

Work and Pensions Longitudinal Study – List of Uses

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Contents:

Work and Pensions Longitudinal Study – Background Information.....	3
What is it?.....	3
What is it used for?.....	3
Work and Pensions Longitudinal Study – List of Uses.....	4
Contact points for further information.....	9

Work and Pensions Longitudinal Study – Background Information

What is it?

Introduced in January 2004, and enhanced in October 2005, the Work and Pensions Longitudinal Study (WPLS) links benefit and programme information held by DWP on its customers, with employment records from Her Majesty's Revenue & Customs (HMRC).

- New data-sharing provisions introduced in the Employment Act 2002 opened the way for DWP to receive further data on employment from HMRC and use the information for more purposes. DWP and HMRC have been working together to enable this data sharing to take place and to develop safeguards for the initiative.
- The Work and Pensions Longitudinal Study has long been discussed within Government and offers DWP the opportunity to significantly improve both the analytical evidence base and operational effectiveness of the Department.
- Its aims are focused around supporting the Department's agenda for Child Poverty, Welfare-to-Work and Retirement Income planning policy, and enabling us to find out more about what works and what does not. This will, therefore, allow us increasingly to target our resources to the appropriate people, in the appropriate way.
- The Pensions Act 2004 provides for the Secretary of State's new functions to promote and facilitate retirement planning.
- To enable the Secretary of State to carry out his function of promoting and facilitating retirement planning the Department has enhanced the WPLS by the exemption of Individual Savings Accounts (ISAs), Personal Equity Plans (PEP), Tax Exempt Special Savings Account (TESSA), private pension pots or savings accounts information from HMRC for people aged 60 or over.
- The Department has also enhanced WPLS by the addition of HMRC earnings, and Housing Benefit and Council Tax Benefit data for all people aged 60 or over.

What is it used for?

A written statement to Parliament in December 2003 stated that WPLS would be used to perform a range of statistical and research analyses, and some limited operational purposes, to give the Department further opportunities to evaluate the effectiveness of its businesses, for example:

- provide statistics, management information and research on the success of Jobcentre Plus in helping people into work and keeping them in work;
- help to evaluate individual policies and their impact in the short, medium and long-term;
- determine the family unit for pensioners to establish overall pensioner income from benefits;
- aid in the investigation of fraud; and
- provide us with the opportunity to improve the way we target clients through marketing initiatives

A further written statement to Parliament in the autumn of DWP's intention to enable the WPLS to capitalise on the additional data provided on Housing/Council Tax Benefit and HMRC to:

- Improve data matching to support Pension Credit take-up campaigns;
- Better understand and research people who work beyond state pension age as part of our research into retirement planning and to assist the development of the pensions policy;
- Understand the links between savings held and the benefits system in retirement and how people are using or accumulating savings in retirement

Work and Pensions Longitudinal Study – List of Uses

The Work and Pensions Longitudinal Study (WPLS) provides the opportunity for DWP to significantly improve both the analytical evidence base and operational effectiveness of the department, developments due to go live from October 2005 will help DWP to improve our policies, and better target our resources to those most in need in assistance, improving the service to our customers.

The WPLS was initially released in January 2004.

Below is a list of uses the Study has been put to at June 2008.

Child Support

- For research and analysis in relation to child support policy.
- Analysis of data to simplify and improve the flow of child support maintenance from non-resident parents to parents with care.

Forecasting

- To produce accurate forecasts.
- To improve policy modelling and forecasting.
- To understand the drivers behind flow on and off benefits, to produce robust forecasts of benefit caseload and expenditure in order to inform public expenditure planning and Departmental resource allocation.
- To enhance our ability to forecast future benefit receipt and combinations of benefits by customer group.
- To assist in long term forecasting/projection of expenditure on Retirement Pension.
- To insert figures into our models of Statutory Maternity Pay and Maternity Allowance and allow us to forecast expenditure and calculate compensation rates amongst others.
- To investigate potential improvements in analytical models. In particular to quality assure the output of developmental models which examine the key contributors to eligibility for certain benefits.
- To model the future Employment Support Allowance (ESA) caseload and determine the rate at which to the ESA is set, in turn allowing for accurate forecasts of future spending on the ESA.

Fraud and Error

- To identify fraud risk and potential/actual provider fraud against Jobcentre Plus and DWP Programmes.
- To support work in improving the targeting and performance of DWP Programme Protection Activities.
- To assist the Department to identify benefit histories of customers when undertaking work relating to or considering improvements to departmental business processes and providing information required under appropriate legislation to other government departments.
- The development of a customer centric fraud and error database, enabling customer rather than product focussed fraud referrals.

Pensions

- Access to work and earnings information for the over 60 cohort to research potential Pension Credit take-up.
- To provide research to help senior managers understand the impacts of pension reforms on The Pension Service.
- To contribute to Government targets to eradicate pensioner poverty and promote independence and security in retirement through the take up of benefits and entitlements by contacting potentially eligible people.

- The maintenance and development of Pensim2, the DWP dynamic micro-simulation model of pension membership and pensioner income.
- To widen the research into the estimated impacts of changes to Basic State Pension announced in the White Paper (May 2006).
- Analysis that will help us gain a better understanding of our pensioner client group, which will help the directorate in its work to reduce pensioner poverty by increasing the take-up of pensioner benefits.
- To produce datasets that are used for operational and research purposes for the aim of reducing pensioner poverty by increasing the take-up of pensioner benefits.
- Secondary analysis of L2 data to develop and inform the pensions statistics evidence base.
- We need to build carry out analysis to strengthen the evidence base on the relationship between Housing Benefit and the incentives to save for retirement.
- The development and deployment of Rapid Review National Implementation and MI.

Working Age

- To use for the Job Outcome Target to measure how many people Jobcentre Plus have helped into work. The Job Outcome Target is used to measure Jobcentre Plus performance.
- Ongoing production work of the various databases for the purposes of the Job Outcome Target.
- For setting and analysing performance against Job Outcome and other Jobcentre Plus targets.
- To monitor and understand Jobcentre Plus performance against its Job Outcome Target.
- Construction and use of the Job Outcome Target predictor model to produce more timely final performance.
- To undertake the quantitative evaluation of the Mandatory Intensive Activity Period (IAP) pilots for 50-59 year olds. The IAP pilot is analysing the impact of making it mandatory for those aged 50+ on the New Deal 25+ to complete the IAP period of the New Deal 25+.
- To determine the number of people gaining a job whilst participating on a New Deal programme and the immediate destination of a participant leaving the New Deal programme.
- To track long-term employment outcomes from the Skills Coaching strand of New Deal for Skills.
- To track long-term employment outcomes from those who have had contact with the Learn Direct programme.
- To conduct an evaluation of Pathways to Work pilots to examine their on-off flows, employment, wages and health for existing customers.
- To undertake analysis of the Progress 2 Work and Freshstart client groups.
- To assess the impact on economic outcomes of the Employment Retention Advancement Project (ERA).

- To carry out a Net Impact study on the Working Neighbourhoods Pilot to determine the cost effectiveness of the pilot.
- To analyse the impact Want2Work has had on the likelihood of moving into work.
- To assess the impact of a series of Lone Parent pilots, including the work search premium and in work credits.
- Analysing benefit data on Lone Parents and their destinations from Income Support and New Deal for Lone Parents.
- To conduct analysis of programme data, benefits and employment information to analyse the effectiveness of Working Age programmes and initiatives for lone parents, partners and the sick and disabled into work.
- Analysis of patterns of movement into and out of work for disabled people and the impact of disability employment programmes.
- To understand why employment rates are much lower in some geographical areas so that we can develop appropriate policies to increase employment in deprived areas.
- Assessment of Jobcentre Plus and provider performance.
- To evaluate the performance of Private Sector Led provision.
- To see how customers have progressed in moving toward the labour market.
- Analysis of JCP performance and labour market programmes.
- To establish how effective mainstream labour market policies are at getting people off benefits and back to work.
- To enable research into employment/benefit trends over time and the effect of policy changes and economic factors on the labour force.
- To explore local labour market failures and use of information shortcuts by employers in recruitment decisions.
- Analysis of benefit receipt and employment programme participation and outcomes in different age groups.
- To carry out an academic study aimed at ascertaining how the generosity of the benefits system influenced the destinations following a period of unemployment and the salary and sustainability of jobs gained subsequent to that period of unemployment, and how these factors relate to re-occurrence of spells of unemployment.
- To monitor if an off flows measure affects movements into work from benefits.
- Investigation into benefit flows and production of early estimates of working age benefit caseloads.
- To provide analysis supporting greater benefit simplification and improved work incentives.
- To aid the quality assurance of National Statistics on people claiming Jobseeker's Allowance.
- To answer parliamentary questions and briefing requests for Disability Living Allowance/Attendance Allowance.
- To provide destination details of early service leavers from the armed forces and to ascertain the effectiveness, or otherwise, of the sign-posting

service provided to these personnel to assist them in making the transition back to civilian life.

- Anonymised data will be used to track levels of deprivation at Lower Super Output Area level across the whole of England and Wales between 1998 and 2005, work which has been commissioned by the Office of the Deputy Prime Minister.
- To generate modelling of migrant workers activity by tracking cohorts over time.
- Improvements to National Statistics on Migrant Workers statistics.
- To analyse the integration of migrants into the UK labour market over time.
- Monitor the implementation and impact of policies set out in the Leitch review of skills.
- Need to sample and identify the characteristics of those who receive Basic Skills and ALO provision.
- To link data from the Family Resources Survey (FRS) to administration records held by DWP to enhance the use of the survey data. Only for FRS respondents who consent to having their data linked.

Other Uses

- To create the tables which can be viewed on the DWP tabulation tool available on the internet.
- For developing information about who are DWP's customers and what products and services they require from us.
- To establish an up to date profile of the current stock of National Insurance Numbers (NINO) and reduce to a minimum the number of NINO accounts that are inactive.

Any new uses of the data will be added to the above list, and posted on the DWP website at http://www.dwp.gov.uk/asd/longitudinal_study/ic_longitudinal_study.asp every three months.

As detailed within the safeguards document, an Ethics Committee has been established. Any new uses of the data, which the Head of Data Matching Services in DWP considers should be referred to the Ethics Committee, will not be taken forward until the committee has discussed and voted upon them.

Contact points for further information:

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