This represents 50.7 per cent of all leavers from the programme and 40.6 per cent of all participants. Overall rates of leaving the programme and entering work have increased from 47 per cent to 52 per cent of leavers from April 1999 to March 2002.
- A full exploration of factors that explain work outcomes from NDLP will be part of future further analysis of Quantitative Survey data. Interim results for participants on the programme, without taking into account human capital, itself very important, suggest that lone fathers, teenage and older lone parents, those with ill health and disability and ethnic minorities all have lower outcomes. Lone parents with younger children and with large numbers of children also have lower outcomes. Previous spells on IS and working under 16 hours on IS are both associated with positive work outcomes but having a long current spell on IS is associated with lower outcomes. NDLP factors are also important in explanations of work outcomes. Those with more than one spell on the programme, those who entered the programme in the year 2000 and those with short durations on the programme have better work outcomes. However, there are also strong locational factors, with ward level deprivation, participating in London and participating in a rural area all associated with lower work outcomes. There is a high level of District level variation in NDLP performance that is not explained by individual or environmental factors.
- Job quality and sustainability of jobs gained from NDLP are generally better than those for non-participants. Overall jobs gained from NDLP tend to be low or elementary skilled occupations that reflect the skill profile of participants. There is a substantial flow back from work onto IS and around 29 per cent return within 12 months. The evaluation evidence suggests a broad range of reasons for leaving jobs. There is evidence of significant levels of cycling between work and the programme.
- Impacts measured for the programme are very large and impressive. Fifty per cent of participants left the programme for work compared with 26 per cent of a matched sample of non-participants – an additional impact of 24 percentage points. Other impacts of similar size have been found for exits from IS and in job satisfaction and job sustainability. NDLP was also found to have an impact in lowering barriers to work and improving knowledge of in-work benefits but to have a negative impact on likelihood of entering training. These impact assessments would benefit from further complementary analysis.
- NDLP is cost-effective and provides a net saving to the Exchequer. These estimates are maintained even with lower assumptions about additionality from the programme.

6) NDLP, Lone parents' employment and future policy options

This final chapter brings together the findings and discussion from previous chapters and identifies lessons learned and outstanding tasks for evaluation. These findings are then interpreted alongside overall employment trends and policy changes in the UK and alongside evidence from other employment programmes from abroad. Lastly, this chapter focuses on issues of policy development.

6.1 Lessons from NDLP evaluation

What are the main findings from this synthesis of evaluation evidence? Overall, the evaluation evidence shows that the aims of the programme have been met. Lone parents participating in the programme have been helped and encouraged to improve their prospects and living standards by taking up or increasing hours of paid work. Even where participants have not gained employment there is evidence that their job readiness has been improved in order to increase their employment opportunities.

6.1.1 Participation

Identifying participation is not always an easy task. It is known how many join and leave the programme, but at any point of time there are people on the programme who are not very actively engaged with the programme and seeing their PA. Evidence also shows that some participants do not even realise they are on the programme. Measuring participant numbers has changed recently to take out 'dormant' cases but the underlying uncertainty about participation is not just one of data accuracy and reliability but also relates to questions about delivery of the programme, the ways that NDLP PAs record participation and the extent and frequency of contact with NDLP PAs.

Even with all the caveats of measuring the volume of participants, it is clear that the number of lone parents on the programme has risen over time, with big increases in volume between 1999 and 2000, and then subsequently after the introduction of compulsory PA meetings.

This increase in numbers of participants has happened during a period when underlying numbers of lone parents claiming IS have fallen – this means that the take up and coverage of the programme has increased. On conservative estimates, participation rates have risen from four per cent to nine per cent of lone parents claiming IS. For those groups of lone parents who have been subject to compulsory PA meetings, namely new and repeat claimants of IS and stock claimants with older children (aged 13 and over mostly) then it is clear both that they had higher than average participation rates already *and* that PA meetings have raised rates.

Over time the profile of participants has become older and a higher proportion have spent less time on benefits before joining the programme. Many of these changes have resulted from recruitment via PA meetings. There is also a growth in repeat participation, and over a quarter of participants are on the programme for the second time and a further seven per cent for a third or more time.

6.1.2 Delivery

The core of the programme has remained fairly constant with NDLP PA provision of advice, support and information with vacancy matching, work preparation and planning and financial planning as its main functions. The NDLP PA's toolkit has been augmented over time with an expansion of benefit run-on schemes and discretionary funds to assist work and training. Management structures and organisational incentives have changed greatly and there is little relevant recent evidence to explain how operational matters affect performance.

The programme is well received by participants, with highest appreciation for NDLP PA support. The elements of this that work best are help with work search and orientation and help with financial matters, especially the 'better off calculation' of in-work benefits. More generally NDLP PAs were found to support participants and help boost confidence and lessen isolation.

6.1.3 Outcomes and impacts

The major outcome measure of importance is that of leaving the programme and moving into work of 16 hours or more. Overall, since October 1998 51 per cent of all leavers from the programme and 41 per cent of all participants have had such outcomes. There is evidence of increased outcome performance in the second and third years of operation of the programme and the numbers leaving the programme for work were over 56 per cent in the year April 2001 to March 2002.

Explanations of participants' outcomes though multivariate analysis are of a preliminary nature at present. Evidence from administrative data suggests that demographic factors are more important in determining the outcomes for participants than they were for determining participation. Being male, old, non-white and having younger and more children all appear to significantly reduce chances of leaving the programme for work but these findings are provisional and require validation using survey data.

There are factors that limit the likelihood of participants getting a job: having a disability, having single and/or long-lasting spells on IS are noteworthy. However, having repeated spells on IS was found to be positive as was having repeated spells on NDLP itself and this suggests evidence of short-term cycling between benefits and work and thus attachment to the labour market. Additionally, having a 'mini-job' of less than 16 hours a week also raised likelihood of getting a 'full-time' job off benefit.

Job entry rates are higher for those with short durations on the programme and have changed over time as the programme itself and the policy environment has developed, with the greatest chance occurring since the introduction of WFTC. Entering NDLP from a PA meeting is associated with lower outcomes when compared to participants who entered the programme through other means. This last finding is provisional because it cannot take into account changes in the skill and qualification profile of participants that may also have occurred.

Locational factors also influenced outcomes with high levels of regional difference and a strong negative 'London effect', and decreased chances of work in rural areas and in wards with high deprivation scores.

Jobs gained by NDLP leavers were of better quality and sustainability and gave better satisfaction overall. Even so, estimates are that after two and three-quarter years of leaving NDLP around 41 per cent of participants who found jobs would return to benefit, with the

highest chances of doing so in the first six-months of work. Participation in NDLP appears to reduce some barriers to work – particularly financial and childcare barriers.

The current small body of evidence on education and training is difficult to interpret. It is associated with non-participation and those who obtain education and training in the programme tend to be associated with long and perhaps dormant periods on the programme and have reduced chances of work.

The impact of the programme on entries in to work and exits from benefit appears large and impressive from the additionality found by the Quantitative Survey analysis. Overall estimates of counterfactual impact on the IS population suggest a small but significant reduction in IS lone parent numbers of between one and two percent over a four to six month period.

Other impact results of this kind show improvements in in-work benefit awareness, job-search, and on job quality and sustainability and some lowering of barriers to work.

Cost-Benefit Analysis shows that NDLP is cost-effective and provides a net saving to the Exchequer. These estimates are maintained even with lower assumptions about additionality, in part because of the low unit costs of the programme.

6.1.4 Lessons from alternative and innovatory provision

All this evaluation evidence shows the basic NDLP programme to be working well, but there is also evidence from smaller scale initiatives within the programme and from projects that help lone parents that are separate from NDLP.

Projects focused on increasing participation in NDLP appeared to work best where links to NDLP PAs were strong and where providers could reach groups that would otherwise not come into contact with NDLP and/or that raised soft skills such as confidence. Some pre NDLP preparation appeared to be beneficial to those who participated later.

Other projects did something different from NDLP or packaged together services differently – but usually without core ES/Jobcentre Plus products such as vacancy matching. Mentoring appeared to assist in work outcomes but had a participation profile very similar to NDLP participants and most evidence comes from a period prior to the introduction of NDLP. Mentoring in work to assist in retention and advancement is also seen as potentially beneficial. Work experience is usually provided alongside training and leads to employment outcomes with relatively good work retention. However, access to such provision by lone parents is limited and targeting such high cost provision on those who are unable to obtain work immediately themselves is important for cost-effectiveness. Training and education out of work is best provided when accompanied by support and a family friendly environment but current evidence points to low rates of referral and significant dropout rates.

6.1.5 Further Evaluation Areas

The NDLP evaluation to date includes a large number of reports and a wide collection of evidence that covers both quantitative and qualitative issues from the programme. One problem of a large research programme that develops over time is that evidence produced early in the programme becomes outdated and difficult to place alongside more recent evidence such as the Quantitative Survey. One opportunity that arises from the end of the National Evaluation programme is to reflect on what research requires repetition to update

and to provide consistent time series of data where possible. One area that springs to mind is the qualitative evidence on lone parent and NDLP PA interactions by Lewis *et al* on the Prototype programme, especially to take into account the introduction of PA meetings and the associated changes in PA role and duties.

DWP are already looking at endogenous reasons for differences in programme delivery at the District level and the opportunity to develop comprehensive data on management structures, staffing levels, caseload levels, programme centre provider profiles, and other data that can enable a careful consideration of what drives variation in outcomes at the sub-national level. Such questions could be an essential part of a strategy to improve performance of the programme in such areas, which could have a major impact on overall NDLP performance.

There are also opportunities for secondary analysis of existing data produced for NDLP evaluation. The Quantitative Survey is the most obvious candidate and we have already made several suggestions in Chapters 3 and 5 for further analysis of participation, outcomes and impacts. One area of potential secondary analysis is an examination of the experience of those who participated and did not move into work or who 'lost contact' with the NDLP PA. What could have been done to improve outcomes for this group, is it more of the same or something extra? Policy discussion in part 6.3 will reflect further on this point.

At the moment the focus of evaluation has been on lone parents and consideration should be given of also bringing the effects on children of moving from benefit to work, or of being on NDLP. The current assumptions about improvements in children's welfare are based on cross-sectional and longitudinal profiles of general survey data. This means that we can safely generalise that children fare better in families that are not poor and that growing up in poverty is bad for children and that employment is the best way of escaping poverty. None of this general evidence supports more specific questions about how children experience their sole caring parent's participation in the programme and transition to work or involvement in training etc. Questions concerning longer term and developmental effects would take a much longer time frame of analysis and evaluation to assess, but immediate experiences of children of their parents transition to work would also be potentially useful in general and may be of specific potential use in understanding transition to work problems. Evidence from the US suggests that in general children's experience there has been mixed and, only in some instances detrimental (see further discussion below).

In Chapters 2 and 5 we identified the growth in numbers 'cycling' in and out of the programme as an area that deserves further analysis and thought. Interpretation of this phenomenon and developing an appropriate policy response or adjustment is a complex area. Active employment programmes always gain some of their impact by shortening durations out of the labour market for those that would, in any case, only be unemployed for a short time. There is no duration based targeting for NDLP and PA meetings now occur for all new and repeat claimants, so the shortening of out of work periods for short-term and 'frictional' claimants is going to be a marked feature of current programmes for lone parents. More information is needed on why second or subsequent periods on the programme occur and the events that lie between them. There are arguments why repeat periods are a good thing; a short period in work will provide work experience and can improve employability and improve income in the short-term. Alternatively, repeat spells on the programme may indicate underlying constraints on work that have not been addressed adequately – a transition to work problem – or a problem of not building on work experience, of low skills and of poor retention and advancement – a trajectory in work problem. At the moment the programme's assumptions and the evidence are too fixed on an appreciation of lone parents' employment profiles at cross-sectional single points in time. This point is returned to in discussion in section 6.3 below.

Finally, now that NDLP has proven itself in its own right, there is an opportunity to study the overlapping outcomes and impacts the programme has, especially in relation to Tax Credits.

6.2 Interpretation of NDLP evidence

6.2.1 The UK context

At the moment it is quite difficult to place NDLP accurately within an overall framework of improvement to programmes for lone parents and other families with children. The combination of changes to National Insurance and tax for low incomes, the development of tax credits, especially WFTC, the National Minimum Wage, and a period of sustained economic growth makes it difficult to unpick the exact role of NDLP in the improvements in lone parents' employment rates shown in Chapter 1. The previous section discussed such evidence gaps, but there is emerging evidence of how *overall* policy, the so-called UK 'welfare reform', has performed.

Recent analysis has shown that lone parents have increased their employment rates faster than the overall working age population since 1998 (Gregg and Harkness 2003). Lone parents' employment was estimated to have increased 5 per cent more than for equivalent single people without children and equivalent couples with children. They suggest that this is due to combinations of policy reform (WFTC, NDLP, and related changes). This accounts for around 80,000 more lone parents in work. The highest policy effectiveness is described as being among lone parents with pre-school aged children and among more highly qualified lone parents. Working over 16 hours a week has risen by seven per cent and overall hours of work have risen on average from 27.3 to 28.5 hours per week. However, for new entrants to work, those most likely to be affected by NDLP, working hours have tended to fall on average, so that these new entrants are working fewer hours than equivalent workers already in jobs. Earnings levels have also risen significantly over the period but the occupations that have contributed most to growth in employment are retail, catering and 'other private services', occupations that suggest that there may be some constraints on future earnings growth.

These findings are unequivocally good news but what is the evidence that such trends are sustainable and/or will be sufficient to reach the 70 per cent employment target in 2010? Gregg and Harkness predict that the 1998-2002 trends will not in themselves be sufficient to reach the 2010 target. Berthoud (2003) has also looked at trends over the 1990s and suggests that employment rates have to be significantly increased among those with the lowest levels of employment, for instance raising the employment rate from 16 to 40 per cent for those with very young children, to meet the 70 per cent target. However, Berthoud also illustrates how other factors such as ethnicity, location and skill levels interact to widen the probability of work for lone parents, confirming the analysis earlier in this report. He suggests that the most disadvantaged group and the 'middle group' of disadvantaged had improved their employment rates at a faster rate than those with fewer impediments to work. This finding suggests that to reflect the improvement in job-chances of disadvantaged lone parents employment programmes should not only help those closest to the labour market but "*could effectively address the barriers to employment faced by such disadvantaged families, rather than writing off their chances as impossible*" (Berthoud 2003 p34)

These analyses suggest that NDLP has been one part of an improved policy package for lone parents during a time of employment growth, and has helped lone parents greatly. It also suggests that the programme may have to change if performance is to be improved for a larger and more varied participation profile, a point that is discussed further below.

6.2.2 The international context

How does NDLP's design and performance compare to other international welfare to work programmes for lone parents? It is wise to start comparative analysis with a caveat. There are no studies that bring together international evidence on costs and outcomes across employment schemes for lone parents to put them in a consistent and comparable form. This means that precise and consistent comparison of costs, programme design and programme outcomes is impossible, and that even if it were possible, such results would be misleading if they did not take into account the wider policy context within which each programme operated. However, it is possible to highlight several areas that give some idea of where NDLP 'sits' alongside other countries' employment programmes and to draw lessons about its design and performance accordingly.

6.2.2.1 Targeting and work/activity requirements

NDLP's assumptions about targeting on demographic status, and in particular on the age of youngest child, are more flexible and cover a larger age range, up to 16, than European and US schemes. Some national schemes also allow recently separated, divorced or bereaved lone parents a period before entry into a programme. NDLP's voluntary status means that formalisation of such assumptions is unnecessary, a point that is explored further below.

The UK and Australia allow voluntary participation in employment programmes up to the point when the youngest child reaches 16. Other countries tend to introduce mandatory requirements linked to age of youngest child. In Europe mandation is usually linked to age of entry into universal primary education or pre-school. The UK approach of mandatory *pre-programme* work focused interviews mirrors Australian practice.

6.2.2.2 Programme mix

Overall, NDLP programme inputs are low cost and compare less favourably with other programmes in the UK (for instance NDYP) and other similar programmes abroad. Notable successful programmes of integrated education and training provision have emerged from the US and have dispersed the shadow cast over 'human capital improvement' by seminal early 1990s evaluation. A recent overview of US programmes has shown that the larger immediate employment impact and lower costs associated with 'labour force attachment' approach reduced over time. Differences over five years in outcomes between such an approach and a 'human capital development' approach narrowed and were not statistically significant (Hamilton 2002, Greenberg et al 2003).

Blank (2002, p1147) notes that the '*best results from these studies occur in programs with mixed activities, suggesting that a combination of work-first for some women and education for others might be optimal*'. Indeed, the evidence of positive outcomes is strongest in such 'mixed' programmes and the most successful programmes did offer education or training to participants and this contributed to their success. The major issue is in the design and provision of education and training, which needs to be appropriate and of good quality. Unpaid work experience was not good at increasing either jobs or earnings (Hamilton, 2002, p16).

The most effective programmes used a mix of services - such as job search, life skills, work-focused basic education, and occupational training - to support employment. Portland, Oregon

had the most successful programmes in the early 1990s. This stressed moving people into the workforce quickly but it also focused on finding good jobs, and was flexible in allowing the first activity for each person to vary depending on skills, work history, and other factors. Hamilton (2002, p13) concludes that *'the following are key features of very effective programmes: an employment focus, the use of both job search and short-term education or training, and an emphasis on holding out for a good job'*.

Work experience and temporary employment programmes are a growing element of US provision and the US model does not have the problem of similar schemes in Ireland of not moving participants more fully into the labour market. Irish evidence points to the dangers of setting up temporary employment schemes without ensuring that participants move on into the wider labour market. UK evidence for lone parents is small but encouraging, usually from local initiatives in Intermediate Labour Market provision that have designed general programmes that lone parents can participate in, rather than in specific programmes for lone parents.

Welfare reform in the USA and Australia has involved expansion of childcare provision. Australia meets demand but in the USA and UK childcare provision is a major structural external constraint on performance of employment programmes. Other countries with either different general assumptions about childcare, and/or with improved and smoothed access to childcare appear to be able to reconcile work and lone parenthood more easily.

6.2.2.3 Participation

US evidence suggests also that mandation does not necessarily solve participation problems as achieving consistently high rates of participation is a difficult process and can take considerable time and resources. High levels of participation depend on staff being able to 'reach out to potential participants, assign them quickly to program activities, monitor their participation and progress, and re-engage those who drop out. Participation was, however, higher in high-enforcement programmes than it was in programmes that adopted a more voluntary approach.

High participation rates as a result of compulsion do not necessarily produce better employment and income outcomes; *'there is little gain to having a lot of people participating in activities if the activities themselves are ineffective or inappropriate for those who participate in them'* (Hamilton, 2002, p21). Compulsory participation could only lead to increased employment outcomes under certain conditions - when jobs were available and participants were more work-ready. Mandation also leads to a higher proportion of participants with greater barriers to work entering the programme and puts more pressure to provide a wider range of programme provision, both in and out of work. Strict participation requirements also lead to a complicated system of exceptions, for instance for lone parents defined as 'disabled' in many US States, and lead to higher administrative costs, as illustrated by examples from the Netherlands and USA.

Mandation is not a simple all or nothing choice. When reviewing the usefulness of US experience to European policy makers Blank points out that push and pull factors are both important – the 'carrots' of in-work incentives and the 'sticks' of some requirement or obligations in benefit or participation rules (Blank 2002). The important issues for policy makers on mandatory requirements appear to be their aim, their coverage and their severity. Evidence suggests that punitive and/or strictly drawn mandatory participation leads to poor income effects to accompany increased employment and lower welfare rolls. Relationships with programme staff are also likely to involve more conflict – the opposite to PA- participant relationships in NDLP. Positive effects of mandation include the fact that it widens

participation and can restrict 'cream skimming', especially where there are private programme providers operating.

Sanctions should be enforced in a timely manner for those who do not comply with the participation mandate but this means that staff may have to spend as much, or more time, trying to bring in non-participants as they do working with participants. In high-enforcement programmes, higher sanctioning rates did not necessarily increase participation levels, and more disadvantaged participants with a wider range of problems and barriers to work were the most likely to be sanctioned. Cherlin *et al* (2001) found that the most common reason for sanctions to be applied were missing appointments or failing to file required paperwork. Those who were sanctioned and lost all benefit had much lower employment rates and earnings than other welfare leavers.

6.2.2.4 Outcomes

NDLP compares very favourably with other international schemes when its voluntary nature, the level of programme provision and participation rates are taken into account. In the USA there have been dramatic falls in welfare caseloads and rises in employment rates. However it is difficult, if not impossible, to disentangle the various factors involved in this – the 1996 welfare reforms, the expansion of in-work support through the Earned Income Tax Credit, increase in minimum wages, and the general economic conditions – all these seem to have played a part (Blank, 2002). Absolute poverty rates have also fallen overall, but not as fast as welfare caseloads, suggesting that in-work poverty is a problem for some. There is also some evidence that there have been some rises in 'deep poverty' among lone mothers. Blank (op cit, 1119) notes that all these estimates should be treated with some caution because the data are limited in various ways but concludes that, while most lone mothers were better off in the 1990s, 'there is a group of the poorest single mother families who have made only minimal gains over the 1990s and some at the very bottom who might have lost out'. Thus Waldfogel *et al* (2001, p59) conclude that '*countries that are willing to end the entitlement to cash assistance, and accept some increases in hardship, can look to the USA as a model for increasing the employment of lone mothers*'. But, as they go on to point out '*if the policy goals are to increase employment and reduce poverty (as they are in the UK), then the USA may not be such a helpful example*'.

6.2.2.5 Learning from abroad

However picking out only active employment programmes for comparison is not a robust or sensible model for policy learning. Lone parents' employment depends on a far wider ambit of social and economic policy. Evidence from international policy packages varies widely and there is no single winning formula associated with high employment rates. However, the overall lessons suggest two things. First, that there is a need for a *combination* of policies across a range of areas - services and cash transfers - to support employment and ensure that families are not poor in work. Second, specific measures to support lone parents' employment are optimal when embedded in wider policy goals that support parental employment overall.

6.3 Policy Development

NDLP was a new departure for policy in that it is the first time that lone parents in the UK have been targeted for, and included in, a national labour market programme. As the evaluation evidence reviewed here shows, NDLP has largely fulfilled the remit it was given. It is providing participants with information and advice about employment and it is helping

lone parents with specific work-related issues, in particular with job search and job matching, with information about the financial consequences of working, and with help with childcare. Lone parents who have taken part rate it very positively. It has had a positive impact on employment rates and benefit exits. It represents good value for money. However, as the evidence also shows, the programme has been more successful in some ways than in others, and for some groups more than others.

By 2010, if policy is successful, 70 per cent of lone parents will be in employment and non-employed lone parents should be considering their future employment options at a much earlier stage. In this final section we consider the priorities for future policy if these goals are to be reached. However, looking forward to 2010 is difficult, not only because it depends on general economic and labour market trends, but also because it is not clear how the lone-parent population will change over the next seven to eight years. The assumptions we make about the current cohort of claimants will mostly no longer be true in many instances. For example all lone parents on Income Support will have regular PA meetings. If overall policy change is successful, lone parents will also in general have benefited from existing policies elsewhere that are improving educational outcomes at schools and raising participation in higher education, policies that are helping to prevent teenage lone motherhood. Lone parents will also benefit from policies that are seeking to equalise employment opportunities between men and women and between poor and non-poor areas. More lone parents are likely to have experience of regular work before becoming lone parents and fewer will have low skills. Those out of work and eligible for NDLP may increasingly be the 'hardest to help', people with very serious and perhaps multiple barriers to work. From currently available projections it is difficult to see how compositional changes are being integrated into forecasting and it would be helpful if more information were available about the assumptions being made.

Policy is also constantly evolving and changing. The measures announced in the 2003 Budget for example, include new pilot schemes for communication and outreach, for 'discovery weeks' (where lone parents can attend an intensive programme of work-related events), and childcare 'tasters' (to allow lone parents on NDLP to access formal childcare for up to one week). These measures were all recommended by the National Employment Panel (2003). In addition, from October 2004 there will be a pilot of a 'worksearch premium' of £20 per week to lone parents actively seeking work. In addition, there will be a pilot of an in-work credit of £40 per week for the first year in work (a policy that directly results from findings from the Quantitative Survey). There will also be more discretionary funding for support with debt advice services (HMT, Budget Report, 2003). The DWP has been developing a strategy for meeting the 70 per cent employment target that consists of four key elements: increasing the work focus of lone parent polices; developing childcare that is flexible and meets the needs of lone parents; improving the financial incentives to work; and changing employers', lone parents' and societal attitudes towards lone parents working. This sort of strategic approach is intended to provide a more 'joined-up' policy approach, which is essential when dealing with a group with such diverse needs as lone parents.

Bearing these points in mind, here we consider various possible options for policy development over the next few years.

6.3.1 The structure of NDLP

The two main routes into NDLP - via PA meetings or via NDLP Initial Interviews alone - will eventually merge into one, and everyone will enter via PA meetings. However, PA Meetings themselves replicate and substitute NDLP provision for many – they provide a single or repeated meeting with the PA who has the same basic 'toolkit' and approach to an NDLP PA. PA meetings also appear to be acting as selection and sorting mechanisms and are themselves

apparently able to meet the needs of those lone parents who are closest to work. There are thus three options for the future: to maintain the current distinction between PA meetings and NDLP (with small differences of availability of programmes on NDLP); a *convergence* of PA meetings and NDLP into a single programme with the same levels of current provision, or a *divergence* with PA meetings becoming the intervention for the work-ready and a referral point for a reformed and expanded NDLP that provides a series of more structured interventions that assist in building employability for those who cannot be returned to work quickly.

The convergent approach would continue the cross-sectional single point of time focus of current policy assumptions that see lone parents as a separate group defined by demographic and benefit status. But arguably this model of treating all lone parents in the same way by offering them a low-cost PA-provided advice and information programme is inappropriate. It tends to confuse their demographic status with their labour market profile and means that all provision is limited only to PA advice and assistance. Such provision may be poorly suited to meet underlying higher needs for assistance and to poorly reflect gender-based equity and other issues.

The divergent model could develop in ways that could better identify and respond to the needs of a heterogeneous group. Non-employed lone parents are very diverse – some are frictionally unemployed, some are new mothers who are in effect taking maternity leave, some are mothers seeking to return to work after child rearing and some are women who have recently separated from a partner and whose employment has been interrupted as part of this process. All of these lone parents are likely to have short or medium term time horizons for returning to work. These are the groups that are most likely to participate in NDLP but they are also the group most likely to be helped into work by PA meetings. For these lone parents the PA meetings could, in effect, replace NDLP. Other lone parents are long-term sick and disabled, have young and dependent children that prevent work in the foreseeable future, while others are long-term carers of disabled family members. They are likely to have longer term time horizons for return to work. For these lone parents, there is a need for more intensive support and over a longer time period. A reformed NDLP could concentrate upon this group. This would build on the success of the currently configured programme and also offer more to those who currently participate but obtain poor outcomes. Offering more may also draw in more participants.

However, lone parents also share needs in common with other claimant groups. Married women returners are perhaps the most obvious example. The New Deal for Partners covers some of the same ground as NDLP but for women partnered with unemployed men. One possibility would be to bring this together with the reformed NDLP to create a new programme, aimed at women with children. This is the approach adopted in Australia, where the JET programme is targeted at those receiving the Parenting Payment, which covers both married and lone parents. Such a development would also fit with the government's aspiration to offer work-focused support to all those who are workless and towards more individualisation in benefits and in work requirements for couples. At the same time, some lone parents might usefully be referred to services for disabled people, others to the services for young people, and so on.

Mandatory PA meetings are likely to be the right place in which to seek to identify the specific status and needs of individual lone parents. However, the time and tools available to do this are at present very limited. It may be that individual interviews with experienced Advisers are the best way to do this, or it may be that more use could be made of standardised diagnostic tests. This is an area where more research would be helpful.

6.3.2 Improving participation

The big differences in employment outcomes between participating and non-participating groups could seem to lead to the conclusion that widening participation alone would provide the best answer for improving performance. The impact assessment and Quantitative Survey suggests that there was, prior to PA meetings, a group of lone parent non-participants who looked very like participants and who could join the programme without vastly affecting its outcome rates. However, it is now not clear that this reserve group of non-participants is so large after PA meetings have raised NDLP participation rates so dramatically.

However, measures to improve participation must be an important element in programme expansion. Participation rates have been rising but NDLP has still not reached a substantial proportion of the lone-parent population. The 'worksearch premium' pilot will measure the effect of offering lone parents a financial incentive to participation. There may also be other measures that could be introduced to increase voluntary participation. These might include, for example, making more use of outreach services to contact lone parents; having more follow-up contacts (for example, home visits); and making contact at particular 'trigger' times (for example, when children reach a certain age). The mandatory PA meetings could be made more frequent, so that lone parents were, for example, seen every six months rather than annually. However, the cost and benefits of this would have to be carefully assessed, if more resources on compulsory meetings means less for NDLP PA interviews. Compulsion can, as evidence from other countries shows, swallow up a great deal of time and effort without necessarily improving outcomes.

Another option would be to make participation in NDLP itself mandatory. But this raises some complex issues. It would change the composition of the participants in ways that might make it difficult to help people find work; it could increase caseloads and so reduce time spent with each participant and it could undermine trust and the current positive perception of NDLP among lone parents. It could also require a complete change in defining participation as agreeing to join the programme and meeting the PA is all that is currently required, whereas a mandatory programme would have to set some standards of participation. On the other hand, there is a risk that a voluntary scheme may miss those most in need of help, who may feel the programme has little to offer them and so not come forward to take part but the mandatory PA meetings are addressing this 'information problem'. Overall making participation in NDLP itself compulsory is unlikely to achieve much more than the mandatory PA meetings are already achieving, and may reduce the impact of the programme by extending participation beyond the capacity to cope.

Underlying the issue of mandation is the perceived need to alter behaviour. It is already foreseen that regular work-focused meetings will change the underlying 'culture' of the benefits regime and promote a more active benefit regime overall where lone parents are aware of work opportunities and constraints. The problem is that many constraints are structural and have long time-horizons associated with them. The planned delay in returning to work until a child reaches the age of x years is one that is made in the face of a wide number of external and internal constraints. Altering a lone parents' perception of when they plan to return to work is very difficult without also challenging their right and ability to decide what is in the best interests of their children.

6.3.3 Improving local links and knowledge

Some lone parents live in areas where suitable jobs and childcare are quite readily available and accessible, others live where neither are easy to find. NDLP by itself cannot do much to improve the number of jobs or childcare places, nor to improve local transport services but it

can provide better local knowledge and accurate information to lone parents, so that they know exactly what is available in their local area. The introduction of Childcare Partnership Managers in each District is an important step in this direction. These managers are responsible for ensuring that PAs have access to comprehensive, accurate and up-to-date information on childcare. There is scope for more resources to be put into this and for other parallel posts to be considered, for example, 'Job Development Officers' could take a more active role in working with local employers; 'Training Officers' could collect and disseminate information about training opportunities and funding; 'Marketing Officers' could take responsibility for outreach activities. All this would free up NDLP PAs to work more closely with lone parents, and on the basis of more complete and accurate information.

The previous synthesis report suggested that local integration of NDLP into employment and regeneration initiatives was also a major area where improvements could be made. The growing number of 'Public Service Agreements' between central government and local authorities are a potentially important element in this. These often have the reduction of the numbers of workless people in the area as an explicit target. Such initiatives, together with pre-existing initiatives such as the Single Regeneration Budget and New Deal for Communities, pave the way for provision to be sensitive to local needs and integrated to reflect public and private employment needs, skills gaps, and social and economic investment. NDLP outcomes can perhaps be maximised if departmental budgets become more flexible and open to joined-up cost-benefit analysis so that, for instance, spending on childcare can be 'paid for' by reductions in claimant numbers – to echo provisions that exist in other countries (such as the US) where more of the general social budget is devolved to local areas.

6.3.4 Extending the personal adviser toolkit

As noted in Chapter 3 above, there has already been a substantial expansion in the toolkit available to the New Deal Personal Advisers, and more measures will be introduced following the 2003 Budget. This toolkit could still be developed further, in order to provide a wider range of provision and more flexibility in matching provision to needs. This might include more devolved budgets, building on the Personal Adviser Discretionary Fund, to enable Advisers to offer financial support to help lone parents to train, to find work and to make the transition to work. Improved local knowledge would also mean that PAs could make more referrals to other agencies and voluntary groups for particular needs (eg confidence building).

Evaluation clearly shows the value of an accurate and comprehensive assessment of financial gains from working. However, there are reported limitations in current practice as some costs associated with work are not immediately apparent or costed. The 'better off' calculation should be made more flexible to reflect particular expenses and to reflect changes that could occur in the first months of starting work. This would then enable better integration with discretionary funds to smooth transitions to work.

It is not clear how far there has been any examination of what range of employment services should be made available to lone parents and adapted to meet their needs since the original design of the New Deals in 1997. For example, there are various options made available to unemployed young people in NDYP. These include subsidised employment, work trials, training and education and voluntary work. Making such options available to lone parents may be helpful for some, although as the evaluation of the non-NDLP provision shows, childcare provision needs to be made available or lone parents will find it difficult to take up these options.

The role of Personal Advisers is developing over time, and becoming more complex and requiring a wider range of skills. Attracting and retaining the right sort of people, requires

continued attention to ongoing training and development, and to the career structure and opportunities.

6.3.5 Meeting the needs of repeat participants

NDLP must also adapt to the growing number of repeat participants. At the moment the emphasis is on moving claimants off benefit and into work, and this is wholly appropriate for most participants but it under-diagnoses the needs of those who are cycling between work and benefits. This cycling may be due to job-related problems, individual characteristics or family-related factors, or some combination of all these. Whatever the reasons, giving such participants the same treatment on each entry into NDLP is unlikely to provide the most appropriate form of help. Further analysis of the needs of this group and of how current practice identifies them, if at all, is an important issue. The group of cyclers between low paid unskilled work and benefit also present a real opportunity for more training/education based approach. Their problem is not one of work experience but primarily one of human capital or of job retention and advancement. Policy should look at this problem from both directions, from job down and from benefit up, to see how far exits from work can be reduced by assistance in work, perhaps through support for recently separated lone parents, enhanced family friendly policies and support in resolving caring and work conflict. Such an approach could also provide better information about problems of transition to work and between jobs and be a source of improved performance from NDLP into work.

6.3.6 Improving employability

One of the original goals of NDLP was to help people get closer to work, to improve job readiness. This has, perhaps not surprisingly, proved difficult to define and measure. But there seem to be four main ways in which lone parents might be helped to develop job readiness. The first is through education or training. The range and level of training available through NDLP has, however, been quite limited. The restriction of training to NVQ Level 2 is not suitable for many lone parents who want to improve or update higher level skills and knowledge, and may restrict the programme's ability to respond to skill shortages, particularly in the public sector. There may be little incentive to take or complete training if it is not apparent whether it will lead to suitable and adequately paid work. Training courses are often not designed with the needs of parents in mind. Closer attention to the different training needs of different sub-groups of lone parents is needed, and more flexibility to support a wider variety of training.

Secondly, lone parents might improve their job-readiness through voluntary work. But, unlike NDYP, there is no structured way in which voluntary work among lone parents on NDLP can be supported. Thirdly, work trials, job shadowing and mentoring can give opportunities for lone parents to experience different employment environments. Again there is limited provision for these at present.

Fourthly, part-time work has now been shown quite widely and consistently to help future moves into full-time work. NDLP's role in its promotion is presently minimal and reflects the overall tax-benefit system's emphasis on the 16 hour cut off point between in-work and out of work benefits, but the employment target of 70 per cent is more easily reached if the opportunities to take up such work are expanded and then used as a stepping-stone to full-time work. It is in part-time, rather than full-time, work where the gap between lone and married mothers is greatest, so increasing lone mothers' access to part-time jobs is likely to be central to meeting the 70 per cent target. Greater support for part-time employment, building

on the measures already introduced, would help lone parents to work part-time, or to prepare for work at a later date.

Work-readiness may also be helped by making childcare available to non-employed, and part-time employed, lone parents. If families are already using childcare this is one less problem to think about when looking for jobs, and the parents can feel more secure and confident about the quality of care and the child's response to it.

6.3.7 The transition to work and employment retention

The measures introduced to help parents make the transition to work have so far mainly focused on the financial transition, and the evaluation shows that in-work job grants and benefit run-ons have been helpful to lone parents. The Child Tax Credit, introduced from April 2003, should also help in this transition, as it means that benefits for children will continue in payment when parents leave Income Support. The proposed reforms to simplify housing benefit and to allow the payment to continue at the same rate in work, until re-calculated by the Local Authority, should also help to make the transition easier. As noted above, it is important that NDLP Personal Advisers retain the flexibility and devolved budgets to help support lone parents financially as they start work. There may also be a need for other forms of individual support, which could be offered by Personal Advisers or by the development of the mentoring scheme, which is soon to be introduced. This may also contribute to employment retention. The 'Employment Retention and Advancement' demonstration project, due to start in the autumn of 2003, aims to help low-paid workers, including lone parents, to improve their labour market position.

6.3.8 NDLP in wider context

In a recent MORI survey, 'paid time off to be with children' alongside 'higher rates of WFTC' topped the list of things that lone parents said would help them balance work and care (NCOPF 2002). The Women and Equality Unit's survey of parents found that flexible working patterns were perceived as one of the most important factors to enable parents to balance work and care (Brooker, 2002). Among those parents eligible for WFTC, six in ten said that it was essential to them. Improving the environment in which NDLP is located may be a more important issue than changing the programme itself.

This is a major challenge for the Department for Work and Pensions and for all the other government departments involved in delivery of tax credits, childcare, education and training, transport etc. The challenge is also for employers, to offer much greater flexibility and support for their workers with caring responsibilities. This applies to small and medium sized employers as well as to the large employers. The role of the public sector is important here, not only as a major provider of family-friendly employment, but also as a significant recruiter and retainer of staff. This employment role will grow as the Government's commitment to improving public service delivery is taken forward, particularly in health and education. There are also challenges for the voluntary sector, which may have a particular role to play in providing training for people who have little or no labour market experience, in boosting self-confidence, and in helping lone parents create mutual support systems.

In respect of complementary policies to support employment, the supply of affordable and high quality childcare still falls short of demand, and levels of provision vary across the country (Paull, Taylor and Duncan 2002). The Inland Revenue's recent consultation paper on employer-supported childcare and the National Employment Panel's (2003) suggestions for childcare 'tasters' (access to formal childcare while on NDLP for short trials) and childcare

'champions' (employers acting to support childcare in local areas) point to further developments in this area. The financial subsidy for the costs of childcare favour small families and, although home-based care can be covered by the childcare tax credit for some families, extending financial support to a wider range of childcare services, including informal childcare, should be considered.

On the financial side, ensuring that work really does pay is essential. The national minimum wage offers some protection to those who work in the lowest paid jobs, and any increases in the level of this would be reasonably well targeted on women workers, including lone mothers, and those working part time. The in-work support offered by the tax credits is clearly of great importance to lone parents, and continued attention to increasing take-up is required. Lone parents are much more likely than couples to claim their entitlement to tax credits, but there is still a shortfall. Ensuring that lone parents receive Child Support payments they are due on a regular basis will also help some lone parents to improve their incomes in work.

Finally, the strong work-first orientation of current policy could be re-considered to widen the focus from transition into work to trajectories in work. One of the main concerns about this employment-based strategy for lone parents is that it risks locking them into low-paid work, from which it is difficult to escape and improve their situations. Helping lone parents increase their chances of obtaining better-paid and more secure employment is an even tougher challenge than getting lone parents into paid work, but essential if the government also wants to achieve its target of creating a fairer and more inclusive society, including the elimination of child poverty.

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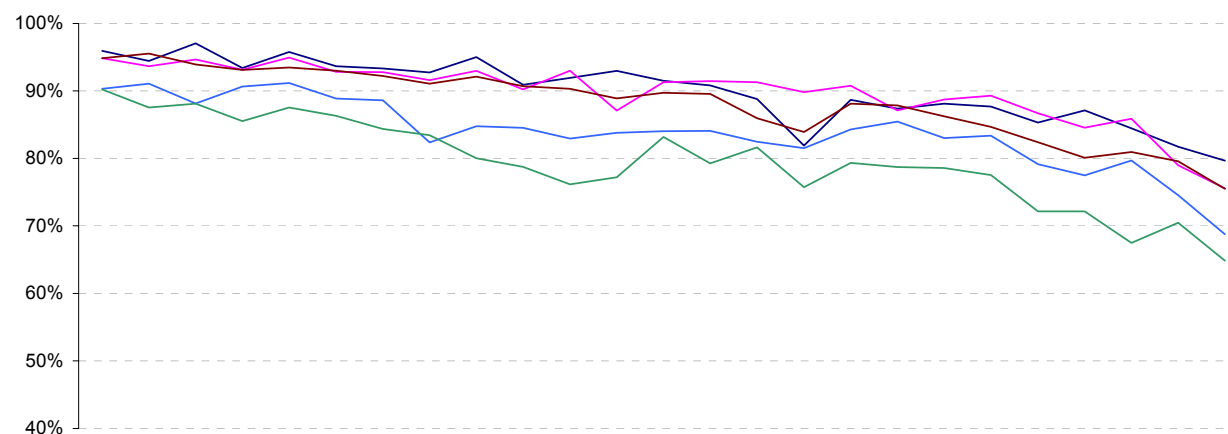
Appendix A

National Evaluation of NDLP – DWP Published Reports

Date	Code	Title	Author
May 2003	WAE156	New Deal for Lone Parents: An Evaluation of the Innovation Fund 2001-2002'	Burniston, S. and Rodger, J. York Consulting
March 2003	WAE147	New Deal for Lone Parents Evaluation: Findings form the Quantitative Survey	Lessof, C. <i>et. al.</i> National Centre for Social Research
March 2003	WAE146	Evaluation of the New Deal for Lone Parents: Technical Report for the Quantitative Survey	Phillips, M. <i>et. al.</i> National Centre for Social Research
July 2002	WEA119	New Deal for Lone Parents: A Qualitative Evaluation of the In-Work Training Grant Pilot (IWTG)	Lakey, J <i>et. a.l</i> Policy Studies Institute
July 2002	WAE116	New Deal for Lone Parents: First Synthesis Report of the National Evaluation	Evans, M, McKnight, A and Namazie, C CASE, LSE
Nov 2001	ESR101	New Deal for Lone Parents: a Quantitative Survey of Lone Parents on Income Support	Lessof, C <i>et al.</i> , National Centre for Social Research
Sept 2001	ESR90	An Evaluation of Lone Parent Personal Adviser Meeting Pathfinders	Pettigrew, N, Garland, C & Irving, P, BMRB International and ECOTEC
Aug 2001	ESR89	New Deal for Lone Parents: An Evaluation of the Innovative Pilots	Yeandle, S and Pearson, S, CRESR, Sheffield Hallam University GHK
Jul 2001	ESR85	New Deal for Lone Parents: Case Studies on Delivery	BMRB International
Apr 2001	ESR74	Jobfinders' Grant: Research Among Lone Parents	BMRB International
Feb 2001	ESR64	Employers, Lone Parents and the Work-Life Balance	Lewis, J <i>et al</i> , National Centre for Social Research
Aug 2000	ESR55	New Deal for Lone Parents: Report on Qualitative Studies with Individuals	Dawson, T and Finer, S, Cragg Ross Dawson
June 2000	ESR51	The New Deal for Lone Parents: A Review of Evaluation Evidence	Hasluck, C, Institute for Employment Research, University of Warwick
Feb 2000	ESR39	A report on Lone Parent Client Satisfaction Survey: Part of Evaluation of NDLP Phase 3	Martin Hamblin
Aug 1999	ESR23	Lone Parents and the Labour Market: Results from the 1997 Labour Force Survey and Review of Research	Holtermann, S <i>et al.</i> , Thomas Coram Research Institute, University of London

Appendix B

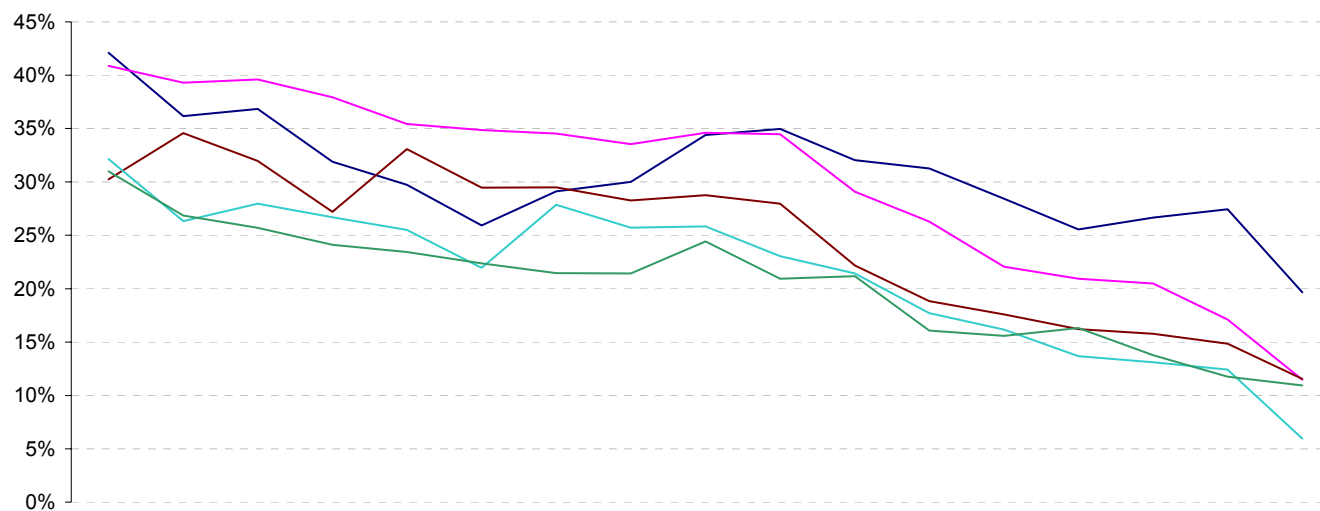
Figure B.1 Regional KI 2 conversion rates for NDLP initial interviews September 2000 – September 2002.



	Sep-00	Oct-00	Nov-00	Dec-00	Jan-01	Feb-01	Mar-01	Apr-01	May-01	Jun-01	Jul-01	Aug-01	Sep-01	Oct-01	Nov-01	Dec-01	Jan-02	Feb-02	Mar-02	Apr-02	May-02	Jun-02	Jul-02	Aug-02	Sep-02
Wales	95.9%	94.4%	97.1%	93.4%	95.8%	93.7%	93.3%	92.7%	95.0%	90.9%	91.9%	93.0%	91.5%	90.8%	88.8%	81.9%	88.7%	87.4%	88.1%	87.7%	85.3%	87.1%	84.5%	81.7%	79.7%
South West	94.8%	93.7%	94.6%	93.1%	94.9%	92.8%	92.8%	91.6%	93.0%	90.2%	93.0%	87.1%	91.3%	91.5%	91.3%	89.8%	90.8%	87.1%	88.7%	89.3%	86.7%	84.6%	85.9%	79.0%	75.6%
North West	94.5%	95.6%	94.6%	95.1%	96.0%	95.6%	95.3%	93.8%	93.0%	92.6%	90.5%	91.4%	89.9%	92.1%	87.8%	85.8%	88.9%	87.9%	87.8%	87.4%	84.0%	83.5%	83.0%	82.1%	74.6%
Yorks. & Humber	95.6%	93.4%	91.8%	92.5%	93.8%	94.7%	93.9%	91.7%	92.1%	92.4%	90.8%	88.1%	90.2%	88.8%	88.9%	85.3%	90.7%	88.0%	87.2%	87.7%	84.1%	85.8%	84.4%	82.6%	79.7%
North East	94.2%	94.3%	91.9%	90.8%	95.1%	93.9%	90.8%	93.7%	92.6%	91.4%	90.3%	91.5%	89.6%	88.4%	85.5%	82.8%	90.9%	88.6%	85.3%	86.0%	85.5%	84.2%	80.2%	81.0%	77.6%
Scotland	94.8%	95.5%	93.9%	93.1%	93.5%	93.0%	92.2%	91.1%	92.1%	90.7%	90.3%	88.9%	89.7%	89.6%	86.0%	83.9%	88.1%	87.8%	86.2%	84.7%	82.4%	80.1%	80.9%	79.6%	75.5%
South East	92.9%	93.6%	93.1%	92.2%	92.8%	93.1%	92.3%	89.1%	90.6%	90.7%	89.1%	87.8%	88.3%	88.9%	87.8%	83.8%	90.1%	84.5%	85.8%	82.6%	81.8%	82.8%	81.1%	78.7%	74.3%
East Midlands	95.4%	93.1%	94.5%	94.7%	94.3%	94.6%	92.5%	89.0%	89.1%	88.3%	86.5%	88.1%	88.5%	88.8%	86.2%	86.0%	86.4%	81.2%	80.9%	81.3%	80.2%	76.6%	78.4%	73.0%	65.3%
West Midlands	94.5%	90.6%	93.0%	90.8%	91.7%	90.9%	90.3%	88.9%	86.4%	86.9%	87.2%	87.6%	86.6%	87.7%	83.6%	79.2%	88.3%	85.1%	84.3%	84.5%	77.9%	79.6%	78.2%	78.2%	69.0%
East	90.3%	91.1%	88.1%	90.7%	91.2%	88.9%	88.6%	82.4%	84.8%	84.5%	83.0%	83.8%	84.0%	84.1%	82.5%	81.5%	84.3%	85.5%	83.0%	83.4%	79.1%	77.5%	79.7%	74.5%	68.8%
London	90.2%	87.5%	88.1%	85.5%	87.6%	86.3%	84.4%	83.4%	80.0%	78.7%	76.2%	77.2%	83.2%	79.3%	81.6%	75.7%	79.3%	78.7%	78.6%	77.5%	72.2%	72.1%	67.5%	70.5%	64.9%

Source: DWP Key Indicator Statistics. Note: Not all Regions plotted on graph.

Figure B.2 Regional KI 2 conversion rates for compulsory PA meetings to NDLP: May 2001 September 2002.



	May-01	Jun-01	Jul-01	Aug-01	Sep-01	Oct-01	Nov-01	Dec-01	Jan-02	Feb-02	Mar-02	Apr-02	May-02	Jun-02	Jul-02	Aug-02	Sep-02
— Wales	42.1%	36.2%	36.8%	31.9%	29.7%	25.9%	29.1%	30.0%	34.4%	35.0%	32.0%	31.3%	28.4%	25.6%	26.7%	27.4%	19.7%
— South West	40.9%	39.3%	39.6%	37.9%	35.4%	34.9%	34.5%	33.6%	34.6%	34.5%	29.1%	26.3%	22.1%	20.9%	20.5%	17.1%	11.5%
— Scotland	42.5%	39.8%	37.0%	32.7%	29.3%	29.0%	32.5%	35.3%	36.9%	31.5%	29.8%	24.2%	24.1%	22.5%	19.1%	17.2%	11.5%
— Yorks. & Humberside	34.8%	36.1%	34.6%	34.4%	34.1%	30.1%	29.4%	27.9%	29.8%	26.6%	23.3%	21.0%	19.1%	20.5%	18.1%	16.1%	12.2%
— North East	30.9%	34.0%	33.8%	30.3%	29.9%	26.0%	26.4%	27.6%	30.2%	26.1%	25.3%	24.3%	20.4%	17.0%	18.2%	18.4%	10.9%
— East	30.2%	34.6%	32.0%	27.2%	33.1%	29.5%	29.5%	28.3%	28.8%	28.0%	22.2%	18.8%	17.6%	16.2%	15.8%	14.8%	11.5%
— South East	28.8%	33.0%	28.9%	33.0%	29.4%	25.1%	26.8%	24.3%	28.8%	27.2%	23.9%	19.9%	16.4%	15.1%	15.5%	12.8%	9.9%
— North West	32.0%	34.6%	30.6%	28.2%	27.2%	24.0%	24.8%	24.0%	24.6%	22.1%	20.2%	18.8%	15.4%	15.1%	14.6%	13.9%	8.7%
— West Midlands	30.3%	30.7%	32.0%	28.6%	25.4%	24.0%	23.8%	21.7%	25.5%	23.3%	19.7%	17.5%	18.1%	15.5%	15.1%	13.5%	9.6%
— East Midlands	32.2%	26.3%	28.0%	26.7%	25.5%	21.9%	27.9%	25.7%	25.8%	23.1%	21.4%	17.7%	16.2%	13.7%	13.1%	12.4%	6.0%
— London	31.0%	26.8%	25.7%	24.1%	23.4%	22.4%	21.4%	21.4%	24.4%	20.9%	21.2%	16.1%	15.6%	16.3%	13.8%	11.8%	10.9%

Source: DWP Key Indicator Statistics

Note: Not all Regions plotted on graph

Table B.1. District level NDLP conversion rates (Key Indicator 2)

	Oct -Dec 00	Jan -Mar 01	Apr -Jun 01	Jul- Sep 01	Oct- Dec 01	Jan- Mar 02	Apr- Jun 02	Jul- Sep 02
NDLP Initial Interviews								
Median %	94.0	93.6	91.1	88.8	87.9	87.1	84.0	78.3
Minimum %	77.6	80.8	75.5	67.6	70.3	71.4	61.1	58.3
Maximum %	98.5	97.9	98.5	98.5	98.7	95.3	96.4	91.3
Inequality between Districts	0.045	0.039	0.058	0.063	0.062	0.061	0.084	0.091
PA Meetings								
Median %			33.5	30.4	26.6	25.8	18.5	13.3
Minimum %			10.4	18.8	12.6	14.4	10.9	5.2
Maximum %			59.4	57.4	47.8	50.3	45.4	45.0
Inequality between Districts			0.219	0.229	0.236	0.286	0.338	0.432

Source: Authors' calculations from DWP KI indicators

Note: Inequality measured using the Coefficient of Variation

Appendix C

Results from Logistic Modelling of NDED NDLP dataset – for participants up to March 2002.

Leaving NDLP to sustained employment of 16 hours a week or more

Logit estimates

Number of observations = 211910

Wald chi2(73) = 28418.69

Prob > chi2 = 0.0000

Log likelihood = -116719.03

Pseudo R2 = 0.1997

NDLP experience and implementation

Number of spells on NDLP (compared to single spell)

	Odds Ratio	Probability	Robust Standard Errors	Significance	95% confidence interval	
2 spells	1.174	17.4	0.019	0.000	1.138	1.211
3 or more spells	1.073	7.3	0.044	0.087	0.990	1.163

NDLP recruitment via Initial Interview (compared to via PA Meeting)

Date of entry to NDLP (compared to entry since 30th Sept 2001)

Prior to 1/04/99	0.551	-44.9	0.015	0.000	0.523	0.581
1/04/99-30/9/99	0.876	-12.4	0.022	0.000	0.834	0.920
1/10/99-31/03/00	1.233	23.3	0.029	0.000	1.177	1.292
1/04/00-30/9/00	1.241	24.1	0.029	0.000	1.184	1.299
1/10/00-31/3/01	1.105	10.5	0.026	0.000	1.056	1.156
1/04/01-30/9/01	1.074	7.4	0.023	0.001	1.030	1.119

Length of spell on NDLP (where spell is completed compare to those still on programme)

under 30 days	4.484	348.4	0.089	0.000	4.313	4.662
30 to 90 days	3.847	284.7	0.056	0.000	3.738	3.959
91 to 180 days	2.203	120.3	0.034	0.000	2.137	2.272
181 to 270 days	1.555	55.5	0.030	0.000	1.497	1.616
271 to 365 days	1.527	52.7	0.038	0.000	1.454	1.604
more than 365 days	1.468	46.8	0.035	0.000	1.401	1.538

NDLP indicator of education and training	0.336	-66.4	0.007	0.000	0.322	0.351
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Number of LMS actions performed	1.089	8.9	0.001	0.000	1.087	1.091
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Locational Factors

Region

North East	1.163	16.3	6.83	0	1.113665	1.2144
North West	1.399	39.9	21.26	0	1.356676	1.443382
Yorkshire & Humber	1.579	57.9	26.5	0	1.5264	1.633078
West Midlands	1.127	12.7	6.97	0	1.089802	1.165672
East Midlands	1.487	48.7	20.63	0	1.432361	1.544602

	South West	1.306	30.6	13.02	0	1.25443	1.359348
Rural		0.977	-2.3	0.014	0.120	0.950	1.006
Ward Level Deprivation Indicators							
Index of Multiple Deprivation 2000 (compared to least deprived 25% of wards in England)							
25th to 49th percentile (Band 2)		0.967	-3.3	0.023	0.166	0.923	1.014
50th to 74th Percentile (Band 3)		0.928	-7.2	0.021	0.001	0.889	0.969
75-89th Percentile (Band 2)		0.869	-13.1	0.020	0.000	0.832	0.909
Worst 10% of wards (Band 1)		0.878	-12.2	0.021	0.000	0.838	0.920
Access Dimension of IMD 2000 (compared to wards with lowest score for access)							
25th to 49th percentile (Band 2)		1.097	9.7	0.013	0.000	1.072	1.123
50th to 74th Percentile (Band 3)		1.131	13.1	0.019	0.000	1.095	1.168
75-89th Percentile (Band 4)		1.061	6.1	0.036	0.081	0.993	1.133
90-100th Percentile (Band 5)		1.101	10.1	0.053	0.044	1.003	1.210

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