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Evaluation of lone parent adviser meetings: interim findings from administrative data analysis.

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**Evaluation of
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Personal Adviser
meetings:**

**Interim findings
from administrative
data analysis**

**Genevieve Knight and
Michael White**

Disclaimer

The views in this report are the authors' own and do not necessarily reflect those of the Department for Work and Pensions.

Table of Contents

Disclaimer	i
Table of Contents	iii
List of Tables and Charts.....	v
Acknowledgements	vii
Glossary of Abbreviations.....	ix
Executive Summary	xi
1 Background and Aims	xi
2 Method.....	xi
3 Investigations to ensure the validity of the evaluation method	xii
4 Changes in exit rates from IS for new/repeat claimants	xii
5 Changes in exit rates from IS for stock claimants	xii
6 Changes in entry rates to NDLP	xiii
7 Interpretation	xiii
1 Introduction	1
1.1 Policy Background to Personal Adviser meetings	1
1.2 Policy context.....	3
1.3 Aims of the analysis	5
1.4 Scope and limitations of the interim report	5
2 Method.....	7
2.1 The evaluated groups.....	7
2.1.1 ‘New/repeat’ and ‘stock’ claims: the eligible groups	7
2.1.1.1 Interpretation of eligibility in practice.....	8
2.1.2 Comparison groups.....	10
2.1.3 Multiple spells of claiming by the same person	10
2.2 The method of ‘difference in differences’	11
2.2.1 Constructing the counterfactual.....	13
2.2.2 Difference in Difference assumptions	14
2.3 Design of the analysis.....	15
2.3.1 Samples	15
2.3.2 Other steps to ensure validity of the analysis method	16
2.3.3 Outcomes.....	17
2.4 The administrative data	18
2.4.1 Definitions	18
3 Descriptive analysis.....	21
3.1 Introduction to the descriptive analysis	21
3.2 New/repeat and stock magnitudes	21
3.2.1 Total new/repeat claims.....	21
3.2.2 Total stock numbers	21
3.2.3 The new/repeat claimant sub-samples	22
3.2.4 The stock claimant sub-samples	23
3.2.5 Broad indications of turnover.....	24
3.3 The characteristics of new/repeat claimants.....	25
3.4 The characteristics of stock claimants	33
3.5 Entry to PA meetings, and characteristics of entrants and non-entrants	36
3.5.1 Matching PA meetings records to IS records	36
3.5.2 Estimates of participation in PA meetings	38
3.5.3 The characteristics of eligible entrants and non-entrants: New/repeat claimants... ..	42
3.5.4 The characteristics of eligible entrants and non-entrants: Stock claimants	44
3.6 Preliminary descriptive analysis of NDLP entrants	46

3.6.1	Entry to NDLP, 1999-2002	46
3.6.2	Stock claimants' entry into NDLP.....	49
4	Interim impact analysis.....	51
4.1	Introduction to the impact analysis.....	51
4.2	Tests of the method assumptions.....	51
4.2.1	Pre-programme tests of changes in exits	53
4.3	Impact estimates for new/repeat claims.....	54
4.3.1	Exits from IS claim for new/repeat claims	55
4.3.1.1	Average impact on Exits from IS claim for new/repeat claims.....	55
4.3.1.2	Impact on Exits from IS claim for new/repeat claims by year of age of youngest child.....	57
4.3.2	Entry to New Deal for Lone Parents (NDLP) for new/repeat claims.....	60
4.3.2.1	Average impact on entry to NDLP for new/repeat claims	60
4.3.2.2	Impact on entry to NDLP for new/repeat claims by year of age of youngest child	61
4.4	Impact estimates for stock claims.....	62
4.4.1	Exits from IS claim for stock claims	62
4.4.1.1	Average impact on exits from IS claim for stock claims.....	62
4.4.1.2	Impact on exits from IS claim for stock claims by year of age of youngest child.....	63
4.5	Conclusions	65
4.5.1	New/repeat claims	65
4.5.2	Stock claims	66
5	Summary and conclusions.....	69
5.1	Aims and methods.....	69
5.2	Impacts for new/repeat claimants.....	69
5.3	Impacts for stock claimants	70
5.4	Further issues about the impact estimates	70
5.5	Interpreting the PA meetings impacts	71
	References	73
	Appendix 1 Detail of method	75
	Appendix 2 Detail of data.....	76
	Appendix 3 Additional results.....	78
	Appendix 4 Additional statistical information	86

List of Tables and Charts

Diagram 2.1 Difference in Differences Analysis Schema.....	13
Table 2.1 Summary of groups used in the impact analysis	16
Table 3.1 Description of the key evaluation groups: New/Repeat Claims Aug-Oct cohort.....	22
Table 3.2 New/Repeat Claims: Overall number of claimants, Aug-Oct cohort ..	23
Table 3.3 New/Repeat Claims: Overall number of claimants, Nov-Jan cohort ..	23
Table 3.4 Description of the key evaluation groups: Stock Claims	24
Table 3.5 Stock Claims: Overall number of claimants.....	24
Table 3.6 New/Repeat Claims: Exit rate for lone parent IS claims August-October cohort, 1999 and 2000 pooled	25
Table 3.7 New/Repeat Claims: Sex of claimant.....	26
Table 3.8 New/Repeat Claims: Age of claimant at claim start date	28
Table 3.9 New/Repeat Claims: Age of youngest child at claim start date, Aug-Oct cohort	29
Table 3.10 New/Repeat Claims: Number of children for claimant	30
Table 3.11 New/Repeat Claims by Government Office Region, Aug-Oct cohort	31
Table 3.12 New/Repeat Claims: TTWA unemployment rate in April 1999	32
Table 3.13 Stock Claims: Sex of claimant	33
Table 3.14 Stock Claims: Age of claimant at sampling date.....	34
Table 3.15 Stock Claims: Age of youngest child at sampling date	34
Table 3.16 Stock Claims: Number of children for claim.....	35
Table 3.17 Stock Claims: Region.....	35
Table 3.18 Stock Claims: TTWA unemployment rate in April 1999.....	36
Table 3.19 New/Repeat Claims: Entry into PA meetings, by eligibility.....	39
Table 3.20 New/Repeat Claims: Entry into PA meetings, by age of youngest child	40
Table 3.21 Stock Claims: Entry into PA meetings, by eligibility	40
Table 3.22 Stock Claims: Entry into PA meetings, by age of youngest child.....	41
Table 3.23 Stock Claims: Entry into PA meetings, by time from starting	41
Table 3.24 Characteristics of new/repeat entrants and non-entrants: Sex	42
Table 3.25 Characteristics of new/repeat entrants and non-entrants: Claimant Age group.....	42
Table 3.26 Characteristics of new/repeat entrants and non-entrants: Number of dependent children.....	43
Table 3.27 Characteristics of new/repeat entrants and non-entrants: Government Office Region	43
Table 3.28 Characteristics of stock entrants and non-entrants: Sex	44
Table 3.29 Characteristics of stock entrants and non-entrants: Claimant Age group.....	44
Table 3.30 Characteristics of stock entrants and non-entrants: Number of dependent children.....	45
Table 3.31 Characteristics of stock entrants and non-entrants: Government Office Region	46
Table 3.32a New/Repeat Claims: Entry into NDLP, by time from starting IS claim	48
Table 3.34 Stock Claims: Entry into NDLP	50
Table 4.1 Pre-programme tests for New/Repeat Claims: August-October and November-January cohorts.....	54
Table 4.2 New/Repeat Claims: Average impact on Exits from IS claim, August to October cohort, pooled base 1999-2000.....	56

Table 4.3 New/Repeat Claims: Average impact on Exits from lone parent IS claim, August to October cohort, pooled base 1999-2000	57
Chart 4.4 New/Repeat Claims: PA meetings impact on Exits from IS, by age of youngest child, August to October cohort pooled base 1999-2000, statistically significant impacts	59
Chart 4.5 New/Repeat Claims: PA meetings impact on Exits from lone parent IS claim, by age of youngest child, August to October cohort pooled base 1999-2000, statistically significant impacts.....	60
Table 4.6 New/Repeat Claims: Average impact on entry to NDLP, August to October cohort, pooled base 1999-2000.....	61
Chart 4.7 New/Repeat Claims: PA meetings impact on NDLP entry, by age of youngest child, August to October cohort pooled base 1999-2000, statistically significant impacts	62
Table 4.8 Stock Claims: Average impact on exits from IS claim	63
Table 4.9 Stock Claims: Average impact on exits from lone parent IS claim....	63
Chart 4.10 Stock Claims: PA meetings impact on Exits from IS claim, by age of youngest child, statistically significant impacts.....	64
Chart 4.11 Stock Claims: PA meetings impact on Exits from lone parent IS claim, by age of youngest child, statistically significant impacts	65
Table A1 New and Repeat Claims: impact estimates exit IS, 1999 and 2000	78
Table A2 New and Repeat Claims: impact estimates on exit IS, by age of youngest child.....	79
Table A3 New and Repeat Claims: impact estimates exit lone parent IS, 1999 and 2000	80
Table A4 New and Repeat Claims: impact estimates on exit lone parent IS, by age of youngest child.....	81
Table A5 New and Repeat Claims: impact estimates entry to NDLP, 1999 and 2000	82
Table A6 New and Repeat Claims: impact estimates on entering NDLP, by age of youngest child	83
Table A7 Stock Claims: impact estimates on exit IS, by age of youngest child .	84
Table A8 Stock Claims: impact estimates on exit lone parent IS, by age of youngest child.....	85
Chart A9: NDLP entry, quarterly and monthly, figures from Statistical First Release.....	86
Chart A10: NDLP job entry, quarterly and monthly, figures from Statistical First Release.....	87
Table A11: Income Support Quarterly Statistical Enquiry figures, Great Britain	88
Chart A12: Working Families' Tax Credit Statistics Quarterly Enquiry, UK Time Series August 2002.....	89

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Glossary of Abbreviations

BA	Benefits Agency
DWP	Department for Work and Pensions
GMS database.	Generalised Matching Service database
IS	Income Support. Income Support is a noncontributory, income-assessed benefit available to people who are not required to work.
JSA	Jobseeker's Allowance
NDLP	New Deal for Lone Parents
NDED	New Deal Evaluation Database maintained by DWP's Analytical Services Division. This Evaluation Database also incorporates data from other sources: data on claimant unemployment extracted from the Joint Unemployment and Vacancies Operating System (JUVOS) maintained by the Office for National Statistics, which is the primary source of published statistics on claimant unemployment; data from the Work Based Learning for Adults (WBLA) Database maintained by the Department for Work and Pensions, and data on age of youngest child of lone parents from the ISCS system again maintained by the Department for Work and Pensions.
ORC	Opinion Research Corporation International UK, an Opinion Research Corporation affiliated company.
PA meetings	Personal Adviser meetings, work-focused meetings
TTWA	travel-to-work area

Executive Summary

1 Background and Aims

Personal Adviser (PA) Meetings for lone parents claiming Income Support (IS) were introduced nationally on 30 April 2001. The system provided a work-focussed interview that was compulsory for eligible lone parents. It was also designed to encourage participation in New Deal for Lone Parents (NDLP), which remained voluntary. Eligibility for PA meetings was based on the age of the youngest dependent child. Initially, lone parents making a new or repeat claim were eligible if their youngest child was at least 5 years 3 months old. Those who had ongoing ('stock') claims at the time when PA meetings were introduced were eligible if their child was aged 13 to 15 years 9 months. Since 1 April 2002, eligibility has subsequently been progressively extended, but this will be covered in a later report.

The chief aim of the research reported here was to provide rigorously quantified estimates of how much difference the PA meetings system made, within the initial year, to the rate of exits from IS and to the rate of entry to NDLP. A further aim was to contribute to the overall evaluation of PA meetings, which is being developed through several parallel strands of research.

This is a report of interim findings, which will be updated when further information becomes available in Summer 2003.

2 Method

The effects of PA meetings were estimated by comparing IS exits and NDLP entries for each eligible group in the period following the introduction of the system with the outcomes for corresponding groups of lone parents in the period before introduction (from May 1999 to January 2001). To adjust for general changes in the economy and labour market, comparisons were also made over the same periods for groups of lone parent claimants who were not eligible for PA meetings.

The data used for the analysis were derived from linked administrative records for IS claims, PA meetings and NDLP participation, for the period May 1999 to May 2002.

In the evaluation of PA meetings, 'new or repeat claims' and the 'stock claims', were very markedly different: the programme operated differently for these two groups, samples for the two groups were constructed in fundamentally different ways, and the analyses for the two groups were also designed differently. Accordingly, there was separate analysis for 'new or repeat claims' and 'stock claims'.

3 Investigations to ensure the validity of the evaluation method

The research investigated several potential difficulties that could affect the evaluation, to ensure that the estimates were sound. Two were particularly important.

- Changes in outcomes over the period in question could have been affected by shifts in the relative characteristics of the eligible and non-eligible groups being compared. Checks of the characteristics of the eligible and non-eligible groups of lone parents were analysed over time. Changes were slight and evenly distributed between the groups, consistent with the requirements of the evaluation design.
- Comparisons could have been affected by policy changes, other than PA meetings, affecting lone parents in the period in question. Checks were made to ensure that policy changes, particularly the replacement of Family Credit by Working Families Tax Credit (WFTC) in October 1999 did not affect the evaluation design. The possible impact of WFTC was tested by making comparisons in outcomes over the period *before* the introduction of PA meetings. No significant changes in the relative outcomes of the eligible and non-eligible groups of lone parents were identified in this period. The checks showed that the two years before the introduction of PA meetings provided a stable baseline period, suitable for use in the evaluation.

4 Changes in exit rates from IS for new/repeat claimants

The introduction of PA meetings brought about an increase in exit rates from IS for eligible new or repeat claimants. However, this depended upon the time at which the claimants began their claim, and upon the age of their youngest child.

- Eligible claimants who began their claim in August-October 2001 had an increase of about one percentage point in exits from IS over the first four to five months of their claim, compared to the two previous years.
- However, for those who entered in November 2001-January 2002, there was no increase in exit rates from IS compared to the previous years.
- For the August-October claimants, the increase in exit rates was chiefly found among those with a youngest child aged 7 or 11-13. For these, the increase in exit rates was around two percentage points, about double the average for the eligible group as a whole.

5 Changes in exit rates from IS for stock claimants

For lone parents with an ongoing claim who were eligible for PA meetings, IS exits increased by about one percentage point relative to 1999, within 9-12 months from the introduction of the system.

This impact however varied by the age of the youngest child.

- The exit rate from IS increased most for those claimants whose youngest child was 14, where they rose by more than two percentage points within 9-12 months. There was also some increase in exit rates from IS where the youngest child was 13, but this was much smaller.

- If their youngest child was 15-plus, lone parents with ongoing claims became *less* likely to exit following the introduction of PA meetings. This result probably reflected early delays in implementation of the system, coupled with the fact that lone parents' claims for IS usually terminate when the youngest child reaches 16.

6 Changes in entry rates to NDLP

For new/repeat claimants, there was a very large increase in the rate of entry to NDLP, following the introduction of PA meetings. The increase in NDLP entry for the PA meetings eligible claimants was around 13 to 14 percentage points - from about five per cent entering prior to introduction of the system, to more than 18 per cent afterwards.

The effect of PA meetings on entry to NDLP was less variable than for exits from IS. The gain in entry to NDLP due to PA meetings was achieved about equally for the new/repeat claimants beginning their claim in the August-October period and those beginning in the November-January period. There was still some variation in the increased entry rates to NDLP by age of youngest child, but at all PA meetings eligible ages the gain was large.

It was also clear that those stock claimants who were eligible for PA meetings increased their entry rate to NDLP very substantially.

7 Interpretation

Overall, the effects of PA meetings on exit rates from IS were positive but small, at around one percentage point. This result should be seen against the underlying rate of exit for lone parents, which was low (with only one in six of new/repeat claimants exiting by 16 weeks). The gain attributable to PA meetings was equivalent to about a six per cent addition to the base IS exit rate at the 16-week point.

PA meetings produced a large increase in the entry rate to NDLP. This probably contributed to the rise in exit rates from IS. However, the rise in exit rates must involve factors other than NDLP, since for example the November-January claimant cohort had an increased NDLP entry but no increase in exits from IS. A possible explanation for there being no impact for PA meetings on IS exits for the November-January cohort may lie in barriers to exit created by the Christmas period and the associated seasonal job market.

The differences in PA meetings impacts on exits from IS by age of youngest child could also be linked to barriers for lone parents, real or perceived, when children are settling into primary education or preparing for the transition to secondary education.

1 Introduction

This report presents interim findings from an analysis of administrative data relevant to the introduction of Personal Adviser meetings (subsequently referred to as PA meetings). The administrative data analysis examines the impact of the system of mandatory PA meetings on lone parents claiming Income Support (IS). It does so through the comparison of outcomes for cohorts of lone parent IS claims before and after 30 April 2001, when PA meetings were introduced nationally as a welfare-to-work programme for lone parents on IS.

The IS administrative data used for the present analysis extends to the end of May 2002, however data for entry to NDLP and PA meetings are to March 2002. A final report on findings from the administrative data analysis will be produced in Summer 2003.

This research is one part of a wider national programme to evaluate the delivery and impact of PA meetings for lone parents. Other parts of the evaluation are:

- Qualitative interviews with staff involved in the management, administration and delivery of lone parent PA meetings in five selected districts in England, Scotland and Wales.
- Observations of lone parent PA meetings in these districts with follow-up qualitative interviews with both the clients and Personal Advisers involved
- Qualitative interviews with lone parent participants of PA meetings, covering a range of subgroups.
- A national quantitative survey of lone parent participants in PA meetings, from among both 'stock' and 'flow' claimants.

The findings from all of these research strands are to be combined into the Personal Adviser meetings Evaluation Synthesis Report. The synthesis report will integrate the findings and conclusions of the different aspects of the evaluation of the Personal Adviser meetings programme.

1.1 Policy Background to Personal Adviser meetings

Lone parents constitute one of the main groups addressed within the government's Welfare to Work strategy. Objective II of the Department for Work and Pensions is to

'Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need';

Performance Target 4, which relates to this objective, includes increasing the employment rate of lone parents both in absolute terms and relative to the overall employment rate (Public Service Agreement, Department for Work and Pensions).

Many lone parents rely on Income Support, and both national statistics and previous research studies (Bryson et al., 1997; Evans et al., 2002) indicate they suffer from low income and a range of barriers to work. A combination of recent policies seeks to address the difficulties faced by lone parents, including:

- Changes to in-work benefits, with the change from Family Credit to Working Families Tax Credit, which includes a Childcare Tax Credit;
- Help with the financial transition into paid employment from benefit, through the Lone Parent Benefit Run-on, extended payments of Housing Benefit and Mortgage Interest Run-on;
- Establishment of the National Childcare Strategy;
- Introduction of the voluntary New Deal for Lone Parents (NDLP).

Additionally, since April 2001,

- Introduction of mandatory PA meetings;
- Extra financial help for lone parents entering part-time work of less than 16 hours per week after NDLP participation, in the form of childcare payments for the first twelve months of work;
- An increase in the earnings disregard for lone parents working less than 16 hours per week from £15 to £20 pounds per week;
- An increase in the training allowance for lone parents undertaking work-related training on NDLP, from £10 to £15 pounds per week.

New Deal for Lone Parents was launched in eight areas as a prototype in July and August 1997, introduced nationally for new and repeat claimants in April 1998, and extended to all existing lone parents on Income Support in October 1998. It was (and continues to be) a voluntary programme, and all lone parents on IS whose youngest child was under 16 were eligible to join. There was no need to wait for an invitation: by contacting a lone parent Personal Adviser, an eligible person could join at any time. An interview with a Personal Adviser was a key delivery mechanism for NDLP. The personal adviser developed a package of advice and support, which could include education/training opportunities, an in-work benefit calculation, child-care support and provision, and in-work support services. An individually tailored package of advice and support, and thus facilitate a move into employment, could include:

- providing job search support to clients who are job ready
- helping lone parents to identify their skills and develop confidence
- identifying and providing access to education and training opportunities
- improving awareness of benefits
- providing practical support and information on finding childcare
- providing 'better off' calculations and assisting with benefit claims
- liaising with employers and other agencies offering in-work support.

Although all lone parents on IS with youngest child aged less than 16 were eligible, NDLP was initially targeted on those whose youngest child was at least 5 years 3 months. After May 2000, targeting was extended to include lone parents on IS whose youngest child was at least 3 years old. From November 2001, NDLP eligibility was extended to lone parents not working and lone parents working less than 16 hours a week¹. Some published statistics for

¹ More detailed information on the NDLP can be found on the New Deal website www.newdeal.gov.uk and in Evans et al. (2002).

NDLP entry are shown in Appendix 4, Chart A9, with NDLP job entry statistics in Appendix 4, Chart A10.

To help and encourage as many lone parents as possible to participate in NDLP and take up paid employment, a number of further measures mandatory Personal Adviser meetings were announced in the March 2000 Budget, with effect from 30 April 2001. Personal Adviser meetings were introduced for lone parents claiming IS within the following groups:

- New/repeat claims for IS where the youngest child was at least 5 years 3 months at the time of initiating a claim. From April 2002, PA meetings was then extended to new/repeat claims for IS where the youngest child was at least 3 years old at the time of claiming.
- Lone parents already claiming IS on 30 April 2001 (known as 'stock claimants') where the youngest child was in the 13-15³/₄ year age group. In 2002/3, under the 'rollout' of the programme, PA meetings would become compulsory for stock where the youngest child was 9-12, and in 2003/4 for those with a youngest child aged 5-8 years.

Lone parents with new/repeat claims were to attend their first meeting with a Personal Adviser at the start of their IS claim, and then on an annual basis while they received IS. For lone parents in the stock, the invitation to attend the first meeting would be sent at specific times, depending on the age of the youngest child. For example, in the first year of the national programme, local offices were instructed to begin with those stock claimants with youngest children closest to the cut-off age of 15 years and 9 months. The 13-15 year age group for the stock was interpreted in determining the stock invitations as youngest child turning 13 years within 12 months, to 15 years 9 months, i.e. 12 years to 15 years 9 months.

Personal Adviser meetings were called work-focused interviews in the legislation by which they were put in place, Social Security (work-focused interviews for Lone Parents) and Miscellaneous Amendments Regulations 2000, S1200, no. 1926. Personal Adviser meetings were essentially an appointed meeting with a Personal Adviser. The Personal Adviser could use the meeting to provide awareness about the opportunities and the support available to lone parents.

The stated aim of the mandatory PA meetings was to facilitate a movement into paid employment by encouraging the lone parent to seek work and supporting the job search process, and/or encourage them to take up training opportunities aimed at improving their chances of moving into paid employment. In particular, PA meetings had the additional objective of encouraging participation in NDLP. Although participation in the PA meetings was compulsory, it was not compulsory for lone parents to seek work or join NDLP.

1.2 Policy context

In evaluating a welfare-to-work or labour market programme, it is useful to take account of other policy developments which may affect the results. As explained further in section 2, this is particularly important with the evaluation method that is applied in this study.

Section 1.1 referred to New Deal for Lone Parents (NDLP), the importance of which is obvious, since PA meetings are designed to increase take-up of NDLP, while NDLP provides one of the main channels through which participants in PA meetings are assisted. As a result of these close connections, it is difficult to separate the impact of PA meetings from parallel changes in NDLP. NDLP preceded the introduction of PA meetings, but (as outlined above) was enhanced in a number of respects at the same time that PA meetings commenced as a

national system. Wherever in the following sections reference is made to the effect or impact of PA meetings, it should be understood that this includes the enhancements to NDLP as an integral part of the PA meetings programme. However, in Section 3 descriptive information is used to assess the likely contribution of the NDLP enhancements in the overall impact.

Section 1.1 also briefly referred to Working Families Tax Credits (WFTC). This was the other main policy development affecting lone parents. WFTC was introduced in October 1999, slightly more than eighteen months in advance of the introduction of PA meetings. This may affect comparisons over time, depending on the selection of time-periods involved in the comparisons. This issue is further analysed in section 4.

WFTC is of benefit to all lone parents, and so there is interaction between the WFTC and PA meetings, as well as NDLP policy enhancements. It is evident that WFTC was a major development with considerable power to affect the labour market behaviour of lone parents and other low-income groups. In Spring 2002, 668,000 lone parents were receiving WFTC, a figure that was not far short of the 856,000 lone parents receiving IS (National Council for One Parent Families, 2002). Data from national surveys of lone parents have shown that WFTC has substantially raised the income of working lone parents (Vegeris and McKay, 2002) and this would increase the attractiveness of employment to them. Additionally, the provision (under WFTC) of considerably higher payments towards childcare costs would be of particular advantage to lone parents, who on average have relatively low access to unpaid childcare, and especially to those lone parents with young children where the costs of paid childcare tend to be greatest. Some published statistics for lone parents receiving IS are in Appendix 4, Table A11, and figures for WFTC take-up shown in Appendix 4, Chart A12.

Another area with some potential implications for lone parents is maternity provisions. These are particularly relevant to the large proportion of lone parents entering IS on the birth of a child. The provisions were modified in the Maternity and Parental Leave Regulations 1999, and the Amendment to those regulations in 2001. The 2001 Budget also announced increases in the amount and period of Maternity Pay, effective from 2003. These changes are not discussed in more detail, since a straightforward method of avoiding any possibly confounding influence from them has been implemented in the analyses.

In addition to these aspects of national provision, several pilot programmes which potentially affected lone parents were operating in selected areas shortly before or overlapping with the introduction of PA meetings. The most relevant to PA meetings were the ONE pilots (which were also based on work-focused interviews, for lone parent entrants to IS as well as for entrants to Incapacity Benefit and to Jobseeker's Allowance); Pathfinder pilots for the PA meetings themselves; and the pilots for the integrated services of Jobcentre Plus. To simplify the task of the administrative data analysis, it was decided to exclude these pilot areas. This results in a reduction of about 15 per cent of the total sample. Since administrative data are being used, the sample sizes are sufficiently large for this not to be a problem. Northern Ireland has also been excluded, so the data generally gives coverage of information that represents 'standard' PA meetings implementation in Great Britain.

Delivery of the lone parent PA meetings initiative will be increasingly affected by the national implementation of Jobcentre Plus. Jobcentre Plus will see the extension of PA meetings to other groups of benefit claimants and places emphasis on priority groups and programmes including lone parents, people from ethnic minority groups, the most disadvantaged in the labour market and those on New Deal. Initially, there were 56 Jobcentre Plus pathfinder offices offering fully integrated work and benefit services, and a further 225 fully integrated Jobcentre Plus offices were planned to open between October 2002 and April 2003. Full integration of all ES and BA local offices will take several years, during which time services will continue to be provided in social security offices and Jobcentres as was the case during this research.

1.3 Aims of the analysis

In this evaluation, the aim is to estimate the net impact of the Personal Adviser meetings system on eligible lone parents. The question being posed is, what difference did PA meetings make to outcomes for these lone parents, which would not otherwise have happened? From the viewpoint of the national Welfare-to-Work strategy, the outcome of central interest would be the employment of lone parents. However, the administrative data available for the evaluation did not include information on employment for those terminating an IS claim, so it is not possible to report on direct employment. Accordingly, the evaluation used two key types of outcome that were indirectly related to employment.

The first type of outcome considered was terminating an IS claim. Additionally, a second somewhat broader version of this measure was included, exiting an IS claim where the subsequent basis of IS claim is not as a lone parent. To clarify this broader measure of IS exits, a person may cease to claim IS as a lone parent but may continue to claim IS because of illness or incapacity. As PA meetings, during the research period, were only targeted at eligible lone parents on IS, this second measure is an exit from the eligible state.

The second type of outcome considered is entry to NDLP. A person who takes part in this programme receives continuing advice and support concerning job search, as well as various other forms of work-related support, including the opportunity of entering education and training courses. Thus, NDLP entry should be indicative of movement towards employment, or employability.

Further details of how the evaluation aim is addressed follow in section 2.

1.4 Scope and limitations of the interim report

In order to interpret the results of this or any other evaluation, it is necessary to be clear about their scope and limitations. In general, no evaluation provides comprehensive information on programme performance, since both programmes and the circumstances in which they operate tend to change over time, and the information available to an evaluation study at any one time is limited in some respects.

The most general limitation of the evaluation, which has already been noted in section 1.3, is that outcomes are confined to movements off IS and entry into NDLP, but do not include entry to employment.

The analysis of PA meetings presented in this report relates to outcomes up to four months from claiming for new/repeat IS claimants who started their IS claim in the period August 2001 to January 2002, and for up to twelve months for stock claimants with an ongoing claim at 30 April 2001. The scope of the analysis was determined in part by the availability of administrative data, and in part by the occurrence of further changes to the PA meetings system which took place in April 2002. Analysis of outcomes extending much beyond the period covered here, for the final report, will need to take account of these further changes to the system and will therefore involve a new evaluation design.

With respect to the *new/repeat claimants*, the analysis commences one quarter after the national implementation of the PA meetings system and continues for two quarters of client intake. The results reflect an early stage in the development of the system that may not be representative of subsequent operation. They also show the system in operation over only one half of a year, while lone parents, because of their childcare responsibilities and the timing of

school and nursery terms, and of seasonality in the part-time and temporary job market sectors, may have variable access to employment across the year. Entry or access to NDLP may also differ across the months of the year, and so the results may be specific to the analysis period.

With respect to *stock claimants*, certain features of the database made it infeasible to analyse very short-term impacts (those taking place within one or two months of the national launch of the system). In particular, there were problems in administering the programme for the stock which meant that for the first two months after launch, PA meetings was not effectively taking place for the stock claimants. However, it was possible to estimate impacts over three to twelve months from the launch April 30 2001. A further limitation was that the database did not permit the consistent calculation of lone parent IS claim durations for stock claimants. It was therefore not possible to examine variation in impacts by duration of claim.

An issue for both new/repeat and stock claims was that, even though in principle PA meetings are compulsory, only a proportion of those who were eligible for PA meetings actually took part. It would be of interest to estimate the impact of actually taking part in PA meetings, but to do so one would need detailed information on the factors or reasons distinguishing eligible participants from eligible non-participants, and this level of detail was not available in the administrative database. Thus, the evaluation focuses mainly on the impact of eligibility for PA meetings, rather than on active participation in PA meetings. In other words, it considers the impact of the PA meetings system as a whole on all those eligible, whether or not they actively participated.

Despite these limitations, the data available for this evaluation offered a number of important opportunities or strengths.

- The data were representative of the whole claimant group to which PA meetings applied over the May 1999 – May 2002 period.
- There were large numbers of observations for each analysis, typically in the region of 100,000, and there was no loss of precision from clustered sampling or other design effects usually introduced by sample survey designs.
- These features meant that small impacts could be estimated with a high degree of precision.
- Furthermore, the administrative data sources, which are used for the payment of benefits, are likely to be more accurate than data collected through survey interviews. In particular, the recall of dates by individuals in surveys tends to introduce large errors and gaps in information. Compared to the typical survey, the administrative data puts one in a better position to compare exit-times from claiming IS at various periods before and after the introduction of PA meetings.
- Another advantage of the administrative data is that one can determine with confidence whether individuals did or did not take part in PA meetings or in NDLP. In survey interviews true non-participation is hard to separate from forgetting and from individuals' confusions about the names of different programmes or services.

2 Method

2.1 The evaluated groups

As outlined in section 1.3, the chief aim of the evaluation was to estimate the net impact of PA meetings on its participants. However, a distinction has to be drawn between those who are eligible for PA meetings and those who actually take part in them. For a variety of reasons, even though PA meetings are mandatory, the meetings for eligible clients may be delayed or waived, or the lone parent may cease to be a claimant before the meeting takes place. In principle it might be possible to estimate the impact solely for those who have actually taken part, but to do so it would be necessary to have good information that could explain why some do and others do not take part. This information would also need to be available for all analysis groups, including the comparison groups. The administrative data contained little information of this type, precluding estimation of the net impact of PA meetings on its participants. On the other hand, it was possible to identify, with reasonable accuracy, those who were eligible to take part, since this depended only on the dates of commencing and ending an IS claim, on the age of the youngest child, and on having no partner: all this information was recorded on the IS administrative database. Accordingly, the impact of PA meetings has been estimated in this evaluation for the whole group eligible for PA meetings, including those who never actively participated. As such, this is an evaluation of the PA meetings *system*.

However, several considerations suggest that evaluating PA Meeting *eligibility* rather than PA Meeting *participation* was not necessarily a severe limitation on the evaluation. As shown in section 3, the majority of eligible lone parents did in fact participate in PA meetings. Furthermore, even those who did not participate may have been affected by the existence of PA meetings in a variety of ways: for example, by being told about the meetings when they initiated or inquired about a benefit claim, or by hearing of the meetings from people they knew who had attended. Some of the non-participating lone parents who heard about PA meetings may have been stimulated to begin job search, while others may have tried to switch to a different type of benefits. These could be real consequences of the PA meetings *system*, even when no meetings had taken place. Any such indirect effects of the PA meetings system on eligible people were captured by the evaluation method.

2.1.1 ‘New/repeat’ and ‘stock’ claims: the eligible groups

The eligible group of lone parent IS claimants was further divided for the purposes of this evaluation between clients making ‘new or repeat claims’ and those clients forming part of the ‘stock of claims’. This is a very important distinction for the evaluation: samples for the two groups were constructed in fundamentally different ways, and the analyses for the two groups were also designed differently.

New/repeat clients

New/repeat clients are in general those who initiate a fresh claim during some reference period. The eligible group of new/repeat claims for this evaluation consisted of those whose

IS claims were initiated after the commencement of the PA meetings system on 30 April 2001. These constituted a new flow of clients into the PA meetings system if:

- their youngest child was aged 5 years and 3 months, or more, at the start of the claim,
- and if in addition they had no partner.

Of all such new/repeat lone parent IS claims, we examined two cohorts of entrants, those with IS claims commencing August to October, and November to January.

Under the PA meetings system, new/repeat claims for lone parent IS, once identified as meeting the eligibility criteria, were immediately informed that they were required to participate in a PA Meeting as a condition of being able to proceed with the processing of their benefit claim. An appointment could be arranged immediately, or appointment options could be discussed later via telephone or letter. So as not to delay processing of benefits, there was a requirement that the meetings be set up within four days of the claim date². It has been reported that early on, there were some problems with new/repeat claimants not being identified by the Benefits Agency as being eligible for entry to PA meetings.³ This is discussed further in section 2.1.1.1. The PA meetings process for new/repeat claims was then substantially different to that for the stock of claims.

Stock clients

Stock clients are in general those who already had a claim in being before a reference date and continuing beyond that date. The eligible group of stock claimants for the purposes of this evaluation consisted of those with claims in being before or on 30 April 2001 and continuing thereafter. Those eligible for PA meetings were identified from management information systems, where lists of lone parents with youngest child between 13 years and 15 years 9 months on the reference date were provided to the local administration teams on a regular basis. (An IS lone parent claim would normally cease when the youngest child became 16 years, hence the upper limit for PA meetings eligibility.) In practice the lists also identified lone parents where the youngest child would turn 13 years within the next twelve months, i.e. currently aged 12. As noted in section 1.1, local offices were instructed to give appointments first to the eligible stock claimants whose youngest children were closest to 15 years 9 months. All stock claimants would have been sent a letter informing them of the introduction of PA meetings, and advising they would need to attend a PA meetings appointment. Appointment letters were then sent out proposing an appointment time. There were some initial technical problems with the identification lists for stock clients, resulting in some delay in the delivery of PA meetings.

2.1.1.1 Interpretation of eligibility in practice

An issue to be considered in section 3 is non-participation in PA meetings by eligible claimants. To gain insight into this issue, it may be helpful to consider how eligibility rules were interpreted and applied in practice. An account of this has been provided by the qualitative research which itself forms part of the overall evaluation of PA meetings (Thomas and Griffiths, 2002). This description related to the first year of operating the programme, which corresponds to the period covered by the administrative data analysed in this report. However, it may not be representative of subsequent operational practice.

The qualitative research noted that eligibility for new/repeat claims was established by Benefits Agency (BA) staff when a lone parent initiated an IS claim. It was the responsibility of BA staff then to notify the NDLP administration of those lone parent IS claimants that

² The claim date is counted as day zero, and the PA Meeting should be booked within the next three days.

³ P.15 Thomas & Griffiths (2002)

were NDLP-eligible. According to Thomas and Griffiths (2002: 15) ‘the majority of the difficulties ... relate to early problems with new and repeat claimants not being immediately identified as requiring a PA meeting by BA⁴ reception staff’. There were also some cases, in the early period of the new system, in which ES reception staff ‘do not make the connection between making an IS claim and needing to see a Lone Parent Adviser’ (*ibid.*). These difficulties had been addressed by training and by exercises to raise staff awareness. Another possible source of difficulty arose if claimants obtained claim forms from sources other than the BA (e.g., from Citizens Advice Bureaux) and were then not contactable when an initial appointment was being set up.

In contrast to the process for new/repeat claimants, stock claimants were identified from management information systems, with listings of the eligible clients supplied to the NDLP administration teams locally. It was then for the administration teams to carry out the procedures to call the clients to interview. In most cases, clients would have received preliminary letters from the BA telling them of the obligation to attend interviews, when called upon. However, the qualitative research found that in one of the five areas studied, ‘there had been persistent difficulties in getting the stock claimants’ details’, and this had led to considerable delays in processing the claimants (*ibid.*).

It was possible for either BA staff or the NDLP administration team to waive or defer the requirement to take part in PA meetings (Thomas and Griffiths, 2002: 16-17). The guidelines used by staff in making such decisions refer to the following main criteria for waiver:

- The lone parent is judged likely to be off work for only a few weeks and has a job to return to
- The lone parent is seriously or terminally ill.

Criteria relating to deferral of interviews include:

- The lone parent has been recently bereaved
- The lone parent has given up work to look after a sick relative
- The case has involved domestic violence or rape
- The lone parent has suffered a recent traumatic separation
- Short term sickness.

Sickness of various types could be considered in decisions whether to waive or deter interviews. For example, staff were aware that in the case of stock clients there might be ‘a greater need to be sensitive to depression and conditions such as ME’ (Thomas and Griffiths, 2002: 17).

Finally it is relevant to consider how the sanctioning process, which was applicable to those not complying with the requirement to attend a PA Meeting, was interpreted in practice (Thomas and Griffiths, 2002: 19). An IS claim should be disallowed if the client doesn’t attend a PA Meeting, which although not technically termed a sanction, is designed to enforce the program. The ‘disallowed claim’ process was inherently stronger in the case of new/repeat than of stock claims. This was because in principle a new/repeat claim should not be allowed if a PA Meeting had not taken place on entry (unless it had been waived or deferred), whereas stock claims were already in being and the PA Meeting usually took place only after a substantial lapse of time, from both starting their lone parent IS claim and then becoming

⁴ During this research, services were provided in social security offices and Jobcentres. With the full introduction of Jobcentre Plus, as discussed in section 1.2, full integration of all ES and BA local offices will take place over several years, during which time services will continue to be provided in social security offices and Jobcentres.

eligible for PA Meeting. In practice however the possibility of a 'disallowed claim' was often delayed, even for a new/repeat claim. A client failing to attend the first PA meeting that was arranged was always given a second appointment. If this PA meetings also was not attended, the standard procedure required that an attempt be made by Personal Advisers to visit them at their home. However, many Personal Advisers were reluctant to carry out home visits, partly for reasons of security and partly because they did not wish to become associated with the sanctioning or 'disallowed claim' role, which was commonly seen as belonging to BA staff. Furthermore, 'for as long as home visits are not being undertaken, sanctions on those refusing to participate in a PA meeting cannot be applied' (*ibid.*).

2.1.2 Comparison groups

In addition to the eligible groups defined in section 2.1.1, the evaluation made use of 'comparison groups'. For each eligible sample, separately amongst the stock or new/repeat claims, three types of comparison groups were constructed (the way in which these comparison groups contributed to the evaluation is described in section 2.2):

- A comparison group of lone parent claimants from before the period when PA meetings were introduced, with children of the right age to make them eligible for PA meetings if those had existed at the time
- A comparison group of lone parent claimants from after the period when PA meetings were introduced, who were ineligible because of the age of their youngest child
- A comparison group of lone parent claimants from before the PA meetings period, who would have been ineligible because of the age of their youngest child even if PA meetings had existed at the time.

In the case of new/repeat claims, the non-eligible groups were claimants with a youngest child aged less than 5 years 3 months when they began their claim. To increase comparability between the eligible and non-eligible new/repeat claims, those with a child aged less than one year on entry to IS were excluded from the new/repeat comparison groups.

Comparison groups of stock claims were sampled at two points, 15 May 1999 and 30 April 2001, from those with ongoing claims at these points. The non-eligible groups consisted of those with a youngest child aged less than 12 on 30 April 2001, or on 15 May 1999. To increase comparability, those with a child aged less than 8 years on these reference dates were excluded from the stock comparison groups.

2.1.3 Multiple spells of claiming by the same person

The IS administrative database consists of individuals' claim details, with one or more claims per individual. The sample therefore contains more than one claimant spell for some clients. However, most of the individuals in the sample made only one claim during the period being analysed.

Some clients change the basis of their claim during what (from the viewpoint of the administrative system) is considered to be a single IS claim. For example, they may move from being a lone parent claimant to being a claimant on grounds of incapacity, and later move back to being a lone parent claimant. The sample used for the evaluation eliminates all periods of claiming that are not based on lone parent status (since these would be ineligible for PA meetings), and counts two or more discontinuous spells of claiming as a lone parent, as two or more separate claims (even though the administrative system includes them all within a single IS spell).

Sometimes a claim is split into several different records on the administrative data system, even though all these records relate to a continuous period of claiming as a lone parent (with a single claim start date). This happens because details of the record have to be changed: for instance, the lone parent may have moved to a different address, had another baby, or changed her/his name. In all such cases, the split records have been ‘rolled up’ into a single spell of claiming. The age of the youngest child is calculated at the reference date used for sampling, and is unaffected by the subsequent birth of another baby.

2.2 The method of ‘difference in differences’

The impact of the PA meetings system is estimated by the method of ‘difference in differences’, or ‘DiD’. ‘DiD’ is one of the most widely used economic evaluation methods for welfare-to-work programmes. It is often suitable when (a) data are available both before and after the start of the programme, and (b) the amount of information available for each individual or claim is sparse. This is the situation in the present evaluation. However, the assumptions required for the valid use of ‘DiD’ are quite strong and these need to be carefully examined in each application to check that they are met.

The ‘DiD’ method can be understood as an extension of the ‘before and after’ method of evaluation. In the ‘before and after’ method⁵, the outcomes for participants after the introduction of the programme or service are compared with outcomes for a similarly defined group in a baseline period before the programme or service started. The difference between the two outcomes is taken as the estimate of the effect of the programme or service. A particular strength of the ‘before and after’ estimate is that it is unaffected by characteristics of the participant group which are unchanging over time, since these ‘cancel out’. Because of this feature, one does not need much information about the participant characteristics provided that it is reasonable to assume that they change very little over the period considered. This is usually a reasonable assumption if the ‘before’ and ‘after’ samples have been drawn in precisely the same way, and the time-gap is short. However, the ‘before and after’ estimator has a severe drawback: it can be biased by other changes in circumstances that could have affected outcomes over the period in question. With labour market programmes, other types of change are often - indeed, usually - taking place in parallel with the programme being evaluated. In particular, economic and labour market conditions are continually changing, and these changes are often rapid, affecting the ease or difficulty of finding a job from month to month.

The ‘DiD’ method seeks to overcome this drawback of the ‘before and after’ method. It does so by adding to the evaluation a further parallel group that is not involved in the new programme or service. Since this group is not affected by the programme or service, any change in its outcomes over time can (usually) be attributed to changes in general economic or labour market conditions. The difference in outcomes over time for this non-participating group is therefore used to estimate the effect of these background changes. A key assumption of ‘DiD’ associated with this is that the changes are assumed to act similarly on both the participant and comparison groups. When subtracted from the ‘before and after’ estimate for the participating group, this provides an estimate of the impact which is adjusted for changes in background conditions. The ‘DiD’ estimator of course also retains the same advantages of the ‘before and after’ estimator in providing estimates that are unaffected by characteristics of the groups provided that these do not change over time.

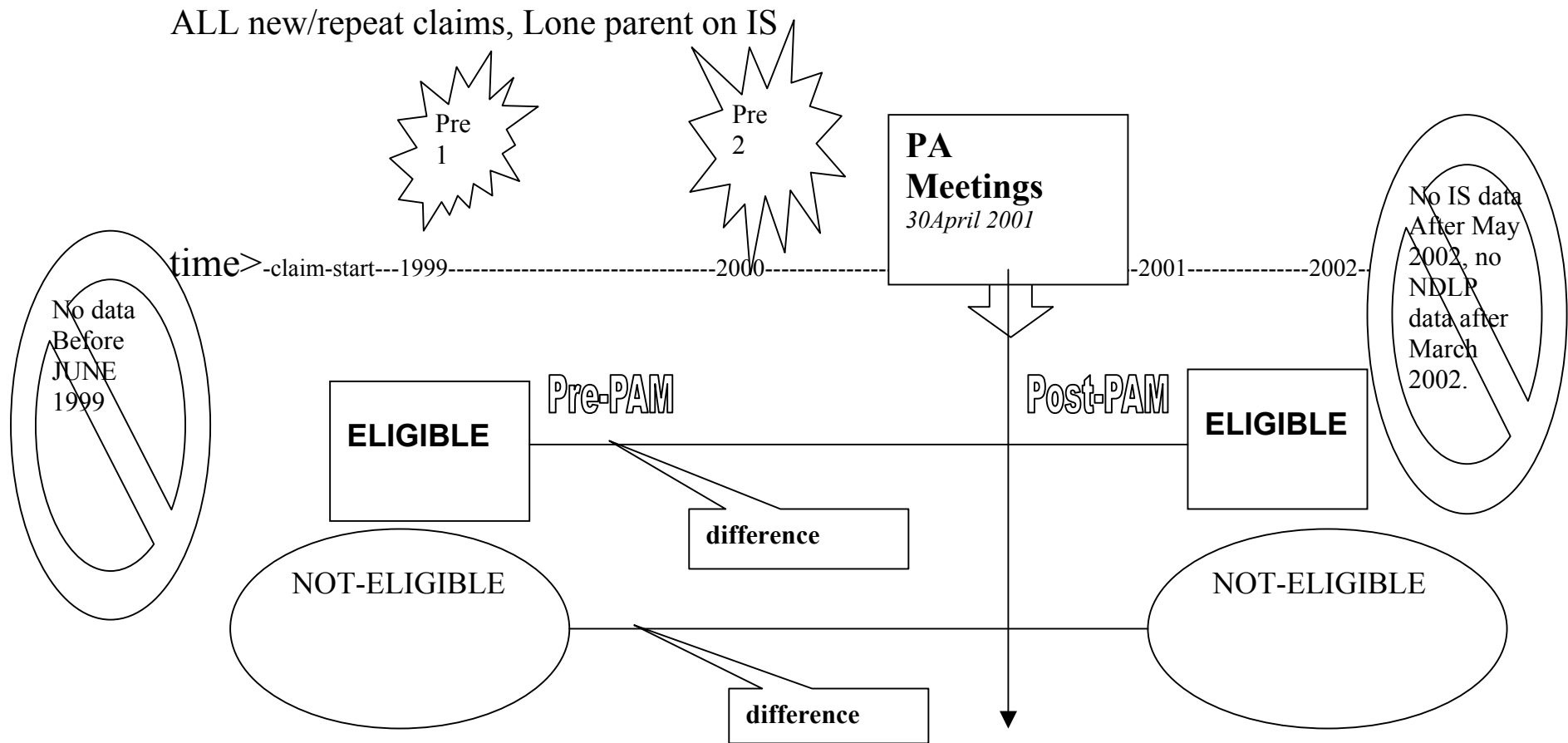
Diagram 2.1 summarizes how the ‘DiD’ method has been applied in this evaluation, in the case of new/repeat claims. As explained in sections 2.1.1 and 2.1.2, there were ‘before’ and

⁵ This is known more technically as the ‘fixed effects method’.

‘after’ cohorts for the eligible and the non-eligible lone parent claimants, with 30 April 2001 (the introduction date for PA meetings) providing the boundary between the before and after periods. The diagram also shows one further refinement, namely that the samples drawn from each period are not necessarily limited to one cohort. In the example given in the diagram, two cohorts are shown for the pre-PA meetings period, indicated by pre 1 and pre 2.

The next section explains more formally how the information from the different groups is combined to produce the net impact estimate.

Diagram 2.1 Difference in Differences Analysis Schema



2.2.1 Constructing the counterfactual

The net impact of a programme or service is defined as the difference between the observed outcome for the participant or eligible group and the outcome *which would have taken place in the absence of the programme or service*. If the symbol Y is used for an outcome, this can be written as

$$(1) \quad Y^{\Delta} = Y^1 - Y^0$$

where the superscript Δ ('delta') indicates the difference in outcome attributable to the programme, 1 indicates the outcome under the programme, and 0 indicates the outcome *for the same people* in the absence of the programme. Whereas Y^1 is directly observable, Y^0 has to be estimated indirectly since it is impossible to observe participants being, at the same time, non-participants. The estimation of Y^0 is often referred to as 'constructing the counterfactual'.

In the case of the 'DiD' method, constructing the counterfactual involves three measurements. One is the 'before' outcome for the group of people defined similarly to those who later become participants or, in the present case, eligibles [later termed pseudo-eligibles]. This can be thought of as the unadjusted counterfactual. The second and third measurements are the outcomes for the non-eligible group, respectively 'before' and 'after' the programme is introduced. The difference between these non-eligible outcomes represents the adjustment which needs to be applied to the counterfactual. The adjusted counterfactual is therefore

$$(2) \quad Y_e^0 + (Y_c^1 - Y_c^0)$$

where the superscripts 1 and 0 mean the same as before, subscript e means the eligible group and subscript c means the comparison (non-eligible) group.

The programme impact is obtained by subtracting the counterfactual term from the gross outcome for the programme or service, as follows:

$$(3) \quad Y^{\Delta} = (Y_e^1 - Y_e^0) - (Y_c^1 - Y_c^0).$$

The 'DiD' estimate of the programme's impact can be obtained by estimating each of the four terms separately and then subtracting them as shown in equation (3). If there are other variables in the analysis that are to be controlled (for instance, variables describing sample composition in terms of age, sex, region etc.), then estimating the outcomes separately permits the influence of these control variables to vary in each sub-analysis. Unless the control variables are believed to be particularly important, it is often simpler and more convenient to estimate the net impact term, Y^{Δ} , in a pooled analysis where the calculation is obtained through an interaction effect between period (before or after) and group (eligible or non-eligible). This forces the control variables to have the same influences across the four sub-samples. It is the latter approach which was used in setting up the analyses for this evaluation, since there was no reason to suppose that sample characteristics were changing in important ways over the period of the evaluation (see further details in section 3).

2.2.2 Difference in Difference assumptions

As already noted the 'DiD' method requires a number of assumptions which must be satisfied if the results it produces are to be trustworthy. These assumptions are of three main types.

(a) The changes in background conditions are assumed to affect the participant groups and the non-participant groups to the same extent. If they are likely to be affected to an appreciably different extent, then the ‘DiD’ method is invalid. An example where the assumption is problematic is when the participants are located in different areas from the non-participants, since there could be regional or local variations in economic or labour market conditions. More generally, this assumption is most likely to be satisfied when the participant and the non-participant groups are broadly similar. For instance, comparisons between different groups of lone parents should be less problematic than comparisons between lone parents and parents who are married or have partners. This is because the latter group on average has a higher employment rate, more employment experience, and higher family income - all features that could affect the response to changing economic conditions.

(b) It is assumed that, at the particular periods over which the comparisons are being made, there are no *other* policy changes taking place which affect the participant group differently from the non-participating group. The assumption is satisfied if the other policy changes affect both the participant and comparison groups similarly. In sections 1.1 and 1.2, reference was made to several policy changes that were taking place around the same time as PA meetings, including WFTC. It is necessary to consider, and if possible test, how far these developments may impinge on the evaluation.

(c) It is assumed that the composition of the samples does not change over the period of the comparisons in such a way as to affect the differences, either within or between the participant and non-participant groups. If extensive information on the characteristics of the groups is available for analysis, then any changes in composition can be statistically controlled. If information, as in the present case, is relatively sparse, then one must rely on background knowledge of the groups supported by examination of those characteristics on which information is available over time.

In addition to these three assumptions, there is

(d) The general issue of ‘seasonality’ that arises with any method of over-time analysis. In the case of the ‘DiD’ method, seasonality is not a problem if it affects the participant groups and the non-participant groups to the same extent, since in that case seasonal effects cancel out. But seasonality becomes a problem if it affects the groups differently. In the case of PA meetings, for example, eligibility is determined by the age of the youngest child, and those with children of different ages may be more or less affected by the start of school or nursery terms and by school/nursery holiday periods.

2.3 Design of the analysis

2.3.1 Samples

The analysis draws upon data from the period May 1999 to May 2002, inclusive. This is the longest period available in the administrative data source for IS claims (the data source for NDLP entry, which also plays a part in the analysis, goes back a little further, into 1998). As noted earlier, claims in ONE areas, PA meetings Pathfinder areas, and Jobcentre Plus pilot areas, have been excluded from the analysis. The analysis also excluded Northern Ireland, an area which is not administered by Jobcentre Plus.

For *new/repeat claims*, the analysis used *cohorts* of entrants in 1999/00, 2000/01 and 2001/02, matching the cohorts by month so as to eliminate any potential problem of seasonality. Two cohorts were used: August-October, and November-January.

Many ongoing stock claims at 15 May 1999 were continuing on 30 April 2001. To avoid overlap between the various stock sub-samples, the May 1999 samples were drawn from a random one-half of the available claims at that date. The April 2001 samples were then drawn from the remaining one half, if these were still ongoing claims, plus a random one half of those claims which had been initiated between the two dates and had continued through to 30 April 2001. This sampling scheme ensured that all durations of claim were selected with equal probability in the stock samples.

Thus, for *stock claims*, the ‘before’ groups were taken from claims that were ongoing at 15 May 1999, which was the first scan date for the lone parent administrative database, while the ‘after’ groups were taken from claims that were ongoing at 30 April 2001. These two dates provided a near match in terms of seasonality.

The eight sub-samples required for the evaluation are summarised in Table 2.1.

Table 2.1 Summary of groups used in the impact analysis

New/repeat claims	Year/s	Dates
‘After’ sample of eligibles	2001/2	August-October entrants November-January entrants
‘Before’ sample of pseudo-eligibles	1999/00, 2000/01, pooled (both years)	as above
‘After’ sample of non-eligibles	as ‘after’ sample of new/repeat eligibles above	
‘Before’ sample of non-eligibles	as ‘before’ sample of new/repeat eligibles above	
Stock claims		
‘After’ sample of eligibles	2001	ongoing claim at 30 April
‘Before’ sample of pseudo-eligibles	1999	ongoing claim at 15 May
‘After’ sample of non-eligibles	as ‘after’ sample of stock eligibles above	
‘Before’ sample of non-eligibles	as ‘before’ sample of stock eligible above	

2.3.2 Other steps to ensure validity of the analysis method

To reduce potential non-comparability between the eligible and comparison samples, lone parents with a baby under one year old were excluded from the new/repeat analyses, and those with a child under 8 years old were excluded from the stock analyses. This enables the eligible and comparison groups to be as close as possible. The exclusion of those with young

babies also reduced any possible differential effect of maternity rights legislation. These exclusions do not affect the validity of the ‘DiD’ method or of estimates based on it. The comparability of the samples was further explored through descriptive analysis, which is presented in section 3. The descriptive analysis of section 3 was also used to assess whether relative shifts in the composition of the samples were likely to influence the impact analysis.

The issue of ‘interference’ with the impact analysis from other policy changes, notably the introduction of WFTC, was addressed by statistical analysis of the pre-programme period. This analysis is presented in section 4.2, and will not be discussed further at this point. The seasonality issue is also addressed in section 4.2, although the method for dealing with it, which was to align the dates of the ‘before’ and ‘after’ groups in each analysis, should be apparent from section 2.3.1 and Table 2.1.

2.3.3 Outcomes

As briefly noted earlier, two main types of outcome were analysed for both new/repeat and stock claims, but the periods over which they were assessed differed between the new/repeat and stock analyses.

(a) Exit from IS claim

The measure used was whether the IS claim had terminated by a given time. The shorthand label used for this outcome is ‘stop IS’. For the *new/repeat claimants*, this was evaluated at 4-weekly intervals from the start of the claim, i.e. at 4, 8, 12 weeks and so on. Each exit period included any exits which took place after shorter times, for instance exits by 8 weeks include exits by 4 weeks. For the *stock claimants*, the exits were evaluated at 12 weeks, 24 weeks, and 52 weeks from the reference date at which ongoing claims were sampled. A period shorter than 12 weeks could not be reliably evaluated, as the database for the 1999 stock did not include any exit information until two months from its inception.

As a variant on the above, a broader measure was also used, based on whether the IS claim had either been terminated, *or* had been changed to a non-lone parent claim, by a given time. To distinguish it from simple IS exit, this is labelled ‘stop LP on IS’.

A client who exits but then rejoins is still counted as an exit, on the basis of their initial exit.

(b) Entry to New Deal for Lone Parents (NDLP)

The main measure used in the case of *new/repeat claimants* was whether the individual had entered NDLP within 12 weeks of starting the claim. For a variety of reasons, entry to NDLP could *precede* the start of the IS claim period as it was defined for the purposes of this evaluation. Accordingly the analysis included NDLP entry which preceded IS claim start dates by up to 60 days. In the case of *stock claimants*, NDLP entry was not comparable between the pre-PA meetings and post-PA meetings periods, since those in the latter period had a more extended opportunity to enter NDLP prior to the sampling reference date. Accordingly, no impact estimates are provided of NDLP entry for stock claimants, although some descriptive findings on this issue, presented in section 3, are sufficient to form a qualitative assessment of the likely impact.

2.4 The administrative data

Data on both IS claims as lone parents and separate data concerning NDLP were necessary to meet the evaluation objectives of the analysis. Several administrative datasets were linked to construct the data. A basic description of the datasets is presented here, while the Data Appendix provides more details.

The main administrative data on lone parent IS claims were extracted from the Generalised Matching Service (GMS) database. The source data were held by the Department for Work and Pensions and constructed for the evaluation from the ORC Benefits Database. An extract was made so that the data covered all clients who had ever been recorded as claiming IS as a lone parent on or since 15 May 1999. Information from two separate files were combined to prepare the analysis data. The Personal Details file gave the most recent record for clients, with one record per customer per benefit per location. The Personal Details History file had one record per changed personal details record. The structure of the data resulted from repeated scans of the administrative database at fixed intervals. The first scan took place on 15 May 1999. Subsequent scans took place (with a few exceptions) at fortnightly intervals.

The information about New Deal for Lone Parents was sourced from the NDLP database, which is extracted from the New Deal Evaluation Database (NDED). The NDLP database has collected information about New Deal entry and interview dates, as well as education and training entry, from the inception of the programme in 1998. In addition, information about PA meetings attendance was taken from the Personal Adviser Meeting database. This contains information about meeting dates, together with details of deferrals and waivers. The two kinds of information are contained on a combined database, and the two kinds of entry were separated in order to carry out an analysis of either NDLP activity or of PA meetings activity.

2.4.1 Definitions

It was necessary to establish a set of key definitions within the data, in order to construct the analysis. The first step was to distinguish a lone parent claim from other types of IS claim. A lone parent claim is recognised when the IS database record for a claim flags the individual as not having a partner, and provides the date of birth of the youngest child. Where either of these items is missing, the IS record was classified as not being a lone parent claim. This definition was the same as that used within the Department for Work and Pensions in working with the database.

A fundamental point for the analysis concerned the definition of the start and end of a lone parent IS claim. In the daily functioning of benefit system, the start of an IS claim is the actual date on which the claim became effective. However, as noted earlier, a single IS claim can include several sequential periods in which the grounds of the claim vary (e.g., from lone parent to incapacity to lone parent again). Each of these sub-claims is allocated the same IS claim start date if there is no break in claiming. Since this evaluation is concerned only with *lone parent* IS claims, the IS benefit claim date does not uniquely identify the start of a claim for the evaluation's purposes. However, any sub-claim to or from lone parent status is identifiable through the Personal History dataset (see 2.4 above). The date of the sub-claim is indicated by the scan date for updating the database (see 2.4 above) and it is this scan date that was used in the data definitions for the evaluation. It should be noted that this date is not precise, but is an approximation to the date when the lone parent claim, or change of claim, actually took place. In most cases, the scan date will be entered within three weeks of a claim/change of claim, but in a few cases there could be longer gaps because of delays in notification.

The definition of the youngest child's age, on which eligibility for PA meetings depends, was also affected by the definition of the claim start. The relevant information provided on the database is birth date of the youngest child. In the case of new/repeat claimants, this was subtracted from the claim start date (approximated by the database record scan date) to produce the age on entry to the claim. Evidently, this over-estimated the age of the youngest child at claim start by up to three weeks. In the case of stock claimants, the birth date of the youngest child was subtracted from the reference date (either 15 May 1999 or 30 April 2001, depending on the sample). This should in principle produce the same age as used in the listings of eligible stock claimants provided to local offices.

3 Descriptive analysis

3.1 Introduction to the descriptive analysis

Section 3 presents information on the size of the groups eligible for PA meetings, their rate of turnover, characteristics of new/repeat and stock claimants, the proportions taking part in PA meetings, and characteristics of participants and non-participants. These characteristics are of importance in interpreting the impact analysis results which follow in section 4. Finally, some preliminary details are provided concerning participation in NDLP, which are helpful in setting up and interpreting the more formal analysis of NDLP entry that is presented in section 4.

Descriptive analysis for the new/repeat claimants is presented separately from that for the stock samples. For the purposes of this evaluation, clients making ‘new or repeat claims’ and those clients forming part of the ‘stock claims’, is a very important distinction: the programme operated differently for these two groups, samples for the two groups were constructed in fundamentally different ways, and the analyses for the two groups were also designed differently.

Some of the analyses in this section relate to the whole of the new/repeat or stock claimant groups, whereas others (the majority) are limited to the particular sub-groups or sub-samples that are later used in the impact analysis. Care is taken to indicate which approach is being used at each stage of the results.

3.2 New/repeat and stock magnitudes

This sub-section provides some figures to show the size of the lone parent claimant population, and of the sub-samples analysed in the evaluation. It also provides some simple indications of the turnover, or duration, of lone parent IS claims.

3.2.1 Total new/repeat claims

In the twelve-month period ending with the introduction of PA meetings, there were 335,370 new/repeat claims recorded on the database, made by 323,601 individuals. In the twelve-month period following the introduction of PA meetings, there was a reduction of nine per cent in the number of new/repeat claims, to 304,475, made by 293,970 individuals. So there were about 27,000 new/repeat claims per month, on average, while the range was from 19000 to 41000.

3.2.2 Total stock numbers

The stock of lone parent claimants on the IS database at 15 May 1999, the first date for which information was available, was just over one million (or precisely 1,065,425). The stock at 30 April 2001, when the PA meetings system went into operation nationally, remained close to one million (or precisely 1,044,239).

3.2.3 The new/repeat claimant sub-samples

Table 3.1 outlines the new/repeat claimant samples used for the impact analysis; their definition has been explained in section 2. The illustration given is for the August-October cohort of entrants. The same definitions applied to the November-January cohort (not shown).

Table 3.1 Description of the key evaluation groups: New/Repeat Claims Aug-Oct cohort

	Before 30 April 2001		From and including 30 April 2001	
	PA meetings pseudo-eligible	Comparisons	PA meetings eligible	Comparisons
	IS claim as lone parent		IS claim as lone parent	
Entrant cohort	Claim start in period 1 Aug 1999 – 31 Oct 1999 or 1 Aug 2000 – 31 Oct 2000		Claim start in period 1 Aug 2001 – 31 Oct 2001	
	Youngest child aged more than 5.25 years	Youngest child aged less than 5.25 years	Youngest child aged more than 5.25 years	Youngest child aged less than 5.25 years
	And not older than 16 years	And at least 12 months	And not older than 16 years	And at least 12 months

Table 3.2 shows the sub-sample numbers available for the analysis of the new/repeat claimants in the August-October cohorts. Table 3.3 shows the corresponding table for the November-January cohorts. The before/after format of Table 3.2 is carried through from Table 3.2 to Table 3.3 in order to recall the ‘before/after’ groups of the difference in difference analysis. Note that Table 3.3 shows figures for both the years 1999 and 2000 in separate rows in the two left hand columns, with the heading ‘Before 30 April 2001’. This presentation format is continued in later tables. In total 276,526 observations were available for analysis across the two quarterly cohorts, 141,715 for the August-October cohort and 134,811 for the November-January cohort. Each sub-sample had around 20-25,000 observations and typically four sub-samples were used in any one analysis. The sub-samples were all of roughly similar size, except when years 1999 and 2000 were pooled to provide a larger baseline.

Table 3.2 New/Repeat Claims: Overall number of claimants, Aug-Oct cohort

	Before 30 April 2001			From 30 April 2001	
	PA meetings pseudo-eligible	Comparisons		PA meetings eligible	Comparisons
Number of claimants			Number of claimants		
1999	27386	24872	2001	22707	19887
2000	25074	21789			

See Table 3.1 for definitions. Data excludes: Northern Ireland, Jobcentre Plus, PA meetings pathfinder and One areas. Note that figures for both the years 1999 and 2000 are shown in separate rows in the second and third left hand columns, with the heading ‘Before 30 April 2001’; 2001 figures are in columns five and six with the heading ‘After 30 April 2001’.

Table 3.3 New/Repeat Claims: Overall number of claimants, Nov-Jan cohort

	Before 30 April 2001			From 30 April 2001	
	PA meetings pseudo-eligible	Comparisons		PA meetings eligible	Comparisons
Number of claimants			Number of claimants		
1999	24125	21459	2001	22154	19188
2000	25343	22542			

See Table 3.1 for definitions. Data excludes: Northern Ireland, Jobcentre Plus, PA meetings pathfinder and One areas. Note that figures for both the years 1999 and 2000 are shown in separate rows in the second and third left hand columns, with the heading ‘Before 30 April 2001’; 2001 figures are in columns five and six with the heading ‘After 30 April 2001’.

3.2.4 The stock claimant sub-samples

The definitions for the stock samples are summarised in Table 3.4, and the numbers obtained for each sub-sample used in the stock claimant analysis are shown in Table 3.5. As explained in section 2.3.1, for Stock claims the pre-PA meetings and post-PA meetings sub-samples went through a random sampling process, so as to remove overlap. None the less, the total number available for analysis, at 275,829, was very similar to the total number for the new/repeat claims analysis, and this full number was used in all the analyses for the stock claimant impact evaluation. The comparison groups were approximately one-and-a-half times as large as the eligible (or pseudo-eligible) groups. The defined eligible group includes those where youngest child was 12 years at April 01 2001. The youngest child of these clients would turn 13 at some point during the year 2001-2002, and so were included in the lists sent to offices but these clients would only be invited to attend a PA Meeting once their youngest child has turned 13.

Table 3.4 Description of the key evaluation groups: Stock Claims

	Before 30 April 2001		From and including 30 April 2001	
	PA meetings pseudo-eligible	Comparisons	PA meetings eligible	Comparisons
	IS claim as lone parent		IS claim as lone parent	
Entrant cohort	1 st Random 50 per cent of those with Claim start live on 15 May 1999		Of the 2 nd 50 per cent of those with Claim start live on 15 May 1999, and random 50 per cent sample of new entrants since then; and all with Claim start live on 30 April 2001	
	Youngest child aged at least 12 years	Youngest child aged less than 12 years	Youngest child aged at least 12 years	Youngest child aged less than 12 years
	And not older than 15.75 years	And at least 8 years	And not older than 15.75 years	And at least 8 years

Note: those eligible includes those where youngest child was 12 years at April 01 2001. The youngest child of these clients would turn 13 at some point during the year 2001-2002, and so were included in the lists sent to offices but these clients would only be invited to attend a PA Meeting once their youngest child has turned 13.

Table 3.5 Stock Claims: Overall number of claimants

	Before 30 April 2001		From 30 April 2001	
	PA meetings eligible	Comparisons	PA meetings eligible	Comparisons
Number of claimants	53193	79503	57359	85774

Data excludes: Northern Ireland, Jobcentre Plus, PA meetings pathfinder and One areas.

3.2.5 Broad indications of turnover

In interpreting the impact of an evaluation for a welfare-to-work programme, the underlying rate of exit, or turnover, is a relevant consideration. If the base rate of turnover is low, then even a small absolute impact may be considered a worthwhile gain in practical terms.

Of the stock of claimants at 15 May 1999, 53.4 per cent had exited before the end of May 2002, a little over three years later, while 46.6 per cent had remained on IS as a lone parent throughout the period. The average exit rate over the period was roughly 1.5 per cent per month. Of those in the initial stock who terminated their IS claim, about one in five (22 per cent) started another claim during the overall period. In interpreting these figures, it should be borne in mind that entering employment is not the only reason why a lone parent terminates an IS claim. The claim may also be terminated because of re-partnering, or because the youngest dependent child has reached the age of 16, or changing to another benefit that precludes IS claim.

Of the stock of claimants which spanned the introduction of the PA meetings system at the end of April 2001, 27.7 per cent had exited by the end of June 2002, while the remaining 72.3 per cent were continuing their IS claims. Their average exit rate was a little under two per cent per month. This is higher than the average noted in the previous paragraph; it is usual to observe a reducing rate of exit the longer a claim continues.

Another way of assessing the turnover rate is to link the inflow rate (i.e. the new/repeat claims) with the stock. Assuming that the system is in equilibrium, then the average period on IS is equal to the stock divided by the inflow rate per period. Of course, the system is not precisely at equilibrium (as shown by the fall in the inflow rate in 2001), but the assumption serves for a rough approximation. On this basis, the average period on IS was roughly forty months (1 million/ 25 thousand/ month).

To get a more detailed view of turnover for new/repeat claims, Table 3.6 below shows the cumulative exit rates for cohorts of new/repeat claimants drawn from the months of August to October inclusive in 1999 and 2000. At the end of six months, a little less than one in four of the entrants had exited, a considerably lower rate than observed for unemployed (JSA) claimants. On the other hand, the turnover rate for new/repeat claims was higher than for stock claims, averaging about four per cent per month over the six-month period, and as high as 5 per cent per month in the first two months.

Table 3.6 New/Repeat Claims: Exit rate for lone parent IS claims August-October cohort, 1999 and 2000 pooled

	per cent exiting (cumulative)
exits up to	
1 month	5.2
2 months	10.1
3 months	14.2
4 months	17.3
5 months	20.6
6 months	23.7

Data excludes: Northern Ireland, Jobcentre Plus, PA meetings pathfinder and One areas.

Overall, it is apparent that the exit or turnover rates of lone parent IS claimants were rather low. Accordingly, even a small positive impact from the PA meetings programme could be of practical significance (see section 4 for impacts).

3.3 The characteristics of new/repeat claimants

This sub-section provides information about some characteristics of new/repeat claimants, while sub-section 3.4 does the same for stock claimants. As mentioned in section 2.2.2, any substantial changes over time in the characteristics of the groups being compared can affect the evaluation methodology, and it is important to consider the available information from this point of view. At the same time the analysis outlines the composition of the lone parent sub-samples and how they differ from one another. This may be of some interest in its own right since there has previously been rather little research on inflow samples of lone parents. The range of characteristics available on the administrative database is not large, but those available are of considerable importance for labour market outcomes.

For tables in this section and hereafter, the term ‘pseudo-eligible’ is dropped for the lone parents in the pre-PA meetings period with a youngest child aged 5 years 3 months and over, and they are referred to more simply as ‘eligible’. It must be borne in mind that this means

hypothetically eligible, if the PA meetings system had been in operation at the time. The tables focus on cohorts of new/repeat claimants in the months of August-October, and November-January. These are the same cohorts as are used for the impact analysis. Since (to anticipate section 4) the impact estimates differed between these two cohorts, it was important to check how far there were differences in characteristics between them. For the period before PA meetings, results are also shown separately for the cohorts starting in 1999 and 2000, which correspond to another variation in the impact analysis.

Table 3.7 shows the sex of claimants for the various new/repeat sub-samples. Most lone parents are women, but Table 3.7 reveals that the sub-samples eligible for PA contained larger than average proportions of men. This was because lone fathers tended to have responsibility for older children. If lone parents with babies under age one had been included for analysis, the proportion of men in the comparison groups would have fallen still lower, and that of women would have risen. It was with the intent of minimising this difference between the sex breakdown of the eligible and comparison groups, that lone parents with babies under age one were excluded from the evaluation. For the evaluation method, the most important finding is that the proportions of men and women in the sub-samples changed very little across these years. Additionally, differences between the August-October and November-January cohorts were negligible.

Table 3.7 New/Repeat Claims: Sex of claimant

(a) Aug-Oct cohort

		Before 30 April 2001		From 30 April 2001	
		PA meetings pseudo-eligible	Comparisons	PA meetings eligible	Comparisons
1999					
	Female	87.5	94.2	Female	85.9 93.7
	Male	13.5	5.8	Male	14.1 6.3
2000					
	Female	86.1	94.0		
	Male	13.9	6.0		

(b) Nov-Jan cohort

		Before 30 April 2001		From 30 April 2001	
		PA meetings pseudo-eligible	Comparisons	PA meetings eligible	Comparisons
1999					
	Female	85.4	94.1	Female	84.7 94.0
	Male	14.6	5.9	Male	15.3 6.0
2000					
	Female	85.1	94.2		
	Male	14.9	5.8		

Column percent, unweighted. Data excludes: Northern Ireland, Jobcentre Plus, PA meetings pathfinder and One areas. Note that figures for both the years 1999 and 2000 are under heading 'Before 30 April 2001'; 2001 figures under the heading 'After 30 April 2001'.

The eligible and comparison groups differed in the distribution of parents' own ages, which is naturally connected to the ages of the children. Those claimants who were eligible for PA meetings had older children and of these only around 15 per cent of the claimants were aged under 30, whereas in the comparison groups the proportion aged under 30 was about 60 per cent. Conversely, there was a substantial proportion of over-40s (nearly one in three) in the eligible samples. However, the more important point is that, as in the case of the gender composition, there was very little change in the relative age distributions across the years, and so no potential difficulties for the difference in difference analysis. Additionally, differences between the August-October and November-January cohorts were slight.

The crucial factor which determined eligibility was the age of the youngest child. The distributions for this variable are shown in Table 3.9. To simplify the presentation, this fairly complex set of results is shown only for the August-October cohort since those for the November-January cohort were very similar.

Looking first at the comparison groups in Table 3.9, one sees that the proportions by each youngest child's age-group diminished considerably between 1 and 4. As noted previously, to improve the comparability of the new/repeat eligible and comparison groups, those with a baby aged under one year were excluded. This pattern would have been still more marked if those with a baby aged under one year had been included, since these constituted more than one in five of all new/repeat claims. In the eligible samples, the proportions continued to decrease with each succeeding year of the youngest child's age, but the taper was more gradual. This means that exits from IS progressively outweigh entries to IS as the age of the youngest child increases.

The important point for the evaluation is, once more, that the proportions in the various groups, by age of youngest child, changed little across the three years of lone parent inflow. The largest shift was from 31.1 per cent in the 1-2 year age group in 1999 and 2000, to 29.7 per cent in 2001.

Table 3.8 New/Repeat Claims: Age of claimant at claim start date

(a) Aug-Oct cohort

	Before 30 April 2001			From 30 April 2001	
	PA meetings eligible	Comparisons		PA meetings eligible	Comparisons
1999			2001		
16-24	2.5	30.8	16-24	2.5	32.5
25-29	13.8	30.8	25-29	12.2	27.9
30-34	26.4	22.8	30-34	25.3	22.4
35-39	27.9	10.9	35-39	28.0	11.6
40-44	16.7	3.5	40-44	18.1	4.3
45-49	7.6	0.8	45-49	8.2	0.9
50 or more	5.2	0.5	50 or more	5.6	0.6
2000					
16-24	2.4	32.4			
25-29	12.8	29.0			
30-34	15.2	22.2			
35-39	28.3	11.2			
40-44	17.5	3.9			
45-49	8.1	0.9			
50 or more	5.7	0.5			

(b) Nov-Jan cohort

	Before 30 April 2001			From 30 April 2001	
	PA meetings eligible	Comparisons		PA meetings eligible	Comparisons
1999			2001		
16-24	2.4	31.0	16-24	2.5	32.6
25-29	13.4	30.0	25-29	11.7	27.9
30-34	25.8	22.4	30-34	24.1	22.3
35-39	27.9	11.6	35-39	28.3	11.5
40-44	16.8	3.8	40-44	18.5	4.2
45-49	8.1	0.9	45-49	8.8	1.0
50 or more	5.7	0.5	50 or more	6.1	0.6
2000					
16-24	2.5	32.3			
25-29	12.4	29.2			
30-34	24.8	22.1			
35-39	27.6	11.2			
40-44	17.9	3.9			
45-49	8.6	0.8			
50 or more	6.2	0.5			

Column percent, unweighted. Data excludes: Northern Ireland, Jobcentre Plus, PA meetings pathfinder and One areas. Note that figures for both the years 1999 and 2000 are shown with the heading 'Before 30 April 2001'; 2001 figures are in columns five and six with the heading 'After 30 April 2001'.

Table 3.9 New/Repeat Claims: Age of youngest child at claim start date, Aug-Oct cohort

Age of youngest child: years	Before 30 April 2001				From 30 April 2001	
	PA meetings eligible		Comparisons		PA meetings eligible	Comparisons
	1999	2000	1999	2000	2001	2001
1			31.1	31.1		29.7
2			25.7	25.0		25.4
3			20.7	21.8		21.3
4			18.2	18.0		18.9
5: up to 5.25			4.3	4.1		4.6
5: 5.25 or more	11.0	10.2			10.1	
6	13.6	12.9			12.9	
7	11.9	11.6			11.6	
8	10.8	10.9			10.7	
9	9.7	9.8			9.6	
10	8.8	8.9			8.7	
11	8.4	8.0			8.3	
12	7.1	7.6			7.7	
13	6.6	7.0			7.1	
14	6.5	6.8			6.8	
15	5.7	6.3			6.4	

Column percent, unweighted. For the August-October cohort of entrants. Where age of youngest child is minimum 1 year, maximum 16 years. Data excludes: Northern Ireland, Jobcentre Plus, PA meetings pathfinder and One areas. Note that figures for 1999 and 2000 are shown in separate columns, with the heading 'Before 30 April 2001'; 2001 figures are shown with the heading 'After 30 April 2001'.

In Table 3.10, the descriptive results are shown for the number of dependent children in each sub-sample of the analysis. This reveals a perhaps unexpected fact, namely that the non-eligible (comparison) new/repeat claimants had on average more dependent children than the eligible group. About one half of the eligible groups had just one dependent child, but this fell to about 42 per cent for the non-eligible groups. Sixteen per cent of the eligible groups, but 25 per cent of the non-eligible groups, had three or more children. These proportions changed very little across the three years of the study period and there were only slight differences in distributions between the two cohorts.

Table 3.10 New/Repeat Claims: Number of children for claimant

Aug-Oct cohort

	Before 30 April 2001			From 30 April 2001	
	PA meetings pseudo-eligible	Comparisons		PA meetings eligible	Comparisons
1999			2001		
1	48.5	42.4	1	50.1	44.9
2	34.1	31.9	2	33.4	30.6
3	12.8	16.6	3	12.3	15.5
4	3.6	6.5	4	3.3	6.0
5 or more	1.0	2.6	5 or more	0.9	2.9
2000					
1	49.3	44.9			
2	33.5	30.8			
3	12.8	15.6			
4	3.5	6.0			
5 or more	1.0	2.8			

(a) Nov-Jan cohort

	Before 30 April 2001			From 30 April 2001	
	PA meetings pseudo-eligible	Comparisons		PA meetings eligible	Comparisons
1999			2001		
1	50.2	44.5	1	49.7	44.9
2	33.2	31.1	2	33.5	30.9
3	12.1	15.9	3	12.5	15.3
4	3.6	6.0	4	3.4	6.0
5 or more	0.9	2.6	5 or more	0.8	2.9
2000					
1	51.0	45.4			
2	32.7	30.9			
3	12.2	15.2			
4	3.3	5.9			
5 or more	0.9	2.7			

Column percent, unweighted. Data excludes: Northern Ireland, Jobcentre Plus, PA meetings pathfinder and One areas. Note that figures for both the years 1999 and 2000 are shown in separate rows with the heading 'Before 30 April 2001'; 2001 figures are in columns four and five.

The geographical distribution of lone parents in the various new/repeat sub-samples is presented next, with the classification of Government Office Regions used for this purpose. Since this requires a rather large table (Table 3.11) it is shown only for the August-October cohort; the results for the November-January cohort were very similar. The regions containing

the largest numbers of lone parents were Northwest and London. London also experienced a rise of 1 percentage point in its relative share of new/repeat claims between 1999 and 2000. In the Southeast region, there was also a rise of one percentage point in the inflow of lone parents in the non-eligible group, between 2000 and 2001. These were the largest changes, but overall the regional distribution remained very stable.

Table 3.11 New/Repeat Claims by Government Office Region, Aug-Oct cohort

	Before 30 April 2001				From 30 April 2001	
	PA meetings eligible		Comparisons		PA meetings eligible	Comparisons
	1999	2000	1999	2000	2001	2001
Northeast	5.9	5.7	6.0	5.6	5.8	5.4
Northwest	15.1	14.8	13.5	13.8	14.6	12.9
Yorkshire and Humber	8.8	8.9	9.3	8.7	8.7	8.6
East Midlands	6.8	6.6	7.4	7.0	6.4	6.6
West Midlands	8.6	8.8	8.7	8.9	9.0	9.4
East of England	6.6	6.7	7.3	7.2	6.4	7.5
London	13.5	14.5	13.3	14.5	14.3	14.8
Southeast	10.7	10.0	11.4	11.3	10.6	12.3
Southwest	7.3	7.3	7.8	7.5	7.9	7.8
Wales	5.6	5.8	5.5	5.5	5.8	5.5
Scotland	9.9	9.9	8.8	8.8	9.7	8.1
region missing	1.2	1.2	1.0	1.2	1.0	1.1

Column percent, unweighted. Data excludes: Northern Ireland, Jobcentre Plus, PA meetings pathfinder and One areas. Where missing, the administrative data was missing the Government Office Region [GOFFREG]. Note that figures for years 1999 and 2000 are shown with the heading 'Before 30 April 2001'; 2001 figures are shown with the heading 'After 30 April 2001'.

The administrative database contains travel-to-work area (TTWA) codes, to which unemployment rates can be attached⁶. To compare the samples, the TTWA unemployment rates from 1999 were grouped into four bands, as shown in Table 3.12. There has recently been less variation in local unemployment rates than was common a decade ago, and this is reflected in the table, with few lone parents in areas with 9 per cent or more unemployment. There was also very little change in the distribution across years, nor were there appreciable differences between the cohorts.

⁶ The unemployment rate data were obtained from the Nomisweb service at the University of Durham.

Table 3.12 New/Repeat Claims: TTWA unemployment rate in April 1999

(a) Aug-Oct cohort

	Before 30 April 2001			From 30 April 2001	
	PA meetings pseudo-eligible	Comparisons		PA meetings eligible	Comparisons
1999			2001		
0 to 3 %	16.6	18.6	0 to 3 %	17.2	18.5
More than 3 to 6 %	55.0	54.6	More than 3 to 6 %	55.1	55.9
More than 6 to 9 %	25.4	23.9	More than 6 to 9 %	24.7	22.3
More than 9 to 12 %	1.8	1.6	More than 9 to 12 %	1.7	1.7
missing	1.3	1.4	missing	1.2	1.6
2000					
0 to 3 %	16.7	18.0			
More than 3 to 6 %	55.7	55.4			
More than 6 to 9 %	24.7	23.1			
More than 9 to 12 %	1.6	1.8			
missing	1.4	1.7			
5 or more	1.0	2.8			

(b) Nov-Jan cohort

	Before 30 April 2001			From 30 April 2001	
	PA meetings pseudo-eligible	Comparisons		PA meetings eligible	Comparisons
1999			2001		
0 to 3 %	16.9	19.2	0 to 3 %	18.2	19.1
More than 3 to 6 %	55.8	55.0	More than 3 to 6 %	54.7	55.4
More than 6 to 9 %	24.4	22.5	More than 6 to 9 %	24.2	22.5
More than 9 to 12 %	1.7	1.7	More than 9 to 12 %	1.9	1.6
missing	1.2	1.5	missing	1.0	1.4
2000					
0 to 3 %	16.8	19.2			
More than 3 to 6 %	55.0	54.9			
More than 6 to 9 %	25.1	22.9			
More than 9 to 12 %	1.8	1.4			
missing	1.4	1.5			
5 or more	1.0	2.8			

Column percent, unweighted. Data excludes: Northern Ireland, Jobcentre Plus, PA meetings pathfinder and One areas. The Travel to Work Area unemployment rate for April 1999 is matched on from the NOMIS (www.nomisweb.co.uk) for the JUVOS claimant count. Where missing, the TTWA was missing. Note that figures for years 1999 and 2000 are shown with the heading 'Before 30 April 2001'; 2001 figures are shown with the heading 'After 30 April 2001'.

Overall, the results of the descriptive analysis indicated that change in the characteristics of the sub-samples of new/repeat claimants being compared was small and not problematic for the analysis. There were only very slight differences in the distributions of characteristics between the August-October and November-January cohorts.

3.4 The characteristics of stock claimants

The descriptive analysis of the characteristics of stock claimants had the same aims as for the new/repeat claimants. One would expect to find somewhat more variation than in the case of new/repeat claims, because the construction of the stock analysis groups involved random sampling, whereas the new/repeat claim samples were formed by defining complete cohorts. This however may be counteracted by the larger size of the stock groups. Overall, the descriptive analysis for the stock claimants shows that the characteristics changed very little over the period, and so compositional change is unlikely to affect the estimates presented in section 4.

It is important to note that the analysis for the stock sub-samples is based on the sample definitions shown in Table 3.3. In particular, the comparison groups are confined to those lone parents with a youngest child aged 8-11 inclusive while the eligible groups include the lone parents with youngest child aged 12 to 15 years 9 months, inclusive. These correspond to the groupings used in the impact analysis in section 4.

Table 3.13 shows the gender composition of the stock samples. As in the case of the new/repeat claims, there were more male lone parents in the eligible stock groups, where the youngest children were older. There was little change in the gender composition between 1999 and 2001.

Table 3.13 Stock Claims: Sex of claimant

	1999 stock sample		2001 stock sample	
	PA meetings eligible	Comparisons	PA meetings eligible	Comparisons
Female	85.6	91.2	86.2	90.0
Male	14.4	8.8	13.8	8.3

Column percent, unweighted. Data excludes: Northern Ireland, Jobcentre Plus, PA meetings pathfinder and One areas.

Eligible stock claimants were on average older than non-eligible stock claimants. As shown in Table 3.14, there were no appreciable changes in the age distribution of stock claimants over the period of the study.

Table 3.14 Stock Claims: Age of claimant at sampling date

Age of claimant: years	1999 stock sample		2001 stock sample	
	PA meetings eligible	Comparisons	PA meetings eligible	Comparisons
16-24	0.3	0.3	0.2	0.3
25-29	0.8	10.1	0.8	10.4
30-34	12.4	27.6	12.9	27.7
35-39	28.3	30.4	28.6	30.2
40-44	27.4	18.2	26.5	18.4
45-49	16.6	8.8	16.7	8.6
50 or more	14.3	4.6	14.3	4.4
mean age	42.3	37.7	42.3	37.6

Column percent, unweighted. Data excludes: Northern Ireland, Jobcentre Plus, PA meetings pathfinder and One areas. See Table 3.4 for sample dates when age calculated, and description of stock analysis groups.

As shown in Table 3.15, there was also very little change over time in the proportions of stock claimants with youngest children of various ages.

Table 3.15 Stock Claims: Age of youngest child at sampling date

Age of youngest child: years	1999 stock sample		2001 stock sample	
	PA meetings eligible	Comparisons	PA meetings eligible	Comparisons
8		28.7		28.1
9		25.6		26.2
10		23.5		23.9
11		22.2		21.8
12	29.9		29.7	
13	27.4		27.7	
14	25.2		25.0	
15	17.5		17.6	
Sample size	53193	79503	57359	85774

Column percent, unweighted. Data excludes: Northern Ireland, Jobcentre Plus, PA meetings pathfinder and One areas.

Table 3.16 shows the numbers of dependent children in the various stock sub-samples. In this case, there was an appreciable change in the distribution for the eligible claimants, with the proportion of lone parents with one-child falling from 63 per cent in 1999 to 54 per cent in 2001, and an increase over the period in the proportion of parents with three or more children. There was some shift in the same direction for the non-eligible stock groups, but it was considerably smaller. Statistical controls for this and other characteristics can be included to control for changes so that they do not affect the evaluation methodology.

Table 3.16 Stock Claims: Number of children for claim

Number of children	1999 stock sample		2001 stock sample	
	PA meetings eligible	Comparisons	PA meetings eligible	Comparisons
1	63.2	43.4	54.2	40.1
2	30.6	37.2	34.3	36.7
3	5.4	14.7	9.4	16.6
4	0.7	3.8	1.8	5.1
5 or more	0.1	0.9	0.3	1.5

Column percent, unweighted. Data excludes: Northern Ireland, Jobcentre Plus, PA meetings pathfinder and One areas.

In Tables 3.17 and 3.18, the distributions of lone parents in the four sub-samples are shown, respectively, by Government Office Region and by TTWA unemployment rate band. These distributions were highly stable across 1999-2001 for the stock claimants.

Overall, the descriptive analysis for the stock claimants showed, like the analysis for new/repeat claimants, that the characteristics changed very little over the period. The sole exception concerned number of dependent children, where there was a tendency for the number of children to increase, especially for the group eligible for PA meetings. The implication for the impact analysis to be presented in section 4 is that compositional change is unlikely to affect the estimates to any great extent. However, statistical controls for the characteristics considered above will be included in all analyses since this can have no adverse repercussions on the results obtained, given the large sample sizes available.

Table 3.17 Stock Claims: Region

	1999 stock sample		2001 stock sample	
	PA meetings eligible	Comparisons	PA meetings eligible	Comparisons
Northeast	5.3	5.1	5.2	5.2
Northwest	15.4	15.3	15.6	14.9
Yorkshire and Humber	7.1	7.2	7.3	7.4
East Midlands	5.5	5.6	5.5	5.6
West Midlands	8.2	8.0	8.4	8.5
East of England	6.1	6.3	5.7	6.3
London	19.5	19.5	20.3	20.0
Southeast	9.7	10.0	9.3	9.8
Southwest	6.4	7.0	6.1	6.4
Wales	5.5	5.5	5.6	5.6
Scotland	9.9	9.1	9.7	9.0
Missing	1.4	1.4	1.4	1.3

Column percent, unweighted. Where missing, the administrative data was missing the Government Office Region [GOFFREG]. Data excludes: Northern Ireland, Jobcentre Plus, PA meetings pathfinder and One areas.

Table 3.18 Stock Claims: TTWA unemployment rate in April 1999

	1999 stock sample		2001 stock sample	
	PA meetings eligible	Comparisons	PA meetings eligible	Comparisons
0 to 3 %	14.7	15.8	14.5	15.3
More than 3 to 6 %	57.2	56.8	57.0	57.2
More than 6 to 9 %	25.2	24.6	25.5	24.7
More than 9 to 12 %	1.6	1.5	1.6	1.5
Missing	1.4	1.3	1.4	1.4

Column percent, unweighted. The Travel to Work Area unemployment rate for April 1999 is matched on from the NOMIS (www.nomisweb.co.uk) for the JUVOS claimant count. Where missing, the administrative data was missing the TTWA area. Data excludes: Northern Ireland, Jobcentre Plus, PA meetings pathfinder and One areas.

3.5 Entry to PA meetings, and characteristics of entrants and non-entrants

As already noted in section 2, not everyone who was eligible for PA meetings took part in the programme. Section 3.5 provides estimates of the proportions that did take part in PA meetings among the new/repeat and stock claimant PA meetings eligible groups. It should be stressed that these are *estimates*, since data limitations make it necessary to introduce various assumptions, and the results are dependent on the assumptions. After presenting the estimates, the section considers whether participants differed in any characteristics from non-participants. This analysis helps to assess whether eligible claimants' participation in PA meetings was a matter of chance or of choice.

Section 2.1.1.1, and section 2.1, identified that there were a number of possible reasons as to why a person eligible for PA meetings might not take part, even though the system is compulsory. It has been reported that early on, there were some problems with new/repeat claimants not being identified by the Benefits Agency as being eligible for entry to PA meetings.⁷ This was discussed further in Section 2.1.1.1, and section 2.1. One reason was that there might be an administrative lag between the point at which the individual became eligible, and being called to a meeting: during this period the lone parent might exit from the claim. Again, the personal circumstances of claimants sometimes led the PA meetings staff to excuse them from taking part (termed a waiver), or might defer the requirement until a later time (termed a deferral): an example was ill-health. Sanctions for non-compliance with the system, which were supposed to be applied if a claimant failed to attend three times, were also only applied after considerable delay, if at all.

3.5.1 Matching PA meetings records to IS records

To analyse participation and non-participation in PA meetings, it was first necessary to link records concerning participation with the IS claims database. The PA meetings records form part of a file that also contains details of participation in NDLP. This file did not include information on eligible people who did not enter the system; these had to be inferred from the IS data. Linking of the data was first established using National Insurance numbers. However, the PA meetings database did not cross-refer to the claim start date of the IS claim on which eligibility was based. As many claimants had more than one IS claim as lone parents, the link

⁷ P.15 Thomas & Griffiths (2002)

between PA meetings activity and IS claims had to be further established through the correspondence of dates in the two systems. Classifying a claimant as an eligible non-participant involved using the IS database to indicate eligibility, and then finding no matching record for the particular IS claim period in the PA meetings data.

A complicating factor in carrying out the linking was that, as explained in section 2, the IS claim start dates had to be replaced for the purposes of the evaluation by the claim scan dates for updating claim records. This meant that the dates used in this analysis were only an approximation to those used by the BA or NDLP administration team staff who determined eligibility. Because of this difference, some cases treated here as eligible would be classified as non-eligible in the PA meetings system, and also the reverse case. Similarly, there would be some differences in classification as between stock claims and new/repeat claims. The section provides some indications of these possible differences and shows that they did not amount to a large problem.

There were 14,339 PA meetings records (about 7 per cent of the total) which had no matching National Insurance number in the IS file; in other words the PA meetings information had no claimant with that NI number in the IS file. Nearly all of these were classified, in the NDLP/PA meetings database itself, as new/repeat claims, and this provided an important clue to the reasons for this type of non-matching.

- New/repeat claims in the PA meetings records may not be found in the IS records if the claim is terminated within two weeks of its start, and falls entirely between two database scans (in which case the claim is never recorded in the IS database). During this time a PA Meeting can be arranged and recorded in the PA meetings database. Of course, it is also possible that other individuals with these very short claims do not enter the PA meetings system, so it is impossible to say whether this results in any bias to the records as between participants and non-participants.
- From November 2001, NDLP was opened to lone parents on benefits other than IS. It is possible that an NDLP meeting with a personal adviser was recorded incorrectly as a Personal Adviser Meeting. However, there was no indication that the unmatchable PA meetings records were concentrated in the period after November 2001. No method was available of directly identifying entrants of this type.
- If a National Insurance (NI) number had been mis-entered in either of the two systems then this would lead to a non-match for an individual. There were also temporary NINO on the PA meetings data (i.e. those which are just a number rather than beginning with a letter), which might not then be matched if the other system contains the correct NI number.
- Subsequent to attending a PA meeting, the IS lone parent claim might be disallowed, and so although in the PA Meetings data this case might not reach IS administrative records. Also, in some cases, although IS claim forms were taken, and they were then registered for a PA Meeting or could even have attended, yet they might not then pursue an IS claim.

After excluding Northern Ireland, One and Jobcentre Plus areas and the PA meetings pilot areas (see section 2), the number of IS claims that were matched on National Insurance number to a PA meetings record was 131,637.

It is important to bear in mind that these matched IS and PA Meeting cases included individuals with multiple claims: these claims were all counted as initial matches if there was any PA meetings record with the same National Insurance number. Clearly, if an individual had several claims, but only one period of PA meetings participation, then all but one of the claims must be non-participating. To select the correct corresponding claim, the obvious method was to compare dates. However, some of the PA meetings records which matched on National Insurance number had start dates which could not be at all closely matched into *any*

of the IS claim dates for the claimant concerned. To reconcile the two sets of dates required the introduction of assumptions. Various assumptions were tested; those were adopted which resulted in the lowest proportion of rejections without accepting cases that were completely implausible.

For new/repeat claims, initial matches were disallowed in the following circumstances:

- The PA meetings start date was before 30 April 2001 (only 1 case disallowed)
- The PA meetings start date was after the IS claim end date (1325 cases disallowed; 1.9 per cent of the total)
- The PA meetings start date was more than 60 days before the IS claim scan start date, and the individual had more than one IS claim (3293 cases disallowed; 4.8 per cent of the total). This meant that once an earlier scan date was associated with the PA Meeting information, it was not allowed to also be associated with a later IS spell.

After these exclusions there were 63,404 IS claim spells with matching PA meetings details. The exclusions were 6.8 per cent of the initial matches. It is essential to allow PA meetings start dates to precede IS spell dates, both because entry to the PA meetings system can take place before the claim is entered in the system, and because there is routinely a delay of about two weeks between the claim being initiated and the scan date when the central IS database is updated. Inspection of the lone parent IS database also showed that there were instances of much larger differences than the standard two weeks just referred to, between the IS claim date and the scan date. Often this arose because there had been a prior period when the basis of the claim was not as a lone parent, but in other cases there was no obvious reason for the difference in the dates. Selection of the allowable gap was somewhat arbitrary; 60 days was chosen after trying out several other options. It also seemed reasonable to ignore the gap when the individual had only one claim; in these cases, the PA meetings record, however discordant its date was with the claim start date, presumably referred to the one IS claim that existed. If this additional assumption was not made, the number of disallowed matches would be tripled.

Next the relationship between *stock claims* and PA meetings entry is considered, in a similar way to new/repeat claims. For these cases, initial matches were disallowed in the following circumstances:

- The PA meetings start date was before 30 April 2001 (only 3 cases disallowed)
- The PA meetings start date was after the IS claim end date (10,595 cases disallowed; 16.8 per cent of the total).

The reason why so many more initial matches were disallowed by the second assumption, than in the case of new/repeat claims, was that many more stock claimants had other, previously completed claims on the IS database. The second rule prevented PA meetings starts being attached spuriously to these earlier claims. The reason why the third assumption used in the new/repeat claims was not applied here, is that stock claims all started before 30 April 2001. It was therefore not possible for the PA meetings start date to precede the claim start date, except for those very few cases already disallowed by the first assumption.

3.5.2 Estimates of participation in PA meetings

The combined dataset from the linked IS and PA meetings information was used to produce estimates of participation in PA meetings. The most basic measure of participation was used for this purpose, namely whether a start date for entry to the PA meetings system was recorded for the individual. Entry into the PA meetings system could mean any recorded date

for PA Meeting attendance, deferral or waiver. Entry to the PA meetings system is then not indicative of only PA meetings *attendance*.

Over the period of fourteen months following introduction of PA meetings, about 53 per cent of eligible *new/repeat claimants* entered the PA meetings system. This however is a deceptively low figure. The time taken to enter the PA meetings system after making the claim might play a factor, as a reasonable delay might mean the claimant exited before reaching the PA Meeting. Entry to the PA meetings system was particularly low for those whose claims started in the first two months of the system (May, June 2001), when presumably it was ‘gearing up’. Thereafter the monthly eligible entrant proportions were in excess of 60 per cent and for some months, entrants exceeded 70 per cent of eligible. At the end of the period being analysed, there was a relatively short time for individuals to enter PA meetings and the figures were artificially lowered by inclusion of these periods.

To avoid these distortions, PA meetings entry was analysed further for each of the two cohorts of new/repeat claimants which were used in other parts of the analysis. In Table 3.19, PA meetings participation is tabulated by eligibility status, defined by the age of the youngest child at the claim date. This is followed in Table 3.20 with a full breakdown of PA meetings participation by age of the youngest child.

The estimated entry of the eligible group in the August-October cohort was 72 per cent, which fell to 65 per cent in the following quarter’s cohort. About a further 2-3 per cent of total entrants in each cohort were by claimants who appeared to lack eligibility. Some of these were probably cases where the date of birth of the youngest child was mis-recorded in the IS system, and the claimant was actually eligible (see also details in Table 3.20). The difference in the entrant proportion in the two cohorts is unlikely to be due to the longer period in which the August-October cohort had to enter, because nearly all the entries shown in Table 3.19 – for both cohorts – had actually taken place early on, within 28 days of the claim date. This is in accordance with the standard procedures for the PA meetings system in arranging entry for new/repeat clients.

After allowing for the possible mismatches resulting from data errors and approximations, a reasonable judgement is that the true entry figures for the new/repeat eligible claims may be up to five percentage points higher than those reported in Table 3.19. This suggests an overall entry rate to PA meetings by the eligible new/repeat claimants in the region of 75 per cent.

Table 3.19 New/Repeat Claims: Entry into PA meetings, by eligibility

	August-October cohort		November-January cohort	
	Non-eligible	Eligible	Non-eligible	Eligible
Did not enter	98.4	28.0	98.2	34.6
Entered	1.6	72.0	1.8	65.4
Sample size	37738	22707	37990	22154

Entry into the PA meetings system could mean any recorded date for PA Meeting attendance, deferral or waiver, not indicative of only PA meetings *attendance*.

The further breakdown of entry to PA meetings by age of youngest child, in Table 3.20, is chiefly of interest in showing that the highest rates of entry were for lone parents with children of primary school age. The exception was for those with youngest child aged from 5 years 3 months to below 6, where the entry rate was somewhat reduced. The fall-off in entry rates for parents with children of secondary school age was small but consistent.

Another noteworthy point is that the entry rate for parents with children aged four to just below 5 years and 3 months (who were of course ineligible, but close to the eligibility boundary) was only slightly higher than for those with children aged up to and including three

years. This in the first place suggests that the eligibility rules were carefully applied at the boundary. It also suggests that the somewhat different treatment of claim dates in the evaluation than in the PA meetings system did not lead to any substantial amount of misclassification. Had that been the case, there would have been more entrants supposedly in the four-five years age group.

Table 3.20 New/Repeat Claims: Entry into PA meetings, by age of youngest child

Age of youngest child: years	August-October cohort		November-January cohort	
	Did not enter	Entered	Did not enter	Entered
less than 1	99.5	0.5	99.3	0.7
1 (up to 2)	99.4	0.6	99.2	0.8
2	99.2	0.8	99.1	0.9
3	98.5	1.5	98.7	1.3
4 up to 5.25	96.8	3.2	96.7	3.3
5.25	34.9	65.1	40.9	59.1
6	24.8	75.2	32.7	67.3
7	25.5	74.5	32.3	67.7
8	23.4	76.6	32.1	68.0
9	26.3	73.7	32.7	67.3
10	29.2	70.8	34.1	65.6
11	28.1	71.9	34.2	65.8
12	28.9	71.1	38.3	61.7
13	30.4	69.6	35.4	64.6
14	28.5	71.5	33.8	66.2
15	32.8	67.2	36.4	63.6
16	88.0	12.0	84.2	15.8
over 16	91.6	8.4	93.8	6.2

Entry into the PA meetings system could mean any recorded date for PA Meeting attendance, deferral or waiver, not indicative of only PA meetings *attendance*

Participation in PA meetings is next considered for *stock claimants*. Table 3.21 shows the proportions of PA meetings entrants for the eligible and non-eligible stock groups. The proportion of eligible who were PA meetings entrants was 42 per cent, a considerably lower figure than for new/repeat eligible claims. Two administrative factors may have contributed to this lower figure. One was that, as mentioned earlier, the process of calling stock claimants to initial interviews was phased so that of all those identified as eligible those claimants with older children were invited first; some claimants may have exited before they could be called. This would particularly affect those with a youngest child aged 15, whose benefit entitlement would terminate when the child reached 16. The other factor is that those with a youngest child aged 12 were included within the definition of stock claimant eligibility. However, due to the phasing of stock processing, these were brought into the system only when eligible claimants with older children had been called, and therefore they were to some extent a residual group. They would only be called in for a PA meeting when their youngest child turned 13, for some this would have been in March/ April 02 and the time to enter the PA meetings system to be called up.

Table 3.21 Stock Claims: Entry into PA meetings, by eligibility

Entry to PA Meetings	Ongoing claims at 30 April 2001	
	Non-eligible	Eligible
Did not enter	99.1	57.9
Entered	1.0	42.1
Sample size	85774	57359

Entry into the PA meetings system could mean any recorded date for PA Meeting attendance, deferral or waiver, not indicative of only PA meetings *attendance*

These points are clarified in Table 3.22, showing entry and non-entry to PA meetings by age of youngest child. The table has been simplified to cover only ages 8 to 15 years 9 months inclusive, which corresponds to the groupings used in the impact analysis. The proportion of those with a youngest child aged 15 who entered PA meetings was much lower than the proportion among those with a youngest child aged 14, and it was also lower than the proportion for those with a youngest child aged 13. This was despite the fact that those with a youngest child aged 15 had priority in being called to an interview. Also, only one in six of those with a youngest child aged 12 entered the PA meetings system, presumably because it had not been possible for the majority of offices to complete the interviewing of those with older children.

For those with a youngest child aged 13-14, the entrant rate was around 55-60 per cent, still somewhat below that for the new/repeat cohorts. Allowing for possible misclassification and data errors, the true figures for these sub-groups might well be five percentage points higher, say 60-65 per cent. Earlier, sections 2.1.1 and 2.1.1.1, it was pointed out that there were administration problems and so it is likely due to this that many with 12 year old youngest child did not enter the PA meetings system.

Table 3.22 Stock Claims: Entry into PA meetings, by age of youngest child

Age of youngest child: years	Ongoing claims at 30 April 2001	
	Did not enter	Entered
8	97.0	3.0
9	97.2	2.9
10	97.1	2.9
11	96.8	3.2
12	83.7	16.3
13	45.9	54.3
14	38.0	62.0
15 to 15.75	50.7	49.0

Entry into the PA meetings system could mean any recorded date for PA Meeting attendance, deferral or waiver, not indicative of only PA meetings *attendance*.

Administrative lags in the system were further tested by analysing the time which elapsed between 30 April 2001 and the start dates for PA meetings entrants among the eligible stock. For stock claimants, the processing of entrants was gradual. This is shown in Table 3.23, which covers entries to PA meetings for the first 28 weeks of the system's operation. One per cent of eligible stock claimants entered the system in the first four weeks. This subsequently built up to a rate of about 5 per cent of the initial pool of eligible stock claimants, in the last 4-week period analysed. Over the 28-week period, one quarter of the eligible stock had entered. This was roughly three-fifths of the total stock entrants observed over the initial period of a little more than one year.

Table 3.23 Stock Claims: Entry into PA meetings, by time from starting⁸

month from PA Meetings start	per cent of initial stock claims entering
1	1.1
2	3.2
3	4.1
4	3.9
5	3.6
6	3.8
7	4.8
All 7 periods	24.5

⁸ Entry into the PA meetings system could mean any recorded date for PA Meeting attendance, deferral or waiver, not indicative of only PA meetings *attendance*.

3.5.3 The characteristics of eligible entrants and non-entrants: New/repeat claimants

It is important to know whether there were systematic differences in characteristics between the eligible entrants and the eligible non-entrants. Systematic differences would suggest that entry was a choice (whether by claimants or by the staff involved) that was influenced by observable individual circumstances. This sub-section briefly presents the main information which is available on this issue among the new/repeat claimants, and section 3.5.4 presents the corresponding information for stock claimants. To simplify the presentation, the tables for new/repeat claimants are confined to the August-October cohort in 2001; results for the November-January cohort were in general closely similar.

Table 3.24 shows that lone fathers were considerably less likely to take part in PA meetings than lone mothers. Men constituted 12 per cent of the entrants but 20 per cent of the non-entrants.

Table 3.24 Characteristics of new/repeat entrants and non-entrants: Sex

	August-October cohort	
	Did not enter	Entered
Female	79.8	88.3
Male	20.2	11.7
Sample size	6367	16340

Entry into the PA meetings system could mean any recorded date for PA Meeting attendance, deferral or waiver, not indicative of only PA meetings *attendance*.

Another clear difference between entrants and non-entrants in the new/repeat claimant group was that older lone parents were less likely to enter. As shown in Table 3.25, those aged 45 and over constituted 11 per cent of the entrants but 22 per cent of the non-entrants.

Table 3.25 Characteristics of new/repeat entrants and non-entrants: Claimant Age group

Age group of claimant: years	August-October cohort	
	Did not enter	Entered
up to 25	2.9	2.4
25-29	11.0	12.7
30-34	21.9	26.6
35-39	25.7	29.0
40-44	17.1	18.5
45-49	10.1	7.5
50 plus	11.4	3.4
Sample size	6367	16340

Note: Entry into the PA meetings system could mean any recorded date for PA Meeting attendance, deferral or waiver, not indicative of only PA meetings *attendance*.

The relationship of the age of the youngest child to entry into PA meetings has already been shown for the new/repeat claimants, at Table 3.20. As noted before, there was a slightly reduced probability of entry for those with children aged 5 years and 3 months but under 6, and for those where the child was of secondary school age. But these differences were not large.

No appreciable difference was found between new/repeat entrants and non-entrants in the number of their dependent children (Table 3.26).

Table 3.26 Characteristics of new/repeat entrants and non-entrants: Number of dependent children

August-October cohort		
Number of children	Did not enter	Entered
1	51.6	49.5
2	31.8	34.1
3	11.9	12.5
4	3.7	3.2
5 or more	1.1	0.8
Sample size	6367	16340

Note: Entry into the PA meetings system could mean any recorded date for PA Meeting attendance, deferral or waiver, not indicative of only PA meetings *attendance*.

Table 3.27 shows the distribution of entrants and non-entrants by Government Office Region. London had a disproportionate number of non-entrants: these constituted 20 per cent of the total non-entrants, while London's entrants constituted only 12 per cent of the total entrants. On the other hand the Northwest, the other region with a particularly large number of lone parent claimants, had an entry rate of eligible new/repeat claimants that was somewhat above that of other regions.

Table 3.27 Characteristics of new/repeat entrants and non-entrants: Government Office Region

August-October cohort		
	Did not enter	Entered
Northeast	5.6	5.8
Northwest	12.7	15.3
Yorkshire and Humber	8.1	8.9
East Midlands	5.1	6.9
West Midlands	8.6	8.8
East of England	6.3	6.5
London	19.6	12.2
Southeast	10.2	10.8
Southwest	7.4	8.0
Wales	5.5	6.0
Scotland	8.7	10.0
missing	1.4	0.8
Sample size	6367	16340

Entry into the PA meetings system could mean any recorded date for PA Meeting attendance, deferral or waiver, not indicative of only PA meetings *attendance*. Where missing, the administrative data was missing the Government Office Region [GOFFREG].

Overall, it is clear that entrants and non-entrants among eligible new/repeat claimants differed systematically in their characteristics, with particularly marked differences in terms of gender and age. This suggests that it was not a matter of chance whether a person entered or not, but that entry was in part the result of decisions by claimants or by staff (or both), depending on individuals' characteristics or circumstances. As emphasised before, the range of characteristics available in the IS database was very limited and it is likely that, if a wider range could be examined, further differences between entrants and non-entrants would be identified.

3.5.4 The characteristics of eligible entrants and non-entrants: Stock claimants

While entry to PA meetings was associated with claimant characteristics in the case of new/repeat claims, this did not necessarily apply to the stock sample, where the time required to process the large pool of eligible claimants doubtless played a large part.

Table 3.28 shows that, unlike in the case of new/repeat claimants, there was no appreciable difference in the gender composition of entrants and non-entrants among the stock. Men constituted 13 per cent of the entrants and 14 per cent of the non-entrants.

Table 3.28 Characteristics of stock entrants and non-entrants: Sex

	eligible claimants	
	Did not enter	Entered
Female	85.9	86.5
Male	14.1	13.5
Sample size	33204	24155

Entry into the PA meetings system could mean any recorded date for PA Meeting attendance, deferral or waiver, not indicative of only PA meetings *attendance*.

Similarly, there were no large differences in age between entrants and non-entrants in the eligible stock claimant group. However, there were slightly fewer stock entrants under 35 and slightly more aged over 40 (Table 3.29).

Table 3.29 Characteristics of stock entrants and non-entrants: Claimant Age group

Age group of claimant: years	eligible claimants	
	Did not enter	Entered
up to 25	0.4	0.2
25-29	3.8	1.9
30-34	20.4	17.0
35-39	29.6	30.0
40-44	21.8	25.6
45-49	12.8	15.6
50 plus	11.2	9.6
Sample size	6367	16340

Entry into the PA meetings system could mean any recorded date for PA Meeting attendance, deferral or waiver, not indicative of only PA meetings *attendance*.

The relationship of the age of the youngest child to entry into PA meetings has already been shown for stock claimants, at Table 3.22. As noted earlier, entry within the eligible age groups was very strongly associated with the age of the youngest child, but this was largely to be explained by the procedures followed in the PA meetings system. The result was a considerably lower entry rate for those with a youngest child aged 15 or aged 12.

As with the new/repeat claimants, there was no appreciable difference between eligible stock entrants and non-entrants in the number of their dependent children (Table 3.30).

Table 3.30 Characteristics of stock entrants and non-entrants: Number of dependent children

Number of children	August-October cohort	
	Did not enter	Entered
1	53.2	55.4
2	34.5	34.1
3	9.9	8.9
4	2.0	1.4
5 or more	0.4	0.2
Sample size	33204	24155

Note: Entry into the PA meetings system could mean any recorded date for PA Meeting attendance, deferral or waiver, not indicative of only PA meetings *attendance*.

Finally, Table 3.31 shows the distribution of eligible stock entrants and non-entrants by Government Office Region. The picture here was broadly similar to that for new/repeat claimant entry. London again had a disproportionate number of non-entrants: these constituted 24 per cent of the total non-entrants, while London's entrants constituted only 16 per cent of the total entrants. The Northwest, the other region with a particularly large number of lone parent claimants, had an entry rate of eligible new/repeat claimants that was considerably above that of other regions: this region supplied 13 per cent of the eligible non-entrants but 20 per cent of the entrants.

Overall, there were fewer differences in characteristics between stock entrants and non-entrants than there were between new/repeat entrants and non-entrants. The large exception to this, however, was in the age of the youngest child, where the differences were very noticeable. Although this was in part the result of the administrative procedures, it is reasonable to assume that these procedures acted in combination with individual choices which took people out of their IS claims before they could enter the PA Meeting system. For example, some lone parents with a child aged 15 might be quicker than others to seek an alternative to their IS claim, and would thereby be less likely to become entrants to PA meetings. If this was so, then participation in PA meetings was itself partly a result of the outcome of whether or not a person exited from IS. This indicates that it would not be advisable to use *participation* in PA meetings as an explanation for IS exits, and the evaluation of *eligibility* for PA meetings is more suitable.

Table 3.31 Characteristics of stock entrants and non-entrants: Government Office Region

	eligible claimants	
	Did not enter	Entered
Northeast	4.5	6.2
Northwest	12.6	19.7
Yorkshire and Humber	6.8	7.9
East Midlands	5.5	5.4
West Midlands	8.7	8.0
East of England	6.3	5.0
London	23.8	15.5
Southeast	8.7	10.1
Southwest	6.6	5.5
Wales	5.0	6.4
Scotland	10.0	9.3
missing	1.6	1.1
Sample size	33204	24155

Entry into the PA meetings system could mean any recorded date for PA Meeting attendance, deferral or waiver, not indicative of only PA meetings *attendance*. Where missing, the administrative data was missing the Government Office Region [GOFFREG].

3.6 Preliminary descriptive analysis of NDLP entrants

This final part of section 3 provides some preliminary details concerning NDLP entrants. The descriptive results presented in this section show that entry into NDLP was progressive over time, and this indicates it is best defined as an intermediate outcome. The characteristics of NDLP participants and non-participants are also briefly considered.

Analysis of NDLP entry, both here and in section 4, focuses mainly on new/repeat claimants. The entry rates to NDLP of stock claimants at different periods were not strictly comparable, since those at later periods had a more extended exposure to the availability of NDLP, and their entry after the sampling reference date might be affected by their exposure prior to that date. However, some brief descriptive findings concerning stock claimants are included at the end of the section, and these give at least a qualitative feel for change in entry between the pre-PA meetings and post-PA meetings periods.

3.6.1 Entry to NDLP, 1999-2002

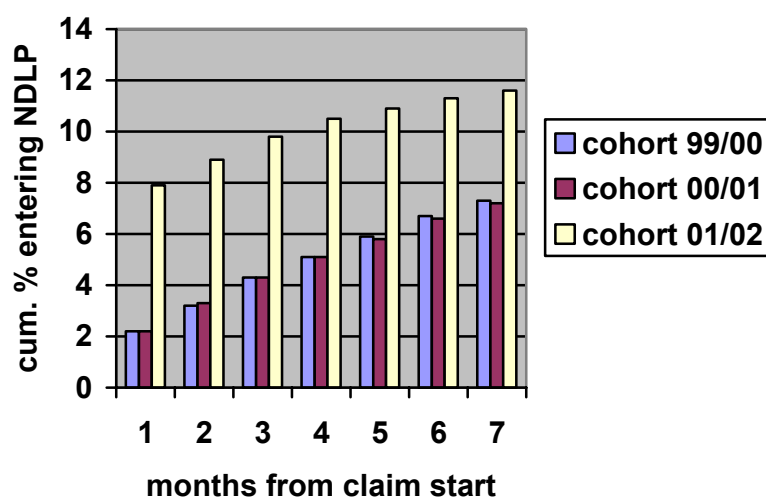
To analyse entry to NDLP, it was first necessary to link records in the NDLP database with the corresponding individuals in the lone parent IS database. The issues involved in doing so were very similar to those already described in section 3.5.1 concerning entry to PA meetings, since the NDLP records came from the same database as the PA meetings records. Although this ground does not need to be covered again, it is important to note that entry to NDLP is a highly flexible process, which can take place at any time in a claim or even after a claimant has exited from IS. However it was not possible to be as flexible as this in linking the databases, otherwise the same NDLP entry could be attributed to more than one IS claim. Potential links were disallowed when the NDLP start date fell after the end of the IS claim, and also when the start date fell more than 60 days before the IS claim. Inevitably, a degree of roughness was involved in the linking of NDLP with IS claims.

For new/repeat claimants, this analysis pooled the August-October and November-January cohorts and analysed the inflows of 1999/00, 2000/01 and 2001/02. Table 3.32a describes the rate of entry to NDLP for each of these cohorts, by months from the claim scan date (each month estimated as 28 days). The same information is repeated in Chart 3.32b, but clearly shows the strong gains in 2001/2002 against earlier NDLP entry in 1999 and 2000. The differences might be smaller as those who are not eligible for PA meetings are included. No comparison is made here between those eligible for PA meetings and the ineligible comparators, since the aim is only to get an initial view of NDLP. None the less, the pattern in the table points to a connection between changing NDLP entry and the introduction of PA meetings. There was scarcely any difference in the rates of NDLP entry between 1999/00 and 2000/01, but a very large increase in 2001/02. Moreover, the increase in 2001/02 was visible in the first month from entry, and was then sustained (but not further increased) in subsequent months. It seems likely that this change was attributable to PA meetings, which for the new/repeat claimants also usually took place close to the start of the claim.

Table 3.32a New/Repeat Claims: Entry into NDLP, by time from starting IS claim

month	cumulative per cent entering NDLP		
	1999/00 cohort	2000/01 cohort	2001/02 cohort
1	2.2	2.2	7.9
2	3.2	3.3	8.9
3	4.3	4.3	9.8
4	5.1	5.1	10.5
5	5.9	5.8	10.9
6	6.7	6.6	11.3
7	7.3	7.2	11.6
N for cohort	137587	134666	120629

Note: each month is calculated as 28 days. Pooled August-October and November-January cohorts, where months from IS claim scan date.

Chart 3.32b New/Repeat Claims: Entry into NDLP, by time from starting

Another point indicated by Table 3.32a and Chart 3.32b, is that the entry to NDLP continued over a long period and was not confined to the early part of a claim period. In fact, results for the earlier cohorts showed that this process of entry continued into the second and even the third year of a claim: by the end of the observation period (in May 2002) 15.9 per cent of the 1999/00 cohort had entered NDLP, while the corresponding figure for the 2000/01 cohort was 12.8 per cent. In order to make comparisons between earlier years and the post-PA meetings period, it is therefore necessary to consider NDLP entry up to a given time that is comparable across cohorts and years.

Some characteristics of participants in NDLP in the first 3 months after becoming new/repeat claimants are summarised in Table 3.33; this is done in a more condensed form than in the previous descriptive tables. The composition of NDLP entrants changed scarcely at all between the 1999/00 and 2000/01 cohorts. In this period, before the advent of PA meetings, the available information did not strongly distinguish between NDLP entrants and non-entrants. It appears that those more likely to enter NDLP were aged 25-49, and had less than three children. However the importance of this categorisation is diminished, as only a very small share of new/repeat claimants were aged 50 years or over, or had three or more children (see Tables 3.25 and 3.26).

Table 3.33 New/Repeat Claims: Proportions entering NDLP within 3 months of claim start, by personal characteristics

characteristic	1999/00 cohort	2000/01 cohort	2001/02 cohort
male	3.9	4.4	10.6
female	4.3	4.3	9.8
aged up to 25	3.1	3.0	3.8
aged 25-39	4.8	4.9	12.4
aged 40-49	5.2	5.2	14.0
aged 50 plus	1.7	2.0	5.8
1 child	4.2	4.3	9.1
2 children	5.0	5.0	12.1
3 children	3.2	3.2	8.6
youngest child under 5y 3m	3.6	3.6	3.9
youngest child 5y 3m – 16y	5.3	5.3	18.3

Cell percentages. Note: each month is calculated as 28 days.

This pattern changed substantially with the 2001/02 cohort of new/repeat claimants. Among those with a youngest child aged upwards of 5 years 3 months (i.e., the group eligible for PA meetings): the proportion entering NDLP within 12 weeks of their claim starting increased by 13 percentage points from the previous years' cohorts. This was a very large change in view of the initially low proportion entering NDLP. For those with children under 5 years 3 months, however, the increase was very slight. Other changes in the characteristics of NDLP entrants were consistent with this major relative shift. For example, the increase in entry was concentrated among lone parents aged 25-49, and was very small (less than 1 percentage point) among those aged under 25.

The results of this analysis create a presumption that the introduction of PA meetings resulted in a large increase in early entry into NDLP, a presumption that will be further tested in the next section of this report. Also, the results provide some help with the issue of how far any impact can be attributed to the PA meetings system and how far to the improved provisions within NDLP itself. Those not eligible for PA meetings were still able to obtain the advantages of the improved NDLP provision, but among them the increase in NDLP participation was small⁹. The major increase was among those eligible for PA meetings. This point will be further discussed in the final section of the report.

3.6.2 Stock claimants' entry into NDLP

The descriptive analysis of NDLP entry for stock claimants was confined, for the sake of simplicity, to the four sub-samples used in the impact analysis of section 4. For these groups, data on NDLP participation were connected to IS claim information as previously described. In this case linking was relatively simple since individuals could have only one stock claim per sampling point (May 1999 and end April 2001). Once linking was achieved, each NDLP spell was classified as 'before' or 'after' the relevant sampling date for the IS claim, and the 'after' spells in NDLP were further classified depending on whether they took place within one year of the sampling date. This creates a degree of comparability between the 1999 stock

⁹ This is based on a 'before-after' comparison for those not eligible for PA meetings but eligible for NDLP and (in the later period) for its enhancements. However the before-after comparison might be affected by changing labour market conditions (e.g., improved job opportunities) which would make job search more attractive for lone parents.

and the 2001 stock, although as indicated at the beginning of section 3.6, it is not possible to equate the 1999 and 2001 stock samples in terms of the extent or timing of their opportunities to take part in NDLP.

Table 3.34 summarizes the main results of this analysis. These results need to be interpreted cautiously. For example, there is no way of producing a measure of total participation in NDLP which would be comparable between the groups. However, several points can be made. First, for the 1999 stock samples, it appears that there was not much difference in the NDLP participation rates between those with youngest child under 12 years and those with youngest child aged 12 and over. This finding applied both before and after the PA meetings sampling date. For the 2001 stock samples, once again there was not much difference between the NDLP participation rates in the period before PA meetings started. In the period of one year after the sampling date (the PA meetings start date) however, the participation rate was considerably higher for the group eligible for PA meetings than for the group not eligible for PA meetings. There is once again, therefore, a fairly strong presumption that the advent of PA meetings produced a rise in NDLP participation among those stock claimants who were eligible, even though one cannot determine the true size of that rise.

Table 3.34 Stock Claims: Entry into NDLP

per cent in NDLP:	1999 stock sample		2001 stock sample	
	PA meetings eligible	Comparisons	PA meetings eligible	Comparisons
- before sampling date	3.7	4.6	11.7	13.1
- within 1 year from sampling date	6.0	7.2	14.0	7.3
Sample size	53193	79503	57359	85774

For description of stock analysis groups, see Table 3.4.

4 Interim impact analysis

4.1 Introduction to the impact analysis

The net impact of the introduction of the PA meetings system measures the effects of the PA meetings system against an artificial counterfactual of what the eligible groups would have achieved without PA meetings (see section 2 for a full discussion of the evaluation problem). The method used to estimate the net impact of PA meetings on the outcomes of interest is difference in differences. Although the difference in differences technique is very valuable, it is important to use it under the correct conditions. Accordingly, it is first established that suitable conditions exist in section 4.2. The results of the analysis of the net impact of PA meetings are then presented. New/repeat claims are analysed separately from stock claims. As earlier noted, for this evaluation, ‘new or repeat claims’ and the ‘stock claims’, were very distinctly different: the programme operated differently for these two groups, samples for the two groups were constructed in fundamentally different ways, and the analyses for the two groups were also designed differently. The net impacts for new/repeat claims are first presented in section 4.3, followed by the stock claims analysis in section 4.4. Some general conclusions about the interpretation of the results of the impact analysis are then presented in section 4.5.

4.2 Tests of the method assumptions

In section 2.2.1 the assumptions underlying the method of ‘differences-in-differences’ were set out. To recapitulate briefly, these assumptions were of four kinds:

- Background conditions (in the economy and labour market) affect the groups being compared to the same extent.
- There are no other policy changes over the same period which could affect comparisons between the groups.
- There are no differential changes in composition which could affect the relative outcomes of the groups, or if there are, they can be statistically controlled.
- Seasonality affects the groups in the same way, or seasonality can be eliminated from the analysis.

In section 3, the available evidence concerning change in characteristics of the various groups was examined. There was little indication of change in the characteristics from the period before PA meetings to the period after, either in absolute terms or relatively between groups. Although the range of characteristics considered was small, they were all important from the viewpoint of individuals’ labour market behaviour and prospects. In any case, these characteristics will be incorporated and controlled in the statistical analyses which produce the impact estimates.

Whether the groups are likely to differ in their responsiveness to changing background conditions is a matter to which the characteristics of the groups are also relevant. Fundamentally, our comparisons are made between groups all of whom are lone parents and all of whom are claiming the same benefit. The more similarly the evaluation groups are defined then the lower the chance for differences in responsiveness. Another important factor

that makes the evaluation groups likely to respond similarly to labour market conditions is that the great majority are women. It is also known from previous research that the great majority of lone parents entering employment do so in part-time jobs. The female, part-time sector of the labour market has been particularly stable in the face of varying economic conditions over the past two decades. This temporal stability is a desirable property for the evaluation method.

None the less, there are potentially important differences between the eligible and non-eligible groups, in the age of the youngest child and in their own ages. Measures have been taken to counteract this. In the case of new/repeat claimants, these differences have been reduced by excluding (from the comparison groups) those lone parents with a baby under one year old. In the case of the stock claimants, there is a similar exclusion from the comparison groups of those lone parents with children aged under 8 years. The assumption of equal responsiveness to labour market conditions appears reasonable, since high and increasing proportions of mothers, with children at all ages, now take part in employment (Mcrae (1997)).

The potential problem of seasonality can be reduced, provided that analyses refer to the same time periods for the various groups being compared. This is implemented in all the impact analyses. For new/repeat claimants, comparable entry cohorts are constructed for each year from 1999 to 2001. For stock claimants, those with ongoing claims when the IS database begins (in mid-May 1999) are used to compare with the PA meetings stock defined at the end of April 2001. Details of the stock definitions are found in Table 3.4 and discussed in section 3.2.4.

The final assumption to be considered is that comparisons are unaffected by other policy changes which take place in parallel. One type of development which could interact with PA meetings is maternity rights legislation. However, by excluding from the new/repeat comparison groups those lone parents with a baby under one year old, this potential issue was largely eliminated, as noted in section 2.3.2.

The policy change of greatest importance to lone parents took place in October 1999, when Family Credit was replaced by Working Families Tax Credit (WFTC). The implications of this change have been briefly reviewed in section 1.2. Although WFTC was introduced well in advance of PA meetings, it is possible that its influence on lone parents' labour market behaviour was progressive. In that case, by making over-time comparisons, there would be a risk of attributing improved outcomes for the lone parent group to PA meetings when part or all of the gains were actually due to WFTC. Of course, WFTC is of benefit to all lone parents, and provided that the different groups of lone parents respond in the same way over time, then the validity of the 'DiD' method is unaffected. What would be of concern would be if certain aspects of WFTC influenced one group more than others. Such differential effects of WFTC need not always result in an over-estimate of the impact of PA meetings. In particular, the childcare support components could be of greater value to those with younger children. If so, it would be the non-eligible groups who could be more positively affected by WFTC and the impact of PA meetings would then be under-estimated.

One way of assessing this type of issue is to test for changes in outcomes that might be produced by WFTC in the period before the introduction of PA meetings. This can also be seen as a more general test of whether the baseline period used for differences-in-differences is itself a stable one¹⁰. If the comparisons between groups produce unstable results in the baseline period, then clearly any subsequent estimates which use the baseline may be unreliable.

¹⁰ This approach was suggested as a general way of testing the difference-in-differences method by Heckman and Hotz (1989).

4.2.1 Pre-programme tests of changes in exits

The tests were similar to those used for the main impact analysis. They used the difference-in-differences method, but confined the comparisons to cohorts of new/repeat claimants beginning their claims in 1999 and 2000. All outcomes also took place in the period before PA meetings commenced. The groups of entrants were defined as in the PA meetings period, that is, a ‘pseudo-eligible’ group consisting of those with youngest child aged between 5 years 3 months and 16 years, and a comparison group consisting of those with youngest child aged one up to 5 years 3 months. Two cohort periods were separately considered, as for the main impact analyses: those entering in the months August to October, and those entering in the months November to January. Note that WFTC was introduced in October 1999, so the first cohort in 1999 was largely before the introduction point, while the second cohort in 1999 was entirely after it.

Two kinds of outcomes were considered, as explained in section 2.3.2: exit from IS, and exit from IS as a lone parent (which could include remaining on IS on some other grounds). These types of outcomes were further divided into three periods: exit by 28 days from claim scan date, exit by 56 days from claim scan date, and exit by 84 days from claim scan date. As these outcomes are binary (exit or no exit), an appropriate statistical method is logistic (non-linear) regression. These are cumulative exits, so exits by 56 days included exits by 28 days. Full statistical controls were included in the analyses. These consisted of: sex of claimant; the age of the parent; the square of the age (to control for non-linear relation between age and the outcome); the number of dependent children; the Government Office Region; and the travel-to-work area unemployment rate in April 1999. The term in the analysis that is of primary interest is the interaction between time period (here, 1999/00 or 2000/01 defined the before and after PA meetings periods) and age group of youngest child (which defined PA meetings ‘pseudo-eligible’ or comparison groups).

The analyses sought to answer the following question: Was there a significantly different change in outcome, for the two groups defined by age of youngest child, between the initial year when WFTC was being introduced, and the subsequent year? If the answer is positive, this is interpreted as evidence that WFTC was de-stabilising the relative positions of the two groups with respect to exiting IS. If the answer is negative, this is interpreted as a lack of evidence of any de-stabilising effect of WFTC on the relative position of the two groups.

Table 4.1 shows the results for the August-October and November-January cohorts, across all six outcomes. In these analyses, the outcome measure used is whether the claim is continuing (i.e., the complement of whether an exit has taken place). This is because the data provide no direct information on an alternative status to IS: what is observed is only whether the claim spell continues or not. It then is more correct to maintain this sense in the coding of the outcome variable for analysis, even though one subsequently interprets the results in terms of exit rates. Accordingly, a negative effect (as shown in the ‘coefficient’ columns of the table) means that exits had increased for the ‘pseudo-eligible’ group relative to the comparison group, while a positive effect means that their exits had decreased relative to the comparison group. Note that the coefficients reported in Table 4.1 are multiplicative effects on relative odds of staying/leaving¹¹, and should not be interpreted as changes in probability of exit (note the magnitude of the coefficient is then meaningless without further calculations).

¹¹ As required by the logistic regression model.

Table 4.1 Pre-programme tests for New/Repeat Claims: August-October and November-January cohorts

The coefficients are for the interaction between entry year and age group of youngest child.

Outcome measure	August-October cohort		November-January cohort	
	coefficient	t-statistic ^a	coefficient	t-statistic ^a
IS/LP 28 days	-0.024	0.44	0.096	1.41
IS/LP 56 days	-0.005	0.13	0.070	1.53
IS/LP 84 days	-0.029	0.82	0.054	1.42
IS 28 days	-0.048	0.85	0.099	1.41
IS 56 days	-0.013	0.32	0.066	1.42
IS 84 days	-0.032	0.91	0.046	1.17
N for analyses	99121		93469	

Notes: IS/LP = on IS as a lone parent. a = Absolute values. A negative effect (as shown in the 'coefficient' columns of the table) means that exits had increased for the 'pseudo-eligible' group relative to the comparison group, while a positive effect means that their exits had decreased relative to the comparison group.

For the August-October cohort, the relative change in outcomes between 1999 and 2000 was slightly in favour of the 'pseudo-eligible' group for all six outcome measures, but these relative changes were very small indeed. This was confirmed by the statistical significance tests for the coefficients. For the November-January cohort, the relative changes in outcomes between 1999/00 and 2000/01 were in the opposite direction (the 'pseudo-eligible' group became less likely to exit relative to the comparison group), and the effects were somewhat larger than for the August-October cohort. Once again, however, the statistical significance tests gave no indication that the changes were significant even at the 10 per cent significance level.

These tests therefore provide no evidence that the introduction of WFTC in October 1999 differentially affected those with a youngest child of the ages on which eligibility for PA meetings subsequently depended. This, of course, is not to say that WFTC had no effect on lone parents. However, provided that the effect of WFTC is the same across the groups being compared, the validity of the 'DiD' method is unaffected.

4.3 Impact estimates for new/repeat claims

As detailed in Section 2.3.3, two key types of outcome were analysed for new/repeat claims: exits from IS claims and entering New Deal for Lone Parents (NDLP). The estimates shown are from difference in differences models where the control variables included were gender, age of claimant, age squared, number of children, government office region, and travel to work area unemployment rate in April 1999. The impact was then estimated using the information from the model. Further details of the statistical implementation of the method are shown in Appendix 1.

Two types of impact are presented, the covariate adjusted impact, and the unadjusted impact. Mostly, the covariate-adjusted impact is referred to in the text. The covariate-adjusted impact calculates the impact as if the eligible and comparison groups are compared at similar values of the explanatory variables, for example those in the London region. The unadjusted impact does not take covariate values into account, and is thus very similar to a simple differences in differences calculation of the observed exit rates for the eligible and comparison groups. The advantage of the covariate-adjusted impact arises if these other variables have an important influence on the exit rate. In this case, the covariate-adjusted impact would be quite dissimilar to that of the unadjusted impact. The covariates accounted for are categories of gender, age of

claimant, number of children, government office region, travel to work area unemployment rate in April 1999. The calculations are made at the average values for these covariates.

The main analysis for new/repeat claims involved two cohorts of entrants: August to October and November to January. For clarity, only the impacts for August to October cohort, and the pooled base of 1999 and 2000 are discussed in detail for new/repeat claims.

Some additional variations of the base were also estimated to check the robustness of the results to the choice of base: 1999 base only, 2000 base only. The estimates for these are shown in Appendix 3. Only a brief summary of the relevant conclusions arising from these alternatives is discussed here. The pooled base was preferred as it allows greater numbers for analysis and smoothes out minor between year fluctuations. The pre-programme tests (see section 4.2) explored whether there had been a differential impact between 1999 and 2000, and found this was not the case, and so there is no evidence against pooling the 1999 and 2000 years to form a more general base period. The August to October cohort has the advantage of allowing a longer period to observe exits, five months compared to three months for the November to January cohort, due to the data ending after May 2002.

The impact of PA meetings was also considered by each year of age of the youngest child. This allows what is known in the evaluation literature as a ‘discontinuity design’. At the cut-off between the eligible and non-eligible groups (here 5 years and 3 months), the impact of the programme should be particularly clear, since at that cut-off the groups are more similar. Graphical representation of this analysis is presented, with discussion focussing on statistically significant impacts, and the full tables of results are provided in Appendix 3. This analysis for new/repeat claims is presented for the August to October cohort, with pooled base 1999 and 2000.

4.3.1 Exits from IS claim for new/repeat claims

Exits from IS claims were distinguished in two ways: termination of IS claim (termed *exit IS*) and ending lone parent IS claim (termed *exit lone parent IS*), as detailed in Section 2.3.3.

4.3.1.1 Average impact on Exits from IS claim for new/repeat claims

4.3.1.1a Termination of IS claim

The estimated average impact of PA meetings on exits from IS for the August to October cohort are shown in Table 4.2. Table 4.2 presents, for each number of months after claim start, the estimated impact, covariate adjusted and unadjusted, as well as the statistical significance. For example, the third column shows the average impact of PA meetings on IS exits up to one month after the start of the lone parent IS claim. Mostly, the covariate-adjusted impact is referred to in the text.

At all time points, the impact was in the expected positive direction, thus PA meetings raised IS exits. Specifically, the PA meetings programme was found to raise exits within 1 month of claim start by 0.48 percentage points, and this impact was statistically significant. The PA meetings impact rose to 0.74 percentage points for exits up to two months after claim start, again statistically significant. The impact was then slightly lower for exits to three months, but *not* statistically significant. For exits to four months, the impact rose to 0.99 percentage points and statistically significant, while at five months the impact was again lower and *not* statistically significant. Generally, where statistically significant the group eligible for PA meetings had an increased exit rate to each time point considered. The impact rose to peak at about 1 percentage point at four months from entry, for the observed time periods. Most of the impact took place within the first month, with about half the realised impact at four

months occurring in the first month after entry. Thus eligibility for PA meetings had a fairly immediate impact on exits from IS. The difference between the covariate adjusted impact and the unadjusted impact increased over time from entry, indicating that the impact of PA meetings began to be more influenced by the covariates of sample composition at these later time points.

Table 4.2 New/Repeat Claims: Average impact on Exits from IS claim, August to October cohort, pooled base 1999-2000

Exit IS						
Base	Cohort: August- October	1mth	2mth	3mth	4 mth	5 mth
Base: pooled 1999- 2000	Covariate Adjusted impact	0.48*	0.74*	0.67	0.99*	0.76
	Unadjusted impact	0.53*	0.86*	0.82	1.16*	0.91
	T statistic	(1.82)	(1.88)	(1.39)	(1.90)	(1.38)

Data excludes: Northern Ireland, Jobcentre Plus, PAM pathfinder and One areas. T statistic in brackets, * for statistical significance at 10 %, ** for statistical significance at 5 %.

In contrast, the November to January cohort showed very little impact of PA meetings on exits from IS. As Table A1 of Appendix 3 shows, the November to January cohort results were *not* consistent with the August to October cohort: the effects were not in the expected direction, and none were statistically significant. This was true whether 1999 or 2000 was used as the base, which indicates that the results were not isolated to a particular base year. Different effects for these cohorts are then likely to be due to a number of reasons related to the season of this quarter that contains the Christmas holiday period, and is halfway through the school year. However it is also possible that for this quarter the impact of PA meetings on exits takes longer to develop due to delays in processing related to the season, and reduced calendar of dates for meetings, and possibly lower attendance. There is some descriptive evidence supporting the possibility of delays, as there was a lower entry rate to PA meetings for the November to January cohort than for the August-October cohort (see section 3.5.2, and Table 3.19). Entry to NDLP, and job entry from NDLP may also follow a seasonal pattern (see Appendix 4 Chart A9 and Chart A10). It is inferred that the impact of PA meetings on exits from IS is not even across the year.

4.3.1.1b Ending lone parent IS claim

The estimated average impact on exits from lone parent IS claim are shown for the August-October cohort in Table 4.3. In a similar fashion to earlier results, Table 4.3 presents, for each number of months after claim start, the estimated impact, covariate adjusted and unadjusted, as well as the statistical significance. Mostly, the results for exits from lone parent IS claim were very similar to those for terminations of IS claim, with a similar pattern of statistical significance although the impacts were slightly lower in size. At one month after entry, PA meetings raised lone parent IS exits by 0.46 percentage points. At two months after entry, the impact of PA meetings on lone parent IS exits was slightly higher at 0.68 percentage points, and was similarly 0.63 percentage points at three months after entry although not statistically significant. The impact of PA meetings was highest at four months after entry, raising the lone parent IS exit rate by 0.90 percentage points. However at five months after entry, a lower effect was found, which was not statistically significant.

As Table A3 of Appendix 3 shows, for exits from lone parent IS claim once again the results for the November to January cohort were *not* similar to the August to October cohort. The November to January cohort again had effects for PA meetings that were in the wrong direction, and with no statistical significance. As was concluded for terminations of IS, the impact of PA meetings on exits from lone parent IS was not even across the year.

Table 4.3 New/Repeat Claims: Average impact on Exits from lone parent IS claim, August to October cohort, pooled base 1999-2000

Exit lone parent IS						
Base: pooled 1999-2000	Cohort: August-October	1mth	2mth	3mth	4 mth	5 mth
	Covariate Adjusted impact	0.46*	0.68*	0.63	0.90*	0.59
	Unadjusted impact	0.52*	0.82*	0.82	1.11*	0.78
	T statistic	(1.62)	(1.64)	(1.25)	(1.64)	(0.98)

Data excludes: Northern Ireland, Jobcentre Plus, PAM pathfinder and One areas. T statistic in brackets, * for statistical significance at 10 %, ** for statistical significance at 5 %.

4.3.1.2 Impact on Exits from IS claim for new/repeat claims by year of age of youngest child

4.3.1.2a Termination of IS claim

Chart 4.4 shows the impact on the exit rate from IS claims for new/repeat claims, for the August to October cohort and the pooled base of 1999 and 2000 by year of age of youngest child. This form of chart shows the PA meetings impact for subgroups of lone parents with a youngest child age 5.25-6, 7, 8 years and so on up to 15 years. Each column of a different shade, for lone parents with youngest child age 7 years for example, shows the impact for this subgroup on exits from IS at the different time points up to five months after entry. Only statistically significant impacts are shown, to highlight the important ages at which the PA meetings impact was concentrated. As no statistically significant results were found for the average impact for the November to January cohort, no further detailed results are presented for that cohort.

Table A2 in Appendix 3 gives all the underlying figures, with statistically significant impacts highlighted in bold. These subgroup impacts were very varied in size, for example for IS exits at one month the positive impacts ranged from 0.02 to 1.28 percentage points in size and for one age-group the impact is negative. Together with the influence of subgroup size this serves to bring down the average impact of PA meetings, already presented. Note that while not all subgroup impacts in Table A2 are in the expected positive direction, all statistically significant subgroup impacts take the expected positive direction.

It is apparent from Chart 4.4 that the subgroup where PA meetings consistently had an impact on IS exits was where youngest child was aged 7: IS exits were raised by 1.28 percentage points at one month after entry, then 1.99 percentage points at two months after entry, 1.7

percentage points at three months after entry, 2.05 percentage points at both four and five months after entry. PA meetings also had an impact on IS exits for those with youngest child aged 11-13. For those with youngest child aged 11, the PA meetings raised the IS exit rate at two, three and four months after entry by around 2 percentage points. PA meetings increased the IS exit rate for those with youngest child aged 12 for exits at two months only, and for those with youngest child aged 13 for exits at one month only.

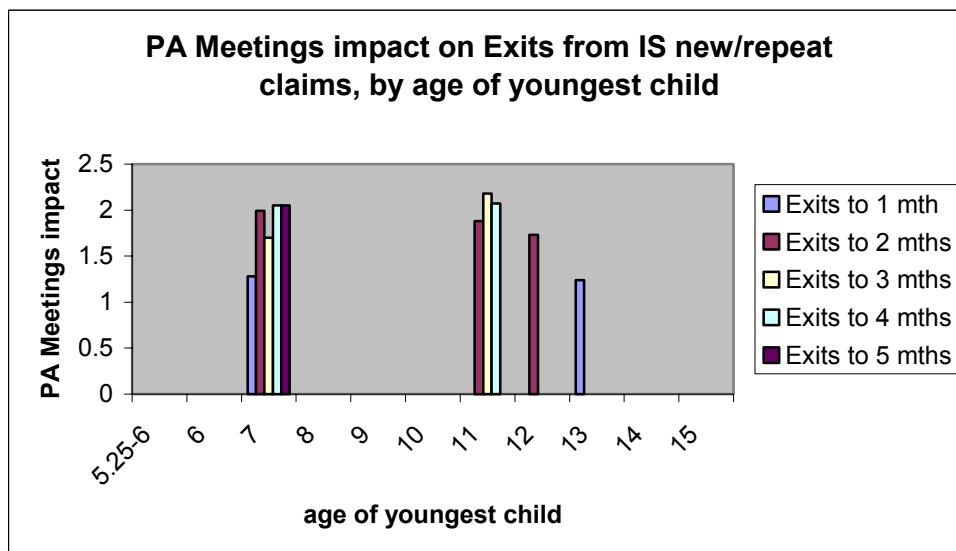
These ages are socially perceived to be critical junctures for child-care arrangements and parental concerns about children's needs and schooling. They may influence lone parent choices on work and IS. A possible interpretation is that PA meetings translates into higher IS exit rates for these subgroups by acting as a stimulus at these existing junctures. Eligibility for PA meetings does not seem to raise the early IS exit rate when the youngest child is in the early school years (5 or 6), or nearing the end of primary school (age 10). It is possible that lone parents face particular barriers to exit around the time when the youngest child is settling into primary school or preparing for the transition to secondary school. Such barriers may be real or perceived. Alternatively, the impetus to change may be lower.

There is some supporting evidence from the PA Meetings quantitative survey, of variation by age of youngest child in the incidence of different barriers to work for PA meetings *participants*¹² who were new/repeat claimants between August-October 2001 (note that this differs from analysis here which extends to all *eligible* for PA meetings). For new/repeat claimants who had participated in PA meetings, childcare barriers to work were mentioned for 70% of those with a youngest child under 8, compared to overall 61% of all new/repeat claimants. (Coleman et al (2002): p23). The postal survey of lone parents eligible for NDLP between October 2000 and April 2001 also shows variation in the incidence of different barriers to work by age of youngest child. It was found that the pattern of barriers to work related to age of youngest child was complicated. However those with youngest child up to 11 experienced difficulties with availability of childcare and employers' attitudes while fewer of those whose youngest child was aged 11 or over reported these problems. Against this, it was also noted that the absence of barriers to work was not necessarily connected with entry to or being in work, and that many of the barriers do not affect the lone parents simply at transition points (Lessof et al (2001) Chapter 6, Table 6.1.6: p54).

Generally, the pattern of increasing size for the PA meetings impact on IS exits over time, is more readily visible from the subgroup analysis. Exits to one month after entry had subgroup impacts around 1 percentage point (for youngest child 7 and 13 years), but IS exits for later time points had subgroup impacts closer to 2 percentage points. Clearly, the average impact of PA meetings on IS exits at each time point considered was reduced by the fact that only some sections of the whole eligible group were being effectively activated.

¹² Note that the survey information refers to barriers to work at the time of interview, not at the time of PA Meeting eligibility or attendance. Timing differences may affect the interpretation of the information.

Chart 4.4 New/Repeat Claims: PA meetings impact on Exits from IS, by age of youngest child, August to October cohort pooled base 1999-2000, statistically significant impacts



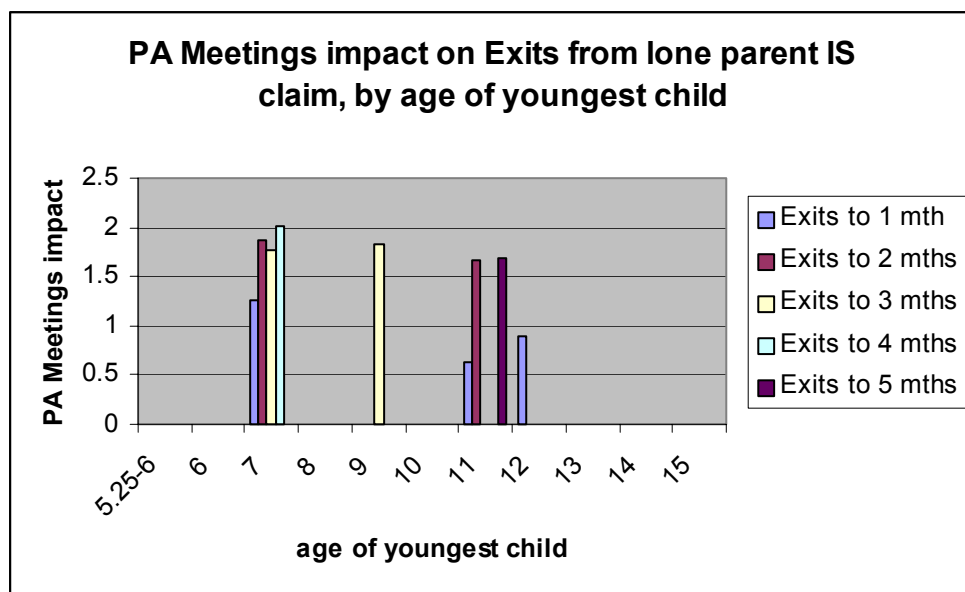
Data excludes: Northern Ireland, Jobcentre Plus, PAM pathfinder and One areas. Note: only statistically significant impacts are shown. Table A2 in Appendix 3 gives all figures, with statistically significant impacts highlighted in bold.

4.3.1.2b Ending lone parent IS claim

The PA meetings impacts on exits from lone parent IS claim for new/repeat claims by age of youngest child are shown in Chart 4.5, for the August to October cohort with pooled base 1999-2000. For the estimates underlying this chart, see Appendix 3 Table A4. No further detailed results are presented for November to January cohort, as no statistically significant results were found for the average impact.

Once again, as for IS exits, the subgroup where PA meetings eligibility appears to cut in most distinctly to raise the exit rate from lone parent IS claims is for those with youngest child aged 7. Amongst those with youngest child aged 7, exits from lone parent IS were raised by PA meetings at one month and up to four months after entry. As for IS exits, exits from lone parent IS at one month were raised by PA meetings by approximately one percentage point, but at later time points statistically significant impacts of PA meetings on the lone parent IS exit rate were closer in magnitude to two percentage points. Similar to IS exits, exits from lone parent IS claims also were raised for the subgroup with youngest child 11-12, but here additionally for those with youngest child aged 9.

Chart 4.5 New/Repeat Claims: PA meetings impact on Exits from lone parent IS claim, by age of youngest child, August to October cohort pooled base 1999-2000, statistically significant impacts



Data excludes: Northern Ireland, Jobcentre Plus, PAM pathfinder and One areas. Note: only statistically significant impacts are shown. Table A4 in Appendix 3 gives all figures, with statistically significant impacts highlighted in bold.

4.3.2 Entry to New Deal for Lone Parents (NDLP) for new/repeat claims

4.3.2.1 Average impact on entry to NDLP for new/repeat claims

The estimated average impact of PA meetings on entry to NDLP for new/repeat claims are shown in Table 4.6, with the same format as earlier results. It is clear that PA meetings had a strong effect on entry to NDLP. At all time points, the effect size was large and strongly statistically significant. Relative to the small size of the impact on IS exits for the similar analysis, the impact of PA meetings on NDLP entry appears very large. The effect size was fairly consistent across all the time points examined. The covariate adjusted impact of PA meetings on NDLP entry at one month after entry is 13.84 percentage points. The impact stays very similar at 13.86 for two months after entry, but then is slightly smaller at three months (13.43), and stayed around this level at four and five months after entry, 13.39 percentage points and 13.53 percentage points respectively. As for IS exits, eligibility for PA meetings had a fairly immediate impact on early entry to NDLP. Unlike exits from IS though, the difference in size of the covariate adjusted and unadjusted impacts even at one month after entry indicate that some of the other factors, such as residential region age or sex, exert an appreciable influence on NDLP entry.

The impact of PA meetings on entry to NDLP differed in other ways from their impact on exits from IS. As Table A5 of Appendix 3 shows, for NDLP entry of new/repeat claims, the November to January cohort had a very similar impact for PA meetings to that observed for August to October, both in size and statistical significance. For the IS exits, as noted earlier, the two cohorts considered were dramatically different.

Table 4.6 New/Repeat Claims: Average impact on entry to NDLP, August to October cohort, pooled base 1999-2000

NDLP entry						
Base	Cohort: August-October	1mth	2mth	3mth	4 mth	5 mth
Base: pooled 1999-2000	Covariate Adjusted impact	13.84**	13.86**	13.43**	13.39**	13.53**
	Unadjusted impact	14.95**	14.92**	14.38**	14.23**	14.25**
	T statistic	(31.74)	(31.20)	(29.18)	(28.66)	(28.81)

Data excludes: Northern Ireland, Jobcentre Plus, PAM pathfinder and One areas. T statistic in brackets, * for statistical significance at 10 %, ** for statistical significance at 5 %.

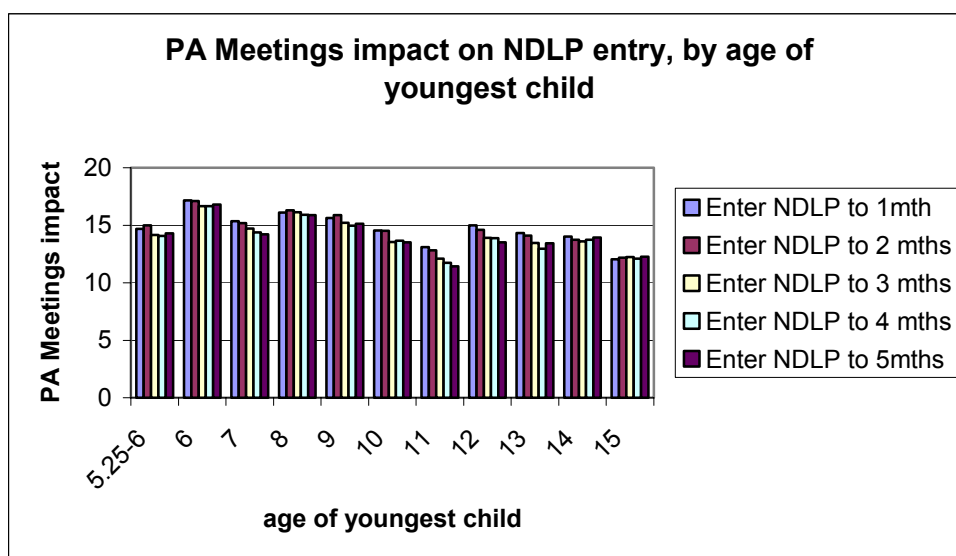
4.3.2.2 Impact on entry to NDLP for new/repeat claims by year of age of youngest child

Chart 4.7 shows the PA meetings impact on NDLP entry at each month after starting the IS claim, for the subgroups of each year of age of youngest child, for the August to October cohort of new/repeat claims with pooled base 1999-2000. The underlying figures are presented in Appendix 3 Table A6.

All subgroup impacts of PA meetings on the NDLP entry rate were large and strongly statistically significant for each age of youngest child amongst the eligible claimants. At each age of the youngest child, the size of the PA meetings impact was roughly the same at all time points. However, the exception was those with youngest child aged 7 or 11, for whom the differential in the entry rate to NDLP due to PA meetings fell with later time points, by about one percentage point in total. The pattern across ages indicates that there was some variation in the size of the PA meetings impact on NDLP entry influenced by the age of the youngest child. Most clearly, those new/repeat claimants with youngest child aged 15 had the lowest increase in NDLP entry rate at about 12 percentage points while those with youngest child aged 6 had the highest rise in the NDLP entry rate at close to 17 percentage points. Qualitative findings¹³ suggest that the entry to NDLP was affected by factors relating to trigger points in their circumstances, their children's lives or their own. Thus the impact of PA meetings on NDLP entry may act to enhance NDLP entry at these pre-existing trigger points.

¹³ Thomas & Griffiths (2002) p57.

Chart 4.7 New/Repeat Claims: PA meetings impact on NDLP entry, by age of youngest child, August to October cohort pooled base 1999-2000, statistically significant impacts



Data excludes: Northern Ireland, Jobcentre Plus, PAM pathfinder and One areas. Note: only statistically significant impacts are shown.

4.4 Impact estimates for stock claims

4.4.1 Exits from IS claim for stock claims

The analysis of stock claims proceeds very much as for new/repeat claims, although with some exceptions. As for new/repeat claims, exits from IS claims were distinguished in two ways: termination of IS claim (termed *exit IS*) and ending lone parent IS claim (termed *exit lone parent IS*). However it was not possible to determine the impact of PA meetings on stock claimants for entering New Deal for Lone Parents (NDLP) for reasons given in section 3.6. There is no possible variation of base comparison group in the stock analyses, which makes them simpler to present than the new/repeat analyses. For more details of the stock analysis comparison groups see section 3.2.4 and Table 3.4.

4.4.1.1 Average impact on exits from IS claim for stock claims

4.4.1.1a Termination of IS claim

PA meetings raised exits from IS for stock claimants. Table 4.8 shows the estimated average impact of PA meetings on exits from IS, with the same format as earlier results, except that for the stock a longer time period could be observed, allowing exits up to twelve months after the reference date. Whereas for the flow, the PA Meeting impact on exits from IS were statistically significant and reasonably large at early time-points, this was not the case for the stock of lone parent IS claims: the impact of PA meetings eligibility for the stock of claims raised IS exits by 0.24 percentage points after three months, and 0.47 percentage points at six months but neither were statistically significant effects. For stock claims, the impact of PA meetings on exits from IS first became statistically significant at nine months after the introduction of PA meetings, with PA meetings impact of 1.13 percentage points. At twelve

months, the impact of PA meetings on exits from IS was then somewhat lower at 0.79 percentage points, still statistically significant. Some of the delay in the impact of PA meetings can be attributed to the problems mentioned earlier, concerning delivery at the outset of the PA meetings system for stock claimants (see section 2.1.1.1).

The difference between the unadjusted impact and the adjusted impact at nine months was very slight. This was also true at twelve months. This contrasts with the flow, where the corresponding difference for exits from IS claims was larger. This indicates that the other measured factors had little influence over the impact of PA meetings for the stock.

Table 4.8 Stock Claims: Average impact on exits from IS claim

Exit IS		3mths	6mths	9 mths	12 mths
	Covariate Adjusted impact	0.24	0.47	1.13**	0.79**
	Unadjusted impact	0.15	0.43	1.09**	0.83**
	T statistic	(0.53)	(1.28)	(2.60)	(2.15)

Data excludes: Northern Ireland, Jobcentre Plus, PAM pathfinder and One areas. T statistic in brackets, * for statistical significance at 10 %, ** for statistical significance at 5 %.

4.4.1.1b Ending lone parent IS claim

The estimated average impacts of PA meetings on exits from lone parent IS for stock claims are presented in Table 4.9. The impact of PA meetings on exits from lone parent IS was never statistically significant for stock claims, although the impact was always in the expected positive direction. The pattern of size is somewhat similar to that of IS terminations, although smaller, despite not reaching statistical significance.

Table 4.9 Stock Claims: Average impact on exits from lone parent IS claim

Exit lone parent IS		3mths	6mths	9 mths	12 mths
	Covariate Adjusted impact	0.22	0.23	0.75	0.38
	Unadjusted impact	0.14	0.25	0.81	0.59
	T statistic	(0.51)	(0.46)	(1.58)	(1.18)

Data excludes: Northern Ireland, Jobcentre Plus, PAM pathfinder and One areas. T statistic in brackets, * for statistical significance at 10 %, ** for statistical significance at 5 %.

4.4.1.2 Impact on exits from IS claim for stock claims by year of age of youngest child

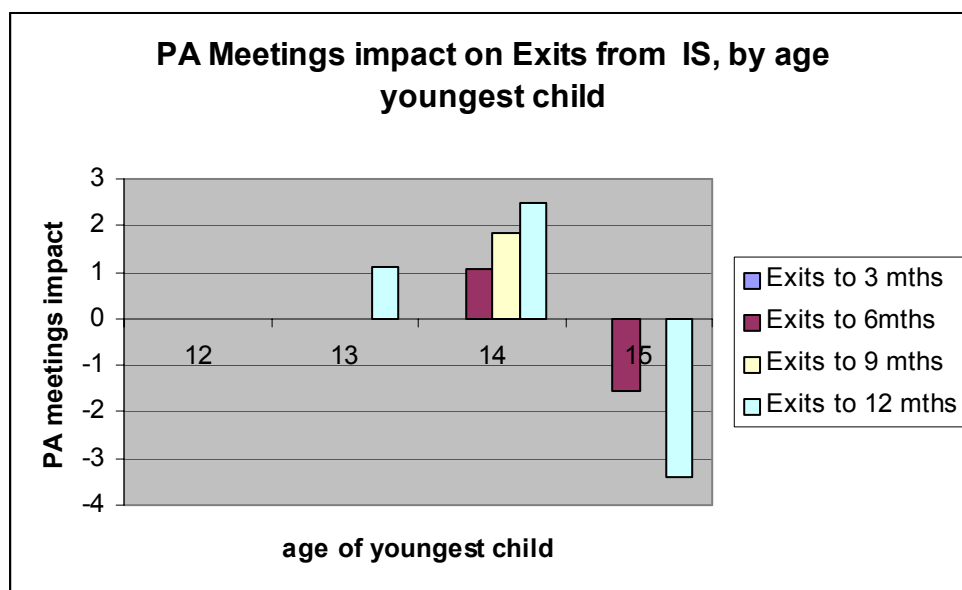
4.4.1.2a Termination of IS claim

Chart 4.10 shows for the stock of claims, the PA meetings impact on IS exits for each of the subgroups of year of age of the youngest child, with the figures shown in Appendix 3 Table

A7. The chart shows that the impact of PA meetings for the stock was concentrated largely on those with a youngest child aged 14. For this group of the stock, IS exits increased after six months, nine months and twelve months. Those stock claims where the youngest child was 13 also had raised exits from IS at twelve months. Generally, after twelve months, the positive impact of PA meetings was spread across more ages of the youngest child (13, 14). The PA meetings impact after twelve months for those with youngest child aged 14 was more than 2 percentage points, while for those with youngest child aged 13 this was half the magnitude at about 1 percentage point. This is likely to be closely related to the phasing in, and time taken to work PA meetings through the different stock subgroups.

Highlighted in Chart 4.10 is the statistically significant large *negative* affect (about 3 percentage points) of PA meetings on IS exits for those stock claims whose youngest child was aged 15 years-15 years 9 months. The PA meetings system appears to have had a particularly adverse affect on IS exits for this group. Lone parents with youngest child aged 15 would be preparing to leave lone parent IS claims when their child reached 16. It seems possible that communications from the PA meetings system sometimes lead to them waiting or delaying exit in order to take advantage of the PA system. In effect, the PA system distracted and delayed those who were going to exit through natural attrition anyway. This is also possible if advice given by the PA is highly valued, and more information is sought. The large negative effects of PA meetings on the IS exit rate for this subgroup seriously undermined the average impact of PA meetings on the IS exit rate for eligible stock as a whole.

Chart 4.10 Stock Claims: PA meetings impact on Exits from IS claim, by age of youngest child, statistically significant impacts



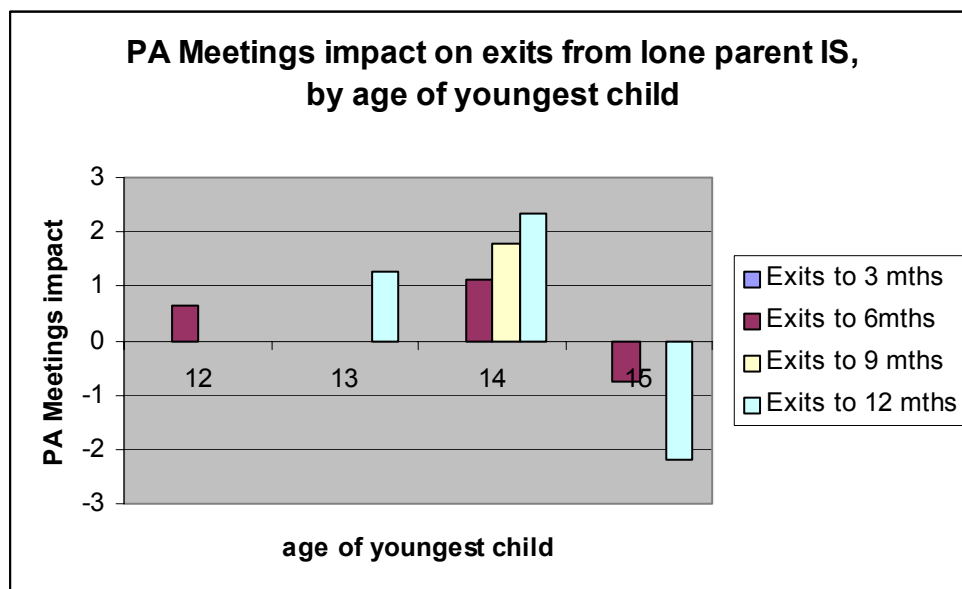
Data excludes: Northern Ireland, Jobcentre Plus, PAM pathfinder and One areas. Note: only statistically significant impacts are shown. Table A7 in Appendix 3 gives all figures, with statistically significant impacts highlighted in bold.

4.4.1.2b Ending lone parent IS claim

Chart 4.11 shows for the stock of claims, the PA meetings impact on lone parent IS exits for each year of age of the youngest child, with the figures in Appendix 3 Table 8. As for IS exits for the stock, where the age of youngest child was 14, PA meetings raised the lone parent IS exit rate more commonly, with IS exits increased after six months, nine months and twelve months. Also, those stock claims where the youngest child was 13 had raised exits from lone parent IS at twelve months due to PA meetings eligibility, and this also applied where the youngest child was aged 12. As for IS exits, after twelve months, the positive impact of PA

meetings was spread across more ages of the youngest child (13, 14), but additionally more ages had a significant impact after six months (12, 14). As in the case of IS exits, although to a slightly lesser degree, those whose youngest child was 15 had *reduced* lone parent IS exits at six months and twelve months after the introduction of PA meetings.

Chart 4.11 Stock Claims: PA meetings impact on Exits from lone parent IS claim, by age of youngest child, statistically significant impacts



Data excludes: Northern Ireland, Jobcentre Plus, PAM pathfinder and One areas. Note: only statistically significant impacts are shown. Table A8 in Appendix 3 gives all figures, with statistically significant impacts highlighted in bold.

4.5 Conclusions

4.5.1 New/repeat claims

The analyses for the new/repeat claims were limited to short term exits, with a maximum of five months after entry, due to the data constraints. The chief conclusion is that short term impacts depend on the period of entry and the age of the youngest child. For entrants in the August to October cohort, PA meetings raised short term exits from IS for new/repeat claims. For this August to October cohort of new/repeat claims eligible for PA meetings, there was an average net impact of about one percentage point on IS caseload exits up to four months from entry. The average net impact for this cohort was slightly less than one percentage point for ending *lone parent* IS claims up to four months from entry. As such, the greatest part of the net impact of the PA meetings system was in raising short term exits from IS for new/repeat claims for the August to October cohort. However, for the November-January cohort, there was no indication of a statistically significant result for either of the IS exit measures.

The age of the youngest child is a key part of the definition of the eligible group, and the net impact for the August to October cohort varied by age of the youngest child. Those new/repeat claims with youngest child aged 7 consistently had stronger net impacts of PA meetings on the IS caseload exits up to five months from entry, with the size of the impact roughly two percentage points after the first month. Additionally, PA meetings had a short term net impact on those new/repeat claims with youngest child aged 11-13, with the impact

more consistent over time when 11 and more sporadic when 12 or 13. Those with youngest child aged 9 also had a net impact from the PA meetings on reducing the proportion claiming lone parent IS after three months.

Eligibility for PA meetings did not strongly raise the early IS exit rate for new/repeat claims when the youngest child was in the early school years (5 or 6), or nearing the end of primary school (age 10). It is possible that new/repeat claim lone parents face particular barriers to exit around the time when the youngest child is settling into primary school or preparing for the transition to secondary school. Such barriers may be real or perceived, and reduce the responsiveness to PA meetings. There is evidence from the quantitative survey that is compatible with the presence of barriers varying by age of youngest child (Coleman et al (2002): p23). Alternatively, the impetus to change may be lower for these subgroups. As new/repeat claims are by definition recent entrants to lone parent IS claiming, it is likely that the circumstances that led to the claim are more powerful, making the PA meetings system less likely to forge rapid change when these circumstances are adverse to IS exit. As the net impact of PA meetings varied greatly within the eligible group, the average net increase of short term exits from IS due to PA meetings was smaller than if all subgroups of new/repeat claims had experienced the same level of net impact. If the responsiveness to PA meetings by the eligible group is linked to changes in circumstances at trigger points, it is important that the follow-up PA meetings and contacts are maintained in order to better enhance the identification of suitable changes, and so the effectiveness of PA meetings in encouraging IS exit. Entry to NDLP is a means of ensuring such a follow-up process as is the system of annual and six-monthly reviews introduced for PA meetings.

Entry to NDLP shortly after making a lone parent IS claim was strongly increased for new/repeat claims by the introduction of the PA meetings system. There was an average net impact of about 14 percentage points on NDLP entries up to two months from claim, and 13 percentage points from three up to five months from claim, for those new/repeat claims eligible for PA meetings. Unlike IS exits, entry to NDLP had a PA meetings impact that was roughly similar for the August to October and November to January cohorts. There was however some variation in the net impact of PA meetings on NDLP entry by the age of the youngest child. Those new/repeat claimants with youngest child aged 15 had the lowest rise in the NDLP entry rate at about 12 percentage points while those with youngest child aged 6 had the highest increase in NDLP entry rate at close to 17 percentage points.

4.5.2 Stock claims

PA meetings were found to raise IS claim terminations for the stock of claims. There was an average net impact of about one percentage point on IS caseload exits up to nine months and twelve months from entry, for those stock claims eligible for PA meetings. For the stock of claimants, the average net impact of PA meetings on ending *lone parent* IS claims up to nine months from entry was a little lower and not statistically significant. As such, much of the net impact of the PA meetings system for stock clients arose through increased IS claim termination rather than moving onto a different type of IS claim.

The eligible group of lone parents amongst stock claims differed in their responsiveness to the PA meetings system, depending on the age of the youngest child. Generally, only those with youngest child aged 14 had a consistently positive increase in IS exits from six to twelve months later due to eligibility for PA meetings, although those with a youngest child aged 13 also had a measurable positive increase in IS exits nine months later. A strong *reduction* in IS exits after the introduction of PA meetings was found for those with youngest child aged 15 to 15 years 9 months. Accordingly, natural attrition of the eligible stock, when the youngest child approaches age 16 for standard lone parent IS claims, may be an important issue for the PA meetings system. The administrative system of phasing in the PA system for stock claims

appears to have been slow to take effect and this may have contributed to the problem. As only a small set of the eligible stock claimants had a consistent positive net impact of PA meetings (those with youngest child aged 14 years), the average net increase in exits from IS due to PA meetings was smaller than if all subgroups of the eligible stock had experienced the same level of net impact. The higher PA meetings impact for stock with youngest child aged 14 coincides with higher PA meetings participation, as this was the group with the highest PA meetings participation rate (62 per cent, see Table 3.22; note that PA meetings participation includes attendance, or deferral or waiver). Progress in raising client participation in the PA meetings system amongst those lone parents with younger children might raise impact rates for these groups.

5 Summary and conclusions

5.1 Aims and methods

Personal Adviser meetings, also known as work-focused interviews, provided an appointment with a Personal Adviser where the aim was to provide awareness of possible support available to lone parents. The programme aim was to facilitate movement into paid employment, with an additional objective of encouraging participation in NDLP. Participation in PA meetings was compulsory for those eligible. Eligibility was based on the age of the youngest child.

The aim of this administrative data analysis was to estimate the net impact of the Personal Adviser meetings system on eligible lone parents. Two types of outcome were used, which were indirectly related to employment: movements off IS claim (both terminating IS claim and ending lone parent IS claim) and entering NDLP. Administrative data for IS records, and for NDLP and PAM participation, were used, spanning May 1999 to May 2002. The analysis excluded Northern Ireland, Jobcentre Plus and PA meetings pathfinder areas, and One areas. The net impact of the PA meetings system was estimated using the method of difference in differences ('DiD').

For the evaluation of PA meetings, 'new or repeat claims' and the 'stock claims', were very distinctly different: the programme operated differently for these two groups, samples for the two groups were constructed in fundamentally different ways, and the analyses for the two groups were also designed differently.

5.2 Impacts for new/repeat claimants

PA meetings had positive impacts for new/repeat claimants, but the size of the impact varied when considering claims starting at different periods of the year, and different ages of youngest child amongst those eligible.

- For entrants in August to October, there was an average net impact of PA meetings of one percentage point on IS caseload exits to 4 months after entry. This was true for stopping IS claim, and only slightly lower than one percent for ending lone parent IS claim. However, for November to January entrants, no statistically significant impact was found.
- The size of the PA meetings impact varied quite strongly when considering the age of the youngest child, with the net impact of PA meetings roughly 2 percentage points after two and up to five months from entry for those with youngest child aged 7. Those whose youngest child was aged 11-13 also had PA meetings impacts on exits from IS of between one and two percentage points for some early exit points.
- The PA meetings impact on exits from lone parent IS claims followed a similar pattern to that of IS exits where age of youngest child was considered, although again slightly lower in size, but with additionally significant impact for those with youngest child aged 9.

In contrast to IS exits, entry to NDLP was affected by a strong, large impact of PA meetings for new/repeat claimants. Entry to NDLP was raised by PA meetings by between 13 and 15 percentage points, at one to five months after entry to IS claim. The size of the PA meetings impact was invariant to the different periods of the year considered, however to some extent it retained the variation in impact arising for different age of the youngest child amongst those eligible. The impact of PA meetings was highest for those with youngest child aged 6 (close to 17 percentage points) and lowest for those with youngest child aged 15 (close to 12 percentage points).

5.3 Impacts for stock claimants

The impacts of the PA meetings system on IS exits for stock claimants were overall small but positive, as for new/repeat claims. At nine to twelve months after the introduction of PA meetings, the impact of PA meetings on IS exits was about one percentage point. There was no statistically significant outcome for lone parent IS exits, although the pattern was roughly similar at a lower magnitude.

The age of the youngest child was important for the impact on the PA meetings stock claims eligible group. The positive impact of PA meetings on stock claims was mostly concentrated on those with youngest child aged 14, for whom IS exits were raised by between one and two percentage points at 6-12 months after PA Meeting introduction. There was a distinct large *negative* impact of PA meetings on those with youngest child aged 15 at six months after PA Meeting introduction. For the stock claims, it is likely that these different subgroup effects are related to the phasing in of PA meetings delivery amongst the eligible.

It was not possible to rigorously evaluate entry to NDLP for the stock of claims. However, descriptive analysis showed that the participation rate for those eligible for PA meetings among the stock was much higher than the comparison group.

5.4 Further issues about the impact estimates

Further issues addressed in the report address the validity of the estimates presented in 5.2 and 5.3, which depend on the underlying requirements of the evaluation design. This section contains conclusions relating to these requirements.

The study design was such as to eliminate any influences on outcomes from differences in characteristics that remained stable over time. However, were the estimates likely to be distorted by *changes* in the characteristics of lone parents over time?; and more specifically, by changes in the *relative differences* in characteristics between the groups that were eligible and non-eligible for PA meetings? Descriptive analysis for these groups indicated that over-time change in characteristics was very slight, and furthermore was evenly distributed between the groups. This suggests that the comparability of groups over time was likely to be satisfactory, and consistent with the requirements of the design.

Another important issue concerning the estimates is whether they were affected by the introduction of parallel changes in policy. The most obvious example was the introduction of WFTC, which might have affected some groups of lone parents more than others. This was examined by making comparisons in outcomes between 1999/00 and 2000/01 (before the introduction of PA meetings). No significant changes in outcomes were identified, so it appears that the two years before the introduction of PA meetings provided a stable baseline period, suitable for use in the evaluation.

A further issue addressed was how far the estimates reflected the enhancements to NDLP that were introduced at the same time as PA meetings. This could not be assessed directly for exits from IS, but could be assessed to some extent for entry to NDLP by new/repeat claimants, since those with a youngest child under 5 years 3 months received *only* the NDLP enhancements and not the PA meetings. The evidence on this issue was that the enhancements to NDLP increased NDLP entry only slightly, if at all. Their impact on IS exits via NDLP participation was therefore likely to be even smaller. On this basis, it is likely that the PA meetings system itself produced most of the impact.

A particularly important, but difficult, issue is whether impacts on exit from IS can be interpreted as mainly moves into employment, or into some other status. It seems likely that PA meetings did not increase exits to IS on the basis of sickness or disability. The estimates which included this type of partial exit were never higher, and if anything were often a little lower, than those based on complete exits from IS.

Evidence also comes from the quantitative survey of participants (Coleman et al. 2002: 53-55) which formed another part of the overall evaluation. This estimated that 33 per cent of the new/repeat PA meetings participants had left IS at the time of a follow-up interview, which took place 4-8 months after the PA Meeting, and of these about three fifths (61 per cent) had jobs.

5.5 Interpreting the PA meetings impacts

Understanding the link between entry to NDLP and PA meetings is straightforward. It is fairly clear that the PA meetings system creates a mechanism for the early identification of lone parents who would be interested in getting a job or getting ready for employment. Much of the gain in NDLP entry is fairly immediate for new/repeat claims. The PA meetings process also appears to work positively for stock lone parent IS claimants, many of whom would be contemplating getting a job as their youngest child reached the early teens.

As the PA meetings system was designed to enhance NDLP entry, it is clear this objective has been successfully achieved. To the extent that NDLP assists clients in moving them closer to the labour market and employment, PA meetings then meets this goal. NDLP is likely to be a part of the mechanism since NDLP is in a way an extension of PA meetings. It is likely that to some extent clients who entered NDLP could not distinguish between the initial PA Meeting and subsequent NDLP meetings with a PA. Qualitative evidence supports this (Thomas and Griffiths (2002): 56).

The mechanism linking PA meetings to IS exits is rather less simple in interpretation. It is not implausible that the PA meetings impact on IS exits is small as it relates to a programme for which the main action is a single meeting with a PA. The PA Meeting system was designed to be obligatory, however there is little evidence of the application of the sanctioning process. It is possible that NDLP may introduce a lag, so that participants do not leave IS until after exploring various options. However, NDLP could not altogether explain the patterns of PA impact observed. PA meetings had raised entry to NDLP for the November-January cohort, yet there was no increase in IS exits due to PA meetings for this cohort of entrants. Also, the pattern of PA meetings impact on exits from IS was substantially different to that for NDLP entry.

There are two general possibilities as to the source of heterogeneous impacts observed: (a) there are barriers which restrict the impact of PA meetings under certain conditions, (b) there are certain times or circumstances when lone parents are open to change and the PA meetings

system only works when it reaches them at these points. Specific factors may include children's stage of schooling and stage of childcare. The development of the PA meetings system through annual and six-monthly review meetings should help to reach lone parents at favourable time-points.

For those claimants with a 15-year-old youngest child, there was no impact for the new/repeat claims and a negative impact for stock claims. The PA meetings system seems to have been a delaying factor for these people who were about to exit IS anyway, associated with fewer leaving IS. This could in part be because of delays in processing stock clients in year 1 of the system. Another potential source could be the pattern of phased delivery causing those with youngest child aged 15 to enter the PA Meeting system early, when it may not have been working effectively.

The overall one percentage point impact for new/repeat clients' short-term exits, and for stock clients' exits at 9-12 months, should be interpreted relative to the generally low exit rate which prevails among lone parent IS claimants. For example, the descriptive data showed that only one in six of new/repeat claimants had exited by 16 weeks from the start of the claim in the years immediately before the introduction of PA meetings. Accordingly the PA meetings impact relative to the base exit rate amounted to an addition of about six per cent in exits at 16 weeks from claim start.

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Appendix 1 Detail of method

Application of the difference in differences estimator uses a regression framework. In this analysis treatment is reflected by eligibility for PA meetings. An equation is estimated which reflects the following construction:

$$Y_{it} = \alpha + \beta_0 X_{it} + \beta_1 (PAM\ treatment)_{it} + \beta_2 (PAM\ period)_{it} + \beta_3 (PAM\ treatment * PAM\ period) + \varepsilon_{it}$$

The dependent variable Y is the outcome of interest. Where the subscript i indicates the individual, t the time period classified as before or after the introduction of PA meetings, X is the vector of observable covariates (gender, age of claimant, number of children, government office region, travel to work area unemployment rate in April 1999), $PAM\ treatment$ is the dummy with value of 1 for PA meetings eligibility, $PAM\ period$ is the dummy with value of 1 for the time period from 30 April 2001 (after the introduction date for PA meetings), ε is the normal error term. The post PA meetings treatment group is identified by the interaction of the $PAM\ treatment$ dummy with the $PAM\ period$ dummy. The statistical significance and impact estimated are derived from the associated difference in difference coefficient β_3 . In this analysis, due to the low shares of the PA meetings groups, logit was used. The impact size was then constructed from the model predictions. Subgroup analysis of impact by the age of youngest child was achieved by coding the eligible group of the $PAM\ treatment$ as a categorical variable for each year of age of the youngest child, with the comparison group in the base. Each of the years of age of youngest child then had an interaction term.

Appendix 2 Detail of data

NDLP/PAM data records

Variable	Title	Comment
PA meetings Variables		
pastdt	PA Start date	
fpaatt	Date of 1 st PA Meet attended	
fpadef	Date of 1 st PA Meet deferred	
fpawvd	Date of 1 st PA Meet waived	
attended	Attended a PA Meeting (dummy: at least 1)	Uses fpaatt
Pastmthx	Month entered PA system	uses pastdt
Defwav	Had deferral or waiver	uses defcnt & wvdcnt
Def	Deferred a PA Meeting	uses defcnt
Wav	Waived a PA Meeting	uses wvdcnt
Patype	Type of pa client	Stock or new/repeat, defined in the field.
paendt	Date of PA spell end	If they have left the PA system
paattmth	Mth attended 1 st PA meeting	Uses fpaatt
NDLP variables		
ndealdt	New Deal Start date	Agreed to attend NDLP initial interview
Nstart	NDLP Initial Interview Agreed	uses ndealdt
stcasedt	Date of starting NDLP caseload (906)	NDLP caseload start date
Caseload	Joined the NDLP caseload	uses stcasedt
Ndenddt	Date of leaving New Deal	
Dest	Destination on leaving NDLP	This is the variable used in the Statistical First Release
Firedtdt	Date of first education/ training start	
Jobstdt	Date of first job start	Used to create jbmth
jobstart	Job start	uses jbmth, jobstdt
Ndspell	Spell on NDLP	Length
Oldndlp	Flag for NDLP with no PA route	Set to 1 if come on to NDLP not through PA route

General variables: GMS data personal details, personal history records.

Variable	Title	Comment
esdist	ES District	
GOFFREG	the Government Office Region	
esreg	ES Region	
Cdplmst	IS Claim start date	cdphlms in personal history file.
Cdpeffto	IS effective to date	The data download date (scan) when the claim details changed: gives an effective end date for the information.
Cdpeffro	IS effective from date	The data download date (scan) when the claim details changed: gives an effective start date for the information.
cdpmxclm	Max IS claim date	Date IS claim stopped. No date if claim changes due to change of address or change of amount.
ccnino	NI number	
Cdpdob	Date of birth	Claimant
Cxpsex	Sex type	Claimant
Cccust	Customer record	Use only records where cccust="C"
ccrectyp	Record type	
Cxben1	benefit	Use to identify IS – lone parents are on IS.
cxpptrfg	Partner flag	Use to identify lone parents, lone parents have partner flag=N.
cnpchild	Number of children	Use to identify lone parents, lone parents have children more than zero, and not missing; should then also coincide with a valid non-missing cdpdob.
Cdpydob	Date of birth of youngest child	Note: cdphydob gives any changes to youngest child ydob from personal history file.
oneflag	Identifies ONE areas	identifier for ONE areas starts jun99 or nov99 ; Uses cnpersbo (Branch Office Code) & offname(Office name); oneflag=1 if cnpersbo = 1106 ,806, 3006, 3691, 1311, 1511, 304, 2202, 1302, 802, 3925, 9625, 4695, 8602 ,9302, 2210 , 6810, 703, 5007, 8707 ,1707, 1807, 208, 1604, 504, 7104 , 1409, 3409, 9309) or if offname = "FDYH Leeds" .
Pathflag	Identifies pathfinder areas	identifier for PAM pathfinder areas starts 30oct2000 ;Uses cnpersbo(Branch Office Code); Pathflag =1 if cnpersbo = 3411 , 1911 , 2311 , 4311 , 9001 ,501,1809,7909.
jcplflag	Identifies jobcentreplus areas	identifier for job centre plus area starts october 2001; Uses cnpersbo(Branch Office Code); jcplflag = 1 if cnpersbo = 3691,1311, 3211,3591, 508, 3209 ,7909,2110,10 ,1610 ,1302,802,8303,9001, 6417.

Appendix 3 Additional results

Table A1 New and Repeat Claims: impact estimates exit IS, 1999 and 2000

AUG-OCT COHORT	Exits to 1 mth	Exits to 2 mths	Exits to 3mth
Baseline period: 1999 cohort of entrants: aug-oct exit type: Leave IS			
Effect in expected positive direction	Yes	Yes	Yes
Statistical significance 5%	Yes	No	No
Statistical significance 10%	Yes	Yes	Yes
T statistic	1.97	1.81	1.65
Estimated average impact of PAM on exit rate	0.53**	0.84	0.99
Baseline period: 2000 cohort of entrants: aug-oct exit type: leave IS			
Effect in expected positive direction	Yes	Yes	Yes
Statistical significance 5%	No	No	No
Statistical significance 10%	No	No	No
T statistic	1.01	1.39	0.69
Estimated average impact of PAM on exit rate	0.50	0.85	0.61
NOV-JAN COHORT			
Baseline period: 1999 cohort of entrants: nov-jan exit type: Leave IS			
Effect in expected positive direction	No	No	No
Statistical significance 5%	No	No	No
Statistical significance 10%	No	No	No
T statistic	0.44	1.20	0.72
Estimated average impact of PAM on exit rate	-0.02	-0.51	-0.43
Baseline period: 2000 cohort of entrants: Nov-Jan exit type: Leave IS			
Effect in expected positive direction	Yes	No	Yes
Statistical significance 5%	No	No	No
Statistical significance 10%	No	No	No
T statistic	0.96	0.18	0.44
Estimated average impact of PAM on exit rate	0.29	-0.01	0.15

Data excludes: Northern Ireland, Jobcentre Plus, PAM pathfinder and One areas. * for statistical significance at 10 %, ** for statistical significance at 5 %.

Table A2 New and Repeat Claims: impact estimates on exit IS, by age of youngest child

	Baseline period: pooled 1999 and 2000			cohort of entrants: aug-oct			exit type: stop IS								
	Exits to 28 days impact	T statistic	Statistical significance	Exits to 56 days impact	T statistic	Statistical significance	Exits to 84 days impact	T statistic	Statistical significance	Exits to 112 days impact	T statistic	Statistical significance	Exits to 140 days impact	T statistic	Statistical significance
5.25-6	-0.16	0.26	0.80	-0.07	0.19	0.85	0.04	0.12	0.91	0.64	0.44	0.66	1.08	0.81	0.42
6	0.02	0.06	0.95	0.29	0.15	0.88	0.36	0.09	0.93	0.66	0.32	0.75	0.43	0.07	0.95
7	1.28	2.12	0.03	1.99	2.28	0.02	1.70	1.63	0.10	2.05	1.83	0.07	2.05	1.77	0.08
8	0.40	0.68	0.50	1.13	1.23	0.22	1.42	1.30	0.19	1.81	1.55	0.12	0.78	0.57	0.57
9	0.34	0.35	0.73	0.96	0.72	0.47	1.69	1.16	0.25	2.43	1.68	0.09	2.07	1.31	0.19
10	0.60	0.90	0.37	0.12	0.05	0.96	-0.45	0.57	0.57	0.37	0.13	0.89	-0.38	0.46	0.65
11	0.67	1.03	0.30	1.88	1.96	0.05	2.18	1.96	0.05	2.07	1.72	0.09	1.81	1.46	0.15
12	0.92	1.38	0.17	1.73	1.77	0.08	1.57	1.37	0.17	0.90	0.70	0.48	0.69	0.53	0.60
13	1.24	1.70	0.09	0.27	0.23	0.82	-0.03	0.13	0.89	0.07	0.09	0.93	-0.79	0.68	0.50
14	0.47	0.80	0.42	0.32	0.44	0.66	-0.16	0.04	0.97	-0.35	0.19	0.85	0.26	0.30	0.77
15	0.13	0.32	0.75	0.22	0.17	0.87	-0.53	0.51	0.61	0.72	0.29	0.77	0.60	0.24	0.81

Data excludes: Northern Ireland, Jobcentre Plus, PAM Pathfinder and One areas. Bold text indicates statistically significant figures, with significance at most 10%. Statistical significance indicates probability of accepting the null hypothesis that the coefficient is zero. Statistical significance of 0 indicates zero probability of accepting the null hypothesis that the coefficient is zero. Statistical significance of 0.05 indicates probability of accepting the null hypothesis that the coefficient is zero in a one-sided test at 5 per cent level of statistical significance.

Table A3 New and Repeat Claims: impact estimates exit lone parent IS, 1999 and 2000

AUG-OCT COHORT	Exits to 1 mth	Exits to 2 mths	Exits to 3mth
Baseline period: 1999 cohort of entrants: aug-oct exit type: Leave lone parent IS			
Effect in expected positive direction	yes	yes	Yes
Statistical significance 5%	no	no	No
Statistical significance 10%	yes	No	No
T statistic	1.62	1.51	1.50
Estimated average impact of PAM on exit rate	0.47*	0.78	0.99
Baseline period: 2000 cohort of entrants: aug-oct exit type: leave lone parent IS			
Effect in expected positive direction	Yes	Yes	Yes
Statistical significance 5%	No	No	No
Statistical significance 10%	No	No	No
T statistic	1.05	1.28	0.62
Estimated average impact of PAM on exit rate	0.55	0.84	0.61
NOV-JAN COHORT			
Exits to 1 mth Exits to 2 mths Exits to 3mths			
Baseline period: 1999 cohort of entrants: nov-jan exit type: Leave lone parent IS			
Effect in expected positive direction	No	No	no
Statistical significance 5%	No	No	No
Statistical significance 10%	No	No	No
T statistic	0.52	1.12	0.78
Estimated average impact of PAM on exit rate	0.01	-0.44	-0.40
Baseline period: 2000 cohort of entrants: Nov-Jan exit type: Leave lone parent IS			
Effect in expected positive direction	Yes	Yes	Yes
Statistical significance 5%	No	No	No
Statistical significance 10%	No	No	No
T statistic	0.89	0.38	0.63
Estimated average impact of PAM on exit rate	0.31	0.09	0.27

Data excludes: Northern Ireland, Jobcentre Plus, PAM pathfinder and One areas. * for statistical significance at 10 %, ** for statistical significance at 5 %.

Table A4 New and Repeat Claims: impact estimates on exit lone parent IS, by age of youngest child

Baseline period: pooled 1999 and 2000 cohort of entrants: aug-oct exit type: stop IS as a lone parent

Age of Youngest child	Exits to 28 days impact	T statistic	Statistical significance	Exits to 56 days impact	T statistic	Statistical significance	Exits to 84 days impact	T statistic	Statistical significance	Exits to 112 days impact	T statistic	Statistical significance	Exits to 140 days impact	T statistic	Statistical significance
5.25-6	-0.29	0.49	0.63	-0.32	0.42	0.68	-0.24	-0.10	0.92	0.29	-0.44	0.66	0.68	-0.60	0.55
6	0.10	-0.31	0.76	0.43	-0.28	0.78	0.54	-0.41	0.68	0.75	-0.12	0.90	0.49	-0.23	0.82
7	1.26	-2.09	0.04	1.88	-1.66	0.10	1.77	-1.76	0.08	2.01	-1.75	0.08	2.06	-1.50	0.13
8	0.28	-0.95	0.34	0.95	-1.15	0.25	1.36	-1.33	0.18	1.66	-0.35	0.73	0.62	-0.46	0.64
9	0.40	-0.84	0.40	1.11	-1.25	0.21	1.83	-1.63	0.10	2.43	-1.20	0.23	1.98	-1.35	0.18
10	0.62	-0.09	0.93	0.20	0.58	0.56	-0.41	-0.05	0.96	0.35	0.67	0.50	-0.57	0.98	0.33
11	0.62	-1.66	0.10	1.67	-1.64	0.10	1.92	-1.50	0.13	1.91	-1.27	0.20	1.68	-1.64	0.10
12	0.89	-1.65	0.10	1.72	-1.13	0.26	1.40	-0.44	0.66	0.68	-0.08	0.94	0.20	-0.67	0.50
13	1.26	-0.30	0.77	0.40	0.08	0.94	0.10	0.20	0.84	-0.01	0.88	0.38	-1.01	0.78	0.43
14	0.66	-0.23	0.82	0.18	0.06	0.95	-0.11	0.31	0.76	-0.41	-0.03	0.98	0.01	0.10	0.92
15	0.02	0.04	0.97	0.05	0.56	0.57	-0.52	-0.42	0.67	1.05	-0.27	0.79	0.77	-0.42	0.68

Data excludes: Northern Ireland, Jobcentre Plus, PAM pathfinder and One-Stop areas. Statistical significance indicates probability of accepting the null hypothesis that the coefficient is zero. Statistical significance of 0 indicates zero probability of accepting the null hypothesis that the coefficient is zero. Statistical significance of 0.05 indicates probability of accepting the null hypothesis that the coefficient is zero in a one-sided test at 5 per cent level of statistical significance.

Table A5 New and Repeat Claims: impact estimates entry to NDLP, 1999 and 2000

AUG-OCT COHORT	Exits to 1 mth	Exits to 2 mths	Exits to 3mth
Baseline period: 1999 cohort of entrants: aug-oct exit type: entry to NDLP			
Effect in expected positive direction	yes	yes	Yes
Statistical significance 5%	yes	yes	Yes
Statistical significance 10%	yes	yes	Yes
T statistic	26.53	25.94	24.30
Estimated average impact of PAM on exit rate	14.90**	14.81**	14.23**
Baseline period: 2000 cohort of entrants: aug-oct exit type: entry to NDLP			
Effect in expected positive direction	Yes	Yes	Yes
Statistical significance 5%	yes	yes	Yes
Statistical significance 10%	yes	yes	Yes
T statistic	26.58	26.73	25.16
Estimated average impact of PAM on exit rate	15.02**	15.00**	14.55**
NOV-JAN COHORT			
	Exits to 1 mth	Exits to 2 mths	
Baseline period: 1999 cohort of entrants: nov-jan exit type: entry to NDLP			
Effect in expected positive direction	Yes	Yes	
Statistical significance 5%	yes	yes	
Statistical significance 10%	yes	yes	
T statistic	23.05	23.47	
Estimated average impact of PAM on exit rate	13.58**	13.62**	
Baseline period: 2000 cohort of entrants: Nov-Jan exit type: entry to NDLP			
Effect in expected positive direction	Yes	Yes	
Statistical significance 5%	yes	yes	
Statistical significance 10%	yes	yes	
T statistic	22.76	23.34	
Estimated average impact of PAM on exit rate	13.49**	13.48**	

Data excludes: Northern Ireland, Jobcentre Plus, PAM pathfinder and One areas. * for statistical significance at 10 %, ** for statistical significance at 5 %.

Table A6 New and Repeat Claims: impact estimates on entering NDLP, by age of youngest child

	Baseline period: pooled 1999 and 2000			cohort of entrants:aug-oct			exit type: enter NDLP								
	Enter NDLP to 28 days impact	T statistic	Statistical significance	Enter NDLP to 56 days impact	T statistic	Statistical significance	Enter NDLP to 84 days impact	T statistic	Statistical significance	Enter NDLP to 112 days impact	T statistic	Statistical significance	Enter NDLP to 140 days impact	T statistic	Statistical significance
5.25-6	14.68	16.71	0	14.98	16.22	0	14.15	14.53	0	14.06	14.14	0	14.29	14.18	0
6	17.17	20.27	0	17.11	19.82	0	16.65	18.56	0	16.66	18.16	0	16.79	18.23	0
7	15.36	18.24	0	15.18	17.60	0	14.71	16.30	0	14.38	15.64	0	14.22	15.27	0
8	16.09	18.10	0	16.30	17.87	0	16.12	17.05	0	15.90	16.49	0	15.89	16.26	0
9	15.63	17.02	0	15.87	16.62	0	15.22	15.42	0	14.96	14.96	0	15.12	15.04	0
10	14.55	15.86	0	14.51	15.41	0	13.53	13.83	0	13.64	13.61	0	13.52	13.26	0
11	13.10	14.35	0	12.81	13.49	0	12.08	12.33	0	11.74	11.73	0	11.42	11.35	0
12	14.98	15.14	0	14.59	14.27	0	13.89	13.15	0	13.88	12.90	0	13.51	12.53	0
13	14.31	14.04	0	14.09	13.62	0	13.45	12.43	0	12.95	11.69	0	13.44	11.97	0
14	14.01	14.30	0	13.74	13.82	0	13.58	13.11	0	13.74	12.85	0	13.92	12.88	0
15	12.02	12.74	0	12.16	12.85	0	12.23	12.49	0	12.09	12.10	0	12.26	12.21	0

Data excludes: Northern Ireland, Jobcentre Plus, PAM pathfinder and One areas. All figures are statistically significant figures, with significance at most 10%. Statistical significance indicates probability of accepting the null hypothesis that the coefficient is zero. Statistical significance of 0 indicates zero probability of accepting the null hypothesis that the coefficient is zero. Statistical significance of 0.05 indicates probability of accepting the null hypothesis that the coefficient is zero in a one-sided test at 5 per cent level of statistical significance.

Table A7 Stock Claims: impact estimates on exit IS, by age of youngest child

exit type: stop IS

	Exits to 3 mths impact	T statistic	Statisti cal signific ance	Exits to 6mths impact	T statistic	Statisti cal signific ance	Exits to 9 mths	T statistic	Statisti cal signific ance	Exits to 12 mths impact	T statistic	Statisti cal signific ance
12	0.15	0.54	0.59	0.51	1.40	0.16	0.44	0.91	0.36	0.71	1.34	0.18
13	0.09	0.38	0.70	0.35	0.80	0.43	0.49	0.86	0.39	1.12	1.80	0.07
14	0.32	0.75	0.45	1.08	2.54	0.01	1.83	3.63	0.00	2.49	4.34	0.00
15	-0.06	0.66	0.51	-1.56	3.84	0.00	0.34	1.56	0.12	-3.39	5.47	0.00

Data excludes: Northern Ireland, Jobcentre Plus, PAM pathfinder and One areas. Statistical significance indicates probability of accepting the null hypothesis that the coefficient is zero. Statistical significance of 0 indicates zero probability of accepting the null hypothesis that the coefficient is zero. Statistical significance of 0.05 indicates probability of accepting the null hypothesis that the coefficient is zero in a one-sided test at 5 per cent level of statistical significance.



Table A8 Stock Claims: impact estimates on exit lone parent IS, by age of youngest child

exit type: stop IS as lone parent												
	Exits to 3 mths impact	T statistic	Statisti- cal signific- ance	Exits to 6mths impact	T statistic	Statisti- cal signific- ance	Exits to 9 mths	T statistic	Statisti- cal signific- ance	Exits to 12 mths impact	T statistic	Statisti- cal signific- ance
12	0.21	0.76	0.45	0.64	1.81	0.07	0.60	1.36	0.18	0.80	1.66	0.11
13	0.03	0.15	0.88	0.32	0.86	0.39	0.50	1.01	0.31	1.27	2.32	0.02
14	0.34	0.75	0.45	1.11	2.65	0.01	1.79	3.55	0.00	2.34	4.17	0.00
15	-0.02	0.59	0.56	-0.77	2.35	0.02	1.76	0.51	0.61	-2.20	3.58	0.00

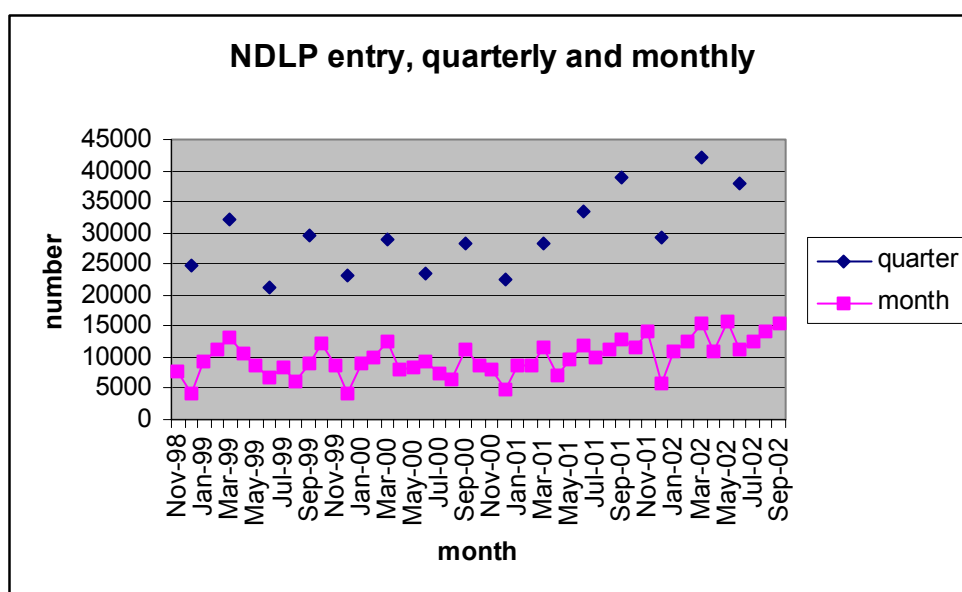
Data excludes: Northern Ireland, Jobcentre Plus, PAM pathfinder and One areas. Statistical significance indicates probability of accepting the null hypothesis that the coefficient is zero. Statistical significance of 0 indicates zero probability of accepting the null hypothesis that the coefficient is zero. Statistical significance of 0.05 indicates probability of accepting the null hypothesis that the coefficient is zero in a one-sided test at 5 per cent level of statistical significance.



Appendix 4 Additional statistical information

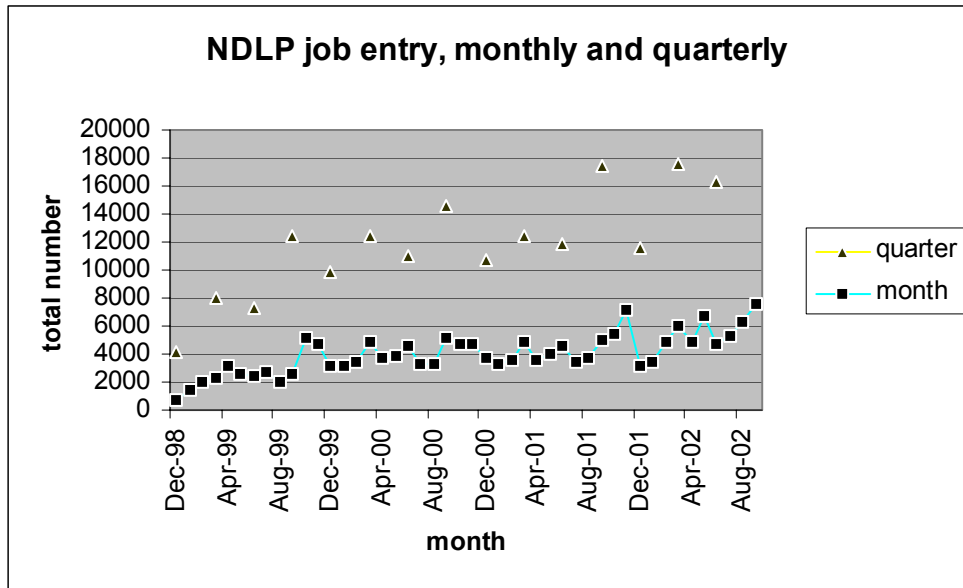
The original source of this data is the Statistical First Release, which uses data from the Labour Market System (LMS) installed in Employment Service's local offices. This is an IT system which is used to record the ES's contacts with clients. It maintains a basic client record; allows the preferred occupations stated by clients to be matched against suitable vacancies; records actions such as interviews, referrals to training opportunities, placings in jobs etc.

Chart A9: NDLP entry, quarterly and monthly, figures from Statistical First Release



Note: Summarises the number of initial NDLP interviews. Quarters are defined as Sep-Nov, Dec-Feb, Mar-May, Jun-Aug. Source: Table 1 Statistical First Release September 2002; Analytical Services Division Department for Work and Pensions www.dwp.gov.uk/asd/asd/ndlp.

Chart A10: NDLP job entry, quarterly and monthly, figures from Statistical First Release



Note: Summarises the number of initial jobs entered from NDLP. This is part of the information about Leaving the New Deal for Lone Parents: where when an individual leaves NDLP they recorded their destination as leaving to employment (either on or off Income Support). Quarters are defined as Sep-Nov, Dec-Feb, Mar-May, Jun-Aug. Source: Table 2 Statistical First Release September 2002; Analytical Services Division Department for Work and Pensions www.dwp.gov.uk/asd/asd/ndlp.

Table A11: Income Support Quarterly Statistical Enquiry figures, Great Britain

Table 1: Number of claimants *Thousands*

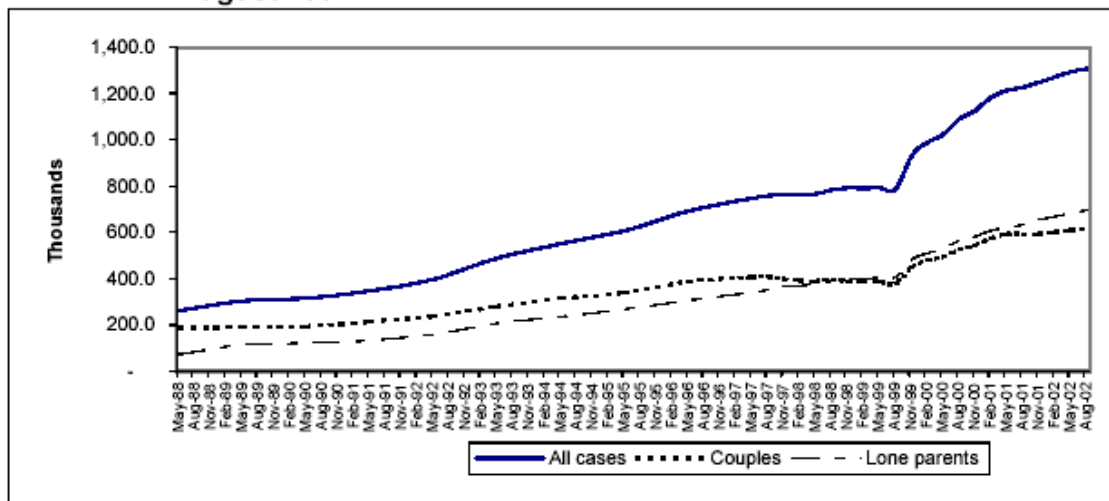
		All	Statistical group			
			Aged 60 or over (MIG)	Lone parents	Disabled	Other
1998	Feb	3,901	1,684	972	870	375
	May	3,853	1,659	961	881	353
	Aug	3,845	1,651	955	893	346
	Nov	3,824	1,641	938	903	342
1999	Feb	3,815	1,620	940	914	341
	May	3,814	1,624	936	914	341
	Aug	3,835	1,628	940	926	341
	Nov	3,835	1,626	929	940	340
2000	Feb	3,806	1,604	919	949	333
	May	3,811	1,615	910	962	324
	Aug	3,845	1,638	909	976	323
	Nov	3,877	1,675	894	992	316
2001	Feb	3,890	1,679	895	1,003	313
	May	3,928	1,717	888	1,017	306
	Aug	3,963	1,736	893	1,033	301
	Nov	3,950	1,741	867	1,044	298
2002	Feb	3,941	1,737	861	1,054	289
	May	3,930	1,746	856	1,067	261
	Aug	3,960	1,758	861	1,077	263
	Nov	3,961	1,768	843	1,086	265

Notes: 1. These figures are not seasonally adjusted. Any comparisons should be made "year on year".

Source: Income Support Quarterly Statistical Enquiry, November 2002, http://www.dwp.gov.uk/asd/asd1/qse/nov2002/is_nov2002_fr.pdf. The data is based on a 5 per cent sample of all claimants in Great Britain whose benefit is in payment on the last weekend in February, May, August and November. Income Support is a noncontributory, income-assessed benefit available to people who are not required to work. Those aged 60 or over receive the Minimum Income Guarantee (MIG), which is paid as IS.

Chart A12: Working Families' Tax Credit Statistics Quarterly Enquiry, UK Time Series August 2002

Chart 1 : FC/WFTC recipients by family type, GB office, May 1988 - August 2002.



Source: Working Families' Tax Credit Statistics Quarterly Enquiry, UK Time Series August 2002, Chart 1 <http://www.inlandrevenue.gov.uk/wfctables/index.htm>.

Chart A12 shows quarterly series for the number of recipients of Family Credit and Working Families' Tax Credit, and their average weekly awards. For dates up to August 1999, the awards are of Family Credit. For November 1999 and February 2000, the recipient families are a mixture of Family Credit and Working Families' Tax Credit recipients. Family Credit recipients are those with awards starting up to 30 September 1999 and still current at the reference date. From May 2000, all the awards are of Working Families' Tax Credit. From May 2001, the figures initially published for each reference date have been based on extracts covering all awards current at the reference date according to data available three months later. They are consistent with the figures published in the geographical publications with the same reference dates. For earlier dates the figures were estimates based on data for a 5 per cent sample of all awards in Great Britain, and all awards in Northern Ireland, again extracted about three months later. To provide consistent estimates over the change of source, figures for May 2001 were compiled on both bases. The differences are due to sampling error in the sample estimates. The final figures, shown here for months up to May 2002, are slightly different to those initially published. They take into account awards made, disallowances and changes to termination dates that occurred after the data for the initially published figures were extracted. The sizes of the changes are estimated by analysing the 5 per cent sample of all awards (all awards in Northern Ireland) extracted six months after the reference date.

