

Frontline perspectives from the UK and Australia: what's changing?

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Background: our research on welfare-to-work

INDUSTRY
PARTNERS



- A longitudinal study of the evolution of welfare-to-work in Australia and the UK (and the Netherlands) since 1998
- Enables us to examine how policy reforms influence the behaviour of providers and their staff over time



New Deal
(UK)



Work Programme
(UK)



Work & Health
Programme (UK)

1998 Survey

2008 Survey

2012 Survey

2016 Survey

Evolving policy context & reforms since 2012



Differences to AUS:

- 'Black box' approach
- Prime-contracting model
- Higher proportion of provider funding linked to outcomes

- *jobactive*, aiming for system that is:
 - More responsive to needs of employers
 - Enhances job seeker activation and mutual obligation
 - Increases job outcomes
 - Reduces red tape
- Changes to jobseeker streaming
- Higher proportion of provider funding linked to outcomes
- *Work-for-the-Dole* as default annual activity
- Strengthening of the *Job Seeker Compliance Framework* from 1 July 2014 (NARS) and again in July 2015 (PARs)

Work Programme continues to be main contracted program, BUT:

- Changes to sanctioning regime (Welfare Reform Act 2012): **up to 3 years** loss of benefits
- Shift towards entirely payment-by-results
- Increased referrals of ESA claimants (claimants with ill health and disability)
- Ongoing rollout of Universal Credit, and widening role for Jobcentre Plus

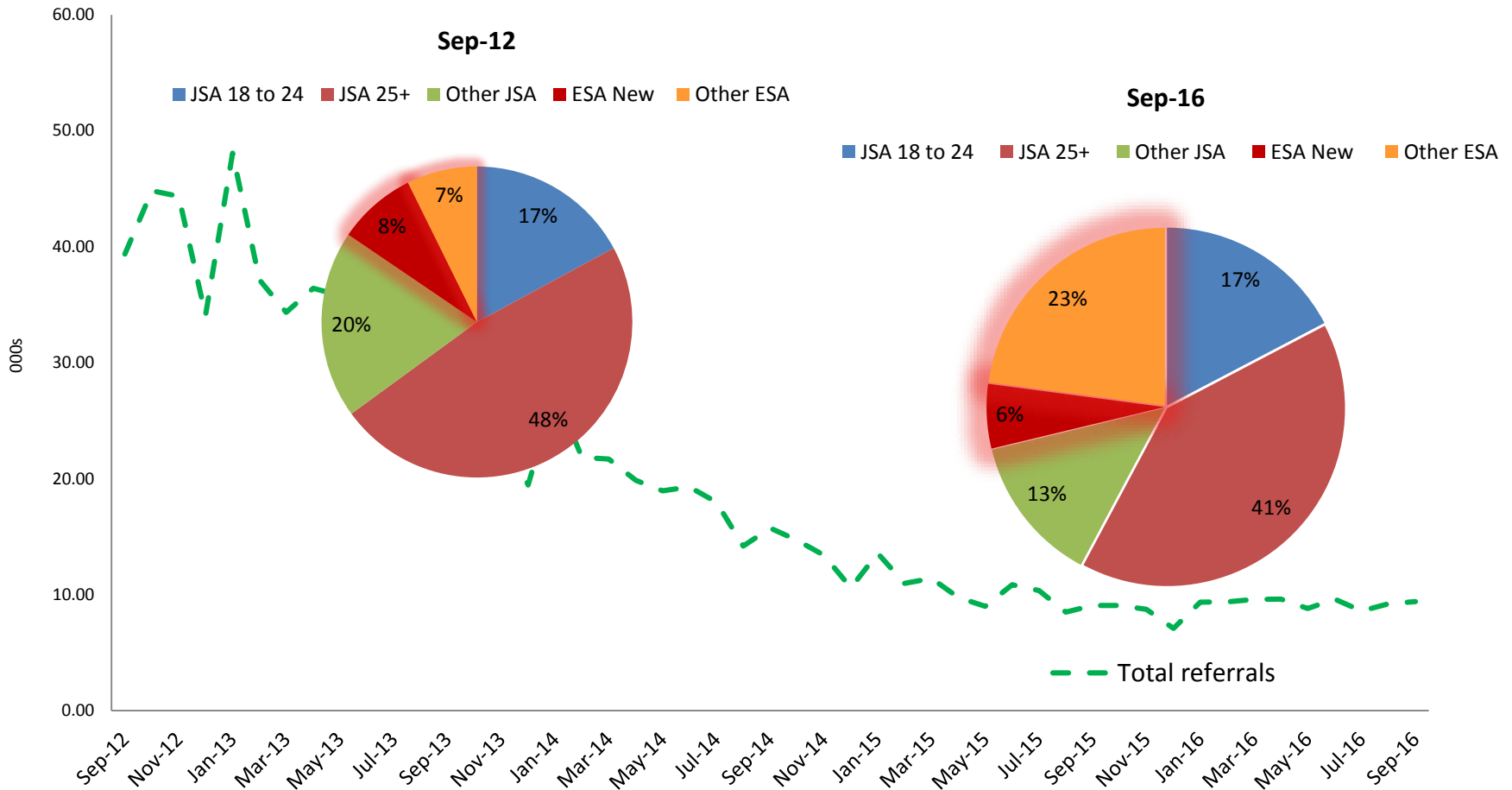
Major changes on the horizon

- Referrals to WP ceased in April 2017
- *Work & Health Programme* slated for launch later this year – in commissioning phase

WP caseload shift

Proportion of referrals coming from ESA groups has nearly doubled since 2012 survey

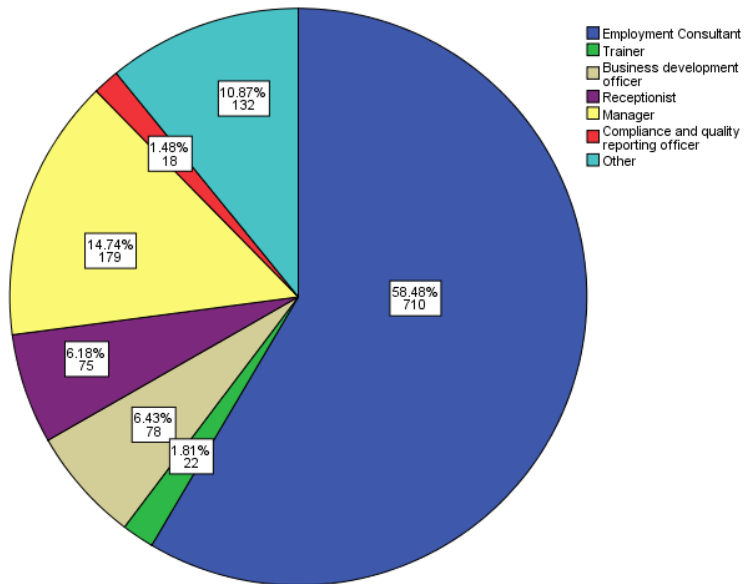
Percentage of monthly intake by claimant group, WP National Statistics data up to September 2016



The 2016 Surveys

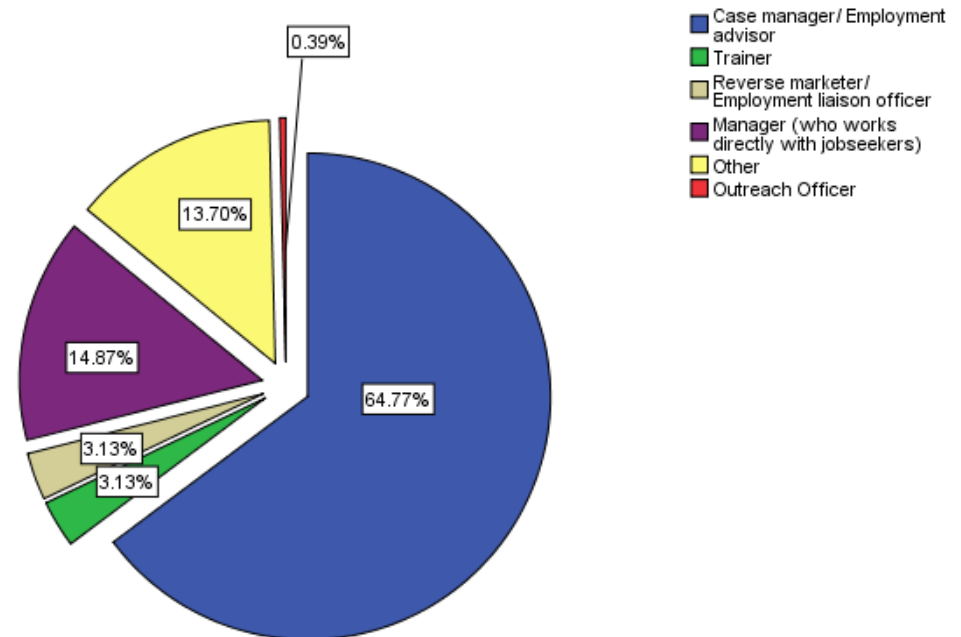
AUS

- 1233 staff from 32 different agencies
- 65% NFP; 32% FP; 3% Other
- Carried out online July to August 2016



UK

- 670 staff from 17 different agencies
- 23% NFP; 36% FP; 30% GOV; 11% Mixed
- Carried out online Sep to Nov 2016
- Work Choice respondents excluded





Workforce Differences



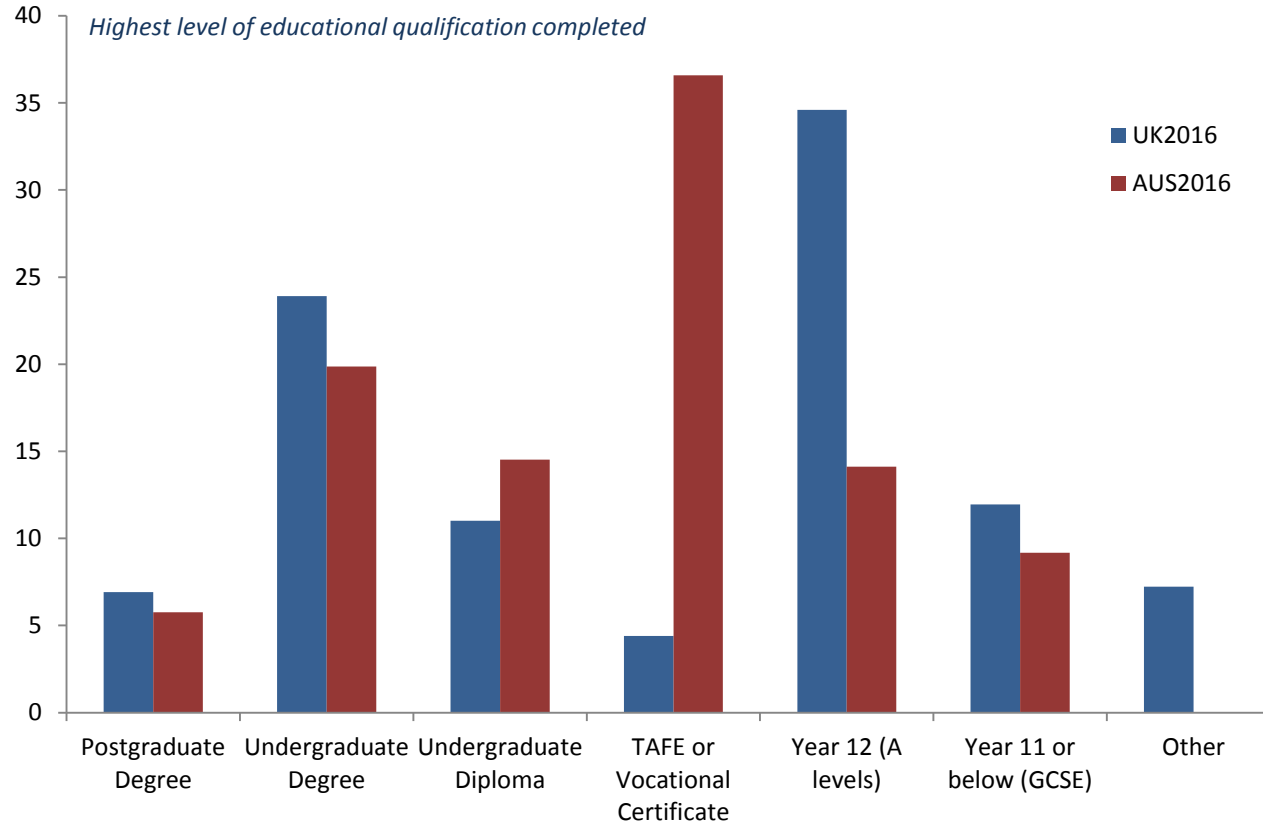
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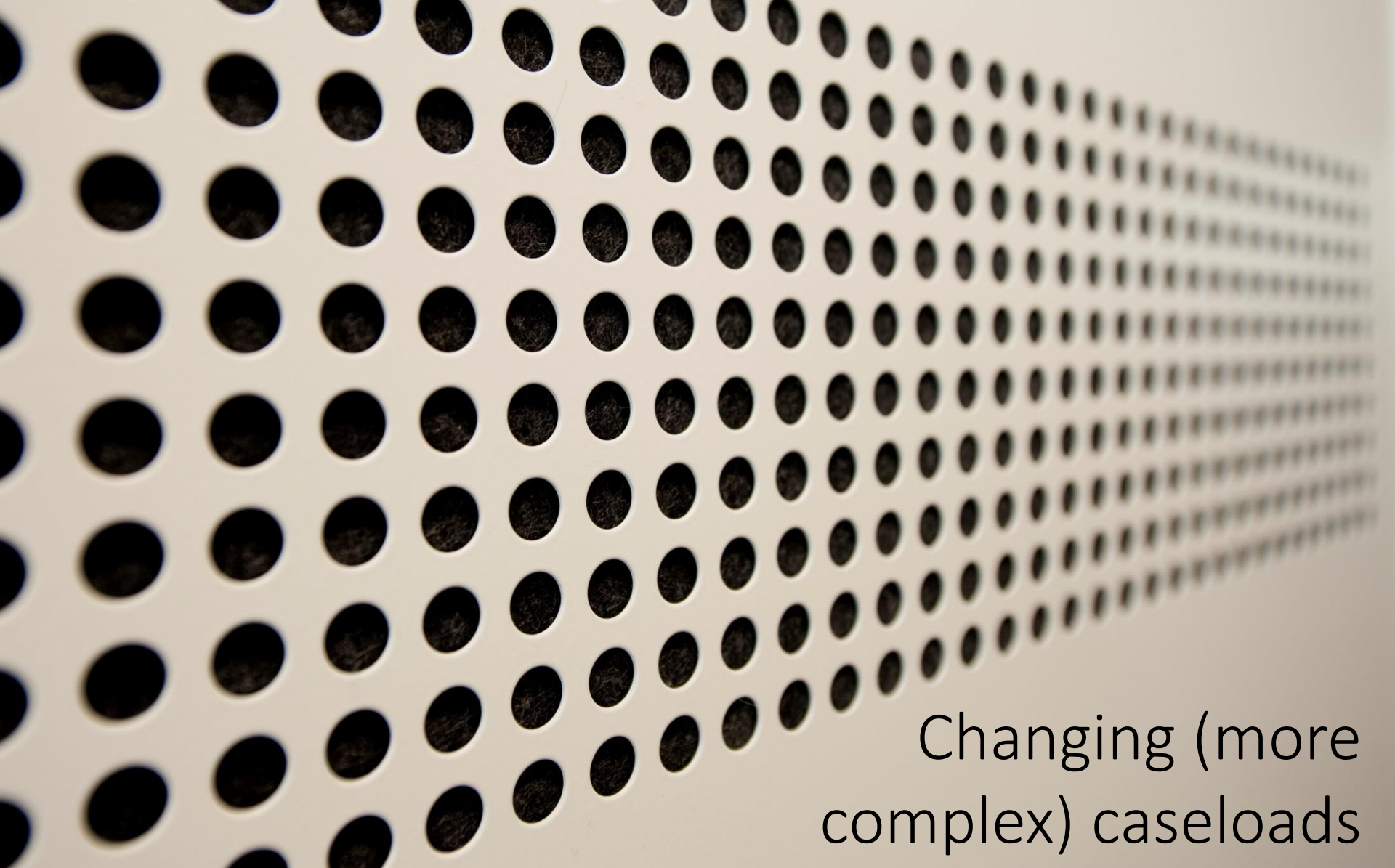


Stabilisation of UK workforce compared with Australia

	2012		2016	
	UK	AUS	UK	AUS
Gender				
Female	63.3%	77.0%	65.1%	76.0%
Male	36.7%	23.0%	34.9%	23.7%
Work full-time	83.1%	88.2%	83.1%	91.8%
Are union members	40.6%	6.2%	22.2%	3.0%
Years working -				
In sector				
Less than 1 year	12.3%	12.0%	6.3%	16.5%
1-5 years	38.2%	46.6%	27.9%	35.7%
More than 5 years	49.5%	44.4%	65.7%	47.8%
For current employer				
Less than 1 year	23.1%	21.7%	8.8%	29.0%
1-5 years	40.9%	55.1%	46.5%	52.5%
More than 5 years	35.9%	23.2%	44.7%	18.5%

- Australian staff more likely to have a post-school qualification
- **Also tend to be younger** (~40% under 35 years vs. ~32% in UK)
- Whereas a higher proportion of UK frontline staff (43%) are +45 years (vs. 34% in AUS)



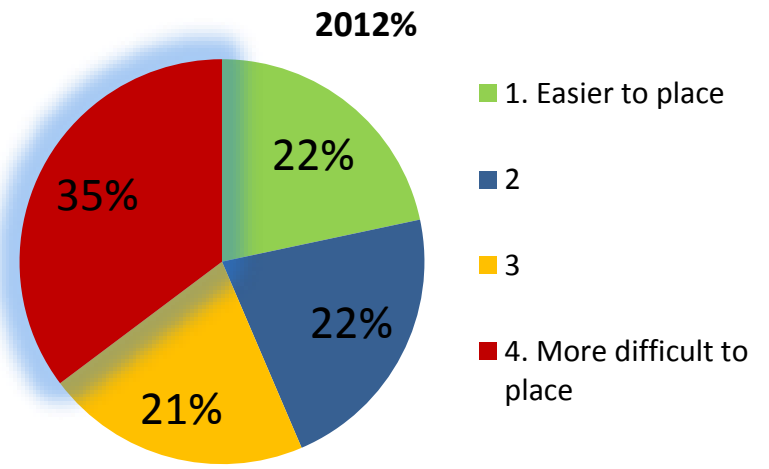
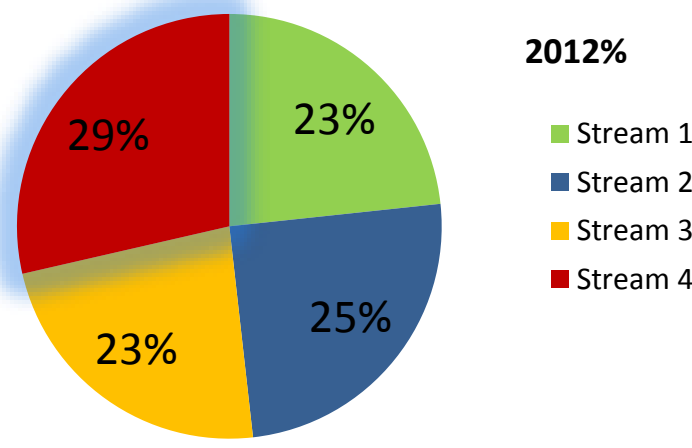
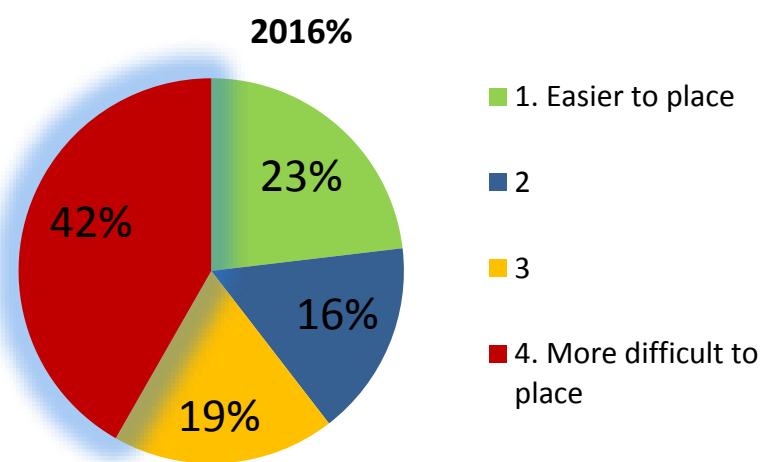
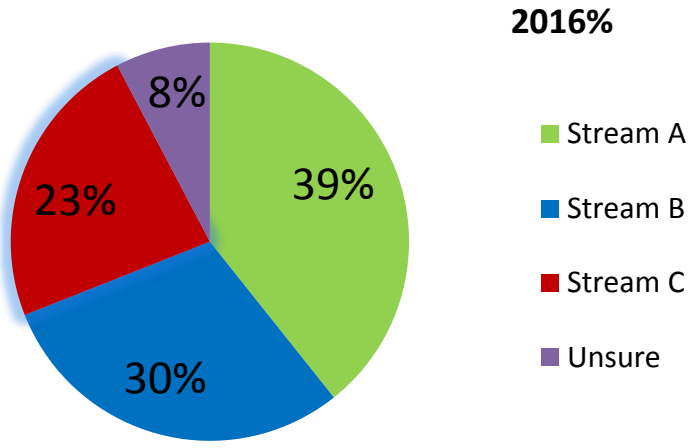


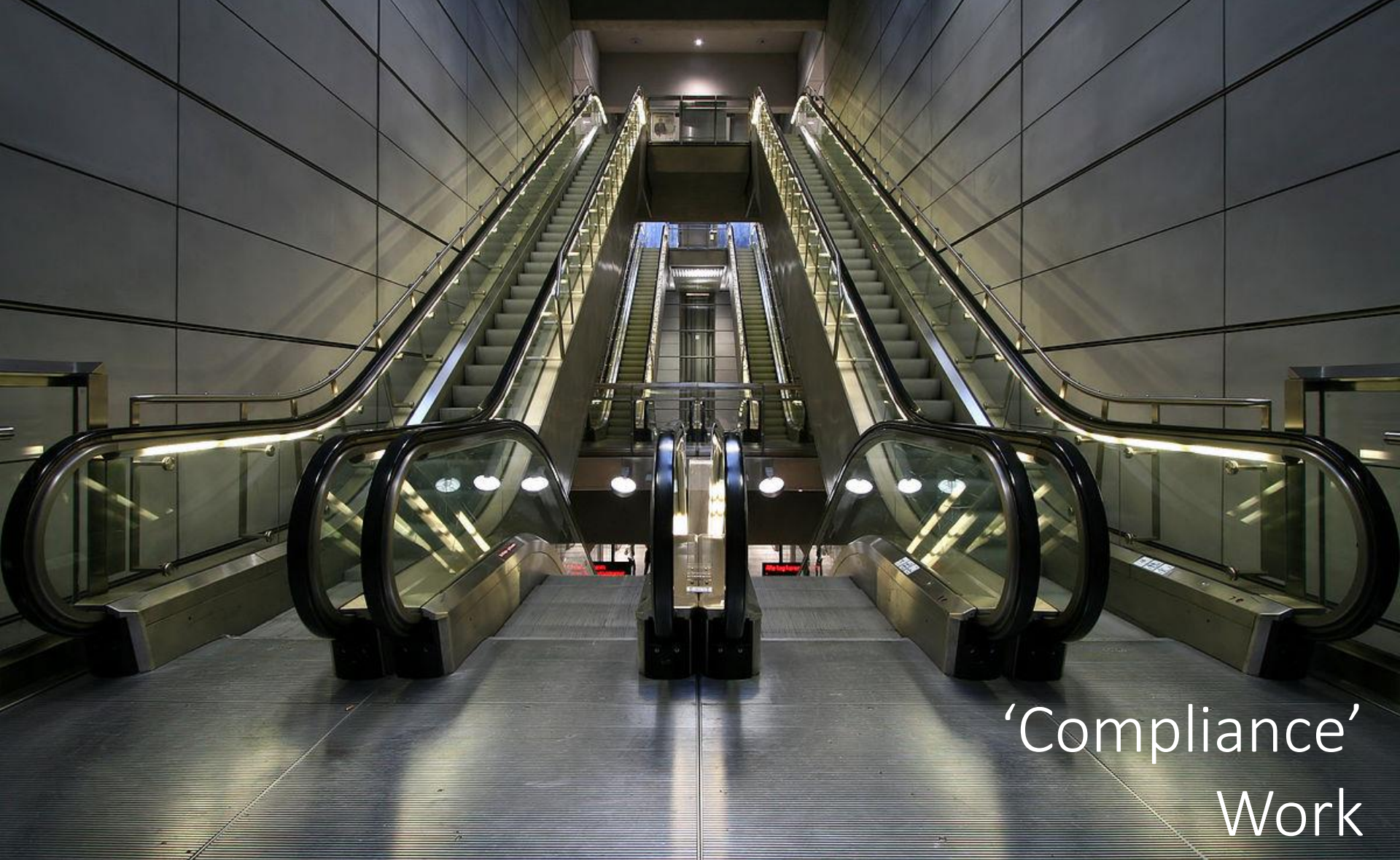
Changing (more complex) caseloads

A common pattern ... Jobseekers considered harder to help

	2012		2016	
	UK	AUS	UK	AUS
Proportion of clients perceived to have a mental health problem (std dev.)	22.43 (20.8)	38.97 (26.0)	44.67 (25.33)	43.1 (24.6)
Proportion of clients not complying with their obligations	28.26 (22.38)	35.6 (21.7)	30.10 (20.83)	39.0 (20.7)
Proportion of jobseekers considered:				
1. <i>Easier to place (std. deviation)</i>	21.08 (18.34)	21.6 (20.7)	18.47 (17.18)	23.1 (16.9)
2.	20.21 (11.92)	21.8 (13.2)	15.57 (9.95)	16.4 (10)
3.	22.65 (11.78)	21.1 (11.4)	19.16 (11.86)	18.7 (11.7)
4. <i>More difficult to place (std. deviation)</i>	36.06 (23.33)	35.6 (23.8)	46.80 (23.35)	41.7 (22.3)
Average (mean) clients in current caseload				
	117.61 (61.55)	114.2 (50.0)	94.72 (48.81)	147.6 (57.8)
Number of job seekers seen on average day	13.78 (10.08)	9.1 (7.0)	8.84 (6.52)	9.1 (6.8)

Gap between service streaming and frontline perceptions (AUS)

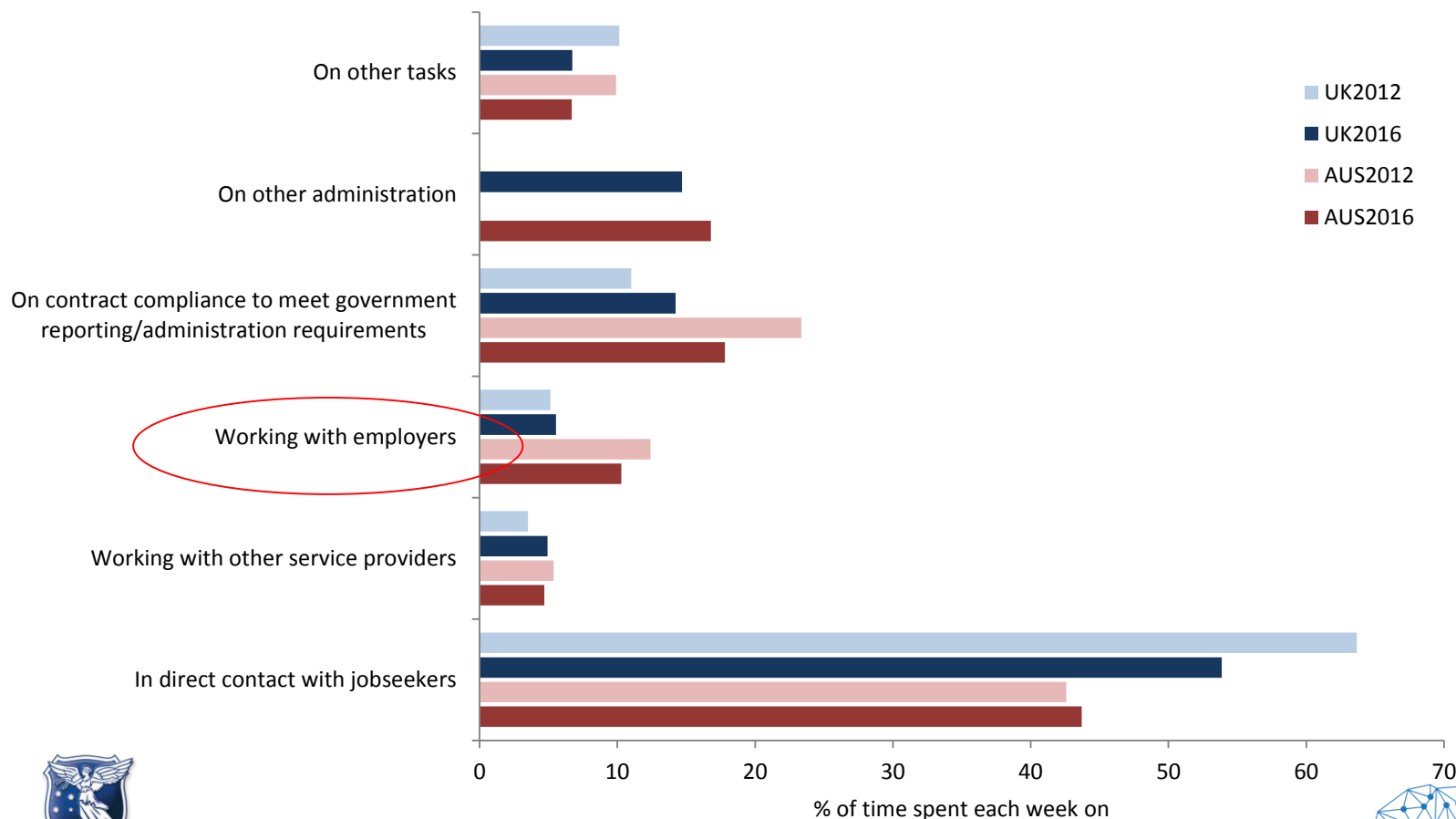




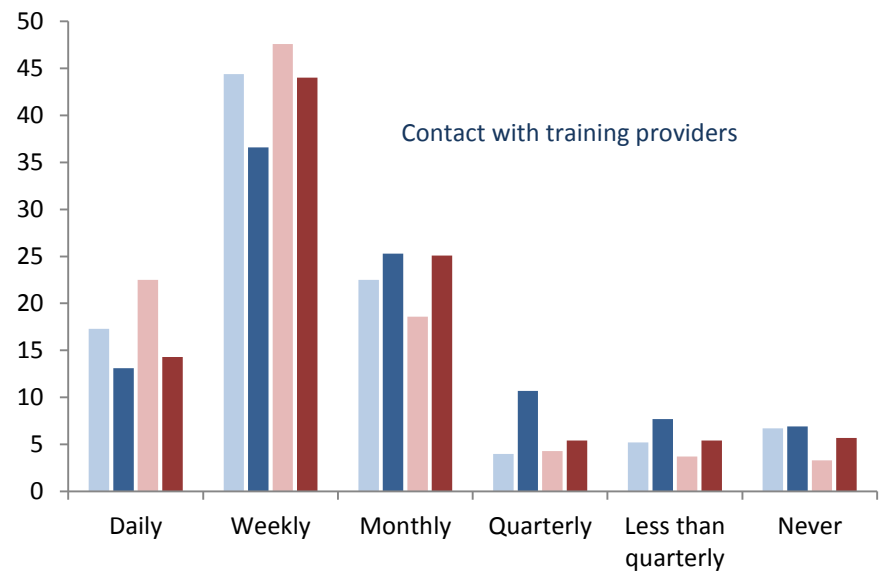
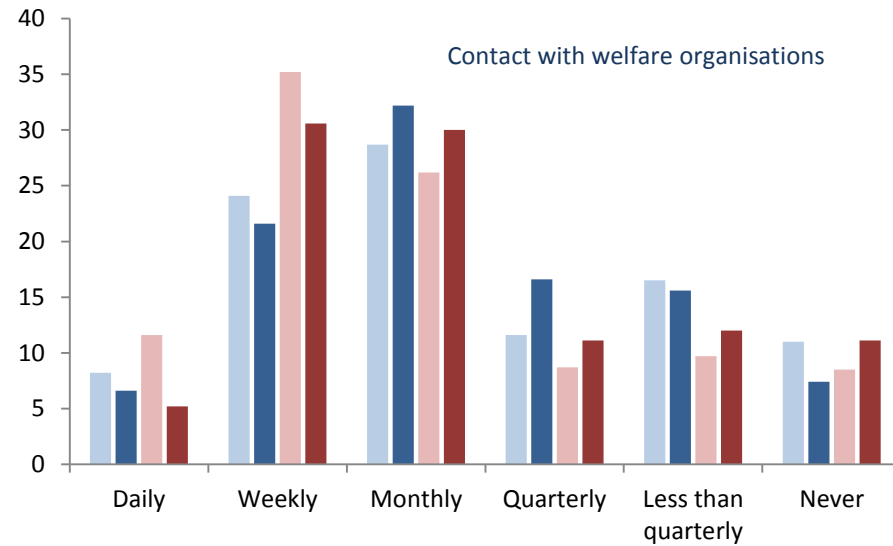
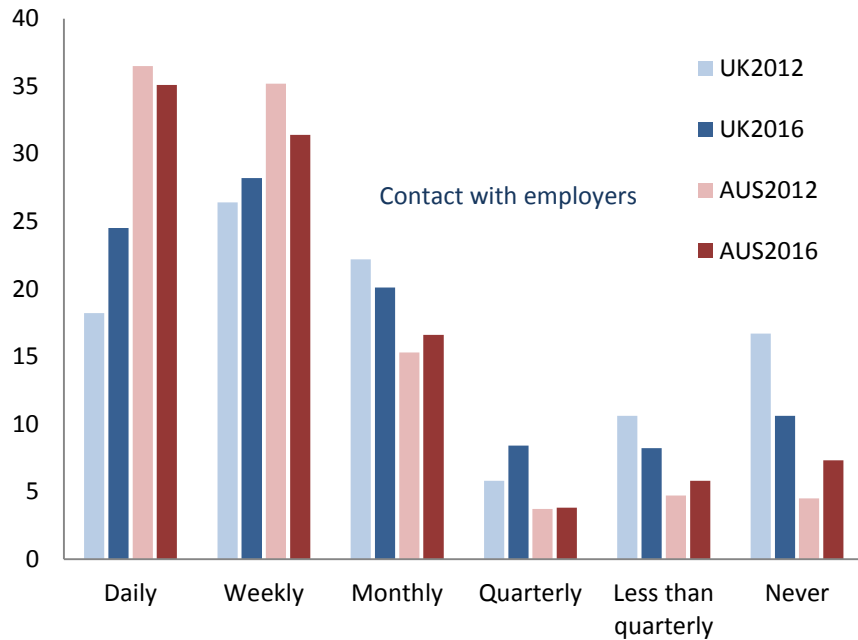
'Compliance' Work

Contract compliance and admin continue to be time-demanding

- AUS – more time spent on working with employers, other service providers (e.g. welfare/training orgs), but also on contract compliance
- UK – more direct contact with jobseekers, although this is declining as the compliance burden is increasing (suggests re-regulation)

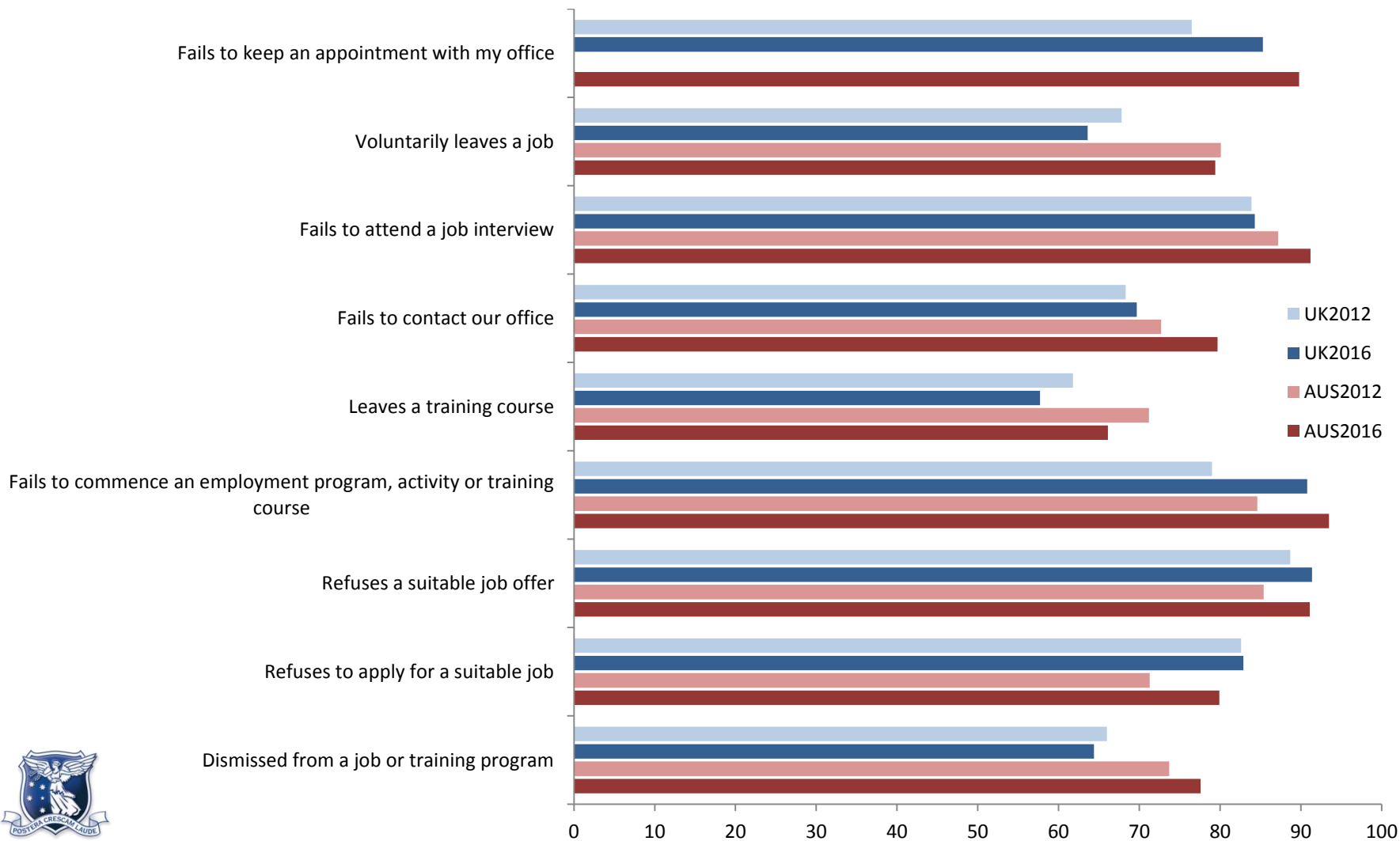


Networking with employers, welfare agencies, training providers



Willingness to report clients for sanctioning increasing in AUS in line with policy direction ... but not in UK

When would you normally report a jobseeker for sanctioning? When a job seeker ...

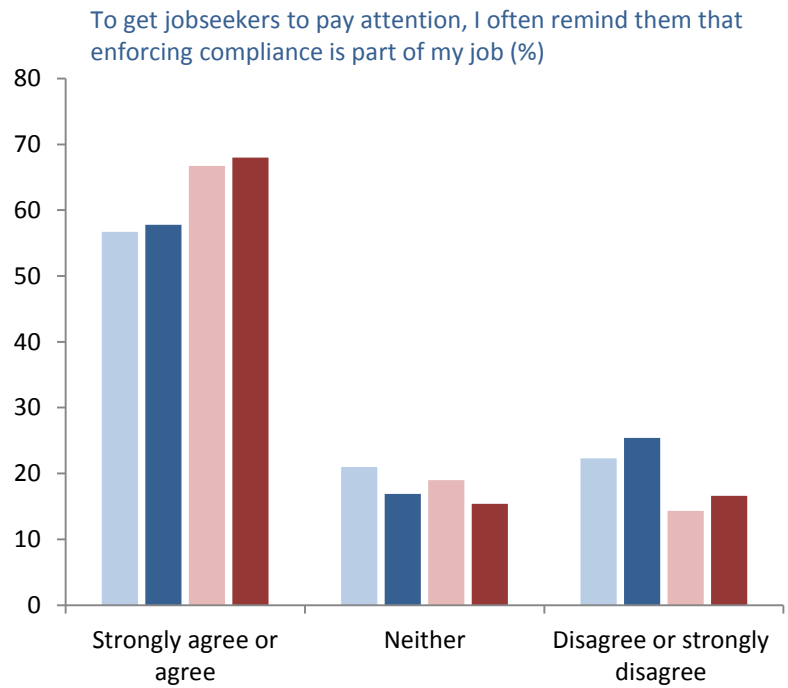
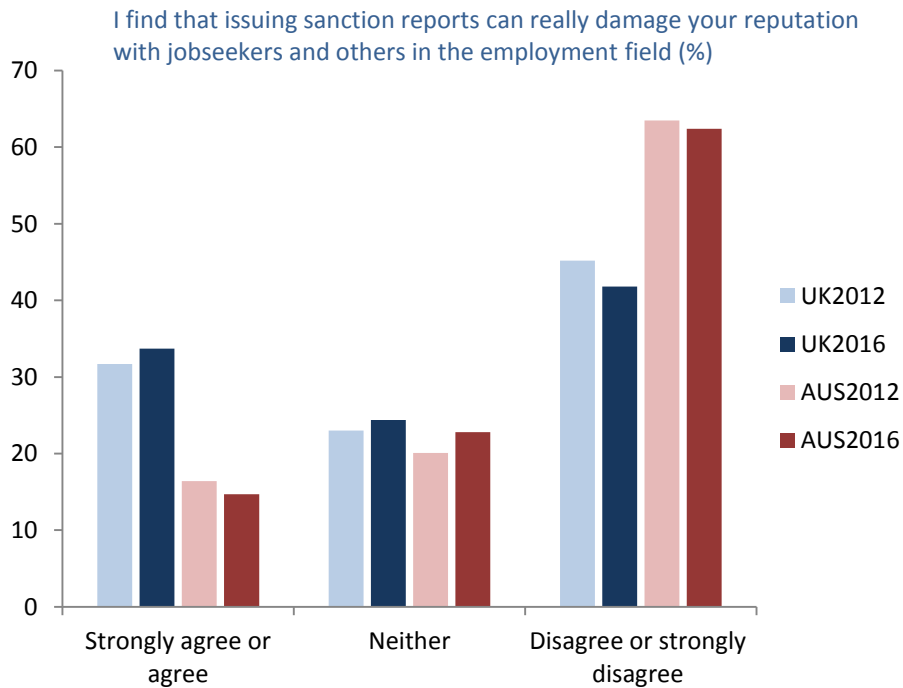


Sanctioning (cont.)

Average (mean) no. of clients reported for sanctioning in the last two weeks
<i>Std. deviation</i>

UK 2012	AUS 2012
4.20	6.53
6.61	11.95

UK 2016	AUS 2016
4.48	15.06
6.42	21.03





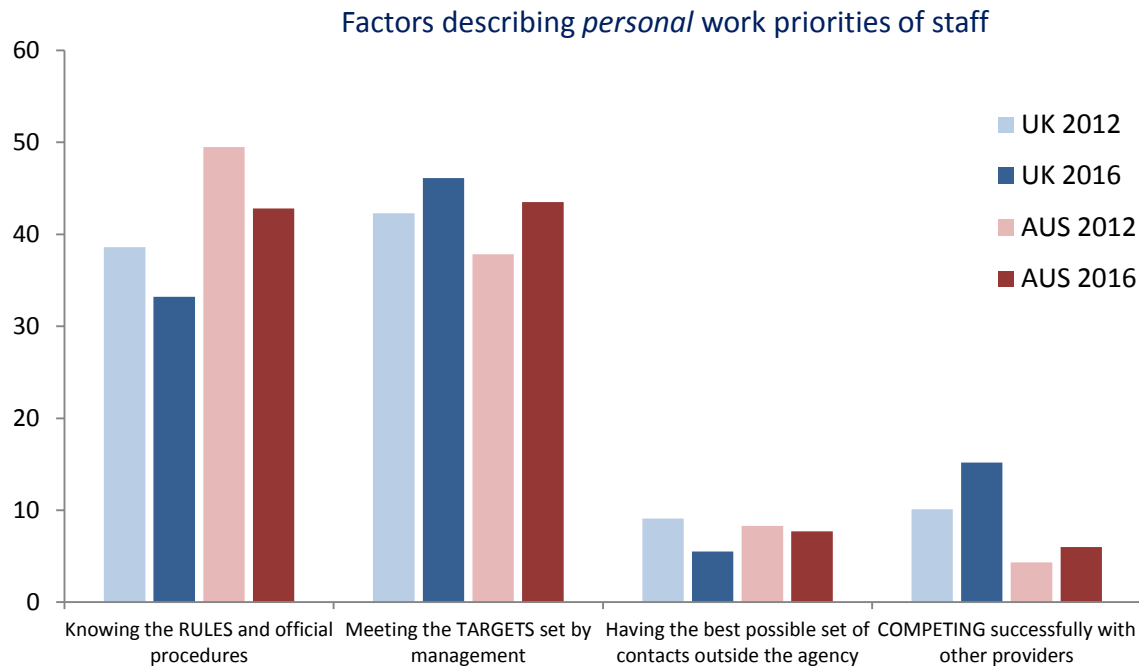
Flexibility and decision-making at the frontline

Flexibility, Standardisation and Discretion

	UK 2012	UK 2016	AUS 2012	AUS 2016
To what extent are the decisions you make about job seekers determined by standard rules and regulations:				
▪ <i>A good or great deal</i>	73.5	75.5	77.8	84.9
▪ <i>Neutral</i>	15.5	15.4	17.9	12.0
▪ <i>Little or very little</i>	11.0	9.1	4.2	3.2
Our computer systems tells me what steps to take with job seekers and when to take them				
▪ <i>Agree or strongly agree</i>	31.2	28.4	50.4	48.3
▪ <i>Neither</i>	24.9	23.7	24.4	28.8
▪ <i>Disagree or strongly disagree</i>	43.9	47.9	25.2	22.9
When it comes to day-to-day work I am free to decide for myself what I will do with each jobseeker:				
▪ <i>Agree or strongly agree</i>	67.6	70.3	60.2	49.6
▪ <i>Neither</i>	12.1	14.7	18.9	24.0
▪ <i>Disagree or strongly disagree</i>	20.3	15.0	20.9	26.4
I use a lot of personal judgement to decide what is best for each job seeker:				
▪ <i>Agree or strongly agree</i>	86.6	82.4	68.2	64.5
▪ <i>Neither</i>	7.5	12.2	22.5	22.2
▪ <i>Disagree or strongly disagree</i>	5.8	5.5	9.4	13.3
How much leeway do you have in deciding which program or activity your job seekers should be assigned to?				
▪ <i>A good or great deal</i>	58.1	63.6	52.9	53.9
▪ <i>Neutral</i>	16.9	16.0	25.4	21.5
▪ <i>Little or very little</i>	25.0	20.4	21.8	24.5

Governing priorities

- Slight shift away from rule-bound work focus towards a more target-driven approach
- Although a competitive market-mentality is more entrenched in the UK



Performance targets and client servicing

	UK 2012	UK 2016	AUS 2012	AUS 2016
How influential is the 'need to get an outcome quickly' in determining what activities are recommended:				
• Quite or very influential	40.0	47.1	38.8	45.3
• Not at all or somewhat influential	60.0	52.9	61.2	54.7
What would you say is the more important goal of your agency:				
• To get clients into jobs quickly	66.7	50.3	38.1	51.6
• Neutral	19.7	20.4	33.7	25.1
• To raise skill levels	13.7	29.3	28.3	23.4
A jobseeker is offered a low-skill, low-paying job that would make him or her better off financially. What advice would YOU PERSONALLY give to a client in such circumstances				
• Take the job and leave welfare	89.9	85.7	89.8	88.0
• Neutral	7.5	9.0	6.7	8.0
• Stay on benefits and wait for a better opportunity	2.5	2.8	3.5	4.0
In my job, I am NOT influenced by numerical targets:				
• Agree or strongly agree	22.3	18.6	16.0	11.5
• Neither	12.3	13.7	15.1	13.4
• Disagree or strongly disagree	65.4	67.8	69.0	75.1
I do tend to take note of those actions with JS that will generate a payable outcome for the office				
• Agree or strongly agree	42.9	48.6	66.4	65.2
• Neither	29.2	28.5	21.3	23.9
• Disagree or strongly disagree	27.8	22.9	12.2	10.9

Some conclusions

- Continuation of trends towards standardisation and reduced discretion at the frontline – although ‘double activation’ and monitoring of frontline staff are stronger features of the Australian system
- Heightening emphasis on jobseeker compliance and rapid labour market attachment (payable results)
- Trends becoming more pronounced in Australian employment services system
- Policy directions in UK towards payment-by-results and stronger benefits-conditionality appear to have had less impact on behaviours at the frontline
- With caseloads becoming more complex, is strengthening the jobseeker compliance and payment-by-results aspects of systems the answer to delivering better results in moving people from welfare-to-work?



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<http://arts.unimelb.edu.au/ssps/research/projects/employment-services>

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