

**Wirral Cabinet 18 October 2007**

**Appendix 1: Wirral Council Response the Green Paper on Welfare Reform: 'In Work Better Off'**

**Question 1: At the moment, lone parents are entitled to Income Support until their youngest child is 16. Is it right that this age should be reduced?**

Rather than imposing a universal age at which entitlements begin or end, it would seem more appropriate to identify specific barriers and propose solutions to them.

A key issue is one of ensuring the right support can be accessed by those who need to when they need to.

It may be better to ask every lone parent of a school-aged child to work and decide on a case-by-case basis how to help them. This means developing a personalised package of support backed up with the requirement to undertake the steps agreed for every parent. However such support tends to be resource intensive and given budget reductions - such as those agreed recently by the Treasury with DWP – there is some concern that resources and flexibilities within current systems in place are adequate.

**Question 2: What would the minimum age be?**

See response to Q1.

**Question 3: Should we do more to ensure that our support for lone parents is accessible and useful for all groups, in particular those with disabled children and those from certain disadvantaged groups and areas?**

In general, yes. There is an issue relating to the need for adequate resources for intensive support. For example, a number of initiatives including New Deal for Lone Parents have shown what can be achieved if adequate resources are used effectively to provide people with accurate advice, information and support. It is therefore important that sufficient resources are available as these schemes are extended.

There is also an need to address specific barriers faced by some disadvantaged groups such as disabled parents – some evidence suggests that a quarter of children living in poverty in Britain has a disabled parent.

A package of support should be developed that is based on individual circumstances and capabilities and acknowledges multiple barriers faced by certain groups and individuals. Personalised support seems to be a key factor in what works in helping people to access and maintain employment.

**Question 4: More frequent Work Focused Interviews are currently offered to lone parents in the two years before their eligibility to Income Support is lost. As the age of the youngest child is reduced, should other forms of support be provided, and over what period prior to loss of eligibility?**

The role of personal advisors in developing a tailored action plan that acknowledges short term and long term goals and are aiming towards sustainable employment is crucial.

Some evidence of best practice that involves mentoring and intensive support.

**Question 5: For lone parents who move onto Jobseeker's Allowance when they lose Income Support eligibility, what forms of support (in addition to those provided to Jobseeker's Allowance claimants who are not lone parents) should be available, and over what timescale?**

The Green Paper cites the recent reports by both Harker and Freud to claim that if a strong package of support was in place for lone parents (including guaranteed access to affordable and suitable childcare, and work that fitted with family commitments), there would be grounds for 'strengthening lone parents' responsibility to look for work as the logical next step'.

We would therefore wish to emphasise the importance people being able to access an adequate and consistent package of support -

The Green Paper suggests that considerable progress in such support is being made - including:

- increasing the availability of childcare - to be supplemented from April 2008 through the introduction of a duty on local authorities to secure sufficient childcare for working parents;
- provision of financial support to parents through the childcare elements of the Working Tax Credit;
- the introduction of the right to request flexible working; and
- increased investment in the New Deal and other employment support.

However there is some evidence that not all of the above support elements are consistently available to all Lone Parents. For example, childcare may be patchy, expensive, unreliable. There is still further work to be done in encouraging employers to embrace flexible working.

**Question 6: Jobseeker's Allowance recipients can, in certain circumstances, restrict their search for work to a minimum of 16 hours per week. Should additional flexibilities be available if the proposed changes are made?**

The importance of increased, flexible, specialised support for Lone Parents who want to work, both to lift the family out of poverty and also for their own personal

well being is welcomed. However any change which seeks to mandate Lone Parents to a mandatory Jobseekers Allowance regime must acknowledge there may be circumstances when it would not be reasonable to expect a Lone Parent to fully meet Jobseekers Allowance regulations. Any changes must adopt an approach which allows for *deferrals and waivers* to be applied which would allow the Lone Parent to remain on Income Support for the appropriate duration.

There is however an added disparity when compared to the regulations for Joint Claims for Jobseeker Allowance. Joint Claims regulations dictate both partners have to meet the regulations for claiming Jobseekers allowance, however, this acknowledges the caring responsibilities of couples with children and as such only applies to childless couples. Any move to mandate Lone Parents to the Jobseekers Allowance regime must consider this inconsistency.

The inflexibility of the Jobseekers Allowance regulations requires careful consideration before any proposed changes for Lone Parents.

Any proposed change should ensure that Lone Parents are automatically allowed to reduce the number of hours they are available for work from 40 to 16. In addition this should also allow flexibility within the Lone Parents working pattern in line with caring responsibilities. E.g. evenings, weekends. This flexibility should be available up to the youngest child's 16<sup>th</sup> birthday.

Acknowledgment of childcare barriers is critical. Lone Parents must have access to good quality affordable accessible childcare. The changes should allow increased timescale above the current 48 hours for Lone Parents to secure adequate childcare provision. This should be in line with local childcare provision and may vary by area.

The current Jobseeker Allowance regulations which stipulate a travel to work pattern of 90 minutes each way is likely to have a significant impact on the affordability and accessibility of childcare.

### **Question 7: What form might a 'better off in work' assurance for lone parents take?**

Evidence indicates that some people currently receiving a very low income through benefits would prefer to work if they could find employment that paid them enough. Some suggestion that the Government needs to review the current structure of earnings disregards, benefit tapers, linking rules and run-on arrangements, to ensure that as many disincentives to work as possible are removed from the system.

In addition, 'better off in work' assurances must acknowledge specific barriers that some lone parents face – for example, Tax credits should be flexible enough

to address changes in hours or pay; the importance of adequate childcare; school holidays; changing shifts and hours.

**Question 8: Are any special provisions required for lone parents who move onto benefits other than Jobseeker's Allowance (for example, Employment and Support Allowance or Carer's Allowance)?**

Changes need to acknowledge the specific and multiple barriers that may be faced by particular groups. For example, there is some concern amongst disabled groups that the introduction of new rules for disabled people means that without changes to the conditions on lone parents' benefits, a disabled lone parent may be required to do more to get a job than a non-disabled lone parent.

Importantly, there is also a requirement to ensure that any Lone Parent who makes the transition from Income Support to Jobseeker Allowance or any other benefit, do not suffer any financial hardship.

**Question 9: In addition to the improvements in childcare provision and the right to request flexible working, is there further support that should be provided to help lone parents into work and support them whilst there?**

A flexible programme of support must be available to retain Lone Parents in work with the extension of Personal Adviser support once in employment and support for retention and progression in the workplace.

**Question 10: What more could we do to help working families – especially those from the most disadvantaged backgrounds – improve their earnings and lift themselves out of poverty?**

The recommendations within the Lisa Harker report *Delivering on Child Poverty*, highlights the need to *Extend the Reach* and proposes a package of support for in-work poor families that would need to take account of circumstances and motivations of those living in working poor households and advises a one size fits all solution would not produce significant results.

There is the need to open up a flexible programme of support to in-work poor couples/second earners in low income families.

Need to strengthen the role of employers e.g. flexible working; upskilling; flexible and PT working

**Question 11: What more could we do to help ethnic minority women, particularly of Pakistani and Bangladeshi origin, overcome specific barriers they face?**

**Question 12: In exchange for more specialist support, are we right to ask more of those who have been unemployed and receiving benefit the longest?**

Many of the people at whom reforms are to be targeted are the hardest to reach and most vulnerable in our communities. Rather than develop 'tougher' sanctions and conditions for this groups, there is a need to acknowledge the specific and often multiple barriers faced by long term unemployed that may require more intensive multi agency support over a longer term. Specific issues may include loss of confidence; out-dated skills; mental health problems as well as the financial hardship and increased debt that long term unemployment brings. There may also be issues relating to a mismatch with the demand-side - i.e. what jobs are available.

Significant evidence continues to indicate that the majority of workless adults want to get a job – the issue is what kind of support is needed to support them to do so.

Furthermore there is an issue relating to sustainable employment – some evidence indicates the 'revolving door', no-pay, low pay cycle currently experienced by a substantial proportion of JSA claimants.

Feedback from CABx points to the Government's own research with some evidence demonstrating that sanctions for not complying with work-focussed interviews are seldom used, and have been so rare in the Pathways to Work pilots as to be excluded from the official evaluation.

Feedback from employers also highlights the importance of adequate and quality advice and support to enable long term unemployed people to access and maintain work.

**Question 13: Should there be any exceptions to this approach of increased conditionality and increased support?**

See Question 12. The changes should ensure they provide a flexible person centred approach that takes account of the needs of the individual and therefore does not require the need to define exceptions.

**Question 14: Is a structured, progressive regime of support and conditionality at fixed intervals the right approach?**

See Question 12

**Question 15: Should some people be enabled or required to enter the Gateway stage more quickly than others, taking account of their employment history or needs? Which groups should be 'fast-tracked'?**

The increase in the proportion of Jobseekers Allowance register who have been claiming benefit for over 12 months demonstrates a more effective and responsive approach is needed to support long term benefit recipients back into the labour market. If we compare the latest data (Aug 2007) against a baseline established in January 2005 for Wirral's Local Area Agreement, this demonstrates that Wirral has seen a 4.2% point increase in the proportion of Jobseekers Allowance recipient claiming for over 12 months. This represents more than double the England average.

However if the changes are to truly provide a flexible programme of support, the individual circumstances of the Jobseeker should be taken into account when considering the appropriateness of fast-tracking to the Gateway stage. A rigid one size fits all approach that fast tracks people by definition will be move away from this and not provide the most appropriate solution.

**Question 16: Should we require a period of work experience from those who do not succeed in getting work after benefiting from a more intensive level of help from specialist providers? How can we best ensure that this work experience is beneficial?**

A move to introduce work experience should ensure it provides an appropriate package of support to provide effective work based up-skilling and the opportunity to demonstrate recent employment experience linked to the demands of the local labour market. It must also provide access to adequate, affordable and flexible childcare to support the individual during this time.