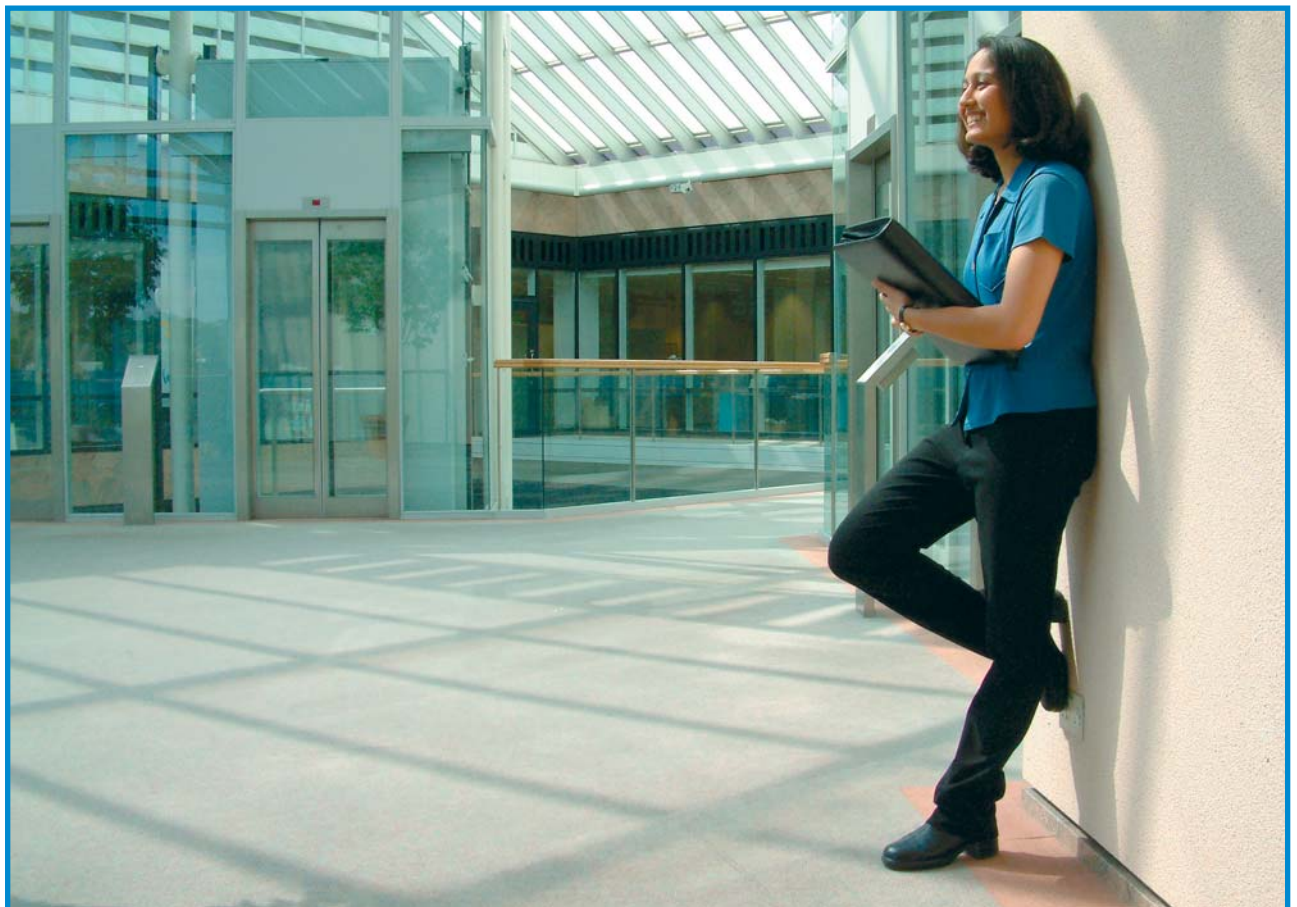


Work Works

Final Report of the
National Employment Panel's Steering Group on Lone Parents



Ben Verwaayen
Chair

April 2003

Contents

Executive Summary	3
Introduction	9
Our approach	
The challenge	
Our recommendations	
The Work Agenda: Persuading & Preparing Lone Parents	11
Making the decision	
Re-engaging lone parents	
Getting ready	
Easing the transition	
Sorting Childcare	21
Increasing Employer Support for Childcare	
Building the Industry	
Encourage lone parents to use formal childcare	
Starting Work & Staying in Work: The Role of Employers	25
Raising recruitment	
Starting Work	
Flexible Work	
Communications	29
Lone parents	
Employers	
Implementation Approach	33
Discovery Week	34
Membership of the Lone Parent Steering Project	36
Steering Group	
Working Group	
Communications Group	
The Lone Parent Steering Project	38
Groups	
Focus Groups	
Papers Commissioned/Distributed	
Other Work	

Executive Summary

Government has set an exceedingly ambitious objective of raising the proportion of lone parents in work to 70% by 2010. The figure was 45.6% in 1997. It is almost 54% today — a very significant achievement. While the planned additional investment should go some way towards ensuring that the target is met, the goal remains a serious challenge.

In September 2002, Gordon Brown, Chancellor of the Exchequer, and Andrew Smith, Secretary of State for Work and Pensions, asked the National Employment Panel (NEP) to convene a Steering Group of business leaders to examine what more might be done, particularly by employers, to increase the numbers of lone parents who get, stay and progress in work.

The Steering Group, Chaired by Ben Verwaayen, Chief Executive of BT, has developed a range of proposals which represent an action agenda for Government and employers, **focusing on the six metropolitan areas where the largest numbers of lone parents live** (London, Glasgow, Birmingham, Manchester, Liverpool and Leeds/Bradford), starting initially in London and Glasgow.

Lone parents with children under 16 can choose whether to work or not. In a voluntary programme, they must be 'wooded' into work. Currently only 9% of non-working lone parents decide to move into employment each year. Therefore, **the first of our proposals are designed to increase the numbers who choose to work or join the New Deal for Lone Parents (NDLP)**. They include:

- increasing the **frequency and quality of the interaction** between Personal Advisers and lone parents
- **introducing 'Discovery Week'**, an intensive period to build self-confidence and explore alternative lifestyles, interests and career paths
- establishing a **mentoring service** as part of Discovery Week to offer practical and personal support on the journey to work
- **reviewing the in-work benefits** offered to lone parents to ensure that work pays

Moving from
benefit into
employment

The New Deal for Lone Parents is designed to encourage and prepare lone parents for work. Although successful for those who take part, participation is low. NDLP has relatively little to offer two important groups: the significant proportion of lone parents who lack basic or vocational skills and those who aspire to better jobs. The aim of our next recommendations is to **improve NDLP** by:

- introducing **diagnostic assessments** to measure lone parents occupational interests, aptitudes and skills
- making **education and training an integral part of NDLP** to increase job readiness and to give lone parents access to a greater diversity of jobs, particularly in skill shortage areas
- ensuring that Jobcentre Plus purchases training provision that meets both **lone parents' needs** and **employers' job readiness standards**
- providing **subsidised employment opportunities** for disadvantaged lone parents

The Steering Group believes that the 'pulling power' of the job market can be increased by giving lone parents greater choice in the hours, pay and occupational range of the work on offer. To **expand the diversity and accessibility of jobs** requires action by both Jobcentre Plus and by employers. Our suggestions include:

- **targeting marketing** efforts on local employers which are likely to be able to meet lone parents' needs for flexible hours and better pay
- increasing the frequency of **contact between employers and Personal Advisers** to enhance knowledge of labour market opportunities and improve companies' understanding of lone parents as a valuable recruitment source
- developing **customised training, work experience and job preparation packages** for lone parents
- **expanding employers recruitment sources** by listing vacancies with Jobcentre Plus, local community groups and organisations serving lone parents and their children
- **removing unnecessary barriers to work by employers** including rigid qualification criteria and working time requirements as well as advertising flexible work practices in recruitment materials
- using Jobcentre Plus **vacancy taking process to promote worklife-balance**

Lack of affordable, accessible childcare is the single most important barrier to work for lone parents on Income Support. The Government is putting considerable resources into its childcare strategy, more than doubling its investment in childcare by 2006. Employers can do more to support childcare provision but ultimately, the funding, planning and delivery of childcare for lone parents is a matter for Government.

In our view, Government could encourage many more employers to invest in childcare for their employees by instituting **a tax and national insurance regime which gives exemption on all forms of registered childcare**, not just workplace nurseries. We believe that this would change the climate in which employers make decisions.

In the near term, our recommendations focus on practical action which should be taken in the six metropolitan areas. We suggest that Jobcentre Plus Childcare Partnership Managers, working with the Panel's Employer Coalitions, should identify those companies and public sector organisations which have strong recruitment needs, a predominately female workforce or are operating in the 24/7 economy. These employers have a stake in expanding local childcare provision and should be recruited to serve as **childcare champions**. Together, their role would include:

- **purchasing** bulk childcare places for employees and **sponsoring** out of school clubs and holiday play schemes
- providing **staff training and equipment** for childcare facilities
- encouraging informal child carers to train and register as registered childminders
- leading **awareness campaigns** and **advocating additional investment** in childcare with Regional Development Agencies, Government Offices and local authorities

Many lone parents prefer informal rather than formal care. The drawback is that they receive no financial help towards the cost, thus reducing their net gains from working.

In order to **encourage greater use of local formal provision** we propose:

- **streamlining the process** for informal carers to register as childminders by approving the individual but not their premises
- offering lone parents **free 'childcare taster' weeks** to increase confidence in local formal provision
- **funding childcare in the week before a lone parent starts a job**, to enable her to settle a child in advance of starting work

For lone parents making the transition from the security of Income Support to the more risky (if ultimately more rewarding) world of work, the first two months on the job are the most precarious.

Government and employers can do more to **ease the transition into work**. We recommend:

- Jobcentre Plus increasing support to lone parents in the initial weeks through **continued contact from Personal Advisers** and through **emergency financial help** using the Adviser Discretionary Fund
- Employers making **flexible payment arrangements** to new staff; ensuring **front line supervisors** are sensitive to issues facing lone parents coming off benefit; and encouraging staff (particularly working lone parents) to serve as **mentors and job coaches**

However, the single most important action that employers can take to increase the number of lone parents who enter and stay in work is to adopt **family friendly, flexible working practices**.

Promoting work-life balance policies gives many organisations a competitive edge.

Emerging DTI evidence indicates that businesses which have adopted these practices find it easier to recruit and retain staff from a wider pool; experience greater loyalty and productivity; and see reductions in stress, sick leave and absenteeism.

The adoption of work-life balance practices should be accelerated in April 2003, when employees with children under 6 or disabled children under 18 years will have the right to request to work flexibly.

We believe that employers should be encouraged to build on this by:

- **extending the right to request flexible working to new employees** rather than waiting until the mandatory six month point
- **adopting the voluntary 'Investors in People' module** on flexible working when introduced later this year
- reviewing their HR practices to offer flexibility around employment patterns

Reaching lone parents and employers is crucial to the overall objective of increasing job opportunities for lone parents. We propose a communications strategy focused on lone parents and employers in **the six metropolitan areas with the greatest concentrations of lone parents**.

We recommend that a communication strategy for lone parents should focus on **the improved lifestyle that work can bring** through more choice and independence, social networks, skills, and opportunities for children. The message should be delivered through **trusted intermediaries** rather than Government representatives, through **local events**, and through **facilitated local groups** established through Discovery Week.

For **employers**, we recommend that the communications strategy should **piggyback on DTI's campaign** to promote flexible working practices. We also recommend that the communications within the six areas should be **targeted on sectors and occupations** which will increase job choice, flexibility, pay and progression for lone parents.

The Steering Committee recognises that there are constraints on funding and on the capacity of Jobcentre Plus to implement our recommendations. Moreover, we know that some of our ideas are new and should be **tested** before being adopted more widely. We believe a sensible approach is to pilot the ideas within this report in the six metropolitan areas: London, Birmingham, Manchester, Liverpool, Leeds/Bradford and Glasgow. The Steering Group has committed to assisting with the first prototypes in London and Glasgow.

While Jobcentre Plus will be responsible for the delivery of most of our proposals, their success will depend on the active support of local employers. To accelerate the pace, we recommend that, in each city, an employer organisation, in most cases the National Employment Panel's **Employer Coalitions**, should be invited to work with Jobcentre Plus in implementing the activities recommended in this report.

We envisage that employer participation in each site might include such activities as:

- establishing **Discovery week** and recruiting employee mentors for lone parents
- increasing **access to jobs, customised training and subsidised employment** opportunities
- participating in the **design of sector training** and work experience programmes for lone parents
- contributing to **Personal Adviser workshops** and work shadowing
- supporting activities designed to **increase local child care** provision
- **reviewing workplace practices** to ensure they meet best practice standards and promotion to other local employers

To give focus to its work, we believe that **annual goals should be set for each city** for increasing the number of lone parents entering and staying in work over and above Jobcentre Plus' existing target.

Introduction

Government has set an exceedingly ambitious objective of raising the proportion of lone parents in work to 70% by 2010. The figure was 45.6% in 1997. It is almost 54% today — a very significant achievement. While the planned additional investment should go some way towards ensuring that the target is met, the goal remains a serious challenge.

In September 2003, Gordon Brown, Chancellor of the Exchequer, and Andrew Smith, Secretary of State for Work and Pensions, asked the National Employment Panel (NEP) to convene a Steering Group of business leaders to examine what more might be done, particularly by employers, to increase the numbers of lone parents who get, stay and progress in work.

1

The Steering Group, chaired by Ben Verwaayen, Chief Executive of BT, has been supported by a Working Group of HR Directors and several subgroups looking at specific issues. We have had to work hard and at a fast pace in order to produce recommendations in time for the 2003 budget. Between October and February, we have held over 30 meetings, commissioned 20 papers and organised seven focus groups.

We have taken as our starting point the very considerable work that has already been done by the Treasury, the Department for Work and Pensions (DWP), and Jobcentre Plus. Our recommendations build on that work and on the existing delivery system. We have not attempted to compile an exhaustive list of suggestions but have focused instead on relatively few changes which we believe will have the greatest impact in meeting the 70% target.

In making our recommendations, the Steering Group has tried to follow *three rules: for Government, they must be effective; for employers, they must be easy; for lone parents, they must be simple and safe.* We have not had time to consider the resource implications of our recommendations or to cost any of our proposals. However, it is clear to us that given the complexity and the scale of the task, it will not be possible to achieve the target without a serious and sustained investment of public funds.

We believe that the task is possible if the bulk of these funds is focused on a few areas with high concentrations of lone parents and active business engagement. We have, therefore, developed our proposals as an action agenda for *Government and employers in six major cities: the metropolitan areas covering Glasgow, Liverpool, Manchester, Leeds /Bradford, Birmingham and London.*

Our Approach

The Challenge

There are currently 840,000 Lone Parents on Income Support.¹ They are a highly diverse group, few of whom meet the stereotypical image of an unmarried teenage mother. Most lone parents (92%) are women. Their average age is 36. On average, they have 1.5 children with nearly half having a child under five and 70%, a child under 10 years.

Fifty-one percent of lone parents on Income Support have no academic or technical qualifications. A fifth are qualified up to NVQ2 level, and about 8% have qualifications of A-level (5%) or degree (3%) standard.²

The majority of lone parents (77%) say they would like to work at some point and most (82%) have had some work experience although it is likely to have been in a low skill, low paid job.³

Most lone parents are poor. Over 50% of one-parent families live below the poverty line. The majority (68%) live in the 30 most deprived wards. Indeed, over 40% of out-of-work lone parents are concentrated in just six metropolitan areas: the metropolitan areas covering London, Birmingham, Manchester, Liverpool, Leeds/Bradford and Glasgow.

Taken together, these facts make the challenge of meeting the 70% target daunting. Using a crude calculation, we estimate that, by 2010, 300,000 more lone parents will need to be in work than today. However, we believe that, with a concerted effort in the six areas with the largest numbers of lone parents, — particularly London which has a fifth of all out-of-work lone parents — the target can be met.

Our Recommendations

During the course of the Steering Group's deliberations, four factors emerged which we believe are essential to meeting the 70% target. The first is the need to increase significantly the *number of lone parents who perceive work as a viable option* and the pivotal role that is played by Jobcentre Plus *Personal Advisers* in helping them to move from benefit into employment. The second is the need for *affordable, accessible childcare* as a pre-requisite for employment for most lone parents. The third is the need to engage employers, particularly in increasing the number of businesses which adopt *flexible workplace practices*, allowing many more lone parents the opportunity to work. The fourth is the critical importance of a *communications strategy* in reaching lone parents, employers and staff throughout the delivery system.

In the following sections, we discuss our recommendations and the reasons for them. We conclude with suggestions for implementing our ideas, starting initially in London and Glasgow.

The Work Agenda:

Persuading & Preparing Lone Parents

A lone parent's decision to leave the security of Income Support for the more precarious, if rewarding, independence of employment can be perplexing and difficult. She must first be convinced that work is a good choice. Specifically, she must decide that she and her children will be better off personally and financially; frequently she must base this choice on complicated and confusing information. She must then gain the confidence to select and prepare for a job. In the process, she must tackle the complex problems of childcare, transport, finance, housing and health — each of which may undermine her ability to get and keep a job.



Lone parents with children under 16 years old can choose whether to work or not. Currently, only 9% of non-working lone parents decide to enter employment each year.⁴

To assist them move from welfare into work, Jobcentre Plus offers the voluntary New Deal for Lone Parents (NDLP). Although a modest programme, it is successful. NDLP roughly doubles the employment chances of those who participate.⁵ The problem is that it is failing to engage most lone parents: at any one time, only 13-14% of eligible clients are enrolled in the programme.⁶

To encourage more lone parents to join New Deal and to inform them about other back to work help, they are now required to attend one Work Focused Interview (WFI) each year (two in the first year of a claim). However, of those who attend, only 23% then go on to join NDLP.⁷ At this rate of take up, it is unlikely that the 70% target will be met.

In a voluntary programme, *lone parents must be 'wooded' into work*. The work of Jobcentre Plus Personal Advisers is crucial to this process. From initial contact at a WFI through to settling the lone parent in a job, Personal Advisers must serve as career counsellor, financial advisor, social service expert, case manager and friend. They have a formidable task and, in our view, their existing toolkit is limited.

Our first set of recommendations aim to help Personal Advisers convince more lone parents to take the first step towards work.

Making the Decision

Personal Advisers must be able to make a *compelling case* that the rewards will outweigh the risks to income security. (Equally important, they must be forthright in those cases where the financial gains are marginal.) Personal Advisers need sufficient time and fast, accurate information to assess each individual's situation and to make the case.

To facilitate the decision-making process, we recommend:

Increase the interaction between lone parents and Personal Advisers

Compulsory meetings are scheduled only once a year (with two in the first year of a claim). We believe that this contact between Personal Advisers and lone parents is too infrequent to convey effectively the 'work works' message.

Research shows that the majority of lone parents are positive about their initial Work Focused Interview with a Personal Adviser. However, the average interview lasts less than 30 minutes.⁸ We think that this is insufficient time to inform lone parents about the array of services and in-work financial support that are available; to assess their interests and aptitude; and to engage their interest and enthusiasm for participation in New Deal.

Short meetings do make sense to avoid information overload. But an initial meeting must be followed by others in close succession to maintain momentum. Only 20% of lone parents have any further 'voluntary' contact with a Personal Adviser between compulsory meetings and only one in seven (15%) have a face-to-face meeting.⁹

We considered a proposal to require more Work-Focused Interviews. However, we believe that demanding a standardised process for all lone parents risks becoming simply a 'box ticking' exercise for overburdened staff. Instead, we think it makes more sense to retain an element of discretion and to place greater focus on the *content and quality of the interaction* between Personal Adviser and lone parent.

We recommend that Personal Advisers are sufficiently resourced to maintain contact with those lone parents who can most benefit between the compulsory meetings. Personal Advisers should use their best judgement to decide the frequency and method (interviews, phone, etc.) of the contact. The result of this investment should be a measurable increase in the number of lone parents entering work or New Deal.

Make the personal and business case for lone parents

Personal Advisers must be able to make the personal and business case for working in a manner that appeals to lone parents and is easily understood.

We found that some of the most effective Personal Advisers emphasised the potential *non-financial benefits of work: independence, social networks, skills, and better opportunities for children*. We think Personal Advisers might be helped to reinforce this message through the use of videos picturing local lone parents who have 'graduated' from NDLP and are now enjoying

their new jobs. The videos should be designed as ‘take-aways’ so lone parents can look at them in their own time.

Equally important, lone parents need practical information about the financial consequences of working and the support that is available to reduce the risks or to offset some of the work-related costs.

A recent report indicates that some 50% of lone parents are concerned about being worse off financially if they work or study.¹⁰ Jobcentre Plus now offers a ‘better-off in work’ calculation to some lone parents. The formula calculates income on benefit and compares it with total net income from working, taking into account net earnings and ‘in work’ benefits/tax credits available.

The in-work calculation is a critical tool in helping a lone parent to assess realistically her likely level of net income if she takes a job. However, only a third of lone parents receive an in-work benefit calculation during a Work-Focused Interview.¹¹ This contrasts markedly with the 85% of NDLP participants who have received or discussed a better-off calculation with their Personal Adviser.¹²

The Steering Group believes that, following their work-focused interview, *all lone parents should be provided with a personalised, easily understood statement of their net income if they choose to work.*

This will entail considerable refinement of the current calculation process which is cumbersome, slow and incomplete. Specifically, it will require:

- better IT systems that produce fast results and are easy for Personal Advisers to use in the course of an interview
- a better-off in work calculation which is personalised, reflecting the lone parent’s likely work expenses including travel and childcare
- A format which is easy to understand and can inform lone parents’ choices about work and lifestyle

In addition, lone parents should be given *a simple guide book or check list* on what help is available and how the ‘system’ works. This should include information on claiming in-work benefits, housing benefit, childcare support; the times associated with each process so lone parents can plan ahead; and the help that Personal Advisers can give throughout the transition from welfare into work.

Ensure that work pays for all lone parents

For lone parents considering work, the gains must exceed the hassle of juggling responsibilities for children and the demands of a job alone. While not all rewards from work are financial, lone parents will expect a reasonable return from working, compared to living on benefit.

Since 1997, the Government has improved significantly the gains from work for many lone parents through increased tax incentives and the introduction of a National Minimum Wage. However, for a lone parent

working 16 hours per week in a minimum wage job, the margins from working are still fairly small (typically around £30 per week, excluding travel to work costs). In a recently published NDLP survey, 15% of lone parents who had received an 'in-work' benefit calculation reported that they would actually be worse off in work and a further 12% reported that they would be no better off.¹³

The Steering Group believes it is important *that the existing mechanisms for in-work financial support are kept under review. If we are to persuade lone parents that 'work works', the gains must be sufficient for them to consider it worth their while.*

In addition to in-work financial support, we think that *Jobcentre Plus should expand the choice of jobs* beyond the predominantly low-paid, part-time, often dead-end positions that are now on offer. For some lone parents, *good jobs with pay and progression can serve as a magnet into work.* We recognise that such a strategy will also require raising aspirations; greater investment in education and skills; more affordable childcare; and more employers offering 'family friendly' workplaces — all of which we recommend in the following sections.

The Government's welfare to work policies focus mainly on changing the external circumstances in claimants' lives: they help people find employment, take up training and education and provide financial benefits designed to make work pay. But many lone parents lack the confidence and self-esteem to take the first step in a life-changing process. The welfare to work services on offer may be of little use without a simultaneous effort to build lone parents' motivation, confidence and problem solving skills. We have two recommendations which we believe will help to address this issue.

Establish 'Discovery Week'

Lone parents bringing up children on their own are frequently isolated. The workplace can seem remote and unattainable. For many, intermittent interviews with a Personal Adviser at a Jobcentre Plus office are not enough to convince them to risk the security of benefit for a job — or in some cases, to even start the journey towards a different life.

We believe that *many lone parents would benefit from an intensive jump-start* — a short period that is designed to engage, to excite the imagination, to build self-esteem and mutual self-help. We have called this 'Discovery Week.'

We see Discovery Week as a voluntary, front-end element of New Deal. While designed to develop the individual, the activities should have a strong work focus and include personal assessment and career guidance; job information and employer visits; financial guidance and debt counselling; building peer networks and future mentoring arrangements; meeting Personal Advisers, employers and working lone parents; raising aspirations and having fun (Myers Briggs with a manicure!).

The Discovery Week should be operated as a part-time activity with childcare provided for all participants. (Additional information on Discovery Week is contained in Annex I).

We recommend that the week is co-sponsored with employers to bring added resource and expertise in its design and delivery and to emphasise its work focus. We also think that it should be *piloted in a few areas to test the concept* and to determine whether it will increase the numbers of lone parents who enter New Deal or decide to work.

Introduce a Mentoring Service for Lone Parents

The Government has recently announced that it intends to introduce a National Mentoring Service for lone parents to complement its other welfare to work measures. We believe that this mentoring — through group networking or one-to-one meetings — *should be integrated with Discovery Week to provide continuing support and practical help to lone parents who have taken the first step on the path to work.*

To develop our ideas on this, The Steering Group and National Employment Panel sponsored a seminar to discuss design issues with a group of experienced employers, policy makers, practitioners and researchers from the UK and overseas. Their conclusions are contained in a separate report available from the Panel. We have accepted the participants' key recommendations which are to *concentrate mentoring services on lone parents who are at a 'pre New Deal' stage* — who want to work at some point but whose plans are still poorly defined.

We also agree that, as an organising principle, and as a way of explaining the Mentoring Service to lone parents, it should be *attached to Discovery Week* (although this would not be the only route into the Service). The objective of the mentoring should be to support lone parents in exploring their lifestyle choices; in moving towards work and economic independence; and in overcoming some of the personal and practical barriers that they will face in making this transition. In this respect, the Mentoring Service should be a valuable new resource for Personal Advisers.

The key features of the Mentoring Service should include:

- the 'mentoring offer' may be delivered through a *mix of interactions* including face to face, group and perhaps email and telephone mentoring
- one-to-one mentoring should be delivered by *well trained volunteers* with paid co-ordinators or supervisors
- mentors may be recruited from all areas, but with *priority to employed volunteers* (including working lone parents)

Getting Ready

New Deal for Lone Parents is primarily an information and advice service for those who are almost job ready and have decided they want to work in the immediate future. It provides 'better-off in work' calculations, job search help, advice on in-work benefits and finding/paying for childcare. It is successful for many lone parents who take part. However, as discussed earlier, programme participation is low.

NDLP has relatively little to offer two important groups: the significant proportion of lone parents who lack basic or vocational skills and those who aspire to better jobs. Moreover, NDLP does not cater for those lone parents who want to work in the future but who, for the present, are committed to staying at home and caring for their children. This 'down time' is a period which can be enriched by investing in the skills training and employability development that is likely to pay off in better paid, more satisfying and more sustainable jobs.

Our recommendations below are, therefore, aimed at expanding opportunities for work-focused education and training for lone parents as part of NDLP.

Introduce initial assessment and testing of lone parents

Lone parents are a diverse group in terms of their education and skill levels, work experience, aptitudes and aspirations. Unlike New Deal for Young People and New Deal 25+, lone parents entering NDLP are not necessarily disadvantaged in the labour market. And unlike NDYP and ND25+, lone parents who are disadvantaged cannot be easily identified by reference to a period of active but unsuccessful job seeking.

At present, few tools are available to Personal Advisers to assess a lone parent's skills, aptitudes and interests. For example, very few NDLP clients (5.6%) are screened for basic skills needs. This compares with 30% of ND25+ clients and 12.5% of New Deal for Disabled People.¹⁴

Personal Advisers must be able to assess a lone parent's starting point in order to develop an individual action plan towards their job goal. An accurate analysis of skill and ability is also essential in ensuring that the more intensive and expensive measures (such as subsidised employment) are directed towards the most disadvantaged.

We recommend that a diagnostic tool is used in an initial assessment of all lone parents to measure their occupational interests, aptitude and skills as part of an individual action plan.

Make education and training an integral part of NDLP

NDLP research indicates that 51% of lone parents on Income Support have no academic or technical qualifications and 18% have no work experience.¹⁵ Almost 10% of lone parents on NDLP report some basic skill problems.¹⁶ Given the correlation between skill levels and employment rates, we believe that there is a strong case for increasing the investment in training and education within NDLP.

Research also indicates that many lone parents are keen to look beyond immediate low-paid, low skill job openings to longer-term career goals and higher skilled, better paid work.¹⁷ We think that this objective is consistent with the crucial child poverty target as well as the 'making work pay' agenda and should be encouraged. We also believe that *increasing choice and opportunity can increase the 'pulling power' of the job market.*

Unlike other New Deal programmes which offer a full range of services, Personal Advisers are not encouraged to refer lone parents to training; only one in twenty currently on NDLP take up training. This is despite the fact that the current top ten jobs for lone parents include such low skill/low pay occupations as cleaners and domestics, catering and general office assistants, check-out operatives and carers.

We understand that education and training have a low priority within NDLP because there appears to be little evidence that other New Deal training programmes have increased significantly the entry into jobs by unemployed people. As employers, we think that there **is** a link between education and training, and employment and income provided the training is effective and directly related to employer requirements.

We believe that job outcomes for lone parents can be improved by offering integrated work and training that is directly related to occupations where there is a clear demand for recruits.

We also believe that improvements in job entry rates can be achieved by *better targeting of occupations that are in high demand and of those that offer better pay and progression.* This will involve focusing on:

- employers with strong demand for staff and flexible workplace practices (administrative, caring occupations, sales and clerical work)
- jobs in which partnered mothers already work but where lone parents are underrepresented (sales professionals, accounts clerks, plant/process engineers, textiles and printing)
- jobs with high projected growth, medium pay and medium skill levels (IT technicians, gas fitters, construction occupations, health technicians)
- fast expanding public sector jobs; for example, nursing and allied health professions within the NHS will increase by 27,000 by 2005; non-teaching staff in schools will increase by 30,000 by 2005; 180,000 child carers will be needed by 2006 to meet targets for childcare expansion

NDLP's limited training provision is largely restricted to NVQ level 2 qualifications and below. An estimated 28% of lone parents on Income Support already have qualifications of NVQ 2 equivalent or above. Some of these women have the ability and desire to pursue career training, such as nursing, midwifery, teaching and engineering which require level 3 training. These are all areas where there are significant recruitment shortages, and where lone parents, suitably qualified, are very likely to find jobs.

*We recommend that NDLP offers lone parents level 3 training when it is **directly** linked to occupations with documented skill shortages.*

As a first step to developing such a targeted approach to training, we recommend that in the six cities with the highest concentrations of lone parents — Birmingham, Glasgow, Liverpool, Manchester, Leeds /Bradford and London — Jobcentre Plus undertakes an analysis of the local labour market to identify key sectors, occupations and employers that meet the criteria above.

Award training contracts to reflect lone parents' and employers' needs

As we noted above, education and training is not integral to NDLP. However, lone Parents on NDLP have limited access to Work Based Learning for Adults (WBLA) or in Scotland, its equivalent Training for Work (TfW). We have identified three problems associated with these programmes which undermine their effectiveness for lone parents (and probably for other participants).

First, the basic employability training on offer is limited to individuals with severe deficiencies — who have literacy and numeracy levels below that of a seven year old. Second, much of the training is inflexible (to fit with school hours and holidays) and not available in pick and mix modules. Third, there has been little direct involvement of employers in the design of the curricula and few courses have a work experience element.

We recommend that Jobcentre Plus reviews its purchasing and contracting systems to ensure that the provision that it buys for lone parents is better suited to their needs and to the realities of the local job market.

Provide subsidised employment for disadvantaged lone parents

Subsidised employment is currently an option for individuals enrolled in New Deal for Young People and New Deal 25+. Evidence shows that it has been by far the most successful option in getting disadvantaged participants into work.

We see no reason why this highly effective measure should not be available to disadvantaged lone parents. Recognising that it is a more expensive option, we suggest that Personal Advisers should be given the discretion to offer the opportunity in a limited number of cases (following the appropriate client assessment) where they judge the individual is most likely to benefit or where the availability of a subsidy is likely to open up job opportunities that would be otherwise unavailable.

Engage employers in face-to-face contact with Personal Advisers

Personal Advisers are vital intermediaries between lone parents and employers. They are trained to understand lone parents' needs and to help them tackle barriers to work. However, few Advisers have significant experience in the private sector or adequate knowledge of the fast-changing needs of employers.

We believe that Adviser effectiveness can be increased through frequent and systematic contact with local employers. This interchange would enhance their knowledge of local labour market trends, suitable job openings, local employers' recruitment requirements and hiring policies, and relevant employer-approved training. For employers, it would increase their understanding of lone parents' needs and particularly the importance of flexible workplace practices in retaining loyal staff. It would also afford them an opportunity to meet potential new recruits.

For these reasons, we recommend that *Jobcentre Plus, working with the Panel's Employer Coalitions in the six areas, organises regular events for Personal Advisers and employers to meet, in groups and individually, focusing on those businesses which offer particularly good opportunities for lone parents.*

Link performance targets for NDLP to the 2010 lone parent employment objective

We are not convinced that the Government's target of achieving 70% of lone parents in work by 2010 is sufficiently aligned with the Jobcentre Plus' annual performance target for lone parent job entries. We recommend that the *Department for Work and Pensions review the projected year on year improvements to ensure that the objectives are consistent.*

We also recommend that DWP and Jobcentre Plus *review the delivery strategy to ensure that it will support more ambitious job outcomes for lone parents.* This would include such measures as:

- refining the programme to cater for larger numbers of less job ready lone parents
- sharpening the specifications for purchasing training and work-related services
- recruiting and training additional Personal Advisers to reflect increased participation in NDLP

Easing the Transition

The first two months of starting work are the most precarious period for lone parents. They must cope with claiming new in-work benefits and the loss of Income Support and such 'passport' assistance as free school meals. There may be a gap of a month or more before their first pay day. They are likely to have new work expenses including the costs of travel and childcare, as well as some initial one-off costs such as new work clothes or a payment in advance for childcare.

In a 1998 survey of lone parents who moved off Income Support into work, 80% experienced financial problems: paying general living expenses (44%); paying the rent (36%); waiting for wages (34%); waiting for Housing Benefit (34%); waiting for family credit (26%) and paying back debts (26%).¹⁸

Since then, the Government has introduced important measures to make the transition less risky. These include a two-week 'run-on' of an existing Income Support award, a four-week 'run-on' of Housing and Council Tax benefit, and access to up to £300 from the Adviser Discretion Fund (ADF) operated by Personal Advisers. From October 2004, lone parents will also be entitled to a Job Grant of £250.

But problems still occur. Delays in obtaining Housing Benefit or tax credit can threaten a stretched budget. A sudden childcare emergency may jeopardise work unless there is a way to pay for temporary cover. An unexpected disruption of travel arrangements may require the lone parent to use a more expensive (and unbudgeted) alternative.

As mentioned above, Personal Advisers have an Adviser Discretionary Fund (ADF) which they may use to assist lone parents purchase clothes or finance other items that may be necessary to start work. However, under the current system, once a lone parent leaves Income Support, she is not entitled to any financial help from a Personal Adviser. *We recommend that this rule is changed so that Advisers may use the ADF to meet emergency expenses during the first two months of work.*

In addition to financial assistance, many lone parents need friends as they navigate the new world of work. In theory, Personal Advisers may continue to keep in touch with a lone parent for as long as necessary. In practice, continued communication is relatively rare, occurring in 28% of cases and generally consisting of one or two telephone calls.¹⁹

We recommend that Personal Advisers are resourced sufficiently to maintain regular contact with their clients during the first 60 days of work.

Sorting Childcare

The lack of affordable, accessible childcare is the single most important barrier to work for lone parents on Income Support. Seventy-eight percent say they would prefer to get a job or study if they had access to suitable child care. The Government has recognised the importance of this and by March 2004 will have created 900,000 new childcare places for 1.6 million children. It will more than double its investment in childcare to a total budget of £1.5 billion by 2006, so that by March 2006 there will be sufficient childcare places for over 2 million children.

However, childcare remains expensive at well over £100 per week for a full time nursery place or child minder. The Government contributes to the cost of childcare through a tapered childcare tax credit linked to income levels. However, only registered 'formal' childcare is eligible and only a proportion of the costs are met.



There are also shortages in most local childcare markets particularly in deprived wards. To exacerbate the problem, many lone parents on Income Support (55%) are reluctant to entrust their children to others — reflecting, perhaps, the importance they attach to their role as sole parent and anxieties about entrusting their child to a stranger.²⁰

The Government has already put considerable work into reviewing its childcare strategy, leading to the Interdepartmental Childcare Review in November 2002 and major increases in funding in the 2002 Spending Review. The Steering Group, therefore, decided to concentrate on three specific areas: increasing employer support for childcare; building the childcare industry; and encouraging lone parents to use formal childcare.

We spent considerable time examining what employers might do to help expand childcare provision. At present, their involvement is limited. Just 12% of employers provide information to their employees about local childcare provision; 2% provide workplace nurseries; and 1% subsidise nursery places.²¹ In surveys, costs are cited by employers as the main barrier to introducing or expanding financial support for childcare.²²

There is clearly a lot more that employers could do to support childcare, particularly if the current complex tax and National Insurance regime was reformed and simplified to remove existing disincentives. However, we were forced to conclude that, while recognising its importance to staff, childcare will remain peripheral to most employers' core business. Our recommendations will help; but ultimately the funding, planning and delivery of adequate and affordable childcare is a matter for Government.

Increasing
Employer
Support for
childcare

Provide more information to employees about childcare

As a minimum, we recommend that *all employers, including small and medium businesses, provide information to their employees about access to childcare.* This can be done by:

- providing contact details for the local Children's Information Service
- downloading the 'Childcare Link' website onto the company's intranet if it has one and providing the 'Childcare Link' free-phone number; and
- in larger companies, designating a 'childcare coordinator'. The job of the co-ordinator should be to advise employees on childcare provision and financial support, including how to claim the Childcare Tax Credit, and to assist with any childcare problems which arise

Increase employer incentives to invest in childcare

We examined in detail the tax and national insurance regime which currently applies to employer contributions to childcare. Employers receive tax relief on any contribution they make towards employees' childcare. However, employees are taxed on employer-funded childcare except when a workplace nursery is provided. National Insurance rules are more generous in the exemptions they offer but are complex in distinguishing between different types of employer-funded provision.

The net result is that there is little incentive for employers to pay for childcare provision in local nurseries, to support before and after school care, childminder networks or holiday play schemes — all of which may be preferable and make work possible for lone parents.

We strongly recommend that Government amends the tax and National Insurance rules to reward employers which invest in a wider variety of childcare for their employees. In order to contain costs, exemptions should be limited by amount and targeted. Specifically, we recommend that Government:

- *provides employees with a tax exemption on all forms of registered childcare paid by their employer, restricted to tax and the lower and basic rates, with an annual ceiling on the overall amount per individual qualifying for relief; and*
- *amends National Insurance rules to exempt all employer payments for registered childcare*

These measures are likely to increase the numbers of employers supporting childcare. Lone parents seeking work will be among those who will benefit as a result. But we recognise that changes to the tax and NI regime — while important in influencing employer behaviour — will not directly assist lone parents. Arguably, *improvements to the childcare tax credit may be the best way to target specifically financial help with childcare at lone parents.*

The tax and NI contributions which we recommend will be important in changing the climate in which employers make decisions about childcare for their employees. By encouraging employers to invest in a wider range of provision, additional financial resources can be pumped into expanding and strengthening the childcare 'industry'.

This is a fledgling sector, where expansion has been slow and turnover high. Would-be entrepreneurs face a high degree of regulation, low margins, and significant risks during the first few years of start-up. The 2001 Childcare Workforce Survey showed that only 44% of nurseries, 25% of playgroups, 29% of out of school clubs and 56% of childminders reported a profit. Those centres serving middle and upper income families can be profitable; those in deprived areas are virtually impossible to operate without external financial support.

Create employer groups as 'childcare champions'

We recognise that, for some employers, there will not be a robust business case for childcare investment. However there are others, particularly those which have strong recruitment needs, have a predominately female workforce or are operating in the 24/7 economy, for whom childcare can bring bottom line benefits through reduced recruitment costs and increased retention.

These employers have a clear stake in expanding local childcare provision. We recommend that the new *Jobcentre Plus Childcare Partnership Managers, working with the Employer Coalitions in our six pilot areas, identify companies that meet this criteria and recruit them to act as 'childcare champions'*. As a group, the champions should:

- collectively invest in:
 - bulk purchase of childcare places for employees
 - sponsorship of out of school clubs and holiday play schemes
 - staff training and equipment for childcare facilities
 - measures to encourage informal child carers to train and register as registered childminders
 - information and awareness campaigns
- advocate additional investment in childcare with Regional Development Agencies, Government Offices and local authorities

Reduce the registration hassle for childminders

Research evidence indicates that lone parents prefer informal childcare.²³ Generally, informal childcare has the advantage of greater flexibility and, in many cases, the security of a trusted friend or relative. The obvious drawback is that lone parents receive no financial help towards the costs, thus reducing their net gain from working.

The Steering Group believes there is considerable scope for increasing the existing supply by encouraging informal childminders (and would-be childminders) to register. At present, many informal carers are put off by the bureaucracy attached to registration which requires police checks and

Encourage lone parents to use formal childcare

inspections. While recognising that Government funding must carry with it some guarantee of quality and child safety, we believe that there is scope for streamlining the approval process for informal childminders.

We recommend piloting a process that approves individual childminders but not the premises that they use. We suggest these pilots are conducted in the six cities cited in this report.

The Government is investing heavily in formal care facilities including registered childminders, nurseries, out of school clubs and playgroups. For a variety of reasons, however, many lone parents choose not to use this provision. To increase take-up, we think a *better job is needed to sell lone parents on the educational and behavioural benefits to children of good quality pre-school and out of school care.*

We also believe that more can be done to encourage lone parents to make the transition from informal to formal care. For example, we think it would be sensible for Jobcentre Plus to offer *free 'childcare taster' weeks to increase lone parents' confidence in using local formal provision.* Similarly, formal childcare is likely to cost more. While there is help with these costs through the childcare tax credit once a lone parent starts work, no funds are available in advance so she can get her child settled in suitable childcare.

We recommend that the Adviser Discretion Fund is augmented and that Personal Advisers are allowed to pay the initial costs of formal childcare including the requisite deposits, advance payments, and payments for the week immediately before the start of a job so that a child can be settled in.

Starting & Staying in Work: The Role of Employers

Most of the Steering Group's recommendations will require active employer support -both to prepare lone parents for work, to recruit them and to ensure that they succeed in the workplace. Without legislation or financial incentives, the levers for achieving changes in employer behaviour are limited to the promotion of best practice, information exchange and involvement with the New Deal delivery system.

To accelerate and strengthen employer engagement in the lone parent agenda, the Steering Group believes that the implementation of our recommendations should be concentrated in six cities (as discussed below) so that the business community can be mobilised effectively. Coupled with an effective communications strategy, it should be possible to reach many more companies in the key sectors.

In this section, we look at what employers can do to increase the numbers of lone parents who get and keep work.



Making the business case for lone parent recruitment is not hard. Long term studies of lone parents on benefit show that most lone parents take considerable time before deciding to work. But once they do, they make good employees and tend to stay in employment. Three quarters of lone parents who start work in any year are still in work the following year.²⁴ With the average turnover costs at £3500, employee loyalty should be a premium selling point for Jobcentre Plus' Personal Advisers and marketing staff.

During the past year, Jobcentre Plus has established a new Employer Services Directorate to improve and expand its services to employers. A professional sales force of Account Managers is in place to assist public and private sector organisations to recruit Jobcentre Plus clients. We believe these Account Managers can play a pivotal role in *increasing the number, diversity and quality of jobs for lone parents*. We also think that they can serve as effective advocates in *persuading more employers to adopt flexible workplace practices* as a way of improving recruitment and retention.

Open more job opportunities for lone parents

There are a number of practical measures that employers can take to open job opportunities for lone parents. The first, is to *advertise their posts with Jobcentre Plus and with those community organisations serving lone parents and their children*. The second is to *remove artificial barriers in the recruitment and hiring process*.

Raising
Recruitment

During the course of our work, the Steering Group identified a number of employment conditions that deterred lone parents from applying for jobs. These include:

- temporary contracts that imply higher risk to income security
- work patterns that include unsocial hours which may be impossible to cover with childcare
- an employee obligation to cover for sick/absent colleagues at short notice

While some of these practices may be necessary for business reasons, we found that many employers are more flexible than is suggested by their job advertisement. Feedback from Personal Advisers suggests, for example, that employers may specify the hours as 9am to 5pm but, in practice, the start and finish times are negotiable.

Some employers advertise specific qualifications or experience levels which may preclude very able candidates, who, with the right support and training, could do the job well.

We recommend that Jobcentre Account Managers work with companies to:

- *expand their recruitment sources and advertise flexible practices in recruitment material*
- *review employment contracts to remove artificial barriers including unnecessary qualifications and working time requirements*
- *design work experience, customised training and job preparation packages to help lone parents meet employer hiring specifications*

Starting Work

As we noted earlier, the first two months on the job are the most precarious period in a lone parent's transition from welfare to work. Along with continued support from Personal Advisers, employers can do much to help their new recruits to meet the challenges of the workplace.

Easing the financial transition

In a study of lone parents seeking work, 35% said they worried about managing until their first pay day.²⁵ Lone parents are paid weekly while receiving Income Support. The adjustment to monthly payments is difficult—not just in bridging the gap between Income Support ending and the first pay cheque but in rearranging debt repayments. To ease the financial transition, we recommend that employers consider:

- *offering wage advances for new employees; or*
- *making weekly payments for the first two months on the job*

We recognise that offering such benefits to untested employees represents a risk but we believe that, if recruitment and selection procedures are effective, few new employees will abuse such measures.

We also think that employers can do a better job of providing information and advice to their new employees about financial assistance and in-work benefits. To start, we recommend that the 'Employers for Work-Life Balance' website (www.EmployersforWork-LifeBalance.org.uk) is expanded to explain the financial packages available to support lone parents and to signpost sources of specialist help.

Create a supportive workplace environment

Some lone parents have never worked. Others have been out of the labour market for many years. Entering the world of work is frequently an intimidating step particularly for lone parents whose self-esteem is fragile. Their new life is further complicated with sorting childcare, finding transport, and juggling family responsibilities. Employers that provide a supportive environment for their new recruits in the early months are likely to win loyal employees who stay with them over the long term.

Employers can help lone parents successfully adjust to their new workplace by:

- *ensuring frontline supervisors are sensitive to the issues that lone parents are likely to face during the first months of transition*
- *providing training and development opportunities on the job*
- *encouraging staff (particularly working lone parents) to serve as mentors and job coaches to new employees*

After childcare, flexible working practices are the most important determinant in lone parents' ability to get and keep work. These practices include part-time work, compressed hours, flexitime, term-time working, job sharing, and home working.

Promoting work-life balance policies gives many organisations a competitive edge. Emerging DTI evidence indicates that businesses which have adopted these practices find it easier to recruit and retain staff from a wider pool; experience greater loyalty and productivity; and see reductions in stress, sick leave and absenteeism.

Despite these business benefits, employers have been slow to change. While the 2000 Employer Work-Life Balance Survey indicates that most companies have some kind of flexible working arrangements, the incidence of forms other than part-time and shift work, is very limited. And, while 25% of employees are in organisations that offer flexitime, most of these are large employers and represent only 10% of all workplaces.

The shift towards more flexible work should be accelerated considerably as of April 2003, when it becomes a legal duty on employers to consider requests to work flexibly from parents of children under 6 or disabled children under 18. An estimated 3.8 million parents will be eligible to make such requests.

Unhappily, this legislative change is unlikely to have a significant impact on lone parents' prospects. The entitlement to flexible work only begins after an individual has been in employment for six months. We believe that Government, employer organisations and, particularly, Jobcentre Account Managers should promote the:

- *extension of flexible working rights to staff during the first six months of employment*
- *adoption of the new Investors in People module on flexible working when launched later in 2003*
- *review of HR practices to offer flexibility around employment patterns including flexitime, term-time working, 'school day' employment and job shares, as well as part-time work*

Use Jobcentre Plus to promote work-life balance

Jobcentre Plus' contact centres take vacancy listings for almost 12,000 jobs from employers each day. We believe that this gives Jobcentre Plus an *unparalleled opportunity to collect information on flexible working and to promote the work-life balance case.*

Jobcentre Plus vacancy taking staff are well placed to ask employers about their arrangement for flexible working and to suggest that such arrangements will draw a wider choice of candidates. This should be particularly relevant for employers with strong demand or with jobs that have remained unfilled for several weeks.

We also recommend that *Jobcentre Plus vacancies on its customer 'Jobpoints' can be searched via a 'flexible work' category.*

Use the Work-Life Balance Challenge Fund

We recommend that Jobcentre Plus test the its advantageous position to promote flexible working in the six cities by applying for *additional funds through the Government's Work-Life Balance Challenge Fund to promote better workplace practices amongst local employers.*

Communications

Early in our deliberations, the Steering Group recognised that reaching lone parents and employers would be critical to achieving the 70% target. For this reason, we established a Communications Subgroup to develop the broad outline of a communication strategy for Government.

We have accepted the Subgroup's three principal recommendations:

- *develop a communications strategy that is focused on reaching lone parents and employers in the six cities with the greatest concentrations of lone parents*
- *for lone parents, develop a message about the improved lifestyle that work brings, about more choice and more opportunity*
- *for employers, do not market lone parents as a separate group. Rather, piggy-back on DTI's national campaign for work/life balance and target the sectors and occupations that offer the greatest job opportunities for lone parents*



While most of our recommendations are directed at the local level, there are several that relate to national activity:

- any national marketing campaign for lone parents should recognise the importance of *choice and promote the non-financial benefits of work* — independence, social networks, skills, better opportunities for children
- DWP should work with *other Government departments* to extend outreach and ensure *coherence and consistency of messages*
- DTI should consider a *quality kite mark* for employers meeting exemplary standards for work/life balance practices and Jobcentre Plus should make special efforts to promote these organisations

In addition, the Steering Group strongly recommends that Jobcentre Plus' *employer marketing is timed* to ensure that there are sufficient job ready *lone parents in the pipeline* to fill the vacancies resulting from a campaign.

Lone Parents

Using the lifestyle message as the central theme of a communications strategy to reach lone parents, (in addition to existing and planned marketing activity around NDLP and Tax Credits) we recommend:

- use *trusted intermediaries*, community organisations, lone parent networks and local press, rather than Government representatives, to reach lone parents on Income Support; these channels include home health visitors, schools and nurseries, toddler groups, SureStart facilities, local papers and radio
- develop *local events* in the neighbourhoods where lone parents are most concentrated, including open days, road shows or children's' fun days under the auspices of trusted organisations; local employers should be involved and represented at these events, wherever possible as co-sponsors
- use *Discovery Week* to establish facilitated local groups bringing together working and non-working lone parents to share experiences and advice
- *fund Jobcentre Plus* to develop and manage the communication strategy and support the networks in each of the six areas

Employers

A recurrent theme throughout the course of the Steering Group's discussions was the importance of making it easy for employers to engage with Jobcentre Plus. The systems used to customise training and match people to jobs must be *hassle free*. The communications message must reinforce the concept of a fast, efficient and effective service for companies of all sizes. At the same time, the promise must reflect the reality of what is deliverable.

There are two objectives to our employer communications strategy. The first is to get more employers to *adopt flexible workplace practices*. To achieve this, we believe the most efficient approach will be to join forces with DTI's national marketing campaign that is scheduled to be launched this Spring. In the six cities, we recommend reinforcing the message:

- use key employers as *ambassadors* in each city to *promote flexible working practices* and to share experience with other employers, particularly small and medium sized firms (SMEs)
- *sponsor seminars* and events for businesses with strong demand to promote the flexibility message and to facilitate networking between employers
- train Jobcentre Plus *Account Managers* to assist companies wishing to adopt more flexible workplace practices

The second objective is to *increase the number, diversity and quality of jobs* for lone parents. As discussed earlier, this will require Jobcentre Plus Account Managers targeting employers in each of the six cities which meet the following criteria:

- have demonstrated flexible workplace practices or, with practical changes to existing policies, could meet flexible workplace criteria; or
- have jobs that are in high demand, pay well and are within the medium pay/medium skill criteria; or
- are public sector organisations with fast expanding jobs in health, education, child care and social services

Once these organisations have been identified, we recommend the following:

- *target PR and advertising on HR related trade press in key sectors/occupations* to stimulate interest and signpost sources of information and assistance
- *identify entry specifications* for targeted jobs to inform Jobcentre Plus' contracted training
- *engage employers in key industries with Personal Advisers* to increase knowledge of sector recruitment needs

Implementation Approach

The Steering Committee recognises that there are constraints on funding and on the capacity of Jobcentre Plus to implement our recommendations. Moreover, we know that some of our ideas are new and should be tested before being adopted more widely. For these reasons, we believe that most of our proposals should be designed and delivered in a limited number of areas which have *high concentrations of lone parents and a strong employer base*.

While Jobcentre Plus will be responsible for the delivery of most of our proposals, their success will depend on the active support of local employers. To accelerate the pace, we recommend that, in each city, an employer organisation, in most cases the *National Employment Panel's Employer Coalitions*, should be invited to work with Jobcentre Plus in implementing the activities recommended in this report.



The Employer Coalitions were established by the National Employment Panel to involve business in local welfare to work programmes. They operate in 10 urban areas in England and Scotland. Composed of employers from the public and private sectors, their principal objective is to support Jobcentre Plus Districts in the design and delivery an employer engagement strategy that will open more and better jobs to disadvantaged residents.

Member companies of our Steering Group will work with Jobcentre Plus and the Employer Coalitions to refine the proposals in this report and to begin implementation of those recommendations accepted by Ministers.

Specifically, we recommend:

- *designating six metropolitan areas, beginning with London and Glasgow, as the initial test sites followed by Birmingham, Manchester, Leeds/Bradford, Liverpool*
- Using the local Coalition as the nucleus of an employer group to work with Jobcentre Plus in the design and development of a local lone parent initiative which should include:
 - sponsorship of and engagement in the Discovery week
 - recruitment of employee mentors for lone parents
 - increasing access to work placements and subsidised employment opportunities
 - participation in the design of sector training and work experience programmes for lone parents
 - participation in Personal Adviser workshops and work shadowing
 - support for activities designed to increase local child care provision
 - review of workplace practices to ensure they meet best practice standards and promotion to other local employers

To give focus to its work, *annual goals should be set for each city* for increasing the number of lone parents entering and staying in work over and above Jobcentre Plus' existing target.

The objective of Discovery Week is to increase the numbers of lone parents who choose to work or to enter the New Deal for Lone Parents programme. It should be designed as an intensive, developmental period during which lone parents have an opportunity to explore alternative lifestyles, aptitudes, interests and career paths. It should be stimulating, stretching and fun.

Recruitment and referral to Discovery Week should be managed through a variety of sources, including Jobcentre Plus Personal Advisers, lone parent organisations, education, health and childcare professionals.

Held at a venue other than Jobcentre Plus, its key features would include:

- a five day event, with sessions lasting five hours/day to fit around school hours, for a maximum of 20 participants
- substantial participation from local employers to discuss potential careers options and skill requirements; host site visits and work shadowing; and provide coaching in workplace practices
- childcare provided, either through funding or through childcare 'tasters' to encourage lone parents to use registered or formal childcare once in employment
- mentoring available to support individuals in making the decision to start work and through the transition into work
- participation from local service providers and peer networks to connect lone parents with support in health, housing, childcare, finance, training and education, substance abuse assistance

Discover

Discovery Week modules might include:

- diagnostic assessments (Myers Briggs, for example) of aptitudes and interests
- 'Realise your potential' — a session introducing possible job options and local opportunities for careers advice and training
- soft skills work (motivation, confidence building, life skills) and exercises in group/team working
- grooming and 'dress for success' assistance
- practical sessions on time and money management, and debt counselling
- presentations from working lone parents about their path to work
- fun elements intended to 'pamper' lone parents and stretch their horizons (manicures, aromatherapy, recreational trips)
- a 'graduation' dinner to celebrate success and strengthen networks between lone parents, Personal Advisors, mentors, employers and Discovery Week participants

Discovery Week should be co-sponsored by Jobcentre Plus and an employer or group of employers, and a voluntary sector partner as appropriate. Sponsoring employers will be expected to contribute resource and expertise to the planning, design and delivery of Discovery Week. This might include project management, facilities and equipment, marketing, creative design, participation in work-related sessions and mentors.

Discovery Week

Membership of the Lone Parent Steering Project

Steering Group

Chair:

Ben Verwaayen	Chief Executive, BT Group
Sonita Alleyne	Chief Executive, Somethin' Else
Jeremy Anderson	Chief Executive, Atos KPMG Consulting
Sarah Anderson CBE	Chief Executive, Mayday
Nigel Crisp	Chief Executive, Department for Health
Sir Peter Davis	Chief Executive, Sainsbury plc
Peter Ellwood CBE	Chief Executive, Lloyds TSB
Naomi Eisenstadt	Director, SureStart Unit
Val Gooding CBE	Chief Executive, BUPA
Kate Green	Director, National Council for One Parent Families (NCOPF)
Baroness Margaret Jay	House of Lords
Leigh Lewis	Chief Executive, Jobcentre Plus
Michael Richardson	Director, Work and Welfare Strategy Department for Work and Pensions
Cay Stratton	Director, National Employment Panel

Working Group

Chair:

Alex Wilson	HR Director, BT Group
David Amos	Deputy Director of HR, Department for Health
Clare Chapman	HR Director, Tesco
Rebecca Endean	Divisional Manager, Working Age and Children Group Department for Work and Pensions
Philippa Hird	Personnel Director, Granada
Glyn House	HR Group, Sainsbury plc
Julia Hurst	Human Resources Director, BUPA Care Services
Ann License	Team Leader, New Deal for Lone Parents,
Jobcentre Plus	
Mark Roberts	HR Group, Tesco
Nick Tooze	Deputy Director, SureStart Unit
Sarah Tunstall	Office Manager, Somethin' Else
Djuna Thurley	Policy Director, National Council of One Parent Families, (NCOPF)
Lesley Viner	Director, CIMS Workforce Team, Atos KPMG Consulting
Caroline Waters	Director of Employment Policy, BT Group

Communications Group

Chair:

Baroness Margaret Jay House of Lords

Sarah Anderson CBE	Managing Director, Mayday
Valerie Buckle	Head of PR Campaigns, BT Group
Rod Clark	Director, Fraud Planning & Presentation Department for Work and Pensions
Anne Currass	Project Manager Tesco
Jo Gibbons	Director, Corporate and Public Affairs Edelman
Kate Green	Director, National Council of One Parent Families (NCOPF)
Zoë McIntyre	Head of Programme Publicity Granada
Katy Nicholson Group	Director of Communications and Marketing, Reed
Clare Potts	Divisional Manager, Working Age Presentation, Department for Work and Pensions
Rachel Pyper	Communication Marketing Team, Department for Work and Pensions
Sherree Dodd	Director of Communications, Department for Trade and Industry

National Employment Panel Staff

Janet Allbeson	Senior Policy Analyst
Catherine McNair	Policy Analyst
Cay Stratton	Director

Lone Parent Steering Project

September 2002 - February 2003

Activity report

Groups

Lone Parent Steering Group

Chair: Ben Verwaayen (Chief Executive, BT Group) 16 Members 6 sessions

Lone Parent Working Group

Chair: Alex Wilson (HR Director, BT Group) 15 Members 6 sessions

New Ideas Group

Chair: David Amos (Deputy Director of HR, Department of Health) 3 Members 4 sessions

Lone Parent Communications Group

Chair: Baroness Margaret Jay (House of Lords) 14 Members 5 sessions

Lone Parent Mentoring Seminar

(in conjunction with National Council for One Parent Families & Business in the Community) 35 Delegates 1 all-day session

Focus Groups

Mori 4 Focus Groups (6-10 people) — lone parents in and out of work; New Deal for Lone Parents Personal Advisers; Voluntary sector staff working with lone parents.

Tesco Focus groups with lone parents working at Tesco

Reed Group Focus Groups (100 people) — Lone parents in 9 Reed in Partnership Action Teams for Jobs areas.

Papers Commissioned/Distributed

Background

Meeting the Lone Parent Target- Key Issues, DWP strategy paper
Lone Parents and Jobs — Can the 70 per cent target be reached?
Richard Berthoud, Research Professor, Institute for Social and Economic Research, University of Essex

Out of Work

New Deal for Lone Parents: an overview, Jane Millar, Professor of Social Policy, University of Bath

Meeting the Lone Parent Target — The role of education and training, Djuna Thurley, National Council for One Parent Families

Training and Lone Parents, Paul Convery, SQW

Financial Transitions when starting work, National Employment Panel

Childcare

Childcare to support lone parents entering employment, SureStart Unit
Lone Parents and Childcare, Megan Pacey, Daycare Trust
Lone Parents, Employers and the National Childcare Strategy, Helen Wilkinson, Genderquake Ltd
Childcare for older Children, Kids Club Network for SureStart Unit

In work

Job Destinations for Lone Parents—scope for the future and developing new horizons, DWP
Work place flexibility, DTI
Lone Parent Gains to Work, HM Treasury and DWP

International

Lone Parents and employment: International levels and lessons, Jane Millar, Professor of Social Policy, University of Bath

Mentoring

Background seminar paper, Sue Slipman on behalf of the National Employment Panel

Communications

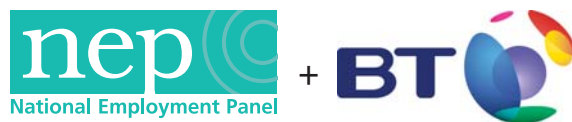
Lone Parent Survey Reed in Partnership Action Teams, Reed in Partnership Business Intelligence Unit
Characteristics of Lone Parents in Regions and Local Authorities with the Largest Numbers, DWP
How to engage employers to the benefit of lone parents, — Summary of evidence from the NDLP evaluation report: 'Employers, lone parents and the work-life balance', Lewis J, et al, National Centre for Social Research, Employment Service Report No. 64, 2001

Other Work

Moving more Lone Parents towards work — Reactions to emerging recommendations, Claire Simm & Trinh Tu, MORI

PWC in conjunction with BT Group — extensive tax modelling around employer supported childcare

- ¹ November 2002 Income Support Quarterly Statistical Enquiry
- ² New Deal for Lone Parents Evaluation: A Quantitative Survey of Lone Parents on Income Support, Employment Service Research Report No. 101 (2001)
- ³ *Ibid*
- ⁴ R Berthoud, findings derived from the British Household Panel Survey, in *Lone Parents and Jobs*, a paper for the Lone Parent Steering Group, November 2002
- ⁵ *New Deal for Lone Parents Evaluation: Findings from the Quantitative Survey*, DWP Jobseekers Analysis Division Report No. 147, 2003
- ⁶ J Millar, *New Deal for Lone Parents: an overview*, a paper for the Lone Parent Steering Group, November 2002
- ⁷ Jobcentre Plus performance statistics
- ⁸ *Early Findings from Lone Parent Personal Adviser Meetings: Quantitative Survey of Clients*, DWP report, DWP Jobseekers Analysis Division Research Report No. 140, 2002
- ⁹ *Ibid*
- ¹⁰ *New Deal for Lone Parents Evaluation: a Quantitative Survey of Lone Parents on Income Support*, Employment Service Research Report 101, November 2001
- ¹¹ *Early Findings from Lone Parent Personal Adviser Meetings: Quantitative Survey of Clients*, DWP Jobseekers Analysis Division Report No. 140, November 2002.
- ¹² *New Deal for Lone Parents Evaluation: Findings from the Quantitative Survey*, DWP Jobseekers Analysis Division Report No.147, 2003
- ¹³ *New Deal for Lone Parents Evaluation: Findings from the Quantitative Survey*, DWP Jobseekers Analysis Division Report No.147, 2003
- ¹⁴ Basic Skills Evaluation Database, June 2002
- ¹⁵ *New Deal for Lone Parents Evaluation: a Quantitative Survey of Lone Parents on Income Support*, Employment Service Research Report 101, 2001
- ¹⁶ *New Deal for Lone Parents Evaluation: Findings from the Quantitative Survey*, DWP Jobseekers Analysis Division Research Report No. 147, 2003
- ¹⁷ *NDLP: An Evaluation of the Innovative Pilots*, Employment Service Research Report No. 89, 2001
- ¹⁸ *Evaluation of the New Deal for Lone Parents: Early Lessons from the Phase One Prototype — Synthesis of Findings*, DSS Research Report No. 108, 2000
- ¹⁹ *New Deal for Lone Parents Evaluation: Findings from the Quantitative Survey*, DWP Jobseekers Analysis Division Research Report No. 147, 2003
- ²⁰ *New Deal for Lone Parents Evaluation: a Quantitative Survey of Lone Parents on Income Support*, Employment Service Research Report 101, 2001
- ²¹ *Delivering for children and families*, Inter-Departmental Childcare Review, 2002
- ²² 'The Big Employers Childcare Survey' research study by MORI for Daycare Trust and BUPA Children@work, May 2002; and IRS Employment Review, No 747, March 2002
- ²³ Repeat Study of Parents' Demand for Childcare, DfES, 2002
- ²⁴ R. Berthoud, Findings derived from the British Household Survey, in *Lone Parents and Jobs: Supplementary Analysis of Movements in and out of Work*, a paper for the Lone Parent Steering Group, November 2002; and A Marsh, *Employment Stability Among British Lone Parents*, Policy Studies Institute.
- ²⁵ *First effects of ONE*, DSS Research Report No. 126, 1999



Working together