

# 4. A New Deal for Parents

## Aligning support for parents

The New Deal for Lone Parents has been successful at helping lone parents into work<sup>8</sup> partly because the support it offers has, by definition, taken into account both individuals' job-seeking and parenting needs.

However, other jobseekers do not, as a matter of course, have their parenting responsibilities taken into account when they take part in Welfare to Work programmes. Parents on other New Deals are not automatically offered help with finding childcare or a job that fits with their caring commitments.<sup>9</sup> This is despite the fact that, given the decline in one-earner households, most parents now have to adapt their working patterns because of family commitments.

Furthermore, Jobcentre Plus does not routinely record whether a jobseeker has parenting responsibilities and its target structure does not reflect the Department's ambition to reduce child poverty by helping parents in both one- and two-parent families into work.

Aligning support for lone and couple parents would ensure that Welfare to Work support is better tailored to meet all parents' needs. There are 2.7 million children living in families who are in receipt of unemployment, low income or disability benefits,<sup>10</sup> the vast majority of whom will be living in poverty and all of whom are children of 'customers' of the Department for Work and Pensions (although only a minority are participating in New Deals – see page 51).

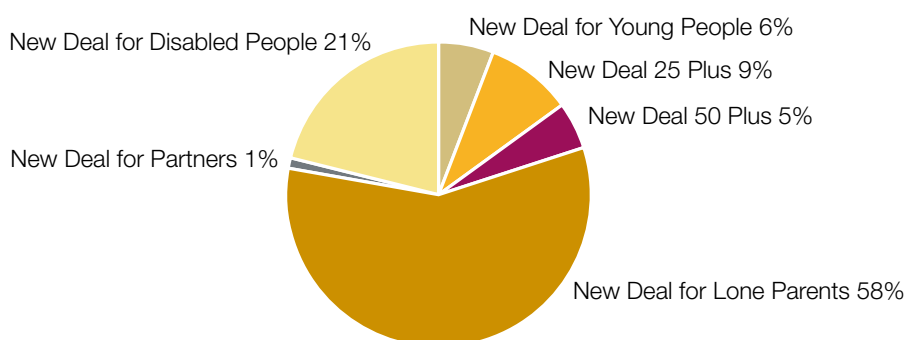
Many parents on existing New Deal programmes are not identified as such. Only 58 per cent of parents on New Deal programmes have access to the New Deal for Lone Parents. Of the remaining 42 per cent, half are on the New Deal for Disabled People.

<sup>8</sup> Some 450,000 lone parents moved into work between October 1998 and February 2006.

<sup>9</sup> One survey found that childcare was cited as a barrier to work by around 5 per cent of participants on the New Deal for Disabled People (Department for Work and Pensions Research Report No. 369) but we do not know whether this is an accurate reflection of need because this information is not collected routinely.

<sup>10</sup> This includes Income Support, Jobseeker's Allowance, Incapacity Benefit, Disability Living Allowance and Severe Disablement Allowance.

## Chart 2: Parents on New Deal programmes



Source: DWP tabulation tool, February 2006, and author's estimates derived from benefit and survey data.

Welfare to Work support should become more attuned to the needs of both couple and lone-parent families because:

- the employment patterns of lone parents and couples with children both need to change substantially if child poverty is to fall;
- 40 per cent of children in poverty are living in couple families where someone is working – so parents in couples are moving from welfare to work but not escaping poverty;
- understanding the barriers to work that parents face is hampered by the fact that they are not viewed as parents when they participate in most Welfare to Work programmes; and
- a modern welfare to work system should mirror the society we have – in which fathers are increasingly involved in children's day-to-day lives and where parents make decisions about their working patterns as a family.

Parents seeking employment do not have identical needs – the support they receive will always need to be tailored to their particular circumstances. But parents do share some common requirements: a job that enables them to balance their work and caring responsibilities, access to childcare (if appropriate) and a sufficient income to lift their family out of poverty.

To have the best chance of both increasing parental employment and tackling child poverty, all jobseekers who are parents should have their family responsibilities taken into account when they are offered support with finding and securing employment. Any parent who is receiving support on Welfare to Work programmes should be offered:

- personal adviser support with preparation for work and job search – alongside a flexible menu of support to cater for individual needs pre- and (in some cases) post-employment;
- help with securing appropriate childcare (see page 31); and
- support with finding employment that enables parents to balance their work and family commitments (see page 35).

This should be available to all parents, including all couple parents who are participating in New Deals/Pathways to Work,<sup>11</sup> all partners of benefit recipients – who should be encouraged to participate in New Deal programmes – and, ultimately, in-work poor couples if access to support is widened to include potential second earners in low-income families (see page 47).

The ultimate vision would be of an integrated service that is responsive to the needs of individuals. It would require a combination of a more uniform approach in terms of the core support that parents receive, together with greater flexibility in the menu of support available for all jobseekers.

If advisers were to adopt a ‘family focus’, they would be better placed to help jobseekers overcome barriers to work resulting from family commitments and to encourage partners of benefit claimants to participate in New Deal programmes.<sup>12</sup> By viewing jobseekers’ needs in the context of their family, advisers would be able to support both jobseeker and his or her partner, with no presumption about who should go into work first. This would help to encourage each member of a couple to achieve his or her potential and enhance individual autonomy and life chances for women and men.

Establishing a family focus for Jobcentre Plus would require something of a culture shift that would need to be reinforced by appropriate targets and management information. It would not have to consist of a separate programme – rather a minimum entitlement of support for all parents. It would require the support on offer to parents to be strengthened, and recommendations about how to do this are set out in the remainder of this report. Such changes require additional spend but it may also be possible to make more effective use of existing resources.

<sup>11</sup> Where delivery of Pathways to Work is being contracted out to the private and voluntary sector, contracts are not specifying how support should be delivered. However there will be a need to ensure that providers are aware of the value of having a family focus.

<sup>12</sup> Currently partners of benefit claimants are able to participate in the New Deal for Partners – a voluntary employment programme that was launched in April 1999. Eligibility for the programme covers non-working (or part-time working) partners of Jobseeker’s Allowance, Income Support, Incapacity Benefit, Severe Disablement Allowance, Carer’s Allowance, Working Tax Credit and Pension Credit claimants. The programme has failed to attract many participants.

A parent package (New Deal for Parents) would be attractive and easy to communicate to parents. It would offer support to both fathers and mothers – reflecting the fact that in today's society there is a more equal sharing of parenting responsibilities.

### **Recommendations**

- 1. Jobcentre Plus should introduce a 'front-end marker' on to its labour market system to enable staff to identify parents in all its programmes at the earliest opportunity.**
- 2. Jobcentre Plus' target structure should reflect the Department's commitment to tackling child poverty by having an additional 'child points premium' which offers extra points for outcomes for those with children irrespective of the main client group to which they belong.**
- 3. All parents on Welfare to Work programmes should be eligible for a core package of support: a New Deal for Parents.**

Table 2: Support offered under various New Deal programmes

NEW DEAL PLUS FOR LONE PARENTS – PILOT	NEW DEAL FOR LONE PARENTS and NEW DEAL FOR PARTNERS – NATIONAL	NEW DEAL FOR YOUNG PEOPLE and NEW DEAL 25 PLUS – NATIONAL	NEW DEAL FOR DISABLED PEOPLE – NATIONAL
Personal Adviser	Personal Adviser	Personal Adviser	Most customers are recruited directly by providers, but where they are referred by Jobcentre Plus this will be via Disability Employment Advisers or Incapacity Benefit Personal Adviser interviews
Job-search support	Job-search support	Job-search support/ careers advice	Job-search support
Access to debt advice	Access to debt advice	Access to debt advice	Access to debt advice
Mentoring prior to entry onto New Deal Plus for Lone Parents	Mentoring prior to entry onto New Deal for Lone Parents and New Deal for Partners	Mentoring	Support will vary from provider to provider. Some offer travel and childcare help, but this is not part of the programme requirement
Training support (including training premium, childcare, travel costs and equipment)	Training support (including training premium, childcare, travel costs and equipment)	Training support (including training premium, childcare, travel costs and equipment)	Job Grant
Job Grant	Job Grant	Job Grant	Adviser Discretion Fund (up to £100)
Adviser Discretion Fund (up to £100)	Adviser Discretion Fund (up to £100)	Adviser Discretion Fund (up to £100)	Work Trials
Work Trials	Work Trials	Work Trials	Access to self-employment within other provision, if customer is eligible
Childcare Assist	Childcare Assist	Option tasters	In-Work Support
Childcare Subsidy	Childcare Subsidy	Job-subsidy voucher	Basic skills screening
Self-employment	Self-employment	Self-employment	Some providers arrange work placements

Table 2: Support offered under various New Deal programmes (*continued*)

NEW DEAL PLUS FOR LONE PARENTS – PILOT	NEW DEAL FOR LONE PARENTS and NEW DEAL FOR PARTNERS – NATIONAL	NEW DEAL FOR YOUNG PEOPLE and NEW DEAL 25 PLUS – NATIONAL	NEW DEAL FOR DISABLED PEOPLE – NATIONAL
Discovery events	In-Work Support	Specialist help – drugs/ alcohol/homeless	Access to programme centres
Work Search Premium	Basic skills screening and assessment (available only in New Deal)	Basic skills screening and assessment (available only in New Deal)	–
In-Work Credit	Access to New Deal 25 Plus and New Deal for Young People training provision	Work placements/work experience	–
Better-off calculations	Better-off calculations	Better-off calculations	–
Access to programme centres	Access to programme centres	Access to programme centres	–
In-Work Emergencies Fund	Education and training opportunities	Key skills – motivation, confidence building, communication, team building, etc	–
Enhanced Training for Lone Parent Advisers	–	Education and training opportunities	–
Access to flexible provision	–	–	–
In-Work Support	–	–	–
Jobpoints in Children's Centres	–	–	–
Marketing package	–	–	–
Basic skills screening and assessment (available only in New Deal)	–	–	–
Access to New Deal 25 Plus and New Deal for Young People training provision	–	–	–
Education and training opportunities	–	–	–

## Lone parents

We know that the package of support for lone parents will need to be strengthened if their employment rate is to rise significantly. Current projections suggest that the lone parent employment rate will reach 64 per cent by 2010. Further welfare reform proposals may enable the Government to reach a lone parent employment rate of around 66 per cent – but this is still short of the 70 per cent target. It would also require a step-change in current trends – the lone parent employment rate would need to rise three times as fast in the next five years as it did in the last five if the 70 per cent target is to be met.

The Department is currently piloting an enhanced, integrated package of support for lone parents in five areas in England (with two further pilots in Scotland and Wales due to begin in October 2006). This package combines an advance payment for job search (Work Search Premium), some help with childcare, a guaranteed clear gain from work (via the In-Work Credit and tax credits) and support in work (from the In-Work Emergencies Fund and In-Work Support).



Further roll-out of this integrated package of support needs to be informed by evidence of its impact; evaluation of the programme's impact will not be published until December 2006. The evaluation will indicate whether the programme as a whole is more effective than the sum of its parts. Nevertheless, the emerging qualitative evidence suggests some elements of the package (for example, In-Work Credit) may be working better than others (for example, childcare support).

If the New Deal Plus for Lone Parents was expanded from 10 per cent of lone parents on Income Support to all lone parents, we would expect the lone parent employment rate to rise by 2–3 per cent.<sup>13</sup> While this would be an important step forward – and could lift up to 40,000 children out of poverty – it would clearly fall short of meeting the 70 per cent employment target. Other measures to strengthen support for parents looking for work and to enhance retention and progression – as discussed elsewhere in this report – will be necessary.

### Recommendation

#### **4. On the basis of evaluation evidence, the effective elements of the New Deal Plus for Lone Parents should be rolled out nationally.**

### Rights and responsibilities

If a stronger package of support for lone parents was in place and lone parents genuinely had access to affordable childcare and work that fits with their family commitments, there would be grounds for extending conditionality. The UK is out of step with many other countries in having relatively weak conditionality in their system for lone parents. Strengthening lone parents' responsibility to prepare for a return to work would be a logical next step.

The Department has already signalled that it will introduce six-monthly (rather than annual) work-focused interviews for lone parents who have been on benefit for at least a year and whose youngest child is aged below 11, and quarterly work-focused interviews for lone parents whose youngest child is aged 11 or over. But beyond this, any further extension of work-focused interviews may prove ineffectual. Nevertheless, given that less than one in five join the New Deal for Lone Parents following a work-focused interview,<sup>14</sup> more attention does need to be paid to addressing the reasons for non-participation.<sup>15</sup>

<sup>13</sup> Gregg P, Harkness S and Macmillan L, 2006, *Welfare to work policies and child poverty: a review of issues relating to the labour market and economy*, Joseph Rowntree Foundation – they estimated a 2 per cent increase.

<sup>14</sup> Lessof et al, 2003, *New Deal for Lone Parents evaluation: findings from the quantitative survey* p 97, Department for Work and Pensions Research Report No. 147.

<sup>15</sup> The Department is currently conducting research into the reasons for non-participation in the New Deal for Lone Parents. It has identified several reasons including lack of awareness, attitudes towards parenting and childcare, financial concerns and, in some cases, the lack of an explicit invitation to participate in the programme.



However, stronger forms of conditionality – along the lines already expected for Jobseeker’s Allowance claimants – could undermine the success of the New Deal for Lone Parents which has been built on the basis of positive, supportive engagement with parents. There would also be resistance to such a proposal, particularly in light of the reassurances made in the welfare reform Green Paper.

An alternative approach, and one that would not require a leap from ‘soft’ conditionality under the work-focused interview approach (which requires lone parents to come to quarterly/six-monthly meetings to discuss returning to work) to ‘hard’ conditionality under the Jobseeker’s Allowance system (which requires claimants to ‘sign on’ fortnightly and demonstrate that they are looking for work), would be to look at ways of encouraging work-related activity and job preparation. This is effectively being explored under the Work-Related Activity Premium pilots (see page 55).

This premium will consist of a £20 addition to Income Support for lone parents who have been out of work for at least six months, have a child aged 11 years or older and are undertaking work-related activity (which may include training, taking steps to sort out a debt or managing a health condition, for example). It will be available on an opt-out basis – lone parents will be eligible for the additional payment unless they specifically decline to prepare for a return to the labour market by undertaking work-related activities. The premium potentially offers a way to incentivise efforts to prepare for a return to work without penalising those who are not ready to take a job. The pilots will determine the impact of offering a payment

on an opt-out basis. On the basis of this evidence the Department should then look at whether a payment of this sort should be rolled out nationally – either on a voluntary or mandatory basis – to all lone parents with school-age children.

Whatever the next steps, there would be a need to ensure that suitable, affordable childcare was available before any extension of conditionality. By 2010, under the ten-year childcare strategy, some out-of-school childcare will be offered by all schools between 8am and 6pm but the nature and quantity of the out-of-school care will be determined by schools and will not necessarily meet demand. From 2008 local authorities will have a statutory duty to secure sufficient childcare for working parents. One way of making that duty ‘real’ would be to link any conditionality for parents to it. In other words, if parents were able to show that out-of-school provision in their area was not suitable for their needs, they would not be penalised for failing to take up employment.

### **Recommendations**

- 5. On the basis of evaluation evidence, consideration should be given to extending eligibility for the Work-Related Activity Premium to all lone parents of school-age children on a voluntary or mandatory basis.**
- 6. Any further extension of conditionality should be linked with fulfilment of the forthcoming local authority childcare duty to secure sufficient childcare for working parents.**

## Parents with disabilities

One in three children in poverty – between 700,000 and 850,000 – has a parent with a self-reported disability or long-standing health condition.<sup>16</sup> But because Welfare to Work programmes are primarily built around benefit entitlement, parents with disabilities can miss out on receiving appropriate support. Only around 200,000 children in poverty whose parent has a disability or long-standing health condition will have a parent eligible for Pathways to Work.<sup>17</sup> It seems substantial numbers of parents of children in poverty currently receive inadequate support for managing their disability/health conditions and this could be a major barrier to entering work.

Many of these parents are in couple families. But there are also 264,000 lone parents who are not working and have a self-reported, long-standing health condition.<sup>18</sup> Survey evidence seems to suggest that very few have accessed the Pathways to Work pilot – most are directed to New Deal for Lone Parents where they will receive little help with managing their health/disability.



<sup>16</sup> Lyon N, Barnes M and Sweiry D, 2006, *Families with children in Britain: Findings from the 2004 Families and Children Study (FACS)*, Department for Work and Pensions Research Report No. 340, Corporate Document Services.

<sup>17</sup> By December 2006, 40 per cent of new and repeat Incapacity Benefit claimants will have access to Pathways to Work – all Incapacity Benefit claimants will be eligible from April 2008.

<sup>18</sup> Labour Force Survey.

From October 2007, private and voluntary sector providers will deliver Pathways to Work for 60 per cent of Incapacity Benefit claimants. Contracts with providers will reward outcomes rather than dictating process, but it will be important for the contracts to incentivise efforts to tackle child poverty.

But given the number of parents with a health condition/disability who are not eligible for Pathways to Work, it will also be necessary to widen access to help. This could be achieved by extending eligibility for Pathways to Work or by introducing some condition management support within the New Deal for Lone Parents. This would help to increase lone parent employment and therefore reduce child poverty. For example, if all lone parents with a disability (as defined under the Disability Discrimination Act) and 20 per cent of lone parents with a work-limiting health condition participated in the Pathways to Work programme, an estimated 7,600 lone parents would move into work over and above those expected to anyway – which would increase the overall lone parent employment rate by nearly 0.5 per cent.

### **Recommendation**

- 7. The Department for Work and Pensions should widen access to help for parents with health conditions and disabilities.**

## Ethnic minority families

Reaching the child poverty targets requires particular efforts to reduce the level of poverty among certain ethnic minority groups. One in five children in poverty are from ethnic minority communities and rates of poverty among Black African, Pakistani and Bangladeshi children are now more than double the rate among white children.<sup>19</sup>

The high rate of child poverty among ethnic minority families is closely linked to labour market disadvantage. Much higher than average unemployment rates continue to be seen among some ethnic minority groups; this will become even more significant to overall child poverty rates as ethnic minorities are projected to account for half the growth in the working-age population up to 2011.

The ethnic minority employment gap is too often dismissed as resulting from 'cultural' differences when there is clear evidence of the significant barriers that ethnic minority groups face in entering and progressing in work. For example, a recent report from the Equal Opportunities Commission found that the potential contribution of Pakistani, Bangladeshi and Black Caribbean women to the labour market was not being realised because of structural barriers and discriminatory attitudes. It is these factors – rather than the attitudes of the women themselves – that is driving high unemployment, lower pay, poor prospects and labour market ethnic minority and gender segregation.<sup>20</sup> Some of this will be for the Department to resolve but in the context of a wider cross-government effort to tackle discrimination and champion equality, diversity and human rights.

Many of the issues highlighted in this report – such as the need to improve skills, extend access to childcare and strengthen efforts to improve retention and advancement in work – have particular relevance for families from ethnic minorities. The Government has established the Ethnic Minority Employment Task Force to tackle the main factors in ethnic minority employment disadvantage. Initiatives such as Fair Cities, Ethnic Minority Outreach, Partners' Outreach and the new City Strategy pilots aim to close the ethnic minority employment gap.

But the evidence about the nature of child poverty in ethnic minority families suggests that mainstream employment programmes (including New Deals and Pathways to Work) also need to be more attuned to the needs of ethnic minorities, and the lessons from various initiatives used to inform them.

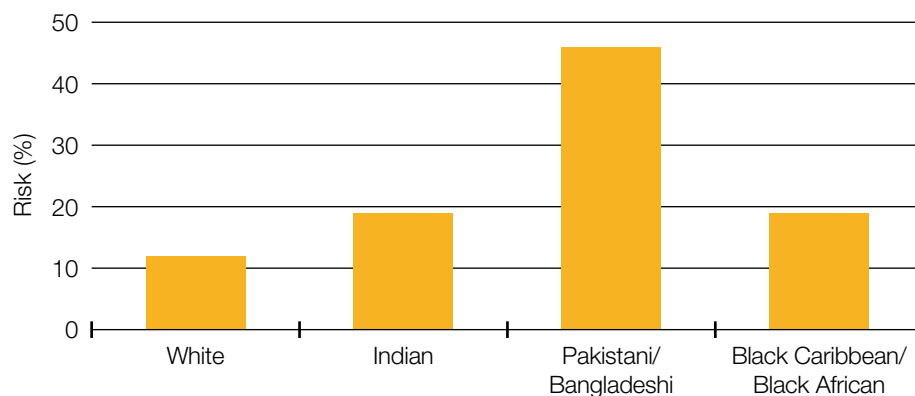
<sup>19</sup> *Households Below Average Income* statistics, and analysis by Platt L, 2006, *Ethnicity and child poverty*, research for the Ethnic Minority Employment Task Force, [www.emetaskforce.gov.uk](http://www.emetaskforce.gov.uk)

<sup>20</sup> Equal Opportunities Commission, 2006, *Moving on up? Bangladeshi, Pakistani and Black Caribbean women and work: early findings from the Equal Opportunities Commission's investigation in England*.

Research recently commissioned by the Department for Work and Pensions has shown that:<sup>21</sup>

- Measures to tackle poverty among lone-parent families benefit Black Caribbean and Black African children in poverty, more than two-thirds (69 per cent) of whom are living in lone-parent families. But there are twice as many children in poverty living in Bangladeshi/Pakistani families, only 14 per cent of whom are living in lone-parent families.
- Measures to tackle in-work poverty need to address the particularly high risk of low pay among Pakistani and Bangladeshi families – nearly half of children in Pakistani and Bangladeshi families reliant on a single full-time earner are in poverty compared to just 12 per cent of children in white families. The particularly low levels of pay found among Bangladeshi men is likely to explain this heightened risk.

Graph 3: Risk of poverty among children in couple families with at least one full-time worker



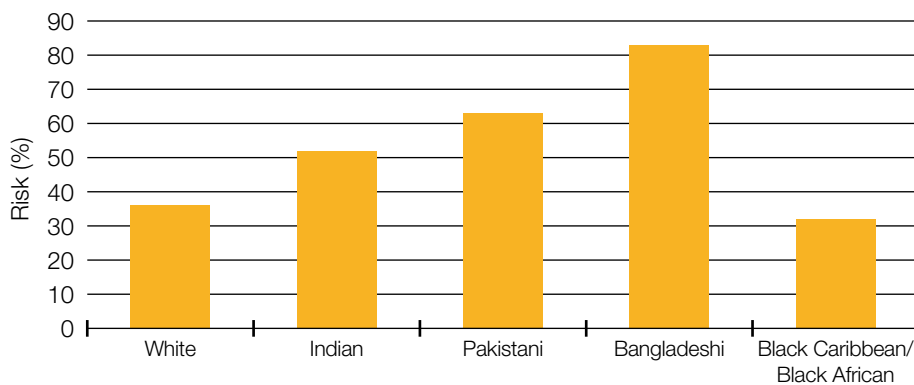
Source: Platt L, 2006, *Ethnicity and child poverty*, research for the Ethnic Minority Employment Task Force, [www.emetaskforce.gov.uk](http://www.emetaskforce.gov.uk). Data derived from *Households Below Average Income* statistics

Notes: Figures have been calculated from three-year rolling averages for 2002/03, 2003/04 and 2004/05 and relate to the whole of Great Britain. Ethnic group is measured on the basis of the household reference person.

<sup>21</sup> Platt L, 2006, *Ethnicity and child poverty*, research for the Ethnic Minority Employment Task Force, [www.emetaskforce.gov.uk](http://www.emetaskforce.gov.uk)

- Measures to reduce worklessness among disabled people need to support Pakistani/Bangladeshi families. Children living in such families where there is a disabled adult face a very high risk of poverty – 83 per cent in the case of Bangladeshi children – compared to 36 per cent of white children in similar circumstances. It is not clear why Pakistani/Bangladeshi children face such a heightened risk of poverty if they have a parent with a disability, or whether planned programmes will make a difference. (Only 1.3 per cent of participants on the New Deal for Disabled People are Pakistani/Bangladeshi.)

Graph 4: Risk of poverty among children in households with one or more disabled adults



Source: Platt L, 2006, *Ethnicity and child poverty*, research for the Ethnic Minority Employment Task Force, [www.emetaskforce.gov.uk](http://www.emetaskforce.gov.uk). Data derived from *Households Below Average Income* statistics

Notes: Figures have been calculated from three-year rolling averages for 2002/03, 2003/04 and 2004/05 and relate to the whole of Great Britain. Ethnic group is measured on the basis of the household reference person.

## Recommendations

- The Department for Work and Pensions should mainstream lessons from its pilot programmes aimed at reducing worklessness among ethnic minority households into national Welfare to Work programmes.
- The Pathways to Work programme should monitor its effectiveness in reducing levels of worklessness/child poverty among Pakistani/Bangladeshi households where there is a disabled adult.
- Future steps to extend support to in-work poor families should take account of the higher levels of in-work poverty among ethnic minority households.

## Childcare

A lack of suitable, affordable childcare is frequently cited by parents as a barrier to entering work. One in seven lone parents who are not working more than 16 hours a week cites unaffordable childcare as a barrier to employment,<sup>22</sup> for example. The lack of appropriate, affordable childcare is also a barrier to work for partners of benefit claimants who have children<sup>23</sup> and partners of single earners, and while some cite a preference not to work because of family responsibilities there are a significant proportion who say they would like to.<sup>24</sup>

The number of childcare places has nearly doubled since 1997. The situation should continue to improve in coming years: by 2010 under the ten-year childcare strategy, there will be 15 hours a week of free early learning and care for 3 and 4-year-olds, 3,500 Children's Centres and out-of-school childcare offered by all schools between 8am and 6pm all year round.

Nevertheless significant challenges remain in matching supply and demand and especially in meeting the childcare needs of low-income families. It is by no means clear that the ten-year childcare strategy will automatically deliver the kinds of changes necessary to meet the childcare needs of families in poverty, particularly the needs of certain groups such as children with disabilities. It also remains the case that a significant proportion of families are sceptical about using formal childcare. Initiatives that have attempted to encourage more low-income families to take up formal childcare have yet to deliver expected results.<sup>25</sup>

From 2008, local authorities will have a statutory duty to secure sufficient childcare for working parents and all local authorities are reviewing the level of demand for childcare in their areas, largely via survey work. Jobcentre Plus, as the principal agency working with job-seeking parents, ought to hold good intelligence about parents' childcare needs, views and preferences in order to inform the development of childcare locally. But Jobcentre Plus has not exploited this potential monitoring role.<sup>26</sup> Personal Advisers do not actively encourage parents to take up formal childcare (there is no performance indicator that measures the take-up of formal childcare), despite the fact that the Department for Work and Pensions shares a Public Service Agreement target with the Department for Education and Skills to increase the take-up of formal childcare by lower income working families by 50 per cent (take-up currently stands at 26 per cent).

<sup>22</sup> Lyon N, Barnes M and Sweiry D, 2006, *Families with children in Britain: Findings from the 2004 Families and Children Study (FACS)*, Department for Work and Pensions Research Report No. 340, Corporate Document Services.

<sup>23</sup> Arrowsmith A, 2004, *A review of what we know about partners of benefit recipients*, Department for Work and Pensions.

<sup>24</sup> Lyon N, Barnes M and Sweiry D, 2006, *Families with children in Britain: Findings from the 2004 Families and Children Study (FACS)*, Department for Work and Pensions Research Report No. 340, Corporate Document Services.

<sup>25</sup> Early and emerging evidence from the Extended Schools pilot seems to confirm this.

<sup>26</sup> From 2007/08, Jobcentre Plus will collect information, for new claims only, on whether a customer has declared barriers to work because of childcare needs.

Jobcentre Plus' role in relation to childcare is currently limited:

- There are only 60 childcare partnership managers – one for each district – responsible for improving access to childcare information and building links with Children's Centres. They are tasked with improving the awareness of formal childcare and the local childcare market within their district (including local opportunities to train/work in childcare), working with the local authority and other strategic partners and undertaking analysis of the gaps between childcare supply and demand.
- Parents are not routinely offered information about accessing childcare. There is no internal performance management indicator on childcare and therefore no means of systematically assessing the level and nature of demand for childcare services, or evaluating the help provided by Jobcentre Plus.
- Levels of take-up of financial support for childcare via Jobcentre Plus are very low.<sup>27</sup> All participants on the New Deal for Lone Parents and New Deal for Partners are entitled to Childcare Assist. This pays for childcare in the week immediately before a parent takes up a job. Only £56,000 was spent in 2005/06 which suggests few parents are claiming this support.<sup>28</sup> Evaluation evidence suggests that parents do not find Childcare Assist helpful either because they do not want to be apart from their children the week before they start a job or because they tend to start employment at short notice.
- In addition, all participants on the New Deal for Lone Parents and the New Deal for Partners are entitled to Childcare Subsidy.<sup>29</sup> Only £243,000 was spent on this in 2005/06, suggesting that only around 200 parents claimed (0.3 per cent). Lone parents may also receive help with upfront childcare costs – maximum £300 per week at the adviser's discretion – but we do not know how often this subsidy is given.
- Beyond the New Deal for Lone Parents, childcare support for parents is limited. Parents on the New Deal for Young People and the New Deal 25 Plus may receive assistance with childcare costs if childcare responsibilities are preventing them from participating in Jobcentre Plus contracted provision (but not those on the employment option because they are receiving a wage). There is no childcare funding offered to parents on the New Deal for Disabled People.

<sup>27</sup> Take-up of childcare costs for training/attending interviews is higher. £1.2 million was spent in 2005/06.

<sup>28</sup> Given average weekly childcare costs of £23 per week (source: *Childcare and Early Years Provision: A study of parents' use, views and experience*, Department for Education and Skills, 2006) this suggests few parents are claiming – around 2,400 (about 4 per cent of participants) at most.

<sup>29</sup> This pays childcare costs up to a maximum of £67.50 per week (£100 per week for two children) for up to 52 weeks, if agreed with the adviser and the customer is moving into part-time work.

Enhancing the role of Jobcentre Plus in gathering intelligence about parents' childcare needs, views and preferences will be essential if the ten-year childcare strategy is to respond to the needs of low-income families. Jobcentre Plus is in the unique position of having regular contact with job-seeking parents – its data will inevitably be more up-to-date than annual surveys undertaken by local authorities. But Jobcentre Plus also needs to play a bigger role in promoting the value of high-quality early years' services for children's development. The take-up of nursery education and care for 3 and 4-year-olds is lower among poor families, yet it is children in these families who stand to gain most from such provision.<sup>30</sup> By offering job-seeking parents childcare chats and tasters, Jobcentre Plus could help to ensure that the benefits of good quality early years' provision are universally shared.



<sup>30</sup> Sylva K, Melhuish E, Sammons P, Siraj-Blatchford I, Taggart B, 2004, *The Effective Provision of Pre-School Education Project: Final Report*, Department for Education and Skills.

## Recommendations

11. All parents (mothers and fathers) on Welfare to Work programmes should be:
  - asked about their childcare needs and the information recorded for management purposes;
  - offered help with securing childcare by providing information or being given an appointment with the local Childcare Information Service;
  - offered a childcare visit/taster and advice on how to meet childcare costs when they move into work if they have not used formal childcare; and
  - offered childcare costs at the adviser's discretion for those needing to attend training/interviews.
12. The Department for Work and Pensions should review the level and nature of its subsidy support (Childcare Assist, Childcare Subsidy, etc) in light of better intelligence about what parents need.
13. While childcare partnership managers are working well in some regions, there is variation in approach and performance. The role of childcare partnership managers should be more clearly defined:
  - On the basis of management information about parents' needs and preferences for childcare, childcare partnership managers should work with the local authority to ensure that supply better meets demand and, where possible, 'broker' deals with providers.
  - Childcare partnership managers should develop Jobcentre Plus outreach work, establishing links with all Children's Centres (see page 51).
14. Personal Advisers should receive training on the contribution of good quality childcare/early education to children's development and the options available.
15. Jobcentre Plus' management information and target structure should reflect the Department for Work and Pensions' joint childcare Public Service Agreement target.

## Flexible working

While the right to request flexible working has improved access to more family-friendly working patterns for parents in work, we know that many parents are deterred from working because they do not feel that they can find a job that will fit in with their caring responsibilities.

Flexible work opportunities have increased in recent years, although not in all areas of the labour market. And, in reality, parents who are out of the labour market are least likely to be able to negotiate their working hours. There is also evidence for increased demand for flexible working arrangements, amid concerns about the impact of long, inflexible and 'atypical' working hours on family life.<sup>31</sup> Parental employment rates are unlikely to increase significantly unless there are more opportunities for parents to work hours that are compatible with their caring responsibilities.

At present Jobcentre Plus does not systematically promote or broker flexible working arrangements on behalf of customers. This partly depends on there being a good local dialogue with employers about labour market demands and the needs of the labour force. But it also rests on Jobcentre Plus undertaking proactive work to broker arrangements between employers and its customers, by establishing job-share registers, identifying working patterns that meet parents' needs and working with employers to develop solutions. By taking a confident, proactive stance, Jobcentre Plus could play a major role in negotiating working patterns that meet both employers' and employees' needs. As a minimum, the level of information about the nature of jobs needs to improve. Job adverts do not routinely state whether there are opportunities to work flexibly.

### Recommendations

- 16. Where flexible working opportunities are available, Jobcentre Plus adverts for vacancies should clearly state this.**
- 17. Jobcentre Plus should pilot schemes to encourage opportunities for flexible working arrangements for parents, perhaps drawing on the experience of recruitment agencies.**

<sup>31</sup> See, for example, Barnes M, Bryson C and Smith R, 2006, *Working atypical hours: what happens to family life?*, National Centre for Social Research.